



TO: COMPANY ANNOUNCEMENTS OFFICE ASX LIMITED

DATE: 24 JULY 2017

CHK TO TARGET HIGH GRADE COPPER-COBALT MINERALISATION

Highlights

- **Initial target areas based around historic high grade copper (Cu), gold (Au), and cobalt (Co) sample analysis from Wee MacGregor;**
- **Highly prospective for cobalt but yet untested with three walk up drill targets identified (Figure 1);**
- **Assessing existing technical data to target large scale structurally hosted High grade copper-gold-cobalt mineralisation within the greater tenement package;**
- **Carrying out cost-effective exploration on selected targets and seeking to reduce risk as much as possible;**
- **Initial focus on high-grade or shallow mineralisation with the possibility of generating early cash flow.**

Cohiba Minerals Limited (ASX: CHK) ("Cohiba" or "Company") is pleased to advise that it plans to commence exploration works at the highly prospective Wee MacGregor copper-cobalt project package in Mount Isa, Queensland, a premier base metals province known to host significant cobalt mineralisation. The works are proposed to be carried out following the completion of the Cobalt X acquisition, which is proposed to be completed today.

The Wee MacGregor Project comprises three granted mining licences located approximately 60km southeast of Mount Isa with access via the sealed Barkly Highway. The Mount Isa Inlier is host to numerous large and small scale deposits and is prospective for copper, gold, silver, cobalt, uranium, base metals, rock phosphate and graphite with several operating mines in the district, including some old workings dating from the early 1900's located within the Wee MacGregor project.

ASX CODE: CHK

ISSUED CAPITAL

357,447,574 fully paid shares
150,635,367 CHKO Listed options

DIRECTORS

Mr Mordechai Benedikt (Chairman)
Mr David Herszberg (Director)
Mr Nachum Labkowski (Director)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Reported production from the historical underground mining at the former Wee MacGregor mine is 2731 tonnes of copper and 1535 ounces of gold (at 6.2% Cu & 1g/t Au, from approximately 44,411 tons of ore mined). The nearby historical Rosebud Mine produced some 7980t copper at 6.6% Cu.

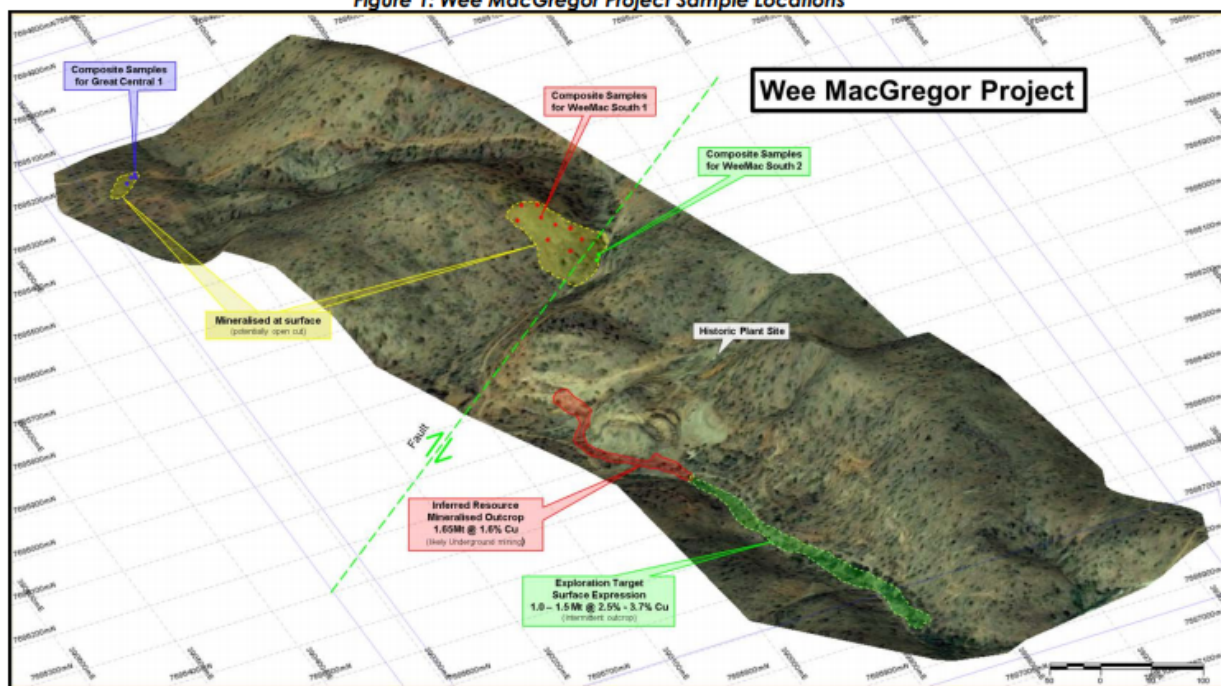
A mineral resource was estimated by the previous project operator and was reported as an inferred resource of **1.65 Million tonnes @ 1.6% Cu for 25,818 tonnes of contained copper¹**, using a 0.5% Cu cut-off grade (COG). An additional Exploration Target was estimated, with a range between 1.0 – 1.5 Mt @ 2.5 – 3.7% Cu (using a 0.5% Cu COG) as a direct extension to the Inferred Resource.

