Cobre Limited A.C.N. 626 241 067 (**ASX: CBE**)

Level 7/151 Macquarie Street

SYDNEY NSW 2000

Tel: + 61 2 9048 8856

www.cobre.com.au

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ASX Limited - Company Announcements Platform

KALAHARI METALS LIMITED – RESULTS FROM ENDURANCE DRILLING PROGRAMME

Cobre Limited (ASX: **CBE**, **Cobre** or **Company**) is pleased to announce results from recently completed RC and diamond drilling at the Endurance Prospect on its Kitlanya East (**KIT-E**) Project in Botswana.

As part of an extensive drill programme on the KIT-E Project, a total of 1,701m of RC drilling and 397m of diamond core drilling have recently been completed on the Endurance Prospect. These results have been combined with stratigraphic diamond drilling (1,731m) completed in 2020 to generate a set of compelling targets for follow-up work.

Highlights from the drill programme:

- Drilling of folded conductors modelled from airborne electromagnetic (AEM) survey has proven to be an effective targeting tool with several holes intersecting potential trap-sites in the prospective lower portions of the D'Kar Formation stratigraphy.
- Several holes have demonstrated the existence of an active mineralised hydrothermal system, intersecting significant hydrothermal pyrite-pyrrhotite sulphide mineralisation along with trace base metal sulphides, alteration and abundant quartz-carbonate veining.
- Further work will focus on testing for Cu-Ag mineralisation in trap-sites targets which share similarities to discoveries on neighbouring Sandfire Resource's licenses.

Based on the encouraging results to date and the location of the Endurance Prospect on the border of Sandfire Resources' T3 mining license, a follow-up programme including a further 2,400m of diamond drilling has been commissioned.

KML has awarded a new drill contract to Mitchell Drilling International with plans in place to start drilling following completion of active holes on the Perseverance Prospect.

Executive Charmain and Managing Director Martin Holland comments:

Since commencing drilling in May this year, the company has completed our first stage drilling program in the Kalahari Copper belt in Botswana. Although drill results to date haven't returned economic intersections, results provide significant encouragement in the targeting methodology which has successfully identified folded trap-sites in the correct prospective stratigraphy along with evidence of an active mineralised hydrothermal system.

Based on the encouraging results to date and extensive size of the target area, we believe the Endurance prospect holds significant potential for a new discovery. The JV company has approved a budget for an additional phase of drilling due to commence immediately.

Endurance 2021 Programme Overview

The Endurance Prospect has been modelled as an extensive, 25km long anticlinorium located in a similar structural setting to Sandfire Resources T3 and A4 deposits situated 5km and 10km to the north respectively. This extensive prospect area is notable for: anomalous Cu and Zn soil results; prospective stratigraphy including lower D'Kar Formation units which host Cu-Ag mineralisation at T3 and A4; and folded conductors related to carbonaceous marker units which share similarities to T3 and A4. Stratigraphic drilling completed in 2020 identified trace Cu, Pb and Zn mineralisation on shear planes along with sericite, albite and hematite alteration often associated with the distal portions of mineral deposits in the Kalahari Copperbelt, providing further evidence for an extensive mineralising hydrothermal system. KML is taking a systematic approach from conceptual interpretation based on surface data, geophysics and remote sensing datasets, through validation via stratigraphic drilling and then generation of drill data to vector towards the most prospective areas for economic mineralisation. The recently completed drilling has generated important vectors to guide the next phase of drilling. A locality map illustrating the position of the Endurance Prospect is provided in Figure 1.

A total of 11 x 200m RC holes were planned to test for potential shallow extensions of mineralisation at Endurance. These holes were designed to test a variety of targets including folded conductors, soil anomalies and fold structures identified in magnetic and remote sensing data. Due to numerous mechanical delays on the RC rig, the final two holes were completed using diamond core. The location of the completed drill holes is illustrated in Figure 2 and detailed in Table 1.

