



ASX Announcement

30 August 2024

Impairment of Exploration Assets + Broken Hill Cobalt Project Update

Cobalt Blue Holdings Limited (ASX: COB) today announced it expects to recognise a non-cash pre-tax impairment charge of approximately \$30 million against the carrying value of the Company's exploration and evaluation assets, subject to the finalisation of the full-year accounts and external audit process.

The impairment does not have a cash or tax impact, nor does it impact the BHCP Strategic Review (the 'Study'). The scope of the Study was defined by the Company in Q2 2024 to:

- compare various mining/development options with regard to project constraints (including capital expenditure);
- identify the most optimal scenario to advance through to a Feasibility Study assuming sufficient justification;
- support an independent / peer review of project fundamentals, including potential market sounding for investment, assuming sufficient justification, and
- establish the economic conditions required for project development with particular consideration of sensitivity to commodity pricing.

An initial work plan has commenced with the revision of process design criteria based on pit optimisation and mine schedules (targeting a nominal throughput of 2 - 3 Mtpa to produce approximately 1.8 – 2.2 ktpa cobalt in mixed hydroxide product (MHP)). This work is intended to progress:

- trade-off studies to initially identify and assess options for equipment selection, including the definition of plant capacity thresholds optimised for both operational and capital expenditure efficiency;
- quantification and qualification of potential reductions in capital expenditure (inclusive of direct equipment and installation costs); and
- any final metallurgical studies. Given the advanced nature of the technical studies library that has been generated to date, this is expected to be minor.

This announcement has been authorised for release by the Company's board of directors.

Mr Danny Morgan
Chief Financial Officer
(02) 8287 0660