Corporate Profile
Kobrea Exploration Corp.

(September 30, 2026)

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Summary

- Kobrea Exploration Corp. is incorporated in British Columbia, Canada. It has seven employees.[1]
- Kobrea has seven projects in Mendoza, but only El Perdido was still being explored.[2] In September, 2026, BHP announced the BHP was funding a $4million (US) exploration at El Destino.[3] Kobrea also has a project in Canada, but no exploration was conducted in 2026.[4]
- Kobrea has no revenues for the foreseeable future.[5] Kobrea loses millions of dollars every year.
- Kobrea makes no mention of community relations or consultation on its website. However, it has a large budget for "advertising" and "public relations". In the first nine months of 2025, for example, the company spent $412 135.[6] In January 2026 it entered into a public relations services agreement with Think Ink Marketing Data and Email Services.[7] Think Ink Marketing will provide public relations services to Kobrea for an initial term of six months in exchange for USD$120,000.[8]
- In July 2025, the Resolution Nº 246/25 and Resolution Nº 64/25 approved Kobrea's environmental study to allow it "to construct approximately 14 kilometres of mining access road, install a temporary exploration camp and complete diamond drilling activities at the El Perdido"[9]

[1] Kobrea, *Corporate Presentation* (August 2026), Slide 19 (available at: https://www.kobreaexploration.com/wp-content/uploads/2026/08/Kobrea-Pres-Aug5_2026.pdf).

[2] Press Release, Kobrea, *Kobrea Receives Approval to Drill and Construct Access Road at El Perdido* (29 July 2025) (available at: https://www.newsfilecorp.com/release/260443/Kobrea-Receives-Approval-to-Drill-and-Construct-Access-Road-at-El-Perdido-Western-Malargue-Mining-District-Mendoza-Province-Argentina

[3] Press Release, *Kobrea Announces Approval of US$4 Million 2026/2027 Exploration Program: BHP-Funded Program to Include Diamond Drilling at El Destino Copper-Gold-Molybdenum Porphyry Prospect - Western Malargüe Mining District - Mendoza Province, Argentina* (30 September 2026) (available at: https://finance.yahoo.com/markets/commodities/articles/kobrea-announces-approval-us-4-120000511.html)

[4] Kobrea, *Management Discussion and Analysis*, (24 September 2026), p.6 (available at: https://sedar-filings-backup.thecse.com/000057172/06498621-00000001-000057172-MDA_Q2_2027-PDF.pdf)

[5] *Id*. p.9.

[6] *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 6

[7] Press Release, Kobrea, *Kobrea Commences Drilling at El Perdido* (20 January 2026) (available at: https://www.newsfilecorp.com/release/280870).

[8] *Id.*

[9] Press release, Kobrea, *Kobrea Receives Approval to Drill and Construct Access Road at El Perdido Western Malargue Mining District - Mendoza Province, Argentina* (29 July 2025). (available at: https://www.juniorminingnetwork.com/junior-miner-news/press-releases/3312-cse/kbx/184535-kobrea-receives-approval-to-drill-and-construct-access-road-at-el-perdido-western-malargue-mining-district-mendoza-province-argentina.html)

Please note that the information in this memorandum relies on press releases and financial statements from Kobrea, many of which are unaudited.

Basic Information

Kobrea Exploration Corp. ("Kobrea") was incorporated in 2022 under the laws of the Province of British Columbia, Canada by a Certificate of Incorporation issued pursuant to the *Business Corporations Act* (British Columbia).[10] Kobrea is a mineral exploration and development company whose principal business is the acquisition, exploration and evaluation of resource properties.[11] The head office is located at Suite 330 – 890 West Pender Street, Vancouver, British Columbia V6C 1L9.[12] The office's address is 1570–200 Burrard Street, Vancouver, BC, V6C 3L6.[13] The company's common shares are listed on the Canadian Stock Exchange under the symbol "KBX," on the Frankfurt Stock Exchange under the symbol "F3I," and on the OTCQB Market under the symbol "KBXFF".[14]

The company currently has operations in Canada and Argentina.[15]

Kobrea is a "new copper-focused exploration and development Company".[16] They have two projects.[17] One is the Upland Copper mine in BC where, "[d]espite positive results from both the soil sampling and trench sampling programs, [Kobrea] decided

[10] Kobrea, *Condensed Interim Financial Statements ending April 30, 2024 and 2023* (hereinafter "*Condensed Interim Financial Statements ending April 30, 2024*"), page 5 (available at: https://www.otcmarkets.com/file/company/financial-report/406646/content#:~:text=Company%20is%20located%20at%20Suite,Market%20under%20the%20symbol%20"KBXF).

[11] Kobrea, *Introducing Kobrea* (available at: https://www.kobreaexploration.com/) (last visited 18 September 2026); *Condensed Interim Financial Statements ending April 30, 2024* at page 5.

[12] *Condensed Interim Financial Statements ending April 30, 2024* at page 5.

[13] Kobrea, *Contact Information* (available at: https://www.kobreaexploration.com/contact/#:~:text=Email%20info%40kobreaexploration) (last visited 18 September 2026).

[14] *Condensed Interim Financial Statements ending April 30, 2024* at page 5.

[15] Kobrea, *Western Malargüe Copper Projects* (available at: https://www.kobreaexploration.com/western-malargue-copper-projects/) (last visited 18 September 2026); Kobrea, *Upland Copper Project* (available at: https://www.kobreaexploration.com/upland-copper-project/) (last visited 18 September 2026).

