Market Update

2 October 2025

Highlights

Repayment of Promissory Note to ARR

Overview

Cobalt Blue Holdings Limited ('**COB**' or '**Cobalt Blue**') is pleased to advise that it has paid the final instalment of $1.0 million (plus accrued interest of $42,246.58) due under the Promissory Note held by American Rare Earths Limited ('**ARR**').

COB confirms that it has now discharged all of its obligations in respect of the Promissory Note, and that the tenement package for the Broken Hill Cobalt Project ('**BHCP**' or the '**Project**') is unencumbered.

The Promissory Note was issued to ARR in January 2020 as part of Cobalt Blue's acquisition of ARR's interest in the BHCP. That acquisition took Cobalt Blue to 100% ownership and legal title in the Project.

The Broken Hill Cobalt Project – at a Glance

- The BHCP is located 25 kilometres southwest of Broken Hill, in far western New South Wales. Covering an area of approximately 39 km^2, the Project represents one of the world's largest undeveloped cobalt resources outside of Africa.
- The Project is supported by a robust tenure position comprising:
  - **Two granted Mining Leases:** ML 86 and ML 87
  - **Two Mining Lease Applications:** MLA 647 (covering a portion of EL 6622) and MLA 634

  Together, these leases and applications form a subset of the COB's broader exploration portfolio in the Broken Hill region, offering both near-term development potential and longer-term exploration upside.
- The BHCP hosts a globally significant JORC-compliant Mineral Resource of **126.5 Mt at 867 ppm CoEq** (690 ppm cobalt, 7.5% sulphur, 134 ppm nickel containing **87 kt cobalt**, **9,510 kt sulphur** and **17 kt nickel**.

  This large-scale resource underpins the BHCP's potential to become a strategic supplier of ethically sourced cobalt, an essential component in the global energy transition and electrification supply chain.

CEO Dr. Andrew Tong said: *"We thank ARR for their support since 2017 on the Broken Hill Cobalt Project. We look forward to advancing the project as the cobalt market continues to adapt to the improving market conditions"*

Cobalt Blue Holdings Limited

ASX Code: **COB**

Directors & Management:

Robert Biancardi	Non-Exec Chairman
Joe Kaderavek	Deputy Chairman
Hugh Keller	Non-Exec Director
Dr Andrew Tong	Chief Executive Officer
Kelvin Bramley	CFO & Company Secretary

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BHCP Mineral Resources

The BHCP deposits comprise three distinct bodies — **Pyrite Hill**, **Big Hill**, and **Railway** — extend over 5 km of strike and vary in thickness from 10 to 300m. Mineralisation is hosted in stratabound zones of cobaltiferous pyrite, dipping moderately to steeply.

Cobalt occurs exclusively as a substitute within the pyrite crystal lattice, creating a strong correlation between pyrite content and cobalt grade. This unique mineralogical composition differentiates BHCP from nickel–cobalt laterites, copper–cobalt sulphides, and other deposits that supply 98% of global cobalt.

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Table 1 - The BHCP Mineral Resource estimates (inclusive of Pyrite Hill, Railway & Big Hill at a 275 ppm CoEq cut-off) detailed by Mineral Resource classification. Note minor rounding errors may have occurred in compilation of this table. Assumptions used for the calculation of the cobalt equivalency formula are provided on page 5.

BHCP (inclusive of Pyrite Hill, Railway & Big Hill)								
Classification	Tonnes (Mt)	CoEq (ppm)	Co (ppm)	S (%)	Ni (ppm)	Contained Co (kt)	Contained S (kt)	Contained Ni (kt)
Measured	23.7	1,143	917	9.6	170	21.7	2,277	4.0
Indicated	59.9	810	644	7.0	126	38.6	4,217	7.6
Inferred	43.0	795	629	7.0	127	27.0	3,016	5.4
Total	**126.5**	**867**	**690**	**7.5**	**134**	**87.3**	**9,510**	**17.0**

BHCP Process Flowsheet

COB's patented process is the first to unlock cobalt from pyrite at scale, integrating proven technologies into an innovative new flowsheet. To validate the process, a Demonstration Plant was constructed and operated in 2023 using material mined from the Pyrite Hill deposit. The material was concentrated to produce a cobalt-pyrite feed, which was then processed through the full sequence of unit operations to generate a cobalt-nickel mixed hydroxide precipitate ('**MHP**'). This intermediate product was subsequently refined to produce high-purity cobalt and nickel sulphate crystals (Figure 4) confirming the commercial potential of the flowsheet (see Figure 1).

