

June 2020 Quarterly Activities Report & Appendix 5B

Highlights for the June 2020 Quarter

- Cohiba Minerals met milestone target in gaining 51% of Olympic Domain tenements under Farm-In Agreement with the drilling programs expected to achieve the 80% ownership target.
- 3D inversion modelling of the magnetotelluric (MT) data acquired from the Horse Well confirms IOCG potential and presence of the proposed “feeder” zone.
- Assays from Pernatty C soil survey returned multiple anomalous results for copper, lead, zinc, and cobalt.
- Resistivity and Induced Polarisation (IP) geophysical surveys at Pernatty C showed significant structural control and potential for “Mt Gunson” / “Zambian Copper Belt” style mineralisation.
- Exploration Program for Environment Protection and Rehabilitation (PEPR) for Horse Well and Pernatty C drilling programs submitted to Department for Energy and Mining (SA).
- The Heritage Survey for the drilling programs at Horse Well and Pernatty C was coordinated with with the Kokatha Aboriginal Corporation (KAC) and subject matter experts for early July.
- All tenements within the Horse Well, Pernatty C (Mt Gunson) and Lake Torrens areas were maintained in good standing.
- All tenements in Queensland (Wee MacGregor, Mt Gordon, Success and Mt Cobalt) were maintained in good standing.
- Mining Proposal, Mining Lease application and Mine Closure Plan for the Pyramid Lake (WA) gypsum project progressed via specialist consulting group Groundwork Plus.

Cohiba Minerals Limited (‘Cohiba’ or ‘the Company’) provides below an update in relation to the exploration activities carried out during the June 2020 quarter.

Olympic Domain Tenements

Horse Well Area

The 3D inversion modelling of the magnetotelluric (MT) data confirmed the presence of a NW-SE trending feature coincident with the previously interpreted “feeder” zone which is associated with Iron Oxide-Copper-Gold (IOCG) systems.

A persistent low resistivity feature from approximately 400 metres below the surface, within this NW-SE trending zone, and offset from significant gravity and magnetic anomalies provided further drill-ready targets.

Address

Level 21
459 Collins Street
Melbourne VIC 3000
Phone: +61 3 8630 3321

Directors

Mordechai Benedikt – Executive Chair
Andrew Graham – Executive Director & CEO
Nochum Labkowski – NED

The resistivity maps (plans) in Figures 1 – 4, from 400 m to 750 m below the surface depict the top of the “feeder” zone well and showed strong correlation to the previous MT survey work (Figure 5). Resistivity data collected with audio magnetotelluric (MT) surveys has shown itself to be a potential vector (pointer) to IOCG mineralisation.

Resistivity profiles (cross-sections) were generated across the upper part of the “feeder” zone area and showed a persistent low resistivity (high conductivity) zone from approximately 400 m below the surface (Figures 6 - 9).

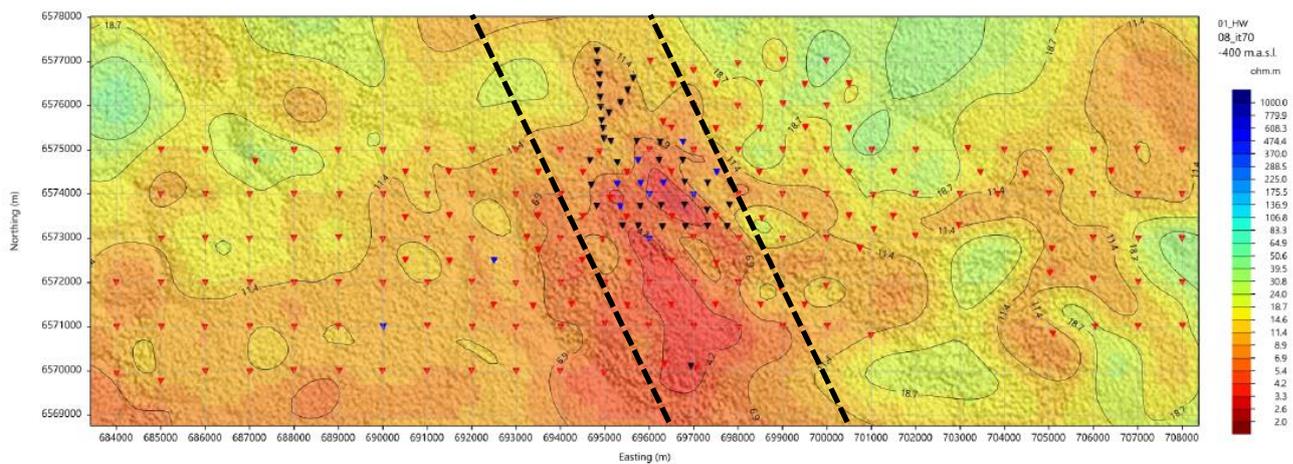


Figure 1: Resistivity plan view at -400 m below surface showing strong NW-SE trend (black dashed).

