



## Recommendation

**Initiating Coverage**  
**Speculative Buy**

**Price Target: \$0.40 (Fully Diluted)**

## Company Statistics

Share Price	\$0.175
Trading Range since IPO	\$0.17 -0.26
Market Cap (undiluted)	\$11.38m
Enterprise Value	\$5.88m
Listed Shares	65.0m
Options (Unlisted)	16.5m
Cash Balance (*est.)	\$5.5m*

## Major Shareholders

Ponderosa Investments (WA) Pty Ltd	4.07%
HSBC Custody Nominees (Aust) Limited	3.95%
Deck Chair Holdings Pty Ltd	3.60%
JP Morgan Nominees Australia Pty Ltd	3.47%
Mr Geoffrey Kevin Cammell	2.95%
Directors & Management (*est)	5.00%*

## Directors & Management

Mr Michael Haynes	Non Exec Chairman
Mr Benjamin Vallerine	Managing Director
Mr Scott Funston	Non Exec Director

## Share Price Performance Since IPO



## Key Investment Highlights

- > Recently listed, low capitalised, junior explorer holding a highly prospective U.S. cobalt dominant tenement portfolio, predominantly located in the well endowed Idaho Cobalt Belt, badged as one of the world's premier cobalt districts, as well as Nevada
- > High grade cobalt mineralisation has been discovered on all projects and in several cases has seen historical mining
- > USA, Idaho Cobalt Belt & Nevada considered to be located in stable, responsible, mining friendly jurisdictions
- > Portfolio provides excellent leverage to the strong rising demand for cobalt, a "critical metal" component of modern batteries in electric vehicles and battery energy storage required as an integral part of the global green energy transition
- > Portfolio also considered as answering the West's call for, diversified ethically sourced cobalt in a domestic capacity outside of conflict zones and high sovereign risk areas
- > Experienced board & management team with recent and current notable exploration success in the USA

## Aiming To be An Integral Part of the USA's Response to the Call for Future Ethically Sourced Domestic Cobalt

### Strong Portfolio of Cobalt Projects Located in the Globally Significant, Well Endowed Idaho Cobalt Belt

#### Investment Overview

Koba Resources Limited (ASX: "KOB" or "the Company") is a recently listed junior focussing its exploration effort on targeting cobalt dominant mineralisation within the USA. The Company holds what we believe to be an unusual standout portfolio of cobalt rich projects predominantly located within the globally recognised and exceptionally well endowed, Idaho Cobalt Belt ("ICB") in Western USA. KOB also holds a highly prospective cobalt project in Nevada located 50km from Las Vegas.

All of KOB's projects have discoveries of high grade cobalt mineralisation in various forms on them, whether it be from surface sampling or have significant historical multiple metre wide drill intersections of high grade primary cobalt mineralisation, often associated with copper and gold.

Notably, several of KOB's prospects in both ICB and Nevada have, in the past, been the subject of historical small scale, but prolifically high-grade (often several %) cobalt mining between late 1800's to as late as 1979. This to us further highlights KOB's portfolio potential for further discovery and near future delineation of commercial cobalt resources.

Select examples of intersections highlighting some of the project's high grade potential and prospectivity include and are not limited to:

#### BLACKPINE COBALT – COPPER PROJECT

- 6.2m grading 0.61% Co & 6.4gpt Au (incl. 2.8m grading 1.25% Co & 14.0gpt Au) (Regina prospect)
- 1.2m grading 1.43% Co & 1.37gpt Au (Regina prospect)
- 7.32m grading 0.16% Co, & 0.32gpt Au (Swift prospect)
- 2.80m grading 0.16% Co, 4.90% Cu & 0.45gpt Au (Troll prospect)

#### COLSON COBALT – COPPER PROJECT

- 2.5m grading 0.59% Co, 5.33% Cu & 2.24gpt Au (sampling from underground workings at Salmon Canyon mine)
- 5.5m grading 0.20% Co & 0.69gpt Au (Salmon Canyon mine prospect)
- 1.6m grading 0.12% Co, 1.42% Cu & 0.77gpt Au (Salmon Canyon mine prospect)

Further highlighting the prospectivity of KOB's ICB projects, we note the projects are located within close proximity (or immediately adjacent to) and in the same stratigraphic sequences of the ICB's two largest known deposits, namely Glencore's Blackbird Mine (Historical production of 5Mt grading 0.6% Co, & 1.5% Cu) and Jervois Global Limited's (ASX:JRV Mkt Cap \$1.2B) Idaho Cobalt Operation (6.6Mt grading 0.42%Co, 0.64% Cu & 0.51gpt Au).

The timing of KOB's listing is in our view favourable for investors. Cobalt is now considered by the US and Western Europe as a "Critical Metal" and recognised as an essential component of battery energy storage in electric vehicles and renewable energy systems, which, are now at the forefront in the global push to transition towards a carbon zero green energy future.

The Company deliberately targeting high-grade cobalt prospects in the well endowed ICB & to a lesser extent Nevada, provides investors with excellent prospective leverage to known high grade cobalt rich projects, in a first world stable jurisdiction (independent of high sovereign risk African jurisdictions and Chinese influence) which have significant potential to be able to be developed into primary cobalt operations mining ethically sourced cobalt. We anticipate any exploration success to significantly excite the market and trigger a positive upward share price movement.

We place a Speculative BUY on KOB anticipating that we will see early exploration success from drilling on what we believe are exceptionally good cobalt prospects.



## Company Overview

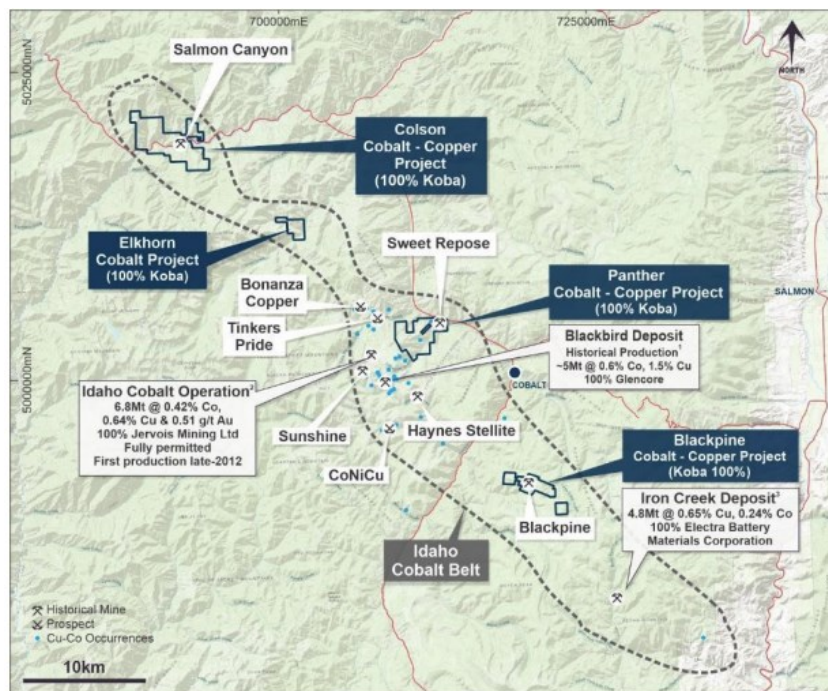
*Holding a highly prospective portfolio of cobalt projects located in the well endowed Idaho Cobalt Belt*

