5th July 2017

Intensive Field Based Exploration Program Commences at Dobsina Cobalt-Nickel-Copper Sulphide Project

- ***Intensive site based exploration has commenced at Dobsina Co-Ni Project. Activities include:***
  - ***Evaluation of 42 historical waste dumps across the site through geochemical sampling, surveying and metallurgical test work***
  - ***Trenching across interpreted mineralised horizons***
  - ***Validation of the location of historical adits across the Project***
  - ***Detailed geological mapping & geochemical sampling***
  - ***Environmental baseline monitoring stream and soil sampling***
  - ***Development of community relations and stakeholder engagement program***
- ***Site team includes European Cobalt Ltd technical team, former mine operators, University researchers and permitting consultants***

Figure 1: Samuel Adit, Historical Waste Dump (Pink/Red Mineral, Erythrite $Co_3(AsO_4).8H_2O$)

Mr Robert Jewson, Managing Director of European Cobalt commented:

"The bringing together of the whole technical team on site to Dobsina aims to unlock significant value through utilising the extensive experience from previous operators and academics which have undertaken considerable research towards the Project and its metallogenesis.

The work program underway will refine the understanding of the extent, geometry and continuity of the cobalt-nickel sulphide mineralisation. This information will be utilised to define the location and orientation of drill holes for the maiden drilling campaign to be completed across Dobsina."

OVERVIEW

European Cobalt Ltd ("EUC" or "the Company", ASX: **EUC**) is pleased to announce the commencement of intensive field based exploration program across the Dobsina Cobalt-Nickel Project. Subsequent to acquisition, EUC has engaged a team of highly credentialed geologists with extensive project development experience from exploration through to development. In order to gain the benefit of the significant experience of EUC's predecessors, EUC has collaborated with the former miners and University Professors to refine the geological understanding of the Project.

HISTORICAL COBALT-NICKEL WASTE DUMPS

A total of 42 discrete waste dumps are documented across the Dobsina Project. These dumps were formed through the historical mining of cobalt-nickel, copper and iron ore. Mineralisation extracted from the historical underground workings were hand sorted based on the relevant economic cut off at the period at which mining was occurring.

Figure 2: Samuel Adit Waste Dump- secondary copper and cobalt mineralised material

These waste dumps are being assessed in terms of their potential of hosting significant mineralisation. Initial exploration activities will include rock chip sampling across each of the dumps and surveying their respective extents in order to determine their relative priority. Further systematic channel sampling and metallurgical testwork will be completed following the initial reconnaissance results.

Figure 3: Chief Geologist, Sven Honig holding a sample of mineralisation from Pavol Waste Dump with stringer and disseminated copper and cobalt sulphides

SURVEYING OF HISTORICAL ADIT ENTRY LOCATIONS

Surveying of the historical adit entry locations will be completed in order to assist with development of a 3D model of the underground workings. In addition an assessment of the conditions of the adit will be completed in order to determine the potential of re-entry to facilitate geological mapping, channel sampling and geotechnical assessment of required ground control methods.

DETAILED GEOLOGICAL MAPPING & SAMPLING

The initial field based exploration activities conducted across the up-dip projection of the Joremeny adit has confirmed that mineralisation extends to surface. Detailed geological mapping, XRF soil survey and trenching of the interpreted surface projection of mineralisation has commenced.

