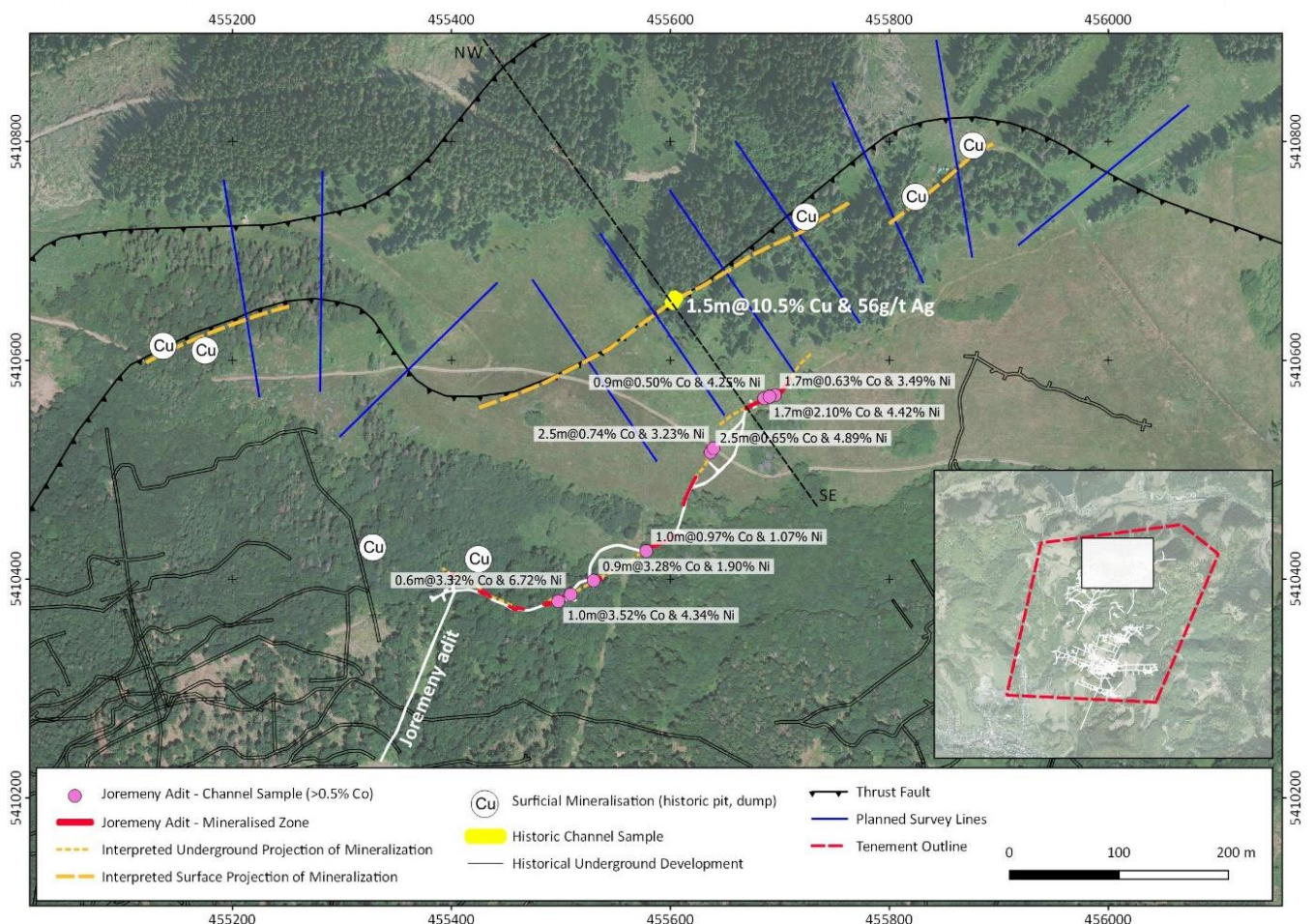




18<sup>th</sup> July 2017

## GROUND GEOPHYSICAL SURVEYS COMMENCE AT DOBSINA

- **Ground EM, IP and magnetic surveys commence at Dobsina**
- **Initial survey to target the Zemberg-Terezian Vein System and its extensions**
  - Zemberg-Terezian Vein System extends over 1,500m strike, 300m depth and 0.7-1.5m wide sulphide mineralisation. Lower level veins exploited at average grades of 4% Co and 16% Ni with highs of up to 8% Co & 17% Ni. Upper levels reported grade of 1-7% Cu, 200-900 g/t Ag, 0.6-5.9% Sb, 0.1-0.3% Co and 0.1-0.6% Ni
- **Costean across up dip projection of Jormeny Adit reported 1.5m at 10.5% Cu & 56g/t Ag**

