

## March 2021 Quarterly Activities Report

### Highlights for the March 2021 Quarter

- Assay results received for drill hole HWDD03.
- Assay results received for drill hole HWDD04.
- Major petrological work being undertaken on the core from HWDD03 and HWDD04
- The Company secured 80% ownership of the Olympic Domain tenements.
- The Company secured 80% of the Wee MacGregor tenements in Queensland.
- The Mining Plan and Mine Closure Plan for the Pyramid Lake Gypsum Project was completed and the updated Invertebrate Study is nearing completion.

Cohiba Minerals Limited ('Cohiba' or 'the Company') provides below an update in relation to the exploration activities carried out during the March 2021 quarter.

### Olympic Domain Tenements

#### Horse Well Area

Analytical work was undertaken by ALS Laboratories on drill core from HWDD03 and HWDD04.

HWDD03, which was the eastern most drill hole in the current program of work showed visual evidence of minor sulphide occurrences within altered hematitic granite. HWDD03 (Figure 1) was analysed from 982 – 1,143m in variable length intervals (from 0.15 – 2.0 m) based on visual determination of zones of interest. Despite the visual determination of these zones of interest HWDD\_03 did not return appreciable copper results with one minor intersection as summarised below:

1,062.1 – 1,062.4m      0.3m @ 0.31% Cu

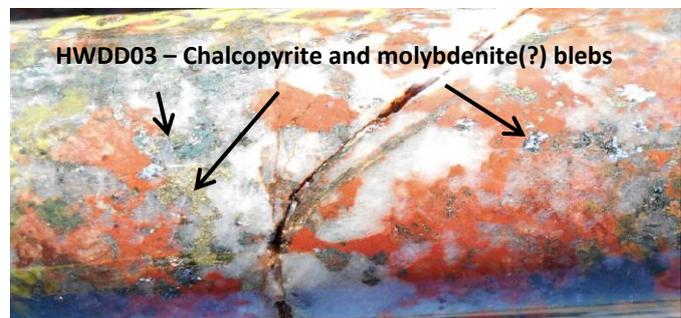


Figure 1: Minor mineralisation in HWDD03 with the left photograph at the contact with the basement material and the right photograph showing sulphides in the altered, hematitic granite.

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#### Directors

Mordechai Benedikt – Executive Chair  
Andrew Graham – Executive Director  
Nochum Labkowski – NED

HWDD04 (Figure 2) was analysed from 950 – 1,432.6m (EOH) in 1 metre intervals except where mineralisation was visually apparent, and the interval length was adjusted accordingly. The results from HWDD04 showed persistent low-level copper throughout with some very good intersections of copper, gold and silver mineralisation as summarised below (refer to ASX Announcement dated 10 March 2021):

|                    |  |
|--------------------|--|
| 950 – 978m         | 28m @ 0.13% Cu, 0.26 g/t Au & 2.18 g/t Ag including 0.9m @1.85% Cu, 0.15 g/t Au & 9.2 g/t Ag from 974m |
| 1,033 – 1,034.3m   | 0.8m @ 12.15% Cu, 2.62 g/t Au, 42.5 g/t Ag, 293ppm Bi & 567ppm Sb                                      |
| 1,072 – 1079m      | 9m @ 0.11% Cu  |
| 1,089.8 – 1,090.2m | 0.4m @ 0.97% Cu, 0.28 g/t Au & 3.2 g/t Ag  |
| 1,113 – 1,117m     | 4m @ 0.11% Cu  |
| 1,225.5 – 1226m    | 0.5m @ 2.58% Cu, 0.15 g/t Au & 1.94 g/t Ag   |
| 1,232.8 – 1,233.3m | 0.8m @ 1.52% Cu & 1.24 g/t Ag  |
| 1,258 – 1,269m     | 11m @ 0.20% Cu & 2.01 g/t Ag including 1m @ 0.58% Cu & 9.31 g/t Ag from 1,268m                         |
| 1,306 – 1,320m     | 14m @ 0.14% Cu & 2.18 g/t Ag including 1m @ 0.50% Cu & 10.6 g/t Ag from 1,311m                         |
| 1,326 – 1,326.3m   | 0.3m @ 1.33% Cu  |
| 1,414 – 1,423.6m   | 9.6m @ 0.11% Cu  |



Figure 2: Pervasive chalcopyrite + pyrite mineralisation in altered, hematite-rich granite (left hand photograph) and bornite + chalcopyrite stringers in hematite-rich, altered granite (right hand photograph)

Cohiba has engaged the services of subject matter experts (SME) in the area of IOCG deposits and they are currently undertaking extensive petrological and geochemical assessments of holes HWDD03 and HWDD04 to aid in the development of the next program of work.

