



5th November 2018

Terezia Adit Re-Entry Reveals Co-Ni Massive Sulphides

- **Field reconnaissance has identified Terezia Adit Portal**
 - **Initial mapping has identified extensive secondary and sulphide hosted cobalt-nickel mineralisation**
 - **Refurbishment planning commenced to facilitate underground drilling**
- **Entire Zemberg-Terezia System confirmed to extend across a strike length of 1,500m with up to three discrete veins identified**
- **Detailed historic data compilation, field reconnaissance of adits, waste dumps and historical pits based on Lidar transforming understanding of the scale of the Dobsina Project**
- **1,457m of accessible development within the Middle Terezia Adit**



Figure 1: Gersdorffite (Cobalt-Nickel Sulphide) exposed in Terezia Adit



EUROPEAN COBALT

European Cobalt Ltd ("EUC" or "the Company", ASX: EUC) is pleased to announce the re-entry of Terezia Adit system has been completed and has revealed cobalt-nickel massive and semi massive sulphide mineralisation and extensive secondary cobalt mineralisation. Terezia Adit represents the eastern extent of the east-west trending Zemberg-Terezia Vein System. The Zemberg-Terezia Vein System extends across a strike length of 1,500m, with up to three discrete veins noted to occur. In total, 1,457m of development is accessible within the Middle Terezia Adit.



Figure 2: Secondary cobalt (pink, erythrite) and secondary copper mineralisation (blue, azurite) within Terezia Adit

Managing Director, Rob Jewson commented "The opening up of the Terezia Adit represents the first modern exploration completed across this vast strike extent of what appears to be a considerable mineralising system.

Our initial focus of exploration activities has been predominantly towards the Zemberg portion of the vein system and through opening up of Terezia we have effectively doubled the strike length across which we are conducting extensive exploration."