[16] Kobrea, *Corporate Presentation* (August 2026), Slide 1 (available at: https://www.kobreaexploration.com/wp-content/uploads/2026/08/Kobrea-Pres-Aug5_2026.pdf).

[17] Kobrea, *Western Malargüe Copper Projects*; Kobrea, *Upland Copper Project*.

not to proceed with diamond drilling in the 2024 exploration season. No exploration activities were completed on the Upland Copper Project in the nine months ended October 31, 2025".[18] Kobrea continues to report no exploration activities on the Upland Copper Project.[19]

Second, Kobrea holds the option to acquire a 100% interest in 733 km² (73,334 hectares) in the southern Neogene Porphyry Belt in western Mendoza province, Argentina ("Western Malargüe Copper Projects").[20] As of August, 2026, Kobrea has a partnership with BHP Metals Exploration "to undertake both generative and advanced exploration across the Western Malargue Copper Projects".[21] Kobrea also announced in August that it completed the next payment to the optionors under the option agreement that provides the exclusive right to earn a 100% interest in the Western Malargüe Copper Projects.[22]

This is in the Malargüe Distrito Minero Occidental (or Malargüe Western Mining District), which was recently opened to mining and exploration.[23] The government of Mendoza created Impulsa Mendoza, which seeks to promote private investment in the mining sector in Mendoza; through Impulsa Mendoza the Government of the Province of Mendoza created the Malargüe Western Mining District.[24] Kobrea is a first mover in this new mining district and has a 73,334-hectare land position.[25] Kobrea's exploration portfolio consists of 7 projects, with prospective copper and copper-gold porphyry prospects.[26]

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[18] Kobrea, *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* (26 December 2025), page 5 (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=ab53ddec287e2e117e483f911fb1d379691e8e65d58f3c76e25c2924a994146c).
[19] Kobrea, *Management's Discussion and Analysis For the Year Ended January 31, 2026* (29 May 2026), page 6 (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=867adb101d286bd618ac4bea473ebaf86cf38bd7f3db3f499e044fc75f55fd8e) ("Despite positive results from both the soil sampling and trench sampling programs, no exploration activities were completed on the Upland Copper Project in the year ended January 31, 2026."); Kobrea, *Management's Discussion and Analysis For The Three Months Ended April 30, 2026* (29 June 2026), page 5, (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=d5cda98c5e6577923f7ab1dae8ab5b2501ae8ae5bc27baa128fa43b341ac754f) ("Despite positive results from both the soil sampling and trench sampling programs, no exploration activities were completed on the Upland Copper Project in the three months ended April 30, 2026.")
[20] *Corporate Presentation* (August 2026) at Slides 3-6; Kobrea, *Western Malargüe Copper Projects*.
[21] Press Release, Kobrea, *Kobrea Announces Exploration Alliance with BHP Metals Exploration* (5 August 2026) (available at: https://www.newsfilecorp.com/release/308007/Kobrea-Announces-Exploration-Alliance-with-BHP-Metals-Exploration-Western-Malarge-Mining-District-Mendoza-Province-Argentina).
[22] Press Release, Kobrea, *Kobrea Completes Next Payment Under Property Option Agreement for Its Western Malargüe Copper Projects* (13 August 2026) (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=05df0dc6d9e4c67b0d35cce96d6993a724cf90360a1d85ca328b52947b758bc4).
[23] *Corporate Presentation* (August 2026) at Slide 3.
[24] Impulsa Mendoza, *What Is Impulsa Mendoza* (available at: https://impulsamendoza.com.ar/en/institutional/) (last visited 18 September 2026); Kobrea, *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* (26 December 2025), page 3 (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=ab53ddec287e2e117e483f911fb1d379691e8e65d58f3c76e25c2924a994146c).
[25] *Corporate Presentation* (August 2026) at Slides 3, 5. (Maps of the project are included in the presentation.)
[26] *Id.*

Kobrea markets its projects as "essential" for decarbonization initiatives, in the context of growing demand for copper for the fossil fuel transition:

> The demand for copper products is surging, driven by growing applications in solar, wind, power generation, EV/EV battery transitions, and bioenergy industries. With the imminent threat of supply deficits, there is a compelling push for the domestic supply of critical metals.[27]

On their website Kobrea has provided Corporate Presentations, updated for February and August 2026, which demonstrate how Kobrea markets itself.[28]

History of the Project

In a news release from July 29, 2025, Kobrea announced that:

> [T]he Directorate of Mining and the Directorate of Environmental Protection of the Province of Mendoza, Argentina, have issued Resolution Nº 246/25 and Resolution Nº 64/25 approving the Company's Environmental Impact Report update for the El Perdido mining project, which includes the Company's Phase 1 exploration plan to construct approximately 14 kilometres of mining access road, install a temporary exploration camp and complete diamond drilling activities at the El Perdido porphyry copper-gold-molybdenum system. Drilling will commence upon completion of the access road and construction of the exploration camp, which will begin as soon as practicable.[29]

To satisfy the requirements to file the Environmental Impact Statement, "Argentinian Environmental Engineering firms were hired to complete Archaeological, Paleontological, Biological and Social studies in the general area and particularly where the proposed drill access road will be constructed".[30] The Environmental Impact Report:

> [P]rovides for the construction of a 14-kilometre drill access road, construction of a temporary exploration camp and diamond drilling activities at the El Perdido porphyry copper system. A water supply permit, granted by the General Superintendence of Irrigation of Mendoza, has also been secured by the Company to facilitate drilling and camp operations.[31]

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[27] *Introducing Kobrea*.
[28] Kobrea, *Corporate Presentation* (February 2026) (available at: https://www.kobreaexploration.com/wp-content/uploads/2026/02/Kobrea-Pres-Feb5_2026.pdf); *Corporate Presentation* (August 2026).
[29] Press Release, Kobrea, *Kobrea Receives Approval to Drill and Construct Access Road at El Perdido* (29 July 2025) (available at: https://www.newsfilecorp.com/release/260443/Kobrea-Receives-Approval-to-Drill-and-Construct-Access-Road-at-El-Perdido-Western-Malargue-Mining-District-Mendoza-Province-Argentina).
[30] *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 4.
[31] *Kobrea Receives Approval to Drill and Construct Access Road at El Perdido*.

Specifically, Kobrea sought to target the porphyry system "with at least 1,500 metres of drilling in the upcoming exploration season (December 2025 – April 2026)".[32]

The press release also highlights the extent to which mining is being encouraged in the province of Mendoza:

> The Directors of Impulsa Mendoza stated, regarding the approval of the drilling permit granted by the Mendoza mining authority, "that this is a clear sign both of the consolidation of the advancement of mining activity in the Province of Mendoza and of the legal security that public authorities offer to those, like Kobrea, who have chosen to invest and develop mining projects in this province."[33]

Kobrea's offering document for their CAD$8.5M fundraising round on October 1, 2025, established their plans for the funds for Q4 2025 through Q2 2026.[34] Kobrea intended to engage in: an initial diamond drilling program at El Perdido (including construction of drill access road and exploration camp; drilling of at least 1,500 metres; and processing of diamond drill core, interpretation and analytical testing) from Q4 2025 through Q2 2026, with an estimated cost of $1,200,000; regional exploration to advance targeting on other porphyry prospects within land position (including geological and geochemical surveys of known and new porphyry prospects; and analytical and interpretation for ranking of drill targets) from Q4 2025 through Q2 2026 with an estimated cost of $600,000; additional drilling at El Perdido to further outline the potential deposit (including drilling an addition 3,500 metres and processing and interpreting the results) in Q1 and Q2 2026 with an estimated cost of $2,100,000; and an initial diamond drilling program at El Destino (including road construction; 2,000 metres of diamond drilling; inter alia) in Q2 of 2026 with an estimated cost of $1,540,000.[35]

On November 4, 2025, Kobrea announced that it had commenced construction of the drill access road, representing a "significant milestone".[36] This construction is to "be followed by the installation of an exploration camp and completion of diamond drilling activities at the El Perdido porphyry copper-gold-molybdenum system".[37]

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[32] *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 4.
[33] *Kobrea Receives Approval to Drill and Construct Access Road at El Perdido*.
[34] Kobrea, *Amended Offering Document* (1 October 2025) (available at: https://www.kobreaexploration.com/wp-content/uploads/2025/10/Kobrea-Exploration-Corp.-Amended-8.5M-LIFE-Offering-Document.pdf).
[35] *Id.* at page 5.
[36] Press Release, Kobrea, *Kobrea Commences Construction of Drill Access Road at El Perdido* (4 November 2025) (available at: https://www.newsfilecorp.com/release/273047/Kobrea-Commences-Construction-of-Drill-Access-Road-at-El-Perdido-Western-Malarge-Mining-District-Mendoza-Province-Argentina).
[37] *Id.*

Kobrea also received approval to begin exploration at the El Destino location.[38] The Environmental Impact Statement for mineral exploration and drilling was ratified in the Provincial Legislature on December 9th 2025.[39] During this session, the Senate and the Chamber of Deputies of the Province of Mendoza ratified Environmental Impact Statements for an additional 27 exploration projects in the Western Malargüe Mining District.[40] According to Kobrea's press release, these approvals "came after an extensive process of public hearings, citizen participation, and technical analysis".[41] As of these approvals, "all of Kobrea's projects are now approved for mineral exploration activities, including drilling".[42] James Hadelan, CEO, commented that:

> These approvals clearly demonstrate that the provincial government and the people of Mendoza support mining and believe in the economic opportunities that sustainable exploration and development will bring. I would like to congratulate the government of Mendoza, Impulsa Mendoza, the Chamber of Mining in Mendoza and the project vendors for their many years of hard work to get to this point.[43]

As a result, "field crews will begin field work at the newly approved El Destino project to bring it to a drill ready status".[44]

Drilling at El Perdido commenced January 20th, 2026.[45] Phase 1 Drilling was to consist of three diamond drill holes with target depths of 500 metres each.[46] The holes were drilled to depths of 603 metres, 474 metres and 662 metres.[47] On March 4, 2026, Kobrea announced an expansion upon the original plan and commenced drilling of a fourth hole 220 metres east of the initial drill pad.[48] The fourth hole was planned to have a target depth of 600 metres.[49] However, the fourth

