For personal use only

19 October 2026

ASX Announcement

ASX: COB | OTC: CBBHF

Cobalt Blue Advances Kwinana Cobalt Refinery with Offtake Term Sheet

HIGHLIGHTS

- Term sheet signed with **STG Metals GmbH**, for the sale of standard grade cobalt metal rounds (>99.8% Co) from the Kwinana Cobalt Refinery (**KCR**).
- The proposed commercial terms are non-binding and subject to execution of a definitive Offtake Agreement; however, both parties have entered into binding obligations regarding the conduct of negotiations and the commitment of resources toward finalising that agreement.
- The proposed offtake represents a substantial contribution towards Cobalt Blue's share of KCR's overall offtake requirement. Importantly it provides an early sales channel while cobalt sulphate is qualified for the battery markets.
- The term sheet advances KCR's commercial pathway towards a Final Investment Decision, alongside secured feedstock, permitting and product qualification activities, complementing existing feedstock arrangements with Glencore[1].

OVERVIEW

Cobalt Blue Holdings Limited (ASX: COB) has signed a non-binding term sheet (**Term Sheet**) for the sale of standard grade cobalt metal rounds to be produced at the proposed Kwinana Cobalt Refinery (**KCR**) in Western Australia with STG Metals GmbH. STG is an international metals and commodity trading company domiciled in Switzerland.

KCR's proposed Stage 1 production capacity is approximately 3,000 tonnes per annum of contained cobalt, comprising approximately 1,000 tonnes of cobalt metal and 2,000 tonnes of cobalt contained in cobalt sulphate. The project aims to supply refined cobalt metal for advanced manufacturing and defence applications, and cobalt sulphate for the battery supply chain. It will be the first dedicated mid-stream cobalt refinery in Australia.

The proposed commercial terms of the Term Sheet are non-binding and remain subject to negotiation and execution of a definitive Offtake Agreement. The Term Sheet creates binding obligations on both parties regarding the conduct of negotiations, including the commitment of such time, resources and expertise as is reasonably necessary to negotiate the definitive Offtake Agreement promptly and efficiently (amongst other binding provisions). The binding provisions do not oblige either party to enter into the Offtake Agreement unless and until all material terms have been agreed and it has been executed by both parties.

The Term Sheet represents a significant commercial milestone for Cobalt Blue, establishing an offtake pathway for KCR's cobalt metal product. This is a key step towards a Final Investment Decision (**FID**) for the project.

1 Refer to the ASX announcement dated 29 May 2025 entitled **Cobalt Blue and Glencore contract to supply the Kwinana Cobalt Refinery**.

For personal use only

Cobalt Blue CEO Dr Andrew Tong said:

"Offtake is a key pillar of our FID process, and this term sheet with STG is a meaningful addition to Cobalt Blue's commercial framework. Combined with our binding feedstock agreement with Glencore and product qualification work at the Broken Hill Technology Centre, we are continuing to build the commercial foundations required to support a Final Investment Decision. We remain focused on finalising the Offtake Agreement and continuing to progress KCR toward a Final Investment Decision."

TERM SHEET SUMMARY

The commercial terms in the table below (aside from the binding provisions) are subject to negotiation and execution of a definitive Offtake Agreement.

Seller	Cobalt Blue Holdings Limited (or its nominee)
Buyer	STG Metals GmbH
Product	Standard grade cobalt metal rounds (>99.8% Co content)
Origin	Kwinana Cobalt Refinery, Western Australia
Term	3 years from Commercial Operation, with a mutual option to extend for a further 3 years
Volume	Year 1: 500–750 mt pa | Years 2–3: 800–1,000 mt pa
Pricing	Referenced to Fastmarkets MB-CO-0005 (cobalt standard grade, in-whs Rotterdam, US$/lb), converted to USD/mt
Conditions Precedent	• Completion of construction and commissioning of KCR; • Achievement of product qualification thresholds; and • Approval by the board of Cobalt Blue Holdings Limited of the definitive Offtake Agreement.
Longstop date	If the conditions precedent are not satisfied or waived by 31 December 2028, the parties may agree to extend that date or either party may terminate the agreement.
Binding provisions	Conduct of negotiations and commitment of resources toward execution of a definitive Offtake Agreement, termination, variation, costs and governing law. The parties remain separately bound by the confidentiality agreement dated 1 May 2026.
Governing Law	Western Australia, Australia

ABOUT THE KWINANA COBALT REFINERY

KCR is a proposed dedicated cobalt refinery to be located on Western Australia's industrial coast in the Kwinana Industrial Zone, approximately 40 km south of Perth. The refinery is designed to produce standard grade cobalt metal rounds (>99.8% Co) and cobalt sulphate heptahydrate from a flexible feedstock base, including material sourced under a binding feedstock supply agreement with Glencore. KCR is to be developed on the site of Iwatani Australia's Doral Fused Materials (**DFM**) facility, a brownfield industrial site with existing infrastructure, services, and direct proximity to Fremantle Port. Cobalt Blue has received a Works Approval from the Western Australian Department of Water and Environmental Regulation (**DWER**) to construct and operate KCR on the site[2].

