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ASX Limited - Company Announcements Platform

KALAHARI METALS LIMITED – COMPLETION OF DRILLING AT ENDURANCE

Cobre Limited (ASX: **CBE**, **Cobre** or **Company**) is pleased to announce that the 2021 drill programme on Kalahari Metals Limited's (**KML**)[1] Endurance Prospect in Botswana has now been completed.

Following the previous announcement to the market (*refer ASX Announcement 8 December 2021*), the programme was extended to include two follow-up holes to test the lateral and vertical extent of alteration and copper (**Cu**) mineralisation intersected in the central portion of the Endurance Prospect. Provisional results from the follow-up holes are summarised in this announcement.

- Both follow-up holes have intersected alteration zones with visible Cu-mineralisation demonstrating lateral and vertical continuity to the target hydrothermal system;
- In addition to previously identified vein-hosted chalcopyrite mineralisation, further fine-grained copper sulphide mineralisation has been noted in hydrothermally altered sandstone host-rocks- indicative of a more proximal position to a potential Cu-Ag mineral deposit; and
- Both follow-up holes display an increase in the quantity of visible Cu-mineralisation, and alteration associated with stockworks and veins.

The recently completed drill programme, consisting of 10 diamond holes totalling 2,948m, was designed to test a range of targets based on earlier Reverse Circulation (**RC**) and stratigraphic drilling results[2]. Encouraging results from this phase of work provide an important exploration milestone as targeting moves from a regional assessment of the extensive 25km long Endurance Prospect, to testing of focussed mineralised targets.

[1] Cobre owns a 51% controlling interest in KML.
[2] Refer ASX Announcement of 13 October 2021.

Commenting on the provisional results at the Endurance Prospect, Cobre's Executive Charmain and Managing Director Martin Holland said:

"We're delighted to finish off the 2021 exploration programme with encouraging results from the Endurance Prospect. The intersection of alteration and mineralisation in several positions along this prospect highlights the significant potential for finding economic mineralisation on KML's tenure.

Over the course of 2021 we've completed 7,700m of drilling on the KML projects, allowing for a regional evaluation of several prospects and generation of a number of exciting targets. We look forward to testing these in 2022."

Endurance 2021 Programme Overview

The Endurance Prospect has been modelled as an extensive, 25km long anticlinorium located in a similar structural setting to ASX listed **Sandfire Resources**' (ASX: SFR) T3 and A4 deposits situated 5km and 10km to the north respectively. The recently completed drill programme has focussed on structurally related breaks in folded AEM conductors supported by detailed magnetic data, stratigraphic information from earlier RC and diamond programmes and soil sampling results (*Refer Figure 1*). Several of the recently drilled holes have intersected alteration and complex vein stockworks often with associated (minor) Cu-mineralisation demonstrating the effectiveness of the targeting process and exploration potential of the prospect[3]. The current announcement focusses on a target area in the central portion of the prospect (*Refer Figure 2*) where two additional diamond holes (KIT-E-D028 and KIT-E-D029), totalling 614m, were drilled to test the lateral and vertical extent and distribution of alteration and mineralisation intersected in drill hole KIT-E-D023.

- Both follow-up holes intersected hydrothermal alteration, complex quartz-carbonate veins and stockworks with an increase in the quantity of visible Cu-mineralisation;
- Mineralisation intersected includes both vein-hosted chalcopyrite as well as fine grained disseminated copper sulphide mineralisation along parting planes (*Refer Figure 3*);
- In addition to chalcopyrite, rare bornite was noted in KIT-E-D029; and
- Quartz-carbonate veining styles and associated alteration minerals including dolomite, chlorite, hematite, sericite and K-feldspar along with zones of bleaching and albitisation (*Refer Figure 4*) provide significant encouragement given the similarity in setting to known deposits on the Kalahari Copperbelt.

A summary table comparing alteration and sulphide mineralisation between recent drill holes is provided in *Table 1*. Northwest-Southeast sections through KIT-E-D023, KIT-E-D028 and KIT-E-D029 are provided in *Figure 5*.

