EUROPEANCOBALT

11th July 2018

IP Survey Delineates Extensive Co-Ni-Cu Target

- *Initial 4 IP (Induced Polarisation) survey lines completed across Joremeny-Pavol-Josef-Gotthard Adits has defined a large IP anomaly coincident with historical adit development*
- *Additional targets also identified outside of areas of previous mining*
- *Coincident IP and resistivity anomaly is open at depth and along strike*
- *Chargeability anomaly interpreted to represent zones of disseminated, semi massive to massive sulphide mineralisation associated with cobalt-nickel-copper sulphide mineralisation*
- *IP survey extended to test entire Zemberg-Terezian Vein System, combination of drilling and underground channel sampling where possible planned to further refine targeting*

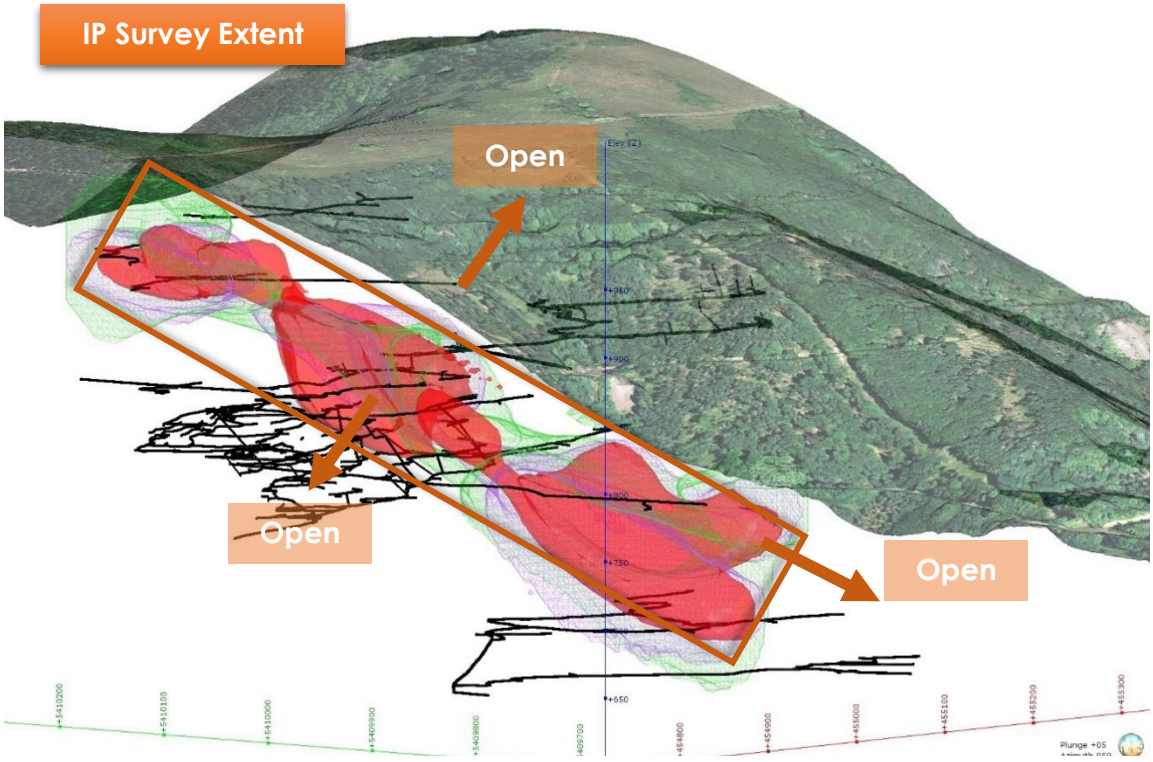


Figure 1: 3D Inversion Model & Adits (Red: Metal Factor >6, Green: IP(>20mV/V) & Purple: Resistivity <475ohms), Lines 1, 2, 3

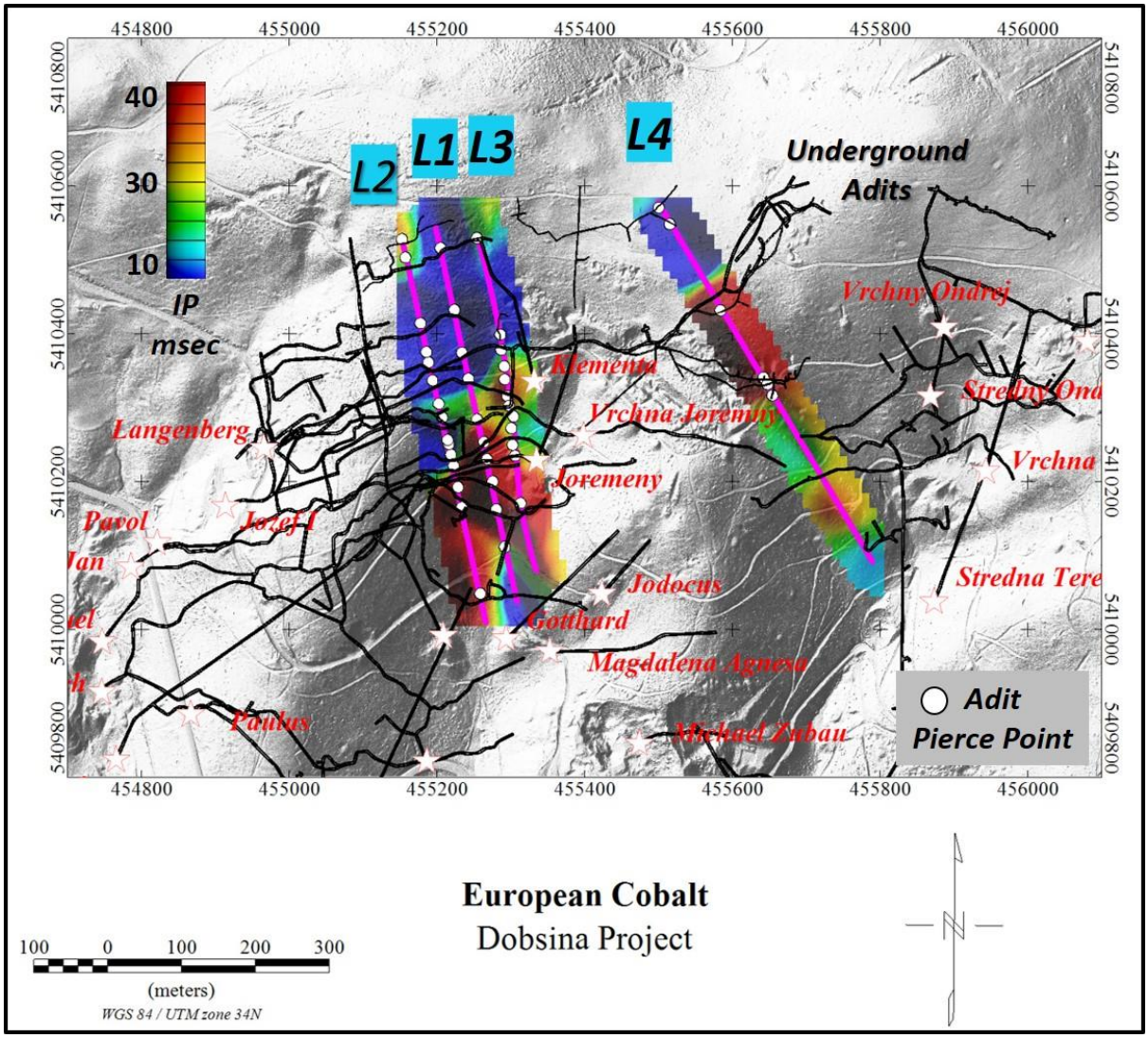


Figure 2: IP Survey Lines, Adit Peirce Points, IP Chargeability at 75m below surface, Lidar background

European Cobalt Ltd ("**EUC**" or "the Company", ASX: EUC) is pleased to announce the results of the four Induced Polarisation ("IP") survey lines completed across the Joremeny-Pavol-Josef-Gotthard Adits. The survey aimed to determine the effectiveness of utilising IP to identify areas of known mineralisation. The high degree of correlation between the IP/resistivity anomalies and historical workings with mapped mineralisation strongly supports the efficacy of this method. In addition to the correlation with known mineralisation, further targets outside of areas of previous adit development have been identified and warrant further investigation.

