



27th December 2017

Dobsina Exploration Update

- **Initial results from four diamond drill holes completed at Dobsina reported:**
 - **Do-12: 1m at 0.23% Co and 0.36% Ni**
 - **Including: 0.6m at 0.31% Co and 0.51% Ni**
 - **Do-01: 0.6m at 0.13% Co and 0.16% Ni**
 - **Including: 0.2m at 0.37% Co and 0.47% Ni**
 - **Do-04: 3.6m at 1.22% Cu**
 - **Including: 0.4m at 3.51% Cu**
 - **Do-16: 1.3m at 1.17% Cu**
- **Channel sampling conducted along strike of the Pivo Zone reported:**
 - **0.3m at 794g/t Ag, 1.48% Cu, 5.78% Sb and 0.3g/t Au**
 - **0.5m at 120g/t Ag, 0.5% Cu, 0.88% Sb and 0.5g/t Au**
 - **2.0m at 40g/t Ag, 0.85% Cu and 0.36% Sb**
- **Co-Ni mineralisation in channel samples from surface exploration trenches:**
 - **T-01: 2.2m at 0.18% Co, 0.21% Ni, 0.44% Cu and 10.9g/t Ag**
 - **Including: 1.0m at 0.31% Co and 0.33% Ni**
- **Five drill holes planned to be completed across Joremeny Adit Target, verifying Co-Ni mineralisation delineated by previous underground channel sampling – drilling to commence second week of January**
- **Underground drilling to commence upon refurbishment of Joremeny Adit**
- **Lidar data acquired, interpretation of location and extents of waste dumps across site underway**
- **Recently completed \$20M capital raising to be utilised to expedite exploration and development activities at Dobsina**
- **Permitting submitted for multiple underground adit refurbishments**
- **Development of initial 3D Model of Zemberg-Terezian Workings completed**



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European Cobalt Ltd ("EUC" or "the Company", ASX: EUC) is pleased to provide an exploration update relating to the channel sampling, drilling and 3D modelling activities currently being undertaken.

Assay results have been received from two drill holes targeting mineralisation proximal to the Joremeny Adit and two holes targeting mineralisation beneath the Pivo Zone Road cutting.

The drill holes completed proximal to the Joremeny Adit have acted to assist with understanding the structural and lithological setting of mineralisation. Five drill holes specifically targeting the cobalt-nickel sulphide mineralisation within the Joremeny Adit target have been planned. Drilling of these cobalt-nickel sulphide targets proximal to the Joremeny Adit will be commencing in the second week of January.

Channel sampling of mineralised structures parallel to the Pivo Zone has confirmed that multiple zones of mineralisation extends beyond the road cutting and changes in nature to being enriched in silver-copper-antimony.

Lidar survey data has been acquired across Dobsina and has provided a high accuracy digital terrain model ("DTM"). This DTM is utilised for a multitude of purposes including the accurate identification of historical adit entry points, location/extent of historical waste dumps, detailed site based topographic information and infrastructure planning. An interpretation of the location and extents of historical waste dumps has commenced.

Initial 3D modelling of the northern underground adit development across the Zemberg-Terezian Vein system has been completed.

DRILLING OF JOREMENY TARGET

The drilling of the Joremeny Target has further supported the structural and lithological model for targeting mineralisation. The aims of drilling included to determine and refine the structural/lithological model for targeting mineralisation and understand the geometry of mineralisation.

Based on the previous geological mapping and channel sampling completed in 1992, mineralisation within the Joremeny Adit ranges in thickness from 0.3m to 2.5m. The



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refurbishment of the Joremeny Adit underway at present will provide significant further understanding with respect to the geometry and extent of mineralisation. In addition, it is proposed that extensive underground drilling is to be completed in conjunction with detailed underground mapping and channel sampling.

