



**COLLERINA**  
**Cobalt** Limited

ABN 79 106 879 690

31 July 2017

The Manager Companies  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

(9 pages by email)

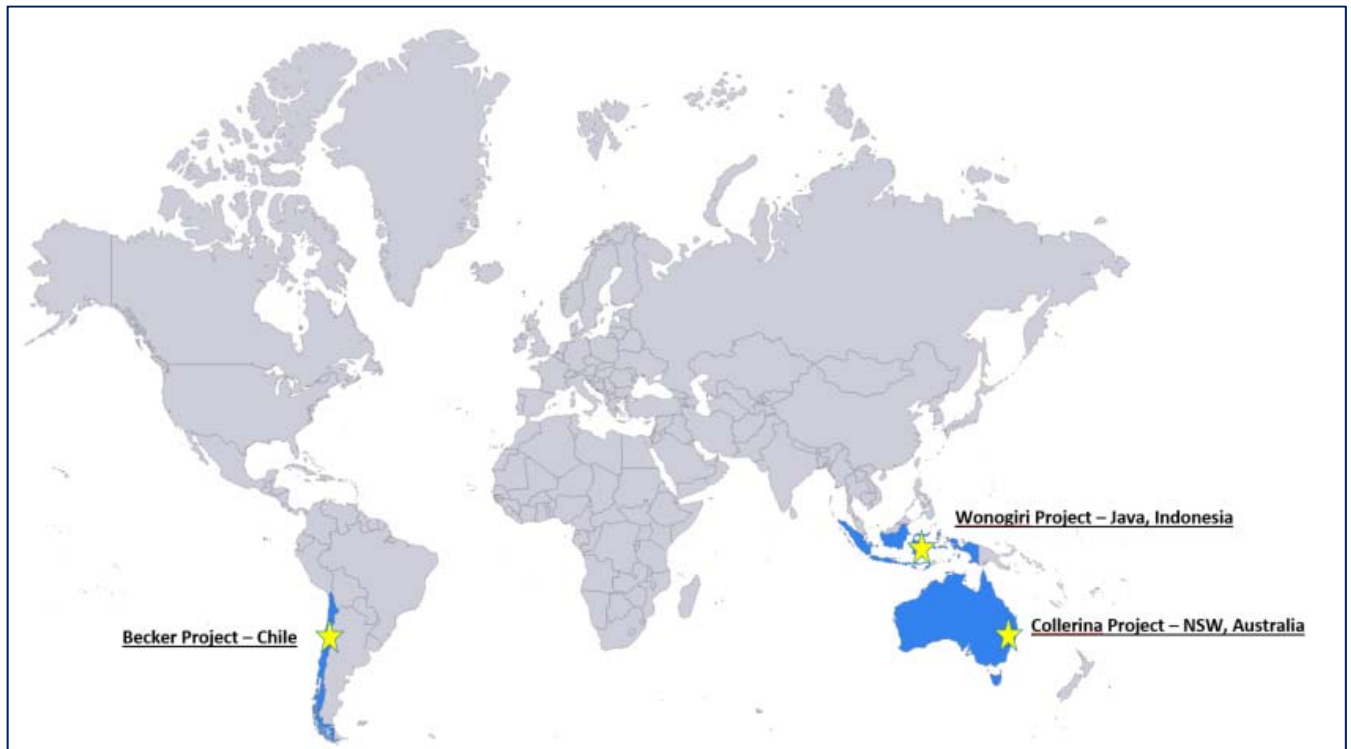
**REPORT ON ACTIVITIES FOR THE QUARTER ENDED 30 JUNE 2017**  
**(ASX: CLL)**

**HIGHLIGHTS**

- Change of Company name to Collerina Cobalt Limited and commencement of trading under the new ASX stock code CLL.
- Completion of 38 reverse circulation ('RC') drill holes, for 1,726 metres, at the 100% owned Collerina nickel-cobalt project. Assay results are pending.
- Commencement of a ground geophysical survey at the Becker project near Talca in Region VII of Chile. A program of regional prospecting will also be completed.
- Continuation of AMDAL (environmental impact study) for the issuance of a mining operation production licence at Wonogiri gold-copper project and issuance of a stand-alone aggregate quarry adjacent to the Randu Kuning gold-copper deposit.
- Successful completion of two tranche placement to professional and sophisticated investors to raise \$1.2 million before costs.