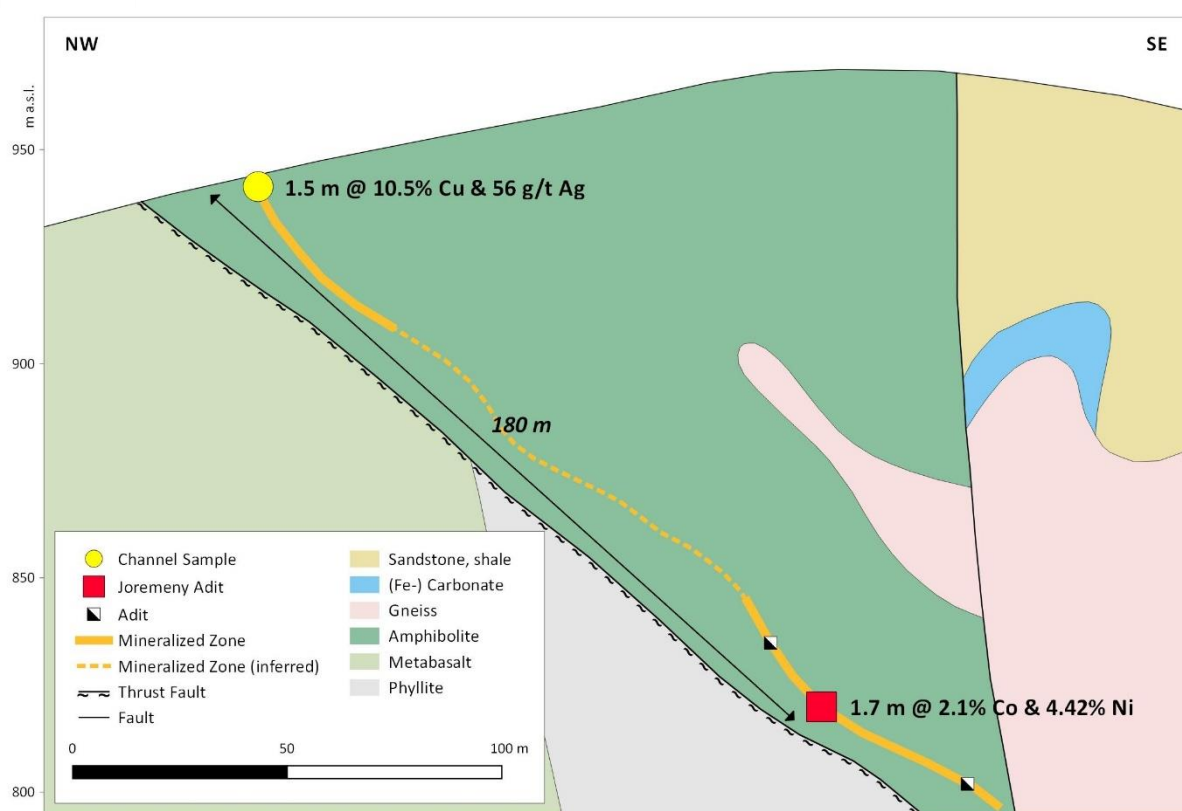


**Figure 1: Planned Survey Lines, Historical Channel Sample Results and Jormeny Adit Results**



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**European Cobalt Ltd** ("EUC" or "the Company", ASX: EUC) is pleased to announce the commencement of ground based geophysical surveys across the Zemberg-Terezian Vein System within the Dobsina Project. The geophysical survey methods applied to these targets include ground EM (Electromagnetics), IP (Induced Polarisation) and magnetics. The combination of geophysical surveys is aimed to determine the most effective method (or combination of methods) to delineate both the extent and geometry of cobalt-nickel-copper massive sulphide mineralisation across Dobsina.

