

December 2022 Quarterly Activities Report & Appendix 5B

Highlights

- **Horse Well hole HWDD08 completed to a depth of 1,509.9m, highlighting potential for an IOCG target, with assays due in current Quarter.**
- **In-fill assays for PSDDH01 at Pernatty C returned significant zinc-silver results.**
- **474 samples were submitted for analysis for HWDD07 with significant Cu-Au-Ag intersections reported post Quarter end**
- **A comprehensive technical report was completed for HWDD07 and clarified the significance of the Blue Bush Fault to future drill planning.**
- **A Share Purchase Plan was completed and raised \$0.87m**
- **Investor webinar conducted with comprehensive Q&A session.**
- **Cash balance of \$1.48M at 31 December 2022.**

Cohiba Minerals Limited (ASX: CHK, OTCQB: CHKMF, 'Cohiba' or 'the Company') is pleased to provide an update in relation to the exploration activities carried out during the December 2022 quarter.

Olympic Domain Tenements

Horse Well – HWDD08

HWDD08 was completed to 1509.9m on 12 October 2022 with the drill rig subsequently stranded on site until 25 November 2022 due to significant rainfall and subsequent loss of site access. The hole was designed to follow up on low level but persistent copper mineralisation encountered in Gawler Range Volcanics (GRV) in the historic WMC (Western Mining Corporation) hole, HWD1, drilled in June 1982 (Figure 1).

HWDD08 fulfilled many of the preconditions Cohiba was looking for in an IOCG target:

- Structural preparation and the creation of porosity with pervasive brecciation.
- Fluid pathway from deep mantle derived fluids to surface through a major structure.
- Evidence of reduced deep fluid input with magnetite-chalcopyrite-pyrite mineralization.
- Evidence of two fluid mixing with oxidized magnetite-hematite-chalcopyrite-pyrite veins.
- Strength of mineralization with disseminated chalcopyrite-pyrite.

HWDD08 encountered the newly described 'Horse Well Fault', an ENE-WSW striking Reverse Fault dipping steeply to the NNE. Stratigraphic offset over this fault is a minimum of 600m, making this a large fault feature.

The basement geology in the hanging wall of the fault consists of granite-gneiss, sedimentary gneiss, diorite, and a mafic dyke, which is consistent with the geology seen in other holes on the tenement.

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Directors

Mordechai Benedikt – Executive Chair
Andrew Graham – Executive Director
Nochum Labkowski – Non-Executive Director

In the foot wall of the fault, HWDD08 encountered a thick package of Wallaroo Group finely bedded sandstones and some volcanic tuff. The interpretation is that the Gawler Range Volcanics encountered in HWD1 lie stratigraphically above the Wallaroo Group sediments (Figure 4).

