



ASX CODE: CHK

TO: COMPANY ANNOUNCEMENTS OFFICE ASX LIMITED

DATE: 20 May 2016

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## PLACEMENT AND GREENBUSHES PROJECT UPDATE

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- Six separate Pegmatite bodies identified in the field.
- Samples closely resemble pegmatite found in Talison's nearby Greenbushes mine.
- Placement raises approximately \$326,000 (before costs).

Cohiba Minerals Limited (ASX:CHK) (the **Company**) recently announced the execution of a Heads of Agreement granting an option to acquire 100% interest in two exploration licence applications which comprise the Greenbushes Lithium project (ASX announcement 22 April 2016).

The two applications cover ground approximately 15km southwest and 20km west respectively of Talison's Greenbushes mine in the world class Greenbushes mineral field with basement rock types that appear to be the same as those found at the Greenbushes mine.

The Company has taken immediate steps to follow up on this potential acquisition with the commission of a consultant geologist to conduct a preliminary field reconnaissance visit to the areas under application.

The purpose of the site visit was to establish access, identify any outcropping pegmatite within the lease applications, and to collect preliminary surface samples for indicative analysis.

Prior to the site visit, a desktop review of the area was conducted utilising publically available maps and data for initial target generation. A total of eight mapped pegmatites were identified for further investigation in the field.

Pegmatite outcrop for five of the original eight targets were discovered in the field with an additional pegmatite identified that was unmapped. The remaining targets were not found largely due to recent surface cover and dense vegetation hindering access. Samples and photographs were taken at each outcrop and their locations were recorded with GPS for further investigation (*see Figure 1*).

### ISSUED CAPITAL

148,174,999

### DIRECTORS

Mr Mordechai Benedikt (Chairman)

Mr David Herszberg (Director)

Mr Nachum Labkowski (Director)

### REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Level 4

100 Albert Road

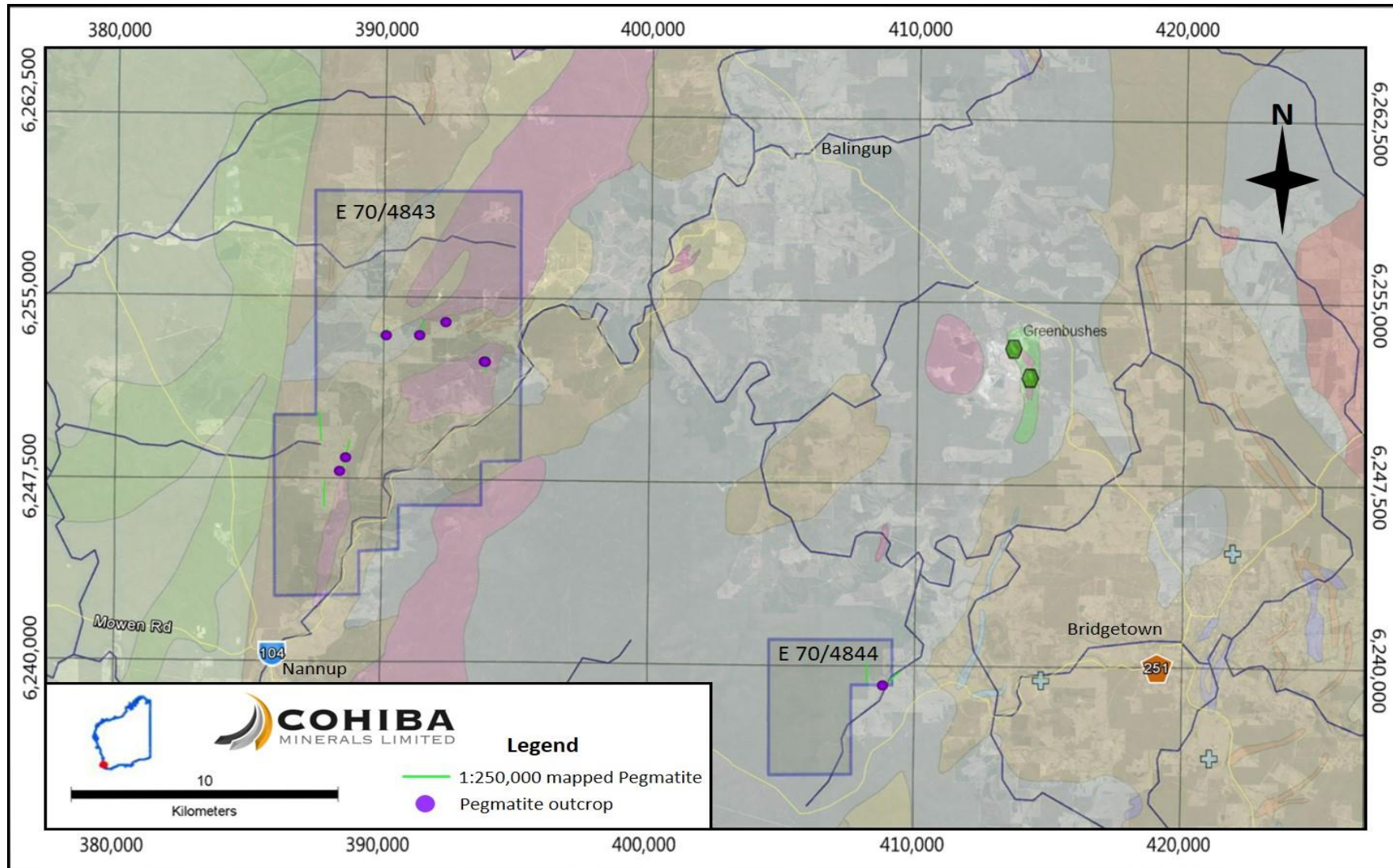
South Melbourne, Victoria 3205

### CONTACT

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**Figure 1.** Location of the Greenbushes Lithium Project tenement applications, mapped pegmatites and identified outcrop.



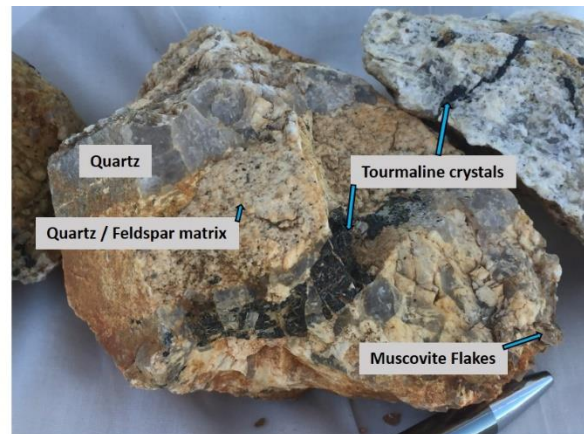
Many of the samples were found to contain the same mineral species as those that make up the pegmatite found in the Greenbushes mine.

The following images are of a sample from the Greenbushes mine (on display in the DMP offices in Perth) and some samples from the pegmatites identified in the field. It can be seen that both samples contain the base minerals of quartz, feldspar, tourmaline and muscovite and generally appear much the same (spodumene is difficult to determine visually hence not listed here) as each other.

