

## Shareholder Update – December 2022

### Frostmoen Cu-Co Project, Norway

**From: Sam Walding, Managing Director**

#### Background

Kumo Resources first started exploring the Frostmoen Copper Project in 2020. Regional target generation and historic data reviews suggested the Frostmoen area had potential to host copper sulphide mineralization. The project has never seen modern exploration or drilling, an adit thought to be from the 1800's, is the only significant mineral exploration activity. The Frostmoen project comprises 5 mineral exploration licences with a total area of 1,784 hectares. The mineral exploration licences are valid through to 2027. The Frostmoen project is located in Nordland County, approximately 15 km south of Bodø.

#### Work to date on Frostmoen

- Geological mapping and surface sampling,
- Systemic surface geochemistry identifying a 6.5 km multi-element soil anomaly,
- Mechanical trenching,
- Adit channel sampling,
- 3D Induced Polarization survey, and,
- 1,200 m maiden diamond drill program.

#### Highlights

Six diamond drill holes totalling 1,200 metres were conducted in a first-pass exploratory drill program, with 5 drill holes intersecting dolomite hosted copper mineralization. Mineralization is sedimentary-hosted and appears to have an association with a dolomite/marble breccia horizon. The drilling suggests the host unit is folded and plunging to the southwest, coincident with a strike extensive soil anomaly. The mineralization is open and untested both at depth and along strike to the south. Drill results include:

- **54.50 m @ 0.27% Cu, 0.02% Co & 0.04 % Ni** (0.51% CuEq\*, from FRS006)
- 7.05 m @ 0.61% Cu, 0.05% Co, 0.07% Ni (1.06% CuEq\*, from FRS005) including;
  - **1.20 m @ 2.17% Cu, 0.10% Co, 0.15% Ni** (3.19% CuEq\*)