Managing Director, Rob Jewson commented "*The use of IP geophysics has the potential to rapidly and cost effectively explore across the vast strike extent of the Dobsina Project. The initial lines completed have provided compelling justification to substantially expand the geophysical program along strike. The anomalies defined are presently open along strike east and west and to the south. The up-dip projection of the anomalies to the north, where they intersect the surface, are coincident with historical open cut mines.*

Based upon the results received from the initial four IP lines completed, the survey has been extended across the entire strike length of the Zemberg Vein System in the northern extent of the Dobsina Licence. The survey will be completed initially on 50m line spacing and infill where necessary to further refine the geometry of the anomalies. Furthermore, the initial four survey lines are planned to be extended to the south in order to define the extent of the IP/resistivity targets which are presently open to the south."

IP SURVEY

Four lines of IP were acquired over an area with extensive underground adits (Figure 1). The raw data pseudo-sections are shown in Appendix I. The data was modelled with the Zonge 2D Smooth Model Inversion software. The modelling has identified three strong chargeability anomalies associated to known mineralisation (see Figure 2, 3, 6, 9 and 12). The IP clearly shows a relationship of high IP responses with known mineralisation and zones where no work has been undertaken. The IP responses are open to the east, west, south. The IP responses to the northern extents of lines 1 to 3 correlate well with historical open pit mining.

The resistivity data shown in Figures 4, 7, 10 and 13 shows a more conductive zones that coincides with the chargeability anomalies (red being more conductive and blue more resistive).

A useful parameter used in IP is the metal factor. The metal factor is calculated by dividing chargeability by resistivity. This will emphasise where both low resistivity and high chargeability exists – potentially areas with greater concentration of sulphides occur. The metal factor is shown in Figures 5, 8, 11 and 14 where the red colours show these potential areas of higher sulphides.

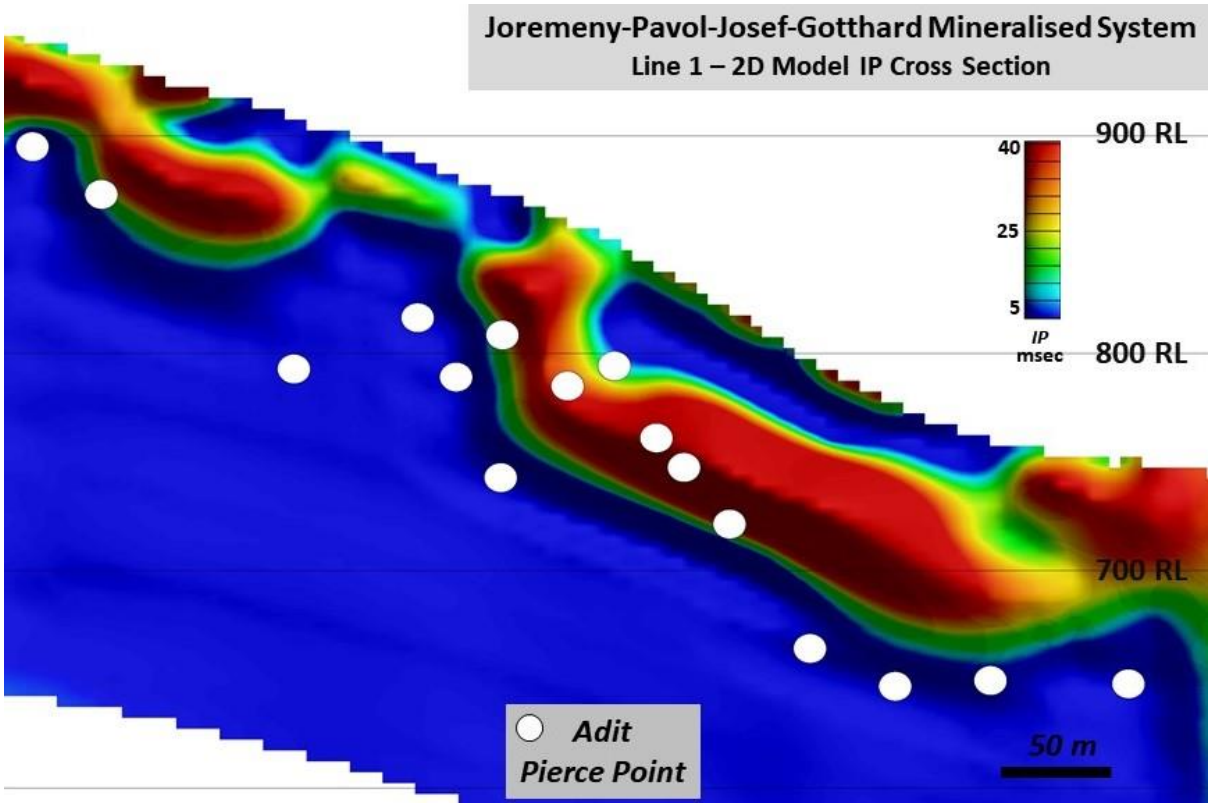


Figure 3: Line 1 IP 2D Model Chargeability Cross Section (Looking East)

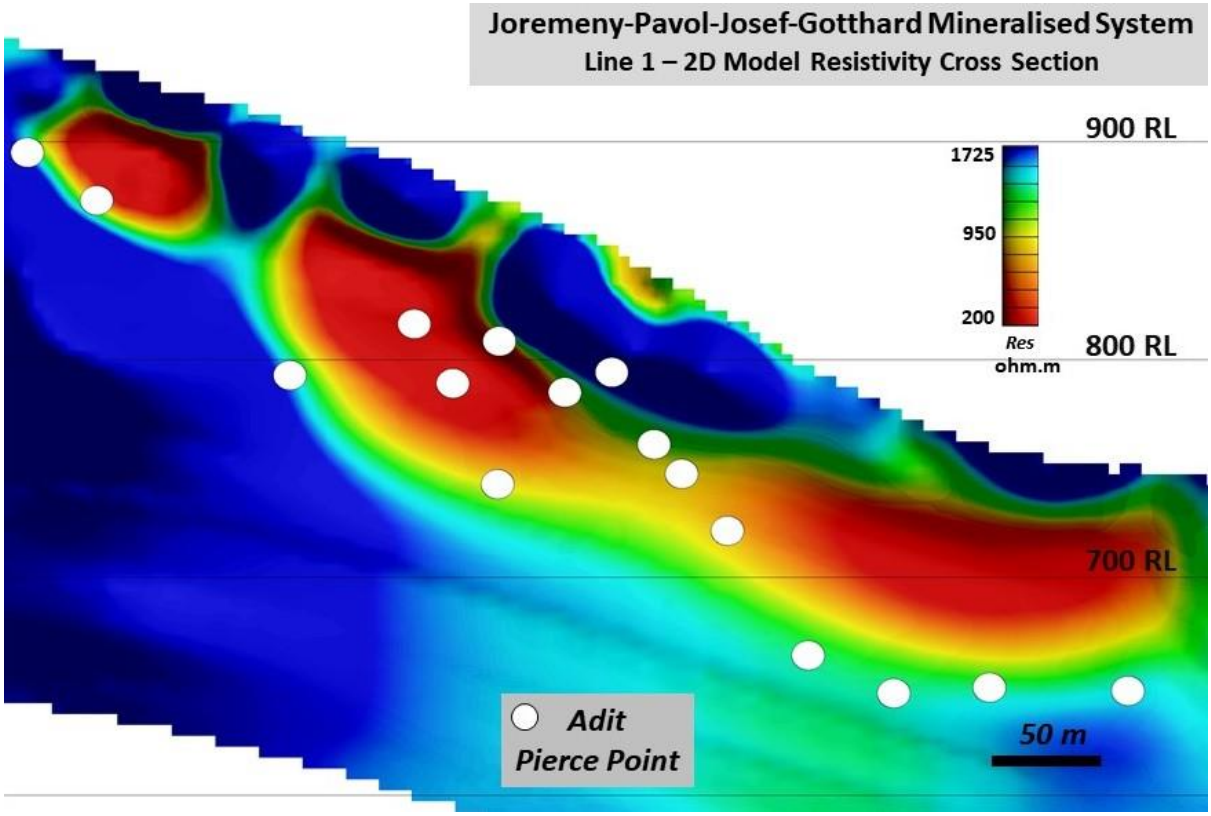


Figure 4: Line 1 2D Model Resistivity Cross Section (Looking East)

