Market Update

CobaltBlue
green energy technology

01 September 2022

Cobalt Blue Holdings Limited

A Green Energy Exploration Company

ASX Code: **COB**

Commodity Exposure:

Cobalt & **Sulphur**

Directors & Management:

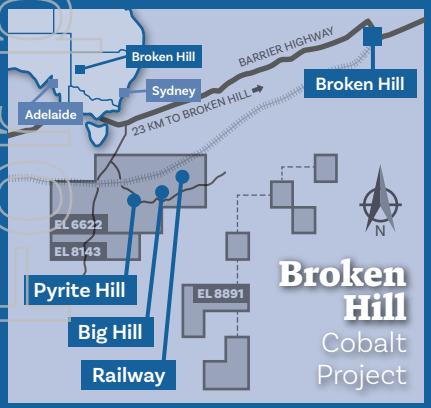
Robert Biancardi	Non-Exec Chairman
Hugh Keller	Non-Exec Director
Robert McDonald	Non-Exec Director
Joe Kaderavek	CEO & Exec Director
Danny Morgan	CFO & Company Secretary

Capital Structure:

Ordinary Shares at 01/09/2022:	330.2m
Unlisted options/rights:	9.5m
Market Cap (undiluted):	$261m

Share Price:

Share Price at 01/09/2022:	0.79



Cobalt Blue Holdings Limited

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Highlights

Demonstration Plant – Ore Extraction Completed

KEY POINTS

- Bulk sample extraction completed delivering some 4,000–4,500 tonnes of ore for processing via the Demonstration Plant.
- Drilling commences for installation of groundwater monitoring bores – geotechnical drilling to follow.

Commenting on recent events, Cobalt Blue's Chief Executive Officer, Joe Kaderavek said: *"Strong progress allowed us to extract further ore for better overall representativity. The completion of the mining, and now crushing, sets up Demonstration Plant operations in coming months".*

Bulk Sample Extraction Complete

Since establishment of the underground portal in late April, a total of 148.3 m of development has been completed comprising:

- 86 m of decline development;
- 24.1 m of cross strike development; and
- 38.2 m of strike parallel development.

With the decline intersecting mineralisation from approximately 68 m, mining has delivered some 4,000–4,500 t of ore for processing via the Demonstration Plant. Additional material will be utilised for scaled geometallurgical studies intended to support process plant optimisation.

The ROM has been separated into six parcels, representing sequential portions from the mining operations. These parcels have now been individually stage crushed to a 4 mm top size. Characterisation of the parcels is ongoing for grade, hardness, mineralogy, and grain size.

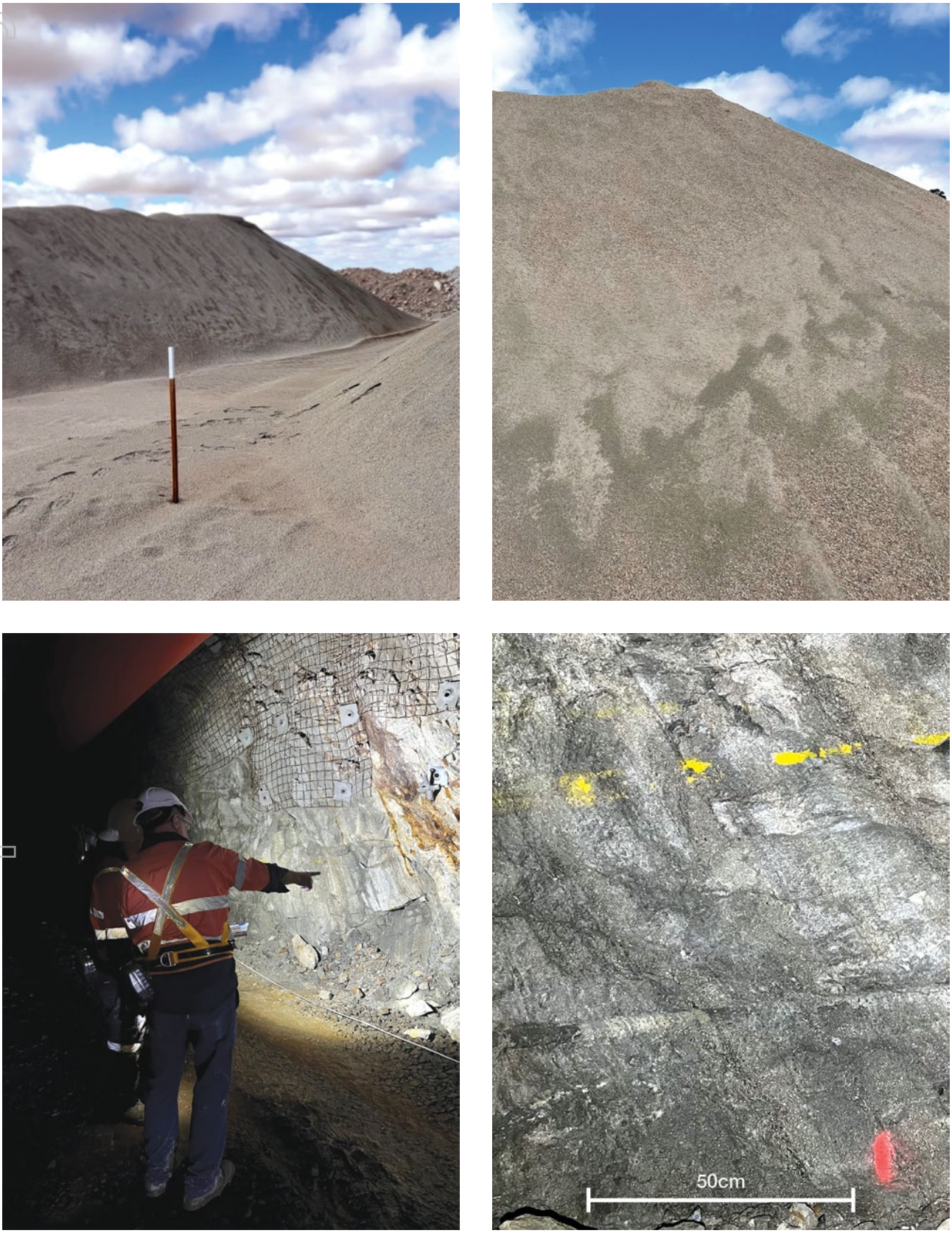
To date, the concentrator circuit has been treating Parcel 1, with the first step being milling of the ore to a top size of 1-1.5 mm. Operations are progressing at around 6 tphr feed into the concentrator.

