

Cobre Limited A.C.N. 626 241 067 (ASX: CBE)

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19 December 2022

A\$5 MILLION PLACEMENT TO ACCELERATE EXPLORATION IN THE KALAHARI COPPER BELT

Highlights:

- **Successful completion of a A\$5 million placement, strongly supported by new and existing shareholders, including a number of high-quality institutional investors based domestically and offshore;**
- **Leading global investment manager, Sprott Asset Management, has invested almost A\$2 million into the Placement;**
- **Metal Tiger Plc, the Company's largest shareholder, subscribed for its pro rata of A\$1 million under the placement;**
- **Cobre's second largest shareholder, Commodity Discovery Fund, subscribed for A\$300,000;**
- **In addition to the Placement, Cobre's drilling service provider, Mitchell Drilling Botswana, and exploration services provider, Remote Exploration Services (RES), have subscribed for US\$400,000 and US\$70,000 (respectively) at the Placement price, as part of scrip for service arrangements;**
- **The Company also intends to launch a Share Purchase Plan (SPP) to eligible shareholders in Australia and New Zealand to raise up to an additional A\$1 million; and**
- **The Total to be raised through the Placement (including full take-up of the SPP) will be ~A\$6.7 million, which is made up of A\$6M cash and ~A\$700k in scrip for services.**

Commenting on the successful Placement, *Martin Holland, Cobre's Executive Chairman*, said:

"We are pleased to have secured the funds required to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana. The Placement was well supported by our existing and new shareholders, who we thank for supporting the Board in delivering on our strategy to fast-track exploration and realise the potential of Cobre's Botswana tenements.

With Cobre's current \$4M in cash at bank, combined with the funds raised through this Placement, Cobre will have a total of ~\$10M that will be used to fund a substantial drill program, including two diamond drill rigs and one RC/AC drill rig onsite that will be drilling throughout 2023. "

Cobre Limited (ASX: **CBE**, **Cobre** or **Company**) is pleased to announce that the Company has received firm commitments from institutional, sophisticated and professional investors for the placement of approximately 33.3 million new fully paid ordinary shares (**New Shares**) at an issue price of \$0.15 per New Share to raise gross proceeds of A\$5 million (**Placement**).

Proceeds from the Placement, together with existing cash, will be used to accelerate exploration on the Company's tenement holding in the Kalahari Copper Belt in Botswana.

The Placement was strongly supported by new and existing shareholders, including Metal Tiger Plc (**Metal Tiger**), the Company's largest shareholder, which subscribed pro rata under the Placement for A\$1 million worth of New Shares. The issue of New Shares to Metal Tiger is subject to shareholder approval at an upcoming extraordinary general meeting (**EGM**).

The Placement was conducted at a price of \$0.15 per share representing an:

- 11.8 % discount to the close price of \$0.17 on 15 December 2022;
- 18.6% discount to the five- day Volume Weighted Average Price (**VWAP**) of \$0.184; and
- 28.3% discount to the ten- day VWAP of \$0.209.

All New Shares issued under the Placement will rank pari passu with the existing ordinary shares on issue in the capital of the Company.

The Indicative timetable for the Placement is as follows:

<u>Event</u>	<u>Time / Date</u>
Trading halt and announcement of the Placement	Friday, 16 December 2022
Placement conducted	Friday, 16 December 2022
Announcement of results of Placement & Trading Halt Lifted	Monday, 19 December 2022
Settlement of first tranche of the Placement	Thursday, 22 December 2022
Allotment and commencement of trading of New Shares issued under the first tranche of the Placement	Friday, 23 December 2022
Expected date on which shareholder approval will be sought for the issue of the shares to MTR under the second tranche of the Placement	Late February/Early March 2023

Note: Dates and times are indicative only and subject to change without notice. Cobre reserves the right to alter the dates in this announcement at its discretion and without notice, subject to the ASX Listing Rules and the Corporations Act 2001 (Cth). All times and dates refer to Sydney local time, Australia.

Scrip for Services Arrangements

In addition to the Placement, Cobre has entered into Subscription Deeds (**Subscription Deeds**) with both Mitchell Drilling Botswana Pty Ltd (**Mitchell**) and Remote Exploration Services (**RES**), pursuant to which Mitchell and RES have agreed to subscribe for US\$400,000 and US\$70,000 worth of New Shares, respectively, at the Placement issue price of A\$0.15.

Under the terms of the Subscription Deed, rather than paying cash for the New Shares, Mitchell and RES may set-off the subscription amount payable for their New Shares against a portion of future invoices (exclusive of VAT) that have been rendered for any drilling or exploration services completed and that become due and payable from the date on which the New Shares are issued to Mitchell and RES, respectively.

ASX Listing Rule Capacity and Shareholder Approval

Shareholder approval is not required for the first tranche of the Placement which is being undertaken within the Company's existing capacity pursuant to the ASX Listing Rule ('**LR**') 7.1 which will comprise the issue of a total of 26,686,668 New Shares.

Under the second tranche of the Placement, Cobre will issue a further 11,200,001 new ordinary shares to Metal Tiger for cash consideration as well as Mitchell and RES pursuant to the Subscription Deeds, at a price of \$0.15 per share, subject to shareholder approval, which Cobre will seek to obtain at a future shareholders' meeting.

SPP Offer

The Company is also pleased to announce that it intends to launch a Share Purchase Plan (**SPP**) for eligible existing shareholders on the same terms as the Placement to raise up to an additional A\$1 million.

Under the SPP, eligible shareholders will be invited to apply to subscribe for up to A\$30,000 worth of Cobre shares without the cost of brokerage fees or commissions. The SPP will be open to eligible shareholders, being shareholders on the Company's register as at 7.00pm (**AEDT**), Friday, 16 December 2022 (**Record Date**) and with a registered address in Australia or New Zealand (**Eligible Shareholders**).

Further information in relation to the SPP, including SPP terms and conditions, will be outlined in the SPP offer booklet which will be dispatched to eligible shareholders on or around Wednesday, 28 December 2022. Cobre reserves the right to vary the SPP offer details without notice.

The indicative timetable for the Share Purchase Plan is as follows:

<u>Event</u>	<u>Time / Date</u>
Record date for SPP	7.00 pm (AEDT) Friday, 16 December 2022
SPP letter dispatched to securityholders	Wednesday, 28 December 2022
SPP opening date	Wednesday, 28 December 2022
SPP closing date	5.00 pm (AEDT) Tuesday, 17 January 2023
Announcement of SPP results	Prior to 12.00pm (AEDT) Wednesday, 18 January 2023
Allotment of New Shares issued under the SPP	No later than Friday, 20 January 2023
ASX quotation of New Shares issued under the SPP	Tuesday, 24 January 2023
Dispatch of confirmation statements	Wednesday, 25 January 2023

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Canaccord Genuity (Australia) Limited acted as Lead Manager to the Placement.

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

For more information about this announcement, please contact:

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Executive Chairman

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