COLLERINA
Cobalt Limited
ABN 79 106 879 690

1 August 2017

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(19 pages by email)

High-Grade Cobalt Mineralisation intersected at Collerina Project.
(ASX: CLL)

HIGHLIGHTS

- Assay results have been received for 34 reverse circulation (RC) drill holes at the Collerina project, Nyngan, NSW.
- Results indicate the occurrence of shallow **high-grade Co + Ni** mineralisation over **significant thickness and length**. Significant intersections include:
  - **46m (8-54m) of 0.11% Co and 0.64% Ni** in hole CCR-21, including:
  - **18m (24-42m) of 0.21% Co**;
  - **38m (10-48m) of 0.12% Co and 1.01% Ni** in hole CCR-22.
- The results also indicate the occurrence of discrete shallow zones of very high grade Co:
  - **0.56% Co and 0.77% Ni over 4m** (40-44m) in hole CRR-23;
  - **0.70% Co and 0.88% Ni over 4m** (18-22m) in hole CCR-32, including:
  - **a 2m composite assay of 1.02% Co and 1.07% Ni** from 18-20 m.
- The occurrence of **high-grade Ni mineralisation** is also indicated by intersections of:
  - **28m (5-33m) of 1.48% Ni including 8m (5-13m) of 0.17% Co** in hole CCR-18; and
  - **18m (2-20m) of 1.24% Ni** in hole CCR-17.
- The Company is now preparing a bulk composite sample for Counter Current Atmospheric Leaching (CCAL) test work for the recovery of Co-Ni and for further testing of the CCAL Pregnant Leach Solution (PLS) to produce a high purity alumina (HPA) product.
- The Company will further evaluate the CMN Process which separates cobalt and nickel, to produce a high purity cobalt carbonate, cobalt sulphate or cobalt metal product and nickel cathodes.

Collerina Drill Program

Exploration activities to date have successfully focused on the definition of a nickel resource. The objectives of this program were to confirm the continuity of enriched cobalt mineralisation hosted within a shallow oxide zone in the Homeville prospect area and test the potential for additional cobalt mineralisation within undrilled extensions of the Homeville and Yathella prospect high magnetic trends.

Thirty-eight holes were completed to an average depth of 60 metres for a total of 1,726 metres. Assays have been received for 34 of the 38 holes. Drill hole 35 and holes 36-38 located adjacent to the Yathella prospect area are currently being sampled.

Previous drilling in 2010 intersected significant cobalt mineralisation within the Homeville deposit area over approximately 1.5 kilometres in length. The results included:

- 28 metres of 0.18% cobalt with 0.92% nickel;
- 14 metres of 0.25% cobalt with 1.00% nickel; and
- 16 metres of 0.23% cobalt with 1.20% nickel.

The current drilling confirms the continuity of high grade cobalt and nickel mineralisation within the current JORC-compliant inferred mineral resource. Mineralisation is open along strike and at depth.

The drill results confirm the occurrence of thick intersections of cobalt and nickel mineralisation within a shallow oxide zone. The drilling confirms continuity of mineralised zones intersected in previous drilling, providing confidence of grade in areas of inferred classified resources defined by the current JORC resource estimate. The drilling also indicates that there is potential to extend the Co-Ni resource at depth as indicated by hole CCR-19 which ended in mineralisation, intersecting 0.09% Co and 0.96% Ni in the bottom 12 metres (48-60m).

The results as shown also indicate the occurrence of discrete shallow zones of very high-grade cobalt mineralisation, the occurrence of which has positive implications for future resource modelling.

Further drilling is warranted to follow up the high grade intervals encountered in the current drilling program.

