

HALLGARTEN + COMPANY

Initiation of Coverage

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Kobo Resources (TSX-V: KRI) Strategy: LONG

Key Metrics

Price (CAD)	\$0.35
12-Month Target Price (CAD)	\$0.85
Upside to Target	143%
12mth high-low	\$0.18 to \$0.75
Market Cap CAD mn)	\$28.42
Shares Outstanding (mns)	81.20
Fully diluted	97.10

Kobo Resources

Evolving in Close Proximity to Perseus

- + The company has secured a well-positioned portfolio of gold assets in Côte d'Ivoire
- + Very close proximity to the Yaouré mine complex of Perseus opens the potential for a consolidation play to maintain throughput as production runs down at the existing mine
- + Initial work the Kossou Gold Project shows promise from sampling, with a diamond drilling campaign starting shortly across several prospective zones
- + Large, strong gold in soil anomalies at three zones, excellent surface trench results and Phase 1 RC drilling very positive; Phase 2 Diamond Drilling to initiate in March 2024
- + Strong board of directors and management team aligned with shareholders (with nearly 50% held by management and insiders)
- + Côte d'Ivoire sustains its reputation as one of the best mining jurisdictions in Africa, doubling gold production from 24 tonnes to over 45 tonnes since 2014
- + Gold is again having one of its "moments" where each of these up-moves seems to reset the trading range (higher) even if it does not push on to repeated new highs
- ✗ While Gold price is at a great place historically, disappointment still reigns amongst gold bugs who are forever looking for a major uplift
- ✗ The environment for funding exploration is mixed with investors looking to pick winners not just perpetual drillers going thru the motions

Coat-tailing or Standing Alone

Kobo is a relatively new name on the West African gold scene, a zone of the world that is gaining renewed interest out of Canadian and international markets after a period of quiescence. History may not repeat itself but, as is said, it frequently rhymes. In West Africa there has been a "changing of the guard" with countries that were "in" now being "out" (Burkina Faso being a case in point) and the focus is certainly shifting more to the West, as problems with Boko Haram and their lookalikes have made countries like Côte d'Ivoire, Senegal and Guinea the new epicentre of gold development and exploration focus.

Kobo's primary objective, at least for the moment, is to focus on the exploration and development of its Kossou Gold Project in Côte d'Ivoire, one of the most attractive jurisdictions in West Africa these days. In this Initiation we shall look at the major prospect of the company, its team and the general milieu in which it finds itself in the highly prospective region in which it is working.

The Kossou Gold Project

This gold project, which covers some 147,365 km², and is located in the Yamoussoukro and Bouaflé

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regions of central Côte d'Ivoire. The Kossou Gold Project (permit PR0852) is located approximately 22 km to the northwest of the regional and political capital of Yamoussoukro and 250 km the financial capital of Abidjan. Importantly, key gold showings are located within 7 to 10 kilometers of the Yaouré Mine open pits and process facility and are connected by a well-established road.

The Listing

In early 2023, Kobo Resources Inc. (formerly Meteorite Capital Inc.) listed on the TSX-Venture via a reverse takeover (ranking as a Qualifying Transaction). The name was changed to Kobo Resources Inc. with trading commencing on the TSXV on the 31st of March 2023.

The background to this was that, on the 1st of November 2022, Kobo entered into a letter of intent with Meteorite. The Letter of Intent stipulated that Kobo and Meteorite will enter into a definitive acquisition agreement pursuant to which Meteorite will acquire all of the issued and outstanding securities of Kobo by way of a "three-cornered" amalgamation whereby Kobo will amalgamate with 94542123 Québec Inc., a wholly owned subsidiary of Meteorite, and the shareholders of Kobo will receive one common share of Meteorite in exchange for each common share of Kobo held.

Concurrently to the listing, a financing in the amount of CAD\$4.676mn was achieved. Two institutional investors participated in the financing, Gold2000 of Switzerland and Delbrook Capital based in Vancouver, BC.

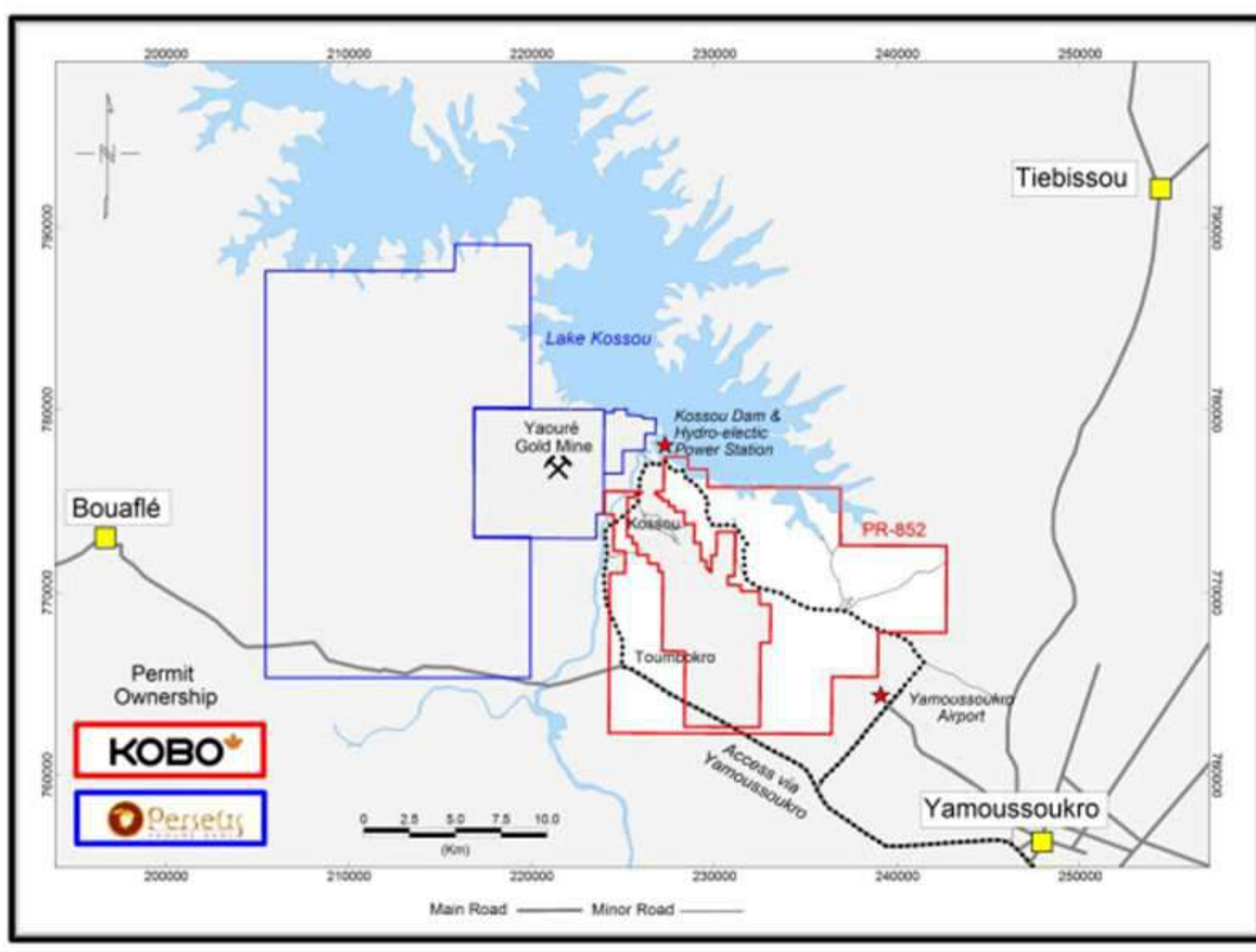
Some History

The Société des Mines d'Or was the first prospecting company to explore for gold in the district in 1931. The colonial prospectors discovered gold mineralisation in an east-west oriented vein close to the current Perseus Mining Yaouré Gold Mine, near Angovia, which we shall discuss anon.

The esteemed French geological service, the Bureau de Recherches Géologiques et Minières (BRGM) undertook the first modern exploration program in the region between 1983 and 1991. It completed a soil sampling program which outlined the main Yaouré Gold Deposit, together with regional stream sediment sampling in the surrounding 240 km² area. Several operators advanced the project until Perseus Mining acquired Amara Mining in 2016 and began development activities leading to the first pour in December 2020.

Although the majority of the Kobo exploration permit PR852 was not sampled, BRGM identified several stream sediment anomalies on the western boundary of Kobo's exploration permit.

In the second half of 2015, SEGA Ressources C.I., was awarded the first two semi-industrial mining licenses for gold under the new 2014 Mining Code of Côte d'Ivoire.



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The permits issued were situated adjacent to the Kossou hydro-electric dam complex and within Kobo's current research permit perimeter. Kobo Resources Inc. held a 49% interest in SEGA.

In August 2016, Kobo created a wholly owned Ivorian company called Kobo Ressources C.I. Towards the end of 2016, Kobo Ressources C.I. filed an application with the Ministry of Mines and Geology of Côte d'Ivoire to obtain a research permit covering an approximate 148 km² area which included parts of the semi-industrial SEGA permits. The application excluded an area classified as a natural forest reserve.