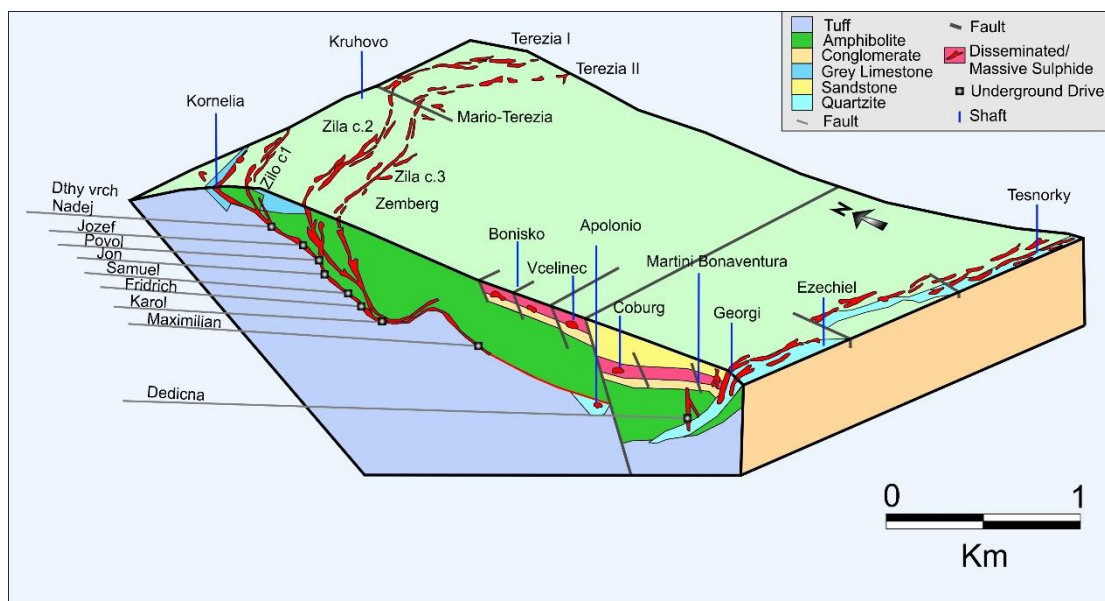


**Figure 2: Cross Section- Channel Sample & Joremeny Adit**

## CHANNEL SAMPLING

Channel sampling completed in 1992 across the up-dip projection of the Joremeny Adit mineralisation has reported 1.5m at 10.5% Cu and 56 g/t Ag. This result further supports the geometry and tenor of mineralisation reported within the Joremeny target area.

## ZEMBERG-TEREZIAN VEIN SYSTEM TARGET OVERVIEW



**Figure 3: Dobsina Vein System**

The Zemberg-Terezian vein system extends over 1,500m in strike, 300m depth and 0.7-1.5m wide mineralisation. Distinct metal zonation is evident with increased copper abundant mineralisation in the upper parts whereas nickel-cobalt dominant mineralisation occurs in the lower part of the vein system. Lower veins were exploited at grades of up to 8% Co and 17% Ni. Upper levels reported grade of 1-7% Cu, 200-900 g/t Ag, 0.6-5.9% Sb, 0.1-0.3% Co and 0.1-0.6% Ni.

The Zemberg Vein system consists of three discrete vein sets, Severna, Hlavna and Juzna. The mineral assemblage of the veins consist of siderite, ankerite, quartz, sulphides and abundant nickel-cobalt sulphide minerals. Minor siderite-barite and copper minerals are also present. Veins commonly display crack seal texture. Rozloznika, 1935 commented "Zemberg ore contained an average of 4% Cobalt and 16% Ni"





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## DISCLAIMER

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

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## COMPETENT PERSONS STATEMENT:

The information in this announcement that relates to the Exploration Results for Dobsina is based on information compiled and fairly represented by Mr Robert Jewson, who is a Member of the Australian Institute of Geoscientists and Managing Director of European Cobalt Ltd. Mr Jewson has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Jewson consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

For further information with respect to underground channel sampling results from Jormeny please refer to ASX Announcement “High Grade Cobalt and Nickel Results at Dobsina” released on 26<sup>th</sup> June 2017