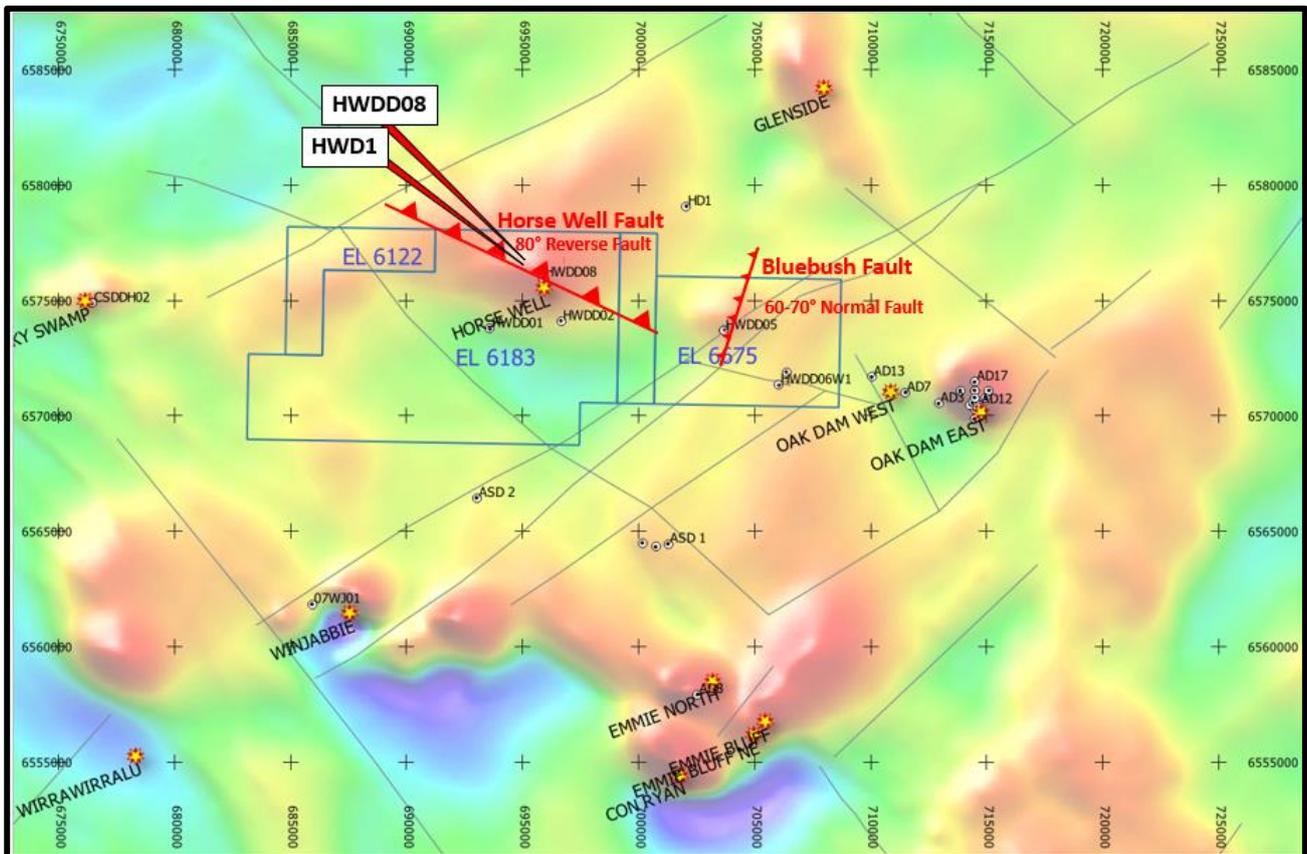


Figure 1: Regional Total Magnetic Intensity Map (TMI) with SARIG “Archaean – Early Mesoproterozoic faults” interpreted lineaments, and the Horse Well Fault and Bluebush Fault.

The collar location for HWDD08 is outlined in Table 1:

Hole ID	Easting	Northing	Azimuth MN (Final)	Dip (final)	Collar RL	Hole Depth (m)
HWDD08	695891	6575975	185.01°	-82°	116.9	1,509.9

Table 1: Collar location and depth for drill hole HWDD08.

Pervasive copper mineralisation of varying intensity was encountered through most of the basement rock units, including the base of the cover sequence in the Pandurra basal conglomerate. The deformation properties of the rock units strongly affected mineralisation intensity, with the granite-gneiss deforming brittlely and having the strongest mineralisation, conversely the Wallaroo Group tending to deform at a large scale and having the least mineralisation. A particularly strong bornite zone was encountered from 937-945m at the base of paleo-weathering (Figure 2). Copper in chalcopyrite was the dominant mineralisation in HWDD08 and was associated with chlorite/magnetite/chalcopyrite/pyrite breccia infill and veins; magnetite/magnetite-hematite/hematite-chalcopyrite/pyrite veins and breccia infill; disseminated chalcopyrite/pyrite; and siderite/chalcopyrite/pyrite stringers (Figure 3).

Some degree of breccia development occurs throughout HWDD08, from irregular microfaults to crackle breccia, clast supported breccia and minor milled breccias, with crackle brecciation being the most common. Brecciation appears to relate to the Horse Well Fault.

The Horse Well Fault and associated breccias are considered to have formed during the timeline of regional IOCG (Iron Ore Copper Gold) deposit formation. This interpretation is based on the breccia textures that mirror those seen in and around other IOCG deposits, and the copper mineralisation is exploiting the porosity created by this brecciation event, indicating that brecciation and mineralisation occurred at the same time.



