

Market Update

1 December 2023

Cobalt Blue Holdings Limited
A Green Energy
Exploration
Company



ASX Code:

COB

Commodity Exposure:

Cobalt & Sulphur

Directors & Management:

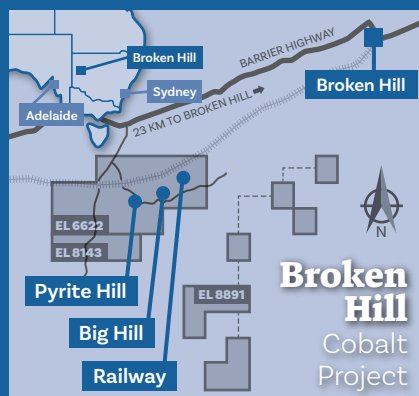
Robert Biancardi Non-Exec Chairman
Hugh Keller Non-Exec Director
Robert McDonald Non-Exec Director
Joe Kaderavek CEO & Exec Director
Danny Morgan CFO & Company Secretary

Capital Structure:

Ordinary Shares at 01/12/2023: **375.4m**
Unlisted options/rights: **3.4m**
Market Cap (undiluted): **\$105.11m**

Share Price:

Share Price at 01/12/2023: **\$0.28**



Cobalt Blue Holdings Limited

ABN: 90 614 466 607
Address: Suite 17.03, 100 Miller Street
North Sydney NSW 2060
(02) 8287 0660
Ph: www.cobaltblueholdings.com
Website: info@cobaltblueholdings.com
Email: f Cobalt.Blue.Energy
Social: in cobalt-blue-holdings

Highlights

Iwatani Corporation to partner on Cobalt-Nickel Refinery

KEY POINTS

- Cobalt Blue Holdings Limited (**Cobalt Blue**) (ASX:COB) is delighted to name Iwatani Corporation as our potential partner in developing the Cobalt-Nickel Refinery Project (subject to binding agreement).
- Senior Iwatani Corporation executives recently visited our Broken Hill based Demonstration Plant.
- Detailed engineering continues as part of the Refinery project pre-construction phase.
- The Demonstration Plant has started large scale test work of third-party material to support Refinery project technical studies.
- COB published a Cobalt-Nickel Refinery Study presenting a compelling evaluation of a refining business that is expected to generate stable margins throughout the highs and low of the cobalt price cycle.¹

Kan Ueda, Managing Director, Iwatani Australia Pty Ltd (Iwatani Corporation's wholly owned subsidiary) commented "Iwatani Australia is pleased to engage with Cobalt Blue to develop Australia's first cobalt sulphate refinery. We look forward to converting our agreement into a long term relationship".

Joe Kaderavek, CEO Cobalt Blue commented "Cobalt Blue is excited to have a potential Refinery partner of the calibre of Iwatani Corporation. Iwatani Corporation brings significant value to the relationship as an established large-scale trader of battery minerals into the important Japanese and US battery supply chain and as an established landholder/operator in the Kwinana district.

We also acknowledge the supportive Government policy settings of Allied Nations – in particular those of Japan, Australia and the US – to diversify critical mineral supply chains. Against this backdrop our partnership with Iwatani Corporation has developed and grown as we look to move to the development phase of the Refinery."

¹ Refer to ASX announcement dated 27 November 2023 for further information

1 Introducing Iwatani Corporation

Cobalt Blue is delighted to announce Iwatani Corporation as our potential partner in developing the Cobalt-Nickel Refinery project (the Refinery). Cobalt Blue and Iwatani Corporation have executed a non-binding agreement that establishes the basis on which the parties intend to proceed. There is no guarantee of entry into a binding agreement on current terms.

Iwatani Corporation is a leading Japanese multinational company that specialises in the production and trading of commodities. Iwatani Corporation has a global presence with operations in several countries. They have established partnerships and collaborations with companies worldwide to further advance their expertise in technologies and explore new markets. Iwatani has a large trading arm looking to supply their Japanese partners in major global Electric Vehicle markets, including the United States.

