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DATE: 6 April 2017

ISSUED CAPITAL

237,812,207

COBALT X DUE DILIGENCE UPDATE

DIRECTORS

Mr Mordechai Benedikt (Chairman)

Mr David Herszberg (Director)

Mr Nachum Labkowski (Director)

Cohiba Minerals Limited (ASX: CHK) ('Cohiba' or 'the Company') is pleased to provide the following updates in respect of the key conditions to its proposed acquisition of Cobalt X Pty Ltd (**Colbalt X**).

REGISTERED OFFICE AND

PRINCIPAL PLACE OF BUSINESS

Level 4

100 Albert Road

South Melbourne, Victoria 3205

- The Company's due diligence has progressed significantly and is on track for completion by mid-April 2017. During the course of its due diligence the Company has also identified that, in addition to the Project Rights described and defined in the Company's ASX Announcement on 20 February 2017, Cobalt X has recently obtained farm-in rights to an additional project known as the Wee MacGregor Group of Tenements (**Wee MacGregor Group**) under the terms of a Farm-In Agreement entered into with Mining International Pty Ltd, a wholly owned subsidiary of Cape Lambert Resources Limited. Under the terms of the Farm-In Agreement Cobalt X has the right to earn up to an 80% interest in the Wee MacGregor Project located in the world class Mt Isa base metals province in north-west Queensland (further details are set out below).
- Negotiations for formal documentation with Cobalt X are expected to be concluded by mid-late April 2017.
- The Company expects to be in a position to issue a notice of meeting seeking approvals required for completion of the proposed acquisition by mid-late April 2017, targeting a general meeting in mid-late May 2017, with completion shortly thereafter (subject to all conditions being satisfied).

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The Company will provide further details on the status of the proposed Cobalt X acquisition in due course.

Wee MacGregor Farm-In

Key Terms of Cobalt X Farm-In

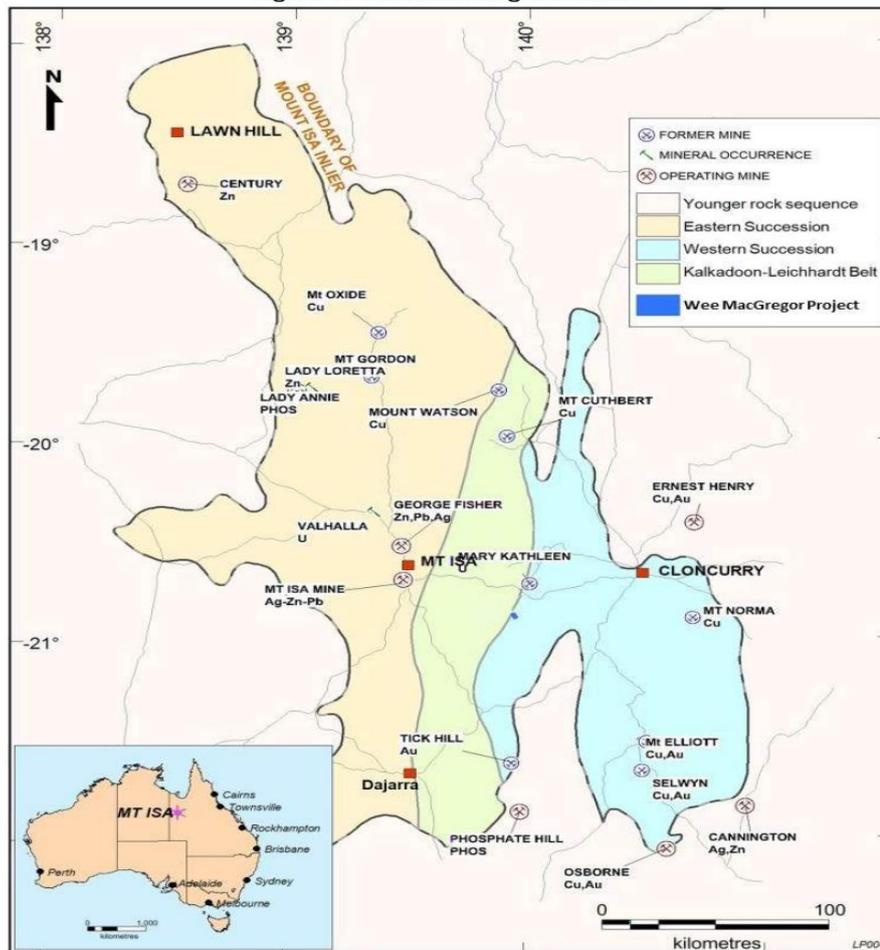
The key terms of the Farm-In Agreement between Cobalt X and Mining International Pty Ltd (**MIPL**) referred to above are:

- Cobalt X will earn an 80% interest in the Wee MacGregor Group subject to spending a minimum of \$210,000 over a 48 month period, or otherwise upon Cobalt X making a “Decision to Mine” at the Project.
- A “Decision to Mine” to achieve an 80% interest in the Wee MacGregor Group will only be accepted by MIPL if the “Decision to Mine” was based on studies, to be provided to MIPL, that show that mining is economically viable and that the development process will commence within 9 months of the “Decision to Mine” being made.
- MIPL shall enjoy a “Free Carry” on all costs associated with the project up until the date that Cobalt X obtains its 80% interest in the Project.
- Cobalt X must ensure during the currency of the Farm-In Agreement that it does nothing that would compromise the good standing of the Wee MacGregor Group tenements.
- Cobalt X will manage all exploration, development and mining activities within the project, including obtaining all permits or approvals necessary for those activities.
- Cobalt X can elect to withdraw from the Project at any time during the farm-in period, but remains responsible for the cost and rehabilitation of any ground disturbing activities it has undertaken during the Farm-in period.

Wee MacGregor Project Overview

The Wee MacGregor Group comprises three granted mining licences (ML 2504, ML 2773 and ML 90098) located approximately 60km southeast of Mt Isa with access via the sealed Barkly Highway and the unsealed Fountain Springs Road (see figure 1).

Figure 1: Wee MacGregor Location



The Wee MacGregor project itself (ML 2504) has an existing JORC 2012 estimated Inferred Resource of 1.65Mt @ 1.6% Cu and an Exploration Target of between 1.0 – 1.5Mt @ 2.5 – 3.7% Cu as determined by the previous tenement operator¹. The Exploration Target is conceptual in nature as there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource under the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code” (JORC 2012). The Exploration Target is not being reported as part of any Mineral Resource or Ore Reserve.

Composite grab samples were collected by the previous tenement operator during a reconnaissance visit, all returning high grade copper (Cu), gold (Au), and cobalt (Co) assay results². Three (3) composite grab samples from two separate mineralised outcropping areas at the Project, were analysed and returned assays of:

- WeeMac South 1 sample – 14.2% Cu, 0.7gpt Au, 0.03% Co
- WeeMac South 2 sample – 9.9% Cu, 1.4gpt Au, 0.06% Co
- Great Central 1 sample – 3.5% Cu, 0.2gpt Au, 0.01% Co

¹ Ref: ASX Announcement AGY, 9/12/15 <http://www.asx.com.au/asxpdf/20151209/pdf/433p3ftdptvbrt.pdf>.

² Ref: ASX Announcement AGY 4/12/15 <http://www.asx.com.au/asxpdf/20151204/pdf/433kp492rl714s.pdf>.

The results have provided scope for the potential definition of high grade, multi-element mineralised areas within the Project, exclusive of and in addition to the defined Inferred Resource and Exploration Target areas.