Figure 1: HWDD08 939m Bornite vein with siderite and orange feldspar rim.



Figure 4: HWDD08 1040.7m 2cm massive chalcopyrite >pyrite-minor magnetite vein, with 5cm magnetite-chalcopyrite-pyrite breccia in footwall.

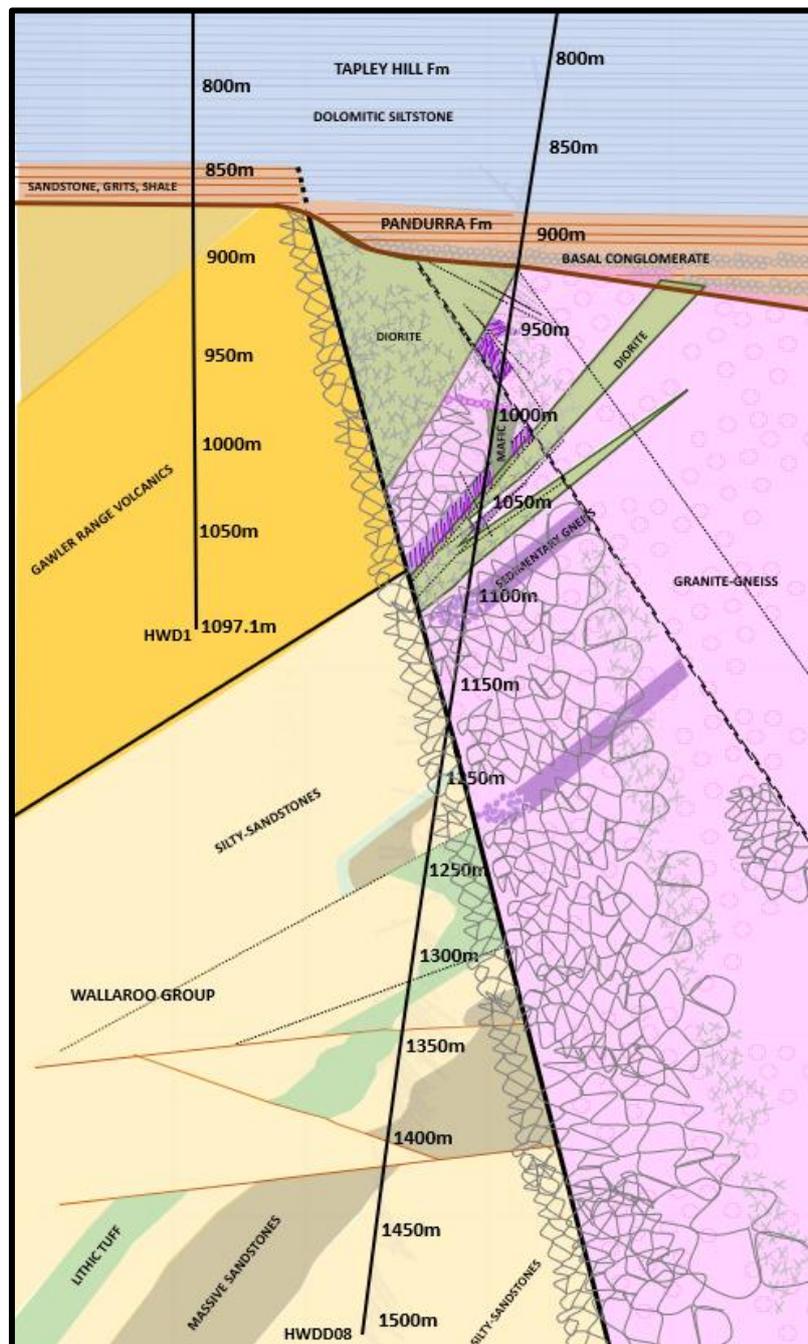


Figure 4: Interpreted Cross-Section HWDD08 and HWD1 looking west.