Cobalt Blue's Broken Hill Technology Centre (**BHTC**) has successfully produced both cobalt metal and cobalt sulphate at pilot scale, with product quality confirmed against market specifications[3]. KCR's Australian location, stable operating jurisdiction and flexible feedstock strategy position it as a prospective source of refined cobalt products for Western battery, advanced-manufacturing and defence supply chains.

2 Refer to the ASX announcement dated 16 September 2025 entitled **Kwinana Cobalt Refinery Works Approval Granted**.

3 Refer to the ASX announcement dated 4 September 2026 entitled **Refinery Advancing Toward FID**.

For personal use only

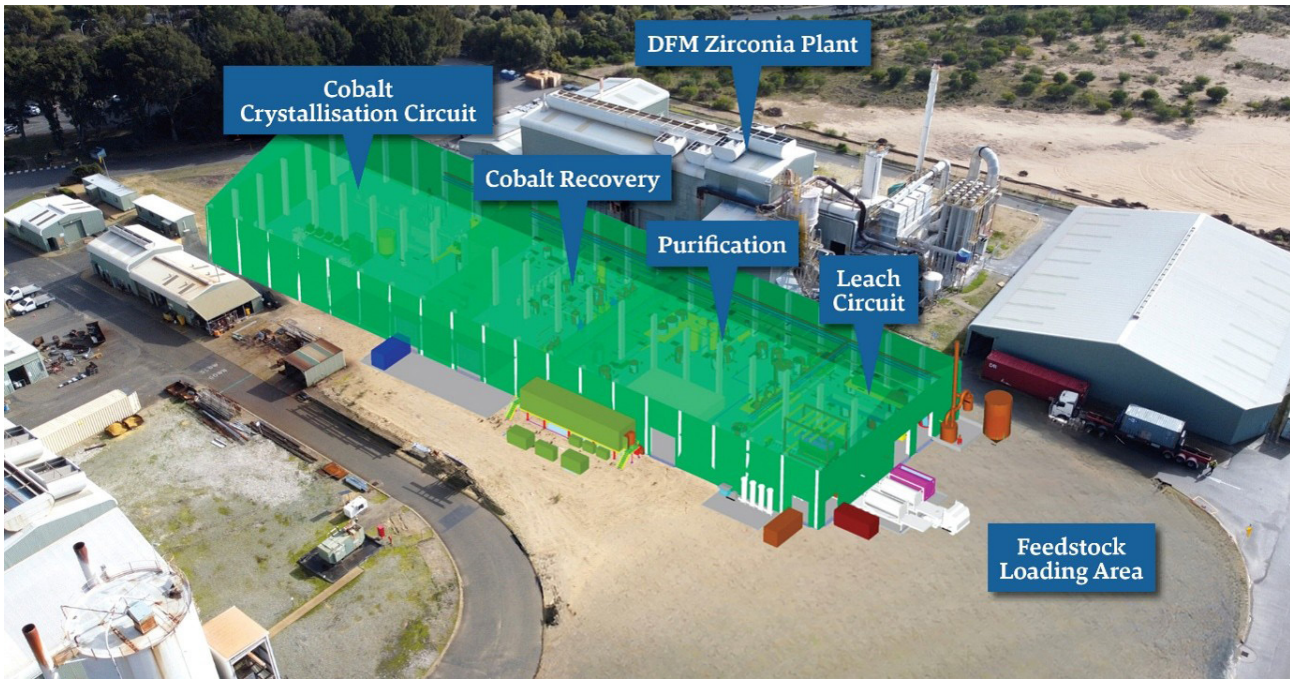


Figure 1 – Model image of proposed Kwinana Cobalt Refinery at Iwatani Australia's Doral Fused Material zirconia and titanium operation. Source: Cobalt Blue Holdings.

Figure 2 – Cobalt Metal Rounds produced at Cobalt Blue's Broken Hill Technology Centre. Source: Cobalt Blue Holdings.

For personal use only

ABOUT STG METALS GMBH

STG is a trading business funded by the partners of Squarepoint Capital, a global quantitative investment firm. STG is active across Europe, Asia, and the Americas. Over the past year, STG has emerged as one of the fastest-growing traders of physical commodities, with STG active in aluminium, cobalt, copper and other base metals — shipping across continents, sourcing feedstock from mines, and entering multi-year supply agreements with producers. STG Metals GmbH is registered in Zug, Switzerland.

This announcement was authorised for release to the ASX by the board of Cobalt Blue Holdings Limited.