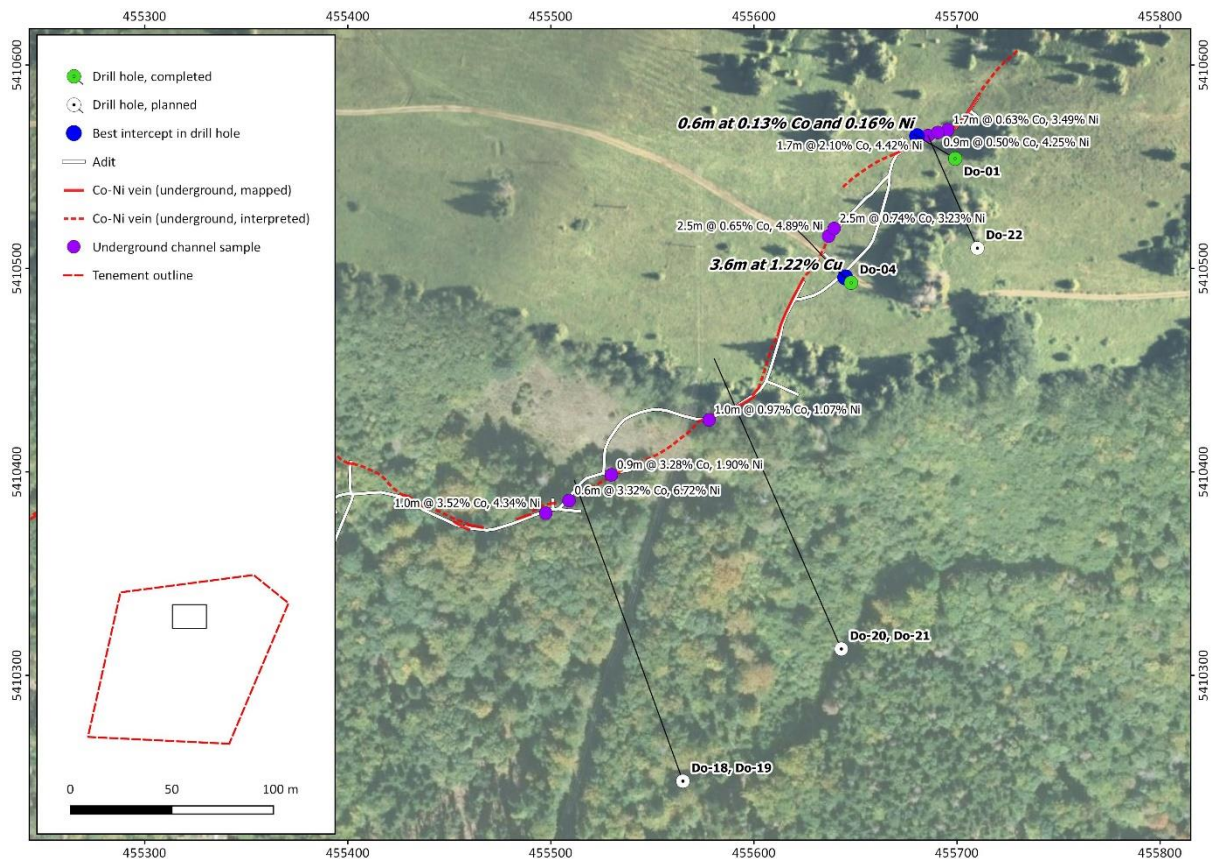


Figure 1: Planned Drill Holes, Underground Channel Sampling & Drill Intercepts Do-01 & Do-04



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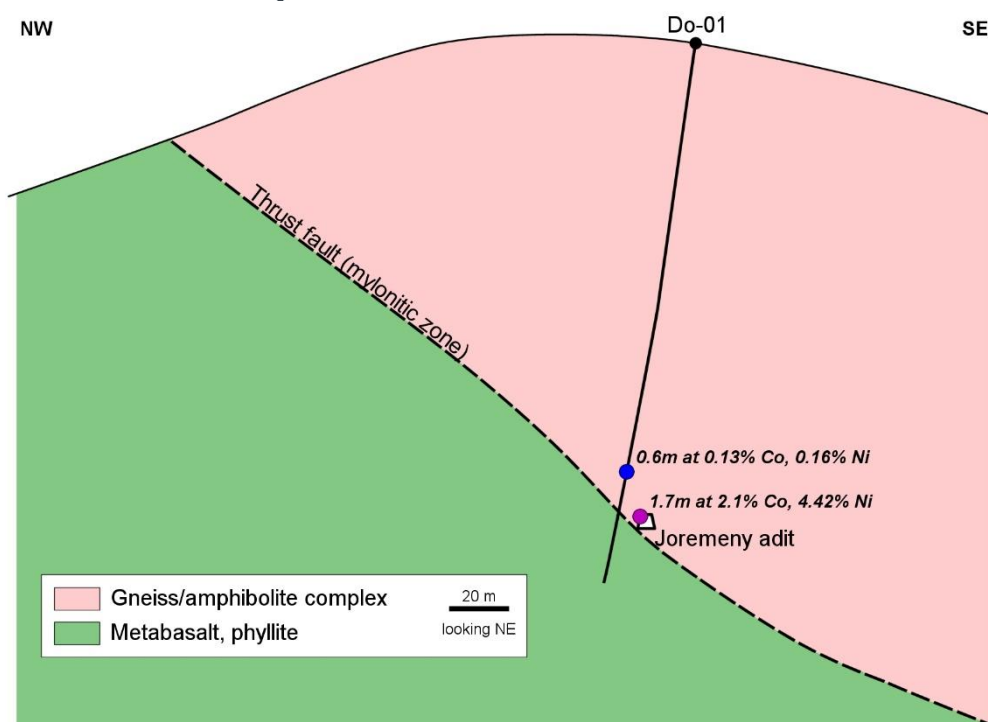


Figure 2: Drill section of hole Do-01 & proximal channel sample from the Joremeny Adit

The intercept of Do-01 occurs up dip of the historical adit channel sample of 1.7m at 2.1% Co, 4.42% Ni.

