



QUARTERLY ACTIVITIES REPORT

QUARTER ENDED 30 SEPTEMBER 2021

HIGHLIGHTS

- **Botswana:**
 - The maiden joint venture drilling program continued in the Kalahari Copper Belt, Botswana with 1,701m of RC drilling and 397m of diamond core drilling at the Kitlanya East Project following on from 1,731m of stratigraphic diamond drilling completed in 2020;
 - Initial diamond drill results confirm the existence of D'Kar Formation in the fold structures mapped in the airborne electromagnetic modelling;
 - Drilling of folded conductors modelled from airborne electromagnetic survey has proven to be an effective targeting tool with several holes intersecting potential trap-sites in the prospective lower portions of the D'Kar Formation stratigraphy; and
 - Several holes have demonstrated the existence of an active mineralised hydrothermal system, intersecting significant hydrothermal pyrite-pyrrhotite sulphide mineralisation along with trace base metal sulphides, alteration and abundant quartz-carbonate veining.
- **Perrinvale:**
 - A total of 7,852 soil and 4,708 rock chip samples have been collected across the Project; and
 - Drill targets are being assessed together with priority areas for follow up work are being recognised and follow up field work is commencing.
- **Gabon:**
 - Armada Metals Limited is well advanced in pursuit of its planned ASX listing; and
 - Subsequent to the end of the quarter, Cobre was issued 10M Armada shares and an option to acquire an additional 3.3M Armada shares at an exercise price of \$0.334 each from completion of the IPO.
- **Corporate:**
 - Cobre invested A\$1.0m into ASX listed Metal Tiger plc;
 - Release of the Company's Annual Report, Corporate Governance Statement and Appendix 4G; and
 - Annual General Meeting scheduled for 30 November 2021.

Cobre Limited
(ASX: CBE)

Level 7
151 Macquarie Street
Sydney NSW 2000

+61 2 9048 8856
www.cobre.com.au

ACN 626 241 067

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ASX: CBE

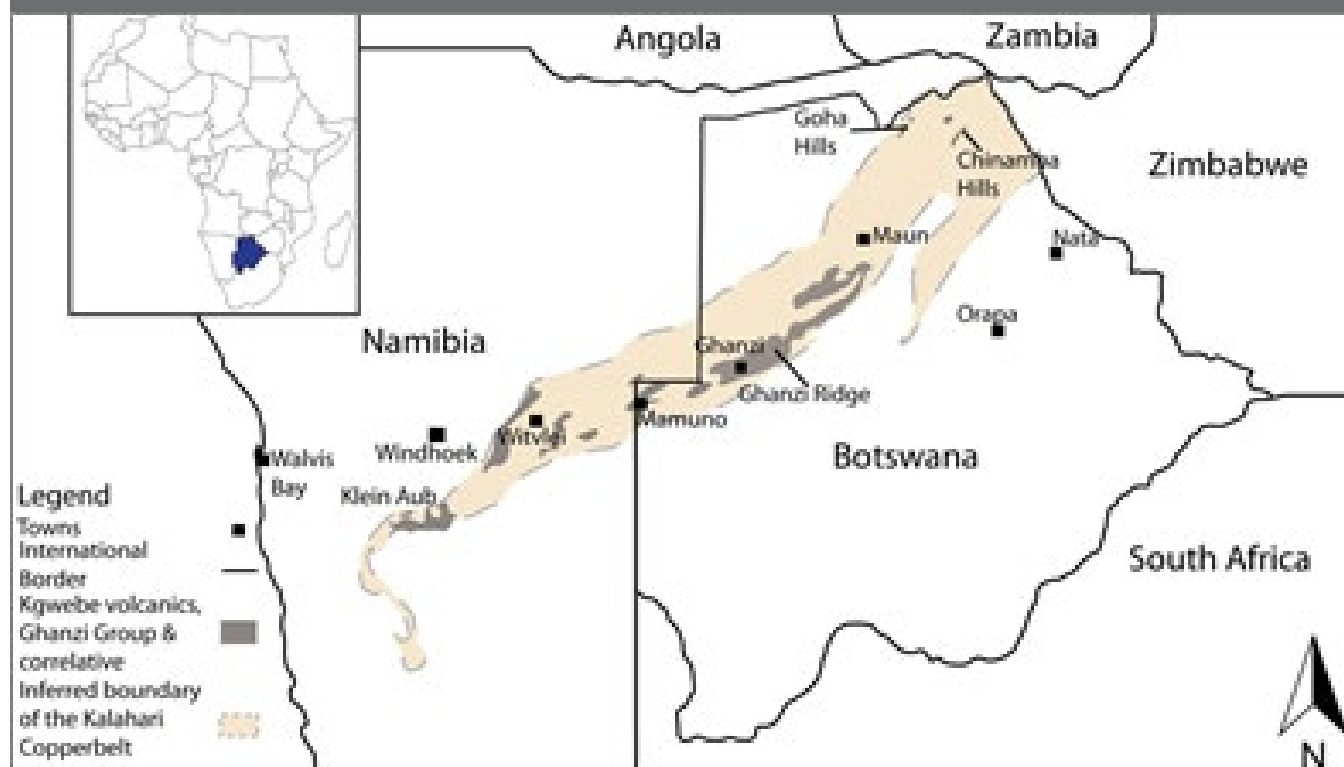
Cobre Limited (**Cobre**, **CBE** or **Company**) is pleased to provide the following update on its activities for the quarter ended 30 September 2021, during which the Company continued to focus on its diverse project portfolio in Australia, its investments in Botswana and Gabon and its corporate strategy.

