

Skuterud Cobalt Project Exploration Update

Highlights

- **Maiden drill program is on track to commence in early October 2017 at the 100% owned Skuterud Cobalt Project, Norway**
 - **Drill notifications submitted**
- **Target regions lie 500m along trend from the major historic Skuterud cobalt mine**
 - **Similar geology and geometries identified to nearby Skuterud workings**
 - **Cobalt up to 0.8% identified in surface dumps**
- **Recent extensive field work finalised:**
 - **Extensive community engagement undertaken**
 - **Drilling targets defined**
 - **Further historic workings identified on Berkut's licences**
 - **Massive sulphides identified in historical mining spoil piles**
- **Down-hole geophysics planned at the Lainejaur Ni-Co-Cu deposit in Sweden**

Berkut Minerals Limited (ASX: BMT) ("Berkut" or the "Company") is pleased to provide an update on the company's recent exploration activities at the Skuterud cobalt project in Norway (Refer Figure 1).

A recent field program at Berkut's 100% owned Skuterud project has been completed with mapping, community engagement and ground magnetic surveys being successfully completed. Results from the mapping and magnetic surveys have confirmed a key target region in the Skuterud 3 License for the maiden drilling program (Refer Figure 2). This region contains historical cobalt mine workings with spoil grab samples up to 0.8% Co and 0.5% Cu¹ and hosts three interpreted repeats of the mine-sequence host lithologies (quartzites and mica-schists).

The proposed drill program will be the first known drilling to test the highly prospective 5km strike trend north of the historic Skuterud Cobalt Mine.

Berkut's Managing Director, Neil Inwood commented:

"Berkut has advanced understanding at the Skuterud Cobalt Project significantly through its maiden boots on the ground mapping program and surface geophysics. Importantly we have also had a very positive community engagement process and look forward to finalising our drill dates. Firm drill ready targets have been defined around historic cobalt workings which give us the double advantage of drilling for effect and also proving up the stratigraphy. We look forward to commencing drilling and are aiming for an October start".

Fast Facts

Shares on Issue 54.3M
Tradeable Shares 40.4M
Market Cap (@ 27 cents) \$14.7M
Cash (30 June 2017)¹ \$5.7M