PLANNED DRILLING ACROSS JOREMENY ADIT TARGET

Five diamond drill holes have been planned to be completed across the Joremeny Adit, specifically focusing on areas proximal to cobalt-nickel sulphide mineralisation identified in previous underground channel sampling¹.

CHANNEL SAMPLING AND DRILLING OF PIVO ZONE

Channel sampling has been completed along strike of the Pivo Zone which has identified multiple mineralised structures. These mineralised structures, occurring along strike from the Pivo Zone are enriched in silver – copper – antimony at surface. This style of mineralisation along strike from the Pivo Zone is typical of what has been previously described in terms of metal zonation with the mineralisation transitioning to cobalt-nickel dominant at depth. Significant results from channel sampling of trenches includes:

¹ Refer to ASX Release “High Grade Cobalt-Nickel-Copper Sulphide Mineralisation Delineated at Dobsina” on the 26th June 2017 for full details of previous underground channel sampling



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- 2.2m at 0.18% Co, 0.21% Ni and 0.44% Cu
- 0.3m at 794g/t Ag, 1.48% Cu and 5.78% Sb

The drilling in the Pivo Zone obtained narrow intervals of mineralisation near surface. A detailed ground Electromagnetic (EM) survey and further trenching is proposed to be conducted across this target prior to further drilling in order to understand the extent and geometry of the cobalt-nickel-copper sulphide target.