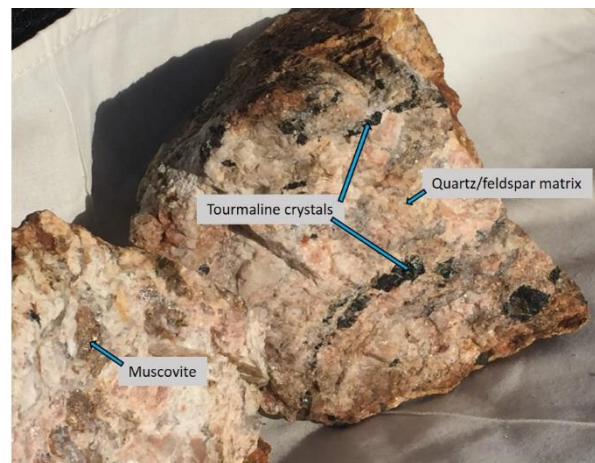
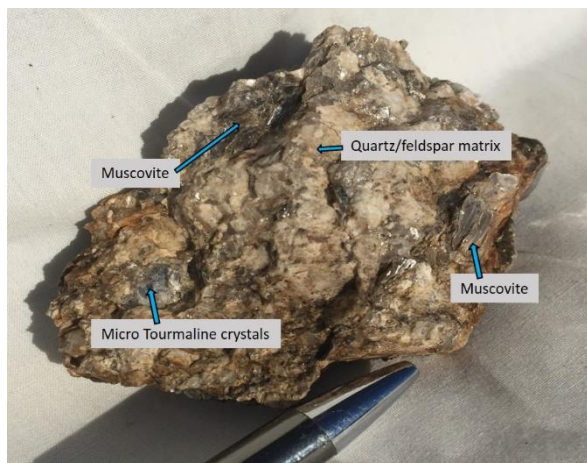
**Figure 2.** Talison's mine pegmatite compared to Cohiba's pegmatite samples.



Talison's Greenbushes pegmatite



Cohiba's pegmatite



Additional samples from Cohiba pegmatites

- Note: Each pegmatite represents a different outcrop from different pegmatite bodies.

## EXPLORATION STRATEGY

Very little exploration has been conducted within the areas under application. Exposed outcrop is limited and often covered with natural vegetation, forestry detritus and laterite formation. Access is generally good along forestry tracks, firebreaks, and the network of country roads in the area.

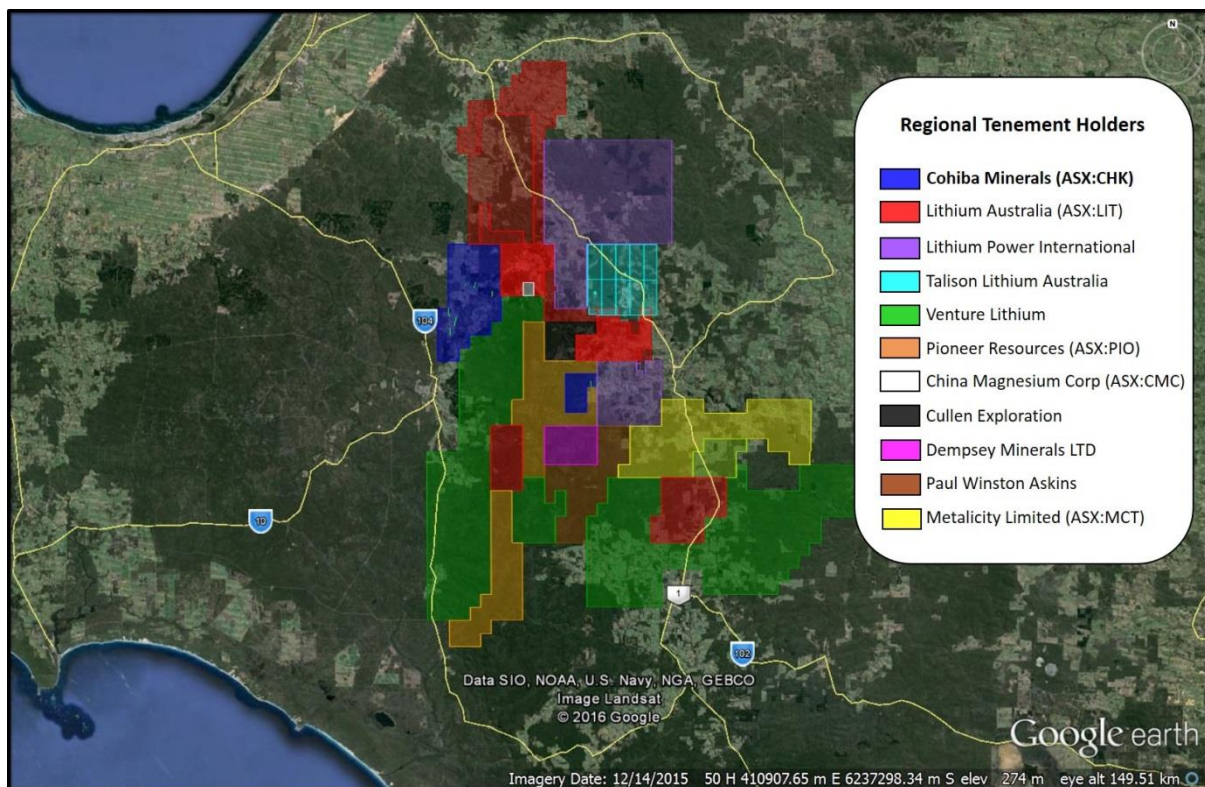
Future work will be to conduct more detailed, non ground disturbing mapping and sampling (geochemical soil and rock chip sampling) of the known pegmatites and in search of additional pegmatites yet to be identified.