*The additional acquisition of the advanced Blackpine Cobalt-Copper Project including the historical Blackpine mine further bolsters an already highly prospective portfolio*



**Above:** General location map of KOB's Idaho and Nevada Projects in the USA

**Right:** Topographical map with the Idaho Cobalt Belt marked with a dashed line. The map also highlights KOB's four projects; Blackpine, Panther, Colson & Elkhorn and their proximal location to the current two major mines of the district, being Jervois Idaho Cobalt operation and Glencore's Blackbird Mine



**KOB provides investors with one of the better, most prospective low sovereign risk cobalt exploration portfolios located in mining friendly, jurisdictions we have seen on the ASX to date. With a substantially low capitalisation, we envisage that any exploration success should bode well for a positive share price appreciation**

*KOB has deliberately assembled a high grade cobalt portfolio at an opportune time as global prices continue on a general upward trajectory*

*Cobalt is now firmly entrenched as a key strategic battery metal holding a "critical" role in the worlds transition from heavy reliance on fossil fuels to net zero green energy solutions*

**Koba Resources Limited** (ASX: "KOB" or "the Company") is a recently listed explorer holding what we believe to be a portfolio of highly prospective cobalt projects located in the Idaho Cobalt Belt (ICB) and south Nevada, USA.

Resulting from exceptional exploration success at its Antler Copper Project in Arizona, now justifiably absorbing all of its personnel and financial resources, New World Resources (ASX:NWC) made the decision in 2021 to spin out its cobalt focussed projects into a new vehicle KOB. Simultaneously, further bolstering an already highly prospective portfolio, KOB has also acquired upon listing a key additional ICB asset namely the Blackpine Cobalt-Copper Project from Jervois Global Limited (ASX:JRV Mkt Cap \$1.2B).

The resultant portfolio is, we believe to be, one of the better, most prospective cobalt exploration portfolios located in mining friendly, low sovereign risk jurisdictions we have seen on the ASX to date. With a substantially low capitalisation, we envisage that any exploration success announced moving forward should bode well for an anticipated share price appreciation.

## Cobalt's Front & Centre Place in a "Greener World"

This paper has been written on the assumption that the reader has a fair and reasonable understanding of the cobalt market and cobalt's critical place in the strategic hierarchy of green energy metals. The reader is certainly encouraged to source additional market pricing and projections in relation to cobalt. It is however pertinent to highlight a few key general points.

KOB has deliberately assembled a portfolio of high grade cobalt rich projects with potential to eventually host commercial operations at what we believe to be an opportune time as demand for cobalt is projected to rapidly escalate.

Known for a significant amount of time in the resources sector, but more recently now by global policy makers and governments, cobalt is now firmly deemed by the developed world as a key *strategic battery metal* holding a critical role in the world's transition from heavy reliance on fossil fuels to net zero green energy solutions.

The key driver of current cobalt demand and ultimately price is the enormous continued upward trajectory of the Electric Vehicle (EV) market, Over 66% of global cobalt consumption is now taken up in rechargeable batteries including, but not limited to EVs, smartphones, powerbanks and power tools.



*Cobalt consumption largely driven by the EV market is forecast to grow from 138ktpa in 2021 to circa 400ktpa by 2030*

*Yet despite demand, cobalt projects (particularly primary cobalt deposits) able to deliver into this increased demand are hard to come by. So finding one or more in a tier 1, low sovereign risk, mining friendly jurisdiction such as Idaho is a rare opportunity*

*Currently >80% of the worlds production of cobalt is sourced from developing countries and countries considered high sovereign risk*

*Shareholders of western industries and consumers now expect their products to contain ethically sourced commodities with cobalt being no exception. This adds further immense pressure to an already tight supply chain*

*The US's strong ambition to transition to a "clean energy superpower" targeting net zero emissions by 2050 and to provide new support for a domestic supply chain is arguably "tailor made" for a US cobalt portfolio such as KOB's*

*Introduction of the REEShore Act to the US Senate on 14th January 2022, whilst still to be ratified, is seen as a powerful indication of the US's support for companies like KOB trying to explore and define and commercialise domestic sources of "critical" metals*

Recent studies have global cobalt consumption forecast to rise steeply from what was 138,000 tonnes per annum in 2021 to circa 400,000 tonnes per annum in 2030. Alarmingly however, the global resources sector holds very few advanced mining project opportunities that have potential to deliver into this strong forecast demand. The vast majority of cobalt production (98%) in the world today is actually a by-product of either nickel or copper mining. "Primary" cobalt deposits (defined as being where cobalt is the key commercial element in the targeted mineralisation), with KOB's projects being deemed in this category, are notably rare in the geological record and made even more rare when one takes into consideration limited scope to deliver new projects in a safe low sovereign risk jurisdiction such as the USA.

What has now culminated has been a strong price rise, doubling in 2021 from USD33,000 to USD70,000 per tonne. To add to already tight market conditions and increased short and long term supply concerns mounting due to conflict in Ukraine has seen further pressure and price rises to USD81,500 per tonne (11 March 2022) (current price ~USD73,500 per tonne).

### **With Cobalt, Its not Just about Supply but Also about an "Ethically Sourced" Strategic Supply**

It is currently estimated that 71% of the world's cobalt supply originates from the Democratic Republic of Congo (DRC) alone where human right violations, some particularly relating cobalt production, including child labour, are reported as occurring on a daily basis. Add to this figure, additional cobalt production where sovereign risk is of concern i.e. in other developing countries and now very recently the "fall out" due to conflict involving Russia in Ukraine and China supporting the Russian regime, this figure increases to over 80%. These alarming statistics obviously leaves western industrial consumers of cobalt in a bind where they critically need cobalt supply for their industrial product applications but at the same time are now being increasingly driven by their shareholders and lobby groups (including governments) to know and report where their raw materials are coming from and subsequently are pressured to purchase from ethical sources which are currently too few and far between.

### **US Targeting a Transition to "Clean Energy Superpower" Status**

"Relevant to Koba in an extremely positive way is the current Biden Administration's strong ambition to introduce new legislation under the "Clean Energy Plan" which, it is proposed, will see the USA transition to becoming a *clean energy superpower* by targeting net zero carbon emissions by 2050, and supporting a domestic supply chain for strategic minerals which is almost entirely imported.

### **Introduction of the REEShore Act\* Bodes Extremely Well for Koba**

Particularly and specifically worthy of note, on 14th January 2022 US Senators introduced before the Senate a bipartisan bill for *Restoring Essential Energy and Security Holdings Onshore of Rare Earths*" i.e. (REEShore Act\*). This proposed legislation if passed (and it is strongly anticipated it will) bodes extremely well for Koba with US domestic cobalt projects.

\***REEShore Act** is proposed bipartisan legislation designed to support the domestic production of *rare earth metals* and rare earth metal products in the United States and "protect America from the threat of rare earth element (metal) supply disruptions and reduce the USA's reliance on China." The crux of the legislation if enacted would:

- 1) require the establishment of a US *rare earth metals* strategic reserve by 2025
- 2) force certain Department of Defence ("DoD") contractors to disclose "country of origin" for materials made of *rare earth metals* such as cobalt and rare earth magnets
- 3) prohibit the use of *rare earth metals* processed or refined in China in DoD contracts by December 2026
- 4) require audits of compliance with the REEShore Act
- 5) require the United States Trade Representative ("USTR") to investigate and monitor China's practices regarding *rare earth metals*
- 6) require reports on U.S. allied efforts to reduce dependence on *rare earth metals* from non-allied countries.

