



11th May 2018

COMMENCEMENT OF UNDERGROUND DIAMOND DRILLING AT DOBSINA Co-Ni-Cu-Ag PROJECT

- *Underground diamond drilling has commenced within Joremeny Adit*
- *Drilling targeting both massive copper sulphide mineralisation identified as part of refurbishment and cobalt-nickel sulphide mineralisation previously mapped and channel sampled*
- *Program aims to test mineralisation both up and down dip of mapped mineralisation*
- *Planned holes also extend into testing mineralisation within the Langenberg system, located to the west of Joremeny Adit*
- *Underground drilling program planned to be ongoing with multiple underground rigs scheduled to be utilised as underground refurbishment progresses*



Figure 1: Stockpiled Chalcopyrite-Tetrahedrite-Erythrite (Cu-Sb-Ag-Co) Mineralisation from Joremeny Adit- initial target of underground drilling

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EUROPEANCOBALT

European Cobalt Ltd (“**EUC**” or “the Company”, ASX: EUC) is pleased to announce the commencement of underground diamond drilling within the Joremeny Adit. The aim of the drilling program is to test the up and down dip extents of mineralisation within the Zemberg Vein System. Within the Langenberg and Joremeny Adits the Zemberg Vein system extends over a strike length of 2,200m. The available drill positions allow for the testing of mineralisation both within the Joremeny Adit which is presently being refurbished, and the Langengberg Adit, which is awaiting approval of permitting to commence refurbishment.

Managing Director, Rob Jewson commented *“The commencement of underground drilling within the Joremeny Adit provides us with a significant exploration platform to complete targeted drilling proximal to mapped and channel sampled zones of cobalt-nickel-copper-silver mineralisation.*

The first drill holes to be completed are aimed at defining the geometry and extents of recently mapped and channel sampled Cu-Sb-Ag-Co mineralisation within the Western extend of the Joremeny Adit.

Upon additional drill sites becoming available as the adit refurbishment progresses, drilling will progress along the adit to test the extent of mapped and channel sampled high grade cobalt-nickel sulphide mineralisation. The ongoing underground drilling program will phase in additional drill rigs as the refurbishment progresses.”

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DIAMOND DRILLING- JOREMENY ADIT

Underground diamond drilling has commenced within the Joremeny Adit which is presently undergoing refurbishment. The aims of the drilling include:

- Define the geometry and extent of mapped and channel sampled chalcopyrite-tetrahedrite-erythrite (Cu-Sb-Ag-Co) mineralisation within Langengberg and Joremeny Adits
- Define the extensions to mapped and channel sampled cobalt-nickel sulphide mineralisation throughout the strike extent of the Joremeny Adit
- Provide petrophysical samples to assist with refining the optimal geophysical targeting methods for identification and mapping the extent of Co-Ni-Cu-Sb-Ag mineralisation within the Zemberg Vein System
- Provide geotechnical samples for further developing the geotechnical model

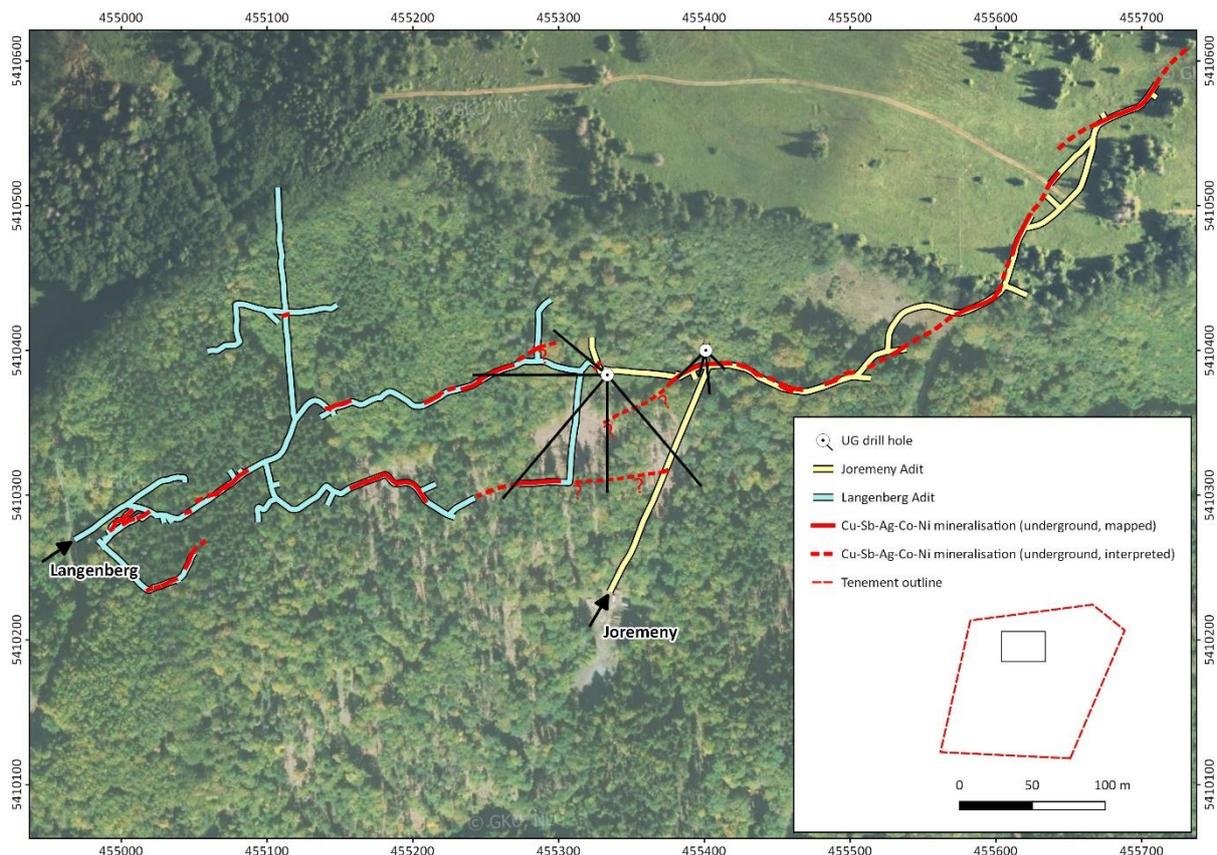


Figure 2: Plan View of Joremeny Adit Initial Plan of Underground Drilling



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.