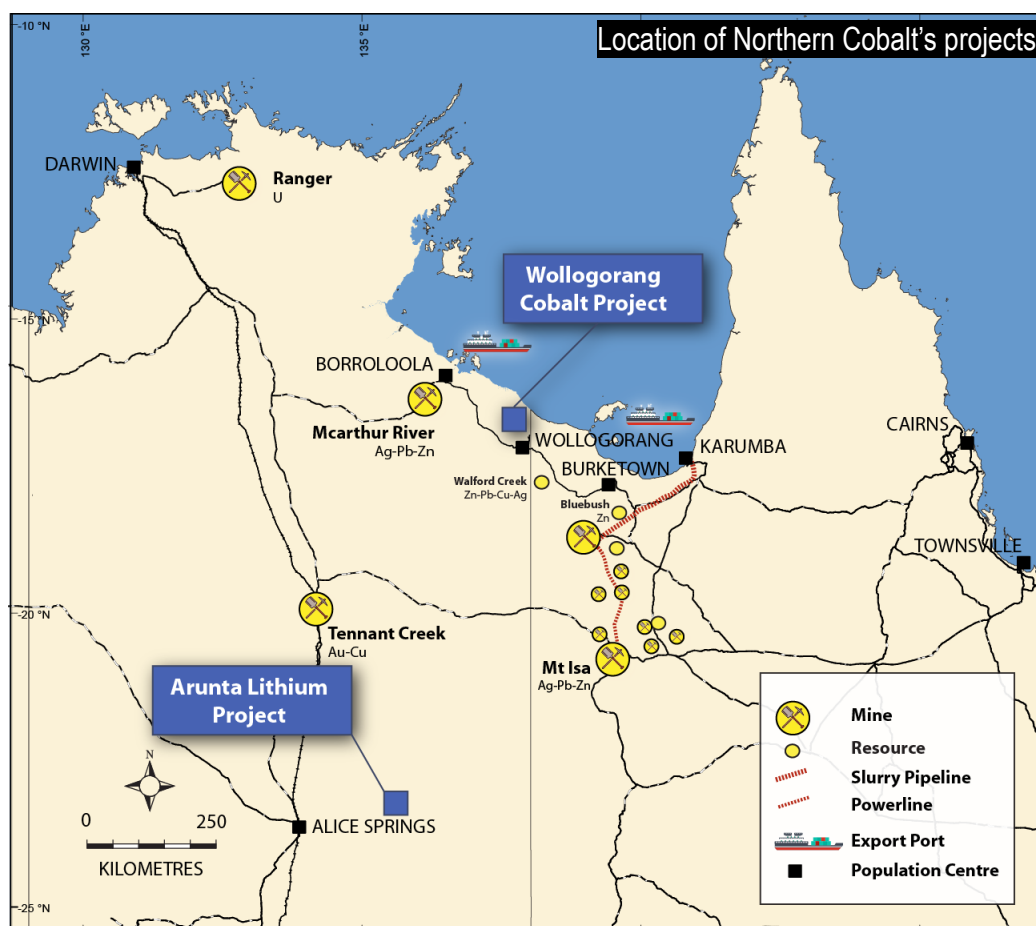


ACQUISITION OF LITHIUM PROJECT TO COMPLIMENT COBALT RESOURCE

- 100% interest in nine (9) prospective tenements acquired in the Northern Arunta Pegmatite Province, Northern Territory and applications made for four (4) adjoining tenements
- Prospective for lithium and other strategic metals, Li-Ce-Ta, REE (Nb-Yb) and Co, used in the production of electric vehicles
- Acquisition is complimentary to the Wollongorang Cobalt Project and allows exploration during the wet season; geological mapping and rock chip sampling at the Arunta Project will commence early in 2018
- Resource upgrade at Stanton Cobalt Deposit in Q1 2018 and scoping study commencing January 2018



CAPITAL STRUCTURE

Ordinary Shares
Issued 37.1M

Options
Listed 9.2 M @20c
Unlisted 12.3 M @25c

Performance Shares

Class A 9.6 M
Class B 3.6 M

Last Capital Raise

20 Sept 2017
\$4.2M @ 20c (IPO)

BOARD

Len Dean - Chair
Michael Schwarz - MD
Duncan Chessell - ED
Andrew Shearer - NED
Jarek Kopias - Co Sec

Chairman Len Dean said “This new project acquisition in central Australia aligns to the Company’s strategy to pursue commodities essential to the renewable energy future of the planet. These are primarily Lithium and Cobalt which are in high demand for modern batteries. Furthermore, Northern Cobalt is in an excellent position heading in 2018 with a resource upgrade planned at our advanced Wollogorang Cobalt Project which will then form the basis of early scoping studies. I am very pleased to see such rapid progress after successfully listing only 12 weeks ago on the ASX”.

