Cobre Limited

ACN 626 241 067

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date of Meeting

Tuesday, 30 November 2021

Time of Meeting

11.30 am (AEDT)

Place of Meeting

The AGM will be conducted as a virtual meeting, accessible online

IMPORTANT INFORMATION REGARDING COVID-19: *Due to the COVID-19 pandemic, the Meeting will be held as a virtual meeting. If you are a shareholder and you wish to attend the Meeting virtually, you will need to pre-register in advance. Details on how to pre-register are contained within this Notice of Meeting.*

Shareholders are strongly encouraged to lodge their proxy form in accordance with the instructions within this Notice of Meeting even if they intend to participate in the Meeting online.

Should you wish to discuss any matter relating to this Notice of Meeting please contact the Company Secretary, Justin Clyne on + 61 2 9048 8856 or via email to jclyne@clynecorporate.com.au

NOTICE OF ANNUAL GENERAL MEETING

Cobre Limited (**Company**) hereby gives notice of the Annual General Meeting of Shareholders to be held by virtual technology on **Tuesday, 30 November 2021** commencing at **11.30 am** (AEDT).

Due to the COVID-19 restrictions on public gatherings and the temporary modifications to the Corporations Act under the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021* (Cth), the Meeting will be held virtually and there will not be a physical meeting where shareholders can attend. Shareholders can listen and participate in the Meeting via the online platform by entering the following URL in your browser: https://web.lumiagm.com

The meeting ID for the Meeting is: **304-684-092**

The **username** is your Voter Access Code (which can be located on the front of your Voting Form on your Notice of Meeting email).

Your **password** is your postcode registered on your holding if you are an Australian shareholder. Overseas shareholders should refer to the Online Voting User Guide attached to this Notice of Meeting.

If you have been nominated as a third-party proxy, or for any enquires relating to virtual participation, please contact the Company's share registry on 1300 737 760 (within Australia) or + 61 2 9290 9600 (outside Australia).

Shareholders will be able to log in to the online platform from [10.30] am (AEDT) on the date of the Meeting.

Further information on how to participate virtually is set out in the Notice of Meeting and in the Online Voter User Guide attached.

If it becomes necessary to make further alternative arrangements for holding the Meeting, the Company will ensure that shareholders are given as much notice as possible. Further information will be made available on the Company's website at www.cobre.com.au by clicking on the 'Investors' tab or the ASX.

An Explanatory Memorandum accompanies this Notice and provides additional information on the Resolutions to be considered at the Meeting. The Explanatory Memorandum forms part of this Notice and should be read in conjunction with it. We refer Shareholders to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in this Notice and the Explanatory Memorandum.

AGENDA

ITEM 1 – FINANCIAL REPORT

To receive and consider the consolidated financial report of the Company, together with the reports of the Directors and Auditor, for the year ended 30 June 2021.

Note:

There is no requirement for Shareholders to approve these reports.

ITEM 2 - ORDINARY BUSINESS

To consider and, if thought fit, pass the following Resolutions as ordinary resolutions of the Company:

Resolution 1:

Adoption of Remuneration Report

"That the Shareholders adopt the Remuneration Report for the year ended 30 June 2021."

Voting Exclusion Statement:

In accordance with section 250R(4) of the Corporations Act, no member of the key management personnel (as defined in the Corporations Act) of the Company named in the Remuneration Report or a closely related party (as defined in the Corporations Act) of such a member may vote on Resolution 1.

However, in accordance with the Corporations Act, a person described above may vote on Resolution 1 if:

- *it is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or*
- *it is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with an express direction specified on the proxy form to vote as the proxy decides.*

Note:

The outcome of Resolution 1 is advisory only and does not bind the Company or the Directors.

Resolution 2:

Re-election of Mr Michael Addison as a Director

"That, for the purposes of Listing Rule 14.5, clause 41 of the Company's Constitution and for all other purposes, Mr Michael Addison retires as a Director of the Company by rotation and, being eligible, is re-elected as a Director of the Company."

ITEM 3 – SPECIAL BUSINESS

To consider and, if thought fit, pass the following Resolutions as **ordinary** resolutions of the Company:

Resolution 3:

Approval of Issue of Shares and Acquisition of Relevant Interest

"That, for the purposes of section 611 (item 7) of the Corporations Act, and for all other purposes, the Shareholders approve the allotment and issue of 8,311,765 Shares by Cobre Limited to Metal Tiger plc, and the acquisition of relevant interests in those Shares by Metal Tiger plc, as announced to the ASX

on 15 April 2021 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

Voting power of Metal Tiger plc:

As set out in Table 1 in the Explanatory Memorandum, the proposed maximum voting power of Metal Tiger plc and on an undiluted basis will be 20.80% (rounded to two decimal places).

Independent Expert's Report:

Shareholders should carefully consider the IER that has been prepared by BDO before voting on this Resolution 3. The IER comments on the fairness and reasonableness of the placement to Metal Tiger plc (which includes the acquisition of the voting power and relevant interests by Metal Tiger plc) to Shareholders. The IER has concluded that the placement to Metal Tiger plc is not fair but reasonable to the non-associated shareholders as at the date of the IER.

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of (i) Metal Tiger plc and its Associates; and (ii) the persons from whom the acquisition is proposed to be made and their associates.

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However, this does not apply to a vote cast in favour of Resolution 3 by:

- *a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with the directions given to the proxy or attorney to vote on Resolution 3 in that way; or*
- *the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chair to vote on Resolution 3 as the Chair decides; or*
- *a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
    - *the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
    - *the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.*

Resolution 4:

Approval for Issue of Options

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 2,500,000 Options to Canaccord Genuity (Australia) Limited (or its nominees) on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of a Person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Ordinary Securities in the entity), namely Canaccord Genuity (Australia) Limited, or any of its Associates.

However, in accordance with the Listing Rules, this does not apply to a vote cast in favour of Resolution 4 by:

- *a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or*
- *the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chair to vote on Resolution 4 as the Chair decides.*
- *A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*

- *The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
- *The holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.*

Resolution 5:

Ratification of Prior Issue of Shares

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the prior allotment and issue of 31,129,975 Shares by Cobre Limited to certain sophisticated and institutional investors as part of the placement announced to the ASX on 15 April 2021 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 5 by a Person, or any Associate of that Person, who participated in the issue of those Shares or is a counterparty to the agreement being approved.

However, in accordance with the Listing Rules, this does not apply to a vote cast in favour of Resolution 5 by:

- *a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the directions given to the proxy or attorney to vote on Resolution 5 in that way; or*
- *the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given to the Chair to vote on Resolution 5 as the Chair decides.*
- *A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
  - *The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and*
  - *The holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.*

To consider and, if thought fit, pass the following Resolution as a **special** resolution of the Company:

Resolution 6:

Approval for Additional Placement Capacity

"That, pursuant to and in accordance with ASX Listing Rule 7.1A, and for all other purposes, the Shareholders approve the issue of Equity Securities equating to up to 10% of the issued ordinary capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Further information in relation to these Resolutions is set out in the Explanatory Memorandum below.

Dated at Sydney, 22nd day of October 2021.

BY ORDER OF THE BOARD

Justin Clyne
Company Secretary

NOTES

1. Explanatory Memorandum

An Explanatory Memorandum accompanies this Notice and provides additional information on the Resolutions to be considered at the Meeting. The Explanatory Memorandum forms part of this Notice and should be read in conjunction with it. We refer Shareholders to the Glossary in the Explanatory Memorandum which contains definitions of capitalised terms used in this Notice and the Explanatory Memorandum.

2. Record Date

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that Shareholders recorded on the Company's register at 7.00 pm (AEDT) on Sunday , 28 November 2021 (**Record Date**) will be entitled to attend and vote at the Meeting. If you are not the registered Shareholder in respect of a particular Share on the Record Date, you will not be entitled to vote in respect of that Share.

Given this is a virtual meeting only, you are encouraged to return the proxy form attached to this Notice in accordance with the instructions set out below.

3. Appointment of Proxies

A Shareholder entitled to attend and vote at the Meeting may appoint an individual or a body corporate as a proxy to attend the meeting and, on a poll, vote on the Shareholder's behalf. A proxy need not be a Shareholder.

A Shareholder entitled to cast two or more votes may appoint not more than two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

Unless under Power of Attorney (of which the Company should have previously been notified), a proxy form completed by a body corporate should be executed under its common seal or in accordance with the Corporations Act. The enclosed proxy form provides further details on proxies and lodging proxy forms.

Unless stated otherwise in this Notice, if a Shareholder appoints the Chairman of the Meeting as the Shareholder's proxy and does not specify how the Chairman is to vote on an item of business, the Chairman will vote, as proxy for that Shareholder, in favour of that item on a poll.

For Shareholders registered on the Australian register, section 250B of the Corporations Act stipulates that proxies must be delivered at least 48 hours prior to the Meeting. For the purposes of section 250B, the Board has determined that all proxies must be received by no later than 11.30 am (AEDT) Sunday, 28 November 2021 or in the event of the meeting being adjourned at least 48 hours prior to the adjourned meeting, to the Company's Share Registry Service Provider, Boardroom Pty Limited as follows:

By mail:	Share Registry – Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001
By fax:	+61 2 9290 9655
In person:	Share Registry – Boardroom Pty Limited, Level 12 225 George Street Sydney NSW 2000
Lodge electronically:	in accordance with the instructions on the proxy form.

4. Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the Company's representative. The authority must be received by the Company at least 48 hours in advance of the Meeting.

5. How can I attend the meeting?

This meeting is being held by virtual technology only and there will be no physical meeting.

All of the Company's shareholders are invited to attend the meeting.

Due to the COVID-19 restrictions on public gatherings and the temporary modifications to the Corporations Act under the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021* (Cth), the Meeting will be held virtually and there will not be a physical meeting where shareholders can attend. Shareholders can listen and participate in the Meeting via the online platform by entering the following URL in your browser: https://web.lumiagm.com

The meeting ID for the Meeting is: **304-684-092**

The **username** is your Voter Access Code (which can be located on the front of your Voting Form on your Notice of Meeting email).

Your **password** is your postcode registered on your holding if you are an Australian shareholder. Overseas shareholders should refer to the Online Voting User Guide.

If you have been nominated as a third party proxy, or for any enquires relating to virtual participation, please contact the Company's share registry on 1300 737 760 (within Australia) or + 61 2 9290 9600 (outside Australia).

Shareholders will be able to log in to the online platform from 10.30 am (AEDT) on the date of the Meeting.

Further information on how to participate virtually is set out in the Notice of Meeting and in the Online Voter User Guide attached.

Valid proxies must be received by the Share Registry no later than 11:30 am (Sydney time) on Sunday, 28 November 2021. See paragraph 3 above for additional information on proxy appointment.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening the Annual General Meeting of the Shareholders to be held by virtual technology on **Tuesday, 30 November 2021** commencing at **11.30 am** (AEDT).

The purpose of this Explanatory Memorandum is to assist Shareholders in determining how they wish to vote on the Resolutions. Specifically, the Explanatory Memorandum contains information to help Shareholders understand the background to, and the legal and other implications of, the Notice and the reasons for the Resolutions. The Notice and Explanatory Memorandum should be read in their entirety and in conjunction with each other.

All Resolutions except Resolution 6, which is a special resolution, are ordinary resolutions.

ORDINARY RESOLUTIONS

Resolution 1:

Remuneration Report

"That the Shareholders adopt the Remuneration Report for the year ended 30 June 2021."

Background

The Remuneration Report is set out on pages 13 to 18 of the Company's Annual Report for the year ended 30 June 2021, which was lodged with ASX on 27 September 2021. The Remuneration Report sets out the Company's remuneration policy and reports on the remuneration arrangements in place for the Directors and key executives of the Company.

Section 250R(2) of the Corporations Act stipulates that the Company must propose a resolution to the Shareholders that the Remuneration Report be adopted. The outcome of the resolution is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting at which the Directors review the Company's remuneration policies.

At the Meeting, the Chairman must allow a reasonable opportunity for the Shareholders at the Meeting, as a whole, to ask questions about or make comments on the management of the Company or the Remuneration Report.

Under the Corporations Act:

- the Company is required to disregard any votes cast on this Resolution by any member of the "Key Management Personnel" (**KMP**) of the Company named in the Remuneration Report and their closely related parties, except as directed by any proxies; and

- a 'two-strike' process in relation to the advisory and non-binding vote on the remuneration report has been introduced. Under the two-strike process if, at two consecutive AGMs, at least 25% of votes cast on a resolution that the remuneration report be adopted are against the adoption of the report, at the second of these AGMs, there must be put to the vote a resolution that another meeting be held within 90 days at which all Directors (except the Managing Director) who were Directors when the second 25% 'no' vote was passed must stand for re-election.

KMP are people having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, and include Directors. "Closely related parties" include certain family members and dependents of KMP and companies they control.

The Company has not yet received a first strike in relation to its Remuneration Report with over 99.2% of votes being cast on the poll either in favour of the Remuneration Report resolution or open proxies which were cast in favour of the resolution by the Chairman at the Company's 2020 AGM.

Chairman as proxy

It is very important that the Shareholders appointing the Chairman as their proxy clearly indicate on the attached proxy form the way the Chairman must vote their proxy on Resolution 1. Otherwise, if the Chairman is appointed as a proxy for a person who is permitted to vote on Resolution 1 and the Shareholder does not indicate on their proxy form the way the Chairman must vote, the Chairman will vote that proxy in favour of Resolution 1. Please see the proxy form attached to the Notice for further information.

Recommendation

Noting that each Director of the Company has a personal interest in their own remuneration the subject of this Resolution, the Board does not consider it appropriate to make a recommendation to Shareholders in relation to voting on this Resolution.

Resolution 2:

Re-election of Mr Michael Addison as a Director

"That, for the purposes of Listing Rule 14.5, clause 41 of the Company's Constitution and for all other purposes, Mr Michael Addison retires as a Director of the Company by rotation and, being eligible, is re-elected as a Director of the Company."

Information about Mr Michael Addison

Mr Addison was last re-elected by Shareholders at the Company's 2020 AGM. In order to comply with clause 41.3 of the Constitution and Listing Rule 14.5, the Board has determined that Mr Addison should retire this year and stand for re-election at this AGM.

Mr Addison has a long history of involvement in the Australian and international mining industry, having been instrumental in the founding of two former ASX-listed Australian mining exploration and development companies: Endocoal Limited (formerly as Atlas Coal Limited); and Carabella Resources Limited.

Mr Addison has also held previous positions on the Boards of three other ASX-listed resource companies (Stratum Metals Limited, Intra Energy Limited and Frontier Diamonds Limited) and two unlisted public resource companies (Scott Creek Coal Limited and Northam Iron Limited). He was most recently a founding director of ASX-listed Genex Power Limited, a company focused on the origination and development of innovative clean energy generation and electricity storage solutions across Australia.

Mr Addison has deep expertise in the management and running of listed companies and an intimate working knowledge of the regulatory, legal and governance environments in which listed companies operate. He is a former Rhodes Scholar, has an Oxford University postgraduate degree in Management Studies and is a former Fellow of the Australian Institute of Management.

Directors' Recommendation

The Board, with the exception of Mr Michael Addison, unanimously recommends that the Shareholders approve Resolution 2 as each Director allowed to vote intends to do with regard to their own shareholdings in the Company.

Resolution 3:

Approval of Issue of Shares

"That, for the purposes of section 611 (item 7) of the Corporations Act and for all other purposes, the Shareholders approve the allotment and issue of 8,311,765 Shares by Cobre Limited to Metal Tiger plc, and the acquisition of relevant interests in those Shares by Metal Tiger plc, as announced to the ASX on 15 April 2021 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

Background

On 15 April 2021, the Company announced an equity raise of A$6.7 million (before costs) at $0.17 per Share via a two-tranche placement, the first being a placement of A$5.3 million to sophisticated and institutional investors, and the second being a placement to of A$1.4 million Metal Tiger plc, the Company's largest shareholder subject to Shareholder approval (**Placement**).

The Company received significant demand for the Placement from high quality institutional and high net worth investors. The Placement was conducted at a price of $0.17 per share and, as at the time that the Placement was announced, represented a:

- 12.8 % discount to the last traded price of $0.195;
- 16.8% discount to the 5-day Volume Weighted Average Price (**VWAP**) of $0.204; and
- 16.5% discount to the 15-day VWAP of $0.204.

Shareholder approval was not required for the first tranche of the Placement which was undertaken within the Company's existing capacity pursuant to Listing Rules 7.1 and 7.1A. The Company issued total of 18,577,985 new Shares pursuant to Listing Rule 7.1 and 12,551,990 Shares pursuant to Listing Rule 7.1A. All new Shares issued under the Placement rank *pari passu* with the existing Shares on issue in the capital of the Company.

In relation to this first tranche of the Placement, the Company is seeking ratification of Share issue under Resolution 5.

Further, in order for the Company to issue 8,311,765 new Shares to Metal Tiger plc at a price of $0.17 per Share under the second tranche of the Placement (**Issue**), shareholders' approval is being sought under Resolution 3.

Listing Rules 7.1 and 10.11

Under Exception 8 of Listing Rule 7.2 and Exception 6 of Listing Rule 10.12, where the issue of securities is approved by shareholders for the purpose of item 7 of section 611 of the Corporations Act, respective approvals under Listing Rule 7.1 and Listing Rule 10.11 are not required. As Shareholder approval for the allotment and issue of 8,311,765 Shares by the Company to Metal Tiger plc is presently sought under item 7 of section 611 of the Corporations Act (see below), the Company is not required to separately seek, and does not propose to seek, approvals under Listing Rules 7.1 and 10.11.

The Corporations Act prohibition

Section 606

Section 606(1) of the Corporations Act states that a person must not acquire a relevant interest in the issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:

- from 20% or below to more than 20%; or
- from a starting point that is above 20% and below 90%.

The voting power of a person in a body corporate is determined in accordance with section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

A person (**Second Person**) will be an 'associate' of the other person (**First Person**) if one or more of the following paragraphs applies:

- the First Person is a body corporate and the Second Person is:
  - a body corporate the First Person controls;
  - a body corporate that controls the First Person; or
  - a body corporate that is controlled by an entity that controls the First person;
- the Second Person has entered or proposes to enter into a relevant agreement with the First Person for the purpose of controlling or influencing the composition of the board of directors or the conduct of the company's affairs; or
- the Second Person is a person with whom the First Person is acting or proposed to act, in concert in relation to the company's affairs.

A person has a 'relevant interest' in securities if they:

- are the holder of the securities;
- have the power to exercise, or control the exercise of, a right to vote attached to the securities; or
- have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

A person also has a relevant interest in any securities that any of the following has:

- a body corporate, or managed investment scheme, in which the person's voting power is above 20%; or
- a body corporate, or managed investment scheme, that the person controls.

Exceptions to the prohibition

There are a number of exceptions to the prohibition in section 606 of the Corporations Act. One such exception is contained within item 7 of section 611 of the Corporations Act, which provides that a person may make an otherwise prohibited acquisition of a relevant interest in a company's voting shares if the acquisition is approved by shareholders.

Pursuant to the Issue, Metal Tiger plc will acquire a relevant interest in 8,311,765 Shares, representing an increase in voting power in the Company from 16.60% to 20.80% (rounded to two decimal places). As a result, the potential voting power of Metal Tiger plc in the Company after the Issue will each exceed 20% of the issued capital of the Company.

Accordingly, Resolution 3 seeks Shareholder approval for the purpose of item 7 of section 611 of the Corporations Act and all other purposes in order to permit Metal Tiger plc to each increase their voting power in the Company from 16.60% to 20.80% (rounded to two decimal places).

Information required under item 7 of section 611 of the Corporations Act

In addition to the disclosure made elsewhere in the Explanatory Memorandum, the following information is required to be provided to Shareholders pursuant to the Corporations Act and *ASIC Regulatory Guide 74: Acquisitions approved by members* (**RG 74**) in respect of obtaining Shareholder approval for the purposes of item 7 of section 611 of the Corporations Act under this Resolution 3. Shareholders should also review the Independent Expert's Report contained in Annexure A of this Notice of Meeting.

Identity of the acquirer

The following Table 1 sets out the projected voting power of Metal Tiger plc for the purpose of item 7 of section 611 of the Corporations Act on completion of the Issue:

Table 1 – Increase in and maximum potential voting power in the Company

Relevant interest holders	Current voting power in the Company	Shares proposed to be acquired	Maximum extent of the increase in voting power	Shares in the Company held after the Issue	Voting power in the Company on an undiluted basis[(a)]
Metal Tiger plc	16.60%	8,311,765	4.20%	34,318,728	20.80%

Notes:

(a) Rounded to two decimal places and based on a total amount of 164,961,642 Shares after completion of the Issue. MTR is also entitled to a further 445,368 new Cobre shares as approved by shareholders pursuant to resolution 2 at the Extraordinary General Meeting (**EGM**) held on 6 April 2021, which are not reflected in the table above. The 445,368 shares will be issued upon consent and approval from the Minister of Mineral Energy and Water Resources of the Republic of Botswana to the change of control in respect of KML and its subsidiaries as disclosed in the background to resolution 2 of the EGM Notice lodged with the ASX on 3 March 2021.

Reasons for the proposed acquisition

As described above, the proposed Issue to Metal Tiger plc forms part of the Placement to which Metal Tiger plc has agreed to subscribe to for a payment of $1.413 million to the Company. The proceeds of the issue will be primarily to meet the capital requirements for exploration under the Company's joint venture African investment, with Metal Tiger plc, through Kalahari Metals Ltd.

When the proposed acquisition is to occur

As soon as practicable after the AGM but in any event no later than one month after the date of the AGM, subject to the Company receiving subscription payment of A$1,413,000 from Metal Tiger plc.

The Material terms of the proposed acquisition

The issue of the placement shares to Metal Tiger plc is conditional on the issue of the placement shares being approved by the Shareholders at the Meeting; and Metal Tiger plc is required to transfer the total subscription payment of A$1,413,000 to the Company within seven days after the Company obtaining such approval.

Details of the terms of any other relevant agreement between the acquirer and the Company that is conditional on members' approval of the proposed acquisition

None.

A statement of the acquirer's intentions

The Company understand that Metal Tiger does not intend to change the business of the Company, except that the proceeds of the Issue will be used to meet the capital requirements for exploration under the Company's joint venture African investment, with Metal Tiger plc, through Kalahari Metals Ltd. Metal Tiger plc presently does not have any intention to inject further capital in the Company, although it reserves the right to do so in the future. There is also no proposal from Metal Tiger plc to change the employment of present employees of the Company, transfer any assets between the Company and Metal Tiger plc (or its associates), or otherwise redeploy the fixed assets of the Company.

The Company is not aware of any intention from Metal Tiger plc to significantly change the financial or dividend distribution policies of the Company.

Interests of the Directors

Michael McNeilly, a Director of the Company, is also a director and Chief Executive Officer of Metal Tiger plc. Mr McNeilly also holds 700,000 shares or 0.41% of the issued share capital of Metal Tiger plc. Mr Holland is the only other Cobre director who holds shares in MTR with 35,000 shares.

Proposed Director

No person intends to become a director if members approve the acquisition.

Effect of passing this Resolution 3

If Resolution 3 is passed, the Company will be able to proceed with the Issue and Metal Tiger plc will be issued 8,311,765 new Shares in the Company, thereby increasing its shareholding from 26,006,963 Shares (16.60%) to 34,318,728 Shares (20.80%). The increase in shareholding will allow Metal Tiger plc to maintain its pre-Placement shareholding percentage of approximately 21%.

If Resolution 3 is not passed, the Company will not be able to proceed with the Issue and Metal Tiger plc's shareholding in the Company will remain at 26,006,963 Shares, equivalent to 16.60%.

Directors' Recommendation

The Board, with the exception of Mr McNeilly, unanimously recommends that the Shareholders vote in favour of the allotment and issue of Shares to Metal Tiger plc as each Director intends to do with regard to their own shareholdings in the Company.

Independent Expert's Report

RG 74 provides that an Independent Expert's Report containing an analysis of the Issue is to be provided to the existing Shareholders of the Company. The IER provides an opinion as to whether the acquisition of the voting power and relevant interest referred to in this Explanatory Memorandum for Resolution 3 by Metal Tiger plc is fair and reasonable to the non-associated Shareholders of the Company.

Accordingly, the Company has engaged BDO Corporate Finance Ltd ABN 54 010 185 725, Australian Financial Services Licence No. 245513 (**BDO**) to provide the IER. The IER is contained in Annexure A of this Notice of Meeting.

BDO has concluded that the proposed Issue and the acquisition of the voting power and interest by Metal Tiger plc is not fair but reasonable to the non-associated Shareholders, as of the date of the IER.

The advantages and disadvantages of the proposed Issue and the acquisition of the voting power and interest by Metal Tiger plc are outlined in the IER and are provided to enable Shareholders of the Company to determine whether they are better off if the proposed Issue did not proceed.

Resolution 4:

Approval for Issue of Options

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 2,500,000 Options to Canaccord Genuity (Australia) Limited (or its nominees) on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

Background

In order to facilitate the Placement referred to above in relation to Resolution 3, the Company entered into a Mandate to Act as Lead Manager to a Placement (**Placement Mandate**) with Canaccord Genuity (Australia) Limited (**Canaccord**) on 30 March 2021, which provides for, among other things, the appointment of Canaccord as the lead manager, broker and bookrunner to the Placement.

The Placement Mandate is legally binding on Canaccord and the Company.

Under the Placement Mandate, the Company agreed to issue to Canaccord (or its nominees) 2.5 million Options at an exercise price which is 167% of the closing Share price of the Company on the day before the Options are granted (subject to the Company's organisation of capital) with a 3 year expiry period.

The Company is now proposing to issue to Canaccord (or its nominees) 2.5 million Options in accordance with the Placement Mandate (**Option Issue**).

Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. Listing Rule 7.1A allows an eligible entity (which includes the Company) to have an additional placement capacity of 10% if approved by special resolution at an AGM.

The Option Issue does not fall within the exceptions referred to above.

The Company does not currently have available placement capacity under Listing Rule 7.1 and the issue cannot therefore be made at this time without breaching that rule, until that placement capacity is refreshed either through the approval of Resolution 5 herein (Ratification of Prior Share Issue) or in April 2022. The Company does not wish to wait until April 2022 and wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain the approval of the Company's Shareholders under Listing Rule 7.1. To do this, the Company is asking Shareholders to approve the Option Issue under Listing Rule 7.1 so that the Option Issue does not count towards its future placement capacity.

To this end, this Resolution seeks Shareholder approval for the Option Issue under and for the purposes of Listing Rule 7.1.

If this Resolution is passed, the Option Issue can proceed without counting towards the Company's future capacity for issuing Equity Securities without Shareholder approval under in Listing Rule 7.1.

If this Resolution is not passed, the Option Issue can still proceed (assuming Resolution 5 herein is passed) but it will reduce, to that extent, the Company's capacity to issue Equity Securities without shareholder approval under Listing Rule 7.1. If Resolution 5 is not passed, the Company will need to wait until April 2022 to issue the Option.

Specific information required under Listing Rule 7.3

The following information is provided in relation to this Resolution in accordance with Listing Rule 7.3:

- Name of person to whom Options are proposed to be issued to: Canaccord or its nominees, who is not a related party of the Company.
- Number and class of securities proposed to be issued: a maximum of 2,500,000 Options.
- Material terms of the Options: the Options are exercisable at a price which is 167% of the closing Share price of the Company on the day before the Options are granted (subject to the Company's organisation of capital) with a 3 year expiry period. Upon payment of exercise price, each Option can be converted to one Share in the Company and will rank pari passu with all other Shares. The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.
- Date by which the Company proposes to issue the Options: the Options are proposed to be issued as soon as reasonably practicable after the date of the Meeting and in any event no later than three months after the date of the Meeting;
- Price of the proposed issue: the Options will be issued at a nil issue price as part consideration for Canaccord's provision of its services under the Placement Mandate.
- Purpose of the proposed issue: the purpose of the Option Issue is to satisfy the Company's obligations under the Placement Mandate. No funds will be raised from the issue of Options.
- Summary of material terms of the agreement under which securities are proposed to be issued; the Options are being issued to Canaccord (or its nominees) under the Placement Mandate. A summary of the material terms of the Placement Mandate is set out above.
- Voting exclusion statement: included in Resolution 4 of the Notice.

Directors' Recommendation

The Board unanimously recommends that the Shareholders approve Resolution 4 as each Director allowed to vote intends to do with regard to their own shareholdings in the Company.

Resolution 5:

Ratification of Prior Issue of Shares

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the prior allotment and issue of 31,129,975 Shares by Cobre Limited to certain sophisticated and institutional investors as part of the placement announced to the ASX on 15 April 2021 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

Background

As set out in the information in relation to Resolution 3 above, the Company announced the Placement on 15 April 2021 and, as the first tranche of the Placement, issued 18,577,985 new Shares pursuant to Listing Rule 7.1 and 12,551,990 Shares pursuant to Listing Rule 7.1A to various sophisticated and institutional investors. None of the placees are Related Parties.

Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period. Listing Rule 7.1A allows an eligible entity (which includes the Company) to have an additional placement capacity of 10% if approved by special resolution at an AGM.

At the time of issue, it was permissible for the Company to issue the first tranche of the Placement without Shareholder approval, as the issue was within the Company's existing capacity pursuant to Listing Rules 7.1 and 7.1A.

While the first tranche of the Placement did not exceed the Company's placement capacity under Listing Rules 7.1 and 7.1A and was therefore made without breaching those rules, the Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain the approval of the Company's Shareholders under Listing Rule 7.1. To do this, the Company is asking Shareholders to ratify the issue of these Shares under Listing Rule 7.4 so that these shares do not count towards its placement capacity.

To this end, Resolution 5 seeks Shareholder approval for the issue of first tranche of the Placement under and for the purposes of Listing Rule 7.4.

If Resolution 5 is passed by Shareholders, the issue of the 31,129,975 Shares referred to above will be excluded in calculating the Company's placement capacity under Listing Rule 7, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 5 is not passed, the issue will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1 and 10% placement capacity under Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue date.

Note that the Company is seeking a separate resolution (Resolution 6) by way of a special resolution for the approval of an additional 10% placement capacity. Neither Resolution 5 or 6 (or any of the Resolutions) are dependent on the other.

The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity so that the Company retains financial flexibility and can take advantage of opportunities that may arise.

Information for Shareholders in accordance with Listing Rule 7.5

The following information is provided in relation to Resolution 5 in accordance with Listing Rule 7.5:

- The basis on which placees were identified or selected: the 31,129,975 Shares were placed to the placees by Canaccord on the basis that they satisfy the following criteria:
    - In Australia, and are "sophisticated", "experienced" or "professional" investors as defined in sections 708(8), 708(10) or 708(11) of the Corporations Act; or
    - institutional or professional investors in New Zealand, Hong Kong, Singapore or the United Kingdom and are exempted from relevant prospectus and registration requirements;
- Number of securities issued: 31,129,975 new Shares in the Company.
  Date on which the Shares were issued: 23 April 2021.
- Issue price: $0.17 per Share. A total of $5.3 million were raised by the Company through the issue of these Shares.
- Use of funds: the proceeds of the issue will be primarily to meet the capital requirements for exploration under the Company's joint venture African investment, with Metal Tiger plc, through Kalahari Metals Ltd.
- Terms of the securities: the Shares were issued with the same rights as Shares already on issue in the Company and subject to the Corporations Act, the Listing Rules and the Company's Constitution.
- Voting exclusion statement: included in Resolution 5 of the Notice.

Directors' Recommendation

The Board unanimously recommends that the Shareholders vote in favour of the ratification of the prior issue of the Shares as each Director intends to do with regard to their own shareholdings in the Company.

SPECIAL RESOLUTION

Resolution 6:

Approval for Additional Placement Capacity

"That, pursuant to and in accordance with ASX Listing 7.1A, and for all other purposes, the Shareholders approve the issue of Equity Securities equating to up to 10% of the issued ordinary capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of their issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of $300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to subparagraph (c) below).

The Company may use the 10% Placement Facility to acquire new projects, assets or investments or for feasibility, financing, equity, construction and/or development work on its current or future projects and/or for working capital.

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company and will be issued for cash consideration only. The Company, as at the date of the Notice, has only one class of quoted Equity Securities, Ordinary Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement which, for the purpose of this example was 30 November 2020, being the date that was 12 months before the date of the AGM, is 102,970,688:

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2 which is nil;

(B) plus the number of partly paid shares that became fully paid in the 12 months which is nil;

(C) plus the number of fully paid shares issued in the 12 month period, between 30 November 2020 and 30 November 2021, with approval of holders of shares under Listing Rule 7.1 and 7.4 (on the assumption that Resolutions 5 and 6 are passed at the Meeting) which is 53,679,189;

(D) less the number of fully paid shares cancelled in the 12 months which is nil.

*[Note that **A** has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.]*

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue (or since the date of quotation if less than 12 months) where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

As at the date of the AGM, the Company has 156,649,877 Shares on issue and the capacity to issue:

(i) 23,497,481 Equity Securities under Listing Rule 7.1 (on the assumption Resolutions 4 and 5 are passed at the Meeting); and

(ii) subject to the passing of Resolutions 5 and 6 a further 15,664,987 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section subparagraph (c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed; or

(ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

(i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or

(ii) the time and date of the entity's next annual general meeting; or

(iii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(**10% Placement Period**).

Listing Rule 7.1A

The effect of this Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

This Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

(a) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid on the earlier of:

(i) the date that is 12 months after the date of the AGM at which the approval is obtained; or

(ii) the time and date of the entity's next annual general meeting; or

(iii) in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)). The approval under Resolution 5 for the issue of the Equity Securities will also cease on.

(b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:

(i) the date on which the price at which the Equity Securities are to be issued is agreed; or

(ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(c) The Company may seek to issue the Equity Securities for the following purposes:

(i) fund exploration expenditure;

(ii) acquire or otherwise invest into new projects or assets;

(iii) due diligence;

(iv) fund feasibility studies for existing or new projects; and/or

(v) working capital.

(d) If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval. If the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are exercised). There is a risk that:

(i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

(ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares of $0.155 and the current number of Ordinary Securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A (2) as at 14 September, 2021.

The table also shows:

(i) two examples where variable “A” has increased, by 50% and 100%. Variable “A” is based on the number of ordinary securities the Company has on issue as at the date of the Notice. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders’ meeting or already approved by shareholders; and

(ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution $0.0775 **50% decrease in Issue Price**	Dilution $0.155 **Issue Price**	Dilution $0.31 **100% increase in Issue Price**
Current Variable 'A' 156,649,866 Shares	10% voting dilution	15,664,987 Shares	15,664,987 Shares	15,664,987 Shares
	Funds raised	$1,214,036	$2,428,072	$4,856,145
50% increase in current Variable 'A' 234,974,816 Shares	10% voting dilution	23,497,481 Shares	23,497,481 Shares	23,497,481 Shares
	Funds raised	$1,821,055	$3,642,110	$7,284,220
100% increase in 313,299,754 Shares	10% voting dilution	31,329,975 Shares	31,329,975 Shares	31,329,975 Shares
	Funds raised	$2,428,073	$4,856,146	$9,712,292

The table has been prepared on the following assumptions:

(i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.

(ii) No Options are exercised into Shares before the date of the issue of the Equity Securities.

(iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

(iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

(v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.

(vii) The issue price is $0.155, being the closing price of the Shares on ASX on 14 September 2021; and

(viii) Resolutions 4, 5, and 6 are passed at the Meeting.

(e) Allocation policy

(i) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including, but not limited to the following:

a. While the Company has no present intention to raise funds under the mandate or to approach any party or parties directly to participate in any such issue, this may change depending on the success of the Company's drilling programs and a broad range of other opportunities that may arise;

b. the number of issues the Company may make during the 12 month mandated period and the time frame over which they will be made, which will depend on the factors in (a) above;

c. the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issues in which existing security holders can participate;

d. the effect of the issue of the Equity Securities on the control of the Company;

e. the financial situation and solvency of the Company; and

f. advice from corporate, financial and broking advisers (if applicable).

(ii) The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not Related Parties or associates of a Related Party of the Company.

(iii) Further, if the Company is successful in acquiring new projects, assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new projects, assets or investments.

(f) The Company provides the following information pursuant to Listing Rule 7.3A.6:

Date of Issue:	**23 April 2021**
Number Issued:	12,551,990
Percentage that these securities represent of the total number of equity securities on issue as at 30 November 2020:	12.18%
Class:	Fully Paid Ordinary Shares
Recipient:	Various investors introduced through Canaccord Genuity (Australia) Limited
Price/Discount:	$0.17 per share representing a discount of 12.8% to the last closing price prior to the trading halt for the announcement of the capital raising.
Consideration and use of funds:	Total funds raised for the Shares issued under Listing Rule 7.1A2 were $2,133,838.30, of which $326,093 has been spent primarily to meet the capital requirements for exploration under the Company's joint venture African investment, with Metal Tiger plc, through Kalahari Metals Ltd.

Effect if Resolution not passed

If this Resolution is not passed by Shareholders, the Company will be limited to the 15% placement capacity under Listing Rule 7.1 of the ASX Listing Rules.

Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this special Resolution.

GLOSSARY

A$** and **$ means a dollar in the currency of the Commonwealth of Australia.

AEDT means Australian Eastern Daylight Savings Time.

AGM means an annual general meeting of the Company held in accordance with the Act.

ASIC means the Australian Securities & Investments Commission.

Associate has the meaning given in ASX Listing Rule 19.12.

ASX means the Australian Securities Exchange.

Auditor means the auditor of the Company.

BDO means BDO Corporate Finance Ltd ABN 54 010 185 725, Australian Financial Services Licence No. 245513.

Chairman or Chair means the chairman of the Meeting.

Company means Cobre Limited ACN 626 241 067.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Equity Securities includes a Share, a right to a Share or Option, a convertible security and any other security that ASX decides to classify as an Equity Security.

IER or **Independent Expert Report** means the Independent Expert's Report And Financial Services Guide issued by BDO dated 8 October 2021, as set out in Annexure A.

Issue means the proposed issue of second tranche of the Shares by the Company to Metal Tiger plc pursuant to a placement announced by the Company on 15 April 2021.

Listing Rules means the official listing rules of ASX.

Meeting means the AGM convened by this Notice.

Notice means this document, including the Explanatory Memorandum.

Options mean an option in the Company to acquire Shares.

Ordinary Security has the meaning given in ASX Listing Rule 19.12.

Person has the meaning given in ASX Listing Rule 19.12.

Related Party has the meaning given in ASX Listing Rule 19.12.

Resolutions means the resolutions set out in this Notice to be considered at the Meeting and **Resolution** means any one of them.

Share means a fully paid ordinary share in the issued share capital of the Company.

Shareholder means a holder of Shares in the capital of the Company.

Security has the meaning given in ASX Listing Rule 19.12.

Trading Day means a day on which ASX is open for trading.

Annexure A

COBRE LIMITED

INDEPENDENT EXPERT'S REPORT AND FINANCIAL SERVICES GUIDE

Opinion: The Proposed Transaction is Not Fair but Reasonable

8 OCTOBER 2021

FINANCIAL SERVICES GUIDE

Dated: 8 October 2021

The Financial Services Guide ('FSG') is provided to comply with the legal requirements imposed by the Corporations Act 2001 and includes important information regarding the general financial product advice contained in this report ('this Report'). The FSG also includes general information about BDO Corporate Finance Ltd ABN 54 010 185 725, Australian Financial Services Licence No. 245513 ('BDOCF' or 'we', 'us' or 'our'), including the financial services we are authorised to provide, our remuneration and our dispute resolution.

BDOCF holds an Australian Financial Services Licence to provide the following services:

a) Financial product advice in relation to deposit and payment products (limited to basic deposit products and deposit products other than basic deposit products), securities, and interests in managed investment schemes excluding investor directed portfolio services; and

b) Arranging to deal in financial products in relation to securities; and

c) Applying for, acquiring, varying or disposing of a financial product in relation to interests in managed investment schemes excluding investor directed portfolio services, and securities.

General Financial Product Advice

This Report sets out what is described as general financial product advice. This Report does not consider personal objectives, individual financial position or needs and therefore does not represent personal financial product advice. Consequently, any person using this Report must consider their own objectives, financial situation and needs. They may wish to obtain professional advice to assist in this assessment.

The Assignment

BDOCF has been engaged to provide general financial product advice in the form of a report in relation to a financial product. Specifically, BDOCF has been engaged to provide an independent expert's report to the shareholders of Cobre Limited ('Cobre' or 'the Company') in relation to the proposed issue of 8.3 million Cobre ordinary shares to Metal Tiger plc ('MTR') at an issue price of AUD0.17 to raise an amount of AUD1.4 million ('the Proposed Transaction'). Upon completion of the Proposed Transaction, MTR's interest in Cobre will increase from 16.6% to 20.8% of the undiluted share capital on issue in Cobre.

Further details of the Proposed Transaction are set out in Section 4.0. The scope of this Report is set out in detail in Section 3.3. This Report provides an opinion on whether or not the Proposed Transaction is 'fair and reasonable' to the non-associated ordinary shareholders ('the Non-Associated Shareholders') and has been prepared to provide information to the Non-Associated Shareholders to assist them to make an informed decision on whether to vote in favour of or against the Proposed Transaction. Other important information relating to this Report is set out in more detail in Section 3.

This Report cannot be relied upon for any purpose other than the purpose mentioned above and cannot be relied upon by any person or entity other than those mentioned above, unless we have provided our express consent in writing to do so. An individual shareholder's decision to vote in favour of or against the Proposed Transaction is likely to be influenced by their particular circumstances, for example, their taxation considerations and risk profile. Each individual shareholder should obtain their own professional advice in relation to their own circumstances.

Fees, Commissions and Other Benefits we may Receive

We charge a fee for providing reports. The fees are negotiated with the party who engages us to provide a report. We estimate the fee for the preparation of this Report will be approximately $35,000 plus GST. Fees are usually charged as a fixed amount or on an hourly basis depending on the terms of the agreement with the engaging party. Our fees for this Report are not contingent on the outcome of the Proposed Transaction.

Except for the fees referred to above, neither BDOCF, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of this Report.

Directors of BDOCF may receive a share in the profits of BDO Group Holdings Limited, a parent entity of BDOCF. All directors and employees of BDO Group Holdings Limited and its subsidiaries (including BDOCF) are entitled to receive a salary. Where a director of BDOCF is a shareholder of BDO Group Holdings Limited, the person is entitled to share in the profits of BDO Group Holdings Limited.

Associations and Relationships

From time to time BDOCF or its related entities may provide professional services to issuers of financial products in the ordinary course of its business. These services may include audit, tax and business advisory services. The only professional services provided by BDOCF in the last two years comprise an IER dated 1 March 2021 prepared in relation to the proposed acquisition of a stake up to 51% in Kalahari Metals Limited ('KML'). An affiliated BDO entity in the United Kingdom provides tax advice to MTR. No one from that office is involved in the preparation of this Report, nor do they have an interest in the outcome of the Proposed Transaction.

The signatories to this Report do not hold any shares in Cobre and no such shares have ever been held by the signatories.

To prepare our reports, including this Report, we may use researched information provided by research facilities to which we subscribe or which are publicly available. Reference has been made to the sources of information in this Report, where applicable. Research fees are not included in the fee details provided in this Report.

Complaints Resolution

Internal Complaints Resolution Process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial services. Complaints can be in writing, addressed to the Complaints Officer, BDO Corporate Finance Ltd, GPO Box 457, Brisbane QLD 4001 or by telephone or email, using the details at the end of this FSG.

When we receive a complaint we will record the complaint, acknowledge receipt of the complaint in writing within 24 hours (or one business day) or, if that timeline cannot be met, then as soon as practicable and investigate the issues raised. As soon as practical, and not more than 30 days after receiving the complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

If a complaint is made and the complainant is dissatisfied with the outcome of the above process, or our determination, the complainant has the right to refer the matter to the Australian Financial Complaints Authority Limited (AFCA). AFCA is an independent company that has been established to impartially resolve disputes between consumers and participating financial services providers.

BDO Corporate Finance is a member of AFCA (Member Number 10236).

Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly via the details set out below.

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1800 931 678
Email: info@afca.org

Compensation Arrangements

BDOCF and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDOCF or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDOCF satisfy the requirements of section 912B of the Corporations Act 2001.

Contact Details

BDO Corporate Finance Ltd

Location Address:	Postal Address:
Level 10 12 Creek Street BRISBANE QLD 4000	GPO Box 457 BRISBANE QLD 4001
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CONTENTS

GLOSSARY

Reference	Definition
$, AUD	Australian Dollars
AASB 2	Australian Accounting Standard Board – Standard 2 *Share-based Payment*
ABV	Asset based valuation
Act, the	Corporations Act 2001 (Cth)
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 *Valuation Services*
ASIC	The Australian Securities and Investments Commission
ASX	Australian Securities Exchange
BDO Persons	The partners, directors, agents or associates of BDO
BDOCF	BDO Corporate Finance Ltd
Board, the	The directors of Cobre
Change of Control Approval	Cobre will initially acquire an interest of 49.99% in KML, and subject to obtaining approval from the Minister of Mineral, Energy and Water Resources of the Republic of Botswana, will increase its shareholding in KML to 51%
CHIA	Chi-X Australia
CME	Capitalised maintainable earnings
Cobre	Cobre Limited
CSA	CSA Global Pty Ltd
CSA Report, the	The Independent Technical Specialist's Report prepared by CSA and dated 8 October 2021
DCF	Discounted cash flows
FSG	The Financial Services Guide
FY	Financial year
JORC	Australian Joint Ore Resources Committee
JV	Joint Venture
Kitlanya	Kitlanya Pty Ltd
KML	Kalahari Metals Limited
Management	The management team of Cobre
MBV	Market based valuation
Meeting, the	The Annual General Meeting to be held on 30 November 2021
Triprop	Triprop Holding Pty Ltd
MTR	Metal Tiger plc
Non-Associated Shareholders, the	The shareholders of Cobre other than Metal Tiger plc
USGS	US Geological Survey
KCB	Kalahari Copper Belt
FMG	Fortescue Metals Limited
NCP	Ngami Copper Project
KIT-W	Kitlanya West Project

Reference	Definition
Armada	Armada Metals Limited
KIT-E	Kitlanya East Project
OCP	Okavango Copper Project
LMT	Libonga-Matchiti Trend
IPO	Initial Public Offering
ICSG	International Copper Study Group
Non-Associated Directors	The directors that are not related to the Proposed Transaction
Notice of Meeting, the	The Notice of Annual General Meeting and Explanatory Memorandum prepared by Cobre dated on or about 22 October 2021
Proposed Transaction, the	The proposed issue of 8.3 million Cobre ordinary shares to Metal Tiger plc at an issue price of AUD0.17 to raise an amount of AUD1.4 million
Regulations, the	The Corporation Regulations 2001
Report, this	This independent expert's report prepared by BDOCF and dated 8 October 2021
RG 111	ASIC Regulatory Guide 111: *Content of Expert Reports*
RGs	Regulatory guides published by ASIC
RG 74	ASIC Regulatory Guide 74: *Acquisitions approved by members*
AIM	Alternative investment market
TSX	Toronto Stock Exchange
Substantial Assets	ASX Listing Rule 10.2 defines an asset as substantial if its value or the consideration for it is, or in ASX's opinion is that it is, 5% or more of the value of the equity interests of the entity, as set out in the latest accounts given to the ASX in accordance with the ASX listing rules
Substantial Holder	Based on ASX Listing Rule 10.1.3, a substantial holder is a person who has relevant interest, or had a relevant interest at any time in the six months before the relevant transaction, in at least 10% of the voting power of the company
TGP	Toucan Gold Pty Ltd
VHMS	High-grade volcanogenic massive sulphide
VALMIN Code	Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Specialist Reports
VWAP	Volume Weighted Average Price
We, us, our	BDO Corporate Finance Ltd

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AUSTRALIA

PART I: ASSESSMENT OF THE OFFER

The Non-Associated Shareholders
C/- The Non-Associated Directors
Cobre Limited
7/151 Macquarie Street,
Sydney NSW 2000

8 October 2021

Dear Non-Associated Shareholders,

1.0 Introduction

BDO Corporate Finance Ltd ('BDOCF') has been engaged to provide an independent expert's report ('this Report') to the non-associated ordinary shareholders ('the Non-Associated Shareholders') of Cobre Limited ('Cobre' or 'the Company') in relation to the proposed issue of 8.3 million Cobre ordinary shares to Metal Tiger plc ('MTR') at an issue price of AUD0.17 to raise an amount of AUD1.4 million ('the Proposed Transaction'). Upon completion of the Proposed Transaction, MTR will own approximately 20.8% of undiluted share capital on issue in Cobre.

This Report is prepared pursuant to ASX Listing Rule 10.1 and item 7 of section 611 of the Corporations Act 2001 Cth ('Corporations Act' or 'the Act') and is to be included in the Notice of Meeting for Cobre in order to assist the Non-Associated Shareholders form a view on whether to vote in favour of or against the resolutions that comprise the Proposed Transaction.

A more detailed summary of the Proposed Transaction is set out in Section 4.

In this Report we provide our opinions on whether the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders. This Report has been prepared solely for use by the Non-Associated Shareholders to provide them with information relating to the Proposed Transaction. The scope and purpose of this Report are detailed in Sections 3.3 and 3.4, respectively.

This Report, including Part I, Part II and the appendices, should be read in full along with all other documentation provided to the Non-Associated Shareholders including the Notice of Annual General Meeting and Explanatory Memorandum prepared by Cobre and dated on or about 22 October 2021 ('the Notice of Meeting') in relation to the Annual General Meeting to be held on 30 November 2021 ('the Meeting').

2.0 Assessment of the Proposed Transaction

This section is set out as follows:

- Section 2.1 sets out the methodology for our assessment of the Proposed Transaction;
- Section 2.2 sets out our assessment of the fairness of the Proposed Transaction;
- Section 2.3 sets out our assessment of the reasonableness of the Proposed Transaction; and
- Section 2.4 sets out our opinion regarding the Proposed Transaction.

2.1 Basis of Evaluation

ASIC have issued Regulatory Guide 111: *Content of Expert Reports* ('RG 111'), which provides guidance in relation to independent expert's reports. RG 111 relates to the provision of independent expert's reports in a range of circumstances, including those where the expert is required to provide an opinion in relation to a takeover transaction. RG 111 states that the independent expert's report should explain the particulars of how the transaction was examined and evaluated as well as the results of the examination and evaluation.

The Proposed Transaction involves the proposed issue of 8.3 million Cobre ordinary shares to MTR and will result in MTR's interest in Cobre increasing from approximately 16.60% to an amount approximately 20.80% of undiluted share capital in Cobre. RG 111 specifically differentiates between control and non-control transactions in providing guidance on the type of analysis to complete. RG 111 suggests that where the transaction is a control transaction the expert should focus on the substance of the control transaction rather than the legal mechanism to affect it. In our opinion the Proposed Transaction is a control transaction as defined by RG 111 and we have assessed the Proposed Transaction by considering whether, in our opinion, it is fair and reasonable to the Non-Associated Shareholders.

Under RG 111, a transaction will be considered 'fair' if the value of the consideration to be received by shareholders is equal to or greater than the value of the shares that are the subject of the transaction. To assess whether a transaction is 'reasonable', an expert should examine other significant factors to which shareholders may give consideration prior to accepting or approving the transaction. This includes comparing the likely advantages and disadvantages if the transaction is approved with the position of shareholders if the transaction is not approved.

RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if, despite being 'not fair', the expert believes that there are sufficient reasons for security holders to accept an offer in the absence of a higher bid. Our assessment concludes by providing our opinion as to whether or not the Proposed Transaction is 'fair and reasonable'. While all relevant issues need to be considered before drawing an overall conclusion, we assess the fairness and reasonableness issues separately for clarity.

We have assessed the fairness and reasonableness of the Proposed Transaction in Sections 2.2 and 2.3 below and provide an opinion on whether the Proposed Transaction is 'fair and reasonable' to the Non-Associated Shareholders in Section 2.4.

2.2 Assessment of Fairness

2.2.1 Basis of Assessment

RG 111 states that a transaction is fair if the value of the offer price or consideration is greater than the value of the securities subject to the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. When considering the value of the securities subject of the offer in a control transaction, the expert should consider the value inclusive of a control premium and assume a 100% ownership interest.

Having regard to RG 111, in our view, it is appropriate to assess whether the Proposed Transaction is 'fair' by:

a) Determining the value of a Cobre share on a controlling interest basis prior to the Proposed Transaction;

b) Determining the value of a Cobre share on a minority interest basis after the Proposed Transaction; and

c) Comparing the value determined in a) above with the value of b) to determine if the Proposed Transaction is fair.

In accordance with the requirements of RG 111, the Proposed Transaction can be considered 'fair' to the Non-Associated Shareholders if the value determined in b) above is equal to or greater than the value determined in a) above.

2.2.2 Value of a Cobre Share Prior to the Proposed Transaction on a Controlling Interest Basis

In our view, for the purposes of the analysis set out in this Report, it is appropriate to separately consider the following valuation ranges:

- The valuation range derived from our Sum-of-the-Parts methodology of AUD0.0529 to AUD0.0824 per Cobre share on a controlling interest basis. In completing our Sum-of-the-Parts methodology, we have relied on the work of CSA Global Pty Ltd ('CSA') who we engaged to value Cobre's, Armada Metals Limited's ('Armada') and Kalahari Metals Limited's ('KML') mineral rights and assets. The CSA Technical Expert's Report dated 8 October 2021 ('the CSA Report') is attached as Appendix B to this Report. While CSA has provided us with information which indicates they have the requisite

experience to complete a technical valuation of Cobre's mineral assets and we have critically analysed their work, we are not responsible for the CSA Report; and

- The valuation range derived from our MBV methodology of AUD0.1820 to AUD0.2340 per Cobre share on a controlling interest basis. In completing our MBV, we have considered available share trading data in relation to Cobre shares that we considered relevant.

Our valuation of Cobre prior to the Proposed Transaction is set out in Section 8.0. In relation to our valuation, we note that Cobre is a company focused on exploration for copper targets. In our view, the value of such companies may increase or decrease materially over short time periods depending the results from exploration activities and prevailing copper prices, among other matters. The fluctuations in value are further exacerbated at the current time because of the market volatility and economic uncertainty caused by the COVID-19 outbreak.

2.2.3 Value of a Cobre Share After the Proposed Transaction on a Minority Interest Basis

The primary factors driving the change in our calculated valuation range, pre and post the Proposed Transaction, are:

- **Additional equity instruments:** Under the Proposed Transaction, Cobre will issue 8.31 million ordinary shares to MTR;
- **The Addition of Cash:** Under the Proposed Transaction, Cobre will receive AUD1.41 million in return for issuing the shares to MTR; and
- **Minority interest:** We have calculated the value of Cobre on a minority interest basis following the Proposed Transaction.

The Sum-of-the-Parts valuation we have calculated following the Proposed Transaction, on a minority interest basis, is in the range of AUD0.0449 to AUD0.0665 per share. This valuation range is directly comparable to our Sum-of-the-Parts valuation referred to in Section 2.2.2 (AUD0.0529 to AUD0.0824) and relies on CSA's valuation of Cobre's, Armada's and KML's mineral rights and assets.

Our MBV following the Proposed Transaction, on a minority interest basis, is in the range of AUD0.1396 to AUD0.1778 per share. This valuation range is more comparable to the MBV methodology referred to in Section 2.2.2 (AUD0.1820 to AUD0.2340). However, the method of calculation is based on the Sum-of-the-Parts methodology. Essentially, for the MBV range, we have replaced CSA's valuation of Cobre's mineral rights and assets with the value implied by the MBV for the mineral rights and assets[1]. For ease of comparison, we have termed the value derived from this methodology as our MBV following the Proposed Transaction.

For completeness, we note that in the period of time from 1 October 2020 to 30 September 2021, Cobre's weighted average number of shares outstanding resulted to approximately 123.9 million, of which approximately 50.11% shares were traded on the Australian Securities Exchange ('ASX') and Chi-X Australia ('CHIA') at a daily volume weighted average price of approximately AUD0.1893.

Our valuation of Cobre following the Proposed Transaction is set out in Section 9.0.

2.2.4 Assessment of the Fairness of the Proposed Transaction

In order to assess the fairness of the Proposed Transaction, in accordance with RG 111, it is appropriate to compare the value of a Cobre share prior to the Proposed Transaction on a controlling interest basis with the value of a share in Cobre on a minority basis assuming the Proposed Transaction is implemented.

Table 2.1 below summarises our assessment of the fairness of the Proposed Transaction.

Table 2.1: Assessment of the Fairness of the Proposed Transaction

	ABV Low ($/share)	CSA Preferred[1] ($/share)	ABV High ($/share)	MBV Low ($/share)	MBV High ($/share)
Value of Cobre share Pre-Transaction (controlling interest basis)	0.0529	0.0684	0.0824	0.1820	0.2340
Value of Cobre share Post-Transaction (minority interest basis)	0.0449	0.0562	0.0665	0.1396	0.1778

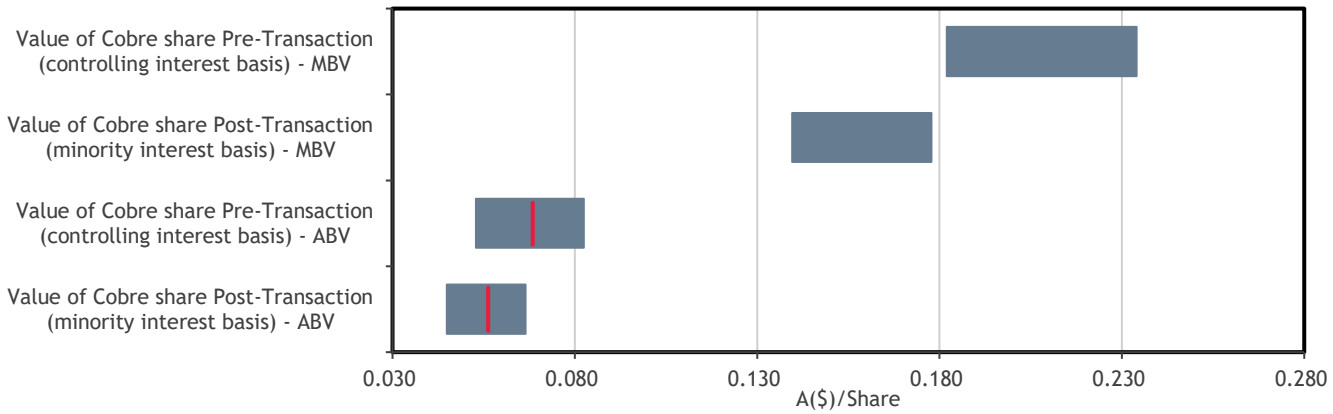
Source: BDOCF analysis

1 CSA preferred value refers to the value we have calculated by adopting CSA's preferred value for the mining interests of Cobre in our ABV.

Figure 2.1 summarises our assessment of the fairness of the Proposed Transaction, setting out a graphical comparison of our valuation of a Cobre share prior to the Proposed Transaction on a controlling interest basis and our valuation of a share in Cobre on a minority basis post the Proposed Transaction.

[1] To do this we have calculated the equity value of Cobre as a whole based on the MBV and subtracted the value of Cobre's non mineral related identifiable assets and liabilities with the residual being attributed to Cobre's mineral rights and assets.

Figure 2.1: Fairness of the Proposed Transaction



Source: BDOCF Analysis

With reference to Table 2.1 and Figure 2.1, we note:

- We consider the MBV valuation ranges directly comparable to each other and the ABV valuation ranges directly comparable to each other; and
- There is a downward shift in the valuation range post the Proposed Transaction for both the ABV and MBV comparisons.

After considering the information summarised above and set out in detail in the balance of this Report, it is our view that, in the absence of any other information, the Proposed Transaction is **Not Fair** to the Non-Associated Shareholders as at the date of this Report.

2.3 Assessment of Reasonableness

2.3.1 Basis of Assessment

Under RG 111, a transaction is considered reasonable if it is fair. It may also be reasonable, despite not being fair, if after considering other significant factors, the interests of the shareholders are reasonably balanced.

In addition to our fairness assessment set out in Section 2.2 above, to assess whether the Proposed Transaction is 'reasonable' we consider it appropriate to examine other significant factors to which the Non-Associated Shareholders may give consideration prior to forming a view on whether to vote in favour of or against the Proposed Transaction. This includes comparing the likely advantages and disadvantages of approving the Proposed Transaction with the position of a Non-Associated Shareholder if the Proposed Transaction is not approved, as well as a consideration of other significant factors.

Our assessment of the reasonableness of the Proposed Transaction is set out as follows:

- Section 2.3.2 sets out the potential advantages and disadvantages of the Proposed Transaction to the Non-Associated Shareholders;
- Section 2.3.3 sets out the position of the Non-Associated Shareholders if the Proposed Transaction is not approved;
- Section 2.3.4 sets out for completeness the comparison assuming a minority interest pre and post the Proposed Transaction; and
- Section 2.3.5 provides our opinion on the reasonableness of the Proposed Transaction to the Non-Associated Shareholders.

2.3.2 Potential Advantages and Disadvantages of the Proposed Transaction

Table 2.2 below outlines the potential advantages of the Proposed Transaction.

Table 2.2: Potential Advantages of the Proposed Transaction

Advantage	Explanation
Provides funds for exploration activities	The purpose of the capital raising announced on 15 April 2021 was primarily to fund the capital requirements for the exploration under the Company's joint venture investment with MTR, through KML.
Capital raising price higher than recent share prices	The average daily VWAP of Cobre from 15 April 2021 (the date the Proposed Transaction was announced) to 30 September 2021 has been AUD0.1691 with a high of AUD0.2318 on 15 June 2021 and a low of AUD0.1363 on 28 September 2021. The average daily VWAP of Cobre in September 2021 has been AUD0.1496 with a high of AUD0.1600 and a low of AUD0.1350. The AUD0.17 capital raising price under the Proposed Transaction is higher than Cobre's trading range in September and also slightly higher than the average VWAP from 15 April 2021 to 30 September 2021 of AUD0.1693. For completeness, we also note that capital raisings are often undertaken at a discount to recent share trading prices. For example, the placement announced by Cobre on 15 April 2021 was at a discount of 12.8% to the previous day's VWAP of AUD0.1950 and a discount of 19.6% to the previous month's average VWAP of AUD0.2114.
A largely unchanged level of control in Cobre for MTR	If the Proposed Transaction is approved, MTR's relevant interest in Cobre is expected to increase from its existing level of 16.6% to a maximum of approximately 20.8% of undiluted share capital in Cobre. This level of relevant interest is not sufficient to block a special resolution which requires a 25.0% dissenting vote.

Source: BDOCF analysis

Table 2.3 below outlines the potential disadvantages of the Proposed Transaction.

Table 2.3: Potential Disadvantages of the Proposed Transaction

Disadvantage	Explanation
Not Fair Transaction	As set out in Section 2.2 above, the Proposed Transaction is not fair to the Non-Associated Shareholders as at the date of this Report. For completeness, we note that our fairness opinion considers a controlling interest prior to the Proposed Transaction and a minority interest following the Proposed Transaction. Additional analysis is set out in Section 2.3.4 below comparing a minority interest prior to the Proposed Transaction with a minority interest following the Proposed Transaction.
Dilution of existing shareholders' interests	The issuance of shares in relation to the Proposed Transaction will have a dilutive effect on the interest held by Non-Associated Shareholders in Cobre's assets.

Source: BDOCF analysis

2.3.3 Position of the Non-Associated Shareholders if the Proposed Transaction is Not Approved

Table 2.4 below outlines the potential position of the Non-Associated Shareholders if the Proposed Transaction is not approved.

Table 2.4: Position of the Non-Associated Shareholders if the Proposed Transaction is Not Approved

Position of the Non-Associated Shareholders	Explanation
No change to Cobre shareholding	If the Proposed Transaction is not approved, MTR will not be issued with additional shares and the Non-Associated Shareholders will not be diluted.
Requirement to raise capital	If the Proposed Transaction is not approved, Cobre may be required to raise additional capital earlier than may have otherwise been the case. There is no guarantee that the price of any further capital raisings will be in excess of the AUD0.17 under the Proposed Transaction. By way of example, Cobre's daily VWAP in September 2021 was in the range of AUD0.1350 to AUD0.1600 and capital raisings are often undertaken at a discount to recent share trading prices.
Non-recoverable costs	Cobre has incurred costs in relation to the Proposed Transaction. Cobre will not be able to recover the costs that it has incurred in relation to the Proposed Transaction irrespective of whether or not the Proposed Transaction is approved.

Source: BDOCF analysis

2.3.4 Other Considerations - Comparison Assuming a Minority Interest Pre and Post the Proposed Transaction

Prior to the Proposed Transaction, individual Cobre shareholders could reasonably be considered to be minority shareholders of Cobre. If the Proposed Transaction is approved, individual Cobre shareholders will remain minority shareholders in the Company. MTR is the largest Cobre shareholder and its interest in Cobre will increase from 16.8% to approximately 20.8% of undiluted share capital in Cobre under the Proposed Transaction.

For the purpose of the analysis set out in this Report, we have also compared the value of a Cobre share post the Proposed Transaction on a minority interest basis with the value of a Cobre share prior to the Proposed Transaction on a minority interest basis in Table 2.5 below. Non-Associated Shareholders should note that this comparison does not form part of our fairness assessment.

Table 2.5: Comparison of the Value of a Cobre Share on a Minority Interest Basis Prior to and Post the Proposed Transaction

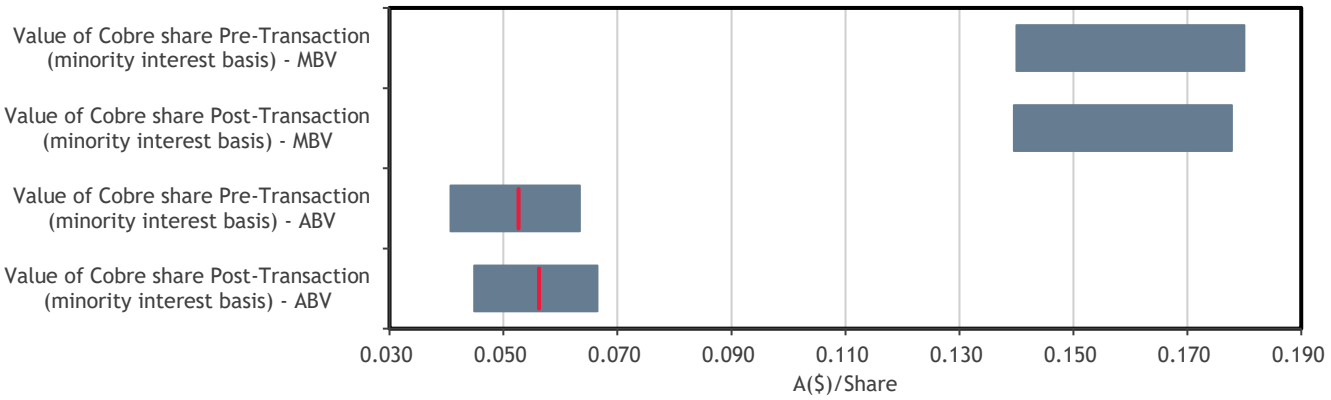
	ABV Low ($/share)	CSA Preferred[1] ($/share)	ABV High ($/share)	MBV Low ($/share)	MBV High ($/share)
Value of Cobre share Pre-Transaction (minority interest basis)	0.0407	0.0526	0.0634	0.1400	0.1800
Value of Cobre share Post-Transaction (minority interest basis)	0.0449	0.0562	0.0665	0.1396	0.1778

Source: BDOCF analysis

1 CSA Preferred value refers to the value we have calculated by adopting CSA's Preferred value for the mining interests of Cobre.

Figure 2.2 below sets out a graphical comparison of our valuation of a Cobre share prior to the Proposed Transaction on a minority interest basis and our valuation of a share in Cobre on a minority basis following the Proposed Transaction.

Figure 2.2: Comparison of the Value of a Cobre Share on a Minority Interest Basis Prior to and Post the Proposed Transaction



Source: BDOCF analysis

With reference to Table 2.5 and Figure 2.2, we note that when a comparison of the value of a Cobre share is completed on a minority interest basis prior to the Proposed Transaction, there is an upward shift in the ABV value ranges for each of the low, high and CSA preferred values. The MBV range is broadly similar on a minority interest basis prior to and after the Proposed Transaction.

2.3.5 Assessment of the Reasonableness of the Proposed Transaction

In our opinion, after considering all of the issues set out in this Report, it is our view that, in the absence of any other information or a superior proposal, the Proposed Transaction is **Reasonable** to the Non-Associated Shareholders as at the date of this Report.

2.4 Our Opinion

After considering the above assessments, it is our view that, in the absence of any other information or a superior proposal, the Proposed Transaction is **Not Fair but Reasonable** to the Non-Associated Shareholders as at the date of this Report.

Before forming a view on whether to vote in favour of or against the Proposed Transaction, we strongly recommend Non-Associated Shareholders:

- Have regard to the information set out in the balance of this Report, including the Important Information set out in Section 3.0;
- Consult their own professional advisers; and
- Consider their specific circumstances.

3.0 Important Information

3.1 Read this Report, and Other Documentation, in Full

This Report, including Part I, Part II and the appendices, should be read in full to obtain a comprehensive understanding of the purpose, scope, basis of evaluation, limitations, information relied upon, analysis, assumptions underpinning our work and our findings.

Other information provided to the Non-Associated Shareholders in conjunction with this Report should also be read in full, including the Notice of Meeting.

3.2 Shareholders' Individual Circumstances

Our analysis has been completed and our conclusions expressed at an aggregate level having regard to the Non-Associated Shareholders as a whole. BDOCF has not considered the impact of the Proposed Transaction on the particular circumstances of individual Non-Associated Shareholders. Individual Non-Associated Shareholders may place a different emphasis on certain elements of the Proposed Transaction relative to the emphasis placed in this Report. Accordingly, individual Non-Associated Shareholders may reach different conclusions as to whether or not the Proposed Transaction is fair and reasonable in their individual circumstances.

The decision of an individual Non-Associated Shareholder to vote in favour of or against the Proposed Transaction is likely to be influenced by their particular circumstances and accordingly, Non-Associated Shareholders are advised to consider their own circumstances and seek their own independent advice.

Voting in favour of or against the Proposed Transaction is a matter for individual Non-Associated Shareholders based on their expectations as to the expected value, future prospects and market conditions together with their particular circumstances, including risk profile, liquidity preference, portfolio strategy and tax position. Non-Associated Shareholders should carefully consider the Notice of Meeting. Non-Associated Shareholders who are in doubt as to the action they should take in relation to the Proposed Transaction should consult their professional adviser.

With respect to taxation implications of the Proposed Transaction, it is strongly recommended that Non-Associated Shareholders obtain their own taxation advice, tailored to their own particular circumstances.

3.3 Scope

In this Report we provide our opinion on whether or not the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders.

This Report has been prepared at the request of the Non-Associated Directors for the sole benefit of the Non-Associated Shareholders, to assist them in their decision to vote in favour of or against the Proposed Transaction. This Report is to accompany the Notice of Meeting to be sent to the shareholders to consider the Proposed Transaction and was not prepared for any other purpose. Accordingly, this Report and the information contained herein may not be relied upon by anyone other than the Non-Associated Directors and the Non-Associated Shareholders without our written consent. We accept no responsibility to any person other than the Non-Associated Directors and the Non-Associated Shareholders in relation to this Report.

This Report should not be used for any other purpose and we do not accept any responsibility for its use outside this purpose. Except in accordance with the stated purpose, no extract, quote or copy of this Report, in whole or in part, should be reproduced without our written consent, as to the form and context in which it may appear.

We have consented to the inclusion of this Report with the Notice of Meeting. Apart from this Report, we are not responsible for the contents of the Notice of Meeting or any other document associated with the Proposed Transaction. We acknowledge that this Report may be lodged with regulatory authorities to obtain the relevant approvals prior to it being made available to the Non-Associated Shareholders.

The scope of procedures we have undertaken has been limited to those procedures required in order to form our opinion. Our procedures did not include verification work nor did they constitute an audit or assurance engagement in accordance with Australian Auditing and Assurance Standards. In preparing this Report we considered a range of matters, including the necessary legal requirements and guidance of the Act, the Corporation Regulations 2001 ('the Regulations'), the regulatory guides ('RGs') published by the Australian Securities and Investments Commission ('ASIC').

In forming our opinion, we have made certain assumptions and outline these in this Report including:

- We have performed our analysis on the basis that the conditions precedent to the Proposed Transaction are satisfied;
- That matters such as title to all relevant assets, compliance with laws and regulations and contracts in place are in good standing, and will remain so, and that there are no material legal proceedings, other than those publically disclosed;
- All information which is material to the Non-Associated Shareholders decision on the Proposed Transaction has been provided and is complete, accurate and fairly presented in all material respects;
- If the Proposed Transaction is approved, it will be implemented in accordance with the stated terms;
- The legal mechanism to implement the Proposed Transaction is correct and effective;

- There are no undue changes to the terms and conditions of the Proposed Transaction, or complex issues unknown to us; and
- Other assumptions, as outlined in this Report.

In this Report we have not provided any taxation, legal or other advice of a similar nature in relation to the Proposed Transaction. Cobre has engaged other advisers in relation to those matters.

