Cobre Limited

ACN 626 241 067

NOTICE OF EXTRAORDINARY GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date of Meeting

Tuesday, 6 August 2024

Time of Meeting

11.30 am (AEST)

Place of Meeting

Baker McKenzie
Sydney Room
Tower One - International Towers Sydney
Level 46
100 Barangaroo Avenue
Sydney NSW 2000

This Notice and the accompanying Explanatory Memorandum are important and should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their stockbroker, investment advisor, accountant, solicitor, or other professional adviser prior to voting.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Cobre Limited (**Company**) hereby gives notice that the Extraordinary General Meeting of Shareholders will be held at the offices of Baker McKenzie, Tower One - International Towers Sydney, Level 46, 100 Barangaroo Avenue, Sydney on **Tuesday, 6 August 2024** commencing at **11.30 a.m.** (AEST).

An Explanatory Memorandum accompanies this Notice and provides additional information on the Resolutions to be considered at the Meeting. The Explanatory Memorandum forms part of this Notice and should be read in conjunction with it. We refer Shareholders to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in this Notice and the Explanatory Memorandum.

AGENDA

ITEMS OF BUSINESS

Resolution 1:

Ratification of prior issue of Tranche 1 Placement Shares

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, approval is given to ratify the allotment and prior issue of 43,711,535 Tranche 1 Placement Shares under Listing Rule 7.1 to sophisticated and institutional investors on 11 March 2024, on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- *any person who participated in the issue of Tranche 1 Placement Shares; or*
- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 1 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
  - *(a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and*
  - *(b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

Resolution 2:

Approval of issue of Tranche 1 Attaching Options

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant 21,855,768, subject to rounding, Tranche 1 Attaching Options to sophisticated and institutional investors who were issued Tranche 1 Placement Shares, on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of:

- *any person who participated in the placement of Tranche 1 Placement Shares and any other person who will obtain a material benefit as a result of the issue of the Tranche 1 Attaching Options (except a benefit solely by reason of being a Shareholder); or*
- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 2 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*

  (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and

  (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 3:

Approval of issue of Tranche 2 Placement Shares to unrelated parties

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 5,326,924 Tranche 2 Placement Shares to sophisticated and institutional investors on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- *any person who will be issued Tranche 2 Placement Shares under this Resolution and any other person who will obtain a material benefit as a result of the issue of the Tranche 2 Placement Shares under this Resolution (except a benefit solely by reason of being a Shareholder); or*
- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 3 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*

  (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and

  (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4:

Approval of issue of Tranche 2 Attaching Options to unrelated parties

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant 2,663,462 Tranche 2 Attaching Options to sophisticated and institutional investors, on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- *any person who will be issued Tranche 2 Placement Shares under Resolution 3 and any other person who will obtain a material benefit as a result of the issue of the Tranche 2 Attaching Options under this Resolution (except a benefit solely by reason of being a Shareholder); or*
- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 4 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*

  (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and

  (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Strata Investment

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of section 611 (item 7) of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 15,384,616 Tranche 2 Placement Shares, and to grant 7,692,308 Tranche 2 Attaching Options, to Strata Investment (or its nominee), on the terms and conditions set out in the Explanatory Memorandum."

Voting power of Strata Investment:

As set out on page 22 in the Explanatory Memorandum, the proposed maximum voting power of Strata Investment on an undiluted basis will be 25.86% (rounded to two decimal places).

*Independent Expert's Report (**IER**):*

Shareholders should carefully consider the IER that has been prepared by BDO before voting on this Resolution 5. The IER comments on the fairness and reasonableness of the placement to Strata Investment (which includes the acquisition of the voting power and relevant interests by Strata Investment) to Shareholders. The IER has

concluded the placement to Strata Investment is not fair but reasonable to the non-associated Shareholders as at the date of the IER.

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- *Strata Investment and any other person who will obtain a material benefit as a result of the issue of any Tranche 2 Placement Shares to Strata Investment (except a benefit solely by reason of being a Shareholder); or*
- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 5 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
  - *(a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and*
  - *(b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

Resolution 6:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Martin Holland

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 7,692,308 Tranche 2 Placement Shares, and to grant 3,846,154 Tranche 2 Attaching Options, to Martin Holland (or his nominee), on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- *Martin Holland and any other person who will obtain a material benefit as a result of the issue of Tranche 2 Placement Shares or Tranche 2 Attaching Options to Martin Holland; or*
- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 6 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*

(a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and

(b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Michael Addison

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,884,616 Tranche 2 Placement Shares, and to grant 1,442,308 Tranche 2 Attaching Options, to Michael Addison (or his nominee), on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- *Michael Addison and any other person who will obtain a material benefit as a result of the issue of Tranche 2 Placement Shares or Tranche 2 Attaching Options to Michael Addison; or*
- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 7 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*

  (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and

  (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 8:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Michael McNeilly

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,442,308Tranche 2 Placement Shares, and to grant 721,154 Tranche 2 Attaching Options, to Michael McNeilly (or his nominee), on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- *Michael McNeilly and any other person who will obtain a material benefit as a result of the issue of Tranche 2 Placement Shares or Tranche 2 Attaching Options to Michael McNeilly; or*

- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 8 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*

- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*

- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*

  (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and

  (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 9:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Andrew Sissian

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 480,770 Tranche 2 Placement Shares, and to grant 240,385 Tranche 2 Attaching Options, to Andrew Sissian (or his nominee), on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of:

- *Andrew Sissian and any other person who will obtain a material benefit as a result of the issue of Tranche 2 Placement Shares or Tranche 2 Attaching Options to Andrew Sissian; or*

- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 9 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*

- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*

- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*

  (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and

  (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 10:

Approval of issue of Broker Options to Canaccord

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant 3,500,000 Broker Options to Canaccord, on the terms and conditions set out in the Explanatory Memorandum."

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of:

- *Canaccord and any other person who will obtain a material benefit as a result of the issue of any Broker Options to Canaccord (except a benefit solely by reason of being a Shareholder); or*
- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 10 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
  - *(a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and*
  - *(b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

Resolution 11:

Approval of issue of MD Subscription Shares to Mitchell Nominee

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 3,846,154 MD Subscription Shares to Mitchell Nominee, on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 11 by or on behalf of:

- *Mitchell Nominee and any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder); or*
- *any Associate of those persons.*

However, this does not apply to a vote cast in favour of Resolution 11 by:

- *a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or*

- *the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*

- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*

  (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and

  (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further information in relation to these Resolutions is set out in the Explanatory Memorandum below.

Dated at Sydney, 1st July, 2024.

BY ORDER OF THE BOARD

Justin Clyne
Company Secretary

NOTES

1. Explanatory Memorandum

An Explanatory Memorandum accompanies this Notice and provides additional information on the Resolutions to be considered at the Meeting. The Explanatory Memorandum forms part of this Notice and should be read in conjunction with it. We refer Shareholders to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in this Notice and the Explanatory Memorandum.

2. Record Date

For the purposes of regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that Shareholders recorded on the Company's register at 7.00 pm (AEST) on Sunday, 4 August 2024 (**Record Date**) will be entitled to attend and vote at the Meeting. If you are not the registered Shareholder in respect of a particular Share on the Record Date, you will not be entitled to vote in respect of that Share.

3. Appointment of Proxies

A Shareholder entitled to attend and vote at the Meeting may appoint an individual or a body corporate as a proxy to attend the meeting and, on a poll, vote on the Shareholder's behalf. A proxy need not be a Shareholder. The appointment of one or more proxies will not preclude a Shareholder from being present and voting.

A Shareholder entitled to cast two or more votes may appoint not more than two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportions or numbers are specified, each proxy may exercise half of the Shareholders' votes.

Shareholders are encouraged to direct their proxies how to vote on each Resolution by selecting the 'for', 'against' or 'abstain' box for each item on the proxy form. If a proxy chooses to vote, then he/she must vote in accordance with the directions set out in the proxy appointment form.

Unless under Power of Attorney (of which the Company should have previously been notified), a proxy form completed by a body corporate should be executed under its common seal or in accordance with the Corporations Act. The enclosed proxy form provides further details on proxies and lodging proxy forms.

Unless stated otherwise in this Notice, if a Shareholder appoints the Chair of the Meeting as the Shareholder's proxy and does not specify how the Chair is to vote on an item of business, the Chair will vote, as proxy for that Shareholder, in favour of that item on a poll (subject to the other provisions of these notes, including any voting exclusions set out in the Notice).

For Shareholders registered on the Australian register, section 250B of the Corporations Act stipulates that proxies must be delivered at least 48 hours prior to the Meeting. For the purposes of section 250B, the Board has determined that all proxies must be received by no later than 11.30 am (AEST) Sunday, 4 August 2024 or in the event of the meeting being adjourned at least 48 hours prior to the adjourned meeting, to the Company's Share Registry Service Provider, Automic as follows:

By mail:	Automic GPO Box 5193 Sydney NSW 2001
By fax:	+61 2 8583 3040

In person: Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

Lodge electronically: in accordance with the instructions on the proxy form.

4. Attorneys

A Shareholder may appoint an attorney to vote on his or her behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or by the Share Registry by no later than 48 hours in advance of the Meeting.

5. Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the Company's representative. The authority must be received by the Company at least 48 hours in advance of the Meeting.

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EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening the Extraordinary General Meeting of the Shareholders of **Cobre Limited** to be held on **Tuesday, 6 August 2024** at the offices of **Baker McKenzie, Tower One - International Towers Sydney, Level 46, 100 Barangaroo Avenue, Sydney** at **11.30 am** (AEST).

The purpose of this Explanatory Memorandum is to assist Shareholders in determining how they wish to vote on the Resolutions. Specifically, the Explanatory Memorandum contains information to help Shareholders understand the background to, and the legal and other implications of, the Notice and the reasons for the Resolutions. The Notice and Explanatory Memorandum should be read in their entirety and in conjunction with each other.

All Resolutions are ordinary resolutions.

Resolution 1:

Ratification of prior issue of Tranche 1 Placement Shares

"That, for the purposes of Listing Rule 7.4 and for all other purposes, approval is given to ratify the allotment and prior issue of 43,711,535 Tranche 1 Placement Shares under Listing Rule 7.1 to sophisticated and institutional investors on 11 March 2024, on the terms and conditions set out in the Explanatory Memorandum."

Background

On 4 March 2024, the Company announced that it had successfully raised $4 million (before costs) via a placement of new Shares at an issue price of $0.052 per Share which would be completed in two tranches as follows:

- Tranche 1: approximately $2.3 million raised from institutional and other sophisticated investors utilising the Company's existing placement capacity under Listing Rules 7.1 and 7.1A; and

- Tranche 2: approximately $1.7 million to be raised from Strata Investment, the Company's largest shareholder, and members of the Board of Directors. Shareholders' approvals are being sought under Resolutions 3, 5 to 9 of this Notice,

(together, the **Placement**).

In addition, participants in the Placement will be entitled to apply for one (1) free attaching option for every two (2) new Shares allocated under the Placement (**Eligible Participants**), which will be exercisable at $0.078 each and have an expiry date that is three (3) years after the issue date (**Attaching Options**). The Attaching Options will be unlisted. Shareholders' approvals in relation to the issue of Attaching Options are being sought under Resolutions 2, 4 to 9 in the Meeting.

Funds raised under the Placement, together with existing cash, will be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.

Tranche 1 of the Placement completed on 11 March 2024 which resulted in the issue of 43,711,535 Tranche 1 Placement Shares under the Company's existing placement capacity under Listing Rules 7.1 and 7.1A (**Tranche 1 Placement Shares**).

Reason for approval

Listing Rule 7.1 provides that, subject to specified exceptions set out in Listing Rule 7.2, a company must not, without the approval of its holders of ordinary securities, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Under Listing Rule 7.1A, an eligible entity may seek approval from its members to increase this 15% limit by an extra 10% to 25%. The relevant approval was obtained by the Company in the Company's Annual General Meeting held on 21 November 2023.

The issue of Tranche 1 Placement Shares did not fall within any of the specified exceptions set out in Listing Rule 7.2 and as it has not yet been approved by Shareholders, it used up "placement capacity" under Listing Rule 7.1 (including the additional capacity approved under Listing Rule 7.1A), reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rules 7.1 (including the additional capacity approved under Listing Rule 7.1A) for the 12 month period following the issue date of the Placement Shares.

Listing Rule 7.4 allows the shareholders of a listed company to ratify an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further Equity Securities without shareholder approval under Listing Rule 7.1 (as well as the additional capacity approved under Listing Rule 7.1A) as it effectively falls within an exception in Listing Rule 7.2.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 1 seeks Shareholder approval to ratify the issue of Placement Shares under and for the purposes of Listing Rule 7.4.

Effect of Shareholder Approval

If Resolution 1 is passed, then the issue of Tranche 1 Placement Shares will be excluded when calculating the Company's 25% limit under Listing Rule 7.1 (and as increased in accordance with the approval obtained under Listing Rule 7.1A), which will increase the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period starting from the date of issue of Tranche 1 Placement Shares.

If Resolution 1 is not passed, then the issue of Tranche 1 Placement Shares will be included when calculating the Company's 25% limit under Listing Rule 7.1 (and as increased in accordance with the approval obtained under Listing Rule 7.1A), which will decrease the number of Equity Securities the Company can issue without Shareholder approval, over the 12 month period starting from the date of issue of the Placement Shares.

Information for Shareholders under Listing Rule 7.5

The following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 7.4:

(a) Tranche 1 Placement Shares were issued to sophisticated and institutional investors who are clients of Canaccord, lead manager to the Placement. In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that, no participant under the first tranche of the Placement was:

(i) a related party of the Company, a member of the Company's key management personnel, a substantial holder of the Company, an adviser to the Company or an Associate of any those persons; and

(ii) issued more than 1% of the issued capital of the Company.

(b) A total of 43,711,535 Tranche 1 Placement Shares were issued.

(c) Tranche 1 Placement Shares are fully paid ordinary Shares and rank equally with the existing Shares on issue.

(d) Tranche 1 Placement Shares were issued on 11 March 2024.

(e) Tranche 1 Placement Shares were issued at an issue price of $0.052 per Share, raising $2,272,999.82 (before costs).

(f) Funds raised from the Placement will primarily be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.

(g) A voting exclusion statement is included in the Notice.

Recommendation

All of the Directors recommend that Shareholders vote in favour of Resolution 1. Each Director who makes a recommendation intends to vote any Shares they own or control in favour of Resolution 1.

The Chair intends to exercise all available proxies in favour of Resolution 1.

Resolution 2:

Approval of issue of Tranche 1 Attaching Options

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant 21,855,768, subject to rounding, Tranche 1 Attaching Options to sophisticated and institutional investors who subscribed for Tranche 1 Placement Shares, on the terms and conditions set out in the Explanatory Memorandum."

Background

As explained in the notes to Resolution 1 in this Explanatory Memorandum, Eligible Participants will be entitled to apply, under the Prospectus, for one (1) free attaching option for every two (2) new Shares allocated under the Placement, which will be exercisable at $0.078 each and have an expiry date that is three years after the issue date (**Attaching Options**).

Upon the exercise of the Attaching Options, Shares will be issued and they will rank pari passu with the existing ordinary shares on issue in the capital of the Company.

The maximum number of Attaching Options which the Company is seeking Shareholders' approval under this Resolution is 21,855,768, subject to rounding, (**Tranche 1 Attaching Options**), being the Attaching Options attached to the 43,711,535 Tranche 1 Placement Shares issued to institutional and other sophisticated investors.

Reason for approval

See notes to Resolution 1 of this Explanatory Memorandum for a summary of the operation of Listing Rules 7.1 and 7.1A. Listing Rule 7.1 limits the number of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period.

The proposed issue of Tranche 1 Attaching Options to Eligible Participants does not fall within any of the specified exceptions set out in Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

This Resolution seeks the required Shareholder approval to the proposed issue of Tranche 1 Attaching Options to Eligible Participants for the purposes of Listing Rule 7.1.

Information for Shareholders under Listing Rule 7.3

In accordance with Listing Rule 7.3, the following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 7.1:

(a) The Tranche 1 Attaching Options are proposed to be issued to Eligible Participants who are sophisticated and institutional investors who subscribed for Tranche 1 Placement Shares and applied for Tranche 1 Attaching Options under the Prospectus.

(b) The Company proposes to issue 21,855,768, subject to rounding, Tranche 1 Attaching Options.

(c) A summary of the material terms of the Attaching Options is as follows:

Exercise	Each Attaching Option entitles the optionholder to acquire one Share in the Company. Any Shares issued pursuant to an exercise of options will be fully paid ordinary Shares and rank equally with the existing Shares on issue.
Exercise period	The Attaching Options are exercisable at any time on or prior to 5.00pm (AEST) on the date that is three years from the date of issue.
Exercise price	The exercise price in respect of each Attaching Option is $0.078.
Voting rights	Attaching Options do not confer any rights on the optionholders in respect of any dividend declared by the Company, voting at meetings of the Company, or the surplus profits of the Company on winding up.
Reconstruction, takeover and bonus issues	In the event of any reconstruction of the issued capital of the Company, all rights of the optionholder will be changed / varied to the extent necessary to comply with the Corporations Act or the Listing Rules, limited to those necessary to ensure that optionholders not advantaged or disadvantaged. In the case of a takeover, the optionholder will be afforded 14 business days (inclusive of the record date to determine entitlements to the takeover offer) to exercise their Tranche 1 Attaching Options. Otherwise, the Attaching Options will lapse. If there is a bonus issue to Shareholders of the Company, the number of Shares over which the Attaching Options are exercisable will be increased by the number of Shares which the optionholder would have received had the Attaching Option been exercised before the record date for the bonus issue.

(d) The Company proposes to issue the Tranche 1 Attaching Options to Eligible Participants as soon as possible following the Meeting but, in any event, within three months of the Meeting.

(e) Tranche 1 Attaching Options will be issued at nil issue price.

(f) Tranche 1 Attaching Options are free attaching options to Tranche 1 Placement Shares. No funds will be raised from the issue of Tranche 1 Attaching Options. Funds raised from the issue of Shares under the Placement will be primarily used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.

(g) A voting exclusion statement is included in the Notice.

Effect of Shareholder Approval

If Resolution 2 is passed, the Company will be able to proceed with the issue of Tranche 1 Attaching Options to the Eligible Participants without using up any of the Company's 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

If Resolution 1 is passed but Resolution 2 is not passed, the Company will still be able to proceed with the issue the Tranche 1 Attaching Options to Eligible Participants under the Company's 15% limit on issuing equity securities. However, this will decrease the number of Equity Securities the Company can issue without Shareholder approval, over the 12 month period starting from the date of issue of the Tranche 1 Attaching Options.

If Resolution 1 is not passed and Resolution 2 is also not passed, the Company will only be able to issue the Tranche 1 Attaching Options to Eligible Participants when the Company has sufficient capacity under Listing Rule 7.1 to issue all of the Tranche 1 Attaching Options.

Recommendation

The Directors recommend that the Shareholders vote in favour of Resolution 2. Each Director who makes a recommendation intends to vote any Shares he owns or controls in favour of Resolution 2.

The Chair intends to exercise all available proxies in favour of Resolution 2.

Resolution 3:

Approval of issue of Tranche 2 Placement Shares to unrelated parties

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 5,326,924 Tranche 2 Placement Shares to sophisticated and institutional investors on the terms and conditions set out in the Explanatory Memorandum."

Background

As explained in the notes to Resolution 1 in this Explanatory Memorandum, the Placement is being carried out in two tranches and the Company is seeking Shareholders' approval to allot and issue Tranche 2 Placement Shares in this Meeting.

Under this Resolution, Shareholders' approval is sought for the issue of Tranche 2 Placement Shares to the following parties:

(a) Remote Exploration Services (Pty) Limited - 1,923,077 Shares;
(b) Mitchell Nominee - 1,923,077 Shares;
(c) Resource Assets Pty Ltd - 1,000,000 Shares; and
(d) Adam Wooldridge, Chief Executive Officer of the Company - 480,770 Shares.

In addition, a number of Tranche 2 Placement Shares (as well as Attaching Options) are proposed to be issued to related parties and these issues are subject to Shareholders' approval sought under Resolutions 5 to 9.

Reason for approval

See notes to Resolution 1 of this Explanatory Memorandum for a summary of the operation of Listing Rules 7.1 and 7.1A. Listing Rule 7.1 limits the number of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period.

The proposed issue of Tranche 2 Placement Shares under this Resolution does not fall within any of the specified exceptions set out in Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

This Resolution seeks the required Shareholder approval to the proposed issue of Tranche 2 Placement Shares to the sophisticated and institutional investors stated above for the purposes of Listing Rule 7.1.

Information for Shareholders under Listing Rule 7.3

In accordance with Listing Rule 7.3, the following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 7.1:

(a) The Tranche 2 Placement Shares are proposed to be issued to Remote Exploration Services (Pty) Limited, Mitchell Nominee, Resource Assets Pty Ltd and Adam Wooldridge, who are either sophisticated or institutional investors who subscribed for Tranche 2 Placement Shares.

(b) The Company proposes to issue a total of 5,326,924 Tranche 2 Placement Shares, which are fully paid ordinary Shares and rank equally with the existing Shares on issue.

(c) The Company proposes to issue the Tranche 2 Placement Shares as soon as possible following the Meeting but, in any event, within three months of the Meeting.

(d) Tranche 2 Placement Shares will be issued at $0.052 per Share.

(e) An aggregate of $277,000 will be raised from the placement of Tranche 2 Placement Shares proposed to be issued in this Resolution. Funds raised from the issue of Shares under the Placement will be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.

(f) A voting exclusion statement is included in the Notice.

Effect of Shareholder Approval

If Resolution 3 is passed, the Company will be able to proceed with the issue of 5,326,924 Tranche 2 Placement Shares without using up any of the Company's 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

If Resolution 1 is passed but Resolution 3 is not passed, the Company will still be able to proceed with the issue the 5,326,924 Tranche 2 Placement Shares under the Company's 15% limit on issuing equity securities. However, this will decrease the number of Equity Securities the Company can issue without Shareholder approval, over the 12 month period starting from the date of issue of the Tranche 2 Placement Shares.

If Resolution 1 is not passed and Resolution 3 is also not passed, the Company will be unable to issue the 5,326,924 Tranche 2 Placement Shares as the Company does not have sufficient capacity under Listing Rule 7.1 to do so however the Company may still choose to do so at a later point in time when the Company has sufficient capacity to do so.

Recommendation

The Directors recommend that the Shareholders vote in favour of Resolution 3. Each Director who makes a recommendation intends to vote any Shares he owns or controls in favour of Resolution 3.

The Chair intends to exercise all available proxies in favour of Resolution 3.

Resolution 4:

Approval of issue of Tranche 2 Attaching Options to unrelated parties

To consider and, if thought fit, pass the following Resolution as an **ordinary resolution** of the Company:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant 2,663,462 Tranche 2 Attaching Options to sophisticated and institutional investors, on the terms and conditions set out in the Explanatory Memorandum."

Background

As explained in the notes to Resolution 1 in this Explanatory Memorandum, Eligible Participants will be entitled to apply, under the Prospectus, for one (1) free Attaching Option for every two (2) new Shares allocated under the Placement.

Upon the exercise of the Attaching Options, Shares will be issued and they will rank pari passu with the existing ordinary shares on issue in the capital of the Company.

The maximum number of Attaching Options which the Company is seeking Shareholders' approval under this Resolution is 2,663,462 Tranche 2 Attaching Options, being the Attaching Options attached to the 5,326,924 Tranche 2 Placement Shares issued to institutional and other sophisticated investors which Shareholders' approval is sought under Resolution 3.

This issue of Attaching Options under this Resolution to sophisticated and institutional investors is subject to completion of their corresponding subscriptions of Tranche 2 Placement Shares. If Tranche 2 Placement Shares are not issued, those investors will not become Eligible Participants to apply for Attaching Options under the Prospectus.

The issue of Tranche 2 Attaching Options is also subject to the issue of Tranche 1 Attaching Options. If for any reason the Company is unable to grant Tranche 1 Attaching Options to subscribers of Tranche 1 Placement Shares, then Tranche 2 Attaching Options will not be granted to subscribers of Tranche 2 Placement Shares.

Reason for approval

See notes to Resolution 1 of this Explanatory Memorandum for a summary of the operation of Listing Rules 7.1 and 7.1A. Listing Rule 7.1 limits the number of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period.

The proposed issue of Tranche 2 Attaching Options to Eligible Participants does not fall within any of the specified exceptions set out in Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

This Resolution seeks the required Shareholder approval to the proposed issue of Tranche 2 Attaching Options to Eligible Participants for the purposes of Listing Rule 7.1.

Information for Shareholders under Listing Rule 7.3

In accordance with Listing Rule 7.3, the following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 7.1:

(a) The Tranche 2 Attaching Options are proposed to be issued to Remote Exploration Services (Pty) Limited, Mitchell Nominee, Resource Assets Pty Ltd and Adam Wooldridge, who are sophisticated and institutional investors subject to their subscriptions for Tranche 2 Placement Shares and applications for Tranche 2 Attaching Options under the Prospectus.

(b) The Company proposes to issue a total of 2,663,462 Tranche 2 Attaching Options under this Resolution.

(c) The material terms of the Tranche 2 Attaching Options are the same as those of Tranche 1 Attaching Options, set out in the notes to Resolution 2 above.

(d) The Company proposes to issue the Tranche 2 Attaching Options to Eligible Participants as soon as possible following the Meeting but, in any event, within three months of the Meeting.

(e) Tranche 2 Attaching Options will be issued at nil issue price.

(f) Tranche 2 Attaching Options are free attaching Options to Tranche 2 Placement Shares. No funds will be raised from the issue of Tranche 2 Attaching Options. Funds raised from the issue of Shares under the Placement will be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.

(g) A voting exclusion statement is included in the Notice.

Effect of Shareholder Approval

If Resolution 4 is passed, the Company will be able to proceed with the issue of Tranche 2 Attaching Options to the Eligible Participants without using up any of the Company's 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

If Resolution 1 is passed but Resolution 4 is not passed, the Company will still be able to proceed with the issue of the Tranche 2 Attaching Options to Eligible Participants under the Company's 15% limit on issuing equity securities. However, this will decrease the number of Equity Securities the Company can issue without Shareholder approval, over the 12 month period starting from the date of issue of the Tranche 3 Attaching Options. The Company will only issue the Tranche 2 Attaching Options if either Resolution 3 is also passed or the Company issues the Tranche 2 Placement Shares and has the capacity to issue the Tranche 2 Attaching Options at the same time.

If Resolution 1 is not passed and Resolution 4 is also not passed, the Company will be unable to issue the Tranche 2 Attaching Options to Eligible Participants as the Company does not have sufficient capacity under Listing Rule 7.1 to issue all of the Tranche 2 Attaching Options. As noted above, the Company will only issue the Tranche 2 Attaching Options if either Resolution 3 is also passed or the Company issues the Tranche 2 Placement Shares and has the capacity to issue the Tranche 2 Attaching Options at the same time.

Recommendation

The Directors recommend that the Shareholders vote in favour of Resolution 4. Each Director who makes a recommendation intends to vote any Shares he owns or controls in favour of Resolution 4.

The Chair intends to exercise all available proxies in favour of Resolution 4.

Resolution 5:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Strata Investment

"That, for the purposes of item 7 of section 611 of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 15,384,616 Tranche 2 Placement Shares, and to grant 7,692,308 Tranche 2 Attaching Options, to Strata Investment (or its nominee), on the terms and conditions set out in the Explanatory Memorandum."

Background

Shareholder approval is being sought under item 7 of section 611 of the Corporations Act to the issue to Strata Investment (or its nominee) of 15,384,616 Tranche 2 Placement Shares at an issue price of $0.052 per Share.

This issue is part of the second tranche of the Placement to raise approximately $1.7 million (before cost) (described at Resolution 1 above).

In addition, Shareholder approval is being sought under Listing Rule 10.11 to the issue to Strata Investment (or its nominee) of 7,692,308 Tranche 2 Attaching Options.

The grant of 7,692,308 Tranche 2 Attaching Options to Strata Investment will only proceed if subscribers to Tranche 1 Placement Shares and the subscribers to the Tranche 2 Placement Shares are also granted the corresponding Attaching Options (see notes to Resolution 2 in this Explanatory Memorandum).

Reason for approval

Section 606 of the Corporations Act

Section 606(1) of the Corporations Act states that a person must not acquire a relevant interest in the issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

(a) from 20% or below to more than 20%; or

(b) from a starting point that is above 20% and below 90%.

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

A person (**Second Person**) will be an 'associate' of the other person (**First Person**) if one or more of the following paragraphs applies:

(a) the First Person is a body corporate and the Second Person is:
    (i) a body corporate the First Person controls;
    (ii) a body corporate that controls the First Person; or
    (iii) a body corporate that is controlled by an entity that controls the First Person;
(b) the Second Person has entered or proposes to enter into a relevant agreement with the First Person for the purpose of controlling or influencing the composition of the board of directors or the conduct of the company's affairs; or
(c) the Second Person is a person with whom the First Person is acting or proposed to act, in concert in relation to the company's affairs.

A person has a 'relevant interest' in securities if they:

(a) are the holder of the securities;
(b) have the power to exercise, or control the exercise of, a right to vote attached to the securities; or
(c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

A person also has a relevant interest in any securities that any of the following has:

(a) a body corporate, or managed investment scheme, in which the person's voting power is above 20%; or
(b) a body corporate, or managed investment scheme, that the person controls.

Exception to the prohibition

There are a number of exceptions to the prohibition in section 606 of the Corporations Act. One such exception is contained within item 7 of section 611 of the Corporations Act, which provides that a person may make an otherwise prohibited acquisition of a relevant interest in a company's voting shares if the acquisition is approved by shareholders.

Pursuant to the issue of Shares, Strata Investment will acquire a relevant interest in 15,384,616 Shares, representing an increase in voting power in the Company from 22.42% to a maximum of 25.86% (on an undiluted basis, rounded to two decimal places). As a result, the potential voting power of Strata Investment in the Company after the issue of Tranche 2 Placement Shares will exceed 20% of the issued capital of the Company.

Accordingly, Resolution 5 seeks Shareholder approval for the purpose of item 7 of section 611 of the Corporations Act and all other purposes in order to permit Strata Investment to increase their voting power in the Company from 22.42% to a maximum of 25.86% (rounded to two decimal places).

Information required under item 7 of section 611 of the Corporations Act

In addition to the disclosure made elsewhere in the Explanatory Memorandum, the following information is required to be provided to Shareholders pursuant to the Corporations Act and *ASIC Regulatory Guide 74: Acquisitions approved by members* in respect of obtaining Shareholders' approval for the purposes of item 7 of section 611 of the Corporations Act under this Resolution 5. Shareholders should also review the Independent Expert's Report contained in Annexure A of this Notice.

Identity of the acquirer

The following table sets out the projected voting power of Strata Investment for the purpose of item 7 of section 611 of the Corporations Act on completion of the issue of Tranche 2 Placement Shares:

Relevant interest holders	**Current voting power in the Company**	**Shares proposed to be acquired**	**Maximum extent of the increase in voting power**	**Shares in the Company held after the issue of Tranche 2 Placement Shares**	**Voting power in the Company on an undiluted basis[(a)]**
Strata Investment Holdings PLC	22.42%	15,384,616	3.45%	89,624,435	25.86%

Note:

[(a)] Rounded to two decimal places and on an undiluted basis.

Reasons for the proposed acquisition

As described above, the proposed issue of Shares to Strata Investment forms part of the Tranche 2 Placement. The proceeds of the issue will primarily be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.

When the proposed acquisition is to occur

As soon as practicable after the Meeting but in any event no later than one month after the date of the Meeting, subject to the Company receiving subscription payment from Strata Investment.

The material terms of the proposed acquisition

The issue of 15,384,616 Shares to Strata Investment is conditional on the passing of Resolution 5, and Strata Investment is required to transfer the total subscription payment of A$800,000 to the Company after the Company obtaining such approval.

Details of the terms of any other relevant agreement between the acquirer and the Company that is conditional on members' approval of the proposed acquisition

None.

A statement of the acquirer's intentions

The Company understand that Strata Investment does not intend to change the business of the Company. Strata Investment presently does not have any intention to inject further capital in the Company, although it reserves the right to do so in the future. There is also no proposal from Strata Investment to change the employment of present employees of the Company, transfer any assets between the Company and Strata Investment (or its associates), or otherwise redeploy the fixed assets of the Company.

The Company is not aware of any intention from Strata Investment to significantly change the financial or dividend distribution policies of the Company.

Interests of the directors

Michael McNeilly, a director of the Company, is also a director and the Chief Executive Officer of Strata Investment. Mr McNeilly also holds 1,650,000 fully paid ordinary shares (or 0.97% of the total issued share capital) in the capital of Strata Investment.

Proposed Director

No person intends to become a director of the Company if Shareholders approve the acquisition pursuant to this Resolution.

Listing Rules 10.11 and 10.12

Listing Rule 10.11 provides that, unless one of the exceptions in Listing Rule 10.12 applies, a listed entity must not issue or agree to issue Equity Securities to any of the following persons without the approval of Shareholders:

(a) a related party;

(b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the entity;

(c) a person who is, or was at any time in the 6 months before the issue or agreement a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity; or

(d) an Associate of any person referred to in paragraphs (a) to (c) above.

Equity Securities include Options to acquire Shares.

As at the date of this Notice, Strata Investment holds 74,239,819 Shares of the 331,132,779 Shares on issue, representing 22.42% of the Company's issued Shares. Strata Investment has also nominated Michael McNeilly to the board of the Company. As such, Strata Investment falls within the category referred to in paragraph (c) above.

Under Exception 6 of Listing Rule 10.12, where the issue of securities is approved by shareholders for the purpose of item 7 of section 611 of the Corporations Act, approval under Listing Rule 10.11 is not required. As explained above, Shareholders are asked to consider the proposed issue of 15,384,616 Tranche 2 Placement Shares to Strata Investment. Although separate approval under Listing Rule 10.11 for the issue of Shares is not required, Shareholders' approval under Listing Rule 10.11 is required for the grant of 7,692,308 Tranche 2 Attaching Options.

As none of the exceptions under Listing Rule 10.12 are available to the Company in respect of the proposed issue of the grant of Tranche 2 Attaching Options to Strata Investment (or its nominee), the Company seeks approval for the grant of Tranche 2 Attaching Options to Strata Investment (or its nominee) under Listing Rule 10.11.

Information for Shareholders under Listing Rule 10.13

The following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 10.11:

(a) The 15,384,616 Tranche 2 Placement Shares (approval of which is sought under section 611 (item 7) of the Corporations Act) and 7,692,308 Tranche 2 Attaching Options (approval of which is sought under Listing Rule 10.11) are proposed to be issued to Strata Investment (or its nominee).

(b) Strata Investment falls within the category referred to in Listing Rule 10.11.3 as it is a substantial holder of the Company, holding 22.42% of the Company's issued Shares and has appointed a director, Michael McNeilly, to the Board of the Company.

(c) The Company proposes to issue 15,384,616 Tranche 2 Placement Shares and 7,692,308 Tranche 2 Attaching Options to Strata Investment (or its nominee). To the extent that the issue of any Tranche 2 Placement Shares will result in Strata Investment's voting power in the Company exceeding a level that is permitted by section 606 of the Corporations Act, the Company will not proceed with the issue of such number of Tranche 2 Placement Shares that will result in Strata Investment exceeding that threshold.

(d) The Tranche 2 Placement Shares will be fully paid ordinary Shares and rank equally with the existing Shares on issue.

(e) The material terms of the Tranche 2 Attaching Options are the same as those of Tranche 1 Attaching Options, set out in the notes to Resolution 2 above.

(f) The Company proposes to issue the Tranche 2 Placement Shares and Tranche 2 Attaching Options to Strata Investment as soon as possible following the Meeting but, in any event, within one month of the Meeting.

(h) The Tranche 2 Placement Shares will be issued at an issue price of $0.052 per Strata Investment Placement Share, raising approximately $800,000 (before costs). This is the same price per Share as the issue made under the first tranche of the Placement. Tranche 2 Attaching Options will be issued at nil issue price.

(g) Funds raised from the issue of Tranche 2 Placement Shares will be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.

(h) A voting exclusion statement is included in the Notice.

Effect of Shareholder Approval

The proposed issue of part of the Tranche 2 Placement Shares and Tranche 2 Attaching Options to Strata Investment is conditional on receiving Shareholders' approval.

If Resolution 5 is passed, the Company will be able to proceed with the proposed issue of 15,384,616 Tranche 2 Placement Shares to Strata Investment (or its nominee) and raise additional funds. Subject to Tranche 1 Attaching Options are granted to subscribers of Tranche 1 Placement Shares, the Company will also be able to proceed with the proposed grant of 7,692,308 Tranche 2 Attaching Options to Strata Investment (or its nominee). Further, Shareholders' approval will not be required under Listing Rule 7.1 (pursuant to Listing Rule 7.2, Exception 14), and the issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Strata Investment will not count towards the Company’s capacity to issue Equity Securities under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed with the proposed issue of Tranche 2 Placement Shares to Strata Investment (or its nominee) and will not raise those additional funds.

Recommendation

All of the Directors (excluding Michael McNeilly) recommend that Shareholders vote in favour of Resolution 5. Each Director who makes a recommendation intends to vote any Shares they own or control in favour of Resolution 5.

The Chair intends to exercise all available proxies in favour of Resolution 5.

Resolution 6:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Martin Holland

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 7,692,308 Tranche 2 Placement Shares, and to grant 3,846,154 Tranche 2 Attaching Options, to Martin Holland (or his nominee), on the terms and conditions set out in the Explanatory Memorandum."

Background

Shareholder approval is being sought under Listing Rule 10.11 to the issue to Martin Holland, the Executive Chairman of the Company, or his nominee, of 7,692,308 Tranche 2 Placement Shares at an issue price of $0.052 per Share and 3,846,154 Tranche 2 Attaching Options. This issue will form part of the second tranche of the Placement to raise approximately $1.7 million (before cost) (described at Resolution 1 above).

Conditions of granting Tranche 2 Attaching Options to Mr Holland

The grant of 3,846,154 Tranche 2 Attaching Options to Mr Holland will only proceed if subscribers to Tranche 1 Placement Shares (see Resolution 2), certain subscribers to Tranche 2 Placement Shares (see Resolution 4) as well as Strata Investment and other related parties (see notes to Resolutions 5 and 7 to 9) are also granted the corresponding Attaching Options.

Reason for approval

Listing Rule 10.11 provides that, unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to any 'related party' or their associates unless it obtains the approval of its shareholders or an exemption applies. A 'related party' includes any director of the company or an associate of a director.

As none of the exceptions under Listing Rule 10.12 are available to the Company in respect of the proposed issue of Shares and grant of Options to Martin Holland or his nominee, the Company seeks approval for the issue of the Shares and the grant of Options under Listing Rule 10.11.

Information for Shareholders under Listing Rule 10.13

The following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 10.11:

Name	Martin Holland or his nominee.
Which category the person falls into and why	Martin Holland is a current Director and so a person covered by Listing Rule 10.11.1. Therefore, the issue of Shares and grant of Options requires the approval of the Company's Shareholders under Listing Rule 10.11.

The number and class of securities proposed to be issued	7,692,308 fully paid ordinary shares and 3,846,154 Attaching Options.
The material terms of Attaching Options	Included in the notes to Resolution 2 of this Explanatory Memorandum.
The date by which the Company will issue the securities to the person	The Company proposes to issue the Shares and grant the Options to Martin Holland or his nominee as soon as possible following the Meeting but, in any event, within one month of the Meeting.
The price at which the securities will be issued	Tranche 2 Placement Shares - $0.052 per Share. Tranche 2 Attaching Options - nil issue price.
Purpose of the issue	Martin Holland has agreed to subscribe for Shares that will be issued as part of the second tranche of the Placement. Funds raised under the Placement, together with existing cash, will be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.
Details (including the amount) of the Director's current remuneration package	Mr Holland's remuneration arrangements for FY23 are: • A$240,000 per annum (excluding superannuation) pursuant to the terms of an Executive Services Agreement entered into between Mr Holland and the Company; and • 5,000,000 options to acquire Shares at $0.066 per Share. The value of these options is $209,000 in aggregate.
Voting exclusion statement	Included in page 6 of the Notice.

Effect of Shareholder Approval

As noted above, the proposed issue of part of the Tranche 2 Placement Shares, and the proposed grant of part of the Tranche 2 Attaching options, to Martin Holland is conditional on receiving Shareholders' approval.

If Resolution 6 is passed, the Company will be able to proceed with the proposed issue of 7,692,308 Tranche 2 Placement Shares, and the proposed grant of 3,846,154 Tranche 2 Attaching Options, to Mr Holland (or his nominee) and raise additional funds. Further, Shareholders' approval will not be required under Listing Rule 7.1 (pursuant to Listing Rule 7.2, Exception 14), and the issue of the Shares and grant of Options to Mr Holland will not count towards the Company's capacity to issue Equity Securities under Listing Rule 7.1.

If Resolution 6 is not passed, the Company will not be able to proceed with the proposed issue of the Shares (or grant of Options) to Mr Holland (or his nominee) and will not raise those additional funds.

Separately, given that the issue price of Shares to Mr Holland is the same as the issue price to all other investors under the Placement, the Company has determined that the issue of Shares and grant of Attaching Options pursuant to this Resolution 6 is a transaction on arm's length terms and is reasonable in the circumstances for the purposes of Chapter 2E of the Corporations Act.

Recommendation

The Directors (other than Martin Holland) recommend that the Shareholders vote in favour of Resolution 6. Each Director who makes a recommendation intends to vote any Shares he owns or controls in favour of Resolution 6.

The Chair intends to exercise all available proxies in favour of Resolution 6.

Resolution 7:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Michael Addison

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,884,616 Tranche 2 Placement Shares, and to grant 1,442,308 Tranche 2 Attaching Options, to Michael Addison (or his nominee), on the terms and conditions set out in the Explanatory Memorandum."

Background

Shareholder approval is being sought under Listing Rule 10.11 to the issue to Michael Addison, a Non-Executive Director of the Company, or his nominee, of 2,884,616 Tranche 2 Placement Shares at an issue price of $0.052 per Share and 1,442,308 Tranche 2 Attaching Options. This issue will form part of the second tranche of the Placement to raise approximately $1.7 million (before cost) (described at Resolution 1 above).

Conditions of granting Tranche 2 Attaching Options to Mr Addison

The grant of 1,442,308 Tranche 2 Attaching Options to Mr Addison will only proceed if subscribers to Tranche 1 Placement Shares (see Resolution 2), certain subscribers to Tranche 2 Placement Shares (see Resolution 4) as well as Strata Investment and other related parties (see notes to Resolutions 5, 6, 8 and 9) are also granted the corresponding Attaching Options.

Reason for approval

Listing Rule 10.11 provides that, unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to any 'related party' or their associates unless it obtains the approval of its shareholders or an exemption applies. A 'related party' includes any director of the company or an associate of a director.

As none of the exceptions under Listing Rule 10.12 are available to the Company in respect of the proposed issue of Shares and grant of Options to Michael Addison or his nominee, the Company seeks approval for the issue of the Shares and the grant of Options under Listing Rule 10.11.

Information for Shareholders under Listing Rule 10.13

The following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 10.11:

Name	Michael Addison or his nominee.
Which category the person falls into and why	Michael Addison is a current Director and so a person covered by Listing Rule 10.11.1. Therefore, the issue of Shares and grant of Options requires the approval of the Company's Shareholders under Listing Rule 10.11.

The number and class of securities proposed to be issued	2,884,616 fully paid ordinary shares and 1,442,308 Attaching Options.
The material terms of Attaching Options	Included in the notes to Resolution 2 of this Explanatory Memorandum.
The date by which the Company will issue the securities to the person	The Company proposes to issue the Shares and grant the Options to Michael Addison or his nominee as soon as possible following the Meeting but, in any event, within one month of the Meeting.
The price at which the securities will be issued	Tranche 2 Placement Shares - $0.052 per Share. Tranche 2 Attaching Options - nil issue price.
Purpose of the issue	Michael Addison has agreed to subscribe for Shares that will be issued as part of the second tranche of the Placement. Funds raised under the Placement, together with existing cash, will be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.
Details (including the amount) of the Director's current remuneration package	Mr Addison's remuneration arrangements for FY23 are: • A$50,000 per annum (excluding GST); and • 500,000 options to acquire Shares at $0.066 per Share. The value of these options is $20,900 in aggregate.
Voting exclusion statement	Included in page 7 of the Notice.

Effect of Shareholder Approval

As noted above, the proposed issue of part of the Tranche 2 Placement Shares, and the proposed grant of part of the Tranche 2 Attaching options, to Michael Addison is conditional on receiving Shareholders' approval.

If Resolution 7 is passed, the Company will be able to proceed with the proposed issue of 2,884,616 Tranche 2 Placement Shares, and the proposed grant of 1,442,308 Tranche 2 Attaching Options, to Mr Addison (or his nominee) and raise additional funds. Further, Shareholders' approval will not be required under Listing Rule 7.1 (pursuant to Listing Rule 7.2, Exception 14), and the issue of the Shares and grant of Options to Mr Addison will not count towards the Company's capacity to issue Equity Securities under Listing Rule 7.1.

If Resolution 7 is not passed, the Company will not be able to proceed with the proposed issue of the Shares (or grant of Options) to Mr Addison (or his nominee) and will not raise those additional funds.

Separately, given that the issue price of Shares to Mr Addison is the same as the issue price to all other investors under the Placement, the Company has determined that the issue of Shares and grant of Attaching Options pursuant to this Resolution 7 is a transaction on arm's length terms and is reasonable in the circumstances for the purposes of Chapter 2E of the Corporations Act.

Recommendation

The Directors (other than Michael Addison) recommend that the Shareholders vote in favour of Resolution 7. Each Director who makes a recommendation intends to vote any Shares he owns or controls in favour of Resolution 7.

The Chair intends to exercise all available proxies in favour of Resolution 7.

Resolution 8:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Michael McNeilly

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,442,308 Tranche 2 Placement Shares, and to grant 721,154 Tranche 2 Attaching Options, to Michael McNeilly (or his nominee), on the terms and conditions set out in the Explanatory Memorandum."

Background

Shareholder approval is being sought under Listing Rule 10.11 to the issue to Michael McNeilly, a Non-Executive Director of the Company, or his nominee, of 1,442,308 Tranche 2 Placement Shares at an issue price of $0.052 per Share and 721,154 Tranche 2 Attaching Options. This issue will form part of the second tranche of the Placement to raise approximately $1.7 million (before cost) (described at Resolution 1 above).

Conditions of granting Tranche 2 Attaching Options to Mr McNeilly

The grant of 721,154 Tranche 2 Attaching Options to Mr McNeilly will only proceed if subscribers to Tranche 1 Placement Shares (see Resolution 2), certain subscribers to Tranche 2 Placement Shares (see Resolution 4) as well as Strata Investment and other related parties (see notes to Resolutions 5, 6, 7 and 9) are also granted the corresponding Attaching Options.

Reason for approval

Listing Rule 10.11 provides that, unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to any 'related party' or their associates unless it obtains the approval of its shareholders or an exemption applies. A 'related party' includes any director of the company or an associate of a director.

As none of the exceptions under Listing Rule 10.12 are available to the Company in respect of the proposed issue of Shares and grant of Options to Michael McNeilly or his nominee, the Company seeks approval for the issue of the Shares and the grant of Options under Listing Rule 10.11.

Information for Shareholders under Listing Rule 10.13

The following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 10.11:

Name	Michael McNeilly or his nominee.
Which category the person falls into and why	Michael McNeilly is a current Director and so a person covered by Listing Rule 10.11.1. Therefore, the issue of Shares and grant of Options requires the approval of the Company's Shareholders under Listing Rule 10.11.

The number and class of securities proposed to be issued	1,442,308 fully paid ordinary shares and 721,154 Attaching Options.
The material terms of Attaching Options	Included in the notes to Resolution 2 of this Explanatory Memorandum.
The date by which the Company will issue the securities to the person	The Company proposes to issue the Shares and grant the Options to Michael McNeilly or his nominee as soon as possible following the Meeting but, in any event, within one month of the Meeting.
The price at which the securities will be issued	Tranche 2 Placement Shares - $0.052 per Share. Tranche 2 Attaching Options - nil issue price.
Purpose of the issue	Michael McNeilly has agreed to subscribe for Shares that will be issued as part of the second tranche of the Placement. Funds raised under the Placement, together with existing cash, will be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.
Details (including the amount) of the Director's current remuneration package	Mr McNeilly's remuneration arrangements for FY23 are: • A$50,000 per annum (GST is not payable); and • 500,000 options to acquire Shares at $0.066 per Share. The value of these options is $20,900 in aggregate.
Voting exclusion statement	Included in page 7 of the Notice.

Effect of Shareholder Approval

As noted above, the proposed issue of part of the Tranche 2 Placement Shares, and the proposed grant of part of the Tranche 2 Attaching options, to Michael McNeilly is conditional on receiving Shareholders' approval.

If Resolution 8 is passed, the Company will be able to proceed with the proposed issue of 1,442,308 Tranche 2 Placement Shares, and the proposed grant of 721,154 Tranche 2 Attaching Options, to Mr McNeilly (or his nominee) and raise additional funds. Further, Shareholders' approval will not be required under Listing Rule 7.1 (pursuant to Listing Rule 7.2, Exception 14), and the issue of the Shares and grant of Options to Mr McNeilly will not count towards the Company's capacity to issue Equity Securities under Listing Rule 7.1.

If Resolution 8 is not passed, the Company will not be able to proceed with the proposed issue of the Shares (or grant of Options) to Mr McNeilly (or his nominee) and will not raise those additional funds.

Separately, given that the issue price of Shares to Mr McNeilly is the same as the issue price to all other investors under the Placement, the Company has determined that the issue of Shares and grant of Attaching Options pursuant to this Resolution 8 is a transaction on arm's length terms and is reasonable in the circumstances for the purposes of Chapter 2E of the Corporations Act.

Recommendation

The Directors (other than Michael McNeilly) recommend that the Shareholders vote in favour of Resolution 8. Each Director who makes a recommendation intends to vote any Shares he owns or controls in favour of Resolution 8.

The Chair intends to exercise all available proxies in favour of Resolution 8.

Resolution 9:

Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Andrew Sissian

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 480,770 Tranche 2 Placement Shares, and to grant 240,385 Tranche 2 Attaching Options, to Andrew Sissian (or his nominee), on the terms and conditions set out in the Explanatory Memorandum."

Background

Shareholder approval is being sought under Listing Rule 10.11 to the issue to Andrew Sissian, a Non-Executive Director of the Company, or his nominee, of 480,770 Tranche 2 Placement Shares at an issue price of $0.052 per Share and 240,385 Tranche 2 Attaching Options. This issue will form part of the second tranche of the Placement to raise approximately $1.7 million (before cost) (described at Resolution 1 above).

Conditions of granting Tranche 2 Attaching Options to Mr Sissian

The grant of 240,385 Tranche 2 Attaching Options to Mr Sissian will only proceed if subscribers to Tranche 1 Placement Shares (see Resolution 2), certain subscribers to Tranche 2 Placement Shares (see Resolution 4) as well as Strata Investment and other related parties (see notes to Resolutions 5 to 8) are also granted the corresponding Attaching Options.

Reason for approval

Listing Rule 10.11 provides that, unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to any 'related party' or their associates unless it obtains the approval of its shareholders or an exemption applies. A 'related party' includes any director of the company or an associate of a director.

As none of the exceptions under Listing Rule 10.12 are available to the Company in respect of the proposed issue of Shares and grant of Options to Andrew Sissian or his nominee, the Company seeks approval for the issue of the Shares and the grant of Options under Listing Rule 10.11.

Information for Shareholders under Listing Rule 10.13

The following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 10.11:

Name	Andrew Sissian or his nominee.
Which category the person falls into and why	Andrew Sissian is a current Director and so a person covered by Listing Rule 10.11.1. Therefore, the issue of Shares and grant of Options requires the approval of the Company's Shareholders under Listing Rule 10.11.

The number and class of securities proposed to be issued	480,770 fully paid ordinary shares and 240,385 Attaching Options.
The material terms of Attaching Options	Included in the notes to Resolution 2 of this Explanatory Memorandum.
The date by which the Company will issue the securities to the person	The Company proposes to issue the Shares and grant the Options to Andrew Sissian or his nominee as soon as possible following the Meeting but, in any event, within one month of the Meeting.
The price at which the securities will be issued	Tranche 2 Placement Shares - $0.052 per Share. Tranche 2 Attaching Options - nil issue price.
Purpose of the issue	Andrew Sissian has agreed to subscribe for Shares that will be issued as part of the second tranche of the Placement. Funds raised under the Placement, together with existing cash, will be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.
Details (including the amount) of the Director's current remuneration package	Mr Sissian's remuneration arrangements for FY23 are: • A$50,000 per annum (excluding GST); and • 500,000 options to acquire Shares at $0.066 per Share. The value of these options is $20,900 in aggregate.
Voting exclusion statement	Included in page 8 of the Notice.

Effect of Shareholder Approval

As noted above, the proposed issue of part of the Tranche 2 Placement Shares, and the proposed grant of part of the Tranche 2 Attaching options, to Andrew Sissian is conditional on receiving Shareholders' approval.

If Resolution 9 is passed, the Company will be able to proceed with the proposed issue of 480,770 Tranche 2 Placement Shares, and the proposed grant of 240,385 Tranche 2 Attaching Options, to Mr Sissian (or his nominee) and raise additional funds. Further, Shareholders' approval will not be required under Listing Rule 7.1 (pursuant to Listing Rule 7.2, Exception 14), and the issue of the Shares and grant of Options to Mr Sissian will not count towards the Company's capacity to issue Equity Securities under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the proposed issue of the Shares (or grant of Options) to Mr Sissian (or his nominee) and will not raise those additional funds.

Separately, given that the issue price of Shares to Mr Sissian is the same as the issue price to all other investors under the Placement, the Company has determined that the issue of Shares and grant of Attaching Options pursuant to this Resolution 9 is a transaction on arm's length terms and is reasonable in the circumstances for the purposes of Chapter 2E of the Corporations Act.

Recommendation

The Directors (other than Andrew Sissian) recommend that the Shareholders vote in favour of Resolution 9. Each Director who makes a recommendation intends to vote any Shares he owns or controls in favour of Resolution 9.

The Chair intends to exercise all available proxies in favour of Resolution 9.

Resolution 10:

Approval of issue of Broker Options to Canaccord

"That, for the purposes of Listing Rules 7.1 and for all other purposes, approval is given for the Company to grant 3,500,000 Broker Options to Canaccord, on the terms and conditions set out in the Explanatory Memorandum."

Background

Canaccord Genuity (Australia) Limited (**Canaccord**) acted as the lead manager to the Placement. As part of the consideration for Canaccord's services provided to the Company, the Company has agreed to issue 3,500,000 Options to Canaccord, with the Options exercisable at a 50% premium to the issue price of Shares under the Placement on or before a date that is three years from the date of issue of the options (**Broker Options**), subject to receiving Canaccord's application for the Broker Options under the Prospectus.

Reason for approval

See notes to Resolution 1 of this Explanatory Memorandum for a summary of the operation of Listing Rules 7.1 and 7.1A. Listing Rule 7.1 limits the number of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period.

An issue of Equity Securities that is approved by Shareholders under Listing Rule 7.1 will not use up the Company's 15% placement capacity and therefore does not reduce the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1.

The proposed issue of Broker Options to Canaccord does not fall within any of the specified exceptions set out in Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

Resolution 6 seeks the required Shareholder approval to the proposed issue of Broker Options to Canaccord for the purposes of Listing Rule 7.1.

Information for Shareholders under Listing Rule 7.3

In accordance with Listing Rule 7.3, the following information is required to be provided to Shareholders for the purposes of obtaining Shareholders' approval under Listing Rule 7.1:

(a) The Broker Options are proposed to be issued to Canaccord.
(b) The Company proposes to issue 3,500,000 Broker Options.
(c) A summary of the material terms of the Broker Options is as follows:

Exercise	Each Broker Option entitles the optionholder to acquire one Share in the Company. Any Shares issued pursuant to an exercise of options will be fully paid ordinary Shares and rank equally with the existing Shares on issue.
Exercise period	The Broker Options are exercisable at any time on or prior to 5.00pm (AEST) on the date that is three years from the date of issue.
Exercise price	The exercise price in respect of each Broker Option is $0.078.
Voting rights	Broker Options do not confer any rights on the optionholder in respect of any dividend declared by the Company, voting at meetings of the Company, or the surplus profits of the Company on winding up.
Reconstruction, takeover and bonus issues	In the event of any reconstruction of the issued capital of the Company, all rights of the optionholder will be changed / varied to the extent necessary to comply with the Corporations Act or the Listing Rules, limited to those necessary to ensure that optionholder not advantaged or disadvantaged. In the case of a takeover, the optionholder will be afforded 14 business days (inclusive of the record date to determine entitlements to the takeover offer) to exercise their Broker Options. Otherwise, the Broker Options will lapse. If there is a bonus issue to Shareholders of the Company, the number of Shares over which the Broker Options are exercisable will be increased by the number of Shares which the optionholder would have received had the Broker Option been exercised before the record date for the bonus issue.

(d) The Company proposes to issue the Broker Options to Canaccord as soon as possible following the Meeting but, in any event, within three months of the Meeting.

(e) The Broker Options will be issued at nil issue price as part of the consideration for the lead manager services rendered by Canaccord to the Company.

(f) No funds will be raised from the issue of Broker Options.

(g) A voting exclusion statement is included in the Notice.

Effect of Shareholder Approval

If Resolution 10 is passed, the Company will be able to proceed with the issue of Broker Options to the Eligible Participants without using up any of the Company's 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

If Resolution 1 is passed but Resolution 10 is not passed, the Company will still be able to proceed with the issue the Broker Options to Canaccord under the Company's 15% limit on issuing equity securities. However, this will decrease the number of Equity Securities the Company can issue without Shareholder approval, over the 12 month period starting from the date of issue of the Broker Options.

If Resolution 1 is not passed and Resolution 10 is also not passed, the Company would be unable to issue the Broker Options to Canaccord until the Company has sufficient capacity under Listing Rule 7.1 to issue all of the Broker Options.

Recommendation

The Directors recommend that the Shareholders vote in favour of Resolution 10. Each Director who makes a recommendation intends to vote any Shares he owns or controls in favour of Resolution 10.

The Chair intends to exercise all available proxies in favour of Resolution 10.

Resolution 11:

Approval of issue of MD Subscription Shares to Mitchell Nominee

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 3,846,154 MD Subscription Shares to Mitchell Nominee, on the terms and conditions set out in the Explanatory Memorandum."

Background

On 1 March 2024, the Company and its wholly owned subsidiary, Kalahari Metals Limited (**KML**), entered into a subscription deed with Mitchell Drilling and its nominee (**MD Subscription Deed**). Under the terms of the MD Subscription Deed, the Company agreed to issue to Mitchell Drilling's nominee, Mitchell Family Investments (QLD) Pty Ltd as trustee for the Mitchell Family Investment Trust (**Mitchell Nominee**):

(a) $100,000 worth of Shares at an issue price of $0.052 per Share in cash, which forms part of the Tranche 2 Placement Shares; and

(b) Up to $200,000 worth of Shares at an issue price of $0.052 per Share, in lieu of cash payment for 30% of any invoices (exclusive of VAT) that are rendered by Mitchell Drilling to KML for any diamond drilling services delivered, up to a maximum of $200,000. This is equivalent to a maximum of 3,846,154 Shares (**MD Subscription Shares**).

The issue of the MD Subscription Shares is conditional upon at least one of the following conditions being satisfied:

(a) the Company's placement capacity under Listing Rule 7.1 and 7.1A is sufficient for the issue of the MD Subscription Shares; or

(b) a resolution has been passed by the Shareholders at this Meeting to replenish the placement capacity under Listing Rules 7.1 and/or 7.1A or to approve the issue of the MD Subscription Shares to Mitchell Group under the MD Subscription Deed.

Accordingly, this Resolution seeks Shareholder approval for the proposed issue of MD Subscription Shares for the purposes of Listing Rule 7.1.

Reason for approval

See Notes to Resolution 1 of this Explanatory Memorandum for a summary of the operation of Listing Rules 7.1 and 7.1A. Listing Rule 7.1 limits the number of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period.

An issue of Equity Securities that is approved by Shareholders under Listing Rule 7.1 will not use up the Company's 15% placement capacity and therefore does not reduce the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1.

The issue of MD Subscription Shares does not fall within any of the specified exceptions set out in Listing Rule 7.2 and as it has not yet been approved by Shareholders, it can only be made without Shareholder approval if it is made within the 15% placement capacity in Listing Rule 7.1. Given the

condition to the issue of the MD Subscription Shares, this Resolution seeks Shareholder approval for the issue of the MD Subscription Shares to ensure that the proposed issue of MD Subscription Shares does not reduce the Company's future placement capacity.

Effect of Shareholder Approval

If Resolution 11 is passed, the MD Subscription Shares will not be counted as reducing the number of Equity Securities which the Company can issue without Shareholder approval under Listing Rules 7.1, thereby increasing the number of Equity Securities the Company can issue without Shareholder approval.

If Resolution 11 is not passed but Resolution 1 is passed, the MD Subscription Shares will be issued but will be included in calculating the Company's placement capacity under Listing Rules 7.1, thereby decreasing the number of Equity Securities it can issue without Shareholder approval for a period of 12 months from the date of issue of the MD Subscription Shares.

If Resolution 11 is not passed and Resolution 1 is also not passed, the MD Subscription Shares will not be issued until such time as the Company has sufficient placement capacity.

Information for Shareholders under Listing Rule 7.3

The following information is required to be provided to Shareholders for the purposes of obtaining Shareholder approval under Listing Rule 7.1:

(a) The MD Subscription Shares will be issued to Mitchell Family Investments (QLD) Pty Ltd as trustee for the Mitchell Family Investment Trust as a nominee of Mitchell Drilling.

(b) The Company will issue up to 3,846,154 MD Subscription Shares to Mitchell Nominee.

(c) The MD Subscription Shares will be fully paid ordinary Shares and rank equally with the existing Shares on issue.

(d) The Company proposes to issue the MD Subscription Shares to Mitchell Drilling (or its nominee) as soon as possible following the Meeting but, in any event, within three months of the Meeting.

(e) Each MD Subscription Share will be issued at a deemed issue price of $0.052 per MD Subscription Share.

(f) $200,000 worth of MD Subscription Shares are being issued in lieu of cash payment for diamond drilling services delivered by Mitchell Drilling, accordingly no funds will be raised.

(g) A summary of the material terms of the MD Subscription Deed is set out above.

(h) A voting exclusion statement is included in the Notice.

Recommendation

All of the Directors recommend that Shareholders vote in favour of Resolution 11. Each Director who makes a recommendation intends to vote any Shares they own or control in favour of Resolution 11.

The Chair intends to exercise all available proxies in favour of Resolution 11.

GLOSSARY

A$** and **$ means a dollar in the currency of the Commonwealth of Australia.

AEST means Australian Eastern Daylight Savings Time.

ASIC means Australian Securities and Investments Commission.

Associate has the meaning given in ASX Listing Rule 19.12.

ASX means the Australian Securities Exchange.

Attaching Option means the one free attaching option for every two (2) new Shares allocated under the Placement, which will be exercisable at $0.078 each and have an expiry date that is three (3) years after the issue date.

Auditor means the auditor of the Company.

Board means the Board of Directors of the Company.

Broker Options means 3,500,000 Options proposed to be issued to Canaccord and offered under the Prospectus.

Canaccord means Canaccord Genuity (Australia) Limited ACN 075 071 466.

Chair means the Chairperson of the Meeting.

Company means Cobre Limited ACN 626 241 067.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Eligible Participants means persons who participated in the Placement and are eligible to apply for Tranche 1 Attaching Options and/or Tranche 2 Attaching Options under the Prospectus.

Equity Securities includes a Share, a right to a Share or Option, a convertible security and any other security that ASX decides to classify as an Equity Security.

GST has the meaning given to that term in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) or any replacement or other relevant legislation or regulation.

KML means Kalahari Metals Limited (UK company number 10751423).

Listing Rules means the official listing rules of ASX.

IER means the Independent Expert's Report as set out in Annexure A of this Notice.

MD Subscription Deed means the subscription deed between the Company, KML, Mitchell Drilling and Mitchell Nominee dated 1 March 2024.

MD Subscription Shares means up to 3,846,154 Shares proposed to be issued to Mitchell Nominee under the MD Subscription Deed as consideration for Mitchell Drilling providing diamond drilling services to the Company.

Meeting means the general meeting of the Company convened by this Notice.

Mitchell Drilling means Mitchell Drilling Botswana Proprietary Limited (registration number BW00000197866).

Mitchell Nominee means Mitchell Family Investments (QLD) Pty Ltd as trustee for the Mitchell Family Investment Trust.

Notice means this document, including the Explanatory Memorandum.

Options mean an option in the Company to acquire Shares.

Ordinary Security has the meaning given in ASX Listing Rule 19.12.

Person has the meaning given in ASX Listing Rule 19.12.

Placement means the issue of approximately 76.9 million Shares to investors to raise approximately $4 million as announced by the Company on 4 March 2024.

Prospectus means the prospectus proposed to be lodged by the Company with ASIC on or around five (5) business days following the lodgement of this Notice with the ASX, in relation to the offer of Tranche 1 Attaching Options, Tranche 2 Attaching Options and Broker Options.

Related Party has the meaning given in ASX Listing Rule 19.12.

Resolutions means the resolutions set out in this Notice to be considered at the Meeting and **Resolution** means any one of them.

Security has the meaning given in ASX Listing Rule 19.12.

Share means a fully paid ordinary share in the issued share capital of the Company.

Shareholder means a holder of Shares in the capital of the Company.

Strata Investment means Strata Investment Holdings PLC (UK company number 04196004).

Tranche 1 Placement Shares means 43,711,535 Shares issued pursuant to the first tranche of the Placement on or around 11 March 2024.

Tranche 1 Attaching Options means 21,855,768 Attaching Options attached to Tranche 1 Placement Shares.

Tranche 2 Placement Shares means 33,211,542 Shares proposed to be issued pursuant to the second tranche of the Placement.

Tranche 2 Attaching Options means 16,605,771 Attaching Options attached to Tranche 2 Placement Shares.

Annexure A - Independent Expert's Report

Cobre Limited

Independent Expert's Report and Financial Services Guide
Opinion: The Proposed Transaction is Not Fair but Reasonable

24 JUNE 2024

FINANCIAL SERVICES GUIDE

Dated: 24 June 2024

The Financial Services Guide ('FSG') is provided to comply with the legal requirements imposed by the Corporations Act 2001 and includes important information regarding the general financial product advice contained in this report ('this Report'). The FSG also includes general information about BDO Corporate Finance Ltd ABN 54 010 185 725, Australian Financial Services Licence No. 245513 ('BDOCF' or 'we', 'us' or 'our'), including the financial services we are authorised to provide, our remuneration and our dispute resolution.

BDOCF holds an Australian Financial Services Licence to provide the following services:

a) Financial product advice in relation to deposit and payment products (limited to basic deposit products and deposit products other than basic deposit products), securities, and interests in managed investment schemes excluding investor directed portfolio services;

b) Arranging to deal in financial products in relation to securities; and

c) Applying for, acquiring, varying or disposing of a financial product in relation to interests in managed investment schemes excluding investor directed portfolio services, and securities.

General Financial Product Advice

This Report sets out what is described as general financial product advice. This Report does not consider personal objectives, individual financial position or needs and therefore does not represent personal financial product advice. Consequently, any person using this Report must consider their own objectives, financial situation and needs. They may wish to obtain professional advice to assist in this assessment.

The Assignment

BDOCF has been engaged to provide general financial product advice in the form of a report in relation to a financial product. Specifically, BDOCF has been engaged to provide an independent expert's report to the shareholders of Cobre Limited ('Cobre' or 'the Company') in relation to the proposed issuance of approximately 15.4 million shares to Strata Investment Holdings PLC ('Strata') ('the Proposed Transaction'). Upon completion of the Proposed Transaction, Strata's relevant interest in the Company will increase from 22.42% up to a maximum of 25.86% on an undiluted basis.

Further details of the Proposed Transaction are set out in Section 4. The scope of this Report is set out in detail in Section 3.3. This Report provides an opinion on whether or not the Proposed Transaction is 'fair and reasonable' to the non-associated Cobre shareholders ('the Non-Associated Shareholders') and has been prepared to provide information to the Non-Associated Shareholders to assist them to make an informed decision on whether to vote in favour of or against the Proposed Transaction. Other important information relating to this Report is set out in more detail in Section 3.

This Report cannot be relied upon for any purpose other than the purpose mentioned above and cannot be relied upon by any person or entity other than those mentioned above, unless we have provided our express consent in writing to do so. A shareholder's decision to vote in favour of or against the Proposed Transaction is likely to be influenced by their particular circumstances, for example, their taxation considerations and risk profile. Each shareholder should obtain their own professional advice in relation to their own circumstances.

Fees, Commissions and Other Benefits we may Receive

We charge a fee for providing reports. The fees are negotiated with the party who engages us to provide a report. We estimate the fee for the preparation of this Report will be approximately $50,000 plus GST. Fees are usually charged as a fixed amount or on an hourly basis depending on the terms of the agreement with the engaging party. Our fees for this Report are not contingent on the outcome of the Proposed Transaction.

Except for the fees referred to above, neither BDOCF, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of this Report.

Directors of BDOCF may receive a share in the profits of BDO Group Holdings Limited, a parent entity of BDOCF. All directors and employees of BDO Group Holdings Limited and its subsidiaries (including BDOCF) are entitled to receive a salary. Where a director of BDOCF is a shareholder of BDO Group Holdings Limited, the person is entitled to share in the profits of BDO Group Holdings Limited.

Associations and relationships

From time to time BDOCF or its related entities may provide professional services to issuers of financial products in the ordinary course of its business. These services may include audit, tax and business advisory services. In the last two years, BDOCF provided an IER dated 8 October 2022 that was prepared in relation to the proposed issue of 9.8 million Cobre shares to Strata and Cobre consolidating ownership in KML. An affiliated BDO entity in the United Kingdom provides tax services to Strata. No one from that office is involved in the preparation of this Report, nor do they have an interest in the outcome of the Proposed Transaction.

The signatories to this Report do not hold any shares in Cobre and no such shares have ever been held by the signatories.

To prepare our reports, including this Report, we may use researched information provided by research facilities to which we subscribe or which are publicly available. Reference has been made to the sources of information in this Report, where applicable. Research fees are not included in the fee details provided in this Report.

Complaints Resolution

Internal Complaints Resolution Process

We are committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the BDO Complaints Policy available on our website.

Referral to External Dispute Resolution Scheme

BDO Corporate Finance is a member of AFCA (Member Number 10236).

Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to the Australian Financial Complaints Authority (AFCA) using the contact details set out below.

Australian Financial Complaints Authority Limited
Mail: GPO Box 3, Melbourne VIC 3001
Online Address: http://www.afca.org.au
Email: info@afca.org
Phone: 1800 931 678
Fax: (03) 9613 6399
Interpreter Service: 131 450

Compensation Arrangements

BDOCF and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDOCF or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDOCF satisfy the requirements of section 912B of the Corporations Act 2001.

Contact Details

BDO Corporate Finance Ltd

Location Address:	Postal Address:
Level 10 12 Creek Street BRISBANE QLD 4000	GPO Box 457 BRISBANE QLD 4001
Phone: (07) 3237 5999	Email: cf.brisbane@bdo.com.au
Fax: (07) 3221 9227	

CONTENTS

GLOSSARY

Reference	Definition
A$ or $	Australian dollars
ABV	Asset-based valuation
AGM	Annual general meeting
APES 225	Accounting Professional and Ethical Standards Board professional standard APES 225 *Valuation Services*
Armada	Armada Metals Limited
ASIC	Australian Securities and Investment Commission
ASX	Australian Securities Exchange
BDO Persons	The partners, directors, agents or associates of BDO
BDOCF	BDO Corporate Finance Ltd
Board, the	The board of directors of the Company
CAPM	Capital asset pricing model
CME	Capitalisation of Maintainable Earnings
Cobre	Cobre Limited
COMEX	Commodity Exchange
Company, the	Cobre Limited
Corporations Act, the	The Corporations Act 2001
DCF	Discounted cash flow
Directors, the	The Directors of the Company
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ERM	ERM Australia Consultants Pty Ltd
ERM Report, the	ERM Australia Consultants Pty Ltd's Technical Expert's Report dated 13 June 2024
EV	Enterprise value
FSG	Financial Services Guide
FY	The financial year or 12-month period ended on 30 June
ICSG	International Copper Study Group
IPO	Initial public offering
Kitlanya	Kitlanya Pty Ltd
MBV	Market-based valuation
Meeting, the	General meeting to be held on or around 6 August 2024
Non-Associated Shareholders	The shareholders of Cobre Limited that are not Strata Investment Holdings PLC
Notice of Meeting, the	The Notice of Meeting and Explanatory memorandum dated on or around 1 July 2024 prepared by Cobre
NPAT	Net profit after tax
NPV	Net present value

Reference	Definition
OCP	Okavango Copper Project
Other Resolutions, the	All resolutions in the Notice of Meeting other than Resolution 5
Placement, the	The placement of approximately 76.9 million new fully paid ordinary shares at an issue price of approximately $0.052 per share to raise approximately $4 million
Proposed Transaction, the	The proposed issue of 15,384,616 shares in the Company to Strata
Regulations, the	The Corporation Regulations 2001
Report, this	This independent expert's report prepared by BDOCF and dated 24 June 2024
Resolution 5	The approval under item 7 of section 611 of the Corporations Act and ASX Listing Rules 10.11 for the proposed issuance of 15,384,616 shares and 7,692,308 options respectively to Strata
RG 111	Regulatory Guide 111: *Content of Expert Reports*, issued by ASIC
RGs	Regulatory guides published by ASIC
SOP	Sum-of-parts
Strata	Strata Investment Holdings PLC
Subscription Shares, the	The proposed issue of up to approximately 3.8 million subscription shares to Mitchell Drilling and its nominee
TGP	Toucan Gold Pty Ltd
Tranche 1	Raise of approximately $2.3 million via the issue of approximately 43.7 million new shares utilising the Company's existing placement capacity pursuant to the Australian Securities Exchange Listing Rules 7.1 and 7.1A
Tranche 2	Raise of approximately $1.7 million via the issue of approximately 33.2 million new shares, subject to shareholder approval to be sought at an Extraordinary General Meeting of the Company
Triprop	Triprop Holdings Pty Limited
Valuation Date, the	30 June 2024
VHMS	Volcanogenic massive sulphide
VWAP	Volume weighted average price
We, us, our	BDO Corporate Finance Ltd

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PART I: ASSESSMENT OF THE PROPOSED TRANSACTION

The Non-Associated Shareholders
C/- The Non-Associated Directors
Cobre Limited
Level 10, Kyle House, 27 Macquarie Place
Sydney NSW 2000

24 June 2024

Dear Non-Associated Shareholders,

1.0 Introduction

BDO Corporate Finance Ltd ('BDOCF', 'we', 'us' or 'our') has been engaged to provide an independent expert's report ('this Report') to the shareholders of Cobre Limited ('Cobre') who are not Strata Investment Holdings PLC ('Strata') ('Non-Associated Shareholders').

On 4 March 2024, Cobre announced that they had received firm commitments from institutional, sophisticated and professional investors for the placement of approximately 76.9 million new fully paid ordinary shares at an issue price of approximately $0.052 per share to raise approximately $4 million ('the Placement'). The Placement is comprised of two tranches as set out below:

- Tranche 1: raised approximately $2.3 million via the issue of approximately 43.7 million new shares on 11 March 2024 utilising the Company's existing placement capacity pursuant to the Australian Securities Exchange ('ASX') Listing Rules 7.1 and 7.1A ('Tranche 1'); and
- Tranche 2: will raise approximately $1.7 million via the issue of approximately 33.2 million new shares, subject to shareholder approval to be sought at an extraordinary general meeting of the Company ('Tranche 2').

Completion of Tranche 2 is subject to Cobre obtaining the necessary shareholder approval required under item 7 of section 611 of the Corporations Act 2001 (Cth) ('the Corporations Act'), ASX Listing Rule 7.1 and ASX Listing Rule 10.11. In the notice of meeting and explanatory statement prepared by Cobre and dated on our about 1 July 2024 ('the Notice of Meeting'), there are eleven resolutions, with Tranche 2 of the Placement being the subject of several resolutions.

We note that in Resolution 5, Cobre is seeking shareholder approval under item 7 of section 611 of the Corporations Act and ASX Listing Rules 10.11 for the proposed issuance of 15,384,616 shares and 7,692,308 options respectively to Strata ('Resolution 5'). We refer to the proposed issuance of shares to Strata under Resolution 5 as 'the Proposed Transaction'.

Following the Proposed Transaction, Strata's relevant interest in the Company will increase from 22.42% up to a maximum of 25.86% on an undiluted basis (in the event all resolutions other than Resolution 5 ('the Other Resolutions') are not approved) and 24.34% on an undiluted basis (in the event the Other Resolutions are approved).

A more detailed description of the Proposed Transaction is set out in Section 4.

This Report is prepared pursuant to item 7 of section 611 of the Corporations Act and is to be included in the Notice of Meeting in order to assist the Non-Associated Shareholders to form a view on whether to vote in favour of or against the Proposed Transaction. For completeness, we note that only the Proposed Transaction is the subject of this Report.

In this Report, BDOCF has expressed an opinion as to whether or not the Proposed Transaction is 'fair and reasonable' to the Non-Associated Shareholders. This Report has been prepared solely for use by the Non-Associated Shareholders to provide them with information relating to the Proposed Transaction. The scope and purpose of this Report are detailed in Sections 3.3 and 3.4 respectively.

This Report, including Part I, Part II and the appendices, should be read in full along with all other documentation provided to the Non-Associated Shareholders including the Notice of Meeting in relation to the general meeting to be held on or about 6 August 2024 ('the Meeting').

2.0 Assessment of the Proposed Transaction

This section is set out as follows:

- Section 2.1 sets out the methodology for our assessment of the Proposed Transaction;
- Section 2.2 sets out our assessment of the fairness of the Proposed Transaction;
- Section 2.3 sets out our assessment of the reasonableness of the Proposed Transaction; and
- Section 2.4 provides our assessment of whether the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders.

2.1 Basis of Evaluation

ASIC have issued Regulatory Guide 111: *Content of Expert Reports* ('RG 111'), which provides guidance in relation to independent expert's reports. RG 111 relates to the provision of independent expert's reports in a range of circumstances, including those where the expert is required to provide an opinion in relation to a takeover transaction. RG 111 states that the independent expert's report should explain the particulars of how the transaction was examined and evaluated as well as the results of the examination and evaluation.

The Proposed Transaction involves the issuance of shares in Cobre to Strata which will result in Strata's relevant interest in the Company increasing from its existing level of 22.42% up to a maximum of 25.86% (in the event the Other Resolutions are not approved) and 24.34% (in the event the Other Resolutions are approved). RG 111 specifically differentiates between control and non-control transactions in providing guidance on the type of analysis to complete. RG 111 suggests that where the transaction is a control transaction the expert should focus on the substance of the control transaction rather than the legal mechanism to affect it. In our opinion the Proposed Transaction is a control transaction as defined by RG 111 and we have assessed the Proposed Transaction by considering whether, in our opinion, it is fair and reasonable to the Non-Associated Shareholders.

Under RG 111, a transaction will be considered 'fair' if the value of the consideration to be received by the shareholders is equal to or greater than the value of the shares that are the subject of the transaction. To assess whether a transaction is 'reasonable', an expert should examine other significant factors to which shareholders may give consideration prior to accepting or approving the transaction. This includes comparing the likely advantages and disadvantages if the transaction is approved with the position of the shareholders if the transaction is not approved.

RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if, despite being 'not fair', the expert believes that there are sufficient reasons for security holders to accept an offer in the absence of a higher bid. Our assessment concludes by providing our opinion as to whether or not the Proposed Transaction is 'fair and reasonable'. While all relevant issues need to be considered before drawing an overall conclusion, we will assess the fairness and reasonableness issues separately for clarity.

We have assessed the fairness and reasonableness of the Proposed Transaction in Sections 2.2 and 2.3 below and provide an opinion on whether the Proposed Transaction is 'fair and reasonable' to the Non-Associated Shareholders in Section 2.4 below.

2.2 Assessment of Fairness

2.2.1 Basis of Assessment

RG 111 states that a transaction is fair if the value of the offer price or consideration is greater than the value of the securities subject to the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. When considering the value of the securities subject to an offer in a control transaction the expert should consider this value inclusive of a control premium and assume a 100% ownership interest.

In our view, it is appropriate to assess the fairness of the Proposed Transaction to the Non-Associated Shareholders as follows:

a) Determine the value of a Cobre share on a controlling interest basis prior to the Proposed Transaction;

b) Determine the value of a Cobre share on a minority interest basis after the Proposed Transaction; and

c) Compare the value determined in a) above with the value of b) to determine if the Proposed Transaction is fair.

In accordance with the requirements of RG 111, the Proposed Transaction can be considered 'fair' to the Non-Associated Shareholders if the value determined in b) above is equal to or greater than the value determined in a) above.

2.2.2 Value of a Cobre Share Prior to the Proposed Transaction on a Controlling Interest Basis

In our view, for the purposes of the analysis set out in this Report, it is appropriate to adopt a value in the range of $0.055 to $0.113 per Cobre share on a controlling interest basis. In forming this view, we considered a Sum-of-Parts ('SOP') methodology and a Market-Based Valuation ('MBV') methodology.

In completing our SOP valuation, we have relied on the work of ERM Australia Consultants Pty Ltd ('ERM') who we engaged to value Cobre's mineral rights and assets. The ERM Technical Expert's Report dated 13 June 2024 ('the ERM Report') is attached as Appendix B to this Report. While ERM have provided us with information which indicates they have the requisite experience to complete a technical valuation of Cobre's mineral assets and we have critically analysed their work, we are not responsible for the ERM Report.

Our valuation of Cobre prior to the Proposed Transaction is set out in Section 8.

In relation to our valuation, we note that Cobre is a company focused on exploration for copper targets. In our view, the value of such companies may increase or decrease materially over short periods depending on the results from exploration activities and prevailing copper prices, among other matters.

2.2.3 Value of a Cobre Share After the Proposed Transaction on a Minority Interest Basis

The value we have calculated for a Cobre share following the Proposed Transaction, using a SOP methodology and on a minority interest basis, is in the range of $0.041 to $0.084 per share. This valuation range is directly comparable with our SOP valuation referred to in Section 2.2.2 of $0.055 to $0.113 per share and relies on ERM's valuation of Cobre's mineral rights and assets.

The primary factors driving the change in our calculated valuation range pre and post the Proposed Transaction are:

- Additional equity instruments: under the Proposed Transaction, Cobre will issue approximately 15.4 million ordinary shares to Strata;
- Additional cash: under the Proposed Transaction, Cobre will receive approximately $800k in consideration for issuing the shares to Strata; and
- Minority interest: we have calculated the value of Cobre on a minority interest basis following the Proposed Transaction.

Our valuation of Cobre following the Proposed Transaction is set out in Section 9 of this Report.

2.2.4 Assessment of the Fairness of the Proposed Transaction

In order to assess the fairness of the Proposed Transaction, it is appropriate to compare the value of a Cobre share prior to the Proposed Transaction on a controlling interest basis with the value of a share in Cobre on a minority interest basis assuming the Proposed Transaction is implemented.

