

TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED

DATE: 31 October 2017

QUARTERLY ACTIVITIES REPORT – 30 SEPTEMBER 2017

Highlights for the September 2017 Quarter

- Exploration Licences E45/4767, E45/4768 and E45/4769 was granted to Charge Lithium Pty Ltd
- High grade rock chip assays up to 26.4% for copper, up to 0.21% cobalt and 3.15g/t gold returned from the lab which all confirm the high grade nature of the Wee Macgregor project project from previous portable XRF analyses
- Commencement of exploration activities on new and existing projects

Cash at the end of the quarter was approximately \$1,658,000. The net cash outflows for the quarter was approximately \$236,000.

Cobalt X Acquisition

During the quarter and following shareholder approval sought at the Company's General Meeting held on 27 June 2017, the Company completed the acquisition of all issued shares in Cobalt X Pty Ltd (**Cobalt X**) as announced to the ASX on 20 February 2017.

On 24 July 2017, the Company issued the consideration shares, with 50% of the shares being escrowed for 12 months from the date of issue.

During the quarter, the Company received notification from Cobalt X Pty Ltd that Exploration Licence Application EPM 26379 had been granted.

The Mt Cobalt East tenement is dominated by granite and sandstone units containing some copper mineralisation associated with fracturing of the host rock. This unit abuts a metamorphosed and stone/slate/metasilstone that has been crosscut by numerous ultramafic dykes, both of which contain zones of brecciation. No exploration seems to have taken place in these areas although it is possible some first pass exploration has been carried out.

ISSUED CAPITAL

435,947,574 Fully Paid Shares
230,635,367 Listed CHKO Options

DIRECTORS

Mr Mordechai Benedikt (Chairman)
Mr David Herszberg (Director)
Mr Nachum Labkowski (Director)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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100 Albert Road
South Melbourne, Victoria 3205

CONTACT

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About Cobalt X

Cobalt X is an Australian proprietary company involved in the business of minerals exploration (with a focus on Copper and Cobalt assets) which has made applications for the following minerals exploration licences pursuant to the Mineral Resources Act 1989 (QLD):

- mining licence application ML 100115 (**Mt Cobalt Stockpile Project**);
- exploration licence application EPM26377 (**Mt Gordon Mine Area 1**);
- exploration licence application EPM26376 (**Mt Gordon Mine Area 2**);
- exploration licence application EPM26380 (**Success Mine Area 1**); and
- exploration licence EPM26379 (**Mt Cobalt Mine Area**).

The above are collectively referred to as the **Licence Applications**.

Cobalt X also holds 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 leach processing plant in the Mt. Isa region (referred to as the Lady Jenny processing plant¹). 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 map above shows the approximate locations of the areas and assets the subject of the Project Rights.

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.

Wee Macgregor project Update

Subsequent to the end of the quarter, the Company announced that laboratory assays have confirmed high grade rock chip mineralisation of up to 26.4% for copper, up to 0.21% cobalt and 3.15g/t gold at the Wee Macgregor Copper cobalt gold Project located in Mount Isa, Queensland, a premier base metals province (see announcement 25/10/17).

The Company previously published (see announcement 07/08/17) portable XRF analyses of the visible outcropping copper cobalt and gold mineralisation which occurs at the Wee Macgregor Project.

Five (5) samples were sent to the assay laboratory and have returned highly encouraging results including significant levels of associated cobalt (Co) in sample 31 and higher grade associated gold (Au) indicated in samples 30 and 28, as detailed below, refer table 1 and figures 1 and 2. Results 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 1. Rock Chip Assay results

¹ This acquisition may not occur. Negotiations have halted and the company will look to re-open communications with the vendors.

The Company is working with a highly regarded local contractor on the scope of works in preparation of minor earthworks to restore the access road and conduct the initial drilling programs.

Cohiba expects to receive all necessary regulatory permits and approvals to commence the drilling operations in the short term.

