

Completion of Cosmo Gold Transaction

HIGHLIGHTS

- **Adelong Gold has successfully completed the settlement of its outstanding loan with Cosmo Gold Limited through the previously announced agreement with Sarama Resources Ltd**
- **The parties have executed final documents with all conditions precedent now met**
- **Adelong Gold will shortly receive 25 million fully paid ordinary shares and 7.5 million options in Sarama as consideration, valued at approximately \$675,000 based on Sarama's closing price as of 3 December 2024**
- **This transaction significantly strengthens Adelong's asset portfolio and positions the Company for further growth in the gold and rare earth sectors**

Adelong Gold Limited (ASX:ADG) (Adelong Gold or the Company) is pleased to announce the successful completion of the Cosmo Gold transaction. The transaction includes the transfer by Cosmo Gold Ltd. (**Cosmo**) of its 80% interest in the Cosmo Project to Sarama Resources Limited (**Sarama (ASX:SRR)**), with an option for Sarama to acquire the remaining 20% within two years (Refer to [ASX Announcement 14 August 2024](#)). This agreement fully settles the loan obligations owed by Cosmo Gold Limited (**Cosmo**) to Adelong Gold, providing the Company with a strategic equity stake in Sarama Resources and a renewed focus on its growth objectives.

Adelong Gold's Managing Director, Ian Holland, commented:

"The completion of this transaction marks a pivotal moment for Adelong Gold. By securing a significant equity stake in Sarama Resources, we are not only strengthening our balance sheet but also positioning the Company to benefit from Sarama's high-quality gold assets. This outcome underscores our commitment to unlocking value for our shareholders as we continue advancing our gold and rare earth projects in Australia and Brazil."

Transaction Overview

Under the terms of the agreement:

- Adelong Gold will be issued 25 million Sarama shares and 7.5 million options exercisable at \$0.05 per share within two years.
- Sarama acquires 80% of Cosmo's interest in the Cosmo project, with an option to purchase the remaining 20% of Cosmo's interest for \$1.25 million in cash or shares within two years.
- Adelong Gold retains an indirect interest in the Cosmo project through its Sarama equity stake.

The transaction aligns with Adelong Gold's strategic focus on enhancing its project portfolio and liquidity. The proceeds will enable the Company to pursue further advancements within its Adelong Goldfield Project in Australia and its highly prospective lithium tenements in Brazil.

-Ends-

Released with the authority of the board of Adelong Gold Limited.



For further information on the Company and our projects, please visit: adelonggold.com

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ABOUT ADELONG GOLD

Adelong Gold Limited (ASX: ADG) is a minerals explorer that owns the Adelong Gold Mine in New South Wales (NSW) and highly prospective Lithium Tenement packages in the prolific 'Lithium Valley' of Minas Gerais and in Paraiba Province within the Borborema Region, both located in Brazil. The Company is on the path to becoming a mineral producer at its Adelong Goldfield Project.

In May 2020, Adelong Gold took control of the Adelong Goldfield which covers 70km², comprising the old Adelong Gold Project situated in Southern NSW located approximately 20km from Tumut and 80km from Gundagai.

The Project now carries a JORC (2012) Resource of 188,000oz, following a maiden JORC Resource for the Perkins West deposit at Gibraltar of 18,300oz with the potential to expand that resource at depth and along strike. Project resources have now increased by 45% from project resources in place on acquisition. Until recently, Adelong was a producing mine.

In December 2023, Adelong finalised its acquisition of a 100% interest in three applications for lithium exploration permits (Santa Rita do Aracuai Lithium Project) located in the world-class 'Lithium Valley' in Minas Gerais, in Brazil. This acquisition represents a pivotal transaction for the Company as it secures a strategic landholding in a globally significant, mining friendly region for hard-rock lithium spodumene deposits.

The 'Lithium Valley' accounts for all officially recognised lithium reserves in Brazil and is an emerging world-class lithium-producing region. Significant lithium discoveries by industry peers include Sigma Lithium's (NASDAQ: SGML) Grota do Cirio Deposit, Latin Resources' (ASX:LRS) Salinas Project – Colina Deposits and Lithium Ionic's (TSX.V:LTH) Itinga Project - Bandiera Deposit.

At the Santa Rita Do Araçuaí Project, exploration activities commenced in December 2023 with the initial reconnaissance program, completed in February 2024, identifying two key areas for further lithium exploration. The geological assessment identified indicators for potential lithium mineralisation in Neoproterozoic formations, including the Macaúbas Group and Salinas Formation. Future exploration plans include detailed mapping and stream sediment/float geochemical analysis to pinpoint potential pegmatitic bodies and lithium indicators.

In March 2024, the Company announced they had been granted a further 10 Brazilian licenses at the Paraiba Province Project. These licenses further increase the exploration ground under license by 162.8km². These extra licenses are prospective for lithium pegmatites and are located within the Borborema Region, which comprises Proterozoic rocks that form part of the Brasiliano Fold belt and which host plutonic intrusions similar to the "Lithium Valley" region of Minas Gerais Province. This region contains known lithium pegmatites and many deposits/occurrences of tantalum, beryl, niobium, and aquamarine, which are commonly associated with lithium-type pegmatites.

