

**TO: COMPANY ANNOUNCEMENTS OFFICE  
ASX LIMITED**

**DATE: 31 JULY 2018**

## **QUARTERLY ACTIVITIES REPORT – 30 JUNE 2018**

### **Highlights for the June 2018 Quarter**

- Execution of Farm-In Agreement to IOCG and Base metals exploration projects in South Australia
- Commencement of exploration activities on new and existing projects
- Pyramid Lake Project sampling work completed with positive results and resource estimate underway
- Appointment of Dr Robert Beeson as Non-executive Director

**Cash at the end of the quarter was approximately \$1.9 million.** The net cash outflows for the quarter was approximately \$0.29 million.

Cohiba Minerals Limited ('Cohiba' or 'the Company') provides below an update in relation to the corporate and exploration activities carried out during the quarter.

### **Corporate**

During the quarter, Dr Robert (Bob) Beeson, was appointed Non-executive Director of the Company. Bob's appointment will provide the Cohiba Board with significant mining industry experience, and assist in guiding the Company through the coming months as it progresses the exploration of its assets.

Dr Robert Beeson has a BSc Hons and Ph.D. in geology, and has very extensive global experience in the mining industry. Dr Beeson has previously held senior management positions with Billiton Australia, Acacia Resources, North Limited and New Hampton Goldfields, and was Managing Director of Drake Resources Limited until 2013. Dr Beeson served as the Managing Director and Chief Executive Officer of Aura Energy Limited from May 2006 until 1 January 2015, and is currently a Non-Executive Director of that company. He has a range of experience in project identification, valuation and acquisition, strategy development, and in leading and managing exploration teams.

**ASX CODE: CHK**

### **ISSUED CAPITAL**

**557,947,574 Fully Paid Shares**

**414,635,367 Listed CHKO Options**

### **DIRECTORS**

**Mr Mordechai Benedikt (Chairman)**

**Mr Bob Beeson (Director)**

**Mr Nachum Labkowski (Director)**

### **REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS**

**Level 4**

**100 Albert Road**

**South Melbourne, Victoria 3205**

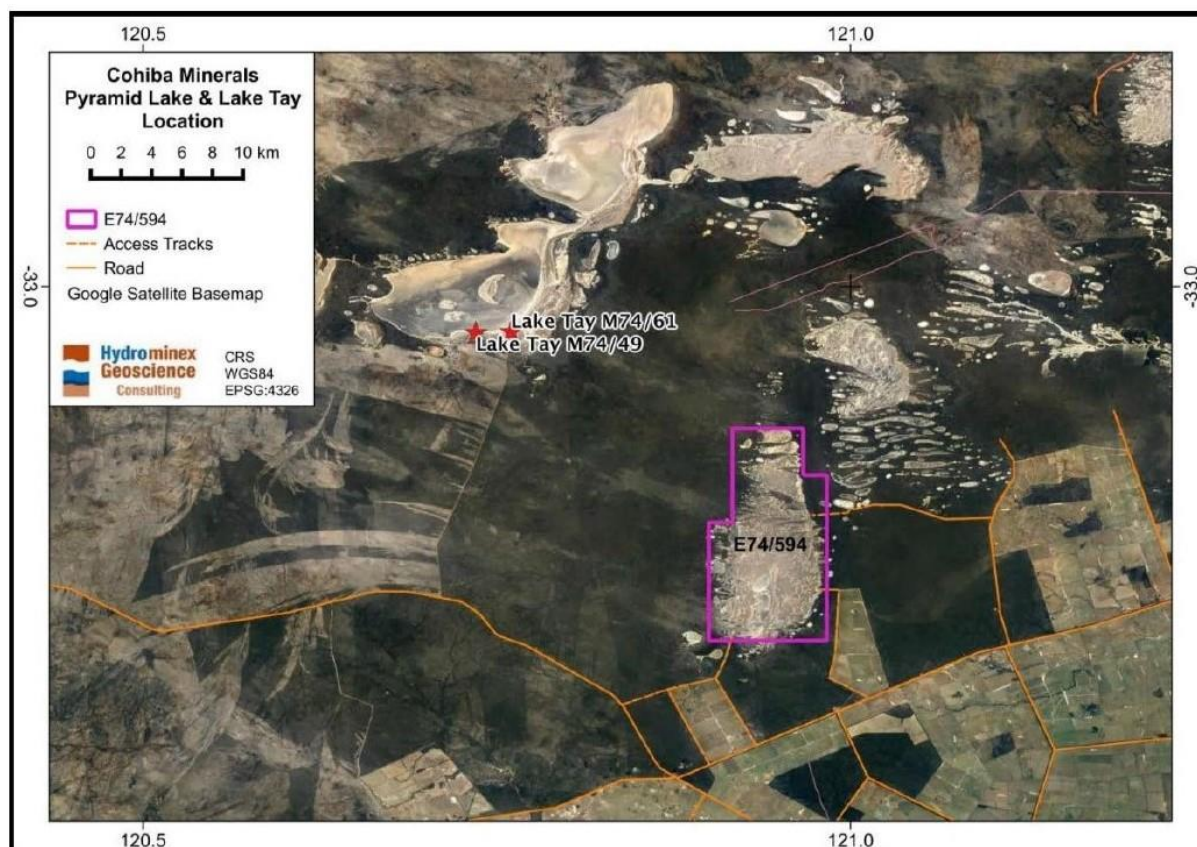
### **CONTACT**

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### **Pyramid Lake Update (E74/594)**