¹ Adjusted for equity placement announced 16 August 2017

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

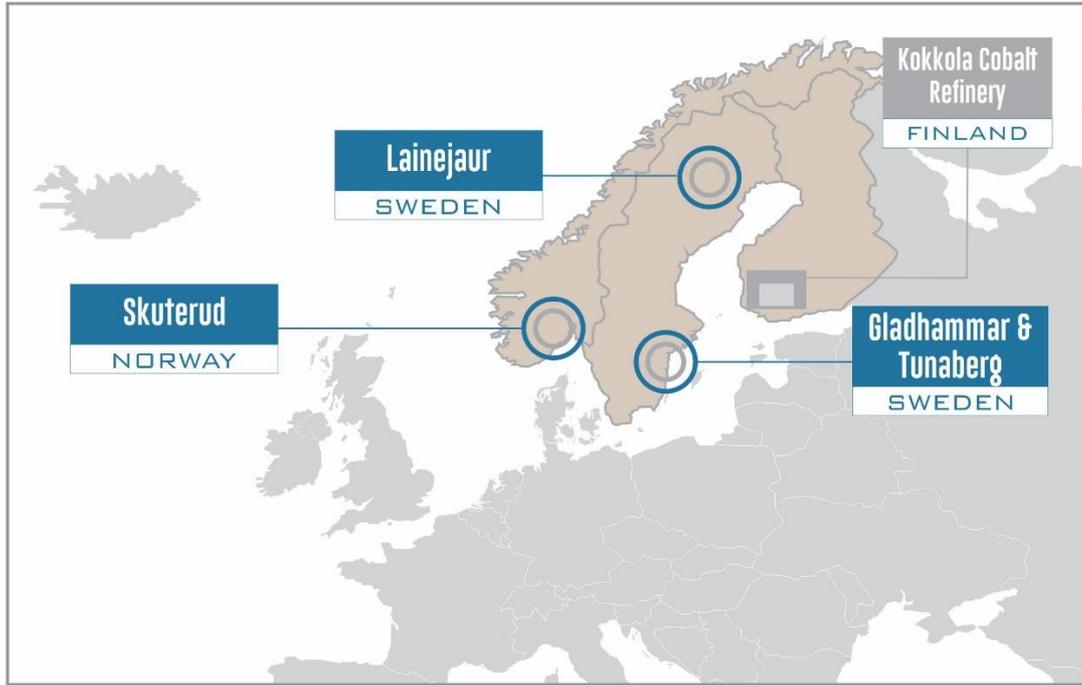


Figure 1 | Project Locations

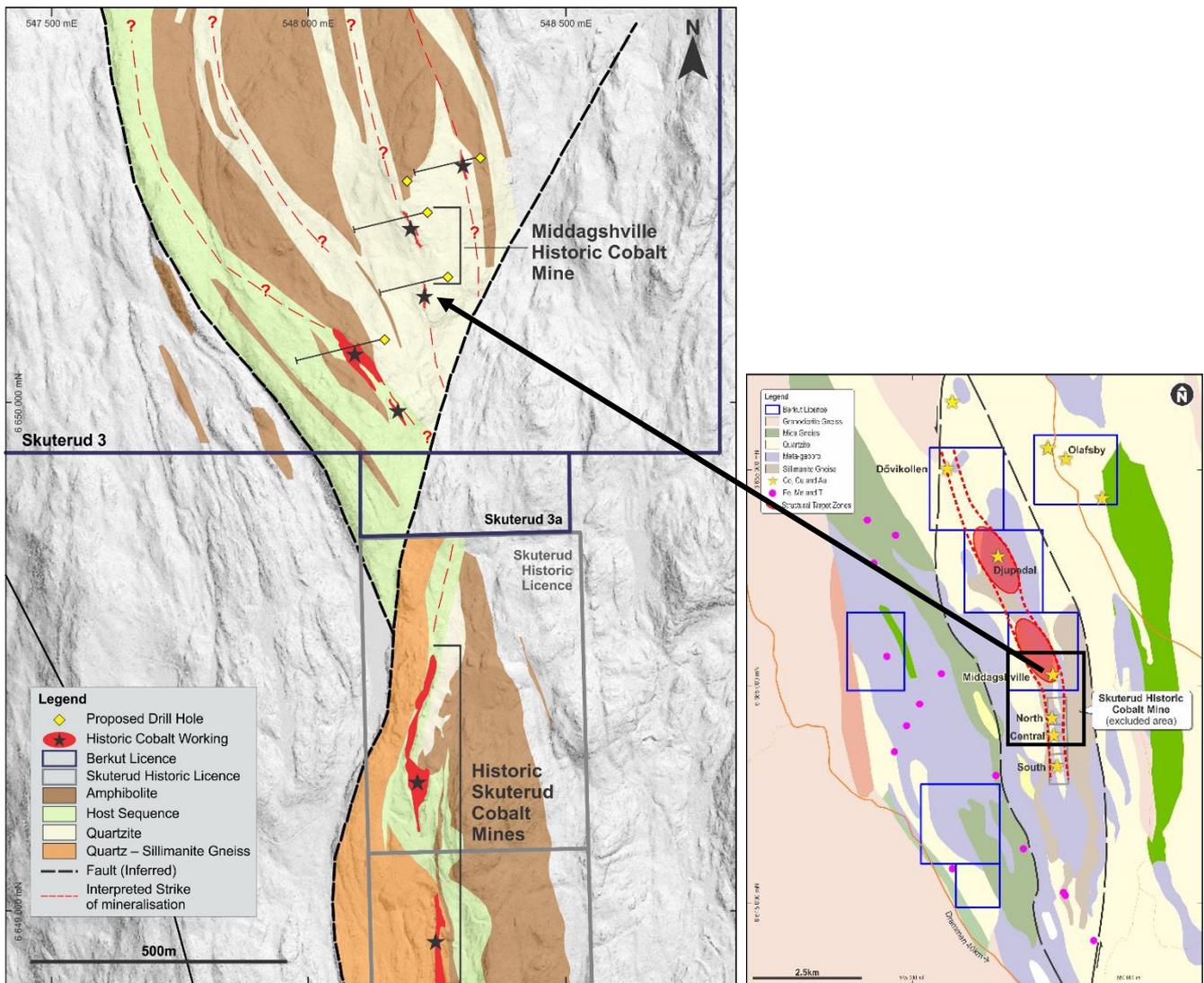


Figure 2 | Skuterud Drill Targets: Showing historical workings and the nearby historic Skuterud Cobalt Mine

Skuterud - Norway

Geological mapping has been completed over the two key licences (Skuterud 1 and 3) and will continue over the other two licences (Refer Figure 2).

Mapping has confirmed the presence of the mine sequence quartzites and mica schists, to the north through Berkut's licences and has identified two new areas of workings not previously identified (Middagshville West and Doviken North). The Middagshville West find is significant in that the surficial workings appear to occupy a stratigraphic position similar to that seen at the historic Skuterud Cobalt Mine. These workings have been interpreted to be a blind strike extension of the significant workings seen at the Skuterud Cobalt Mine.

The main historic cobalt workings at Middagshville have been interpreted to be either structural repeats of the main Skuterud mineralisation or mineralisation occurring in a higher stratigraphic sequence, potentially similar to the narrow lodes seen in the eastern hanging wall at Skuterud. The planned maiden drill program will test the region of the workings for both the presence of mineralisation and to confirm the stratigraphic interpretation.