Cobre has acknowledged that the Company's engagement of BDOCF is as an independent contractor and not in any other capacity including a fiduciary capacity.

The statements and opinions contained in this Report are given in good faith and are based upon our consideration and assessment of information provided by Cobre's board of directors ('the Board'), executives and management of all the entities.

3.4 Purpose of this Report

An independent expert, in certain circumstances, must be appointed to meet the requirements set out in the Act, the Regulations, the RGs and in some cases the listing requirements of the relevant exchanges. Relevant requirements having regard to the Proposed Transaction and this Report have been set out in Sections 3.4.1 and 3.4.2 below.

3.4.1 Requirements of the Corporations Acts

Section 606 of the Act states that, subject to the exceptions set out in section 611, a 'relevant interest' in issued voting shares in a company, that is registered under the Act, cannot be increased from 20% or below to more than 20%, or increasing from a starting point that is above 20% and below 90%. A 'relevant interest' is broadly defined as an interest giving the holder the power to control the right to vote or dispose of shares, and includes the interest held by associates and other related parties.

If the Proposed Transaction is approved, MTR's relevant interest in Cobre will increase above the 20% threshold as MTR will be issued approximately 8.3 million fully paid ordinary Cobre shares. Following the Proposed Transaction, MTR's relevant interest in Cobre will increase from approximately 16.8% to 20.8%.

An exemption from section 606 is required under item 7 of section 611 of Act for this to occur.

Item 7 of section 611 allows a party to gain a relevant interest in shares of a public company that would otherwise be prohibited under subsection 606(2) of the Act if the Proposed Transaction is approved in advance by a resolution passed at a general meeting of the company, and:

- No votes are cast in favour of the resolution by any party who is associated with the party acquiring the shares, or by the party acquiring the shares; and
- There was full disclosure of all information known by both the party proposing to make the acquisition, their associates and the company in relation to the transaction which was material to a decision on how to vote on the resolution.

ASIC RG 74: *Acquisitions approved by members* states that the obligation to supply shareholders with all material information can be satisfied by the non-associated directors of Cobre by either:

- Undertaking a detailed examination of the Proposed Transaction themselves, if they consider that they have sufficient expertise; or
- Commissioning an independent expert's report.

We have been requested to prepare this independent expert's report to provide additional information to the Non-Associated Shareholders to assist them to form a view on whether to vote in favour of or against the Proposed Transaction.

3.4.2 Listing Requirements

Under ASX Listing Rule 10.11, unless some of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders, unless it obtains the approval of its shareholders.

The Proposed Transaction falls within ASX Listing Rule 10.11.3 and does not fall within any of the exceptions in ASX Listing Rule 10.12. The Proposed Transaction requires the approval of the Non-Associated Shareholders under ASX Listing Rule 10.11.

3.5 Current Market Conditions

Our opinion and the analysis set out in this Report is based on economic, market and other conditions prevailing at the date of this Report. Such conditions can change significantly over relatively short periods of time and may have a material impact on the results presented in this Report and result in any valuation or other opinion becoming quickly outdated and in need of revision (particularly as the full impact of the COVID-19 outbreak continues to evolve as at the date of this Report).

In circumstances where we become aware of and believe that a change in these conditions, prior to the Meeting, results in a material statement in this Report becoming misleading, deceptive or resulting in a material change in valuation, we will provide supplementary disclosure to Cobre. BDOCF is not responsible for updating this Report following the Meeting or in the event that a change in prevailing circumstance does not meet the above conditions.

3.6 Reliance on Information

Cobre recognises and confirms that, in preparing this Report, except to the extent to which it is unreasonable to do so, BDOCF, BDO Services Pty Ltd or any of the partners, directors, agents or associates thereof (together 'BDO Persons'), will be using and relying on publicly available information and on data, material and other information furnished to BDO Persons by Cobre, its management, and other parties, and may assume and rely upon the accuracy and completeness of, and is not assuming any responsibility for independent verification of, such publicly available information and the other information so furnished.

Unless the information we are provided suggests the contrary, we have assumed that the information provided was reliable, complete and not misleading, and material facts were not withheld. The information provided was evaluated through analysis and inquiry for the purpose of forming an opinion as to whether or not the Proposed Transaction is fair and reasonable.

We do not warrant that our inquiries have identified or verified all of the matters which an audit, extensive examination or due diligence investigation might disclose. In any event, an opinion as to whether a corporate transaction is fair and reasonable is in the nature of an overall opinion rather than an audit or detailed investigation.

Where we relied on the views and judgement of management, the information was evaluated through analysis and inquiry to the extent practical. Where we have relied on publicly available information, we have considered the source of the information and completed our own analysis to assist us to determine the reliability of the information. However, in many cases, the information we have relied on is often not capable of external verification or validation and on that basis we provide no opinion or assurance on the information.

The Non-Associated Directors represent and warrant to us, for the purpose of this Report, that all information and documents furnished by Cobre (either by Management directly or through their advisors) in connection or for use in the preparation of this Report do not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements therein. We have received representations from the Non-Associated Directors in relation to the completeness and accuracy of the information provided to us for the purpose of this Report.

Under the terms of our engagement, Cobre has agreed to indemnify BDO Persons against any claim, liability, loss or expense, costs or damage, arising out of reliance on any information or documentation provided, which is false or misleading or omits any material particulars, or arising from failure to supply relevant documentation or information.

3.7 Glossary

Capitalised terms used in this Report have the meanings set out in the glossary. A glossary of terms used throughout this Report is set out immediately following the Table of Contents at the start of this Report.

All dollar ('$') references in this Report are in Australian dollars unless otherwise stated.

3.8 Sources of Information

This Report has been prepared using information obtained from sources including the following:

- Cobre's annual report for the year ended 30 June 2020 and 30 June 2021;
- Cobre ASX announcements;
- CSA Independent Technical Specialist's Report, dated 8 October 2021;
- MTR Share Certificate in Cobre;
- KML's management accounts for the period ended 27 September 2021;
- Armada's management accounts for the period ended 30 June 2021;
- Draft Armada Prospectus;
- Cobre's Farm-in Agreement with GTTS Generations Pty Ltd;
- Application for the Issue of Shares in relation to the Proposed Transaction dated 14 April 2021;

- The Notice of Annual General Meeting and Explanatory Memorandum prepared by Cobre dated on or about 22 October 2021;
- Cobre Directors' Meeting Minutes;
- Capital IQ;
- MergerMarket;
- Other research publications and publicly available data as sourced throughout this Report; and
- Discussions and correspondence with Cobre management and their advisers.

3.9 APES 225 Valuation Services

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 *Valuation Services* ('APES 225'). A Valuation Engagement is defined by APES 225 as 'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

3.10 Forecast Information

Any forecast financial information referred to in this Report has originated from the Company's management and is adopted by the Company's directors in order to provide us with a guide to the potential financial performance of Cobre. There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to event(s) and transaction(s) that have not yet occurred and may not occur. Actual results are likely to be different from the forecast financial information since anticipated event(s) or transaction(s) frequently do not occur as expected and the variation between actual results and those forecast may be material.

The directors' best-estimate assumptions on which the forecast is based relate to future event(s) and/or transaction(s) that management expects to occur and actions that management expects to take and are also subject to uncertainties and contingencies, which are often outside the control of Cobre. Evidence may be available to support the directors' best-estimate assumptions on which the forecast is based however, such evidence is generally future-oriented and therefore speculative in nature. In certain circumstances, we may adjust the forecast assumptions provided by management to complete our valuation work. In this instance, the forecasts we have adopted for our valuation work will not be the same as the forecasts provided by management.

BDOCF cannot and does not provide any assurance that any forecast is representative of results or outcomes that will actually be achieved. While we have considered the forecast information to the extent we considered necessary to complete the analysis set out in this Report, we have not been engaged to provide any form of assurance conclusion on any forecast information set out in this Report. We disclaim any assumption of responsibility for any reliance on this Report, or on any forecast to which it relates, for any purpose other than that for which it was prepared. We have assumed, and relied on representations from certain members of management, that all material information concerning the prospects and proposed operations of Cobre have been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

3.11 Qualifications

BDOCF has extensive experience in the provision of corporate finance advice, including takeovers, valuations and acquisitions. BDOCF holds an Australian Financial Services Licence issued by ASIC for preparing expert reports pursuant to the ASX Listing Rules of the ASX and the Act.

BDOCF and its related parties in Australia have a wide range of experience in transactions involving the advising, auditing or expert reporting on companies that have operations domestically and in foreign jurisdictions. BDO in Australia is a national association of separate partnerships and entities and is a member of the international BDO network of individual firms.

Mark Whittaker and Scott Birkett have prepared this Report with the assistance of staff members. Mr Whittaker, BCom (Hons), CA, CFA, and Mr Birkett, BCom/BBusMan, CFA, are directors of BDOCF. Both Mr Whittaker and Mr Birkett have extensive experience in corporate advice and the provision of valuation and professional services to a diverse range of clients, including large private, public and listed companies, financial institutions and professional organisations. Mr Whittaker and Mr Birkett are considered to have the appropriate experience and professional qualifications to provide the advice offered within this Report.

BDO Corporate Finance Ltd

Mark Whittaker
Director

Scott Birkett
Director

PART II: INFORMATION SUPPORTING OUR OPINION ON THE PROPOSED TRANSACTION

4.0 Overview of the Proposed Transaction

This section sets out an overview of the Proposed Transaction and is structured as follows:

- Section 4.1 summarises the Proposed Transaction and its key terms;
- Section 4.2 describes the key parties involved in the Proposed Transaction; and
- Section 4.3 summarises the Cobre directors' ('the Directors') strategic rationale for the Proposed Transaction.

This section is a summary only and should not be treated as a complete description of the Proposed Transaction. The Non-Associated Shareholders should refer to the Notice of Meeting for detailed and additional information relating to the Proposed Transaction and the key parties involved.

4.1 Summary of the Proposed Transaction

On 15 April 2021, Cobre announced on the ASX that it had successfully raised AUD5.3 million via a placement as part of its plan to raise AUD6.7 million at AUD0.17 per share via a two-tranche placement to sophisticated and institutional investors, primarily to fund the capital requirements for the exploration under the Company's joint venture investment with MTR, through KML.

The first tranche of the placement comprised a AUD5.3 million equity raising, where a total of 31.1 million shares were issued at AUD0.17 per share. The first placement was settled on 22 April 2021 and shareholder approval was not required.

The second tranche of the placement, which requires shareholder approval ('the Proposed Transaction'), is comprised of a AUD1.4 million equity raising, where a total of 8.3 million shares will be issued at AUD0.17 per share to MTR. The Proposed Transaction is subject to shareholder approval

Table 4.1 below sets out the change in MTR's relevant interest in Cobre if the Proposed Transaction is approved.

Table 4.1: Indicative Capital Structure Following the Proposed Transaction

Items	Pre-Proposed Transaction Ownership (shares)	Pre-Proposed Transaction Ownership (%)	Movement from the Proposed Transaction	Post Proposed Transaction Ownership (shares)	Post Proposed Transaction Ownership (%)
Metal Tiger PLC	26,006,963	16.60%[1]	8,311,765	34,318,728	20.80%[1]
Other Cobre shareholders	130,642,914	83.40%	-	130,642,914	79.20%
Total	**156,649,877**	**100.00%**	**8,311,765**	**164,961,642**	**100.00%**

Source: Management; BDOCF analysis

1. MTR holds a 51.0% interest in KML, with Cobre holding the remaining interest through their fully-owned subsidiary, Cobre Kalhari. However, Cobre's relevant interest in MLT will increase to 51.0%, subject to obtaining the Change in Control Approval from the Minister of Mineral, Energy and Water Resources of the Republic of Botswana, which will result in MTR's shareholding in KML reducing to 49.0%. Upon the Change of Control Approval, MTR expects to be issued an additional 445,368 ordinary shares of Cobre which will result in MTR holding approximately 20.8% in Cobre. We note that this table does not include the additional 445,368 shares that MTR expect to receive which are subject to the Change of Control Approval.

4.2 Description of MTR

4.2.1 Overview

MTR is Cobre's largest shareholder, holding a 16.6% interest in Cobre prior to the Proposed Transaction. If the Proposed Transaction is implemented, MTR's relevant interest in Cobre will increase to 20.8%.

MTR was incorporated in 2001 and is headquartered in London, the United Kingdom.

MTR holds direct equity investments in various United Kingdom alternative investment market ('AIM') resource companies. The metal projects are primarily by way of joint venture arrangements and include exploration interests in gold, copper, tungsten, silver, lead, and zinc resources, as well as base and precious metals. The company holds core deposits in Botswana, Spain and Thailand. Its Asset Trading division encompasses the company's equity, warrant and royalty trading.

Through the on-market portfolio, MTR holds a range of London Stock Exchange AIM resource company shares and is researching opportunities in the Australian Securities Exchange ('ASX') markets and Toronto Stock Exchange ('TSX').

4.2.2 Historical Financial Information of MTR

The consolidated statement of comprehensive income for the 12 months ended 31 December 2018, 2019 and 2020 are summarised in Table 4.2 below.

Table 4.2: MTR Consolidated Statement of Comprehensive Income

Items	31 December 2018 (GBP'000)	31 December 2019 (GBP'000)	31 December 2020 (GBP'000)
Total Revenue	(624)	7,778	7,331
Total Operating Expense	(3,647)	(3,380)	(2,934)
Operating Income	**(4,271)**	**4,398**	**4,397**
Finance income	313	77	74
Finance costs	-	(3)	(684)
Profit/(Loss) for the Year Before Taxation	**(3,958)**	**4,472**	**3,787**
Tax on profit/(loss) on ordinary activities	545	-	-
Profit/(Loss) on Ordinary Activities after Taxation Other Comprehensive Income	**(3,413)**	**4,472**	**3,787**

Source: MTR Annual Report 2019, 2020

The balance sheet of MTR as at 31 December 2018, 2019 and 2020 are summarised in Table 4.3 below.

Table 4.3:

Summarised MTR Balance Sheet

Items	31 December 2018 (GBP'000)	31 December 2019 (GBP'000)	31 December 2020 (GBP'000)
Cash and cash equivalents	1,859	5,007	458
Current Assets	12,418	18,527	21,342
Non-Current Assets	5,159	9,655	17,238
Total Assets	**19,436**	**33,189**	**39,038**
Current Liabilities	360	1,800	684
Non-Current Liabilities	125	4,452	7,168
Total Liabilities	**485**	**6,252**	**7,852**
Net Assets	**18,951**	**26,937**	**31,186**

Source: MTR Annual Report 2019, 2020

4.3 Strategic Rationale for the Proposed Transaction

We are instructed that the Non-Associated Directors view on the strategic rationale for the Proposed Transaction is completion of the capital raising announced on 15 April 2021. The purpose of the capital raising was primarily to fund the capital requirements for the exploration under the Company's joint venture investment with MTR, through KML.

5.0 Background of Cobre

This section is set out as follows:

- Section 5.1 provides an overview of Cobre;
- Section 5.2 summarises key exploration assets of Cobre;
- Section 5.3 summarises the equity structure of Cobre;
- Section 5.4 summarises the share trading of Cobre; and
- Section 5.5 summarises the historical financial information of Cobre.

5.1 Overview of Cobre

Cobre is an Australian mineral exploration company headquartered in Sydney, New South Wales, seeking to create shareholder value through the successful exploration of base metals. Founded in 2018 as a small private company, it listed on the Australian Securities Exchange in January of 2020 (ticker ASX: CBE) raising AUD10 million before costs from the issue of 50 million fully paid ordinary shares at an issue price of AUD0.20.

Cobre's principal mining exploration targets are high-grade volcanogenic massive sulphide ('VHMS') deposits potentially containing base and precious metals, in particular copper.

Further details about Cobre's key exploration assets are set out below in Section 5.2.

5.2 Key Exploration Assets

This section sets out a summary of Cobre's key projects. For further details and valuations of these projects, refer to CSA's Independent Technical Specialist's Report attached in Appendix B.

5.2.1 The Perrinvale Project

Cobre, through its now wholly-owned subsidiary of Toucan Gold Pty Ltd ('TGP'), has 100% ownership of the Perrinvale Project. It covers 318km^2 of the Panhandle and Illaara Greenstone Belts in Western Australia and is located approximately 290 km NW of Kalgoorlie. Formally owned by Fortescue Metals Limited ('FMG'), initial exploration focused on known gold mineralisation in the area. Detailed reviews of historical work conducted and ground reconnaissance suggested that the Perrinvale Project area was also prospective for base metals. The Company has outlined a two-year exploration budget to include various geophysical surveys and geological studies.

Cobre conducted an exploratory drilling program across multiple prospects during 2019, receiving further exploration drilling approvals in January 2020 for ten prospect sites within the Perrinvale Project to be drilled throughout the 2020 year. In February 2020, Cobre announced it had commenced the first phase of the 2020 exploration program. This included preliminary diamond core drilling operations at three prospects titled; Zinco Lago, Schwabe and Monti situated within the Perrinvale Project region. Results found that drilling at the Monti prospect intersected with generally low levels of mineralisation. In August 2020, Cobre commenced the third phase of its drilling program, drill testing four new prospects titled; Costa del Islas, Piega del West, Ponchiera Copper and Ponchiera North. Only Ponchiera North failed to deliver some level of mineralisation in the assays. In April 2021, Cobre announced that the results from a series of metallurgical tests on the Schwabe ore and a pit optimisation study indicated positive potential, therefore a new field exploration programme with the aim of delineating potential future areas of interest for drill testing or further exploration has been commenced.

The results from the completed drilling program to date confirm the presence of high grade VHMS mineralisation in the tenement specifically in two key VHMS targets; Schwabe and Zinco Lago & Zinco Rame trend. Drilling work completed in 2020 at the Schwabe prospect has found significant intercepts in two drilling holes with the presence of high-grade base metal (copper-zinc) and gold mineralisation. Early exploration work at the Zinco prospect identified anomalous copper-zinc mineralisation at shallow depths.

5.2.2 The Sandiman Project

The Sandiman Project is a 202km^2 tenement located approximately 200km east of Carnarvon in Western Australia's Upper Gascoyne region. The area contains extensive barite veining and has the potential for sediment-hosted base metal mineralisation. Sandiman is an underexplored area in a favourable location with early indicators of significant prospectivity for base metals.

Sandiman is an farm-in joint-venture with private company GTTS Generations Pty Ltd, in which Cobre holds a 51% equity interest under the first farm-in agreement. Cobre has the right to increase its holding up to an 80% interest under the second farm-in agreement in the Sandiman Project given an agreed minimum expenditure of AUD306,000 by February 2022. We understand that the Board and management of Cobre have made the decision to remain at a 51% interest under the Sandiman farm-in agreement.

5.2.3 The Kalahari Metals Project

KML is operated as a joint venture between Cobre and MTR, with Cobre currently holding a 49.99% interest in KML and, subject to obtaining Change of Control Approval, may increase its shareholding in KML to 51.00% immediately thereafter. KML is the second largest tenement holder in the Kalahari Copper Belt ('KCB') in Botswana after Sandfire Resources Ltd and the KCB is regarded as one of the most prospective areas globally for copper exploration according to the US Geological Survey ('USGS').[2]

KML, formally known as Botswana Metals Limited, was incorporated in 2017 and it has a primary exploration focus in the KCB located in Botswana. KML targets sediment hosted and strata-bound copper and silver mineralisation and currently controls approximately 8,100km^2 of tenements in the KCB, with 12 exploration licenses split into four different projects within the region (with approximately 6,650 km^2 wholly controlled by KML and its subsidiaries and 1,450 km^2 held in the joint venture for Triprop Holding Pty Ltd ('Triprop') in which KML holds a 51% interest).

Key exploration assets of KML are listed below. For further detail in relation to KML's exploration projects, refer to CSA's Independent Technical Specialist's Report, dated 8 October 2021, attached in Appendix B.

Okavango Copper Project ('OCP')

The Okavango Copper Project ('OCP') is located in the Central portion of the Kalahari Copper Belt. The OCP consists of the 100% owned KML prospecting licences in addition to the Triprop prospecting licenses in which KML owns a controlling 51% stake. Historical samples have confirmed extensive copper mineralisation in the project area and recently completed heliborne magnetic and electromagnetic surveys mapped out marker conductors above prospective mineralised contact and defined fold-hinge targets.

Ngami Copper Project ('NCP')

The Ngami Copper Project ('NCP') is composed of two prospecting licenses owned by Triprop Holding Pty Ltd. The primary target of this project is structurally modified stratabound copper and silver deposits with historical drilling within the area having demonstrated the presence of copper and silver mineralisation. Imaging and AEM surveys have mapped targets analogous to other locations within the belt with mine sites under development. Current and future exploration work at this site includes further drilling to comprehensively test the targets for economic copper and silver mineralisation.

Kitlanya West Project ('KIT-W')

Located on the northern margin of the Kalahari Copper Belt, immediately adjacent to the Ngami Copper Project, the Kitlanya West Project ('KIT-W') is a fully owned project through a KML subsidiary, Kitlanya Pty Ltd ('Kitlanya').[3] AEM surveys have identified three prominent conductors in the project area. Drilling of these targets is planned after the completion of target drilling on OCP and will provide important stratigraphic information for the project.

Kitlanya East Project ('KIT-E')

The Kitlanya East Project ('KIT-E') is fully owned by KML's subsidiary company, Kitlanya and is located on the Southern margin of the Kalahari Copper Belt in close proximity to T3 and Banana Zone deposits. Four priority areas have been identified through historical and recent sampling, in addition to water borehole data where copper and silver mineralisation may be upgraded.

5.2.4 The Armada Investment

In March 2021, Cobre acquired an 18.5% interest in Armada, an early-stage company that engages in the exploration for magmatic nickel-copper sulphide deposits along a complex regional-scale craton boundary fault network in Gabon, Africa. The Cobre Board believe this early investment into Armada is a great opportunity to expand the Company's reach in the copper exploration area beyond Western Australia and Botswana. Armada was incorporated in 2014 and is based in Grand Baie, Mauritius.

Armada is a Mauritian holding company that owns 100% of Armada Exploration Gabon SARL, who subsequently own two exploration licences prospective for magmatic Ni-Cu sulphide located in the southwest Gabon between the Archaean to Paleoproterozoic Lambarene Horst Block (LHB) and the Nyango Basin.

Armada focuses on exploration for magmatic nickel-copper-cobalt-platinum group element (PGE) sulphide mineralisation hosted in an extensive complex of ca. 900 Ma mafic ultramafic intrusive suites within the LHB. Through its two exploration licences (G5-150 and G5-555), Armada covers a total area of to 2,991km^2 of ground associated with the Congo Craton margin. The basement within the licence areas have been intruded by a suite of mafic and ultramafic intrusions which represent the primary target for magmatic Ni-Cu mineralisation. Gabbro to peridotite fractionation suites have been proven with surface disseminated sulphides mapped at surface at three top ranked targets, namely Libonga North, Matchiti Central and Doumvou. In addition, the 20km-long Libonga-Matchiti Trend ('LMT') is drill ready with two advanced targets identified in addition to Doumvou along a parallel structural trend.

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2 Hammarstrom, J.M., Zientek, M.L., Parks, H.L., Dicken, C.L., and the U.S. Geological Survey Global Copper Mineral Resource Assessment Team, 2019, Assessment of undiscovered copper resources of the world, 2015 (ver.1.1, May 24, 2019): U.S. Geological Survey Scientific Investigations Report 2018–5160, 619 p. (including 3 chap., 3 app., glossary, and atlas of 236 page-size pls.), https://doi.org/10.3133/sir20185160

3 Kitlanya Copper Project Exploration Activities – Environmental Management Plan

Armada converted from a private to public company in July 2021 and is targeting an Initial Public Offering ('IPO') in the second half of 2021, with the expectation of a listing on the ASX in December.

Cobre has the right to appoint a nominee director to Armada's Board and has elected Martin Holland for that role.

5.3 Equity Structure of Cobre

5.3.1 Ordinary Shares

Cobre has 156,649,877 ordinary shares on issue. The top ten shareholders as at 30 September 2021 are set out in Table 5.1 below.

Table 5.1: Top 10 Shareholders

Shareholder	Number of Shares	Percentage of Shares (%)
Metal Tiger PLC	26,006,963	16.6%
Holland International PTY LTD	11,024,384	7.0%
HSBC Custody Nominees (Australia) LTD	9,267,676	5.9%
Resource Assets PTY LTD	8,113,269	5.2%
Montcap PTY LTD	6,871,459	4.4%
Mr Bernard Aylward	5,408,846	3.5%
Sissian International PTY LTD	4,799,052	3.1%
Luke Robert Bryan	4,763,128	3.0%
Adam Michael Wooldridge	4,763,128	3.0%
RED Projects LTD	3,771,043	2.4%
Total Top 10 Shareholders	**84,788,948**	**54.1%**
Total Balance of Holders	71,860,929	45.9%
Total Shares	**156,649,877**	**100.0%**

Source: FY21 Annual Report

5.3.2 Options on Issue

Cobre issued unlisted options to the directors, the company secretary and lead manager as part of their remuneration for services provided. Table 5.2 below summarises the options outstanding in Cobre.

Table 5.2: Cobre's Outstanding Options

Expiration Date	Number Outstanding	Exercise Price (AUD)
23-Sep-24	12,749,000	$0.2000
23-Sep-24	500,000	$0.2000
17-Jan-20	2,000,000	$0.3000
06-Apr-20	11,500,000	$0.3350
Total	**26,749,000**	**-**

Source: FY21 Annual Report

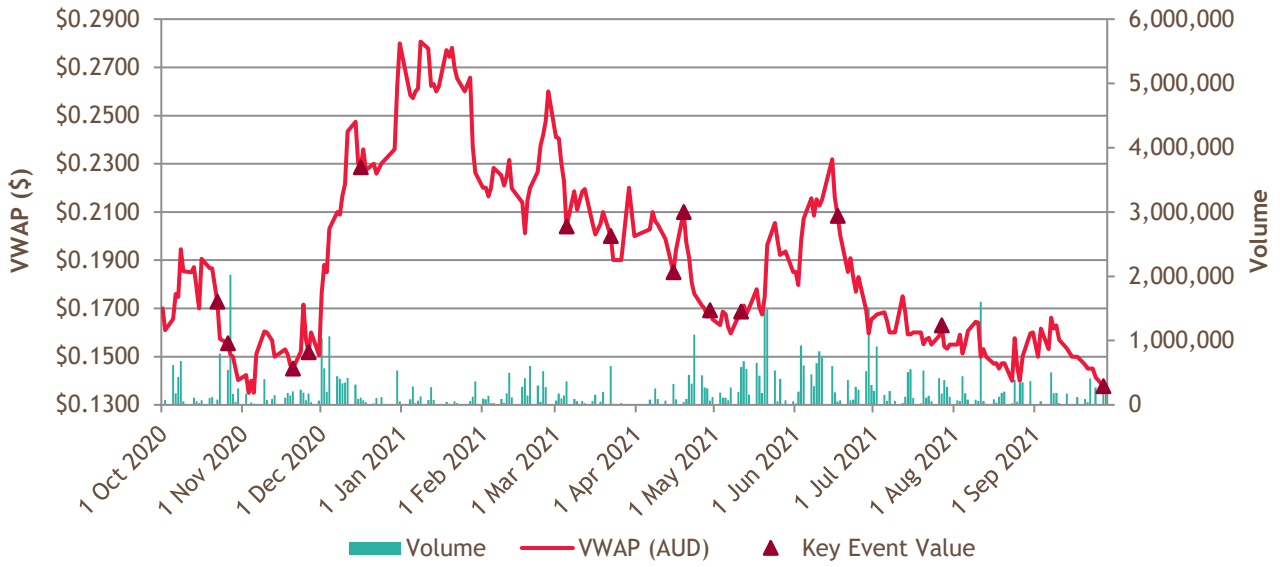
5.4 Share Price Movements of Cobre

5.4.1 Share Price Movements

Cobre shares are traded on the ASX and Chi-X Australia ('CHIA') under the ticker codes 'CBE' (for both ASX and CHIA).

Figure 5.1 displays the daily volume weighted average price ('VWAP') and daily volume of Cobre shares traded on the ASX over the period from 1 October 2020 to 30 September 2021.

Figure 5.1: Daily VWAP and Volume of Cobre Shares Traded from 1 October 2020 to 30 September 2021



Source: Capital IQ as at 1 October 2021

Over the period graphed in Figure 5.1 above, Cobre's daily VWAP displays a period low of AUD0.1350 on 3November 2020 and a period high of AUD0.2807 on 8 January 2021.

In addition to the share price and volume data of Cobre shown above, selected key ASX announcements have been summarised in Table 5.5 below to assist readers in understanding possible reasons for the movement in Cobre's share price over the period analysed. The selected ASX announcements referenced in Table 5.5 below correspond to those displayed in Figure 5.1 above.

Table 5.5: Selected Cobre ASX Announcements from 1 October 2020 to 30 September 2021

Date	Announcement
22/10/2020	Cobre announced the extension of a binding Heads of Agreement (HOA) to acquire a controlling interest in KML.
26/10/2020	Cobre announced that 243,378 shares are due for release form ASX escrow on 4 November 2020 and 166,667 shares are due for release from escrow on 13 November 2020.
20/11/2020	The completion of acquisition due diligence for the controlling interest in KML was announced.
26/11/2020	Cobre announced the results of its Annual General Meeting.
16/12/2020	Cobre issued approximately 21.4 million fully paid ordinary shares valued at approximately AUD4.1 million and acquired 49.99% interest in KML, and subject to obtaining change in control approval from the Minister of Mineral, Energy and Water Resources of the Republic of Botswana, Cobre's holding interest in KML will increase to 51.0%.
05/03/2021	Cobre announced a new priority copper-silver target area in Botswana through KML's wholly owned Kitlanya East Project.
22/03/2021	Cobre announced an investment agreement with Armada Exploration Limited with a total consideration of A$750,000 for an 18.5% interest.
13/04/2021	Cobre announces a trading halt with respect to a material capital raising via a placement of AUD6.7 million in equity.
15/04/2021	Cobre successfully raised AUD5.3 million by issuing approximately 31.1 million ordinary shares to sophisticated and institutional investors via a placement as part of its plan to raise AUD6.7 million. The remaining AUD1.4 is to be raised via a second placement by issuing approximately 8.3 million shares to MTR, which requires Cobre's shareholders approval.
19/04/2021	Cobre announced it will commence 2021 drill programmes on the Kalahari Metal Limited, wholly owned, Kitlanya East and Kitlanya West projects in Botswana.
29/04/2021	Cobre announce the commencement of a new field exploration programme in its wholly owned Perrinvale Project in Western Australia.
11/05/2021	Cobre announced mobilisation to site of both Reverse Circulation (RC) and Diamond Core (DC) drill rigs has been completed and drilling has commenced on Kitlanya East in Botswana.
17/06/2021	Cobre announced significant geophysics anomalies outlined in Gabon, modelling of the NRG Xcite helicopter-borne time-domain electromagnetic (HTDEM) survey flown in March 2021.
27/07/2021	Cobre announced investment of AUD1.0 million in its largest shareholder, Metal Tiger PLC.
27/09/2021	Cobre announced consolidated earnings results for the full year ended 30 June 2021.

Source: Cobre ASX Announcements from 1 October 2020 to 1 October 2021

In Table 5.6 below we have set out Cobre's VWAP for the 1 week, 1 month, 3 months, 6 months,9 months and 12 months prior to 15 April 2021 and prior to 30 September 2021. We note that 12 April 2021 was the last trading day before the announcement of the Proposed Transaction as Cobre shares were placed in a trading halt which lasted until the Proposed

Transaction announcement date on 15 April 2021. The VWAP calculates the average share price weighted by the total trading volume involved with each exchange for the specific period.

Table 5.6: Cobre's Exchange Weighted VWAP[1] for Specified Periods Prior to 15 April 2021 and 30 September 2021

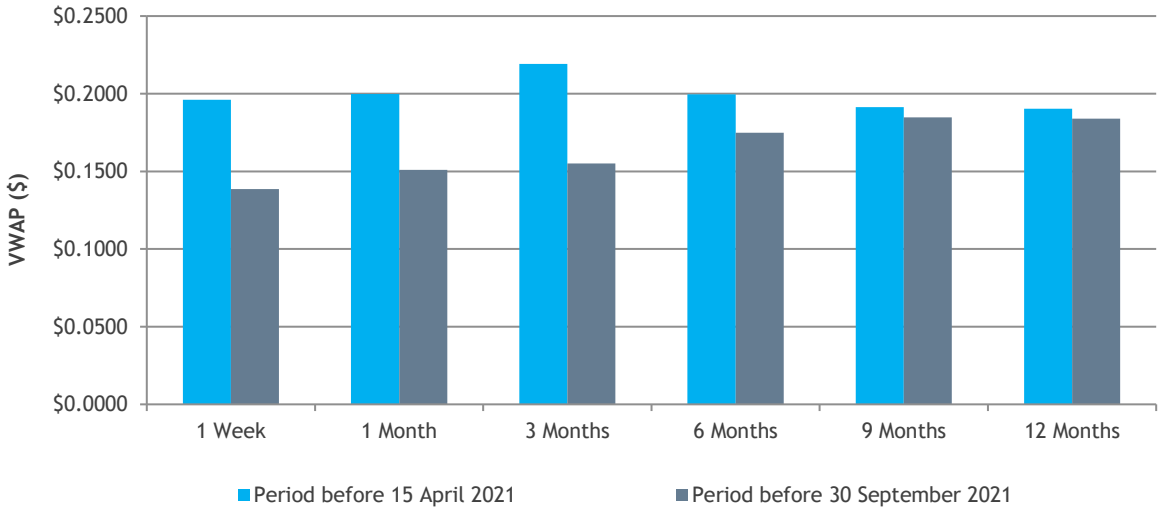
Period before 15 April 2021	VWAP (AUD)	Period before 30 September 2021	VWAP (AUD)
1 Week	0.1960	1 Week	0.1386
1 Month	0.1998	1 Month	0.1511
3 Months	0.2193	3 Months	0.1550
6 Months	0.1995	6 Months	0.1748
9 Months	0.1914	9 Months	0.1848
12 Months	0.1904	12 Months	0.1840

Source: Capital IQ as at 1 October 2021

1 Exchange weighted VWAP is identified by calculating the VWAP's for the specified periods on the ASX and CHIA exchanges with reference to the total volume traded.

The information presented in Table 5.6 is shown graphically in Figure 5.2 below.

Figure 5.2: Cobre's VWAP for Specified Periods Prior to 15 April 2021 and 30 September 2021



Source: Capital IQ as at 1 October 2021

5.4.2 Share Liquidity

The rate at which equity instruments are traded is generally referred to as the 'liquidity' of the equity instruments. Changes in liquidity may impact the trading price of equity instruments, particularly depending on the number of equity instruments required to be bought and/or sold and the time period over which the equity instrument holder needs to buy and/or sell those equity instruments. Depending on the circumstances, a movement in market price may or may not represent a shift in value of either the equity instruments or a shift in value of the company to which the equity instruments relate as a whole.

Since listing on 31 January 2020, approximately 90% of Cobre's trading volume occurred through the ASX, with the remaining 10% through CHIA. Table 5.7 summarises the monthly liquidity of Cobre shares as traded on the both the ASX and CHIA from 1 October 2020 to 30 September 2021. Liquidity has been summarised by considering the following:

- Volume of Cobre shares traded per month;
- Value of total Cobre shares traded per month;
- Number of Cobre shares traded per month as a percentage of total Cobre shares outstanding at the end of the month; and
- Volume weighted average price per month.

Table 5.7: Liquidity of Cobre Shares on the ASX and CHIA

Month	Volume	Turnover	Shares Outstanding	Volume per Shares Outstanding	Monthly VWAP
September 2021	2,601,410	392,898	156,649,880	1.66%	$0.1510
August 2021	4,837,300	731,888	156,649,880	3.09%	$0.1513
July 2021	5,193,810	833,218	156,649,880	3.32%	$0.1604

Month	Volume	Turnover	Shares Outstanding	Volume per Shares Outstanding	Monthly VWAP
June 2021	9,080,210	1,772,442	141,826,080	6.40%	$0.1952
May 2021	8,345,730	1,494,735	125,519,900	6.65%	$0.1791
April 2021	4,124,210	749,237	120,578,910	3.42%	$0.1817
March 2021	2,228,330	469,825	104,520,690	2.13%	$0.2108
February 2021	3,890,770	874,713	104,520,690	3.72%	$0.2248
January 2021	1,742,940	444,382	104,520,690	1.67%	$0.2550
December 2020	6,303,260	1,338,248	103,590,690	6.08%	$0.2123
November 2020	2,397,970	368,119	102,970,690	2.33%	$0.1535
October 2020	6,466,890	1,055,695	102,970,690	6.28%	$0.1632
Total	**62,062,110**	**11,324,503**	**123,852,050**	**50.11%**	**$0.1825**

Source: Capital IQ as at 1 October 2021

Assuming a weighted average number of 123,852,050 Cobre shares on issue over the period, approximately 50.11% of the total shares on issue were traded over the period 1 October 2020 to 30 September 2021. This in our view, indicates that Cobre shares display a moderate to high level of liquidity with approximately 2% to 7% of shares outstanding trading each month between October 2020 and September 2021.

5.5 Historical Financial Information of Cobre

This section sets out the historical financial information of Cobre. As this Report contains only summarised historical financial information, we recommend that any user of this Report read and understand the additional notes and financial information contained in Cobre's annual reports, including the full statements of profit or loss and other comprehensive income, statements of financial position and statements of cash flows.

Cobre's financial statements were audited by Ernst & Young. BDOCF has not performed any audit or review of any type on the historical financial information of Cobre and we make no statement as to the accuracy of the information provided. However, we have no reason to believe that any of the information provided is false or misleading.

5.5.1 Statements of Comprehensive Income

Table 5.8 summarises the consolidated statement of comprehensive income of Cobre for the financial year ended 30 June 2021, financial year ended 30 June 2020 and the period between 18 May 2018 and 30 June 2019. We note that the financials begin on 18 May 2018 as Cobre was incorporated on 18 May 2018.

Table 5.8: Summarised Cobre Statements of Comprehensive Income

Items	13 1/2 Months Ended 30 June 2019 Audited (A$'000)	12 Months Ended 30 June 2020 (A$'000)	12 Months Ended 30 June 2021 (A$'000)
Other revenue	-	43	26
Interest revenue	-	19	5
Total Revenue	**-**	**62**	**31**
Corporate and administration expenses	(150)	(946)	(979)
Tenement expenses	-	(38)	(0)
Employee benefits expense	-	(110)	(315)
Share based payment expense	-	(632)	(1,394)
Depreciation and amortisation	-	(0)	(2)
Initial public offering expenses	-	(325)	-
Other expenses	-	-	(100)
Total Expenses	**(150)**	**(2,051)**	**(2,790)**
Profit (Loss) Before Income Tax	**(150)**	**(1,988)**	**(2,759)**
Income tax benefit (expense)	-	-	11
Profit (Loss)	**(150)**	**(1,988)**	**(2,748)**

Source: Cobre Annual Report 2020, 2021

With reference to Table 5.8 above, we note the following:

- Cobre has not generated material revenue from its operations to date; and

- Employee benefits expense, share based payment expense, and corporate and administration expenses comprise the majority of expenses.

5.5.2 Statements of Financial Position

Table 5.9 summarises Cobre's statements of financial position as 30 June 2019, 2020 and 2021.

Table 5.9: Summarised Cobre Consolidated Statements of Financial Position

Items	As at 30 June 2019 Audited (A$'000)	As at 30 June 2020 Audited (A$'000)	As at 30 June 2021 Audited (A$'000)
Current Assets			
Cash and cash equivalents	178	7,172	8,147
Trade and other receivables	62	163	77
Other current assets	-	-	28
Total current assets	**241**	**7,334**	**8,252**
Non-current assets			
Financial assets at fair value through other comprehensive income	-	74	81
Property, plant and equipment	-	4	5
Exploration and evaluation	710	2,505	4,230
Investments accounted for using the equity method	-	-	5,388
Financial assets	-	20	305
Total Non-Current Assets	**710**	**2,604**	**10,008**
Total Assets	**951**	**9,938**	**18,260**
Current Liabilities			
Trade and other payables	200	831	1,206
Total Liabilities		**831**	**1,206**
Net Assets		**9,107**	**17,054**
Equity			
Issued capital	816	11,933	21,238
Reserves	-	(703)	686
Accumulated losses	(150)	(2,122)	(4,870)
Equity attributable to the owners of Cobre Limited	**665**	**9,107**	**17,054**
Non-controlling interest	85	-	-
Total Equity	**751**	**9,107**	**17,054**

Source: Cobre Annual Report 2020, 2021

With reference to Table 5.9 above, we note the following:

- Cash and cash equivalents increased significantly as at 30 June 2020 compared to 30 June 2019, primarily driven by the completion of an initial public offering on 31 January 2020, raising AUD10 million before costs. Cash and cash equivalents further increased as at 30 June 2021 in comparison to the prior year, mainly attributable to capital raised in relation to the acquisition of KML and capital requirements for exploration under the Company's joint venture with Metal Tiger PLC through KML;
- Exploration and evaluation under non-current assets increased in the 2021 financial year by AUD1.72 million, reflecting exploration expenditures on projects, including TGP, the Sandiman Project, KML, and Armada Exploration Gabon SARL;
- The investments accounted for using the equity method totalling AUD5.39 million as at 30 June 2021 comprise the carrying values of investments in Armada and KML;
- The total liabilities as at 30 June 2021 increased in comparison to 30 June 2020, which consists of trade payables, Directors' fee accrual, promissory note, funds held on behalf of joint venture, and other payables. The increase in total liabilities during 2021 financial year was largely due to funds held on behalf of KML, a joint venture with MTR, totalling AUD218,663 which is restricted for use by the consolidated entity and promissory note of AUD532,056, relating to Cobre investment in Armada for a total consideration of US$750,000, via a promissory note, with US$350,000 paid up-front and the balance to be paid in monthly instalments of US$80,000. We note that out of the US$400,000 remaining balance, Cobre has two payments of US$80,000 left to make which it has until 30 November 2021 to pay; and

- The main driver of movements in issued capital is capital raisings completed.

5.5.3 Statements of Cash Flows

Table 5.10 summarises Cobre's statement of cash flows for the financial year ended 30 June 2021, financial year ended 30 June 2020 and the period between 18 May 2018 and 30 June 2019.

Table 5.10: Summarised Cobre Consolidated Statements of Cash Flows

Items	13 1/2 Months Ended 30 June 2019 Audited (A$'000)	12 Months Ended 30 June 2020 (A$'000)	12 Months Ended 30 June 2021 (A$'000)
Cash flows from operating activities			
Interest received	-	19	5
Payments to suppliers and employees	(0)	(1,477)	(1,173)
Payments for security deposits	-	(20)	-
Net Cash Provided by Operating Activities	(0)	(1,478)	(1,168)
Cash Flow from Investing Activities			
Payments for property, plant and equipment	-	(4)	(3)
Payments for exploration and evaluation	(296)	(1,181)	(2,296)
Payments for acquisitions	22	(528)	(1,060)
Research & development	-	-	133
Contribution paid to joint venture	-	-	(61)
Cash received on behalf of joint venture	-	-	219
Net Cash Provided by Investing Activities	(274)	(1,714)	(3,068)
Cash Flow from Financing Activities			
Proceeds from the issue of shares	475	10,875	5,602
Proceeds from borrowings	5	-	-
Payments for share issue costs	(27)	(690)	(392)
Net Cash Provided by Financing Activities	452	10,185	5,210
Increase in cash and cash equivalents	178	6,994	975
Cash at the beginning of the financial year	-	178	7,172
Cash and Cash Equivalents at the End of Financial Year	178	7,172	8,147

Source: Cobre Annual Report 2020, 2021

With reference to Table 5.10 above, we note the following:

- Cobre increased its exploration activities during the 2021 financial year;
- During the 2021 financial year, Cobre made payments of AUD437,237 for investment in Armada and AUD622,415 in relation to investment in KML;
- During the 2020 financial year, Cobre acquired the remaining 20% of the issued capital of TGP not already held. The consideration was a cash payment of AUD528,000 and 6.16 million fully paid ordinary shares valued at AUD0.17 with an aggregate value of AUD1,047,200; and
- Cobre has funded its negative operating and investing cash flows with capital raisings.

6.0 Industry Overview

The information presented in this section has been compiled from a range of publicly available sources, together with information taken from various databases to which we subscribe. BDOCF has not independently verified this information and we recommend that users of this Report refer to the original source of any information listed in this section. This section should be referred to as a broad guide only.

6.1 Copper

Copper is a soft, malleable, ductile metal used primarily for its electrical and thermal conductive properties and its resistance to corrosion. It is highly versatile with a variety of applications across a number of industries including construction, communication, equipment, transport and infrastructure, being used in many electrical and electronic components. After iron and aluminium it is the third most used metal worldwide in terms of volume.[4]

Copper occurs naturally in the Earth's crust in a variety of forms such as sulphide deposits, carbonate deposits and silicate deposits. Open pit mining is widely utilised in most copper producing countries although in Australia, approximately 93% of output is extracted through underground mining. Copper is often found in conjunction with gold, lead, cobalt or zinc, and a number of industry operators mine these metals and ores as well.

Copper concentrate is derived from an oxide through beneficiation processes and is then converted to copper products through smelting and refining. Copper is also 100% recyclable, without any loss in performance, with approximately 80% of the copper ever produced still in use today. Despite this, demand for copper continues to grow due to product innovation, population growth and economic development.[5]

According to the Mineral Commodity Summaries 2021 published by the US Geological Survey ('USGS'), the top three countries by copper mine production in 2020 were (in descending order): Chile, Peru and China. However, in terms of refined copper production for 2020, the same publication ranked China, Chile and Japan as the top three countries (in descending order).[6]

6.2 Global Demand for Copper[7]

Based on the latest full year statistics available via the International Copper Study Group ('ICSG'), global demand for refined copper grew from approximately 18 million tonnes in 2009 to approximately 25.0 million tonnes in 2020. On a year-on-year basis since 2009, global demand for refined copper has experienced growth in all bar 2019 with the growth rate varying from as low as -0.23% for 2018-19 to as high as 7.04% for 2013-14. The ICSG forecasts refined copper usage to continue to grow in 2021 and 2022, to approximately 25.09 million tonnes and 25.83 million tonnes, respectively. Prior studies by the ICSG have also found an increasing trend in world refined copper usage on a per capita basis over the period from 1950 to 2017, although the trend has plateaued in recent years. Growth in demand is expected to be supported by existing uses such as for the transmission of electricity, in construction and in electronics, as well as emerging uses such as in electric vehicles, renewable energy and, as a result of its antimicrobial properties, healthcare.

Table 6.1 shows global usage of refined copper in 2020, as well as their trends in demand from 2016. Asia has the highest copper usage, with demand from China accounting for over half of the copper demand from the Asia region.

Table 6.1: Global Refined Copper Usage

'000 tonnes	2020	2019	2018	2017	2016	CAGR (%)
Asia	18,638	17,518	17,322	16,595	16,349	3.3%
Europe	3,568	3,925	4,164	4,140	4,128	-3.6%
America	2,661	2,822	2,804	2,771	2,804	-1.3%
Africa	169	180	190	195	201	-4.2%
Oceania	5	10	10	10	10	-15.9%
World total (rounded)	**25,041**	**24,455**	**24,490**	**23,711**	**23,492**	**1.6%**

Source: International Copper Study Group 2020, 2021

6.3 Global Supply of Copper

According to the US Geological Survey, the global supply of copper has increased from 20.1 million tonnes in 2009 to 20.2 million tonnes in 2020. Global mined copper production growth was limited coming out of the 2008/2009 Global Financial Crisis with a 0.9% year-on-year growth recorded for 2009-2010 followed by a 0.2% growth for 2010-2011. Over the subsequent years however, growth improved with 2012-2013 being a particularly strong year (8.3%). A small contraction in global mined copper production was observed for 2016-2017 (-1.1%), but experienced a growth for 2017-2018 (2%) which remained relatively steady for 2018-2019, as declines in Indonesia (mining was shifting to new ore zones) and Chile (a result of lower ore grades, strikes, and weather-related disruptions) was offset by increased outputs in multiple other countries. Global mine production of copper declined slightly in 2020, primarily as a result of the disruption caused by factors

[4] Geoscience Australia, Copper facts
[5] Australian Government September 2020 Resources and Energy Quarterly
[6] Mineral Commodity Summaries Published by US Geological Survey
[7] The World Copper Factbook 2020 and Copper Market Forecast 2021/2022 both published by International Copper Study Group

associated with COVID-19. The disruption significantly affected output in Peru, the second-ranked mine producer of copper, where output declined by 8% for 2019-2020.

Table 6.2 below shows the breakdown of global mined copper production by the top six countries in 2020, and recent trends in their mine production from 2016. Chile was the largest producer accounting for 28% of global mined copper production, followed by Peru which accounted for 11% of global mined production in 2020.

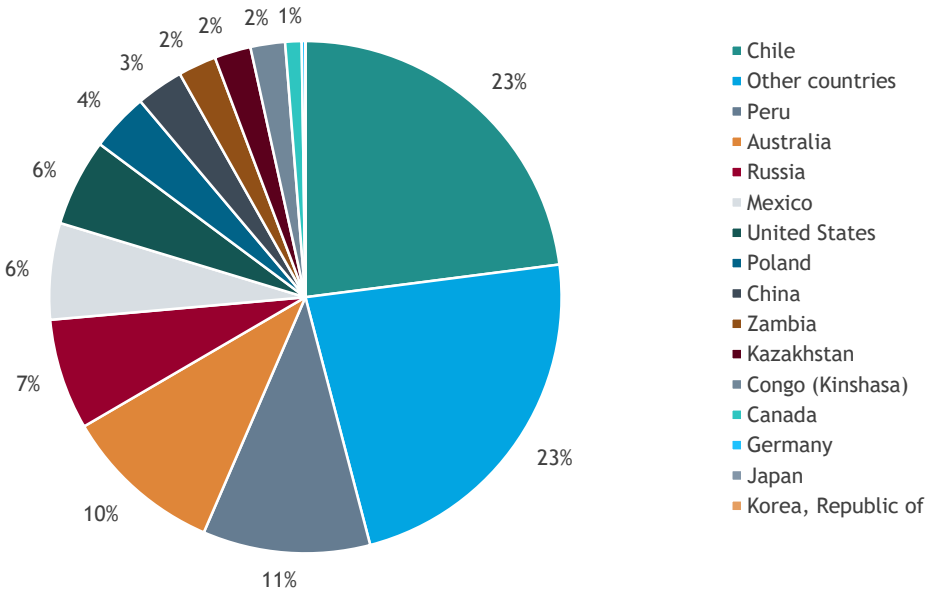
Table 6.12: Global Mined Copper Production

'000 tonnes	2020	2019	2018	2017	2016	CAGR (%)
Chile	5,700	5,600	5,830	5,500	5,550	0.7%
Peru	2,200	2,400	2,440	2,450	2,350	-1.6%
China	1,700	1,600	1,590	1,710	1,900	-2.7%
Congo (Kinshasa)	1,300	1,300	1,230	1,090	846	11.3%
United States	1,200	1,300	1,220	1,260	1,430	-4.3%
Australia	870	960	920	860	948	-2.1%
Other countries	7,220	7,150	7,150	7,113	7,110	0.4%
World total (rounded)	**20,200**	**20,300**	**20,400**	**20,000**	**20,100**	**0.1%**

Source: US Geological Survey, Mineral Commodity Summaries 2021, 2020, 2019, 2018, 2017

In the 2021 Copper Mineral Commodity Summary by the Geological Survey, global copper reserves are estimated to total 870,000,000 metric tonnes. A 2014 survey estimated that undiscovered resources contained an estimated 3.5 billion tons. Collectively, Chile, Australia and Peru account for 44% of the global reserves. The distribution of known reserves is depicted graphically in Figure 6.1 below.

Figure 6.1: Distribution of Known Copper Reserves



Source: US Geological Survey, Mineral Commodity Summaries 2021

6.4 Copper Prices

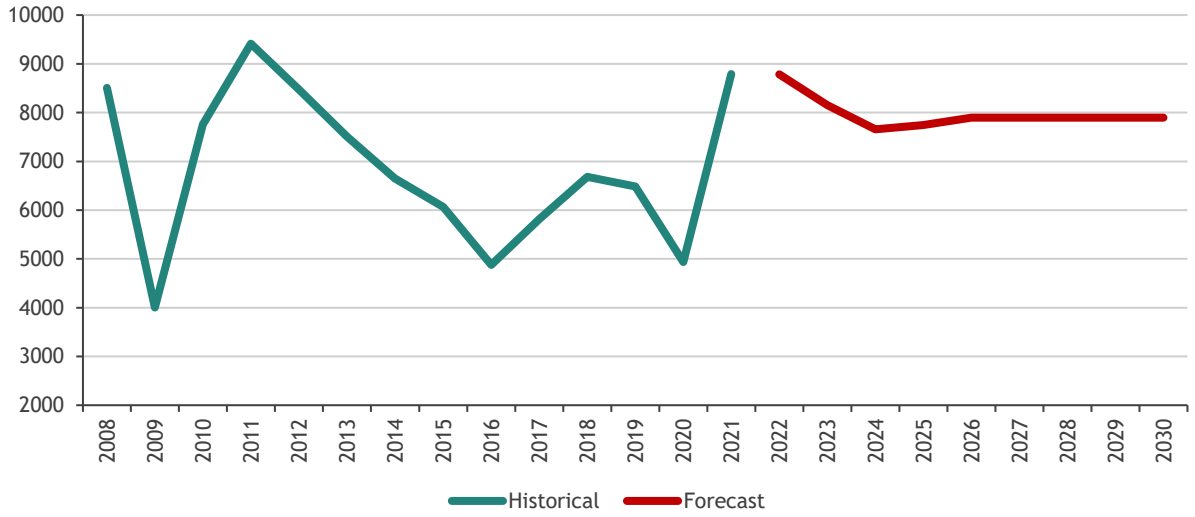
Following a deterioration in global economic conditions in 2008, base metal prices, including copper, fell sharply. The copper price recovered over 2010 and 2011, to reach a high of approximately USD10,180 per tonne in February 2011. The recovery in the copper price reflected a steady increase in demand for base metals, following a pick-up in global industrial production after the Global Financial Crisis.

Between 2011 and 2017, the copper price steadily declined, before increasing in mid-February 2017 as a result of strike action at the world's largest copper mine Escondida, located in Chile.

As a result of the COVID-19 related economic slowdown on consumption, the global copper price experienced a decrease from USD6,276/t in Jan 2020 to a 3-year low of USD4,774 in late March. Since then, prices have recovered quickly, supported by improving economic conditions to be currently slightly above, or in-line with, pre COVID-19 prices on the back of the Chinese economic rebound.

A summary of the historical spot price of copper, based on the quoted price on the London Metals Exchange in USD per tonne, and forecasts to 2029 (in nominal terms, free on board) are illustrated in Figure 6.2 below.

Figure 6.2: Copper Spot and Forecast



Source: Consensus Economics and Bloomberg as at 1 October 2021

6.5 Copper Outlook[8]

The outlook for copper is positive, with strong growth expected in the next five years, driven by forecast growth in copper ore output, export demand and higher copper prices in US dollars as the impacts of COVID-19 lessen (e.g. through rising vaccination coverage). Copper production experienced a slight fall in 2020 due to lower prices, lockdowns, market uncertainty, combined with lacklustre demand, however copper mine production is forecast to recover amid improved prices and higher production.

In the short run, The World Bureau of Metal Statistics forecasts that the gradual lift in economic activity is expected to boost global copper usage to 27 million tonnes by 2023, an average growth rate of 3% per year. World copper mine production is forecast to reach 25 million tonnes in 2023, growing 6% per year. Similarly refined production is forecast to reach 27 million tonnes in 2023, growing 4% per year.

Global demand for copper in the long run is expected to increase due to economic growth in OECD countries. The ICSG also expects sustained growth in copper demand as it remains an essential commodity to economic activity, particularly in today's technological society. Infrastructure development in China and India as well as the trend towards cleaner energy is expected to support demand for the metal. Furthermore, increased production of electric vehicles (which use up to 3 times more copper than non-electric cars) is likely to contribute to increased demand. As the global output struggles to match the increasing demand for copper the global copper price is forecast to increase.

[8] Australian Government September 2020 Resources and Energy Quarterly

7.0 Common Valuation Methodologies

A 'fair market value' is often defined as the price that reflects a sales price negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, with both parties at arm's length. The valuation work set out in this Report assumes this relationship.

RG 111 outlines a number of methodologies that a valuer should consider when valuing securities or assets for the purposes of, among other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers and prospectuses. The valuation methodologies we have considered in this Report include the discounted cash flow ('DCF'), capitalisation of maintainable earnings ('CME'), asset-based valuation ('ABV'), market-based valuation ('MBV') and industry specific methodologies.

RG 111 does not prescribe which methodology should be used by the expert, but rather notes that the decision lies with the expert based on the expert's skill and judgement and after considering the unique circumstances of the securities or assets being valued.

7.1 Discounted Cash Flows ('DCF')

The DCF approach calculates the value of an entity by adding all of its future net cash flows discounted to their present value at an appropriate discount rate. The discount rate is usually calculated to represent the rate of return that investors might expect from their capital contribution, given the riskiness of the future cash flows and the cost of financing using debt instruments.

In addition to the periodic cash flows, a terminal value is included in the cash flow to represent the value of the entity at the end of the cash flow period. This amount is also discounted to its present value. The DCF approach is usually appropriate when:

- An entity does not have consistent historical earnings but is identified as being of value because of its capacity to generate future earnings; and
- Future cash flow forecasts can be made with a reasonable degree of certainty over a sufficiently long period of time.

Any surplus assets, along with other necessary valuation adjustments, are added to the DCF calculation to calculate the total entity value.

7.2 Capitalisation of Maintainable Earnings ('CME')

The CME approach involves identifying a maintainable earnings stream for an entity and multiplying this earnings stream by an appropriate capitalisation multiple. Any surplus assets, along with other necessary valuation adjustments, are added to the CME calculation to calculate the total entity value.

The maintainable earnings estimate may require normalisation adjustments for non-commercial, abnormal or extraordinary events.

The capitalisation multiple typically reflects issues such as business outlook, investor expectations, prevailing interest rates, quality of management, business risk and any forecast growth not already included in the maintainable earnings calculation. While this approach also relies to some degree on the availability of market data, the multiple is an alternative way of stating the expected return on an asset.

The CME approach is generally most appropriate where an entity has historical earnings and/or a defined forecast or budget. Further, a CME is usually considered appropriate when relevant comparable information is available.

7.3 Asset Based Valuation ('ABV')

An ABV is used to estimate the fair market value of an entity based on the book value of its identifiable net assets. The ABV approach using a statement of financial position alone may ignore the possibility that an entity's value could exceed the book value of its net assets. However, when used in conjunction with other methods which determine the value of an entity to be greater than the book value of its net assets, it is also possible to arrive at a reliable estimate of the value of intangible assets including goodwill.

Alternatively, adjustments can be made to the book value recorded in the statement of financial position in circumstances where a valuation methodology exists to readily value the identifiable net assets separately and book value is not reflective of the true underlying value. Examples of circumstances where this type of adjustment may be appropriate include when valuing certain types of identifiable intangible assets and/or property, plant and equipment.

The ABV approach is most appropriate where the assets of an entity can be identified and it is possible, with a reasonable degree of accuracy, to determine the fair value of those identifiable assets.

7.4 Market Based Valuation ('MBV')

An MBV methodology determines a value for an entity by having regard to the value at which securities in the entity have recently been purchased. This approach is particularly relevant to:

- Entities whose shares are traded on an exchange. The range of share prices observed may constitute the market value of the shares where a sufficient volume of shares is traded and the shares are traded over a sufficiently long period of time; and/or
- Entities for which it is possible to observe recent transactions relating to the transfer of relatively large parcels of shares (e.g. recent capital raisings).

For listed entities, the range of share prices observed may constitute the market value of the shares in circumstances where sufficient volumes of shares are traded and the shares are traded over a sufficiently long period of time. Share market prices usually reflect the prices paid for parcels of shares not offering control to the purchaser.

7.5 Industry Based Metrics (Comparable Analysis)

It is often appropriate to have regard to industry specific valuation metrics in addition to the traditional valuation approaches outlined above. These metrics are particularly relevant in circumstances where it is reasonably common for market participants to have regard to alternative measures of value.

For resource companies, it is common for market analysts to have regard to multiples related to resources, reserves and tenement size where appropriate comparable information exists.

8.0 Valuation of Cobre Prior to the Proposed Transaction

This section sets out our valuation of the shares in Cobre prior to the Proposed Transaction as follows:

- Section 8.1 sets out our view of the most appropriate valuation methodologies to adopt for the purpose of valuing Cobre;
- Section 8.2 sets out an overview of the CSA Independent Technical Specialist's Report;
- Section 8.3 sets out our valuation of Cobre having regard to the Sum-of-the-Parts approach;
- Section 8.4 sets out our valuation of Cobre having regard to a MBV approach; and
- Section 8.5 sets out our conclusion on the appropriate value to adopt for Cobre's shares prior to the Proposed Transaction on a controlling interest basis.

8.1 Our Valuation Approach for Cobre

We have considered each of the valuation methodologies outlined in Section 7.0 above and determined, in our view, the most appropriate methodology for calculating the value of Cobre. Having regard to our assessment of the nature of Cobre's assets, we have chosen to employ a Sum-of-the-Parts approach and an MBV approach. Broadly, our Sum-of-the-Parts valuation utilises the following valuation methodologies:

- We have relied on the valuation of the mineral assets held by Cobre as set out in the Independent Technical Specialist's Report (defined as 'the CSA Report') prepared by CSA dated 8 October 2021. The CSA Report sets out CSA's view of the fair value of tenements held by Cobre, and is attached as Appendix B to this Report. We have relied on the CSA Report when completing our Sum-of-the-Parts valuation of Cobre; and
- We have considered the surplus assets and liabilities through use of the audited statement of financial position of Cobre as at 30 June 2021 (updated for more current information from the management accounts, where available).

We have also considered an MBV approach for Cobre (refer to Section 7.4). It is generally possible to complete an MBV of a company when there is a readily observable market for the trading of the company's shares. The shares of Cobre are traded on the ASX and CHIA. It is possible to consider the valuation of Cobre using the MBV methodology as there is a readily observable market for the trading of shares in Cobre.

8.2 Overview of CSA's Independent Technical Specialist's Report

We have had regard to the CSA Report which sets out the market valuation of the following projects:

- Perrinvale;
- Sandiman;
- Kalahari (through Cobre's 51% investment in KML); and
- Nyanga (through Cobre's 18.5% investment in Armada).

The CSA Report was coordinated by Mr Trivindren Naidoo, who was assisted in completing the CSA Report by other individuals as set out in the CSA Report.

Based on our enquiries and the information provided to us, we regard CSA and the authors of the Report to be Independent Specialists as referred to in the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Specialist Reports ('the VALMIN Code').

Regarding the CSA Report we note:

- CSA has prepared the Report in accordance with:
  - The VALMIN Code;
  - The JORC Code;
  - ASIC Regulatory Guidelines (in particular RG 111 *Content of expert reports* and ASIC RG 112 *Independence of experts*); and
  - ASX Listing Rules;
- CSA is independent with respect to Cobre and MTR, and confirms that there is no conflict of interest with any party involved in the Proposed Transaction and neither CSA nor any of its personnel involved in the preparation of the CSA Report have any material interest in Cobre, MTR or the associated mineral assets;
- Neither CSA nor the authors of the CSA Report have (or have had previously) any material interest in Cobre, MTR or the associated mineral assets. No member or employee of CSA has (or has had) any material shareholding in Cobre or MTR; and
- The statements and opinions contained in the CSA Report are given in good faith and in the belief that they are not false or misleading.

Based on our enquiries and the information provided to us, we regard CSA to be an independent specialist and in our view, it is appropriate for us to consider the work of CSA in completing our valuation work. CSA understands the purpose of the valuation work set out in this Report.

We confirm that we have been provided with express written consent by CSA to refer to and rely on the CSA Report for the purposes of our valuation work in this Report. We have made reasonable enquiries of CSA and are satisfied that the work and valuations in the CSA Report are suitable for use in this Report. Notwithstanding this, we do not take responsibility for the work of CSA.

Any references to CSA's work set out in this Report are in summary form only and do not substitute for a complete reading of the CSA Report. Our summary does not include all of the information that may be of interest to the Company's shareholders. The CSA Report is attached to this Report as Appendix B. We recommend that Cobre shareholders read the CSA Report in full and in conjunction with this Report and related statements.

8.3 Sum-of-the-Parts Valuation of Cobre

Our Sum-of-the-Parts valuation of Cobre is set out as follows:

- Section 8.3.1 sets out the value we have adopted for Cobre's mineral assets;
- Section 8.3.2 sets out the adjustment we have made to allow for Cobre's surplus assets and liabilities that have not been considered as part of the value of Cobre's mineral assets; and
- Section 8.3.3 sets out our Sum-of-the-Parts valuation of Cobre's shares prior to the Proposed Transaction on a controlling interest basis.

8.3.1 Technical Specialist's Valuation of Cobre's Mineral Assets

CSA has utilised a number of methods in valuing Perrinvale, Sandiman, Kalahari and Nyanga, which include comparable transactions of exploration licences and a geoscience factor ratings valuation method. We note that CSA was unable to complete a geoscience factor rating valuation for the Nyanga Project due to the unavailability of information with respect to the exploration permit in Gabon. CSA has subsequently also considered a multiples of exploration expenditure valuation method as a further cross check for the Nyanga Project, however, detailed exploration expenditure was not available either, therefore, they were unable to apply this valuation method either. Refer to Section 5 of the CSA Report in Appendix B for further detail on these valuation methodologies.

Table 8.1 below sets out a summary of the values we have adopted for Cobre's mineral assets. We note:

- The value adopted for the Perrinvale tenements is based on the CSA Report. For completeness we note that Cobre acquired the remaining 20% of Toucan Gold Pty Ltd ('TGP') for a total consideration of AUD1.58 million implying a total TGP value of AUD7.88 million. As TGP only explores the Perrinvale tenements covered in the CSA Report in relation to TGP, the total value of TGP is comparable to the value of Perrinvale tenements determined in the CSA Report. For completeness, we note that the implied purchase value of TGP is higher than the value range estimated by CSA;
- For the purposes of our valuation, we have converted the KML tenement values (and any another USD denominated amounts) from USD to AUD, based on the USD:AUD exchange rate of $0.72 on 30 September 2021;
- CSA have valued the tenements as at 24 September 2021, however, they state that they do not expect the value to change materially between that date and the date of this Report;
- CSA has valued each tenement on a 100% basis, however, Cobre has varying beneficial ownership interests in the tenements, which we have subsequently adjusted for, based on the following ownership interests:
  - Cobre has a 100% interest in the Perrinvale Project through TGP, a wholly-owned subsidiary of Cobre;
  - Cobre has a 51% interest in the Sandiman Project through a farm-in agreement with GTTS Generations Pty Ltd. We note that Cobre also has an option to acquire a further 29% interest in the company, conditional on further capital expenditure requirements. However, Management have instructed us that they do not intend to pay these funds before the expiry of the option in February 2022;
  - We have assumed that the Change of Control Approval will be received, which will enable Cobre to increase their interest in KML from 49.99% to 51.00%, with MTR holding the remaining interest. KML has a 100% interest in the KML and Kitlanya tenements, but only a 51% interest in the Triprop tenement. In circumstances that the Change of Control Approval is not received, we do not expect that the opinions set out in this Report would differ materially.

Table 8.1: Values Adopted for Cobre's Mineral Assets

Valuation of Cobre's Mineral Assets	Low Value	CSA Preferred Value[1]	High Value
CSA's Valuation of the Western Australian Mineral Assets			
Value of Perrinvale Tenements (100% Basis) - Australia	AUD650,000	AUD1,300,000	AUD1,950,000
Value of Sandiman Tenement (100% Basis) - Australia	AUD230,000	AUD450,000	AUD680,000
Total Tenements Value	**AUD880,000**	**AUD1,750,000**	**AUD2,630,000**
CSA's Valuation of the Gabon Mineral Assets			
Value of Nyanga Tenement (100% Basis) - Gabon	AUD1,800,000	AUD4,800,000	AUD7,500,000
Total Tenements Value	**AUD1,800,000**	**AUD4,800,000**	**AUD7,500,000**
CSA's Valuation of the KML Mineral Assets			
Value of KML Tenement (100% Basis) - Botswana	USD700,000	USD1,300,000	USD2,000,000
Value of Triprop Tenement (100% Basis) - Botswana	USD500,000	USD1,000,000	USD1,500,000
Value of Kitlanya Tenement (100% Basis) - Botswana	USD1,300,000	USD2,500,000	USD3,300,000
Total Tenements Value	**USD2,500,000**	**USD4,800,000**	**USD6,800,000**

Source: The CSA Report, BDOCF Analysis

1 CSA Preferred value refers to the value we have calculated by adopting CSA's Preferred value for Cobre's mineral assets.

CSA have considered the wide range of values derived for Cobre's mineral assets and have concluded that the range adopted provides a reasonable representation of possible valuation outcomes, given the uncertainties inherent in valuing early-stage exploration and advanced-exploration projects.

Cobre's shareholders should refer to the full CSA Report attached as Appendix B for further information on the values calculated for Cobre's mineral assets.

8.3.2 Adjustment for Surplus Assets and Liabilities

The value of Cobre's mineral assets excludes, amongst other issues, the impact of any surplus assets or liabilities held by the Company. In our view, it is appropriate to add the Company's cash and cash equivalents and add/subtract the value of any other surplus assets/liabilities.

We have considered the carrying values recorded in Cobre's balance sheet as at 30 June 2021 (updated for more current information from the management accounts, where available) and have made enquiries of the Directors and Management through their advisors. Based on our enquiries, we have summarised the value we have adopted for Cobre's surplus assets and liabilities in Table 8.2 below.

Table 8.2: Values Adopted for the Surplus Assets and Liabilities

	Value (AUD)
Cash and Cash Equivalent	5,425,903
Value of MTR Shares	1,110,682
Surplus Assets of Cobre	82,320
Surplus Liabilities of Cobre	(341,218)
Value of Cobre's Other Asset and Liabilities	**6,277,687**

Source: Cobre's Financial Statements as at 30 June 2021, management accounts as of 31 August 2021, and BDOCF analysis

In relation to Cobre's other assets and liabilities we note:

- Cash and cash equivalents: We have adjusted the cash position as at 31 August 2021 by reducing the cash on Cobre's balance sheet by:
  - AUD1,000,000 to reflect the amount paid to MTR to acquire new shares as a result of MTR's capital raising on 24 September 2021. We note that the value of the new shares received are reflected in the market value of MTR's shares as at 30 September 2021;
  - AUD238,217 to reflect the cash held on behalf of KML. We note that the corresponding liability has also been removed from Cobre's surplus liabilities;
- Value of MTR Shares: Cobre received shares in MTR as part of an exclusivity agreement during MTR's due diligence before investing into Cobre and from the capital raise on 24 September 2021. We have adopted MTR's share price as of 30 September 2021 for the 2,869,575 shares held by Cobre;
- Surplus Assets of Cobre: We have included GST receivables and prepayments of AUD82,320 as at 31 August 2021;

- Surplus Liabilities of Cobre: We have included operating trade payables, accruals and a USD160,000 promissory note owing to Armada as of 31 August 2021, however, we have excluded the AUD238,217 liability that relates to cash held on behalf of KML. We note that for Cobre to acquire their 18.5% interest in Armada, they are required to pay USD750,000 to Armada, comprised of an up-front amount of USD350,000 and USD80,000 per month. We note that two USD80,000 payments remain and have been treated as a promissory note in Cobre's surplus liabilities and as a receivable for Armada; and
- Contingent Liabilities: We note that as of FY21, Cobre under the MTR subscription letter dated 19 November 2019, will fully indemnify MTR for any capital gains tax (or other tax) charge that it incurs on the disposal of the Pre-IPO Shares MTR received, up to a capped aggregate amount of AUD30,000. We have made an adjustment for this amount under surplus liabilities.

All the other assets and liabilities items excluded form Table 8.2, from Cobre's balance sheet, have either been factored in as working capital, or have been accounted for in CSA's valuation of the mineral assets.

We have also been informed by the Directors that there are no other material assets, liabilities or off balance sheet assets and liabilities or unrecognised liabilities as at the date of this Report that have not been included in the above adjustments.

8.3.3 Value of a Cobre Share

Our Sum-of-the-Parts valuation of Cobre is set out in Table 8.3 below.

Table 8.3: Sum-of-the-Parts Valuation of Cobre Prior to the Proposed Transaction

SOTP - Cobre	Low Value (AUD)	CSA Preferred Value[1] (AUD)	High Value(AUD)
Cobre's Interest in the Western Australian Mineral Assets	767,300	1,529,500	2,296,800
Cobre's Interest in KML - Botswana Mineral Assets	1,627,047	3,081,460	4,323,550
Cobre's Interest in Armada (Shares and Options) - Gabon	116,847	558,822	959,898
Surplus Asset & Liabilities of Cobre	6,277,687	6,277,687	6,277,687
Equity Value of Cobre to all Security Holders	**8,788,882**	**11,447,470**	**13,857,936**
Value of the Options on Issue [2]	(500,879)	(732,376)	(957,717)
Equity Value Attributable to Ordinary Shareholders	**8,288,003**	**10,715,094**	**12,900,219**
Number of Cobre shares	156,649,877	156,649,877	156,649,877
Value of Cobre share (control basis)	**0.0529**	**0.0684**	**0.0824**

Source: BDOCF Analysis

1 CSA preferred value refers to the value we have calculated by adopting CSA's preferred value for Cobre's mineral assets.

