

Kobrea Enters into Option Agreement to Acquire 100% of 73,334 Hectare Copper Porphyry Portfolio in Argentina

Vancouver, British Columbia--(Newsfile Corp. - August 19, 2024) - Kobrea Exploration Corp. (CSE: KBX) (FSE: F3I) (OTCQB: KBXFF) ("**Kobrea**" or the "**Company**") is pleased to announce that it has entered into an exclusive option agreement (the "**Option Agreement**"), dated August 14, 2024, to acquire up to a 100% interest in certain mineral properties in the Mendoza province of Argentina (the "**Western Malargüe Copper Projects**" or the "**Properties**"), subject to a 1.5% net smelter return royalty ("**NSR**") in favour of the optionors.

Highlights:

- Seven projects comprising a total of 73,334 hectares (733 square kilometres)
- Two mapped and sampled Cu-Au-Mo porphyry systems by Vale Exploration Argentina
- 12 porphyry targets identified in historical exploration
- No historical drilling, neighbouring projects granted drill permits for the first time in 2024
- Road access and nearby infrastructure
- Five-year option agreement for Kobrea to earn a 100% interest in the property portfolio

"The execution of the Option Agreement represents a major milestone for the Company. The properties feature underexplored copper-gold-molybdenum porphyry systems within a world class porphyry belt where, in 2024, several neighbouring projects have had drilling permits granted for the first time," commented James Hedalen, CEO.

Western Malargüe Copper Projects

The Western Malargüe Copper Projects lie within the Neogene Porphyry Belt that straddles the border between Central Argentina and Chile (*Figure 1*). This world-class belt includes the Los Bronces / Rio Blanco and El Teniente porphyry copper deposits, representing the 2nd and 3rd largest copper deposits in the world, respectively, in terms of contained copper.¹ The Properties are situated 80 kilometres south of El Teniente and 70 kilometres west of the City of Malargüe.