The systematic gypsum sampling program on Pyramid Lake Project E74/594 was completed during the June Quarter, after sampling was postponed due to heavy rains in southwestern WA during the first quarter of 2018. The project, which is located 115 kilometres north-west of Esperance, is focused on defining agricultural quality gypsum in unconsolidated dune material. Gypsum has previously been exploited in the area from Lake Tay, 28 km to the north-west of Pyramid Lake.



**Figure 1: Location of Pyramid Lake Project E74/594 and the location of Lake Tay**

During the quarter 146 samples were taken from the lake on a grid pattern across the predominantly north-south dune system which was identified as hosting high quality agricultural gypsum. Samples were taken with a 25 m spacing along East-West lines, separated by 200m in a north-south direction (Figure 2). Samples were collected with a hand auger and on selected lines holes were extended to the depth of refusal of the hand auger; typically, 2 to 3 metres depth, to evaluate the vertical continuity of the gypsum mineralisation.

The sampling program has returned excellent results, showing an area of high quality (Premium and Grade 1) gypsum along the dune that was identified in the reconnaissance program and reported in the quarterly report on 31 January 2018. The highest gypsum grades are in the initial metre (0 to 1 m depth) with the grade generally decreasing at greater depth, although typically remaining in agricultural gypsum grades 2 or 3. Lower grade material was also delineated on some adjacent dunes. The lower grade material reflects dilution of the gypsum by quartz sand. On the principal north-south oriented dune, the higher gypsum grades are on the western side, where there is an absence of quartz sand.

Gypsum is graded on the basis of gypsum content and also on the size of the particles. Finer grained material has a greater surface area so works better as a soil additive. Eighty percent of the material must be less than 5.6mm in diameter to be considered as suitable for agricultural fertiliser.

**Table 1: Grade Classifications of Gypsum**

	Gypsum %	S %	Ca %	H2O %	Na %	NaCl %	Cd %	Pb %	<2mm	<5.6mm
Premium	89.7	>16.7%		<15%	<0.8%	<2%	<0.001%	<0.01%	>50%	>80%
Grade 1	80.6	>15%	>19%	<15%	<0.8%	<2%	<0.001%	<0.01%	>50%	>80%
Grade 2	67.1	>12.5%	>15.5%	<15%	<0.8%	<2%	<0.001%	<0.01%	>50%	>80%
Grade 3	53.7	>10%	>12.5%	<15%	<0.8%	<2%	<0.001%	<0.01%	>50%	>80%

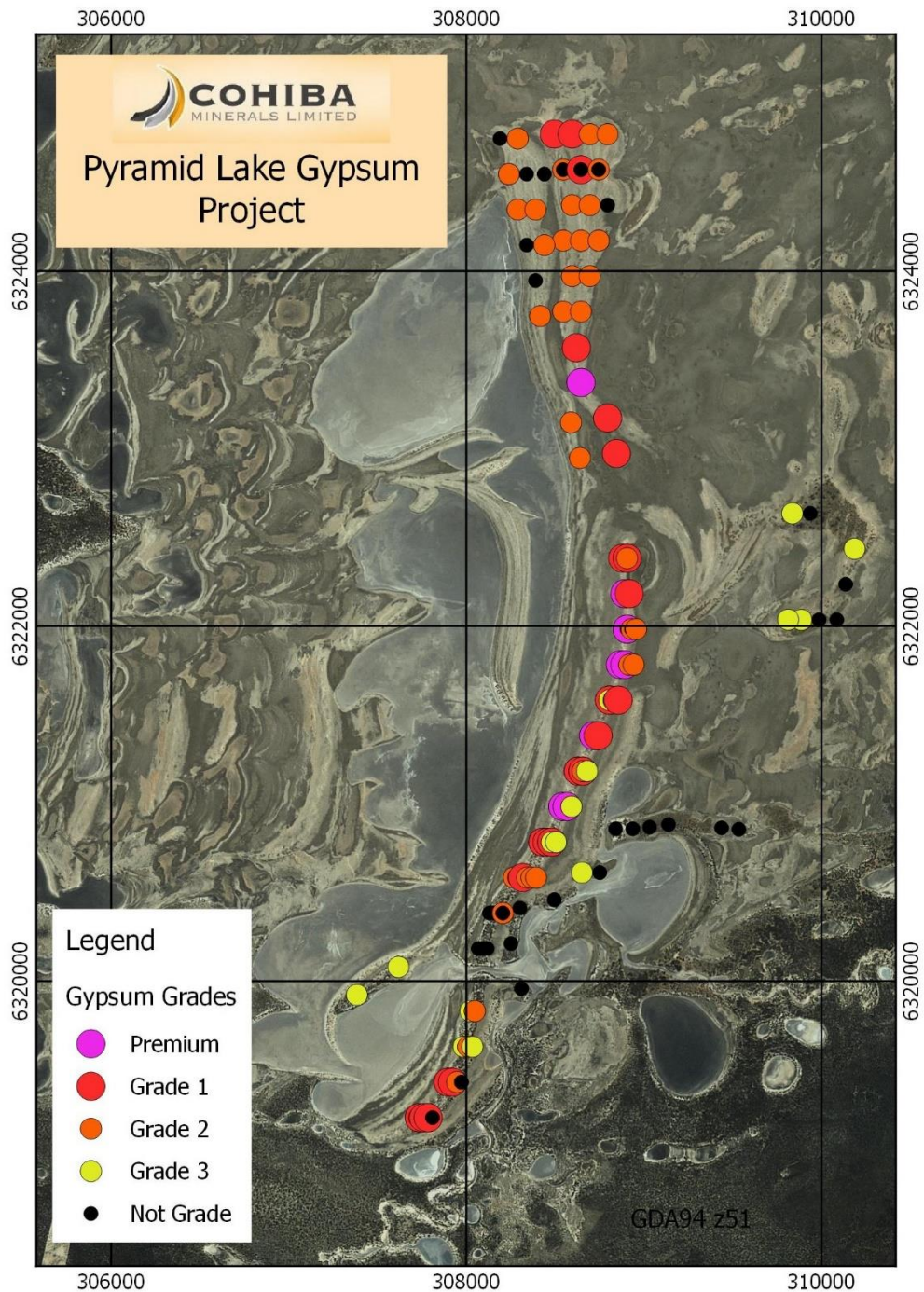
Results suggest the dune system hosts a significant tonnage of gypsum of agricultural quality. The maiden resource estimate is underway and will be completed in the following quarter.

