

## SEPTEMBER 2018 QUARTERLY ACTIVITIES REPORT

### Highlights

#### COLSON COBALT-COPPER PROJECT, IDAHO – USA

##### Long Tom Prospect

- Very high tenor cobalt assays, of up to **0.11% Co**, returned from extensional soil sampling – *highest tenor soil assays returned to date from the Project*
- Cobalt-copper soil anomaly now extends over +2km of strike, with a high-grade core that extends over 1.3km, and remains open to the north
- Very strong IP anomaly emerging beneath the strongest surface soil geochemistry anomalism (only part of the soil anomaly surveyed with IP geophysics to date)
- Additional IP data currently being acquired to refine targets ahead of a drilling program at the Long Tom Prospect, scheduled to commence in Q1 2019
- Long Tom Prospect rated as the Company's highest priority exploration target due to the very high-tenor and large areal extent of the soil anomalism

##### Salmon Canyon Deposit

- Maiden 12-hole/4,953m diamond drilling program completed
- Drilling targeted strike extensions of the historical high-grade Salmon Canyon Deposit, with encouraging initial assays from the first three holes:
  - 1.8m @ 0.13% Co, 0.56% Cu and 0.26 g/t Au
  - 1.2m @ 0.15% Co, 1.47% Cu and 0.23 g/t Au
  - 0.5m @ 0.11% Co and 0.58% Cu
- Remaining assay results pending
- All holes drilled on the margins of recently delineated IP anomalies, confirming that the IP anomalism is associated with significant cobalt-copper mineralisation
- Stronger and as yet untested IP anomalism interpreted to be related to thicker and/or higher-grade mineralisation – to be tested in the Company's next drilling program scheduled to commence in Q1 2019

#### CORPORATE

- ~\$2.17m raised through the underwritten exercise of unlisted NWC Options at \$0.05 per share

#### **New World Cobalt's Managing Director, Michael Haynes, commented:**

*"The Company is pleased to provide its activity report for the quarter ended 30<sup>th</sup> September 2018. As a result of the continued multi-faceted exploration program undertaken in recent months, the Company has made significant progress towards understanding and unlocking the potential of the Colson Cobalt-Copper Project."*

*"Thanks to the information being generated both by our maiden diamond drilling program, and the ongoing programs of surface geochemical sampling and IP geophysics, we are developing a much clearer understanding of where the highest priority targets are located at this Project."*

#### Directors and Officers

Richard Hill – Chairman  
Mike Haynes – Managing Director/CEO  
Scott Mison – Non-Executive Director  
Ian Cunningham – Company Secretary

#### Capital Structure

Shares: 511.2m  
Share Price (31/10/18): \$0.035

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#### Projects

- Colson Cobalt-Copper Project, Idaho, USA
- Goodsprings Copper-Cobalt Project, Nevada, USA
- Hazelton Cobalt-Copper-Gold Project, British Columbia, Canada
- Grapevine Cobalt-Nickel-Copper Project, Arizona, USA



*“Of particular note were the exceptionally high-grade results from geochemical sampling which, in conjunction with the data from the IP survey, lead us to prioritise the Long Tom Prospect as our number one exploration target.*

*“Data is still awaited from our maiden diamond core drilling program, which focused on extensions of the historically mined Salmon Canyon Deposit. The initial results from the drilling program have indicated a clear link between high-grade cobalt-copper mineralisation and the IP signature.*

