



QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31 MARCH 2020

Cobre Limited
(ASX: CBE)

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HIGHLIGHTS:

- Cobre Limited listed on ASX following its successful \$10m IPO, with strong interest from both existing and new shareholders including institutional and high net worth investors.
- Immediately post listing, exploration drilling commenced at the Schwabe, Zinco Lago and Monti Prospects within the Perrinvale VHMS Project located in Western Australia.
- The first diamond core drill hole at the Schwabe Prospect confirmed the presence of high-grade VHMS mineralisation. The first two holes at the Zinco Lago Prospect identified disseminated and stockwork base metal mineralisation in both core samples.
- Post quarter's end, core drilling and assay results from Schwabe confirmed the presence of a high-grade VHMS system containing primary copper, zinc, gold and silver at shallow depth including:
DD Hole 20PVDD003: 6m @ 8.39% Cu, 3.52% Zn, 30g/t Ag, 0.14% Co, 3.1g/t Au from 49m
DD Hole 20PVDD004: 6m @ 5.63% Cu, 3.89% Zn, 22g/t Ag, 0.10% Co, 1.4g/t Au from 28m
- Modelling of the DHEM survey data identified three other strong conductors: below the drilled mineralisation at Zinco Lago; along the Zinco Lago – Lago Rame gossan trend; and adjacent to drilling at Monti.
- Ground electromagnetic surveys now underway to further refine targets for the next phase of drilling at the Perrinvale Project.

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ASX: CBE



Site preparation works at Monti Prospect – January 2020

Cobre Limited (**Cobre**, **CBE** or **Company**) is pleased to report on activity during its first quarter as an ASX-listed company for the 3-month period ended 31 March 2020. During the quarter, exploration activity was concentrated on the Perrinvale Volcanic-Hosted Massive Sulphide (VHMS) Project located in Western Australia.

1 Projects & Assets

1.1 Tenement Schedule

In accordance with ASX Listing Rule 5.3.3, Cobre provides the following information in relation to its two projects (ten tenement) holdings which are located in Western Australia:

Perrinvale Project

The Perrinvale Project is based on a large conterminous group of nine exploration licenses held by Toucan Gold Pty Ltd, which is 80% owned by Cobre. The Perrinvale tenements total 381km² in size.

Table 1 | Tenement schedule for Toucan Gold Pty Ltd.

Tenement/ Application	Holder/ Applicant	Shares	Grant Date	Expiry Date	Area
E29/1017	Toucan Gold Pty Ltd	100/100	4 Jan 2018	3 Jan 2023	18 Blocks
E29/929-l	Toucan Gold Pty Ltd	100/100	25 Aug 2015	24 Aug 2020	32 Blocks
E29/938-l	Toucan Gold Pty Ltd	100/100	8 Jul 2015	7 Jul 2020	21 Blocks
E29/946-l	Toucan Gold Pty Ltd	100/100	18 Aug 2015	17 Aug 2020	5 Blocks
E29/986	Toucan Gold Pty Ltd	100/100	11 Oct 2017	10 Oct 2022	20 Blocks
E29/987	Toucan Gold Pty Ltd	100/100	19 Sep 2017	18 Sep 2022	7 Blocks
E29/988	Toucan Gold Pty Ltd	100/100	19 Sep 2017	18 Sep 2022	1 Blocks
E29/989	Toucan Gold Pty Ltd	100/100	19 Sep 2017	18 Sep 2022	3 Blocks
E29/990	Toucan Gold Pty Ltd	100/100	19 Sep 2017	18 Sep 2022	9 Blocks

All Perrinvale tenements are 100% owned by Toucan Gold, however FMG Resources Pty Ltd retains a 2% net smelter royalty on any future metal production from 3 tenements E29/929, 938 and 946.

Mt Sandiman Project

The Mt Sandiman Project is based on a single tenement (E09/2316) totalling 202km² in size. Cobre does not hold a direct interest in the tenement which is subject to a farmin agreement with GTTS Generations Pty Ltd dated 13 November 2019 (*refer farmin agreement summary in section 10.8 of the Company's Prospectus dated 6 December 2019*).

Table 2 | Mt Sandiman Project tenement schedule.

Tenement/ Application	Holder/ Applicant	Shares	Grant Date	Expiry Date	Area ¹
E09/2316	GTTS Generations Pty Ltd	100/100	9 Aug 2019	8 Aug 2024	65 Blocks

Cobre's interests in the tenement schedules shown in Tables 1 and 2 are as at the end of the quarter. Those interests did not change during the quarter or subsequent to quarter's end.

1.2 Exploration Activities & Results

During the quarter, the Company completed nine diamond core drill holes at the Perrinvale Project, comprising of four holes (including a tail) at Schwabe, two holes at Zinco Lago, and three holes at Monti. Associated drill core processing was undertaken on-site with final samples submitted for laboratory assay in mid-March 2020. After drilling was completed, Cobre consultant Dr Susan Belford (a VHMS specialist) visited site, logged all diamond core, and undertook field inspections of the various prospects within the Perrinvale Project.