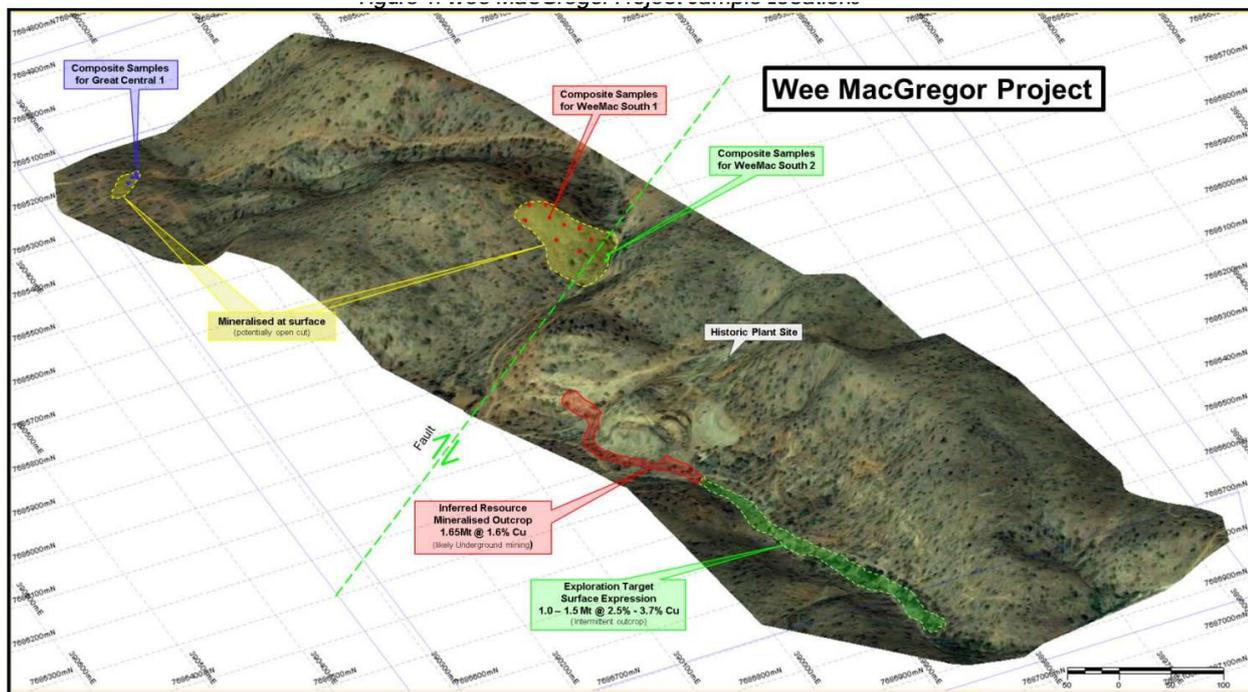


Image 1: Image showing resource and exploration target outlines as well as reconnaissance composite sample locations.

Table 1: Wee MacGregor Project Sample Results

Sample	Au1	Pt	Pd	Ag	As	Bi	Co	Cu	Mo	Ni
UNITS	ppb	ppb	ppb	ppm	ppm	ppm	ppm	%	ppm	ppm
Great Central 1	179	5	-5	-5	10	2	120	3.47	10	50
WeeMac South 1	664	-5	-5	-5	30	-2	320	14.2	-5	200
WeeMac South 2	1380	-5	-5	-5	20	2	620	9.87	15	200

