

20 February 2017

ASX Compliance Pty Limited  
Level 40, Central Park  
152-158 St Georges Terrace  
PERTH WA 6000

**Attention: Mr Sebastian Bednarczyk**

**By Email: [Sebastian.Bednarczyk@asx.com.au](mailto:Sebastian.Bednarczyk@asx.com.au) and  
[tradinghaltspert@asx.com.au](mailto:tradinghaltspert@asx.com.au)**

Dear Mr Bednarczyk,

**CONICO LTD (“the Company”) – ASX PRICE QUERY**

We refer to your letter of 20 February 2017, and in relation to the questions raised by you concerning recent change in the price of the Company’s securities, we comment as follows:-

1. *Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?*  
No.
2. *If the answer to Question 1 is “Yes”:*  
Not applicable.
3. *If the answer to question 1 is “no”, is there any other explanation that the Company may have for the recent trading in its securities?*
  - Conico Ltd (ASX: **CNJ**) has a 50% interest in developing the Mt Thirsty cobalt-nickel oxide deposit 20km NW of Norseman in southern Western Australia. The Company has historically believed and stated publicly that it sees the Mt Thirsty deposit as having the potential to be a significant cobalt producer.
  - 50% JV partner Barra Resources Ltd (ASX: **BAR**) currently has a market capitalisation of approximately A\$50 million based on a share price of 12 cents. This compares to a market capitalisation of approximately A\$21 million for CNJ based on a 7.3 cent share price.
  - The Cobalt price has appreciated significantly in the last 12 months from just under US\$22,000 to US\$44,000 per metric tonne (cash buyer).

**Cobalt Price**  
43.50 x1000USD/t  
16 Feb '17



- The Company notes increasing equities market attention this year around cobalt related companies, generated from higher investor awareness now that cobalt is a key ingredient along with lithium in the new and much touted lithium ion battery sector globally.
  - The Company notes also a number of specific recent media articles promoting cobalt's upside, as well as a number of corporate transactions involving cobalt specific listed entities and their projects.
4. *Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.*

The Company confirms it is in compliance with the Listing Rules, including Listing Rule 3.1.

Yours faithfully

**Aaron Gates**  
Company Secretary