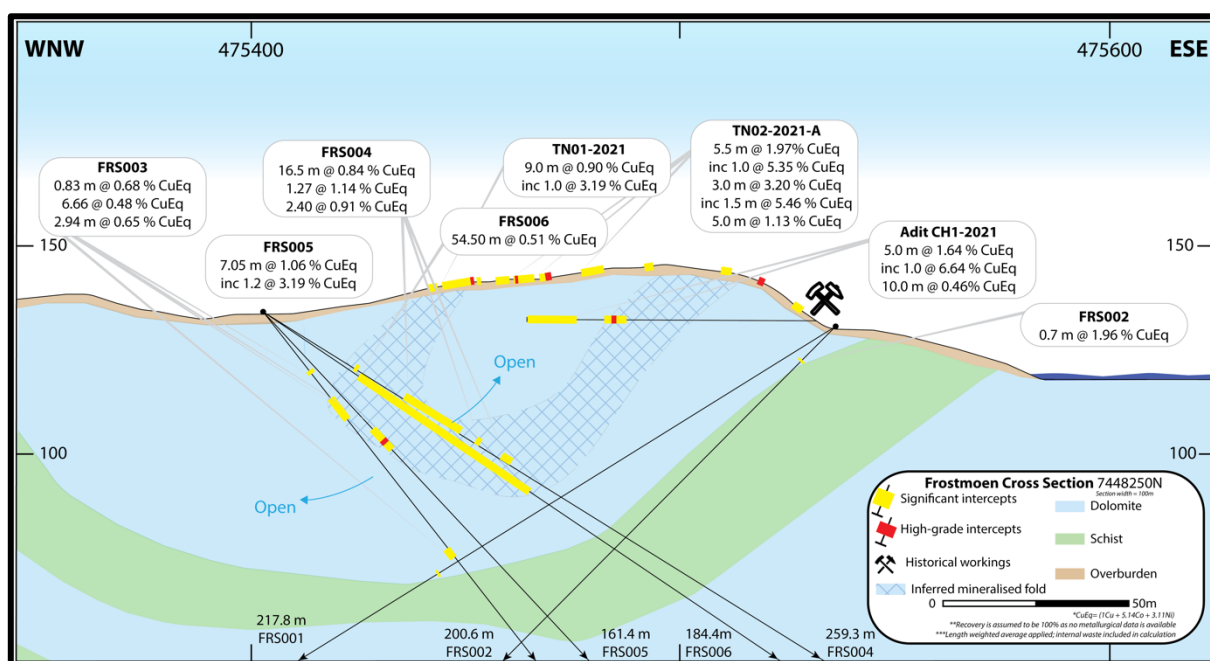
\* CuEq= 1Cu + 5.14Co + 3.11Ni

## Drilling Results

Six drill holes totalling 1,200 metres were drilled in the initial exploratory drill program at the Frostmoen Cu-Co sulphide project (**Fig. 1**). The drill program took place between September and November 2022. This was the first drill program ever conducted on the project. Full assays for holes FRS\_001 to FRS\_006 have been received. Significant drilling and trenching intersections are shown in **Table 1**.

The drilling identified a folded dolomite unit plunging to the southwest. Cu, Co, and Ni mineralization appear to be associated with a monomitic dolomite breccia horizon (**Fig. 3**). The horizon is interpreted to be an evaporite dissolution collapse breccia, and likely acted as a favourable host due to its enhanced permeability relative to the surrounding carbonaceous shale.

The drilling confirms that the surface mineralization, identified in trenching and adit channel sampling, continues to depth. Mineralization identified in drilling is also coincident with the northern tip of a multi-element surface geochemical anomaly that extends for approximately 6.5 km to the southwest. Mineralization remains open both at depth and along strike.



**Figure 1. Cross-section view of the 2022 Frostmoen drill program. Significant intercepts are marked on drill traces. The mineralization remains open in all directions.**

