

# GREAT BOULDER CONFIRMS DEMERGER OF YAMARNA BATTERY METAL ASSETS

## HIGHLIGHTS

- **Great Boulder (GBR) shareholders have voted to approve the demerger and IPO of the 100% owned Yamarna Cu-Ni-Co Project into a dedicated ASX-listed battery metal focused vehicle, Cosmo Metals (Cosmo Metals; proposed ASX code: CMO)**
- **Highly qualified Board and Management secured to lead Cosmo Metals, including:**
  - **Non-Executive Chair: Peter Bird, experienced mining executive and geologist**
  - **Managing Director: James Merrillees, well-credentialed geologist and executive**
  - **Non-Executive Director: Andrew Paterson, Great Boulder Managing Director and accomplished geologist (acting as the Great Boulder nominee)**
  - **Non-Executive Director: Ziggy Lubieniecki, a geologist and founding director of Gold Road credited for the discovery of the +6.2Moz Gruyere gold deposit located in the Yamarna region**
- **As part of the concurrent Cosmo Metals IPO, Cosmo Metals to raise a minimum of \$5M and up to \$7M at \$0.20 per share; eligible GBR shareholders will be entitled to participate in a priority offer of up to \$4M of IPO shares**
- **GBR and its shareholders will retain upside exposure to Yamarna through a 41% to 50% cornerstone equity holding in Cosmo Metals (c.\$5.0M at proposed \$0.20 IPO price)**
- **Prospectus and offer documentation are well advanced and expected to be issued in mid/late November 2021**
- **GBR will commence exploration works and drilling in December 2021 to provide strong newsflow for Cosmo Metals upon listing**

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Great Boulder Resources (“**Great Boulder**” or the “**Company**”) (ASX: **GBR**) is pleased to confirm that it is proceeding with the previously announced demerger and IPO of its highly prospective Yamarna Project (“**Yamarna Project**”) following the receipt of shareholder approval at the Great Boulder 2021 Annual General Meeting held Monday, 8 November 2021.

The proposed demerger will establish a new ASX listed base metals exploration company called Cosmo Metals Limited (“**Cosmo Metals**” or “**Cosmo**”; proposed ASX code: CMO), with its own highly experienced board and management team.

The decision follows a strategic review of Great Boulder's portfolio which concluded that a demerger of the Company's Yamarna Project is the optimal structure to maximise value for our shareholders. The demerger will allow Great Boulder to focus on its core assets at Side Well and Whiteheads.

### Great Boulder's Managing Director, Andrew Paterson commented:

*"We are pleased to confirm the details of the upcoming demerger and IPO of our highly prospective Yamarna Project. This will result in the establishment of a significant new, well-funded ASX listed explorer with a high-quality exploration portfolio spanning one of Australia's most prospective metal provinces."*

*"This allows the Yamarna Project to progress under an independent budget and management team, while GBR concentrates on advancing the high-grade Side Well gold project."*

*The transaction also enables Great Boulder and our shareholders to participate in the upside potential of the Yamarna Project with GBR retaining ~50% of the new entity and by providing a priority offering in the new entity to existing shareholders."*

*"I'd also like to formally welcome Peter, James and Ziggy to the Cosmo Board. We are incredibly fortunate to have secured the services of these three highly-regarded explorationists, and we are looking forward to their stewardship of what will be one of the most dynamic exploration companies on the ASX"*

*"Given their vast depth of expertise and capability – building on the strong foundations already created by Great Boulder – I am confident that Cosmo Metals will be incredibly well-placed for discovery success."*

*"I am very much looking forward to the demerger and IPO proceeding. I encourage shareholders to look out for the Prospectus and Offer documentation and encourage shareholders to take advantage of the opportunity to participate in the upcoming priority offer."*



FIGURE 1: YAMARNA PROJECT LOCATION

## Board and Senior Management

Cosmo has secured a high-caliber and experienced team with a proven track record in making major discoveries and delivering exceptional returns to shareholders. The team will bring a significant amount of technical knowledge, together with strong commercial acumen and corporate leadership skills.

### Non-Executive Chair

#### *Peter Bird*

Mr Bird is an experienced, well known and highly respected mining industry executive. His extensive experience covers senior technical, management, investor relations and human resources positions with major mining companies such as Western Mining Corporation, Newmont and Normandy Mining. In addition, Mr Bird has extensive expertise in equity markets including five years at Merrill Lynch Equities, where he was recognised in 1998 as the top-rated Australian Gold Analyst in Australia, Europe and Asia. In 2000 while General Manager Investor Relations at Newcrest, he was voted by the investment community as the number one Investor Relations Manager in all listed Australian companies.

More recently Mr Bird has served in Board and executive roles both as a Managing Director and in the capacity of Non-Executive Chairman with several ASX listed resource companies including most recently Zenith Minerals (ASX:ZNC), and as CEO and Deputy Chair of a UK Listed copper company. Mr Bird also holds a BSc(Hons) in Geology from La Trobe University.

### Managing Director

#### *James Merrillees*

Mr Merrillees is a geologist with over 20 years' global experience in minerals exploration and development. He has held senior technical and corporate roles with ASX-listed and private gold and base metals explorers and developers. Mr Merrillees' extensive experience covers exploration of Archean and Proterozoic mineral systems and the management of teams involved in greenfields discoveries of gold, base metals, uranium and bulk commodities.

