

INTERIM REPORT

FOR THE 6 MONTH
PERIOD ENDED
31 DECEMBER 2023



Cobre Limited
(ASX: CBE)

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ASX: **CBE**

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of Cobre Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Directors

The following persons were Directors of Cobre Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Martin Holland – *Executive Chairman*

Andrew Sissian – *Non-Executive Director*

Michael Addison – *Non-Executive Director*

Michael McNeilly – *Non-Executive Director*

Dr Ross McGowan – *Non-Executive Director*

Principal activities

The principal activities of the Consolidated Entity during the financial half-year included advanced exploration over Cobre's 100%-owned assets in the Kalahari Copper Belt (**KCB**), Botswana which spans across an extensive licenced area of 5,393km², prospective for sedimentary hosted copper-silver mineralisation.

During the half-year Cobre also continued to evaluate the assets held by its 100%-owned subsidiary Toucan Gold Pty Ltd (**Toucan**), primarily at the Perrinvale Project, which covers 327 km² of the Panhandle and Illaara Greenstone Belts in Western Australia. The Company also continued to incur exploration expenditure under the Sandiman Farm-in Agreement with GTTS Generations Pty Ltd. The Sandiman Tenement is located in the Gascoyne Province, in Western Australia and spans across 202 km² on the eastern edge of the Carnarvon Basin.

Cobre also holds a 14.42% investment interest in ASX-listed Armada Metals Limited (ASX: **AMM**, **Armada Metals**) which continued to perform exploration activities over the reporting period. Armada holds two exploration licences prospective for magmatic Ni-Cu sulphides in Gabon covering a total area of 2,725 km² as well as a binding agreement to acquire a controlling interest in the Bend Nickel Project in Zimbabwe.

Review of operations

The loss for the Consolidated Entity after providing for income tax and non-controlling interest amounted to \$1,974,827 (31 December 2022: \$734,857).

During the second half of Calendar Year "**CY**" 2023, Cobre focussed its exploration efforts on the Kitlanya West project in Botswana. This highly prospective, sizeable (2,000 km²) project is located on the northern margin of the KCB where Cobre holds a dominant land position. The exploration programme consisted of 11,971 m of shallow reverse circulation and air core drilling designed to take bedrock samples below the cover sediments. Several prominent copper anomalies were identified during this programme with the Tlou target being the main highlight (refer [ASX announcement of 14 July 2023](#)). Tlou is a 4 x 1.2 km copper anomaly located on a distinct fold feature mapped in magnetic data with further support from lead, zinc and vanadium as well as visible copper mineralisation in chips. Assay results for an extensive 8,700 sample soil programme were also received during the period and appended to an earlier soil programme to form a dataset of over 18,000 samples. These results were combined with drill results and a number of prospective targets in fold hinge zones were identified for follow-up.

At the Ngami Copper Project, further assays were released from a diamond drill programme completed earlier in the year. Results demonstrated that anomalous copper mineralisation extends along strike lengths of more than 40 km. Importantly, the mineralisation intersected is dominated by chalcocite with a lesser oxide component and, based on metallurgical test work, is leachable with excellent recoveries. Following a hydrogeological review of the diamond drill core, the mineralisation on the project

DIRECTORS' REPORT continued

appears to satisfy the key criteria for an in-situ copper recovery (ISCR) process (refer [ASX announcement of 9 October 2023](#)). A detailed geological modelling exercise was undertaken in order to provide a range estimate for the scale of mineralisation intersected with diamond drilling. Based on drill results the project has a scale of between 103 and 166Mt @ 0.38 to 0.46% Cu with ~32Moz Ag with significant blue sky from untested strike. If an ISCR method can be utilised to exploit this significant target it will provide a low CAPEX, low OPEX copper-silver extraction method with low environmental footprint producing a green copper cathode product onsite. Further work consisting of a series of injection and monitoring wells to prove the viability of the hydrogeological setting for ISCR commenced at the end of the period.

As part of a collaborative effort with ASX-listed Sandfire Resources Ltd, an airborne gravity gradient survey was flown over the Kitlanya West, East and Ngami Copper Projects. Results received subsequent to the end of the half year period (refer [ASX announcement of 29 January 2024](#)) have identified several key parameters for large sedimentary copper deposits including: potential sub-basins in each of the project areas; major bounding structures; and large-scale folding which may provide trap-sites for tier 1 deposits. These results provide valuable information for both area and target prioritisation ahead of drill testing.