\*  $CuEq = 1Cu + 5.14Co + 3.11Ni$

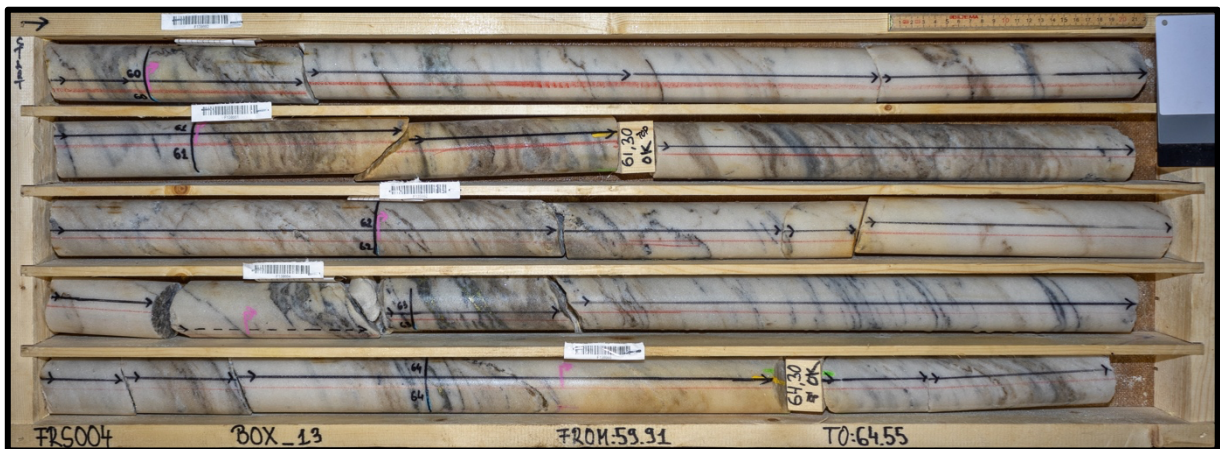
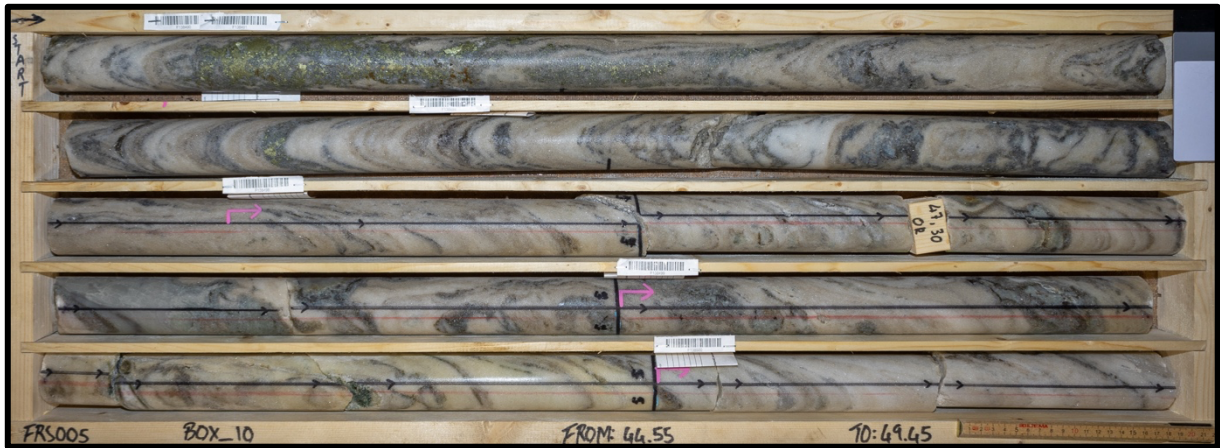
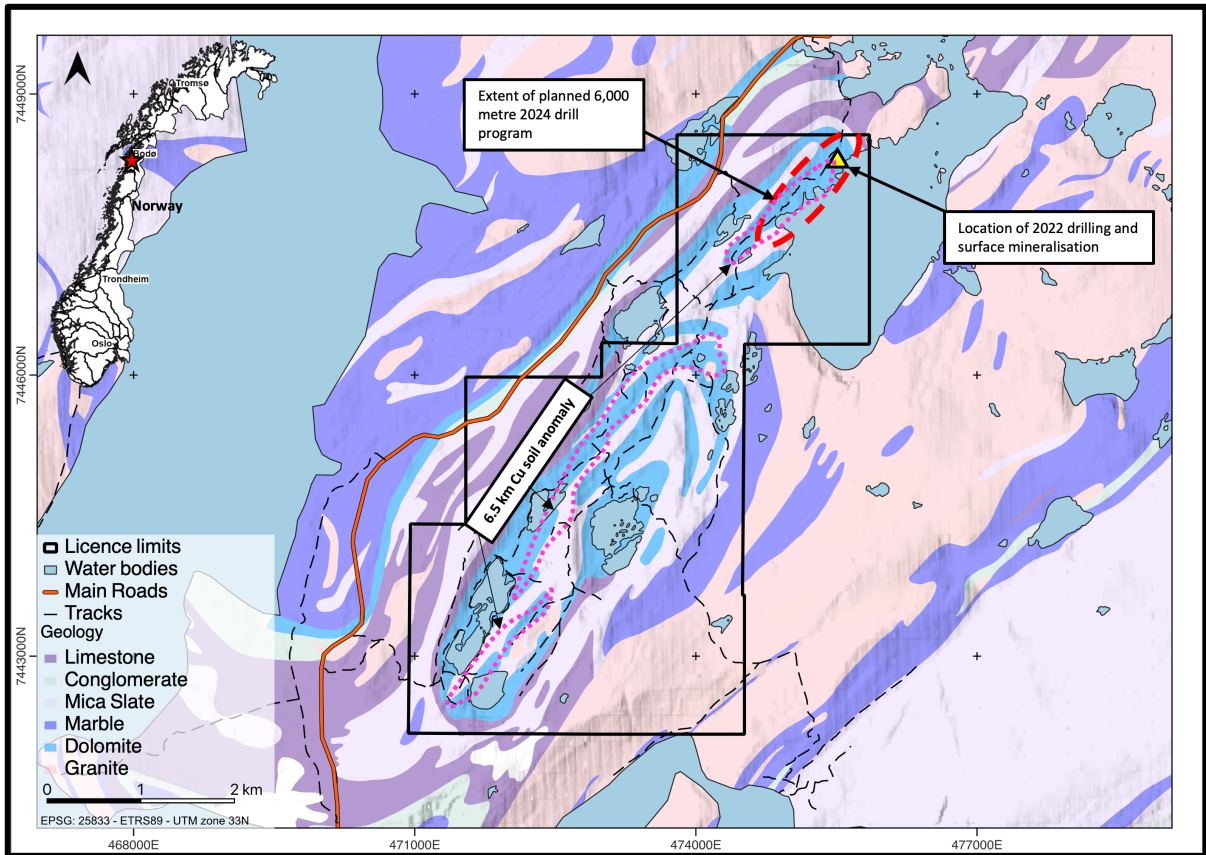