1 Botswana – Drilling Continues on the 8,100 km² of the Kalahari Copper Belt held by Kalahari Metals Limited

As previously announced, on 24 August 2020, Cobre signed a Binding Heads of Agreement for the proposed scrip-based acquisition of 51% of the equity of Kalahari Metals Limited (**KML**). KML is a private UK company which controls approximately 8,100 km² of tenements within the Kalahari Copper Belt (**KCB**) in Botswana (with 6,650 km² owned 100%, and 1,450 km² through Joint Venture arrangements). Cobre currently holds a 49.9% ownership in KML and will move to 51% ownership once it receives change of control approval from the Ministry of Mines of Botswana which is still pending.

The KCB is regarded as one of the most prospective areas globally for copper exploration by the US Geological Survey, with a number of copper-silver deposits currently under development by ASX listed Sandfire Resources Limited (ASX: **SFR**, **Sandfire**) and also Cupric Canyon Capital (**Cupric Canyon**).

Figure 1: Locality of the Kalahari Copper Belt



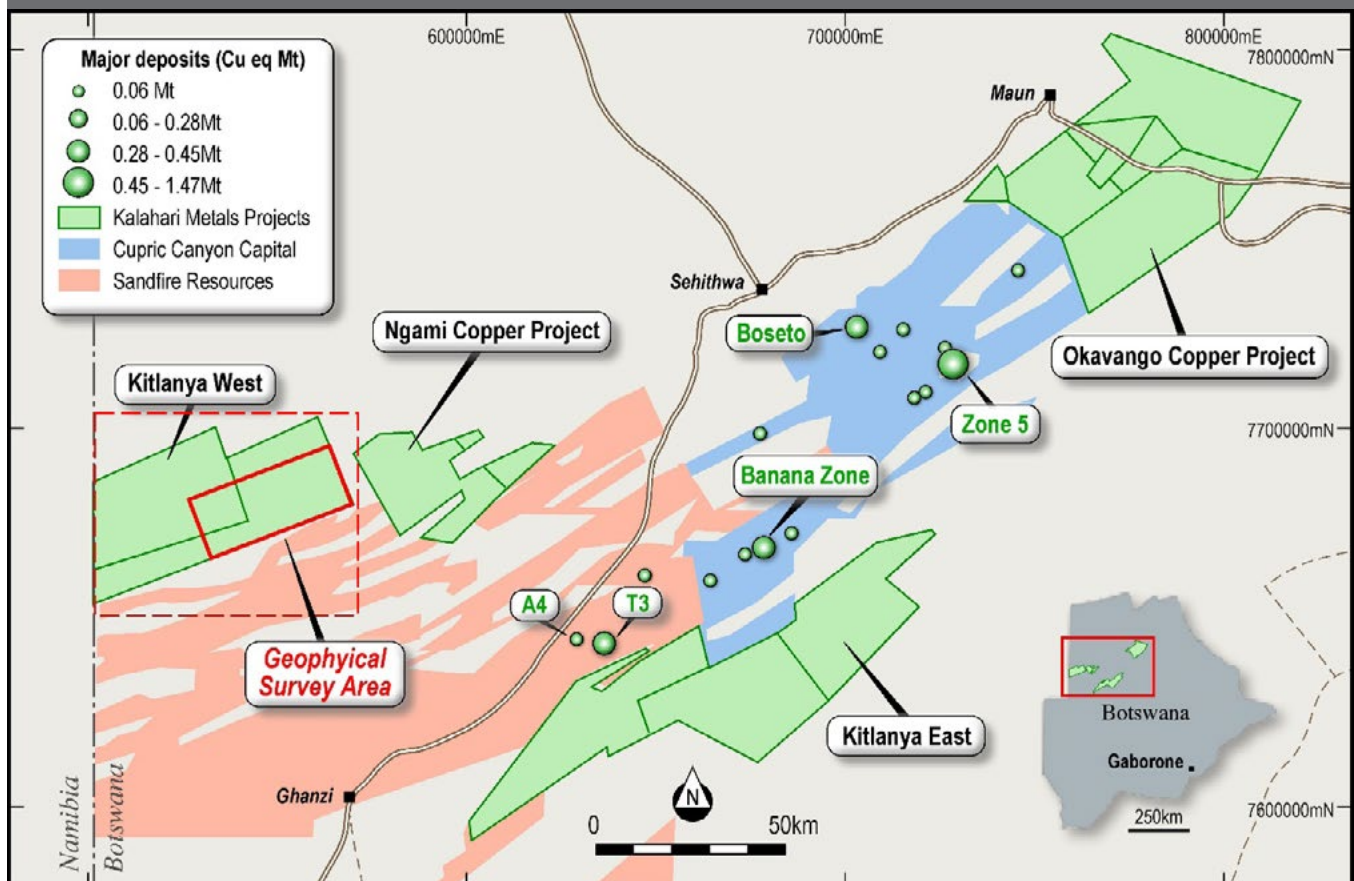
During the quarter, on 14 July 2021, the Company released an update on activities at KML's Kitlanya West prospect which contained a number of highlights as follows:

- "...Airborne gravity has mapped out an ENE trending gravity low, likely related to the development of a deeper sub-basin in the lower Kalahari Copper Belt (**KCB**) basin, the margins of which would be considered prospective sites for Cu-Ag mineralisation;
- High-resolution magnetic data clearly map out fold targets in the DKF correlating with, and adding further support for, existing AEM targets;
- Interpretation of magnetic data further suggests that much of the previously interpreted NPF is covered with thin DKF – this would open the possibility for shallow, relatively flat lying mineralisation along the redox contact between these formations;
- The updated interpretation is further supported by regional soil sampling traverses with both Cu and Zn anomalies correlating with the position of the interpreted redox contact between the DKF and NPF; and
- Initial results from diamond drilling confirm the existence of DKF in the fold structures mapped in the AEM modelling.

