COLLERINA
Cobalt Limited
ABN 79 106 879 690

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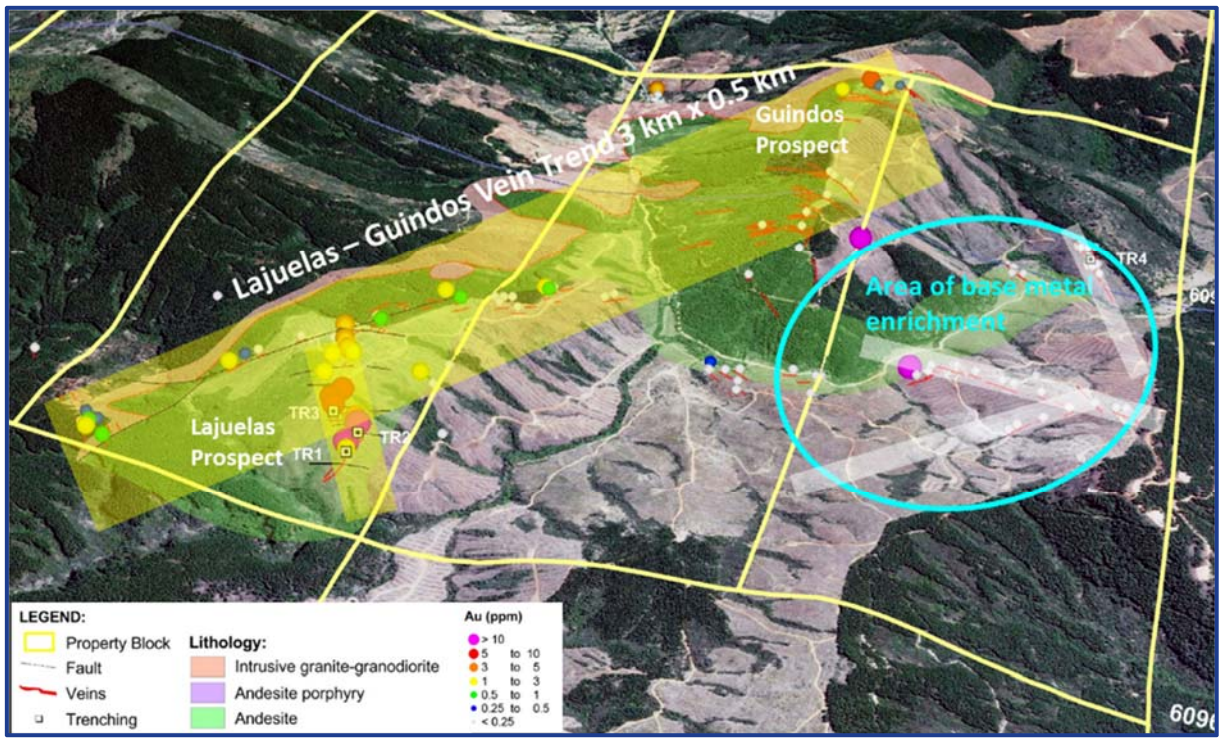
The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(15 pages by email)

GEOPHYSICS IDENTIFIES LARGE ALTERATION ZONE AT BECKER PROJECT IN CHILE

Highlights:

- A recently completed 16.8 kilometre ground geophysics and geological mapping survey has identified an area of alteration coincident with the occurrence of gold-bearing quartz veins in the main Lajuelas prospect at the Becker JV property northwest of Talca.
- Anomalous rock alteration, low magnetics and high IP chargeability define an approximate 1,000 metres x 500 metres area underlying the known extents of the Lajuelas quartz vein system which returned assays of up to 4.0 metres of 30.7 g/t gold and 6.0 g/t silver from recent trench sampling.
- Results of detailed prospecting and surface mapping has also confirmed extension of the Lajuelas vein system by approximately 300 metres to the south which is consistent with the results of geophysics findings.
- Alteration extends beyond the southern extent of the geophysics survey.
- The geophysical features are consistent with a structural interpretation suggesting regional northeast-trending strike-slip faults with subordinate north-south and northwest dilational structures which appear to control most of the gold-bearing quartz veins and associated breccias.
- An unconstrained magnetic inversion model suggests that alteration associated with the Lajuelas quartz vein system extends to a depth of at least 250 metres and that the alteration zone widens at depth.
- The results of the geophysics and geological programs will be used to define drill targets for initial drilling during the December 2017 quarter.