The Near-Neighbour - The Yaouré Mine

At the very least this neighbouring gold mine shows the potential of the area to host enormous deposits of the Yellow Metal. However, from a more strategic point of view, it is important to review this operation because of its potential to form and dictate the future of Kobo Resources and its targets in Côte d'Ivoire that are in such close proximity (less than 6 kms) from Kobo's main target concession.

The Google Earth view on the following page (with an overlay of the Kobo license area) shows the up-close nature of the two projects.

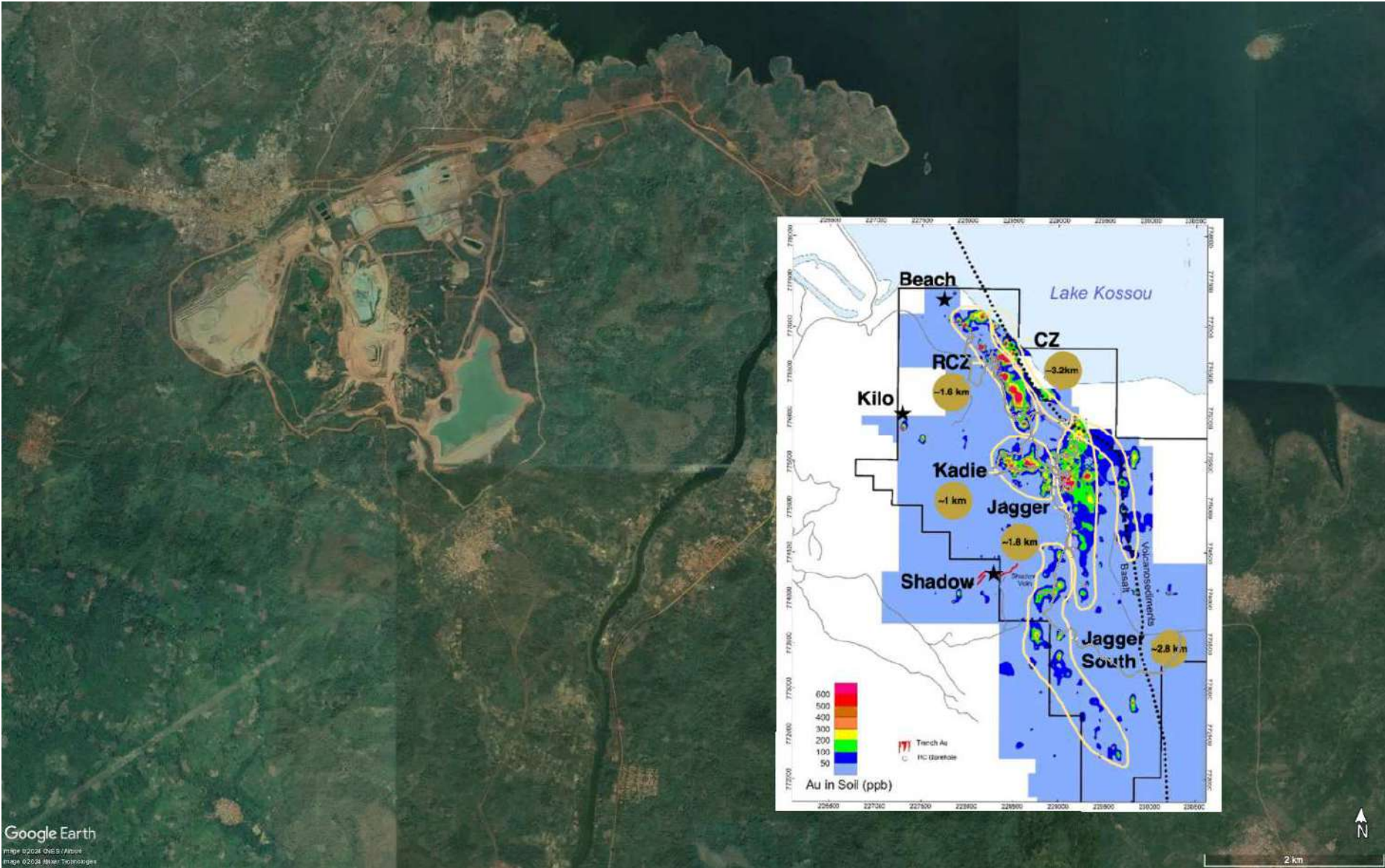
Development of Yaouré started in May 2019 and progressed on time and on budget allowing Perseus to achieve a stretch target of pouring first gold at Yaouré in December 2020. This made Yaouré into Perseus's third operation. Commercial production at the mine was declared in March 2021.

In September 2023, Perseus extended Yaouré's operational life to 12+ years (to at least 2035). Yaouré is expected to produce ~210,000oz gold per year over the next five years of its mine life (to 2029) at an average AISC of ~US\$1,104. Post-2029, when the open pits appear to be depleted, gold production drops to an average of ~110,000 oz per year. Head grade processed will drop from around 2 g/t Au at the end of 2029 to 1.1 g/t Au in 2030 according to the Yaouré Life of Mine Plan.

There is potential for Perseus to further extend Yaouré's mine life through additional discoveries adjacent to existing infrastructure and further resource definition drilling of known deposits, including the Yaouré open pit and CMA underground structure.

Since 2020, ore at Yaouré has primarily been mined from the CMA open pit, with some contributions from minor satellite pits. CMA open pit stage 2 and stage 3 cutbacks are due to be completed during FY24 and FY25 financial years respectively, whereafter mining will move on to satellite pits and the recently expanded Yaouré open pit.

Perseus completed a CMA underground feasibility study in August 2023, proving the technical and economic viability of underground mining of the CMA orebody, down-dip and down-plunge of the stage 3 CMA open pit.



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Underground mining of the CMA orebody is expected to begin in early FY26, once all related approvals have been received. According to Perseus, the CMA underground orebody will grade 3.51 g/t Au and contains 550k oz gold in the Proven and Probable category.

In a very astute move, Kobo hired Chris Picken as their Exploration Manager. He has over 35 years exploration and development experience in Africa and elsewhere but critically, acted as Geological Superintendent at the Yaouré Mine for four years when Perseus was completing the feasibility study prior to the mine going into production. He was instrumental in the geological process at Yaouré managing up to 12 drill rigs and oversaw over 160,000 m of drilling. He oversees the day-to-day exploration activities at site.

In an interesting development in August of 2023, Kobo announced the hiring of Dr. Ghislain Tourigny as its structural geologist consultant. He comes with over four decades of expertise in geology, particularly in West Africa, most recently having served as Group Structural Geologist at Perseus in Cote d'Ivoire, where he was focused on the structural mapping of Yaouré's open pit, with an emphasis on the structural controls of the gold-bearing lenses, structural logging of the main fault zones and the structural interpretation of airborne geophysical data.

His notable experience in West Africa over the last 20 years included holding the positions of Exploration Manager at SEMS Exploration Services Ltd., Structural and Mineral Deposits Geologist at Etruscan Resources Inc. and Senior Regional Geologist High River Gold Mines Ltd. in Burkina Faso as well as Regional Geologist at Gold Fields Ltd. in Mali.

He holds a Ph.D. in structural geology and metallogeny and a Masters in structural geology from University of Montreal.

The Dominant Local Feature

Before launching into the geology of the project area it is worth mentioning the dominant local feature, which is Lake Kossou, Côte d'Ivoire's largest lake. It lies on the Bandama River in the center of the country. It is an artificial lake, created in 1973 by damming the Bandama River at Kossou.

When full, the lake was planned to have a surface at some 206 m (676 ft) above sea level, a length of 180 km (112 mi) and a width of 45 km (28 mi), an area of 1,855 km² (716 sq mi). Interestingly though the lake reached its greatest height above sea level of 193 m (633 ft) in 1975, at which point its surface area was about 50% of its full potential. By 1994 it had not enlarged further due to a decrease in rainfall in its catchment area.

The dam does not impact Kobo's key targets (RCZ, Jagger or Kadie). Mineralization is well up into the hills with RCZ being nearest, but still 80m to 100m above the current water levels. Mining should also

not be an issue as likely operations are over the minimum one kilometre from the dam infrastructure.

A benefit from the dam's proximity is the abundant supply of water and electricity for mining activities. hydroelectric power facility provides convenient access to the main grid power supply which transects the property and is expected to meet Kobo's future mining and production requirements similar to those provided at Yaouré Gold Mine. The Kossou Dam and hydroelectric facility can produce up to 150 MW of power and the infrastructure is in place to supply future requirements.

Regional Geology

The Kossou Gold Project area lies on the south-eastern edge of a 100 km long Birimian greenstone belt, shown in the centre on the map on the following page.

