614 466 607

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www.cobaltblueholdings.com info@cobaltblueholdings.com Cobalt.Blue.Energy





6 August 2020

Company Announcements Office Australian Securities Exchange

Notice under ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547

Cobalt Blue Holdings Limited (ABN 90 614 466 607) (COB or the Company) gives notice in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (ASIC Instrument 2019/547). The Company will make offers to issue fully paid ordinary shares (Shares) under a Share Purchase Plan (SPP). The attached SPP booklet is released without disclosure to investors under Part 6D.2 of the Corporations Act 2001 (Cth) (the Act).

COB gives notice that:

- 1. the Company will make offers to issue the Shares under the SPP without disclosure under Part 6D.2 of the Act:
- 2. this notice is being given in accordance with ASIC Instrument 2019/547;
- 3. as at the date of this notice, COB has complied with:
 - the provisions of Chapter 2M of the Act as they apply to the Company; and a.
 - section 674 of the Act: and
- 4. as at the date of this notice, there is no information to be disclosed that is excluded information (in accordance with the requirements of section 708A(7) and 708A(8) of the Act as if this notice were a notice under paragraph 708A(5)(e) of the Act).

COB lodges SPP Documents

Further to the Company's market releases on 31 July and 5 August 2020, attached are COB's SPP documents, which include a Chairman's Letter and the SPP Terms and Conditions. The attached SPP booklet will be sent to shareholders along with an Application Form on 7 August 2020.

The Company's shareholders are eligible to participate in the SPP if they were a registered holder of COB shares at 7:00pm (Sydney time) on 30 July 2020 and were shown on the Company's register to have an address in Australia or New Zealand at that time (Eligible Shareholder). The SPP opens at 9:00am (Sydney time) on 7 August 2020 and Eligible Shareholders can participate by responding to the documents being distributed tomorrow.

Shareholders with questions in relation to the SPP may also contact COB on 02 8287 0660.

This announcement was authorised by the Company's Executive Director and by the Company Secretary.

Cobalt Blue Holdings Limited

Robert J Waring Company Secretary



Cobalt Blue Holdings Limited

ABN: 90 614 466 607

SHARE PURCHASE PLAN

The SPP closes at 5:00pm AEST on Monday, 31 August 2020. If you intend to participate, your application and funds must be received by then. COB reserves its right to close the SPP early.



Cobalt Blue Holdings Limited Broken Hill Cobalt Project Pty Ltd

Powering the future



ASX Code:

COB

Commodity Exposure:

Cobalt and Sulphur

Directors & Management:

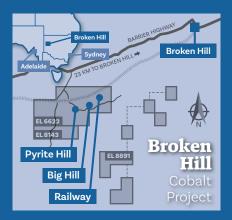
Robert Biancardi
Hugh Keller
Robert McDonald
Joe Kaderavek
Robert Waring
Non-Exec Chairman
Non-Exec Chairman
Non-Exec Chairman
Company Secretary

Capital Structure:

Ordinary Shares at 27/07/2020: 159.9m
Options (ASX Code: COBO): 5.6m
Market Cap (undiluted): \$21.6m

Share Price:

Share Price at 27/07/2020: **\$0.135**



Cobalt Blue Holdings Limited

ACN: 614 466 607

Address: Suite 17.03, 100 Miller Street
North Sydney NSW 2060
(02) 8287 0660

Website: www.cobaltblueholdings.com
info@cobaltblueholdings.com
f Cobalt.Blue.Energy

n cobalt-blue-holdings

Broken Hill Cobalt Project

Investment Highlights:

- Strong exposure to EV market growth
- Highly geared to cobalt demand
- Stable jurisdiction with supportive government policies and development funding
- Access to existing logistical, power and water infrastructure
- Project partners LGI / Mitsubishi



Key Achievements:

- ✓ Pre Feasibility Study Jun 2018
- **☑** Mineral Resource Update Apr 2019
- ✓ 45t Concentrate Circuit Pilot Trial Jun 2019
- Application for NSW State Significant Development Jan 2020
- ☑ Demonstration Plant equipment orders and construction started Jan 2020
- **☑ Premium MHP** Apr 2020
- **✓ Premium Cobalt Sulphate** Jul 2020
- Project Update 2020 Jul 2020

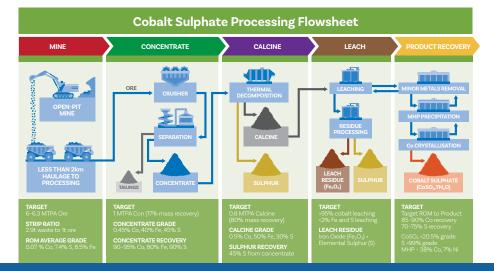
Cobalt Blue Holdings Limited (ASX COB) is the only ASX listed primary cobalt exploration and development company. The Company's strategy is to extract and refine cobalt in Australia for supply of cobalt sulphate directly into the battery supply chain. To this end, COB is advancing the Broken Hill Cobalt Project, using its proprietary cobalt pyrite refining process.

