



QUARTERLY ACTIVITIES REPORT

QUARTER ENDED 31 DECEMBER 2021

HIGHLIGHTS

- **Botswana:**
 - The joint venture drilling program continued in the Kalahari Copper Belt, Botswana with completion of the 900m diamond core hole at Perseverance and a further 2,947.5m of diamond core drilling at Endurance in 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, K-feldspar and sericite alteration plus abundant quartz-carbonate veining.
- **Perrinvale:**
 - A total of 5,759 soil and 2,008 rock chip samples were collected across the Project;
 - Areas of Interest were systematically identified as data became available and these were subject to more detailed field assessment;
 - A ten-day programme of ground electromagnetic surveying was undertaken in December; and
 - Drill targets were assessed together with priority areas requiring pre-drilling follow up work were identified.
- **Gabon:**
 - Armada Metals Limited (AMM:ASX), of which Cobre is a substantial shareholder, successfully listed on the ASX following its AUD\$10m Initial Public Offering; and
 - Cobre holds 15M Armada shares (14.43% of Armada shares) and an option to acquire an additional 3.3M Armada shares at an exercise price of \$0.334 each.
- **Corporate:**
 - Annual General Meeting held on 30 November 2021 with shareholders approving the re-election of Michael Addison as a director and the participation by Metal Tiger in the second tranche of the Company's 2021 17cps capital raise.

Cobre Limited
(ASX: CBE)

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ASX: CBE

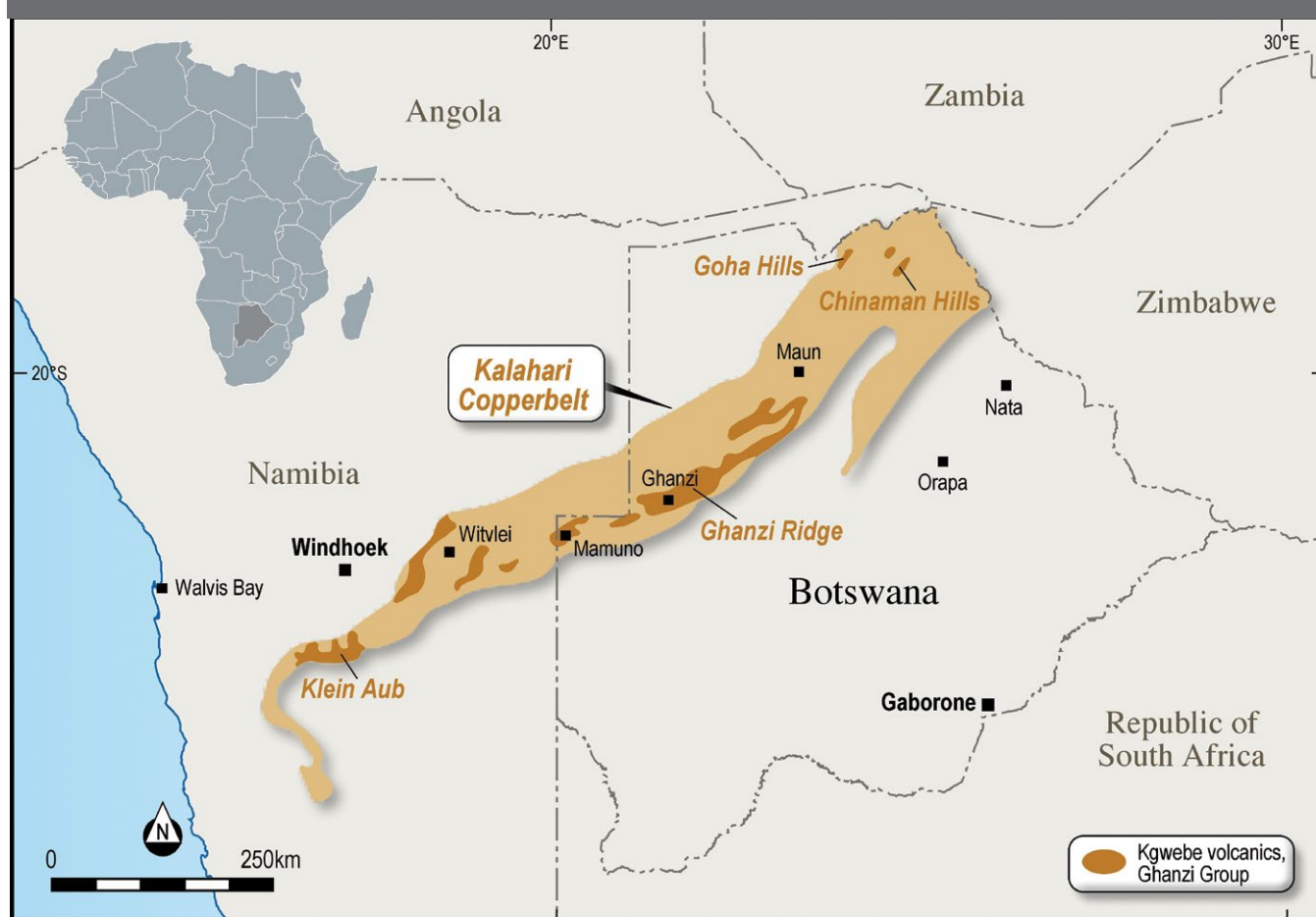
Cobre Limited (**Cobre, CBE or Company**) is pleased to provide the following update on its activities for the quarter ended 31 December 2021, during which the Company continued to focus on its diverse project portfolio in Australia, its investments in Botswana and Gabon and its corporate strategy.