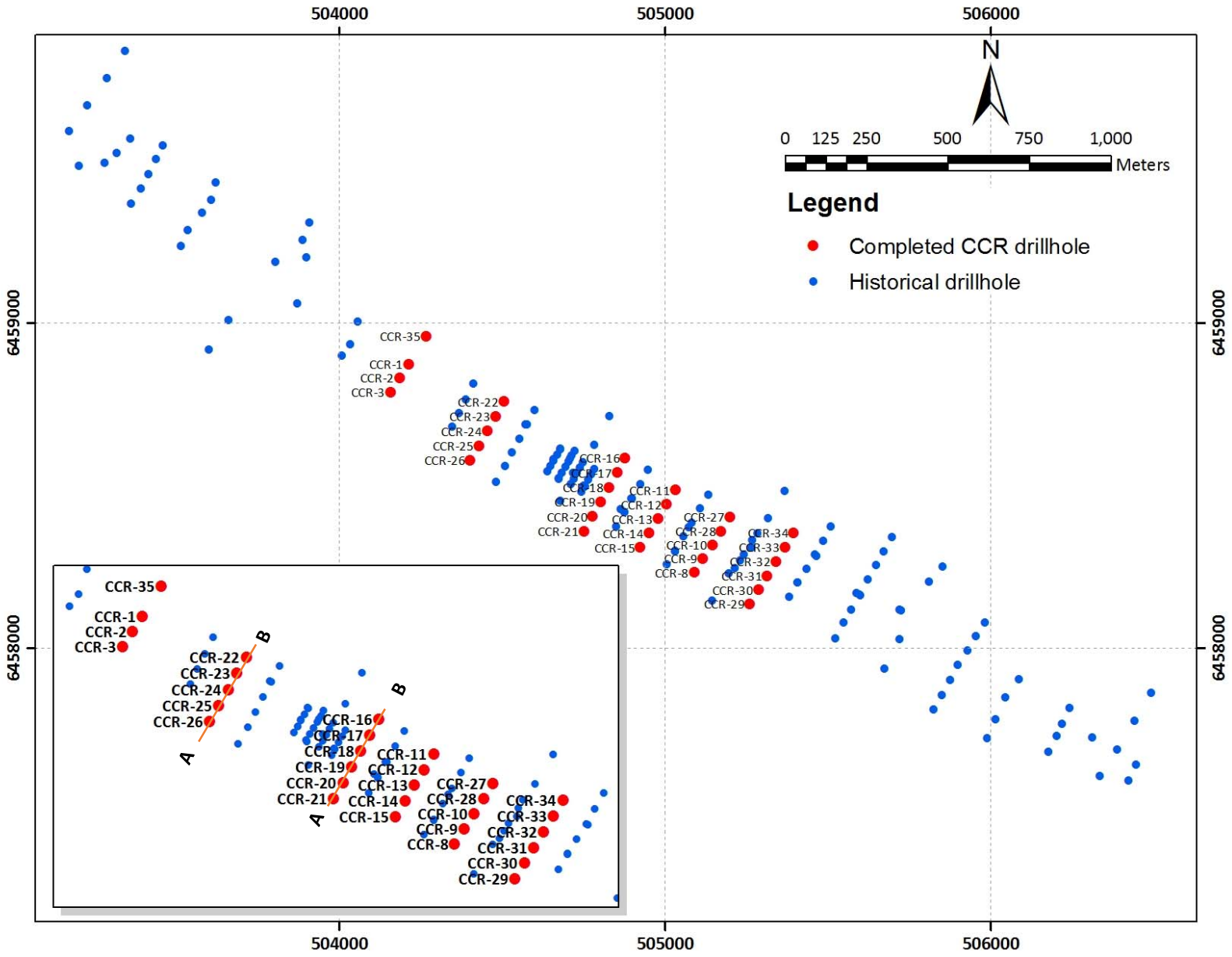


Figure 1: Plan view of the Homeville prospect area showing location of completed drill holes and historical drill holes (above). Cross section lines for Figure 3 are indicated.

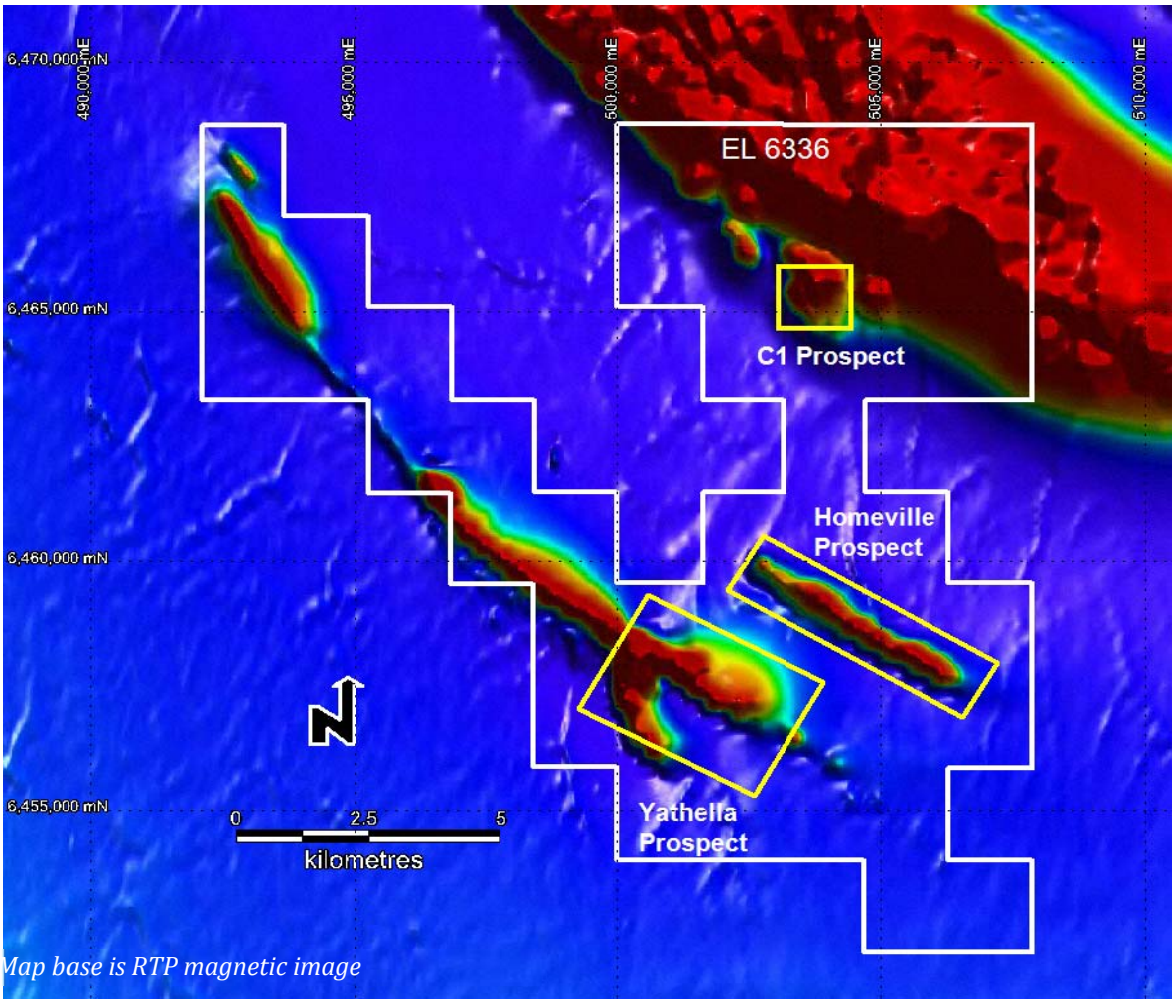
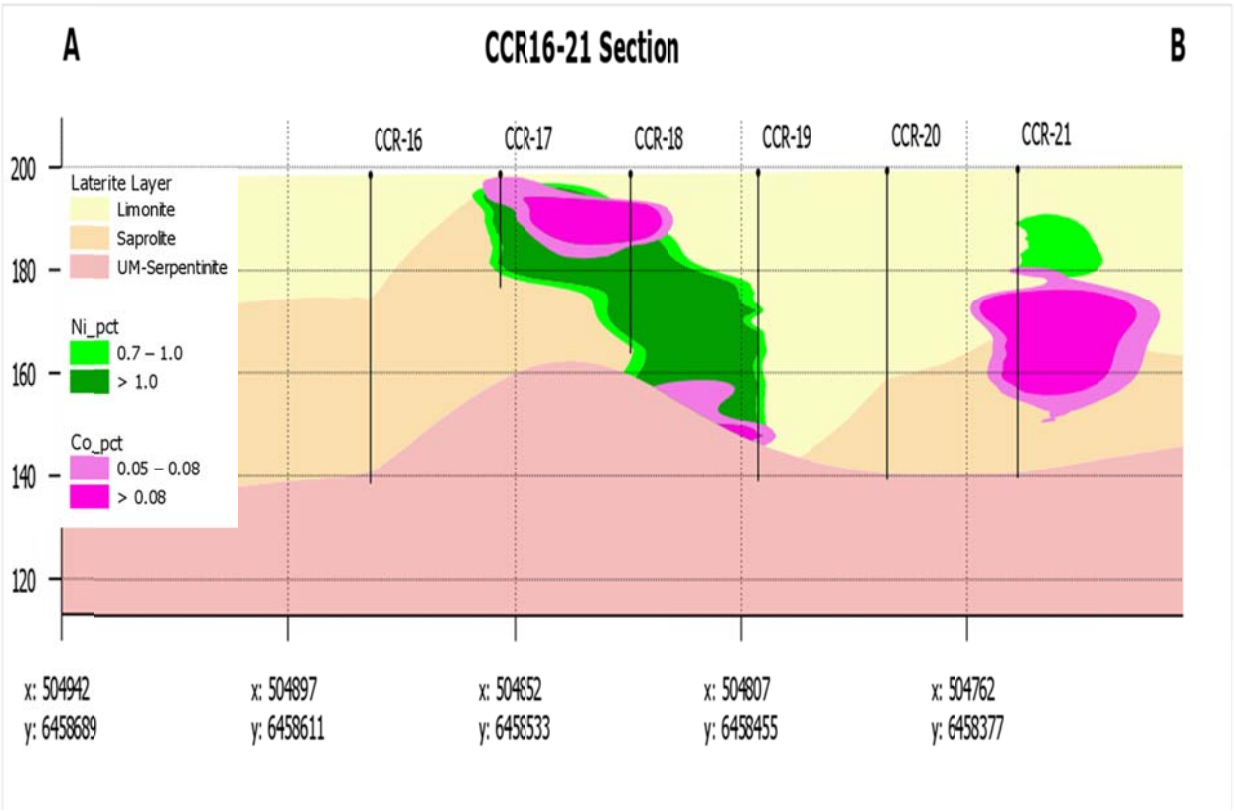