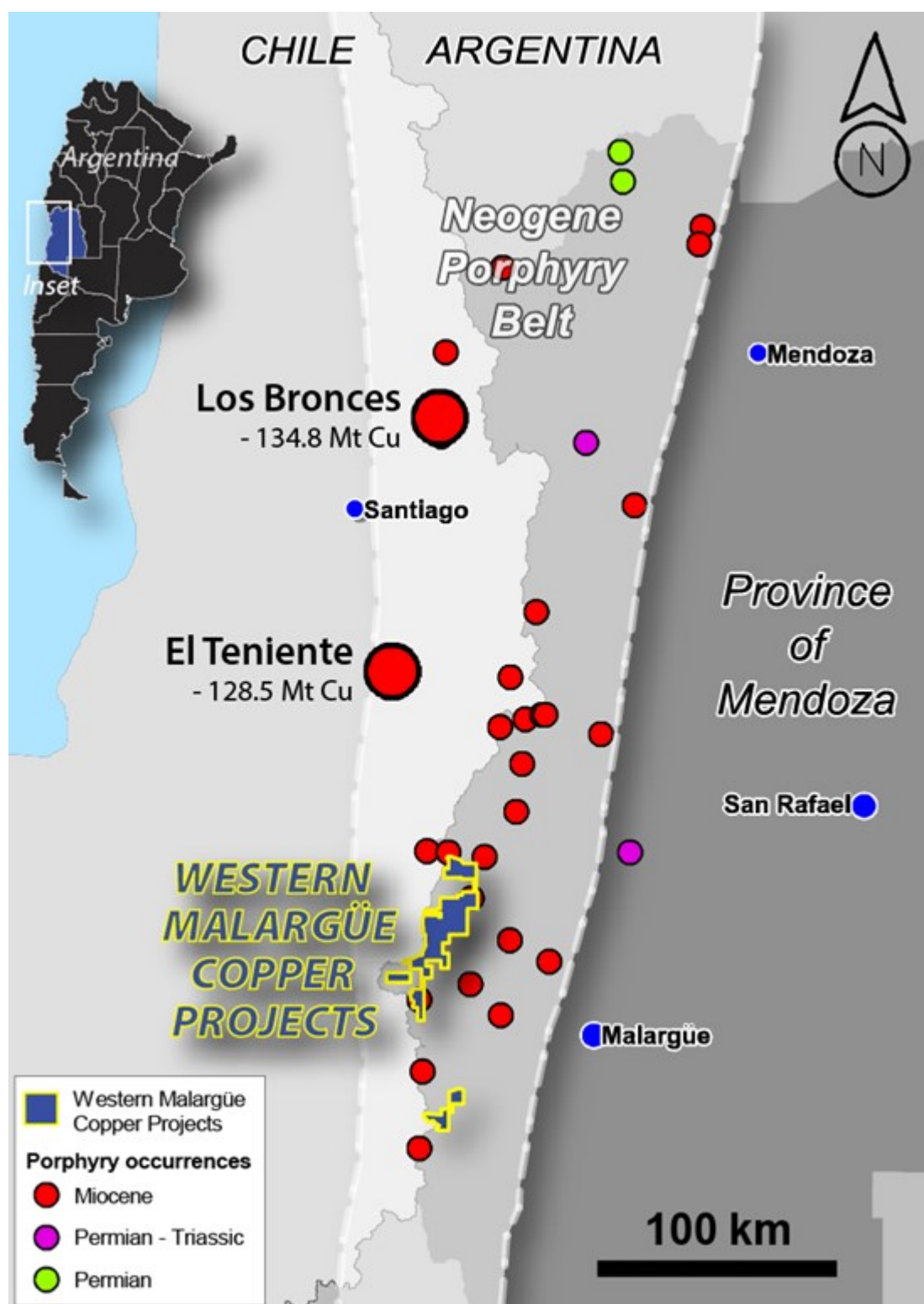


Figure 1. Map illustrating Neogene porphyry copper belt and Western Malargüe Copper Projects¹

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/10375/220339_19d9f1511460ea32_001full.jpg

Seven mineral properties covering 73,334 hectares comprise the Western Malargüe Copper Projects: Sofi, El Perdido, Mantos de Cobre, Cuprum, Elena, Veronica and El Destino (Figure 2). The Properties are considered highly prospective for porphyry copper and porphyry copper-gold deposits. Several porphyry targets have been outlined at surface by previous operators, most notably VALE Exploration Argentina between 2010 and 2013, although no drilling has been completed on the Properties to date. Copper porphyry targets outlined to date exhibit multi-kilometre hydrothermal alteration footprints, anomalous copper ± gold ± molybdenum geochemistry, quartz stockwork veining, localized hydrothermal breccias and Miocene aged dacitic to dioritic porphyry intrusions.