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[38] Press Release, Kobrea, *Kobrea Expands Porphyry Target at El Destino* (17 December 2025) (available at: https://www.newsfilecorp.com/release/278312).
[39] *Id.*
[40] Press Release, Kobrea, *Kobrea Receives Approval to Conduct Mineral Exploration at El Destino, Sofi and Cuprum Projects* (11 December 2025) (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=3aa61f917df48b33fa7a1610491d04684d108d160a465491cb0618ebe996afa7).
[41] *Id.*
[42] *Id.*
[43] *Id.*
[44] Press Release, Kobrea, *Kobrea Expands Porphyry Target at El Destino* (17 December 2025) (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=61766f1537e81ae1fb8eb8efe94ca18c3e0d665a313ecd8e982d8f128eb96e92).
[45] Press Release, Kobrea, *Kobrea Commences Drilling at El Perdido* (20 January 2026) (available at: https://www.newsfilecorp.com/release/280870).
[46] *Id.*
[47] Press Release, Kobrea, *Kobrea Expands Phase 1 Drill Program at El Perdido Porphyry Copper-Gold-Molybdenum System* (4 March 2026) (available at: https://www.newsfilecorp.com/release/286185).
[48] *Kobrea Expands Phase 1 Drill Program at El Perdido Porphyry Copper-Gold-Molybdenum System*.
[49] *Id.*

hole was abandoned at a depth of 200 metres due to unstable rock conditions.[50] In a press release from April 2026, Kobrea announced that it had engaged Major Drilling Argentina to finish the 2026 drilling program, and that crews had commenced the construction of a third drill pad in the southwestern portion of the El Perdido system.[51]

In May 2026, Kobrea announced that it had completed Phase 1 of its diamond drill program at El Perdido after drilling 2,358 metres across six holes, three of which stopped short at shallow depth in a fault system.[52] Of its 7 projects in Mendoza, in which targets have been worked up in preparation for drilling, "El Perdido is the only target with an initial drill test and additional drilling is warranted".[53] James Hedalen is quoted: "This first-ever drill program at El Perdido has confirmed a large, mineralized porphyry system. . . . We look forward to drilling deeper into the core of this system in Phase 2 as well as initial drill tests of other targets in the portfolio".[54] Kobrea plans additional drilling at El Perdido in the upcoming drilling season.[55]

On February 3, 2026, Kobrea announced that it had discovered a 1,250 metre by 500 metre hydrothermal breccia body in the Cuprum trend at Target KBX-17.[56] As per James Hedalen, "[t]his result highlights the exploration upside across this exceptional land package and validates our exploration thesis that there is more to be discovered across these projects, beyond what has been outlined by previous operators".[57]

Corporate Social Responsibility

Limited information is available regarding Corporate Social Responsibility (CSR) considerations at Kobrea. They do not seem to have a CSR counsellor/director, no CSR initiatives are discussed on their website, and little (if anything) is mentioned in the Management's Discussion and Analysis (MD&A). Kobrea does not seem to be involved in any ongoing litigation.

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[50] Press Release, Kobrea, *Kobrea Provides Update on Drill Program at El Perdido Porphyry Copper-Gold-Molybdenum System* (9 April 2026) (available at: https://www.newsfilecorp.com/release/291715/Kobrea-Provides-Update-on-Drill-Program-at-El-Perdido-Porphyry-CopperGoldMolybdenum-System-Mendoza-Province-Argentina).
[51] *Id.*
[52] Press Release, Kobrea, *Kobrea Confirms Copper-Gold-Molybdenum Porphyry System in Initial Drill Program at the El Perdido Project* (26 May 2026) (available at: https://www.newsfilecorp.com/release/298779/Kobrea-Confirms-CopperGoldMolybdenum-Porphyry-System-in-Initial-Drill-Program-at-the-El-Perdido-Project-Mendoza-Province-Argentina).
[53] *Id.*
[54] *Id.*
[55] *Id.*
[56] Press Release, Kobrea, *Kobrea Discovers Large Hydrothermal Breccia Body in Cuprum Trend* (3 February 2026) (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=8efd1381eb4c1d86885c6e34f1b2a21752e2d33f808c7dd52be3838ef6875a3a).
[57] *Id.*

Excerpts from the July 31, 2025 MD&A include:

> The Environmental Impact Statement: "In order to satisfy the requirements to file the Environmental Impact Statement ("EIS"), Argentinian Environmental Engineering firms were hired to complete Archaeological, Paleontological, Biological and Social studies in the general area and particularly where the proposed drill access road will be constructed".[58]
>
> Risks and Uncertainties: "The Company is subject to various federal, provincial, state laws, rules, and regulations. The Company has adopted environmental practices designed to ensure that it continues to comply with environmental regulations currently applicable to it. All of the Company's activities comply in all material respects with applicable environmental legislation. Environmental hazards may exist on the Company's properties, which are unknown to the Company at present, which have been caused by previous or existing owners or operators of the properties. The Company is not aware of any existing environmental hazards related to any of its current or former property interests that may result in material liability to the Company. Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated".[59]

Company Structure

Kobrea has an Argentinian subsidiary, Kobrea Exploraciones Argentina S.A., over which they command 100% control.[60] We have relied on the documents from the company filed with SEDAR+. These financial filings are not audited.

