

DRILLING OF HIGH PRIORITY COBALT TARGETS UNDERWAY

- Drilling of 21 high priority cobalt targets has commenced at the Wollogorang Cobalt Project
- Targets generated from first-pass shallow reconnaissance drilling of over 970 drill holes
- Targets consist of a magnetic low with anomalous cobalt close to surface, analogous to the Stanton Cobalt Deposit
- ~250 drill holes planned to test targets to 20m-40m with drilling to continue until the end of the dry season

High Priority Cobalt Targets

Northern Cobalt Limited (ASX: N27) is pleased to announce it has commenced drilling of 21 high priority drill targets generated from its recently completed shallow aircore drilling program. These high priority drill targets have been generated from a systematic, shallow drilling program, of 973 aircore drill holes, testing for anomalous cobalt near surface over magnetic lows. Of the 75 magnetic features tested, 21 have significant cobalt anomalism (>100 ppm Co) in the equivalent horizon to that exposed at the surface of the Stanton Cobalt Deposit. This horizon has an average of 147 ppm Co directly over the resource (in lag sampling) (refer ASX announcement 7th August 2018).

“We are entering an exciting phase of our 2018 exploration program. We have undertaken a rigorous and thorough approach to defining the best drill targets near the existing Stanton Cobalt Deposit. In the coming weeks and months, we hope to have this hard work pay off in the form of new Stanton style cobalt discoveries from deeper drill testing of these targets”, Michael Schwarz (MD).



