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**ASX Limited -** Company Announcements Platform

# PERRINVALE VHMS PROJECT UPDATE – 2021 FIELD EXPLORATION RESULTS IN NEW DRILL TARGETS AND PRIORITY PROSPECTS

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Cobre Limited (ASX: **CBE**, **Cobre** or **Company**) is pleased to announce the successful outcomes of the 2021 field exploration programme on the Company's wholly owned Perrinvale Volcanic Hosted Massive Sulphide (**VHMS**) Project (**Perrinvale** or **Project**) in Western Australia.

**Highlights:**

- A systematic soil and rock chip sampling approach identified 29 new areas of interest; and
- After follow-up fieldwork, 17 of those areas and 5 of the original prospects are considered prospective and warrant further exploration;
- Limited MLEM surveying has identified conductors worthy of drill testing at 3 new priority prospects; and
- Malachite mineralisation (copper carbonate hydroxide) identified at Costa del Islas.

The Company previously announced the commencement of an extensive programme of '*boots on the ground*' exploration at Perrinvale on 29 April 2021. The aim of the programme was to assess the broader exploration potential of the greater project area and identify prospects with the potential to add to the resources drilled at Schwabe.

The field programme ran through to December 2021 generating 13,611 soil and 4,237 rock chip samples; all analysed via portable XRF (**pXRF**). 1,231 rock samples were also submitted for comprehensive multielement laboratory analysis. **Figure 4** shows the distribution of the soil and rock chip samples collected across the project.

The new sample data was combined with existing datasets including the 2019 Airborne Electromagnetic (**AEM**) survey conductors, magnetic and radiometric imagery, HyMap hyperspectral imagery, available geological mapping, plus historic soil, rock chip and drill data, to identify prospective areas.

A total of 29 new areas of interest (**AOI**) were delineated. These were visited in the field for a more comprehensive reconnaissance and sampling exercise aimed at better understanding local geology and geomorphology, identifying signs of alteration that may be indicative of VHMS mineralisation, and increasing local sample density. This work also incorporated revisiting some of the previously defined prospects on the Panhandle Greenstone Belt.

A ground Moving Loop Electromagnetic (**MLEM**) survey was undertaken in December 2021, taking advantage of contractor availability. Three new prospects (Midway, Freshwater, and Feys Copper) were surveyed, with a fourth (Ankle Breaker) partially surveyed in the time available (Refer Figure *1*). Conductors were identified in all survey areas.

In January 2022, the Company conducted a technical workshop to review and then, where justified, recommend the next steps for exploration. Recommended exploration includes immediate drill testing, further ground MLEM, submission of selected collected soil samples for laboratory assay and further boots on the ground work. The process culminated in the five members of Cobre's technical team ranking all areas and independently selecting their top ten prospects.

***Table 1:*** *Priority prospects and recommended exploration activities*

| Prospect | Recommended work plan |
|---|---|
| Feys Copper | Drill testing of three MLEM conductors |
| Freshwater | Drill testing of two MLEM conductors |
| Little Italy | Drill testing of two MLEM conductors |
| Midway | Drill testing of extensive MLEM conductor |
| Ankle Breaker | Complete the 2021 MLEM survey and refine identified conductor prior to assessing drill target/s |
| Area 27 | Auger through transported sandy cover, confirm favourable geology/geochemistry, model AEM conductance and drill test |
| Costa del Islas | Extend MLEM north over area of malachite bearing chert then select best drill targets |
| Area 9/10 | Detailed ground assessment to confirm insitu felsic volcanics interpreted to extend between these areas |
| Mt Alfred | Detailed mapping of areas between ridges aimed at identifying stratigraphy hosting the Mt Alfred Cu prospect[1] plus favourable alteration |
| Ponchiera Copper | Detailed surface assessment in area of western MLEM[2] conductor |
| Ponchiera North | Detailed ground assessment to confirm insitu felsic volcanics on east side of ridge, coincident with the up-dip projection of a FLEM[2] conductor, where felsic volcanic float was identified in past field work |

1. Mt Alfred Cu is located along strike to the north, outside of Toucan's tenure, and was subject to exploration identifying significant copper mineralisation in the 1970's. 2. Identified during ground electromagnetic surveying completed and reported in 2020.