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MIDDLE TEREZIA ADIT

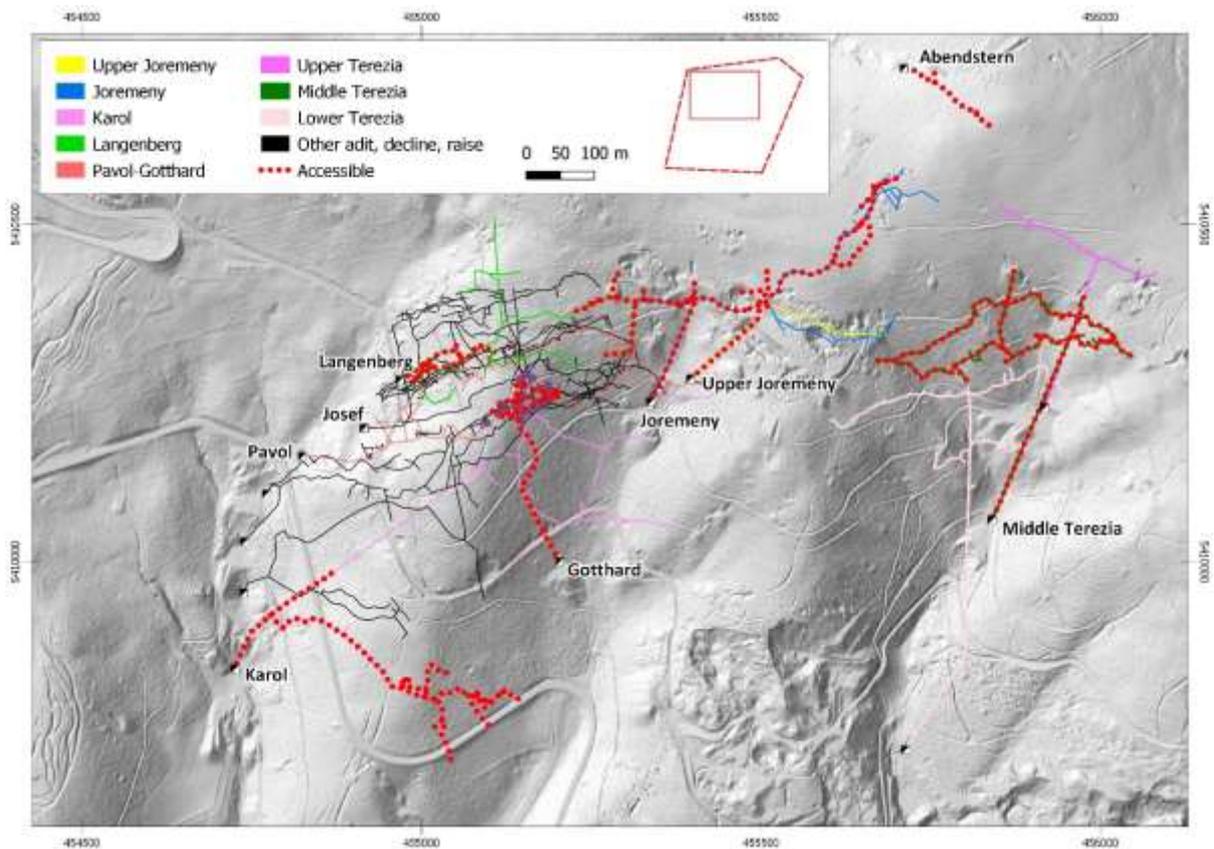


Figure 3: Plan View of Zemberg-Terezia Adits and Areas Accessible

The Middle Terezia adit is situated within the north-eastern quadrant of the Dobsina Licence. Two discrete east-north-east trending veins are mapped within the Middle Terezia Adit. The Middle Terezia Adit was re-opened and refurbished in 1955 as part of a regional exploration program and is connected to Upper Terezia and Lower Terezia via rises and winzes respectively.

Initial exploration activities to be conducted within the Middle Terezia Adit include underground surveying, geological mapping, channel sampling and hand held diamond drilling. Portal installation works have commenced to stabilise the entry prior to detailed geological works being undertaken.

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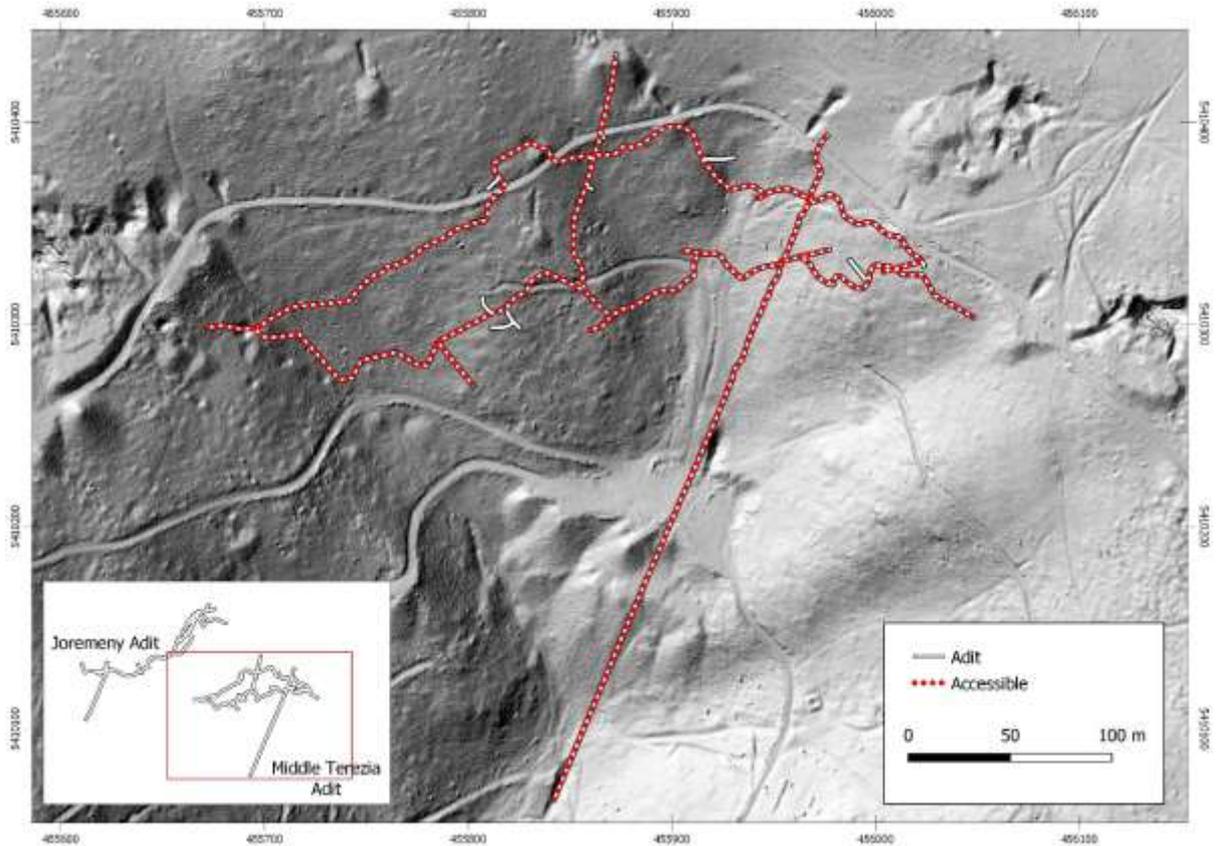


Figure 4: Plan View of Middle Terezia Adit, areas accessible and Lidar DTM Background