HWDD07

A comprehensive technical report in relation to tHWDD07 and the Blue Bush Fault at the Horse Well Prospect was compiled and released to the market in full as an ASX Announcement on 28 November 2022.

The identification of the Blue Bush Fault as a structure of interest came about while mapping strip logs of the previous drilling. Holes HWDD04, HWDD05, and HWDD05W1 had generated interest due to broad zones of copper mineralisation, generally in the form of quartz-magnetite-chalcopyrite-pyrite veining. In each of the holes significant fault features were found. Although the presentation of the fault is quite different from hole to hole, the faults were presumed to be the same fault based on a fairly unique orientation to the fault, and

that fault features >30cm at Horse Well tend to be rare, and so relate to pervasive structures. Although 3 intersection points were identified, there still remained a variety of possible orientations consistent with the data. The intersection of the Blue Bush Fault at the approximately predicted location is a strong indication that the fault actually exists and will enable future more aggressive step-out drilling.

Blue Bush Fault has low level IOCG affinity and IOCG mineralisation. This is considered both uncommon as a regional alteration and has the potential to rapidly expand into significant mineralisation if a positive feedback loop or structural preparation and fluid flow is present. A possible structural controlled IOCG is envisaged, as occurs in IOCG deposits in South America and the Cloncurry block. Constraint to a structure bound feature may also promote higher grades, as is seen at Prominent Hill where the mineralised horizon is restricted by strata, as opposed to a non-focussed breccia pipe overprinting a granite. This may increase the economic potential for mining, despite the increased depth, although it remains a hindrance for exploration.

The current model is to expand exploration to the south into the magnetic low area, following the model that oxidising ground waters will convert magnetite to hematite, and that we are looking for a two fluid system of oxidizing ground waters, and less oxidising deep seated magmatic fluid mixing as a precursor for an IOCG. Ideally drilling should be centred on 400m spaced step-outs, however this will need to be planned around confidently hitting the target. Exploration to the north, into the magnetic high area is not precluded, following the Prominent Hill model where significant magnetite is introduced into the system.

Pernatty C

Detailed examination of the drill core for Pernatty C resulted in the decision to submit additional samples for analysis for hole PSDDH01. The assay results were weighted based on the sample length, and all reported intervals were continuous sample lengths. No minimum assay cut-off was applied and intervals were quoted as down-hole widths – true widths were not able to be determined. The results were depicted in a cross section (Figure 5).