A ground magnetic survey totalling approximately 75 line kilometres over the projected strike of the historic workings has recently been completed, data has been quality checked by Southern Geoscience Consultants in Perth and preliminary processing has been undertaken. This data has been a significant tool in the interpretation of the geological mapping and has been used to assist targeting drill hole locations. In addition, the company has purchased 0.5m accuracy LIDAR data to aid in the mapping process and in the identification structures which may control mineralisation.

Massive sulphide mineralisation (cobaltite and skutterudite) has been identified in spoil piles adjacent to historical workings on Berkut's licences and whilst not necessarily representative of insitu mineralisation it does indicate the style of mineralisation occurring in the region.

As required under Norwegian Mining Law the company has lodged notice of the proposed program with land owners, local authorities and the Directorate of Mines. This process was done in consultation with all parties and pending final contractor availability and landowner feedback, diamond drilling is planned to commence in mid-October. Following drilling and characterisation of the lithological responses, additional geophysical work is being considered (e.g. down hole EM and surface IP surveys) to test for blind mineralisation.

Lainejaur - Sweden

At Lainejaur, previous explorers identified massive sulphide mineralisation at the northern most boundary of their licence, reporting 2m @ 2.15% Ni, 0.09% co and 0.38% Cu (Refer Figure 3 ASX announcement 26 July, 2017). The Berkut licence extends some 1.4km north of this boundary and the company is investigating the down dip extensions of this mineralisation and the potential for repeat structures laterally. Previous drilling was done to a high standard and the company is preparing to re-enter the old drill holes to conduct down hole EM surveys before the winter snows.