### REGIONAL LITHIUM COMPANIES

The Greenbushes region of the Southwest Mineral Field has attracted significant interest in the recent twelve months with increased acquisition and tenement application activity. The following table shows some of the companies adjacent to and around the Talison Greenbushes mine and the recently optioned Cohiba tenement applications.

Holder	ASX	Market Capitalisation
Lithium Australia	LIT	\$102 M
Talison Lithium Australia	Private	unknown
Lithium Power International	Private	unknown
Venture Lithium	Private	unknown
Pioneer Resources Limited	PIO	\$62 M
Cullen Exploration	Private	unknown
Dempsey Minerals Limited	DMI	\$2.3 M
China Magnesium Corporation	CMC	\$3.1 M
Metalicity Limited	MCT	\$24.1 M
Paul Winston Askins	Private	unknown
Gambit Metals	Private	unknown

Figure 3. Regional Tenement Holders



## **Placement**

The Company has received commitments from professional and sophisticated investors for the placement of approximately 16.3 million new fully paid ordinary shares (**Shares**) with 1 free attaching unlisted option for every 2 shares applied for. The Shares will be issued for \$0.02 (2 cents) per share, being a premium to the 15 day Volume Weighted Average Share Price (VWAP) of trading in the company's shares and the unlisted options exercisable at \$0.032 (3.2 cents) per share within 3 years of issue. The total amount to be raised through this placement is approximately \$326,000 (less costs) utilising the Company's current capacity in accordance with ASX Listing Rules 7.1 and 7.1A.

Funds raised through the issue are intended to carry out further exploration and assessment on the optioned exploration projects prior to and following the proposed grant by the department and working capital requirements of the Company.

The Company also advises that it has agreed to issue 8 million unlisted options to corporate advisors of the company in relation to services provided. The option terms will be on the same terms as those above.

## **Appointment of Executive Chairman**

The Directors are pleased to advise that Mr Mordechai Benedikt has been appointed Executive Chairman of the Company effective immediately.

Mr Benedikt will be remunerated at \$180,000 per annum (inclusive of any statutory superannuation). Mr Benedikt's role as Executive Chairman may be terminated at any time with 3 months' written notice being provided by either the Company or Mr Benedikt.

For Further information, please contact:

Mr Mordechai Bendikt  
Executive Chairman

## **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.

## **CAUTION REGARDING FORWARD LOOKING INFORMATION**

This document contains certain statements that may be deemed "forward-looking statements." All statements in this announcement, other than statements of historical facts, that address future market developments, government actions and events, are forward-looking statements.

Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based generally on the Company's beliefs, opinions and estimates as of the dates the forward looking statements that are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Although the Company believes the outcomes expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include licence applications, the development of economic rare earth substitutes and general economic, market or business conditions. While, the Company has made every reasonable effort to ensure the veracity of the information presented they cannot expressly guarantee the accuracy and reliability of the estimates, forecasts and conclusions contained herein. Accordingly, the statements in the presentation should be used for general guidance only.