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Cobra Resources PLC
19 September 2023

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19 September 2023

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

MoU with Watercycle to Progress Ionic Rare Earth Extraction

Cobra, a gold, rare earth and IOCG exploration company focused on the Wudinna Project in South Australia, is pleased to advise that it has signed a Memorandum of Understanding ("MoU") with Watercycle Technologies Ltd ("Watercycle"), a UK-based deep tech company focused on developing sustainable, high-yield, low-cost, mineral extraction and water treatment systems, with the objective to collaborate on sustainable Rare Earth Elements ("REE") extraction via membrane desorption and filtration.

Metallurgical testing performed on samples from Cobra's Boland prospect by the Australian Nuclear Scientific Technology Organisation has demonstrated high recoveries of valuable magnet REEs of up to 58%, and 65% heavy REEs at pH3 with low acid consumption, confirming REE mineralisation as highly desirable, easily extractable ionic REE mineralisation that has the added advantage of being amenable to low-cost, low-disturbance In Situ Recovery mining ("ISR").

The MoU is the first step in forming a partnership to progress the process for REE extraction from the Company's Boland ionic REE discovery, where innovation and flowsheet development will form the basis of commercialisation.

Through this strategy, Cobra intends to examine alternative approaches to REE extraction that suit the Company's unique and advantageous REE mineral occurrence. Watercycle, which is based out of the University of Manchester, UK, has a highly experienced technical team, with access to world-class facilities and a proven record of innovative ISR mineral extraction design. Through early engagement, Cobra endeavours to fast-track testing to a pilot study, whilst exploring value add opportunities.

More information on Watercycle and its approach to mineral extraction can be found on its website at: www.watercycletechnologies.com.

Rupert Verco, CEO of Cobra, commented:

"Cobra's immediate priority is building upon our recent metallurgical results to ensure the rapid advancement of the Boland ionic REE discovery, Australia's only ionic REE deposit with in situ recovery potential.

As such, we are very excited to be working with Watercycle who share similar ambitions to create value through the extraction of critical minerals through sustainable practices. What Sebastian Leaper and the team at Watercycle have managed to achieve in the development of DLEC™ technologies for lithium extraction from groundwater is industry-leading and has direct applications to REE desorption extraction, purification, and product generation.*

What we want to achieve through collaboration is an optimised approach to REE extraction that suits our unique REE mineral occurrence. This will ultimately condense the time between discovery and decision to mine. We will initially be sending samples over to the UK and subsequently expect Watercycle will be involved in the pilot study at Wudinna."

Sebastian Leaper, CEO of Watercycle, commented:

"The metallurgical results from Cobra's Boland discovery demonstrate high recoveries using weak acids. Coupled with the preferred mining method of ISR, this project aligns with our ambition to enable the sourcing of critical minerals with the lowest possible environmental impact.

On the back of our success in defining portable extraction plants for geothermal lithium extraction, we are excited to demonstrate the applicability of our DLEC™ technologies to other critical minerals such as rare earths."

**DLEC™ - Direct Lithium Extraction & Crystallisation process*

MoU

Defined by the MoU, the companies demonstrate intent to achieve the following:

- Formation of a contractual working collaboration agreement with regards to testing the suitability of Watercycle's DLEC™ technologies for the recovery of REE from materials derived from Cobra's claims - aim to conclude this collaboration agreement October 2023
- Evaluate optimisation parameters for REE extraction from core samples
- Purification, or gangue element removal through membrane desorption and filtration
- Concentration of REEs from pregnant solution to carbonate crystallisation to demonstrate the production of a saleable product
- Solution conditioning for aquifer remediation
- Explore mine gate value add opportunities, including:
    - Removal, separation and amalgamation of targeted REEs to improve final product value
    - Extraction of other valuable minerals including but not limited to vanadium and uranium
    - Sulphide extraction for lixiviant recycling and acid production
    - Water purification
- Concept implementation, applying the outcomes defined in the milestones to a pilot scale extraction study for concept validation and to determine mining parameters
- Assist in the design and commercialisation of a flowsheet and mobile plant to support project design

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The person who arranged for the release of this announcement was Rupert Verco, Managing Director of the Company.

About Cobra

Cobra is defining a unique multi-mineral resource at the Wudinna Project in South Australia's Gawler Craton, a tier one mining and exploration jurisdiction which hosts several world-class mines. Cobra's Wudinna tenements totalling 1,832 km^2, and other nearby tenement rights totalling 1,429 km^2, contain highly desirable and ionic rare earth mineralisation, amenable to low-cost, low impact in situ recovery mining, and critical to global decarbonisation.

Cobra's Wudinna tenements also contain extensive orogenic gold mineralisation and are characterised by potentially open-pitable, high-grade gold intersections, with ready access to infrastructure. Cobra has 22 orogenic gold targets outside of the current 279,000 Oz gold JORC Mineral Resource Estimate.

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