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29 April 2021

ASX Limited - Company Announcements Platform

PERRINVALE VHMS PROJECT UPDATE – COMMENCEMENT OF FIELD EXPLORATION

Cobre Limited (ASX: **CBE**, **Cobre** or **Company**) is pleased to announce the commencement of a new field exploration programme on the Company's wholly owned Perrinvale Volcanic Hosted Massive Sulphide (**VHMS**) Project (**Perrinvale** or **Project**) in Western Australia.

Highlights:

- Step change in exploration approach driven by geological understanding;
- Potential for increased areas of intermediate to felsic volcanic rocks identified; and
- Banded Iron Formation association with conductors and massive sulphide mineralisation to be targeted.

Since completing field activities at Perrinvale in late 2020, and while the Company focused on finalising the acquisition of a controlling interest in Kalahari Metals Limited (KML) and the recent capital raise, work continued concurrently on the Perrinvale Project with the completion of an Optimisation Study at the Schwabe Prospect and planning for this next phase of field activities.

The Optimisation Study, which has been prepared for internal purposes to assist the management team to develop a strategy at Schwabe which will deliver the best returns for shareholders, indicates positive potential, with a key assumption being the treatment of ore from Schwabe by a third-party. With this assumption in mind, there is clear value in aiming to expand the resource potential within the prospect area.

A programme of review and planning related to the broader exploration potential of the Perrinvale Project has also been undertaken. This includes the:

- detailed review of geophysics (airborne electromagnetic, magnetic & gravity data);
- study of known VHMS deposit areas within the Yilgran in particular and globally in general;
- consideration of observations and results achieved through 2019 and 2020;

- sourcing historic hyperspectral survey outputs; and
- preliminary definition of priority areas of interest for field investigation.

These tasks form the basis for the next phase of field exploration at Perrinvale and represent a step change from primarily drilling previously identified bullseye targets, to systematic application of the technical knowledge gained with the aim of defining a significant VHMS resource base on the project. Such a resource base may consist of multiple high grade massive sulphide pod like deposits, similar to Schwabe, and/or a larger single deposit area.

Key outcomes of the desktop work have been understanding the setting for the mineralisation drilled to date and how that fits with the broader geology of the project area. With the recognition that there are likely more intermediate to felsic volcanic rocks within the project area than shown on GSWA[1] maps, and that the extensive areas of Banded Iron Formation (**BIF**) rocks mapped across the project, could be intimately associated with base metal sulphide mineralisation.

A line-by-line review of the 2019 Airborne Electromagnetic (**AEM**) survey has been completed (refer ***Figure 1***), which shows a mix of (86) purely conductive conductors (such as Schwabe), as well as (143) conductors that are proximal to / associated with a magnetic response. These conductors proximal to magnetic responses represent areas to be assessed for massive sulphide mineralisation associated with BIF.

In addition to the base metal potential, rock chip samples collected late in 2020 have returned some very high-grade gold assays, suggesting value in the exploration programme remaining open to the gold potential noted in the Company's Prospectus. A total of 24 samples were collected (see ***Table 1*** & ***figure 2***), with two stand out samples collected around the Fey's Find workings returning 46.76 g/t & 56.55 g/t gold. Multielement assays support hydrothermal fluid movement along a WSW-ENE trend.

The field programme, scheduled to be completed with a five-person crew through the coming six months, will also step beyond the area of the 2019 AEM survey, with guidance from the airborne magnetics and, where present, the 2012 HyMap survey and also provide guidance in determining what areas, if any, of the Company's tenement portfolio with near term expiration dates should be retained or relinquished.

Commenting on the commencement of this new field exploration programme, Martin Holland, Cobre's Executive Chairman and Managing Director, said:

"The Perrinvale Project has delivered high grade VHMS intercepts at the Schwabe Prospect, confirming the potential for valuable copper rich resources. The 2020 drilling, local scale geophysics and mapping has generated a great deal of knowledge for the Company. With that knowledge our technical team is taking the next step in the plan to add to Schwabe and unlock project making VHMS resources."