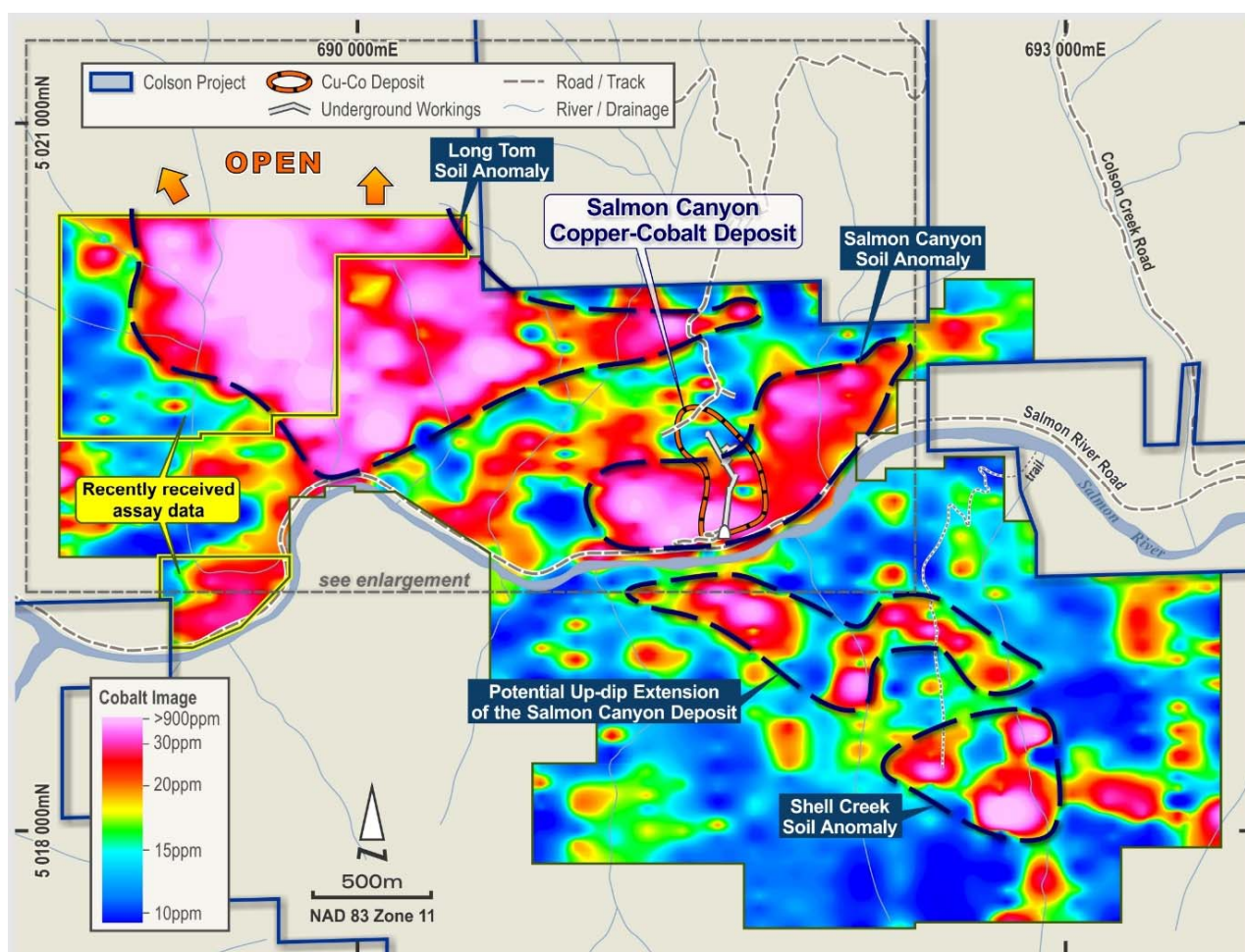
*“Once permits are received, the next phase of drilling will allow us to target the strongest IP and soil anomalies within the system, in particular the very high-tenor Long Tom Prospect. We believe the areas where a strong IP signature coincides with exceptionally high-grade surface samples are likely to host thicker, higher-grade mineralisation.”*

## **Colson Cobalt-Copper Project, Idaho**

### **Soil Sampling Program**

Systematic soil sampling, undertaken on 150m x 50m spacing, was extended to cover the area immediately along strike from the previously partially defined Long Tom Soil Anomaly. A further 191 soil samples were collected during the quarter (see Figures 1 and 2) for which assay results have now been received.

A coherent zone of highly anomalous cobalt and copper assays was delineated over a strike length of more than 2km (see Figure 1). Very high individual assay results, of up to **1,095 ppm (0.11%) Co**, have been returned. By comparison, the soil samples collected over and around the Salmon Canyon Deposit returned a highest assay of 113ppm Co. A high-grade core of samples assaying >100ppm Co is evident at the Long Tom Prospect, with this cluster extending over a strike length of more than 1.3km (see Figure 2).



**Figure 1. Cobalt-in-soil geochemistry anomalism at the Colson Cobalt-Copper Project, in the Idaho Cobalt Belt, USA.**



The Long Tom Soil Anomaly remains open to the north and north-west. Further soil sampling in this area is currently in progress (see Figure 2 and below) with result expected in December.