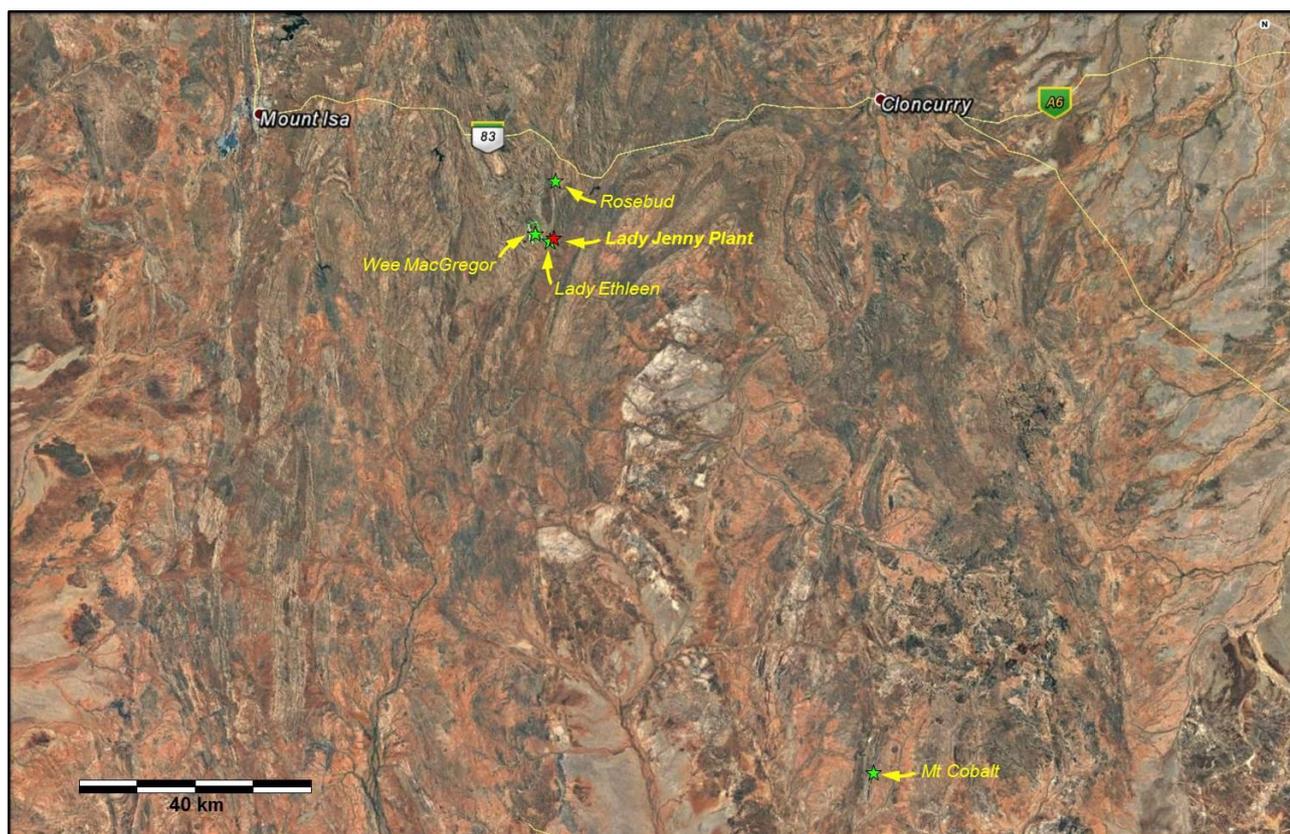
Sample	Pb	Sb	U	Zn	Ca	Cr	Fe	Mn	P	V
UNITS	ppm	ppm	ppm	ppm	%	ppm	%	ppm	ppm	ppm
Great Central 1	-20	-5	2.5	50	2.5	-50	10.2	500	1600	150
WeeMac South 1	20	-5	12.5	50	0.4	-50	7.01	160	23600	200
WeeMac South 2	80	-5	13.5	50	0.6	-50	12.6	200	4200	150

The results have provided scope for the potential definition of high grade, multi-element mineralised areas within the Project, exclusive of and in addition to the defined Inferred Resource and Exploration Target areas.

The Mount Isa Inlier is host to numerous large and small scale deposits and is prospective for copper, cobalt, gold, silver, uranium, base metals, rock phosphate and graphite with several operating mines in the district, including some old workings from the early 1900's located within the Wee MacGregor Project.

Reported production from the historical underground mining at the former Wee MacGregor Mine is 2731 tonnes of copper and 1535 ounces of gold (at 6.2% Cu & 1g/t Au, from approximately 44,411 tons of ore mined). The nearby historical Rosebud Mine produced some 7980t copper at 6.6% Cu.

The Wee MacGregor Group provides an additional project with synergies with the Cobalt X project portfolio which includes the Mt Cobalt stockpiles and a right to negotiate for the Lady Jenny processing plant.