The Management's Discussion and Analysis For the Nine Months Ended October 31, 2025 summarizes Kobrea's common shares at 52,628,140; warrants (weighted average exercise price - $0.47) at 31,510,403; finders' warrants (weighted average exercise price - $0.69) at 952,466; and stock options (weighted average exercise price - $0.52 / $0.53) at 2,900,000 as of October 31, 2025 (though noting that as of the date of this MD&A, 26 December 2025, the stock options

[58] Kobrea, *Management's Discussion and Analysis For The Six Months Ended July 31, 2025* (26 September 2025), page 5 (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=b9f056a3b03026026f1d418c59ce869addaede7922266ea17dc481d062b8e04c).
[59] *Id.* at page 13 (emphasis added; original formatting omitted).
[60] Kobrea, *Condensed Consolidated Interim Financial Statements For the three and nine months ended October 31, 2025 and 2024* (hereinafter "*Condensed Consolidated Interim Financial Statements For the three and nine months ended October 31, 2025*"), page 6 (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=7852a0b9b34c0e4b744baabb9f659ee82c0685015ba7ad6ce5a635600ec0a908).

increased to 6,300,000; and likewise, Restricted Share Units increased from - on October 31, 2025 to 600,000 in December).[61] Outstanding share data from 2026 seems to indicate an increase in common shares and options, and a reduction in warrants, finders' warrants, and Restricted Share Units.[62]

Finally, the company reports zero revenue. Kobrea incurred a net loss of $3,641,337 for the nine months ended October 31, 2025.[63]

Kobrea reported nil revenue for every quarter from January 31, 2024 to October 31, 2025, and reported net losses for each quarter of the same period ($113,440 for the quarter ending on January 31, 2024; $165,239 for the quarter ending on April 30, 2024; $447,658 for the quarter ending on July 31, 2024; $461,508 for the quarter ending on October 31, 2024; $998,882 for the quarter ending on January 31, 2025; $1,358,408 for the quarter ending on April 30, 2025; $942,801 for the quarter ending on July 31, 2025; and $1,340,128 for the quarter ending on October 31, 2025).[64] Kobrea reported net loss per share between 0.01 and 0.09 for those same eight quarters.[65] Noting again that this information is unaudited.

The management's discussion and analysis (MD&A) explains the net loss for each quarter.[66]

For the quarter ended October 31, 2024, Kobrea's expenditures included $161,344 of exploration and evaluation expenditures related to the Upland property; $146,875 in share-based compensation which is recognized as stock options are granted and vest; $96,029 related to legal fees for advisory services related to capital markets and property acquisition agreement; and $22,124 related to advertising and marketing fees for the Company's previously entered marketing agreement, among other expenses (e.g. regulatory and filing fees, management fees, travel expenses related to due diligence procedures).[67]

In the quarter ended January 31, 2025, expenses related to exploration and evaluation costs increased, and applied to both the Upland and Western Malargüe properties ($221,830).[68] Costs associated with share-based compensation also increased from the previous quarter ($417,381).[69] Management fees increased from $12,000 to $114,019.[70] Kobrea includes salaries and wages for this quarter ($40,235).[71] However, costs associated with advertising and marketing fees for

[61] *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 10.
[62] *Management's Discussion and Analysis For the Three Months Ended April 30, 2026* at page 10.
[63] *Condensed Consolidated Interim Financial Statements For the three and nine months ended October 31, 2025* at page 2.
[64] *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 7.
[65] *Id.*
[66] *Id.* at pages 7-8.
[67] *Id.* at page 8.
[68] *Id.*
[69] *Id.*
[70] *Id.*
[71] *Id.*

previous marketing agreements seem to have decreased in this quarter from the previous quarter.[72]

Losses in the quarter ended April 30, 2025 related to exploration and evaluation costs at the Western Malargüe property increased to $419,531 and costs related to advertising and marketing fees increased to $135,114, among increases in costs for management fees, wages and salaries, and share-based compensation.[73]

In contrast, expenses related to exploration and evaluation costs at the Western Malargüe property decreased in the quarters ending in July 31, 2025 and October 31, 2025 ($336,038 and $89,734 respectively).[74]

Kobrea also reported a net loss of $2,485,091 for the three months ended January 31, 2026 and $3,226,405 for the three months ended April 30, 2026, and no revenue for either quarter.[75] Kobrea attributed the losses in the quarter ending on January 31, 2026 to:

> $1,562,666 in exploration and evaluation costs incurred at the Western Malargüe property, $430,799 in share-based compensation recognized in connection with the granting and vesting of stock options, $262,555 in advertising and marketing fees related to the Company's marketing agreements, $296,053 in management fees, $188,115 in professional fees for advisory services related to capital markets activities, $42,350 in office expenses and $42,990 in travel expenses related to project management in connection with the properties located in Argentina, and $71,828 in salaries, wages, and bonuses paid to employees of the Company. The increase in expenses is offset by a decrease of $106,978 in consulting fees associated with the use of external consultants to support the Company's corporate development initiatives.[76]

Kobrea attributed the losses in the quarter ending on April 30, 2026 to:

> $2,355,713 in exploration and evaluation costs incurred at the Western Malargüe property, $170,625 in share-based compensation recognized in connection with the vesting of stock options, $267,313 in advertising and marketing fees related to the Company's marketing agreements, $200,820 in management fees, $48,598 in professional fees for advisory services related to capital markets activities, $45,766 in consulting fees associated with the use of external consultants to

[72] *Id.*
[73] *Id.*
[74] *Id.*
[75] *Management's Discussion and Analysis For The Three Months Ended April 30, 2026* at page 7.
[76] *Id.* at page 8.

