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For immediate release
05 June 2020

Cobra Resources plc

("Cobra" or the "Company")

Final Results for the Year Ended 31 December 2019

Cobra, an exploration and mining company announces its results for the year ended 31 December 2019.

Key Highlights

2019 was a significant year for the Company, achieving its primary strategic objective of transforming from a cash shell to an operating business by identifying a precious or base metals project in either Australia or Africa. This included:

1. Completing the Lady Alice Mines acquisition.
2. Establishing an enviable portfolio with two quality assets, including an option over a 211,000 oz gold resource, in a secure and low sovereign risk jurisdiction.
3. Recruiting a management team and Board with deep resource industry experience to lead the Company's exploration efforts.
4. Articulating a clear exploration plan that aims to maximise value and de-risk future exploration drilling.

Post-Period End Highlights

- Successful completion of the Stage 1 soil sampling programme over Barns, Baggy Green and White Tank prospects, which established key pathfinder elements to mineralisation.
- Successful Completion of the Stage 2 soil sampling programme which identified the presence of pathfinder elements in the extension to Baggy Green, as well as a strong correlation with regional structures, and generating 2 new target areas.
- Application made for ADI funding for 4 new IOCG-style targets
- Actively planning the Stage 3 soils analysis, in order to finalise priority targets, in preparation for a drilling programme during the second half of 2020.

Craig Moulton, Managing Director of Cobra commented:

"Notwithstanding a difficult capital market during 2019 Cobra managed to attract sufficient funds to commence the staged exploration programme in South Australia. It is satisfying to see that this programme is now yielding the results we expected. I am very excited to see what the planned drilling programme will deliver for shareholders later this year."

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this news release contain forward-looking information. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include without limitation the completion of planned expenditures, the ability to complete exploration programs on schedule and the success of exploration programs. Readers are cautioned not to place undue reliance on the forward-looking information, which speak only as of the date of this news release.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

End

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Chairman's Statement

INTRODUCTION

As its first full year as a publicly listed company, 2019 represents an important milestone for Cobra Resources. It was a foundation year where the Board worked to build the business in preparation for its transition to a fully-fledged operating company, which occurred on the 16 January 2020 when the enlarged group including the Wudinna Gold project was admitted to a Standard Listing and to trading on the Main Market of the London Stock Exchange. Getting the right assets was a significant achievement and from which we will continue to build a strong and sustainable business in the years ahead. It has been satisfying to see the Parent Company acquire rights over a such high quality and advanced asset such as the Wudinna Gold project; build a strong management team and establish itself as an operating Group on the Main Market of the London Stock Exchange.

BACKGROUND

Cobra Resources began life as publicly listed company in July 2018 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. 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 the infrastructure and skilled resources to efficiently explore and grow the project. As a bonus, the project vendors were not only well renowned explorers but were committed to the long-term future of the Company, demonstrating this by their participation in the following fund raise.

We were also fortunate to recruit a new Managing Director during the year, Craig Moulton. Craig has joined the board, currently as the sole executive director and has a deep commercial and technical background in the exploration and mining industry, having worked for many years in prestigious mining houses including CRA Exploration, Rio Tinto and Cliffs Natural Resources, as well as resources commodity market specialists Wood Mackenzie. I am confident that Craig has the skills and leadership necessary to drive the Company to success through disciplined technical exploration and prudent fiscal management.

OPERATIONAL REVIEW

The Company commenced marketing the Lady Alice Mines acquisition in March 2019, however, volatile equity markets caused at least in part by the UK BREXIT negotiations, provided significant headwinds to fund raising activities for junior resource companies generally at that time. A combination of a change in prospectus format requirements by the FCA and the summer holidays then further delayed progress. With sentiment turning significantly more positive for junior gold explorers towards the latter half of 2019, the Company was able to complete a fund raise sufficient to commence initial exploration activities on 16 January 2020.

While the completion of fundraising activities took longer than anticipated, this time was put to good use, enabling the team to complete a detailed review of the technical data acquired from Andromeda Metals, the Joint Venture partner at the Wudinna Gold project. This included a detailed analysis of the key controls on mineralisation from existing core, as well as a review of the geophysical data and some important foundational work on the geochemistry, all of which has provided an excellent platform for the exploration work to leverage during 2020.

As a result of the above analysis the Company articulated a three-stage geochemical sampling programme to be executed in the first half of 2020. The first stage aimed to calibrate soil geochemical sampling with known mineralisation, with the aim of establishing key pathfinder elements that can significantly reduce

exploration risk during the drilling phase. The second and third phases would then look take these new pathfinders and apply it to brownfield and greenfield exploration targets respectively, with the aim of refining priority drilling targets.

