21 July 2023
ASX: CHK

ASX Release

Cohiba Completes Acquisition of Canadian Lithium Projects & Placement

Cohiba Minerals Limited (ASX: CHK, OTCQB: CHKMF, '**Cohiba**' or '**the Company**') is pleased to announce that it has executed a binding agreement (**Agreement**) to acquire Maple Minerals 2 Pty Ltd (**Maple Minerals**) (**Proposed Acquisition**). Maple Minerals held the rights to acquire four (4) lithium and rare earth element (REE) properties in Ontario, Canada.

The Maple Minerals project portfolio consists of:

- The Big Rock Lithium Property comprising 9 claims for 3,611 hectares,
- The Rogers Creek Lithium Property comprising 10 claims for 4,642 hectares,
- The Ottertail Lithium Property comprising 7 claims for 2,690 hectares; and,
- The Gathering Lake Lithium Property comprising 9 claims for 3,897 hectares.

The Acquisition was subject to CHK shareholder approval, which was sought on 11 July 2023, for the issue of Consideration Shares and Consideration Performance Rights (each defined below) and the Tranche 2 Placement shares (defined below) (the Tranche 1 Placement shares will be issued without shareholder approval).

Proposed Work Program

The Company will undertake a comprehensive field investigation during the upcoming summer season using the services of local Geological Consultants which have expertise in the delivery of these programs within lithium terranes across Canada.

August 2023:

- Detailed review of historical data (geology, geophysics, petrology, mineralogy, geochemistry etc.),
- Detailed geological mapping,
- Comprehensive and systematic geochemical sampling program,
- Review of field data and associated reporting,
- Recommendations for follow-up work including aeromagnetics and multispectral analysis,
- Ongoing program design including target prioritisation; and,
- Completion of necessary statutory documents.

December 2023

- Aeromagnetic and multispectral surveys (depending on recommendations); and,
- RC drilling over strategic targets.

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Directors
Mordechai Benedikt – Executive Chair
Andrew Graham – Executive Director
Nochum Labkowski – NED

Big Rock Lithium Property

The Big Rock Lithium Property is located in north-western Ontario (Figure 1) where a number of significant lithium deposits have already been delineated including Green Technology Metals (ASX: GT1) Seymour Project which has an existing Mineral Resource estimate of 9.9 Mt @ 1.04% Li_2O[1].

