

Koba turns heads with likely pivot into world-class South Australian uranium district

Koba Resources is shaping to make a big move into South Australia's renowned uranium district. Pic via Getty Images.

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- **Explorer Koba Resources looks set to add uranium to its portfolio**
- **And in a big way, with a potential 80% interest in the promising Yarramba project in South Australia's world-class yellowcake district**
- **The drills will be spinning in Q2 following shareholder approvals**

***Special Report:* Koba Resources is gearing up to grab a slice of hot yellowcake through its interest in the Yarramba project, which already has a 4.6mlb resource in a proven, world-class uranium exploration and mining territory in South Australia**

The WA explorer is known for its high-quality lithium and cobalt projects in other top-tier locations globally, including Manitoba and Quebec in Canada, and the Idaho Cobalt Belt in the US.

But this latest foray – which has reached a binding agreement stage with Havilah Resources (ASX:HAV) for 80% interest in the project (see 'The nitty gritty' below) – looks like it could be a transformational moment for the company.

Certainly, the potential is there for Koba Resources (ASX:KOB) to add significant value through the Yarramba uranium project to its exploration portfolio.

And that's because, not only is the mining scene globally looking like it's entered a uranium bull market, but Yarramba is situated in a 4,000km² tenement package in South Australia's world-class uranium jurisdiction – 450km NE of Adelaide and 60km NW of Broken Hill.

And the vast district includes two of Australia's three operating uranium mines:

Yarramba is just 17km north of the Honeymoon uranium mine, where production recently commenced and resources total 71.6mlbs at 620ppm U_3O_8 .

And it's about 120km southeast of the Beverley uranium operation, which boasts production of more than 40mlbs of U_3O_8 over 20 years of continuous toil, with defined resources of 165mlbs at 2,766ppm U_3O_8 .

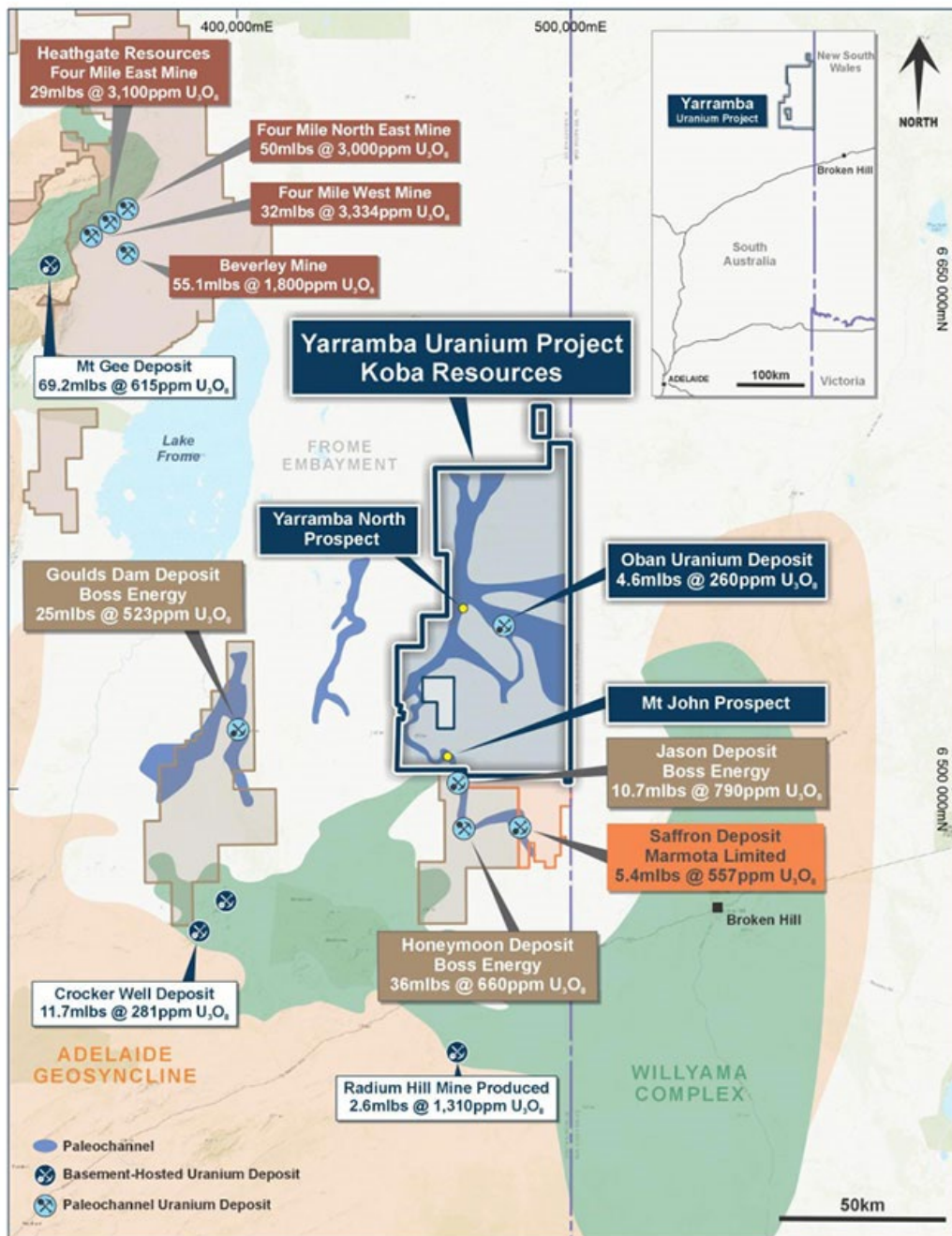


Figure 1. Location of the Yarramba Uranium Project within a world-class uranium district in South Australia. ⁶⁷⁸⁹¹⁰

Location of the Yarramba Uranium Project within a world-class uranium district in South Australia.