Details of the transaction

- Northern Cobalt will issue 600,000 fully paid ordinary shares to Gempart (NT) Pty Ltd to acquire a 100% interest in the 9 (nine) tenements (subject to ministerial approval)
- The share issue will be made under the Company’s 15% placement capacity under listing rule 7.1
- Complimentary project to the advanced Wollogorang Cobalt Project
- Prospective for strategic metals including Li-Ce-Ta, REE (Nb-Yb) and Co

Granted tenements acquired in the transaction		
Title ID	Location	Area SqKm
EL28837	Alcoota Pegmatite Field	88.71
EL28838	Alcoota Pegmatite Field	12.70
EL28886	Alcoota Pegmatite Field	50.79
EL29470	Plenty River Pegmatite Field	28.47
EL29481	Harts Range Pegmatite Field	43.48
EL29511	Harts Range Pegmatite Field	12.64
EL29851	Harts Range Pegmatite Field	25.26
EL30007	Harts Range Pegmatite Field	22.22
EL31147	Harts Range Pegmatite Field	114.52
Tenement applications		
EL31776	Plenty River Pegmatite Field	683.5
EL31777	Alcoota Pegmatite Field	783.3
EL31778	Undippa Pegmatite Field	297.5
EL31779	Alcoota Pegmatite Field	554.9

Managing Director Michael Schwarz said “These new hard rock lithium targets in central Australia are also prospective for other strategic metals used in electric vehicles such as the permanent magnets in electric motors and other components; typically, lithium-cesium-tantalum and associated rare earth elements and niobium – yttrium can be found in the project area. The abundance of host pegmatites in the region is highlighted by the number of historic mica mines. Ultramafic copper-cobalt (Cu-Co) mineralisation has also been identified in the region which further enhances the attractiveness of this prospective package as cobalt is the company’s number one target commodity. The Company will be pursuing mapping, soils, and rock chipping to work up drill targets over the coming months as we see this project as complimentary to the advanced Wollogorang Cobalt Project further to the north. It aligns with our company strategy to pursue commodities essential to the renewable future”.