1.2.1 Schwabe Prospect

The first diamond core drill hole at the Schwabe Prospect was completed in February 2020 with portable XRF and visual observations confirming a high-grade VHMS mineralisation over a 5.5m intercept from a depth of approximately 50m (*refer Figure 1*).

The hole (20PVDD003) was drilled approximately 5m adjacent to a previous Reverse Circulation (**RC**) hole (19PVRC002) completed in June 2019 at Schwabe. This previous RC hole intersected 5m of high-grade VHMS mineralisation, including 9.75% copper, 3.2 g/t gold, 34 g/t silver and 3.1% zinc from 50m depth (*as reported in section 5 of the Company's Prospectus dated 6 December 2019*).

Post quarter end, the final assays for the four diamond holes at Schwabe were received, and combined with detailed logging of the core samples, these results confirmed the presence of a high-grade VHMS system close to surface at this location. The mineralised diamond core intercepts at Schwabe included:

- **DD Hole 20PVDD003: 6m @ 8.39% Cu, 3.52% Zn, 30g/t Ag, 0.14% Co, 3.1g/t Au from 49m**
- **DD Hole 20PVDD004: 6m @ 5.63% Cu, 3.89% Zn, 22g/t Ag, 0.10% Co, 1.4g/t Au from 28m**
- **DD Hole 20PVDD005: 4m @ 2.76% Cu, 0.97% Zn, 12g/t Ag, 1.7g/t Au from 79m**

Following the core drilling, Down Hole Electromagnetic (**DHEM**) surveys were conducted at the Schwabe Prospect. These DHEM results align with the model constructed following the Airborne Electromagnetic (**AEM**) survey in 2019. Together, this analysis indicates the presence of a robust and highly conductive central zone within the existing Schwabe drill area, with potential for a lower conductivity zone extending to the north or north-northwest of the existing exploration area.

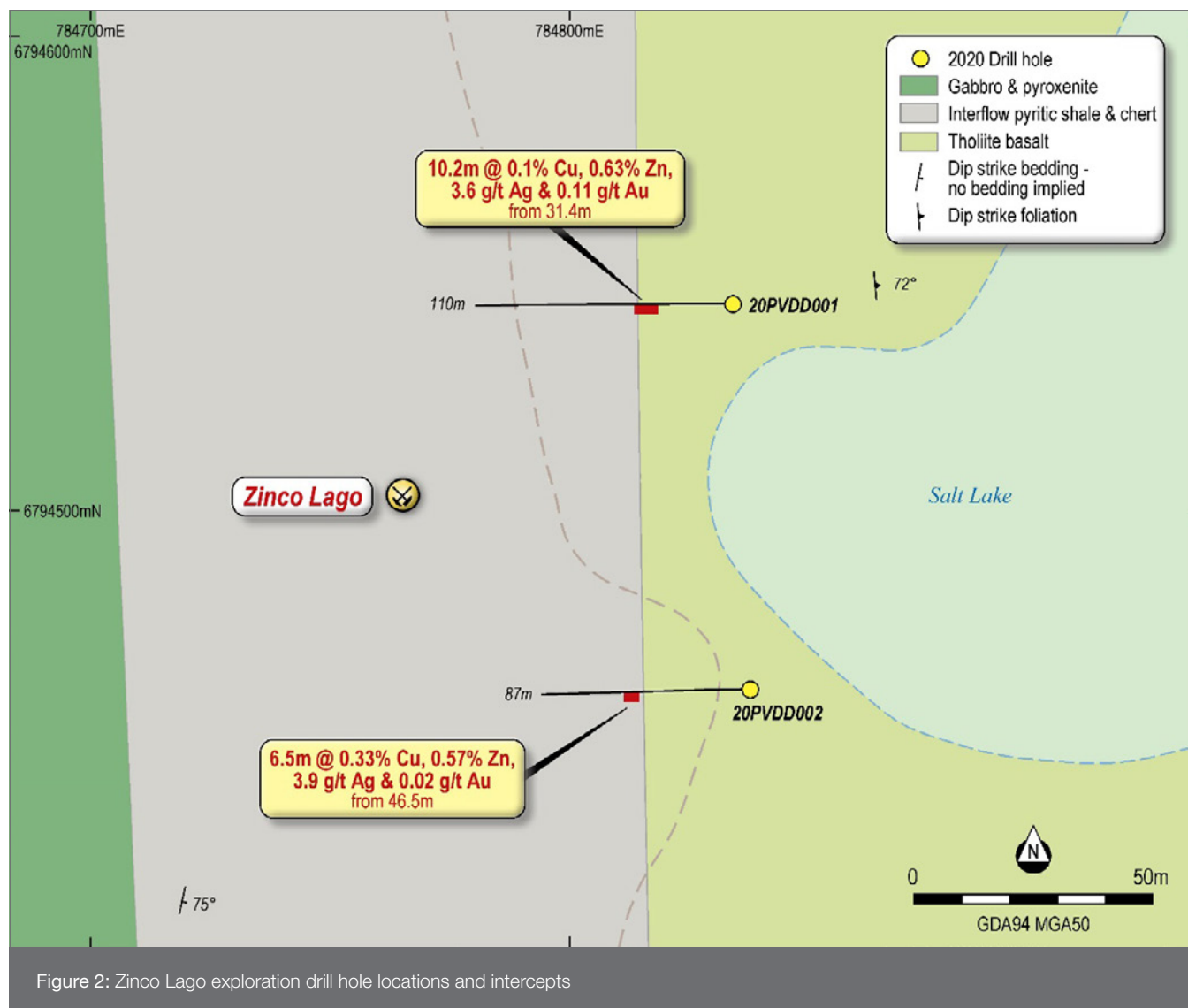
For full details relating to these four diamond holes, together with the relevant JORC Code information, refer to the Company's ASX announcements on 12 February 2020, 16 April 2020 and 22 April 2020.