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 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 holds a 51% ownership in KML following the receipt of the change of control approval from the Ministry of Mines of Botswana (refer ASX announcement of 7 December 2021).

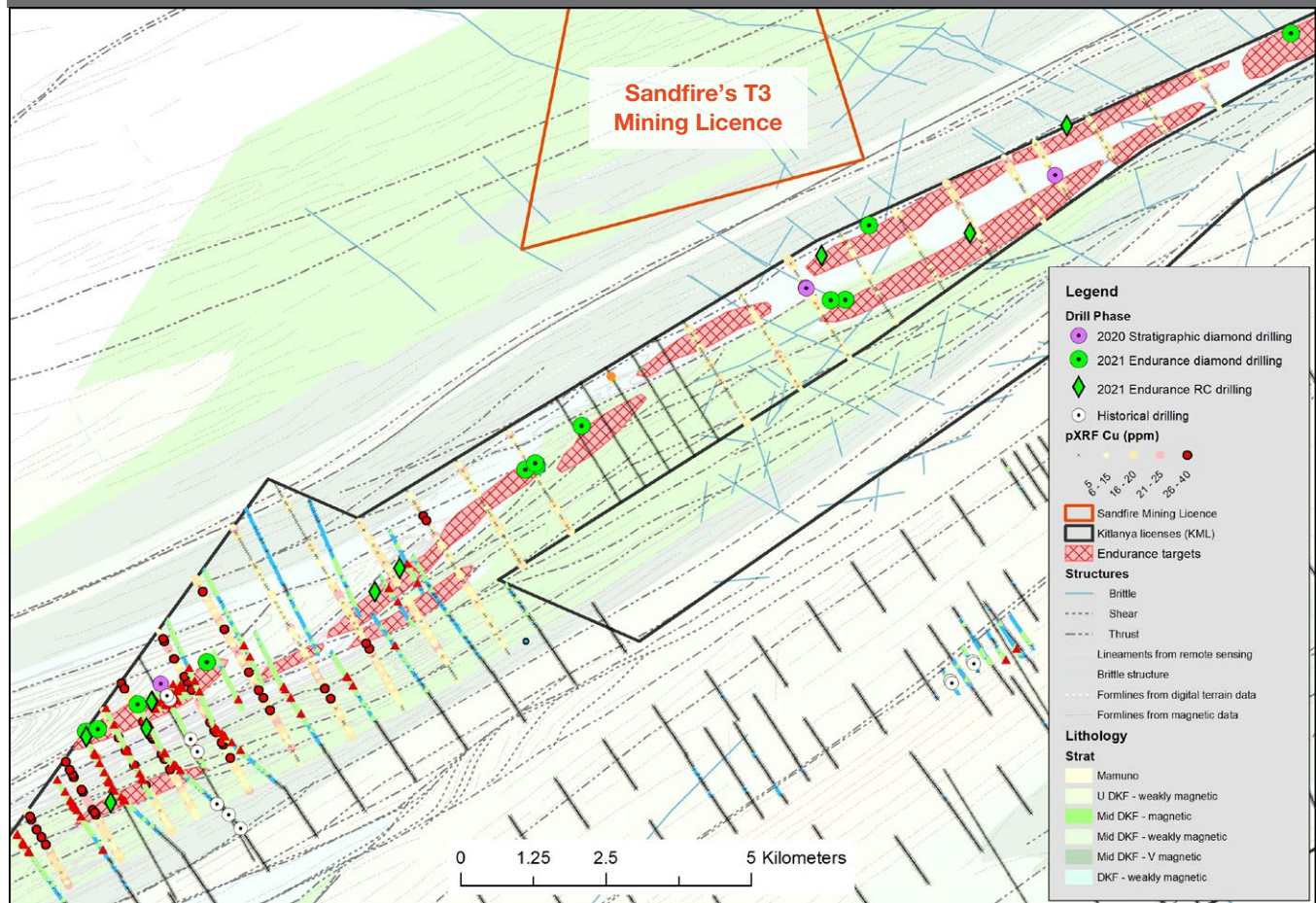
The KCB is regarded as one of the most prospective areas globally for copper exploration by the US Geological Survey, with a number of copper-silver deposits currently under development by ASX listed Sandfire Resources Limited (ASX: **SFR, Sandfire**) and also Cupric Canyon Capital (**Cupric Canyon**).

