RNS Number : 6563D
Cobra Resources PLC
30 June 2021

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30 June 2021

Cobra Resources plc
("Cobra" or the "Company")

Result of Annual General Meeting

Cobra, the gold explorer focused on the Wudinna Gold Project in South Australia, announces that at the Annual General Meeting of the Company held at 9.30 a.m. on 30 June 2021, all of the resolutions were duly passed. The results of the poll, including the proxy voting, will be available shortly on the Company's website, www.cobraplc.com.

For the purposes of UK MAR, the person responsible for arranging the release of this announcement on behalf of the Company was Greg Hancock, Chairman.

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About Cobra

Cobra's Wudinna Gold Project is located in the Gawler Craton which is home to some of the largest IOCG discoveries in Australia including Olympic Dam, as well as Prominent Hill and Carrapateena. Cobra's Wudinna tenements contain

extensive orogenic gold mineralisation and are characterised by potentially open-pitable, high-grade gold intersections, with ready access to nearby infrastructure. In total Cobra has over 22 orogenic gold prospects, with grades of between 16 g/t up to 37.4 g/t outside of the current 211,000 oz JORC resource, as well as one copper-gold prospect, and four IOCG targets.

Wudinna Project Description

The Eyre Peninsula Gold Joint Venture comprises a 1,928 km^2 land holding in the Gawler Craton. The Wudinna Gold Project within the Joint Venture tenement holding comprises a cluster of gold prospects which includes the Barns, White Tank and Baggy Green deposits.

CHAIRMAN'S STATEMENT

INTRODUCTION

2020 will be remembered as a challenging year, profoundly impacting the lives of many people. The pandemic also impacted both equity and commodity markets, resulting in strong demand for safehaven commodities such as gold and copper, reflected through strong support for precious and base metals explorers on the London Stock Exchange. During the year, Cobra raised sufficient funds to conduct three detailed soil programmes, and then test priority targets via a significant Reverse Circulation (RC) drilling programme. The results of this drilling, particularly at Clarke, were spectacular, realising one of the largest high-grade intercections in the Wudinna Gold Projects' history.

BACKGROUND

Cobra Resources began life as publicly listed company with the aim of finding suitable precious, base or energy metals exploration or mining projects in either Australia or Africa. During 2019 the Board identified several potentially suitable projects, which were reviewed in detail to evaluate their strengths, growth potential and likely longer-term value to shareholders.

Following an extensive due diligence process, the Wudinna Gold Project was identified as the most compelling opportunity primarily due to its technical and commercial merits which could be efficiently explored and grown with Cobra's infrastructure and skilled resources. This included having an existing gold resource of over 200,000 ounces with significant upside potential, being located in a jurisdiction that was stable, with low sovereign risk, and having a large number of prospects which could be efficiently explored and expanded with Cobra's infrastructure and skilled resources.

The Group has retained a team with the core competencies required to deliver on its strategic objectives. During the course of 2020, the Company sought to strengthen the existing board with the appointment of two new members:

- David Clarke - Non-Executive Director. David is an eminent and renowned geologist, responsible for the discovery of Tuckabianna amongst others. David is tasked with providing technical oversight.
- Daniel Maling - Non-Executive Director. Daniel has extensive commercial and business development experience in the oil & gas, mining and technology sectors.

OPERATIONAL REVIEW

The Company's articulated strategy to utilise staged geochemical sampling to identify priority targets as a means to reduce risk was demonstrably successful during the 2020 exploration campaign. These initial three programmes focused on:

Programme 1: Calibration of surface and drillhole geochemistry to characterise primary immobile pathfinder elements directly associated with mineralisation.
Programme 2: Collection of surface samples and re-analysis of historic surface and drillhole pulps to charaterise the orientation and extension of existing brownfields resources.
Programme 3: Re-analysis of historic surface pulps to charaterise priority areas for greenfields discoveries.

In total 5,185 samples were analysed for a broad multi-element suite, with this extensive dataset providing excellent information to target priority drilling areas. With increased confidence in the planned drilling targets gained from this pathfinder strategy, the Company then raised £1.5m to progress the drilling during the second half of 2020.