Planning is currently underway for up to an additional 12 drill holes in the Horse Well area which are targeting additional discrete IOCG targets as well as potential extensions to the mineralised zone associated with HWDD03 and HWDD04.

### **Pernatty "C" Area**

No on-ground work was carried out at Pernatty C during the period. The drilling program at Pernatty C which was to be undertaken following the Horse Well drilling program was delayed but has now been earmarked for commencement in the current quarter. The Company is intending to increase the program of work at Pernatty which will require the submission of another EPEPR (Exploration Program for Environment Protection and Rehabilitation and the associated Heritage Survey which will be undertaken in cooperation with the Kokatha Aboriginal Corporation.

### Olympic Domain Farm-in update

The Company successfully executed a Deed of Settlement (Deed) with Olympic Domain Pty Ltd in relation to the dispute regarding the Company's 80% ownership in the Olympic Domain tenements.

Cohiba's 80% interest in the Olympic Domain tenements will now be formally registered with the Department of Energy and Mining, South Australia.

### Pyramid Lake Update (E74/594)

Cohiba Minerals Limited holds (100%) exploration licence E74/594, which covers all of Pyramid Lake in south-western Western Australia, for a total of 11,266 hectares or 112.66 km<sup>2</sup>. Pyramid Lake itself is a salt-lake covering 6,632 hectares located 115 kilometres northwest of the town of Esperance on the northern limit of the agricultural area (Figure 14).

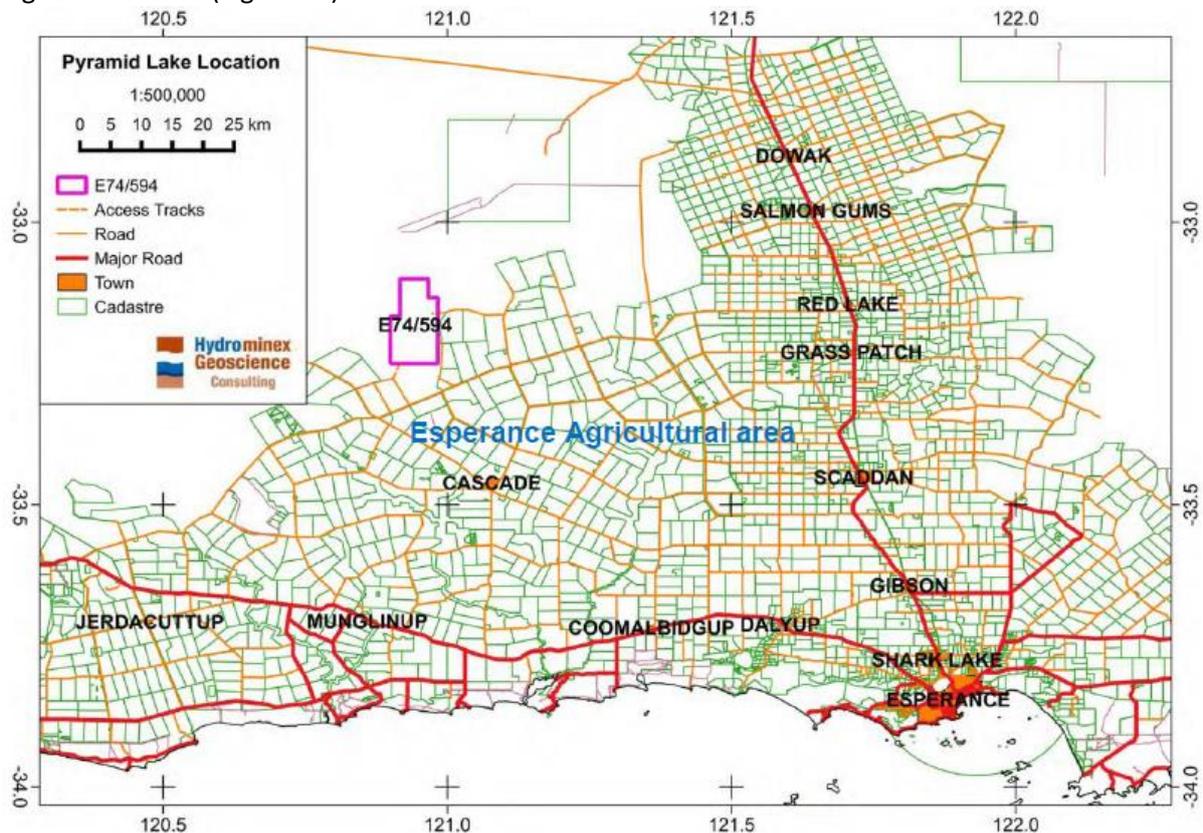


Figure 14: Location of Cohiba's Pyramid Lake Exploration Licence (from Hydrominex 2018).

