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European Cobalt Ltd

ACN 144 079 667

AMENDMENT TO 2020 NOTICE OF ANNUAL GENERAL MEETING

European Cobalt Ltd (ASX: EUC) (the **'Company**') issues the attached amendment to its 2020 Notice of Annual General Meeting.

The amendment adds two new items of business to the agenda for the Company's 2020 Annual General Meeting to be held on Monday 30 November 2020 at 1.30pm (AWST) at the offices of the Company at Suite 23, 513 Hay Street, Subiaco, Western Australia.

The new items of business seek shareholder approval of the issue of two tranches of options to Mr Dale Ginn in connection with his appointment as Managing Director of the Company.

The attached amendment to the 2020 Notice of Annual General Meeting should be read together with the 2020 Notice of Annual General Meeting. The rest of the 2020 Notice of Annual General Meeting remains unchanged.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary, Oonagh Malone, by telephone on +61 8 6143 6740.

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European Cobalt Ltd

ACN 144 079 667

AMENDMENT TO 2020 NOTICE OF ANNUAL GENERAL MEETING

This document is an amendment to (and is to be read together with and forms part of) the 2020 Notice of Annual General Meeting of European Cobalt Ltd (the 'Company') to be held on Monday 30 November 2020 at 1.30pm (AWST) at the offices of the Company at Suite 23, 513 Hay Street, Subiaco, Western Australia.

ADDITIONAL AGENDA ITEM

13. Resolution 10 – Issue of Tranche A Options to Mr Dale Ginn, Managing Director of European Cobalt Ltd

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 25,000,000 Tranche A Options to Mr Dale Ginn (or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Dale Ginn and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities) or as associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or

(b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

  (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

  (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

(a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or

(b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

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14. Resolution 11 – Issue of Tranche B Options to Mr Dale Ginn, Managing Director of European Cobalt Ltd

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 25,000,000 Tranche B Options to Mr Dale Ginn (or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Dale Ginn (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities) or as associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or

(b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

  (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and

  (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

(a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or

(b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

BY ORDER OF THE BOARD

Oonagh Malone

Oonagh Malone
Company Secretary

Dated: 18 November 2020

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13. Resolution 10 and Resolution 11 – Issue of Tranche A Option and Tranche B Options (together, the 'Options') to Mr Dale Ginn, Managing Director of European Cobalt Ltd

13.1 General

In accordance with Listing Rule 10.11, Shareholder approval is required for the issue of the Options to a related party. Mr Dale Ginn is a related party of the Company as he is the Company's Managing Director.

The Company is proposing to issue 25,000,0000 of Tranche A Options and 25,000,000 of Tranche B Options to Mr Dale Ginn (and/or his nominee).

Resolution 10 and Resolution 11 are each an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 10 and Resolution 11.

13.2 Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

Mr Dale Ginn who is the Managing Director of the Company is a related party of the Company.

The Board has formed the view that shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of the Options as the exception in section 211 of the Corporations Act applies. The Options are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act.

13.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

10.11.1 a related party;

10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;

10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains shareholder approval.

The issue of the Options to Mr Dale Ginn (and/or his nominee) falls within Listing Rule 10.11.1, as Mr Dale Ginn is a related party to the Company, and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

Resolution 10 seeks the required shareholder approval to issue 25,000,000 Tranche A Options to Mr Dale Ginn (and/or his nominee) under and for the purposes of Listing Rule 10.11.

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If Resolution 10 is passed, the Company will be able to proceed with the issue of Tranche A Options to Mr Dale Ginn (and/or his nominee) and pursuant to Listing Rule 7.2, exception 14, the Company may issue the Tranche A Options without using up the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of 25,000,000 Tranche A Options to Mr Dale Ginn (and/or his nominee), and the Company will consider other alternatives for remunerating Mr Ginn.

Resolution 11 seeks the required shareholder approval to issue 25,000,000 Tranche B Options to Mr Dale Ginn (and/or his nominee) under and for the purposes of Listing Rule 10.11.