1.2.2 Zinco Lago Prospect

In the ASX announcement on 12 February 2020, the Company reported the drilling of two diamond core holes at the Zinco Lago Prospect (*refer Figure 2*). The holes intersected disseminated and stockwork base metal mineralisation in both core samples, which confirmed the mineralisation discovered during historic drilling in the 1970s and from Cobre's own surface sampling during 2019.



Figure 1: Core trays 15–17 from Schwabe diamond drill hole 20PVDD003 containing primary VHMS mineralisation from 48.65 m to 54.62 m

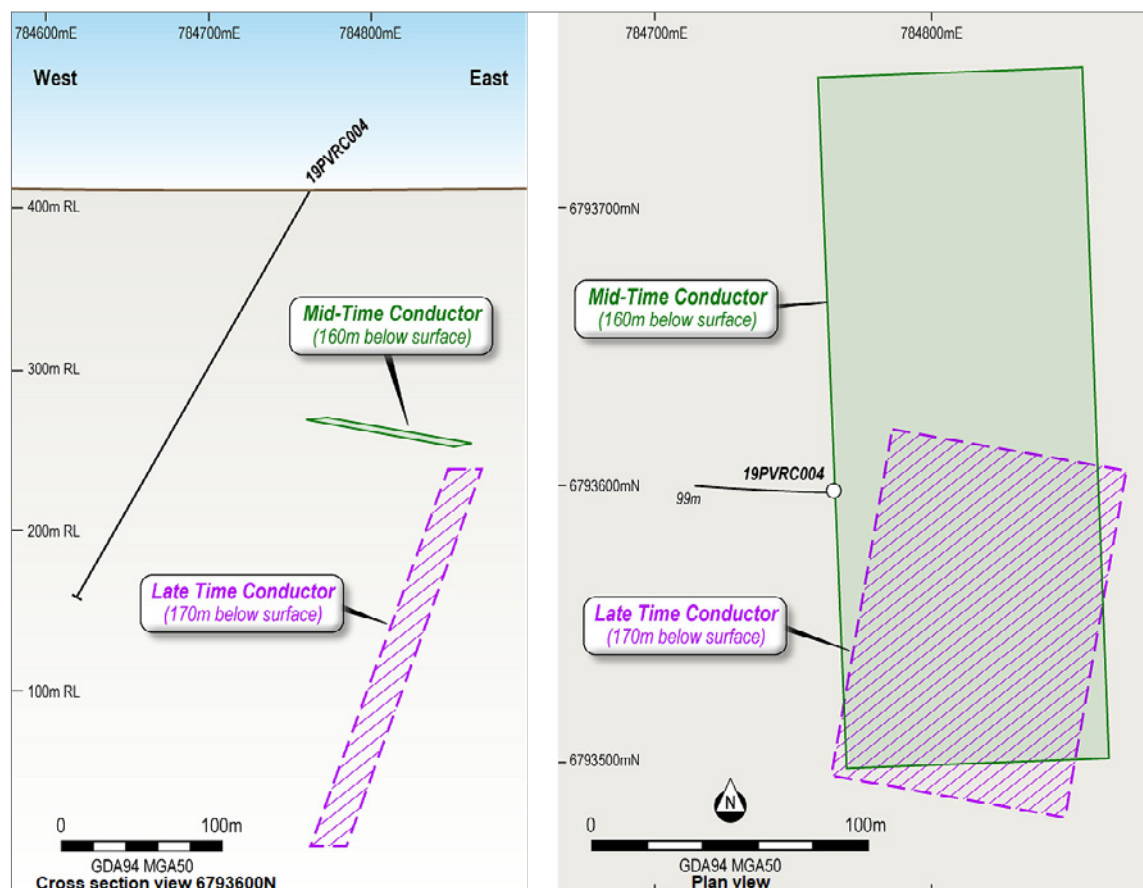
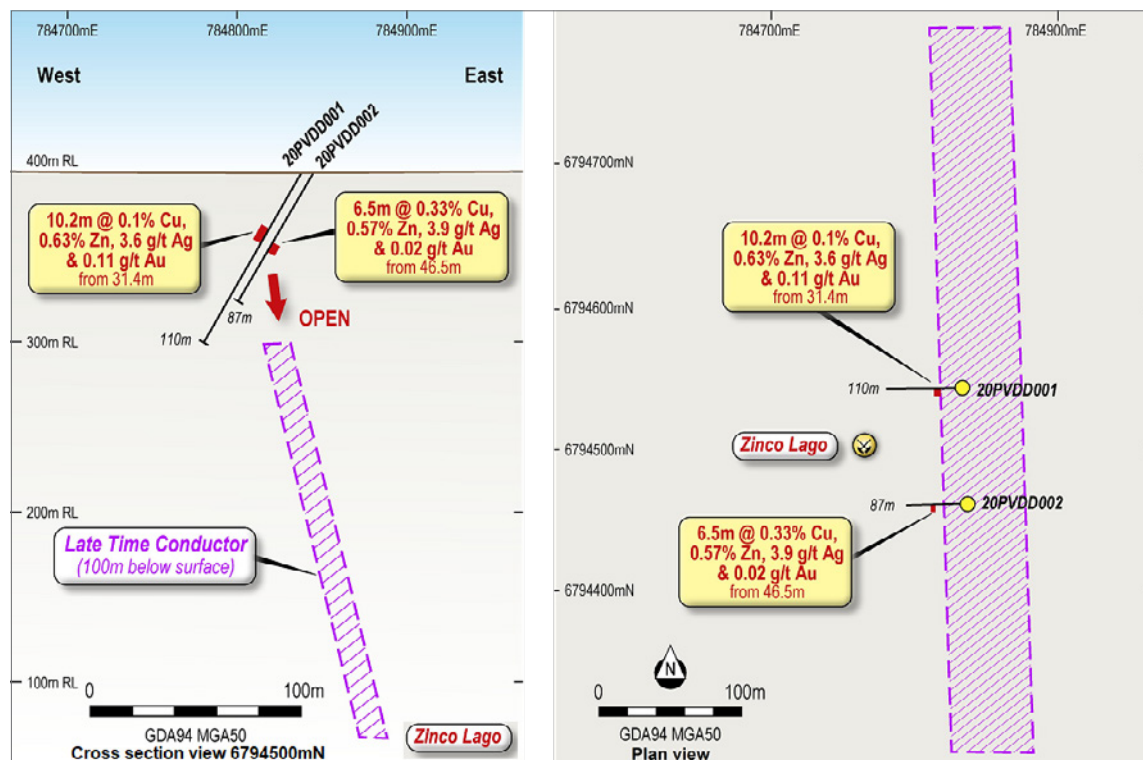