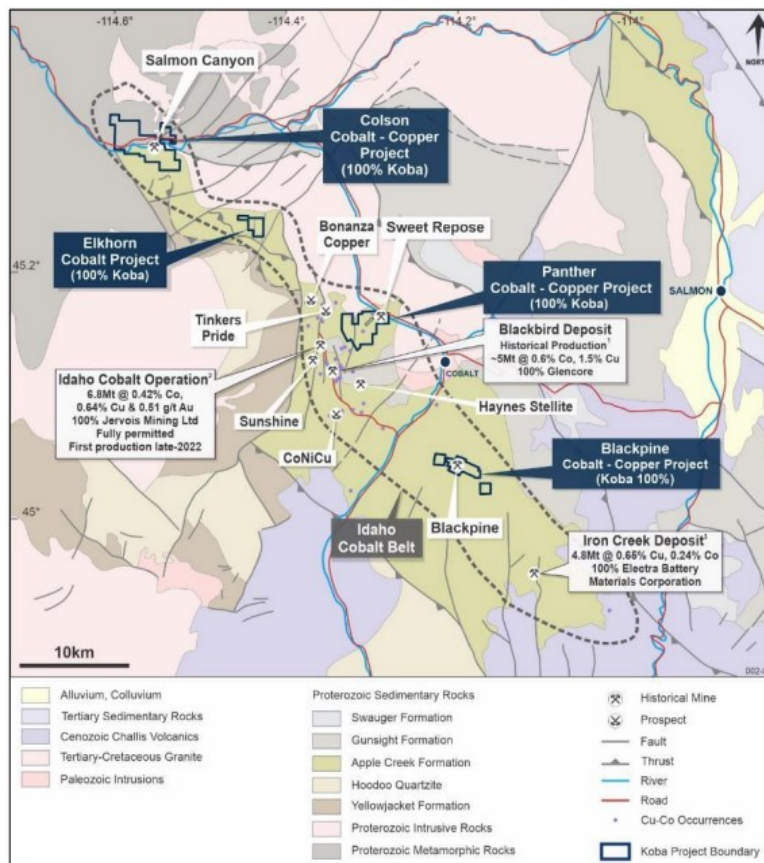
**The REEShore Act defines "rare earth metals" as:** beryllium, cerium, **cobalt**, dysprosium, erbium, europium, gadolinium, graphite, holmium, lanthanum, lithium, lutetium, manganese, neodymium, praseodymium, promethium, samarium, scandium, tantalum, terbium, thulium, tungsten, ytterbium, and yttrium.



## Idaho Cobalt Belt: A Well Endowed Cobalt Belt, & About to be The USA's Premium "Go To" for Domestic Supply

The Idaho Cobalt Belt (ICB) is a rare example of a "Primary" mineralised cobalt rich zone where cobalt is the dominant metal of primary commercial interest. Such examples are rare in the geological record globally

The Idaho Cobalt Belt (ICB) is something quite special in the *world of cobalt*. As mentioned previously the majority (98%) of the global cobalt production comes as a by-product of nickel and copper mining with only a tiny amount of global production emanating from "Primary" deposits (also previously discussed). The ICB is defined as one of those such rare belts and is unusual in that it is host to multiple deposits in which cobalt is the element of primary commercial interest and value.



The ICB has a history of mining stretching back to the 1800's with last production undertaken in 1969. Historically the belt was explored and mined for copper and gold only on a moderate scale. Only really since 1960's has cobalt come to the forefront as the primary element of commercial interest. However, it is worth noting that the ICB deposits do also contain a strong notable endowment of copper and gold which should not be ignored and now form a suite of elements inclusive of cobalt of commercial interest to today's explorers.

Historically explored for copper and gold only, its only since the 1960's has cobalt been recognised as being of commercial interest, makes the belt still significantly under explored for cobalt despite being host to two globally significant deposits

Because cobalt has only really come to the forefront of commercial interest in recent times, despite the belt's prolific endowment, it remains remarkably

underexplored which opens up a tremendous opportunity for KOB with numerous *walk up targets* to further define and discover new mineralisation of commercial interest.

The two largest known deposits within the belt are:

- Glencore's historical Blackbird Mine, where past production between 1938 and 1969 saw 5Mt grading 0.6% Co and 1.5% Cu mined from both open cut and underground operations.
- Jervois Global's Idaho Cobalt Operation, developing the Ram deposit, a brand new mine and processing plant planned to commence production in late 2022, mining from a global resource base of 6.8Mt grading 0.42% Co, 0.64% Cu & 0.51pgt Au. When in production at the end of 2022 this operation will be the USA's "go-to" for domestic cobalt supply.

KOB holds a total of 4 wholly owned projects within proximity of these deposits in the ICB namely:

- **The Blackpine Cobalt-Copper Project**
- **The Colson Cobalt-Copper Project**
- **Panther Cobalt-Copper Project**
- **Elkhorn Cobalt Project**

KOB's 4 wholly owned projects, all of which contain high grade cobalt mineralisation occurrences are some of the ICB's most advanced prospective prospects outside of the two main deposits

These projects, the Company is keen to point out contain, "some of the most advanced prospects in the ICB" outside of the two main deposits and "Importantly, the limited exploration that has been undertaken previously at the Company's projects has demonstrated that high grade cobalt mineralisation is present at all of them."



## Blackpine Cobalt-Copper Project, Idaho USA (KOB 100%)

*Blackpine Cobalt-Copper Project considered by us as KOB's flagship project*

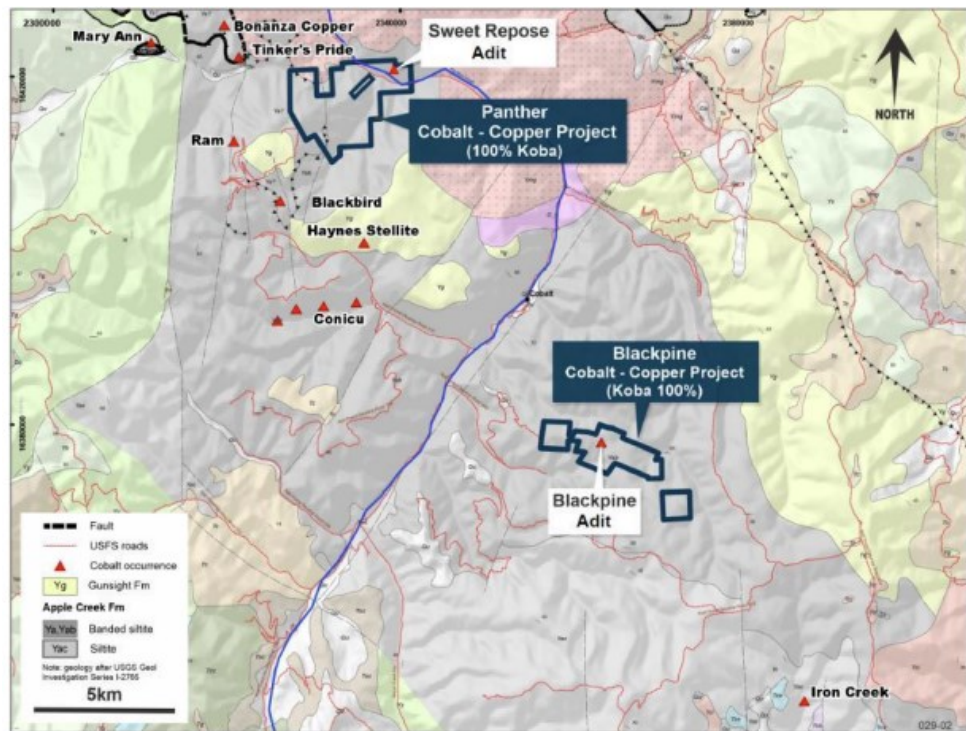
Arguably considered KOB's flagship, the Blackpine Cobalt-Copper Project is located approximately 25km west of the township of Salmon covering approximately 517 hectares.