Table 2.1 below summarises our assessment of the fairness of the Proposed Transaction.

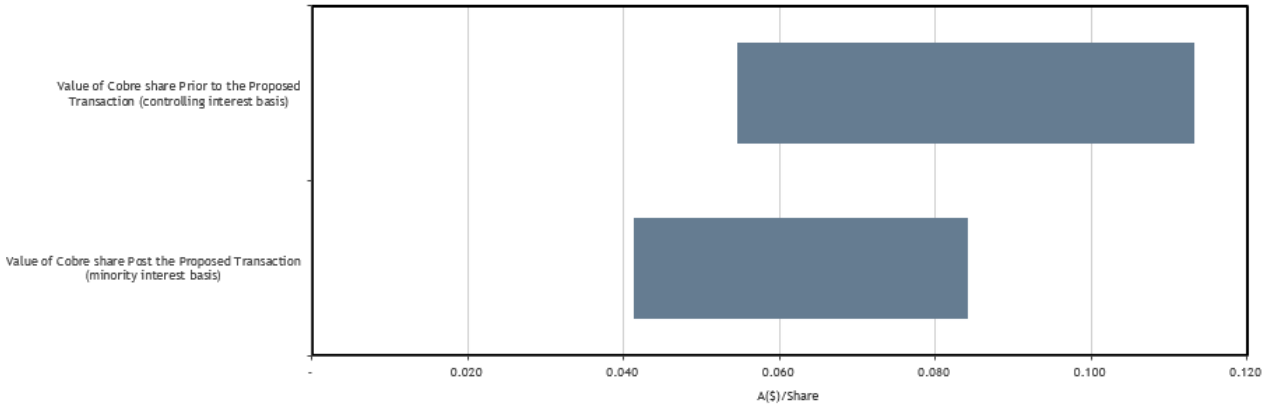
Table 2.1: Assessment of the Fairness of the Proposed Transaction

	Low	High
Value of a Cobre share prior to the Proposed Transaction (controlling interest)	$0.055	$0.113
Value of a Cobre share post the Proposed Transaction (minority interest)	$0.041	$0.084

Source: BDOCF Analysis

Figure 2.1 summarises our assessment of the fairness of the Proposed Transaction, setting out a graphical comparison of our valuation of a Cobre share prior to Proposed Transaction on a controlling interest basis and our valuation of a share in Cobre on a minority basis following completion of the Proposed Transaction.

Figure 2.1: Fairness of the Proposed Transaction



Source: BDOCF analysis

With reference to Table 2.1 and Figure 2.1, we note:

- At the low and high ends of the valuation range, the value of Cobre post the Proposed Transaction on a minority interest basis is below the value of Cobre prior to the Proposed Transaction on a controlling interest basis;

- There is a downward shift in the value range of Cobre post the Proposed Transaction on a minority interest basis relative to the value of Cobre prior to the Proposed Transaction on a controlling interest basis. Albeit, value range post the Proposed Transaction continues to overlap the value range of Cobre prior to the Proposed Transaction; and
- One of the drivers of the downward shift from the valuation range prior to the Proposed Transaction to the valuation range following the Proposed Transaction is that the pre-transaction values are on a controlling interest basis and the post-transaction values are on a minority interest basis. To provide information to shareholders, we have set out a comparison of minority values pre and post the Proposed Transaction in Section 2.3.4 below.

After considering the information summarised above and set out in detail in the balance of this Report, it is our view that, in the absence of any other information, the Proposed Transaction is **Not Fair** to the Non-Associated Shareholders as at the date of this Report.

2.3 Assessment of Reasonableness

2.3.1 Basis of Assessment

Under RG 111, a transaction is considered reasonable if it is fair. It may also be reasonable, despite not being fair, if after considering other significant factors the interests of the shareholders are reasonably balanced.

In addition to our fairness assessment set out in Section 2.2 above, to assess whether the Proposed Transaction is 'reasonable' we consider it appropriate to examine other significant factors to which the Non-Associated Shareholders may give consideration prior to forming a view on whether to vote in favour of or against the Proposed Transaction. This includes comparing the likely advantages and disadvantages of approving the Proposed Transaction with the position of a Non-Associated Shareholder if the Proposed Transaction is not approved, as well as a consideration of other significant factors.

Our assessment of the reasonableness of the Proposed Transaction is set out as follows:

- Section 2.3.2 sets out the advantages of the Proposed Transaction to the Non-Associated Shareholders;
- Section 2.3.3 sets out the disadvantages of the Proposed Transaction to the Non-Associated Shareholders;
- Section 2.3.4 sets out discussion of other considerations relevant to the Proposed Transaction;
- Section 2.3.5 sets out the position of the Non-Associated Shareholders if the Proposed Transaction is not approved; and
- Section 2.3.6 provides our opinion on the reasonableness of the Proposed Transaction to the Non-Associated Shareholders.

2.3.2 Advantages of the Proposed Transaction

Table 2.2 below outlines the potential advantages to the Non-Associated Shareholders of approving the Proposed Transaction.

Table 2.2: Potential Advantages of the Proposed Transaction

Advantage	Explanation
Provides funds for exploration activities	The purpose of the Placement announced on 4 March 2024 was to raise funds to be used (together with existing cash) to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.
Results in further alignment between Cobre and Strata	Strata was a substantial shareholder in the Company prior to Cobre's initial public offering ('IPO'), holding 7.35 million shares (i.e. an interest of approximately 15.7%). Strata was also the largest investor in Cobre's IPO, subscribing for 12 million shares at $0.20 share, representing an investment of $2.4 million. Upon completion of Cobre's IPO, Strata was the Company's largest shareholder with an interest in the Company of approximately 19.99%. Following the Company's IPO, Strata have continued to support Cobre, participating in various capital raisings to provide funds for Cobre's exploration activities and selling their interest in KML to Cobre (a now 100% owned subsidiary of Cobre). Based on the above, we note Strata could be considered a supportive cornerstone investor of Cobre. If the Proposed Transaction is approved, Strata's interest in Cobre will increase up to a maximum of 25.86% (in the event the Other Resolutions are not approved) and 24.34% (in the event the Other Resolutions are approved). Accordingly, the interests of Cobre and Strata will be further aligned.
The shares issued to Strata under the Proposed Transaction are at the same price as the shares issued to Non-Associated Shareholders	Under the Proposed Transaction, Strata will acquire shares in the Company at a price of $0.052 per share. We note that as the Proposed Transaction forms part of the Placement (announced on 4 March 2024), Cobre has also provided institutional, sophisticated and professional investors with the opportunity to purchase shares in the Company at a price of $0.052 per share. Resultantly, the shares acquired by Strata under the Proposed Transaction are not at a superior price to the other shares issued under the Placement.
A largely unchanged level of control in Cobre for Strata (provided the Other Resolutions are approved)	If the Proposed Transaction is approved, Strata's relevant interest in Cobre will increase from its existing level of 22.42% up to a maximum of 25.86% (in the event the Other Resolutions are not approved) and 24.34% (in the event the Other Resolutions are approved). We note that in the event the Other Resolutions are approved, Strata's level of interest will not be sufficient to block a special resolution which requires a 25% dissenting vote.

Advantage	Explanation
Non-Associated Shareholders collectively retain control	If the Proposed Transaction is approved, the Non-Associated Shareholders will collectively hold a 74.14% interest in the Company on an undiluted basis (in the event the Other Resolutions are not approved) and 75.66% on an undiluted basis (in the event the Other Resolutions are approved). In either event, the Non-Associated Shareholders will continue to collectively hold a controlling interest in the Company if the Proposed Transaction is approved.

Source: BDOCF analysis

2.3.3 Disadvantages of the Proposed Transaction

Table 2.3 below outlines the potential disadvantages to the Non-Associated Shareholders of approving the Proposed Transaction.

Table 2.3: Potential Disadvantages of the Proposed Transaction

Disadvantage	Explanation
The Proposed Transaction is Not Fair	As set out in Section 2.2 above, the Proposed Transaction is Not Fair to the Non-Associated Shareholders as at the date of this Report.
The issue price under the Placement is below recent market trading prices	Since the announcement of the Placement, Cobre's share trading prices have at times been at levels in excess of the issue price under the Placement (of $0.052 per share). By way of example, in the period from 4 March 2024 to 7 June 2024, Cobre's share price has been in the range of $0.051 on 2 April 2024 to $0.092 on 4 June 2024. The issue price under the Placement represents a discount of approximately 43.5% to the high share price of $0.092 on 4 June 2024. Notwithstanding, we note that there is no guarantee that Cobre could raise capital at the recent high trading level (particularly noting the volatility in recent share trading prices and that capital raisings are normally conducted at a discount). By way of example, the issue price under the Placement (which was announced on 4 March 2024) represented a discount of approximately 17.5% to the last close price on 26 February 2024 of $0.063.
Dilution of Non-Associated Shareholders interest in the Company	If the Proposed Transaction is approved, Strata's interest in the Company will increase up to a maximum of 25.86% on an undiluted basis (in the event the Other Resolutions are not approved) and 24.34% on an undiluted basis (in the event the Other Resolutions are approved). This increase in shareholding will dilute the Non-Associated Shareholders' relevant interest in the Company and decrease their exposure to any upside in the value of Cobre.
Strata may have significant influence and the ability to block special resolutions	To pass a special resolution, a minimum of 75% of the votes cast by shareholders of the company entitled to vote on the resolution must be in favour of the resolution. To pass an ordinary resolution a minimum of 50% of the votes cast by shareholders of the company entitled to vote on the resolution must be in favour of the resolution. Following the Proposed Transaction, Strata will have a relevant interest in the Company of up to a maximum of 25.86% on an undiluted basis (in the event Other Resolutions are not approved) and 24.34% on an undiluted basis (in the event the Other Resolutions are approved). Approval of the Proposed Transaction (subject to the approval of the Other Resolutions) may enable Strata to unilaterally block special resolutions (including schemes of arrangement). Strata's relevant interest will also provide them with significant influence over ordinary resolutions.
Potentially reduce the chance of receiving takeover offers in the future without Strata's support	As noted above, if the Proposed Transaction is approved, Strata will hold up to a maximum of 25.86% of the shares in Cobre on an undiluted basis (in the event the Other Resolutions are not approved). In this event, it may reduce the chance of Cobre's shareholders receiving a takeover offer for their shares without the support of Strata. Specifically, we note that in this case, for any future takeover to progress Strata may be required to vote in favour, and for any scheme of arrangement to succeed Strata will be required to vote in favour.
If the Proposed Transaction is approved there is potential for additional shares to be sold on the open market	If the Proposed Transaction is approved, Cobre will be able to issue 15,384,616 shares to Strata so that they will hold 88,236,503 shares outstanding in the Company post completion of the Proposed Transaction. Strata may elect to sell some of the new Cobre shares received on the open market. This may place downward pressure on the share price of Cobre if the increased supply of Cobre shares sufficiently outweighs the demand.

Source: BDOCF analysis

2.3.4 Other Considerations

Prior to the Proposed Transaction, Non-Associated Shareholders could reasonably be considered to be minority shareholders of Cobre. If the Proposed Transaction is approved, individual Cobre Non-Associated Shareholders will remain non-controlling shareholders in the Company. Strata currently holds an interest in the Company of approximately 22.42% and following the Proposed Transaction Strata's interest in the Company will increase up to up to a maximum of 25.86% on an undiluted basis (in the event the Other Resolutions are not approved) and 24.34% on an undiluted basis (in the event the Other Resolutions are approved).

For the purpose of the analysis set out in this Report, we have also compared the value of a Cobre share post the Proposed Transaction on a minority interest basis with the value of a Cobre share prior to the Proposed Transaction on a minority interest basis in Table 2.4 below. Non-Associated Shareholders should note that this comparison does not form part of our fairness assessment.

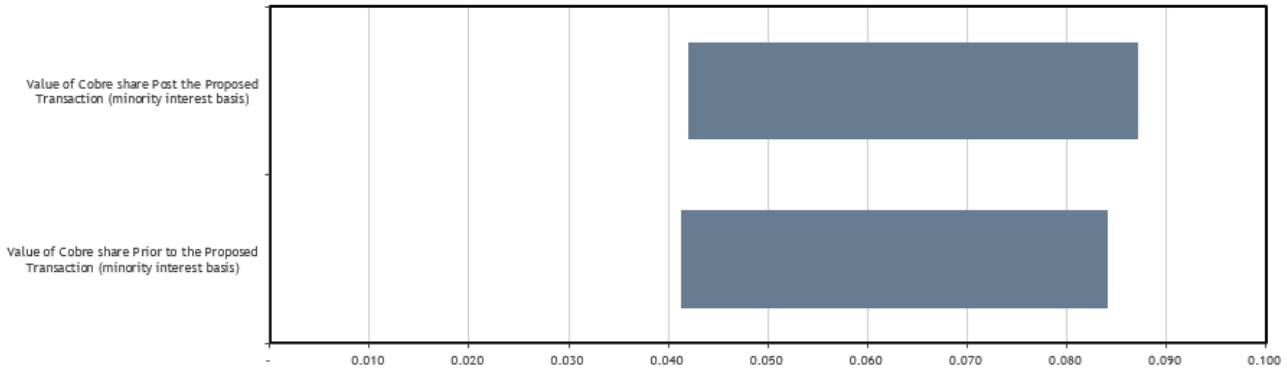
Table 2.4: Comparison of the Value of a Cobre Share on a Minority Interest Basis Prior to and Post the Proposed Transaction

	Low	High
Value of a Cobre share prior to the Proposed Transaction (minority interest)	$0.042	$0.087
Value of a Cobre share post the Proposed Transaction (minority interest)	$0.041	$0.084

Source: BDOCF Analysis

Figure 2.2 below sets out a graphical comparison of our valuation of a Cobre share prior to the Proposed Transaction on a minority interest basis and our valuation of a share in Cobre on a minority interest basis following the Proposed Transaction.

Figure 2.2: Comparison of the Value of a Cobre Share on a Minority Interest Basis Prior to and Post the Proposed Transaction



Source: BDOCF Analysis

With reference to Table 2.4 and Figure 2.2, we note that when a comparison of a Cobre share is completed on a minority interest basis, the valuation ranges largely overlap (albeit with a slight reduction).

2.3.5 Position of the Non-Associated Shareholders if the Proposed Transaction is Not Approved

Table 2.5 below outlines the potential position of individual Cobre shareholders if the Proposed Transaction is Not Approved.

Table 2.5: Position of Non-Associated Shareholders if the Proposed Transaction is Not Approved

Position of Shareholders	Explanation
Requirement to raise capital	As Cobre is an exploration company (i.e. not revenue generating), they are required to use cash reserves to fund their operations and the exploration of their tenements. If the Proposed Transaction is not approved, Cobre will be required to raise additional capital earlier than may have otherwise been the case. There is no guarantee that the price of future capital raisings will be in excess of the $0.052 price per share under the Proposed Transaction. Notwithstanding the above, we note that recent share trading prices have at times been at levels in excess of this. In the period from 4 March 2024 to 7 June 2024, Cobre's share price has been in the range of $0.051 on 2 April 2024 to $0.092 on 4 June 2024.
Cobre will be required to raise capital from shareholders again in the future	Further to the above, until Cobre is in a position to generate material revenue, they will continue to rely on their cash reserves to fund operations. Resultantly, the Company will require ongoing support from shareholders to raise the required capital. There is no guarantee that Strata will participate in future capital raisings in circumstances that shareholders do not approve the Proposed Transaction.
No change to Cobre's shareholding as a result of the Proposed Transaction	If the Proposed Transaction is not approved, no shares will be issued under the Proposed Transaction and the Non-Associated Shareholders will not have their collective interest diluted.
Strata will not be able to block special resolutions	If the Proposed Transaction is not approved, Strata's interest in the Company will remain below 25% and they will not be able to unilaterally block special resolutions.
Strata level of control will remain unchanged	If the Proposed Transaction is not approved, Strata will not be issued with additional shares in the Company and their interest in Cobre will remain at 22.42% (on an undiluted basis).
Non-recoverable costs	Cobre has incurred costs in relation to the Proposed Transaction. Cobre will not be able to recover the costs that it has incurred in relation to the Proposed Transaction irrespective of whether or not the Proposed Transaction is approved.

Source: BDOCF analysis

2.3.6 Assessment of the Reasonableness of the Proposed Transaction

In our opinion, after considering all of the issues set out in this Report, it is our view that, in the absence of any other information or a superior proposal, the Proposed Transaction is **Reasonable** to the Non-Associated Shareholders as at the date of this Report.

2.4 Opinion

After considering the above assessments, it is our view that, in the absence of any other information or a superior proposal, the Proposed Transaction is **Not Fair but Reasonable** to the Non-Associated Shareholders as at the date of this Report.

Before forming a view on whether to vote in favour of or against the Proposed Transaction, the Non-Associated Shareholders must:

- Have regard to the information set out in the balance of this Report, including the Important Information set out in Section 3;
- Consult their own professional advisers; and
- Consider their specific circumstances.

3.0 Important Information

3.1 Read this Report, and Other Documentation, in Full

This Report, including Part I, Part II and the appendices, should be read in full to obtain a comprehensive understanding of the purpose, scope, basis of evaluation, limitations, information relied upon, analysis, and assumptions underpinning our work and our findings.

Other information provided to the Non-Associated Shareholders in conjunction with this Report should also be read in full, including the Notice of Meeting prepared by Cobre and dated on or about 1 July 2024.

3.2 Shareholders' Individual Circumstances

Our analysis has been completed and our conclusions expressed at an aggregate level having regard to the Non-Associated Shareholders as a whole. BDOCF has not considered the impact of the Proposed Transaction on the particular circumstances of individual Non-Associated Shareholders. Individual Non-Associated Shareholders may place a different emphasis on certain elements of the Proposed Transaction relative to the emphasis placed in this Report. Accordingly, individual Non-Associated Shareholders may reach different conclusions as to whether or not the Proposed Transaction is fair and reasonable in their individual circumstances.

The decision of an individual Non-Associated Shareholder to vote in favour of or against the Proposed Transaction is likely to be influenced by their particular circumstances and accordingly, the Non-Associated Shareholders are advised to consider their own circumstances and seek their own independent advice.

Voting in favour of or against the Proposed Transaction is a matter for individual Non-Associated Shareholders based on their expectations as to the expected value, future prospects and market conditions together with their particular circumstances, including risk profile, liquidity preference, portfolio strategy and tax position. The Non-Associated Shareholders should carefully consider the Notice of Meeting. Non-Associated Shareholders who are in doubt as to the action they should take in relation to the Proposed Transaction should consult their professional adviser.

With respect to the taxation implications of the Proposed Transaction, it is strongly recommended that the Non-Associated Shareholders obtain their own taxation advice, tailored to their own particular circumstances.

3.3 Scope

In this Report we provide our opinion on whether the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders.

This Report has been prepared at the request of the Non-Associated Directors for the sole benefit of the Non-Associated Shareholders entitled to vote, to assist them in their decision to vote in favour of or against the Proposed Transaction. This Report is to accompany the Notice of Meeting to be sent to the Non-Associated Shareholders to consider the Proposed Transaction and was not prepared for any other purpose. Accordingly, this Report and the information contained herein may not be relied upon by anyone other than the Non-Associated Directors and the Non-Associated Shareholders without our written consent. We accept no responsibility to any person other than the Non-Associated Directors and the Non-Associated Shareholders in relation to this Report.

This Report should not be used for any other purpose and we do not accept any responsibility for its use outside this purpose. Except in accordance with the stated purpose, no extract, quote or copy of this Report, in whole or in part, should be reproduced without our written consent, as to the form and context in which it may appear.

We have consented to the inclusion of this Report with the Notice of Meeting. Apart from this Report, we are not responsible for the contents of the Notice of Meeting or any other document associated with the Proposed Transaction. We acknowledge that this Report may be lodged with regulatory authorities to obtain the relevant approvals prior to it being made available to the Non-Associated Shareholders.

The scope of procedures we have undertaken has been limited to those procedures required in order to form our opinion. Our procedures did not include verification work nor constitute an audit or assurance engagement in accordance with Australian Auditing and Assurance Standards. In preparing this Report we considered a range of matters, including the necessary legal requirements and guidance of the Corporations Act, the Corporation Regulations 2001 ('the Regulations'), the RGs published by the Australian Securities and Investments Commission ('ASIC'), the listing requirements of the relevant exchanges (where relevant) and commercial practice.

In forming our opinion, we have made certain assumptions and outline these in this Report including:

- We have performed our analysis on the basis that the conditions precedent to the Proposed Transaction are satisfied;
- That matters such as title to all relevant assets, compliance with laws and regulations and contracts in place are in good standing, and will remain so, and that there are no material legal proceedings, other than as publicly disclosed;
- All information which is material to the Non-Associated Shareholders' decision on Proposed Transaction has been provided and is complete, accurate and fairly presented in all material respects;
- ASX announcements and other publicly available information relied on by us are accurate, complete and not misleading;

- If the Proposed Transaction is approved, that it will be implemented in accordance with the stated terms;
- The legal mechanism to implement the Proposed Transaction is correct and effective;
- There are no undue changes to the terms and conditions of the Proposed Transaction or complex issues unknown to us; and
- Other assumptions, as outlined in this Report.

In this Report we have not provided any taxation, legal or other advice of a similar nature in relation to the Proposed Transaction. Cobre has engaged other advisors in relation to those matters.

Cobre has acknowledged that the Company's engagement of BDOCF is as an independent contractor and not in any other capacity, including a fiduciary capacity.

The statements and opinions contained in this Report are given in good faith and are based upon our consideration and assessment of the information provided by the Board, executives and management of all the entities.

3.4 Purpose of this Report

An independent expert, in certain circumstances, must be appointed to meet the requirements set out in the Corporations Act, the Regulations and RGs.

Section 606 of the Corporations Act states that, subject to the exceptions set out in section 611, a 'relevant interest' in issued voting shares in a listed company cannot be increased from 20% or below to more than 20%, or increasing from a starting point that is above 20% and below 90%. A 'relevant interest' is broadly defined as an interest giving the holder the power to control the right to vote or dispose of shares.

If the Proposed Transaction is approved, Strata will be issued approximately 15.4 million fully paid ordinary Cobre shares. Following the Proposed Transaction, Strata and its associates' relevant interest in Cobre will increase from 22.42% up to a maximum of 25.86% on an undiluted basis (in the event the Other Resolutions are not approved) and 24.34% on an undiluted basis (in the event the Other Resolutions are approved). In these circumstances, an exemption from section 606 must be sought under item 7 of section 611 of the Corporations Act.

Item 7 of section 611 allows a party to gain a relevant interest in shares of a public company that would otherwise be prohibited under subsection 606(2) of the Corporations Act if the Proposed Transaction is approved in advance by a resolution passed at a general meeting of the company, and:

- No votes are cast in favour of the resolution by any party who is associated with the party acquiring the shares, or by the party acquiring the shares; and
- There was full disclosure of all information known by both the party proposing to make the acquisition, their associates and the company in relation to the transaction which was material to a decision on how to vote on the resolution.

ASIC RG 74: *Acquisitions Approved by Members* states that the obligation to supply shareholders with all material information can be satisfied by the non-associated directors of Cobre by either:

- Undertaking a detailed examination of the Proposed Transaction themselves, if they consider that they have sufficient expertise; or
- Commissioning an independent expert's report.

We have been requested to prepare this independent expert's report to provide additional information to the Non-Associated Shareholders to assist them to form a view on whether to vote in favour of or against the Proposed Transaction.

3.5 Current Market Conditions

Our opinion and the analysis set out in this Report is based on economic, commodity, market and other conditions prevailing at the date of this Report. Such conditions can change significantly over relatively short periods of time and may have a material impact on the results presented in this Report and result in any valuation or other opinion becoming quickly outdated and in need of revision.

In circumstances where we become aware of and believe that a change in these conditions, prior to the Meeting, results in a material statement in this Report becoming misleading, deceptive or resulting in a material change in valuation, we will provide supplementary disclosure to Cobre. BDOCF is not responsible for updating this Report following the Meeting or in the event that a change in prevailing circumstance does not meet the above conditions.

3.6 Reliance on Information

Cobre recognises and confirms that, in preparing this Report, except to the extent to which it is unreasonable to do so, BDOCF, BDO Services Pty Ltd or any of the partners, directors, agents or associates (together 'BDO Persons'), will be using and relying on publicly available information and on data, material and other information furnished to BDO Persons by Cobre, its management, and other parties, and may assume and rely upon the accuracy and completeness of, and is not assuming any responsibility for independent verification of, such publicly available information and the other information so furnished.

Unless the information we are provided suggests the contrary, we have assumed that the information provided was reliable, complete and not misleading, and material facts were not withheld. The information provided was evaluated through analysis and inquiry for the purpose of forming an opinion as to whether or not the Proposed Transaction is fair and reasonable.

We do not warrant that our inquiries have identified or verified all of the matters which an audit, extensive examination or due diligence investigation might disclose. In any event, an opinion as to whether a corporate transaction is fair and reasonable is in the nature of an overall opinion rather than an audit or detailed investigation.

It is understood that the accounting information provided to us was prepared in accordance with generally accepted accounting principles.

Where we relied on the views and judgement of management, the information was evaluated through analysis and inquiry to the extent practical. Where we have relied on publicly available information, we have considered the source of the information and completed our own analysis to assist us to determine the accuracy of the information we have relied on. However, in many cases the information we have relied on is often not capable of external verification or validation and on that basis we provide no opinion or assurance on the information.

The Non-Associated Directors represent and warrant to us for the purpose of this Report, that all information and documents furnished by Cobre (either by management directly or through its advisors) in connection or for use in the preparation of this Report do not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements therein. We have received representations from the Non-Associated Directors in relation to the completeness and accuracy of the information provided to us for the purpose of this Report.

Under the terms of our engagement, Cobre has agreed to indemnify BDO Persons against any claim, liability, loss or expense, costs or damage, arising out of reliance on any information or documentation provided, which is false or misleading or omits any material particulars, or arising from failure to supply relevant documentation or information.

3.7 Glossary

Capitalised terms used in this Report have the meanings set out in the glossary. A glossary of terms used throughout this Report is set out immediately following the Table of Contents at the start of this Report.

All dollar ('$') references in this Report are in Australian dollars unless otherwise stated.

3.8 Sources of Information

This Report has been prepared using information obtained from sources including the following:

- Cobre annual report for the year ended 30 June 2021, 2022 and 2023;
- Cobre half year report for the 6 months ended 31 December 2023;
- Cobre management accounts for the period ended 31 March 2024;
- Cobre ASX announcements;
- The Notice of Meeting prepared by Cobre and dated on or about 1 July 2024;
- The independent technical expert report prepared by ERM dated 13 June 2024;
- Capital IQ;
- IBISWorld;
- Consensus Economics;
- MergerMarket;
- Other research publications and publicly available data as sourced throughout this Report;
- Various transaction documents provided by the Management of Cobre and their advisors;
- Discussions and other correspondence with Cobre, management and their advisers.

3.9 APES 225 Valuation Services

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 *Valuation Services* ('APES 225'). A Valuation Engagement is defined by APES 225 as 'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

3.10 Forecast Information

Any forecast financial information referred to in this Report has originated from the Company's management and is adopted by the Directors in order to provide us with a guide to the potential financial performance of Cobre. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to event(s) and transaction(s) that have not yet occurred and may not occur. Actual results are likely to be different from the forecast financial information since anticipated event(s) or transaction(s) frequently do not occur as expected and the variation between actual results and those forecast may be material.

The directors' best-estimate assumptions on which the forecast is based relate to future event(s) and/or transaction(s) that management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of Cobre. Evidence may be available to support the directors' best-estimate assumptions on which the forecast is based however, such evidence is generally future-oriented and therefore speculative in nature. In certain circumstances, we may adjust the forecast assumptions provided by management to complete our valuation work. In this instance, the forecasts we have adopted for our valuation work will not be the same as the forecasts provided by management.

BDOCF cannot and does not provide any assurance that any forecast is representative of results or outcomes that will actually be achieved. While we have considered the forecast information to the extent we considered necessary to complete the analysis set out in this Report, we have not been engaged to provide any form of assurance conclusion on any forecast information set out in this Report. We disclaim any assumption of responsibility for any reliance on this Report, or on any forecast to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of management, that all material information concerning the prospects and proposed operations of Cobre has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

3.11 Qualifications

BDOCF has extensive experience in the provision of corporate finance advice, including takeovers, valuations and acquisitions. BDOCF holds an Australian Financial Services Licence issued by ASIC for preparing expert reports pursuant to the Listing Rules of the ASX and the Corporations Act.

BDOCF and its related parties in Australia have a wide range of experience in transactions involving the advising, auditing or expert reporting on companies that have operations domestically and in foreign jurisdictions. BDO in Queensland and in Australia is a national association of separate partnerships and entities and is a member of the international BDO network of individual firms.

Mark Whittaker and Scott Birkett have prepared this Report with the assistance of staff members. Mr Whittaker, BCom (Hons), CA, CFA, and Mr Birkett, BBusMan/BCom, CFA are directors of BDOCF. Both Mr Whittaker and Mr Birkett have extensive experience in corporate advice and the provision of valuation and professional services to a diverse range of clients, including large private, public and listed companies, financial institutions and professional organisations. Mr Whittaker and Mr Birkett are considered to have the appropriate experience and professional qualifications to provide the advice offered within this Report.

BDO Corporate Finance Ltd

Mark Whittaker
Director

Scott Birkett
Director

PART II: INFORMATION SUPPORTING OUR OPINION ON THE PROPOSED TRANSACTION

4.0 Overview of the Proposed Transaction

This section sets out an overview of the Proposed Transaction and is structured as follows:

- Section 4.1 provides a summary of the Proposed Transaction;
- Section 4.2 describes the key parties involved in the Proposed Transaction; and
- Section 4.3 details the strategic rationale for the Proposed Transaction.

This section is a summary only and should not be treated as a complete description of the Proposed Transaction. The Non-Associated Shareholders should refer to the Notice of Meeting and any subsequent disclosures for additional information relating to the Proposed Transaction and the key parties involved.

4.1 Summary of the Proposed Transaction

4.1.1 Overview

On 4 March 2024, Cobre announced that they had received firm commitments from institutional, sophisticated and professional investors for the placement of approximately 76.9 million new fully paid ordinary shares at an issue price of approximately $0.052 per share to raise approximately $4 million ('the Placement').

With regards to the Placement, we note the following:

- The Placement is comprised of two tranches:
  - Tranche 1: raised approximately $2.3 million via the issue of approximately 43.7 million new shares on 11 March 2024 utilising the Company's existing placement capacity pursuant to the ASX Listing Rules 7.1 and 7.1A ('Tranche 1'); and
  - Tranche 2: will raise approximately $1.7 million via the issue of approximately 33.2 million new shares, subject to shareholder approval to be sought at the Meeting ('Tranche 2'). We note that completion of Tranche 2 is subject to Cobre obtaining the necessary shareholder approval required under item 7 of section 611 of the Corporations Act, ASX Listing Rule 7.1 and ASX Listing Rule 10.11;
- Proceeds from the Placement, together with existing cash, will be used to accelerate exploration of the Company's tenement holding in the Kalahari Copper Belt in Botswana; and
- The Placement share issue price of $0.052 per share represented a:
  - 17.5% discount to the last close price of $0.063 on 29 February 2024;
  - 18.1% discount to the 5-day volume weighted average price ('VWAP') of $0.063; and
  - 16.6% discount to the 10-day VWAP of $0.064.

In addition to the above, participants in the Placement are entitled to apply for one free attaching option ('the Attaching Options') for every two new shares allocated under the Placement. The Attaching Options will be unlisted, exercisable for $0.078 cents each, have an expiry date that is 3 years after the issue date and are subject to shareholder approval at the Meeting.

As mentioned previously, shareholders will be voting on eleven resolutions at the Meeting. With regards to these resolutions, we note:

- Resolution 1 and 2: these resolutions are seeking shareholder approval for the ratification of shares issued under Tranche 1 and the approval of Tranche 1 Attaching Options respectively;
- Resolution 3 and 4: these resolutions are seeking shareholder approval for the issuance of Tranche 2 shares and Tranche 2 Attaching Options respectively to unrelated parties;
- Resolution 5: this resolution is seeking shareholder approval under item 7 of section 611 of the Corporations Act and ASX Listing Rules 10.11 for the proposed issuance of 15,384,616 shares and 7,692,308 Attaching Options respectively to Strata ('Resolution 5'). We refer to the proposed issuance of shares to Strata under Resolution 5 as 'the Proposed Transaction'. Following the Proposed Transaction, Strata's relevant interest in the Company will increase from 22.42% up to a maximum of:
  - 25.86% on an undiluted basis in the event all resolutions other than Resolution 5 ('the Other Resolutions') are not approved; and
  - 24.34% on an undiluted basis in the event the Other Resolutions are approved;
- Resolution 6 to 9: these four resolutions are seeking shareholder approval for the issuance of Tranche 2 shares and Tranche 2 Attaching Options to Martin Holland, Michael Addison, Michael McNeilly and Andrew Sissian respectively;

- Resolution 10: this resolution is seeking shareholder approval for the proposed issue of 3.5 million broker options to Canaccord; and
- Resolution 11: this resolution is seeking shareholder approval for the proposed issue of up to approximately 3.8 million subscription shares to Mitchell Drilling and its nominee ('the Subscription Shares').

4.1.2 Changes to Share Capital

Table 4.1 below sets out the indicative capital structure following completion of the Proposed Transaction and the Other Resolutions. Table 4.1 also assumes that no additional shares are issued, or options exercised, prior to completion of the Proposed Transaction and the Other Resolutions.

Table 4.1: Indicative Capital Structure Following the Proposed Transaction and the Other Resolutions

	Prior to the Meeting		Post the Proposed Transaction[1]		Post the Other Resolutions[2]	
	No. Shares	% Holding	No. Shares	% Holding	No. Shares	% Holding
Strata[4]	74,239,819	22.42%	89,624,435	25.86%	89,624,435	24.34%
Non-Associated Shareholders	256,892,960	77.58%	256,892,960	74.14%	278,566,040	75.66%
Total[3]	**331,132,779**	**100.00%**	**346,517,395**	**100.00%**	**368,190,475**	**100.00%**

Source: BDOCF Analysis

1 For illustrative purposes, we have set out the movement in shareholding following the Proposed Transaction and then following approval of the Other Resolutions. In practice, we note that shares issued following the Meeting will likely occur at the same time.

2 Assumes approval of the Other Resolutions and issuance of the maximum number of Subscription Shares under resolution 11 (being 3,846,154).

3 In addition to the capital structure outlined in Table 4.1 above, there are approximately 37.6 million options outstanding as of 17 June 2024 with exercise prices in the range of $0.066 to $0.355 (refer to Table 5.2 for more information).

4 As all participants in the Placement are entitled to apply for one free Attaching Option for every two shares acquired, we would not expect Strata's holding percentage to materially increase following exercise (assuming Strata and all other Attaching Option holders exercise their options).

4.2 Description of the Key Parties involved in the Proposed Transaction

Strata (formerly Metal Tiger plc) is an ASX listed (ticker ASX:SRT) company founded in 2001 and headquartered in Winchester in the United Kingdom. Strata holds a portfolio of equity and royalty investments including:

- equity investments in Cobre Limited, Iondrive Limited and Armada Metals Limited; and
- royalty investments of:
  - A 2% net smelter royalty over Sandfire Resources Limited ('Sandfire') Motheo T3 project in the Kalahari Copper Belt, capped at US$2m;
  - An uncapped 2% net smelter royalty over any future production at Tshukudu Exploration Limited's (100%-held subsidiary of Sandfire) 8,000km^2 licence holding in the Kalahari Copper Belt; and
  - An uncapped conditional 2% net smelter royalty over Cobre's wholly-owned Kitlanya West Projects, Kitlanya East Projects and the southern half of the Okavango Copper Project located in the Kalahari Copper Belt. This is structured as two separate royalty agreements based on how the licences are held under KML's corporate structure, with the ultimate guarantor being KML.

Strata was a pre-IPO investor in Cobre, holding 7.35 million shares (an interest of approximately 15.7%) prior to the Company's IPO. Strata was also the largest investor in Cobre's IPO, subscribing for 12 million shares at $0.20 share, representing an investment of $2.4 million. Upon completion of Cobre's IPO, Strata was the Company's largest shareholder with an interest of approximately 19.99%.

Since the Company's IPO, Strata have continued to actively invest in and support Cobre, participating in various capital raisings to provide funds for Cobre's exploration activities and selling Cobre their 49% interest in KML.

4.3 Strategic Rationale for the Proposed Transaction

The Proposed Transaction forms part of Tranche 2 and by extension the Placement. Resultantly, the purpose of the Proposed Transaction is to raise capital which can then be used to accelerate exploration of the Company's tenement holding in the Kalahari Copper Belt in Botswana.

The Non-Associated Directors recommend that the Non-Associated Shareholders vote in favour of Resolution 5 (and by extension the Proposed Transaction). Each Director that makes a recommendation intends to vote any shares they own or control in favour of Resolution 5.

5.0 Background of Cobre

This section is set out as follows:

- Section 5.1 provides an overview and background information on Cobre;
- Section 5.2 outlines Cobre's key projects;
- Section 5.3 summarises the equity structure of Cobre;
- Section 5.4 summarises the share market trading in Cobre shares; and
- Section 5.5 summarises the historical financial information of Cobre.

5.1 Overview and Background Information

Cobre is a mineral exploration company headquartered in Sydney, New South Wales, seeking to create shareholder value through the successful exploration of base metals. Founded in 2018 as a small private company, Cobre listed on the ASX in January of 2020 (ticker ASX:CBE) raising $10 million before costs from the issue of 50 million fully paid ordinary shares at an issue price of $0.20.

Cobre's principal mining exploration targets are base and precious metals, particularly copper, in the Kalahari Copper Belt and Western Australia.

Further details about Cobre's key exploration assets are set out below in Section 5.2.

5.2 Key Projects

This section sets out a summary of Cobre's key projects. For further detail in relation to Cobre's projects, refer to the ERM Report, attached in Appendix B.

5.2.1 Kalahari Metals Limited

KML is a wholly owned subsidiary of Cobre. Cobre consolidated ownership of KML in FY23, following the acquisition of Strata's 49% interest. KML is a private company which was incorporated in England and Wales on 3 May 2017. KML holds interests in 15 exploration licences which cover a total area of approximately 5,393km^2 in the Kalahari Copper Belt, these comprise:

- One 100% owned exploration license;
- Five exploration licences held by wholly owned subsidiary Triprop Holdings Pty Limited ('Triprop'); and
- Nine exploration licences held through a wholly owned subsidiary, Kitlanya Limited. Six of these licenses are subject to a 2% Net Smelter Royalty held by Strata.

The below outlines the key exploration projects of KML.

Okavango Copper Project

The Okavango Copper Project ('OCP') is located in the Central portion of the Kalahari Copper Belt covering 1,363km^2. The OCP consists of the 100% owned KML prospecting licences in addition to the Triprop prospecting licenses. Historical samples have confirmed extensive copper mineralisation in the project area and recently completed heliborne magnetic and electromagnetic surveys mapped out marker conductors above prospective mineralised contact and defined fold-hinge targets. In April 2024, Cobre announced the commencement of a diamond drilling programme. The initial 2,000m programme has been designed to test for copper-silver mineralisation.

Ngami Copper Project

The Ngami Copper Project is composed of two prospecting licenses owned by Triprop Holding Pty Ltd. The primary target of this project is structurally modified stratabound copper and silver deposits with historical drilling within the area having demonstrated the presence of copper and silver mineralisation. Imaging and airborne electromagnetic surveys have mapped targets analogous to other locations within the belt with mine sites under development. Consistent anomalous copper-silver mineralisation was found during the February 2023 drill programme at new test targets. The drill programme was initially designed to test the first of 57 ranked targets across KML's extensive license holding on the relatively unexplored northern margin of the KCB. For the beneficiation of copper-silver mineralisation, Cobre appointed METS Engineering Group in 2024 to evaluate the application of In-Situ Copper Recovery and/or alternative extraction methods.

Kitlanya West Project

Located on the northern margin of the Kalahari Copper Belt, immediately adjacent to the Ngami Copper Project, the Kitlanya West Project is a fully owned project through a KML subsidiary, Kitlanya Pty Ltd ('Kitlanya'). Airborne electromagnetic surveys have identified three prominent conductors in the project area. Numerous geochemical anomalies identified from oil sampling programmes were successfully tested with substantial air core and shallow reverse circulation programmes. Diamond drill testing across numerous priority targets is planned for 2024. Notwithstanding, we note that as at the date of this Report, Cobre has not commenced diamond drill testing at the Kitlanya West Project.

Kitlanya East Project

The Kitlanya East Project is fully owned by KML's subsidiary company, Kitlanya, and is located on the Southern margin of the Kalahari Copper Belt in close proximity to T3 and Banana Zone deposits. Two priority anticlinal areas have been identified through detailed magnetic data, and supported by AEM data modelling copper, lead and zinc soil anomalies, folded trap-site features. Ongoing airborne gravity gradient surveying conducted in collaboration with Sandfire is approaching completion.

5.2.2 Western Australian Projects

The Perrinvale Project

Cobre, through its wholly owned subsidiary Toucan Gold Pty Ltd ('TGP'), has 100% ownership of the Perrinvale Project. With nine exploration licences, it covers 306km^2 of the Panhandle and Illaara Greenstone Belts in Western Australia and is located approximately 260 km north-west of Kalgoorlie.

The results from the completed drilling program to date confirm the presence of high-grade volcanogenic massive sulphide ('VHMS') mineralisation in the tenement specifically in two key VHMS targets: Schwabe and Zinco Lago & Zinco Rame. Drilling work completed in 2020 at the Schwabe prospect has found significant intercepts in two drilling holes with the presence of high-grade base metal (copper-zinc) and gold mineralisation. Early exploration work at the Zinco prospect identified anomalous copper-zinc mineralisation at shallow depths.

The Sandiman Project

The Sandiman Project is a 202km^2 tenement located approximately 200km east of Carnarvon in Western Australia's Upper Gascoyne region. The area contains extensive barite veining and has the potential for sediment-hosted base metal mineralisation. Management consider Sandiman to be an underexplored area in a favourable location with significant early indicators of base metals.

Sandiman is a farm-in joint-venture with private company GTTS Generations Pty Ltd, in which Cobre holds a 51% equity interest under the first farm-in agreement. On 19 June 2023, Cobre signed a farm-in and joint venture agreement with Fuse Minerals Pty Ltd (now Fuse Minerals Limited) in which Fuse Minerals Limited has the right to earn up to an 80% interest in the Sandiman Project, which would dilute Cobre's interest down to 20%. In Cobre's quarterly activities report for the period ended 31 March 2024, the Company stated that it does not consider the Sandiman asset to be material.

5.2.3 The Armada Investment

Cobre holds 30 million shares in ASX-listed Armada Metals Limited ('Armada'), representing 14.42% of shares on issue, in addition to 3.3 million options exercisable at $0.334 per share.

Armada was incorporated in 2014 and is based in Grand Baie, Mauritius. They are a Mauritian holding company that owns 100% of Armada Exploration Gabon SARL, who subsequently own two exploration licences prospective for magmatic Ni-Cu sulphide located in the southwest Gabon between the Archaean to Paleoproterozoic Lambarene Horst Block and the Nyango Basin. The exploration area covers 2,725 km^2.

Armada also has an interest in the Bend Nickel Project in Zimbabwe. On 20 July 2023, Armada announced that they signed a binding term sheet to acquire an 80% controlling interest in the Bend Nickel Project. This project covers 12km^2 of prospective geology which contains the Bend Nickel Deposit.

5.3 Equity Structure of Cobre

5.3.1 Ordinary Shares

As at 24 June 2024, Cobre had 331,132,779 ordinary shares on issue. The substantial shareholders as at 24 June 2024 are set out in Table 5.1. Table 5.1 does not consider the impact of any changes in shareholding as a result of the Proposed Transaction.

Table 5.1: Substantial Shareholders

	Shareholders	Number of Shares	Percentage Holding
1	Strata Investment Holdings PLC	74,239,819	22.42%
	Other shareholders	256,892,960	77.58%
	Total shares on issue	**331,132,779**	**100.00%**

Source: Cobre ASX Announcements

5.3.2 Unlisted Securities on Issue

As at 24 June 2024, Cobre have approximately 37.6 million unlisted options outstanding. These options are held by Cobre directors and other key management personnel. Table 5.2 below summarises Cobre's outstanding options.

Table 5.2: Cobre's Outstanding Options

Expiration Date	Number Outstanding	Exercise Price (AUD)
24-Sep-2024	12,613,500	$0.200
30-Nov-2024	2,500,000	$0.335
8-Dec-2025	1,000,000	$0.330
6-Apr-2026	11,500,000	$0.355
21-Nov-2028	10,000,000	$0.066
Total	**37,613,500**	

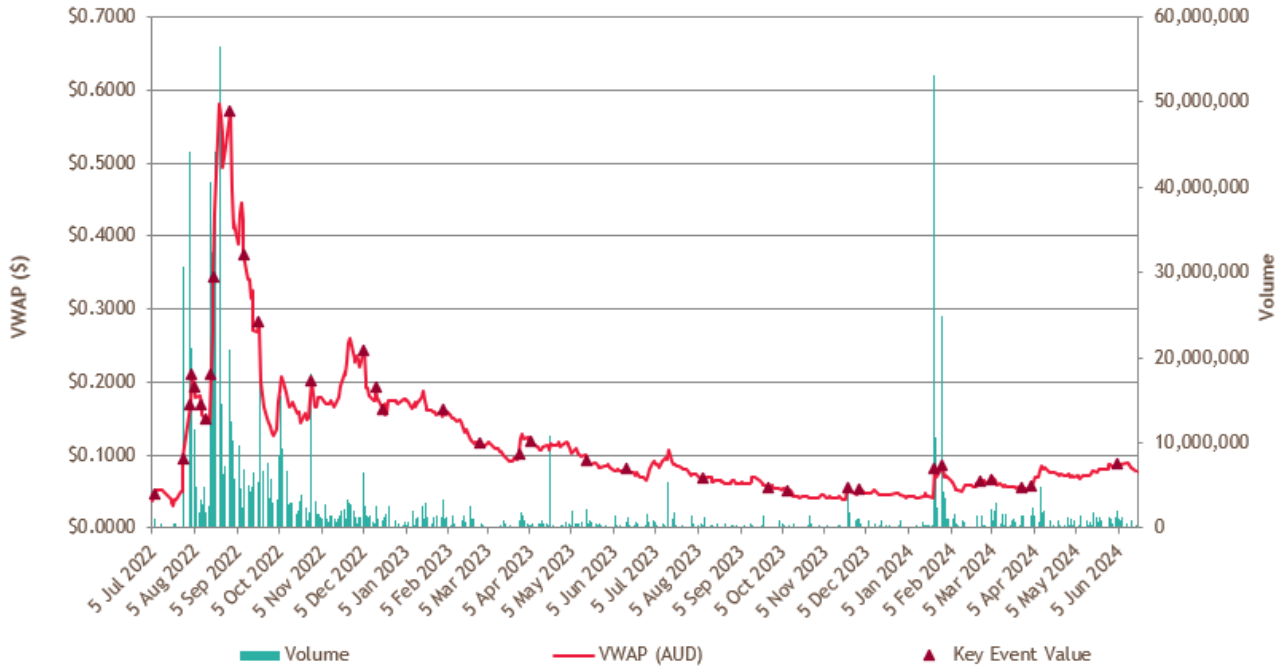
Source: Cobre ASX Announcements, Cobre FY23 Annual Report

5.4 Share Trading Data

5.4.1 Share Trading Data

Figure 5.1 displays the daily VWAP and daily volume of Cobre shares traded on the ASX over the period 1 July 2022 to 18 June 2024.

Figure 5.1: Daily VWAP and Volume of Cobre Shares Traded from 1 July 2022 to 18 June 2024



Source: Capital IQ as at 19 June 2024

Over the period graphed in Figure 5.1 above, Cobre's daily VWAP displays a period low of $0.0313 on 20 July 2022 and a period high of $0.5815 on 22 August 2022.

In addition to the share price and volume data of Cobre shown above, we have also provided additional information in Table 5.3 below to assist readers to understand the possible reasons for the movement in Cobre's share price over the period analysed.

Table 5.3: Selected Cobre ASX Announcements from 1 July 2022 to 18 June 2024

Date	Announcement
06/07/2022	Cobre announced the commencement of the next stage of drilling at KML's Ngami Copper Project. This initial phase of drilling is designed to test the first of several prospective areas identified on KML's extensive licences holding on the northern margin of the Kalahari Copper Belt. The programme comprises four diamond holes, planned to test for extensions to encouraging copper and silver mineralisation previously intersected at two separate historical drill targets.
27/07/2022	Cobre announced its first intersection of significant copper mineralisation from its ongoing drill programme at the Ngami copper project.
01/08/2022	Cobre announced the second intersection of significant copper mineralisation from its ongoing drill programme at the Ngami copper project.
03/08/2022	Cobre announced the third diamond drill hole intersects further copper mineralisation.
04/08/2022	Cobre announced a placement with Strata, advising that it has successfully completed a two-tranche placement of $7 million (before costs) at $0.15 per share to sophisticated and institutional investors with the funds be used to fast-track exploration on the tenement package held by KML in Botswana.

Date	Announcement
09/08/2022	Cobre announced that infill diamond drilling will be undertaken on the rapidly developing copper target at the Ngami copper project and that a large 7,000 sample soil programme covering the Kitlanya West licences has been commissioned and is scheduled to commence in late August.
12/08/2022	Cobre announced that the Company has issued a total of 36,691,925 shares at an issue price of $0.15 per share, pursuant to the first tranche of the equity placement that was announced to the market on 4 August 2022.
16/08/2022	Cobre announced a fourth intersection of copper mineralisation from its ongoing drill programme on KML's Ngami Copper Project.
18/08/2022	Cobre announced that Triprop has received notification of the renewal of the five exploration licences which are held by Triprop, subject to a binding earn-in agreement with KML. The five exploration licences have been renewed for an additional two years until 30 September 2024.
30/08/2022	Cobre announced the fifth intersection of copper mineralisation from its ongoing drill programme on KML's Ngami Copper Project.
09/09/2022	Cobre announced the sixth intersection of copper mineralisation from its ongoing drill programme on KML's Ngami Copper Project.
21/09/2022	Cobre announced the assay results from the first three drill holes at the Ngami Copper Project in the Kalahari Copper Belt, Botswana.
30/11/2022	Cobre announced that the Company completed the acquisition of the remaining 49% interest in KML it did not currently own from Strata.
05/12/2022	Cobre announced that assay results from a discovery hole at the Ngami Copper Project have returned significant, high-grade copper-sliver results, demonstrating the potential for economic grades in the district.
14/12/2022	Cobre announced that they have signed a collaboration agreement with Sandfire to undertake a joint airborne gravity gradient survey to provide extensive and detailed coverage over Cobre's Ngami, Kitlanya West and Kitlanya East copper projects.
19/12/2022	Cobre announced that the Company has received firm commitments from institutional, sophisticated and professional investors for the placement of approximately 33.3 million new fully paid ordinary shares at an issue price of $0.15 per share to raise gross proceeds of $5 million.
01/02/2023	Cobre announced that the assay results from regional drilling completed in late 2022 confirm regional multi-target copper district. Cobre also announced the commencement of a 2023 diamond drilling program.
27/02/2023	Cobre announced that it has completed the 100% acquisition of Triprop Holdings (Pty) Limited via the issuance of approximately 3 million shares.
28/03/2023	Cobre announced the commencement of soil sampling and aircore drilling at the Kitlanya West Project.
05/04/2023	Cobre announced the maiden indicated and inferred mineral resource estimate for the Schwabe Prospect of the Company's Perrinvale Project.
16/05/2023	Cobre announced that assay results from new targets significantly extend copper-silver mineralisation in Botswana.
14/06/2023	Cobre announced positive assay result reveal large-scale copper potential at the Ngami Copper Project.
08/08/2023	Cobre announced the potential for an extensive in-situ copper mining opportunity at the Ngami Copper Project.
25/09/2023	Cobre announced they are participating in Armada Metals Limited's entitlement offer. Subscribing for 15 million shares at a price of $0.02 per share, representing a consideration of $300k.
09/10/2023	Cobre announced that the second stage of metallurgical test work at the Ngami Copper Project highlights encouraging recovery potential.
22/11/2023	Cobre announced that they have commended drilling for the hydrogeological test study at the Ngami Copper Project.
29/11/2023	Cobre announced they have identified encouraging new targets on the Kitlanya West Project, following their recently competed aircore, reverse circulation and soil sampling programmes.
23/01/2024	Cobre announced that they have been selected to participate in the 2024 BHP Xplor program. BHP will provide Cobre with US$500k in non-dilutive funding to support and accelerate exploration.
29/01/2024	Cobre announced that initial results from the recently complete airborne gravity gradient survey undertaken in collaboration with Sandfire highlight priority settings for large-scale copper-silve deposit formation.
26/02/2024	Cobre announced the successful completion of the first phase of hydrogeological test work on the Ngami Copper Project. The results provide support for the potential to inject a leaching fluid into the orebody.
04/03/2024	Cobre announced the successful completion of a $4 million placement to accelerate exploration and development of the Kalahari Copper Belt Projects.
27/03/2024	Cobre announced the commencement of a process design scoping study for the Ngami Copper Project.
03/04/2024	Cobre announced the commencement of diamond drilling at the Okavango Copper Project.

Date	Announcement
04/06/2024	Cobre announced results from ongoing hydrogeological test work on the Ngami Copper Project in the Kalahari Copper Belt.

Source: Capital IQ as at 19 June 2024

5.4.2 *Liquidity of Cobre Shares on the ASX*

The rate at which equity instruments are traded is generally referred to as the 'liquidity' of the equity instruments. Changes in liquidity may impact the trading price of equity instruments. This is particularly dependent on the number of equity instruments required to be bought and/or sold and the time period over which the equity instrument holder needs to buy and/or sell those equity instruments. Depending on the circumstances, a movement in market price may or may not represent a shift in value of either the equity instruments or a shift in value of the company to which the equity instruments relate as a whole.

Table 5.4 summarises the monthly liquidity of Cobre shares from 1 March 2023 to 18 June 2024. Liquidity has been summarised by considering the following:

- Volume of Cobre share trades per month;
- Value of total trades in Cobre shares per month;
- Number of Cobre shares traded per month as a percentage of total Cobre shares outstanding at the end of the month;
- Volume weighted average price per month; and
- The monthly low and high share price of Cobre.

Table 5.4: Liquidity of Cobre shares on the ASX

Month	Volume	Shares Outstanding	Volume / Shares Outstanding	Monthly Low Share Price	Monthly VWAP	Monthly High Share Price
June 2024 (up to and including 18th)	9,064,410	331,132,780	2.74%	$0.074	$0.0861	$0.092
May 2024	16,891,990	331,132,780	5.10%	$0.064	$0.0768	$0.090
April 2024	21,807,720	331,132,780	6.59%	$0.051	$0.0720	$0.087
March 2024 (from 4th)	19,930,380	319,361,190	6.24%	$0.053	$0.0597	$0.073
Total Post-Transaction Announcement	**65,316,520**	**327,794,570**	**19.93%**	**$0.051**	**$0.0711**	**$0.092**
February 2024	13,197,020	286,911,000	4.60%	$0.049	$0.0610	$0.072
January 2024	102,915,120	286,911,000	35.87%	$0.040	$0.0794	$0.097
December 2023	5,761,500	286,911,000	2.01%	$0.044	$0.0471	$0.055
November 2023	12,933,670	286,911,000	4.51%	$0.039	$0.0504	$0.067
October 2023	6,027,790	286,911,000	2.10%	$0.040	$0.0463	$0.057
September 2023	5,250,380	286,911,000	1.83%	$0.053	$0.0615	$0.072
August 2023	6,767,110	286,911,000	2.36%	$0.059	$0.0661	$0.077
July 2023	15,158,950	286,911,000	5.28%	$0.065	$0.0937	$0.130
June 2023	11,357,100	285,437,920	3.98%	$0.064	$0.0754	$0.095
May 2023	13,503,760	284,848,690	4.74%	$0.080	$0.0965	$0.125
April 2023	17,373,520	283,658,590	6.12%	$0.105	$0.1089	$0.130
March 2023	8,951,670	274,732,820	3.26%	$0.089	$0.1132	$0.135
Total Pre-Transaction Announcement	**219,197,590**	**284,458,310**	**77.06%**	**$0.039**	**$0.0796**	**$0.130**

Source: Capital IQ as at 19 June 2024

5.5 Historical Financial Information of Cobre

This section sets out the historical financial information of Cobre. As this Report contains only summarised historical financial information, we recommend that any user of this Report read and understand the additional notes and financial information contained in Cobre's annual reports, including the full Statements of Profit or Loss, Statements of Financial Position and Statements of Cash Flows.

Cobre's financial statements have been audited and reviewed by Ernst & Young. BDOCF has not performed any audit or review of any type on the historical financial information of Cobre and we make no statement as to the accuracy of the information provided. However, we have no reason to believe that any of the information provided is false or misleading.

5.5.1 Statements of Profit or Loss

Table 5.5 summarises the Consolidated Statement of Profit or Loss of Cobre for the 12 month periods ended 30 June 2021, 2022 and 2023 and the 6 months ended 31 December 2023.

Table 5.5: Cobre Consolidated Statement of Profit or Loss

Items	12 Months Ended 30 June 2021 Audited	12 Months Ended 30 June 2022 Audited	12 Months Ended 30 June 2023 Audited	6 Months Ended 31 December 2023 Reviewed
Revenue				
Other income	25,702	249,886	581,581	(215,276)
Interest revenue	5,030	783	45,063	29,965
Total revenue	**30,732**	**250,669**	**626,644**	**(185,311)**
Expenses				
Corporate and administration expenses	(978,711)	(1,208,781)	(1,479,258)	(707,570)
Tenement expenses	(238)	-	-	-
Employee benefits expense	(315,360)	(316,801)	(358,533)	(245,200)
Share based payment expense	(1,393,764)	-	(97,113)	(418,000)
Depreciation and amortisation expense	(1,525)	(1,401)	(1,402)	(704)
Fair value loss on derivative financial asset	(10,437)	(199,300)	(24,298)	-
Share of equity accounted losses	(64,668)	(1,978,433)	(420,885)	(405,321)
Impairment loss on investment in joint venture	-	(1,851,382)	-	-
Other expenses	(25,031)	-	-	(12,721)
Total expenses	**(2,789,734)**	**(5,556,098)**	**(2,381,489)**	**(1,789,516)**
Loss before income tax expense	**(2,759,002)**	**(5,305,429)**	**(1,754,845)**	**(1,974,827)**
Income tax	11,405	(80,377)	-	-
Loss after income tax expense for the year	**(2,747,597)**	**(5,385,806)**	**(1,754,845)**	**(1,974,827)**

Source: Cobre FY21, FY22, FY23 and HY24 Financial Reports

With reference to Table 5.5 above, we note the following:

- Cobre has not generated material revenue from its operations over the FY21 to HY24 period. We note that historically, 'other income' has been comprised of management fees, net foreign exchange gains (and losses), gains on loans from joint venture partners and share of total comprehensive income in associate. For completeness, we note that the HY24 income of negative $215k is due to net foreign exchange losses;
- The share-based payments expense relates to the issuance of unlisted options to directors (or their nominee entities), the company secretary, and lead managers as part of remuneration packages;
- As part of the Cobre's investment in Armada on 29 April 2021, the Company received approximately 3.3 million options which are required to be measured at fair value each reporting period. The fair value loss on derivative financial asset represents a decrease in the fair value of the options;
- The share of equity accounted losses represents the losses incurred due to the movement in value of Cobre's investment and the recognition of the Company's share of losses in joint venture companies; and
- In FY22, Cobre incurred an impairment loss of approximately $1.9 million which related to an investment in KML. We note that prior to taking control of the KML joint venture (on 15 June 2022), Cobre contributed cash to the KML joint venture. This loan was required to be recognised at fair value on initial recognition. Any difference between the cash contributed and the fair value of the loan at initial recognition is recognised as investment in joint venture. This addition to the investment in joint venture has been subsequently impaired in its entirety due to its inherent uncertainty in recoverability. For completeness, we note that Cobre's investment in KML has been consolidated with effect from 16 June 2022 (i.e. after taking control of KML).

5.5.2 Statements of Financial Position

Table 5.6 summarises Cobre's statements of financial position as at 30 June 2021, 2022 and 2023 and 31 December 2023.

Table 5.6: Cobre's Summarised Consolidated Statements of Financial Position

Items	As at 30 June 2021 Audited	As at 30 June 2022 Audited	As at 30 June 2023 Audited	As at 31 December 2023 Reviewed
Current assets				
Cash and cash equivalents	8,146,524	2,730,000	5,764,076	1,929,779
Trade and other receivables	77,364	27,067	149,886	242,510
Other	27,850	39,374	52,453	55,653
Total current assets	**8,251,738**	**2,796,441**	**5,966,415**	**2,227,942**

Items	As at 30 June 2021 Audited	As at 30 June 2022 Audited	As at 30 June 2023 Audited	As at 31 December 2023 Reviewed
Non-current assets				
Receivables and deposits	81,042	20,000	20,000	20,000
Investments accounted for using the equity method	5,387,852	808,515	501,943	396,622
Financial assets at fair value through other comprehensive income	80,965	759,459	516,343	473,314
Derivative financial instruments	223,598	24,298	-	-
Property, plant and equipment	5,309	3,908	2,506	1,802
Exploration and evaluation	4,229,648	14,264,558	24,493,406	26,302,886
Total non-current assets	**10,008,414**	**15,880,738**	**25,534,198**	**27,194,624**
Total assets	**18,260,152**	**18,677,179**	**31,500,613**	**29,422,566**
Current liabilities				
Trade and other payables	1,205,966	405,926	726,594	969,035
Total current liabilities	**1,205,966**	**405,926**	**726,594**	**969,035**
Non-current liabilities				
Borrowings	-	1,877,887	-	-
Total non-current liabilities	**-**	**1,877,887**	**-**	**-**
Total liabilities	**1,205,966**	**2,283,813**	**726,594**	**969,035**
Net assets	**17,054,186**	**16,393,366**	**30,774,019**	**28,453,531**
Equity				
Issued capital	21,237,996	22,354,279	40,903,253	40,903,253
Reserves	686,242	786,312	1,866,833	1,521,172
Accumulated losses	(4,870,052)	(10,255,858)	(11,996,067)	(13,970,894)
Equity attributable to the owners of Cobre Limited	**17,054,186**	**12,884,733**	**30,774,019**	**28,453,531**
Non-controlling interest	-	3,508,633	-	-
Total equity	**17,054,186**	**16,393,366**	**30,774,019**	**28,453,531**

Source: Cobre FY21, FY22, FY23 and HY24 Financial Reports

With reference to Table 5.6 above, we note the following:

- We have discussed the movements in Cobre's cash and cash equivalents in Section 5.5.3 below;
- From FY23 onwards, Cobre's investments accounted for using the equity method relate to their investment in Armada Metals Limited. We note that historically, it also included their investment in the KML joint venture (as mentioned above, Cobre's investment in KML is now consolidated in the Company's financials);
- Cobre holds shares in Strata (an ASX listed entity). The movement in financial assets at fair value through other comprehensive income reflects the movement in the value of Cobre's shares in Strata;
- Cobre capitalises the exploration expenditure associated with the Australian and Botswana exploration assets and projects. This is reflected in the balance of exploration and evaluation on the balance sheet; and
- Borrowings (in FY22) related to a loan from Strata. In FY23, the loan from Strata was settled in full upon the issue of approximately 6.6 million fully paid ordinary Cobre shares (valued at approximately $1.5 million). As the loan had a fair value of approximately $1.9 million, the difference (approximately $400k) was recognised as a gain in the profit and loss statement.

5.5.3 Statements of Cash Flows

Table 5.7 summarises the Statement of Cash Flows for the 12 month periods ended 30 June 2021, 2022 and 2023 and the 6 months ended 31 December 2023.

Table 5.7: Cobre's Summarised Consolidated Statements of Cash Flows

Items	12 Months Ended 30 June 2021 Audited	12 Months Ended 30 June 2022 Audited	12 Months Ended 30 June 2023 Audited	6 Months Ended 31 December 2023 Reviewed
Cash flows from operating activities				
Interest received	5,030	783	45,063	29,965
Other revenue	-	87,843	56,101	-
Payments to suppliers and employees (inclusive of GST)	(1,172,630)	(1,286,864)	(2,164,888)	(1,503,729)
Net cash used in operating activities	**(1,167,600)**	**(1,198,238)**	**(2,063,724)**	**(1,473,764)**

Items	12 Months Ended 30 June 2021 Audited	12 Months Ended 30 June 2022 Audited	12 Months Ended 30 June 2023 Audited	6 Months Ended 31 December 2023 Reviewed
Cash flows from investing activities				
Payments for property, plant and equipment	(2,682)	-	-	-
Payments for exploration and evaluation	(2,295,970)	(1,157,181)	(7,915,821)	(2,056,873)
R&D tax offset received relating to exploration activities	132,511	73,410	-	-
Payments for investments in joint venture and associates	(437,237)	(1,532,057)	-	-
Contribution paid to joint venture	(61,042)	(2,009,003)	-	-
Payments for investments in listed entity - Strata Investments Holdings PLC	-	(1,000,000)	-	-
Payments to increase stake in subsidiaries including transactions costs	(622,415)	-	(1,660,342)	-
Payments for investments in listed entities	-	-	-	(300,000)
Cash received on behalf of joint venture	218,663	-	-	-
Net cash used in investing activities	**(3,068,172)**	**(5,624,831)**	**(9,576,163)**	**(2,356,873)**
Cash flows from financing activities				
Proceeds from issue of shares	5,602,096	1,413,000	15,381,051	-
Share issue transaction costs	(391,672)	(6,455)	(707,088)	-
Net cash from financing activities	**5,210,424**	**1,406,545**	**14,673,963**	**-**
Net increase/(decrease) in cash and cash equivalents	**974,652**	**(5,416,524)**	**3,034,076**	**(3,830,637)**
Cash and cash equivalents at the beginning of the financial year	7,171,872	8,146,524	2,730,000	5,764,076
Effects of exchange rate changes on cash and cash equivalents	-	-	-	(3,660)
Cash and cash equivalents at the end of the financial year	**8,146,524**	**2,730,000**	**5,764,076**	**1,929,779**

Source: Cobre FY21, FY22, FY23 and HY24 Financial Reports

With reference to Table 5.7 above, we note the following:

- Cobre has consistently generated cash outflows from operations as their payments to suppliers and employees exceed the income they are able to generate;
- Cobre has also consistently generated cash outflows from investing activities. With regard to these activities, we note the following:
  - The payments for investment in joint venture and associates relate to Cobre's investment in Armada and an additional investment in the KML joint venture (i.e. issuance of a loan);
  - The payment for investment in listed entity relates to Cobre's investment in Strata. We note that during FY22, Cobre invested $1 million in a placement conducted by Strata. The Company acquired 2,702,703 shares at $0.37 per share;
  - Payments to increase stake in subsidiaries and transaction costs relate to Cobre increasing their interest in KML. We note that in FY21, Cobre increased their interest from 49.9% to 51% and in FY23 the Company consolidated ownership of KML (i.e. increased their interest to 100%); and
  - Payments for investment in listed entities reflects to an additional investment in Armada. On 25 September 2023 Cobre announced they are participating in Armada's entitlement offer. Subscribing for 15 million shares at a price of $0.02 per share, representing a consideration of $300k;
- Cobre have generated cash inflows from financing activities due to the proceeds received from the issuance of shares (i.e. the Company have funded its ongoing operating and investing cash flows with capital raisings). With regards to this, we note the following:
  - In FY21, Cobre received funds of approximately $5.6 million;
  - In FY22, Cobre received funds of approximately $1.4 million; and
  - In FY23, Cobre received funds of approximately $15.4 million via a $7 million placement to capitalise on early exploration success in Botswana, a $5 million placement to accelerate exploration in the Kalahari Copper Belt and from the issuance of shares following the exercise of options.

6.0 Industry Overview

Cobre operates in the diversified metal and mining industry, which is a subset of the materials sector, within the Global Industry Classification Standard framework. Specifically, Cobre focuses on the exploration and evaluation of copper.

The information presented in this section has been compiled from a range of publicly available sources, together with information taken from various databases to which we subscribe. BDOCF has not independently verified any of the information and we recommend that users of this Report refer to the original source of any information listed in this section. This section should be referred to as a guide only.

6.1 Copper

6.1.1 Overview

Copper is a soft, malleable, ductile metal used primarily for its electrical and thermal conductive properties and corrosion resistance. After iron and aluminium, it is the third most consumed industrial metal worldwide.[1] Similar to other metals, primary production is the output from ores, and secondary production is produced from recycled scrap. Copper is one of the most recycled metals because recycling extends the efficiency of use, resulting in energy savings and contributing to a sustainable source of metal for future generations.[2] Further, the metal is one of the few raw materials which can be recycled repeatedly without any loss of performance; primary and secondary copper can be used interchangeably.[3]

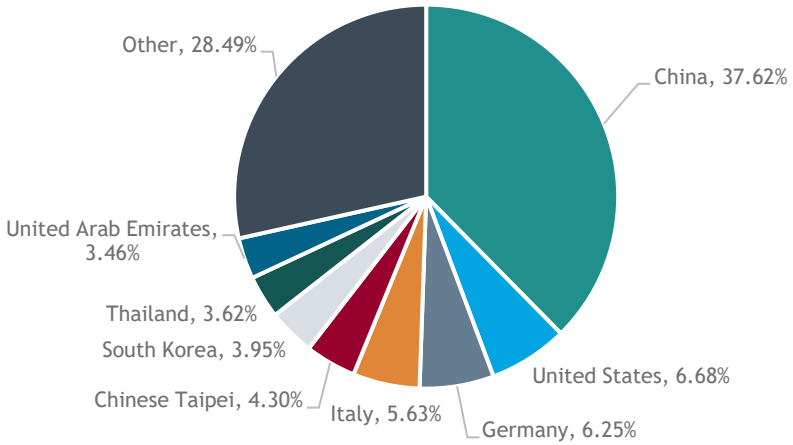
Copper is highly versatile with various applications across many industries, including construction, communication, equipment, transport and infrastructure. Due to its ability to conduct heat and electricity, it is widely used in electronic devices and electrical wiring. For example, renewable energy sources such as solar, wind, geothermal, fuel cells and other technologies are all heavily reliant on copper due to its excellent conductivity.[4] Another use of copper is in the semiconductor industry where it is used for circuitry in silicon chips. Not only are copper wires more durable and reliable, but they also conduct electricity with about 40% less resistance than aluminium wires – resulting in an additional 15% burst in microprocessor speed.[5]

6.1.2 Global Demand for Copper

According to statistics from the International Copper Study Group ('ICSG'), global usage of refined copper grew from approximately 18.6 million tonnes in 2009 to 22.0 million tonnes in 2022[6]. This growth in demand is expected to be supported by existing uses for its transmission of electricity such as in industries involving construction and electronics. Other factors that will drive demand are population growth, product innovation and economic development. McKinsey & Company forecasts that annual copper demand will grow to 36.6 million metric tonnes by 2031.[7]

Figure 6.1 shows the percentage of total refined copper imports in 2022. China leads the importation of refined copper, with over 34.7 billion USD worth of refined copper imported in 2022. By continent, Asia accounted for 77.2% of refined copper imports in 2022, followed by Europe with 22.3% and Africa with 3.5%.

Figure 6.1: Percentage Share of Total Refined Copper Imports in 2022[8]



Source: The Observatory of Economic Complexity 2022

[1] *"Copper Statistics and Information", U.S. Geological Survey*
[2] *"Copper Recycling", International Copper Study Group 2024*
[3] *"Copper Recycling", International Copper Association 2022*
[4] *"Mineral requirements for clean energy transitions", International Energy Agency 2021*
[5] *"Copper interconnects", IBM*
[6] *"The World Copper Factbook 2023", International Copper Study Group, 2023*
[7] *"Bridging the copper supply gap", McKinsey & Company, 17 February 2023*
[8] *"Refined Copper" The Observatory of Economic Complexity 2022*

6.1.3 *Global Supply for Copper*

According to the US Geological Survey, the global production of copper has increased from 15.9 million tonnes in 2010 to 22 million tonnes in 2023. The ratio between production and capacity is called the capacity utilisation rate and in 2023, the global copper mining capacity utilisation rate was around 77.6%. This implies a total copper mining capacity of 28.35 million tonnes, which is estimated to increase by 3.7% in 2024 to 29.4 million tonnes in 2024.[2]

The oceans represent around 70% of the world's surface, and the ocean floor is believed to contain important mineral resources, including copper.[9] In order to meet increasing copper demand, seafloor deposits could represent an important opportunity for additional supply. However, the challenge is to be able to extract these ores while respecting all environmental standards and turning them into sustainable operations.

Table 6.1 below shows the breakdown of global mined copper production by the top six countries in 2022, recent trends in their production from 2022, and their forecasted production for 2023. In 2022, Chile was the largest producer, accounting for 24% of all mined copper production worldwide, followed by Peru, which accounted for 11%. Copper production in Congo has ramped up due to investment from Chinese companies, with a further $7 billion of investment from Chinese construction companies expected in Congo as a part of copper mines.[10]

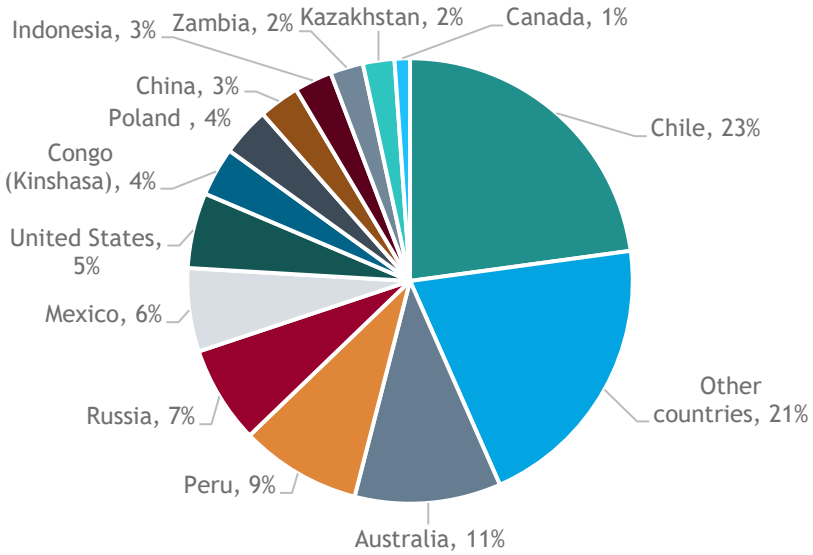
Table 6.1: Global Mined Production

'000 tonnes	2020	2021	2022	2023 (estimate)	CAGR (%)
Chile	5,730	5,620	5,330	5,000	-3.35%
Peru	2,150	2,300	2,450	2,600	4.87%
China	1,720	1,910	1,940	1,700	-0.29%
Congo (Kinshasa)	1,600	1,740	2,350	2,500	11.80%
United States	1,200	1,230	1,230	1,100	-2.15%
Australia	885	813	819	810	-2.19%
Other countries	7,271	7,587	7,781	8,290	3.33%
World total (rounded)	**20,600**	**21,200**	**21,900**	**22,000**	**1.66%**

Source: US Geological Survey

In the 2022 Copper Mineral Commodity Summary by the Geological Survey, global copper reserves are estimated to total 880,000,000 metric tonnes. A 2015 survey estimated that undiscovered resources contained an estimated 3.5 billion tons. Collectively, Chile, Australia and Peru account for 42% of the global reserves. The distribution of known reserves is depicted graphically in Figure 6.2 below.

Figure 6.2: Distribution of Known Copper Reserves



Source: US Geological Survey, Mineral Commodity Summaries 2022

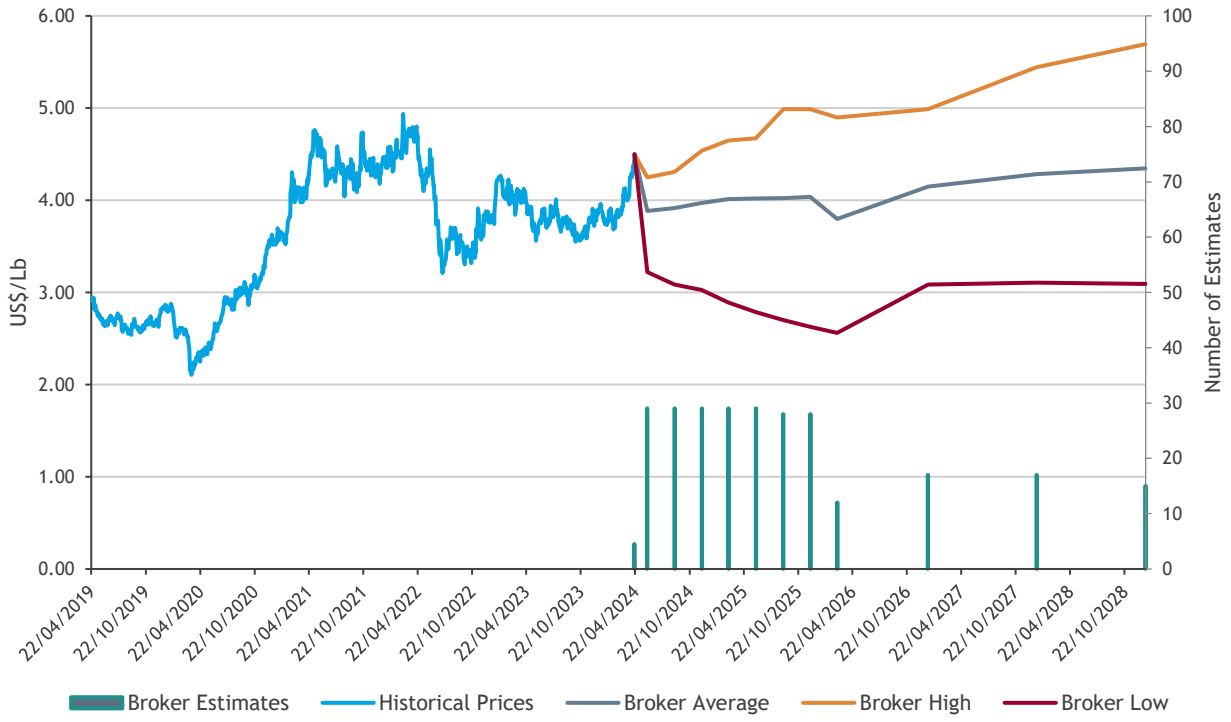
[9] *"An Overview of Seabed Mining Including the Current State of Development, Environmental Impacts, and Knowledge Gaps", K.Miller et.al 2017*
[10] *"Chinese companies to invest up to $7 billion in Congo mining infrastructure", Reuters, 28 January 2024*

6.1.4 Copper Prices

A COVID-19 induced economic slowdown decreased the global copper price to a 3-year low in late March 2020. Between this low and April of 2021, prices recovered quickly, supported by improving economic conditions and the ongoing Russia-Ukraine conflict. Throughout 2022 Copper prices declined significantly, driven by a decline in demand from China due to the Chinese zero-COVID policy and high inflation rates within the US. In 2023, the price of copper rebounded due to a swell of green manufacturing and a supply shortage of 178,000 tonnes[11].

Figure 6.3 below shows the historical trading price for copper in the last 5 years based on the quoted price on the Commodity Exchange ('COMEX') in USD per pound, as well as the forecasted spot price of copper to 2031 (in nominal terms, free on board).

Figure 6.3: Historical Copper Prices and Consensus Economics Forecast Prices (in Nominal terms)



Source: Capital IQ - High Grade Copper (COMEX) (22 April 2019 to 19 April 2024), Consensus Economics March 2024 (Survey Date: 18 March 2024), BDOCF Analysis

6.1.5 Copper Outlook

Global demand for copper is expected to increase due to the development of renewable energy infrastructure and increased uptake of electric vehicles, two areas that require greater copper volumes than their fossil fuel counterparts.[12] Australian copper production is anticipated to grow at an annualised rate of 1.3% over the next five years, with larger players such as BHP looking to consolidate their position and expand production through acquisitions, like the purchase of OZ Minerals.[12] The ICSG also expects sustained growth in copper demand as it remains an essential commodity to economic activity, particularly in today's technological society. This is because copper is the most widely used metal in energy generation, transmission infrastructure, and energy storage.[13]

[11] *"Review of important factors affecting the copper market in 2023", Shanghai Metals Market, 10 January 2024*
[12] *"Copper Ore Mining in Australia", IBIS World 2023*
[13] *"Copper Market Forecast 2023/2024", International Copper Study Group 2023*

7.0 Common Valuation Methodologies

A 'fair market value' is often defined as the price that reflects a sales price negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, with both parties at arm's length. The valuation work set out in this Report assumes this relationship.

RG 111 outlines a number of methodologies that a valuer should consider when valuing securities or assets for the purposes of, among other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. The valuation methodologies we have considered in this Report include the discounted cash flow ('DCF'), capitalisation of maintainable earnings ('CME'), asset-based valuation ('ABV') and market-based valuation ('MBV') methodologies.

RG 111 does not prescribe which methodology should be used by the expert, but rather notes that the decision lies with the expert based on the expert's skill and judgement and after considering the unique circumstances of the securities or assets being valued.

7.1 Discounted Cash Flows ('DCF')

The DCF approach calculates the value of an entity by adding all of its future net cash flows discounted to their present value at an appropriate discount rate. The discount rate is usually calculated to represent the rate of return that investors might expect from their capital contribution, given the riskiness of the future cash flows and the cost of financing using debt instruments.

In addition to the periodic cash flows, a terminal value is included in the cash flow to represent the value of the entity at the end of the cash flow period. This amount is also discounted to its present value. The DCF approach is usually appropriate when:

- An entity does not have consistent historical earnings but is identified as being of value because of its capacity to generate future earnings; and
- Future cash flow forecasts can be made with a reasonable degree of certainty over a sufficiently long period of time.

Any surplus assets, along with other necessary valuation adjustments, are added to the DCF calculation to calculate the total entity value.

7.2 Capitalisation of Maintainable Earnings ('CME')

The CME approach involves identifying a maintainable earnings stream for an entity and multiplying this earnings stream by an appropriate capitalisation multiple. Any surplus assets, along with other necessary valuation adjustments, are added to the CME calculation to calculate the total entity value.

The maintainable earnings estimate may require normalisation adjustments for non-commercial, abnormal or extraordinary events.

The capitalisation multiple typically reflects issues such as business outlook, investor expectations, prevailing interest rates, quality of management, business risk and any forecast growth not already included in the maintainable earnings calculation. While this approach also relies to some degree on the availability of market data, the multiple is an alternative way of stating the expected return on an asset.

The CME approach is generally most appropriate where an entity has historical earnings and/or a defined forecast or budget. Further, a CME is usually considered appropriate when relevant comparable information is available.

7.3 Asset Based Valuation ('ABV')

An ABV is used to estimate the fair market value of an entity based on the book value of its identifiable net assets. The ABV approach using a statement of financial position alone may ignore the possibility that an entity's value could exceed the book value of its net assets. However, when used in conjunction with other methods which determine the value of an entity to be greater than the book value of its net assets, it is also possible to arrive at a reliable estimate of the value of intangible assets including goodwill.

Alternatively, adjustments can be made to the book value recorded in the statement of financial position in circumstances where a valuation methodology exists to readily value the identifiable net assets separately and book value is not reflective of the true underlying value. Examples of circumstances where this type of adjustment may be appropriate include when valuing certain types of identifiable intangible assets and/or property, plant and equipment.

