

Market Update

11 February 2021

Highlights

Cobalt Blue Holdings Limited
A Green Energy
Exploration
Company



ASX Code:

COB

Commodity Exposure:

Cobalt & Sulphur

Directors & Management:

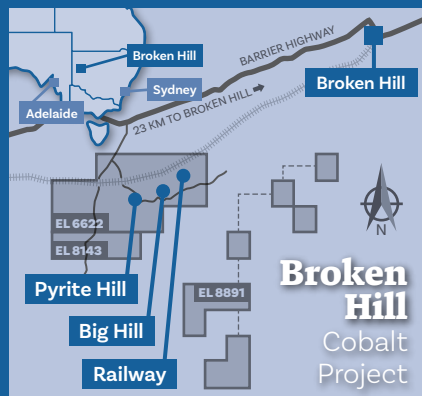
Robert Biancardi	Non-Exec Chairman
Hugh Keller	Non-Exec Director
Robert McDonald	Non-Exec Director
Joe Kaderavek	CEO & Exec Director
Danny Morgan	CFO & COSEC

Capital Structure:

Ordinary Shares at 11/02/2021:	248.2m
Unlisted options:	8.8m
Market Cap (undiluted):	\$86.9m

Share Price:

Share Price at 11/02/2021:	\$0.35
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Cobalt Blue Holdings Limited

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Pilot Trial – Calcine testwork underway

KEY POINTS

- Pilot Trial scale treatment of pyrite concentrate commenced. Calcine product to be processed for cobalt recovery in COB's Pilot Plant at Broken Hill.
- COB Pilot Plant construction well advanced.
- Pilot Plant commissioning on schedule for late February, with subsequent samples to be sent to prospective partners as part COB's global Cobalt Sample Program.

COB's CEO Joe Kaderavek, said:

"With calcine testwork to be completed shortly, our Pilot Plant on target, and the global cobalt market tightening nicely, we expect our Cobalt Sample Program to generate significant global attention."

Pilot Trial - Calcining Commenced

The key processing steps for the Broken Hill Cobalt Project are shown in Figure 1. The process is divided into concentration, calcining, leaching and product recovery. The COB Pilot Plant will process 90 tonnes of ore samples which have been collected from prior drilling programs. The concentration circuit will generate approximately 15 tonnes of pyrite concentrate for downstream processing. Pilot trials of the calcining step have recently commenced at Anergy Australia's demonstration facility in Bunbury, Western Australia, processing the first 7 tonne portion of pyrite concentrate. We expect the calcining of this 7 tonne sample to be completed shortly.

Anergy (www.anergy.com) is a leader in rotary kiln design and manufacture for high temperature pyrolysis applications. These include their carbon regeneration kilns for the gold industry, supplied globally for over 30 years under Anergy's "Ansac" brand. COB has partnered with Anergy, University of NSW, and the Australian Nuclear Science and Technology Organisation (ANSTO) to deliver a research project for pyrolysis of pyrite (calcining). This project has been partially funded (\$2.4m) by the Australian Government as part of the CRC-P Round 8 funding.

Photos of Anergy's Pilot Trial furnace in Bunbury WA, the calcined product, and recovered sulphur, are shown below in Figures 2, 3, and 4.

