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SINOMINE AND COBRE EXECUTE INVESTMENT AGREEMENT IN BOTSWANA

Okavango Copper Project

Cobre Limited (ASX: **CBE**, **Cobre** or **Company**) is pleased to announce that **CBE** has executed an Investment Agreement (**Transaction**) with Sinomine International Exploration (Hong Kong) Co (**Sinomine**) where, following an investment of up to **A\$3m** for Cobre shares, Sinomine will have the right to purchase a **70%** interest in Cobre's Okavango Project (**Project**), for a cash consideration of **A\$7m**.

Highlights

- The Transaction comprises the following key funding terms (detailed in Schedule 1):
 - An initial A\$1.5m investment into Cobre by way of subscription for new fully paid ordinary shares in Cobre, to be used to conduct initial drilling and other exploration activities in connection with the Project (**Phase 1 Exploration**) at **A\$0.06/share**;
 - An option granted to Sinomine to invest up to a further A\$1.5m into Cobre by way of subscription at \$0.06 AUD/share for new fully paid ordinary shares in Cobre, to be used for additional drilling and exploration activities in connection with the Project following Phase 1 Exploration; and
 - Sinomine granted an option to acquire a 70% interest in the Project for a cash consideration of A\$7m following Phase 1 Exploration, by way of an acquisition of shares in an entity to be incorporated under the laws of Botswana (**NewCo**) wholly owned by Cobre holding the relevant Project assets.
- Cobre will conduct the Phase 1 Exploration in accordance with technical and operational work programs and budgets established between Cobre and Sinomine.
- Upon commencement of the 70:30 joint venture, Sinomine will provide an interest-bearing loan to NewCo to fund the joint venture expenditure up until the completion of a pre-feasibility study.

COBRE

- Upon the making of a positive pre-feasibility decision, both Sinomine and Cobre have the right to convert their respective portions of the then outstanding loan to NewCo into additional NewCo shares.

The planned work programme for the initial A\$1.5m includes a selection of targeted diamond drill holes which will test extensions to mineralisation identified during Cobre's 2024 drill programme (see *ASX Announcement 13 August 2024*) which occur along strike from known deposits in neighbouring MMG tenements. The Transaction underscores the strategic value of the Okavango Project.

Minmetals Securities Co. Ltd, a wholly owned subsidiary of Minmetals Capital Holdings Limited (MMG), served as the exclusive financial advisor for this transaction.

Commenting on the Transaction, Adam Wooldridge, Cobre's Chief Executive Officer, said:

"This significant transaction with Sinomine provides Cobre with the capital to complete its strategic target drill programme on the OCP project with the potential to sell a stake in the project at a multiple of exploration spend while maintaining a 30% carry to PFS. The deal provides shareholders with a significant exposure to new potential discoveries in this highly strategic land package in the KCB."