support the Company's corporate development initiatives, and $91,901 in salaries, wages, and bonuses paid to employees of the Company.[77]

Notably, in the first three quarters (nine months) of 2025 the firm recorded $412,135 in expenses for advertising.[78] Additionally, on January 20, 2026, Kobrea announced it had entered into a public relations services agreement with Think Ink Marketing Data and Email Services.[79] Think Ink Marketing will provide public relations services to Kobrea for an initial term of six months in exchange for USD$120,000.[80]

Risks

Finally, Kobrea's recent fundraising was done through private placements.[81]

The company is exposed to "key person risk", meaning it is dependent on a small number of key directors.[82]

As an exploration mining company, Kobrea's success depends on locating commercially productive reserves.[83] The company has no known mineral reserves and does not generate any revenue from production.[84] In its filings, Kobrea itself cautions that "[m]ineral exploration is highly speculative in nature, involves many risks and frequently is nonproductive. There is no assurance that exploration efforts will be successful".[85] The fact that there is no assurance that sufficient funding and financing will be available to conduct business "present[s] a material uncertainty over the Company's ability to continue as a going concern".[86]

Furthermore, the business is exposed to financing risks. For the nine months ending October 31, 2025, Kobrea incurred a net loss of $3,641,337.[87] This increased loss from the same period in 2024 ($1,074,405) is driven primarily by significant increases in consulting fees, corporate development, share-based compensation, exploration and evaluation costs, salaries and wages,

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[77] *Id.*
[78] *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 6.
[79] *Kobrea Commences Drilling at El Perdido*.
[80] *Id.*
[81] Kobrea, *Consolidated Financial Statements For the years ended January 31, 2026 and 2025*, page 7 (specifically within: *Consolidated Statements of Changes in Shareholders' Equity Years ended January 31, 2026 and 2025*) (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=770ebbda920be033a8ccfaaded3b53bc55feb1019dd96e4bd84cf74a01e32350).
[82] *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 12.
[83] *Id.* at page 11.
[84] *Id.*
[85] *Id.*
[86] *Condensed Consolidated Interim Financial Statements For the three and nine months ended October 31, 2025* at page 5.
[87] *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 6.

and management fees.[88] The company depends almost entirely on equity financing. Regarding the company's financial condition, the April 2026 MD&A notes that:

> The Company does not generate any revenue from operations and does not have sufficient capital to meet the requirements for its administrative overhead and maintaining its mineral interests. For the foreseeable future, the Company will need to rely on raising capital in the equity markets and/or enter into joint venture agreements with third parties to provide working capital and to finance its mineral property activities. Although the Company has been successful in raising financing in the past, there can be no assurance that the Company will be able to obtain adequate future financing. Failure to do so could result in delay or indefinite postponement of further exploration and reduction or termination of operations.[89]

In August, 2026, Kobrea announced an agreement with BHP Metals Exploration Pty Ltd. ("BHP") with respect to exploration across Kobrea's Western Malargüe Copper Projects.[90] BHP Metals Exploration is part of BHP, which is the world's largest copper producer.[91] This agreement includes: an advance one-time cash payment of US$3,000,000 from BHP to Kobrea; a minimum of US$5,000,000 from BHP in exploration expenditures over an initial two-year project generation program ("Project Generation Phase"); the opportunity for BHP to designate up to four separate projects to advance into individual earn-in phases (for which BHP will have the option to earn a 75% interest by sole funding a minimum of US$40,000,000 in exploration expenditures); the opportunity for BHP to assume operatorship after the two-year Project Generation Phase; the establishment of joint ventures upon completion of an earn-in for a designated project (in which BHP will hold a 75% interest, and Kobrea a 25% interest); and a management committee composed of representatives from both Kobrea and BHP to oversee exploration activities during both the Project Generation Phase and the earn-in phase.[92] James Hedalen is quoted as saying that "[p]artnering with one of the world's leading mining companies brings the technical expertise, global best practices and financial strength needed to systematically evaluate and responsibly advance these projects".[93]

Kobrea reported this by filing a Material Change Report, which contains additional information about the agreement with BHP.[94] BHP's most recent annual reports do not mention this

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[88] *Condensed Consolidated Interim Financial Statements For the three and nine months ended October 31, 2025* at page 4 (specifically within: *Condensed Consolidated Interim Statements of Net and Comprehensive Loss Three Months and Nine Months Ended October 31, 2025 and 2024*).
[89] *Management's Discussion and Analysis For the Three Months Ended April 30, 2026* at page 9.
[90] *Kobrea Announces Exploration Alliance with BHP Metals Exploration*.
[91] *Id.*
[92] *Id.*
[93] *Id.*
[94] Kobrea, *Material Change Report* (5 August 2026) (available at: https://www.sedarplus.ca/csa-party/records/document.html?id=e1e30b0e868508302108faf5ccd7263440ef821a8cc2ee7c4856e652fe14a506).

agreement with Kobrea.[95] No BHP market announcements regarding this agreement had been found as of the last update to this document in September, 2026.[96]

Company History and Management

Employees

According to the August 2026 corporate presentation, there are seven members of the team.[97] However, contact information is only provided for one.[98] On the website only a general email is supplied: info@kobreaexploration.com.[99]

