

C O B R E 

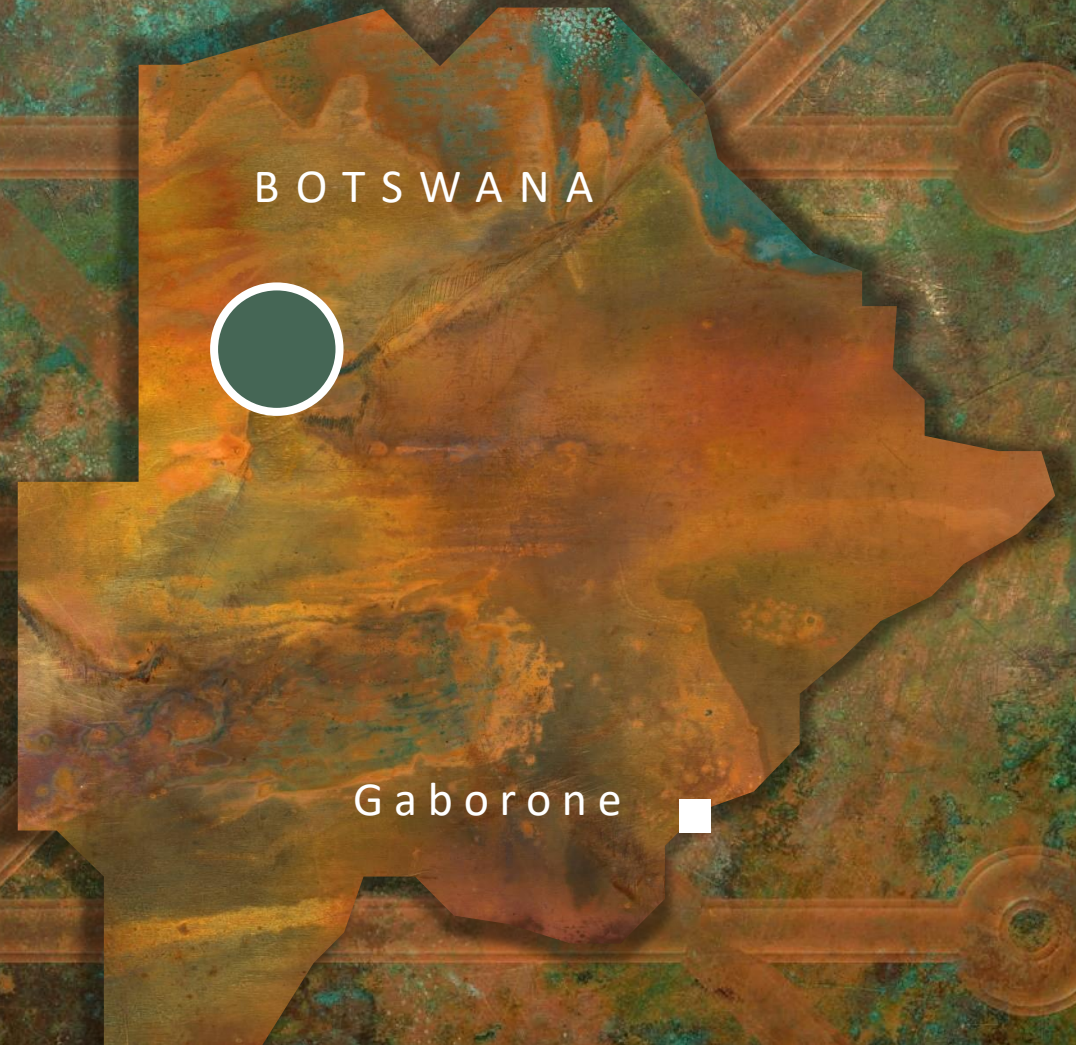


Introduction to Kalahari Copper Belt Botswana Exploration Projects

ASX: **CBE**

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December 2020



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Cobre to acquire a controlling interest in Kalahari Metals Limited ¹

- Kalahari Metals Limited (KML) is the second largest tenement holder in the highly prospective **Kalahari Copper Belt** (KCB) in Botswana next to Sandfire Resources Ltd (Sandfire)
- Cobre Ltd (Cobre) has entered into a binding agreement to acquire up to a 51% stake in KML funded by the issue of circa 21.4 million Cobre shares. Under the agreement, Cobre will nominate its wholly owned subsidiary Cobre Kalahari Pty Ltd (Cobre Kalahari) to acquire the interest in KML
- Following completion of the transaction, KML will be operated as a joint venture between Cobre Kalahari (51%) and Metal Tiger PLC (49%)
- The KCB is regarded as one of the world's most prospective areas for yet-to-be-discovered sediment-hosted copper deposits by the US Geological Survey¹
- KML's landholdings are along strike, and adjacent to, two major development projects: Cupric Canyon's high-grade Zone 5 Cu-Ag deposit and Sandfire's T3 Motheo Cu-Ag deposit
- Historical exploration in the KCB focused on redox contact mineralisation on fold limbs, however recent discoveries have targeted the high-grade structurally controlled mineralisation in anticlines above the contact
- KML's exploration will focus on these underexplored 'domes' where mineralisation may be further concentrated above the classic redox contact
- Botswana is a stable jurisdiction investing heavily in power transmission to the KCB region

¹ As detailed in 24 August 2020 announcement to the ASX available at <https://www.asx.com.au/asxpdf/20200824/pdf/44ltblw7zp5711.pdf>

Cobre & Metal Tiger: Unlocking Further Potential at KCB

Metal Tiger previously held a 30% interest in MOD Resources, which discovered the T3 deposit in the KCB and was subsequently acquired by Sandfire Resources for A\$167m

2018

Metal Tiger recognized the significance of KML's landholdings in the KCB and became a shareholder

2019

Metal Tiger invested in Cobre.
Supporting the company through 2019 in the lead up to the IPO

2020

Metal Tiger further invested via IPO to hold 19.98% of Cobre.
Metal Tiger increased its position on KML becoming the largest shareholder

Creating Shareholder Value

PROPOSED JOINT VENTURE

C O B R E

METAL
TIGER PLC

51%

49%

Km

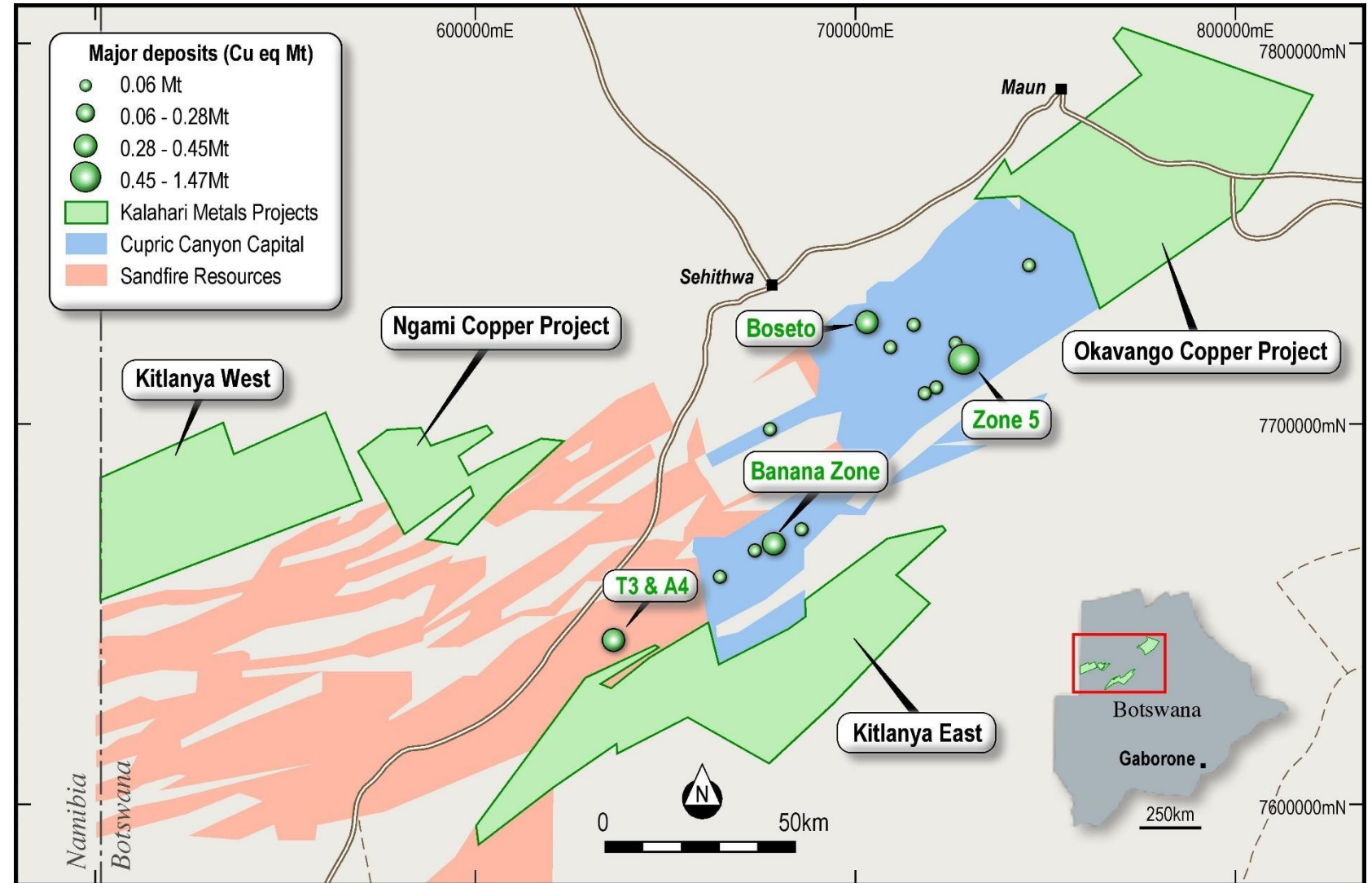
Kalahari
Metals Ltd

Working together through KML, Cobre and Metal Tiger aim to fund an aggressive exploration program in the KCB

Kalahari Metals Overview

- KML, together with its subsidiaries Kitlanya (Proprietary) Limited (Kitlanya) (100%) and Triprop Holdings (Proprietary) Limited (51%) hold exploration licenses totalling 8,100 km² in proximity to, and along strike from, known deposits in the Kalahari Copper Belt, Botswana.

