COLLERINA
Cobalt Limited
ABN 79 106 879 690

20 September 2017

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(3 pages by email)

COMMENCEMENT OF HIGH PURITY ALUMINA (HPA) TESTWORK

- Pregnant Leach Solution from the Counter Current Atmospheric Leach test work is now undergoing further test work designed to produce a 4N (99.99%) high purity alumina.

The Directors of Collerina Cobalt Limited ('Collerina' or 'the Company') are pleased to advise that following the bench scale Counter Current Atmospheric Leach (CCAL) test work on approximately 45 kg of composite ore which is representative of the main Homeville deposit, a Pregnant Leach Solution (PLS) has been produced which will now undergo further aluminium recovery test work.

The PLS sample will initially undergo conditioning to adjust the pH in preparation for aluminium solvent extraction test work. A proprietary aluminium solvent extraction process will be tested, with two key objectives:

1. Selectively extracting aluminium from the solution into the organic phase.

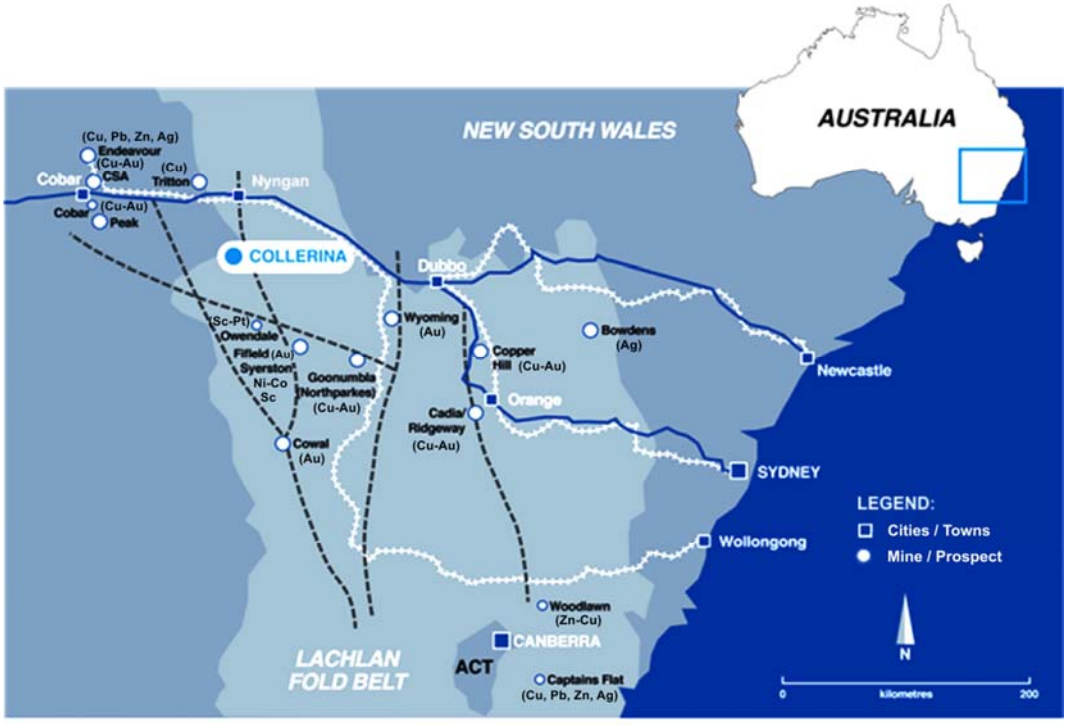
2. Following scrubbing and stripping of the loaded organic, an HPA intermediate product will be produced. This intermediate product will be calcined to produce a sample of 4N HPA (99.99% high purity alumina).

Subject to successful results from this solvent extraction test work, the Company will move to complete a mini-rig HPA program to produce batch samples for offtake discussions.

Photograph showing HPA generated in previous test work using the proprietary process.

Collerina Project Location

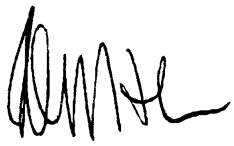
The Collerina project lies about 40km south of Nyngan in the central and western region of NSW within the Lachlan Fold Belt which hosts a number of world class copper-gold mines including the Cadia, Ridgeway and Northparkes operations. The district also hosts the globally significant Syerston Co-Ni deposit owned by Clean Teq Holdings Limited (ASX: CLQ) which contains a reported 109 million tonnes of 0.10% Co and 0.65% Ni. The deposit is currently under definitive feasibility study.



The mineralisation identified by the Company's current drilling program is spatially associated with the previously announced JORC compliant high grade cobalt and nickel resource of 16.3 million tonnes of 0.93% Ni and 0.05% Co at a 0.7% Ni cut-off grade (4.4 million tonnes Indicated resource of 0.99% Ni and 0.06% Co and 11.9 million tonnes Inferred Resource of 0.91% Ni and 0.05% Co).

For further information, please contact Peter Nightingale on +61 2 9300 3310.

Yours sincerely



Peter J. Nightingale

Director

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Statement of Compliance

Information regarding the Mineral Resource at the Collerina project was prepared and first disclosed under the 2004 Edition of the 'Australasian Code for Reporting of 'Exploration Results, Mineral Resources and Ore Reserves'. See ASX announcement 23 June 2011. It has not been updated since to comply with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' on the basis that the Company is not aware of any new information or data that materially affects the information and, in the case of the resource estimate, all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.

The information in this report that relates to Mineral Resources is based on information compiled by Collerina staff and contractors and approved by Mr Michael Corey, PGeo., who is a Member of the Association of Professional Geoscientists of Ontario (APGO) in Canada. Mr Corey is employed by the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Corey has consented to the inclusion in this report of the matters based on his information in the form and context in which they appear.