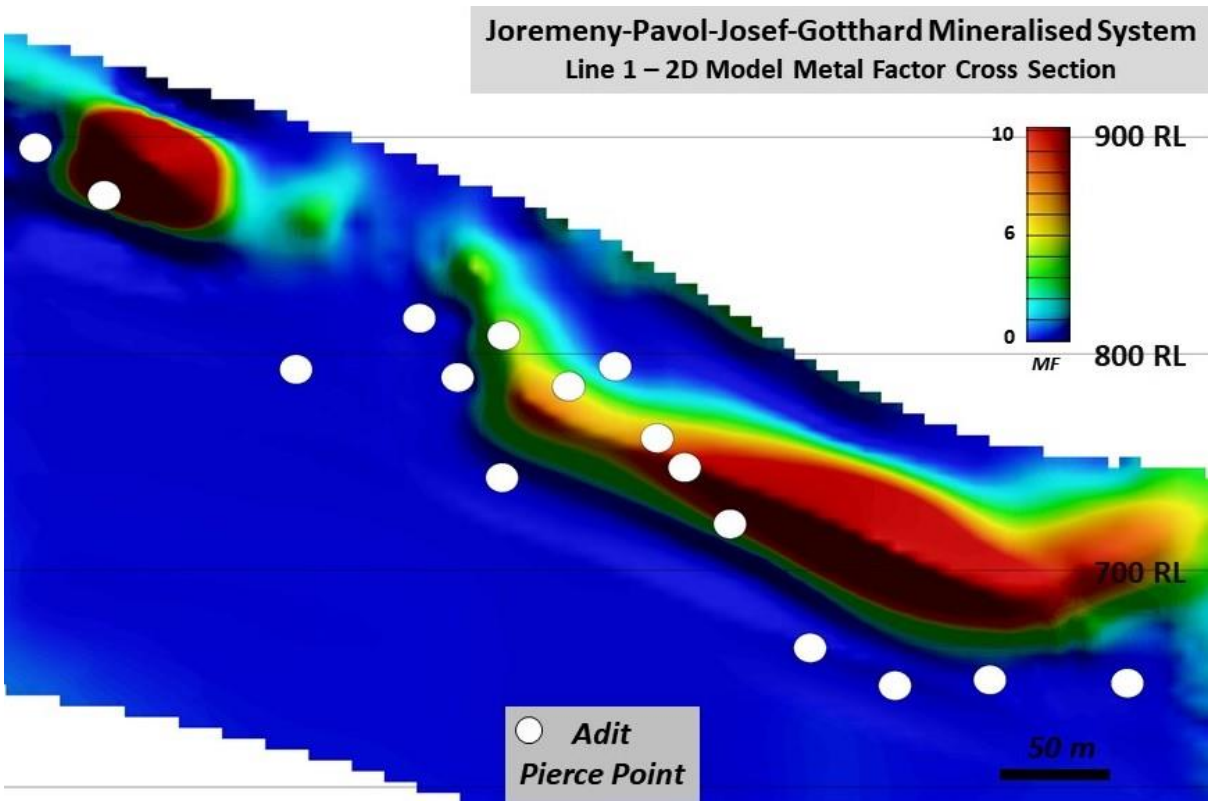


Figure 5: Line 1 Metal Factor Cross Section (Looking East)

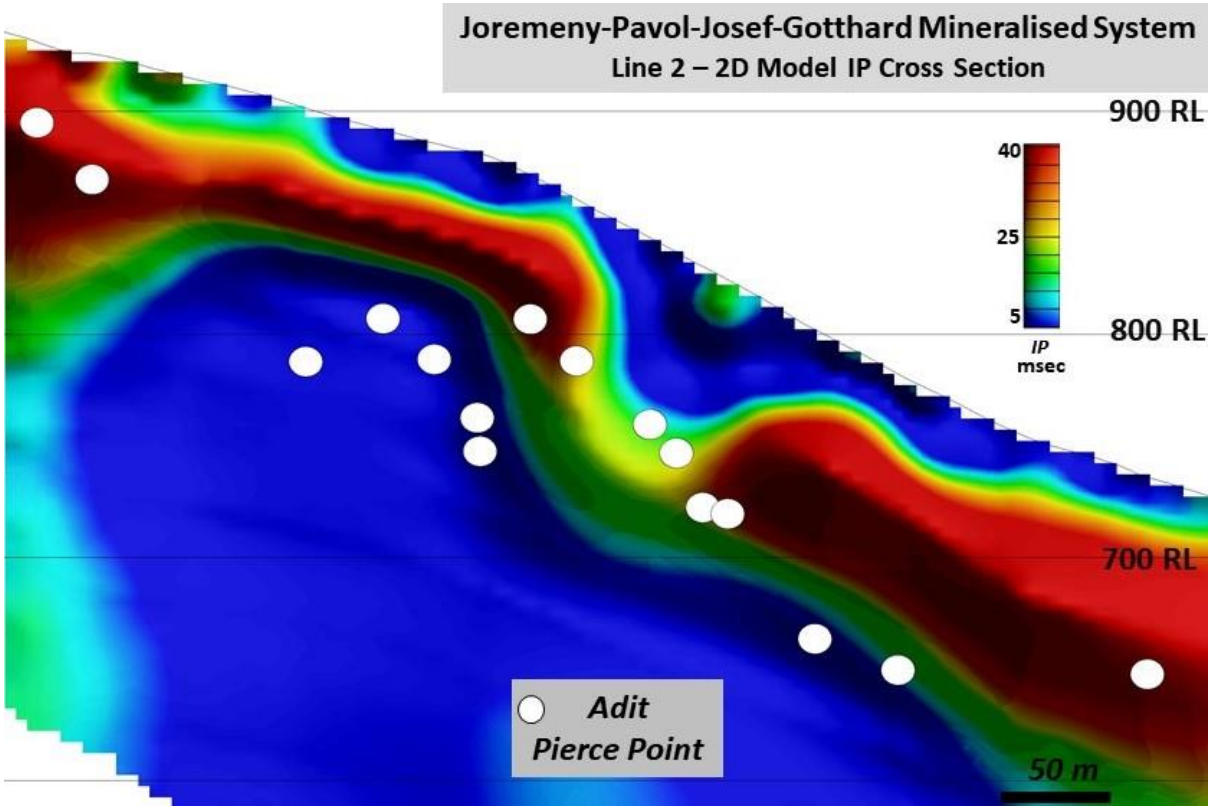


Figure 6: Line 2 IP 2D Model Chargeability Cross Section (Looking East)

