

Exploration Update – Completion of HWDD07 at Horse Well

Highlights:

- HWDD07 was targeting an extension of the Bluebush Fault, 7km west of BHP's Oak Dam deposit, and associated copper mineralization encountered in holes HWDD04, HWDD05 and HWDD05W1,
- HWDD07 successfully intersected the Bluebush Fault as interpreted extending it 200m from the nearest intersection bringing the total strike length of the drilled fault to 400m.
- This result has generated significantly increased confidence in the orientation of the fault allowing for increasingly aggressive step-out drilling in the future.
- Visible copper mineralization was intersected in the form of disseminated chalcopyrite immediately adjacent to the Bluebush upper branch, disseminated siderite breccia in the Bluebush lower branch, and in massive chalcopyrite veins and disseminated chalcopyrite throughout the basement rocks.

Cohiba Minerals Limited (ASX: CHK, OTCQB: CHKMF, 'Cohiba' or 'the Company') is pleased to provide an update in relation to recent drilling at the Horse Well Prospect (Figure 1). HWDD07 was completed to a depth of 1,519.0m and was targeting the extension of the Bluebush Fault and associated copper mineralization encountered in HWDD04, HWDD05 and HWDD05W1. Detailed logging and sampling of the drill core is still underway.

Cohiba's CEO, Andrew Graham says, *"The Horse Well Prospect represents a key IOCG target zone within the Gawler Craton and we are committed to investigating it to the fullest extent possible. HWDD07 was drilled with the express purpose of following up on the copper mineralization encountered along the Bluebush Fault in drillholes HWDD04, HWDD05, and HWDD05W1. HWDD07 successfully intersected the Bluebush Fault as interpreted, bringing the total strike length to more than 400m. This has generated significantly increased confidence in the area and will enable the Company to pursue an aggressive step-out program in the future."*

OLYMPIC DOMAIN IOCG (IRON ORE COPPER GOLD) MINERALISATION

The Olympic Domain is host to the world class copper-gold mines of Olympic Dam, Prominent Hill and Carrapateena. Bluebush prospect is 7km west of BHP's up-and-coming Oak Dam deposit. The dominant mineralisation targets are giant kilometre scale breccia pipes that are cemented with the iron mineral haematite which contains the disseminated copper and gold mineralisation. This event occurred 1590 million years ago at Olympic Dam, and the other deposits are considered to have a similar age concurrent with the eruption of the Gawler Range Volcanics. This terrain was partially eroded, and then submerged beneath the sea, where 1 billion years' worth of flat lying sediments cover the basement rocks. Peering through the hundreds of metres of cover is the dominant exploration challenge, and relies on geophysics, generally variations in magnetic and gravity strength.

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GEOLOGY

The dominant rock types encountered at Bluebush Prospect are:

- A micaceous schist of unknown unit after an interbedded mixed pelite-psammite rock. Bedding is complexly folded, and crosscut by a foliation that is also folded. The schist appears to have been intruded by the Donington Granite and shares the same foliation history, making it older than Donington Granite.
- 1,850-million-year-old Donington Granite. The presence of a folded foliation differentiates this rock from the younger Hiltaba Granites. The Donington Granite is the host to the nearby Oak Dam and Carrapateena IOCG deposits.
- Mafic to intermediate intrusive makes up the bulk of the rock mass. This unit is highly magnetic and therefore responsible for the geophysical magnetic highs. The intrusive has no foliation, and usually has chilled margins indicating that it intruded the older granite and schist at a much younger time. The intrusive is host to much of the chalcopyrite veining, and the zone of interest in the Bluebush Fault, indicating that it was emplaced prior to the mineralizing IOCG events, so tentatively giving it a Gawler Range Volcanic age of around 1,593 million years old.

The Bluebush fault cuts across all rock types, in a north-south trending west dipping structure, with an upper and lower branch. The upper branch dominates, and often includes fault bound wedges of differing rock types. Brecciation is common within the fault, and in HWDD05 there was an example of haematite matrix (iron ore) – disseminated chalcopyrite (copper) with anomalous gold breccia, that is the hallmark of IOCG (Iron Ore Copper Gold) deposits. Quartz-magnetite-chalcopyrite-pyrite veins were frequently encountered in HWDD04, HWDD05, and HWDD05W1, indicating that mineralising fluids were present at the locality.

The Cohiba Minerals exploration model for Bluebush is that there is potential for the low-level copper mineralisation to develop into an economic deposit if two additional conditions are met:

1. An increase in fracturing, rock porosity, and space to deposit the mineralization.
2. A suitable geochemical reaction to precipitate iron, copper and gold from solution.