2 In addition to the ordinary shares on issue, Cobre also has 26.749 million options with exercise prices ranging from AUD0.20 to AUD0.335 (see Section 5.3.2) and all tranches have vested. We have adopted a Black Scholes option pricing model to calculate the value of the outstanding options. Other key inputs in the options pricing model include volatility of 100%, risk free rate between 0.04% and 0.78% and share price based on the value of a Cobre share (control basis) from the Table 8.3 above.

With respect to Table 8.3 above we note:

- Cobre's Mineral Assets (WA) include Cobre's interest in the value of the Perrinvale (100%) and Sandiman (51%) tenements;
- In addition to Cobre's interest in the value of KML's mineral assets, we have also included Cobre's 51% interest in KML's surplus assets and liabilities of AUD31,086 as at 27 September 2021. We note this relates to:
  - Cobre's 51% share of KML's cash (amounting to AUD119,108) which is held by Cobre on behalf of KML (as discussed in Section 8.3.2 above);
  - Cobre's 51% share of operating trade and other payables of AUD88,632;
- We have valued Armada's mineral assets and options with a Sum-Of-the-Parts approach by:
  - Valuing Armada on a 100% basis, factoring in the value of the tenements, Armada's surplus assets and liabilities and the value of the total options outstanding; and
  - Determined Cobre's 18.5% share of the above value;
- We note that in calculating Armada's net surplus liability of AUD992,504, we have utilised their 30 June 2021 balance sheet and included:
  - Cash of AUD1,160,312;
  - Receivables of AUD988,124, which consists mainly of Cobre's and MTR's promissory note with Armada (Cobre's share of this receivable is USD160,000 as discussed in Section 8.3.2 above);

- The fair value of redeemable preferences of AUD3,140,940 which are treated as a liability;

- We have adopted a Black Scholes option pricing model to calculate the value of Cobre's 3,330,000 options in Armada. These options have an exercise price of AUD0.0138 (low), AUD0.0609 (CSA preferred), AUD0.1016 (high) and a time to maturity of 5 years from the grant date. We adopted a share price equal to our calculation of the value of Armada's shares and a volatility of 100% based on our estimate of the volatility that may be applied to a market participant in relation to this option.

8.4 Market Based Valuation of Cobre Prior to the Proposed Transaction on a Controlling Basis

Our market based valuation of Cobre prior to the Proposed Transaction is set out as follows:

- Section 8.4.1 sets out Cobre's recent share trading data;
- Section 8.4.2 sets out Cobre's liquidity of ordinary shares; and
- Section 8.4.3 sets out our view as to the MBV of Cobre prior to the Proposed Transaction.

8.4.1 Analysis of Cobre's Share Trading Data

Information relating to the recent share trading data of Cobre's ordinary shares along with an analysis of recent announcements made by Cobre to the ASX are set out in Section 5.4.1 and Section 5.4.2.

For the purposes of our MBV, we have considered in Table 8.4 below the combined VWAP of Cobre shares, from each of the listed exchanges, over 1 week, 1 month, 3 months, 6 months, 9 months, and since listing over the following two periods:

- The period ending 15 April 2021 (the Proposed Transaction announcement date). We note that 12 April 2021 was the last trading day before the Proposed Transaction was announced on 15 April 2021 as Cobre shares were placed in trading halt from 13 April 2021 to 14 April 2021; and
- The period ending 30 September 2021 reflecting a more current VWAP.

Table 8.4: Cobre's Exchange Weighted VWAP[1] for Specified Periods Ending on 15 April 2021 and 30 September 2021

Period before 15 April 2021	VWAP (AUD)	Period before 30 September 2021	VWAP (AUD)
1 Week	$0.2046	1 Week	$0.1386
1 Month	$0.2030	1 Month	$0.1511
3 Months	$0.2209	3 Months	$0.1549
6 Months	$0.1998	6 Months	$0.1748
9 Months	$0.1916	9 Months	$0.1848
12 Months	$0.1905	12 Months	$0.1841

Source: Capital IQ as at 1 October 2021

1 Exchange weighted VWAP is identified by calculating the VWAP's for the specified periods for each of the listed exchanges with reference to the total volume traded.

We note the following:

- The average daily VWAP of Cobre from 15 April 2021 (the date the Proposed Transaction was announced) to 30 September 2021 has been AUD0.1691 with a high of AUD0.2318 (on 15 June 2021) and a low of AUD0.1363 (on 28 September 2021);
- To reflect a more recent VWAP, during the month September 2021, the average daily VWAP of Cobre has been AUD0.1496 with a high of AUD0.1600 and a low of AUD0.1350; and
- The VWAP of Cobre shares shown in Table 8.4 over the periods specified before the Proposed Transaction date 15 April 2021 ranges from AUD0.1905 to AUD0.2209. Whereas the VWAP of Cobre shares during the specified periods after the Proposed Transaction date ranges from AUD0.1386 to AUD0.1848.

8.4.2 Liquidity of Cobre's Shares

Information on the liquidity of Cobre's shares is set out in Section 5.4.2 of this Report.

Assuming a weighted average number of 123,852,050 Cobre shares on issue over the period, approximately 50.11% of the total shares on issue were traded over the period 1 October 2020 to 30 September 2021. This in our opinion, indicates that Cobre shares display a moderate to high level of liquidity with approximately 2% to 7% of shares outstanding trading each month between October 2020 and September 2021.

In our view, this indicates that Cobre shares have sufficient liquidity to complete an MBV.

8.4.3 Conclusion on MBV

Having regard to the information set out above, in our view it is appropriate to adopt a value of AUD 0.1400 to AUD 0.1800 per Cobre ordinary share on a minority interest basis for our MBV. This range is broadly consistent with the VWAP ranges set out in Table 8.4 above for the period before 30 September 2021 which we consider more relevant for the analysis set out in this Report.

To calculate a controlling interest value, we are of the view that it is appropriate to apply a control premium to the value range we have estimated from the prices of minority parcel share interests in Cobre. A controlling interest in a company is generally regarded as being more valuable than that of a minority interest as it may provide the owner with:

- Control over the operating and financial decisions of the company;
- The right to set the strategic direction of the company;
- Control over the buying, selling and use of the company's assets; and
- Control over the appointment of staff and setting of financial policies.

The increase in value for a controlling interest is often observed where an acquirer launches a takeover bid, or some other mechanism for control, for another company. Empirical research suggests that control premiums are typically within the range of 20% to 40%, which is broadly consistent with our recent transaction analysis. We have provided additional discussion on control premiums in Appendix A.

Having regard to the information available to us, in our view it is appropriate to apply a 30% control premium to our MBV range that was determined having regard to minority interests. Table 8.5 below sets out our calculated controlling interest MBV.

Table 8.5: Market Based Value of Cobre (Controlling Interest)

	Low Value (AUD)	Mid Value (AUD)	High Value (AUD)
Value of a Share in Cobre (Minority Interest) ($/share)	0.1400	0.1600	0.1800
Control Premium (%)	30%	30%	30%
Value of a Share in Cobre (Controlling Interest) ($/share)	**0.1820**	**0.2080**	**0.2340**

Source: BDO Analysis

8.4.4 Implied Market Value of Cobre Tenements

In Table 8.6 below we have set out the implied market value for Cobre tenements by calculating the total equity value based on the MBV and subtracting the value we have attributed to the other assets and liabilities in Cobre.

Table 8.6: Implied Market Value of Cobre Tenements

Implied Market Value of Cobre Tenements	Low Value (AUD)	Mid Value (AUD)	High Value (AUD)
Value of a Share in Cobre (Minority Interest) ($/share)	**0.1400**	**0.1600**	**0.1800**
Control Premium (%)	30%	30%	30%
Value of a Share in Cobre (Controlling Interest) ($/share)	**0.1820**	**0.2080**	**0.2340**
Number of shares (pre transaction)	156,649,877	156,649,877	156,649,877
Cobre Ordinary Share Value (Controlling Interest)	**28,510,278**	**32,583,174**	**36,656,071**
Add: Value of the Options on Issue	2,847,766	3,392,060	3,950,175
Cobre Equity Value (Controlling Interest)	**31,358,043**	**35,975,234**	**40,606,246**
Less: Value of Cobre's Other Asset and Liabilities	6,277,687	6,277,687	6,277,687
Less: Cobre's Interest in the Surplus Assets and Liabilities of KML and Armada[1]	152,528	152,528	152,528
Implied Market Value of Cobre Tenements Adjusted for Surplus Assets and Liabilities of KML and Armada	**25,232,884**	**29,850,074**	**34,481,086**

Source: BDO Analysis

1 We note that Cobre's interest in the surplus assets and liabilities of KML and Armada results in a net liability of AUD152,528 which is subsequently added back to the implied market value of Cobre's mineral assets.

The implied market value of the Cobre tenements is between AUD25.2 million to AUD34.5 million. This is higher than the value range determined by CSA of AUD2.7 million to AUD8.0 million set out in Table 8.1 above, after adjusting for Cobre's interest in each of the tenements. One explanation for the differential is that the market has a more optimistic view of the long term prospects of the tenements relative to the valuation evidence that CSA was able to obtain.

8.5 Value of Cobre's Shares Prior to the Proposed Transaction on a Controlling Interest Basis

Having regard to our valuation of Cobre's shares, in our view, for the purpose of our assessment of the Proposed Transaction, it is appropriate to separately consider both the value derived from the Sum-of-the-Parts valuation methodology and the value derived from the MBV.

For completeness we note that Cobre is a company focused on progressing its exploration assets. In our view, the value of such companies may increase or decrease materially over short time periods depending on the ability to meet certain milestones, among other matters. The fluctuations in value are further exacerbated at the current time because of the market volatility and economic uncertainty caused by factors associated with COVID-19.

9.0 Valuation of Cobre Post Transaction

This section sets out our valuation of the shares in Cobre post the Proposed Transaction as follows:

- Section 9.1 sets out our view of the most appropriate valuation methodologies to adopt for the purpose of valuing Cobre post the Proposed Transaction;
- Section 9.2 sets out our valuation of Cobre having regard to the Sum-of-the-Parts approach;
- Section 9.3 sets out our valuation of Cobre having regard to the MBV approach; and
- Section 9.4 sets out our conclusion of the value of Cobre, post the Proposed Transaction on a minority interest basis.

9.1 Our Valuation Approach for Cobre Post the Proposed Transaction

In our view, it is appropriate to adopt a valuation methodology for Cobre post the Proposed Transaction that is consistent with the valuation methodology set out in Section 8.1 for the valuation of Cobre prior to the Proposed Transaction.

9.2 Valuation of Cobre Post the Proposed Transaction on a Minority Interest Basis - Sum-of the-Parts

The Proposed Transaction involves the issue of 8,311,765 fully paid ordinary shares in Cobre to MTR. To calculate the value of an ordinary share in Cobre on a minority interest basis post the Proposed Transaction we have:

- Adopted the equity value calculated for Cobre on a controlling interest basis as set out in Table 8.3;
- Increased the number of shares on issue by 8,311,765 to a total of 164,961,642 shares;
- Increased the cash balance by AUD1.413 million (net of costs) to reflect the capital raising price to be paid by MTR;
- Calculated the equity value per share on a control basis by dividing the equity value attributable to ordinary shareholders by the number of shares outstanding post the Proposed Transaction; and
- Calculated the equity value held by all equity holders on a minority interest basis by applying a minority interest discount of 23.1% (equivalent to the inverse of our assumed control premium of 30%). Our assumed control premium of 30% is based on the results of our research and analysis into control premiums in Australia (refer to Appendix A).

Our valuation of Cobre following the Proposed Transaction is set out in Table 9.1 below.

Table 9.1: Equity Value of Cobre after the Proposed Transaction on a Minority Interest Basis

	Low Value (AUD)	CSA Preferred Value[1] (AUD)	High Value (AUD)
Equity Value of Cobre prior to the Proposed Transaction	8,789,693	11,453,261	13,868,696
Cash received under the Proposed Transaction	1,413,000	1,413,000	1,413,000
Equity Value of Cobre to all Security Holders	**10,202,693**	**12,866,261**	**15,281,696**
Value of the Options on Issue	(579,433)	(806,750)	(1,025,973)
Equity Value Attributable to Ordinary Shareholders	**9,623,260**	**12,059,512**	**14,255,723**
Number of Cobre shares following the transaction	164,961,642	164,961,642	164,961,642
Value of Cobre share (control basis)	**0.0583**	**0.0731**	**0.0864**
Minority Discount[2]	-23%	-23%	-23%
Value of Cobre Shares (minority basis)	**0.0449**	**0.0562**	**0.0665**

Source: BDOCF analysis

1 CSA preferred value refers to the value we have calculated by adopting CSA's preferred value for Cobre's mineral assets

2 Adjustment to remove control premium calculated as 1/(1+0.3), with the 0.3 input referring to the 30% control premium adopted

Table 9.1 above shows that our equity value of Cobre post the Proposed Transaction on a minority interest basis is between AUD0.0449 and AUD0.0665 per share having regard to a Sum-of-the-Parts valuation methodology.

9.3 Valuation of Cobre Post the Proposed Transaction on a Minority Interest Basis - MBV

In addition to the Sum-of-the-Parts valuation methodology, we have also considered an MBV post the Proposed Transaction to assist in providing a like-for-like comparison with our MBV of Cobre prior to the Proposed Transaction. The methodology applied is broadly consistent with Section 9.2 with the exception of the equity value adopted for Cobre on a control basis which has been replaced with the equity value implied from our MBV (refer Table 8.6 above).

Our valuation of Cobre following the Proposed Transaction having regard to the MBV is set out in Table 9.2 below.

Table 9.2: MBV of Cobre Post Transaction

Cobre MBV (Post)	Low Value (AUD)	Mid Value (AUD)	High Value (AUD)
Cobre Ordinary Share Value (Controlling Interest)	31,358,043	35,975,234	40,606,246
Additional Placement Cash from MTR	1,413,000	1,413,000	1,413,000
Less: Value of the Options on Issue	(2,836,680)	(3,356,093)	(3,888,390)
Cobre MBV (Post)	**29,934,364**	**34,032,141**	**38,130,856**
Minority Discount	-23.08%	-23.08%	-23.08%
Cobre MBV without options (Post, Minority Interest)	**23,026,434**	**26,178,570**	**29,331,428**
Number of shares on issue following the Transaction	164,961,642	164,961,642	164,961,642
Cobre Equity Value (Post, Minority Interest)	**0.1396**	**0.1587**	**0.1778**

Source: BDOCF analysis

1 Adjustment to remove control premium calculated as 1/(1+0.3), with the 0.3 input referring to the 30% control premium adopted

Table 9.2 above shows that our equity value of Cobre post the Proposed Transaction on a minority interest basis is between AUD0.1396 and AUD0.1778 per share having regard to an MBV valuation methodology.

For completeness, we note on the last day prior to the trading halt during 13 April 2021 to 14 April 2021 to announce the Proposed Transaction, Cobre's shares closed at AUD0.1950 per share. Following the announcement on 15 April 2021, Cobre's share price remained at AUD0.1950 per share. Between 15 April 2021 and 30 September 2021, Cobre's share price traded as low as $0.1363 and as high as $0.2318 per share.

9.4 Conclusion on the value of Cobre, Post the Proposed Transaction on a Minority Interest Basis

With respect to Sections 9.2 and 9.3 above, we note that:

- Under the Sum-of-the-Parts approach, Cobre has a value per share, post transaction on a minority interest basis between AUD0.0449 and AUD0.0665; and
- Under the MBV approach, Cobre has a value per share, post transaction on a minority interest basis between AUD 0.1396 and AUD0.1778.

Appendix A: Control Premium Analysis

A controlling interest in a company is usually regarded as being more valuable than a minority interest as it provides the owner with:

- Control over the strategic direction of the company;
- Control over the operating and financial decisions of the company;
- Control over the buying, selling and use of the company's assets; and
- Control over appointment of staff and setting financial policies.

The increase in value for a controlling interest is often observed where an acquirer launches a takeover bid, or some other mechanism for control, for another company. For the purposes of our research on control premiums, we have defined a controlling interest to be an interest where the acquirer has acquired a shareholding of greater than 50% in the target company.

Generally, a range of factors may affect control premiums, including:

- Specific acquirer premium and/or special value that may be applicable to the acquirer;
- Concentration of ownership in the target company already held by the acquirer;
- Market speculation about any impending transactions involving the target and/or the target sector;
- The presence of competing bids; and
- General market sentiment and economic factors.

To form our view of an appropriate range of control premium applicable to Cobre for the purposes of this Report, we have considered:

- Recent independent expert's reports which apply control premiums in the range of 20% to 40%;
- Various industry and academic research, which suggests that control premiums are typically within the range of 20% to 40%;
- Our own research on control premiums implied by the trading data of ASX listed companies subject to control transactions, which supported the range of 20% to 40%;
- Various valuation textbooks; and
- Industry practice and our experience.

Having regard to the information set out above, in our view, it is appropriate to consider control premiums of 30% for the purposes of assessing the Proposed Transaction within the context of this Report. This implies a minority interest discount in the range of 23.1%, calculated as the inverse of the control premium.

Appendix B: Independent Technical Expert's Report – CSA Report

CSA Global
Mining Industry Consultants
an ERM Group company

COBRE LIMITED'S MINERAL ASSETS

Independent Technical Specialist's Report

REPORT Nº R392.2021
8 October 2021

Report prepared for

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CSA Global Authorisation	Graham Jeffress BSc(Hons), RPGeo (Mineral Exploration), FAIG, FAusIMM, FSEG, MGSA	Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication. Electronic signature not for duplication.

Executive Summary

CSA Global (UK) Limited ("CSA Global"), an ERM Group company, was commissioned by BDO Corporate Finance Ltd ("BDO") to prepare an Independent Technical Assessment Report and Valuation of the Cobre Limited ("Cobre" or the "Company") Mineral Assets comprising a 49.99% interest in the Kalahari Copper Project in Botswana, the Sandiman and Perrinvale Projects in Western Australia, and an 18.5% interest in the Nyanga project in Gabon.

This Independent Technical Assessment and Valuation Report ("the Report") was prepared for BDO. The Report provides an opinion to support an Independent Expert's Report to be prepared by BDO, and has been prepared as a public document, in the format of an independent technical specialist's report and has been prepared in accordance with the JORC and VALMIN codes.

The Report provides a review of the Kalahari, Perrinvale, Sandiman and Nyanga Projects and provides a technical valuation of these Mineral Assets. CSA Global has used a range of valuation methodologies to reach a conclusion on the value of the Mineral Assets. Note that the valuation is of the Kalahari, Sandiman, Perrinvale and Nyanga Mineral Assets and not the value of Cobre as a company.

The statements and opinions contained in this Report are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 24 September 2021 and could alter over time depending on exploration results, mineral prices, and other relevant market factors. In CSA Global's opinion, nothing material has occurred up to the date of this Report, since the valuation date to affect CSA Global's technical review and valuation opinion.

CSA Global's valuations are based on information provided by Cobre, KML and public domain information. CSA Global has endeavoured, by making all reasonable enquiries, to confirm the authenticity and completeness of the technical data upon which this Report is based. No audit of any financial data has been conducted. The valuations discussed in this Report have been prepared at a valuation date of 24 September 2021. It is stressed that the values are opinions as to likely values, not absolute values, which can only be tested by going to the market.

Kalahari Copper Project

The Kalahari Copper Project ("KCP") comprises a licence holding over a portion of the Kalahari Copper Belt in the northwest of Botswana and comprises four projects namely the Okavango Copper Project ("OCP"), the Ngami Copper Project ("NCP"), Kitlanya East and Kitlanya West. The region contains a number of advanced exploration projects, the most significant being Sandfire Resources Limited's ("Sandfire") T3 Copper-Silver Project ("T3").

The licence holding comprises 12 prospecting licences of which seven are held by KML and five held by Triprop Holdings (Pty) Ltd ("Triprop"), with whom KML holds a 51% contractual right. The projects are located around the developed centres of Maun and Ghanzi and are readily accessible by road. Collectively, the tenure of the KCP is 8,099 km^2 in 12 exploration permits, which has been confirmed as being valid and in good standing by the Department of Mines, Botswana.

The projects are all considered early-stage exploration projects targeting stratabound copper-silver mineralisation hosted in the D'kar Formation at or above the redox front with the Ngwako Pan Formation (part of the Ghanzi Group). Most of the mineralisation in the region is hosted in steep structural zones along or above this contact, particularly in steep F1 fold limbs, but also includes substantial shear- and vein- hosted mineralisation. There is also mineralisation associated with domal axial closures as is the case for the MOD Resources T3 deposit. The targeting has relied heavily on airborne magnetic and airborne electromagnetic ("AEM") survey data due to the variable Kalahari cover thickness over the licences. This data has been used to identify potentially prospective targets by mapping the stratigraphy and complex structures. Soil geochemistry has been used with limited success. Scout drilling on a number of the targets has confirmed the presence of copper-silver mineralisation at the OCP and the NCP. Scout drilling on the other projects has

confirmed the presence of the prospective contact of the D'Kar and Ngwako Pan formations that required KML modify the exploration targeting model. There remain numerous untested geophysical targets within the KCP.

At the OCP and NCP, the exploration by Triprop and more recently by KML has confirmed the presence of copper-silver stratabound mineralisation. KML has further developed its understanding of the geology of the property, and the complexity introduced by palaeotopography into the AEM targeting can be mitigated via the high-resolution aeromagnetic data. Both projects are considered prospective, especially in areas where the Kalahari cover sequence is less well developed.

The Kitlanya East Project is considered prospective for stratabound copper-silver mineralisation based on the proximity to the T3 deposit and presence of prospective geology within the project area. To date, two target areas has been explored by KML with encouraging results and several targets still remain untested.

The Kitlanya West Project is considered prospective for stratabound copper-silver mineralisation based on the location of the area along strike from the NCP, as well as the interpreted prospective basement geology, host lithologies, and structural setting of the project area. Recent exploration by KML in the east of the project area supports conceptual exploration model and further exploration is planned.

West Australian Projects

Cobre currently has an interest in two early-stage copper exploration projects in Western Australia – Perrinvale (held by Cobre) and Sandiman (in which Cobre has earned a 51% interest).

The Perrinvale Project is located approximately 260 km northwest of Kalgoorlie in the central part of the Yilgarn Craton of Western Australia and comprises a contiguous group of nine granted exploration licences covering a total of 345 km² held by Toucan Gold Pty Ltd, a wholly-owned subsidiary of Cobre.

The licences cover a substantial portion of two discrete, Archaean age, greenstone belts within the Southern Cross Domain, the Panhandle Greenstone Belt and the Illaara Greenstone Belt to the east. The Panhandle Greenstone Belt within the Perrinvale Project is host to a number of prospective volcanogenic massive sulphide (VMS) targets.

Exploration in the area started in the mid-1970s and a combination of soil geochemistry, geophysics and drilling has identified a number of VMS and gold targets. Recent exploration by Cobre has largely focused on developing certain targets in the Panhandle Greenstone Belt and has confirmed the historical results. CSA Global is of the opinion the Perrinvale Project is prospective for VMS-style polymetallic base metal and gold mineralisation, as well as mesothermal gold mineralisation.

The Sandiman Project is located in the Upper Gascoyne Shire, straddling the south-eastern corner of the Mount Sandiman 1:100,000 sheet no. 1949, and the north-eastern corner of the Lyons River 100,000 sheet no. 1948. The Sandiman Project comprises a single tenement (E09/2316) totalling 202 km² in size. The licence held by GTTS Generations Pty Ltd is subject to a farm-in agreement whereby Cobre has earned a 50% interest in the tenement.

The Sandiman Project is conceptually prospective for Mississippi Valley Type ("MVT") and possibly also VMS base metal deposits. This is based on the cluster of barite veins in sedimentary basin rocks in a craton-margin geological setting along with recent exploration results reporting traces of lead-zinc-silver mineralisation. Exploration activity has been limited to remote sensing interpretation of ASTER imagery and limited field work. No drilling has been conducted on the property.

Nyanga Project

Cobre has an 18.5% in Armada Exploration Limited ("Armada"), which holds a 100% interest in the Nyanga Project in southern Gabon, on the border with the Democratic Republic of the Congo (DRC) and on the Atlantic Coast.

The Nyanga Project is comprised of two exploration permits which cover a total area of 2,991 km².

The Nyanga Project is at an early greenfields stage of exploration. CSA Global is of the opinion that results to date represent grassroots exploration that have built a valid model for mineralisation to be tested, but still require further work to demonstrate proof of concept and validate the exploration model. CSA Global is of the opinion that the results to date are permissive and that the exploration completed to date is following the right trajectory to maximise potential for discovery of magmatic nickel-copper-cobalt(-PGE) sulphide mineralisation.

Valuation Opinion

CSA Global's opinion as to the likely Market Value of the KCP as at 24 September 2021, on a 100% basis, is summarised in Table 1 and CSA Global's opinion as to the likely Market Value of the Cobre's West Australian exploration tenure as at 24 September 2021, on a 100% basis, is summarised in Table 2. CSA Global's likely Market Value of Cobre's Gabon exploration tenure, on a 100% basis, is summarised in Table 3.

It is stressed that the valuation is an opinion as to likely values, not absolute values, which can only be tested by going to the market.

Table 1: Market value of the Botswanan copper tenements as of 24 September 2021 (100% basis)

Licence grouping	Area (km²)	Low (US$ million)	Preferred (US$ million)	High (US$ million)
KML	1,999	0.7	1.3	2.0
Triprop	1,449	0.5	1.0	1.5
Kitlanya	4,652	1.3	2.5	3.3
Total	**8,099**	**2.4**	**4.8**	**6.7**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

Table 2: Market value of Cobre's West Australian exploration tenure as of 24 September 2021 (100% basis)

Project	Area (km²)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
Perrinvale	345	0.65	1.30	1.95
Sandiman	202	0.23	0.45	0.68
Total	**547**	**0.88**	**1.75**	**2.63**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

Table 3: Market value of Cobre's Gabon exploration tenure as of 24 September 2021 (100% basis)

Project	Area (km²)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
Nyanga	2,991	1.8	4.8	7.5

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

CSA Global considers that its opinion must be considered in its entirety and that selecting portions of the analysis, or factors considered by it, without considering all factors and analyses together could create a misleading view of the process underlying the opinions presented in this Report. The timing and context of an independent valuation report is complex and does not lend itself to partial analysis or selective interpretations without consideration of the entire report.

In CSA Global's opinion, nothing material has occurred up to the date of this Report and since the Valuation Date, to affect CSA Global's technical review and valuation opinion.

Contents

Figures

Tables

Appendices

1 Introduction

1.1 Context, Scope and Terms of Reference

CSA Global (UK) Limited (CSA Global), an ERM Group company, was commissioned, by BDO Corporate Finance Limited ("BDO") to prepare an Independent Technical Specialist's Report (ITSR or the "Report") on the Mineral Assets associated with Cobre Limited ("Cobre" or the "Company"). This includes two Mineral Projects in Western Australia (Perrinvale and Sandiman, referred to in this document as "the Cobre Projects"), and four projects in Botswana (Okavango, Ngami, Kitlanya West, and Kitlanya East in which Cobre will hold a share through its acquisition of 49.99% of Kalahari Metals Ltd (KML). The Botswana projects are collectively referred to as "the KML Projects" in this Report. BDO has requested the completion of this ITSR, together with valuation of the Mineral Assets under consideration, to support their preparation of an Independent Experts Report ("IER") to assess the proposed acquisition of the KML shareholding.

1.2 Compliance with the VALMIN and JORC Codes

The Report has been prepared in accordance with the VALMIN Code 2015[1], which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the JORC Code[2] and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and Australian Securities Exchange (ASX) that pertain to Independent Experts' Reports.

The authors have taken due note of the rules and guidelines issued by such bodies as ASIC and ASX, including ASIC Regulatory Guide 111 – Content of Expert Reports, and ASIC Regulatory Guide 112 – Independence of Experts..

1.3 Principal Sources of Information

The Report has been based on information available up to and including 24 February 2021, and updated to 24 September 2021. The information was provided to CSA Global by Cobre and KML, or has been sourced from the public domain, and includes both published and unpublished technical reports prepared by consultants, and any other data relevant to the Cobre Projects and the KML Projects. Consent was obtained where necessary.

The authors have endeavoured, by making all reasonable enquiries within the timeframe available, to confirm the authenticity and completeness of the technical data upon which the Report is based.

A site visit was made to the KML Projects from 15 to 18 September 2020 in preparation of this Report. These projects are at a relatively early stage and no Mineral Resource estimates have been prepared for any of the projects.

No site visit was made to the Cobre Projects in preparation of this Report. The projects are at a relatively early stage and no Mineral Resource estimates have been stated. CSA Global concluded that it has sufficient knowledge of the project area and that the project stage is such that no material information would be gained by completing a site visit in this particular instance.

CSA Global relies on the independent solicitors report on tenure prepared by Armstrongs (Armstrongs, 2020) with regards to the validity, ownership, and good standing of KML's granted project tenements in Botswana. CSA Global relies on the independent solicitors report on tenure prepared by Simmons & Simmons LLP

[1] Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets. The VALMIN Code, 2015 Edition. Prepared by the VALMIN Committee, a joint committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.
[2] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

(Simmons & Simmons, 2021) with regards to the validity, ownership, and good standing of Armada's tenure for the Nyanga Project in Gabon.

Tenement information on the Cobre's West Australian Projects was provided by Cobre, and independently confirmed by CSA Global via the Mineral Titles Online portal provided by the Government of Western Australia Department of Mines, Industry Regulation and Safety (DMIRS).

CSA Global makes no other assessment or assertion as to the legal title of the tenements and is not qualified to do so.

1.4 Authors of the Report – Qualifications, Experience and Competence

The Report has been prepared by CSA Global, an ERM Group company, with its headquarters located in West Perth, Western Australia.

CSA Global provides multi-disciplinary services to a broad spectrum of clients across the global mining industry. Services are provided across all stages of the mining cycle from project generation, to exploration, resource estimation, project evaluation, development studies, operations assistance, and corporate advice, such as valuations and independent technical documentation.

The geological aspects of the KML Projects have been compiled and documented by Mr Michael Cronwright, Principal Consultant at CSA Global (South Africa). Mr Cronwright has also relied on feedback from Ian McGeorge, Associate Consultant to CSA Global (South Africa) who undertook the site visit to the KML Projects. Dr Brendan Clarke, Director – Africa for CSA Global, has also contributed to the documentation of the geology of the KML Projects. The geological aspects of the Cobre Projects have been compiled and documented by Mr Michael Cronwright and Mr Trivindren Naidoo. Mr Naidoo also supervised and finalised the valuation work on both sets of projects, with research inputs from Mr Cronwright.

Trivindren Naidoo is an exploration geologist with over 20 years' experience in the minerals industry, including 14 years as a consultant, specialising in project evaluations and technical reviews as well as code-compliant reporting (JORC, VALMIN, NI 43-101 and CIMVAL) and valuation. His knowledge is broad-based, and he has wide-ranging experience in the field of mineral exploration, having managed or consulted on various projects ranging from first-pass grassroots exploration to brownfields exploration and evaluation, including the assessment of operating mines. Trivindren has the relevant qualifications, experience, competence, and independence to be considered a "Specialist" under the definitions provided in the VALMIN Code and a "Competent Person" as defined in the JORC Code.

Michael Cronwright is a geologist with 21 years of relevant industry experience gained in early-stage exploration and resource definition throughout Africa and Middle East. Michael is a Principal Consultant at CSA Global and based in the Johannesburg office. By virtue of his education, experience and professional affiliation, Michael is a Competent Person for the reporting of Exploration Results relevant to the styles of mineralisation documented in this Report. Michael has a M.Sc. (Exploration Geology), is a registered Pr.Sci.Nat., a fellow of the Geological Society of South Africa and a member of AusIMM.

Peer review was completed by CSA Global Manager Corporate and Principal Geologist Ivy Chen, BAppSc (Geology), Postgrad Dip. Nat Res., FAusIMM, GAICD. Ivy is a corporate governance specialist, with over 30 years' experience in mining and resource estimation. She served as the national geology and mining adviser for the Australian Securities and Investments Commission (ASIC) from 2009–2015. Ivy's experience in the mining industry in Australia and China, as an operations and consulting geologist includes open pit and underground mines for gold, manganese and chromite, and as a consulting geologist she has conducted mineral project evaluation, strategy development and implementation, through to senior corporate management roles. Recent projects completed include listings and other commercial transactions on the Australian, Singapore, Hong Kong and UK stock exchanges. Ivy has the relevant qualifications, experience, competence, and independence to be considered a "Specialist" under the definitions provided in the VALMIN Code and a "Competent Person" as defined in the JORC Code.

The global authorisation of this Report has been undertaken by CSA Global Manager Corporate, Principal Geologist, Mr Graham Jeffress, BSc (Hons) Applied Geology, FAIG, RPGeo (Mineral Exploration), FAusIMM, FSEG. Mr Jeffress is a geologist with over 27 years' experience in exploration geology and management in Australia, Papua New Guinea, and Indonesia. Graham has worked in exploration (ranging from grassroots reconnaissance through to brownfields, near-mine and resource definition), project evaluation and mining in a variety of geological terrains, commodities and mineralisation styles within Australia and internationally. He is competent in multi-disciplinary exploration, and proficient at undertaking prospect evaluation and all phases of exploration – sampling, mapping, prospecting and drilling through to resource definition; as well as project management including planning, budgeting, logistics, safety, people management, landowner liaison and project presentation. Additionally, Graham has completed numerous Independent Geologist Reports, Competent Person Reports, and Independent Valuation Reports. He was a Federal Councillor of the AIG for 11 years and joined the Joint Ore Reserves Committee in 2014.

1.5 Prior Association and Independence

CSA Global has previously undertaken a valuation on the KML Projects, prior to the acquisition of the Kitlanya projects as part of a Competent Persons Report (CPR) prepared for Draganfly Investments Ltd ("Draganfly"). The valuation work carried out in that report (CSA Global, 2017) was undertaken by Trivindren Naidoo, who has supervised the valuation work documented in the current report. The CPR and valuation were undertaken independently of both KML and Draganfly, and CSA Global was paid a consulting fee in exchange for the work completed. As such, neither CSA Global, nor the authors of this Report, have or have had previously, any other material interest in KML or the mineral properties in which KML has an interest.

Neither CSA Global, nor the authors of this Report, have or have had previously, any material interest in Cobre or the mineral properties in which Cobre has an interest. CSA Global's relationship with Cobre is solely one of professional association between client and independent consultant.

CSA Global is an independent consultancy. This Report is prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report. The fee for the preparation of this Report is approximately £25,000.

No member or employee of CSA Global is, or is intended to be, a director, officer, or other direct employee of Cobre. No member or employee of CSA Global has, or has had, any material shareholding in Cobre. There is no formal agreement between CSA Global and Cobre in relation to CSA Global conducting further work for Cobre.

1.6 Declarations

The statements and opinions contained in this Report are given in good faith and in the belief that they are not false or misleading. The Report has been compiled based on information available up to and including the date of the Report.

The statements and opinions are based on the reference date of 24 February 2021 and updated to 24 September 2021, and could alter over time depending on exploration results, mineral prices, and other relevant market factors. In CSA Global's opinion, nothing material has occurred up to the date of this Report, since the valuation date to affect CSA Global's technical review and valuation opinion.

The Valuation Basis employed by CSA Global is Market Value, as defined by the VALMIN Code (2015) and explained in Appendix A. The Valuation Date is 24 February 2021, and updated to 24 September 2021.

The opinions expressed in the Report have been based on the information supplied to CSA Global by Cobre. The opinions in the Report are provided in response to a specific request from BDO to do so. CSA Global has exercised all due care in reviewing the supplied information. Whilst CSA Global has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. CSA Global does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in the Report apply to the site

conditions and features, as they existed at the time of CSA Global's investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of the Report, about which CSA Global had no prior knowledge nor had the opportunity to evaluate.

CSA Global's valuations are based on information provided by Cobre and public domain information. This information has been supplemented by making all reasonable enquiries within the timeframe available, to confirm the authenticity and completeness of the technical data.

CSA Global considers that its opinion must be considered as a whole and that selecting portions of the analysis, or factors considered by it, without considering all factors and analyses together could create a misleading view of the process underlying the opinions presented in this Report. The timing and context of an independent valuation report is complex and does not lend itself to partial analysis or selective interpretations without consideration of the entire Report.

CSA Global has no obligation or undertaking to advise any person of any development in relation to the mineral assets which comes to its attention after the date of this Report. CSA Global will not review, revise or update the Report, or provide an opinion in respect of any such development occurring after the date of this Report.

No audit of any financial data has been conducted.

The valuations discussed in the Report have been prepared at a valuation date of 24 February 2021, and updated to 24 September 2021. It is again emphasised that the values are opinions as to likely values, not absolute values, which can only be tested by going to the market.

2 Kalahari Copper Project

2.1 Location and Access

The Kalahari Copper Project ("KCP") comprises a licence holding over a portion of the Kalahari Copper Belt in the northwest of Botswana. The KCP is divided into four projects – namely, the Okavango Copper Project (OCP), the Ngami Copper Project ("NCP"), Kitlanya East, and Kitlanya West (Figure 1).

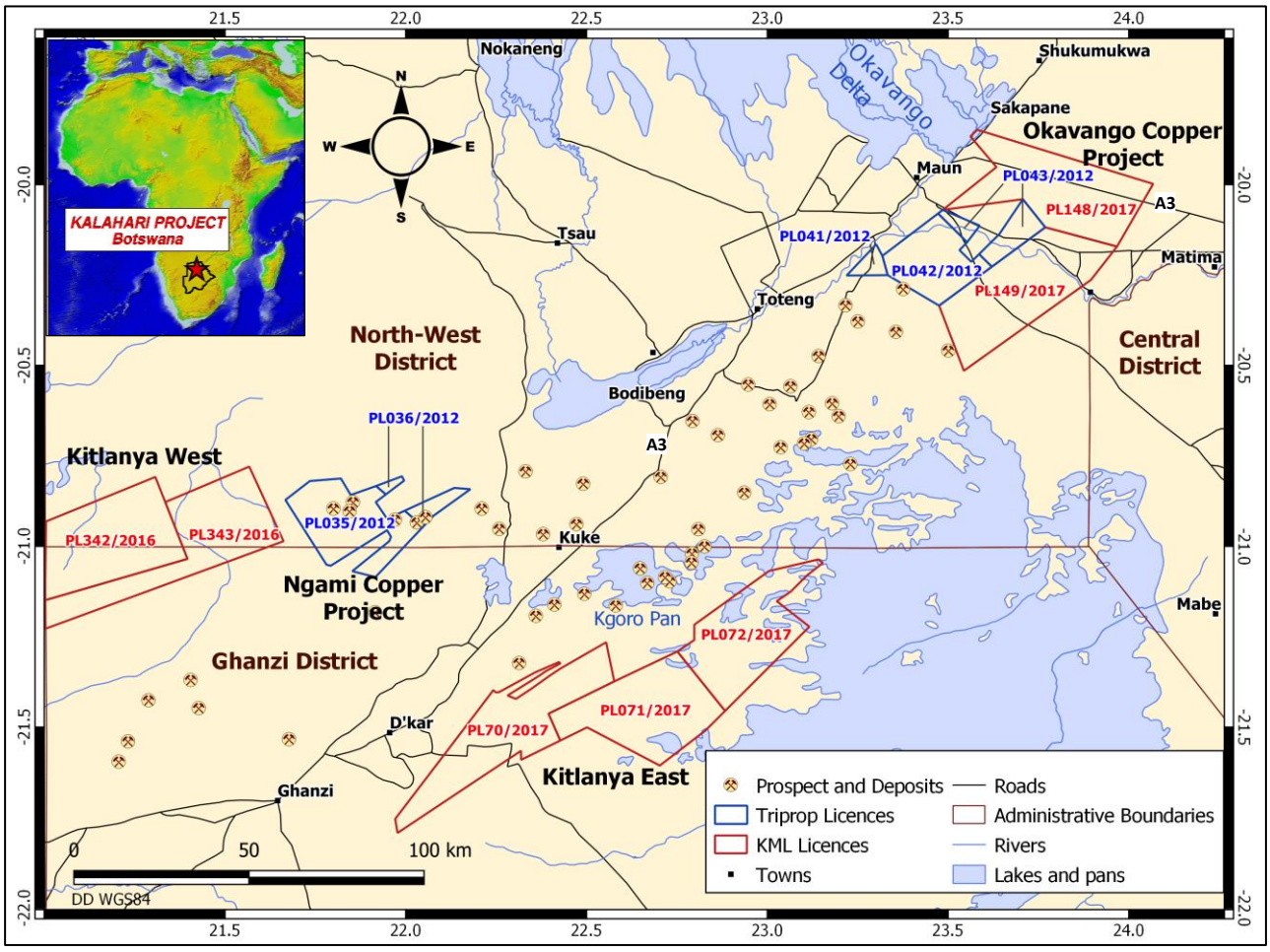

Figure 1: Location of the KCP licence areas showing local infrastructure

The OCP is located to the east of the town of Maun and is accessed via the bitumen A3 highway and various dirt tracks.

The NCP and Kitlanya West Project are located approximately 85 km north of Ghanzi and 200 km southwest of Maun. Access is via a dirt track that heads west from the A3 along the border with the northwest and Ghanzi districts. The western edge of the Kitlanya West licences is along the Botswana-Namibia border.

The Kitlanya East Project is located about 40 km east of Ghanzi and stretch for approximately 140 km to the northeast. Access is via roads and tracks heading east from D'Kar.

The KCP landholding is in the same belt as a number of advanced and exploration-stage copper projects owned by ASX listed Sandfire Resources Limited (previously owned by MOD Resources (MOD) in joint venture with AIM listed Metal Tiger PLC), and Cupric Canyon Capital LLC ("Cupric Canyon"), a private US company.

The Neoproterozoic Kalahari Copper Belt hosts multiple known copper deposits, prospects and occurrences in Namibia and Botswana. There are some 16 named copper projects in Botswana ranging from very early grassroots stage to mine stage. There are five copper projects along strike of the licences under review, with

stated Mineral Resources and Ore Reserves reported in accordance with international reporting codes (JORC and CIM), which include:

- Cupric Canyon:
  - Boseto project – 177 Mt at 1.3% Cu (Mineral Resources)
  - Khoemacau project – 93.5 Mt at 1.9% Cu and 33 g/t Ag (Mineral Resources)
  - Zone 5 deposit – Ore Reserves of 30 Mt at 2.03% Cu and 19.5 g/t Ag and Mineral Resource of 91.7 Mt at 2.13% Cu + 21.9 g/t Ag
  - Banana Zone – 191 Mt at 0.6% Cu (Mineral Resources)
- Sandfire/MOD:
  - T3 open pit project – Mineral Resource comprising 53.3 Mt at 0.90% Cu and 12.7 g/t Ag (including a Probable Ore Reserve of 39.9Mt at 0.9% Cu and 12.2g/t Ag).
  - A4 deposit – Indicated Mineral Resource of 8.9 Mt at 1.4% Cu and 22 g/t Ag and Inferred at 0.9 Mt at 1.0 % Cu and 15 g/t Ag.

The north-eastern licences lie along strike of Cupric Canyon's Zone 5, Boseto and Zeta deposits within the central basin high referred to by MOD as the "Mahumo Structural Corridor" (Figure 2) or Ghanzi Ridge, and the NCP and Kitlanya East and Kitlanya West projects along the flanks of this trend.

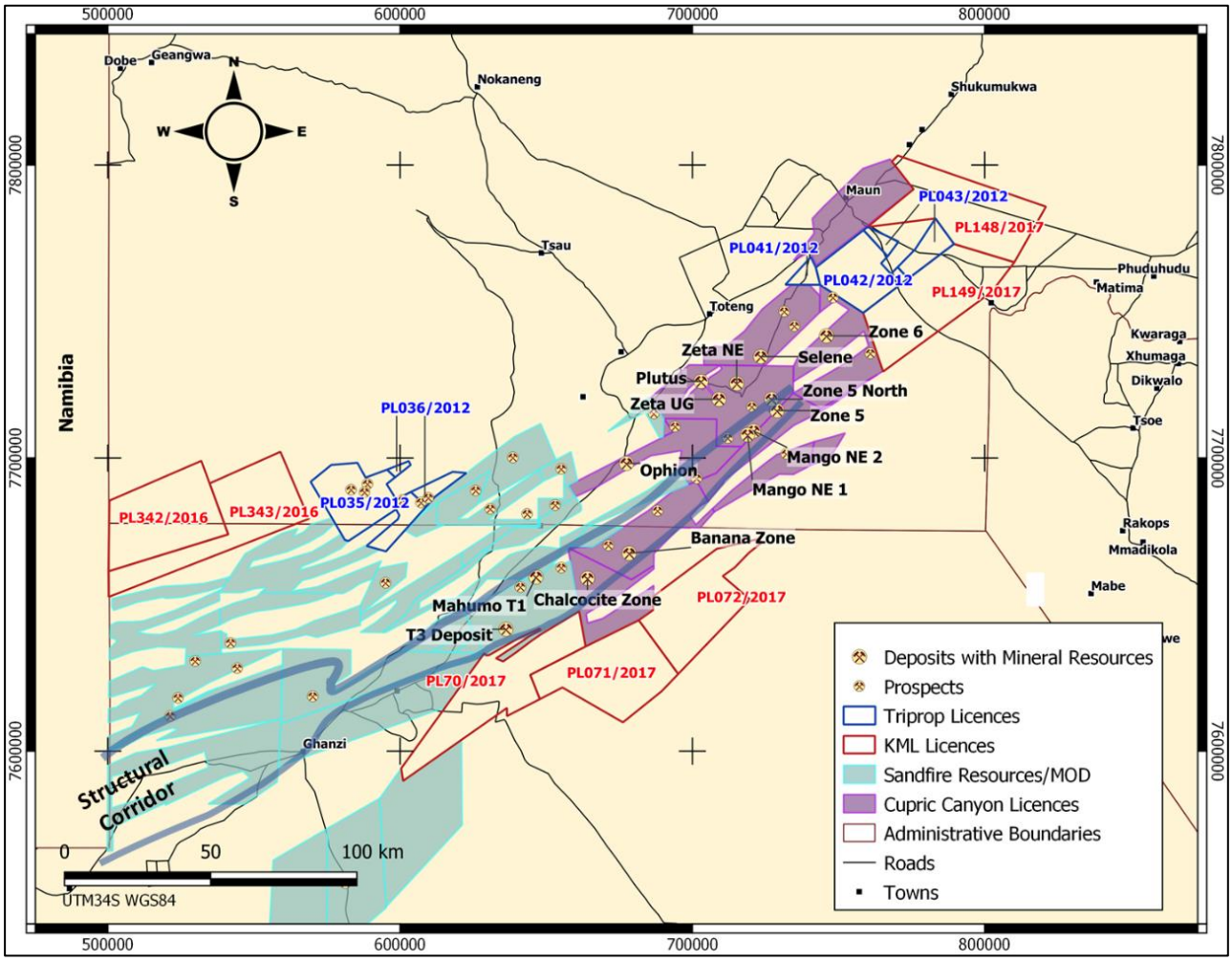

Figure 2: Location of the KCP licence areas in relation to other licence holders and deposits

2.2 Ownership and Tenure

The licence holding comprises 12 prospecting licences, of which seven are held by KML (including its 100% owned subsidiary Kitlanya (Pty) Ltd) and five held by Triprop Holdings (Pty) Ltd (Triprop), with whom KML

hold contractual rights to a 51% interest. Table 4 provides a summary of the licence holdings that comprise the individual projects within the KCP.

Table 4: List of prospecting licences that constitute KML's KCP

Asset	Holder	Project name	KML interest (%)	Status	Licence expiry date	Licence area (km²)	Comments
PL148/2017	Kalahari Metals (Pty) Ltd	Okavango Copper Project	100%	Exploration	30/06/2022	999.2	-
PL149/2017	Kalahari Metals (Pty) Ltd		100%	Exploration	30/06/2022	999.5	-
PL041/2012	Triprop Holdings (Pty) Ltd		100%	Exploration	30/09/2022	58.9	-
PL042/2012	Triprop Holdings (Pty) Ltd		51%	Exploration	30/09/2022	467.4	-
PL043/2012	Triprop Holdings (Pty) Ltd		51%	Exploration	30/09/2022	197.8	-
					Subtotal	**2,722.8**	
PL035/2012	Triprop Holdings (Pty) Ltd	Ngami Copper Project	51%	Exploration	30/09/2022	628.4	-
PL036/2012	Triprop Holdings (Pty) Ltd		51%	Exploration	30/09/2022	96.4	-
					Subtotal	**724.8**	
PL343/2016	Kitlanya (Pty) Ltd	Kitlanya West	100%	Exploration	31/12/2021	957	-
PL342/2016	Kitlanya (Pty) Ltd		100%	Exploration	31/12/2021	942	-
					Subtotal	**1,899**	
PL072/2017	Kitlanya (Pty) Ltd	Kitlanya East	100%	Exploration	31/03/2022	845	Within Central Kalahari Reserve
PL070/2017	Kitlanya (Pty) Ltd		100%	Exploration	31/03/2022	994	-
PL071/2017	Kitlanya (Pty) Ltd		100%	Exploration	31/03/2022	914	Overlaps with Central Kalahari Reserve
					Subtotal	**2,753**	
					TOTAL	**8,099.6**	

CSA Global relies on the legal opinion of legal firm Armstrongs of Gaborone (Armstrongs, 2021), provided to Cobre in the report titled *Legal Due Diligence Report concerning the proposed acquisition of Kalahari Metals Limited* dated 13 November 2020. CSA Global makes no other assessment or assertion as to the legal title of tenements, permits, approvals, etc. and is not qualified to do so.

Armstrongs (2020) states "*From our review of the documents contained in the VDR, we confirm the Target Entities are in possession of valid Prospecting Licences issued in terms of the MMA, respectively. The Prospecting Licenses are valid and still extant, and we have not identified any red flags in that regard*."

2.3 Geology and Mineralisation

This summary of the Geology and Mineralisation of the KML Projects is extracted from the "Competent Persons' Report, The Kalahari Copper Project" by CSA Global (UK) Limited is included and dated 20 November 2017.

2.3.1 Regional Tectonic Context

The Kalahari Copperbelt extends over a distance of 1,000 km from Klein Aub in Namibia to the Shinamba Hills in northern Botswana and forms part of the Neoproterozoic (Pan African) Damara orogen (Figure 3). The Damaran belt records rifting between the Kalahari and the Congo cratons between 770 million years ago

("Ma") and 600 Ma, during the break-up of the Rodinia supercontinent, and deformation during the Pan African Orogeny, between 550 Ma and 490 Ma. This was accompanied by folding, faulting, metamorphism (generally to greenschist facies) and granitic rock emplacement.

The Damaran belt can be broadly tectonically correlated to the northeast with the Neoproterozoic Lufilian and Zambezi belts, also developed between the Kalahari and Congo cratons.

Damaran sedimentation occurred from at least 770 Ma to 600 Ma, initiating with rift sedimentation and bimodal alkaline volcanism. Subsequent sedimentation is dominated by thick turbiditic sequences as well as shelf carbonates interpreted to rim deeper basins. Calciturbidites also occur in the basins. The extensive Otavi Mountain Land shelf carbonates in Namibia were deposited on the northern margin on the Congo block. The Damaran records the same Sturtian and Marinoan glaciation events as the Lufilian at c. 750 Ma and c. 625 Ma respectively. The Damaran orogeny spans the same time period as the Lufilian orogeny from c. 550 Ma to 490 Ma and resulted in folding, faulting, metamorphism generally at greenschist facies, and granite emplacement. The degree of deformation and metamorphism is variable along and across the belt.

2.3.2 Regional Mineralisation

The Kalahari Copperbelt has long been known as a sedimentary copper district with several small historical mines in Namibia, notably the Klein Aub mine. Mineralisation at Klein Aub has been interpreted to be syn-deformational and related to the Klein Aub fault (Maiden and Borg, 2012).

The Neoproterozoic Central African Copperbelt forms an arc-shaped belt that extends from northern Zambia into the south-eastern Democratic Republic of Congo. The copperbelt occurs within the Lufilian Arc, a northward-directed fold-and-thrust belt that records a history of early Neoproterozoic intra-cratonic rift development followed by late Neoproterozoic collisional deformation and metamorphism.

2.3.3 Ghanzi-Chobe Belt

The lithostratigraphy of the Ghanzi-Chobe Belt can be broadly summarised as follows (from oldest to youngest):

- Kgwebe Formation – Neoproterozoic rhyolites and sub-alkaline basalts, overlain by the Ghanzi Group;
- Ghanzi Group – Neoproterozoic sediments of the Kuke, Ngwako Pan, D'Kar and Mamuno formations;
- Karoo Supergroup – Carboniferous-Jurassic cover sequences which include terrestrial and marine sediments and basaltic flood basalts and associated dykes;
- Kalahari Group Cainozoic cover sequences – typically 50–150 m thick, including terrestrial lithified sands and sediments.

Basement exposure within the Botswanan portion of the Kalahari Copperbelt is restricted to the northeast-trending "Ghanzi Ridge" which extends from the Namibian border towards Lake Ngami. Off the Ghanzi Ridge (and within the licence areas), outcrop is very limited, and as a result most of the geology has been inferred largely from regional magnetic datasets verified by limited drillhole data.

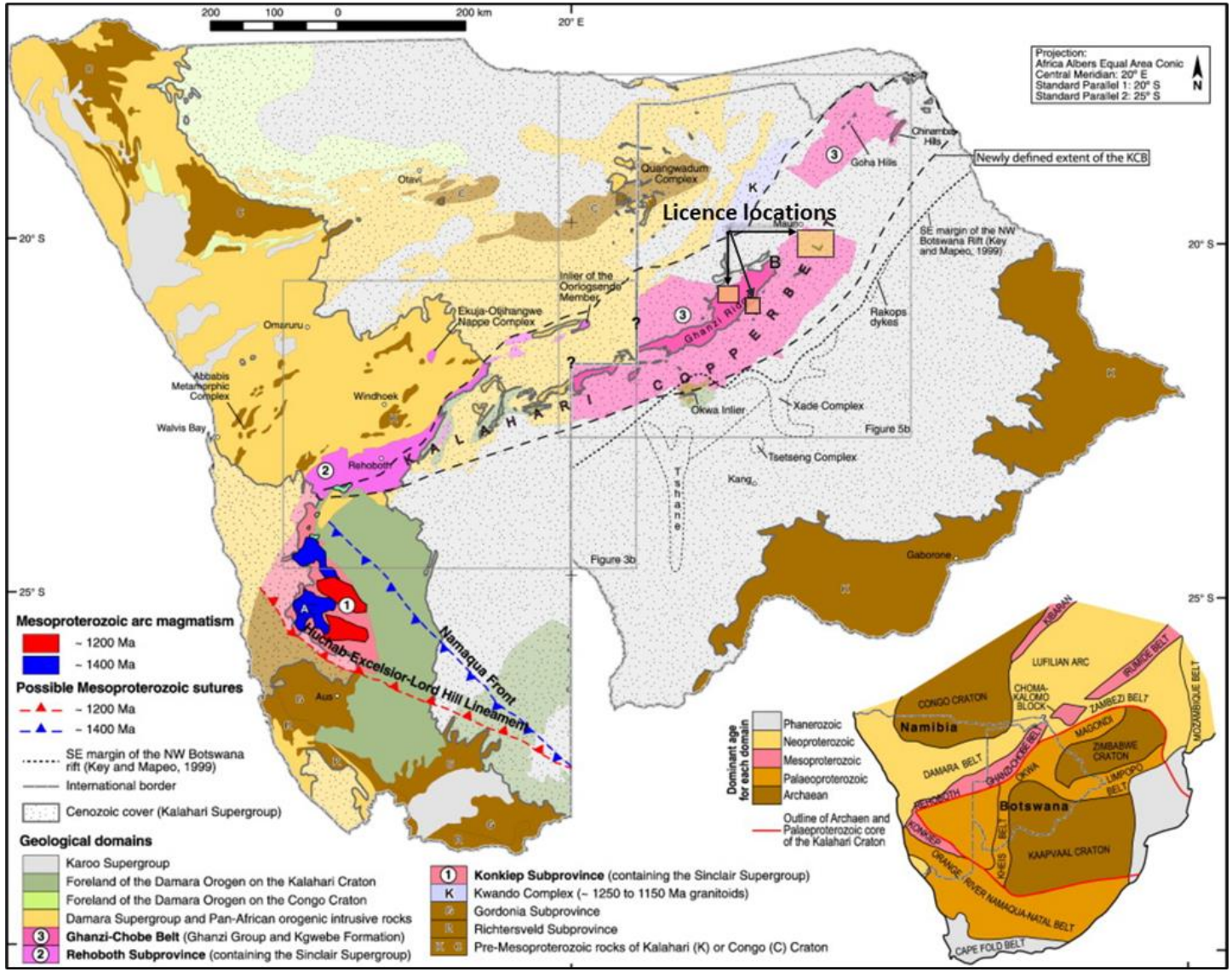

Figure 3: Distribution of Kalahari Copperbelt from Namibia through Botswana (locations of licences under review are annotated)
Source: Leymann et al., 2015

Kgwebe Formation

The Kgwebe Formation includes volcanics of acid to basic composition with minor intrusives and metasediments (Schwarz et al., 1995). The bulk of outcrop is a massive to flow banded feldspar-porphyry and occasionally quartz porphyry of acid to intermediate composition. More basic volcanics and metasediments occur near the top of the formation. The metasediments include medium to fine-grained, occasionally tuffaceous, sub-arkoses with andesitic tuffs. Dates cluster around 1104–1107 Ma (Johnson et al., 2005).

Ghanzi Group

The Ghanzi Group comprises a succession of clastic and carbonate sediments deposited in fluvial to shallow marine to deep marine environments in an evolving rift-sag basin. The basal Kuke Formation is a 500 m thick sequence of cross-bedded, medium-grained quartz arenites with mudstone intraclasts. A basal conglomerate rests on the unconformable contact and contains fragments of the underlying Kgwebe Formation (Van der Heever and Arengi, 2010).

The Ngwako Pan Formation comprises a thick sequence (c. 2,500–7,300 m) of reddish and grey sandstones and subordinate siltstone and argillite with minor amygdaloidal basalt. The lower part is dominated by immature wackes deposited in a lower shore face environment, and the upper part contains well-sorted sandstones interpreted to have been deposited in middle to upper shore face environments. This upper part is characterised by parallel-laminated plane-bedded sandstones together with centimetre to decimetre-scale ripple cross-laminated facies containing rip-up clasts of shale and associated graded beds. The sediments are dominated by arenite, sub-arkose and sub-litharenite interpreted to be deposited from a fluvial to tidal environment.

The overlying D'Kar Formation (c. 1,500 m) is dominated by mainly parallel-laminated grey-green siltstones and mudstones with interbedded fine-grained sandstones (Modie, 1996a, 1996b, 2000). The contact with the Ngwako Pan Formation is usually sharp and conformable but demonstrates topographic variation on a major regional transgressive flooding surface. Minor thin (1–3 m thick) discontinuous limestone beds and marls occur near the base of the formation and includes shallow water oolitic limestone. More strongly reduced organic-rich black shale horizons with pyrite also occur near the base of the formation.

Copper mineralisation is focused at the redox boundary at the base of the D'Kar Formation.

The overlying Mamuno Formation (c. 1,500 m) consists of red-beds composed of well-sorted, fine to medium-grained arkosic sandstone, interbedded with siltstone, mudstone and limestone (Litherland, 1982; Modie, 1996a, 1996b). The interpreted depositional environment is high energy, near-shore environments deposited over the shelf sediments of the D'Kar Formation.

2.3.4 Age and Depositional Setting

The Ghanzi Group represents a transgressive sequence, with basal immature oxidised red-beds of the Kuke and Ngwako Pan Formations overlain by reduced shallow to deep marine sequences of the D'kar Formation. Substantial thickness variation of the rift-stage Ngwako Pan Formation from 1 to 3.5km thick (Schwarz et al., 2005) suggests fault-controlled rift-stage deposition. Strong lateral continuity in lithology and thickness is illustrated in aeromagnetic patterns of the reduced D'Kar Formation, supporting deposition in a relatively quiescent sag-stage tectonic setting without active faulting or rifting. The Mamuno Formation may represent late sag phase basin filling and regression.

There is no definitive age for the Ghanzi Group, but correlation has been suggested with the Kamtsas Formation of the Nosib Group in Namibia, below the c. 750 Ma Sturtian diamictite which occurs at the top of the Nosib Group (Schwarz et al., 1995). This would imply a similar setting and age to the Roan Group of the Katangan System of Zambia and the Democratic Republic of the Congo (DRC) which occurs beneath the Sturtian diamictites. This is compatible with the correlation of the D'Kar Formation basal limestones with the Bitter Springs carbon isotope excursion at c. 800 Ma reported by Scott (2011).

2.3.5 Structure and Metamorphism

Aeromagnetic data is strongly dominated by northeast-trending rift-parallel structure but orthogonal basin-normal northwest-oriented faults are also evident. The most prominent northwest orientation is the Karoo dyke swarms which represent the stress field during Permian magmatism but may also follow pre-existing structural trends.

The sedimentary sequences were deformed during the Damaran Orogeny (c. 530–495 Ma) resulting in folding, faulting and lower greenschist facies metamorphism, mainly during the predominant D1 deformation event.

D1 deformation is characterised by regional, northwest-oriented sub-horizontal shortening, leading to regional northeast-trending F1 open to recumbent folding and reverse faults. The large-scale folds verge to the northwest, with steep northwest limbs that may be partly thrust out and shallower-dipping southwest limbs.

Aeromagnetic data highlight fold geometry with parasitic F1 folds on first-order closures and an overall elongate dome-and-basin pattern. This fold patterns could represent non-coaxial folding in a single event, partly controlled by basin and basement architecture, rather than a later open D2 re-folding.

Folding is associated with a S1 fabric of variable intensity or a bedding-parallel S0/1 shear fabric in fold limbs reflecting flexural slip during folding. Pelitic sediments are characterised by phyllosilicate growth during fabric formation defined by chlorite and muscovite but without biotite. Fabric varies from penetrative to crenulation cleavage.

Strain partitioning reflects ductility contrasts, with deformation concentrated in the basal D'Kar Formation against the more competent Ngwako Pan Formation and Kgwebe Group. D1 deformation has folded a mechanically heterogeneous stratigraphic sequence with alternating competent (sandstones and limestones) and less competent units (carbonaceous and partly calcareous siltstones, and mudstones). This resulted in cleavage refraction and flexural slip shearing along less competent horizons. S1 fabric in rock units of higher competency has a steeper dip to bedding.

2.3.6 Mineralisation

Copper (and associated silver) mineralisation within the Kalahari Copperbelt in Botswana is hosted by the Ghanzi Group. The majority of mineralisation is hosted in the D'Kar Formation at or above the redox front with the Ngwako Pan Formation. Mineralisation occurs over hundreds of linear kilometres of this stratigraphic position, wrapping around the large-scale F1 closures.

While stratabound, mineralisation is commonly hosted in steep structural zones along or above the contact, especially in the steep limbs of F1 folds, and includes substantial shear and vein-hosted mineralisation.

Copper mineralisation commonly shows hypogene zonation from chalcocite to bornite to chalcopyrite and pyrite, typical of sedimentary copper systems. There is also lateral and vertical zonation to low-grade zinc and lead mineralisation. Where disseminated and stratabound, sulphides are often oriented in the S1 fabric.

Key features of mineralisation include:

1. Mineralisation is stratabound on a regional scale close to the Ngwako Pan–D'Kar redox front, largely within 30 m above the Ngwako Pan contact.
2. The basinal and stratigraphic setting is typical for sediment-hosted copper, though without clear evidence for evaporites.
3. Mineralisation, albeit often low grade, is very extensive over hundreds of linear kilometres in this stratigraphic interval and wraps around the complex F1 regional and parasitic folds.
4. All known economic mineralisation to date occurs along the Ghanzi Ridge, characterised by outcrop of Kgwebe Group basement in a regional antiform core, or its southwest extension under cover.

5. Mineralisation ranging from low grade to economic grade occurs in shallow less deformed and steep highly deformed fold limbs and fold crests.
6. Mineralisation occurs in a range of styles including disseminated, within early permeability, within early folded veins, aligned in S1, within D1 shear/vein zones sub-parallel to bedding, and within later brittle veins and faults. All styles are stratabound in basal D'Kar Formation.
7. Although much mineralisation is hosted in veins within shear zones, the grade and thickness of mineralisation is not directly related to the intensity of deformation.
8. Mineralisation commonly occurs in calcareous lithologies (calcareous mudstone to argillaceous limestone) beneath carbonaceous mudstone.
9. Mineralisation shows vertical decametre-scale zonation and lateral kilometre-scale zonation, chemically and mineralogically, as is typical of sedimentary copper systems. The zonation of disseminated mineralisation is directly mimicked by zonation of vein mineralisation.

Possible models for mineralisation include:

- Early diagenetic mineralisation before major compaction was completed (Schwarz et al., 1995).
- Late diagenetic mineralisation accompanying basin inversion but prior to penetrative D1 deformation and associated lower greenschist-facies metamorphism; there are two alternative subsequent scenarios for D1 modification of mineralisation:
    - Substantial textural modification during D1 with local remobilisation into veins, but no large-scale remobilisation and reconcentration or introduction of metal.
    - Large-scale remobilisation and re-concentration of mineralisation during D1, amounting to introduction of metal at a deposit scale.
- An entirely syn-D1 event with no earlier mineralisation.

Determining the correct model has implications for targeting based on lithostratigraphy and basin structure as opposed to being based largely on D1 structure.

Geerdts and Reynolds (2012) proposed a targeting model incorporating early D1 deformation and lithostratigraphic controls (Figure 4). The Ngwako Pan Formation provides a source for oxidised brines and copper, with additional potential to derive copper from the Kgwebe Group volcanic basement. The host lower D'Kar Formation is characterised by moderately reduced shallow water mixed carbonate and clastic sediments which provide a redox contrast. The contact with the Ngwako Pan is often structural, but locally conformable or slightly disconformable.

The inherent permeability contrast between a coarse sandstone aquifer and a muddy and silty sediment sequence provides an aquiclude at this contact, while concentration of deformation on this contact due to ductility contrasts provides a structural focus for fluid flow. This geological framework has provided an environment where regional scale sedimentary copper mineralisation has formed. The key question concerns control on high-grade and thick mineralisation of economic significance within the system.

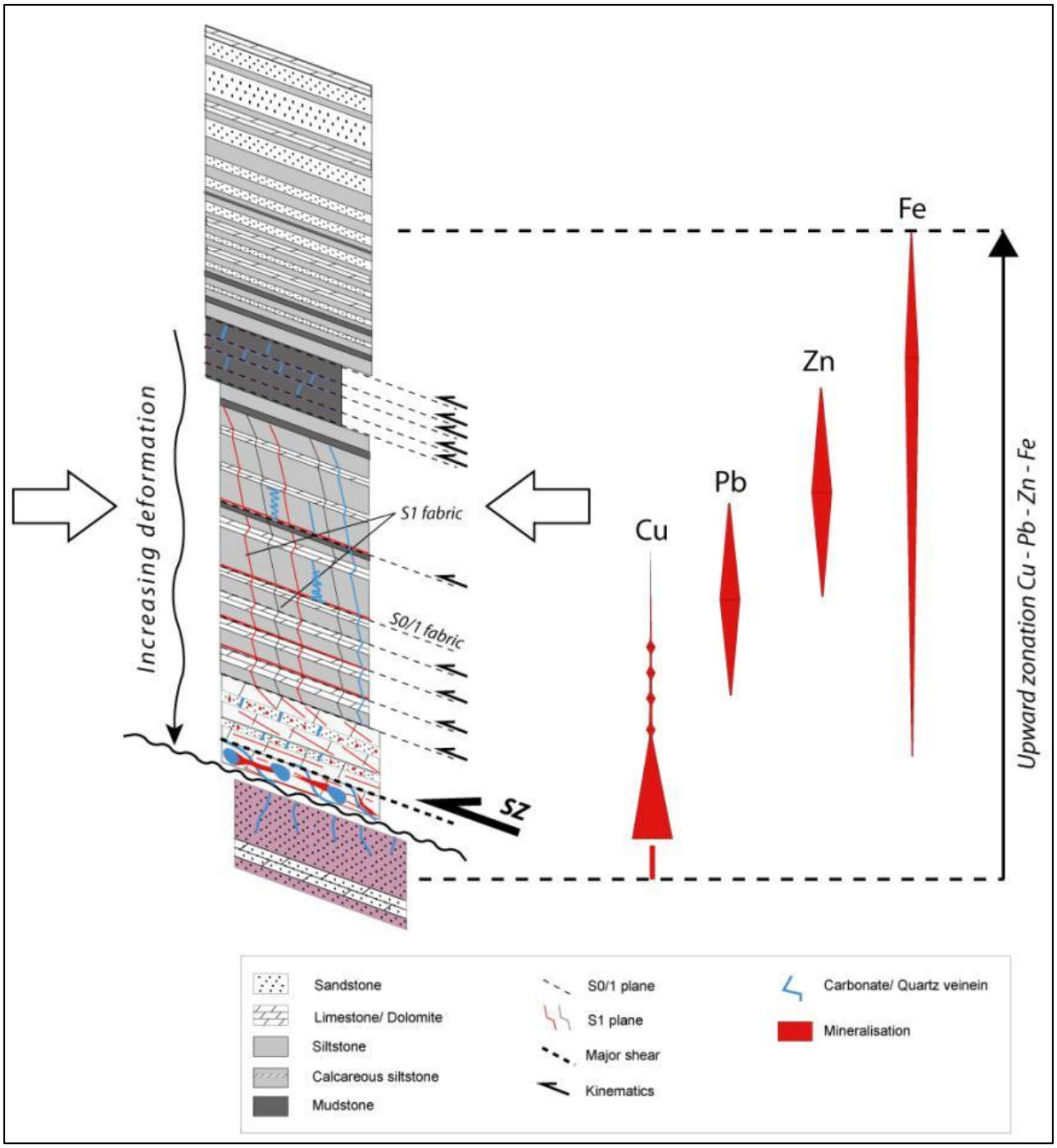

Figure 4: Cartoon summarising features of mineralisation in the Calcareous Unit in the lower part of the D'Kar Formation (from Geerdts and Reynolds, 2012)

The metal and mineral zoning indicates that fluids flowed both laterally and vertically. The stratabound mineralisation indicates lateral fluid flow in favourable horizons, the stratabound veining indicates structural focus and seismic pumping forming ribbon veins. This event was probably triggered by onset of D1 with at least some mineralisation occurring prior to large-scale F1 folding, considering the lateral extent of mineralisation in different structural settings around regional folds. Empirically, the association of mineralisation with the Ghanzi Ridge suggests fluid focus towards a basin palaeo-high as is common all kinds of basin-hosted mineralising systems.

2.4 Karoo Supergroup

The Permian Karoo Supergroup comprises undeformed sediments and coal-bearing formations, culminating with the Stormberg basaltic lavas. In northwest Botswana, the Karoo consists of sandstones and conglomerates, carbonaceous shales, basalts and dolerite dykes. The basal sediments contain boulders and pebbles of the Kgwebe Formation and Ghanzi Group. Overlying this are a succession of interbedded siltstones (generally pinkish-cream) and red to purple mudstones.

In the Ghanzi-Chobe Belt, the Karoo Supergroup occurs in late stage grabens situated towards the northwest of the licence area and is not believed to be present on the licences under review, though intrusive dolerites are extensive in the northeast licence block.

2.5 Kalahari Group

The Kalahari Formation refers to a complex lithological unit of sands, calcrete, silcrete and river, or pan sediment of post-Cretaceous age. These beds obscure much of the outcrop in the area and can vary in thickness up from a few metres to 60 m. Haddon and McCarthy (2005) estimate thickness to be <50 m for the western licences and potentially 50–150 m in the northeast licence block (Figure 5).

Scout drilling results on the western licences indicate the significant lateral variability of the thickness of the Kalahari sequences (Figure 5).