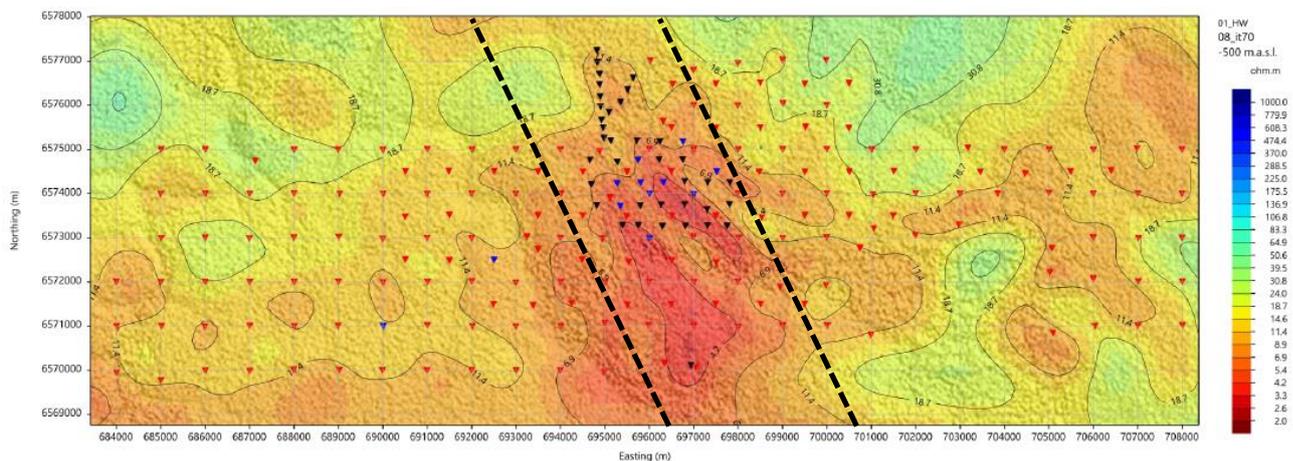


Figure 2: Resistivity plan view at 500 m below surface showing strong NW-SE trend (black dashed).

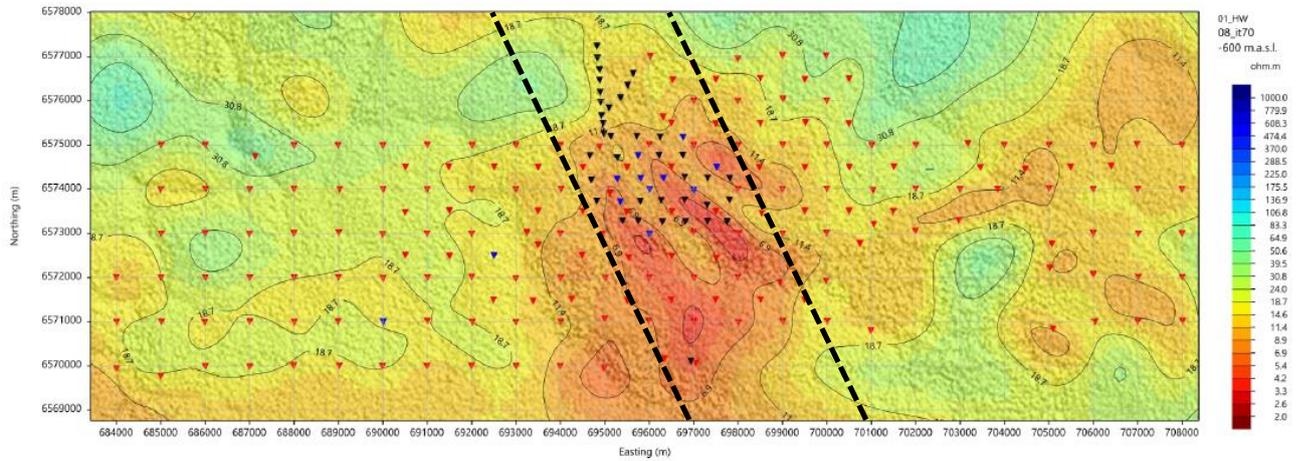


Figure 3: Resistivity plan view at 600 m below surface showing strong NW-SE trend (red).

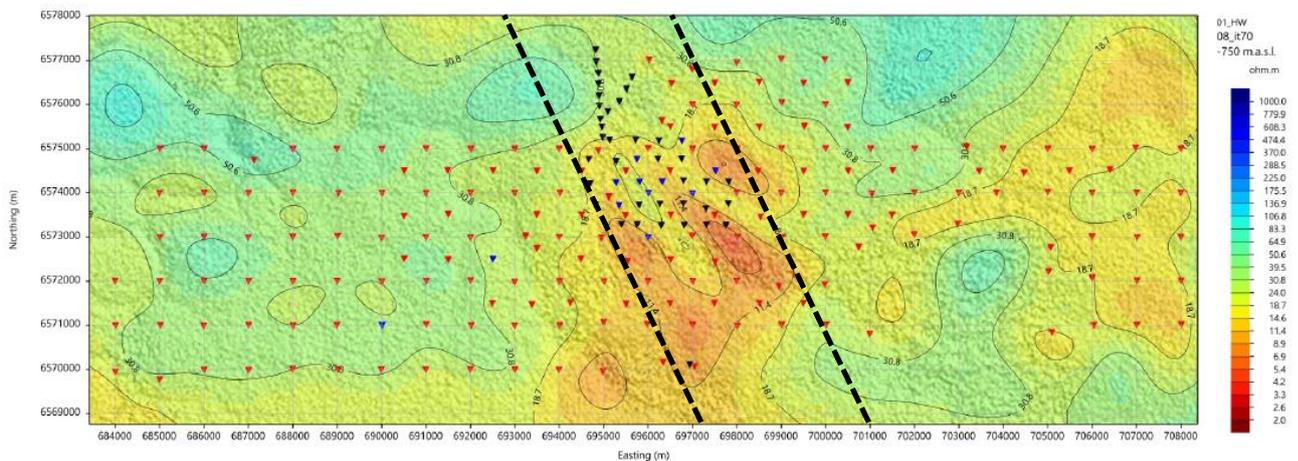


Figure 4: Resistivity plan view at 750 m below surface showing strong NW-SE trend (orange).