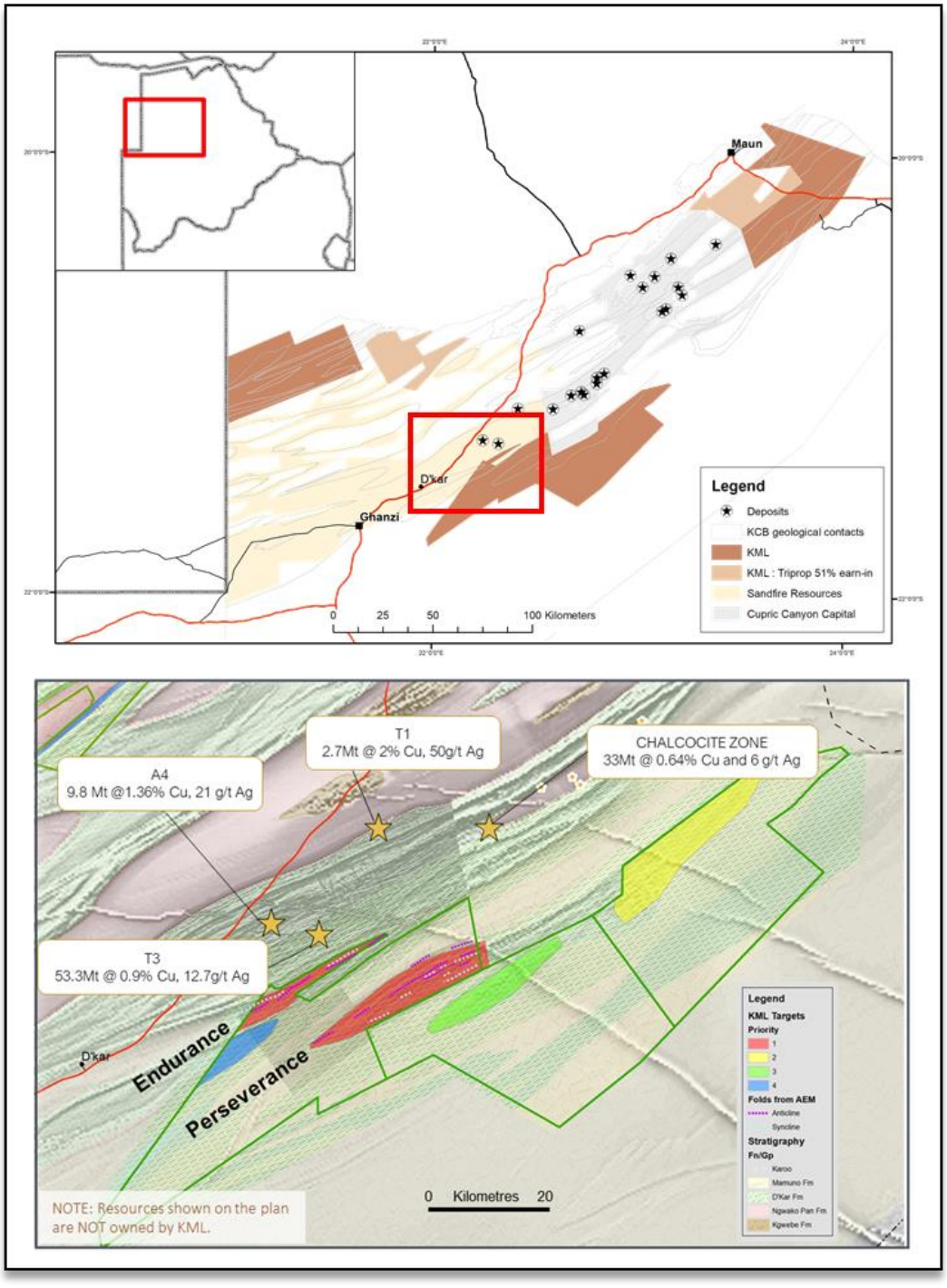

***Figure 1**. Locality map illustrating the position of the area of interest discussed in the current announcement, NW Botswana.* [1]

[1] Reference www.sandfire.com.au and www.khoemacau.com

Detailed logging was undertaken on all the drill chips and core with a view to understanding stratigraphic position, hydrothermal alteration, and trap-site potential. Samples from RC holes were collected at 1m intervals and analysed with pXRF onsite. Anomalous samples will be sent for laboratory assay. Figure 3 illustrates the methodology used to evaluate and compare drill results.

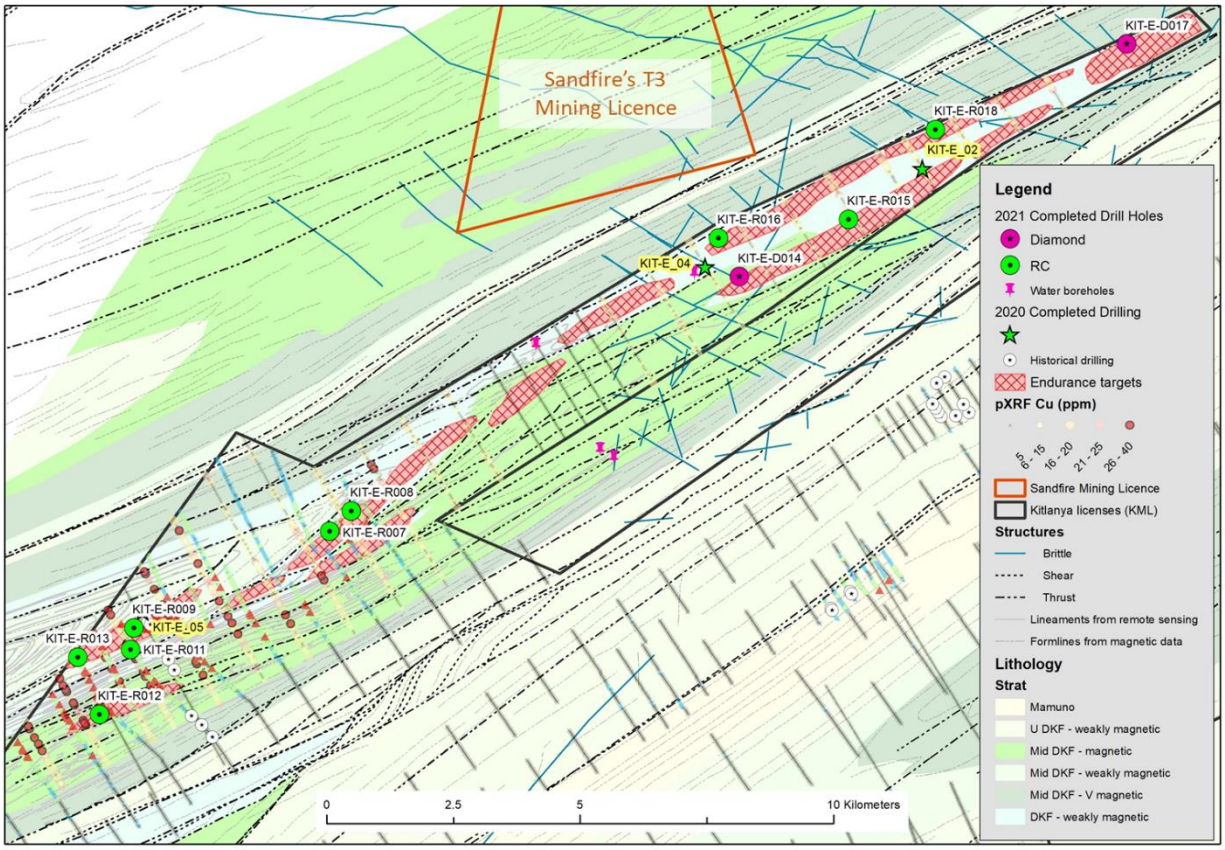

***Figure 2**. Locality map illustrating the position of completed drilling on the Endurance prospect overlain on lithological and structural interpretations. Soil samples are overlain with anomalous Cu returns highlighted.*

