



ASX Announcement

31 October 2014

COMPANY DETAILS

ABN: 29 126 129 413

PRINCIPAL AND REGISTERED OFFICE

Cobre Montana NL
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ASX CODE

CXB

CORPORATE INFORMATION

(30 October 2014)
85M Ordinary Shares
50M Contributing Partly Paid Shares
14M Unlisted Options

BOARD OF DIRECTORS

Eduardo Valenzuela
(Non-Executive Chairman)
Adrian Griffin
(Managing Director)
Bryan Dixon
(Non-Executive Director)

SEPTEMBER 2014 QUARTERLY REPORT

HIGHLIGHTS

- **Option to acquire an exploration licence in the lithium rich Ravensthorpe province**
- **Formation of the Coolgardie Rare Metal Venture**
- **Technical assistance and co-operation agreement**
- **Proof-of-concept lepidolite (lithium mica) flotation**
- **Production of battery-grade lithium carbonate**

Introduction

Cobre Montana NL (ASX:CXB) has copper/precious metal assets in Chile, and lithium assets in Australia. CXB identified what it believes to be a significant opportunity in the lithium industry, that being the extraction of lithium from minerals of the mica group. Although such minerals have an application in ceramics, they are rarely used as a primary source of lithium, despite having a lithium content comparable to other ore minerals, principally spodumene and petalite.

Australian operations

Ravensthorpe

During the reporting period, acquired an option to purchase E74/0543 located in the Ravensthorpe district of Western Australia. The licence covers a greenstone terrain intruded by abundant pegmatites some of which have been exploited in the past, including three pegmatite open pits south of Cocanarup. The licence consists of 24 blocks which commence about 5km to the NE of Mt Cattlin, the mothballed lithium operations of Galaxy Resources, and extend along strike for about 20km to the south west. A number of lithium minerals have been identified in the pegmatites, including lepidolite which is of primary interest to CXB.

Coolgardie Rare Metals Venture (CRMV)

CXB and Focus Minerals Limited (ASX:FML) entered into an agreement over certain mining tenements in the Coolgardie area (Western Australia) whereby:

- CXB will sole fund exploration until making a commitment to definitive feasibility
- Upon committing to feasibility, a contributing joint venture will be formed
- The joint venture will be CXB 80% and FML 20%

Work commenced on the CRMV assessing a number of mineralized occurrences, including bulk samples from dumps at lepidolite hill. The latter were used for scoping tests, to determine the efficiency of flotation, to produce a lepidolite concentrate, and the amenability of the flotation concentrate to hydrometallurgical processing.

Laboratory tests produced high-grade lithium concentrates from the lepidolite-rich samples, recovering 81% of the mass, into a concentrate with a grade of 3.34% Li₂O. The concentrates were processed, subsequent to the end of the period, using technology developed by Perth based Strategic Metallurgy P/L. Proof-of-concept tests have produced lithium carbonate of battery grade, exceeding 99.5% with very low impurities.

Technical assistance and co-operation agreement

Strategic Metallurgy have been researching the hydrometallurgical extraction of lithium from various lepidolite. It appears that the proprietary technology offers an effective means of processing that material, in a manner that achieves good recovery for a relatively low energy input.

Strategic Metallurgy and CXB have entered into an agreement to commercialise the hydrometallurgical extraction of lithium and rare metals from a range of silicate minerals. CXB will conduct a thorough review of the process with the intention of entering into a longer-term licensing arrangement.

If successfully commercialized, the Strategic Metallurgy process will permit the processing of lithium minerals previously considered to be waste.

South American operations

Cobre Montana has a 55% interest in the Piedrecillas project, located approximately 180km to the south of Santiago, the capital of Chile. The project hosts historic copper/silver workings within manto-style mineralized zones. CXB believes the region to be under-explored, despite hosting El Teniente, the world's largest underground copper mine. No field activity was conducted for the quarter.

Tenement Schedule

A schedule of exploration tenure, in which Cobre has an interest, is provided below.

Tenement Schedule

Investors wanting more information should contact:

Country	Tenement	Interest held at beginning of July 2014	Interest acquired / disposed of during quarter	Interest Held at end September 2014
South Africa	LP 1481PR	70%	N/A	70%
South Africa	LP 2176PR	70%	N/A	70%
South Africa	LP 3069PR	70%	N/A	70%
Chile	San Diego A	0%	55%	55%
Chile	San Diego C	0%	55%	55%
Chile	San Diego D	0%	55%	55%
Chile	San Diego E	0%	55%	55%
Chile	San Diego F	0%	55%	55%
Chile	San Diego H	0%	55%	55%
Chile	San Diego I	0%	55%	55%
Chile	San Diego 1	0%	55%	55%
Chile	San Diego 4	0%	55%	55%
Chile	San Diego 7	0%	55%	55%
Chile	San Diego 8	0%	55%	55%
Chile	Santa Catalina 1	0%	55%	55%
Chile	San Diego K	0%	55%	55%
Chile	San Diego L	0%	55%	55%
Chile	San Diego M	0%	55%	55%
Chile	San Diego N	0%	55%	55%
Chile	San Diego 0	0%	55%	55%
Chile	Manifestacion San Diego BB	0%	55%	55%

Adrian Griffin
Managing Director
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