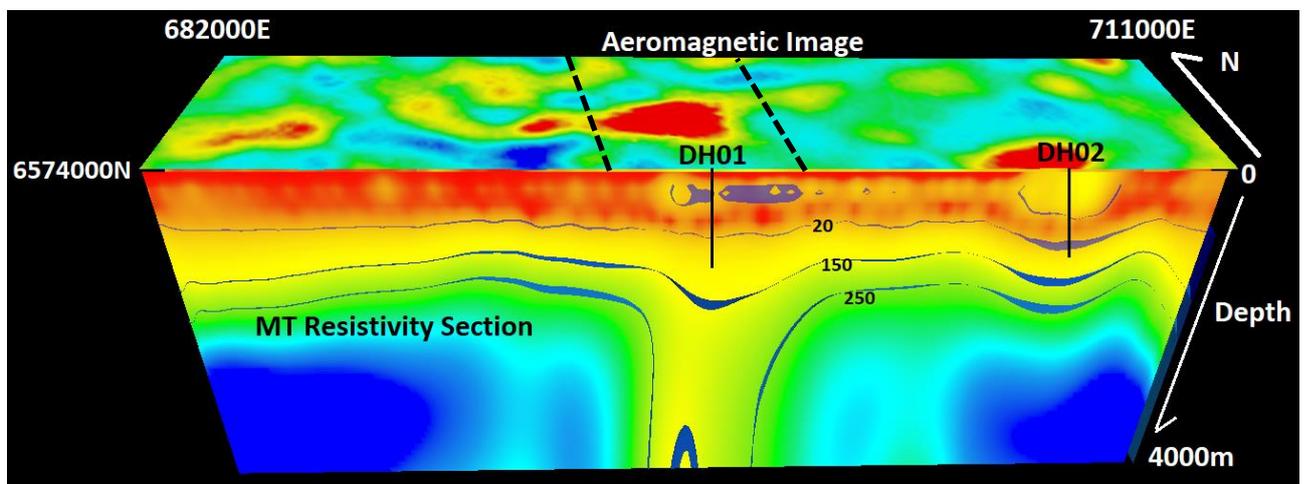
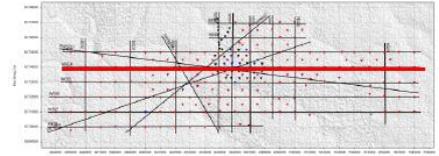


Figure 5: Cross section of original MT survey data showing proposed "feeder" zone at depth (MT resistivity section), surface trend of feeder zone (dashed black line) and proposed diamond drill holes.

 Profile WE04 (HW_#08)



Area of interest coincident with "feeder" system

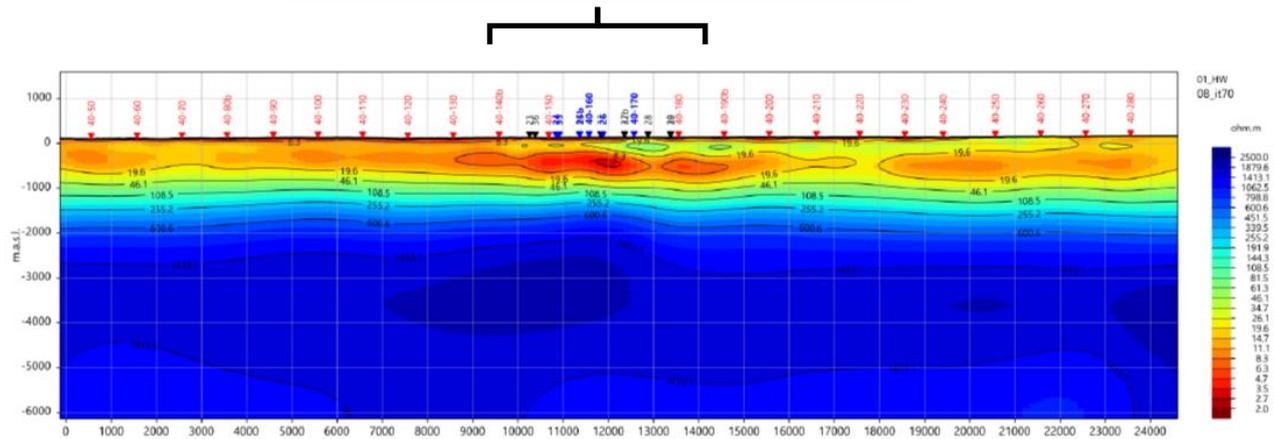
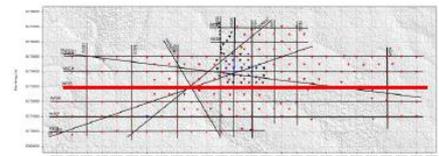


Figure 6: E-W profile through Horse Well area (location shown by red line on plan top right corner).

 Profile WE05 (HW_#08)



Area of interest coincident with "feeder" system

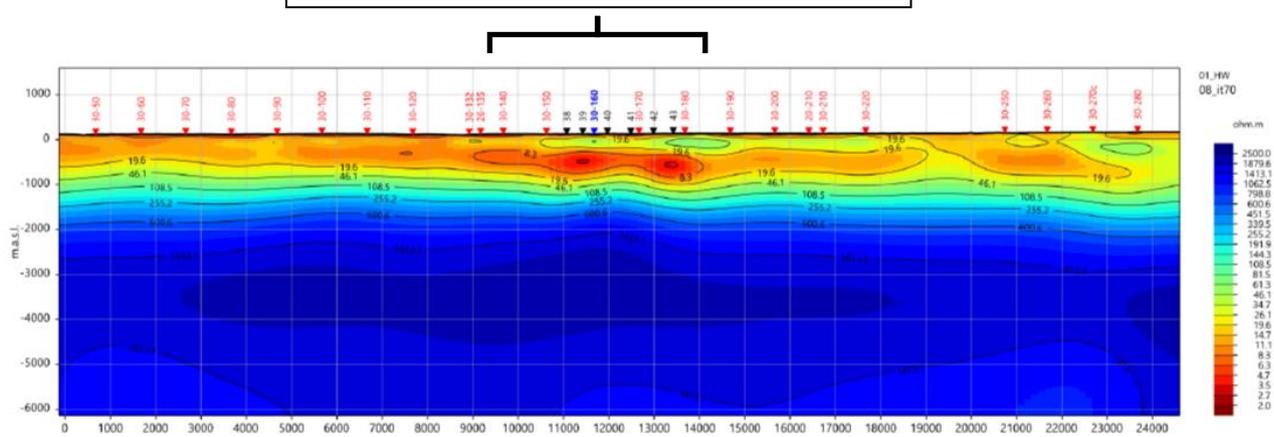


Figure 7: E-W profile through Horse Well area (location shown by red line on plan top right corner).