SECOND BIGGEST
LICENSE HOLDER IN
THE DISTRICT AFTER
SANDFIRE



Kalahari Metals Overview

- KML is targeting sediment hosted copper–silver deposits similar to those being developed by neighbours Sandfire and Cupric Canyon Capital

- Tenure consists of four Project Areas: **Okavango** (2,720 km²), **Kitlanya East** (2,750 km²), **Kitlanya West** (1,900 km²), and **Ngami** (720 km²)

- Total exploration spend to date circa A\$4.5m on geophysical surveys, soil sampling, drill target development, successful proof of concept drilling, and development of current drill programmes

- Stratigraphic drilling, airborne electromagnetic survey (AEM) and soil sampling programmes have recently been completed at Kitlanya East

2020/21 Exploration Plan

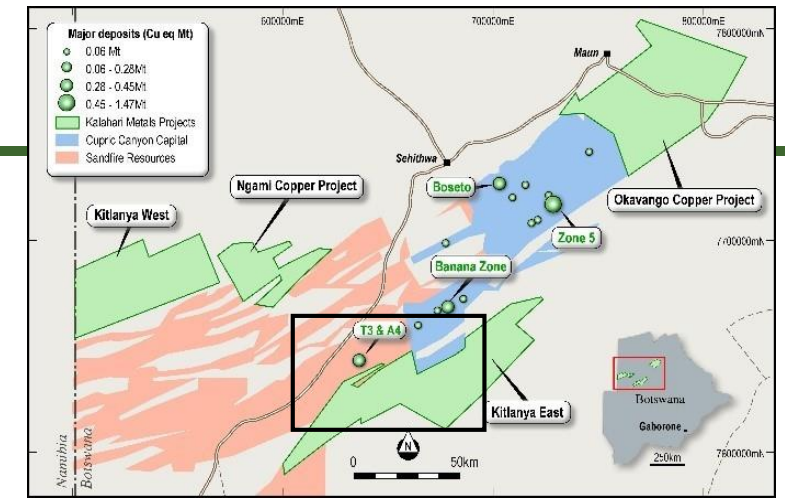
EXPLORATION TARGET PROGRESSION

TARGET NAME

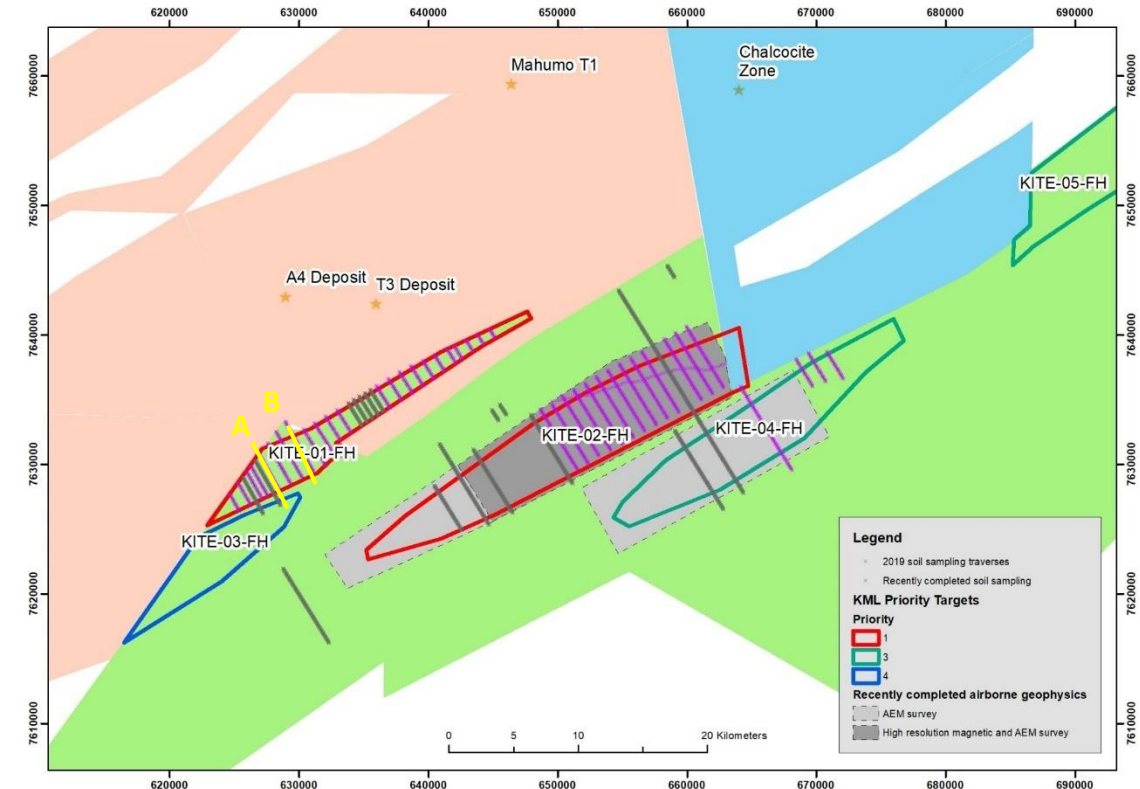
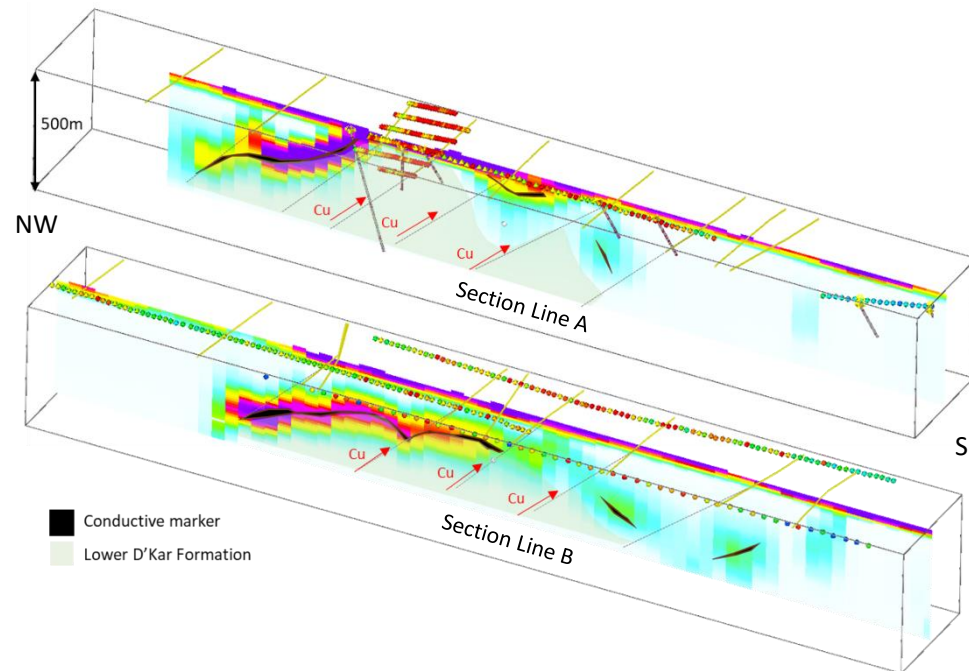
Project	OKAVANGO					KITLANYA EAST					KITLANYA WEST					NGAMI				
Resource definition																				
Diamond drilling																				
RC drilling																				
Resource modelling																				
Advanced Exploration																				
Diamond drilling																				
RC drilling																				
Intermediate stage																				
Scout/strat diamond drilling																				
Early stage																				
Detailed magnetic																				
Detailed AEM																				
Soil sampling (grid)																				
Regional AEM																				
Soil sampling (regional traverses)																				
Environmental approvals																				

Exploration: Kitlanya East

- Recently completed 2020 exploration programme includes:
 - 1,709m stratigraphic and target drilling;
 - 3,027 soil sample programme;
 - Detailed airborne magnetic and electromagnetic (AEM) surveys
- Interpretation of results and planning of target drill programmes is ongoing
- Cobre and Metal Tiger funding will support an aggressive drill programme over developing targets on these licenses



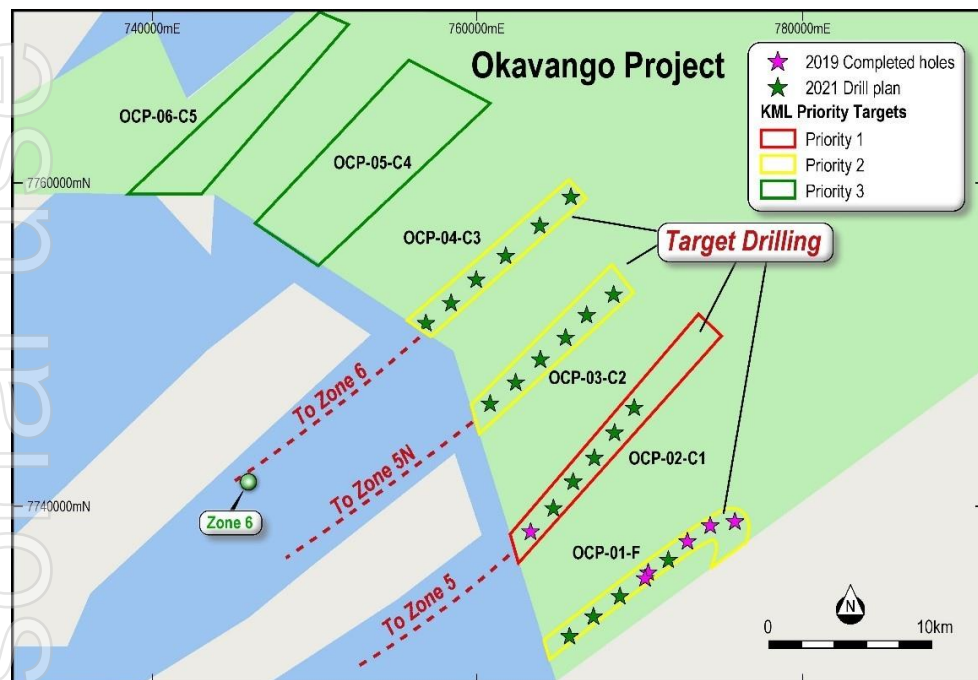
**Examples of
current drill
targets on
AEM
conductivity
-depth
sections**



