

27 June 2022

Drilling has commenced at the high-grade Colson Cobalt-Copper Project in Idaho, USA.

Highlights

- ◆ Koba has commenced its initial drilling program at the high-grade Colson Cobalt-Copper Project in Idaho, USA.
- ◆ Drilling will begin to test the high-priority Long Tom and Rattlesnake Prospects that are defined by large, strong IP anomalies with coincident high-grade cobalt-copper soil anomalies.
- ◆ Drilling will also follow up on targets immediately along strike from the underground workings at the Salmon Canyon Prospect, where most recent drilling in 2018 returned:
 - 5.5m @ 0.20% Co, 0.69 g/t Au including;
0.3m @ **1.26% Co**, 0.17% Cu, 2.95 g/t Au; and
0.7m @ **0.49% Co**, 0.30 g/t Au

Koba Resources Limited (ASX: KOB) has commenced its maiden drilling program at the high-grade Colson Cobalt-Copper Project in Idaho, USA. This initial program will continue through until August before the drill rig moves to the Blackpine Cobalt-Copper Project, just 40km to the southeast.



Figure 1. Maiden drilling program has begun at the Colson Cobalt-Copper Project.





Drilling at the Colson Project will target a series of large, strong induced polarisation (IP) geophysical anomalies, delineated during a 2018 survey at the Long Tom and Rattlesnake Prospects. The strong IP anomalies coincide with strong cobalt-copper soil anomalies including very high-grades up to **0.11% cobalt** and **0.39% copper**. The undrilled prospects are along strike from known high-grade mineralisation within historic underground workings at the Salmon Canyon Prospect, where several hundred tonnes of copper-cobalt-gold bearing ore were mined between 1964 and 1979.

The program will also follow up on high-grade cobalt-copper results from a 2018 drill program that began to test the extensions of the mineralisation evident in the historic underground mine at the Salmon Canyon Prospect. Subsequent IP surveying revealed the mineralisation at the mine coincides with modest IP anomalies and that stronger anomalies that were delineated down dip and along strike may result from thicker and/or higher-grade mineralisation.

“The Long Tom and Rattlesnake Prospects are two outstanding, undrilled targets at the Colson Project” said Koba Managing Director and CEO, Mr Ben Vallerine. “Both have returned strong coincident IP and high-tenor cobalt-copper soil anomalies, which we are very much looking forward to drilling for the first time.”

“The demand for electric vehicles and lithium-ion batteries continues to grow globally and cobalt is a critical component of these batteries. With limited new cobalt supply coming online and demand rapidly increasing, a significant cobalt supply deficit is forecast, which should see cobalt prices elevated for the foreseeable future. With the USA also seeking to source domestic supply for critical metals such as cobalt, it is a great time to be exploring cobalt projects in Idaho.”