Drilling commenced at Wudinna on 23rd September 2020 . Four primary drilling areas were planned, focusing on testing the orientation and continuity of mineralisation at the Baggy Green, Clarke, Laker and Barns deposits. Unfortunately access conditions meant that the Laker drilling did not proceed, and was deferred.
The total drilling programme of included 41 holes for 6,090 metres and was completed by 14th November 2020. Following some assay laboratory and Christmas holiday delays the company was able to report the following signature intersections post year end:

1. CBRC009 31m @ 3.06g/t from 69m inc. 15m @ 5.25 g/t
2. CBRC008 16m @ 1.37g/t from 43m inc. 4m @ 4.19 g/t
3. CBRC027 37m @ 1.38g/t from 151m inc. 13m @ 3.25g/t
4. CBRC026 6m @ 2.3g/t from 85m inc. 1m @ 8.72g/t

The drilling programme satisfied the Stage 1 Earn In obligations such that Cobra now holds a 50% beneficial interest in the Wudinna Gold Project.

POST PERIOD END EVENTS

On 11 January 2021, the Company issued a total of 32,383,152 new ordinary shares pursuant to completion of Stage 1 earn-in of the Wudinna Gold Project, with 31,049,819 shares at 2.4 pence per share being issued in accordance with the acquisition agreement to the vendors of Lady Alice Trust and Lady Alice Mines Pty Ltd, and 1,333,333 shares at 1.5 pence per share issued to the Company's CEO in accordance with the terms of his service agreement.

On 28 January 2021, the Company issued 1,934,800 new ordinary shares pursuant to the exercise of warrants, with 934,800 shares at a price of 3 pence per share and 1,000,000 shares at a price of 2 pence per share.

On 18 and 19 of February 2021, the Company issued 2,333,334 new ordinary shares and 1,666,667 new ordinary shares respectively, at 2 pence per share, pursuant to the exercise of warrants.

On 29 April 2021, the Company issued a total of 7,110,053 new ordinary shares, with 5,664,340 shares being issued at 1 pence per share to the vendors of Lady Alice Trust and Lady Alice Mines Pty Ltd in accordance with the acquisition agreement for the Wudinna Gold Project, and 1,445,713 shares at 2.3 pence per share to a drilling contractor in settlement of a contractual agreement in respect of the provision of service.

COVID-19

On 11 March 2020, the World Health Organisation declared the Coronavirus outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 200 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus and as a result there is a significant increase in economic uncertainty.

For the Group's 31 December 2020 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and measurement of assets and liabilities. Due to the uncertainty of the outcome of current events, the Group cannot reasonably estimate the impact these events will have on the Group's financial position, results of operations or cash flows in the future.

CONCLUSION

Despite the challenges presented in 2020, the Company has delivered some very strong progress over the course of the period that position us for a hugely exciting next phase which is now underway. I thank my fellow directors for their contribution throughout the year, Craig Moulton our Managing Director for his commitment, and our shareholders generally for their support. We look forward to a period of significant activity which lies in front of us.

Greg Hancock
Chairman
29 June 2021

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2020

	Notes	31 December 2020 £	31 December 2019 £
Other Income		50,280	-
Other Expenses		(895,684)	(544,500)
IPO expenses		-	(124,400)
Operating loss	**2**	(845,404)	(668,900)
Finance income and costs		-	-
Change in estimate of contingent consideration	**13**	(161,346)	-
Loss before tax		(1,006,750)	(668,900)
Taxation	**5**	-	-
Loss for the year attributable to equity holders		(1,006,750)	(668,900)
Earnings per ordinary share			
Basic and diluted loss per share attributable to owners of the Parent Company	**6**	(£0.0035)	(£0.0099)

All operations are considered to be continuing.