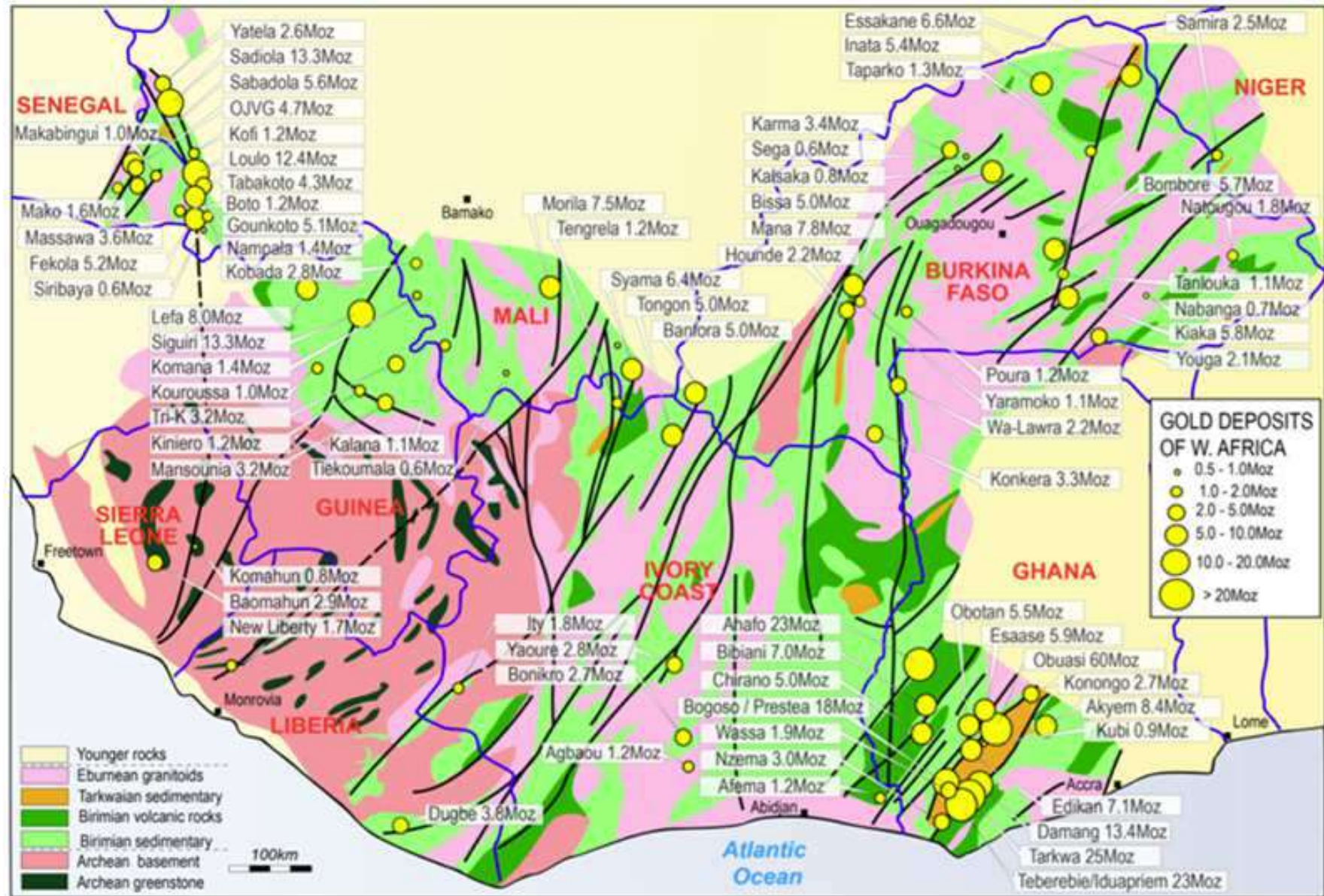
The greenstone belt is NNE trending and composed of a complexly deformed assemblage of paleo-Proterozoic volcanic and sedimentary rocks intruded by mafic to felsic sills and dykes. The majority of gold mineralisation in Côte d'Ivoire is interpreted to have occurred during the late stages of the Eburnean orogeny with strike-slip displacement and hydrothermal fluid circulation along shear zones and faults which parallel the belt.

The aforementioned Yaouré mine is located along and immediately south of a major NNE-trending structural discontinuity that controls the internal geometry of the gold-bearing volcano-sedimentary and intrusive rocks. Greenschist facies supracrustal rocks of this part of the greenstone belt, which includes the Yaouré mine, consists mostly of an assemblage of pillowed and massive mafic lava flows. These rocks are oriented NNE to NE, dip steeply towards the SE, and are intruded by narrow sills and dykes ranging from mafic to felsic in composition.

The important contact between meta-volcanics and volcano-sediments at the Yaouré mine is interpreted to occur within the Kossou Gold Project permit. Exploration by Kobo has identified the contact between volcanic and volcano-sediments as a primary target for gold mineralisation.

Project Geology

In the opinion of the company's consultants (authors of the NI 43-101 Technical report on the QT) the Kossou Gold Project area is likely to host structurally controlled, greenstone hosted gold deposits similar in nature to many exploited elsewhere in the Birimian terranes of West Africa. These gold deposits are mesothermal or orogenic lode gold types associated with major crustal scale shear zones, which act as deep tapping pathways for mineralising fluids.



In these types of structures, gold mineralisation typically occurs as discrete quartz lodes within planar, or locally anastomosing structures or as disseminated deposits within stockworks or sheeted vein systems within broader shear zones. Small scale late-stage intrusions are commonly associated with these styles of mineralisation as they provide the required rheological contrast for gold deposition. The mineralisation might best be typified as an orogenic, mesothermal gold deposit.

The consultants commented that “the style of mineralisation observed on the Kossou permit is similar to that reported in ‘steep structures’ by Perseus Mining at the Yaouré Gold Mine.”



The geology of the Kossou Gold Project comprises a sequence of massive pillow basalts (one of which is shown above) which have been intruded by small diorite, dacite and granodiorite intrusives and dolerite dykes.

Locally the basaltic rocks have been silicified, cut by quartz veins/veinlets that are known to host gold mineralisation. The metavolcanic succession is bounded to the east by a volcano-sedimentary sequence comprising metasediments (sandstone) and mica-schist.

Alluvial, colluvial, and eluvial gold has been, and still is, mined by artisanal miners, particularly at the

base of the elevated ridge towards the edge of Lake Kossou. Below can be seen the artisanal workings on the lake shore, known as Pirate's Cove, as seen from the Road Cut Zone.



Mineralisation in the region is known to be largely structurally controlled. Although gold mineralisation predominantly occurs within distinct quartz and quartz-carbonate veins and veinlets, mineralisation also occurs within very highly-silicified zones where hydrothermal fluids have been focussed along primary structures.

The ore assemblage often includes molybdenite, chalcopyrite, pyrite and native gold with minor galena, bismuthinite and sphalerite in foliated rocks along the vein margins. The veins developed within foliation planes commonly vary between 1cm to 3 m width.

The alteration associated with gold mineralisation in steeply dipping and subvertical structures commonly consists of quartz carbonate veins with variably developed shear textures.



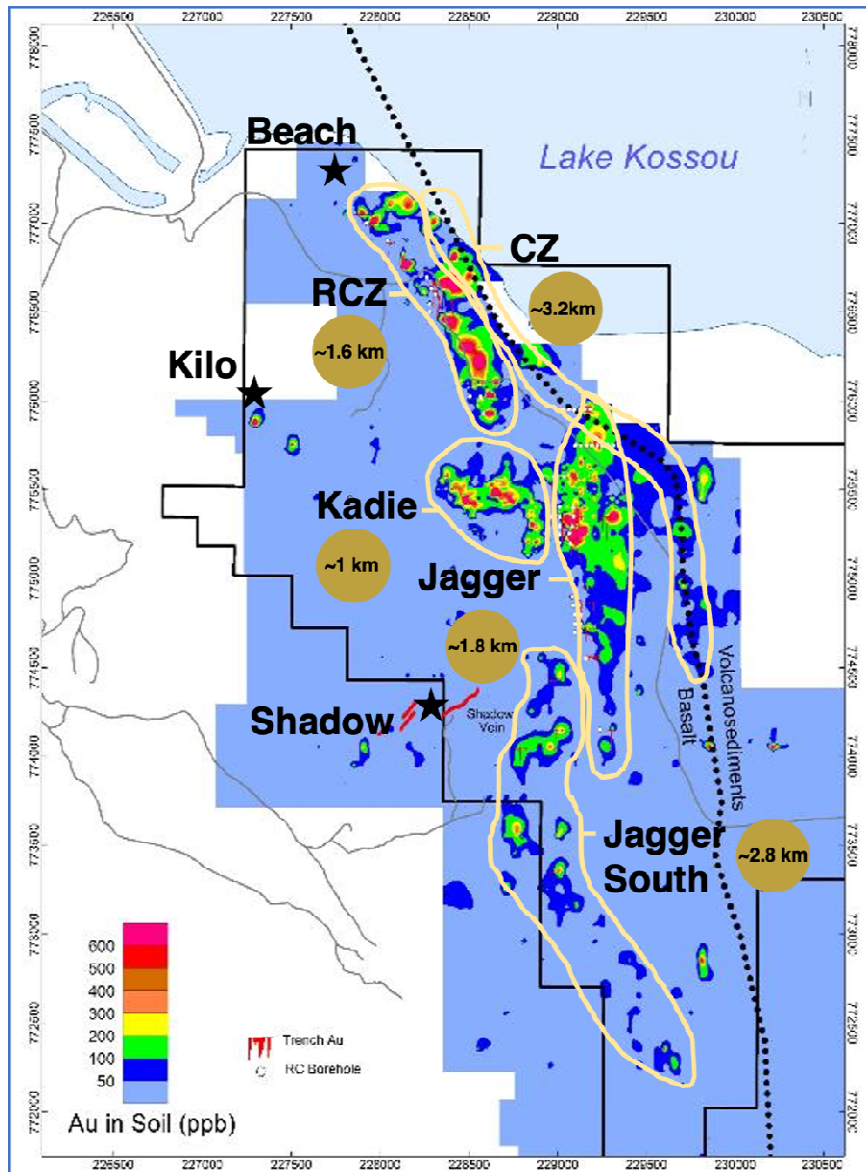
Above can be seen the typical landscape of the project, in this case from the heights overlooking Lake Kossou.