Table 1. *Completed drill hole collar positions with the 2021 programme highlighted. (DD= diamond core; RC = reverse circulation)*

Drill type	Hole ID	Drill phase	Easting	Northing	Altitude	Start_Date	End_Date	Contractor	Azim	Incl	EOH
			(UTM34S, WGS84)		(m)				(◦TN)	(◦)	(m)
DD	KIT-E-001	1	642368	7638590	1108	09/03/2020	12/03/2020	Orezone	315	-70	87.15
DD	KIT-E-002	1	642369	7638590	1108	13/03/2020	31/03/2020	Orezone	135	-65	356.9
DD	KIT-E-003	1	638083	7636653	1126	13/07/2020	15/07/2020	Orezone	315	-65	39.12
DD	KIT-E-004	1	638088	7636645	1117	16/07/2020	15/08/2020	Orezone	135	-65	567.4
DD	KIT-E-005	1	626982	7629850	1125.1	24/08/2020	13/10/2020	Orezone	135	-75	681.2
DD	KIT-E-D014	2	638756	7636454	1113	06/08/2021	20/08/2021	Discovery Drilling	135	-60	197.1
DD	KIT-E-D017	2	646419	7641035	1101	17/08/2021	23/08/2021	Mitchell Drilling	135	-60	200.2
RC	KIT-E-R007	2	630664	7631435	1132	11/05/2021	17/05/2021	Discovery Drilling	135	60	193
RC	KIT-E-R008	2	631091	7631837	1122	18/05/2021	22/05/2021	Discovery Drilling	135	60	200
RC	KIT-E-R009	2	626827	7629541	1139	22/05/2021	07/06/2021	Discovery Drilling	135	60	187
RC	KIT-E-R011	2	626738	7629094	1139	08/06/2021	23/06/2021	Discovery Drilling	135	-60	136
RC	KIT-E-R012	2	626124	7627810	1115	24/06/2021	15/07/2021	Discovery Drilling	135	-60	198
RC	KIT-E-R013	2	625701	7628939	1121	17/07/2021	23/07/2021	Discovery Drilling	135	-60	199
RC	KIT-E-R015	2	640902	7637591	1106	28/07/2021	10/08/2021	Discovery Drilling	135	-60	228
RC	KIT-E-R016	2	638353	7637210	1133	11/08/2021	16/08/2021	Discovery Drilling	135	-60	206
RC	KIT-E-R018	2	642571	7639441	1108	17/08/2021	23/08/2021	Discovery Drilling	135	-60	154