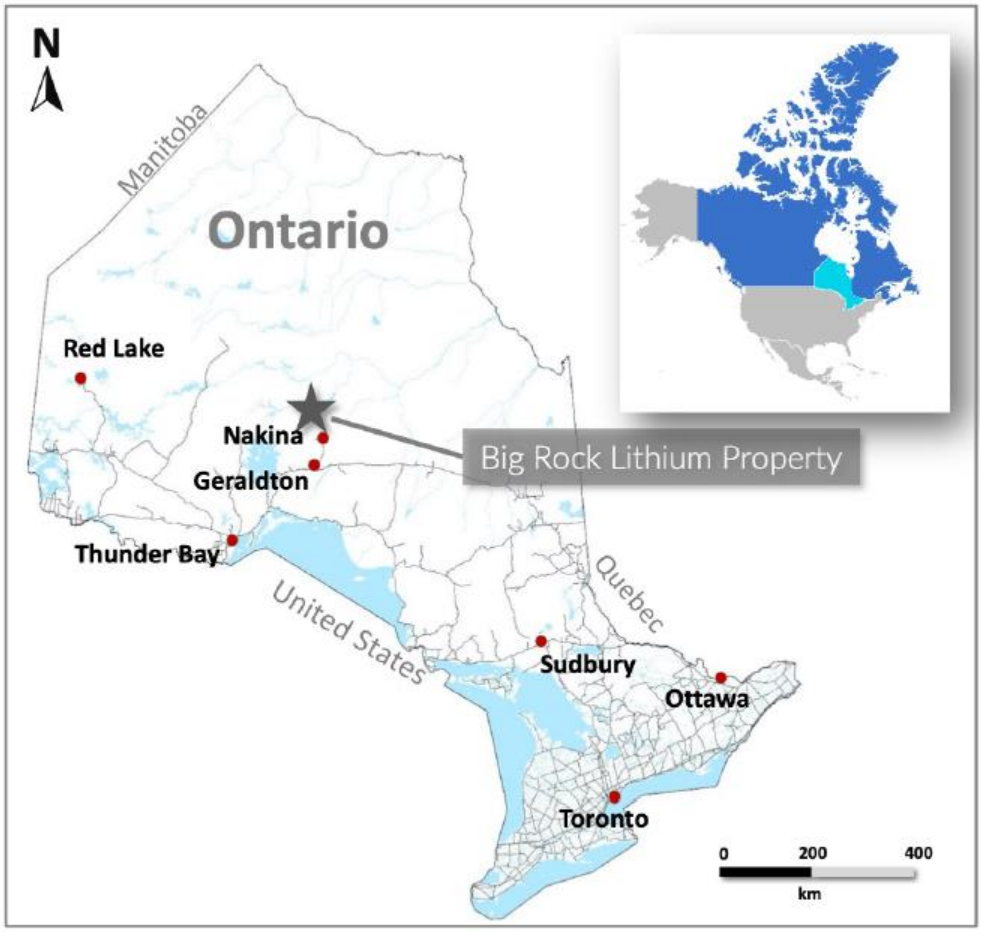

Figure 1: Location of the Big Rock Lithium Property.

The Big Rock Lithium Property is hosted largely by mafic metasedimentary rocks in close association with a peraluminous, S-type, fertile granite pluton. Regional faults transecting the property are recognised as providing excellent pathways and fracture systems for granitic parental melts.

Minor work has been completed over the property in recent times with the last major reconnaissance survey in 1931 identifying multiple pegmatites which, at that time, were not assessed for lithium and rare earth element occurrences.

[1] ASX Announcement, 11 April 2023 - https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02652909-6A1144583?access_token=83ff96335c2d45a094df02a206a39ff4

The major lithium deposits of north-western Ontario are located within 20km of a terrane boundary. These terrane boundaries are recognised as deep-seated sutures that divide accreted Archaean terranes and act as conduits for fertile peraluminous granitic melts. The Big Rock Lithium Property lies within 17km of the English River – East Wabigoon Terrane boundary (Figure 2).