Figure 2: Plan view of the Collerina licence area (EL 6336) showing Homeville and Yathella prospect areas reflected by defined high magnetic linears and the C1 prospect to the north.



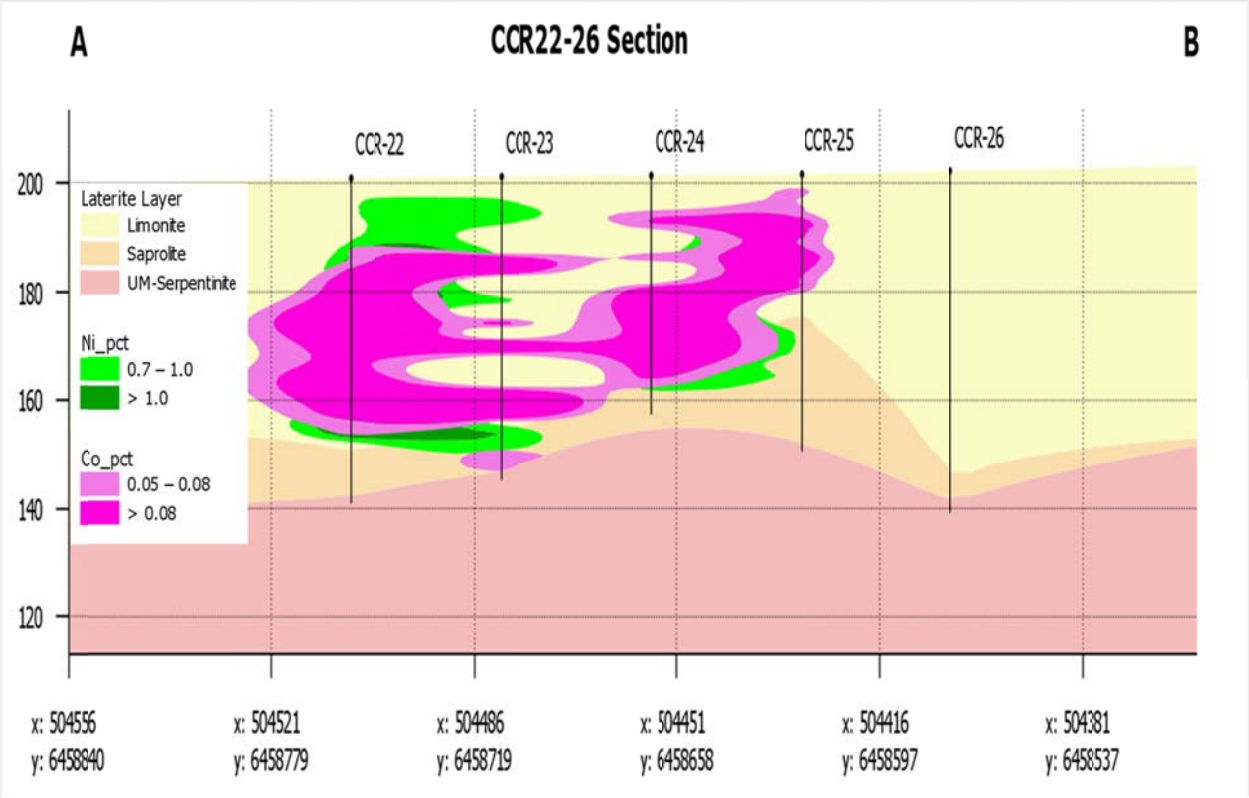


Figure 3: Drill hole cross sections (looking NW) showing distribution of Co and Ni grade shells relative to the ore type. Refer to Figure 1 for section locations.

