



25th August 2017

HIGH GRADE COBALT-NICKEL MINERALISATION CONFIRMED AT KOLBA PROJECT, SLOVAKIA

- *Rock chip sampling from initial reconnaissance of historical waste dumps reveals high grade cobalt-nickel mineralisation at Kolba, including:*
 - *17K003: 0.68% Co & 6.75% Ni*
 - *17K002: 0.51% Co & 5.02% Ni*
 - *17K001: 0.66% Co, 3.73% Ni & 2.04% Cu*
- *Historical workings mapped over strike length of >300m*
- *Significant operating synergies between Kolba and EUC's flagship Dobsina Project which is located 70km east*



Figure 1: Kolba Cobalt-Nickel Mineralisation



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European Cobalt Ltd ("EUC" or "the Company", ASX: **EUC**) is pleased to announce the results of sampling from sizable mining dumps at the previously mined Kolba Project, Slovakia. Three samples of mineralisation were sent for analysis in order to gain an understanding towards the tenor of mineralisation. Similarly to that of Dobsina, the material mined at Kolba was hand sorted on site.

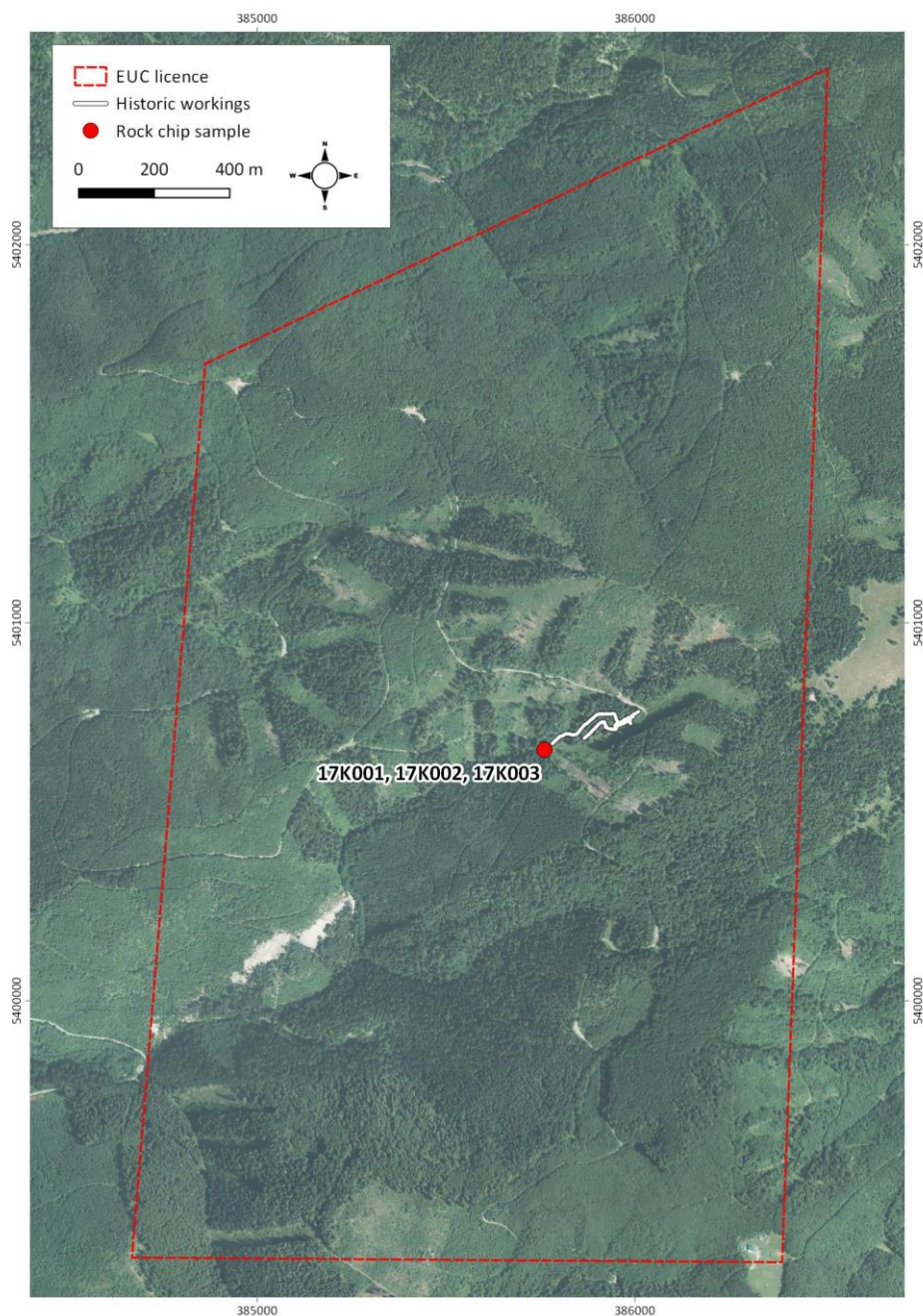


Figure 2: Sample Location Plan & Kolba Historical Adit

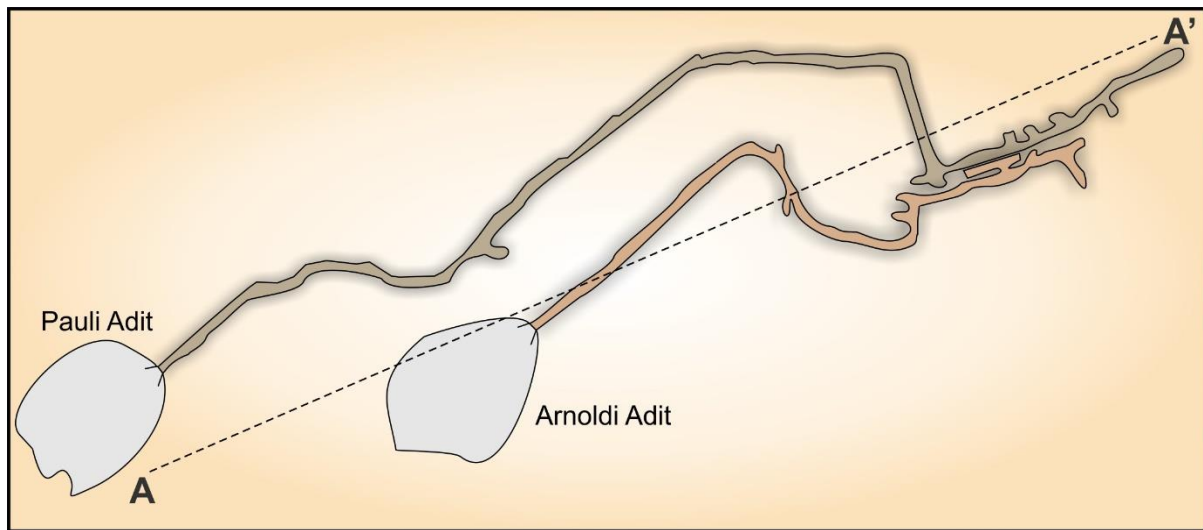


Figure 3: Kolba Plan View of Workings

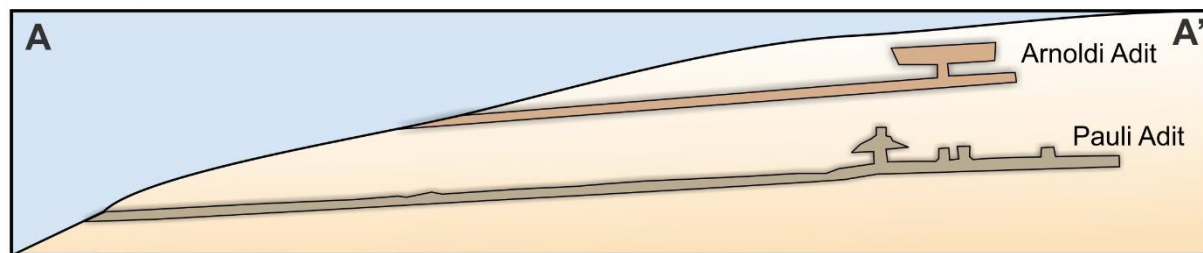


Figure 4: Kolba Long Section of Workings

The samples analysed represent three discrete mineralisation styles:

- 17K001: sulphide mineralisation with arsenides and cobaltite
- 17K002: quartz-carbonate vein with sulphides and cobaltite mineralisation
- 17K003: accumulations and aggregates of cobalt and copper mineralisation (chalcopyrite, tetraedrite)