Figure 1 – BHCP Process Diagram

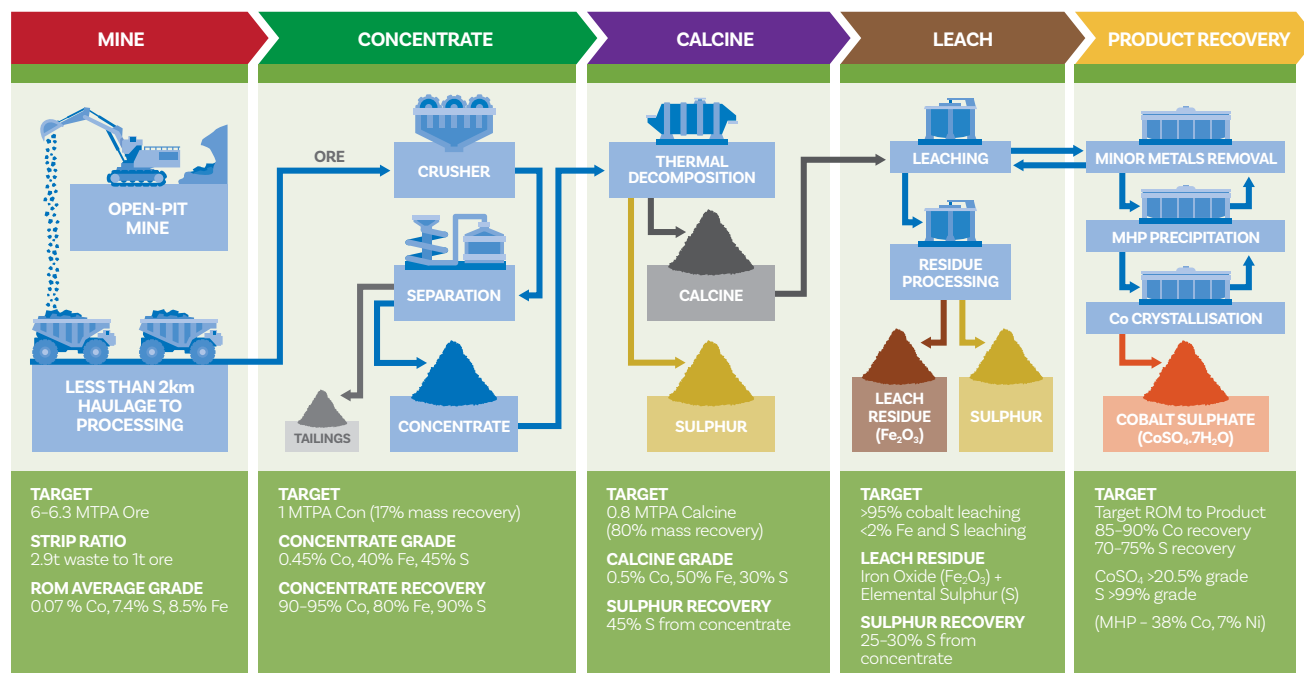


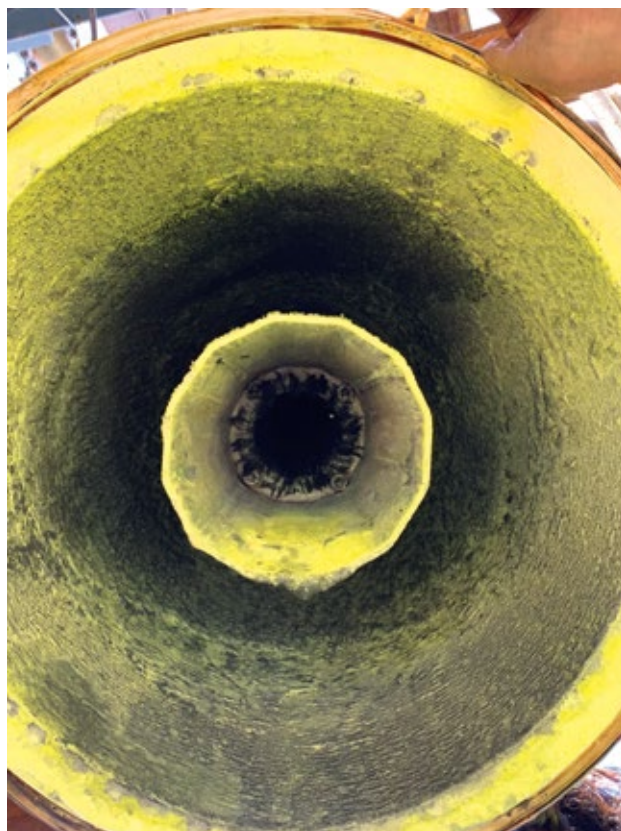
Figure 2 – Pilot Pyrolysis Kiln and ancillary equipment



Figure 3 – **Calcined product – Pyrrhotite**



Figure 4 – **Calcined product – Sulphur**



BHCP Pilot Plant Update

Installation of the Pilot Plant is well advanced, with electrical power cabling currently being installed to major equipment (see Figure 5). Instrumentation connections are due next, followed by the setup and installation of the control system. COB is working locally with Vertex for the electrical installation, and Honeywell for the control system. Standalone preliminary commissioning trials have commenced on the ore screening and gravity spirals.

Figure 5 – **Electrification works being finalised**



Figure 6 – **Ore screening**



The Pilot Plant will allow COB to produce varying specifications of cobalt products (including mixed hydroxides and sulphates) and represents a significant milestone for our business. Our commercial aim is to make battery ready cobalt sulphate from this facility on a scale sufficient to provide **test samples** (~10 kgs) for global commercial partners.

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 strategic 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 (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.



Joe Kaderavek

Chief Executive Officer

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This announcement was approved by the Board of Directors.

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>

- 21 December 2020: Pilot Plant – Progress Update
- 24 August 2020: Pilot Plant Update – 2nd Delivery of Major Equipment Received
- 14 July 2020: BHCP testwork – High purity cobalt and sulphur products
- 28 April 2020: Mixed Hydroxide Product (MHP) testwork delivers premium product
- 02 March 2020: Pilot Plant Update – Critical Equipment Received
- 10 February 2020: Project and Future Battery Industries CRC Funding
- 09 December 2019: Pilot Plant Update
- 31 May 2019: COB-Mitsubishi Sulphur Agreement
- 24 June 2019: Concentrate Circuit (Pilot Trial) program successfully completed
- 04 April 2019: Significant Thackaringa Resource Upgrade
- 26 February 2019: Testwork Update

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.