The ABV approach is most appropriate where the assets of an entity can be identified and it is possible, with a reasonable degree of accuracy, to determine the fair value of those identifiable assets.

7.4 Market Based Valuation ('MBV')

An MBV methodology determines a value for an entity by having regard to the value at which securities in the entity have recently been purchased. This approach is particularly relevant to:

- Entities whose shares are traded on an exchange. The range of share prices observed may constitute the market value of the shares where a sufficient volume of shares is traded and the shares are traded over a sufficiently long period of time; and/or
- Entities for which it is possible to observe recent transactions relating to the transfer of relatively large parcels of shares (e.g. recent capital raisings).

For listed entities, the range of share prices observed may constitute the market value of the shares in circumstances where sufficient volumes of shares are traded and the shares are traded over a sufficiently long period of time. Share market prices usually reflect the prices paid for parcels of shares not offering control to the purchaser.

7.5 Industry Based Metrics (Comparable Analysis)

It is often appropriate to have regard to industry specific valuation metrics in addition to the traditional valuation approaches outlined above. These metrics are particularly relevant in circumstances where it is reasonably common for market participants to have regard to alternative measures of value.

For resource companies, it is common for market analysts to have regard to multiples related to resources and tenement size.

8.0 Valuation of Cobre Prior to the Proposed Transaction

This section sets out our valuation of the shares in Cobre and is structured as follows:

- Section 8.1 sets out our view of the most appropriate methodology to value Cobre;
- Section 8.2 sets out an overview of the ERM Report;
- Section 8.3 sets out our valuation of Cobre having regard to a SOP approach;
- Section 8.4 sets out our valuation of Cobre having regard to a MBV approach; and
- Section 8.5 sets out our conclusion on the value of Cobre for the purposes of this Report.

8.1 Our Valuation Approach for Cobre

We have considered each of the valuation methodologies outlined in Section 8 above and determined, in our view, the most appropriate methodology for calculating the value of Cobre. Having regard to the assessment of the nature of Cobre's assets, we have chosen to adopt a SOP and an MBV approach. In relation to our adopted valuation methodologies, we note the following:

- Our SOP valuation is based on the following:
  - We have relied on the valuation of the mineral assets held by Cobre as set out in the ERM Report dated 13 June 2024. The ERM report sets out ERM's view of the fair value of tenements held by Cobre, and is attached as Appendix B to this Report; and
  - We have considered the surplus assets and liabilities of Cobre through the use of the statement of financial position as set out in the 31 March 2024 management accounts;
- It is generally possible to complete a MBV of a company when there is readily observable market for the trading of the company's shares. The shares of Cobre are listed on the ASX and it is possible to observe the market price of trades in Cobre shares. We consider it appropriate to adopt an MBV approach to value Cobre; and
- Having regard to each of the valuation methodologies adopted, we have formed a view on an appropriate valuation range for the Company.

8.2 Overview of The ERM Report

In completing our work, we have had regard to the ERM Report which sets out the market value of Cobre's:

- Botswana mineral assets; and
- Western Australian mineral assets.

The ERM Report was coordinated by Mr Graham Jeffress, who was assisted in completing the ERM Report by other individuals as set out in the ERM Report.

Based on our enquiries and the information provided to us, we regard ERM and the authors of the ERM Report to be Independent Specialists as referred to in the VALMIN Code.

Regarding the ERM Report we note:

- ERM has prepared the Report in accordance with:
  - The VALMIN Code;
  - The JORC Code;
  - ASIC Regulatory Guidelines (in particular RG 111 *Content of expert reports and* ASIC RG 112 *Independence of experts); and*
  - The ASX Listing Rules;
- ERM is independent with respect to Cobre and Strata, and confirms that there is no conflict of interest with any party involved in the Proposed Transaction and neither ERM nor any of its personnel involved in the preparation of the ERM Report have (or have had previously) any material interest in Cobre, Strata or the associated mineral assets; and
- The statements and opinions contained in the ERM Report are given in good faith and in the belief that they are not false or misleading.

Based on our enquiries and the information provided to us, we regard ERM to be an independent specialist and in our view, it is appropriate for us to consider the work of ERM in completing this valuation work. ERM understand the purpose of the valuation work set out in this Report.

We confirm that we have been provided with express written consent by ERM to refer to and rely on the ERM Report for the purposes of our valuation work in this Report. We have made reasonable enquiries of ERM and are satisfied

that the work and valuations in the ERM Report are suitable for use in this Report. Notwithstanding this, we do not take responsibility for the work of ERM.

Any references to ERM's work set out in this Report are in a summary form only and does not substitute for a complete reading of the ERM Report. Our summary does not include all of the information that may be of interest to Non-Associated Shareholders. The ERM Report is attached to this Report as Appendix B. We recommend that Shareholders read the ERM Report in full and in conjunction to this Report and related statements.

8.3 SOP Valuation of Cobre Prior to the Proposed Transaction

Our SOP valuation of Cobre is set out as follows:

- Section 8.3.1 sets out ERM's value for Cobre's mineral assets;
- Section 8.3.2 sets out an adjustment for Cobre's interest in the mineral assets;
- Section 8.3.3 sets out the adjustment we have made to allow for Cobre's surplus assets and liabilities that have not been considered as part of the value of Cobre's mineral assets; and
- Section 8.3.4 sets out our SOP valuation of Cobre's shares prior to the Proposed Transaction on a controlling interest basis.

8.3.1 ERM's Valuation of Cobre's Mineral Assets

In forming their opinion on the market value of the mineral assets held by Cobre, ERM has primarily relied on market based methods (i.e. the comparative transaction method) based on tenement area, prospectivity and project stage, cross checked by the appraised value method (given the project stage and material expenditure on the project), and by the geoscientific factor method. For further information on the valuation methodologies, refer to the ERM Report.

Table 8.1 below sets out a summary of the values we have adopted for Cobre's mineral assets, on a 100% basis and having relied on the ERM Report. ERM have valued the tenements as at 31 May 2024. Notwithstanding, they state that in their opinion, nothing material has occurred since their valuation date up to the date of their report that would affect their technical review and valuation opinion.

Table 8.1: Value Adopted for Cobre's Mineral Assets from the ERM Report

	Low Value	ERM Preferred Value[1]	High Value
Western Australian mineral assets			
Value of Perrinvale tenements (100% basis)	AU$1,100,000	AU$1,300,000	AU$1,600,000
Value of Sandiman tenement (100% basis)	AU$120,000	AU$160,000	AU$200,000
Total value of the Western Australian mineral assets	**AU$1,220,000**	**AU$1,460,000**	**AU$1,800,000**
Botswana mineral assets			
Value of Botswana tenements (100% basis)	US$11,000,000	US$19,000,000	US$26,000,000
Total value of the Botswana mineral assets	**US$11,000,000**	**US$19,000,000**	**US$26,000,000**

Source: ERM Report, BDOCF analysis

1 ERM's preferred value for Cobre's mineral assets.

ERM note in the ERM Report that they have considered the significant range in the values derived for the Company's Botswanan tenements and concluded that this range provides a reasonable representation of possible valuation outcomes for the Botswanan tenements, given the uncertainties inherent in valuing early-stage exploration and pre-development projects.

Cobre's shareholders should refer to the full ERM Report (attached as Appendix B to this Report) for further information on the values calculated for Cobre's mineral assets.

8.3.2 Adjustment for Cobre's Interest in the Mineral Assets

Table 8.2 below sets out the value of the mineral assets (both Western Australia and Botswana) to Cobre (i.e. it sets out the value of the mineral assets determined by ERM for the ownership interest Cobre has in each asset). We have also converted the Botswana tenement values from USD to AUD, based on the USD:AUD exchange rate average over the period 7 May 2024 to 7 June 2024 of 0.6638.

Table 8.2: Value of Cobre's Mineral Assets Adjusted for the Company's Interest

Mineral Assets	Cobre's Interest	Low Value (AU$)	High Value (AU$)
Perrinvale Tenement	100%	1,100,000	1,600,000
Sandiman Tenement	51%	61,200	102,000
Botswana mineral assets	100%	16,571,985	39,170,145
Total Value of Cobre's Interest in the Tenements[1]		**17,733,185**	**40,872,145**

Source: BDOCF Analysis

1 As we have calculated our valuation range using ERM's low and high value for Cobre's mineral assets, we have not separately considered ERM's preferred value as it would not impact our valuation range.

8.3.3 *Adjustment for Cobre's Surplus Assets and Liabilities*

The value of Cobre's mineral assets excludes, amongst other issues, the impact of any surplus assets or liabilities held by the Company. In our view, it is appropriate to add the Company's cash and cash equivalents and add/subtract the value of any other surplus assets/liabilities.

Our valuation date for the Company (both prior to and post the Proposed Transaction) is 30 June 2024 ('the Valuation Date'). We note that we have been provided with Cobre's management accounts for the period ended 31 March 2024. Using this information in conjunction with enquires of Cobre's management and their advisors, we have estimated the balance of Cobre's surplus assets and liabilities as at the Valuation Date.

Table 8.3 below sets out the expected cash movements in Cobre and our estimation of the balance of cash and cash equivalents prior to the Proposed Transaction.

Table 8.3: Cobre Cash Movements Prior to the Proposed Transaction

AUD	
Cash and cash equivalents as at 31 March 2024	**2,728,022**
Add: Cash from Tranche 2 (excluding the Proposed Transaction)	927,000
Less: Budgeted cash 'burn' for April to June	(1,913,353)
Less: Transaction costs	(250,000)
Estimated cash balance prior to the Proposed Transaction	**1,491,670**

Source: BDOCF Analysis

Having regard to Table 8.3 above, we note the following:

- As mentioned previously, Non-Associated Shareholders will vote on eleven resolutions at the Meeting, of which only one (Resolution 5) relates to the Proposed Transaction. For the purposes of this Report, we have assumed that all of the Other Resolutions are approved prior to the Proposed Transaction. Resultantly, we have assumed that Cobre receive cash of approximately $927k and issue approximately 17.8 million Cobre shares in accordance with Tranche 2 (excluding the Proposed Transaction);
- Based on discussions with Management and their advisers, we understand that the costs associated with the Proposed Transaction and the Other Resolutions are approximately $50k and approximately $250k respectively. We have included the transaction costs associated with the Other Resolutions in estimating Cobre's cash balance prior to the Proposed Transaction; and
- We have adjusted for Cobre's estimated cash 'burn' from 31 March 2024 to the Valuation Date (being Cobre's budgeted cash outflows for April 2024, May 2024 and June 2024). Cobre's budgeted cash flows are as follows:
  - April 2024: corporate expenses of approximately $110k, Perrinvale exploration expenses of approximately $30k and Botswana exploration expenses of approximately $202k;
  - May 2024: corporate expenses of approximately $87k and Botswana expenses of approximately $536k; and
  - June 2024: corporate expenses of approximately $97k and Botswana expenses of approximately $1.2 million which is partly offset by income (i.e. funding provided in connection with 2024 BHP Xplor program) of approximately $382k.

Having regard to the above (in addition to the other surplus assets and liabilities of the Company), we have set out in Table 8.4 below, the values we have adopted for Cobre's surplus assets and liabilities.

Table 8.4: Values Adopted for the Surplus Assets and Liabilities

AUD	
Cash and cash equivalents	1,491,670
Potential offset against future drilling expenses (i.e. issuance and use of the Subscription Shares)	200,000
Value of investment in Strata	683,681
Value of Armada shares and options	670,518
Total	**3,045,868**

Source: BDOCF analysis

Having regard to Table 8.4 above, we note the following:

- Cash and cash equivalents: we have adopted our estimate for the balance of Cobre's cash and cash equivalents prior to the Proposed Transaction (refer to Table 8.3);
- In addition to assuming the issuance of Subscription Shares (in accordance with approval of the Other Resolutions), we have assumed that Mitchell Drilling utilise the Subscription Shares to offset the cash they would receive from future invoices (i.e. receive scrip instead of cash). By extension, Cobre will receive $200k worth of drilling services (being the value of issuing approximately 3.8 million shares at $0.052 per share) via the issuance of shares rather than payment of cash. We note that Mitchell Drilling are current shareholders of the Company and participants in Tranche 2. We believe it is not unreasonable to assume that they will utilise the Subscription Shares to offset

future invoices, particularly noting that the issue price of the Subscription Shares of $0.052 is in line with the price under the Placement (i.e. at a discount to recent share trading prices);

- Investment in Strata: Cobre holds 2,869,575 shares in Strata. We have estimated the value of these shares as at the Valuation Date by adopting the one-month VWAP of Strata shares (ASX:SRT) as at 7 June 2024 of $0.2383; and
- Investment in Armada shares and options: Cobre holds 30 million shares in Armada, for which we have estimated the value as at the Valuation Date by adopting the one-month VWAP of Armada shares (ASX:AMM) as at 7 June 2024 of $0.0221. Cobre were also granted 3.3 million options in Armada with an exercise price of $0.334 and an expiry on 15 December 2026. We have adopted a Black Scholes option pricing model to calculate the value of these Armada options and utilised a volatility of 100%, a risk free rate of 4% and a share price of $0.0221 (being the one month VWAP of Armada shares as at 7 June 2024).

All the other assets and liabilities on Cobre's balance sheet that have been excluded from Table 8.4 have either been factored in as working capital or have been accounted for in ERM's valuation of the mineral assets.

We have also been informed by the Directors that there are no other material assets, liabilities or off-balance sheet assets and liabilities or unrecognised liabilities as at the date of this Report that have not been included in the above adjustments.

8.3.4 Sum of the Parts Valuation of Cobre

Our SOP valuation of Cobre is set out in Table 8.5 below.

Table 8.5: SOP Valuation of Cobre Prior to the Proposed Transaction

AUD	Low Value	High Value
Value of Cobre mineral assets	17,733,185	40,872,145
Surplus asset and liabilities of Cobre	3,045,868	3,045,868
Equity Value of Cobre to all security holders	**20,779,052**	**43,918,013**
Less: value of the options on issue[1]	(1,507,496)	(4,004,283)
Equity value attributable to shareholders	**19,271,557**	**39,913,730**
Number of Cobre shares outstanding prior to the Other Resolutions	331,132,779	331,132,779
Shares issued under the Other Resolutions	21,673,080	21,673,080
Shares outstanding prior to the Proposed Transaction	**352,805,859**	**352,805,859**
Equity value per share on a controlling interest basis	**0.0546**	**0.1131**
Subtract: minority interest discount[2]	23.1%	23.1%
Equity value per share on a minority interest basis	**0.0420**	**0.0870**

Source: BDOCF Analysis

1 In addition to the ordinary shares on issue, Cobre has approximately 37.6 million options outstanding with exercise prices ranging from $0.066 to $0.335 (refer to Section 5.3.2 for more information). Following the Other Resolutions, Cobre will also have approximately 30.8 million Attaching Options and 3.5 million broker options outstanding. We have adopted a Black Scholes option pricing model to calculate the value of the outstanding options. Key inputs used in the options pricing model include volatility of 100% and a risk-free rate of 4%. The share price was calculated using an iterative process (i.e. the share price adopted for the option valuation is equal to the final control value calculated).

2 Adjustment to remove control premium calculated as 1/(1+0.3), with the 0.3 input referring to a 30% control premium. We note that a 30% control premium is the midpoint of the control premium range we consider appropriate to adopt (refer to Appendix A for more information).

With regards to Table 8.4 above, we note the following:

- The value of the Cobre mineral assets reflects the value calculated in Table 8.2;
- The surplus asset and liabilities of Cobre reflect the value calculated in Table 8.4; and
- Having regard to the above, we have calculated a valuation range under our SOP methodology of $0.0546 to $0.1131. For completeness, we note that when excluding the Other Resolutions from our valuation prior to the Proposed Transaction, the valuation range increases slightly to $0.0551 to $0.1181. We do not consider this level of difference causes a material difference to the conclusions set out in this Report.

8.4 Market Based Valuation of Cobre Prior to the Proposed Transaction

Our market based valuation of Cobre prior to the Proposed Transaction is set out as follows:

- Section 8.4.1 sets out Cobre's recent share trading data;
- Section 8.4.2 sets out the liquidity of Cobre's ordinary shares; and
- Section 8.4.3 sets out our view as to the MBV of Cobre prior to the Proposed Transaction.

8.4.1 Analysis of Cobre's Share Trading Data

Cobre's ordinary shares are listed on the ASX and trade under the ticker 'CBE'. Information relating to the recent share trading data of Cobre's ordinary shares along with an analysis of recent announcements made by Cobre to the ASX are set out in Section 5.5.1 of this Report.

For the purposes of our MBV, we have assessed the daily low VWAP, VWAP and daily high VWAP of Cobre shares over 1 week, 1 month, 3 months, 6 months, 9 months and 12 months prior to 3 March 2024, being the last date Cobre traded prior to the announcement of the Proposed Transaction.

Table 8.6: Cobre's VWAP for Specified Periods Prior to 3 March 2024

Period before 3 March 2024	Daily Low VWAP	Period VWAP	Daily High VWAP
1 Week	$0.0563	$0.0642	$0.0653
1 Month	$0.0505	$0.0594	$0.0707
3 Months	$0.0404	$0.0759	$0.0855
6 Months	$0.0400	$0.0720	$0.0855
9 Months	$0.0400	$0.0738	$0.1079
12 Months	$0.0400	$0.0795	$0.1294

Source: Capital IQ as at 18 April 2024

Having regard to Table 8.6 above, we note the following:

- The price of Cobre's shares on the ASX has declined in the last 12 months, declining by as much as 68.78% from the 12 month VWAP high to the 3 month VWAP low and 56.49% from the 12 month VWAP high to the 1 week VWAP low. For completeness, we note that this decline was part of a broader decrease in the share price of the Company (i.e. Cobre's share price has previously traded at a peak of $0.61 on 22 August 2022);
- Given the volatility in Cobre's share price, we have also considered the Placement. Whilst the Proposed Transaction forms part of Tranche 2 of the Placement (and was announced following 3 March 2024), Tranche 1 of the Placement has already completed and resulted in the issue of approximately 43.7 million Cobre shares at a price of $0.052 per share. In our view, the $0.052 price per share under the Placement is a suitable transaction to consider for our MBV; and
- Notwithstanding the above, we note that participants in the Placement are also able to subscribe (subject to shareholder approval) for one free Attaching Option for every two shares acquired (i.e. the consideration of $0.052 effectively represents one share and half an option). By backing out the value of the Attaching Option[14], we have calculated the implied price of the shares acquired under the Placement as $0.042.

Having regard to the above, in our view, it is appropriate to adopt a value in the range of $0.050 to $0.090 per Cobre share on a minority interest basis for our market based valuation. Broadly, this range allows $0.010 either side of the lowest period VWAP (1 Month) and the highest period VWAP (12 months) and also appears reasonable noting the daily low VWAP and daily high VWAP for each of the periods.

For completeness, we note that the monthly VWAPs from 4 March 2024 (refer Table 5.4) are also within this MBV range. To assist Non-Associated Shareholders with understanding the movements following the announcement of the Proposed Transaction, we have also set out (in Table 8.7 below), the daily low VWAP, VWAP and daily high VWAP of Cobre shares over 1 week, 1 month and 3 months up to and including 18 June 2024.

Table 8.7: Cobre's VWAP for Specified Periods up to and Including 18 June 2024

Period before 18 June 2024	Daily Low VWAP	Period VWAP	Daily High VWAP
1 Week	$0.0764	$0.0834	$0.0891
1 Month	$0.0764	$0.0843	$0.0892
3 Months	$0.0528	$0.0741	$0.0892

Source: Capital IQ as at 19 June 2024

8.4.2 Liquidity of Cobre Shares

Information on the liquidity of Cobre shares is set out in Section 5.5.2 of this Report.

8.4.3 Conclusion on MBV

Having regard to our control premium discussion set out in Appendix A, the application of a 30% premium to our MBV valuation range (on a minority interest basis) would result in a value (of a Cobre share on a controlling interest basis) of $0.065 to $0.117.

8.5 Conclusion on the Value of Cobre Shares

In our view, for the purpose of our assessment of the value of Cobre prior to the Proposed Transaction set out in this Report, it is appropriate to adopt a value in the range of $0.055 to $0.113 per Cobre share on a controlling interest basis. This valuation range was determined having regard to our sum-of-parts methodology. We believe this value is appropriate having regard to the work of ERM and the other information available for us to utilise for our sum-of-parts valuation. Notwithstanding this, we note that our adopted valuation range is also broadly in line with our MBV.

[14] We have adopted a Black Scholes option pricing model to calculate the value of the Attaching Options. Key inputs used in the options pricing model include volatility of 100% and a risk-free rate of 4%. The share price was calculated using the iterative process.

While the valuation range is wide, we consider it appropriate for the purposes of the analysis set out in this Report. The valuation range is driven by the values adopted by ERM. ERM note in the ERM Report that they have considered the significant range in the values derived for the Company's Botswanan tenements and concluded that this range provides a reasonable representation of possible valuation outcomes for the Botswanan tenements, given the uncertainties inherent in valuing early-stage exploration and pre-development projects.

For completeness we note that Cobre is a company focused on progressing its exploration assets. The value of such companies may increase or decrease materially over short time periods depending on the ability to meet certain milestones (e.g. continuing to report positive drilling results), among other matters.

9.0 Valuation of Cobe Post the Proposed Transaction

This section sets out our valuation of Cobre following completion of the Proposed Transaction as follows:

- Section 9.1 sets out our view of the most appropriate valuation methodologies to adopt for the purpose of valuing Cobre post the Proposed Transaction; and
- Section 9.2 sets out our valuation of Cobre having regard to the SOP approach.

9.1 Valuation Approach

In our view, it is appropriate to adopt a valuation methodology for Cobre post the Proposed Transaction that is consistent with the valuation methodology set out in Section 8.1 for the valuation of Cobre prior to the Proposed Transaction.

9.2 Valuation of Cobre Post the Proposed Transaction on a Minority Interest Basis

The Proposed Transaction involves the issue of 15,384,616 fully paid ordinary shares in Cobre to Strata. To calculate the value of an ordinary share in Cobre on a minority interest basis post the Proposed Transaction we have:

- Adopted the equity value of Cobre on a controlling interest basis as set out in Table 8.5;
- Increased the cash balance of Cobre by $800k to reflect the cash to be paid by Strata under the Proposed Transaction (calculated as the shares issued multiplied by the issue price of $0.052);
- Reduced the cash balance of Cobre by $50k to reflect the broker costs associated with the Proposed Transaction;
- Increased the number of shares and Attaching Options on issue by 15,384,616 and 7,692,308 respectively;
- Calculated the equity value per share on a control basis by dividing the equity value attributable to ordinary shareholders by the number of shares outstanding post the Proposed Transaction; and
- Calculated the equity value held by all equity holders on a minority interest basis by applying a minority interest discount. Our assumed control premium of 30% is based on the results of our research and analysis into control premiums in Australia (refer to Appendix A for additional discussion).

Our valuation of Cobre following the Proposed Transaction is set out in Table 9.1 below.

Table 9.1: Equity Value of Cobre Post the Proposed Transaction

AUD	Low	High
Equity value of Cobre to all security holders prior to the Proposed Transaction	**20,779,052**	**43,918,013**
Plus: Cash raised under the Proposed Transaction	800,000	800,000
Subtract: Costs incurred under the Proposed Transaction	(50,000)	(50,000)
Equity value of Cobre to all security holders post the Proposed Transaction	**21,529,052**	**44,668,013**
Less: value of the options on issue[1]	(1,707,974)	(4,408,897)
Equity value of Cobre to shareholders post the Proposed Transaction	**19,821,078**	**40,259,116**
Number of Cobre shares on issue prior to the Proposed Transaction	352,805,859	352,805,859
Number of shares issued under the Proposed Transaction	15,384,616	15,384,616
Number of shares outstanding following the Proposed Transaction	**368,190,475**	**368,190,475**
Equity value per share following the Proposed Transaction (controlling interest basis)	**0.0538**	**0.1093**
Subtract: Minority interest discount[2]	23.1%	23.1%
Equity value per share following the Proposed Transaction (minority interest basis)	**0.0414**	**0.0841**

Source: BDOCF Analysis

1 In addition to the ordinary shares on issue, Cobre has approximately 37.6 million options outstanding with exercise prices ranging from $0.066 to $0.335 (refer to Section 5.3.2 for more information). Following the Proposed Transaction and the Other Resolutions, Cobre will also have approximately 38.5 million Attaching Options and 3.5 million broker options outstanding. We have adopted a Black Scholes option pricing model to calculate the value of the outstanding options. Key inputs used in the options pricing model include volatility of 100% and a risk-free rate of 4%. The share price was calculated using an iterative process (i.e. the share price adopted for the option valuation is equal to the final control value calculated).

2 Adjustment to remove control premium calculated as 1/(1+0.3), with the 0.3 input referring to a 30% control premium. We note that a 30% control premium is the midpoint of the control premium range we consider appropriate to adopt (refer to Appendix A for more information).

APPENDIX A: CONTROL PREMIUM ANALYSIS

A controlling interest in a company is usually regarded as being more valuable than a minority interest as it provides the owner with control over the operating and financial decisions of the company, the right to set the strategic direction of the company, control over the buying, selling and use of the company's assets, and control over appointment of staff and setting financial policies.

The increase in value for a controlling interest is often observed where an acquirer launches a takeover bid, or some other mechanism for control, for another company. For the purposes of our research on control premiums, we have defined a controlling interest to be an interest where the acquirer has acquired a shareholding of greater than 50% in the target company.

Generally, control premiums may be impacted by a range of factors including the following:

- Specific acquirer premium and/or special value that may be applicable to the acquirer;
- Level of ownership in the target company already held by the acquirer;
- Market speculation about any impending transactions involving the target and/or the sector that the target belongs to;
- The presence of competing bids; and
- General market sentiment and economic factors.

To form our view of an appropriate range of control premium applicable to Cobre for the purposes of this Report, we have considered information which includes:

- Recent independent expert's reports which apply control premiums in the range of 20% to 40%;
- Various industry and academic research, which suggests that control premiums are typically within the range of 20% to 40%;
- Our own research on control premiums implied by the trading data of ASX listed companies. The average and median control premium found in our research are approximately within the range of 20% and 40%, based on one-day, one-week, and one-month prior trading prices;
- Various valuation textbooks; and
- Industry practice.

Having regard to the information set out above, in our view, it is appropriate to consider control premiums within the range of 20% to 40% for the purposes of assessing the Offer within the context of this Report.

APPENDIX B: INDEPENDENT TECHNICAL EXPERT'S REPORT – ERM REPORT

Independent Technical Specialists Report
Mineral Assets of Cobre Ltd

PREPARED FOR

COBRE LIMITED

BDO

DATE
13th June 2024

REPORT NO.
R183.2024

REFERENCE
0616174 (CBEITV01/Ph002)

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Client Name	Cobre Ltd
Client Contact & Title	Martin Holland, Executive Chairman
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0.4	2/6/2024		Redacted Draft shared with client
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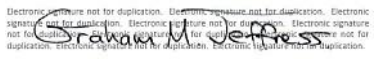
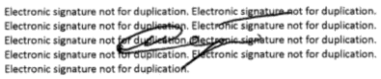
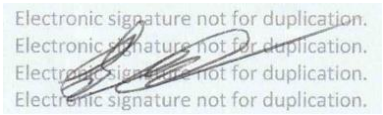
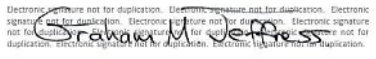
Independent Technical Specialists Report

Mineral Assets of Cobre Ltd

0616174 (CBEITV01/Ph002)

Author	Graham Jeffress BSc (Hons), FAIG, RPGeo (Expl), FAusIMM, FSEG, FGSA	
Contributing Author Responsibility	Maxim Seredkin PhD, BSc(Hons), FAusIMM, MAIG, FPONEN (QMR)	
Peer Reviewer	Sifiso Siwela BSc (Hons) Geol, GDE (Geostats), Pr.Sci.Nat. FGSSA, MSEG, MSAIMM	
ERM Authorisation	Graham Jeffress BSc (Hons), FAIG, RPGeo (Expl), FAusIMM, FSEG, FGSA	

EXECUTIVE SUMMARY

The Sustainable Mining Services team of ERM Australia Consultants Pty ("ERM") was commissioned by BDO Corporate Finance Ltd (BDO) to prepare an Independent Technical Specialist's Report ("ITSR" or the "Report") on the Mineral Assets of Cobre Limited to inform an Independent Experts Report being prepared to inform Cobre shareholders regarding a proposed corporate transaction.

Cobre Ltd ("Cobre or the "Company") is an ASX-listed resources exploration company with prospective projects in Botswana and Western Australia - the Kalahari Copper Projects in Botswana, and the Perrinvale and Sandiman Projects in Western Australia

The Report provides a review of the Company's Project and provides a valuation opinion on these Mineral Assets. ERM has used a range of valuation methodologies to reach a conclusion on the value of the Mineral Assets.

The statements and opinions contained in this Report are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 12th June 2024 and could alter over time depending on exploration results, mineral prices, and other relevant market factors. In ERM's opinion, nothing material has occurred since the valuation date up to the date of this Report, to affect ERM's technical review and valuation opinion.

ERM's valuations are based on information provided by Cobre and public domain information. ERM has endeavoured, by making all reasonable enquiries, to confirm the authenticity and completeness of the technical data upon which this Report is based. No audit of any financial data has been conducted.

The valuations discussed in this Report have been prepared at a valuation date of 31st May 2024. It is stressed that the values are opinions as to likely values, not absolute values, which can only be tested by going to the market.

KALAHARI COPPER PROJECT

The Kalahari Copper Project ("KCP") comprises a tenure portfolio over a material portion of the Cu-Ag prospective Kalahari Copper Belt in the northwest of Botswana and comprises four projects namely the Okavango Copper Project ("OCP"), the Ngami Copper Project ("NCP"), Kitlanya East and Kitlanya West.

The region contains a number of advanced exploration projects as well as two production hubs: Sandfire Resources Limited's ("Sandfire") Motheo Copper-Silver Project ("T3") and MMG's Zone 5 Development.

Cobre's license holding comprises 15 prospecting licences, (including through Cobre's 100% owned subsidiaries Kitlanya (Pty) Ltd, Kalahari Metals Ltd and Triprop Holdings Ltd), six of these licenses are subject to a 2% Net Smelter Royalty held by Strata Investment Holdings plc (formerly Metal Tiger plc) and five are held by Triprop which is now a 100% subsidiary of Cobre.

The projects comprise early-stage to advanced exploration projects targeting stratabound copper-silver mineralisation hosted in the D'kar Formation at or above the redox front with the Ngwako Pan Formation (part of the Ghanzi Group). Most of the mineralisation in the region is

hosted in steep structural zones along or above this contact, particularly in steep F1 fold limbs, but also includes substantial shear- and vein- hosted mineralisation.

There is also mineralisation associated with domal axial closures as is the case for Sandfire's T3 deposit. The targeting has relied heavily on airborne magnetic and airborne electromagnetic ("AEM") survey data due to the variable Kalahari cover thickness over the licences. This data has been used to identify potentially prospective targets by mapping the stratigraphy and complex structures. Soil geochemistry has been used with limited success. Scout and pattern drilling on a number of the targets has confirmed the presence of copper-silver mineralisation at the OCP and the NCP. Scout drilling on the other projects has confirmed the presence of the prospective contact of the D'Kar and Ngwako Pan formations that required Cobre to modify the exploration targeting model. There remain numerous untested geophysical targets within the KCP.

At the OCP and NCP, the exploration by Triprop and more recently by Cobre has confirmed the presence of copper-silver stratabound mineralisation. Cobre has further developed its understanding of the geology of the property, and the complexity introduced by palaeotopography into the AEM targeting can be mitigated via the high-resolution aeromagnetic data. Both projects are considered prospective, especially in areas where the Kalahari cover sequence is less well developed.

The NCP is an advanced copper-silver exploration play. The project area includes two large anticlinal features with over 100 km of prospective Ngwako Pan/D'Kar Formation contact for traditional limb-based mineralisation. Potential for mineralisation in folded trapsites is also evident. Consistent anomalous copper-silver intersections on this project have highlighted the significant endowment of this portion of the Kalahari Copper Belt. Well-defined gravity lows are interpreted as sub-basins or zones of structural thickening, which are significant given Cu-Ag deposits are commonly hosted on the margins of such features. Though largely covered with Kalahari Group, this cover is interpreted to be relatively shallow (0–80 m thick). There are numerous untested targets.

Combined with Kitlanya West, this project area offers district scale opportunities on the northern margin of the Kalahari Copper Belt where Cobre hold the dominant license position.

Substantial drilling campaigns have led to identification of copper mineralisation along at least 40 km of strike, including the Comet and Interstellar Prospects where Exploration Targets have been declared and preliminary investigations are supportive of the applicability of *in situ* recovery extraction of the Cu-Ag. Use of *in situ* recovery (ISR) offers the potential to economically access more mineralisation via a lower CapEx/OpEx than conventional mining approaches.

The Kitlanya West Project is considered prospective for stratabound copper-silver mineralisation based on the location of the area along strike from the NCP, as well as the interpreted prospective basement geology, host lithologies, and structural setting of the project area. An extensive reverse circulation undertaken in 2023 combined with soil sampling traverses has identified a number of targets with anomalous copper signature.

The Kitlanya East Project is considered prospective for stratabound copper-silver mineralisation based on the proximity to the T3 deposit and presence of prospective geology within the project area. To date, two target areas have been explored by Cobre with encouraging results and several targets still remain untested. Recent (2021) exploration programmes by Cobre focussing on the Endurance prospect includes core drill results including several intersections displaying signs of alteration and intense veining with accompanying visible trace Cu, Pb and Zn mineralisation, all considered important vectors to mineralisation.

The Okavango Project covers prospective Ngwako Pan/D'Kar Formation stratigraphy along strike from MMG's Zone 5 and Boseto groups of prospects. The area was previously overlooked due thicker Kalahari cover that prevented effective soil sampling. The area is prospective for mineralisation on fold limbs along the Ngwako Pan/D'Kar Formation redox contact on the margin off regional basement high with evidence of shallow water marine environments. Interpretation of AEM and magnetic data has mapped the location of the target horizon. Gravity data suggest sub-basin with known deposits extend into the project area. Drill testing has confirmed the exploration model, with intersections of Cu-Ag mineralisation on the interpreted target horizon, and confirmation of the presence of pyritic carbonaceous shales, limestones and siltstones – the ideal trap site lithologies. The validation of the geophysical interpretation has unlocked the potential of the project.

WESTERN AUSTRALIAN ASSETS

Cobre currently has an interest in two early-stage copper exploration projects in Western Australia – Perrinvale and Sandiman.

The Perrinvale Project is located approximately 260 km northwest of Kalgoorlie in the central part of the Yilgarn Craton of Western Australia and comprises a contiguous group of nine granted exploration licences covering a total of 345 km² held by Toucan Gold Pty Ltd, a wholly-owned subsidiary of Cobre.

The licences cover a substantial portion of two discrete, Archaean age, greenstone belts within the Southern Cross Domain, the Panhandle Greenstone Belt and the Illaara Greenstone Belt to the east. The Panhandle Greenstone Belt within the Perrinvale Project is host to several prospective volcanogenic massive sulphide (VMS) targets.

Exploration in the area started in the mid-1970s and a combination of soil geochemistry, geophysics and drilling has identified a number of VMS and gold targets. Recent exploration by Cobre has largely focused on developing certain targets in the Panhandle Greenstone Belt and has confirmed the historical results. ERM is of the opinion the Perrinvale Project is prospective for VMS-style polymetallic base metal and gold mineralisation, as well as mesothermal gold mineralisation.

The Sandiman Project is located in the Upper Gascoyne Shire, and comprises a single tenement (E09/2316) totalling 202 km² in size.

The Sandiman Project is conceptually prospective for Mississippi Valley-Type ("MVT") and possibly also VMS base metal deposits. This is based on the cluster of barite veins in sedimentary basin rocks in a craton-margin geological setting along with recent exploration results reporting traces of lead-zinc-silver mineralisation. Exploration activity has been limited to remote sensing interpretation of ASTER imagery and limited field work. No drilling has been conducted on the property.

Valuation Opinion

ERM's opinion's opinion as to the likely fair Market Value of the KCP as of 31st May 2024, on a 100% basis, is summarised in Table 1 and ERM's opinion as to the likely Market Value of Cobre's West Australian exploration tenure as at 31st May 2024, on a 100% basis, is summarised in Table 2.

It is stressed that the valuation is an opinion as to likely values, not absolute values, which can only be tested by going to the market.

The macroeconomic context for copper remains positive. Concentrate shortages in 2024 have seen LME and Comex copper prices rally, exceeding US$11,000/t, before falling back. Any commentators expect that copper prices are expected to remain elevated due to underinvestment in new copper projects, closures (such as Cobre Panama), and supply disruptions, coupled with the copper-intensive character of the global energy transition (primarily wiring and electric vehicles)

Table 1: Market value of the Botswana copper tenements as of 31st May 2024 (100% basis)

Licence grouping	Area (km²)	Low (US$ million)	Preferred (US$ million)	High (US$ million)
Total	5,392	11	19	26

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

ERM notes that there is significant range in the values derived for the Company's Botswana projects. ERM has considered this range and concludes that it provides a reasonable representation of possible valuation outcomes for the project, given the uncertainties inherent in valuing early-stage exploration and pre-development projects.

Table 2: Market value of Cobre's West Australian exploration tenure as of 31st May 2024 (100% basis)

Project	Area (km²)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
Perrinvale	345	1.1.	1.3	1.6
Sandiman	202	0.12	0.16	0.20
Total	547	1.2	1.5	1.8

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

ERM advises that its opinion must be considered in its entirety and that selecting portions of the analysis, or factors reviewed by it, without considering all factors and analyses together could create a misleading view of the process underlying the opinions presented in this Report. The timing and context of an independent valuation report are complex and do not lend themselves to partial analysis or selective interpretations without consideration of the entire report.

In ERM's opinion, nothing material has occurred up to the date of this Report and since the Valuation Date, to affect ERM's technical review and previous valuation opinion.

LIST OF TABLES

LIST OF FIGURES

Acronyms and Abbreviations

°	degrees
°C	degrees Celsius
3D	three-dimensional
A$	Australian dollars (AUD)
AEM	airborne electromagnetic(s)
Ag	silver
AIG	Australian Institute of Geoscientists
AIM	Alternative Investment Market
As	arsenic
Au	gold
AusIMM	Australasian Institute of Mines and Metallurgy
BAC	base acquisition cost
$BaSO_4$	barite
BDO	BDO Corporate Finance Ltd
BIF	banded iron formation
c.	circa
Co	cobalt
Cobre Projects	Perrinvale and Sandiman
Cobre	Cobre Limited
CPR	Competent Person's Report
CSA Global	CSA Global Pty Ltd
Cu	copper
DD	diamond core
DHEM	downhole electromagnetic(s)
DMIRS	Department of Mines, Industry Regulation and Safety
EMP	Environmental Management Plan
Fe	iron
g/t	grams per tonne
Ga	billion years ago
GFM	geoscientific factor method
GSWA	Geological Survey of Western Australia
ICP-MS	inductively coupled plasma-mass spectrometry
IP	induced polarisation
KCM	Khoemacau Copper Mining Company (MMG)
KCP	Kalahari Copper Project
km, km2	kilometre(s), square kilometre(s)
KML Projects	Okavango, Ngami, Kitanya West, and Kitanya East
KML	Kalahari Metals Ltd
m	metre(s)
Ma	million years ago
Mg	magnesium

MLEM	moving loop electromagnetic(s)
MMI	mobile metal ion
Mo	molybdenum
MOD	MOD Resources
Mt	million tonnes
MVT	Mississippi Valley-Type
NCP	Ngami Copper Project
OCP	Okavango Copper Project
oz	ounce(s)
Pb	lead
ppb	parts per billion
ppm	parts per million
RAB	rotary air blast
RCP	reverse circulation percussion
S	sulphur
t	tonne(s)
Toucan	Toucan Gold Pty Ltd
Triprop	Triprop Holdings (Pty) Ltd
TTP	Temporary Target Package
US$	United States dollars (USD)
VMS	volcanogenic massive sulphide
W	tungsten
XRF	x-ray fluorescence
Zn	zinc

Disclaimers

PURPOSE OF THIS DOCUMENT

This Report was prepared exclusively for BDO Corporate Finance Ltd and Cobre Ltd (the "Commissioning Entity" and "Client", respectively) by ERM Australia Consultants Pty Ltd. The quality of information, conclusions, and estimates contained in this Report are consistent with the level of the work carried out by ERM to date on the assignment, in accordance with the assignment specification agreed between ERM and the Client.

RESULTS ARE ESTIMATES AND SUBJECT TO CHANGE

The interpretations and conclusions reached in this Report are based on current scientific understanding and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty.

The ability of any person to achieve forward-looking production and economic targets is dependent on numerous factors that are beyond ERM's control and that ERM cannot anticipate. These factors include, but are not limited to, site-specific mining and geological conditions, management and personnel capabilities, availability of funding to properly operate and capitalize the operation, variations in cost elements and market conditions, developing and operating the mine in an efficient manner, unforeseen changes in legislation and new industry developments. Any of these factors may substantially alter the performance of any mining operation.

The opinions expressed in this Report have been based on the information supplied to ERM by the Client. The opinions in this Report are provided in response to a specific request from the Client to do so.

ERM has exercised appropriate care in reviewing the information supplied. Whilst ERM has compared selected key supplied data with expected values, the accuracy of the results and any conclusions derived from the review are wholly dependent on the accuracy and completeness of the supplied data.

ERM does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them.

Opinions presented in this Report apply to the site conditions and features as they existed at the time of ERM's work, and those reasonably anticipatable.

These opinions do not necessarily apply to conditions and features that may arise after the date of this Report, about which ERM had no prior knowledge nor had the opportunity to evaluate.

1. INTRODUCTION

1.1 CONTEXT, SCOPE AND TERMS OF REFERENCE

ERM Australia Consultants Pty Ltd ("ERM"), formerly CSA Global, was commissioned by BDO Corporate Finance Ltd (BDO) and Cobre Ltd (the "Commissioning Entity" and "Client", respectively), to prepare an Independent Technical Specialist's Report ("ITSR" or the "Report") on the Company's Mineral Assets to inform an Independent Expert's Report (IER) being prepared by BDO, and provide an opinion on the current fair market value of each of the mineral assets of Cobre.

Cobre is an ASX-listed resources exploration company with projects in Botswana and Western Australia. Its mineral assets include the KCP in Botswana and the Perrinvale and Sandiman Projects in Western Australia.

BDO have been engaged by Cobre to prepare an IER in relation to a proposed issuance of shares and options to Strata Investment Holdings PLC ('Strata') ('the Proposed Transaction'). BDO's IER will be included in the Notice of Meeting relating to the Proposed Transaction and will be a public document. The IER will provide an opinion to Cobre shareholders of whether the Proposed Transaction is, or is not, fair and reasonable to the shareholders.

1.2 REPORTING STANDARD AND COMPLIANCE WITH THE VALMIN AND JORC CODES

The Report has been prepared in accordance with the VALMIN Code 2015[1], which is binding upon Members of the Australian Institute of Geoscientists ("AIG") and the Australasian Institute of Mining and Metallurgy ("AusIMM"), the JORC Code[2] and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission ("ASIC") and Australian Securities Exchange ("ASX") that pertain to Independent Experts' Reports.

The Report has been prepared to the standard of, and is considered by ERM to be, a Technical Assessment and Valuation Report as defined in VALMIN Code (2015).

For the avoidance of doubt, this Report has been prepared according to:

- the 2015 edition of the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets (the "VALMIN Code")
- the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code").

The authors have taken due note of the rules and guidelines issued by such bodies as ASIC and ASX, including ASIC Regulatory Guide 111 – Content of Expert Reports, and ASIC Regulatory Guide 112 – Independence of Experts.

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1 Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets. The VALMIN Code, 2015 Edition. Prepared by the VALMIN Committee, a joint committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

2 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

A first draft of the Report was supplied to the Client to check for material errors, factual accuracy and omissions before the final report was issued.

This Report does not comment on the 'fairness and reasonableness' of any transaction between the Client and any other parties and was prepared to inform the Independent Expert in the preparation of their report.

1.3 PRINCIPAL SOURCES OF INFORMATION

The Report has been based on information available up to and including 31st May 2024. The information was provided to ERM by Cobre or has been sourced from the public domain and includes both published and unpublished technical reports prepared by consultants, and any other data relevant to the Cobre Projects. Consent was obtained where necessary.

The authors have endeavoured, by making all reasonable enquiries within the timeframe available, to confirm the authenticity and completeness of the technical data upon which the Report is based.

A site visit was made to the Botswana projects from 15 to 18 September 2020. These projects are at a pre-development stage and no Mineral Resource estimates have been prepared for any of the projects. No further site visit was made to the Cobre Projects in preparation of this Report. ERM concluded that it has sufficient knowledge of the project area and that the project stage is such that no material information would be gained by completing a site visit in this particular instance.

ERM relies on the independent solicitor's report on tenure prepared by Armstrongs (Armstrongs, 2020), and the letters of good standing issued by the Botswana Department of Mines dated 16 August 2022 with regards to the validity, ownership, and good standing of Cobre's granted project tenements in Botswana.

Tenement information on Cobre's West Australian Projects was provided by Cobre and independently confirmed by ERM via the Mineral Titles Online portal provided by the Government of Western Australia Department of Mines, Industry Regulation and Safety (DMIRS).

ERM makes no other assessment or assertion as to the legal title of the tenements and is not qualified to do so.

1.4 AUTHORS OF THE REPORT – QUALIFICATIONS, EXPERIENCE AND COMPETENCE

The Report has been prepared by the Sustainable Mining Services (SMS) group of ERM.

ERM provides multi-disciplinary services to a broad spectrum of clients across the global mining industry. Services are provided across all stages of the mining cycle from project generation to exploration, resource estimation, project evaluation, development studies, operations assistance, and corporate advice, such as valuations and independent technical documentation.

The primary author of this report ERM Partner, and service lead for the Sustainable Mining Services group Mr Graham Jeffress, BSc (Hons) *Applied Geology*, FAIG, RPGeo (Mineral Exploration), FAusIMM, FSEG, FGSA. Mr Jeffress is a geologist with over 35 years' experience in exploration geology and management in Australia, Papua New Guinea, and Indonesia. Graham has worked in exploration (ranging from grassroots reconnaissance through to brownfields, near-mine and resource definition), project evaluation and mining in a variety of geological terrains,

commodities and mineralisation styles within Australia and internationally. He is competent in multi-disciplinary exploration, and proficient at undertaking prospect evaluation and all phases of exploration – sampling, mapping, prospecting and drilling through to resource definition; as well as project management including planning, budgeting, logistics, safety, people management, landowner liaison and project presentation. Additionally, Graham has completed numerous Independent Geologist Reports, Competent Person Reports, and Independent Valuation Reports. He was a Federal Councillor of the AIG for 11 years and joined the Joint Ore Reserves Committee in 2014.

The geological aspects of the Botswana projects include work compiled and documented by Mr Michael Cronwright, Principal Consultant at CSA Global (South Africa), now ERM Oxford. Mr Cronwright has also relied on feedback from Ian McGeorge, Associate Consultant to CSA Global (South Africa) who undertook the site visit to the KML Projects in 2017. Dr Brendan Clarke, formerly Director – Africa for CSA Global, has also contributed to the documentation of the geology of the projects. The geological aspects of the Cobre Projects have been compiled and documented by Mr Michael Cronwright and Mr Trivindren Naidoo.

Trivindren Naidoo is an exploration geologist with over 20 years' experience in the minerals industry, including 14 years as a consultant, specialising in project evaluations and technical reviews as well as code-compliant reporting (JORC, VALMIN, NI 43-101 and CIMVAL) and valuation. His knowledge is broad-based, and he has wide-ranging experience in the field of mineral exploration, having managed or consulted on various projects ranging from first-pass grassroots exploration to brownfields exploration and evaluation, including the assessment of operating mines. Trivindren has the relevant qualifications, experience, competence, and independence to be considered a "Specialist" under the definitions provided in the VALMIN Code and a "Competent Person" as defined in the JORC Code.

Michael Cronwright is a geologist with 24 years of relevant industry experience gained in early-stage exploration and resource definition throughout Africa and the Middle East. Michael is a Principal Geologist at with ERM's Sustainablke Mining Services team, and is based in the Oxford office of ERM. By virtue of his education, experience and professional affiliation, Michael is a Competent Person for the reporting of Exploration Results relevant to the styles of mineralisation documented in this Report. Michael has an M.Sc. (Exploration Geology), is a registered Pr.Sci.Nat., a fellow of the Geological Society of South Africa and a member of AusIMM.

Peer review of the original report was completed by Sifiso Siwela. Sifiso Siwela is a geologist with 19 years of relevant industry experience, focusing on the evaluation of mineral projects in African and Middle East including exploration, Mineral Resource estimation, code-compliant reporting and mineral asset valuation of exploration properties. Sifiso is a Competent Person for the style of mineralisation documented in this report under the definitions of the JORC Code and is considered a Specialist under the definitions of the VALMIN Code. Sifiso is a registered Pr.Sci.Nat., a fellow and Past President of the Geological Society of South Africa (GSSA) and a member of the Southern African Institute of Mining and Metallurgy (SAIMM) and is the current Chair of SAMCODES Standards Committee.

The authorisation of this Report has been undertaken by Mr Graham Jeffress, ERM partner.

1.5 PRIOR ASSOCIATION

The Mining Transaction and Corporate Advisory section of ERM's Sustainable Mining Services team, formerly CSA Global, has previously undertaken a valuation on the KML Projects, prior to

the acquisition of the Kitlanya projects as part of a Competent Persons Report (CPR) prepared for Draganfly Investments Ltd ("Draganfly"). The valuation work carried out in that report (CSA Global, 2017) was undertaken by Trivindren Naidoo, who has supervised the valuation work documented in the current report. The CPR and valuation were undertaken independently of both KML and Draganfly, and CSA Global was paid a consulting fee in exchange for the work completed.

CSA Global was commissioned by BDO to prepare an Independent Technical Specialist Report (ITSR) and valuation of Cobre's assets, including the KML Projects and the Sandiman and Perriman Projects, in 2020, with this work updated in February 2021 and October 2021. The ITSR and valuation were undertaken independently of both KML and Cobre, and CSA Global was paid a consulting fee in exchange for the work completed. Further valuation opinions on the Botswana and WA assets were provided in August and December 2022.

1.6 INDEPENDENCE

Neither ERM, nor the authors of this Report, have or have had previously, any material or contingent interest in Cobre, Strata, or the mineral properties in which Cobre has an interest. Furthermore, neither ERM nor any of the authors of this report have any material nor contingent interest in the outcome of this Report, nor is there any pecuniary or tother interest that could reasonably be regarded as being capable of affecting our independence.

No member or employee of ERM is, or is intended to be, a director, officer, or other direct employee of Cobre.

No member or employee of ERM has, or has had, any material shareholding in Cobre.

There is no formal agreement between ERM and Cobre in relation to ERM conducting further work for Cobre.

ERM's relationship with Cobre is solely one of professional association between client and independent consultant.

1.7 FEES

ERM is an independent consultancy. This Report is prepared in return for our normal professional fees based upon agreed commercial rates, plus reimbursement of incidental expenses, and the payment of these fees is in no way contingent on the results of this Report.

The agreed fee was based on the complexity of the assignment, ERM's knowledge of the assets, and the availability of data.

The fee for the preparation of this Report is approximately A$34,000.

1.8 DECLARATIONS

The statements and opinions contained in this Report are given in good faith and in the belief that they are not false or misleading. The Report has been compiled based on information available up to and including the date of the Report.

The statements and opinions are based on the reference date of 31st May 2024, and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

In ERM's opinion, nothing material has occurred up to the date of this Report, since the valuation date to affect ERM's technical review and valuation opinion.

The Valuation Basis employed by ERM is Market, as defined by the VALMIN Code (2015) and explained in Appendix A, viz. being *"the amount of money (or the cash equivalent or some other consideration) for which a mineral asset should change hands on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing, wherein the parties each acted knowledgeably, prudently and without compulsion".*

As defined in the VALMIN Code (2015), Mineral Assets comprise all property including (but not limited to) tangible property, intellectual property, mining and exploration tenure and other rights held or acquired in connection with the exploration, development of and production from those tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals in connection with that tenure.

The opinions expressed in the Report have been based on the information supplied to ERM by Cobre. The opinions in the Report are provided in response to a specific request from Cobre to do so. ERM has exercised all due care in reviewing the supplied information. Whilst ERM has compared key supplied data with expected values, the accuracy of the results and conclusions from the review is entirely reliant on the accuracy and completeness of the supplied data. ERM does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in the Report apply to the site conditions and features, as they existed at the time of ERM's investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of the Report, about which ERM had no prior knowledge nor had the opportunity to evaluate.

ERM's valuations are based on information provided by Cobre and public domain information. This information has been supplemented by making all reasonable enquiries within the timeframe available, to confirm the authenticity and completeness of the technical data.

ERM considers that its opinion must be considered as a whole and that selecting portions of the analysis, or factors considered by it, without considering all factors and analyses together could create a misleading view of the process underlying the opinions presented in this Report. The timing and context of an independent valuation report are complex and do not lend themselves to partial analysis or selective interpretations without consideration of the entire Report.

ERM has no obligation or undertaking to advise any person of any development in relation to the mineral assets which come to its attention after the date of this Report. ERM will not review, revise or update the Report, or provide an opinion in respect of any such development occurring after the date of this Report.

No audit of any financial data has been conducted.

1.9 INDEMNITIES

As recommended by the VALMIN Code (2015), the Client has provided ERM with an indemnity under which ERM is to be compensated for any liability and/or any additional work or expenditure resulting from any additional work required:

- which results from ERM's reliance on information provided by either the Client or by the Client not providing material information; and,

- which relates to any consequential extension workload through queries, questions or public hearings arising from this Report.

1.10 CONSENT

ERM, and the authors of this Report consents to this Report being included in BDO's IER provided it is included in its entirety and considered within the context in which the ITSR is provided.

ERM provides this consent on the basis that the Report expressed in the Executive Summary and in the individual sections of this Report are considered with, and not independently of, the information set out in the complete Report.

1.11 VALUATION DATE AND EFFECTIVE DATE

The valuations discussed in the Report have been prepared at a valuation date of 31st May 2024.

All monetary amounts are expressed in Australian dollars (AUD, A$), unless otherwise stated. The final valuation is expressed in A$ terms.

The Valuation is only appropriate for this date and may change in time in response to variations in economic, market, legal or political factors, in addition to ongoing exploration results.

It is again emphasised that the values are opinions as to likely values, not absolute values, which can only be tested by going to the market.

2. KALAHARI COPPER BELT PROJECT

2.1 LOCATION AND ACCESS

The Kalahari Copper Project ("KCP") comprises a tenement portfolio over a substantial portion of the Kalahari Copper Belt in the northwest of Botswana. The KCP is divided into four sub-projects: the Okavango Copper Project (OCP), the Ngami Copper Project ("NCP"), Kitlanya East, and Kitlanya West (Figure 1).

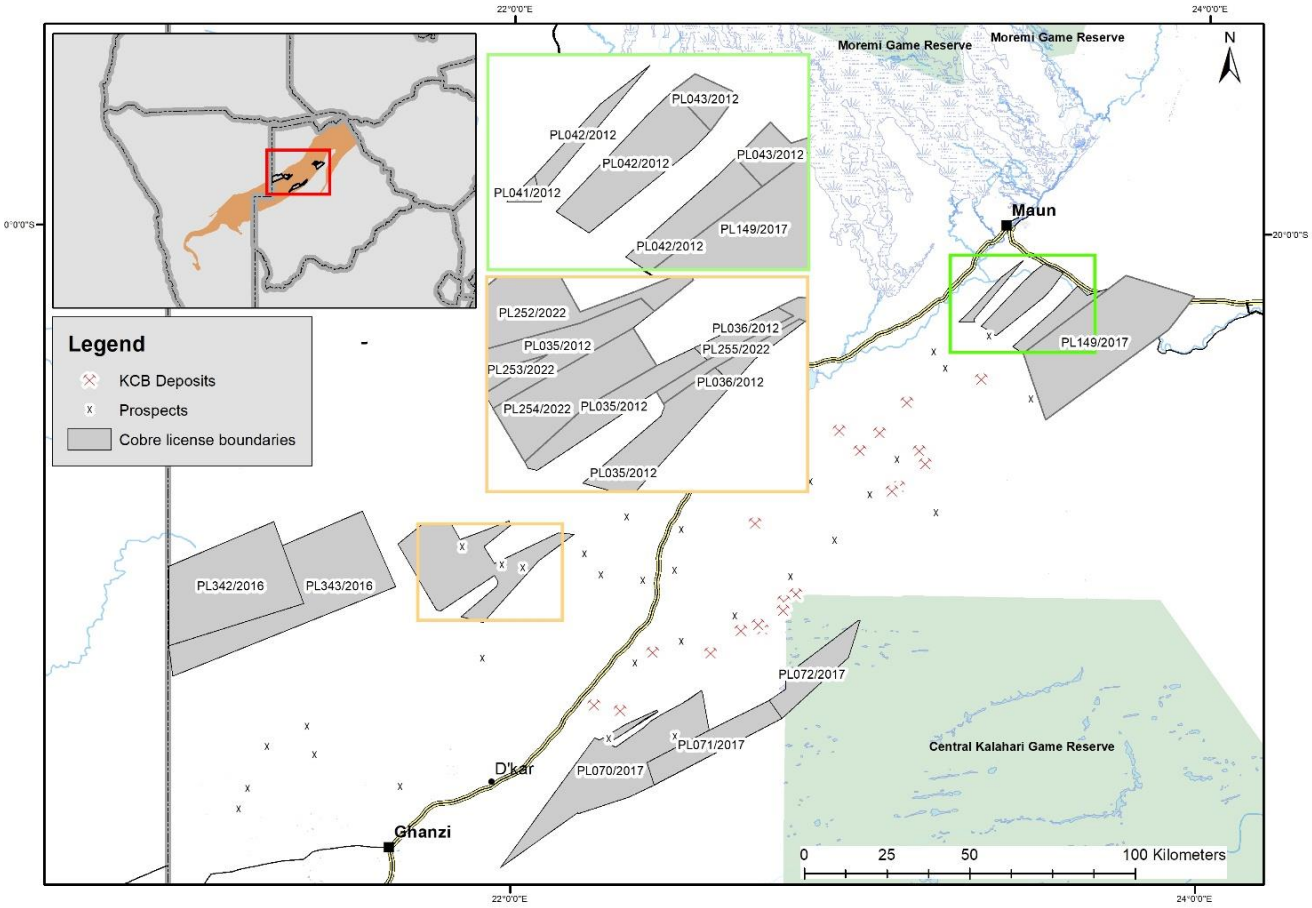


Figure 1: Location of the KCP licence areas showing local infrastructure
Source: Cobre

The OCP is located to the east of the town of Maun and is accessed via the bitumen A3 highway and various dirt tracks.

The NCP and Kitlanya West Project are located approximately 85 km north of Ghanzi and 200 km southwest of Maun. Access is via a dirt track that heads west from the A3 along the border with the northwest and Ghanzi districts. The western edge of the Kitlanya West licences is along the Botswana-Namibia border.

The Kitlanya East Project is located about 40 km east of Ghanzi and stretches for approximately 140 km to the northeast. Access is via roads and tracks heading east from D'Kar.

The KCP landholding is in the same belt as several operating copper mines, advanced and exploration-stage copper projects owned by ASX-listed Sandfire Resources Limited (previously owned by MOD Resources (MOD) in joint venture with AIM-listed Metal Tiger PLC), and Khoemacau Copper Mining/MMG.

The Neoproterozoic Kalahari Copper Belt hosts multiple known copper deposits, prospects and occurrences in Namibia and Botswana. There are over a dozen named copper projects in Botswana ranging from very early grassroots stage to mine stage. There are seven copper projects along strike of the licences under review, with stated Mineral Resources and Ore Reserves reported in accordance with international reporting codes (JORC and CIM), which include:

- MMG/Khoemacau Copper Mining:
  - Boseto Project – 177 Mt at 1.3% Cu (Mineral Resources)
  - Khoemacau Project – 93.5 Mt at 1.9% Cu and 33 g/t Ag (Mineral Resources)
  - Zone 5 Deposit – Ore Reserves of 30 Mt at 2.03% Cu and 19.5 g/t Ag and Mineral Resource of 91.7 Mt at 2.13% Cu + 21.9 g/t Ag
  - Banana Zone – 191 Mt at 0.6% Cu (Mineral Resources)
- Sandfire/MOD:
  - T3 Project – Mineral Resource comprising 53.3 Mt at 0.90% Cu and 12.7 g/t Ag (including a Probable Ore Reserve of 39.9Mt at 0.9% Cu and 12.2g/t Ag).
  - A4 Deposit – Indicated Mineral Resource of 8.9 Mt at 1.4% Cu and 22 g/t Ag and Inferred at 0.9 Mt at 1.0 % Cu and 15 g/t Ag.
  - A1 Deposit – Inferred Mineral Resource at 5.6 Mt at 1.3% Cu and 10 g/t Ag.

The northeastern licences lie along strike from Khoemacau's Zone 5, Boseto and Zeta deposits within the central basin high referred to by MOD as the "Mahumo Structural Corridor" (Figure 2) or Ghanzi Ridge, and the NCP and Kitlanya East and Kitlanya West projects along the flanks of this trend.

2.2 OWNERSHIP AND TENURE

Cobre's license holding comprises 15 prospecting licenses, (including through Cobre's 100% owned subsidiaries Kitlanya (Pty) Ltd, Kalahari Metals Ltd and Triprop Holdings Ltd), six of these licenses are subject to a 2% Net Smelter Royalty held by Strata Investment Holdings plc (formerly Metal Tiger plc) and five are held by Triprop which is now a 100% subsidiary of Cobre.

Table 3 provides a summary of the licence holdings that comprise the individual projects within the KCP.

Table 3: List of prospecting licences that constitute Cobre's KCP

Project	Holder	License	Expiry	Renewal	Licence Area (km^2)	Royalty[1]
Kitlanya East	Kitlanya Ltd	PL070/2017	30-06-24	Second	826.40	Yes
	Kitlanya Ltd	PL071/2017	30-06-24	Second	295.00	Yes
	Kitlanya Ltd	PL072/2017	30-06-24	Second	238.00	Yes
				subtotal	*1359.40*	
Kitlanya West	Kitlanya Ltd	PL342/2016	31-03-26	Extension	950.00	Yes
	Kitlanya Ltd	PL343/2016	31-03-26	Extension	995.00	Yes
				subtotal	*1945.00*	
Ngami	Triprop Holdings (Pty) Ltd	PL035/2012	30-09-24	Extension	308.90	No
	Triprop Holdings (Pty) Ltd	PL036/2012	30-09-24	Extension	49.88	No
	Kitlanya Ltd	PL252/2022	30-09-25	First	162.28	No
	Kitlanya Ltd	PL253/2022	30-09-25	First	14.20	No
	Kitlanya Ltd	PL254/2022	30-09-25	First	148.42	No
	Kitlanya Ltd	PL255/2022	30-09-25	First	41.61	No
				subtotal	*725.29*	
Okavango	Triprop Holdings (Pty) Ltd	PL041/2012	30-09-24	Extension	9.00	No
	Triprop Holdings (Pty) Ltd	PL042/2012	30-09-24	Extension	272.00	No
	Triprop Holdings (Pty) Ltd	PL043/2012	30-09-24	Extension	82.00	No
	Kalahari Metals Ltd	PL149/2017	30-09-24	Second	999.50	Yes
				subtotal	*1362.50*	
				Total	**5,392.19**	

[1] Metal Tiger 2% NSR

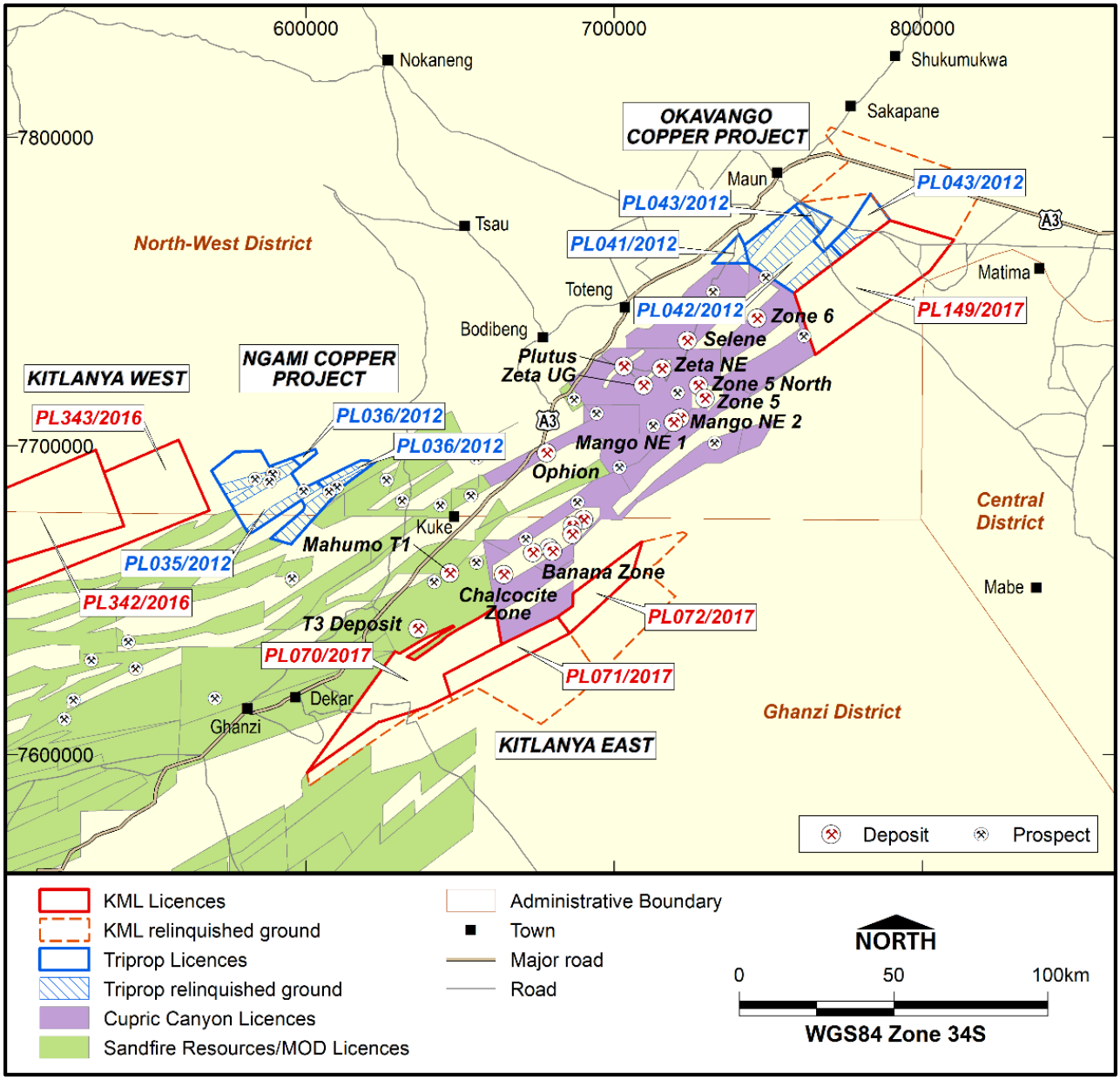


Figure 2: Location of the KCP licence areas in relation to other licence holders and deposits

ERM has not been engaged to comment on any legal matters. ERM notes that it is not qualified to make legal representations as to the ownership and legal standing of the mineral tenure that are the subject of this Report. ERM has not attempted to confirm the legal status of the tenements with respect to joint venture (JV) agreements, local heritage or potential environmental or land access restrictions.

ERM has completed a review of the subject tenure to this report to ensure Cobre holds valid title and the subject tenements are in good standing, by reviewing the online cadastre system of the Botswana Geological Institute (on Friday 31st May 2024). ERM has confirmed this to be the case.

ERM relies on the legal opinion of the legal firm Armstrongs of Gaborone (Armstrongs, 2020), provided to Cobre in the report titled *Legal Due Diligence Report concerning the proposed acquisition of Kalahari Metals Limited* dated 13 November 2020, as well as the letters of good standing issued by the Botswanan Department of Mines dated 16 August 2022.

Armstrongs (2020) states "*From our review of the documents contained in the VDR, we confirm the Target Entities are in possession of valid Prospecting Licences issued in terms of the MMA, respectively. The Prospecting Licenses are valid and still extant, and we have not identified any red flags in that regard*."

The letters from the Botswana Department of Mines dated 16 August 2022 states "*The above listed prospecting licences are active and in good standing*".

2.3 GEOLOGY AND MINERALISATION

This summary of the Geology and Mineralisation of the KML Projects is extracted from the "Competent Persons' Report, The Kalahari Copper Project" by ERM (UK) Limited is included and dated 20 November 2017.

2.3.1 REGIONAL TECTONIC CONTEXT

The Kalahari Copperbelt extends over a distance of 1,000 km from Klein Aub in Namibia to the Shinamba Hills in northern Botswana and forms part of the Neoproterozoic (Pan-African) Damara orogen (Figure 3). The Damaran belt records rifting between the Kalahari and the Congo cratons between 770 million years ago ("Ma") and 600 Ma, during the breakup of the Rodinia supercontinent, and deformation during the Pan-African Orogeny, between 550 Ma and 490 Ma. This was accompanied by folding, faulting, metamorphism (generally to greenschist facies) and granitic rock emplacement.

The Damaran belt can be broadly tectonically correlated to the northeast with the Neoproterozoic Lufilian and Zambezi belts, also developed between the Kalahari and Congo cratons.

Damaran sedimentation occurred from at least 770 Ma to 600 Ma, initiating rift sedimentation and bimodal alkaline volcanism. Subsequent sedimentation is dominated by thick turbiditic sequences as well as shelf carbonates interpreted to rim deeper basins. Calciturbidites also occur in the basins. The extensive Otavi Mountain Land shelf carbonates in Namibia were deposited on the northern margin of the Congo block. The Damaran records the same Sturtian and Marinoan glaciation events as the Lufilian at c. 750 Ma and c. 625 Ma respectively. The Damaran orogeny spans the same time period as the Lufilian orogeny from c. 550 Ma to 490 Ma and resulted in folding, faulting, and metamorphism generally at greenschist facies, and granite emplacement. The degree of deformation and metamorphism is variable along and across the belt.

2.3.2 REGIONAL MINERALISATION

The Kalahari Copperbelt has long been known as a sedimentary copper district with several small historical mines in Namibia, notably the Klein Aub mine. Mineralisation at Klein Aub has been interpreted to be syn-deformational and related to the Klein Aub fault (Maiden and Borg, 2012).

The Neoproterozoic Central African Copperbelt forms an arc-shaped belt that extends from northern Zambia into the south-eastern Democratic Republic of Congo. The Copperbelt occurs within the Lufilian Arc, a northward-directed fold-and-thrust belt that records a history of early Neoproterozoic intra-cratonic rift development followed by late Neoproterozoic collisional deformation and metamorphism.

2.3.3 GHANZI-CHOBE BELT

The lithostratigraphy of the Ghanzi-Chobe Belt can be broadly summarised as follows (from oldest to youngest):

- Kgwebe Formation – Neoproterozoic rhyolites and sub-alkaline basalts, overlain by the Ghanzi Group;
- Ghanzi Group – Neoproterozoic sediments of the Kuke, Ngwako Pan, D'Kar and Mamuno formations;
- Karoo Supergroup – Carboniferous-Jurassic cover sequences which include terrestrial and marine sediments and basaltic flood basalts and associated dykes;
- Kalahari Group Cainozoic cover sequences – typically 50–150 m thick, including terrestrial lithified sands and sediments.

Basement exposure within the Botswanan portion of the Kalahari Copperbelt is restricted to the northeast-trending "Ghanzi Ridge" which extends from the Namibian border towards Lake Ngami. Off the Ghanzi Ridge (and within the licence areas), outcrop is very limited, and as a result, most of the geology has been inferred largely from regional magnetic datasets verified by limited drillhole data.

KGWEBE FORMATION

The Kgwebe Formation includes volcanics of acid to basic composition with minor intrusives and metasediments (Schwarz *et al.*, 1995). The bulk of the outcrop is a massive to flow banded feldspar-porphyry and occasionally quartz porphyry of acid to intermediate composition. More basic volcanics and metasediments occur near the top of the formation. The metasediments include medium to fine-grained, occasionally tuffaceous, sub-arkoses with andesitic tuffs. Dates cluster around 1104–1107 Ma (Johnson *et al.*, 2005).

GHANZI GROUP

The Ghanzi Group comprises a succession of clastic and carbonate sediments deposited in fluvial to shallow marine to deep marine environments in an evolving rift-sag basin. The basal Kuke Formation is a 500 m thick sequence of cross-bedded, medium-grained quartz arenites with mudstone intraclasts. A basal conglomerate rests on the unconformable contact and contains fragments of the underlying Kgwebe Formation (Van der Heever and Arengi, 2010).

The Ngwako Pan Formation comprises a thick sequence (c. 2,500–7,300 m) of reddish and grey sandstones and subordinate siltstone and argillite with minor amygdaloidal basalt. The lower part is dominated by immature wackes deposited in a lower shoreface environment, and the upper part contains well-sorted sandstones interpreted to have been deposited in the middle to upper shoreface environments. This upper part is characterised by parallel-laminated plane-bedded sandstones together with centimetre to decimetre-scale ripple cross-laminated facies containing rip-up clasts of shale and associated graded beds. The sediments are dominated by arenite, sub-arkose and sub-litharenite interpreted to be deposited from a fluvial to tidal environment.

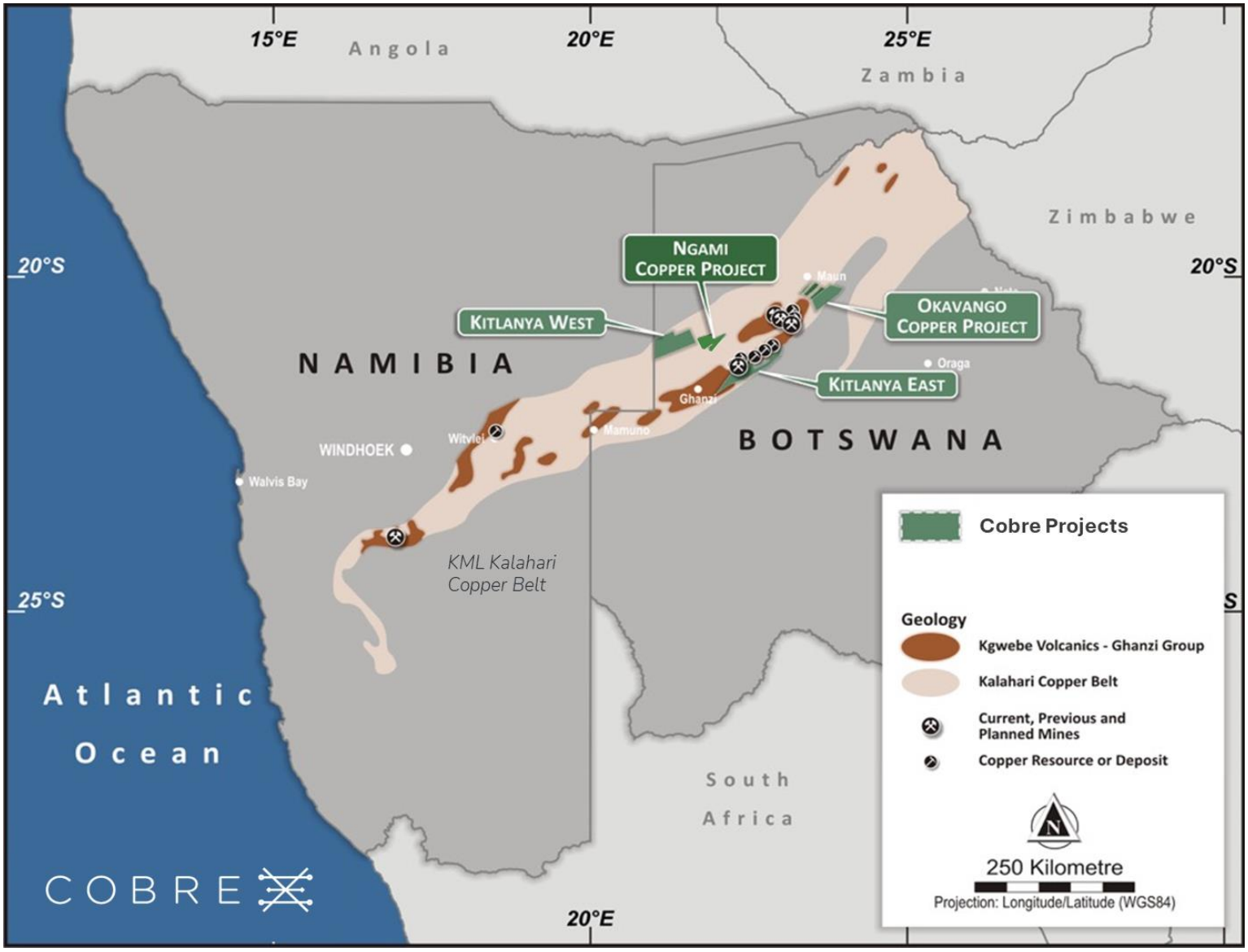


Figure 3: Distribution of Kalahari Copperbelt from Namibia through Botswana (locations of licences under review are annotated)
Source: Cobre

The overlying D'Kar Formation (approximately 1,500 m thick) is dominated by mainly parallel-laminated grey-green siltstones and mudstones with interbedded fine-grained sandstones (Modie, 1996a, 1996b, 2000). The contact with the Ngwako Pan Formation is usually sharp and conformable but demonstrates topographic variation on a major regional transgressive flooding surface. Minor thin (1–3 m thick) discontinuous limestone beds and marls occur near the base of the formation and include shallow water oolitic limestone. More strongly reduced organic-rich black shale horizons with pyrite also occur near the base of the formation.

Copper mineralisation is focused on the redox boundary at the base of the D'Kar Formation.

The overlying Mamuno Formation (c. 1,500 m) consists of red beds composed of well-sorted, fine to medium-grained arkosic sandstone, interbedded with siltstone, mudstone and limestone (Litherland, 1982; Modie, 1996a, 1996b). The interpreted depositional environment is a high-energy, near-shore environment deposited over the shelf sediments of the D'Kar Formation.

2.3.4 AGE AND DEPOSITIONAL SETTING

The Ghanzi Group represents a transgressive sequence, with basal immature oxidised red beds of the Kuke and Ngwako Pan Formations overlain by reduced shallow to deep marine sequences of the D'kar Formation. Substantial thickness variation of the rift-stage Ngwako Pan Formation from 1 to 3.5km thick (Schwarz *et al.*, 2005) suggests fault-controlled rift-stage deposition. Strong lateral continuity in lithology and thickness is illustrated in aeromagnetic patterns of the reduced D'Kar Formation, supporting deposition in a relatively quiescent sag-stage tectonic setting without active faulting or rifting. The Mamuno Formation may represent late sag phase basin filling and regression.

There is no definitive age for the Ghanzi Group, but correlation has been suggested with the Kamtsas Formation of the Nosib Group in Namibia, below the c. 750 Ma Sturtian diamictite which occurs at the top of the Nosib Group (Schwarz *et al.*, 1995). This would imply a similar setting and age to the Roan Group of the Katangan System of Zambia and the Democratic Republic of the Congo (DRC) which occurs beneath the Sturtian diamictites. This is compatible with the correlation of the D'Kar Formation basal limestones with the Bitter Springs carbon isotope excursion at c. 800 Ma reported by Scott (2011).

2.3.5 STRUCTURE AND METAMORPHISM

Aeromagnetic data is strongly dominated by northeast-trending rift-parallel structure but orthogonal basin-normal northwest-oriented faults are also evident. The most prominent northwest orientation is the Karoo dyke swarms which represent the stress field during Permian magmatism but may also follow pre-existing structural trends.

The sedimentary sequences were deformed during the Damaran Orogeny (c. 530–495 Ma) resulting in folding, faulting and lower greenschist facies metamorphism, mainly during the predominant D1 deformation event.

D1 deformation is characterised by regional, northwest-oriented sub-horizontal shortening, leading to regional northeast-trending F1 open to recumbent folding and reverse faults. The large-scale folds verge to the northwest, with steep northwest limbs that may be partly thrust out and shallower-dipping southwest limbs.

Aeromagnetic data highlight fold geometry with parasitic F1 folds on first-order closures and an overall elongate dome-and-basin pattern. These fold patterns could represent non-coaxial folding in a single event, partly controlled by basin and basement architecture, rather than a later open D2 re-folding.

Folding is associated with an S1 fabric of variable intensity or a bedding-parallel S0/1 shear fabric in fold limbs reflecting flexural slip during folding. Pelitic sediments are characterised by phyllosilicate growth during fabric formation defined by chlorite and muscovite but without biotite. Fabric varies from penetrative to crenulation cleavage.

Strain partitioning reflects ductility contrasts, with deformation concentrated in the basal D'Kar Formation against the more competent Ngwako Pan Formation and Kgwebe Group. D1 deformation has folded a mechanically heterogeneous stratigraphic sequence with alternating competent (sandstones and limestones) and less competent units (carbonaceous and partly calcareous siltstones, and mudstones). This resulted in cleavage refraction and flexural slip shearing along less competent horizons. S1 fabric in rock units of higher competency has a steeper dip to bedding.

2.3.6 MINERALISATION

Copper (and associated silver) mineralisation within the Kalahari Copperbelt in Botswana is hosted by the Ghanzi Group. The majority of mineralisation is hosted in the D'Kar Formation at or above the redox front with the Ngwako Pan Formation. Mineralisation occurs over hundreds of linear kilometres of this stratigraphic position, wrapping around the large-scale F1 closures.

Whilst stratabound, mineralisation is commonly hosted in steep structural zones along or above the contact, especially in the steep limbs of F1 folds, and includes substantial shear and vein-hosted mineralisation.

Copper mineralisation commonly shows hypogene zonation from chalcocite to bornite to chalcopyrite and pyrite, typical of sedimentary copper systems. There is also lateral and vertical zonation to low-grade zinc and lead mineralisation. Where disseminated and stratabound, sulphides are often oriented in the S1 fabric.

Key features of mineralisation include:

Mineralisation is stratabound on a regional scale close to the Ngwako Pan–D'Kar redox front, largely within 30 m above the Ngwako Pan contact.

The basinal and stratigraphic setting is typical for sediment-hosted copper, though without clear evidence for evaporites.

Mineralisation, albeit often low-grade, is very extensive over hundreds of linear kilometres in this stratigraphic interval and wraps around the complex F1 regional and parasitic folds.

All known economic mineralisation to date occurs along the Ghanzi Ridge, characterised by outcrop of Kgwebe Group basement in a regional antiform core, or its southwest extension under cover.

Mineralisation ranging from low-grade to economic grade occurs in shallow less deformed and steep highly deformed fold limbs and fold crests.

Mineralisation occurs in a range of styles including disseminated, within early permeability, within early folded veins, aligned in S1, within D1 shear/vein zones sub-parallel to bedding, and within later brittle veins and faults. All styles are stratabound in basal D'Kar Formation.

Although much mineralisation is hosted in veins within shear zones, the grade and thickness of mineralisation are not directly related to the intensity of deformation.