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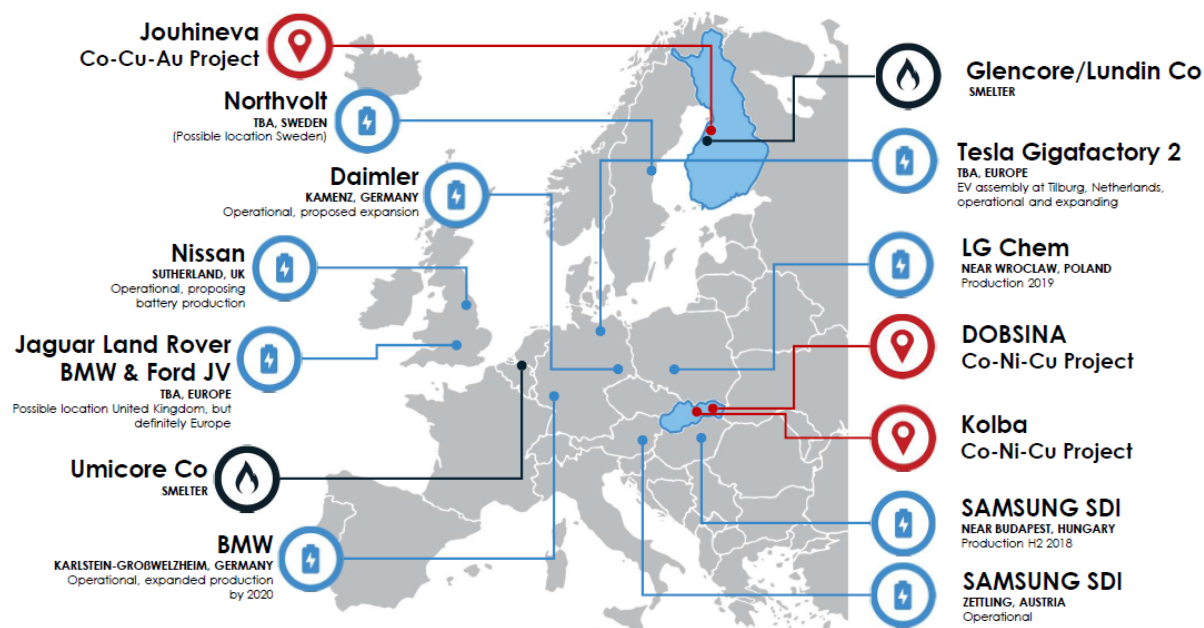


Figure 5: EUC Project Location Plan

FURTHER WORK PLANNED

On the basis of the results returned from the initial reconnaissance sampling completed at Kolba, detailed geological mapping and sampling will be conducted to determine the extent of the target potential.

A ground EM survey to test the down dip and along strike potential of the workings is currently being devised.



DISCLAIMER

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

COMPETENT PERSONS STATEMENT:

The information in this announcement that relates to the Exploration Results for Kolba is based on information compiled and fairly represented by Mr Robert Jewson, who is a Member of the Australian Institute of Geoscientists and Managing Director of European Cobalt Ltd. Mr Jewson has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Jewson consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.



APPENDIX 1: KOLBA ROCK CHIP SAMPLE ASSAYS

Sample	Easting	Northing	Co (%)	Ni (%)	Cu (%)	Ag (g/t)
17K001	385760	5400665	0.66	3.73	2.04	38
17K002	385759	5400664	0.51	5.02	0.44	4
17K003	385762	5400665	0.68	6.75	0.25	42

Notes:

Samples located using handheld GPS and reported in UTM-WGS84 Zone 34N.



JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Comments
Sampling techniques	· Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.	Selective samples of mineralisation were identified, photographed, logged and sampled on site.
	· Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The mineralised samples selected were selected in order to obtain an understanding of the style and tenor of mineralisation prior to systematic work being undertaken.
	· Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	3kg samples were selected for both retaining for reference and geochemical analysis. Samples were crushed and pulverised to 95% passing <106µm. Samples were analysed using four acid digest with ICP finish. Samples were prepared by ALS Laboratories Romania and were shipped to ALS Laboratories Ireland for analysis.
Drilling techniques	· Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	No drilling results have been included this release.
Drill sample recovery	· Method of recording and assessing core and chip sample recoveries and results assessed.	No drilling results have been included this release.
	· Measures taken to maximise sample recovery and ensure representative nature of the samples.	No drilling results have been included this release.
	· Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No drilling results have been included this release.



Criteria	JORC Code explanation	Comments
Logging	<ul style="list-style-type: none">Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	Detailed geological logging has been completed on the selected samples. The samples are reconnaissance in nature and are not suitable for inclusion in a mineral resource estimation.
	<ul style="list-style-type: none">Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of rock chips was completed both on a qualitative and quantitative basis. The lithologies, mineral species, sulphide species, oxidation states and mineral abundances were recorded.
	<ul style="list-style-type: none">The total length and percentage of the relevant intersections logged.	No drilling, rock chip sampling only.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none">If core, whether cut or sawn and whether quarter, half or all core taken.	No drilling, rock chip sampling only.
	<ul style="list-style-type: none">If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No drilling, rock chip sampling only.
	<ul style="list-style-type: none">For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation was completed in accordance with ALS Laboratories standard operating procedure inclusive of crush and pulverise sample to 95% passing <106µm.
	<ul style="list-style-type: none">Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Standard preparation procedure inclusive of internal laboratory internal crushing and pulverising QC tests were applied by ALS Laboratories.
	<ul style="list-style-type: none">Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	The sampling completed was selective in order to gain an understanding of the tenor of mineralisation within the three discrete styles of mineralisation noted to occur.
	<ul style="list-style-type: none">Whether sample sizes are appropriate to the grain size of the material being sampled.	3kg samples for rock chip sampling of this nature is considered sufficient.
Quality of assay data and laboratory tests	<ul style="list-style-type: none">The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Four acid digest with ICP-AES finish is considered industry standard for mineralisation style. This method is considered to be total digestion.
	<ul style="list-style-type: none">For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical instruments used
	<ul style="list-style-type: none">Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Internal laboratory standards and blanks were utilised. For more extensive programs going forward certified standards, field duplicates and blank samples will be utilised.