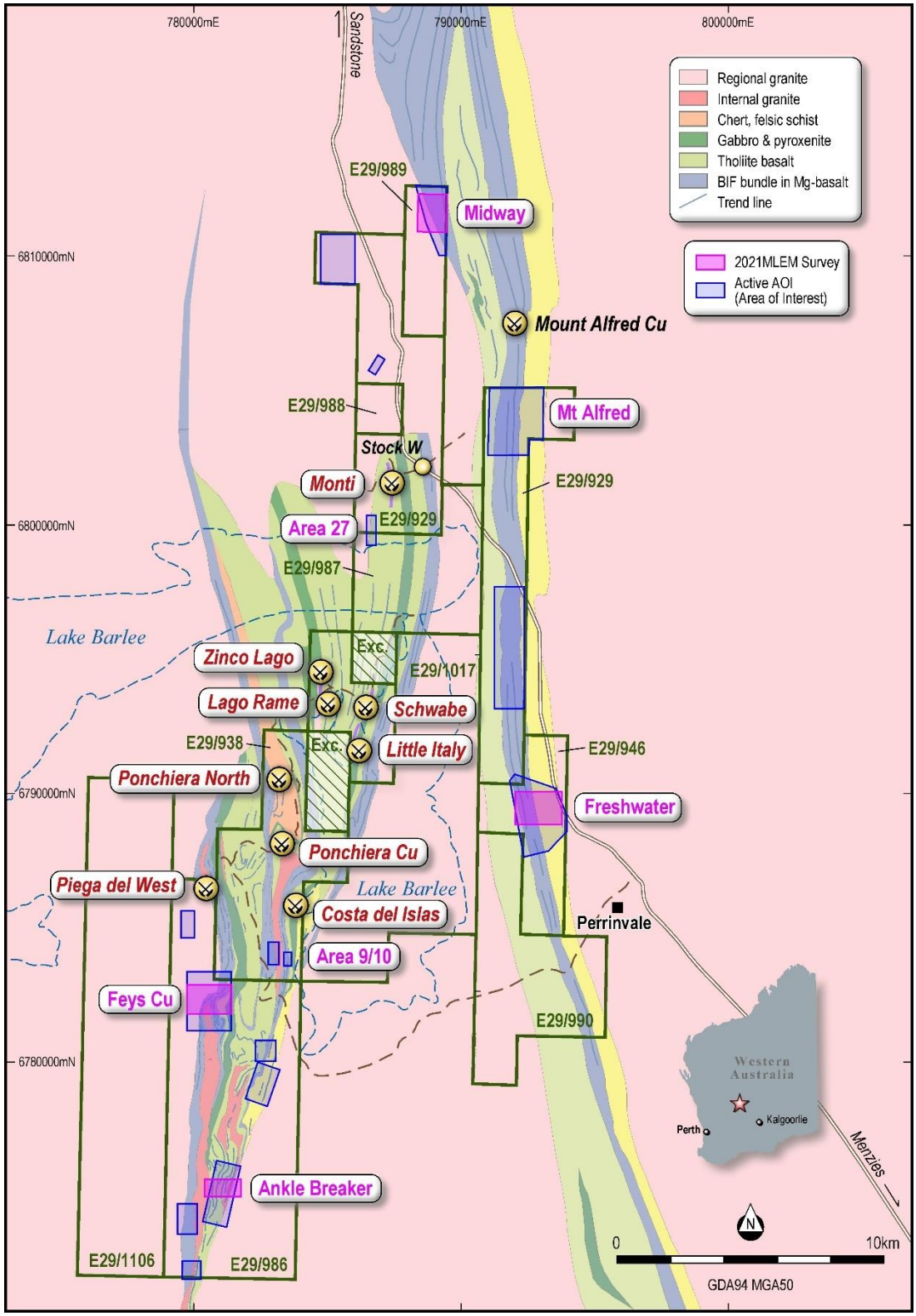


***Figure 1:*** *Perrinvale Project showing original prospects, active new areas of interest and those areas referred to by name in this announcement.*

One of the original prospects that is now showing greater potential is **Costa del Islas**. Following the drilling of a single RC hole (20PVRC007) in 2020, the area was subject to detailed soil sampling and ground reconnaissance resulting in definition of a significant area of soil anomalism, along with areas of malachite mineralisation (Refer Figure *2*).