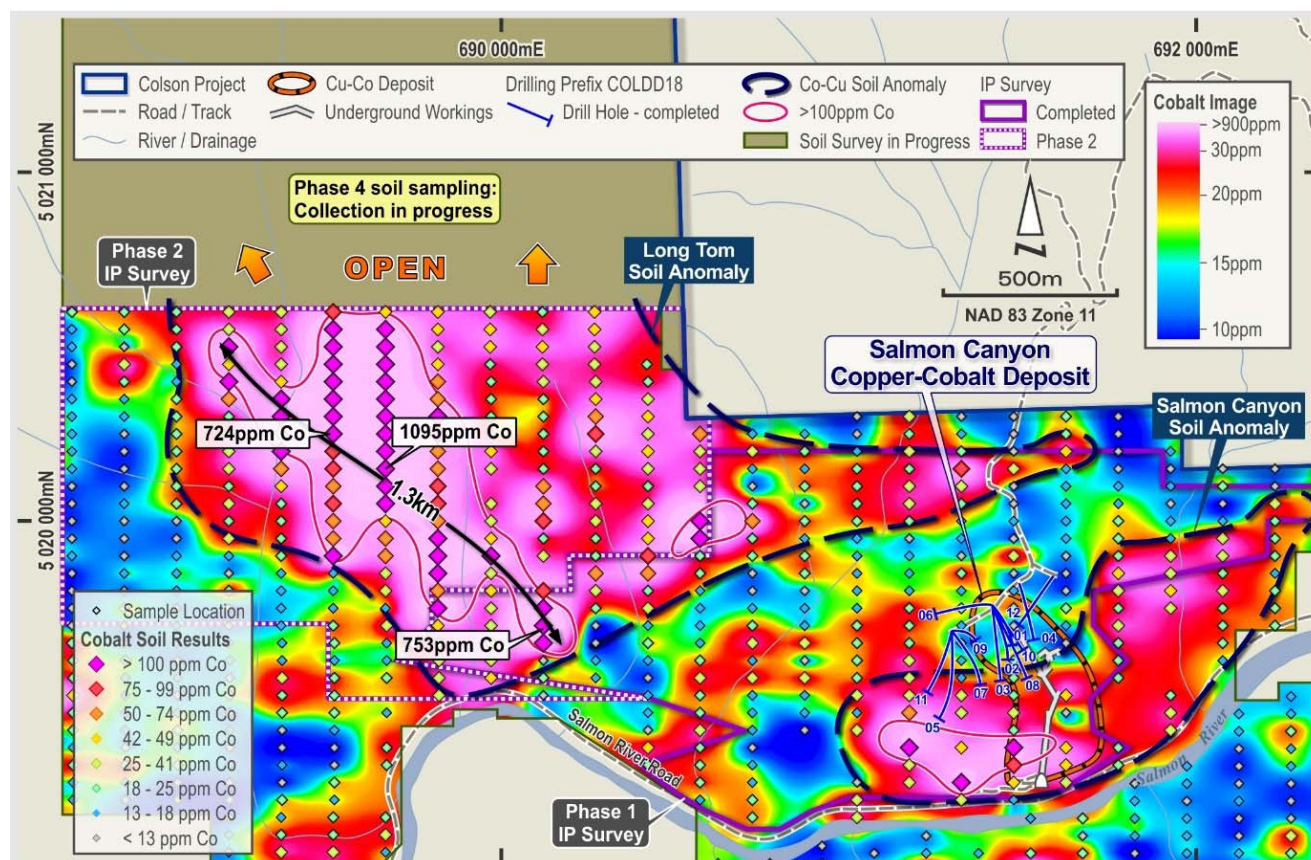


Figure 2. Cobalt-in-soil anomalism at the Long Tom and Salmon Canyon Soil Anomalies, also highlighting the area where further soil sampling is currently being undertaken.

### IP Survey

During June and July 2018 a contractor acquired Induced Polarisation (“IP”) data over and around the Salmon Canyon Deposit, with a view to delineating areas that are enriched in sulphides.

The Company received final processed data during the quarter. Two strong, sizeable, high-priority chargeability anomalies were delineated, namely:

1. A strong chargeability anomaly that coincides with, but also extends considerably to the west and north-west of, the historical underground workings at the Salmon Canyon Deposit, over an area of approximately 1km x 1km (the “Salmon Canyon IP Anomaly”; see Figures 3 and 4); and
2. A strong chargeability anomaly that coincides with part of the recently delineated Long Tom Soil Anomaly, which is located several kilometres to the north-west of the Salmon Canyon Deposit (the “Long Tom IP Anomaly”; see Figure 3).

Both anomalies are located at depths similar to those expected for the projected down-dip extension of the horizon that hosts the mineralisation at the Salmon Canyon Deposit.

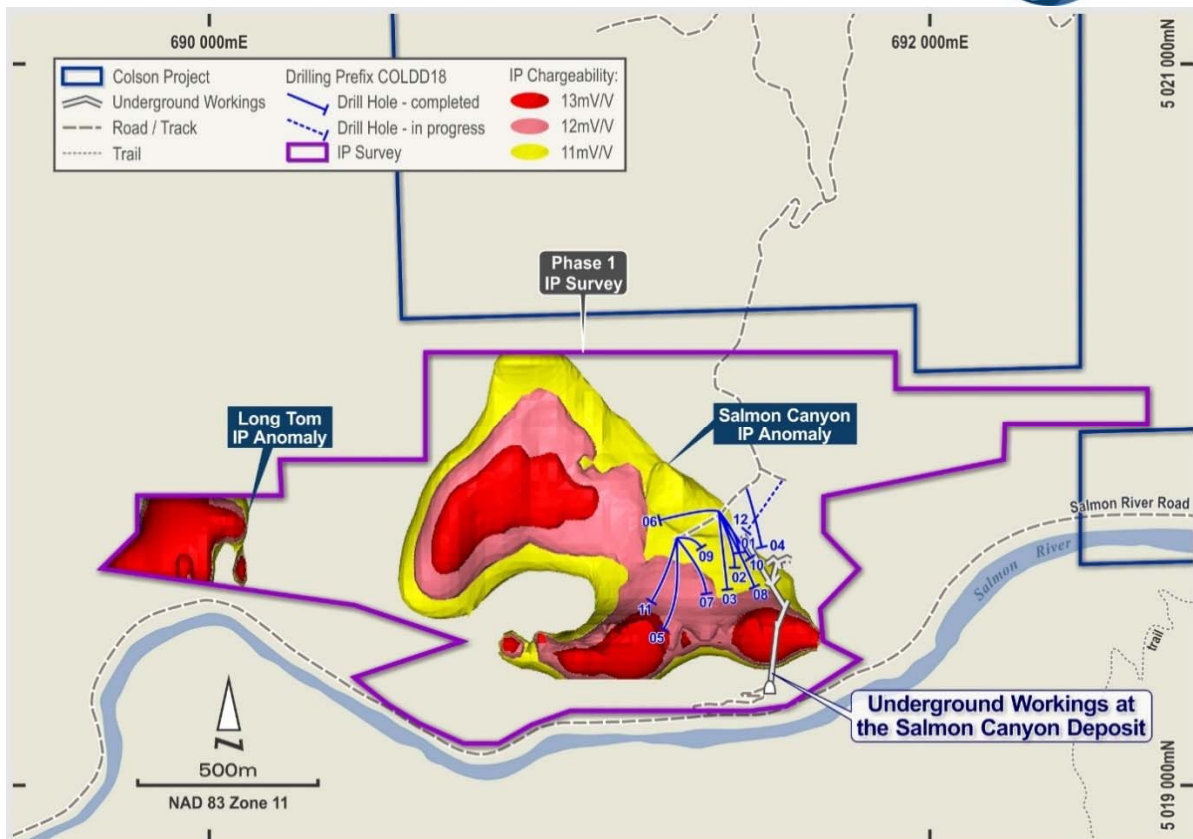


Figure 3. Chargeability anomalies delineated during the Company's initial IP survey at the Colson Cobalt-Copper Project.