The Target Zones

There are four target zones at the current time. These are:

The Road Cut Zone (RCZ) - this was initially discovered during early exploration work at Kossou and lies within another shear zone hosting strongly altered volcanic rocks heavily crosscut by quartz and quartz-carbonate veins/veinlets. The original exposure returned 4.64 g/t Au over an 18.2 m in continuous chip samples. Early RC drill results have been encouraging.

The Jagger Zone - this is represented by a major, well-defined north-south trending shear zone which is defined by the largest and strongest soil geochemical anomaly discovered at Kossou to date. The Company has confirmed the existence of strong gold mineralisation through detailed infill soil sampling, geological mapping, trenching and drilling. The Jagger Shear Zone is approximately 1.85 km in strike length with peak gold in soil concentrations up to 112 g/t Au.



The Kadie Zone – this is a series of west-northwest trending gold in soil anomalies overlying a weathered mafic volcanic sequence cut by narrow feldspar porphyry dykes. The strongest gold intervals at the Kadie Zone correspond to the northwest trending veins system developed within silicified zones of the associated shear zones. Targets in this zone have structural and lithological characteristics similar to those found at the prospective Jagger gold-bearing shear zone.

The Contact Zone – this is considered by management to be a target with excellent potential for significant gold mineralization, particularly in the area where the Jagger Shear Zone intersects the contact between meta-volcanic and meta-sedimentary rocks. There has been small-scale artisanal

mining of free gold along the shoreline of Lake Kossou in this area and airborne magnetic data shows the artisanal mining aligns directly above and along and the interpreted geological contact.

Exploration

The previously mentioned SEGA Ressources, under the technical guidance of Kobo, completed an initial exploration program during 2016. A soil geochemical survey program was undertaken with some 485 samples having been collected. SEGA also excavated 164 pits of 1 m² diameter, up to 2 m in depth adjacent to Lake Kossou's shoreline (Beach Zone prospect) to evaluate the potential for eluvial and alluvial gold. Material from these pits was weighed, volume was calculated, and the material was then handwashed to create a concentrate where gold grains were counted. Gold grains were counted in 155 of the 164 pits.

SEGA commenced a reconnaissance mapping and rock sampling program to try and identify a bedrock gold source to the gold observed in the shallow pits. It was during this period when the gold mineralisation at the Road Cut Zone was discovered. A well mineralised chip-channel sample averaging 18.20 m at 4.64 g/t Au was intersected in a road cutting exposure between Kossou Dam and Bocabo village.

In July of 2023, the company commenced an initial drilling campaign at Kossou which was completed in early August 2023. This initial drilling campaign involved the drilling of some 5,887 metres drilled in 53 reverse circulation drill holes, with 80 trenches (over an extension of ~5,492 m). Drilling and trenching confirmed significant gold mineralisation at the Road Cut Zone and additional strong gold mineralisation within the Jagger Zone. Further exploration work has elevated the Kadie Zone to potential drill status.

In mid-January of 2024 the company reported the discovery of new high-grade gold mineralisation at its Road Cut Zone (RCZ) target following additional trenching.

It also reported what it deemed to be positive results from soil geochemistry work at the Kadie Zone.

Thus far exploration has only been undertaken over an area representing approximately 15% of the whole license. Following recent drill road access work, Kobo's team uncovered another mineralised shear zone just west of the known RCZ geochemical anomaly. Preliminary work suggests the new shear zone is structurally similar to the primary RCZ and Jagger drill targets, appears to correlate well with drill hole KRC044 that returned several strong mineralised intercepts and compares favourably to other trench results at the RCZ.

Structural Geology

As mentioned earlier the company has picked up the talents of Dr Tourigny to expand its knowledge of

the structural geology of the Kossou deposit.

His opinion is that the studied prospects are located in the centre of a broad anastomosing fault network developed on the structural hanging wall of a crustal-scale first-order fault zone defined as the Contact Zone Fault (CZ) and is shown on the map to the right.

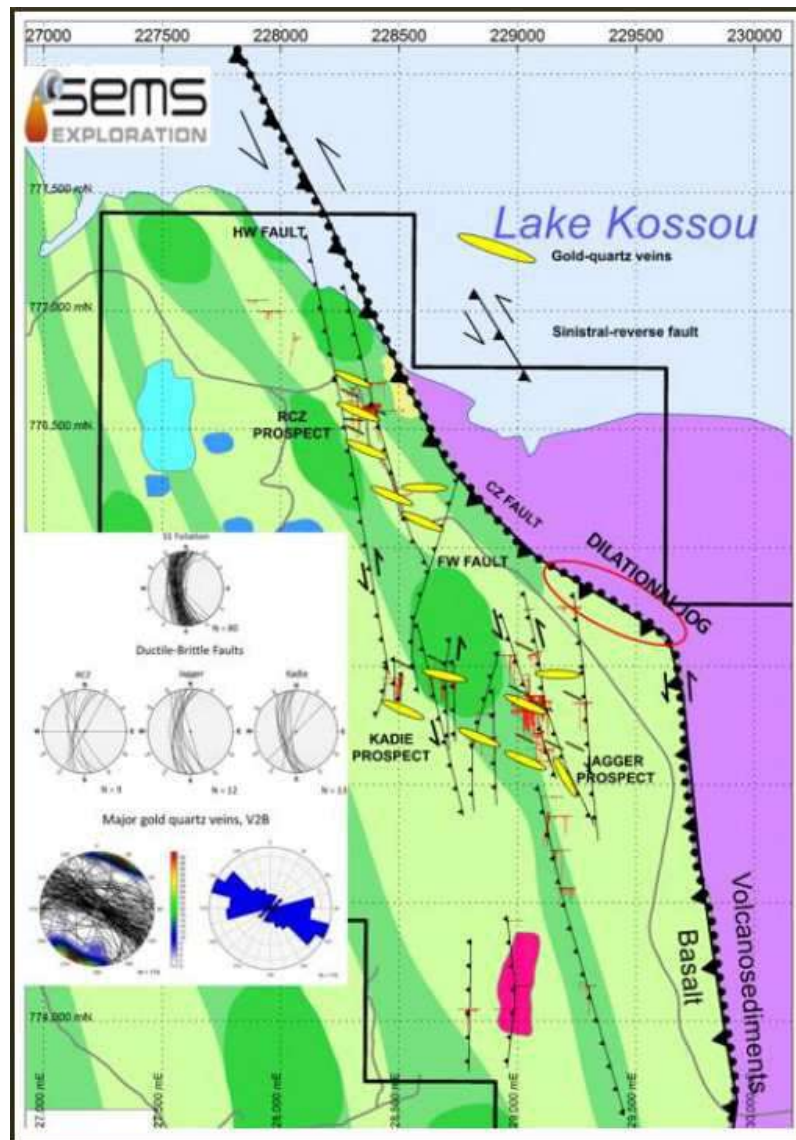
The CZ Fault juxtaposed a sedimentary basin to the east to a weakly deformed mafic volcanic succession to the west. These greenschist facies metavolcanic rocks form an NNW- to NS-trending and steeply west dipping homoclinal stratigraphic succession intruded by a variety of mafic and felsic igneous rocks and crosscut by abundant ductile-brittle fault zones.

The Kossou gold mineralization is confined to a well-defined NNW to NS-striking fault-bounded corridor that is ~300-m-wide and > 2 km long. The gold-bearing high strain lenses include chlorite-carbonate-sericite-pyrite schist straddling the areas of highest shear strain, pervasive hydrothermal alteration, and brittle failure.

Results Thus Far

Jagger Zone

The Jagger Zone appears to be the most significant gold geochemical anomaly and Kobo has completed 34 trenches (~ 2,600 m) and 25 RC drill holes (3,164 m) to date at the target. Drilling and trenching has



been completed over a strike extent of 1.6 km, with excellent results to date. More significant trench results include:

- KTR028: 6.42 g/t Au over 28.0 m, including 18.04 g/t over 5.0 m
- KTR030a: 5.07 g/t Au over 19.0 m, including 42.75 g/t Au over 2.0 m
- KTR043: 1.83 g/t Au over 68 m, including 8.20 g/t Au over 9.0 m

Drilling has identified the main shear zone to a depth of ~125 m below surface. Some key drill results are:

- KRC002: 1.87 g/t Au over 20.0 m, including 6.28 g/t over 3.0 m
- KRC009: 1.03 g/t Au over 48.0 m, including 1.70 g/t Au over 15.0 m

The zone remains open along strike to the north and south and remains open at depth.

Road Cut Zone

Kobo has completed over 1,745 m of trenching and 1,699 m (13 holes) of RC drilling at the Road Cut Zone on a target of over 1.7 km strike extent. The target is still early in its development, but work continues to identify excellent mineralisation along strike and in parallel structures.