Criteria	JORC Code explanation	Comments
Verification of sampling and assaying	· The verification of significant intersections by either independent or alternative company personnel.	No drilling intersections are reported.
	· The use of twinned holes.	No drilling, rock chip sampling only.
	· Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Field logging of samples was recorded using paper sample register. The information was subsequently digitised and stored in an access database.
	· Discuss any adjustment to assay data.	No adjustments to assay data was performed.
Location of data points	· Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	Hand held GPS was utilised in order to locate samples taken.
	· Specification of the grid system used.	UTM-WGS84- zone 34N
	· Quality and adequacy of topographic control.	A digital terrain model was generated from 1:50,000 topographic map. The quality of the DTM is sufficient for the stage of exploration for the Project.
Data spacing and distribution	· Data spacing for reporting of Exploration Results.	Rock chip information gathered from selected mullock samples was spaced irregularly due to the reconnaissance nature of the program being undertaken.
	· Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Not attempting to establish a mineral resource only guide the prospectivity and future drilling
	· Whether sample compositing has been applied.	No sample compositing is completed.
Orientation of data in relation to geological structure	· Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	No documentation with respect to the orientation of samples and potential of bias.
	· If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No drilling, rock chip sampling only.
Sample security	· The measures taken to ensure sample security.	Samples were taken and transported by EUC staff and contractors via courier ALS Laboratory in Romania and transported via courier to ALS Laboratory Ireland.
Audits or reviews	· The results of any audits or reviews of sampling techniques and data.	No audits or reviews of sampling have been completed to date.



SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	· Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Kolba consists of a granted Licence (License number 4207/2017-5.3) covering a land area of 4.2km ² , held by CE Metals s.r.o, a 100% wholly owned subsidiary of NiCo Minerals Pty Ltd, a 100% wholly owned subsidiary of European Cobalt Ltd.
	· The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	No known impediments exist with respect to the exploration or development of Kolba Project.
Exploration done by other parties	· Acknowledgment and appraisal of exploration by other parties.	At present the only identified activities conducted across the site has been completed by previous mining operators.
Geology	· Deposit type, geological setting and style of mineralisation.	<p>The Kolba Project is located in the Veporske vrchy Mountains in central Slovakia. Two mineralisation stages are noted to occur- carbonate and sulphide, both of which hosted within Permian sedimentary and volcanic lithologies.</p> <p>Economic minerals noted to occur at Kolba include Cobaltite, chalcopyrite, cobalt arsenides and Kobaltite.</p>
Drill hole Information	· A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:	No drilling performed
	o easting and northing of the drill hole collar	No drilling performed
	o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar	No drilling performed
	o dip and azimuth of the hole	No drilling performed
	o down hole length and interception depth	No drilling performed
	o hole length.	No drilling performed
	· If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	All available information has been released.



Criteria	JORC Code explanation	Commentary
Data aggregation methods	<ul style="list-style-type: none">· In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.	No aggregation methods applied
	<ul style="list-style-type: none">· Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No aggregation methods applied
	<ul style="list-style-type: none">· The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalence reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none">· These relationships are particularly important in the reporting of Exploration Results.	No drilling performed
	<ul style="list-style-type: none">· If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	No drilling performed
	<ul style="list-style-type: none">· If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	No drilling performed
Diagrams	<ul style="list-style-type: none">· Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Maps and plans have been included in announcement.
Balanced reporting	<ul style="list-style-type: none">· Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	The results of all the rock chip samples submitted to the laboratory have been reported.



Criteria	JORC Code explanation	Commentary
Other substantive exploration data	<ul style="list-style-type: none">Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other exploration data is considered meaningful and material to this announcement.
Further work	<ul style="list-style-type: none">The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).	Detailed geological mapping, geochemical sampling and acquisition/translation/digitisation of historical exploration data is to be undertaken.
	<ul style="list-style-type: none">Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further activities will be planned upon completion of the field reconnaissance and data collation.