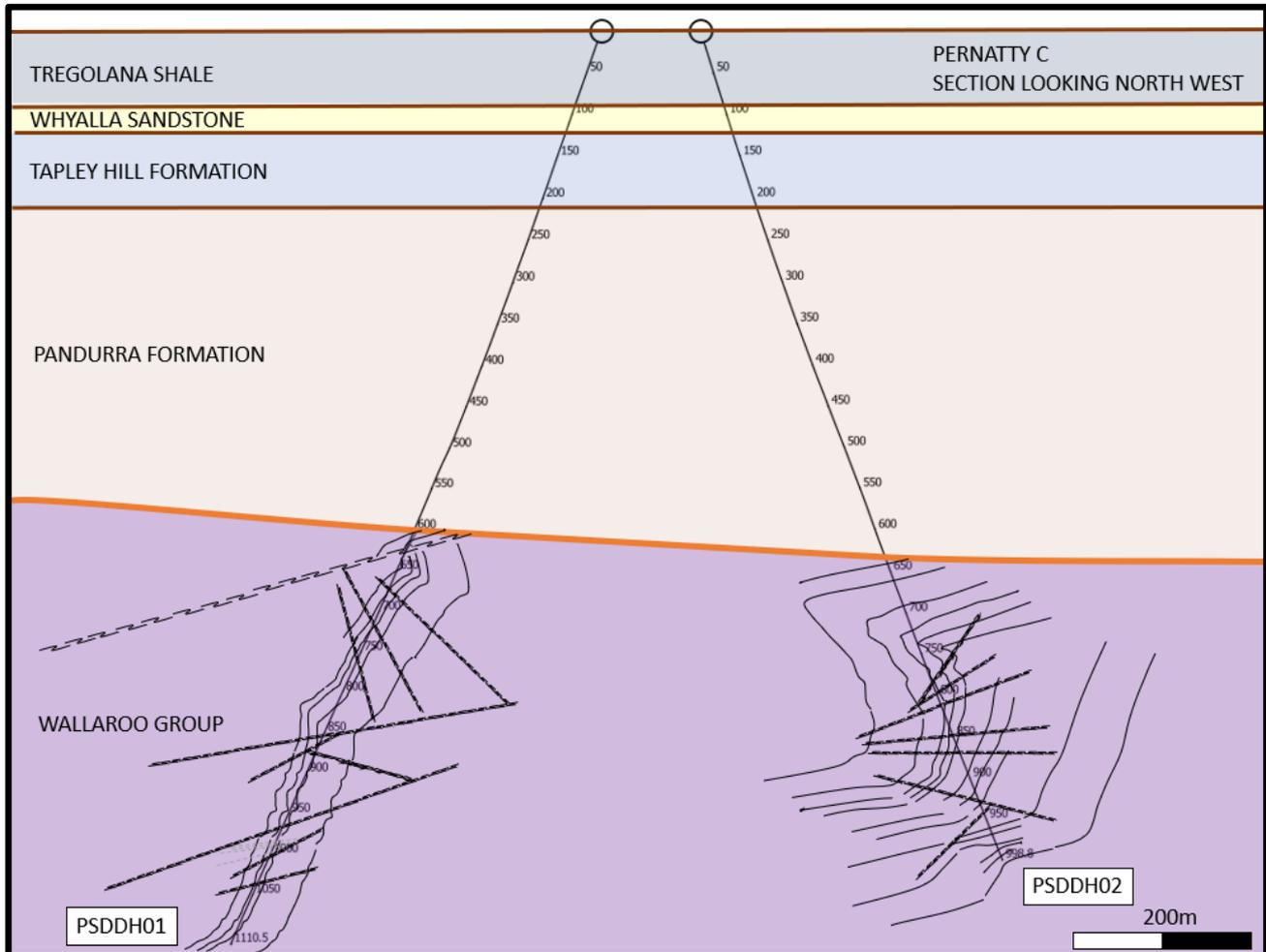


Figure 5: Cross Section looking north-west of PSDDH01 and PSDDH02 from surface with cover stratigraphy and folded and faulted basement Wallaroo Group metasediments.

The results were collated and summarised:

- **PSDDH01**
 - **1m @ 5.28% Zn** and 2.36ppm Ag from 788m
 - **7m @ 0.53% Zn** from 904m
 - **Including 1m @ 1.57% Zn** and 3.5ppm Ag from 907m
 - **1m @ 1.21% Zn** and 3.94ppm Ag from 933m
 - **7m @ 0.63% Zn and 2.56ppm Ag form 978m**
 - **Including 0.8m @ 2.13% Zn** and 13.3ppm Ag from 982.4m
 - **6m @ 0.74% Zn** and 7.0ppm Ag from 1,078m
 - **Including 1m @ 2.78% Zn**, 0.16% Cu, 0.13% Pb, 0.13 ppm Au and 4.4ppm Ag from 1,082m
 - **8m @ 0.34 % Zn** and 2.87ppm Ag from 1,088m

Lake Torrens

There was no activity on the Lake Torrens tenements during the quarter as access issues are currently being evaluated.

Pyramid Lake Update (E74/594)

The Mining Lease approval process was progressed by the Executive Chairman with the aid of an external consulting group.

Wee MacGregor Project Update

The Wee MacGregor group comprises three granted mining licences, ML 2504, ML 2773, and ML 90098 located approximately 60km southeast of Mt. Isa (Queensland). Cohiba maintained its 80% ownership over the Wee MacGregor tenements.

Queensland Exploration Licences

All the Queensland tenements are currently in good standing.