The drill results also indicate the presence of significantly enriched aluminium in shallow oxide mineralisation adjacent to the Co-Ni mineralisation. Hole CCR-16 intersected **11.17% Al over 10m** (22-32m) and hole CCR-19 intersected **10.41% Al over 20m** from surface. The enrichment is likely related to clay development in the upper part of the laterite profile. Future metallurgical testwork will evaluate the feasibility of recovering aluminium to produce a high purity alumina (HPA) product.

Metallurgical Testwork Program

The Company is now preparing a bulk composite sample for Counter Current Atmospheric Leaching (CCAL) test work for the recovery of Co-Ni and for further testing of the CCAL Pregnant Leach Solution (PLS) to produce a high purity alumina (HPA) product.

Previous test work on Homeville's ore utilising the CCAL process returned overall nickel recoveries of 90% and excellent cobalt recoveries of 96% with very low overall acid consumption of 710 kg/tonne ore.

The CCAL process utilises 2 stages of leaching:

- Stage 1 - ore is leached in a depleted free acid concentration solution producing a pregnant leach solution with relatively low residual acidity. The leach residue solids from the first stage are then washed and forwarded to the second stage of leaching.
- Stage 2 - a concentrated sulphuric acid is used to liberate the more tenacious material. The leach solution from the second stage, with a higher residual free acid concentration, is recycled to the first stage leach as the acid source.

To further enhance this test work, the Company will further evaluate the CMN Process which separates cobalt and nickel, to produce a high purity cobalt carbonate, cobalt sulphate or cobalt metal product and nickel cathodes.

Yathella Prospect

7 holes for a total of 470 metres were drilled at the Yathella prospect. The holes were located to test geological and defined magnetic targets which could represent serpentinite occurrences. Assay results for holes CCR-36, CCR-37 and CCR-38 are pending.

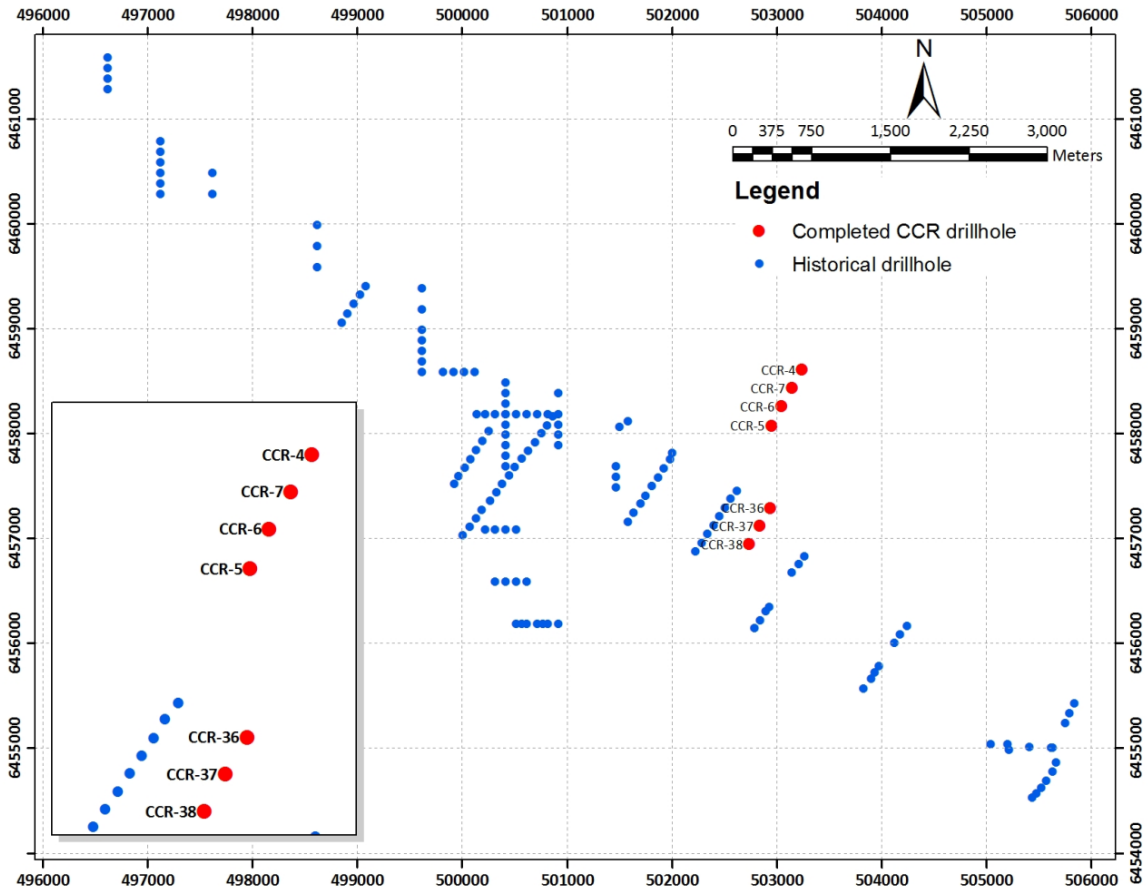


Figure 4: Plan view of the Yathella prospect area showing location of completed drill holes.

Follow Up Work Program

Based on the excellent results returned from the recent and previous drilling the Company will plan a follow-up drill program to further test the Homeville high-magnetic trend along strike to the northwest. This has the potential to significantly expand the current JORC resource. The Company will also test other target areas such as the C1 prospect adjacent to the Honeybugle Complex where historical drill reports indicate the presence of high-grade cobalt in ultramafic rock.

