



**TO: COMPANY ANNOUNCEMENTS OFFICE  
ASX LIMITED**

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**DATE: 30 APRIL 2019**

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## **QUARTERLY ACTIVITIES REPORT – 31 MARCH 2019**

### **Highlights for the March 2019 Quarter**

- **Multiple iron oxide-copper-gold (IOCG) exploration targets identified at Horse Well Project based on magnetic and gravity survey result**
- **Detailed magnetotelluric (MT) survey indicates the presence of a conductive feature that may reflect feeder zones to mineralisation**
- **Major milestone achieved on Farm-In Agreement between Cohiba Minerals and Olympic Domain Pty Ltd**

Cash at the end of the quarter was approximately \$1.38 million. The net cash outflows for the quarter was approximately \$1.06 million.

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

### **Olympic Domain Farm-in Agreement**

During the period the Company announced that it had defined five (5) exploration targets within the Horse Well Project area (Figure 1) based on historic magnetic and current, detailed gravity survey work.

Two of these targets (Figure 1 – black cross hatch) relate to magnetic survey work conducted by the Department for Energy and Mining (DEM) SA, and the other three targets (Figure 1 – red cross hatch) relate to the recent gravity survey work undertaken for the Company.

One of the gravity targets is situated on the far eastern edge of the Horse Well project area, only three kilometres west of BHP's Oak Dam West project.

Following the exploration targets identified, the Company announced that magnetotelluric (MT) survey work would be undertaken, based on assessment of existing magnetotelluric (MT) survey data.

The magnetotelluric (MT) survey work undertaken by DEM SA and Geoscience Australia which passed through the southern portion of the Horse Well project area (MT LINE 1 – Figure 2). The results from this line imply that a deep basement conductive zone occurs in the area.

**ASX CODE: CHK**

### **DIRECTORS**

**Mr Mordechai Benedikt (Chairman)**  
**Mr Bob Beeson (Director)**  
**Mr Nachum Labkowski (Director)**

### **REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS**

**Level 4**  
**100 Albert Road**  
**South Melbourne, Victoria 3205**

### **CONTACT**

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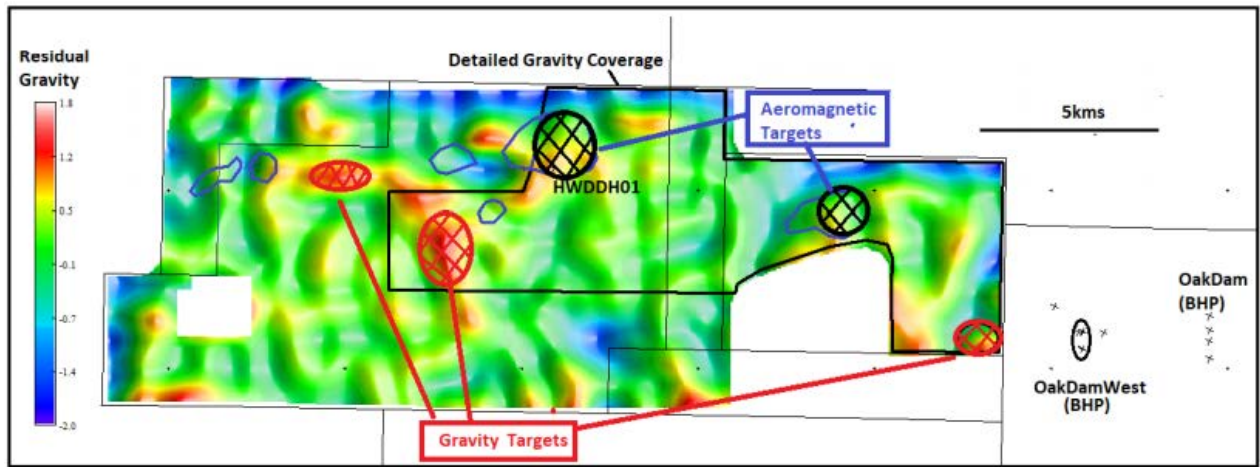


Figure 1: Horse Well Project area showing the exploration target areas based on the magnetic (black circles) and detailed gravity (red circles) survey work.

Given that MT LINE 2 (Figure 2) is not within the Company’s tenements and detailed MT information closer to the exploration targets was not available, the Company conducted detailed MT on closer spaced lines over the Horse Well project area to enhance the definition of exploration targets within the Horse Well Project area.

