

Kwinana Cobalt Refinery

Cobalt Blue Holdings (ASX: COB) · Greenfield · Mining & METS · Perth Greater Metro

Seeking Investment Value: \$41 million – \$70 million

Project Summary

Cobalt Blue Holdings (ASX: COB) is developing the Kwinana Cobalt Refinery (KCR), Australia's first dedicated cobalt refinery. The project is located at project partner Iwatani's Doral Fused Materials refinery in East Rockingham, Western Australia.

KCR will produce high-purity cobalt sulphate for the lithium-ion battery industry and alloy-grade cobalt metal for defence and industrial applications.

Stage 1 targets initial production of approximately 3,000 tonnes of contained cobalt per annum (~2,000 tpa as cobalt sulphate and ~1,000 tpa as cobalt alloy-grade metal). A Stage 2 expansion to ~6,000 tpa is dependent on offtake demand and feedstock opportunities.

KCR's updated base case (Stage 1) financial metrics include an NPV8 (post tax) of A\$155m and IRR of 32%. The project will employ approximately 50 staff in Western Australia.

Project Description

Cobalt Blue Holdings Limited is a minerals processing and mining company focused on developing midstream processing capabilities in Australia to diversify supply chains with allied nations.

The Kwinana Cobalt Refinery is Cobalt Blue's near-term development priority. Located at Iwatani Australia's Doral Fused Materials site in East Rockingham, the refinery will convert imported cobalt hydroxide feedstock into battery-grade cobalt sulphate and high-purity alloy-grade cobalt metal.

In May 2025, COB executed a binding feedstock supply agreement with Glencore, securing cobalt hydroxide sourced from Glencore's DRC operations — covering up to 50% of the refinery's feedstock requirements over an initial three-year period. The refinery is designed with flexibility to process additional feedstock types, including battery black mass from recycled lithium-ion batteries, which COB is currently evaluating as a long-term supplementary source.

2025 Milestones Achieved

- Works Approval permit secured from the West Australian Government
- Binding feedstock agreement executed with Glencore
- Cobalt sulphate and cobalt metal produced to prospective customer specifications

Remaining Steps to Final Investment Decision (FID)

- Finalise binding offtake agreements
- Assemble project funding package

Market Context

Global cobalt markets underwent a structural shift in 2025. The DRC — the world’s largest cobalt producer — introduced a temporary export ban in February 2025, followed by a quota system in September that limits approved export volumes to less than half of 2024 production levels. This has driven cobalt product prices up 90%–315% across key grades, creating a materially improved environment for cobalt refining.

With 82% of global cobalt refining controlled by Foreign Entities of Concern (primarily China), KCR represents a strategically significant addition to allied-nation supply capacity.

Project Highlights — Updated Financial Metrics (November 2025)

Base case, Stage 1, 100% owned basis

Metric	November 2025
Estimated capital costs	A\$60m <i>(inclusive of contingencies)</i>
NPV8 (post tax)	A\$155m <i>(previously A\$90m)</i>
IRR (post tax)	32% <i>(previously 23%)</i>
Total operating cash flow	A\$503m
Total EBITDA	A\$658m
Capital payback period	3.8 years <i>(previously 5.2 years)</i>
Long-term cobalt price assumption	US\$23.00/lb <i>AUD:USD 0.67</i>

Company Background

Cobalt Blue Holdings Limited (ASX: COB) is a minerals processing and mining company with four key assets:

- **Kwinana Cobalt Refinery (KCR):** Australia's first dedicated cobalt refinery to produce high-purity cobalt sulphate for the lithium-ion industry and alloy-grade cobalt metal for defence and industry. Near-term development of KCR de-risks domestic mining projects by providing a refining facility capable of treating a variety of feedstocks.
- **Broken Hill Cobalt Project (BHCP):** One of the world's largest undeveloped cobalt resources, and holder of Commonwealth Major Project Status (recently extended for three years).
- **Broken Hill Technology Centre (BHTC):** Purpose-built facility in which COB has invested over A\$15m to test and validate its complete processing flowsheet — from mining through to production of cobalt sulphate, cobalt metal and elemental sulphur.
- **Halls Creek Project:** Optionality for diversified commodity exposure via a low-cost copper-zinc-silver project with near-term exploration planned to test resource growth uplift.