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ASX Limited - Company Announcements Platform

TRADE-OFF STUDY SUPPORTS ISCR DEVELOPMENT PROJECT; COMMENCEMENT OF ADVANCED METALLURGICAL TEST WORK

NGAMI COPPER PROJECT, BOTSWANA

Cobre Limited (ASX: **CBE**, **Cobre** or **Company**) is pleased to announce results from a recently completed Trade-off Study completed by METS Engineering (**METS**) on the Ngami Copper Project (**NCP**) in the Kalahari Copper Belt (**KCB**), Botswana. The Trade-off Study has been designed to evaluate and rank the application of In-Situ Copper Recovery (**ISCR**), underground, and open-pit methods for mining/extraction of copper-silver mineralisation along the extensive strike of drill tested mineralisation (estimated between 103 and 166Mt @ 0.38 to 0.46% Cu[1]):

- ISCR is the preferential extraction method based on the analysis and current understanding of the geology, mineralisation of the ore body, metallurgy, mining, processing options and costs;
- Using a conservative copper recovery and price, ISCR returns robust economics justifying the next stage of engineering and design work to complete the financial CAPEX and OPEX models; and
- Subject to results of an infill drill programme, to bring the target into a JORC compliant category, there is potential for hybrid underground and surface in-situ developments to target high- and low-grade portions of the resource respectively.

Advanced metallurgical test work including bottle roll, column, leach box and residue testing has now commenced with results expected over the next 4 to 5 months. These results will form the basis for estimation of in-situ copper-silver recoveries and subsequent design of the pilot extraction programme.

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1 *At this stage the results are in an exploration target category. The estimates of tonnage and grade 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. For details see ASX Announcement 30 August 2023.*

Commenting on the results, Adam Wooldridge, Cobre's Chief Executive Officer, said:

"The results from the Trade-off Study provide further support for our journey towards an in-situ copper-silver development at Ngami and justify further metallurgical, engineering and financial modelling. We look forward to reporting these results to the market as we progress towards completing our scoping study."

METS has developed process flowsheets, process descriptions, mechanical equipment lists and process design criteria for open-pit, underground and ISCR options to a sufficient level to undertake the Trade-Off Study. These engineering documents were used to develop capital and operating estimates for the three options. The preferred extraction and process flowsheet consists of an in-situ copper-silver well field, silver precipitation circuit, and solvent extraction and electrowinning process which offers the best profit margin.

A hybrid underground mining option may prove viable for potential higher-grade areas (>1.6% Cu_{eq}) where grade extends to a minimum width of 5m thickness over a 500m strike. Work will now focus on completing the scoping study which will include results from ongoing hydrogeological modelling being undertaken by WSP[2] and further metallurgical test work.

Over 50kg of core samples have been selected from several diamond drill holes at both Comet and Interstellar Targets for further metallurgical test work (***Figure 1***). Porosity, permeability, density, column leach, leach-box and residue tests will be undertaken along with mineralogy QEMSCAN analysis. The test work will be undertaken over a 4-month period and is expected to provide an estimate of the in-situ copper and silver recoveries along with appropriate metallurgical information for design of a follow-on pilot plant. The programme will be managed by Perth based METS engineering with analysis performed at ALS laboratories in Perth.

Geology and Mineralisation

The copper-silver mineralisation at NCP is sedimentary-hosted, structurally controlled, and 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 focussed 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.

Drilling results to date have returned consistent, wide intersections of anomalous to moderate-grade copper-silver values over extensive strike lengths with smaller structurally controlled higher-grade zones (***Figure 1***). This style of mineralisation is dominated by fine-grained chalcocite which occurs along cleavage planes (S_1) and in fractures rather than the vein hosted bornite with chalcopyrite more typical of the KCB style. Importantly, the chalcocite mineralisation is amenable to acid leaching, occurs below the water table and is associated with well-developed fracture zones bounded by more competent hanging and footwall units satisfying key considerations for ISCR.

[2] See ASX announcements 3 July, 4 June and 26 February 2024.

