

11 May 2021

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DRILLING COMMENCED AT KITLANYA EAST CU/AG TARGET – BOTSWANA

Cobre Limited (ASX: **CBE**, **Cobre** or **Company**) is pleased to announce that mobilisation to site of both Reverse Circulation (**RC**) and Diamond Core (**DC**) drill rigs has been completed and drilling has now commenced on Kalahari Metal Limited's (**KML**) wholly owned Kitlanya East (**KIT-E**) project in Botswana.

This drilling programme (*refer ASX Announcement 19 April 2021 for detail*) is aiming to target structurally controlled trap-sites for prospective copper/silver deposits identified in Airborne Electromagnetic (**AEM**), detailed magnetic, soil sampling and stratigraphic drilling which share commonalities to ASX listed Sandfire Resources Limited's (**Sandfire**) T3 and A4 deposits located immediately north of the KIT-E project boundary. The drill programme will include (*refer Figure 1*):

- Stratigraphic DC drilling (~800m) into the core of the Perseverance prospect (previously South Target) designed to test for prospective lower D'Kar Formation stratigraphy, alteration, mineralisation and potential underlying mineralised redox contact with the Ngwako Pan Formation; and
- Focused RC drilling (~4,000m) designed to test for mineralisation associated with several structurally controlled targets starting at the Endurance prospect (previously North Target).

Commenting on the commencement of the Drill Programme, Martin Holland, Cobre's Executive Chairman and Managing Director, said:

"I am very pleased to be able to advise drilling is underway on KML's priority targets for structural and dome style mineralisation. These styles have been shown by our neighbours in the Kalahari Copper Belt to hold the highest grade mineralisation, with the potential to be in near surface positions. I eagerly anticipate the results of this maiden drilling programme for the new KML joint venture with our partner, Metal Tiger plc."

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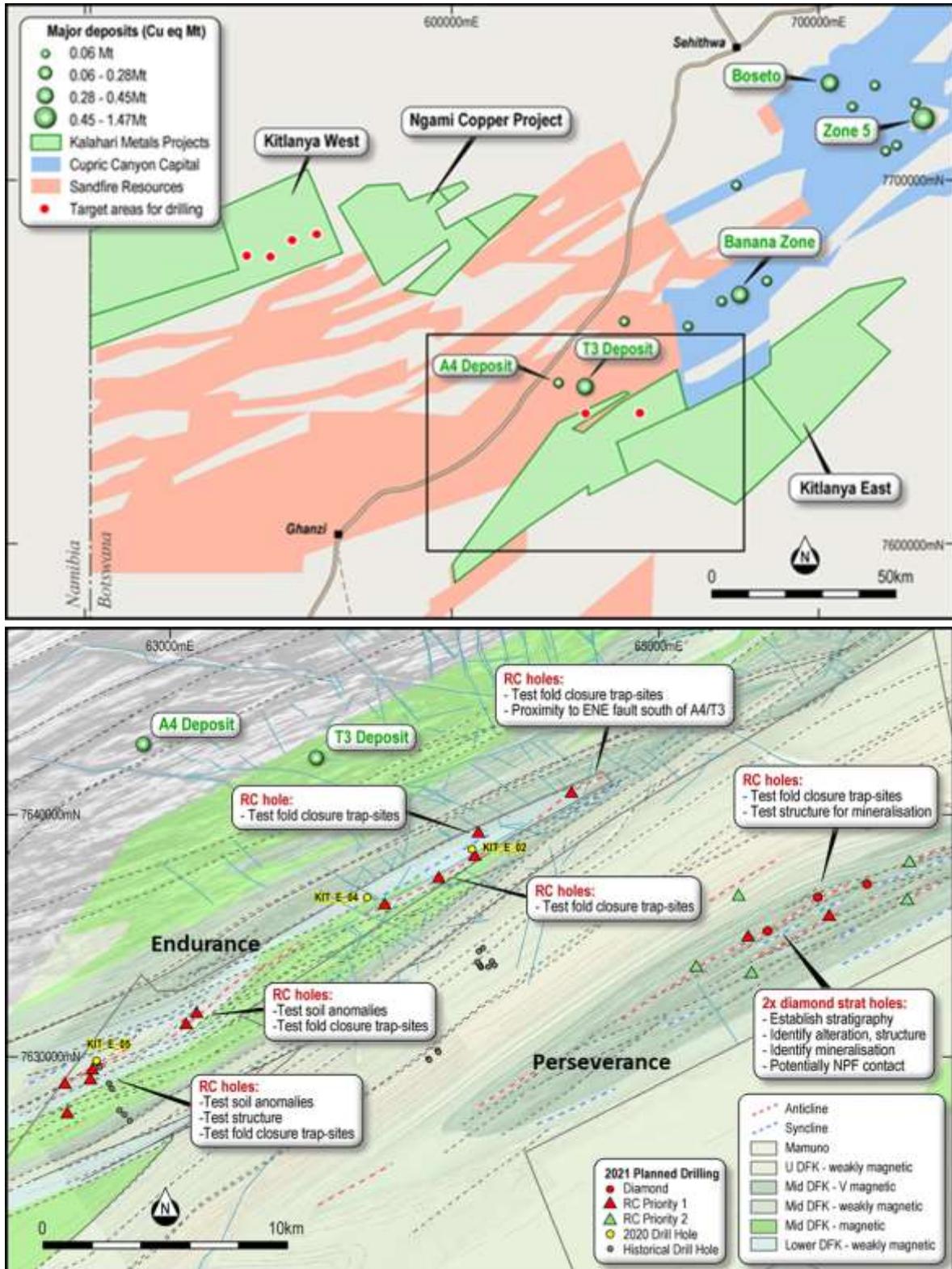