Iwatani Australia Pty Ltd owns a suitable property in the Kwinana district that would support the operation of the Refinery. Cobalt Blue believes that partnering with an existing property owner would substantially reduce development time for the Refinery. Iwatani Corporation is currently considering proposing an appropriate level of equity ownership in the Refinery project via a funding contribution (subject to binding agreement). The Refinery project includes a Stage (1) 3rd party feedstock and Stage (2) Broken Hill Cobalt Project feedstock expansion.

2 Proposed Refinery Location

The proposed refinery location is in the Kwinana Industrial Area located 30km from the Perth metropolitan area in Western Australia. The proposed site for the plant is the Doral Fused Materials (DFM) site, which is owned by Iwatani Australia and is located in East Rockingham WA near the Fremantle Port. While having the advantage of being located close to other proposed battery manufacturing facilities in Kwinana, the DFM site also has other advantages including:

- Access to existing utilities e.g., power and water.
- Close access to reagent suppliers in the Kwinana area.
- Experienced workforce.
- Existing buildings and facilities that can be utilised for administration, laboratory, workshops, weighbridge, etc.
- Access to Fremantle Port for import and export.
- Favourable industrial zone policy settings and regulatory environment.

Ready access to power, utilities and infrastructure makes the proposed location of the refinery highly desirable. The pictures below show the proposed Refinery project site overview and layout as well as the district location in relation to nearby logistics and other landmarks.

Figure 1 – **Aerial view of the proposed Refinery project site (owned by Iwatani Australia)**