**Table 2: Premium and Grade 1 Gypsum samples from Pyramid Lake**

Sample	Easting	Northing	Depth m	Ca %	Cl mg/Kg	Na %	S %	GYPSUM %	Grade
PL10	308318	6320582	0-1	19.06	1039	0.08	15.15	81.4	1
PL14A	308431	6320782	1-2	20.77	740	0.05	16.21	87	1
PL14B	308431	6320782	2-3	19.66	490	0.03	15.47	83.1	1
PL15	308456	6320782	0-1	22.38	95	0.01	17.48	93.9	Premium
PL15A	308456	6320782	1-2	22.37	542	BDL	17.42	93.5	Premium
PL15B	308456	6320782	2-3	21.34	1320	0.05	16.65	89.4	1
PL16	308481	6320782	0-1	21.54	4556	0.24	16.85	90.5	Premium
PL16A	308481	6320782	1-2	19.58	3897	0.18	15.31	82.2	1
PL18	308543	6320982	0-1	22.92	2042	0.08	17.93	96.3	Premium
PL19	308568	6320982	0-1	22.43	3495	0.14	17.51	94	Premium
PL21	308631	6321182	0-1	22.72	1189	0.02	18.38	97.7	Premium
PL21A	308631	6321182	1-2	22.35	1735	0.05	17.44	93.7	Premium
PL21B	308631	6321182	2-3	20.72	3070	0.16	16.2	87	1
PL22	308656	6321182	0-1	22.05	5072	0.25	17.53	94.1	Premium
PL22A	308656	6321182	1-2	20.24	3960	0.21	16.2	87	1
PL24	308718	6321382	0-1	21.83	2136	0.13	17.35	93.2	Premium
PL25	308743	6321382	0-1	19.43	3515	0.2	15.2	81.6	1
PL26	308806	6321582	0-1	22.64	4671	0.24	17.85	95.9	Premium
PL26A	308806	6321582	1-2	21.08	1958	0.07	16.37	87.9	1
PL28B	308856	6321582	2-3	19.47	6758	0.38	14.94	80.2	1
PL29	308868	6321782	0-1	22.28	2730	0.14	17.67	94.9	Premium
PL30	308893	6321782	0-1	22.55	3133	0.15	17.37	93.3	Premium
PL33	308906	6321982	0-1	24.48	4409	0.25	19.85	105.2	Premium
PL33A	308906	6321982	1-2	25.35	4806	0.31	18.75	100.6	Premium
PL36	308893	6322182	0-1	21.99	2148	0.07	17.47	93.8	Premium
PL37	308918	6322182	0-1	19.33	5639	0.4	15.14	81.3	1
PL38A	308881	6322382	1-2	21.5	6266	0.36	16.67	89.5	1
PL39	308906	6322382	0-1	21.62	6445	0.31	16.41	88.1	1
PL40	307735	6319229	0-1	20.79	4565	0.17	15.75	84.6	1
PL41	307760	6319229	0-1	19.7	3580	0.07	15.13	81.2	1
PL42	307785	6319229	0-1	20.42	7698	0.31	16	85.9	1
PL45A	307898	6319429	1-2	20.54	5102	0.31	15.92	85.5	1
PL45B	307898	6319429	2-3	21.05	2596	0.16	16.01	86	1
PL46B	307923	6319429	2-3	20.26	1208	0.09	15.6	83.8	1