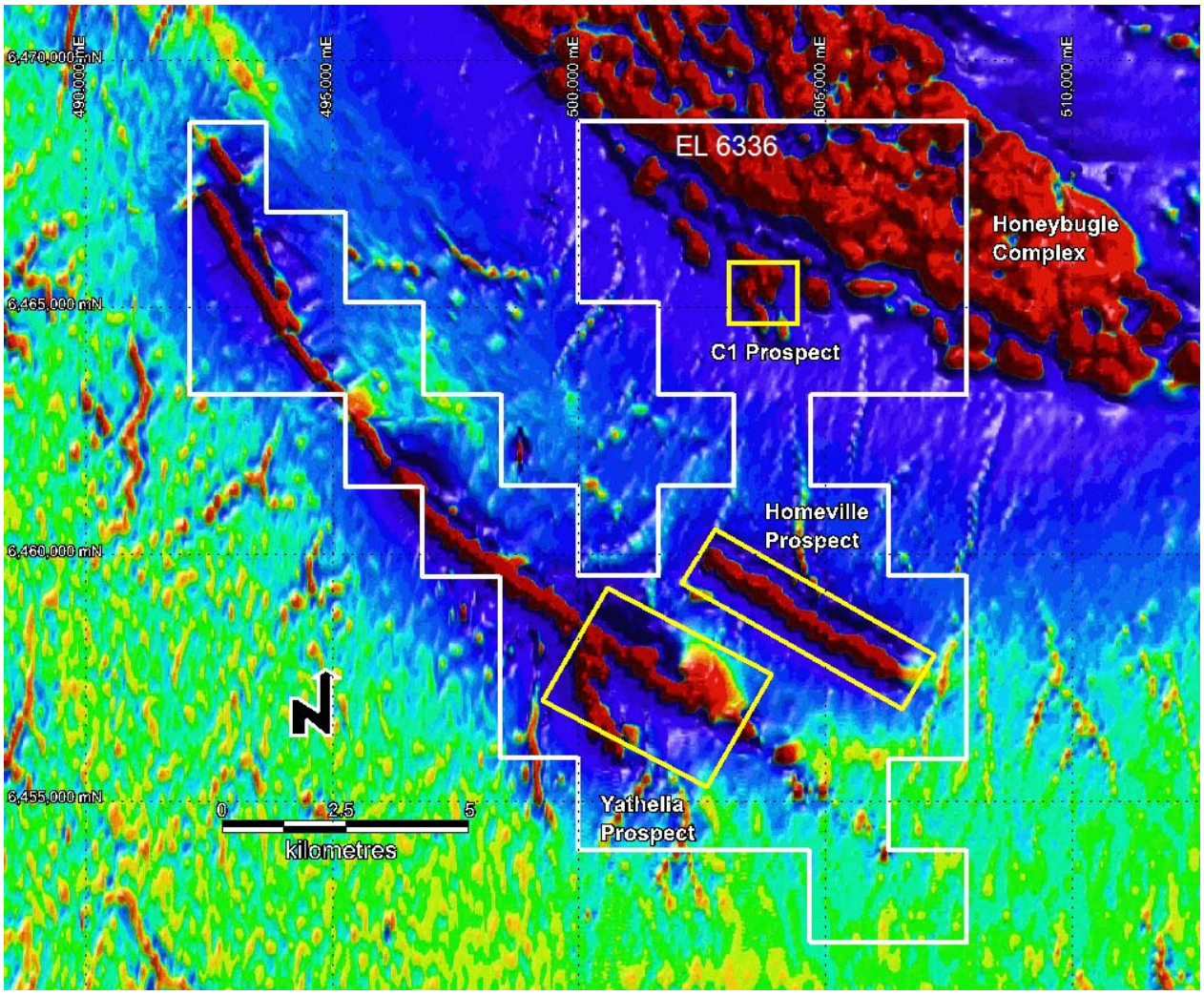
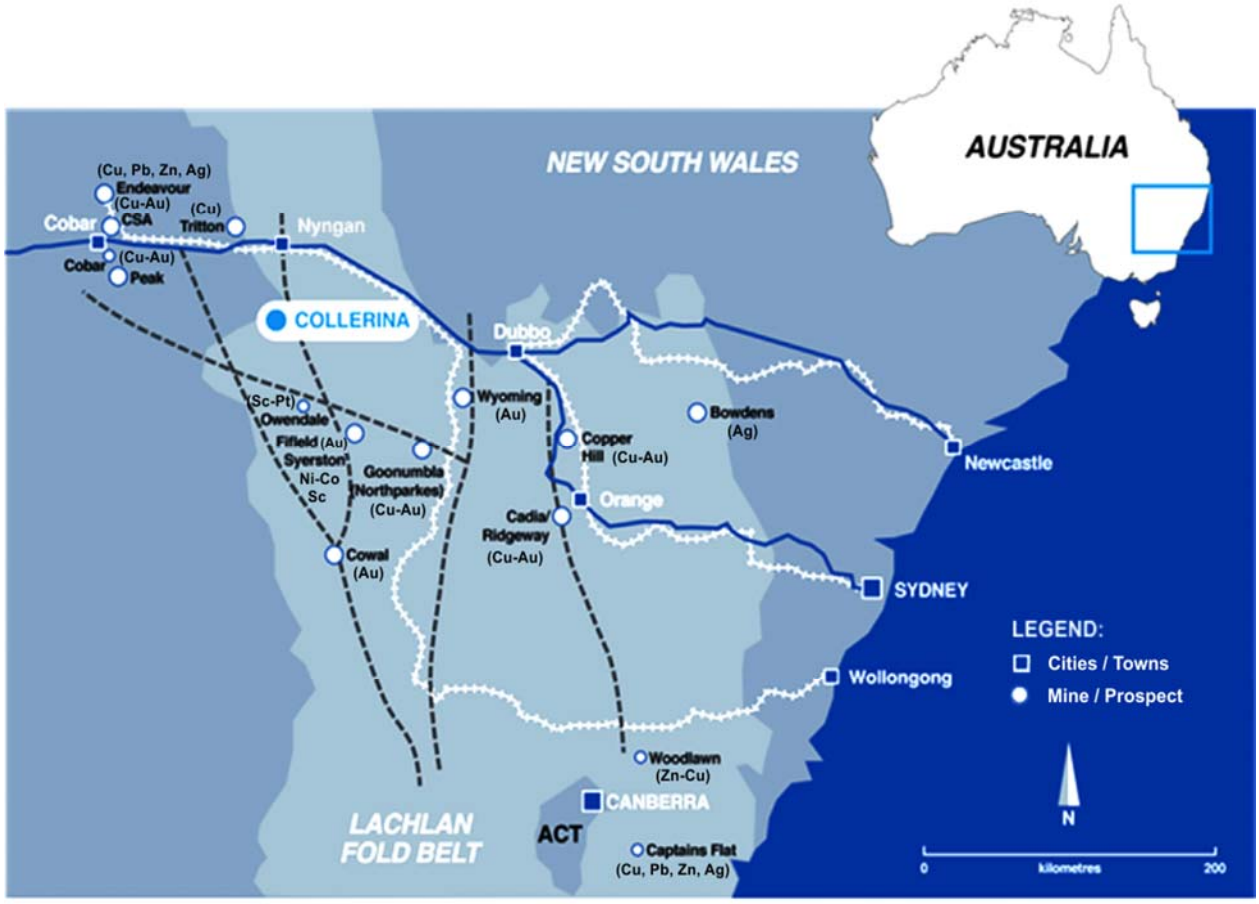