Samples from the recent drill programme are currently being dispatched to ALS laboratories in Johannesburg for analysis.

[3] Refer ASX Announcement of 8 December 2021

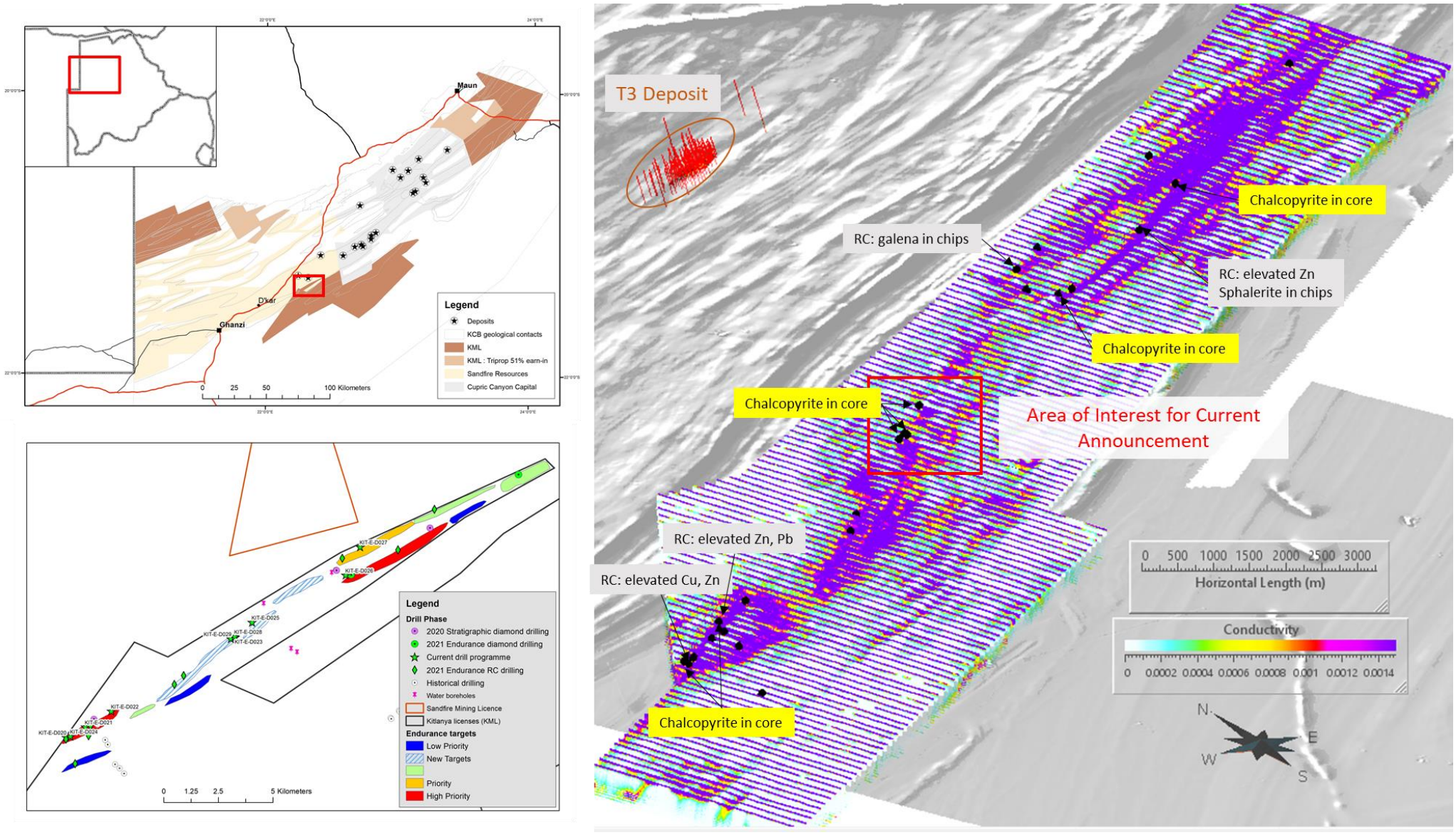

Figure 1. *(Left) Locality map illustrating the position of the Endurance Prospect and targets. (Right) 3D view illustrating AEM sections on magnetic data highlighting fold targets. Completed KML drilling with intersected mineralisation overlain. Drill traces for the neighbouring T3 deposit derived from Sandfire Resources and Mod Resources press releases.*