## COLLERINA COBALT

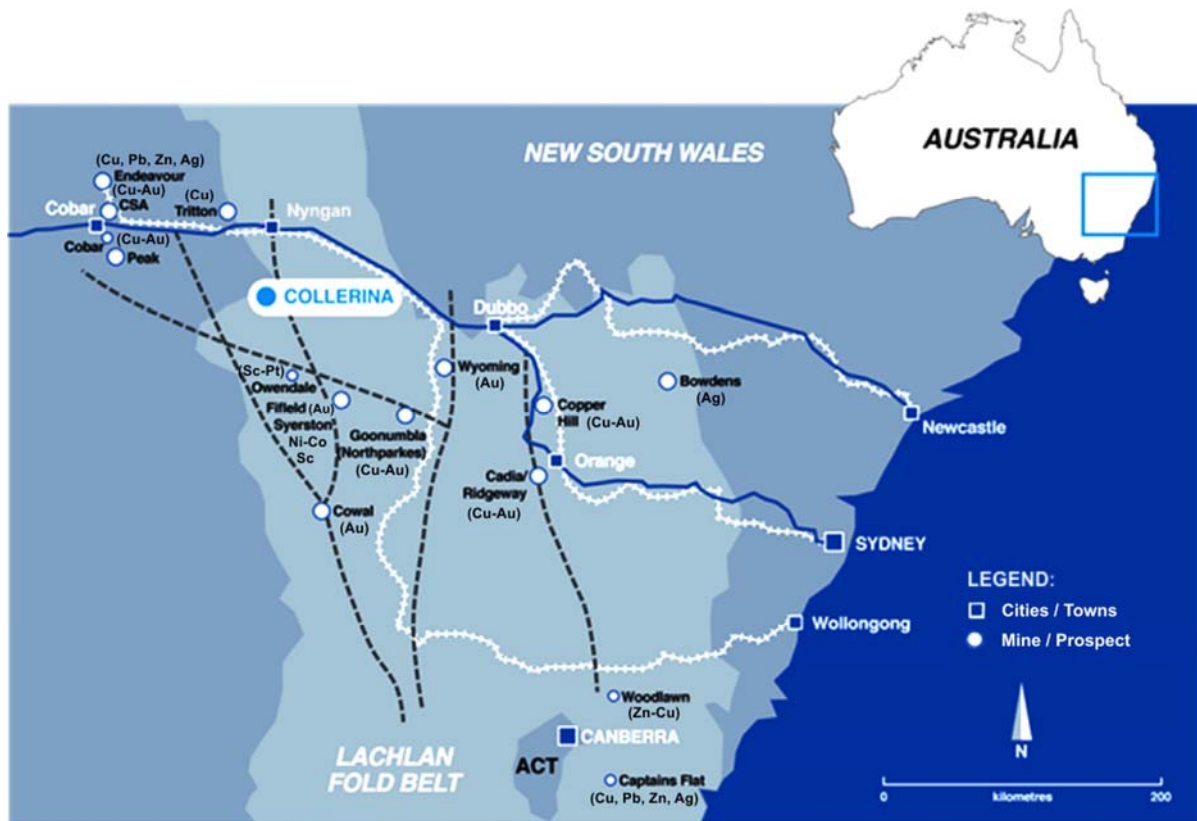
Collerina Cobalt ('Collerina Cobalt' or 'the Company') is an ASX-listed mineral exploration and development company focused on advancing its 100% owned Collerina nickel-cobalt project in central NSW. The Company also has a pipeline of exploration projects in Chile and Indonesia.



