2 December 2019

ASX Market Announcements
ASX Limited
Level 4
Stock Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

UPDATE ON EXPLORATION ACTIVITIES AT THE CONSERRAT PROJECT

E2 Metals Limited (**E2 Metals** or **Company**) is pleased to provide an update on the exploration activities at the Conserrat Project.

For and on behalf of the Board

Todd Williams
Managing Director
Ph: + 61 3 9692 7222

E2 Metals Limited

ABN: 34 116 865 546
ASX Code: E2M

Level 4, 100 Albert Road
South Melbourne VIC 3205
P: +61 3 9692 7222
F: +61 3 9077 9233
E: info@e2metals.com.au

Directors / Secretary

Melanie Leydin
Chair & Company Secretary

Todd Williams
Managing Director

Alastair Morrison
Non-Executive Director

Issued Capital

91.9M fully paid ordinary shares

Exploration Update

02 December 2019

E2 Metals (**E2 or the Company**) is pleased to provide an update on exploration activities at the Conserrat Project.

Highlights

- Phase 1 of trenching at the recently discovered **Ro** and **Florencia** vein trends (*see ASX announcement – New Mineralised Trends Confirmed at Ro and Florencia, 31 October 2019*) is complete.
- Infill sampling of previously reported trenches has extended the mineralised intervals, confirming broad mineralised systems at **Ro** and Florencia:
    - **COT-33 (Ro)**: 32.7m at 0.58ppm Au, 23.9ppm Ag
      including 2.5m at 2.5ppm Au, 136ppm Ag
    - **COT-32 (Florencia):** 43m at 0.5ppm Au
      Including 1.0m at 3.26ppm Au, 3.9ppm Ag
- Step out trenching at **Ro** has defined the mineralised structure over three trenches spaced 50m apart. New assay results include:
    - **COT-46**: 14.5m at 0.98ppm Au, 3.8ppm Ag
      including 4.5m at 1.73ppm Au, 5ppm Ag
- Step out trenching at **Florencia** has defined the mineralised structure on two trenches spaced 100m apart. New assays results include:
    - **COT-37**: 25.5m at 0.56ppm Au
      including 2.5m at 1.72ppm Au
- Reconnaissance trenching of soil prospects continues to identify new vein trends. A single trench located 300m south of Ro has cut a parallel vein trend that has returned:
    - **COT-47:** 1m at 0.54ppm Au, 22.5ppm Ag
- The maiden drill program is progressing with rig maintenance causing some interruptions to the start of the program.

Overview

Conserrat is located in the mining friendly Santa Cruz province of Argentina and is centred along trend from AngloGold Ashanti's world-class Cerro Vanguardia epithermal vein field (historical and current reserves of 8.9Moz Au, 137Moz Ag[1]) and hosts an extensive but partially exposed vein system that was defined by the Company earlier this year.

