

Major Field Program Underway at Skuterud Cobalt Project

Highlights

- **2018 field season underway at Skuterud Cobalt Project**
- **Major sampling program commenced**
- **Entire 6.5km Skuterud cobalt trend to be comprehensively sampled**
- **Airborne geophysics have identified multiple EM anomalies for further attention**
- **Results from soils, mapping and geophysics aim to define drill targets for phase two drilling, expected for Q3 2018**

Berkut Minerals Limited (ASX: BMT) ("Berkut" or the "Company") is pleased to advise that a major geochemical sampling program has commenced at the 100% owned Skuterud Cobalt Project in Norway (Refer Figure 1 and 3).

A significant soils program (1,000+ samples) will target the entire 6.5km prospective and historical cobalt producing Skuterud trend with a nominal 100m x 50/25m pattern, with approximately 45km line km to be covered. Infill field mapping and sampling is also being undertaken. The bulk of the field work expected to be completed by early July 2018.

Recent reprocessing of airborne EM data has highlighted multiple EM targets for additional attention (refer Figure 1). The EM data has a nominal 200m line spacing and is expected to be useful in identifying shallow EM anomalies associated with near-surface weathering along the Skuterud mineralised system. Several of the identified EM anomalies are co-incident with previously mapped quartz-sericite schist units; which are the dominant host rock for cobalt mineralisation.

Dense sampling will be conducted over the Middagshville historical mine, where high-grade grab samples up to 0.8% Co¹ have previously been identified. These and other workings in the sampling area were once part of the Skuterud mining operation, the largest cobalt mine in the World at the time.

The June field program has been designed to generate multiple drill targets to enable follow up drilling in Q3 2018.

Fast Facts

Shares on Issue 54.3M
Tradeable Shares 40.4M
Market Cap (@ 13 cents) A\$7.0M
Cash (31 March 2018) A\$4.0M
Enterprise Value A\$3.0M

Board and Management

Neil Inwood, Managing Director
Justin Tremain, Non-Exec Chairman
Paul Payne, Non-Exec Director

Ben Cairns, General Mgr Geology
Aaron Bertolatti, Company Secretary

Company Highlights

- European cobalt and nickel projects in Norway and Sweden, strategically located within proximity to operating cobalt refineries and European markets
- 100% ownership of the Skuterud Cobalt Project in Norway
- Historic mined cobalt grades up to 2% at the 100% owned Gladhammar Project in Sweden
- 100% ownership of historical Lainejaur Ni, Co, Cu resource in Sweden
- Swedish ground position of approx. 100km² and Norwegian ground position of 19km², both covering historic mine workings
- Tight capital structure
- Well-funded | Strong cash position