The project encompasses the historical Blackpine mine which produced 6,000 tonnes grading 2% copper between 1945 and 1965, a time when the areas cobalt prospectivity was unknown.

*Last material exploration between 1993 and 1996 resulted in some standout drilling intersections of high grade cobalt-copper mineralisation on several prospects over a strike of 4.4km*

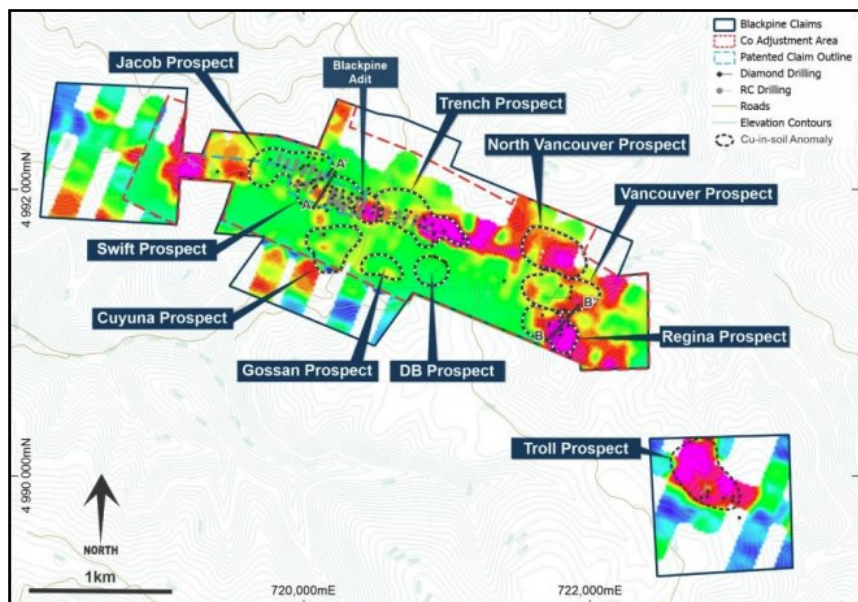
The project has not seen any material exploration since 1996. Prior to that between 1993 and 1996 previous owner Formation Capital undertook a series of soil and rockchip sampling programs defining anomalous cobalt in soils over a 5km strike. Geophysics culminating in the drilling of 196 holes for 17,935m on several prospects/targets was deemed highly successful with shallow high grade cobalt-copper-gold mineralisation intersected over a 4.4km strike, which to date remains open along strike and at depth.

**Right:** Combined Geology and topography map of the middle part of the ICB with KOB's 100% owned Blackpine and Panther tenements marked and shown in relation to other known cobalt occurrences including Glencore's Blackbird Mine and Jervois Global's Ram deposit



Three prospects *Swift, Regina & Troll* are currently the most advanced and discussed in this paper. However, several more less advanced prospects namely *Trench, Jacob, Vancouver, North Vancouver, DB and Gossan* prospects have also been defined and require follow up.

**Blackpine Cobalt-Copper Project:** Incorporating the Historical Blackpine Copper-Cobalt Mine has multiple high grade cobalt occurrences known over several prospects, the three most advanced of which are: *Swift, Regina & Troll*





## Blackpine Cobalt-Copper Project, Idaho, USA

*Swift Prospect: incorporates the historical Blackpine Mine adit*

### Swift Prospect

At Swift prospect, which incorporates the historical Blackpine Mine adit, mineralisation has been defined in multiple beds of siliceous volcanics containing chalcopyrite, arsenopyrite and pyrite. Drilling to date has intersected multiple, multi metre cobalt & copper intersections the best drilling results being:

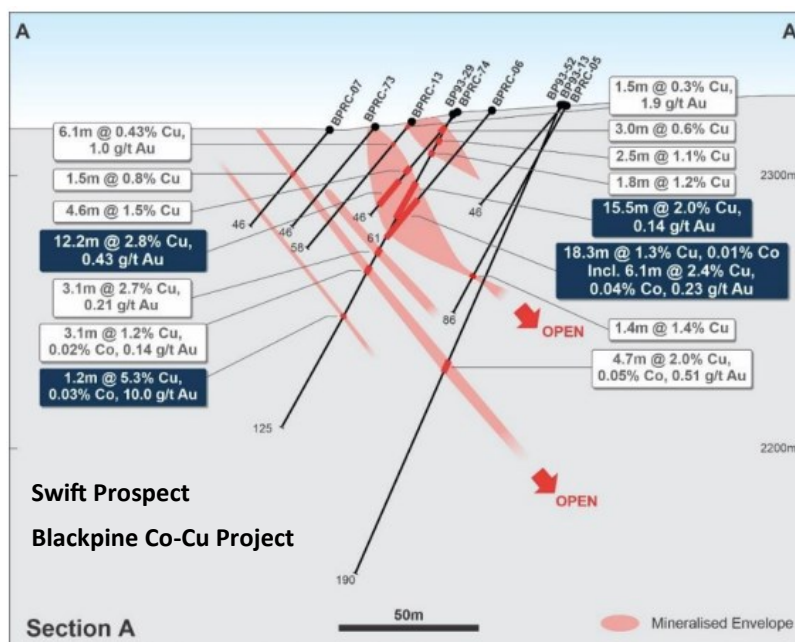
*Drilling at Swift to date has intersected multiple, multi metre high grade cobalt & copper intersections*

- **12.2m grading 0.01% Co, 2.80% Cu & 0.43gpt Au from 29m**
- **7.3m grading 0.16% Co & 1.37gpt Au from 1.5m**
- **4.3m grading 0.02% Co, 7.47% Cu & 0.78gpt Au from 124.6m**
- **3.0m grading 0.02% Co, 9.41% Cu & 0.78gpt Au from 90.5m**
- **0.46m grading 0.66% Co, 14.71gpt Au from 91.4m**

The mineralisation is poorly tested by drilling below 150m and therefore significant potential is present to further test for depth extensions. Advantageously, the prospect is currently permitted with drilling planned to commence in September 2022.

*Right: Drilling cross section through Swift prospect with high grade mineralisation marked in red*

*The drill permitted Swift prospect remains poorly tested below 150m and therefore represents an excellent early priority target for planned drilling in September 2022*



### Regina Prospect

Currently defined by a 500m long Cu-Co-As soil anomaly and by only 13 historical drill holes for 2,609m, the Regina prospect shows significant potential with the drilling previously intersecting very high grade mineralisation over a strike of 150m down to a depth of 275m.

