

Market Update

12 May 2022

Highlights

Cobalt Blue Holdings Limited
A Green Energy
Exploration
Company



ASX Code:

COB

Commodity Exposure:

Cobalt & Sulphur

Directors & Management:

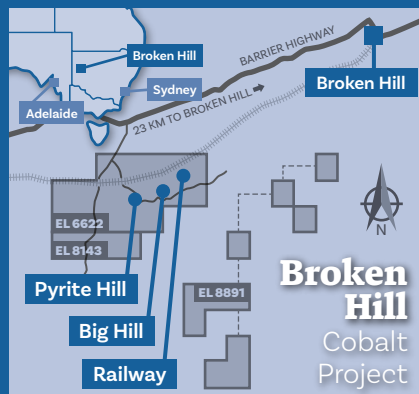
Robert Biancardi Non-Exec Chairman
Hugh Keller Non-Exec Director
Robert McDonald Non-Exec Director
Joe Kaderavek CEO & Exec Director
Danny Morgan CFO & Company Secretary

Capital Structure:

Ordinary Shares at 12/05/2022: **320.5m**
Unlisted options: **19.6m**
Market Cap (undiluted): **\$295m**

Share Price:

Share Price at 12/05/2022: **\$0.92**



Cobalt Blue Holdings Limited

ACN: 614 466 607
Address: Suite 1703, 100 Miller Street
North Sydney NSW 2060
Ph: (02) 8287 0660
Website: www.cobaltblueholdings.com
Email: info@cobaltblueholdings.com
Social: [f Cobalt.Blue.Energy](https://www.facebook.com/Cobalt.Blue.Energy)
[in cobalt-blue-holdings](https://www.linkedin.com/company/cobalt-blue-holdings)

COB advances Demonstration Plant Commissioning

KEY POINTS

- Excavation of the box cut has been completed and development of the decline is well advanced.
- Installation and commissioning of key process equipment is progressing.
- Ore production and processing to commence shortly.
- Following easing of covid travel restrictions, we have recommenced meetings with key battery and electric vehicle makers in the US, Korea and EU.

Cobalt Blue's Chief Executive Officer, Joe Kaderavek said:

"Demonstration Plant construction is progressing strongly, with mining/concentration operations to begin shortly. We anticipate the Demonstration Plant will deliver over 3,000 kgs of cobalt products from June – November 2022. In parallel, we have received better than expected demand for larger scale samples globally."

Demonstration Plant Progress

The Demonstration Plant comprises two phases of operation. Firstly, mined ore will be crushed, milled and treated to produce a cobalt-pyrite concentrate at the Pyrite Hill site. Secondly, the concentrate will then be trucked to the Demonstration Plant in Broken Hill for extraction and recovery of cobalt as Mixed Hydroxide Precipitate (MHP) and/or cobalt sulphate.

Bulk Sample Extraction

3,500–4,000 tonnes of ore will be mined from Pyrite Hill to support 20 weeks of continuous operation of the Demonstration Plant. Excavation of the box cut has been completed and development of the decline is well advanced (Figure 1). The decline will extend approximately 80 metres and intersect the ore body at approximately 40 metres below surface. A total of 160 metres of development is expected to be completed for realisation of the targeted tonnage. Ore extraction will begin shortly, with crushing, milling and concentration operations to begin subsequently.

Figure 1 – Pyrite Hill underground portal



Figure 2 – Pyrite Hill decline heading as shown currently developing through unmineralised waste material in the hanging wall of the deposit with mineralisation expected to be intersected during May.



Demonstration Plant Update

Construction and installation of key equipment at the Pyrite Hill site is progressing as scheduled. General site amenities have been established to support sustained on-site activities at Pyrite Hill while commissioning of milling and concentrator equipment in Broken Hill is nearing completion.

The gravity concentrator circuit including gravity spirals have been installed at Pyrite Hill in readiness for commencement of ore processing. The multi-stage crushing plant is scheduled for mobilisation in May.

In Broken Hill, expansion of the leach plant continued in Q1, augmenting throughput capacity from 40 kg/hr to 125 kg/hr. Equipment for discrete unit operations are now being installed including the oxygen and nitrogen plants (Figure 3), and following, the new large-scale kiln and sulphur recovery equipment.

