# Cobalt Blue Holdings Limited: Placement and Entitlement Issue

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Sydney, Australia - Cobalt Blue Holdings Ltd. (ASX:COB) (FRA:COH) (OTCMKTS:CBBHF) is pleased to announce the successful completion of a private placement of fully paid ordinary shares in the Company (New Shares) to sophisticated and institutional investors (Placement).

Placement

The Placement will involve 6.9 million New Shares being issued at an issue price of $0.58 per New Share to raise proceeds of $4 million (before costs).

The issue price of $0.58 per share represents a 12% discount to the closing price on 2 November 2022 and a 14% discount to the 10-day VWAP up to and including 2 November 2022.

New Shares issued pursuant to the Placement will rank equally with existing ordinary shares from the date of their issue. Settlement of the Placement is scheduled for 11 November 2022 and the New Shares issued under the Placement are expected to commence trading on the ASX on 14 November 2022. The Placement shares will utilise the Company's existing ASX Listing Rule 7.1 capacity.

COB's Chair Rob Biancardi, said:

"As a result of the placement, the Cobalt Blue board welcomes two new tier 1 long-only domestic resource funds onto our register and believe it's a great endorsement of our BHCP project."

An Investor Presentation can be viewed via link at the end of this release*.

Entitlement Issue

The Company is also pleased to announce a non-renounceable rights issue entitling Eligible Shareholders to subscribe for one new share for every ten shares held on the record date of 10 November 2022 (Record Date) at an issue price of $0.58 per share, to raise up to approximately $10-12 million (before costs) (Entitlement Issue).

The Entitlement Issue is not underwritten.

The Entitlement Issue includes a shortfall facility under which Eligible Shareholders that have taken up their full entitlement under the Entitlement Issue can apply to take up additional New Shares in excess of their pro rata entitlement. Applications under the shortfall facility will only be considered to the extent there is a shortfall under the Entitlement Issue. Directors reserve the right to place any shortfall shares at their discretion within 3 months of closing date.

If the Entitlement Issue is fully subscribed for, 33,060,534 New Shares would be issued (subject to rounding) and would raise $19.2 million.

The Company intends to use the proceeds from the Offer together with existing cash resources to advance its activities through to the 2H 2023 in parallel with work on completing the Definitive Feasibility Study (DFS) on the Broken Hill Cobalt Project (BHCP). In addition to the DFS, the work will include:

(a) Initiation of Front-End Engineering Design (FEED) studies, to be executed post-delivery of DFS

(b) BHCP Demonstration Plant maintenance and retention of operations staff beyond BHCP DFS test work (likely to finish in Q1 2023) in order to retain a core of well-trained operators on staff through to commissioning of the BHCP (anticipated 2025)

(c) Cobalt in Waste Streams opportunities where current test work is expected to be expanded, potentially requiring larger scale test work at the existing Demonstration Plant

(d) Selective local commercial/industrial property purchases required to support future BHCP operations

(e) General corporate activities including partner selection and project financing investigations.

*To view the Investor Presentation, please visit:
https://www.abnnewswire.net/lnk/7SE1CV8E

About Cobalt Blue Holdings Limited:

Cobalt Blue Holdings Ltd. (ASX:COB) (FRA:COH) (OTCMKTS:CBBHF) is an exploration and project development company. Work programs advancing the Broken Hill Cobalt Project in New South Wales continue. Our ambitious goals are subject to funding availability. Cobalt is a strategic metal in strong demand for new generation batteries, particularly lithium-ion batteries now being widely used in clean energy systems.

Source:
Cobalt Blue Holdings Ltd.

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