[1] Geological Survey of Western Australia.

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: 5m at 9.75% copper, 3.2g/t gold, 34g/t silver and 3.1% zinc from 50m depth[2]. 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 completed diamond core and reverse circulation drilling, an optimisation study on Schwabe Prospect, and continues an exploration programme to unlock the VHMS potential of the Perrinvale area.

This ASX release was authorised on behalf of the Cobre Board by: Martin C Holland, Executive Chairman and Managing Director.

For more information about this announcement, please contact:

Martin C Holland

Executive Chairman and Managing Director

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Competent Persons Statement

The information in this report that relates to mineral exploration results and exploration potential is 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.

[2] Reported under JORC 2012 ASX announcement 16/04/2020: Significant High-Grade Copper Gold Results at Perrinvale

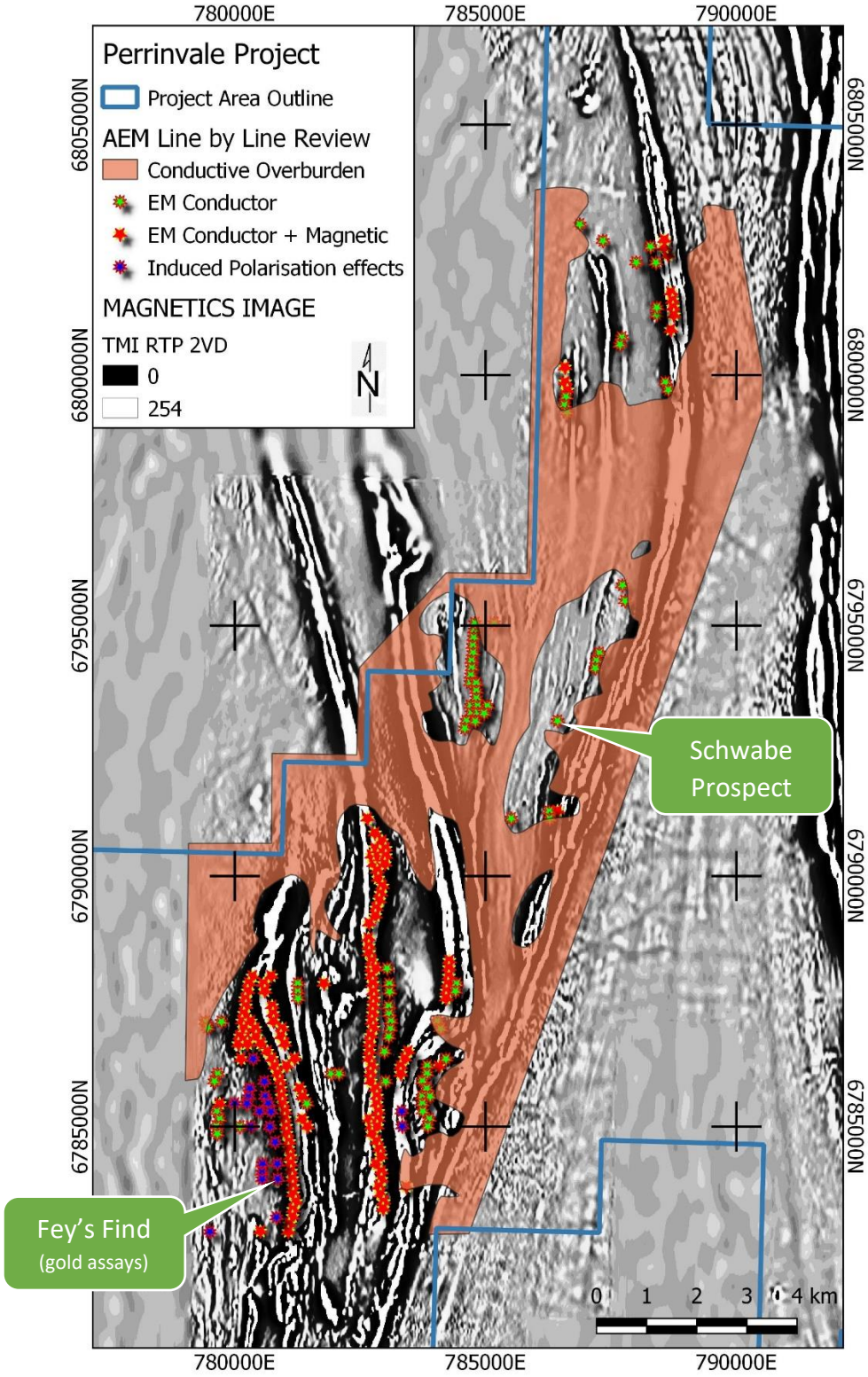

***Figure 1**. Airborne Electromagnetic survey Line by Line review points of interest on 2nd vertical derivative reduced to pole magnetics*