Some of the more impressive trench assays from the RCZ were:

- KTR049: 4.68 g/t Au over 33.0 m, including 9.37 g/t over 11.0 m
- KTR082: 2.76 g/t Au over 22.0 m, including 22.36 g/t Au over 2.0 m
- KTR084: 1.49 g/t Au over 10.0 m, and 15.80 g/t Au over 1.0 m
- KTR086: 8.56 g/t Au over 5.0 m, including 12.61 g/t Au over 3.0 m

The team has uncovered another NNW-SSE trending shear zone which parallels the primary RCZ previously drilled and trenched during recent drill road access work at Kossou. The drill road was put in place to gain access to the main RCZ primary drill target and lies just to the west of the known gold in soil geochemical anomaly.

Preliminary trench mapping indicates a similar structural environment to that of the primary RCZ drill target and these new trenches lay within the 300+ m wide and 2+ km long structural corridor previously identified by Dr. Tourigny in 2023. A series of E-W and WNW-ESE trending high-grade quartz veins (V2) crosscut the dominant NNW trending mineralised shear zone, contributing to high-grade gold values within the dominant shear zones.

This new zone appears to correlate well with drill hole KRC044 to the north that returned several strong mineralised intercepts including 2.94 g/t Au over 9.0 m (88 to 97 m), including subintervals of 4.48 g/t

Au over 5 m (92-97 m) and 10.41 g/t Au over 2 m (95-97 m); all drill intercepts represent downhole lengths and not true widths. These results affirm the belief of Kobo's management that the RCZ is a priority target for the upcoming diamond drill program in Q1 2024.

Additional sampling was undertaken at the mineralised zone east of the main RCZ in a series of small trenches located within the artisanal mine workings where it was safe to conduct activities (trenches KTR069 to KTR081).

- KTR070: 4.44 g/t Au over 28.0 m. including 6.54 g/t over 18.0 m

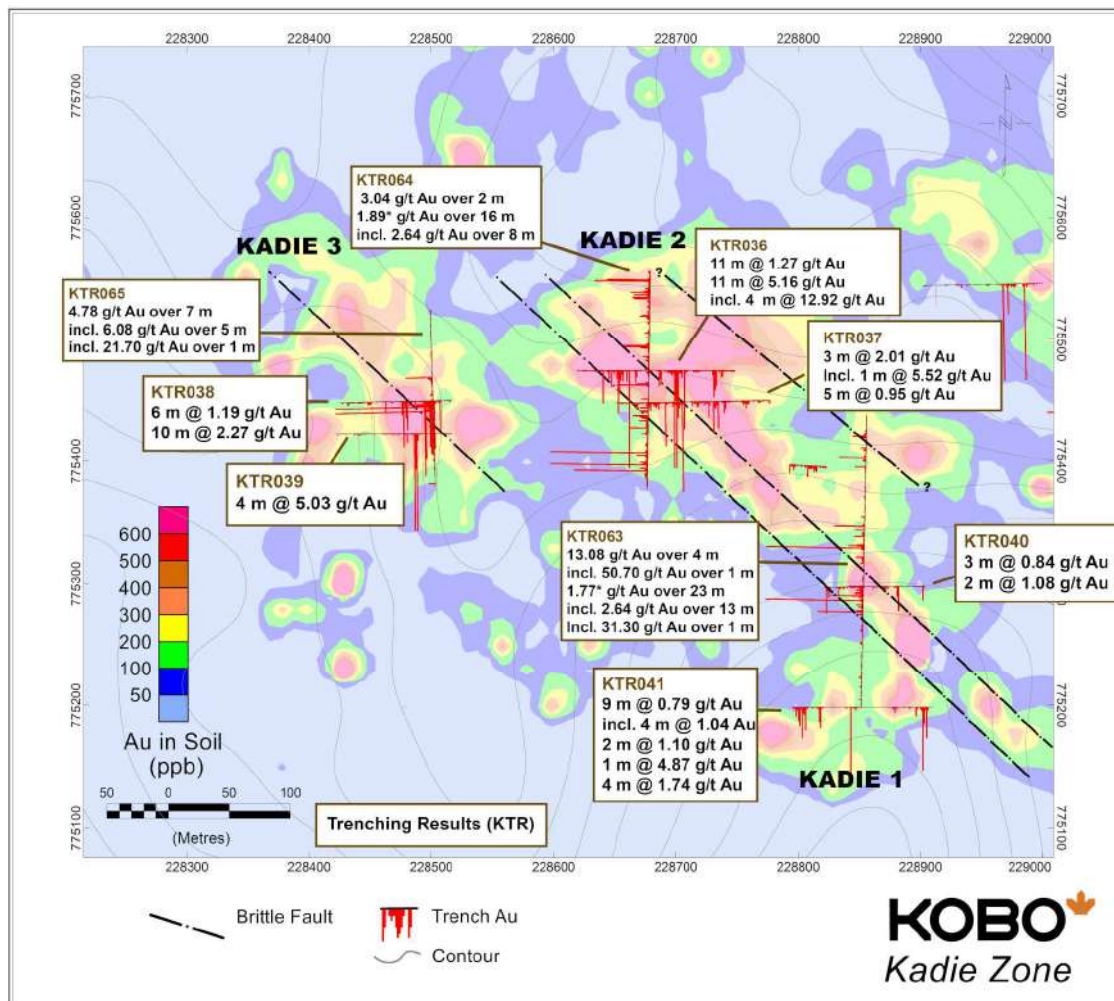
Results from this work confirmed the presence of a northerly trending shear with gold mineralisation. In the trenches sampled, the northerly shear was dominant, and the highest gold grades are associated with the cross-cutting vein sets (V2).

Kadie Zone

At the Kadie Zone recent detailed infill soil geochemistry work on this target has defined a subparallel shear zone with gold in soil results of up to 104 g/t Au indicating a strong NW-SE trending gold anomaly. The combined strike extent of the geochemical anomalies at the Kadie Zone exceeds 1 km and is a very promising target and will be drilled for the first time during the upcoming diamond drill program.

Additional detailed infill soil geochemistry very clearly indicated a strong NW-SE trending gold anomaly defined by samples ranging from 300+ ppb to a maximum value of 104,000 ppb Au that connect the Kadie 1 and Kadie 2 zones. This feature indicates a strike extent of over 650 m and remains open to the SE along strike with a second trend (Kadie 3).

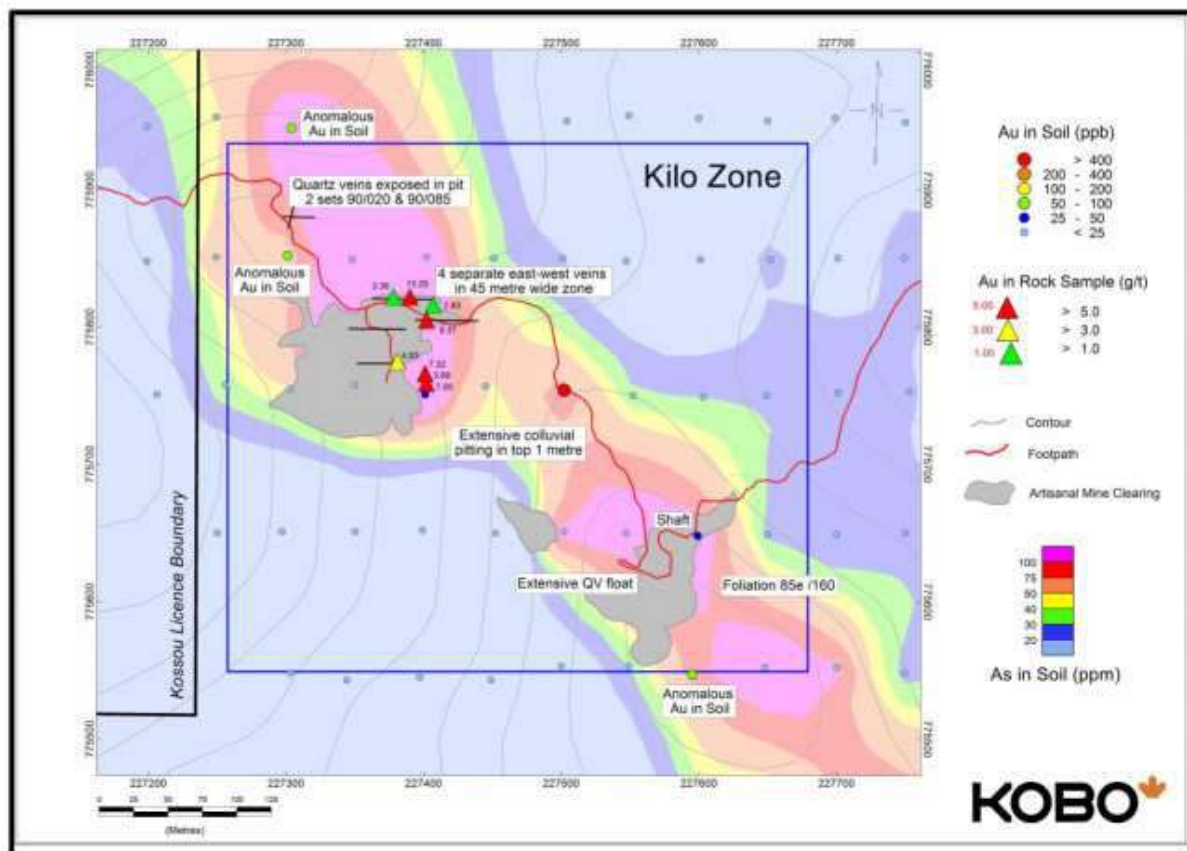
Detailed gold in soil geochemistry has proven to be a very effective tool for exploration at Kossou and management intends to continue with its sampling strategy to help define extents of gold mineralised shear zones and veins sets for future drill targeting purposes. Below can be seen the gold in soil geochemical interpretation for the Kadie Zone with recent trench results.



