

## Adelong Gold to raise up to \$1.6 million to progress the Adelong Gold and Brazilian Lithium projects

### HIGHLIGHTS

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- **Adelong Gold receives firm commitments to raise \$1.1 million via a Placement**
  - **Placement commitments include:**
    - \$650,000 to be issued pursuant to Adelong Gold's placement capacity;
    - \$300,000 to be issued subject to shareholder approval; and
    - Director and management participation of approximately \$150,000 to be issued subject to shareholder approval
  - **The Placement includes, subject to shareholder approval, the following free attaching options:**
    - 1 for 1 option with an exercise price of \$0.008 and expiring five years from issue; and
    - 1 for 1 option with an exercise price of \$0.02 and expiring 30 June 2026
  - **Opportunity for existing eligible shareholders to participate in a non-underwritten Share Purchase Plan (SPP) to raise \$500,000 on the same terms as the Placement (where the free attaching options are subject to shareholder approval)**
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Adelong Gold Limited (ASX:ADG) (Adelong Gold or the Company) is pleased to announce that it has received firm commitments from professional and sophisticated investors to raise \$1.1 million (before costs) through a share placement (Placement). This includes Directors and Management, having committed to contribute up to \$150,000 under the Placement, subject to shareholder approval. In conjunction with the Placement, the Company will also offer eligible shareholders the opportunity to participate under a SPP on the same terms as the Placement to raise up to an additional \$500,000 (before costs).

#### Adelong Gold Managing Director Ian Holland commented:

*"We are happy to announce this successful placement and the proposed SPP. The funds raised from this placement and the SPP will be utilised to continue assessing production pathways for the existing Adelong gold mine. In addition, following recent changes in management and the acquisition of licenses for lithium exploration in Brazil, we are now well-positioned to pursue these exciting opportunities."*

#### Placement Details

The Company has received binding commitments for a placement to sophisticated and professional investors (including Directors) comprising 275 million fully paid ordinary shares in the Company at an issue price of \$0.004 (0.4 cents) per share (Placement Shares) together with 550 million free attaching options to raise \$1.1 million (before costs).



The Placement is proposed to occur in two tranches:

1. Tranche 1 Placement – the Company to issue 162,500,000 Placement Shares at an issue price of \$0.004 per Placement Share raising a total of \$650,000 before costs. These Placement Shares will be issued pursuant to the Company’s existing placement capacity under Listing Rules 7.1 (97,281,677 shares) and 7.1A (65,218,323 shares); and
2. Tranche 2 Placement - subject to obtaining shareholder approval, the Company proposes to issue approximately an additional 112,500,000 Placement Shares at an issue price of \$0.004 per Placement Share, raising a total of approximately \$450,000 before costs. This includes Director and management participation of approximately \$150,000 (subject to shareholder approval).

The Placement also includes the offer, subject to obtaining shareholder approval and made pursuant to a prospectus, of the following free attaching options (**Placement Options**):

1. one option for every one Placement Share issued (being a total of approximately 275,000,000 options) with an exercise price of \$0.008 and expiring five years from issue (**\$0.008 Options**); and
2. one option for every one Placement Share issued (being a total of approximately 275,000,000 options) with an exercise price of \$0.02 and expiring 30 June 2026 (**\$0.02 Options**). These options are on the same terms as 102,083,332 options that the Company currently on issue.

The Company proposes to seek quotation of both classes of the Placement Options, subject to satisfying the quotation requirements of ASX.

GBA Capital acted as Lead Manager to the Placement.

### SPP Details

In conjunction with the Placement, the Company will offer shareholders who were registered holders of shares in the Company at 7.00pm (AEDT) on 5 March 2024 (**Record Date**) with a registered address in Australia or New Zealand (**Eligible Shareholders**) the ability to participate in the SPP and subscribe for shares at \$0.004 per share (**SPP Shares**), being on the same terms as the Placement, to raise up to a total of \$500,000 (before costs). The SPP will entitle Eligible Shareholders to subscribe for specific parcels of SPP Shares up to a maximum of \$30,000 worth.

