



18 JUNE 2024  
ASX RELEASE

# AC DRILLING COMMENCES AT KANOWNA GOLD PROJECT

**Drill contractor to take Cosmo shares for up to 50% of cost of RC campaign**

## HIGHLIGHTS

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- Cosmo commences a 4,000m aircore (AC) drill program at the Kanowna Gold Project (KGP) alongside the 2,000m RC program which is underway & ongoing
  - Drilling to follow up historical drill intercepts such as 18m @ 5.3g/t Au and 10m @ 4.7g/t Au from the Don Álvaro Prospect<sup>1</sup>
  - The programs are also designed to test new targets related to structures in the KGP that are associated with the adjacent 7Moz Au Kanowna Belle Gold Mine
  - Drill contractor, Challenge Drilling has agreed to accept up to 50% of payment for the current RC program in Cosmo shares (at Cosmo's election)
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Cosmo Metals Ltd ("Cosmo" or the "Company") (ASX: CMO) is pleased to announce that the planned ~4,000m aircore (AC) drill program at the Kanowna Gold Project ("KGP" or the "Project") has commenced. The AC program will run concurrently to the 2,000m RC program which is currently underway<sup>2</sup>

**Cosmo's Managing Director, James Merrillees commented:**

*"With a 2,000m RC program already well underway at the Kanowna Gold Project, we're pleased to be able to confirm that the planned 4,000m aircore drilling effort has now also kicked off. With proven shallow and high-grade historical gold drill intercepts present across the project but limited drilling beneath 150m below surface, there remains ample opportunity to uncover an economic gold deposit at the KGP.*

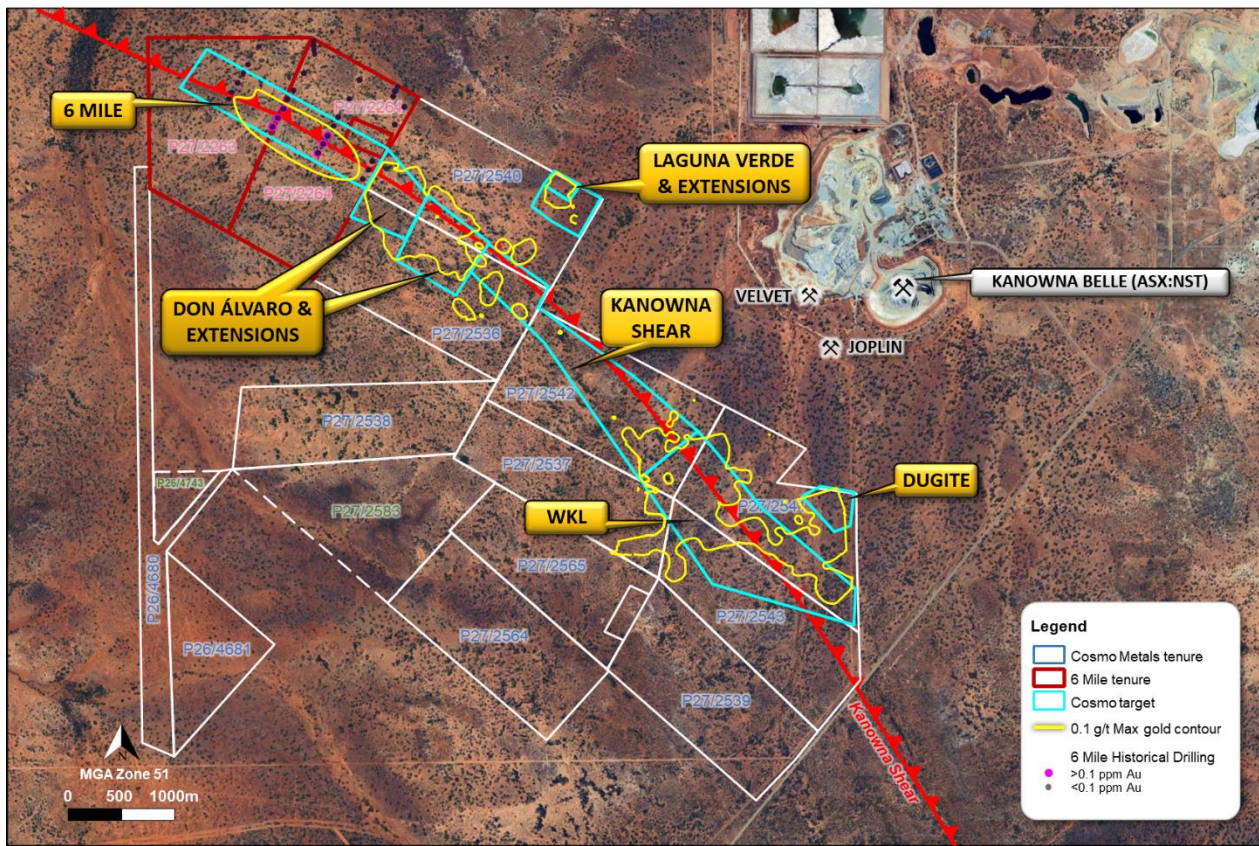
*We're extremely fortunate that any discovery made will lie within one of the world's premier gold production districts and on the doorstep of several processing operations and a wealth of support expertise.*