The Broken Hill Cobalt Project has the potential to become a globally significant, long term cobalt producer. Proposed production is 3.5 ktpa of contained cobalt metal in 17.5 ktpa of cobalt sulphate.

Strong long term demand for cobalt is forecast due to growth of batteries required for Electric Vehicles (EVs). EVs are expected to account for half of all global sales of new light vehicles by 2040. Cobalt is a critical component of lithium ion batteries that ensures safety, stability and longevity. Battery manufacturers are under pressure to ethically source raw materials, and are actively looking for cobalt which does not originate from the Democratic Republic of the Congo.

Strategic Partnerships







Ore Pyrite/Albite



Concentrate Pyrite - FeS₂



CalcinePyrrhotite - Fe₇S₈



Elemental Sulphur



Leach Residue



Co-Ni Mixed Hydroxide



Cobalt Sulphate CoSO₄.7H₂O



5 August 2020

Share Purchase Plan

Dear shareholder

On behalf of Cobalt Blue Holdings Limited ACN 614 466 607 (ASX:COB) (Cobalt Blue or the Company), I am pleased to invite you to participate in a Share Purchase Plan (SPP). The SPP gives shareholders the opportunity to subscribe for between A\$2,500 and A\$30,000 worth of new Cobalt Blue fully paid ordinary shares (Shares) at an issue price of A\$0.095 per Share, the same price as the placement announced to ASX on 31 July 2020. Funds raised under the SPP, in conjunction with funds raised in the A\$3.75 million placement, will be used for the Broken Hill Cobalt Project (BHCP), including for construction and commissioning of the pilot plant, for engineering and technical studies towards the Feasibility Study, to advance BHCP permits and approvals (including commencing Environmental Impact Statement studies), to fund the process of obtaining a project partner for the BHCP, and for working capital and other general corporate purposes.

The SPP will be available to shareholders who were on Cobalt Blue's Share Register at 7:00pm AEST on 30 July 2020 (Record Date) and have a registered address in Australia or New Zealand (Eligible Shareholders).

The SPP gives Eligible Shareholders the opportunity to purchase Shares at A\$0.095 per Share, which compares to the 30-day volume weighted average price of the Company's shares on 28 July 2020 (the last day of trading before the Record Date) of A\$0.116. There are no transaction costs or brokerage costs to Eligible Shareholders.

The SPP closes at 5:00pm AEST on 31 August 2020. If you intend to participate, your application and funds must be received by this time. Importantly, please note that Cobalt Blue reserves the right to close the SPP early.

This letter, and the accompanying material, set out the terms and conditions of the SPP. Additional information about the Company, including a link to all Cobalt Blue ASX announcements, is available at: https://www.cobaltblueholdings.com. For an up to date presentation on COB's activities, refer to the announcement made on 5 August 2020.

The Directors have each advised that they intend to participate in the SPP.

If you have any questions about the SPP or on how to complete the enclosed application form, please call the Company's office on 02 8287 0660, or consult your financial or other professional adviser.

Regarding the BHCP, Cobalt Blue continues to make strong progress. The BHCP Project Update 2020, which was released to the ASX on 16 July 2020, describes a longer life, lower operating and lower capital cost project. The studies highlight a project that is one third of the capital intensity (defined as US\$ per tonnes per annum of cobalt) of any other greenfield cobalt project globally. Combined with a forecast All In Sustaining Cost of just over US\$12 per pound, this compares to the 50-year cobalt price average (2020 real terms) of US\$25 per pound and long-term cobalt price forecast (Roskill Consultants) of US\$27.50 per pound.



In financial terms, the BHCP is a unique global project, capable of delivering strong margins as battery demand picks up over the longer term. However, it is also resilient enough to continue operating even at 40-year cobalt price lows (defined by CRU International) of US\$13 per pound (2020 real terms).

