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Entering Critical Minerals Production - An Australian Perspective

ASX: COB

CobaltBlue

Challenge One – Commodity Markets

Volatile markets

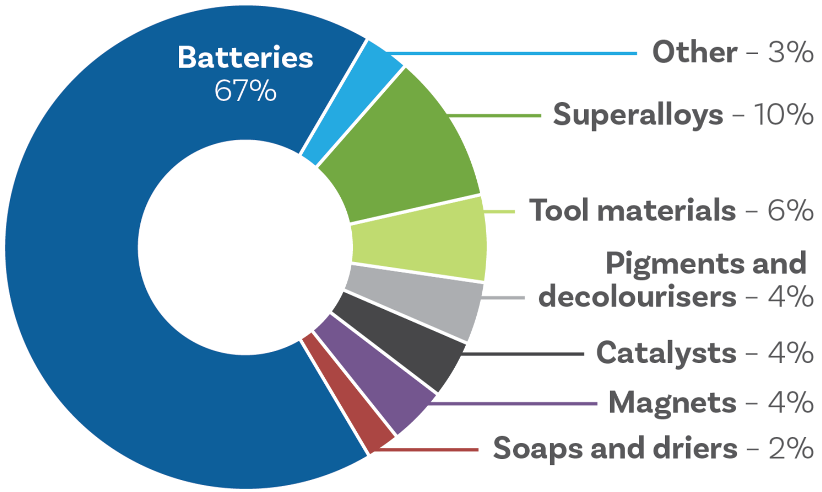
- Critical minerals represent small markets – cobalt 180,000tpa or one capsized bulk carrier
- Leads to distorted pricing response to supply/demand changes

Cobalt reflects the DRC – PRC relationship

- Bears no relationship to Western markets or suppliers (Australia)

Critical minerals not terminally traded

- Company to company transactions = opaque
- Spot represents small volume
- Futures markets growing but lack liquidity (<10% front 12 months)

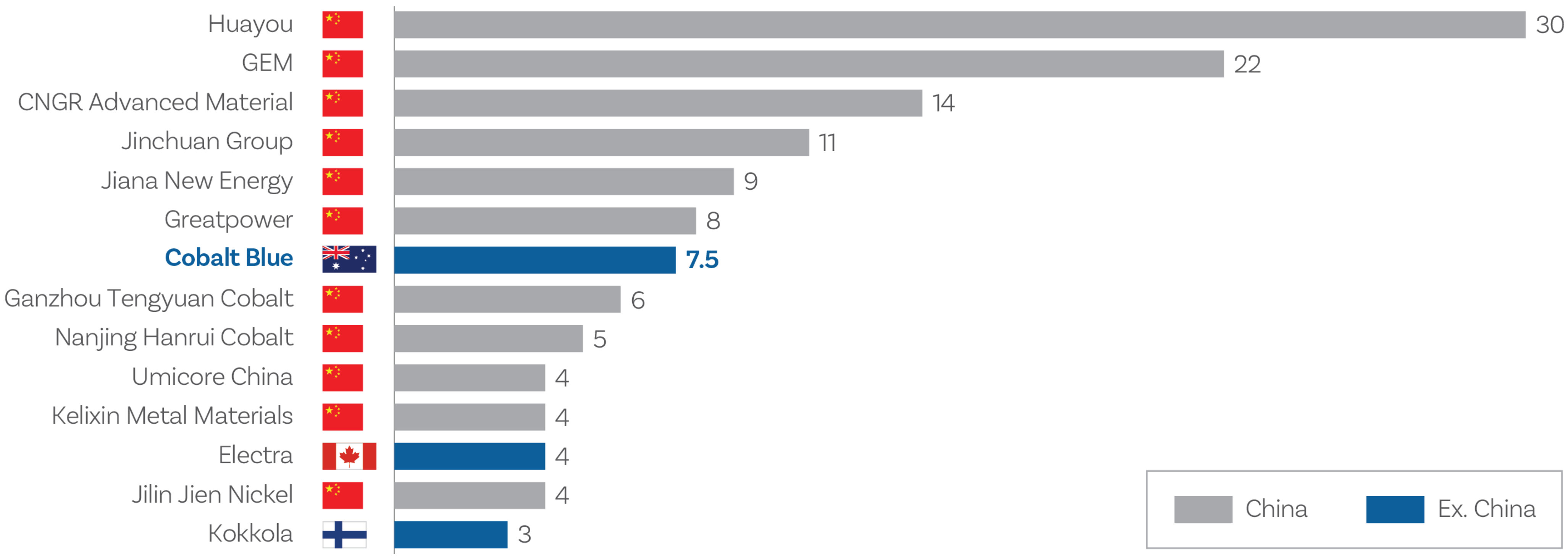


Cobalt's current end-use

Source: Cobalt Blue Holdings Limited

Cobalt Sulphate Refining Capacity

Global battery-grade cobalt sulphate capacity, 2026 (Kt Co)