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2020

	31 December 2020 £	31 December 2019 £
Loss for the year	(1,006,750)	(668,900)
Other Comprehensive income		
Items that may subsequently be reclassified to profit or loss:		
- Exchange differences on translation of foreign operations	66,916	(1,461)
Total comprehensive loss attributable to	(939,834)	(670,361)

equity holders of the Parent Company

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2020

	Notes	2020	2019
		£	£
Non-current assets			
Intangible Fixed Assets	8	1,495,519	612,242
Property, plant and equipment	9	2,400	3,428
Total non-current assets		1,497,919	615,670
Current assets			
Trade and other receivables	10	69,408	37,433
Cash and cash equivalents	11	1,338,851	7,675
Total current assets		1,408,259	45,108
Non-current liabilities			
Deferred consideration	13	(322,691)	(350,066)
Current liabilities			
Trade and other payables	12	(169,314)	(436,553)
Deferred consideration	13	(188,721)	(215,486)
Total current liabilities		(358,035)	(652,039)
Net assets/(liabilities)		2,225,451	(341,327)
Capital and reserves			
Share capital	14	2,829,566	672,335
Share premium account		564,173	160,992
Share based payment reserve		1,006,239	69,038
Retained losses		(2,239,982)	(1,242,231)
Foreign currency reserve		65,456	(1,461)
Total equity		2,225,451	(341,327)

The accompanying notes are an integral part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 29 June 2021.

Signed on behalf of the Board of Directors
Craig Moulton, **Executive Director**, **Company No. 11170056**

COMPANY STATEMENT OF FINANCIAL POSITION
31 December 2020

			Notes	2020	2019
				£	£
Non-current assets					
Investment in subsidiary			7	432,260	432,260
Property, plant and equipment			9	2,400	3,428
Intangible Fixed Assets			8	33,251	-
Total non-current assets				467,910	435,688
Current assets					
Trade and other receivables			10	1,636,477	241,518
Cash and cash equivalents			11	834,164	1,749
Total current assets				2,470,641	243,267
Non-current liabilities					
Deferred consideration			13	(322,691)	(350,066)
Total Non-current liabilities	2,470,641	243,267		(322,691)	(350,066)
Current liabilities					
Trade and other payables			12	(95,636)	(422,560)
Deferred consideration			13	(188,721)	(215,486)
Total current liabilities				(284,357)	(638,046)
Net assets/(liabilities)				2,331,502	(309,157)
Capital and reserves					
Share capital			14	2,829,566	672,335
Share premium account				564,173	160,992
Share based payment reserve				1,006,239	69,038
Retained losses				(2,068,475)	(1,211,522)
Equity shareholders' funds				2,331,502	(309,157)

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not included its own income statement and statement of comprehensive income in these financial statements. The Company's loss for the period amounted to £878,753 (2019: £638,190 loss).

The accompanying notes are an integral part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 29 June 2021.

Signed on behalf of the Board of Directors
Craig Moulton, Executive Director, Company No. 11170056

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2020

	Share capital	Share premium	Share based payment reserve	Retained losses	Foreign currency reserve	Total
	£	£	£	£	£	£
As at 1 January 2019	672,335	160,992	69,038	(573,332)	-	329,034
Loss for the year	-	-	-	(668,900)	-	(668,900)
Translation differences	-	-	-	-	(1,461)	(1,461)
Comprehensive loss for the year	-	-	-	(668,900)	(1,461)	(670,361)
At 31 December 2019	672,335	160,992	69,038	(1,242,232)	(1,461)	(341,327)
Loss for the year	-	-	-	(1,006,750)	-	(1,006,750)
Translation differences	-	-	-	-	66,917	66,917
Comprehensive loss for the year	-	-	-	(1,006,750)	66,917	(939,834)
Shares issued	2,157,231	1,537,142	-	-	-	3,694,373
Share based payment expired	-	-	(3,833)	3,833	-	-
Exercise of options & warrants	-	-	(17,967)	5,167	-	(12,800)
Cost of share issue	-	(1,133,961)	-	-	-	(1,133,961)
Share warrant charge	-	-	947,000	-	-	947,000
Share option charge	-	-	12,000	-	-	12,000
At 31 December 2020	2,829,566	564,173	1,006,238	(2,239,982)	65,456	2,225,451

The following describes the nature and purpose of each reserve within equity:

Share capital:	Nominal value of shares issued
Share premium:	Amount subscribed for share capital in excess of nominal value, less share issue costs
Share based payment reserve:	Cumulative fair value of warrants and options granted
Retained losses:	Cumulative net gains and losses, recognised in the statement of comprehensive income
Foreign currency reserve:	Gains/losses arising on translation of foreign controlled entities into pounds sterling.