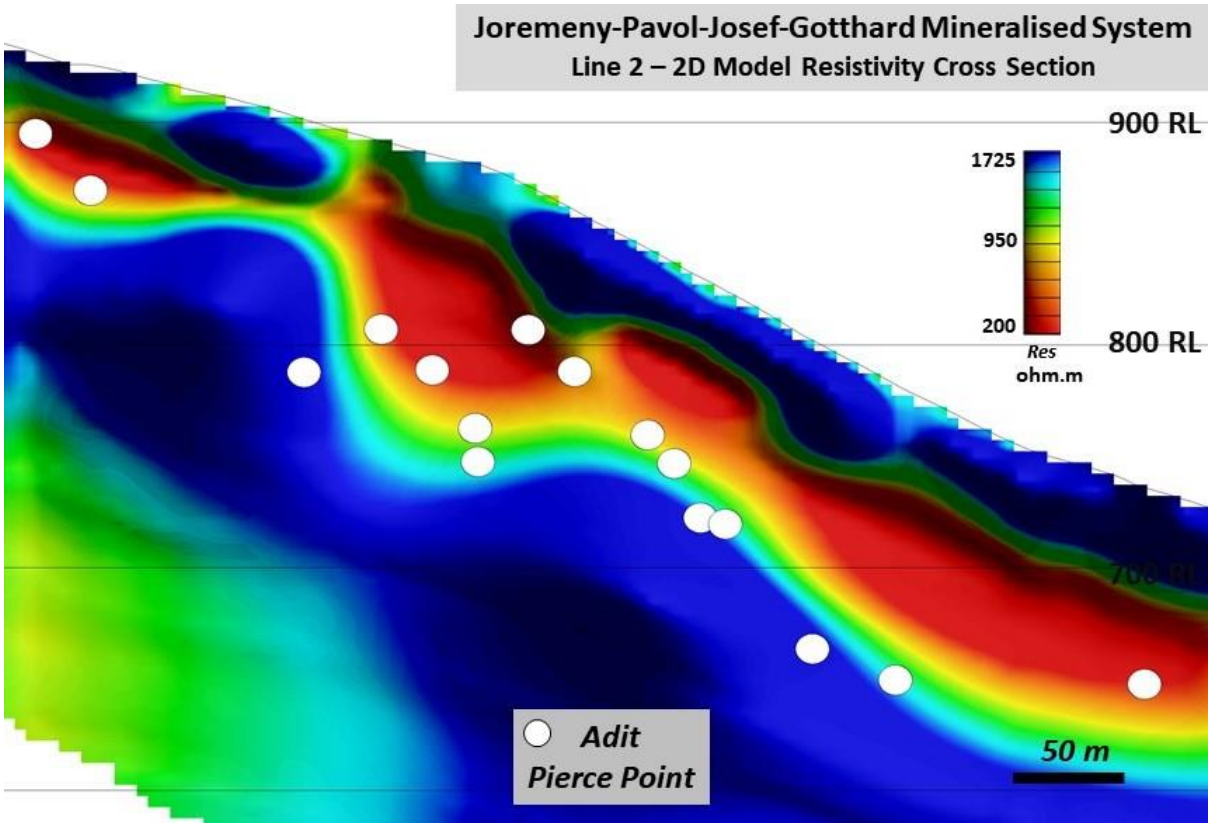


Figure 7: Line 2 IP 2D Model Resistivity Cross Section (Looking East)

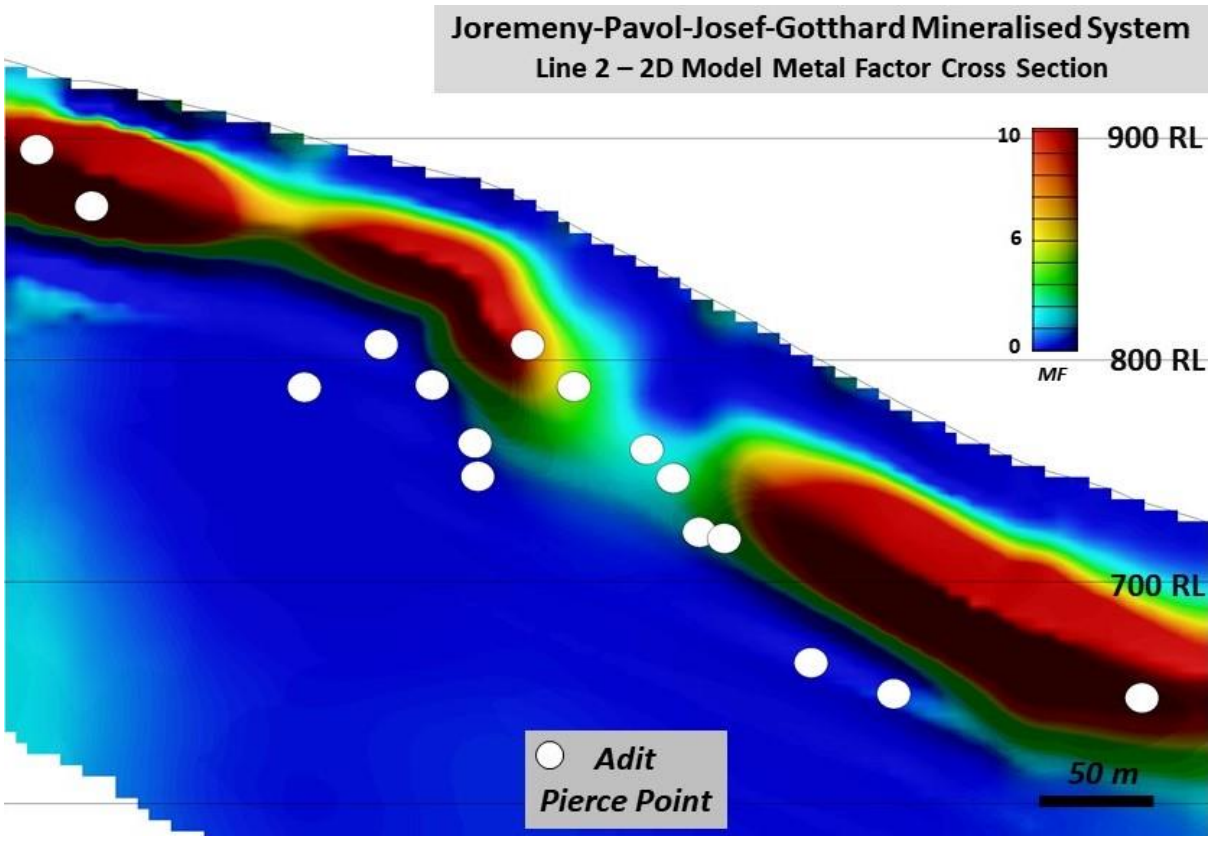


Figure 8: Line 2 IP Metal Factor Cross Section (Looking East)

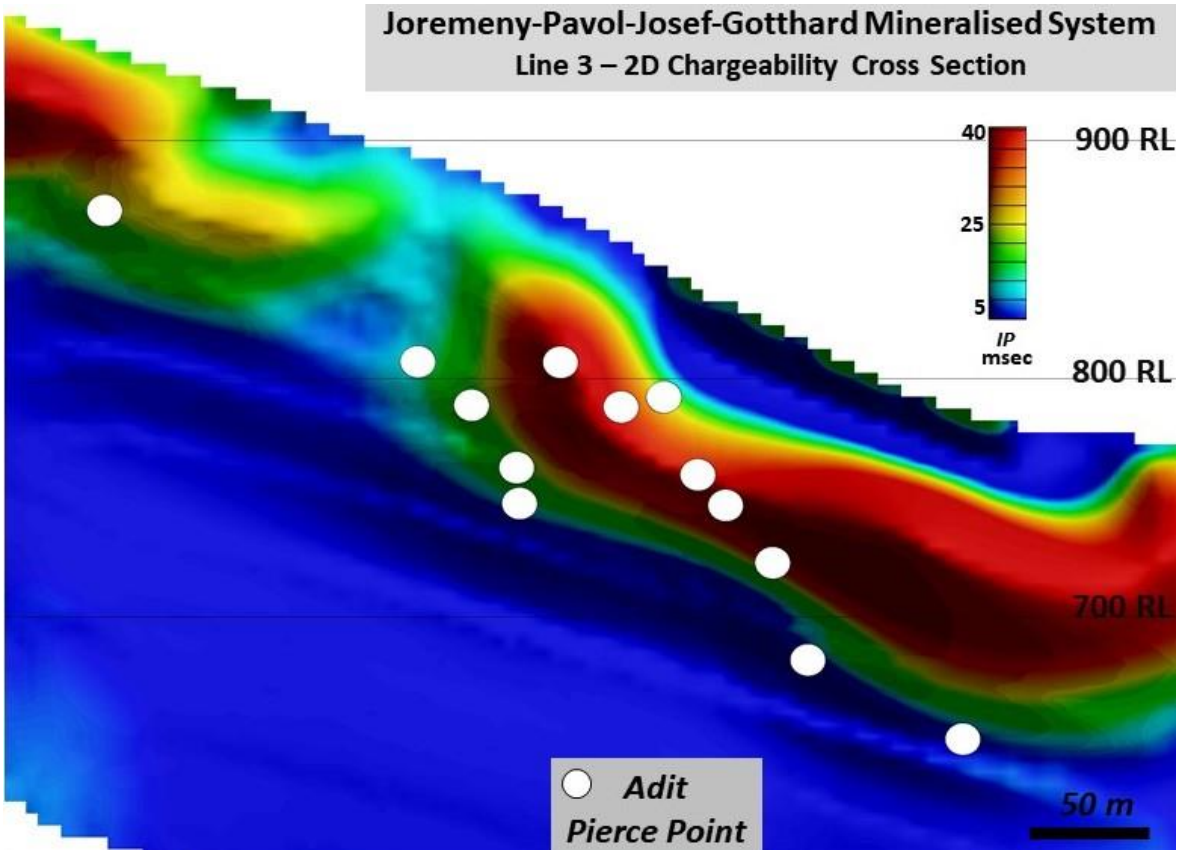


Figure 9: Line 3 IP 2D Model Chargeability Cross Section (Looking East)