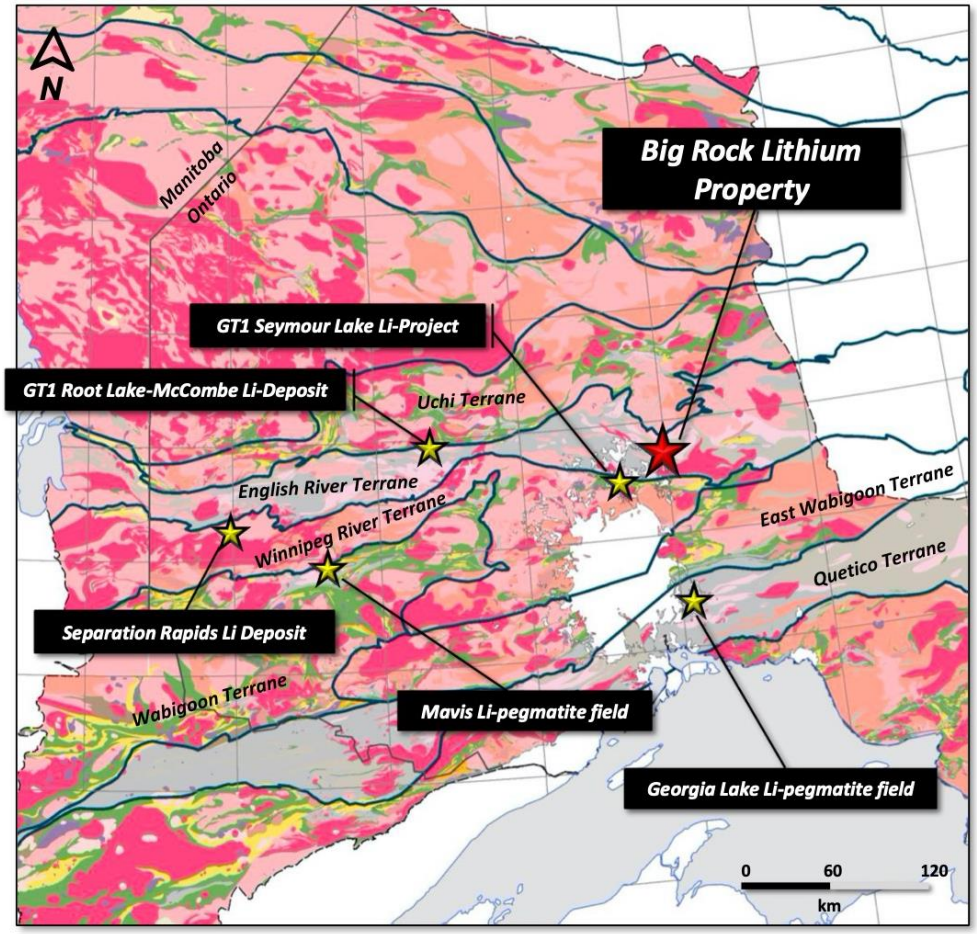

Figure 2: Location of Big Rock Lithium Property relative to major Terrane boundaries.

Rogers Creek Lithium Property

The Rogers Creek Lithium Property is located in north-western Ontario (Figure 3) approximately 45km east of the Georgia Lake pegmatite field which has been recognised as having the largest concentration of rare earth element mineralisaton in the Superior Province, Quebec.

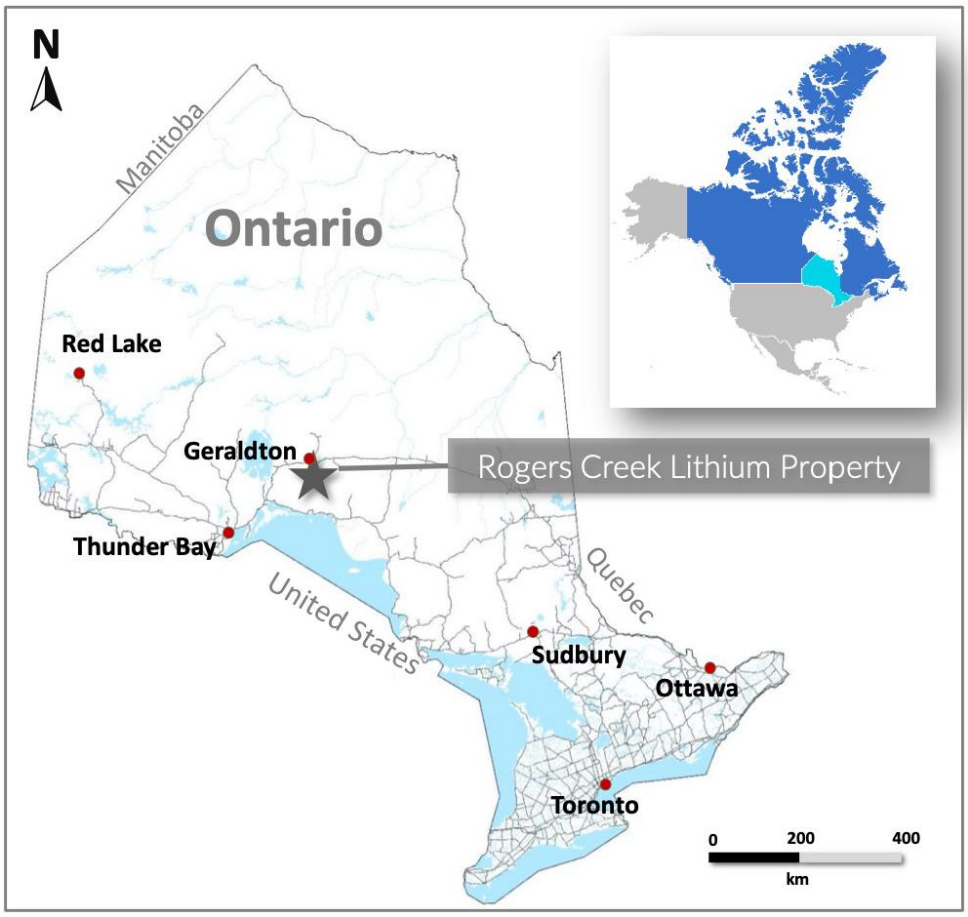

Figure 3: Location of the Rogers Creek Lithium Property.