Geology

The Wee MacGregor Group lies across the boundary between the Kalkadoon-Leichhardt Belt and the Eastern Fold Belt of the Mt Isa Inlier. The Mt Isa Inlier is interpreted to have developed over two major tectono-stratigraphic cycles. The basement comprises remnants from the first cycle, metamorphosed to amphibolite facies during the 1900-1970 Ma Barramundi Orogeny (Foster and Austin, 2008). The basement is unconformably overlain by a series of three volcano-sedimentary sequences interpreted to have been deposited in an intra-continental rift setting, intruded by syn-tectonic granite batholiths, and later deformed and metamorphosed by the 1600-1500Ma Isan Orogeny (Foster and Austin, 2008).

The depositional architecture of the cover sequences was controlled by major north-south structures which penetrated the lower crust and accommodated east-west extension (Blenkinsop et al., 2008).

Major structures in the project area include the crustal scale Fountain Range and Pilgrim faults. The Pilgrim Fault is interpreted as a steeply east dipping thrust, representing the most westward thrusting of the Eastern Fold Belt. The Fountain Range Fault is interpreted as a steeply west dipping fault, possibly with a significant strike-slip component.

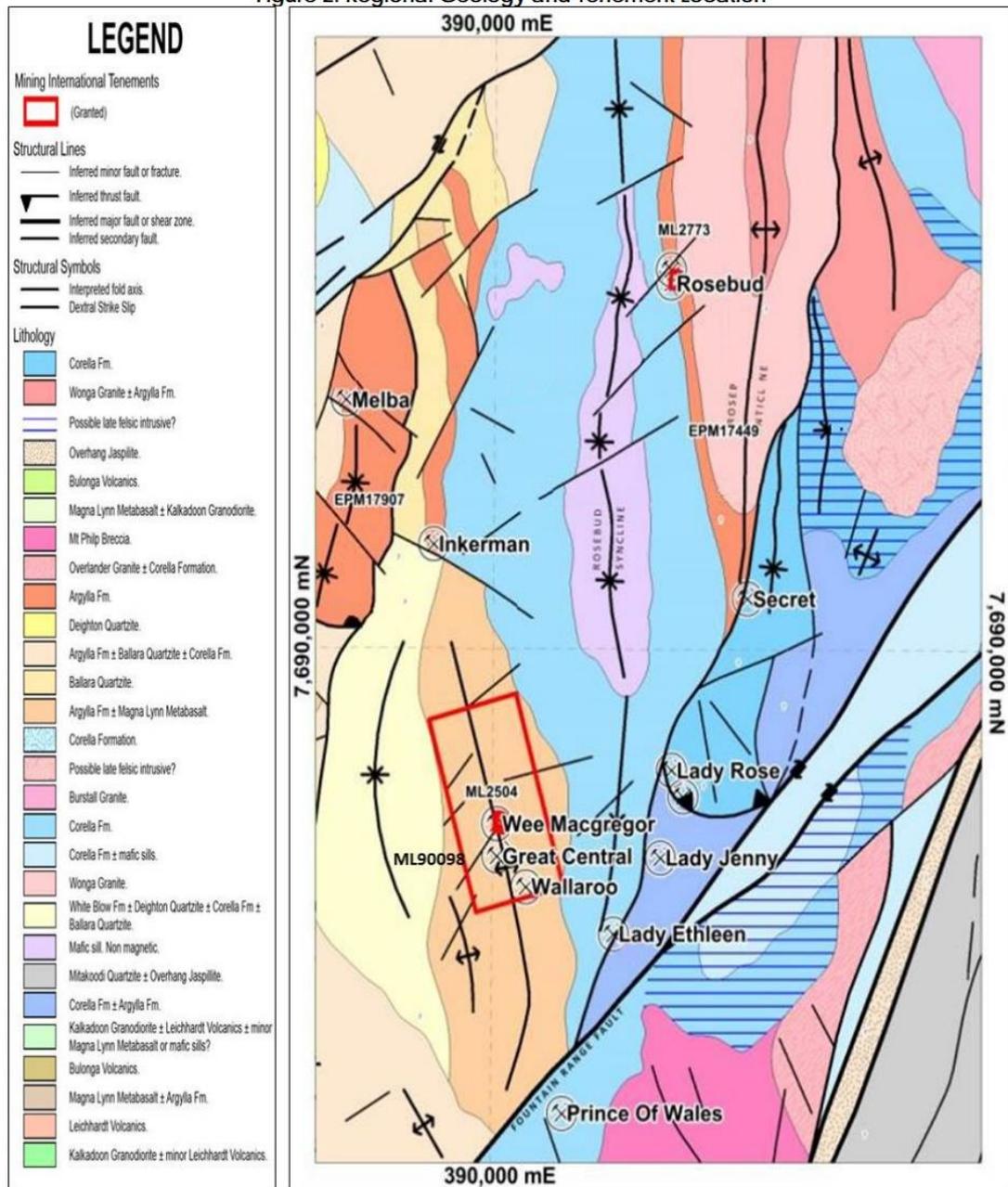
Mafic (dolerite/gabbro/amphibolite) sills and or dykes have intruded the entire area, quite often along faults / fractures and at contacts between stratigraphic units, over multiple periods spanning from pre-Barramundi to 1100Ma.