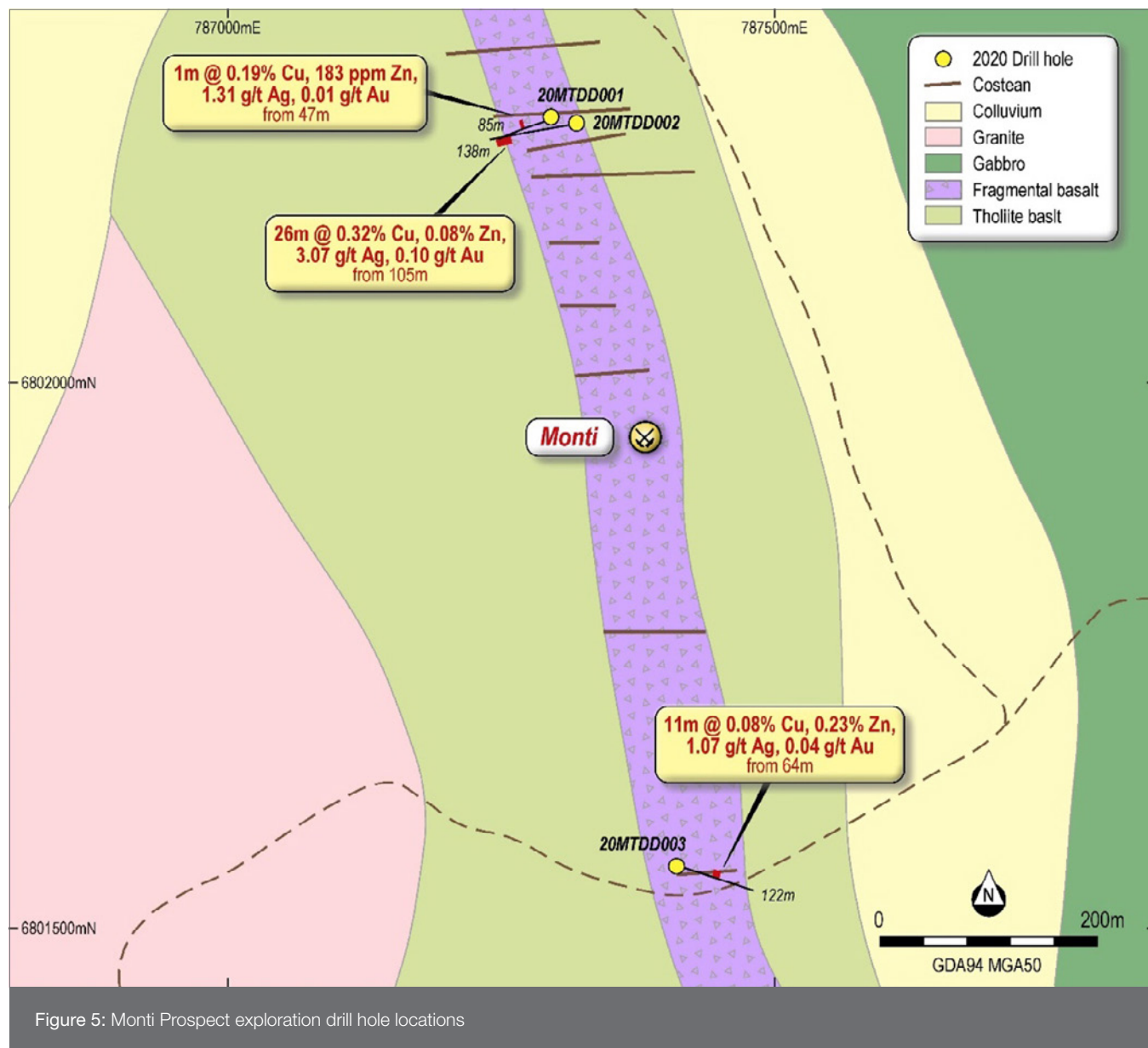
Post quarter end, assays for the two diamond core drill holes at Zinco Lago were reported in the Company's ASX announcement on 16 April 2020. Both drill holes intersecting lower-level base and precious metals mineralisation as follows:

- **DD Hole 20PVDD001: 10.2m @ 0.10% Cu, 0.63% Zn, 0.11 g/t Au, 3.6 g/t Ag from 31 m**
(including: 0.8m @ 0.99% Cu, 1.42% Zn, 1.74 g/t Au, 20.04 g/t Ag from 39m)
- **DD Hole 20PVDD002: 6.5m @ 0.33% Cu, 0.57% Zn, 0.02 g/t Au, 3.9 g/t Ag from 46m**

Assays support some likely remobilisation of zinc into the hanging wall above the pockets of massive sulphides in the sediments, which are associated with locally elevated base metals and gold. DHEM surveying was undertaken at both Zinco Lago locations, with a strong conductor identified below the drill holes (refer Figure 3) as reported in the Company's ASX announcement on 22 April 2020. This conductor is not obvious in the AEM data. The spatial position of the modelled conductor is aligned with the down dip projection of the mineralised horizon identified in the drill core.

Approximately 900 metres south of the Zinco Lago diamond drilling, along the Zinco Lago – Lago Rame gossan trend, RC hole 19PVR004 drilled in 2019 has also generated off hole conductors, along with a very small on hole conductor associated with a narrow graphitic shale. Two conductor plates have been modelled as shown in Figure 4, including the RC drill trace. The best model fit generates a relatively flat mid time conductor and a deeper west dipping strong (6,000 to 7,000 Siemens) late time conductor. As for Zinco Lago, the strong late time conductor is considered indicative of a massive sulphide or highly graphitic lithology, as reported in the Company's ASX announcement on 22 April 2020.