Corporate

Share Purchase Plan (SPP)

Cohiba advised the market on 21 November 2022 regarding a Share Purchase Plan to raise up to \$2 million and issued a Prospectus on 29 November 2022. Cohiba issued an announcement on 16 December 2022 regarding its intention to extend the closing date till 23 December 2022. On 29 December 2022, Cohiba announced that the total subscriptions received under the SPP amounted to \$873,500 and that these funds would be applied to additional exploration activities at the Company's exploration assets in South Australia, Western Australia and Queensland and for working capital requirements.

Investor Webinar

An investor webinar was conducted on 14 December 2022 to provide investors / shareholders with a solid technical overview of the work completed to date across the Company's projects and to provide investors / shareholders the opportunity to pose questions via a comprehensive Q&A session.

ASX Listing Rule 5.23 Statement

The information contained in this announcement related to the Company's past exploration results is extracted from, or was set out in, the Company's ASX releases titled "Horse Well drilling update" released 26 October 2022, "Exploration update and technical reporting – Horse Well Prospect" released 28 November 2022, "Significant additional zinc intersection from Pernatty C" released 6 December 2022 and "Recent drilling at Horse Well continues to point to IOCG potential" released on 23 December 2022, which included a Competent Person's Statements from Mr Andrew Graham. The Company confirms that it is not aware of any new information or data which materially affects the information included in the original market announcement.

Cash Balance at 31 December 2022

The Company's cash at bank as at 31 December 2022 was \$1.48 million.

Appendix 5B related party payments

Amounts included in section 6.1 of the Appendix 5B relate to Director's fees and salaries paid during the quarter.

Interests in Mining Tenements

Below is a summary of the mining tenements held by the Company at the end of the quarter:

Mining Tenement	Location	Beneficial Percentage held	Interest acquired/farm-in or disposed/farm-out during the quarter
E74/594	Western Australia	100%	-
EPM 26379	Queensland	100%	-
EPM26376	Queensland	100%	-
EPM26377	Queensland	100%	-
EPM26378	Queensland	100%	-
ML 2054	Queensland	80%	-
ML 2773	Queensland	80%	-
ML 90098	Queensland	80%	-
EL 6118	South Australia	80%	-
EL 6119	South Australia	80%	-
EL 6120	South Australia	80%	-
EL 6121	South Australia	80%	-
EL 6122	South Australia	80%	-
EL 6183	South Australia	80%	-
EL 6675	South Australia	80%	-

This announcement has been authorised for released by the Board of CHK.

For further information:

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About Cohiba Minerals Limited

Cohiba Minerals Limited is listed on the Australian Securities Exchange (ASX) with the primary focus of investing in the resource sector through direct tenement acquisition, joint ventures, farm in arrangements and new project generation. The Company has projects located in South Australia, Western Australia and Queensland with a key focus on its Olympic Domain tenements located in South Australia.

The shares of the company trade on the Australian Securities Exchange under the ticker symbol CHK and on OTCQB Market under the ticker symbol CHKMF.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

COHIBA MINERALS LIMITED

ABN

72 149 026 308

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(102)	(180)
(e) administration and corporate costs	(274)	(514)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(374)	(692)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(1,234)	(2,152)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1,234)	(2,152)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	874	874
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(9)	(9)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	865	865

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,227	3,463
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(374)	(692)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,234)	(2,152)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	865	865

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,484	1,484

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,484	2,227
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,484	2,227

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	102
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	-	-
7.2	-	-
7.3	-	-
7.4	-	-
7.5	Unused financing facilities available at quarter end	
		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	
	N/A	

8. Estimated cash available for future operating activities	\$A'000
8.1	(374)
8.2	(1,234)
8.3	(1,608)
8.4	1,484
8.5	-
8.6	1,484
8.7	0.92
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
	Answer: No, the Company has now completed its drilling activities at its South Australian exploration areas of interest and awaiting results from the assays which have been sent to the laboratory.
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
	Answer: The Company constantly reviews potential funding arrangements and is confident that it can raise sufficient capital as and when required to fund its operations. It is noted that as at 31 December 2022 Company is also owed over \$880,000 from Olympic Domain Pty Ltd in relation to 20% of their share of exploration expenditure on the Olympic Domain tenements.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, as set out in section 8.6.2.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2023

Authorised by: The Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.