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FIRST DIAMOND CORE DRILL HOLE COMPLETED AT SCHWABE PROSPECT CONFIRMS VMS MINERALISATION

Highlights

- The first diamond core drill hole at the Schwabe Prospect within Cobre's Perrinvale Project in Western Australia has been completed, and confirms the presence of the VMS mineralisation encountered during Cobre's initial exploration program in June 2019.
- Diamond drilling of two holes at the Zinco Lago Prospect is also now complete with disseminated and stockwork base metal mineralisation observed in both core samples.

First diamond core hole at the Schwabe Prospect confirms VMS mineralisation

Cobre Limited (ASX: **CBE**, **Cobre** or **Company**) is pleased to advise that the first diamond core drill hole at the Schwabe Prospect was completed yesterday. Portable XRF and visual observations have confirmed Volcanogenic Massive Sulphide (**VMS**) mineralisation over a 5.5m intercept from a depth of approximately 50m (see **Figure 1**). Further hole details are provided in **Table 1** on page 4.

This first diamond core hole at the Schwabe Prospect (20PVDD003) was drilled approximately 5m adjacent to the previous reverse circulation hole (19PVRC002) completed in June 2019. As previously reported, this initial reverse circulation hole at Schwabe intersected 5m of very-high grade VMS mineralisation, including 9.75% copper, 3.2g/t gold, 34g/t silver and 3.1% zinc from 50m depth¹.

The Company advises that specific grade data for the first diamond hole will not be available until the core is sent for assay, however these initial observations support continued drilling at the Schwabe Prospect with three more diamond holes planned (see **Figure 2**). The next diamond hole will be in the centre of the prospect, with the remaining two holes on the margins to confirm the extent of mineralisation. This drilling program will be followed by a down-hole electromagnetic (**EM**) study to help identify further drill targets at Schwabe.

¹ Full details of drilling results, past exploration and JORC Compliance published in the Company Prospectus available here: <http://www.cobre.com.au/prospectus/>



Figure 1: Diamond core trays containing VMS mineralisation from the Schwabe Prospect (tray numbers 15-17 including 48.8m to 54.3m depth in hole 20PVDD003)