Sample	Easting	Northing	Depth m	Ca %	Cl mg/Kg	Na %	S %	GYPSUM %	Grade
PL70	308846	6322972	0-1	20.81	10002	0.68	16.01	86	1
PL71	308796	6323172	0-1	21.15	5001	0.34	16.22	87.1	1
PL72	308646	6323372	0-1	22.33	1272	0.09	17.37	93.3	Premium
PL73	308620	6323568	0-1	20.81	1667	0.14	16.13	86.6	1
PL85	308646	6324572	0-1	19.88	3948	0.3	15.18	81.5	1
PL87	308496	6324772	0-1	19.57	5264	0.46	15.11	81.1	1
PL88	308596	6324772	0-1	19.6	7633	0.31	15.2	81.6	1



**Figure 2: Grade Distribution of gypsum samples. Note that stacked grades indicate where multiple 1 m samples were taken down hole. Highest grades were from surface.**

## Wee Macgregor project Update

The Wee Macgregor group comprises three granted mining licences, ML 2504, ML 2773 and ML 90098. These licences are located approximately 60km southeast of Mt. Isa with access via the sealed Barkly Highway and the unsealed Fountain Springs Road. The Wee Macgregor project (licence ML 2504) has an existing JORC 2012 estimated Inferred Resource of 1.65Mt @ 1.6% Copper and an exploration target of between 1.0 – 1.5Mt @ 2.3 – 3.7% Copper as determined by the previous tenement operator<sup>1</sup>. The exploration target is conceptual in nature as there has been insufficient exploration to define a mineral resource. It is uncertain whether future exploration will result in the determination of a Mineral Resource under the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserve – JORC Code 2012'. The exploration target is not being reported as any part of a Mineral Resource or Ore Reserve.

Assay results announced on 25 October 2017 (Table 2) confirmed high grade rock chip mineralisation of up to 26.4% for copper, up to 0.21% cobalt and 3.15g/t and have validated historical geochemistry and confirmed the presence of multiple zones of cobalt and gold associated with the copper mineralisation over a significant area.

Sample ID	Easting	Northing	Cu (%)	Co (ppm)	Au (g/t)
27 (1)	390128	7687215	11.4	1965	0.01
28 (6)	390209	7687041	24.2	635	1.66
29 (3)	390149	7687207	26.4	429	0.92
30 (5)	390163	7687175	15.8	407	3.15
31 (001)	390126	7686711	8.4	2140	0.03

**Table 2. Rock Chip Assay results**

During the quarter the Company planned and commenced up to 21 shallow reverse circulation holes to test the extent of obvious surface mineralisation in a location directly south of the main mineralised body known as Great Central.

No mineralisation from the Great Central area has been defined or included in resource estimations in the past so anything discovered below surface will be new. Assay results from previous surface samples taken in the area have returned high grade copper and cobalt values including up to 8.4% Cu and 0.21% Co (refer CHK announcement dated 25 October 2017) demonstrating significant potential for the definition of additional near surface mineralisation.

An additional eight deeper holes will be drilled into the main Wee MacGregor deposit to provide modern multi element assay data and for validation of previously reported resource information (1.65 Mt @ 1.6% Cu – refer ASX: AGY announcement 2 December 2015).

The Company hopes this work will allow better definition of the resource potential in the historic Wee MacGregor deposit and will act as a kick start to additional resource definition and consolidation in the project area.

## South Australia Exploration Licences

As announced on 24 January 2018, Cohiba entered into a binding Terms Sheet (**Terms Sheet**) in relation to a proposed farm-in to a joint venture in respect of seven distinct exploration tenements located in South Australia, with a total portfolio licence area of 831 km<sup>2</sup> with Olympic Domain Pty Ltd (**ODPL** or **Olympic Domain**), an Australian proprietary company.

As announced on 7 March 2018, Cohiba entered into a Farm-in Agreement (Agreement) providing the Company with the right to acquire up to an 80% interest in the tenements held by Olympic Domain over a period of 3 years and 3 stages.