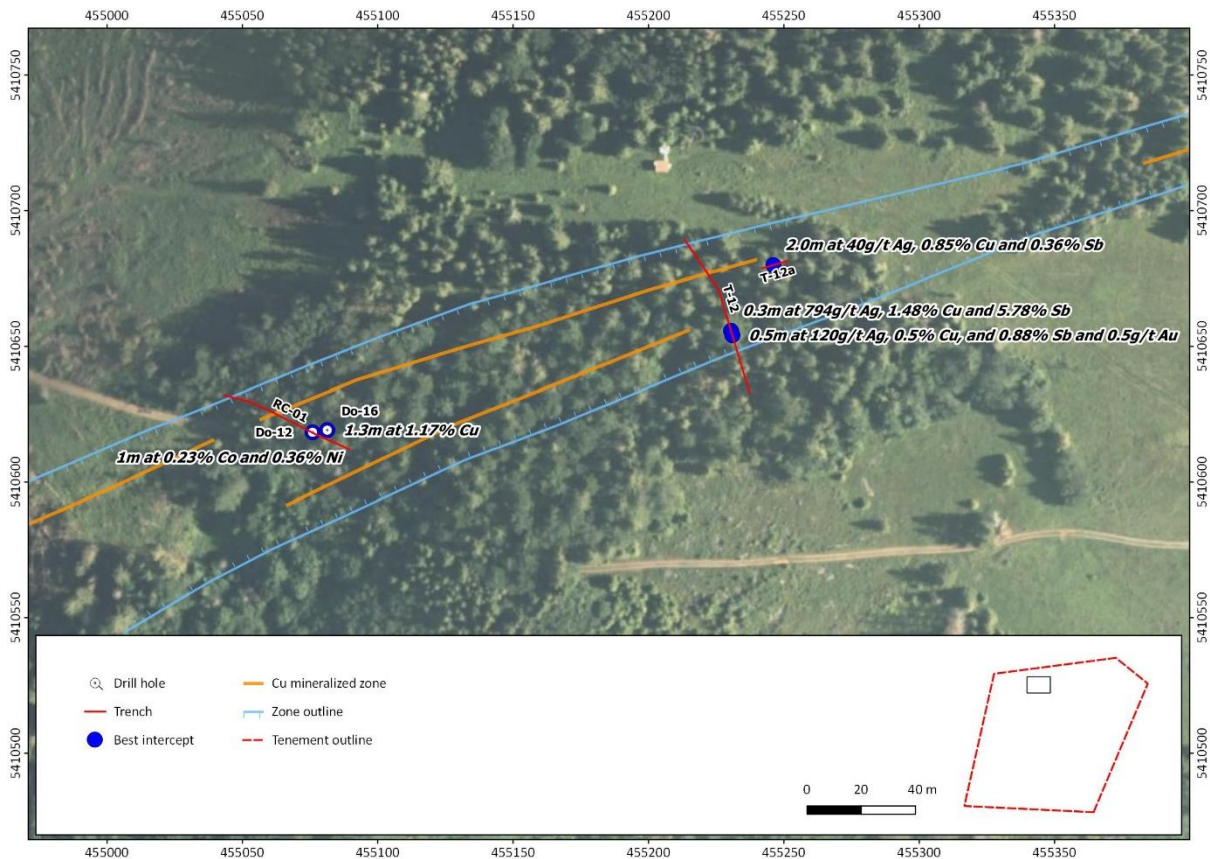


Figure 3: Plan view showing the Pivo zone (trench RC-01), exploration trenches T-12 and T-12a and shallow drill holes Do-12 and Do-16



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DEVELOPMENT OF 3D MODEL OF ZEMBERG TEREZIAN WORKINGS

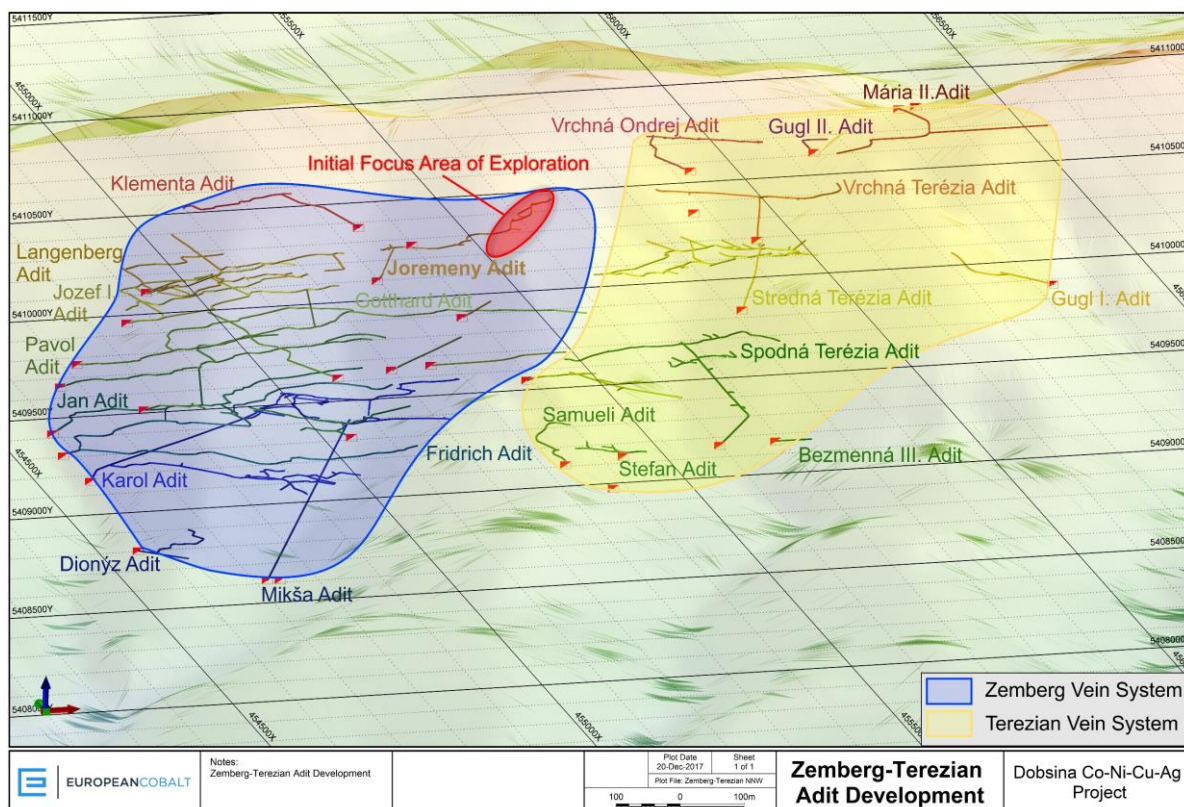
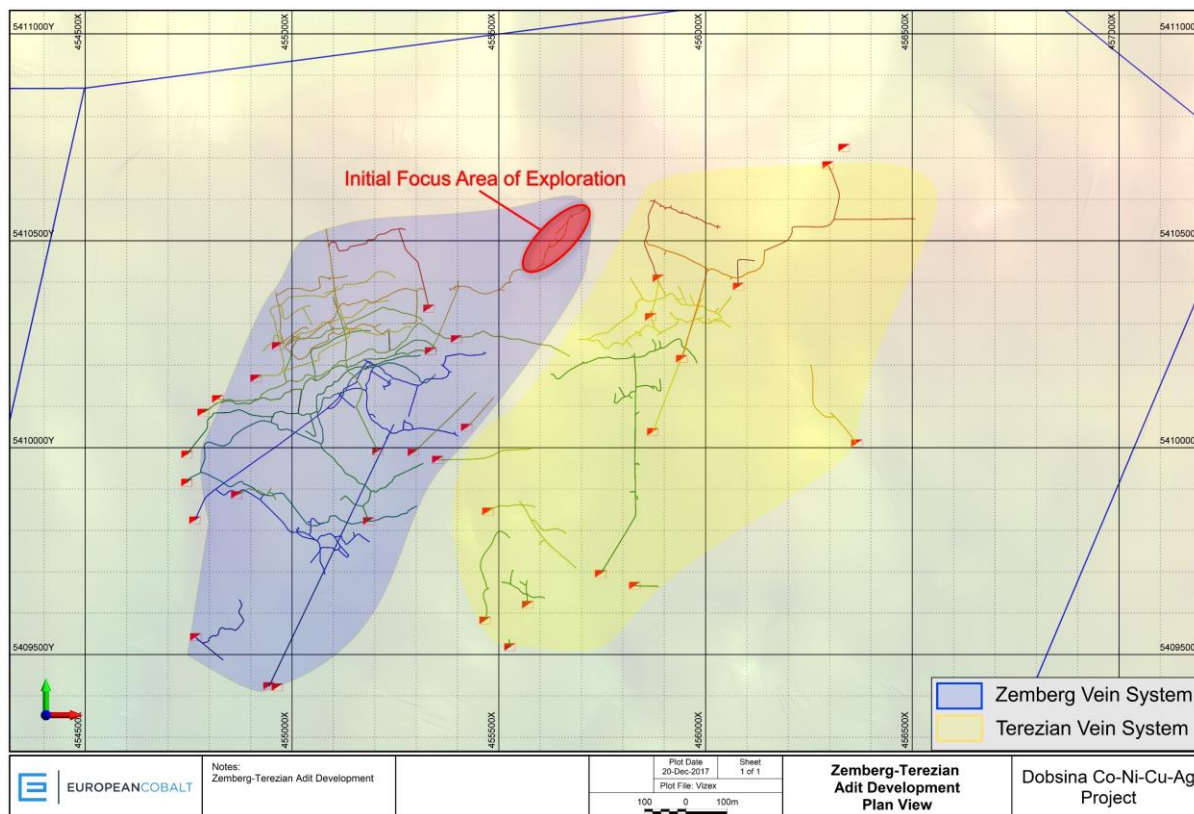