The Management's Discussion and Analysis For the Nine Months Ended October 31, 2025 indicate that James Hedalen (Chief Executive Officer) was paid a gross salary of $150,003 for the nine months ended October 31, 2025 and 2024, whereas Meetul Patel (Chief Financial Officer) and Rory Ritchie (VP Exploration) were paid fees in the amount of $36,000 and $157,860, respectively, for the same period.[100]

The Management Discussion and Analysis also refers to $164,862 in fees paid in Argentina to "manage the affairs of Kobrea Exploraciones Argentina S.A". and that these fees were "not payable to key management personnel" with no further detail.[101]

The Management's Discussion and Analysis For the Three Months Ended April 30, 2026, notes that "[m]anagement fees increased due to fees incurred to the Company's Chief Financial Officer and VP Exploration and for fees to manage the affairs of Kobrea Exploration Corp. and Kobrea Exploraciones Argentina S.A." and that "[s]alaries and wages increased, which include salaries payable to the Company's Chief Executive Officer and Chief Geologist".[102] This includes, for the three months ended April 30, 2026 and 2025, fees in the amount of $62,500 paid to James Hedalen (CEO); $12,000 paid to Meetul Patel (CFO); and $65,760 (plus a $15,000 bonus) paid to Rory Ritchie ("a director of the Company").[103]

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[95] BHP, *Annual Report 2025* (18 August 2026) (available at: https://www.bhp.com/-/media/documents/investors/annual-reports/2026/260818_bhpannualreport2026.pdf).
[96] To view BHP's official market announcements, please visit: https://www.bhp.com/investor-hub/market-announcements#year=2026||2025||2024.
[97] *Corporate Presentation* (August 2026) at slide 19.
[98] *Corporate Presentation* (August 2026) at Slide 21. (Phone: (778) 322-9066. Email: james@kobreaexploration.com.)
[99] *Contact Information*.
[100] *Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 9.
[101] *Id.*
[102] *Management's Discussion and Analysis For the Three Months Ended April 30, 2026* at page 7.
[103] *Management's Discussion and Analysis For the Three Months Ended April 30, 2026* at page 9.

James Hedalen's description highlights his experience on the Teck Resources corporate development team.[104] Per his LinkedIn profile, he was at Teck as a Corporate Development Intern for three months between June and August 2012.[105]

Rory Ritchie is the "Qualified Person" and is responsible for technical information included in management's discussion and analyses and press releases.[106] The Qualified Person is defined by National Instrument 43-101 and requires that scientific and technical information about a mineral project for public disclosure is prepared or supervised by experienced and professionally accountable experts.[107] Rory Ritchie also currently works at Prosper Gold Corp (PGX), the mineral exploration company at which James Hedalen is the current Chief Operating Officer.[108]

Corporate Strategy

Kobrea markets its exploration and acquisition activities as "necessary" in the context of growing demand for copper for the fossil fuel transition:

> Copper is at the forefront of the race for decarbonization. Its application across alternative energy sectors is pivotal in reaching emissions targets set out around the world. With major mines being depleted or shut down across the globe, and the lack of new mines coming online, demand is outstripping supply and is projected to stay this way for the foreseeable future. We must find and build new mines to fill this void for society to achieve a low-carbon economy. We at Kobrea believe exploration and acquisitions in mining-friendly jurisdictions are necessary, and advancing our portfolio of top-tier copper projects is the first step toward addressing this global challenge.[109]

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[104] Kobrea, *Corporate* (available at: https://www.kobreaexploration.com/corporate/) (last visited 19 September 2026) (". . . He is currently COO & Director of Prosper Gold Corp. Before this, Mr. Hedalen was a member of Teck Resources corporate development team. . . .")

[105] LinkedIn, *James Hedalen*, (available at: https://www.linkedin.com/in/james-hedalen-64378912/?originalSubdomain=ca) (last visited 19 September 2026).

[106] *E.g. Management's Discussion and Analysis For the Nine Months Ended October 31, 2025* at page 2.

[107] *Standards of Disclosure for Mineral Projects*, NI 43-101 (available at: https://www.osc.ca/en/securities-law/instruments-rules-policies/4/43-101/national-instrument-ni-43-101-standards-disclosure-mineral-projects-0) (last visited 19 September 2026) ("'[Q]ualified person' means an individual who (a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these; (b) has experience relevant to the subject matter of the mineral project and the technical report; and (c) is in good standing with a professional association and, in the case of a foreign association listed in Appendix A, has the corresponding designation in Appendix A. . . . All disclosure of scientific or technical information made by an issuer, including disclosure of a mineral resource or mineral reserve, concerning a mineral project on a property material to the issuer must be based upon information prepared by or under the supervision of a qualified person.")

[108] Linkedin, *Rory Ritchie* (available at: https://www.linkedin.com/in/rory-ritchie-9440a531/) (last visited 11 September 2026); LinkedIn, *James Hedalen*.

[109] Kobrea, *This is our Philosophy…* (available at: https://www.kobreaexploration.com) (last visited 19 September 2016).