Registered Office

78 Churchill Avenue Subiaco
Western Australia 6008
T: +61 8 9320 2320
www.berkutminerals.com.au

¹ refer announcement 31 July 2017

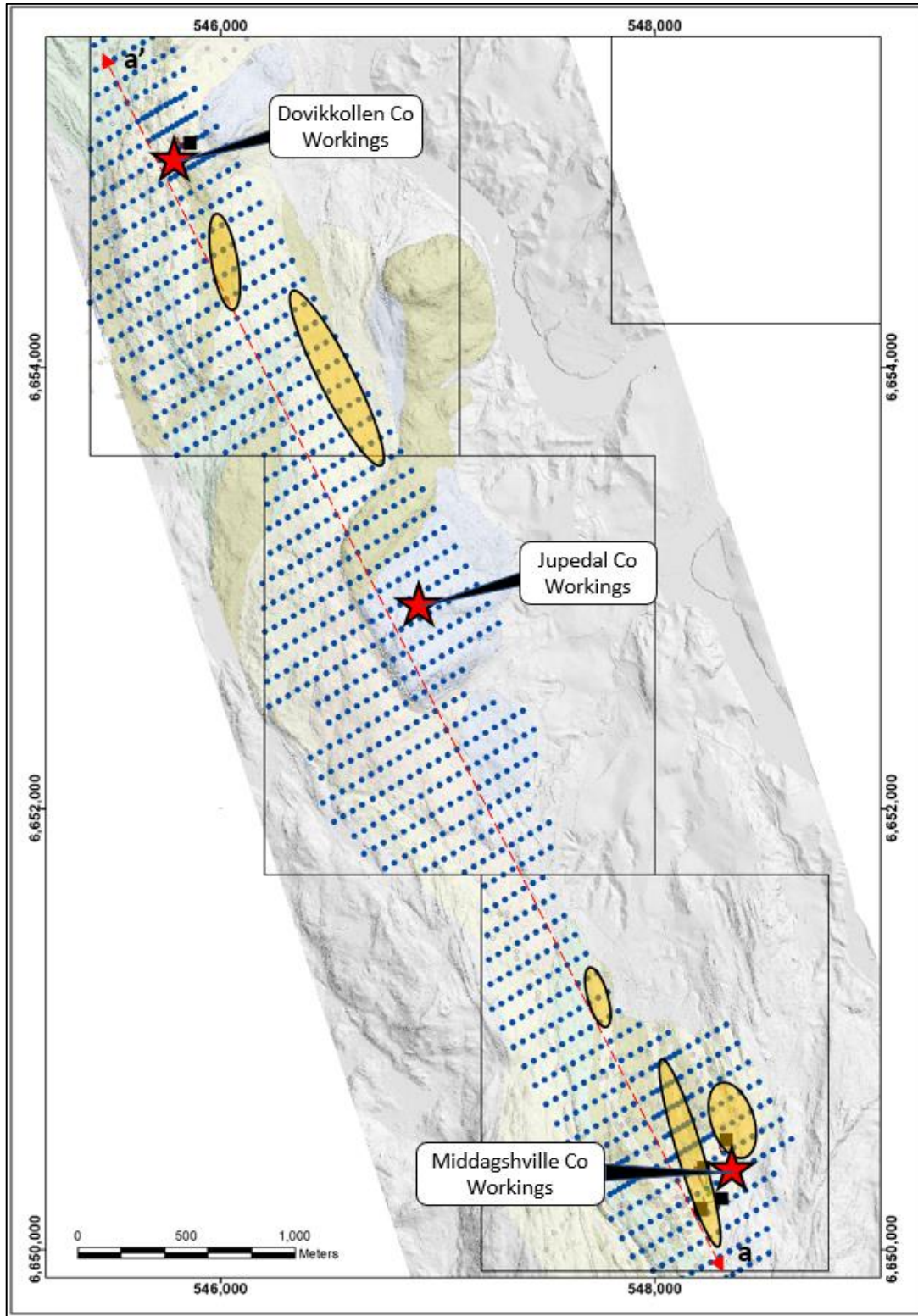


Figure 1| Soil Sampling Lines over the Skuterud Cobalt Project with airborne EM anomalies shown (orange)
(2017 drill collars – black squares)

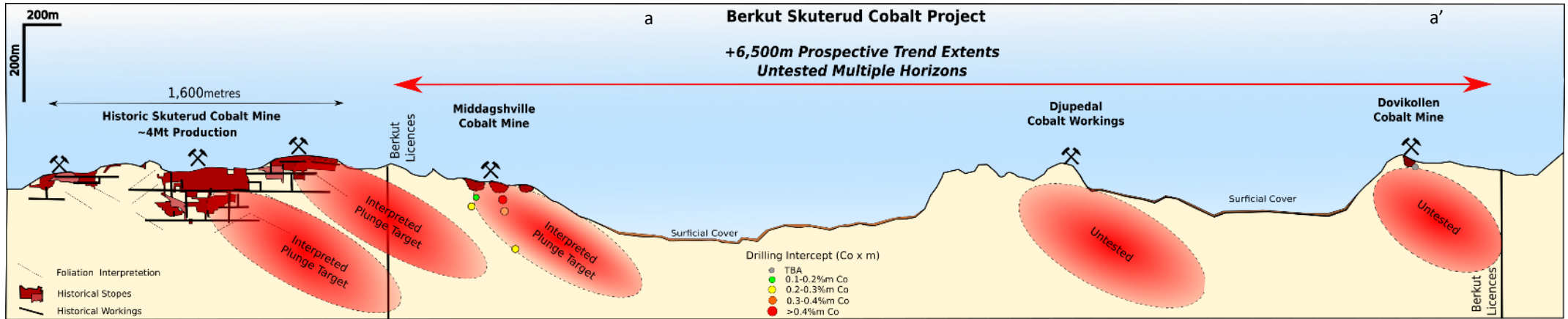


Figure 2| Skuterud Mineralised Trend (section line a-a' Figure 1)

