



ASX CODE: CHK

TO: COMPANY ANNOUNCEMENTS OFFICE ASX LIMITED

DATE: 30 January 2019

Detailed magnetotelluric (MT) survey planned following encouraging results from existing Olympic Domain Magnetotelluric survey near the Horse Well Project area

Highlights:

- Existing Olympic Domain Magnetotelluric (MT) survey results (DEM SA and Geoscience Australia) indicative of a deep basement conductive zone (“feeder zone”).
- Detailed Magnetotelluric (MT) survey approved for the Horse Well Project to further delineate conductive zone and its association with current magnetic and gravity targets.

Cohiba Minerals Limited (‘Cohiba’ or ‘the Company’) is pleased to announce that further to the five (5) exploration targets identified within the Horse Well Project area (see Announcement January 22, 2019) it has assessed existing magnetotelluric (MT) survey data from Geoscience Australia and determined that further detailed magnetotelluric (MT) work is warranted (Figure 1).

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 1). The results from this line imply that a deep basement conductive zone occurs in the area., Previous magnetotellurics surveys in the region have suggested that such conductive zones may reflect deformation zones and fluid pathways (Figure 2). These “feeder” zones are interpreted to coincide with the highly prospective iron oxide copper gold (IOCG) belt that connects to a mantle plumbing system.

Given that MT LINE 2 (Figure 1) is not within the Company’s tenements and detailed MT information closer to the exploration targets was not available, the Company will conduct 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.

DIRECTORS

Mr Mordechai Benedikt (Chairman)
Dr Bob Beeson (Director)
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Magnetotellurics (MT) conducted over the Olympic Dam area as part of Geoscience Australia’s national initiative showed a major conductive zone or “feeder” system associated with the deposit, as shown in Figure 3. The MT data close to the Horse Well (Figure 2) area is highly encouraging given the results of the Olympic Dam survey, and further reinforces the merits behind the approved works program.

Cohiba’s Executive Director Mordechai Benedikt, said, “the Company is very pleased to be able to undertake this detailed magnetotelluric survey to enhance our knowledge of these conductive zones, and suggest potential feeder systems that are intimately associated with IOCG deposits.”

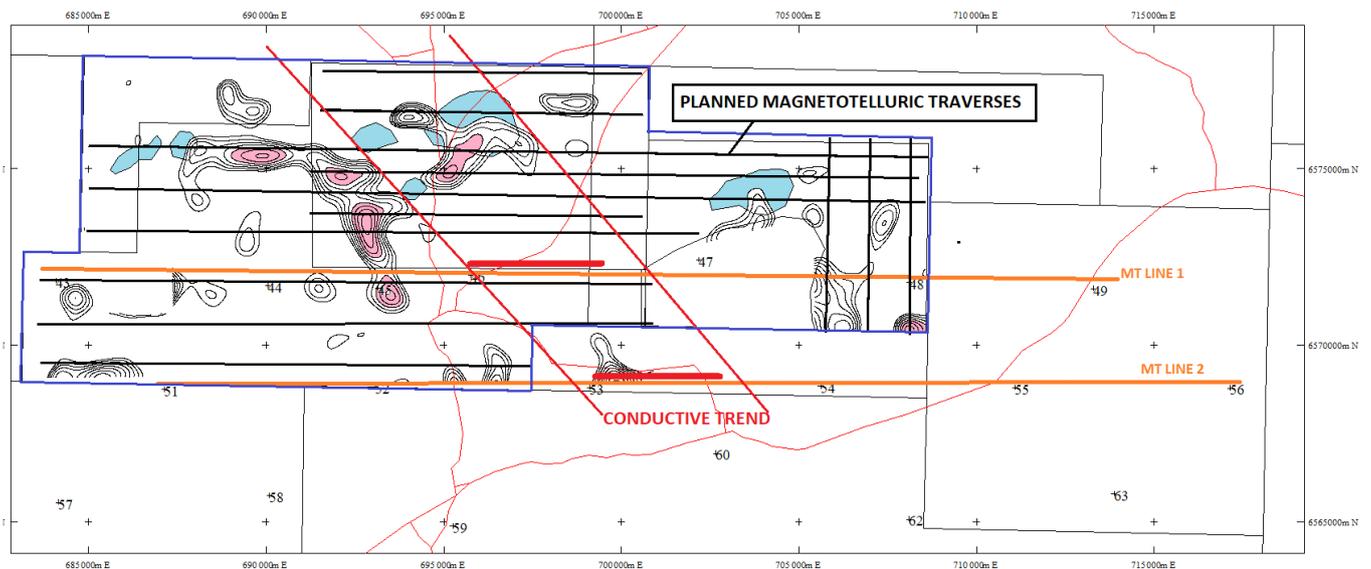


Figure 1: Magnetotelluric (MT) traverses (black lines) planned for the Horse Well Project area (blue outlines). Magnetotelluric (MT) traverses conducted by DEM and Geoscience Australia shown in orange.