Exploration: Okavango and Kitlanya West

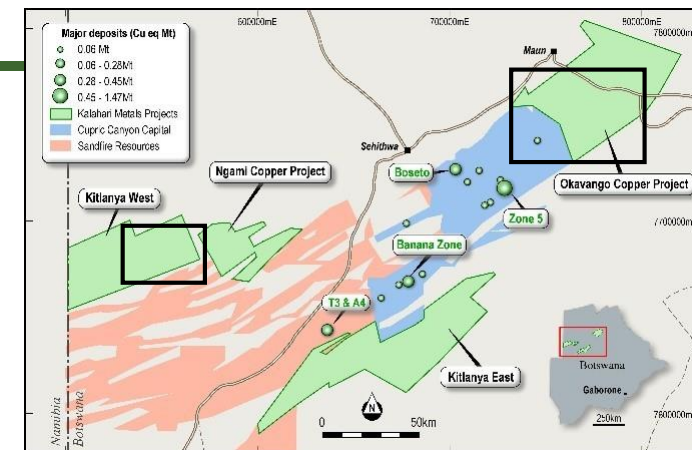
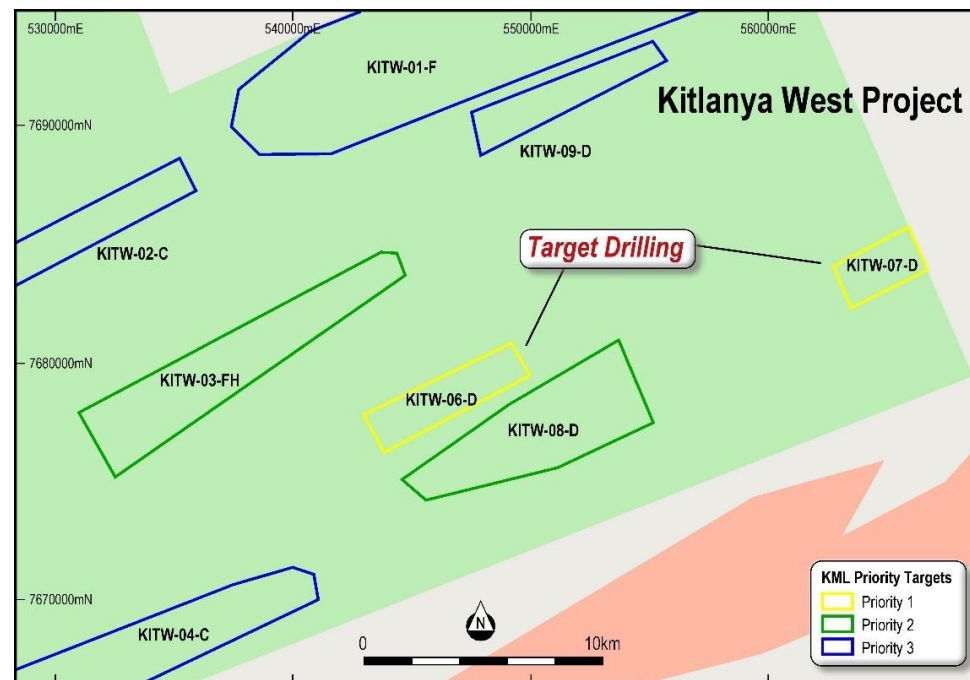
Okavango

- 2019 drilling proved the geophysics based targeting concept, confirming mineralised contacts along strike from known deposits
- Next will be regular drill testing along confirmed stratigraphy



Kitlanya West

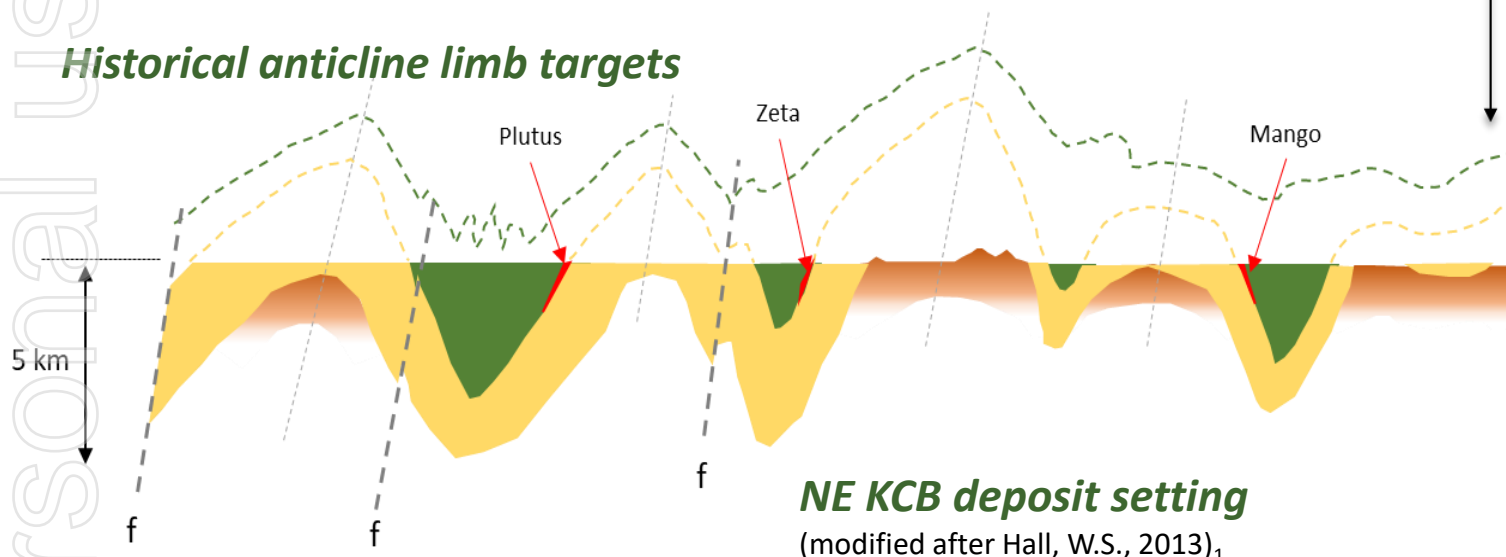
- Target drilling of folded AEM 'domes' similar to T3 and A4



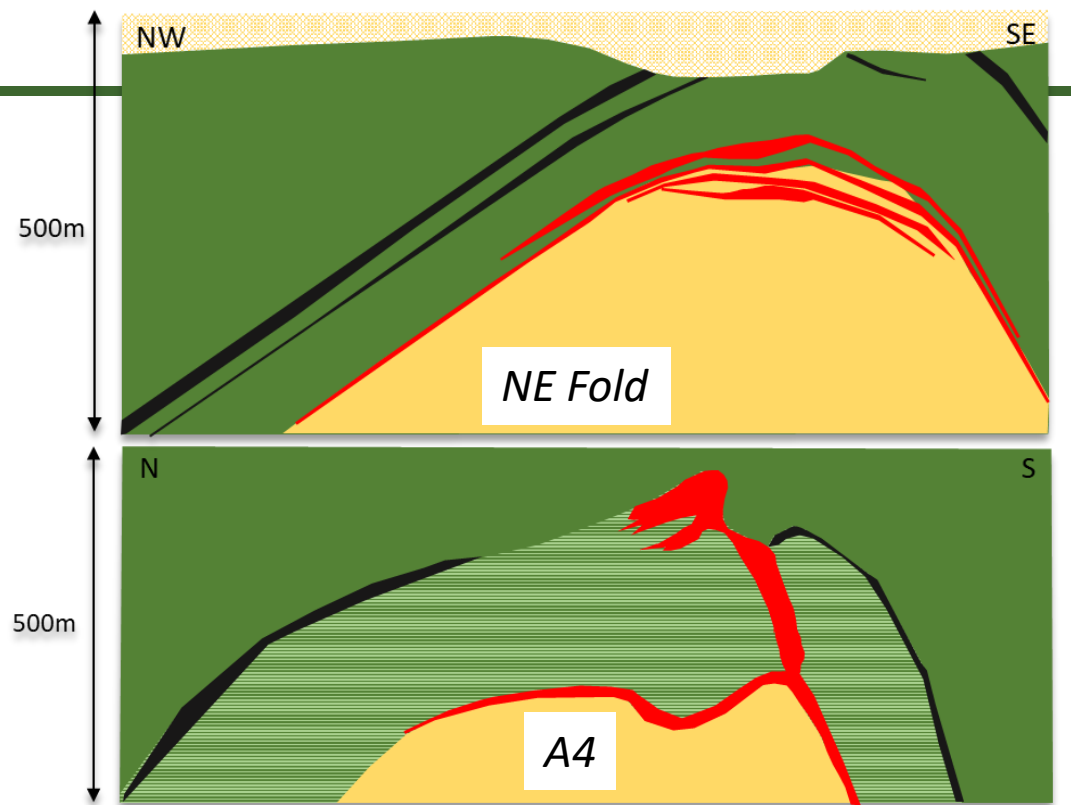
Mineralisation Models

- Historically exploration has focused on redox contact mineralisation on fold limbs; these are easier to find using magnetic, AEM and soil sampling but can end up being deep and not suited to lower cost open pit mining
- Recent exploration is focused on anticline hinge zones and structurally controlled trap sites higher in the stratigraphy above the traditional redox contact; recently published drill intersections at Sandfire's A4 deposit demonstrates the significant Cu-Ag grades achievable for this style of mineralisation

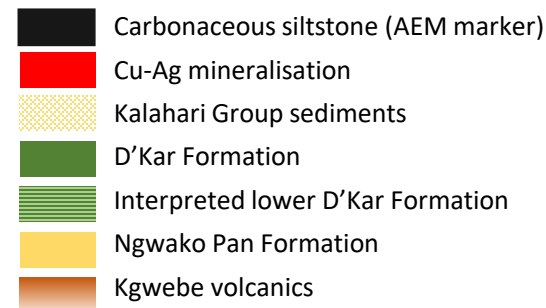
Historical anticline limb targets



Fold hinge and structurally controlled mineralisation



(top modified after Hall, W.S., 2017₂ & bottom after Sandfire 2020₃)