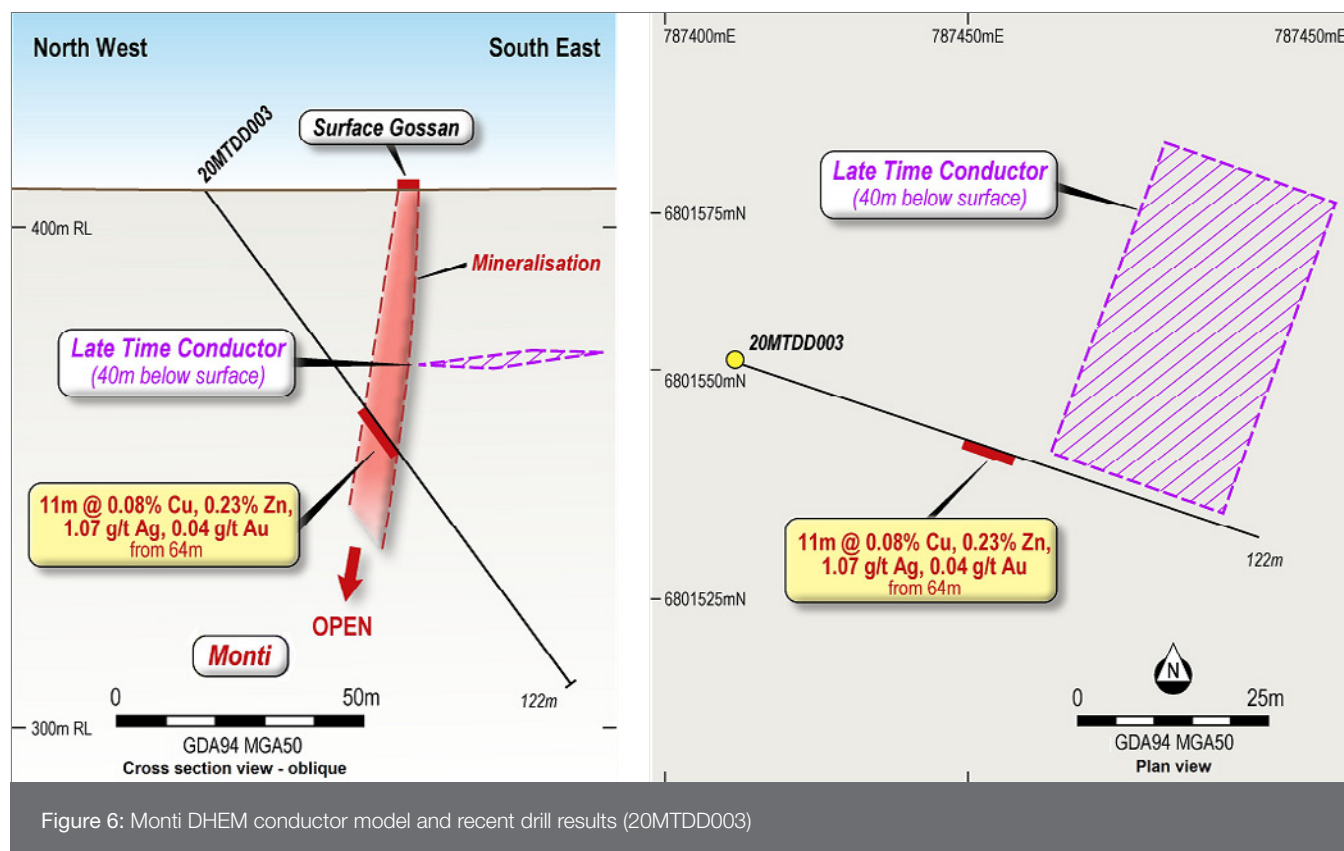


1.2.3 Monti Prospect

Three diamond core drill holes were completed at the Monti Prospect, targeting areas of copper-bearing surface gossan and intersecting generally low levels of primary sulphides including disseminated, veinlet and blebby/clustered pyrrhotite, pyrite, chalcopyrite and sphalerite (refer *Figure 5*). Post quarter end, the assay results were reported in the Company's ASX announcement on 16 April 2020, and confirmed broad base metal mineralisation at Monti as follows:

- **DD Hole 20MTDD002: 26 m @ 0.32% Cu, 0.08% Zn, 0.10 g/t Au, 3.07 g/t Ag from 105m**
- **DD Hole 20MTDD003: 11 m @ 0.08% Cu, 0.23% Zn, 0.04 g/t Au, 1.07 g/t Ag from 64m**

DHEM surveys were also completed at Monti which identified a strong off hole conductor as shown in *Figure 6* and reported in the Company's ASX announcement on 22 April 2020.



1.3 Future Work Program

Following the results from drilling at the Schwabe, Zinco Lago and Monti Prospects, Cobre's next stage of exploration at the Perrinvale Project includes Moving Loop Electro Magnetic (**MLEM**) surveys across the three drilled prospects along with other priority conductive features identified during the 2019 AEM survey, as shown in *Figure 7*.

The MLEM surveys, which typically have much greater depth penetration, have been designed to better assess potential deeper conductors, as well as to improve confidence in conductor models generated from AEM and DHEM data. At the completion of the MLEM surveys drill plans will be refined and the company expects to progress with a mix of Reverse Circulation (shallower targets) and Diamond Core drilling (deeper targets).

While Perrinvale will remain a primary focus, desktop work on the Sandiman Project is expected to be completed in the coming quarter, which will guide the Company's first program of fieldwork on this project.