Figure 1: Locality of the Kalahari Copper Belt



During the quarter, on 13 October 2021 (and updated on 21 October 2021), Cobre released an update in relation to the recently completed Reverse Circulation (**RC**) and Diamond Core (**DC**) 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 1,701m of RC drilling and 397m of DC drilling were recently completed which have been combined with stratigraphic diamond drilling (1,731m) completed in 2020, to generate a set of compelling targets for follow-up work.

Figure 2: Locality map illustrating the position of completed drilling on the Endurance prospect overlain on lithological and structural interpretations. Soil samples are overlain with anomalous Cu returns highlighted.



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 Airborne Electromagnetic (**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; and
- 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 (Slx10 ⁻³)	Std Dev (Slx10 ⁻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 qtz-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 Charmain 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 during 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 Kit-E Prospect in Botswana. Drilling is aimed at testing priority targets identified in the previous round of RC and DC drilling with 8 priority holes, totalling approximately 2,350m, planned to test doubly plunging fold targets and anticlines identified from modelling of AEM data. This DC was completed during the quarter, with a total 2,948m drilled, along with a deep hole on the Perseverance Prospect (900m).

Further updates were announced during the quarter, on 8 December 2021 and 20 December 2021, related to the results of that next phase of drilling at the Endurance Prospect.

On December 8, Highlights from the drill programme included:

- Drill holes have intersected significant hydrothermal alteration including chlorite, albite and sericite alteration along with multi-generational quartz-carbonate vein stockworks typically associated with Cu-Ag deposits in the KCB;
- Several intersections of minor Cu-mineralisation have been recorded in visual logs associated with zones of more intense alteration; and
- Results have significantly prioritised target areas within the Endurance Prospect and offer an effective method for vectoring to higher grades of mineralisation.

Based on these encouraging provisional results from the ongoing drilling and excellent drill production rates, two follow-up holes have been added to the current phase of drilling to round off the exploration programme for 2021.

On 20 December 2021, following the announcement of 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 were summarised in the announcement as follows.