Figure 4: Zemberg-Terezian Adits- Plan View (Top) Looking NNW (Bottom)



The initial modelling of the Zemberg-Terezian adits has increased our understanding of the location and extent of mineralisation targeted by previous miners. Distances between adit levels range from 30 to 110m. The exploration being conducted to date has concentrated on only a single vein along a 200m strike length of part of the Joremeny target within a broader target of three veins with a strike length of >1500m across the Zemberg-Terezian Vein System.

EXPLORATION PROGRAM Q1-Q2 CY2018

Exploration activities planned for Q1-Q2 CY2018 include:

- Surface drilling program targeting cobalt-nickel sulphide targets delineated by previous channel sampling across Joremeny Target
- Completion of underground refurbishment of Joremeny Adit
- Underground diamond drilling at Joremeny Adit
- Detailed geotechnical assessment of Joremeny Adit and diamond drill core
- Metallurgical testing program from mineralisation obtained from Joremeny Adit upon refurbishment
- Commencement of adit refurbishment across Langenberg Adit (located directly to west and along strike of Joremeny Adit)
 - Underground diamond drilling to commence upon completion of underground refurbishment of these adits
- Detailed surface mapping of Rejdova copper mine and IP geophysical survey
- Field reconnaissance and inspection of historical waste dumps and workings identified utilising Lidar survey data



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 Dobsina 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.

