

**TO: COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

DATE: 3 SEPTEMBER 2014

**CANCELLATION OF NON-RENOUNCEABLE RIGHTS ISSUE
NEW CAPITAL RAISING INITIATIVES**

Cohiba Minerals Limited (ASX: CHK) ("the Company") refers to its previous announcements regarding the non-renounceable rights issue.

Cancellation of rights issue

Following a review of the Company's capital raising strategy, the Directors have decided not to proceed with the one-for-one non-renounceable of fully paid ordinary shares at the issue price of 3 cents (\$0.03) per share. The market situation has changed considerably since the issue was first announced and there has been strong trading in shares in the Company on an ex-entitlements basis. In this context shares in the Company have consistently traded at a significant premium to the proposed issue price of 3 cents (\$0.03) per share on significantly increased trading volumes.

The proposed rights issue was always on the basis that the Company reserved the right not to proceed with the whole or part of the offer at any time prior to the issue date. This was expressly stated in announcements by the Company.

New capital raising initiatives

In order to raise funds required for the operations of the Company, and the potential investment in Latin Uranium SRL, the Directors propose the following:

- A private placement of 5,000,000 fully paid ordinary shares in the Company at an issue price of five cents (\$0.05) per share to professional, sophisticated and other exempt investors to raise \$250,000 (before costs); and
- A one-for-three non-renounceable rights issue of up to 6,995,833 fully paid ordinary shares in the Company at an issue price of five cents (\$0.05) per share to raise up to \$349,792 (before costs).

All new shares issued will rank pari passu with the existing fully paid ordinary shares of the Company. Participants in the private placement will not be entitled to participate in the one-for-three non-renounceable rights issue.

After completion of the private placement and the rights issue (assuming the issue is fully subscribed or any shortfall is placed) the Company will have 32,983,333 fully paid ordinary shares on issue.

Foxfire Capital Pty Ltd ("Foxfire") will be appointed to manage the private placement and also to place the shortfall (if any) from the rights issue. Foxfire will be paid a fee of 5% plus GST of the value of the shares issued under the private placement. Foxfire will also be paid a

fee of 5% of the value of any shortfall shares placed. Mr Pat Volpe, a Director and substantial shareholder of the Company, is a shareholder of, and consultant to, Foxfire.

Foxfire will have discretion to determine the identity of the parties to be placed shares in the Company who shall only be professional, sophisticated or other exempt investors. No such shares will be placed with related parties of the Company.

The Company will direct Foxfire to place the shares to a spread of investors where possible and Foxfire will be required to ensure that no applicant is permitted to acquire shares in the Company if the acquisition would result in that person having a voting power in the Company in excess of 20% (after completion of the placement and rights issue).

Shareholders will not have the opportunity to apply for additional shares in excess of their entitlement under the issue. The Company will place any shortfall from the issue within a period of three months.

The Company has fully utilised its capacity to issue shares under ASX Listing Rule 7.1 and no additional placement capacity is available under ASX Listing Rule 7.1A. Accordingly the private placement will only proceed if it is approved by shareholders. A Notice of General Meeting will be dispatched in due course.

The rights issue will only be extended to shareholders of the Company with a registered address in Australia and New Zealand. The Company will not be providing a sale facility for ineligible shareholders.

The arrangements for the rights issue will be finalised shortly and further announcements will be made once a new timetable is set by the Company and approved by the ASX.

David Herszberg
Chairman