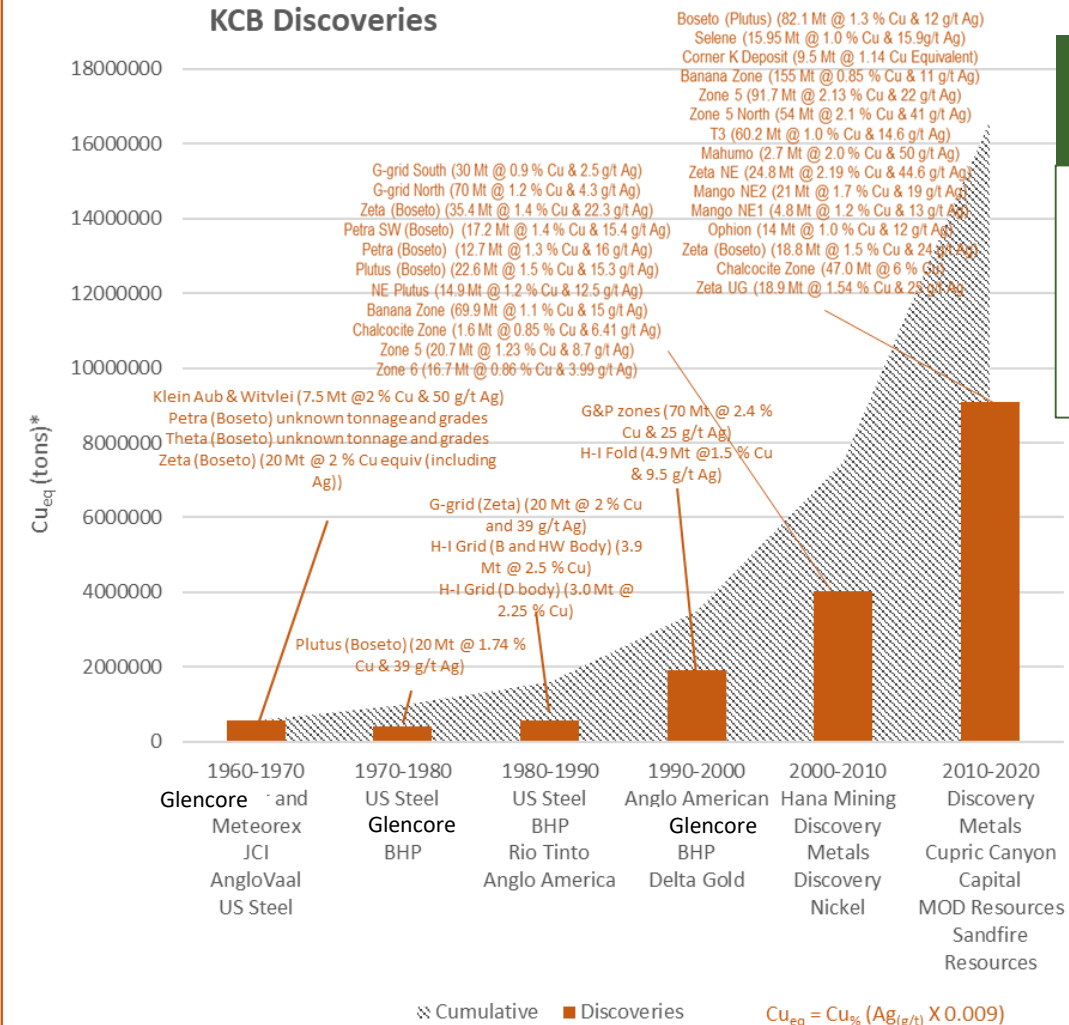


Footnotes: 1, 2 & 3 refer to References on slide 25

Why the Kalahari Copper Belt?

- Sediment-hosted copper deposits account for 15% of world mine copper production
- Deposits are often giants - more than 1/3 of the known sediment-hosted copper deposits contain over 500,000t of contained copper with grades over >1%
- KCB ranked as one of the world's most prospective areas for undiscovered sediment-hosted copper deposits by the USGS¹
- Advances in geological understanding and geophysical technology have yielded an exponential increase in exploration success
- A significant portion of the KCB is hosted in Botswana: a country consistently ranked in the top few African countries for mining investment attractiveness by the Fraser Institute²

Exploration Discoveries 1960 – 2020



Footnotes: 1, 2, 3, 4 & 5 refer to References on slide 25

KML's strong, locally experienced, team will continue to advance exploration



Adam Wooldridge

BSc Hons Pr.Sci.Nat.

Director



Thomas Krebs

MSc Pr.Sci.Nat

Principal geologist



David Catterall

MSc Pr. Sci. Nat.

Consultant



Brett van Collier

BSc Hons Pr.Sci.Nat.

Consultant

Adam has worked extensively as a consultant geologist and geophysicist, technical and project manager throughout Africa, Europe and the Middle East. Over the last 23 years he has worked on a range of commodity types including base and precious metals, iron-ore, diamond and uranium projects. As a KML founder, at the completion of the transaction Adam will become a shareholder of Cobre

Thomas has over 10 years of experience in the minerals exploration industry. He has been responsible for target generation, planning, implementing and managing of grassroots exploration and to a lesser extent brownfields exploration programs with emphasis on copper related projects in Botswana, Zambia, Namibia and South Africa

David is a registered Professional Exploration Geologist with over 30 years experience in the resource industry including specific experience in the Kalahari Copper Belt, Zambian Copper Belt and Central African Copper Belt. David's project experience ranges from grass roots exploration to feasibility studies for open pit and underground operations.

Brett has 20 years of experience in the mineral exploration industry in Africa. He is currently the managing director and consulting geologist at Remote Exploration Services, a privately owned company offering a spectrum of services to the global exploration and mining industry, government organizations and public institutions. As a KML founder, at the completion of the transaction Brett will become a shareholder of Cobre

- Cobre will purchase an initial 49.9% stake in KML, increasing to a 51% stake (subject to regulatory approvals), funded by the issue of circa 21.4 million Cobre shares, to be escrowed until 31st January 2022. Cobre Kalahari will be nominated by Cobre to own the stake in KML.
- Metal Tiger, an existing shareholder of both Cobre and KML, will reduce its current stake in KML from circa 62% to an amount not less than 49% at completion.
- KML will continue ongoing activities over the next 6 months using its existing cash balance.
- Metal Tiger and Cobre Kalahari will initially fund further exploration activities to A\$3.5 million.
- Funding to be utilised to proceed with an aggressive drill-focussed exploration programme over multiple targets, maximising potential for discovery.
- Transaction completion is conditional upon Cobre obtaining relevant shareholder approval at a general meeting of shareholders.
- Approval from the Ministry of Mineral, Energy and Water Resources of the Republic of Botswana will be required in order for Cobre to increase its initial 49.9% stake in KML to 51%.
- Metal Tiger has obtained FIRB approval for the transaction.
- Additional Cobre shares may be issued to the previous owner of Kitlanya following a maiden indicated JORC resource declaration being announced in respect of the licences held by Kitlanya.

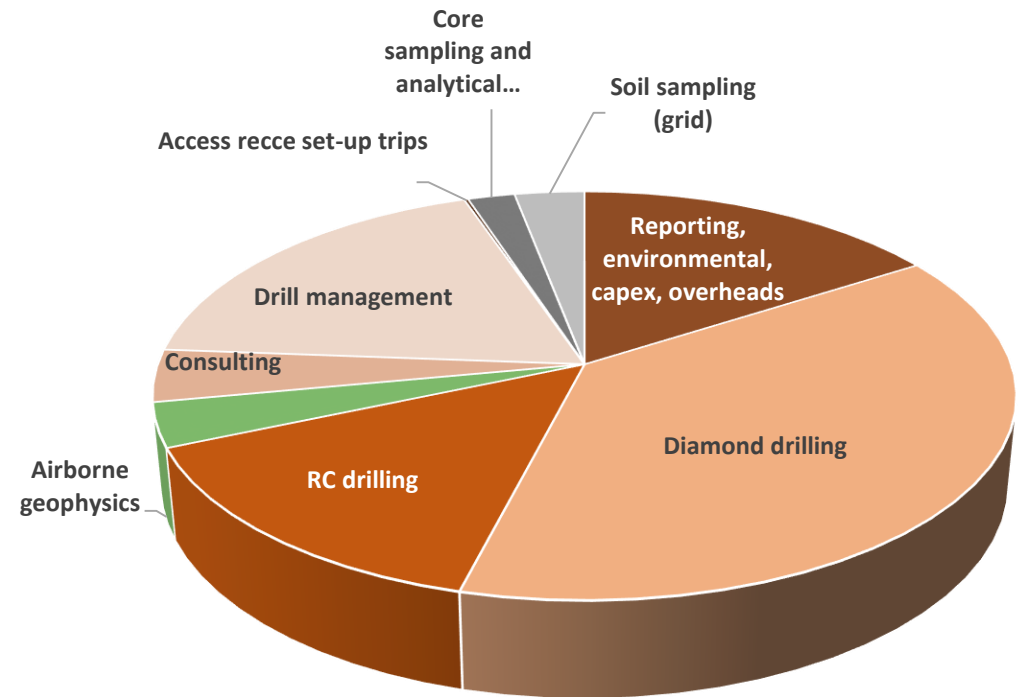
Use of funds and news flow

2020/21 drill focused exploration programme

- Designed to advance Cu-Ag targets on each project while maintaining a pipeline of early stage feeder targets

In 2020

- Completed stratigraphic drilling and soil sampling on KIT-E northern anticline target
- Completed soil sampling, AEM and magnetic survey on KIT-E southern anticline target
- News flow events for 2021:
 - Ongoing drilling results from KIT-E
 - Results from drilling testing of selected targets in KIT-W
 - Drilling results along contacts with confirmed Cu-Ag mineralisation in OCP



EXPENDITURE BY CATEGORY

Cobre Capital Structure

Share Price

(As of December 14th, 2020)

24 cps

Shares Outstanding	102,970,688
Market Capitalisation	\$24.712m
Cash and Equivalents as at 30 September 2020	\$5.3m
Options on Issue – exercise price 20cps	13,249,000
Options on Issue – exercise price 30cps	2,000,000

- Metal Tiger has executed a binding agreement to subscribe to 1.55m shares at 20cps which was approved at the company's AGM. Upon issue Metal Tiger will move to 20%
- Pending shareholder approval at upcoming EGM circa 21.4m CBE shares will be issued to acquire the 51% interest in KML, with these shares to be escrowed until 31 January 2022.

Top Shareholders

(As at 14 September 2020)

	Shares Held	%
METAL TIGER PLC	19,350,000	18.792%
HOLLAND INTERNATIONAL PTY LTD <HOLLAND FAMILY A/C>	11,024,384	10.706%
RESOURCE ASSETS PTY LTD	8,113,269	7.879%
MONTCAP PTY LTD	7,250,025	7.041%
MR BERNARD AYLWARD <THE GALBRAITH FAMILY A/C>	5,408,846	5.253%
Total Securities of Top 20 Holdings	79,121,981	76.839%
Balance outside top 20	23,848,707	23.161%