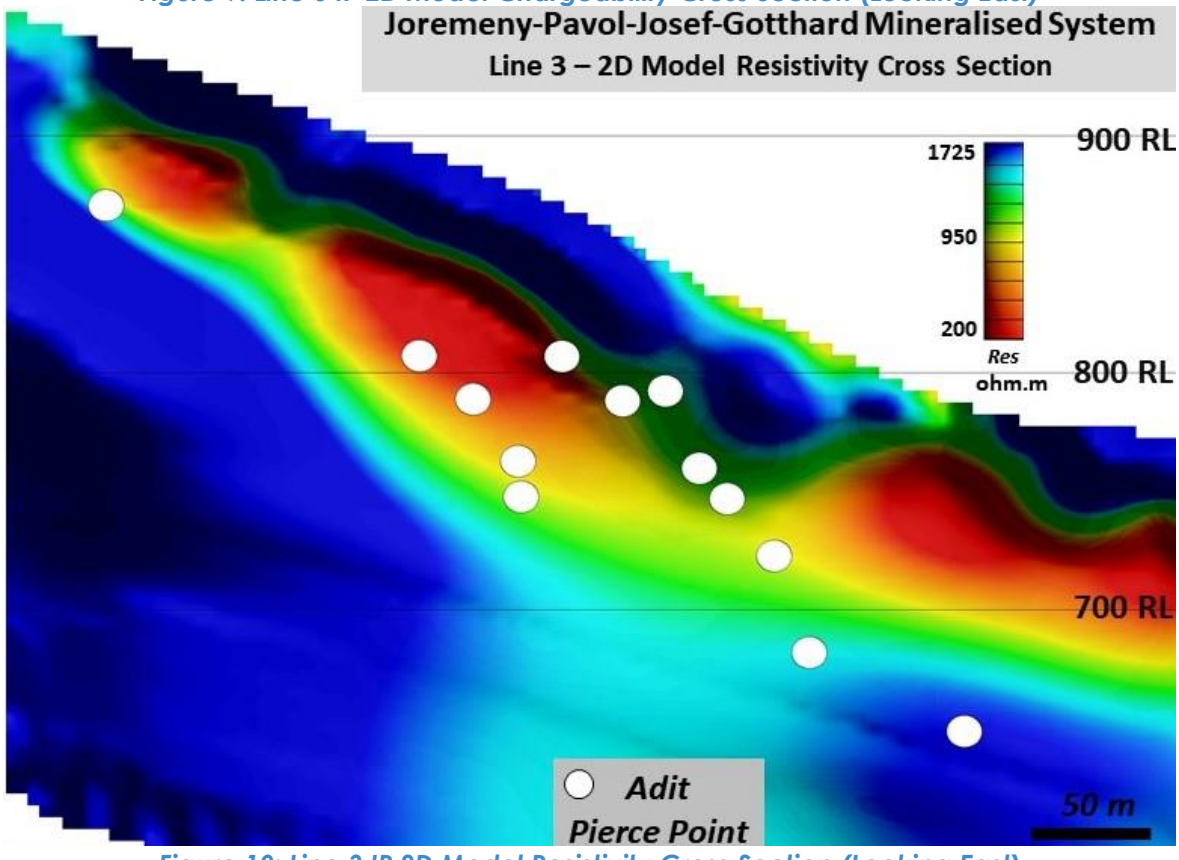


Figure 10: Line 3 IP 2D Model Resistivity Cross Section (Looking East)

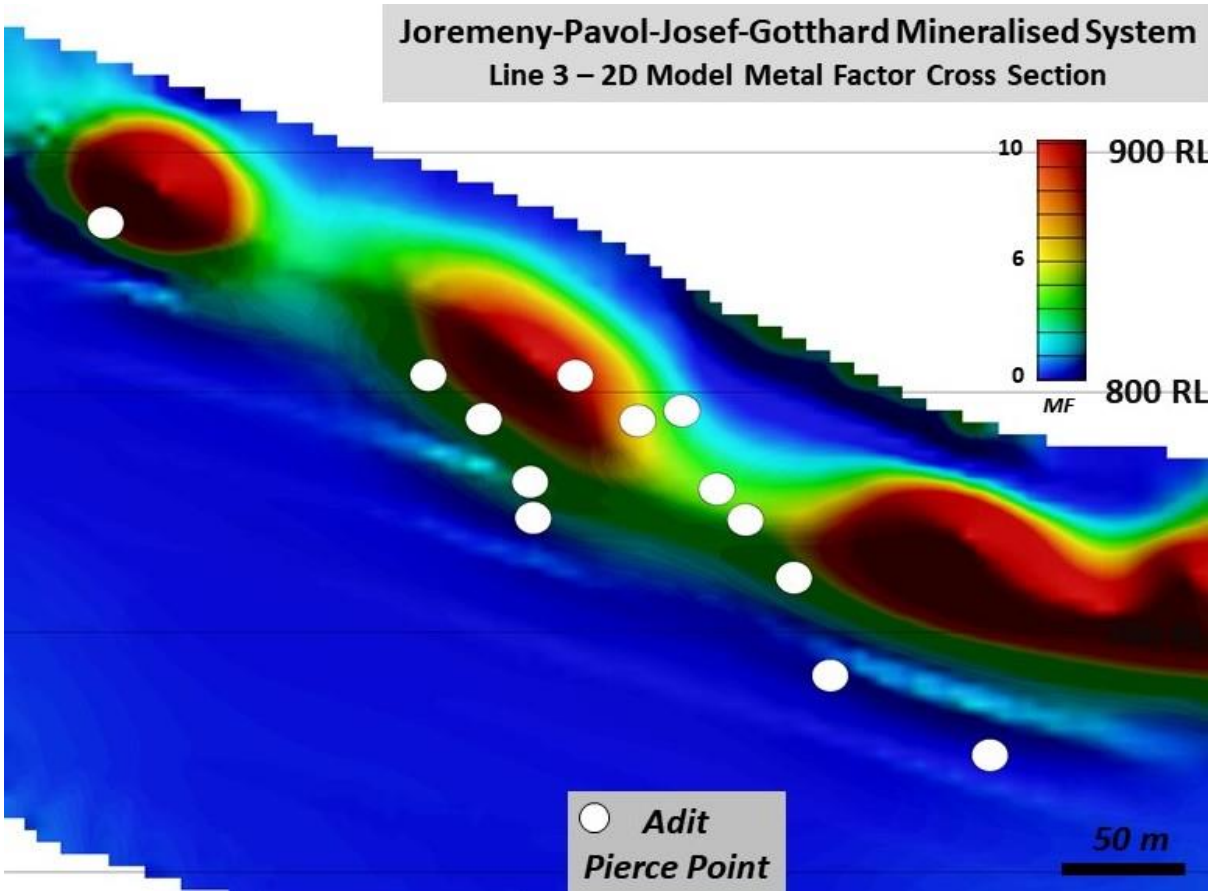


Figure 11: Line 3 IP Metal Factor Cross Section (Looking East)