Interpretation of new geophysical data along with existing soil sampling and ongoing diamond drilling, has further prioritised areas with a high potential for deposition of Cu-Ag mineralisation. The variety of deposition styles, trap sites, scale and distribution of mineralisation within the KIT-W license area, and existence of prospective sub-basins, enhances the potential for the project to deliver new Cu-Ag discoveries in the emerging KCB..."

In the same announcement, in relation to Kitlanya East, it was stated, in part, that "...a total of 1,742m of combined Reverse Circulation (**RC**) (839m) and diamond (903m) drilling has now been completed. An additional diamond rig is scheduled to mobilise onto this programme to help improve production rates this week. Provisional results from this programme will be reported in a forthcoming announcement..."

Figure 2: Locality map illustrating the position of the area of interest and recently completed airborne geophysical survey boundary discussed in the announcement of 14 July 2021, NW Botswana.



The announcement of 14 July 2021 also included results from the airborne survey and interpretation of data which were summarised as follows (refer **Figures 4 and 5**):

- "...Airborne gravity data map out a prominent 4 mGal, 30 x 7 km, ENE trending gravity low which is likely related to a deeper sub-basin (see model results in Figure 2);
- The margins of the sub-basin would provide priority sites for deposit formation and can be further prioritised when cross referenced with magnetic, AEM and soil geochemical datasets;
- Compelling targets analogous to Sandfire Resources' T3 and A4 deposits are identified as several tight folds in the DKF, clearly mapped in the magnetic data, and correlated with historical AEM conductors;
- The priority folded conductor, currently being drill tested, also coincides with the interpreted sub-basin margin; and
- Interestingly, in the central portion of the survey area, potential exists for thin DKF cover on NPF anticlines which is evidenced by slightly elevated susceptibility units with different textural character to the NPF..."

Subsequent to the end of the quarter, on 13 October 2021 (and updated on 21 October 2021), Cobre released an update in relation to the recently completed RC and diamond drilling at the Endurance Prospect at Kitlanya East (**KIT-E**). Cobre stated in the announcement that as part of an extensive drill programme on the KIT-E Project, a total of 1,701 m of RC drilling and 397 m of diamond core drilling were recently completed which have been combined with stratigraphic diamond drilling (1,731 m) completed in 2020 to generate a set of compelling targets for follow-up work.

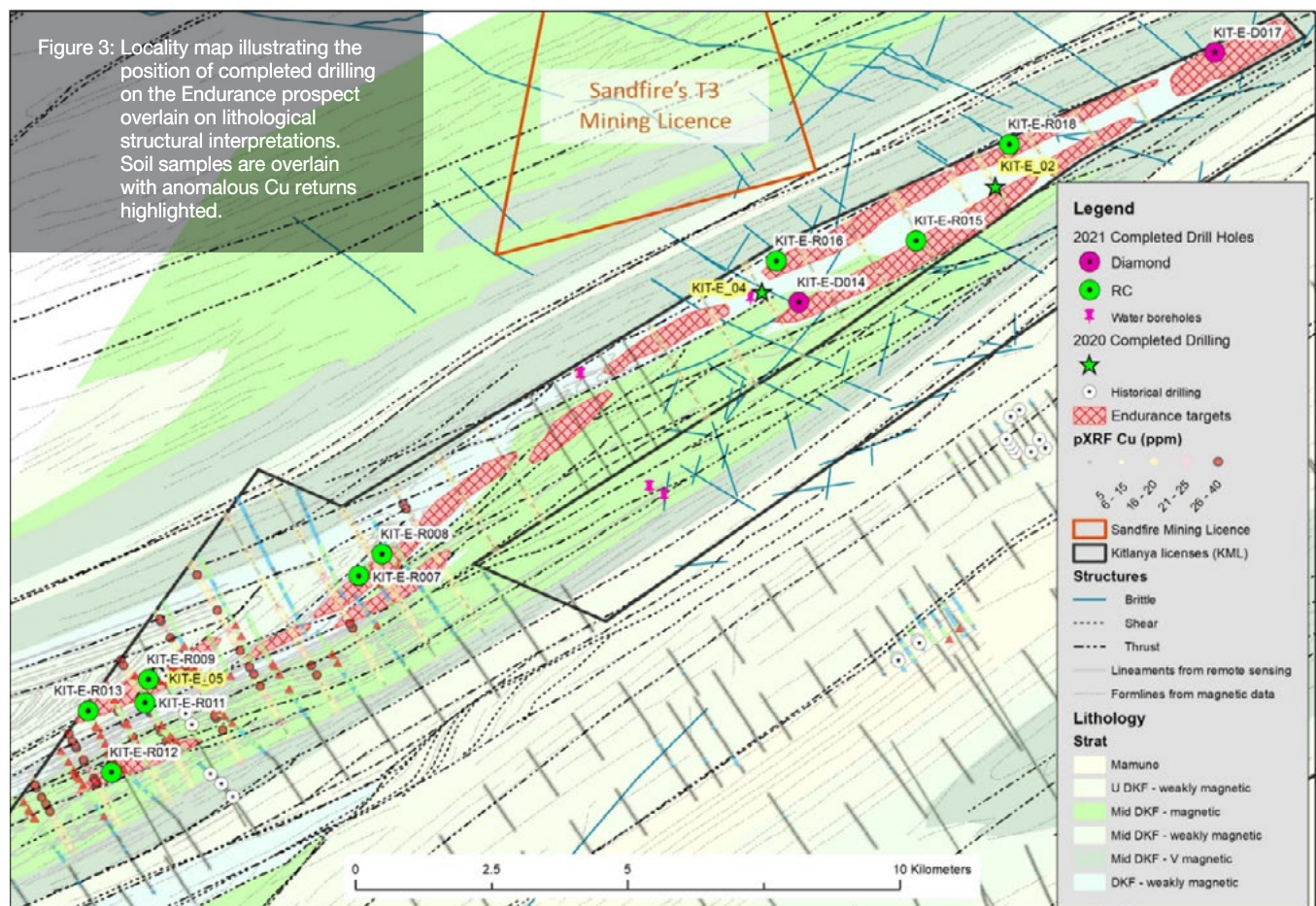


Figure 4: Colour contour image of the residual Bouguer Anomaly with model section line illustrated. Model results, schematic section of the original sub-basin and priority sites for mineralisation illustrated.