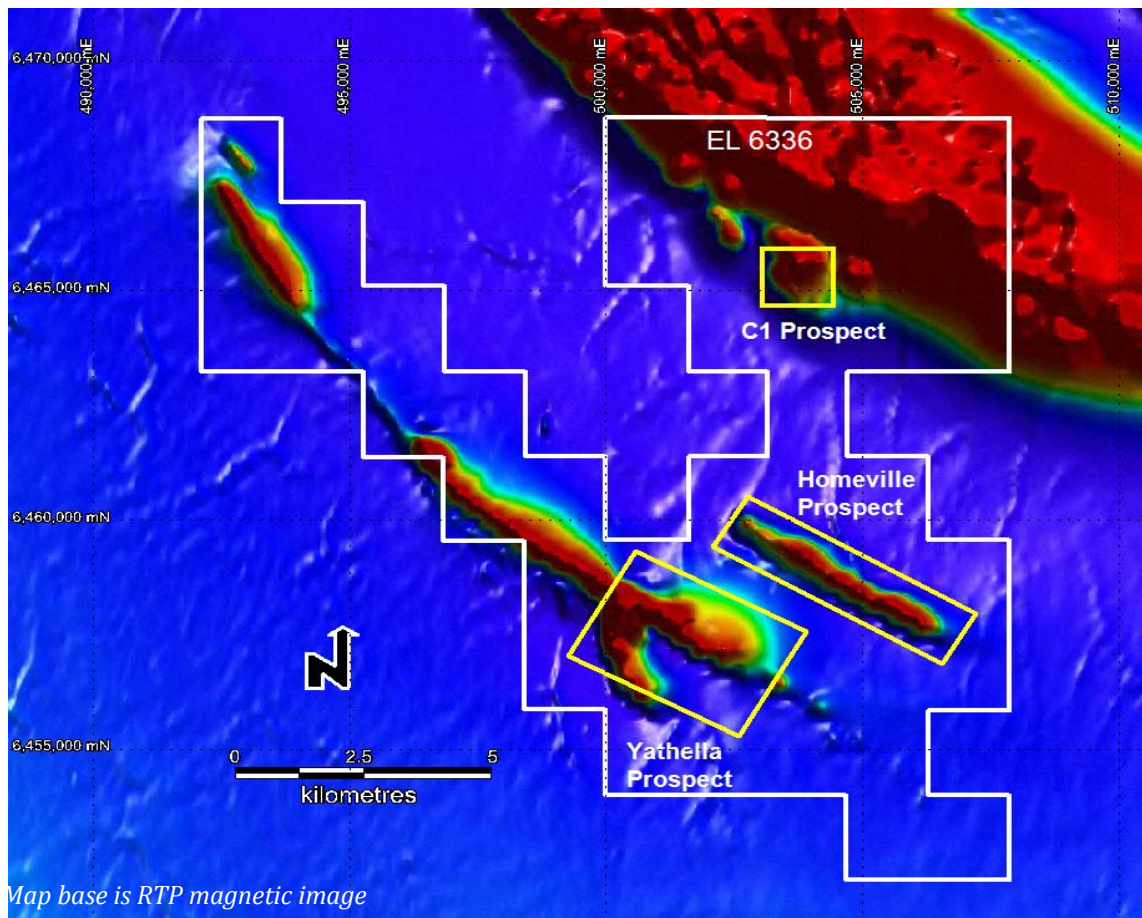
### **COLLERINA PROJECT - NSW (EL 6336 - 100% owned and partly subject to farm-out)**

The Collerina project is located 40 kilometres south of Nyngan in central NSW, covering an area of 150km<sup>2</sup> within the Fifield Platinum Province. As detailed below, the tenement contains the Homeville nickel-cobalt deposit with a currently reported JORC compliant resource of 16.3 Mt at 0.93% nickel and 0.05% cobalt based on a cut-off of 0.7% nickel. (4.4 million tonnes Indicated resource of 0.99% nickel and 0.06% cobalt and 11.9 million tonnes Inferred resource of 0.91% nickel and 0.05% cobalt)<sup>1</sup>.

The Company and Helix Resources Limited ('Helix') are parties to an exploration and development agreement over the Collerina project whereby Helix receives 100% of the precious and base metal rights (excluding nickel and cobalt mineralisation), with Collerina Cobalt retaining a 1.5% net smelter royalty over any discoveries by Helix. Collerina Cobalt retains 100% ownership of the known nickel and cobalt mineralisation within the Homeville, Yethella and C1 Anomaly areas, however, Helix can explore these areas for precious metals and other base metals, subject to the terms of the agreement.