The Bluebush Fault has the potential to meet these criteria, as it was open during the time of copper mineralisation and was used as a pathway for those copper bearing minerals. Additionally the fault was used as a conduit for oxidised surface fluids which oxidised magnetite to haematite and can provide the geochemical reaction to precipitate precious metals. The results of these events can already be observed in HWDD05, only lacking the scale of an economic deposit. Examples from other IOCG systems show that once these processes gain momentum, a positive feedback loop of self-generation is created, such that massive breccias develop.

HWDD07 UPDATE

Drilling successfully intersected the Bluebush Fault near the expected location, giving more confidence in the orientation of the fault for step-out drilling. Low level veining with chalcopyrite mineralisation was encountered through much of the hole (Figure 3, Figure 4), associated with quartz veins and siderite matrix breccias.

Bleaching and oxidation of mafic intrusion in the footwall of the upper Bluebush Fault associated with siderite veining, and vein and disseminated chalcopyrite, are indicative that the Bluebush fault has been used as a fluid conduit for mineralising fluids with increased oxidation compared to the three northernmost holes (Figure 5).

Brecciation, mostly with siderite and low level disseminated chalcopyrite matrix, is prominent associated with the Bluebush Fault and persistent breccia veining in the basement rocks throughout the hole.

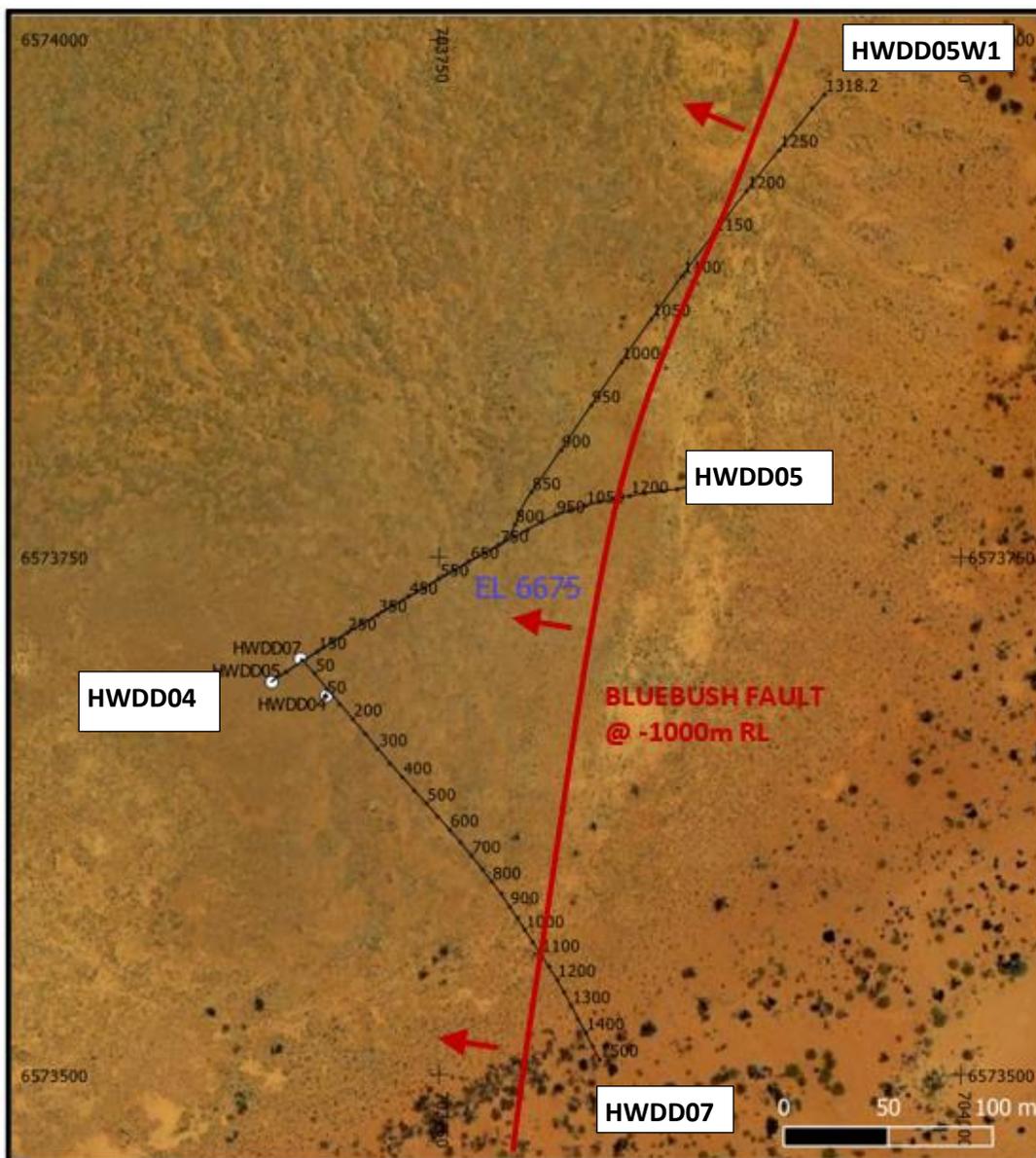


Figure 1: Plan View of Bluebush Fault Drilling

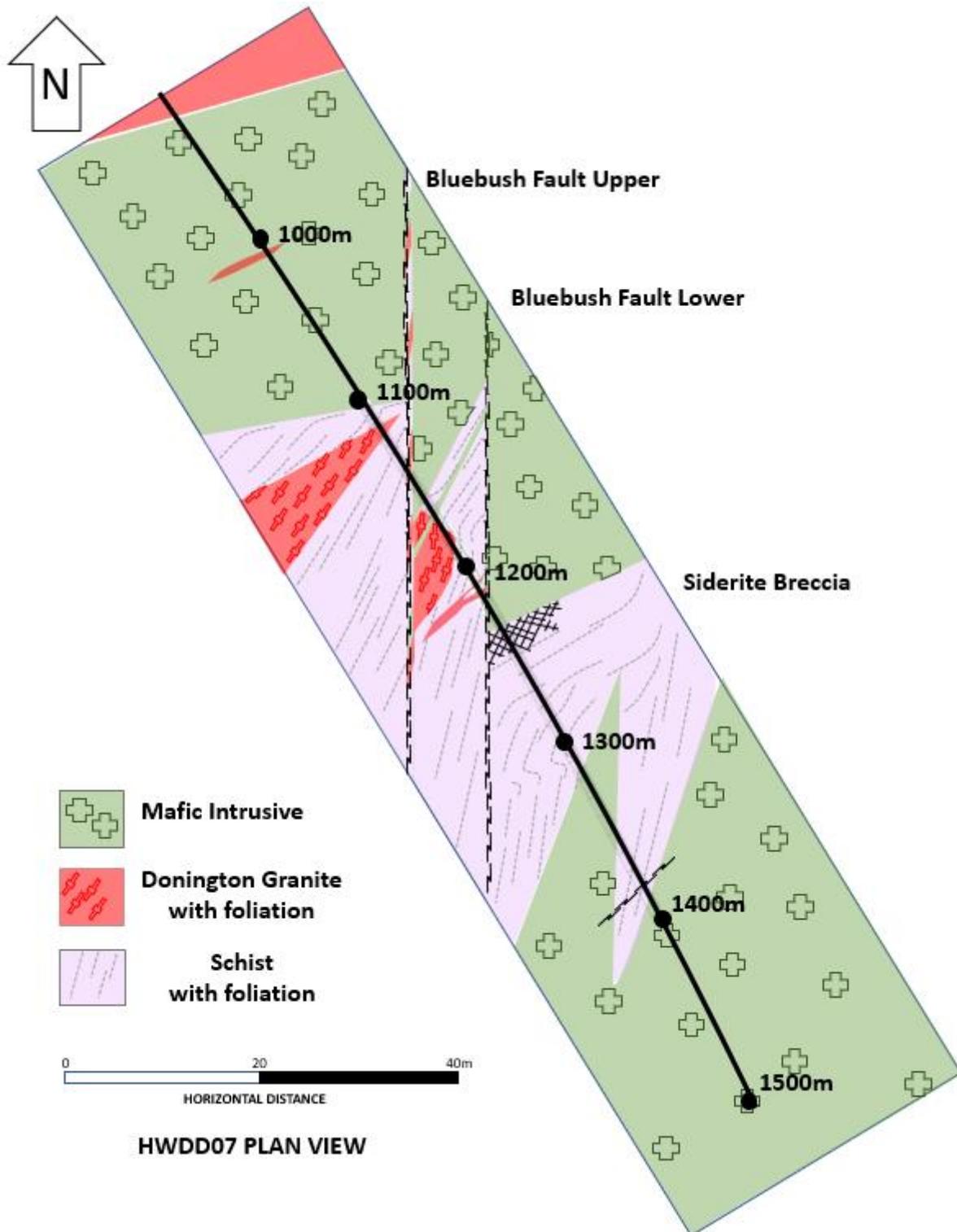


Figure 2: Geology interpretation at HWDD07, looking down on the core.