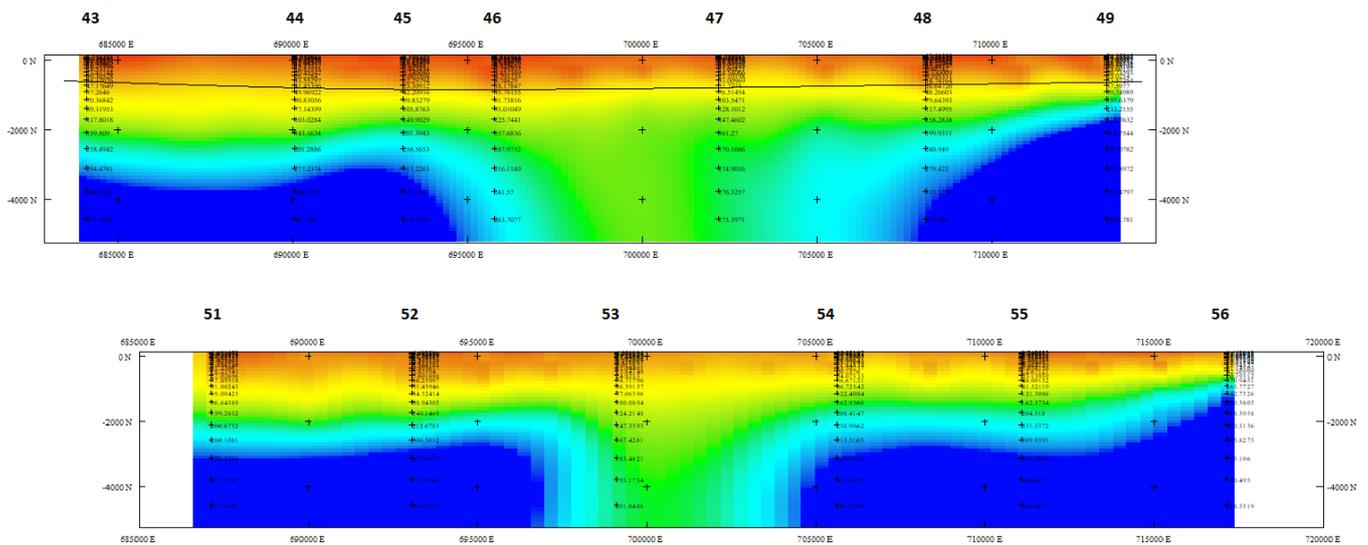


Figure 2: Magnetotelluric (MT) sections across part of the Horse Well Project area showing potential conductive zone at depth. These sections correspond to MT LINE 1 (top section) and MT Line 2 (bottom section) in Figure 1 above.

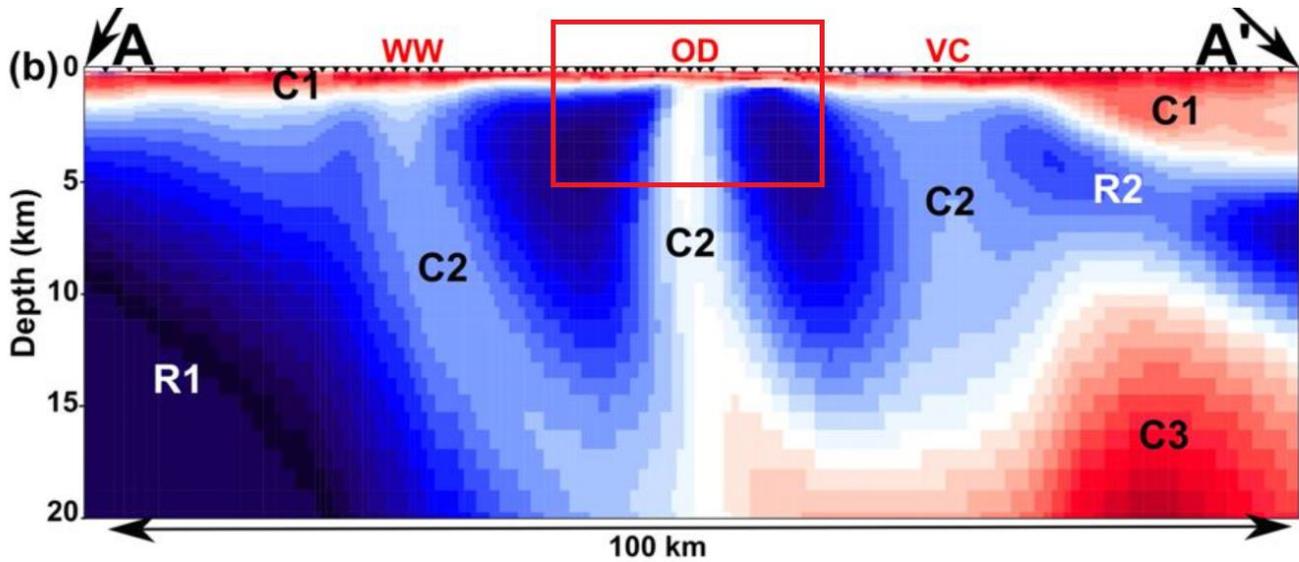


Figure 3: Magnetotelluric (MT) section across the Olympic Dam (OD) deposit (from Geoscience Australia) showing major conductive zone (“feeder”) in white. The red rectangle shows the approximate size of the equivalent cross-sections in Figure 2 for comparative purposes.