Collerina project situated about 40 kilometres south of Nyngan, NSW.

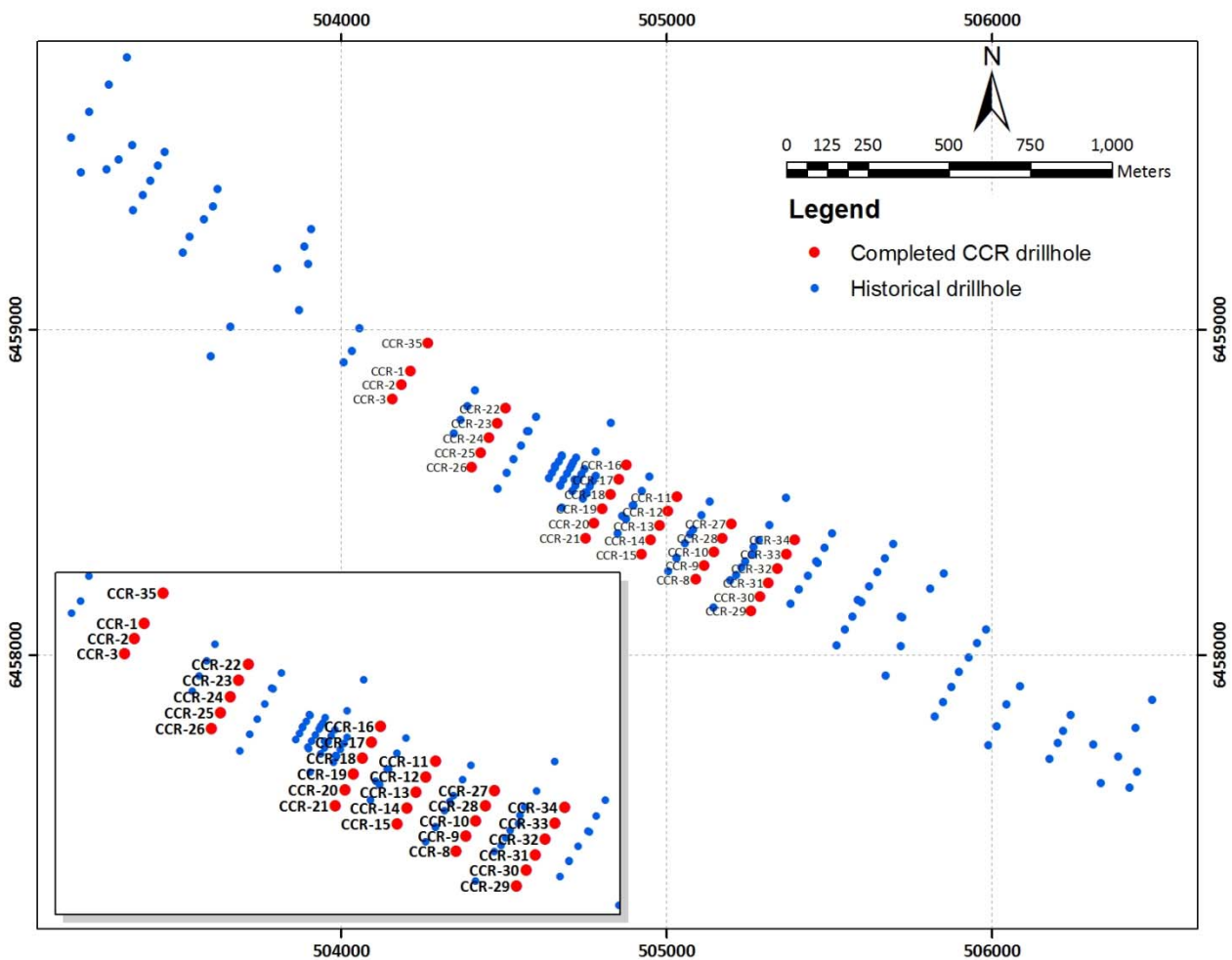


Plan view of the Collerina licence area (EL 6336) showing Homeville and Yathella prospect areas reflected by defined high magnetic linears and the C1 prospect to the north.

