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Cobra Resources PLC
17 August 2020

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For immediate release
17 August 2020

Cobra Resources plc

("Cobra" or the "Company")

Hagstrom Drilling Equity Agreement Update

Cobra is an exploration and mining company focussed on the evaluation of its prized Wudinna Gold Project. With 6 tenements covering 1,928sqkm, Wudinna is located in the prime Central Gawler Craton Province ("CGC") of South Australia.

The Gawler Craton has been 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, as well as 3 potential IOCG targets.

Cobra currently has over 22 orogenic gold prospects, with grades of between 16g/t up to 37.8g/t outside of the current JORC resource, as well as 1 copper-gold prospect, and 3 IOCG targets. Leading edge multi-element geochemical analysis is being systematically applied to define the orientation and continuity of the mineralisation ahead of drilling, significantly reducing risk.

Key Highlights

- Hagtstrom Drilling Equity Agreement expanded from 4,650m to 10,000m of RC Drilling

In Detail:

On the 21st October 2019, the Company announced the Execution of a Drilling Equity Agreement with Hagstrom Drilling, and its owners, to provide Reverse Circulation (RC) drilling services at the Wudinna Gold Project. The key highlights of this agreement were:

- Hagstrom drilling is an experienced drilling contractor located in Perth, Western Australia with a fleet of over 22 drilling rigs, refer to https://www.hagstromdrilling.com.au/ for more information.
- Hagstrom, and its owners, have agreed to a fixed price contract for the Wudinna drilling programme, reducing the drilling cost risk for the planned exploration programme.
- Hagstrom has also agreed to take 33.34% of this fixed cost as equity.
- Each drilling programme will be subject to a specific contract under the terms specified in the Equity Agreement.

As the Company has decided to accelerate it exploration plans, this agreement has been increased to include a total of 10,000m of RC drilling, from its original scope of 4,650m.

The Company will detail its planned exploration programmes later this week, however, a start date of the second week of September has been agreed between the Company and Hagstrom for the initial drilling programme, subject to finalising the drilling contract and mobilisation.

Unless there is a significant deterioration in COVID-19 cases either in Western or South Australia, the Company does not expect COVID-19 related travel restrictions will have a significant impact on its planned drilling programmes.

Craig Moulton, Director of Cobra commented:

"*Expanding this agreement, is a great result for the Company, it will maximise our exploration budget and minimise risk. It is a great vote of confidence in the Wudinna Gold Project by a notable industry participant.*"

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

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