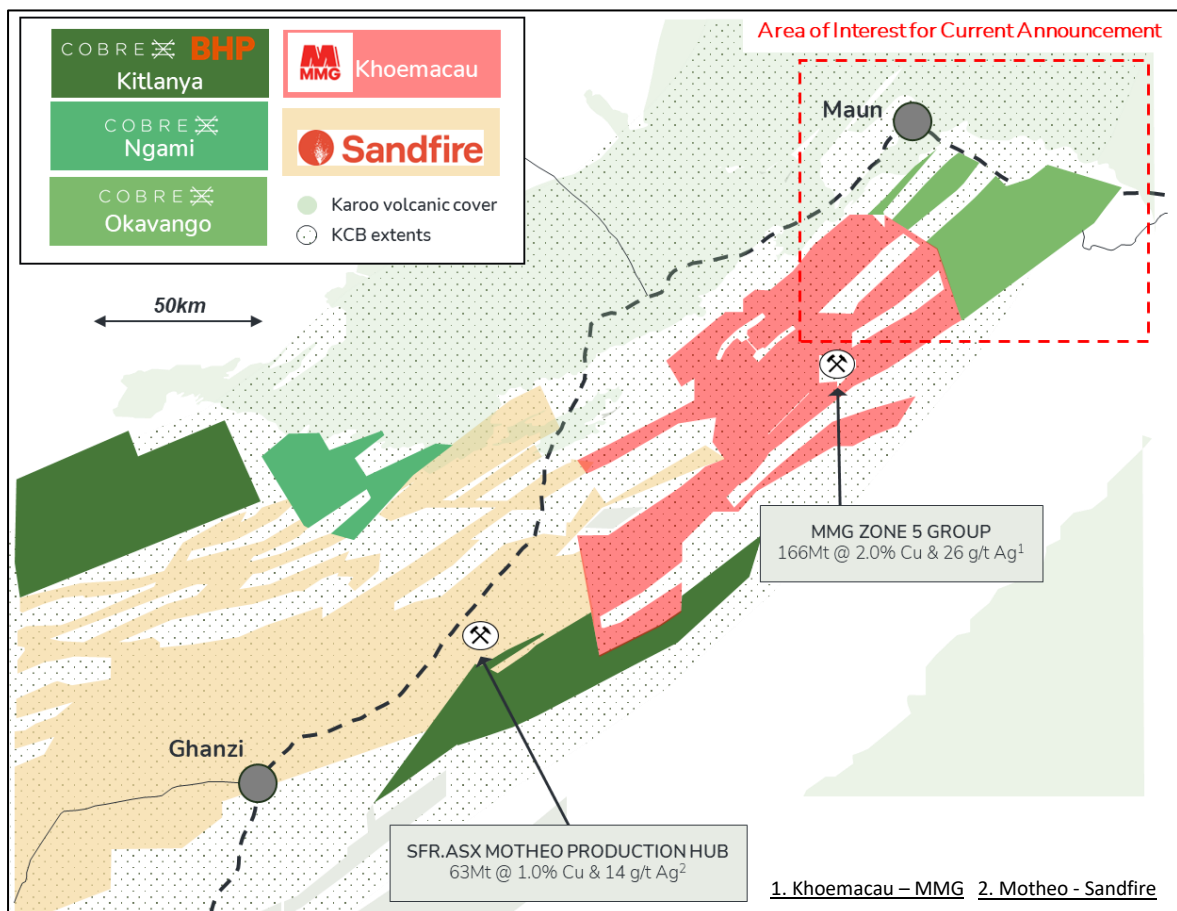


Figure 1. Locality map illustrating the position of Cobre's project areas. The Okavango Project, the subject of the current announcement, has been highlighted.



Geology, Mineralisation and Exploration Target

The OCP covers 1,363km² of prospective KCB stratigraphy located immediately northeast of MMG's Zone 5 production hub and surrounding deposits. Mineralisation in the KCB is sediment-hosted and structurally controlled, with Cu-Ag mineralisation occurring along the redox contact between the oxidised basal units of the volcano-sedimentary Kgwebe, clastic sedimentary red bed units of the Kuke and Ngwako Pan Formations (NPF) and reduced D'Kar Formation (DKF) marine sedimentary rocks. The target redox contact sub-crops along a series of moderately dipping anticline limbs (totalling over 186 km of prospective DKF/NPF contact position, across 3 fold structures along strike from MMG's Plutus, Selene, Zeta, Zone 6, Zone 5 North, Zone 5 & Banana Peel deposits illustrated in Figure 2) under Kalahari Group cover which varies in thickness from approximately 70m on the western side of the project to greater than 150m in the far east of the project.