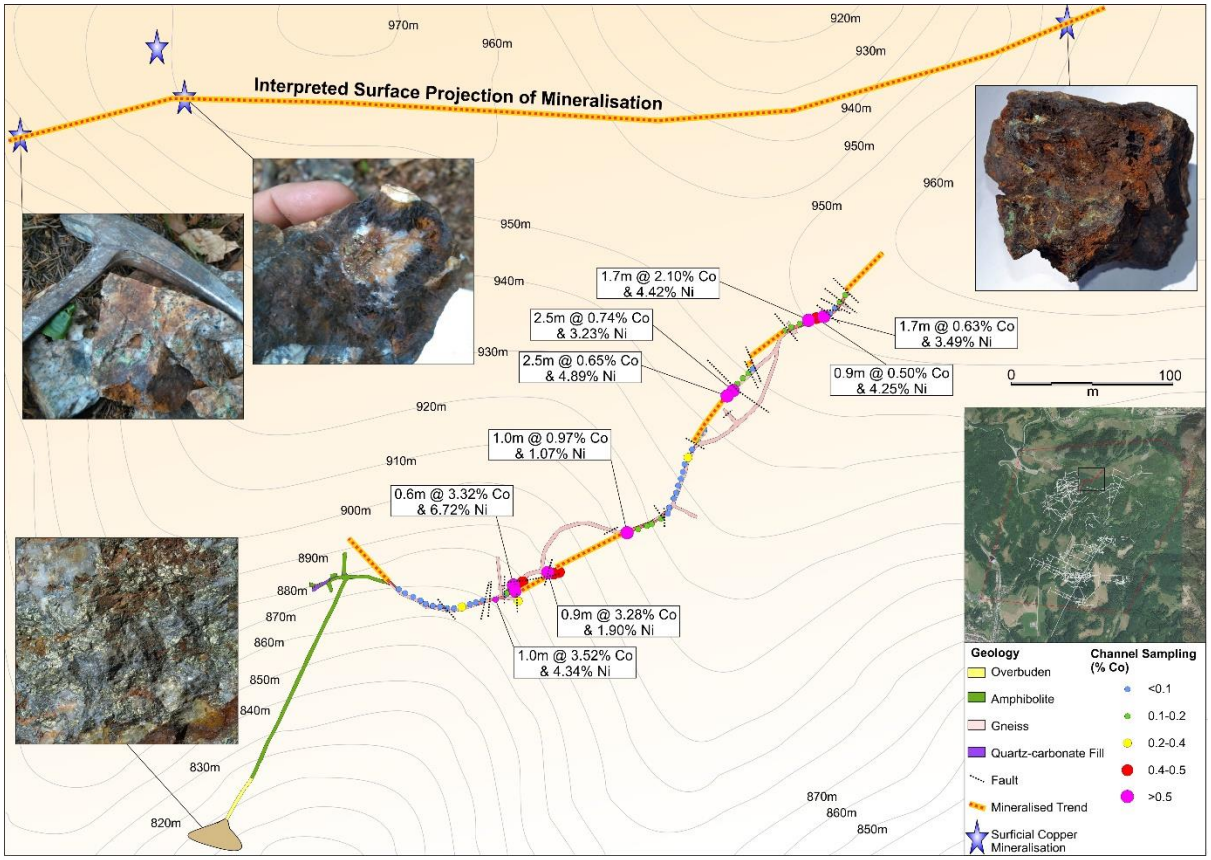

Figure 4: Joremeny Adit Underground Channel Sampling & Interpreted Surface Projection of Mineralisation

ABOUT EUROPEAN COBALT

- ✓ **High grade, cobalt-nickel mine** located in central Slovakia with **historical production grades of up to 8% Cobalt & 17% Nickel from sulphide mineralisation**
- ✓ Strategically located near railhead, established infrastructure solution to end user markets - high end German auto manufacturing industry
- ✓ No modern exploration activities conducted to date- **modern EM systems has potential to delineate additional sulphide cobalt-nickel mineralisation**
- ✓ **Slovak based geological team engaged-** collation of all available historical exploration and mining data well underway
- ✓ **Intensive field based exploration underway**
- ✓ EUC is establishing itself as a European focussed explorer and developer through **actively evaluating synergetic opportunities to build a portfolio of high quality assets**

DISCLAIMER

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

For further information with respect to underground channel sampling results from Jormeny please refer to ASX Announcement "High Grade Cobalt and Nickel Results at Dobsina" released on 26th June 2017

COMPETENT PERSONS STATEMENT:

The information in this announcement that relates to the Exploration Results for Dobsina is based on information compiled and fairly represented by Mr Robert Jewson, who is a Member of the Australian Institute of Geoscientists and Managing Director of European Cobalt Ltd. Mr Jewson has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Jewson consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.