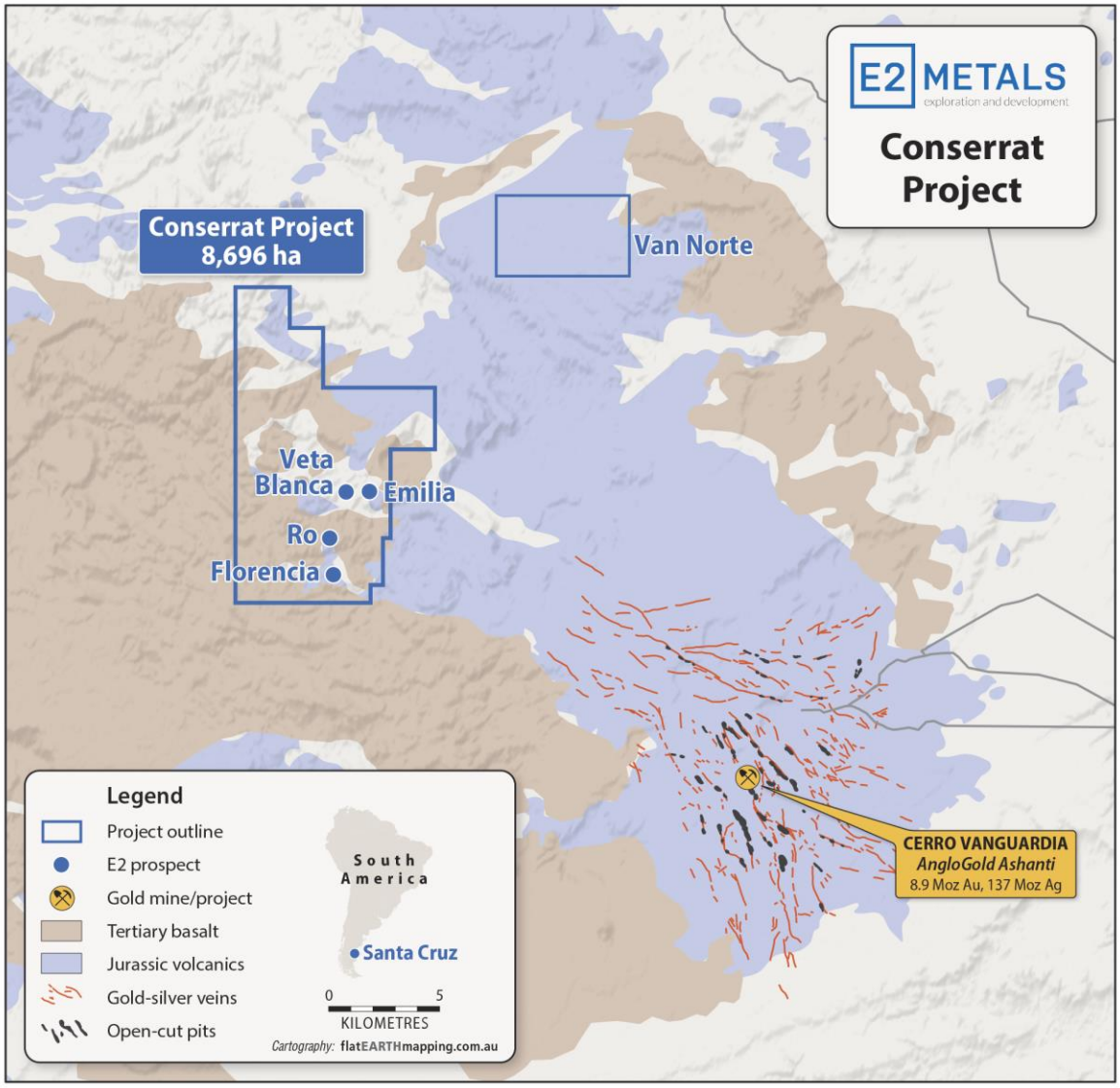

Figure 1: Conserrat Project

On 31 October 2019 the Company announced the discovery of two new mineralised vein trends at the **Ro** and **Florencia** prospects[2] in the southern project area. At both prospects blind mineralised veins, comprising stockworks of chalcedonic-silica-sulphide veins were identified by trenching gold and silver soil anomalies in areas of very shallow (less than 0.5m) colluvium cover. Both Ro and Florencia are located within major northwest and west-northwest orientated Gradient Array IP chargeability lineaments that parallel the main vein orientation at both Conserrat and Cerro Vanguardia. These chargeability lineaments continue under younger Tertiary basalt cover for over 3km (Figure 2).

[1] Mirasol Resources Ltd Corporate Presentation, September 2018
[2] E2 Metals ASX announcement – New Mineralised Trends Confirmed at Ro and Florencia, 31 October 2019