### ***Maiden Drilling Program***

During the quarter, the Company completed its maiden drilling program at the Colson Project.

A total of 12 diamond core holes were drilled for 4,953m. As permit approvals for this program only allowed drilling from four pre-determined drill pads, all holes in the maiden program were drilled to test for the immediate strike extensions of the historical Salmon Canyon Deposit (see Figures 3 and 4).



Drilling operations at the Colson Cobalt-Copper Project.



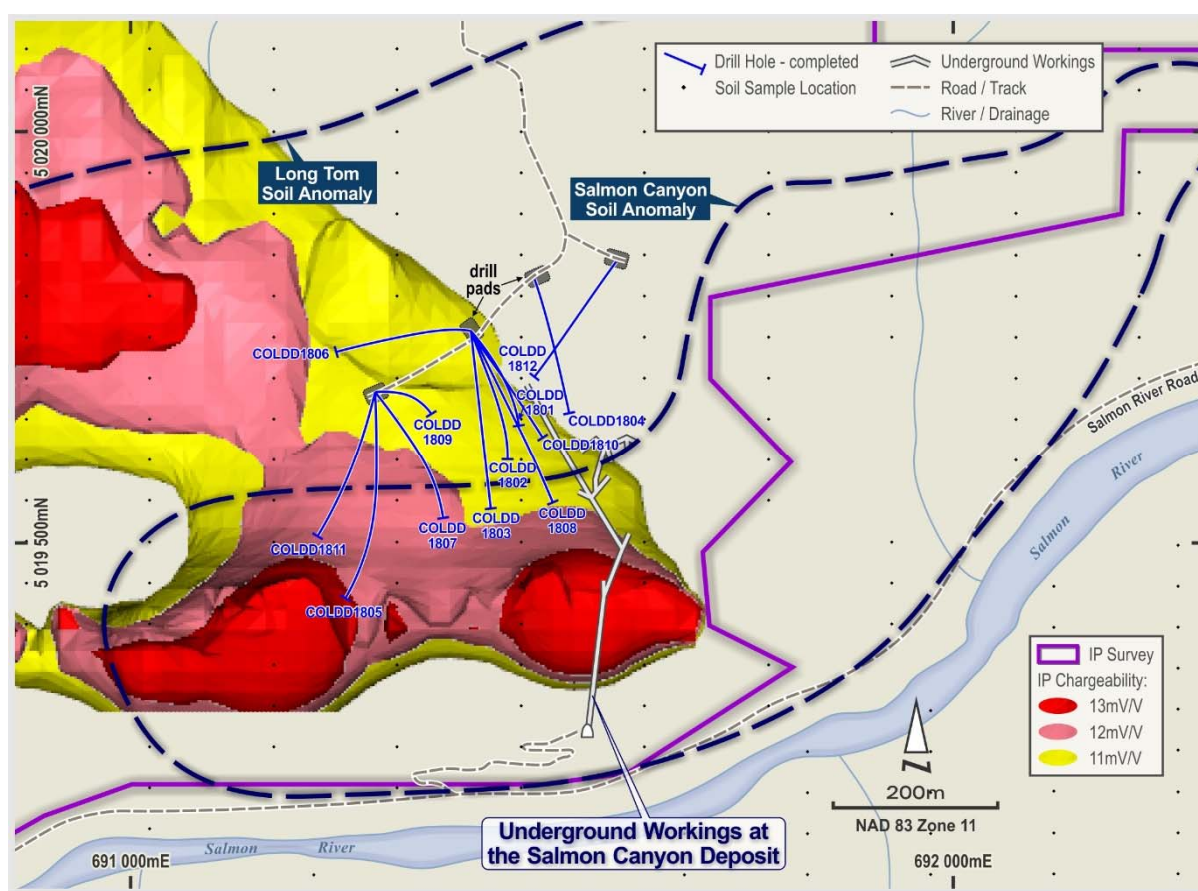


Figure 4. Location of holes drilled during the Company's maiden drilling program at the Colson Cobalt-Copper Project, relative to the historical underground workings at the Salmon Canyon Deposit and the recently delineated IP anomalies. Note that drilling from only four pads was permitted during this program (as illustrated), which precluded drill-testing the strongest parts of the IP anomalies which are thought to arise from thicker and/or higher grade mineralisation. These will be tested during the Company's next drilling program in early 2019.