Pic: Supplied (KOB)

Meanwhile, Yarramba’s most advanced prospect is the Oban deposit, with a resource estimate of 8.2Mt at 260ppm U_3O_8 for 4.6mlbs of U_3O_8 .

Hosted within flat-lying carbonaceous and pyritic sands of the Eyre Formation at depths between 80 and 90m, Oban has potential for thick, high-grade mineralisation, according to the company.

“The Yarramba Project is centred on 4.6 million pounds of U_3O_8 at the Oban Deposit, which provides a great foundation on which substantial resources can be built,” noted Koba’s MD and CEO Ben Vallerine.

But there is no shortage of targets outside of Oban, with a pipeline of prospects to be explored – the company currently has about 4,000km² of land that is still on the shelf, marked ‘to be explored’, beyond the boundaries of its current focus.

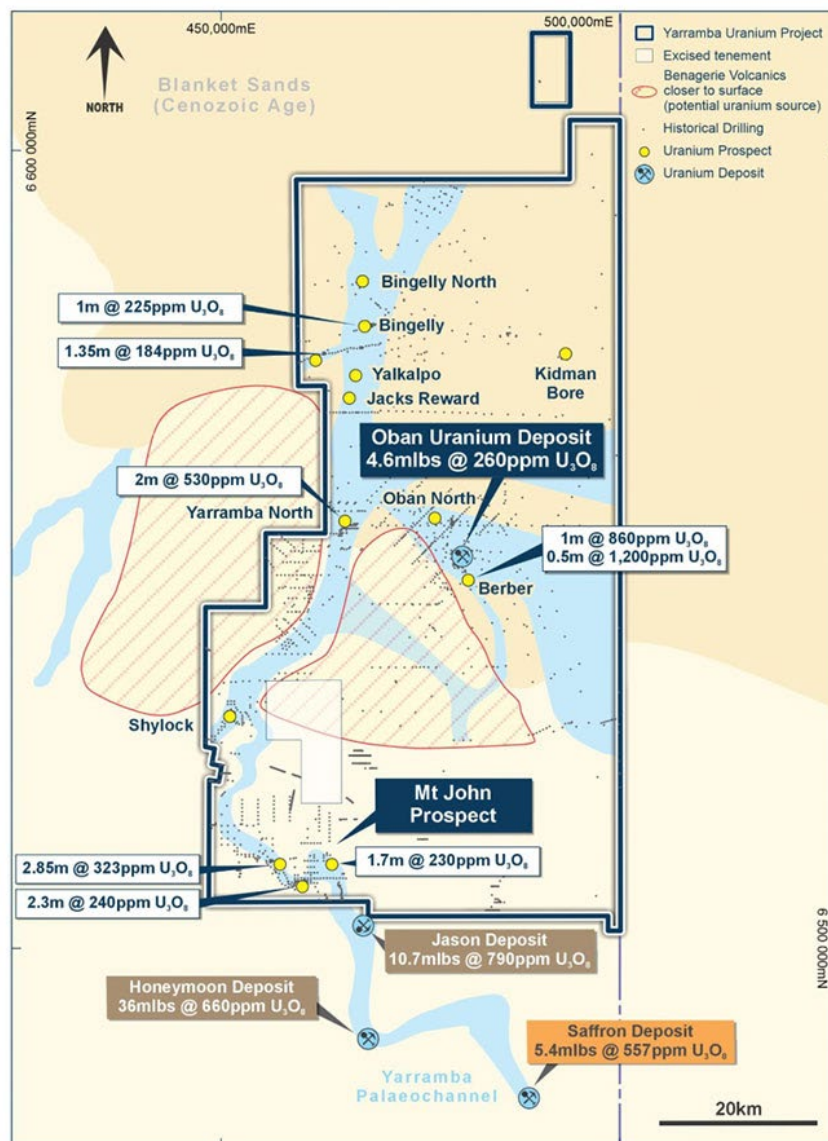


Figure 3. Location plan showing previous drilling at the Yarramba Uranium Project relative to paleochannels, together with the location of adjacent uranium deposits.

Location plan showing previous drilling at the Yarramba Uranium Project relative to paleochannels, together with the location of adjacent uranium deposits. Pic: Supplied (KOB)

The nitty gritty

Koba has entered into agreements with Havilah that provide the former with the right to acquire an 80% interest in Yarramba.

Under the plan, Havilah will retain the rights to base and precious metals within the project area, with both companies also entering an Access and Mineral Rights Agreement, which governs how they'll exercise respective rights and obligations.

Koba will need to issue Havilah 25m ordinary shares, 15m options, each with an exercise price of \$0.14 and a term of three years, and 10m performance shares with a 5-year term subject to a JORC MRE.

Koba has received firm commitments for a placement to raise \$2m. And once that's secured, the company will have a more than useful kitty of \$6m, which it notes will be poured straight into expediting exploration.

What next?

Koba will undertake a period of due diligence on the project, and then seek shareholder approval for the issuing of the shares and all other aspects of the agreement. That's expected to happen in March, with settlement likely to occur by the end of that month.

And then... it'll be time to properly embark on the yellowcake hunt.

Koba intends to get the drills spinning with an initial program in Q2 2024, immediately following transaction completion.

It'll be the first uranium exploration undertaken at the Yarramba Project in more than a decade.

"No exploration has been undertaken at Yarramba since 2012, therefore the 4,000km² project provides us excellent opportunities to make sizable discoveries in close proximity to existing infrastructure," added Vallerine.

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