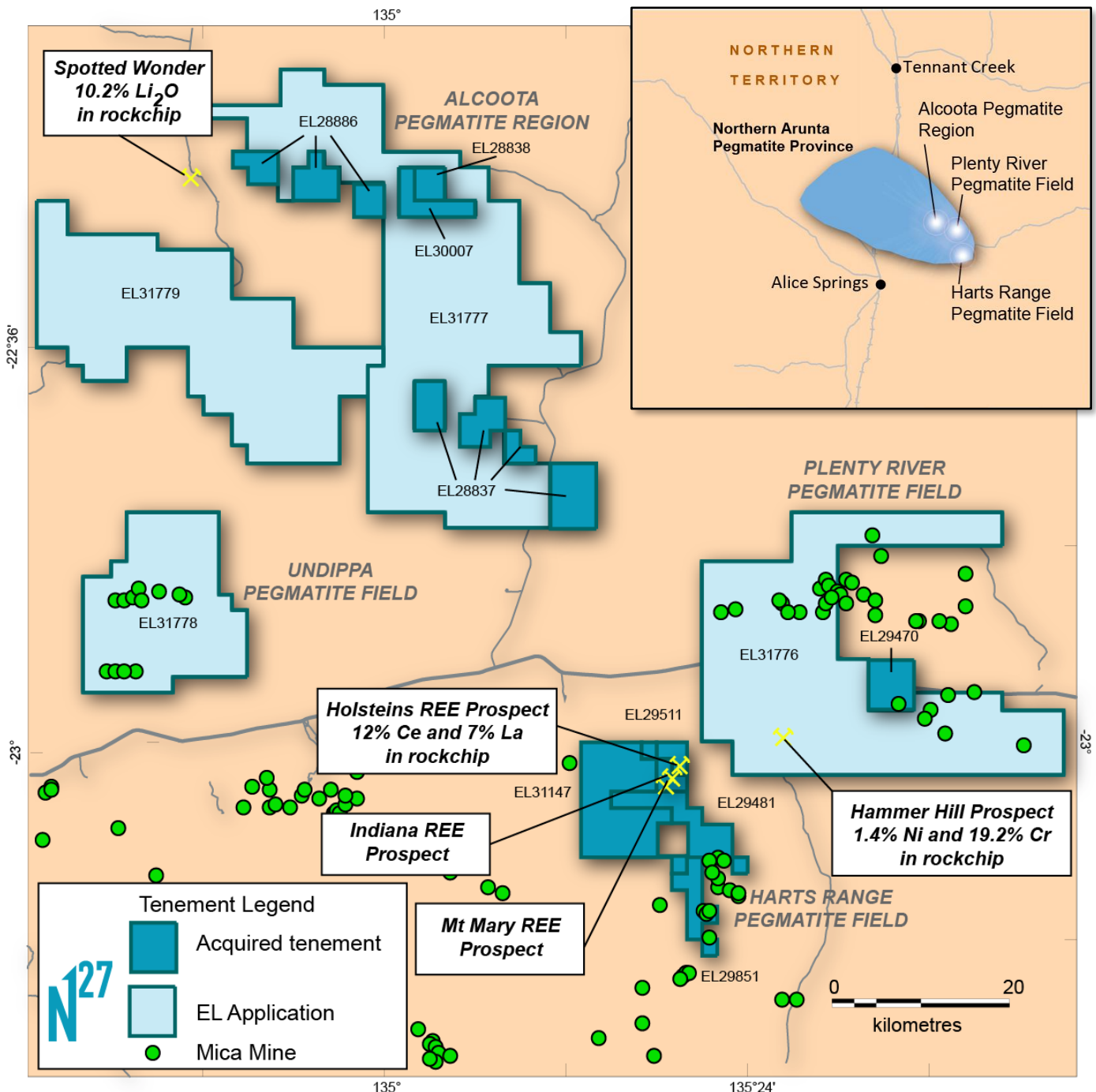


Figure 1. Location of Northern Cobalt's lithium and REE tenements

The Exploration Results have not been reported in accordance with the JORC Code 2012;
 a Competent Person has not done sufficient work to disclose the Exploration Results in accordance with the JORC Code 2012;
 it is possible that following further evaluation and/or exploration work that the confidence in the prior reported Exploration Results may be reduced when reported under the JORC Code 2012;
 nothing has come to the attention of the Company that causes us to question the accuracy or reliability of the former owner's Exploration Results; and
 the Company has not independently validated the Exploration Results and therefore is not to be regarded as reporting, adopting or endorsing those results.