For more information, please contact:

Joel Crane
Business Development and Investor Relations
joel.crane@cobaltblueholdings.com

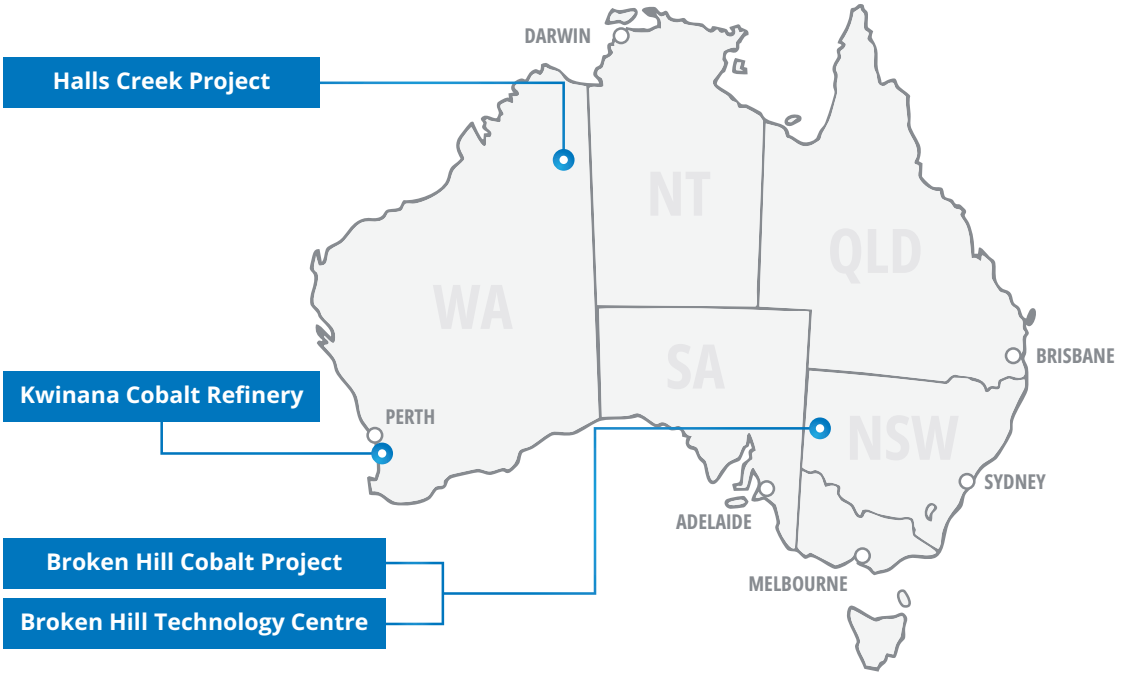
COBALT BLUE BACKGROUND

Cobalt Blue Holdings Limited is a minerals processing and mining company, progressing two strategies. Firstly, the Company is developing an integrated, mine and midstream processing platform for cobalt in Australia, designed to diversify critical mineral supply chains in partnership with like-minded countries. Secondly, the Company is advancing a copper-silver-zinc project for supply into the industrial electrification sectors.

Cobalt Blue's assets include:

- **Kwinana Cobalt Refinery (KCR):** Australia's first dedicated cobalt refinery producing high-purity cobalt sulphate for the lithium-ion battery industry and high-grade cobalt metal for defence and industrial applications. Advancing KCR in the near term strengthens domestic refining capability and de-risks upstream mining projects through a versatile, multi-feedstock facility. Recent technical milestones and successful product qualification have also validated the refinery's design, attracted interest from international partners, and reinforced the project's pathway toward development.
- **Broken Hill Cobalt Project (BHCP):** One of the world's largest undeveloped cobalt resources, positioned to become a globally significant operation. It was recently granted a three-year extension to Major Project Status by the Commonwealth Government in recognition of its strategic importance. Following the material improvement in cobalt pricing, BHCP is now advancing environmental permit applications.
- **Broken Hill Technology Centre (BHTC):** Since 2021, Cobalt Blue has invested more than A$15 million in the BHTC. The facility underpins the process development for Cobalt Blue's projects. Following the successful demonstration of the entire flowsheet for the BHCP, the focus has turned to piloting the Refinery flowsheet. In addition to producing samples of cobalt sulphate and cobalt metal for prospective offtakers, recent programs have included evaluating battery black mass as a potential Australian source of cobalt for the Refinery.
- **Halls Creek Project:** Optionality for diversified commodity exposure via a low-cost copper-zinc-silver project with near term exploration planned to test resource growth uplift.

For personal use only



FORWARD LOOKING STATEMENTS

This announcement contains "forward-looking statements". All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties, and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include but are not limited to metal price volatility, timely completion of project milestones, funding availability, regulatory approvals and government and other third-party approvals. The Company is not obligated to release any revisions to any "forward-looking statement", except as required by applicable law or the ASX Listing Rules. To the maximum extent permitted by law, Cobalt Blue and its respective advisers, affiliates, related bodies corporate, directors, officers, partners and employees expressly exclude and disclaim all responsibility and liability, including, without limitation, for negligence or in respect of any expenses, losses, damages or costs incurred by any person as a result of their reliance on this ASX announcement and the information in this ASX announcement being inaccurate or incomplete in any way for any reason, whether by way of negligence or otherwise.