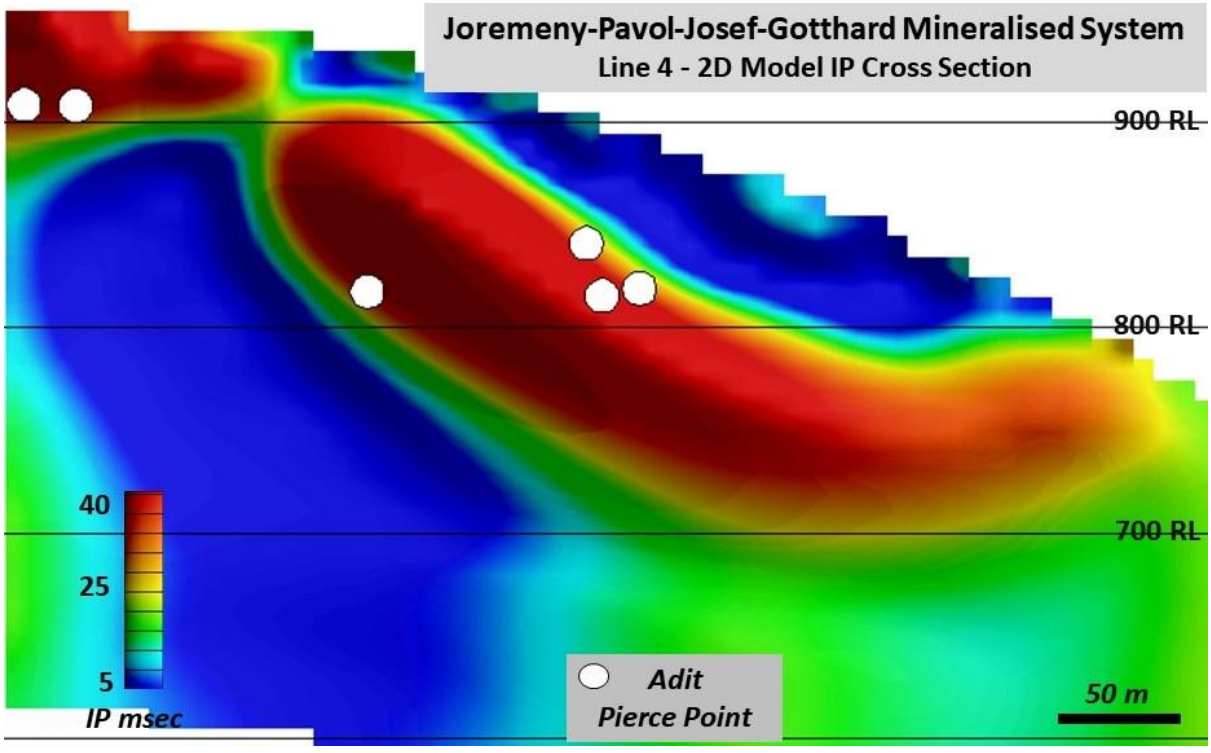


Figure 12: Line 4 IP 2D Model Chargeability Cross Section (Looking East)

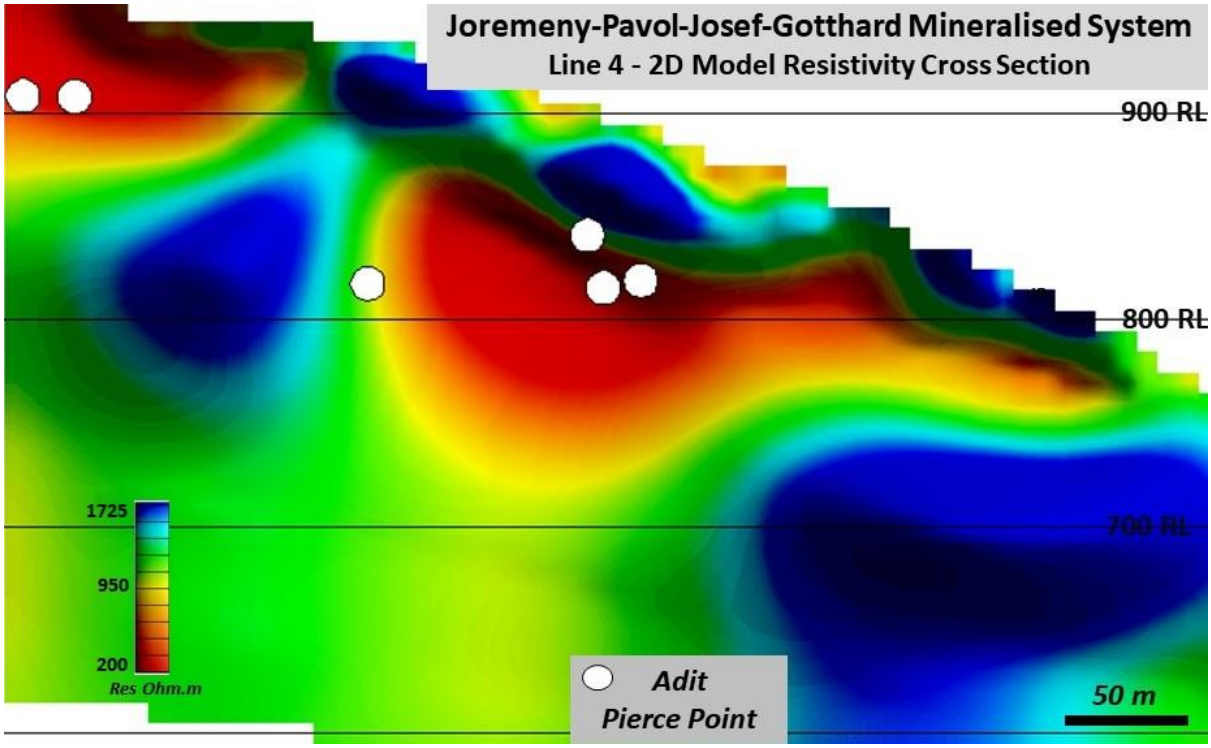


Figure 13: Line 4 IP 2D Model Resistivity Cross Section

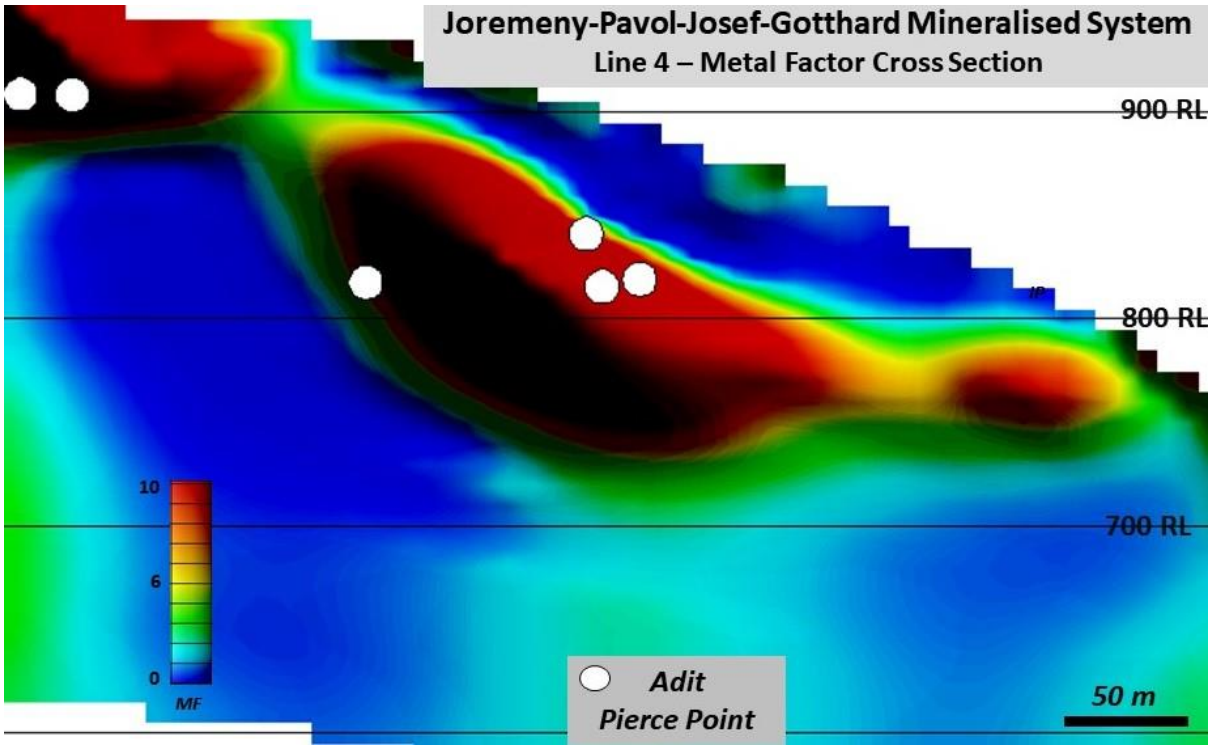


Figure 14: Line 4 IP Metal Factor Cross Section

FURTHER EXPLORATION PLANNED

The compelling results of the initial four IP lines completed has justified the extension of the survey to cover the entire northern extent of the Dobsina Licence across the Zemberg-Terezian Vein System. IP lines will be completed on a nominal 50m spacing across the defined mineralised trend. Where required, IP survey lines will be extended further south in order to appropriately close off anomalies.