Figure 5: Plan view of the Collerina licence area (EL 6336) showing Homeville and Yathella prospect areas on the first vertical derivative magnetic image.
The location of the C1 prospect hosting several discrete ultramafic bodies adjacent to the large Honeybugle ultramafic complex is also indicated. Historical drilling in the C1 area reports intersections of high-grade cobalt (up to 0.4% Co).

Results from the current drill program and the metallurgical testwork will, together with the existing resource estimate, form the basis of a scoping study to be completed by the Company.

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 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)[1].

Significant Assays Table

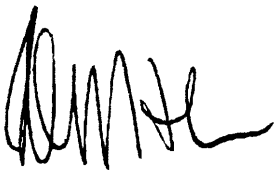
Significant Intersections (≥0.05% Co or ≥0.5% Ni)						
Hole ID	**Al %**	**Co %**	**Ni %**	**Interval (m)**	**Prospect**	**Hole Depth**
CCR-1	1.24	0.02	0.73	6m (7-13m)	Homeville	26
CCR-2	Not sampled - bedrock				Homeville	16
CCR-3	No significant assays				Homeville	49
CCR-8	7.89	0.01	0.68	2m (20-22m)	Homeville	42
CCR-9	6.01	0.05	0.86	26m (0-26m)	Homeville	26
incl	5.52	0.11	1.06	8m (14-22m)		
CCR-10	4.86	0.09	0.65	35m (0-35m)	Homeville	35
incl	5.64	0.14	0.72	10m (2-12m)		
CCR-11	No significant assays				Homeville	57
CCR-12	Not sampled - bedrock				Homeville	
CCR-13	Not sampled - bedrock				Homeville	
CCR-14	5.02	0.07	0.73	6m (2-8m)	Homeville	37
and	2.27	0.03	0.89	24m (4-28m)		
CCR-15	6.32	0.08	0.57	2m (2-4m)	Homeville	46
CCR-16	No significant assays				Homeville	60
CCR-17	3.48	0.04	1.14	18m (2-20m)	Homeville	22
incl	3.35	0.07	1.09	6m (0-6m)		
CCR-18	3.59	0.06	1.43	30m (5-35m)	Homeville	35
incl	10.86	0.08	0.53	8m (1-9m)		
incl	8.38	0.17	0.96	8m (5-13m)		
CCR-19	4.87	0.04	0.91	40m (20-60m)	Homeville	60
incl	5.19	0.09	0.96	12m (48-60m)		
CCR-20	No significant assays				Homeville	60
CCR-21	4.73	0.10	0.64	48m (6-54m)	Homeville	60
incl	5.05	0.21	0.55	18m (24-42m)		
CCR-22	5.90	0.09	0.88	48m (2-50m)	Homeville	60
incl	5.57	0.13	1.03	36m (12-48m)		
incl	6.81	0.22	0.79	4m (24-28m)		
CCR-23	4.88	0.08	0.57	18m (0-18m)	Homeville	56
incl	6.66	0.30	0.59	4m (14-18m)		
and	4.74	0.22	0.39	6m (26-32m)		
incl	7.44	0.50	0.51	2m (30-32m)		
and	4.63	0.16	0.75	18m (38-56m)		
incl	7.18	0.56	0.77	4m (40-44m)		
CCR-24	7.99	0.07	0.56	42m (0-42m)	Homeville	44
and	7.75	0.11	0.74	20m (20-40m)		
CCR-25	6.04	0.09	0.77	20m (2-22m)	Homeville	51
incl	3.65	0.13	1.18	4m (14-18m)		
and	7.19	ns	0.3	15m (36-51m)		
CCR-26	No significant assays				Homeville	42
CCR-27	No significant assays				Homeville	63

Significant Intersections (≥0.05% Co or ≥0.5% Ni)						
Hole ID	**Al %**	**Co %**	**Ni %**	**Interval (m)**	**Prospect**	**Hole Depth**
CCR-28	3.28	0.07	0.71	10m (2-12m)	Homeville	12
CCR-29	No significant assays				Homeville	60
CCR-30	No significant assays				Homeville	22
CCR-31	2.88	0.11	0.44	2m (10-12m)	Homeville	
and	2.59	0.02	0.75	18m (12-30m)		
CCR-32	8.74	0.14	0.59	26m (0-26m)	Homeville	60
incl	7.98	0.39	0.67	10m (16-26m)		
incl	8.73	0.70	0.88	4m (18-22m)		
and	4.8	0.05	1.08	28m (32-60m)		
CCR-33	6.86	0.05	0.7	32m (28-60m)	Homeville	60
incl	7.86	0.06	0.80	8m (52-60m)		
CCR-34	No significant assays					60
Significant Aluminum Intersections (≥5% Al)						
Hole ID	**Al %**	**Co %**	**Ni %**	**Interval (m)**	**Prospect**	**Hole Depth**
Yathella Prospect Area						
CCR-4	7.75	ns	ns	71m (8-79m)	Yathella	79
CCR-5	8.40	ns	ns	54m (0-54m)	Yathella	54
CCR-6	7.31	ns	ns	43m (0-43m)	Yathella	59
CCR-7	8.59	ns	ns	26m (20-46m)	Yathella	51