REFERENCES:

ASX Release “High Grade Cobalt-Nickel-Copper Sulphide Mineralisation Delineated at Dobsina” on the 26th June 2017



APPENDIX 1: DRILL COLLAR LOCATION INFORMATION

Hole	Easting	Northing	Dip	Azimuth	Total Depth
Do-01	455,699	5,410,554	-80.6	300.7	170.0
Do-04	455,648	5,410,493	-74.4	314.1	157.55
Do-12	455,076	5,410,618	-45.0	10.0	4.4
Do-16	455,081	5,410,619	-35.0	340.0	26.6

APPENDIX 2: DRILL HOLE ASSAY INFORMATION

Hole	From	Interval	Co%	Ni%	Cu%
Do-01	135.0	0.6	0.13	0.16	-
Do-04	7.6	0.4	0.006	0.004	3.51
Do-04	8.0	1.0	0.005	0.004	0.314
Do-04	9.0	0.55	0.005	0.004	0.543
Do-04	9.55	0.95	0.003	0.004	0.83
Do-04	10.5	0.7	0.003	0.002	2.24
Do-12	1.3	0.4	0.112	0.143	0.031
Do-12	1.7	0.6	0.307	0.509	0.296
Do-16	18.2	1.3	-	-	1.17

APPENDIX 3: CHANNEL SAMPLING LOCATION INFORMATION

Channel	Easting	Northing	Length	Azimuth
T-01	455,590	5,410,589	82	346.1
T-12	455,237	5,410,633	64	253.8
T-12a	455,251	5,410,681	8	334.1

APPENDIX 4: CHANNEL SAMPLING ASSAY INFORMATION

Channel	From	Interval	Co%	Ni%	Cu%	Ag g/t	Sb%	Au g/t
T-01	62.0	0.5	0.09	0.16	0.311	34	0.046	X
T-01	62.5	0.5	0.048	0.059	0.106	3	0.008	X
T-01	63.0	1.0	0.314	0.334	0.416	3	0.023	X
T-01	64.0	0.2	0.048	0.13	1.67	89	0.364	X
T-12	23.3	0.5	0.004	0.005	0.503	120	0.883	0.481
T-12	25.0	0.3	0.005	0.006	1.48	794	5.78	0.312
T-12a	3.0	1.0	0.001	0.0005	0.439	41	0.346	X
T-12a	4.0	1.0	0.0005	0.002	1.28	39	0.37	X

Note:

X denotes not assayed for this element



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	<ul style="list-style-type: none">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.	<p>Diamond Drilling: Diamond drill core using HQ sized drill core.</p> <p>Channel Sampling: Channel sampling was conducted by excavating a trench by hand within forest areas or via excavator in open fields, then taking representative samples of the mineralisation and surrounding alteration.</p>
	<ul style="list-style-type: none">Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	<p>Diamond Drilling: Sampling was completed based on geological intervals with a minimum sample length of 10cm and maximum of 1m.</p> <p>Core was photographed wet and dry, cut and uncut. Half core was sampled for laboratory analysis.</p> <p>Field duplicates were inserted at the rate of 1:25 samples to ensure representivity of sampling. In addition, standard reference materials and blanks were inserted every 25th sample.</p> <p>Channel Sampling: Channel sampling was conducted in accordance with EUC's channel sampling protocol which includes 1:25 field duplicate samples were taken in order to ensure representivity of sampling completed. Standard reference materials and blanks were inserted every 25th sample.</p>
	<ul style="list-style-type: none">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.	<p>Diamond Drilling: Diamond core was cut in half and sampled on intervals ranging from 10cm to 1m whilst taking into consideration geological boundaries. 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.</p> <p>Channel Sampling: Channel samples of intervals ranging between 10cm to 1m were taken whilst taking into consideration geological boundaries. 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.</p>



Criteria	JORC Code explanation	Comments
Drilling techniques	<ul style="list-style-type: none">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).	Diamond Drilling: Diamond drilling was completed from surface and is orientated using a Reflex ATC III Orientation Tool.
Drill sample recovery	<ul style="list-style-type: none">Method of recording and assessing core and chip sample recoveries and results assessed.	Diamond Drilling: Diamond drill core recovery is recorded as a percentage of measured recovered core versus drilled distance. In general, high recoveries have been reported.
	<ul style="list-style-type: none">Measures taken to maximise sample recovery and ensure representative nature of the samples.	Diamond Drilling: HQ coring utilised and daily updates with respect to core recoveries were provided to drillers.
	<ul style="list-style-type: none">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.	Diamond Drilling: No bias between sample recovery and grade has been identified.
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.	Diamond Drilling: Diamond drill core is geologically logged for the total length of the hole. Logging records lithology, mineralogy, alteration, veining, structure, mineralisation, weathering and geotechnical parameters. Drill logs are coded using the company geological coding legend on logging sheets and a graphical log is also prepared. Data is entered from field sheets into Excel then imported into an access database for validation. The access database is further validated through importing into Micromine and compared to geological model. The logging is appropriate and sufficiently detailed to support utilisation in a Mineral Resource Estimation.
		Channel Sampling: The trenches excavated were logged in their entirety for lithology, mineralogy, alteration, veining, structure, mineralisation and weathering. A graphical log of each of the trenches was additionally prepared. Data is initially captured in field logging sheets, Entered into Excel thence imported into an access database for validation. Further validation is completed through importing this data into Micromine. The level of logging conducted is appropriate and sufficiently detailed to support utilisation 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.	Diamond Drilling: Logging of drill core is both qualitative and quantitative. Drill core is photographed wet and dry prior to and post cutting. Channel Sampling:



Criteria	JORC Code explanation	Comments
		Logging of channel samples is both qualitative and quantitative.
	<ul style="list-style-type: none">The total length and percentage of the relevant intersections logged.	Diamond Drilling: 100% of the core drilled to date by the Company has been geological logged. Channel Sampling: 100% of the trenches excavated have been geologically logged.
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.	Diamond Drilling: Core is sawn and half core is sampled for analysis.
	<ul style="list-style-type: none">If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Diamond Drilling: Only core drilling completed. Channel Sampling: No sub sampling methods conducted to channel samples/
	<ul style="list-style-type: none">For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Diamond Drilling & Channel Sampling: 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.	Diamond Drilling & Channel Sampling: 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.	Diamond Drilling: Field duplicate samples were taken at the rate of 1:25 samples. Standard reference materials and blanks were similarly included at the rate of 1:25 samples. Channel Sampling: A field duplicate sample is taken at the rate of 1:25 samples from directly above the previous channel sample across the same interval. Standard reference materials and blanks were similarly included at the rate of 1:25 samples.
	<ul style="list-style-type: none">Whether sample sizes are appropriate to the grain size of the material being sampled.	Diamond Drilling & Channel Sampling: The sample size is considered appropriate to the mineralisation style and the grain size of the material.
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.	Diamond Drilling & Channel Sampling: Four acid digest with ICP-AES finish is considered industry standard for this 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 tools were used.



Criteria	JORC Code explanation	Comments
	<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. 	<p>Diamond Drilling & Channel Sampling: Standard reference materials and blanks were inserted at the rate of 1:25 samples.</p> <p>QAQC checks reported inline with range of certification.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	<p>Diamond Drilling & Channel Sampling: Results are initially reviewed by EUC's Chief Geologist and are subsequently cross validated by the competent person.</p>
	<ul style="list-style-type: none"> The use of twinned holes. 	<p>Diamond Drilling: No twinned holes have been completed to date.</p>
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 	<p>Diamond Drilling & Channel Sampling: Information is initially recorded on field logging sheets. Information is validated and subsequently stored in an access database. Further validation is conducted through the importation and validation in Micromine.</p>
	<ul style="list-style-type: none"> Discuss any adjustment to assay data. 	<p>Diamond Drilling & Channel Sampling: No adjustments completed.</p>
Location of data points	<ul style="list-style-type: none"> 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. 	<p>Diamond Drilling: Hand held GPS was utilised to locate drill collars. Downhole surveys have been completed by Eastman single shot camera. Gyroscopic downhole surveys to be completed at the end of the drilling campaign.</p> <p>Channel Sampling: A handheld GPS was utilised to locate the trenches.</p>
	<ul style="list-style-type: none"> Specification of the grid system used. 	<p>Diamond Drilling & Channel Sampling: UTM-WGS84- zone 34N</p>
	<ul style="list-style-type: none"> Quality and adequacy of topographic control. 	<p>Diamond Drilling & Channel Sampling: 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.</p>
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 	<p>Diamond Drilling: Drilling completed is on an irregular spacing with orientation of the drill holes aiming to be perpendicular to the mapped mineralised strike.</p> <p>Channel Sampling: Channel sampling was conducted on an irregular grid due to the activities being of a reconnaissance nature.</p>
	<ul style="list-style-type: none"> 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. 	<p>Diamond Drilling & Channel Sampling: The drilling and channel sampling completed is of a reconnaissance nature and as such is insufficient to report a mineral resource.</p>
	<ul style="list-style-type: none"> Whether sample compositing has been applied. 	<p>Diamond Drilling & Channel Sampling: Sample compositing has been applied. Results reported are length weighted averages. A full listing of results inclusive of each interval is reported in the Appendix 2 and 4 above.</p>