If Resolution 11 is passed, the Company will be able to proceed with the issue of Tranche B Options to Mr Dale Ginn (and/or his nominee) and pursuant to Listing Rule 7.2, exception 14, the Company may issue the Tranche B Options without using up the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 11 is not passed, the Company will not be able to proceed with the issue of 25,000,000 Tranche B Options to Mr Dale Ginn (and/or his nominee), and the Company will consider other alternatives for remunerating Mr Ginn.

13.4 Specific information required by Listing Rule 10.13

Information must be provided to Shareholders for the purposes of obtaining shareholder approval as follows:

(a) The Options will be issued to Mr Dale Ginn (and/or his nominee).

(b) Mr Dale Ginn falls within Listing Rule 10.11.1 – Mr Dale Ginn is a related party of the Company as he is Managing Director of the Company.

(c) The maximum number of Tranche A Options to be issued to Mr Dale Ginn (and/or his nominee) is 25,000,000.

(d) The maximum number of Tranche B Options to be issued to Mr Dale Ginn (and/or his nominee) is 25,000,000.

(e) A summary of the material terms of the Options is contained within Schedule 2 of this document.

(f) The Options will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).

(g) The Tranche A Options are exercisable at $0.10 each.

(h) The Tranche B Options are exercisable at $0.15 each.

(i) The purpose of the issue of the Options is to incentivise and remunerate Mr Dale Ginn. No funds will be raised by the issue of the Options as they are being issued for nil consideration.

(j) The remuneration of Mr Dale Ginn for being the Managing Director of the Company currently consists of:

   (i) Fixed remuneration of $220,000 per annum (exclusive of statutory superannuation); and

   (ii) Incentives, being the issue of the Options.

(k) The Company has received advice on the value of the Options and determined on the basis of the assumptions below, the technical value of one Option as follows:

Option	Number of Options	Value Per Security	Total Value
Tranche A Option	25,000,000	$0.02675	$668,750
Tranche B Option	25,000,000	$0.02369	$592,250

This valuation imputes a total value of $1,261,000 to the Options. The value may go up or down after the date of valuation as it will depend on the future price of a

Share. The Black Scholes Pricing Model has been used to value the Options, with the following assumptions:

(i) the risk free rate of 0.11% is the Reserve Bank of Australia's three year bond rate;

(ii) the underlying security spot price of $0.045 used for the purposes of this valuation is based on the share price of the Company as at close of trading on 10 November 2020;

(iii) the estimated volatility used in the option valuation is 124%;

(iv) for the purposes of the valuation, no future dividend payments have been forecast; and

(v) for the purposes of the valuation it is assumed that the Options will be issued on date of the valuation, 10 November 2020, and the Options will have a life of 3 years from the commencement date.

(l) The Options are issued pursuant to Mr Dale Ginn's employment agreement, the material terms of which are summarised at in Schedule 3 to this document.

(m) A voting exclusion statement is included in the Notice for Resolution 10 and Resolution 11.

(n) Other than the information above and otherwise set out in this document, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolution 10 and Resolution 11.

13.5 Director Recommendation

The Directors (other than Mr Dale Ginn) recommend that Shareholders vote in favour of this Resolution.

Schedule 1 - Definitions

Words and phrases used in this Amendment to the 2020 Notice of Annual General Meeting including this Explanatory Memorandum have the same meaning given to them in the 2020 Notice of Annual General Meeting unless expressly stated otherwise.

2020 Notice of Annual General Meeting means the notice of the Annual General Meeting for European Cobalt Ltd released to the ASX on 27 October 2020 and includes the agenda, explanatory memorandum and the proxy form contained in such 2020 Notice of Annual General Meeting.

Options means the combined issue of Tranche A Options and Tranche B Options.

Tranche A Options means 25,000,000 options exercisable at $0.10 each and expiring three years from the date of issue.

Tranche B Options means 25,000,000 options exercisable at $0.15 each and expiring three years from the date of issue.

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Schedule 2 – Summary of terms of Tranche A and Tranche B Options

The terms of the Options are as follows:

1. (**Entitlement**): Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

2. (**Issue Price**): No cash consideration is payable for the issue of the Options.

3. (**Exercise Price**): The Options have an exercise price as follows:

Option	Number of Options	Exercise Price
Tranche A	25,000,000	$0.10
Tranche B	25,000,000	$0.15

(**Exercise Price**).