Table 1: Significant intersections based on 2m composite sample assays applying cut-off grades of ≥5% Al, ≥0.05% Co, ≥0.5% Ni

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

Yours sincerely



Peter J. Nightingale

Director

Drill Hole Collar Table

HOLE-ID	EASTING	NORTHING	DIP	DEPTH	START	FINISH	TYPE	DRILLING COMPANY
CCR-1	504214	6458871	-90	26	2017-05-29	2017-05-29	AC	Mcleod Drilling
CCR-2	504186	6458829	-90	16	2017-05-29	2017-05-29	AC	Mcleod Drilling
CCR-3	504159	6458786	-90	49	2017-05-29	2017-05-29	AC	Mcleod Drilling
CCR-4	503246	6458609	-90	79	2017-05-29	2017-05-29	AC	Mcleod Drilling
CCR-5	502956	6458077	-90	54	2017-05-29	2017-05-29	AC	Mcleod Drilling
CCR-6	503046	6458263	-90	59	2017-05-29	2017-05-29	AC	Mcleod Drilling
CCR-7	503147	6458436	-90	51	2017-05-30	2017-05-30	AC	Mcleod Drilling
CCR-8	505092	6458232	-90	42	2017-05-30	2017-05-30	AC	Mcleod Drilling
CCR-9	505119	6458275	-90	26	2017-05-30	2017-05-30	AC	Mcleod Drilling
CCR-10	505147	6458317	-90	35	2017-05-30	2017-05-30	AC	Mcleod Drilling
CCR-11	505034	6458485	-90	57	2017-05-30	2017-05-30	AC	Mcleod Drilling
CCR-12	505007	6458441	-90	4	2017-05-31	2017-05-31	AC	Mcleod Drilling
CCR-13	504980	6458397	-90	7	2017-05-31	2017-05-31	AC	Mcleod Drilling
CCR-14	504953	6458353	-90	37	2017-05-31	2017-05-31	AC	Mcleod Drilling
CCR-15	504926	6458308	-90	45	2017-05-31	2017-05-31	AC	Mcleod Drilling
CCR-16	504880	6458583	-90	60	2017-05-31	2017-05-31	AC	Mcleod Drilling
CCR-17	504855	6458538	-90	22	2017-05-31	2017-05-31	AC	Mcleod Drilling
CCR-18	504829	6458493	-90	35	2017-05-31	2017-05-31	AC	Mcleod Drilling
CCR-19	504804	6458449	-90	58	2017-05-31	2017-05-31	AC	Mcleod Drilling
CCR-20	504779	6458404	-90	60	2017-06-01	2017-06-01	AC	Mcleod Drilling
CCR-21	504753	6458359	-90	45	2017-06-01	2017-06-01	AC	Mcleod Drilling
CCR-22	504507	6458756	-90	60	2017-06-01	2017-06-04	AC	Mcleod Drilling
CCR-23	504481	6458359	-90	56	2017-06-04	2017-06-04	AC	Mcleod Drilling
CCR-24	504455	6458666	-90	44	2017-06-04	2017-06-04	AC	Mcleod Drilling
CCR-25	504430	6458621	-90	51	2017-06-04	2017-06-04	AC	Mcleod Drilling
CCR-26	504404	6458576	-90	63	2017-06-04	2017-06-04	AC	Mcleod Drilling
CCR-27	505201	6458402	-90	42	2017-06-04	2017-06-04	AC	Mcleod Drilling
CCR-28	505174	6458359	-90	12	2017-06-04	2017-06-04	AC	Mcleod Drilling
CCR-29	505262	6458135	-90	60	2017-06-09	2017-06-09	AC	Mcleod Drilling
CCR-30	505289	6458179	-90	31	2017-06-09	2017-06-09	AC	Mcleod Drilling
CCR-31	505316	6458222	-90	33	2017-06-09	2017-06-09	AC	Mcleod Drilling
CCR-32	505343	6458266	-90	60	2017-06-10	2017-06-10	AC	Mcleod Drilling
CCR-33	505370	6458310	-90	60	2017-06-10	2017-06-10	AC	Mcleod Drilling
CCR-34	505379	6458354	-90	60	2017-06-10	2017-06-10	AC	Mcleod Drilling
CCR-35	504268	6458957	-90	55	2017-06-10	2017-06-10	AC	Mcleod Drilling
CCR-36	502943	6457292	-90	52	2017-06-10	2017-06-10	AC	Mcleod Drilling
CCR-37	502843	6457119	-90	60	2017-06-10	2017-06-10	AC	Mcleod Drilling
CCR-38	502743	6456945	-90	60	2017-06-11	2017-06-11	AC	Mcleod Drilling

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'. 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 Exploration Results and Mineral Resources is based on information compiled by Collerina Cobalt 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.

[1] Nickel Equivalent Calculation

Where reported, Nickel Equivalent results are calculated using a nickel price of $9/lb and a cobalt price of $13/lb. In calculating Nickel Equivalents, nickel and cobalt recoveries are assumed to be 100%. It is the Company's opinion that all metals used in the equivalent calculation have a reasonable potential to be recovered in the event that material from the Homeville project was to undergo processing.