CAPITAL STRUCTURE

Ordinary Shares
Issued 50.8 M

Options
Listed 6.3 M @ 20c
Unlisted 12.3 M @ 25c

Performance Shares

Class A 9.6 M
Class B 3.6 M

Last Capital Raise

24 April 2018 - SPP
\$0.6M @ 35c

BOARD

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

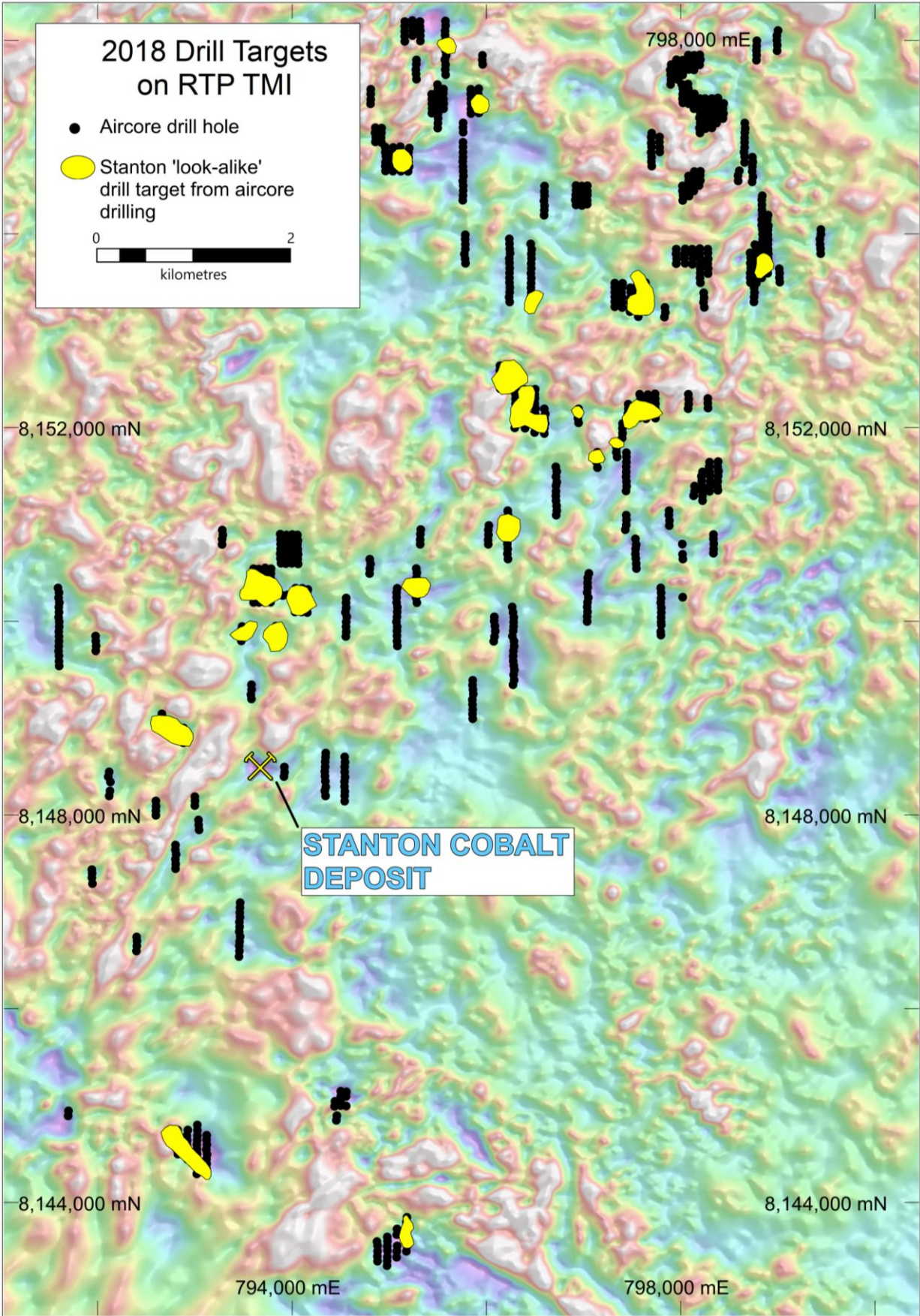


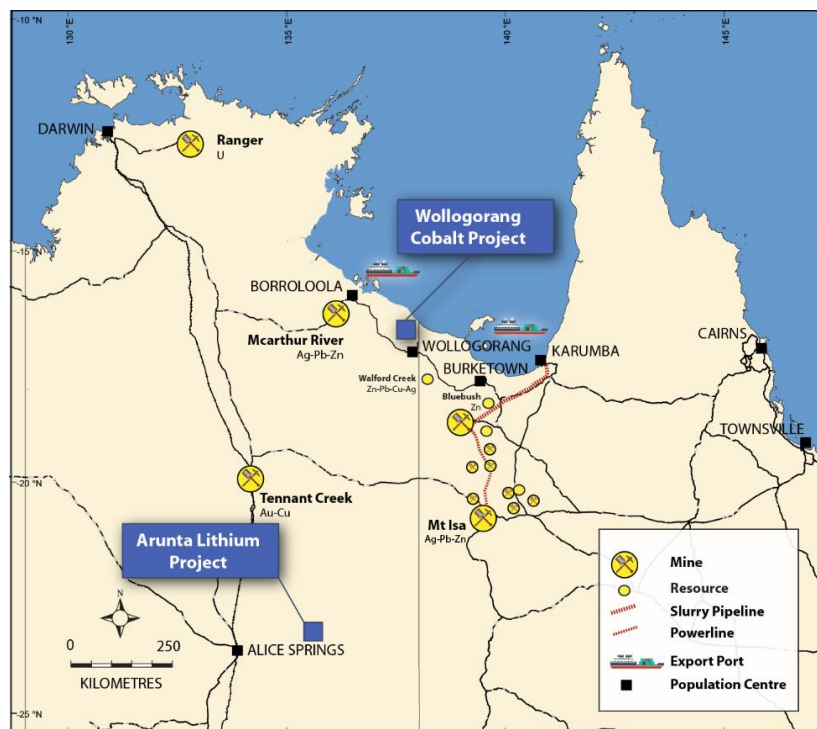
Figure 1. 2018 RTP magnetic image with aircore hole locations and high priority drill targets

Previous explorers used surface sampling techniques such as lag and soil sampling to generate drill targets which provided little information about areas with thin cover of soils and sand. In these surveys, only 1% of samples had anomalous values over 100 ppm Co. Northern Cobalt has undertaken a shallow aircore drill program to test beneath this shallow cover and has been very successful in identifying multiple new targets, similar or larger in scale, to the existing Stanton Cobalt Deposit. This style of reconnaissance exploration has returned over 21% of drill holes with anomalous cobalt over 100 ppm.

This second phase of drilling will focus on testing the depth extent of cobalt anomalism identified at surface. Approximately 250 drill holes are planned to depths of 20m-40m for a total of approximately 7,500m. Hole depth will be controlled in part by the depth of the local water table. Drilling of these targets is expected to continue until the onset of the Wet Season in late November to mid-December.

Changing role for Executive Director

Mr Duncan Chessell has decided to step down as a full-time Executive Director and transition over the next 3 months to a Non-Executive Director role in the Company. Mr Chessell is one of the founding Directors of Northern Cobalt and joined the executive team shortly after listing to assist in the start-up phase of the business. He has been a valuable member of both the management and exploration teams in assisting the company to establish itself in the battery metals space. The Board thanks Mr Chessell for his efforts and looks forward to continuing to work with him in a non-executive role.



Project Location

The Wollongorang Cobalt Project is in the far north-eastern corner of the Northern Territory, a mining friendly authority. The Project area is 180 km to the south-east of the population centre of Borroloola. The capital city of Darwin is 870 km to the north-west and the McArthur River Mine is approximately 150 km to the west-northwest.

Competent Persons Statement

The information in this report that relates to 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. This report includes results that have previously been released under JORC 2012 by the Company as "Drilling Results – Wollongorang Cobalt Project" on the 7th August 2018. The Company is not aware of any new information or data that materially affects the information included in this announcement and all material assumptions and technical parameters underpinning the Mineral Resource continue to apply and have not materially changed.

For further information please contact:
Michael Schwarz
Managing Director, Northern Cobalt Ltd
M: +61 402 101 790
E: mschwarz@northerncobalt.com.au