Figure 2. Top: core photo of FRS\_005 with 7.05 m @ 0.61% Cu, 0.05% Co, 0.07% Ni (1.06% CuEq\*)  
 Bottom: core photo of FRS\_004 with 1.27 m @ @ 0.35% Cu, 0.05% Co, 0.17% Ni (1.14% CuEq\*)

\* CuEq= 1Cu + 5.14Co + 3.11Ni



**Figure 2. Overview map showing the Frostmoen licence block, the target dolomite rock in blue, the high-grade surface mineralization, the location of the 2022 drill program, and the planned 2024 drill holes.**

\*  $CuEq = 1Cu + 5.14Co + 3.11Ni$



Table.1. Significant calculated drill and trench intersections

FULL ASSAY RESULTS USED TO CALCULATE CuEq GRADES							
FRS006							
From	To	Interval	Cu %	Co ppm	Ni ppm	CuEq	
30.50	85.00	54.50	0.27	218	412		0.51
FRS005							
From	To	Interval	Cu %	Co ppm	Ni ppm	CuEq	
40.95	48.00	7.05	0.61	450	731		1.06
including							
44.65	45.85	1.20	2.17	1050	1550		3.19
FRS004							
From	To	Interval	Cu %	Co ppm	Ni ppm	CuEq	
42.00	58.50	16.50	0.46	329	680		0.84
62.85	64.12	1.27	0.35	513	1690		1.14
71.00	73.40	2.40	0.47	413	747		0.91
FRS003							
From	To	Interval	Cu %	Co ppm	Ni ppm	CuEq	
19.02	19.85	0.83	0.50	148	341		0.68
27.34	34.00	6.66	0.27	184	384		0.48
73.69	76.63	2.94	0.53	113	214		0.65
FRS002							
From	To	Interval	Cu %	Co ppm	Ni ppm	CuEq	
13.00	13.70	0.70	0.09	958	4420		1.96
TN01-2021							
From	To	Interval	Cu %	Co ppm	Ni ppm	CuEq	
6.7	15.7	9	0.45	409	781		0.90
including							
14.7	15.7	1	1.66	1799	1940		3.19
TN02-2021-A							
From	To	Interval	Cu %	Co ppm	Ni ppm	CuEq	
0.5	6	5.5	1.72	237	417		1.97
including							
1	2	1	4.89	381	859		5.35
7.5	10.5	3	2.77	300	874		3.20
including							
9	10.5	1.5	4.86	413	1241		5.46
33	38	5	0.81	229	635		1.13
Adit CH1-2021							
From	To	Interval	Cu %	Co ppm	Ni ppm	CuEq	
43	48	5	1.32	378	420		1.64
including							
46	47	1	5.43	1620	1215		6.64
56	66	10	0.27	155	357		0.46
Data: Cu, Co and Ni from LME on 27/01/2023							
Spot prices	Cu (US/lb)	Co (US/lb)	Ni (US/lb)				
USD	4.24	21.81	13.18				
*CuEq= 1Cu + 5.14Co + 3.11Ni							
*Recovery is assumed to be 100% as no metallurgical data is available							
*Length weighted average applied; internal waste included in calculation							
*There may be lower thresholds to achieve payment for precious metals within the Cu concentrate							

\* CuEq= 1Cu + 5.14Co + 3.11Ni