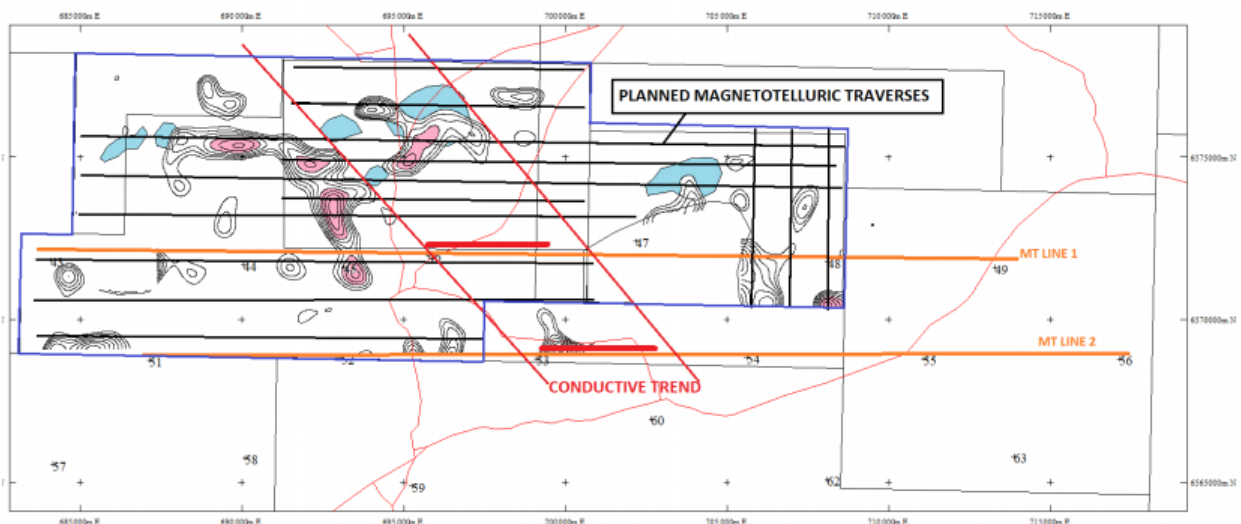


Figure 2: Magnetotelluric (MT) traverses (black lines) planned for the Horse Well Project area (blue outlines). Magnetotelluric (MT) traverses conducted by DEM and Geoscience Australia shown in orange.

The preliminary results of the magnetotelluric (MT) survey were encouraging. The results from the first MT survey line (6574000 N) are shown in cross-section along with the results from the previous MT survey conducted by DEM SA / Geoscience Australia in 2018 (Figures 3 & 4). DEM Line 1 (6572000 N) occurs within the Horse Well Project area while DEM 2 (6576900 N) occurs just to the south of the Horse Well Project area (Figure 3).

The detailed MT survey conducted by Zonge shows very good correlation with the previous MT survey in terms of the size and shape of the conductive zone, and confirms lateral continuity (“conductive trend”). The Zonge MT survey was conducted at greater detail than the previous MT survey, and provides excellent definition to the conductive zone.