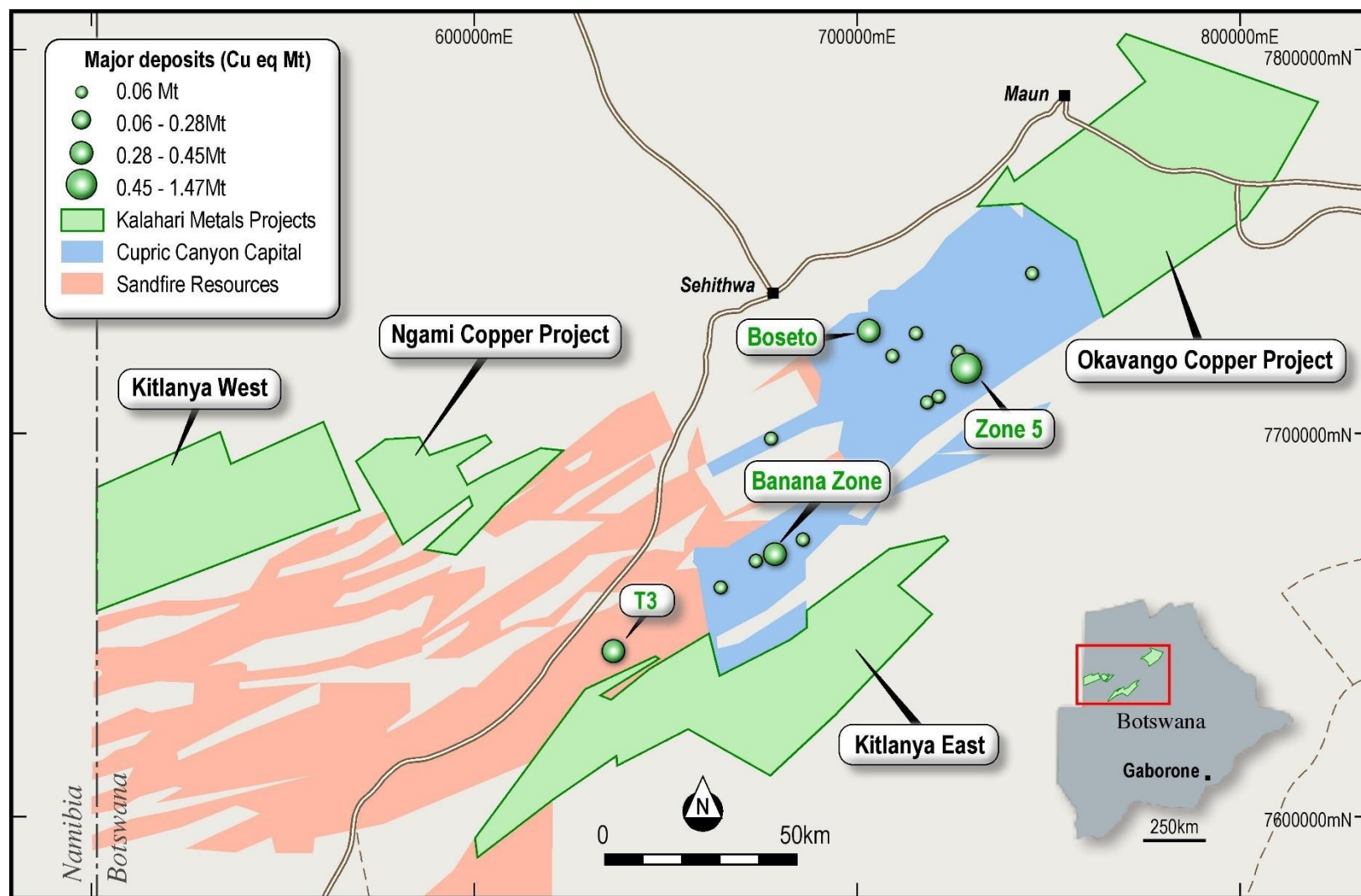
Ongoing drilling
operations, Kitlanya East
August 2020



APPENDIX

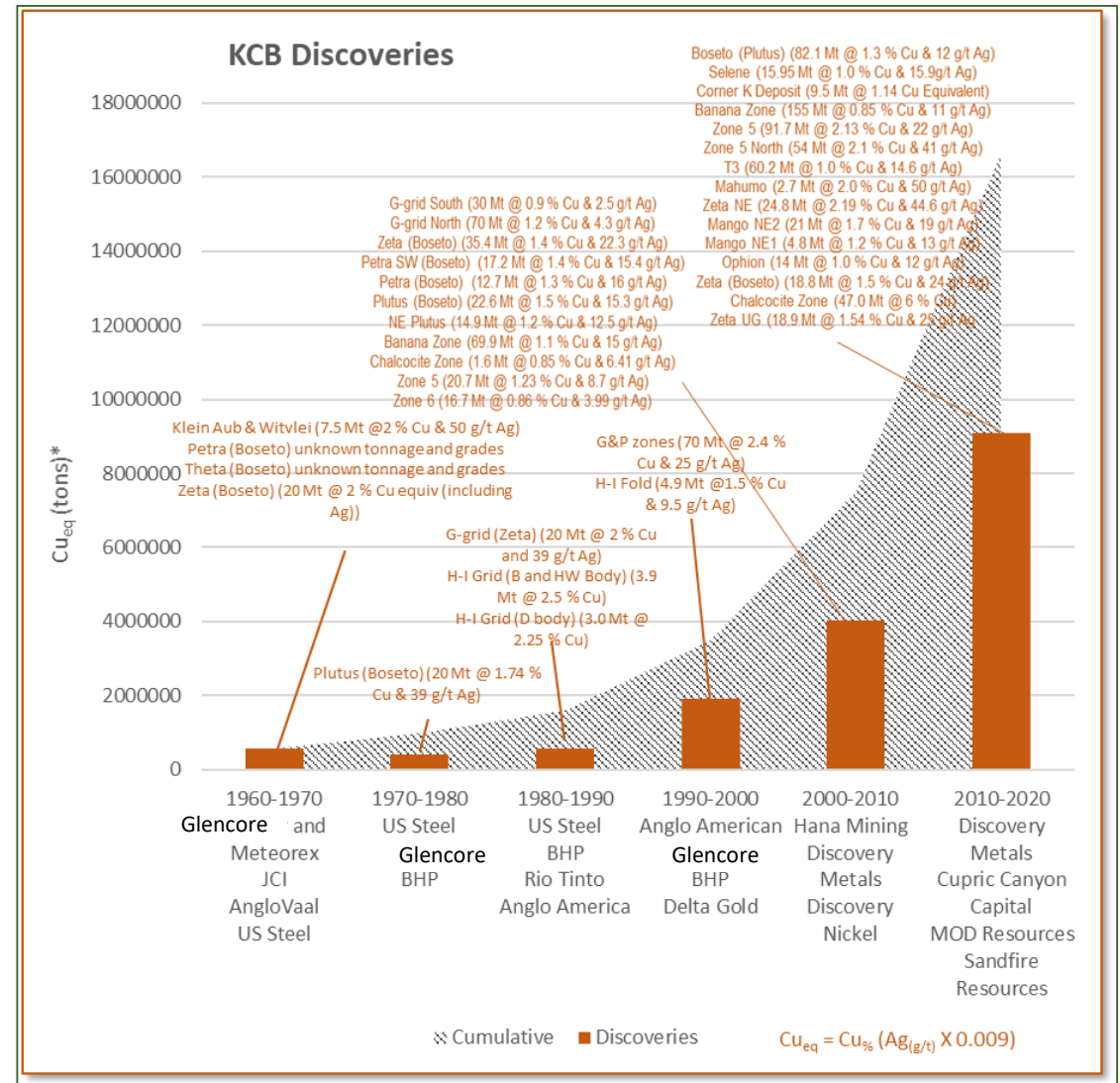
Project Overview

- Four Project Areas: **Okavango**, **Kitlanya East**, **Kitlanya West**, and **Ngami** (total 25 priority targets spread across the projects)
- Over the last three years KML has developed effective exploration models and methodologies, de-risked through concept testing drilling, and provided a pipeline of targets
- At the Ngami and Okavango projects concepts were validated with the Cu-Ag mineralised contact modelled and then successfully intersected by 2019 drilling
- 2020/21 drill focused budget (including maiden drill testing several targets)



Understanding mineralisation styles key to identifying targets

- An exponential increase in discovery rates in the KCB can be linked to advances in geological understanding and geophysical technology
- KML has invested significantly in understanding the geology and styles of mineralisation and applying modern geophysical methods to identify drill targets
- KML's maiden drill testing at Okavango is proof-of-concept
- With such a large landholding (> 8,100km²) this knowledge is critical to focusing exploration spending and maximising likelihood of success
- Prospective areas have been identified on **Okavango, Kitlanya East, Kitlanya West, and Ngami** projects



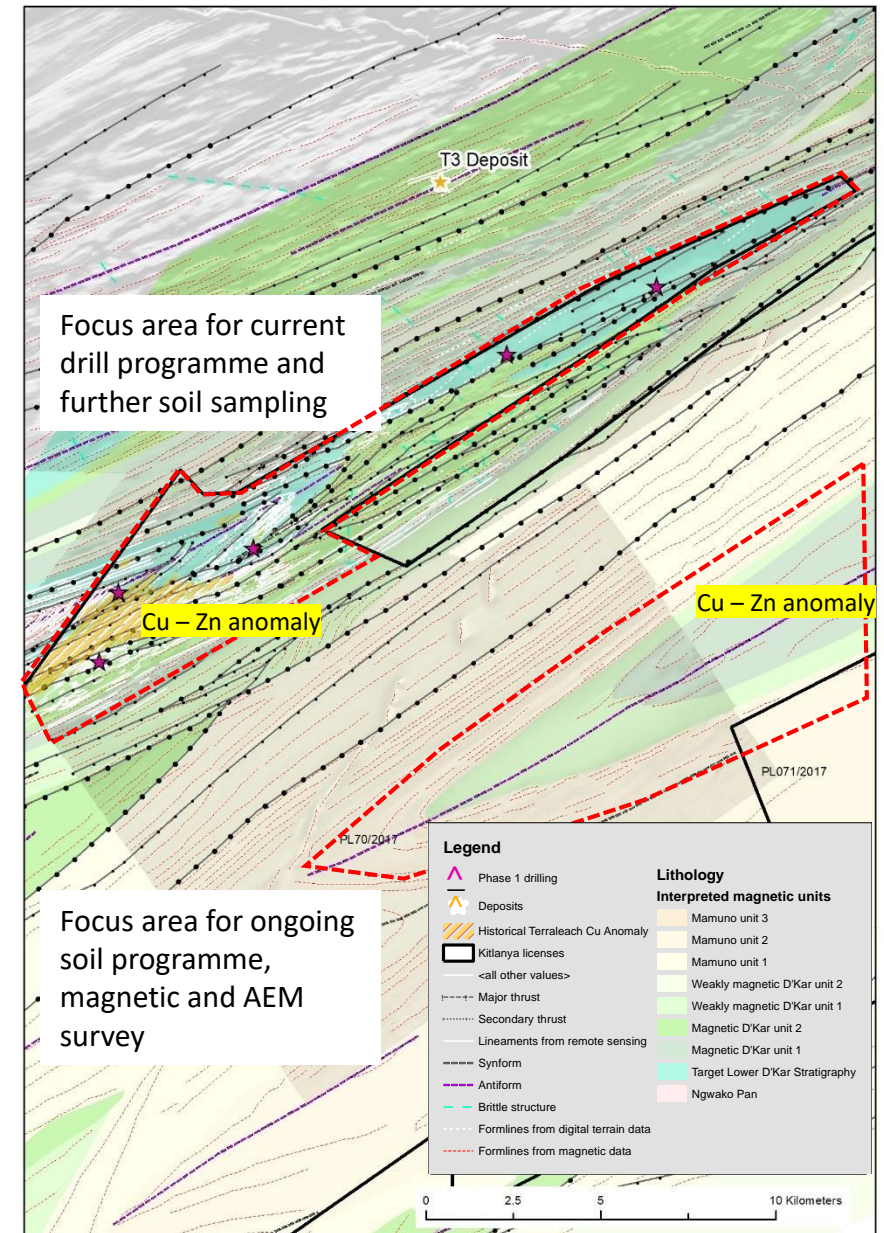
Kitlanya East

Target type:

Doubly plunging anticline in hinge zones ('Domes')

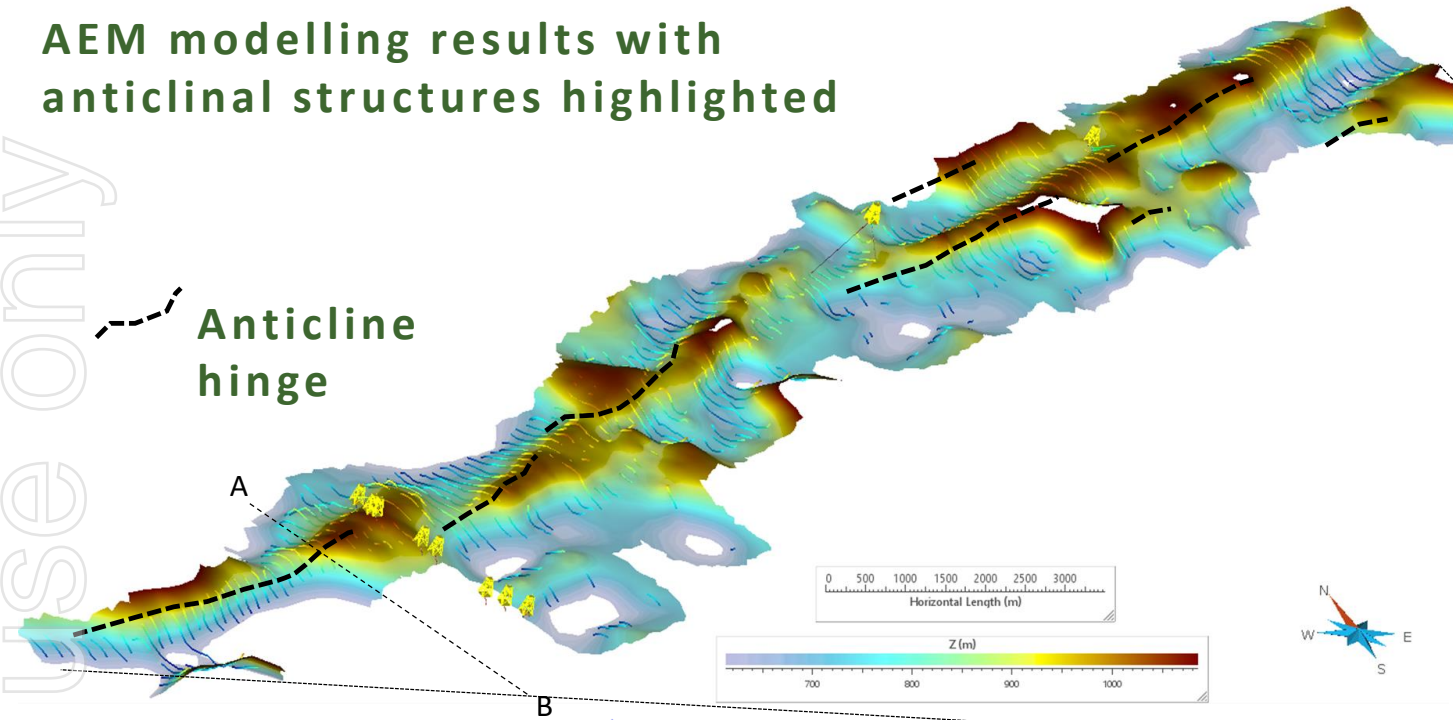
Highlights

- Several compelling target areas in proximity to and with similar setting to Sandfire's T3 and A4 deposits
- AEM 'dome' features analogous to T3/A4 targets
- Soil sampling identifies Cu and Zn anomalies
- Ongoing drilling identifies the correct prospective stratigraphy along with Pb-Zn mineralisation typically visible as a halo around KCB Cu deposits
- Further soil sampling has been completed over both northern and southern targets along with AEM and high resolution magnetic surveys over the southern target – results are currently being processed and interpreted

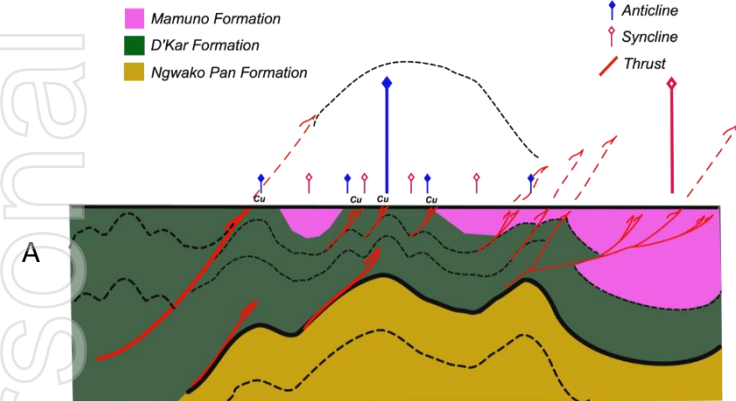


Kitlanya East target methodology

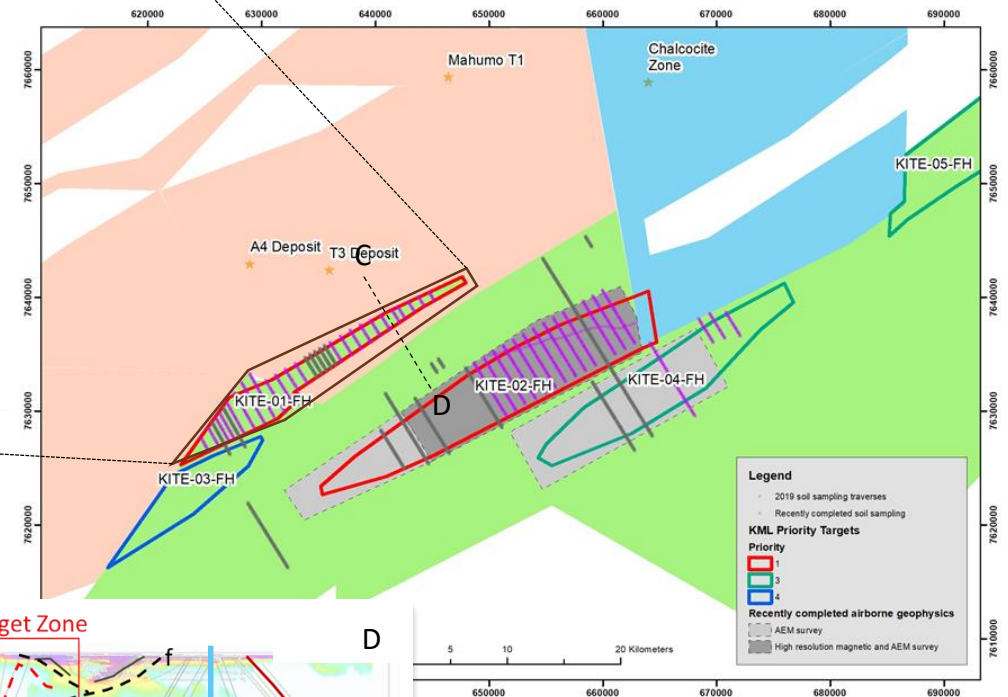
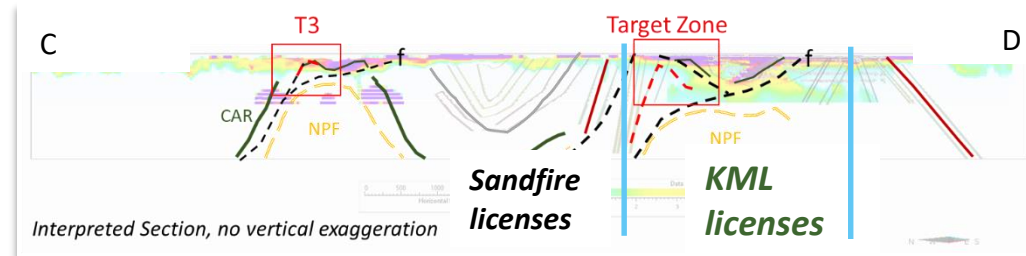
AEM modelling results with anticlinal structures highlighted



- Targeting Cu-Ag mineralisation hosted in and below thrust and shear zones on anticlinal structures analogous to neighbouring T3 and A4 deposits
- Targeting relies on combination of AEM, soil sampling and detailed magnetic survey



Interpreted geological section



Magnetic and AEM modelling section

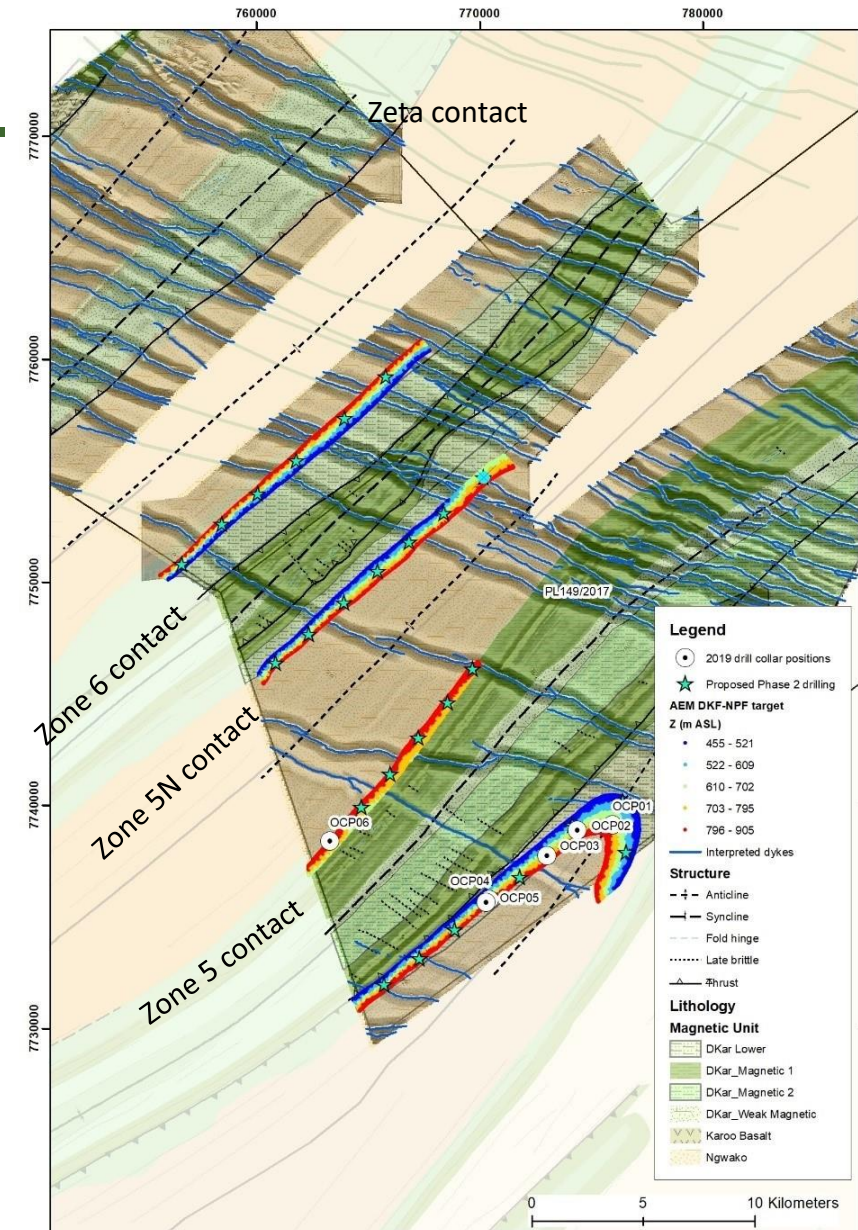
Okavango Copper Project

Target type:

Anticline limb

Highlights

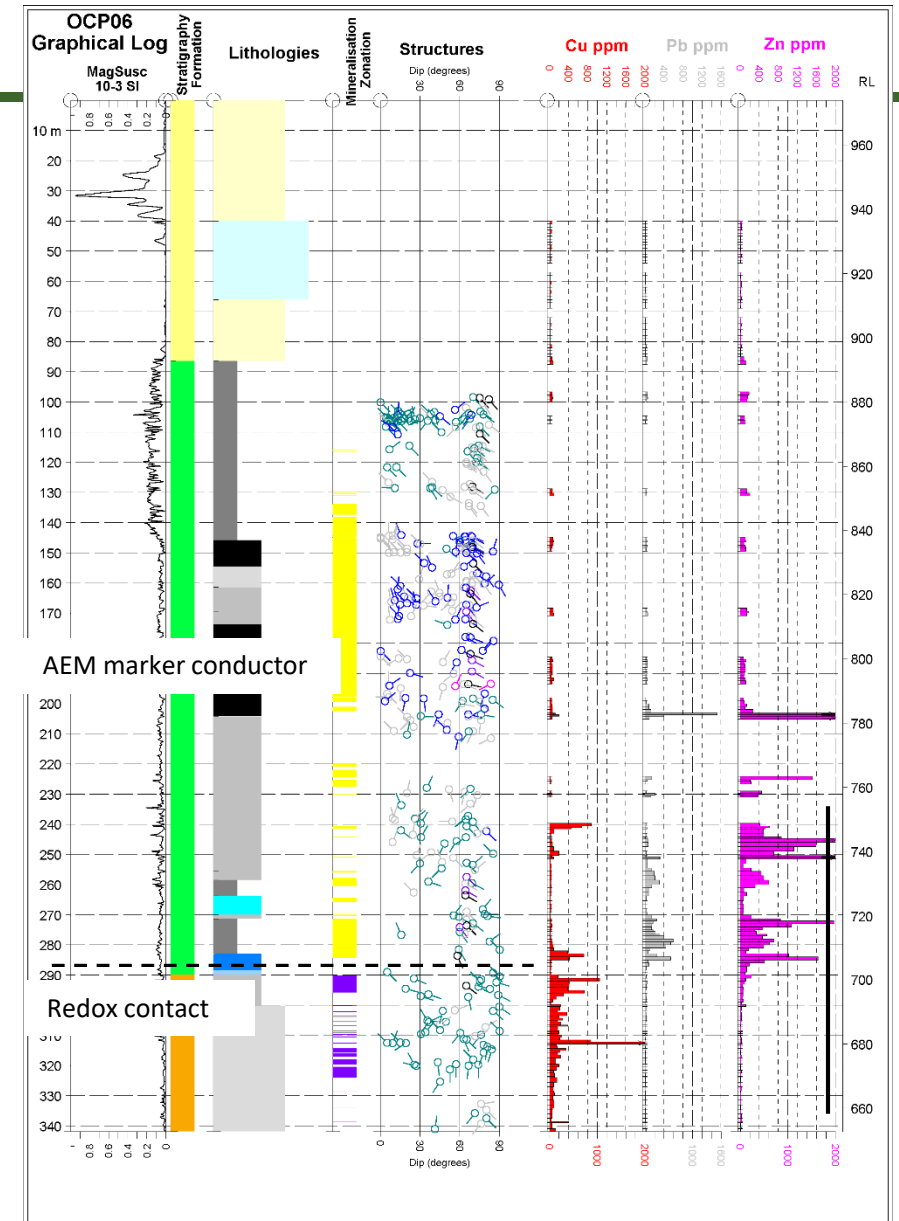
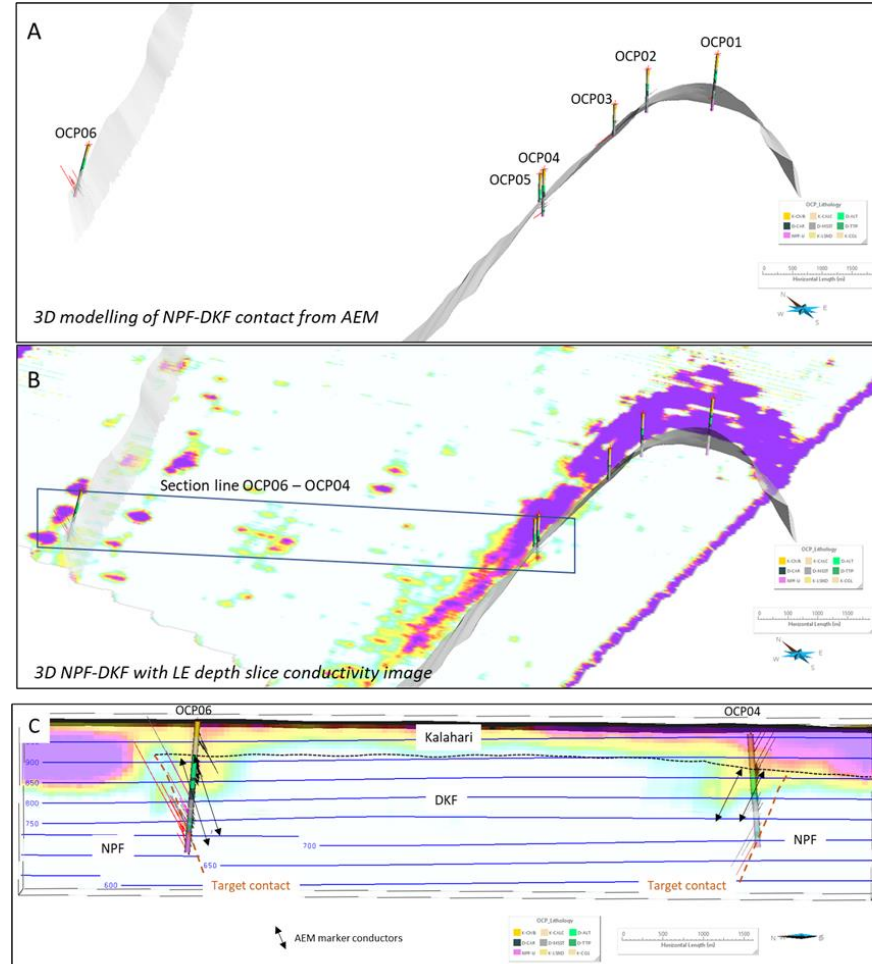
- Project located directly along strike from Cupric Canyons Cu-Ag deposits₁:
 - Zone 5 (91mt@ 2.13% Cu & 22g/t Ag)
 - Zone 5N (17mt@ 2.27% Cu & 43.4g/t Ag)
 - Zone 6 (16.7mt@ 0.9% Cu & 4g/t Ag)
 - Zeta (25mt@ 2.19% Cu & 44.6g/t Ag)
- Drill testing of AEM modelling successfully and consistently intersects mineralised redox contact
- 50 km of contact identified for follow-up drilling directly off AEM modelling
- Follow-up drilling proposed at regular spacing along contacts – designed to identify mineralised halo surrounding potential Cu-Ag deposits



Footnotes: 1 refer to References on slide 25

Okavango exploration methodology

- Modelling of AEM data clearly defines marker units above the mineralised redox contact
- Allows for direct drilling along the mineralised contact to test for areas where mineralisation may be upgraded to economic grades