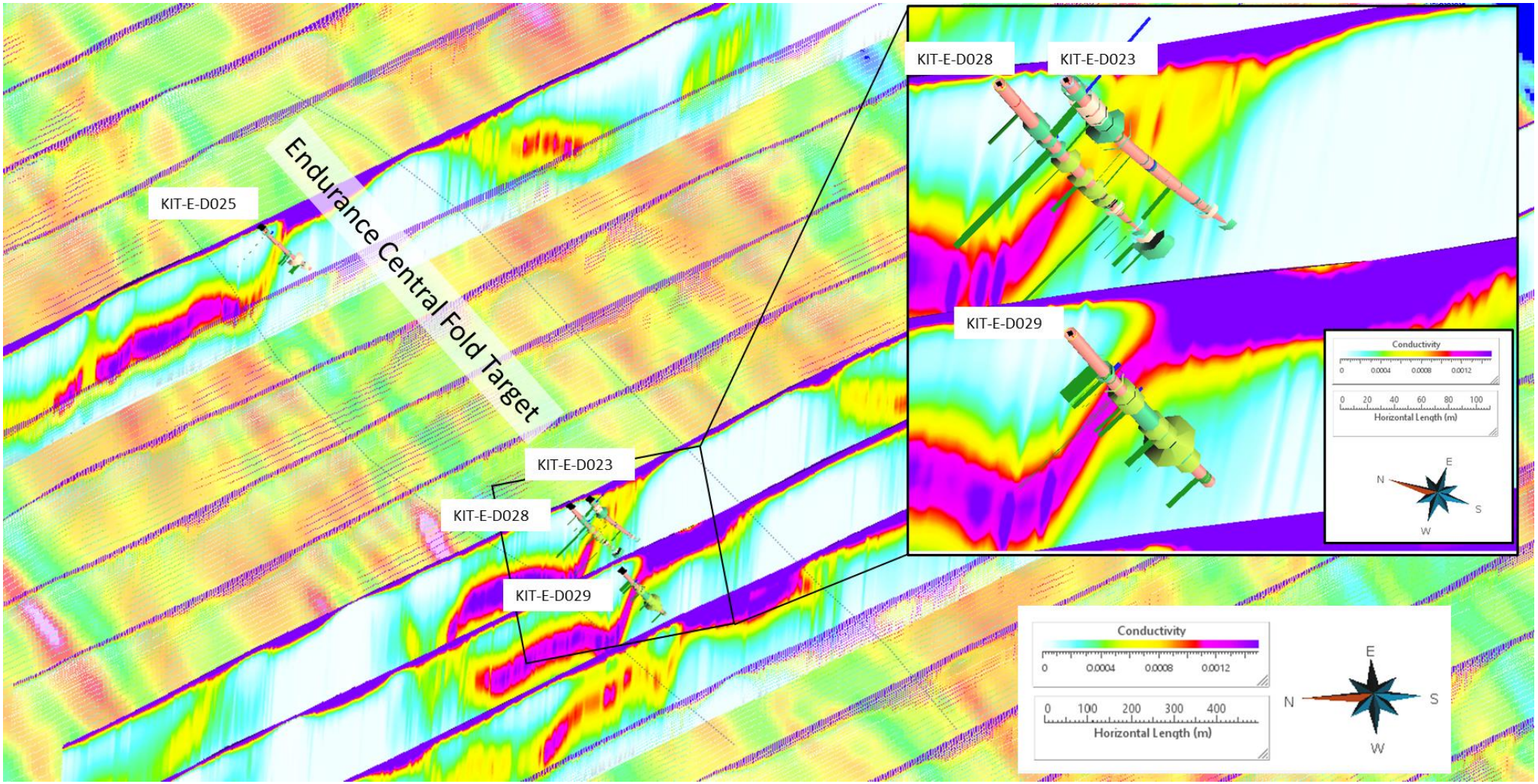

Figure 2. *3D view illustrating the central portion of the Endurance Prospect with inset highlighting the recently completed follow-up drilling. Visible chalcopyrite and galena content from field logging is graphically illustrated in green and blue respectively. Alteration zones are represented by lathes on the drill trace (light blue = carbonate, green = chlorite, light brown = albite, light green = sericite).*

