



Quarterly Activities Report for Period Ending 30 June 2020

Edlestone Gold Project, Ontario, Canada (Exclusive Option):

- *Entered into exclusive option to acquire Edlestone Gold Project*
- *EUC elected to proceed with transaction*
- *Edlestone is located within Cadillac-Larder Fault Zone, host to over 75Moz Au previous production. Broader Abitibi Greenstone belt has a total endowment of more than 144Moz Au¹*
- *156 diamond drill holes for over 46,000m of drilling. Multiple significant drill intercepts include:*
 - *5.3m at 81.39 g/t Au from 110m*
 - *3.3m at 57.4 g/t Au from 207.4m*
 - *1.7m at 90.29 g/t Au from 209m*
 - *3.44m at 25.85g/t Au from 107.66m*
 - *3.93m at 14.68 g/t Au from 130.67m*
- *Transaction expected to be completed on 14 August 2020*
- *Drill program planning underway*

Corporate:

- *Appointment of highly experienced geologist, Mr Dale Ginn as non-executive director*
- *Cash balance at 30 June of \$9.475m, fully funded to complete current transaction and work program*
- *Evaluation of additional opportunities within the Canadian gold sector*

Cobalt Exploration Portfolio, Slovakia:

- *Review of geochemical and geophysical datasets underway*

¹ Monecke Et Al, Archaean Base and Precious Metals Deposits, Southern Abitibi Greenstone Belt, Canada, Society of Economic Geologists 2017 v19, pp. 1-5



European Cobalt Ltd (“EUC” or “the Company”, ASX: EUC) is pleased to provide a review of the activities undertaken during the quarter ending 30 June 2020. During the Quarter, the Company focused primarily on due diligence relating to the Edleston Gold Project and review of additional opportunities within the Canadian gold sector.