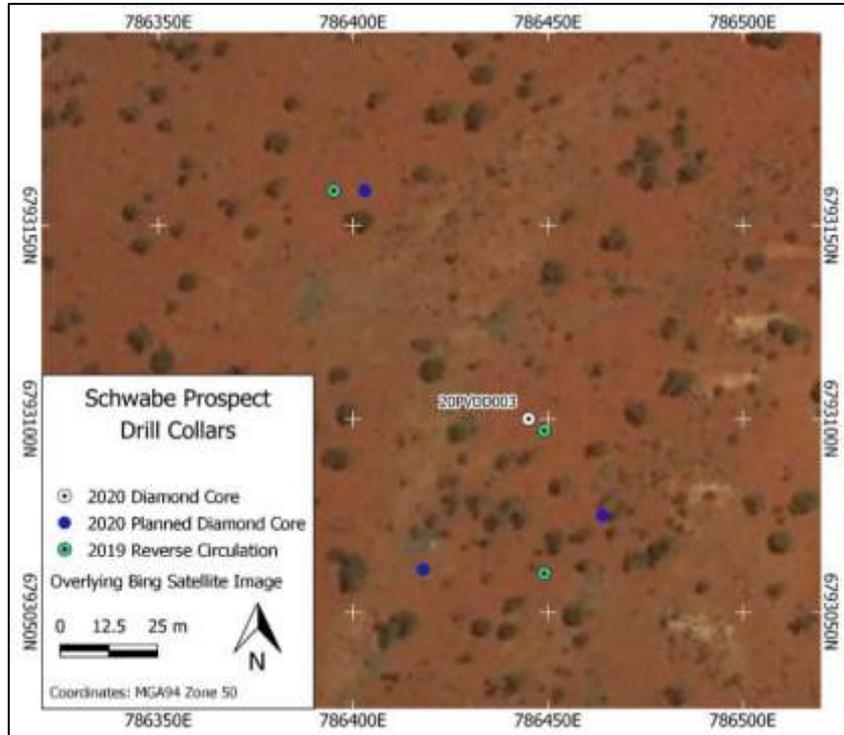


Figure 2: Schwabe Prospect drill collar locations

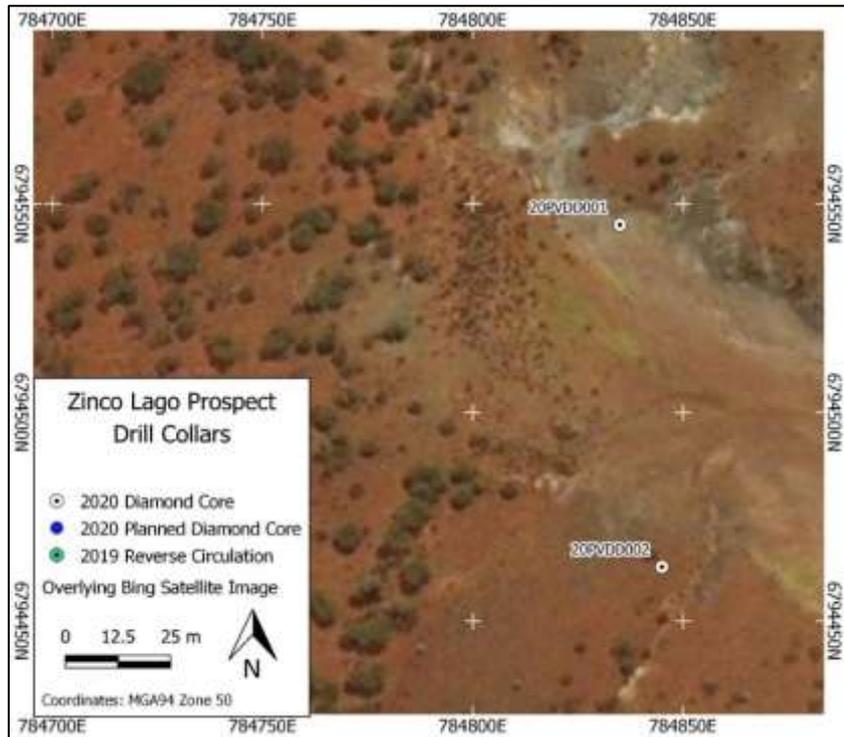


Figure 3: Zinco Lago Prospect drill collar locations



Zinco Lago diamond core drilling confirms mineralisation

Cobre is also pleased to advise that the drilling of two diamond core holes at the Zinco Lago Prospect have been completed. Geological logging has noted the presence of disseminated and stockwork base metal mineralisation in both core samples, which will now be sent for assaying. These initial drill results at Zinco Lago confirm the mineralisation discovered during historic drilling in the 1970s and from Cobre’s own surface sampling more recently. Once assays are complete, the Company plans to follow up this drilling program with a down-hole EM study. Further details on the Zinco Lago diamond holes are provided in **Table 1** below, with drill collar locations shown in **Figure 3**.

Prospect	Hole ID	Easting	Northing	Dip	Azimuth	Depth (m)	Mineralisation Comments
Zinco Lago	20PVDD001	784835	6794545	-60	270	110	Stockwork/Fracture fill mineralisation observed along with disseminated sulphides in the footwall
Zinco Lago	20PVDD002	784845	6794463	-60	270	86	Stockwork/Fracture fill mineralisation observed along with disseminated sulphides in sediments and the footwall
Schwabe	20PVDD003	786446	6793097	-60	105	119	Massive Sulphides observed from 48.8m to 54.3m

Coordinates are MGA94-Zone50 & Azimuth is magnetic

Table 1: Diamond drill hole details at the Zinco Lago and Schwabe Prospects

Cobre’s Executive Chairman and Managing Director, Martin Holland, said in relation to drilling results so far at the Perrinvale Project:

“While the diamond drilling results to date need to be confirmed by assaying, they represent further positive indications of the potential for significant VMS mineralisation within the Perrinvale Project. We are especially pleased that the diamond drilling results at the Schwabe Prospect appear to be a continuation of our successful maiden drilling campaign in that location during June 2019.² The early results from Zinco Lago also confirm that mineralisation is present, and we will follow up the current drilling program with down hole EM at both prospects. I look forward to updating the market as the Company’s drilling program continues in the period ahead.”

Cobre diamond drilling program at the Perrinvale Project

As previously announced, the initial drilling program within the Perrinvale Project will include diamond core holes at the Zinco Lago, Schwabe and Monti Prospects as shown in **Figure 4**. With diamond holes now completed at Zinco Lago, and currently underway at Schwabe, the final drill location will be the Monti Prospect. Monti has the same host geology as Schwabe, and Cobre has validated the presence of a surface gossan from its own sampling, and historic costeans in this area indicate the gossans extend over 700 metres of strike. Diamond core drilling at Monti will be an initial test of subsurface continuity, which should allow an understanding of the lithofacies and style of sulphide mineralisation in that prospect.

