

Market Update

21 December 2021

Highlights

Cobalt Blue Holdings Limited A Green Energy Exploration Company



ASX Code:

COB

Commodity Exposure:

Cobalt & Sulphur

Directors & Management:

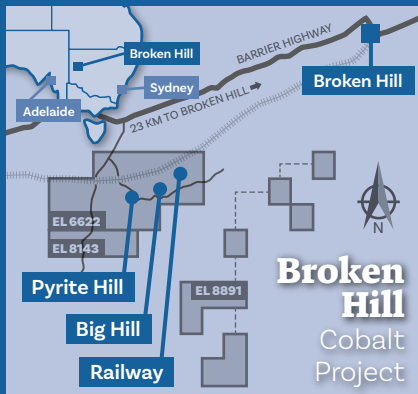
Robert Biancardi	Non-Exec Chairman
Hugh Keller	Non-Exec Director
Robert McDonald	Non-Exec Director
Joe Kaderavek	CEO & Exec Director
Danny Morgan	CFO & Company Secretary

Capital Structure:

Ordinary Shares at 21/12/2021:	298.8m
Unlisted options:	32.7m
Market Cap (undiluted):	\$112m

Share Price:

Share Price at 21/12/2021:	\$0.375
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Cobalt Blue Holdings Limited

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COB executes MOU with State of Queensland: Recovery of cobalt from mine waste

KEY POINTS

- In November 2019, the Queensland State Government announced a \$13m funding package to advance discovery and development of 'new economy minerals' within Queensland.
- The New Economy Minerals Initiative ('NEMI') considers a number of targeted projects including a Secondary Prospectivity Project examining the potential of mine waste (tailings, stockpiles, waste dumps) for critical minerals, conducted in collaboration with researchers from the Sustainable Minerals Institute, The University of Queensland.
- For collaboration under the Secondary Prospectivity Project, Cobalt Blue Holdings Limited (ASX: COB) has executed a Memorandum of Understanding ('MOU') with the State of Queensland, acting through the Department of Resources ('Department'), to assess opportunities for the recovery of cobalt (and any coexisting base and precious metals) from mine waste.
- Under the MOU, COB will undertake testwork to evaluate minerals processing options, including the application of its proprietary minerals processing technology to recover target metals from feedstocks nominated and provided by the Department.
- Initial samples for testwork are expected to be received in Q1 2022.

Commenting on the MOU, Joe Kaderavek said:

"The MOU with the Queensland Department of Resources is an important step forward for COB's Waste Streams Project and for Queensland's "The New Economy Minerals Initiative". COB looks forward to working with the Department of Resources and The University of Queensland on this important initiative".

Background

In March 2021, COB launched its *Cobalt in Waste Streams* Project with initial work focussed on:

- Desktop reviews of Australian sulphide waste streams (potentially containing cobalt, copper and gold), with an initial focus on Queensland's Northwest Minerals Province (Mt Isa/Cloncurry), where COB's research has identified substantial cobalt in tailings. The objective includes a prioritised set of opportunity targets for deeper investigation. To date, COB has successfully conducted testwork at the Millennium Project (cobalt/cobalt/gold) (located near Cloncurry), providing us with confidence that COB processing technology can be effectively applied to targeted mineralisation from the region.
- Design, procurement, and installation of bench scale test equipment to complement the existing Pilot Plant facilities at Broken Hill. This will enable COB to complete the majority of testwork 'in-house'.