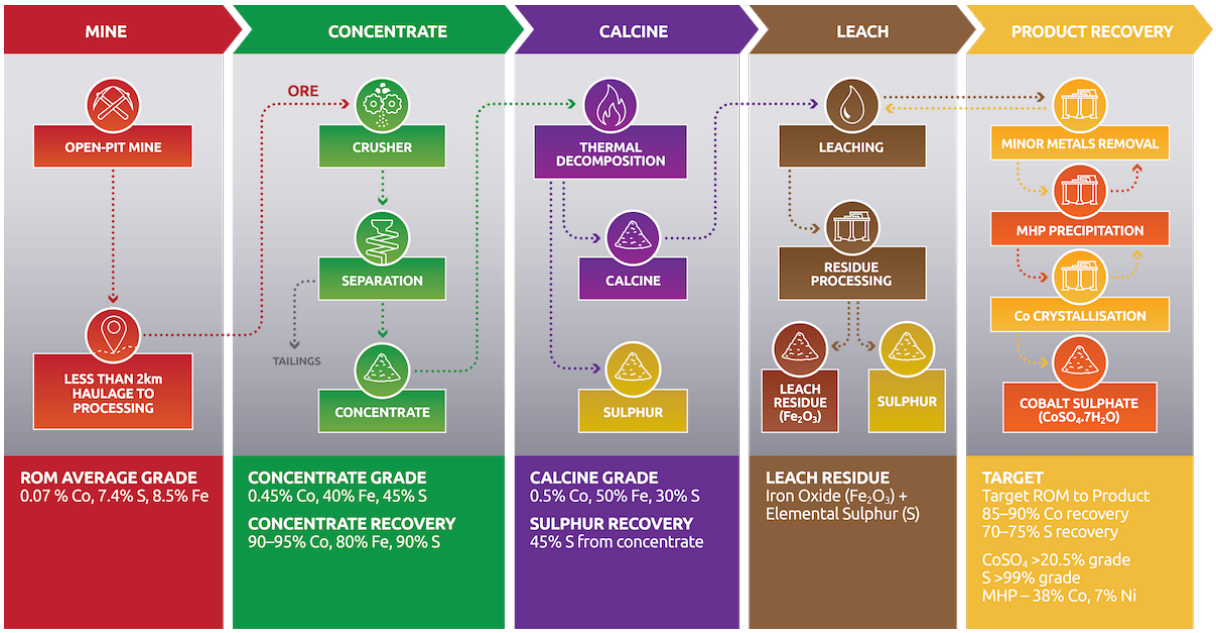

Figure 1 - BHCP process flowsheet.

[1]The information related to the Mineral Resource estimate is extracted from the report titled 'BHCP Resource Update' issued on 30 November 2023.

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Figure 2 - Mining and pyrite concentration activities at Pyrite Hill for the Demonstration Plant.

Figure 3 - Demonstration Plant – Iron oxidation and precipitation circuit (left) and installation of iron polishing and MHP precipitation circuits (right).

Figure 4 - Demonstration Plant – MHP (left) and cobalt sulphate (right).

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Figure 5 - Demonstration Plant – sulphur.

Cobalt Market Update

The Democratic Republic of Congo ('**DRC**') announced on 20 September that it will lift the ~7-month long suspension on cobalt exports, effective 16 October, replacing it with a quota system to remain in effect until at least 2027. According to the announcement, a maximum volume of 87,000 tonnes of cobalt will be authorised for export per year.

This new system allows only 7,250 tonnes a month for export. To put that in perspective, in the 17 months prior to the export ban, China's cobalt imports averaged 16,200 tonnes per month.