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



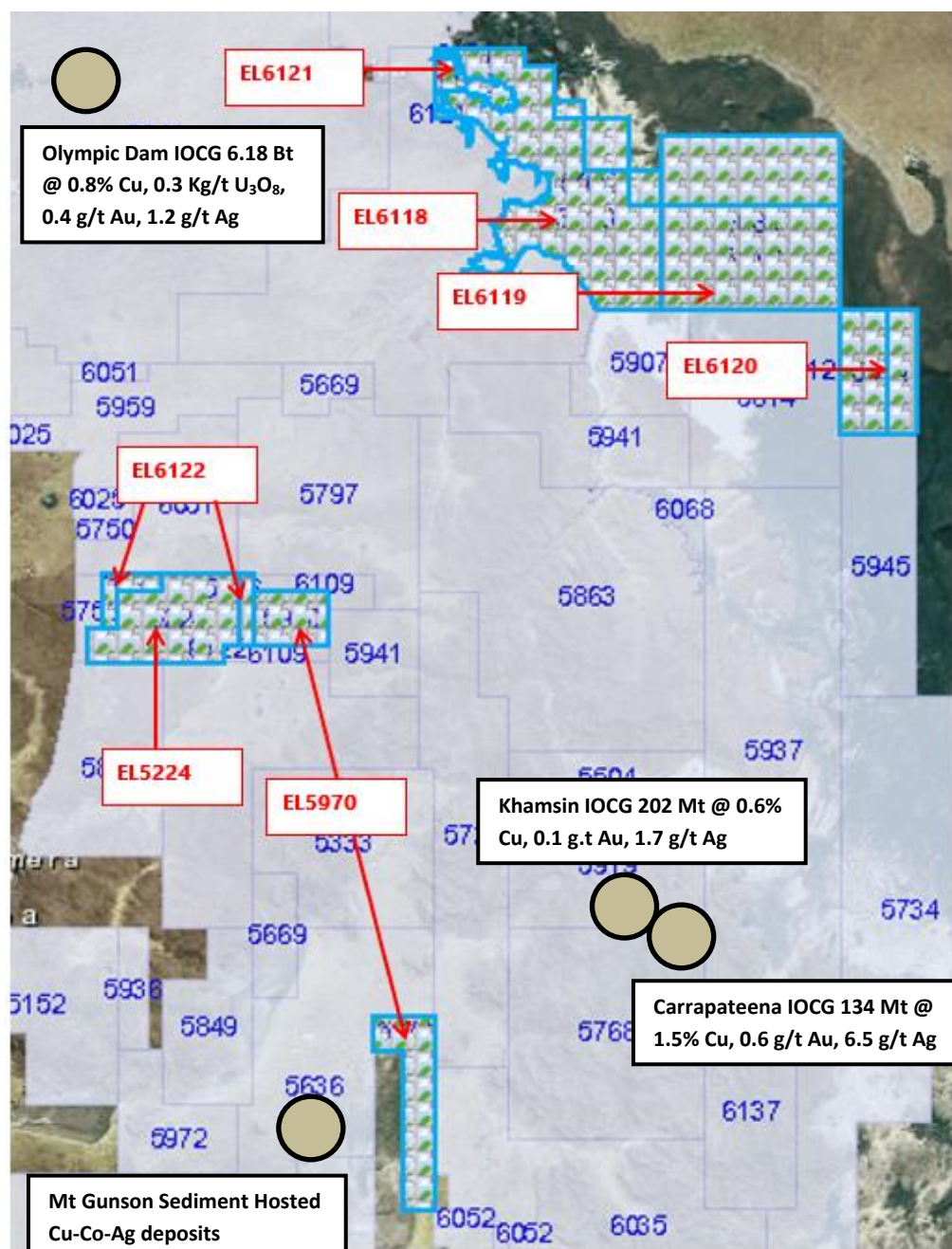
The ODPL tenements are located within the Stuart Shelf which is host to major Iron Oxide Copper Gold (IOCG) deposits containing large quantities of iron oxides (hematite and magnetite), significant copper, gold, uranium, rare earth elements, and silver.

The region contains (refer Figure 1):

- The Olympic Dam copper -gold -uranium mine;
- The Carrapateena copper -gold prospect; and
- The Mount Gunson copper -silver -cobalt deposits; and
- Prominent Hill copper-gold-silver deposit;
- Several other known IOCG prospects.

All of the tenements are located within either ~50km of:

**BHP's Olympic Dam mine or Oz Minerals' Carrapateena project** (JORC resource of 134Mt @ 1.5 % cu, 0.6g/t Au and 6.5g/t Ag<sup>2</sup>).



**Figure 2: Project locations and nearby significant deposits**

<sup>2</sup> Source: ASX Announcement of Oz Minerals Limited dated 24 August 2017 titled "Carrapateena Ore Reserve Statement".

## Olympic Domain Project Portfolio:

EL Number	Locality	Area Km2
EL 6118	Lake Torrens A (Approx. 50km east of Olympic Dam)	299
EL 6119	Lake Torrens B (Approx. 75km east of Olympic Dam)	177
EL 6120	Lake Torrens C (Approx. 80km east of Olympic Dam)	62
EL 6121	Lake Torrens D (Approx. 15km east of Andamooka)	26
EL 6122	Sandy Point (Approx. 55km SSW of Andamooka)	29
EL 5224	Horse Well (Chinaman Swamp area, approx. 30km NNE of Woomera)	118
EL 5970	Pernatty B and C (Approx. 60km south of Andamooka)	120
<b>Total</b>		<b>831</b>

## OLYMPIC DOMAIN MINERALISATION

### EL 6118, 6119, 6120, 6121

A strong discrete residual gravity anomaly was identified within the Lake Torrens B and C tenement, representing a prospective IOCG target in an area where depth to basement is estimated at between 500 and 700m. The Torrens A and B tenements represent prospective IOCG targets marginal to the interpreted Willaroo Lagoon intrusive body. Further, secondary residual gravity anomalies were also identified following an arcuate trend parallel to the eastern contact of the interpreted Willaroo Lagoon intrusive body.