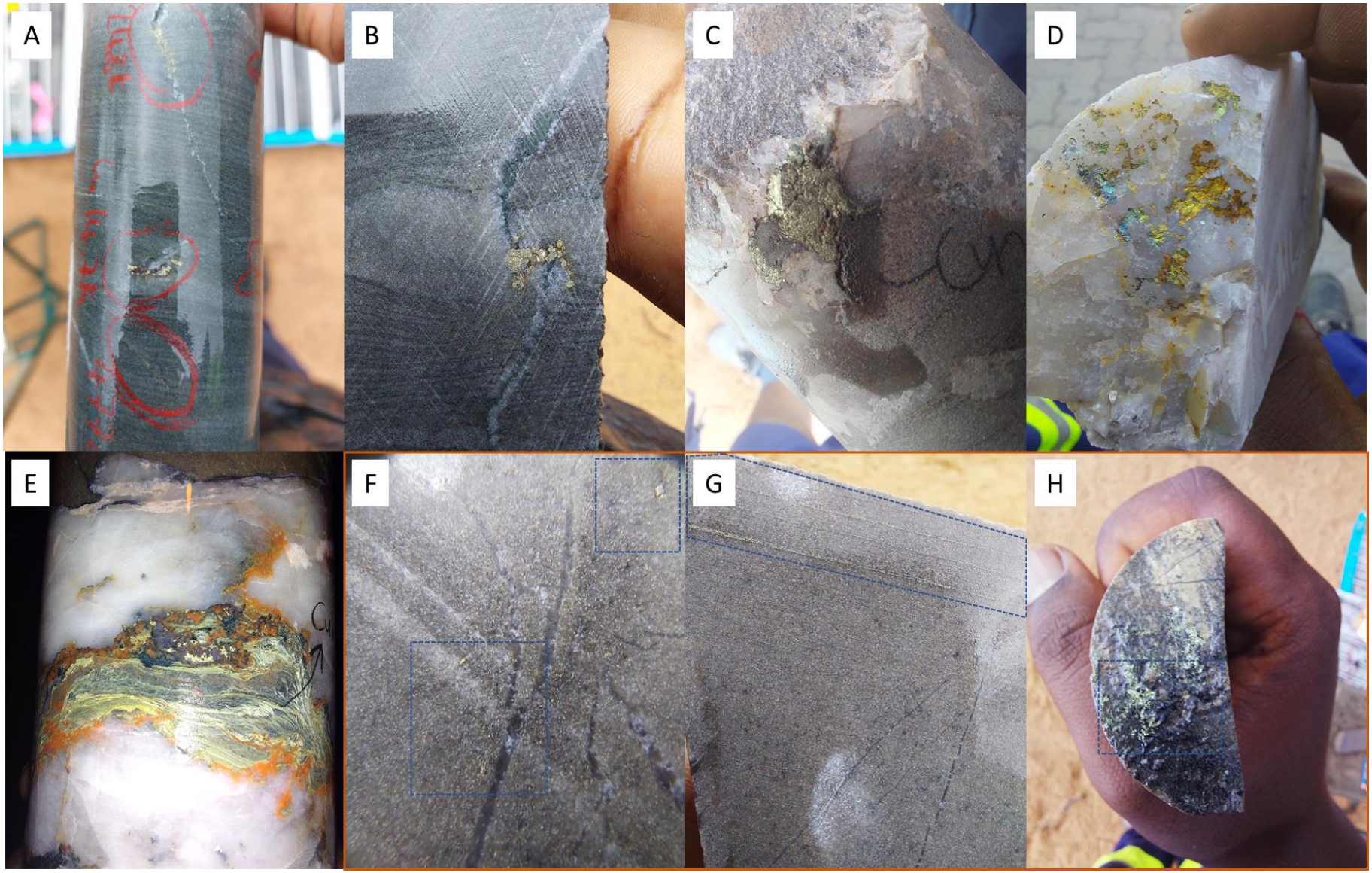

Figure 3. *(A – D) examples of vein hosted chalcopyrite (and bornite in D) mineralisation intersected in KIT-E-D028/ D029. Note the association with steeply dipping vein sets and complex multigenerational quartz-carbonate veins which include chlorite, dolomite, sericite +- K-feldspar. (E) chalcopyrite mineralisation in quartz vein with intense sericite alteration and associated specular hematite. (F – H) examples of fine grained(disseminated) chalcopyrite mineralisation in the sandstone matrix and on parting planes (KIT-E-28).*

Figure 4. Examples of complex veining and alteration from the Endurance Prospect. (A) *quartz veining with associated chlorite, ankerite and pyrite (KIT-E-020). (B) example of bleaching (albitisation) and multigenerational quartz vein sets (KIT-E-D025); (D and E) examples of quartz vein stockworks with associated sericite (KIT-E-D028).*

***Table 1**. Summary of provisional drilling results. Alteration, vein stockworks and sulphide content have been totalled for each of the holes to provide a first pass comparison.*

			Alteration						Sulphides and Cu minerals					
Hole ID	Lithology	Stockwork	Sericite	Albite	Chlorite	Hematite	Carbonate	Bleaching	pyrite	pyrrhotite	Chalcopyrite	galena	malachite	Bornite