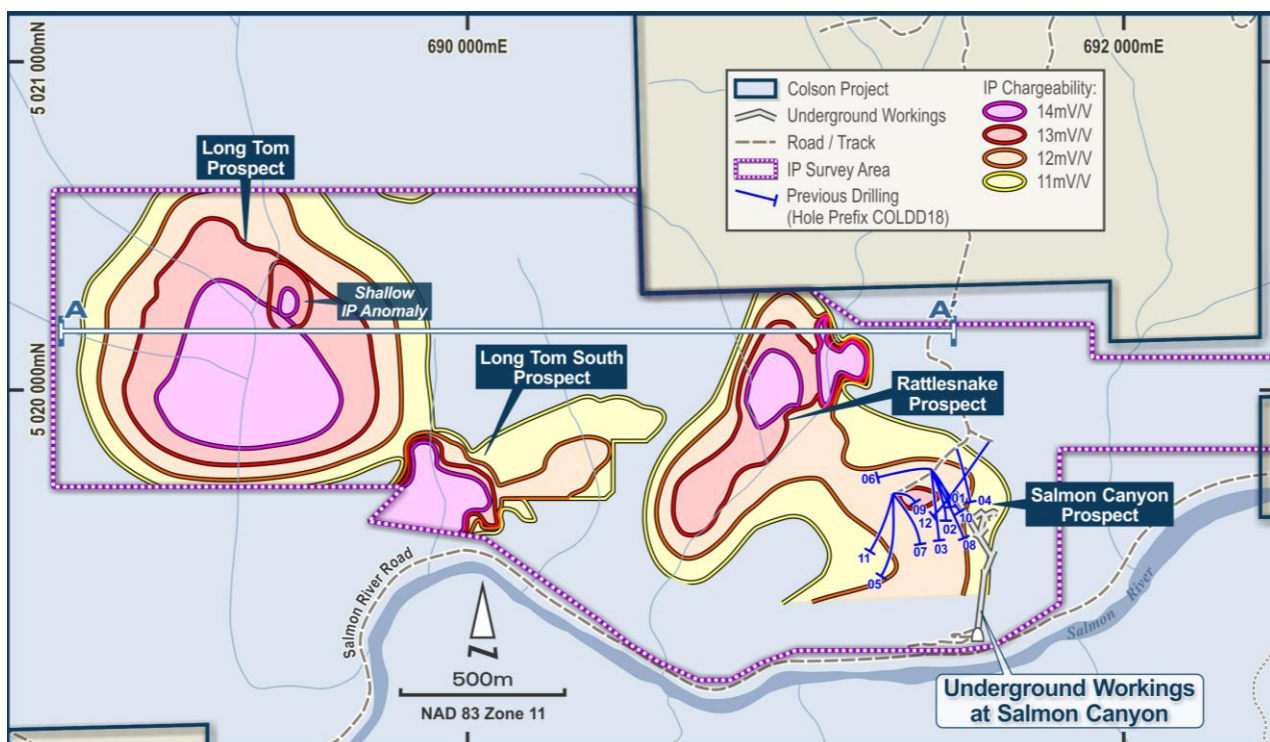


Figure 2: IP anomalies at the Long Tom, Rattlesnake and Salmon Canyon Prospects.



The Colson Project lies within the Idaho Cobalt Belt which is one of the western world's premier cobalt districts. It is just 25km northwest of both the historical Blackbird Cobalt-Copper Mine, that produced 5Mt at 0.6% cobalt and 1.5% copper¹ up to 1968, and Jervois Global's (ASX: JRV) Idaho Cobalt Operation where resources comprise 6.8Mt @ 0.42% cobalt, 0.64% copper and 0.51 g/t gold² and where first production is scheduled for the second half of 2022.

Historic production at the Salmon Canyon Mine took place between 1964 and 1979, with 650m of underground development and several hundred tonnes of cobalt-copper-gold ore produced. Better results from underground sampling programs include:

- 2.5m @ 5.33% Cu, 0.59% Co and 2.24 g/t Au;
- 1.3m @ 6.16% Cu, 0.35% Co and 2.54 g/t Au; and
- 1.8m @ 2.99% Cu, 0.31% Co, 3.48 g/t Au and 27.7 g/t Ag.

During 2018 New World Resources Limited completed a drill program to test for extensions of the mineralisation within the underground workings at the Salmon Canyon Prospect. The 12-hole program demonstrated the mineralisation at Salmon Canyon extends along strike and there remains potential to discover additional mineralisation. The 2018 program returned high grade cobalt-copper results including:

- 5.5m @ 0.20% Co, 0.69 g/t Au;
*incl. 0.3m @ **1.26% Co**, 0.17% Cu, 2.95 g/t Au; and*
*incl. 0.7m @ **0.49% Co**, 0.30 g/t Au.*
- 3.4m @ 0.04% Co, 1.51% Cu, 0.31 g/t Au; and
- 0.7m @ 0.01% Co, 2.1% Cu, 1.13 g/t Au.

Mineralisation remains completely open in all directions.

During 2018 New World concurrently completed soil sampling and IP surveys across the Project. These programs identified two outstanding new prospects, the Long Tom and Rattlesnake Prospects. These undrilled prospects have stronger IP responses and higher-grade soil anomalism than those evident at the Salmon Canyon Prospect. The stronger IP responses suggest there is potential for thicker and/or higher-grade mineralisation to be present at the Long Tom and Rattlesnake Prospects than that encountered to date in drilling at the Salmon Canyon Prospect.

¹ Lund, K., Tysdal, R.G., Evans, K.V., Kunk, M.J. and Pillers, R.M., Structural Controls and Evolution of Gold-Silver and REE-Bearing Copper-Cobalt Ore Deposits, Blackbird District, East-Central Idaho: Epigenetic Origins, 2011, Society of Economic Geologists Inc, Economic Geology v 106, pp. 585-618.

² Idaho Cobalt Operation resource breakdown: Measured 2.65Mt @ 0.45% Co, 0.59% Cu and 0.45g/t Au; Indicated 2.59Mt @ 0.42% Co, 0.80% Cu and 0.62g/t Au; Inferred 1.57Mt @ 0.35% Co, 0.44% Cu and 0.45g/t Au, using 0.15% Co as a cut-off grade. Source: Sletten, M et al, 2020, Idaho Cobalt Operations Form 43-101F1 Technical Report Feasibility Study, November 13, 2020.