Mineralisation commonly occurs in calcareous lithologies (calcareous mudstone to argillaceous limestone) beneath carbonaceous mudstone.

Mineralisation shows vertical decametre-scale zonation and lateral kilometre-scale zonation, chemically and mineralogically, as is typical of sedimentary copper systems. The zonation of disseminated mineralisation is directly mimicked by the zonation of vein mineralisation.

Possible models for mineralisation include:

- Early diagenetic mineralisation before major compaction was completed (Schwarz *et al.*, 1995).
- Late diagenetic mineralisation accompanying basin inversion but prior to penetrative D1 deformation and associated lower greenschist facies metamorphism; there are two alternative subsequent scenarios for D1 modification of mineralisation:
    - Substantial textural modification during D1 with local remobilisation into veins, but no large-scale remobilisation and reconcentration or introduction of metal.
    - Large-scale remobilisation and reconcentration of mineralisation during D1, amounting to the introduction of metal at a deposit scale.
- An entirely syn-D1 event with no earlier mineralisation.

Determining the correct model has implications for targeting based on lithostratigraphy and basin structure as opposed to being based largely on D1 structure.

Geerdts and Reynolds (2012) proposed a targeting model incorporating early D1 deformation and lithostratigraphic controls (Figure 4). The Ngwako Pan Formation provides a source for oxidised brines and copper, with additional potential to derive copper from the Kgwebe Group volcanic basement. The host lower D'Kar Formation is characterised by moderately reduced shallow water mixed carbonate and clastic sediments which provide a redox contrast. The contact with the Ngwako Pan is often structural, but locally conformable or slightly disconformable.

The inherent permeability contrast between a coarse-grained sandstone aquifer and a muddy and silty sediment sequence provides an aquiclude at this contact, whilst the concentration of deformation on this contact due to ductility contrasts provides a structural focus for fluid flow. This geological framework has provided an environment where regional scale sedimentary copper mineralisation has formed. The key question concerns control of high-grade and thick mineralisation of economic significance within the system.

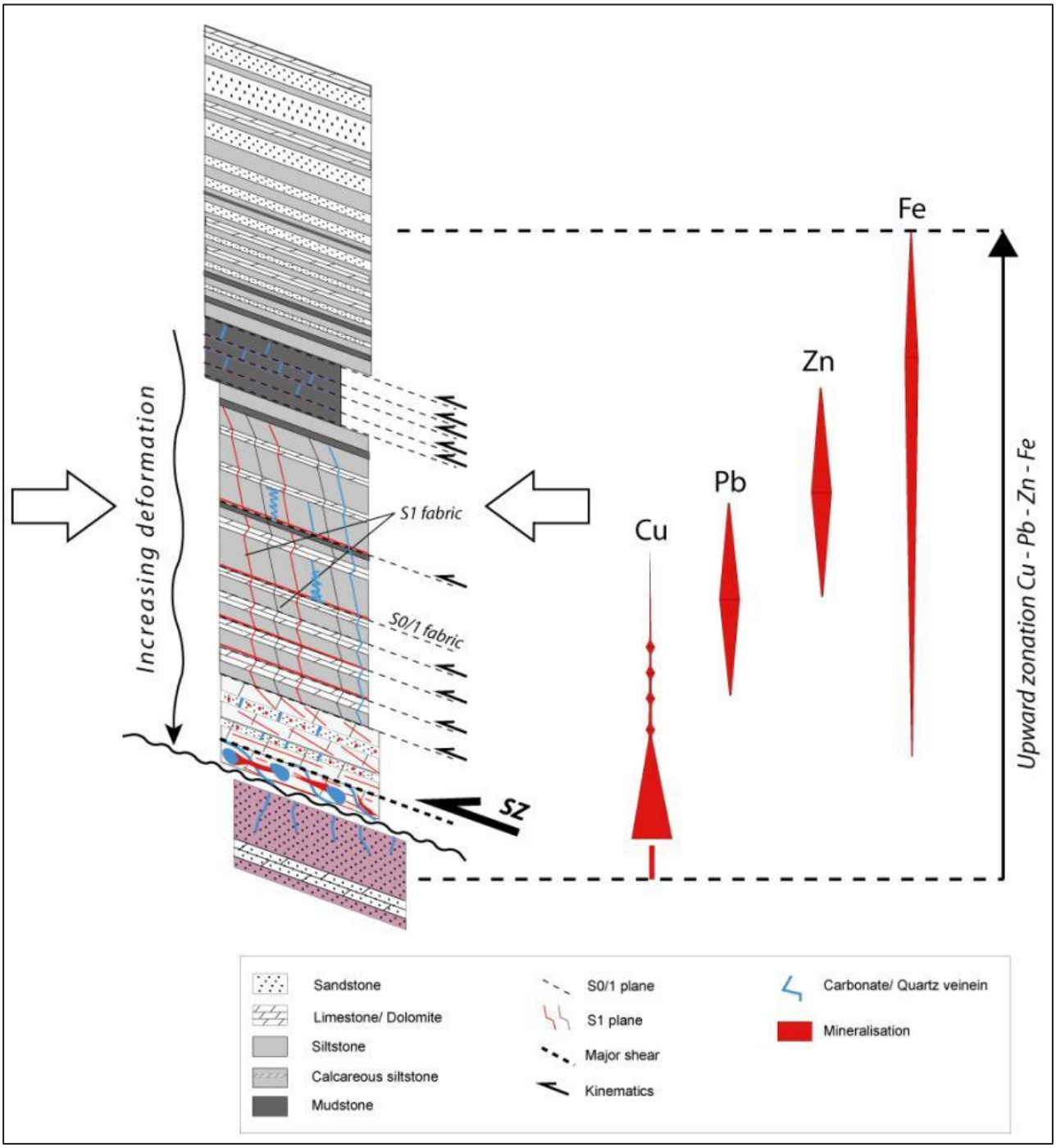


Figure 4: Cartoon summarising features of mineralisation in the Calcareous Unit in the lower part of the D'Kar Formation

Source: Geerdts and Reynolds, 2012

The metal and mineral zoning indicates that fluids flowed both laterally and vertically. The stratabound mineralisation indicates lateral fluid flow in favourable horizons, the stratabound veining indicates structural focus and seismic pumping forming ribbon veins. This event was probably triggered by the onset of D1 with at least some mineralisation occurring prior to large-scale F1 folding, considering the lateral extent of mineralisation in different structural settings around regional folds. Empirically, the association of mineralisation with the Ghanzi Ridge suggests fluid focus towards a basin palaeo-high as is common in all kinds of basin-hosted mineralising systems.

2.4 KAROO SUPERGROUP

The Permian Karoo Supergroup comprises undeformed sediments and coal-bearing formations, culminating with the Stormberg basaltic lavas. In northwest Botswana, the Karoo consists of sandstones and conglomerates, carbonaceous shales, basalts and dolerite dykes. The basal sediments contain boulders and pebbles of the Kgwebe Formation and Ghanzi Group. Overlying this is a succession of interbedded siltstones (generally pinkish cream) and red to purple mudstones.

In the Ghanzi-Chobe Belt, the Karoo Supergroup occurs in late-stage grabens situated towards the northwest of the licence area and is not believed to be present on the licences under review, though intrusive dolerites are extensive in the northeast licence block.

2.5 KALAHARI GROUP

The Kalahari Formation refers to a complex lithological unit of sands, calcrete, silcrete and river, or pan sediment of post-Cretaceous age. These beds obscure much of the outcrop in the area and can vary in thickness up from a few metres to 60 m. Haddon and McCarthy (2005) estimate thickness to be <50 m for the western licences and potentially 50–150 m in the northeast licence block (Figure 5).

Scout drilling results on the western licences indicate the significant lateral variability of the thickness of the Kalahari sequences (Figure 5).

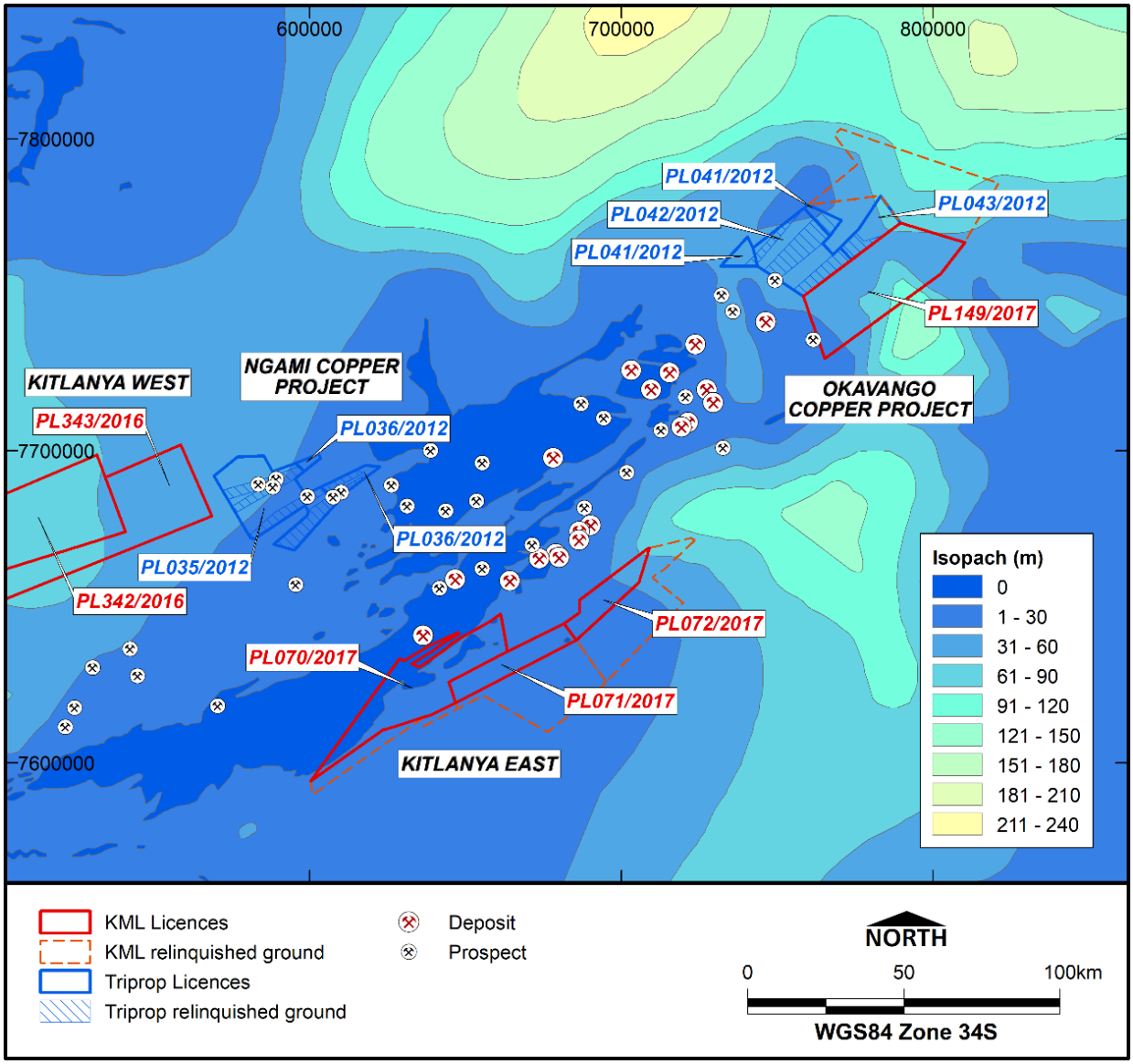


Figure 5: Interpreted Kalahari cover thickness showing the licences under review showing known copper occurrences in areas of shallow or absent cover

Source: Haddon & McCarthy (2005)

2.6 PROJECT GEOLOGY

The licences under review are located along a portion of the Ghanzi-Chobe Belt that is obscured by Quaternary sands and Kalahari Group cover. The project geology has been interpreted from geophysical data (magnetics, airborne EM and gravity), extensive RC percussion and core drilling, and public domain data from exploration completed along strike. The inferred basement geology consists of D'Kar and Ngwako formations (Figure 6).

A prominent swarm of intrusive dolerite dykes strikes west-northwest across the northeast licence block. These dykes are very prominent in magnetic data.

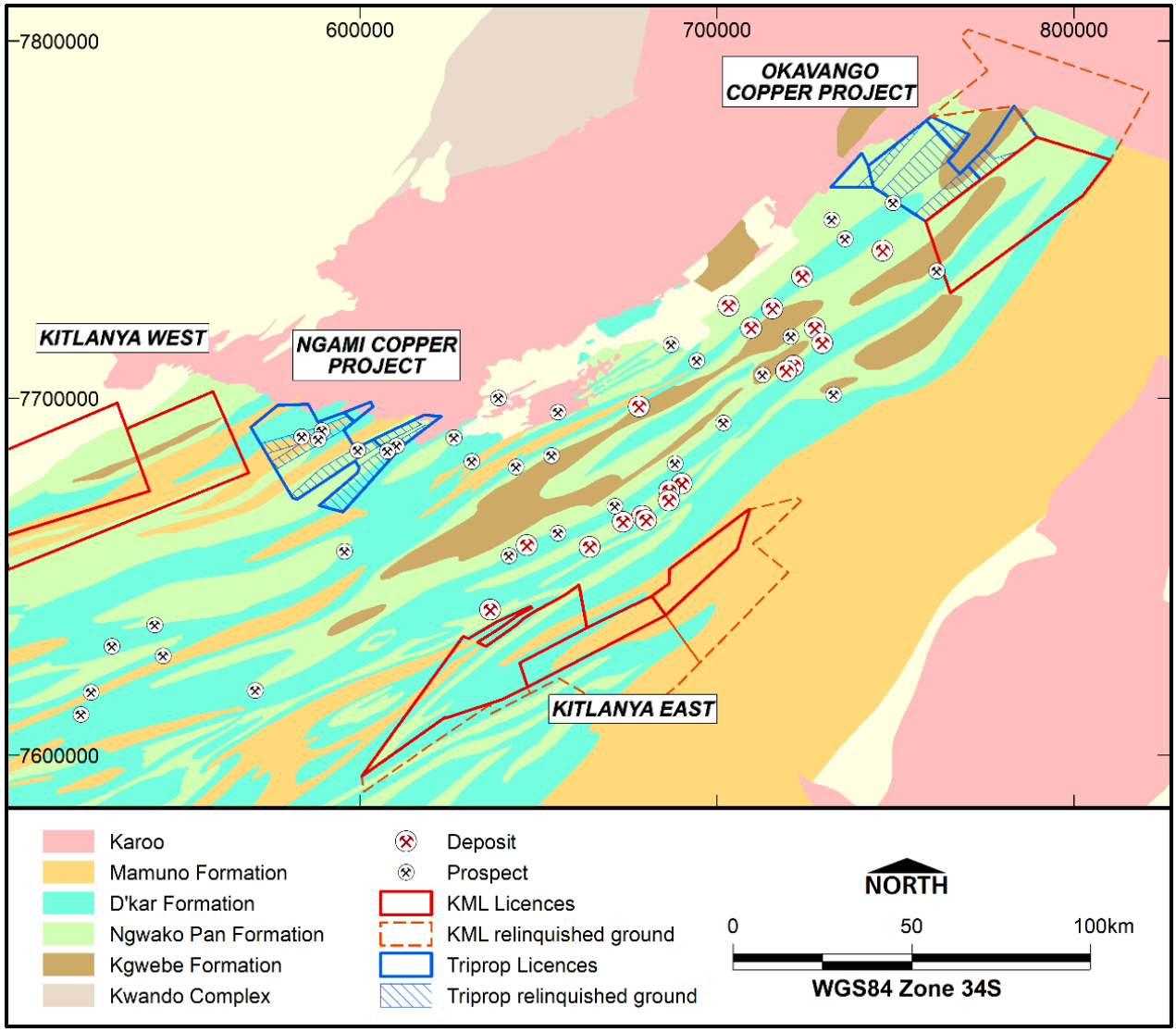


Figure 6: Project-scale geology interpreted by KML from aeromagnetic data showing the licences under review, also showing known copper deposits and occurrences

2.7 WORK COMPLETED ON THE LICENCE AREAS

2.7.1 CONTEXT

Exploration in the Kalahari Copperbelt has largely been under cover and has been typically driven by a combination of geochemistry and geophysics. Geochemistry has been effective where cover is thin and can also be effective under deeper regolith cover, for example the T3 discovery by Sandfire underneath a 28 ppm Cu anomaly. Airborne and ground magnetics and electromagnetics ("EM") can support detailed geological interpretation providing a targeting framework.

Induced polarisation ("IP") surveys have been an effective method for direct detection of mineralisation but need to be focused on priority areas identified by other geophysical methods or geochemistry. This is then usually followed up by drill testing of the targets.

Improved understanding of geological controls (structural and lithostratigraphic) at the trend to deposit scale can focus targeting and understanding of zonation of alteration and mineralisation within systems can provide important vectors to thicker and higher-grade mineralisation.

The T3 discovery has been significant in highlighting the potential for thick mineralisation in domal fold closures as opposed to more strongly deformed fold limbs.

2.7.2 OVERVIEW

The work completed to date has included re-interpretation of historical geophysical data, acquisition of new airborne and ground electromagnetic, magnetic and radiometric data, geochemical soil sampling, prospectivity assessment, target generation and scout drilling. The scout drilling has been focused on targets within the OCP, Kitlanya East, Kitlanya West and NCP. More recent work from 2021 has included both core and reverse circulation drilling of targets on all of the projects.

An extensive exploration programme has been completed on the four projects that constitute the KCP, and is summarised in Table 4 below and a more detailed summary is provided in Sections 2.8 through to 2.11.

Table 4: Summary of work conducted to date on the four projects within the KCP (prepared by Cobre for this report)

Project	Completed	Programme	Discission
Ngami	2014	13500km high-res mag	Magnetic data provides primary dataset for identification of mineralised redox contact
	2019	1995 km AEM	In this area AEM was largely dominated by the artefacts in the overburden which created red herring targets
	2024	2000 km AGG	The value from this dataset has not been fully realised at this stage - clear basin and margin identified with possible grav highs related to alteration along the contact
	2014	11356 soils	Soil sample anomalies provided the base data for the first high-grade copper intersections on the property although they are limited by the cover thickness
	2014-2024	Geology	Lead to the identification of the contact and successful consistent drill testing of mineralisation on the project
	2023	5600 TerraLeach samples	These appear to provide value in the area surrounding Comet although there is still ambiguity given the cover thickness
	2015	1100m RC drilling	Results were used to pilot the initial core drill holes which intersected target
	2019	1100m core drilling	2019 drill programme targeting fold hinge targets using the AEM proven largely unsuccessful - the last hole has identified the redox contact in the anticline to the north of the main South Anticline which could prove useful in future
	2014, 2022, 2023	13900m core drilling	These core drill holes were used to define an exploration target of between 103 and 166Mt @ ~0.38 to 0.46% Cu +- 32 Moz Ag
	2023	Geological modelling	Results were used to model the exploration target and provide guidelines for follow-up resource drilling
	2023 - current	Hydrogeological studies	Results were used to demonstrate the viability of an *In situ* copper recovery (ISR) process which provides the foundation for the Exploration Target
	2022 - current	Pump testing	Results are part of a hydrogeological study which demonstrates that fluid can be injected and recovered into the mineralised fracture system
Okavango	Historical	Historical New Hana drilling	Holes abandoned in Kalahari – largely targeted off Terraleach TL1 data.
		Historical New Hana soil sampling	Generally, appear to be off the correct target position and confirmed in later drilling (i.e. missed correct contact).
		Historical high-resolution magnetic blocks	Relatively small – not necessarily in priority areas (bit off target).
	2019	16700km high-res mag	Magnetic data provides primary dataset for identification of mineralised redox contact
	2019	2369km AEM	AEM has proven very useful on this project effectively mapping marker units above the contact - lead to a re-interpretation of the redox contact position which was proven with drilling

Project	Completed	Programme	Discission
	2019	1656m drilling	Mixed results from this programme - of the 6-hole programme only the last hole intersected elevated to anomalous Cu mineralisation on the contact. The programme successfully intersected contact proving the effectiveness of the targeting and providing a blueprint for follow-up drilling
	2024	ongoing core drilling	Ongoing drilling targeting along strike extensions to mineralisation following the 2019 methodology - any intersections here have strategic value given proximity to MMG
KIT East	Historical	Detailed magnetic data collected by New Hana	Data re-interpreted with different strat model to New Hana – consider targets immediately south of T3 and several potential anticline hinge targets.
		New Hana soils – all Terraleach results	Copper anomalies associated with targets in northern portion of licence, support the idea that New Hana interpreted NPF-DKF contacts were incorrectly positioned.
		New Hana core and RC drilling	Drilling appears to further re-affirm current re-interpretation, New Hana targeting limb mineralisation – we see potential in hinge zone and trap site setting. The relogging together with the 2020 AEM date has served to support geological interpretations of an anticlinal target, with the most prospective (oldest) stratigraphy in the central part of the fold.
	2020	1880 km high-res mag	Focused magnetic data on southern target which proved to have thick cover
	2020	1640km AEM	AEM over the northern (Endurance Target) anticline appears to delineate lower D'Kar stratigraphy and provides valuable information on structure - the southern target (Perseverance) proved to be too high up in the strat
	2024	3400 km AGG	The value of this dataset has not been fully realised but it appears to highlight sub-basins and targets in Endurance - could be very valuable
	2020 - 2021	6267 soils	Soils identified consistent Cu anomalies over Endurance highlighting the prospectivity over this target - results over Perseverance were ambiguous not surprisingly given the position in strat
	2021	1500 m core drilling	Drilled into Perseverance proving the Strat was incorrect
	2021	3575 m core drilling	Drilled into Endurance proving the strat was correct and the potential existed for further discoveries immediately south of T3
	2021	1701m RC drilling	Drilled into Endurance proving the strat was correct and the potential existed for further discoveries immediately south of T3
	2020 - 2022	geology	Numerous interpretations supporting the concept that the area to the south of T3 (Endurance) shares similar strat to T3 area
KIT West	Historical	BHP GeoTEM	400m spaced AEM; identified folded targets (A4/T3 analogues), weak conductors on interpreted DKF-NPF contact
	2020	10,000 km mag and grav	Magnetic data provides essential tool for interpretation and target generation, gravity data highlighted potential for target sub-basins
	2020	847 km AEM	Provides useful means for mapping cover - AEM anomalies were red herrings and drill tested in 2021
	2024	3300km AGG	Very compelling dataset identifies several target fold hinges for follow-up as well as basin geometry

Project	Completed	Programme	Discission
	2022 and 2023	17300 soils	Several anomalies identified highlights copper potential in this license
	2023	12,000m RC drilling	Programme designed to test for copper anomalies at the base of the Kalahari / upper few metres of bedrock = results identify several copper anomalies up to 1500 ppm Cu and delineate compelling targets for follow-up = combined results above used for BHP XPlor programme motivation and subsequent award
	2021	650m core drilling	This programme tested the AEM anomalies as being related to red herrings
	2024	Low detection sampling of RC results	Results have just been received and will be interpreted by Goldspot

2.8 NGAMI COPPER PROJECT

The NCP originally comprised two licences, PL035/2012 and PL036/2012, held by Triprop (Table 3). But following tenement changes due to term expiry and re-applications, the same footprint is now held under six PLs.

The licences are situated on the western edge of the Ghanzi Belt (Figure 1) where the Kalahari cover is >30 m thick and thickening to the west (Figure 5). To the northeast of the project area, the Ghanzi Group is covered by Karoo sediments (Figure 6).

The NCP area is located near the northern margin of the Kalahari Copper Belt (KCB) and includes significant strike of sub-cropping Ngwako Pan / D'Kar Formation contact on which the majority of the known deposits in the KCB occur. The Project is located immediately east of the Kitlanya West (KITW) licenses collectively covering a significant portion of prospective KCB stratigraphy. In terms of regional potential, the greater license package includes:

- Over 500 km of estimated Ngwako Pan / D'Kar Formation contact with several prospective targets located in the KITW and NCP properties.
- Strategic location near the basin margin typically prioritised for sedimentary-hosted copper deposits.
- Outcropping Kgwebe Formation often considered a key vector for deposits in the northeast of the KCB.
- Well-defined gravity low anomalies indicative of sub-basin architecture or structural thickening (several deposits in the KCB are hosted on the margins of gravity lows).
- Relatively shallow Kalahari Group cover (between 0m and ~90 m thick); and
- Numerous soil sample anomalies identified on regional sample traverses.

The Company is targeting analogues to the copper deposits in Khoemacau's Zone 5 development in the northeastern portion of the KCB. In addition, a number of doubly plunging anticlines have been identified offering potential trap sites for analogous deposits to Sandfire's T3 and A4 deposits.

The initial exploration conducted by Triprop from 2012 to 2014 included the collection of high-resolution airborne magnetic data, extensive soil sampling analysed mostly by portable x-ray fluorescence (XRF) which provided inconclusive results, and a 2,000 m, 20-hole, core drill program (Figure 7).

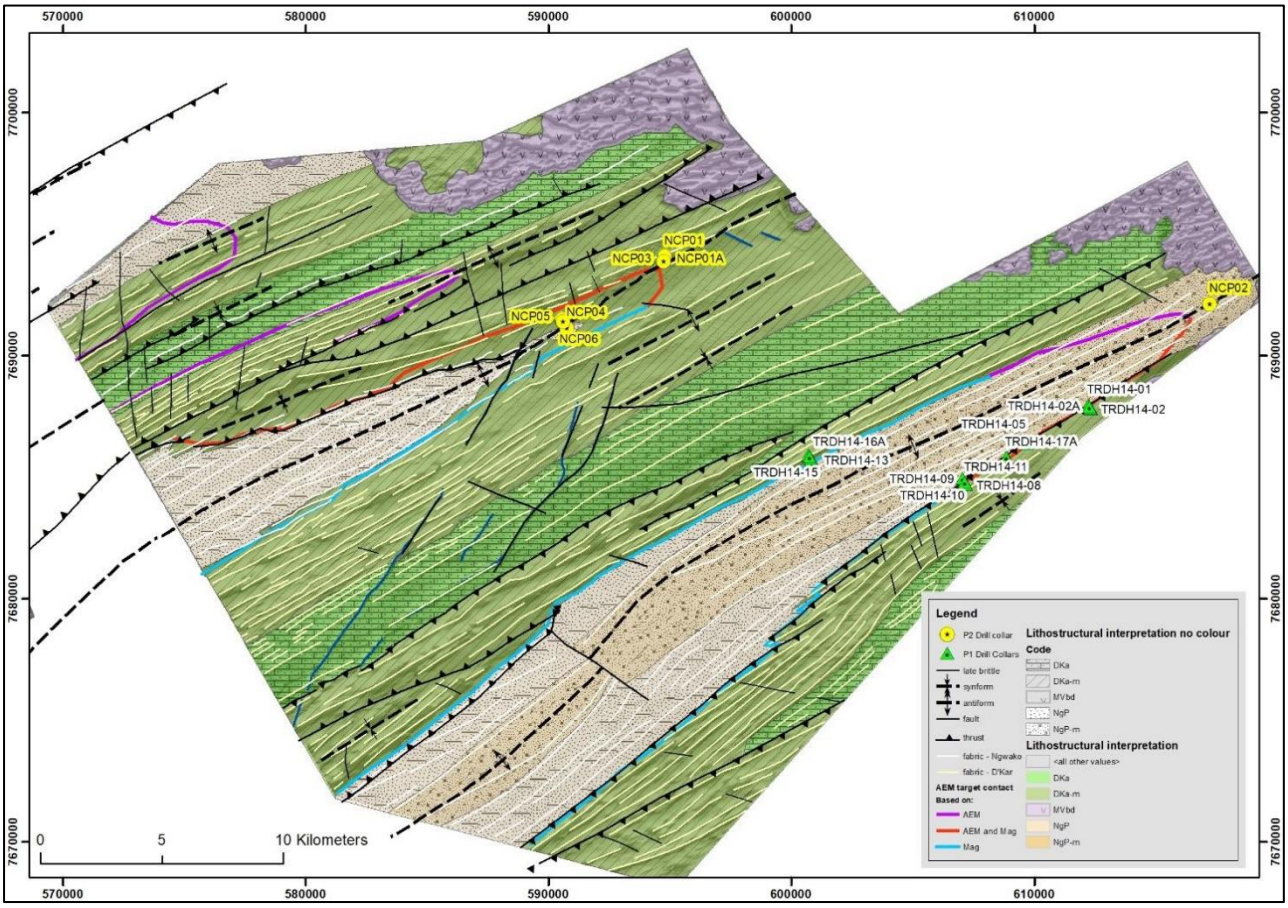


Figure 7: Interpreted geological map derived from the high-resolution magnetic data showing the 20 holes drilled by Triprop and first drill campaign undertaken by KML

Source: Wooldridge and Krebs, 2020b

The drilling successfully identified copper mineralisation (Table 4) with drill intercepts of 2 m @ 1.8% Cu and 8 g/t Ag and 5.2 m @ 0.67% Cu (Figure 8) (Wooldridge and Krebs, 2020b). Re-assaying of some of the soil samples by the Company using partial method, TerraLeach™ provided better resolution over some of the previously identified anomalies.

Early work undertaken by KML included acquisition of regional and high-resolution AEM and high-resolution aeromagnetic surveys to assist with the geological interpretation and target generation within the project areaFigure 7.

The drilling has confirmed the thickness of the Kalahari cover to be rather variable ranging from 60 m to 120 m. The success of the Company's first 2019 drill programme was limited with the target D'Kar-Ngwako Pan contact and copper-silver mineralisation only intersected in NCP06.

Following the drilling, the AEM and magnetic data were re-evaluated, and the Company confirmed the presence of the Kalahari/late Karoo conductor following the palaeotopography and not the target D'Kar-Ngwako Pan contact. It was also found that the magnetic data provided better resolution of the D'Kar-Ngwako Pan contact and allowed the Company to identify a number of potential targets for follow-up drilling (Figure 8).

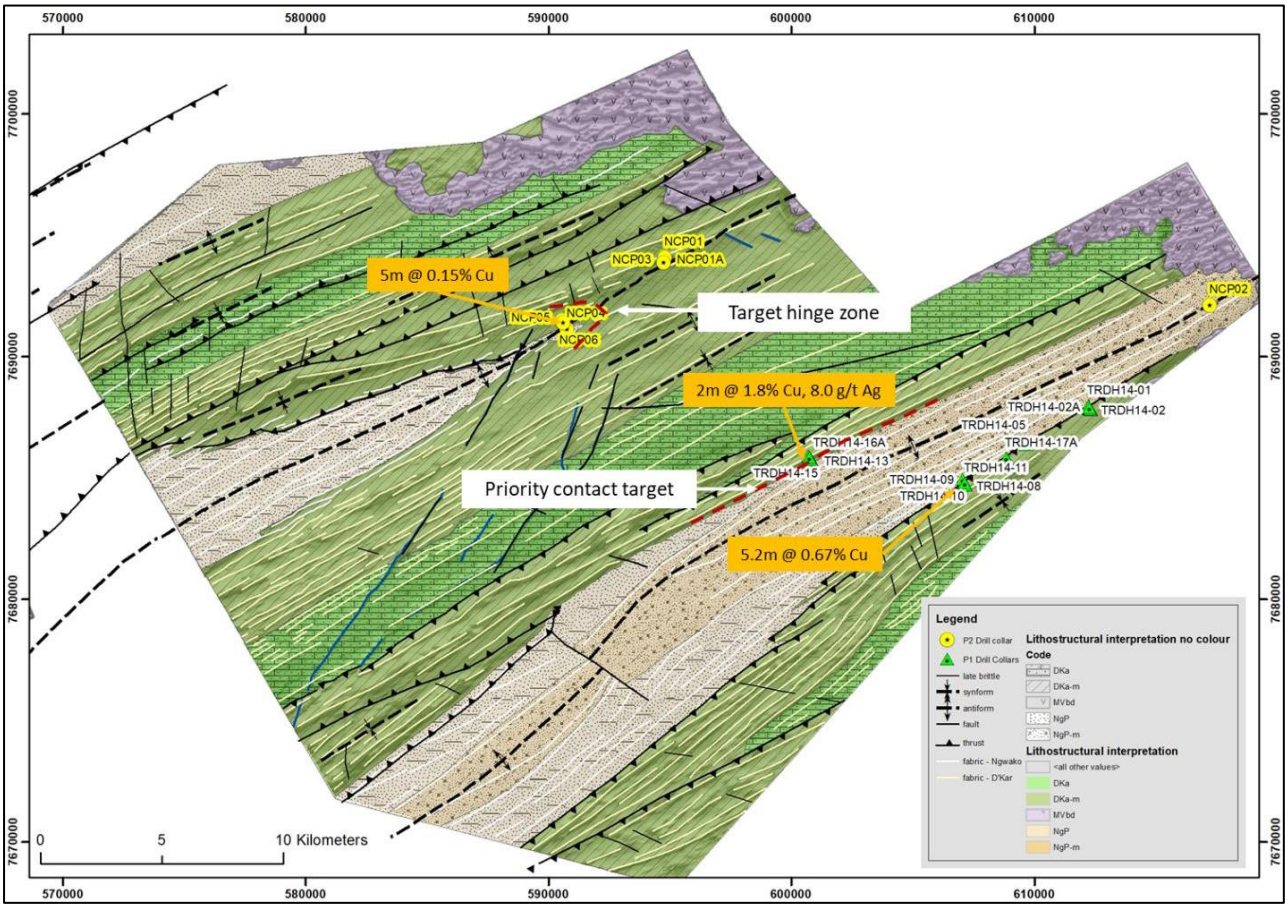


Figure 8: Summary of the phase 1 (Triprop) and phase 2 (Cobre) drilling results and targets identified for follow-up work

Source: Wooldridge and Krebs, 2020b

The Company has embarked on a second phase of core drilling at the NCP in 2022, consisting of four 1km-spaced step out core drill holes totalling 1,150m (Figure 22). Each of the core drill holes (NCP07, NCP08, NCP09 and NCP10) intersected chalcocite mineralisation at the newly named Comet target with assays results confirming significant copper and silver mineralisation over a strike length of more than 4km.

Follow-on drilling at NCP11-B and NCP12 further confirmed vertical and lateral continuity of mineralisation in the vicinity of NCP08, with NCP13 and NCP14 demonstrating that notable chalcocite mineralisation occurs throughout the length of the target;

On the 9th of August 2022, Cobre announced the commencement of an infill core drilling program at the Ngami Copper Project, which was undertaken in two stages:

- 2,400m core drilling programme to infill the existing 1 km-spaced intersections at a 500 m spacing, along with selected step-out holes to establish vertical continuity of mineralisation.
- Further 4,800m of target drilling.

The Company also sent a selection of ≈5,300 historical soil samples collected over the remainder of the NCP licences for TerraLeach™ analysis, following the effectiveness of this technique in delineating soil anomalies associated with the drill confirmed mineralisation at NCP.

Mineralisation at NCP is sedimentary-hosted, structurally controlled, copper-silver associated with the redox contact between oxidised Ngwako Pan Formation red beds and overlying reduced marine sedimentary rocks of the D'Kar Formation on the limbs of anticlinal structures. Drilling

has focused on the southern anticlinal structure which extends for over 40km across the NCP with evidence for anomalous copper-silver mineralisation on both northern and southern limbs.

2.8.1 Drilling Highlights

The drill program at NCP has been designed to intersect sedimentary-hosted, structurally controlled, Cu-Ag mineralisation associated with the redox contact between oxidised Ngwako Pan Formation red beds and overlying reduced marine sedimentary rocks of the D'Kar Formation on the limbs of anticlinal structures. The recently completed core drill programme has focused on testing several targets located on the steeply dipping limbs of a large anticline as well as providing further infill drilling on the more advanced Comet target. Results have highlighted the lateral continuity of anomalous mineralisation which occurs over several 10s of kilometres of strike on both northern and southern limbs of the anticline.

The Company summarised the results of substantial drilling programmes at NCP in an ASX release dated 6th May 2024.

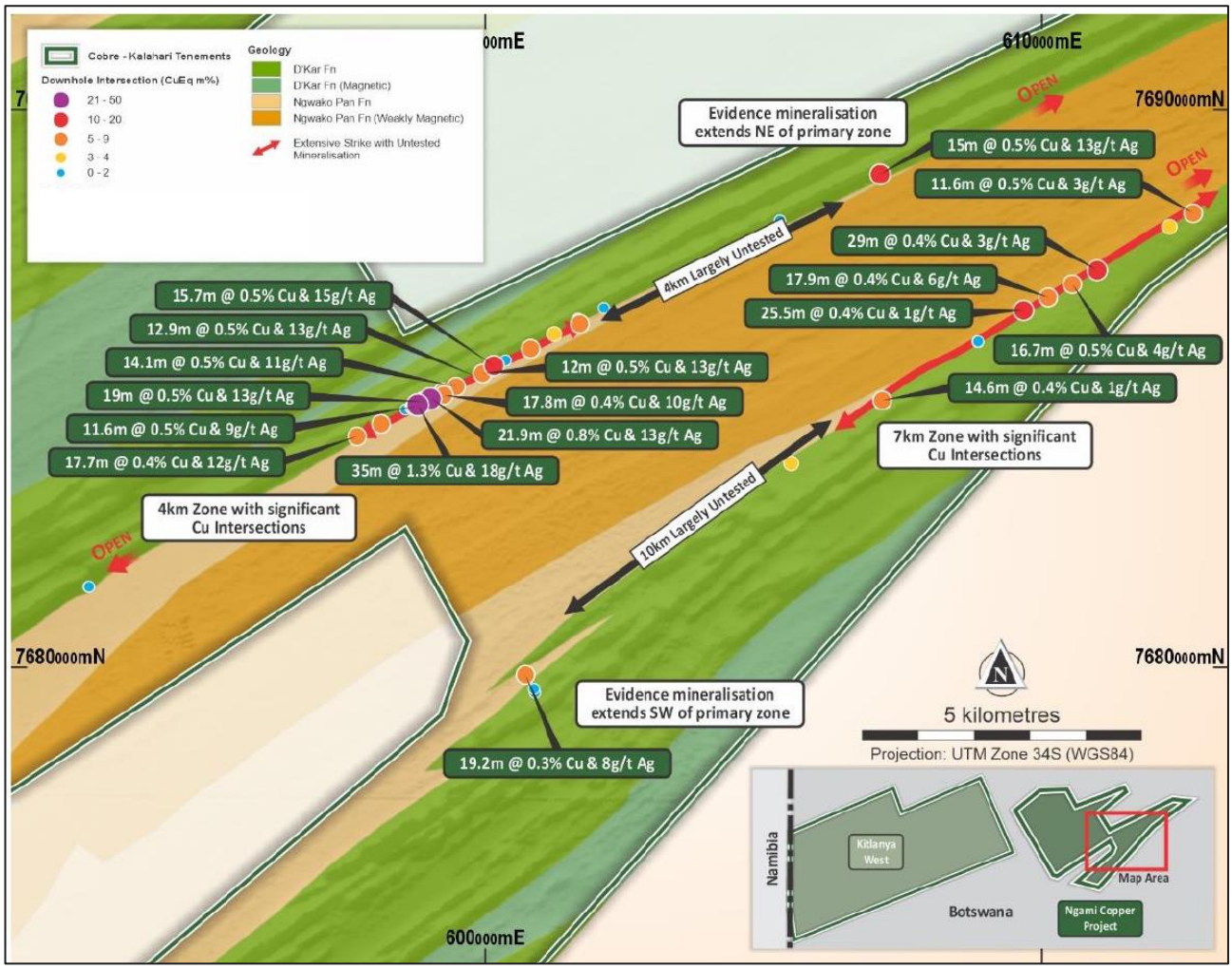


Figure 9: Overview of tenor of copper mineralisation intersected in drilling at NCP.
Source: Cobre

2.8.2 Results of Airborne Gravity Gradiometry Surveys

During the second half of 2023, an extensive AGG survey was flown in collaboration with Sandfire Resources, over Cobre's Kitlanya West (KITW), Kitlanya East (KITE) and NCP (ASX release 29/1/2A total of 8,788km of AGG data was collected over Cobre's KITW, KITE and NCP projects by XCallibur.

Multiphysics using the Falcon Plus system on a traverse line spacing of 500 m. The gravity and tensor products were filtered using a variety of products to highlight both, deep basin-controlling features, and shallow targets. A full 3D unconstrained inversion was undertaken on the tensor, vertical gradient and vertical gravity component data using Fullagar's VPmg software run via Paradigm GoCAD. The inversion models were further constrained by including cover thickness models derived from airborne electromagnetic models and drilling results. The 3D density voxets derived from the inversion modelling were then used to create depth slices, sections and isoshells of potential low density sub-basins and shallow dense targets. The products from this exercise provide significant additional information on structure, fold geometry and basin architecture as well as highlighting shallow dense targets which may play a role in target generation.

Results are illustrated for KITW and NCP in Figure 10 and Figure 11, whilst results for KITE are provided in Figure 12.

As discussed in the ASX announcement (Cobre 2024), following the receipt of final products, completion of image processing and inversion modelling of the data, the following initial observations and interpretations have been made:

1. Several extensive low density zones attributed to early sub-basin formation in the KCB, where thicker Ngwako Pan Formation red bed units would occur, have been identified at KITW, KITE and the NCP. These early sub-basins would provide the necessary hydrologically closed-systems for upgrading of copper-bearing brines essential for sediment-hosted copper deposit formation. Understanding the location of these sub-basins, intrabasinal highs and basin margins assists in regional area prioritisation.
2. Major structures bounding the margins of low density zones would provide key pathways for copper-bearing fluids during initial basin formation and subsequent inversion. There is a notable correlation at KITW between bounding structures, copper in soils and anomalous Reverse Circulation percussion (RC) bedrock samples. Understanding the position of these important structures provides a compelling vector for prioritising targets.
3. AGG results offer further support for preserved, large-scale, anticline hinge related trap sites at KITW and KITE. These trap sites, with the redox contact preserved in the fold hinge, would provide ideal trap sites for formation of tier-1 deposits in the KCB. Large-scale fold trap site targets will be further investigated as a priority for the study undertaken with support from BHP through the Xplor programme where Cobre has been selected as a cohort for 2024 (see ASX announcement 23 January 2024).
4. A prominent dense anomaly associated with the Tlou Target has been identified at KITW. Whilst the source of the higher density is not fully understood, it potentially relates to hydrothermal alteration (e.g. haematite) by copper-bearing fluids. Having an associated density anomaly delineate the Tlou Target so effectively further upgrades this compelling target which is notable for consistent anomalous copper in bedrock samples (RC drilling),

evidence of chrysocolla mineralisation in bedrock chips, and multi-element soil sample anomalies. (see ASX announcement 29 November 2023).

5. A large dense unit in the underlying Ngwako Pan Formation in proximity to the Comet and Interstellar Targets has been modelled, potentially providing a control for the upgraded copper-silver mineralisation in the eastern portion of the NCP (estimated at between 103 and 166Mt @ 0.38 to 0.46% Cu along with approximately 32 Moz Ag and significant untested blue sky). Heterogeneities in the Ngwako Pan or underlying basement can act to focus fluid flow during basin inversion resulting in a concentration of copper mineralisation (e.g. Zone 5 and Zone 5N deposits straddle a circular feature in the underlying Ngwako Pan formation). The dense unit in proximity to Comet and Interstellar may provide a useful means for vectoring into further high-grade zones along the redox contact.
6. At KITE, AGG results have highlighted subtle dense bodies associated with anomalous copper in soils along the margin of large gravity low directly south of the T3 mining license. The results support earlier interpretations which suggested this area (Endurance Target) included prospective lower D'Kar Formation preserved in an anticline hinge zone. (see ASX announcement 20 December 2021). These results highlight the potential for KITE to host similar mineralisation to Sandfire Resource's deposits directly north of the project. Furthermore, the dense targets may provide drill ready targets for testing.

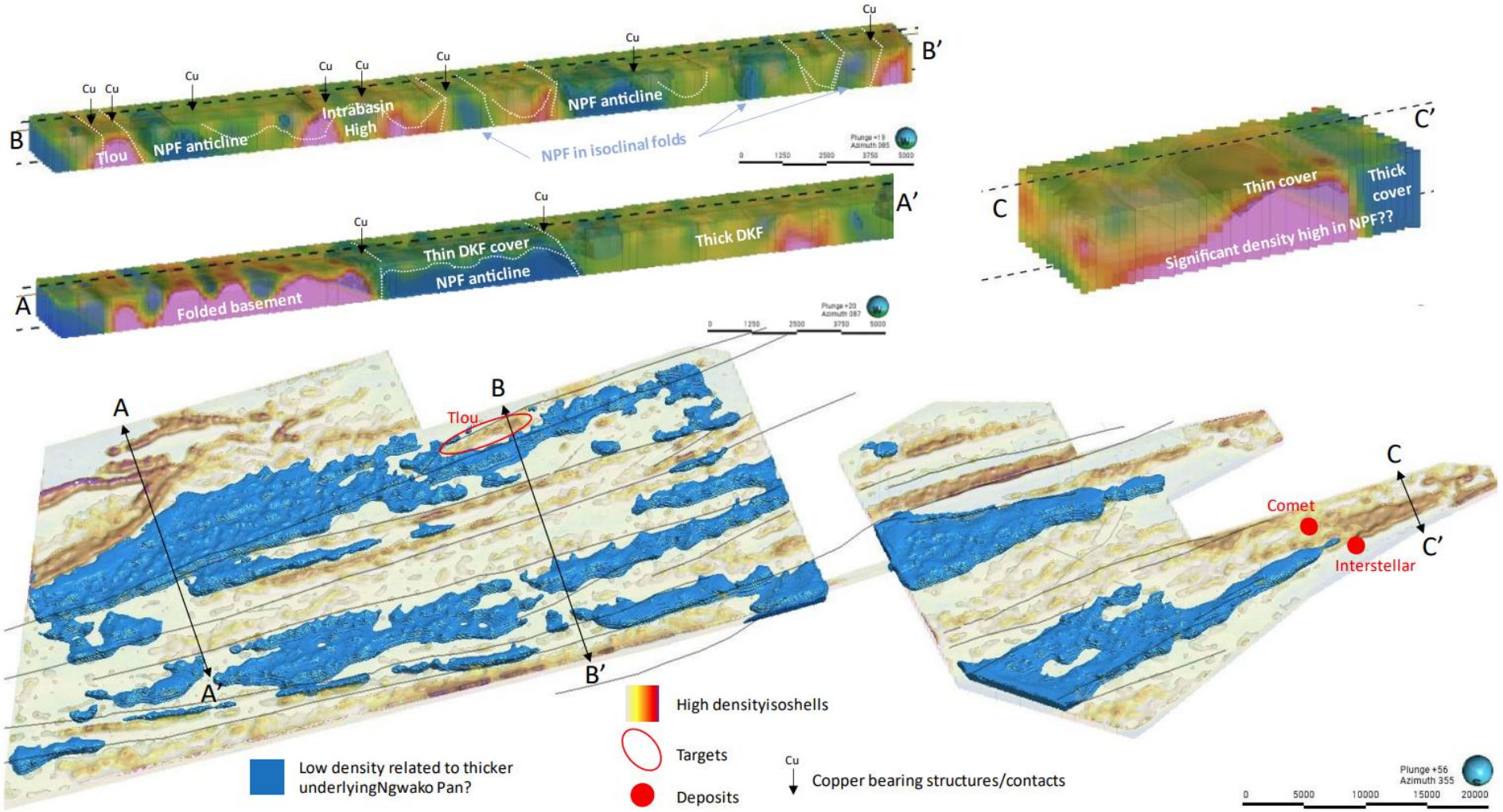


Figure 10: 3D oblique view of AGG tensor density inversion results over KITW and NCP.

Selected sections through the density volume highlight key results from the data. The evidence for copper-bearing structures on the margin of potential anticlinal structures with the redox contact preserved in the fold hinge is compelling. Clear dense bodies associated with the Tlou Target and footwall in proximity to Comet and Interstellar targets may provide an additional targeting layer. Source: Cobre

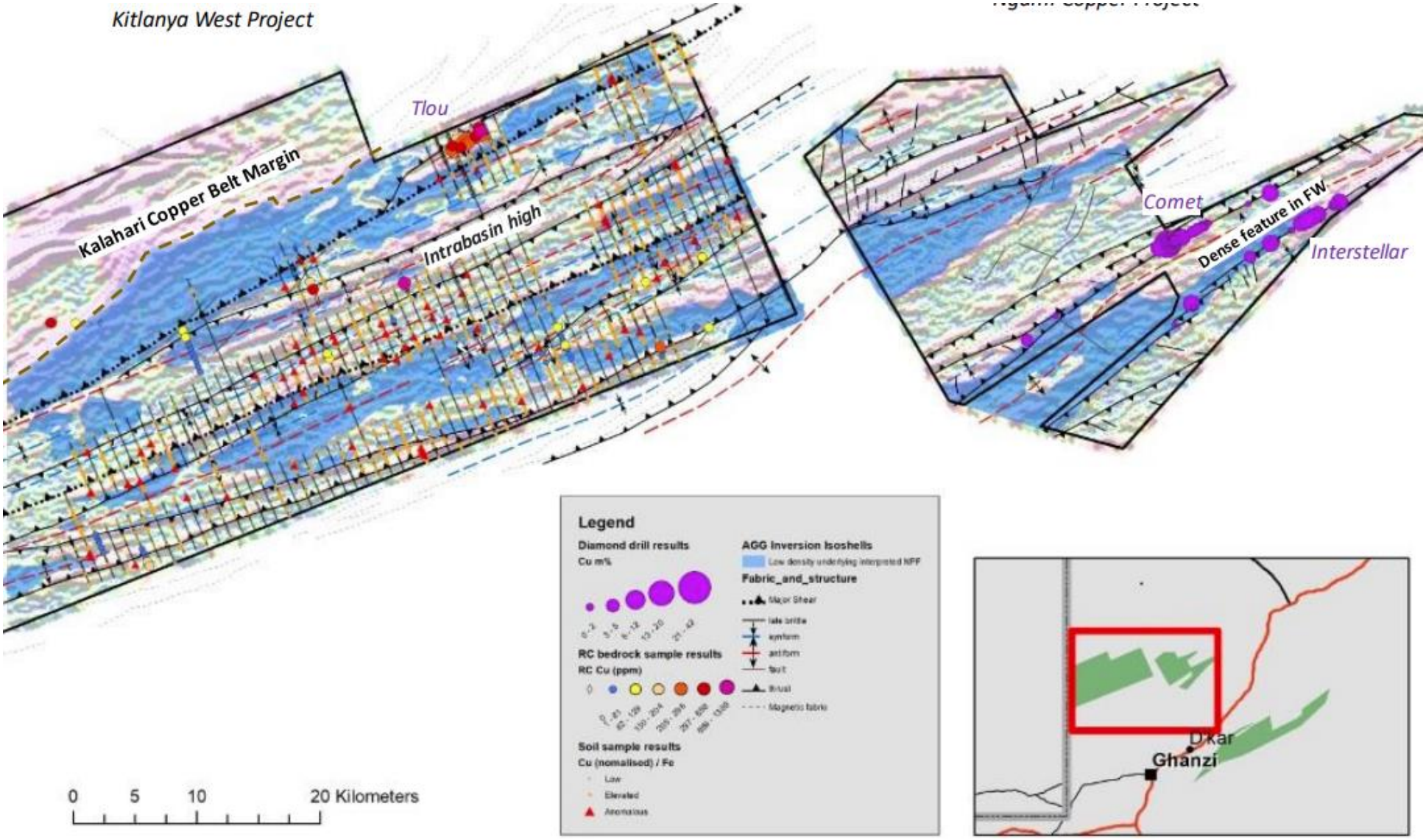


Figure 11: Low density zones overlain on a rotational invariant image product from the AGG tensor results.

Anomalous soil sample, bedrock drilling and diamond drill results overlain. Note the excellent correlation with anomalous results and the structurally controlled margins of the low density zones. Results provide a substantial step forward in target prioritisation. Source: Cobre

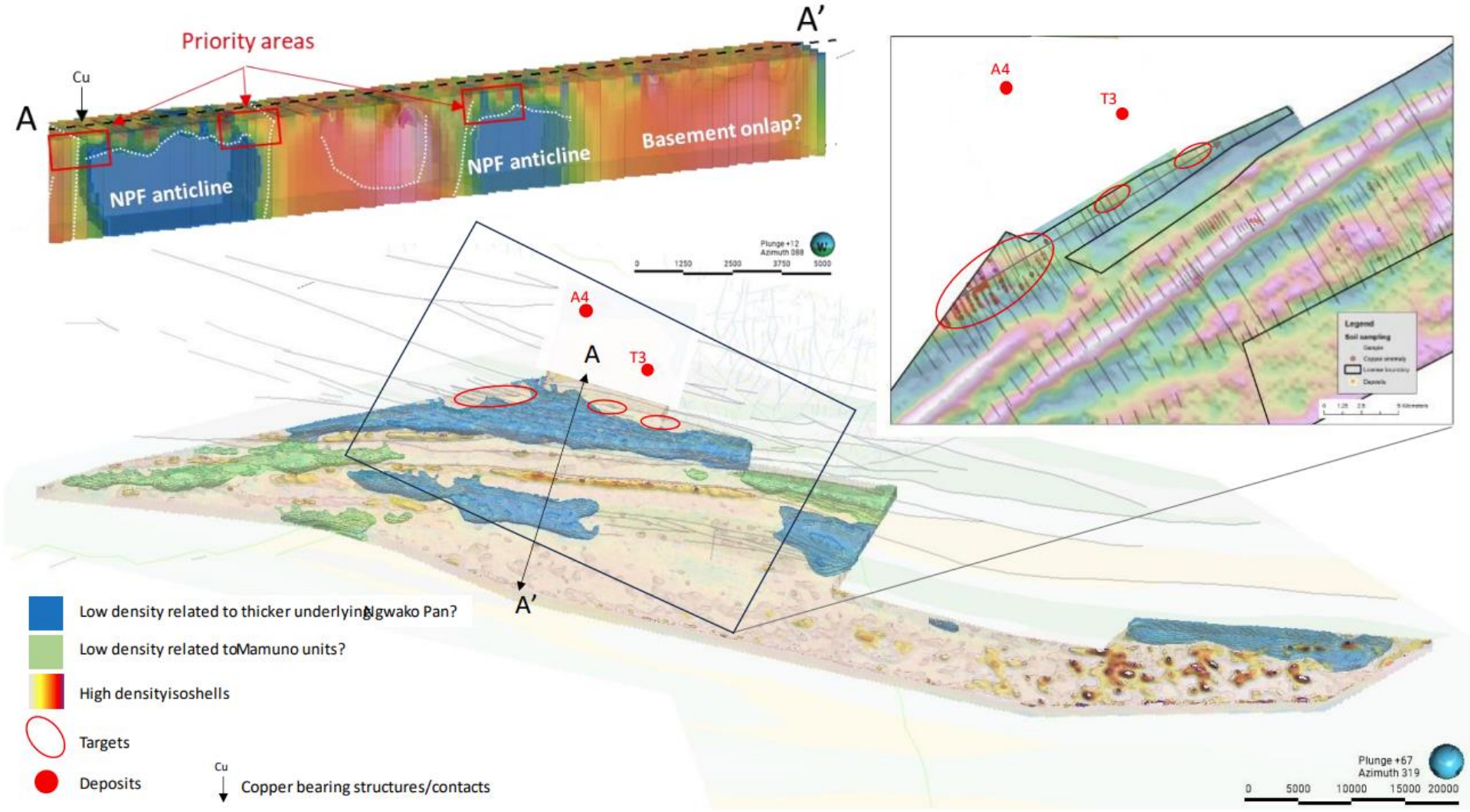


Figure 12: 3D oblique view of AGG tensor density inversion results over KITE (and a portion of Sandfire's Motheo Production Hub).

Selected sections through the density inversion model and inset of residual filtered gravity have been included to highlight underlying potential anticlinal features and structurally controlled dense targets. Note the spatial proximity to Sandfire's T3 and A4 deposits. Source: Cobre

2.8.3 Exploration Target

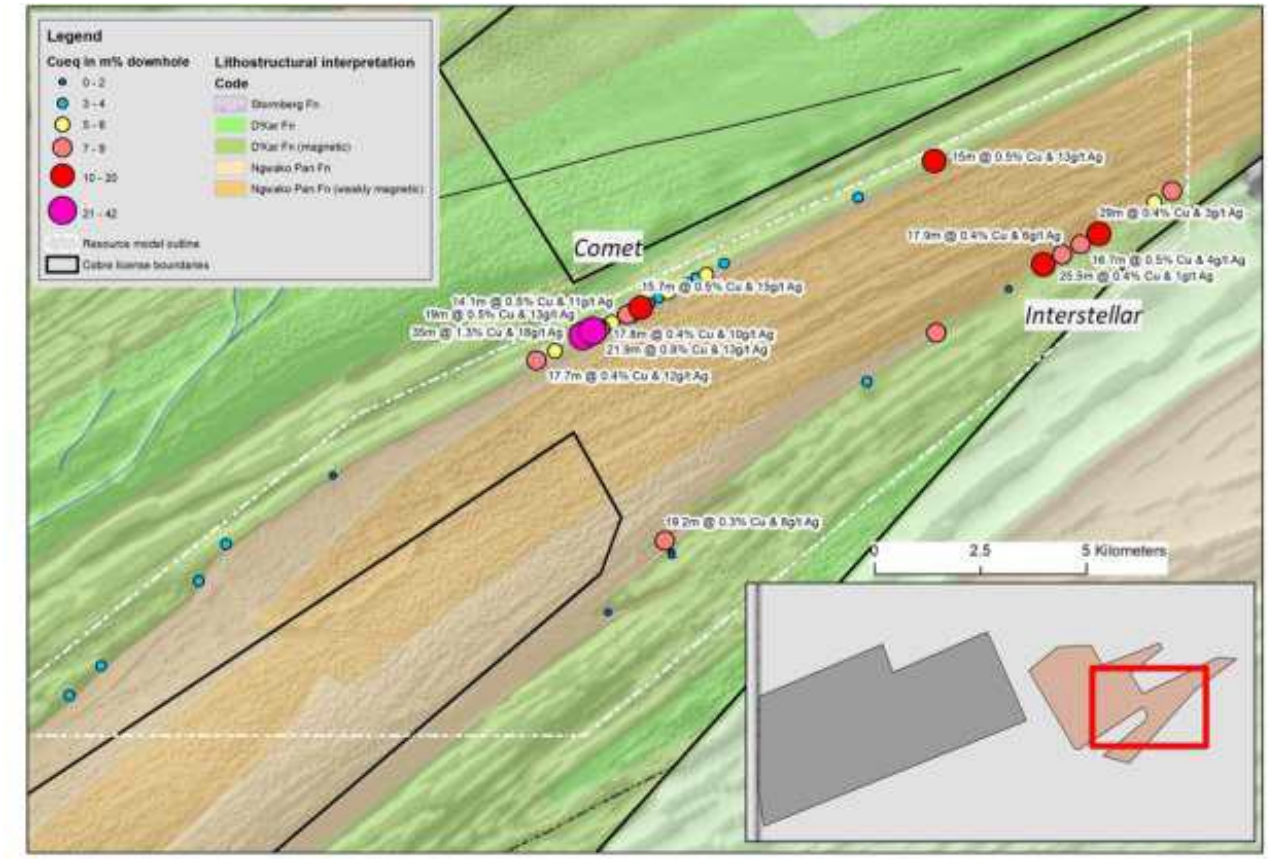
Drilling results from NCP have been modelled to quantify zones of mineralisation potentially amenable to *in situ* recovery of Cu (±Ag).

Independent geological consultants, Caracle Creek International Consulting Minres (Pty) Ltd (CCIC Minres), were engaged to provide an Exploration Target estimate for the southern anticline at the NCP, Botswana.

The CCIC Minres models and estimations are based on a database of 78 diamond core drill holes (totalling 16,465 m) over the NCP. The focus area for the model work is the southern anticline structure which includes 49 diamond drill holes and extends for 40 km across the project with anomalous copper intersections on both fold limbs. A total of 1,907 multi-element ICP-MS and 445 ICP-AES assays accompanying lithological logging, structural and physical property measurements have been used to construct the geological and Exploration Target Category models. Two categories of results are reported based on drill data coverage (see Figure 13).

Exploration Target Category 1 focused on areas with drill spacing between 125 and 400 m apart along strike and dip including the Comet and Interstellar Targets. A further approximately 9,000 m of drilling is required to upgrade this category to an Inferred Resource following completion of hydrogeological testing.

Exploration Target Category 2 focused on areas with limited drill control (greater than 400 m, less than 1,600 m apart along strike) interpolated from geophysical and drillhole data.



Tonnage			Cu %			Category
Mean	Min	Max	Mean	Min	Max	
23.4 Mt	18.3Mt	28.4Mt	0.50%	0.45%	0.55%	Exploration Target 1
111 Mt	85Mt	137Mt	0.40%	0.36%	0.43%	Exploration Target 2

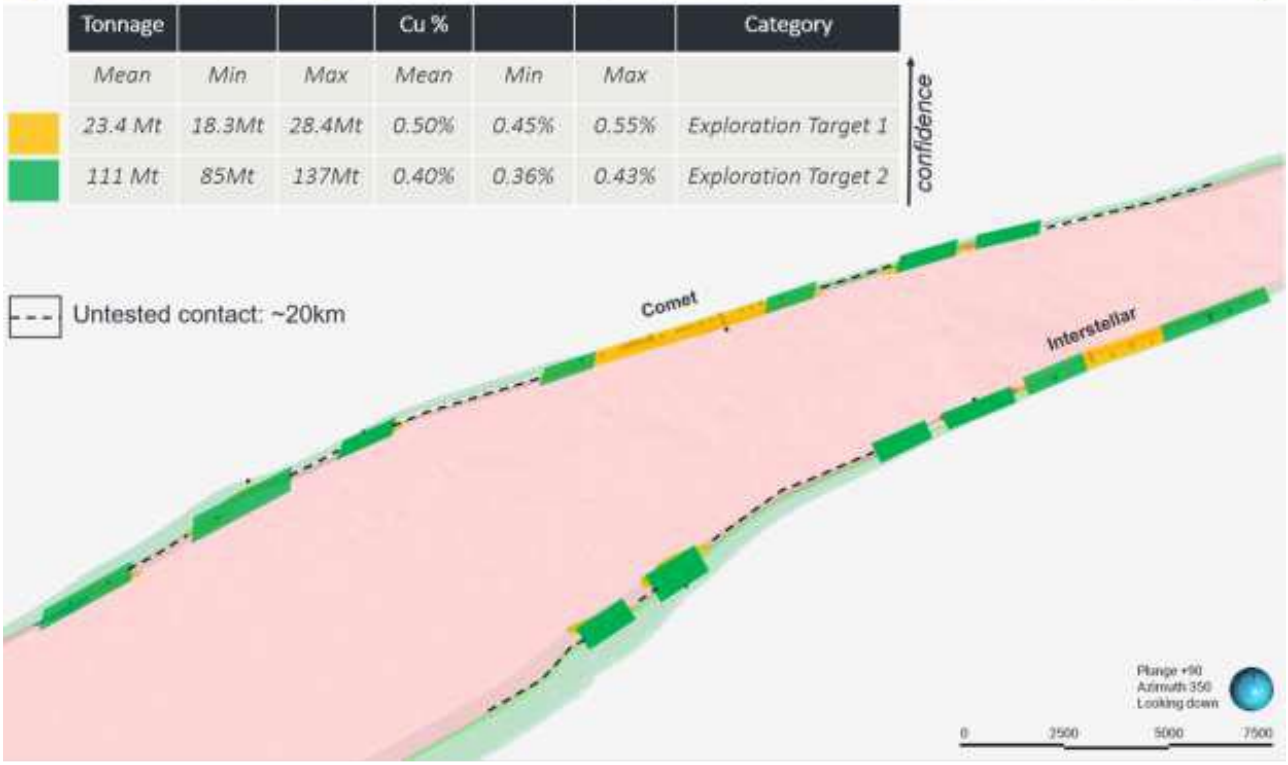


Figure 13: Locality map illustrating the location in mapview and 3D (looking down) of the different model categories along with untested strike

Source: Cobre announcement

Table 5: NCP Exploration target

	Potential Size (Mt)			Cu %		
	Mean	Min	Max	Mean	Min	Max
ET1	23.4	18.3	28.4	0.50%	0.45%	0.55%
ET2	111	85	137	0.40%	0.36%	0.43%

The estimates of tonnage and grade in Table 1 are conceptual in nature; there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

In ERM's professional opinion, the amount and quality of work underpinning the exploration targets, together with the geological style is such that a valuation of the metal quantified by the work is appropriate. As discussed below the potential for ISR to extract copper and silver is valid, albeit at an early stage of investigation, and provides a pathway to economic extraction of the mineralisation.

2.8.4 DISCUSSION OF IN SITU RECOVERY (ISR)

In situ recovery (ISR), also known as *in situ* leaching (ISL), uses solutions that are pumped through a mineralised body *in situ* (underground) to recover metals by leaching.

Operations at typical ISR mines comprise well field/s and an extraction process plant/s. Leaching solutions are pumped into the mineralised zone/s through a network of injection bores and extracted by production bores. In the process, the leaching solution dissolves the metals of interest, which are brought to surface in a pregnant solution (Figure 14).

The pregnant solutions are treated at an extraction plant producing a chemical concentrate of the target metal/s.

As a result, there is little surface disturbance, and no tailings or waste rock are generated at ISR mines.

However, for ISR to be effective the mineralised body needs to be permeable (either naturally or artificially) to the solutions used and located such that the solutions do not contaminate groundwater away from the mineralised body. Target minerals need to be readily soluble in the leaching solutions for recovery in a reasonable period of time, and these should be a reasonable consumption of leaching reagents.

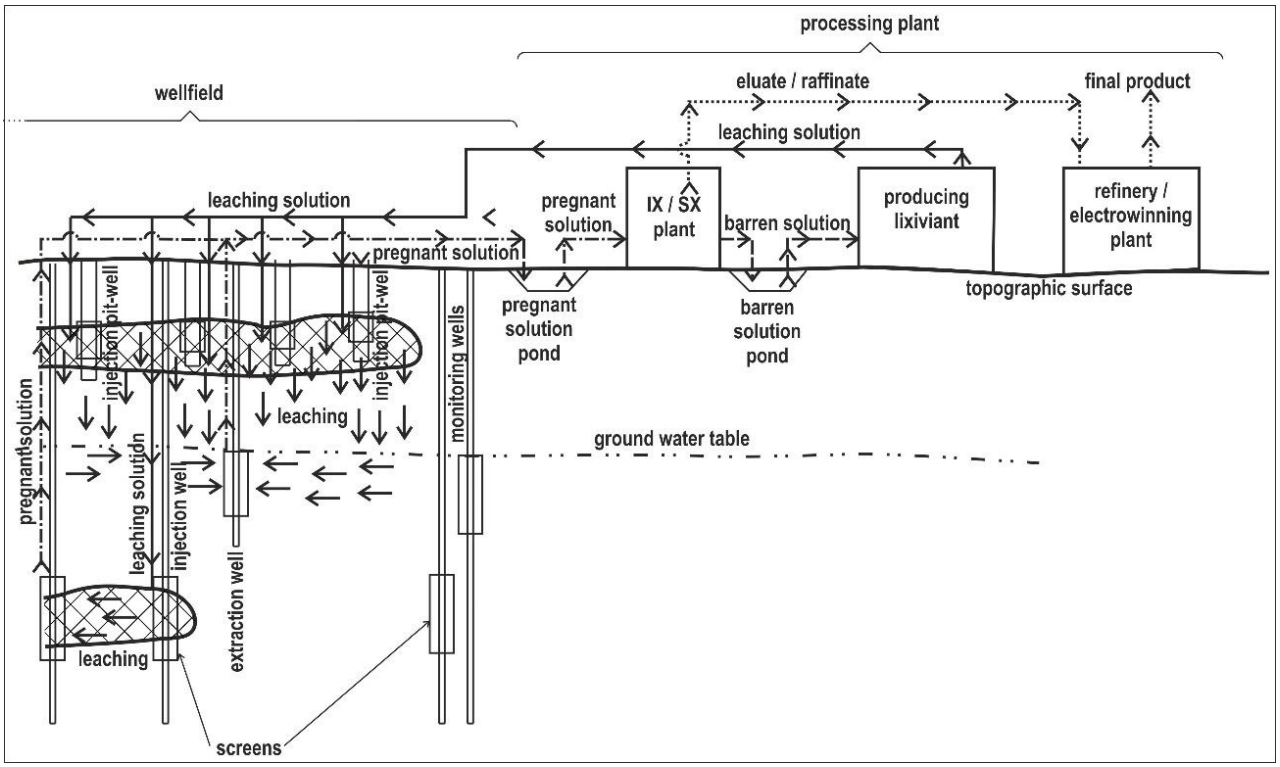


Figure 14: Principal scheme of ISR process
Source: Seredkin et al 2016

Hydrogeology of Ngami Copper Project

The drill program at NCP has intersected sedimentary-hosted, structurally controlled, Cu-Ag mineralisation associated with the redox contact between oxidised Ngwako Pan Formation red beds and overlying reduced marine sedimentary rocks of the D'Kar Formation on the limbs of anticlinal structures (Figure 15) (ISR, preliminary groundwater assessment, 2023).

The higher-grade copper portions are located above the Ngwako Pan / D'Kar Formation contact on the limbs of anticlinal structures. The receiving aquifer for ISCR mining is, therefore, the fractured rock aquifer formed by the D'Kar Formation adjacent to the Ngwako Pan Formation red beds (Figure 15).

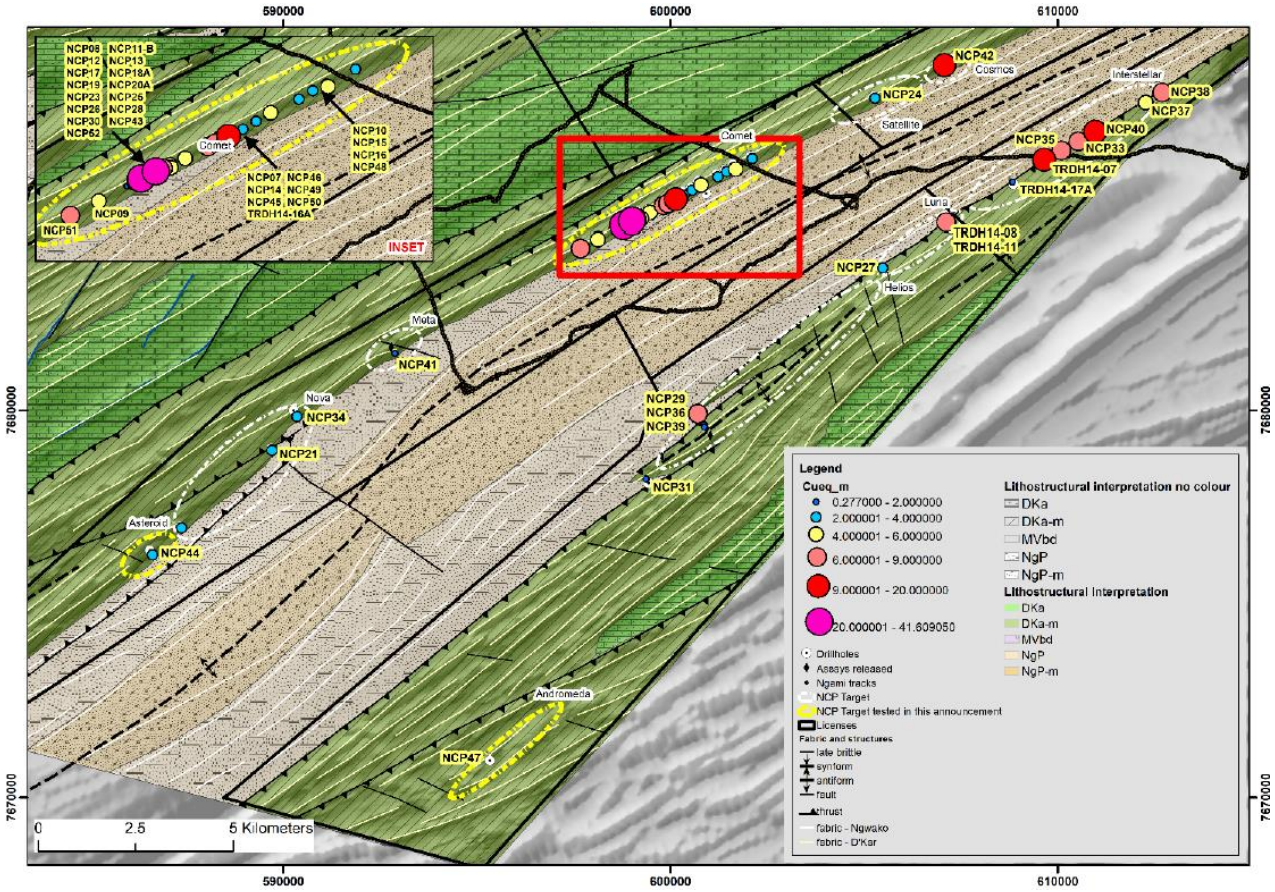


Figure 15. Geological setting of the NCP

Source: ISR, preliminary groundwater assessment, 2023

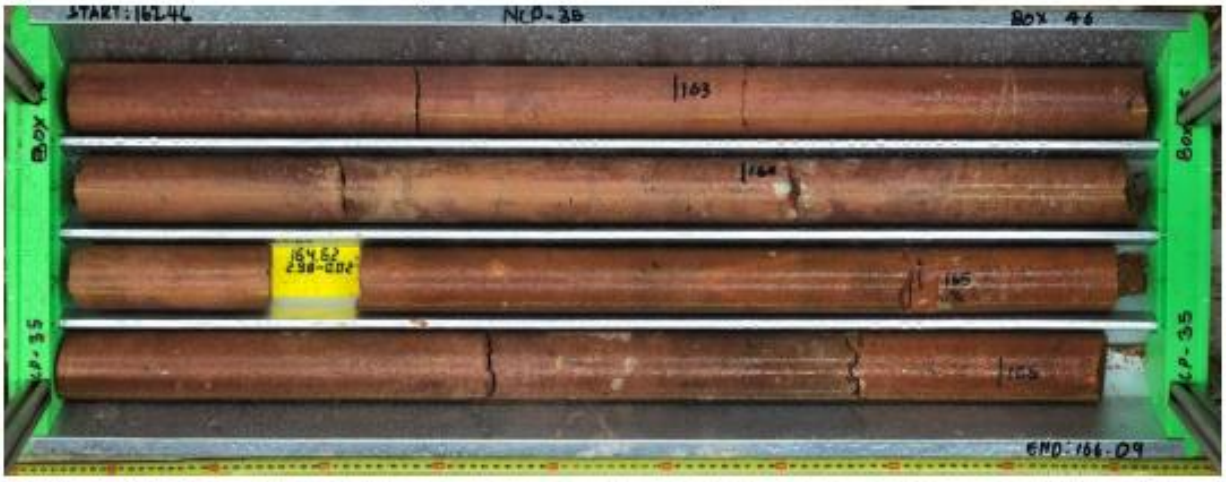
The target for ISR is fractured rock across zones of Cu mineralisation. Here, groundwater is stored in the fractures, joints, bedding planes and cavities of the rock mass. Pumping wells and injection wells which intercept a higher distribution of open fractures often enable higher rates of pumping/injection and promote the circulation of acid leaching solution through the mineralisation, facilitating copper dissolution and recovery. Therefore, the intent of the injection wells and pumping (recovery) wells is to intercept geological structures (such as fault zones) as these are commonly characterised by a higher degree of fracturing and therefore higher hydraulic conductivities (aquifer permeability) (ISR, preliminary groundwater assessment, 2023).

Fractures play a significant role in directing the flow of fluids, including the leaching solution. Understanding the distribution, orientation, and connectivity of fractures allows for the design of efficient injection and recovery systems.

By targeting the fractured zones, the leaching solution can be directed to the copper-rich areas, enhancing the leaching process's effectiveness.

Detailed fracture logging was undertaken on a selection of drill holes across the Comet Target in NCP. Results have clearly defined more intense fracture zones running parallel to the primary mineralised contact bounded by more competent zones in the footwall Ngwako Pan formation (Figure 16), an overlying Marker Sandstone unit. Interestingly there also appears to be a generic relationship between the degree of fracturing / rubble zone formation and grade of mineralisation (ISR, preliminary groundwater assessment, 2023).

c) D'Kar Formation – showing fracture (brecciated) zone associated with mineralisation



d) Ngwako Pan Formation red beds

Figure 16. Core illustrated fracture zones associated with mineralisation in the D'Kar Formation (above photo) and competent Ngwako Pan formation footwall (below photo)

Source: ISR, preliminary groundwater assessment, 2023

Two important fracture zones have been identified in the primary mineralised cycle: fracture and rubble zone in proximity to the contact between Ngwako Pan and D'Kar formations associated with mineralisation; fracture zone occurring at the top of the mineralised cycle at the base of the Market Sandstone unit (MSST). Both of these zones are laterally continuous and parallel the mineralisation. These fracture zones are expected to control ground water movement and should focus any injected fluid into the mineralisation (ISR, preliminary groundwater assessment, 2023).

Ngwako Pan Formation footwall which is expected to provide a seal to fluid movement.

The model demonstrates that the correlation of fracture patterns with mineralisation is consistent along the length of the target and provides a useful tool for estimating pathway for fluid flow (Figure 17) (ISR, preliminary groundwater assessment, 2023).

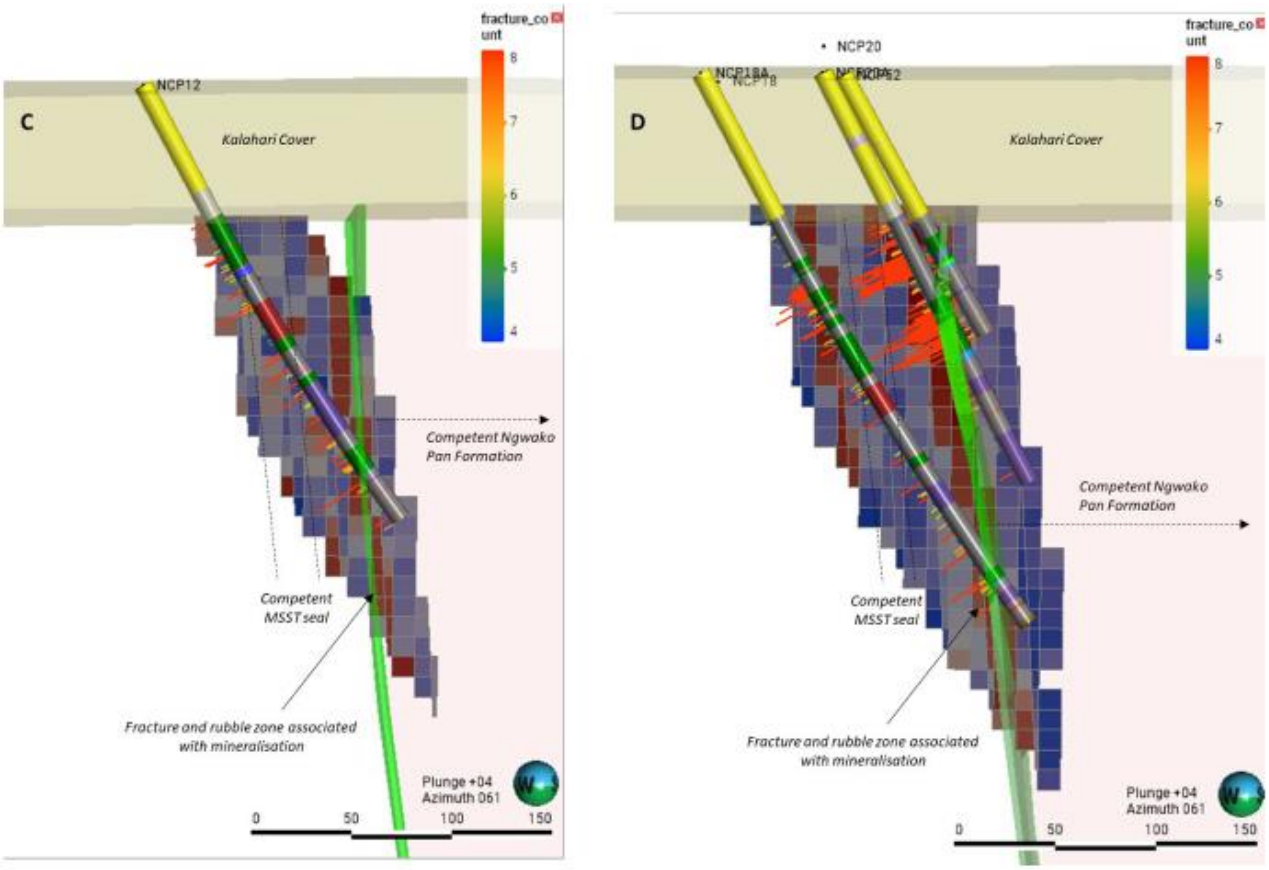


Figure 17: Model of fracture zones and location of copper mineralisation
Source: ISR, preliminary groundwater assessment, 2023

Unconsolidated and semi-consolidated Kalahari sands with thickness of approximately up to 70 metres are the regional overburden. The base of these sands is about 30 m to 60 m above the water table (ISR, preliminary groundwater assessment, 2023).

The depth to groundwater ranges from 95 m - 117 m below ground surface. The water table is situated within the fractured rock aquifer formed by the D'Kar Formation and the Ngwako Pan Formation red beds. The significant depth to groundwater is advantageous for injection purposes as it allows for higher injection rates without the risk of water returning to the surface. However, potential leakage into the overlying Kalahari sands should be assessed to ensure proper containment and management of injected fluids (ISR, preliminary groundwater assessment, 2023).

A small portion of the Cu mineralisation is exposed above the water table (Figure 18). To evaluate the feasibility of increasing the water table, proposed injection trials and numerical modelling will be employed to induce a small groundwater mound through injection. This approach could potentially facilitate copper dissolution above the current water table (ISR, preliminary groundwater assessment, 2023).

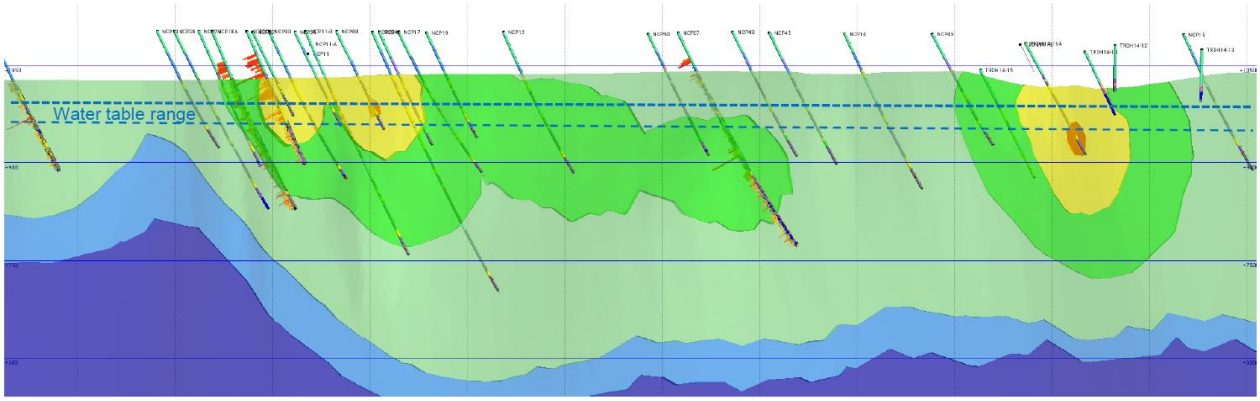


Figure 18: Ground water level at the Project
Source: ISR, preliminary groundwater assessment, 2023

The project area includes two large anticlinal features, which are folded rock formations. These structures can influence the hydrogeological conditions by controlling the flow of groundwater (ISR, preliminary groundwater assessment, 2023).