The property is hosted by a muscovite-bearing granite which has been identified as an S-type, peraluminous fertile parental granite. This granite is in contact with metasedimentary units which provides an ideal host environment for pegmatites. The Long Lac Fault and associated secondary structures provide the necessary pathways for granitic melts and pegmatite deposition.

Regional mapping in 1939 and 1970 documented several white and pink pegmatites in the vicinity of the Property both within the peraluminous granites and the metasedimentary units indicating possible fractionating pegmatite activity.

The property occurs within 13km of the East Wabigoon – Quetico Terrane boundary (Figure 4) which provides further support for the exploration potential of this location.

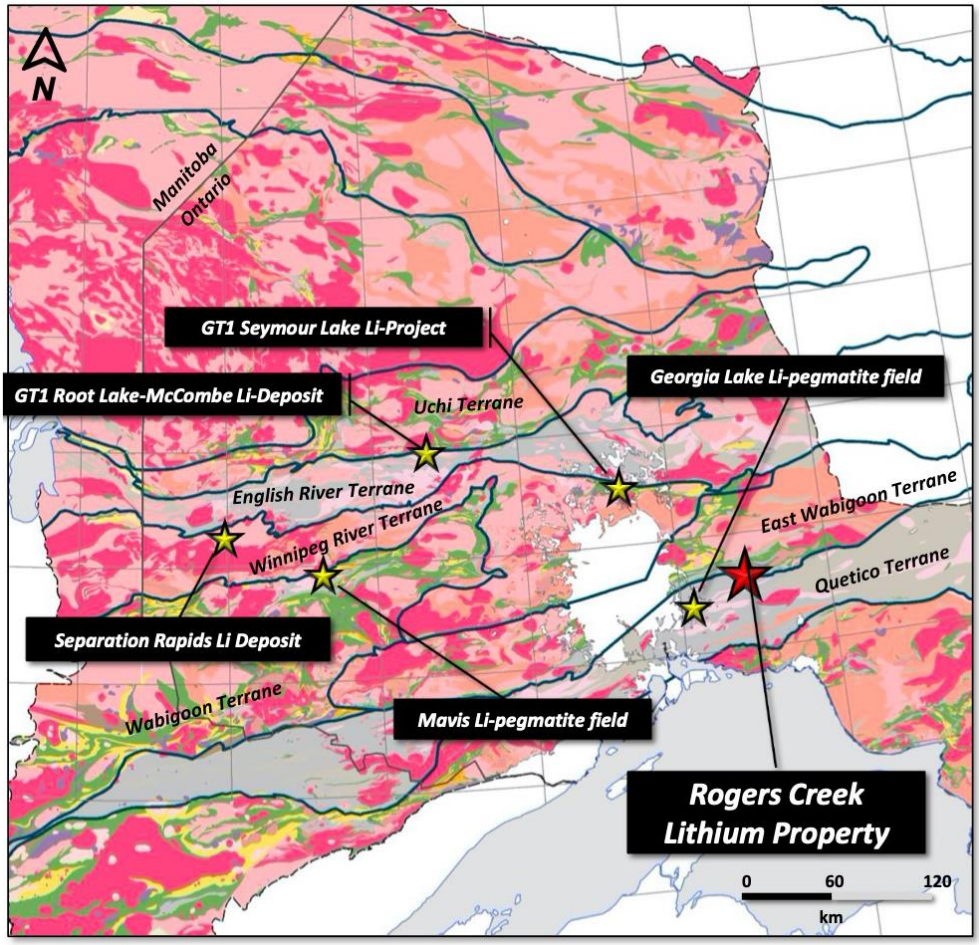

Figure 4: Location of the Rogers Creek Lithium Property relative to major Terrane boundaries.