EDLESTON GOLD PROJECT, ONTARIO, CANADA

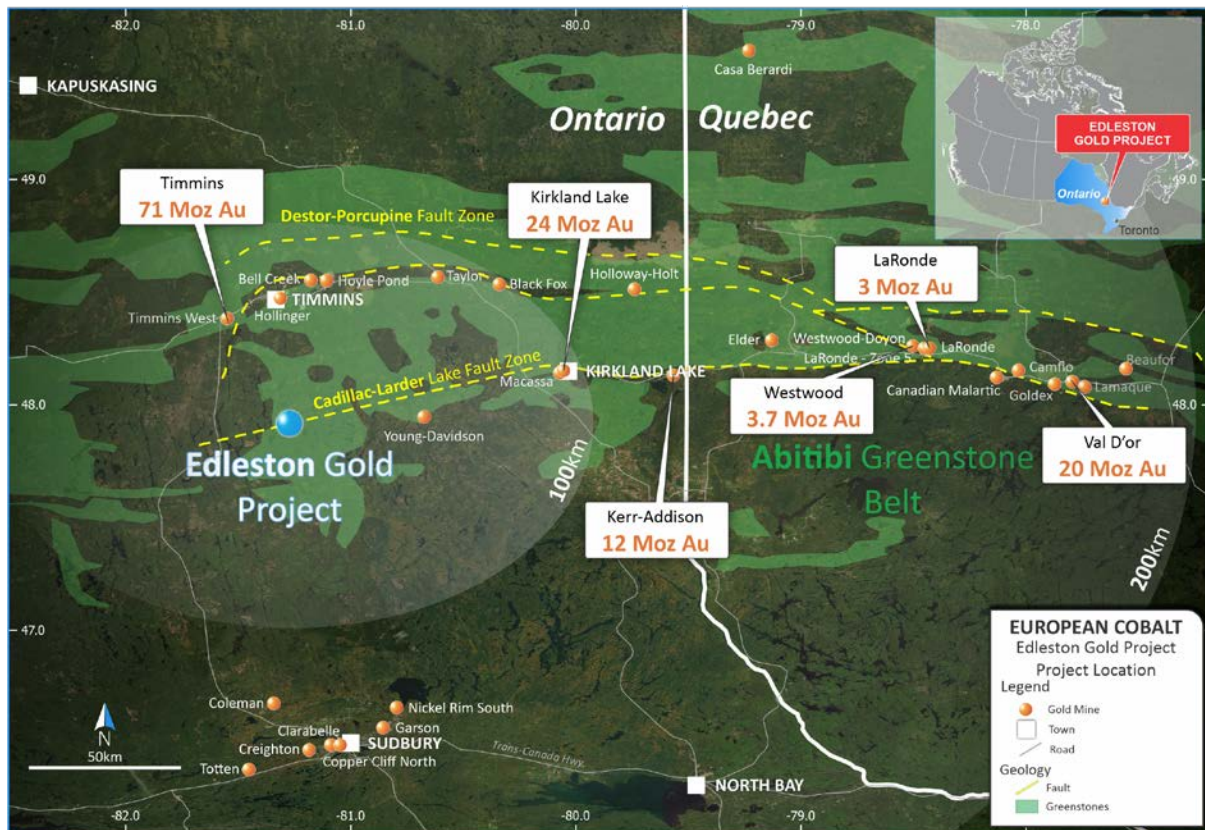


Figure 1: Edleston Gold Project Location Plan

Transaction Overview

During the quarter, the Company entered into an exclusive option agreement to acquire the Edleston Gold Project located in Ontario, Canada. Following legal and technical due diligence in relation to the acquisition, the Company elected to proceed with the acquisition. It is expected that the transaction will be completed on 14 August 2020.

For personal use only



Project Location, Access & Tenure

Edleston is located approximately 60km via road to the south of Timmins, Ontario. The proximal towns of Timmins and Kirkland Lake are significant former and current producers, with required services and skilled labour available to support exploration and development of the Project. The Project covers a total land area of 122km².

Geology & Mineralisation

Edleston is located within Abitibi Greenstone Belt of Archean metavolcanic and metasedimentary units that have been steeply folded with axes trending in general east-west orientation.

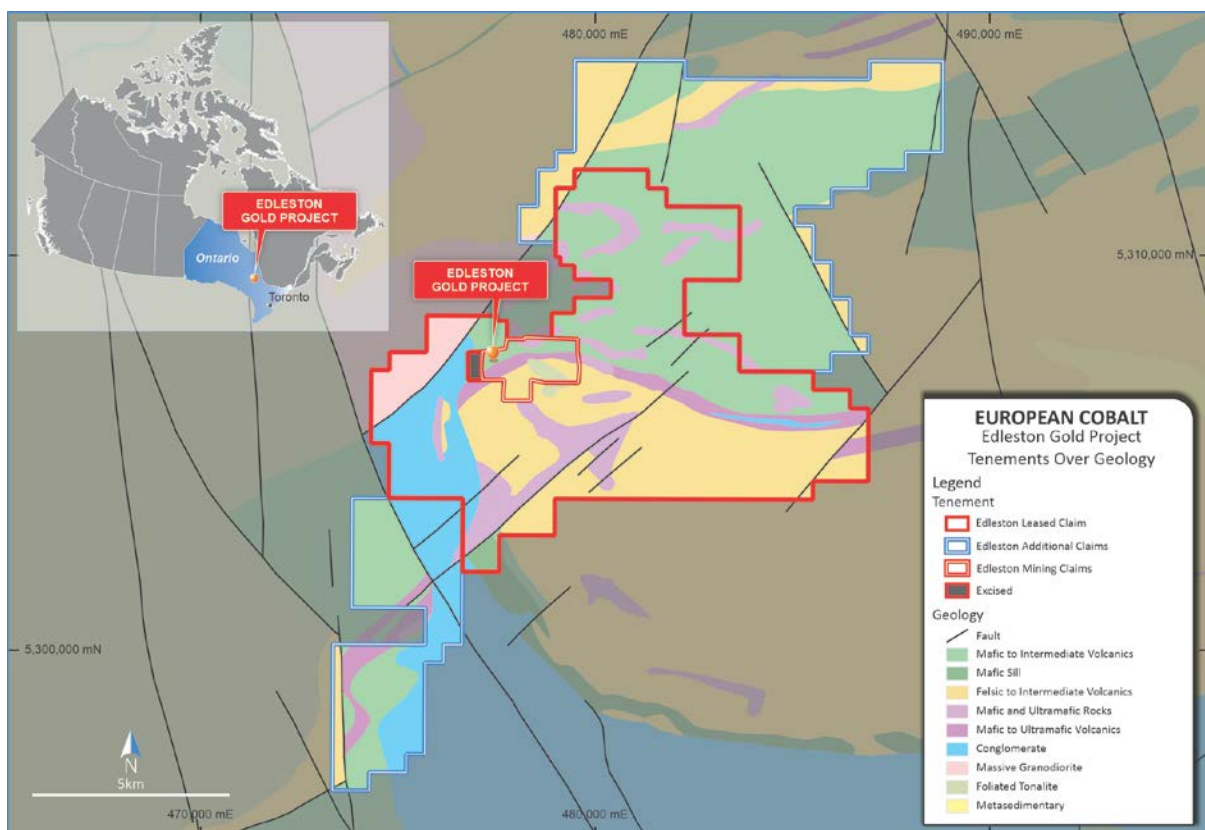


Figure 2: Edleston Regional Geology

Mineralisation is hosted within an altered and sheared ultramafic that has been extensively silicified and contains abundant quartz-carbonate veins, veinlets and fracture fill.



