

CobaltOne

Limited

ACN: 127 411 796

30 August 2017

APPENDIX 3B UPDATE

On 12 December 2016, **Cobalt One Limited (ASX: CO1) (the “Company” or “Cobalt One”)** filed on ASX a cleansing prospectus (“First Cleansing Prospectus”) in relation to a proposed offer of 200,000 common shares (“Shares”) to be issued at an issue price of \$0.02 per Share (“the First Offer”). The purpose of the First Cleansing Prospectus, and the subsequent supplementary prospectus filed on 6 January 2017, was to remove any trading restrictions in relation to securities issued by the Company to institutional and sophisticated investors via a placement.

On 15 December 2016, subsequent to the lodgement of the First Cleansing Prospectus, the Company filed an Appendix 3B in relation to the First Offer.

The purpose of this announcement is to advise ASX Quotations that no Shares were issued under the First Offer and to set out below the resulting amendment to the capital structure of Cobalt One that was disclosed in Item 8 of the Appendix 3B dated 15 December 2016:

Item 8

Revised Number	⁺ Class
309,972,975 ¹	Fully Paid Ordinary Shares

Notes:

1. Previously 310,172,975 (per Appendix 3B - 15 December 2016).

On 21 February 2017, Cobalt One filed on ASX another cleansing prospectus (“Second Cleansing Prospectus”) in relation to a proposed offer of 1,000 common shares to be issued at an issue price of \$0.12 per Share (“the Second Offer”). The purpose of the Second Cleansing Prospectus was to remove any trading restrictions in relation to the remaining securities issued by the Company to institutional and sophisticated investors via the placement.

On 23 February 2017, subsequent to the lodgement of the Second Cleansing Prospectus, the Company filed an Appendix 3B in relation to the Second Offer.

The purpose of this announcement is also to advise ASX Quotations that no Shares were issued under the Second Offer either and to set out below the resulting amendments to the capital structure of Cobalt One that was disclosed in Item 8 of the Appendix 3B dated 23 February 2017.

Item 8

Revised Number	⁺ Class
544,308,269 ¹	Fully Paid Ordinary Shares

Notes:

1. Previously 544,509,269 (per Appendix 3B - 23 February 2017). This revised number includes the amendment to the capital structure of Cobalt One in relation to the First Offer, as outlined above.

For and on behalf of the Board**Michael Naylor****Company Secretary**

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B - Amended

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Cobalt One Limited

ABN

127 411 796

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|-----|
| 1 | +Class of +securities issued or to be issued | N/A |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | N/A |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | N/A |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities? If the additional ⁺securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A
5	Issue price or consideration	N/A
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The purpose of this Amended Appendix 3B does not relate to an issue of securities. Rather, it corrects the Company's capital structure for the 1,000 fully paid ordinary shares that were never issued in connection with the cleansing prospectus dated 6 January 2017 and the 200,000 fully paid ordinary shares that were never issued in connection with the cleansing prospectus dated 21 February 2017. The capital structure in item 8 below represents the Company's current capital structure as at the date of this Amended Appendix 3B.
6a	Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the ⁺securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	29 November 2016
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	N/A

⁺ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of +securities issued under an exception in rule 7.2	N/A	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 – 98,602,907 7.1A – 67,880,827	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	N/A	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Revised Number 672,026,602	+Class Fully Paid Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		8,500,000 Options	Class A Options (\$0.02, 5 April 2020)
		8,000,000 Options	Class D Options (\$0.03, 30 November 2019)
		15,000,000 Options	Class E Options (\$0.08, 10 February 2020)
		25,000,000 Options	Performance A Options (\$0.03, 9 February 2020)
		25,000,000 Options	Performance B Options (\$0.06, 9 February 2020)
		15,000,000 Options	Director Performance Options (\$0.001, 15 June 2020). Vest when the share price on ASX is at \$0.20 or more for 10 consecutive Trading Days.
		10,000,000 Fully Paid Ordinary Shares	Vest when the share price on ASX is at \$0.20 or more for 5 consecutive Trading Days. Subject to holding lock.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged	

Part 2 - Pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	

⁺ See chapter 19 for defined terms.

- | | | |
|----|--|--|
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ☐ ⁺Securities described in Part 1
- (b) ☐ All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"><thead><tr><th style="text-align: left; padding: 5px;">Number</th><th style="text-align: left; padding: 5px;">+Class</th></tr></thead><tbody><tr><td style="height: 80px;"></td><td style="height: 80px;"></td></tr></tbody></table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

(Company secretary)

Date: 30 August 2017

Print name: Michael Naylor

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	249,978,380
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	35,125,000 (7/12/2016) 1,250,000 (23/01/2017) 4,000,000 (30/1/2017) 127,500,000 (9 February 2017) 60,000,000 (14 February 2017) 4,500,000 (22 February 2017) 34,500,000 (9 May 2017) 235,294 (9 May 2017) 24,869,595 (9 May 2017) 1,000,000 (17 May 2017) 20,000,000 (21 June 2017) 250,000 (4 July 2017) 10,000,000 (4 July 2017) 100,000,000 (13 July 2017) 5,600,000 (21 August 2017)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	678,808,269

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	101,821,240
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	2,350,000 (23 February 2017) 868,333 (13 April 2017)
“C”	3,218,333
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	101,821,240
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	3,218,333
Total [“A” x 0.15] – “C”	98,602,907 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	678,808,269
Step 2: Calculate 10% of “A”	
“D” <i>Note: this value cannot be changed</i>	0.10
Multiply “A” by 0.10	67,880,827
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	-
“E”	-

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	67,880,827
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	-
Total [“A” x 0.10] – “E”	67,880,827 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.