Detailed underground mapping inclusive of measurements of the geometry of mineralisation observed in Joremeny and Gotthard adits will be used to refine the geophysical targeting model.

An extensive drilling program is in the process of being planned in order to adequately test these targets. The drilling will be completed from both surface and underground dependent upon the access available in Joremeny Adit through refurbishment.

Regular releases will be provided to market with respect to updates on the progress of the IP survey and its outcomes.

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 Project 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.

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.	Four lines of 50 metre dipole-dipole IP with 5m moves was acquired over the known cobalt- nickel mineralisation at the Joremeny-Langenberg system to ascertain whether IP could detect the known mineralisation, and thus be used to target additional mineralisation within the Project area.
	· Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	At least three readings were acquired at each station to ensure data repeatability. The IP system is fully calibrated and daily tests were carried out to ensure data quality. Quality assurance and quality control of the IP data was independently verified by Value Adding Resources in Perth
	· 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.	The survey parameters and geophysical equipment used by the IP Contractor for the Induced Polarisation (IP) survey includes: **Survey Parameters** Configuration: Dipole-dipole IP in time domain Survey direction: north-south Total number of survey lines: 3 Dipole spacing: 50m Station interval: 5 metres Number of receiver dipoles: 8 Base frequency: 0.125 Hertz Duty cycle: 100%
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 conducted.
Drill sample recovery	· Method of recording and assessing core and chip sample recoveries and results assessed.	No drilling conducted.
	· Measures taken to maximise sample recovery and ensure representative nature of the samples.	No drilling conducted.

Criteria	JORC Code explanation	Comments
	· 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 conducted.
Logging	· 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.	No drilling conducted.
	· Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	No drilling conducted.
	· The total length and percentage of the relevant intersections logged.	No drilling conducted.
Sub-sampling techniques and sample preparation	· If core, whether cut or sawn and whether quarter, half or all core taken.	No drilling completed.
	· If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No drilling completed.
	· For all sample types, the nature, quality and appropriateness of the sample preparation technique.	No sampling completed.
	· Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	No sampling completed.
	· 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.	No sampling completed.
	· Whether sample sizes are appropriate to the grain size of the material being sampled.	No sampling completed.
Quality of assay data and laboratory tests	· The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Quality assurance and quality control (QA/QC) of the IP data was independently verified by European Cobalt's geophysical consultant in Perth
	· 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.	**Survey Equipment** Transmitter: Phoenix T-3 Receiver: EDA IP-2
	· 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.	At least three readings were acquired at each station to ensure data repeatability.

Criteria	JORC Code explanation	Comments
Verification of sampling and assaying	· The verification of significant intersections by either independent or alternative company personnel.	No significant intercepts reported. All primary analytical data acquired by the IP contractor during the IP survey were sent in to European Cobalt's geophysical consultant for independent quality control and evaluation.
	· The use of twinned holes.	No drilling completed.
	· Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Field captured data was delivered to European Cobalt's geophysical consultant for review, validation, digital storage and processing of data.
	· Discuss any adjustment to assay data.	No assay data reported.
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.	The expected GPS accuracy is +/- 5 metres for easting and northings and elevation data was based on Lidar with +/-10cm accuracy.
	· Specification of the grid system used.	UTM-WGS84- zone 34N
	· Quality and adequacy of topographic control.	A digital terrain model was generated from Lidar. 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.	Three lines of 50 metre dipole-dipole IP data
	· 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.	The data captured is for exploration targeting purposes and not intended for estimation of a mineral resource.
	· Whether sample compositing has been applied.	No sampling results reported.
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.	The IP survey was perpendicular to the interpreted strike of mineralisation.
	· 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 completed.
Sample security	· The measures taken to ensure sample security.	All primary analytical data acquired by the IP contractor during the IP survey were recorded and European Cobalt's geophysical consultant completed independent quality control and evaluation in the field.
Audits or reviews	· 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.)

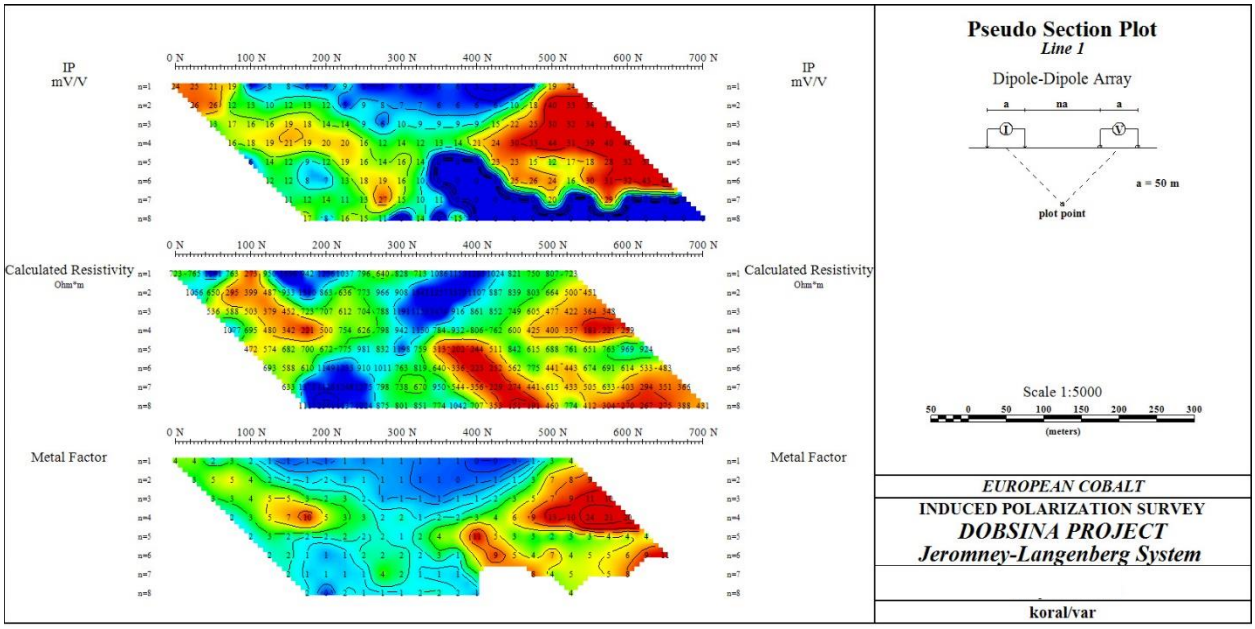
Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	· *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	Dobsina consists of a granted Licence (License number 2466/2017-5.3) covering a land area of 6.97km^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. Further conditional payment consideration includes: - 73,333,334 Performance Shares (subject to ASX approval per Listing Rule 6.1) on the following terms and conditions being: 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
	· *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 Dobsina Project.
Exploration done by other parties	· *Acknowledgment and appraisal of exploration by other parties.*	At present the information utilised within this release is sourced from "*Geologicky prieskump s.p., Spisska Nova Ves Geologica oblast Roznava, Zaverecna 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).

Criteria	JORC Code explanation	Commentary
Geology	· *Deposit type, geological setting and style of mineralisation.*	The Dobsina Project lies at a major thrust contact between two regional tectonostratigraphic units called Veporicum and Gemericum. Mineralisation at Dobsina is characterised by the following styles: - Siderite hydrothermal veins (siderite-ankerite, quartz sulphide) - Metasomatic Fe-Carbonate replacement - Stratiform sediment hosted Ag-Au - Stratiform sediment hosted magnetite-hematite Siderite hydrothermal veins prospective for Co-Ni veins are located in two main east-west tectonic zones along a fault contact between geniss-amphibole and underlying phyllite green schist.
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.
Data aggregation methods	· *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 weighted sampling was completed.