Ottertail Lithium Property

The Ottertail Lithium Property is located in north-western Ontario (Figure 5) approximately 90km north-west of Nakina within the same geological setting as the Superb Lake pegmatite field which is known principally for its spodumene bearing lithium and niobium / tantalum mineralisation.

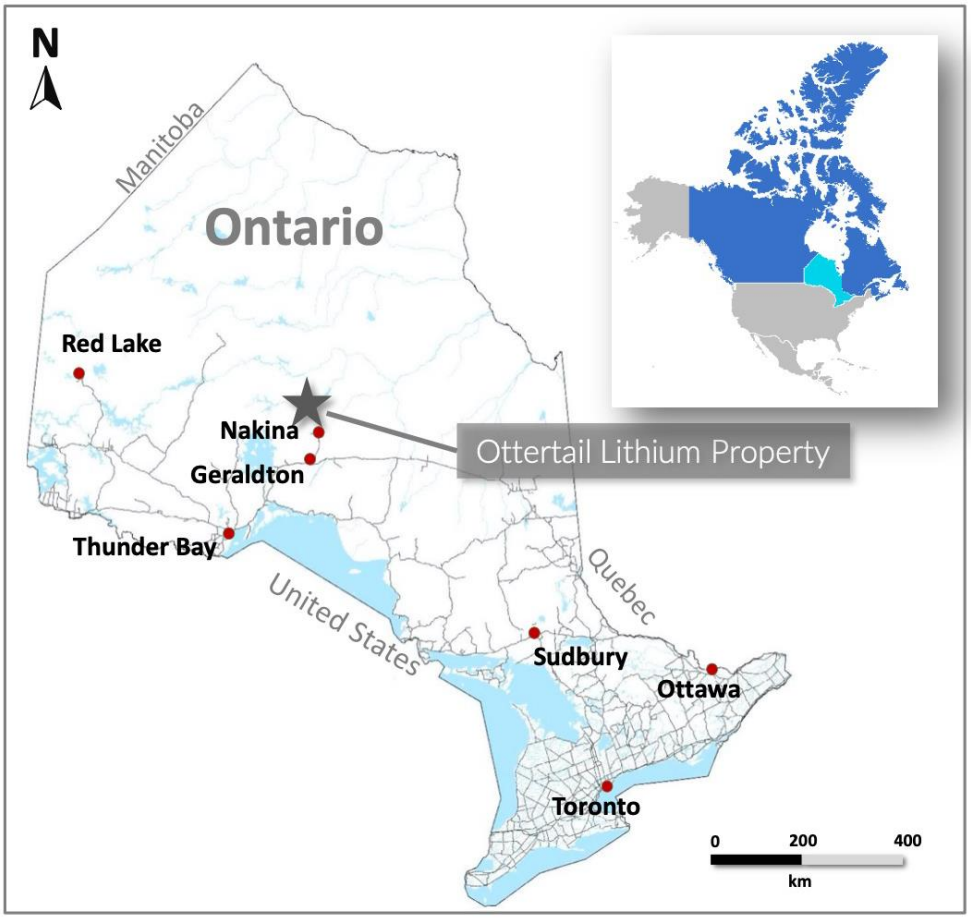

Figure 5: Location of the Ottertail Lithium Property.

The property is hosted along the limb of a major fold sequence and along the contact of a metasedimentary unit and a fertile, peraluminous parental granite which provides the ideal environment for exomorphic dispersion in the host rocks adjacent to rare-element pegmatites. Regional faulting and dilational structures associated with folding provide excellent conduits for granitic parental melts.

In 2003 the Ontario Geological Survey (OGS) conducted a regional investigation of mineralisation associated with rare element pegmatites and related S-type, peraluminous granites within the Superior Province including the Superb Lake pegmatite field with the detection of fertile, peraluminous parent granites.

The property lies 17km south-east of the Uchi-English River Terrane boundary.