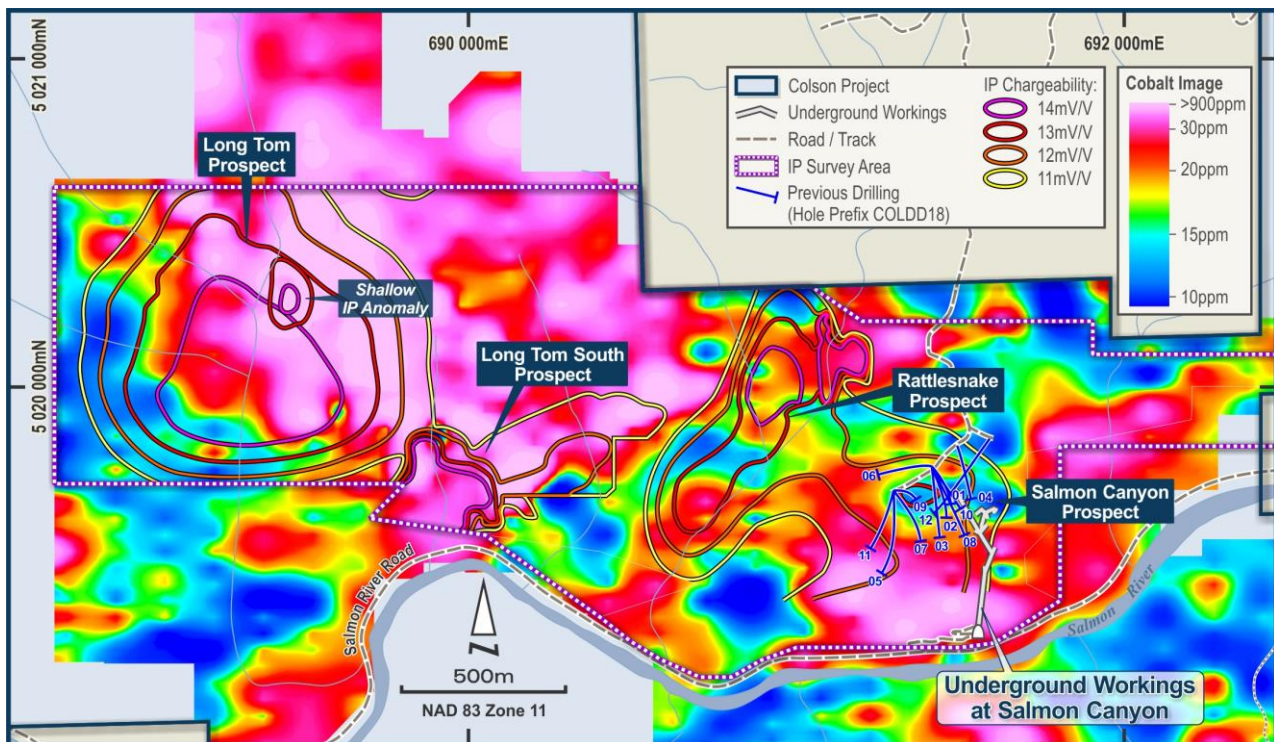


Figure 3. IP anomalies overlying an image of cobalt soil geochemistry at the Long Tom, Rattlesnake and Salmon Canyon Prospects.

Long Tom Prospect

The Long Tom Prospect is located 1.8km along strike from the Salmon Canyon Mine. It includes a 2km long, high tenor Co-Cu-As soil geochemistry anomaly with samples assaying up to 1,095ppm (0.11%) cobalt and 3,930ppm (0.39%) copper. The high-grade core of the Long Tom soil anomaly includes over 30 samples assaying greater than 100ppm cobalt over 1.3km of strike. These values are highly anomalous; for comparison only 3 samples assayed greater than 100ppm cobalt over the Salmon Canyon Mine (see Figure 3 and 4).

IP surveying at Long Tom delineated two strong IP anomalies being: (i) The Long Tom IP Anomaly that covers 700m x 700m and is coincident with the highest tenor cobalt-copper soil anomalism; and (ii) the overlapping but much shallower “Shallow Long Tom IP Anomaly” that may arise from a shallow extension of the main Long Tom Anomaly and is coincident with the highest tenor cobalt-copper soil anomalism (see Figure 3).

