



1st April 2020

Company Update and Board Restructure

- *Appointment of highly experienced geologist, Mr Dale Ginn as non-executive director*
- *Evaluation of multiple Canadian gold project opportunities underway*
- *Extensive cost saving initiatives undertaken including reduction of Board size*
- *Cash balance at 31st March of \$>9.7M, well positioned to attain value accretionary transactions*
- *Exploration expenditure commitments reduced across portfolio - work programs to be undertaken aligned to minimum expenditure requirements to retain existing portfolio*
- *Eddie King and Don Carroll resign as Non-Executive Directors*

European Cobalt Ltd ("EUC" or "the Company", ASX: EUC) is pleased to provide an update on activities presently underway and advise of a restructure of the Board of the Company.

BOARD RESTRUCTURE

Appointment of Dale Ginn as Non-Executive Director

Mr Ginn is an experienced mining executive and geologist of over 30 years based in central Canada. He is the founder of numerous exploration and mining companies and has led and participated in a variety of gold and base metal discoveries, many of which have entered production. Mr Ginn has led or was part of the discovery teams for the Gladiator, Hinge, 007, 777, Trout Lake, Photo, Edleston and Tartan Lake deposits and received the Quebec Discovery of the Year Golden Hammer award in 2018 for the Gladiator high grade gold deposit. His contributions have led to approximately 10 million ounces in resource generation as well as over \$500 million in capital raised for exploration and development projects. His experience has included both senior and junior companies such as Goldcorp, Harmony Gold, Hudbay, Westmin, San Gold, Bonterra, Gatling Exploration and others. While specialising in complex, structurally controlled gold deposits, he also has extensive mine-operations, development and start-up experience. In addition to operations experience, Mr. Ginn has most recently



been extremely active as a partner with RSD Capital of Vancouver in founding and creating startup exploration companies such as Pacton Gold, and successful spinoffs like Gatling Exploration. Dale is a registered professional Geologist (P.Geo.) in the provinces of Ontario and Manitoba.

The appointment of Mr Ginn to the Board is in alignment with the Company's strategy to diversify its portfolio of assets with the potential acquisition of a Canadian project. Mr Ginn's in-country experience and physical presence will be invaluable, particularly in the current period of travel restrictions.

Resignations of Eddie King and Don Carroll

Mr Eddie King and Mr Don Carroll have resigned as Non-Executive Directors of the Company in the interests of reducing corporate overheads. The Company wishes to thank both Mr King and Mr Carroll for their extensive contributions to the Company during their respective tenure.

EVALUATION OF CANADIAN GOLD OPPORTUNITIES

The Company has evaluated numerous resource opportunities across a diverse range of jurisdictions and commodities. Through the process of this strategic evaluation, the Company has entered into advanced negotiations on a number of Canadian based Gold Projects. EUC intends on leveraging the skillset and knowledgebase of Mr Ginn to identify and, if warranted, acquire Canadian gold assets.

The selection criteria of the Company is to identify substantial moderate to high grade gold systems with significant previous exploration undertaken. The key value driver in terms of comparatively lower acquisition cost in Canada is a result of lack of capital raising capacity for Canadian junior explorers. This was primarily influenced by speculative investment into cannabis related investment.

In the event that the Company enters into an agreement to acquire a project, further releases will be provided to the market in due course. The Company notes that despite being in advanced negotiations, there is no certainty a transaction will be completed.

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EXISTING PROJECT PORTFOLIO

Slovak Cobalt-Nickel-Copper Portfolio

With the sustained subdued cobalt market and concerns regarding the safety of contractors and stakeholders, all non-essential work has been deferred indefinitely at the Dobsina Cobalt Project. The Company will continue to incur minimum expenditure to ensure tenure remains in good standing for the foreseeable future.

Swedish Cobalt ± Copper ± Nickel ± Gold Project Portfolio,

EUC entered into an exclusive option agreement on the 10th December 2019 to divest two of its Swedish licences, Ekedal and Ruda (refer to ASX release on 10th December 2019 for further information).

An evaluation of the Company's remaining Swedish assets, Basinge, Frustuna, Havsmo and Kila Projects, is underway to determine the merit of retaining the Projects, and if so, appropriate work programs to progress the development of each Project.

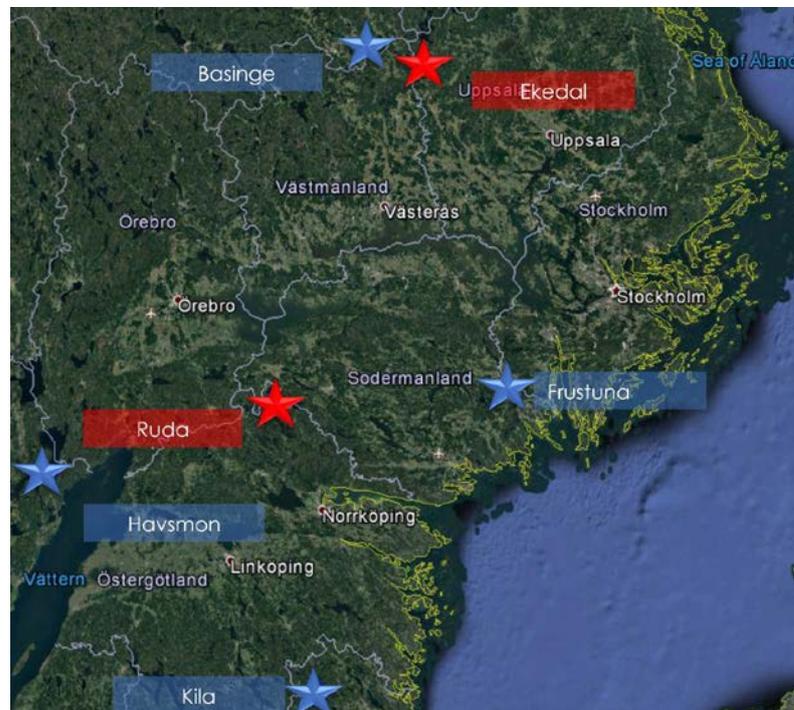


Figure 1: EUC Swedish Project Location Plan (Divestment Tenure in Red, Retained Projects in Blue)

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EUROPEANCOBALT

Jouhineva Cobalt-Copper Gold Project, Finland

A minimum expenditure drilling campaign is proposed to be undertaken as a requirement of retaining the Project. It is envisaged that this program will be undertaken late in the second half of 2020 and only under the proviso that it meets all relevant Finnish government legislation and World Health Organisation guidance. Further updates will be provided to the market around the program and its respective timing upon finalisation of the work program.

Defiance & Mt Howe Gold Projects, Western Australia

A comprehensive review of the exploration potential of the Defiance and Mt Howe Gold Projects is underway based on the substantial increase in gold price from when the Projects were acquired in late 2016. Further updates will be released to market upon completion of this analysis including an evaluation of whether to complete further work programs or divest the Projects in order to deliver shareholder value.

COST SAVINGS INITIATIVES

Cognisant of the global uncertainty and considerable challenges being faced, EUC has implemented extensive cost savings initiatives. These initiatives include but are not limited to the reduction of board members from four to three, re-tendering where required of service providers and the voluntary reduction of the Managing Director's and Non-Executive Chairman's salaries by 30%. At present, the Company only utilises contractors and service providers on an as needed basis.

The Company remains well funded with a cash balance at 31st March of \$>9.7M. Expenditure going forward is to be incurred for the evaluation of value accretionary transactions with all non-essential expenditure deferred indefinitely or terminated.

This announcement has been authorised for release by Robert Jewson, Managing Director.

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