Criteria	JORC Code explanation	Comments
Orientation of data in relation to geological structure	<ul style="list-style-type: none">Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Diamond Drilling & Channel Sampling: The drilling completed is orientated to be perpendicular to the trend of mineralisation based on mapping.
	<ul style="list-style-type: none">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.	Diamond Drilling: The drilling intercept reported is downhole. Further drilling is required to obtain confirmation of the true width of mineralisation and whether the orientation has introduced any sampling bias. Channel Sampling: The channel sampling completed is mapped as being perpendicular to the targeted structures and as such is considered to be a true width.
Sample security	<ul style="list-style-type: none">The measures taken to ensure sample security.	Diamond Drilling & Channel Sampling: Sampling was completed by EUC staff in collaboration with contractors. Samples were transported by EUC staff to a secure sample storage facility prior to be transported by courier to ALS laboratories in Romania.
Audits or reviews	<ul style="list-style-type: none">The results of any audits or reviews of sampling techniques and data.	None conducted



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	<ul style="list-style-type: none">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.	<p>Dobsina consists of a granted Licence (License number 2466/2017-5.3) covering a land area of 6.97km², 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. Further conditional payment consideration includes:</p> <ul style="list-style-type: none">- 73,333,334 Performance Shares (subject to ASX approval per Listing Rule 6.1) on the following terms and conditions being:<ul style="list-style-type: none">o 36,666,667 Class A Performance Shares for the achievement of an Inferred Mineral Resource in accordance with the JORC 2012 Edition Guidelines of not less than 500,000 tonnes at a minimum grade of 0.5% Cobalt equivalence within the Dobsina Licence or the sale/processing of a minimum of 50,000t of ore sold/processed at a minimum grade of 0.5% Cobalt equivalence (Performance Shares Milestone 1)o 36,666,667 Class B Performance Shares for the achievement of an Inferred Mineral Resource in accordance with the JORC 2012 Edition Guidelines of not less than 1,000,000 tonnes at a minimum grade of 0.5% Cobalt equivalence within the Dobsina Licence or the sale/processing of a minimum of 100,000t of ore sold/processed at a minimum grade of 0.5% Cobalt equivalence (Performance Shares Milestone 1)- Payment of a 2% Net Smelter Royalty ("NSR") on the production of any minerals from the Dobsina Licence
	<ul style="list-style-type: none">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.	<p>No known impediments exist with respect to the exploration or development of Dobsina Project.</p>
Exploration done by other parties	<ul style="list-style-type: none">Acknowledgment and appraisal of exploration by other parties.	<p>At present the information utilised within this release is sourced from "Geologicky prieskump s.p., Spisska Nova Ves Geologica oblast Roznava, Zavererna sprava Dobsina- Ni-Co- VP nickel Kobalt" 1992 and "Bankse Mestro Dobsina" a publication prepared by the Slovak Ministry of Interior, published in Kosice 2013 (ISBN 978-80-97005-7-8).</p>



Criteria	JORC Code explanation	Commentary
Geology	<p>· Deposit type, geological setting and style of mineralisation.</p>	<p>The Dobsina Project lies at a major thrust contact between two regional tectonostratigraphic units called Veporicum and Gemericum.</p> <p>Mineralisation at Dobsina is characterised by the following styles:</p> <ul style="list-style-type: none"> - Siderite hydrothermal veins (siderite-ankerite, quartz sulphide) - Metasomatic Fe-Carbonate replacement - Stratiform sediment hosted Ag-Au - Stratiform sediment hosted magnetite-hematite <p>Siderite hydrothermal veins prospective for Co-Ni veins are located in two main east-west tectonic zones along a fault contact between gneiss-amphibole and underlying phyllite green schist.</p>
Drill hole Information	<p>· 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:</p> <ul style="list-style-type: none"> o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. <p>· 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.</p>	<p>All collar location, depth, azimuth and dip information is provided within Appendix 1 of this announcement.</p> <p>All available information has been released.</p>
Data aggregation methods	<p>· In reporting Exploration Results, weighting techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>· 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.</p>	<p>Length weighted averages are reported in the highlights and body of the announcement. A full listing of the individual intervals is reported in Appendix 2 and 4 above.</p> <p>Length weighted averages have been applied where necessary to calculate composite intervals. Calculations were performed in excel using the sumproduct function to calculate the length weighted average grades.</p>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none">The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalence are 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.If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.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').	Diamond Drilling: All intersections are reported as downhole lengths. Additional drill holes are required to confirm the relationship between downhole lengths and true widths.
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 body of the 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.	All results including those with no significant results have been reported.
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).	Further drilling is planned to be undertaken and is referenced in the body of the release.



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Criteria	JORC Code explanation	Commentary
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Relevant diagrams have been included in the body of the Announcement.