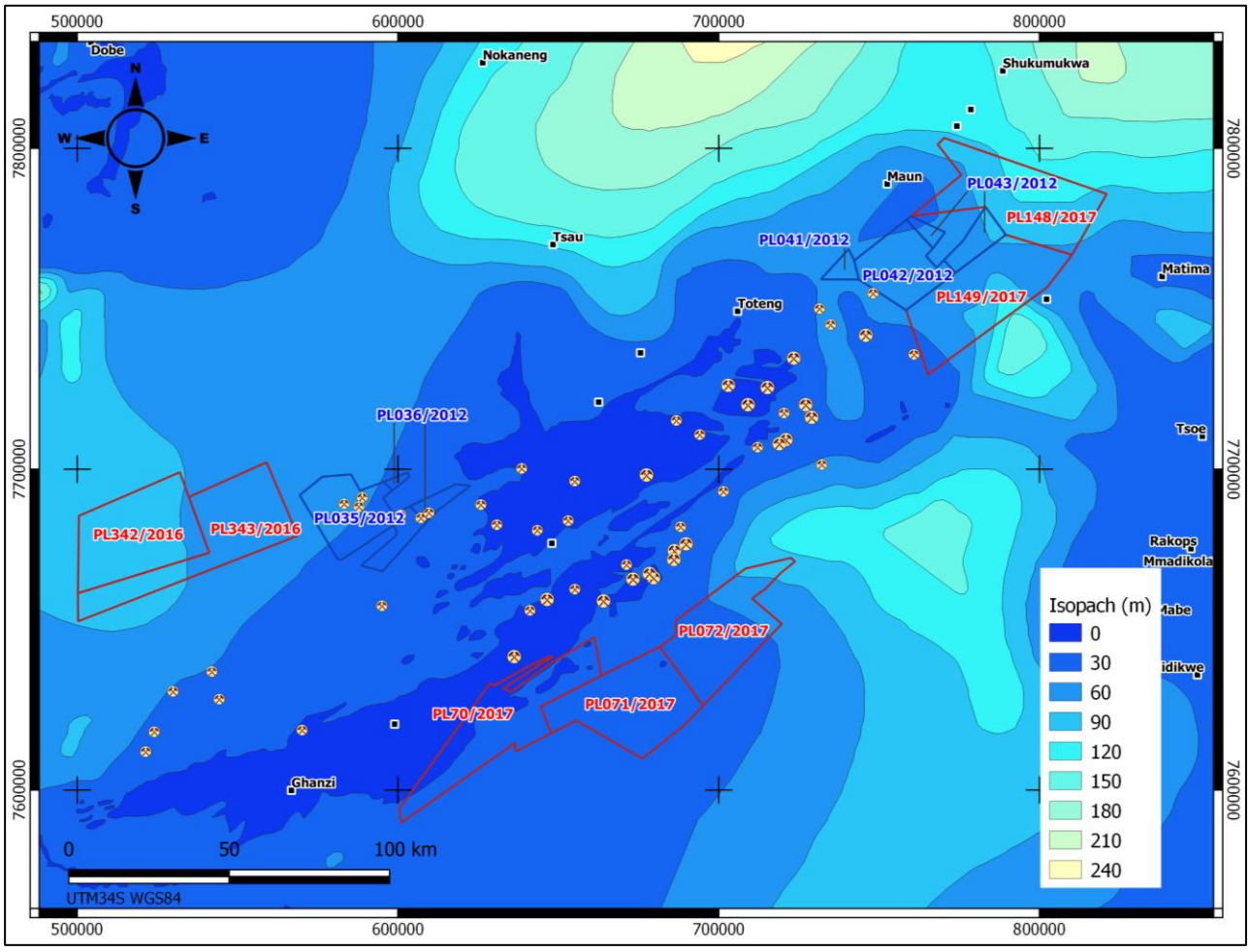

Figure 5: Interpreted Kalahari cover thickness showing the licences under review showing known copper occurrences in areas of shallow or absent cover (from Haddon & McCarthy, 2005)

2.6 Project Geology

The licences under review are located along a portion of the Ghanzi-Chobe Belt that is obscured by Quaternary sands and Kalahari Group cover. The project geology has been inferred from magnetic lineament studies, limited scout drilling, and public-domain data from exploration completed along strike by MOD and Cupric Canyon. The inferred basement geology consists of D'Kar and Ngwako formations (Figure 6).

A prominent swarm of intrusive dolerite dykes strikes west-northwest across the northeast licence block. These dykes are very prominent in magnetic data.

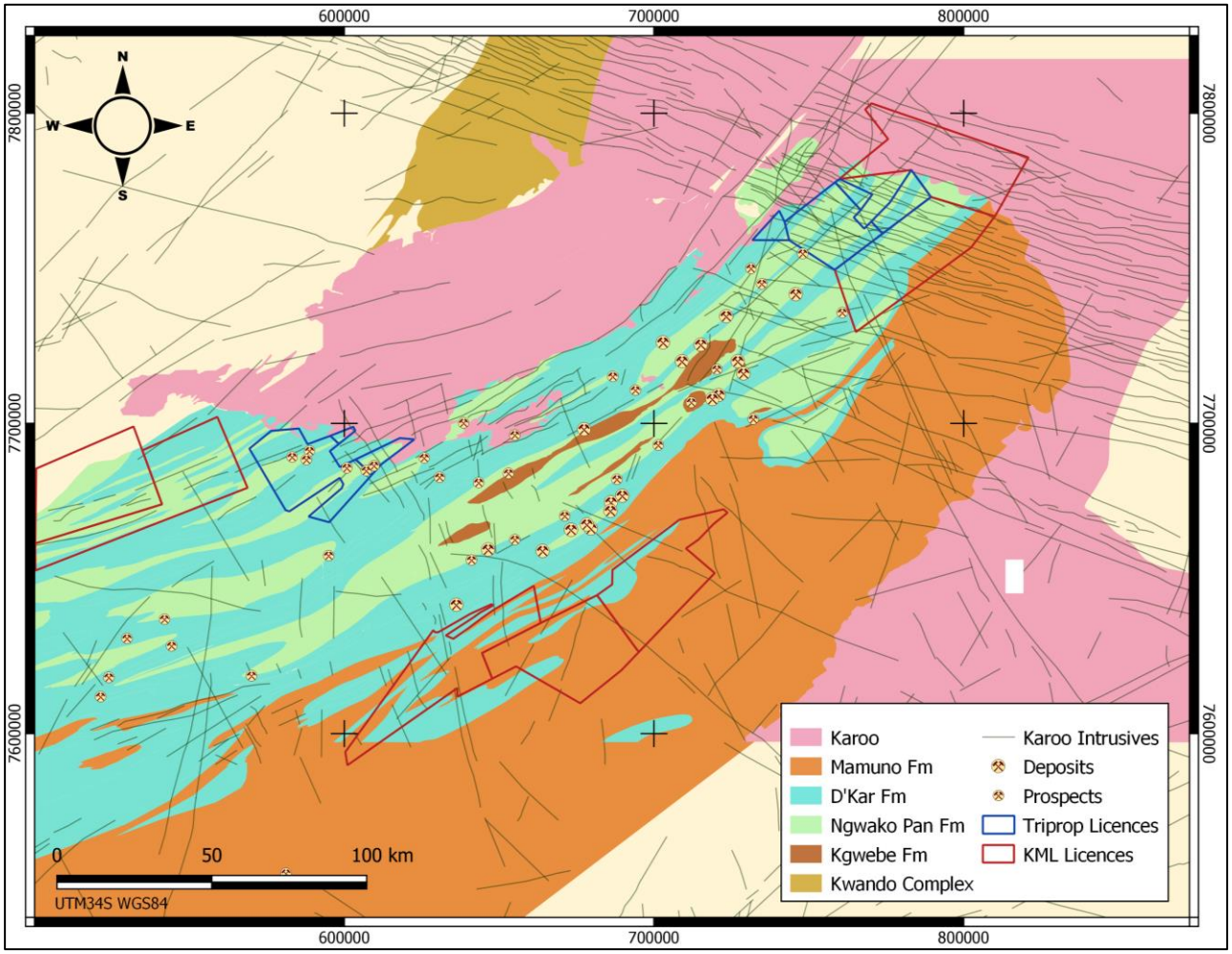

Figure 6: Project-scale geology interpreted by KML from aeromagnetic data showing the licences under review, also showing known copper deposits and occurrences

2.7 Work Completed on the Licence Areas

2.7.1 Context

Exploration in the Kalahari Copperbelt has largely been under cover and has been typically driven by a combination of geochemistry and geophysics. Geochemistry has been effective where cover is thin and can also be effective under deeper regolith cover, for example the T3 discovery by MOD underneath a 28 ppm Cu anomaly. Airborne and ground magnetics and electromagnetics ("EM") can support detailed geological interpretation providing a targeting framework.

Induced polarisation ("IP") surveys have been an effective method for direct detection of mineralisation, but need to be focused in priority areas identified by other geophysical methods or geochemistry. This is then usually followed up by drill testing of the targets.

Improved understanding of geological controls (structural and lithostratigraphic) at the trend to deposit scale can focus targeting and understanding of zonation of alteration and mineralisation within systems can provide important vectors to thicker and higher-grade mineralisation.

The T3 discovery has been significant in highlighting the potential for thick mineralisation in domal fold closures as opposed to more strongly deformed fold limbs.

2.7.2 Overview

The work completed to date has included re-interpretation of historical geophysical data, acquisition of new airborne and ground electromagnetic, magnetic and radiometric data, geochemical soil sampling, prospectivity assessment, target generation and scout drilling. The scout drilling has been focussed on targets within the OCP, Kitlanya East, Kitlanya West and NCP.

The work completed on the four projects that constitute the KCP is summarised in Table 5 below and a more detailed summary provided in Sections 2.8 through to 2.11.

Table 5: Summary of work conducted to date on the four projects within the KCP (prepared by KML for this report)

Project	Data source	Dataset	Details	Processing	Comments
OCP	Historical	Historical New Hana drilling	-	Digitising and compilation with water boreholes for Kalahari thickness estimates	Holes abandoned in Kalahari – largely targeted off Terraleach TL1 data.
		Historical New Hana soil sampling	Terraleach sampling	-	Generally, appear to be off the correct target position and confirmed in later drilling (i.e. missed correct contact).
		Historical high-resolution magnetic blocks	Small surveys flown at 75 m x 750 m spacing	Imaging, filtering	Relatively small – not necessarily in priority areas (bit off target).
	KML	High resolution magnetic data	16,700 km at 75 m x 750 m line spacing	Imaging, filtering, inversion, depth slicing, depth to basement, modelling	Provided necessary litho-structural base map, modelled cross cutting dykes, estimation of Kalahari cover thickness.
		Regional and detailed AEM	2,369 km at 4 km and 400 m line spacing	Imaging, CDI volume creation, 1D LE inversion, 3D interpretation	Provide 3D control on position of CAR units above the NPF-DKF contact – used very effectively for drill positioning.
		Environmental Management Plan	Detailed EMP with clearance from DEA to drill test	-	Lengthy process – clearance provided for the whole licence package.
		Diamond drilling	1,656 m by OreZone (2019) – 6 holes drilled	Logging, physical prop, assays (XRF and ICP-MS)	All planned holes intersected NPF-DKF at expected depths (hole 5 aborted early).
NCP	Triprop	Soil sampling	-	Portable XRF with some ICP-MS	Relatively low-concentrate anomalies noted – generally not too convincing given the relatively thick Kalahari cover.
	KML	Reprocessing	2,405 samples	Terraleach TL1	Reprocessing selected samples to test partial leach methods – some lines appear to produce more meaningful anomalies.
	Triprop	Detailed magnetic data	11,693 km at 75 m x 750 m spacing (fixed wing)	Imaging, filtering, inversion, depth slicing, structural streamlines, depth to basement	Magnetic data provides necessary litho-structural base map.
		Diamond drilling	2,000 m (2015) – 20 holes drilled	Logging, physical prop, assays (ICP-MS)	Holes include both pilot holes to establish contact position and target holes – reasonable copper intersections and contact position established.
	KML	AEM (regional and detailed)	1,995 km at 2 km and 400 m spacing	Imaging, CDI volume creation, 1D LE inversion, 3D interpretation	Results appeared to map lower DKF conductors; however, drill testing proved this to be red herring, and Karoo/Kalahari mudstones on Palaeo-topo.
		Detailed magnetic data	1,830 km at 75 m x 750 m spacing	Imaging, filtering, inversion, depth slicing, depth to basement, modelling	Completed the northern portion of the block.
		Environmental Management Plan	-	-	Approval for drill testing.

Project	Data source	Dataset	Details	Processing	Comments
		Diamond drilling	1,380 m by OreZone (2019) – 6 holes drilled	Logging, physical prop, assays (XRF and ICP-MS)	Initial targeting off AEM proven incorrect, refocused on magnetic data and contact drilled in second anticline.
Kitlanya East	Historical	Detailed magnetic data collected by New Hana	75 m x 750 m, covers northern part of project	Filtering, image processing	Data re-interpreted with different strat model to New Hana – consider targets immediately south of T3 and several potential anticline hinge targets.
		New Hana soils – all Terraleach results	15,989 samples, TL1 Cu only	Re-interpreted	Copper anomalies associated with targets in northern portion of licence, supports idea that New Hana interpreted NPF-DKF contacts were incorrectly positioned.
		New Hana diamond and RC drilling	7 diamond holes, 14 RC, 5 percussion	Re-interpreted Relogging and selected drillholes (2020)	Drilling appears to further re-affirm current re-interpretation, New Hana targeting limb mineralisation – we see potential in hinge zone and trap site setting. The relogging together with the 2020 AEM date has served to support geological interpretations of an anticlinal target, with the most prospective (oldest) stratigraphy in the central part of the fold.
	KML	Soil sampling	Phase 1 - 3,240 samples along selected traverses Phase 2 (2020/2021) – 1,603 samples over area 3 (see Figure 13), 50m sample spacing along 1km spaced lines	Portable XRF Phase 2 screened to -90µm and analysed by pXRF	Zinc and copper anomalies support New Hana TL1 results, additional zinc anomaly over southern anticline. Phase 2 results highlight a broadly elevated Cu, Pb, Zn 9km long zone, which correlates with the central portion of the South Fold Target (area 3) along with local anomalies associated with interpreted structures
		AEM (regional and detailed)	627 km collected @ 200 m line spacing	Imaging, CDI volume creation, 1D LE inversion, 3D inversion, 3D interpretation	Distinct conductive unit mapped including structure (anticlines and synclines) which appears to correlate with lower DKF marker.
		AEM and magnetic surveys on Target 3 (South Fold Target)	946 line km of detailed AEM at 200m line spacing 1,834 lone km magnetic survey at 100m line spacing. 196 line km of regional AEM	Date processing and 3D inversion and interpretation	15 km long AEM conductor associated with the central portion of the fold axis delineated potentially related to marker conductors in the lower portion of the D'Kar Formation stratigraphy. Magnetic data clearly delineates faulting and local folding in the hinge zone of the target offering potential pathways and trap-sites for mineralised Cu-Ag bearing hydrothermal fluids.
		Environmental Management Plan	-	Clearance for drilling	-
		Diamond drilling	Completed 903 m drilling	Field logging	Currently drilling hole 5, #1 stopped @ 40 m due to dip direction, #2 stopped due to COVID-19 lockdown, #3 stopped

Project	Data source	Dataset	Details	Processing	Comments
					due to dip direction, #4 stopped in mag sst, #5 current. Mineralisation intersected at estimated CAR AEM marker in #2 and #5 inline with A4, strat lower DKF in support of model.
		RC Drilling	Completed 839 m of drilling		
Kitlanya West	Historical	BHP Geotem AEM	400 m line spaced AEM (1997)	LE inversion, conductivity volume creating, depth slicing	Clear folded targets (A4/T3 analogues), weak conductors on interpreted DKF-NPF contact
	KML	Soil sampling target traverses	3,610 samples	Portable XRF	Anomalies coincident with targets from AEM (generally low conc).
		Broad AEM traverses	847 km at 2 km spacing AEM	LE inversion	Subtle anomalies apparent near interpreted contacts (marker units), clear folded target anomalies confirmed.
		Airborne gravity and magnetic survey	9,970 line km date collected at 30m survey height and 100m line spacing	Filtering and image processing. Integration with AEM, drilling and soil geochemical data	Results support conceptual exploration model and supports surface soil geochemical results.
		Environmental Management Plan		Clearance for drilling completed	Drilling permissions obtained from relevant stakeholders
		Diamond drilling	2x drillholes (900m)	Drilling commenced on first of the AEM conductors.	Initial results to date indicate AEM conductors are related to DKF and support recent airborne gravity and magnetic interpretations. 3 additional drillholes planned on basis of initial drill results (1,300m)
		RC Drilling	Planned		A series of short vertical holes to confirm the underlying geology and estimates of Kalahari cover thickness. Geochemical samples to be collected at the base of the Kalahari cover.

2.8 Okavango Copper Project

The OCP comprises two KML licences (PL148/2017 and PL149/2017) and three Triprop licences (PL041/2012, PL042/2012 and PL043/2012) – Table 4. These licences are along strike to the northeast from the Sandfire and Cupric Canyon projects (Figure 2) and within the prominent northwest orientated Karoo aged dyke swarm and where Kalahari cover begins to thicken (Figure 5 and Figure 6).

The initial soil sampling work completed in the past by New Hana (Table 5) identified a number of anomalies and was followed up by drilling which failed to intersect any mineralisation. A number of small high resolution airborne magnetic surveys were also flown but not focussed on all the target areas (Table 5).

More recent work conducted by KML has included acquisition of high resolution geophysical data (airborne magnetic and electromagnetic – AEM) and three-dimensional (3D) modelling of this data to map the thickness of the Kalahari cover and identify the target lithologies and structures along the contact between Ngwako Pan and D'Kar formations. This was used to guide 2019 drilling of six scout drillholes (Figure 7).

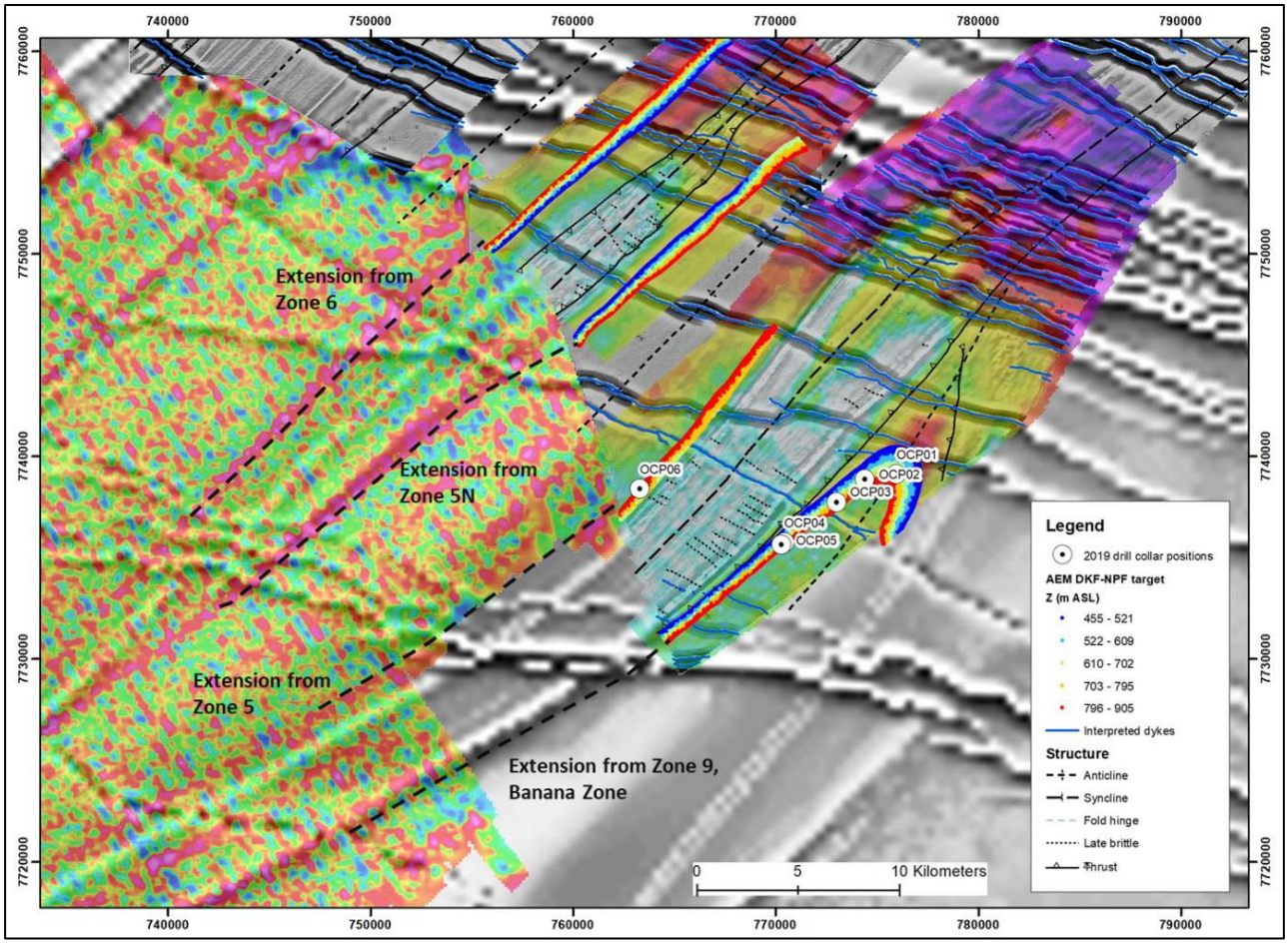

Figure 7: KML used both historical and recent AEM data for drillhole targting
Source: Woolridge and Krebs, 2020a

Although the drilling successfully targeted and intersected the ~25 m thick "Temporary Target Package" (TTP) of the Ngwako Pan and D'Kar formations, success was limited. In five of the six drillholes, there were elevated copper values along with a lead and zinc halo. Hole OCP06 was the only drillhole to intersect limited visual copper mineralisation.

One of the important findings/outcomes of the exploration is the observation that "*the mineralisation is best developed where the marker conductors are discontinuous (often disappearing locally) possibly as a result of conductive organic material being replaced during alteration associated with mineralisation. Discontinuities in the marker conductors may provide an additional targeting tool as a result*" (Woolridge and Krebs, 2020a).

In the Woolridge and Krebs (2020) report, they re-examined the published exploration results from the known deposits to the southwest of the property to refine the exploration model in terms of understanding the controls to the mineralisation in relation feeder structures associated with basement highs and margins and the size of the mineral haloes that develop around deposits (Figure 8).

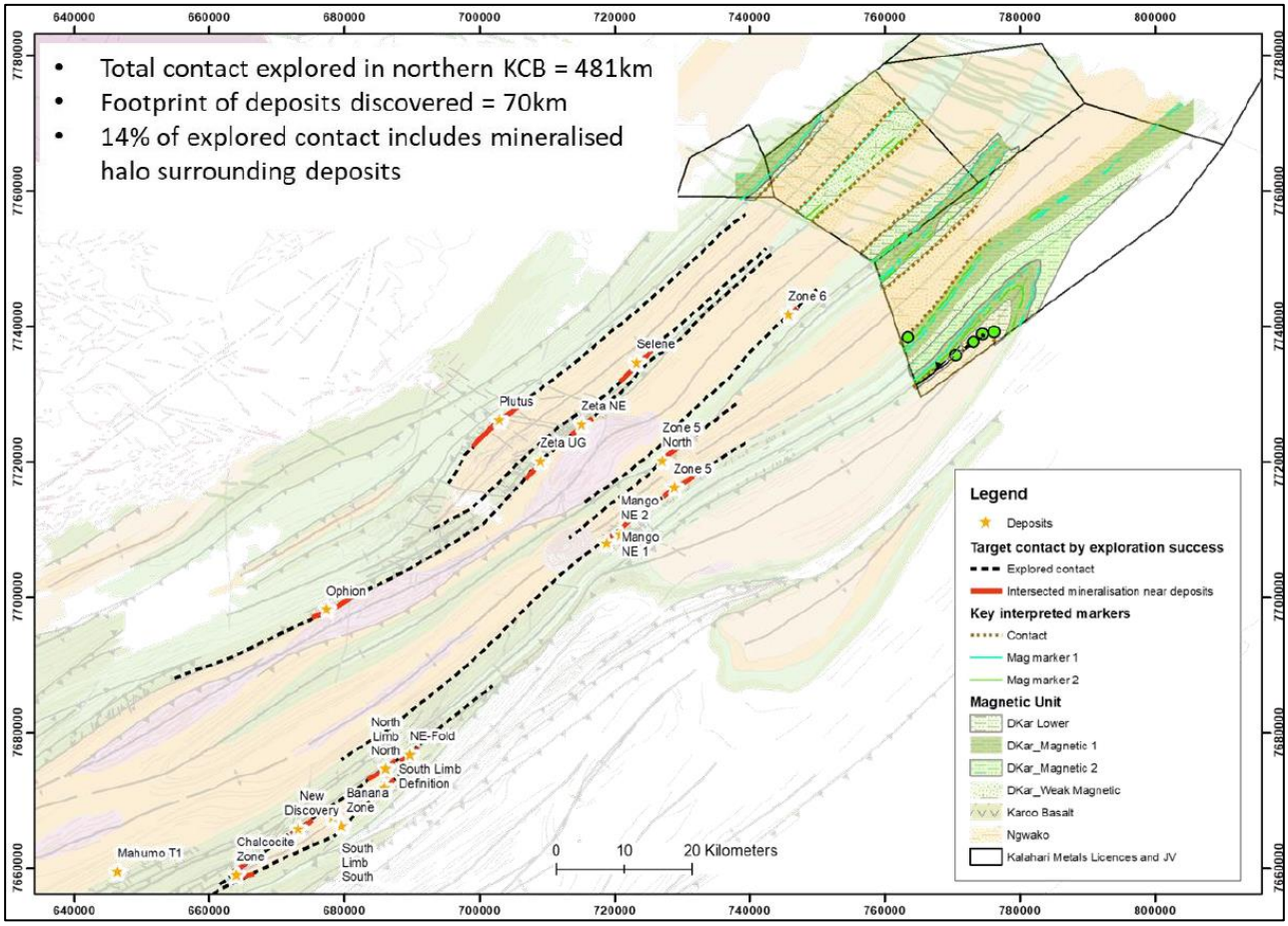

Figure 8: *KML's interpretation of the northern portion of the Kalahari Copperbelt using published results and drill collar densities of known deposits, to estimate the halo of higher-grade mineralisation surrounding each of the deposits (illustrated in red)*

Note: The green points are the location of the six drillholes from 2019.
Source: Woolridge and Krebs, 2020a

Based on this work, KML has identified a number of addition follow-up targets within the OCP for future drill testing (Figure 9).

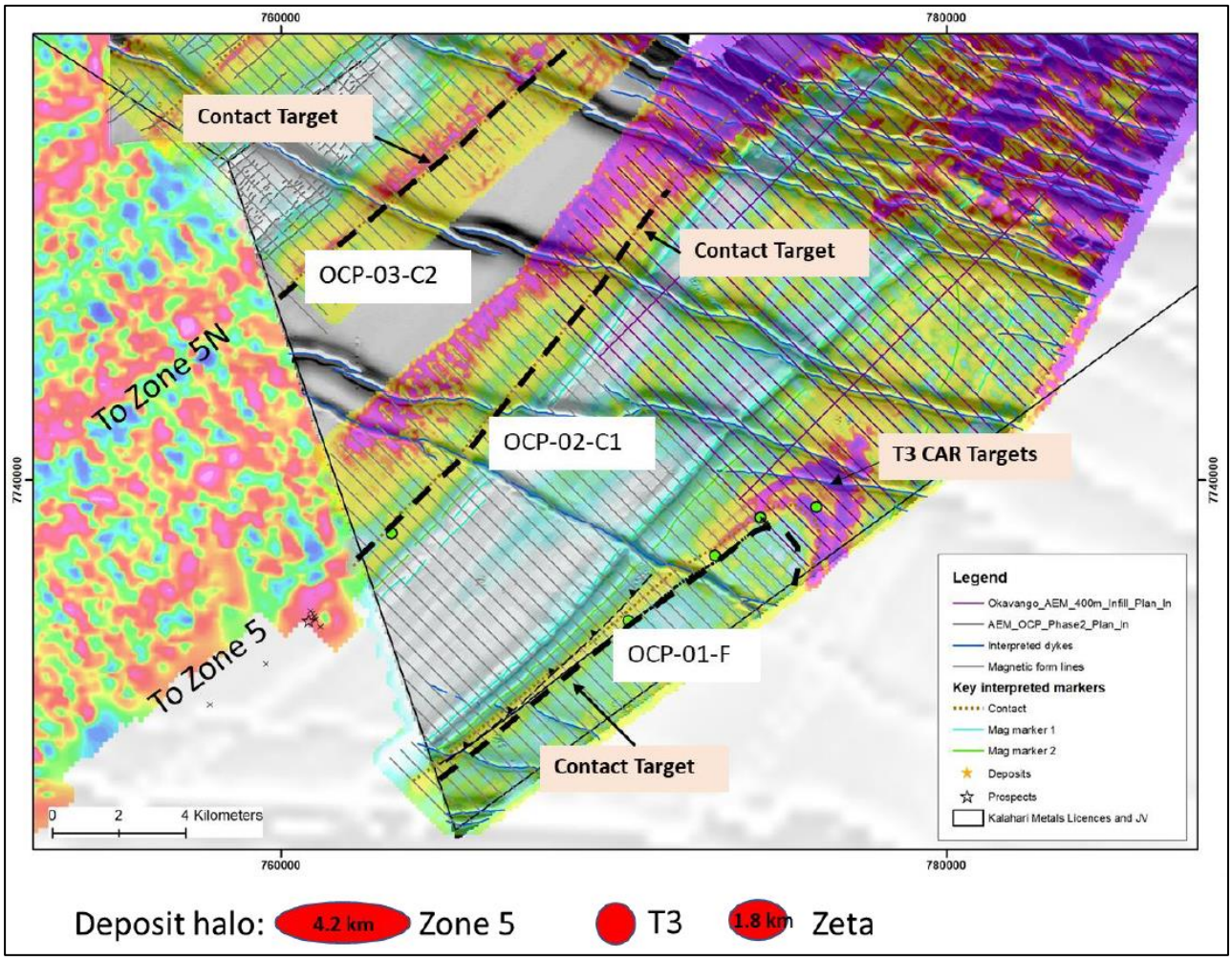

Figure 9: Follow-up targets for future drill testing identified by KML (the calculated halo sizes of the known deposits are also provided as a reference)
Source: Woolridge and Krebs, 2020a

2.8.1 Prospectivity

It is CSA Global's opinion that the OCP is prospective for stratabound copper-silver mineralisation. This is confirmed by the results of the recent exploration activities undertaken by KML.

KML has further developed their preferred exploration model and identified a number of conceptual targets for follow-up drill testing.

Some of the challenges include the Kalahari sediment cover which is >60 m thick and thickening to the northeast. This has been confirmed by the 2019 drilling where Kalahari cover intersected in the southern area is between 80 m and 100 m thick. The north-western end of the project area the Ghanzi Group is covered by Karoo sediments (Figure 6).

2.9 Ngami Copper Project

The NCP comprises two licences, PL035/2012 and PL036/2012, held by Triprop (Table 4). The licences are situated on the western edge of the Ghanzi Belt (Figure 1) where the Kalahari cover is >30 m thick and thickening to the west (Figure 5). To the northeast of the project area, the Ghanzi Group is covered by Karoo sediments (Figure 6).

The initial exploration conducted by Triprop from 2012 to 2014 included collection of high-resolution airborne magnetic data, extensive soil sampling analysed mostly by portable x-ray fluorescence (XRF) which provided inconclusive results, and a 2,000 m, 20-hole, diamond drill program (Figure 10).

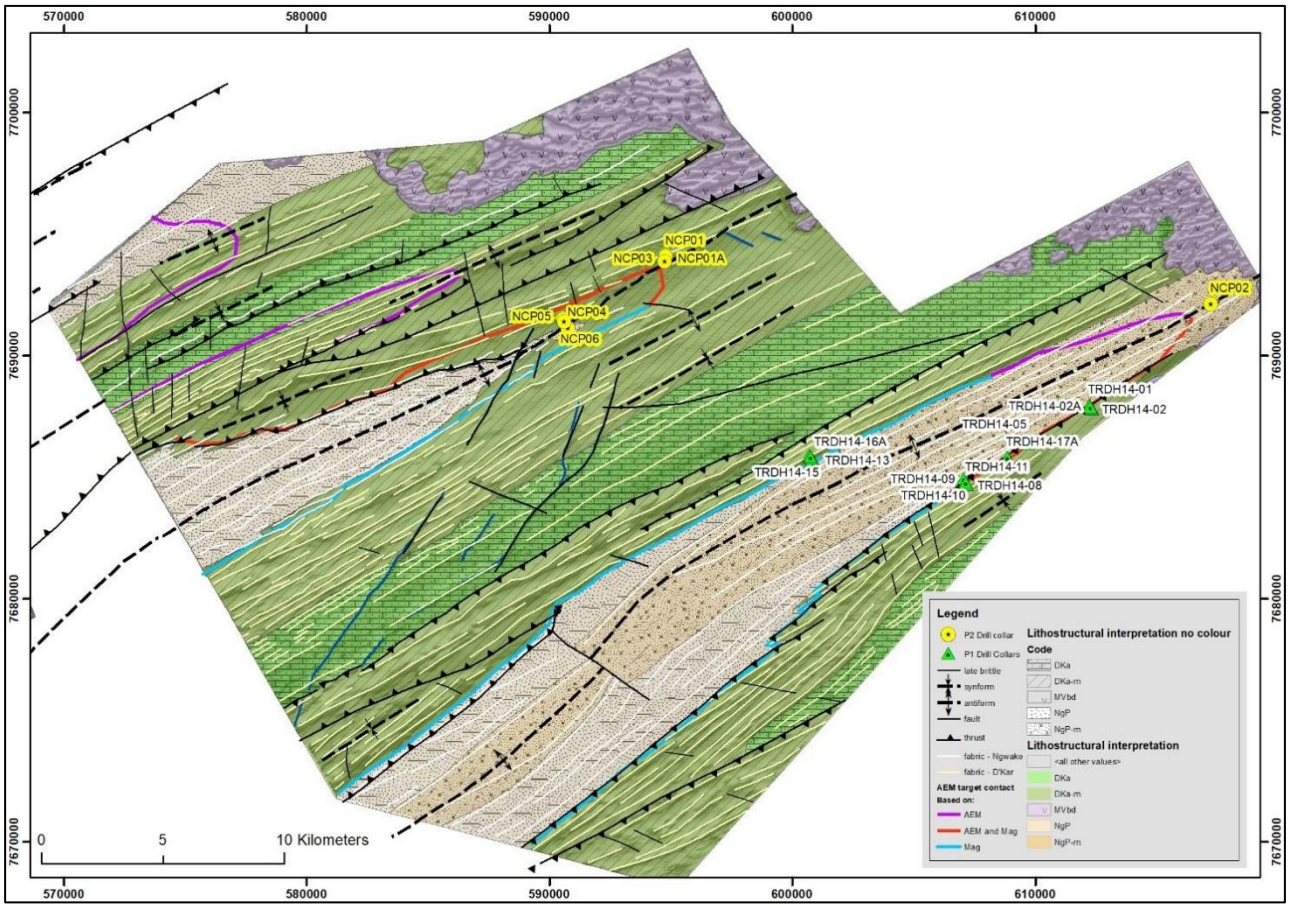

Figure 10: Interpreted geological map derived from the AEM data showing the 20 holes drilled by Triprop
Note: The recently completed drilling by KML focused on the hinge zones of the anticlines also plotted in yellow.
Source: Woolridge and Krebs, 2020b

The drilling successfully identified copper mineralisation (Table 5) with drill intercepts of 2 m @ 1.8% Cu and 8 g/t Ag and 5.2 m @ 0.67% Cu (Figure 11) (Woolridge and Krebs, 2020b). Re-assaying of some of the soil samples by KML using partial method, TerraLeach™ provided better resolution over some of the previously identified anomalies.

More recently KML's exploration has focused on acquisition of regional and high resolution AEM and high-resolution aeromagnetic surveys to assist with the geological interpretation and target generation within the project area. The focus of the target generation has also shifted from D'Kar-Ngami contact along the limbs of anticlines to the anticline hinge zones (Figure 10), similar to the Banana Zone mineralisation discovered by MOD (now owned by Cupric Canyon) (Figure 2). A number of these targets were identified from the AEM data and targeted in the recent drilling by KML.

The drilling has confirmed the thickness of the Kalahari cover to be rather variable ranging from 60 m to 120 m. The success of the KML drilling was limited with the target D'Kar-Ngwako Pan contact and copper-silver mineralisation only intersected in NCP06.

Following the drilling, the AEM and magnetic data was re-evaluated and KML confirmed presence of the Kalahari/late Karoo conductor following the palaeotopography and not the target D'Kar-Ngwako Pan contact. It was also found that the magnetic data provided better resolution of the D'Kar-Ngwako Pan contact and allowed KML to identify a number of potential targets for follow-up drilling (Figure 11).

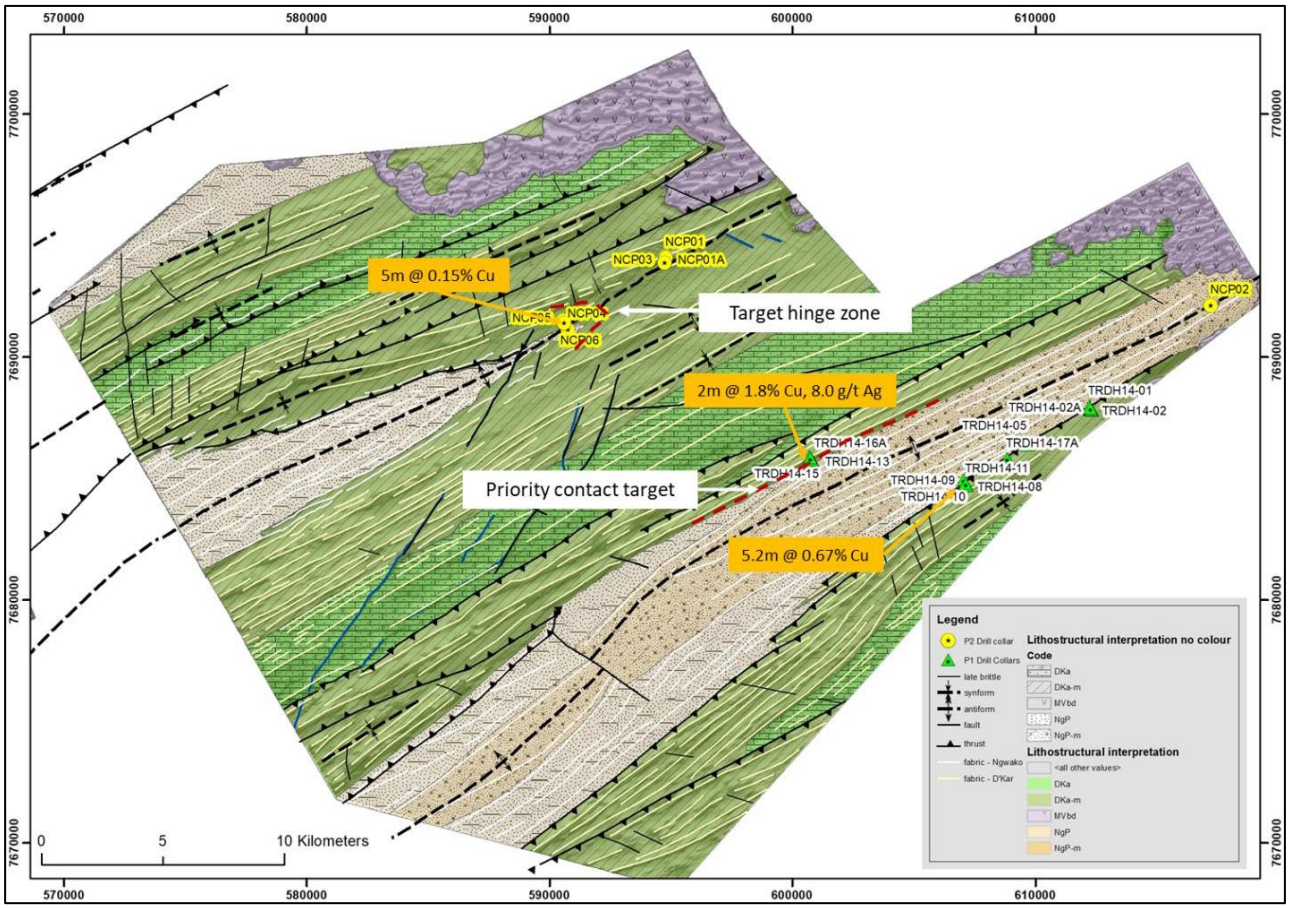

Figure 11: Summary of the phase 1 (Triprop) and phase 2 (KML) drilling results and targets identified for follow-up work

Source: Woolridge and Krebs, 2020b

2.9.1 Prospectivity

It is CSA Global's opinion that the NCP remains prospective for stratabound copper-silver mineralisation.

The exploration by Triprop and more recently by KML has confirmed the presence of stratabound copper-silver mineralisation. KML has further developed its understanding of the geology of the property, and the complexity introduced by palaeotopography into the AEM targeting can be mitigated by the use of high-resolution magnetic data. The property remains prospective particularly to the south where the Kalahari cover is thinner based on interpreted anticlines and mineralised drill intersections (Figure 5).

2.10 Kitlanya East

The Kitlanya East project area comprises three licences, PL070/2017, PL071/2017 and PL072/2018 held by Kitlanya (Pty) Ltd (Table 4) located on the south-eastern flank of the Ghanzi Belt (Figure 1). The Kalahari cover varies from <30 m in the west of the project area and thickens gradually to the east to >60 m (Figure 5).

Prior to Kitlanya acquiring the licences, the northern part of the project area was explored by New Hana who identified several copper anomalies based on the results of TerraLeach™ copper assays of soil samples. This included a significant anomaly over an interpreted fold hinge near the western edge of the project area close to the T3 deposit (Figure 12). Several targets where drill tested by New Hana, but it is unclear whether they intersected any copper mineralisation. They also acquired high-resolution airborne magnetic data and drilled several proposed targets (KML, 2019b).

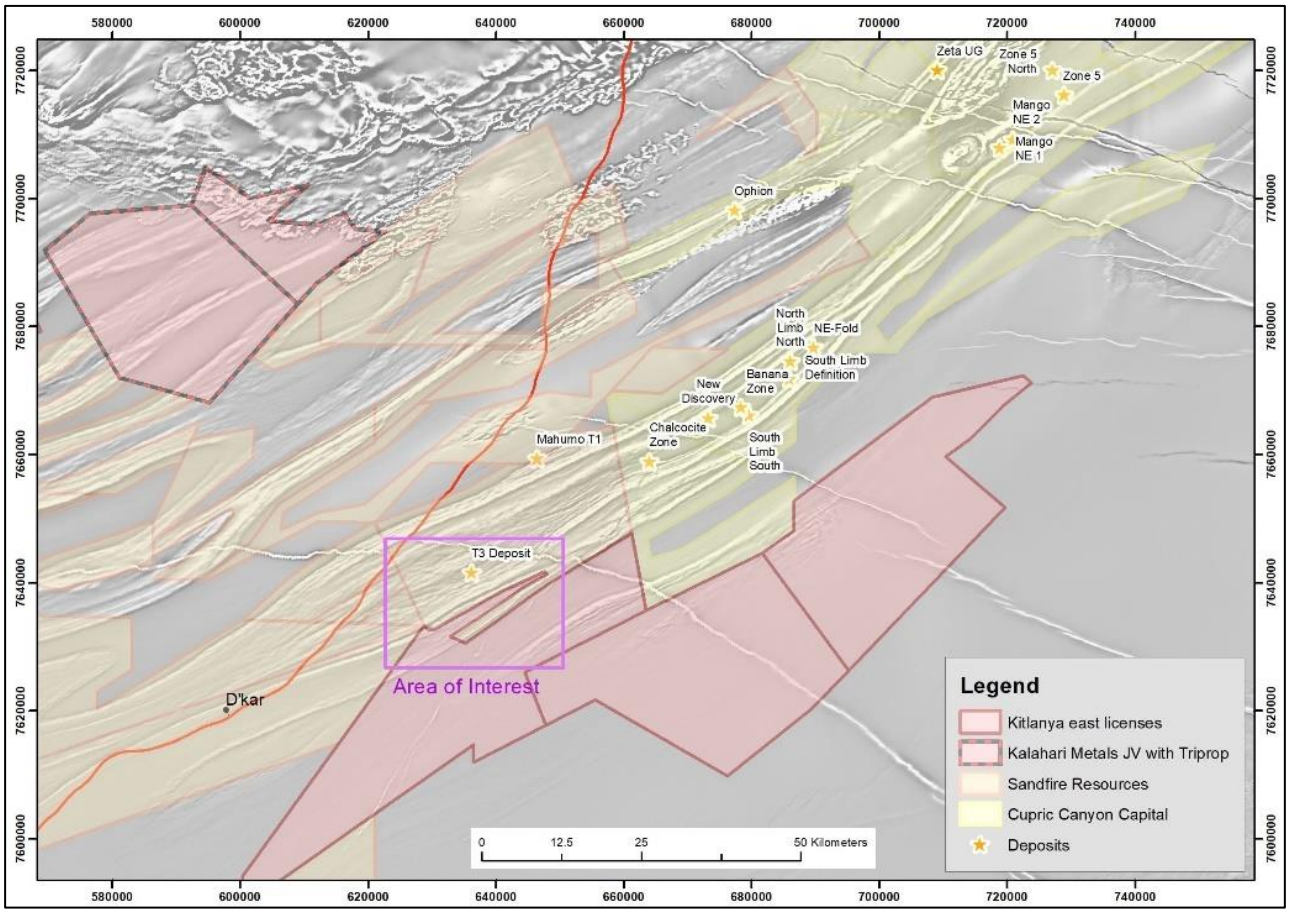

Figure 12: Re-interpretation of the historical New Hana data and targets identified by KML
Source: KML, 2019a

A review of the historical data by KML has identified a number of priority areas within the project area. Subsequent work within the Kitlanya East has been largely focused on priority area 1 (Figure 13).

Soil sampling by KML within the priority area 1 (Figure 13) over selected traverses within the copper anomalies identified by New Hana (Figure 14) have returned coincident zinc anomalies (Figure 15). KML has also reviewed the New Hana drilling results and interpreted the fold structure, originally interpreted as a syncline, as an anticline based on the identification of younging directions. The implications of this includes the interpreted position of the contact between the Ngwako Pan and D'Kar formations is further north than previously thought. Historical drilling would have been targeting the non-prospective upper parts of the D'Kar Formation. This was also supported by a re-interpretation of the New Hana AEM and magnetic data and the location of a conductive unit that possibly represents the marker units in the lower D'Kar Formation (KML, 2019b).CSA Global notes that the New Hana data provided during this report compilation does not include any drillhole assay data and it is unclear if any copper mineralisation was identified.

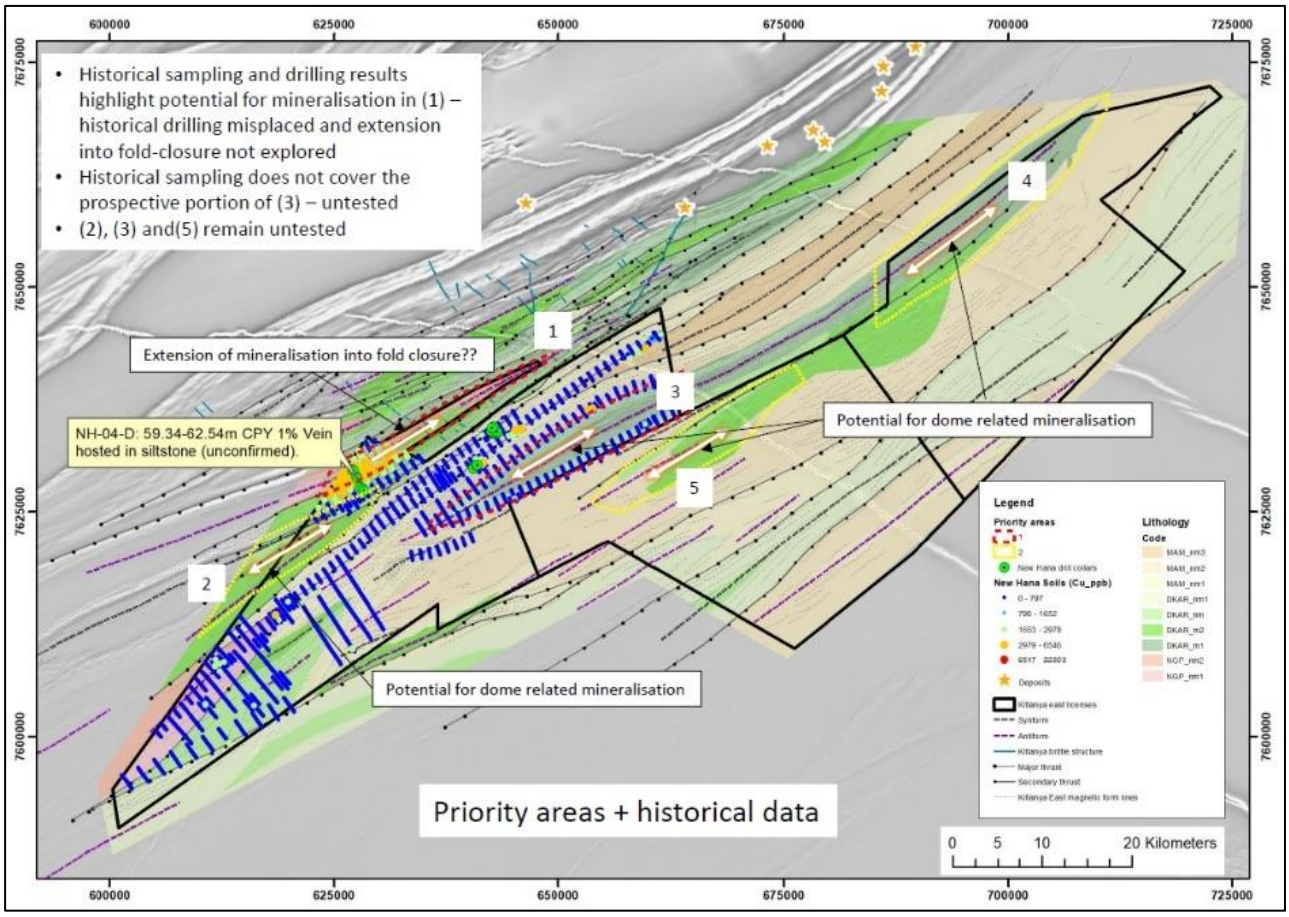

Figure 13: Area of interest identified based on the New Hana exploration and confirmed by recent KML work
Source KML, 2020

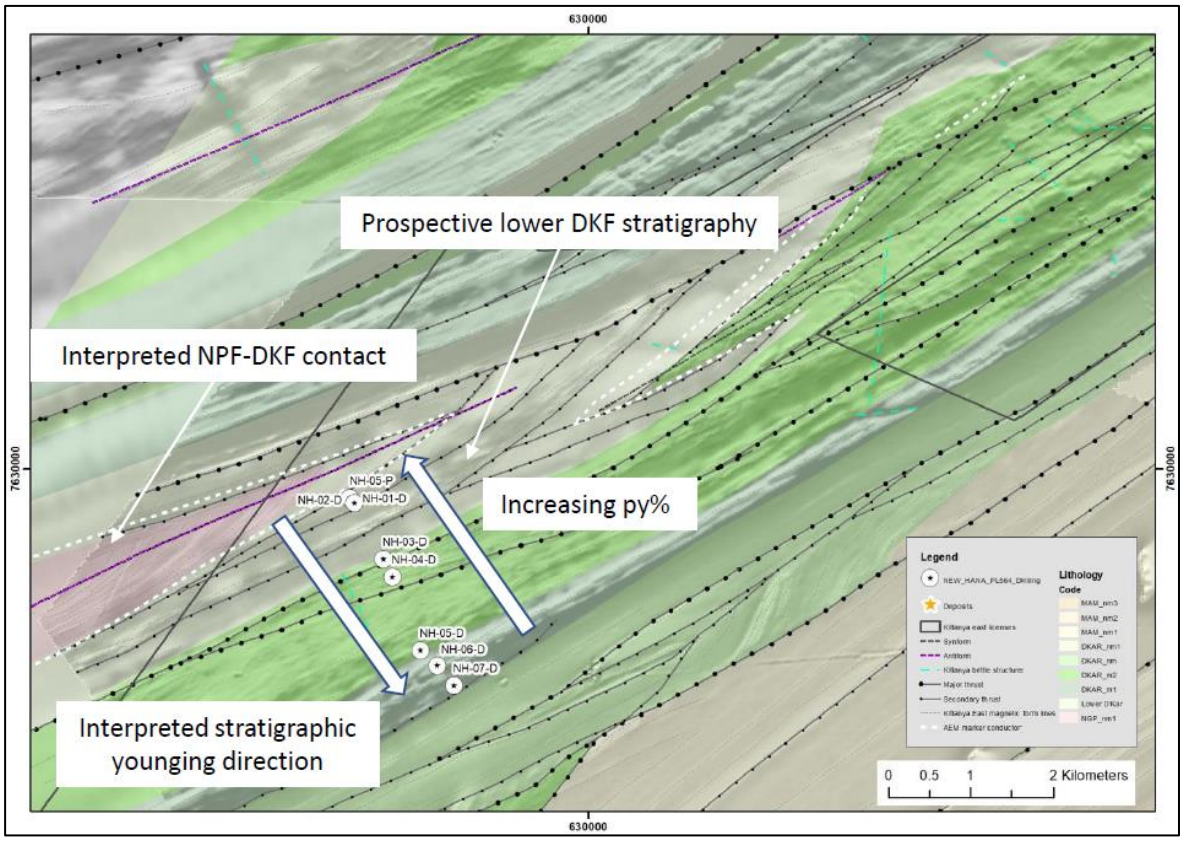

Figure 14: KML re-interpretation of the location of the Ngwako Pan and D'Kar formations using the New Hana geophysics and drilling results over the KIT-E-1A target
Source: KML, 2019b

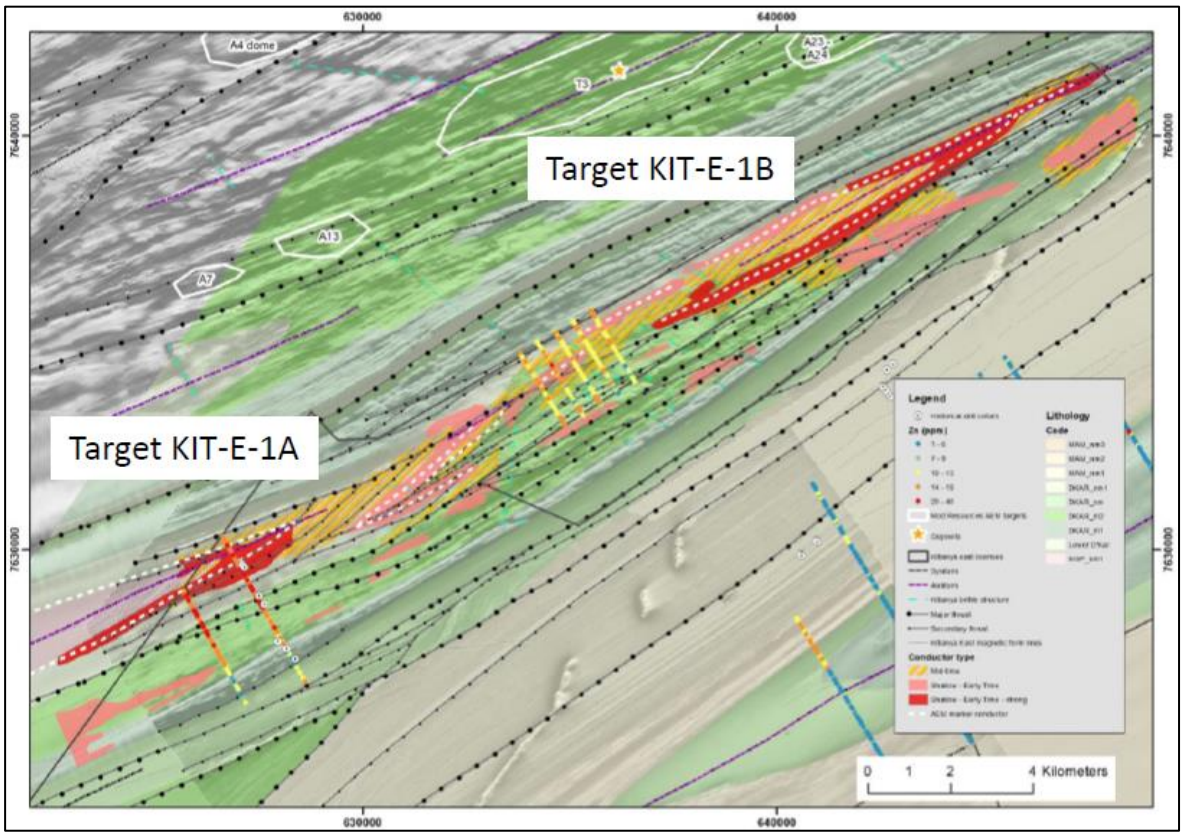

Figure 15: New targets identified by KML from the soil geochemistry, drilling and AEM data over priority area 1 (North Target)

Source: KML, 2019b

Interpretation of the KML-commissioned regional and detailed AEM surveys has identified prospective conductive units that appear to correlate with the markers of the lower D'Kar Formation as well as fold structures representing the prospective T3 analogues. This was used with the historical data acquired by New Hana to identify a number of exploration targets which were drilled by KML (KML, 2019b) (Figure 16).

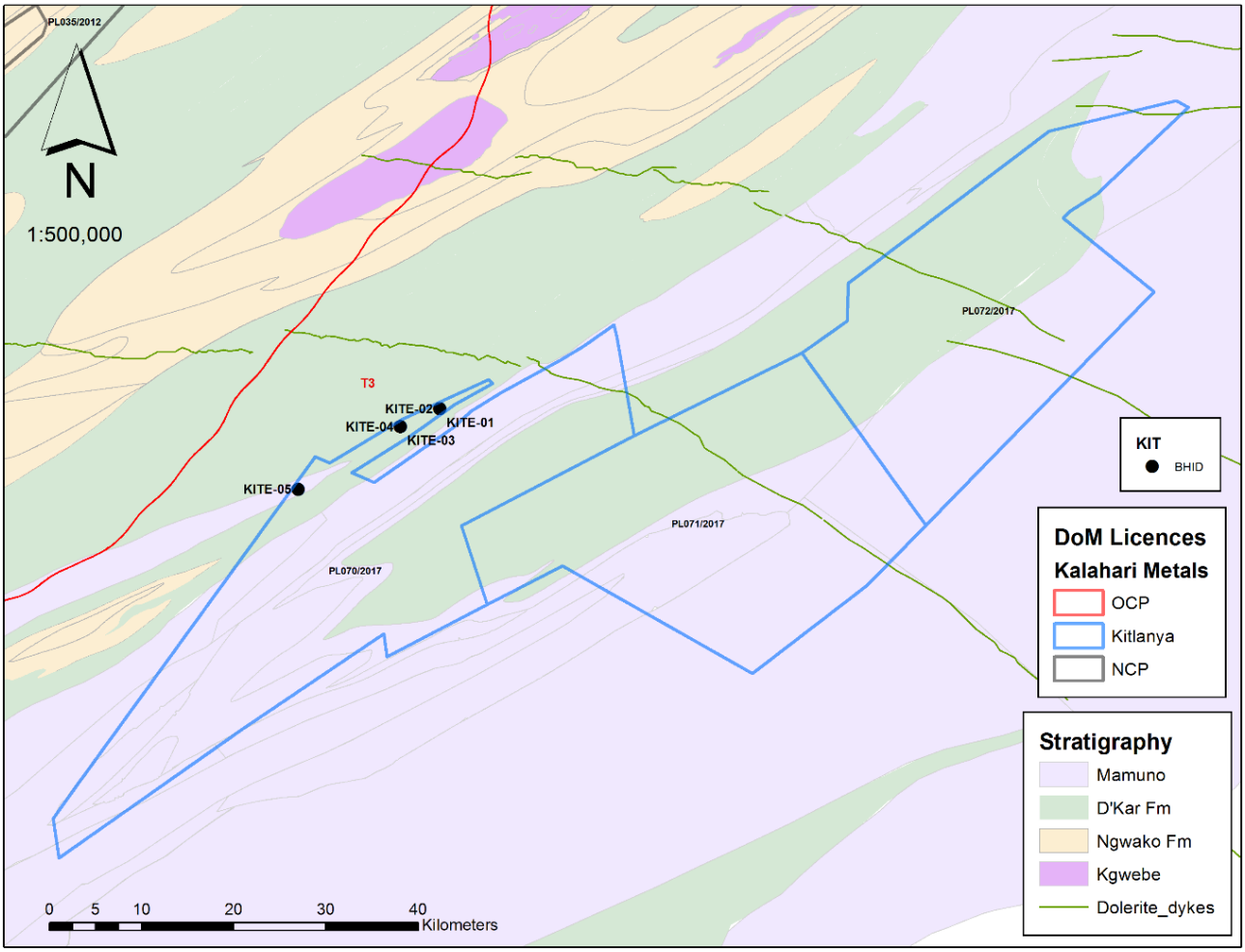

Figure 16: Location of the KML drilling on targets KIT-E-1A and KIT-E-1B in the Northern Target by KML within Kitlanya East
Source: KML 2020

Initial work conducted by KML was focused on the targets in priority area 1. The drilling results were inconclusive and suggests that there is significant structural complexity in the area. KML has subsequently revisited its models and has suggested the targets may not conform with the conventional models viewed as applicable to the area.

In 2020 KML conducted infill geochemical soil sampling, airborne AEM and magnetic surveys over the Target 3 (Figure 13 and Figure 17), also referred to as the South Fold Target. The work also included the relogging of historical drillholes along the margins of the target. This has served suggest the target comprises a favourable structural and stratigraphic setting for potential shallow mineralisation associated with the lower D'Kar Formation (Figure 19). KML has planned drill testing is planned in the central portion this target aimed at identifying the prospective lower D'Kar Formation stratigraphy and structurally controlled Cu-Ag mineralisation (KML, 2021a).

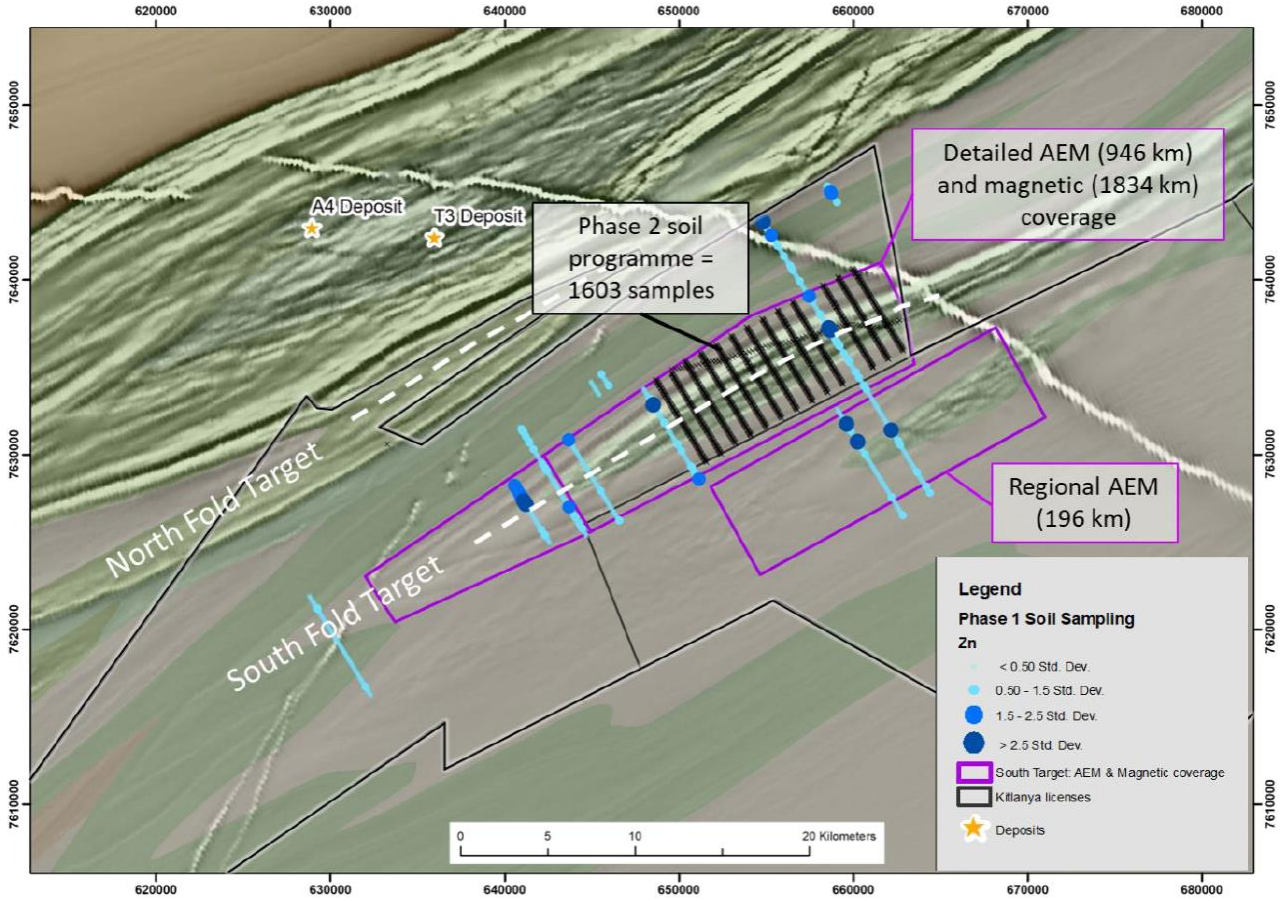

Figure 17: Location of the recent KML exploration conducted on the South Fold Target (area 3 - Figure 13) by KML within Kitlanya East

Source: KML press release 2 March 2021.

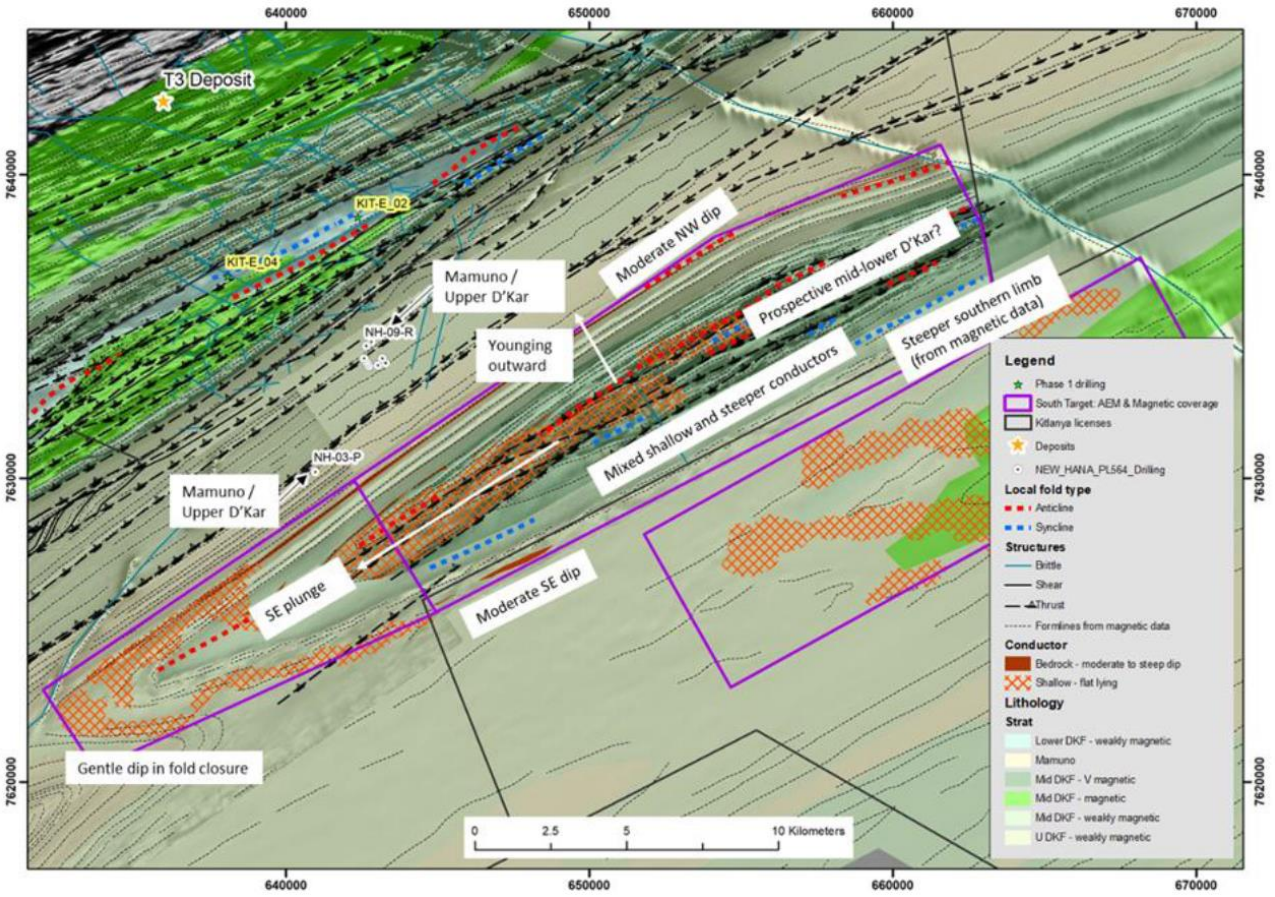

Figure 18: KML interpretation of the AEM and magnetic data over the South Fold Target (area 3 - Figure 13). Source: KML press release 2 March 2021.

2.10.1 Prospectivity

It is CSA Global's opinion that the Kitlanya East Project is prospective for stratabound copper-silver mineralisation based on the proximity area to the T3 deposit and the presence of prospective geology located within the project area.

To date priority area 1 (North Target) and area 3 (South Fold Target) (Figure 13), have been explored by KML with encouraging results that warrant further exploration. A number of the targets remain untested.

2.11 Kitlanya West

The Kitlanya West project area comprises two licences, PL0342/2016 and PL0343/2016 held by Kitlanya (Pty) Ltd (Table 4) located on the north-western flank of the Ghanzi Belt, and along strike to the west of the NCP and abutting the Botswana-Namibia border (Figure 1). The Kalahari cover varies from >30 m in the east of the project area and thickens to >60 m in the west (Figure 5).

KML reprocessed and interpreted AEM data collected by BHP in the late 1990s over the eastern half of the project area (Figure 19). KML conducted a high-resolution AEM survey over the prospective portions of Kitlanya West to help resolve the geological interpretations of the targets and extend the AEM coverage to the west following the re-interpretation of the historical data. KML was able to extrapolate the target horizons identified in the NCP into Kitlanya West as well as interpret prospective anticlines and possible domal structures using this data (KML, 2019c, 2019d).

KML also collected soil samples over portions of the project area and conducted the sample analysis by portable XRF. The assay results are interpreted to confirm the Kgwebe Formation as interpreted from the

geophysics. There are also several lead-zinc anomalies coincident with some of the mapped geology and structure in the area.

In 2021 KML completed an airborne AEM and gravity survey which (Figure 20) served to support the conceptual exploration model and the previous soil geochemical results. Commencement of an initial two drillhole, 900m, diamond core drilling programme on the AEM target has further served to confirm the existence of the DKF in the fold structures interpreted from the AEM data (KML, 2021b).