## Collerina Drill Program

During the June quarter the Company commenced a planned 45 hole reverse circulation (RC) drill program at its Collerina nickel-cobalt project. The objectives of this program are 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

During the quarter, 38 holes were completed to an average depth of 60 metres for a total of 1,726 metres. Assay results are pending.



Plan view of the Homeville prospect area showing location of historical and 2017 drill holes.

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.

Mineralisation is spatially associated with the previously announced JORC compliant nickel laterite resource of 16.3 million tonnes of 0.93% nickel and 0.05% cobalt at a 0.7% nickel cut-off grade (4.4 million tonnes Indicated resource of 0.99% nickel and 0.06% cobalt and 11.9 million tonnes Inferred resource of 0.91% nickel and 0.05% cobalt)<sup>1</sup>.

### **Metallurgical Testwork Program**

Upon receiving assay results, the Company intends to prepare 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.

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.

### **BECKER PROJECT - CHILE (Collerina Cobalt - Earning up to 85%)**

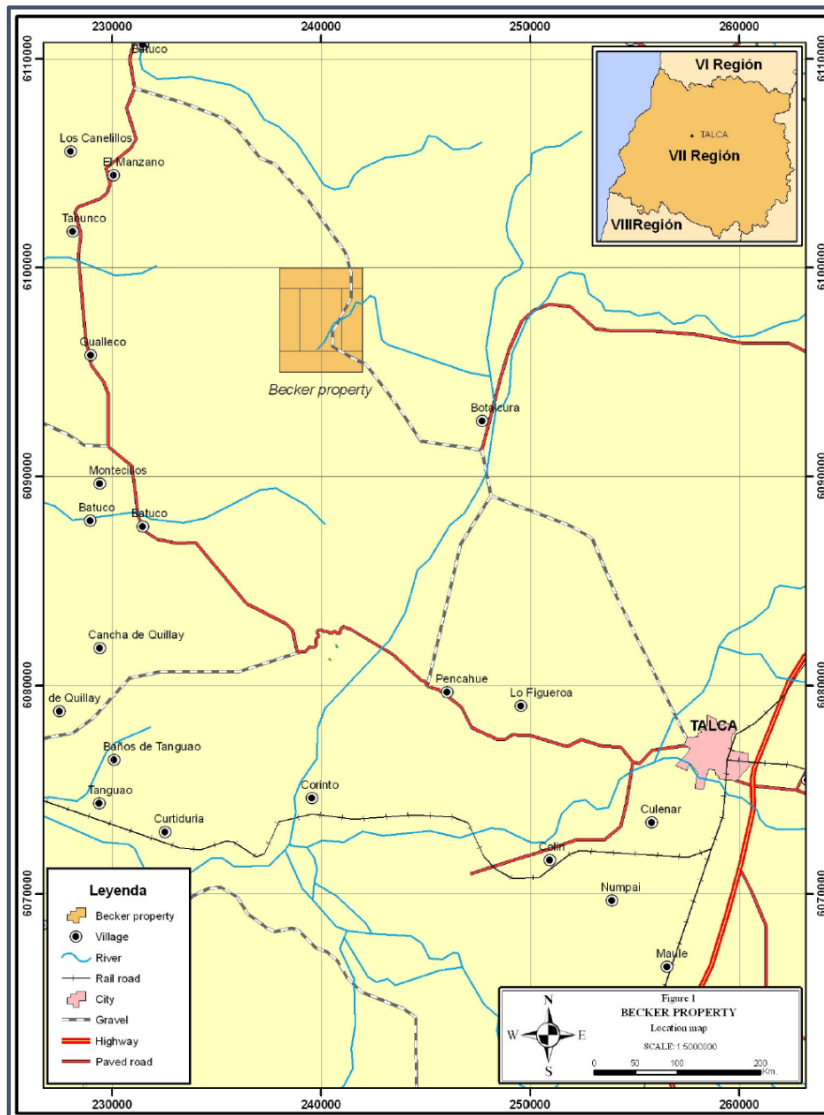
The Company continues to advance its Becker gold project near Talca in southern Chile which covers several, intermediate to low sulphidation epithermal gold-silver vein systems within the Chilean Coastal Range, which is geologically comprised of Mesozoic age volcanic arc rocks accreted onto the South American craton. Gold mineralisation within the eastern part of the Coastal Range belt is related to the later intrusives and manifest as quartz vein systems (such as the Becker property) to breccia pipes and vein stockworks.