### Pernatty C - EL 5970

Drillhole PY8 completed by CSR Ltd in 1996, and which is located within EL 5970, intersected a geochemically anomalous zone 14m thick from 552 to 566m downhole, within which a sub-zone carried anomalous copper values above 1000ppm, and a 2m vein containing 8.2% Cu;

- The 9m subzone graded 1.9% Cu and the broad anomalous zone 1.25% Cu;
- Potential to re-examine geology and geophysics targeting Cu-Co mineralisation;
- PY 8 also intersected cobalt mineralisation with a correlation between Cu and Cobalt and Cobalt values to 0.36% and 0.25%.

**Table 1 PY8 Significant intersection**

Hole ID	Total Depth m	Dip	From m	To m	Width m	Cu %	Co %
PY 8	574.6	-90	552.3	566	13.7	1.25	0.07
		INCLUDING	559	561	2.0	8.23	0.20

## OLYMPIC DOMAIN, the PROPOSED EXPLORATION

### Torrens A, B and C EL's 6118, 6119, 6120 and 6121:

The Company intends to progress the required permitting and agreements (Native Title Mining Agreement (NTMA) with the Kokotha People) to fast track geochemical survey and subsequent drilling on identified gravity targets. It is also currently proposed that a review of 2008 geophysics with further modelling may be carried out.

### **Horse Well EL's 6122, 5224 and 5970:**

The Company intends to review and extend a 2009 soil geochemistry program targeting IOCG and Uranium mineralisation.

### **Pernatty C, EL 5970:**

The Company intends to carry out a geological review of Copper-Cobalt (Mississippi Valley Type) mineralisation potential and plan soil sampling program / drilling to investigate PY 8 Cu-Co mineralisation.

### **Queensland exploration licences**

The Company holds various exploration licences through its wholly owned subsidiary Cobalt X Pty Ltd. As at the date of this report the Company is the holder of the following mineral exploration licences pursuant to the Mineral Resources Act 1989 (QLD):

- exploration licence EPM26377 (**Mt Gordon Mine Area 1**);
- exploration licence EPM26376 (**Mt Gordon Mine Area 2**);
- exploration licence EPM26380 (**Success Mine Area 1**); and
- exploration licence EPM26379 (**Mt Cobalt Mine Area**).

Cobalt X also held various contractual rights with third parties to facilitate the acquisition by it of additional mining and exploration projects and related plant and equipment (**Project Rights**) including rights to negotiate for the acquisition of a vat leech processing plant in the Mt. Isa region (referred to as the Lady Jenny processing plant<sup>3</sup>). The nature and status of these Project Rights is described in detail in the Company's Notice of General Meeting (Notice) dated 26 May 2017.

The Company has been granted a waiver from ASX, as announced on 26 May 2017, in relation to the issue of deferred consideration for the acquisition of Cobalt Pty Ltd. As at the date of this report, there have not been any shares issued pursuant to this ASX waiver.

### **Charge Lithium Tenements**

#### **Jerramungup (E70/4861), Ravensthorpe (E74/593) and Ferguson Valley (E70/4862)**

These licences were surrendered during the quarter.