The 2020 RC hole, reported in ASX announcement dated 20 August 2020, was drilled as a first test targeting an area where three MLEM conductor models overlap. A review of the drill chips indicates the presence of andesite within the package of basalt, mudstone and narrow black shales originally reported. Three zones of elevated sulphides correspond with the MLEM models. The sulphides, primarily pyrite and pyrrhotite, included signs of base metals with one interval returning[1] :

Sulphide zone: 3m@ 0.04% Cu, 0.08% Zn, 86 ppm Co, 32 ppm Pb, 0.01 g/t Au, & 0.7 g/t Ag from 91m

(including: 1m@ 0.06% Cu, **0.14% Zn,** 117 ppm Co, 40 ppm Pb, 0.003 g/t Au, & 0.8 g/t Ag from 92m)

The soil sampling and detail ground reconnaissance had not been completed at the time of drilling. This detailed work, now completed, suggests the hole was drilled to the south and east of the higher Cu in an area of stronger Zn in soils.

Sites of visible copper mineralisation (field description = malachite along with pXRF Cu response) in rock samples is also shown on Figure *2* & Figure 3, with a concentration of occurances located 600-700m NE of drill hole 20PVRC007. Here copper is hosted in a broad area of gossanous chert, which is hosted within a package of mafic to ultramafic schist along with a narrow black shale. Two conductors identified in the AEM line by line review appear to be associated with this area of surface malachite.

Located beyond the limits of the 2020 MLEM survey, expansion of the MLEM dataset to the north has been recommended to cover the gossanous area prior to defining further drilling at Costa del Islas.

The Company is now finalising budgets for board approval to allow the next exciting phase of field exploration to commence at Perrinvale.

[1] Reported under JORC 2012 ASX announcement 20/08/2020: FURTHER HIGH-GRADE VHMS RESULTS AT THE SCHWABE PROSPECT