The contact between the Ngwako Pan and D'Kar Formations is a significant zone for mineralisation. Detailed fracture logging and AI-driven fracture logging on holes through the Comet target have confirmed (ISR, preliminary groundwater assessment, 2023):

- High fracture zones associated with the lower mineralised cycle of the D'Kar Formation, particularly above the contact. From an injection standpoint, the Cu mineralisation is hosted in fractures and along cleavages which appear relatively porous and permeable, thereby allowing the injection fluid to easily flow through it. High zones of permeability mean higher rates of recharge and also promotes the lateral spreading of the injectant, possibly under low injection pressures.
- Lower (less permeable) fracture counts associated with the underlying Ngwako Pan Formation and overlying sandstone packages in the D'Kar Formation, providing lateral seals and potential groundwater flow barriers.
- The primary fracture orientation is sub-parallel to the (mineralised) D'Kar/Ngwako Pan Formations contact, allowing fluid flow parallel to and along the contact zone.

The results indicate the lateral continuity of anomalous mineralisation over several tens of kilometres of strike on both the northern and southern limbs of the anticline. This suggests that the hydrogeological conditions, such as groundwater flow patterns and mineralisation pathways, may extend over a significant area (ISR, preliminary groundwater assessment, 2023).

Based on the combination of folded structures, varying permeability along different fracture orientations, and lateral continuity of mineralisation suggests that the aquifer in the project area may be anisotropic with the potential for preferential groundwater flow along strike and reduced flow across strike (ISR, preliminary groundwater assessment, 2023).

The primary focus of the drilling will be targeting the high fracture zones associated with the lower mineralised cycle of the D'Kar Formation, particularly above the contact. Additionally, monitoring well installations are recommended across the strike in lower permeability sandstone units (lateral seals) to assess water level changes and their connection with these areas (ISR, preliminary groundwater assessment, 2023).

Figure 19 illustrates the conceptual well layout in long and cross sections.

For the pumping and injection tests), the proposal includes two dual-purpose pumping and injection wells located within the mineralised zone, each surrounded by a network of monitoring wells. These wells will be installed and tested in a phased approached but ultimately, this setup will enable pumping from one well and injection into another, creating a reciprocal system (ISR, preliminary groundwater assessment, 2023).

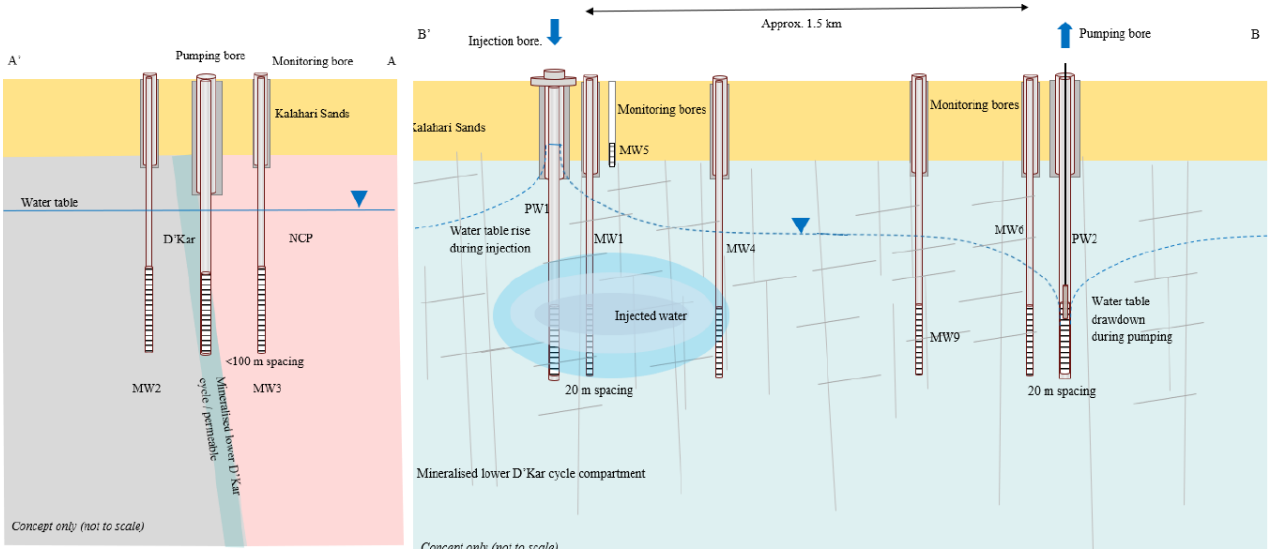


Figure 19: Conceptual test well layout, spanning across strike (left) and along strike (right)
Source: ISR, preliminary groundwater assessment, 2023

The Company announced interim results from the hydrogeological testing programme (ASX 4th June 2024).

The ongoing hydrogeological programme at the NCP includes four monitoring wells located along strike of mineralisation and offset laterally in the footwall and hanging wall zones that are less permeable than the main mineralised zone. In addition to the monitoring wells, a large diameter injection/production well (PW001) intersecting a representative portion of the mineralised zone around the redox contact has been completed (Figure 20).

Injection testing completed to date included a multi-rate injection test into PW001, where well performance characteristics were evaluated over a range of injection rates (ranging from 0.5–7 L/s). This was followed by a constant rate injection test, conducted at a rate of 3 L/s for the following 24 hr.

During this test, the monitoring of the groundwater level responses in monitoring wells placed at different distances and directions from the injection well provided data on fluid movement within the test volume, as well as lateral movement through the footwall and hanging wall "seal" zones.

The Company reports key findings from the first injection test as follows:

- The fractured rock aquifer has proven suitable for injection, demonstrating the ability to inject at least 3 L/s per well, with the potential for higher injection rates.
- The greatest hydraulic response was observed in monitoring well MW012.

- A modest injection rate of 3 L/s was sufficient to rapidly raise the water table by 10.7 m in MW012. During ISR operations, this could potentially leach copper mineralisation located above the water table.
- All other monitoring wells (positioned laterally in the footwall and hanging wall seals) exhibited smaller or delayed groundwater rises, suggesting reduced hydraulic connection in these directions, and emphasising the importance of understanding permeability anisotropy.
- Enhanced groundwater flow is aligned with strike of fracture zone mineralisation. This potentially will enable higher injection rates and lateral spreading of injected water along the strike of mineralisation, enhancing fluid transfer between wells.
- The injection well operated well below the calculated safe injection pressure, suggesting the possibility of achieving even higher injection rates safely.

Post injection recovery monitoring is in progress. The next stage of the injection test will involve repeating the test at higher injection rates.

ERM agrees with the Company's interpretation that these initial results are encouraging for application of ISR but cautions that substantial data collection and hydrodynamic modelling will be essential to advance the ISR method.

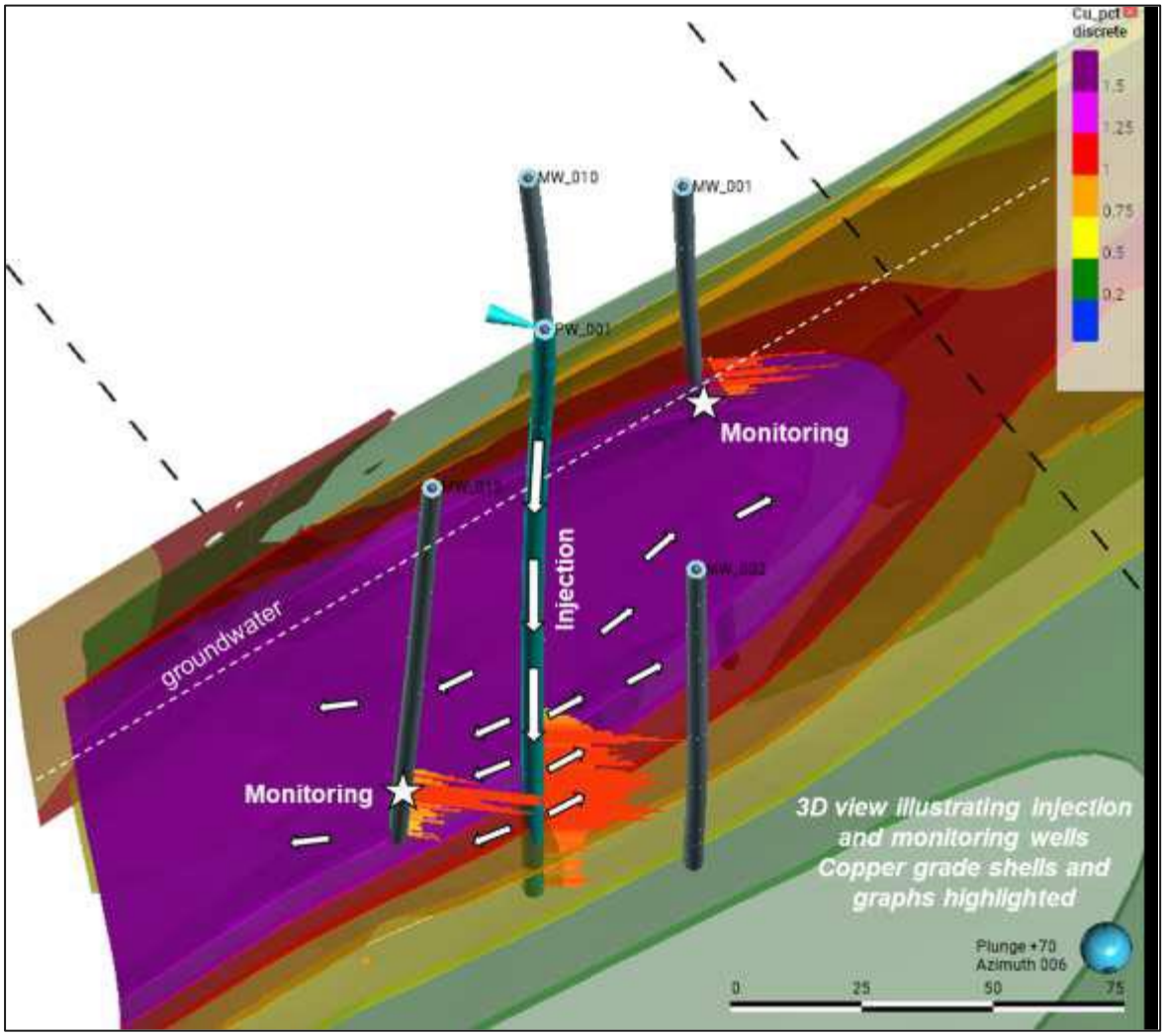


Figure 20: Oblique 3D view showing injection and monitoring wells with respect to copper grade shells. Arrows indicate schematic flow of injected water relative to monitoring wells. A graphical log of intersected Cu grade is provided. Source: Cobre

Geometallurgy

Independent Metallurgical Operations Pty Ltd (IMO) was requested by Cobre Ltd to conduct metallurgical testwork on their Ngami Copper Project. The program involved a number of leach tests to assess the response of the mineralisation to leach processes, with Cobre currently assessing the potential for *in situ* leaching of the deposit (Ngami Copper Project Metallurgical Testwork Memo Report, 2023).

Acid leach testing was conducted on the High- and Low-Grade Composites to assess the potential copper recoveries achievable via sulphuric acid leaching.

High-Grade Composite (R1-1):

- Cu 2.76%
- Ag 24.08 ppm
- Acid Soluble Cu – 8.8%
- Cyanide Soluble Cu – 88.9%

High-Grade Composite (R1-2):

- Cu 0.55%
- Ag 13.72 ppm
- Acid Soluble Cu – 9.9%
- Cyanide Soluble Cu – 85.3%

A single Intermittent Bottle Roll (IBR) Leach Test was conducted on each composite at the following conditions Ngami Copper Project Metallurgical Testwork Memo Report, 2023 (Ngami Copper Project Metallurgical Testwork Memo Report, 2023):

- 20% solids density w/w in Perth tap water
- Intermittent bottle roll, rolling 5 minutes every hour
- pH 1 maintained with H_2SO_4;
- Initial concentration of Fe^{3+} of 2 g/L from the addition of $Fe_2(SO_4)_3$
- Eh to be maintained at approximately 400 mV (Ag/AgCl electrode).

Due to the high chalcocite content within the ore IMO included the addition of ferric sulphate to the leach conditions, targeting oxidation of the copper sulphide minerals to allow for their extraction via acid (Ngami Copper Project Metallurgical Testwork Memo Report, 2023).

The copper recoveries achieved for the High- and Low-Grade Composites are significantly higher than the acid soluble copper content reported in the head assay analysis, indicating less than 10% (8.8% and 9.9%) of the total copper was acid soluble (Ngami Copper Project Metallurgical Testwork Memo Report, 2023):

- Overall copper leach recoveries of 45.4% and 50.0% respectively (*Figure* 21);
- Ferric sulphate consumptions of 107 kg/t and 37 kg/t respectively;
- Sulphuric acid consumptions of 86 kg/t and 79 kg/t respectively.

This therefore proves that by adding ferric sulphate to the leach we have promoted the oxidation of some copper species, allowing them to be extracted via the acid leach (Ngami Copper Project Metallurgical Testwork Memo Report, 2023).

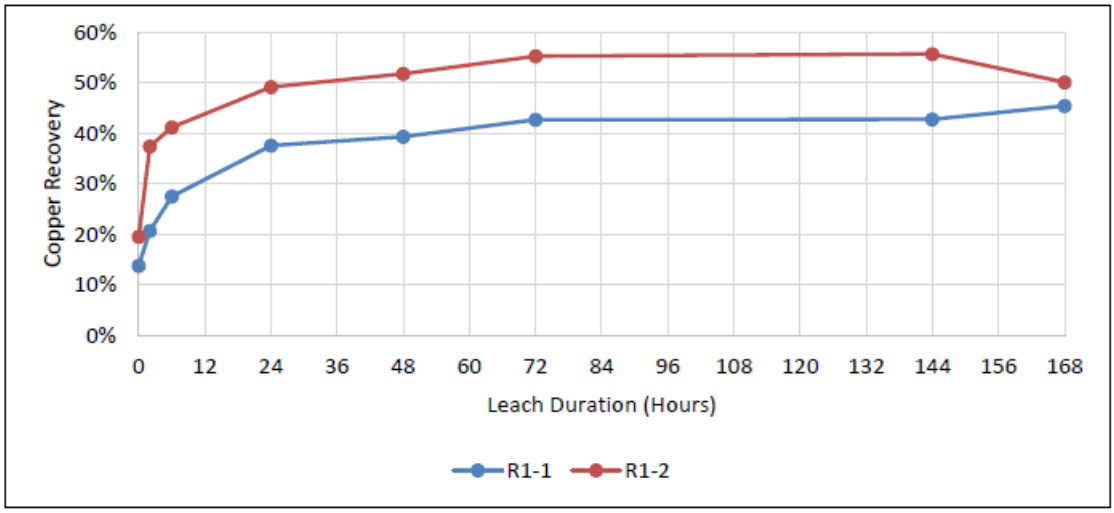


Figure 21: Leach Kinetic Curves

The following conclusions were done after tests completed (Ngami Copper Project Metallurgical Testwork Memo Report, 2023):

- Acid soluble copper accounts for less than 10% of the total copper within the composites. These are likely present as chrysocolla and malachite minerals.
- Cyanide soluble copper accounts for more than 85% of the total copper within the composites, representing the dominant chalcocite minerals within the ore.
- Initial leach tests controlled at an ORP of approximately 400mv resulted in recoveries of 45.4% (HG Comp) and 50.0% (LG Comp).
- Fast leach kinetics were observed throughout the tests with leaching observed when mixing the sample in solution (solution visually turning blue). This leaching can be attributed to the readily acid soluble copper within the ore (chrysocolla/malachite).
- Increased ferric sulphate addition to maintain an ORP at 450 mv resulted in improved copper recoveries, increasing by 16.1% for the HG Composite and 8.7% for the LG Composite.
- Addition of 20 g/L chloride to the leach system resulted in increased copper recoveries by more than 10%. Further increasing the chloride concentration to 100 g/L resulted in minor improvements in recovery.
- The addition of chloride to the leach tests also allowed for the extraction of silver, achieving recoveries of 43.5% and 80.5% compared to all other tests reporting no silver extraction.
- Utilising potassium permanganate to maintain ORP in place of ferric sulphate reported a 9.5% reduction in copper recovery for the HG Composite and no significant impact on the LG Composite.
- Increased temperature from ambient to 70°C resulted in incredibly fast kinetics with over 97% recovery via standard milling/atmospheric leach processing at temperature, but this is not applicable to ISR or heap leach methods.
- Overall results indicate copper recoveries above 70% can be achieved with an ORP maintained at 450 mv (via ferric sulphate addition) and a low chloride concentration.

Discussion of ISR Applicability at NCP

ERM reviewed all completed investigations and analysed based on factors important for the ISR process (Table 6):

- Copper mineralisation is located in saturated zone below groundwater level, partly above groundwater level; mineralisation above groundwater level is amenable for ISR too; this factor was estimated as probably favourable.
- Permeability was not investigated and proposed in future hydrogeological cluster tests; this factor is unknown, however expecting very high variability and anisotropy of permeability, so this factor was estimated as probably favourable.
- Copper is quite selectively leachable, and this factor can be considered as favourable. Silver was leached together with copper and can be potentially extracted from pregnant solutions.
- Location of chalcocite in this type of mineralisation is usually between grains of minerals and mineralisation is accessible for leaching solutions, however sweep factor can be low for some zones due high variability of the productive zone.
- Mineralisation with absorption is probably not presented, this factor is favourable.
- Location of mineralisation is shallow and moderate depth; this factor is favourable.
- Morphology of mineralisation is steeply dipping, which increased the complexity of installing the wellfield using inclined holes and is therefore less favourable for operating an ISR mine, but does prevent.
- Total thickness of mineralised zone is around 50-100 m, but thickness of fractured zones is less, usually several metres up to approx. 10 m, this factor can be considered as quite favourable.
- Copper grades are moderate to high, so dynamics of leaching can be quite slow in ISR process, this factor should be considered as probably favourable.
- Grade-thickness (a key parameter for ISR resource estimation and planning) is potentially favourable for ISR for production of quite concentrated pregnant solutions.
- Mineralisation is mostly presented by chalcocite and only 10–30% by oxidised phases, this factor is more unfavourable than favourable, and will require more expensive reagents for leaching.
- Distribution of mineralisation is uneven, furthermore, it is potentially very difficult to identify fractured zones between holes for correctly setting filters in operational holes – this is very important for effective ISR operation; this factor can be considered as unfavourable.
- Mineralisation in this type of deposit is relatively fine-grained, so this factor is more favourable than unfavourable.
- Acid and oxidant consumptions are high, and processing may be uneconomical with these values of reagent consumption. Optimisation of process and careful economic assessment must be done before implementing ISR; this factor was considered as unfavourable.

- Sulphides such as chalcocite are reductants and whilst leachable by sulphuric acid may need other oxidant reagents (such as HCl) for optimal leaching, this aspect is important and requires investigation.
- Productive zone is moderate disintegrated, presented low and high disintegrated zones, very important identify zones of fluid flows for correct setting filters, this factor is potentially favourable.
- Aquicludes are present on the hanging and footwall of the mineralised zone which is favourable, however zone is open at top and bottom, and control of fluids in these directions may be problematic; so, this factor is potentially favourable

Table 6: Analysis of the Ngami Copper Project for ISR applicability (based on Seredkin et al, 2016)

Parameters	Favourable	Probably favourable	Unfavourable
Hydrogeological conditions	Artesian or confined aquifer	Below water table, waterless above water table with water table level close to surface	Waterless mineralisation with deep water table from the surface
Permeability	High permeability (>5–10 m/day)	Moderate permeability (1–5 m/day)	Low permeability (0.5–1 m/day)
	Homogeneous permeability	Uneven permeability	Permeability of mineralisation much less than waste rocks
Leachability	Selective leachability of useful compounds without harmful components	Selective leachability of useful compounds without adsorption harmful components	No selective leachability of useful compounds
Location of mineralisation	In fissures, open pores	Between grains of other minerals	Predominantly included in other minerals (non-leachable)
Chemical composition	No minerals with high adsorption	Low-grade of minerals with high adsorption	High-grade of minerals with high adsorption
Depth of mineralisation	Shallow deposits (150 m)	Deep deposits (150–750 m)	Very deep deposits (>750–900 m)
Morphology of mineralisation	Tabular deposits	Lightly pitching deposits	Steeply dipping deposits
Thickness	High thickness (5–10 m)	Moderate thickness (2–5 m)	Narrow thickness (<2 m)
Grades	Low grades	Low-moderate grades	High grades
Grade-thickness	High grade-thickness	Moderate grade-thickness	Low-grade-thickness
Type of mineralisation	Oxidised, mixed	Mixed, reduced/primary	Reduced/primary
Distribution of mineralisation	Equally distributed	Uneven distribution	Absolutely uneven distribution
Grainsize of mineralisation	Finely-dispersed, amorphous	Fine-/medium-crystalline	Coarse crystalline
Chemical composition	Low acid/reagent consumption mineralisation	Moderate acid/reagent consumption mineralisation	High acid/reagent consumption mineralisation
	No reducing agents	Low/moderate grade reducing agents	High-grade reducing agents
Physical condition	Unconsolidated low clay sands	Low-medium- consolidated sands, moderate clay sands	Strong consolidated or permanently frozen sands
	Strong disintegrated rocks (incl. artificially)	Moderate disintegrated rocks (incl. artificially)	Monolithic hard rocks, clays, permanently frozen rocks
Aquiclude	Above and below mineralisation	Below mineralisation/no aquiclude	–

In ERM's professional opinion, ISR can potentially be successfully realised at the NCP project. However, the following risks are the most important and require investigation:

- Uneven distribution of fracture zones in mineralised zones and can be difficult identify zones of fluid infiltration in ISR process. Proposed hydrogeological test on full thickness of zone and

distance 1.5 km between injection and pumping holes may respond to general transmissivity of zone but not local hydrogeological parameters important for ISR.

- Regime of leaching should be optimised due to reached consumptions of reagents are high. Alternative lixiviants based on mixed sulphuric and hydrochloric acid may be a superior option for the mineralisation at NCP.

2.8.5 PROSPECTIVITY

It is ERM's opinion that the NCP remains prospective for further discoveries of stratabound copper-silver mineralisation.

The exploration by Triprop and more recently by the Company has confirmed the presence of stratabound copper-silver mineralisation. The Company has further developed its understanding of the geology of the property, and the complexity introduced by palaeotopography into the AEM targeting can be mitigated by the use of high-resolution magnetic data.

The current core drilling campaign has validated this approach and has confirmed comparatively thick copper mineralisation over a strike length of several kilometres. The recently announced infill drilling program is aimed at confirming continuity of mineralisation at a drill spacing appropriate to declare mineral resources, should the mineralisation prove to be continuous at the closer spacings that will be drilled. The property remains prospective, particularly to the south where the Kalahari cover is thinner based on interpreted anticlines and mineralised drill intersections (Figure 5).

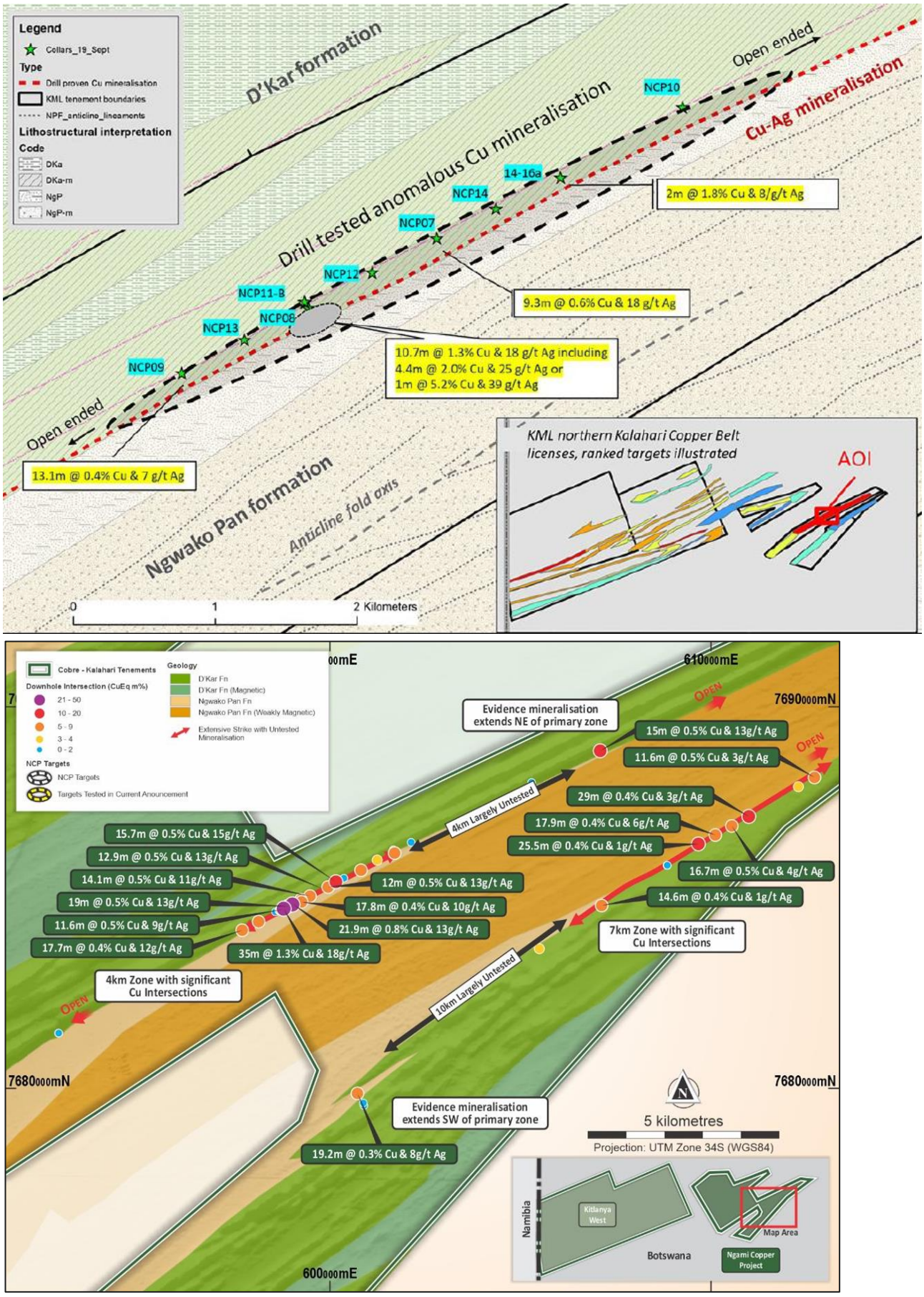


Figure 22: Plan map illustrating completed drill holes on lithological interpretation.

Source: Cobre ASX announcement 31 October 2022

2.9 OKAVANGO COPPER PROJECT

The OCP comprises one KML licence (PL149/2017) and three Triprop licences (PL041/2012, PL042/2012 and PL043/2012) – Table 3. These licences are along strike to the northeast from the Sandfire and MMG's projects (Figure 2) and within the prominent northwest oriented Karoo aged dyke swarm and where Kalahari cover begins to thicken (Figure 5 and Figure 6).

The initial soil sampling work completed in the past by New Hana (Table 4) identified a number of anomalies and was followed up by drilling which failed to intersect any mineralisation. A number of small high-resolution airborne magnetic surveys were also flown but not focused on all the target areas (Table 4).

Early work conducted by KML has included the acquisition of high-resolution geophysical data (airborne magnetic and electromagnetic – AEM) and three-dimensional (3D) modelling of this data to map the thickness of the Kalahari cover and identify the target lithologies and structures along the contact between Ngwako Pan and D'Kar formations. This was used to guide the 2019 drilling of six scout drillholes (Figure 23).

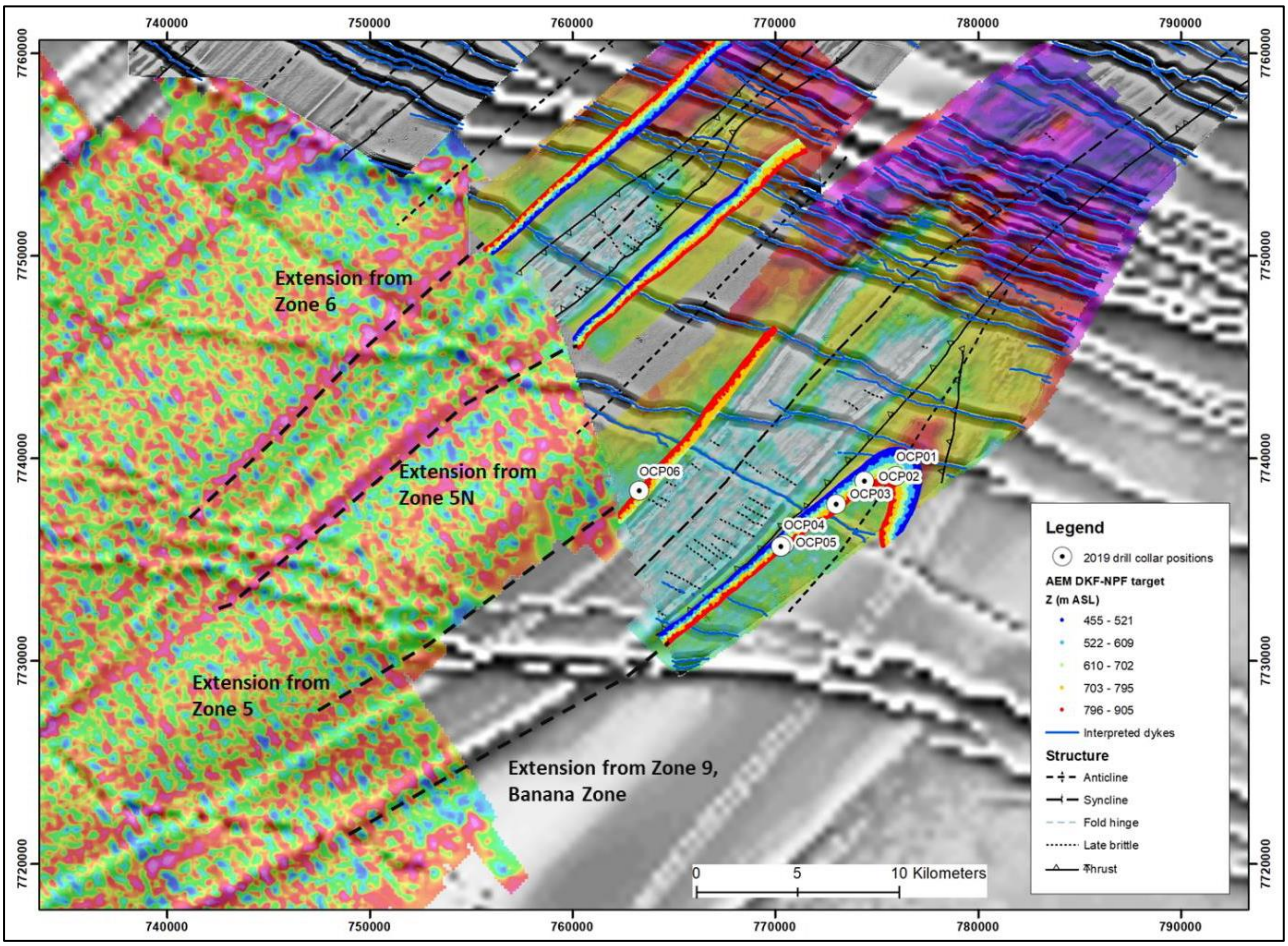


Figure 23: KML used both historical and recent AEM data for drillhole targeting
Source: Woolridge and Krebs, 2020a

Although the drilling successfully targeted and intersected the ~25 m thick "Temporary Target Package" (TTP) of the Ngwako Pan and D'Kar formations, success was limited. In five of the six drillholes, there were elevated copper values along with a lead and zinc halo. Hole OCP06 was the only drillhole to intersect limited visual copper mineralisation.

One of the important findings/outcomes of the exploration is the observation that "*the mineralisation is best developed where the marker conductors are discontinuous (often disappearing locally) possibly as a result of conductive organic material being replaced during alteration associated with mineralisation. Discontinuities in the marker conductors may provide an additional targeting tool as a result"* (Woolridge and Krebs, 2020a).

In the Wooldridge and Krebs (2020) report, they re-examined the published exploration results from the known deposits to the southwest of the property to refine the exploration model in terms of understanding the controls to the mineralisation in relation feeder structures associated with basement highs and margins and the size of the mineral haloes that develop around deposits (Figure 24).

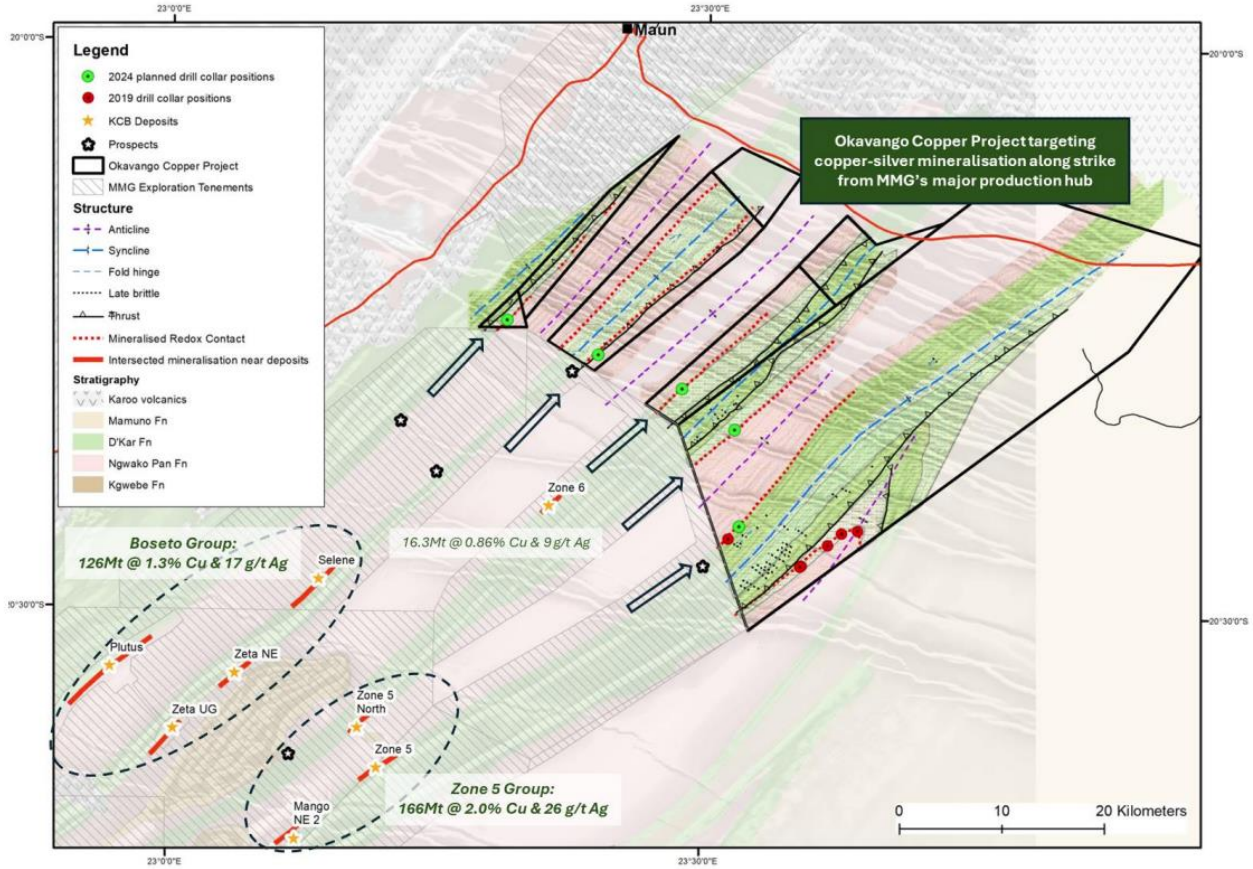


Figure 24: KML's interpretation of the northern portion of the Kalahari Copperbelt using published results and drill collar densities of known deposits, to estimate the halo of higher-grade mineralisation surrounding each of the deposits (illustrated in red). Note: The green points are the location of the six drillholes from 2019.

Source: Woolridge and Krebs, 2020a

Based on this work, KML has identified a number of additional follow-up targets within the OCP for future drill testing (Figure 25).

The OCP covers 1,363km^2 of prospective KCB stratigraphy located immediately northwest of MMG's Zone 5 production hub and surrounding deposits. Mineralisation in the KCB is sediment-hosted and structurally controlled, with copper-silver mineralisation occurring along the redox contact between the oxidised basal units of the volcano-sedimentary Kgwebe, clastic sedimentary red bed units of the Kuke and Ngwako Pan Formations and reduced D'Kar Formation marine sedimentary rocks. The target redox contact sub-crops along a series of moderately

dipping anticline limbs (totalling over 150 km of strike) under Kalahari Group cover which varies in thickness from approximately 70 m on the western side of the project to greater than 150 m in the far east of the project.

The lower D'Kar and upper Ngako Pan Formations were intersected during the 2019 drill campaign. The lower D'Kar Formation consists of series of alternating siltstones and sandstones, conductive black carbonaceous marker siltstones, thick medium-grained marker sandstone unit, and target mineralised package of interbedded laminated siltstones, rhythmites, limestones and marls. Limestones, relicts of algal mats and possible evaporitic textures are all suggestive of a shallow water shelf environment with similar setting to the MMG's deposits located to the southwest. The underlying Ngwako Pan Formation consists of a medium to coarse-grained arenite which is often bleached in proximity to the contact. This is particularly evident in drill hole OCP06 which also returned elevated copper grades.

The redox contact has been successfully modelled through cover using a combination of high-resolution magnetic and electromagnetic data which responds well to the conductive carbonaceous siltstone unit's notable in this portion of the KCB. Regional gravity data suggests the greater project area is located on a basement high with a series of smaller constrained sub-basins potentially controlling the location of deposits. Although the gravity station coverage is fairly limited in the OCP area, it does provide support for the extension of intra-basinal highs and constrained basins from known deposits to the southwest.

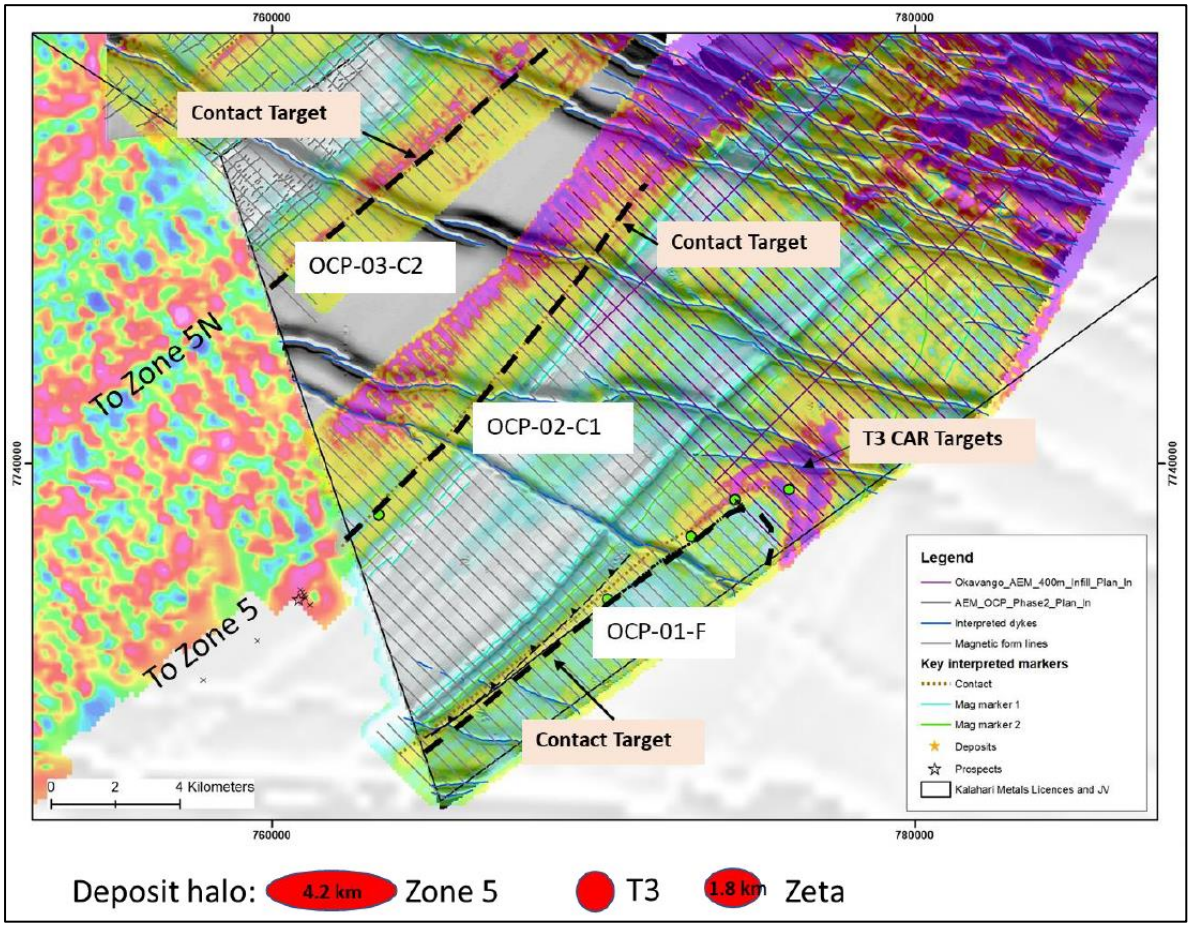


Figure 25: Follow-up targets for future drill testing identified by KML (the calculated halo sizes of the known deposits are also provided as a reference)

Source: Wooldridge and Krebs, 2020a

2.9.1 PROSPECTIVITY

It is ERM's opinion that the OCP is prospective for stratabound copper-silver mineralisation. This is confirmed by the results of the recent exploration activities undertaken by Cobre.

Cobre has further developed their preferred exploration model and identified a number of conceptual targets for follow-up drill testing.

Some of the challenges include the Kalahari sediment cover which is >60 m thick and thickening to the northeast. This has been confirmed by the 2019 drilling where Kalahari cover intersected in the southern area is between 80 m and 100 m thick. The north-western end of the project area the Ghanzi Group is covered by Karoo sediments (Figure 6).

2.10 KITLANYA EAST

The Kitlanya East project area comprises three licences, PL070/2017, PL071/2017 and PL072/2018 held by Kitlanya (Pty) Ltd (Table 3) located on the south-eastern flank of the Ghanzi Belt (Figure 1). The Kalahari cover varies from <30 m in the west of the project area and thickens gradually to the east to >60 m (Figure 5).

Prior to Kitlanya acquiring the licences, the northern part of the project area was explored by New Hana who identified several copper anomalies based on the results of TerraLeach™ copper assays of soil samples. This included a significant anomaly over an interpreted fold hinge near the western edge of the project area close to the T3 deposit (Figure 26). Several targets were drill tested by New Hana, but it is unclear whether they intersected any copper mineralisation. They also acquired high-resolution airborne magnetic data and drilled several proposed targets (KML, 2019b).

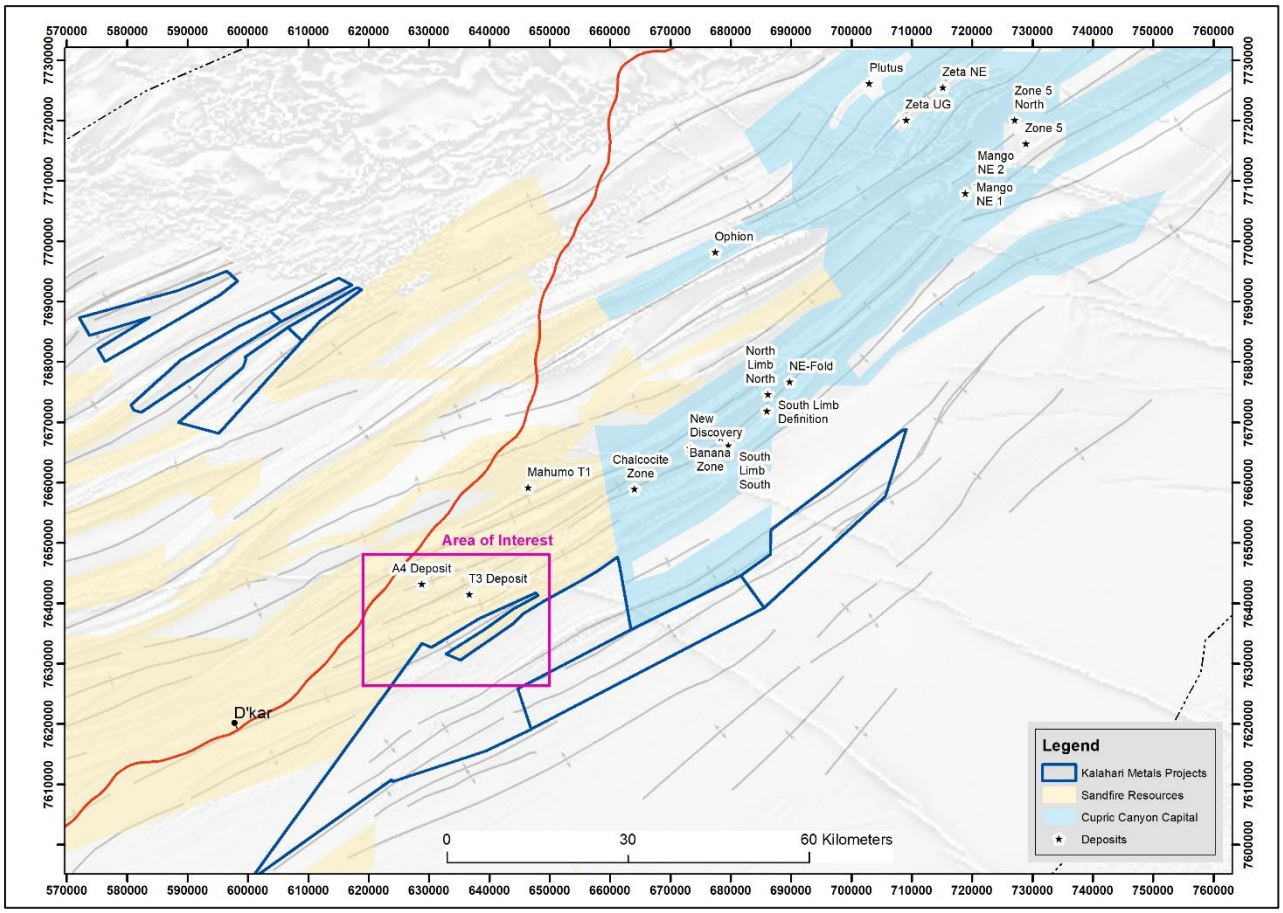


Figure 26: Re-interpretation of the historical New Hana data and targets identified by KML
Source: KML

A review of the historical data by KML has identified a number of priority areas within the project area. Subsequent work within the Kitlanya East has been largely focused on priority area 1 (Figure 27).

Soil sampling by KML within the priority area 1 (Figure 27) over selected traverses within the copper anomalies identified by New Hana have returned coincident zinc anomalies (Figure 28). KML has also reviewed the New Hana drilling results and interpreted the fold structure, originally interpreted as a syncline, as an anticline based on the identification of younging directions. The implications of this include the interpreted position of the contact between the Ngwako Pan and D'Kar formations is further north than previously thought. Historical drilling would have been targeting the non-prospective upper parts of the D'Kar Formation. This was also supported by a re-interpretation of the New Hana AEM and magnetic data and the location of a conductive unit that possibly represents the marker units in the lower D'Kar Formation (KML, 2019b).

ERM notes that the New Hana data provided during this report compilation does not include any drillhole assay data and it is unclear if any copper mineralisation was identified.

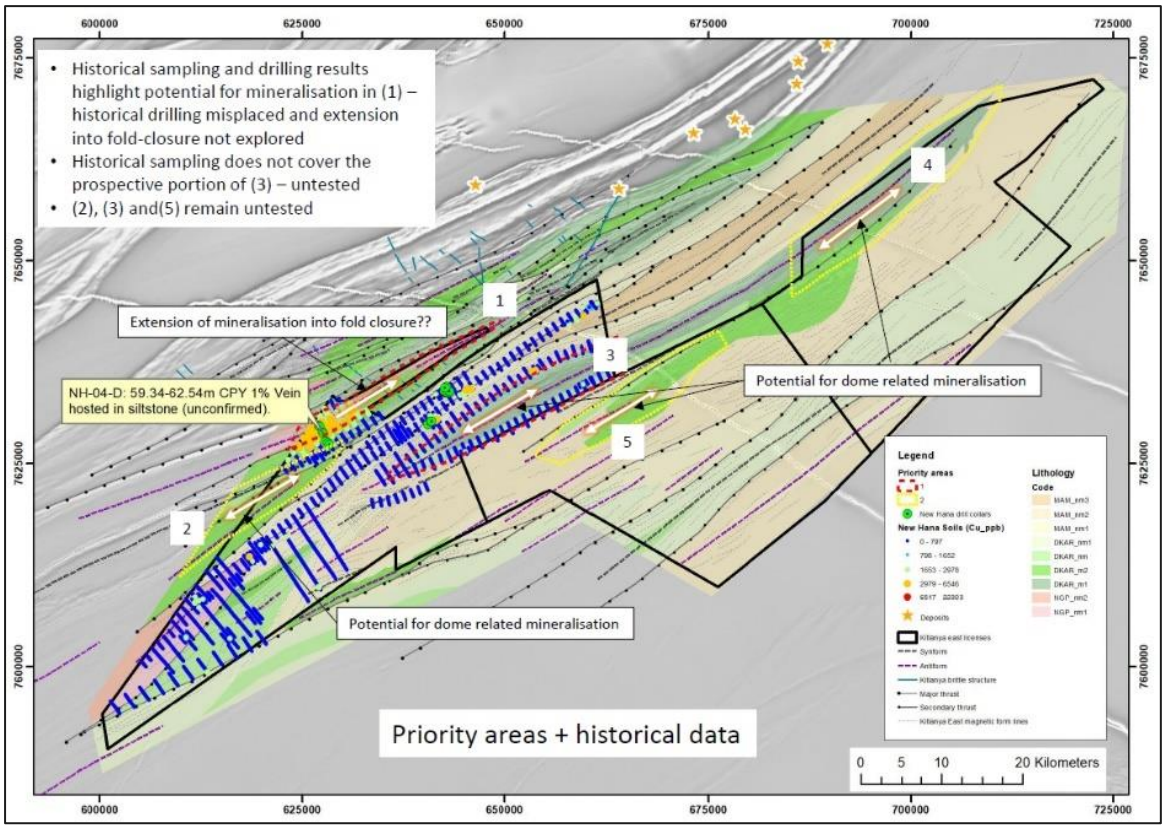


Figure 27: Area of interest identified based on the New Hana exploration and confirmed by recent KML work

Source KML, 2020

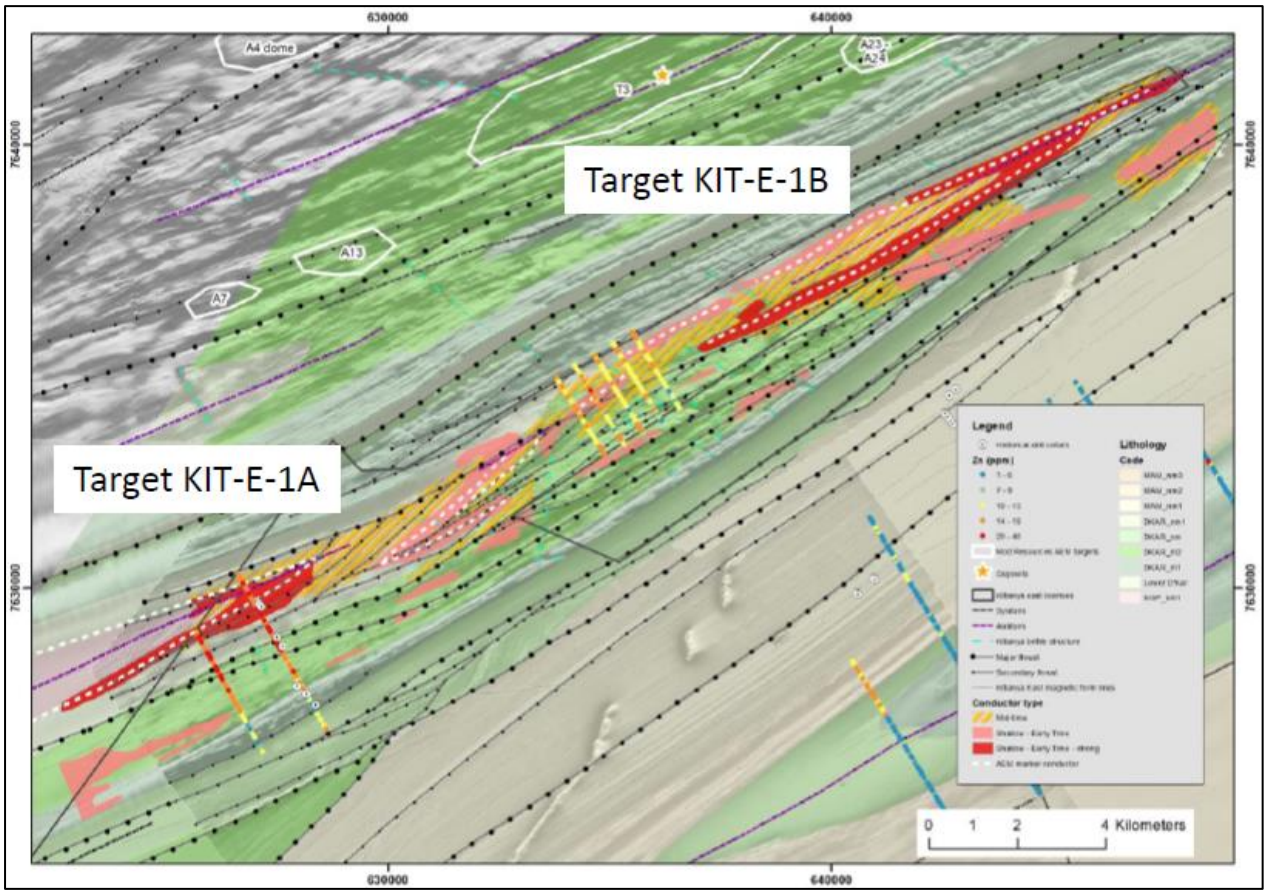


Figure 28: New targets identified by KML from the soil geochemistry, drilling and AEM data over priority area 1 (North Target)

Source: KML, 2019b

Interpretation of the KML-commissioned regional and detailed AEM surveys has identified prospective conductive units that appear to correlate with the markers of the lower D'Kar Formation as well as fold structures representing the prospective T3 analogues. This was used with the historical data acquired by New Hana to identify a number of exploration targets which were drilled by KML (KML, 2019b) (Figure 29).

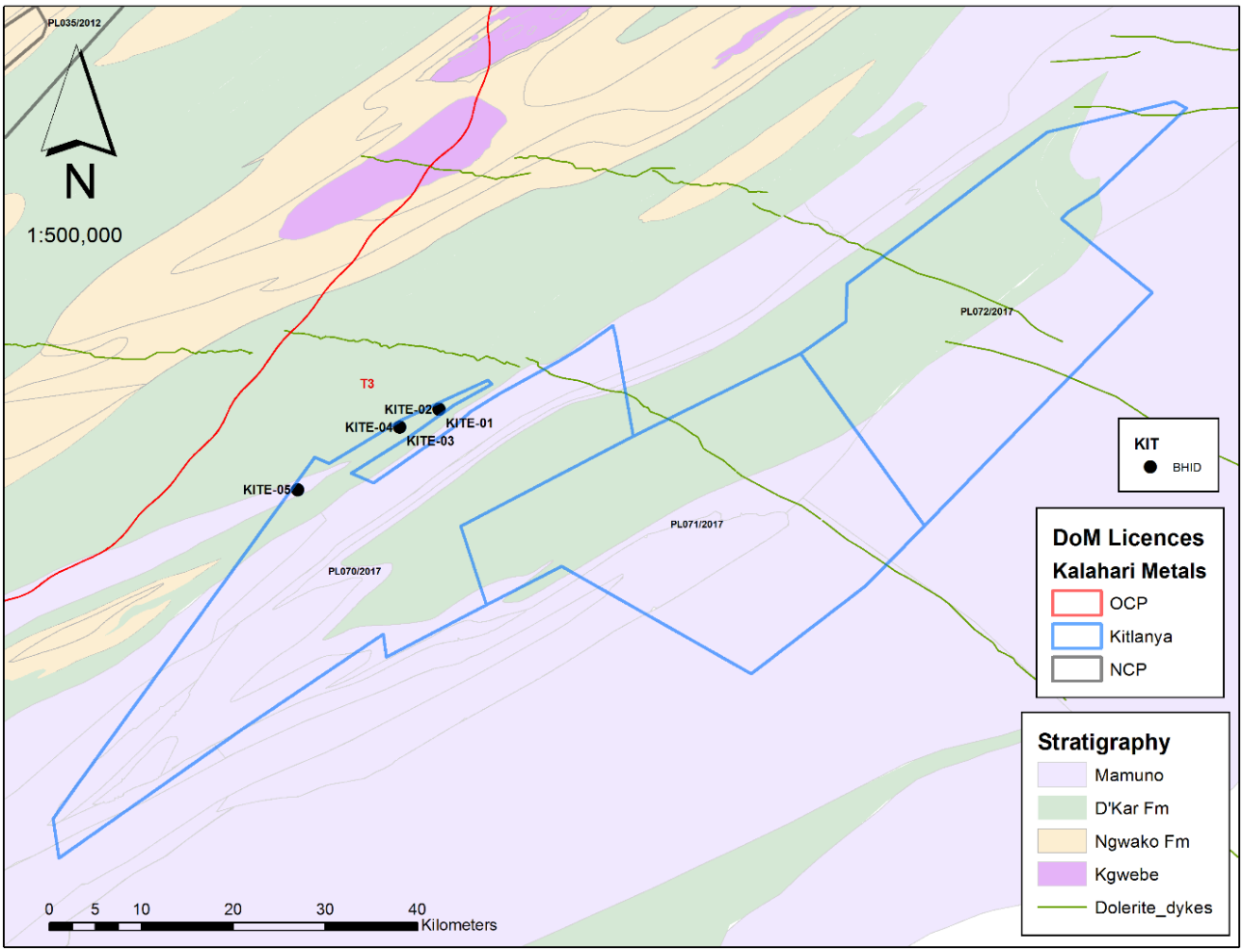


Figure 29: Location of the KML drilling on targets KIT-E-1A and KIT-E-1B in the Northern Target by KML within Kitlanya East

Source: KML 2020

Initial work conducted by KML was focused on the targets in priority area 1. The drilling results were inconclusive and suggest that there is significant structural complexity in the area. KML has subsequently revisited its models and has suggested the targets may not conform with the conventional models viewed as applicable to the area.

In 2020 KML conducted infill geochemical soil sampling, airborne AEM and magnetic surveys over Target 3 (Figure 27 and Figure 30), also referred to as the South Fold Target or Endurance Prospect. The work also included the relogging of historical drillholes along the margins of the target. This has served to suggest the target comprises a favourable structural and stratigraphic setting for potential shallow mineralisation associated with the lower D'Kar Formation (Figure 31). KML planned drill testing in the central portion of this target aimed at identifying the prospective lower D'Kar Formation stratigraphy and structurally controlled Cu-Ag mineralisation (KML, 2021a).

The Endurance Prospect covers an area over 25 kilometres (km) containing an extensive elongated fold structure with numerous smaller doubly plunging anticlinal structures superimposed, offering excellent trap sites for Cu-Ag mineralisation (Figure 32).

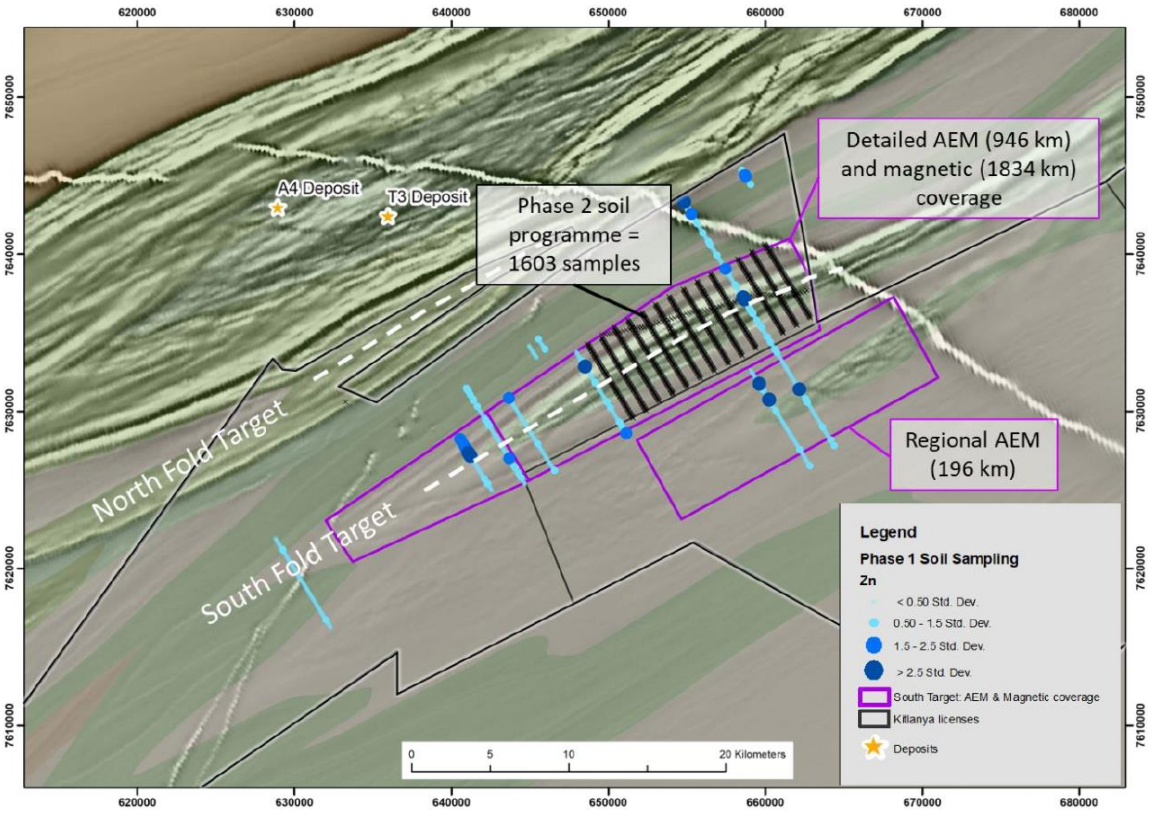


Figure 30: Location of the recent KML exploration conducted on the South Fold Target (area 3 - Figure 27) by KML within Kitlanya East

Source: KML press release 2 March 2021.

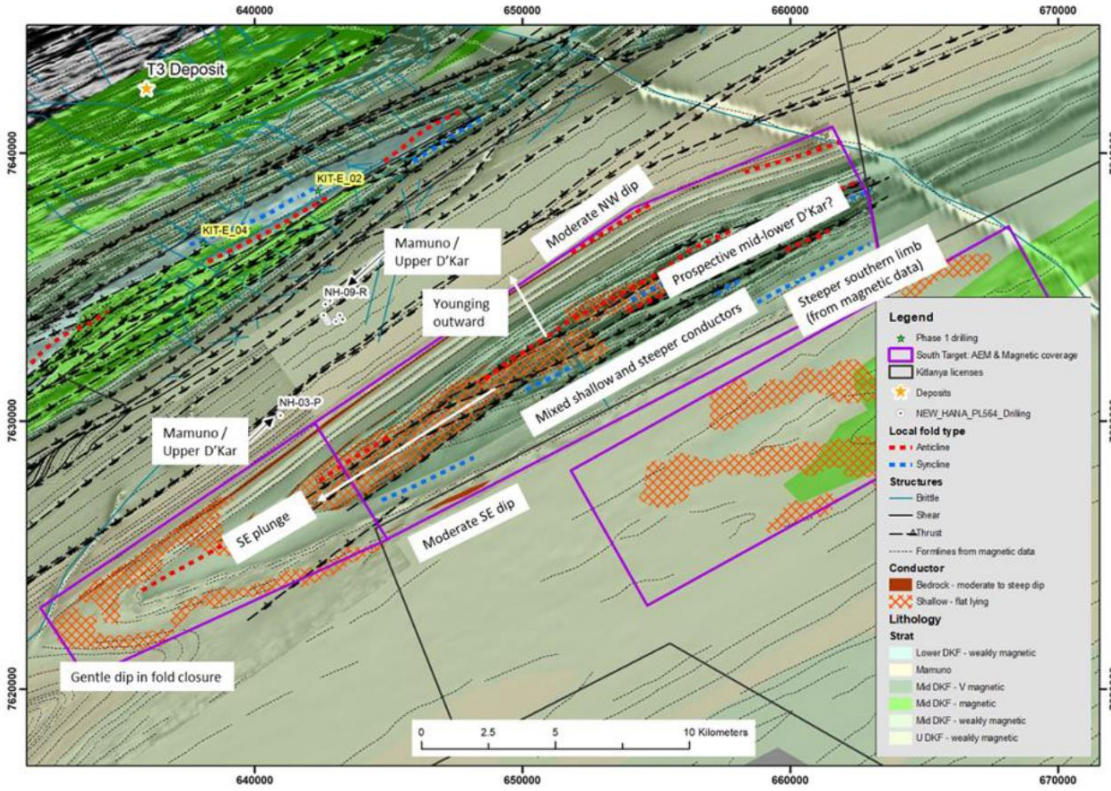


Figure 31: KML interpretation of the AEM and magnetic data over the South Fold Target (area 3 - Figure 27).

Source: KML press release 2 March 2021.

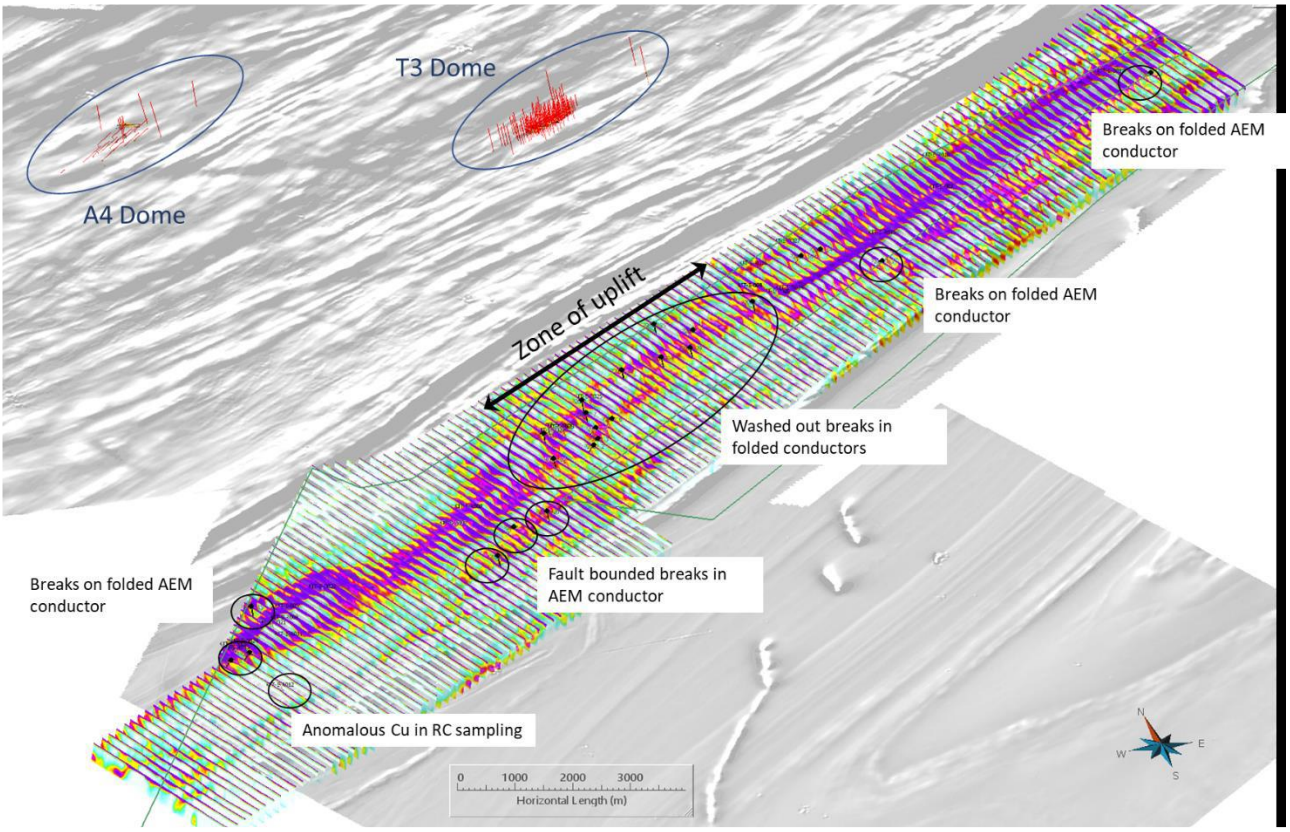


Figure 32: 3D view illustrating AEM conductivity depth sections on derivative magnetic image with targets highlighted. Proposed follow-up drillholes illustrated as black traces.

Source: Cobre ASX announcement, 12 April 2022

During 2021, KML set out to test a targeting model based on folding, feeder structures and stratigraphy. Drilling was very broadly spaced to provide an initial insight into multiple targets across the large prospect area. A total of 3,345 metres (m) of core and 1,701m of RC drilling were completed on the Endurance Prospect in two stages. The first stage provided important insights into the selected targets and demonstrated key alteration assemblages at Endurance, which are known to be associated with major deposits across the KCB. Second-stage drilling successfully refined the targeting model and involved an initial test of new targets and broad step out around some first-stage holes (aimed at assessing alteration vectors).

Drill results provided several intersections displaying signs of alteration and intense veining with accompanying visible trace Cu, Pb and Zn mineralisation, all considered important vectors to mineralisation. Selected zones of drill core and RC samples were sent for assay to confirm the logging results and assist with further target generation.

Based on drill results to date, an expanded programme testing multiple targets on the Endurance Prospect has been designed.

2.10.1 PROSPECTIVITY

It is ERM's opinion that the Kitlanya East Project is prospective for stratabound copper-silver mineralisation based on the proximity area to the T3 deposit and the presence of prospective geology located within the project area.

To date priority area 1 (North Target) and area 3 (Endurance Prospect) (Figure 27 and Figure 32), have been explored by KML with encouraging results that warrant further exploration. A number of the targets remain untested.

2.11 KITLANYA WEST

The Kitlanya West project area comprises two licences, PL0342/2016 and PL0343/2016 held by Kitlanya (Pty) Ltd (Table 3) located on the north-western flank of the Ghanzi Belt, and along strike to the west of the NCP and abutting the Botswana-Namibia border (Figure 1). The Kalahari cover varies from >30 m in the east of the project area and thickens to >60 m in the west (Figure 5).

KML reprocessed and interpreted AEM data collected by BHP in the late 1990s over the eastern half of the project area (Figure 33). KML conducted a high-resolution AEM survey over the prospective portions of Kitlanya West to help resolve the geological interpretations of the targets and extend the AEM coverage to the west following the re-interpretation of the historical data. KML was able to extrapolate the target horizons identified in the NCP into Kitlanya West as well as interpret prospective anticlines and possible domal structures using this data (KML, 2019c, 2019d).

KML also collected soil samples over portions of the project area and conducted the sample analysis by portable XRF. The assay results are interpreted to confirm the Kgwebe Formation as interpreted from the geophysics. There are also several lead-zinc anomalies coincident with some of the mapped geology and structure in the area.

In 2021 KML completed an airborne AEM and gravity survey which (Figure 33) served to support the conceptual exploration model and the previous soil geochemical results. Commencement of an initial two drillhole, 900 m, core drilling programme on the AEM target has further served to confirm the existence of the DKF in the fold structures interpreted from the AEM data (KML, 2021b).

Cobre undertook further drilling, soil sampling and interpretation in 2022 and 2023. The 12,000 m drill programme was designed to test for anomalous copper at the bedrock contact below cover as well as determining underlying lithology, stratigraphy and cover thickness.

RC percussion drilling identified fold targets in key structural positions. Tlou is the most advanced fold target with anomalous copper noted over an area of 4 km x 1.2 km including evidence of chrysocolla mineralisation in fractures. New targets include large (possibly isoclinal) folds with clear copper anomalies in the hinge zones which would present ideal trap sites for copper-silver mineralisation.

In addition, anomalous copper intersections have been recorded on several key structures as well as proximal to the redox contact between tightly folded, oxidised, Kgwebe, Kuke and Ngwako Pan Formation units and reduced D'Kar Formation. These results identify the position for potential fold limb and plunging fold hinge targets where the D'Kar Formation "roof" is preserved.

Further copper anomalies have been identified on the basin margin, where D'Kar Formation onlaps underlying basement. The contact with the basement and overthrust younger Damara sedimentary units presents an interesting position for atypical copper deposits often associated with basin margins.

Multi-element soil sampling results have provided valuable support for the prospectivity of the targets, with coincident anomalies noted on both fold targets, contacts and structures, with the drilling and soil results combined with updated lithological interpretations have been used to prioritise a set of compelling targets for further follow-up work. (Figure 34).

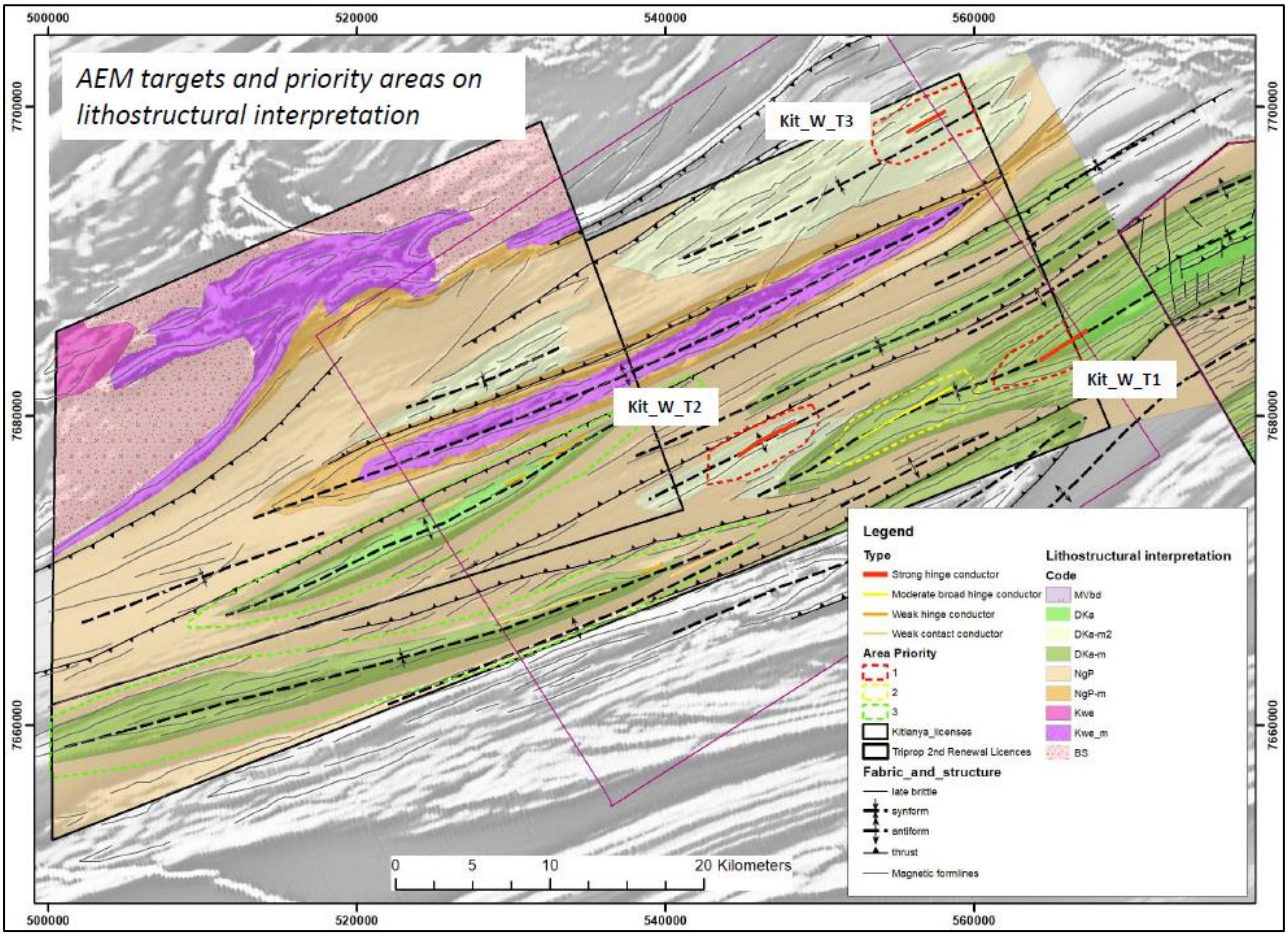


Figure 33: Geological interpretation of Kitlanya West and AEM targets identified

Note: The red block is the extent of the historical AEM coverage. Source: KML, 2019c

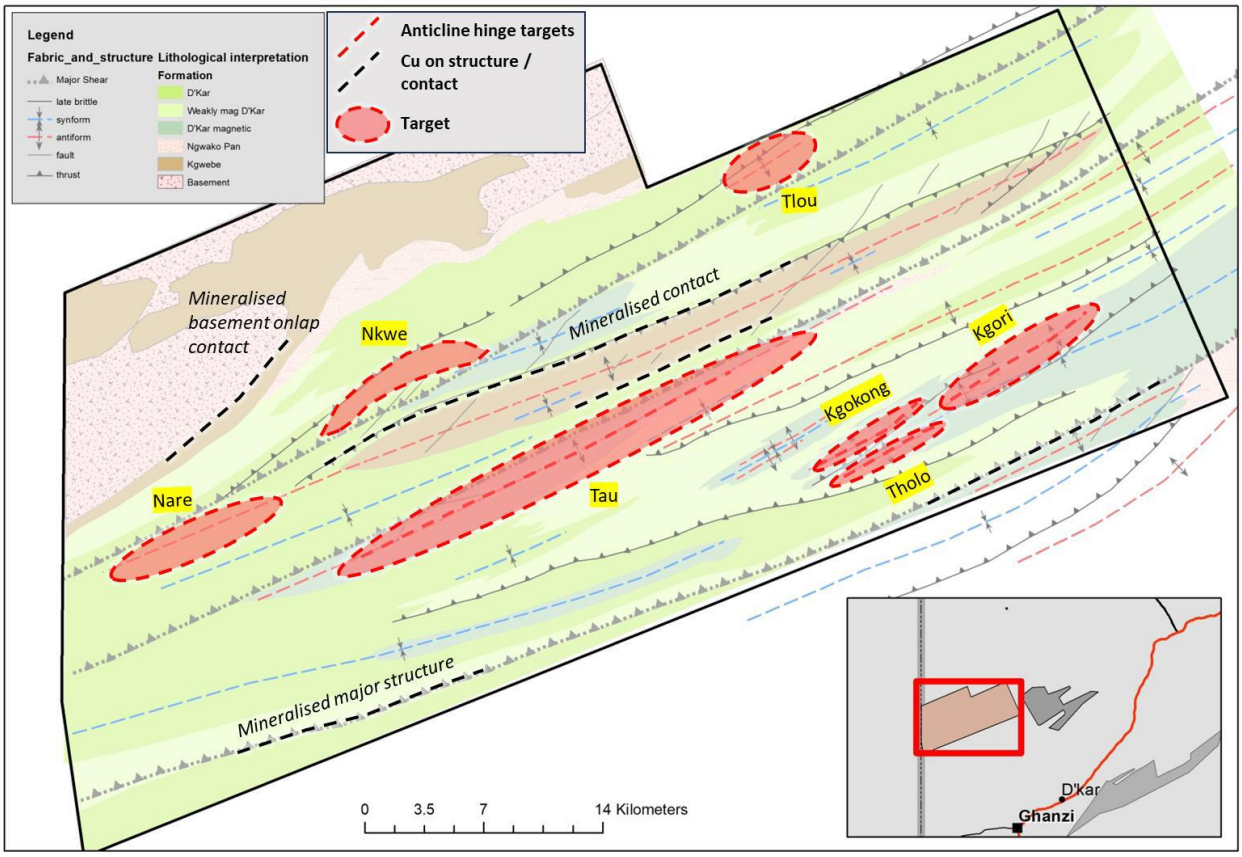


Figure 34: Kitlanya West fold targets

on lithological and structural interpretation with key mineralised contacts and structures highlighted. Source: Cobre

2.11.1 PROSPECTIVITY

It is ERM's opinion that the Kitlanya West Project is prospective for stratabound copper-silver mineralisation based on the location of the area along strike from the NCP, as well as the interpreted prospective basement geology, host lithologies and structural setting of the project area.

Recent exploration by Cobre focused on the eastern end of the project area with encouraging results that have served to support the conceptual exploration model and warrant further exploration.

3. WESTERN AUSTRALIAN PROJECTS

Cobre currently has an interest in two early-stage copper exploration projects in Western Australia, Perrinvale (held by Cobre) and Sandiman in which Cobre holds an earn-in option (Figure 35).

Figure 35: Location of Perrinvale and Sandiman Projects
Source: Geomin (2019)

This summary of the Western Australian Projects is extracted from the "Independent Geologists Report on the Perrinvale and Sandiman mineral exploration projects, Western Australia" by Geomin Services (Pty) Ltd that was included in Cobre's Prospectus, dated December 2019.

3.1 PERRINVALE PROJECT

3.1.1 LOCATION AND TENURE

The Perrinvale Project is located approximately 260 km northwest of Kalgoorlie in the central part of the Yilgarn Craton of Western Australia (Figure 35). The tenement package lies over the pastoral leases on Perrinvale and Bulga Downs stations, in an area approximately 150 km southeast of Sandstone and 160 km northwest of Menzies and in the immediate vicinity of Lake Barlee (Figure 36).