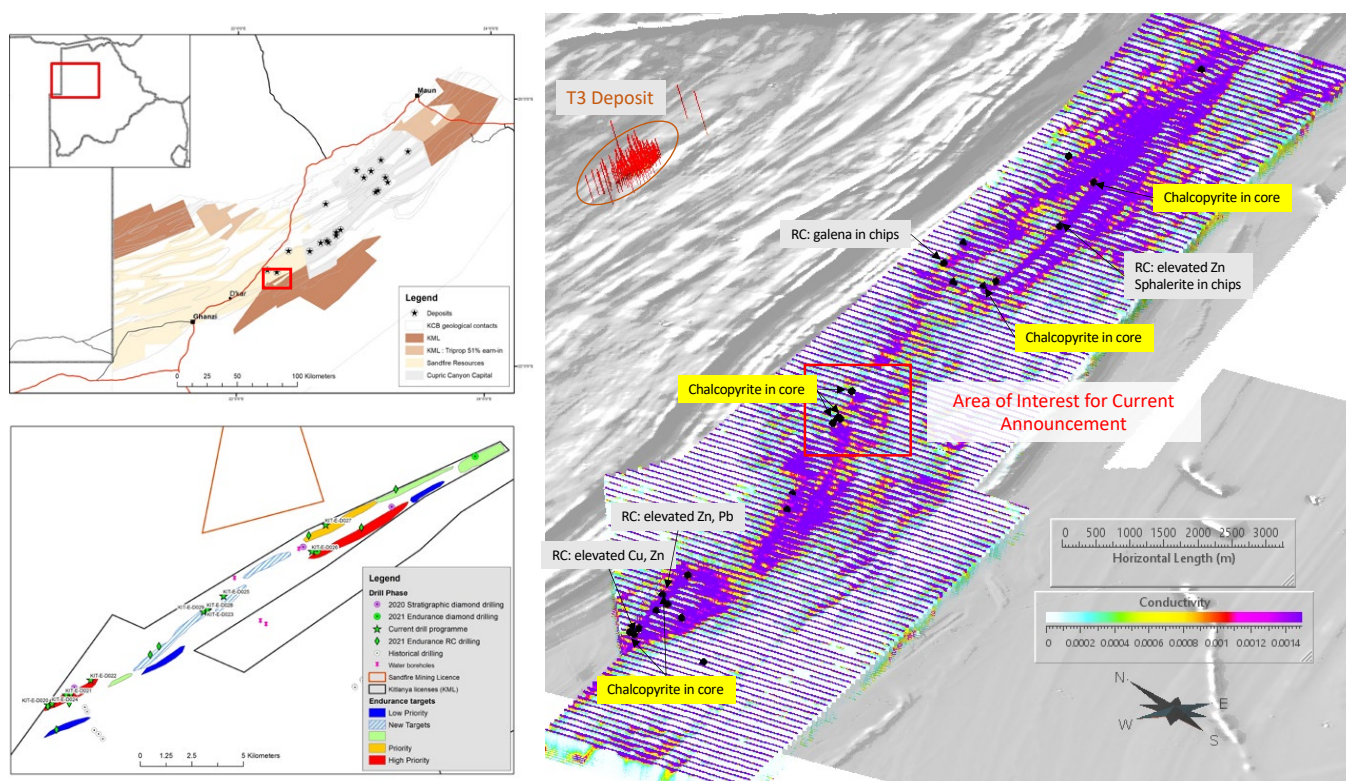
- Both follow-up holes have intersected alteration zones with visible Cu-mineralisation demonstrating lateral and vertical continuity to the target hydrothermal system;
- In addition to previously identified vein-hosted chalcopyrite mineralisation, further fine-grained copper sulphide mineralisation 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 DC holes totalling 2,948m, was designed to test a range of targets based on earlier RC and stratigraphic drilling results. 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.

Assays from the Endurance drilling programme are expected to be received this quarter.

Figure 3: (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.



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 venture.

Full details of the exploration results including relevant JORC information and activities in Botswana can be accessed in the Company's ASX releases dated 13 October, 21 October 2021, 8 December and 20 December 2021.