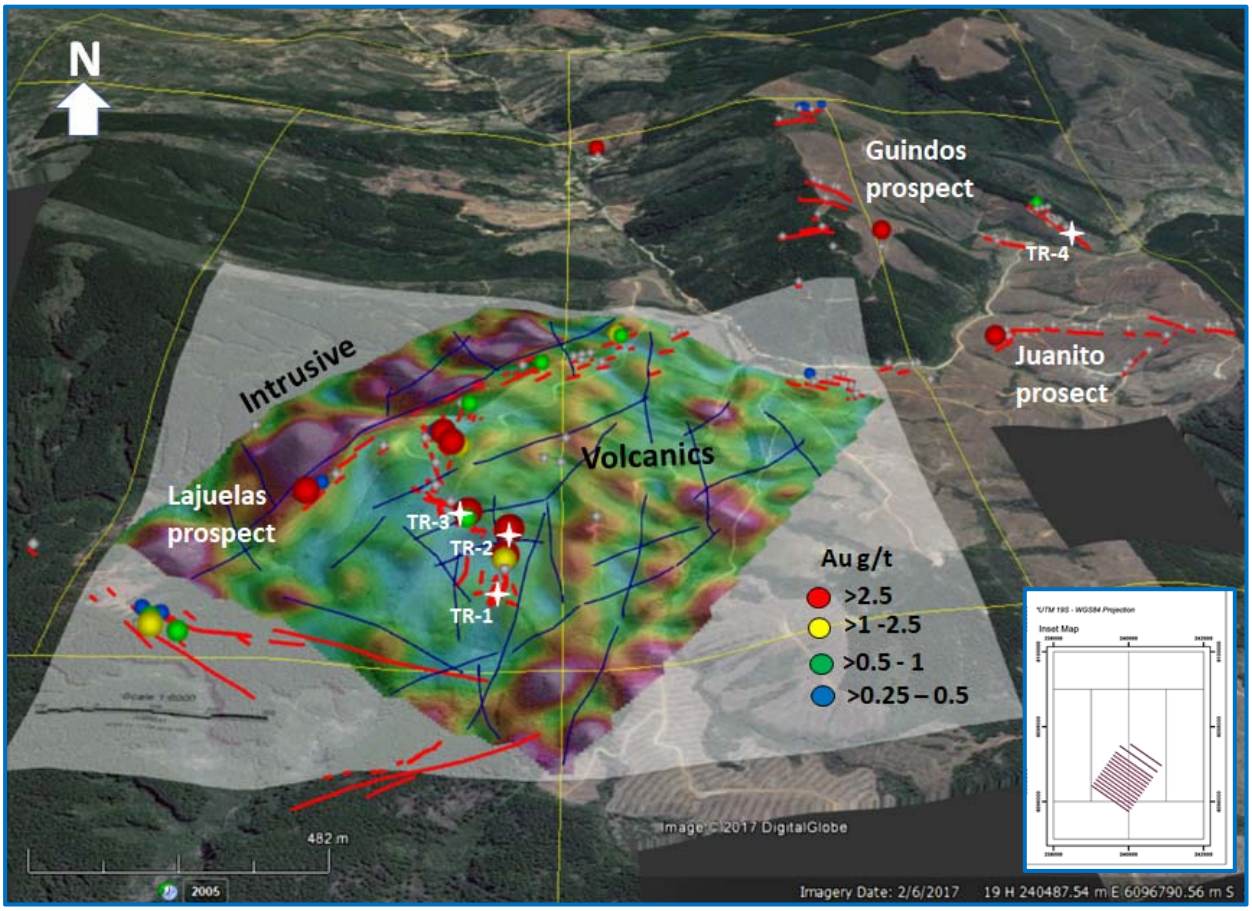
Becker JV property area showing distribution of quartz veins and gold assay results from collected rock samples. Previous trench sites (TR1 to TR 4) are indicated.