Challenge Two – Government

Governments (slowly) responding

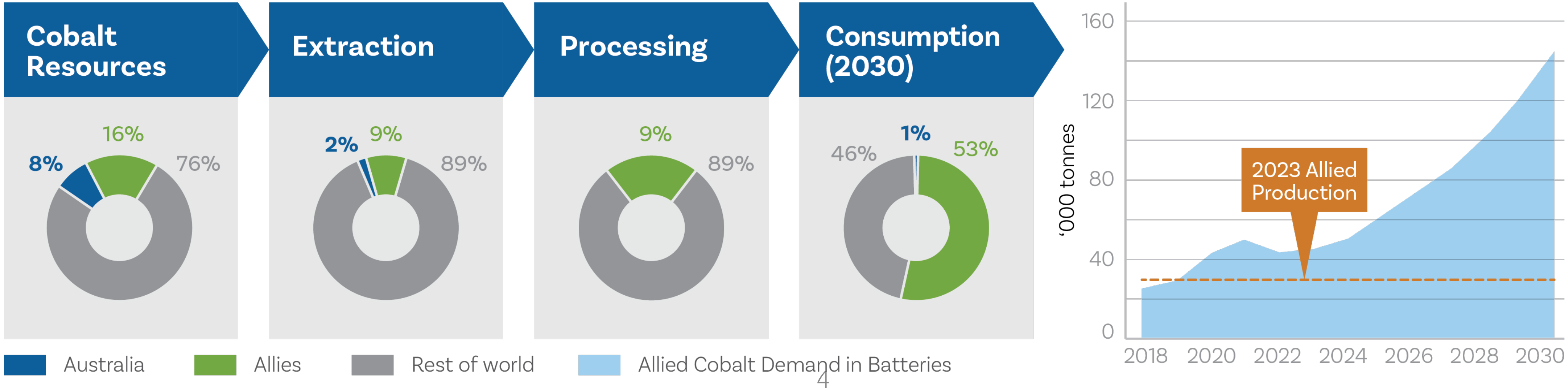
- US Government now in the game but needs further clarity, EU responding
- Australian Government sending strong policy signals

Large policy changes take time to digest

- Pivoting towards Allied Nations friendly supply chains is difficult when they don’t yet exist in size

Australia not (yet) included in manufacturing definitions of IRA Act

- Hiroshima compact may be a game changer for Australia



Challenge Three – Funding

Innovative Processing Technology

- Export Credit Agencies (ECAs) risk adverse concerning new technologies
- But ECAs under pressure to be involved
- Commercial banks largely on the sidelines or hiding under ECA cover

Challenge Four – Production Chain

OEMS do not understand critical minerals

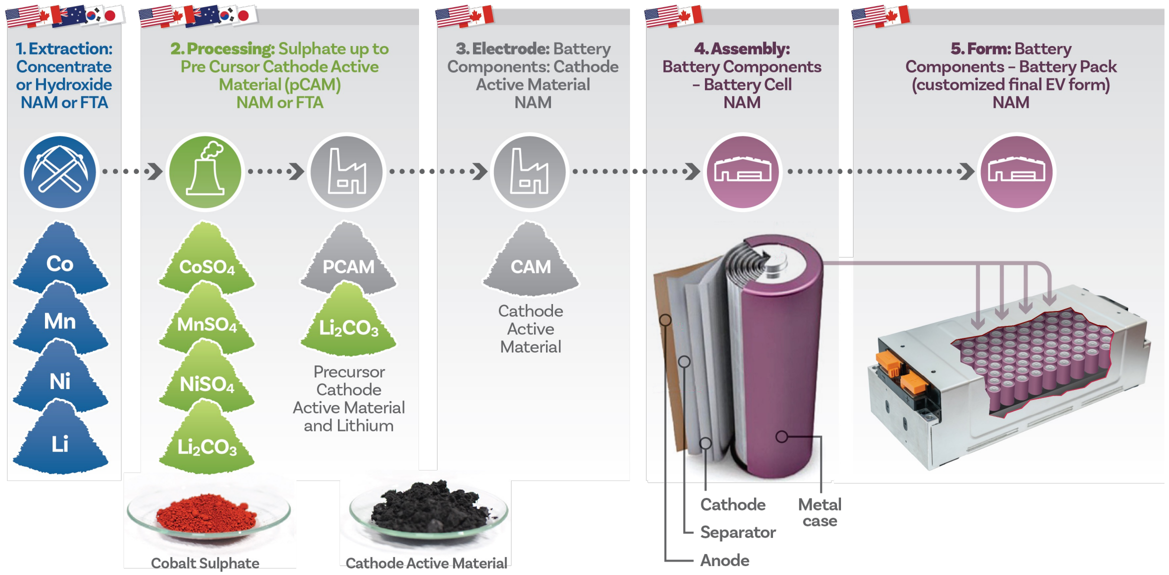
- Project lead times, scalability, economics are different to purchasing *seat belts*

Battery Industry too fragmented

- Korea is the exception, but battery makers remain reliant on OEM balance sheets

OEMs driving sustainability performance

- Multiple standards create delay and confusion – a “Australian Sourced Critical Mineral” certification is needed.



Source: Cobalt Blue Holdings Limited

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