



Cobre Limited A.C.N. 626 241 067 (**ASX: CBE**)

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9 May 2022

Ms Nikki Ciavatta  
Adviser, Listings Compliance (Perth)  
ASX Limited

### Response to ASX Aware Query

Cobre Limited (**ASX: CBE** or **the Company**) provides the following responses in relation to the ASX's 'Aware Query' Letter dated 5 May 2022.

Capitalised terms used in this response have the same meaning as given in ASX's 'Aware Query' Letter dated 5 May 2022 unless otherwise required.

- 1. Does CBE consider the Exploration Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

No. CBE does not consider the Exploration Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities.

- 2. If the answer to question 1 is "no", please advise the basis for that view.**

In the Company's announcement titled "**Response to ASX Price and Volume Query**" (**Response Announcement**) dated and released to the ASX on 12 April 2022, in reference to the Company's announcement titled "**Kalahari Metals - Botswana Exploration Update**" (**Exploration Announcement**) also dated and released to the ASX on 12 April 2022, it was stated, "...the Company does not believe that the update contains information that a reasonable person would expect to have a material effect on the price or value of the Company's securities or could explain the recent trading in its securities...".

Further, as stated in the Exploration Announcement, the purpose of the work program undertaken by Kalahari Metals Limited (**KML**), which is 51% owned by the Company with the remaining 49% owned by ASX and AIM listed Metal Tiger plc (ASX: **MTR**, AIM: **MTR**), and outlined therein is to:

- *“Confirm the logging of trace base metal sulphides in drill core;*
- *Identify potential element assemblages which could help with identification of alteration halos associated with mineralisation; and*
- *Prioritise the multiple targets identified to date and refine the next phase of drilling.*

*The results and the update itself pertain to just one part of one prospect of KML’s tenement tenure and exploration program...”*

The Exploration Announcement contained Exploration Information that is part of an ongoing drilling and exploration program in Botswana. That program involves a sequencing of events which includes a number of factors including the receipt of assay results. Those assay results reported in the Exploration Announcement are not of themselves remarkable and, in the view of the Board, not *“...information that a reasonable person would expect to have a material effect on the price or value of the Company’s securities or could explain the recent trading in its securities...”*. Assay results are received and reported in batches and with only a small number of assay results ordinarily released to the market, in the absence of results that are significant and could be considered to *“...have a material effect on the price or value of the Company’s securities...”*, which is not the case here.

The entity conducting the exploration program, KML, is 49% owned by MTR, which did not experience any change in its share price or volume around the period in time which was the subject of the ASX’s initial Price and Volume Query letter, and MTR did not make a separate release to the ASX, noting that Cobre’s Exploration Announcement was cross released onto MTR’s ASX announcements platform the same day as it was released by Cobre.

Subsequent to releasing the Response Announcement, the Company examined the trading that occurred on 8 April 2022 and around that period of time and cannot find anything arising from that which may explain the trading in the Company’s securities at that time. The Company continues to believe that one explanation for the recent trading in its securities on that day may be as a result of the ongoing success of exploration activities by ASX listed Sandfire Resources Limited (ASX: **SFR**) whose T3 and A4 deposits are neighbouring to KML’s tenement tenure, as well as the increased investor focus on Botswana as a result of Sandfire’s announcement of the commencement of open pit mining adjacent KML’s tenure.

The Company believes that whatever the reason for the trading on that day, it is unrelated to the Exploration Information contained within the Company's Exploration Announcement dated 12 April 2022. The Company only called a trading halt in its securities on 8 April 2022 at the request of the ASX as the Company did not, and does not, believe there was any information not already released to the market which might explain the trading in its securities on that day.

### **3. When did CBE first become aware of the Exploration Information?**

While the Company does not believe that the Exploration Information contained within the Exploration Announcement is either price sensitive or responsible for the trading in its securities at the relevant time, the Company provides the following information in relation to when it became '*aware*' of the Exploration Information as follows.