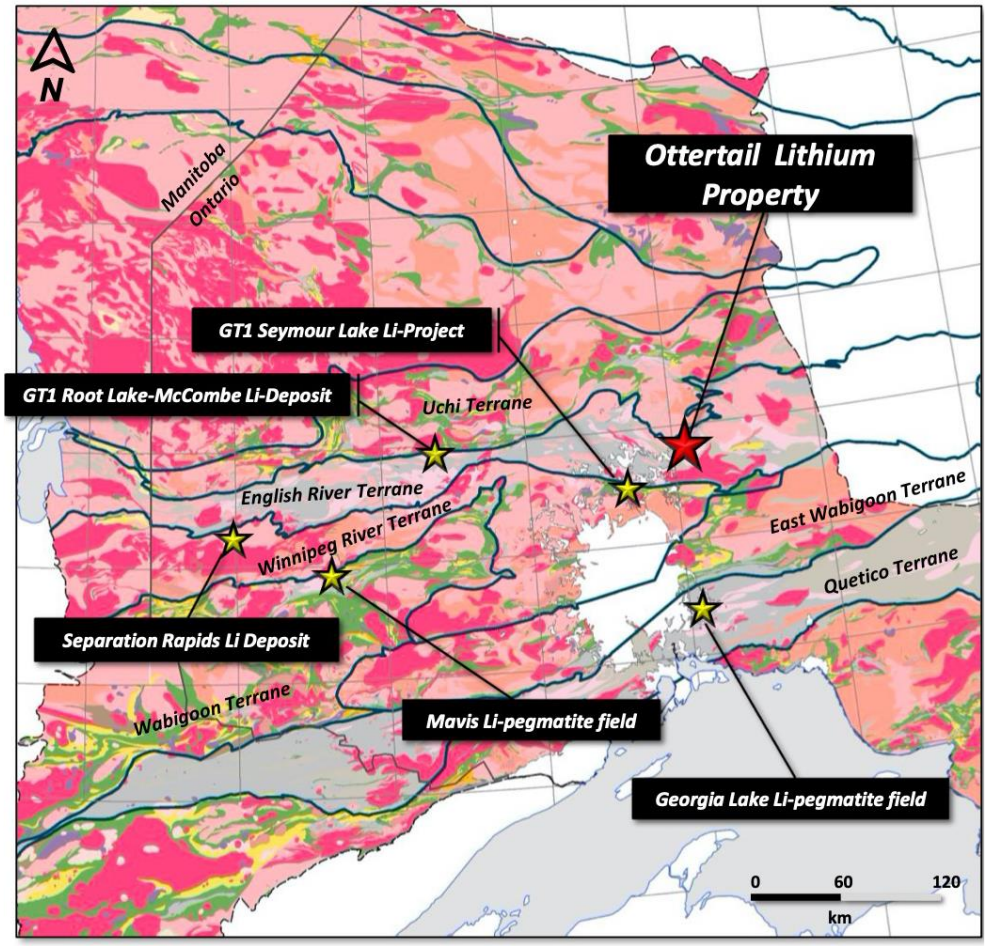

Figure 6: Location of the Ottertail Lithium Property relative to major Terrane boundaries.

Gathering Lake Lithium Property

The Gathering Lake Lithium property is located in north-western Ontario (Figure 7) approximately 68km north-east of Nipigon and 25km east of the Georgia Lake pegmatite field which hosts several lithium deposits such as Rock Tech Lithium's Georgia Lake Lithium Project which comprises 10.60 million tonnes (Mt) Indicated Mineral Resource at a grade of 0.88% Li_2O and 4.22 Mt of Inferred Mineral Resource at a grade of 1.0% Li_2O as of 31 July 2022[2].

[2] Technical Report, Georgia Lake Lithium Project Pre-Feasibility Study, 1 October 2022 - https://www.sedar.com/GetFile.do?lang=EN&docClass=24&issuerNo=00005870&issuerType=03&projectNo=03459784&docId=5315019

Figure 7: Location of the Gathering Lake Lithium Property.

The property is hosted along the contact a fertile peraluminous parental granite and metasedimentary units which make ideal exomorphic contact hosts for fractionating parental melts. Several north trending faults provide the necessary dilational structures.

The spodumene-bearing pegmatites of this area were first discovered in 1955 with the majority of historical exploration occurring between 1955 – 1958. Many of these pegmatites were drill tested in 1955 and 1956 with some additional drilling occurring in the 1980's and 1990's. The majority of pegmatites are hosted by Archaean metasediments near large peraluminous granites and are lithium-caesium-tantalum (LCT) type pegmatites with strong potential for other rare elements such as niobium, tantalum, rubidium, beryllium and caesium.

