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Cobra Resources PLC
07 March 2019

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For immediate release

7 March 2019

Cobra Resources plc

("Cobra" or the "Company")

Proposed Acquisition of Lady Alice Mines and Suspension of Listing

Cobra, a company formed to make acquisitions of tenements and projects in the natural resources sector, today announces that is has signed an acquisition agreement (the "**Acquisition Agreement**") to acquire 100% of the units in the Lady Alice Trust and the entire issued share capital of Lady Alice Mines Pty Ltd, as trustee of the Lady Alice Trust (the "**Proposed Acquisition**").

The Lady Alice Trust is the sole owner of:

- 100% of right title and interest in South Australian Exploration Licence Number 6016 (the **"Prince Alfred Licence**") a formerly producing copper mine (the "**Prince Alfred Mine**"); and
- an entitlement to earn a 75% equity interest in 5 large tenements near Wudinna in South Australia (the "**Wudinna Project**") for gold exploration, under the terms of an agreement (the "**Wudinna Agreement**") with Andromeda Metals Limited ("**Andromeda**"), a company listed on the Australian Securities Exchange, and Peninsula Resources Limited.

Additional details on the Wudinna Agreement in relation to the Wudinna Project can be found on Andromeda's web site:

http://www.andromet.com.au/images/uploads/reports/20171031Eyre_Peninsula_JV.pdf

As the Proposed Acquisition will constitute a reverse takeover for the purposes of the FCA's Listing Rules, in accordance with Listing Rule 5.1, the Company has requested that the Company's Ordinary Shares be suspended from listing on the Official List pending the publication of a prospectus, which will follow completion, or until the Company confirms that the Proposed Acquisition is not proceeding.

Key Highlights:

- The Prince Alfred Mine was discovered in 1866 and is located 100km north-east of Port Augusta in South Australia. The Mine was in production during the 1870s, closing in 1874. It started producing ore again between 1888 - 1909, producing 12kt of ore and shipping concentrate to Wallaroo. It closed in 1909 due to a crash in the price of copper and in 1967 until early 1970s the tailings were tank leached to recover 600t of copper.
- The copper mineralisation at the Prince Alfred Mine is stratiform, and believed to be shear-hosted, with historic grades reported as 5% Cu. No modern exploration has occurred at the site.
- Cobra will also acquire the right to earn 75% of the Wudinna Project, which is located on the Eyre Peninsula in the Central Gawler Gold Province, a 450km arcuate belt which contains numerous mineral deposits.
- The Wudinna Project tenement package represents a land holding of 1931 km^2, comprising five tenements: EL/5953, EL/5615, EL/5381, EL/6131 and EL/6001. This underexplored, but prospective terrane, offers upside potential with a large number of untested anomalies and drill ready targets.
- The mineralisation at the Wudinna Project is hosted by shallow-plunging stacked quartz-pyrite veins. While under shallow cover, advanced geochemical sampling techniques have proved effective in locating high-grade mineralisation.
- Three deposits at the Wudinna Project have been discovered to date:
    - the Barns gold deposit was discovered in 2000 with significant intersections including 12 meters at 3.38g/t gold from 67 meters in RCBN-123, and 35.49 meters at 1.80g/t gold from 115 meters in PDBN-134;
    - the White Tank deposit was discovered in 2003 with significant intersections including 7 meters at 10.03g/t gold from 63 meters in RHBN-234, and 17 meters at 3.47g/t gold from 60 meters in RHBN-248.3.2004; and
    - the Baggy Green deposit, was discovered in 2004 with significant intersections including 8 meters at 4.79g/t gold from 34 meters in WUD6-770, and 5 meters at 9.01g/t gold from 66 meters in BGRC-865.

Rolf Gerritsen, Chief Executive Officer of Cobra commented:

"*I am delighted to announce the acquisition of Lady Alice, which will set Cobra up with two extremely exciting projects in the copper and gold sectors. The acquisition will represent a core asset to Cobra and will be used as a platform for future growth. We believe that the opportunities offered via this acquisition are considerable and look forward to completing the transaction and getting on with the real job of creating value for our shareholders by progressing the projects.*"

Transaction:

Cobra will acquire 100% of the issued share capital of Lady Alice Mines Pty Ltd (as trustee for the Lady Alice Trust) from the Lady Alice Mines Pty Ltd shareholders for consideration of A$1,000. Additionally, the unitholders of the Lady Alice Trust will, by way of assignment, transfer all of the units in the Lady Alice Trust to Cobra (the "**Assignment**"). As consideration for the Assignment, Cobra will issue ordinary shares of Cobra (the "**Ordinary Shares**") to the unitholders and grant options over further Ordinary Shares to the unitholders, exercisable upon certain thresholds being reached in the equity interest held by Lady Alice in the Wudinna Project.

Under the terms of the Wudinna Agreement, Lady Alice Mines Pty Ltd will fund up to A$5 million through a staged earn-in over a (maximum) six year period to earn up to 75% equity in the Wudinna Project joint venture vehicle.

The principle terms of the Wudinna Agreement are as follows:

- Stage One: Lady Alice will sole fund A$2.1million within 3 years of execution of the Wudinna Agreement to earn a 50% equity position.
- Stage Two: At the completion of Stage One, a joint venture vehicle can be formed, or alternatively, Lady Alice can spend a further A$1.65 million over an additional 2 years to earn a 65% equity interest in the Wudinna Project.
- Stage Three: At the completion of Stage Two, a joint venture vehicle can be formed, or alternatively, Lady Alice can spend a further A$1.25 million within 1 year to earn 75% of the equity in the Wudinna Project, being a total A$5 million to secure 75% of the Wudinna Project.
- Once the joint venture vehicle is formed, the parties will contribute to further expenditure in accordance with their respective equity positions, or dilute using standard dilution procedures.
- Lady Alice will act as operator of the Wudinna Project.

Additional details on the Proposed Acquisition, the Prince Alfred Mine and the Wudinna Project can be found on Cobra's web site: www.cobraresourcesplc.com

The Company will proceed to prepare and publish a Prospectus in the coming weeks which will include a Competent Persons Report on the assets of the Company as enlarged by the Proposed Acquisition.

The person who arranged for the release of this announcement on behalf of the Company was Rolf Gerritsen, Chief Executive Officer of the Company.

End

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