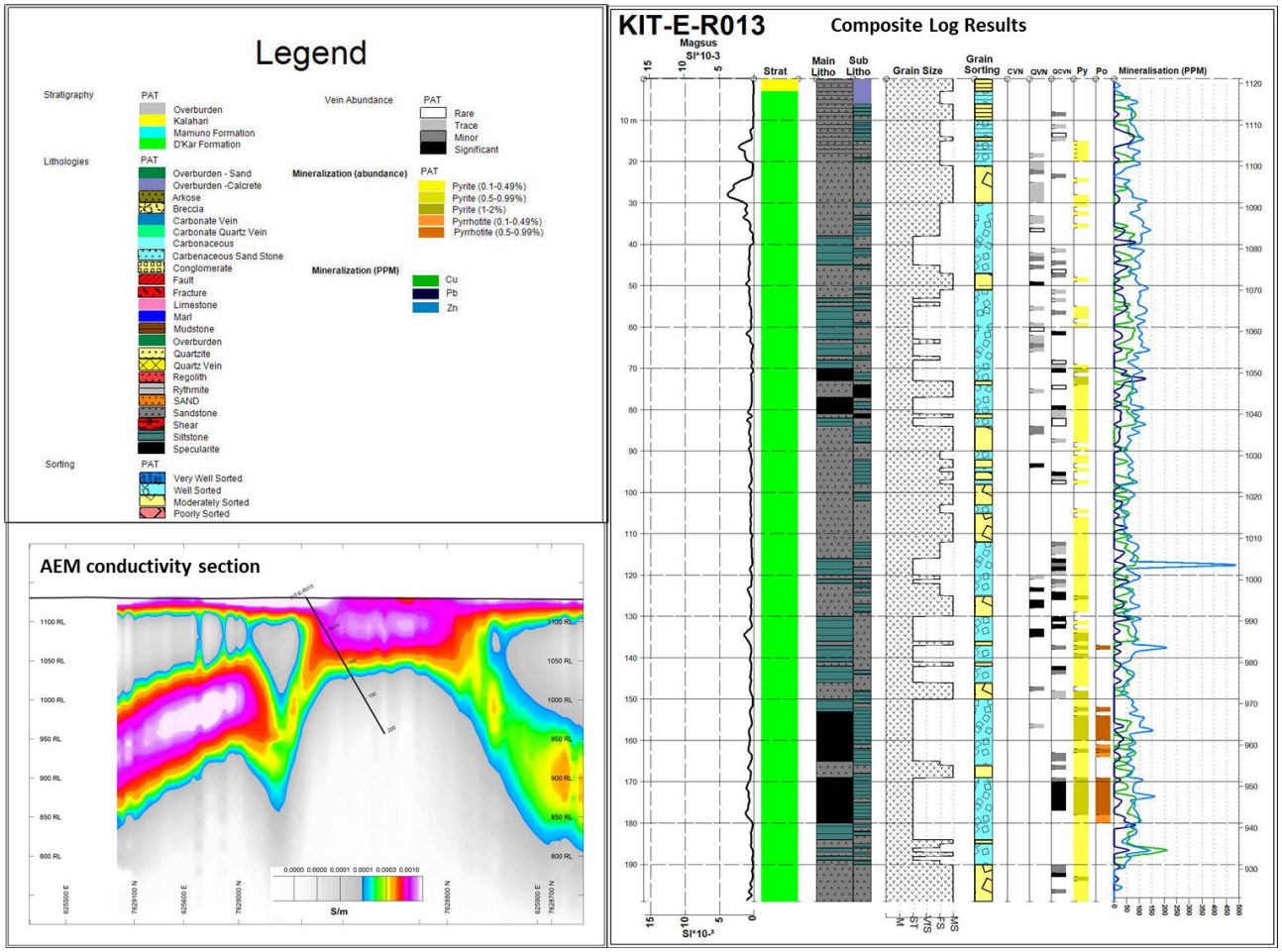

***Figure 3**. Composite logging results from RC hole KIT-E-R013 illustrating the criteria used as vectors for mineralisation: Low susceptibility alternating sandstone-siltstone sequences (ideally) with significant carbonaceous siltstone intersections and grain size variability are typical of lower transitional units in the D'Kar Formation; increased sulphides and quartz-carbonate vein density provide indicators of trap-site quality and hydrothermal activity; mineralisation provides a direct indicator of potential deposit halos.*

Results

A summary of results for the 2021 drilling is presented in Table 2. 3D figures illustrating highlights from the programme are provided in Figures 4 to 6.

- Drilling of folded conductors modelled from AEM results has proven to be an effective targeting tool with several holes intersecting potential trap-sites in the prospective lower portions of the D'Kar Formation stratigraphy.
- Drilling of folded targets from magnetic data and / or remote sensing has typically intersected Mid D'Kar stratigraphy.

- Pyrite /and pyrrhotite content typically increases in the lower stratigraphy with several drill holes returning up to 5% overall sulphides. The high sulphide content is considered favourable for trap-sites.
- Alteration and abundant quartz-carbonate veining intersected in several holes demonstrates the existence of an active hydrothermal system.
- Trace intersections of base metal sulphides (in the current programme and previous stratigraphic drilling programme) in combination with anomalous soil results highlight the potential for deposit formation.

***Table 2**. Summary of drill results for recently completed 2021 diamond and RC holes. Each field has been coloured light-dark according to an increase in prospectivity.*

Hole ID	Lithology	Stratigraphy	Susceptibility		Sulphides	Vein abundance	Alteration
			Mean (SIx10^{-3})	*Std Dev (SIx10^{-3})*			
KIT-E-D014	Sandstone dominant with subordinate siltstones	(Lower) Mid-D'Kar	0.04	0.07	Significant pyrite	Significant qtz-carbonate veining	Moderate to intense carbonate and hematite alteration, minor chlorite
KIT-E-D017	Alternating sandstones and siltstones well developed CAR units	Low-D'Kar	0.1	0.07	Significant pyrite & abundant pyrrhotite	Minor qtz-carbonate veining	Moderate carbonate and hematite alteration
KIT-E-R007	Sandstone dominant with subordinate siltstones and minor CAR units	Mid-D'Kar	1.13	0.79	Disseminated pyrite on foliations and fractures	Minor qtz-carbonate veining	Extensive carbonate alteration, hematite alteration associated with zones of oxidation and fractures
KIT-E-R008	Sandstone dominant with subordinate siltstones and CAR units	Mid-D'Kar	1.11	0.84	Abundant pyrite increasing downhole	Minor qtz-carbonate veining	Moderate carbonate alteration, hematite alteration predominantly associated with zones of fracturing
KIT-E-R009	Alternating sandstones and siltstones with CAR units	(Upper) Low-D'Kar	0.66	0.67	Abundant pyrite possibly decreasing down hole	Significant qzrtz-carbonate veining	Moderate carbonate alteration and moderate hematite alteration associated with fractures
KIT-E-R011	Alternating sandstones and siltstones	Mid D'Kar	1.09	1.49	Pyrite on foliations and fractures	Minor qtz-carbonate veining	Moderate carbonate and hematitic alteration
KIT-E-R012	Sandstone dominant with subordinate siltstones and minor CAR units	(Upper) Mid-D'Kar	1.9	1.66	Trace pyrite	Zones of significant veining	Low to moderate carbonate and hematite alteration, minor chlorite
KIT-E-R013	Alternating sandstones and siltstones with well-	Low-D'Kar	0.58	0.48	Abundant pyrite and pyrrhotite	Significant qzrtz-	Moderate carbonate alteration, hematite alteration of

	developed CAR units, distinct grain sized variability.					carbonate veining	sulphides, minor chlorite and sericite
KIT-E-R015	Sandstone dominant with subordinate siltstones and well-developed CAR units	(Lower) Mid-D'Kar	1.74	1.59	Abundant pyrite and pyrrhotite, trace sphalerite	Zones of significant veining	Moderate carbonate alteration, extensive hematite alteration in fracture zones
KIT-E-R016	Alternating sandstone and siltstones with subordinate CAR units	(Lower) Mid-D'Kar	1.46	1.88	Abundant pyrite and pyrrhotite, trace galena	Zones of significant veining	Low to moderate carbonate and hematite alteration, minor chlorite and sericite
KIT-E-R018	Alternating siltstones and sandstones with well-developed CAR units	(Lower) Mid-D'Kar	1.15	1.14	Abundant pyrite and pyrrhotite	Minor qtz-carbonate veining	Moderate to intense carbonate and hematite alteration and minor sericite