Figure 2 – Overview of the proposed Refinery project floorplan

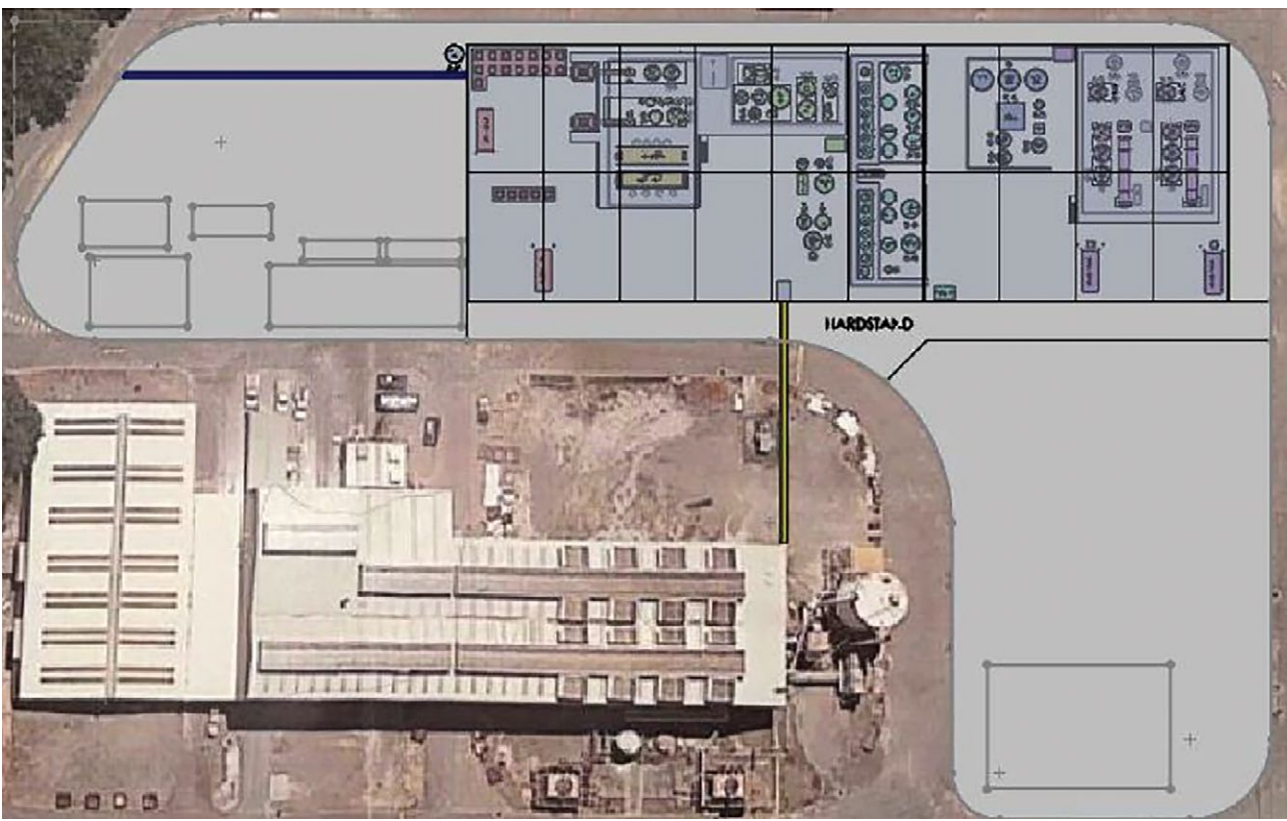


Figure 3 – District view of the proposed Refinery project site (highlighting proximity to battery industry and Kwinana/Fremantle Ports)



3 Iwatani Management Visit – Demonstration Plant

Senior management from Iwatani Australia Pty Ltd recently visited the Cobalt Blue Demonstration Plant in Broken Hill. The group is pictured in front of the plant whilst on an inspection tour of the upscaled refinery operations.

Figure 4 – MD Iwatani Australia Kan Ueda, CEO Cobalt Blue Joe Kaderavek and senior staff recently visited the Cobalt Blue Demonstration Plant



4 Demonstration Plant starts large-scale test work of third party material

Cobalt Blue has commenced a large-scale raw materials testing program for the Refinery project. The intention is to trial up to 5 tonne samples from third-party suppliers. Samples would typically be cobalt hydroxide or cobalt-nickel hydroxide or other intermediates from existing operations.

The current cobalt sulphate refinery equipment in the Broken Hill based Demonstration Plant has now been upscaled to a nominal production capacity rate of 200 kg/day cobalt/nickel equivalent. This represents a 1:50 scale compared to the initial intended refinery capacity.

Samples are being provided under commercial-in-confidence agreements, due to the sensitivity of disrupting existing supply contracts and chains. Cobalt Blue is looking to source a broad range of cobalt rich materials representing the global industry that currently complies with Allied Nation supply chain requirements.

Australian sourced third-party cobalt rich intermediate evaluation has commenced. Pictured below is a recent 5 tonne delivery of non-Australian third-party material which will begin test work shortly. The commercial objective of the test work is to finalise operating requirements and costs of processing different global feedstocks prior to a Final Investment Decision for the Cobalt Nickel Refinery project, which is expected by mid 2024. The business model of the refinery is to produce Inflation Reduction Act (IRA) (US market) and Critical Raw Materials Act (CRMA) (EU market) compliant battery chemicals.

Figure 5 – Demonstration Plant Manager, Adam Randall, receives first 5 tonne sample of 3rd party feedstock material



About Cobalt Blue

Cobalt Blue is a mining and mineral processing company focussed on the development of the Broken Hill Cobalt Project in New South Wales, Australia. The portfolio of three granted tenements in a total area of 39 km² containing large-tonnage cobalt-bearing pyrite deposits are located 23 km west of Broken Hill. Cobalt Blue has developed a patented minerals processing technology for treating pyrite feedstocks targeting 85–95% recovery of cobalt from ore to product (as Mixed Hydroxide Precipitate or Cobalt Sulphate). The Broken Hill Cobalt Project aims to have a project life of +20 years and is expected to be a significant employer in Regional NSW, with around 400 full-time jobs generated. Cobalt Blue aims to become a global top 5 supplier of battery-grade cobalt (ex-China).

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 the ability to reach binding agreement on the proposed terms or at all, cobalt metal price volatility, timely completion of project milestones, funding availability, government and other third-party approvals. Readers should not place undue reliance on forward-looking statements. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement”.

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.

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

For further information, please contact:

A handwritten signature in black ink, appearing to read 'J. Kaderavek'.

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

Previously 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>.

- 27 November 2023: COB to Progress Cobalt Nickel Refinery Project in 2024
- 03 August 2023: Demonstration Plant success. Refinery Development Program launched.
- 05 June 2023: Definitive Feasibility Study Update

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.