The E74/594 property (Figure 4) is located 115 km northwest of Esperance (150 km by road) and is accessed from the highway linking Ravensthorpe and Esperance.

Groundwork Plus have completed the Mining Plan and Mine Closure Plan. There is still some additional work to be completed on the Invertebrate Study which will be finished in this current quarter.

### Wee MacGregor Project Update

The Wee MacGregor group comprises three granted mining licences, ML 2504, ML 2773, and ML 90098. These licences are located approximately 60km southeast of Mt. Isa with access via the sealed Barkly Highway and the unsealed Fountain Springs Road.

No work was carried out on the tenements during the quarter.

### Queensland Exploration Licences

The Company holds various exploration licences through its wholly owned subsidiary Cobalt X Pty Ltd. As at the date of this report the Company is the holder of the following mineral exploration licences pursuant to the Mineral Resources Act 1989 (QLD):

- exploration licence EPM26377 (**Mt Gordon Mine Area 1**),
- exploration licence EPM26376 (**Mt Gordon Mine Area 2**),
- exploration licence EPM26380 (**Success Mine Area 1**); and,
- exploration licence EPM26379 (**Mt Cobalt Mine Area**).

All the Queensland tenements are currently in good standing.

### CORPORATE

The following corporate matters were carried out during the period:

#### **CHKOA Option conversions**

During the quarter the Company converted 25,545,557 CHKOAs into 25,545,557 fully paid ordinary shares following receipt of exercise notices, with \$255,456 raised as a result of these conversions.

#### **Appendix 5B related party payments**

It is noted that all related party payments included in Section 6 of the accompanying Appendix 5B relate to settlement of directors' fees and salaries for the March 2021 quarter.

#### **Cash Balance at 31 March 2021**

The Company's cash at bank as at 31 March 2021 was \$6.75 million.

### Interests in Mining Tenements

Below is a summary of the mining tenements held by the Company at the end of the quarter:

| Mining Tenement | Location          | Beneficial Percentage held | Interest acquired/farm-in or disposed/farm-out during the quarter                     |
|-----------------|-------------------|----------------------------|---|
| E74/594         | Western Australia | 100%                       | -   |
| EPM 26379       | Queensland        | 100%                       | -   |
| EPM26376        | Queensland        | 100%                       | -   |
| EPM26377        | Queensland        | 100%                       | -   |
| EPM26378        | Queensland        | 100%                       | -   |
| ML 2054         | Queensland        | 80%                        | The Company exercised its earn in rights during the quarter to retain a 80% interest. |
| ML 2773         | Queensland        | 80%                        | The Company exercised its earn in rights during the quarter to retain a 80% interest. |
| ML 90098        | Queensland        | 80%                        | The Company exercised its earn in rights during the quarter to retain a 80% interest. |
| EL 6118         | South Australia   | 80%                        | Increased ownership from 51% to 80%   |
| EL 6119         | South Australia   | 80%                        | Increased ownership from 51% to 80%   |
| EL 6120         | South Australia   | 80%                        | Increased ownership from 51% to 80%   |
| EL 6121         | South Australia   | 80%                        | Increased ownership from 51% to 80%   |
| EL 6122         | South Australia   | 80%                        | Increased ownership from 51% to 80%   |
| EL 6183         | South Australia   | 80%                        | Increased ownership from 51% to 80%   |
| EL 5970         | South Australia   | 80%                        | Increased ownership from 51% to 80%   |

This announcement has been authorised for released by the Board of CHK.

**For further information:**

**Andrew Graham**  
**Executive Director**

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## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

COHIBA MINERALS LIMITED

ABN

72 149 026 308

Quarter ended ("current quarter")