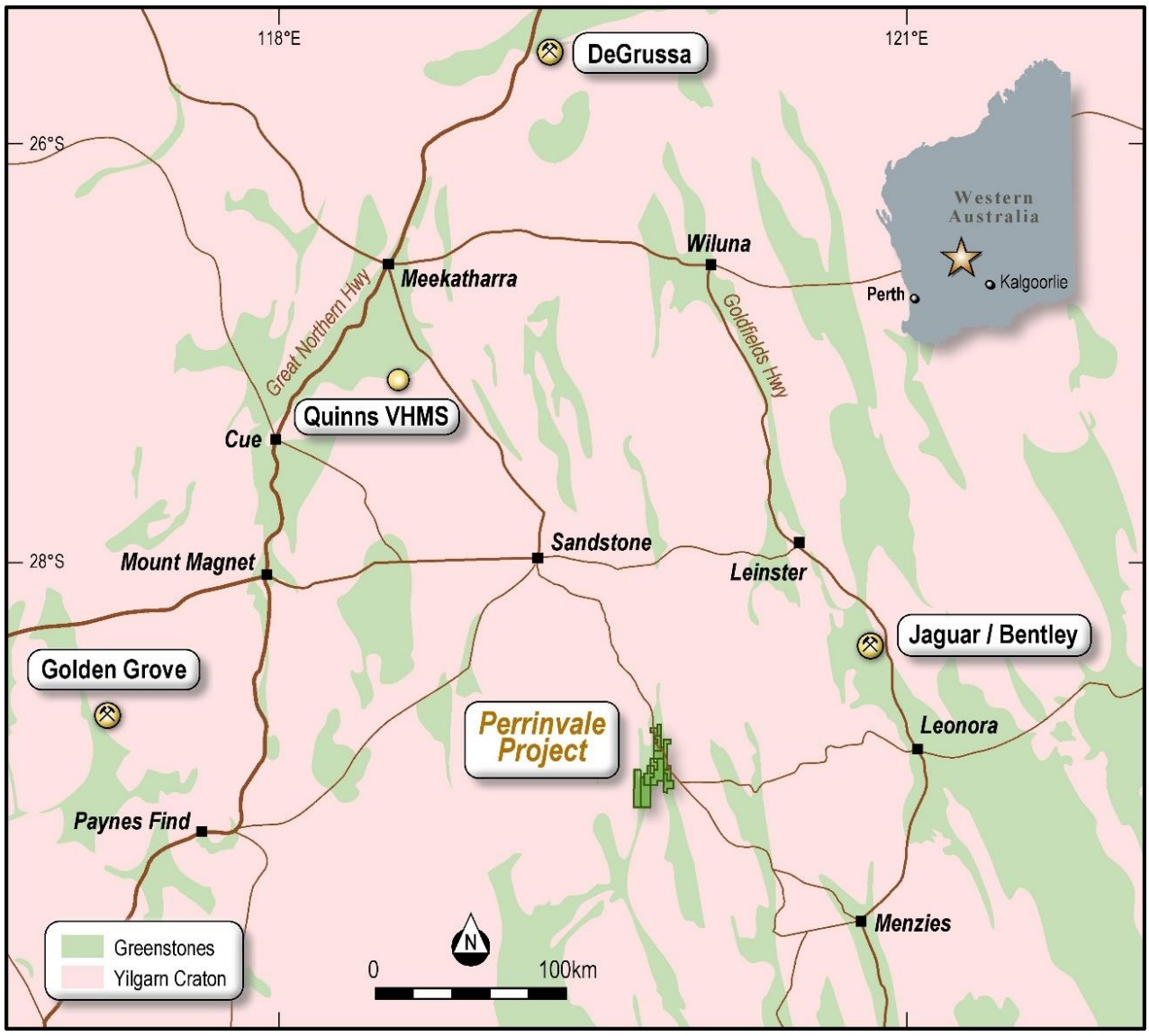


Figure 36: Perrinvale tenements
Source: Cobre

The Perrinvale Project site is accessible via the gravel Menzies-Sandstone Road and an internal network of pastoral tracks. Exploration is possible throughout the year. However, part of the project area includes the northeastern parts of Lake Barlee, an ephemeral salt pan that fills every

10 years on average, with water persisting for around 12 months after and can restrict exploration over these wet periods.

The Perrinvale Project comprises a contiguous group of ten exploration licences covering a total of 345 km² (Figure 38), held by Toucan Gold Pty Ltd (Toucan), a wholly-owned subsidiary of Cobre (Table 7).

All Perrinvale tenements are 100% owned by Toucan; however, ERM understands that FMG Resources Pty Ltd retains a 2% net smelter royalty on any future metal production from tenements E29/929I, E29/938I and E29/946I.

Tenement information on the Cobre Projects was provided by Cobre, and independently confirmed by ERM via the Mineral Titles Online portal provided by the Government of Western Australia DMIRS.

Table 7: Perrinvale tenement table

Tenement	Holder	Grant date	Expiry date	Area (blocks)
E29/1017	Toucan Gold Pty Ltd	4 Jan 2018	3 Jan 2023	18
E29/929I	Toucan Gold Pty Ltd	25 Aug 2015	24 Aug 2025	19
E29/938I	Toucan Gold Pty Ltd	8 Jul 2015	7 Jul 2025	13
E29/946I	Toucan Gold Pty Ltd	18 Aug 2015	17 Aug 2025	5
E29/986	Toucan Gold Pty Ltd	11 Oct 2017	10 Oct 2022	20
E29/987	Toucan Gold Pty Ltd	19 Sep 2017	18 Sep 2022	7
E29/988	Toucan Gold Pty Ltd	19 Sep 2017	18 Sep 2022	1
E29/989	Toucan Gold Pty Ltd	19 Sep 2017	18 Sep 2022	3
E29/990	Toucan Gold Pty Ltd	19 Sep 2017	18 Sep 2022	9
**E29/1106	Toucan Gold Pty Ltd	14 May 2021	13 May 2026	20

Source: Mineral Titles Online portal of DMIRS

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.

** SUBJECT to forfeiture

3.1.2 GEOLOGY AND MINERALISATION

The Perrinvale Project is situated in the northern part of the Southern Cross Domain of the Youanmi Terrane in the central part of the Yilgarn Craton (Figure 35). The central terrane of the Yilgarn Craton is geologically and metallogenically distinct from the Eastern Goldfields to the east and the Murchison Domain to the west (Figure 37).

The Southern Cross Domain contains discrete arcuate, greenstone belts enveloped and separated from each other by voluminous Archaean age (2.755–2.680 Ga) granites, which are strongly foliated and gneissic. The granites are considered important in the sense that they acted as modifiers to the stress fields during the deformation and created brittle-ductile shear zones along the contacts with the greenstones which are favourable hosts for gold mineralisation.

The licences cover a substantial portion of two discrete, Archaean age, greenstone belts within the Southern Cross Domain, the Panhandle Greenstone Belt to the west of the Menzies-Sandstone Road, and the Illaara Greenstone Belt to the east (Figure 38). The Panhandle Greenstone Belt within the Perrinvale Project is host to four prospective VMS prospects, namely:

- Schwabe
- Zinco Lago (comprising Zinco Lago and Lago Rame)
- Monti
- Ponchiera.

Although the greenstone belts in the Southern Cross Domain are spatially discrete entities there are lithological similarities, and where the sequence can be established, they show matching stratigraphy. The greenstones are dominantly volcano-sedimentary sequences comprising tholeiite basalt, large gabbroic sills, prominent magnetite banded iron formations (BIFs), minor magnesium-basalts and ultramafics, and quartzite (Figure 38). Felsic volcanic sequences within the basalts are rare with the only felsics of significant thickness occurring ~150 km to the south and higher up in the stratigraphic succession, although work to date has identified more signs of felsic volcanics on the project.

Understanding the stratigraphy sequence in greenstone belts is thus important when targeting VMS-related mineralisation occurring in a preferred stratigraphic position within a region. Although there is no formal stratigraphy for the northern part of the South Cross Domain, it is clear from correlations using the basal quartzites and major gabbro intrusions into the Meelie Suite that a regional stratigraphy can be constructed.

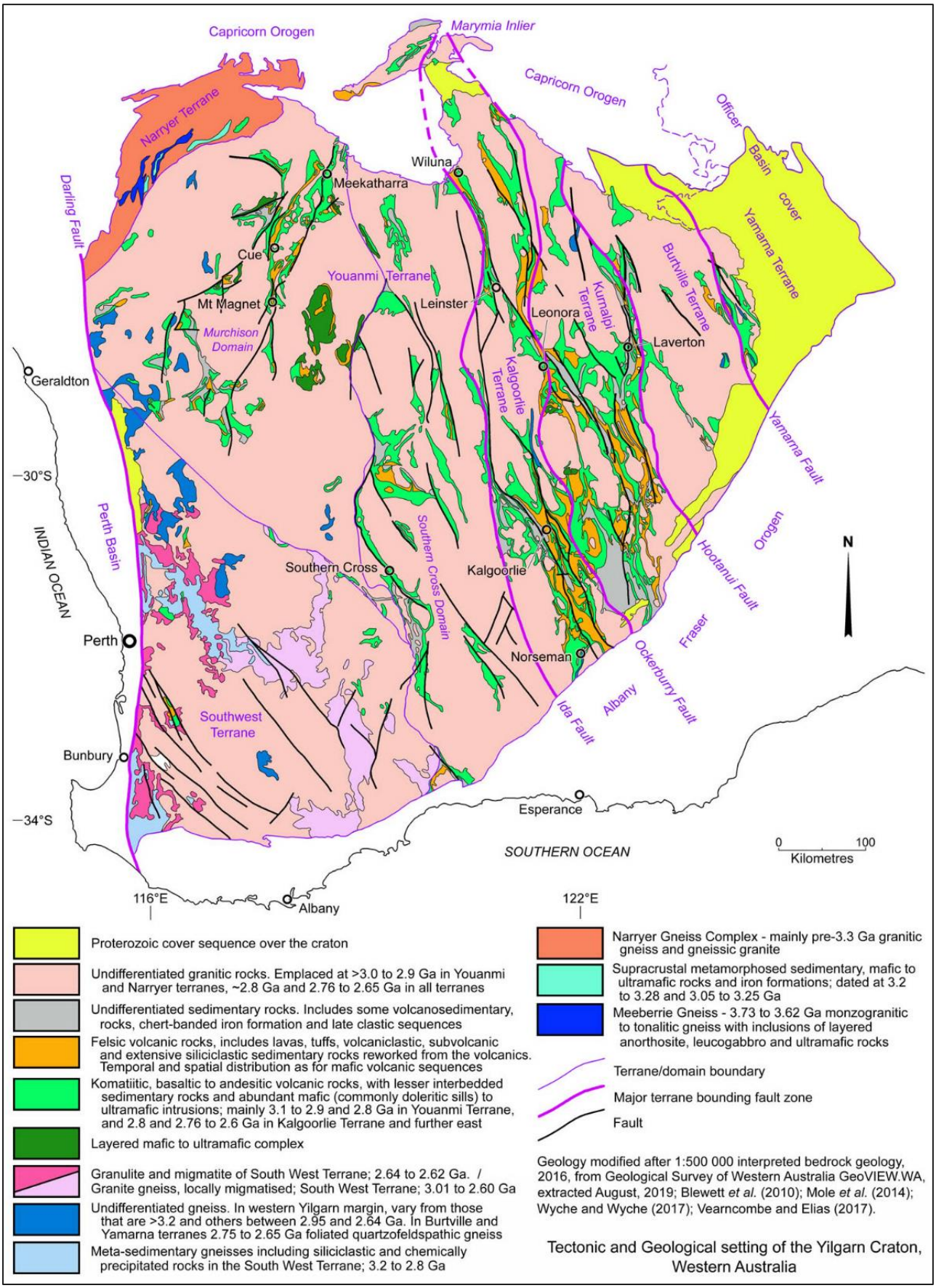


Figure 37: Geological and tectonic map of the Yilgarn

Source: http://www.portergeo.com.au/database/largeimages/yilgarngeology.asp - accessed 29 September 2020

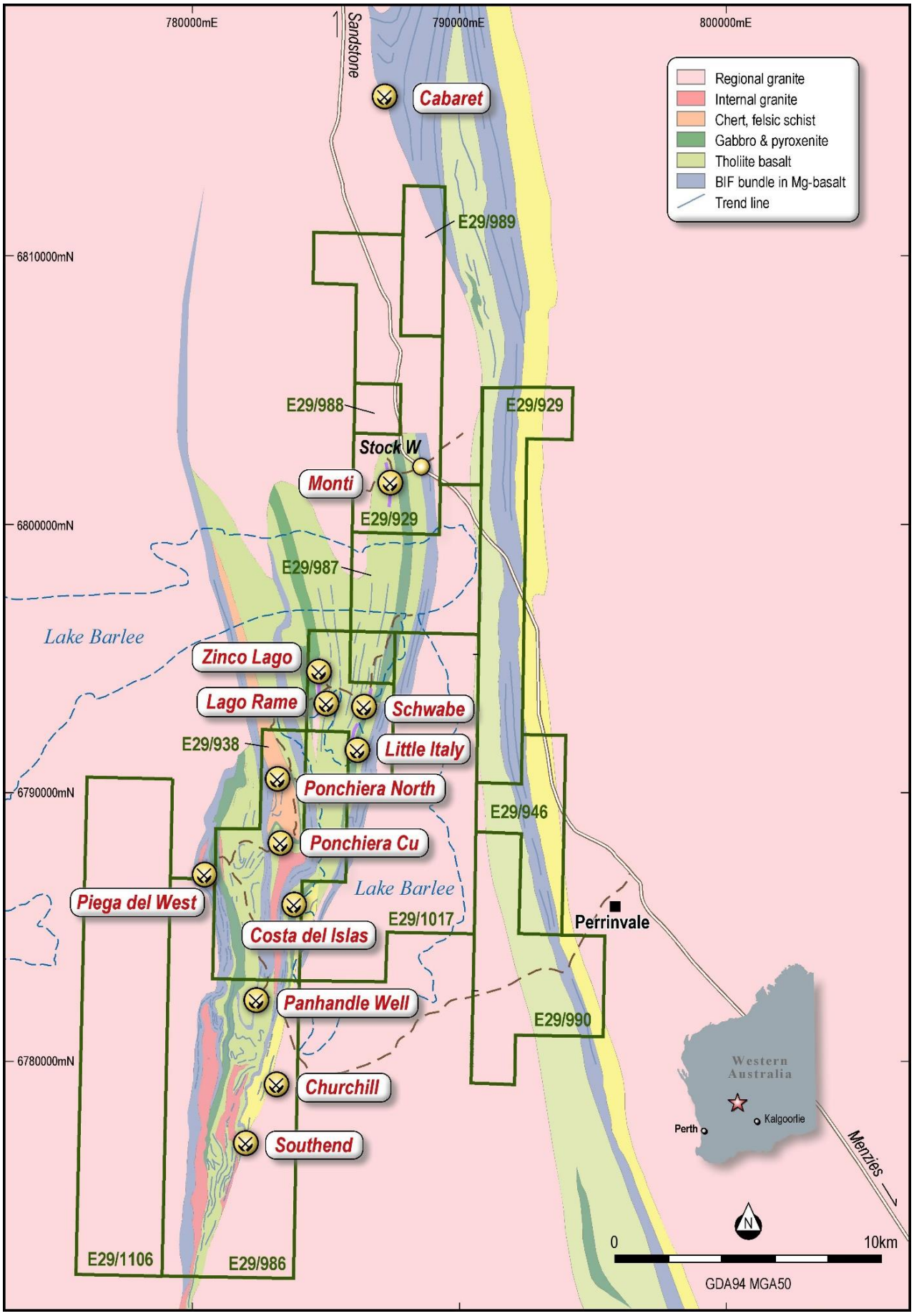


Figure 38: Perrinvale geology and prospects

Source: Cobre

These thick volcanic sequences are interpreted to be ancient strato-volcanoes and potentially host VMS deposits. These deposits comprise syn-genetic concentrations of massive to semi-massive sulphides with mafic or felsic volcanic sequences between different volcanic flows, often associated with interflow sediments. They form on or immediately below the seafloor by the discharge of high temperature seawater-dominated hydrothermal fluids associated with volcanism. The deposits usually have a metal zonation with an upper planar, concordant zinc-rich zone and an underlying copper-rich disseminated zone in the altered footwall. Felsic volcanic complexes are rare in these early BIF sequences of the Southern Cross Domain and may partly account for the paucity of copper-zinc occurrences of VMS affinity. The VMS deposits of the region tend to be associated with mafic volcanic sequences and puts them into the Besshi type or mafic siliciclastic class of VMS deposits as defined by Cox and Singer (1986) and Gibson *et al.* (2007).

Two examples of VMS deposits in the Perrinvale area include:

- The Manindi deposit (previously known as Freddie Well), 20 km to the southwest of Youanmi is a copper-zinc deposit in recrystallised banded quartz-magnetite rocks with a narrow quartz-sericite schist along the basalt and intrusive gabbro contact (Cornelius and Smith, 2005).
- The Pincher Well zinc deposit, within the Youanmi area, occurs in shale bands in altered basalt extending over a strike of 5 km. Drilling of IP geophysical anomalies has intersected massive sulphide zones ranging from 6 m to 10 m in thickness and mineral contents of 4.2% to 9.5% zinc and copper.

The Perrinvale tenements cover two adjacent greenstone belts, the Illaara and Panhandle greenstone belts, both enveloped by regional granite and separated by highly sheared gneissic granite. There are no current or historic mines in either of these belts. The greenstone belts are host to small high-grade gold deposits; however, the region is not as well endowed with gold mineralisation as the Eastern Goldfields. Two styles of gold mineralisation are recognised in the region:

- Sulphidic interflow shales within tholeiite
- Quartz veins in basalt and/or ultramafics proximal to small “internal” granites.

3.1.3 STRUCTURAL FRAMEWORK

Chen (2001, 2003) established a structural sequence for this part of the Southern Cross Province and based on this framework and structural observations at Perrinvale the structural model is outlined in Table 8.

Table 8: Tectonic framework for the Perrinvale Project (Geomin, 2019)

Event	Feature	Age
Mafic greenstone and BIF deposition	Strato-volcanics with VMS potential	3.0–2.8 Ga
D1 tectonic event	Early north-south compression producing east-west isoclinal and recumbent folds (e.g. Richardson Syncline) and stacked thrusts	
Granite emplacement	Large thick sheets of granite	2.7–2.6 Ga

Event	Feature	Age
D2 tectonic event	East-west shortening creating regional open, upright north-south folds, and sinuous shear zones along bulbous granite-greenstone contacts	
D3 tectonic event	Late flexures and fractures in greenstone sequences, with potential for gold mineralisation	

Essentially the structures at Perrinvale reflect two deformation events. The earlier D1 is represented by intrafolial folds and steep lineations in the BIFs, and the regional schistosity in the mafic volcanics. The younger D2 deformation is represented by shallow-plunging chevron angular folds in BIF and mafic schists with crenulation and strain-slip cleavages.

3.1.4 ILLAARA GREENSTONE BELT

The Illaara Greenstone Belt in the east of the Perrinvale Project area is considered to have moderate prospectivity for gold and base metals compared to other greenstone belts including the more structurally complex and more prospective Panhandle Greenstone Belt.

This greenstone belt strikes north-northwest for approximately 120 km and is contiguous with the Metzkes Find Greenstone Belt to the southeast and the Maynard Hills Greenstone Belt to the northwest. The northern end of the Illaara Greenstone Belt contains the tight isoclinal Richardson Syncline and a sheared-out anticline that returns the sequence to the regional north-northwest trend. The project area contains a 25 km strike length of undeformed Illaara Greenstone Belt dipping to the west. It is dominated by a BIF sequence resulting in the characteristic "tram-line" pattern in airborne magnetic data.

The summary stratigraphy of the Illaara Greenstone Belt can also be applied to the Panhandle Greenstone Belt. From top to bottom it is:

- Mixed chert-basalt-felsic schist (top)
- Tholeiite pillowed and brecciated basalt
- Major gabbro sill
- BIF bundle of two prominent BIF units sandwiching tholeiite and magnesium-basalts, with several minor chert and interflow shale units
- Tholeiite basalt
- Well-bedded quartzite, pebbly and fuchsitic in places, and quartz-muscovite schist (bottom).

Although not well mineralised, the Illaara Greenstone Belt does contain several copper gossans and VMS geochemical signatures in the north, along the western limb of the Richardson Syncline, outside of the tenements. Two historical deposits occur within the belt, outside the tenements, namely:

- The Metzke Find quartz-vein hosted gold occurrence in sheared granites, 25 km to the south-southeast of the tenement. It was discovered by drilling by Eastern Group in 1990 with intervals of 3.5 g/t Au to 15.7 g/t Au (interval length not reported).
- Paradise gold deposit, 15 km to the northwest (Figure 38) of the tenements within the Ida Valley Nature Reserve. The deposit was discovered by Sipa Resources in the period 1995–2002 and is hosted in basalts, above the BIF package, and in the sheared-out western limb of the Richardson Syncline (Figure 38).

The Illaara Greenstone Belt has also been explored in the past for iron ore and uranium mineralisation although most of the activity was focused on gold, with limited focus on base metals. Recent exploration by Dreadnought Resources has recently confirmed the gold mineralisation at Metzke's Find as well as the VMS potential of the belt (www.dreadnoughtresources.com.au).

3.1.5 PANHANDLE GREENSTONE BELT

The Panhandle Greenstone Belt (also known as the Cork Well Greenstone Belt) is lithologically similar and structurally more complex than the Illaara Greenstone Belt. It forms a lozenge-shaped mega-boudin approximately 50 km in length. It is enveloped by shear zones, has a V-shaped termination in the south and is stoped out by the granites to the north giving it a "rose-bud" shape (Figure 38 and Figure 39).

The summary stratigraphic succession is very similar to that of the Illaara Greenstone Belt and interpreted by Toucan to be part of the same regional sequence separated by a structural slice of gneissic granite. The sequence for the Panhandle Greenstone Belt from top to bottom is:

- Tholeiite basal, variably pillowed and brecciated, with interflow sediments (top)
- Major gabbro sill (600 m thick)
- BIF bundle with magnesium-basalt (interpreted based on "tram-line" magnetic signature)
- Muscovite quartzite (bottom)

Within the Panhandle Greenstone Belt, there are several small elongate highly foliated gneissic internal granites that are indistinguishable from the regional gneissic granites. They are not intrusive but have tectonic contacts with the surrounding greenstones. Interpreted as a stacked-thrust model, they are considered to represent interleaved tectonic slices of granite and greenstones. Although not metallogenically important, these granites may have acted as competency contrasts during later gold mineralising events.

In total, there are four linear units within the BIF bundle as shown in Figure 25. Rather than being multiple stratigraphic units, they are best interpreted as structural repetitions of a single stratigraphic succession.

These four structural units define the boundaries of three structural zones:

- The Eastern Zone is characterised by a southerly V-shaped attenuation as reflected by the form-lines between the two eastern BIF packages. This pattern infers a syncline although there is no clear turnover. However, the symmetry of rock units – especially the gabbro sill near the BIF package – supports the concept of a synclinal fold closure. If this is correct, the two gossanous interflow sediment units (Schwabe and Zinco Lago) are placed in the fold limbs of the one unit. Under this interpretation, the V-convergence is interpreted as a thrusted-out recumbent syncline, analogous to the Richardson Syncline of the Illaara Greenstone Belt, but much more attenuated.
- The Central Zone is "book-ended" on either side by west-dipping BIF bundles. There is no evidence these BIF bundles are replicated by isoclinal folding. The encased mafic sequence within the Central Zone consists of the usual basalt and gabbro, but also there is a mixed sequence of basalt, chert, felsic schist and possible felsic volcanics that appears at a higher structural-stratigraphic level. A conspicuous feature of the Central Zone is a dextral structural inflection in the shape of a drag fold which is interpreted to be D3 in origin.

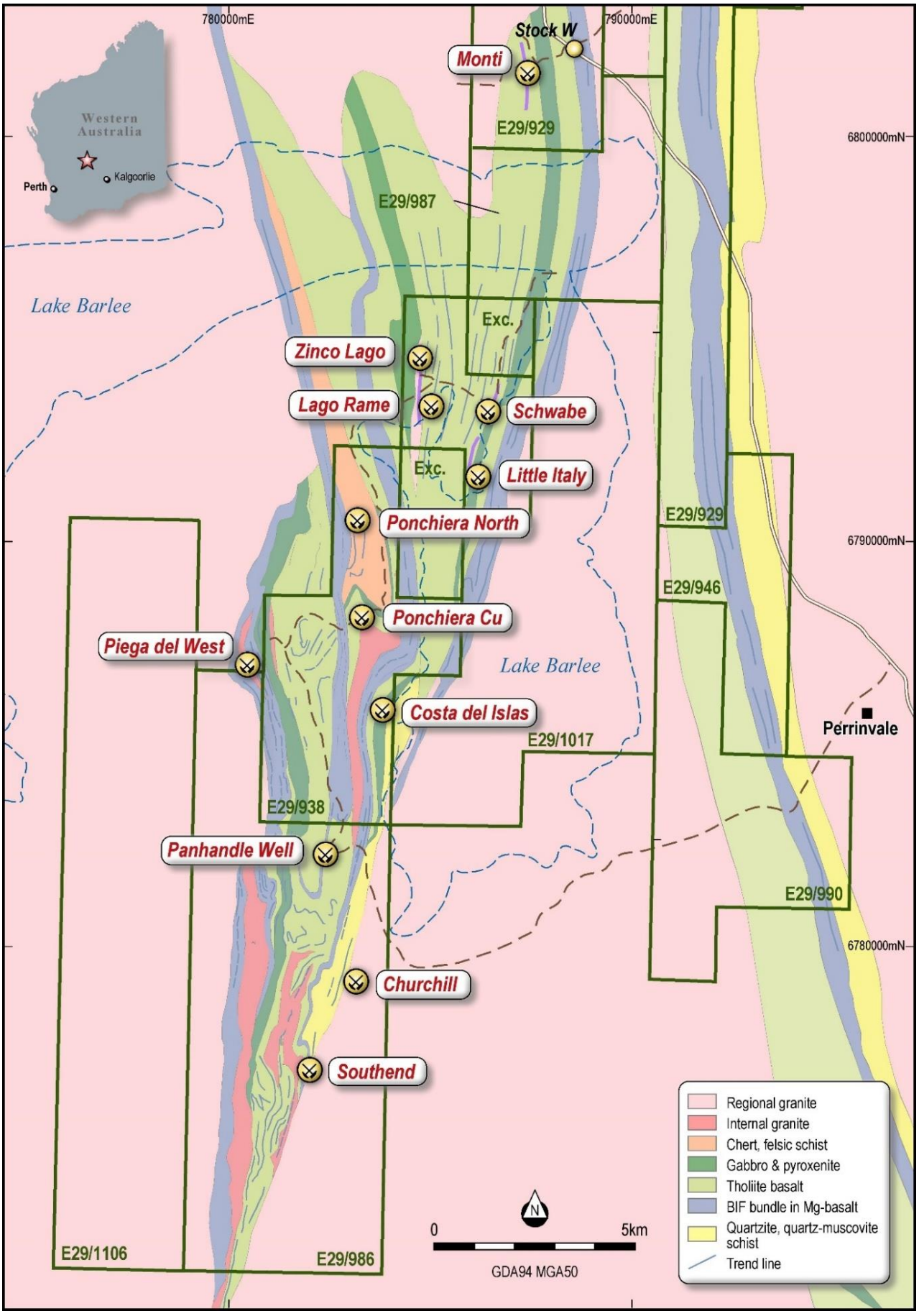


Figure 39: Geological map of the Panhandle Greenstone Belt showing the location of the various targets
Source: Cobre

The Central Zone has been the focus of contemporary exploration due to the presence of soil and rock chip geochemical gold anomalies, as well as being host to the Ponchiera copper prospect.

- The Western Zone also displays no clear evidence of a fold closure, although there are many angular folds of dextral symmetry and abundant pencil-cleavage schists. The adjacency of the major gabbro unit to the westernmost BIF bundle suggests it is east facing, inferring the presence of an upright D2 syncline.

Overall, the Panhandle Greenstone Belt is interpreted to represent a series of stacked-thrust slices formed during the D1 deformation event. This thrust stack has been upturned and intensely sheared during D2, and then subject to brittle-style dextral D3 deformation. Structures associated with the D3 deformation in any of the structural zones are potential sites for gold mineralisation. The interflow shale within the basalts of the Eastern Zone remains the most prospective for VMS deposits, but the Central and Western zones cannot be disregarded, as there are many thin interflow sediments in the basalts which have not been adequately sampled, and which generate helicopter time-domain electromagnetics conductance anomalies.

3.1.6 HISTORICAL EXPLORATION

Table 9 provides a summary of the historical exploration within Illaara and Panhandle greenstone belts and includes results from outside the tenement bound to provide some context to their prospectivity.

Table 9: Summary of historical exploration conducted within the Illaara Greenstone Belt (Geomin, 2019 and SRK, 2020)

Company	Year	Description of activities	Significant results
Illaara Greenstone Belt Exploration History			
Australian Selection	1975	Drilling. Outside of Toucan tenements.	Interpreted as a small occurrence with supergene enrichment, up to 19% Cu in malachite schist in a sequence of quartz-feldspar-chlorite schist, graphitic slate and mafic schist towards the top of the stratigraphy.
Battle Mountain Gold	unknown	Rock chip, soil and stream-sediment sampling along entire Illaara Greenstone Belt.	Single anomalous 12 ppb Au at the Brooking Hill prospect.
Norgold	1998	Rock chip and stream-sediment sampling around Mount Alfred (including the Alfred copper prospect). This area was previously drilled by Australian Selection. Outside of Toucan tenements.	18 rock chip samples analysed with up to 1.5% Cu and 2,600 As in a 1–2 m wide gossanous zone.
Sipa Resources	1991 to 2003	Explored northern part of Illaara Greenstone Belt on	String of gold soil anomalies defining the Paradise, Cassowary, Bulga Downs,

Company	Year	Description of activities	Significant results
		western limb of syncline. Outside of Toucan tenements. RC drilling and core drilling.	Toucan, McCaw, and Cabaret Bore prospects (Figure 38). The Cabaret prospect occurs just within tenement EL29/929. Best result achieved at Cabaret prospect (now within the Ida Valley Reserve) with 5 m at 0.5 g/t Au from 75 m – mostly core drilling. Reverse circulation (RC) drilling identified the Paradise prospect as the best target and a gold system 600 m strike and 200 m down dip. No copper or zinc in system.
Mindax	2004 to 2005	Continuation of Sipa Resources work along the series of anomalies and follow-up on significant drill results. BLEG stream and soil sampling. Additional drilling and scoping study at Paradise Prospect.	Quantification of gold mineralisation at Paradise.
Panhandle Greenstone Belt Exploration History			
Great Boulder	1974	Detailed mapping, gossan search, geochemistry, and ground geophysical surveying in the northern part of the Panhandle and followed up by percussion drilling. Three areas of interest were identified, designated Area 1 (the Schwabe Gossan), Area 2 (the Zinco Lago prospect) and Area 3 (the Ponchiera prospect).	Area 1: 13 percussion holes – with multiple high-grade intersections recorded, the best of which was 8 m at 3.9% Cu and 5.2% Zn from 30 m. Area 2: 14 rock chip geochemical samples – reporting elevated levels – up to 1,940 ppm Cu, up to 579 ppm Pb and up to 3,128 ppm Zn. Six percussion holes were also drilled reporting elevated levels – up to 0.49% Cu and up to 0.46% Zn over 14 m from 22 m with peak values over 2 m of 1.22% Cu and 0.86% Zn. Elevated silver also reported of 2 g/t. Geochemical signature of a VMS deposit. Area 3: Results poor – one percussion hole reporting 0.32% Cu over 2 m.
Esmerelda Exploration	1984 to 1989	41 rock chip geochemical samples in the area northeast of Ponchiera prospect which returned anomalous gold.	11 rotary air blast (RAB) holes were drilled but encountered technical difficulties and results were not provided. A single hole was also drilled

Company	Year	Description of activities	Significant results
			at the Schwabe prospect, but no results were provided.
Norgold	1988	Mapping showing 11 costeans across the northerly extension of the Monti prospect. Sampled cherty gossan (identified by Toucan as a hyaloclastic basalt breccia).	Four samples reported recording values ranging from 0.02–0.12 ppm Au, 0.32–5.4% Cu, 0.8–104 ppm Ag, 0.005–0.16% Pb, and 0.052–1.06% Zn.
Mithril Resources	2000 to 2003	Exploration in northern part of the Panhandle. 45 grab geochemical samples for nickel, copper, and platinum group elements from historical costeans.	The highest result recorded was 0.4% Ni and 0.22% Cu.
Red Rock Resources	2007 to 2008	60 rock chip geochemical samples at the Schwabe Gossan.	Results ranged from 3–200 ppm Ag, 0.01–0.03 ppm Au, 0.4–2% Cu, 0.13–1.8% Zn.
MP Developments		100 rock chip geochemical samples and 280 soil geochemical samples across four areas which include parts of Schwabe Gossan and Little Italy, Poncheira, Feys Find, and Churchill Bore in the south.	Broad gold anomaly over the Twin Chert area. The maximum value recorded was 0.07 g/t Au.
Mindax Panhandle Project	2003 to 2010	Mindax took 2,135 soil geochemical samples on 100 m x 100 m grid and identified three coherent soil anomalies which were followed up by drilling of 24 RC holes. Additional exploration drilling of 30 RC holes along three lines for 1,799 m was also carried out.	Three coherent soil anomalies within the greater Panhandle gold anomaly: Gladys – 700 m long, peak 41 ppb Au Charlotte – 600 m long, peak 35 ppb Au Lesley – 300 m long, peak 84 ppb Au. Results from the initial 24 drillholes were poor with the best 3 m intercepts reported as 0.29 ppm Au from 6 m on Charlotte. Line, 3 m at 0.10 ppm Au from 48 m on Lesley Line, and 3 m at 0.16 ppm Au from 66 m at Panhandle. The best gold intercept from the 30 RC holes was 4 m at 0.43 g/t Au in PHC037. The best copper intercept was 4 m at 987 ppm Cu in PHC025.

Company	Year	Description of activities	Significant results
Cliffs Asia Pacific Iron	2013	Cliffs collected 106 rock chip geochemical samples focused mainly on the BIFs and assayed for the standard iron ore suite, augmented by analyses for arsenic, copper, cobalt, nickel, zinc, lead, but not gold or silver. This was followed up by three RC holes.	Results ranged from 200–800 ppm Cu, 2,400–5,600 ppm Co, 600–1,600 ppm Ni, 0.9–36% Mg and 14–51% Fe.

3.1.7 CURRENT EXPLORATION ACTIVITIES

The summaries presented below are extracted from the Cobre (September 2020) and SRK (2020) reports, as well as Cobre's ASX announcements in 2022.

The exploration work conducted by Toucan on the Perrinvale Project has focused on the acquisition of AEM data, ground-based moving loop electromagnetic (MLEM) survey, exploration drilling, downhole geophysics, compilation and re-interpretation of historical soil geochemical sampling.

A summary of the work is presented in Table 10.

Table 10: Summary of the recent exploration work conducted by Toucan

Type of work (contractor)	Date
AEM (New Resolution Geophysics)	Aug 2019
RC drilling program	2019
Soil geochemical database compilation	2019
MLEM	2020
Downhole electromagnetic	2020
First drilling program	Feb to Mar 2020
Gravity survey	2020
Second drilling program	Jun to Jul 2020
Soil sampling	2020
Mapping	2020
Soil and rock chip sampling	Apr to Dec 2021
MLEM	Dec 2021

3.1.8 HELIBORNE AIRBORNE ELECTROMAGNETIC SURVEY

A heliborne AEM was conducted by New Resolution Geophysics in August 2019 using their Xcite™ electromagnetic system. The survey comprised 820 line-km flown east-west and 150 m apart over the exposed Panhandle Greenstone Belt within licences E29/938-I, E29/929-I, E29/986, and E29/987.

The survey identified ten conductivity anomalies of exploration significance. The survey confirmed six known geochemical anomalies (e.g. Schwabe and Zinco Lago and extensions of these) and identified four new anomalies warranting follow-up exploration (Figure 23).

3.1.9 2019 REVERSE CIRCULATION DRILLING PROGRAM

In 2019, three RC holes, totalling 387 m, were drilled at Schwabe targeting historical intercepts (Table 11).

Table 11: Details of the drilling conducted in the Perrinvale Project by Cobre in 2019 and first drilling phase in 2020

Drillhole ID	GDA94 MGA50_E	GDA94 MGA50_N	RL (m)	End-of-hole (m)	Azimuth (UTM)	Dip	Tenement ID
19PVRC001	786436	6793059	402.1	87.00	106.48	-60.00	E29/938
19PVRC002	786446	6793094	401.8	99.00	100.48	-60.00	E29/938
19PVRC003(1)	786394	6793158	402.6	201.00	90.00	-60.00	E29/938
20MTDD001	787295	6802241	410.8	84.60	250.60	-55.00	E29/929
20MTDD002	787319	6802239	410.1	138.12	250.60	-55.00	E29/929
20MTDD003	787413	6801557	406.4	121.80	110.60	-55.00	E29/929
20PVDD001	784834	6794544	396.3	109.80	270.60	-60.00	E29/938
20PVDD002	784838	6794462	397.9	87.40	270.60	-60.00	E29/938
20PVDD003	786445	6793098	401.7	117.30	105.60	-60.00	E29/938
20PVDD004	786463	6793074	401.6	78.40	95.60	-60.00	E29/938
20PVDD005	786415	6793061	401.8	180.42	105.60	-60.00	E29/938
20PVDD006(1)	786394	6793158	402.6	264.20	90.00	-60.00	E29/938

(1) 20PVDD006 was drilled as a tail on 19PVRC003 so both holes have the same collar coordinates.

Source: Geomin, 2019

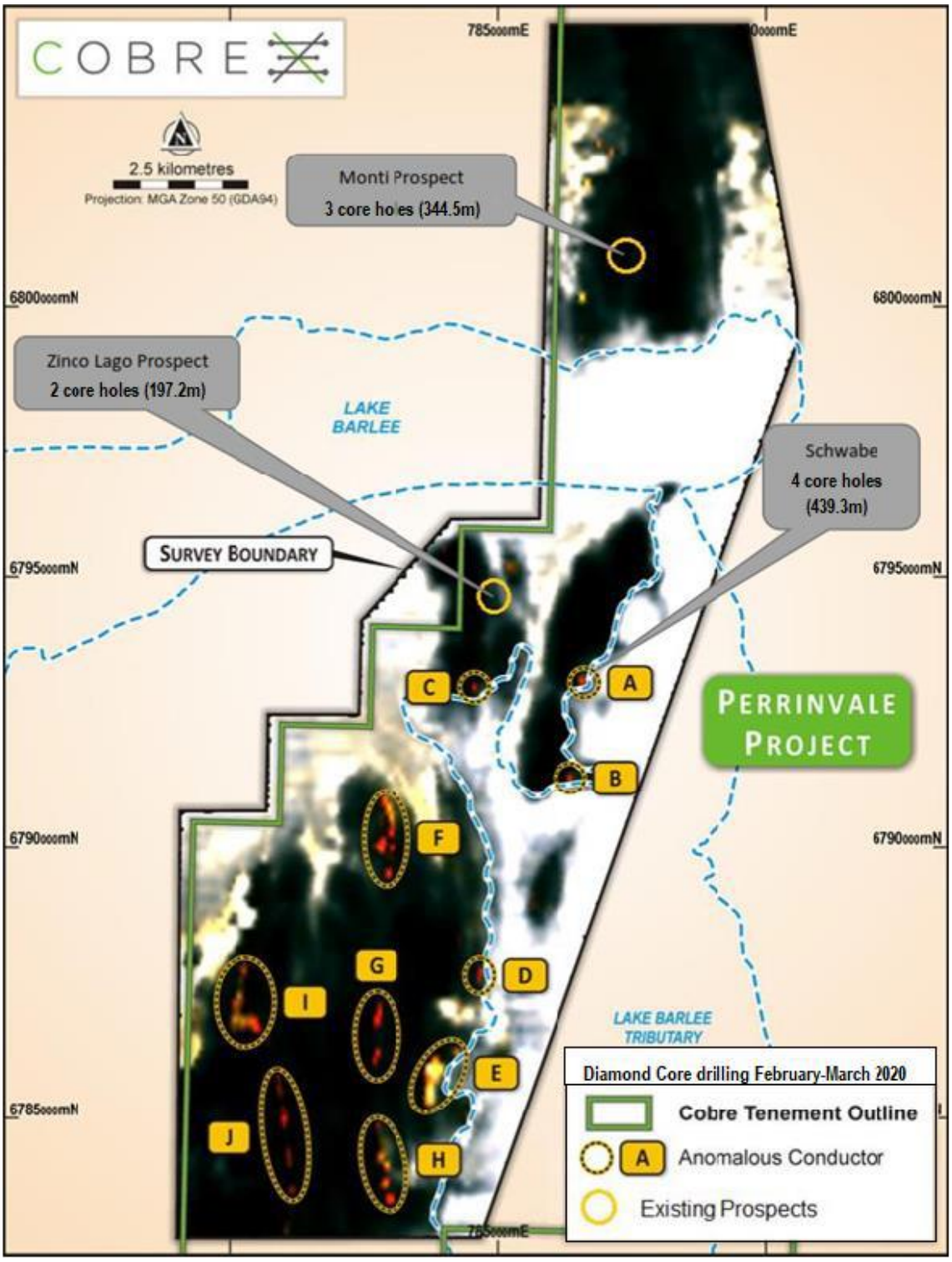


Figure 40: AEM anomalies identified in the north Panhandle Greenstone Belt and phase 1 drilling completed from February to Mar 2020

Source: Cobre, September 2020

3.1.10 SOIL GEOCHEMICAL DATABASE COMPILATION

A database was compiled using historical soil sampling data from MP Developments, infill sampling by Mindax as well as other historical infill sampling programs. The database comprises 33,460 sample points generally with analyses for 11 elements (silver, arsenic, gold, barium, cobalt, copper, manganese, molybdenum, nickel, lead, zinc). Based on this data, a large gold

anomaly called the Panhandle Gold Anomaly has been identified over an area 3 km in diameter over the Poncheira area (Figure 41).

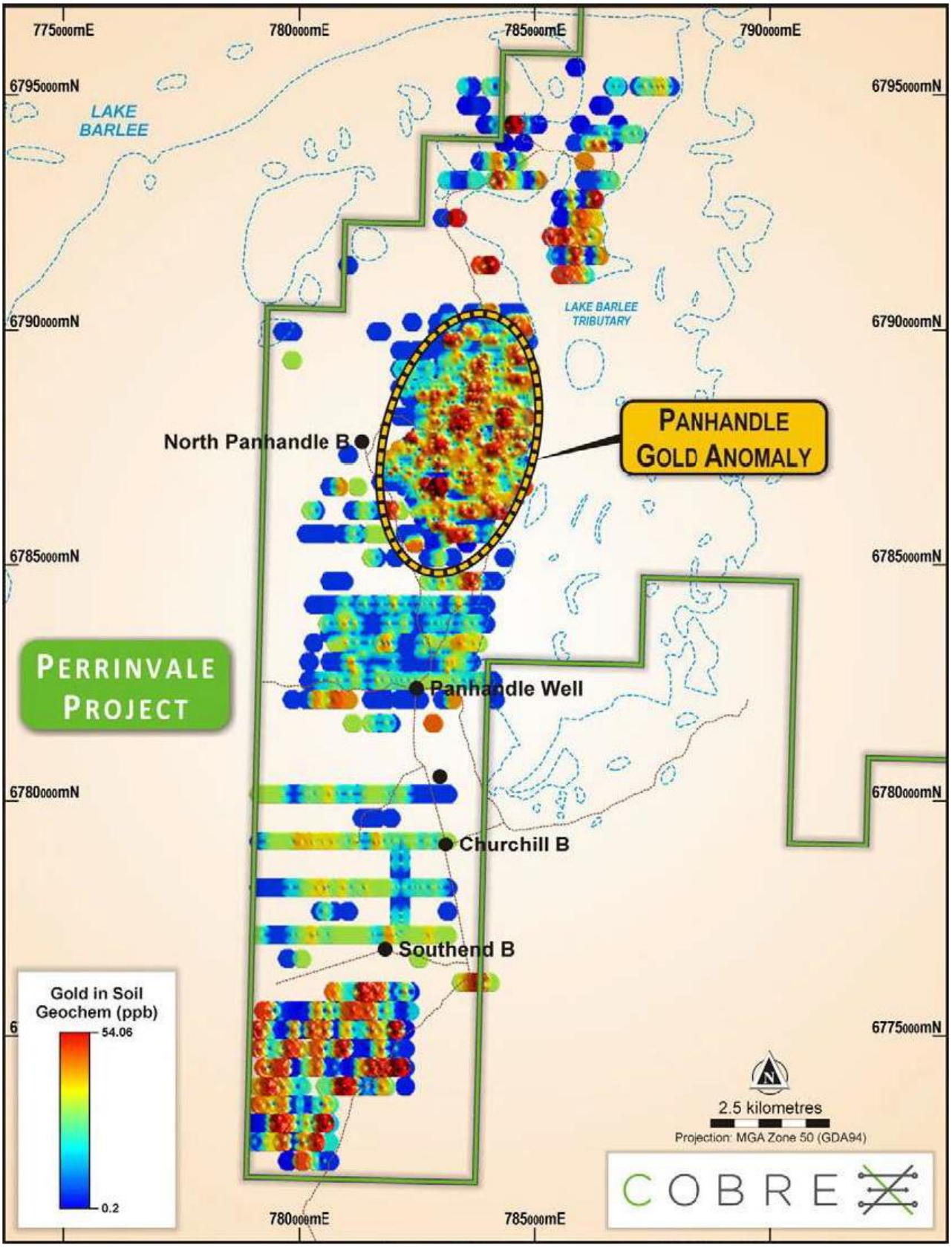


Figure 41: Gold anomaly identified by Cobre from the historical soils geochemistry
Source: Geomin, 2019

3.1.11 MOVING LOOP ELECTROMAGNETIC SURVEY

An MLEM survey was conducted in the north of the Panhandle GB on the targets from drilling and to refine the AEM survey data. The survey was conducted in the first half of 2020 over the four main targets and to test four additional areas. The targets surveyed were Monti, Zinco Largo, Lago Rame, Schwabe North, Little Italy, Poncheira North, Piega del West, and Costa del Islas (Figure 42).

The survey results, supported by downhole electromagnetic (DHEM) and AEM data, were used to refine the drilling program which commenced in June 2020. The results also achieved the following:

- Potential extensions, along strike, north and south at Schwabe, which was tested via RC drilling.
- Conductivity down dip and along strike of the previous drilling at Zinco Lago, which was tested with two deeper core drill ("DD") holes.
- Conductors extending south from Zinco Lago, in line with the gossanous interflow sediments mapped at surface, to Lago Rame. A second zone of conductance offset to the east was also identified in the Zinco Rame – Lago Rame area, two RC holes tested the western (shallower) conductors, and two DD holes tested the eastern conductors.
- Stacked conductors at Costa del Islas, tested with a single RC hole.
- Multiple conductors at Piega del West, tested with five RC holes.
- Two west-dipping conductors at Ponchiera North, with the shallower conductor tested via a single RC hole.
- Conductors identified at Monti are yet to be drill tested.

3.1.12 DOWNHOLE ELECTROMAGNETIC (2020)

DHEM surveys were conducted in DD drillholes at Schwabe, Zinco Lago and Monti prospects and resulted in the identification of a number of promising electromagnetic conductors at Zinco Lago, Lago Rame, and Monti, and also served to confirm the modelled AEM data acquired in 2019.

3.1.13 FIRST DRILLING PROGRAM

A drilling program comprising nine DD drillholes commenced in February 2020 and was completed in March 2020. The drilling included three new holes and an extension of one of the RC holes at Schwabe, two drillholes at Zinco Lago, and three drillholes at Monti (Table 11 and Figure 40). The summary of the significant intercepts is presented in Table 12.

Table 12: Summary of first drilling program (includes the three RC drillholes from 2019)

Hole ID	Prospect	Hole type	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)
19PVRC001	Schwabe	RC	63	66	3	0.63	3.94	NSR	3	0.2
19PVRC002	Schwabe	RC	50	55	5	9.75	3.1	0.11	34	3.2
19PVRC0031	Schwabe	RC	187	189	2	0.93	0.79	NSR	4	0.4

Hole ID	Prospect	Hole type	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)
20MTDD001	Monti	DD	47	48	1	0.19	183 ppm	NSR	1.3	0.01
20MTDD002	Monti	DD	105	131	26	0.32	0.08	NSR	3.1	0.1
20MTDD003	Monti	DD	64	75	11	0.08	0.23	NSR	1.1	0.04
20PVDD001	Zinco Lago	DD	31.4	41.6	10.2	0.1	0.63	NSR	3.6	0.11
20PVDD002	Zinco Lago	DD	46.5	53	6.5	0.33	0.57	NSR	3.9	0.02
20PVDD003	Schwabe	DD	48.65	54.63	6	8.39	3.52	0.14	30	3.1
20PVDD004	Schwabe	DD	27.5	33.5	6	5.63	3.89	0.1	22	1.4
20PVDD005	Schwabe	DD	79	83	4	2.76	0.97	0.07	12	1.7
20PVDD0061*	Schwabe	DD	No significant intercept							

*20PVDD006 is a tail on 19PVRC003 testing footwall.

NSR = no significant result.

Source: Cobre, September 2020

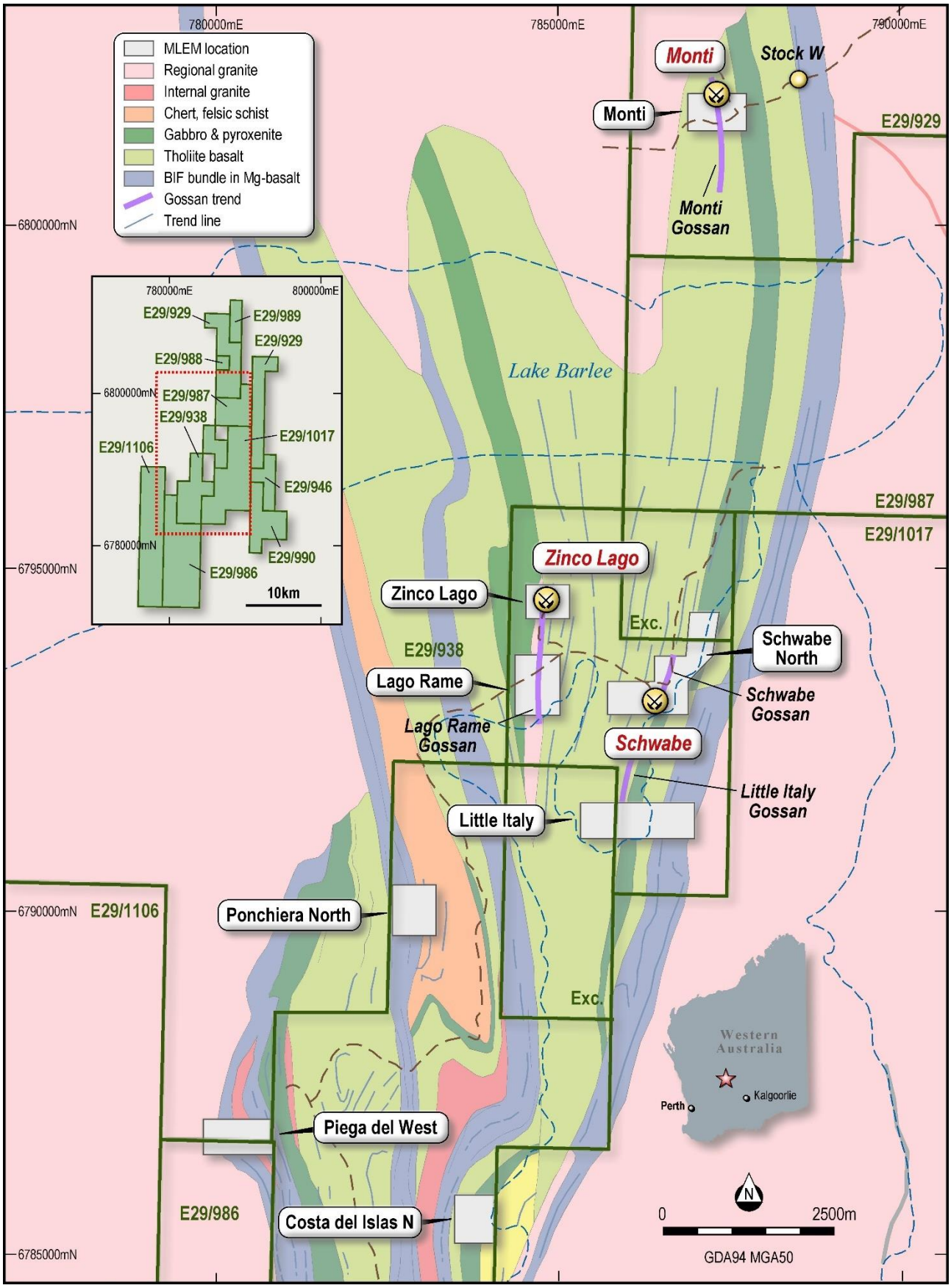


Figure 42: Locations of the MLEM surveys
Source: Cobre

3.1.14 GRAVITY SURVEY (2020)

A gravity survey was conducted over the Zinco Lago to Lago Rame area to assess the potential for higher density zones coincident with the strike extensive electromagnetic conductors. A survey was also completed, extending south of a historical gravity survey on the eastern side of the lake (E29/989).

The full potential of these gravity surveys is yet to be determined; however, a high response associated with the embayment at Zinco Lago was assessed. The gravity survey also clearly defines these lower density sediments within the broader package of mafic to ultramafic rocks.

3.1.15 SOIL SAMPLING AND GEOLOGICAL MAPPING (2020)

An orientation geochemical soil sampling survey using Ultrafine and Mobile Metal Ion (MMI) over areas of known mineralisation and MLEM conductors was conducted to confirm the geochemical response over these conductors. The sampling was done over Zinco Lago, Zinco Rame, Lago Rame, Schwabe, Costa del Islas, Piega del West, and Monti.

The results show anomalous responses associated with these areas of known mineralisation. The results at Piega del West are suggestive of a more complex geological setting.

A series of mapping projects were completed in 2020. The mapping focused on the following areas:

- Zinco Lago to Lago Rame and east to the sandy plain
- The greater Schwabe area from Little Italy in the south up to the neck in the lake ~6 km to the north-northeast
- Piega del West
- Monti (commenced 24 September 2020).

To identify the potential for packages of interflow sediments and, in the case of the greater Schwabe area, mineralisation associated with interflow sediments and hyaloclastic basalts along strike.

Regolith mapping has also been completed on the eastern side of the project, covering parts of the Illaara GSB (shown to have gold and VMS base metal prospectivity by Dreadnought Resources on its tenure to the south of Perrinvale). This will assist in determining the value of surface geochemistry as a first-pass test and determine if more detailed geological mapping is warranted.

3.1.16 SECOND DRILLING PROGRAM

A second phase of RC and DD drilling comprising RC drilling of 2,883 m (including 120 m of pre-collars for core holes) and the DC drilling of 2,086 m was conducted from June to July 2020. A summary of the drilling is presented in Figure 43 and drill results in Table 13.

The primary objectives of the drilling were achieved and were (as outlined by Cobre) to:

- Generate mineralised core samples for sighter metallurgical testing
- Expand upon previously drilled massive sulphide mineralisation
- Step out drill to test for mineralisation at depth and along strike.

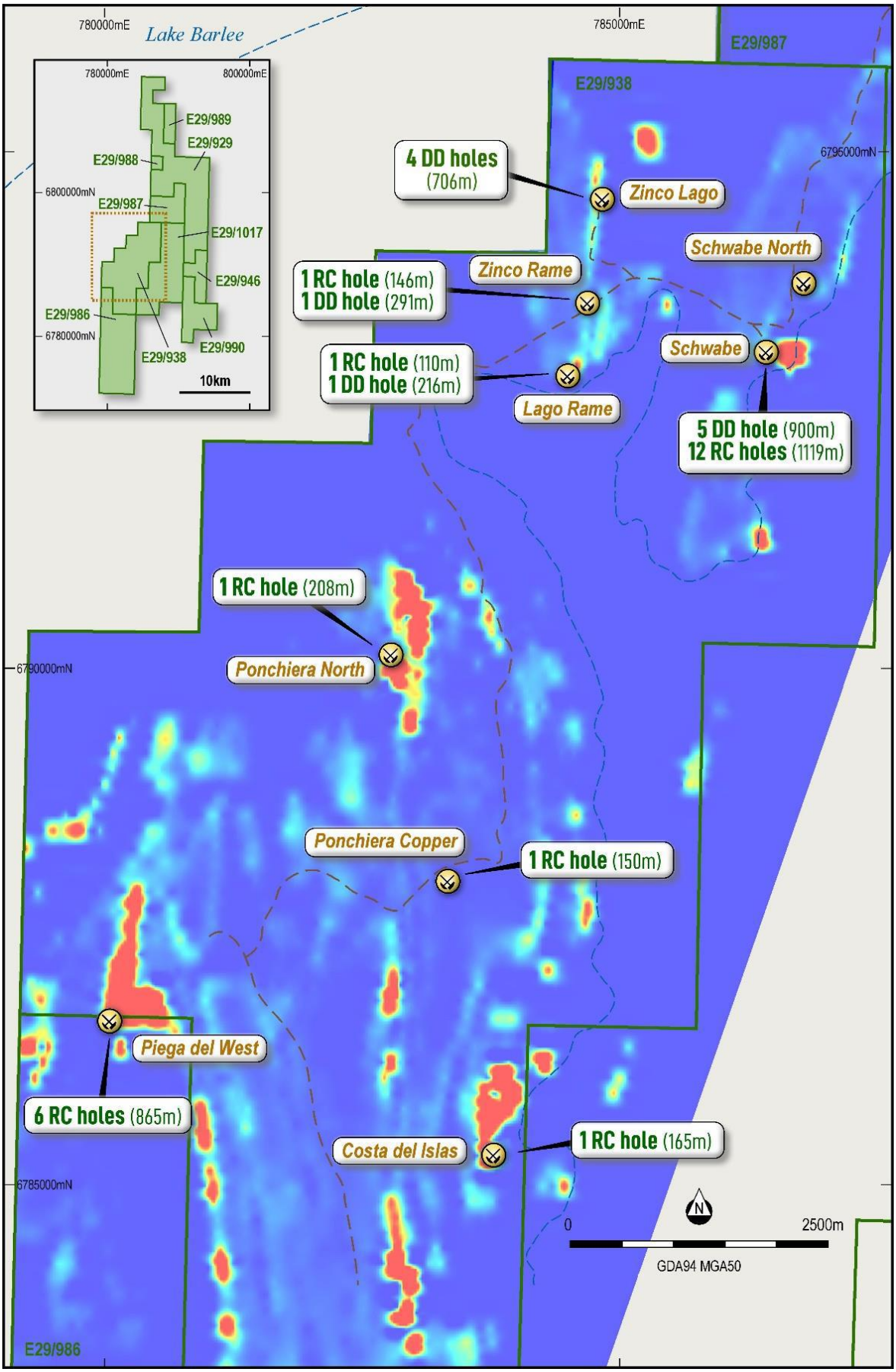


Figure 43: RC and DD drilling completed June to July 2020 (on AEM 60 m depth conductivity)
Source: Cobre, September 2020

A summary of the results of the second phase of drilling is presented in Table 13, and Figure 44 to Figure 46.

Table 13: Summary of significant intercepts of the second phase of drilling in 2020

Hole ID	Hole type	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Mn (%)
20PVDD007	DC	48	51.5	3.5	3.4	0.8	0.1	16.5	1.1	
20PVDD007	DC	54.5	58	3.5	2	1.4	0.07	7.4	0.3	
20PVDD008	DC				Awaiting assays					
20PVDD009	DC	137	172	35	0.1	0.14	0.006	0.88	0.04	0.12
20PVDD010	DC	169.8	187	17.2	0.06	0.15	0.006	0.58	0.04	0.062
20PVDD011	DC	224	240	16	0.05	0.14	0.005	NR	0.04	0.075
20PVDD012	DC	126.1	139.8	13.7	0.06	0.17	0.008	0.45	0.03	0.166
20PVDD013	DC	175.6	177	1.4	0.1	0.03	0.005	1.05	0.02	0.092
20PVDD014	DC	68.65	74	5.35	2.78	1.34	0.05	12.1	1.1	0.099
20PVRC001	RC	32	38	6	0.033	0.20	0.016	0.03	0	0.11
including		36	37	1	0.019	0.41	0.011	0.01	0	0.13
20PVRC002	RC	58	59	1	0.052	0.022	0.013	1.21	0	0.18
20PVRC002	RC	70	71	1	0.004	0.54	0.01	0.07	0.04	0.19
20PVRC003	RC	50	51	1	0.053	0.021	0.008	0.22	0.03	0.31
20PVRC003	RC	69	70	1	0.019	0.35	0.009	0.05	0.01	0.15
20PVRC004	RC				No significant result					
20PVRC005	RC	90	91	1	0.045	0.015	0.005	0.27	0.01	0.21
20PVRC006	RC	96	117	21	0.05	0.052	0.006	0.34	0.01	0.056
including		108	110	2	0.01	0.24	0.004	0.61	0.01	0.058
plus		123	134	11	0.03	0.08	0.004	0.26	0.01	0.1
20PVRC007	RC	18	20	2	0.022	0.052	0.008	0.29	0.01	0.097
plus		91	94	3	0.039	0.08	0.009	0.67	0.01	0.097
including		92	93	1	0.058	0.14	0.012	0.079	0	0.059
plus		126	130	4	0.02	0.049	0.007	0.22	0.01	0.11

Hole ID	Hole type	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Mn (%)
20PVRC008	RC	27	31	4	0.01	0.003	0.001	0.16	0.34	0.008
plus		54	77	23	0.004	0.006	0.002	0.23	0.01	0.34
20PVRC009	RC	91	103	12	0.003	0.002	0.001	0.11	0.01	0.57
plus		145	149	4	0.006	0.006	0.002	0.34	0.01	0.31
20PVRC010	RC	23	31	8	0.027	0.003	0.006	1.56	0.02	0.23
including		24	28	4	0.037	0.004	0.01	2.04	0.02	0.28
plus		57	60	3	0.022	0.007	0.001	0.98	0	0.13
20PVRC011	RC	115	150	35	0.003	0.005	0.001	0.43	0.01	0.52
including		129	132	3	0.007	0.008	0.002	1.21	0.02	0.58
20PVRC012	RC	80	85	5	0.001	0.03	0.001	0.68	0.01	0.08
plus		110	115	5	0.058	0.009	0.003	2.25	0.01	0.74
20PVRC013	RC	115	131	16	0.005	0.014	0.002	0.1	0.005	0.29
including		116	118	2	0.014	0.052	0.004	0.21	0	0.3
20PVRC014	RC	109	122	13	0.16	0.045	0.009	0.25	0.08	0.12
including		115	116	1	0.68	0.1	0.015	0.85	0.28	0.08
20PVRC015	RC	No significant result								
20PVRC016	RC	52	80	28	0.023	0.042	0.003	0.25	0.01	0.037
		52	59	7	0.061	0.011	0.004	0.24	0.02	0.024
20PVRC017	RC	23	26	3	0.014	0.071	0.005	0.01	0	0.11
20PVRC018	RC	52	54	2	0.017	0.21	0.009	0.08	0.004	0.21
		130	132	2	0.026	0.063	0.005	0.14	0.02	0.12
20PVRC019	RC	53	55	2	0.05	0.12	0.006	0.43	0.02	0.067
20PVRC020	RC	106	108	2	0.05	0.13	0.006	0.46	0.03	0.069
20PVRC021	RC	23	33	10	0.94	0.4	0.02	2.3	0.19	0.099
including		23	27	4	2.12	0.60	0.04	5.2	0.39	0.058
20PVRC022	RC	27	34	7	1.98	0.81	0.04	4.92	0.36	0.142

Hole ID	Hole type	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Mn (%)
including		28	29	1	7.75	4.15	0.13	23.12	1.54	0.225
20PVRC023	RC	45	57	12	2.86	1.02	0.05	10.18	0.69	0.113
including		45	49	4	8.27	2.93	0.12	29.77	1.98	0.155
20PVRC024	RC	No significant result (pre-collar)								
20PVRC025	RC	No significant result (pre-collar)								

Note: Two samples for hole 20PVDD008 were missed in the original submission.

Source: Cobre, September 2020

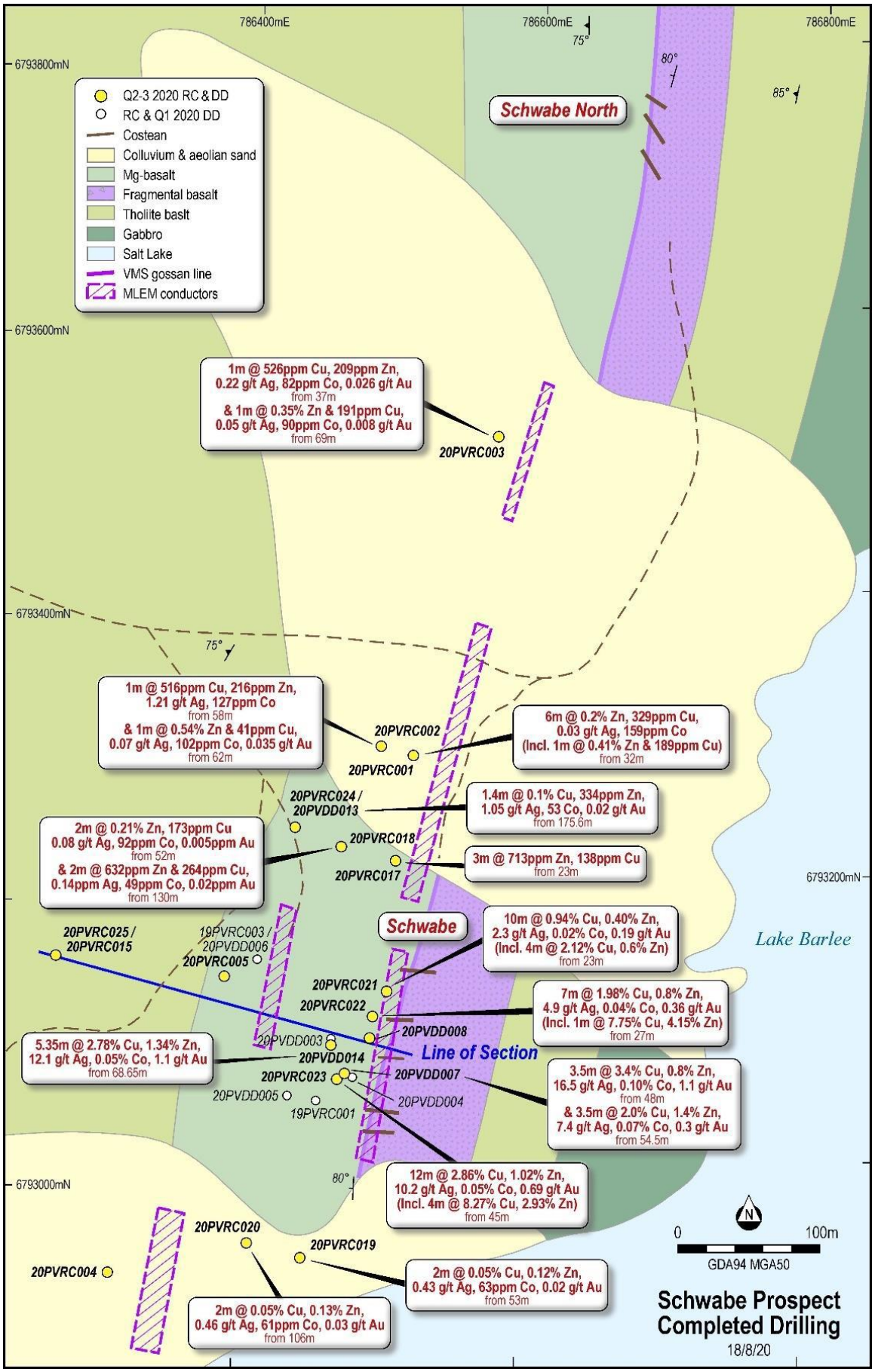


Figure 44: Second phase drilling results at Schwabe by Cobre in 2020

Source: Cobre, September 2020

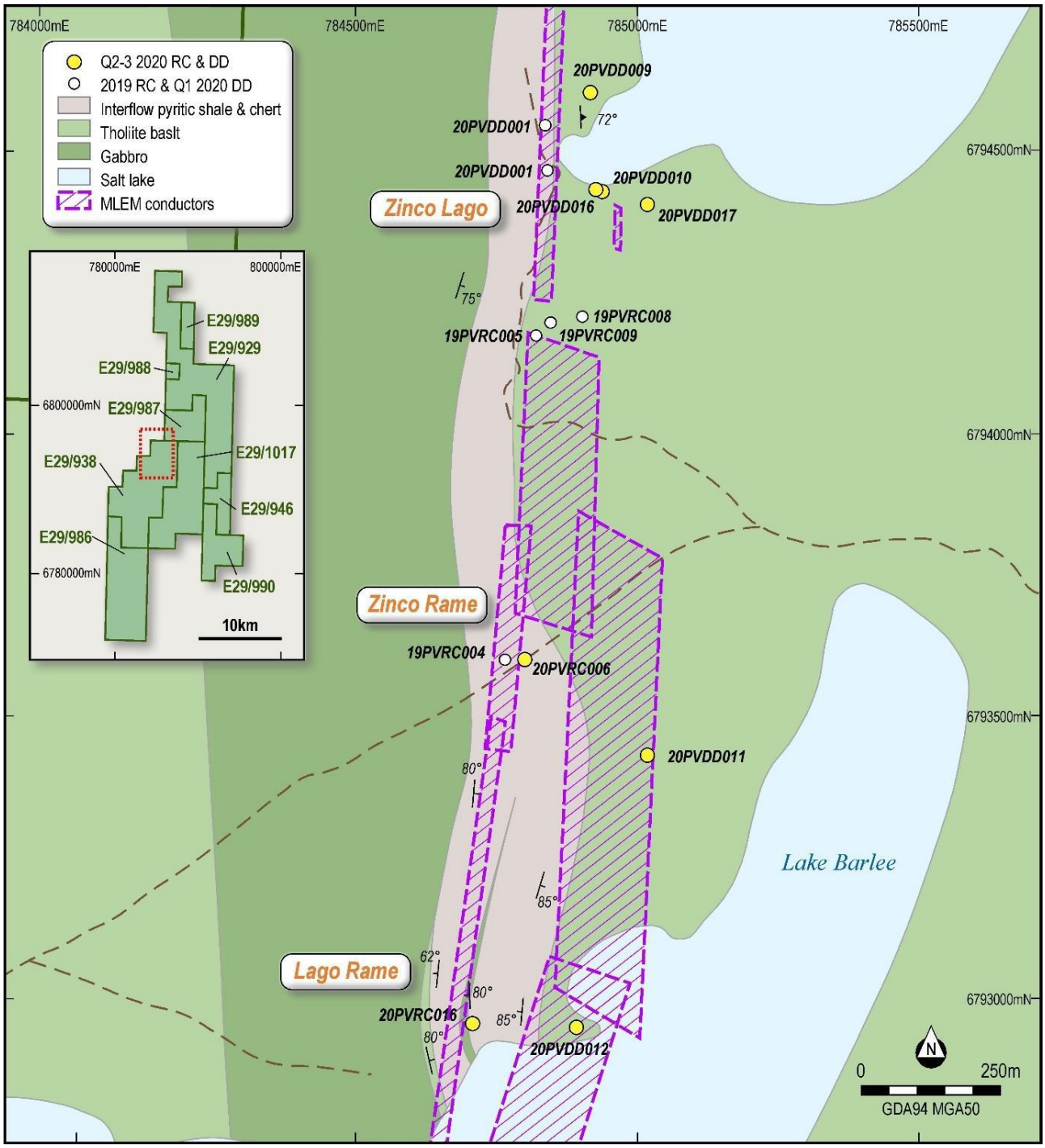


Figure 45: Second phase drill collars at Zinco Lago to Lago Rome (modelled MLEM plates also shown)
Source: Cobre, September 2020

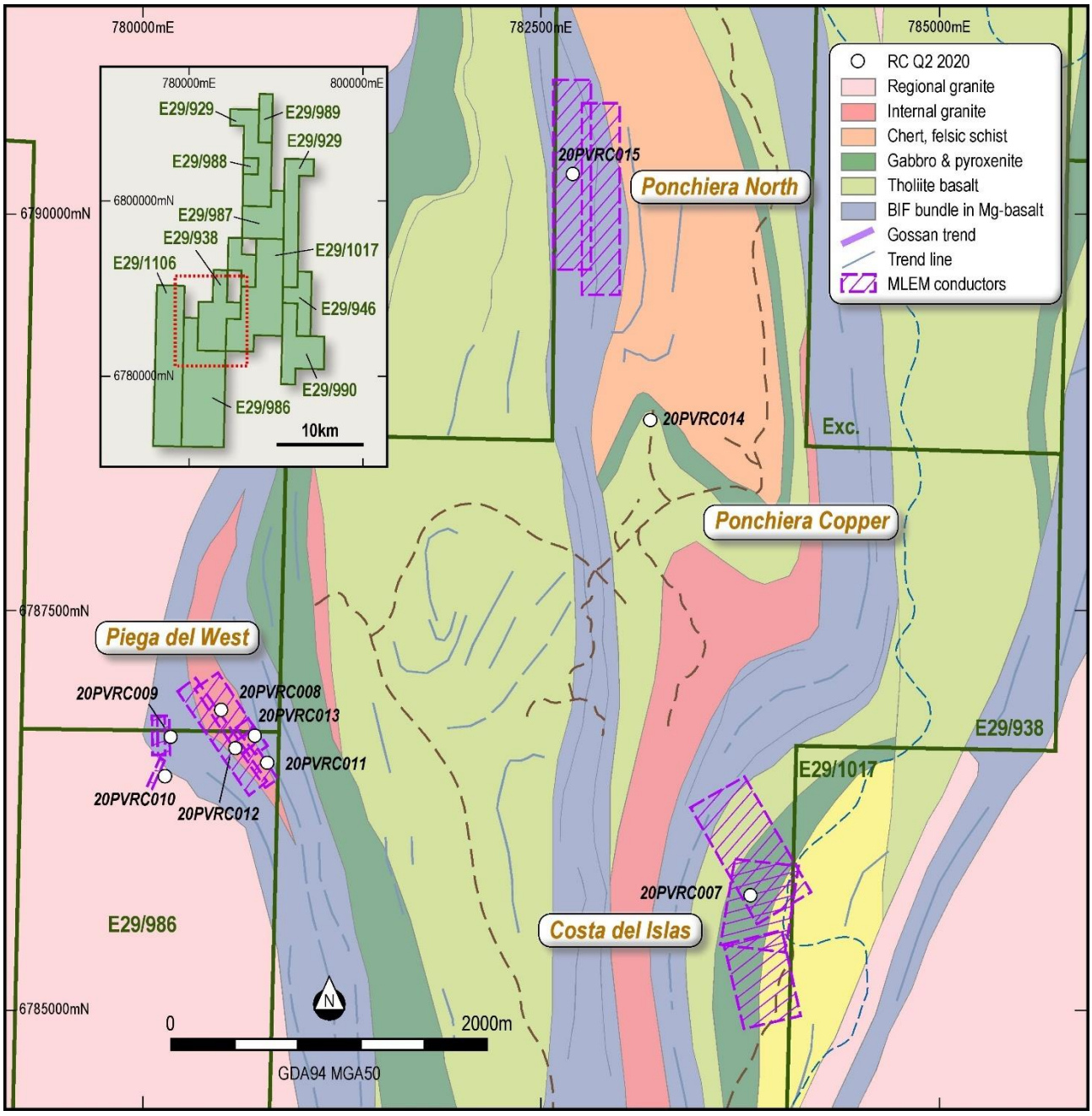


Figure 46: Second phase RC drill collars at Ponchiera, Piega del West, and Costa del Islas (modelled MLEM plates also shown)

Source: Cobre

Summary results of drilling per prospect are presented below are taken from Cobre (September 2020):

- Schwabe (see Figure 44 and Table 13):
  - Three core holes drilled for metallurgical sampling were completed, with a ~90 kg composite sample generated including massive and stringer sulphides. Composite sample grade 3.6% Cu, 1.6% Zn, 0.08% Co, 0.03% Pb, 1.1 g/t Au, 13.1 g/t Ag.
  - One deep core hole was drilled intersecting the mineralised horizon, with low levels of sulphides, ~200 m down dip of known massive sulphides (the driller sheared off casing on the way out which pressed on the PVC preventing the DHEM probe from getting down this hole).

  - A core hole drilled as a tail on a combined RC/DD section testing for strike extension to the north, all intersected a narrow shale horizon with low-level sulphides.
  - In addition to sulphide-bearing laminated sediments core holes indicate the presence of peperites and hyaloclastites.
  - Five RC holes were drilled on step-out sections north and south of previous drilling, all intersected a narrow shale horizon with low-level sulphides.
  - Five RC holes were drilled to test shallow MLEM modelled plates, north, south, and west of known mineralisation. Base metals were intersected along strike to the north associated with two of the MLEM modelled plates.
- Zinco Lago (see Figure 45 and Table 13):
  - Two deeper core holes were drilled, and collared north and south of previous holes, targeting the conductor modelled from both MLEM and DHEM surveys. The conductors were shown to be aligned with the package of interflow mudstones and cherts hosted within the mafic volcanic pile with a footwall gabbro. Variable amounts of dominantly iron sulphides, with locally elevated sphalerite and chalcopyrite appear to have been remobilised through the interflow sediments.
  - DHEM modelling shows a correlation with locally elevated sulphides in the core, with multiple plates being the best fit. A deeper conductor, below existing drilling, was also modelled.
  - Following the gravity survey, and due to existing Program of Work approvals not covering drill sites on the lake embayment, an oblique core hole (20PVDD017) was also drilled targeting the area of increased density indicated in the gravity survey. The hole generally showed variable sulphides in mafic volcanics, with no obvious explanation for the increased density indicated by the gravity data.
- Zinco Rame (see Figure 45 and Table 13):
  - A single RC hole (20PVRC006) targeting the conductor below the 2019 RC hole (19PVRC004) was drilled, this intersected 21 m of variably low-grade base metal mineralisation associated with sulphides.
  - Surface reconnaissance identified an eastern package of interflow sediments, which may be associated with the deeper MLEM modelled conductor to the east. To test this deeper conductor a single core hole (20PVDD011) was drilled to 291.3 m. The interflow sediment and a basal peperite horizon were from ~224 m to 246 m downhole; mineralisation is variable low-grade with peak assays 0.1% Cu, 0.27% Zn and 5.7% S.
- Lago Rame (see Figure 45 and Table 13):
  - As for Zinco Rame, a single RC hole (20PVRC016) intersected the interflow sediments associated with the line of gossanous sediments and the down dip western modelled conductor. The interflow sediment extended from 52 m to 87 m downhole with assays showing elevated base metals and sulphides from 52 m to 80 m; peak assays 0.11% Cu, 0.13% Zn, 1.8 g/t Ag, and 2.4% S.
  - A core hole (20PVDD0012) was drilled to test the eastern conductor, and mineralised interflow sediments were intersected from ~125 m to 140 m downhole. Peak assays 0.12% Cu, 0.33% Zn, 1.0 g/t Ag, and 5.0% S.
- Costa del Islas (see Figure 46 and Table 13):

- A single RC hole (20PVRC007) drilled to 165 m was targeting a series of shallow dipping, overlapping, MLEM conductor models. A mix of mafic volcanics and sediments, including dark grey-black shales, and locally high-level sulphides were intersected.
- Chalcopyrite along with more dominant iron sulphides was noted in logging and assays confirm some of the sulphides include base metals with the best single assay: 0.06% Cu, 0.14% Zn, 0.01% Co, 0.08 g/t Ag and 14% S, with peak assays 0.06% Cu, 0.14% Zn, 0.013 % Co, 0.92 g/t Ag, and 14% S.
- DHEM generated seven modelled plates, some coincident with elevated sulphides associated with sediments in the hole and several located off hole.
- In addition to the indications of base metal sulphides in the RC hole, a sighter soils traverse across the northern MLEM modelled conductor has returned signs of anomalous elements. Elements also seen associated with the Schwabe mineralisation.

- Ponchiera Copper (see Figure 46 and Table 13):
  - A single 150 m vertical RC hole was drilled, and this returned 14 m of elevated copper (0.16%) associated with the basalt. Peak assays 0.68% Cu, 0.13% Zn, 145 ppm Co, 1.48 g/t Ag, 0.28 g/t Au, and 1.1% S.
  - It is interpreted that the intersection of the mineralisation is analogous to the copper staining visible on fractures across the surface of the prospect. The best explanation is that the copper has been remobilised through the fractures.
- Ponchiera North (see Figure 46 and Table 13):
  - A single 208 m RC hole was drilled targeting the upper of two sub-parallel strike extensive conductors modelled from the fixed-loop electromagnetic survey.
  - The hole was expected to intersect the conductor at 170 m, there was no sign of the conductor at that depth; however, there was an 8 m run of elevated (up to 6% S) iron sulphides from 137 m to 145 m. This was associated with a magnetite-bearing rock potentially similar to the hornfels at Piega del West (refer below).
  - Various lithologies were intersected; cherty sediments, pyroxenite, basalt and the "hornfels".
  - Assays show traces of mineralisation with peak results: 543 ppm Cu, 564 ppm Zn, 1.5 g/t Ag and 0.1 g/t Au.
- Piega del West (see Figure 46 and Table 13):
  - Interpretation of the geophysics and reconnaissance mapping supported a disrupted and folded area, with no obvious surface expression of the modelled conductors (with the exception potentially of some local ironstones which lack the typical continuity of BIF).
  - A single RC hole was planned as the first test for each of the conductors.
  - Drilling and more detailed mapping showed ultramafic-mafic rocks in the east, regional granites in the west, potentially multiple felsic to intermediate intrusives, volcaniclastic, variable grain sized psammite, and magnetite garnet, diopside "hornfels". Locally sulphides were present in low levels through to massive-semi-massive. Iron sulphides dominate however some have associated base metals and tin.
  - Selected RC chips were assessed petrographically, this identified the magnetite-garnet-diopside "hornfels", granite, feldspar-quartz porphyry, and gneiss (likely after feldspar-quartz porphyry).

- Assays show regular traces of gold with one significant gold intercept associated with veining in basalt (4 m @ 0.34 g/t Au). Silver in the 0.1–4 g/t range is regularly seen, often associated with sulphides. High molybdenum (up to 499 ppm) and tungsten (up to 0.47%) assays are also seen locally.

DHEM aligns well with areas of higher sulphides in the drillholes; for 20PVRC010 (located in the southwest of Piega del West and drilled to an azimuth of 290°) the DHEM shows off hole conductors dipping in a general westerly direction.

3.1.17 2021 EXPLORATION PROGRAM

Cobre undertook a 2021 field exploration programme at Perrinvale, to assess the broader potential of the greater project area and identify new prospects.

A systematic soil and rock chip sampling programme identified 29 new areas of interest, with 17 of these areas and five of the original prospects considered to be prospective after follow-up fieldwork was carried out (Figure 49).

Three new prospects (Midway, Freshwater and Feys Cooper) were surveyed using MLEM, with conductors identified in all survey areas. A fourth prospect (Ankle Breaker) was partially surveyed.

Areas of malachite mineralisation and a significant area of soil anomalism were identified at the Costa del Islas prospect.

3.1.18 SCHWABE GRADE TONNAGE ESTIMATE

In April 2023, The Company announced the completion of resource estimation exercise at the Schwabe Deposit (ASX release 5 April 2024 Perrinvale VHMS Project –Maiden Indicated And Inferred Mineral Resource, Schwabe Prospect).