In commercial terms, the BHCP is forecast to produce 3,500 tonnes per annum of cobalt (equal to 17,500 tonnes per annum of cobalt sulphate) across its 17-year operating life. The BHCP is a projected top 10 global producer aiming to make a high-quality battery-ready product in Australia, for direct shipment to global battery makers. The Company will continue to work with its project partners, including LG International, to better understand the demands of the market. It is worth remembering that Cobalt Blue is focused on capturing the maximum cobalt margin across the price cycle and will achieve this by creating a premium product even as specifications continue to tighten, driven by improving battery performance.

The BHCP is also forecast to produce 300,000 tonnes per annum of sulphur into a domestic market that imports nearly one million tonnes per annum. Sulphur is a valuable precursor for the fertiliser industry, in turn supporting Australian farmers. As the only large-sale domestic producer of commercial sulphur, the Company is proud of the contribution that the BHCP stands to make.

Cobalt Blue's corporate strategy is to continue its development towards a Final Investment Decision, even as the cobalt price continues to recover. In the near term, the Company aims to build, commission and operate a pilot plant (central to the use of funds in this SPP) by the first quarter of 2021 and dispatch 100 to 200 kilograms of cobalt sulphate sample (Cobalt Blue currently has 10 partners in its sample programme) for acceptance.

Looking forward to mid-2021, the pilot plant will be expanded to a demonstration scale and the Company aims to produce up to 2,000 kilograms of high-grade cobalt sulphate. This will allow sample sizes of over 100 kilograms, from which Cobalt Blue's partners can make test-scale batteries, in turn pre-qualifying the BHCP as a supplier to the global battery industry.

The Company aims to be in production with the cobalt cycle providing a strong tailwind with its Australian-originated, ethical cobalt, powering the Electric Vehicles and Energy Storage Systems of tomorrow.

Australia has more than 16% of global cobalt resources but produces only 6% of supply. There is little doubt that Australia has plenty of potential, particularly considering its stable jurisdiction and ethical credentials. Cobalt Blue looks forward to closing this cobalt gap.

Yours sincerely
Cobalt Blue Holdings Limited

Rob Biancardi Chairman



Terms and Conditions

Offer Details

The details of the SPP offer are as follows:

Issue Price	A\$0.095 per Share
Application Amounts	Any amount divisible by the Issue Price from A\$2,500 (26,316 Shares) up to A\$30,000 (315,790 Shares)
Record Date	7:00pm AEST on 30 July 2020
Expected despatch of booklet to Eligible Shareholders and opening date of Offer	7 August 2020
Closing Date	5:00pm AEST on 31 August 2020
Announcement of results of SPP *	7 September 2020
Allotment Date	9 September 2020
Expected quotation date and trading of Shares	10 September 2020

^{*} In preparing this SPP offer, COB is relying on a waiver granted by ASX under the *Class Waiver Decision – Temporary Extra Placement Capacity* dated 9 July 2020, and in particular that the offer price for the SPP is \$0.095, the same price as the recent placement, rather than a price that is no lower than \$0.099, which is 80% of the 5-day VWAP price from 28 July 2020, being the last trading date before the offer was announced, as normally required under ASX Listing Rule 7.2 exception 5. The lower price for the issue was chosen to make the issue more attractive to investors, in part because of the uncertainty in the market caused by the COVID-19 crisis, and to raise capital to fund the Company's activities at a time when its work is impacted by travel restrictions and other issues caused by COVID-19.

How Do I Participate?

To participate, you should either:

- (a) return your Application Form, together with a cheque; or
- (b) pay the Application Amount via BPAY, so that payment is received by 5:00pm AEST on 31 August 2020.

BPAY instructions are set out on the Application Form. If you use BPAY, you do not need to return your Application Form. Please make sure you use the specific Biller Code and unique Reference Number on your personalised Application Form. Your financial institution may implement earlier cut-off times with regard to electronic payment. You should take this into consideration when making your payment.

If paying by cheque, use the reply-paid envelope or deliver it to the address set out on the Application Form. Applications received after the Closing Date will not be accepted.

Funds received for applications by cheque or BPAY will be regarded as applications for the maximum number of Shares that those funds will pay for in full. Do not forward cash. Receipts for payment will not be issued.

Please note that when made, applications cannot be withdrawn.

Corporations Instrument 2019/547 Compliance

This offer of Shares under the SPP is made in accordance with the requirements of ASIC Corporations Instrument 2019/547. That Corporations Instrument grants relief from the requirement to prepare a prospectus or other disclosure document for the offer of Shares under the SPP.