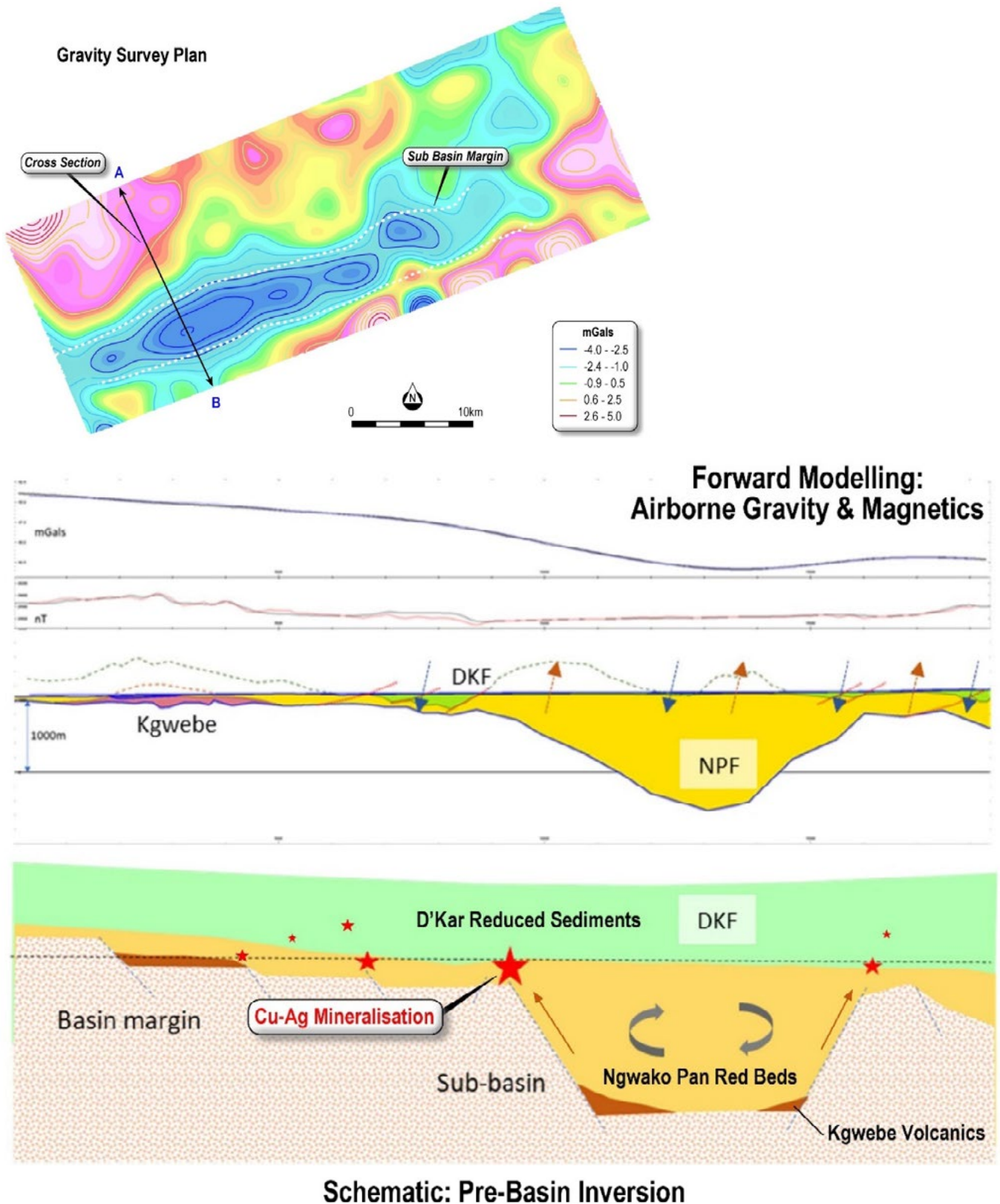
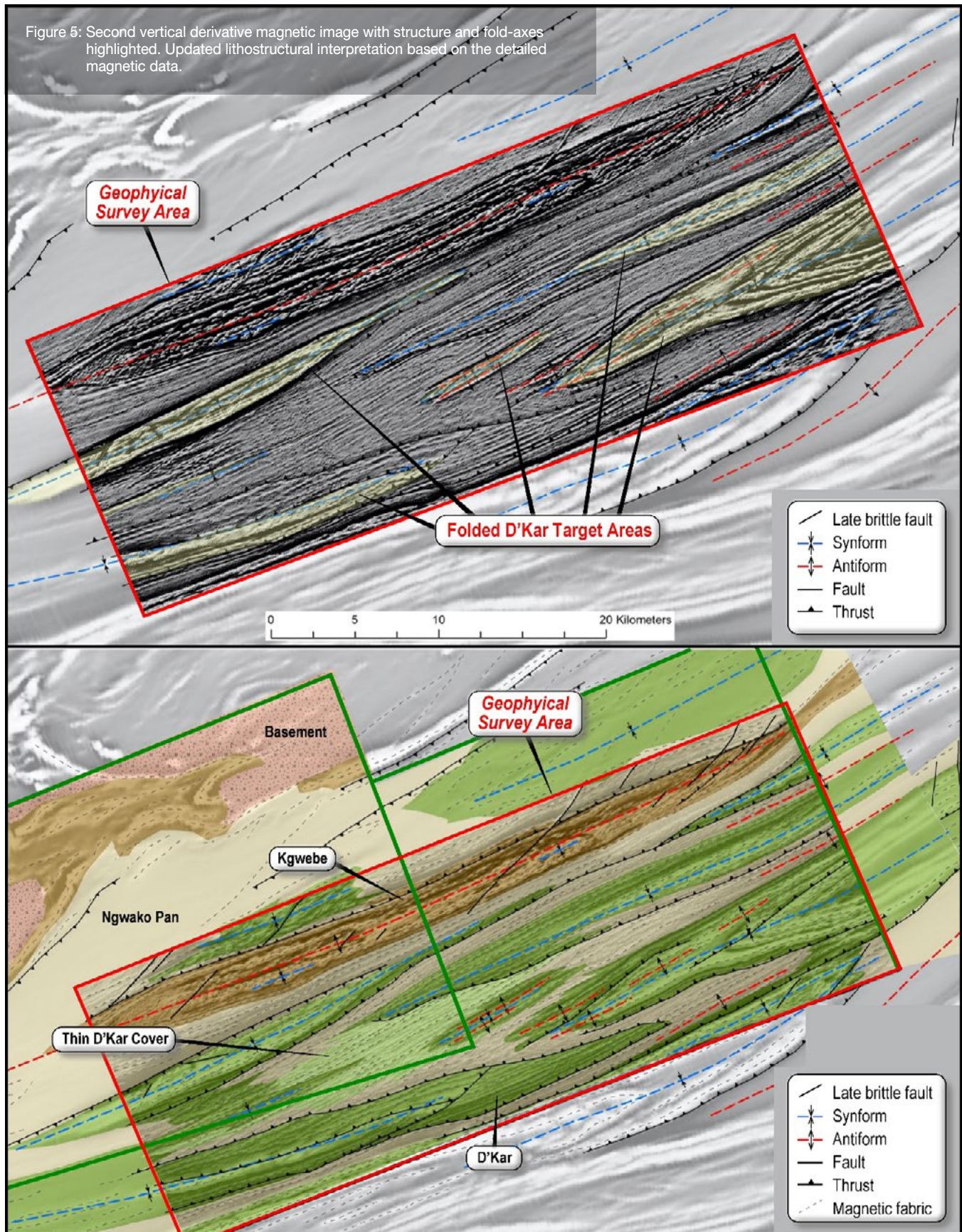