Work conducted by the Ontario Geological survey (OGS) in the 1970's identified several white garnetiferous and tourmalinised pegmatites which provided further evidence of the fertile nature of the granitic melts and the potential for significant fractionation leading to lithium-bearing pegmatite deposition.

The Gathering Lake Lithium property occurs within the Quetico Terrane (Figure 8) which has become a major focal point for exploration of clastic metasedimentary-hosted, rare-element pegmatite mineralisation.

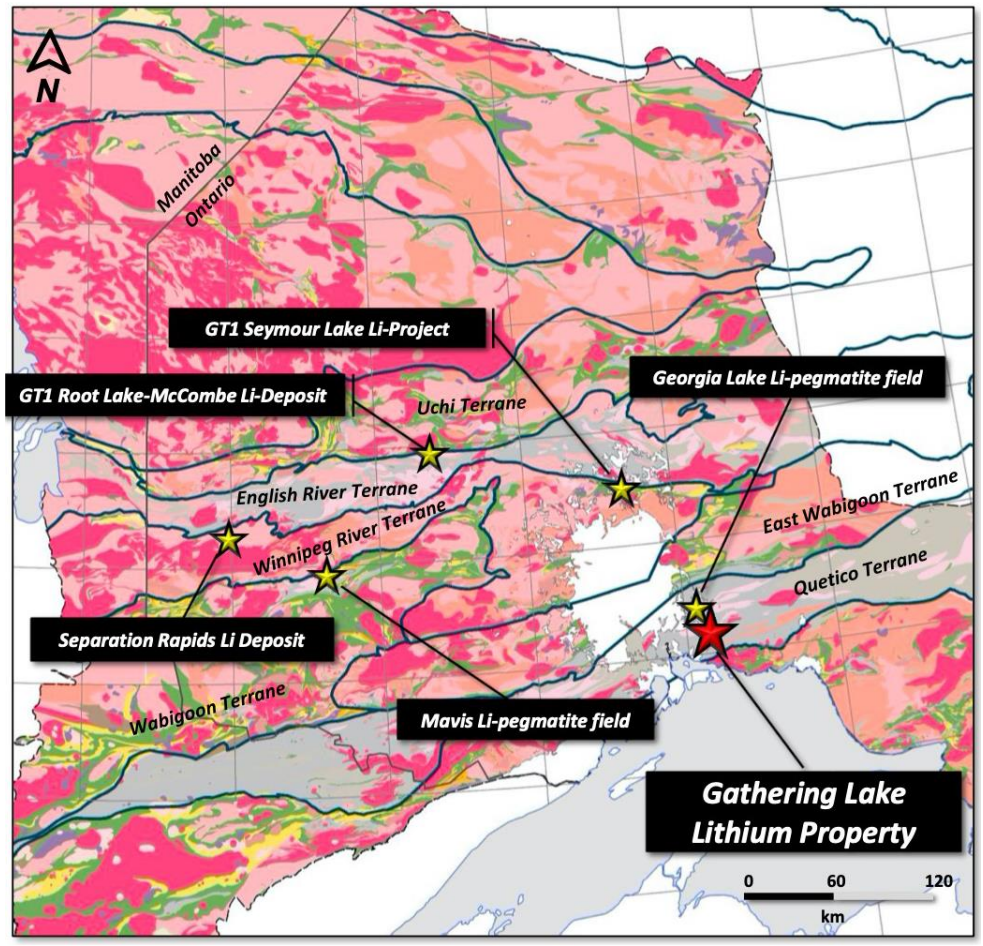

Figure 8: Location of the Gathering Lake Lithium Property within the Quetico Terrane.