Analytical results have been received for the first three holes. These holes all intersected the target mineralised horizon, on centres spaced 80-100m apart, on the margins of the strong IP anomalies that were delineated in the recent survey (see Figure 4). Assay results include:

- **1.8m @ 0.13% Co, 0.56% Cu and 0.26 g/t Au from COLDD1801;**
- **1.2m @ 0.15% Co, 1.47% Cu and 0.23 g/t Au from COLDD1803; and**
- **0.5m @ 0.11% Co and 0.58% Cu from COLDD1801.**

The Company is encouraged that significant cobalt-copper mineralisation has been intersected on the margins of these IP anomalies. This:

- (i) Validates that the IP anomalies are due to cobalt-copper mineralisation; and
- (ii) Provides the Company with confidence that thicker and/or higher-grade mineralisation may be encountered when the stronger portions of the IP anomalies are tested in the next phase of drilling at the Colson Project.

Core from the final two holes is currently being processed prior to being submitted for analysis. Assays for the final nine holes are expected to be received over the next two months.

## Second Phase IP Survey

Contractors recently commenced a second-phase IP survey to cover the very strong Long Tom Soil Anomaly (see Figure 5). Data acquisition is expected to be completed in early November with processed data available in December.

Targets generated in the second-phase IP survey will be evaluated during the Company's next drilling program.

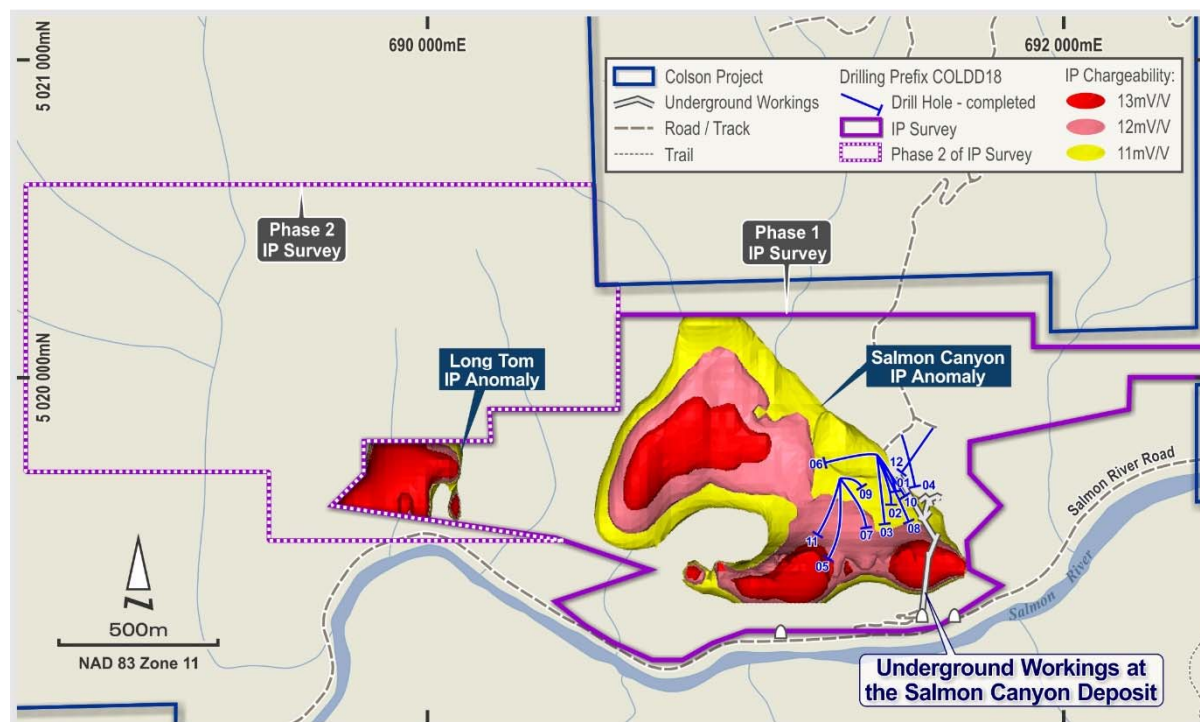


Figure 5. Location of the second phase IP survey currently being undertaken at the Colson Cobalt-Copper Project, together with IP anomalies delineated during the first phase of IP surveying and traces of recently completed drill holes.

## Further Soil Sampling in Progress

In addition to the second-phase IP survey at the Long Tom Soil Anomaly, a further phase of soil sampling, immediately north of the Long Tom Soil Anomaly, is also in progress (see Figure 2). Assay results are expected in December 2018.

This data will also be used to refine plans for the Company's next drilling program at the Colson Cobalt-Copper Project.

## Permits for Second Phase Drilling Program

The substantial size and very high tenor of the Long Tom Soil Anomaly indicates it may be associated with a sizeable mineralised system (see Figure 2). Accordingly, the Company regards the Long Tom Prospect to be the highest priority exploration target, not just at the Colson Cobalt-Copper Project, but across all four of its high-grade cobalt projects in North America.

Permit applications to drill-test, for the first time ever, the strong Long Tom and Salmon Canyon IP anomalies have been submitted. Approvals are expected in the first quarter of 2019. A second phase drilling program is scheduled to follow immediately thereafter.

## Expansion of Project

The Company staked an additional 24 Federal mining claims during the quarter (100% NWC), increasing the total Colson Cobalt-Copper Project area to almost 7,100 acres.