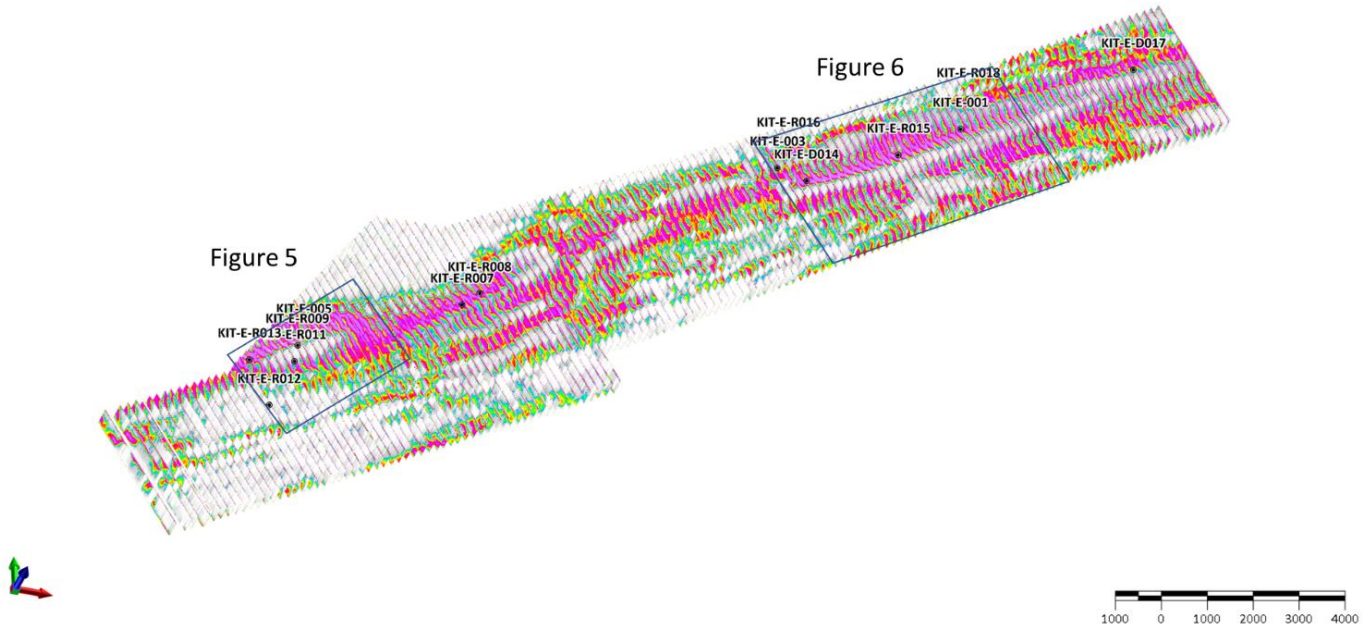

Figure 4. *3D view illustrating completed drilling on AEM layered earth conductivity sections. No vertical exaggeration. Zoom inset areas illustrated in subsequent figures highlighted for context.*