Figure 5: Second vertical derivative magnetic image with structure and fold-axes highlighted. Updated lithostructural interpretation based on the detailed magnetic data.



A summary of results for the 2021 drilling in the KCB is presented in Table 1 and summarised below.

- Drilling of folded conductors modelled from AEM results has proven to be an effective targeting tool with several holes intersecting potential trap-sites in the prospective lower portions of the D'Kar Formation stratigraphy.
- Drilling of folded targets from magnetic data and / or remote sensing has typically intersected Mid D'Kar stratigraphy.
- Pyrite /and pyrrhotite content typically increases in the lower stratigraphy with several drill holes returning up to 5% overall sulphides. The high sulphide content is considered favourable for trap-sites.
- Alteration and abundant quartz-carbonate veining intersected in several holes demonstrates the existence of an active hydrothermal system.
- Trace intersections of base metal sulphides (in the current programme and previous stratigraphic drilling programme) in combination with anomalous soil results highlight the potential for deposit formation.

Table 1 | This table graphically represents indications of the prospectivity of the area drilled. Each hole is ranked based on the geological criteria listed in the table header. Reading across the rows, more dark colour cells indicates a combination of more positive indicators in the hole, suggesting the area drilled warrants follow up.

Hole ID	Lithology	Stratigraphy	Susceptibility		Sulphides	Vein abundance	Alteration
			Mean (Sx10 ⁻³)	Std Dev (Sx10 ⁻³)			
KIT-E-D014	Sandstone dominant with subordinate siltstones	(Lower) Mid-D'Kar	0.04	0.07	Significant pyrite	Significant qtz-carbonate veining	Moderate to intense carbonate and hematite alteration, minor chlorite
KIT-E-D017	Alternating sandstones and siltstones well developed CAR units	Low-D'Kar	0.1	0.07	Significant pyrite & abundant pyrrhotite	Minor qtz-carbonate veining	Moderate carbonate and hematite alteration
KIT-E-R007	Sandstone dominant with subordinate siltstones and minor CAR units	Mid-D'Kar	1.13	0.79	Disseminated pyrite on foliations and fractures	Minor qtz-carbonate veining	Extensive carbonate alteration, hematite alteration associated with zones of oxidation and fractures
KIT-E-R008	Sandstone dominant with subordinate siltstones and CAR units	Mid-D'Kar	1.11	0.84	Abundant pyrite increasing downhole	Minor qtz-carbonate veining	Moderate carbonate alteration, hematite alteration predominantly associated with zones of fracturing
KIT-E-R009	Alternating sandstones and siltstones with CAR units	(Upper) Low-D'Kar	0.66	0.67	Abundant pyrite possibly decreasing down hole	Significant qtz-carbonate veining	Moderate carbonate alteration and moderate hematite alteration associated with fractures
KIT-E-R011	Alternating sandstones and siltstones	Mid D'Kar	1.09	1.49	Pyrite on foliations and fractures	Minor qtz-carbonate veining	Moderate carbonate and hematitic alteration