A program of ground geophysics, including magnetics and gradient IP, is being completed over the main Lajuelas vein zone where high grade gold was confirmed in outcropping quartz veins. As reported previously, trench sampling returned:

- 1.0 metre of 5.3 g/t gold in Trench 1;
- 4.0 metres of 30.7 g/t gold and 6 g/t silver in Trench 2; and
- 3.0 metres of 9.8 g/t gold in Trench 3.

Trenching was completed over approximately 100 metres of vein strike length.



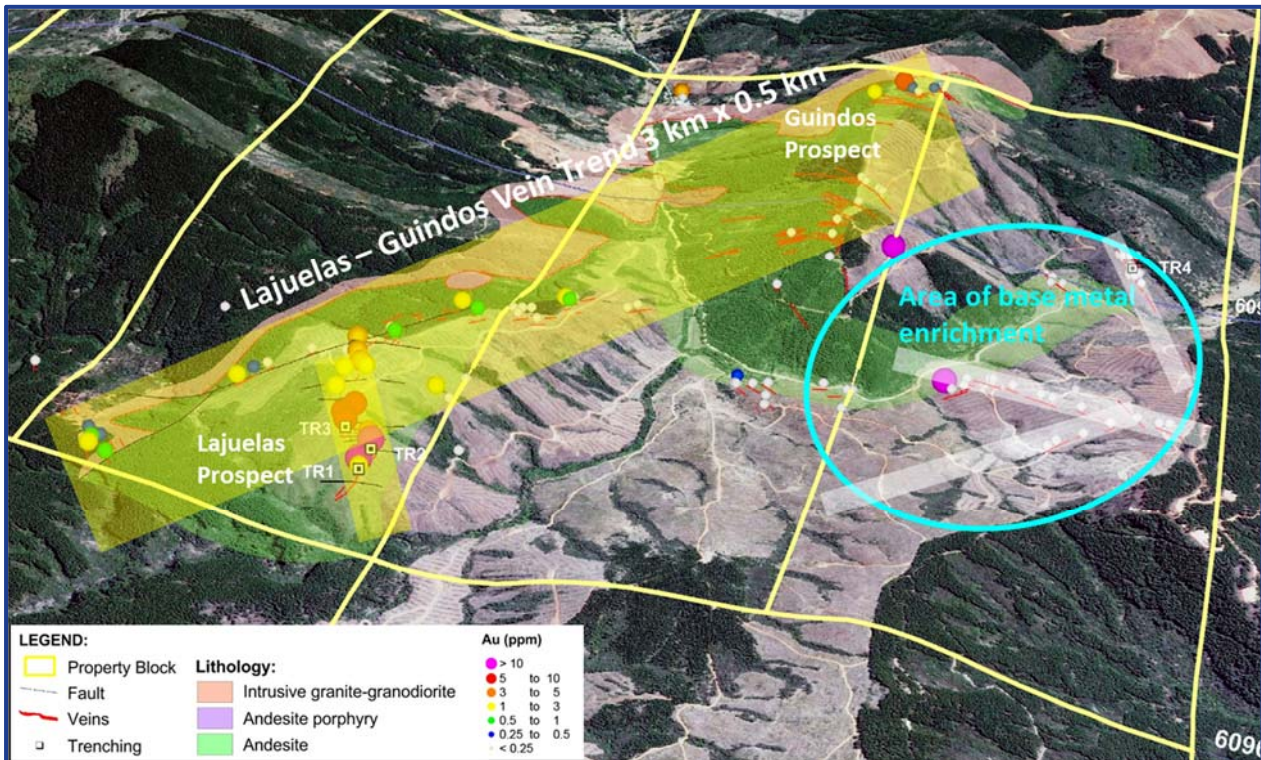


**Becker project location 250 kilometres south of Santiago and 40 kilometres north west of Talca, in Region VII, Chile.**

Detailed geological mapping will be completed over the geophysics grid to better define alteration zonation. The objective of both programs is to define drill targets for initial drilling during the December 2017 quarter.