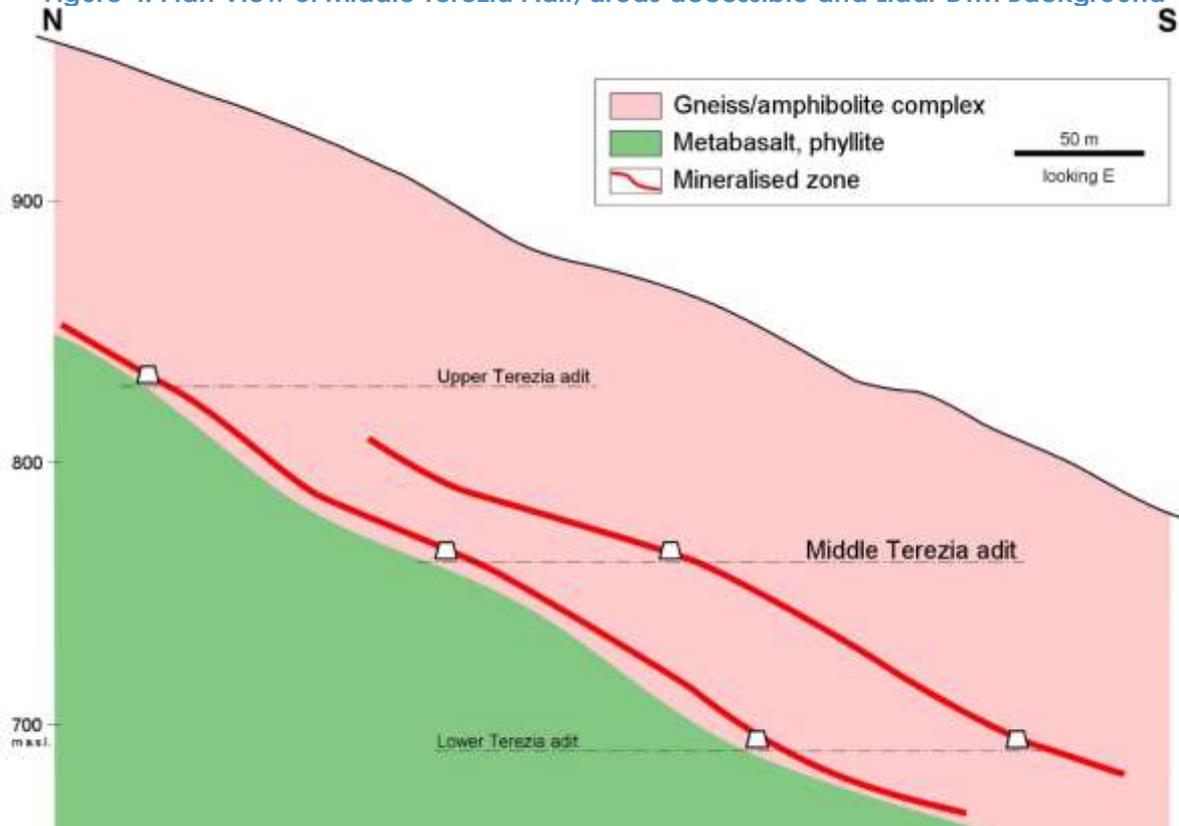


Figure 5: Section View of Middle Terezia Adit

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DISCLAIMER

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

COMPETENT PERSONS STATEMENT

The information in this announcement that relates to the Exploration Results for Dobsina Project is based on information compiled and fairly represented by Mr Robert Jewson, who is a Member of the Australian Institute of Geoscientists and Managing Director of European Cobalt Ltd. Mr Jewson has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Jewson consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

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JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Comments
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. 	No sampling completed.
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	No sampling completed.
	<ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	No sampling completed.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	No drilling results have been included this release.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	No drilling results have been included this release.
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	No drilling results have been included this release.
	<ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	No drilling results have been included this release.

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Criteria	JORC Code explanation	Comments
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	No logging completed.
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	No logging completed.
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	No logging completed.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	No drilling completed.
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. 	No drilling completed.
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	No sampling completed.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	No sampling completed.
	<ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. 	No sampling completed.
	<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 	No sampling completed.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	No analytical process has been utilised.
	<ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. 	No geophysical tools were used.
	<ul style="list-style-type: none"> Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	No sampling completed.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	No significant intercepts reported.
	<ul style="list-style-type: none"> The use of twinned holes. 	No drilling completed.