KIT-E-R012	Sandstone dominant with subordinate siltstones and minor CAR units	(Upper) Mid-D'Kar	1.9	1.66	Trace pyrite	Zones of significant veining	Low to moderate carbonate and hematite alteration, minor chlorite
KIT-E-R013	Alternating sandstones and siltstones with well-developed CAR units, distinct grain sized variability.	Low-D'Kar	0.58	0.48	Abundant pyrite and pyrrhotite	Significant qzrtz-carbonate veining	Moderate carbonate alteration, hematite alteration of sulphides, minor chlorite and sericite
KIT-E-R015	Sandstone dominant with subordinate siltstones and well-developed CAR units	(Lower) Mid-D'Kar	1.74	1.59	Abundant pyrite and pyrrhotite, trace sphalerite	Zones of significant veining	Moderate carbonate alteration, extensive hematite alteration in fracture zones
KIT-E-R016	Alternating sandstone and siltstones with subordinate CAR units	(Lower) Mid-D'Kar	1.46	1.88	Abundant pyrite and pyrrhotite, trace galena	Zones of significant veining	Low to moderate carbonate and hematite alteration, minor chlorite and sericite
KIT-E-R018	Alternating siltstones and sandstones with well-developed CAR units	(Lower) Mid-D'Kar	1.15	1.14	Abundant pyrite and pyrrhotite	Minor qtz-carbonate veining	Moderate to intense carbonate and hematite alteration and minor sericite

In the announcement of 13 October 2021 (which was updated on 21 October), Executive Chairman and Managing Director Martin Holland stated:

Since commencing drilling in May this year, the company has completed our first stage drilling program in the Kalahari Copper belt in Botswana. Although drill results to date haven't returned economic intersections, results provide significant encouragement in the targeting methodology which has successfully identified folded trap-sites in the correct prospective stratigraphy along with evidence of an active mineralised hydrothermal system.

Based on the encouraging results to date and extensive size of the target area, we believe the Endurance prospect holds significant potential for a new discovery. The JV company has approved a budget for an additional phase of drilling due to commence immediately.

Also subsequent to the end of the quarter, on 18 October 2021, Cobre announced the commencement of the next phase of drilling at the Endurance Prospect on KML's wholly-owned Kitlanya East Project in Botswana. Drilling is aimed at testing priority targets identified in the previous round of reverse circulation and diamond core drilling with 8 priority holes, totalling approximately 2,350m, planned to test doubly plunging fold targets and anticlines identified from modelling of AEM data.

KML's future exploration activities are to be jointly funded under the Shareholders' Agreement between Metal Tiger plc (LON: **MTR**) (**MTR**), Cobre, Cobre Kalahari Pty Ltd (a wholly owned subsidiary of Cobre) and KML, which governs the joint venture¹.

¹ Full details of the exploration results including relevant JORC information and activities in Botswana can be accessed in the Company's ASX releases dated 14 July 2021 and 21 October 2021 or via the following links: [KML – Kitlanya West Exploration Update 14 July 2021](#) and [Botswana Drilling Update 21 October 2021](#)

2 Direct Projects and Assets

2.1 Tenement Schedule

In accordance with ASX Listing Rule 5.3.3, Cobre provides the following information in relation to its project tenement holdings which are both located in Western Australia:

2.2 Perrinvale Project

The Perrinvale Project is based on a large conterminous group of ten exploration licenses held by Toucan Gold Pty Ltd, a wholly owned subsidiary of Cobre. Two of the Perrinvale tenements were subject to partial surrenders during the quarter, and the Project now totals 345km² in size (previously 408km²).

Table 2 | Tenement schedule for Toucan Gold Pty Ltd

Tenement/ Application	Holder/ Applicant	Shares	Grant Date	Expiry Date	Area
E29/929-I	Toucan Gold Pty Ltd	100/100	25 Aug 2015	24 Aug 2025	19 Blocks
E29/938-I	Toucan Gold Pty Ltd	100/100	8 Jul 2015	7 Jul 2025	13 Blocks
E29/946-I	Toucan Gold Pty Ltd	100/100	18 Aug 2015	17 Aug 2025	5 Blocks
E29/986	Toucan Gold Pty Ltd	100/100	11 Oct 2017	10 Oct 2022	20 Blocks
E29/987	Toucan Gold Pty Ltd	100/100	19 Sep 2017	18 Sep 2022	7 Blocks
E29/988	Toucan Gold Pty Ltd	100/100	19 Sep 2017	18 Sep 2022	1 Blocks
E29/989	Toucan Gold Pty Ltd	100/100	19 Sep 2017	18 Sep 2022	3 Blocks
E29/990	Toucan Gold Pty Ltd	100/100	19 Sep 2017	18 Sep 2022	9 Blocks
E29/1017	Toucan Gold Pty Ltd	100/100	4 Jan 2018	3 Jan 2023	18 Blocks
E29/1106	Toucan Gold Pty Ltd	100/100	14 May 2021	13 May 2026	20 Blocks

All Perrinvale tenements are 100% owned by Toucan Gold however, FMG Resources Pty Ltd retains a 2% net smelter royalty on any future metal production from E29/929, 938 and 946.

2.3 Sandiman Project

The Sandiman Project is based on a single tenement (**E09/2316**) totalling 202km² in size. Cobre does not hold a direct interest in the tenement which is subject to a farm-in agreement with GTTS Generations Pty Ltd dated 13 November 2019 (*refer farm-in agreement summary in section 10.8 of the Company's Prospectus dated 6 December 2019*). In the June quarter, Cobre met its obligations to move to 51% ownership of the project under the farm-in agreement and the parties have executed all required documents to enable transferring shares in the tenement. The transfer of shares has been delayed while awaiting the Office of State Revenue's (**OSR**) completion of a stamp duty assessment.