Rattlesnake Prospect

The Rattlesnake Prospect is located approximately 600m northwest of the Salmon Canyon Prospect. It includes a very strong IP anomaly that measures 750m x 250m and is coincident with cobalt-copper soil anomalism. The mineralisation drilled 600m away at the Salmon Canyon Prospect in 2018 is associated with less intense IP anomalism, hence the IP anomalism at Rattlesnake may be due to thicker and/or higher-grade mineralisation and is a very high priority undrilled target.

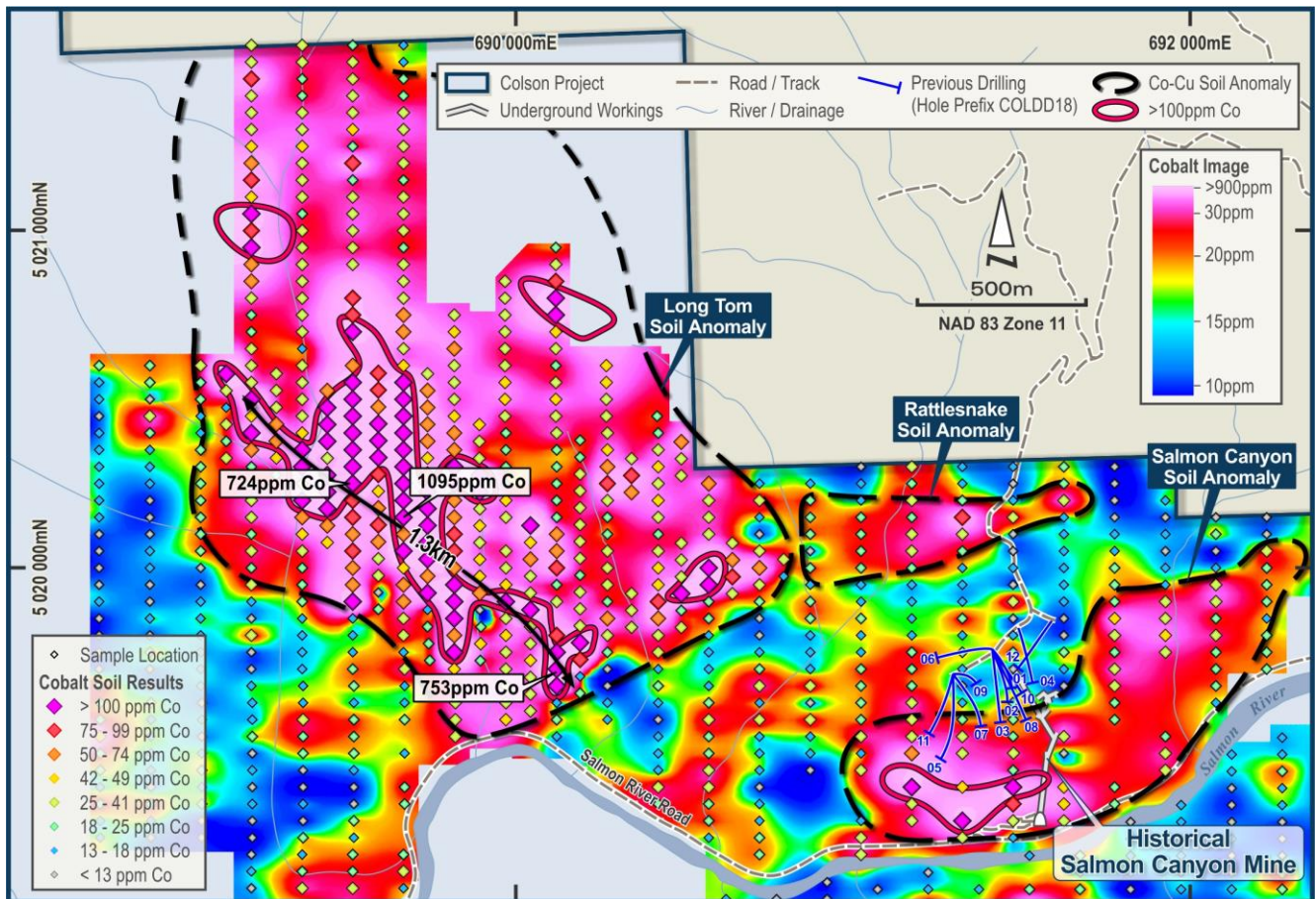


Figure 4. Cobalt soil geochemistry results at the Long Tom, Rattlesnake and Salmon Canyon Prospects.

