

Market Update

25 June 2024

Highlights

Cobalt Blue Holdings Limited
A Green Energy
Exploration
Company



ASX Code:

COB

Commodity Exposure:

Cobalt & Sulphur

Directors & Management:

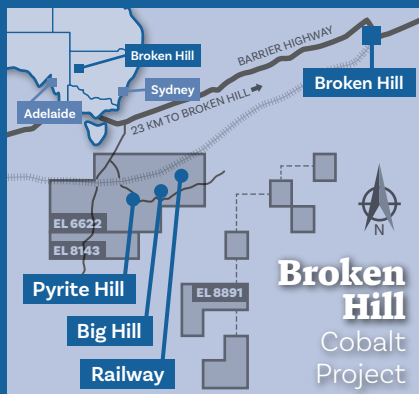
Robert Biancardi Non-Exec Chairman
Hugh Keller Non-Exec Director
Joe Kaderavek CEO & Exec Director
Danny Morgan CFO & Company Secretary

Capital Structure:

Ordinary Shares at 25/06/2024: **421.7m**
Unlisted options/rights: **49.3m**
Market Cap (undiluted): **\$31m**

Share Price:

Share Price at 25/06/2024: **\$0.074**



Cobalt Blue Holdings Limited

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CMAI Grant Instalment Received and Refinery Update

KEY POINTS

- COB has received a A\$3.0 million instalment from the Australian Government Critical Minerals Accelerator Initiative (CMAI) Grant, bringing our total cash and equivalents on hand to over A\$9m.
- The Cobalt-Nickel Refinery remains on track with major milestones to be delivered in 2H 2024, construction in 2025, then first operations in 2026.

Cobalt Blue Holdings Limited (ASX: COB or the **Company**) is pleased to announce the receipt of a A\$3.0 million instalment according to its CMAI grant and provide the market with a refinery update as set out below.

1 Critical Minerals Accelerator Initiative Grant instalment received

In April 2022, COB was awarded a CMAI grant by the Australian Government (refer COB's ASX announcement dated 28 April 2022 for further details of the CMAI grant). The CMAI grant to COB totals A\$15 million and is payable over time – with instalments made through to March 2025.

The intention of the Australian Government's support is to help strategic early and mid-stage projects to overcome technical and market barriers. The CMAI supports projects during the development process to help accelerate them towards a point at which they are sufficiently advanced to seek financing.

COB recently received its latest CMAI grant instalment of A\$3.0 million taking total grant funds received to date of A\$13.5 million. These funds bring COB's total cash and equivalents on hand to over A\$9m as at 24 June 2024.

2 Refinery Update

In November 2023, COB published the *Cobalt-Nickel Refinery Study* detailing a large-scale cobalt-nickel operation representing Australia's first cobalt refinery producing a high-quality, battery-grade cobalt sulphate. Our target markets are battery makers and electric vehicle manufacturers who will produce US Inflation Reduction Act (IRA) and EU Critical Raw Materials Act compliant products.

The Study presents a compelling evaluation of a cobalt and nickel refining business that is expected to generate stable margins throughout the highs and lows of the cobalt price cycle. The Refinery represents a significant step in diversifying global cobalt processing.

We continue to progress the development of the Refinery and workstreams are on track for a decision in 2H 2024 to proceed to construction. Below, we provide an update to our Milestones and Indicative Timetable.

Figure 1 – Cobalt-Nickel Refinery Milestones and Indicative Timetable

	2024				2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Testing intermediate samples	█							
Operating Permit			█					
Third party supply/offtake contracts			█	█				
Completion of Financing				█				
Pre/Construction Commence					█			
Construction Completed*								█

* Subject to funding and approvals being obtained. See forward-looking disclaimer below.

Testing intermediate samples: We continue to test third party feedstock samples procured from Australian and global third-party sources at the Broken Hill Technology Development Centre. Ten tonnes of feedstock samples have been received and a significant portion has been processed through our refinery circuit. COB expects to receive a further five tonne sample shortly. This work is integral in:

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> a) Flowsheet optimisation <ul style="list-style-type: none"> a. Assess the performance of trace metal removal precipitation and ion-exchange b. Assess solvent extraction reagents c. Crystallisation parameters | <ul style="list-style-type: none"> b) Equipment design/selection <ul style="list-style-type: none"> a. Circuit configuration b. Filterability c. Materials handling (feed/product) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

This work is expected to run until at least Q3 2024 and is critical to underpinning the **detailed engineering design**. We expect to appoint the engineering firm in the near future.

Figure 2 – Cobalt sulphate crystalliser and filtration pans



Permitting: COB have appointed ABEC Pty Ltd and Green Values Australia Pty Ltd to develop a Works Approval application for submission to the Department of Water and Environmental Regulation (DWER). A comprehensive Air Quality Impact Assessment (AQIA) has been undertaken that considers both existing emissions from the site as well as new emissions from the proposed Refinery. The AQIA demonstrates that the emissions from the site are significantly less than the prescribed Ground Levels Concentrations for all relevant pollutants at receiver locations around the site. A Biodiversity Assessment has been completed which justifies the clearing of a small amount of highly degraded vegetation at the site. The Work Approval application will be submitted to DWER in the coming months.

Potential offtake partners are assessing larger-scale sulphate samples produced from these sources. COB is developing plant engineering solutions that will enable the Refinery to deal with a variety of global feedstocks (that are Inflation Reduction Act compliant) while meeting a wide variety of EV battery offtake specifications. This work will significantly de-risk future operations and allow flexibility in choosing both feedstock suppliers and offtake partners.

Feedstock sources: Advanced discussions with suppliers with an aim to execute initial supply contracts in the near future.

About Cobalt Blue

Cobalt Blue is a mining and mineral processing company focussed on the development of a Cobalt-Nickel Refinery in Western Australia, the Broken Hill Cobalt Project in New South Wales, and ReMine+ (formerly named Cobalt in Waste Streams) projects with a view to global opportunities contained in mine waste.

This announcement contains “forward-looking statements”. All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include but are not limited to the ability to reach binding agreement on the proposed terms or at all, cobalt metal price volatility, timely completion of project milestones, funding availability, government and other third-party approvals. Readers should not place undue reliance on forward-looking statements. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement”.

Looking forward, we would like our shareholders to keep in touch with COB updates and related news items, which we will post on our website, the ASX announcements platform, as well as social media such as Facebook (f) and LinkedIn (in). Please don't hesitate to join the 'COB friends' on social media and to join our newsletter mailing list at our [website](#).

This announcement was authorised for release to the ASX by the board of Cobalt Blue Holdings Limited.

For further information, please contact:



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Previously Released Information

This ASX announcement refers to information extracted from the following reports, which are available for viewing on COB's website <http://www.cobaltblueholdings.com>.

- 02 April 2024: Cobalt-Nickel Refinery Progress
- 26 February 2024: Broken Hill Cobalt Project and Cobalt-Nickel Refinery Update
- 19 January 2024: Cobalt-Nickel Refinery Project Update
- 27 November 2023: COB to Progress Cobalt Nickel Refinery Project in 2024
- 28 April 2022: Broken Hill Cobalt Project Awarded \$15m Critical Minerals Accelerator Initiative (CMAI) Grant

COB confirms it is not aware of any new information or data that materially affects the information included in the original market announcement, and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. COB confirms that the form and context in which the Competent Person's findings presented have not been materially modified from the original market announcement.