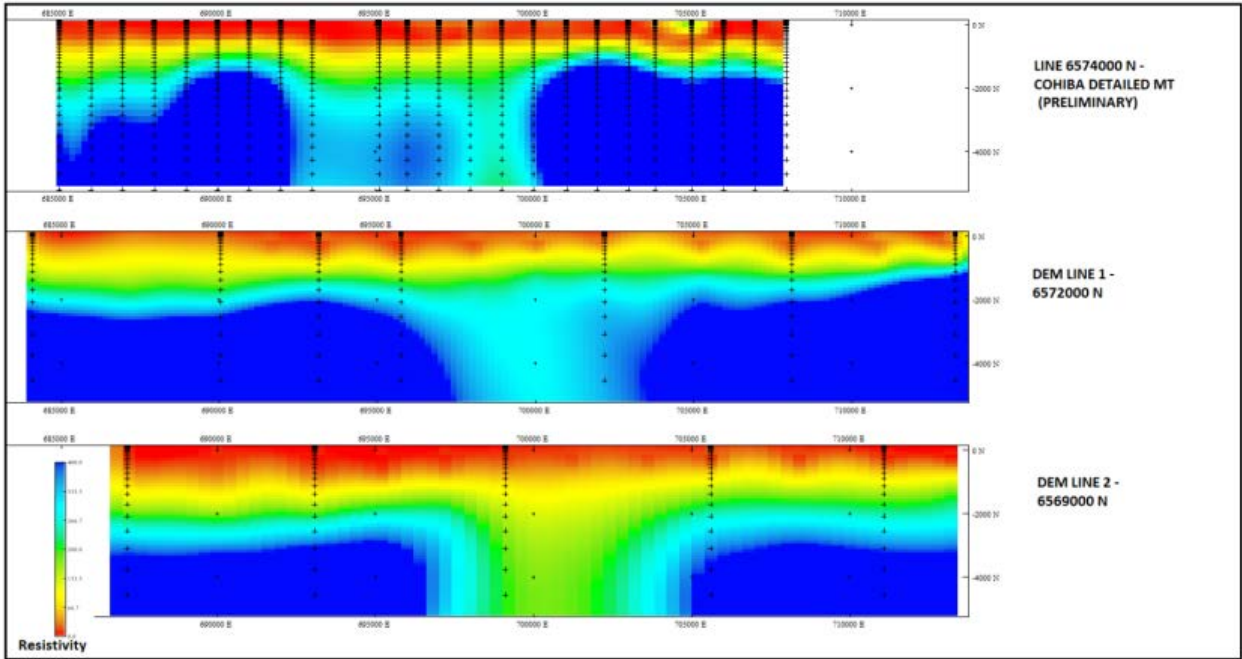


Figure 3: Preliminary magnetotelluric (MT) cross-section from recent Cohiba survey shown at top with two MT cross-sections from DEM / Geoscience Australia work to the south shown below. Potential “feeder” zone is evident in all sections confirming lateral continuity.

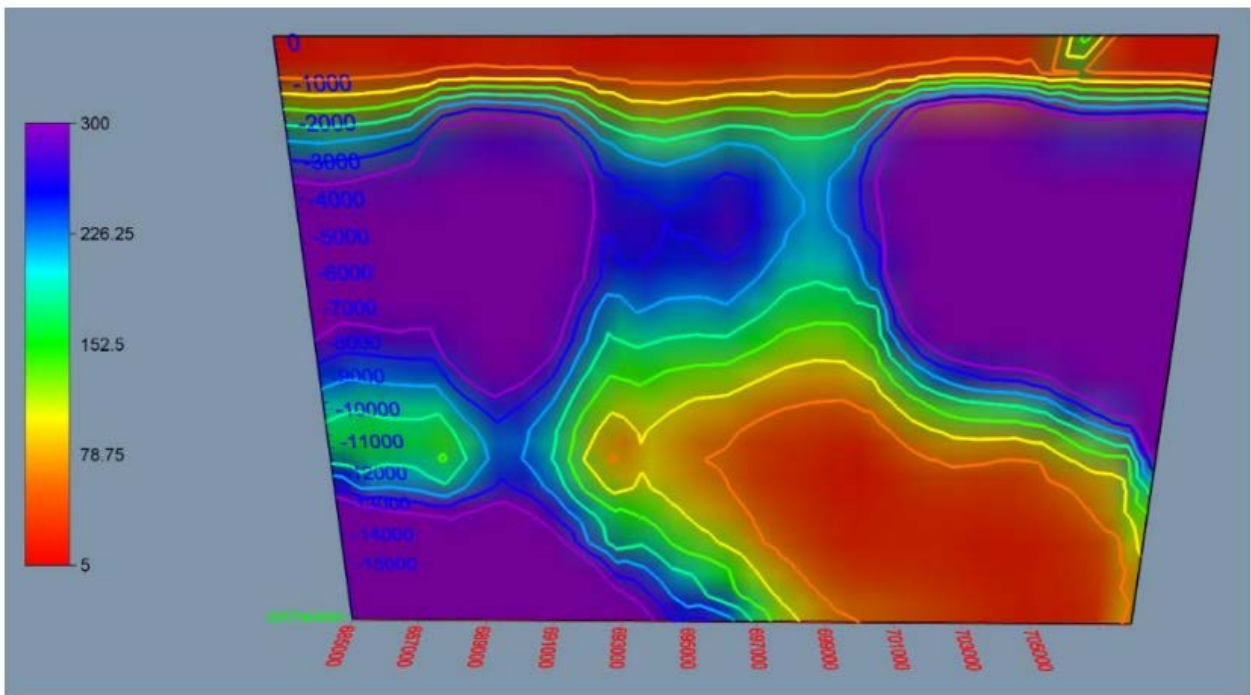


Figure 4: Magnetotelluric (MT) cross section for first line (6574000 N) of the detailed survey conducted within the Horse Well Project area. Potential “feeder” zone evident in centre of the cross section showing persistence to depth of 15 kilometres.