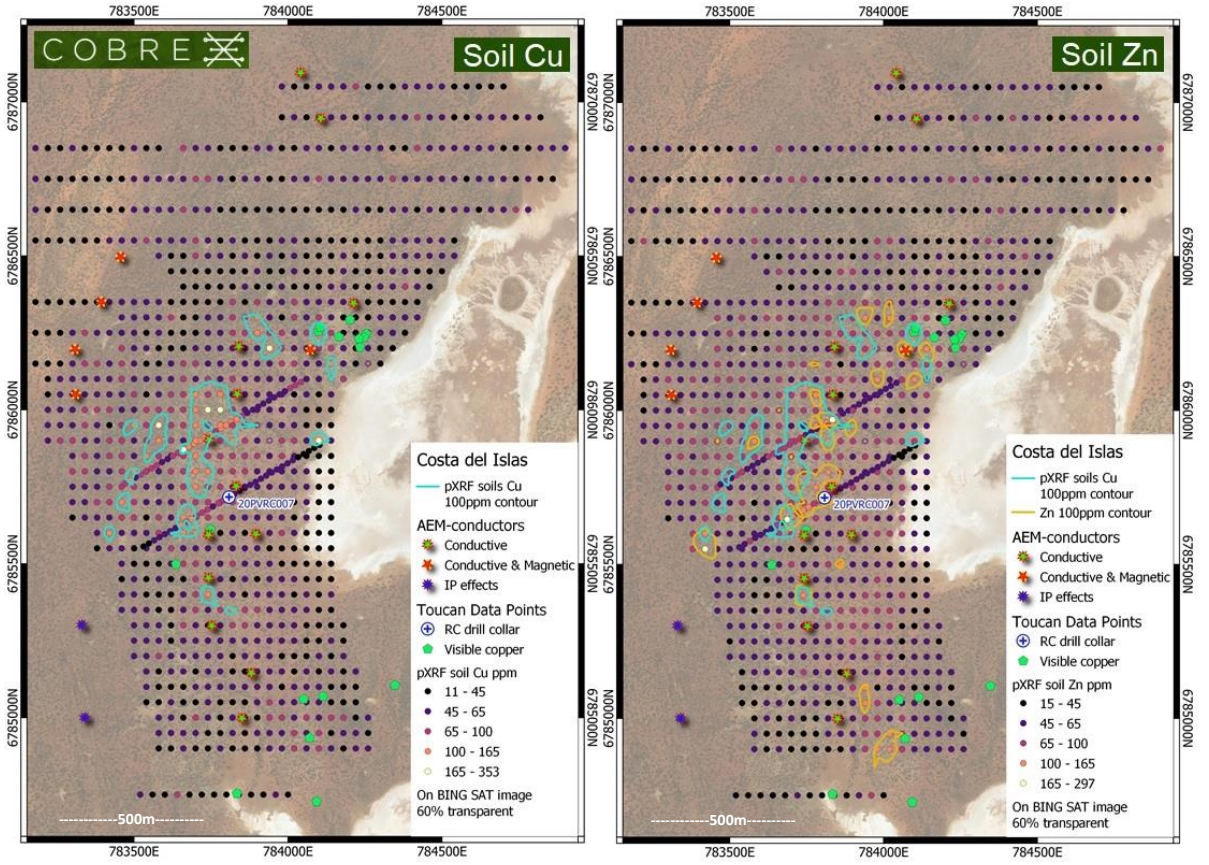


***Figure 2:*** *Costa del Islas Prospect exploration data comparing Cu and Zn soil responses (co-ordinates MGA94 Zone 50) Note: the left half of the above figure is included at higher resolution as Figure 3.*

**Commenting on the results generated by the 2021 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 to date. Our 2021 programme has looked more broadly at the tenure, successfully adding multiple new drill ready prospects with potential to host VHMS mineralisation. I thank our technical team and field crew for all their onfield efforts during these challenging times in identifying these new copper targets."*

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.