 Profile WE07 (HW_#08)

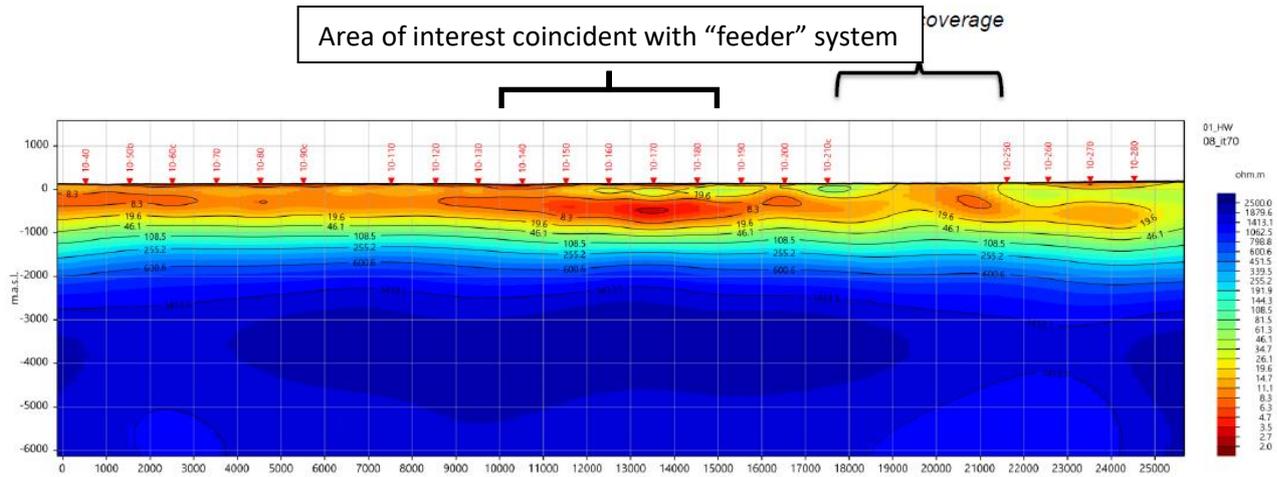
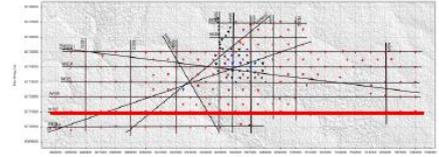


Figure 8: E-W profile through Horse Well area (location shown by red line on plan top right corner).

 Profile NS05 - NS06 (HW_#08)

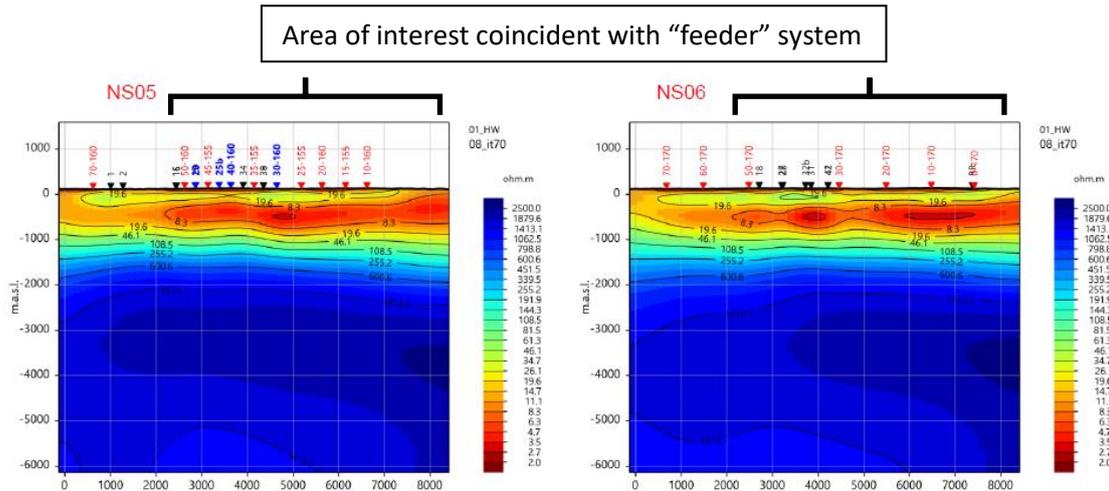
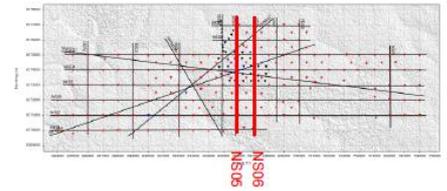


Figure 9: N-S profiles through Horse Well area (location shown by red line on plan top right corner).

Pernatty “C” Area

Multiple traverses were completed over the southern part of Pernatty “C” and a total of 460 combined soil and rock samples were collected. Numerous calcrete outcrops were observed and mapped. The sampling study area was located to the east of Pernatty Lagoon (Figure 10) which also shows mapped outcrops of calcrete.

Initially soil sampling was implemented on a grid-based system where soil samples were taken at locations spaced in a uniform grid pattern was pre-determined on 30m east-west and 300m north-south spacing. The soil sampling rationale was then changed to target not only directly within and adjacent to calcrete outcrops but in a systematic approach traversing around the calcrete outcrop zone up to 150 metres away.

Assay results from soil sampling showed anomalous values of copper-zinc-lead of which were analogous to historic soil sampling within the historic Mt Gunson copper mining district mines and deposits; as well as path-finder elements Ca, Mg, Fe, Mn, Cr, Co, Ni, As, Bi, Th, U, Ag and Au.