Figure 1. (above) Locality map illustrating the position of the area of interest discussed in the current announcement, in NW Botswana. (below) Planned drill programme on lithological interpretation.

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Figure 2. RC rig testing targets on the Endurance Prospect.



Figure 3. DC rig drilling the first stratigraphic hole into the Perseverance Prospect.

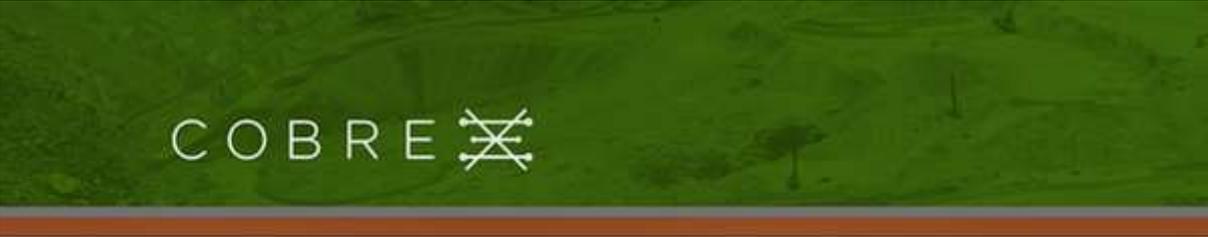
About Kalahari Metals Ltd

Kalahari Metals Limited (**KML**), which was incorporated in England & Wales on 3 May 2017, holds interests in 12 highly prospective exploration licences covering a total area of 8,595km² in the Kalahari Copper Belt of Botswana, comprising two 100% owned exploration licences, five exploration licences subject to a binding earn-in agreement with Triprop Holdings (Pty) Limited (includes the Ngami Copper Project), and five exploration licences held by 100% owned subsidiary, Kitlanya Limited.

As announced on 15 December 2020, KML signed a Share Purchase Agreement with Cobre, which will, following completion of the transaction and subject to obtaining change in control approval from the Minister of Mineral, Energy and Water Resources of the Republic of Botswana, result in Cobre Ltd's current holding of 49.99% in KML, increasing to a 51% interest thereafter. KML is subject to a joint venture with AIM listed Metal Tiger plc).

The completion of Cobre's purchase of 49.99% of KML occurred on 12 April 2021, resulting in Metal Tiger holding a 50.01% interest in KML. Purchase of the remaining 1.01% remains subject to obtaining change in control approval from the Minister of Mineral Energy and Water Resources of the Republic of Botswana in respect of the KML group.

A 2% net smelter royalty is held by Metal Tiger over all KML's wholly owned licences, being seven licences covering, in aggregate, 6,650km². The five exploration licences owned by Triprop Holdings (Pty) Limited (in which KML has a 51% interest) are not subject to royalties.

The logo for Cobre is displayed on a green background with a brown horizontal bar at the bottom. The word "COBRE" is written in white, uppercase letters. To the right of the text is a white icon consisting of two crossed lines forming an 'X' shape, with a vertical line passing through the center of the 'X'.

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This ASX release was authorised on behalf of the Cobre Board by: Martin C Holland, Executive Chairman and Managing Director.

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