Pyrite Hill Geology

The Pyrite Hill deposit extends over 1.2 km along strike, over 300 m down dip and varies in thickness from 10 to 100 m. Mineralisation is hosted by a quartz-albite gneiss and is characterised by the presence of disseminated pyrite concentrated parallel to primary foliation.

Ore drive development extracted material between 257 mRL and 262 mRL, approximately 40 to 50 m below surface and 3 to 6 m below the interpreted top of fresh rock.

Figure 1 – *Top Left:* Crushed ore stockpile ready for milling. *Top Right:* Coarse pyrite (dark grey) accumulating toward base of crushed ore stockpile. *Bottom Left:* Geology team mapping underground development. *Bottom Right:* In-situ ore along north-western wall of decline (at approximately 74 m) showing disseminated pyrite concentrated parallel to primary foliation.



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Drilling Activities Commence

Drilling activities have resumed at Pyrite Hill with the mobilisation of a multi-purpose rig to site for the installation of groundwater monitoring bores. Further installations across the broader project area will continue through September. Data obtained from the bores will further inform the groundwater impact assessment as a component of the broader suite of studies being completed for preparation of the Environmental Impact Statement ('**EIS**').

During September, the staged mobilisation of additional drill rigs will continue for the execution of a campaign intended to advance geotechnical investigations for further pit optimisation and waste rock characterisation.

Figure 2 – **Groundwater drilling at Pyrite Hill.**

COB Timeline

The development schedule for the Broken Hill Cobalt Project ('BHCP') is shown below.

Figure 3 – **BHCP development schedule.**

	PRE-2021	2021	2022	2023	2024	2025
Business Achievements	100% Project Ownership CRC-P Grant	Global Cobalt Sample Program Major Project Status and CMAI grant	Offtake Cobalt Qualification Program – 2022 Major Project Status and CMAI grant	Final Investment Decision	Construction Period Mine Development EPC Renewable Power Contracts	Refinery Commissioning First Commercial Production
Technical Studies	Project Update 2020 PFS 2018	Feasibility Study	Feasibility Study	Definitive Feasibility Study and Approvals		
Process Testing	Pilot Scale Testwork	Pilot Plant – 30 Tier 1 Partners Offtake Contract Negotiations (begin)	Larger scale (24/7) Operations Commercial Qualification Samples Bulk Sample			First On Specification Production
Environmental Approvals		EIS Field Studies	EIS Field Studies	EIS Submission SSD Determination	ESG/CO_2 Reporting	ESG/CO_2 Reporting Operating Permits (approved)
	PRE-2022		MILESTONES			

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Cobalt Blue Background

Cobalt Blue (ASX:COB) is an exploration company focussed on green energy technology and strategic development of the Broken Hill Cobalt Project in the far west of New South Wales. This critical metal is in strong demand for new generation batteries, particularly lithium-ion batteries now being widely used in clean energy systems.

COB is undertaking exploration and development programs on the Broken Hill Cobalt Project. The Broken Hill Cobalt Project, 23 km west of Broken Hill and 400km by rail from Port Pirie consists of four granted tenements (EL6622, EL8143, ML86 and ML87) with total area of 63km^2. The main targets for exploration are well known and document large-tonnage cobalt-bearing pyrite deposits. Numerous other prospects within COB's tenement package are at an early stage and under-explored.

Looking forward, we would like our shareholders to keep in touch with COB updates and related news items, which we will post on our website, the ASX announcements platform, as well as social media such as Facebook (f) and LinkedIn (in). Please don't hesitate to join the 'COB friends' on social media and to join our newsletter mailing list at our website.

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This announcement was approved by the Board of Directors.

Released Information

This ASX announcement refers to information extracted from the following reports, which are available for viewing on COB's website http://www.cobaltblueholdings.com

- 26 July 2022: Demonstration Plant Transitioning to Operations
- 20 June 2022: Demonstration Plant – Ore Extraction Underway, Commissioning Continues
- 12 May 2022: COB advances Demonstration Plant Commissioning
- 23 March 2022: COB commences underground development to support Demonstration Plant

COB confirms it is not aware of any new information or data that materially affects the information included in the original market announcement, and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters under-pinning the estimates in the relevant market announcements continue to apply and have not materially changed. COB confirms that the form and context in which the Competent Person's findings presented have not been materially modified from the original market announcement.