Consistent with the Placement, SPP participants will also receive (subject to shareholder approval) one free attaching \$0.008 Option and one free attaching \$0.02 Option for every SPP Share issued (**SPP Options**). The SPP Options will be issued at the same time as the Placement Options, subject to the Company obtaining the necessary shareholder approval.

As noted above in relation to the Placement Options, the Company proposes to seek quotation of both classes of the SPP Options, subject to satisfying the quotation requirements of ASX.

As the Placement Shares will be issued after the Record Date, the Placement participants will not be eligible to participate in the SPP.

The SPP Shares issued to Eligible Shareholders will be issued pursuant to Listing Rule 7.2 (exception 5) or Listing Rule 10.12 (exception 4) and will not utilise any of the Company's placement capacity under Listing Rules 7.1 and 7.1A. Any SPP Shares offered under the SPP that are not taken up by Eligible Shareholders will make up a shortfall and may be issued pursuant to the Company's placement capacity or subject to the Company obtaining any necessary shareholder approval.

The terms and conditions of the SPP will be set out in an SPP offer booklet for the SPP Shares (**SPP Booklet**) and a prospectus for the SPP Options (**SPP Options Prospectus**) to be lodged with ASX on 21 March 2024. Participation in the SPP is optional and the Company reserves the right to scale back any applications under the SPP or to raise a higher amount (subject to the Listing Rules). Eligible Shareholders seeking to participate in the SPP should carefully read the SPP Booklet and the SPP Options Prospectus.

### **Issue price and use of funds**

The issue price of \$0.004 (0.4 cents) per Placement Share and SPP Share represents:

- 0% discount to the last traded price on Friday, 1 March 2024 (\$0.004);
- 12% discount to the 5-day VWAP price (\$0.0045); and
- 17% discount to the 15-day VWAP price (\$0.0048)

The funds raised from the Placement and SPP will be focused towards:

- advancement of the Brazil lithium projects;
- advancement of the Adelong Gold Project;
- costs of the Placement and SPP; and
- general Working Capital purposes.

## Timetable

The indicative timetable for the Placement and the SPP is as follows:

Event	Date
Record Date of SPP	7:00pm (AEDT), 5 March 2024
Announcement of Placement and SPP	6 March 2024
Issue of Tranche 1 Placement Shares	13 March 2024
Dispatch of SPP Booklet for SPP Shares and prospectus for Placement Options and SPP Options	21 March 2024
Opening Date of SPP	21 March 2024
Closing Date of SPP	16 April 2024
Announcement of results of SPP	19 April 2024
Meeting to approve issue of Tranche 2 Placement Shares, Placement Options and SPP Options	19 April 2024
Subject to obtaining shareholder approval, issue of Tranche 2 Placement Shares, Placement Options, SPP Shares and SPP Options	22 April 2024

The above dates are indicative only and are subject to change at the Company's discretion.

An Appendix 3B for the proposed issue of the Placement Shares, the Placement Options, the SPP Shares and the SPP Options will be lodged with ASX following this announcement.

**-Ends-**

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

For further information on the Company and our projects, please visit: [www.adelonggold.com](http://www.adelonggold.com)

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## ABOUT ADELONG GOLD

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[Adelong Gold Limited \(ASX:ADG\)](#) is a minerals explorer that owns the Adelong Gold Mine in New South Wales (NSW) and a highly prospective Lithium Tenement package in the prolific 'Lithium Valley' of Minas Gerais, 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 70km<sup>2</sup>, 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 Aracuaí Lithium Project](#)) located in the world-class 'Lithium Valley' in Minas Gerais, 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 Paraíba Province Project. These licenses further increase the exploration ground under license by 162.8km<sup>2</sup>. 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.