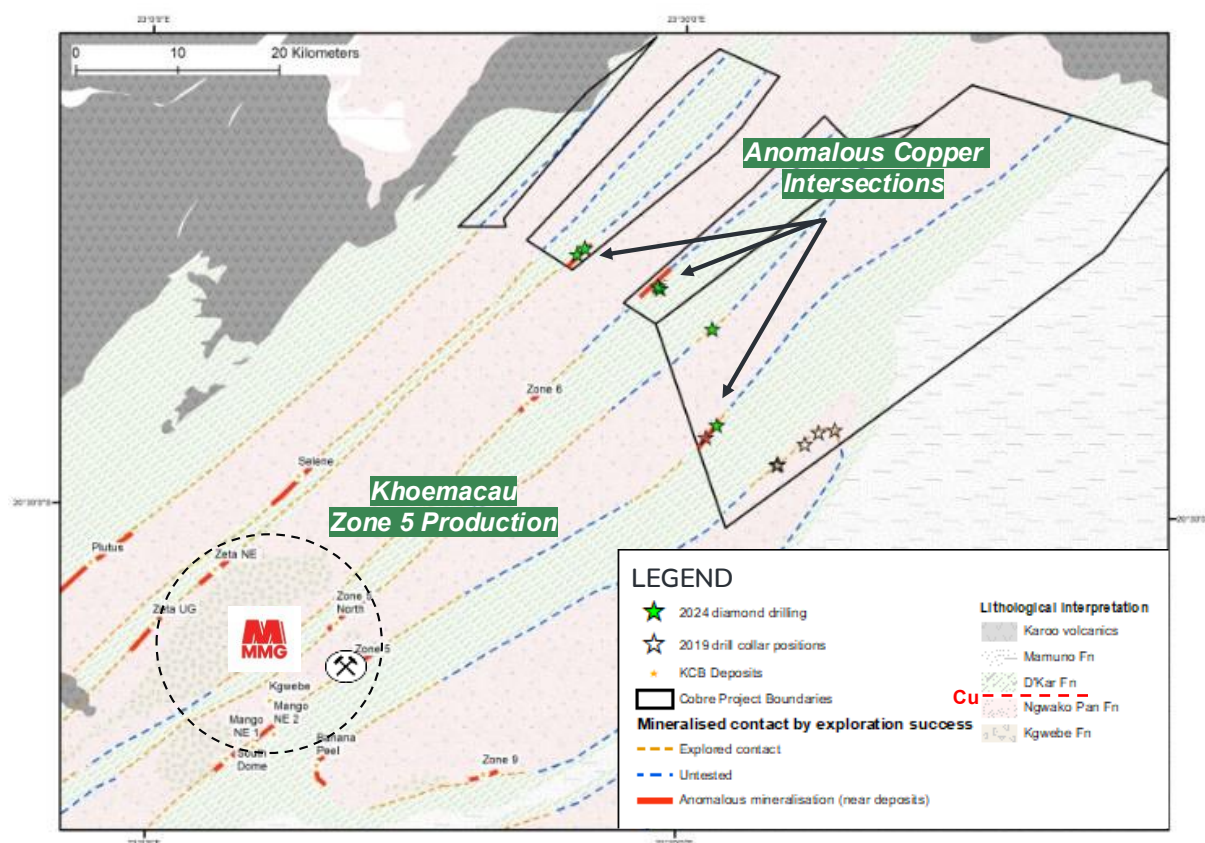


Figure 2. Location of anomalous intersections from previous drill campaigns on interpreted lithology. The extensions of mineralised contact from MMG's known deposits and production hub are classified by exploration success.

Transaction – Key Terms

The key terms of the Transaction are set out in Schedule 1. Cobre will continue to provide shareholders with further updates on material developments in respect of the Transaction.