Table 1 shows soil sample assay results of Pernatty “C” where Copper => 11ppm Cu and Zinc => 28ppm Zn and Lead => 5ppm Pb.

Multiple follow-up targets were identified within the southern part of Pernatty “C” from soil sampling that showed anomalous values for copper, zinc, lead and other path-finder elements including iron, manganese, calcium, nickel and cobalt. Figure 11 shows a heat map generated from Copper in soils derived from the assay results, initial target zones are shown in white circled areas.

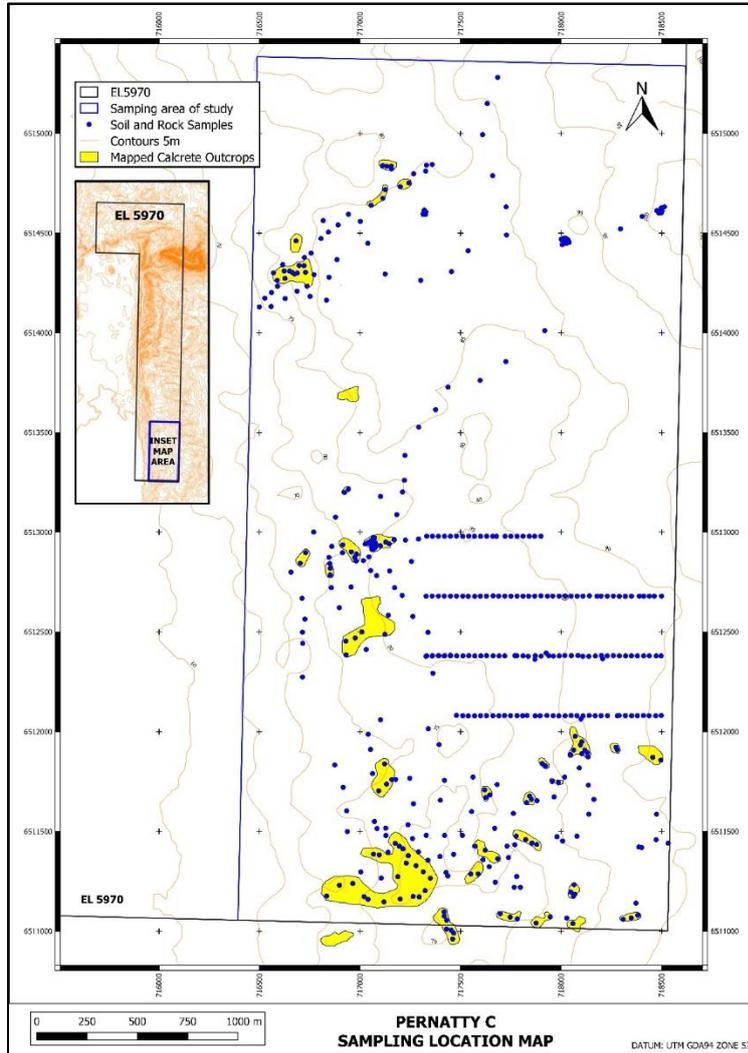


Figure 10: Location of soil and rock samples within the south-eastern part of Pernatty "C" (EL5970).

Sample	Depth (m)	Ca (ppm)	Mg (ppm)	Fe (ppm)	Mn (ppm)	Cr (ppm)	Co (ppm)	Ni (ppm)	Cu (ppm)	Zn (ppm)	Pb (ppm)	As (ppm)	Bi (ppm)	Th (ppm)	U (ppm)	Ag (ppm)	Au (ppb)
Pernatty "C"																	
PERC007	0.30	3400	3900	22400	348	27	5.80	12.30	15.00	28	5.20	1.90	0.13	3.40	0.25	0.01	<1
PERC034	0.30	7300	7900	22000	314	24	6.10	12.50	15.40	34	5.20	4.70	0.14	4.00	0.26	0.01	<1
PERC039	0.30	4700	5600	21400	322	22	6.20	11.70	12.90	30	5.10	2.60	0.13	3.60	0.27	0.01	1
PERC040	0.30	3000	6400	24600	330	26	6.80	12.90	15.80	34	6.00	1.90	0.15	4.20	0.28	0.01	1
PERC101	0.30	4100	5900	25000	321	24	7.30	14.10	14.70	37	6.40	2.50	0.16	4.40	0.28	0.01	<1
PERC114	0.30	2300	5800	21300	287	20	5.80	11.80	13.70	32	5.10	2.20	0.13	3.70	0.25	0.01	<1
PERC115	0.30	3100	6100	21200	331	22	5.90	11.60	14.60	32	5.40	2.50	0.14	3.40	0.26	0.01	<1
PERC144	0.30	3400	7900	28300	514	28	8.80	17.00	19.20	47	8.60	2.60	0.20	5.50	0.45	0.01	<1
PERC145	0.30	3200	5000	20200	427	21	6.80	12.80	13.60	37	6.60	1.70	0.15	4.30	0.33	0.01	<1
PERC218	0.30	4000	7000	24400	340	24	6.50	14.90	16.30	38	6.60	2.80	0.16	4.40	0.35	0.01	<1
PERC219	0.30	2400	5600	25500	422	26	7.50	14.90	16.30	41	7.30	2.00	0.17	5.10	0.34	0.01	<1
PERC313	0.30	5300	7100	22300	298	22	6.20	11.60	13.30	33	5.30	2.90	0.13	3.80	0.24	0.01	1
PERC392	0.30	7700	5900	21900	300	23	5.80	12.80	13.20	35	5.20	1.90	0.13	2.90	0.24	0.01	<1
PERC402	0.30	3100	6100	28000	433	28	7.60	15.00	16.50	42	7.00	2.60	0.16	4.90	0.33	0.01	1
PERC403	0.30	3200	6100	28800	469	31	7.90	15.00	19.00	43	7.50	2.60	0.18	5.10	0.39	0.02	1

Table 1: Assay results of selected surface samples at Pernatty "C".