Risks

Cobalt Blue's share price may vary at any time during the offer period and its Shares may trade at a price that is lower than the Issue Price. Accordingly, by taking part in this SPP, you accept the risk that the price of the Company's shares may fall below the Issue Price between the date of this Offer and the Allotment Date, in which case you may have been able to buy the Shares on-market at a lower price than the Issue Price.

By making an application, you represent to Cobalt Blue the matters set out under the heading 'Your Representations' in these Terms and Conditions, and in the Application Form.

Do I Have to Participate?

No, you do not have to participate – participation is optional.

How Many Shares Can I Take Up?

Eligible Shareholders will receive the number of Shares equal to the Application Amount divided by the Issue Price. Fractions will be rounded up.

Application Amount	Shares Issued
A\$2,500	26,316 Shares
A\$5,000	52,632 Shares
A\$7,500	78,948 Shares
A\$10,000	105,264 Shares
A\$15,000	157,895 Shares
A\$30,000	315,790 Shares

Eligibility to Participate

Participation is open to Cobalt Blue shareholders who, at 7:00pm AEST on 30 July 2020 (Record Date), were shareholders of the Company with a registered address in Australia or New Zealand (Eligible Shareholders).

Maximum Subscription

The maximum amount you can apply for is A\$30,000 worth of Shares.

Multiple Holdings

If you are the only registered holder of the Company's shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply in aggregate for a maximum of A\$30,000 worth of Shares.

Joint Holders

If you are a joint holder of Cobalt Blue shares, that joint holding is considered to be a single registered holding for the purpose of the SPP and you are entitled to participate in the SPP in respect of that single holding only. If you are a joint holder and you receive more than one offer under the SPP, you may only apply in aggregate for a maximum of A\$30,000 worth of Shares.

Trustee or Nominee

If you are expressly noted on the Company's Share Register as a trustee or nominee for a named beneficiary, you may only apply for one maximum parcel of Shares for each named beneficiary. If Cobalt Blue's Share Registry does not record a named beneficiary in respect of your trustee or nominee holding, the rules for multiple single holdings apply.



Custodians

If you are a custodian within the definition of 'custodian' in ASIC Class Order [CO 09/425] (as varied) and hold shares in the Company on behalf of one or more persons (each a Participating Beneficiary), or on behalf of another custodian of Cobalt Blue shares, you may apply for up to a maximum of A\$30,000 worth of Shares for each Participating Beneficiary, subject to providing the Company with a 'custodian certificate' in addition to the Application Form, which certifies matters required by ASIC Class Order [CO 09/425] (as varied). Please contact Cobalt Blue's Share Registrar, Computershare Investor Services Pty Limited, at #Custodians@computershare.com.au to obtain the custodian certificate.

Directors

The Directors are able to participate in the SPP and have each advised that they will participate.

Can I Transfer My Entitlements?

The Offer is non-renounceable, which means that you cannot transfer your right to purchase Shares under the SPP to anyone else.

Underwriting

The SPP is not underwritten.

ASX Quotation

Following the issue and allotment of Shares under the SPP, Cobalt Blue will apply to ASX for quotation of the Shares on the Official List and will send Holding Statements / confirmation advices to the Eligible Shareholders' registered addresses.

Other Information

Shares issued under the SPP will rank equally in all respects with existing fully paid ordinary shares.

Brokerage

Eligible Shareholders may subscribe without incurring brokerage costs, commission or other transaction costs.

The Company's Rights

Cobalt Blue may reject any application for Shares under the SPP that it believes do not comply with these Terms and Conditions, including where it appears that you are not an Eligible Shareholder, if a cheque is returned unpaid, if the Application Form has not been properly completed or where there are grounds for believing that the applicant is not acting in good faith. The Company may modify, suspend or cancel the SPP at any time. If Cobalt Blue does this, it will notify the ASX. If the SPP is cancelled, all application money will be refunded to Eligible Shareholders without interest.

Cobalt Blue may settle, in any manner it deems fit, any anomalies or disputes in connection with the SPP, and such a decision shall be conclusive and binding on all applicants. The Company reserves the right to waive strict compliance with these Terms and Conditions.