Exploration Undertaken

To date in excess of CDN\$10m has been spent across the Project, primarily on drilling and geophysical activities. Significant gold mineralisation was discovered in 2012 via drilling a blind IP (induced polarisation) conductor target. The initial discovery hole intersected 63.6m at 0.85g/t Au from 32.9m. Shallow transported cover obscured underlying geology. Pattern drilling extended zone of mineralisation along strike to east over ~540m. The mineralisation is open along strike to east and at depth.

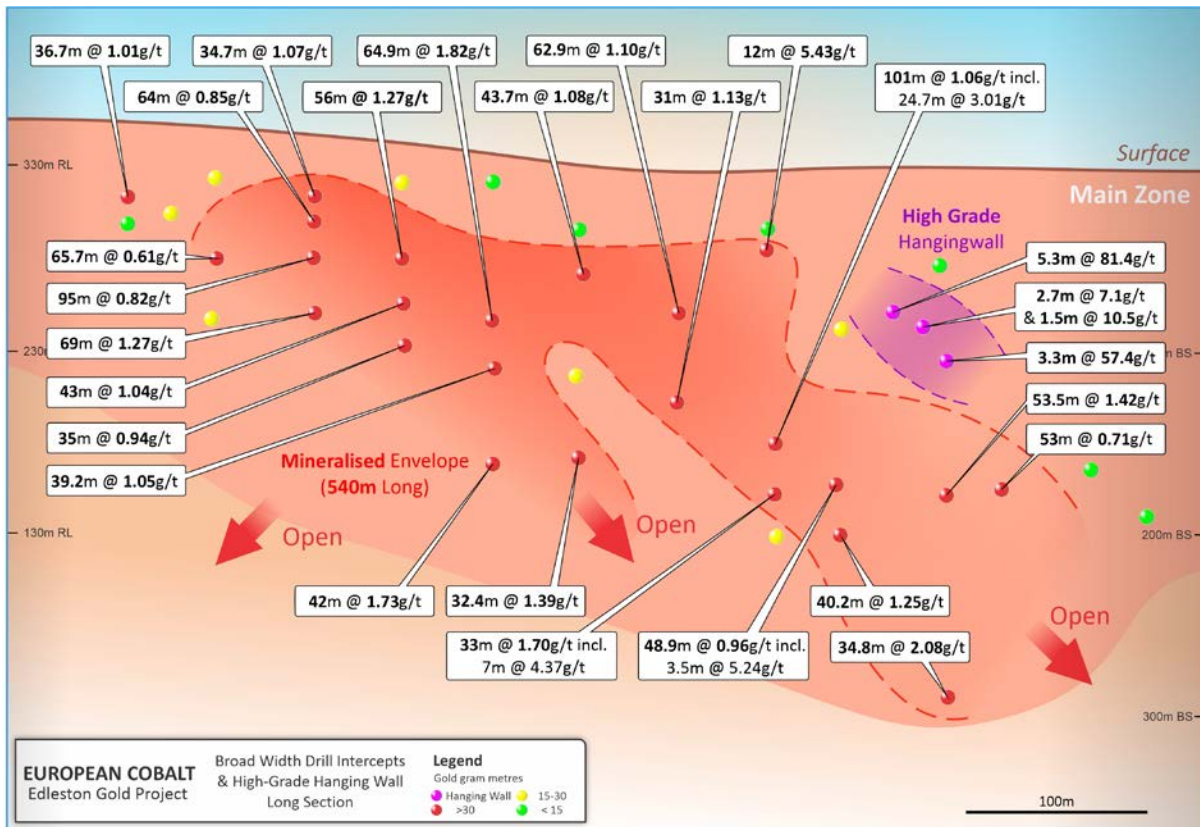


Figure 3: Edleston Long Section

For personal use only

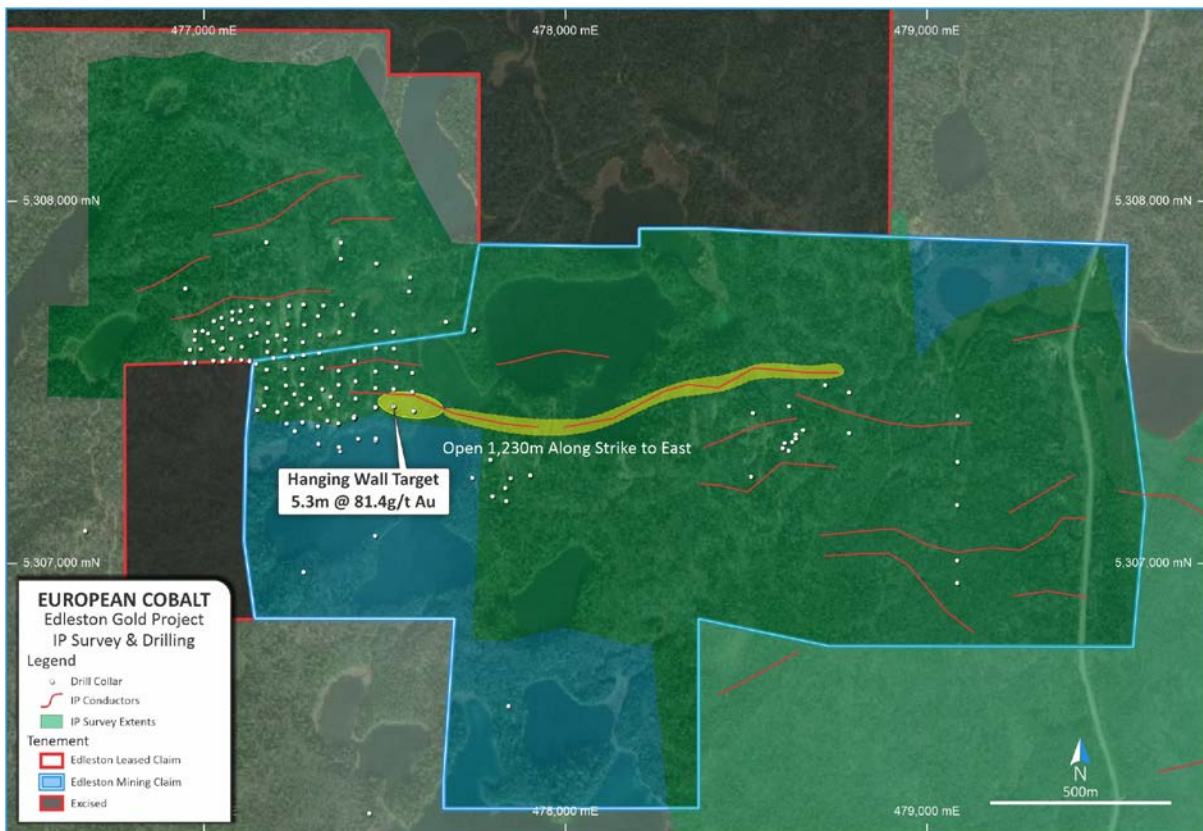


Figure 4: Edleston Hangingwall Target, IP Conductors & Drilling

The high grade hangingwall target was discovered in late 2013 during the last drilling campaign completed on site. Significant drilling intercepts from the hangingwall target included:

- **5.3m at 81.39 g/t Au** from 110m
- **3.3m at 57.4 g/t Au** from 207.4m

The hangingwall target is defined by an IP conductor which is open for ~1,230m along strike to the east and at depth. In a regional sense, mapping and aeromagnetic data indicates a trend of 10km of strike of prospective lithologies warranting further investigation.

Completion & Next Steps

It is expected that the Edleston acquisition will be completed on 14 August 2020. All available geological and geophysical data is being collated and reviewed in order to devise a maiden drilling program to be conducted across the Project. Further details with respect to the timing and scale of programs proposed to be undertaken will be provided to market upon completion of the acquisition.



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.

EVALUATION OF CANADIAN GOLD OPPORTUNITIES

In addition to the acquisition and evaluation of the Edleston Gold Project, a number of additional resource opportunities within the Canadian gold sector were evaluated. The Company will leverage the skillset and knowledge base of its Canadian team in order to identify and if warranted acquire additional value accretionary opportunities.

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 is being deferred indefinitely at the Dobsina Cobalt Project. The Company will continue to incur expenditure to ensure tenure remains in good standing for the foreseeable future. Work during the quarter was limited to desktop evaluation of existing geochemical and geophysical datasets in order to define targets warranting field based exploration to be undertaken.



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.

An evaluation of the Company's remaining Swedish assets, Basinge, Frustuna, Havsmon 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.