## Elkhorn Creek Project, Idaho

During the quarter, the Company staked 28 Federal mining claims to secure a 100% interest in 575 acres at the Elkhorn Creek Prospect, located approximately 9km south-east of the Company's Colson Cobalt-Copper Project.

The Elkhorn Creek Prospect is located approximately 15km north-west of the Blackbird Deposit (see Figure 6), and has been described previously as *"the northwestern extension of the Blackbird cobalt-copper zone"*.

Historical records indicate that copper-cobalt mineralisation was first discovered at the Elkhorn Prospect in the late 1800s, with prospect pits and trenches scattered over about 1.5km. Erythrite, azurite and malachite are reportedly present in fractured rocks with cobaltite present in fresh rocks. Noranda Exploration undertook the most recent exploration, in 1982.

The Company recently completed initial reconnaissance field work, including collection of 52 soil samples on two traverses. These samples will be submitted to a laboratory for analysis in the coming days, with results expected during the fourth quarter of 2018.

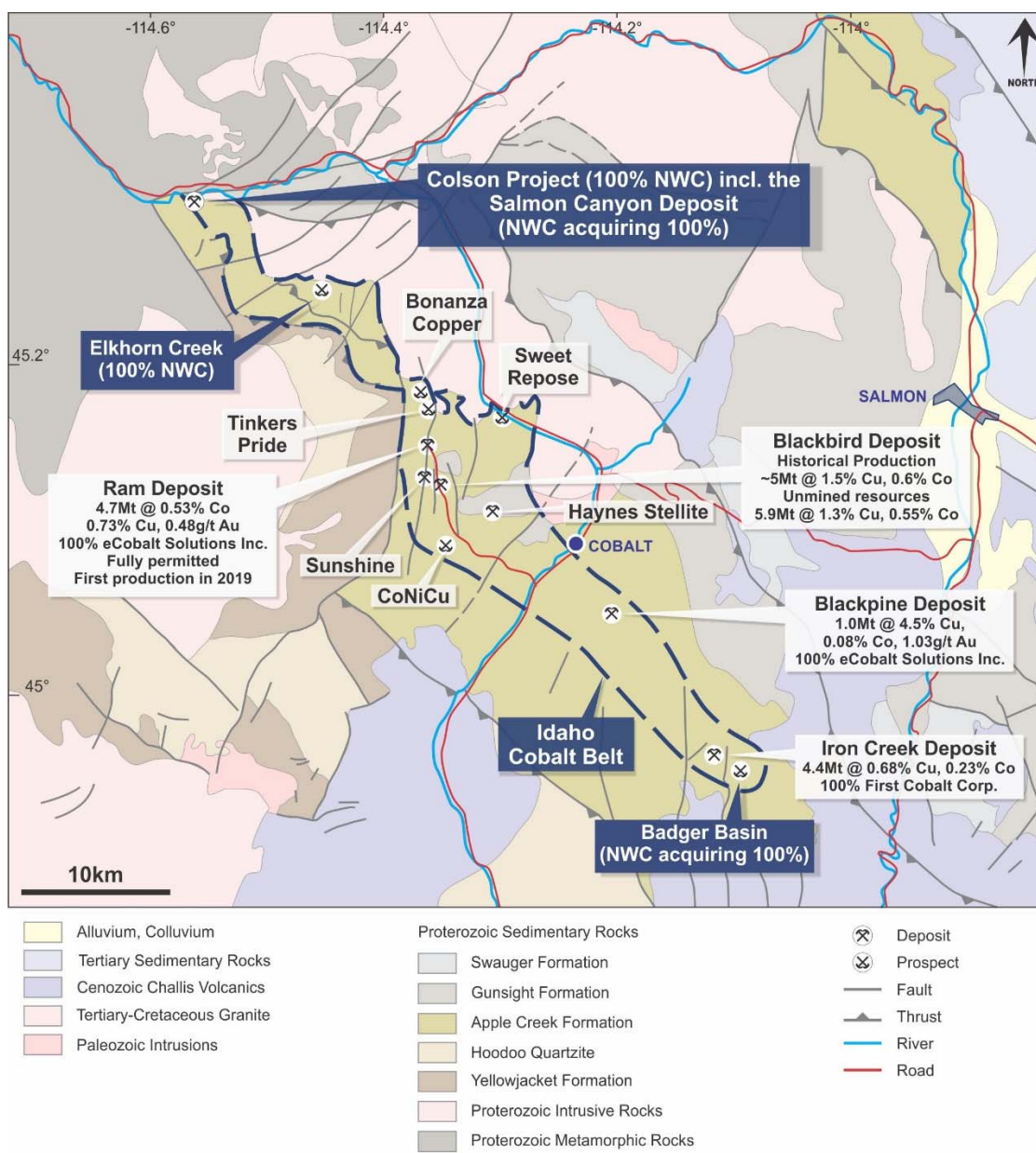


Figure 6. Geology of the Idaho Cobalt Belt, USA, including the location of New World Cobalt's projects.



### **Badger Basin Project, Idaho**

During the quarter, the Company entered into an agreement that provides it the right to earn a 100% interest in 20 Federal mining claims, covering 400 acres, at Badger Basin. These claims are located several kilometres south-east of the Iron Creek Cobalt Deposit (First Cobalt Corporation), where NI 43-101 compliant resources currently comprise 4.4Mt at 0.23% Co and 0.68% Cu (see Figure 6).