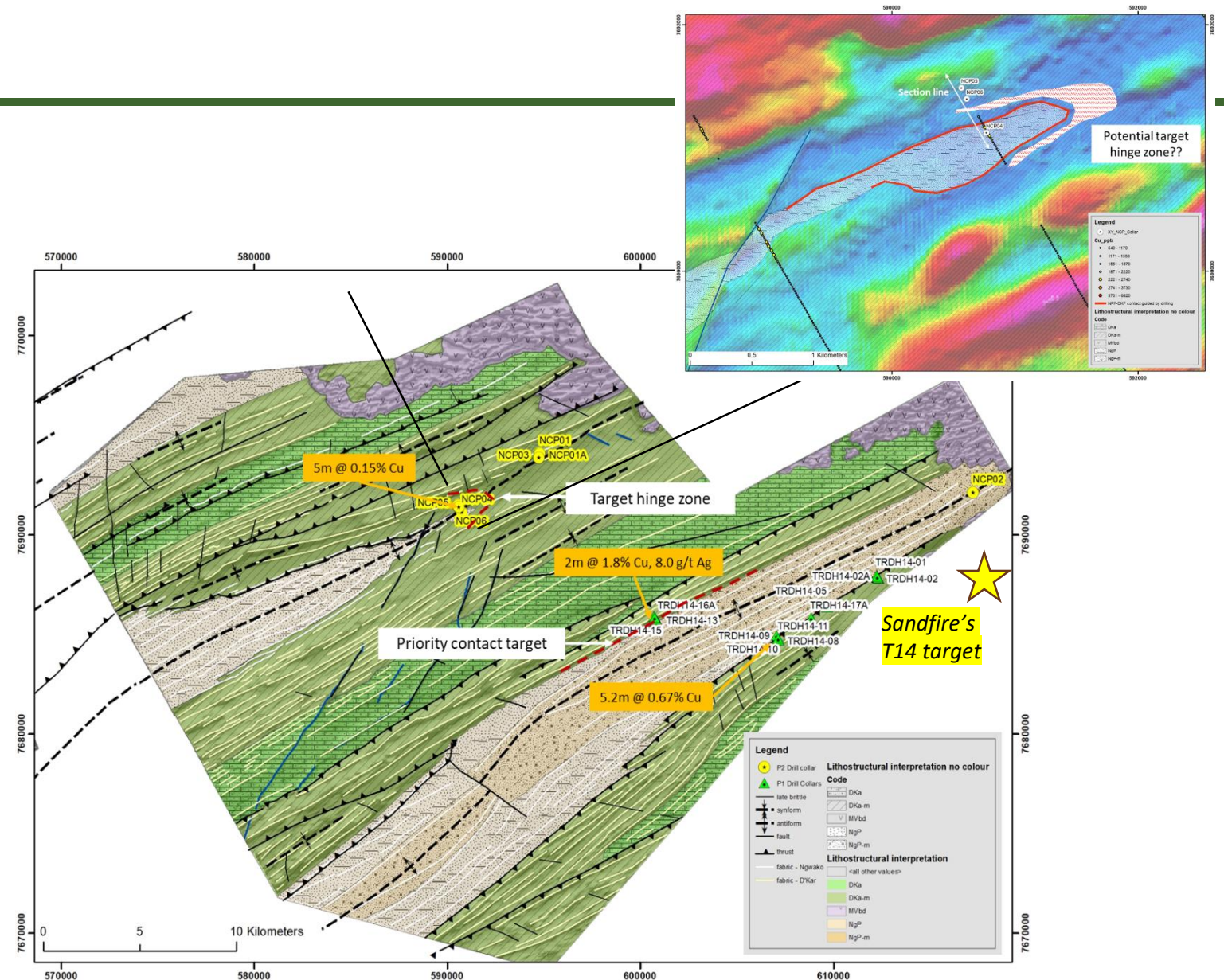
Ngami Copper Project

Target type:

Anticline limb, fold hinge

Highlights

- Drill testing confirms Cu-Ag mineralisation along redox contacts including¹:
 - 2m @ 1.8% Cu & 8.0g/t Ag
 - 5.2m @ 0.67% Cu
 - 5m @ 0.15% Cu
- Combination of drill results and magnetic interpretation delineates close to 80 km of prospective contact for follow-up
- Proximal to Sandfire's T14 target



Footnotes: 1 refer to References on slide 25

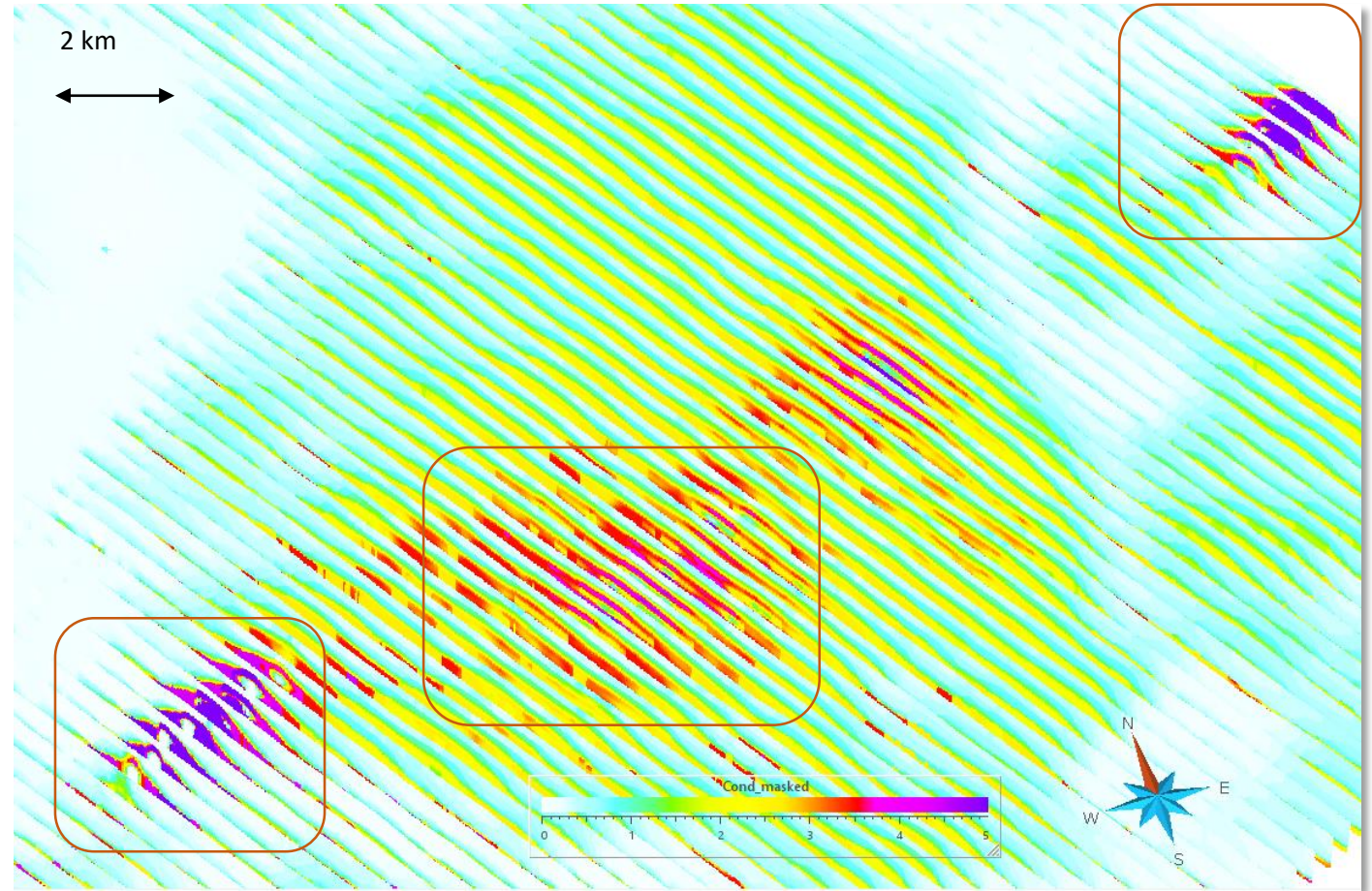
Kitlanya West

Target type:

Traditional anticline limb/doubly plunging anticline in hinge zones

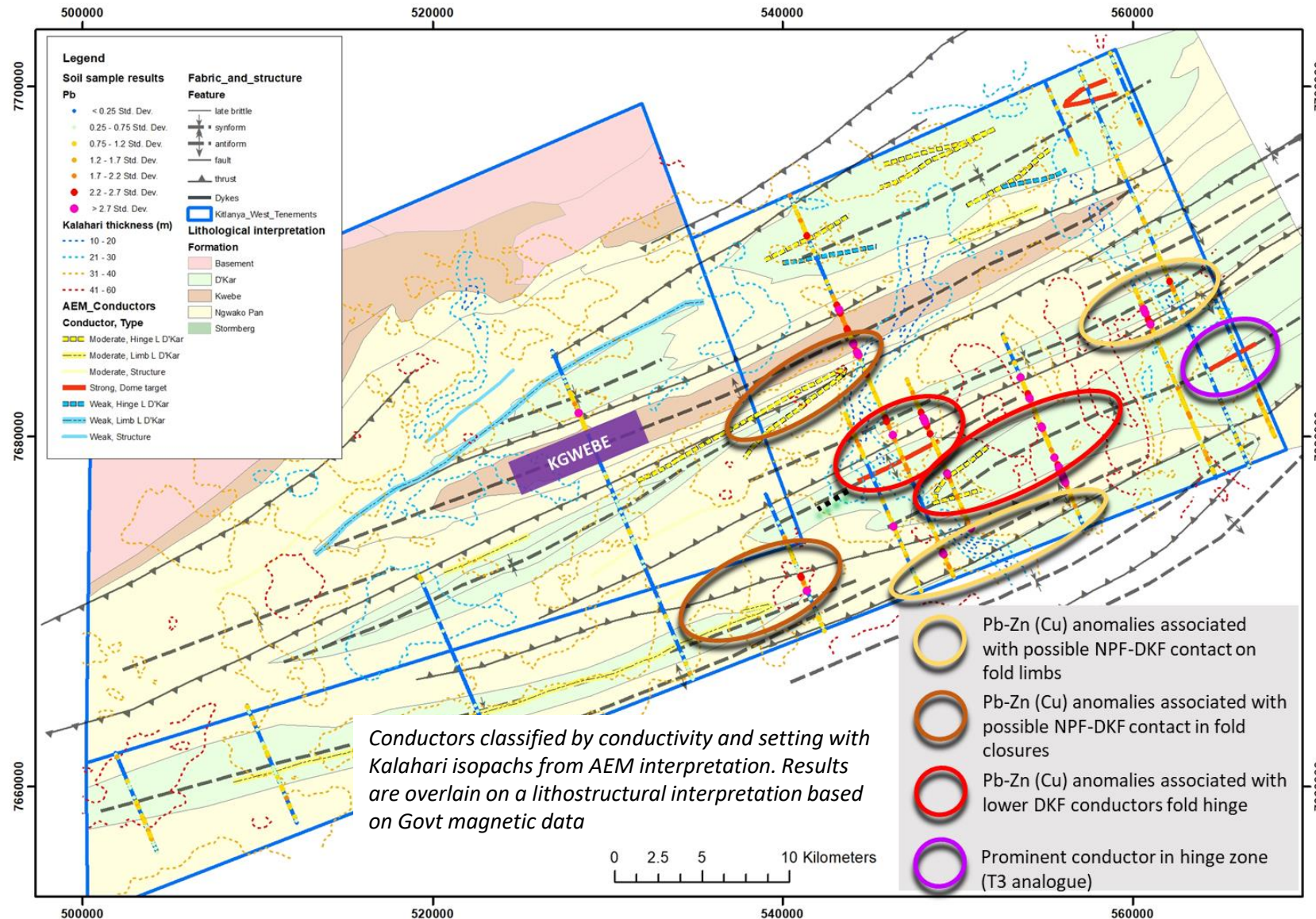
Highlights

- Extensive license package situated on the KCB basin margin with evidence of shallow Kgwebe volcanics – both considered important vectors for deposits in the KCB
- Re-processing of historical AEM and magnetic data identified three doubly plunging anticline targets supported in recently completed AEM
- Soil sampling traverses provide further support for AEM targets with elevated Pb, Zn and Cu results associated with targets



3D view illustrating AEM conductivity depth sections with prospective conductive anticlinal structures interpreted to relate to prospective stratigraphy highlighted

AEM interpretation, soil results and target generation



References

SLIDES

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5. https:A4 drill intercept details announced to ASX 1 December 2020

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1. Deposit details Cupric Canyon Capital website <https://www.khoemacau.com/>

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1. Exploration results announced by Metal Tiger plc available at: https://polaris.brighterir.com/public/metal_tiger/news/rns/story/xz3z17r



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