The Kilo Zone

There is an extra target zone called the Kilo Zone, this lies to the west of the other targets on the very border of the tenement block towards Yaouré. There are two areas of artisanal hard-rock mining at the Kilo Zone.

Kobo has undertaken soil geochemistry and rock chip sampling here with this zone not showing a significant, laterally persistent gold in soil anomaly. The Kilo Zone lies on a major NW-SE trending arsenic anomaly which is clearly an important controlling factor in the gold mineralisation.



In the SE area at the Kilo Zone where there is a deep shaft and extensive shallow pitting in the top 1-2 metres of the soil profile. There are also a series of artisanal shafts in the north-western area at Kilo Zone where artisanal miners are targeting a series of narrow, 10-20 cm wide, sub-vertical E-W oriented quartz veins. Field observations have shown the presence of four separate E-W vein systems being mined within a 45 m wide zone.

In the opinion of Perseus, the narrow E-W veins generally do not appear to represent economic targets. However, in certain cases, sets of sheeted veins occur with sufficient density and in well-defined and constrained zones, for them to have the potential to develop into significant orebodies.

Perseus Mining has recently reported that a grade-control drill program has been completed at the Angovia 2 prospect at the Yaouré gold deposit. The zone contains up to 12 separate E-W oriented veins in a sheeted 200 m wide zone along a 350 m strike.

These types of settings have the potential to contain open pit resources in the order of 50,000-75,000 ozs Au.

Upcoming Exploration & Next Steps

Kobo will be initiating a 4,000 to 5,000 m diamond drilling program in March 2023. We would note that the main rainy season is May/June/July but that does not hamper drilling for Kobo.

This program will be DD vs previous RC, driven by the recommendations of Dr Ghislain Tourigny. The team will drill 5 or 6 holes (2,000 m) on the Jagger Zone to test the northwest trending high-grade V2 vein sets and their intersection with the N-S shear zones. Drilling will be at 070 degrees, again as recommended by Dr Tourigny to hopefully intersect both structures in at better angles. Kobo hopes this shows better drill result that compare more with the trenches.

At the RCZ, the team will also drill at 070 degrees, for the same reasons as at Jagger. There will be 10-15 drill holes (2,000 m) at that target. The difference will be that the company will be drilling a significant gap between the northerly group and southern group of holes that has not been drilled. This ~500 m gap corresponds to the strongest part of the RCZ geochemical anomaly and is a prime target. The company will also test what appear to be parallel shear zones with strong gold (trenches KTR082 5 m @ 8.56 g/t, KTR086 22 m @ 2.76 g/t and further east KTR070 28 m @ 4.44 g/t). The company will also test the N-S vs the northwest (V2) veins at their intersection with the northerly shear and the geochem anomaly.

On another front, Kobo will drill for the first time the Kadie Zone - 8-12 holes, 1,000 m. This will be in the same orientation of 070, working with the same concept.

Finally, the team will continue to map, sample and trench its key targets, where warranted, and other targets (Kilo and Shadow zones). They shall also continue soil geochemistry surveying as warranted to look for extensions to known zones and new zones.

The drill program is fully funded at this point with drilling and sampling expected to cost around CAD\$1mn.

On Cote D'Ivoire

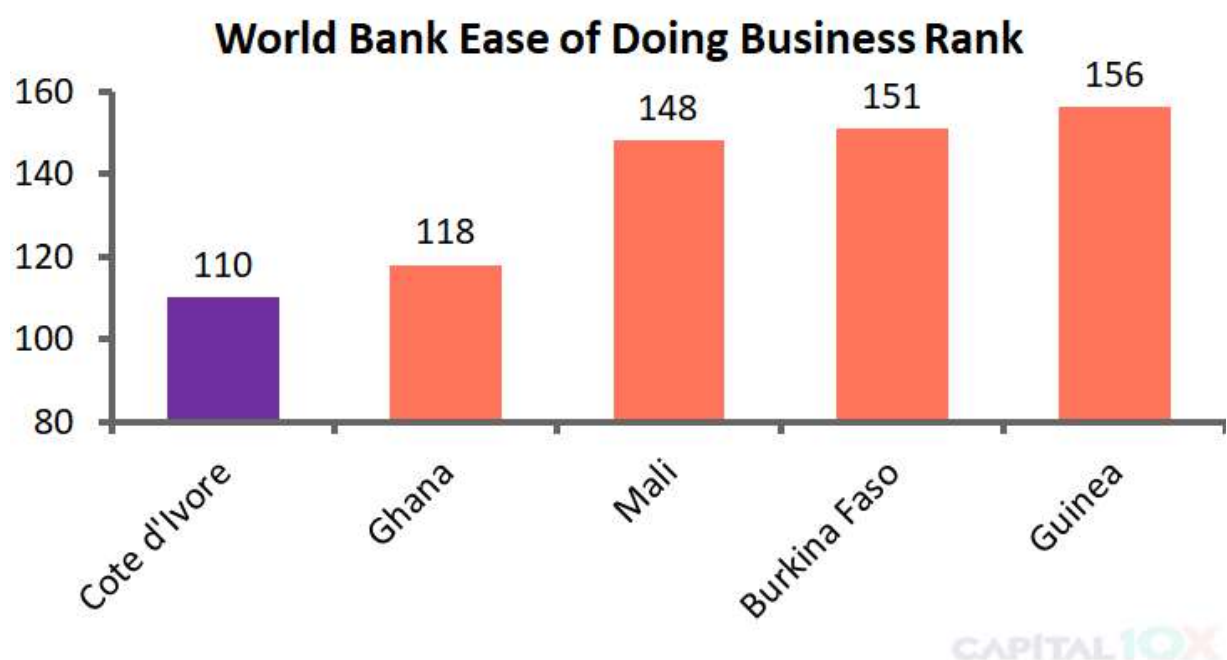
The country is a presidential republic with regular elections and a civil law system based on French civil code. That being said, like many countries in West Africa, Ivory Coast has various civil wars in its recent back history. A civil war was fought in Ivory Coast between 2002–2004 and a second civil war broke out in March 2011 following contested elections that saw president-elect Alassane Ouattara come into power in 2011 and he was reelected in 2015. Then, in presidential elections held on 31 October 2020, Ouattara was re-elected with 95% of the vote amidst an opposition boycott.

As for the economic situation, the most illuminating summation was provided by *The Economist* journal in 2019 when it stated: "Few West African countries excite investors quite as much as Ivory Coast. Its

economy, which is forecast to expand by more than 7% this year and next, is among the fastest growing in Africa”.

They went on to say: “Its efforts to cut red tape and make it easier to start a company or get loans have won praise from private firms and multilateral institutions, such as the IMF and World Bank—which has bumped it up by 25 places on its “ease of doing business” index since 2015.

According to the World Bank, Côte d’Ivoire’s ease of doing business is the highest in the region (Lower ranking is better):



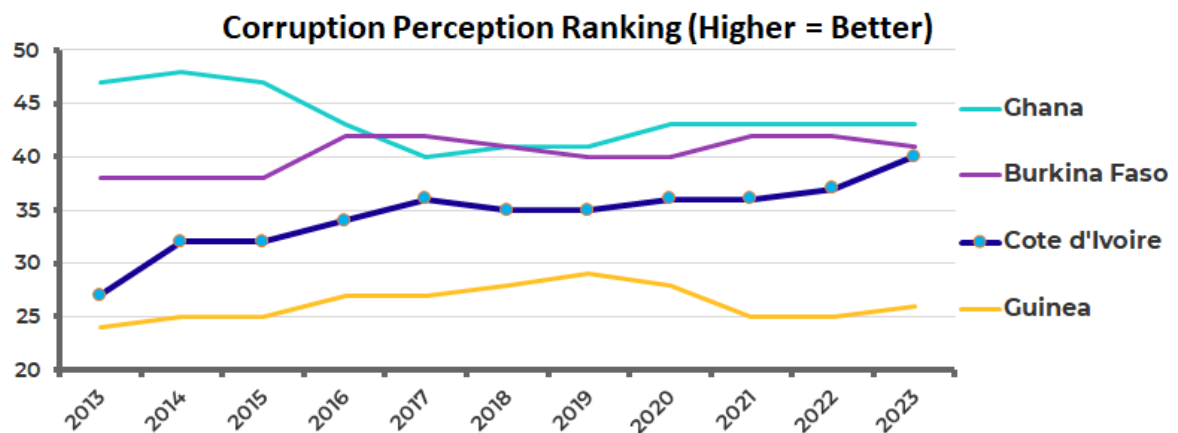
Source: World Bank (2020)

On September 23rd Standard Chartered, a bank, ranked it top of its list of 20 countries that have the most potential to trade”.

In 2022, despite the lingering effects of the pandemic induced global crisis, the Ivorian economy recorded real GDP growth estimated at 6.7%.