In addition, subsequent to the end of the period, on 23 January 2024, Cobre announced that it had been selected to join the 2024 cohort for the BHP Xplor programme providing validation of the technical merits of the projects and capability of the team. As part of the programme, Cobre will receive a non-dilutionary US\$500,000 grant to further advance exploration projects (refer [ASX announcement of 23 January 2024](#)).

Finally, a reconnaissance geological mapping exercise was undertaken at Cobre's Perrinvale licenses. The program was designed to identify further evidence for VMS and/or orogenic gold mineralisation. Results will be combined with soil assays which are currently pending.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

Matters subsequent to the end of the financial half-year

On 23 January 2024, the Company announced that it had been selected to participate in the BHP Xplor cohort. Under the program the Company will receive US\$500,000 (AU\$733,320) in non-dilutive funding to support its exploration program in Botswana.

On 11 March 2024, the company issued 43,711,535 fully paid ordinary shares valued at \$0.052 per share, with each new share issued giving the placee the right to subscribe for a 1 for 2 free attaching option exercisable at \$0.078 each with a 3 years expiry period from the date of issue, raising \$2,272,999 before costs. The options are also subject to the approval of shareholders at the EGM.

On 4 March 2024, the company announced that it plans to issue a further 33,211,542 fully paid shares on the same terms as above, subject to shareholder approval at Extraordinary General Meeting (EGM) to be held in late April 2024. This will raise a further \$1,727,000 before costs. The shareholders in this second tranche will also have the right to subscribe for a 1 for 2 free attaching option exercisable at \$0.078 each, with a 3 year expiry from the date of issue.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Martin Holland
Executive Chairman
14 March 2024



**Building a better
working world**

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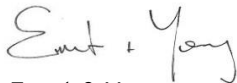
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Auditor's independence declaration to the directors of Cobre Limited

As lead auditor for the review of the half-year financial report of Cobre Limited for the half-year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Cobre Limited and the entities it controlled during the financial period.



Ernst & Young



Scott Jarrett
Partner
14 March 2024

FINANCIAL STATEMENTS

FOR THE 6 MONTH PERIOD
ENDED 31 DECEMBER 2023

General information

The financial statements cover Cobre Limited (**Cobre, Company or Consolidated Entity**) as a Consolidated Entity consisting of Cobre Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Cobre Limited's functional and presentation currency.

Cobre Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 10, Kyle House, 27-31 Macquarie Place
Sydney NSW 2000

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 14 March 2024.



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Statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2023

	Note	Consolidated	
		Dec 2023 \$	Dec 2022 \$
Revenue and income			
Other income	3	(215,276)	472,414
Interest revenue calculated using the effective interest method		29,965	1,141
Expenses			
Corporate expenses		(707,570)	(784,795)
Employee benefits expense		(245,200)	(132,600)
Share based payment expense	7	(418,000)	(97,113)
Depreciation and amortisation expense		(704)	(706)
Fair value loss on derivative financial asset		–	(9,869)
Share of equity accounted losses and other comprehensive income	4	(405,321)	(170,656)
Other expenses		(12,721)	(27,309)
Loss before income tax expense		(1,974,827)	(749,493)
Income tax expense		–	–
Loss after income tax expense for the half-year		(1,974,827)	(749,493)
Other comprehensive loss			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain/(loss) on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		(43,029)	(96,500)
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(720,632)	(8,875)
Other comprehensive loss for the half-year, net of tax		(763,661)	(105,375)
Total comprehensive loss for the half-year		(2,738,488)	(854,868)
<i>Loss for the half-year is attributable to:</i>			
Non-controlling interest		–	(14,636)
Owners of Cobre Limited		(1,974,827)	(734,857)
		(1,974,827)	(749,493)
<i>Total comprehensive loss for the half-year is attributable to:</i>			
Non-controlling interest		–	(14,636)
Owners of Cobre Limited		(2,738,488)	(840,232)
		(2,738,488)	(854,868)
		Cents	Cents
Basic loss per share	12	(0.69)	(0.36)
Diluted loss per share	12	(0.69)	(0.36)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 31 December 2023