Becker Geophysics and Mapping Field Work Program

Collerina Cobalt Limited ('Collerina' or 'the Company') continues to advance the Becker JV property near Talca in Region VII in southern Chile. A one month program of ground geophysics and detailed geological mapping was completed over the main Lajuelas vein zone where previous work confirmed high-grade concentrations of gold in sub-cropping quartz veins. As reported previously, trench sampling over approximately 100 metres of vein strike length returned:

- 1.0 metre @ 5.3 g/t Au in Trench 1;
- 4.0 metres @ 30.7 g/t gold and 6.0 g/t silver in Trench 2;
- 3.0 metres of 9.8 g/t gold in Trench 3.

Ground geophysics completed include magnetics[1] and gradient IP[2] along northwest-southeast oriented lines at 100 metre and 200 metre spacing between survey lines. The survey was completed by Geofisica from Mendoza, Argentina. Survey QAQC and data processing was completed by the Company's consultant geophysicist who was onsite for the duration of the survey.



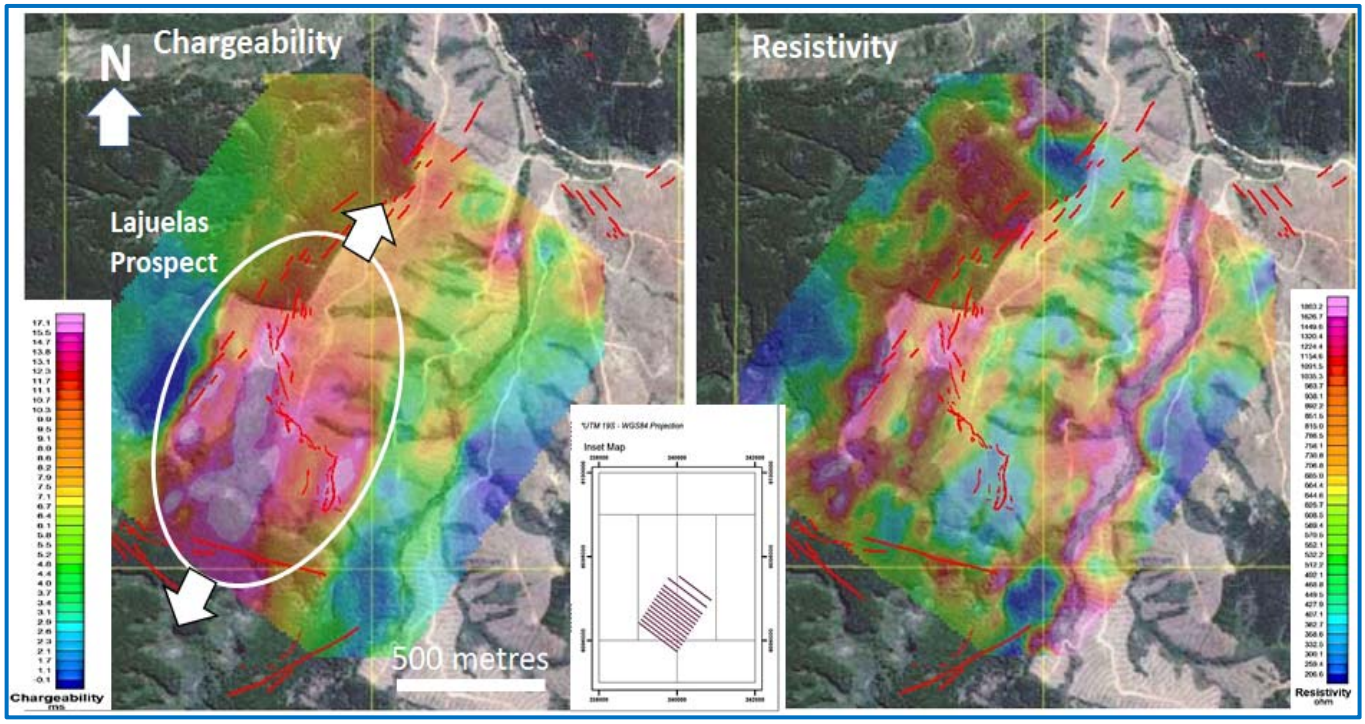
Becker JV property area showing the Analytical Signal processed magnetic map and distribution of quartz veins and gold in rock assay results. Previous trench sites (TR1 to TR 4) are indicated. The Lajuelas prospect area is characterised by a broad area of low magnetics (blue colour) which is interpreted to reflect alteration associated with quartz vein formation. Structural features as interpreted from the magnetic data are also shown (dark blue lines). Inset map shows the geophysics survey area relative the Becker tenement block.