Economic growth is also brisk, showing 7% growth in 2021 and 2022 with similar growth expected in 2023.

The corruption perception ranking also continues to improve while neighbors in West Africa have all seen their rankings decline or flatline.



CAPITAL10X

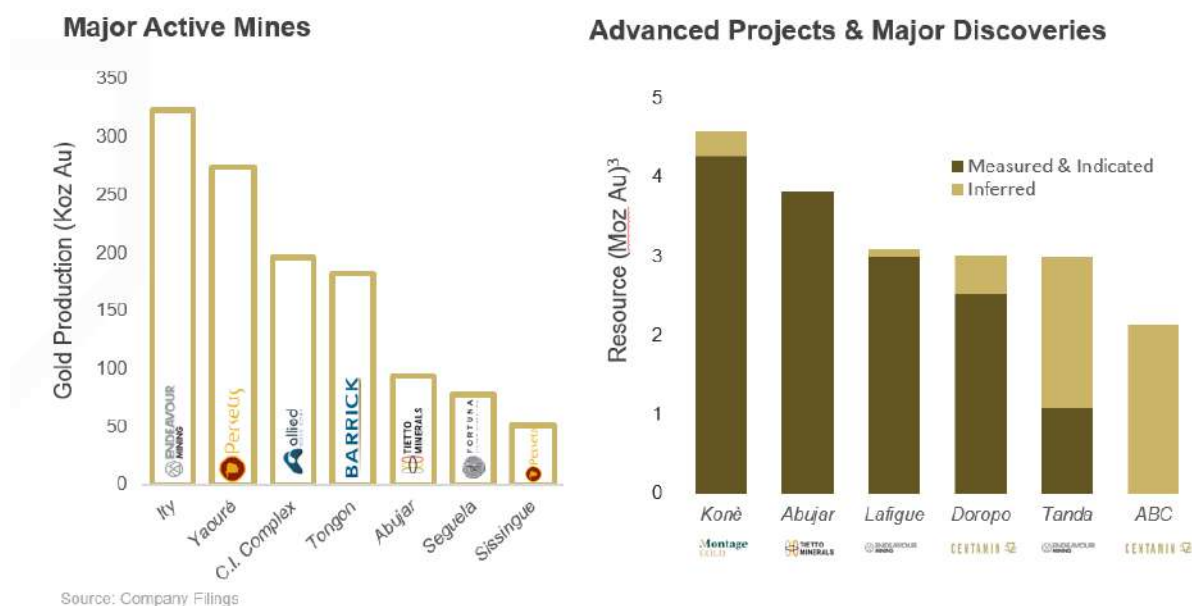
Source: Transparency.org

Mining in Cote d'Ivoire

As a mining jurisdiction the country has maintained an attractive profile over the last decade. A 2014 mining tax code change has made the country a favorable place for gold exploration and resource development. Meanwhile, a tax convention (1985) and foreign investment protection agreement (2013) with Canada, has made it a particularly attractive jurisdiction for Canadian junior mining investors.

As some former favoured jurisdictions in West Africa have declined in investor attractiveness due to political instability, Côte d'Ivoire is increasingly seen one of the most attractive gold districts in the region.

There are already major producing mines in the country, but with a lack of exploration and development spending in the past, these mines are depleting, and it is probable that majors holding these assets will look to potentially acquire additional discoveries to backfill declining production.



As an oasis of stability, gold companies are buying up assets and expanding exploration in the country to diversify production away from less than desirable jurisdictions elsewhere.

The history of transactions in Côte d'Ivoire in recent years is impressive with notable transactions being Endeavor Mining purchasing SEMAFO for CAD\$1bn and Teranga Gold for CAD\$2.4bn respectively and Fortuna Silver (NYSE: FSM | TSX: FVI) buying Roxgold for CAD\$1bn in July of 2021.

The Mining Code

The Republic of Côte d'Ivoire reformed its Mining Code in March 2014 (formerly Mining Code of 1995).

Exploration licences are awarded by presidential decree after ministerial approval from the Ministry in charge of mines. There are five different categories under the 2014 code:

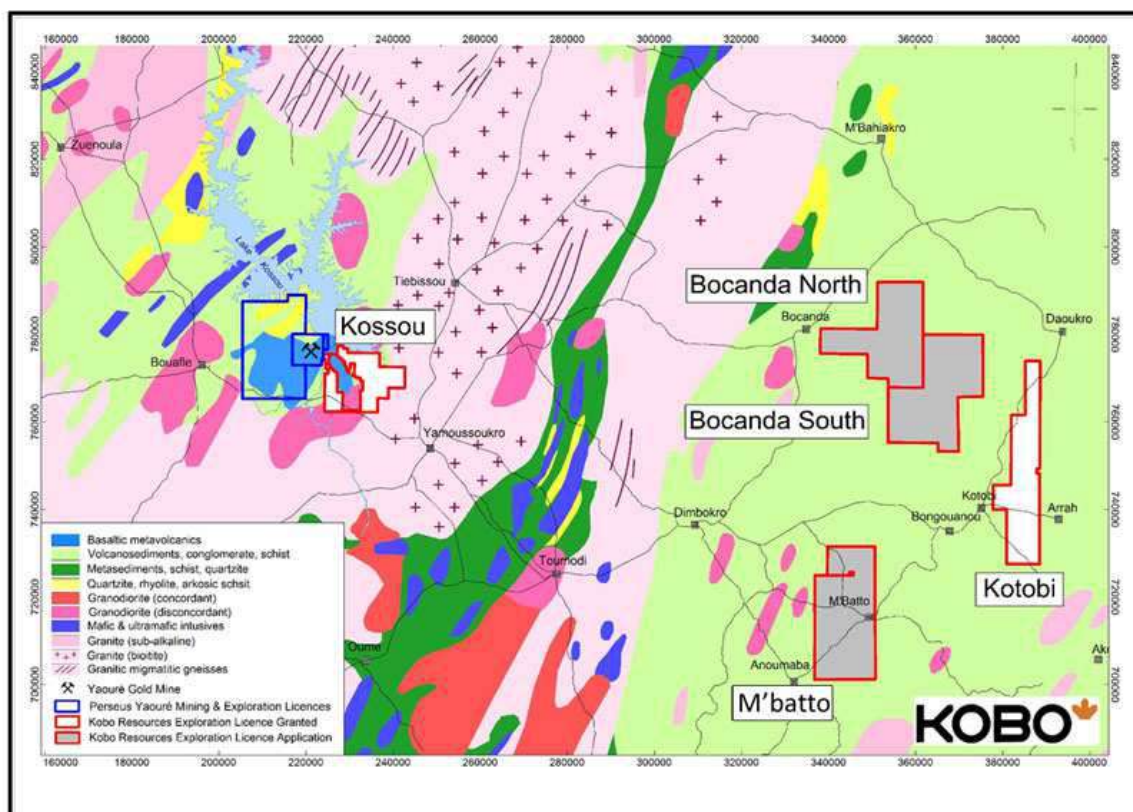
- Prospecting permit - Up to 2,000 km², non-exclusive and granted for one year
- Exploration permit (Research) - Up to 400 km², exclusive and granted for four years, plus two renewals of three years, with the possibility of a third renewal for two years under extraordinary circumstances
- Exploration permit holders are exempted from paying the TVA (sales tax of 18%) and also benefit from the exempt duties when importing equipment used during the exploration phase
- Mining permit - Granted for up to 20 years with option of 10-year renewals
- Semi Industrial Mining Licence - Ivorian nationals or Ivorian-majority cooperatives of companies only, up to 1 km², 4-year period, renewable

- Artisanal Mining Licence - Ivorian Nationals or Ivorian Majority co-operatives only, maximum of 25 ha. for a two-year period, renewable

Once Exploration Licence applications are submitted, coordinates of the area applied for are verified against other applications for any overlap with other applications or granted licences. At this stage, the applicant is also assessed on their technical and financial capability to undertake the work program proposed in the application. After this process, the application is assessed by a mining commission, if approved a draft decree is presented by the Minister for Mines to a presidential cabinet for signature and granting. Exploration activities must commence within 6 months of the granted licence date.

The Kotobi Project in the Bongouanou Area

It is worth mentioning that Kobo has a second project though it is not expending much effort on this, at the moment, with the main focus being Kossou.



In April of 2019, the Kotobi Research Permit was awarded to Kobo Resources. The permit is located within the Birimian Dimbokro-Abengourou Belt, Booulé-Mossi domain. The permit stretches across the administrative departments of Arrah, Bongouanou and Daoukro and covers 301.75 km² of prospective Birimian host rocks. Kotobi forms the basis of the Bongouanou Area Project. The other three

concessions (shaded grey in the map) are still pending applications.

The main effort thus far was a detailed UAV supported magnetic survey undertaken in 2023. A total of 1,564.8 line kilometres of UAV magnetics were flown over an area of approximately 324 km². Flight lines were flown northwest-southeast to cross-cut the dominant northeast-southwest structural trend as defined by large scale government historic data. Flight lines were on 200 m spacings, with a continuous read magnetometer. All acquisition was at an elevation of approximately 90 m above surface.

A number of interesting features, some of which correspond to known gold in soil anomalies from Kobo previous work, were identified. The technical team are in the process of identifying a group to complete more detailed interpretation and targeting of magnetic anomalies.