*Regina Prospect: Historical drilling has intersected high grade cobalt mineralisation over multi-meter widths.*

*The mineralisation is still open along strike and below 275m*

Considered as one of KOB's highest priority drilling targets, drilling to date has intersected multiple, multi metre, cobalt & copper intersections, the best drilling results being:

- **16.8m grading 0.37% Co, & 0.59gpt Au from 25.9m**
- **6.2m grading 0.61% Co & 6.4gpt Au from 77.4m (incl. 2.8m grading 1.25% Co & 14.00gpt Au from 77.4m)**
- **10.1m grading 0.34% Co, 0.16% Cu & 0.10gpt Au from 142.3m**
- **1.2m grading 1.43% Co & 1.37gpt Au from 159.1m**
- **3.2m grading 0.50% Co & 0.71gpt Au from 50.4m**
- **0.15m grading 4.79% Co, 0.01% Cu & 4.00gpt Au from 82.1m**

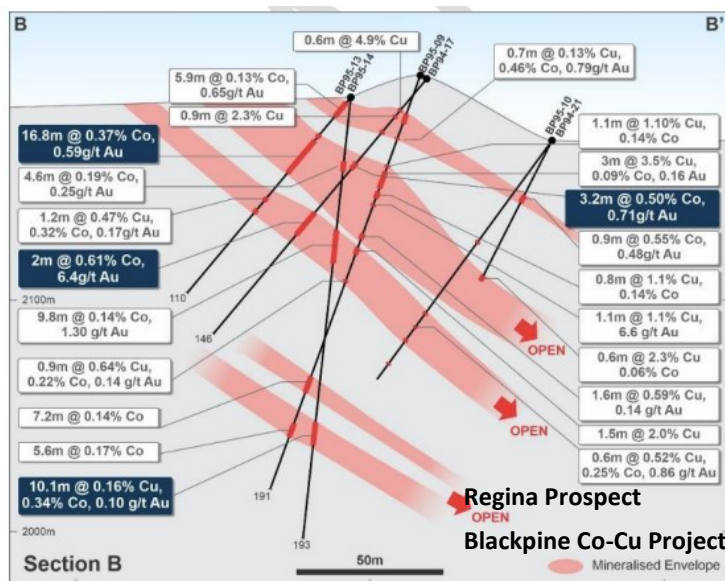
*Regina is considered one of KOB's highest priority drill targets and will be drilled as soon as drill permitting is granted which we estimate could be circa Q1 2023*

Whilst drill coverage is currently considered poor, it is nevertheless sufficient to provide KOB with strong encouragement and certainly demonstrates that the mineralisation remains open at depth and along strike. Drill permitting is still required for the prospect. However, the Company believes drilling following approval could well be achievable in the first quarter of 2023.



## Black Pine Cobalt-Copper Project, Idaho, USA

**Right:** Cross section through Regina Prospect highlighting the multi meter wide high grade cobalt mineralisation which remains open along strike and below 275m



### Troll Prospect

The Troll prospect is also of significant early interest. The prospect incorporates two collapsed historical adits and several trenches and pits dating back to early 1900's, which chased shallow cupriferous gossanous mineralisation. 1990's soil sampling has defined a 500m long Cu in soil anomaly. Limited drilling (7 holes for 828m) has been successful in intersecting high grade cobalt and copper mineralisation. Best results include:

**Troll Prospect:** incorporating several underground and open cut historical workings, limited drilling has intersected high grades

- 2.80m grading 0.16% Co, 4.90% Cu & 0.45gpt Au from 10.7m
- 1.86m grading 0.13% Co, 3.86% Cu & 0.11gpt Au from 24.1m
- 0.67m grading 0.10% Co, 11.40% Cu & 0.10gpt Au from 74.3m
- 0.52m grading 0.32% Co, 0.05% Cu & 0.01gpt Au from 54.9m

Like Regina & Swift, the mineralisation at Troll is high grade, poorly tested and remains open in all directions. Given the high grades reported from the limited historical drilling Troll is justifiably deemed by the Company as a high priority target and will be drill tested in early 2023 following approvals.

It is expected Troll will be drill tested in early 2023 following approvals in conjunction with Regina prospect

### Other Blackpine Cobalt-Copper Project Prospects

Three other Blackpine prospects are also worthy of mention. These include:

**Trench Prospect:** a 350m strike of mineralisation discovered in a series of trenches in the 1960s located adjacent to the Blackpine adit. A strong Cu-Co-Au soil anomaly was also delineated in the 1990s extending the Trench prospect out to 650m in strike length. 40 drill holes for 4,178m have been drilled historically the best drilling results being:

**Other Blackpine Prospects :** Three additional prospects worthy of note further highlight the widespread prospectivity of Blackpine as a project

- 6.52m grading 0.18% Co, 0.09% Cu & 1.23gpt Au from 97.1m
- 6.10m grading 0.14% Co, 0.93% Cu & 2.16gpt Au from 138.4m

**Jacob Prospect:** Trenching in the 1950's defined a wide zone of altered exhalatives located immediately NW of the Blackpine adit and Swift prospect. Drilling (34 holes) has defined some high grade mineralisation. Selected best intersections include:

- 12.20m grading 0.002% Co, 3.51% Cu & 0.34gpt Au from 35.1m
- 1.46m grading 0.03% Co, 6.37% Cu & 1.31gpt Au from 61.3m

The mineralisation remains open at depth and to the east. This prospect is permitted to drill.

**Vancouver Prospect:** Located immediately north of Regina prospect Vancouver prospect is defined by a 600m long Cu-Co-Au-As anomaly including several historical pits and trenches. Only three holes have been drilled to date with best cobalt results being:

- 1.52m grading 0.12% Co, 0.03% Cu & 0.07gpt Au from 188.9m
- 0.91m grading 0.11% Co, 0.02%Cu & 0.11gpt Au from 104.5m

The mineralisation remains open in all directions and warrants new follow up drilling.



## Colson Cobalt-Copper Project, Idaho, USA (KOB 100%)

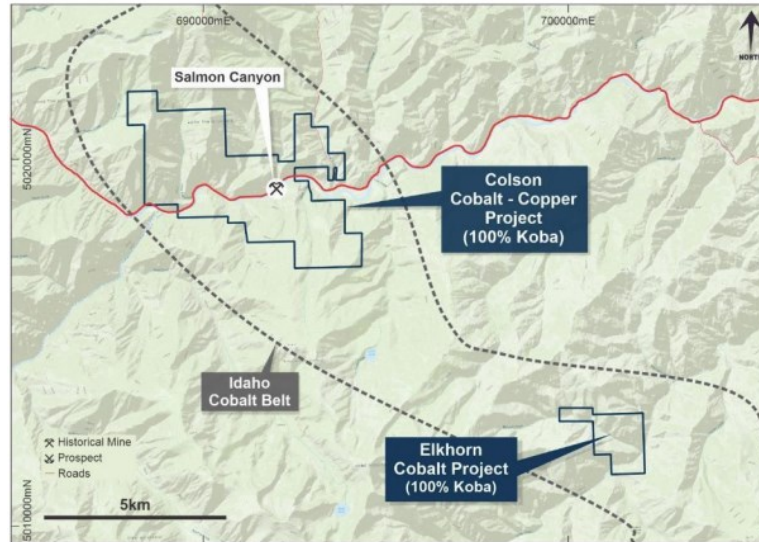
*Colson Cobalt-Copper Project : Incorporates the historical Salmon Canyon Copper-Cobalt Mine*

KOB's wholly owned Colson Cobalt-Copper Project is located approximately 50km WNW of the township of Salmon. The project comprising of 1,550 hectares is situated on at the north western end of the ICB.

