

COBRA

SUSTAINABILITY PLAN 2022 - 2023



COBRAPLC.COM

An aerial photograph of a dense forest with a mix of green and yellowish-green trees. A semi-transparent, light-colored geometric shape, resembling a large triangle or a stylized 'A', is overlaid on the right side of the image. The text is positioned within this shape.

**DEFINING A UNIQUE
MULTI-MINERAL RESOURCE**



FOREWORD

Cobra Resources plc (Cobra) is an exploration and resource development company with a focus on the Gawler Craton area of South Australia.

We currently have a land package of more than 2,000 km² in the region known as the Wudinna Project, which contains extensive gold, REE and IOCG mineralisation. Beyond the Wudinna Project we also have an early-stage copper exploration project in the same region, known as Prince Alfred.

Cobra commenced exploration activity on the Wudinna Project in 2019 after entering into a farm-in agreement with Andromeda Metals (formerly Adelaide Resources), which had been undertaking exploration activities since 1998.

The Prince Alfred Project was acquired through the Lady Alice Mines purchase. The project contains historical mining infrastructure of heritage significance reflecting many aspects of 19th century immigration and demonstrating the ingenuity and aesthetics of a Cornish immigrant community. Prior to Cobra, no modern exploration had been performed

on the project since a State Government-funded drill programme was completed in the 1970s.

To date, operations have been solely focused on exploration, with our footprint on the land not extending beyond drilling. Activity Cobra is yet to begin includes road construction, core drilling, underground work, other surface work, bulk sampling, or pilot processing plant construction.

However, as part of our proactive approach to sustainability, Cobra intends to go beyond meeting baseline regulatory requirements and develop an industry-leading approach to Environmental, Social and Governance (ESG) as we expand our operations. Given our resource focus, we believe this approach is even more fundamental as our future production may be used in end products enabling the world's carbon neutral transition.

This initial Cobra Sustainability Plan highlights the action we have taken to date and introduces the company's approach and vision for ESG at our operations. It also highlights the key next steps we will take to implement and report on good ESG practice if, as aspired, our operations expand and progress from exploration to mine development phase.

Rupert Verco
CEO, Cobra Resources



OUR APPROACH TO SUSTAINABILITY

We view sustainability within the prism of Environmental, Social and Governance.

Going forward, we will categorise our actions and goals, reporting against them within this framework.

We are also aware of the evolving global standards and market expectations linked to ESG in mining and will adapt our approach to ensure alignment where possible.

With this in mind, our initial Sustainability Plan 2022 has been influenced by several relevant global frameworks, including:

- ▶ The UN Sustainable Development Goals (SDGs);
- ▶ The International Council on Mining and Metals (ICMM) Principles; and
- ▶ The Initiative for Responsible Mining Assurance (IRMA) Standard for Responsible Mineral Exploration and Development (the IRMA-Ready Standard).

At the completion of the current plan in 2023, we will assess its implementation and whether our approach remains fit for purpose. We will also publish a Sustainability Report in line with our Annual Financial Report for both 2022 and 2023 to track and report publicly on implementation progress.





“ Given our resource focus, we want to develop an industry-leading approach to ESG as our future production may be used in end products enabling the world’s carbon neutral transition. ”

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OUR CURRENT STATUS & ACTION TO DATE

Compliance and conformance.

Cobra is currently solely undertaking exploration work. We are closely following the progress of the IRMA standard for Responsible Mineral Exploration and Development, which is currently in pilot phase.

Within this framework IRMA has provisionally established six stages of exploration and mine development, each representing a different stage of operational maturity. As an informal reference point, Cobra would currently be considered in the final exploration stage of operations.

¹Within the IRMA draft framework we are already fulfilling the majority of the draft assessment criteria necessary for compliance at this operational stage.

We are also currently meeting all relevant regulatory requirements within a tier one mining jurisdiction (South Australia) where we operate, as outlined in our government-mandated Program for Environment Protection and Rehabilitation—Low Impact Exploration in South Australia (PEPR).

1. IRMA Standard for Responsible Mineral Exploration and Development ("IRMA-Ready" Standard) Draft v.1.0 December 2021: page 10. <https://responsiblemining.net/wp-content/uploads/2021/12/IRMA-Ready-Draft-1.0-December2021-All-Stages.pdf>



NOTABLE ACTION TO DATE

ENVIRONMENT

Minimising our impact on the land and local environment.

Since beginning operations, Cobra's strategy has focused on the use of low energy, low impact exploration. This has included piloting new geophysical processes and multi-element re-analysis of previous drilling samples. We are also in discussions with several partners about deploying Real-Time Ambient Noise Tomography (ANT) and a Loupe TEM system geophysics. Both systems enable near-surface exploration without invasive drilling and are well suited to the Wudinna Project's geography.

While water usage at exploration stage is minimal, plans are already in place to design and install water monitoring infrastructure to establish baseline groundwater data and ensure operational impacts are mitigated. Additionally, water management systems are being investigated to better manage ground water discharge during exploration activities. In line with the Draft IRMA Standard for Responsible Mineral Exploration and Development we have also begun to identify water users, water rights holders and other stakeholders that may potentially affect or be affected by the exploration and future mine development project.