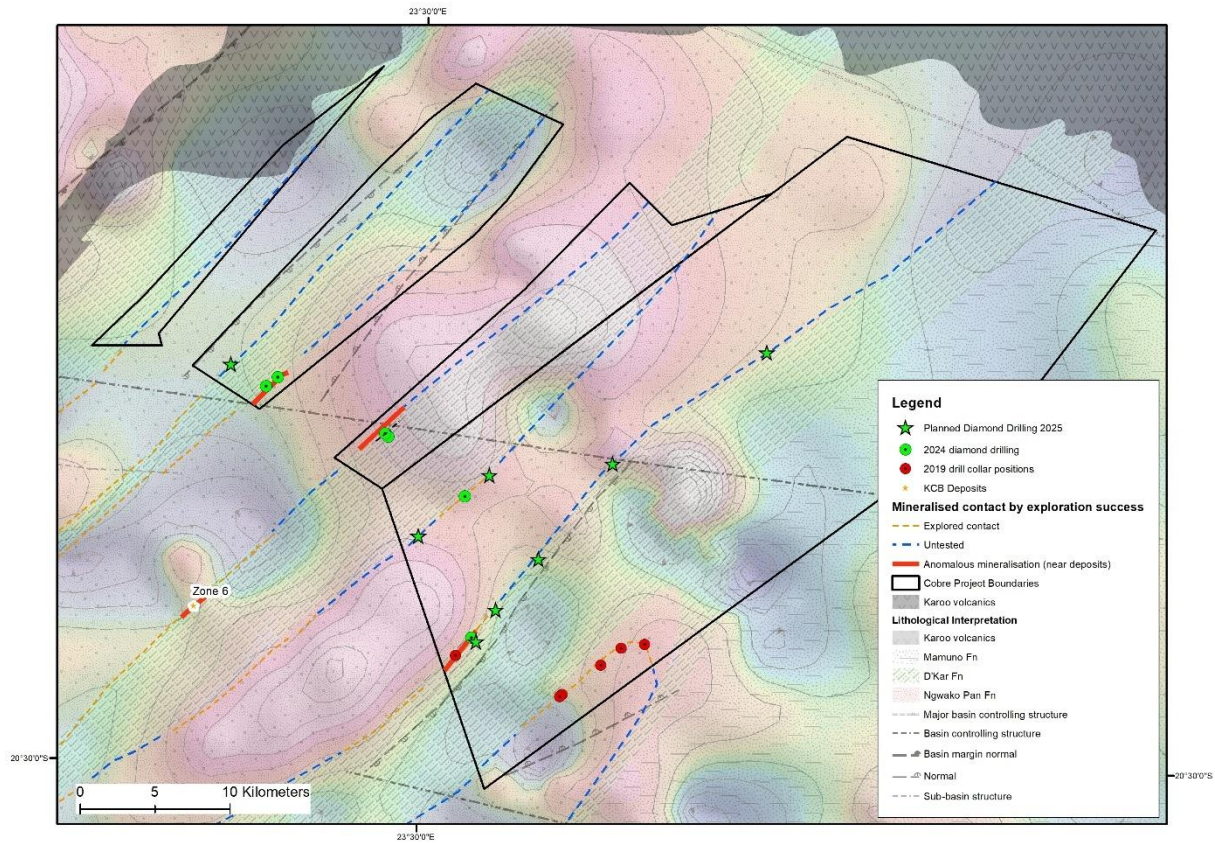


Figure 3. Planned drill programme for the 2025 season on ground gravity image which highlights intrabasin highs (red) and sub-basins (blue). The 2024 and 2018 drill collars are highlighted along with anomalous portions of the mineralised contact.

This ASX release was authorised on behalf of the Cobre Board by: Adam Wooldridge, Chief Executive Officer.

For more information about this announcement, please contact:

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About Cobre Limited

Cobre is a copper exploration and development company with a focus on the KCB in Botswana, one of the most prospective areas globally for new sedimentary copper discoveries. To maximise value on its large-scale strategic landholding, Cobre has adopted a three-pronged approach to exploration and development in the KCB:

- **Explore Big.** Identify the next tier 1 deposit through BHP Earn-in to Joint Venture on its Kitlanya Basin margin projects;
- **Strategic Target Drilling.** Potential for high-value short term discoveries on its Okavango project located adjacent to MMG's Zone 5 Development and associated projects.
- **Development Potential:** Advance the ISCR development opportunity on its most advanced Ngami project.

About Sinomine

Sinomine is a global Chinese resource group founded in 1999 and publicly listed on the Shenzhen Stock Exchange. The company has expanded significantly, with operations in over 40 countries. Sinomine is a key player in securing critical mineral supplies

Schedule 1

Key Term	Description
Area of Interest	Cobre's subsidiaries hold the tenements shown in the figures outlined above, located in Okavango, Botswana together with all associated assets including tenement applications, regulatory approvals, surface rights of access, contracts, core and exploration and test work information (Project Assets).
Investment	<p>Sinomine to make a strategic investment into Cobre of A\$1.5m by way of subscription for new fully paid ordinary shares in Cobre at \$0.06 AUD/share, which is about 26% premium on the 30-day volume weighted average share price.</p> <p>The funds will be used exclusively for Cobre to conduct drilling and other exploration activities within the Area of Interest comprising of 8 scout holes (Initial Exploration).</p>
Conditions	<p>Completion is conditional on:</p> <ul style="list-style-type: none">- the Subscriber being satisfied with the matters arising from its due diligence investigations in respect of the Area of Interest, the Tenements and the Project;- the Subscriber completing the Overseas Direct Investment (ODI) filing as required under the laws of the People's Republic of China; and