Processing of the magnetic survey indicates that the Lajuelas vein system is situated within a broad zone of low magnetics. Detailed geological mapping within the same area has identified intense argillic and local phyllic alteration within the volcanic rocks. This suggests that formation of the Lajuelas quartz veins resulted in intense alteration of the surrounding volcanics that led to destruction of any magnetic minerals adjacent to the quartz veins. This is a common characteristic of many epithermal and porphyry related gold-copper mineral systems.

The results of the Gradient IP survey (see below) indicate that the Lajuelas vein system is associated with a broad zone of anomalous high chargeability approximately 1,000 metres in length and 500 metres wide. Interpretation of the data suggests that this correlates with a sulphide mineral content of 3-5% in the underlying rock. This is consistent with geological mapping and rock sampling that indicate the veins and immediate adjacent volcanic wallrock contain conductive disseminated pyrite.

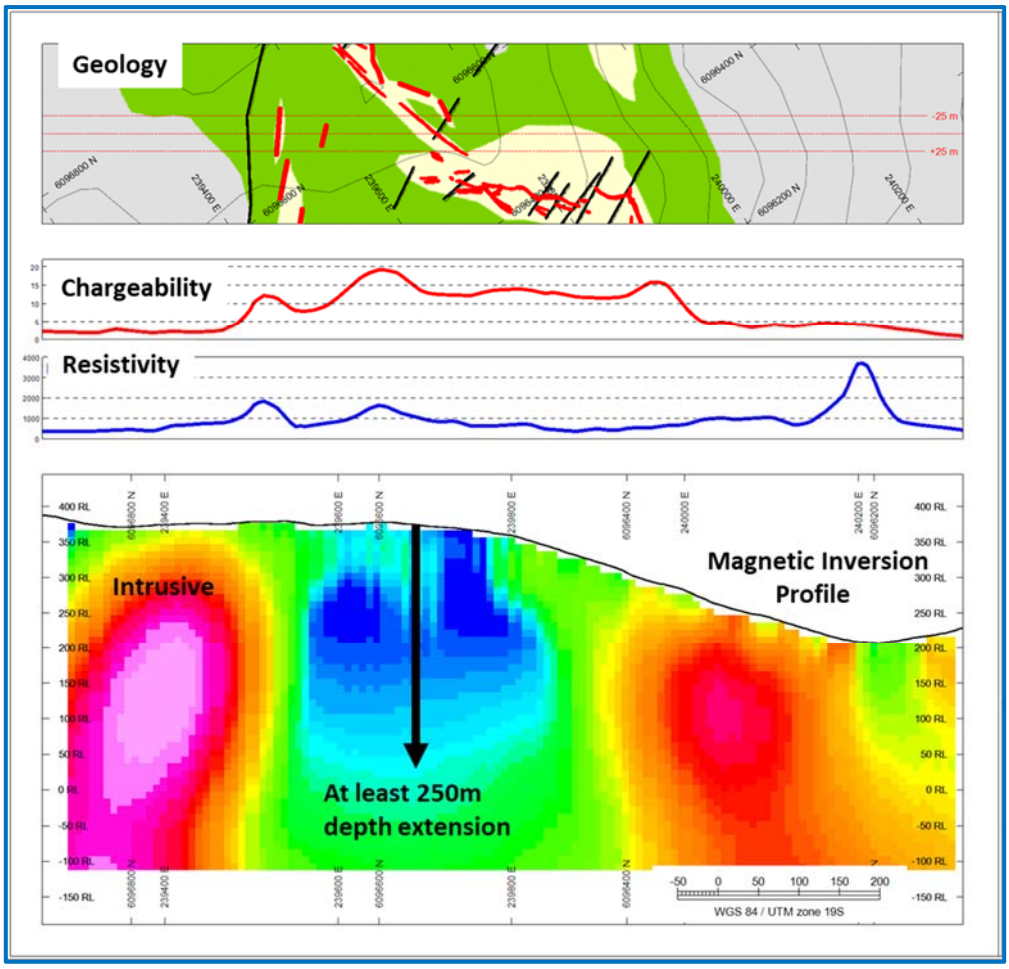
The zone remains open to the northeast where numerous quartz veins occur and also to the south where detailed mapping has confirmed the occurrence of additional quartz veins approximately 400 metres south of the Lajuelas trench areas.