JORC Code, 2012 Edition – Table 1

1. *Section 1 Sampling Techniques and Data*

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• RC /air core drill samples were collected from the rig cyclone every 1 metre of drilling. Samples were collected into a plastic bag which was retained on site. Individual samples were not weighed on site. • Material was composited on a 2 metre basis from 1 metre sample bags. Due to the damp nature of the laterite material use of a splitter was not practical. As such composite samples were collected using a standard polystyrene 32oz scoop collecting approximately 1kg per scoop for a total of 5kg collected per each 2m composite sample. Samples were submitted to ALS Minerals in Orange, NSW for sample preparation and forwarded by ALS to Brisbane lab for assay by XRF fusion technique.
Drilling techniques	• *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).*	• Drilling was completed using a standard reverse circulation, air core drilling technique. Disaggregated sample material was collected from the rig-attached cyclone into plastics bags every 1 meter of drilling.

Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Samples were collected at 1m intervals during drilling and composited on 2 meter basis for assay. In cases where the samples were very wet with poor recovery a best effort sampling using the scoop was conducted to ensure that the composites were representative.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or*	• Pertinent details of the lithology drilled and any observations in regards to types and % concentration of individual mineral present were recorded. • Representative sieved rock chip were collected from each sample and collected in standard plastic chip trays for future reference. • Upon hole completion each tray was also photographed.

Sub-sampling techniquesand sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• 2 m composite samples were collected for assay using a scoop collecting approximately 2.5kg from each 1 metre sample. • Composite samples were bagged and tagged with unique assay number for analysis. • Due to the damp nature of the sample material no intermediary riffle splitter was used to sub-sample.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• Each 2m composite sample was either delivered by Company representatives to ALS Laboratory in Orange NSW or shipped directly to the lab using a commercial carrier from Dubbo, NSW. • Samples were then sub-split into 3kg samples if required and dried and crushed to 70% passing 2mm followed by pulverizing to 85% passing 75 micron (200 mesh) • The homogenized and pulverized samples were then sent by ALS to their lab in Brisbane for major oxide and select element analysis according to their published nickel ore package using fused disk XRF (ME-XRF12n) method • A certified standard pulp and field duplicate and blank sample were inserted at the rate of 1 each per every 30 samples. • ALS also has an in-house QA-QC protocol.

Verificationof sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All assay data was delivered in both csv and pdf format from ALS. • Data was manually checked, and all QA/QC samples assessed for analytical precision and variance. The data was then entered into excel spreadsheets by Collerina Cobalt geologists, then validated and loaded into an Access database. • Electronic sample results were uploaded into a Dropbox project folder that can be accessed by permitted Company personnel. • Data is exported from Excel and Access into MapInfo & GeoReka software for map-making and 3D modeling. • All electronic data is routinely backed up. No hard copy is retained.
Locationofdata points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Individual drill hole collar locations were picked up by handheld Garmin GPSmap 64s, deemed accurate to within 5m. • The co-ordinates datum system used was GDA 94 for GIS purposes. • Topographic control was from Garmin GPSmap 64s. This is adequate for current requirements.

Dataspacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drill holes spacing varied from 50m to 100m spacing. • Sample for assay were obtained from 2 meter composites of individual 1 metre samples

Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• There was no consideration given to sample collection relative to defined or inferred geological structures such as faults or lithological contacts. Sample collection was determined by vertical drilling of each 1 metre drilled. • Given that the material being sampled was laterite which predominately developed horizontally from the surface downward a vertical drilling orientation was deemed appropriate.
Sample security	• *The measures taken to ensure sample security*	• Rock chip samples were temporally stored at near site accommodation at then delivered by the company geologists to ALS Minerals Laboratory in Orange.
Auditsorreviews	• *The results of any audits or reviews of sampling techniques and data.*	• No reviews or audits have been conducted to this point.

2. *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 landtenure status	• *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.* • *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.*	• The Collerina mineral licence (~133 km^2) is located approximately 40 kilometres south of Nyngan, NSW. • The tenement EL 6336 is held 100% by Collerina Cobalt Limited. • There is no known impediment to the company completing planned exploration within the tenement.

Exploration doneby other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Collerina Cobalt Limited) completed 2 previous drill programs to test for laterite-hosted Ni mineralisation • This work culminated in the completion of a JORC compliant resource estimate in 2014. • The current exploration is focusing on the Co mineral potential.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Mineralisation targeted is hosted within lateritic serpentinite which to date is confined to linear, structurally-controlled belts characterised by a high-magnetic signature. • The Co-Ni mineralisation identified to date is contained within limonite and saprolite facies laterite. • Such mineralisation is typical of other laterite deposits within NSW.

DrillholeInformation	• *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:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length.*
	• *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*
		• Drill collar coordinates for holes mentioned in this release are provided.

Data aggregation	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No cutting of reported Al, Co, Ni assays have been employed at this stage of exploration. • Reporting of significant assay intervals were determined utilising assay cut-offs of ≥5% Al, ≥ 0.05% Co and ≥ 0.5% Ni. • The use of these cut-offs is based on requirements for metallurgical testwork
Mineralisation widths and interceptlengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• The mineralisation is hosted within laterite facies host rock which is largely horizontal in nature. The Al-Co-Ni mineralisation appears to be confined to the same facies and is essentially stratabound in distribution. • No specific determination of `true' thickness has be done.
Diagrams	• *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.*	• Plan maps and 3D models showing drill hole locations relative to interpreted geology and geophysics have been prepared. These are deemed sufficient to show areas of interest for exploration planning.

Balanced reporting	• *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.*	• Significant assay intervals using appropriate grade cut-offs have been reported. • Some attention was also given to the amount of internal waste (low-grade material between significant assays) however the nature of mining laterite and the requirement for blending to attain a desired bulk grade for processing makes a definite determination of waste very difficult at this point in the program.
Other substantive exploration data	• *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.*	• All pertinent project information available to the company has been compiled and interpreted by the Company for exploration program planning. Material information has been publicly released by the Company.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Planned exploration by the Company includes additional exploration and resource delineation drilling. • Additional ground geophysics consisting of ground penetrating radar and EM surveys will be considered to define drill targets.

Section 3 does not apply as resource estimates are not being disclosed at this time.
Section 4 does not apply as reserve estimates are not being disclosed at this time.
Section 5 does not apply as this section relates to the reporting of diamonds and other gemstones.