



Andromeda Metals Limited ASX: ADN ASX Announcement

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Sale of remaining 25% interest in Wudinna Gold Project

Andromeda Metals Limited (ASX: **ADN**) (**Andromeda**, the **Company**) advises that it has entered into a Subdivision and Sale Agreement (**Agreement**) with Cobra Resources plc (**Cobra**) for the sale of the remaining 25% interest it holds in the tenements related to the Wudinna Gold Project (**Wudinna**), for the consideration of \$500,000 in cash and \$1,000,000 in shares of Cobra.

In October 2017, Andromeda, via wholly owned subsidiary Peninsula Resources Limited (PRL), entered into a farm-in and joint venture agreement (Farm-in) to progress the Wudinna Gold Project with Lady Alice Mines Pty Ltd (LAM)¹. In March 2019, LAM was acquired by Cobra, a company listed on the London Stock Exchange.

Under the Farm-in, LAM earned a 75% interest in five tenements in South Australia's Eyre Peninsula, covering 1,832 km² by expending \$5million on exploration for the potential development of gold and rare earth elements (REE) deposits.

Under the Agreement, LAM will acquire the remaining interest in the Wudinna Project (either via a tenement transfer or utilising the sub-division process under section 30AA of the *Mining Act 1971* (SA)).

Andromeda will receive as consideration:

- \$500,000 in cash; and
- The value of \$1,000,000 of shares in Cobra (at GBP 1 pence each).

Completion of the Agreement is subject to the following conditions precedent:

- Cobra successfully undertaking a capital raising to the value of \$500,000;
- Cobra receiving the necessary shareholder approval to issue the Consideration Shares; and
- the obtaining of any necessary third party consents required for the transaction.

Bob Katsiuleris, Andromeda's CEO and Managing Director, said: *"The sale of these tenements is consistent with our corporate strategy of divesting non-core assets to support the commercialisation and development of The Great White Project.*

"This announcement, in addition to the recent announcement on the sale of Drummond Epithermal Gold Project, demonstrates our strategic focus remains squarely focused on securing the funding required to support a final investment decision for The Great White Project being made, and the commencement of construction."

¹ Refer ADN ASX dated 31 October 2017 titled *\$5 million farm-in and joint venture to progress Wudinna gold project – SA.*



This announcement has been approved for release by the Board of Directors of Andromeda Metals Limited.

For more information about the Company and its projects, please visit our website, www.andromet.com.au or contact:

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