KIT-E-D020	Sandstones with subordinate siltstones, carbonaceous shales													
KIT-E-D021	Sandstones with subordinate siltstones, marls and carbonaceous shales													
KIT-E-D022	Alternating sandstones, silstones and mudstones with subordinate marls													
KIT-E-D023	Sandstones with subordinate siltstones and marls													
KIT-E-D024	Alternating siltstones and sandstones													
KIT-E-D025	Alternating sandstones and siltstones													
KIT-E-D026	Alternating sandstones and siltstones													
KIT-E-D027	Alternating siltstones and sandstones													
KIT-E-D028	Alternating sandstones and siltstones													
KIT-E-D029	Alternating sandstones and siltstones													

***Table 2**. Completed drill hole collar positions during the current phase of work*

HOLE ID	Easting	Northing	Altitude	Dip	Azimuth	Length
	(UTM34S, WGS84)		(m)	(degrees)	(degrees TN)	(m)
KIT-E-D020	625697	7629039	1118	-75	145	300
KIT-E-D021	626584	7629504	1098	-65	145	302.65
KIT-E-D022	627776	7630229	1132	-65	145	251.65
KIT-E-D023	633446	7633602	1125	-65	145	315.22
KIT-E-D024	625901	7629076	1125	-65	145	260.65
KIT-E-D025	634219	7634288	1121	-65	145	300.32
KIT-E-D026	638510	7636447	1127	-65	145	303
KIT-E-D027	639165	7637739	1124	-65	145	303
KIT-E-D028	633425	7633646	1128	-65	145	327
KIT-E-D029	633251	7633541	1119	-65	145	287