	Note	Consolidated	
		Dec 2023 \$	Jun 2023 \$
Assets			
Current assets			
Cash and cash equivalents		1,929,779	5,764,076
Trade and other receivables		242,510	149,886
Prepayments		55,653	52,453
Total current assets		2,227,942	5,966,415
Non-current assets			
Receivables and deposits		20,000	20,000
Investments accounted for using the equity method	4	396,622	501,943
Financial assets at fair value through other comprehensive income		473,314	516,343
Property, plant and equipment		1,802	2,506
Exploration and evaluation	5	26,302,886	24,493,406
Total non-current assets		27,194,624	25,534,198
Total assets		29,422,566	31,500,613
Liabilities			
Current liabilities			
Trade and other payables	6	969,035	726,594
Total current liabilities		969,035	726,594
Total liabilities		969,035	726,594
Net assets		28,453,531	30,774,019
Equity			
Issued capital		40,903,253	40,903,253
Reserves	7	1,521,172	1,866,833
Accumulated losses		(13,970,894)	(11,996,067)
Total equity		28,453,531	30,774,019

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

For the half-year ended 31 December 2023

	Issued capital \$	Reserves \$	Accumulated losses \$	Non- controlling interest \$	Total equity \$
Consolidated					
Balance at 1 July 2022	22,354,279	786,312	(10,255,858)	3,508,633	16,393,366
Loss after income tax expense for the half-year	–	–	(734,857)	(14,636)	(749,493)
Other comprehensive loss for the half-year, net of tax	–	(105,375)	–	–	(105,375)
Total comprehensive loss for the half-year	–	(105,375)	(734,857)	(14,636)	(854,868)
Transfer from acquiring additional ownership in subsidiaries	–	3,362,395	–	(3,362,395)	–
Consideration to increase ownership in KML from 51% to 100% including transactions costs (note 7)	–	(2,708,087)	–	–	(2,708,087)
Consideration to increase ownership in Tripop from 51% to 80% (note 7)	–	(103,017)	–	–	(103,017)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	13,855,797	–	–	–	13,855,797
Share-based payments	–	97,113	–	–	97,113
Balance at 31 December 2022	36,210,076	1,329,341	(10,990,715)	131,602	26,680,304
	Issued capital \$	Reserves \$	Accumulated losses \$		Total equity \$
Consolidated					
Balance at 1 July 2023	40,903,253	1,866,833	(11,996,067)		30,774,019
Loss after income tax expense for the half-year	–	–	(1,974,827)		(1,974,827)
Other comprehensive loss for the half-year, net of tax	–	(763,661)	–		(763,661)
Total comprehensive loss for the half-year	–	(763,661)	(1,974,827)		(2,333,167)
<i>Transactions with owners in their capacity as owners:</i>					
Share-based payments	–	418,000	–		418,000
Balance at 31 December 2023	40,903,253	1,521,172	(13,970,894)		28,453,531

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

For the half-year ended 31 December 2023

	Note	Consolidated	
		Dec 2023 \$	Dec 2022 \$
Cash flows from operating activities			
Interest received		29,965	1,141
Other income		–	58,333
Payments to suppliers (inclusive of GST)		(1,503,729)	(924,112)
Net cash used in operating activities		(1,473,764)	(864,638)
Cash flows from investing activities			
Payments for investments in listed entities		(300,000)	–
Payments for exploration and evaluation		(2,056,873)	(3,014,939)
Payments to increase stake in subsidiaries including transactions costs		–	(1,580,672)
Net cash used in investing activities		(2,356,873)	(4,595,611)
Cash flows from financing activities			
Proceeds from issue of shares		–	11,419,601
Share issue transaction costs		–	(647,523)
Net cash from financing activities		–	10,772,078
Net increase/(decrease) in cash and cash equivalents		(3,830,637)	5,311,829
Cash and cash equivalents at the beginning of the financial half-year		5,764,076	2,730,000
Effects of exchange rate changes on cash and cash equivalents		(3,660)	–
Cash and cash equivalents at the end of the financial half-year		1,929,779	8,041,829

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The half year financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Consolidated Entity incurred a loss from ordinary activities after tax of \$1,974,827 for the half-year ended 31 December 2023 (2022: \$749,493), and had cash out flows from operating activities of \$1,473,764 (2022: \$864,638). As at 31 December 2023, the Consolidated Entity has a cash balance of \$1,929,779 (June 2023: \$5,764,076) and the current assets exceed current liabilities by \$1,258,907 (2022: \$5,239,821).

