

Cobalt Blue Holdings Limited

Address: Level 2, 66 Hunter St, Sydney NSW 2000
Website: www.cobaltblueholdings.com
Email: info@cobaltblueholdings.com
Social: [f](#) Cobalt.Blue.Energy [in](#) cobalt-blue-holdings



31 January 2017

Chairman's Letter to Shareholders

I would like to extend a warm welcome to each of Cobalt Blue's 1,400 (including 800 ex-BPL) new shareholders who have recently joined us. Thanks to your support we raised the maximum \$10 million in equity, allowing us to pursue our plans to develop a world-class cobalt mine at Thackaringa, a short drive west of Broken Hill, NSW.

The Cobalt Blue team will be working hard in coming months to advance the work program outlined in our prospectus. During February, we will be completing the diamond drilling program, started late last year, providing a metallurgical baseline that will form a core part of our upcoming scoping study.

By March, we will have two reverse circulation drill rigs at Thackaringa working to extend the quantity of known mineralisation by focusing on new targets. The aim now is to lift this inferred resource to a globally significant target, forming a milestone on our way to eventually earning 100% of this valuable project.

A welcome backdrop to this activity is the strong recent price gains in the global cobalt market. Cash prices on the London Metal Exchange closed last week at \$US36,750 per tonne. The price has been rising steadily over the past year (+67% yoy), and has hit new five-year peaks on the back of an ongoing surge in demand.

We believe that cobalt is keenly sought for use in lithium-ion batteries that now are found in everything from cars, aircraft, phones and laptops. The beauty of cobalt is that it increases the density of battery cathodes, which allows electric vehicles to travel further and phones to last longer between charges. It is a vital component of the new green electricity revolution, and our intention is to be a significant player.

The ASX has confirmed that Cobalt Blue "COB" will begin trading at 11am Thursday 2 February 2017. 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 (see links attached) such as Facebook and LinkedIn. Please don't hesitate to join the "COB friends" on social media.

A handwritten signature in black ink, appearing to read 'Robert Biancardi', with a long horizontal stroke extending to the right.

Robert Biancardi
Independent Chairman
Cobalt Blue Holdings Limited