Figure 3: HWDD07 1350.4m Chalcopyrite-Pyrite-Quartz vein in mafic intrusive

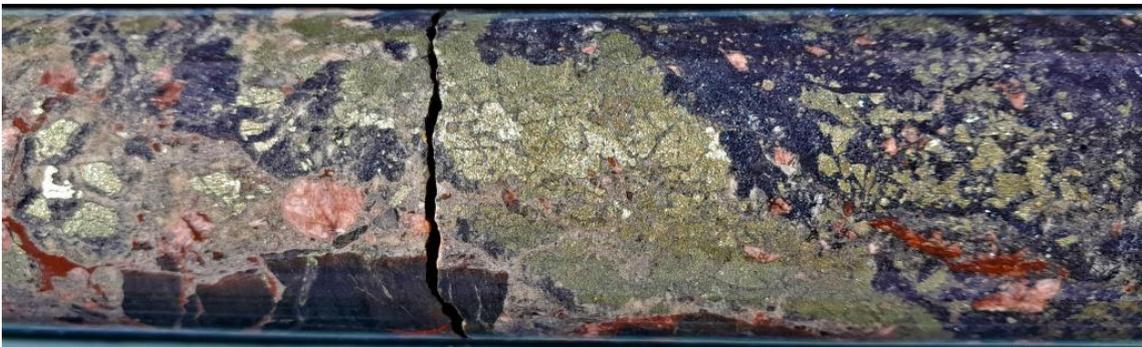


Figure 4: HWDD07 1379.3-1380.75m siderite-specular haematite-chalcopyrite-pyrite breccia with quartz vein



Figure 5: HWDD07 1157m. Vein and disseminated chalcopyrite in altered mafic intrusive in the footwall of the upper Bluebush Fault.

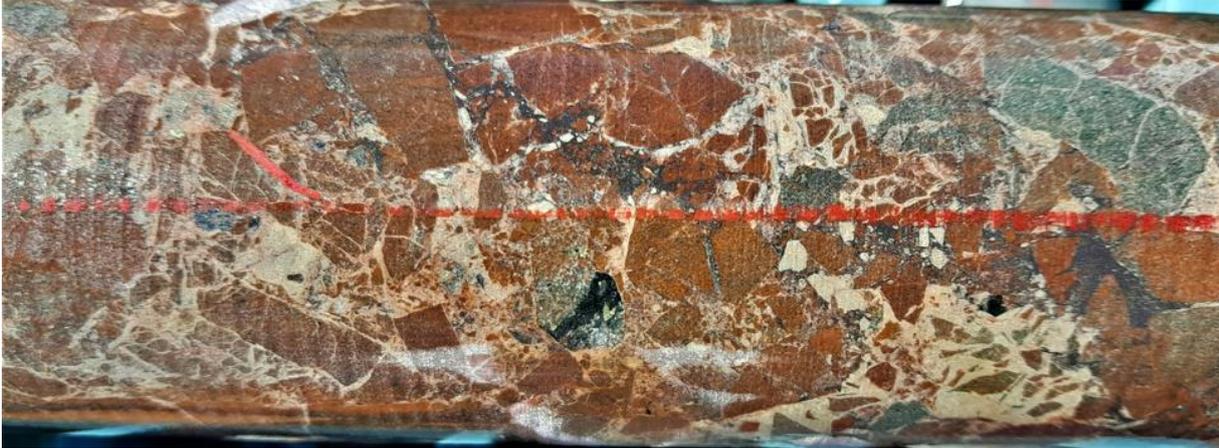


Figure 6: HWDD07 1240 - 1249m siderite with grey haematite – minor disseminated chalcopyrite-pyrite matrix breccia

- Ends -

This announcement has been approved for release by the Board of CHK.

For further information:

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Competent Persons Statement

The information in this report / ASX release that relates to Exploration Targets and Exploration Results is based on information either compiled or reviewed by Mr Andrew Graham, who is an employee of Mineral Strategies Pty Ltd and an Executive Director of Cohiba Minerals Ltd. Mr Graham is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Graham consents to the inclusion in this report /ASX release of the matters based on information in the form and context in which it appears.

About Cohiba Minerals Limited

Cohiba Minerals Limited is listed on the Australian Securities Exchange (ASX) with the primary focus of investing in the resource sector through direct tenement acquisition, joint ventures, farm in arrangements and new project generation. The Company has projects located in South Australia, Western Australia and Queensland with a key focus on its Olympic Domain tenements located in South Australia.

The shares of the company trade on the Australian Securities Exchange under the ticker symbol CHK and on OTCQB Market under the ticker symbol CHKMF.