² Reported under JORC 2012 in section 5 of the Cobre Prospectus: <http://www.cobre.com.au/prospectus>



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 very high-grade VMS base metal & gold mineralisation at shallow depth. The best assayed intercept was at the Schwabe Prospect: 5m at 9.75% copper, 3.2g/t gold, 34g/t silver and 3.1% zinc from 50m depth¹. Subsequently in August 2019, Cobre completed an airborne EM survey within the Perrinvale project area and identified a total of 10 potential VMS prospects (see **Figure 4**).

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

For more information about this announcement:

Martin C Holland

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Competent Persons Statement

The information in this report that relates to mineral exploration results and exploration potential is 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.

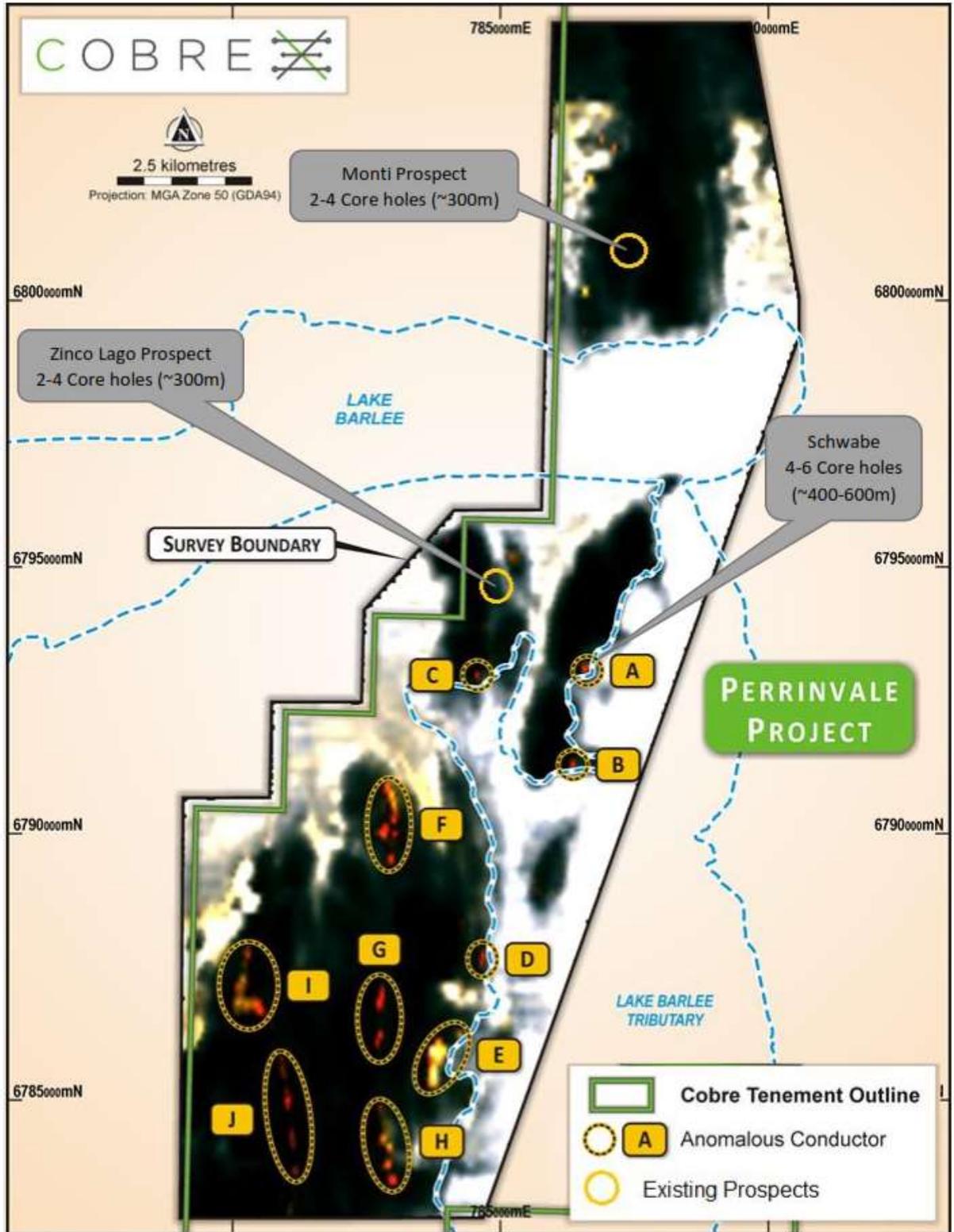


Figure 4: Cobre's diamond core drilling areas – Phase 1

Appendix 1 – JORC TABLE 1

Section 1 - Sampling Techniques and Data

Criteria	Explanation
<i>Sampling techniques</i>	Not applicable. Sampling is yet to be completed.
<i>Drilling techniques</i>	HQ2 core drilling was completed by contractor Westralian Diamond Drillers using a McCulloch drill rig.
<i>Drill sample recovery</i>	Not applicable. Sampling is yet to be completed.
<i>Logging</i>	Core is systematically geologically logged and codes digitally recorded on-site using a standard logging format for later entry into a digital database.
<i>Sub-sampling techniques and sample preparation</i>	Not applicable. Sampling is yet to be completed.
<i>Quality of assay data and laboratory tests</i>	Not applicable. Sampling is yet to be completed.
<i>Verification of sampling and assaying</i>	Not applicable. Sampling is yet to be completed.
<i>Location of data points</i>	Drill collar coordinates located by time-averaging GPS Holes in Zone 50 GDA94 expected accuracy +/-3m.
<i>Data spacing and distribution</i>	Drill holes have been located to test specific targets, gridded drilling has not been undertaken at this stage.
<i>Sub-sampling techniques and sample preparation</i>	Not applicable. Sampling is yet to be completed.
<i>Quality of assay data and laboratory tests</i>	Not applicable. Sampling is yet to be completed. Portable XRF analysis has been selectively undertaken to confirm the presence of base metal mineralization. No 'assay' values are reported.
<i>Verification of sampling and assaying</i>	Not applicable. Sampling is yet to be completed.
<i>Location of data points</i>	No mineral resource estimation is done. Once sampling and assaying is completed data will be of a quality suitable for resource estimation but will require collar survey pickup for greater accuracy than hand-held GPS.
<i>Data spacing and distribution</i>	Data spacing considerations are not applicable to drilling results at this stage.