Mr Merrillees holds BSc in Geology, and BCom Accounting and Finance from the University of New South Wales. He also holds a Graduate Diploma in Applied Finance from Kaplan Professional.

### Non-Executive Directors

#### *Andrew Paterson*

Mr Paterson is a geologist with over 25 years' experience in mining and exploration in Australia and PNG. After graduating from WASM in 1993 he spent several years in surface and underground gold and nickel mining operations around the WA Goldfields before moving into a management role with Harmony Gold. Since then, Mr Paterson has managed diverse programs exploring for gold, nickel, iron ore and lithium for companies including Atlas Iron and Focus Minerals. In 2016, Mr Paterson was part of the management team that recapitalised Kingston Resources, leading to Kingston's successful acquisition of the 2.8Moz Misima Gold Project in PNG.

Mr Paterson is currently the Managing Director of advanced WA gold explorer Great Boulder Resources (ASX:GBR).

### ***Ziggy Lubieniecki***

Mr Lubieniecki is an experienced exploration geologist with over 30 years' experience in exploration, mining, management, property acquisition, and company listings. He has held senior positions including Chief Mine Geologist for Plutonic and Exploration Manager for Australian Platinum Mines and most recently was an Executive Director for Gold Road Resources (ASX:GOR). Mr Lubieniecki has had a successful exploration career including credit for the discovery of the +6Moz Gruyere gold deposit and will provide high-level exploration direction to the group.

Mr Lubieniecki is currently a non-executive director for ASX listed copper-gold explorer Hammer Metals (ASX:HMX).

### **Proposed Demerger Structure and Next Steps**

Under the proposed demerger,

- Cosmo will acquire 100% of Yamarna Tenements from Great Boulder (**Transaction**) in consideration for the issue of 25,000,000 fully paid ordinary Cosmo shares (**Cosmo Shares**) at a deemed issue price of \$0.20 per Cosmo Share (**Consideration Shares**). The Transaction will effect a "spin-out" of the Yamarna Project from Great Boulder.
- Under the Initial Public Offering (**IPO**), Cosmo will raise:
  - at least \$5 million by the issue of 25,000,000 fully Cosmo Shares to the public \$0.20 per Cosmo Share (**minimum subscription**); and
  - a maximum of \$7 million by the issue of 35,000,000 fully Cosmo Shares to the public \$0.20 per Cosmo Share (**maximum subscription**).
- Great Boulder will retain 25,000,000 Cosmo shares directly post-IPO, equating to a 50% direct interest in Cosmo at minimum subscription to the IPO and a 41.7% direct interest in Cosmo at maximum subscription to the IPO.
- Eligible Great Boulder shareholders will have priority offer entitlement of \$4 million to participate in the IPO.
- Great Boulder shareholder approval received at Annual General Meeting 8 November 2021 for the purposes of ASX listing rule 11.4.
- Discovery Capital and Cumulus Wealth have been appointed as Joint Lead Managers to execute the Cosmo Metals IPO.
- Cosmo Metals intend to lodge the IPO Prospectus before the end of November. More details about the demerger timetable and additional information will be available on the Cosmo Metals website and in the IPO Prospectus once lodged.

		Minimum Subscription	Maximum Subscription
<b>IPO Offer<sup>1,2</sup></b>			
Issue/ IPO Price	\$	\$0.20	\$0.20
IPO Shares to be issued	<i>m</i>	25.0	35.0
IPO Funds raised	<i>\$m</i>	\$5.0	\$7.0
<b>Post listing Structure Offer</b>			
Great Boulder HeadCo Vend Shares	<i>m</i>	25.0	25.0
IPO Shares	<i>m</i>	25.0	35.0
<b>Total shares on issue</b>	<b><i>\$m</i></b>	<b>50.0</b>	<b>60.0</b>
<b>Market capitalisation (at IPO Price)</b>	<b><i>\$m</i></b>	<b>10.0</b>	<b>12.0</b>
Cash (before costs)	<i>\$m</i>	5.0	7.0
Debt	<i>\$m</i>	-	-
<b>Enterprise value</b>	<b><i>\$m</i></b>	<b>5.0</b>	<b>5.0</b>
Unlisted Options	<i>m</i>	10.0	10.0

**TABLE 1: COSMO METALS IPO CAPITAL STRUCTURE**

**Notes:**

1. IPO capital structure is indicative only and remains open to change at the Boards discretion
2. Existing Great Boulder Resources shareholders will be eligible for priority participation in the IPO

**This announcement has been approved by the Great Boulder Board.**

*For further information contact:*

**Andrew Paterson**

*Managing Director*

Great Boulder Resources Limited

admin@greatboulder.com.au

[www.greatboulder.com.au](http://www.greatboulder.com.au)

 [Follow GBR on LinkedIn](#)

**Media**

For further information, please contact:

Lucas Robinson

Corporate Storytime +61 408 228 889

[lucas@corporatestorytime.com](mailto:lucas@corporatestorytime.com)

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**Competent Person's Statement**

Exploration information in this Announcement is based upon work undertaken by Mr Andrew Paterson who is a Member of the Australasian Institute of Geoscientists (AIG). Mr Paterson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Paterson is an employee of Great Boulder Resources and consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.