Here (at right) is some visible gold veining in quartz from the M'Batto application area.

Artisanal miners are active across the target zones showing the potential prospectivity.

The Kotobi permit has been issued for four years and is renewable for two consecutive three-year terms, with an additional possible two-year term.

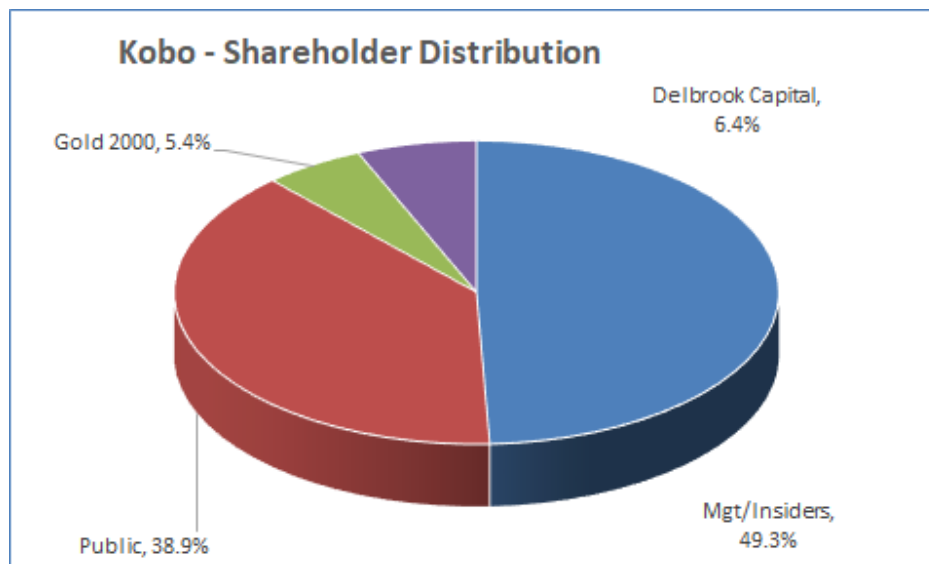


Shareholders & Financing

At the time of the RTO that brought Kobo to market, on February 24, 2023, Kobo and Boko completed a private placement by way of the issuance of subscription receipts at a price of \$0.25 per Subscription Receipt, raising gross proceeds of CAD\$4,676,400.

In late August of 2023 the company had a further inflow of funds, some \$1,275,010 in total gross proceeds, from the exercise of 4,250,034 Common Share Purchase Warrants. This represented 100% of the outstanding Warrants expiring on 31st of August 31, 2023, in a resounding vote of confidence in the strategy thus far.

The pie chart that follows shows the heavy presence of management and insiders on the share register. As previously mentioned, Gold 2000 and Delbrook Capital became sizeable strategic holders during the Concurrent Financing concluded with the RTO, each above the 5% mark.



Directors & Management

Frank Ricciuti, Chairman & Director, was the President of Efjay Consulting Ltd., an Oakville-based management-consulting company providing a broad range of management and financial services, including organizational structuring, board advisory assignments and corporate finance advice to companies within a broad range of industries.

He was a director of Novik Inc. from 2006 to 2014, and of Petrolympic Ltd. from 2008 to 2019. He acted as Kobo's Vice President, Corporate Development from December 2015 until November 12, 2021.

He earned a diploma in Engineering Technology from Ryerson University, his Bachelor of Sciences degree (B.Sc.) in Mechanical Engineering from Michigan Technological University (1966) and an MBA in 1969 from York University.

Edouard Gosselin, CEO and director, is an attorney, member of the Québec Bar Association since 1984 and throughout his career exclusively in private practice represented financial institutions, corporations and individuals before the courts mainly in commercial law, banking and bankruptcy, reorganizations and start-ups in tech and industrial sectors.

He is also President of EG Industrial Solutions Ltd. since August 2011, a Québec-City based management-consulting and manufacturing company in specific industries. He was director of Wanted Technologies

Inc. from 1999 to 2004, President of Gotar Technologies from 1999 to 2011 and Vice-President of Sawnode Technologies Ltd from 2011 to 2017 inclusively.

He earned a Bachelor of Social Sciences, Conc. Political Science from Ottawa University (1980) and a License in Civil Law (L.L.L.) from Ottawa University in 1983.

Paul Sarjeant, President, COO & director, is a mining professional who has been involved in mining and exploration for over 35 years.

He is the President and owner of Doublewood Consulting Inc., with a focus on geological and management consulting services to the mining industry from August 2006 until February 2019. Prior to that he worked for 15 years with Echo Bay Mines as Senior Project Geologist responsible for International Project Evaluations. More recently he served as Manager, Geology at Largo Inc., a Canadian mining company with an active mining operation in Brazil.

He also serves on the board of directors of Global Energy Metals Inc (GEMC.V) and Ares Strategic Mining Inc (ARS.V) and has served on the Board of Directors and as an advisor to several other junior mining companies over the years.

Patrick Gagnon, non-executive director, is a retired executive, having spent more than 25 years in the financial/brokerage industry. He remains an active private investor in technology, resources and consumer products industries.

He joined the brokerage industry in the late 1980s, firstly as a research assistant, then as a research analyst, trader and institutional sales.

From 1995 to 2015, he was a partner at GMP Securities Inc. and was Managing Director and Branch Manager, Institutional Sales of the firm's Montreal office. He was President of Palos Asset Management in Montreal from December 2016 to November 2017.

Brian Scott, is the latest addition to the board as a non-executive director. He is a Geologist with over 40 years of international exploration experience. Most notably he has extensive experience with multiple deposit types from high Andes porphyries (Cerro Casale and Refugio) to orogenic gold deposits (Venezuela, Canada, Finland, West Africa, Namibia, Uruguay and South Africa) and epithermal deposits (Russia, Philippines, Central America).

As VP of Geology and Technical Services from 2015-2023 for B2Gold, he was responsible for providing geologic guidance and direction on all Bema/B2Gold's exploration programs and managing and overseeing the geologic and resource estimation models work by the in-house B2Gold Tech Services Team. He retired from B2Gold Corp at the end of 2023.

Prior to that he was Chief Geologist for B2Gold Corp. from 2007 -2014 and Chief Geologist with Bema Gold from 1996 -2007. He consulted for Bema Gold in the early 1990's and joined the group full-time in 1993. His 30-year career with the Bema/B2Gold groups saw him involved in all the exploration/development projects and operating mines within those companies' portfolio of assets.

Jeff Hussey, non-executive director, is a Professional Geologist with 36 years of professional experience in the mineral exploration, development, and mining industry.

He is currently a Director of Brunswick Exploration (TSXV: BRW) and of Osisko Metals (TSXV: OM.V), in the base metal space with a particular focus on zinc mineral assets. He has served as President and CEO of Osisko between June 2017 until January 2020, and is President and COO of Osisko since January 2020.

He has worked in both open pit and underground mine operations at various stages of mine life, from start-up to mine closure.

He spent 19 years with Noranda/Falconbridge, then as a consultant for 10 years, Jeff Hussey and Associates Inc. helped junior mine development companies, by offering services in exploration, mining and geo-metallurgy. Customers in Québec included Champion Iron Mines and Focus Graphite, Puma Exploration in New Brunswick, and Starcore International in Mexico.

For Champion Iron Mines he led a team that built a high-quality iron Mineral Resource Inventory of five billion tonnes completing a feasibility study and participating in raising more than \$70mn for corporate development. He is also a member of the board of directors of CIM.

Risks

There are a number of potential risks that should be taken into consideration:

- ✗ That the Gold price loses ground
- ✗ Political risk in Cote d'Ivoire evolves against miners
- ✗ Financing difficulties for exploration projects

With Kobo Resources the risk is currently mainly with the gold price as it is for most junior gold explorers. Our premise is for gold to stay roughly in a band between US\$1,900 and US\$2,200 for several years to come.

Regimes in Africa come and go and so do the fortunes of mining companies operating in jurisdictions where a change of leadership and policy can come out of left field. The government of Ivory Coast is currently perceived as pro-mining. This can of course change.

Relations with artisanal miners are probably not an issue as, where they are present on the Ivory Coast assets, they are merely scratching the surface and, in many cases, end up being integrated into the work force when commercial exploitation begins, or the move on.

Financing for gold exploration projects is still variable but the heavyweight board members are well-resourced and well-connected. A flow of positive results should help in maintaining funding levels.

Conclusion

West Africa, selectively, is again having one of its moments. The growing realization that mining for gold in the region is frankly a lot easier than in many more costly, climatically, or topographically-challenged areas of the globe. In an age of margin squeeze and challenging costs of high strip ratios and expensive Tailings Management Facilities, West Africa ticks so many boxes that it cannot be ignored.

While the listing may only date back to early 2023, the team have been working together in the region for many more years than is immediately apparent. They have correctly identified that being up-close and-personal with a gold major like Perseus opens up a perspective for potentially becoming a logical bolt-on to continue to squeeze value from Perseus' investment in processing and infrastructure.

Gold comes and goes in the affections of the broad market but nevertheless remains a perennial category of importance. In these times of rising costs and heavily/costly environmental and community relations costs not all gold camps are made the same.

We reiterate our **LONG** rating on Kobo Resources and our 12-month target price of CAD\$0.85.



Important disclosures

I, Christopher Ecclestone, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

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