The geological sequence that hosts the Iron Creek Deposit is mapped to extend through the Company's Badger Basin project area. No systematic exploration is known to have been undertaken at Badger Basin.

The Company recently completed initial reconnaissance field work, including collection of 167 soil samples on a systematic grid array. These samples will be submitted to a laboratory for analysis in the coming days, with results expected during the fourth quarter of 2018.

### **Iron Dyke Project, Idaho**

During the quarter, the Company secured a 100% interest in 60 Federal mining claims in the Iron Dyke area, covering approximately 1,240 acres. These claims encompass multiple cobalt-copper occurrences evident over >10km of strike, including:

- (i) The Irish Boy Mine – which includes a historical 150m x 90m open pit from which the USGS collected a 3m chip sample that assayed 2.05% Ni and 0.132% Co;
- (ii) The General MacArthur Mine – located 2km north-east of the Irish Boy Mine, where “significant” amounts of silver, copper, lead and zinc are reported to have been produced from open cuts and underground workings between 1949 and 1952. The USGS reports taking a sample from a waste dump at the mine in 1995 that assayed 0.248% Ni and 0.113% Co; and
- (iii) The Iron Dyke Mine – located 4km south-west of the Irish Boy Mine, where a 300m long adit and extensive dozer workings are evident. The USGS reports taking a 3m chip sample that assayed 32.7% Cu, 0.19% Zn and 0.07% Co.

This Project is located approximately 55km south-east of the Idaho Cobalt Belt (“ICB”), but includes the same geological sequence that hosts the mineralisation within the ICB. Significant cobalt mineralisation has been identified at Iron Dyke previously, which the Company believes may comprise an extension to the ICB.

The Company recently completed initial reconnaissance field work and will formulate a forward work program for this project area during the current quarter.

### **Goodsprings Copper-Cobalt Project, Nevada**

#### ***Drill Permit Application***

During the quarter, the Company commenced work to obtain permits to undertake its maiden drilling program at the Goodsprings Project. A final application is scheduled to be submitted during the current quarter, with drilling planned for the first quarter of 2019.

Drilling will target soil geochemistry and IP anomalies evident in close proximity to historical copper-cobalt mines in the district, including the Columbia, Rose and Fitzhugh Lee Mines.

#### ***Reduction in Land-holding***

Based on results of the systematic, project-wide soil sampling program undertaken during the first half of 2018, the Company elected not to renew 112 low-priority claims at the Project when annual renewal payments were due on 1 September, 2018.

Accordingly, the Company now holds a 100% interest in 414 Federal mining claims covering approximately 8,000 acres, together with the rights to earn a 100% interest in the Columbia Mine.



**Grapevine Cobalt-Nickel-Copper Project, Arizona**

No work was undertaken at the Grapevine Project during the September quarter.

Plans are in place to complete a first-phase soil geochemistry program during the current quarter.

**Hazelton Cobalt-Copper-Gold-Project, British Columbia**

The Company completed a concerted mapping and sampling program at the Hazelton Project during August and September. Results are currently being assessed.

**West Kimberley Project, Western Australia**

In March 2017 the Company exercised an option to acquire an 80% interest in the West Kimberley Project, subject to an obligation to complete 3,000 metres of drilling by 14 March 2019. During the quarter, the Company secured an extension of this deadline to 14 March 2020, in consideration for the issue of:

- (i) 394,477 Shares (issued on 16 October 2018); and
- (ii) A further \$10,000 worth of Shares, to be issued within 5 days of the Company providing notice that the 3,000 metres of drilling has been completed and at an issue price based on the 5-day VWAP prior to the date of issue.

**Corporate**

During the quarter, 19.3 million shares were issued pursuant to the exercise of the unlisted \$0.05 options expiring 31 July 2018 ("July 2018 Options") and a further 24.2 million shares were issued pursuant to an underwriting agreement with Hartleys Limited in relation to the unexercised July 2018 Options – for total proceeds of \$2.17 million. The July 2018 Options were issued to NWC shareholders in a one for three loyalty bonus issue in July 2017.

At 30 September 2018 the Company held approximately \$2.1 million cash at bank.

For further information please contact:

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**Qualified and Competent Person**

The information in this report that relates to exploration results for the Colson Cobalt-Copper Project, the Goodsprings Copper-Cobalt Project, the Grapevine Cobalt-Nickel-Copper Project and the Hazelton Cobalt-Copper-Gold Project is based on information compiled by Mr Ben Vallerine, who is a consultant to, and shareholder of, the Company. Mr Vallerine is a Member of the Australian Institute of Geoscientists. Mr Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results (JORC Code). Mr Vallerine consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

**Previously Reported Results**

There is information in this report relating to exploration results which were previously announced on 7 February, 22 March, 6 April, 23 May, 30 July, 5 September, 19 September and 26 October 2018. Other than as disclosed in those 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.

**Forward Looking Statements**

Any forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, New World Cobalt does not intend, and does not assume any obligation, to update this forward-looking information.