Additionally, there are walk up cobalt targets identified from recent composite grab samples that returned assays of **14.2% Cu, 0.7gpt Au, 0.03% Co & 9.9% Cu, 1.4gpt Au, 0.06% Co²** as shown in figure 1. The Company seeks to follow up on this data as part of an upcoming site visit and is looking to add to these targets through systematic exploration.

The Mount Isa base metals province is known to host significant Cobalt mineralisation from historic reports of cobalt mining and numerous reported exploration results across the district. Cobalt is also associated with copper in brecciated sediment-hosted base metal deposits in northwest Queensland including Mount Isa, Mammoth and Mount Cobalt. The Mount Isa orebodies contain approximately 0.14% cobalt in both the copper and silver–lead–zinc ores. Refining recovers <1000 t of cobalt per annum, but ~10,000 tpa of cobalt is associated with pyrite and is discarded in tailings. Various processes have been investigated for economic recovery of the metal, but none have proved viable. Cobalt production from Mount Isa was reported up until June 2005. https://www.dnrm.qld.gov.au/data/assets/pdf_file/0016/238102/cobalt.pdf

The Company is attracted to the project given no recent detailed exploration has been conducted over the past 25 years, and believes the Wee MacGregor project is a good starting point with existing granted mining licences, existing environmental authorities, and strong evidence of high grade residual and extensional copper – gold - cobalt mineralisation in close proximity to established infrastructure and service providers.

Figure 1: Wee MacGregor Project Sample Locations



¹ Refer to ASX Announcement - <http://www.asx.com.au/asxpdf/20151209/pdf/433p3ftdptvbrt.pdf>

² Refer to ASX Announcement - <http://www.asx.com.au/asxpdf/20151204/pdf/433kp492rl714s.pdf>

Limited exploration has been carried out within the project area, with the most recent works completed in 1991. Results from the 19 drill-hole RC drilling program showed significant remnant mineralisation in the vicinity of the underground workings as well as significant untouched mineralised extensions along strike and down dip. Mineralisation exists as both oxide and sulphide ore with high-grade copper-cobalt minerals exposed at surface.

The Company's near-term strategy to advance the project is:

- Delineate, define and expand on the existing mineral JORC Resource;
- Target highly prospective areas with cobalt mineralisation;
- Define sufficient oxide and transition mineralisation to consider the viability of a potential small-scale mining operation initially; and
- To drill test the strike and depth extensions at the project.

Together with the existing maiden JORC inferred resource and exploration target estimates on the Wee MacGregor Project, the Company is focused on its near-term strategy to advance the project and conduct drilling to target high grade zones and resource extensions along strike and down dip. In addition, the Company intends to expand the resource with the inclusion of cobalt and gold, to add more tonnes if defined, and to improve confidence and validity of the exploration target.

Cohiba Executive Director Mordechai Benedikt said "after a slow start we are pleased with the progress being made at the project, subject to completion of the Cobalt X transaction."

"We are very pleased with the progress of development so far with the Cobalt X asset base and look forward to the commencing works at the Wee MacGregor project with its high grade mineralisation, which will underpin our broader growth strategy and provide significant positive momentum for the Company moving forward. The Company is also progressing discussions to formalise a working agreement with Corella Valley Pty Ltd to acquire the Lady Jenny vat leech processing plant and we will update our shareholders in due course."

The Company is working to ensure it is best placed to deliver value and upside potential for all its shareholders with exploration and development works being planned. As a result of the Cobalt X acquisition, the Company will have several exploration targets and will be devising plans to systematically carry out exploration work to review each area of interest in line with relevant budgets. The Company will update shareholders in due course in this regard.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Olaf Frederickson. Mr Frederickson is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Frederickson is a consultant to Cohiba Minerals Limited. Mr Frederickson consents to the inclusion in the report of the Exploration Results in the form and context in which they appear. Mr Frederickson holds shares in Cohiba Minerals Limited.