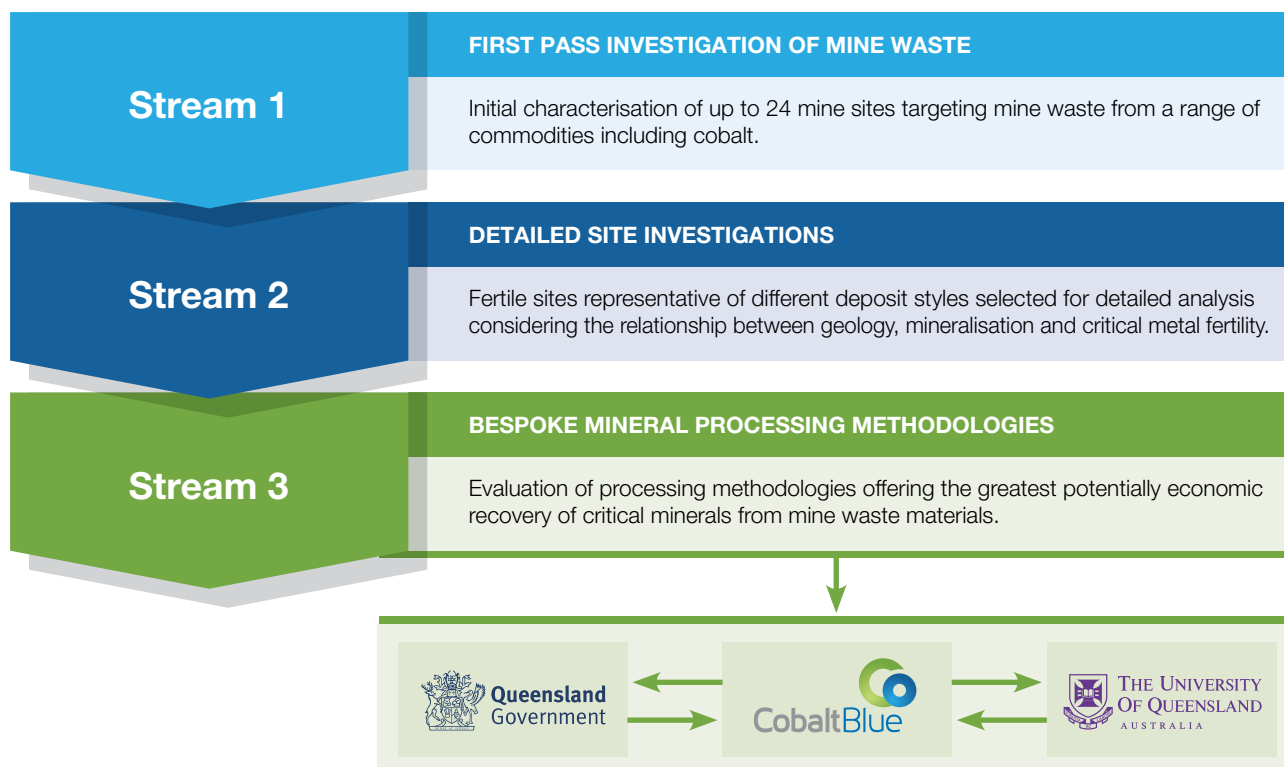
In recognition of the potential synergies between Queensland's New Economy Minerals Initiative and COB's *Cobalt in Waste Streams* Project, discussions with the (Queensland) Department of Resources have culminated in the execution of an MOU.

Secondary Prospectivity Project MOU

In collaboration with The University of Queensland ('UQ'), the Department, are advancing a Secondary Prospectivity Project to examine the prospectivity of mine waste (tailings, stockpiles, waste dumps) for critical minerals and identify opportunities for further development. If critical minerals are identified, sites could be re-packaged and offered back to market, perhaps with incentives or collaborative arrangements to address any legacy environmental issues.

The Secondary Prospectivity Project comprises three primary work streams as illustrated in Figure 1.

Figure 1 – **Secondary Prospectivity Project work streams.**



Stream 3 considers the evaluation of minerals processing options targeting the economic recovery of critical minerals from sources of mine waste (tailings, stockpiles, waste dumps). Under the MOU, COB will undertake metallurgical testwork for Stream 3. The MOU provides:

- COB will undertake testwork to evaluate minerals processing options, including though not limited to the application of its proprietary minerals processing technology to recover target metals from feedstocks nominated and provided by the Department. There is no guarantee that feedstocks will be provided by the Department.
- On completion of any testwork, COB will provide the Department with a report detailing the testwork and results for each site.
- COB will retain sole ownership of any new intellectual property created during testwork subject to the MOU.

- The Department will provide COB with reports on each site detailing the analysis and results of work carried out under the Secondary Prospectivity Project with UQ.
- The scope of individual testwork program(s) are to be governed by separate agreements ("**Testwork Agreement(s)**"). Testwork Agreements are to include the following terms:
 - Testwork scope having regard to the characteristics (including though not limited to the mineralogical, geochemical and physical properties) of the feed material.
 - The responsibilities of both parties in executing the testwork program including matters of sample provision, reporting and interpretation of results.
 - Reporting requirements including agreement of the presentation and attribution of results by either party.
 - Rights to results including any period of confidentiality or exclusive use and the intended public release of results by the parties, having regard to any agreement the Department may have established for acquisition of the feed material sample.

Initial samples for testwork are expected to be received in Q1 2022.



Broadly the MOU will provide COB with the potential to accelerate the *Cobalt in Waste Streams* Project by leveraging the extensive work completed by the Department and UQ to date. Collaboration between the parties will significantly advance the qualification and potential quantification of mine waste opportunities in Queensland. In addition, COB's testwork will determine the amenability of target material to its proprietary processing technology with collective aspirations for the commercialisation of waste streams processing to:

- recover the unrealised mineral inventory; and
- reduce the long-term environmental legacy of mine waste management.

There is no guarantee that COB's testwork will be successful or that COB will ultimately be able to commercialise this opportunity.

Cobalt Blue Background

Cobalt Blue Holdings Limited (ASX: COB) is an exploration and project development company. Work programs advancing the Broken Hill Cobalt Project in New South Wales continue. Our ambitious goals are subject to funding availability. Cobalt is a critical metal in strong demand for new generation batteries, particularly lithium-ion batteries now being widely used in clean energy systems.

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 () and LinkedIn (). Please don't hesitate to join the 'COB friends' on social media and to join our newsletter mailing list at our [website](#).

A handwritten signature in black ink, appearing to read "Joe Kaderavek".

Joe Kaderavek
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This announcement was approved by the Board of Directors.