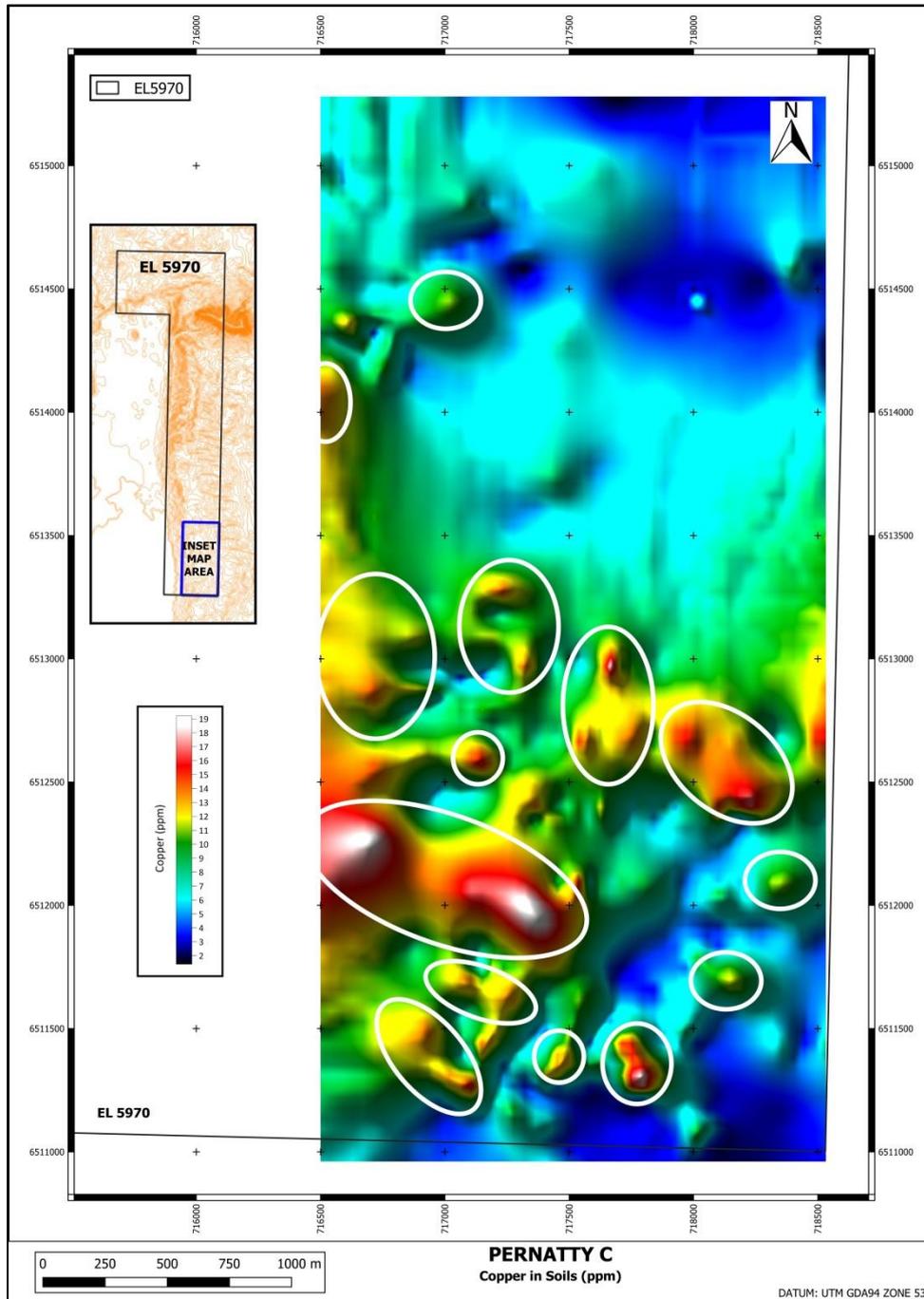


Figure 11: Heat map showing copper values in soils and initial targets defined (white circled areas)

Potential drilling targets were generated over the area where there was a correlation between geochemical and geophysical survey results. Figure 12 shows copper-zinc-lead target areas over (1) South Australia Second Vertical Derivative (2VD) of the Total Magnetic Intensity (TMI) Reduced to Pole (RIP) Low Pass Filtered image; (2) South Australia First Vertical Derivative (1VD) Gravity Image; and (3) Pernatty "C" Gravity data image.