H&S Consultants Pty Ltd (H&SC), independent geological consultants, were engaged to provide a maiden Mineral Resource Estimation (MRE) for the Schwabe Prospect within the Perrinvale VHMS Project in Western Australia. H&SC received a database of 42 holes drilled at Schwabe, including 12 historical holes and 30 holes drilled by the Company since 2019. Cobre drilled 19 RC and 14 core holes, with associated data including 1,748 sample assays, density data and lithological logging. Although H&SC used the historical holes for initial interpretation of the mineralisation, the final MRE relied solely on the data generated by Cobre. The MRE is reported in accordance with the 2012 JORC Code and can be found in table 1.

Table 14: Schwabe MRE showing tonnage, grade and contained metal at a 0.2% Cu cut-off grade

Category	Tonnes '000	Density (t/m3)	Grade						Contained Metal					
			Cu %	Zn %	Co %	Pb %	Au ppm	Ag ppm	Cu tonnes	Zn tonnes	Co tonnes	Pb tonnes	Au oz	Ag oz
Indicated	115	3.0	2.0	1.6	0.05	0.04	0.54	7.99	2,320	1,810	50	60	1,990	29,650
Inferred	157	2.9	1.2	1.0	0.03	0.03	0.33	5.00	1,920	1,550	50	50	1,680	25,240
Total MRE	272	2.9	1.6	1.2	0.04	0.03	0.42	6.27	4,240	3,360	90	103	3,670	54,890

Numbers may not total due to rounding and reporting to appropriate level of significant figures

The Schwabe Prospect is located within the upper tholeiite basalt sequence of the stratigraphy. The VHMS at Schwabe has been interpreted by both Cobre and H&SC as being a mineralised (Zn/Cu/Co/Pb/Ag/Au) volcaniclastic/sedimentary rock sequence of rocks striking ~018° azimuth and dipping west at ~70° to 75°, bounded by basaltic rock in the hanging wall and foot wall (refer Figure 1 and Figure 2 below). The VHMS zone, as currently defined by drilling and outcrop, ranges between 0.5 m to 17 m thick, a strike length of ~190 m and a down dip extent of ~160 m to 180 m. Drilling and field observations around the Schwabe Prospect indicate dominantly mafic and ultramafic volcanic and intrusive rocks and rarer sedimentary rocks. The volcanic rocks include basalts (tholeiites, hi-Mg basalts and komatiitic basalts) and the lithofacies range from coherent, to pillowed, to autoclastic (hyaloclastites and peperites). The base metal sulphide intersections are dominantly associated with sedimentary facies (mudstones, black shales and cherts) and some of the sulphide textures indicate seafloor or near-seafloor deposition within these sedimentary units.

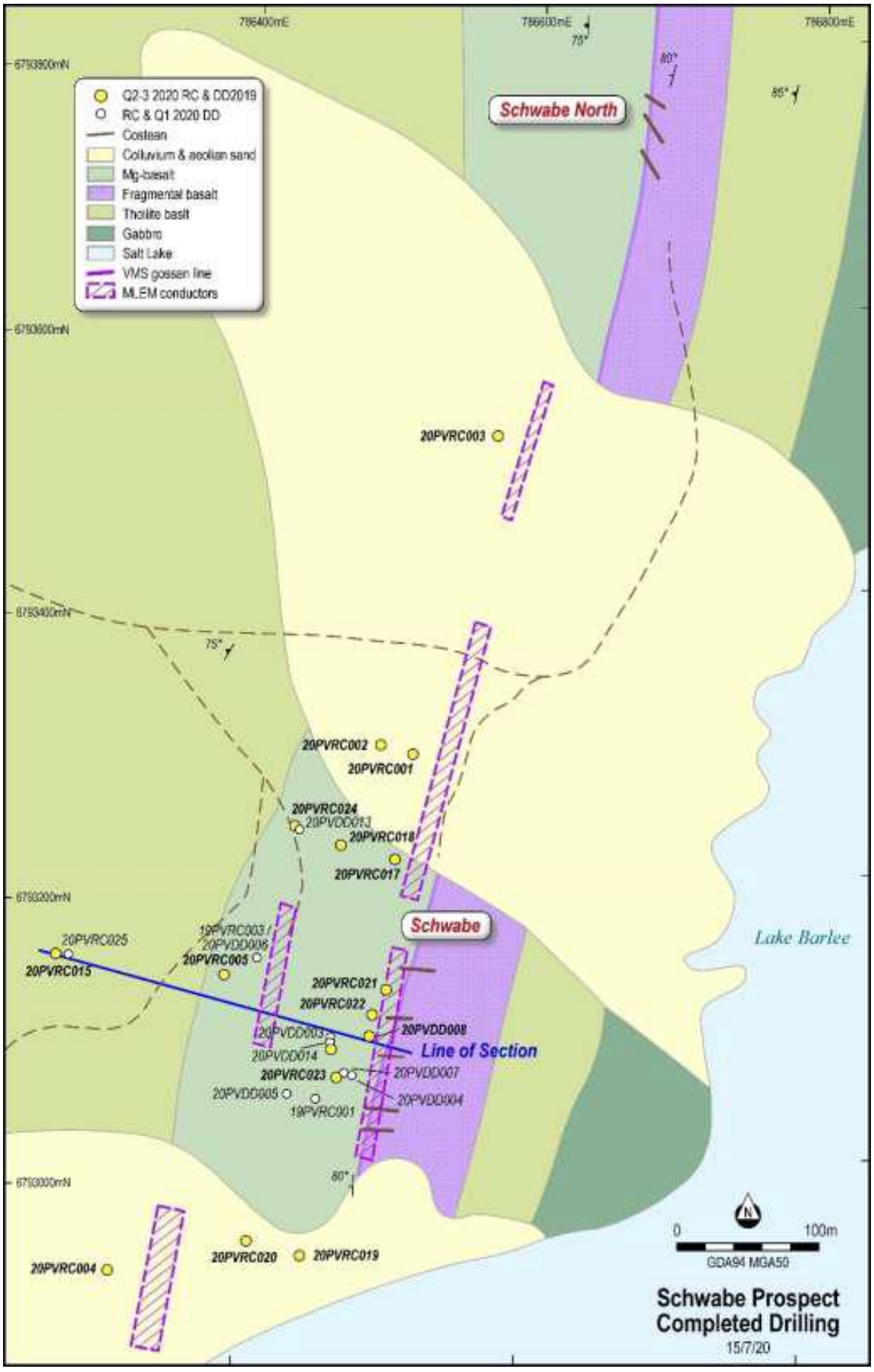


Figure 47: Schwabe drill hole on geology
(Cobre drilled holes only – Grid GDA 94 UTM Zone 50)

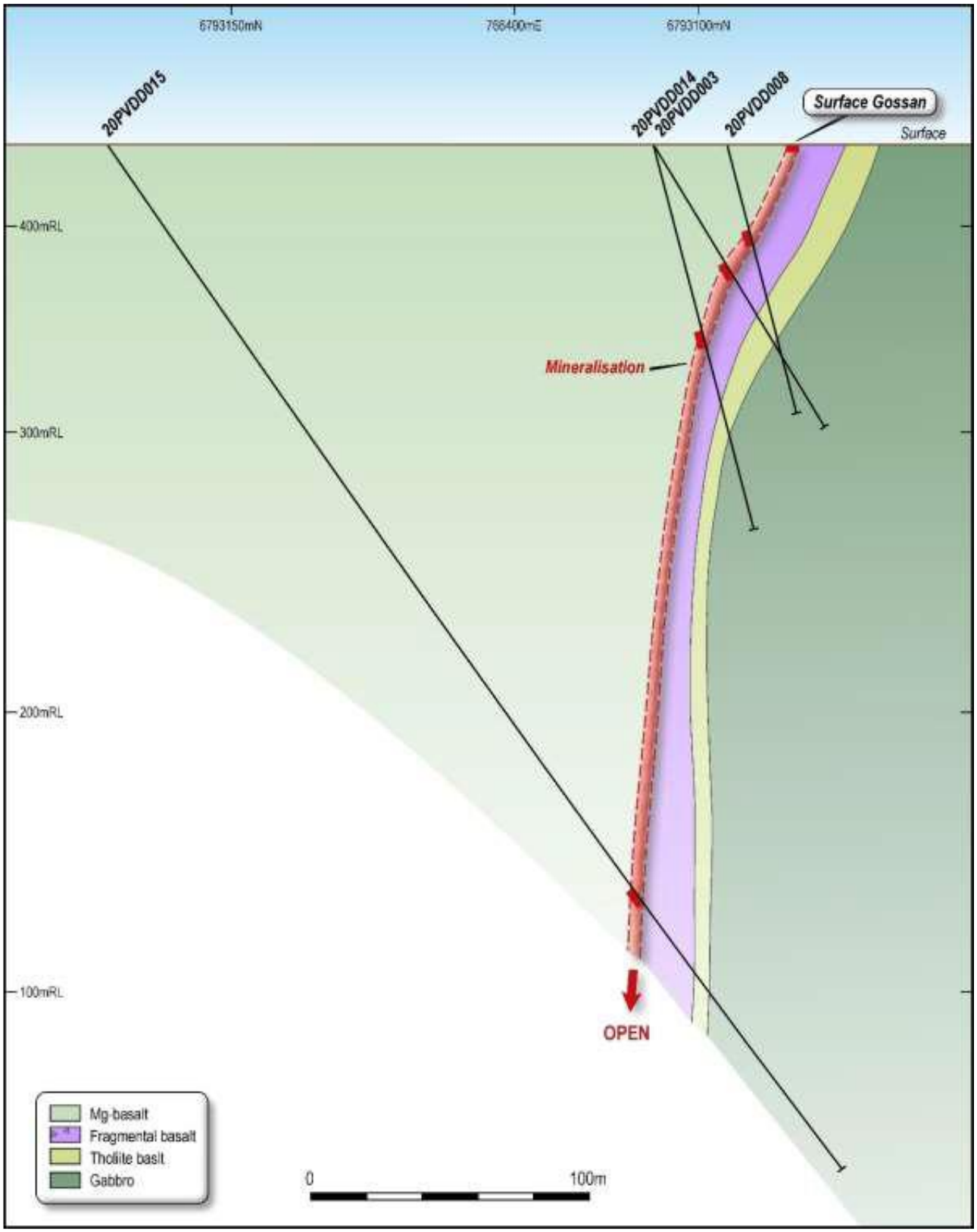


Figure 48: Schwabe cross section
(location shown on figure 1 – Grid GDA 94 UTM Zone 50)

The drilling comprises 19 RC percussion holes, 14 core or RC holes with core tail (RCD) holes, and nine older Open Hole Percussion (OHP) holes for a total of 5,255.7 metres. With the exception of three DD holes drilled in the 1970's, the DD, RC and RCD holes were drilled by Cobre in 2019-2020 and the OHP holes drilled by a previous explorer in the 1970's. Drill hole

spacing varies from 15 to 20 m in the core of the MRE area up to >50 m on the periphery. Drill collar positions are shown on Figure 1. Relative hole spacing was one of the variables that influenced classification of the MRE. The OHP holes were excluded from the MRE process due to a lack of certainty around sampling methods and analytical techniques.

ERM notes that whilst the process to estimate the reported MRE at Schwabe has been undertaken is an industry standard fashion and provides a valid estimate of the tonnes and grade of VMS mineralisation at Schwabe, the small size of the deposit and the relatively low grades are such that the deposit lacks the scale to support the capex necessary to develop this project in isolation.

3.1.19 Prospectivity

ERM's opinion, based on the current exploration by Toucan which has confirmed the historical exploration results, is that the Perrinvale Project remains prospective for VMS-style polymetallic base metal and gold mineralisation, as well as mesothermal gold mineralisation.

The metallurgical results and untested EM anomalies at the project warrant continued exploration to identify and define additional VMS accumulations.

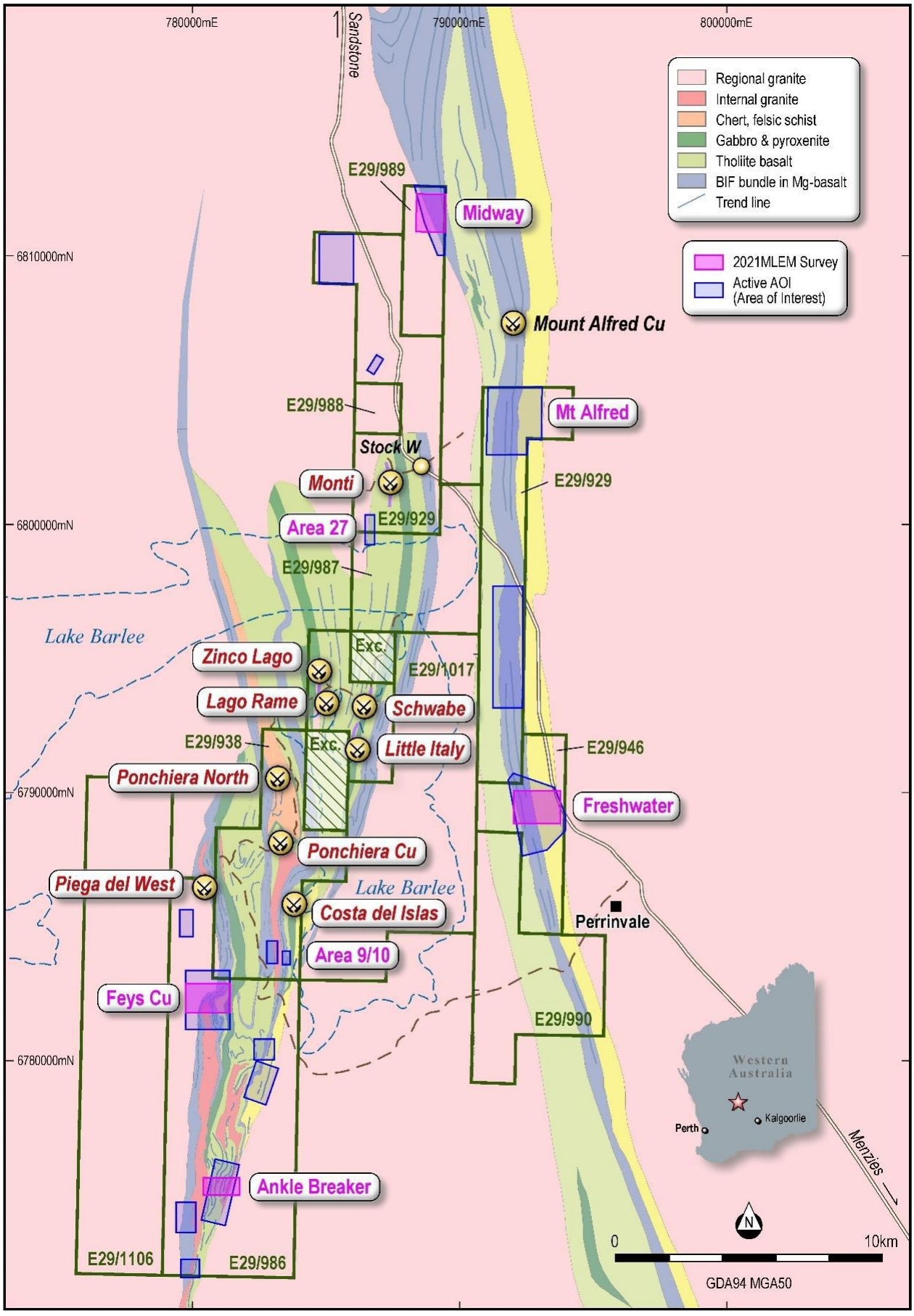


Figure 49: Perrinvale Project showing original prospects and active new areas of interest.
Source: Cobre ASX announcement, 28 January 2022

3.2 SANDIMAN PROJECT

3.2.1 LOCATION AND TENURE

The Sandiman Project is located in the Upper Gascoyne Shire. Access to the licence is from Carnarvon to Gascoyne Junction and then 85 km along the Lyndon Road to Mount Sandiman Station (Figure 50). Access into the tenement is then via the network of station tracks (Geomin, 2019).

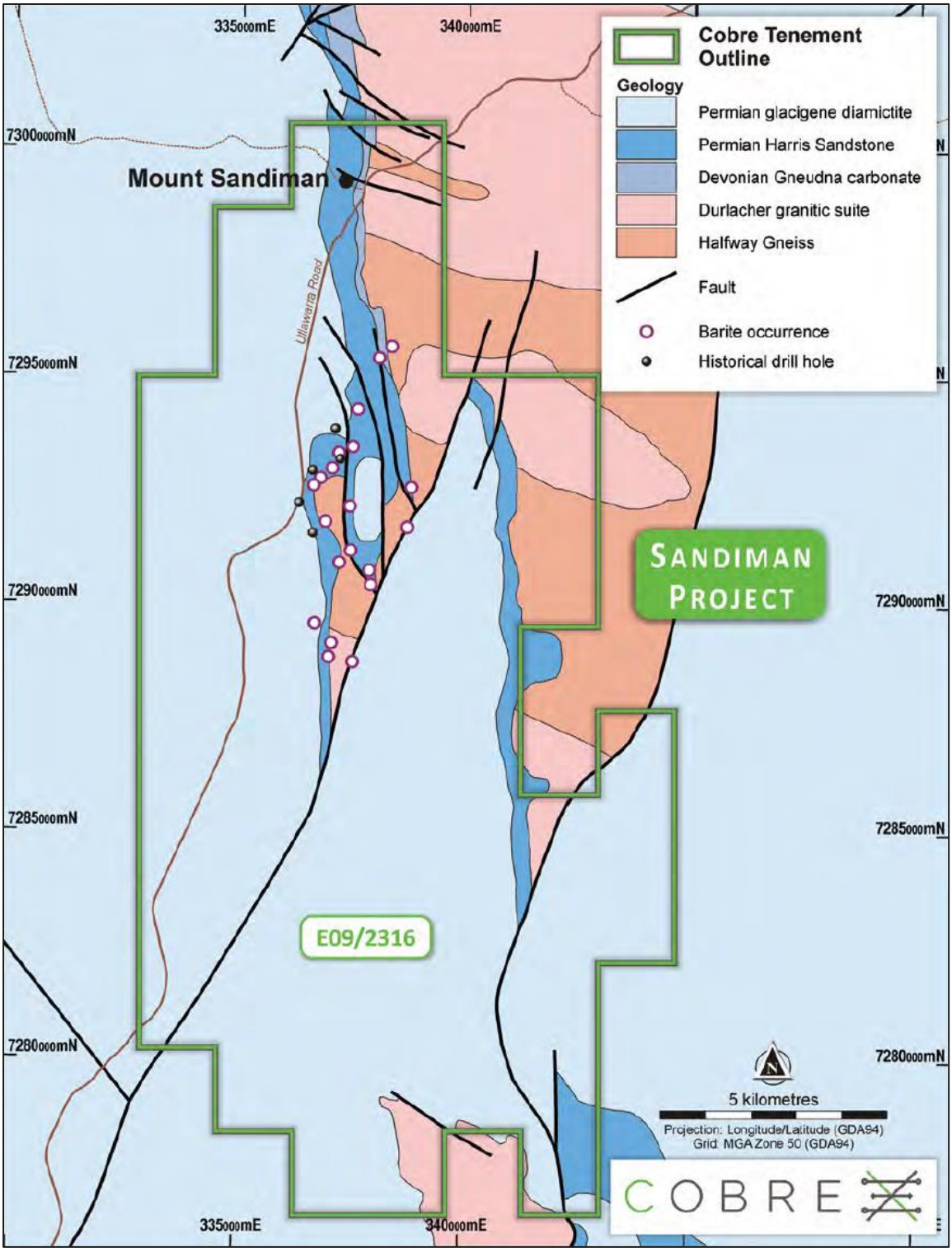


Figure 50: Sandiman tenure, infrastructure and geology
Source: Geomin (2019)

The Sandiman Project is based on a single tenement (E09/2316) totalling 202 km² in size (Table 15). The tenement is held by GTTS Generations Pty Ltd, and is subject to a farm-in agreement whereby Cobre has earned a 51% interest in the project.

Tenement information on the Cobre projects was provided by Cobre, and independently confirmed by ERM via the Mineral Titles Online portal provided by the Government of Western Australia DMIRS. ERM understands that the agreement is transitioning to a JV, and a 51% interest in the tenement will be transferred to Cobre.

Table 15: Sandiman tenement table

Tenement	Holder	Grant date	Expiry date	Area (blocks)
E09/2316	GTTS Generations Pty Ltd	9 Aug 2019	8 Aug 2024	65

Source: Cobre Quarterly Activities Report for the quarter ended 30 June 2020

3.2.2 GEOLOGY

The Sandiman tenement was selected on its location along the complex boundary of two major tectonic units of Western Australia – the Proterozoic Gascoyne Province to the east, and the Palaeozoic Carnarvon Basin to the west.

The Gascoyne Province includes a range of late Archaean and mid-Proterozoic gneisses, granites, and metasedimentary rocks that record the progressive amalgamation of the Archaean Pilbara and Yilgarn Cratons to form the West Australian Precambrian Shield. The Gascoyne Province has been subjected to multiple tectono-magmatic reworking events that are now marked by segments with different deformational, metamorphic, magmatic, and metallogenic signatures. These segments are bounded by deep crustal shear zones that trend west-northwest to east-southeast, along with the general tectonic foliations.

The basement beneath the Sandiman Project consists of the Halfway Gneiss, Durlacher Granitic Suite, and enclaves of Leake Spring Metamorphic. The latter unit includes metasedimentary rocks, including calc-silicates after carbonates, and amphibolites after mafics. This basement segment contains numerous mineral occurrences, including copper-lead-zinc, tungsten-molybdenum, and tantalum-niobium associations. No significant basement mineral occurrences are known on E09/2316, although significant base metal occurrences occur 35 km to the northeast.

The on-lapping sedimentary sequence in the Merlinleigh Sub-basin of the Carnarvon Basin is represented by the glacigene diamictites of the Lyons Group of Permian age. However, this boundary is not a simple on-lap, as it is cut by many listric-type faults of the Wandagee Fault Zone that relate to rift-style faulting of the progressive development of the Carnarvon Basin. This faulting has caused a complex array of horst blocks, half grabens and disruption of the Permian unconformity.

The boundary zone is further complicated by the remnants of older sedimentary rocks of Devonian age that mark the initial transgression onto the Gascoyne basement. These include limestone and evaporite-facies sedimentary rocks, overlain by black shale. These remnants outcrop within the Sandiman project area and will be present in greater extent deeper in the basin within E09/2316.

This geological framework is considered a favourable situation for MVT lead-zinc mineralisation as, for example, the Lennard Shelf lead-zinc deposits in the Canning Basin of Devonian age. These deposits form by hydrothermal fluids coming up from deep fault fractures, and leaching metals (like lead, zinc, barium) from basement sources, and precipitating them as sulphides and sulphates in carbonate and pyritic rocks.

Another possible metallogenic style that can form within this craton-margin geological framework is VMS, if there are localised volcanic rocks in the system. There is no record of volcanics in either the Devonian or Permian sequences in the Carnarvon Basin, but they could be present at depths further into the basin, and not yet intersected by petroleum wildcat wells.

The only post-basement magmatic activity known in the region is the Wandagee picritic lamprophyres (Lewis 1990). These are mantle-tapping funnel-shaped diatremes that intrude the Permian Lyons River Group. Altogether there are 23 such diatremes, forming a diffuse cluster 60 km x 30 km more or less corresponding to the Wandagee Fault Zone. They are thought to be Jurassic in age and relate to the break up of Gondwana. They have been explored for diamonds without success. There are no documented diatremes within E09/2316. Although there is a spatial relationship with the rifted margin of the cratonic Gascoyne Province, it is unlikely such diatremes can provide a magmatic fluid or heat source for barium and any related metals.

3.2.3 LOCAL GEOLOGY

Figure 50 shows the fault complex with northeast and northwest-trending components that disrupts the unconformity between the basal Permian Harris Sandstone and the basement metamorphic rocks.

Also shown is the older Devonian Gneudna Limestone which is on-lapped and obscured by the Permian lithologies. The barite occurrences, as best is presently known, are mostly restricted to the Permian Harris Sandstone. Also shown is the best plot of the Arimco drillholes which were all collared in the Harris Sandstone.

The surface distribution of the Gneudna carbonates shown in Figure 50, would be a suitable host for MVT lead-zinc mineralisation. Its distribution beneath the Permian-aged sediments is unknown and is considered an important aspect of understanding the prospect-scale framework for potential sediment-hosted mineralisation.

3.2.4 BARITE

Based on the abundance of barite ($BaSO_4$) in this area, which remains unexplained, it is appropriate to comment on its significance.

Barite usually occurs in two forms:

- Bedded barite – occurring peripheral to MVT lead-zinc deposits and VMS base metal deposits. Bedded barite, therefore, possesses the geochemical alteration and metal signatures of these deposits.
- Vein barite - occurring in discord fracture-fills, generally lacking other elements and with no immediate spatial relationship with bedded barite.

It is reasonable to postulate that vein barite has been remobilised from bedded barite during a later hydrothermal event.

However, there is little information on these barite veins. Abeysinghe and Featherstone (1997) provide the only summary. They note the veins are up to 1.5 m wide, align in northeast and southeast trending fault sets, and can occur in basement and Permian rocks, or in fault contacts between them. Reputedly the barite is accompanied by "minor amounts of galena and traces of sphalerite", and this observation has been confirmed by recent exploration work (pers. comm. Todd Axford (Cobre), 2020).

3.2.5 HISTORICAL EXPLORATION

In 1974, Uranertz explored for unconformity-related uranium deposits in the lowermost Lyons Group unit – the Harris Sandstone. Only minor traces of carnotite were encountered, statutory report (A4559) noted barite workings in several shafts and trenches.

During 1981–1982, Amoco (A11013) undertook exploration specifically for stratiform lead-zinc, presumably on the basis of the barite occurrence. Amoco mapped in detail the fault system in old TR7863H and showed the barite veins were in fractures within the lowermost Permian sandstone (Harris Sandstone) and in faults between the sandstone and the basement fault blocks. Amoco did a prospect-scale orientation soil geochemistry survey and a small soil grid over known barite veins. This gave good barium and strontium soil anomalies, but barely perceptible lead kicks, and no zinc.

In 1990, Arimco (A32112) drilled three RC holes through the lower Permian sandstone into basement in a search for stratiform lead-zinc. The collar coordinates of these five holes have been located as best as possible from the non-digital plans. They all appear to be collared in the Lyons diamictite and passed into the Harris Sandstone. Three holes intersected the granitic basement at depths varying from 42 m to 123 m. The Arimco logs are not fully diagnostic in terms of stratigraphic identity, and the two deeper holes that failed to reach the basement may have intersected the more indurated Devonian calcareous siltstone and limestone of the Gneudna Formation. In this respect, the presence of "black oily scum" in one of the deeper holes that failed to reach basement, may be significant. None of the holes showed anomalous base metals, but it is of interest that all the holes had anomalously high barium in the range of 400 ppm to 1,450 ppm. This suggests the possibility of barite cement in the sandstones. No further base metal exploration has since taken place.

In 2016, private company Western Barite Pty Ltd took up E09/2069. The statutory report (A109155) gives no details of any operations but notes 20 separate locations in the general area south of Mount Sandiman and Homestead; these are considered to be the 20 occurrences shown as barite in the Geological Survey of Western Australia (GSWA) Mindex database.

Independence Group NL (ASX: IGO) holds a large block of exploration licences totalling 4,370 km², surrounding EL09/2316. IGO's Lyons River project covers the Permian sequence of the Merlinleigh sub-basin where it overlies the rifted margin of the cratonic Gascoyne Province. The IGO website notes *"hydrogeochemical sampling identified coincident 150 km x 30 km boron-fluorine anomaly associated with shallow marine-lacustrine carbonate-evaporite sequences"*.

3.2.6 CURRENT EXPLORATION

Analysis of multi-spectral satellite imagery over the Sandiman Project and surrounds was conducted by Geoimage Pty Ltd. The work included orthorectification and spectral processing of the ASTER imagery. A series of processed outputs were provided primarily aimed at assisting in deriving lithological discrimination and to identify potential areas of alteration.

The outputs were assessed as part of the initial field visit, primarily focused on the northern half of the project where historic occurrences of barite veining were recorded.

A series of rock chip samples were collected, visually described, and sent for assay. Visual observations and assays confirm the presence of lead and zinc sulphides along with silver. Along with sulphides incorporated in barite veining, the assays also show signs of mineralisation associated with a red/green mudstone/dolomite contact (likely the Devonian Gneudna Limestone) exposed in a borrow pit to the north of the barite occurrences.

These observations support the conceptual target based on mineralised hydrothermal fluids moving through fault pathways associated with an extension on the margins of the East Carnarvon Basin. The area looks prospective for MVT base metals when considered in conjunction with a classic genetic model.

Recent work includes an aeromagnetic/radiometric survey as well as a ground gravity survey, both of which covered the entire project area. This was followed by a geophysical interpretation and target generation exercise, which is yet to be publicly reported.

3.2.7 PROSPECTIVITY

It is ERM's opinion that the Sandiman Project is conceptually prospective for MVT base metal mineralisation based on the cluster of barite veins in sedimentary basin rocks in a craton-margin geological setting in conjunction with recent exploration results reporting traces of lead-zinc-silver mineralisation. Early-stage exploration results also suggest the possibility for the formation of VMS base metal deposits.

The veins themselves do not present exploration targets although barite is considered a commercial industrial mineral. Rather, the exploration approach will be to better understand the geological setting and the hydrothermal fluid systems that operated during barite vein deposition (Geomin, 2019).

4. VALUATION

4.1 VALUATION APPROACH

Valuation of Mineral Assets is not an exact science, and several approaches are possible, each with varying positives and negatives. Whilst valuation is a subjective exercise, there are a number of generally accepted procedures for establishing the value of Mineral Assets. ERM considers that, wherever possible, inputs from a range of methods should be assessed as a matter of best practice to inform the conclusions about the Market Value of Mineral Assets.

The valuation is always presented as a range, with the preferred value identified. The preferred value need not be the median value and is determined by the practitioner based on their experience.

Refer to Appendix A for a discussion of Valuation Approaches and Valuation Methodologies, including a description of the VALMIN classification of Mineral Assets.

In forming an opinion as to the Market Value of the Mineral Assets, the approach adopted by ERM has been to rely primarily on market-based methods (primarily the comparative transaction method) based on the tenement area, prospectivity and project stage, cross checked by the Appraised Value method (given the project stage and material expenditure on the project), and also by the Geoscientific Factor (Kilburn) method.

The choice of valuation methods employed was dictated by the exploration stage of the assets and the availability of information.

The Valuation Basis employed by ERM is Market Value, as defined by the VALMIN Code (2015) and explained in Appendix A. The Valuation Date is 31st May 2024. The currency is US dollars (US$ or USD) for the Botswana assets and Australian dollars (A$ or AUD) for the Western Australian, unless otherwise stated.

Project values are expressed on a 100% basis unless otherwise stated.

In ERM's opinion, nothing material has occurred up to the date of this Report (14th June 2024), since the Valuation Date (31st May 2024) to affect ERM's previous technical review and valuation opinion.

4.2 COMMODITY MARKET AND PRICING

The copper price history in US$/t for the five years prior to May 2024 is illustrated in Figure 51. The variation in the copper price over time highlights the need to normalise transactions to account for variations in commodity prices and exchange rates over time.

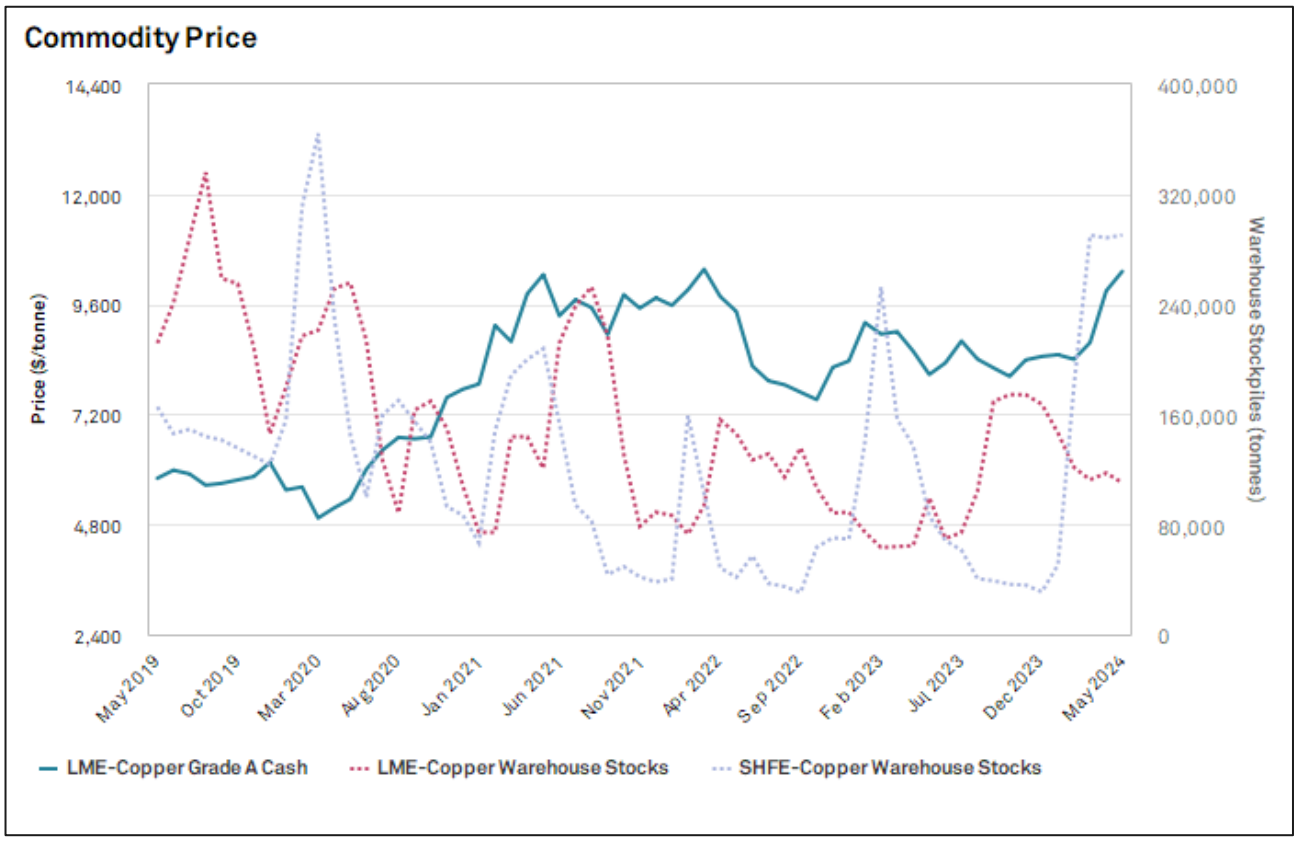


Figure 51: Copper price history in US$
Source: S&P Capital IQ Pro Platform

4.3 BOTSWANA MINERAL ASSETS

4.3.1 PREVIOUS VALUATIONS AND TRANSACTIONS

CSA Global (CSA Global, 2017) has previously completed a CPR on the KCP, as then defined for AIM-listed Draganfly, to inform a potential investment decision. The licence holding at that time was broadly similar to the current footprint of the OCP and NCP (i.e. licences held by KML and Triprop), although several of these licences have been subsequently reduced in area by mandatory relinquishment. The CPR predated the acquisition of the Kitlanya licences, and it included a valuation of the aforementioned projects.

The total landholding covered in the CPR was 3,940 km² and CSA Global provided a preferred valuation of US$1.73 million, based on analyses of comparative transactions relevant at that time and the use of the Geoscience or Kilburn method. CSA Global completed that work independently of both Draganfly and KML and was remunerated through the payment of a consulting fee.

The Kitlanya East and Kitlanya West projects were acquired by KML on 10 April 2019, whereby KML acquired 100% of Kitlanya Limited for US$700,000, placing an effective value on KML, post the Kitlanya acquisition, of US$5.2 million at that time

(https://www.metaltigerplc.com/index.php/news/1307-kalahari-metals-limited-acquisition-of-kitlanya-ltd-2019-04-10-070800).

CSA Global was commissioned by BDO to provide an updated valuation of the Kalahari Copper Project in September 2021. CSA Global's preferred value for the Kalahari Copper Project was US$4.8 million, within a range of US$2.4 million to US$6.7 million. CSA Global was again commissioned by BDO to update the valuation in August 2022, with the CSA Global's preferred value for the Kalahari Copper Project being US$4.5 million, within a range of US$2.3 million to US$6.3 million.

4.3.2 COMPARATIVE TRANSACTIONS

The transactions considered were announced post-May 2019 and there was sufficient information on the transaction and material projects available in the public domain for the analysis of the transactions.

In analysing the transactions, all amounts were converted to US$ at the relevant exchange rate at the time of the transaction announcement. Joint venture transactions were only valued to the first earn-in milestone and any subsequent earn-in milestones were ignored. Future payments contingent on a future milestone such as declaration of a Mineral Resource or decision to mine were ignored. Share considerations were treated as the equivalent cash value using share prices at the time of the transaction unless the shares were issued at a particular deemed price. Where significant portions of the consideration committed were delayed by a significant period of time, the delayed payments were discounted to account for the time value of money.

ERM considered 13 transactions involving early-stage copper projects in Botswana (nine transactions) and Namibia (four transactions), mostly in the Kalahari Copper Belt or targeting copper (Figure 52). These transactions are listed and analysed in Appendix B, Table 29: KCB Comparable Transactions. Implied transaction prices were normalised to the May 2024 copper spot price of US$10,318/t.

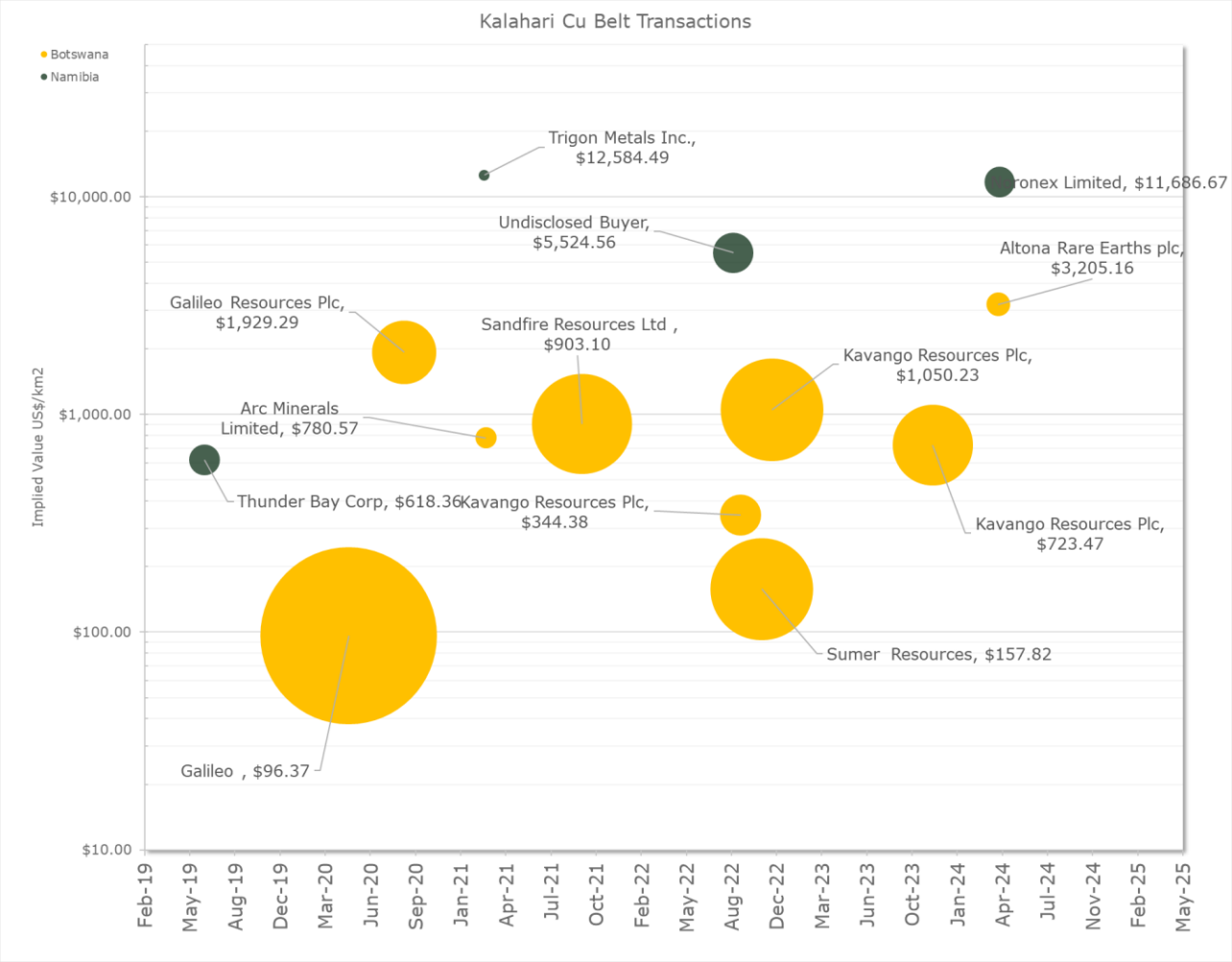


Figure 52: Selected Kalahari Copperbelt transactions

Note: Bubble size proportional to area of tenure.

The geological continuity of the Kalahari Copperbelt between Namibia and Botswana was shown earlier in this report in Figure 3. In addition, the investment environment and sovereign risk ratings of Namibia and Botswana are generally considered comparable. Therefore, ERM combined the Namibian and Botswana Kalahari Copperbelt transactions in our analysis of comparative market transactions.

The two highest value transactions were for Namibian projects that included Mineral Resources and have therefore between excluded from the analysis. The remaining transactions are all exploration and advanced exploration projects in the Kalahari Copperbelt and are considered good comparables for the Cobre tenement portfolio.

Table 16: Transaction Analysis Summary

Property Name	Country / Region Name	Buyer	Completion/Termination Date (d/mm/yyyy)	100% Value	Area km2	Implied Value US$/km2	Price Nomralised Implied Value US$/km2
Ghanzi West	Botswana	Arc Minerals Limited	Mar-21	$139,603	210.00	$664.78	$780.57
KCB (South Ghanzi)	Botswana	Kavango Resources Plc	Sep-22	$207,452	809.00	$256.43	$344.38
Swan Lake Licences	Botswana	Sumer Resources	Nov-22	$625,740	4973.00	$125.83	$157.82
Sesana	Botswana	Altona Rare Earths plc	Apr-24	$730,000	274.00	$2,664.23	$3,205.16
Nine licences in KCB	Botswana	Sandfire Resources Ltd	Sep-21	$3,290,000	4781.00	$688.14	$903.10
Kalahari	Botswana	Galileo	May-20	$743,603	14875.00	$49.99	$96.37
South Ghanzi	Botswana	Kavango Resources Plc	Nov-22	$4,200,000	5015.89	$837.34	$1,050.23
Ghanzi West	Botswana	Kavango Resources Plc	Nov-23	$1,811,111	3079.66	$588.09	$723.47
Kalahari	Botswana	Galileo Resources Plc	Sep-20	$2,400,000	1925.00	$1,246.75	$1,929.29
Guchab	Namibia	Trigon Metals Inc.	Feb-21	$625,740	56.14	$11,146.06	$12,584.49
Dordabis & Witvlei	Namibia	Noronex Limited	Apr-24	$4,200,000	441.38	$9,515.57	$11,686.67
Kunene	Namibia	Undisclosed Buyer	Aug-22	$3,290,000	783.23	$4,200.54	$5,524.56
Dordabis & Witvlei	Namibia	Thunder Bay Corp	Jun-19	$158,824	441.38	$359.83	$618.36

Based on the analyses described above, ERM used professional judgement in selecting a low valuation factor of US$250/km², a preferred valuation factor of US$1,500/km² and a high valuation factor of US$2,500/km².

The preferred valuation factor of US$1,500/km² is rounded from the average of the transactions, excluding outliers. The low factor is the based on the geometric mean of the dataset reflecting the larger area, less explored/earlier stage tenure, whilst the high end reflects the average of the third quartile of the data, i.e. the highest value transactions excluding the high outliers.

Applying these valuation factors to the KCP tenure results in the valuation summarised in Table 17.

Table 17: Summary of KCP valuation based on comparative transactions

Holder	Area (km²)	Valuation factors (US$/km²)			Value (US$ million)		
		Low	Preferred	High	Low	Preferred	High
CBE	5,392.2	250	1500	2500	1.3	8.1	13.5

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

Based primarily on the location of the various licences with respect to known copper deposits and outcropping stratigraphy, it is possible to crudely rank the prospectivity of the licences and apply valuation factors based on this ranking.

ERM grouped the transactions by assumed prospectivity, based on the ranked transaction values. Transactions with the highest values were assumed to involve the most prospective tenure, and transactions with the lowest values were assumed to involve the least prospective tenure. The range of valuation factors has been derived from the analysis of comparative transactions described above, with rank 1 assigned to the licences deemed most prospective and rank 4 applied to the licences deemed least prospective.

A valuation completed by applying these factors to the KCP tenure considering prospectivity rankings derived from ERM's assessment of these tenements is summarised in Table 18.

The valuation derived from this approach is presented in Table 19.

Table 18: Summary of KCP valuation based on ranked transaction values

					Factor			Value		
License	Project	Stage	Rank	PL Area (km^2)	Low	Preferred	High	Low	Preferred	High
PL070/2017	Kitlanya East	Exploration	1	826.40	$2,500	$4,000	$6,500	$2,066,000	$3,305,600	$5,371,600
PL071/2017		Exploration	3	295.00	$200	$550	$750	$59,000	$162,250	$221,250
PL072/2017		Exploration	3	238.00	$200	$550	$750	$47,600	$130,900	$178,500
PL342/2016	Kitlanya West	Exploration	4	950.00	$75	$150	$300	$71,250	$142,500	$285,000
PL343/2016		Exploration	4	995.00	$75	$150	$300	$74,625	$149,250	$298,500
PL035/2012	Ngami	Target Def	1	308.90	$2,500	$4,000	$6,500	$772,250	$1,235,600	$2,007,850
PL036/2012		Advanced Expl	1	49.88	$3,500	$5,000	$7,500	$174,580	$249,400	$374,100
PL252/2022		Target Def	2	162.28	$2,200	$4,500	$6,500	$357,016	$730,260	$1,054,820
PL253/2022		Target Def	2	14.20	$2,200	$4,500	$6,500	$31,240	$63,900	$92,300
PL254/2022		Target Def	2	148.42	$2,200	$4,500	$6,500	$326,524	$667,890	$964,730
PL255/2022		Target Def	2	41.61	$2,200	$4,500	$6,500	$91,542	$187,245	$270,465
PL041/2012	Okavango	Exploration	2	9.00	$500	$1,250	$2,500	$4,500	$11,250	$22,500
PL042/2012		Exploration	1	272.00	$2,500	$4,000	$6,500	$680,000	$1,088,000	$1,768,000
PL043/2012		Exploration	3	82.00	$300	$450	$1,000	$24,600	$36,900	$82,000
PL149/2017		Exploration	1	999.50	$2,500	$4,000	$6,500	$2,498,750	$3,998,000	$6,496,750

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

Table 19: Summary of KCP valuation based on ranked comparative transactions

Holder	Area (km²)	Value (US$ million)		
		Low	Preferred	High
CBE	5,392.2	7.3	12.2	19.5

4.3.3 GEOSCIENCE FACTOR METHOD (MODIFIED KILBURN)

The Geoscientific Factor Method (GFM) of valuation requires the consideration of those aspects of a mineral property that enhance or downgrade the intrinsic value of the property. It seeks to rank and weight geological aspects, including proximity to mines, deposits and the significance of the camp and the commodity sought.

The first and key aspect of the GFM described by Kilburn (1990) is the derivation of the Base Acquisition Cost (BAC) that is the basis for the valuation. The BAC represents the average cost to identify, apply for and retain a base unit of area of tenement.

In addition, a market factor is required to derive a market value from the technical value calculated from the BAC and ranking factors. ERM takes the approach of using the implied value range from our selected Comparable Transactions to inform the selection of a GFM market factor. Our presumption is that the comparatives are capturing the market sentiment, so any other valuation method should not be significantly different (order of magnitude).

BOTSWANA TENEMENTS

A BAC for Botswana prospecting licences has been estimated using the following data and assumptions:

- Based on the original grant of three years, with up to two renewals of two years each allowed, it is assumed that the average age of prospecting licences in Botswana is four years
- The maximum size is 1,000 km², and the average size, as recorded on the S&P Global Market Intelligence Platform, is approximately 263.7 km²
- A deemed cost to identify a licence of interest of US$7,000 was assumed
- Application cost is BWP5/km²
- The holding cost includes a rent of BWP5/km² per annum, as per the licence agreement
- Average annual exploration expenditure on grassroots exploration in Botswana is US$29.59/km², according to the S&P Global Market Intelligence Platform.
- The May 2024 average exchange rate is approximately US$0.078/BWP.

Altogether, this gives an assumed BAC for the average Botswana prospecting licence of US$148/km².

The licences were rated in accordance with the rating system shown in Appendix A, with detailed ratings per licence shown in Table 20 (Appendix D).

A market factor (discussed in Appendix A) of 1.1 was used to align the technical value derived from the rating scheme to a market value, based on the analysis of comparative transactions and in recognition of the increasing copper price and the recent high value transactions of copper projects in Botswana, e.g. the MMG acquisition of the Khoemacau project for US$1.9 billion.

This resulted in a range of implied values of US$234/km² to US$1,563/km² for the licences considered (average US$717.74km²), which is consistent with the range of values derived from the analysis of comparative transactions (Section 4.3.2).

A summary of the valuation of the KCP using this method is provided in Table 20.

Table 20: Summary of Kilburn valuation of KCP tenure

Holder	Area (km²)	Low (US$ million)	Preferred (US$ million)	High (US$ million)
CBE	**5,392.2**	**4.9**	**12.6**	**20.3**

BAC US$148/km², market factor 1.1.

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

4.3.4 APPRAISED VALUE METHOD

The KCP tenure has been consistently in force since the original great dates, albeit held by several different entities. The stage of the projects means that the Appraised Value method is a useful approach for considering the value add provided by successful exploration over the tenure.

The rationale and method of the Appraised Value approach using Multiples of Exploration Expenditure (MEE) are discussed in Appendix A.

A detailed assessment of the various work programmes completed over the project and the outcomes and potential value addition are presented in Appendix C.

A summary of the valuation of the KCP using this method is provided in Table 21.

Table 21: Summary of Appraised Value (MEE) valuation of KCP tenure

Holder	Area (km²)	Low (US$ million)	Preferred (US$ million)	High (US$ million)
CBE	**5,392.2**	**40.0**	**45.4**	**50.2**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

The relatively long exploration history and some high-cost programmes including large amount of drilling means that this approach delivers high valuations.

In ERM's professional opinion, recognition of the value-add from exploration and the committed work programmes by Cobre, are a useful and valid valuation investigation, and justify the selection of a higher preferred value than the other methods suggest.

Any acquirer of the KCP would likely need to consider the amount of value adding exploration work already completed.

The MEE approach recognises the status of the KCP as an advanced exploration play on the threshold of the valuation step change delivered by the completion of Mineral Resources.

The work programmes to investigate ISR are considered to material drivers of value for the project, and this is captured in ERM's final opinion on KCP value.

4.3.5 YARDSTICK VALUATION OF THE COPPER EXPLORATION TARGET

Cobre has undertaken a robust geologically driven modelling approach to quantify an Exploration Target (ET) for the Ngami Copper Project. Metallurgical and hydrogeological testwork has provided confidence that there are reasonable prospects that ISR will allow economic extraction of copper (and silver) from the mineralised zones. Given this context, ERM concluded that it is was valid to consider the potential value of the range of copper metal values implied by the Exploration Target.

The value of the ET is in addition to the area-based values discussed above which are focused on the exploration potential of the tenure.

Appendix E presents a rule-of-thumb valuation derived from a consideration of the Exploration Target at the NCP, which is summarised in Table 22.

Table 22: Yardstick valuation opinion based on NCP Exploration Target

as of 31st May 2024 (100% basis)

Low (US$ million)	Preferred (US$ million)	High (US$ million)
1.8	4.1	9.3

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

4.3.6 VALUATION OPINION

ERM's opinion on the value of the KCP has been informed primarily by the analysis of comparative transactions, firstly considering the tenure holding as a whole, and secondly by ranking the tenements based on the prospectivity of the individual licences and applying ranked valuation factors derived from the analysis of transactions.

As a cross-check, ERM has considered the potential value of the tenement package by employing the Appraised Value and GFM methods as well as the value of the metal quantified by the Exploration Target for the NCP in light of the potential for ISR recovery of the copper, which is considered to underpin the value of this material and provide a pathway to economic extraction.

Note that the analysis of market transactions indicates that highly prospective or otherwise strategic tenure holdings can transact at prices that are higher than the majority of other tenure holdings. This would be dependent on the perceptions of individual buyers and is not likely indicative of broader market sentiment.

These valuation methods were selected as appropriate for considering the market value of early-stage exploration licences, where Mineral Resources have not as yet been declared, and where sufficient exploration has been carried out to gain some understanding of the prospectivity of the individual licences.

Should a Mineral Resource be declared in the future, it may then become appropriate to consider the value of the licences on the basis of the Mineral Resources that would then be known to occur within the licences.

ERM has used professional judgement to separately select values for the high, low and preferred from the outcomes of the valuation methods considered.

ERM has considered the 2% net smelter royalty obligation over all Cobre's wholly-owned licences, and it is ERM's professional opinion that this is not likely to materially affect the current market value of the project at the current early-stage of development. The value of the net smelter royalty agreement will only become material once the project is at a more advanced stage after mineral resources have been declared and mining studies commence.

ERM's opinion as to the likely Market Value of the KCP as of 31st May 2024, on a 100% basis, is summarised in Table 23.

It is stressed that the valuation is an opinion as to likely values, not absolute values, which can only be tested by going to the market.

An overview of the outcomes of the different valuation approaches is presented in Figure 53.

Figure 53: Overview of Valuation approaches for the KCP (US$)

Table 23: Market Value of the Botswana copper tenements

as of 31st May 2024 (100% basis)

Area (km²)	Low (US$ million)	Preferred (US$ million)	High (US$ million)
5,392.2	11	19	26

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

There is significant range in the values derived for the Company's Botswana projects. ERM has considered this range and concludes that it provides a reasonable representation of possible valuation outcomes for the project, given the uncertainties inherent in valuing early-stage exploration and pre-development projects.

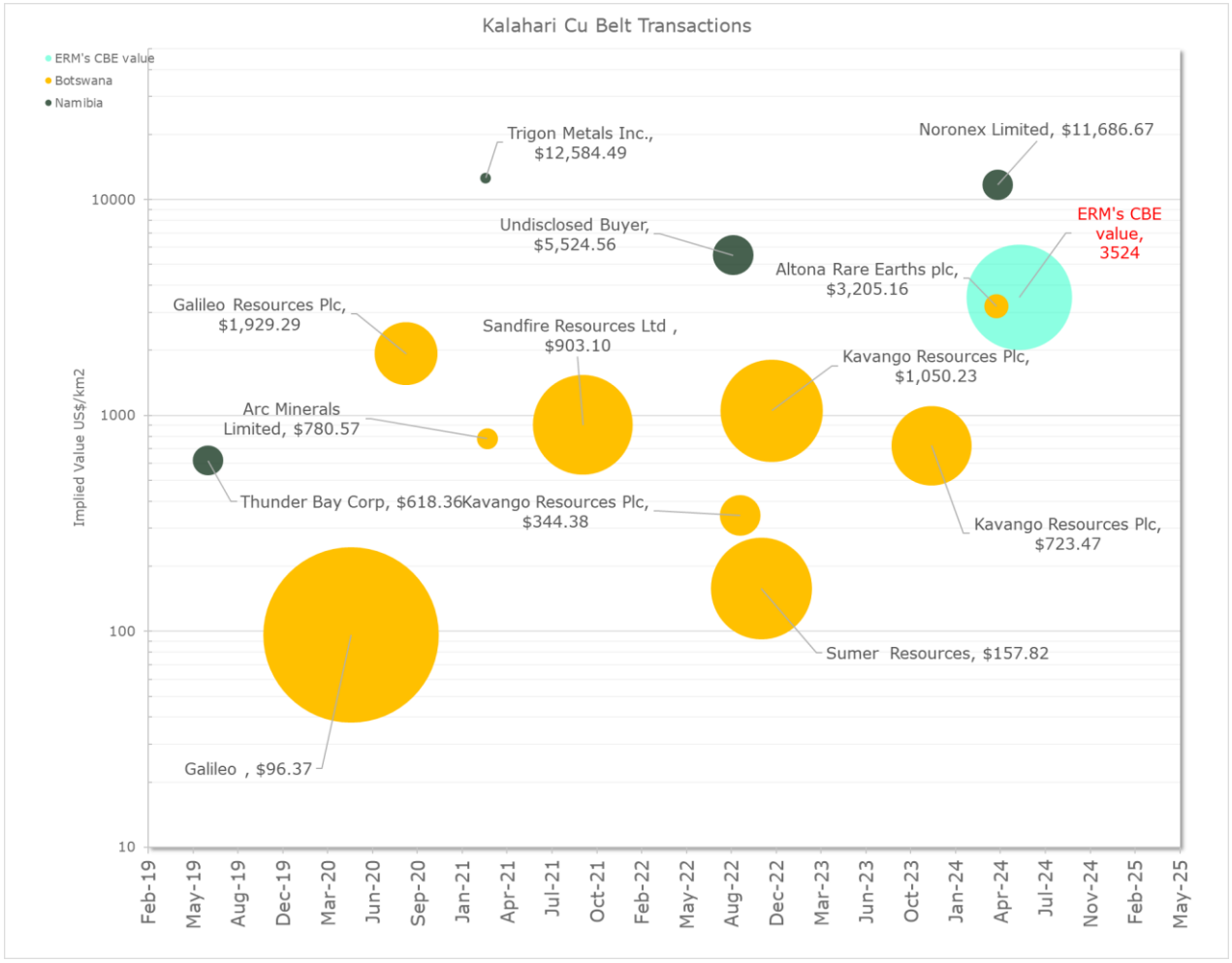


Figure 54: Comparison of Market transactions and ERM's valuation opinion for the KCP

ERM notes that the preferred value chosen for the KCP is at the high end of the market transactions for comparable projects. Indeed the value is triple the impled values for the Sandfire and Kavango transactions for similarly size areas. In ERM's professional opinion this reflects the substantial value-adding work completed by Cobre in recent time – as revealed by the Appraised Value approach. Whilst the project does not yet have Mineral Resources declared, the indentification of the potenital applicability of ISR to access copper mineralisation within a large

Exploration Target (with substantial untested strike with potential for similar mineralisation) combined with advanced exploration that indentified numerous targets supports a valuation at the upper end of market transactions, the primary valuation method.

4.4 WA MINERAL ASSETS

4.4.1 PREVIOUS VALUATIONS

PERRINVALE

On 28 April 2020, Cobre acquired a 20% minority stake in Toucan (the holder of the Perrinvale Tenements) for a cash payment of A$527,900 plus 6.16 million Cobre shares.

On 29 October 2018, Cobre purchased 80% of Toucan by paying 20% of the issued share capital in Cobre at the time of completion (18 June 2019). In addition, Cobre provided a non-recourse loan of A$400,000 to Toucan for the purposes of Toucan undertaking exploration on the Perrinvale tenements.

On 6 December 2016, Toucan purchased tenements E29/929, E29/938, E29/946 and P29/2359 from FMG Resources Pty Ltd for a cash payment of A$10,000; a further cash payment of A$6,863.50 as reimbursement for annual rent paid in respect of E29/938 and E29/929; and an ongoing royalty payment equal to 2% net smelter return from the date on which production of minerals from one or more of the tenements commences and continuing until all tenements have wholly expired, lapsed or surrendered.

SRK completed a valuation of the Perrinvale assets in June 2020 (SRK, 2020).

CSA Global was commissioned by BDO to provide an updated valuation of the Perrinvale Project in September 2021. CSA Global's preferred value for the Project was A$1.3 million, within a range of A$0.65 million to A$1.95 million. CSA Global updated their opinion in August 2022, to preferred value for the Project was A$1.0 million, within a range of A$0.5 million to A$1.5 million.

SANDIMAN

On 13 November 2019, Cobre entered into a farm-in agreement with GTTS Generations Pty Ltd (the holder of the Sandiman tenement), pursuant to which Cobre is entitled to earn-in and acquire up to an 80% interest in the Sandiman tenement.

Cobre was required to pay the following after the occurrence of specific milestones:

- A$25,000 and 166,667 shares within five business days of executing the agreement
- A$25,000 within five business days of Official Quotation of the Shares
- Issue shares to GTTS Generations Pty Ltd with a market value of A$35,000 within five business days of Cobre completing its second earn-in requirement.

Cobre is entitled to earn up to an 80% interest in the Sandiman tenement from GTTS Generations Pty Ltd by:

- Within 12 months from the satisfaction of conditions precedent, incurring an expenditure of not less than A$265,000 (with a maximum of 20% of expenditure being applied to internal administration) to earn a 51% interest in the Sandiman tenement ("First Earn-In")
- Within 12 months of completion of the First Earn-In, incurring an expenditure of not less than A$300,000 (with a maximum of 20% of expenditure being applied to internal administration) to earn an additional 29% interest in the Sandiman tenement ("Second Earn-In").

CSA Global was commissioned by BDO to provide an updated valuation of the Sandiman Project in September 2021. CSA Global's preferred value for the Project was A$0.45 million, within a range of A$0.23 million to A$0.68 million. An updated valuation was completed by CSA Global in August 2022, with preferred value for the Project was A$0.5 million, within a range of A$0.25 million to A$0.75 million.

4.4.2 COMPARABLE TRANSACTIONS

ERM identified 10 transactions involving exploration licences in Western Australia in the past three years, comprising both Early Exploration and Advanced Exploration properties. These transactions primarily involved tenure prospective for copper and other base metals. These transactions are listed and analysed in Appendix B, Table 30. Implied transaction prices were normalised to the May 2024 copper spot price of A$15,065/t.

Table 24: Selected Comparable Transactions for WA Assets

Date	Copper Price LME-Copper Grade A Cash (AUD$/tonne)	Project	Commodity 1	Vendor	Purchaser or Farminee	Value 100% Equity in the project	Area km²	Implied Value /km2	Deemed Equity of the Farminee %	ImpVal per square kilometre Normalised to copper price AUD$
11-Dec-23	$ 12,572	Austin Metals Limited/Ashburton Project	Cu			$ 2,200,000	610	$ 3,607	100	$ 4,322
28-Apr-23	$ 12,979	Lodestar Minerals Limited/Two Exploration Licenses	Cu			$ 190,000	280.14	$ 678	100	$ 787
23-Aug-22	$ 11,148	Anketell	Au-Cu	Mining Equities PL + David Lenigas	Wishbone Gold plc	$ 676,005	10	$ 67,600	100	$ 50,026
11-Jul-22	$ 11,368	Strickland	Au-Cu	Arrow Minerals Limited	Dreadnaught Resources Limited	$ 717,500	740	$ 970	100	$ 732
23-Dec-21	$ 13,396	Hellcat	BM	Bangemall Metals Pty Ltd	Pantera Minerals Limited	$ 800,000	442	$ 1,810	80	$ 1,609
13-Dec-21	$ 13,396	Nepean South	Au-BM	Metals Australia Limited	Sabre Resources Limited	$ 246,996	35.22	$ 7,013	80	$ 6,236
08-Nov-21	$ 13,411	E28/2797	Au-BM	Private investor	Galileo Mining Ltd	$ 170,000	70	$ 2,429	100	$ 2,162
18-Oct-21	$ 13,070	Geoff Well	Au-BM	Private investors	Westar Resources Ltd	$ 659,221	122.5	$ 5,381	51	$ 4,669
26-Jul-21	$ 13,205	Oldham Range	Au-Cu	Undisclosed Seller	Meryllion Resources Corp.	$ 625,000	147	$ 4,252	100	$ 3,727
21-Jun-21	$ 12,473	Rocky Dam	Au-Cu	Dreadnought Resources Limited	Lycaon Resources Ltd	$ 100,000	190	$ 526	100	$ 436

One of the transactions was considered a high outlier (due to strategic location and small area) and was excluded. ERM notes that in our experience there is little correlation between area and transaction value for very small tenements (<50 km²), and that very large tenure holdings (>1,000 km²) appear to hold a higher strategic value.

Based on the implied values from the transactions identified above, ERM used professional judgement in selecting a low valuation factor of A$500/km², and preferred valuation factor of A$2,000/km², and a high factor of A$4,000/km².

The preferred valuation factor of US$2,000/km² is rounded from the measures of central tendency of the transactions, excluding outliers. The low factor is the based on the average value of the first quartile of the dataset (reflecting the larger area, less explored/earlier stage tenure), whilst the high end reflects the average of the third quartile of the data, i.e. the highest value transactions excluding the high outliers.

As the Perrinvale Project tenure totals 345 km² and the Sandiman Project tenure totals 202 km², ERM considers the transactions involving tenure packages of between 50 km² and 750 km² to be relevant comparatives to Cobre's West Australian tenure.

Applying these valuation factors to Cobre's West Australian exploration tenements results in the valuation summarised in Table 25.

Table 25: Summary of Western Australian projects valuation based on comparative transactions

Project	Area (km²)	Valuation factors (A$/km²)			Value (A$ million)		
		Low	Preferred	High	Low	High	Preferred
Perrinvale	344.9	500	2,000	4,000	0.2	1.4	0.7
Sandiman	202	500	2,000	4,000	0.1	0.8	0.4
Total	**546.9**				**0.3**	**2.2**	**1.1**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

Based on the prospectivity analysis carried out as part of the GFM valuation assessment (see below), it is possible to crudely rank the prospectivity of the licences and apply valuation factors based on this ranking.

ERM grouped the transactions by assumed prospectivity, based on the ranked transaction values. The range of valuation factors has been derived from the analysis of comparative transactions described above, with rank 1 assigned to the most licences deemed most prospective and rank 4 applied to the licences deemed least prospective.

A valuation completed using this methodology is summarised in Table 26.

Table 26: Summary of WA projects valuation using ranked transaction values

Project	Licence	Area (km²)	Rank	Area Value		Value (A$)			
				Low	High	Preferred	Low	High	Preferred
Perrinvale	E29/1017	54.0	3	2400	3600	3000	129,600	194,400	162,000
	E29/929-I	57.0	3	2400	3600	3000	136,800	205,200	171,000
	E29/938-I	39.0	1	4500	6500	5000	175,500	253,500	195,000
	E29/946-I	15.0	2	3200	4800	4000	48,000	72,000	60,000
	E29/986	59.9	2	3200	4800	4000	191,824	287,736	239,780
	E29/987	21.0	2	3200	4800	4000	67,251	100,877	84,064
	E29/988	3.0	3	2400	3600	3000	7,200	10,800	9,000
	E29/989	9.0	3	2400	3600	3000	21,638	32,458	27,048
	E29/990	27.0	3	2400	3600	3000	64,771	97,157	80,964
	E29/1106	60.0	4	500	800	650	29,985	47,976	38,981
	Total	344.9					872,570	1,302,103	1,067,837
Sandiman	E09/2316	202	4	500	800	650	101,000	161,600	131,300

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

4.4.3 GEOSCIENCE FACTOR METHOD

ERM's opinion on the value of the Perrinvale Project and the Sandiman Project has been informed primarily by the analysis of comparative transactions, firstly considering the tenure holding as a whole, and secondly by ranking the tenements based on the prospectivity of the individual licences and applying ranked valuation factors derived from the analysis of transactions.

As a cross-check, ERM has considered the potential value of the tenement package by employing a modified geoscientific factor rating method.

A BAC for Western Australian exploration licences has been estimated using the following data:

- Based on the Government of Western Australia's DMIRS tenement database as of 1st May 2024 and the West Australian mining code, it is determined that the average age of exploration licences in Western Australia is 5.4 years, and the average area is approximately 28 blocks
- An average cost to identify an area of interest of A$20,000 was chosen
- An average cost of A$50,000 was chosen for the cost of landowner notices, negotiations, legal costs and compensation for exploration licences and mining licences
- An application fee of A$1,580 is payable per exploration licence
- The holding cost includes a yearly rental of A$161/block for the first three years and A$289/block for the next two years for exploration licences

- Western Australian mining law includes a minimum annual expenditure requirement of A$1,000/block for the first three years and A$1,500/block for the next two years for exploration licences
- Annual shire rates are payable on exploration licences in Western Australia, estimated at A$11,000 per annum

These inputs suggest a BAC of A$3,079/km² for West Australian exploration licences.

The licences were rated in accordance with the rating system shown in Appendix A, with detailed ratings per licence shown in Table 33 (Appendix D).

A market factor (discussed in Appendix A) of 0.2 was used to align the technical value derived from the rating scheme to a market value, based on the analysis of comparative transactions. This higher market factor is consistent with the higher BAC in WA (compared to Botswana) and a larger pool of tenements and more diverse commodity environment.

This resulted in a range of implied values of A$770/km² to A$6,900/km² for the licences considered (average A$2,900km²), which is consistent with the range of values derived from the analysis of comparative transactions.

A summary of the valuation of the WA using this method is provided in Table 20.

Table 27: Summary of Kilburn valuation of WA tenure

Holder	Area (km²)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
Perrinvale	345	0.3	1.0	1.7
Sandiman	202	0.1	0.3	0.2
		0.4	**1.3**	**1.9**

BAC A$3,079/km², market factor 0.2

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

4.4.4 VALUATION OPINION

ERM's opinion as to the likely Market Value of the WA tenure as of 31st May 2024, on a 100% basis, is summarised in Table 29.

It is stressed that the valuation is an opinion as to likely values, not absolute values, which can only be tested by going to the market.

An overview of the outcomes of the different valuation approaches is presented in Figure 55.

ERM's opinion on the value of the WA tenure has been informed primarily by the analysis of comparative transactions, firstly considering the tenure holding as a whole, and secondly by ranking the tenements based on the prospectivity of the individual licences and applying ranked valuation factors derived from the analysis of transactions. As a cross-check, ERM has considered the potential value of the tenement package by employing the GFM methods as well as the yardstick value of the metal quantified by the Mineral Resource estimate at Schwabe. The small

size and location of the Schwabe MRE are considered to limit the value of the MRE and ERM has elected to not undertake a valuation using resource multiples for this reason.

Note that the analysis of market transactions indicates that highly prospective or otherwise strategic tenure holdings can transact at prices that are higher than the majority of other tenure holdings. This would be dependent on the perceptions of individual buyers and is not likely indicative of broader market sentiment.

These valuation methods were selected as appropriate for considering the market value of early-stage exploration licences, where Mineral Resources have not as yet been declared, and where sufficient exploration has been carried out to gain some understanding of the prospectivity of the individual licences.

Table 28: Market value of the WA tenements

as of 31st May 2024 (100% basis)

Area (km²)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
549	1.2	1.5	1.8

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

ERM notes that there is significant range in the values derived for the Company's WA projects. ERM has considered this range and concludes that it provides a reasonable representation of possible valuation outcomes for the project, given the uncertainties inherent in valuing early-stage exploration and pre-development projects.

Figure 55: Overview of Valuation approaches for the WA Assets

In choosing a Preferred Value and Valuation Range for these projects, ERM considered the valuation ranges and the preferred values from a range of methodologies. The weighting of each method in considering the overall Valuation Ranges and Preferred Values varied based on the stage of development of the project and ERM's view of the applicability of each method to each project.

It is stressed that the valuation is an opinion as to likely values, not absolute values, which can only be tested by going to the market.

ERM considers that its opinion must be considered in its entirety and that selecting portions of the analysis, or factors considered by it, without considering all factors and analyses together could create a misleading view of the process underlying the opinions presented in this Report. The timing and context of an independent valuation report are complex and do not lend

themselves to partial analysis or selective interpretations without consideration of the entire report.

In ERM's opinion, nothing material has occurred up to the date of this Report, since the Valuation Date to affect ERM's technical review and previous valuation opinion.

5. REFERENCES

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6. GLOSSARY

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Wikipedia www.wikipedia.org.