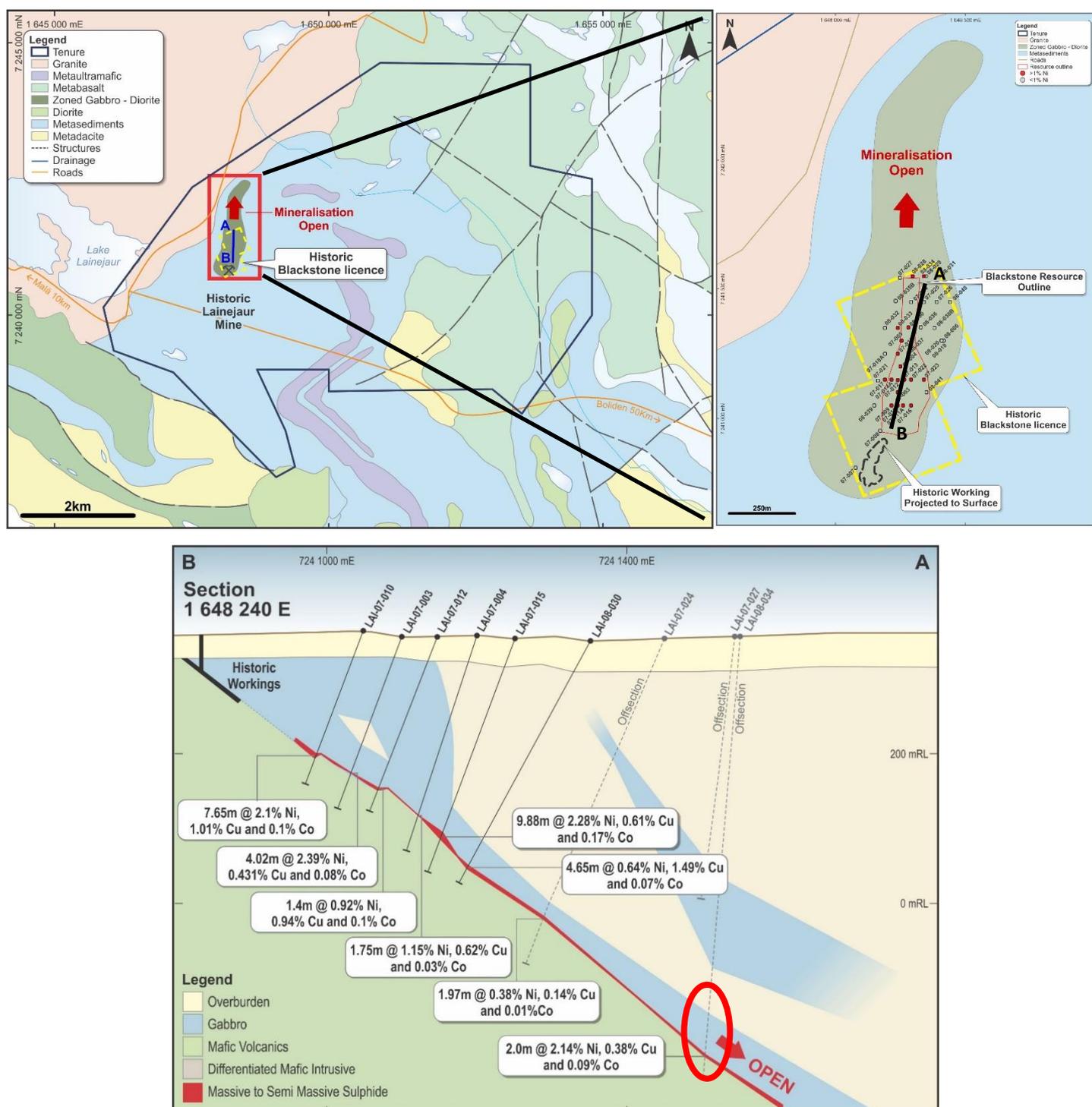


Figure 3 | Lainejaur NI-Co-Co Deposit: Showing defined drilling and planned downhole EM target holes (red circle)

Competent Persons Statement

The information in this document that relates to exploration results is based upon information compiled by Mr Ben Cairns, a full-time employee and shareholder of Berkut Minerals Limited. Mr Cairns is a Member of the Australian Institute of Geoscientists (AIG) 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 Cairns 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 and 31 July 2017. 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