Concurrent with the detailed exploration of the Becker property, an initial program of regional prospecting and geological mapping will be completed within the Becker district. Despite there being three former operating mines in the district, the district is very underexplored.

The Company is currently completing legal due diligence in connection with finalising the Joint venture Agreement for the Becker project.



**Portion of the Becker property showing interpreted gold-bearing vein trends and mineral zonation.**

### **WONOGIRI PROJECT - INDONESIA (Collerina Cobalt - 45%)**

At the Wonogiri project, located in central Java, Collerina Cobalt is advancing the Randu Kuning gold-copper porphyry deposit which contains 1.15 Moz gold equivalent<sup>2</sup> JORC compliant mineral resource estimate for Randu Kuning deposit comprising:

- 996,521 ounces of gold (53% Measured and Indicated category); and
- 190M pounds of copper (43% Measured and Indicated category).

Previous metallurgical testwork results returned up to 89.0% recovery of gold and 93% of copper via flotation, with potential for 55% recovery of gold using a gravity concentrator.

### **AMDAL 20 year Operation Production IUP and Aggregate Licence**

As previously reported, the Company has received approval of its feasibility study from the Indonesian Ministry of Mines & Energy for development of a gold only operation at Wonogiri. The Company is now required to complete an AMDAL study (environmental impact study) which is underway. On acceptance of the AMDAL, the Company will be awarded a 20-year operation production IUP (with 10-year extension) for the Randu Kuning gold-copper deposit and an initial 5 year licence for the Wonogiri aggregate project that can be extended for two additional 5 year terms.

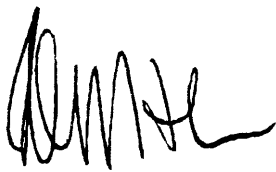
## **GORONTALO PROPERTIES (Collerina Cobalt - 80%)**

No exploration activities were completed on the Toluludu and Tapadaa IUPs during the June 2017 quarter. The Company has provided property data to third parties considering a potential joint venture.

### **CORPORATE**

At an Extraordinary General Meeting of Shareholders held on 24 April 2017, shareholders voted unanimously to approve the issue of securities under Tranche 2 of a capital raising announced in March, raising \$726,273 for the issue of 72,627,271 fully paid ordinary shares under Tranche 2. Shareholders also voted unanimously to approve the change of Company name to Collerina Cobalt Limited and the Company commenced trading under the new stock code 'CLL' during the first week of May.

Yours sincerely



**Peter J. Nightingale**

**Director**

### **Statement of Compliance**

Information that relates to Exploration Results at the Becker project was previously reported to the ASX on 24 April 2017 and is available to view on the Company's website at [www.collerinacobalt.com.au](http://www.collerinacobalt.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information or supporting documentation included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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.

## **2 Gold Equivalent Calculation for the Randu Kuning JORC 2012 Compliant Resource**

Where reported in relation to the Wonogiri mineral resource estimate, Gold Equivalent results are calculated using a gold price of US\$1,250/oz and a copper price of US\$5,500/t. Silver is excluded from the gold equivalent calculation. In calculating Gold Equivalents for the JORC 2012 resource estimate, gold and copper recoveries are assumed to be 85%. As previously reported, metallurgical testing has resulted in mean recoveries from sulphide material of over 90% for gold and 94% for copper. 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 Wonogiri project was to undergo processing.

The gold equivalent calculation used is  $AuEq = (Au\_g/t * \$40.20 * 85\% + Cu\_ppm * \$0.0055 * 85\%) / (\$40.20)$   
(i.e.: 1.0% Cu = 1.36 g/t Au).

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