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## APPENDIX 1: HISTORICAL COSTEAN LOCATION & RESULTS

Costean	Easting	Northing	Interval (m)	Cu %	Ag g/t
RD56	455,603	5,410,655	1.5	10.5	56

## JORC CODE, 2012 EDITION – TABLE 1

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Comments
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</li> </ul>	A costean was excavated in 1992 to a depth of approximately 1.8m. A single channel sample was taken across a 1.5 m interval.
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	No reporting of the representivity of the sampling was documented.
	<ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	A channel was excavated to a depth of 1.8m and a single channel sample was taken across 1.5m interval. No records of the sub sampling method or analytical methods were reported.
	<ul style="list-style-type: none"> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	The sampling undertaken is purely for reconnaissance purposes. No records of the sample size, sub sampling method or analytical methods were reported.
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	No drilling results have been included this release.



Criteria	JORC Code explanation	Comments
<b>Drill sample recovery</b>	· Method of recording and assessing core and chip sample recoveries and results assessed.	No drilling results have been included this release.
	· Measures taken to maximise sample recovery and ensure representative nature of the samples.	No drilling results have been included this release.
	· Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No drilling results have been included this release.
<b>Logging</b>	· Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	Detailed geological logging has been completed on the selected samples. The samples are reconnaissance in nature and are not suitable for inclusion in a mineral resource estimation.
	· Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of rock chips was completed both on a qualitative and quantitative basis.
	· The total length and percentage of the relevant intersections logged.	No drilling, rock chip sampling only.
<b>Sub-sampling techniques and sample preparation</b>	· If core, whether cut or sawn and whether quarter, half or all core taken.	No drilling, rock chip sampling only.
	· If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No drilling, rock chip sampling only.
	· For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation techniques were not documented in the historical report.
	· Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	No records of quality control procedures were included in the historical report.
	· Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	No duplicate samples were taken.
	· Whether sample sizes are appropriate to the grain size of the material being sampled.	No description of sample sizes were reported in the historical report.
<b>Quality of assay data and laboratory tests</b>	· The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	No description of assay methods or laboratory procedures were included in the historical report.



Criteria	JORC Code explanation	Comments
	<ul style="list-style-type: none"> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> </ul>	Only geophysics included in release relates to current survey underway on site. No geophysical tools used relating to channel sample results.
	<ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	No documentation of the quality control procedures was included in the historical report.
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> </ul>	The only verification able to be completed at this stage was ground reconnaissance of the location of the historical channel. The location based on the historical plan was field verified and determined to be accurate.
	<ul style="list-style-type: none"> <li>The use of twinned holes.</li> </ul>	No drilling, rock chip sampling only.
	<ul style="list-style-type: none"> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> </ul>	The historical plan and assay results were captured from a scanned PDF. The historical plan was registered in Micromine and the location was field verified. The assay result was entered into an access database and was imported into Micromine.
	<ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	No adjustments completed.
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> </ul>	Hand held GPS was utilised to verify the map registered location.
	<ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>	UTM-WGS84- zone 34N
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</li> </ul>	A digital terrain model was generated from 1:50,000 topographic map. The quality of the DTM is sufficient for the stage of exploration for the Project.
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> </ul>	The channel sample result reported is reconnaissance in nature and was not completed based on a systematic spacing.
	<ul style="list-style-type: none"> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> </ul>	Not attempting to establish a mineral resource only guide the prospectivity and future drilling
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	No sample compositing is completed.
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>	No documentation with respect to the orientation of samples and potential of bias.
	<ul style="list-style-type: none"> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	No drilling, rock chip sampling only.