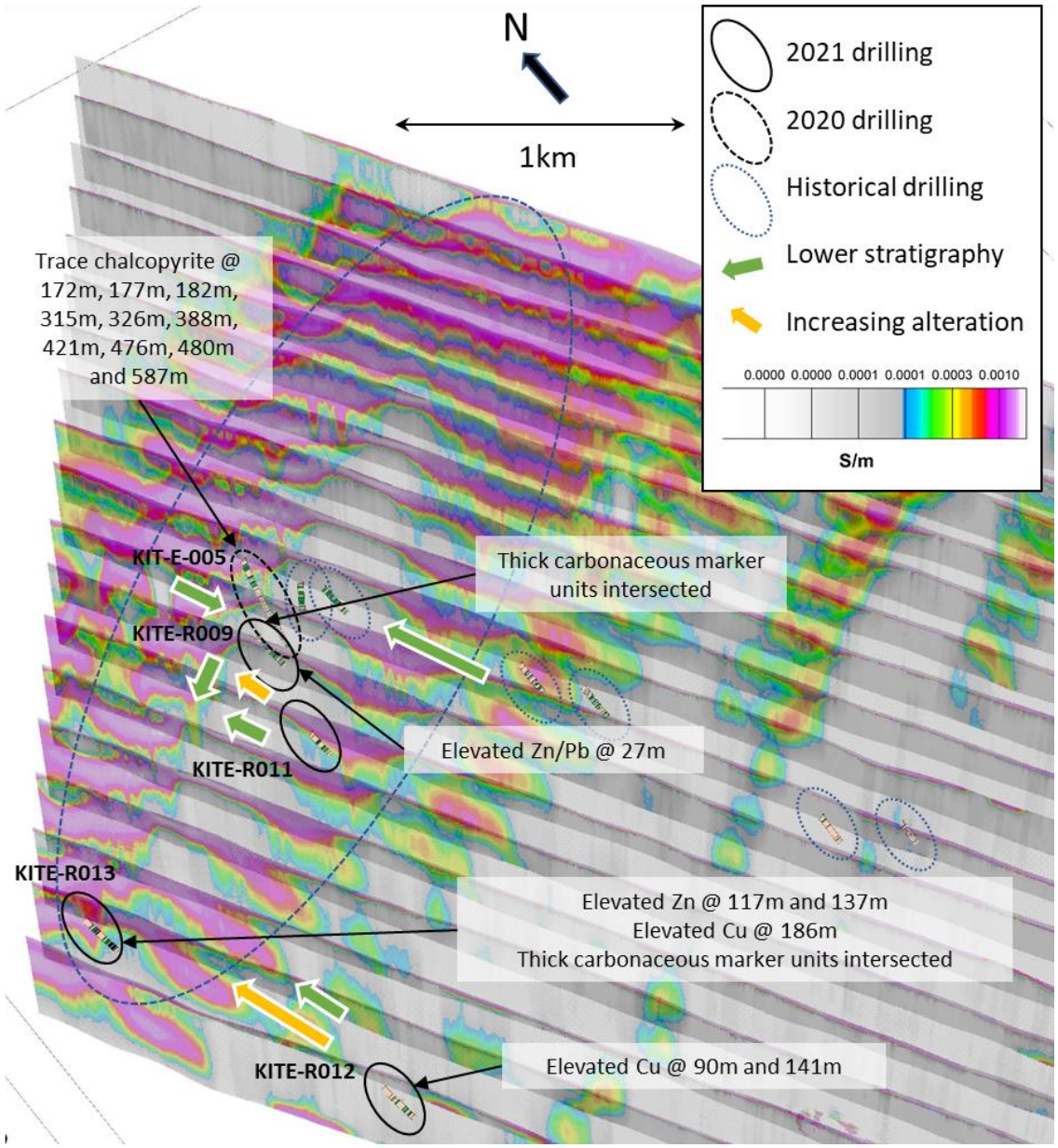

Figure 5. *3D view of AEM conductivity sections with 2021, 2020 and historical drilling illustrated (no vertical exaggeration). Highlights and vectors to more prospective areas have been added. Note the characteristic shape of the AEM results which illustrates a classic doubly plunging fold structure.*

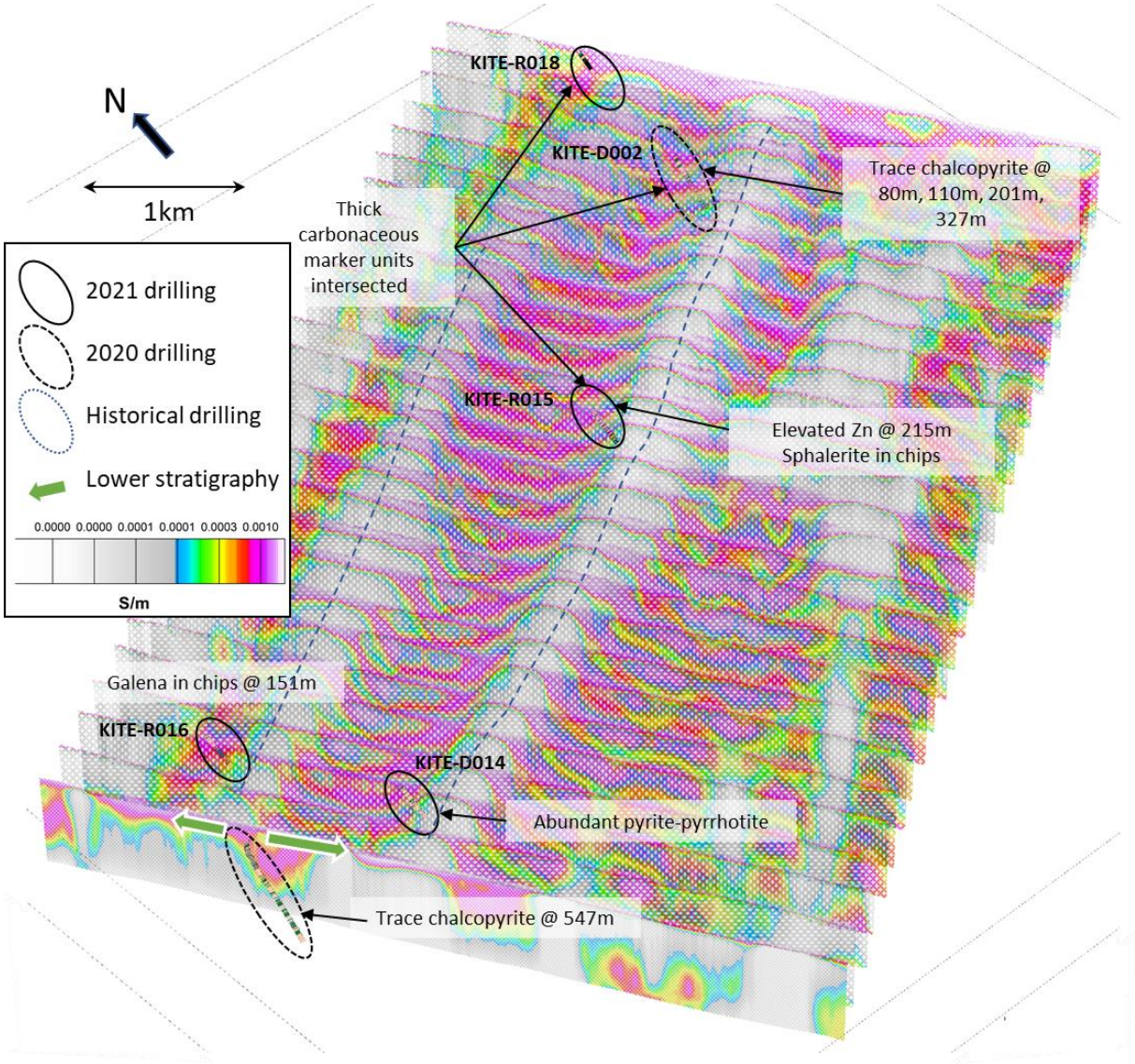

Figure 6. *3D view of AEM conductivity sections with 2021 and 2020 drilling illustrated (no vertical exaggeration). Highlights and vectors to more prospective areas have been added. Targets are defined is relatively tightly folded, shear bounded anticlinal structures clearly mapped in the AEM results.*

Follow-on Drill Programme

The Endurance prospect has been subdivided into a series of targets which have been ranked using the results from drilling along with AEM and soil sample programmes. The ranking has highlighted several priority areas for follow-up drill testing along with additional target areas which remain untested (Figure 7).