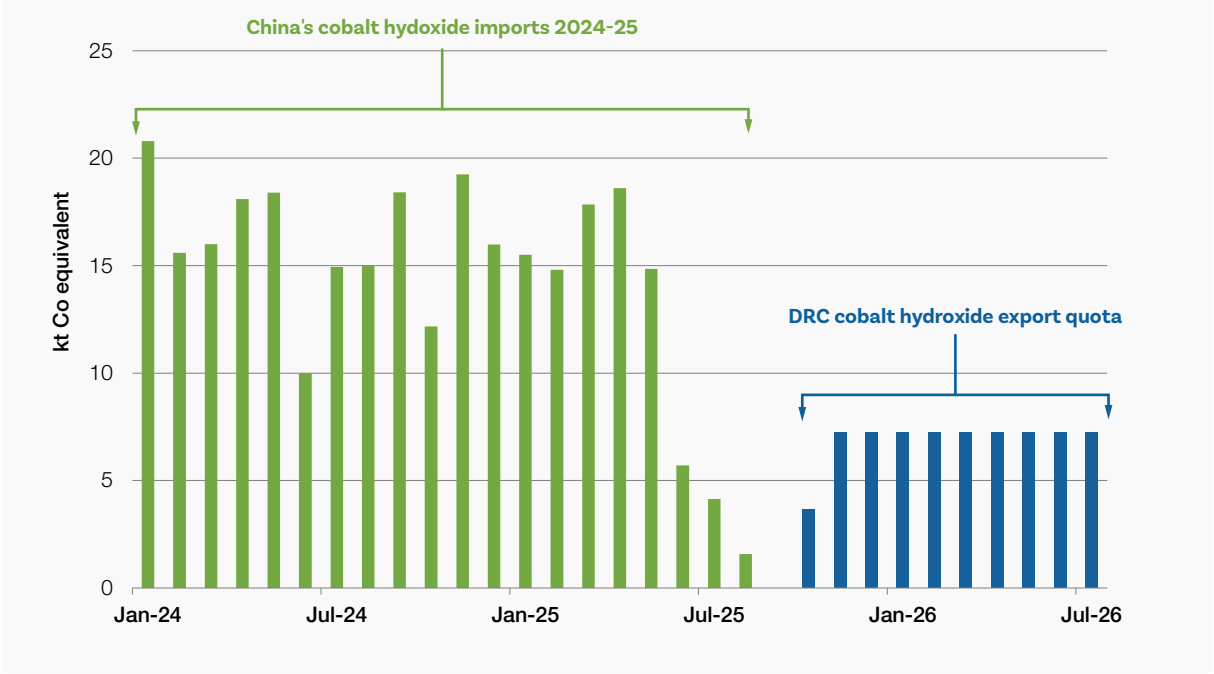

Figure 6 - China's cobalt hydroxide imports vs DRC's export quota allocation (Source: China's General Administration of Customs (GACC), Cobalt Blue Holdings).

While this marks the early stage of a structural shift in cobalt market dynamics, the DRC has clearly positioned itself to manage both producer and consumer inventories – and by extension, price stability. The "sweet spot" for pricing will be one that maximises government revenue without undermining demand.

Since the announcement, the cobalt metal price has risen 15% to its highest level since January 2023.

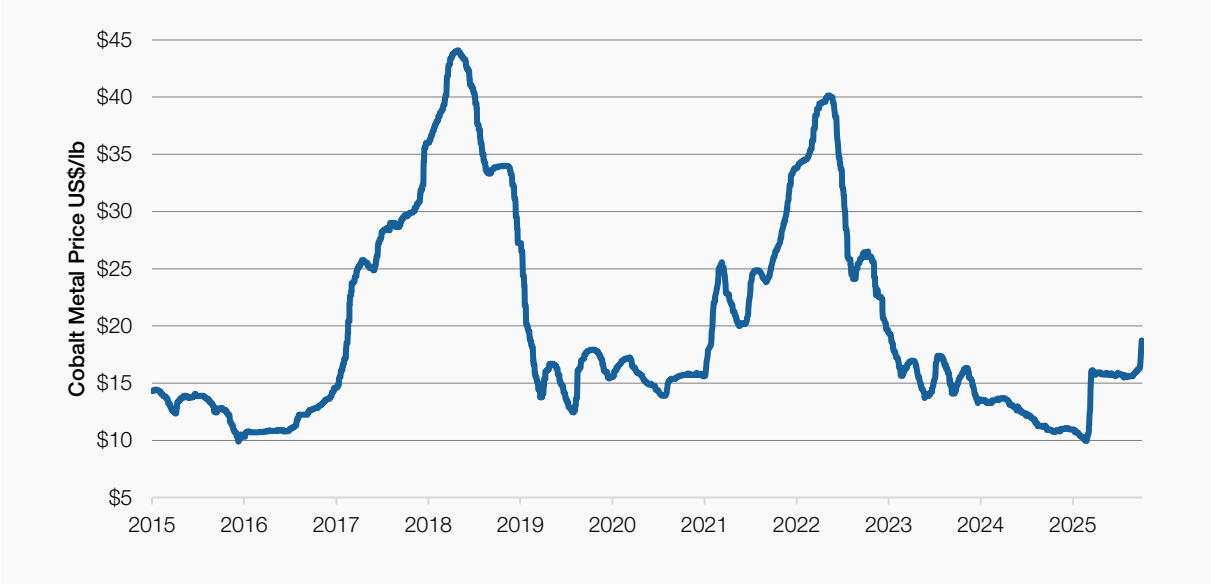

Figure 7 - Cobalt standard grade metal price (Source: Fastmarkets).