Table 3 | Sandiman Project tenement schedule representing the tenement ownership as detailed in the Department of Mines Industry Regulation and Safety records. Cobre's 51% earned interest in E09/2316 cannot be updated until the OSR has stamped the transfer documents.

Tenement/ Application	Holder/ Applicant	Shares	Grant Date	Expiry Date	Area
E09/2316	GTTS Generations Pty Ltd	100/100	9 Aug 2019	8 Aug 2024	65 Blocks

Cobre's interests in the tenements shown in Tables 2 and 3 are as at the end of the September quarter unless stated otherwise.

3 Exploration Activities and Results

3.1 Perrinvale

As outlined in the June 2021 quarterly report, the Company has been moving forward with a systematic application of the technical knowledge gained with the aim of defining a significant VHMS resource base on the project. A field crew operated on the ground at Perrinvale throughout the quarter with the primary activities being soil sampling, rock chipping and local mapping aimed at validating the model and vectoring to the definition of future drill targets.

The field work has now covered the majority of the tenure (with the exception of the most recently granted E29/1106 tenement) at a first pass sampling level. A total of 7,852 soil and 4,708 rock chip samples have been collected.

Work to date is supportive of the model and supporting the concept that the iron formations in the area are related to hydrothermal venting. Systematic sampling of these iron formations allows for geochemical vectoring towards hydrothermal source. In the technical review completed by the Company in early 2021, of known VHMS deposit areas within the Yilgran in particular (and globally in general), such iron formation rocks can be both hosts of, and caps on, sulphide mineralisation.

On the basis of field observations, pXRF analysis of soils and rocks, lab assays, and remotely sensed datasets, the technical team are beginning to refine specific areas of indicated prospectivity for more detailed field assessment (which has commenced post quarter end).

3.2 Sandiman

Previous work has identified a significant number of areas of interest that require field follow up. With a focus on the Perrinvale field work programme, no specific work was completed on the Sandiman Project during the quarter.

3.3 Future Work Program

The Perrinvale project is expected to remain the focus in the coming quarter. The systematic interpretation of results and investigation of identified areas of interest for detailed field evaluation will continue in the coming quarter. A large number of rock chip samples are currently being processed at the laboratory and results should be available to the Company in late October and early November.

The technical team expect to be presenting to the Board priority areas for continued exploration at Perrinvale. These areas will represent potential drill targets and recommended follow up work is likely to be a combination of ground geophysics and drilling.

4 Gabon – Armada Investment – Planned ASX Listing

As announced to the ASX earlier this year on 22 March 2021, Cobre signed an Investment Agreement (**Agreement**) with Armada Exploration Limited (**Armada**), a Mauritian holding company, that owns 100% of Armada Exploration (Gabon) SARL, which is the owner of two exploration licences prospective for magmatic Ni-Cu sulphide situated in Gabon. Covering a total area of nearly 3,000km², as shown in table 4 below, the licence holding presents a frontier district-scale exploration opportunity.

Armada is well advanced in its plan for an ASX listing. Subsequent to the end of the quarter, for its US\$750,000 investment into Armada, Cobre has been issued 10,000,000 fully paid ordinary shares (**FPOS**) in Armada Metals Limited (**AMM**) (the proposed listing entity) and an option to acquire an additional 3,330,000 FPOS in AMM, upon exercise of the option and subject to payment of an exercise price of \$0.334 per share, on and from completion of the IPO.

Table 4 | Exploration Permit Details

Exploration Permit Number	Licence Name	Commodity Groups	Award / Renewal Date	Term	In good standing and renewable
G5-150	Malounga	Base Metals including nickel, copper, zinc & lead	10 July 2019	3 years	Yes, renewable for another 3-year term in July 2022
G5-555	Mayombe	Base and Precious Metals	25 April 2018	3 years	Yes, renewable for two further 3-year terms in April 2021 and 2024

Table 4 Notes:

Exploration Permit translates from French 'Permis de Recherche Minière'.

Licences are subject to a 1.5% royalty granted to Denham Capital and a 0.5% NSR royalty held by RCF. In addition, Denham Capital hold a US\$10.5m deferred payment obligation which is to be repaid if a mine is developed within the current licences.

5 Corporate

5.1 Annual General Meeting

The Company's Annual General meeting is now scheduled to be held on 30 November 2021 with a resolution to include the approval by shareholders of the issue of shares under the second tranche of the capital rising announced on 15 April 2021. Subject to shareholder approval, under the resolution, MTR will be issued 8,311,765 shares at an issue price of \$0.17 per share, the same price as the shares issued under tranche 1. Funds raised are to be used primarily to meet the capital requirements for exploration under the Company's joint venture Botswana investment, with MTR through KML.

5.2 Summary of ASX Announcements

Table 5 | Summary of ASX releases by Cobre during the September quarter and subsequent to quarter end

Date	Price Sensitive	Title
13 July		Broker Briefing Investor Webinar
14 July		Kalahari Metals – Kitlanya West Exploration Update
27 July	\$	Investment in Metal Tiger plc
29 July	\$	Quarterly Activities/Appendix 5B Cashflow Report
30 August		Date of Annual General Meeting
1 September		Africa Downunder Conference Presentation
27 September		Completion of Investment in Metal Tiger plc
27 September		Annual Report to Shareholders
27 September		Corporate Governance Statement
27 September		Appendix 4G
13 October		Botswana Drilling Update
18 October		Kalahari Metals – Commencement of Drilling at Endurance
21 October		Botswana Drilling Update – updated

5.3 Metal Tiger Investment

During the quarter, Cobre invested \$1.0m into a placement conducted by MTR which was undertaken to facilitate additional liquidity to MTR's ASX quotation and assist to establish an increased presence in the Australian market and to be applied across MTR's global resources investments. The raising was conducted at A\$0.37 per CDI with Cobre issued 2,702,703 new CDIs.