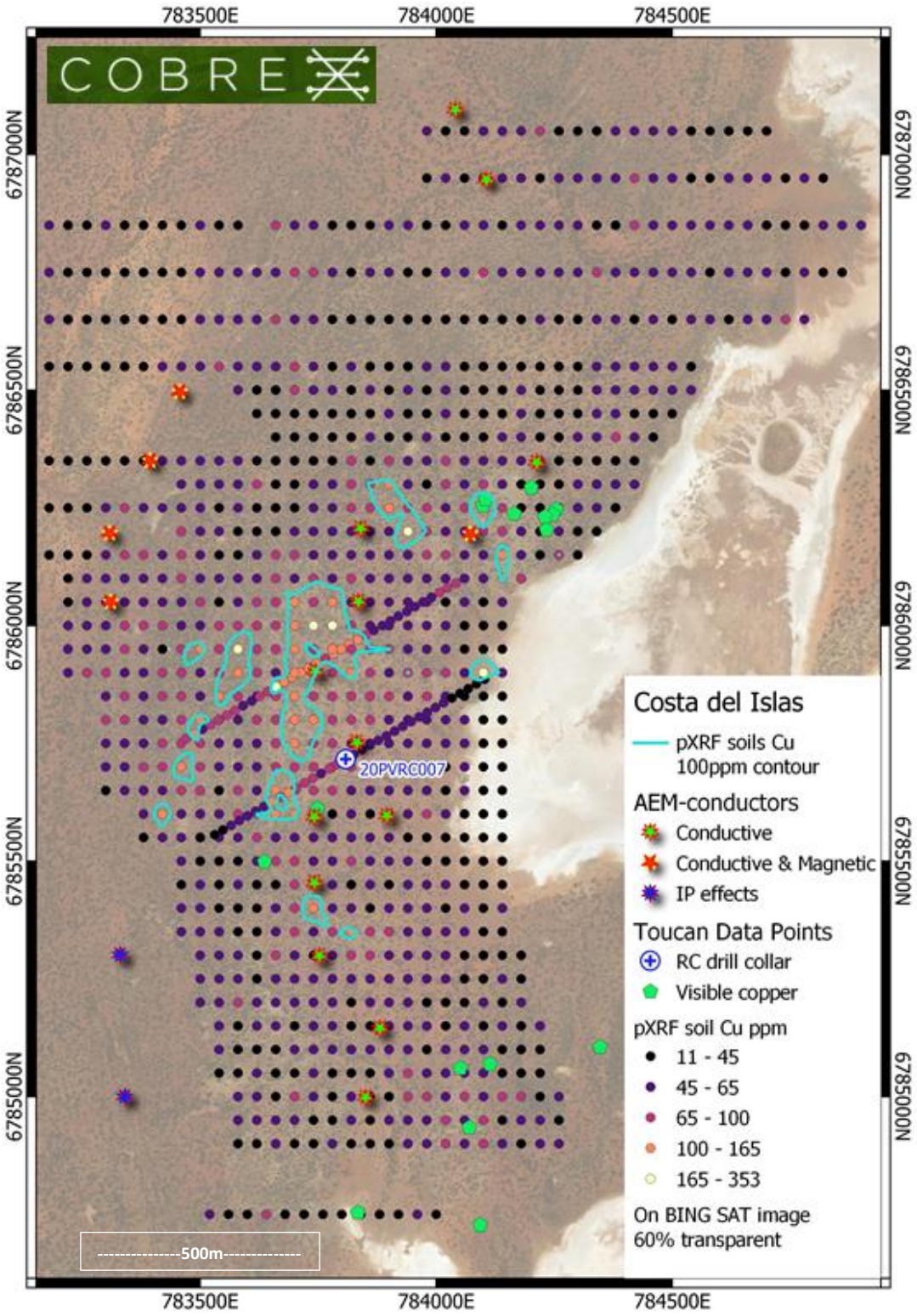


***Figure 3:*** *Costa del Islas Prospect showing areas of elevated copper in soil response, along with surface rock samples showing visible copper mineralisation & locations of conductors identified in the line-by-line review of the 2019 AEM survey (co-ordinates MGA94 Zone 50)*