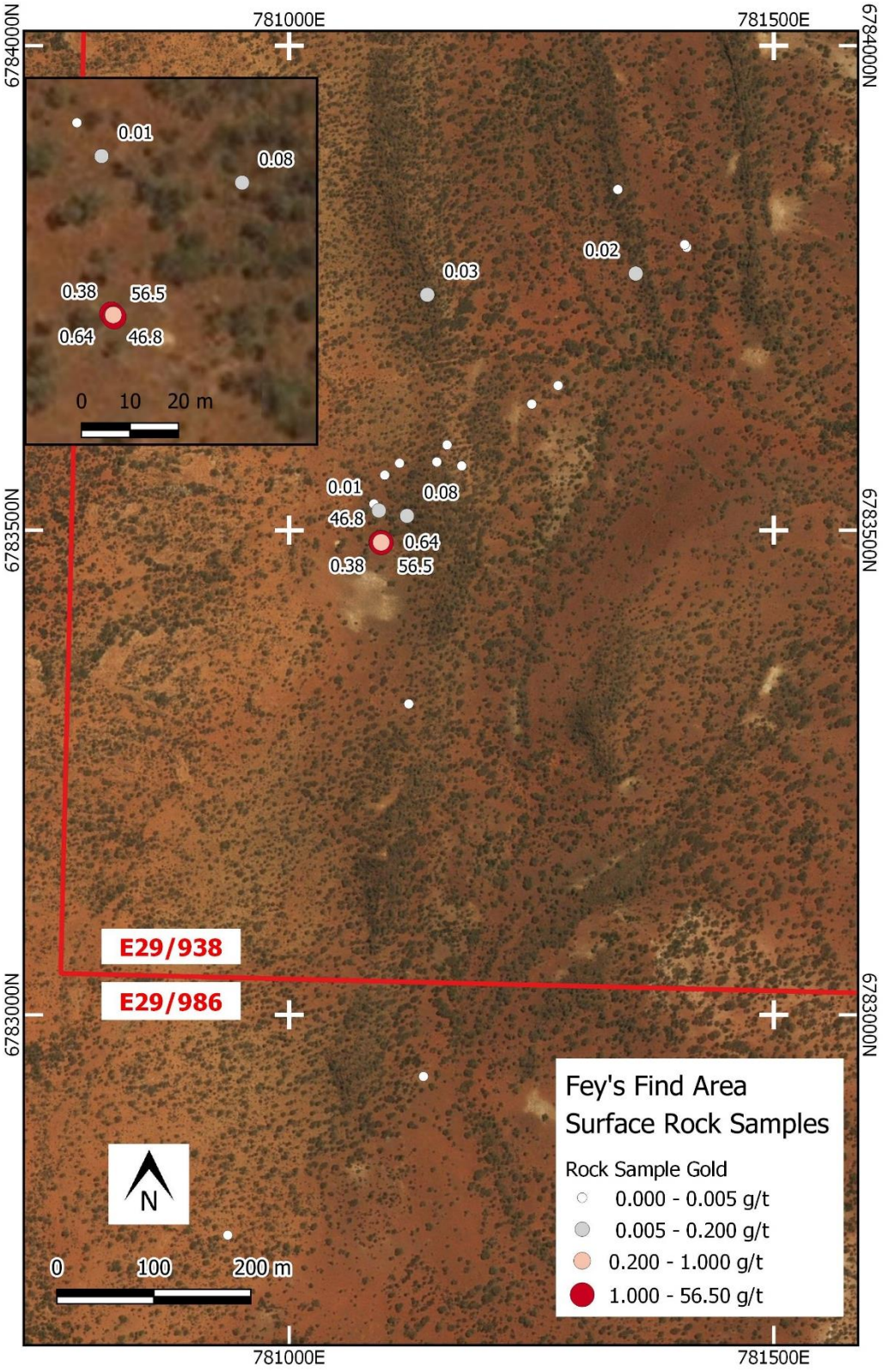

***Figure 2**. Fey's Find area surface rock sample location plan (co-ordinates MGA94 Zone 50)*

***Table 1**. Rock sample locations and gold assays*

Easting	Northing	RL	Sample ID	Rock Type	Au_ppm
781123	6783321	458	FFR001	Gossan	<0.005
781094	6783488	454	FFR002	Gossan	0.636
781095	6783488	456	FFR003	Quartz Vein	46.755
781095	6783487	456	FFR004	Felsic Intrusive	56.535
781095	6783487	456	FFR005	Felsic Intrusive	0.382
781122	6783515	457	FFR006	Gossan	0.081
781093	6783520	454	FFR007	Quartz Vein	0.006
781087	6783527	452	FFR008	Quartz Vein	<0.005
781099	6783557	450	FFR009	Felsic Intrusive	<0.005
781114	6783569	449	FFR010	Felsic Intrusive	<0.005
781163	6783588	452	FFR011	Gossan	<0.005
781152	6783570	456	FFR012	Gossan	<0.005
781178	6783566	456	FFR013	Sediment	<0.005
781250	6783630	441	FFR014	Norite	<0.005
781278	6783649	437	FFR015	Norite	<0.005
781358	6783765	439	FFR016	Felsic Intrusive	0.016
781410	6783792	440	FFR017	Norite	<0.005
781408	6783795	439	FFR018	Gabbro	<0.005
781339	6783852	449	FFR019	Gossan	<0.005
781143	6783743	453	FFR020	Gossan	0.032
781143	6783743	453	FFR021	Sediment	<0.005
781139	6782936	441	FFR022	Dolerite	<0.005
781139	6782936	441	FFR023	Gossan	<0.005
780937	6782772	427	FFR024	Felsic Intrusive	<0.005

(co-ordinates MGA94 Zone 50)

Table 2: JORC Code Reporting Criteria

Section 1 Sampling Techniques and Data – Surface Rock Sampling

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken	In the process of geological reconnaissance, the field geologist collected samples of surface rocks which showed potential signs for mineralisation. Samples were placed in numbered calico sample bags and the sample location recorded with handheld GPS.

Criteria	JORC Code explanation	Commentary
	as limiting the broad meaning of sampling.	
	Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used.	Being qualitatively selected, samples are not expected to be representative of any more than the material sampled.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Industry standard preparation, including crushing and full sample pulverising to p85 75µm prior to subsampling for assay, was undertaken for samples up to 3.0kg. 50 g of pulverized sample was utilised for gold determination via Fire assay with a AAS Finish, and a smaller subsample utilised for multi-element assay via Four Acid Digestion with ICP-MS Finish.
Drilling techniques	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Not applicable
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	Not applicable
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Not applicable
	Whether a relationship exists between sample recovery and grade and	Not applicable