Cohiba's CEO, Andrew Graham says, *"We are delighted to have been able to complete this acquisition and secure these strategic tenements within known lithium and rare earth element terranes. North-west Ontario is recognised as a key lithium Province and with highly attractive geological and structural precursors within close proximity to known lithium resources we are confident of yielding exploration success. Canada is forecast to be a significant supplier of critical minerals, including lithium, which is evidenced through the recent deal between Green Technology Metals (GT1) and LG Energy Solutions (LGES) which saw LGES invest AUD$20 million in GT1 to become a substantial shareholder and major offtake partner. Following an extensive due diligence process we are confident that we have secured an exceptional portfolio of projects and look forward to undertaking some detailed reconnaissance work in the upcoming summer season."*

Acquisition Terms

As announced on 25 May 2023, consideration for the Proposed Acquisition of Maple Minerals and consideration for the acquisition of the projects was as follows:

(a) issue of fully paid ordinary shares in the capital of the Purchaser (**Shares**) to the vendors (being the shareholders of Maple Minerals) (**Vendors**) of 50,000,000 Shares in aggregate (**Consideration Shares**);

(b) issue of unlisted performance rights to acquire Shares (**Performance Rights**) to the Vendors in the following tranches:

1. Unlisted performance rights (**Tranche 1 Performance Rights**) in the Purchaser of 62,500,000 Tranche 1 Performance Rights in aggregate. Tranche 1 Performance Rights convert to fully paid ordinary shares in the Company upon and subject to the Company discovering and reporting in accordance with the JORC code not less than five rock chip samples taken from the mining claims forming the projects at not less than 1% Li20 each. If the milestone for the conversion of Tranche 1 Performance Rights is not achieved by 48 months then Tranche 1 Performance Rights shall automatically lapse. and

2. Unlisted performance rights (**Tranche 2 Performance Rights**) in the Company of 62,500,000 Tranche 2 Performance Rights in aggregate. Tranche 2 Performance Rights convert to fully paid ordinary shares in the Company upon and subject to the Company reporting in accordance with the JORC code a drill intercept or channel sample of not less than 10 metres at not less than 1% Li20. If the milestone for the conversion of Tranche 2 Performance Rights is not achieved by 48 months then Tranche 2 Performance Rights shall automatically lapse.

(together, the **Consideration Performance Rights**).

In accordance with the terms of the acquisition agreement which Maple Minerals had with the current holders of the projects, the Company was required to pay the following additional consideration to the current holders of the projects:

(a) Cash consideration of CAD$259,000; and

(b) The grant of a 1.5% net smelter royalty (**NSR**) in respect of production of any minerals from the area within the boundaries of the claims comprising the projects. Post completion of the Transaction, the Company will have the ability to re-purchase 0.05% of the NSR for $500,000.

Section 708A Cleansing Notice

This notice is given by the Company under Section 708A(5)(e) of the Corporations Act 2001 (Cth) (Corporations Act).

The Company hereby confirms that:

a) It has issued the following securities without disclosure to investors under part 6D.2 Corporations Act:

- 50,000,000 Placement Shares with an issue price of $0.005 (0.5 cents) per Share;
- 50,000,000 Consideration Shares for the acquisition of Maple Minerals 2 Pty Ltd;
- 350,000,000 CHKOB Options as free attaching options for the Placement;
- 40,000,000 CHKOB Options to the lead manager of the Placement.

b) The Company is providing this notice under section 708A(5)(e) of the Corporations Act;

c) As at the date of this notice the company, as a disclosing entity under the Corporations Act, has complied with:

i. The provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
ii. Section 674 of the Corporations Act as it applies to the Company; and

d) As at the date of this announcement, there is no excluded information of the type referred to in Sections 708A(7) and 708A(8) of the Corporations Act.

Appendix 2A's relating to the issue of Shares and Options noted above were released to ASX on this day.

- Ends -

This announcement has been approved for release by the Board of CHK.

For further information:
Andrew Graham – Executive Director & CEO

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About Cohiba Minerals Limited

Cohiba Minerals Limited is listed on the Australian Securities Exchange (ASX) with the primary focus of investing in the resource sector through direct tenement acquisition, joint ventures, farm in arrangements and new project generation. The Company has projects located in South Australia, Western Australia and Queensland with a key focus on its Olympic Domain tenements located in South Australia.

The shares of the company trade on the Australian Securities Exchange under the ticker symbol CHK and on OTCQB Market under the ticker symbol CHKMF.