Criteria	JORC Code explanation	Comments
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<p>Only initial scout mapping completed to date. Information is recorded on field logging sheets and is captured and stored in a geological database.</p> <p>No assay data reported.</p>
<i>Location of data points</i>	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. 	<p>Underground mine workings have been located spatially at the portal through the use of Lidar. The subsequent development was located through registration of historical maps. An underground survey pickup has commenced accurately locate the areas of development.</p>
	<ul style="list-style-type: none"> Specification of the grid system used. 	<p>UTM-WGS84- zone 34N</p>
	<ul style="list-style-type: none"> Quality and adequacy of topographic control. 	<p>A digital terrain model was generated from Lidar. The quality of the DTM is sufficient for the stage of exploration for the Project.</p>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 	<p>No exploration results reported.</p>
	<ul style="list-style-type: none"> Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. 	<p>No exploration results reported.</p>
	<ul style="list-style-type: none"> Whether sample compositing has been applied. 	<p>No sampling results reported.</p>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 	<p>No sampling reported.</p>
	<ul style="list-style-type: none"> If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<p>No drilling completed.</p>
<i>Sample security</i>	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<p>No sampling completed.</p>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<p>None conducted</p>

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SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 	<p>Dobsina consists of a granted Licence (License number 2466/2017-5.3) covering a land area of 6.97km², held by CE Metals s.r.o, a 100% wholly owned subsidiary of NiCo Minerals Pty Ltd, a 100% wholly owned subsidiary of European Cobalt Ltd. Further conditional payment consideration includes:</p> <ul style="list-style-type: none"> - 73,333,334 Performance Shares (subject to ASX approval per Listing Rule 6.1) on the following terms and conditions being: <ul style="list-style-type: none"> o 36,666,667 Class A Performance Shares for the achievement of an Inferred Mineral Resource in accordance with the JORC 2012 Edition Guidelines of not less than 500,000 tonnes at a minimum grade of 0.5% Cobalt equivalence within the Dobsina Licence or the sale/processing of a minimum of 50,000t of ore sold/processed at a minimum grade of 0.5% Cobalt equivalence (Performance Shares Milestone 1) o 36,666,667 Class B Performance Shares for the achievement of an Inferred Mineral Resource in accordance with the JORC 2012 Edition Guidelines of not less than 1,000,000 tonnes at a minimum grade of 0.5% Cobalt equivalence within the Dobsina Licence or the sale/processing of a minimum of 100,000t of ore sold/processed at a minimum grade of 0.5% Cobalt equivalence (Performance Shares Milestone 1) - Payment of a 2% Net Smelter Royalty ("NSR") on the production of any minerals from the Dobsina Licence
	<ul style="list-style-type: none"> The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<p>No known impediments exist with respect to the exploration or development of Dobsina Project.</p>
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>At present the information utilised within this release is sourced from "Geologický prieskump s.p., Spišská Nova Ves Geologica oblasť Rožnava, Závarečná správa Dobsina- Ni-Co- VP nickel Kobalt" 1992 and "Bankse Mestro Dobsina" a publication prepared by the Slovak Ministry of Interior, published in Kosice 2013 (ISBN 978-80-97005-7-8).</p>

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Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>The Dobsina Project lies at a major thrust contact between two regional tectonostratigraphic units called Veporicum and Gemicum.</p> <p>Mineralisation at Dobsina is characterised by the following styles:</p> <ul style="list-style-type: none"> - Siderite hydrothermal veins (siderite-ankerite, quartz sulphide) - Metasomatic Fe-Carbonate replacement - Stratiform sediment hosted Ag-Au - Stratiform sediment hosted magnetite-hematite <p>Siderite hydrothermal veins prospective for Co-Ni veins are located in two main east-west tectonic zones along a fault contact between gneiss-amphibole and underlying phyllite green schist.</p>
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> o easting and northing of the drill hole collar 	No drilling performed
	<ul style="list-style-type: none"> o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar 	No drilling performed
	<ul style="list-style-type: none"> o dip and azimuth of the hole 	No drilling performed
	<ul style="list-style-type: none"> o down hole length and interception depth 	No drilling performed
	<ul style="list-style-type: none"> o hole length. 	No drilling performed
	<ul style="list-style-type: none"> If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	All available information has been released.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 	No weighted sampling was completed.

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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. 	No interval aggregation methods were applied.
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	No metal equivalence are reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. 	No drilling performed.
	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 	No drilling performed
	<ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	No drilling performed
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Maps and plans have been included in body of the announcement.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	No analytical results reported.

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Criteria	JORC Code explanation	Commentary
Other substantive exploration data	<ul style="list-style-type: none">Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other exploration data is considered meaningful and material to this announcement.
Further work	<ul style="list-style-type: none">The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).	Detailed underground mapping, underground surveying, channel sampling and potentially refurbishment is planned to be undertaken.
	<ul style="list-style-type: none">Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Diagrams indicating the current level of understanding have been included. Drilling locations have not been finalised.

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