The survey also shows that the Lajuelas veins have both a high and low resistivity signature. Veins with a predominate northeast orientation reflect high resistivity whereas the north-south and northwest oriented veins reflect lower resistivity. Geological mapping indicates that the latter veins are also highly fractured which likely would make them less resistive.



Processed Gradient IP survey data.
The chargeability data (above left) indicates an area of anomalous high chargeability over the Lajuelas prospect. Inset map shows the geophysics survey area relative the Becker tenement block.

The figure below displays a section profile across a 3D magnetic inversion model of the Lajuelas vein system. The broader low magnetic zone hosting the quartz veins is about 500 metres across with a 250 metre wide zone of very weak magnetic response (blue colour). Based on current modelling the area of lowest magnetic response extends to at least 250 metres depth. The two zones of high magnetic response adjacent to the area of low magnetics are interpreted as later intrusive bodies. The low magnetic zone also reflects coincident high chargeability and low resistivity.



Section profile looking northeast along strike of Lajuelas vein system. The magnetic inversion model is unconstrained.

The geophysical and geological data will be further evaluated with the objective of identifying drill targets for testing during the December 2017 quarter.

Concurrent with the detailed exploration of the Becker JV property an initial program of regional prospecting and geological mapping was also completed within the Becker district. Several new areas of exposed quartz vein and breccia were identified. Numerous samples were collected and assays are pending.

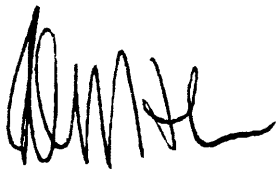
The Company is currently finalising the Becker Joint Venture Agreement and incorporating the Chilean subsidiary companies.

Commenting on the results of the geophysics program, Managing Director Justin Werner said:

"The geophysics and geological mapping work we have recently completed has confirmed our geological model for exploration and delineation of gold-bearing quartz veins within the Becker property. The low magnetic and high chargeability geophysical signature of the Lajuelas prospect area suggests that the vein system is associated with a wide zone of intense alteration. Furthermore, the occurrence of gold-bearing veins 2.5 kilometres northeast along strike within the Guindos prospect area and also immediately south of the geophysical survey area indicates that the Becker property holds potential for a sizeable resource. Collerina's exploration team will continue to evaluate the data to define initial drill targets".

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

Yours sincerely



Peter J. Nightingale
Director

pjn9027

Statement of Compliance

The information in this report that relates to Exploration Results 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.

