Cobalt Blue Holdings Limited: Commences Underground Development to Support Demonstration Plant

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Sydney, Australia - Unlike the traditional cobalt mining model, Cobalt Blue Holdings Ltd. (ASX:COB) (FRA:COH) (OTCMKTS:CBBHF) is an integrated refinery model capable of delivering first an intermediate Mixed Hydroxide product (MHP), which subsequently can be further refined into battery grade cobalt sulphate.

KEY POINTS

o Successful site establishment and first blast completed at Pyrite Hill.

o Demonstration Plant construction and commissioning underway, target for first ore processing is late April.

Cobalt Blue's Chief Executive Officer, Joe Kaderavek said:

"Demonstration Plant activities are coming together nicely with mining underway and processing equipment being received. Last year, our successful Pilot Plant opened the door to new partners. These large-scale Demonstration Plant cobalt samples are a game changer for COB, providing operating proof for project equity/debt funders and simultaneously providing high quality production scale samples for commercial partners. Well done to the COB team."

Bulk Sample for Demonstration Plant

3,500-4,000 tonnes of ore will be mined from Pyrite Hill to support 20 weeks of continuous operation of the Demonstration Plant. Two underground development drives will provide access laterally to the cobalt-pyrite mineral resource and allow representative samples to be obtained. This is important to ensure that unbiased engineering data is generated from the Demonstration Plant for the BHCP Feasibility Study.

Site establishment works have been completed and excavation of the box cut is well advanced with installation of the decline portal to commence shortly. The decline will extend approximately 80 metres, and intersect with the ore body approximately 40 metres below surface.

Recent blast and excavation activities are shown in Figure 1* and 2*.

Demonstration Plant

The Demonstration Plant is comprised of two activities. Firstly, mined ore will be crushed, milled and treated to produce a cobalt-pyrite concentrate at the mine site. Secondly, the concentrate will then be trucked to the processing plant in Broken Hill for extraction and recovery of cobalt as mixed hydroxide precipitate and/or cobalt sulphate.

Milling and concentrator equipment is being commissioned in Broken Hill, ahead of relocating these to the mine site (Figure 3*). First ore processing (concentration) is on target for late April.

Upgrades and modification to the 2021 Pilot Plant are well advanced. The throughput of the leach plant has been upgraded from 40 kg/hr to 125 kg/hr. Key major equipment items are arriving at site - larger leach vessels, oxygen and nitrogen plants, and kiln and sulphur recovery equipment. These will be installed across March-April, with the plant ready to then process concentrate from the mine site in early May.

Trials and commissioning of individual processing circuits are ongoing. Recent work has focused on optimisation of the solvent extraction separation of cobalt (Figure 4*), as part of the refining of refining MHP into high purity cobalt sulphate (Figure 5*).

Market Strategy

Our strategy is focused upon maximising payable cobalt whilst participating in the strong growth of the lithium-ion battery market.

The COB process-block flowsheet is shown below*.

*To view tables and figures, please visit:
https://abnnewswire.net/lnk/83TH4060

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.

Contact:

Joe Kaderavek Chief Executive Officer info@cobaltblueholdings.com P: (02) 8287 0660