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Cobra Resources PLC
14 May 2020

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For immediate release
14 May 2020

Cobra Resources plc

("Cobra" or the "Company")

Exploration Update - Successful Completion of Stage 2

Cobra is an exploration and mining company which today announces an update on exploration and evaluation of the Wudinna Gold Project.

The Wudinna Project (the Project) contains a JORC gold resource estimate of 211,000 ounces and is located on the Eyre Peninsula in the Central Gawler Gold Province, a 450-kilometre-long arcuate belt in South Australia which contains numerous mineral occurrences.

Highlights:

- **Stage 2 sampling programme confirms presence of elevated / anomalous pathfinder elements indicating the potential for significant resource extensions, particularly at Baggy Green.**
- **A regional scale interpretation of aeromagnetic data has demonstrated a significant relationship between these structures, pathfinder elements and gold mineralisation.**
- **Two new high priority targets have been identified from structural interpretation where major structures, already associated with mineralisation, intersect.**
- **The newly named Grace prospect, east of Clarke prospect has returned highly anomalous Molybdenum assays, typically associated with Iron-Oxide-Copper-Gold (IOCG) mineralisation.**

Background

The Wudinna Mineral Resource estimate, as at March 2019, for the Barns, White Tank and Baggy Green deposits is shown below. This has been classified and reported in accordance with the guidelines of the JORC$_{(2012)}$ Code. The Mineral Resources have been reported above a 0.5 g/t gold cut-off grade to reflect current commodity prices and extraction by open pit mining.

Deposit	Classification	Tonnes (x1,000)	Grade (g/t gold)	Gold ounces
Barns	Indicated	410	1.4	18,000
	Inferred	1,710	1.5	86,000
	Total	2,210	1.5	104,000
White Tank	Inferred	280	1.4	13,000
Baggy Green	Inferred	2,030	1.4	94,000
Total		**4,430**	**1.5**	**211,000**

The Company is earning a 75% interest in the Project by spending A$5 million over a 6-year period.

In November 2019 the Company announced a three-stage geochemical (soil) sampling programme with the aim of improving the definition of gold targets at Wudinna prior to drilling.

These stages include:

Stage 1. Calibration program - Establish new geochemical relationships that provide improved pathfinders to high grade Gold mineralisation.

Stage 2. Brownfields / Extensions - Use Stage 1 learnings to identify priority drill targets to extend mineralisation at Barns, Baggy Green or White Tank.

Stage 3. Greenfields Targets - Apply results from Stages 1 & 2 to define high priority drilling targets for new Gold and Copper discoveries at Wudinna.

Stage 2 results:

The Stage 2 soil sampling programme was completed on schedule on the 28th March with 654 samples being sent to ALS laboratories in Adelaide. The programme saw the collection of 104 new samples at the Barns prospect - Southern Extension; Baggy Green - South; Baggy Green South East; and the Clarke prospect, as well as 550 re-assays of previous samples.

The work programme also included a regional scale interpretation of the Newcrest Aeromagnetic data and a mineral component analysis of all Stage 2 soil samples.

From these analyses the following results are evident:

- A significant number of results with elevated or anomalous pathfinder elements (Te, W, Bi, Mo) were returned at Baggy Green North and Grace prospects

- The Baggy Green North results provide significantly increased confidence that the existing resource may extend between 800m to 1.2km to the north, potentially tripling the existing strike length.
- The Clarke and Barns projects show highly anomalous gold values, but less pathfinders due to deeper sand cover or more extensive calcrete
- A regional scale interpretation of aeromagnetic data has demonstrated a significant relationship between regional scale structures, pathfinder elements and gold mineralisation, confirming that gold mineralisation is structurally controlled.
- Gold mineralisation in structurally hosted orogenic gold deposits, such as Wudinna, is typically hosted in adjacent secondary structures or bends, disruptions, or jogs in the major structure.
- The structural interpretation has also identified two new high priority targets where major structures, already associated with mineralisation, intersect.
- The Grace prospect has demonstrated highly anomalous level of Molybdenum, which requires further investigation, but this is a known association of IOCG (Olympic Dam-style) mineralisation.
- Re-assaying historic RAB drilling will provide a means of identifying further pathfinder anomalies at Barns - Southern Zone, Clarke and at Benaud where deeper sand cover (3m+) has prevented effective sampling.

A presentation with further detail is available on the company's website www.cobraplc.com.

ADI Funding

- The Company has yet to be notified in relation to its second-round proposal for co-funding of an exploration programme targeting large scale IOCG (Olympic Dam-style) mineralisation under the Department of Mining and Energy's Advanced Discovery Initiative.

Craig Moulton, Managing Director of Cobra commented:

"The Stage 2 results have confirmed the significant potential we see at the Wudinna gold project. The pathfinder analysis is delivering results, and in combination with structural analysis we are excited to have added two new potential targets. This approach is adding significant value to the exploration programme, ahead of commencing the Stage 3 programme and our drilling programme in the second half of the year.

Regionally we have seen a lot of activity in the Gawler from our neighbours, with Barton Gold reportedly planning to reopen Tunkilla and Alliance Resources (ASX:AGS) announcing some impressive grades at Weednanna, all of which further highlights the potential of this region as a potentially significant gold producing terrane."

Competent Person Statement - Technical

Technical information in this announcement has been reviewed by Craig Moulton, the Company's Managing Director. Craig has 27 years' experience in the industry, having worked for Rio Tinto, Cleveland Cliffs and Wood Mackenzie, and is a trained Geologist and Mineral Economist. Craig holds a BSc Hons (Geology), MSc (Min Econs), MAusIMM, FGS.

The person who arranged for the release of this announcement on behalf of the Company was Craig Moulton, Director of the Company.

End

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