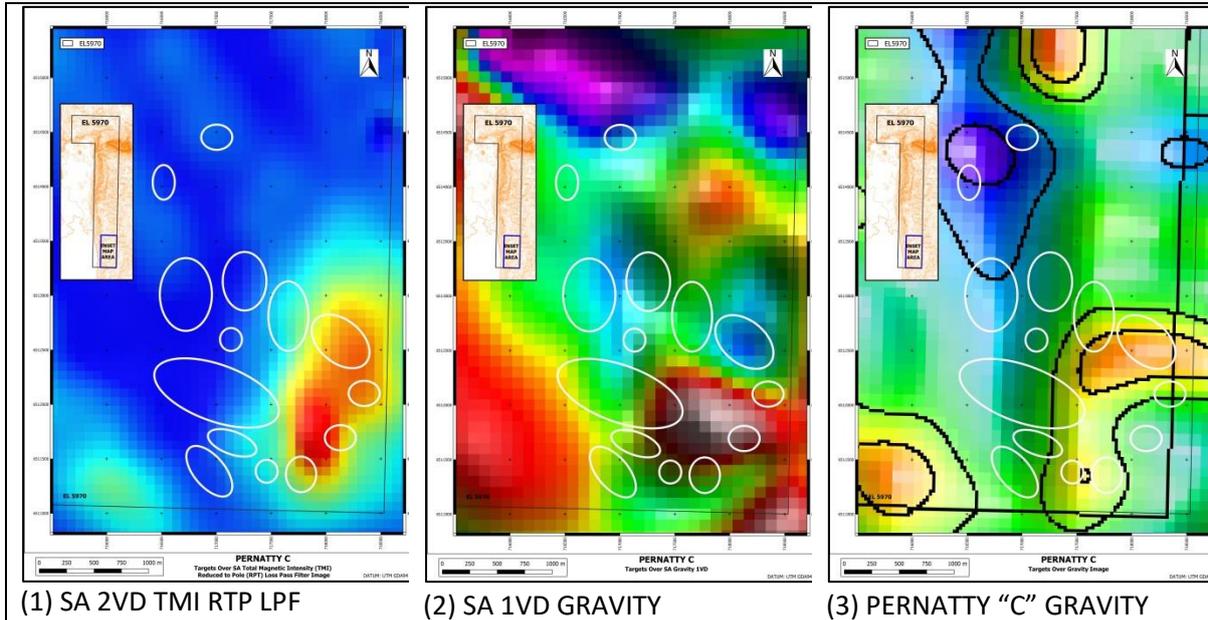


Figure 12: Copper-Zinc-Lead target areas with Total Magnetic Intensity and Gravity images.

The true resistivity survey inversion results with interpretation were generated and are shown in Figure 13. Inferred faults are shown in black lines. Light blue zones (1 to 5 Ω) are inferred to be aquifers, clays, wet sands or possibility shales; blue to cyan and light green zones (5 to 40 Ω) are inferred to be shales; green to yellow and orange zones (40 to 80 Ω) are inferred to be sandstones; and higher resistivity areas (>80 Ω) are inferred to be the Tapley Hill Formation. An exploration target was defined between two inferred faults targeting the sandstone layer above the inferred Tapley Hill formation (Figure 13).

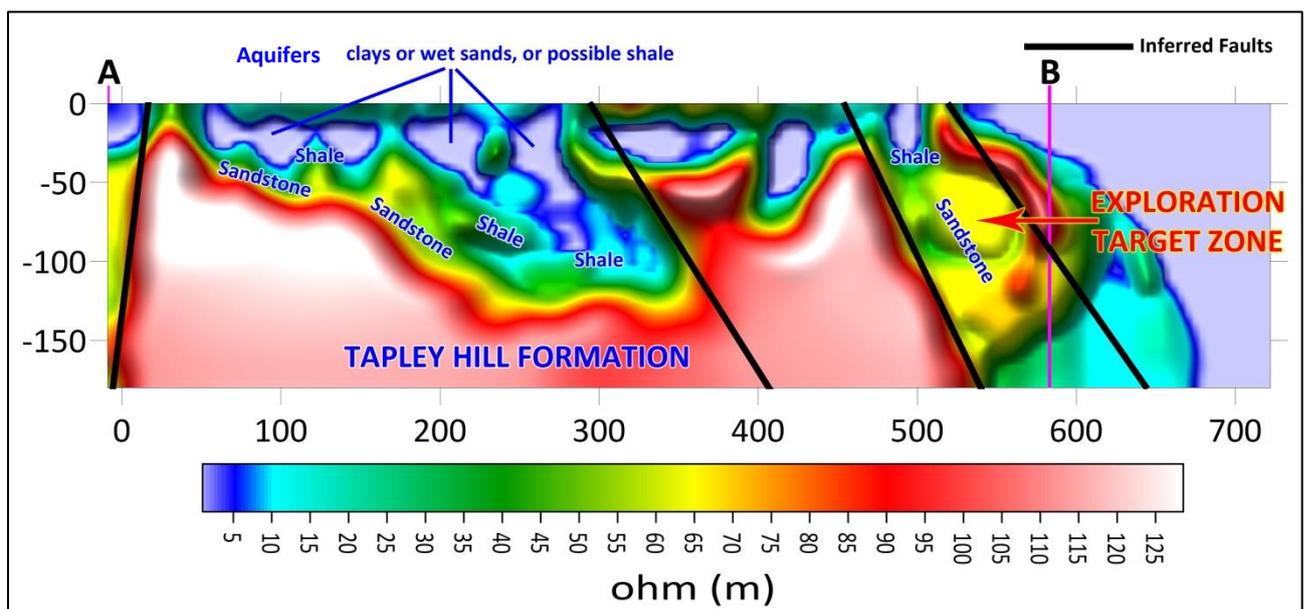


Figure 13: True resistivity section of the lower PERNATTY C area between points A and B showing an exploration target zone and interpretation of faults and stratigraphy.

Heritage Survey

As part of the approval process for exploration drilling at Horse Well and Pernatty C a Heritage Survey was arranged with the Kokatha Aboriginal Corporation (KAC) and their nominated subject matter experts (anthropologists). The survey was preceded by an Exploration Program for Environment Protection and Rehabilitation (E-PEPR) which was submitted to both the Department for Energy and Mining (SA) and the KAC prior to the Heritage survey being arranged.

The Heritage Survey was conducted on July 7 – 10, 2020 and included Euro Exploration (representing Cohiba Minerals), eight (8) members of the KAC and their nominated anthropologist.

Pyramid Lake Update (E74/594)

Cohiba Minerals Limited holds (100%) exploration licence E74/594, which covers all of Pyramid Lake in south-western Western Australia, for a total of 11,266 hectares or 112.66 km². Pyramid Lake itself is a salt-lake covering 6,632 hectares located 115 kilometres northwest of the town of Esperance on the northern limit of the agricultural area (Figure 14).