Charge Lithium Update

On 24 April 2017, the Company provided an update in relation to exploration activities carried out on its recently acquired Charge Lithium projects. Preliminary work has begun on the group of tenements collectively titled the Great Southern Group including Pyramid Lake (E74/594), Ravensthorpe (E74/593) and Jerramungup (E70/4861).

Pyramid Lake (E74/594)

The Lake Pyramid Project is located approximately 150km north of the Port of Esperance in Western Australia. Cohiba is in the fortunate and unique position of having established infrastructure close at hand with sealed roads and main power adjacent to the lake and close proximity to the Esperance agricultural market.

During the quarter the company has engaged Murray Brooker from Hydrominex Geoscience as Consulting Hydrogeologist – Murray has significant experience in hydrogeological assessments of salt Lake lithium and potash projects in Argentina and Chile. Extensively involved with the development of Orocobre's Olaroz Project in Argentina.

Initial desktop investigations identified the potential for gypsum, this includes collecting all available data, preparing maps, conducting a field visit and sampling and writing up observations. A further 10 brine samples and 4 soil/gypsum samples from Pyramid Lake were taken and are currently being analysed in the laboratory.

Pending these additional results, the Company will plan further works including drilling, evaporation tests and possible pumping tests to understand the volume potential of the lake and provide basic information allowing a preliminary commercial assessment.