**Right:** Topographic map of the ICB highlighting KOB's Colson and Elkhorn Cobalt-Copper Projects with the historical Salmon Canyon Mine marked



**Above:** Historical Salmon Canyon Mine adit entrance



*Two parallel zones of cobalt-copper mineralisation defined, each zone 3 to 6m wide striking for 300m. The mineralisation still open along strike and down dip below 600m is reported to be increasing in grade to the north and west*

Cobalt-copper mineralisation was first discovered in the Colson area in the 1960's which subsequently led to the development of the Salmon Canyon Copper Mine in 1964 which saw a bulk mixed copper-cobalt concentrate being sold from a 125tpd custom mill until 1979.

Underground exploration from the historical 650m of adit development in parallel with surface exploration has defined two parallel sub horizontal horizons of stratiform copper-cobalt mineralisation. The mineralised horizons that average 3 to 6m in width extend >300m along strike and 600m down dip and remain open in both directions along strike and down dip. Later historical, likely channel sampling of the underground workings reported:

- **2.5m grading 0.59% Co, 5.33% Cu & 2.24gpt Au**
- **1.3m grading 0.35% Co, 6.16% Cu & 2.54gpt Au**
- **1.8m grading 0.31% Co, 3.48% Cu, 3.48gpt Au & 27.7gpt Ag**

KOB management point out that historical reports indicate grade increasing to the north and west.

### **Drill Permitted Colson Cobalt-Copper Project has Advantageously had Modern Exploration Groundwork Completed From which KOB can Leverage**

*The largely drill permitted Colson Cobalt-Copper Project has been subjected to modern exploration by NWC in 2017 & 2018 from which KOB is able to advantageously leverage*

The Colson Cobalt-Copper Project has advantageously for KOB, been the subject of modern exploration. In our view the project is arguably the most advanced project in KOB's portfolio thanks to work undertaken by New World Resources Limited (then named New World Cobalt Limited) (NWC) in 2017 and 2018 which KOB is able to significantly leverage.

Several phases of systematic soil sampling in 2017 generated four strong cobalt-copper in soil anomalies over a strike of 5.6km:

- **Long Tom Soil Anomaly** (>2km long, Undrilled. A very-high-grade anomaly with Co grades up to 0.11% Co reported)
- **Salmon Canyon Soil Anomaly** (Partially drill tested, Co grades up to 113ppm)
- **Salmon Canyon Deposit Up-dip Soil Anomaly** (Undrilled, Co grades up to 77ppm)
- **Shell Creek Soil Anomaly** (Undrilled, Co grades up to 641ppm)

*Several phases of systematic soil sampling and later geophysical surveys has generated a series of distinct high quality high grade soil anomalies and standout IP anomalies (some coincident) now requiring follow up drill testing*

During 2018 in conjunction with soil sampling NWC undertook two Induced Polarisation (IP) surveys aiming to define and refine drill targets. The IP was successful in delineating three significant anomalies, all of which remain undrilled and requiring drill testing as a priority:

- **Salmon Canyon IP Anomaly located immediately NW of the Salmon Canyon underground workings**
- **Long Tom IP Anomaly** (250m deep, 750m by 750m, coincident with the Long Tom Soil anomaly)
- **Shallow Long Tom IP Anomaly** (A shallow 100m deep IP anomaly coincident with the strongest assays of the Long Tom Soil Anomaly)

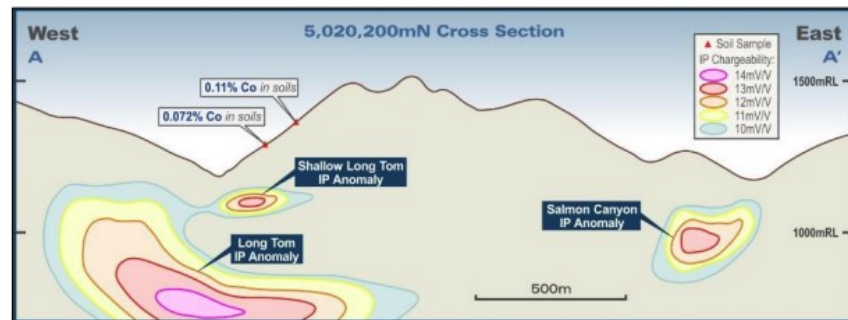




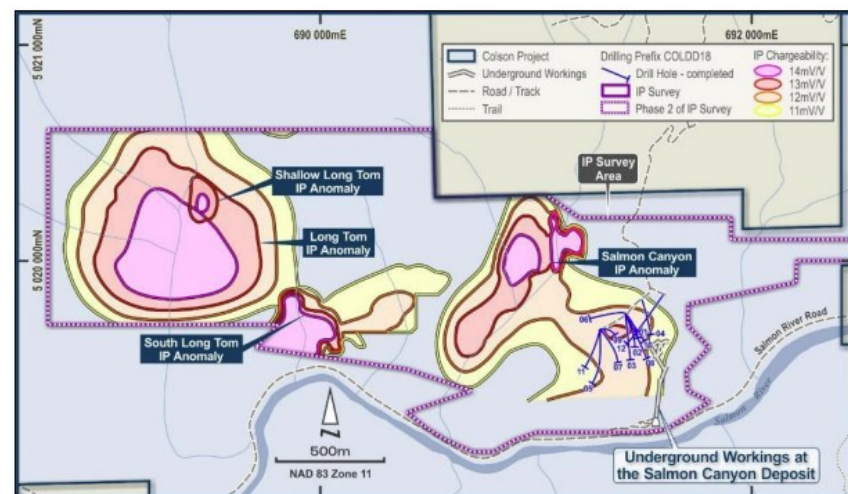
## Colson Cobalt-Copper Project, Idaho, USA

### Salmon Canyon & Long Tom IP Anomalies

**Top Right:** Cross section through the Salmon Canyon and Long Tom area with the Salmon Canyon, Long Tom and Shallow Long Tom IP anomalies plotted



**Bottom Right:** Plan of the Salmon Canyon and Long Tom IP Anomalies with current historical drill traces marked in blue. The historical Salmon Canyon underground mine workings is also marked in white. The plan highlights the IP anomalies remaining largely untested by drilling and are high priority targets



### 2018 Salmon Canyon Mine Drilling: Multiple High-Grade Intersections Strongly Encouraging

2018 drilling undertaken by NWC at and around the Salmon Canyon Mine was very successful intersecting high grade cobalt and copper

It is KOB's view that in light of subsequent later IP data, the drilling may have not intersected the most prospective part of the mineralisation and therefore further follow up drilling is considered a high priority

In 2018 NWC undertook a drilling campaign at and around the historical Salmon Canyon Copper Mine. The drilling at that time was planned on new soil results and on historically reported mineralisation present in the workings at the mine. This occurred prior to the Company receiving any IP results. The 12 hole drilling program was highly successful resulting in multiple high grade intersections with best results reported being:

- **5.5m grading 0.20% Co & 0.69gpt Au from 275.2m**
- **1.1m grading 0.18% Co, 1.43% Cu & 0.74gpt Au from 322.2m**
- **1.6m grading 0.12% Co, 1.42% Cu & 0.77gpt Au from 344.0m**
- **1.2m grading 0.15% Co, 1.47% Cu & 0.23gpt Au from 345.0m**
- **1.3m grading 0.15% Co, 1.18% Cu & 0.56gpt Au from 338.5m**

Whilst the drilling intercepts alone were very encouraging in their own right, KOB management are keen to point out that the drilling only pierced through the weak flanks of the later defined Salmon Canyon IP Anomaly. Therefore the Salmon Canyon IP Anomaly which largely remains untouched by drilling, is now a very high priority drill target for the Company. With drill permits already in place a 4,000m to 5,000m drilling is planned for June, July & August 2022.