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Criteria	JORC Code explanation	Comments
<b>Sample security</b>	<ul style="list-style-type: none"><li>· The measures taken to ensure sample security.</li></ul>	No description of sample transport or security protocols were documented in the historical report.
<b>Audits or reviews</b>	<ul style="list-style-type: none"><li>· The results of any audits or reviews of sampling techniques and data.</li></ul>	None conducted





## SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> </ul>	<p>Dobsina consists of a granted Licence (License number 2466/2017-5.3) covering a land area of 6.97km<sup>2</sup>, held by CE Metals s.r.o, a 100% wholly owned subsidiary of NiCo Minerals Pty Ltd, a 100% wholly owned subsidiary of European Cobalt Ltd. Further conditional payment consideration includes:</p> <ul style="list-style-type: none"> <li>- 73,333,334 Performance Shares (subject to ASX approval per Listing Rule 6.1) on the following terms and conditions being: <ul style="list-style-type: none"> <li>o 36,666,667 Class A Performance Shares for the achievement of an Inferred Mineral Resource in accordance with the JORC 2012 Edition Guidelines of not less than 500,000 tonnes at a minimum grade of 0.5% Cobalt equivalence within the Dobsina Licence or the sale/processing of a minimum of 50,000t of ore sold/processed at a minimum grade of 0.5% Cobalt equivalence (Performance Shares Milestone 1)</li> <li>o 36,666,667 Class B Performance Shares for the achievement of an Inferred Mineral Resource in accordance with the JORC 2012 Edition Guidelines of not less than 1,000,000 tonnes at a minimum grade of 0.5% Cobalt equivalence within the Dobsina Licence or the sale/processing of a minimum of 100,000t of ore sold/processed at a minimum grade of 0.5% Cobalt equivalence (Performance Shares Milestone 1)</li> </ul> </li> <li>- Payment of a 2% Net Smelter Royalty ("NSR") on the production of any minerals from the Dobsina Licence</li> </ul>
	<ul style="list-style-type: none"> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<p>No known impediments exist with respect to the exploration or development of Dobsina Project.</p>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>At present the information utilised within this release is sourced from "Geologicky prieskump s.p., Spisska Nova Ves Geologica oblast Roznava, Zavererna sprava Dobsina- Ni-Co- VP nickel Kobalt" 1992 and "Bankse Mestro Dobsina" a publication prepared by the Slovak Ministry of Interior, published in Kosice 2013 (ISBN 978-80-97005-7-8).</p>



Criteria	JORC Code explanation	Commentary
<b>Geology</b>	<p>· Deposit type, geological setting and style of mineralisation.</p>	<p>The Dobsina Project lies at a major thrust contact between two regional tectonostratigraphic units called Veporicum and Gemericum.</p> <p>Mineralisation at Dobsina is characterised by the following styles:</p> <ul style="list-style-type: none"> <li>- Siderite hydrothermal veins (siderite-ankerite, quartz sulphide)</li> <li>- Metasomatic Fe-Carbonate replacement</li> <li>- Stratiform sediment hosted Ag-Au</li> <li>- Stratiform sediment hosted magnetite-hematite</li> </ul> <p>Siderite hydrothermal veins prospective for Co-Ni veins are located in two main east-west tectonic zones along a fault contact between gneiss-amphibole and underlying phyllite green schist.</p>
<b>Drill hole Information</b>	<p>· A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p>	No drilling performed
	<p>o easting and northing of the drill hole collar</p>	No drilling performed
	<p>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</p>	No drilling performed
	<p>o dip and azimuth of the hole</p>	No drilling performed
	<p>o down hole length and interception depth</p>	No drilling performed
	<p>o hole length.</p>	No drilling performed
	<p>· If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	All available information has been released.
<b>Data aggregation methods</b>	<p>· In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p>	No weighted sampling was completed.



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> </ul>	No interval aggregation methods were applied.
	<ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	No metal equivalence are reported.
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> </ul>	The orientation of the channel appears to be perpendicular to the mineralised trend, thus based on present information appears to approximate a true width interval..
	<ul style="list-style-type: none"> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> </ul>	No drilling performed
	<ul style="list-style-type: none"> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	No drilling performed
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	Maps and plans have been included in announcement.
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	All results including those with no significant results have been reported.



Criteria	JORC Code explanation	Commentary
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"><li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li></ul>	No other exploration data is considered meaningful and material to this announcement.
<b>Further work</b>	<ul style="list-style-type: none"><li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li></ul>	As included in the release, a multi method ground geophysical survey program has commenced. The surveys aim to define the geometry and extent of mineralisation prior to drill testing.
	<ul style="list-style-type: none"><li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li></ul>	Diagrams of the planned geophysical survey lines and reported results have been included. Drilling will be planned based on the results of the geophysical survey.