**Appendix 1 - Tenement Schedule**

Tenement	Project	Location	Ownership	Change in Quarter
<b>USA</b>				
<b>Idaho</b>				
10 x BLM claims: Jeep #1 – Jeep #10	Colson Cobalt-Copper Project	Idaho, USA	Right to acquire 100% from the Salmon Canyon Copper Company	Nil
46 x BLM claims: Codaho 1 – Codaho 46	Colson Cobalt-Copper Project	Idaho, USA	100% interest	Nil
96 x BLM claims: Codaho 47 – Codaho 142	Colson Cobalt-Copper Project	Idaho, USA	100% interest	Nil
169 x BLM claims: Codaho 143 – Codaho 242 Codaho 244 – Codaho 312	Colson Cobalt-Copper Project	Idaho, USA	100% interest	Nil
24 x BLM claims: Codaho 313 – Codaho 336	Colson Cobalt-Copper Project	Idaho, USA	100% interest	Acquired
19 x BLM claims: Elk 2 – Elk 7, Elk 11 – Elk 19 Elk 26 – Elk 29	Elkhorn Project	Idaho, USA	100% interest	Nil
9 x BLM claims: Elk 8 – 10 Elk 20 – 25	Elkhorn Project	Idaho, USA	100% interest	Nil
60 x BLM claims Grizzly 1 – Grizzly 60	Iron Dyke Project	Idaho, USA	100% interest	Nil
20 BLM claims Badger 1 – Badger 20	Badger Basin Project	Idaho, USA	Option to acquire 100% interest	Acquired
<b>Nevada</b>				
165 x BLM claims: GS 1 – GS 9, GS 16 – GS 25, GS 29 – GS 46, GS 53 – GS 57, GS 62 – GS 64, GS66 – GS89, GS 92 – GS 138, GS 151 - GS160, GS 167 – GS 185, GS 197 – GS 199, GS 214 – GS 230	Goodsprings Copper-Cobalt Project	Nevada, USA	100% interest	Nil
6 x Patented Mineral Claims: Columbia St Anthony St Patrick Commercial Frederickson Dividend	Goodsprings Copper-Cobalt Project	Nevada, USA	Granted lease to explore for and process 100% of specific minerals	Nil

Tenement	Project	Location	Ownership	Change in Quarter
<b>Nevada (cont.)</b>				
211 x BLM claims: GS 231 – GS 236, GS 243 – GS 274, GS 279 – GS 295, GS 303 – GS 316, GS 328 – GS 336, GS 345 – GS 354, GS 358 – GS 363, GS 390 – GS 397, GS 399, GS 401, GS 403 – GS 413, GS 416 – GS 431, GS 433, GS 435, GS 437, GS 439 – GS 446, GS 448 – GS 452, GS 454 – GS 468, GS 472 – GS 481, GS 503 – GS 515, GS 522 – GS 529, GS 532 – GS 533, GS 563 – GS 577	Goodsprings Copper-Cobalt Project	Nevada, USA	100% interest	Nil
38 x BLM claims: GS 603 – GS 615 GS 617 – GS 627 GS 633, GS 638, GS 640, GS 642, GS 644, GS 646, GS 648, GS 650, GS 652, GS 671 – GS 675	Goodsprings Copper-Cobalt Project	Nevada, USA	100% interest	Nil
<b>Arizona</b>				
40 x BLM claims: GC 1 – GC 40	Grapevine Cobalt-Nickel-Copper Project	Arizona, USA	Right to acquire 100% from the Grapevine Resources LLC	Nil
104 x BLM claims: GC 41 – GC 54 GC 63 – GC 72 GC 81 – GC 118 GC 159 – GC168 GC 223 – GC 254	Grapevine Cobalt-Nickel-Copper Project	Arizona, USA	100% interest	Nil
44 x BLM claims: GC 255 – GC 283 GC 192 – GC 198 GC 200 GC 202 – GC 208	Grapevine Cobalt-Nickel-Copper Project	Arizona, USA	100% interest	Nil



Tenement	Project	Location	Ownership	Change in Quarter
<b>Canada</b>				
2 x Mining claims: 510469, 856170	Hazelton Cobalt-Copper-Gold Project	British Columbia, Canada	Right to earn a 60% interest	Nil
<b>Australia</b>				
E04/2423	Western Kimberley	Kimberley, WA	100% interest	Nil
E04/1972	Western Kimberley	Kimberley, WA	80% interest	Nil
E04/2314	Western Kimberley	Kimberley, WA	Option to acquire 80% of the Application	Nil
<b>Ireland</b>				
6 x Prospecting Licences for areas 184 580-581, 666-667, 3634	Longford Zinc	County Longford, Ireland	100% interest	Nil

#### Mining Tenements Disposed during the Quarter

Tenement	Project	Location	Change in Quarter
21 x BLM claims: GS 26 – GS 28, GS 47 – GS 52, GS 58 – GS 61, GS 90 – GS 91, GS 161 – GS 166	Goodsprings Copper-Cobalt Project	Nevada, USA	Claims not renewed - rights relinquished
91 x BLM claims: GS 237 – GS 242, GS 275 – GS 278, GS 296 – GS 302, GS 317 – GS 324, GS 326 – GS 327, GS 337 – GS 344, GS 355 – GS 357, GS 364 – GS 371, GS 398, GS 400, GS 402, GS 414 – GS 415, GS 432, GS 434, GS 436, GS 438, GS 447, GS 453, GS 469 – GS 471, GS 482 – GS 502, GS 516 – GS 521, GS 558, GS 560 – GS 562	Goodsprings Copper-Cobalt Project	Nevada, USA	Claims not renewed - rights relinquished