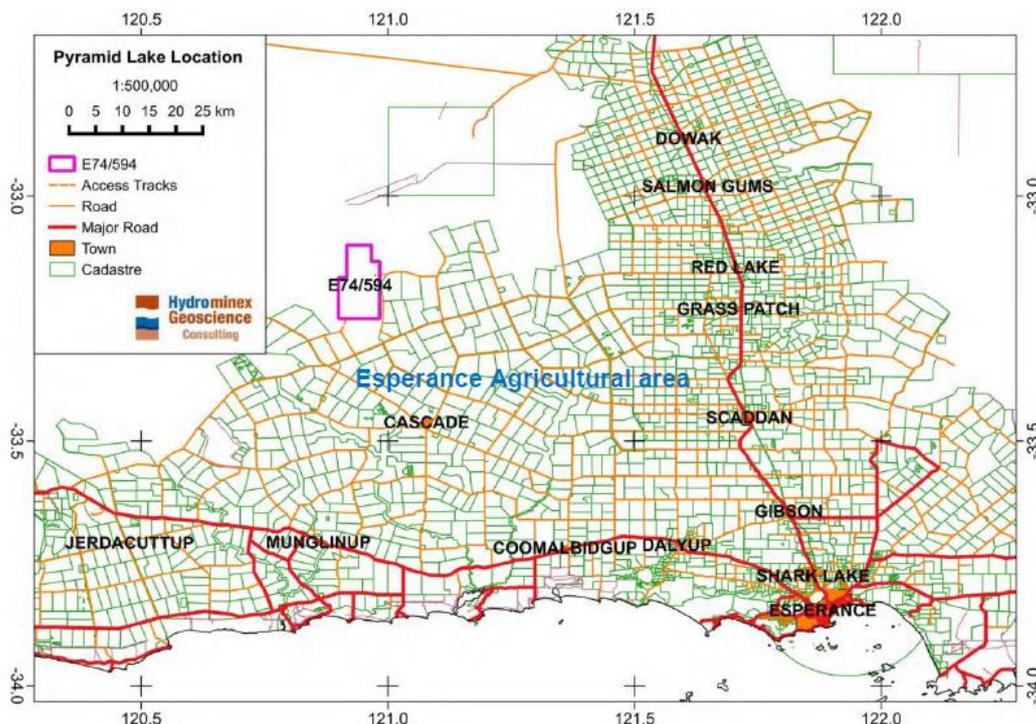


Figure 14: Location of Cohiba’s Pyramid Lake Exploration Licence (from Hydrominex 2018).

The E74/594 property (Figure 4) is located 115 km northwest of Esperance (150 km by road) and is accessed from the highway linking Ravensthorpe and Esperance.

The completion of the Mining Operations Plan, Mining Lease (ML) application and the Mine Closure Plan was contracted out to Groundwork Plus which has extensive experience in the formulation and delivery of these documents.

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.

No work was carried out on the tenements during the quarter, but the Company has had a number of discussions with different parties to evaluate all options on the table whilst also extracting the best outcome for shareholders.

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 leach processing plant in the Mt. Isa region (referred to as the Lady Jenny processing plant). 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.

All the Queensland tenements are currently in good standing.

Corporate

The following corporate matters were carried out during the period:

Non-renounceable Rights Issue

On 30 March 2020, the Company announced that it intended to undertake a non-renounceable pro rata offer to acquire 1 new fully paid ordinary share in Cohiba for every 2 shares held at a record date to be determined at an offer price of \$0.004 (0.4 cents) per share, each with 1 free-attaching option (**Rights Issue**) to raise approximately \$1.35 million (before costs of the Rights Issue). The maximum number of fully paid ordinary shares to be issued was 332,307,121.

The Rights issue closing date was extended to 15 May 2020 and the Company received \$1,118,722.07 in applications through the entitlement and shortfall offers. Following a scale back of shortfall applications the final acceptances amounted to \$824,352.39 and 206,088,019 new shares and 103,044,050 options were issued.

Issue of Options to CHKO Option Holders

On 1 June 2020, the Company announced an offer to the holders of the expired CHKO listed options (**CHKO**), which expired on 18 April 2020. The Offer was made to the holders CHKO options with an

ASX Release

address registered in Australia at 7:00pm on 18 April 2020, to subscribe for 1 new option for every 2 CHKO options held having an exercise price of \$0.01 (1 cent) per new option, at an issue price of \$0.001 (0.1 cents) per new option raising approximately \$214,800, if fully subscribed. The new options were to have the same terms as free-attaching options issued through the Rights Issue.

A total of \$142,552.88 was raised through the Offer and 142,552,674 unlisted options were issued.

Appendix 5B related party payments

The following related party payments have been included in Section 6 of the accompanying Appendix 5B for the June 2020 quarter:

- \$82,100 was paid in relation to the settlement of directors' fees and salaries; and
- \$24,025 was paid in relation to consulting services.

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 during the quarter	Interest 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	-	-	
ML 2773*	Queensland	-	-	
ML 90098*	Queensland	-	-	
EL 6118*	South Australia	51%	-	
EL 6119*	South Australia	51%	-	
EL 6120*	South Australia	51%	-	
EL 6121*	South Australia	51%	-	
EL 6122*	South Australia	51%	-	
EL 6183*	South Australia	51%	-	
EL 5970*	South Australia	51%	-	

* Right to earn up to 80% - farm-in agreement

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

For further information:

Andrew Graham
 Executive Director

admin@cohibaminerals.com.au

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")

30 June 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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	(58)	(340)
(e) administration and corporate costs	(201)	(422)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	10	10
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(248)	(747)
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	(160)	(583)
(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 (12 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	(160)	(583)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,047	1,047
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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(6)	(10)
3.7	Transaction costs related to loans and borrowings	(7)	(7)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	8
3.10	Net cash from / (used in) financing activities	1,034	1,038

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	278	1,196
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(248)	(747)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(160)	(583)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,034	1,038

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 (12 Months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	904	904

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	904	278
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)	904	278

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
82
24

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. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
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 Net cash from / (used in) operating activities (item 1.9)	(248)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(160)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(408)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	904
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	904
8.7 Estimated quarters of funding available (item 8.6 divided by Item 8.3)	2.2

Note: if the entity has reported positive relevant outgoings (ie. a net cash inflow) in item 8.3, answer 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

- 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?
- N/A
- 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?
- N/A
- 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?
- N/A

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.

28 July 2020

Date:

Authorised by: By the board

(Name of body or officer authorising release – see note 4)

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.