During the quarter the Company also announced that it had met the conditions of Stage 1 of the Farm-In Agreement it holds with Olympic Domain Pty Ltd. By spending a minimum of \$500,000 in the first year, Cohiba earns a 30% stake in the tenements held by Olympic Domain Pty Ltd.

The Company has committed towards meeting the Stage 2 requirement of an aggregate expenditure of \$1,000,000 for a 51% stake in the tenements.



Cohiba is planning its next phase of expenditure which will include deep drilling to test key magnetic and gravity targets identified at its Horse Well project; detailed gravity at its Peninsular-Andamooka project and shallower drilling at its Pernatty C project (stratabound Cu-Pb-Zn).

### **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 1).

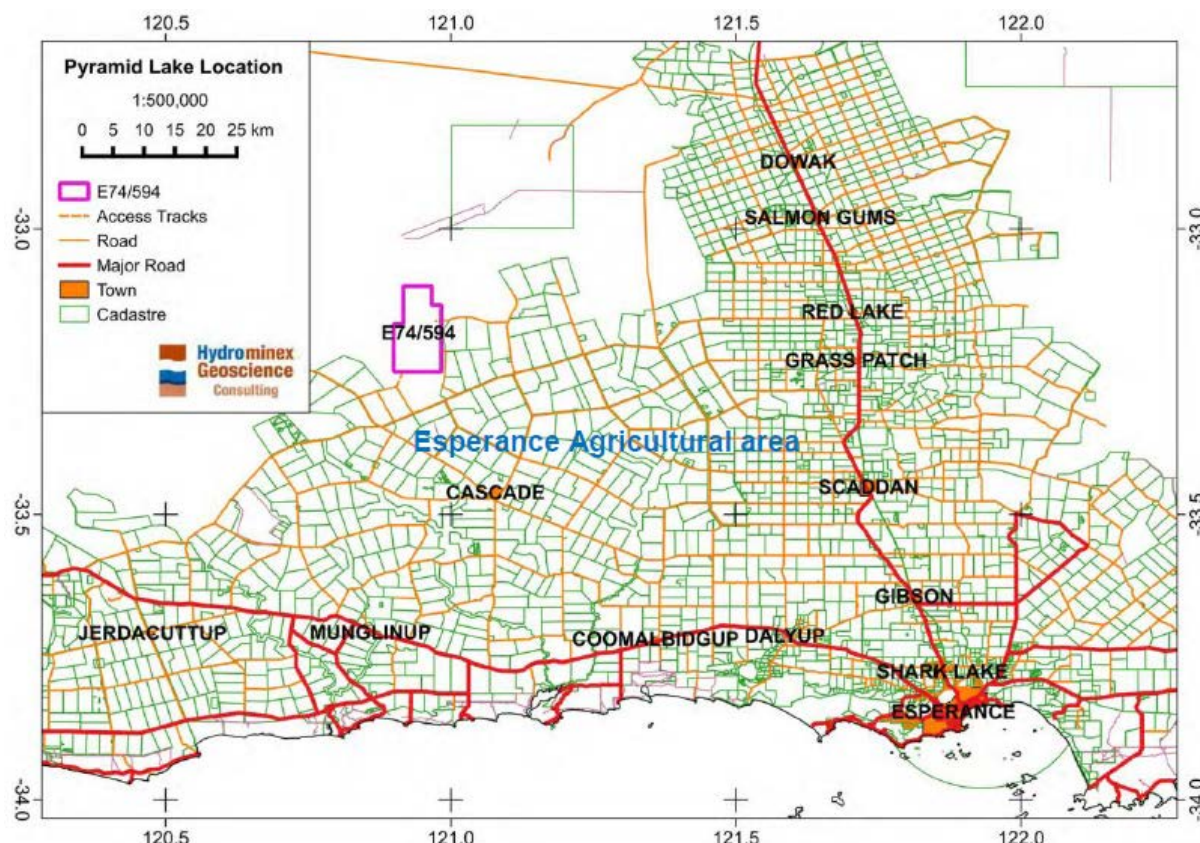


Figure 1: Location of Cohiba's Pyramid Lake Exploration Licence (from Hydrominex 2018).