Ends.

For Further information, please contact:

Mr Mordechai Benedikt
Executive Chairman

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. 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.

JORC Code, 2012 Edition – Table

The following table is provided to ensure compliance with the JORC Code (2012 Edition) for the reporting of Exploration Results

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> Not Applicable (NA) – no drilling or sampling is being reported. Not Applicable (NA) – no drilling or sampling is being reported. Not Applicable (NA) – no drilling or sampling is being reported. Not Applicable (NA) – no drilling or sampling is being reported.
Drilling techniques	<ul style="list-style-type: none"> <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method)</i> 	<ul style="list-style-type: none"> Not Applicable (NA) – no drilling or sampling is being reported.
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> Not Applicable (NA) – no drilling or sampling is being reported. Not Applicable (NA) – no drilling or sampling is being reported. Not Applicable (NA) – no drilling or sampling is being reported.
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> Not Applicable (NA) – no drilling or sampling is being reported. Not Applicable (NA) – no drilling or sampling is being reported. Not Applicable (NA) – no drilling or sampling is being reported.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported.
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported. • The grid system used is the Geodetic Datum of Australia 1994 and all heights refer to the Australian Height Datum. • The Olympic Domain Magnetotelluric survey was carried out by DEM SA and Geoscience Australia and the open file data does not refer to topographic controls.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data-spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • 320 broadband and audio magnetotelluric (MT) sites conducted over an area of 100 km x 100 km at variable site spacing between 1.5 km and 10 km within the Olympic Domain. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • Cohiba Minerals currently has a Farm-In Agreement with Olympic Domain Pty Ltd in relation to Olympic Domain's tenements which include the Horse Well area (EL6183, EL5970 and EL 6122). The Horse Well tenements are located directly west of BHP's Oak Dam and Oak Dam West targets, approximately 55 kms SSW of Andamooka. There are no partnerships or overriding royalties associated with the tenements. The tenements are covered under the Kokatha Native Title Mining Agreement (NTMA) established between Cohiba Minerals and the Kokatha Aboriginal Corporation RNTBC. • All of the tenements were of good standing at the time of the gravity survey work and there are no known impediments to obtaining a licence to operate in the area.
Exploration done by other parties	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • DEM SA and Geoscience Australia conducted an audio magnetotelluric survey in 2017/18 over the Olympic Domain in South Australia which represented an area of approximately 100 km x 100 km. • Copper Range conducted a ground gravity survey in 2006-07. • Barrick visited the PIRSA Core Library and reviewed a total of 12 drill holes to

Criteria	JORC Code explanation	Commentary
		<p>understand the stratigraphy and mineralisation styles.</p> <ul style="list-style-type: none"> • The work conducted by Davidson et. Al, 2007 was based on a compilation of multiple research and academic papers and information which was supplied by Western Mining Corporation. • Open file drilling data was compiled by Barrick to better understand the stratigraphy, depth to basement, nature of the basement-cover unconformity and density ranges. • Barrick completed geological cross sections to depict this improved understanding. • Barrick's exploration activities included: <ul style="list-style-type: none"> • data compilation and review of previous work, • geological data review, • geochemical data review, • geophysical data processing and review including gravity modelling and seismic processing, • target identification and ranking; and, • ground access negotiations.
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Iron oxide, copper gold (IOCG) style deposit with very similar characteristics to the Olympic Dam or Carrapateena deposits. The mineralisation occurs within basement rocks beneath a younger, flat-lying sedimentary sequence.
Drill hole Information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported.
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported. • Not Applicable (NA) – no drilling or sampling is being reported.
Diagrams	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Geophysical figures are provided in the at an appropriate scale and depict the key results from the magnetotelluric survey.
Balanced reporting	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • Not Applicable (NA) – no drilling or sampling is being reported.
Other substantive exploration data	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • The magnetotelluric (MT) survey work conducted as part of a national project by Geoscience Australia was re-processed to and formed the basis for deciding to undertake a detailed MT survey within the Horse Well Project area. The specific parameters of the approved MT survey have not, as yet, been determined.
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • A detailed magnetotelluric (MT) survey has been approved for the Horse Well Project area but the specific parameters of the survey have not been determined. • A diagram outlining the general survey lines for the detailed MT survey has been included in the latest company release. The survey lines/data points will be accurately surveyed as part of the program of work.