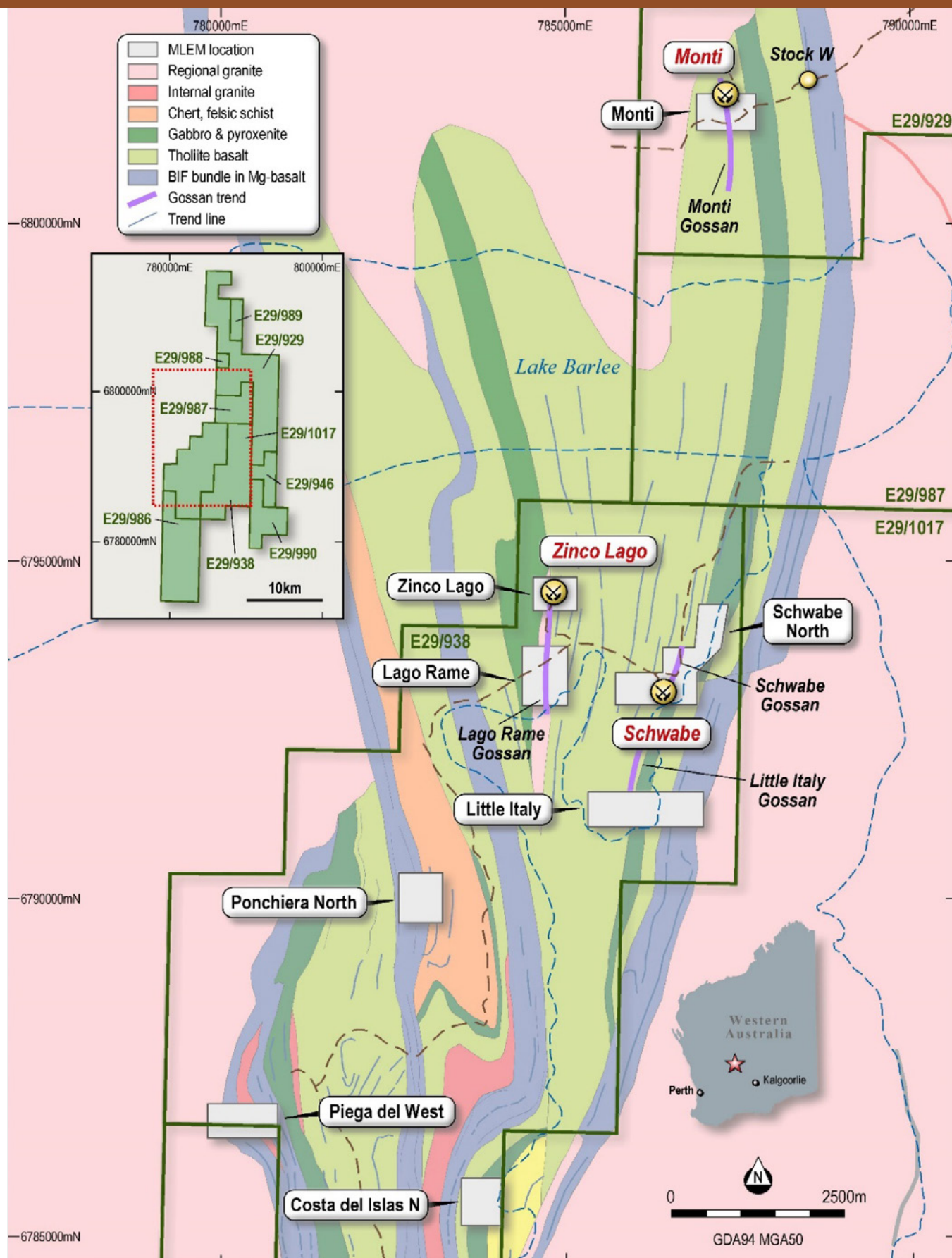


Figure 7: Perinvale Project MLEM survey area locations

2 Corporate

2.1 Summary of ASX Announcements

Table 3 | Summary of ASX releases by Cobre during the March quarter

Date	Price Sensitive	Title
29 January		ASX Notice – Admission to Official List
29 January		Appendix 1A and Information Form and Checklists
29 January		Prospectus
29 January		Constitution
29 January		Cobre Limited Audited Accounts to 30 June 2019
29 January		Corporate Governance Statement
29 January		Securities Trading Policy
29 January		Distribution Schedule
29 January		Top 20 Holders
29 January		Confirmation Statements
29 January		Terms of Unlisted Advisor Options
29 January		Terms of Unlisted Management Options
31 January		Company Presentation
31 January		Cobre Lists on ASX – Drill Program to Commence Immediately
4 February		Initial Director's Interest Notice – Martin Holland
4 February		Becoming a Substantial Holder – Holland International Pty Ltd
4 February		Initial Director's Interest Notice – Michael McNeilly
4 February		Initial Director's Interest Notice – Michael Addison
4 February		Initial Director's Interest Notice – Andrew Sissian
4 February		Becoming a Substantial Holder – Sissian International Pty Ltd
5 February	\$	Diamond Core Drilling Commenced
5 February		Becoming a Substantial Holder – Metal Tiger PLC
10 February		Forthcoming Escrow Releases
12 February	\$	Cobre confirms volcanogenic massive Cu-Au-Zn sulphides
24 February		Appendix 2A
11 March		Half Yearly Reports and Accounts
19 March	\$	Exploration Update