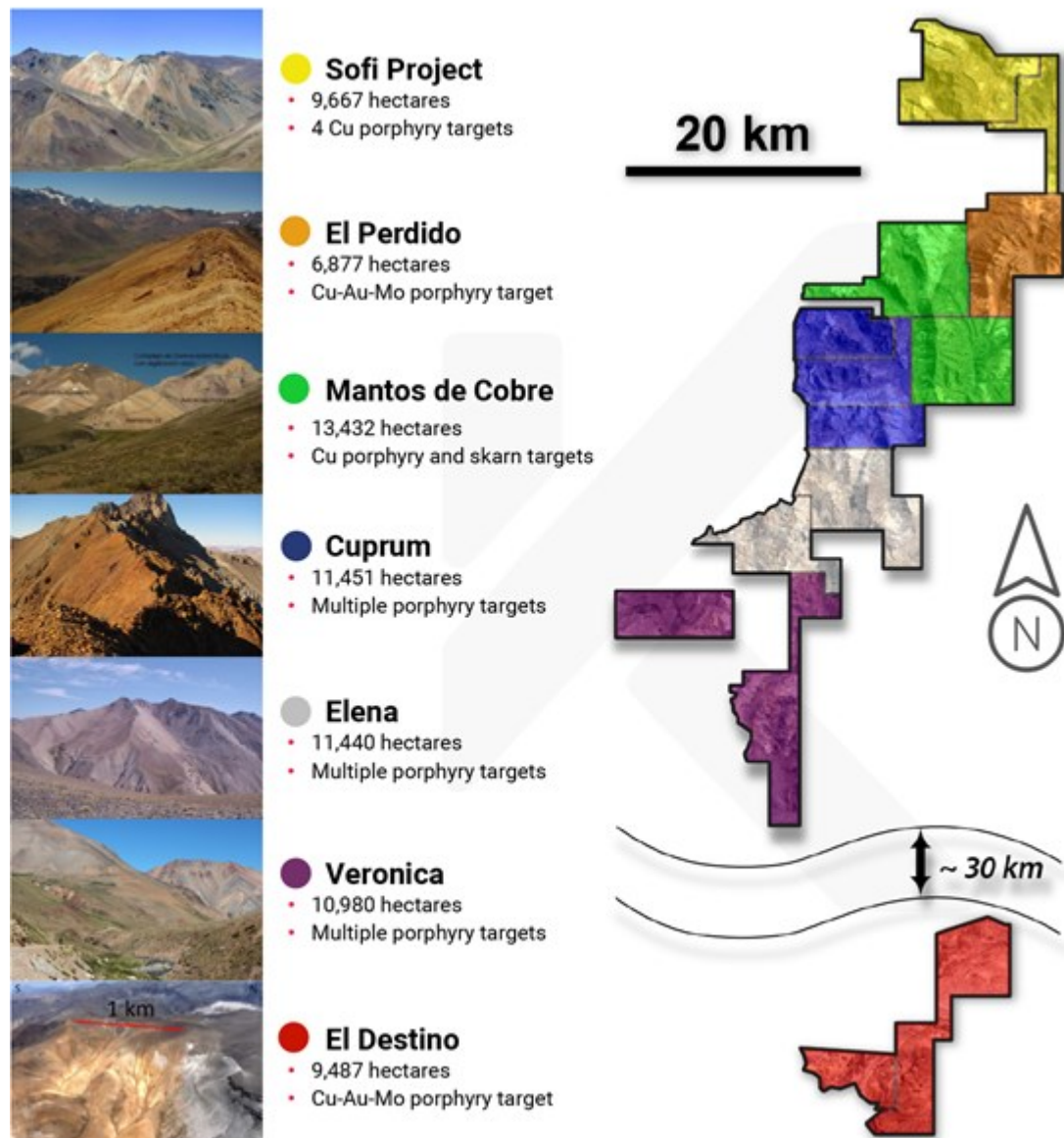


Figure 2. Western Malargüe Copper Projects and select photographs from each of the seven properties.

To view an enhanced version of this graphic, please visit:

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The Province of Mendoza

Mendoza is one of the most thriving economies in Argentina, containing a bioceanic corridor that connects the Atlantic with the Pacific Ocean. The government of Mendoza has been working to promote mineral exploration and mining the province of Mendoza over the past several years. Through Impulsa Mendoza SA, a vehicle adopted by the province of Mendoza, they are seeking to develop a modern and sustainable mining sector. Impulsa Mendoza's goal is to encourage and attract private investment to the mining sector, always seeking projects with public-private participation.

The Western Malargüe Mining District

The Western Malargüe Mining District (WMMD) (Figure 3) is a tool developed by the Government of the Province of Mendoza through Impulsa Mendoza SA to respond to the challenge that the energy transition represents for the world. Impulsa Mendoza SA has developed a detailed environmental impact study in the entire WMMD area. It has also carried out studies of geological and infrastructure potential to shorten the times required for the exploration of mining projects.

"These studies have made it possible to determine that the region is very suitable for mining development, as it has enormous geological potential and there is no competition for the use of land or water with any other productive activity." - Impulsa Mendoza