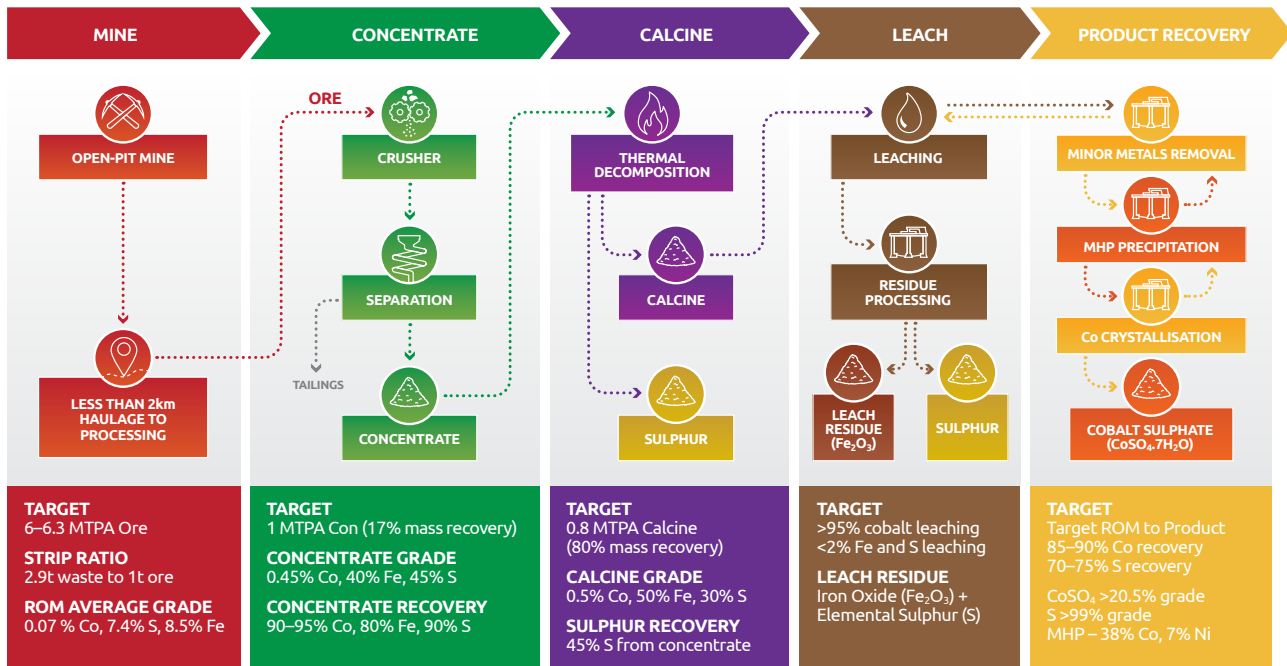
Figure 3 – Top: **Gravity spiral circuit installed at the Pyrite Hill site.** Bottom Left: **Installation of oxygen plant at the Broken Hill site.** Bottom Right: **Installation of nitrogen plant at the Broken Hill site.**



Market Strategy

Our strategy is focused upon maximising payable cobalt whilst participating in the strong growth of the lithium-ion battery market. Unlike the traditional cobalt mining model, COB is an integrated refinery model capable of delivering first an intermediate Mixed Hydroxide product (MHP), which subsequently can be further refined into battery grade cobalt sulphate. The COB process-block flowsheet is shown below.

Figure 4 – BHCP MHP and Cobalt Sulphate process diagram



Cobalt Blue Background

Cobalt Blue Holdings Limited (ASX: COB) is an exploration and project development company. Work programs advancing the Broken Hill Cobalt Project in New South Wales continue. Our ambitious goals are subject to funding availability. Cobalt is a strategic metal in strong demand for new generation batteries, particularly lithium-ion batteries now being widely used in clean energy systems.

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.



Joe Kaderavek
Chief Executive Officer
info@cobaltblueholdings.com
P: (02) 8287 0660

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>

- 10 September 2021: Premium cobalt samples finalised
- 05 July 2021: Transition to Demonstration Plant
- 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 underpinning 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.