*We're also pleased to have entered into an agreement with respected local contractor Challenge Drilling for part payment of the RC program to be made in Cosmo shares. This represents prudent allocation of the Company's cash reserves and aligns a key contractor with the interests of all shareholders."*

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<sup>1</sup> Refer CMO ASX Announcement 17 January 2024

<sup>2</sup> Refer CMO ASX Announcement 11 June 2024



**Figure 1:** Kanowna Gold Project, tenements and targets on background aerial photo

The RC and aircore drilling campaigns at the KGP aim to test targets at Don Álvaro, Laguna Verde and WKL/Dugite along with numerous untested surface and shallow anomalies. These targets are associated with NE trending structures, considered analogous to the structural and geological setting of the Kanownna Belle gold mine less than 5km to the northeast and include<sup>3</sup>:

1. Widespread surficial and near-surface gold at WKL and Dugite;
2. High grade gold in historical drilling intersections at Don Álvaro and Laguna Verde; and
3. The association of gold anomalism with structures cutting the NE-trending Kanownna Shear which bisects the KGP from NW to SE.

The programs are expected to take 4-6 weeks to be completed and results will be announced as they come to hand.

## DRILL FOR EQUITY AGREEMENT

Cosmo is also pleased to report that respected Kalgoorlie-based drill contractor Challenge Drilling has agreed to part-payment in Cosmo shares in lieu of cash for the costs associated with the RC program.

Under the terms of the agreement with Challenge Drilling, Cosmo can elect to pay up to 50% of the invoiced costs of the program in Cosmo shares priced at a volume weighted average price (VWAP) over a 20-day period leading into the date of invoicing. The scrip for payment agreement aims to preserve Cosmo's cash reserves for use in future exploration activities.

<sup>3</sup> Refer CMO ASX Announcement 11 June 2024





*AC drilling underway at Cosmo Metals' KGP Project June 2024*

This announcement is authorised for release to the ASX by the Board of Cosmo Metals Ltd.

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### **About Cosmo Metals Ltd**

Cosmo Metals Ltd (Cosmo; ASX: CMO) is an ASX-listed, gold and base metals exploration company with key projects located in Western Australia.

In early CY 2024, Cosmo announced the intention to acquire the Kanowna Gold Project (KGP) located adjacent to the 7m ounce Au Kanowna Belle gold mine some 13km north of Kalgoorlie.

Cosmo is also active in the underexplored Yamarna Belt in the Eastern Goldfields region which is considered highly prospective for copper-nickel-cobalt (Cu-Ni-Co) and platinum group elements (PGE).

Cosmo's activities are supported by a well-regarded technical team who are advancing exploration on multiple fronts to unlock the potential of both the KGP and Yamarna Projects.



### **Competent Persons Statement**

*The information in this report that relates to Exploration Results is based upon and fairly represents information compiled by Mr James Merrillees, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Merrillees is a full-time employee of the Company.*

*Mr Merrillees has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Merrillees consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.*

### **Forward-Looking Statements**

*This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Cosmo's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Cosmo believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.*