With increased confidence in the planned drilling targets, the Company then planned to raise sufficient funds to progress the drilling during the second half of 2020.

It is satisfying to be able to report that the Company has achieved the first two milestones and is on track to complete the third, honouring its commitments to its investors and the market.

POST PERIOD END EVENTS

On 16 January 2020 the Company announced that its entire issued share capital of 153,747,138 ordinary shares had been readmitted to the standard segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange plc under the TIDM "COBR".

The Company also announced the appointment of Peterhouse Capital Limited as joint broker to the Company.

On admission to trading on the main market of the London Stock Exchange, the Company raised gross cash proceeds of £613,330, and settled £90,587 of immediate cash liabilities in shares, by issuing 61,330,000 Placing Shares; 10,058,224 Initial Consideration Shares; 6,066,632 First Reimbursement Shares; 5,818,750 Fee Shares (issued to directors in lieu of fees); and 3,240,000 Ordinary shares issued to consultants in lieu of cash payments at the Placing Price of 1p per share.

On 5 March 2020 the Company announced the issue of 1,745,007 ordinary shares. 757,073 shares were issued to the previous directors of Lady Alice Mines Pty Ltd, pursuant to the acquisition agreement, 654,600 shares were issued to a former directors of the Company pursuant to a settlement agreement and 333,334 shares were issued pursuant to the exercise of 333,334 share warrants at a price of 2p per share. The shares were admitted to trading on 12 March 2020.

On 29 April 2020 the Company announced the resignation of Rolf Gerritsen and appointment of Daniel Maling and David Clarke as non-executive directors.

On 7 May 2020 the Company announced the issue of 30,095,354 ordinary shares pursuant to the completion of a private placement conducted at 2.25p per share raising gross proceeds of approximately £677,000. The shares were admitted to trading on 15 May 2020.

On 14 May 2020 the Company announced the completion of the Stage 2 soil sampling programme 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; and
- 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.

On 15 May 2020 the Company announced the issue of 1,250,000 ordinary shares pursuant to the exercise of 1,250,000 warrants at 2p per share. The shares were admitted to trading on 21 May 2020.

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 2019 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

With the successful completion of our Stage 2 sampling programme we are expecting a busy period of exploration activity with the completion of the Stage 3 analysis, finalising priority targets and then formalisation of our drilling programme during the second half of 2020.

Finally, on behalf of the board, I would like to thank shareholders for their continued support and look forward to creating more value together as we unlock the potential in our prized Wudinna Gold Project.

Greg Hancock

Chairman

3 June 2020

Consolidated Income Statement

	Notes	31 December	31 December
		2019	2018
		£	£
Revenue		-	-
Administrative expenses		(544,500)	(376,860)
IPO expenses		(124,400)	(196,472)
Operating loss	2	(668,900)	(573,332)
Finance income and costs		-	-
Loss before tax		(668,900)	(573,332)
Taxation	5	-	-
Loss for the year attributable to equity holders		(668,900)	(573,332)
Earnings per ordinary share			
Basic and diluted loss per share attributable to owners of the Parent Company		(£0.0099)	(£0.0195)
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Consolidated Statement of Comprehensive Income

	31 December	31 December
	2019	2018

	£	£
Loss for the year	(668,900)	(573,332)
Other Comprehensive income		
Items that may subsequently be reclassified to profit or loss:		
- Exchange differences on translation of foreign operations	(1,461)	-
Total comprehensive loss attributable to equity holders of the Parent Company	(670,361)	(573,332)

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

Consolidated Statement of Financial Position

	Notes	2019	2018
		£	£
Non-current assets			
Intangible assets	8	612,242	-
Property, plant and equipment	9	3,428	-
Total non-current assets		615,670	-
Current assets			
Trade and other receivables	10	37,433	28,147
Cash and cash equivalents	11	7,675	328,135
Total current assets		45,108	356,282
Non-current liabilities			
Deferred consideration	13	(350,066)	-
Current liabilities			
Trade and other payables	12	(436,553)	(27,248)
Deferred consideration	13	(215,486)	-
Total current liabilities		(652,039)	(27,248)
Net (liabilities)/assets		(341,327)	329,034
Capital and reserves			
Share capital	14	672,335	672,335
Share premium account		160,992	160,992
Share based payment reserve		69,038	69,038
Retained losses		(1,242,231)	(573,332)
Foreign currency reserve		(1,461)	-
Total equity		(341,327)	329,034