#### **Pilgangoora Central Lithium Project**

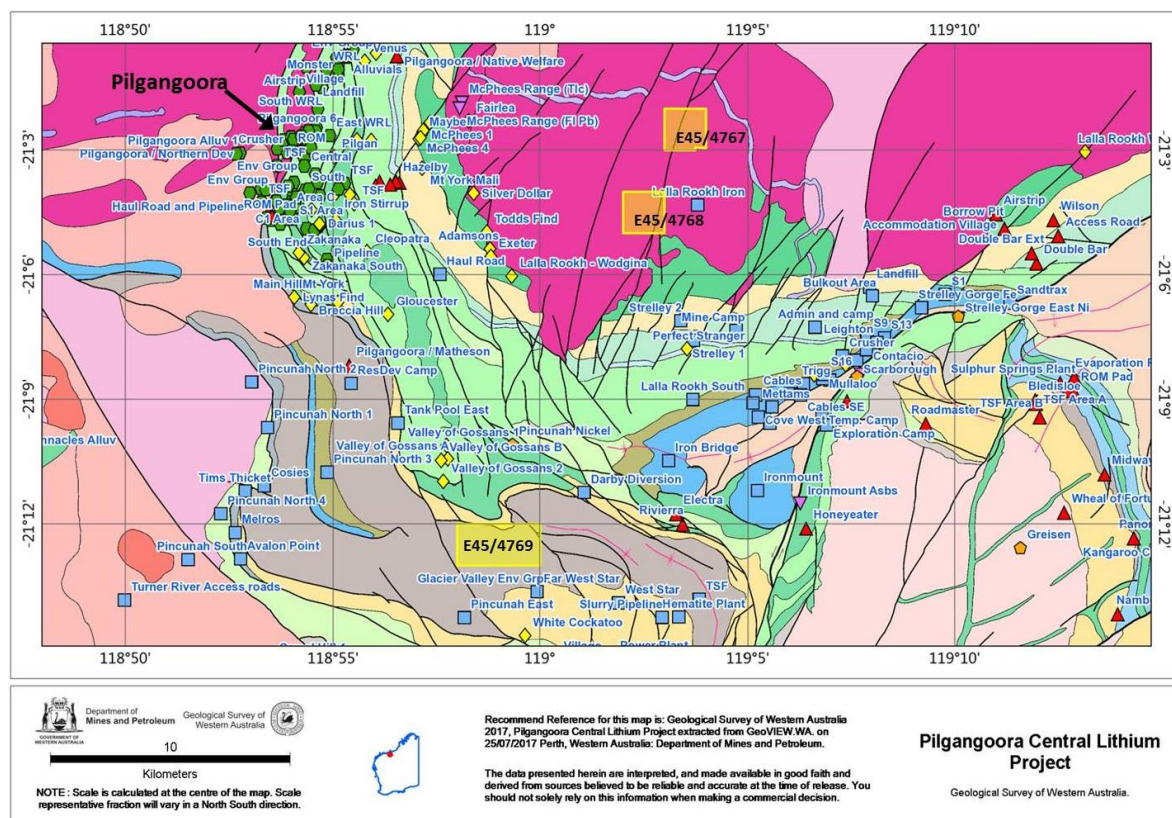
Exploration tenements E45/4767, E45/4768 and E45/4769 are shown in relation to one another and the Pilgangoora pegmatite in Figure 3.

No work was carried out on the tenements during the quarter.

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<sup>3</sup> This acquisition may not occur. Negotiations have halted and the company will look to re-open communications with the vendors.





**Figure 3 – Pilgangoora Central Lithium Project area**

### 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
E70/4861	Western Australia	-	Surrendered during the quarter
E70/4862	Western Australia	-	Surrendered during the quarter
E74/593	Western Australia	-	Surrendered during the quarter
E74/594	Western Australia	100%	-
E74/4767	Western Australia	100%	-
E74/4768	Western Australia	100%	-
E74/4769	Western Australia	100%	-
EPM 26379	Queensland	100%	-
EPM26376	Queensland	100%	-
EPM26377	Queensland	100%	-
EPM26378	Queensland	100%	-
EL 6118	South Australia	-	*Right to earn up to 80% - farm-in agreement
EL 6119	South Australia	-	*Right to earn up to 80% - farm-in agreement
EL 6120	South Australia	-	*Right to earn up to 80% - farm-in agreement
EL 6121	South Australia	-	*Right to earn up to 80% - farm-in agreement
EL 6122	South Australia	-	*Right to earn up to 80% - farm-in agreement
EL 5224	South Australia	-	*Right to earn up to 80% - farm-in agreement
EL 5970	South Australia	-	*Right to earn up to 80% - farm-in agreement

For further information, please contact:

**Mordechai Benedikt**  
Executive Chairman

**Competent Persons Statement**

The information in this report that relates to exploration reporting at the Pyramid Lake project has been prepared by Mr Murray Brooker. Murray Brooker is a geologist and hydrogeologist and is a Member of the Australian Institute of Geoscientists. Mr Brooker is an employee of Hydrominex Geoscience Pty Ltd and is independent of Cohiba Minerals. Mr Brooker has sufficient relevant experience 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. Murray Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears.

**JORC Table 1 – Section 1 Sampling Techniques and Data – Pyramid Lake Gypsum Project**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"><li>• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li><li>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li><li>• Aspects of the determination of mineralisation that are Material to the Public Report.</li><li>• In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li></ul>	<ul style="list-style-type: none"><li>• Gypsum samples taken from hand auger holes. Each hole was drilled in increments of approximately 200mm. Each interval was placed on a tarpaulin and a representative sample was taken from each pile of the combined material to comprise each 1 metre composite sample. The sample was then placed in calico sample bags which were sent to the laboratory upon return to Perth</li><li>• Samples were representative of the immediate area where the holes were drilled</li><li>• Samples were taken on 25 metre centres along lines across the defined dunes on east-west trending lines across the dunes, separated in a north-south sense by 200 m.</li></ul>
Drilling techniques	<ul style="list-style-type: none"><li>• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li></ul>	<ul style="list-style-type: none"><li>• 62mm diameter hand auger with a sand head and extension rods was used for sampling. Samples were taken as metre composites.</li></ul>

Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sample material was placed on a tarpaulin, with the approximate 200mm intervals from the auger head combined and homogenised to create composited 1 metre samples.</li> <li>• Sample recovery was good and sampling was conducted entirely above the water table in all but a few cases.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The material collected from the hand auger holes was described, photographed, and sent to the Perth Intertek laboratory for analysis for gypsum and potential deleterious elements lead and cadmium.</li> <li>• Representative samples were placed in chip trays as a reference for comparison of samples.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Representative samples were created as composites of the 200mm intervals drilled.</li> <li>• Duplicate samples were collected every 20<sup>th</sup> sample.</li> <li>• Sample sizes were approximately 1.5 kg of homogeneous material.</li> <li>• 10 samples representative of grades, as logged and distributed throughout the sampling area were sent to the NAGROM laboratory in Perth to compare with the results of the Intertek primary laboratory.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory</i></li> </ul>	<ul style="list-style-type: none"> <li>• The Intertek laboratory in Perth is a well-established commercial laboratory.</li> <li>• An established methodology was used for analysis for gypsum.</li> <li>• Samples were dried at 45 degrees Celsius to prevent the breakdown of the gypsum.</li> <li>• Digestion specific for the analysis of Gypsum Samples was used. With analysis by Inductively Coupled Plasma Optical (Atomic) Emission Spectrometry</li> <li>• Duplicates and laboratory duplicates samples were used in this program.</li> <li>• Intertek undertook internal duplicate analysis, which shows acceptable sample repeatability.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Systematic sampling will be undertaken to validate the reconnaissance sampling results and included full QA/QC analysis with duplicates analysed in the primary and check laboratories.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The holes were located with a hand held GPS in the field.</li> <li>• The location is in GDA94 Zone 51.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sampling was taken on 25 m intervals on east-west lines with a 200 m north-south line spacing.</li> <li>• 118 holes were drilled.</li> <li>• Most holes were drilled to 1m but 13 holes were drilled to 2m depth and 12 holes were drilled to 3m.</li> <li>• The holes were drilled on 200m spaced lines by hand auger and material was composited to 1 metre samples</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The gypsum sands appear to be essentially flat lying and deposited in wind-blown dunes.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples were transported to the laboratory by a reputable contractor.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No audits or reviews have been conducted at this point in time.</li> </ul>



## Section 2 - Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The property comprises 66,000 ha located 115 km northwest of the town of Esperance in an area where topography is subdued and salt lakes are developed extending north into the goldfields area from Norseman and Kalgoorlie towards the north</li> <li>The tenement is believed to be in good standing, with payments made to relevant government departments.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>No previous exploration for gypsum on the project property is known.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The project is located in a salt lake, which hosts sand dunes, the principal target which is predominantly comprised of gypsum sand. This gypsum dune consists of fine wind-blown gypsum, which is the primary focus of future exploration.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Hand auger drill holes were drilled and their location and RL were recorded with a Garmin Hand held GPSMap 64 GPS</li> <li>The holes were drilled vertically</li> <li>Due to their short depth they were not surveyed</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical</li> </ul>	<ul style="list-style-type: none"> <li>Data aggregation methods have not been applied.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>The gypsum mineralisation is believed to be flat lying, with hand auger holes drilled perpendicular to the interpreted layering of the gypsum.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>The location of the project and planned and actual sample sites are shown in the quarterly report maps.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>The limited data and context of collecting this data is outlined in the quarterly report.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>No other data is available.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>The company is planning to fully review the data and complete an inferred resource estimate.</li> </ul>

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

COHIBA MINERALS LIMITED

### ABN

72 149 026 308

### Quarter ended ("current quarter")

30 JUNE 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(152)	(564)
(b) development	-	-
(c) production	-	-
(d) staff costs	(70)	(289)
(e) administration and corporate costs	(68)	(477)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	14
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(286)</b>	<b>(1,316)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	1,361
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(97)
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 (Proceeds from issue of facilitation Option)	-	56
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>1,320</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,184	1,894
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(286)	(1,316)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,320
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,898</b>	<b>1,898</b>



5. <b>Reconciliation of cash and cash equivalents</b> 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	1,898	2,184
5.2    Call deposits	-	-
5.3    Bank overdrafts	-	-
5.4    Other (provide details)	-	-
<b>5.5    Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,898</b>	<b>2,184</b>

**6.    Payments to directors of the entity and their associates**

- 6.1    Aggregate amount of payments to these parties included in item 1.2
- 6.2    Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3    Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

72

-

Payments to Directors and their related entities during the June 2018 quarter relates to Director's fees.

**7.    Payments to related entities of the entity and their associates**

- 7.1    Aggregate amount of payments to these parties included in item 1.2
- 7.2    Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3    Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A'000**

-

-

-

**8.    Financing facilities available**

*Add notes as necessary for an understanding of the position*

- 8.1    Loan facilities
- 8.2    Credit standby arrangements
- 8.3    Other (please specify)

**Total facility amount  
at quarter end  
\$A'000**

**Amount drawn at  
quarter end  
\$A'000**

-

-

-

-

-

-

- 8.4    Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

-

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	500
9.2 Development	-
9.3 Production	-
9.4 Staff costs	80
9.5 Administration and corporate costs	250
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>830</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E70/4861 E70/4862 E74/593	Exploration Licence Exploration Licence Exploration Licence	100% 100% 100%	- - -
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

### 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.

Sign here:



Company Secretary

Date: 31 July 2018

Print name:

JUSTIN MOUCHACCA

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.