2. Direct Projects & Assets

2.1 Tenement Schedule

In accordance with ASX Listing Rule 5.3.3, Cobre provides the following information in sections 2.2 and 2.3 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, totalling 345km².

Table 2 | Tenement schedule for Toucan Gold Pty Ltd. 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.

Tenement/ Application	Holder/ Applicant	Shares	Grant Date	Expiry Date	Area
E29/929-I	Toucan Gold Pty Ltd	100/100	25-Aug-15	24-Aug-25	19 Blocks
E29/938-I	Toucan Gold Pty Ltd	100/100	8-Jul-15	7-Jul-25	13 Blocks
E29/946-I	Toucan Gold Pty Ltd	100/100	18-Aug-15	17-Aug-25	5 Blocks
E29/986	Toucan Gold Pty Ltd	100/100	11-Oct-17	10-Oct-22	20 Blocks
E29/987	Toucan Gold Pty Ltd	100/100	19-Sep-17	18-Sep-22	7 Blocks
E29/988	Toucan Gold Pty Ltd	100/100	19-Sep-17	18-Sep-22	1 Blocks
E29/989	Toucan Gold Pty Ltd	100/100	19-Sep-17	18-Sep-22	3 Blocks
E29/990	Toucan Gold Pty Ltd	100/100	19-Sep-17	18-Sep-22	9 Blocks
E29/1017	Toucan Gold Pty Ltd	100/100	4-Jan-18	3-Jan-23	18 Blocks
E29/1106	Toucan Gold Pty Ltd	100/100	14-May-21	13-May-26	20 Blocks

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*). Cobre holds 51% ownership of the project under the farm-in agreement.

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 December quarter unless stated otherwise.

3. Exploration Activities & Results

3.1 Perrinvale

As outlined in the June and September 2021 quarterly reports, 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 ultimately at definition of future drill targets.

The field work has now covered the majority of the tenure (including parts of the most recently granted E29/1106 tenement) at a first pass sampling level. A total of 5,759 soil and 2,008 rock chip samples were collected during the quarter. Bringing the totals for the programme to 13,611 soil and 4,237 rock chip samples. 1,231 rock samples have also been submitted for laboratory analysis.

Work to date is supportive of the model and supporting the concept that the iron formations in the area can show indications of hydrothermal source. Simplistically, 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, laboratory assays, and remotely sensed datasets, the technical team refined specific areas of indicated prospectivity for more detailed field assessment, which was undertaken during the quarter.

With a geophysical crew available for 10 days in December, the Company took the opportunity to complete some ground electromagnetic (**MLEM**) surveys. Three prospects were covered with time permitting a single survey line to be completed on a fourth prospect. In line with the goal of assessing prospectivity across the entire tenement holding, all surveyed prospects are located outside the area covered by the 2019 AEM Survey. Results have been utilised in the process of selecting drill targets 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. A technical team workshop has been completed (post quarter end) assessing all results, determining recommended next steps for each prospect and AOI identified to date across the Project, and prioritising.

The technical team are expected to present 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:

As announced to the ASX last 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.

Cobre announced on 29 November 2021 that it had agreed to invest a further AUD\$1.0M as a cornerstone investor in Armada's IPO which resulted in the successful listing of Armada Metals Limited (ASX: AMM) on the ASX on 15 December 2021. Cobre holds a total of 15,000,000 fully paid ordinary shares (**FPOS**) in Armada Metals Limited (comprising 14.43% of shares on issue) as well as an option to acquire an additional 3,330,000 FPOS in Armada, upon exercise of the option and subject to payment of the exercise price of AUD\$0.334 per share.

Table 4 | Armada's Exploration Permit Details¹.

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:

- 1: 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 was held on 30 November 2021 with the passing of resolutions approving the re-election of Michael Addison as a director and also the issue of shares under the second tranche of the capital rising announced on 15 April 2021, to Metal Tiger who have now been issued a further 8,311,765 shares at an issue price of \$0.17 per share, the same price as the shares issued under tranche 1. The funds raised are being used primarily to meet the capital requirements for exploration under the Company's joint venture Botswana investment, with Metal Tiger through KML.