The raw data from the assay results was received over a period of time commencing on 18 January 2022 through to 16 February 2022 with selected samples re-assayed for QAQC reported on 15 March 2022. The raw data obtained in the assay results is not something particularly meaningful or useful to shareholders until it is properly interpreted. Subsequent to the receipt of that data, the results went through a process of collating, interpreting and assimilating the results into the Company's exploration program and strategy, which involved the following steps:

1. Results were run through QAQC procedures reviewing both internal and laboratory control source material. This review was completed on the 29 March 2022.
2. Results were compared with drill logs, visible sulphide logs and alteration mapping and re-interpreted accordingly.

The work interpreting that data and putting it into a format that was meaningful to shareholders for release to the ASX concluded on 6 April 2022 with the Exploration Announcement made to the ASX on 12 April 2022.

At all times, relevant confidentiality protocols and governance procedures are required to be adhered to by the relevant staff and consultants in dealing with confidential information such as assay results. At no stage did the Company believe that confidentiality regarding the information had been compromised prior to the release of the Exploration Announcement.

4. If the answer to question 1 is “yes” and CBE first became aware of the Exploration Information before the time and date of the Trading Halt, did CBE make any announcement prior to that time which disclosed the Exploration Information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when CBE believes it was obliged to release the Exploration Information under Listing Rules 3.1 and 3.1A and what steps CBE took to ensure that the Exploration Information was released promptly and without delay.

Not Applicable.

5. Please confirm that CBE is complying with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

6. Please confirm that CBE’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CBE with delegated authority from the board to respond to ASX on disclosure matters.

This ASX Aware Query Response has been authorised by the full Board of Cobre Limited.

Contact details regarding this announcement:

**Justin Clyne**

**Company Secretary**

**+61 2 9048 8856**

[jclyne@clyncorporate.com.au](mailto:jclyne@clyncorporate.com.au)



5 May 2022

Reference: ODIN51756

Mr Justin Clyne  
Company Secretary  
Cobre Limited

By email: jclyne@clynecorporate.com.au

Dear Mr Clyne

**Cobre Limited ('CBE'): Aware Query**

ASX refers to the following:

- A. The change in the price of CBE's securities from an intraday low of \$0.078 to an intraday high of \$0.105 on Friday 8 April 2022.
- B. The pause in trading of CBE's securities and CBE's request for a trading halt during trade on Friday 8 April 2022 pending a response to an ASX Price Query ('Trading Halt').
- C. CBE's response to ASX Price Query lodged on the Market Announcements Platform ('MAP') on 12 April 2022 ('Price Query Response').
- D. CBE's announcement entitles "Kalahari Metals – Botswana Exploration Update" lodged on MAP on 12 April 2022 (the 'Announcement'), disclosing exploration results at the Kitlanya East Project ('Exploration Information').
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- F. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:  
*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity"*
- G. Section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* "When does an entity become aware of information?"
- H. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, and states that:

*"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*

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- *The information is a trade secret; and*
- 3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*
- 3.1A.3 *A reasonable person would not expect the information to be disclosed.”*
- I. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:
- “Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer secret and ceases to be confidential information for the purposes of this rule.”*

### **Request for information**

Having regard to the above, ASX asks CBE to respond separately to each of the following questions and requests for information:

1. Does CBE consider the Exploration Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did CBE first become aware of the Exploration Information?
4. If the answer to question 1 is “yes” and CBE first became aware of the Exploration Information before the time and date of the Trading Halt, did CBE make any announcement prior to that time which disclosed the Exploration Information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when CBE believes it was obliged to release the Exploration Information under Listing Rules 3.1 and 3.1A and what steps CBE took to ensure that the Exploration Information was released promptly and without delay.
5. Please confirm that CBE is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that CBE’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CBE with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **12:00PM AWST Monday, 9 May 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, CBE’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require CBE to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

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### Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in CBE's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts and Voluntary Suspensions*.

### Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in CBE's securities under Listing Rule 17.3.

### Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CBE's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that CBE's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

### Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

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**Nikki Ciavatta**  
Adviser, Listings Compliance (Perth)