Company Statement of Financial Position

	Notes	2019	2018
		£	£
Non-current assets			
Investment in subsidiary	7	432,260	-
Property, plant and equipment	9	3,428	-
Total non-current assets		435,688	-
Current assets			
Trade and other receivables	10	241,518	28,147
Cash and cash equivalents	11	1,749	328,135
Total current assets		243,267	356,282
Non-current liabilities			
Deferred consideration	13	(350,066)	-
Current liabilities			
Trade and other payables	12	(422,560)	(27,248)
Deferred consideration	13	(215,486)	-
Total current liabilities		(638,046)	(27,248)
Net (liabilities)/assets		(309,157)	329,034
Capital and reserves			
Share capital	14	672,335	672,335
Share premium account		160,992	160,992
Share based payment reserve		69,038	69,038
Retained losses		(1,211,522)	(573,332)
Equity shareholders' funds		(309,157)	329,034

Consolidated Statement of Changes in Equity

	Share capital	Share premium	Share based payment reserve	Retained losses	Foreign currency reserve	Total
	£	£	£	£	£	£
Loss for the year	-	-	-	(573,332)	-	(573,332)
Translation differences	-	-	-	-	-	-
Comprehensive loss for the period	-	-	-	(573,332)	-	(573,332)

Shares issued at incorporation	1	-	-	-	-	1
Shares and warrants issued	672,334	211,167	-	-	-	883,501
Cost of share issue	-	(50,175)	-	-	-	(50,175)
Share warrant charge	-	-	69,038	-	-	69,038
At 31 December 2018	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 period	-	-	-	(668,900)	(1,461)	(670,361)
At 31 December 2019	672,335	160,992	69,038	(1,242,232)	(1,461)	(341,327)

Company Statement of Changes in Equity

	Share capital	Share premium	Share based payment reserve	Retained losses	Total
	£	£	£	£	£
Loss for the year	-	-	-	(573,332)	(573,332)
Translation differences	-	-	-	-	-
Comprehensive loss for the period	-	-	-	(573,332)	(573,332)
Shares issued at incorporation	1	-	-	-	1
Shares and warrants issued	672,334	211,167	-	-	883,501
Cost of share issue	-	(50,175)	-	-	(50,175)
Share warrant charge	-	-	69,038	-	69,038
At 31 December 2018	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)
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Consolidated Cash Flow Statement

		31 Notes December 2019 £	31 December 2018 £
Cash flows from operating activities			
Operating loss		(668,900)	(573,332)
Shares issued in lieu of fees		-	110,002
Depreciation	9	979	-
Foreign exchange		5,950	-
Increase in trade and other receivables	10	(9,286)	(28,147)
Increase in trade and other payables	12	313,519	27,248
Share warrant charge		-	69,038
Net cash used in operating activities		<u>(357,738)</u>	<u>(395,191)</u>
Cash flows from investing activities			
Payments for exploration and evaluation activities	8	(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		<u>1,578</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from the issue of shares		35,700	773,501
Cost of shares issued		-	(50,175)
Net cash generated from financing activities		<u>35,700</u>	<u>723,326</u>
Net (decrease)/increase in cash and cash equivalents		(320,460)	328,135
Cash and cash equivalents at beginning of year		328,135	-
Cash and cash equivalents at end of year	11	<u>7,675</u>	<u>328,135</u>

Company Cash Flow Statement

	31 Notes December 2019 £	31 December 2018 £
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Cash flows from operating activities

Operating loss		(638,190)	(573,332)
Shares issued in lieu of fees		-	110,002
Depreciation	9	979	-
Increase in trade and other receivables	10	(4,958)	(28,147)
Increase in trade and other payables	12	359,611	27,248
Share warrant charge		-	69,038
Net cash used in operating activities		(282,558)	(395,191)

Cash flows from investing activities

Payments for tangible fixed assets	9	(4,407)	-
Investment in subsidiary	7	(535)	-
Net cash used in investing activities		(4,942)	-

Cash flows from financing activities

Proceeds from the issue of shares		35,700	773,501
Cost of shares issued		-	(50,175)
Loan to subsidiary company	10	(74,586)	
Net cash (used in)/generated from financing activities		(38,886)	723,326

Net (decrease)/increase in cash and cash equivalents

		(326,386)	328,135
Cash and cash equivalents at beginning of year		328,135	-
Cash and cash equivalents at end of year	11	1,749	328,135

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