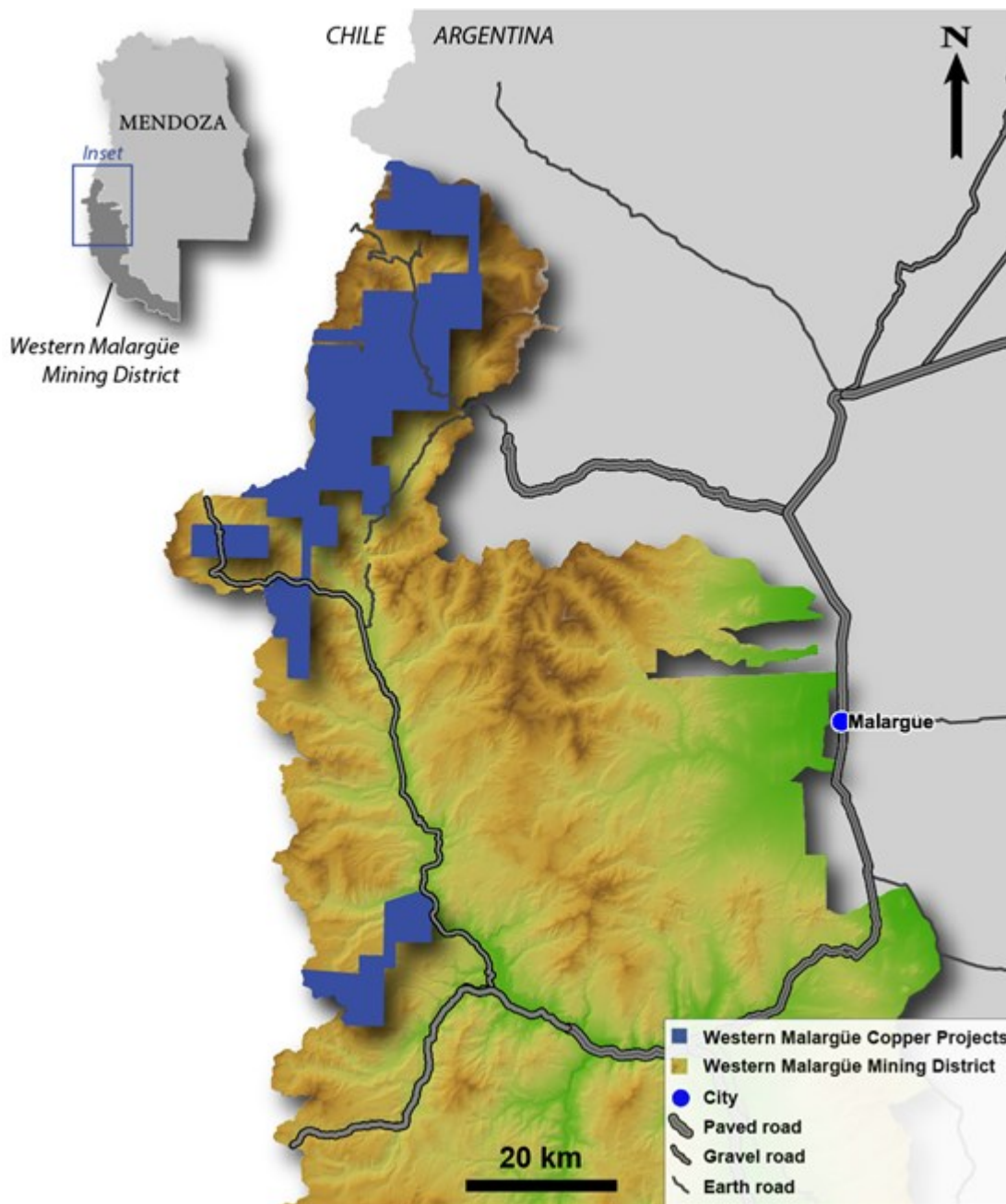


Figure 3. Map of northern portion of Western Malargüe Mining District.

To view an enhanced version of this graphic, please visit:

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Terms of the Transaction

In order to exercise the option under the Option Agreement, the Company must, over the five years of the Option Agreement term:

1. issue to the optionors an aggregate of up to 3,500,000 common shares of the Company ("**Shares**") as follows: (i) 100,000 Shares within 10 days of the date of the Option Agreement (the "**Effective Date**"); (ii) 100,000 Shares within six months of the Effective Date; (iii) 150,000 Shares within one year of the Effective Date; (iv) 300,000 Shares within two years of the Effective Date; (v) 500,000 Shares within three years of the Effective Date; (vi) 700,000 Shares within four years of

the Effective Date; and (vii) 1,650,000 Shares within five years of the Effective Date; and

2. make cash payments to the optionors in the aggregate amount of up to USD \$6,760,000 as follows; (i) USD \$10,000 within five business days of the date the parties entered into a letter of intent with respect to the Option Agreement (paid); (ii) USD \$250,000 within 10 days of the Effective Date; (iii) USD \$250,000 within six months of the Effective Date; (iv) USD \$500,000 within one year of the Effective Date; (v) USD \$500,000 within two years of the Effective Date; (vi) USD \$750,000 within three years of the Effective Date; (vii) USD \$1,000,000 within four years of the Effective Date; and (viii) USD \$3,500,000 within five years of the Effective Date.