### Long Tom & Shallow Long Tom IP Anomalies Coincident with High Grade Cobalt-in-Soils to be Drilled as Priority 1 Permitted Targets

Salmon Canyon Mine IP Anomaly, Long Tom IP Anomaly and Shallow Long Tom IP Anomaly all considered priority drill targets that will be tested in June to August 2022

At the Long Tom prospect geochemical soil sampling returned some exceptionally high grade cobalt and copper results including 0.11% Co and 0.39% Cu within a 2km by 2.2km area. Coincident with excellent chargeability at depth in the form of Long Tom and Shallow Long Tom anomalies, mindful that permitting as already been approved, KOB will drill these high priority targets in June, July & August 2022.



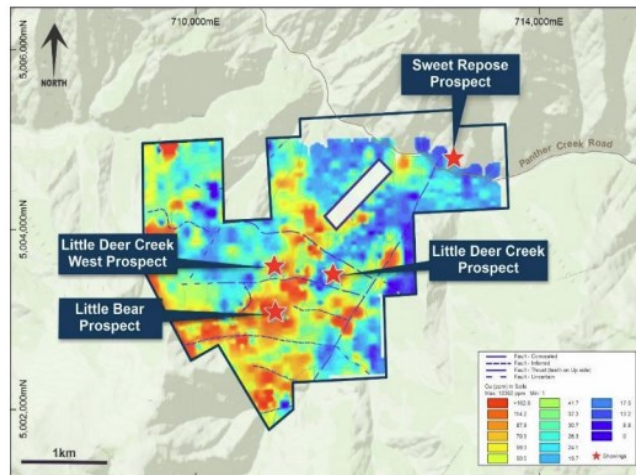
## Panther Cobalt-Copper Project, Idaho, USA (KOB 100%)

**Panther Cobalt-Copper Project:** Located only 3km from the Idaho Cobalt Operation and within 3km of the historical Blackbird Mine

Limited but extremely encouraging surface and underground sampling has already demonstrated high grade cobalt and copper mineralisation on no less than three prospects

Located 30km west of Salmon, less than 3km from Glencore's historical Blackbird Mine and 3km from the Ram deposit being developed by Jervois Global's Idaho Cobalt Operation, the Panther Cobalt Copper Project covers 870ha of mining claims. The claims also incorporate the Sweet Repose copper mine which was mined until 1943.

The project was subjected to some modern exploration undertaken by previous owner ePower Metals Inc in 2017 & 2018, who undertook extensive surface soil sampling as well as, selective



surface and underground rockchip and channel sampling resulting in some high grades reported from three prospects: *Little Deer Creek, Little Deer Creek West & Little Bear*. No geophysics or drilling has been undertaken to date despite significant encouraging results.

**Little Deer Creek Prospect:** Centrally located. Cobalt-Copper mineralisation has been identified over 200m at surface and up to 1,000m in soils. Best rockchip and channel sampling results include:

- **3.00m grading 0.022% Co, 1.15% Cu & 0.42gpt Au** (Channel Sample)
- **0.50m grading 0.17% Co & 0.16% Cu** (Channel Sample)
- **0.45m grading 0.14% Co & 0.6% Cu** (Channel Sample)
- **0.37% Co, 1.75% Cu & 3.1gpt Au** (Rockchip Sample)

The prospect will require permitting before drilling can be undertaken.

**Little Deer Creek West Prospect:** Located 600m west of Little Deer Creek Prospect Cu-Co-Au mineralisation has been defined in prospecting pits over 150m within the same geological unit within a 1,000m long soil anomaly. Best cobalt results include:

- **0.27% Co, 2.70% Cu & 0.87gpt Au** (Rockchip Sample)
- **0.04% Co, 2.84% Cu & 1.00gpt Au** (Rockchip Sample)

**Little Bear Prospect:** a 150m long 1.0-1.5m wide zone of mineralisation in a distinct exhalative horizon identified and rockchip sampled in 2018. Results include:

- **0.27% Co, 4.20% Cu & 10.40gpt Au** (Rockchip Sample)
- **0.19% Co, 4.10% Cu & 7.80gpt Au** (Rockchip Sample)
- **0.27% Co, 2.4% Cu & 19.3gpt Au** (Rockchip Sample)

## Elkhorn Cobalt Project, Idaho, USA (KOB 100%)

**Elkhorn Cobalt-Copper Project:** Located 15km from Blackbird Mine, whilst still at the early stage of exploration the project does show significant encouragement



Located 40km west of Salmon and 15km northwest of the Blackbird Deposit the Elkhorn Cobalt-Copper Project consists of 227ha of mining claims with cobalt-copper mineralisation occurrences known since 1800's loosely defined within numerous pits and trenches exposing cobalt copper oxides and cobaltite.

NWC in 2018 undertook some minor soil sampling which defined significant Co-Cu-As-Ag anomalism requiring follow up. As Elkhorn is not as advanced as KOB's other projects in the ICB the project is currently ranked low priority but is still considered highly prospective for one or more commercial grade cobalt-copper deposits.

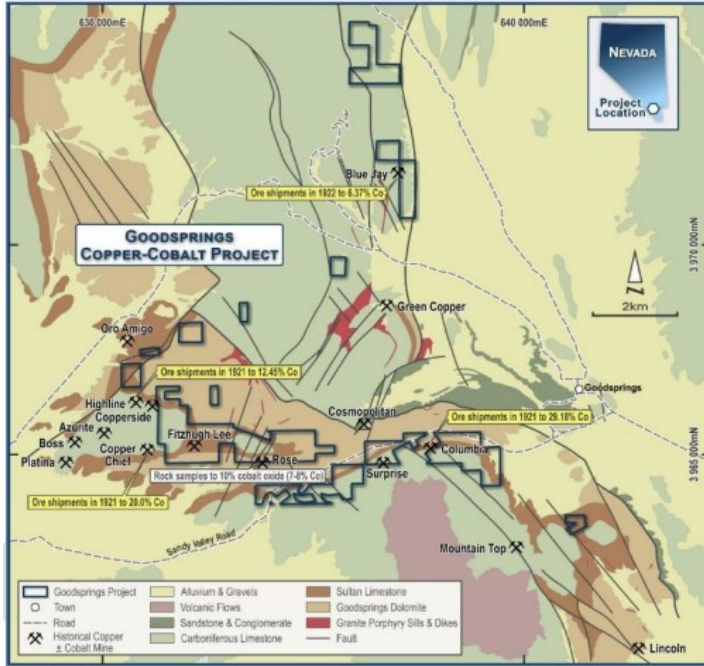


## The Goodsprings Copper-Cobalt Project, Nevada (KOB 100%)

**Goodsprings Copper-Cobalt Project, Nevada:** Located only 50km from Las Vegas with a known history of small scale substantially high grade cobalt mining

**Top Right:** Geological Map of the Goodsprings district with KOB's tenement boundaries outlined and historical mines marked

Located near the town of Goodsprings and approximately 50km from Las Vegas, KOB has secured a series of mining claims in the Goodsprings district. The area is known to have a long history of small scale copper mining between 1896 and 1962. Cobalt was only recognised and mined with the copper from 1921 when 19.1 tonnes of cobalt bearing ore was mined from 4 mines grading an impressive 9.5% Co.