31 March 2021

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                            |                                       |
| 1.1 Receipts from customers                               | -                          | -                                     |
| 1.2 Payments for  |                            |                                       |
| (a) exploration & evaluation                              | -                          | -                                     |
| (b) development   | -                          | -                                     |
| (c) production  | -                          | -                                     |
| (d) staff costs   | (87)                       | (242)                                 |
| (e) administration and corporate costs                    | (92)                       | (464)                                 |
| 1.3 Dividends received (see note 3)                       | -                          | -                                     |
| 1.4 Interest received                                     | 8                          | 14                                    |
| 1.5 Interest and other costs of finance paid              | -                          | -                                     |
| 1.6 Income taxes paid                                     | -                          | -                                     |
| 1.7 Government grants and tax incentives                  | -                          | 5                                     |
| 1.8 Other (provide details if material)                   | -                          | -                                     |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(171)</b>               | <b>(687)</b>                          |

|  |       |         |
|--|-------|---------|
| <b>2. Cash flows from investing activities</b> |       |         |
| 2.1 Payments to acquire or for:                |       |         |
| (a) entities                                   | -     | -       |
| (b) tenements                                  | -     | -       |
| (c) property, plant and equipment              | -     | (3)     |
| (d) exploration & evaluation                   | (287) | (1,595) |
| (e) investments                                | -     | -       |
| (f) other non-current assets                   | -     | -       |

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2                                  | Proceeds from the disposal of:                        |                            |                                       |
|                                      | (a) entities  | -                          | -                                     |
|                                      | (b) tenements   | -                          | -                                     |
|                                      | (c) property, plant and equipment                     | -                          | -                                     |
|                                      | (d) investments                                       | -                          | -                                     |
|                                      | (e) other non-current assets                          | -                          | -                                     |
| 2.3                                  | Cash flows from loans to other entities               | -                          | -                                     |
| 2.4                                  | Dividends received (see note 3)                       | -                          | -                                     |
| 2.5                                  | Other (provide details if material)                   | -                          | -                                     |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b> | <b>(287)</b>               | <b>(1,598)</b>                        |

|             |   |            |              |
|-------------|---|------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |            |              |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | -          | 7,866        |
| 3.2         | Proceeds from issue of convertible debt securities                                      | -          | -            |
| 3.3         | Proceeds from exercise of options   | 265        | 289          |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | (48)       | (70)         |
| 3.5         | Proceeds from borrowings  | -          | -            |
| 3.6         | Repayment of borrowings   | -          | -            |
| 3.7         | Transaction costs related to loans and borrowings                                       | -          | -            |
| 3.8         | Dividends paid  | -          | -            |
| 3.9         | Other (provide details if material)   | -          | 50           |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>217</b> | <b>8,135</b> |

|           |  |       |         |
|-----------|--|-------|---------|
| <b>4.</b> | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |       |         |
| 4.1       | Cash and cash equivalents at beginning of period                             | 6,995 | 904     |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | (171) | (687)   |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | (287) | (1,598) |
| 4.4       | Net cash from / (used in) financing activities (item 3.10 above)             | 217   | 8,135   |

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| <b>Consolidated statement of cash flows</b> |   | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(9 months)<br/>\$A'000</b> |
|---|---|------------------------------------|--|
| 4.5   | Effect of movement in exchange rates on cash held | -                                  | -  |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b> | <b>6,754</b>                       | <b>6,754</b>                                   |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 6,754                              | 6,995                               |
| 5.2        | Call deposits   | -                                  | -                                   |
| 5.3        | Bank overdrafts   | -                                  | -                                   |
| 5.4        | Other (provide details)   | -                                  | -                                   |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>6,754</b>                       | <b>6,995</b>                        |

| <b>6.</b> | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|-----------|---|------------------------------------|
| 6.1       | Aggregate amount of payments to related parties and their associates included in item 1 | 90                                 |
| 6.2       | Aggregate amount of payments to related parties and their associates included in item 2 | -                                  |

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| <b>7. Financing facilities</b>  | <b>Total facility amount at quarter end<br/>\$A'000</b> | <b>Amount drawn at quarter end<br/>\$A'000</b> |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>   |   |  |
| 7.1 Loan facilities   | -   | -  |
| 7.2 Credit standby arrangements   | -   | -  |
| 7.3 Other (please specify)  | -   | -  |
| 7.4 <b>Total financing facilities</b>   | -   | -  |
| 7.5 <b>Unused financing facilities available at quarter end</b>   |   | -  |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | N/A   |  |

| <b>8. Estimated cash available for future operating activities</b>  | <b>\$A'000</b> |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)   | (171)          |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))  | (287)          |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2)  | (458)          |
| 8.4 Cash and cash equivalents at quarter end (item 4.6)   | 6,754          |
| 8.5 Unused finance facilities available at quarter end (item 7.5)   | -              |
| 8.6 Total available funding (item 8.4 + item 8.5)   | 6,754          |
| 8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>   | 14.75          |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> |                |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:   |                |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?   |                |
| Answer: N/A   |                |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?              |                |
| Answer: N/A   |                |
| 8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?   |                |
| Answer: N/A   |                |
| <i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>  |                |

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2021

Authorised by: The Board of Directors

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.