Notwithstanding the payment and share issuance requirements described above, the Company may earn a partial interest in the Properties as follows: (A) if the Company only completes the payments and issuances described in items 1(i) through (iii) and 2(i) through (iv) above, the Company will earn a 15% interest in the Properties; (B) if the Company only completes the payments and issuances described in items 1(i) through (iv) and 2(i) through (v) above, the Company will earn a 25% interest in the Properties; and (C) if the Company only completes the payments and issuances described in items 1(i) through (v) and 2(i) through (vi) above, the Company will earn a 35% interest in the Properties.

Furthermore, in the event that, at the time when a payment or share issuance described above is due, the Company and the optionors have not secured the necessary permits or authorizations ("**Permits**") to conduct exploration activities on the Properties, then the timing of such payment or share issuance, and each subsequent payment and share issuance, will be postponed, subject to a maximum postponement of 18 months. If, within such 18 month period, the Company obtains Permits over a specified subset of the mineral properties comprising the Properties (the "**Group 1 Properties**"), then the Company has the option to either (i) make the full payment and share issuance to keep the entire option in good standing, or (ii) make the payment and share issuance, subject to a 30% reduction, to only keep the option in respect of the Group 1 Properties in good standing, and terminate the option in respect of the mineral properties not included in the Group 1 Properties. The Company shall be entitled to one additional postponement of up to 12 months in the event the Company has not secured the necessary Permits at the time when a subsequent payment or share issuance is due.

For the purposes of the NSR, the Properties are divided into five distinct areas (the "**NSR Areas**"), and the Company will be entitled to repurchase the 1.5% NSR in respect of an NSR Area for USD \$1,500,000 per NSR Area (or USD \$7,500,000 for the NSR in respect of all of the Properties).

Note:

(1) Singer, D.A.; Berger, V.I.; Moring, B.C. Porphyry Copper Deposits of the World-Database, Map, and Grade and Tonnage Models, 2008: U.S. Geological Survey Open-File Report 2008-1155, p. 45 Available online: <https://pubs.usgs.gov/of/2008/1155/>

Qualified Person

The scientific and technical information in this news release has been reviewed by Rory Ritchie, P.Geol., Chief Geologist and Director of Kobre Exploration Corp. and a Qualified Person under National Instrument 43-101.

ON BEHALF OF THE BOARD OF DIRECTORS

Per: "James Hedalen"

James Hedalen
CEO & Director

About Kobre Exploration Corp.

Kobre Exploration Corp. is a mineral exploration and development company focused on the acquisition and exploration of base metal projects in the Americas. The Company holds the rights to acquire up to a 100% interest in the Western Malargue Copper Projects situated in Mendoza Province, Argentina.

Kobrea also holds a 100% interest in the Upland Copper Project in British Columbia, Canada.

For more information, please consult the Company's filings, available at www.sedarplus.ca.

Contact Information

James Hedalen
CEO & Director
Mobile: (778) 322-9066
Email: James@kobreaexploration.com

Forward-Looking Statements

This press release contains certain forward-looking statements within the meaning of applicable securities laws with respect to the Company, including statements respecting (i) the Properties and the mineral prospects thereon, (ii) the Company's performance of its obligations under the Option Agreement, and the exercise of the option thereunder, (iii) the Company's acquisition of a partial or 100% interest in the Properties, and (iv) the Company's repurchase of any portion of the NSR. These forward-looking statements generally are identified by words such as "believe," "project," "aim," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," and similar expressions. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this press release. The forward-looking statements included in this news release are expressly qualified by this cautionary statement. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable laws.

The Canadian Securities Exchange has not reviewed this press release and does not accept responsibility for the adequacy or accuracy of this news release.



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