



Cobalt Blue Holdings Limited – Chairman’s Address to AGM 2019

Good morning, I would like to welcome all Cobalt Blue shareholders and guests to our 2019 AGM.

The last 12 months has been a steady period of development for the business and we have taken important steps progressing the Broken Hill Cobalt Project.

A major drilling campaign (approximately 10,000m) was conducted over Q4 2018 and finalised in January. The global Mineral Resource estimate now comprises 111Mt at 889ppm cobalt-equivalent, containing just under 80,000 t of cobalt. This new resource will be taken forward and converted to a reserve over the course of 2020. Our dream of a 20 year world scale operation is in sight.

To advance our process understanding we produced 45 tonnes of concentrate from Broken Hill ore, testing that confirmed our earlier positive results. This significant campaign included over 1,500 individual core lengths in order to provide a representative sample of ore.

In June, we signed Mitsubishi as a partner to market trial elemental sulphur that will be produced by our process. Mitsubishi is a world class partner and adds to LG International who became our cobalt first mover partner in 2018.

Cobalt Blue applied for, and was granted, additional exploration land which we announced in August. The addition of new land will ultimately add to the longevity and economic value of the Broken Hill refinery complex.

Commercially, Cobalt Blue signed testwork agreements with Global Energy Metals for their Millennium Project, which has provided an insight into treating Queensland based cobalt resources. Our research has shown significant potential to treat cobalt ores from the Mount Isa/Cloncurry district. In September we signed a further agreement with OZ Minerals for their Carrapateena Copper/gold mine currently undergoing commissioning. We look forward to seeing where such cooperation will take our business.

Cobalt Blue has now joined the Future Battery Industries - Cooperative Research Centre (A Commonwealth Government initiative), where we share a common focus on developing an Australian battery industry with a range of primary producers of lithium, cobalt and nickel. We look forward to updating shareholders on this initiative.

Turning to Board matters, in December 2018, Matt Hill resigned from the Board and we thank him for his dedication and service to Cobalt Blue. We were fortunate enough to secure the services of Rob McDonald, who subsequently joined the Board.

I would also like to take this opportunity to thank the Cobalt Blue management team and my fellow directors for their hard work and commitment during this year. Our view remains, that despite the current lull in the cobalt price, the business will continue to progress the core Broken Hill Cobalt Project as well the commercialisation of our intellectual property. Marking time, whilst temporary conditions are challenging, is simply not in our DNA.

Looking forward, the rapidly evolving battery market demands cobalt as a key precursor ingredient. Parallel to these developments, battery makers are “thrifting” cobalt, in other words using less cobalt to make each battery. This transition, however, requires a higher-grade cobalt product, which remains a key focus for our business.

Australia remains well endowed with cobalt resources but produces only 6% of global supply. There is little doubt that we have plenty of potential, particularly considering our stable jurisdiction and ethical credentials. Cobalt Blue looks forward to closing this cobalt gap.

Robert Biancardi

Chairman