Swedish Cobalt ± Copper ± Nickel ± Gold Project Portfolio

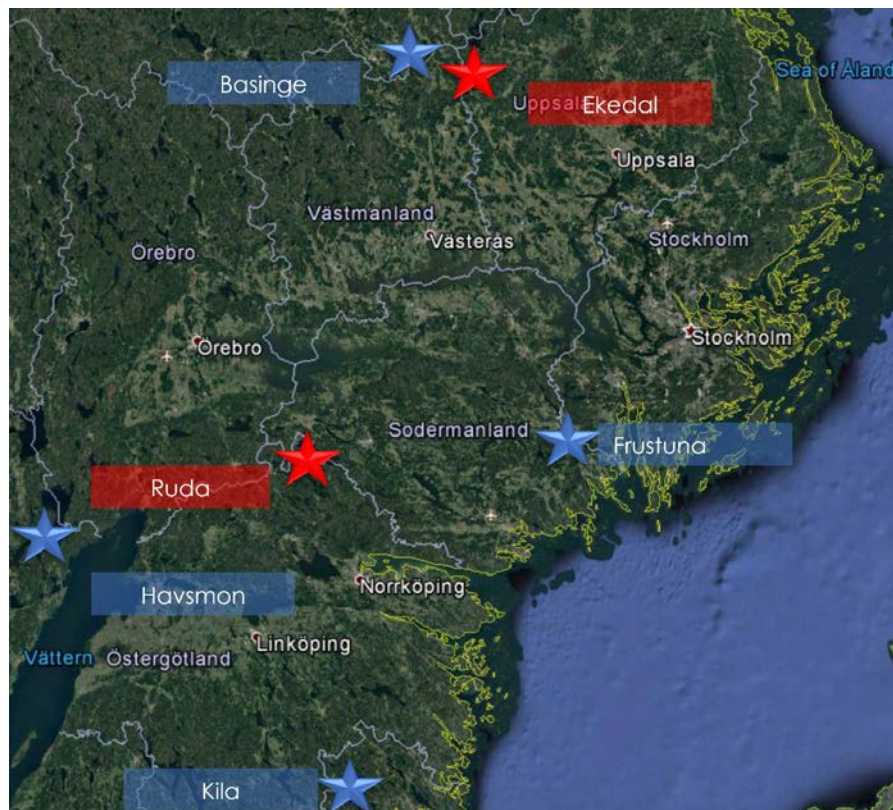


Figure 5: EUC Swedish Project Location Plan (Divestment Tenure in Red, Retained Projects in Blue)

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

For personal use only



EUROPEANCOBALT

Defiance & Mt Howe Gold Projects, Western Australia

No exploration was completed across Defiance and Mt Howe Projects during the quarter.

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

For further information, please contact:

Robert Jewson

Managing Director

Ph: 08 6143 6740

For personal use only



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 PERSON'S STATEMENT:

The information in this announcement that relates to the Exploration Results for Edleston 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.

**APPENDIX 1: TENEMENT SCHEDULE**

In line with obligations under ASX Listing Rule 5.3.3, European Cobalt Ltd provides the following information with respect to its Mining Tenement holdings as at 30 June 2020.

Project	Country	Tenement	Status	% Held	Change During Quarter
Dobsina	Slovakia	2466/2017-5.3	Granted	100%	-
Rejdova	Slovakia	7007/2017-5.3	Granted	100%	-
Rakovec	Slovakia	7586/2017-5.3	Granted	100%	-
Gapel	Slovakia	7926/2017-5.3	Granted	100%	-
Kolba	Slovakia	4207/2017-5.3	Granted	100%	-
Kotlinec	Slovakia	4314/2018-5.3	Granted	100%	-
Medzev	Slovakia	4316/2018-5.3	Granted	100%	-
Fabianka	Slovakia	10240/20185.3	Granted	100%	-
Jouhineva	Finland	ML2017:0030	Granted	100%	-
Basinge	Sweden	Basinge nr 1	Granted	100%	-
Ekedalsgruvan	Sweden	Ekedalsgruvan nr 1	Granted	100%	-
Frustuna	Sweden	Frustuna nr 1	Granted	100%	-
Ruda	Sweden	Ruda nr 3	Granted	100%	-
Havsmon	Sweden	Havsmon nr 1	Granted	100%	-
Kila	Sweden	Kila nr 1	Granted	100%	-
Mt Howe	Australia, WA	E39/1878	Granted	100%	-
Mt Howe	Australia, WA	E39/1879	Granted	100%	-
Defiance	Australia, WA	E38/3062	Granted	100%	-

APPENDIX 2: RELATED PARTY PAYMENTS

In line with its obligations under ASX Listing Rule 5.3.5, the Company notes that the only payments to related parties of the Company, as advised in the Appendix 5B for the period ended 30 June 2020, pertain to payments to the managing director for salary and superannuation and non-executive director fees.