4. (**Expiry Date**): The Options expire at 5.00 pm (WST) on the date that is 3 years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

5. (**Exercise Period**): The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

6. (**Quotation of the Options**): The Company will not apply for quotation of the Options on ASX.

7. (**Transferability of the Options**): The Options are not transferable, except with the prior written approval of the Company.

8. (**Notice of Exercise**): The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and, subject to clause 9, payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

   Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

9. (**Cashless Exercise Facility**):

   If a holder elects to use the Cashless Exercise Facility, the holder will only be entitled to that number of Shares (rounded down to the nearest whole number) as are equal in value to the difference between the exercise price otherwise payable for the Options and the market value of the Shares at the time of exercise. The market value will be based on the 5-day VWAP of the Company's Shares prior to the notice of exercise being given by the holder, unless otherwise determined by the Board at its sole discretion.

   Expressed as formula, the number of Shares that a holder is entitled to when using the Cashless Exercise Facility will be determined in the following manner:

Shares received = A x Number of Options Exercised

Where:

$$A = \frac{B - \text{Exercise price per Option}}{B}$$

B = VWAP of Shares on the ASX over the 5 trading days prior to notice of exercise, unless otherwise determined by the Board.

10. (**Timing of issue of Shares on exercise**): Within 5 Business Days after the Exercise Date the Company will:

    (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

    (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

    (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

11. (**Restrictions on transfer of Shares**): If the Company is required but unable to give ASX a notice under paragraph 9(b) above, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

12. (**Shares issued on exercise**): Shares issued on exercise of the Options will rank equally with the then Shares of the Company.

13. (**Quotation of Shares on exercise**): If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.

14. (**Reconstruction of capital**): If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

15. (**Participation in new issues**): There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

16. (**Adjustment for bonus issues of Shares**): If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

    (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

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Schedule 3 – Summary of material terms of Mr Dale Ginn's employment agreement

1. Appointment and Commencement Date

Mr Ginn has been appointed to the position of Managing Director effective immediately.

2. Term

The appointment is for a 2 year fixed term, with an option to extend the term by mutual agreement.

3. Fixed Renumeration

$220,000 per annum (exclusive of statutory superannuation)

4. Incentives

50,000,000 options to be issued in two tranches as follows:

(a) 25,000,000 options exercisable at $0.10 each and expiring three years from the date of issue

(b) 25,000,000 options exercisable at $0.15 each and expiring three years from the date of issue

The issue of these options is subject to shareholder approval which will be sought at the Company's Annual General Meeting.

5. Termination and Notice

The Company or the Managing Director may terminate the agreement by providing 6 months or 3 months' notice respectively. The Company may elect to make payment in lieu of the notice period.

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Replacement Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

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SAMPLE

Your proxy voting instruction must be received by **1.30pm (WST) on Saturday 28 November 2020,** being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted as outlined in Step 1 – How to Vote in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automic.com.au.

Lodging your Proxy Voting Form:

Online:
Use your computer or smartphone to appoint a proxy at https://investor.automic.com.au/#/loginsah or scan the QR code below using your smartphone
Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.

BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:
meetings@automicgroup.com.au

BY FACSIMILE:
+61 2 8583 3040

All enquiries to Automic:
WEBCHAT: https://automicgroup.com.au/

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:
I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of European Cobalt Limited, to be held at **1.30pm (WST) on Monday 30 November 2020 at Suite 23, 513 Hay Street, Subiaco WA 6008** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS
Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 8, 10 & 11 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 8, 10 & 11 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

STEP 2 – Your voting direction

Resolutions	For	Against	Abstain
1. Remuneration Report			
2. Re-election of Tolga Kumova as Director			
3. Election of Dale Ginn as Director			
4. Ratification of Edleston Shares			
5. Ratification of Edleston Extension Shares			
6. Approval for 10% Placement Facility			
7. Change of Company Name			
8. European Cobalt Employee Securities Incentive Plan			
9. Replacement of Constitution			
10. Issue of Tranche A Options to Mr Dale Ginn, Managing Director of European Cobalt Ltd			
11. Issue of Tranche B Options to Mr Dale Ginn, Managing Director of European Cobalt Ltd			

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY) / /

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

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