Your Representations

By completing and returning the Application Form or by making a BPAY payment:

- you certify to Cobalt Blue that you are an Eligible Shareholder;
- you certify that you are not a US Person and you are not applying under the Offer for, or on behalf of, a US Person;
- you authorise the Company (and its officers and agents) to correct any error in, or omission from, your Application Form and to complete an incomplete Application Form;
- you accept the risks associated with any refund that may be sent to your address or to your nominated bank account as shown on Cobalt Blue's Share Register;
- you certify the total application price does not exceed A\$30,000;
- you acknowledge that Cobalt Blue may at any time determine that your Application Form is valid, even if the Application Form is invalid;
- you irrevocably and unconditionally agree to these Terms and Conditions; and
- you acknowledge that the Company is not liable for any exercise of its discretions referred to in these Terms and Conditions.

Other Important Information

This document is not an offer of securities in any place outside Australia or New Zealand and does not take into account your individual investment objectives, financial situation or particular needs. You may want to obtain independent financial and taxation advice before making an investment decision.

The Shares have not been, and will not be, registered under the US Securities Act, the securities laws of any state or other jurisdictions in the US or in any other jurisdiction outside Australia and, accordingly, the Shares issued under the SPP may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act or any other applicable securities laws.



Cobalt Blue Holdings Limited

ABN: 90 614 466 607

Suite 17.03, Level 17, 100 Miller Street, North Sydney, NSW Telephone: +61 2 8287 0660

Website: www.cobaltblueholdings.com





COB MR SAM SAMPLE 123 SAMPLE STREET SAMPLETOWN VIC 3000

For all enquiries:

Cobalt Blue Holdings Limited +61 2 8287 0660



Web:

Phone:

www.investorcentre.com/contact

Make your payment:



See overleaf for details of the Offer and how to make your payment

Share Purchase Plan Application Form

→ Your payment must be received by 5:00pm (AEST) Monday, 31 August 2020

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Cobalt Blue Holdings Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Cobalt Blue Holdings Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that the aggregate of the application price paid by you for:

- the New Shares the subject of the payment slip overleaf; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the payment,

does not exceed \$30,000.

Cobalt Blue Holdings Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Cobalt Blue Holdings Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Cobalt Blue Holdings Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Cobalt Blue Holdings Limited does not notify you of that event.

Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "Cobalt Blue Holdings Limited" and cross "Not Negotiable". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Cobalt Blue Holdings Limited Share Purchase Plan Application Form Payment must be received by 5:00pm (AEST) Monday, 31 August 2020

Turn over for details of the Offer



Share Purchase Plan Application Form

X999999991

IND

STEP 1

Registration Name & Offer Details

For your security keep your SRN/

Registration Name:

MR SAM SAMPLE 123 SAMPLE STREET SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Record date: 7:00pm (AEST) Thursday, 30 July 2020

Minimum value available to purchase:

\$2,500

Maximum value available to purchase:

\$30,000

STEP 2

Make Your Payment by 5:00pm (AEST) Monday, 31 August 2020

To avoid postal delay make your payment via BPAY either online or by phone with your bank using the payment details below.

BPAY



Biller Code: 99999

Ref No: 1234 5678 9123 4567 89

Contact your financial institution to make your payment from your cheque or savings account.

Cheque, bank draft or money order



Make your cheque, bank draft or money order payable to "Cobalt Blue Holdings Limited" and cross "Not Negotiable".

Return your payment with the below payment slip to: Computershare Investor Services Pty Limited GPO BOX 505 Melbourne Victoria 3001 Australia

BPAY

Neither Computershare Investor Services Pty Limited (CIS) nor Cobalt Blue Holdings Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time. Eligible Shareholders should use the customer reference number shown on this Application Form when making a BPAY payment.

MAIL

Neither CIS nor Cobalt Blue Holdings Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by CIS, as registrar for the securities issuer (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at www.computershare.com/au/privacy-policies.

Detach here

Purchase Details for Cobalt Blue Holdings Limited (choose one option)

BPAY is the most efficient and secure form of payment. Your BPAY payment

\$2,500 worth of securities	OR	\$5,000 worth of securities	OR	\$7,500 worth of securities
\$10,000 worth of securities	OR	\$15,000 worth of securities	OR	\$30,000 worth of securities



Entitlement No: 12345678 MR SAM SAMPLE 123 SAMPLE STREET SAMPLETOWN VIC 3000

PAY	details are shown above
Con	tact & Cheque Details

Contact

Contact		Daytille		
Name		— Telephone ——		
Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$
	· · · · · · · · · · · · · · · · · · ·			

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