RNS Number : 0542W
Cobra Resources PLC
13 August 2020

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF EU REGULATION 596/2014. UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY NEWS SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION.

For immediate release

13 August 2020

Cobra Resources plc

("Cobra" or the "Company")

Placing to raise up to £1.5 million

Cobra Resources plc (LSE: COBR), the owner of the Wudinna Gold Project on the Eyre Peninsula in the Central Gawler Gold Province, a 450-kilometre-long arcuate belt in South Australia, announces that it has raised £1.5m in a placing of zero coupon convertible loan notes with warrants attached.

Transaction Highlights

- Placing raising £1.5 million, before expenses, through the issue of up to 1,500,000 zero coupon convertible loan notes ("**CLNs**") with a conversion price of 2.3p per Ordinary Share, with new and existing investors. The CLNs have a one year maturity;

- The CLNs are convertible into Ordinary Shares, at the election of the Company, on the Company publishing a new prospectus in order to allow the Ordinary Shares into which the CLNs convert, to be admitted to the standard segment of the Official List of the FCA and to trading on the London Stock Exchange plc (the "**Prospectus**"); conversions of the CLNs are not permitted prior to the publication of the Prospectus;

- The Ordinary Shares issued on the conversion of the CLNs each have a warrant attached entitling the holder to subscribe for an additional Ordinary Share at a price of 3p (the "**Warrants**"). The Warrants have a life of 2 years from the date of the publication of the Prospectus are subject to accelerated mandatory exercise if the Company's 5-day volume weighted share price exceeds 4.5 pence;

- the conversion price for the CLNs at 2.3p per Ordinary Shares represents a discount of 6% per cent. to the 5 day VWAP to 12 August 2020.

The Company intends to use the funds raised by way of the Placing for working capital purposes related to upcoming drilling activities at its Wudinna Gold Project.

The Placing was arranged by SI Capital Limited and Peterhouse Capital Limited. Orana Corporate LLP acted as corporate adviser to the transaction.

The Company intends to submit a draft prospectus to the FCA for review shortly. When approved the Prospectus will be published on the Company's website and available for viewing on the National Storage Mechanism. A further announcement will be made in due course at such time as the Prospectus has been approved by the FCA for publication.

Members of the public were not eligible to participate in the Placing.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 ("MAR"), encompassing information relating to the Placing as described above, and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

About the Company:

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

End

Enquiries:

Cobra Resources plc	Craig Moulton Dan Maling	+61 (0) 40 6932187 +44 (0) 758 0032520
SI Capital Limited (Broker)	Nick Emerson Sam Lomanto	+44 (0) 14 8341 3500
Peterhouse Capital Limited (Broker)	Duncan Vasey Lucy Williams	+44 (0) 20 7469 0932

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END

IOEFIFVTTFIVLII