We also stand ready to engage with stakeholders on this issue if requested, however at present, water usage is minimal and does not affect local stakeholders.

Protecting biodiversity.

Cobra is acutely aware of the potential impact of exploration activities on the natural environment and biodiversity. We operate within strict guidelines set through our PEPR. All selected exploration sites on our tenement are screened and subjected to a biodiversity impact assessment to establish a preliminary understanding of the impacts on or risks to biodiversity, ecosystem and protected areas – this is done in association with the Department of Environment and Water (Parks and Wildlife), Government of South Australia. We are also planning to begin aerial monitoring of exploration land disturbance and the subsequent progress of rehabilitation. This land is often challenging to reach and access after drilling has been completed. By using fly-over monitoring we can produce highly accurate and consistent monitoring annually to assess and report on our land rehabilitation efforts – this monitoring will be made publicly available.



SOCIAL

Acknowledging and working with the original custodians of the land.

The Wudinna tenements are located on land originally inhabited by the Barngarla people to who are the traditional owners of much of the Eyre Peninsula region in South Australia. We acknowledge the Barngarla people as the Traditional Custodians of the land on which we operate and pay our respects to their elders past and present.

In 2015 the Barngarla people were granted Native Title, confirming their claims to the land. Cobra acknowledges the Native Title and operates fully within the Heritage Agreements in place. We provide notification and opportunities to consult prior to any planned clearance or exploration and apply for Heritage Clearance prior to any works taking place. Beyond our formal engagement with the representatives of the Barngarla People we are also endeavouring to engage directly with community elders to further strengthen our engagement, consultation, and collaboration with the Barngarla people and explore ways we can support them.

Engaging and consulting with our stakeholders.

We are proud of the strong relations we have with the surrounding communities near our tenements in the Gawler Craton area. We have held several informal meetings with community representatives and groups. We also maintain strong one-to-one consultation with landowners directly or potentially impacted by our exploration operations. Additionally, we have recently opened a local office in Wudinna to give Cobra an ongoing presence in the region and to further improve consultation access opportunities for local stakeholders.

In 2021 we formalised our proactive approach to stakeholder engagement by completing our first comprehensive stakeholder engagement plan. The plan maps and assesses each stakeholder in the vicinity of our Wudinna tenement. The company has mapped and determined the optimal level of engagement sought with each respective stakeholder in line with International Association for Public Participation's (IAP2's) Public Participation Spectrum. In total, Cobra has identified 13 stakeholder groups and has begun various levels of engagement with each. A consultation register logging all stakeholder consultation is maintained and available upon request.

For specific landowner, neighbour and community engagement and consultation, Cobra's Exploration Manager acts as Liaison Officer responsible for all activity. He reports directly to Cobra's CEO.

Supporting local communities.

Wudinna and the surrounding townships of Kyancutta, Yaninee and Minnipa are fantastic examples of the stoicism, industry and warmth of regional communities seen across the nation. With a population of approximately 1,300, the townships, and specifically Wudinna, benefit from active working groups representing the interests of the local community. Cobra regularly liaises with these groups to discuss the best ways the company can support the local community and economy, including our recent significant financial donation to community fundraising efforts for an upgrade to the local swimming pool.

As our operations expand, we are also using local contractors where possible. Through our drilling operations to date we have contracted several local service providers covering drilling, earth moving, rehabilitation, machine and labour hire.



GOVERNANCE

As a company listed on the main market of the London Stock Exchange (LSE: COBR), we are fulfilling all Corporate Governance requirements under the terms of the company's listing – this includes having a proactive CSR approach integral to the company's business strategy.

As of 2021, Cobra has also begun to formalise ESG oversight across our operations with our CEO, Rupert Verco reporting to the board on sustainability action.

More broadly, Cobra has established policies and procedures covering anti-bribery and corruption, business conduct, whistleblowing, and third-party engagement.

You can access all our company policies at: cobraplc.com/company-policies/





OUR SUSTAINABILITY PLAN 2022 - 2023

We are excited about expanding our sustainability vision, but we are conscious that we remain in exploration phase at present.

As Cobra's operations expand, our Sustainability Plan and its associated goals and commitments will expand accordingly. Our focus for the coming 18 months is to formalise more ESG activity, set relevant metrics to aid monitoring and reporting, and continue to align our activity to relevant global standards and frameworks. As such, we have mapped out a number of realistic and relevant goals through to 2023 plus some potential stretch targets. Most goals indicated below are relevant and attainable to the exploration phase, while the stretch targets largely relate to a scenario where we move to mine development.

In addition to the specific ESG goals outlined below, over the next 18 months we will explore the following overarching ESG actions:

- ▶ Undertake a Materiality Assessment to test and inform the progress of this Sustainability Plan;
- ▶ Pilot test (or formally take part in, if completed) the Initiative for Responsible Mining Assurance (IRMA) Standard for Responsible Mineral Exploration and Development (the IRMA-Ready Standard); and
- ▶ Expand standards and reporting alignment to other frameworks such as GRI and the ICMM Principles.