Table 3a | Announcements Subsequent to Quarter End

Date	Price Sensitive	Title
14 April	\$	Trading Halt
16 April	\$	Significant High-Grade Copper Gold Results at Perrinvale
22 April	\$	Downhole EM Identifies Priority Drill Targets at Perrinvale
23 April		Clarification – Perrinvale VHMS Project
27 April	\$	Trading Halt
28 April	\$	Acquisition of 100% of Toucan Gold

2.2 Finance and Use of Funds

Prior to the commencement of the quarter, the Company lodged a Prospectus with ASIC and ASX seeking to raise a total of \$10m before costs which was successfully completed during the quarter with the Company listing on ASX on 31 January 2020.

Pursuant to ASX Listing Rule 5.3.4, the Company advises the proposed use of funds contained in section 2.6 of the Company's Prospectus in comparison to the actual use of funds as follows:

Allocation of Funds	Prospectus	Actual To Date
Exploration (2 years)	\$7,447,550	\$151,000
Working Capital (2 years)	\$2,315,929	\$387,000
Expenses of the Offer	\$766,521	\$894,638

The reason for the variance in the expenses of the offer is primarily due to higher than expected legal costs due to the conclusion of several legal and commercial agreements prior to lodging the Company's Prospectus.

In relation to the Appendix 5B lodged herewith, the \$856,000 in corporate and administration includes \$477,268 in extraordinary items related to advisory, IPO fees and directors remuneration accrued and unpaid up to 31 December 2019 (*for Directors remuneration refer section 8.3 of the Company's Prospectus dated 6 December 2019*).

2.3 COVID-19

The Company noted in the ASX announcement on 19 March 2020 the potential impacts of COVID-19 on its exploration program at the Perrinvale Project. The Board is comfortable that with a small field crew at a remote site and consultants and staff able to work remotely, the exploration activities could safely continue.

In the Company's ASX announcement on 16 April 2020, it commented that it "...remains comfortable that its employees, consultants and contractors can continue with the planned exploration activities given its remote location and small crew on site. Local contractors will be utilised as far as possible, and all staff and contractors will be required to observe the necessary protocols. The situation is however dynamic, and the Company will continue to monitor developments."

3 Events Subsequent to Quarter End

In addition to the results of the Company's drilling program released to the ASX on 16 April 2020 and the geophysical survey update as reported in the Company's ASX announcements on 22 and 23 April 2020, the Company also announced on 28 April 2020 that it had entered into a binding Letter of Intent to acquire the remaining 20% of Toucan Gold Pty Ltd that it does not already own. Additionally, subject to completion of the Toucan acquisition and shareholder approval, the Company announced that it would undertake a placement to the Company's largest shareholder, Metal Tiger PLC, of 1.55m shares at \$0.20 each being a 33.33% premium to the last closing share price prior the announcement.

This Quarterly Activities Report and Appendix 5B were authorised on behalf of the Cobre Limited Board by: Martin C Holland, Executive Chairman and Managing Director.

For more information about this announcement:

Martin C Holland

Executive Chairman and Managing Director

holland@cobre.com.au

Competent Persons Statement

The information in this Quarterly Activities Report also encompasses information from the Company's earlier ASX announcements on 12 February 2020, 16 April 2020, 22 and 23 April 2020, and relates to mineral exploration results and exploration potential based on work compiled under the supervision of Mr Todd Axford, a Competent Person and member of the AusIMM. Mr Axford is the Principal Geologist for GEKO-Co Pty Ltd and contracted to the Company as Exploration Manager and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the *'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'*. Mr Axford consents to the inclusion in this report of the information in the form and context in which it appears.

Background on the Perrinvale Project

As a private company in June 2019, Cobre undertook an initial reverse circulation drilling program within the Perrinvale tenements to investigate targets identified by earlier exploration. At that time, the drilling program intersected high-grade VHMS base metal & gold mineralisation at shallow depth. The best assayed intercept was at the Schwabe Prospect to date: 5 m at 9.75% copper, 3.2 g/t gold, 34 g/t silver and 3.1% zinc from 50 m depth¹. Subsequently in August 2019, Cobre completed an airborne electromagnetic survey within the Perrinvale project area and identified a total of 10 potential VMS prospects. Cobre was listed on ASX in January 2020. Follow-up diamond drilling on these exploration targets was completed in early 2020 confirming the high-grade VHMS potential, with further EM work now underway to guide the next drill program at the Perrinvale Project.

1 Reported under JORC 2012 in section 5 of the Cobre Prospectus: <http://www.cobre.com.au/prospectus>