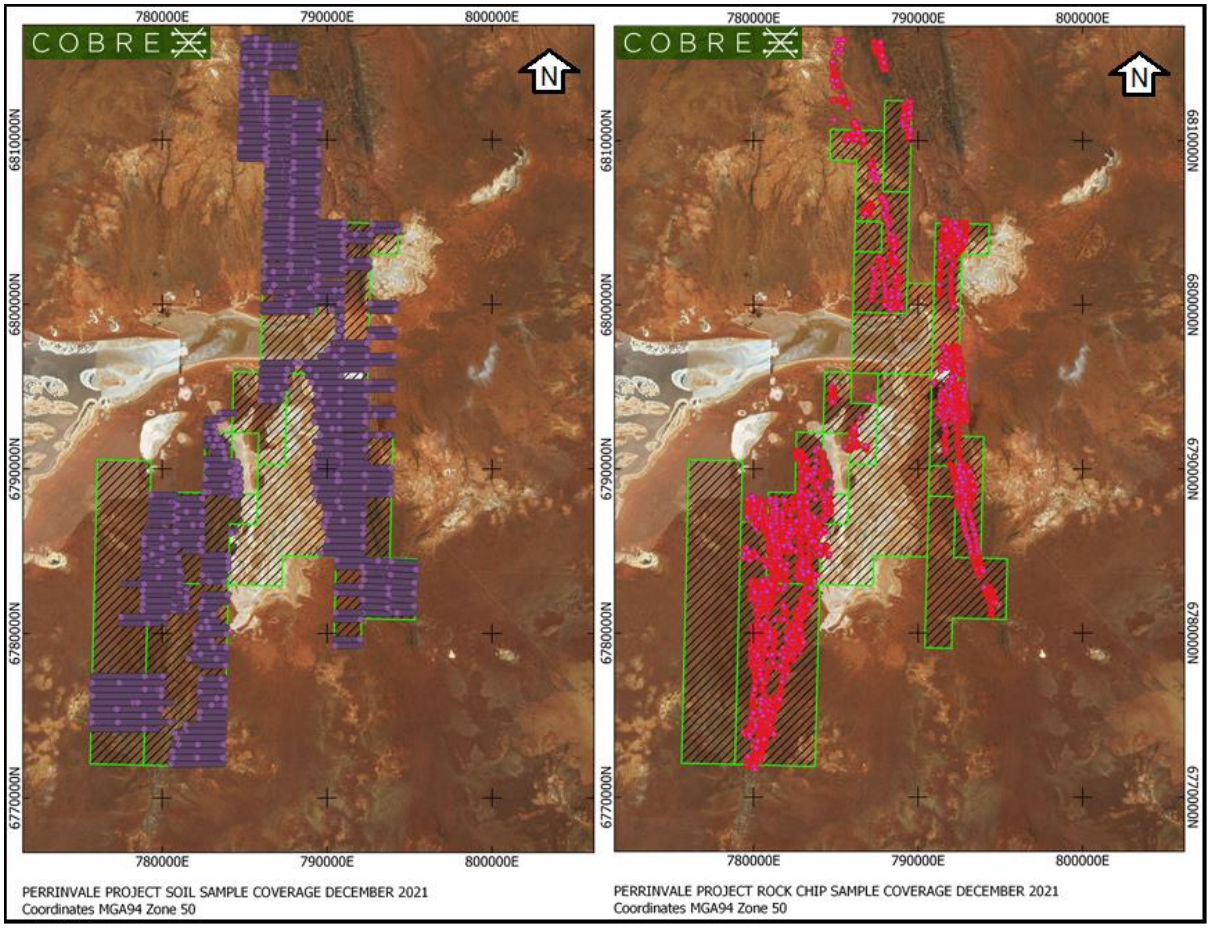


***Figure 4:*** *Location of 2021 soil and rock chip sampling over current tenement boundaries*

***Table 2:*** *Rock sample locations with visible copper mineralisation*

| Easting | Northing | RL | Sample ID | Description |
|---|---|---|---|---|
| 784234 | 6786203 | 414 | R2111004 | Malachite present |
| 784255 | 6786247 | 419 | R2111007 | Malachite present |
| 784247 | 6786235 | 418 | R2111008 | Malachite present |
| 784230 | 6786231 | 417 | R2111010 | Malachite present |
| 784165 | 6786237 | 415 | R2111014 | Malachite present |
| 784099 | 6786254 | 416 | R2111018 | Malachite present |
| 784105 | 6786268 | 417 | R2111020 | Malachite present |
| 784201 | 6786292 | 424 | R2111023 | Malachite present |
| 783834 | 6784754 | 396 | R2111027 | Malachite present |
| 784093 | 6784727 | 404 | R2111028 | Malachite present |
| 784070 | 6784934 | 406 | R2111042 | Malachite present |
| 784114 | 6785069 | 417 | R2111052 | Malachite present |

| | | | | |
|---|---|---|---|---|
| 784347 | 6785105 | 424 | R2111064 | Malachite present |
| 784051 | 6785060 | 411 | R2111079 | Malachite present |
| 783636 | 6785498 | 419 | R2111086 | Malachite present |
| 783748 | 6785611 | 409 | R2111092 | Malachite present |
| 784150 | 6786316 | 420 | R2111021 | Heavy ex-sulphide presence |
| 784194 | 6786298 | 423 | R2111022 | Heavy ex-sulphide presence |
| 784342 | 6786300 | 423 | R2111025 | Heavy ex-sulphide presence |
| 783840 | 6784761 | 396 | R2111026 | Heavy ex-sulphide presence |
| 784094 | 6784738 | 404 | R2111029 | Heavy ex-sulphide presence |
| 784141 | 6785061 | 416 | R2111030 | Heavy ex-sulphide presence |
| 784074 | 6784995 | 405 | R2111039 | Heavy ex-sulphide presence |
| 784076 | 6784926 | 407 | R2111044 | Heavy ex-sulphide presence |
| 784077 | 6784897 | 411 | R2111047 | Heavy ex-sulphide presence |
| 784107 | 6784940 | 414 | R2111048 | Heavy ex-sulphide presence |
| 783884 | 6785127 | 407 | R2111083 | Heavy ex-sulphide presence |
| 783702 | 6785570 | 411 | R2111088 | Heavy ex-sulphide presence |
| 783707 | 6785563 | 412 | R2111089 | Heavy ex-sulphide presence |
| 783752 | 6785621 | 408 | R2111093 | Heavy ex-sulphide presence |
| 783757 | 6785628 | 408 | R2111094 | Heavy ex-sulphide presence |
| 783753 | 6785479 | 410 | R2111096 | Heavy ex-sulphide presence |