Criteria	JORC Code explanation	Commentary
	whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	Rock samples were geologically described in the field.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Geological logging of chips/core/rock samples is qualitative by nature.
	The total length and percentage of the relevant intersections logged.	Not applicable
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	Not applicable
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Whole samples were submitted for assay
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation followed industry standard practice and is considered appropriate (refer to sampling techniques section above).
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	All sub-sampling was completed at MinAnalytical NATA Accredited Laboratories with audited processes.
	Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.	As early stage exploration the samples were collected to provide an indication of potential mineralisation and are not expected to be representative of any bulk volume of in-situ material.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered suitable for rocks sampled and assay processes applied.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and	Reported Gold was assayed via Fire Assay, which is considered a complete

Criteria	JORC Code explanation	Commentary
	laboratory procedures used and whether the technique is considered partial or total.	method. Reported multi-elements were assayed Four Acid Digestion with ICP-MS Finish, which is considered a complete method.
	For geophysical tools, spectrometers, handheld XRF instruments (fpXRF), etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Not applicable
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	As early stage sampling field blanks, standards or duplicates were not included in the sample stream.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	All reported mineralised results have been reviewed by 2 qualified persons.
	The use of twinned holes.	Not applicable
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Data was recorded on field computer and field sheets and provided to the Database Manager, who loaded it to the project database via Datashed. Assay results were reported in a digital format suitable for direct loading into the database via Datashed.
	Discuss any adjustment to assay data.	No adjustments have been made.
Location of data points	Accuracy & quality of surveys used to locate drill holes (collar & downhole) or surface samples. Specification of the grid system used.	Handheld GPS co-ordinates expected accuracy 5m, which is suitable for the current purpose. GDA94 zone 50.
	Quality and adequacy of topographic control.	DGPS and handheld GPS, which is suitable for the stage of exploration.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Data spacing was controlled by available outcrop and observations of the field geologist.

Criteria	JORC Code explanation	Commentary
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Not applicable
	Whether sample compositing has been applied.	No sample compositing completed
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Unknown at this early stage
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Not applicable
Sample security	The measures taken to ensure sample security.	Samples triple bagged and delivered directly to the laboratory by a contractor or company personnel.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits or reviews completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Reported results all from 100% Toucan Gold Pty Ltd tenements at Perrinvale WA, which may include E29/929, E29/938, E29/946, E29/986, E29/987, E29/988, E29/989, E29/990 & E29/1017. Toucan Gold Pty Ltd is a subsidiary (100% owned) of Cobre Ltd. FMG Resources Pty Ltd retains a 2% net smelter royalty on any future metal production from three tenements E29/929, 938 and 946.

Criteria	JORC Code explanation	Commentary
		All samples were taken on Crown Land covered by a Pastoral Lease. No native title exists. The land is used primarily for cattle grazing.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	The tenements are in good standing, and all work has been conducted under specific approvals from Department of Mining Industry Resources & Safety.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	No results are relied on from other parties in this report.
Geology	Deposit type, geological setting and style of mineralisation.	The Perrinvale Project area includes parts of the Illaara and Panhandle Greenstone Belts (GB) located in the northern Southern Cross Domain of the Younami Terrane, in the Central part of Western Australia's Yilgarn Craton. The prospects drilled are located within the Panhandle GB in areas dominated by mafic volcanics and intrusives. Locally interflow sedimentary zones are present and consist variably of mudstones, shales and cherty exhalites. VHMS mineralisation in these mafic dominated rocks, associated with the intercalated sediments, is present. Disseminated, stringer and massive sulphides have been identified.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:	Not applicable
	- easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and	

Criteria	JORC Code explanation	Commentary
	interception depth	
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. These relationships are particularly important in the reporting of Exploration Results.	Not applicable
Relationship between mineralisation widths and intercept lengths	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	Not applicable
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant	Included within the report (or as appendices)

Criteria	JORC Code explanation	Commentary
	discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All significant results are included on the plans and/or cross-sections in this or previous reports available at www.cobre.com.au/announcements/. All samples are tabulated, including reference to location and rock type
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Exploration of significance completed prior to December 2019 is detailed in the Cobre Ltd Prospectus that can be accessed via the Company website http://www.cobre.com.au/
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further work is discussed in the document.