On its website, Kobrea discusses the Western Malargüe Copper Projects in the following terms:

> The Projects lie within the Neogene Porphyry Belt, a metallogenic belt that straddles the border between central Chile and Argentina. The Late Miocene to Early Pliocene porphyry copper belt includes some of the largest copper deposits in the world, including Rio Blanco – Los Bronces (134.8 Mt Cu) and El Teniente (128.5 Mt Cu) which represent the world's 2nd and 3rd largest copper deposits in terms of contained copper.[110]

Kobrea highlights the proximity to two other mines, which Kobrea claims "represent the world's 2nd and 3rd largest copper deposits in terms of contained copper", citing a study from 2008.[111]

On this page, Kobrea also refers to exploration work done by VALE in 2010-2013, but does not expand on why work was stopped.[112]

Kobrea also describes the efforts through which the Government of the Province of Mendoza promotes mining. The Malargüe Western Mining District, developed by the government of the Province of Mendoza through Impulsa Mendoza, was created "to respond to the challenge that the energy transition represents for the world".[113]

Impulsa Mendoza claims that their studies have "determined that the region is very suitable for mining development".[114]

Additionally, Impulsa Mendoza connects copper mining with the narrative of the energy transition, stating that "[c]opper is essential for developing renewable energy technologies that will enable the reduction of carbon emissions globally".[115]

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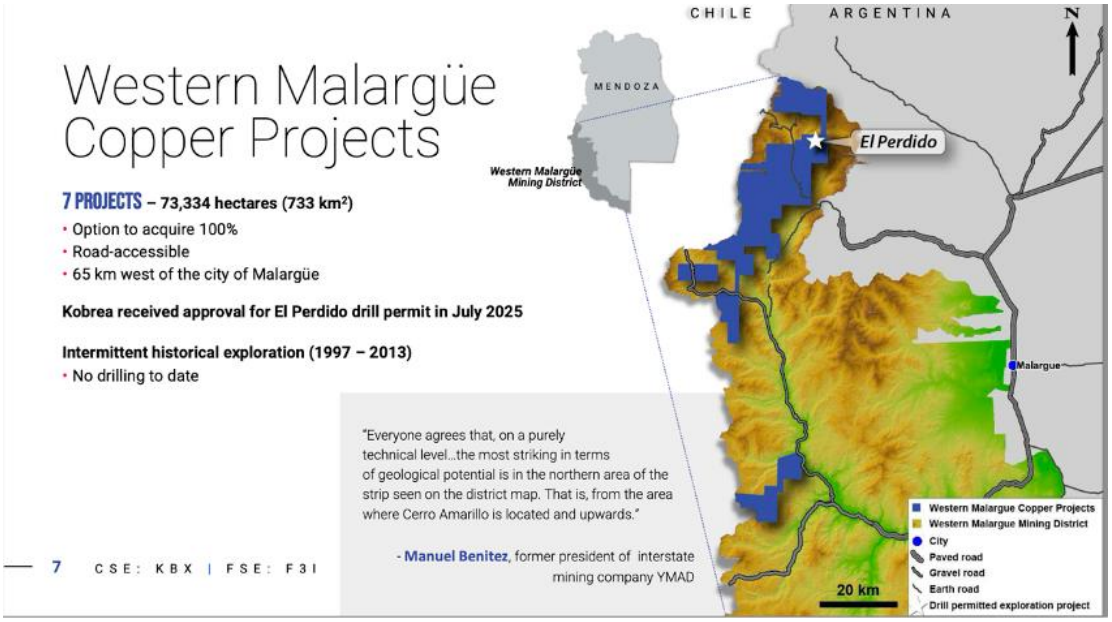
[110] Kobrea, *Western Malargüe Copper Projects* (internal citations omitted).
[111] *Id.* (citing Singer, D.A.; Berger, V.I.; Moring, B.C., *Porphyry Copper Deposits of the World—Database, Map, and Grade and Tonnage Models, 2008*: U.S. Geological Survey Open-File Report 2008–1155, p. 45 (available at: https://pubs.usgs.gov/of/2008/1155/)).
[112] *Id.*
[113] *Id.*
[114] Impulsa Mendoza, *Mining Districts* (available at: https://impulsamendoza.com.ar/en/mining-district/) (last visited 19 September 2026). Note that the environmental impact studies and technical reports are available on this site.
[115] *Id.*

MAPS


Western Malargüe Copper Projects
7 PROJECTS – 73,334 hectares (733 km²)
• Option to acquire 100%
• Road-accessible
• 65 km west of the city of Malargüe
Kobrea received approval for El Perdido drill permit in July 2025
Intermittent historical exploration (1997 – 2013)
• No drilling to date
"Everyone agrees that, on a purely technical level...the most striking in terms of geological potential is in the northern area of the strip seen on the district map. That is, from the area where Cerro Amarillo is located and upwards."
- Manuel Benitez, former president of interstate mining company YMAD
7 CSE: KBX | FSE: F3I
CHILE
ARGENTINA
N
MENDOZA
Western Malargüe Mining District
El Perdido
Malargue
20 km
Western Malargue Copper Projects
Western Malargue Mining District
City
Paved road
Gravel road
Earth road
Drill permitted exploration project


Western Malargüe Copper Projects
El Perdido
• 6,877 hectares
• Cu-Au-Mo porphyry target
El Destino
• 9,487 hectares
• Cu-Au-Mo porphyry target
Veronica
• 10,980 hectares
• Multiple porphyry targets
Sofi Project
• 9,667 hectares
• 4 Cu porphyry targets
Kobrea EXPLORATION
Cuprum
• 11,451 hectares
• Multiple porphyry targets
Mantos de Cobre
• 13,432 hectares
• Cu porphyry and skarn targets
Elena
• 11,440 hectares
• Multiple porphyry targets
Follow us and see what's next!
20 km
~ 30 km
8