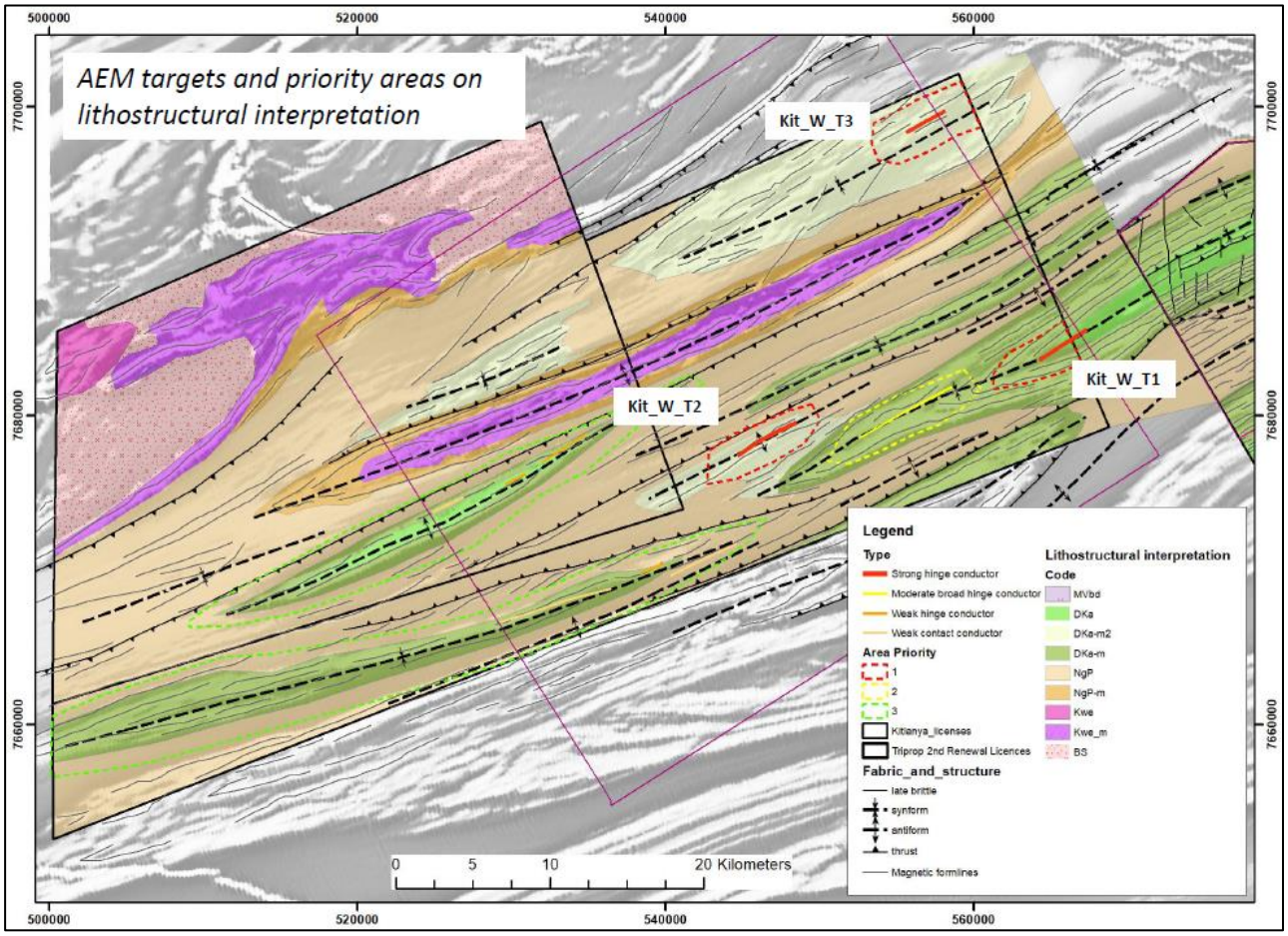

Figure 19: Geological interpretation of Kitlanya West and AEM targets identified
Note: The red block is the extent of the historical AEM coverage.
Source: KML, 2019c

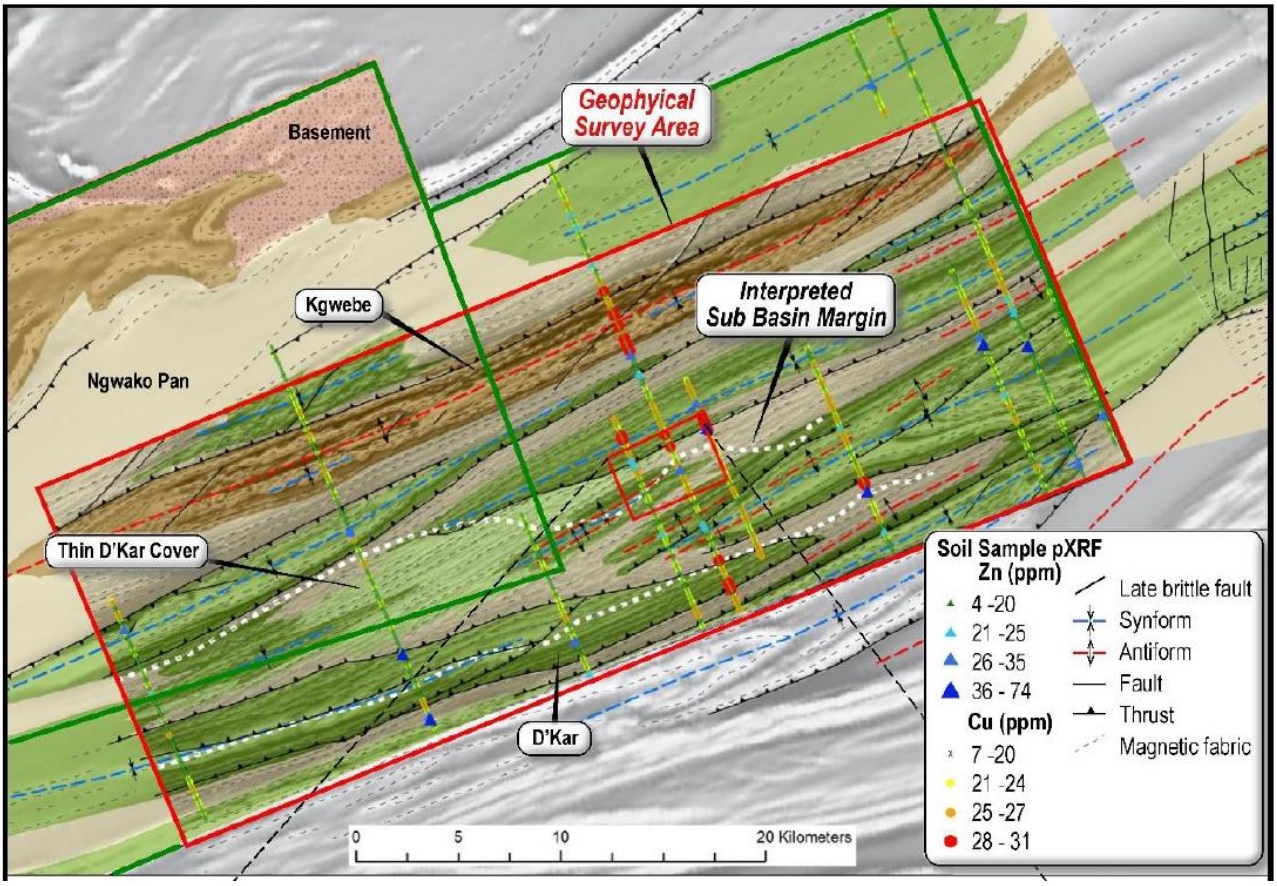

Figure 20: Updated geological interpretation of Kitlanya West based on new AEM and magnetic data

Note: The red block is the extent of the new AEM and magnetic coverage.

Source: KML press release 7 July 2021.

2.11.1 Prospectivity

It is CSA Global's opinion that the Katlanya West Project is prospective for stratabound copper-silver mineralisation based on the location of the area along strike from the NCP, as well as the interpreted prospective basement geology, host lithologies and structural setting of the project area.

Recent exploration by KML focused on the eastern end of the project area with encouraging results that has served to support the conceptual exploration model and warrant further exploration.

3 Western Australian Projects

Cobre currently has an interest in two early-stage copper exploration projects in Western Australia, Perrinvale (held by Cobre) and Sandiman in which Cobre holds an earn-in option (Figure 21).

Figure 21: Location of Perrinvale and Sandiman Projects
Source: Geomin (2019)

This summary of the Western Australian Projects is extracted from the "Independent Geologists Report on the Perrinvale and Sandiman mineral exploration projects, Western Australia" by Geomin Services (Pty) Ltd that was included in Cobre's Prospectus, dated December 2019.

3.1 Perrinvale Project

3.1.1 Location and Tenure

The Perrinvale Project is located approximately 260 km northwest of Kalgoorlie in the central part of the Yilgarn Craton of Western Australia (Figure 21). The tenement package lies over the pastoral leases on Perrinvale and Bulga Downs stations, in an area approximately 150 km southeast of Sandstone and 160 km northwest of Menzies and in the immediate vicinity of Lake Barlee (Figure 22).

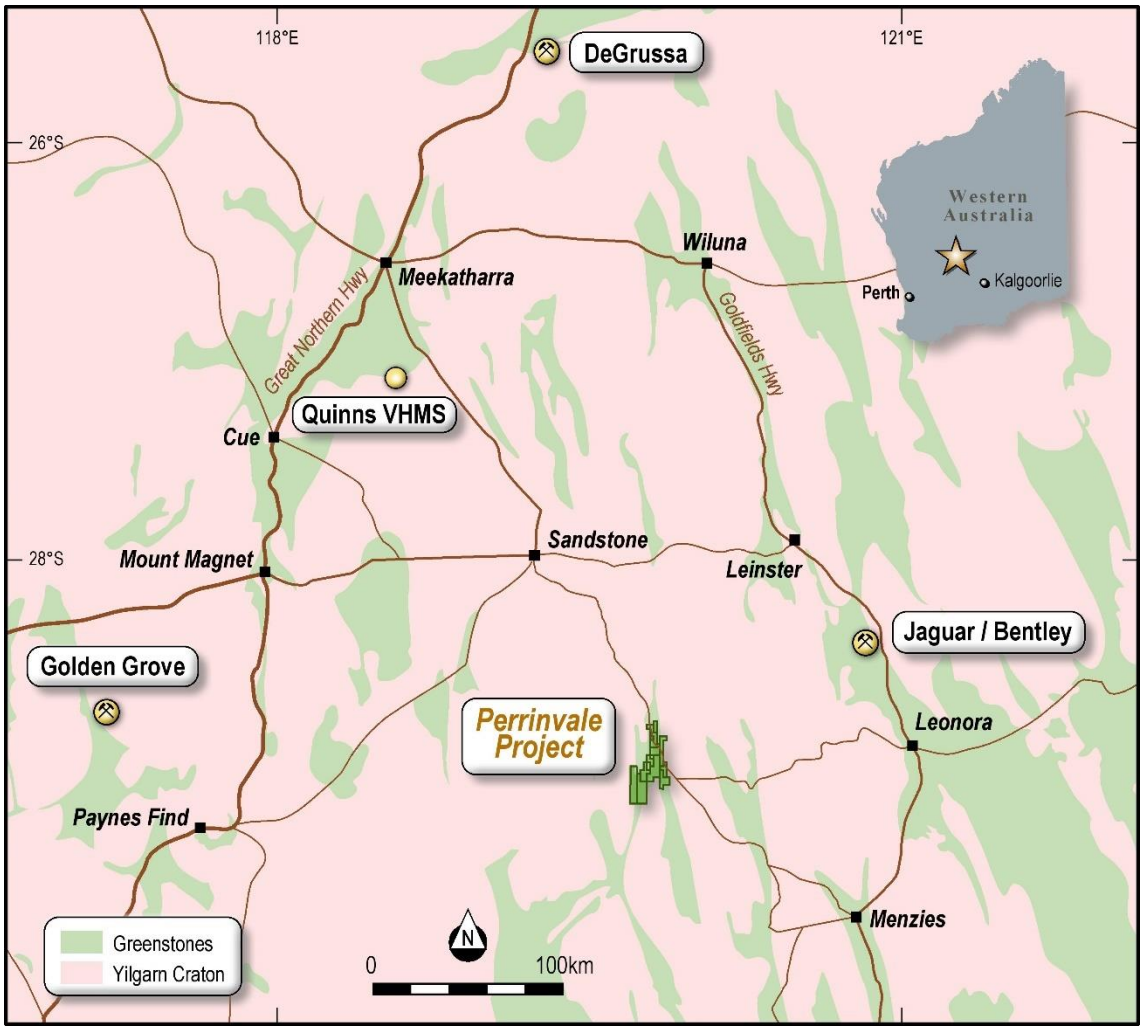

Figure 22: Perrinvale tenements
Source: Cobre

The Perrinvale Project site is accessible via the gravel Menzies-Sandstone Road and an internal network of pastoral tracks. Exploration is possible throughout the year. However, part of the project area includes the north-eastern parts of Lake Barlee, an ephemeral salt pan that fills every 10 years on average, with water persisting for around 12 months after and can restrict exploration over these wet periods.

The Perrinvale Project comprises a contiguous group of nine exploration licences covering a total of 345 km² (Figure 24), held by Toucan Gold Pty Ltd (Toucan), a wholly-owned subsidiary of Cobre (Table 6).

All Perrinvale tenements are 100% owned by Toucan; however, CSA Global understands that FMG Resources Pty Ltd retains a 2% net smelter royalty on any future metal production from tenements E29/929I, E29/938I and E29/946I.

Tenement information on the Cobre Projects was provided by Cobre, and independently confirmed by CSA Global via the Mineral Titles Online portal provided by the Government of Western Australia DMIRS.

Table 6: Perrinvale tenement table

Tenement	Holder	Grant date	Expiry date	Area (blocks)
E29/1017	Toucan Gold Pty Ltd	4 Jan 2018	3 Jan 2023	18
E29/929I	Toucan Gold Pty Ltd	25 Aug 2015	24 Aug 2025	19
E29/938I	Toucan Gold Pty Ltd	8 Jul 2015	7 Jul 2025	13
E29/946I	Toucan Gold Pty Ltd	18 Aug 2015	17 Aug 2025	5
E29/986	Toucan Gold Pty Ltd	11 Oct 2017	10 Oct 2022	20
E29/987	Toucan Gold Pty Ltd	19 Sep 2017	18 Sep 2022	7
E29/988	Toucan Gold Pty Ltd	19 Sep 2017	18 Sep 2022	1
E29/989	Toucan Gold Pty Ltd	19 Sep 2017	18 Sep 2022	3
E29/990	Toucan Gold Pty Ltd	19 Sep 2017	18 Sep 2022	9
E29/1106	Toucan Gold Pty Ltd	14 May 2021	13 May 2026	20

Source: Mineral Titles Online portal of DMIRS

3.1.2 Geology and Mineralisation

The Perrinvale Project is situated in the northern part of the Southern Cross Domain of the Youanmi Terrane in the central part of the Yilgarn Craton (Figure 21). The central terrane of the Yilgarn Craton is geologically and metallogenically distinct from the Eastern Goldfields to the east and the Murchison Domain to the west (Figure 23).

The Southern Cross Domain contains discrete arcuate, greenstone belts enveloped and separated from each other by voluminous Archaean age (2.755–2.680 Ga) granites, which are strongly foliated and gneissic. The granites are considered important in the sense that they acted as modifiers to the stress fields during the deformation and created brittle ductile shear zones along the contacts with the greenstones which are favourable hosts for the gold mineralisation.

The licences cover a substantial portion of two discrete, Archaean age, greenstone belts within the Southern Cross Domain, the Panhandle Greenstone Belt to the west of the Menzies-Sandstone Road, and the Illaara Greenstone Belt to the east (Figure 24). The Panhandle Greenstone Belt within the Perrinvale Project is host to four prospective volcanogenic massive sulphide (VMS) prospects, namely:

- Schwabe
- Zinco Lago (comprising Zinco Lago and Lago Rame)
- Monti
- Ponchiera.

Although the greenstone belts in the Southern Cross Domain are spatially discrete entities there are lithological similarities, and where the sequence can be established, they show matching stratigraphy. The greenstones are dominantly volcano-sedimentary sequences comprising tholeiite basalt, large gabbroic sills, prominent magnetite banded iron formations (BIFs), minor magnesium-basalts and ultramafics, and quartzite (Figure 24). Felsic volcanic sequences within the basalts are rare with the only felsics of significant thickness occurring ~150 km to the south and higher up in the stratigraphic succession, although work to date has identified more signs of felsic volcanics on the project.

Understanding the stratigraphy sequence in greenstone belts is thus important when targeting VMS related mineralisation occurring in a preferred stratigraphic position within a region. Although there is no formal stratigraphy for the northern part of the South Cross Domain, it is clear from correlations using the basal quartzites and major gabbro intrusions into the Meelie Suite that a regional stratigraphy can be constructed.

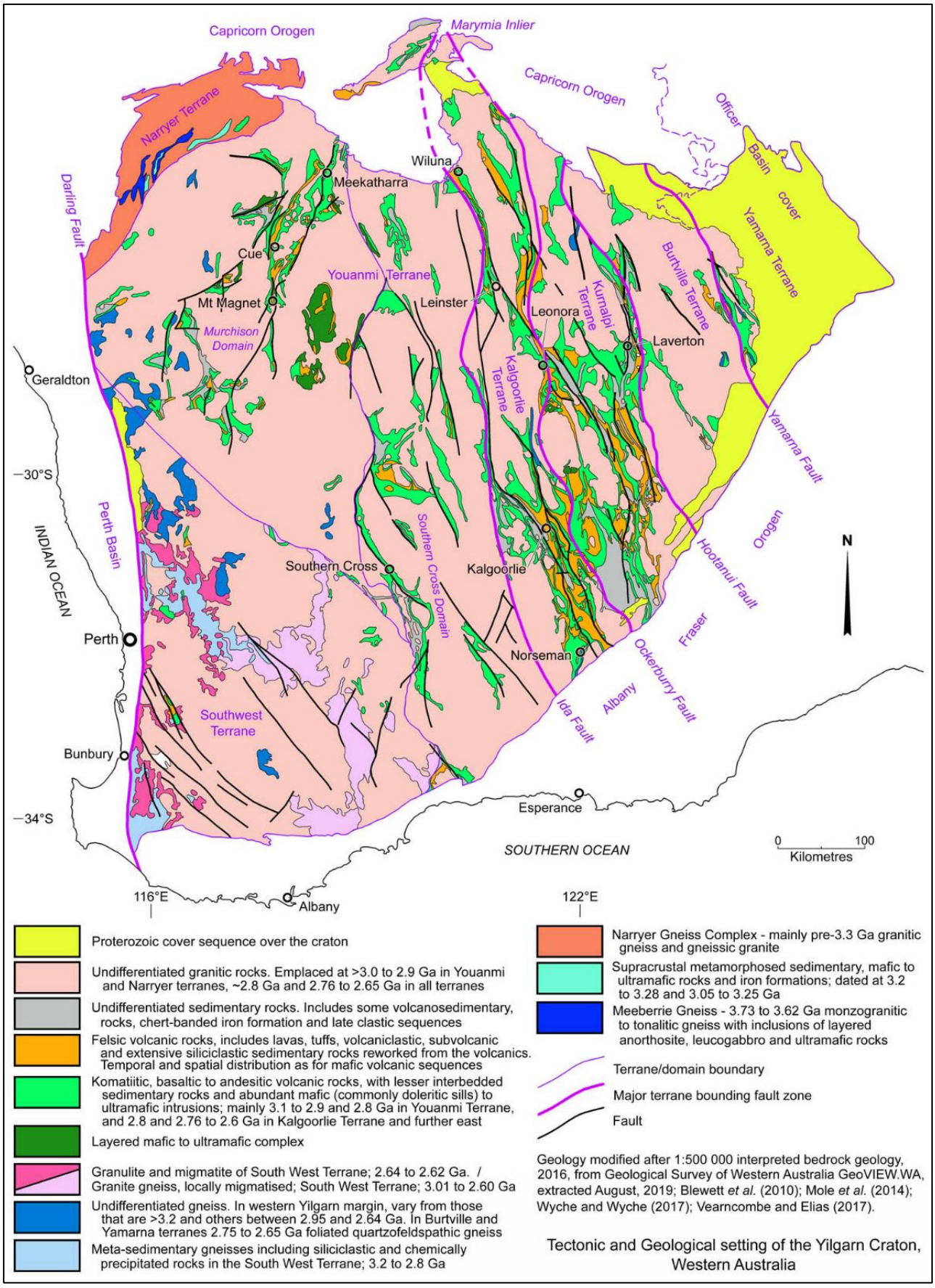

Figure 23: Geological and tectonic map of the Yilgarn
Source: http://www.portergeo.com.au/database/largeimages/yilgarngeology.asp - accessed 29 September 2020

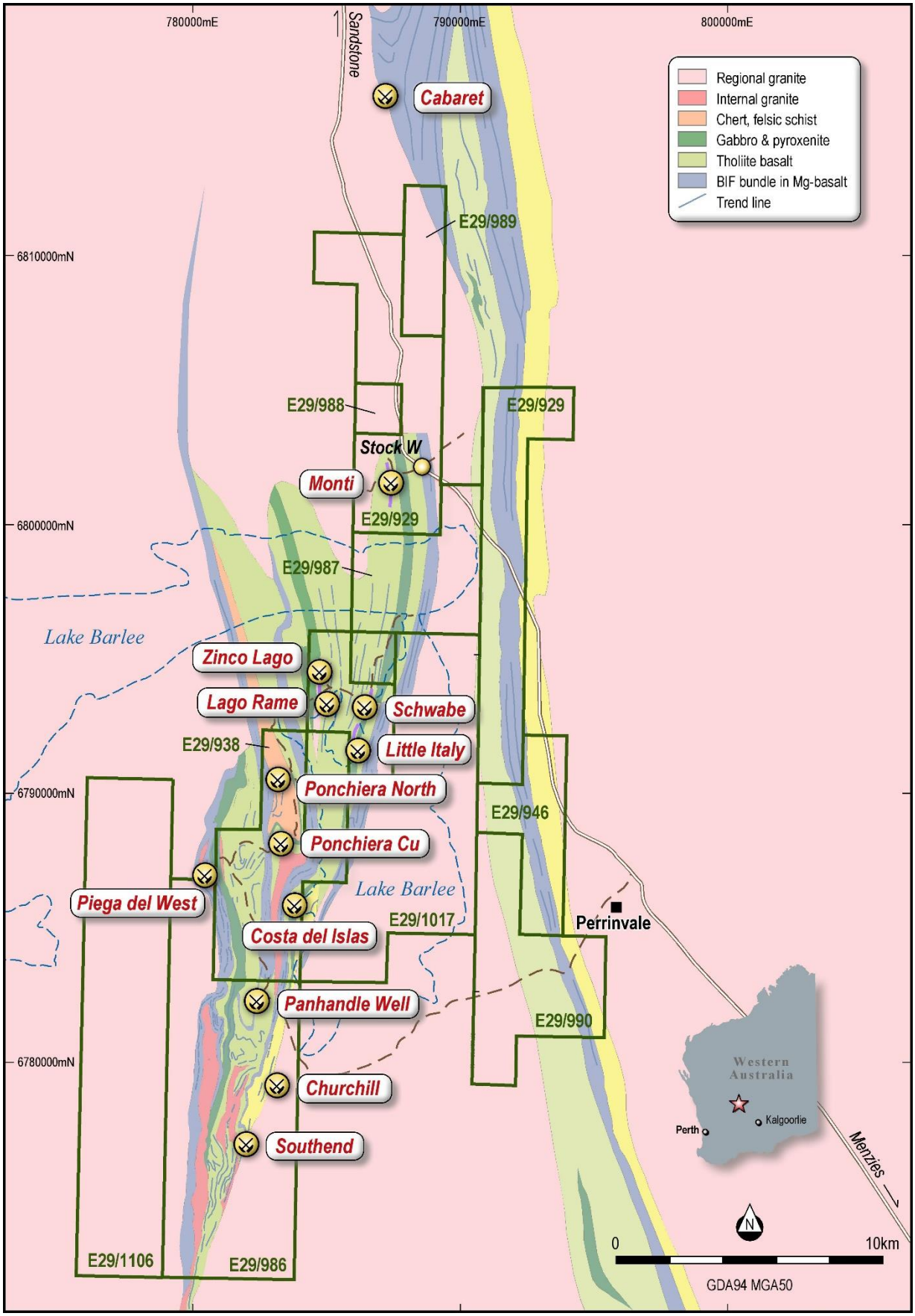

Figure 24: Perrinvale geology and prospects
Source: Cobre

These thick volcanic sequences are interpreted to be ancient strato-volcanoes and potentially host to VMS deposits. These deposits comprise syn-genetic concentrations of massive to semi-massive sulphides with mafic or felsic volcanic sequences between different volcanic flows, often associated with interflow sediments. They form on or immediately below the seafloor by the discharge of high-temperature seawater-dominated hydrothermal fluids associated with the volcanism. The deposits usually have a metal zonation with an upper planar, concordant zinc-rich zone and an underlying copper-rich disseminated zone in the altered footwall. Felsic volcanic complexes are rare in these early BIF sequences of the Southern Cross Domain and may partly account for the paucity of copper-zinc occurrences of VMS affinity. The VMS deposits of the region tend to be associated with mafic volcanic sequences and puts them into the Besshi type or mafic siliciclastic class of VMS deposits as defined by Cox and Singer (1986) and Gibson *et al.* (2007).

Two examples of VMS deposits in the Perrinvale area include:

- The Manindi deposit (previously known as Freddie Well), 20 km to the southwest of Youanmi is a copper-zinc deposit in recrystallised banded quartz-magnetite rocks with a narrow quartz-sericite schist along the basalt and intrusive gabbro contact (Cornelius and Smith, 2005).
- The Pincher Well zinc deposit, within the Youanmi area, occurs in shale bands in altered basalt extending over a strike of 5 km. Drilling of IP geophysical anomalies have intersected massive sulphide zones ranging from 6 m to 10 m in thickness and mineral contents of 4.2% to 9.5% zinc and copper.

The Perrinvale tenements cover two adjacent greenstone belts, the Illaara and Panhandle greenstone belts, both enveloped by regional granite and separated by highly sheared gneissic granite. There are no current or historic mines in either of these belts. The greenstone belts are host to small high-grade gold deposits; however, the region is not as well endowed with gold mineralisation as the Eastern Goldfields. Two styles of gold mineralisation are recognised in the region:

- Sulphidic interflow shales within tholeiite
- Quartz veins in basalt and/or ultramafics proximal to small "internal" granites.

3.1.3 Structural Framework

Chen (2001, 2003) established a structural sequence for this part of the Southern Cross Province and based on this framework and structural observations at Perrinvale the structural model is outlined in Table 7.

Table 7: Tectonic framework for the Perrinvale Project (Geomin, 2019)

Event	Feature	Age
Mafic greenstone and BIF deposition	Strato-volcanics with VMS potential	3.0–2.8 Ga
D1 tectonic event	Early north-south compression producing east-west isoclinal and recumbent folds (e.g. Richardson Syncline) and stacked thrusts	
Granite emplacement	Large thick sheets of granite	2.7–2.6 Ga
D2 tectonic event	East-west shortening creating regional open, upright north-south folds, and sinuous shear zones along bulbous granite-greenstone contacts	
D3 tectonic event	Late flexures and fractures in greenstone sequences, with potential for gold mineralisation	

Essentially the structures at Perrinvale reflect two deformation events. The earlier D1 is represented by intrafolial folds and steep lineations in the BIFs, and the regional schistosity in the mafic volcanics. The younger D2 deformation is represented by shallow-plunging chevron angular folds in BIF and mafic schists with crenulation and strain-slip cleavages.

3.1.4 Illaara Greenstone Belt

The Illaara Greenstone Belt in the east of the Perrinvale Project area is considered to have moderate prospectivity for gold and base metals compared to other greenstone belts including the more structurally complex and more prospective Panhandle Greenstone Belt.

This greenstone belt strikes north-northwest for approximately 120 km and is contiguous with the Metzkes Find Greenstone Belt to the southeast and the Maynard Hills Greenstone Belt to the northwest. The northern end of the Illaara Greenstone Belt contains the tight isoclinal Richardson Syncline and a sheared-out anticline that returns the sequence to the regional north-northwest trend. The project area contains a 25 km strike length of undeformed Illaara Greenstone Belt dipping to the west. It is dominated by a BIF sequence resulting in the characteristic "tram-line" pattern in airborne magnetic data.

The summary stratigraphy of the Illaara Greenstone Belt can also be applied to the Panhandle Greenstone Belt. From top to bottom it is:

- Mixed chert-basalt-felsic schist (top)
- Tholeiite pillowed and brecciated basalt
- Major gabbro sill
- BIF bundle of two prominent BIF units sandwiching tholeiite and magnesium-basalts, with several minor chert and inter-flow shale units
- Tholeiite basalt
- Well-bedded quartzite, pebbly and fuchsitic in places, and quartz-muscovite schist (bottom).

Although not well mineralised, the Illaara Greenstone Belt does contain several copper gossans and VMS geochemical signatures in the north, along the western limb of the Richardson Syncline, outside of the tenements. Two historical deposits occur within the belt, outside the tenements, namely:

- The Metzke Find quartz-vein hosted gold occurrence in sheared granites, 25 km to the south-southeast of the tenement. It was discovered by drilling by Eastern Group in 1990 with intervals of 3.5 g/t Au to 15.7g/t Au (interval length not reported).
- Paradise gold deposit, 15 km to the northwest (Figure 24) of the tenements within the Ida Valley Nature Reserve. The deposit was discovered by Sipa Resources in the period 1995–2002 and is hosted in basalts, above the BIF package, and in the sheared-out western limb of the Richardson Syncline (Figure 24).

The Illaara Greenstone Belt has also been explored in the past for iron ore and uranium mineralisation although most of the activity was focused on gold, with limited focus on base metals. Recent exploration by Dreadnought Resources has recently confirmed the gold mineralisation at Metzke's Find as well as VMS potential of the belt (www.dreadnoughtresources.com.au).

3.1.5 Panhandle Greenstone Belt

The Panhandle Greenstone Belt (also known as the Cork Well Greenstone Belt) is lithologically similar and structurally more complex that the Illaara Greenstone Belt. It forms a lozenge shaped mega-boudin approximately 50 km in length. It is enveloped by shear zones, has a V-shaped termination in the south and is stoped out by the granites to the north giving it a "rose-bud" shape (Figure 24 and Figure 25).

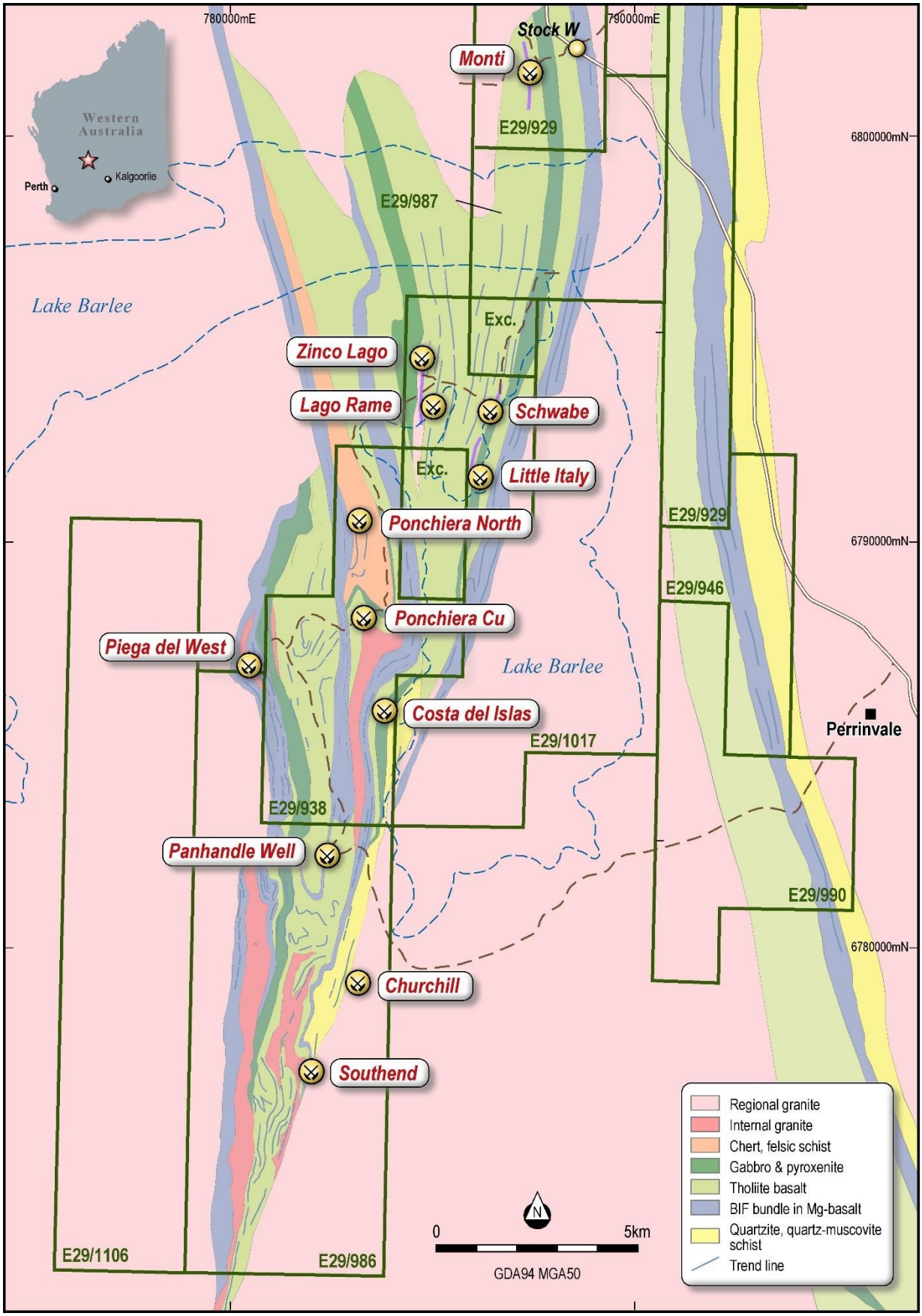

Figure 25: Geological map of the Panhandle Greenstone Belt showing the location of the various targets
Source: Cobre

The summary stratigraphic succession is very similar to that of the Illaara Greenstone Belt and interpreted by Toucan to be part of the same regional sequence separated by a structural slice of gneissic granite. The sequence for the Panhandle Greenstone Belt from top to bottom is:

- Tholeiite basal, variably pillowed and brecciated, with inter-flow sediments (top)
- Major gabbro sill (600 m thick)
- BIF bundle with magensium-basalt (interpreted based on "tramline" magnetic signature)
- Muscovite quartzite (bottom)

Within the Panhandle Greenstone Belt, there are several small elongate highly foliated gneissic internal granites that are indistinguishable from the regional gneissic granites. They are not intrusive but have tectonic contacts with the surrounding greenstones. Interpreted as a stacked-thrust model, they are considered to represent interleaved tectonic slices of granite and greenstones. Although not metallogenically important, these granites may have acted as competency contrasts during later gold mineralising events.

In total, there are four linear units within the BIF bundle as shown on Figure 24. Rather than being multiple stratigraphic units, they are best interpreted as structural repetitions of a single stratigraphic succession.

These four structural units define the boundaries of three structural zones:

- The Eastern Zone is characterised by a southerly V-shaped attenuation as reflected by the form-lines between the two eastern BIF packages. This pattern infers a syncline although there is no clear turnover. However, the symmetry of rock units – especially the gabbro sill near the BIF package – supports the concept of a synclinal fold closure. If this is correct, the two gossanous interflow sediment units (Schwabe and Zinco Lago) are placed in fold limbs of the one unit. Under this interpretation, the V-convergence is interpreted as a thrusted-out recumbent syncline, analogous to the Richardson Syncline of the Illaara Greenstone Belt, but much more attenuated.
- The Central Zone is "book-ended" on either side by west-dipping BIF bundles. There is no evidence these BIF bundles are replicated by isoclinal folding. The encased mafic sequence within the Central Zone consists of the usual basalt and gabbro, but also there is a mixed sequence of basalt, chert, felsic schist and possible felsic volcanics that appears at a higher structural-stratigraphic level. A conspicuous feature of the Central Zone is a dextral structural inflection in the shape of a drag fold which is interpreted to be D3 in origin. The Central Zone has been the focus of contemporary exploration due to the presence of soil and rock chip geochemical gold anomalies, as well as being host to the Ponchiera copper prospect.
- The Western Zone also displays no clear evidence of a fold closure, although there are many angular folds of dextral symmetry and abundant pencil-cleavage schists. The adjacency of the major gabbro unit to the westernmost BIF bundle suggests it is east facing, inferring the presence of an upright D2 syncline.

Overall, the Panhandle Greenstone Belt is interpreted to represent a series of stacked thrust slices formed during the D1 deformation event. This thrust stack has been upturned and intensely sheared during D2, and then subject to brittle-style dextral D3 deformation. Structures associated with the D3 deformation in any of the structural zones are potential sites for gold mineralisation. The interflow shale within the basalts of the Eastern Zone remain the most prospective for VMS deposits, but the Central and Western zones cannot be disregarded, as there are many thin interflow sediments in the basalts which have not been adequately sampled, and which generate helicopter time-domain electromagnetics conductance anomalies.

3.1.6 Historical Exploration

Table 8 provides a summary of the historical exploration within Illaara and Panhandle greenstone belts and includes results from outside the tenement bound to provide some context to their prospectivity.

Table 8: Summary of historical exploration conducted within the Illaara Greenstone Belt (Geomin, 2019 and SRK, 2020)

Company	Year	Description of activities	Significant results
Illaara Greenstone Belt Exploration History			
Australian Selection	1975	Drilling. Outside of Toucan tenements.	Interpreted as a small occurrence with supergene enrichment, up to 19% Cu in malachite schist in a sequence of quartz-feldspar-chlorite schist, graphitic slate and mafic schist towards the top of the stratigraphy.
Battle Mountain Gold	unknown	Rock-chip, soil and stream-sediment sampling along entire Illaara Greenstone Belt.	Single anomalous 12 ppb Au at the Brooking Hill prospect.
Norgold	1998	Rock-chip and stream-sediment sampling around Mount Alfred (including the Alfred copper prospect). This area was previously drilled by Australian Selection. Outside of Toucan tenements.	18 rock chip samples analysed with up to 1.5% Cu and 2,600 As in a 1–2 m wide gossanous zone.
Sipa Resources	1991 to 2003	Explored northern part of Illaara Greenstone Belt on western limb of syncline. Outside of Toucan tenements. RC drilling and diamond drilling.	String of gold soil anomalies defining the Paradise, Cassowary, Bulga Downs, Toucan, McCaw, and Cabaret Bore prospects.(Figure 24). The Cabaret prospect occurs just within tenement EL29/929. Best result achieved at Cabaret prospect (now within the Ida Valley Reserve) with 5 m at 0.5 g/t Au from 75 m – mostly diamond drilling. Reverse circulation (RC) drilling identified the Paradise prospect as best target and a gold system 600 m strike and 200 m down dip. No copper or zinc in system.
Mindax	2004 to 2005	Continuation of Sipa Resources work along the series of anomalies and follow-up on significant drill results. BLEG stream and soil sampling. Additional drilling and scoping study at Paradise Prospect.	Quantification of gold mineralisation at Paradise.
Panhandle Greenstone Belt Exploration History			
Great Boulder	1974	Detailed mapping, gossan search, geochemistry, and ground geophysical surveying in the northern part of the Panhandle and followed up by percussion drilling. Three areas of interest were identified, designated Areas 1 (the Schwabe Gossan), Area 2 (the Zinco Lago prospect) and Area 3 (the Ponchiera prospect).	Area 1: 13 percussion holes – with multiple high-grade intersections recorded, the best of which was 8 m at 3.9% Cu and 5.2% Zn from 30 m. Area 2: 14 rock chip geochemical samples – reporting elevated levels – up to 1,940 ppm Cu, up to 579 ppm Pb and up to 3,128 ppm Zn. Six percussion holes were also drilled reporting elevated levels – up to 0.49% Cu and up to 0.46% Zn over 14 m from 22 m with peak values over 2 m of 1.22% Cu and 0.86% Zn. Elevated silver also reported of 2 g/t. Geochemical signature of a VMS deposit. Area 3: Results poor – one percussion hole reporting 0.32% Cu over 2 m.
Esmerelda Exploration	1984 to 1989	41 rock chip geochemical samples in the area northeast of Ponchiera prospect which returned anomalous gold.	11 rotary air blast (RAB) holes were drilled but encountered technical difficulties and results were not provided. A single hole was also drilled at the Schwabe prospect, but no results were provided.
Norgold	1988	Mapping showing 11 costeans across the northerly extension of the Monti prospect. Sampled cherty gossan (identified by Toucan as a hyaloclastic basalt breccia).	Four samples reported recording values ranging from 0.02–0.12 ppm Au, 0.32–5.4% Cu, 0.8–104 ppm Ag, 0.005–0.16% Pb, and 0.052–1.06% Zn.

Company	Year	Description of activities	Significant results
Mithril Resources	2000 to 2003	Exploration in northern part the Panhandle. 45 grab geochemical samples for nickel, copper, and platinum group elements from historical costeans.	The highest result recorded was 0.4% Ni and 0.22% Cu.
Red Rock Resources	2007 to 2008	60 rock chip geochemical samples at the Schwabe Gossan.	Results ranged from 3–200 ppm Ag, 0.01–0.03 ppm Au, 0.4–2% Cu, 0.13–1.8% Zn.
MP Developments		100 rock chip geochemical samples and 280 soil geochemical samples across four areas which include parts of Schwabe Gossan and Little Italy, Poncheira, Feys Find, and Churchill Bore in the south.	Broad gold anomaly over the Twin Chert area. The maximum value recorded from was 0.07 g/t Au.
Mindax Panhandle Project	2003 to 2010	Mindax took 2,135 soil geochemical samples on 100 m x 100 m grid and identified three coherent soil anomalies which were followed up by drilling of 24 RC holes. Additional exploration drilling of 30 RC holes along three lines for 1,799 m was also carried out.	Three coherent soil anomalies within the greater Panhandle gold anomaly: • Gladys – 700 m long, peak 41 ppb Au • Charlotte – 600 m long, peak 35 ppb Au • Lesley – 300 m long, peak 84 ppb Au. Results from the initial 24 drillholes were poor with the best 3 m intercepts reported as 0.29 ppm Au from 6 m on Charlotte. Line, 3 m at 0.10 ppm Au from 48 m on Lesley Line, and 3 m at 0.16 ppm Au from 66 m at Panhandle. The best gold intercept from the 30 RC holes was 4 m at 0.43 g/t Au in PHC037. The best copper intercept was 4 m at 987 ppm Cu in PHC025.
Cliffs Asia Pacific Iron	2013	Cliffs collected 106 rock chip geochemical samples focused mainly on the BIFs and assayed for the standard iron ore suite, augmented by analyses for arsenic, copper, cobalt, nickel, zinc, lead, but not gold or silver. This was followed up by three RC holes.	Results ranged from 200–800 ppm Cu, 2,400–5,600 ppm Co, 600–1,600 ppm Ni, 0.9–36% Mg and 14–51% Fe.

3.1.7 Current Exploration Activities

The summaries presented below are extracted from the Cobre (September 2020) and SRK (2020) reports.

The exploration work conducted by Toucan on the Perrinvale Project has focused on the acquisition ofAEM data, ground-based moving loop electromagnetic (MLEM) survey, exploration drilling, downhole geophysics, compilation and re-interpretation of historical soil geochemical sampling.

A summary of the work is presented in Table 9.

Table 9: Summary of the recent exploration work conducted by Toucan

Type of work (contractor)	Date
AEM (New Resolution Geophysics)	Aug 2019
RC drilling program	2019
Soil geochemical database compilation	2019
MLEM	2020
Downhole electromagnetic	2020
First drilling program	Feb to Mar 2020
Gravity survey	2020
Second drilling program	Jun to Jul 2020
Soil sampling	2020
Mapping	2020

3.1.8 Heliborne Airborne Electromagnetic Survey

A heliborne AEM was conducted by New Resolution Geophysics in August 2019 using their Xcite™ electromagnetic system. The survey comprised 820 line-km flown east-west and 150 m apart over the exposed Panhandle Greenstone Belt within licences E29/938-I, E29/929-I, E29/986, and E29/987.

The survey identified ten conductivity anomalies of exploration significance. The survey confirmed six known geochemical anomalies (e.g. Schwabe and Zinco Lago and extensions of these) and identified four new anomalies warranting follow-up exploration (Figure 23).

3.1.9 2019 Reverse Circulation Drilling Program

In 2019, three reverse circulation (RC) holes, totalling 387 m, were drilled at Schwabe targeting historical intercepts (Table 10).

Table 10: Details of the drilling conducted in the Perrinvale Project by Cobre in 2019 and first drilling phase in 2020

Drillhole ID	GDA94 MGA50_E	GDA94 MGA50_N	RL (m)	End-of-hole (m)	Azimuth (UTM)	Dip	Tenement ID
19PVRC001	786436	6793059	402.1	87.00	106.48	-60.00	E29/938
19PVRC002	786446	6793094	401.8	99.00	100.48	-60.00	E29/938
19PVRC003(1)	786394	6793158	402.6	201.00	90.00	-60.00	E29/938
20MTDD001	787295	6802241	410.8	84.60	250.60	-55.00	E29/929
20MTDD002	787319	6802239	410.1	138.12	250.60	-55.00	E29/929
20MTDD003	787413	6801557	406.4	121.80	110.60	-55.00	E29/929
20PVDD001	784834	6794544	396.3	109.80	270.60	-60.00	E29/938
20PVDD002	784838	6794462	397.9	87.40	270.60	-60.00	E29/938
20PVDD003	786445	6793098	401.7	117.30	105.60	-60.00	E29/938
20PVDD004	786463	6793074	401.6	78.40	95.60	-60.00	E29/938
20PVDD005	786415	6793061	401.8	180.42	105.60	-60.00	E29/938
20PVDD006(1)	786394	6793158	402.6	264.20	90.00	-60.00	E29/938

(1) 20PVDD006 was drilled as a tail on 19PVRC003 so both holes have the same collar coordinations.
Source: Geomin, 2019

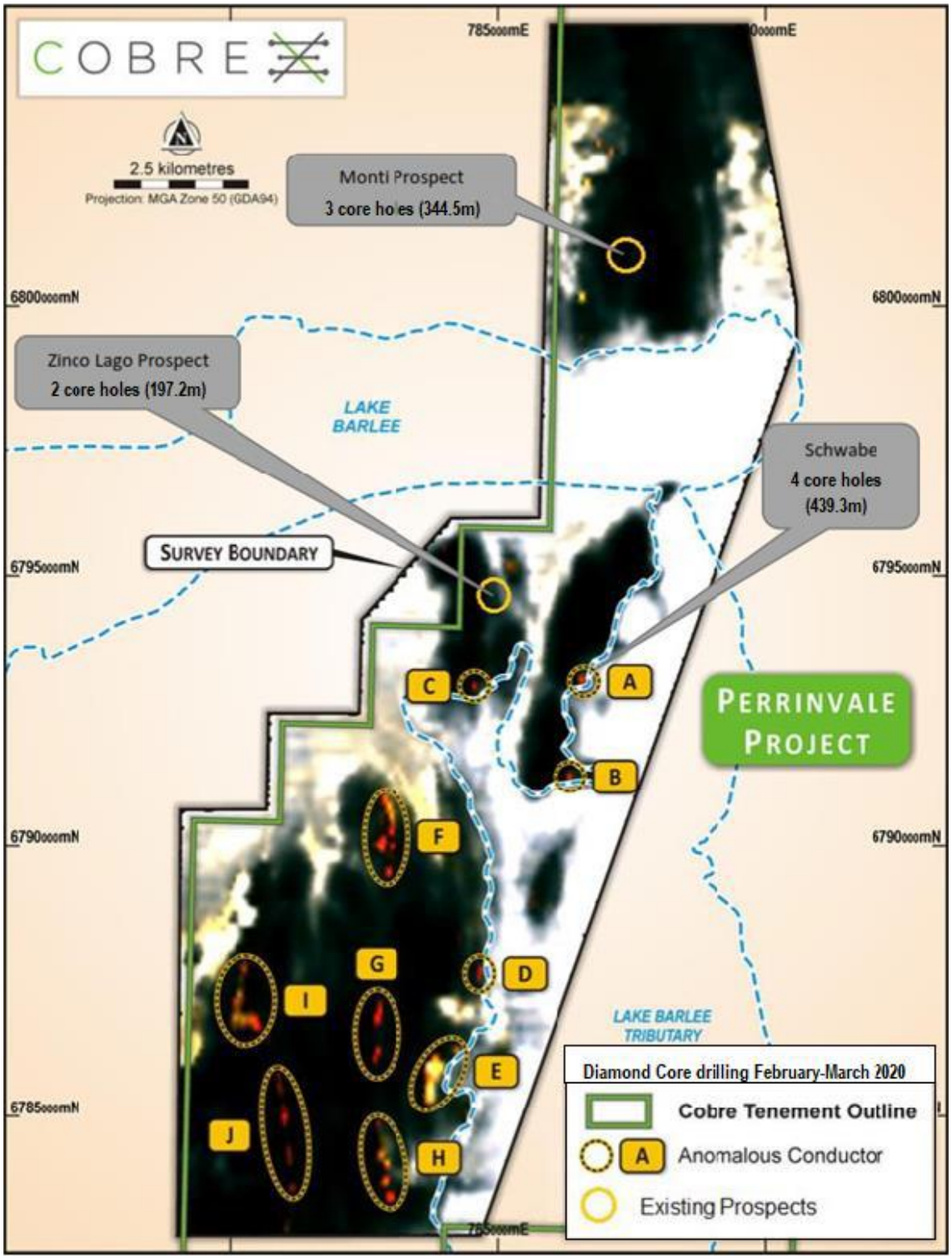

Figure 26: AEM anomalies identified in the north Panhandle Greenstone Belt and phase 1 drilling completed from February to Mar 2020
Source: Cobre, September 2020

3.1.10 Soil Geochemical Database Compilation

A database was compiled using historical soil sampling data from MP Developments, infill sampling by Mindax as well as other historical infill sampling programs. The database comprises 33,460 sample points generally with analyses for 11 elements (silver, arsenic, gold, barium, cobalt, copper, manganese, molybdenum, nickel, lead, zinc). Based on this data, a large gold anomaly called the Panhandle Gold Anomaly has been identified over an area 3 km in diameter over the Poncheira area (Figure 27).

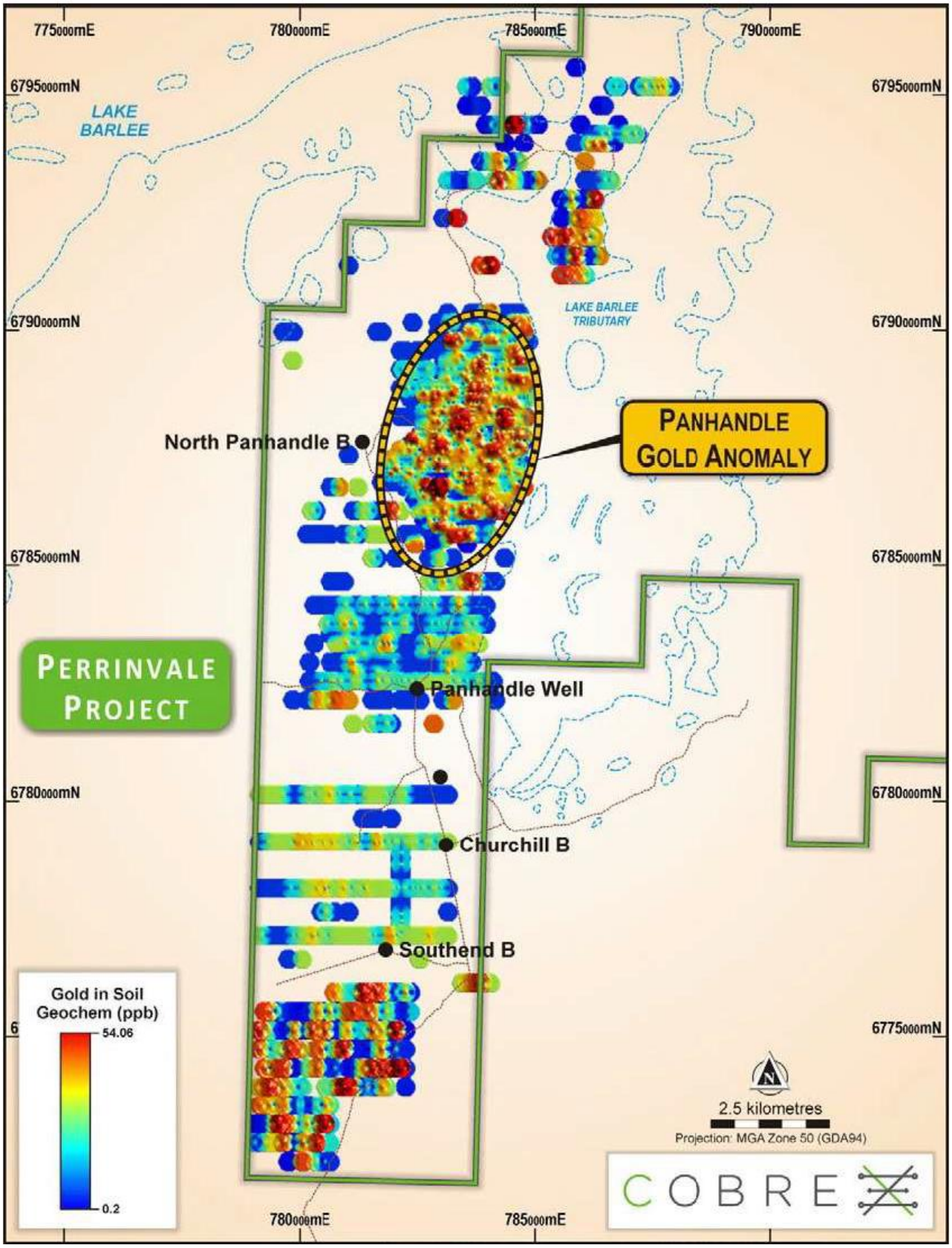

Figure 27: Gold anomaly identified by Cobre from the historical soils geochemistry
Source: Geomin, 2019

3.1.11 Moving Loop Electromagnetic Survey

A MLEM survey was conducted in the north of the Panhandle GB on the targets from drilling and with the aim to refine the AEM survey data. The survey was conducted in the first half of 2020 over the four main targets and to test four additional areas. The targets surveyed were Monti, Zinco Largo, Lago Rame, Schwabe North, Little Italy, Poncheira North, Piega del West, and Costa del Islas (Figure 28).

The survey results, supported by downhole electromagnetic (DHEM) and AEM data, were used to refine the drilling program which commenced in June 2020. The results also achieved the following:

- Potential extensions, along strike, north and south at Schwabe, which was tested via RC drilling.
- Conductivity down dip and along strike of previous drilling at Zinco Lago, which was tested with two deeper diamond core drill ("DD") holes.
- Conductors extending south from Zinco Lago, in line with the gossanous interflow sediments mapped at surface, to Lago Rame. A second zone of conductance offset to the east was also identified in the Zinco Rame – Lago Rame area, two RC holes tested the western (shallower) conductors, and two DD holes tested the eastern conductors.
- Stacked conductors at Costa del Islas, tested with a single RC hole.
- Multiple conductors at Piega del West, tested with five RC holes.
- Two west-dipping conductors at Ponchiera North, with the shallower conductor tested via a single RC hole.
- Conductors identified at Monti are yet to be drill tested.

3.1.12 Downhole Electromagnetic (2020)

DHEM surveys were conducted in DD drillholes at Schwabe, Zinco Lago and Monti prospects and resulted in the identification of a number of promising electromagnetic conductors at Zinco Lago, Lago Rame, and Monti, and also served to confirm the modelled AEM data acquired in 2019.

3.1.13 First Drilling Program

A drilling program comprising nine DD drillholes commenced in February 2020 and was completed in March 2020. The drilling included three new holes and an extension of one of the RC holes at Schwabe, two drillholes at Zinco Lago, and three drillholes at Monti (Table 10 and Figure 26). The summary of the significant intercepts are presented in Table 11.

Table 11: Summary of first drilling program (includes the three RC drillholes from 2019)

Hole ID	Prospect	Hole type	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)
19PVRC001	Schwabe	RC	63	66	3	0.63	3.94	NSR	3	0.2
19PVRC002	Schwabe	RC	50	55	5	9.75	3.1	0.11	34	3.2
19PVRC0031	Schwabe	RC	187	189	2	0.93	0.79	NSR	4	0.4
20MTDD001	Monti	DD	47	48	1	0.19	183 ppm	NSR	1.3	0.01
20MTDD002	Monti	DD	105	131	26	0.32	0.08	NSR	3.1	0.1
20MTDD003	Monti	DD	64	75	11	0.08	0.23	NSR	1.1	0.04
20PVDD001	Zinco Lago	DD	31.4	41.6	10.2	0.1	0.63	NSR	3.6	0.11
20PVDD002	Zinco Lago	DD	46.5	53	6.5	0.33	0.57	NSR	3.9	0.02
20PVDD003	Schwabe	DD	48.65	54.63	6	8.39	3.52	0.14	30	3.1
20PVDD004	Schwabe	DD	27.5	33.5	6	5.63	3.89	0.1	22	1.4
20PVDD005	Schwabe	DD	79	83	4	2.76	0.97	0.07	12	1.7
20PVDD0061*	Schwabe	DD	No significant intercept							

**20PVDD006 is a tail on 19PVRC003 testing footwall.*
NSR = no significant result.
Source: Cobre, September 2020

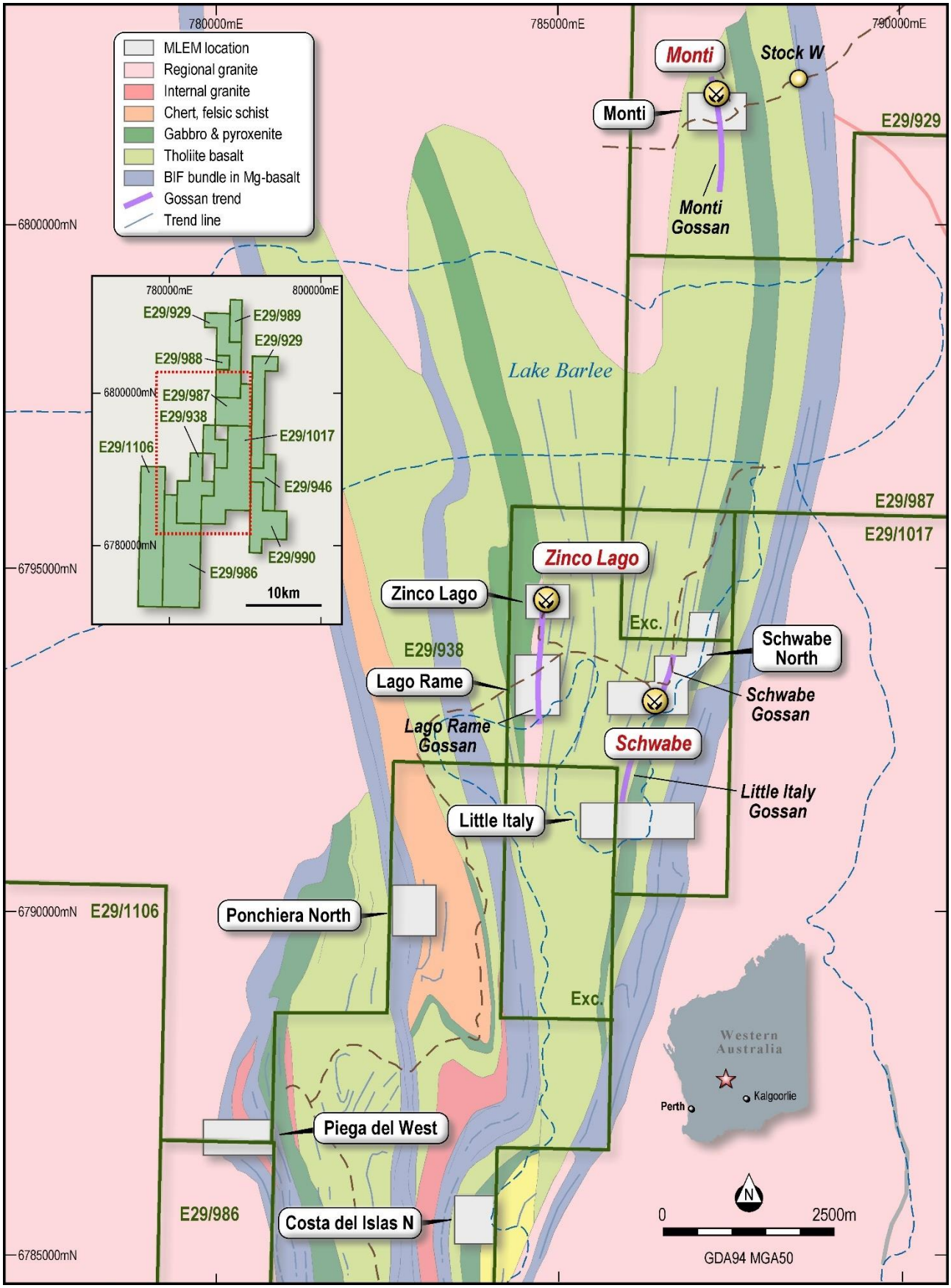

Figure 28: Locations of the MLEM surveys
Source: Cobre

3.1.14 Gravity Survey (2020)

A gravity survey was conducted over the Zinco Lago to Lago Rame area at assess potential for higher density zones coincident with the strike extensive electromagnetic conductors. A survey was also completed, extending south of a historical gravity survey on the eastern side of the lake (E29/989).

The full potential of these gravity surveys is yet to be determined; however, a high response associated with the embayment at Zinco Lago was assessed. The gravity survey also clearly defines these lower density sediments within the broader package of mafic to ultramafic rocks.

3.1.15 Soil Sampling and Geological Mapping (2020)

An orientation geochemical soil sampling survey using Ultrifine and Mobile Metal Ion (MMI) over areas of known mineralisation and MLEM conductors was conducted to confirm the geochemical response over these conductors. The sampling was done over Zinco Lago, Zinco Rame, Lago Rame, Schwabe, Costa del Islas, Piega del West, and Monti.

The results show anomalous responses associated over these areas of known mineralisation. The results at Piega del West are suggestive of a more complex geological setting.

A series of mapping projects were completed in 2020. The mapping focused on the following areas:

- Zinco Lago to Lago Rame and east to the sandy plain
- The greater Schwabe area from Little Italy in the south up to the neck in the lake ~6 km to the north-northeast
- Piega del West
- Monti (commenced 24 September 2020).

To identify the potential for packages of interflow sediments and, in the case of the greater Schwabe area, mineralisation associated with interflow sediments and hyaloclastic basalts along strike.

Regolith mapping has also been completed on the eastern side of the project, covering parts of the Illaara GSB (shown to have gold and VMS base metal prospectivity by Dreadnought Resources on its tenure to the south of Perrinvale). This will assist in determining the value of surface geochemistry as a first-pass test and determine if more detailed geological mapping is warranted.

3.1.16 Second Drilling Program

A second phase of RC and DD drilling comprising RC drilling of 2,883 m (including 120 m of pre-collars for core holes) and the DC drilling of 2,086 m was conduct from June to July 2020. A summary of the drilling is presented in Figure 29 and drill results in Table 12.

The primary objectives of the drilling were achieved, and were (as outlined by Cobre) to:

- Generate mineralised core samples for sighter metallurgical testing
- Expand upon previously drilled massive sulphide mineralisation
- Step-out drill to test for mineralisation at depth and along strike.

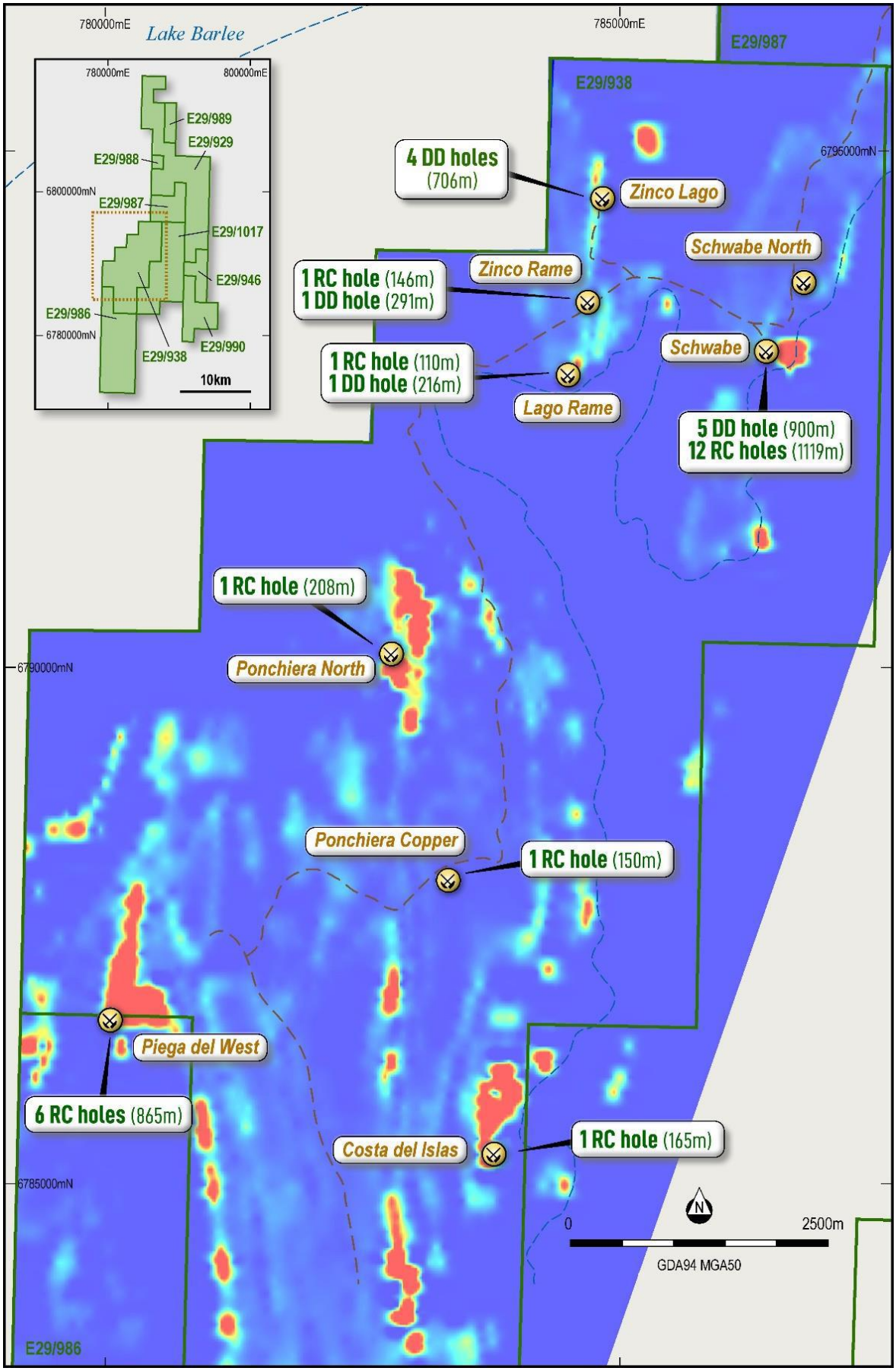

Figure 29: RC and DD drilling completed June to July 2020 (on AEM 60 m depth conductivity)
Source: Cobre, September 2020

A summary of the results of the second phase of drilling are presented in Table 12, and Figure 30 to Figure 32.