The E74/594 property (Figure 1) is located 115 km northwest of Esperance (150 km by road) and is accessed from the highway linking Ravensthorpe and Esperance.

No work was carried out on the tenements during the 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.

The Company advises that it has lodged an application for the extension to the term of Mining Licence ML 90098 for a period of 16 years and 1 month from 1 December 2018 with the grant pending.

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**).

Cobalt X also held various contractual rights with third parties to facilitate the acquisition by it of additional mining and exploration projects and related plant and equipment (**Project Rights**) including rights to negotiate for the acquisition of a vat leech processing plant in the Mt. Isa region (referred to as the Lady Jenny processing plant<sup>1</sup>). The nature and status of these Project Rights is described in detail in the Company's Notice of General Meeting (Notice) dated 26 May 2017.

The Company has been granted a waiver from ASX, as announced on 26 May 2017, in relation to the issue of deferred consideration for the acquisition of Cobalt X Pty Ltd. As at the date of this report, there have not been any shares issued pursuant to this ASX waiver.

## Interests in Mining Tenements

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

<b>Mining Tenement</b>	<b>Location</b>	<b>Beneficial Percentage held</b>	<b>Interest acquired/farm-in or disposed/farm-out during the quarter</b>
E74/594	Western Australia	100%	-
EPM 26379	Queensland	100%	-
EPM26376	Queensland	100%	-
EPM26377	Queensland	100%	-
EPM26378	Queensland	100%	-
ML 2054	Queensland	-	Right to earn up to 80% - farm-in agreement
ML 2773	Queensland	-	Right to earn up to 80% - farm-in agreement
ML 90098	Queensland	-	Right to earn up to 80% - farm-in agreement
EL 6118	South Australia	30%*	Right to earn up to 80% - farm-in agreement
EL 6119	South Australia	30%*	Right to earn up to 80% - farm-in agreement
EL 6120	South Australia	30%*	Right to earn up to 80% - farm-in agreement
EL 6121	South Australia	30%*	Right to earn up to 80% - farm-in agreement
EL 6122	South Australia	30%*	Right to earn up to 80% - farm-in agreement
EL 5224	South Australia	30%*	Right to earn up to 80% - farm-in agreement
EL 5970	South Australia	30%*	Right to earn up to 80% - farm-in agreement

\* During the quarter the Company announced that it had exceeded its minimum expenditure requirement to earn a 30% stake in the Olympic Domain tenements in South Australia.

**For further information, please contact:**

**Mordechai Benedikt**  
**Executive Chairman**

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<sup>1</sup> This acquisition may not occur. Negotiations have halted and the company will look to re-open communications with the vendors.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

COHIBA MINERALS LIMITED

### ABN

72 149 026 308

### Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(525)	(915)
(b) development	-	-
(c) production	-	-
(d) staff costs	(82)	(232)
(e) administration and corporate costs	(197)	(611)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	9	20
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(795)</b>	<b>(1,738)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	(284)	(284)
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) 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>(284)</b>	<b>(284)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	15	1,499
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
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 (Proceeds from issue of facilitation Option)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>15</b>	<b>1,499</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	2,439	1,898
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(795)	(1,738)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(284)	(284)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	15	1,499
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>1,375</b>	<b>1,375</b>

5. <b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,375	1,439
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Short term deposits	-	1,000
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,375</b>	<b>2,439</b>

6. <b>Payments to directors of the entity and their associates</b>	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	83
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Relates to payment of Director's fees for the March 2019 quarter.

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	250
9.2	Development	-
9.3	Production	-
9.4	Staff costs	100
9.5	Administration and corporate costs	150
9.6	Other (provide details if material)	-
<b>9.7</b>	<b>Total estimated cash outflows</b>	<b>500</b>

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	EL 6118 EL 6119 EL 6120 EL 6121 EL 6122 EL 5224 EL 5970	Exploration licences	0%	30%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

### Compliance statement

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

Sign here:



Date: 30 April 2019

Company Secretary

Print name:

JUSTIN MOUCHACCA

### Notes

- The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- If this quarterly 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 report

**Mining exploration entity and oil and gas exploration entity quarterly report**

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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.