*(co-ordinates MGA94 Zone 50)*

## Table 3: 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 as limiting the broad meaning of sampling. | In the process of geological reconnaissance, the field geologist collected samples of surface rocks. Samples were placed in numbered sample bags and the sample location recorded with handheld GPS. Soil samples were collected via digging a 10-15cm deep hole and then scraping sample from the side of the hole around 10cm depth. In areas where subcrop limited excavation depth sample depth was reduced. Sample was sieved to remove gravel and organic matter before |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | placing ~200g of sample into a ziplock plastic sample bag with a unique ID. Location picked up with handheld GPS. All samples were analysed onsite via Olympus Vanta Portable XRF (pXRF). Rock chips were removed from sample bags the be analysed as a single read per chip, or in the case of single rocks, by three reads for different surfaces of the sample. Soil samples were analysed through the clear plastic sample bags. |
| | Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used. | Being semi-qualitatively selected, rock samples are not expected to be representative of any more than the material sampled. Soil samples were sampled using a systematic process. For pXRF analysis a series of reads were regularly completed of certified standards and the Vanata supplied calibration disc. Plastic bags were analysed via pXRF each time a new batch was purchased to ensure no metal contamination. |
| | Aspects of the determination of mineralisation that are Material to the Public Report.<br><br>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 | No sample preparation was undertaken prior to pXRF analysis. All samples were retained after analysis. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | nodules) may warrant disclosure of detailed information. | |
| 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 whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | Not applicable |
| 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 used for analysis. Samples were collected dry. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | For all sample types, the nature, quality and appropriateness of the sample preparation technique. | No sample preparation was undertaken (refer to sampling techniques section above). |
| | Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. | Not applicable |
| | 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 soils and rocks sampled and analyses processes applied. |
| 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. | Generally no specific analysis results are reported at this time. Analysis results were combined with other datasets to identify areas of interest suited to further exploration.<br>For Costa del Islas the report includes plans showing the pXRF soil Cu & Zn analysis coloured by grade bins.<br>pXRF is considered a partial technique. |
| | 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. | An Olympus Vanta pXRF was used set to Geochem mode.<br>All analysis were completed as 3 beam, 30 second per beam reads. |
| | 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. | Standards and calibration disc reads were completed systematically in the analysis stream.<br>No issues were identified. |
| 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. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | 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 Supervising Geologist, who checked it before loading it to the MS Excel Master database. Copies of the database were kept on site computer as well as loaded on the Company cloud storage. |
| | 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.<br><br>Specification of the grid system used. | Handheld GPS co-ordinates expected accuracy 3-5m, which is suitable for the current purpose.<br><br>GDA94 zone 50. |
| | Quality and adequacy of topographic control. | Handheld GPS, which is suitable for the stage of exploration. |
| Data spacing and distribution | Data spacing for reporting of Exploration Results. | For rock chip data spacing was controlled by available outcrop and observations of the field geologist.<br>For soil sampling a nominal 40m x 400m grid was applied across the project. In some cases this original sample grid was infilled, while in other areas sampling was completed in alternate pairs of 40m x 400m lines.<br><br>For Costa del Islas the report includes plans showing the pXRF soil Cu & Zn analysis coloured by grade bins. This area was infilled to 40m x 50m. |
| | 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 |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| 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 double bagged in the field and delivered directly to the site office by company personnel. Here sample numbering was checked and samples transferred to boxes for storage prior to pXRF analysis. Boxes of sample stored in sea containers. |
| 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. 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 | The tenements are in good standing, and all work has been conducted under |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | known impediments to obtaining a license to operate in the area. | 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 previously 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:<br>- easting and northing of the drill hole collar<br>- elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar<br>- dip and azimuth of the hole<br>- down hole length and interception depth<br>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 | Not applicable |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | 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.<br>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.<br>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.<br>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 discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | Included within the report (or as appendices) |
| **Balanced reporting** | Where comprehensive reporting of all Exploration Results is not practicable, | All significant results are included on the plans and/or cross-sections in this or |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | previous reports available at www.cobre.com.au/announcements/. No specific assay/analysis results are reported at this stage. For Costa del Islas prospect soil analysis results are shown coloured by grade bin, and for rocks all 'gossanous' samples are tabulated, including reference to location and rock type. These samples are shown as a qualitative indication of potential of that particular prospect area. No grades are reported. |
| **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. |