3D modelling	Process of creating a 3D model. 3D models are powerful tools that convey complex geological concepts. The 3D modelling process allows geoscientists to test the validity of geological assumptions or hypotheses and provides a mechanism to validate existing data whilst also highlight gaps in knowledge and data within a project area.
acid volcanics	Volcanic felsic rocks rich in elements (Si, Na, K, Al) that form quartz and feldspar. Usually light in colour.
aeromagnetic survey (airborne magnetic survey)	A common type of geophysical survey carried out using a magnetometer aboard or towed behind an aircraft. The magnetometer measures and records the total intensity of the magnetic field at the sensor, which is a combination of the magnetic field generated in the Earth (as well as tiny variations due to the temporal effects of the constantly varying solar wind and the magnetic field of the survey aircraft). It allows much larger areas of the Earth's surface to be covered quickly for regional reconnaissance. The aircraft typically flies in a grid-like pattern with height and line spacing determining the resolution of the data (and cost of the survey per unit area).
alkaline volcanism	Alkaline volcanic rock in which the chemical content of the alkalies (potassium oxide and sodium oxide) is great enough for alkaline minerals to form. Such minerals may be unusually sodium-rich, with a relatively high ratio of alkalies to silica (SiO_2), as in the feldspathoids. (www.britannica.com)
amphibolite	A metamorphic crystalline rock consisting mainly of amphiboles and some plagioclase.
amphibolite facies	The set of metamorphic mineral assemblages (facies) which is typical of regional metamorphism between 450°C and 700°C.
anticline	A type of fold that is an arch-like shape and has its oldest beds at its core.
Archaean	Widely used term for the earliest era of geological time spanning the interval from the formation of Earth to about 2,500 Ma.
arenite	A sedimentary clastic rock with sand grain size between 0.0625 mm (0.00246 in) and 2 mm (0.08 in) and contain less than 15% matrix. The related adjective is arenaceous.
Australasian Institute of Mining and Metallurgy	The Australasian Institute of Mining and Metallurgy (AusIMM) provides services to professionals engaged in all facets of the global minerals sector and is based in Carlton, Victoria, Australia.
banded iron formation	Banded iron (or ironstone) formation. A typical banded iron formation consists of repeated, thin layers (a few millimetres to a few centimetres in thickness) of silver to black iron oxides, either magnetite (Fe_3O_4) or hematite (Fe_2O_3), alternating with bands of iron-poor chert, often red in colour, of similar thickness. A single banded iron formation can be up to several hundred metres in thickness and extend laterally for several hundred kilometres. They are thought to have formed in sea water as the result of oxygen production by photosynthetic cyanobacteria. The oxygen combined with dissolved iron in Earth's oceans to form insoluble iron oxides, which precipitated out, forming a thin layer on the ocean floor.
basalt	A mafic extrusive igneous rock formed from the rapid cooling of lava rich in magnesium and iron.
base metal	A common and inexpensive metal and includes copper, lead, nickel, and zinc.
Basic volcanic	Also referred to as a mafic volcanic. A volcanic rock of mafic composition.
boudin	A structure formed as a result of boudinage. Boudinage is a geological term for structures formed by extension, where a rigid tabular body such as hornfels, is stretched and deformed amidst less competent surroundings. The competent bed begins to break up, forming sausage-shaped boudins.
Cainozoic	The Cenozoic Era meaning "new life" is the current and most recent of the three geological eras of the Phanerozoic Eon. It follows the Mesozoic Era and extends from 66 million years ago to the present day.
calcareous	A sediment, sedimentary rock, or soil type which is formed from, or contains a high proportion of, calcium carbonate in the form of calcite or aragonite.
calciturbidites	A calcareous turbidite. A turbidite is a sediment that was transported and deposited by density flow. Frequently form in the deep ocean environments. Also, as lahars on the side of volcanoes, mudslides and pyroclastic flows all create density-based flow situations and, especially in the latter, can create sequences which are strikingly similar to turbidites.

calcrete	Also known as caliche. It is a sedimentary rock, a hardened natural cement of calcium carbonate that binds other materials – such as gravel, sand, clay, and silt. It occurs worldwide, in aridisol and mollisol soil orders – generally in arid or semiarid regions like the Kalahari Desert.
chalcopyrite	A copper iron sulphide mineral that crystallises in the tetragonal system. It has the chemical formula $CuFeS_2$. It has a brassy to golden yellow colour and a hardness of 3.5 to 4 on the Mohs scale. Its streak is diagnostic as green-tinged black. Chalcopyrite is present in volcanogenic massive sulphide ore deposits and sedimentary exhalative deposits, formed by deposition of copper during hydrothermal circulation.
chert	A hard, fine-grained sedimentary rock composed of microcrystalline (or cryptocrystalline) crystals of quartz, the mineral form of silicon dioxide (SiO_2). Chert is characteristically of biological origin but may also occur inorganically as a chemical precipitate or a diagenetic replacement.
chlorite	A phyllosilicate mineral group with the chemical formula $(Mg, Fe,Al)_6 (Si,Al)_4O_{10}(OH)_8$. Commonly found in igneous rocks as a retrograde alteration product of mafic minerals such as pyroxene, amphibole, and biotite. It may be present as a metasomatism product via addition of iron, magnesium, or other compounds into the rock mass. Chlorite is a common mineral associated with hydrothermal ore deposits and commonly occurs with epidote, sericite, adularia and sulphide minerals. Chlorite is also a common metamorphic mineral, usually indicative of low-grade metamorphism.
Canadian Institute of Mining, Metallurgy and Petroleum	The Canadian Institute of Mining, Metallurgy and Petroleum (CIM) is a not-for-profit technical society of professionals in the Canadian minerals, metals, materials and energy industries. CIM's members are convened from industry, academia and government. CIM published its Guidelines for the Estimation, Classification and Reporting of Resources and Reserves which is an integral part of National Instrument 43-101 (NI 43-101), the set of rules for reporting and displaying information from mineral properties owned by companies listed on Canadian exchanges that came into effect on 1 February 2001.
clastic sediments	A sediment or rock composed of fragments, or clasts, of pre-existing weathered or eroded minerals and rock.
cleavage	A type of planar rock feature that develops as a result of deformation and metamorphism.
Competent Person	A Competent Person must be a Member or Fellow of a "Recognised Professional Organisation" such as The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists. A Competent Person must have a minimum of five years' experience working with the style of mineralisation or type of deposit under consideration and relevant to the activity which that person is undertaking.
conceptual target	An exploration target developed by applying the theories of ore-forming processes to the known geology and mineralisation of a region, so as to predict where ore might be found.
craton	An old and stable part of the continental lithosphere, which consists of the Earth's two topmost layers, the crust and the uppermost mantle. Having often survived cycles of merging and rifting of continents, cratons are generally found in the interiors of tectonic plates. They are characteristically composed of ancient crystalline basement rock, which may be covered by younger sedimentary rock.
diagenetic	Relating to diagenesis. Diagenesis is the process that describes physical and chemical changes in sediments caused by increasing temperature and pressure as they get buried in the Earth's crust.
diamictite	Diamictite is a type of lithified sedimentary rock that consists of non-sorted to poorly sorted terrigenous sediment containing particles that range in size from clay to boulders, suspended in a matrix of mudstone or sandstone.
core drilling	A core drill is a drill specifically designed to remove a cylinder of material using a diamond encrusted bit. The rock core is collected in the hollow drill rods.
diatreme	A diatreme is a volcanic pipe formed by a gaseous explosion. Often associated with kimberlite magmas that may be diamondiferous.
disconformable	Relating to a disconformity. A disconformity is a break in a sedimentary sequence which does not involve a difference of inclination between the strata on each side of the break.
downhole electromagnetics	Downhole electromagnetics is an electromagnetic method that allows efficient exploration for conductive sulphide bodies of a roughly cylindrical.
Dyke	A dyke is a sheet of rock that is formed in a fracture of a pre-existing rock body. Dykes can be either magmatic or sedimentary in origin. Magmatic dykes form when magma flows into a crack then solidifies as a sheet intrusion, either cutting across layers of rock or through a contiguous mass of rock. Usually emplaced in a vertical orientation although tectonic processes may cause subsequent rotation of vertical dykes into near horizontal orientations.
facies	A facies is a body of rock with specified characteristics that can used to distinguish them from other rocks.

felsic	Igneous rocks that are relatively rich in elements that form feldspar and quartz. Felsic rocks are enriched in the lighter elements such as silicon, oxygen, aluminium, sodium, and potassium.
fluvial	Relating to rivers and streams and the deposits and landforms created by them.
fold	A curved stack of originally planar surfaces, such as sedimentary strata, that are bent or curved during permanent deformation.
fuchsitic	Contain fuchsite. Fuchsite is a chrome-rich mica that is green in colour.
gabbroic	Having a gabbro composition and texture. A gabbro is a coarse-grained) mafic intrusive igneous rock formed from the slow cooling of magnesium-rich and iron-rich magma. It is a dense, greenish or dark-coloured and contains pyroxene, plagioclase, and minor amounts of amphibole and olivine.
geochemistry	Geochemistry is the science that uses the tools and principles of chemistry to explain the mechanisms behind major geological systems.
geophysics	Geophysics is a subject of natural science concerned with the physical processes and physical properties of the Earth and its surrounding space environment, and the use of quantitative methods for their analysis.
glacigene	Sediments formed as a result of glaciation.
gneissic	Relating to gneiss. A gneiss is a common and widely distributed type of metamorphic rock formed by high temperature and high-pressure metamorphic processes acting on formations composed of igneous or sedimentary rocks. Gneiss forms at higher temperatures and pressures than schist and nearly always shows a banded texture characterised by alternating darker and lighter coloured bands and without a distinct foliation.
Gondwana	Gondwana was a supercontinent that existed from the Neoproterozoic (about 550 Ma) until the Jurassic (about 180 Ma). It was formed by the accretion of several cratons to become the largest piece of continental crust of the Palaeozoic Era, covering an area of about 100,000,000 km^2, about one-fifth of the Earth's surface.
gossan	Gossan is an intensely oxidised, weathered or decomposed rock, usually the upper and exposed part of a sulphide ore deposit or mineral vein.
graben/half-graben	Graben are produced from parallel normal faults, where the displacement of the hanging wall is downward, whilst that of the footwall is upward. The faults typically dip toward the centre of the graben from both sides. Horsts are parallel blocks that remain between graben; the bounding faults of a horst typically dip away from the centre line of the horst. Single or multiple graben can produce a rift valley. In many rifts, the graben are asymmetric, with a major fault along only one of the boundaries, and these are known as half-graben.
Gravity survey	A geophysical survey method using a gravimeter to identify local changes in the gravitational force of the Earth's crust. These changes are associated is changes with the rock density.
Greenschist facies	A metamorphic facies that forms greenschist rocks (greenschists) under the lowest temperatures and pressures usually produced by regional metamorphism, typically 300–450°C and 2–10 kilobars. Greenschists commonly have an abundance of green minerals such as chlorite, serpentine, and epidote, and platy minerals such as muscovite and platy serpentine and exhibit a schistosity.
greenstone	A zone of variably metamorphosed mafic to ultramafic volcanic sequences with associated sedimentary rocks that occur within Archaean and Proterozoic cratons between granite and gneiss bodies.
hornfels	Hornfels is the group name for a set of contact metamorphic rocks that have been baked and hardened by the heat of intrusive igneous masses and have been rendered massive, hard, splintery, and in some cases exceedingly tough and durable. These properties are due to fine-grained non-aligned crystals with platy or prismatic habits, characteristic of metamorphism at high temperature but without accompanying deformation.
horst	A horst is a raised block of the Earth's crust that has lifted, or has remained stationary, whilst the land on either side (graben) has subsided.
hyaloclastic or hyaloclastite	Hyaloclastite is a volcanoclastic accumulation or breccia consisting of glass fragments (clasts) formed by quench fragmentation of lava flow surfaces during submarine or subglacial extrusion.
hydrogeochemical sampling	Sampling of surface or groundwater to gather geochemical information to characterise the bedrock or host rocks.
hydrothermal fluids	Hydrothermal fluids are natural heated water solutions wherein variety of elements, compounds and gases may be dissolved. They are generated by diverse crustal and mantle geological processes including basinal fluid interaction, magmatic differentiation, and mantle degassing. Hydrothermal fluids lead to the alteration of and/or deposition of minerals that may form deposits.

hypogene zonation	The primary mineral zonation around a deposit. In the case of a volcanogenic massive sulphide deposit the zonation from the distal parts to the main mineralisation is pyrrhotite+pyrite to sphalerite+anhydrite to copper iron sulphides to chalcopyrite.
ironstone	Ironstone is a sedimentary rock, either deposited directly as a ferruginous sediment or created by chemical replacement, that contains a substantial proportion of an iron compound from which iron can be smelted commercially.
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("the JORC Code") is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves. The JORC Code provides a mandatory system for the classification of minerals Exploration Results, Mineral Resources and Ore Reserves according to the levels of confidence in geological knowledge and technical and economic considerations in Public Reports. The JORC Code is produced by the Australasian Joint Ore Reserves Committee ("the JORC Committee").
Kalahari Copperbelt	The Kalahari Copperbelt comprises a 1,000 km long linear belt of northeast-southwest trending volcano-sedimentary rocks extending from Klein Aub in Namibia to the Shinamba Hills in northern Botswana. It is significant due to its endowment of copper-silver mineralisation along the entire Kalahari Copperbelt. The deposits occur on the contact between chemically reduced shales and siltstones that overlie oxidised red beds. It has many similarities to the epigenetic structurally controlled stratabound deposits in the Central African Copperbelt. Later deformation has served to remobilise and locally upgrade deposits.
limestone	Limestone is a carbonate sedimentary rock that is often composed of the skeletal fragments of marine organisms such as coral, foraminifera, and molluscs. Its major materials are the minerals calcite and aragonite, both forms of calcium carbonate.
listric fault	Listric faults are similar to normal faults, but the fault plane curves, the dip being steeper near the surface, then shallower with increased depth.
litharenite	A sandstone that contains more than 25% detrital rock fragments, and more rock fragments than feldspar grains.
lithology	The lithology of a rock unit is a description of its physical characteristics visible at outcrop, in hand or core samples, or with low magnification microscopy. Physical characteristics include colour, texture, grain size, and composition. Lithology may refer to either a detailed description of these characteristics, or a summary of the gross physical character of a rock. Examples of lithologies in the second sense include sandstone, slate, basalt, or limestone.
Lufilian Arc	The Lufilian Arc (or Lufilian Belt) is part of a system of orogenic belts in southern Africa formed during the Pan-African orogeny, a stage in the formation of the Gondwana supercontinent. It extends across eastern Angola, the Katanga Province of the southern Democratic Republic of the Congo and the northwest of Zambia. The arc is about 800 km (500 miles) long. It has global economic importance owing to its rich deposits of copper and cobalt.
mafic	Adjective describing a silicate mineral or igneous rock that is rich in magnesium and iron and is thus a portmanteau of magnesium and ferric. Most mafic minerals are dark in colour, and common rock-forming mafic minerals include olivine, pyroxene, amphibole, and biotite. Common mafic rocks include basalt, diabase and gabbro.
magmatism	Magmatism is the emplacement of magma, through magmatic activity, within and at the surface of the crust which solidifies as igneous rocks.
malachite	Malachite is a copper carbonate hydroxide mineral, with the formula $Cu_2CO_3(OH)_2$. It often results from the weathering of copper ores.
Marinoan	The Marinoan glaciation was a period of worldwide glaciation that lasted from approximately 650–635 Ma during the Cryogenian period. The glaciation may have covered the entire planet, in an event called the Snowball Earth. It occurred after the Sturtian glaciation.
metallogenic	Relating to metallogeny, which is the study of the genesis and regional-to-global distribution of mineral deposits, with emphasis on their relationship in space and time to regional petrologic and tectonic features of the Earth's crust.
metamorphism	The change of minerals or geologic texture (distinct arrangement of minerals) in pre-existing rocks (protoliths), without the protolith melting into liquid magma (a solid-state change). The change occurs primarily due to heat, pressure, and the introduction of chemically active fluids. The chemical components and crystal structures of the minerals making up the rock may change even though the rock remains a solid. Changes at or just beneath Earth's surface due to weathering or diagenesis are not classified as metamorphism. Metamorphism typically occurs between diagenesis (maximum 200°C) and melting (~850°C).

mineral halo	Usually, a large diffuse halo of a mineral (or mineral assemblage) around a geological feature or deposit. Mineral haloes are often used to identify and vector in on mineral deposits
Mississippi Valley-type lead-zinc mineralisation	These are carbonate-hosted lead-zinc ore deposits are important and highly valuable concentrations of lead and zinc sulphide ores hosted within carbonate (limestone, marl, dolomite) formations and which share a common genetic origin. These orebodies are small and usually contain <20 million tonnes or more or ore and have a grade of between 4% combined lead and zinc to over 14% combined lead and zinc. These orebodies tend to be compact, fairly uniform plug-like or pipe-like replacements of their host carbonate sequences.
moving loop electromagnetic survey	A ground-based electromagnetic method using two electromagnetic coils. The transmitting looped generates a primary magnetic field that can induce an electric (eddy) current into conductive bodies. When the primary electromagnetic field is turned off, the induced field decays, and itself generates a secondary electromagnetic field that is measured by the second electromagnetic coil. The two coils are moved from point to point along a traverse line.
multi-spectral satellite imagery	Satellite image that captures data within specific ranges of the electromagnetic spectrum, usually in the visible through to the thermal infrared range. Often used as a tool for remotely mapping geology.
muscovite	A hydrated phyllosilicate (platy silicate) mineral of aluminium and potassium with formula $KAl_2(AlSi_3O_{10})(F,OH)_2$, or $(KF)_2(Al_2O_3)_3(SiO_2)_6(H_2O)$. It is the most common type of mica.
Neoproterozoic	The last era of the Precambrian Supereon and the Proterozoic Eon. The era lasted from 1000 Ma to 541 Ma.
oolitic limestone	A limestone formed from oolites. Oolites are spherical grains composed of concentric layers of calcium carbonate and of diameter 0.25–2 mm.
Orogen	An orogen or orogenic belt develops when a continental plate crumples and is pushed upwards to form one or more mountain ranges; this involves a series of geological processes collectively called orogenesis. Rocks are usually buried, deformed and metamorphosed during this process.
orogen	An orogen or orogenic belt develops when a continental plate crumples and is pushed upwards to form one or more mountain ranges.
palaeotopography	The topography of ancient landscapes.
Palaeozoic	The earliest of three geologic eras of the Phanerozoic Eon and also the longest lasting from 541 Ma to 251.902 Ma, and is subdivided into six geologic periods (from oldest to youngest): the Cambrian, Ordovician, Silurian, Devonian, Carboniferous, and Permian.
Pan-African	In the geological context it was a series of major Neoproterozoic orogenic events which related to the formation of the supercontinents Gondwana and Pannotia from around 950 Ma to 550 Ma.
peperite	A type of volcaniclastic rock consisting of sedimentary rock that contains fragments of younger igneous material and is formed when magma encounters wet sediments
percussion drilling	A drilling method similar to rotary air blast drilling which uses a pneumatic reciprocating piston-driven hammer action to energetically drive a heavy drill bit into the rock.
Permian	A geologic period which spans 47 million years from the end of the Carboniferous period 299 Ma, to the beginning of the Triassic period 252 Ma. It is the last period of the Palaeozoic era.
portable x-ray fluorescence	X-ray fluorescence method using a handheld/portable instrument. X-ray fluorescence is the emission of characteristic “secondary” x-rays from a material that has been excited by being bombarded with high-energy x-rays or gamma rays. Used for chemical analysis.
Prospectivity	In the geological context, the potential for a specific area to be prospective for mineralisation.
PrSciNat	Professional Natural Scientist registered with the South African Council for Natural Scientific Professionals (SACNASP) SACNASP is the legislated regulatory body for natural science practitioners in South Africa and a ROPO (Recognised Overseas Professional Organisation) recognised association along with Australasian Institute of Mining and Metallurgy, and the Canadian Institute of Mining, Metallurgy and Petroleum.
pyroxenite	An ultramafic igneous rock consisting essentially of minerals of the pyroxene group, such as augite, diopside, hypersthene, bronzite or enstatite.
quartzite	A hard, non-foliated metamorphic rock which was originally pure quartz sandstone. Sandstone is converted into quartzite through heating and pressure usually related to tectonic compression within orogenic belts.
Quaternary	The current and most recent of the three periods of the Cenozoic Era in the geologic time scale and spans from 2.588 ± 0.005 Ma to the present.
redox boundary	An interface that separates the stability fields of the oxidised and reduced species of a given redox couple (e.g. Fe2+ and Fe3+).

rotary air blast drilling	A percussion rotary air blast drill is a down-the-hole vertical drill which uses a pneumatic reciprocating piston-driven hammer action to energetically drive a heavy drill bit into the rock. Rotary air blast produces lower quality samples because the cuttings are blown up the outside of the rods and can be contaminated from contact with other rocks.
schist	A medium-grade metamorphic rock formed from mudstone or shale. Schist has medium to large, flat, sheet-like grains in a preferred orientation. It is defined by having more than 50% platy and elongated minerals, often finely interleaved with quartz and feldspar.
scout drilling	The drilling of boreholes for the purpose of gathering geological information and not with the immediate objective of obtaining delineating the mineral deposit or a to inform a mineral resource estimate. Associated with early-stage exploration to test conceptual models
silcrete	Silcrete is an indurated (resists crumbling or powdering) soil duricrust formed when surface sand and gravel are cemented by dissolved silica. The formation of silcrete is like that of calcrete, formed by calcium carbonate, and ferricrete, formed by iron oxide. It is a hard and resistant material, and though different in origin and nature, appears like quartzite.
sill	Tabular shaped igneous intrusion forming a concordant intrusive sheet, meaning that a sill does not cut across pre-existing rock B53 beds. Originally emplaced in a horizontal orientation, although tectonic processes may cause subsequent rotation of horizontal sills into near vertical orientations.
sphalerite	Primary zinc ore comprising zinc sulphide with varying amounts of iron. Chemical formula is (Zn, Fe)S.
stratabound mineralisation	Mineralisation that is restrict to a single stratigraphic unit.
stratigraphy	The study of the variation in rock layers (strata) and layering (stratification). Most obviously displayed as visible layering, is due to physical contrasts in rock type (lithology).
strato-volcano	This is a conical volcano built up by many layers (strata) of hardened lava, tephra, pumice, and ash. They are characterised by a steep profile with a summit crater and periodic intervals of explosive eruptions and effusive eruptions. The magma forming this lava is often felsic, having high-to-intermediate levels of silica (as in rhyolite, dacite, or andesite). Also known as a composite volcano.
Sturtian	The Sturtian was a glaciation, or perhaps multiple glaciations, during the Cryogenian Period when the Earth experienced repeated large-scale glaciations. The duration of the Sturtian glaciation has been variously defined, with dates ranging from 717 to 643 Ma (corresponds to the Neoproterozoic Era).
syncline	A fold with younger layers closer to the centre of the structure.
Terrane	In geology a terrane is a fragment of crustal material formed on, or broken off from, one tectonic plate and accreted or “sutured” to crust lying on another plate. The crustal block or fragment preserves its own distinctive geologic history, which is different from that of the surrounding areas.
tholeiite	The tholeiitic magma series is one of two main magma series in igneous rocks, the other being the calc-alkaline series. The tholeiite magma series is a chemically distinct range of magma compositions that is the more evolved silica-rich end member. The rocks contain less sodium than some other basalts and are reduced. The mineralogy is dominated by olivine, clinopyroxene and plagioclase, with minor iron-titanium oxides.
time-domain electromagnetics	This is a geophysical exploration technique in which electric and magnetic fields are induced by transient pulses of electric current and the subsequent decay response measured. Used to determine subsurface electrical (and magnetic) properties. Used for mineral exploration, groundwater exploration, and for environmental mapping. Also known as transient electromagnetics.
topographic	Relating to topography, i.e. the arrangement of the physical features of an area.
ultramafic	Igneous and meta-igneous rocks with a very low silica content (less than 45%), generally >18% magnesium oxide, high iron oxide, low potassium, and are composed of usually greater than 90% mafic minerals; which dark-coloured, high magnesium and iron content minerals.
unconformity	A buried erosional or non-depositional surface separating two rock masses or strata of different ages, indicating that sediment deposition was not continuous. In general, the older layer was exposed to erosion for an interval of time before deposition of the younger layer, but the term is used to describe any break in the sedimentary geologic record. The rocks above an unconformity are younger than the rocks beneath (unless the sequence has been overturned). An unconformity represents time during which no sediments were preserved in a region. Often identified by a change in inclination of the strata either side of the unconformity.

VALMIN	The VALMIN Code sets out requirements for the technical assessment and valuation of mineral assets and securities for independent expert reports, it provides guidance for petroleum assets and securities. It is a joint committee of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. The committee was established to develop and maintain the "Australasian Code for Public Reporting of technical assessments and valuations of mineral assets", commonly known as the VALMIN Code. The VALMIN Code was first published in 1995, with subsequent editions published in 1997, 2005 and 2015.
wacke/greywacke	Also called dirty sandstone, sedimentary rock composed of sand-sized grains (0.063–2 mm) with a fine-grained clay matrix. The sand-sized grains are frequently composed of rock fragments of wide-ranging mineralogies (e.g. those consisting of pyroxenes, amphiboles, feldspars, and quartz). The grains are angular and poorly sorted with many minerals retaining growth forms that resulted from low abrasion. The matrix, which contains appreciable amounts of clay minerals, may constitute up to 50% of the volume. Of the clay minerals, chlorite and biotite are more abundant than muscovite and illite; kaolinite is absent. The abundant matrix tends to bind the grains strongly and form a relatively hard rock.

APPENDIX A: VALUATION

Valuation of Mineral Assets is not an exact science, and several approaches are possible, each with varying strengths and shortcomings. Whilst valuation is a subjective exercise, there are several generally accepted methods for ascertaining the value of Mineral Assets. ERM considers that, wherever possible, inputs from a range of methods should be assessed to inform conclusions about the Market Value of Mineral Assets.

The valuation opinion is always presented as a range, with the preferred value identified. The preferred value need not be the median value and is determined by the Practitioner based on their experience and professional judgement.

Background

Mineral Assets are defined in the VALMIN Code[3] as all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Business valuers typically define market value as "The price that would be negotiated in an open and unrestricted market between a knowledgeable, willing, but not anxious buyer, and a knowledgeable, willing but not anxious seller acting at arm's length." The accounting criterion for a market valuation is that it is an assessment of "fair value", which is defined in the accounting standards as "the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction." The VALMIN Code defines the value of a Mineral Asset as its Market Value, which is "the estimated amount (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing where the parties had each acted knowledgeably, prudently and without compulsion".

Market Value usually consists of two components, the underlying or Technical Value, and a premium or discount relating to market, strategic or other considerations. The VALMIN Code recommends that a preferred or most likely value be selected as the most likely figure within a range after considering those factors which might impact on Value.

The concept of Market Value hinges upon the notion of an asset changing hands in an arm's length transaction. Market Value must therefore consider, inter alia, market considerations, which can only be determined by reference to "comparable transactions". Generally, truly comparable transactions for Mineral Assets are difficult to identify due to the infrequency of transactions involving producing assets and/or Mineral Resources, the great diversity of mineral

[3] Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code) 2015 Edition. Prepared by the VALMIN Committee, a joint committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

exploration properties, the stage to which their evaluation has progressed, perceptions of prospectivity, tenement types, the commodity involved and so on.

For exploration tenements, the notion of value is very often based on considerations unrelated to the amount of cash which might change hands in the event of an outright sale, and in fact, for the majority of tenements being valued, there is unlikely to be any "cash equivalent of some other consideration". Whilst acknowledging these limitations, ERM identifies what it considers to be "comparative transactions" (i.e. transactions that are useful to consider) to be used in assessing the values to be attributed to Mineral Assets.

Valuation Methods for Mineral Assets

The choice of valuation methodology applied to Mineral Assets, including exploration licences, will depend on the amount of data available and the reliability of that data.

The VALMIN Code classifies Mineral Assets into categories that represent a spectrum from areas in which mineralisation may or may not have been found through to Operating Mines which have well-defined Ore Reserves, as listed below:

- **"Early-stage Exploration Projects"** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- **"Advanced Exploration Projects"** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource (as defined in the JORC4 Code) estimate may or may not have been made but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
- **"Pre-Development Projects"** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely) but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
- **"Development Projects"** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Prefeasibility Study.
- **"Production Projects"** – Tenure holdings (particularly mines, wellfields and processing plants) that have been commissioned and are in production.

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[4] *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) 2012 Edition*. Prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

Each of these different categories will require different valuation methodologies, but regardless of the technique employed, consideration must be given to the perceived "market valuation".

The Market Value of Exploration Properties and Undeveloped Mineral Resources can be determined by the following general approaches: Income, Market and Cost (Table A1). The Market Value of Development and Production Projects are best assessed using the Market and Income approaches, whereas the Market Value of Exploration projects are best assessed using the Market and Cost approaches.

Table A1: Valuation approaches for different types of mineral properties (VALMIN, 2015)

Valuation approach	Exploration properties	Mineral Resource properties	Development properties	Production properties
Income	No	In some cases	Yes	Yes
Market	Yes	Yes	Yes	Yes
Cost	Yes	In some cases	No	No

Valuation Approaches by Asset Stage

Regardless of the technical application of various valuation methods and guidelines, the valuer should strive to adequately reflect the carefully considered risks and potentials of the various projects in the valuation ranges and the preferred values, with the overriding objective of determining the "fair market value".

Table A1 shows the valuation approaches that are generally considered appropriate to apply to each type of mineral property.

Income

Discounted Cash Flow/Net Present Value Method

The Discounted Cash Flow (DCF) valuation method recognises the time value of money, it is most suitable for Development Projects, where detailed studies have been completed to justify input assumptions and Production Projects, where there is actual historical data to justify input assumptions. Less commonly the DCF methodology is applied to Pre-Development Projects.

The DCF valuation method provides a means of relating the magnitude of expected future cash profits to the magnitude of the initial cash investment required to purchase a mineral asset or to develop it for commercial production.

The DCF valuation method determines:

- The net present value (NPV) of a stream of expected future cash revenues and costs
- The internal rate of return (IRR) that the expected cash flows will yield on a given cash investment.

The DCF valuation method is a forward-looking methodology, requiring that forecasts be made of technical and economic conditions which will prevail in the future. All future predictions are

inherently uncertain. The level of uncertainty reduces as the quality of the data available to project future rates of production and future costs, increases.

It is important to understand certain fundamental attributes of the mining industry in undertaking a DCF, such as:

- An Ore Reserve and in some cases Mineral Resource is the basis of any mineral development.
- Costs are determined by the number of tonnes mined and processed, whilst revenues are determined by the number of tonnes, pounds or ounces of metal produced. The two are related by the recovered grade of the ore.
- Profit is typically more sensitive to changes in revenue that to changes in costs.
- The commodity price is a principal determinant of revenue but is also the factor with the greatest level of financial risk.

The most significant factors, which must be considered in a DCF valuation of a mineral asset is the reliability of the Mineral Resource and Ore Reserve, particularly with respect to recovered grade, the price at which the product is sold and the risk of not maintaining the projected level of commodity price.

Key inputs into the DCF valuation method for a mineral asset valuation are:

- Life-of-mine planning assumptions.
- Capital cost estimates – can be the initial cost of constructing the project and/or the ongoing cost of sustaining the productive life of the operation.
- Operating cost estimates – costs incurred both on-site in producing the commodity which is shipped from the property, and off site, in the transportation and downstream processing of that commodity into saleable end products.
- Revenue estimates – revenue in the mining context is the product of the following factors:
    - The tonnage of ore mined and processed
    - The grade of the ore
    - The metallurgical recovery
    - The price of the saleable commodity.
- Taxation and royalty payments.
- Discount rate – represents the risk adjusted rate of interest expected to be yielded by an investment in the mineral asset.

The Income Approach is not appropriate for properties without Mineral Resources. It should be employed only where enough reliable data are available to provide realistic inputs to a financial model, preferably based on studies at or exceeding a prefeasibility level.

Market

Comparative Transaction Method

The Comparative Transactions method looks at prior transactions for the property and recent arm's length transactions for comparative properties.

The Comparative Transaction method provides a useful guide where a mineral asset that is generally comparable in location and commodity has in the recent past been the subject of an "arm's length" transaction, for either cash or shares.

For the market approach resources are not generally subdivided into their constituent JORC Code categories. The total endowment or consolidated *in situ* resources are what drives the derivation of value. Each transaction implicitly captures the specific permutation of resource categories in a project. There are too many project-specific factors at play to allow any more than a consideration of price paid vs total resource base. Therefore, considering individual project resource permutations is neither practicable nor useful for this valuation approach. To that end ERM's discussion of the market approach is predicated on the consolidated resource base, to allow application of the method.

Where a progressively increasing interest is to be earned in stages, it is likely that a commitment to the second or subsequent stages of expenditure will be so heavily contingent upon the results achieved during the earlier phases of exploration that assigning a probability to the subsequent stages proceeding will in most cases be meaningless. A commitment to a minimum level of expenditure before an incoming party can withdraw must reflect that party's perception of minimum value and should not be discounted. Similarly, any up-front cash payments should not be discounted.

The terms of a sale or joint venture agreement should reflect the agreed value of the tenements at the time, irrespective of transactions or historical exploration expenditure prior to that date. Hence the current Value of a tenement or tenements will be the Value implied from the terms of the most recent transaction involving it/them, plus any change in Value as a result of subsequent exploration.

High quality Mineral Assets are likely to trade at a premium over the general market. On the other hand, exploration tenements that have no defined attributes apart from interesting geology or a "good address" may well trade at a discount to the general market. Market Values for exploration tenements may also be impacted by the size of the land holding, with a large, consolidated holding in an area with good exploration potential attracting a premium due to its appeal to large companies.

Yardstick

The Rule-of-Thumb (Yardstick) method is relevant to exploration properties where some data on tonnage and grade exist, and these properties may be valued by methods that employ the concept of an arbitrarily ascribed current in situ net value to any Ore Reserves (or Mineral Resources) outlined within the tenement (Lawrence 2001, 2012).

Rules-of-Thumb (Yardstick) methods are commonly used where a Mineral Resource remains in the Inferred category and available technical/economic information is limited. This approach ascribes a heavily discounted in situ value to the Resources, based upon a subjective estimate of the future profit or net value (say per tonne of ore) to derive a rule-of-thumb.

This Yardstick multiplier factor applied to the Resources delineated (depending upon category) varies depending on the commodity. Typically, a range from 0.4% to 3% of the current spot price

is used for base metals and platinum group metals, whereas for gold and diamonds a range of 2% to 5% of the current spot price is used, and typically much lower factors are applied for bulk commodities. The method estimates the in situ gross metal content value of the mineralisation delineated (using the spot metal price and appropriate metal equivalents for polymetallic mineralisation as at the valuation date).

The chosen percentage is based upon the valuer's risk assessment of the assigned Mineral Resource category, the commodity's likely extraction and treatment costs, availability/proximity of transport and other infrastructure (particularly a suitable processing facility), physiography and maturity of the mineral field, as well as the depth of the potential mining operation.

This method is best used as a non-corroborative check on the order of magnitude of values derived using other valuation methods that are likely to better reflect project-specific criteria.

Cost

Appraised Value or Exploration Expenditure Method

The Appraised Value or Exploration Expenditure method considers the costs and results of historical exploration.

The Appraised Value method is based on the premise that the real value of an exploration property lies in its potential for the existence and discovery of an economic mineral deposit (Roscoe, 2002). It utilises a Multiple of Exploration Expenditure (MEE), which involves the allocation of a premium or discount to past **relevant and effective expenditure** using the Prospectivity Enhancement Multiplier (PEM). This involves a factor which is directly related to the success (or failure) of the exploration completed to date, during the life of the current tenements.

Guidelines for the selection of a PEM factor have been proposed by several authors in the field of mineral asset valuation (Onley, 1994). Table A2 lists the PEM factors and criteria used in this Report.

Table A2: PEM factors

PEM range	Criteria
0.2 to 0.5	Exploration (past and present) has downgraded the tenement prospectivity, no mineralisation identified
0.5 to 1.0	Exploration potential has been maintained (rather than enhanced) by past and present activity from regional mapping
1.0 to 1.3	Exploration has maintained, or slightly enhanced (but not downgraded) the prospectivity
1.3 to 1.5	Exploration has considerably increased the prospectivity (geological mapping, geochemical or geophysical activities)
1.5 to 2.0	Scout drilling (rotary air blast, air-core, reverse circulation percussion) has identified interesting intersections of mineralisation
2.0 to 2.5	Detailed drilling has defined targets with potential economic interest

PEM range	Criteria
2.5 to 3.0	A Mineral Resource has been estimated at Inferred JORC category, no concept or scoping study has been completed
3.0 to 4.0	Indicated Mineral Resources have been estimated that are likely to form the basis of a Prefeasibility Study
4.0 to 5.0	Indicated and Measured Resources have been estimated and economic parameters are available for assessment

Geoscience Factors

The Geoscience Factor (or Kilburn) method (GFM), as described by Kilburn (1990), provides an approach for the technical valuation of the exploration potential of mineral properties, on which there are no defined resources. It seeks to rank and weight geological aspects, including proximity to mines, deposits and the significance of the camp and the commodity sought.

Valuation is based upon a calculation in which the geological prospectivity, commodity markets, and mineral property markets are assessed independently. The GFM is essentially a technique to define a Value based upon geological prospectivity. The method appraises a variety of mineral property characteristics:

- Location with respect to any off property mineral occurrence of value, or favourable geological, geochemical or geophysical anomalies
- Location and nature of any mineralisation, geochemical, geological or geophysical anomaly within the property and the tenor of any mineralisation known to exist on the property being valued
- Number and relative position of anomalies on the property being valued
- Geological models appropriate to the property being valued.

The GFM systematically assesses and grades these four key technical attributes of a tenement to arrive at a series of multiplier factors (Table A3).

Table A3: Geoscientific Factor Ranking

Rating	Address/Off property factor	On property factor	Anomaly factor	Geological factor
0.5	Very little chance of mineralisation; Concept unsuitable to the environment	Very little chance of mineralisation; Concept unsuitable to the environment	Extensive previous exploration with poor results	Generally unfavourable lithology; No alteration of interest
1	Exploration model support; Indications of prospectivity; Concept validated	Exploration model support; Indications of prospectivity; Concept validated	Extensive previous exploration with encouraging results; Regional targets	Deep cover; Generally favourable lithology/ alteration (70%)
1.5	Reconnaissance (rotary air blast/air-core) drilling with some	Exploratory sampling with encouragement	Several early-stage targets outlined from geochemistry and geophysics	Shallow cover; Generally favourable lithology/ alteration 50–60%

Rating	Address/Off property factor	On property factor	Anomaly factor	Geological factor
	scattered favourable results; Minor workings			
2	Several old workings; Significant reverse circulation percussion drilling leading to advanced project	Several old workings; Reconnaissance drilling or reverse circulation percussion drilling with encouraging intersections	Several well-defined targets supported by recon drilling data	Exposed favourable; Lithology/alteration
2.5	Abundant workings; Grid drilling with encouraging results on adjacent sections	Abundant workings; Core drilling after reverse circulation percussion with encouragement	Several well-defined targets with encouraging drilling results	Strongly favourable lithology, alteration
3	Mineral Resource areas defined	Advanced Resource definition drilling (early stages)	Several significant sub-economic targets; No indication of "size"	Generally favourable lithology with structures along strike of a major mine; Very prospective geology
3.5	Abundant workings/mines with significant historical production; Adjacent to known mineralisation at Prefeasibility Study stage	Abundant workings/mines with significant historical production; Mineral Resource areas defined	Several significant sub-economic targets; Potential for significant "size"; Early-stage drilling	
4	Along strike or adjacent to Resources at Definitive Feasibility Study stage	Adjacent to known mineralisation at Prefeasibility Study stage	Marginally economic targets of significant "size" advanced drilling	
4.5	Adjacent to development stage project	Along strike or adjacent to Resources at Definitive Feasibility Study stage	Marginal economic targets of significant "size" with well drilled Inferred Resources	
5	Along strike from operating major mine(s)	Adjacent to development stage project	Several significant ore grade co-relatable intersections	

The Geoscience Rating Factor valuation method is a subjective valuation method and different valuation practitioners are likely to derive different on-off property, anomaly, and geological factors, based on their interpretation and understanding of the project. Different descriptions of the rating factors also exist. However, provided the same rating system of factors and descriptions of their values is used, the results from different practitioners should not be dramatically different.

The Basic Acquisition Cost (BAC) is an important input to the GFM. In essence, it is the average cost to acquire and hold an average age tenement in the jurisdiction and it is determined by summing the costs to identify an area of interest, application fees, annual rents and other government costs, work required to facilitate granting (e.g. native title, environmental etc.) and

minimum annual statutory expenditures. In other words, the BAC is the total average expenditure per standard unit area (km², hectare, sub-block, etc.) and captures the identification cost and then the application and retention costs. Each factor is then multiplied serially by the BAC to establish the overall technical value of each mineral property. A fifth factor, the market factor, is then multiplied by the technical value to arrive at the fair market value.

The standard references on the method (Kilburn, 1990; Goulevitch and Eupene, 1994) do not provide much detail on how the market factor should be ascertained. ERM takes the approach of using the implied value range from our selected Comparable Transactions to inform the selection of a GFM market factor. Our presumption is that the comparatives are capturing the market sentiment, so any other valuation method should not be significantly different (order of magnitude).

This is achieved by finding the market factor that produces an average GFM preferred value per unit area for whole project (i.e. total preferred GFM value divided by the total area) that falls within the range of the comparatives implied values per unit area. It is ERM's view that this adequately accounts for global market factors on an empirical basis. For example, if the implied value range is $100/km² to $2000/km², then the market factor should give an average GFM preferred value per unit area that falls within that range.

ERM generally would select a market factor (rounded to an appropriate number of significant digits) that gives a value closer to the upper end of the range (though this is the valuer's judgement call). This is because the GFM is a tool that addresses the exploration potential of a project and is best suited to informing the upper end of valuation ranges for a project.

Geological Risk Method

In the Geological Risk valuation method, as described by Lord *et al.* (2001), the value of a project at a given stage of knowledge/development is estimated based on the potential value of the project at a later stage of development, discounted by the probability of the potential value of the later stage being achieved, and considering the estimated cost of progressing the project to the next stage. The relevant stages of exploration are defined in Table A4.

Table A4: Definition of exploration stages

Stage	Description
Stage A	Ground acquisition, project/target generation
Stage B	Prospect definition (mapping and geochemistry)
Stage C	Drill testing (systematic reverse circulation, diamond)
Stage D	Resource delineation
Stage E	Feasibility

The expected value (E) of a project at a given stage is then dependent on the target value at the next stage (T), the probability of successfully advancing the project to the next stage (P), and the cost of advancing the project (C). This can be expressed as:

$$E = P * (T - C)$$

This valuation method generates an expected value for each project (or prospect) at each of the main exploration stages or decision points, by working back from a project's target value. A project's target value can be based on an expected NPV from a reasonably constrained DCF model, or from a reasonable approximation of the value of a defined resource, in which case the initial target value will be the value at the end of Stage D, as opposed to the value at the end of Stage E.

Lord *et al.* (2001) concluded that the probability of successfully proceeding from one exploration phase to the following one was as depicted in Table A5, based on a detailed study of gold exploration programs in the Laverton area of Western Australia.

Table A5: Probability of successfully proceeding from one exploration stage to another

Stages	Probability of advancing
Generative to reconnaissance	0.54
Reconnaissance to systematic drill testing	0.17
Systematic drill testing to Resource delineation	0.58
Resource delineation to Feasibility	0.87
Feasibility to Mine	0.90

Source: Lord *et al.* (2001)

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APPENDIX B: COMPARABLE TRANSACTIONS

Table 29: KCB Comparable Transactions

Property Name	Country / Region Name	Transaction Details	Description of Assets	Buyer	Seller	Date	% Acquired	Deal Value USD	Cu Price (US$/t)	100% Value	Area km2	Implied Value US$/km2	Price Normalised Implied Value US$/km2	Comments
Ghanzi West	Botswana	Arc agreed to acquire a 75% interest in the two licences by issuing new shares to the value of £1,200,000.	Two licences 10km SE of Zone 5 project.	Arc Minerals Limited	Kopore Metals Limited	Mar-21	75%	1,642,680	8787.75	$139,603	210.00	$664.78	$780.57	Entirely share-based acquisition. Adjacent to Zone 5. Outlier amongst Kalahari Copperbelt transactions. Company focused on Zambian copperbelt.
KCB (South Ghanzi)	Botswana	Kavango Resources Plc unit Kavango Minerals (Pty) ltd has acquired a 90% stake in two prospecting licenses from LVR GeoExplorers (Pty) Ltd, pursuant to a farm-in and joint venture agreement. The two prospecting licenses are situated in the Botswana section of the KCB. Kavango Resources Plc issued 2 million shares and 2 million warrants to earn a 90% stake in two prospecting licenses from LVR GeoExplorers (Pty) Ltd. Kavango Resources Plc initially agreed to earn a 90 % stake by spending BWP 28.75 million in four stages for each license.	The two prospecting licenses (PL082, 083/2018) are situated in the Botswana section of the KCB. Kavango's KCB Project areas include lengthy redox boundaries, close to surface, that represent excellent exploration targets.	Kavango Resources Plc	LVR GeoExplorers (Pty) Ltd	Sep-22	90%	$125,642	7683.25	$207,452	809.00	$256.43	$344.38	
Swan Lake Licences	Botswana	Sumer Resources Inc. issued 4.0 million shares of its common stock to acquire Swan Lake Licenses from an undisclosed seller. The licenses have been acquired for 4 million shares of the Company priced at $0.25 CDN per share for 100% of the Swan Lake Licences, free and clear of any liens and encumbrances.	Seven PLs Data provided by the Geology team outlines that Prospecting Licenses (PL) 55 to 61 (excluding 60 and 59) are in the KCB, with 57 and 61 being the most prospective and are regarded as "inside the KCB proper" and on strike with other currently operational copper mining companies. The Swan Lake licenses offer a superior geological location for copper mineralisation potential.	Sumer Resources	Undisclosed	Nov-22	100%	730,000	8226.75	$625,740	4973.00	$125.83	$157.82	
Sesana	Botswana	The Agreement gives Altona an exclusive option to acquire an up to 85% interest in the Tenement in consideration for payments in three tranches spread over a period of four years totalling USD 110,000 in cash and USD 250,000 in Altona shares, with phased exploration technical and expenditure commitments. These payments will be broken down as follows: · USD 10,000 in cash and USD 50,000 in Altona new ordinary shares ("Shares") upon satisfaction of the final agreement's conditions precedent. The Shares will be issued at the VWAP for the 10 days before the signature of the final agreement, · USD 50,000 in cash and USD 100,000 in Shares 12 months later, upon start of phase 2. The Shares for this phase will be issued at the VWAP for the 10 days before the start of phase 2. · USD 50,000 in cash and USD 100,000 in Shares 18	Recent interpretation of regional airborne magnetic data shows that a ca. 10km long stretch of the contact between the D'Kar and Ngwako Pan formations contact is passing through the northern part of the Tenement, along the eastern margin of a fold structure, which makes it a perfect setting for copper-silver mineralisation.	Altona Rare Earths plc	Ignate African Mining P/L	Apr-24	85%	135,000.00	8577	$730,000	274.00	$2,664.23	$3,205.16	

Property Name	Country / Region Name	Transaction Details	Description of Assets	Buyer	Seller	Date	% Acquired	Deal Value USD	Cu Price (US$/t)	100% Value	Area km2	Implied Value US$/km2	Price Normalised Implied Value US$/km2	Comments
		months later upon start of phase 3. The Shares for this phase will be issued at the VWAP for the 10 days before the start of phase 3. In addition, Altona has paid an exclusivity fee of USD 10,000 upon signing of the option agreement. Should a resource of over 20 million tonnes at over 1% Cu equivalent be defined, the original Tenement owner will also be entitled to a one-off payment of USD 250,000 in cash and USD 250,000 in Shares. These Shares will be issued at the VWAP for the 10 days before the announcement of the corresponding resource statement. Post this period, non-funding parties will be diluted according to a standard straight line dilution formula and, if their interest falls below 10%, it will be replaced by a 1% Net Smelter Royalty.											
Nine licences in KCB	Botswana	The first agreement is a conditional licence sale agreement (the "Licence Sale Agreement") which provides for: i) The Sale of licences and right of first refusal: the sale to Sandfire of 9 of the Company's Kalahari Copper Belt Licences (the "Included Licences") which the Company acquired in May and October 2020. Sandfire to have a first right of refusal in relation to the acquisition of the 15 Kalahari Copper Belt Licences being retained by the Company (the "Excluded Licences") ("ROFR: Excluded Licences") for an aggregate consideration of US$3 million payable on the Settlement Date of which US$1.5 million will be paid in cash and US$1.5 million by the issue of 370,477 Sandfire ordinary shares to the Company (the "Consideration Shares") at an issue price of A$5.227 per share, being the VWAP of the Sandfire share price for the 10 trading days prior to the date of signing the Licence Sale Agreement; ii) An Exploration Commitment: Sandfire to spend US$4 million on the Included Licences (the "Exploration Commitment") within two years of settlement (the "Exploration Period") and if the US$4 million is not spent, any shortfall will be paid to the Company; and iii) A Success Payment: a one-off success payment to be paid to the Company for the first ore reserve reported under JORC Code 2012 edition on the Included Licences which exceeds 200,000 tonnes of contained copper (the "First Ore Reserve") in the range of US$10 million to US$80 million depending on the amount of contained copper in the First Ore Reserve (the "Success Payment"). US$2 million of the Success Payment will be held in escrow for up to three years pending any claim by Sandfire under the Licence Sale Agreement. Note: given the limited exploration conducted on the Included Licences to date and the many years that it could take to establish an Ore Reserve, there can be no guarantee that any such Success Payment will be forthcoming.	Nine licences in KCB	Sandfire Resources Ltd	Galileo Resources plc	Sep-21	100%	3,290,000.00	7862.4	$3,290,000	4781.00	$688.14	$903.10	missing PL368/2018 from area

Property Name	Country / Region Name	Transaction Details	Description of Assets	Buyer	Seller	Date	% Acquired	Deal Value USD	Cu Price (US$/t)	100% Value	Area km2	Implied Value US$/km2	Price Normalised Implied Value US$/km2	Comments
		The second agreement is a share subscription agreement (the "Share Subscription Agreement") which provides for: i) Sandfire's Share Subscription: Sandfire to acquire US$1.5 million 41,100,124 ordinary shares of 0.1 p in the Company ("Galileo Shares") ("Sandfire's Shares") at a subscription price of 2.68 pence per Galileo Share, being a 25% premium to the 10 day VWAP of the Company's share price as at 22 January 2021, being the day before the signing of the Share Subscription Agreement. Sandfire's Shares will be issued at a premium of 17% to the closing mid-price of the Galileo Shares on 25 January 2021, being the last practical date before the issue of this announcement. This will represent a 4.62% interest in Galileo.												
Kalahari	Botswana	Acquisition of 14,875km2 for total consideration of 163,020 GBP (shares plus cash)	Botswana (KCB) and two licences in Limpopo belt	Galileo	Crocus	May-20	100%	207,452.00	5352.25	$743,603	14875.00	$49.99	$96.37	very low, complete greenfields licences. Outlier on box and whisker plot - exclude
South Ghanzi	Botswana	In July 2022, Power Metal announced that it was divesting its 50% interest in the KCB licences and the Ditau project back to JV partner and operator Kavango for 60 million Kavango shares, valued at £1.2 million.	Ten prospecting licences prospective for copper and covering 4,256.5km² situated in the Kalahari Copper Belt in central west Botswana; and two further licences comprising the Ditau Camp project, covering 759.3km² and prospective for rare earths in southwest Botswana.	Kavango Resources Plc	Power Metal Resources plc	Nov-22	50%	$1,200,000	8226.75	$4,200,000	5015.89	$837.34	$1,050.23	remaining 50% in projects (strategic factor) split between value of geographic separate projects unclear
Ghanzi West	Botswana	Kavango Resources Plc Paid A$1.5 million in cash and A$1.0 million as non-contingent future payment to acquire 90% interest into six prospecting licenses from ENRG Elements Ltd.	Six PLs in the Ghanzi area of the Kalahari Copper Belt. The PLs cover ground adjacent to Kavango's existing Karakubis Block next to the Namibian border, currently the priority focus in its KCB copper/silver exploration programme. The PLs are also adjacent to the Company's South Ghanzi block in the KCB, giving Kavango a single, contiguous project area to explore.	Kavango Resources Plc	ENRG Elements Limited	Nov-23	90%	$1,630,000	8387.5	$1,811,111	3079.66	$588.09	$723.47	
Kalahari	Botswana	Conditional Share Purchase Agreement dated 14 September 2020 to acquire 100% of Africibum Co (Pty) Ltd, and its interest in five mining tenements PL366/2018, PL367/2018, PL368/2018, PL122/2020, PL123/2020 and two mining tenement applications in Botswana. The consideration payable by Galileo at Completion of the Acquisition Agreement is a total of a) 42,000,000 fully paid ordinary shares in the Company at a price of 0.779 pence per ordinary share (“Galileo Shares”) comprising i) 35,000,000 Galileo Shares to be issued to Africibum’s ordinary shareholders (the “Sellers”) (“Ordinary Share Consideration”), and ii) 7,000,000 Galileo Shares to be issued to one of the Sellers in relation to the reimbursement of costs incurred by Africibum to date (“Reimbursement Share Consideration”) at the same price ;and b) 10,000,000 warrants, with an expiry date two years from the Completion Date of the Acquisition, to acquire Galileo Shares at an exercise price of 2 pence per share which	Tenement area is 1925km2	Galileo Resources Plc	Africibium	Sep-20	100%	415,519.00	6668	$2,400,000	1925.00	$1,246.75	$1,929.29	

Property Name	Country / Region Name	Transaction Details	Description of Assets	Buyer	Seller	Date	% Acquired	Deal Value USD	Cu Price (US$/t)	100% Value	Area km2	Implied Value US$/km2	Price Normalised Implied Value US$/km2	Comments
		is a an approximate 150 % premium to 0.785 pence being the mid-market closing share price of Galileo Shares on 14 September 2020 (“Warrant Consideration”).												
Guchab	Namibia	Toronto-based Trigon Metals Inc. has acquired the remaining 20% interest in EPL 3540 from West Perth, Australia-based Coniston Pty Ltd. The license is in Otjozondjupa Region of Namibia. Trigon Metals Inc. paid C$1,000 in cash to acquire the remaining 20% interest in EPL 3540 from Coniston Pty Ltd. In addition to this, Trigon Metals Inc. will also pay C$100,000 in cash on the renewal of EPL 3540 by the Namibian Ministry of Mines and Energy, subject to such renewal being granted within 12 months of signature of the agreement.	EPL 3540 covers 5,614 ha of the Kombat trend and includes various known mineral occurrences. The current expiry date is 7 May 2021, and a renewal application will be submitted following signing of the agreements.	Trigon Metals Inc.	Coniston Pty Ltd	Feb-21	20%	125,148	9139	$625,740	56.14	$11,146.06	$12,584.49	Comparatively small, focused area surrounding the Kombat project (previously mined with current mineral resource), with numerous known mineral occurrences. Excluded as not sufficiently comparable to KCP. Contingent payment excluded.
Dordabis & Witvlei	Namibia	Noronex Limited (ASX: NRX) has agreed to acquire an additional 25% stake in DorWit property from Thunder Gold Corp. (TSXV:TGOL) for $1.05 million on February 27, 2024. DorWit property is in Omaheke, Namibia. The completion of the acquisition is conditional upon termination of existing joint venture agreements. Noronex Limited (ASX: NRX) completed the acquisition of an additional 25% stake in DorWit property from Thunder Gold Corp. (TSXV: TGOL) on April 12, 2024. Noronex Limited issued 5.5 million shares and deferred consideration of $1 million on completion of a feasibility study to acquire an additional 25% stake in DorWit property from Thunder Gold Corp.	The Noronex portfolio in Namibia covers a total area of 800,000 hectares within the highly prospective but relatively underexplored Kalahari Copper Belt, which runs from central Namibia into northern Botswana. Noronex’s portfolio of exploration ground in Namibia now spans 300km of potential NPF/D’Kar contact, the geological structure which hosts all of the major copper deposits on the belt and includes both advanced and earlier stage projects with potential for the discovery of large sedimentary copper deposits	Noronex Limited	Thunder Gold Corp.	Apr-24	25%	1,050,000	8402	$4,200,000	441.38	$9,515.57	$11,686.67	incumbent majority owner acquiring more shares - strategic premium likely
Kunene	Namibia	An undisclosed buyer has acquired a 95% stake in Kunene project from Namibia Critical Metals Inc. The acquired project is located at Kunene region of central northwest Namibia. An undisclosed buyer paid C$923,733 to acquire a 95% stake in Kunene project from Namibia Critical Metals Inc.	The area of the Kunene Co-Cu project was acquired by Kunene Resources Ltd. and initial wide-spaced exploration resulted in several new discoveries of Cu, Zn, Pb & Co. Through agreements, first with First Quantum Minerals and presently with Celsius Resources Inc, exploration revealed new settings of Co and Cu	Undisclosed Buyer	Namibia Critical Metals Inc.	Aug-22	95%	706,423	7845.5	$3,290,000	783.23	$4,200.54	$5,524.56	
Dordabis & Witvlei	Namibia	White Metal Resources Corp. paid approx. N$1.11 million in cash and issued seven million shares of its common stock to acquire a 95% interest in EPL 7028, 7029 and 7030 from Altan Minerals and Investments CC. In conjunction with this, Aloe Two Hundred and Thirty Seven (Pty) Ltd., a 100% owned Namibian subsidiary of White Metal Resources Corp., issued to Altan Minerals and Investments CC enough of its shares to give Altan Minerals and Investments CC a 5% equity interest in Aloe Two Hundred and Thirty Seven (Pty)Ltd. In addition to this, the LOI contemplates certain requirements of the purchaser upon delivery of a prefeasibility report by the purchaser to the vendor.	Thunder Bay, Ontario-based White Metal Resources Corp. has acquired a 95% interest in EPL 7028, 7029 and 7030 from Khomasdal, Namibia-based Altan Minerals and Investments CC, through a joint venture transaction. These licenses comprising DorWit copper-silver property, are in Namibia.	Thunder Bay Corp	Altan Minerals and Investments CC	Jun-19	95%	283,220	6004.5	$158,824	441.38	$359.83	$618.36	

Property Name	Country / Region Name	Transaction Details	Description of Assets	Buyer	Seller	Date	% Acquired	Deal Value USD	Cu Price (US$/t)	100% Value	Area km2	Implied Value US$/km2	Price Normalised Implied Value US$/km2	Comments
		Until delivery of a PFS on the property to the appropriate vendor, White Metal Resources Corp. shall be responsible for all costs, including but not limited to exploration, reclamation or taxes for the properties. Upon delivery of a PFS to the appropriate vendor by White Metal Resources Corp., the vendor shall have 90 days to elect to: a) participate in further costs relating to the further development of their respective property on the basis of 95% to the account of the purchaser and 5% to the account of the vendor pursuant to a joint venture agreement to be entered into by the parties at that time; or b) the vendor can elect to exchange their 5% interest in the purchaser for a 5% net profits interest as defined in the LOI. The licenses have no associated royalties.											

Table 30: WA Copper and Base metal Comparable Transactions

Date	Copper Price LME-Copper Grade A Cash (AUD$/tonne)	Project	Commodity 1	Vendor	Purchaser or Farminee	Value 100% Equity in the project	Area km^2	Implied Value /km2	Deemed Equity of the Farminee %	Imp Val per square kilometre Normalised to copper price AUD$	Prospectivity Rating	Prospectivity Description	Description
11-Dec-23	$ 12,572	Austin Metals Limited/Ashburton Project	Cu			$ 2,200,000	610	$ 3,607	100	$ 4,322	2	Ashburton has received minimal exploration the project, whilst underexplored, is highly prospective due to the presence of a 1.2km long zone of outcropping copper and gold mineralisation, including a “spectacular” 12m at 12.5 g/t copper and 1.7% copper trench result. https://stockhead.com.au/resources/12m-at-12-5g-t-gold-and-1-7-copper-austin-metals-nabs-early-stage-ashburton-copper-gold-project/	Austin Metals Ltd. will pay A$200,000 in cash and will pay up to approximately A$2.0 million in three tranches of performance rights, subject to 'achieving three levels of gold (or gold equivalent) ounces.
28-Apr-23	$ 12,979	Lodestar Minerals Limited/Two Exploration Licenses	Cu			$ 190,000	280.14	$ 678	100	$ 787	2	The Earaheedy Basin is proven to be highly prospective for base metal mineralisation and is now the primary exploration focus for Lodestar • The area of the additional licenses is 381km2 giving Lodestar a total exploration footprint of 1,344km2 in the Earaheedy Basin • Lodestar to undertake a maiden 5,000m drilling program in May to test high priority targets. Rumble Resources have recently proved the potential of the Earaheedy Basin with their announcement of their maiden resource which comprised 94Mt @ 3.1% Zn+Pb and 4.1 g/t Ag (19 April 2023 (ASX: RTR)).	Lodestar Minerals Ltd. paid A$65,200 in cash and issued 24,960,000 common shares to acquire two exploration licenses from Tripod Resources Pty Ltd.
23-Aug-22	$ 11,148	Anketell	Au-Cu	Mining Equities PL + David Lenigas	Wishbone Gold plc	$ 676,005	10	$ 67,600	100	$ 50,026	2	The magnetics of the Anketell property have been modelled using typical susceptibility numbers. This produced a modelled body of some 1km diameter that is an obvious target for exploration and drill targeting.	Wishbone Gold Plc (AIM:WSBN) acquired The Anketell Gold- Copper Project from Mining Equities Pty Ltd and David Lenigas on November 18, 2022. Wishbone Gold Plc (AIM:WSBN) completed the acquisition of The Anketell Gold- Copper Project from Mining Equities Pty Ltd and David Lenigas on November 18, 2022.
11-Jul-22	$ 11,368	Strickland	Au-Cu	Arrow Minerals Limited	Dreadnaught Resources Limited	$ 717,500	740	$ 970	100	$ 732	2	Strickland Copper Gold Project (comprising E16/495, E30/493, E30/494, E77/2403, E77/2416, E77/2432, E77/2634). No reported results. Evanston and Yerilgee Greenstone belts adjacent to Illaara. The Yerilgee and Evanston greenstone belts have proven gold and iron ore mineralisation and significant potential for LCT pegmatites, VMS and komatiite-hosted nickel sulphides. The Central Yilgarn Project represents a significant regional consolidation over a highly prospective area.	Arrow will sell to Dreadnought 100% of the Strickland Copper Gold Project (comprising E16/495, E30/493, E30/494, E77/2403, E77/2416, E77/2432, E77/2634)
23-Dec-21	$ 13,396	Hellcat	BM	Bangemall Metals Pty Ltd	Pantera Minerals Limited	$ 800,000	442	$ 1,810	80	$ 1,609	2	The project is at the western extent of the Jillawarra Sub-basin which hosts the Abra Pb-Ag Deposit. Hellcat sits within same stratigraphic sequence and structural setting as Abra, and significantly there are coincident geophysical and geochemical anomalies within the Hellcat project area. Greenfields project with advanced, drill ready geophysical targets, with gravity signatures like Abra. • Drill targets are geophysical anomalies with proximal mineralisation at surface and is analogous to the Abra Deposit. Significantly, the gravity anomaly is modelled as being 185m below surface, shallower than Abra. Several areas of Pb-Ag, Zn and Cu anomalism at surface have been identified from rock sampling, including crystalline galena and malachite staining within quartz veins	Pantera Minerals Limited (ASX:PFE) entered into a binding Heads of Agreement to acquire 80% stake in Project Hellcat from Bangemall Metals Pty Ltd. for AUD 1.4 million on December 16, 2021. Pantera Minerals will pay AUD 0.2 million in cash and will issue 1 million fully paid ordinary shares upon completion, will issue further 1 million shares following receipt of all required approvals allowing for the commencement of the exploration drilling program, 2 million shares following the release of an ASX announcement by Pantera Minerals of a JORC compliant resource in the inferred category of at least 250,000 tonnes contained base metals and 2 million shares following the announcement of a decision to mine by Pantera Minerals within the Tenements. Bangemall Metals retaining 20% of the project whereas Pantera Minerals will hold 80% following completion. The transaction will be funded by AUD 1.5 million private placement.
13-Dec-21	$ 13,396	Nepean South	Au-BM	Metals Australia Limited	Sabre Resources Limited	$ 246,996	35.22	$ 7,013	80	$ 6,236	2	The Nepean South Nickel Project is located near Coolgardie in Western Australia, south of and along strike of the historic Nepean nickel sulphide mine - a Kambalda style nickel sulphide project, currently 80% owned by Auroch Minerals Limited (ASX:AOU). Nepean South Nickel Project is considered both highly prospective and underexplored for both gold and nickel, with historic RAB drilling completed to only very shallow depths on average only 42m from surface, and with many holes drilled at even shallower depths.	The Nepean South Farm-in and Joint Venture Agreement (“Nepean South Agreement”) provides that Sabre will pay $40,000 cash to Metals on signing, then earn an 80% interest by spending $200,000 on exploration within 5 years (including spending $40,000 within the first year). Upon Sabre earning 80%, Metals will hold 20% and an additional payment of $70,000 must be made to Metals before a contributing joint venture is formed
08-Nov-21	$ 13,411	E28/2797	Au-BM	Private investor	Galileo Mining Ltd	$ 170,000	70	$ 2,429	100	$ 2,162	2	Tenement E28/2797 is six kilometres along strike from the Lantern South Prospect where previous drilling intersected nickel-copper sulphides 1 o 41 metres @ 0.19% nickel & 0.14% copper (LARC012) o 5 metres @ 0.49% nickel & 0.46% copper (LARC003) including § 1 metre @ 0.66% nickel & 0.75% copper • Additional 70 km2 of prospective ground increases Galileo’s total Fraser Range tenement position to 672 km	Galileo Mining Ltd (ASX: GAL, “Galileo” or the “Company”) is pleased to announce that it has purchased 100% of tenement E28/2797 (the “Tenement”) along strike of the Company’s nickel-copper sulphide prospects in the Fraser Range region of Western Australia. The Tenement was purchased from individual tenement holder Mrs S. E. Creasy for a Total Consideration of $170,000 being $89,920 cash and 308,000 Galileo shares at a deemed price of $0.26 per share (Consideration Shares).

Date	Copper Price LME-Copper Grade A Cash (AUD$/tonne)	Project	Commodity 1	Vendor	Purchaser or Farminee	Value 100% Equity in the project	Area km^2	Implied Value /km2	Deemed Equity of the Farminee %	Imp Val per square kilometre Normalised to copper price AUD$	Prospectivity Rating	Prospectivity Description	Description
18-Oct-21	$ 13,070	Geoff Well	Au-BM	Private investors	Westar Resources Ltd	$ 659,221	122.5	$ 5,381	51	$ 4,669	2	The Company has executed a binding term sheet with Shumwari Pty Ltd, Alan Archibald Pellegrini and Glen Alexander Brown (together the "Vendors") to earn up to a 75% interest of the Geoff Well base metal project (the "Project") (EL 52/1832-I). The Vendors will retain 25% ownership in the Project, forming a Joint Venture ('JV') with Westar.	Geoff Well has identified Cu-Zn mineralisation in historical drilling, along with numerous gossans that are consistent with the interpreted VMS-style mineralisation. The acquisition of the Geoff Well Project secures Westar's strategic position over the highly prospective area and Westar now holds approximately 7km of strike length of the interpreted VMS mineralised stratigraphic horizon.
26-Jul-21	$ 13,205	Oldham Range	Au-Cu	Undisclosed Seller	Meryllion Resources Corp.	$ 625,000	147	$ 4,252	100	$ 3,727	2	The Oldham Inlier forms part of a basement high in the north-western part of the Officer Basin. Initial exploration work was completed by the Geological Survey of Western Australia followed by initial soil and geophysical surveys by several operators between 2001 and 2014. The MYR drill program will be the first drilling ever undertaken on the Property. Prospective geochemical corridor over 10km elevated Cu, NI, Zn, Pt, Pd	Toronto, Ontario--(Newsfile Corp. - July 26, 2021) - Meryllion Resources Corporation (CSE: MYR.X) ("**MYR "**or the "**Corporation**") wishes to announce that it has signed an option to acquire a 100% interest in the Oldham Range base and battery metal exploration property (the "**Property**") in Western Australia.
21-Jun-21	$ 12,473	Rocky Dam	Au-Cu	Dreadnought Resources Limited	Lycaon Resources Ltd	$ 100,000	190	$ 526	100	$ 436	2	Rocky Dam is located 45kms east of Kalgoorlie in the Eastern Goldfields Superterrane of Western Australia. Rocky Dam is prospective for typical Archean mesothermal lode gold deposits and Cu-Zn VMS mineralisation. Rocky Dam has known gold and VMS occurrences with drill ready gold targets including the recently defined CRA-North Gold Prospect	Lycaon Resources Ltd entered into an agreement to acquire Rocky Dam Gold Project from Dreadnought Resources Limited (ASX:DRE) on June 21, 2021. As per the consideration, Lycaon Resources Ltd will issue 0.5 million shares to Dreadnought Resources Limited

APPENDIX C: KCB APPRAISED VALUE ANALYSIS

Table 31: KCB Appraised Value analysis

Project	Completed	Programme	Cost	PEM Lo	PEM Pref	PEM Hi	Lo Val	Pref Val	Hi Val	Outcome
NCP	2014	13500km high-res mag	$ 324,000	1.2	1.3	1.5	$ 388,800	$ 421,200	$ 486,000	Magnetic data provides primary dataset for identification of mineralised redox contact
	2019	1995 km AEM	$ 155,000	0.5	0.7	1.1	$ 77,500	$ 108,500	$ 170,500	In this area AEM was largely dominated by the artefacts in the overburden which created red herring targets
	2024	2000 km AGG	$ 200,000	1.1	1.2	1.4	$ 220,000	$ 240,000	$ 280,000	The value from this dataset has not been fully realised at this stage - clear basin and margin identified with possible grav highs related to alteration along the contact
	2014	11356 soils	$ 520,000	1.0	1.2	1.5	$ 520,000	$ 624,000	$ 780,000	Soil sample anomalies provided the base data for the first high-grade copper intersections on the property although they are limited by the cover thickness
	2014-2024	Consulting	$ 800,000	1.3	1.4	1.5	$ 1,040,000	$ 1,120,000	$ 1,200,000	Lead to the identification of the contact and successful consistent drill testing of mineralisation on the project
	2023	5600 TerraLeach samples	$ 224,000	0.6	1.0	1.2	$ 134,400	$ 224,000	$ 268,800	These appear to provide value in the area surrounding Comet although there is still ambiguity given the cover thickness
	2015	1100m RC drilling	$ 110,000	1.2	1.4	1.6	$ 132,000	$ 154,000	$ 176,000	Results were used to pilot the initial core drill holes which intersected target
	2019	1100m core drilling	$ 712,000	0.3	0.7	1.0	$ 213,600	$ 462,800	$ 712,000	2019 drill programme targeting fold hinge targets using the AEM proven largely unsuccessful - the last hole has identified the redox contact in the anticline to the north of the main South Anticline which could prove useful in future
	2014, 2022, 2023	13900m core drilling	$ 9,035,000	1.8	2.1	2.3	$ 16,263,000	$ 18,521,750	$ 20,780,500	These core drill holes were used to define an exploration target of between 103 and 166Mt @ ~0.38 to 0.46% Cu +- 32 Moz Ag
	2023	Resource modelling	$ 60,000	2.0	2.2	2.3	$ 120,000	$ 129,000	$ 138,000	Results were used to model the exploration target and provide guidelines for follow-up resource drilling
	2023 - current	Hydrogeological studies	$ 100,000	2.0	2.3	2.5	$ 200,000	$ 225,000	$ 250,000	Results were used to demonstrate the viability of an *ISR* process which provides the foundation for the Exploration Target
	2022 - current	Pump testing	$ 1,360,000	2.0	2.3	2.5	$ 2,720,000	$ 3,060,000	$ 3,400,000	Results are part of a significant hydrogeological study which demonstrates that fluid can be injected and recovered into the mineralised fracture system - this is a critical milestone for the ISCR process
	Ongoing 2024	*Engineering and financial scoping study*	*$ 300,000*	1.0	1.0	1.0	$ 300,000	$ 300,000	$ 300,000	Establish ideal extraction method and financial modelling
	Planned H2 2024	*Metallurgical column testing*	*$ 100,000*	1.0	1.0	1.0	$ 100,000	$ 100,000	$ 100,000	Test *in situ* simulation for Cu recoveries
	Planned H2 2024 & H1 2025	*Resource drilling and modelling*	*$ 5,900,000*	1.0	1.0	1.0	$ 5,900,000	$ 5,900,000	$ 5,900,000	circa 9,000m of core drilling to bring the first ~28Mt @ 0.55% Cu into inferred category
							$ 28,329,300	$ 31,590,250	$ 34,941,800	
OCP	2019	16700km high-res mag	$ 417,000	1.2	1.3	1.5	$ 500,400	$ 542,100	$ 625,500	Magnetic data provides primary dataset for identification of mineralised redox contact
	2019	2369km AEM	$ 303,000	1.4	1.5	1.6	$ 424,200	$ 454,500	$ 484,800	AEM has proven very useful on this project effectively mapping marker units above the contact - lead to a re-interpretation of the redox contact position which was proven with drilling

Project	Completed	Programme	Cost	PEM Lo	PEM Pref	PEM Hi	Lo Val	Pref Val	Hi Val	Outcome
	2019	1656m drilling	$ 890,000	0.5	1.0	1.2	$ 445,000	$ 890,000	$ 1,068,000	Mixed results from this programme - of the 6-hole programme only the last hole intersected elevated to anomalous Cu mineralisation on the contact. The programme successfully intersected contact proving the effectiveness of the targeting and providing a blueprint for follow-up drilling
	2024	ongoing core drilling	$ 290,000	1.0	1.1	1.2	$ 290,000	$ 319,000	$ 348,000	Ongoing drilling targeting along strike extensions to mineralisation following the 2019 methodology - any intersections here have strategic value given proximity to MMG
	Planned	*complete ongoing core drilling*	*$ 750,000*	1.0	1.0	1.0	$ 750,000	$ 750,000	$ 750,000	As above
							$ 2,409,600	$ 2,955,600	$ 3,276,300	
KITE	2020	1880 km high-res mag	$ 45,000	1.2	1.3	1.5	$ 54,000	$ 58,500	$ 67,500	Focused magnetic data on southern target which proved to have thick cover
	2020	1640km AEM	$ 210,000	0.5	1.0	1.2	$ 105,000	$ 210,000	$ 252,000	AEM over the northern (Endurance Target) anticline appears to delineate lower D'Kar stratigraphy and provides valuable information on structure - the southern target (Perseverance) proved to be too high up in the strat
	2024	3400 km AGG	$ 340,000	1.0	1.1	1.2	$ 340,000	$ 374,000	$ 408,000	The value of this dataset has not been fully realised but it appears to highlight sub-basins and targets in Endurance - could be very valuable
	2020 - 2021	6267 soils	$ 250,000	1.1	1.2	1.4	$ 275,000	$ 300,000	$ 350,000	Soils identified consistent Cu anomalies over Endurance highlighting the prospectivity over this target - results over Perseverance were ambiguous not surprisingly given the position in strat
	2021	1500 m core drilling	$ 975,000	0.2	0.6	0.8	$ 195,000	$ 585,000	$ 780,000	Drilled into Perseverance proving the Strat was incorrect
	2021	3575 m core drilling	$ 2,325,000	1.1	1.3	1.4	$ 2,557,500	$ 3,022,500	$ 3,255,000	Drilled into Endurance proving the strat was correct and the potential existed for further discoveries immediately south of T3
	2021	1701m RC drilling	$ 255,000	1.1	1.3	1.4	$ 280,500	$ 331,500	$ 357,000	Drilled into Endurance proving the strat was correct and the potential existed for further discoveries immediately south of T3
	2020 - 2022	Consulting	$ 100,000	1.0	1.0	1.0	$ 100,000	$ 100,000	$ 100,000	Numerous interpretations supporting the concept that the area to the south of T3 (Endurance) shares similar strat to T3 area
	Planned for 2025	*Target drilling of AGG anomalies, possible seismics, soil follow-up of AGG anomalies - TBD*	*$ 1,000,000*	*1.0*	*1.0*	*1.0*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	
							$ 4,907,000	$ 5,981,500	$ 6,569,500	
KITW	2020	10,000 km mag and grav	$ 75,000	1.2	1.4	1.5	$ 90,000	$ 101,250	$ 112,500	Magnetic data provides essential tool for interpretation and target generation, gravity data highlighted potential for target sub-basins
	2020	847 km AEM	$ 106,000	0.8	1.0	1.2	$ 84,800	$ 106,000	$ 127,200	Provides useful means for mapping cover - AEM anomalies were red herrings and drill tested in 2021
	2024	3300km AGG	$ 330,000	1.3	1.5	1.6	$ 429,000	$ 478,500	$ 528,000	Very compelling dataset identifies several target fold hinges for follow-up as well as basin geometry
	2022 and 2023	17300 soils	$ 860,000	0.9	1.2	1.4	$ 774,000	$ 989,000	$ 1,204,000	Several anomalies identified highlights copper potential in this license
	2023	12,000m RC drilling	$ 1,560,000	1.3	1.4	1.5	$ 2,028,000	$ 2,184,000	$ 2,340,000	Programme designed to test for copper anomalies at the base of the Kalahari / upper few metres of bedrock = results identify several copper anomalies up to 1500 ppm Cu and delineate compelling targets for follow-up = combined results above used for BHP XPlor programme motivation and subsequent award
	2021	650m core drilling	$ 420,000	0.2	0.4	0.5	$ 84,000	$ 147,000	$ 210,000	This programme tested the AEM anomalies as being related to red herrings

Project	Completed	Programme	Cost	PEM Lo	PEM Pref	PEM Hi	Lo Val	Pref Val	Hi Val	Outcome
	2024	Low detection sampling of RC results	$ 150,000	1.0	1.0	1.0	$ 150,000	$ 150,000	$ 150,000	Results have just been received and will be interpreted by Goldspot
	Planned 2024	*Active and passive seismic survey*	*$ 750,000*	1.0	1.0	1.0	$ 750,000	$ 750,000	$ 750,000	Planned to start in a month - part of the BHP Xplor funded initiatives to identify tier 1 trapsites
							$ 4,389,800	$ 4,905,750	$ 5,421,700	
							$ 40,000,000	$ 45,400,000	$ 50,200,000	

APPENDIX D: GEOSCIENTIFIC FACTOR ANALYSIS

Table 32: KCB GFM Analysis

Project	Licence	Holder	Area (km2)	Expiry	BAC	Off Property		On Property		Anomaly		Geological		Market	Value (US$)		
						Low	High	Low	High	Low	High	Low	High		Low	High	Preferred
KIT-E	PL070/2017	Kitlanya	827	44651	124575.2884	3.5	4	1.5	2	1.5	2	1.5	2.5	1	$1,471,546	$4,983,012	$3,227,279
	PL071/2017	Kitlanya	295	44651	44437.37616	2.5	3	1	1.5	1	1.5	1	1.5	1	$111,093	$449,928	$280,511
	PL072/2017	Kitlanya	238	44651	35851.17127	2.5	3	1	1.5	1	1.5	1	1.5	1	$89,628	$362,993	$226,311
KIT-W	PL342/2016	Kitlanya	950	44561	143103.4148	1	1.5	1	1.5	1	2	1	1.5	1	$143,103	$965,948	$554,526
	PL343/2016	Kitlanya	995	44561	149881.9976	1	1.5	1	1.5	1	2	1	1.5	1	$149,882	$1,011,703	$580,793
Ngami	PL035/2012	Triprop	308.9	44834	46531.20507	1	2	2	3	3	3.5	2.5	3	1	$697,968	$2,931,466	$1,814,717
	PL036/2012	Triprop	50.2	44834	7561.885706	1	2	2	3	3	3.5	2.5	3	1	$113,428	$476,399	$294,914
	PL252/2022	Triprop	162.28	45930	24445.07594	1	1.5	1.5	2	2	2.5	1.5	2	1	$110,003	$366,676	$238,339
	PL253/2022	Triprop	14.2	45930	2139.019463	1	1.5	1.5	2	2	2.5	1.5	2	1	$9,626	$32,085	$20,855
	PL254/2022	Triprop	148.42	45930	22357.27244	1	1.5	1.5	2	2	2.5	1.5	2	1	$100,608	$335,359	$217,983
	PL255/2022	Triprop	41.61	45930	6267.929566	1	1.5	1.5	2	2	2.5	1.5	2	1	$28,206	$94,019	$61,112
OCP	PL149/2017	KML	999.5	44742	150559.8558	2	3.5	2	2.5	2	2.5	1	1.5	1	$1,204,479	$4,940,245	$3,072,362
	PL041/2012	Triprop	8.5	44834	1280.398974	1.5	2.5	1	2	1	2	1.5	2	1	$2,881	$25,608	$14,244
	PL042/2012	Triprop	271.1	44834	40837.19551	3.5	4	1	2	1	2	1.5	2	1	$214,395	$1,306,790	$760,593
	PL043/2012	Triprop	81.6	44834	12291.83015	2	2.5	1	1.5	1	1.5	1.5	2	1	$36,875	$138,283	$87,579
			2,304		347,079										4,483,721	18,420,515	11,452,118

Table 33: WA GFM Analysis

Project	Licence	Area (km²)		Off Property		On Property		Anomaly		Geological		Market	Value (A$)		
			BAC	Low	High	Low	High	Low	High	Low	High		Low	High	Preferred
Perrinvale	E29/1017	54.0	166,291	1	1.5	1	1.5	1	1.5	1	2	0.2	33,258	224,493	128,875
	E29/929-I	57.0	175,529	1	1.5	1	1.5	1	1.5	1	2	0.2	35,106	236,964	136,035
	E29/938-I	39.0	120,099	1	1.5	1.5	2	1.5	2	2	3	0.2	108,089	432,356	270,222
	E29/946-I	15.0	46,192	1	1.5	1	1.5	1	1.5	2	3	0.2	18,477	93,539	56,008
	E29/986	59.9	184,598	1	1.5	1	1.5	1	1.5	2	3	0.2	73,839	373,811	223,825
	E29/987	21.0	64,718	1	1.5	1	1.5	1	1.5	2	3	0.2	25,887	131,054	78,470
	E29/988	3.0	9,238	1	1.5	1	1.5	1	1.5	1	2	0.2	1,848	12,472	7,160
	E29/989	9.0	27,764	1	1.5	1	1.5	1	1.5	1	2	0.2	5,553	37,482	21,517
	E29/990	27.0	83,108	1	1.5	1	1.5	1	1.5	1	2	0.2	16,622	112,196	64,409
	E29/1106	60.0	184,675	1	1.5	0.5	1	1	1.5	0.5	1	0.2	9,234	83,104	46,169
	Total	344.9											318,678	1,654,366	986,522
Sandiman	E09/2316	202	622,051	1	1	1	1.5	1	1.5	1	1.5	0.2	124,410	419,884	272,147
													443,088	2,074,251	1,258,670

APPENDIX E: RULE-OF-THUMB (YARDSTICK) QUICK VALUATION

Table 34: Yardstick Valuation for NCP Exploration Target

Deposit	Mt			Cu %			Contained Cu t			category	%age of Spot price			US$/t contained metal			Contained Metal	Amount of Metal t			Yardstick Value USD		
	Mean	Min	Max	Mean	Min	Max	Mean	Min	Max		Lo	Pref	Hi	Lo	Pref	Hi		Lo	Pref	Hi	Lo	Pref	Hi
ET1	23.4	18.3	28.4	0.50%	0.45%	0.55%	117,000	82,350	156,200	ET1	0.10%	0.15%	0.20%	$ 10.32	$ 15.48	$ 20.64	ET1	82,350	117,000	156,200	$ 849,721	$ 1,810,881	$ 3,223,471
ET2	111	85	137	0.40%	0.36%	0.43%	444,000	306,000	589,100	ET2	0.03%	0.05%	0.10%	$ 3.10	$ 5.16	$ 10.32	ET2	306,000	444,000	589,100	$ 947,230	$ 2,290,687	$ 6,078,575
																					$ 1,796,951	$ 4,101,568	$ 9,302,047

Spot Price	USD
Date	01-05-24
Copper	$ 10,318

ERM AND SUSTAINABLE MINING SERVICES

ERM is one of the world's leading providers of environmental, health, safety and social consulting services. We have over 138 offices in 38 countries and employing over ≈8500 personnel. Our team has specific experience working in the mining sector with major mining companies, as well as advising Pension Funds, Private Equity firms, International Development Finance Institutions and Equator Principles Finance Institutions on investment risks and opportunities.

ERM's Sustainable Mining Services team is a leading group of geological and mining professionals that includes geologists, mining engineers, hydrologists, hydrogeologists, data, and resource estimation specialists with experience on all types and stages of mineral projects from around the world. We have a high level of technical expertise across mineral commodities gained from 35-years' experience within the global exploration and mining industry. Our team possess experience in all stages of the mining cycle from project generation to production and the challenge of finding, developing, and mining ore bodies.

ERM has multiple points of entry throughout the mining lifecycle and our global network of expertise, together with ERM, enables us to provide innovative solutions to improve operational performance and support efficient mine operations.

We offer an integrated and comprehensive set of services which cover the full life cycle of mineral assets. Our services include corporate advisory, operational support, mining and feasibility studies, resource estimation, geometallurgical modelling, exploration, data and water management, and technology expertise. Our highly experienced teams provide insight and innovative solutions to produce optimal outcomes for our clients. Our team can take your project from a concept through discovery and resource definition to a profitable and sustainable operating mine, with a robust closure plan and positive stakeholder engagement.

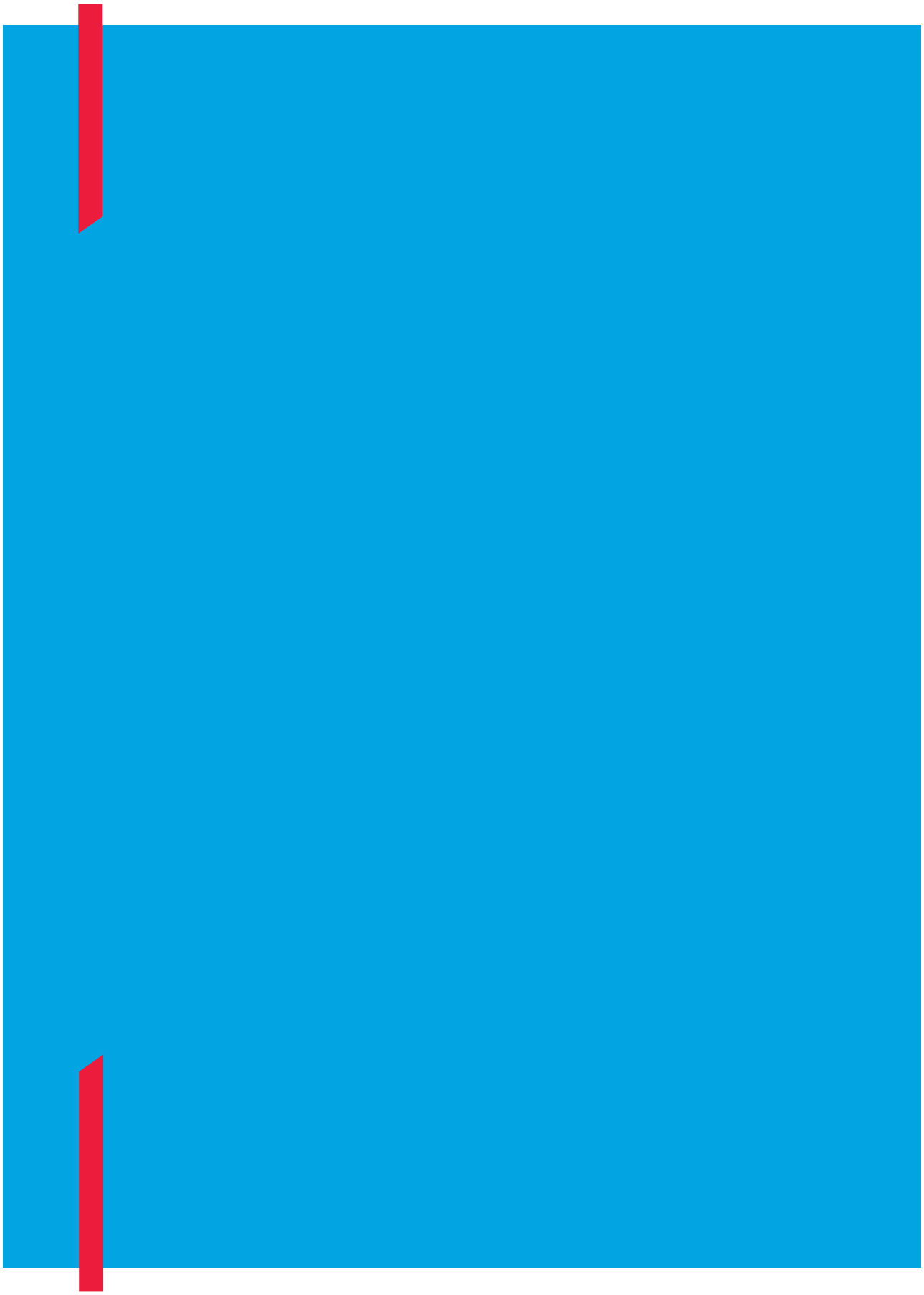
ERM's capabilities align seamlessly with this mission and vision, from the new country entry risk assessment, global operational strategy, geoscience and advanced technological solutions, data capture and management, hydrogeology, nature and beyond, through all stages of exploration, acquisition, mine planning and development, operations, and closure. ERM plays a pivotal role in addressing the strategic, operational, and tactical challenges encountered by major, mid-tier, and junior mining companies worldwide.

Our specialists are supported by a huge team of scientists, engineers, social, environmental, health, safety, and sustainability consultants from our parent company ERM. ERM's sustainable mining services team offers substantial depth of expertise and breadth of service to the mining community.

SNAPSHOT OF OUR SERVICES

Exploration & Geoscience Mineral systems targeting and project generation Remote sensing, geophysics, and geochemistry Mapping and drill program planning and supervision Exploration strategy and project management	Resource Estimation & Mine Geology Mineral Resource estimation, validation, classification & reporting Resource audits and risk analysis Geological and geometallurgical modelling Geostatistical analysis and variography
Data & Mapping Data management (capture, data validation & QAQC) Data visualisation, analytics, and cartography GIS plans, section, and 3D plots Machine Learning	Mining Engineering Mining & engineering studies (concept to feasibility) Mine optimisation, scheduling, design, and Ore Reserve estimation Grade control and reconciliation Productivity improvement and project management
Hydrogeology & Hydrology Water Management and groundwater supply Project approvals Dewatering and depressurization Ground/Surface water modelling Formulating water stewardship strategies and advanced technical solutions	Mining Transactions and Corporate advice Project reviews and independent reports Due diligence and expert valuations Geo-corporate advice Conducting independent evaluations to guide decisions on mergers, acquisitions, due diligence and compliance assessments
ESG Efficiently bringing new mines to fruition in adherence to ESG best practices. Advancing strategic and practical decarbonization throughout the value chain, from mining equipment to processing and transportation Expert knowledge of the License to Operate issues, their prevention and solutions	Planning & Approvals Environmental risk identification, management & compliance. Climate change, biodiversity, natural resources Indigenous and historical heritage management Social strategy and policy development Community consultation programs Environmental and Social Impact Assessments (ESIA) Operational Management & compliance
Health & Safety H&S strategies and practical incident prevention Functional safety services, certifications, machinery safety, and regulatory compliance Risk Assessment & Management Systems Hazard assessment / PPE advice HS&E systems, policies, standards, and procedures Incident Investigation OHS systems and compliance auditing	Rehabilitation & Mine Closure Progressive Rehabilitations & Closure Plans Rehabilitation appraisals, planning & monitoring Community development & economic transition Earthworks, cover, landform designs and modelling Waste characterisation. Water management and reduction strategies Final void assessment Land use capability assessment. Erosion and sediment management Estimated Rehabilitation Costs (ERC) Estimates of site closure costs / financial provisioning Closure risk assessments

ERM has over 160 offices across the following countries and territories worldwide			
Argentina Australia Belgium Brazil Canada China Colombia France Germany Ghana Guyana Hong Kong India Indonesia Ireland Italy Japan Kazakhstan Kenya Malaysia Mexico Mozambique	The Netherlands New Zealand Peru Poland Portugal Puerto Rico Romania Senegal Singapore South Africa South Korea Spain Switzerland Taiwan Tanzania Thailand UAE UK US Vietnam		**ERM's Perth Office** Level 3 1 Havelock Street West Perth PERTH, WA 6005 Western Australia **www.erm.com**



Proxy Voting Form

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

Cobre Limited | ABN 75 626 241 067

Your proxy voting instruction must be received by **11.30am (AEST) on Sunday, 04 August 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS
The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY
If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING
Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS
You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY
You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS
Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.
By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES
If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automic.com.au.

Lodging your Proxy Voting Form:

Online
Use your computer or smartphone to appoint a proxy at https://investor.automic.com.au/#/loginsah or scan the QR code below using your smartphone
Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.

BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:
meetings@automicgroup.com.au

BY FACSIMILE:
+61 2 8583 3040

All enquiries to Automic:
WEBSITE:
https://automicgroup.com.au/

PHONE:
1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Extraordinary General Meeting of Cobre Limited, to be held at **11.30am (AEST) on Tuesday, 06 August 2024 at Tower One - International Towers Sydney Level 46 100 Barangaroo Avenue Sydney NSW 2000** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

STEP 2 - Your voting direction

Resolutions		For	Against	Abstain
1	Ratification of prior issue of Tranche 1 Placement Shares	☐	☐	☐
2	Approval of issue of Tranche 1 Attaching Options	☐	☐	☐
3	Approval of issue of Tranche 2 Placement Shares to unrelated parties	☐	☐	☐
4	Approval of issue of Tranche 2 Attaching Options to unrelated parties	☐	☐	☐
5	Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Strata Investment	☐	☐	☐
6	Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Martin Holland	☐	☐	☐
7	Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Michael Addison	☐	☐	☐
8	Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Michael McNeilly	☐	☐	☐
9	Approval of issue of Tranche 2 Placement Shares and Tranche 2 Attaching Options to Andrew Sissian	☐	☐	☐
10	Approval of Issue of Broker Options to Canaccord	☐	☐	☐
11	Approval of issue of MD Subscription Shares to Mitchell Nominee	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY) ☐☐ / ☐☐ / ☐☐

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).