Based on these results a further 2,400m of diamond core drilling is planned to test for mineralisation in priority and newly identified targets.

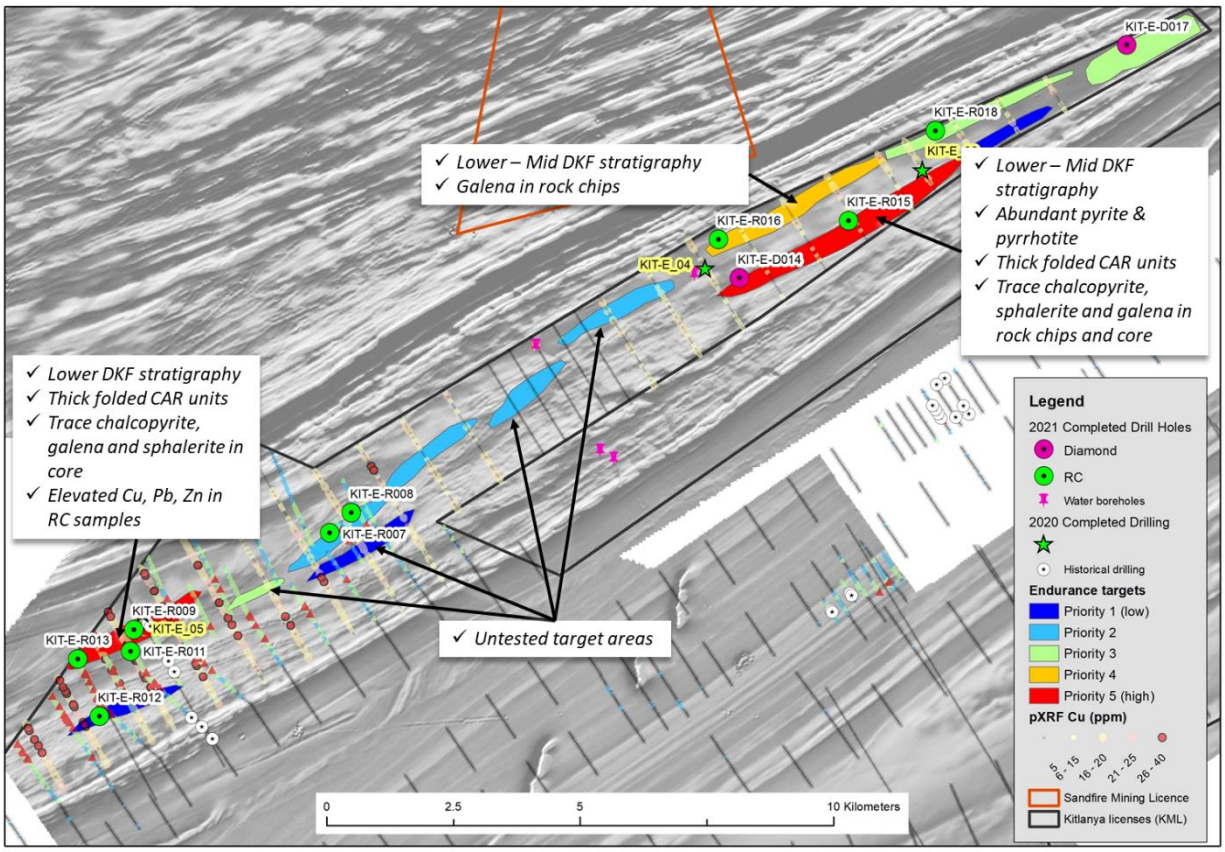

Figure 7. *Ranked targets for the Endurance Prospect on a vertical derivative magnetic image.*

This ASX release was authorised on behalf of the Cobre Board by: Martin C Holland, Executive Chairman and Managing Director.

For more information about this announcement, please contact:

Martin C Holland

Executive Chairman and Managing Director

holland@cobre.com.au

COMPETENT PERSONS STATEMENT

The information in this announcement that relates to exploration results is based on information compiled by Mr David Catterall, a Competent Person and a member of a Recognised Professional Organisations (ROPO). David Catterall has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 (JORC 2012). David Catterall is a member of the South African Council for Natural Scientific Professions, a recognised professional organisation.

David Catterall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC Table 1 - Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

JORC Code, 2012 Edition – Table 1 report template Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections.)		
Criteria	**JORC Code explanation**	**Commentary**
	• *Nature and quality of sampling (e.g. 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.*	• The information in this release relates to the technical details from the Company's exploration and drilling program at Kitlanya East which lies within the Ghanzi District on the Kalahari Copper Belt, Republic of Botswana. • The current Kalahari Metals soil sampling was carried out along traverses using 50m sample intervals with earlier regional traverses carried out using 25m sample spacing • Kalahari Metals Soil samples were taken at an average depth of 10cm from uncontaminated and undisturbed sites • Kalahari Metals soil sampling was undertaken during the dry season to avoid drying. • Samples were sieved on site to -90μm for the current survey and -180μm for the regional traverses and sealed in either clear plastic sample envelopes or paper geochemical collection packets. • Kalahari Metals Soil samples were screened using a pXRF
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used*	• All current Kalahari Metals diamond and reverse circulation drill samples were geologically logged by a suitably qualified geologist on site. • Samples from the diamond drill core will be selected, cut, and sent for analysis • The diamond drill core samples will be selected on the basis of pXRF
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	

	• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	values measured in the field • Samples from the RC drilling may also be selected for analysis • The RC samples will be selected on the basis of pXRF values measured in the field
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	• Current Kalahari Metals Diamond drilling was drilled at PQ/HQ/NQ/BQ size • Current Kalahari Metals RC was drilled at 8.5"& 6.5"
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Sample recovery was recorded for all Kalahari Metals drilling. Sample recovery was generally very good
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• RC drill samples were collected directly from the cyclone and split using an industry standard tiered rifle splitter to obtain a 75/25 split • RC recoveries were visually checked for recovery, moisture and contamination
	• *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.*	• Sample recovery was generally very good and as such it is not expected that any such bias exists
Logging	• *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.*	• Kalahari Metals Diamond drill core and RC drill chips, were geologically logged by a qualified geologist using predefined lithological, mineralogical, and physical characteristic (colour, weathering etc) logging codes. • The geologists on site followed

		industry best practice and standard operating procedure for Diamond, RAB/Percussion & RC drilling processes. • Diamond drill core was marked up on site and logged back at the field office or camp where it was securely stored. • RC drill chips were logged at site and securely stored at the field office or camp • Data was and is recorded manually by hand on paper standard logging sheets (hard copy) and then data captured to Excel logging sheets (soft copy).
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• All logging used standard published logging charts for grain size, sorting to maintain a qualitative and semi-quantitative standard based on visual estimation • Magnetic susceptibility readings are also taken every meter and/or half meter
	• *The total length and percentage of the relevant intersections logged.*	• 100% of all recovered intervals were geologically logged
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Selected intervals will be cut with a commercial core cutter and half cores taken for analysis.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry*	• RC drill chips were split on site using a commercially available industry standard rifle splitter • Most samples were split dry, however some samples had to be split wet due to excessive water downhole and high water pressures
	• *For all sample types, the nature, quality and appropriateness of the sample preparation techniques*	• Field sample preparation is suitable for the material.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• Kalahari Metals standard field QAQC procedures include the field insertion of blanks, standards and collection of field duplicates. These are being inserted at a rate of 5% for each to ensure an appropriate rate of QAQC. • Reported standard field QAQC procedures for historic drilling state that blanks, standards and

		duplicates were inserted at an average rate of 5%
	• *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.*	• Sampling is deemed appropriate for the type of survey and equipment used.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The sample sizes collected are in line with standard practice
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• The recent drilling program has yet to dispatch the samples. • Historic drilling programmes submitted samples to commercial laboratories for analysis and ran check sampling at alternate laboratories. • The sampling and analysis were appropriate for the type of sampling
	• *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.*	• Kalahari Metals used a ZH Instruments SM10 magnetic susceptibility meter for measuring magnetic susceptibilities and readings were randomly repeated to ensure reproducibility and consistency of the data. • Checks were also carried out independently using a ZH Instruments SM30 magnetic susceptibility meter.
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Appropriate reference material will be inserted on a ratio of 1:30 samples • Repeat samples and duplicates will be undertaken for every 30 samples • Blanks will be inserted on a ratio of 1:50 samples • ALS insert their own standards, duplicates and blanks and follow their own SOP for quality control. External laboratory checks will be undertaken when enough sampling warrants.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• Any significant intersections will be verified by peer review • All data is electronically stored with

	• *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	peer review of data processing and modelling • Data entry procedures standardized in SOP, data checking and verification routine. • Data storage on partitioned drives and backed up • The recent Kalahari Metals drilling program has yet to dispatch samples.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Kalahari Metals Drill collar coordinates are captured by GPS • Diamond holes are predominantly inclined and have been surveyed. • The grid system used is WGS84 Zone 34S. All reported coordinates are referenced to this grid. • Topographic control is based on airborne geophysical survey data collected at 15m resolution. Quality is considered acceptable. • Historic Drill collar coordinates were captured by GPS. • Diamond, Percussion & RC holes varied from vertical to inclined. No survey data is available. • The grid system used was WGS84 Zone 34S. All reported coordinates are referenced to this grid. • Elevation control on the AEM survey relied on Novatel DL-V3L1L2 with post-processed differential correction in conjunction with an SF-11/C and SF00 laser altimeters
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing*	• Sampling is deemed appropriate for the type of survey and equipment used. • NRG Xcite AEM survey lines flown on bearing 331 degrees with line spacing 200m. Survey altitude was 30m to 40m (Tx-Rx array) and 60m to 70m (helicopter) • Historical GeoTem AEM data was collected on a bearing of appr. 330 degrees at a line

	has been applied.	spacing of 400m • Magnetic surveys were carried out using helicopter platforms with both 75m and 100m line spacing providing sufficient resolution for the exploration objective.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Data spacing is appropriate for the drilling program • AEM survey direction (331) flown across the average regional strike direction (060)
Sample security	• *The measures taken to ensure sample security.*	• All readings/geophysical measurements collected and stored on computer. Data was transferred on USB and sent by courier from collection point to processing point. All readings/geophysical measurements collected and stored on computer with separate backup data • Sample bags are logged, tagged and stored at the field office. • Diamond core is stored in a secure facility at the field office
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• All sampling procedures are documented and according to industry standard practice. • Kalahari Metals drill hole sampling procedure is done according to industry best practice.

Appendix

A simplified stratigraphic column along with schematic exploration model are illustrated below, highlighting target stratigraphy and structural trap-sites in the lower D'Kar Formation for mineralisation.

Kalahari Copper Belt Stratigraphy

Age	Orogeny	Formation	Group	S.Group	Description
579 Ma	Damara	Okwa Group		Ghanzi-Chobe	Syn-post tectonic metasedimentary
~1100-715Ma		Mamuno	Ghanzi		Arkosic sandstone, siltstone, mudstone and limestone (nearshore)
	Cu-Ag	D'Kar			Reduced sandstone, arkose, siltstone and carbonate (marine)
		Ngwako Pan			Red bed sequence (alluvial fan - lacustrine)
		Kuke			Basal conglomerates, arenites, red sandstones (fluvial)
1100 Ma	Grenvilllian	Kgwebe			Bimodal volcanics
2056Ma		Okwa basement complex