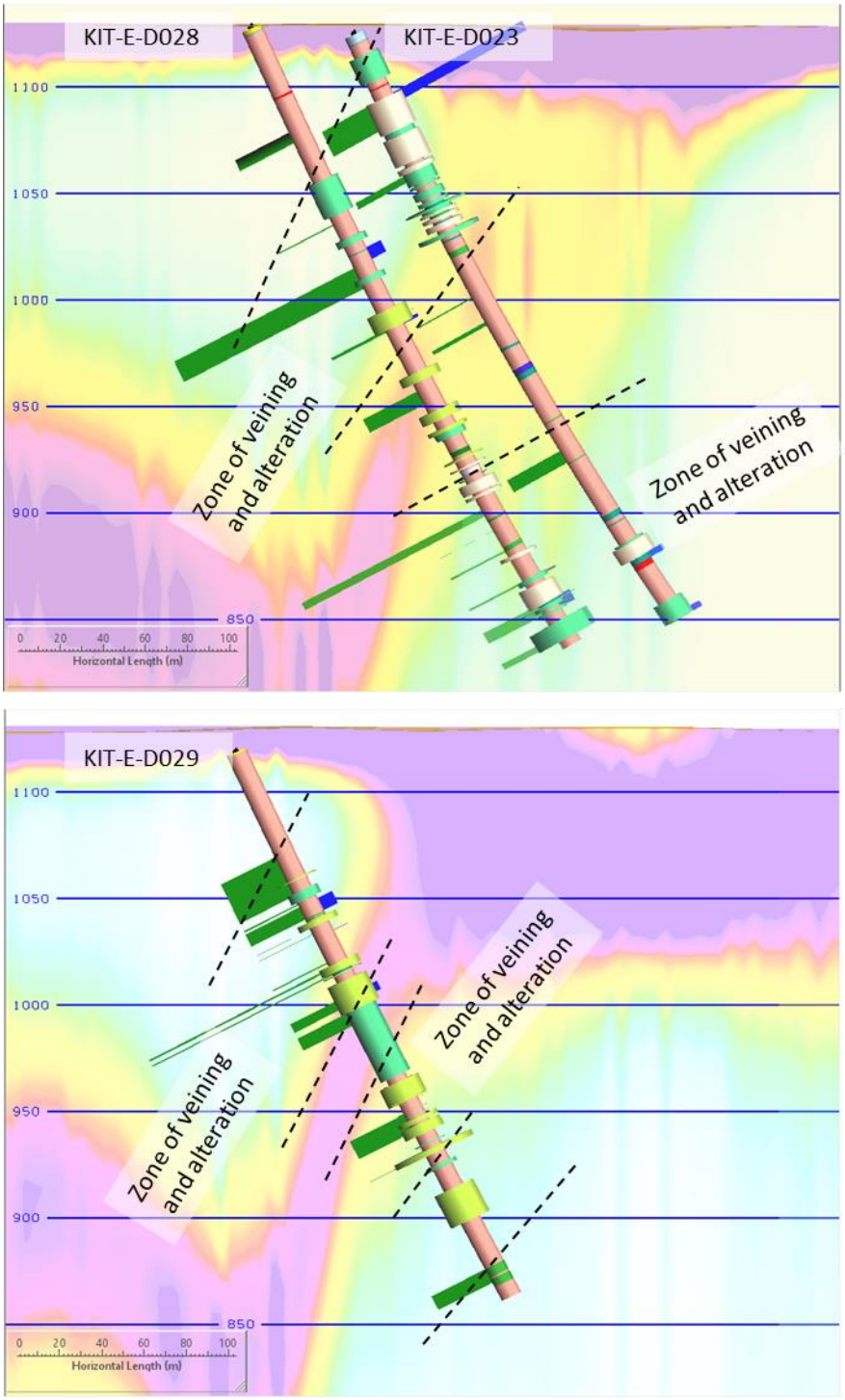

Figure 5. *Northwest-southeast sections illustrating the results from* KIT-E-D023, 28 and 29 on AEM conductivity depth image. Graphs of visible chalcopyrite (green) and galena (blue) along with alteration intensity lathes (*light blue = carbonate, green = chlorite, light brown = albite, light green = sericite) overlain on drill traces.*

More detailed follow-up programmes for 2022 will be designed when assay results are available from the current round of drilling.