<i>Orientation of data in relation to geological structure</i>	Azimuth of Toucan RC drilling at Schwabe Gossan is orthogonal to strike of the mineralised layer. Drill-hole inclination of 60° are considered to give intersections at highest possible angle.
<i>Sample security</i>	Not applicable. Sampling is yet to be completed.
<i>Audits or reviews</i>	Audits are not considered necessary at this stage.

Section 2 - Reporting of Exploration Results

Criteria	
<i>Mineral tenement and land tenure status</i>	The nine ELs comprising the Perrinvale Project are all granted and are 100% owned by Toucan Gold Pty Ltd which is an 80%-owned subsidiary of Cobre Ltd. There are no overlapping nature reserves. FMG Resources Pty Ltd retains a 2% net smelter royalty on any future metal production from three tenements E29/929, 938 and 946. Heritage survey has been completed and there are no impediments. Refer to the Solicitors report (Section 6) of Cobre's December 2019 Prospectus for the full tenement schedule and related tenure information.
<i>Exploration done by other parties</i>	This report does not rely on exploration completed by other parties. Previous work across the Perrinvale Project, including the Schwabe and Zinco Lago Prospects was publicly reported in Cobre's December 2019 Prospectus.
<i>Geology</i>	Perrinvale project lies in Archaean greenstones of the Youanmi Terrane. Geological mapping, gossan signatures and historical drilling indicate Cu-Zn mineralisation is of VMS style. Mesothermal gold in late fractures also present potential targets.
<i>Drill hole Information</i>	The details (including easting, northing, total depth, azimuth, dip and significant intersections) of material drilling data at Schwabe and Zinco Lago are given in the Report.
<i>Data aggregation methods</i>	Not applicable for this report.
<i>Relationship between mineralisation widths and intercept lengths</i>	VMS targets at Schwabe Gossan, Monti Gossan and Zinco Lago are planar in style, consistent in strike but of uncertain dip and thickness. Initial exploratory drilling oriented 60° east at Schwabe Gossan indicates a dip of 70° west, in which case true thickness is approximately 70% of down-hole intersections.
<i>Diagrams</i>	Appropriate maps are included in the report.
<i>Balanced reporting</i>	All currently available information in relation to be completed drill holes in the current program has been reported.
<i>Other substantive exploration data</i>	Past work across the project has been detailed, and is available for review, in Cobre's December 2019 Prospectus.
<i>Further work</i>	The drilling program continues as described in the report, and the core from drilled holes will be processed and cut for sampling and subsequent assaying. Holes will be cased to allow down hole electromagnetic surveying.