5.4 Finance and Use of Funds

Pursuant to ASX Listing Rule 5.3.4, the Company advises the proposed use of funds contained in section 2.6 of the Company's Prospectus in comparison to the actual use of funds as follows:

Table 6 | Listing Rule 5.3.4 Information

Allocation of Funds	Prospectus	Q1 Mar 2020	Q2 Jun 2020	Q3 Sep 2020	Q4 Dec 2020	Q1 Mar 2021	Q2 Jun 2021	Q3 Sep 2021	Actual to Date
Exploration (2 years)	\$7,447,550	\$151,000	\$777,000	\$1,623,000	\$473,000	\$184,000	\$305,000	\$324,000	\$3,837,000
Working Capital (2 years)	\$2,315,929	\$387,000	\$206,000	\$201,000	\$320,000	\$236,000	\$294,000	\$252,000	\$1,896,000
Expenses of the Offer	\$766,521	\$894,638	\$0	\$0	\$0	\$0	\$0	\$0	\$894,638

Pursuant to ASX Listing Rule 5.3.1, Cobre provides the following breakdown of the exploration expenditure of \$324,000 incurred across the September 2021 quarter referred to in table 6 above.

Table 7 | Listing Rule 5.3.1 Information

Projects	Expenditure
Perrinvale – Western Australia	
Tenement Management	\$38,260
Assays	\$978
General Exploration	\$87,499
Geological Activities	\$192,465
Sandiman Farm-in – Western Australia	
Geophysical Activities	\$4,839
Total Exploration	\$324,043

In accordance with ASX Listing Rule 5.3.5 and as noted in section 6 of the Appendix 5B, payments of \$147,000 were made during the quarter comprising salaries and fees for the Company's executive and non-executive directors as well as an amount of \$6,000 for marketing services as disclosed in section 11.5 of the Company's Prospectus. No other payments were made to any related parties of the entity or their associates.

5.5 COVID-19

The Company has previously advised that, in relation to its exploration program at Perrinvale and the potential impacts of COVID-19, the Board is comfortable that with a small field crew at a remote site and consultants and staff able to work remotely, the exploration activities can safely continue. This continues to be the situation.

In the Company's ASX announcement on 16 April 2020, it commented that it "...remains comfortable that its employees, consultants and contractors can continue with the planned exploration activities given its remote location and small crew on site. Local contractors will be utilised as far as possible, and all staff and contractors will be required to observe the necessary protocols. The situation is however dynamic, and the Company will continue to monitor developments."

6 Events Subsequent to Quarter End

There have been no material events subsequent to the end of the quarter not already disclosed herein.

This Quarterly Activities Report and Appendix 5B were authorised on behalf of the Cobre Limited Board by: Martin C Holland, Executive Chairman and Managing Director.

For more information about this announcement:

Martin C Holland

Executive Chairman and Managing Director

holland@cobre.com.au

Competent Persons Statement

The information in this Quarterly Activities Report relates to mineral exploration results and exploration potential based on work compiled under the supervision of Mr Todd Axford, a Competent Person and member of the AusIMM. Mr Axford is the Principal Geologist for GEKO-Co Pty Ltd and contracted to the Company as Exploration Manager and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Axford consents to the inclusion in this report of the information in the form and context in which it appears.

The information in this Quarterly Activities Report relates to exploration results as contained in the Company's announcements dated 14 July, 13 October and 21 October 2021 and are based on information compiled by Mr David Catterall, a Competent Person and a member of a Recognised Professional Organisations (ROPO). David Catterall has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012). David Catterall is a member of the South African Council for Natural Scientific Professions, a recognised professional organisation. David Catterall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Background on the Perrinvale Project

As a private company in June 2019, Cobre undertook an initial reverse circulation drilling program within the Perrinvale tenements to investigate targets identified by earlier exploration. At that time, the drilling program intersected very high-grade VHMS base metal & gold mineralisation at shallow depth. The best assayed intercept was at the Schwabe Prospect to date: 5 m at 9.75% copper, 3.2 g/t gold, 34 g/t silver and 3.1% zinc from 50 m depth¹. Subsequently in August 2019, Cobre completed an airborne electromagnetic survey within the Perrinvale project area and identified a total of 10 potential VHMS prospects. Cobre was listed on ASX in January 2020. Since that time, Cobre has embarked on a systematic exploration program of RC and diamond drilling and electromagnetic surveys in order to further investigate the VHMS potential of the Perrinvale area.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Cobre Limited

ABN

75 626 241 067

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	26	26
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(45)	(45)
	(e) administration and corporate costs	(324)	(324)
1.3	Dividends received (see note 3)		
1.4	Interest received	1	1
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)	90	90
1.9	Net cash from / (used in) operating activities	(252)	(252)
Other relates to foreign exchange movement on foreign currency denominated bank accounts			
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation	(324)	(324)
	(e) investments	(1,325)	(1,325)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets	(749)	(749)
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)	5	5
2.6	Net cash from / (used in) investing activities	(2,393)	(2,393)

Payments for other non-current assets relates joint venture contributions in relation to the company's investment in Kalahari Metals.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(8)	(8)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(8)	(8)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,145	8,145
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(252)	(252)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,393)	(2,393)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(8)	(8)
4.5	Effect of movement in exchange rates on cash held	0	
4.6	Cash and cash equivalents at end of period	5,492	5,492

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,281	7,928
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)	211	217
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,492	8,145

Other includes cash held on behalf of JV partner.

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	147
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Payments of \$147K were made during the quarter in relation to fees for the Company's executive and non-executive directors as well as an amount of \$6K for marketing services

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(252)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(324)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(576)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,492
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,492
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	9.53
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **26 October 2021**

Authorised by: **The Board of Cobre Limited**
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.