Table 12: Summary of significant intercepts of the second phase of drilling in 2020

Hole ID	Hole type	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Mn (%)
20PVDD007	DC	48	51.5	3.5	3.4	0.8	0.1	16.5	1.1	
20PVDD007	DC	54.5	58	3.5	2	1.4	0.07	7.4	0.3	
20PVDD008	DC				Awaiting assays					
20PVDD009	DC	137	172	35	0.1	0.14	0.006	0.88	0.04	0.12
20PVDD010	DC	169.8	187	17.2	0.06	0.15	0.006	0.58	0.04	0.062
20PVDD011	DC	224	240	16	0.05	0.14	0.005	NR	0.04	0.075
20PVDD012	DC	126.1	139.8	13.7	0.06	0.17	0.008	0.45	0.03	0.166
20PVDD013	DC	175.6	177	1.4	0.1	0.03	0.005	1.05	0.02	0.092
20PVDD014	DC	68.65	74	5.35	2.78	1.34	0.05	12.1	1.1	0.099
20PVRC001	RC	32	38	6	0.033	0.20	0.016	0.03	0	0.11
including		36	37	1	0.019	0.41	0.011	0.01	0	0.13
20PVRC002	RC	58	59	1	0.052	0.022	0.013	1.21	0	0.18
20PVRC002	RC	70	71	1	0.004	0.54	0.01	0.07	0.04	0.19
20PVRC003	RC	50	51	1	0.053	0.021	0.008	0.22	0.03	0.31
20PVRC003	RC	69	70	1	0.019	0.35	0.009	0.05	0.01	0.15
20PVRC004	RC				No significant result					
20PVRC005	RC	90	91	1	0.045	0.015	0.005	0.27	0.01	0.21
20PVRC006	RC	96	117	21	0.05	0.052	0.006	0.34	0.01	0.056
including		108	110	2	0.01	0.24	0.004	0.61	0.01	0.058
plus		123	134	11	0.03	0.08	0.004	0.26	0.01	0.1
20PVRC007	RC	18	20	2	0.022	0.052	0.008	0.29	0.01	0.097
plus		91	94	3	0.039	0.08	0.009	0.67	0.01	0.097
including		92	93	1	0.058	0.14	0.012	0.079	0	0.059
plus		126	130	4	0.02	0.049	0.007	0.22	0.01	0.11
20PVRC008	RC	27	31	4	0.01	0.003	0.001	0.16	0.34	0.008
plus		54	77	23	0.004	0.006	0.002	0.23	0.01	0.34
20PVRC009	RC	91	103	12	0.003	0.002	0.001	0.11	0.01	0.57
plus		145	149	4	0.006	0.006	0.002	0.34	0.01	0.31
20PVRC010	RC	23	31	8	0.027	0.003	0.006	1.56	0.02	0.23
including		24	28	4	0.037	0.004	0.01	2.04	0.02	0.28
plus		57	60	3	0.022	0.007	0.001	0.98	0	0.13
20PVRC011	RC	115	150	35	0.003	0.005	0.001	0.43	0.01	0.52
including		129	132	3	0.007	0.008	0.002	1.21	0.02	0.58
20PVRC012	RC	80	85	5	0.001	0.03	0.001	0.68	0.01	0.08
plus		110	115	5	0.058	0.009	0.003	2.25	0.01	0.74
20PVRC013	RC	115	131	16	0.005	0.014	0.002	0.1	0.005	0.29
including		116	118	2	0.014	0.052	0.004	0.21	0	0.3
20PVRC014	RC	109	122	13	0.16	0.045	0.009	0.25	0.08	0.12
including		115	116	1	0.68	0.1	0.015	0.85	0.28	0.08
20PVRC015	RC	No significant result								
20PVRC016	RC	52	80	28	0.023	0.042	0.003	0.25	0.01	0.037

Hole ID	Hole type	From (m)	To (m)	Interval (m)	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Mn (%)
		52	59	7	0.061	0.011	0.004	0.24	0.02	0.024
20PVRC017	RC	23	26	3	0.014	0.071	0.005	0.01	0	0.11
20PVRC018	RC	52	54	2	0.017	0.21	0.009	0.08	0.004	0.21
		130	132	2	0.026	0.063	0.005	0.14	0.02	0.12
20PVRC019	RC	53	55	2	0.05	0.12	0.006	0.43	0.02	0.067
20PVRC020	RC	106	108	2	0.05	0.13	0.006	0.46	0.03	0.069
20PVRC021	RC	23	33	10	0.94	0.4	0.02	2.3	0.19	0.099
including		23	27	4	2.12	0.60	0.04	5.2	0.39	0.058
20PVRC022	RC	27	34	7	1.98	0.81	0.04	4.92	0.36	0.142
including		28	29	1	7.75	4.15	0.13	23.12	1.54	0.225
20PVRC023	RC	45	57	12	2.86	1.02	0.05	10.18	0.69	0.113
including		45	49	4	8.27	2.93	0.12	29.77	1.98	0.155
20PVRC024	RC	No significant result (pre-collar)								
20PVRC025	RC	No significant result (pre-collar)								

Note: Two samples for hole 20PVDD008 were missed in original submission.
Source: Cobre, September 2020

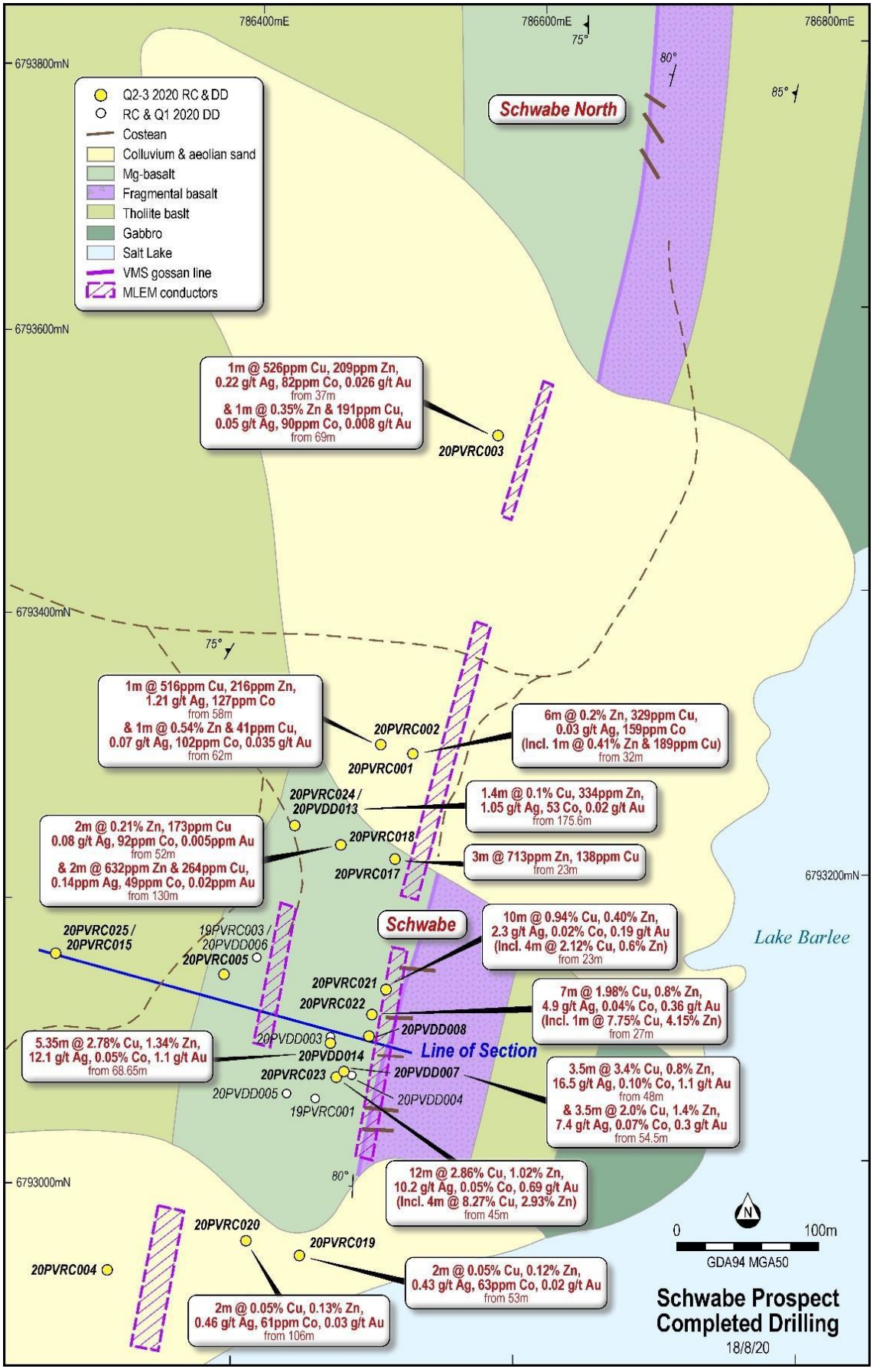

Figure 30: Second phase drilling results at Schwabe by Cobre in 2020
Source: Cobre, September 2020

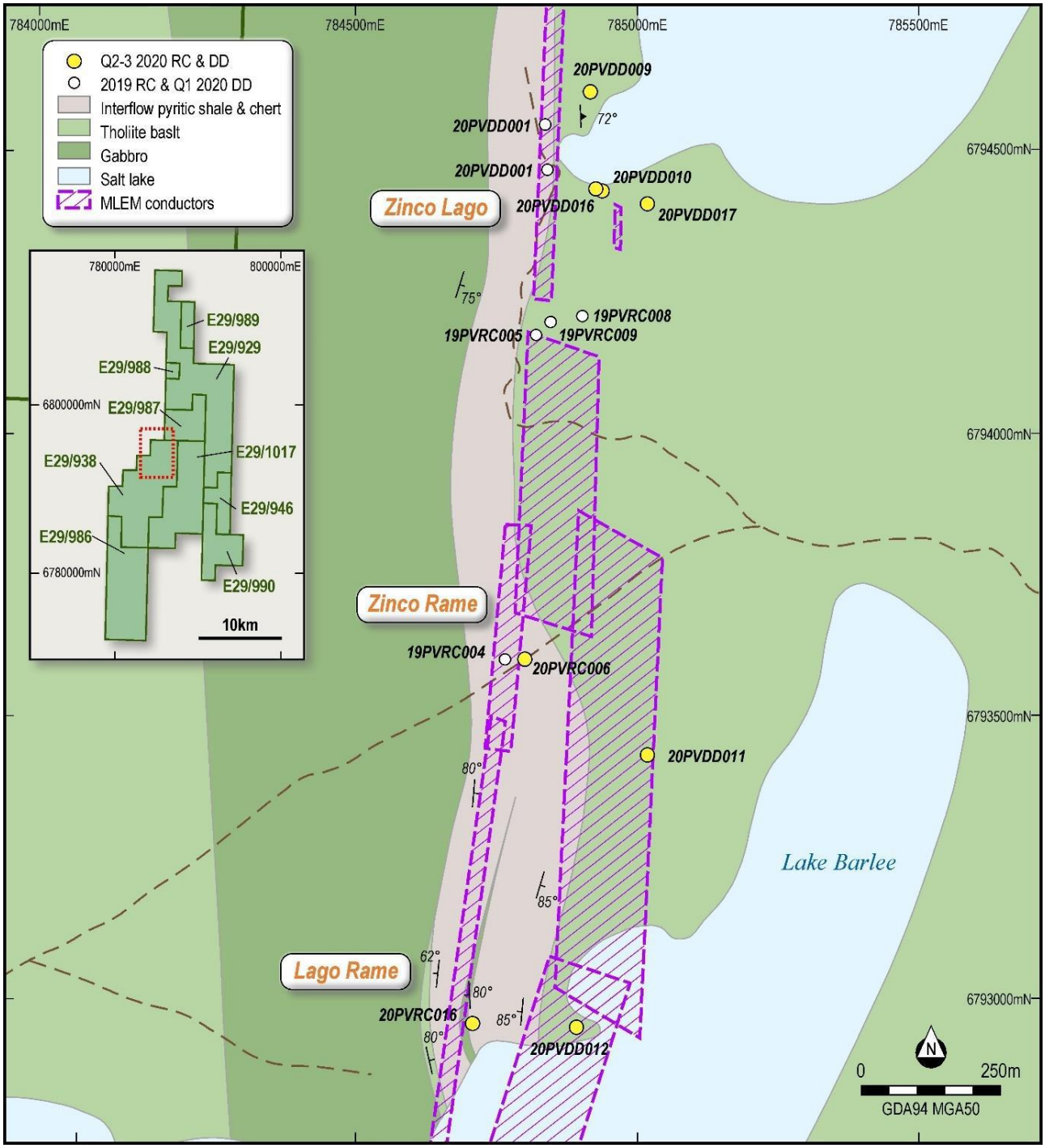

Figure 31: Second phase drill collars at Zinco Lago to Lago Rome (modelled MLEM plates also shown)
Source: Cobre, September 2020

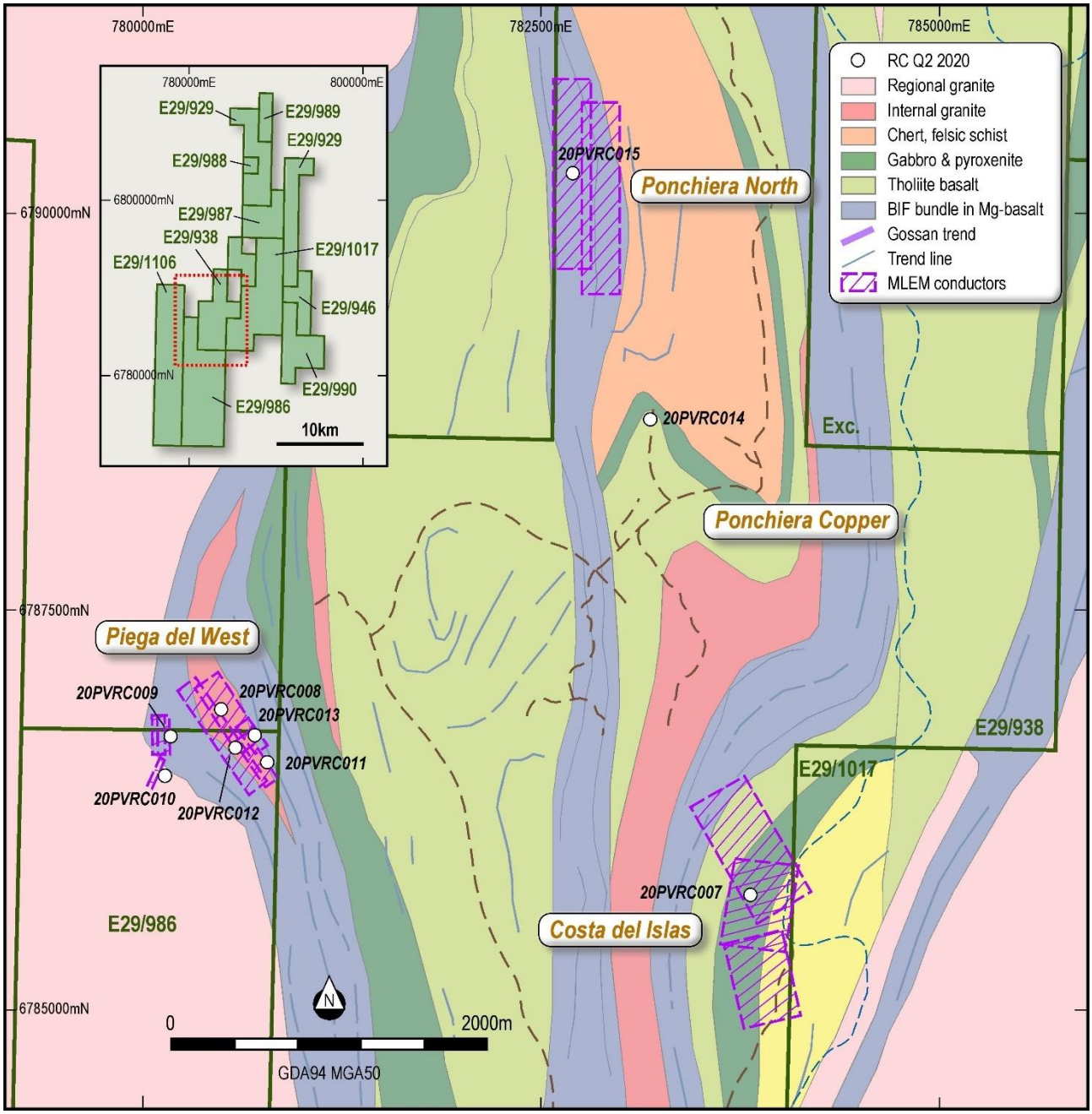

Figure 32: Second phase RC drill collars at Ponchiera, Piega del West, and Costa del Islas (modelled MLEM plates also shown)
Source: Cobre

Summary results of drilling per prospect are presented below are taken from Cobre (September 2020):

- Schwabe (see Figure 30 and Table 12):
  - Three core holes drilled for metallurgical sample were completed, with a ~90 kg composite sample generated including massive and stringer sulphides. Composite sample grade 3.6% Cu, 1.6% Zn, 0.08% Co, 0.03% Pb, 1.1 g/t Au, 13.1 g/t Ag.
  - One deep core hole drilled intersecting the mineralised horizon, with low levels of sulphides, ~200 m down dip of known massive sulphides (the driller sheared off casing on the way out which pressed on the PVC preventing the DHEM probe getting down this hole).
  - A core hole drilled as a tail on a combined RC/DD section testing for strike extension to the north, all intersected a narrow shale horizon with low level sulphides.

  - In addition to sulphide-bearing laminated sediments core holes indicate the presence of peperites and hyaloclastites.
  - Five RC holes were drilled on step out sections north and south of previous drilling, all intersected a narrow shale horizon with low level sulphides.
  - Five RC holes were drilled to test shallow MLEM modelled plates, north, south, and west of known mineralisation. Base metals were intersected along strike to the north associated with two of the MLEM modelled plates.
- Zinco Lago (see Figure 31 and Table 12):
  - Two deeper core holes were drilled, collared north and south of previous holes, targeting the conductor modelled from both MLEM and DHEM surveys. The conductors were shown to be aligned with the package of interflow mudstones and cherts hosted within the mafic volcanic pile with a footwall gabbro. Variable amounts of dominantly iron sulphides, with locally elevated sphalerite and chalcopyrite appear to have been remobilised through the interflow sediments.
  - DHEM modelling shows a correlation with locally elevated sulphides in the core, with multiple plates being the best fit. A deeper conductor, below existing drilling, was also modelled.
  - Following the gravity survey, and due to existing Program of Work approvals not covering drill sites on the lake embayment, an oblique core hole (20PVDD017) was also drilled targeting the area of increased density indicated in the gravity survey. The hole generally showed variable sulphides in mafic volcanics, with no obvious explanation for the increased density indicated by the gravity data.
- Zinco Rame (see Figure 31 and Table 12):
  - A single RC hole (20PVRC006) targeting the conductor below the 2019 RC hole (19PVRC004) was drilled, this intersected 21 m of variably low-grade base metal mineralisation associated with sulphides.
  - Surface reconnaissance identified an eastern package of interflow sediments, which may be associated with the deeper MLEM modelled conductor to the east. To test this deeper conductor a single core hole (20PVDD011) was drilled to 291.3 m. The interflow sediment and a basal peperite horizon was from ~224 m to 246 m downhole; mineralisation is variable low grade with peak assays 0.1% Cu, 0.27% Zn and 5.7% S.
- Lago Rame (see Figure 31 and Table 12):
  - As for Zinco Rame, a single RC hole (20PVRC016) intersected the interflow sediments associated with the line of gossanous sediments and the down dip western modelled conductor. The interflow sediment extended from 52 m to 87 m downhole with assays showing elevated base metals and sulphides from 52 m to 80 m; peak assays 0.11% Cu, 0.13% Zn, 1.8 g/t Ag, and 2.4% S.
  - A core hole (20PVDD0012) was drilled to test the eastern conductor, and mineralised interflow sediments were intersected from ~125 m to 140 m downhole. Peak assays 0.12% Cu, 0.33% Zn, 1.0 g/t Ag, and 5.0% S.
- Costa del Islas (see Figure 32 and Table 12):
  - A single RC hole (20PVRC007) drilled to 165 m was targeting a series of shallow dipping, overlapping, MLEM conductor models. A mix of mafic volcanics and sediments, including dark grey-black shales, and locally high-level sulphides were intersected.
  - Chalcopyrite along with more dominant iron sulphides was noted in logging and assays confirm some of the sulphides include base metals with best single assay: 0.06% Cu, 0.14% Zn, 0.01% Co, 0.08 g/t Ag and 14% S, with peak assays 0.06% Cu, 0.14% Zn, 0.013 % Co, 0.92 g/t Ag, and 14% S.
  - DHEM generated seven modelled plates, some coincident with elevated sulphides associated with sediments in the hole and several located off hole.
  - In addition to the indications of base metal sulphides in the RC hole, a sighter soils traverse across the northern MLEM modelled conductor has returned signs of anomalous elements. Elements also seen associated with the Schwabe mineralisation.

- Ponchiera Copper (see Figure 32 and Table 12):
  - A single 150 m vertical RC hole was drilled, and this returned a 14 m of elevated copper (0.16%) associated with the basalt. Peak assays 0.68% Cu, 0.13% Zn, 145 ppm Co, 1.48 g/t Ag, 0.28 g/t Au, and 1.1% S.
  - It is interpreted that the intersection of the mineralisation is analogous to the copper staining visible on fractures across the surface of the prospect. The best explanation is that the copper has been remobilised through the fractures.
- Ponchiera North (see Figure 32 and Table 12):
  - A single 208 m RC hole was drilled targeting the upper of two sub-parallel strike extensive conductors modelled from the fixed-loop electromagnetic survey.
  - The hole was expected to intersect the conductor at 170 m, there was no sign of the conductor at that depth; however, there was an 8 m run of elevated (up to 6% S) iron sulphides from 137 m to 145 m. This was associated with a magnetite bearing rock potentially similar to the hornfels at Piega del West (refer below).
  - Various lithologies were intersected; cherty sediments, pyroxenite, basalt and the "hornfels".
  - Assays show traces of mineralisation with peak results: 543 ppm Cu, 564 ppm Zn, 1.5 g/t Ag and 0.1 g/t Au.
- Piega del West (see Figure 32 and Table 12):
  - Interpretation of the geophysics and reconnaissance mapping supported a disrupted and folded area, with no obvious surface expression of the modelled conductors (with the exception potentially of some local ironstones which lack the typical continuity of BIF).
  - A single RC hole was planned as a first test of each of the conductors.
  - Drilling and more detailed mapping showed ultramafic-mafic rocks in the east, regional granites in the west, potentially multiple felsic to intermediate intrusives, volcaniclastic, variable grain sized psammite, and magnetite garnet, diopside "hornfels". Locally sulphides were present in low levels through to massive-semi massive. Iron sulphides dominate however some have associated base metals and tin.
  - Selected RC chips were assessed petrographically, this identified the magnetite-garnet-diopside "hornfels", granite, feldspar-quartz porphyry, and gneiss (likely after feldspar-quartz porphyry).
  - Assays show regular traces of gold with one significant gold intercept associated with veining in basalt (4 m @ 0.34 g/t Au). Silver in the 0.1–4 g/t range is regularly seen, often associated with sulphides. High molybdenum (up to 499 ppm) and tungsten (up to 0.47%) assays are also seen locally.

DHEM aligns well with areas of higher sulphides in the drillholes; for 20PVRC010 (located in the southwest of Piega del West and drilled to azimuth of 290°) the DHEM shows off-hole conductors dipping in a general westerly direction.

3.1.17 Prospectivity

CSA Global's opinion, based on the current exploration by Toucan which has confirmed the historical exploration results, is that the Perrinvale Project remains prospective for VMS-style polymetallic base metal and gold mineralisation, as well as mesothermal gold mineralisation.

3.2 Sandiman Project

3.2.1 Location and Tenure

The Sandiman Project is located in the Upper Gascoyne Shire, straddling the south-eastern corner pf the Mount Sandiman 1:100,000 sheet no. 1949, and the north-eastern corner of the Lyons River 1:100,000 sheet no. 1948. Access to the licence is from Carnarvon to Gascoyne junction and then 85 km along the Lyndon

Road to Mount Sandiman Station (Figure 33). Access into the tenement is then via the network of station tracks (Geomin, 2019).

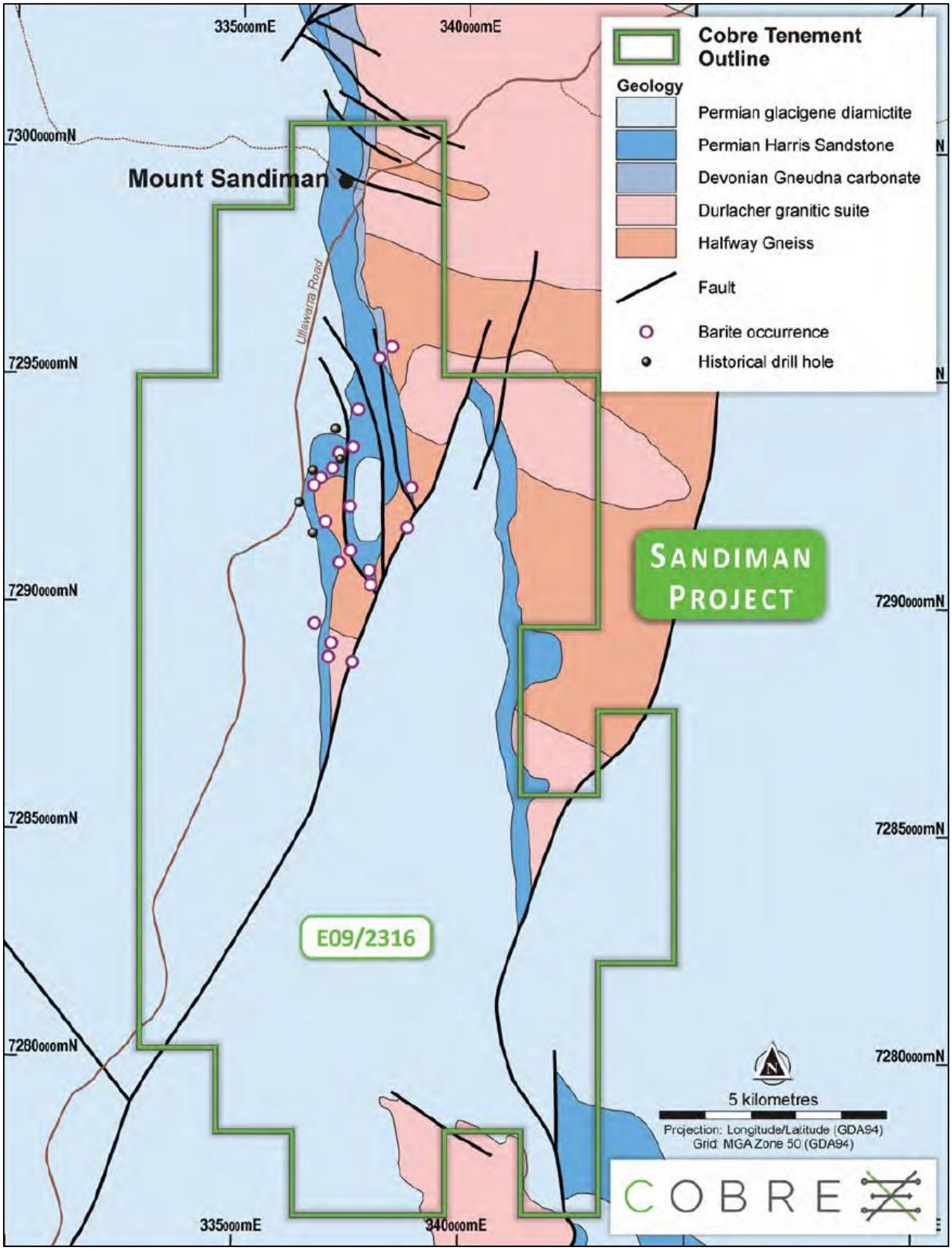

Figure 33: Sandiman tenure, infrastructure and geology
Source: Geomin (2019)

The Sandiman Project is based on a single tenement (E09/2316) totalling 202 km² in size (Table 13). The tenement is held by GTTS Generations Pty Ltd, and is subject to a farm-in agreement whereby Cobre has earned a 51% interest in the project.

Tenement information on the Cobre projects was provided by Cobre, and independently confirmed by CSA Global via the Mineral Titles Online portal provided by the Government of Western Australia DMIRS. CSA Global understand that the agreement is transitioning to a JV, and a 51% interest in the tenement will be transferred to Cobre.

Table 13: Sandiman tenement table

Tenement	Holder	Grant date	Expiry date	Area (blocks)
E09/2316	GTTS Generations Pty Ltd	9 Aug 2019	8 Aug 2024	65

Source: Cobre Quarterly Activities Report for the quarter ended 30 June 2020

3.2.2 Geology

The Sandiman tenement was selected on its location along the complex boundary of two major tectonic units of Western Australia – the Proterozoic Gascoyne Province to the east, and the Palaeozoic Carnarvon Basin to the west.

The Gascoyne Province includes a range of late Archaean and mid Proterozoic gneisses, granites, and meta-sedimentary rocks that record the progressive amalgamation of the Archaean Pilbara and Yilgarn Cratons to form the West Australian Precambrian Shield. The Gascoyne Province has been subjected to multiple tectono-magmatic reworking events that are now marked by segments with different deformational, metamorphic, magmatic, and metallogenic signatures. These segments are bounded by deep crustal shear zones that trend west-northwest to east-southeast, along with the general tectonic foliations.

The basement beneath the Sandiman Project consists of the Halfway Gneiss, Durlacher Granitic Suite, and enclaves of Leake Spring Metamorphics. The latter unit includes metasedimentary rocks, including calc-silicates after carbonates, and amphibolites after mafics. This basement segment contains numerous mineral occurrences, including copper-lead-zinc, tungsten-molybdenum, and tantalum-niobium associations. No significant basement mineral occurrences are known on E09/2316, although significant base-metal occurrences occur 35 km to the northeast.

The on-lapping sedimentary sequence in the Merlinleigh Sub-basin of the Carnarvon Basin is represented by the glacigene diamictites of the Lyons Group of Permian age. However, this boundary is not a simple on-lap, as it is cut by many listric-type faults of the Wandagee Fault Zone that relates to rift-style faulting of the progressive development of the Carnarvon Basin. This faulting has caused a complex array of horst blocks, half grabens and disruption of the Permian unconformity.

The boundary zone is further complicated by the remnants of older sedimentary rocks of Devonian age that mark the initial transgression onto the Gascoyne basement. These include limestone and evaporite-facies sedimentary rocks, overlain by black shale. These remnants outcrop within the Sandiman project area and will be present in greater extent deeper in the basin within E09/2316.

This geological framework is considered a favourable situation for Mississippi Valley Type (MVT) lead-zinc mineralisation as, for example, the Lennard Shelf lead-zinc deposits in the Canning Basin of Devonian age. These deposits form by hydrothermal fluids coming up deep fault fractures, and leaching metals (like lead, zinc, barium) from basement sources, and precipitating them as sulphides and sulphates in carbonate and pyritic rocks.

Another possible metallogenic style that can form within this craton-margin geological framework is VMS, if there are localised volcanic rocks in the system. There is no record of volcanics in either the Devonian or Permian sequences in the Carnarvon Basin, but they could be present at depths further into the basin, and not yet intersected by petroleum wildcat wells.

The only post-basement magmatic activity known in the region is the Wandagee picritic lamprophyres (Lewis 1990). These are mantle-tapping funnel-shaped diatremes that intrude the Permian Lyons River Group. Altogether there are 23 such diatremes, forming a diffuse cluster 60 km x 30 km more or less corresponding to the Wandagee Fault Zone. They are thought to be Jurassic in age and relate to the break-up of Gondwana. They have been explored for diamond without success. There are no documented diatremes within E09/2316. Although there is a spatial relationship with the rifted margin of the cratonic Gascoyne Province, it is unlikely such diatremes can provide a magmatic fluid or heat source for barium and any related metals.

3.2.3 Local Geology

Figure 33 shows the fault complex with northeast and northwest trending components that disrupts the unconformity between the basal Permian Harris Sandstone and the basement metamorphic rocks.

Also shown is the older Devonian Gneudna Limestone which is on-lapped and obscured by the Permian lithologies. The barite occurrences, as best is presently known, are mostly restricted to the Permian Harris Sandstone. Also shown is the best plot of the Arimco drillholes which were all collared in the Harris Sandstone.

The surface distribution of the Gneudna carbonates shown in Figure 33, would be a suitable host to MVT lead-zinc mineralisation. Its distribution beneath the Permian-aged sediments is unknown and is considered an important aspect to understanding the prospect scale framework for potential sediment hosted mineralisation.

3.2.4 Barite

Based on the abundance of barite ($BaSO_4$) in this area, which remains unexplained, it is appropriate to comment on its significance.

Barite usually occurs in two forms:

- Bedded barite – occurring peripheral to MVT lead-zinc deposits and VMS base metal deposits. Bedded barite therefore possesses the geochemical alteration and metal signatures of these deposits.
- Vein barite - occurring in discord fracture-fills, generally lacking other elements and with no immediate spatial relationship with bedded barite.

It is reasonable to postulate that vein barite has been remobilised from bedded barite during a later hydrothermal event.

However, there is little information on these barite veins. Abeysinghe and Featherstone (1997) provide the only summary. They note the veins are up to 1.5 m wide, align in northeast and southeast trending fault sets, and can occur in basement and Permian rocks, or in fault contacts between them. Reputedly the barite is accompanied by "minor amounts of galena and traces of sphalerite", and this observation has been confirmed by recent exploration work (pers. comm. Todd Axford (Cobre), 2020).

3.2.5 Historical Exploration

In 1974, Uranertz explored for unconformity-related uranium deposits in the lowermost Lyons Group unit – the Harris Sandstone. Only minor traces of carnotite were encountered, statutory report (A4559) noted barite workings in several shafts and trenches.

During 1981–1982, Amoco (A11013) undertook exploration specifically for stratiform lead-zinc, presumably on the basis of the barite occurrence. Amoco mapped in detail the fault system in old TR7863H and showed the barite veins were in fractures within the lowermost Permian sandstone (Harris Sandstone) and in faults between the sandstone and the basement fault blocks. Amoco did a prospect-scale orientation soil geochemistry survey and a small soil grid over known barite veins. This gave good barium and strontium soil anomalies, but barely perceptible lead kicks, and no zinc.

In 1990, Arimco (A32112) drilled three RC holes through the lower Permian sandstone into basement in a search for stratiform lead-zinc. The collar coordinates of these five holes have been located as best as possible

from the non-digital plans. They all appear to be collared in the Lyons diamictite, and passed into the Harris Sandstone. Three holes intersected the granitic basement at depths varying from 42 m to 123 m. The Arimco logs are not fully diagnostic in terms of stratigraphic identity, and the two deeper holes that failed to reach the basement may have intersected the more indurated Devonian calcareous siltstone and limestone of the Gneudna Formation. In this respect the presence of "black oily scum" in one of the deeper holes that failed to reach basement, may be significant. None of the holes showed anomalous base metals, but it is of interest that all the holes had anomalously high barium in the range of 400 ppm to 1,450 ppm. This suggests the possibility of barite cement in the sandstones. No further base metal exploration has since taken place.

In 2016, private company Western Barite Pty Ltd took up E09/2069. The statutory report (A109155) gives no details of any operations but notes 20 separate locations in the general area south of Mount Sandiman and Homestead; these are considered to be the 20 occurrences shown as barite in the Geological Survey of Western Australia (GSWA) Mindex database.

Independence Group NL (ASX:IGO) holds a large block of exploration licences totalling 4,370 km^2, surrounding EL09/2316. IGO's Lyons River project covers the Permian sequence of the Merlinleigh sub-basin where it overlies the rifted margin of the cratonic Gascoyne Province. The IGO website notes *"hydrogeochemical sampling identified coincident 150 km x 30 km boron-fluorine anomaly associated with shallow marine-lacustrine carbonate-evaporite sequences"*.

3.2.6 Current Exploration

Analysis of multi-spectral satellite imagery over the Sandiman Project and surrounds was conducted by Geoimage Pty Ltd. The work included orthorectification and spectral processing of the ASTER imagery. A series of processed outputs were provided primarily aimed at assisting in deriving lithological discrimination and to identify potential areas of alteration.

The outputs were assessed as part of the initial field visit, primarily focused on the northern half of the project where historic occurrences of barite veining were recorded.

A series of rock-chip samples were collected, visually described, and sent for assay. Visual observations and assays confirm the presence of lead and zinc sulphides along with silver. Along with sulphides incorporated in barite veining, the assays also show signs of mineralisation associated with a red/green mudstone/dolomite contact (likely the Devonian Gneudna Limestone) exposed in a borrow pit to the north of the barite occurrences.

These observations support the conceptual target based on mineralised hydrothermal fluids moving through fault pathways associated with extension on the margins of the East Carnarvon Basin. The area looks prospective for MVT base metals when considered in conjunction to a classic genetic model.

Recent work includes an aeromagnetic/radiometric survey as well as a ground gravity survey, both of which covered the entire project area. This was followed by a geophysical interpretation and target generation exercise, which is yet to be publicly reported.

3.2.7 Prospectivity

It is CSA Global's opinion that the Sandiman Project is conceptually prospective for MVT base metal mineralisation based on the cluster of barite veins in sedimentary basin rocks in a craton-margin geological setting in conjunction with recent exploration results reporting traces of lead-zinc-silver mineralisation. Early-stage exploration results also suggest the possibility for the formation of VMS base metal deposits.

The veins themselves do not present exploration targets although barite is considered a commercial industrial mineral. Rather, the exploration approach will be to better understand the geological setting, and the hydrothermal fluid systems that operated during barite vein deposition (Geomin, 2019).

4 Nyanga Project

Cobre has an 18.5% in Armada Exploration Limited ("Armada"), which holds a 100% interest in the Nyanga Project in Gabon.

4.1 Location and Access

The Nyanga Project is in southern Gabon (Figure 34) on the border with the Democratic Republic of the Congo (DRC) and on the Atlantic Coast. The Armada exploration base is in Tchibanga town, the closest urban centre to the Nyanga Project (Figure 35). There is an international airport at Libreville and a regional airport at Tchibanga. Tchibanga can be reached by air from Libreville with chartered flights.

The principal road link to the Nyanga Project is through Tchibanga along the RN6 highway from the town of Ndende. Ndende can be reached from Libreville, via Lambaréné, by the RN1 highway, on tarmac roads suitable for heavy goods vehicles throughout the year. Road travel from Libreville to Tchibanga takes approximately nine hours. From Tchibanga there is a highway link to the coastal town of Mayumba. A future deep-water port is proposed for Mayumba.

Principal roads within the Nyanga Project are gravel or laterite covered forest tracks. These roads are sparse and serviceable in the dry season which is typically May to December.

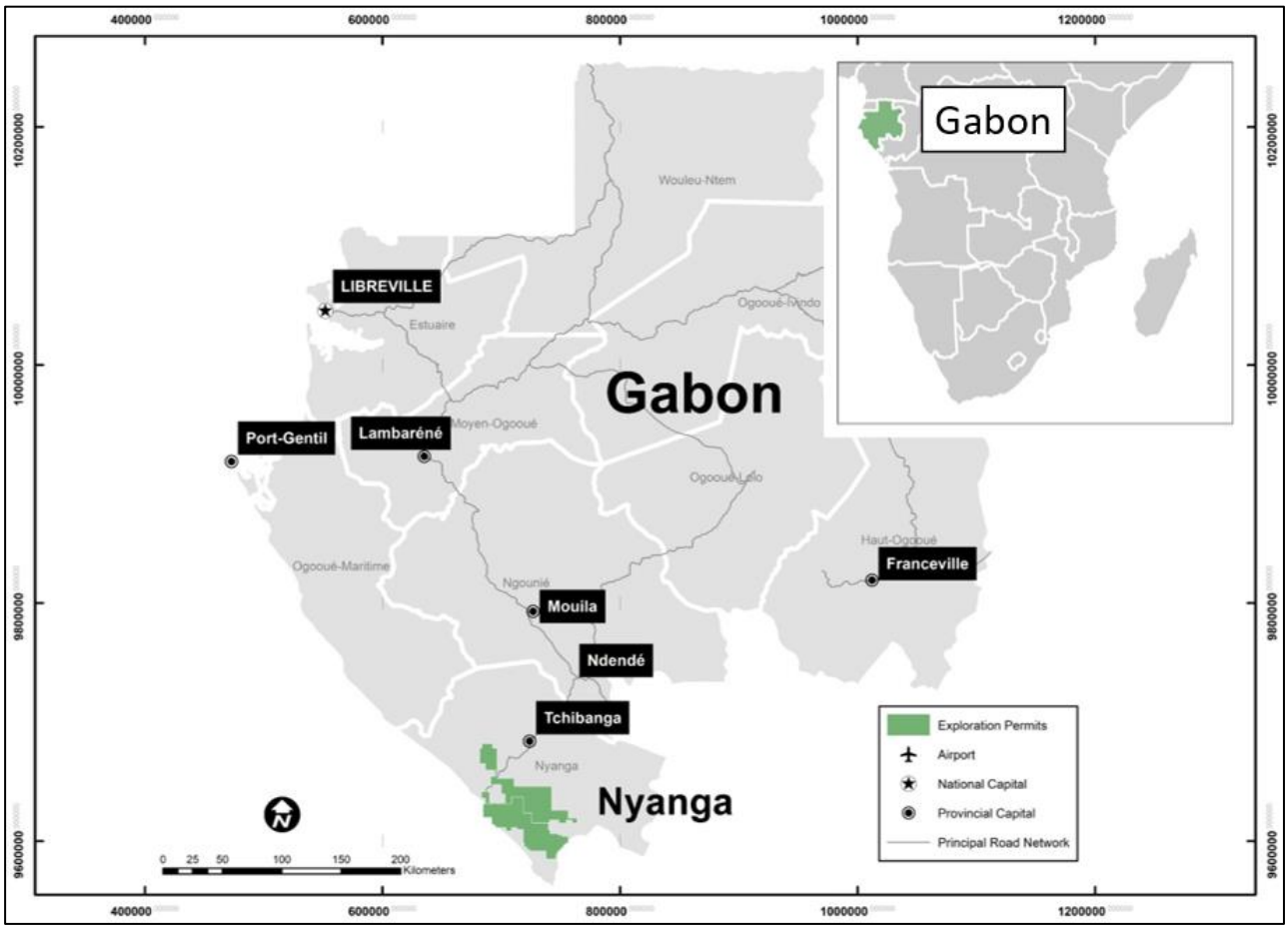

Figure 34: Nyanga project location map, Gabon
Datum WGS84 32S. Source: Armada

4.2 Tenure

Armada has a 100% interest in the Nyanga Project situated in the Nyanga Province of Gabon. The Project is located approximately 255 km south of the capital city, Libreville (Figure 34). Tenement details are listed in Table 14.

Table 14: Tenement information for Amarda's Nyanga Project

Tenement	Status	Holder	Grant date	End date	Area* (km²)
G5-150	Granted	Armada Exploration Gabon SARL	2 Jul 2015	9 Jul 2022	1,496
G5-555	Application for renewal*	Armada Exploration Gabon SARL	25 Apr 2018	25 Apr 2021	1,495
Total					**2,991**

**Application for renewal of G5-555 was lodged with the Gabon Ministry of Mines prior to the listed date of permit expiry.*
Source: Simmons & Simmons LLP 2021

CSA Global relies on the legal opinion of legal firms Simmons & Simmons LLP of Paris and Nyanga Project Lawyers of Libreville, as stated in their report titled *Legal report on Armada Exploration Gabon SARL's Mining Tenements*, dated 6 September 2021. CSA Global makes no other assessment or assertion as to the legal title of tenements, permits, approvals, etc. and is not qualified to do so.

Simmons & Simmons (2021) conclude that "*the Tenements are valid and in force*", subject to expenditure commitments being met prior to renewal. They note that renewal of permit G5-555 is pending, and expenditure to date on the licence (USD560,000) is less than the work commitment of USD965,000. This "*may be a cause for penalties, suspension, withdrawal or non-renewal of a permit*".

The Nyanga Project (Figure 35) is comprised of two exploration permits (G5-150 and G5-555). The two tenements combined cover a total area of 2,991 km².

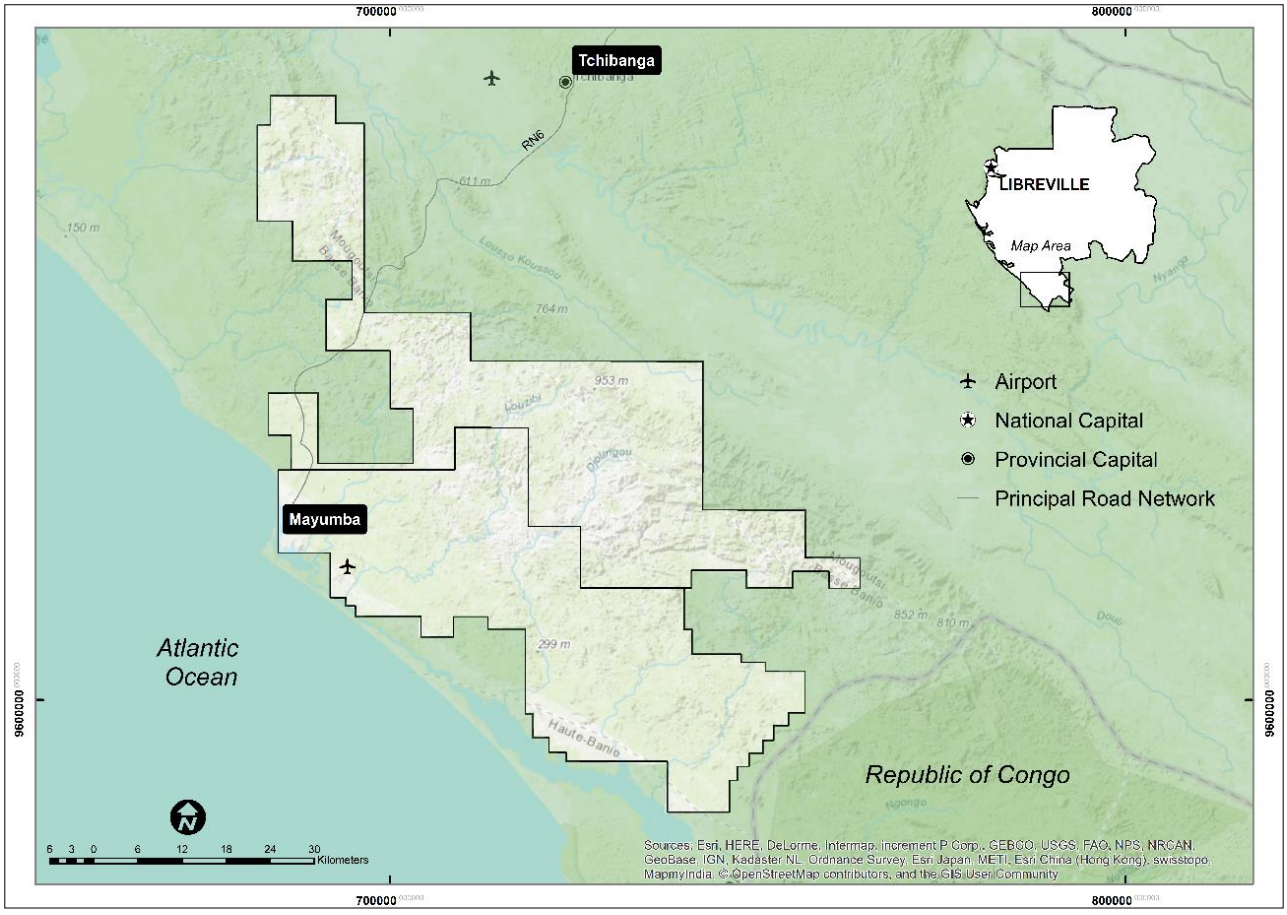

Figure 35: Tenement map for the Nyanga Project
Datum UTM WGS84 32S. Source: Armada.

G5-150 was renewed for a further three years of exploration on 9 July 2019. An application for a renewal for another three-year period may be lodged prior to expiry of the current permit on 9 July 2022.

G5-555 is currently under application to extend the exploration permit for a further three years. CSA Global is unaware of any factors that could preclude renewal of the exploration permit G5-555, except for expenditure to date being below the work commitment. Upon successful renewal, the permit is granted for three years from the date of the grant of renewal, with the opportunity to apply for an extension of another three years beyond that.

The exploration licences comprising the Nyanga Project are wholly held by Armada Exploration Gabon SARL, a wholly owned subsidiary of Armada Exploration Limited, in turn a wholly owned subsidiary of the Armada.

4.3 Geology

4.3.1 Regional Geology

The geology of Gabon and its constituent lithologies has been studied in detail by Tack et al. (2001), Schluter (2006), Thiéblemont et al. (2009a), Tourlière et al. (2009), Van Hinsbergen et al. (2011), and Weber at al. (2016).

Gabon is situated at the north-western margin of the Congo Craton, a stable block of Archean crust formed ca. 3.6 Ga (Figure 36). The Congo Craton boundary is demarcated by the Ikoy-Ikobe Suture Zone. The Archean Congo Craton block comprises the bedrock to more than half of Gabon. The craton is mainly composed of granitoids (diorite, tonalite, granodiorite, granite, syenite and charnockitic suites) and medium- to high-grade metamorphic gneisses.

Amarda's Nyanga Project straddles the contact between two distinct geological terranes in southwest Gabon outboard of the western margin of the Congo Craton:

- The Lambaréné Horst Block (LHB), a tectonically reworked Archaean to Paleoproterozoic basement block
- The Nyanga Basin, which contains the north-western-most segment of the Neoproterozoic West Congolian Supergroup (WCS).

The LHB comprises a series of Mesoarchean to Palaeoproterozoic high-metamorphic grade lithologies from migmatitic and granitoid gneises which are dated ca. 2.45 Ga, to a series of calc-alkaline to tonalitic-trondhjémitic felsic intrusives, gabbros, dolerites and meta-dolerites which are dated 2.08–2.00 Ga. The latter is thought to provide evidence for rifting of the older LHB sequence during the Paleoproterozoic Eburnean Event ca. 2.1–2.0 Ga. The same Eburnian rift events affected the Congo Craton to the east, with the initiation of Eburnian aged rift basins of the Franceville Supergroup unconformably overlying the older cratonic basement rocks.

The Araçuai-West Congo Orogen (AWCO) is now preserved adjacent to the São Francisco Craton in Brazil, and the West Congo Belt (WCMB) in central Africa. The African part of the Neoproterozoic AWCO, the WCMB, forms a more than 1,400 km-long belt, running from Gabon in the north to Angola in the south, parallel to the South Atlantic. In Gabon, the belt comprises rocks of the Nyanga Basin of the WCS and partially reworked portions of the Archaean-Paleoproterozoic basement. The WCS forms part of the Pan African series of rift basins developed across Africa during the break-up of Rodinia in the Neoproterozoic. The WCS includes a sequence of highly deformed and metamorphosed magmatic/volcanic and sedimentary terranes.

The interpreted WCS stratigraphic succession commences at the base with the metaigneous/metavolcanic Mayumba Complex which lies unconformably on the Paleoproterozoic rocks of the LHB. The mafic units of this complex are dated ca. 902 ± 5 Ma, with felsic units dated ca. 867 ± 4 Ma. The Mayumba Complex is interpreted as the onset of active rifting and the formation of the initial basin. The series continues stratigraphically upwards with a sequence of detrital units (conglomerates, arkoses, quartzites, pelites) and more juvenile units (pelitic schists, chloritic schists) deposited between ca. 900 Ma and 710 Ma. The series ends with the deposition of diamictites (the Niari Group) correlated with the conglomerates at the end of the Cryogenian glaciation, at ca. 635 Ma.

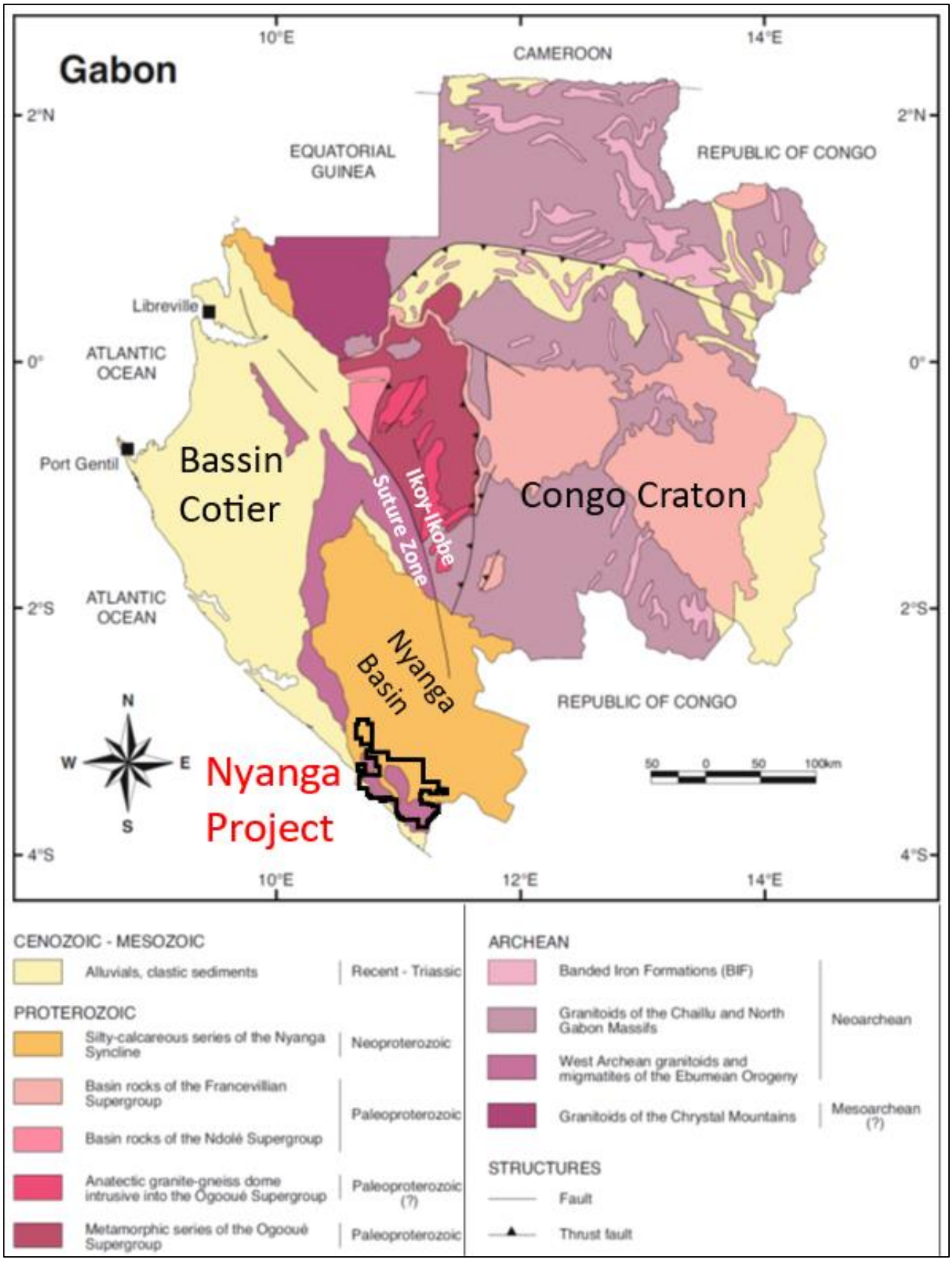

Figure 36: Simplified tectonic element geology of Gabon

Source: After Schluter (2006)

A new, local phase of rifting in the northernmost end of the Nyanga Basin led in a widening of the sedimentary domain towards the east and deposition of the carbonate bearing sequence of the Schisto-calcaire Group

overlying the Niari Group. Sedimentation in this local portion of the Nyanga Basin ended with the formation of the detrital arkosic sequence of the Schisto-grésseux Group, possibly relating to the onset of tectonic uplift, basin inversion and deformation of the sequence by the Pan African Orogeny.

The WCMB acquired its structure during the Neoproterozoic to Cambrian Pan-African orogeny when the western margin of the Congo Craton collided with the active São Francisco Craton eastern margin, thus forming the AWCO. Locally, the final stages of the orogeny are dated at ca. 566 Ma. In the northeast of the WCMB, the strata are practically undeformed, whereas to the southwest folding and metamorphism increase progressively, reaching a maximum in the Nyanga Project area where the Lambaréné Block is interpreted to overthrust the Loukoula Group at the base of the Neoproterozoic Mayumba Complex sequence. The regional metamorphism is relatively low-grade greenschist facies.

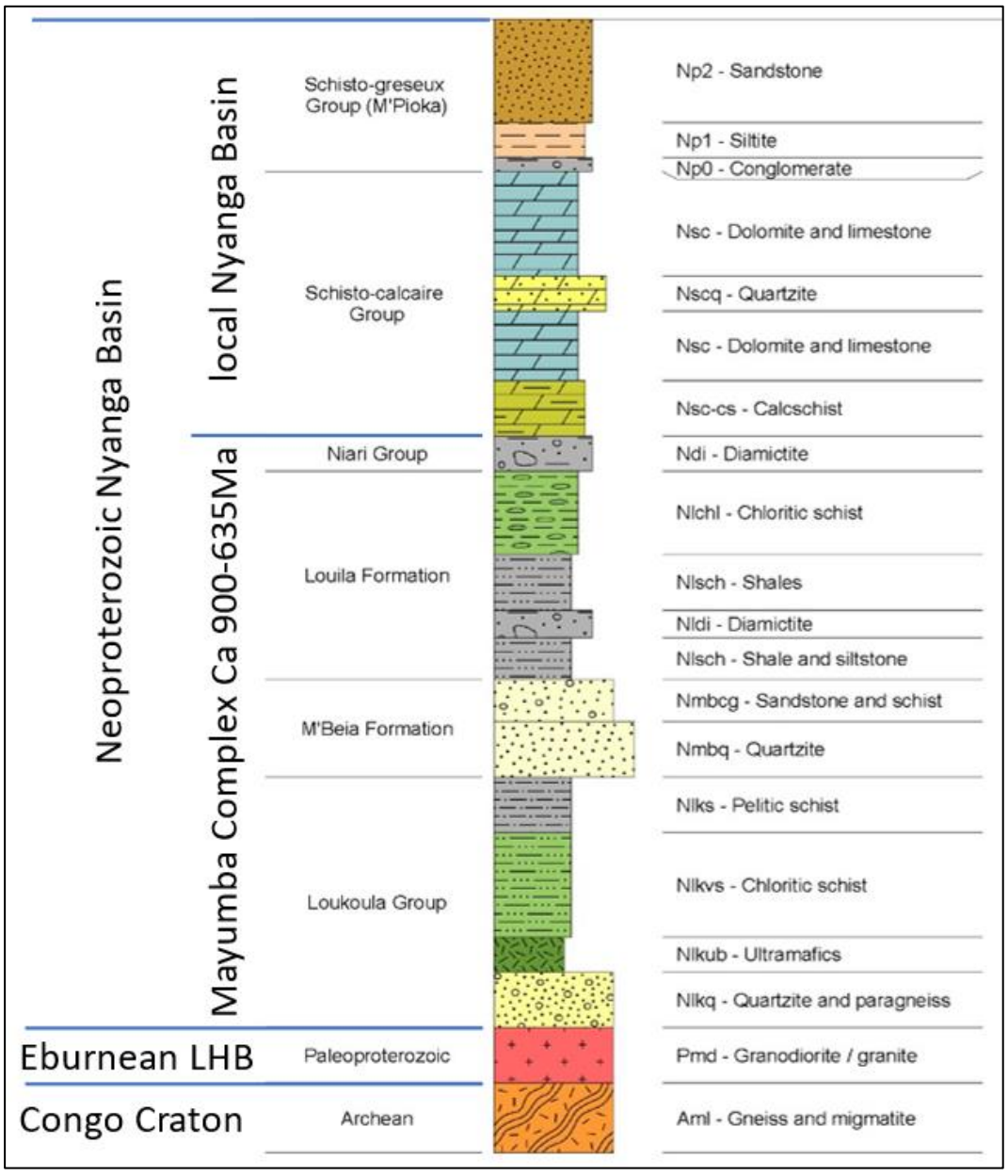

Figure 37: Stratigraphic column for southwest Gabon regional geology in the vicinity of the Nyanga Project
LHB - Lambaréné Horst Block. Other codes correspond to Gabon 1:200,000 geological map legends. Cf. Figure 38.
Source: Amarda.

Overlying and outboard to the west of the Neoproterozoic terranes, the Bassin Côtier was formed during the opening of the Atlantic Ocean that rifted apart the AWCO between Africa and Brazil. The basal units are Permian and Jurassic in age with most sediments deposited from middle Cretaceous to Quaternary. The

sediments deposited in the eastern sub basins are dominantly continental and lacustrine, whereas the outer basins to the west consist mainly of marine deposits.

4.3.2 Local Geology

The local geology around the Nyanga Project area is developed and discussed by Thiéblemont et al. (2009b, 2009c), Tourlière et al. (2009), Weber at al. (2016), Haynes, (2015, 2016a, 2016b, 2017), Hornsey (2018), and AMC (2018). The following is a synopsis of their reports. In the following, "Ma" refers to million years before the present day and "Ga" refers to billion years before the present day.

The Nyanga Project sits on the western margin of the Nyanga Basin where the basin onlaps and is also structurally juxtaposed against the Archean to Eburnian basement rocks of the LHB (Figure 38). Due to the nature of vegetative cover and the deep weathering laterization profile, interpretation of the pre-Neoproterozoic bedrock geology is often conjectural with a variety of interpretations proposed by different workers in the area. Much of the geological interpretation is based on interpretation of geophysical airborne magnetic and radiometric data.

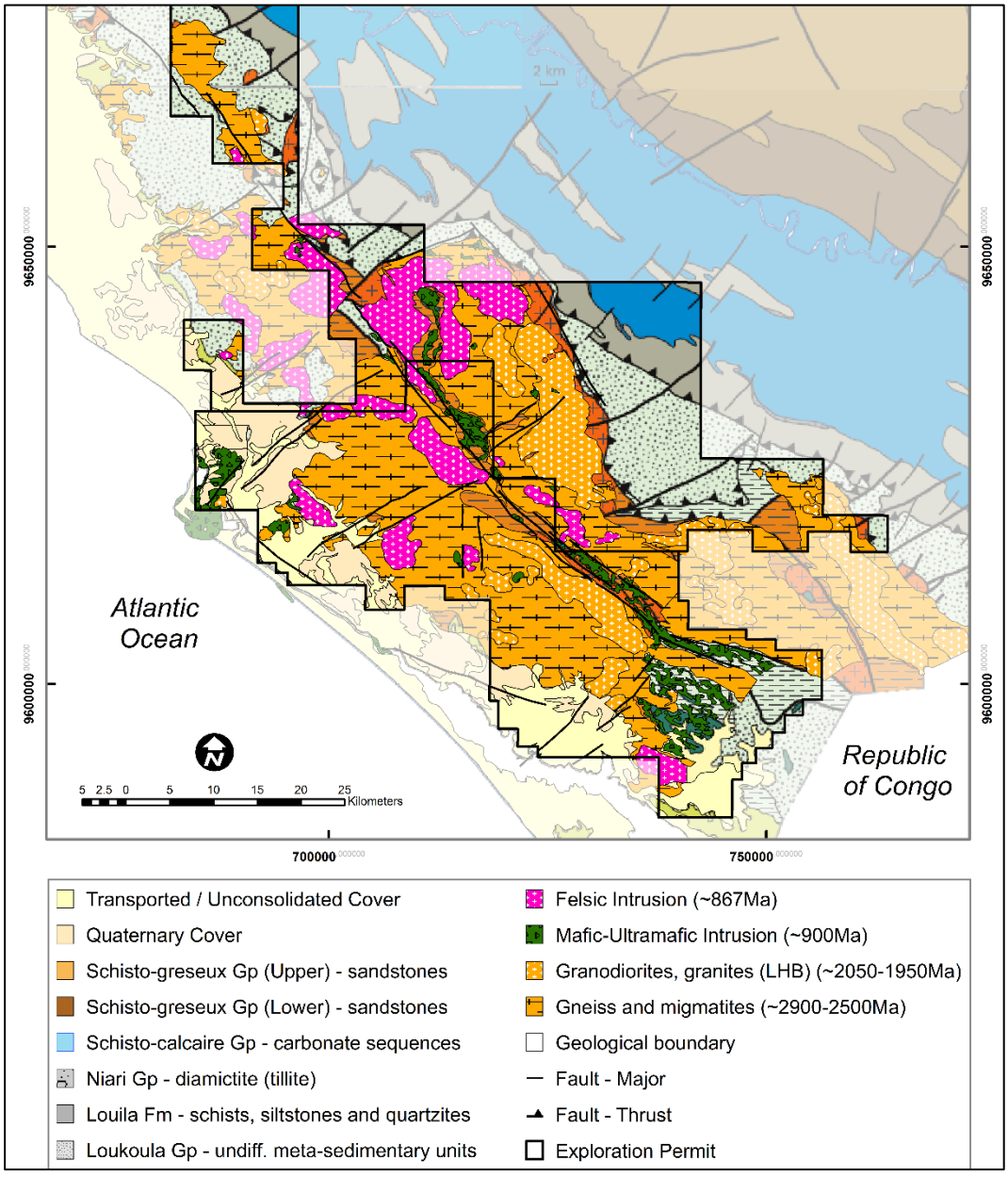

Figure 38: Local geology of the Nyanga Project
Datum WGS84 32S. Source: Amarda

There have been two types of Mesoarchean to Eburnean LHB basement rocks proposed within the Nyanaga Project area, although the distinction between the two has been debated by other workers and is conjectural. The first comprises a "heterogeneous" sequence of (Mesoarchean?) migmatitic gneisses intruded by the younger Eburnean (2.1–2.0 Ga) granitoids. The second association comprises a "homogeneous" sequence of (Mesoarchean?) migmatites with amphibolite (metabasic) orthogneiss, paragneiss, quartzite and iron-formation.

A prominent northwest-trending structure is observed within the basement gneissic complex running through the middle of the project area, along the boundary between the two exploration permits. This has been interpreted as a potential fundamental tectonic break separating possible Mesoarchean micro-continental fragments. It has been proposed that these micro-continental fragments amalgamated during the Eburnean Orogeny; however, this tectonic interpretation is again conjectural.

This prominent structure has apparently controlled emplacement of a series of mafic- to ultramafic tholeiite intrusive complexes along the northeast trend. Other buried mafic-ultramafic intrusive complexes are inferred from interpretation of geophysical data (Figure 39), intruded within the LHB basement complex. A gabbroic body near the township of Mayumba yielded some zircons that were U-Pb age dated at 904 ± 6 Ma, interpreted to be the intrusive age of the rocks. Textures within these mafic-ultramafic bodies are essentially undeformed and unaltered with minor recrystallisation. Well preserved igneous cumulous textures are observed in microscope petrography of fresh samples with mineral compositions comprising varying amounts of olivine, pyroxene, and plagioclase.

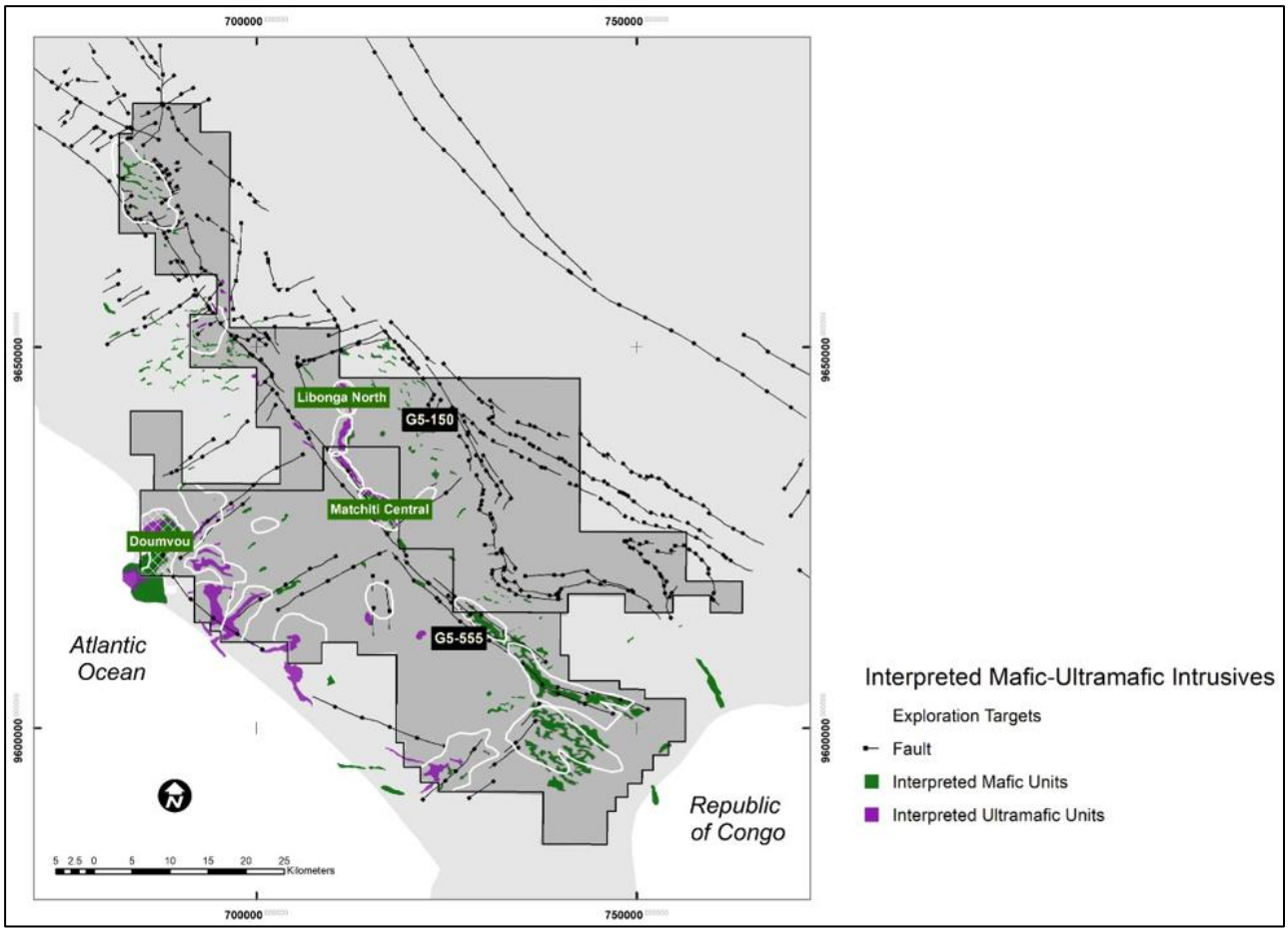

Figure 39: Interpreted mafic-ultramafic intrusive complexes, Nyanga Project
Datum WGS84 32S. Source: Amarda.

The unaltered igneous textures and mineralogy led many workers to ascribe these intrusive rocks to a much younger age, potentially Cambrian late Pan-African orogeny or even Cretaceous aged contemporaneous with the opening of the Atlantic Ocean. However, they are clearly overlain in several locations by sedimentary

units of the Nyanga Basin, and the one age date determined above points to a Neoproterozoic age. They are thought to be synchronous, if not direct correlatives, with calc-alkaline mafic-ultramafic sequences in the basal portion of the Mayumba Complex in Gabon, and 1,600–2,400 m thick tholeiitic basaltic sequences observed in the basal Mayumba Complex in the Bas Congo stratigraphy of the DRC. These tholeiitic intrusive complexes are thus thought to be emplaced synchronous with Neoproterozoic initiation of the Pan African Rift event and first opening of the overlying Nyanga Basin. The apparent lack of Neoproterozoic to Cambrian Pan African deformation textures within, or structural disruption of, the mafic-ultramafic sequence may be the result of the rocks forming competent rheological masses that resisted the deformation affecting the surrounding sequences, preserving internal primary igneous textures.

It is these Neoproterozoic tholeiitic mafic-ultramafic intrusive complexes that are the target of Amarda's exploration activities for magmatic nickel sulphide deposits.

4.4 Historical Exploration

Previous exploration activity is covered extensively by Cole et al. (2009), Tourliere et al. (2009), Brummer and Nigel (2009), Geotech Airborne (2015), Haynes (2015, 2016a, 2016b, 2017), Remote Exploration Services (2017), Hornsey (2018), AMC (2018), AMC (2020), and Xpotential (2021). The following is a synopsis of their reports. Previous exploration is summarised in Table 15 where past exploration activities by other explorers overlap the current Amarda exploration permits, and in Table 16 for Amarda exploration activities to date on the Nyanga Project.

Table 15: Summary of previous exploration over the Nyanga Project

Year/s	Company	Activity	G5-150	G5-555	Total
1980	BRGM	Stream sediment sampling	346 samples	-	346 samples
2005 to 2009	SYSMIN	Stream sediment sampling	17 samples	145 samples	162 samples
		Soil sampling	621 samples	1,940 samples	2,561 samples
		Airborne magnetics and radiometrics	Yes	Yes	-
		Geological mapping leading to the publication of revised countrywide 1:1,000,000 and 1:200,000 scale geological maps	Yes	Yes	-
2006 to 2008	Phelps Dodge Gabon SARL	Stream sediment sampling	140 samples	-	140 samples
		Soil sampling	989 samples	-	140 samples
		Whole-rock geochemistry	9 samples	-	9 samples
2009	BHP Billiton	Airborne FALCON® gravity gradiometry, magnetics and radiometrics	Part of 6,316 line-km	No	Part of 6,316 line-km

Table 16: Summary of Amarda exploration activity over the Nyanga Project

Years	Company	Activity	G5-150	G5-555	Total
2013 to 2021	Armada Exploration	Stream sediment sampling	1,523 samples	-	1,523 samples
		Soil sampling (pXRF)	14,480 samples	3,352 samples	17,832 samples
		Soil sampling (ICP check)	724 samples	-	724 samples
		Rock sampling	342 samples	424 samples	766 samples
		VTEM^{Plus} airborne EM (Sed Cu)	4,264 line-km	-	4,264 line-km
		Ground gravity	Matchiti, Libonga	Doumvou	1,377 stations
		Drilling (Sed Cu)	9 holes, 3,144 m	-	9 holes, 3,144 m
		Geological mapping	Matchiti, Libonga	Doumvou	-
		Whole-rock geochemistry	Matchiti, Libonga	Doumvou	341 samples
		Test pits	10 on Libonga North	-	10 on Libonga North
		Xcite™ airborne HTDEM	Libonga-Matchiti Trend (LMT) 551 line-km	Doumvou 156 line-km	708 line-km

Prior to 2016, exploration activity in the vicinity of the Nyanga Project focussed primarily on regional data acquisition and exploration for base metal (copper) deposits in the Nyanga Basin sequence, drawing analogies with the Bas Congo and Katanga Basin sequences in the DRC. From 2016 onwards, Armada Exploration shifted exploration focus to the potential for magmatic nickel sulphides within the ca. 900 Ma mafic-ultramafic intrusive complexes. This represented the first exploration work focussed on nickel conducted on the NyangaProject.

4.5 Recent Exploration

Amarda exploration activity is summarised in Table 16. Amarda's early exploration activity on the Nyanga Project focussed exclusively on base metal exploration within the Neoproterozoic Nyanga Basin sequence. Amarda flew a VTEM^{Plus} survey, conducted stream and soil sampling programs, and exploration culminated in 2014-2015 with drilling nine diamond drillholes for 3,144 m total drilling targeting potential for copper mineralisation in three locations. While minor anomalous copper and zinc values were encountered, no significant results were returned from the sediment-hosted copper exploration program. Sediment-hosted copper exploration was then discontinued.

In 2016, Amarda re-assessed the Nyanga Project and focussed exploration activities into searching for nickel-copper sulphide mineralisation associated with the ca. 900 Ma mafic-ultramafic intrusive complexes within the LHB basement terrane. It included a re-evaluation of both the regional SYSMIN airborne geophysical data and the additional high-resolution surveys flown with the VTEM^{Plus} program in 2015.

A lithostratigraphical and structural re-interpretation of the LHB basement and the western flank of the West Congolian Group sequences was completed to delineate potential mafic-ultramafic intrusive targets for further field exploration during the 2016–2017 field seasons.

The data re-assessment delineated 18 target areas potentially comprising mafic-ultramafic intrusive complexes with potential to host nickel-copper sulphide mineralisation (Figure 40). Three of these target areas (Libonga North, Matchiti Central and Doumvou) were prioritised for immediate follow-up geological mapping, geochemical sampling, ground gravity surveys across selected targets, and geophysical modelling of various datasets accumulated.

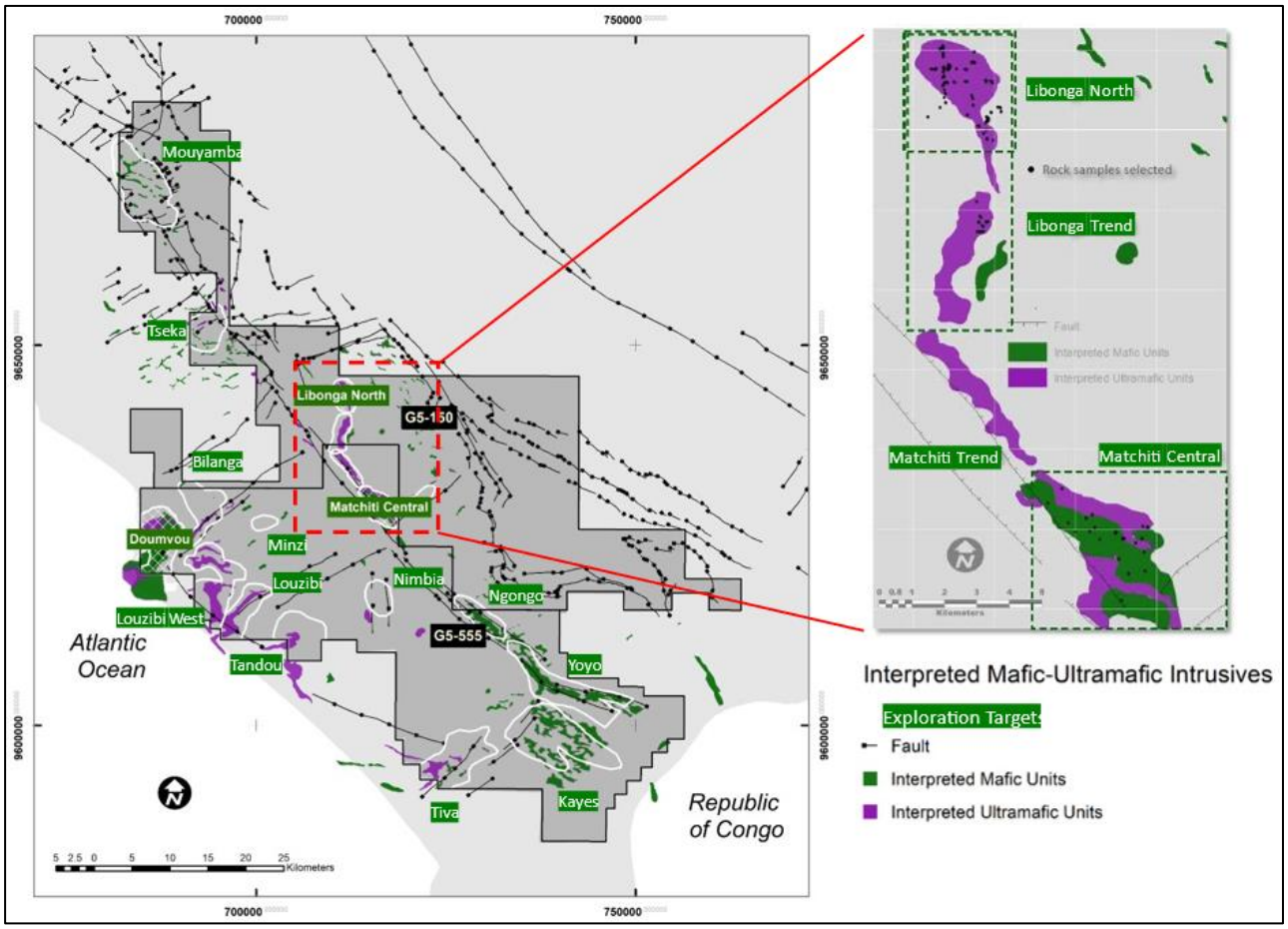

Figure 40: Amarda interpreted mafic-ultramafic intrusive hosted nickel-copper targets, Nyanga Project Datum WGS84 32S. Source: Amarda

The ground gravity surveys, follow-up surface mapping and soil geochemistry mapped buried mafic-ultramafic intrusive complexes at the three priority target areas of Libonga North, Matchiti Central, and Doumvou. The soil sampling data confirmed that in areas not covered by the Bassin Côtier the soils are residual and soil geochemistry mapped underlying geology of the intrusive sequences.