KOB has a significant starting advantage in being able to leverage off NWC's recent fieldwork. NWC undertook soil sampling in 2018, the result being the delineation of 16 significant cobalt-copper-in-soil anomalies, five of which collectively extend over 5,000m either side of the historical Columbia mine where historical production in 1921 was reported as grading up to 29.2% Co.

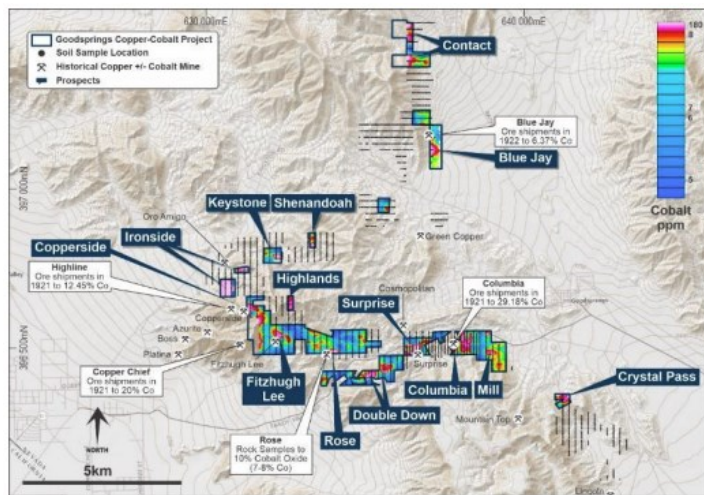
A 1,000m long cobalt in soil anomaly was also delineated during NWC's 2018 work at and along strike of the historical Blue Jay Mine (1922 production reported as grading 6.37% Co).

Also advantageously for KOB, in 2018 NWC also completed an IP geophysical survey which delineated 26 chargeability anomalies. From this 18 drill targets have been identified, coincident or adjacent to the previously defined soil anomalies.

To date no drilling has been undertaken.

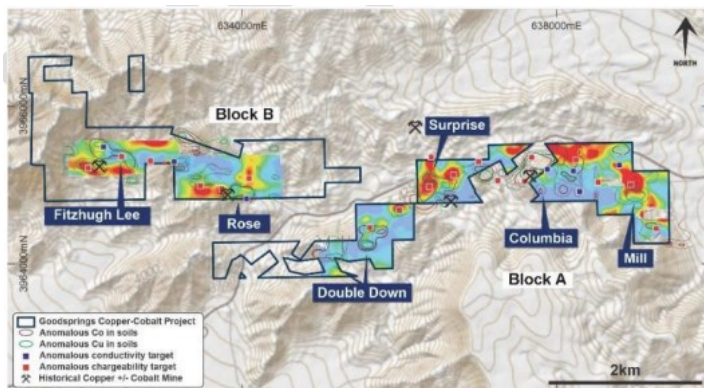
KOB has indicated that Nevada is lower priority for the time being. New 2022 fieldwork is however planned to better understand the controls on the copper-cobalt mineralisation before drilling can occur which we anticipate, could be in 2H 2023, following the granting of drilling permits.

**Middle Right:** Cobalt in soils geochemistry at the Goodsprings Copper-Cobalt Project after NWC work in 2018



**Bottom Right:** 75m depth slice of IP chargeability with cobalt and copper soils geochemistry contours and IP targets marked

KOB in an excellent position to leverage off NWC's 2018 work to refine targets ready for maiden drilling in mid to late 2023





## Share Price Target

KOB has just listed as a pre-resource explorer at a low capitalisation when compared to the majority of its junior resource sector peers.

We view the Company as holding a rare, highly prospective, collection of cobalt focussed exploration prospects located in two globally significant, well endowed cobalt belts in Idaho and Nevada.

We note that all of KOB's projects have known occurrences of very-high-grade cobalt mineralisation on them, with the vast majority even having seen small historical cobalt production in one form or another in the past. This is highly encouraging, as low capitalised cobalt prospects with meaningful grades and meaningful multi-meter widths are hard to come by globally and as such not many companies on the ASX can boast such a prospective cobalt project portfolio as KOB. Add to the mix such prospects in tier 1 "safe" sovereign risk jurisdictions and the list is much shorter.

Taking all of this into consideration and with a current low capitalisation, we can envisage any exploration success from current planned drilling programs between June and August 2022 and September to October 2022 should be sufficient to see a significant positive share price re-rating.

We are therefore comfortable at this stage to place a Speculative BUY on KOB with a Price Target of 40 cents per share which, whilst this is a 100% premium to the 20 cent IPO price, we anticipate the Company will achieve exploration success in the upcoming drilling on not just one but multiple prospects on what is a substantially low market capitalisation.

## Board & Management

### Mr Michael Haynes – Non Executive Chairman

Mr. Haynes is a geologist with nearly 30 years experience in the mining industry. Over that time he has been involved in numerous exploration and development resource projects spanning a wide range of commodities and jurisdictions including Australia, Southeast Asia, Central Asia, Africa, North & South America and Europe.

Michael has held technical positions for both BHP Minerals Limited and Billiton PLC. For several years he consulted in a private capacity providing professional geophysical and exploration services to junior and major resource companies. He has worked extensively on project generation and M&A throughout his career and over the past 16 years has been involved in the incorporation, ongoing financing and management of numerous resources companies. Mr Haynes is currently Managing Director of New World Resources Limited (ASX: NWC)

### Mr Benjamin (Ben) Vallerine – Managing Director

Mr Ben Vallerine is a geologist with over 20 years experience in the mining industry. Throughout a sizeable portion of his career Ben has been involved in senior management roles with exploration and development resource projects across a range of commodities predominantly in Australia and North America.

Ben's most recent role was Exploration Manager for ASX listed Caspin Resources Limited (ASX: CPN) and prior to that CEO & Exploration Manager of ASX listed Renegade Exploration Limited. Mr Vallerine has a considerable amount of experience operating in the USA with notable roles with Polar X Limited (Alaska) as Exploration Manager and Black Range Minerals (Colorado) as Country Manager, obtaining experience in the identification, acquisition and exploration of mineral assets in North America. Mr Vallerine is also currently Non Executive Technical Director of Okapi Resources Limited

### Mr Scott Funston – Non Executive Director

Mr Funston is a Chartered Accountant with nearly 20 years experience in the mining industry and accounting profession. His expertise lies in financial management, regulatory compliance and corporate advice. Scott has a strong knowledge of ASX requirements and has assisted a number of ASX listed resources companies as CFO and /or Company Secretary with projects in Australia, South America, Asia Africa and the USA.

Scott was recently CFO and Company Secretary for Avanco Resources, a Brazilian focussed explorer that was acquired by Oz Minerals Limited (ASX:OZL) in 2018. He is currently CFO and Finance Director for Challenger Exploration Limited (ASX: CEL)



## Risks Associated with Investing in Koba Resources Limited

Potential investors need to be aware that investment in Koba Resources Limited, like all investments in junior resource companies, is of a highly speculative nature. Normal share market risk conditions apply including commodity prices, currency fluctuations, sentiment, supply and demand and general economic outlook. Normal exploration, development and production risks also apply as well as operating, environmental and native title risks.

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