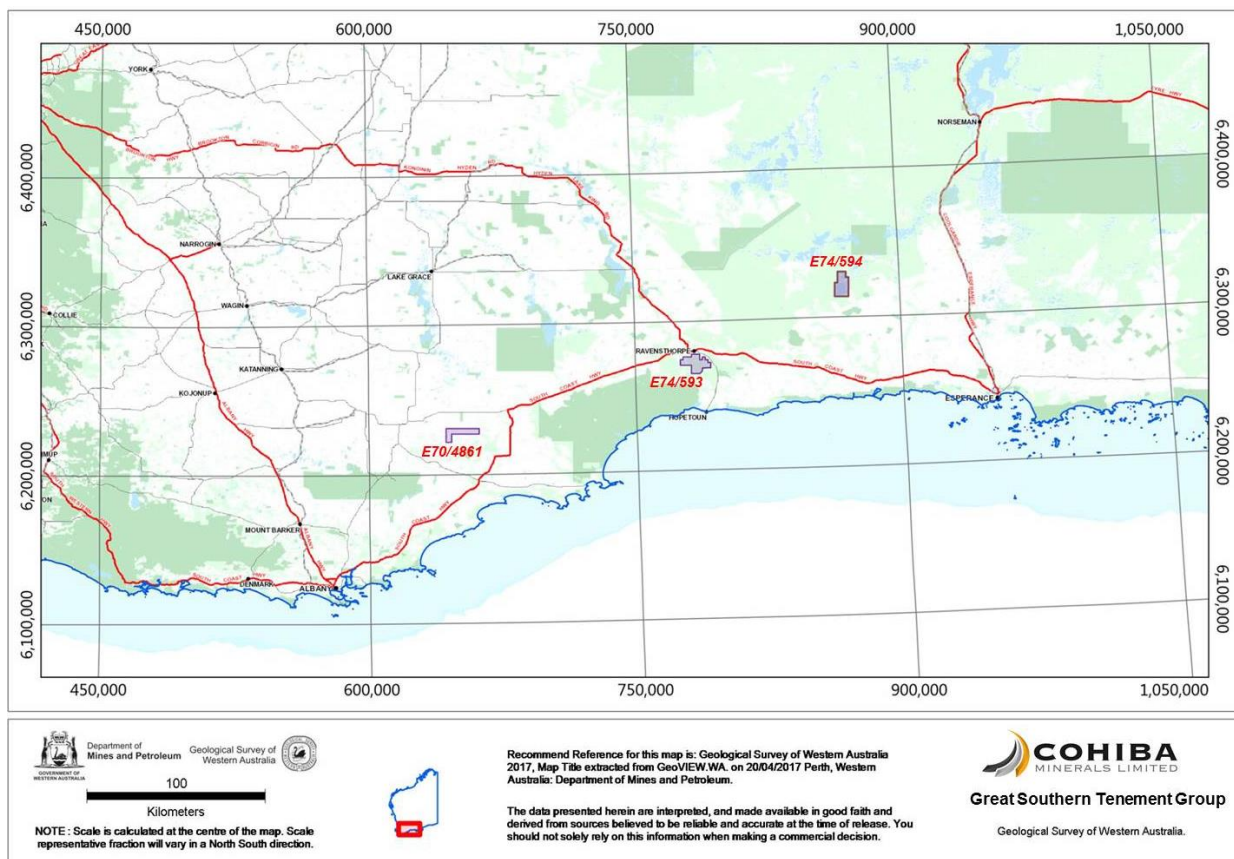


Figure 1. Great Southern Tenement Group



Figure 2. Pyramid Lake sample and dune locations

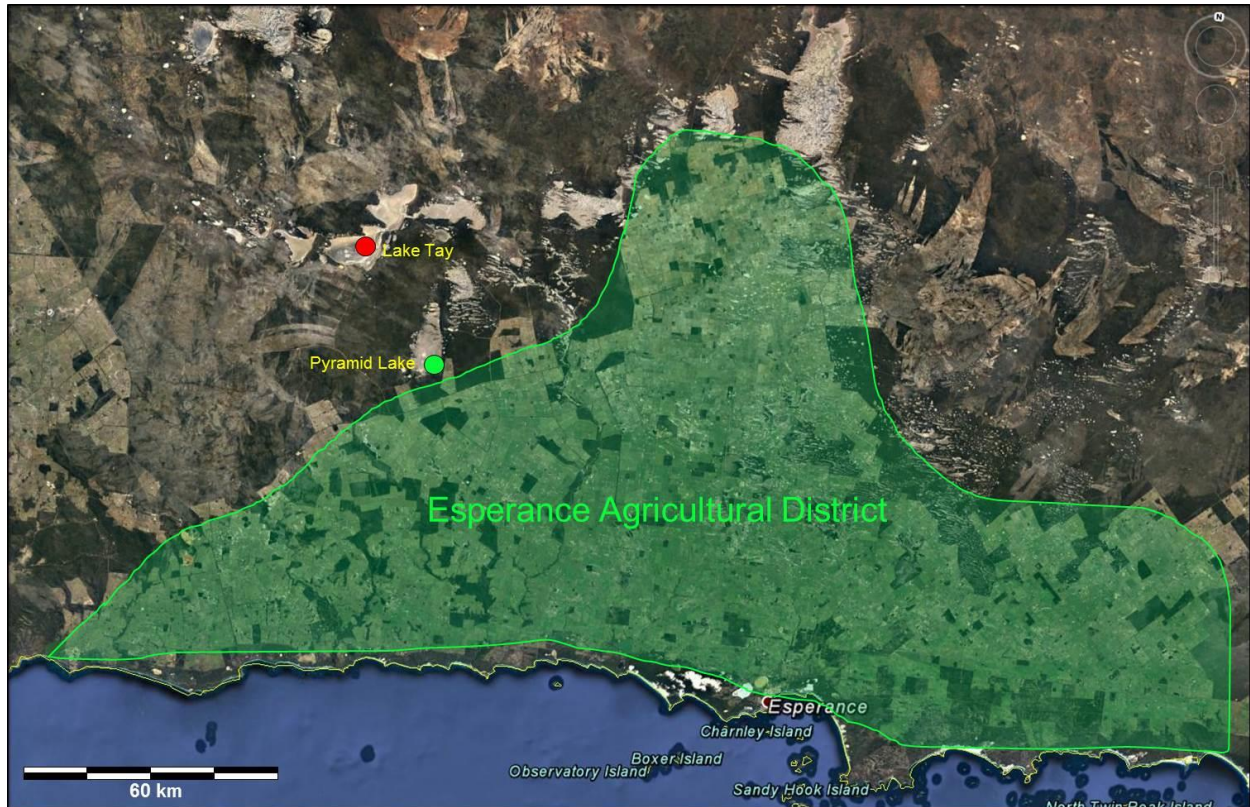


Figure 3. *Esperance Agricultural District*

Jerramungup (E70/4861)

The area is heavily cleared flat lying farmland with intermittent outcrop mostly found within creek systems or float excavated from farm dams or removed from paddocks.