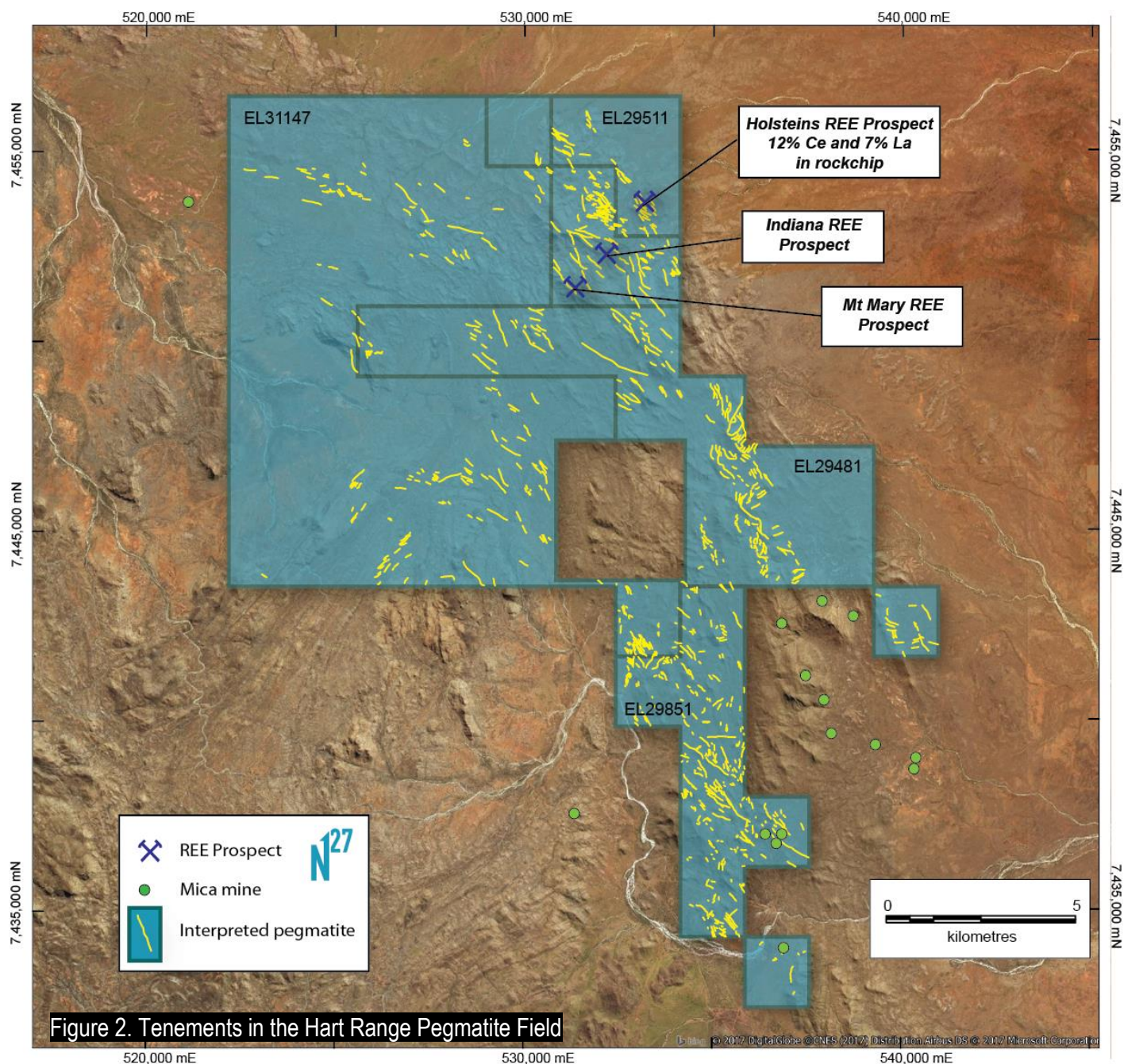


Figure 2. Tenements in the Hart Range Pegmatite Field

Highlights of the Arunta Project

The Arunta Project includes four (4) pegmatite fields.

- Alcoota
- Plenty River
- Harts Range
- Undippa

Pegmatites in the Alcoota region are prospective for Li-Ce-Ta as evidenced by sampling from the nearby Spotted Wonder Prospect currently held by Kingston Resources (ASX:KSN). A rock chip at KSN's prospect returned a value of 9.63% Li₂O (reported by KSN on 24/3/2017) from a sample of pegmatite containing amblygonite (Figure 1).

The Harts Range Pegmatite Field contain several Rare Earth Element (REE) prospects from which rock chips containing up to 12% Ce and 7% La have been reported. Over 1,000 individual pegmatites have been interpreted to occur within these tenements.

In addition, across all granted tenements and application areas, mafic and ultramafic intrusions have been identified, which have significant Cu-Co potential.

Project Location

The Arunta Lithium Project occurs in the south-east of the Northern Territory, a mining friendly authority. The Project area is 180 km to the north-east of the population centre of Alice Springs. The capital city of Darwin is 1250 km to the north-west.

New appointment

Due to the accelerated pace of development non-executive Director Duncan Chessell has been appointed as an Executive Director of Business and Project Development on an annual salary of \$176,000 plus superannuation.

For further information please contact:

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E: mschwarz@northerncobalt.com.au

Competent Person's Statement

The information in this report that relates to historical exploration results is based on, and fairly represents, information and supporting documentation compiled by Mr Michael Schwarz who is a member of the Australian Institute of Geoscientists. Mr Michael Schwarz is a full-time employee of the company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Michael Schwarz consents to the inclusion in the report of the matters based on his information in the form in which it appears. The information in this announcement is an accurate representation of the available data and studies of the material mining project.

The exploration results reported in this announcement are publicly available and have been obtained from the Mineral Deposits and Mines database at the Northern Territory Geological Survey. <https://dpir.nt.gov.au/mining-and-energy/STRIKE/strike-help/nt-wide-geoscience-datasets>. This information is collated and maintained by a government department and is not reported under the JORC 2012 Code and are considered reliable by the Company.

Glossary

Li-Ce-Ta = Lithium-Cesium-Tantalum

REE (Nb-Yb) = Rare Earth Elements (Niobium-Ytterbium)

Cu-Co = Copper-Cobalt