5.2 Summary of ASX Announcements:

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

Date	Price Sensitive	Title
13 October		Botswana Drilling Update
18 October		Kalahari Metals – Commencement of Drilling at Endurance
21 October		Botswana Drilling Update – updated
26 October	\$	Quarterly Activities/Appendix 5B Cashflow Report
29 October		Notice of AGM
29 October		AGM Letter to Shareholders
29 October		AGM Virtual Meeting User Guide
29 November	\$	Investment in Armada Metals
30 November		Chairman's Address to Shareholders
30 November		AGM Results
7 December		Minister's Change of Control Approval for Kalahari Metals
8 December	\$	KML – Provisional Results from Endurance Drilling Programme
14 December		Notification Regarding Unquoted Securities (Issue of Options)
14 December		Application for Quotation of Securities
14 December		Cleansing Notice
17 December		Application for Quotation of Securities
17 December		Cleansing Notice

Date	Price Sensitive	Title
17 December	\$	Receipt of Placement Funds from Metal Tiger
17 December		Becoming a Substantial Shareholder for Armada Metals
20 December	\$	Botswana Drilling Complete – Cu-Mineralisation Increases
20 December		Change in Substantial Shareholding from Metal Tiger
17 January		Forthcoming Escrow Release
28 January	\$	New Cu Targets Identified at Perrinvale – WA

5.3 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	March '20 Qtr	June '20 Qtr	Sept. '20 Qtr	Dec. '20 Qtr	March '21 Qtr	June '21 Qtr	Sept. '21 Qtr	Dec. '21 Qtr	Actual to Date
Exploration (2 years)	\$7,447,550	\$151,000	\$777,000	\$1,623,000	\$473,000	\$184,000	\$305,000	\$324,000	\$417,000	\$4,254,000
Working Capital (2 years)	\$2,315,929	\$387,000	\$206,000	\$201,000	\$320,000	\$236,000	\$294,000	\$252,000	\$488,000	\$2,384,000
Expenses of the Offer	\$766,521	\$894,638	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Pursuant to ASX Listing Rule 5.3.1, Cobre provides the following breakdown of the exploration expenditure of \$417,153 incurred across the December 2021 quarter referred to in table 6 above.

Table 7 | Listing Rule 5.3.1 Information

Projects	Expenditure
Perrinvale – Western Australia	
Tenement Management	\$8,829
Geophysical Activities	\$1,269
Geological Activities	\$296,041
General Exploration	\$71,061
Drafting	\$261
Analytical services	\$39,307
Sandiman Farm-in – Western Australia	
Tenement management	\$278
Analytical services	\$107
Total Exploration	\$417,153

In accordance with ASX Listing Rule 5.3.5 and as noted in section 6 of the Appendix 5B, payments of \$138,000 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.

5.4 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 Statements

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 13 October, 21 October, 8 December and 20 December 2021 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.

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")

31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		26
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(53)	(98)
	(e) administration and corporate costs	(470)	(794)
1.3	Dividends received (see note 3)		
1.4	Interest received		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)	35	125
1.9	Net cash from / (used in) operating activities	(488)	(740)
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	(417)	(741)
	(e) investments	(1,218)	(2,543)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	(811)	(1,560)
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)	(143)	(138)
2.6	Net cash from / (used in) investing activities	(2,589)	(4,982)

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

Other relates to movement in cash held on behalf of Kalahari Metals.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,413	1,413
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)
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	1,413	1,405

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,492	8,145
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(488)	(740)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,589)	(4,982)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,413	1,405
4.5	Effect of movement in exchange rates on cash held	0	
4.6	Cash and cash equivalents at end of period	3,828	3,828

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	3,764	5,281
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)	64	211
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,828	5,492

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	144
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<p><i>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.</i></p> <p>Payments of \$138K 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</p>		

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)	(488)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(417)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(905)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,828
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,828
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.23
	<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: **31 January 2022**

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.