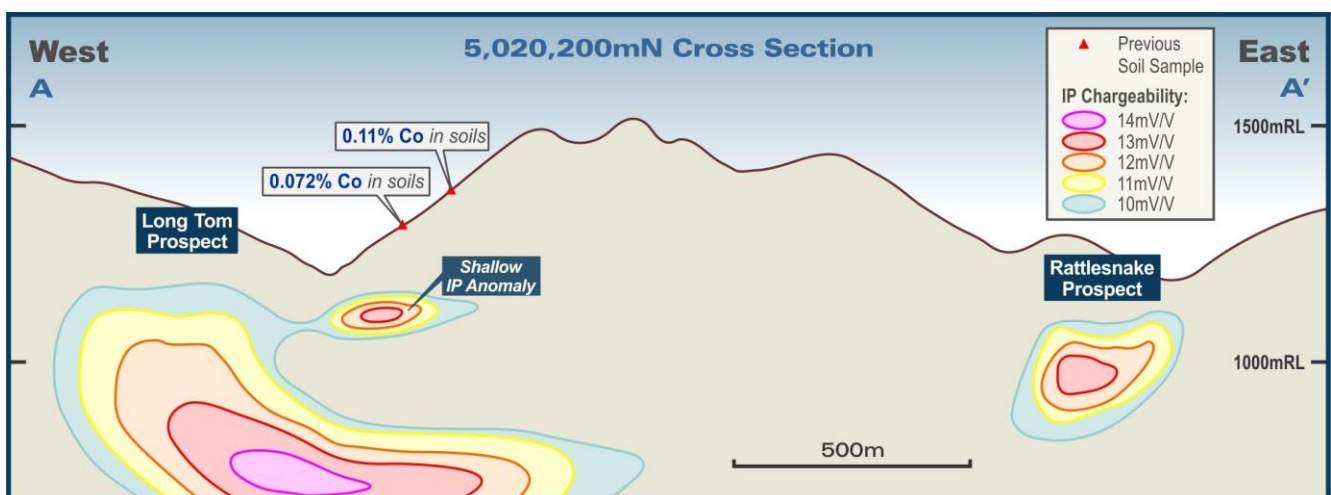


Figure 5. Cross section showing the sub-surface location of the IP anomalies at the Long Tom and Rattlesnake Prospects.



This announcement has been authorised for release by the Board.

ENDS

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Competent Persons Statement:

The information in this announcement that relates to past exploration results is based on, and fairly reflects, information compiled by Mr Ben Vallerine, who is Koba Resources' Managing Director. Mr Vallerine is a Member of the Australian Institute of Geoscientists. Mr Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results and Mineral Resources (JORC Code). Mr Vallerine consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

Past exploration results reported in this announcement have been previously prepared and disclosed by Koba Resources Limited (the "Company") in accordance with JORC 2012 in its Prospectus dated 4 March 2022 (refer copy filed on the Company's ASX announcements platform on 2 May 2022). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the Prospectus.



Cobalt for the EV revolution

About Koba Resources

Koba Resources is an Australian resources company exploring a portfolio of high-grade cobalt projects in the USA to support the electric vehicle revolution and the world's path to net zero emissions.

Koba owns a 100% interest in four highly prospective assets in one of the western world's premier cobalt districts - the Idaho Cobalt Belt. Koba is exploring the high-grade Blackpine, Colson, Panther and Elkhorn Cobalt-Copper Projects, where cobalt is the metal of primary economic importance. The projects are all in close proximity to Glencore's historical Blackbird Mine that produced approximately 5Mt at 0.6% Co and 1.5% Cu intermittently between 1938 and 1969, and Jervois Global's Idaho Cobalt Operation that is scheduled for first production later this year.

Koba's Blackpine Cobalt-Copper Project hosts extensive cobalt soil anomalism and high-grade cobalt, copper and gold mineralisation in drilling over 5km of strike length with exceptional results including:

- 0.15m @ 4.79% Co & 4.00 g/t Au
- 6.2m @ 0.61% Co & 6.40 g/t Au
- 1.2m @ 1.43% Co & 1.37 g/t Au
- 16.8m @ 0.37% Co & 0.59 g/t Au

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Corporate Directory

Koba Resources Limited
ACN 650 210 067
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Capital Structure

Shares on issue: 65 million
Share price (24/6/22) \$0.14

Directors

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Scott Funston, Non-Executive Director

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