Two main types of copper mineralisation have been identified in the project area:

1. Shear-hosted lodes at intersection of mafic intrusives and/or north-north west trending shears. Examples include Wee McGregor and Lady Ethleen; and
2. Fault/shear-hosted lodes at intersection of lithological contacts and minor north-east trending faults. Examples include Rosebud.

Oxide minerals have been reported to extend to 100m below surface, with the extent of the transition zone unknown. Sulphide zones have largely remained untested. Primary copper mineralisation is predominantly chalcopyrite, altering to chalcocite with iron oxides and minor digenite and covellite in the transition/supergene zone, thence to predominantly malachite with lesser azurite and tenorite in the oxide zone.

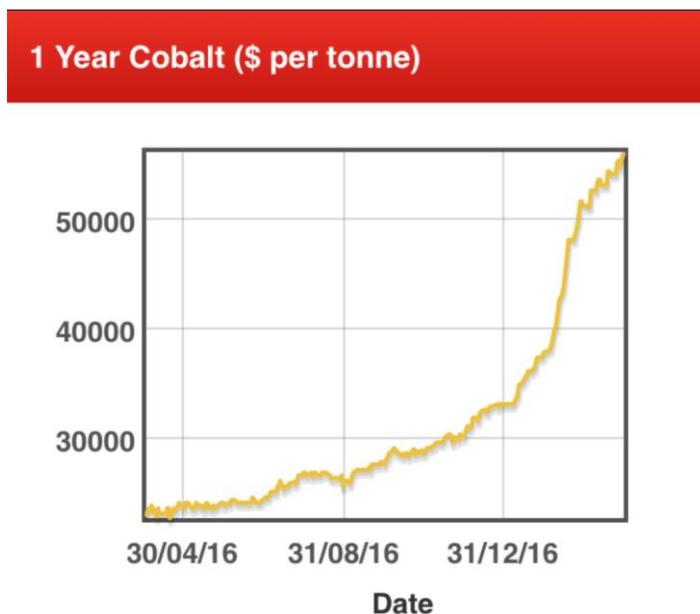
Figure 2: Regional Geology and Tenement Location



The Company's near-term strategy, in the event that the Proposed Acquisition of Cobalt X was to complete, would be to advance the Project will be to review the areas for additional drilling activities to target high grade zones and resource extensions along strike and down dip, with the intention of expanding the maiden Inferred Resource and also increasing the confidence, validity and definition of the Exploration Target.

As the Company progresses its due diligence on Cobalt X, the global demand also continues to increase due to the mass global adoption of lithium-ion batteries as an energy storage solution.

The price of cobalt has recently increased to over US\$55,000.00 (AUD\$73,000.00) per tonne due to global shortages, refer to the below graph (source: LME).



Graph 1: 1 year Cobalt price graph

For Further information, please contact:

Mr Mordechai Benedikt
Executive Chairman

Competent Persons Statement

The information in this announcement 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 Cobalt X.