1 Magnetic Data QAQC

The total magnetic intensity data was collected with a proton precision magnetometer on 14 (1,200m in length) lines and a base station for diurnal collections (GSM-10 v7). The line spacing for 12 lines was 100m and 2 lines at 200m line spacing, rover measurement using walking mode, with cycle time 0.5 second (2 reading per second or 2 Hz) and positioned by GPS at designed time. To ensure the data quality, initial QC was performed to remove any datum points with signal quality below 90 and GPS satellite receiving less than 3 satellite per reading. GPS signal lost and signal quality disturbace was noted during data acquistion, most as impact of vegetation cover and surface boulders, thus some resurvey was conducted to rectify. The distribution of the magnetic data as presented in a histogram is relatively smooth and log normal, which is normally expected for good quality data. In profile plot and test gridding some minor near surface noise was indicated, but the variation is natural and there were no indications of outliers. Hence, the quality of the magnetic dataset is considered of acceptable quality.

2 Gradient IP and Resistivity Data QAQC

The IP and resistivity survey was conducted along 13 lines with 25m point distance and 100m line spacing (1 line at 200m spacing). GDD Transmitter and Iris Elecpro receiver used to transmit and receive induced current with 2 second period. Electrode configuration was Gradient which means one constant pair of current electrode installed at both 150m outside of survey lines series ("box"). A "box" consisted of at most 5 lines at 1,200m long with 100m spacing to ensure signal quality was more or less at the same level for each of the lines. Three dipole currents were used for the entire survey area. One pair of potential electrode (25m) move at constant separation along the lines, with all data collected at N-1. This particular electrode configuration is popular for reconnaissance survey due to quicker surveying and productivity and less masking by conductive overburden and less topographical effect. However these benefits are balanced by poorer resolution with depth compared to deeper looking arrays such as pole-dipole and dipole-dipole.

The data distribution appeared "normal" for resistivity and chargeability data of crystalline and volcanic rock. The majority of resistivity data was between 100 Ω - 1500 Ω. The very high resistivity >2500 Ω was most likely caused by direct contact with near surface subcrop. The majority of the IP data are at range 1 mV/V – 11 mV/V with high of 17.1 mV/V. The anomalously high chargeability is interpreted to be caused by a generally modest content of sulphide (<5 %) with associated clay alteration. Negative chargeability readings are interpreted to be related to geological structures.

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.*	• Surface rock grab and chip sampling was undertaken by Augur geologist within the Becker tenement area. Sampling targeted quartz vein rubble on surface in areas of previous trenching as reported by previous workers. Sample size was 2-3 kg per sample. • A total of 20 rock chip samples were collected along the extent of veining as reported by previous Company work. Samples were submitted to ALS Minerals in Santiago, Chile for gold determination by 50g Fire Assay and additional elements including silver by ICP-AES analysis. • Although samples were collected to be representative of the types and styles of quartz veins and mineralisation reported by previous workers, no attempt was made to ensure that the samples were an accurate representation of the insitu vein type and width exposed previous trenching.

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).*	• No drilling has been completed by the Company on the property.
Drillsamplerecovery	• *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.*	• No drilling has been completed by the Company.
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 costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• No drilling has been completed by the Company.
Sub-sampling techniques andsample 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.*	• Collected samples of surface rock were each 1.5 – 2kg in weight. Samples were dried, crushed and pulverised to 85% passing 75 microns. This is considered to appropriately homogenise the sample to allow sub-sampling for assay determination. • 2-3 kg is an appropriate sample size for rock samples targeting gold mineralisation.

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.*	• Surface rock grab samples and 1 meter chip samples of insitu quartz veins were samples by Company representatives and submitted to ALS Laboratories in Santiago, Chile. Gold determination was completed by 50g fire assay with AAS finish (method AA26) which is considered a robust method of gold determination. An additional suite of elements was analysed by an aqua regia leach with AAS finish (MEICP-41), which is not a total leach as some mineral species may not be leached by aqua regia. Aqua regia readily dissolves many sulfide, oxide and carbonate minerals quantitatively while leaving silicates and resistive oxides untouched. • Field duplicates and blank samples were inserted at the rate of 1 each per every 25 samples. • ALS has an in-house QA-QC analytical protocol that was followed and review of this data was deemed acceptable.
Verification of 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 field data was manually collected, and entered into excel spreadsheets by Augur geologists, then validated and loaded into an Access database by data manager. 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 for analysis and map-making into MapInfo & Surpac. All electronic data is routinely backed up. No hard copy is retained.
Location of data 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.*	• Rock sample locations were picked up by handheld Garmin GPSmap 64s. • The co-ordinates datum system used was PSAD 56 with later re-projection to UTM WGS 84 (Zone 19 S) for GIS purposes. • Topographic control was from Garmin GPSmap 64s. This is adequate for locating reconnaissance rock chip and soil samples.