Large scale government mapping indicates no significant potential for the discovery of economic mineralisation within this tenement. This was reflected from the reconnaissance with only exposures of granite and minor mafic (dyke origin) detritus discovered.

It is likely this tenement will be surrendered in due course.

Ravensthorpe (E74/593)

E74/593 lies due south of the town of Ravensthorpe and is surrounded by lithium rich pegmatite in the Mt Cattlin mine as well as reports of high grade lithium found by other junior explorers.

The tenement area is largely covered by dense bush with minor farmland so access was limited to existing roads and tracks or through cleared farmland with permission from the owner. Many of the tracks and roads were impassable due to recent flooding that had destroyed several bridges and roads in the district.

Subsequent to the end of the quarter, the Company announced that assay results have been received from the reconnaissance sampling undertaken earlier in the year. Unfortunately, no significant results were received for lithium from the pegmatites sampled.

Ground access at the time was severely limited due to the recent flooding events that cut roads and tracks, and the dense bush covering the majority of the tenement. The Company is reviewing its options for future exploration in the area.

Pilgangoora Central Lithium Project

Applications for the three tenements comprising the Pilgangoora central lithium project have now been granted. Exploration tenements E45/4767, E45/4768 and E45/4769 are shown in relation to one another and the Pilgangoora pegmatite in Figure 4.