The Directors have reviewed the cashflow forecasts prepared by management and have reasonable grounds to believe that the Consolidated Entity will have sufficient cash to continue as a going concern due to the following factors:

- On 23 January 2024, the Consolidated Entity announced that it had been selected to participate in the BHP Xplor cohort. Under the program the company will receive US\$500,000 (\$733,320) in non-dilutive funding to support its exploration program in Botswana;
- On 11 March 2024, the company issued 43,711,535 fully paid ordinary shares valued at \$0.052 per share, with each new share issued giving the placee the right to subscribe for a 1 for 2 free attaching option exercisable at \$0.078 each with a 3 year expiry period from the date of issue, raising \$2,272,999 before costs;
- On 4 March 2024, the company announced that it plans to issue a further 33,211,542 fully paid shares on the same terms as above, subject to shareholder approval at Extraordinary General Meeting (**EGM**) to be held in late April 2024. This will raise a further \$1,727,000 before costs. The shareholders in this second tranche will also have the right to subscribe for a 1 for 2 free attaching option exercisable at \$0.078 each with a 3 year expiry period from the date of issue;
- The Consolidated Entity has the ability to defer discretionary operating and capital expenditures; and

- As an ASX listed entity, the Consolidated Entity has the ability to raise equity and has a proven track record of being able to raise capital when required.

Accordingly, the Directors believe at the date of signing that the Consolidated Entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements. Should the Consolidated Entity be unsuccessful in implementing the above-stated initiatives, a material uncertainty exists, that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern and its ability to realise its assets and discharge its liabilities in the normal course of business and at the amounts shown in the financial statements.

The half year financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the company not continue as a going concern.

Note 2. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into two operating segments: Australian exploration and Botswanan exploration. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

Operating segment information

	Australia \$	Botswana \$	Total \$
Consolidated – December 2023			
Revenue			
Intersegment sales	–	–	–
Interest revenue	29,965	–	29,965
Total revenue	29,965	–	29,965
Total Expenses	(1,745,707)	(229,120)	(1,974,827)
Loss before income tax expense	(1,745,707)	(229,120)	(1,974,827)
Income tax expense			–
Loss after income tax expense			(1,974,827)
Assets			
Segment assets	7,868,820	21,553,746	29,422,566
Total assets			29,422,566
Liabilities			
Segment liabilities	305,098	663,937	969,035
Total liabilities			969,035

Note 3. Other income

	Consolidated	
	Dec 2023 \$	Dec 2022 \$
Net foreign exchange gain or (loss)	(215,276)	2,231
Other income	–	56,102
Gain on loan from joint venture partner	–	414,081
Other income	(215,276)	472,414

During the prior half year, the loan from Strata Investment Holding PLC was settled in full upon the issue of 6,602,183 fully paid ordinary shares valued at \$1,518,502. The loan had a carrying value of \$1,932,583 and gain of \$414,081 has been recognised in the statement of financial performance.

Note 4. Non-current assets – investments accounted for using the equity method

	Consolidated	
	Dec 2023 \$	Jun 2023 \$
Investment in associate – Armada Metals Limited	396,622	501,943

Reconciliations

Reconciliation of the carrying amounts at the beginning and end of the current financial half-year are set out below:

	Consolidated Dec 2023 \$
<i>Reconciliation of the carrying amounts at the beginning and end of the current and financial half-year are set out below:</i>	
Opening balance	501,943
Additions	300,000
Share of associate losses accounted for using the equity method	(422,233)
Share of associate other comprehensive income accounted for using the equity method	16,912
	396,622

Note 5. Non-current assets – exploration and evaluation

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
Exploration and evaluation – at cost	26,302,886	24,493,406

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Exploration & evaluation \$
Balance at 1 July 2023	24,493,406
Additions*	2,287,975
Exchange differences	(478,495)
Balance at 31 December 2023	26,302,886

* During the current financial half year, the Consolidated Entity has capitalised \$216,189 of expenditure relating to its Australian exploration assets and \$2,071,786 relating to projects in Botswana.

Note 6. Current liabilities – trade and other payables

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
Trade payables	767,531	481,592
Other payables	201,504	245,002
	969,035	726,594

Note 7. Equity – reserves

	Consolidated	
	Dec 2023	Jun 2023
	\$	\$
Financial assets at fair value through other comprehensive income reserve	(500,663)	(457,634)
Foreign currency reserve	217,003	937,635
Share-based payments reserve	3,005,701	2,587,701
Acquisition reserve	(1,200,869)	(1,200,869)
	1,521,172	1,866,833

Note 7. Equity – reserves (continued)

Financial assets at fair value through other comprehensive income reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration.