Dataspacingand 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.*	• Reconnaissance rock chips are not spaced regularly, but controlled by outcrop location and degree of exposure.
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 proximity of quartz vein material to location of previous trenches.
Sample security	• *The measures taken to ensure sample security*	• Rock chip samples were temporally stored at near site accommodation at then delivered by the Augur geologist to ALS Minerals Laboratory in Santiago.
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 landtenurestatus	• *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 Becker Project is located approximately 250 kilometres south of Santiago in Region VII of Chile. It is about 40 kilometres northwest of the city of Talca. • The tenements are held 100% by two Argentinian owners. A 1% NSR is held by Condor Resources Ltd, based in Vancouver. • The original two tenements (600 hectares) are registered in Talca region and are the equivalent of a patented claim. Recent claim applications for an additional six exploration licenses have been made. These are valid for an initial two years and can be renewed for an additional 2 years. Together the Becker tenement area expands to
Explorationdoneby other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Gold was first discovered in the claims area by Arauco Resources in the early 1990's during a regional prospecting campaign throughout the coastal mountains between Rancagua to the north and Temuco to the south. At the time Arauco Resources was the wholly owned Chilean subsidiary of a consortium of Canadian companies including Teck. • Follow up work by Arauco in 1995 consisting of systematic float sampling and 2,100m of trenching discovered an arcuate generally north-south trending zone measuring some 300 by 900 metres at surface. • Extensive hand pitting and backhoe trenching programs conducted along these veins defined the main 'Veta Lajuelas' and Guindos prospects. • The property was staked by Condor Resources of Vancouver in 2007 although no additional work was completed by them.

		• In 2009 Condor granted Oretech an option to earn a 70% interest in the Becker project. During the period June to August 2009, Oretech contracted Minera Polar Chile Limitada, of La Serena, Chile, to complete some geochemical soil sampling and geological mapping in the Lajuelas vein area and prospecting over the entire claim block. The Guidos veins were discovered at this time. A test transient electro-magnetic ("TEM") geophysical survey was also carried out by Quantec Geoscience, Santiago, Chile on behalf of Oretech over the southern half of the Lajuelas vein system. Results were deemed inconclusive. • In 2013 Condor let the claims lapse with the exception of two claims covering the Veta Lejuelas and Guindos prospects, which were taken over by the current Argentina based owners. • Becker remains an exploration stage property on which no drilling has been done to date and no resources exist.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Mineralisation targeted is hosted within volcanics adjacent to an intrusive contact. The type and style of veining is currently interpreted to be of deep-epithermal or high-level mesothermal origin.

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 report, the Competent Person should clearly explain why this is the case.*
		• To date no drilling has been completed by the Company within the Becker property.

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 gold grades or use of metal equivalent grades have been employed at this stage of exploration.
Mineralisation widths andinterceptlengths	• *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').*	• To date no drilling has been completed on the property.
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 showing interpreted geology with rock sample and trench locations have been prepared. These are deemed sufficient at this point to show areas of interest for exploration program 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.*	• All results for rock samples collected have been reported in the above text.

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 trenching in areas of mineralized veins and/or surface boulders. • Additional geological mapping and surface rock sampling with also be conducted over the larger tenement block to identify new areas of quartz veining and mineralisation. • A program of ground geophysics consisting of magnetics and induced polarisation survey has been completed and is reported herein. The objective of the work is to identify targets for drilling in the December 2017 quarter.

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 and Section 5 does not apply as this section relates to the reporting of diamonds and other gemstones.