

## Cobalt Blue Holdings Limited

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## MEDIA RELEASE

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FOR IMMEDIATE RELEASE

ASX:COB

## US clarifies Foreign Entities of Concern, widening the door for Australian Critical Minerals

**The recent announcement clarifying the US Government position on Foreign Entities of Concern (FEOC) has been received as positive news by Cobalt Blue Holdings (ASX:COB), an Australian-owned critical minerals exploration and project development company. COB's 'Mine to Battery Markets Strategy' is being built on three pillars, including a Cobalt Nickel Refinery in Western Australia, the Broken Hill Cobalt Project in NSW, and the global opportunity of Cobalt in Waste Streams Projects.**

Final definitions on FEOC were released by the US Department of Treasury on December 1, 2023. These definitions have clarified sourcing restrictions and associated access to US Inflation Reduction Act (IRA) Section 30D Clean Vehicle Credits (CVCs). Critical minerals, constituent materials, battery components or Electric Vehicles (EVs) that breach FEOC guidelines will be excluded from receiving IRA-related benefits.

Following this latest information, a company will be regarded as an FEOC if at least 25% interest is held directly or indirectly by a covered nation, which includes China. After 2024, an EV will not qualify for up to US\$7,500 in IRA tax credits if it contains any critical minerals that are extracted, processed, or recycled by a disqualified foreign entity.

These restrictions on FEOCs provide an opportunity for Free Trade Agreement (FTA) countries and Allied Nations (United States, Japan, South Korea, Canada, European Union, and Australia) to supply critical minerals into the US market. Australian and US Governments remain in discussions over the bi lateral agreement ('Climate, Critical Minerals and Clean Energy Transformation Compact') signed earlier this year, which opens doors to equity and debt funding by US Government agencies in Australia. This would include US\$6bn of US Department of Energy funding to support domestic battery material processing, manufacturing and recycling.

Cobalt Blue's strategy is designed to capitalise on this segment of the battery raw material supply chain. We released a [Cobalt-Nickel Refinery Study](#) on 27 November 2023 that presents a compelling evaluation of a cobalt and nickel refining business to be located 30 km south of Perth in Western Australia. Our partner, [Iwatani Corporation](#), owns property in the Kwinana industrial district that would support the operation of the Refinery. Cobalt Blue is also developing a Definitive Feasibility Study for the Broken Hill Cobalt Project, which aims to become one of the largest cobalt operations outside of Africa. Furthermore, COB is focussed on global opportunities to apply its patented technology to re-process sulphides in mine waste to extract the contained metals, such as cobalt.

CEO of Cobalt Blue, Joe Kaderavek commented on the recent US FEOC announcement: “

*“The recent clarification concerning Foreign Entities of Concern justifies COB's long-standing strategy and investment to enter critical minerals processing. Over the past five years, our commercial negotiations - and discussions at all levels of government - have demonstrated the market is eager to diversify sources of mined and refined products.”*

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**Additional Information here:**

30 November 2023: [Market Update: Broken Hill Cobalt Project Mineral Resource Estimate](#)

23 November: [Market Update: Flin Flon Tailings Test Work: Positive Results](#)

17 November: [Video: An introduction to COB's Cobalt in Waste Stream Projects, Q&A with Helen Degeling](#)