Analysis of the soil and whole-rock geochemical sampling of Doumvou, Libonga North and Matchiti Central indicates that Libonga North and Matchiti Central are the most anomalous prospects for chromium and nickel indicating a more ultramafic suite. Doumvou is the most anomalous intrusion for copper, indicating a more fractionated suite. Copper vs nickel plots indicate that all intrusions potentially host a minor sulphide component, but that each intrusion is slightly different. Whole rock geochemistry indicates the intrusives are derived from a shallow mantle source that may have some component of mantle fertile for producing chalcophile element enriched magma. Fractionation within and between the various prospects has occurred, with Doumvou reflecting the most evolved magma, and Libonga North the most primitive. Matchiti Central has both components. The chalcophile element data indicates that crustal contamination has occurred that may have led to sulphide immiscibility, and derivation of a chalcophile element enriched sulphide phase. Follow-up work at Doumvou, Matchiti Central and Libonga North has identified fresh disseminated sulphides in fresh rock at surface and within test pits, with pyrite, pyrrhotite and chalcopyrite observed in the mafic-ultramafic intrusive lithologies.

Other targets such as Mouyamba, Ngongo, Yoyo, and Kayes display anomalous trends in nickel, copper and cobalt. Sampling has not been conducted in target areas covered by Quaternary sand cover (the Bassin Côtier). The Louzibi, Louzibi West, Tandou and Tiva targets remain untested by conventional surface geochemical sampling.

Inversion of aeromagnetic geophysical data, particularly on the Libonga North and Matchiti Central targets, are indicative of chonolithic or conduit-style intrusive geometries for the mafic-ultramafic complexes. Such geometries are highly favourable for nickel-copper sulphide exploration.

Amarda has followed up the Doumvou and Libonga-Matchiti Trend with an airborne electromagnetic (EM) survey using the Xcite™ heliborne time-domain electromagnetic (HTDEM) system. the Libonga-Matchiti Trend (LMT) comprises the Libonga North, Libonga South, Matchiti North, Matchiti Central, Matchiti South and Matchiti East targets. Amarda contracted New Resolution Geophysics (NRG™) of South Africa in early 2021 to fly Doumvou, and the LMT.

Interpretation of the data has revealed a bedrock conductivity anomaly trend along the LMT aeromagnetic feature interpreted as mafic ultramafic intrusive complexes (Figure 41). Twenty-eight HDTEM conductivity plate models have been derived using Maxwell software (Figure 42) as well as layered earth three-dimensional (3D) inversions of the data. These targets are a high priority for ground follow-up as part of Amarda's planned exploration activities.

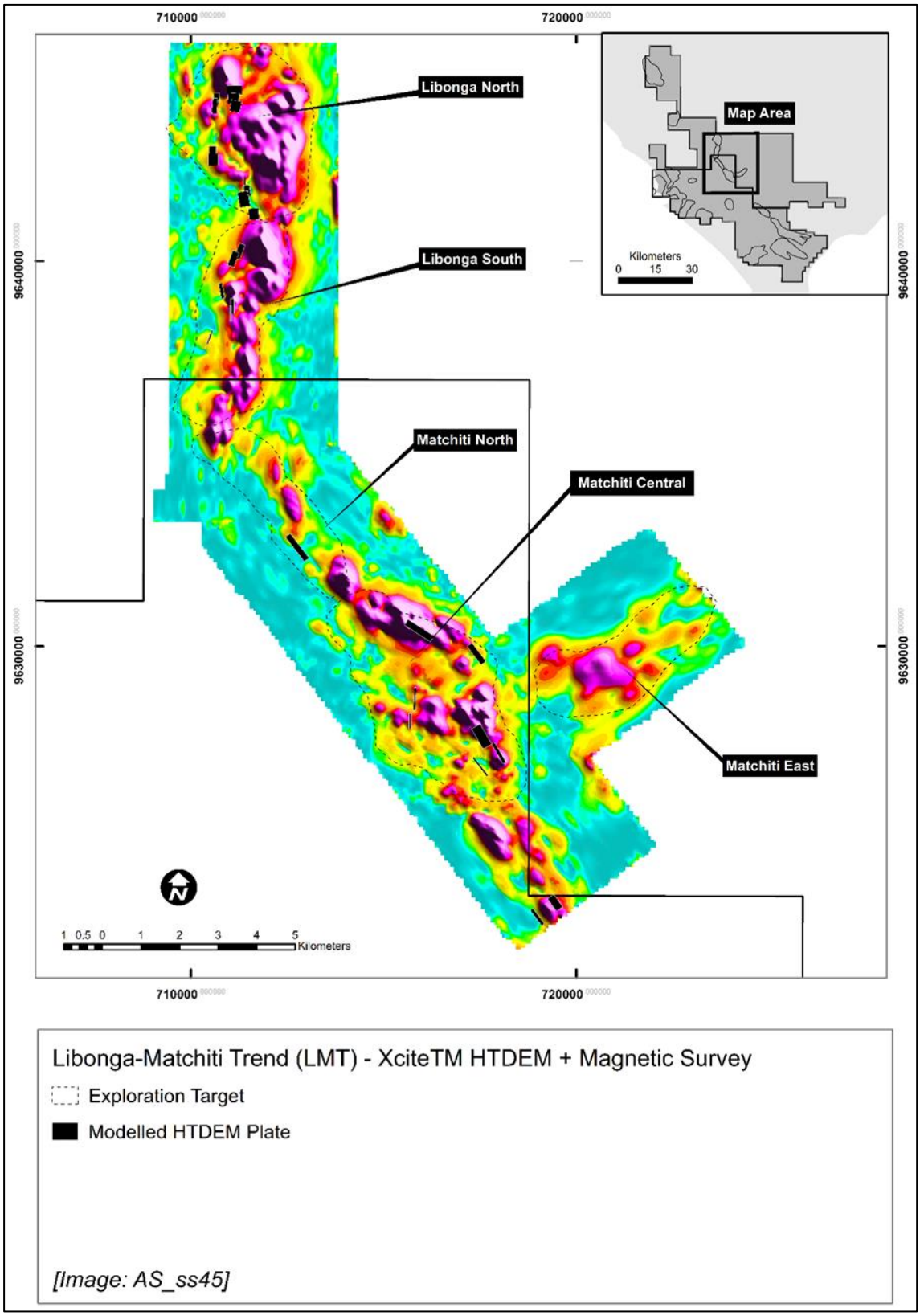

Figure 41: Xcite™ modelled HTDEM plates on analytical signal aeromagnetic data, Nyanga Project Datum WGS84 32S. Source: Amarda

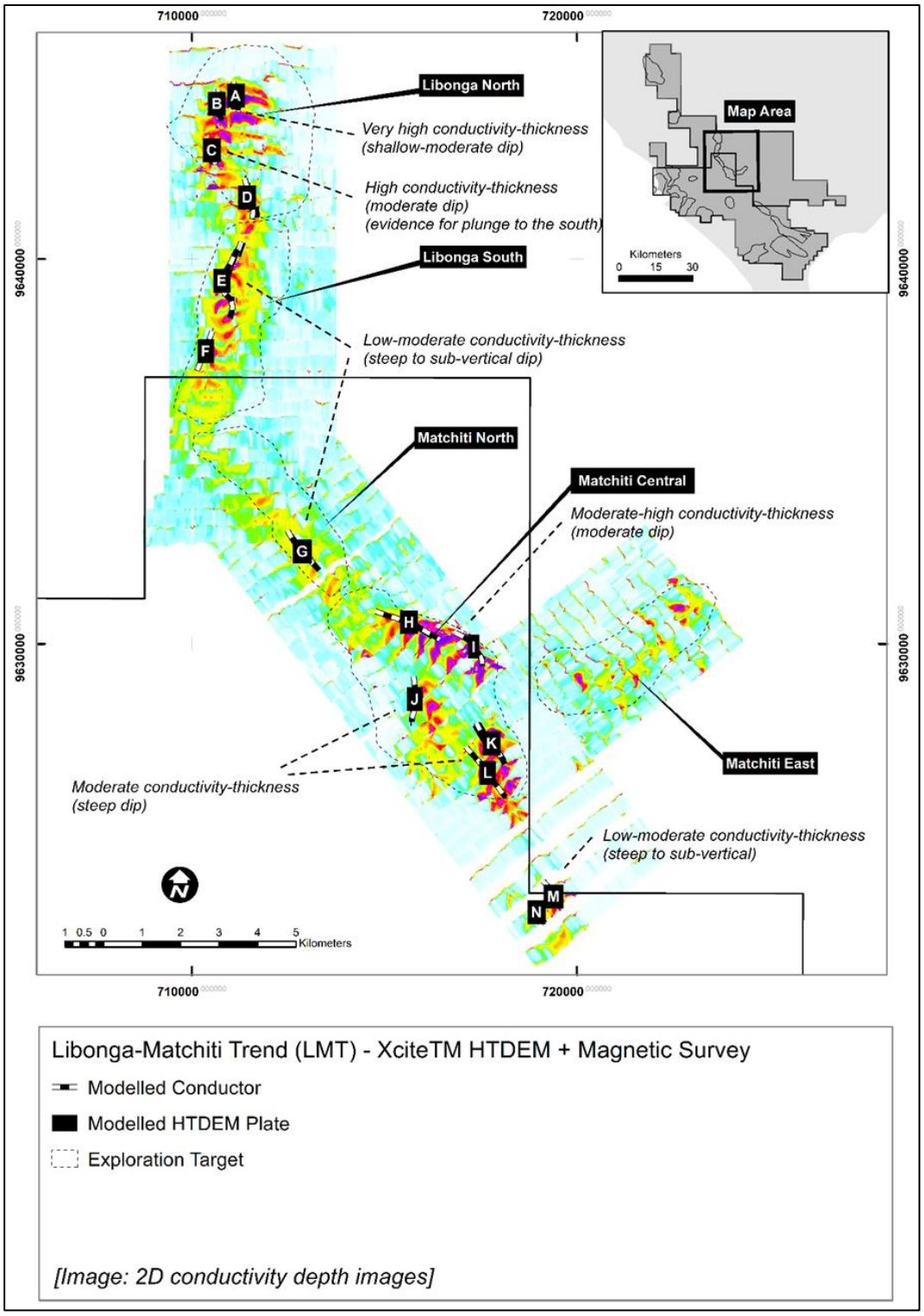

Figure 42: Xcite™ modelled HTDEM conductors on GALEI 2D conductivity depth images, Nyanga Project Datum WGS84 32S.Source: Amarda

4.6 Exploration Potential

The Nyanga Project is at an early greenfields stage of exploration. CSA Global is of the opinion that results to date offer strong encouragement for further exploration for magmatic nickel-copper-cobalt(-PGE) mineralisation.

Amarda has built a consistent and convincing exploration model based on key criteria for formation of magmatic nickel sulphide deposits. The mafic-ultramafic intrusions occupy a tectonic setting on the margin

of the Congo Craton with what appears to be a regionally voluminous suite of mafic-ultramafic magma(s) intruding at the time of rifting initiation of the West Congo Supersuite. This is directly analogous to the favourable tectonic environments hosting the great majority of significant nickel deposits globally. The intrusive geometries observed are closely aligned and spatially associated with known regional crustal penetrative structures, with local intrusive body morphologies indicative of potential magma conduits.

The tholeiite geochemistry of the intrusive suites has the right characteristics that are permissive for formation of magmatic nickel-copper sulphide deposits. The presence of disseminated sulphides observed within the mafic-ultramafic intrusives at Doumvou, Libonga North and Matchiti Central offer good empirical evidence that the magmatic systems can form sulphide mineralisation.

The conductivity results of the geophysical programs from VTEM^{Plus} at Libonga North and Xcite™ along the LMT, offer compelling targets for further detailed exploration.

Results to date represent grassroots exploration that have built a valid model for mineralisation to be tested, but still require further work to demonstrate proof of concept and validate the exploration model. CSA Global is of the opinion that the results to date are permissive and that the exploration completed to date is following the right trajectory to maximise potential for discovery of magmatic nickel-copper sulphide mineralisation.

5 Valuation

5.1 Previous Valuations and Transactions

5.1.1 Kalahari Copper Project

CSA Global (CSA Global, 2017) has previously completed a CPR on the KCP, as then defined for AIM-listed Draganfly, to inform a potential investment decision. The licence holding at that time was broadly similar to the current footprint of the OCP and NCP (i.e. licences held by KML and Triprop), although several of these licences have been subsequently reduced in area by mandatory relinquishment. The CPR predated the acquisition of the Kitlanya licences, and it included a valuation of the aforementioned projects.

The total landholding covered in the CPR was 3,940 km^2 and CSA Global provided a preferred valuation of US$1.73 million, based on analyses of comparative transactions relevant at that time and the use of the Geoscience or Kilburn method. CSA Global completed that work independently of both Draganfly and KML and were remunerated through the payment of a consulting fee.

The Kitlanya East and Kitlanya West projects were acquired by KML on 10 April 2019, whereby KML acquired 100% of Kitlanya Limited for US$700,000, placing an effective value on KML, post the Kitlanya acquisition, of US$5,200,000 at that time (https://www.metaltigerplc.com/index.php/news/1307-kalahari-metals-limited-acquisition-of-kitlanya-ltd-2019-04-10-070800).

5.1.2 Perrinvale

On 28 April 2020, Cobre acquired a 20% a minority stake in Toucan (the holder of the Perrinvale Tenements) for a cash payment of A$527,900 plus 6.16 million Cobre shares.

On 29 October 2018, Cobre purchased 80% of Toucan by paying 20% of the issued share capital in Cobre at the time of completion (18 June 2019). In addition, Cobre provided a non-recourse loan of A$400,000 to Toucan for the purposes of Toucan undertaking exploration on the Perrinvale tenements.

On 6 December 2016, Toucan purchased tenements E29/929, E29/938, E29/946 and P29/2359 from FMG Resources Pty Ltd for a cash payment of A$10,000; a further cash payment of A$6,863.50 as reimbursement for annual rent paid in respect of E29/938 and E29/929; and an ongoing royalty payment equal to 2% net smelter return from the date on which production of minerals from one or more of the tenements commences and continuing until all tenements have wholly expired, lapsed or surrendered.

SRK completed a valuation of the Perrinvale assets in June 2020 (SRK, 2020).

5.1.3 Sandiman

On 13 November 2019, Cobre entered into a farm-in agreement with GTTS Generations Pty Ltd (the holder of the Sandiman tenement), pursuant to which Cobre is entitled to earn-in and acquire up to an 80% interest in the Sandiman tenement.

Cobre was required to pay the following after the occurrence of specific milestones:

- A$25,000 and 166,667 shares within five business days of executing the agreement
- A$25,000 within five business days of Official Quotation of the Shares
- Issue shares to GTTS Generations Pty Ltd with a market value of A$35,000 within five business days of Cobre completing its second earn-in requirement.

Cobre is entitled to earn up to an 80% interest in the Sandiman tenement from GTTS Generations Pty Ltd by:

- Within 12 months from the satisfaction of conditions precedent, incurring expenditure of not less than A$265,000 (with a maximum of 20% of expenditure being applied to internal administration) in order to earn a 51% interest in the Sandiman tenement ("First Earn-In")

- Within 12 months of completion of the First Earn-In, incurring expenditure of not less than A$300,000 (with a maximum of 20% of expenditure being applied to internal administration) in order to earn an additional 29% interest in the Sandiman tenement ("Second Earn-In").

5.1.4 Nyanga Project

On the 22 March 2021 Cobre announced an investment agreement with Amarda. Cobre subscribed for 5,000,000 new ordinary shares at a price of US$0.15 in Armada for a total consideration of US$750,000, via a promissory note, with US$350,000 to be invested up-front and the balance of US$400,000 to be paid in monthly instalments of US$80,000 over the next five months. Cobre will also receive 3,333,333 options exercisable at US$0.225 with a 3 year expiry term to be issued within 5 days from the date of completion of the Agreement. In the event of a public listing, Cobre must settle any outstanding amounts under the promissory note in full at the time of the public listing. Following completion, Cobre will own 18.5% of the issued ordinary share capital of Armada.

CSA Global is not aware or has been made aware of any previous valuations of the Nyanga Project.

5.2 Valuation Approach

Valuation of Mineral Assets is not an exact science and a number of approaches are possible, each with varying positives and negatives. While valuation is a subjective exercise, there are a number of generally accepted procedures for establishing the value of Mineral Assets. CSA Global considers that, wherever possible, inputs from a range of methods should be assessed as a matter of best practice to inform the conclusions about the Market Value of Mineral Assets.

The valuation is always presented as a range, with the preferred value identified. The preferred value need not be the median value and is determined by the practitioner based on their experience.

Refer to Appendix A for a discussion of Valuation Approaches and Valuation Methodologies, including a description of the VALMIN classification of Mineral Assets.

In forming an opinion as to the Market Value of the Mineral Assets, the approach adopted by CSA Global has been to rely primarily on market-based methods (primarily the comparative transaction method) based on the tenement area (Table 17).

Table 17: Valuation basis and methods employed

Mineral Asset	Classification	Area (km²)	Valuation methods
KML licences	Advanced Exploration	1,999	Comparative Transactions, Geoscience Rating
Triprop licences		1,449	
Kitlanya licences		4,652	
Perrinvale Project	Advanced Exploration	345	
Sandiman Project	Early Exploration	202	

The choice of valuation methods employed was dictated by the exploration stage of the assets and the availability of information.

The Valuation Basis employed by CSA Global is Market Value, as defined by the VALMIN Code (2015) and explained in Appendix A. The Valuation Date is 24 September 2021. The currency is Australian dollars (A$ or $) unless otherwise stated. Note that the analysis and valuation of the Botswanan tenements is in US$ and the analysis and valuation of the West Australian tenements is in A$.

Project values are expressed on a 100% basis, unless otherwise stated.

In CSA Global's opinion, nothing material has occurred up to the date of this Report, since the Valuation Date to affect CSA Global's technical review and valuation opinion.

5.3 Commodity Market and Pricing

The copper price history in US$/t for the five-year period prior to 24 September 2021 is illustrated in Figure 43. The gold (US$/oz and A$/oz) and nickel prices (US$ and A$/tonne) history for the five-year period prior to 24 September 2021 are shown in Figure 44 and Figure 45 respectively. The variation in the copper price over time and the variation in gold and nickel prices over time in US$ and A$ terms, highlights the need to normalise transactions to account for variations in commodity prices and exchange rates over time.

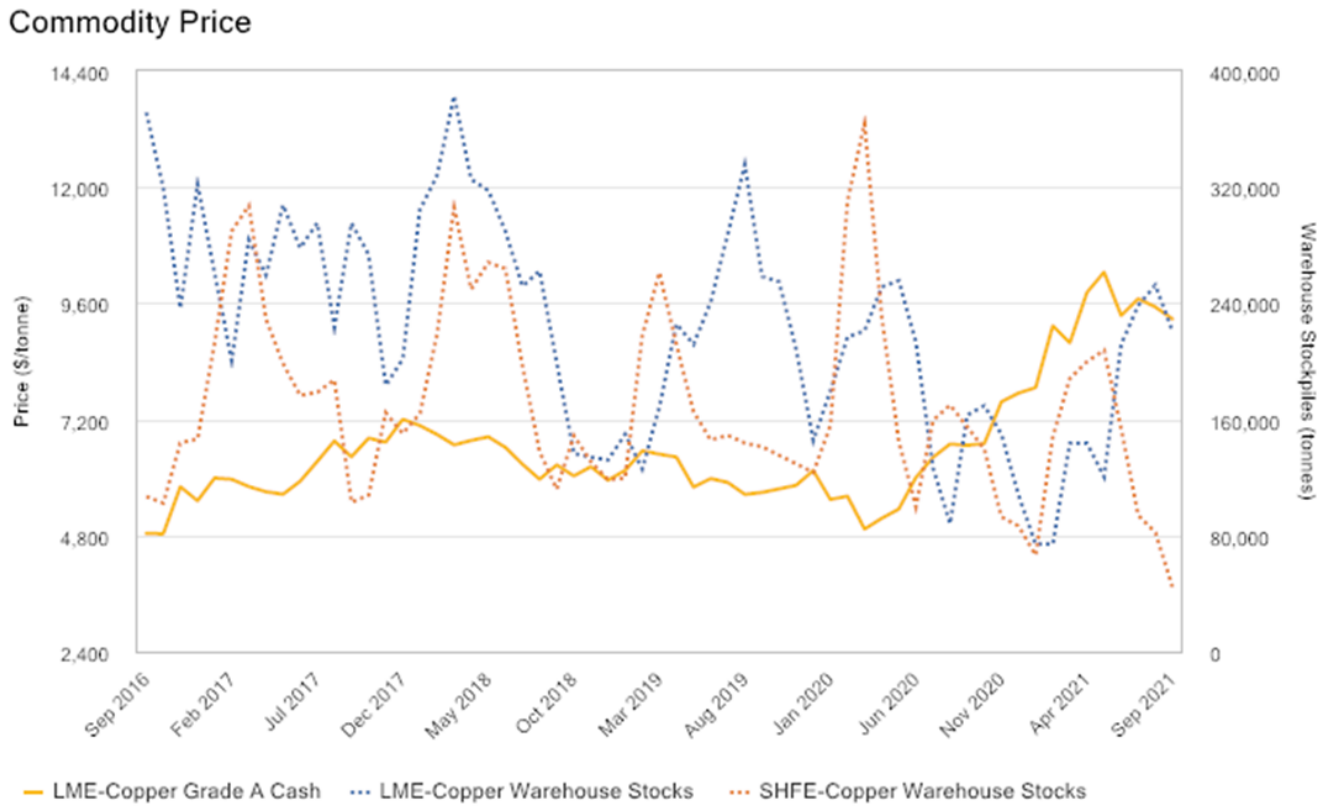

Figure 43: Copper price history in US$
Source: S&P Capital IQ Platform

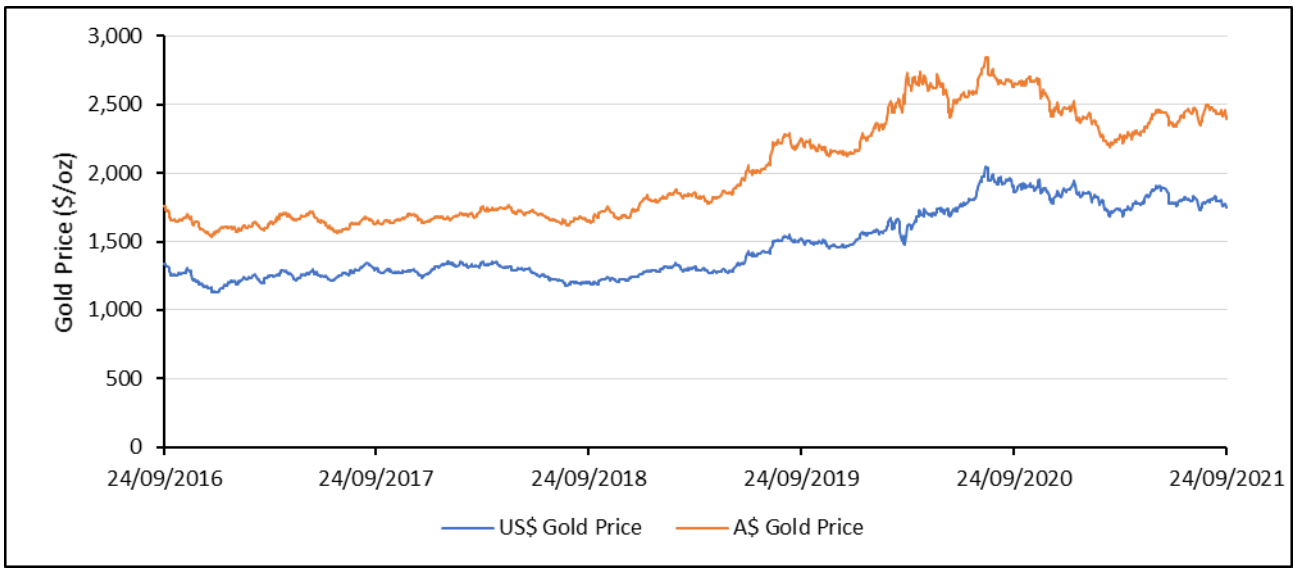

Figure 44: Gold price history in US$ and A$
Source: S&P Global Market Intelligence Platform

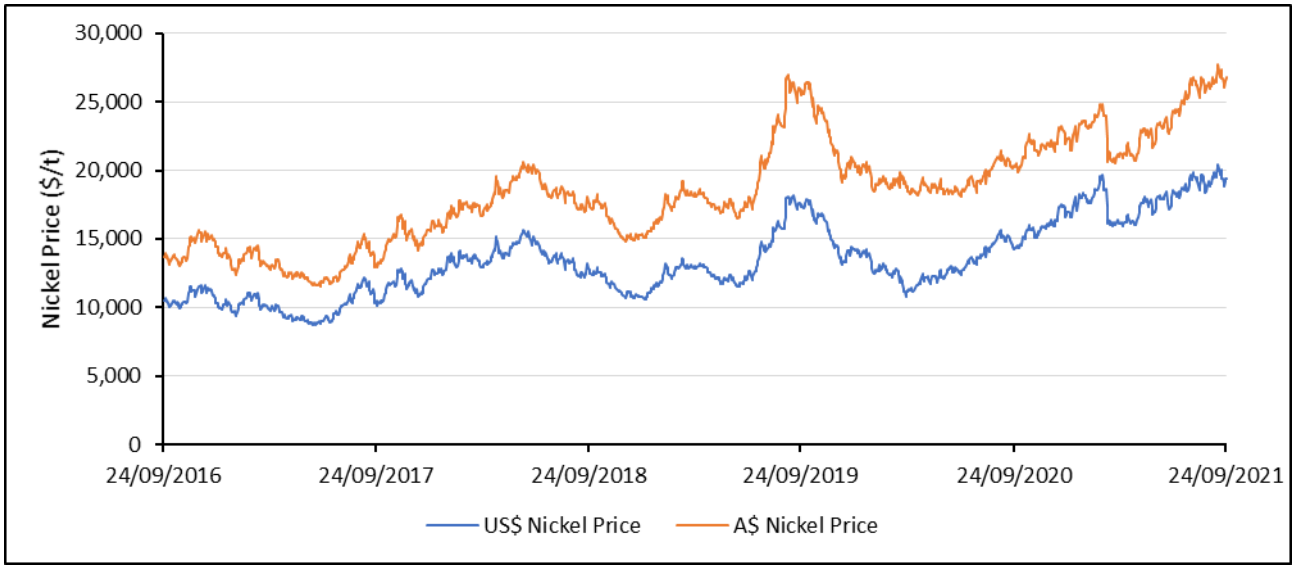

Figure 45 Nickel price history in US$ and A$
Source: S&P Global Market Intelligence Platform

5.4 Comparative Transactions

The transactions considered were announced post-June 2015and there was sufficient information on the transaction and material projects available in the public domain for the analysis of the transactions.

In analysing the African copper transactions, all amounts were converted to US$ at the relevant exchange rate at the time of the transaction announcement, and the West Australian transactions were analysed in A$. Joint venture transactions were only valued to the first earn-in milestone and any subsequent earn-in milestones were ignored. Future payments contingent on a future milestone such as declaration of a Mineral Resource or decision to mine were ignored. Share considerations were treated as the equivalent cash value using share prices at the time of the transaction unless the shares were issued at a particular deemed price. Where significant portions of the consideration committed to was delayed by a significant period of time, the delayed payments were discounted to account for the time value of money.

5.4.1 Copperbelt Transactions

CSA Global considered 13 transactions involving early stage copper projects in Southern Africa, specifically Botswana (four transactions), Namibia (five transactions) and Zambia (four transactions), targeting Copperbelt-style mineralisation (Figure 46). These transactions are listed and analysed in Appendix B. Implied transaction prices were normalised to the 24 September 2021 copper spot price of US$9,344/t.

The Zambian transactions involved smaller areas of tenure, averaging approximately 600 km². The relevant interests in these tenements changed hands at significantly higher prices than the Botswanan and Namibian projects (Figure 46 and Table 18).

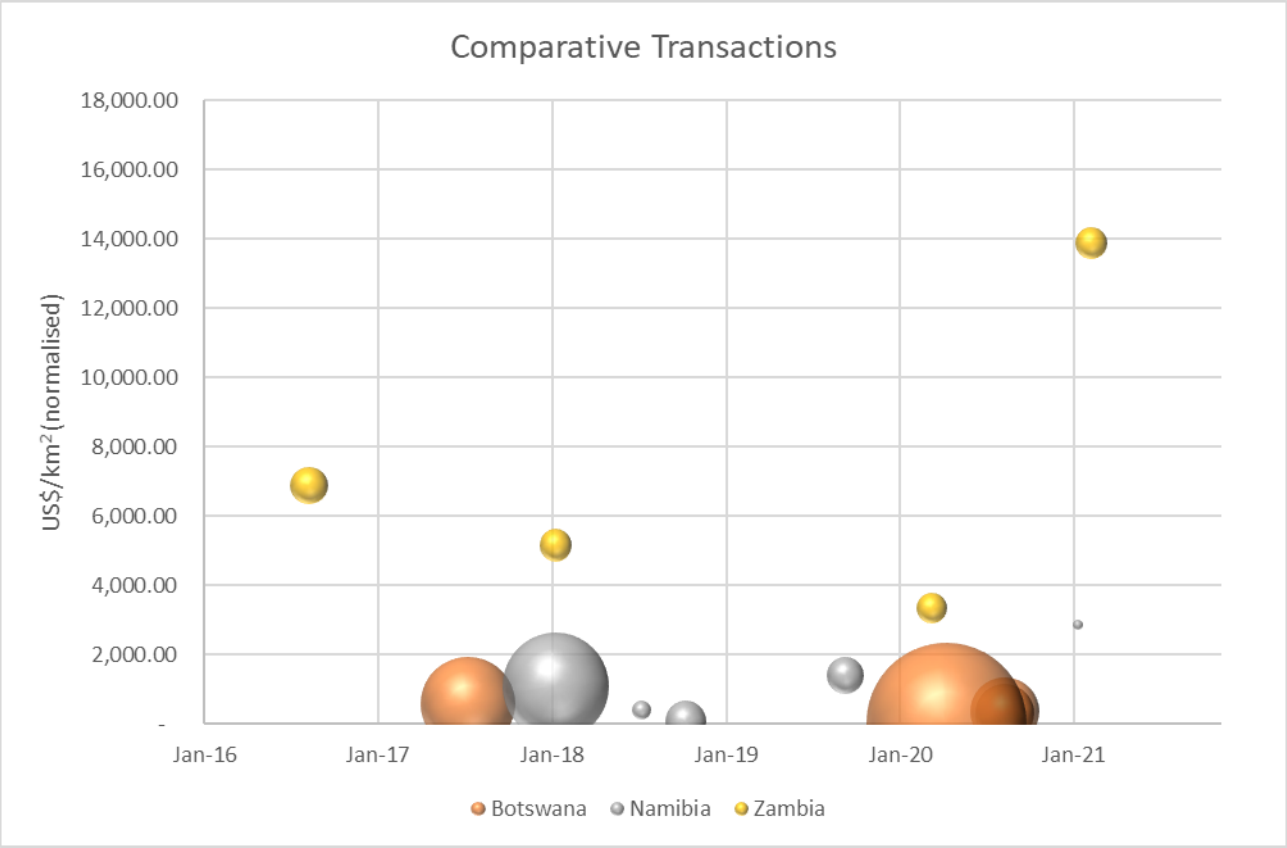

Figure 46: All Copperbelt transactions

Note: Bubble size proportional to area of tenure.

The geological continuity of the Kalahari Copperbelt between Namibia and Botswana was shown earlier in this report in Figure 3. In addition, the investment environment and sovereign risk ratings of Namibia and Botswana are generally considered comparable. Therefore, CSA Global combined the Namibian and Botswanan Kalahari Copperbelt transactions in our analysis of comparative market transactions (Figure 47 and Table 18).

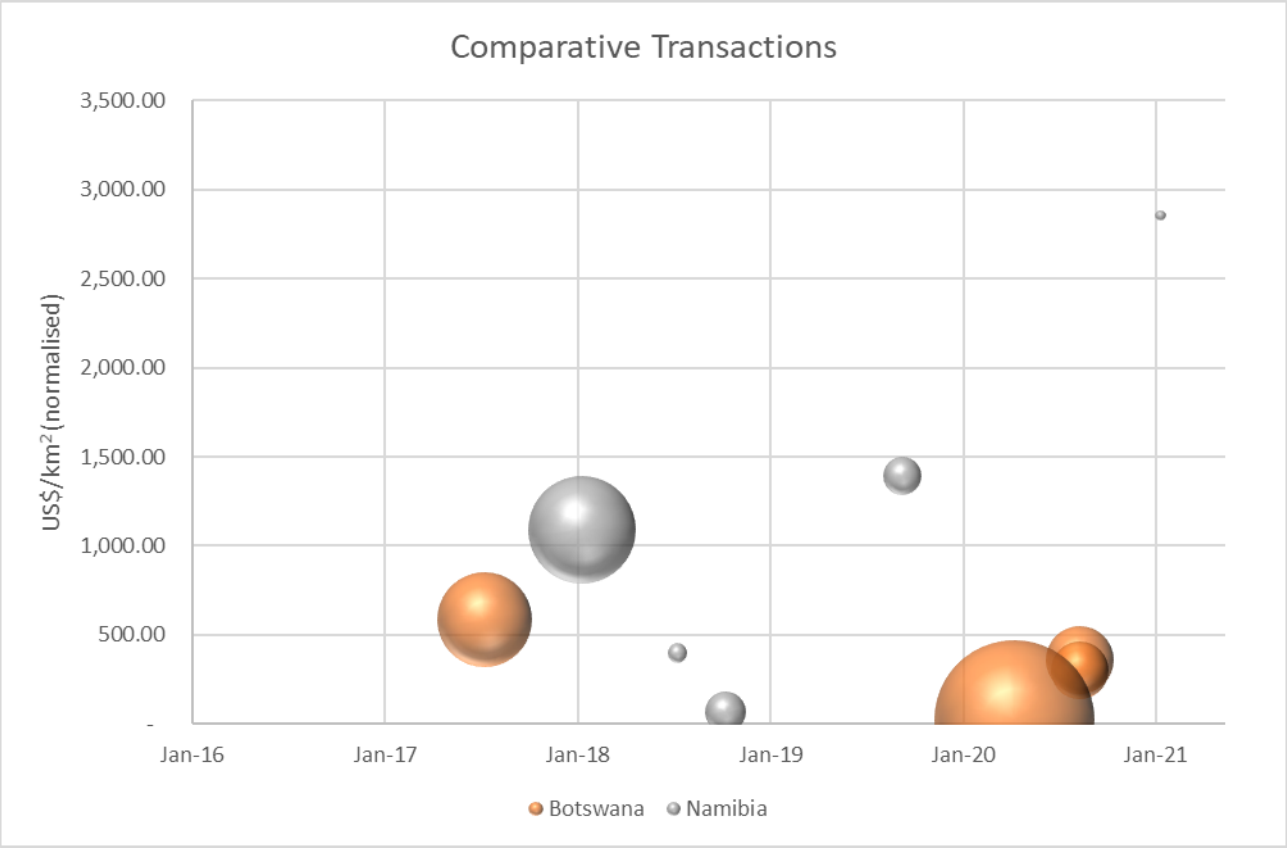

Figure 47: Kalahari Copperbelt transactions
Note: Bubble size proportional to area of tenure.

Table 18: Analysis of Copperbelt transactions by country

Statistic (US$/km²)	All	Zambia	Botswana	Namibia	Botswana and Namibia	Botswana and Namibia, excluding outliers
Transactions	13	4	4	5	9	7
Minimum	24.35	3,339.93	24.35	68.20	24.35	68.20
Maximum	13,868.74	13,868.74	583.18	2,855.15	2,855.15	1,390.56
Mean	2,793.87	7,312.68	316.98	1,160.33	785.51	598.58
Median	1,090.36	6,021.02	330.20	1,090.36	397.37	397.37
Weighted average	883.55	7,389.23	199.40	989.43	407.19	710.48
Geometric mean	910.75	6,368.42	198.01	651.43	383.71	427.14

The area of tenure involved in the Botswanan transactions averaged 6,160 km², which dropped to 3,255 km² when the Crocus transaction was excluded.

The Crocus transaction involved a total of 14,875 km² of tenure, the majority of which was peripheral to the Kalahari Copperbelt, as well as two licences in the Limpopo Belt. The prospectivity of the Crocus ground is considered to be materially lower than the prospectivity of the Kalahari Copper Project tenure, therefore CSA Global has exercised professional judgement in excluding this transaction (Table 18 and Table 19).

Table 19: Analysis of Copperbelt transactions by area of tenure

Statistic (US$/km²)	All	<1,000 km²	>1,000 km²	>1,000 km² excluding Crocus
Transactions	13	8	5	4
Minimum	24.35	68.20	24.35	302.47
Maximum	13,868.74	13,868.74	1,090.36	1,090.36
Mean	2,793.87	4,245.25	471.66	583.48
Median	1,090.36	3,097.54	357.92	470.55
Weighted average	883.55	4,387.62	388.28	718.47
Geometric mean	910.75	1,909.80	278.52	512.23

The area of tenure involved in the Namibian transactions averaged 1,723 km², and climbed to 2,139 km² when the anomalously small and focussed Guchab transaction was excluded. The area of tenure averaged 3,695 km² when the Namibian and Botswanan transactions were grouped, and this dropped to 2,618 km² when the Crocus and Guchab transactions were excluded.

As the KCP tenure totals 8,099 km², with the tenure groupings ranging from 1,449 km² (Triprop licences) to 4,652 km² (Kitlanya licences), CSA Global focused on the transactions involving tenure areas of greater than 1,000 km² (Table 19).

Based on the analyses described above, CSA Global used professional judgement in selecting a low valuation factor of US$70/km², a preferred valuation factor of US$700/km² and a high valuation factor of US$1,400/km².

The preferred valuation factor of US$700/km² is rounded from the weighted average of the Botswanan and Namibian transactions, excluding outliers (Table 18), which is similar to the weighted average of the projects >1,000 km², excluding Crocus (Table 19). The low factor and the high factor are rounded from the minimum and maximum, respectively, of the Botswanan and Namibian transactions, excluding outliers (Table 18).

Applying these valuation factors to the KCP tenure results in the valuation summarised in Table 20.

Table 20: Summary of KCP valuation based on comparative transactions

Holder	Area (km²)	Valuation factors (US$/km²)			Value (US$ million)		
		Low	Preferred	High	Low	Preferred	High
KML	1,999	70	700	1,400	0.14	1.40	2.80
Triprop	1,449	70	700	1,400	0.10	1.01	2.03
Kitlanya	4,652	70	700	1,400	0.33	3.26	6.51
Total	**8,099**				**0.57**	**5.67**	**11.34**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

Based primarily on the location of the various licences with respect to known copper deposits and outcropping stratigraphy, it is possible to crudely rank the prospectivity of the licences and apply valuation factors based on this ranking.

CSA Global grouped the transactions by assumed prospectivity, based on the ranked transaction values. Transactions with the highest values were assumed to involve the most prospective tenure, and transactions with the lowest values were assumed to involve the least prospective tenure. The range of valuation factors has been derived from the analysis of comparative transactions described above, with rank 1 assigned to the licences deemed most prospective, and rank 4 applied to the licences deemed least prospective.

A valuation completed by applying these factors to the KCP tenure considering prospectivity rankings derived from CSA Global's assessment of these tenements is summarised in Table 21.

Table 21: Summary of KCP valuation based on ranked transaction values

Holder	Licence	Area (km²)	Rank	Valuation factors (US$/km²)			Value (US$ million)		
				Low	Preferred	High	Low	Preferred	High
KML	PL148/2017	999	4	70	110	150	0.07	0.11	0.15
KML	PL149/2017	1,000	1	700	1,050	1,400	0.70	1.05	1.40
Triprop	PL041/2012	59	2	400	550	700	0.02	0.03	0.04
Triprop	PL042/2012	467	1	700	1,050	1,400	0.33	0.49	0.65
Triprop	PL043/2012	198	3	150	275	400	0.03	0.05	0.08
Kitlanya	PL343/2016	957	4	70	110	150	0.07	0.11	0.14
Kitlanya	PL342/2016	942	4	70	110	150	0.07	0.10	0.14
Kitlanya	PL072/2017	845	3	150	275	400	0.13	0.23	0.34
Kitlanya	PL070/2017	994	1	700	1,050	1,400	0.70	1.04	1.39
Kitlanya	PL071/2017	914	3	150	275	400	0.14	0.25	0.37
Triprop	PL035/2012	628	2	400	550	700	0.25	0.35	0.44
Triprop	PL036/2012	96	2	400	550	700	0.04	0.05	0.07
Total		**8,099**					**2.53**	**3.87**	**5.21**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

5.4.2 West Australian Exploration Ground Transactions

CSA Global considered 121 transactions involving exploration licences in Western Australia in the past five years, comprising both Early Exploration and Advanced Exploration properties. These transactions primarily involved tenure prospective for gold, but also included tenure prospective for nickel, copper, lithium or base metals. These transactions are listed and analysed in Appendix C. Implied transaction prices were normalised to the 24 September 2021 gold spot price of A$2,417.83/oz.

Twelve of these transactions were considered high outliers, and were excluded (Table 22 and Figure 48). Figure 49 illustrates that there is little correlation between are and transaction value for very small tenements (<50km²), and that very large tenure holdings (>1,000km²) appear to hold a higher strategic value. As the Perrinvale Project tenure totals 345 km² and the Sandiman Project tenure totals 202 km², CSA Global considers the transactions involving tenure packages of between 50 km² and 1,000 km² (Table 22 and Figure 49) to be relevant comparatives to Cobre's West Australian tenure.

Table 22: Analysis of transactions involving Western Australian exploration licences in the past five years

Statistic (A$/km²)	All transactions	All transactions excluding outliers	>50 and <1,000 km²	>50 and <1,000 km² excluding outliers
Transactions	121	109	81	76
Minimum	62	62	62	62
Maximum	103,919	18,787	83,980	16,319
Mean	8,547	4,504	5,883	3,290
Median	3,815	3,015	2,359	2,118
Weighted Average	6,438	4,692	5,388	2,905
Geomean	3,228	2,463	2,209	1,829

Based on the analyses described above, CSA Global used professional judgement in selecting a low valuation factor of A$1,000/km², a preferred valuation factor of A$3,000/km² and a high valuation factor of A$6,500/km².

The preferred valuation factor of A$3,000/km² is rounded from the mean value of the transactions involving tenement packages of between 50 km² and 1,000 km², excluding outliers. This value is also similar to the median value for all transactions excluding outliers (Table 22). The low factor and the high factor are rounded from the 20th percentile and the 80th percentile, respectively, of the entire transaction set, excluding outliers (Figure 48).

Applying these valuation factors to Cobre's West Australian exploration tenements results in the valuation summarised in Table 23.

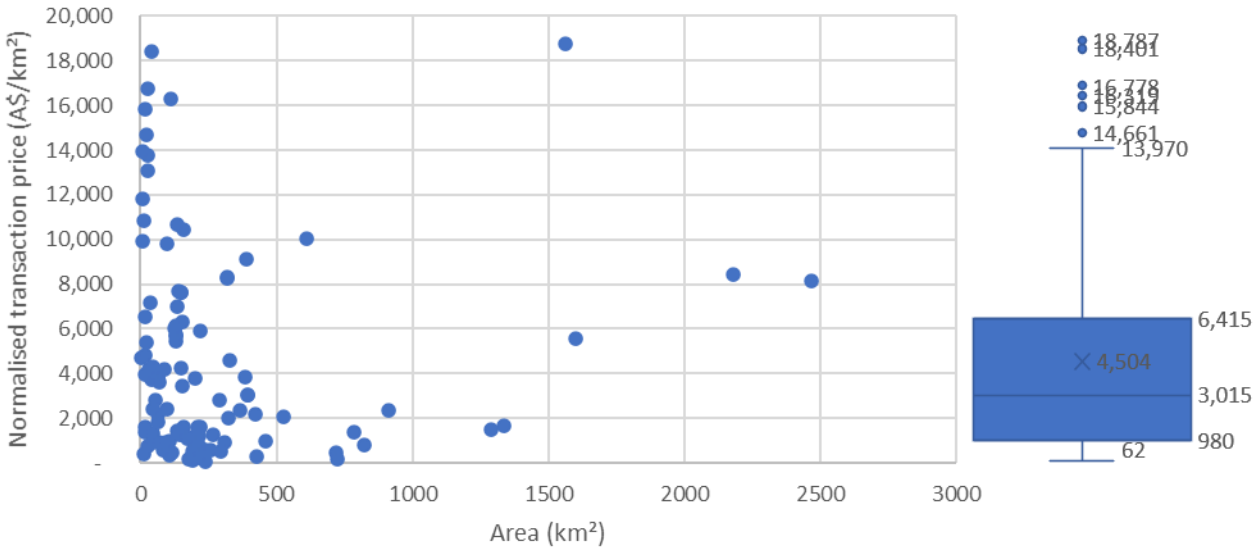

Figure 48: Transactions involving exploration licences in Western Australia in the past five years, excluding outliers

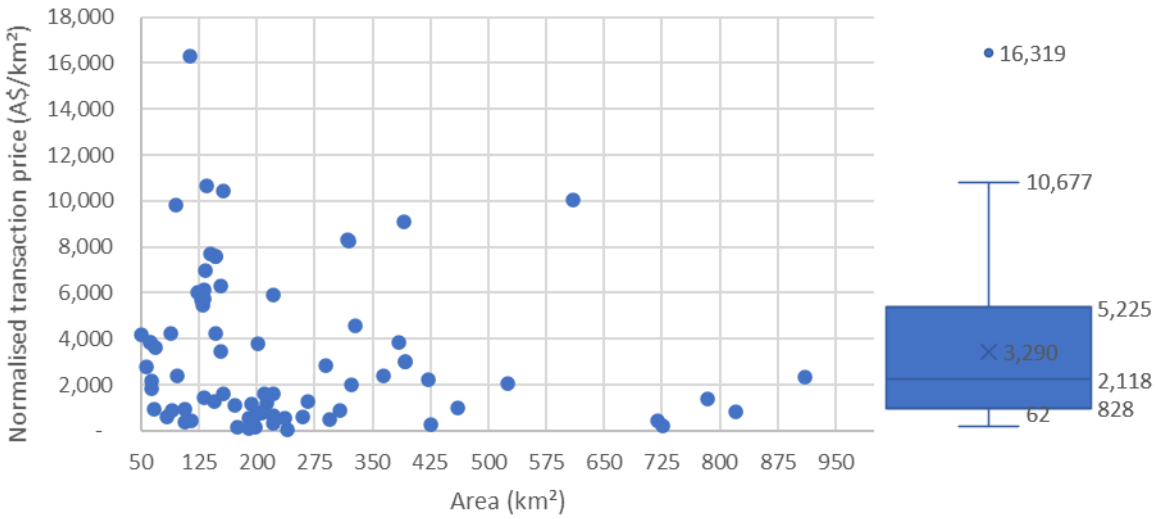

Figure 49: Transactions involving Western Australia exploration licences of between 50 km² and 500 km²

Table 23: Summary of Western Australian projects valuation based on comparative transactions

Project	Area (km²)	Valuation factors (A$/km²)			Value (A$ million)		
		Low	Preferred	High	Low	Preferred	High
Perrinvale	344.9	1,000	3,000	6,500	0.34	1.03	2.24
Sandiman	202	1,000	3,000	6,500	0.20	0.61	1.31
Total	**546.9**	**1,000**	**3,000**	**6,500**	**0.55**	**1.64**	**3.56**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

Based on the prospectivity analysis carried out as part of the Kilburn valuation assessment (Section 5.5.2 of this Report), it is possible to crudely rank the prospectivity of the licences and apply valuation factors based on this ranking. CSA Global grouped the transactions by assumed prospectivity, based on the ranked transaction values. The range of valuation factors has been derived from the analysis of comparative transactions described above, with rank 1 assigned to the most licences deemed most prospective, and rank

4 applied to the licences deemed least prospective. A valuation completed using this methodology is summarised in Table 24.

Table 24: Summary of Western Australian projects valuation based on ranked transaction values

Project	Licence	Area (km²)	Rank	Valuation factors (A$/km²)			Value (A$ million)		
				Low	Preferred	High	Low	Preferred	High
Perrinvale	E29/1017	54.0	3	2,000	3,000	4,000	0.11	0.16	0.22
	E29/929-I	57.0	3	2,000	3,000	4,000	0.11	0.17	0.23
	E29/938-I	39.0	1	6,000	8,000	10,000	0.23	0.31	0.39
	E29/946-I	15.0	2	4,000	5,000	6,000	0.06	0.08	0.09
	E29/986	59.9	2	4,000	5,000	6,000	0.24	0.30	0.36
	E29/987	21.0	2	4,000	5,000	6,000	0.08	0.11	0.13
	E29/988	3.0	3	2,000	3,000	4,000	0.01	0.01	0.01
	E29/989	9.0	3	2,000	3,000	4,000	0.02	0.03	0.04
	E29/990	27.0	3	2,000	3,000	4,000	0.05	0.08	0.11
	E29/1106	60.0	3	2,000	3,000	4,000	0.12	0.18	0.24
		344.9					**1.04**	**1.42**	**1.81**
Sandiman	E09/2316	202	4	500	1,250	2,000	0.10	0.25	0.40

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

5.4.3 West African Exploration Ground Transactions

CSA Global considered the value of The Nyanga Project in terms of the valuation factors derived from analysis of comparative market transactions of early-stage exploration projects in West Africa with an area greater than or equal to 500 km^2 in the 3.5 years prior to the valuation date . These transactions are summarised in Appendix D and presented in Figure 50. Twelve transactions involving early-stage West African projects were identified. Due to the large area (2,991 km^2) of the Nyanga exploration permits, CSA Global restricted transactions for exploration tenure to greater than or equal to 500 km^2 in area. Table 25 presents the summary statistics of these transactions, showing the implied price in A$/km^2 at the time of the transactions and the normalised price per square kilometre using the LME nickel price as of 24 September 2021 being A$26,778/t (US$19,406/t). Nine of the transactions have a normalised value less than A$3,200/km^2, with the three remaining transactions with normalised values between A$8,200/km^2 and A$11,000/km^2. It is of note that none of the higher value transactions occur in the last two years and all three Gabon transactions are in the lower value transactions.

Table 25: Summary statistics of selected West African transactions of early-stage exploration ground

Statistic	All data (A$/km²)		Lower value subset (A$/km²)	
	Implied	Normalised	Implied	Normalised
Number of transactions	12	12	9	9
Minimum	121	174	121	174
Maximum	9,671	10,937	2,510	3,142
Mean	3,137	3,760	1,236	1,571
Median	2,168	2,519	1,015	1,404
Geomean	1,665	2,103	835	1,112

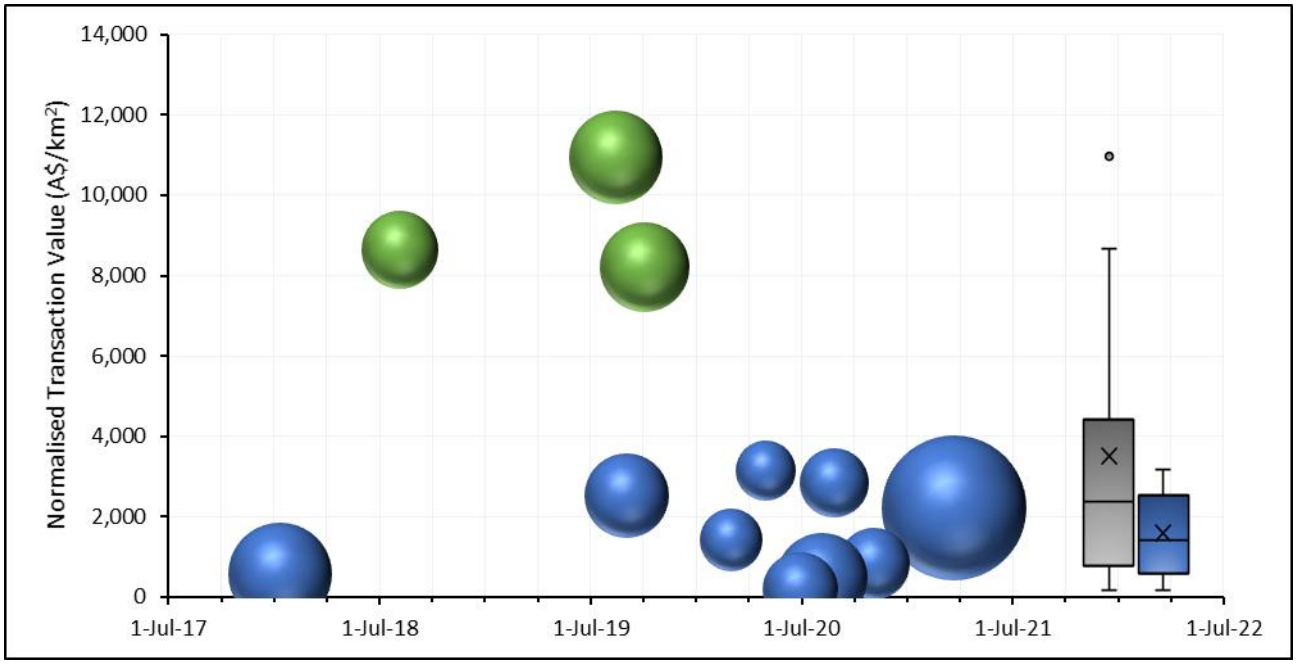

Figure 50: Comparison of West African transactions for early-stage exploration ground

Note: Bubble size represents the area of the exploration tenure transacted. Higher value transactions in green, lower value transactions in blue. Grey box and whiskers plot all data, blue box and whiskers plot lower value transactions.

CSA Global considers the Nyanga Project exploration permits to be at an early exploration stage and that the subset of lower value transactions (Table 25) best reflects these permits. CSA Global has derived a value range based on the inter quartile range of the lower value subset of transactions being A$600/km^2 to A$2,500/km^2. CSA Global has selected its preferred value based of A$1,600/km^2 based on the average normalised value of the lower value transactions (Table 25). The resultant valuation is presented in Table 26.

Table 26: Nyanga Project valuation based on comparative transactions – 100% equity basis

Project	Permit	Area	Valuation factor (A$/km²)			Valuation (A$ millions)		
			Low	Preferred	High	Low	Preferred	High
Nyanga	G5-150	1,496	600	1,600	2,500	0.90	2.39	3.74
	G5-555	1,495	600	1,600	2,500	0.90	2.39	3.74
Total		**2,991**				**1.79**	**4.79**	**7.48**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

5.5 Geoscience Factor Method

The Geoscientific Factor Method (GFM) of valuation, as detailed in Appendix A, requires the consideration of those aspects of a mineral property which enhance or downgrade the intrinsic value of the property. It seeks to rank and weight geological aspects, including proximity to mines, deposits and the significance of the camp and the commodity sought.

The first and key aspect of the GFM described by Kilburn (1990) is the derivation of the Base Acquisition Cost (BAC) that is the basis for the valuation. The BAC represents the average cost to identify, apply for and retain a base unit of area of tenement.

In addition, a market factor is required to derive a market value from the technical value calculated from the BAC and ranking factors. CSA Global takes the approach of using the implied value range from our selected Comparable Transactions to inform the selection of a GFM market factor. Our presumption is that the comparatives are capturing the market sentiment, so any other valuation method should not be significantly different (order of magnitude).

5.5.1 Botswanan Tenements

A BAC for Botswanan prospecting licences has been estimated using the following data and assumptions:

- Based on the original grant of three years, with up to two renewals of two years each allowed, it is assumed that the average age of prospecting licences in Botswana is four years
- The maximum size is 1,000 km², and the average size, as recorded on the S&P Global Market Intelligence Platform, is approximately 230.02 km²
- A deemed cost to identify a licence of interest of US$7,000 was assumed
- Application cost is BWP5/km²
- The holding cost includes a rent of BWP5/km² per annum, as per the licence agreement
- Average annual exploration expenditure on grassroots exploration in Botswana is US$38.39/km², according to the S&P Global Market Intelligence Platform.
- The current exchange rate is US$0.087/BWP.

Altogether, this gives an assumed BAC for the average Botswanan prospecting licence of US$186.15/km².

The licences were rated in accordance with the rating system shown in Table A3 (Appendix A), with detailed ratings per licence shown in Table E1 (Appendix D).

A market factor of 0.33 was used to correct the technical value derived from the rating scheme to a market value, based on the analysis of comparative transactions. This resulted in a range of implied values of US$186/km² to US$1,591/km² for the licences considered (average US$642.50/km²), which is consistent with the range of values derived from the analysis of comparative transactions (Section 5.4.1).

A summary of the valuation of the KCP using this method is provided in Table 27.

Table 27: Summary of Kilburn valuation of KCP tenure

Holder	Area (km²)	Low (US$ million)	Preferred (US$ million)	High (US$ million)
KML	1,999	0.55	1.49	2.43
Triprop	1,449	0.40	1.10	1.80
Kitlanya	4,652	1.11	2.72	4.32
Total	**8,099**	**2.06**	**5.30**	**8.55**

BAC US$186.15/km², market factor 0.33.
Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

5.5.2 West Australian Tenements

A BAC for Western Australian exploration licences has been estimated using the following data:

- Based on the Government of Western Australia's DMIRS tenement database as of 3 July 2020 and the West Australian mining code, it is determined that the average age of exploration licences in Western Australia is 4.97 years and the average area is approximately 24.8 blocks
- An average cost to identify an area of interest of A$10,000 was chosen
- An average cost of A$20,000 was chosen for the cost of landowner notices, negotiations, legal costs and compensation for exploration licences and mining licences
- An application fee of A$1,580 is payable per exploration licence
- The holding cost includes a yearly rental of A$141/block for the first three years and A$238/block for the next two years for exploration licences
- Western Australian mining law includes a minimum annual expenditure requirement of A$1,000/block for the first three years and A$1,500/block for the next two years for exploration licences
- Annual shire rates are payable on exploration licences in Western Australia, estimated at A$2,000 per annum.

These inputs suggest a BAC of A$7,890/km² for West Australian exploration licences.

The licences were rated in accordance with the rating system shown in Table A3 (Appendix A), with detailed ratings per licence shown in Table E2 (Appendix D).

A market factor of 0.1 was used to correct the technical value derived from the rating scheme to a market value, based on the analysis of comparative transactions. This resulted in in a range of implied values of A$1,726/km² to A$8,877/km² for the licences considered (average A$3,936/km²), which is consistent with the range of values derived from the analysis of comparative transactions (Section 5.4.2). As expected, the empirically derived market factors for Botswana and Western Australia are different, as these are different markets.

A summary of the valuation of the West Australian projects is provided in Table 28.

Table 28: Summary of Kilburn valuation of West Australian projects

Project	Area (km²)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
Perrinvale	345	0.46	1.45	2.44
Sandiman	202	0.16	0.35	0.54
Total	**547**	**0.61**	**1.80**	**2.98**

BAC A$7,890/km², market factor 0.1.
Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

5.5.3 Gabon Tenements

CSA Global was not able to get all the information required for the estimation of the BAC for an exploration permit in Gabon.

5.6 Multiples of Exploration Expenditure

5.6.1 Gabon Tenements

CSA Global investigated the option of undertaking a secondary valuation of the Nyanga Project by the Multiples of Exploration Expenditure (MEE) valuation method (see Appendix A). However, detailed exploration expenditure was not available, making this not possible.

5.7 Valuation Opinion

5.7.1 Kalahari Copper Project

CSA Global's opinion on the value of the KCP (Figure 51) has been informed primarily by the analysis of comparative transactions. As a cross-check, CSA Global has considered the potential value of the tenement package by employing the Kilburn GFM. CSA Global has also considered the value of the project by ranking the tenements and applying ranked valuation factors derived from the analysis of transactions.

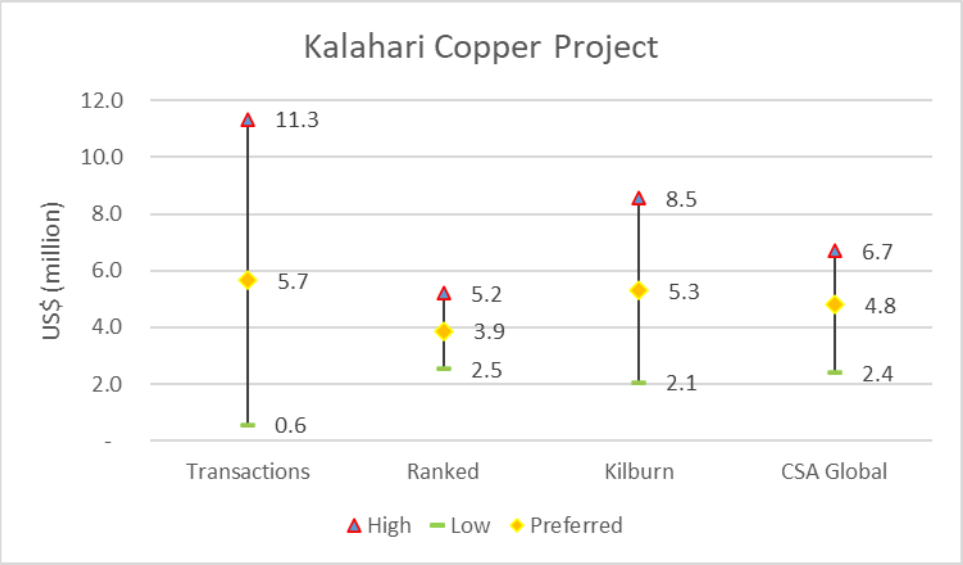

Figure 51: Valuation of KCP (100% basis)

The opinion on the value of the KCP is based on CSA Global's opinion on the value of the three tenure components that comprise the KCP, namely the KML licences (Figure 52), the Triprop licences (Figure 53) and the Kitlanya licences (Figure 54).

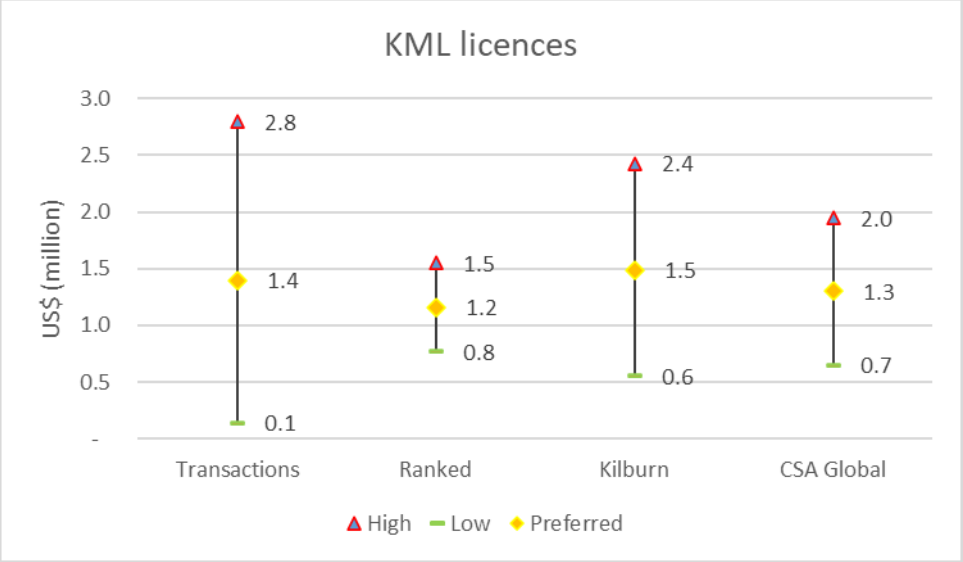

Figure 52: Valuation of KML licences (100% basis)

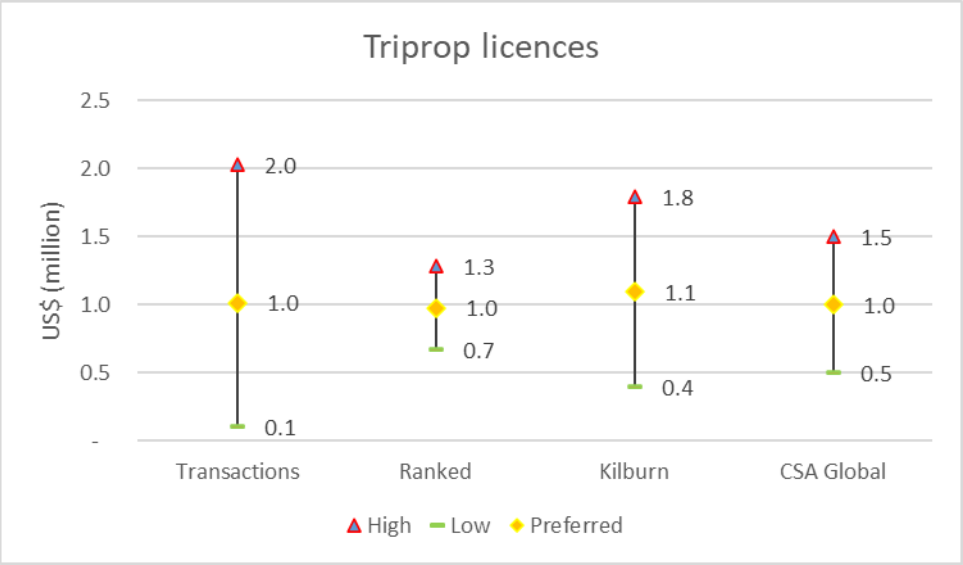

Figure 53: Valuation of Triprop licences (100% basis)

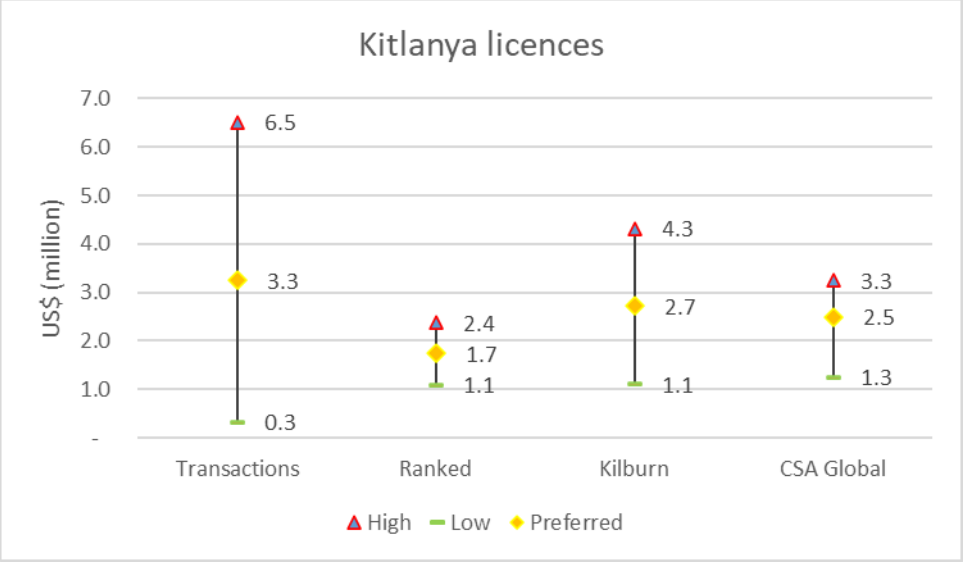

Figure 54: Valuation of Kitlanya licences (100% basis)

CSA Global has used professional judgement to select a preferred value from the outcomes of the three valuation methods considered and applied a range of 50% above and below the preferred value, based on the current development stage of the projects.

For the Kitlanya licences, which have the contingent payment obligation of US$5/t of contained copper once an Indicated Resource is declared, CSA Global has capped the upper end of the range to 30% above the Preferred value.

5.7.2 West Australian Projects

CSA Global's opinion on the value of the Perrinvale Project (Figure 55) and the Sandiman Project (Figure 56) has been informed primarily by the analysis of comparative transactions. As a cross-check, CSA Global has considered the potential value of the tenement package by employing the Kilburn geoscientific factor rating. CSA Global has also considered the value of the project by ranking the tenements and applying ranked valuation factors derived from the analysis of transactions.

CSA Global has used professional judgement to select a preferred value form the outcomes of the three valuation methods considered and applied a range of 50% above and below the preferred value, based on the current development stage of the projects.

CSA Global has considered the FMG Resources Pty Ltd net smelter royalty obligation over three of the nine Perrinvale licences, and it is CSA Global's professional opinion that this is not likely to materially affect the current market value of the project at the current early stage of development. The value of the net smelter royalty agreement will only become material once the project is at a more advanced stage, after mineral resources have been declared and mining studies commence.

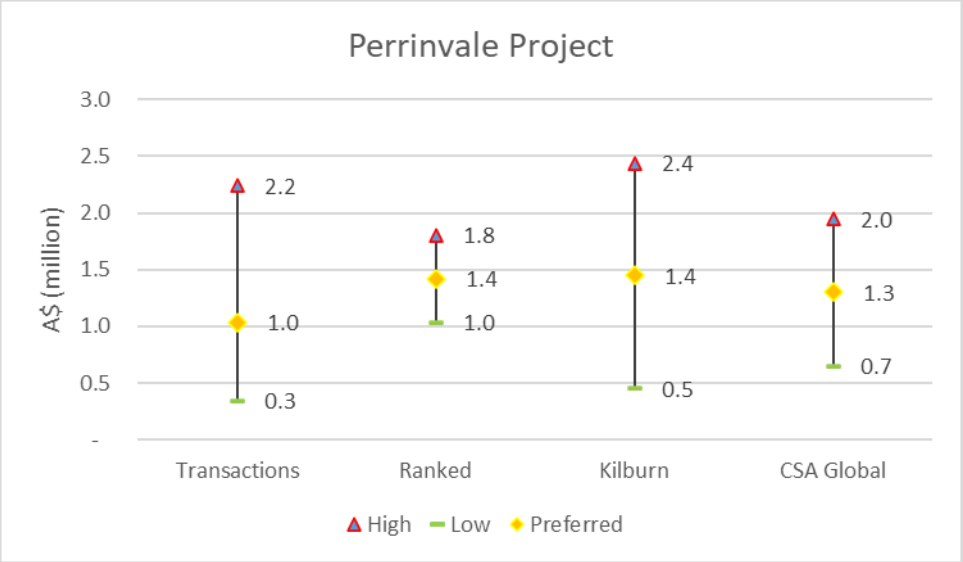

Figure 55: Valuation of Perrinvale Project (100% basis)

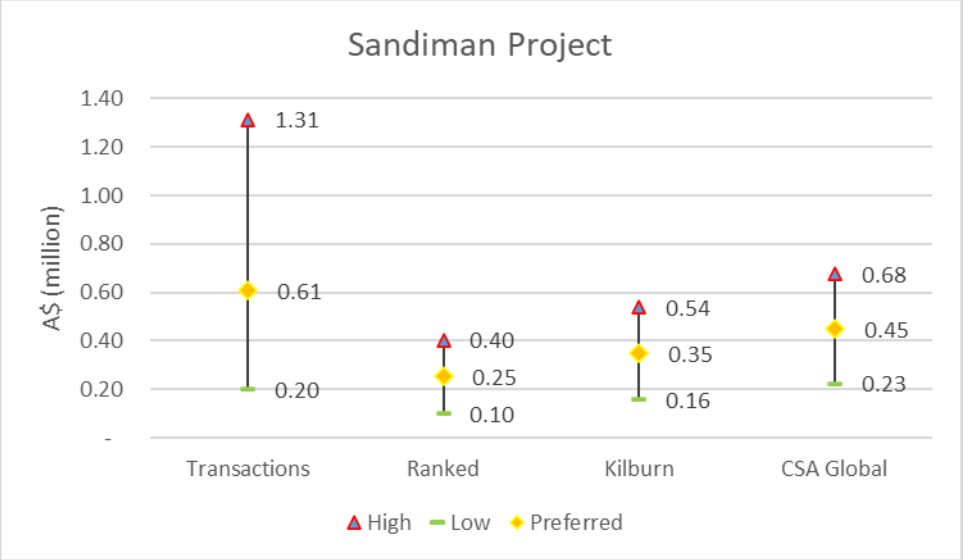

Figure 56: Valuation of Sandiman Project (100% basis)

5.7.3 Nyanga Project

CSA Global's opinion on the value of the Nyanga Project has been informed by the analysis of comparative transactions. A secondary valuation method was not possible, CSA Global investigated both the Geoscientific Factor Rating Method and MEE valuation methods. CSA Global was unable to get the required information to estimate a BAC for a Gabon exploration permit to undertake the Geoscientific Factor Rating Method valuation, nor detailed exploration expenditure to undertake a valuation by the MEE method. CSA Global's opinion on the range and preferred market value of the Nyanga Project is A$1.8-7.5 million with a preferred value of A$4.8 million on a 100% equity basis.