Please see a more detailed cobalt market analysis on our website.

Mineral Resource Cobalt Equivalency

The Mineral Resource has been reported at a cut-off of 275 ppm CoEq based on an assessment of material that has reasonable prospects of eventual economic extraction. In addition to cobalt, the cut-off grade incorporates revenue streams from elemental sulphur and nickel; economic by-products of the processing pathway defined through progressive technical studies including the 2018 BHCP Preliminary Feasibility Study (**PFS**) and 2020 BHCP Project Update.

The cobalt equivalent grade has been derived from the following calculation; **CoEq ppm = Co ppm + (S ppm × (S price / Co price) × (S Recovery / Co Recovery)) + (Ni ppm × (Ni Price / Co Price) × (Ni Recovery / Co Recovery))**. Assumptions derived from the assessment of modifying factors considered to date have been used to inform the cobalt equivalency calculation with the equivalency formula equating to **CoEq = Co + S % × 18.1398 + Ni ppm × 0.3043** (see Table 2).

Table 2 - Assumptions used for the calculation of the cobalt equivalency formula.

Assumption	Input
Cobalt Price	US$60,186/t (AU$85,980)
Sulphur Price	US$145/t (AU$207)
Nickel Price	US$18,317/t (AU$26,167)
Cobalt Recovery	85.0%
Sulphur Recovery	64.0%
Nickel Recovery	85.0%
Exchange Rate (A$ to US$)	0.70

The Company confirms all elements included in the metal equivalence calculation have reasonable potential to be recovered and sold.

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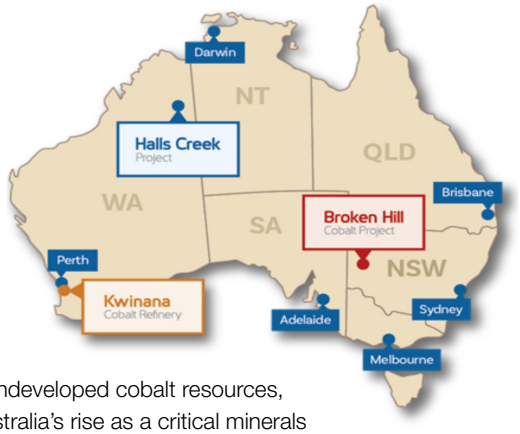
Cobalt Blue Background



Cobalt Blue Holdings Limited is a minerals processing and mining company focused on **developing midstream processing capabilities** in Australia **to diversify supply chains** with like-minded countries. Key assets:

- **Kwinana Cobalt Refinery** ('**KCR**'): Australia's first dedicated cobalt refinery to produce high-purity cobalt sulphate for the lithium-ion industry and high-grade cobalt metal for defence and industry. Near-term development of KCR de-risks domestic critical mineral projects by providing a refining facility capable of treating a variety of feedstocks
- **Broken Hill Cobalt Project** ('**BHCP**'): One of the world's largest, undeveloped cobalt resources, BHCP is set to become a generational operation at the heart of Australia's rise as a critical minerals superpower. Recently granted a three-year extension to Major Project Status, the Australian Federal government recognises BHCP as nationally significant.
- **Broken Hill Technology Centre** ('**BHTC**'): Since 2021, COB has invested over A$15 million in BHTC to test and validate the complete flowsheet for BHCP – from mining through to production of cobalt sulphate, cobalt metal and elemental sulphur. It has also delivered key technological milestones that further strengthen the case for developing KCR.
- **Halls Creek Project**: Optionality for diversified commodity exposure via a low-cost copper-zinc-silver project with near-term exploration planned to test resource growth uplift.

As announced on 18 February 2025, the Company intends to seek shareholder approval to change its name to Core Blue Minerals Limited.

Forward Looking Statements

This announcement contains "forward-looking statements". All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties, and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include but are not limited to cobalt metal price volatility, timely completion of project milestones, funding availability, and government and other third-party approvals. The Company is not obligated to release any revisions to any "forward-looking statement" publicly. To the maximum extent permitted by law, COB and its respective advisers, affiliates, related bodies corporate, directors, officers, partners and employees expressly exclude and disclaim all responsibility and liability, including, without limitation, for negligence or in respect of any expenses, losses, damages or costs incurred by any person as a result of their reliance on this ASX announcement and the information in this ASX announcement being inaccurate or incomplete in any way for any reason, whether by way of negligence or otherwise.

This announcement was authorised for release to the ASX by the board of Cobalt Blue Holdings Limited.

For more information, please contact:

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