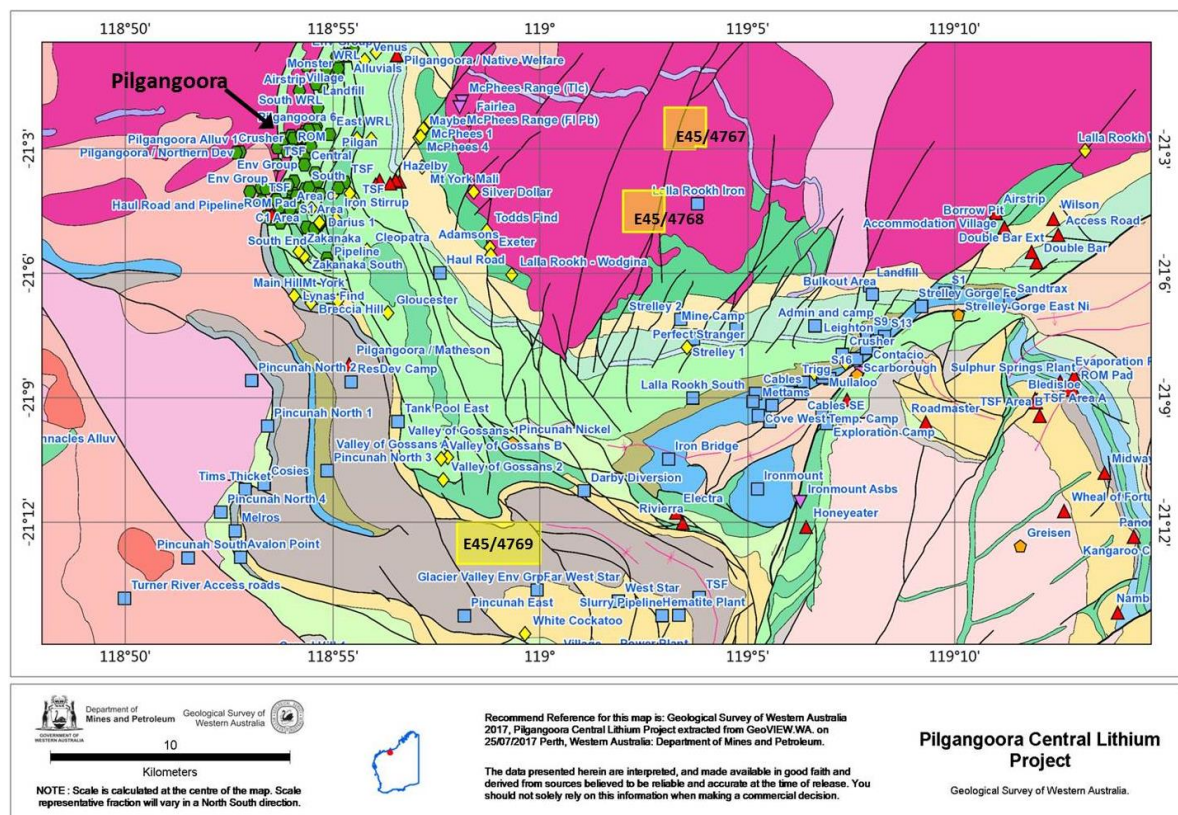


Figure 4 – Pilgangoora Central Lithium Project area

The Company was previously granted with a waiver from ASX, as announced on 18 August 2016, in relation to the issue of shares for the acquisition of Charge Lithium Pty Ltd on the following condition:

- The Shares are issued to the Charge vendors no later than 20 March 2018, subject to approval at the shareholder's meeting.
- The milestone which must be satisfied for the Shares to be issued are not varied.

As at the date of this report, the Company has issued a total of 14,000,000 Shares pursuant to this waiver with no shares remaining to be issued.

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 | 100% | - |
| E70/4862 | Western Australia | 100% | - |
| E74/593 | Western Australia | 100% | - |
| E74/594 | Western Australia | 100% | - |
| E74/4767 | Western Australia | 100% | 100% |
| E74/4768 | Western Australia | 100% | 100% |
| E74/4769 | Western Australia | 100% | 100% |
| EPM 26379 | Queensland | 100% | 100% |

On 24 July 2017, the Company completed the acquisition of 100% of the issued capital in Cobalt X Pty Ltd, the holder of Exploration licence applications and Exploration Licences EPM26379 and EPM26377.

For further information, please contact:

Mordechai Benedikt
Executive Chairman

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 September 2017

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (105) | (105) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (71) | (71) |
| (e) administration and corporate costs | (119) | (119) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 3 | 3 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Research and development refunds | - | - |
| 1.8 Other | - | - |
| 1.9 Net cash from / (used in) operating activities | (292) | (292) |

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

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|---|------------------------------------|--|
| 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) | - | - |
| 2.6 | Net cash from / (used in) investing activities | - | - |

| | | | |
|-------------|---|-----------|-----------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | - | - |
| 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 | - | - |
| 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 | 56 |
| 3.10 | Net cash from / (used in) financing activities | 56 | 56 |

| | | | |
|------------|--|--------------|--------------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 1,894 | 1,894 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (292) | (292) |
| 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) | 56 | 56 |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 1,658 | 1,658 |

| 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 | 1,658 | 1,894 |
| 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) | 1,658 | 1,894 |

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 |
|----------------------------|
| 74 |
| - |

Payments to Directors and Director related entities during the September 2017 quarter for 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 |
|----------------------------|
| - |
| - |

Nil

| 8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| 8.1 Loan facilities | - | - |
| 8.2 Credit standby arrangements | - | - |
| 8.3 Other (please specify) | - | - |
| 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. | | |

Nil

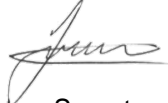
| 9. Estimated cash outflows for next quarter | \$A'000 |
|--|----------------|
| 9.1 Exploration and evaluation | 120 |
| 9.2 Development | - |
| 9.3 Production | - |
| 9.4 Staff costs | 95 |
| 9.5 Administration and corporate costs | 140 |
| 9.6 Other (provide details if material) | - |
| 9.7 Total estimated cash outflows | 355 |

| 10. Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|--|--|---|---|---|
| 10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | - | - | - | - |
| 10.2 Interests in mining tenements and petroleum tenements acquired or increased | E45/4767 E45/4768 E45/4679 | Exploration Licence Exploration Licence Exploration Licence | - - - | 100% 100% 100% |

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 October 2017

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.