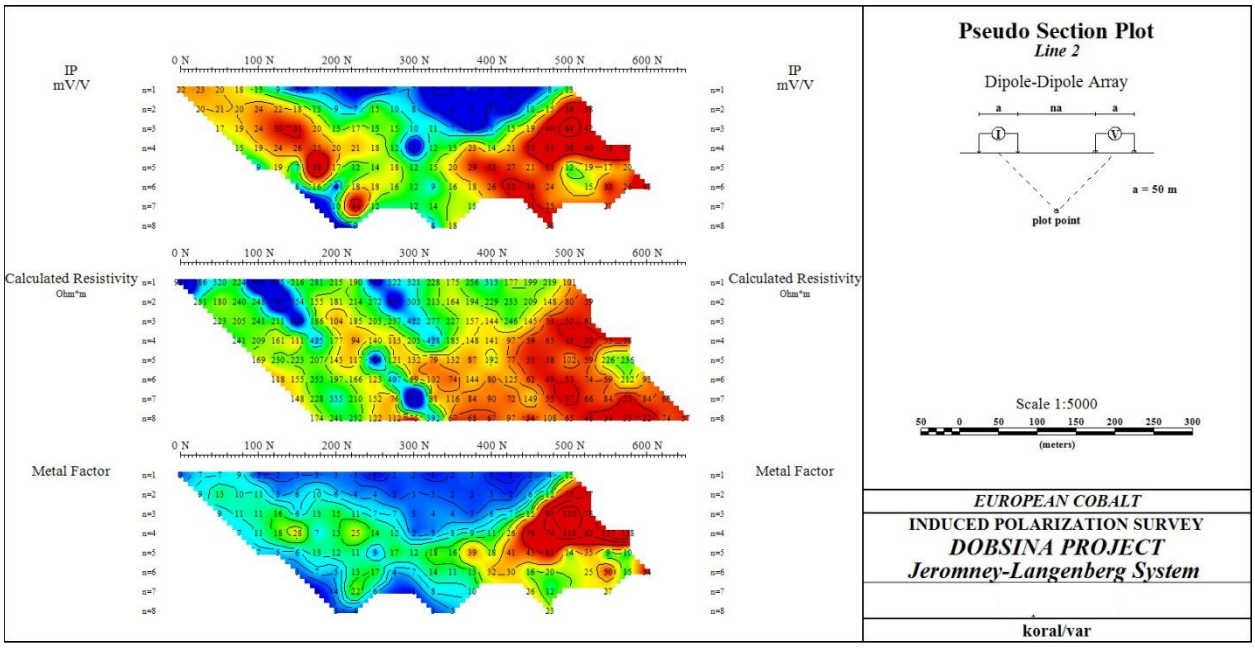
Criteria	JORC Code explanation	Commentary
	· *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	No interval aggregation methods were applied.
	· *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No metal equivalences are reported.
Relationship between mineralisation widths and intercept lengths	· *These relationships are particularly important in the reporting of Exploration Results.*	No drilling performed.
	· *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	No drilling performed
	· *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	· *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	· *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 IP sections that were recorded have been included in this release.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	· *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	· *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	An extension of this current survey is presently being devised and implemented upon finalisation of the design.
	· *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Diagrams indicating the current level of understanding have been included. Locations of further lines and drill holes to test these targets are still in the process of being finalised.

APPENDIX 1: IP PSEUDO SECTIONS



Line 1



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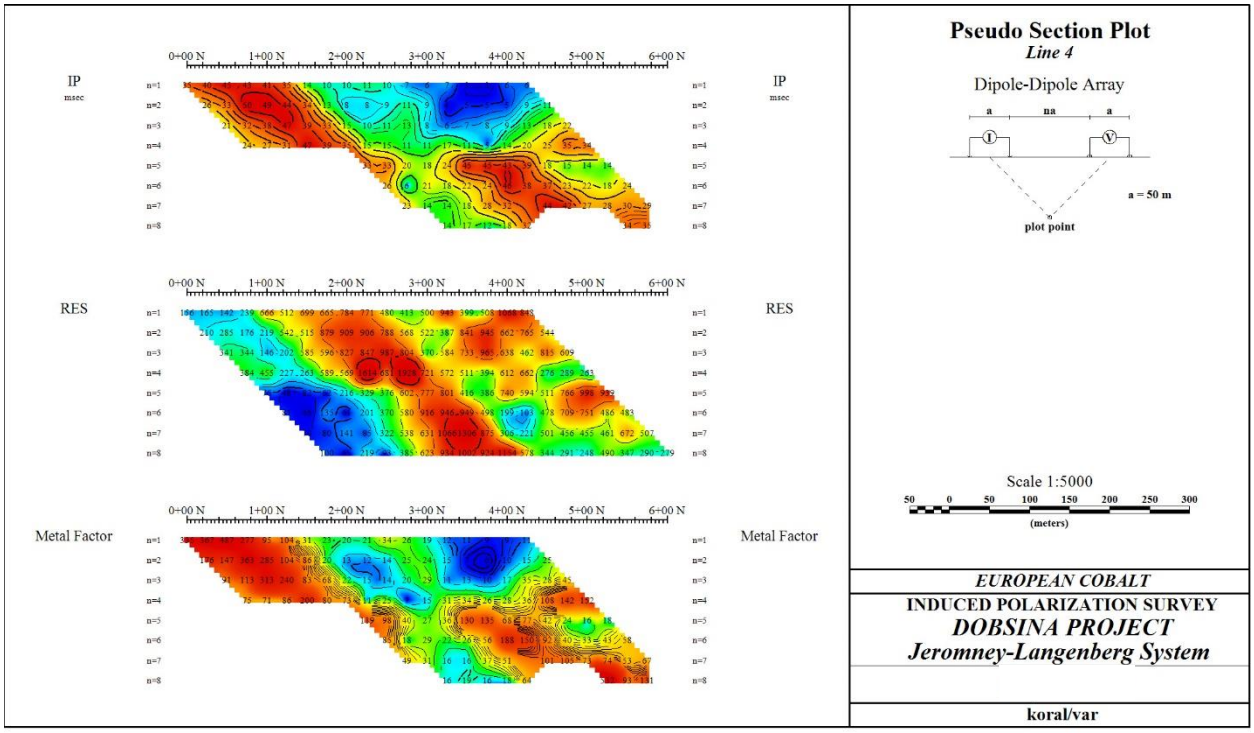

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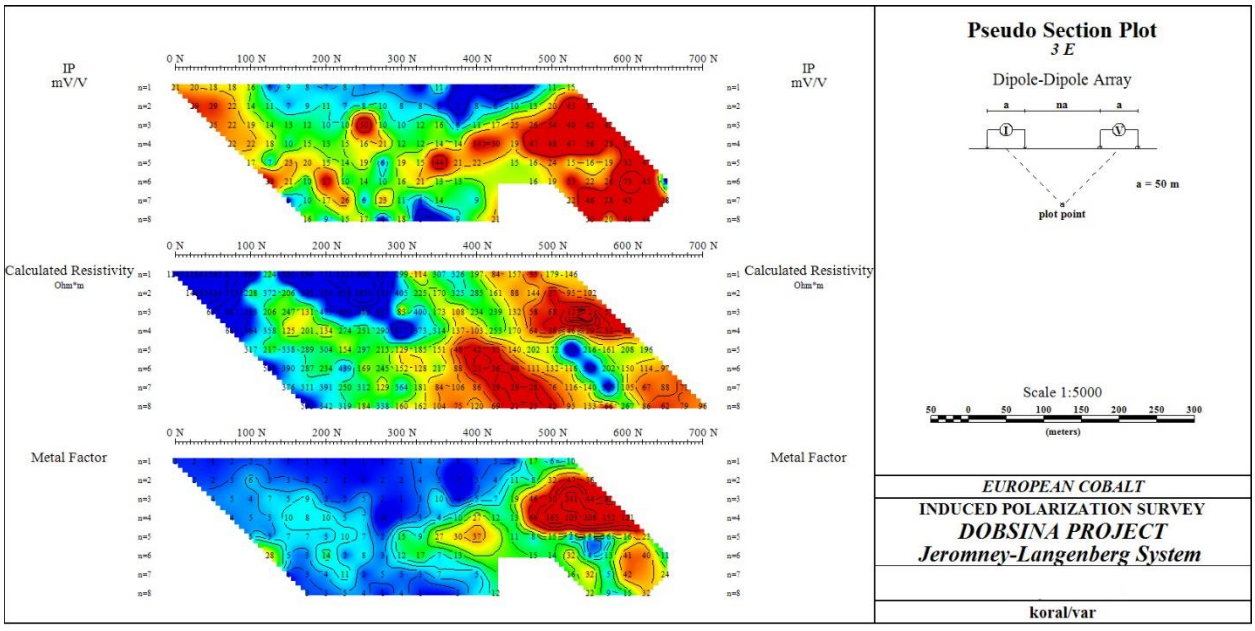

Line 4