ENVIRONMENT

Issue area	2023 goals	Stretch targets beyond 2023
Climate change		<ul style="list-style-type: none"> Develop and publish a Climate Change Policy approved by the board.
Greenhouse Gas (GHG) emissions and energy usage	<ul style="list-style-type: none"> Produce annual data and benchmarks on energy usage in Cobra's exploration processes. Expand and embed the use of low energy exploration technology and – wherever possible – minimise drilling. Work with contractors and suppliers to reduce GHG emissions beyond Scope 1. 	<ul style="list-style-type: none"> Establish grid connection and transition to 100% renewable energy use. Develop and publish a greenhouse gas and energy (or equivalent) policy that commits the company to quantifying Scope 1 and Scope 2 greenhouse gas emissions, as well as energy use from project development activities, and estimating those emissions and energy use for the proposed mining project.
Conservation and biodiversity	<ul style="list-style-type: none"> Continue to meet and exceed all assessment, monitoring and mitigation obligations associated with out PEPR. Begin annual aerial monitoring of rehabilitated land and make the findings publicly available. Explore ways to expand and formalise stakeholder consultation on land clearance and rehabilitation and instil this in company policy. 	<ul style="list-style-type: none"> Collaborate with Department for Environment and Water (DEW) to establish partnerships and programmes to enhance and protect the Pinkawillinie Conservation Park.
Water use and management	<ul style="list-style-type: none"> Design and install water monitoring infrastructure to establish baseline groundwater data and ensure operational impacts are mitigated. [Dependent on exploration and development progress] Identify water users, water rights holders and other stakeholders that may potentially affect or be affected by the exploration project. [Dependent on exploration and development progress] 	<ul style="list-style-type: none"> No reduction in water availability or quality to the environment or other users as a result of exploration or mine development activity.



SOCIAL

Issue area	2023 goals	Stretch targets beyond 2023
Community consultation	<ul style="list-style-type: none"> • Maintain delivery and oversight of the Cobra Stakeholder Engagement Plan and ensure it remains fit for purpose as the project progresses. • Continue to operate with Heritage Agreements and strengthen support and consultation with the Traditional Custodians of the land, the Barngarla people. 	<ul style="list-style-type: none"> • Explore options for collaborative community projects.
Community support	<ul style="list-style-type: none"> • Work collaboratively with Wudinna and other relevant townships, community working groups to identify and scale-up targeted community project funding. 	<ul style="list-style-type: none"> • Establish an annual community fund with an annual budget aligned to expansion of mining activity. [Dependent on exploration and development progress]
Local employment and economic contribution	<ul style="list-style-type: none"> • Continue, where possible, to use local contractors during exploration. • Commit to employing a local workforce where viable and to explore pathways for upskilling and training for local workers. • Continue, where possible, to use local contractors and suppliers. 	<ul style="list-style-type: none"> • Establish vocational training opportunities linked to employment at any future Cobra mining operation. [Dependent on exploration and development progress]
Work Health, Safety and Wellbeing (WHSW)	<ul style="list-style-type: none"> • Establish a full WHSW policy in line with mine development. [Dependent on exploration and development progress] 	<ul style="list-style-type: none"> • Establish Total Recordable Injury Frequency Rate, monitoring and review quarterly once mining commences. [Dependent on exploration and development progress]
Diversity and inclusion	<ul style="list-style-type: none"> • Management commit to establishing a diversity policy once mining operations commence and to build in diversity planning to the mine planning process. [Dependent on exploration and development progress] 	<ul style="list-style-type: none"> • Explore practical actions to embed diversity in workforce and recruitment.



GOVERNANCE

Issue area	2023 goals	Stretch targets beyond 2023
Compliance	<ul style="list-style-type: none"> • Continue to comply with all relevant laws and regulations, report and disclose accurately to stakeholders. • Continue to comply with all LSE Corporate Governance requirements and recommendations for small businesses. • In line with project expansion, ensure that company board makeup and structure remains fit for purpose on governance oversight. 	
Ethics	<ul style="list-style-type: none"> • Continue to act transparently and ethically at all times in all of our work. 	



To learn more about our sustainability approach and actions and to access updates and news, please visit cobraplc.com/sustainability.



GLOSSARY

ANT	Time Ambient Noise Tomography
GHGs	Greenhouse gases
PEPR	Program for Environment Protection and Rehabilitation
IAP2	International Association for Public Participation
ICMM	The International Council on Mining and Metals
IOCG	Iron Oxide-Copper-Gold
IRMA	The Initiative for Responsible Mining Assurance
LSE	The London Stock Exchange
REE	Rare Earth Elements
Scope 1, Scope 2, Scope 3 Emissions	<p>Scope 1 covers direct emissions from owned or controlled sources.</p> <p>Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company.</p> <p>Scope 3 includes all other indirect emissions that occur in a company's value chain.</p>
TEM	Time-domain electromagnetic method
WHSW	Work Health, Safety, and Wellbeing
TRIFR	Total Recordable Injury Frequency Rate



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