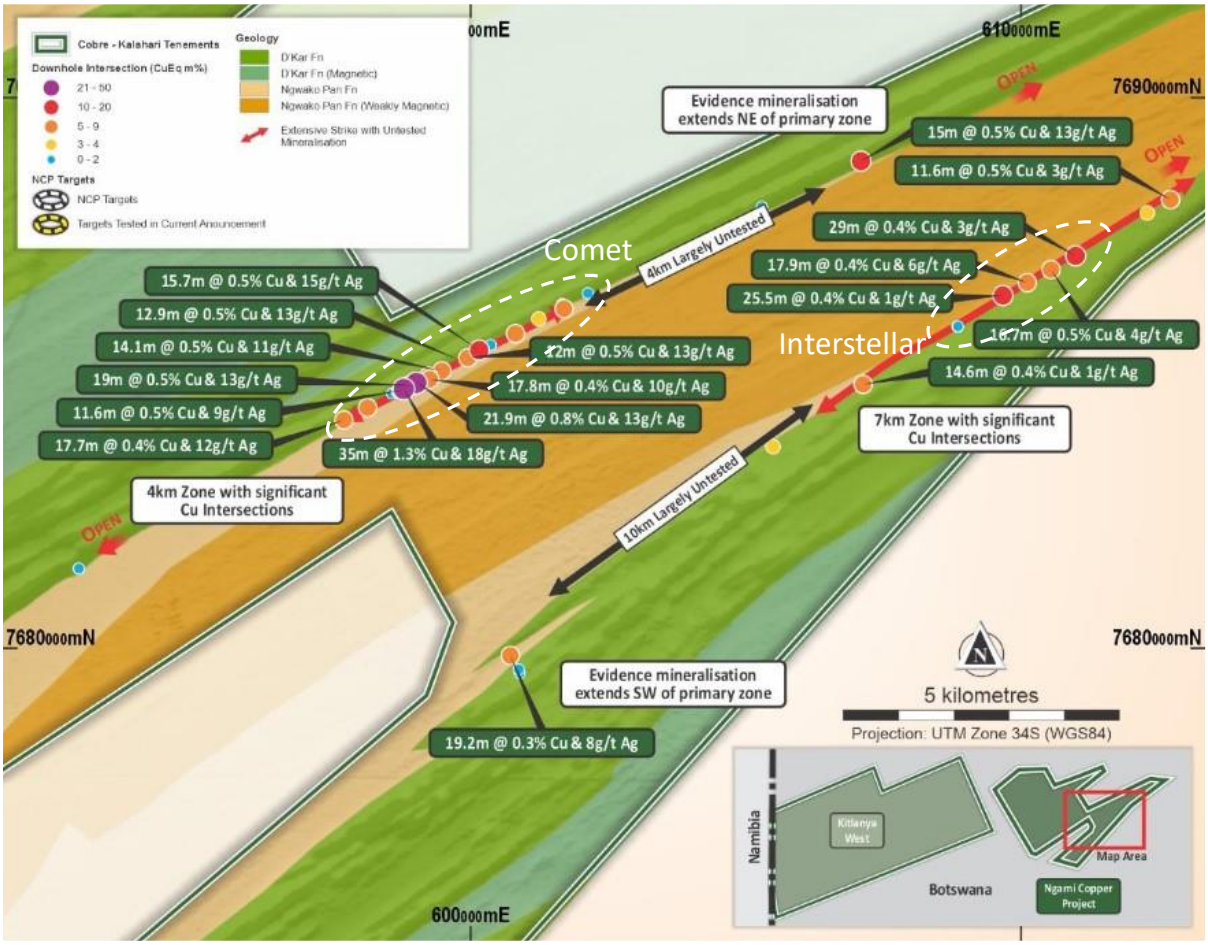

Figure 1. Locality map illustrating the position of the Ngami Copper Project, Comet and Interstellar Targets and area of focus for the current phase of work. Interpreted geology under cover on magnetic imagery.

Target Model

The NCP area is located near the northern margin of the 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.

Cobre is aiming to prove up a similar ISCR process to Taseko Mines Ltd's (TSX:TKO, NYSE:TGB) Florence Copper Deposit (320Mt @ 0.36% Cu) in Arizona which shares a similar scale to NCP[3].

[3] Florence Copper | Taseko Mines Limited

This ASX release was authorised on behalf of the Cobre Board by: Adam Wooldridge, Chief Executive Officer.

For more information about this announcement, please contact:

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COMPETENT PERSONS STATEMENT

The information in this announcement that relates to exploration results is based on information compiled by Mr David Catterall, a Competent Person and a member of a Recognised Professional Organisations (ROPO). David Catterall has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 (JORC 2012). David is the principal geologist at Tulia Blueclay Limited and a consultant to Kalahari Metals Limited. David Catterall is a member of the South African Council for Natural Scientific Professions, a recognised professional organisation.

David Catterall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC TABLES AND REFERENCES

As no new exploration results are included, JORC Tables have been omitted from this announcement. For further information and references to the current study, please see ASX Announcements:

4 June 2024 – Significant Milestone Achieved Hydrogeological Test Results

27 March 2024 – Commencement of Process Design Scoping Study for Ngami

9 October 2023 – Metallurgical Test Work at NCP Highlights Recovery Potential

30 August 2023 – NCP Exploration Target Estimate Highlights Significant Scale