5.7.4 Valuation Summary

CSA Global's opinion as to the likely Market Value of the KCP as at 24 September 2021, on a 100% basis, is summarised in Table 29 and CSA Global's opinion as to the likely Market Value of the Cobre's West Australian exploration tenure as at 24 September 2021, on a 100% basis, is summarised in Table 30. CSA Global's likely Market Value of Cobre's Gabon exploration tenure, on a 100% basis, is summarised in Table 31

It is stressed that the valuation is an opinion as to likely values, not absolute values, which can only be tested by going to the market.

Table 29: Market value of the Botswanan copper tenements as of 24 September 2021 (100% basis)

Licence grouping	Area (km²)	Low (US$ million)	Preferred (US$ million)	High (US$ million)
KML	1,999	0.7	1.3	2.0
Triprop	1,449	0.5	1.0	1.5
Kitlanya	4,652	1.3	2.5	3.3
Total	**8,099**	**2.4**	**4.8**	**6.7**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

Table 30: Market value of Cobre's West Australian exploration tenure as of 24 September 2021 (100% basis)

Project	Area (km²)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
Perrinvale	345	0.65	1.30	1.95
Sandiman	202	0.23	0.45	0.68
Total	**547**	**0.88**	**1.75**	**2.63**

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

Table 31: Market value of Cobre's Gabon exploration tenure as of 24 September 2021 (100% basis)

Project	Area (km²)	Low (A$ million)	Preferred (A$ million)	High (A$ million)
Nyanga	2,991	1.8	4.8	7.5

Note: The valuation has been compiled to an appropriate level of precision and minor rounding inconsistencies may occur.

CSA Global considers that its opinion must be considered in its entirety and that selecting portions of the analysis, or factors considered by it, without considering all factors and analyses together could create a misleading view of the process underlying the opinions presented in this Report. The timing and context of an independent valuation report is complex and does not lend itself to partial analysis or selective interpretations without consideration of the entire report.

In CSA Global's opinion, nothing material has occurred up to the date of this Report, since the Valuation Date to affect CSA Global's technical review and valuation opinion.

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7 Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Wikipedia www.wikipedia.org

3D modelling	Process of creating a 3D model. 3D models are powerful tools that convey complex geological concepts. The 3D modelling process allows geoscientists to test the validity of geological assumptions or hypotheses and provides a mechanism to validate existing data while also highlight gaps in knowledge and data within a project area.
acid volcanics	Volcanic felsic rocks rich in elements (Si, Na, K, Al) that form quartz and feldspar. Usually light in colour.
aeromagnetic survey (airborne magnetic survey)	A common type of geophysical survey carried out using a magnetometer aboard or towed behind an aircraft. The magnetometer measures and records the total intensity of the magnetic field at the sensor, which is a combination of the magnetic field generated in the Earth (as well as tiny variations due to the temporal effects of the constantly varying solar wind and the magnetic field of the survey aircraft). It allows much larger areas of the Earth's surface to be covered quickly for regional reconnaissance. The aircraft typically flies in a grid-like pattern with height and line spacing determining the resolution of the data (and cost of the survey per unit area).
alkaline volcanism	Alkaline volcanic rock in which the chemical content of the alkalies (potassium oxide and sodium oxide) is great enough for alkaline minerals to form. Such minerals may be unusually sodium-rich, with a relatively high ratio of alkalies to silica (SiO_2), as in the feldspathoids. (www.britannica.com)
amphibolite	A metamorphic crystalline rock consisting mainly of amphiboles and some plagioclase.
amphibolite facies	The set of metamorphic mineral assemblages (facies) which is typical of regional metamorphism between 450°C and 700°C.
anticline	A type of fold that is an arch-like shape and has its oldest beds at its core.
Archaean	Widely used term for the earliest era of geological time spanning the interval from the formation of Earth to about 2,500 Ma.
arenite	A sedimentary clastic rock with sand grain size between 0.0625 mm (0.00246 in) and 2 mm (0.08 in) and contain less than 15% matrix. The related adjective is arenaceous.
Australasian Institute of Mining and Metallurgy	The Australasian Institute of Mining and Metallurgy (AusIMM) provides services to professionals engaged in all facets of the global minerals sector and is based in Carlton, Victoria, Australia.
banded iron formation	Banded iron (or ironstone) formation. A typical banded iron formation consists of repeated, thin layers (a few millimetres to a few centimetres in thickness) of silver to black iron oxides, either magnetite (Fe_3O_4) or hematite (Fe_2O_3), alternating with bands of iron-poor chert, often red in colour, of similar thickness. A single banded iron formation can be up to several hundred metres in thickness and extend laterally for several hundred kilometres. They are thought to have formed in sea water as the result of oxygen production by photosynthetic cyanobacteria. The oxygen combined with dissolved iron in Earth's oceans to form insoluble iron oxides, which precipitated out, forming a thin layer on the ocean floor.
basalt	A mafic extrusive igneous rock formed from the rapid cooling of lava rich in magnesium and iron.
base metal	A common and inexpensive metal and includes copper, lead, nickel, and zinc.
Basic volcanic	Also referred to as a mafic volcanic. A volcanic rock of mafic composition.
boudin	A structure formed as a result of boudinage. Boudinage is a geological term for structures formed by extension, where a rigid tabular body such as hornfels, is stretched and deformed amidst less competent surroundings. The competent bed begins to break up, forming sausage-shaped boudins.
Cainozoic	The Cenozoic Era meaning "new life" is the current and most recent of the three geological eras of the Phanerozoic Eon. It follows the Mesozoic Era and extends from 66 million years ago to the present day.
calcareous	A sediment, sedimentary rock, or soil type which is formed from, or contains a high proportion of, calcium carbonate in the form of calcite or aragonite.
calciturbidites	A calcareous turbidite. A turbidite is a sediment that was transported and deposited by density flow. Frequently form in the deep ocean environments. Also as lahars on the side of volcanoes, mudslides and pyroclastic flows all create density-based flow situations and, especially in the latter, can create sequences which are strikingly similar to turbidites.

calcrete	Also known as caliche. It is a sedimentary rock, a hardened natural cement of calcium carbonate that binds other materials – such as gravel, sand, clay, and silt. It occurs worldwide, in aridisol and mollisol soil orders – generally in arid or semiarid regions like the Kalahari Desert.
chalcopyrite	A copper iron sulphide mineral that crystallises in the tetragonal system. It has the chemical formula $CuFeS_2$. It has a brassy to golden yellow colour and a hardness of 3.5 to 4 on the Mohs scale. Its streak is diagnostic as green-tinged black. Chalcopyrite is present in volcanogenic massive sulphide ore deposits and sedimentary exhalative deposits, formed by deposition of copper during hydrothermal circulation.
chert	A hard, fine-grained sedimentary rock composed of microcrystalline (or cryptocrystalline) crystals of quartz, the mineral form of silicon dioxide (SiO_2). Chert is characteristically of biological origin but may also occur inorganically as a chemical precipitate or a diagenetic replacement.
chlorite	A phyllosilicate mineral group with the chemical formula $(Mg,Fe,Al)_6\ (Si,Al)_4O_{10}(OH)_8$. Commonly found in igneous rocks as a retrograde alteration product of mafic minerals such as pyroxene, amphibole, and biotite. It may be present as a metasomatism product via addition of iron, magnesium, or other compounds into the rock mass. Chlorite is a common mineral associated with hydrothermal ore deposits and commonly occurs with epidote, sericite, adularia and sulphide minerals. Chlorite is also a common metamorphic mineral, usually indicative of low-grade metamorphism.
Canadian Institute of Mining, Metallurgy and Petroleum	The Canadian Institute of Mining, Metallurgy and Petroleum (CIM) is a not-for-profit technical society of professionals in the Canadian minerals, metals, materials and energy industries. CIM's members are convened from industry, academia and government. CIM published its Guidelines for the Estimation, Classification and Reporting of Resources and Reserves which is an integral part of National Instrument 43-101 (NI 43-101), the set of rules for reporting and displaying information from mineral properties owned by companies listed on Canadian exchanges that came into effect on 1 February 2001.
clastic sediments	A sediment or rock composed of fragments, or clasts, of pre-existing weathered or eroded minerals and rock.
cleavage	A type of planar rock feature that develops as a result of deformation and metamorphism.
Competent Person	A Competent Person must be a Member or Fellow of a "Recognised Professional Organisation" such as The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists. A Competent Person must have a minimum of five years' experience working with the style of mineralisation or type of deposit under consideration and relevant to the activity which that person is undertaking.
conceptual target	An exploration target developed by applying the theories of ore-forming processes to the known geology and mineralisation of a region, so as to predict where ore might be found (https://rogermarjoribanks.info/empirical-conceptual-exploration-improve-exploration-success-rate/).
craton	An old and stable part of the continental lithosphere, which consists of the Earth's two topmost layers, the crust and the uppermost mantle. Having often survived cycles of merging and rifting of continents, cratons are generally found in the interiors of tectonic plates. They are characteristically composed of ancient crystalline basement rock, which may be covered by younger sedimentary rock.
diagenetic	Relating to diagenesis. Diagenesis is the process that describes physical and chemical changes in sediments caused by increasing temperature and pressure as they get buried in the Earth's crust.
diamictite	Diamictite is a type of lithified sedimentary rock that consists of non-sorted to poorly sorted terrigenous sediment containing particles that range in size from clay to boulders, suspended in a matrix of mudstone or sandstone.
diamond core drilling	A core drill is a drill specifically designed to remove a cylinder of material using a diamond encrusted bit. The rock core is collected in the hollow drill rods.
diatreme	A diatreme is a volcanic pipe formed by a gaseous explosion. Often associated with kimberlite magmas that may be diamondiferous.
disconformable	Relating to a disconformity. A disconformity is a break in a sedimentary sequence which does not involve a difference of inclination between the strata on each side of the break.
downhole electromagnetics	Downhole electromagnetics is an electromagnetic method that allows efficient exploration for conductive sulphide bodies of a roughly cylindrical.
Dyke	A dyke is a sheet of rock that is formed in a fracture of a pre-existing rock body. Dykes can be either magmatic or sedimentary in origin. Magmatic dykes form when magma flows into a crack then solidifies as a sheet intrusion, either cutting across layers of rock or through a contiguous mass of rock. Usually emplaced in a vertical orientation although tectonic processes may cause subsequent rotation of vertical dykes into near horizontal orientations.

facies	A facies is a body of rock with specified characteristics that can used to distinguish them from other rocks.
felsic	Igneous rocks that are relatively rich in elements that form feldspar and quartz. Felsic rocks are enriched in the lighter elements such as silicon, oxygen, aluminium, sodium, and potassium.
fluvial	Relating to rivers and streams and the deposits and landforms created by them.
fold	A curved stack of originally planar surfaces, such as sedimentary strata, that are bent or curved during permanent deformation.
fuchsitic	Contain fuchsite. Fuchsite is a chrome-rich mica that is green in colour.
gabbroic	Having a gabbro composition and texture. A gabbro is a coarse-grained) mafic intrusive igneous rock formed from the slow cooling of magnesium-rich and iron-rich magma. It is a dense, greenish or dark-coloured and contains pyroxene, plagioclase, and minor amounts of amphibole and olivine.
geochemistry	Geochemistry is the science that uses the tools and principles of chemistry to explain the mechanisms behind major geological systems.
geophysics	Geophysics is a subject of natural science concerned with the physical processes and physical properties of the Earth and its surrounding space environment, and the use of quantitative methods for their analysis.
glacigene	Sediments formed as a result of glaciation.
gneissic	Relating to gneiss. A gneiss is a common and widely distributed type of metamorphic rock formed by high temperature and high-pressure metamorphic processes acting on formations composed of igneous or sedimentary rocks. Gneiss forms at higher temperatures and pressures than schist and nearly always shows a banded texture characterised by alternating darker and lighter coloured bands and without a distinct foliation.
Gondwana	Gondwana was a supercontinent that existed from the Neoproterozoic (about 550 Ma) until the Jurassic (about 180 Ma). It was formed by the accretion of several cratons to become the largest piece of continental crust of the Paleozoic Era, covering an area of about 100,000,000 km^2, about one-fifth of the Earth's surface.
gossan	Gossan is an intensely oxidised, weathered or decomposed rock, usually the upper and exposed part of a sulphide ore deposit or mineral vein.
graben/half-graben	Graben are produced from parallel normal faults, where the displacement of the hanging wall is downward, while that of the footwall is upward. The faults typically dip toward the centre of the graben from both sides. Horsts are parallel blocks that remain between graben; the bounding faults of a horst typically dip away from the centre line of the horst. Single or multiple graben can produce a rift valley. In many rifts, the graben are asymmetric, with a major fault along only one of the boundaries, and these are known as half-graben.
Gravity survey	A geophysical survey method using a gravimeter to identify local changes in the gravitational force of the Earth's crust. These changes are associated is changes with the rock density.
Greenschist facies	A metamorphic facies that forms greenschist rocks (greenschists) under the lowest temperatures and pressures usually produced by regional metamorphism, typically 300–450°C and 2–10 kilobars. Greenschists commonly have an abundance of green minerals such as chlorite, serpentine, and epidote, and platy minerals such as muscovite and platy serpentine and exhibit a schistosity.
greenstone	A zone of variably metamorphosed mafic to ultramafic volcanic sequences with associated sedimentary rocks that occur within Archaean and Proterozoic cratons between granite and gneiss bodies.
hornfels	Hornfels is the group name for a set of contact metamorphic rocks that have been baked and hardened by the heat of intrusive igneous masses and have been rendered massive, hard, splintery, and in some cases exceedingly tough and durable. These properties are due to fine grained non-aligned crystals with platy or prismatic habits, characteristic of metamorphism at high temperature but without accompanying deformation.
horst	A horst is a raised block of the Earth's crust that has lifted, or has remained stationary, while the land on either side (graben) has subsided.
hyaloclastic or hyaloclastite	Hyaloclastite is a volcanoclastic accumulation or breccia consisting of glass fragments (clasts) formed by quench fragmentation of lava flow surfaces during submarine or subglacial extrusion.
hydrogeochemical sampling	Sampling of surface or groundwater to gather geochemical information to characterise the bedrock or host rocks.

hydrothermal fluids	Hydrothermal fluids are natural heated water solutions wherein variety of elements, compounds and gases may be dissolved. They are generated by diverse crustal and mantle geological processes including basinal fluid interaction, magmatic differentiation, and mantle degassing. Hydrothermal fluids lead to the alteration of and/or deposition of minerals that may form deposits. (https://link.springer.com/chapter/10.1007/978-3-319-06471-0_9#:~:text=Hydrothermal%20fluids%20are%20natural%20heated,magmatic%20differentiation%20and%20mantle%20degassing.)
hypogene zonation	The primary mineral zonation around a deposit. In the case of a volcanogenic massive sulphide deposit the zonation from the distal parts to the main mineralisation is pyrrhotite+pyrite to sphalerite+anhydrite to copper-iron sulphides to chalcopyrite. (https://pubs.usgs.gov/sir/2010/5070/c/Chapter8SIR10-5070-C-3.pdf)
ironstone	Ironstone is a sedimentary rock, either deposited directly as a ferruginous sediment or created by chemical replacement, that contains a substantial proportion of an iron compound from which iron can be smelted commercially.
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("the JORC Code") is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves. The JORC Code provides a mandatory system for the classification of minerals Exploration Results, Mineral Resources and Ore Reserves according to the levels of confidence in geological knowledge and technical and economic considerations in Public Reports. The JORC Code is produced by the Australasian Joint Ore Reserves Committee ("the JORC Committee").
Kalahari Copperbelt	The Kalahari Copperbelt comprises a 1,000 km long linear belt of northeast-southwest trending volcano-sedimentary rocks extending from Klein Aub in Namibia to the Shinamba Hills in northern Botswana. It is significant due to its endowment of copper-silver mineralisation along the entire Kalahari Copperbelt. The deposits occur on the contact between chemically reduced shales and siltstones that overlie oxidised red-beds. It has many similarities to the epigenetic structurally controlled stratabound deposits in the Central African Copperbelt. Later deformation has served to remobilise and locally upgrade deposits. (https://kalaharimetals.com/botswana-project-overview/)
limestone	Limestone is a carbonate sedimentary rock that is often composed of the skeletal fragments of marine organisms such as coral, foraminifera, and molluscs. Its major materials are the minerals calcite and aragonite, both forms of calcium carbonate.
listric fault	Listric faults are similar to normal faults but the fault plane curves, the dip being steeper near the surface, then shallower with increased depth.
litharenite	A sandstone that contains more than 25% detrital rock fragments, and more rock fragments than feldspar grains.
lithology	The lithology of a rock unit is a description of its physical characteristics visible at outcrop, in hand or core samples, or with low magnification microscopy. Physical characteristics include colour, texture, grain size, and composition. Lithology may refer to either a detailed description of these characteristics, or a summary of the gross physical character of a rock. Examples of lithologies in the second sense include sandstone, slate, basalt, or limestone.
Lufilian Arc	The Lufilian Arc (or Lufilian Belt) is part of a system of orogenic belts in southern Africa formed during the Pan-African orogeny, a stage in the formation of the Gondwana supercontinent. It extends across eastern Angola, the Katanga Province of the southern Democratic Republic of the Congo and the northwest of Zambia. The arc is about 800 km (500 miles) long. It has global economic importance owing to its rich deposits of copper and cobalt.
mafic	Adjective describing a silicate mineral or igneous rock that is rich in magnesium and iron and is thus a portmanteau of magnesium and ferric. Most mafic minerals are dark in colour, and common rock-forming mafic minerals include olivine, pyroxene, amphibole, and biotite. Common mafic rocks include basalt, diabase and gabbro.
magmatism	Magmatism is the emplacement of magma, through magmatic activity, within and at the surface of the crust which solidifies as igneous rocks.
malachite	Malachite is a copper carbonate hydroxide mineral, with the formula $Cu_2CO_3(OH)_2$. It often results from the weathering of copper ores.
Marinoan	The Marinoan glaciation was a period of worldwide glaciation that lasted from approximately 650–635 Ma during the Cryogenian period. The glaciation may have covered the entire planet, in an event called the Snowball Earth. It occurred after the Sturtian glaciation.

metallogenic	Relating to metallogeny, which is the study of the genesis and regional-to-global distribution of mineral deposits, with emphasis on their relationship in space and time to regional petrologic and tectonic features of the Earth's crust.
metamorphism	The change of minerals or geologic texture (distinct arrangement of minerals) in pre-existing rocks (protoliths), without the protolith melting into liquid magma (a solid-state change). The change occurs primarily due to heat, pressure, and the introduction of chemically active fluids. The chemical components and crystal structures of the minerals making up the rock may change even though the rock remains a solid. Changes at or just beneath Earth's surface due to weathering or diagenesis are not classified as metamorphism. Metamorphism typically occurs between diagenesis (maximum 200°C), and melting (~850°C).
mineral halo	Usually a large diffuse halo of a mineral (or mineral assemblage) around a geological feature or deposit. Mineral haloes are often used to identify and vector in on mineral deposits
Mississippi Valley-type lead-zinc mineralisation	These are carbonate-hosted lead-zinc ore deposits are important and highly valuable concentrations of lead and zinc sulphide ores hosted within carbonate (limestone, marl, dolomite) formations and which share a common genetic origin. These orebodies are small and usually contain <20 million tonnes or more or ore and have a grade of between 4% combined lead and zinc to over 14% combined lead and zinc. These orebodies tend to be compact, fairly uniform plug-like or pipe-like replacements of their host carbonate sequences.
moving-loop electromagnetic survey	A ground-based electromagnetic method using two electromagnetic coils. The transmitting looped generates a primary magnetic field that can induce an electric (eddy) current into conductive bodies. When the primary electromagnetic field is turned off, the induced field decays, and itself generates a secondary electromagnetic field that is measured by the second electromagnetic coil. The two coils are moved from point to point along a traverse line.
multi-spectral satellite imagery	Satellite image that capture data within specific ranges of the electromagnetic spectrum, usually in the visible through to the thermal infrared range. Often used as a tool for remotely mapping geology.
muscovite	A hydrated phyllosilicate (platy silicate) mineral of aluminium and potassium with formula $KAl_2(AlSi_3O_{10})(F,OH)_2$, or $(KF)_2(Al_2O_3)_3(SiO_2)_6(H_2O)$. It is the most common type of mica.
Neoproterozoic	The last era of the Precambrian Supereon and the Proterozoic Eon. The era lasted from 1000 Ma to 541 Ma.
oolitic limestone	A limestone formed from oolites. Oolites are spherical grains composed of concentric layers of calcium carbonate and of diameter 0.25–2 mm.
Orogen	An orogen or orogenic belt develops when a continental plate crumples and is pushed upwards to form one or more mountain ranges; this involves a series of geological processes collectively called orogenesis. Rocks are usually buried, deformed and metamorphosed during this process.
orogen	An orogen or orogenic belt develops when a continental plate crumples and is pushed upwards to form one or more mountain ranges.
palaeotopography	The topography of ancient landscapes.
Palaeozoic	The earliest of three geologic eras of the Phanerozoic Eon and also the longest lasting from 541 Ma to 251.902 Ma, and is subdivided into six geologic periods (from oldest to youngest): the Cambrian, Ordovician, Silurian, Devonian, Carboniferous, and Permian.
Pan-African	In the geological context it was a series of major Neoproterozoic orogenic events which related to the formation of the supercontinents Gondwana and Pannotia from around 950 Ma to 550 Ma.
peperite	A type of volcaniclastic rock consisting of sedimentary rock that contains fragments of younger igneous material and is formed when magma comes into contact with wet sediments
percussion drilling	A drilling method similar to rotary air blast drilling which uses a pneumatic reciprocating piston-driven hammer action to energetically drive a heavy drill bit into the rock.
Permian	A geologic period which spans 47 million years from the end of the Carboniferous period 299 Ma, to the beginning of the Triassic period 252 Ma. It is the last period of the Paleozoic era.
portable x-ray fluorescence	X-ray fluorescence method using a handheld/portable instrument. X-ray fluorescence is the emission of characteristic "secondary" x-rays from a material that has been excited by being bombarded with high-energy x-rays or gamma rays. Used for chemical analysis.
Prospectivity	In the geological context, the potential for a specific area to be prospective for mineralisation.

PrSciNat	Professional Natural Scientist registered with the South African Council for Natural Scientific Professionals (SACNASP) SACNASP is the legislated regulatory body for natural science practitioners in South Africa and a ROPO (Recognised Overseas Professional Organisation) recognised association along with Australasian Institute of Mining and Metallurgy, and the Canadian Institute of Mining, Metallurgy and Petroleum.
pyroxenite	An ultramafic igneous rock consisting essentially of minerals of the pyroxene group, such as augite, diopside, hypersthene, bronzite or enstatite.
quartzite	A hard, non-foliated metamorphic rock which was originally pure quartz sandstone. Sandstone is converted into quartzite through heating and pressure usually related to tectonic compression within orogenic belts.
Quaternary	The current and most recent of the three periods of the Cenozoic Era in the geologic time scale and spans from 2.588 ± 0.005 Ma to the present.
redox boundary	An interface that separates the stability fields of the oxidised and reduced species of a given redox couple (e.g. Fe2+ and Fe3+).
rotary air blast drilling	A percussion rotary air blast drill is a down-the-hole vertical drill which uses a pneumatic reciprocating piston-driven hammer action to energetically drive a heavy drill bit into the rock. Rotary air blast produces lower quality samples because the cuttings are blown up the outside of the rods and can be contaminated from contact with other rocks.
schist	A medium-grade metamorphic rock formed from mudstone or shale. Schist has medium to large, flat, sheet-like grains in a preferred orientation. It is defined by having more than 50% platy and elongated minerals, often finely interleaved with quartz and feldspar.
scout drilling	The drilling of boreholes for the purpose of gathering geological information and not with the immediate objective of obtaining delineating the mineral deposit or a to inform a mineral resource estimate. Associated with early stage exploration to test conceptual models. (Adapted from https://www.lawinsider.com/dictionary/scout-drilling)
silcrete	Silcrete is an indurated (resists crumbling or powdering) soil duricrust formed when surface sand and gravel are cemented by dissolved silica. The formation of silcrete is similar to that of calcrete, formed by calcium carbonate, and ferricrete, formed by iron oxide. It is a hard and resistant material, and though different in origin and nature, appears similar to quartzite.
sill	Tabular shaped igneous intrusion forming a concordant intrusive sheet, meaning that a sill does not cut across pre-existing rock B53 beds. Originally emplaced in a horizontal orientation, although tectonic processes may cause subsequent rotation of horizontal sills into near vertical orientations.
sphalerite	Primary zinc ore comprising zinc sulphide with varying amounts of iron. Chemical formula is (Zn,Fe)S.
strata-bound mineralisation	Mineralisation that is restrict to a single stratigraphic unit.
stratigraphy	The study of the variation in rock layers (strata) and layering (stratification). Most obviously displayed as visible layering, is due to physical contrasts in rock type (lithology).
strato-volcano	This is a conical volcano built up by many layers (strata) of hardened lava, tephra, pumice, and ash. They are characterised by a steep profile with a summit crater and periodic intervals of explosive eruptions and effusive eruptions. The magma forming this lava is often felsic, having high-to-intermediate levels of silica (as in rhyolite, dacite, or andesite). Also known as a composite volcano.
Sturtian	The Sturtian was a glaciation, or perhaps multiple glaciations, during the Cryogenian Period when the Earth experienced repeated large-scale glaciations. The duration of the Sturtian glaciation has been variously defined, with dates ranging from 717 to 643 Ma (corresponds to the Neoproterozoic Era).
syncline	A fold with younger layers closer to the centre of the structure.
Terrane	In geology a terrane is a fragment of crustal material formed on, or broken off from, one tectonic plate and accreted or "sutured" to crust lying on another plate. The crustal block or fragment preserves its own distinctive geologic history, which is different from that of the surrounding areas.
tholeiite	The tholeiitic magma series is one of two main magma series in igneous rocks, the other being the calc-alkaline series. The tholeiite magma series is a chemically distinct range of magma compositions that is the more evolved silica-rich end member. The rocks contain less sodium than some other basalts and are reduced. The mineralogy is dominated by olivine, clinopyroxene and plagioclase, with minor iron-titanium oxides.

time-domain electromagnetics	This is a geophysical exploration technique in which electric and magnetic fields are induced by transient pulses of electric current and the subsequent decay response measured. Used to determine subsurface electrical (and magnetic) properties. Used for mineral exploration, groundwater exploration, and for environmental mapping. Also known as transient electromagnetics.
topographic	Relating to topography, i.e. the arrangement of the physical features of an area. (https://languages.oup.com/google-dictionary-en/)
ultramafic	Igneous and meta-igneous rocks with a very low silica content (less than 45%), generally >18% magnesium oxide, high iron oxide, low potassium, and are composed of usually greater than 90% mafic minerals; which dark coloured, high magnesium and iron content minerals.
unconformity	A buried erosional or non-depositional surface separating two rock masses or strata of different ages, indicating that sediment deposition was not continuous. In general, the older layer was exposed to erosion for an interval of time before deposition of the younger layer, but the term is used to describe any break in the sedimentary geologic record. The rocks above an unconformity are younger than the rocks beneath (unless the sequence has been overturned). An unconformity represents time during which no sediments were preserved in a region. Often identified by a change in inclination of the strata either side of the unconformity.
VALMIN	The VALMIN Code sets out requirements for the technical assessment and valuation of mineral assets and securities for independent expert reports, it provides guidance for petroleum assets and securities. It is a joint committee of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. The committee was established to develop and maintain the "Australasian Code for Public Reporting of technical assessments and valuations of mineral assets", commonly known as the VALMIN Code. The VALMIN Code was first published in 1995, with subsequent editions published in 1997, 2005 and 2015.
wacke/greywacke	Also called dirty sandstone, sedimentary rock composed of sand-sized grains (0.063–2 mm) with a fine-grained clay matrix. The sand-sized grains are frequently composed of rock fragments of wide-ranging mineralogies (e.g. those consisting of pyroxenes, amphiboles, feldspars, and quartz). The grains are angular and poorly sorted with many minerals retaining growth forms that resulted from low abrasion. The matrix, which contains appreciable amounts of clay minerals, may constitute up to 50% of the volume. Of the clay minerals, chlorite and biotite are more abundant than muscovite and illite; kaolinite is absent. The abundant matrix tends to bind the grains strongly and form a relatively hard rock.

8 Abbreviations and Units of Measurement

°	degrees
°C	degrees Celsius
3D	three-dimensional
A$	Australian dollars
AEM	airborne electromagnetic(s)
Ag	silver
AIG	Australian Institute of Geoscientists
AIM	Alternative Investment Market
As	arsenic
Au	gold
AusIMM	Australasian Institute of Mines and Metallurgy
BAC	base acquisition cost
$BaSO_4$	barite
BDO	BDO Corporate Finance (Qld) Pty Ltd
BIF	banded iron formation
c.	circa
Co	cobalt
Cobre Projects	Perrinvale and Sandiman
Cobre	Cobre Limited
CPR	Competent Person's Report
CSA Global	CSA Global (UK) Limited
Cu	copper
DD	diamond core
DHEM	downhole electromagnetic(s)
DMIRS	Department of Mines, Industry Regulation and Safety
EMP	Environmental Management Plan
Fe	iron
g/t	grams per tonne
Ga	billion years ago
GFM	geoscientific factor method
GSWA	Geological Survey of Western Australia
ICP-MS	inductively coupled plasma-mass spectrometry
IP	induced polarisation
KCP	Kalahari Copper Project
km, km^2	kilometre(s), square kilometre(s)
KML Projects	Okavango, Ngami, Kitanya West, and Kitanya East

KML	Kalahari Metals Ltd
m	metre(s)
Ma	million years ago
Mg	magnesium
MLEM	moving-loop electromagnetic(s)
MMI	mobile metal ion
Mo	molybdenum
MOD	MOD Resources
Mt	million tonnes
MVT	Mississippi Valley Type
NCP	Ngami Copper Project
OCP	Okavango Copper Project
oz	ounce(s)
Pb	lead
ppb	parts per billion
ppm	parts per million
RAB	rotary air blast
RC	reverse circulation
S	sulphur
t	tonne(s)
Toucan	Toucan Gold Pty Ltd
Triprop	Triprop Holdings (Pty) Ltd
TTP	Temporary Target Package
US$	United States dollars
VMS	volcanogenic massive sulphide
W	tungsten
XRF	x-ray fluorescence
Zn	zinc

Appendix A Valuation Approaches

Valuation of Mineral Assets is not an exact science; and a number of approaches are possible, each with varying strengths and shortcomings. Whilst valuation is a subjective exercise, there are a number of generally accepted methods for ascertaining the value of Mineral Assets. CSA Global consider that, wherever possible, inputs from a range of methods should be assessed to inform the conclusions about the Market Value of Mineral Assets.

The valuation opinion is always presented as a range, with the preferred value identified. The preferred value need not be the median value and is determined by the Practitioner based on their experience and professional judgement.

Background

Mineral Assets are defined in the VALMIN Code[3] as all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Business valuers typically define market value as *"The price that would be negotiated in an open and unrestricted market between a knowledgeable, willing, but not anxious buyer, and a knowledgeable, willing but not anxious seller acting at arm's length."*

The accounting criterion for a market valuation is that it is an assessment of "fair value", which is defined in the accounting standards as *"the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction."*

The VALMIN Code defines the value of a Mineral Asset as its Market Value, which is *"the estimated amount (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing where the parties had each acted knowledgeably, prudently and without compulsion"*.

Market Value usually consists of two components, the underlying or Technical Value, and a premium or discount relating to market, strategic or other considerations. The VALMIN Code recommends that a preferred or most-likely value be selected as the most likely figure within a range after considering those factors which might impact on Value.

The concept of Market Value hinges upon the notion of an asset changing hands in an arm's length transaction. Market Value must therefore consider, inter alia, market considerations, which can only be determined by reference to "comparable transactions". Generally, truly comparable transactions for Mineral Assets are difficult to identify due to the infrequency of transactions involving producing assets and/or Mineral Resources, the great diversity of mineral exploration properties, the stage to which their evaluation has progressed, perceptions of prospectivity, tenement types, the commodity involved and so on.

For exploration tenements, the notion of value is very often based on considerations unrelated to the amount of cash which might change hands in the event of an outright sale, and in fact, for the majority of tenements being valued, there is unlikely to be any "cash equivalent of some other consideration". Whilst acknowledging these limitations, CSA Global identifies what it considers to be "comparative transactions" (i.e. transactions that are useful to consider) to be used in assessing the values to be attributed to Mineral Assets.

[3] *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code) 2015 Edition.* Prepared by the VALMIN Committee, a joint committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

Valuation Methods for Mineral Assets

The choice of valuation methodology applied to Mineral Assets, including exploration licences, will depend on the amount of data available and the reliability of that data.

The VALMIN Code classifies Mineral Assets into categories that represent a spectrum from areas in which mineralisation may or may not have been found through to Operating Mines which have well-defined Ore Reserves, as listed below:

- **"Early-stage Exploration Projects"** – tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- **"Advanced Exploration Projects"** – tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource (as defined in the JORC[4] Code) estimate may or may not have been made but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
- **"Pre-Development Projects"** – tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely) but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
- **"Development Projects"** – tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Prefeasibility Study.
- **"Production Projects"** – tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

Each of these different categories will require different valuation methodologies, but regardless of the technique employed, consideration must be given to the perceived "market valuation".

The Market Value of Exploration Properties and Undeveloped Mineral Resources can be determined by the following general approaches: Income, Market and Cost Table A1). The Market Value of Development and Production Projects are best assessed using the Market and Income approaches, whereas the Market Value of Exploration projects are best assessed using the Market and Cost approaches.

Table A1: Valuation approaches for different types of mineral properties (VALMIN, 2015)

Valuation approach	Exploration properties	Mineral Resource properties	Development properties	Production properties
Income	No	In some cases	Yes	Yes
Market	Yes	Yes	Yes	Yes
Cost	Yes	In some cases	No	No

Income

The Discounted Cash Flow (DCF)/Net Present Value (NPV) Method

The DCF valuation method recognises the time value of money, it is most suitable for Development Projects, where detailed studies have been completed to justify input assumptions and Production Projects, where

[4] *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) 2012 Edition.* Prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

there is actual historical data to justify input assumptions. Less commonly the DCF methodology is applied to Pre-Development Projects.

The DCF valuation method provides a means of relating the magnitude of expected future cash profits to the magnitude of the initial cash investment required to purchase a mineral asset or to develop it for commercial production. The DCF valuation method determines:

- The NPV of a stream of expected future cash revenues and costs
- The internal rate of return (IRR) that the expected cash flows will yield on a given cash investment.

The DCF valuation method is a forward-looking methodology, requiring that forecasts be made of technical and economic conditions which will prevail in the future. All future predictions are inherently uncertain. The level of uncertainty reduces as the quality of the data available to project future rates of production and future costs, increases.

It is important to understand certain fundamental attributes of the mining industry in undertaking a DCF, such as:

- An Ore Reserve and in some cases Mineral Resource is the basis of any mineral development.
- Costs are determined by the number of tonnes mined and processed, while revenues are determined by the number of tonnes, pounds or ounces of metal produced. The two are related by the recovered grade of the ore.
- Profit is typically more sensitive to changes in revenue that to changes in costs.
- The commodity price is a principal determinant of revenue but is also the factor with the greatest level of financial risk.

The most significant factors, which must be considered in a DCF valuation of a mineral asset is the reliability of the Mineral Resource and Ore Reserve, particularly with respect to recovered grade, the price at which the product is sold and the risk of not maintaining the projected level of commodity price.

Key inputs into the DCF valuation method for a mineral asset valuation are:

- Life-of-mine planning assumptions.
- Capital cost estimates – can be the initial cost of constructing the project and/or the ongoing cost of sustaining the productive life of the operation.
- Operating cost estimates - costs incurred both on-site in producing the commodity which is shipped from the property, and off site, in the transportation and downstream processing of that commodity into saleable end products.
- Revenue estimates – revenue in the mining context is the product of the following factors:
    - The tonnage of ore mined and processed
    - The grade of the ore
    - The metallurgical recovery
    - The price of the saleable commodity.
- Taxation and royalty payments.
- Discount rate – represents the risk adjusted rate of interest expected to be yielded by an investment in the mineral asset.

The Income Approach is not appropriate for properties without Mineral Resources. It should be employed only where enough reliable data are available to provide realistic inputs to a financial model, preferably based on studies at or exceeding a prefeasibility level.

Market

Comparative Transaction Method

The Comparative Transactions Method looks at prior transactions for the property and recent arm's length transactions for comparative properties.

The Comparative Transaction method provides a useful guide where a mineral asset that is generally comparable in location and commodity has in the recent past been the subject of an "arm's length" transaction, for either cash or shares.

For the market approach resources are not generally subdivided into their constituent JORC Code categories. The total endowment or consolidated in situ resources are what drives the derivation of value. Each transaction implicitly captures the specific permutation of resource categories in a project. There are too many project-specific factors at play to allow any more than a consideration of price paid versus total resource base. Therefore, considering individual project resource permutations is neither practicable nor useful for this valuation approach. To that end CSA Global's discussion of the market approach is predicated on the consolidated resource base, to allow application of the method.

Where a progressively increasing interest is to be earned in stages, it is likely that a commitment to the second or subsequent stages of expenditure will be so heavily contingent upon the results achieved during the earlier phases of exploration that assigning a probability to the subsequent stages proceeding will in most cases be meaningless. A commitment to a minimum level of expenditure before an incoming party can withdraw must reflect that party's perception of minimum value and should not be discounted. Similarly, any upfront cash payments should not be discounted.

The terms of a sale or joint venture agreement should reflect the agreed value of the tenements at the time, irrespective of transactions or historical exploration expenditure prior to that date. Hence the current Value of a tenement or tenements will be the Value implied from the terms of the most recent transaction involving it/them, plus any change in Value as a result of subsequent exploration.

High quality Mineral Assets are likely to trade at a premium over the general market. On the other hand, exploration tenements that have no defined attributes apart from interesting geology or a "good address" may well trade at a discount to the general market. Market Values for exploration tenements may also be impacted by the size of the land holding, with a large, consolidated holding in an area with good exploration potential attracting a premium due to its appeal to large companies.

Yardstick

The Rule-of-Thumb (Yardstick) method is relevant to exploration properties where some data on tonnage and grade exist, and these properties may be valued by methods that employ the concept of an arbitrarily ascribed current in situ net value to any Ore Reserves (or Mineral Resources) outlined within the tenement (Lawrence 2001, 2012).

Rules-of-Thumb (Yardstick) methods are commonly used where a Mineral Resource remains in the Inferred category and available technical/economic information is limited. This approach ascribes a heavily discounted in situ value to the Resources, based upon a subjective estimate of the future profit or net value (say per tonne of ore) to derive a rule-of-thumb.

This Yardstick multiplier factor applied to the Resources delineated (depending upon category) varies depending on the commodity. Typically, a range from 0.4% to 3% of the current spot price is used for base metals and platinum group metals, whereas for gold and diamonds a range of 2% to 5% of the current spot price is used, and typically much lower factors are applied for bulk commodities. The method estimates the in situ gross metal content value of the mineralisation delineated (using the spot metal price and appropriate metal equivalents for polymetallic mineralisation as at the valuation date).

The chosen percentage is based upon the valuer's risk assessment of the assigned Mineral Resource category, the commodity's likely extraction and treatment costs, availability/proximity of transport and other

infrastructure (particularly a suitable processing facility), physiography and maturity of the mineral field, as well as the depth of the potential mining operation.

This method is best used as a non-corroborative check on the order of magnitude of values derived using other valuation methods that are likely to better reflect project-specific criteria.

Cost

The Appraised Value or Exploration Expenditure method considers the costs and results of historical exploration.

The Appraised Value method is based on the premise that the real value of an exploration property lies in its potential for the existence and discovery of an economic mineral deposit (Roscoe, 2002). It utilises a Multiple of Exploration Expenditure (MEE), which involves the allocation of a premium or discount to past relevant and effective expenditure using the Prospectivity Enhancement Multiplier (PEM). This involves a factor which is directly related to the success (or failure) of the exploration completed to date, during the life of the current tenements.

Guidelines for the selection of a PEM factor have been proposed by several authors in the field of mineral asset valuation (Onley, 1994). Table A2 lists the PEM factors and criteria used in this Report.

Table A2: PEM factors

PEM range	Criteria
0.2 to 0.5	Exploration (past and present) has downgraded the tenement prospectivity, no mineralisation identified
0.5 to 1.0	Exploration potential has been maintained (rather than enhanced) by past and present activity from regional mapping
1.0 to 1.3	Exploration has maintained, or slightly enhanced (but not downgraded) the prospectivity
1.3 to 1.5	Exploration has considerably increased the prospectivity (geological mapping, geochemical or geophysical activities)
1.5 to 2.0	Scout drilling (rotary air blast (RAB), air-core (AC), reverse circulation percussion (RCP)) has identified interesting intersections of mineralisation
2.0 to 2.5	Detailed drilling has defined targets with potential economic interest
2.5 to 3.0	A Mineral Resource has been estimated at Inferred JORC category, no concept or scoping study has been completed
3.0 to 4.0	Indicated Mineral Resources have been estimated that are likely to form the basis of a Prefeasibility Study
4.0 to 5.0	Indicated and Measured Resources have been estimated and economic parameters are available for assessment

Geoscience Factors

The Geoscience Factor (or Kilburn) method (GFM), as described by Kilburn (1990), provides an approach for the technical valuation of the exploration potential of mineral properties, on which there are no defined resources. It seeks to rank and weight geological aspects, including proximity to mines, deposits and the significance of the camp and the commodity sought.

Valuation is based upon a calculation in which the geological prospectivity, commodity markets, and mineral property markets are assessed independently. The GFM is essentially a technique to define a Value based upon geological prospectivity. The method appraises a variety of mineral property characteristics:

- Location with respect to any off-property mineral occurrence of value, or favourable geological, geochemical or geophysical anomalies
- Location and nature of any mineralisation, geochemical, geological or geophysical anomaly within the property and the tenor of any mineralisation known to exist on the property being valued
- Number and relative position of anomalies on the property being valued
- Geological models appropriate to the property being valued.

The GFM method systematically assesses and grades these four key technical attributes of a tenement to arrive at a series of multiplier factors (Table A3).

Table A3: Geoscientific Factor Ranking

Rating	Address/Off-property factor	On-property factor	Anomaly factor	Geological factor
0.5	Very little chance of mineralisation; Concept unsuitable to the environment	Very little chance of mineralisation; Concept unsuitable to the environment	Extensive previous exploration with poor results	Generally unfavourable lithology; No alteration of interest
1	Exploration model support; Indications of prospectivity; Concept validated	Exploration model support; Indications of prospectivity; Concept validated	Extensive previous exploration with encouraging results; Regional targets	Deep cover; Generally favourable lithology/ alteration (70%)
1.5	Reconnaissance (RAB/AC) drilling with some scattered favourable results; Minor workings	Exploratory sampling with encouragement	Several early stage targets outlined from geochemistry and geophysics	Shallow cover; Generally favourable lithology/ alteration 50-60%
2	Several old workings; Significant RCP drilling leading to advanced project	Several old workings; Reconnaissance drilling or RCP drilling with encouraging intersections	Several well-defined targets supported by reconnaissance drilling data	Exposed favourable; Lithology/alteration
2.5	Abundant workings; Grid drilling with encouraging results on adjacent sections	Abundant workings; Core drilling after RCP with encouragement	Several well-defined targets with encouraging drilling results	Strongly favourable lithology, alteration
3	Mineral Resource areas defined	Advanced Resource definition drilling (early stages)	Several significant sub-economic targets; No indication of “size”	Generally favourable lithology with structures along strike of a major mine; Very prospective geology
3.5	Abundant Workings/mines with significant historical production; Adjacent to known mineralisation at Prefeasibility Study stage	Abundant workings/mines with significant historical production; Mineral Resource areas defined	Several significant sub-economic targets; Potential for significant “size”; Early stage drilling	
4	Along strike or adjacent to Resources at Definitive Feasibility Study stage	Adjacent to known mineralisation at Prefeasibility Study stage	Marginally economic targets of significant “size” advanced drilling	
4.5	Adjacent to development stage project	Along strike or adjacent to Resources at Definitive Feasibility Study stage	Marginal economic targets of significant “size” with well drilled Inferred Resources	
5	Along strike from operating major mine(s)	Adjacent to development stage project	Several significant ore grade co-relatable intersections	

The Geoscience Rating Factor valuation method is a subjective valuation method and different valuation practitioners are likely to derive different on-off property, anomaly, and geological factors, based on their interpretation and understanding of the project. Different descriptions of the rating factors also exist. However, provided the same rating system of factors and descriptions of their values is used, the results from different practitioners should not be dramatically different.

The Basic Acquisition Cost (BAC) is an important input to the GFM. In essence, it is the average cost to acquire and hold an average age tenement in the jurisdiction and it is determined by summing the costs to identify and area of interest, application fees, annual rents and other government costs, work required to facilitate granting (e.g. native title, environmental etc.) and minimum annual statutory expenditures. In other words, the BAC is the total average expenditure per standard unit area (km², hectare, sub-block, etc.) and captures the identification cost and then the application and retention costs. Each factor is then multiplied serially by

the BAC to establish the overall technical value of each mineral property. A fifth factor, the market factor, is then multiplied by the technical value to arrive at the fair market value.

The standard references on the method (Kilburn 1990, Goulevitch and Eupene 1994) do not provide much detail on how the market factor should be ascertained. CSA Global takes the approach of using the implied value range from our selected Comparable Transactions to inform the selection of a GFM market factor. CSA Global's presumption is that the comparatives are capturing the market sentiment, so any other valuation method should not be significantly different (order of magnitude).

This is achieved by finding the market factor that produces an average GFM preferred value per unit area for whole project (i.e. total preferred GFM value divided by the total area) that falls within the range of the comparatives implied values per unit area. It is CSA Global's view that this adequately accounts for global market factors on an empirical basis. For example, if the implied value range is \$100/km² to \$2,000/km², then the market factor should give an average GFM preferred value per unit area that falls within that range.

CSA Global generally would select a market factor (rounded to an appropriate number of significant digits) that gives a value closer to the upper end of the range (though this is the valuer's judgement call). This is because the GFM is a tool that addresses the exploration potential of a project and is best suited to informing the upper end of valuation ranges for a project.

Geological Risk Method

In the Geological Risk Valuation method, as described by Lord et al. (2001), the value of a project at a given stage of knowledge/development is estimated based on the potential value of the project at a later stage of development, discounted by the probability of the potential value of the later stage being achieved, and considering the estimated cost of progressing the project to the next stage.

The relevant stages of exploration are defined in Table A4.

Table A4: Definition of exploration stages

Stage	Description
Stage A	Ground acquisition, project/target generation
Stage B	Prospect definition (Mapping and Geochemistry)
Stage C	Drill testing (systematic RC, DD)
Stage D	Resource Delineation
Stage E	Feasibility

The expected value (E) of a project at a given stage is then dependent on the target value at the next stage (T), the probability of successfully advancing the project to the next stage (P), and the cost of advancing the project (C). This can be expressed as:

$$E = P * (T - C)$$

This valuation method generates an expected value for each project (or prospect) at each of the main exploration stages or decision points, by working back from a project's target value. A project's target value can be based on an expected NPV from a reasonably constrained DCF model, or from a reasonable approximation of the value of a defined resource, in which case the initial target value will be the value at the end of Stage D, as opposed to the value at the end of Stage E.

Lord et al. (2001) concluded that the probability of successfully proceeding from one exploration phase to the following one was as depicted in Table A5, based on a detailed study of gold exploration programs in the Laverton area of Western Australia.

Table A5: Probability of successfully proceeding from one exploration stage to another

Stages	Probability of advancing
Generative to reconnaissance	0.54
Reconnaissance to systematic drill testing	0.17
Systematic drill testing to Resource delineation	0.58
Resource delineation to Feasibility	0.87
Feasibility to Mine	0.90

Source: Lord et al. (2001)

Valuation Approaches by Asset Stage

Regardless of the technical application of various valuation methods and guidelines, the valuer should strive to adequately reflect the carefully considered risks and potentials of the various projects in the valuation ranges and the preferred values, with the overriding objective of determining the "fair market value".

Table A1 shows the valuation approaches that are generally considered appropriate to apply to each type of mineral property.

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Appendix B Comparative Copperbelt Transactions

Transaction	Project	Country	Date	Cu Price (US$/t)	Buyer	Seller	Equity	100% Price (US$)	Area (km²)	Implied US$/km²	Normalised US$/km²	Comment
JOGMEC earn-in to Pangeni	Pangeni	Zambia	Mar-21	8,788	JOGMEC	BeMetals Corp.	20%	7,500,000	575	13,043.48	13,868.74	Excluded - high outlier, with POSCO taking up a strategic position for offtake.
Trigon acquisition of Guchab	Guchab	Namibia	Feb-21	9,139	Trigon Metals Inc.	Sabre Resources Limited; Coniston Pty Ltd	100%	156,780	56	2,792.66	2,855.15	Comparatively small, focussed area surrounding the Kombat project (previously mined with current mineral resource), with numerous known mineral occurrences. Excluded as not sufficiently comparable to KCP. Contingent payment excluded.
Power earn-in to KCB and Ditau	KCB, Ditau	Botswana	Sep-20	6,668	Power Metal Resources plc	Kavango Resources plc	50%	684,540	2,680	255.43	357.92	Half of the area is in the Kalahari Copperbelt, adjacent to T3 and A4 Dome, with the other half (Ditau) in southwest Botswana, and prospective for rare earths.
Galileo acquire Africibum	Kalahari	Botswana	Sep-20	6,668	Galileo	Africibum	100%	415,519	1,925	215.85	302.47	
Galileo acquire Crocus ground	Kalahari	Botswana (KCB) and two licences in Limpopo belt	May-20	5,352	Galileo	Crocus	100%	207,452	14,875	13.95	24.35	Complete greenfields licences. Excluded as low outlier

Transaction	Project	Country	Date	Cu Price (US$/t)	Buyer	Seller	Equity	100% Price (US$)	Area (km²)	Implied US$/km²	Normalised US$/km²	Comment
Rio earn in - Midnight Sun	Solwezi licences	Zambia	Apr-20	5,160	Rio Tinto	Midnight Sun	75%	933,333	506	1,844.53	3,339.93	High value, adjacent to world class deposit
RZJ buy into Dorwit Project, White Metal	Dorwit	Namibia	Oct-19	5,770	RZJ	White Metal	70%	677,143	789	858.63	1,390.56	Appears not to have been finalised, possible premium for historical resources?
Bankers Cobalt acquires additional licence near Kamanjab	Kamanjab	Namibia	Nov-18	6,227	Bankers Cobalt	Private seller	70%	42,857	943	45.45	68.20	
Tanga acquisition of Hagenhof	Hagenhof	Namibia	Aug-18	5,968	Tanga	Hagenhof	100%	50,000	197	253.81	397.37	
Namibia Rare Earths acquire Kunene Project	Kunene	Namibia	Feb-18	6,895	Namibia Rare Earths/Namibia Critical Metals	Gecko	60%	5,333,333	6,629	804.55	1,090.36	Includes non Cu assets (Co and Li) - prices for these were high at the time of the transaction
Be Metals acquire Pangeni Project	Pangeni	Zambia	Feb-18	6,895	Be Metals	Manica Minerals	68%	2,189,012	575	3,806.98	5,159.40	Excluded - Related party transaction, filed as "not an arms length transaction" on the TSX-V.
Metallum acquisition of Kopore	Kopore	Botswana	Aug-17	6,760	Metallum Limited	Global Exploration Technologies	100%	2,177,373	5,161	421.89	583.18	Adjoins original Draganfly ground. Most comparable in scale, location and project advancement level to KML projects
Redhawk acquires Copperzone licences	Copperzone projects	Zambia	Sep-16	4,848	Redhawk	Copperzone	55%	2,781,818	779	3,571.06	6,882.65	Excluded as outlier - anomalously high value - Zambia

Appendix C Comparative West Australian Exploration Tenure Transactions

Date	Project	Commodity	Vendor	Purchaser or Farminee	Transaction	Value 100% equity in the project	Area km²	Cost per km²	Deemed equity of the Farminee (%)	Normalised cost per km²
24 Jul 2020	Mount Alexander	Ni	Undisclosed seller	St George Mining Ltd	Purchase	$54,600	84	650	100	549
15 Jul 2020	Strelley	Au	Lithium Power International Ltd	Carnaby Resources Ltd	Purchase	$150,000	64.19	2,337	100	2,054
14 Jul 2020	Side Well	Au	Zebina Minerals Pty Ltd	Great Boulder Resources Ltd	JV	$866,667	131.77	6,577	75	5,733
8 Jul 2020	Yarri East	Au	RBR Group Ltd; Newmont Corp.	Black Cat Syndicate Ltd	Purchase	$200,000	210	952	100	828
6 Jul 2020	Mount Maitland	Au	Private seller	Red Mountain Mining Ltd	Purchase	$250,000	62	4,032	100	3,573
3 Jul 2020	Warriedar	Au	Norwest Minerals Ltd	Warriedar Mining Pty Ltd	Purchase	$200,000	43.85	4,561	100	7,121
2 Jul 2020	Mount Magnet	Au	Eastern Goldfields Exploration Pty Ltd	Blaze International Ltd	Option to purchase	$1,187,153	147	8,076	100	2,824
1 Jul 2020	Biranup	Au, Cu, Ni	VRX Silica Ltd	New Energy Metals Ltd	Purchase	$1,250,000	393	3,181	100	58
25 Jun 2020	Koongulla	Au	Private seller	Boadicea Resources Ltd	Purchase	$15,789	240	66	95	5,099
11 Jun 2020	Mount Elsie	Au	Private seller	Novo Resources Corp.	Purchase	$1,240,000	19	65,263	100	21,853
3 Jun 2020	Pascalle & Gnama	Au, Cu, Ni	Private seller	ScandiVanadium Ltd	Purchase	$717,000	130.36	5,500	100	1,197
28 Apr 2020	Wanganui	Au	Bar None Exploration Pty Ltd	Castle Minerals Ltd	Purchase	$130,000	18.4	7,065	100	415
28 Apr 2020	Perrinvale	Cu	Resource Assets Pty Ltd	Cobre Ltd	Purchase	$8,799,500	348.1	25,279	20	249

Date	Project	Commodity	Vendor	Purchaser or Farminee	Transaction	Value 100% equity in the project	Area km²	Cost per km²	Deemed equity of the Farminee (%)	Normalised cost per km²
28 Apr 2020	Polelle	Au	Private seller	Castle Minerals Ltd	Purchase	$200,000	144.5	1,384	100	151
20 Apr 20	Jundee South	Au	Faurex Pty Ltd	Avenira Ltd	Purchase	$350,000	720	486	100	563
17 Apr 20	Wells Group	Au	Kingwest Resources Ltd	NTN Gold Ltd	Purchase	$125,000	426	293	100	9,766
2 Apr 20	Rebecca	Au	Encounter Resources Ltd	Bulletin Resources Ltd	Purchase	$35,000	198	177	100	3,570
28 Feb 20	Wilki	Au, Cu	Antipa Minerals Ltd	Newcrest Mining Ltd	JV	$18,540,838	2180	8,505	51	1,011
11 Feb 20	Sandstone	Au	Rafaella Resources Ltd	Westar Resources Ltd	Purchase	$150,000	259	579	100	185
10 Dec 19	Desdemona South	Au	Kin Mining NL	Genesis Minerals Ltd	JV	$1,444,640	156	9,261	60	8,528
6 Dec 19	Metzke's Find	Au	Private seller	Dreadnaught Resources Ltd	Purchase	$114,800	12	9,567	100	31,751
13 Nov 19	Sandiman	Au, Cu, Pb, Zn	GTTS Generations Pty Ltd	Cobre Ltd	JV	$683,007	202	3,381	51	3,946
25 Jul 19	Bar and Twenty	Au	Anova Metals Ltd	Private buyer	Purchase	$25,000	18	1,379	100	9,201
25 Jul 19	Balagundi	Au	Pioneer Resources Ltd	Black Cat Syndicate Ltd	JV	$630,388	41	15,527	75	1,300
23 Jul 19	Lake Rebecca	Au	Matsa Resources Ltd	Bulletin Resources Ltd	Purchase	$156,250	172	908	80	1,913
9 Jul 19	Marble Bar	Au	Epminex WA Pty Ltd	Calidus Resources Ltd	Purchase	$110,000	9	11,659	50	10,000
9 Jul 19	Bulgera	Au	Accelerate Resources Ltd	Norwest Minerals Ltd	Purchase	$220,000	37	5,977	100	5,908
24 Jun 19	Illaara	Au	Newmont Goldcorp Corp.	Dreadnaught Resources Ltd	Purchase	$120,000	726	165	100	1,324
23 May 19	Mount Venn	Au, Ni, Cu	Cazaly Resources Ltd	Woomera Mining Ltd	JV	$2,740,176	390	7,026	80	2,243

Date	Project	Commodity	Vendor	Purchaser or Farminee	Transaction	Value 100% equity in the project	Area km²	Cost per km²	Deemed equity of the Farminee (%)	Normalised cost per km²
14 May 19	Tambourah, Hillside, Panorama, and Bonnie Scot	Au, Li	Macarthur Minerals Ltd	Fe Ltd	JV	$6,869,262	1600	4,293	25	94
1 May 19	Ned's Creek	Au	Lodestar Minerals Ltd	Vango Mining Ltd	JV	$8,628,488	337.92	25,534	51	3,912
11 Apr 19	Carterton	Au	Gateway Mining Ltd	Syndicated Metals Ltd	Purchase	$282,727	89.27	3,167	100	9,424
29 Mar 19	Hobbes	Au	Orecorp Ltd	Crosspick Resources Pty Ltd	JV	$704,545	95	7,416	40	3,588
27 Mar 19	Pilbara	Au	Private Seller	Thor Mining PLC	Purchase	$833,000	784	1,063	100	758
11 Mar 19	Pilbara Basin	Au	CTTR Mining Tenements Pty Ltd	Monteray Minerals Inc.	Purchase	$813,000	525	1,549	100	60,887
11 Feb 19	Sherlock River	Au	Ridge Street Investments Pty Ltd	Monteray Minerals Inc.	Purchase	$1,105,000	135	8,185	100	2,633
8 Feb 19	Laverton	Au	Expose Resources Ltd	Global Fortune Investment Ltd	JV	$740,463	153.1	4,836	51	866
18 Jan 2019	Paynes Find	Au	Attgold Pty Ltd	Oakajee Corporation Ltd	Purchase	$43,750	45	974	80	1,856
11 Dec 2018	Penny West	Au	Private Seller	Spectrum Metals Ltd	Purchase	15000	4	3,359	100	1,698
28 Nov 18	Kirkalocka	Au	Iron Clad Prospecting Pty Ltd	Blaze International Ltd	Purchase	$130,000	132.53	981	100	838
28 Nov 18	Kirkalocka	Au	Beau Resources	Blaze International Ltd	Purchase	$160,000	96.277	1,662	100	5,345
15 Oct 2018	Mount Hawthorn	Au	Bar None Exploration Pty Ltd	Marindi Metals Ltd	Purchase	$41,000	14.48	2,831	100	5,540

Date	Project	Commodity	Vendor	Purchaser or Farminee	Transaction	Value 100% equity in the project	Area km²	Cost per km²	Deemed equity of the Farminee (%)	Normalised cost per km²
11 Oct 2018	Hong Kong	Au	Clancy Exploration Ltd	Pacton Gold Inc.	Purchase	$1,769,545	40.15	44,073	100	7,798
27 Sep 2018	Golden Palm	Au	Private Seller	Pacton Gold Inc.	Purchase	$280,000	24.62	11,373	100	5,624
20 Sep 2018	Wallbrook	Au	Newmont Exploration Pty Ltd	Nexus Minerals Ltd	Purchase	$13,100	190	69	100	4,277
3 Sep 2018	Mon Ami Area	Au	Strategic Minerals Plc	Great Southern Mining Ltd	Purchase	$145,000	50	2,876	100	18,981
23 Aug 2018	Pilbara	Au	Arrow Minerals Ltd	Pacton Gold Inc.	Purchase	$4,146,939	609	6,809	49	941
31 Jul 2018	Holleton	Au	Element 25 Ltd	Ramelius Resources Ltd	Purchase	$1,000,000	384	2,604	100	139
18 Jun 2018	Ruby Plains	Au	Private Seller	Dampier Gold Ltd	Purchase	$473,420	821	577	100	1,515
7 Jun 2018	Lefroy	Au	Lefroy Exploration Ltd	St Ives Gold Mining Company Pty Ltd	JV	$16,995,768	372	45,688	51	306
25 May 2018	South Darlot	Au	Central Iron Ore Ltd	Kingwest Resources limited	Purchase	$580,000	289	2,007	100	3,399
4 May 2018	Kirkalocka	Au	Blaze International Ltd	Bar None Exploration Pty Ltd	Purchase	$100,000	33	3,012	100	8,589
18 Apr 2018	Slate Dam	Au	Rare Earth Contracting Pty Ltd	Aruma Resources Ltd	Purchase	$66,000	19	3,474	100	4,626
16 Apr 2018	Ockerburry Hill	Au	AngloGold Ashanti Australia Ltd	Red 5 Ltd	Purchase	$45,000	68	664	100	5,264
29 Mar 2018	Warrawoona	Au	Gardner Mining Pty Ltd	Calidus Resources Ltd	Purchase	$76,755	45	1,714	100	1,288

Date	Project	Commodity	Vendor	Purchaser or Farminee	Transaction	Value 100% equity in the project	Area km²	Cost per km²	Deemed equity of the Farminee (%)	Normalised cost per km²
26 Feb 2018	Queen Lapage	Au	Alloy Resources Ltd	Riversgold Ltd	JV	$447,859	322	1,392	70	549
5 Feb 2018	South Yamarna	Au	Sumitomo Metal Mining Oceana Pty Ltd	Gold Road Resources Ltd	Purchase	$14,000,000	2,467	5,675	50	2,054
31 Jan 2018	Mary River	Au	Private seller	Pantoro Ltd	Purchase	$80,000	64	1,246	100	5,733
22 Dec 2017	Hacks Well	Au	Australian Potash Ltd	Matsa Resources Ltd	Purchase	$55,000	90	611	100	828
22 Dec 2017	Omni Projects	Au BM	OMNI GeoX Pty Ltd	Gateway Mining Ltd	Purchase	$1,500,000	1,339	1,120	100	3,573
13 Dec 2017	Pilbara Region	Au	Geko Co Pty Ltd	Tando Resources Ltd	Option to purchase	$222,548	22	9,935	100	7,121
12 Dec 2017	Dalgaranga	Au	Private seller	Gascoyne Resources Ltd	Purchase	$499,000	129	3,868	100	2,824
22 Nov 2017	Eastman	Au, BM	Sandrib Pty Ltd	Peako Ltd	JV	$920,110	221	4,160	60	58
8 Nov 2017	Croydon Top Camp	Au	Creasy Group Companies	Coziron Resources Ltd	JV	$1,828,571	317	5,768	70	5,099
6 Nov 2017	Black Hills	Au	Private seller	Greatland Gold Plc	Purchase	$225,000	25	9,000	100	21,853
3 Oct 2017	Mertondale East	Au	Private seller	Magnetic Resources NL	Purchase	$40,000	3	13,333	100	1,197
29 Sep 2017	Charteris Creek	Au	Riedel Resources Ltd	LMTD Wits Pty Ltd	Purchase	$500,000	123	4,065	100	415
5 Sep 2017	Yandal East	Au	Zabina Minerals Pty Ltd	Overland Resources Ltd	Option to purchase	$1,030,091	327	3,146	75	249
21 Aug 2017	Pilbara	Au	Private Seller	De Grey Mining Ltd	JV	$3,080,992	226	13,633	30	151
6 Jun 2017	Dumbleyung	Au	Chalice Gold Mines Ltd	Ausgold Ltd	Purchase	$330,000	461	716	100	563

Date	Project	Commodity	Vendor	Purchaser or Farminee	Transaction	Value 100% equity in the project	Area km²	Cost per km²	Deemed equity of the Farminee (%)	Normalised cost per km²
18 Nov 2016	Harris Find	Au	Diversified Asset Holdings Pty Ltd and Brutus Constructions Pty Ltd	Great Western Exploration Ltd	Purchase	$619,318	36	17,203	80	9,766
6 Dec 2016	FMG tenements	Cu	FMG Resources Pty Ltd	Toucan Gold Pty Ltd	Purchase	$16,864	175	96	100	3,570
27 Jul 2016	Monument	Au	Monument Exploration Pty Ltd	Syndicated Metals Ltd	Purchase	$250,000	210	1,190	100	1,011
31 May 2016	Mount Gill and Mount Howe	Au	Breaker Resources Ltd	Gold Road Resources Ltd	Purchase	$50,000	221	226	100	185
11 Mar 2016	Doolgunna	Au, Cu	Tasex Geological Services Pty Ltd	DGO Gold Ltd	JV	$169,958	68	2,499	51	8,528
4 Nov 2015	Duffy Well	Au	Mithril Resources Ltd	Doray Minerals Ltd	JV	$579,140	98	5,910	51	31,751
8 Sep 2015	Jillewarra	Au	Zebina Minerals Pty Ltd	Timpetra Resources Ltd	JV	$731,338	223	3,275	80	3,946
14 Jul 2015	Duketon	Au	Duketon Mining Ltd	Regis Resources Ltd	JV	$1,345,455	373	3,607	75	9,201
2 Jul 2015	Fraser Range	Ni, Cu, Au	Creasy Group Companies	Legend Mining Ltd	Purchase	$4,286,429	2,530	1,694	70	1,300
22 May 2015	Lyndon	Au, BM	Latitude Consolidated Ltd	Shine Resources Pty Ltd	Purchase	$50,000	57	877	45	1,913

Appendix D Comparative West African Exploration Tenure Transactions

Date	Country	Project	Seller	Buyer	Transaction type	Value (A$ millions 100% equity basis)	Area (km^2)	Implied value (A$/$km^2$)	Normalised value (A$/$km^2$)
22-Mar-21	Gabon	Nyanga	Armada Exploration Ltd	Cobre Ltd	Purchase – 18.5%	5.23	2,991	1,749	2,210
3-Nov-20	Burkina Faso	Bongou & Tempetou	Progress Minerals Inc	Predictive Discovery Ltd	Purchase – 51%	0.47	722	652	816
27-Aug-20	Mali	Tabakorole, Kolondieba & Yanfolila	Oklo Resources Ltd	Marvel Gold Ltd	JV – 80%	1.50	675	2,222	2,840
6-Aug-20	Cote d'Ivoire	Bocanda, Issia & Tieningboue	Glomin Services Ltd	Predictive Discovery Ltd	JV – 80%	0.39	1,135	346	463
29-Jun-20	Cote d'Ivoire	Priko-Zenoula	Altus Strategies Plc	Stellar AfricanGold Inc	Purchase – 100%	0.09	770	121	174
1-May-20	Burkina Faso	Niou	Nord Gold SE	Mako Gold Ltd	Purchase – 100%	1.08	500	2,168	3,142
2-Mar-20	Cote d'Ivoire	Bodite & Binouan	Major Star SARL	IronRidge Resources Ltd	Purchase – 100%	0.55	541	1,015	1,404
4-Oct-19	Ghana	Dulcie	Private Seller	Erinbar Ltd	Purchase – 70%	9.14	1,126	8,117	8,214
3-Sep-19	Gabon	Kroussou	Trek Metals Ltd	Apollo Minerals Ltd	JV – 70%	2.48	987	2,510	2,519
14-Aug-19	Ghana	Degbiwu & Gbiniyiri	Castle Minerals Ltd	Iguana Resources Ltd	JV – 51%	11.90	1,231	9,671	10,937
6-Aug-18	Cote d'Ivoire	Bageo & Liberty	Apollo Consolidated Ltd	Novo Litio Ltd	Purchase – 80%	4.93	830	5,934	8,641
11-Jan-18	Gabon	Kroussou	Battery Minerals Ltd	Trek Metals Ltd	Purchase – 100%	0.51	1,500	338	568

Appendix E Detailed Kilburn Valuations

Table E1: Detailed Kilburn valuation of Botswanan tenements

Licence	Holder	Area (km²)	Off property		On property		Anomaly		Geological		Value (US$)		
			Low	High	Low	High	Low	High	Low	High	Low	High	Preferred
PL148/2017	KML	999	1	2	1	1.5	1	1.5	1	1.5	61,380	414,315	237,848
PL149/2017	KML	1,000	2	3.5	2	2.5	2	2.5	1	1.5	491,187	2,014,636	1,252,912
PL041/2012	Triprop	59	1.5	2.5	1	2	1	2	1.5	2	8,141	72,364	40,252
PL042/2012	Triprop	467	3.5	4	1	2	1	2	1.5	2	150,738	918,783	534,761
PL043/2012	Triprop	198	2	2.5	1	1.5	1	1.5	1.5	2	36,452	136,695	86,574
PL343/2016	Kitlanya	957	1	1.5	1	1.5	1	2	1	1.5	58,788	396,817	227,802
PL342/2016	Kitlanya	942	1	1.5	1	1.5	1	2	1	1.5	57,866	390,597	224,232
PL072/2017	Kitlanya	845	2.5	3	1	1.5	1	1.5	1	1.5	129,769	525,565	327,667
PL070/2017	Kitlanya	994	3.5	4	1.5	2	1.5	2	1.5	2.5	721,278	2,442,423	1,581,850
PL071/2017	Kitlanya	914	2.5	3	1	1.5	1	1.5	1	1.5	140,366	568,481	354,423
PL035/2012	Triprop	628	1	1.5	1.5	2	2	2.5	1.5	2	173,599	578,663	376,131
PL036/2012	Triprop	96	1	1.5	1.5	2	2	2.5	1.5	2	26,648	88,827	57,737
Total		**8,099**									**2,056,212**	**8,351,311**	**5,203,762**

BAC: US$186.15/km²; Market Factor: 0.33

Table E2: Detailed Kilburn valuation of West Australian tenements

Project	Licence	Area (km²)	Off Property		On Property		Anomaly		Geological		Value (A$)		
			Low	High	Low	High	Low	High	Low	High	Low	High	Preferred
Perrinvale	E29/1017	54.0	1	1.5	1	1.5	1	1.5	1	2	42,608	287,601	165,104
	E29/929-I	57.0	1	1.5	1	1.5	1	1.5	1	2	44,975	303,579	174,277
	E29/938-I	39.0	1	1.5	1.5	2	1.5	2	2	3	138,475	553,899	346,187
	E29/946-I	15.0	1	1.5	1	1.5	1	1.5	2	3	23,671	119,834	71,752
	E29/986	59.9	1	1.5	1	1.5	1	1.5	2	3	94,597	478,896	286,746
	E29/987	21.0	1	1.5	1	1.5	1	1.5	2	3	33,164	167,895	100,530
	E29/988	3.0	1	1.5	1	1.5	1	1.5	1	2	2,367	15,978	9,172
	E29/989	9.0	1	1.5	1	1.5	1	1.5	1	2	7,114	48,019	27,566
	E29/990	27.0	1	1.5	1	1.5	1	1.5	1	2	21,294	143,737	82,516
	E29/1106	60.0	1	1.5	1	1.5	1	1.5	1	2	47,318	319,397	183,358
	Total	**344.9**									**408,264**	**2,119,438**	**1,263,851**
Sandiman	E09/2316	202	1	1	1	1.5	1	1.5	1	1.5	159,384	537,921	348,652

BAC: A$7,890/km²; Market Factor: 0.1

csaglobal.com

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YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:30am (AEDT) on Sunday 28th November 2021.**

TO VOTE ONLINE

STEP 1: VISIT https://www.votingonline.com.au/cbe2021agm

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

BY SMARTPHONE

Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.
If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy
You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:
(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate
Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:
Individual: This form is to be signed by the securityholder.
Joint Holding: where the holding is in more than one name, all the securityholders should sign.
Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:30am (AEDT) on Sunday, 28th November 2021.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

Online	https://www.votingonline.com.au/cbe2021agm
By Fax	+ 61 2 9290 9655
By Mail	Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001 Australia
In Person	Boardroom Pty Limited Level 12, 225 George Street, Sydney NSW 2000 Australia

Attending the Meeting

No physical attendance will be permitted at the meeting. Please refer to the Notice of Meeting for information on attending the Virtual Meeting.

Cobre Limited
ACN 626 241 067

☐ **Your Address**
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.
Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Cobre Limited** (Company) and entitled to attend and vote hereby appoint:

☐ the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the **Annual General Meeting** of the Company to be held **virtually at** https://web.lumiagm.com/304684092 **on Tuesday, 30th November 2021 at 11:30am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Mr Michael Addison as a Director	☐	☐	☐
Resolution 3	Approval of Issue of Shares and Acquisition of a Relevant Interest	☐	☐	☐
Resolution 4	Approval for Issue of Options	☐	☐	☐
Resolution 5	Ratification of Prior Issue of Shares	☐	☐	☐
Resolution 6	**Special Resolution;** Approval for Additional Placement Capacity	☐	☐	☐

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name…….. Contact Daytime Telephone……..... Date / / 2021