The accompanying notes are an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2020

	Share capital	Share premium	Share based payment reserve	Retained losses	Total
	£	£	£	£	£
At 1 January 2019	672,335	160,992	69,038	(573,332)	329,034
Loss for the year	-	-	-	(638,190)	(638,190)
Translation differences	-	-	-	-	-
Comprehensive loss for the period	-	-	-	(638,190)	(638,190)
At 31 December 2019	672,335	160,992	69,038	(1,211,522)	(309,157)
Loss for the year	-	-	-	(878,753)	(878,753)
Translation differences	-	-	-	-	-
Shares issued	2,157,231	1,537,142	-	-	3,694,373
Share based payment expired	-	-	(3,833)	3,833	-
Exercise of options & warrants	-	-	(17,967)	17,967	-
Cost of share issue	-	(1,133,961)	-	-	(1,133,961)
Share warrant charge	-	-	947,000	-	947,000
Share option charge	-	-	12,000	-	12,000
At 31 December 2020	2,829,566	564,173	1,006,238	(2,068,475)	2,331,502

The following describes the nature and purpose of each reserve within equity:

Share capital:	Nominal value of shares issued
Share premium:	Amount subscribed for share capital in excess of nominal value, less share issue costs
Share based payment reserve:	Cumulative fair value of warrants and options granted
Retained losses:	Cumulative net gains and losses, recognised in the statement of comprehensive income

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2020

	Notes	31 December 2020	31 December 2019
		£	£
Cash flows from operating activities			

Loss before tax		(1,006,750)	(668,900)
Equity settled share based payments		265,189	-
Depreciation	9	1,028	979
Foreign exchange		66,916	5,950
Change in estimate of contingent consideration	13	161,346	-
(Decrease) / Increase in trade and other receivables	10	(31,975)	(9,286)
Increase in trade and other payables	12	(482,725)	313,519
Share warrant charge		-	-
Net cash used in operating activities		(1,026,971)	(357,738)
Cash flows from investing activities			
Payments for exploration and evaluation activities	8	(883,277)	(5,660)
Payment for acquisition of subsidiary, net of cash acquired	17	-	11,645
Payments for tangible fixed assets	9	-	(4,407)
Net cash used in investing activities		(883,277)	1,578
Cash flows from financing activities			
Proceeds from the issue of shares		3,428,384	35,700
Cost of shares issued		(186,961)	-
Net cash generated from financing activities		3,241,423	35,700
Net increase/(decrease) in cash and cash equivalents		1,331,176	(320,460)
Cash and cash equivalents at beginning of year		7,675	328,135
Cash and cash equivalents at end of year	11	1,338,851	7,675

- During the year, Shares worth £168,819 were issued to the previous Lady Alice Mines unit holders as per the sale agreement.
- During the year, Liabilities (Broker Fees) worth £186,960 were offset against share proceeds.
- During the year, Shares worth £96,370 were issued to Directors in Lieu of fees.

The accompanying notes are an integral part of these financial statements

COMPANY CASH FLOW STATEMENT
For the year ended 31 December 2020

	Notes	31 December 2020 £	31 December 2019 £
Cash flows from operating activities			
Loss before tax		(878,753)	(638,190)
Equity settled share based payments		265,189	-
Depreciation	9	1,028	979
Foreign exchange loss/gain		12,801	-
Change in estimate of contingent consideration	13	161,346	-
Increase in trade and other receivables	10	(1,394,958)	(4,958)
Increase in trade and other payables	12	(542,410)	359,611
Share warrant charge		-	-
Net cash used in operating activities		(2,375,757)	(282,558)
Cash flows from investing activities			
Payments for tangible fixed assets	9	-	(4,407)

Payments for Intangible fixed assets		(33,251)	-
Investment in subsidiary	7	-	(535)
Net cash used in investing activities		(33,251)	(4,942)
Cash flows from financing activities			
Proceeds from the issue of shares		3,428,384	35,700
Cost of shares issued		(186,961)	-
Loan to subsidiary company	10	-	(74,586)
Net cash (used in)/generated from financing activities		3,241,423	(38,886)
Net increase/(decrease) in cash and cash equivalents		832,415	(326,386)
Cash and cash equivalents at beginning of year		1,749	328,135
Cash and cash equivalents at end of year	11	834,164	1,749

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