	<ul style="list-style-type: none"> - the ASX not indicating to the Company that it will refuse to grant quotation of the Placement Shares or otherwise make quotation conditional.
Further Investment	<p>Sinomine shall have the right (but not the obligation) to further subscribe to new fully paid ordinary shares in Cobre at the same issue price as the Investment, up to an aggregate subscription amount of A\$1.5m, on the basis that Sinomine cannot acquire more than 9.99% of the total issued share capital in Cobre.</p> <p>The proceeds of such further investment shall be used exclusively for additional drilling and exploration activities to be conducted following the Phase 1 Drilling Program within the Area of Interest.</p>
Restructure	<p>Cobre must transfer all Project Assets into a new wholly owned entity incorporated under the laws of Botswana (NewCo).</p>
Option	<p>Cobre grants to Sinomine an option to acquire a 70% interest in the Project Assets, by way of acquiring 70% of the fully paid ordinary shares in NewCo (Option Shares) from Cobre in consideration for the payment of the exercise price of AUD \$7.0 million.</p> <p>Sinomine may exercise the Option by giving notice in writing to Cobre at any time during the period commencing on receipt of the assay results from the Initial Exploration and ending at 11:59pm (Sydney time) on the date being 3 months after that date (or such later date as the parties may agree in writing) (Option Period). Sinomine may nominate a related body corporate to acquire the Option Shares.</p> <p>If Sinomine exercises the option, then the parties will enter into a sale and purchase agreement in relation to the Option Shares, which will be conditional upon certain conditions precedent, which include:</p> <ul style="list-style-type: none"> - Sinomine having received all shareholder and regulatory approvals that may be required in connection with the acquisition of the Option Shares; - Cobre and Sinomine entering into a joint venture agreement in relation to the Project (outlined below); and - each of Cobre and NewCo having received regulatory approvals that may be required in connection with the transfer of the Option Shares to Sinomine (including any change in control consents required under Botswana law).
Joint Venture Phase	<p>If Sinomine exercise the Option to acquire the Option Shares, the parties will negotiate the terms and conditions of the joint venture agreement to be entered into between Cobre, Sinomine and NewCo in respect of the continued development of the Project and on the basis of the following shareholding proportions in NewCo:</p> <ul style="list-style-type: none"> - Cobre: 30%; and - Sinomine: 70%.

	<p>The joint venture will be an incorporated joint venture arrangement using NewCo. Upon commencement of the joint venture until the completion of a pre-feasibility study, Sinomine agrees to fund NewCo's costs, expenses and liabilities in carrying out the agreed work program by way of an unsecured, non-recourse loan by Sinomine to NewCo on specified terms. The aggregate amount of the Loan shall not exceed AUD \$20 million.</p> <p>Upon the making of a positive Pre-FS decision in respect of the Project, both Sinomine and Cobre have the right to convert their respective portions of the then outstanding loan to NewCo into additional NewCo shares.</p> <p>The joint venture agreement will include a mechanism which governs the dilution of a party's shareholding in NewCo in the event that it fails to contribute its portion of JV Expenditures in accordance with the joint venture agreement.</p>
Termination	<p>Termination of the Transaction will occur if:</p> <ul style="list-style-type: none"> - Sinomine does not make the Investment; - the Option has not been exercised within the Option Period; - agreed between the parties; or - Sinomine or Cobre exercise a right to do so in accordance with the joint venture agreement.
Selldown Requirements	<p>If the Government of Botswana exercises its rights under Section 40 of the Mines and Minerals Act, CAP 66:01 to acquire an interest in the Project (Government Interest), or the parties are required to sell down or otherwise dispose of all or part of their direct or indirect interests to a Botswana purchaser, then the net consideration received in connection with the sale shall be applied in the following order of priority:</p> <ul style="list-style-type: none"> - firstly, to Sinomine in repayment of the full outstanding amounts under the Loan, including any accrued but unpaid interest; and - the balance to be distributed to the parties in accordance with their then-current respective shareholdings in NewCo. <p>Any dilutions to Sinomine and Cobre's interest in NewCo shall be pro rata in proportion to each party's shareholding in NewCo at the time of the acquisition of the Government Interest or purchaser's interest.</p>