Acquisition reserve

Transactions involving non-controlling interests that do not result in the loss of control for the company are recorded in the acquisition reserve. The acquisition reserve records the difference between the value of the non-controlling interest and the consideration given or received.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Acquisition \$	Foreign currency \$	Financial assets at FV \$	Share based payments \$	Total \$
Balance at 1 July 2023	(1,200,869)	937,635	(457,634)	2,587,701	1,866,833
Revaluation – net of tax	–	–	(43,029)	–	(43,029)
Foreign currency translation	–	(720,632)	–	–	(720,632)
Share based payments*	–	–	–	418,000	418,000
Balance at 31 December 2023	(1,200,869)	217,003	(500,663)	3,005,701	1,521,172

* During the half year 10,000,000 options were granted to directors, key management personnel and other service providers. The options expire on 20 November 2028 and have an exercise price of \$0.066. They have been valued using the Black-Scholes methodology.

Note 8. Equity – dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 9. Contingent liabilities and commitments

Under the Strata Investments subscription letter dated 19 November 2019, the company will fully indemnify Strata Investment Holdings PLC for any capital gains tax (or other tax) charge that it incurs on the disposal of the Pre-IPO Shares following the offer, up to a capped aggregate amount of \$30,000.

FMG Resources Pty Ltd retains a 2% net smelter royalty on any future metal production from tenements E29/929, 938 and 946.

Kalahari Metals Limited's (KML) Kalahari Copper Project (KCP) licence holding comprises 11 prospecting licences are subject to a 2% Net Smelter Royalty held by Strata Investment Holdings PLC.

There are no additional commitments or contingent liabilities held by the Consolidated Entity.

Note 10. Related party transactions

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	Dec 2023 \$	Dec 2022 \$
Payment for goods and services:		
Payment for services from those related to key management personnel	37,642	22,500
Other transactions:		
Fair value of options issued to Adam Woolridge the Company's Chief Executive Officer	104,500	97,113
Fair value of options issued to directors and their related entities	292,600	–

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	Dec 2023 \$	Jun 2023 \$
Current payables:		
Fees payable to directors and related entities	17,500	12,498
Fees payable to Adam Woolridge the Company's Chief Executive Officer	20,000	–

Note 11. Events after the reporting period

On 23 January 2024, the Company announced that it had been selected to participate in the BHP Xplor cohort. Under the program the Company will receive US\$500,000 (AU\$733,320) in non-dilutive funding to support its exploration program in Botswana.

On 11 March 2024, the company issued 43,711,535 fully paid ordinary shares valued at \$0.052 per share, with each new share issued giving the placee the right to subscribe for a 1 for 2 free attaching option exercisable at \$0.078 each with a 3 year expiry period from the date of issue, raising \$2,272,999 before costs. The options are also subject to the approval of shareholders at the EGM.

On 4 March 2024, the company announced that it plans to issue a further 33,211,542 fully paid shares on the same terms as above, subject to shareholder approval at Extraordinary General Meeting (EGM) to be held in late April 2024. This will raise a further \$1,727,000 before costs. The shareholders in this second tranche will also have the right to subscribe for a 1 for 2 free attaching option exercisable at \$0.078 each, with a 3 year expiry from the date of issue.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Note 12. Earnings per share

	Consolidated	
	Dec 2023 \$	Dec 2022 \$
Loss after income tax	(1,974,827)	(749,493)
Non-controlling interest	–	14,636
Loss after income tax attributable to the owners of Cobre Limited	(1,974,827)	(734,857)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	286,910,995	203,718,527
Weighted average number of ordinary shares used in calculating diluted earnings per share	286,910,995	203,718,527
	Cents	Cents
Basic loss per share	(0.69)	(0.36)
Diluted loss per share	(0.69)	(0.36)



DIRECTORS' DECLARATION

31 DECEMBER 2023

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Martin Holland

Executive Chairman and Managing Director

14 March 2024

Independent auditor's review report to the members of Cobre Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Cobre Limited (the Company) and its subsidiaries (collectively the Group), which comprises the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at [period date] and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the principal conditions that raise doubts about the Entity's ability to continue as a going concern. These conditions along with other matters disclosed in Note 1 indicate that the material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Consolidated Entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Ernst & Young



Scott M. Jarrett
Partner
14 March 2024