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 announcement that relates to exploration results is 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.

JORC Table 1 - Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

JORC Code, 2012 Edition – Table 1 report template Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections.)		
Criteria	**JORC Code explanation**	**Commentary**
	• *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 as limiting the broad meaning of sampling.*	• The information in this release relates to the technical details from the Company's exploration and drilling program at Kitlanya East which lies within the Ghanzi District on the Kalahari Copper Belt, Republic of Botswana. • Kalahari Metals soil sampling was carried out along traverses using 50m sample intervals with earlier regional traverses carried out using 25m sample spacing • Kalahari Metals Soil samples were taken at an average depth of 10cm from uncontaminated and undisturbed sites • Kalahari Metals soil sampling was undertaken during the dry season to avoid drying. • Samples were sieved on site to -90μm for the current survey and -180μm for the regional traverses and sealed in either clear plastic sample envelopes or paper geochemical collection packets. • Kalahari Metals Soil samples were screened using a pXRF
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used*	• All current Kalahari Metals diamond and reverse circulation drill samples were geologically logged by a suitably qualified geologist on site. • Samples from the diamond drill core will be selected, cut, and sent for analysis • The diamond drill core samples will be selected based on geological logging
	• *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.*	supported by pXRF readings
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).*	• Current Kalahari Metals Diamond drilling was drilled at PQ/HQ/NQ size
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Sample recovery was recorded for all Kalahari Metals drilling. Sample recovery was generally very good
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Drill core is being cut on the orientation line to ensure unbiased samples are collected • Samples are collected from distinct geological domains with sufficient width to avoid overbias
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Sample recovery was generally very good and as such it is not expected that any such bias exists
Logging	• *Whether core and chip samples have been*	• Kalahari Metals Diamond drill core were geologically logged by a qualified

	geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	geologist using predefined lithological, mineralogical, and physical characteristic (colour, weathering etc) logging codes. • The geologists on site followed industry best practice and standard operating procedure for Diamond, drilling processes. • Diamond drill core was marked up on site and logged back at the field office or camp where it was securely stored. • Data was and is recorded manually by hand on paper standard logging sheets (hard copy) and then data captured to Excel logging sheets (soft copy).
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• All logging used standard published logging charts for grain size, sorting to maintain a qualitative and semi-quantitative standard based on visual estimation • Magnetic susceptibility readings are also taken every meter and/or half meter
	• *The total length and percentage of the relevant intersections logged.*	• 100% of all recovered intervals were geologically logged
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Selected intervals will be cut with a commercial core cutter and half cores taken for analysis.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry*	N/A
	• *For all sample types, the nature, quality and appropriateness of the sample preparation techniques*	• Field sample preparation is suitable for the material.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• Kalahari Metals standard field QAQC procedures include the field insertion of blanks, standards and collection of field duplicates. These are being inserted at a rate of 5% for each to ensure an appropriate rate of QAQC.
	• *Measures taken to ensure that*	• Sampling is deemed appropriate for

	the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.	the type of survey and equipment used.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The sample sizes collected are in line with standard practice
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• The recent drilling program has yet to dispatch the samples. • The sampling and analysis were appropriate for the type of sampling
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	• Kalahari Metals used a ZH Instruments SM10 magnetic susceptibility meter for measuring magnetic susceptibilities and readings were randomly repeated to ensure reproducibility and consistency of the data. • Checks were also carried out independently using a ZH Instruments SM30 magnetic susceptibility meter.
	• *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.*	• Appropriate reference material will be inserted on a ratio of 1:30 samples • Repeat samples and duplicates will be undertaken for every 30 samples • Blanks will be inserted on a ratio of 1:50 samples • ALS insert their own standards, duplicates and blanks and follow their own SOP for quality control. External laboratory checks will be undertaken when enough sampling warrants.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• Any significant intersections will be verified by peer review • All data is electronically stored with peer review of data processing and modelling • Data entry procedures standardized in SOP, data checking and verification routine. • Data storage on partitioned drives and
	• *The use of twinned holes.*	
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic)*	

	protocols. • *Discuss any adjustment to assay data.*	backed up • The recent Kalahari Metals drilling program has yet to dispatch samples.

Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*
	• *Specification of the grid system used.*
	• *Quality and adequacy of topographic control.*
		• Kalahari Metals Drill collar coordinates are captured by GPS
		  • Diamond holes are predominantly inclined and have been surveyed.
		  • The grid system used is WGS84 Zone 34S. All reported coordinates are referenced to this grid.
		  • Topographic control is based on airborne geophysical survey data collected at 15m resolution. Quality is considered acceptable.
		  • The grid system used was WGS84 Zone 34S. All reported coordinates are referenced to this grid.
		  • Elevation control on the AEM survey relied on Novatel DL-V3L1L2 with post-processed differential correction in conjunction with an SF-11/C and SF00 laser altimeters

Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Sampling is deemed appropriate for the type of survey and equipment used. • Drill hole spacing is broad, as might be expected for this early stage of exploration, and not yet at a density sufficient for Mineral Resource Estimation • Sample compositing has not been applied • NRG Xcite AEM survey lines flown on bearing 331 degrees with line spacing 200m. Survey altitude was 30m to 40m (Tx-Rx array) and 60m to 70m (helicopter)
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.* • *If the relationship between the drilling orientation and the*	• Drill spacing is currently broad and hole orientation is considered appropriate for the broad geological setting. • Existence, and orientation, of preferentially mineralised structures is not yet known. • AEM survey direction (331) flown

	orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	across the average regional strike direction (060)
Sample security	• *The measures taken to ensure sample security.*	• Sample bags are logged, tagged and stored at the field office. • Diamond core is stored in a secure facility at the field office and then moved to a secure warehouse.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Kalahari Metals drill hole sampling procedure is done according to industry best practice. • No audits have been completed at this time.

JORC Table 1 - Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Kitlanya (Pty) Ltd is a wholly owned subsidiary of Kalahari Metals Limited. Kalahari Metals Limited is operated as a Joint Venture between Cobre Limited and Metal Tiger Plc. • The Kitlanya Project area EPL's are held (100%) by Kitlanya (Pty) Ltd a locally registered company: • PL070/2017 (994 km^2), PL071/2017 (914 km^2), PL072/2017(847 km^2), next renewal 31/03/2022 and PL342/2016 (941 km^2), PL343/2016(986 km^2), next renewal 31/12/2021 • The company expects to apply for renewal or extension of Licences as required
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration on PL070/2017 was conducted by New Hanna and comprised soil sampling (TL1) and a combination of Percussion, RC & Diamond drilling together with detailed airborne magnetic data

		collection.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The regional geological setting underlying all the Licences is interpreted as Neoproterozoic meta sediments, deformed during the Pan African Damara Orogen into a series of NE trending structural domes cut by local structures. • The style of mineralisation expected comprises strata-bound and structurally controlled disseminated and vein hosted Cu/Ag mineralisation
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *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.*	• Information relating to the drilling described in this announcement are listed in Table 2
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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,*	• Significant intersection results will be compiled and reported by Cobre Limited when any samples are dispatched, and assay results received.

	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.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *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 (eg 'down hole length, true width not known').*	• Down hole intersection widths are used throughout.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• The maps and images in this announcement are appropriate for demonstrating the licence locations and regional setting together with the geological and tectonic framework
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.*	• The accompanying document is considered to be a balanced and representative report
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*	• New Resolution Geophysics (NRG) completed magnetic and electromagnetic surveys over 1,740 line Km as well as 767 line Km of magnetics over portions of the current licence areas.

	substances.	
Further work	• *The nature and scale of planned further work (eg 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.*	• Samples from the recent drilling programme will be assayed by ALS Johannesburg • Further field exploration will be determined once assay results are available in early 2022 •