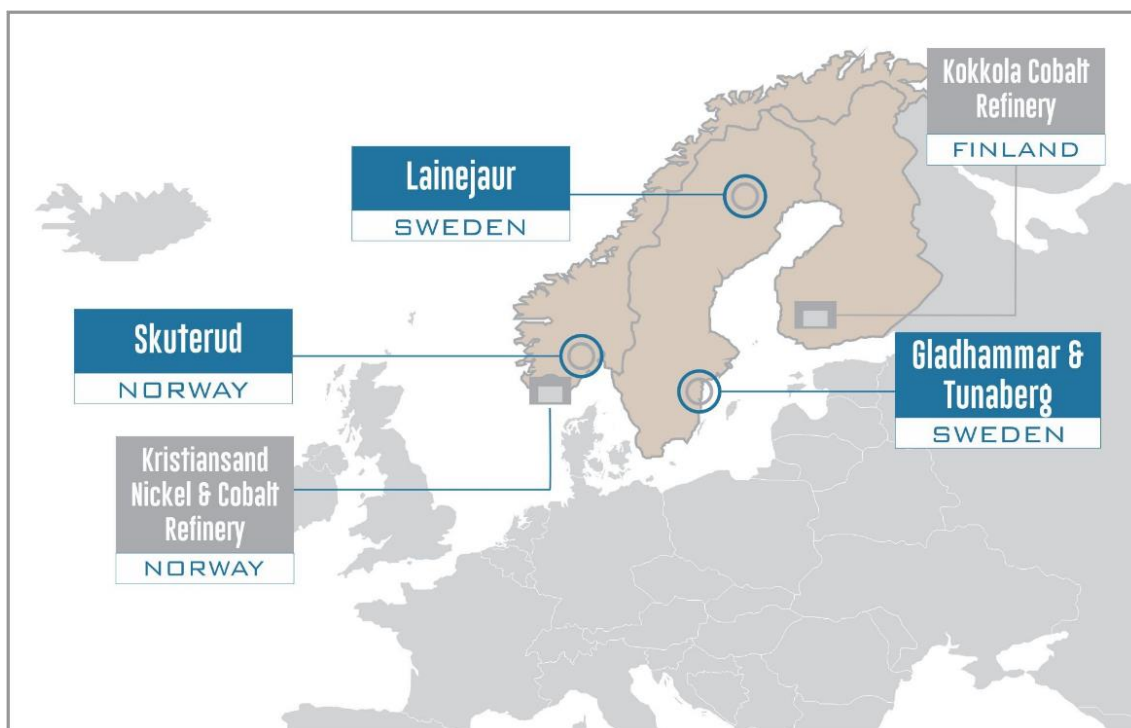


Figure 3 | Project and Drilling Locations

Skuterud Cobalt Project | Norway (100% owned)

- Major historical cobalt producing area
- Region lends its name to the cobalt mineral Skutterudite
- Granted licences over approximately 19km² and 6.5km trend
- Extensive historical workings over a NNW trend

The Skuterud Cobalt Project consists of nine granted licences in southern Norway, within 100km of the Oslo port. The main project area is immediately north one of the most famous, historic cobalt mines in the world, which lends its name to one of the main cobalt ore minerals, Skutterudite. The area was mined throughout the 18th and 19th Centuries, during which time it reportedly supplied much of the world's cobalt and employed thousands of people.

The Skuterud cobalt occurrences are related to meta-sedimentary, sulphide-rich schist zones, so-called 'fahlbands'. The most extensive sulphide-rich zone has a length of 12km along strike and is up to 100-200m wide. The cobalt mineralisation is, to a large degree, characterised by impregnation of cobaltite, glaucodote, safflorite and Skutterudite, which partly occur as enrichments in quartz-rich zones and lenses.

The Middagshville region hosts multiple cobalt workings and has spoil grab samples up to 0.8% Co and 0.5% Cu¹ (associated with disseminated sulphides in quartz-mica schist) and hosts three interpreted repeats of the mine-sequence host lithologies (quartzites and mica-schists). The maiden drilling program of six diamond holes for 1,192m in November 2017 identified sulphide mineralisation typically occurring as 1% to 5% disseminated mixed sulphides and locally as concentrations up to 20% over a metre. The sulphide mineralogy consists mainly of pyrrhotite/pyrite, chalcopyrite, disseminated cobalt sulphides (cobaltite and linnaeite), and skutterudite with occasional occurrences of cobalt-rich stringers zones. The presence of wide copper/cobalt anomalous haloes up to 35m wide (true thickness), with repetitions over a 65m width demonstrate that a broad alteration system can be targeted; with intercepts of up to 2m @ 0.12% Co (refer announcement 8 January, 2018). Each drilled section demonstrated at least three anomalous cobalt zones within the broader copper/cobalt halo.

Competent Persons Statement

The information in this document that relates to exploration results is based upon information compiled by Mr Neil Inwood, a full-time employee of Berkut Minerals Limited. Mr Inwood is a Fellow of the AUSIMM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Inwood consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

Notes

¹ For full details of exploration results refer to ASX announcements on 18 May, 15 June, 7 July 2017, 26 July, 31 July, 23 October 2017 and 8 January 2018. Berkut Minerals is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and the mentioned announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, Exploration Target or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Detailed information on all aspects of Berkut Minerals projects can be found on the Company's website www.berkutminerals.com.au.

For further information please contact:

Berkut Minerals Limited

Neil Inwood

Managing Director