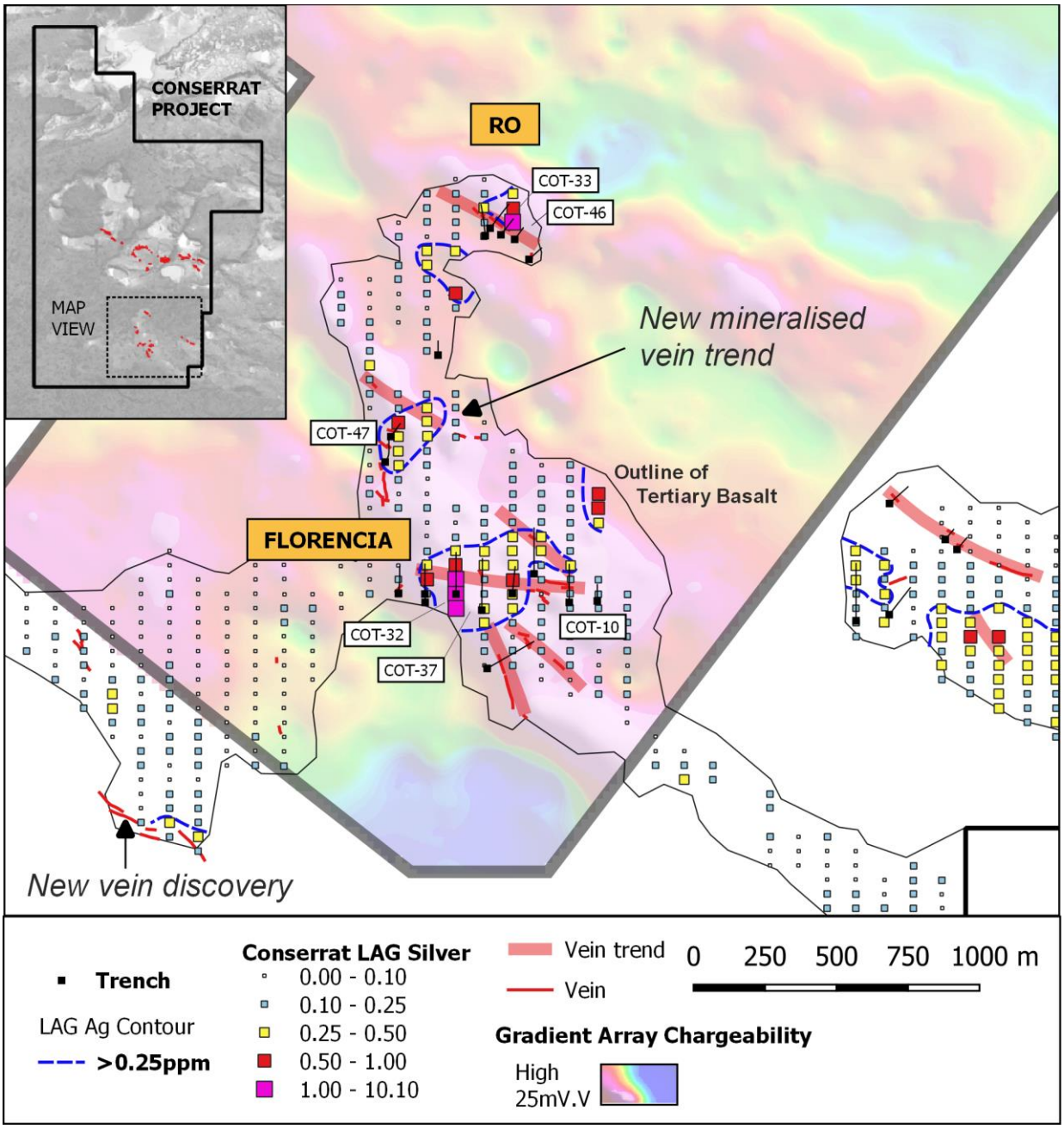

Figure 2: Ro and Florencia trenches and LAG silver geochemistry on GAIP chargeability image. The area without LAG coverage is covered by a thin layer of basalt.

Results

Trench results for Ro and Florencia are shown in Figure 3 and include revised intervals incorporating infill sampling of previously reported vein zones, in addition to new results for adjacent trenches.

At **Ro,** mineralisation in COT-33 is wider than previously reported, being 32m at 0.58ppm Au and 13 ppm Ag, including a higher-grade zone of 2m at 2.5ppm Au and 136ppm Ag. Mineralisation has been extended a further 50m to the east by COT-46 that returned 14.5m at 0.98ppm Au and 3.8ppm Ag, including 4.7m at 1.73ppm Au. Mineralisation is open to the east and projects north of trench COT-41 which intercepted a wide zone of alteration but no vein.

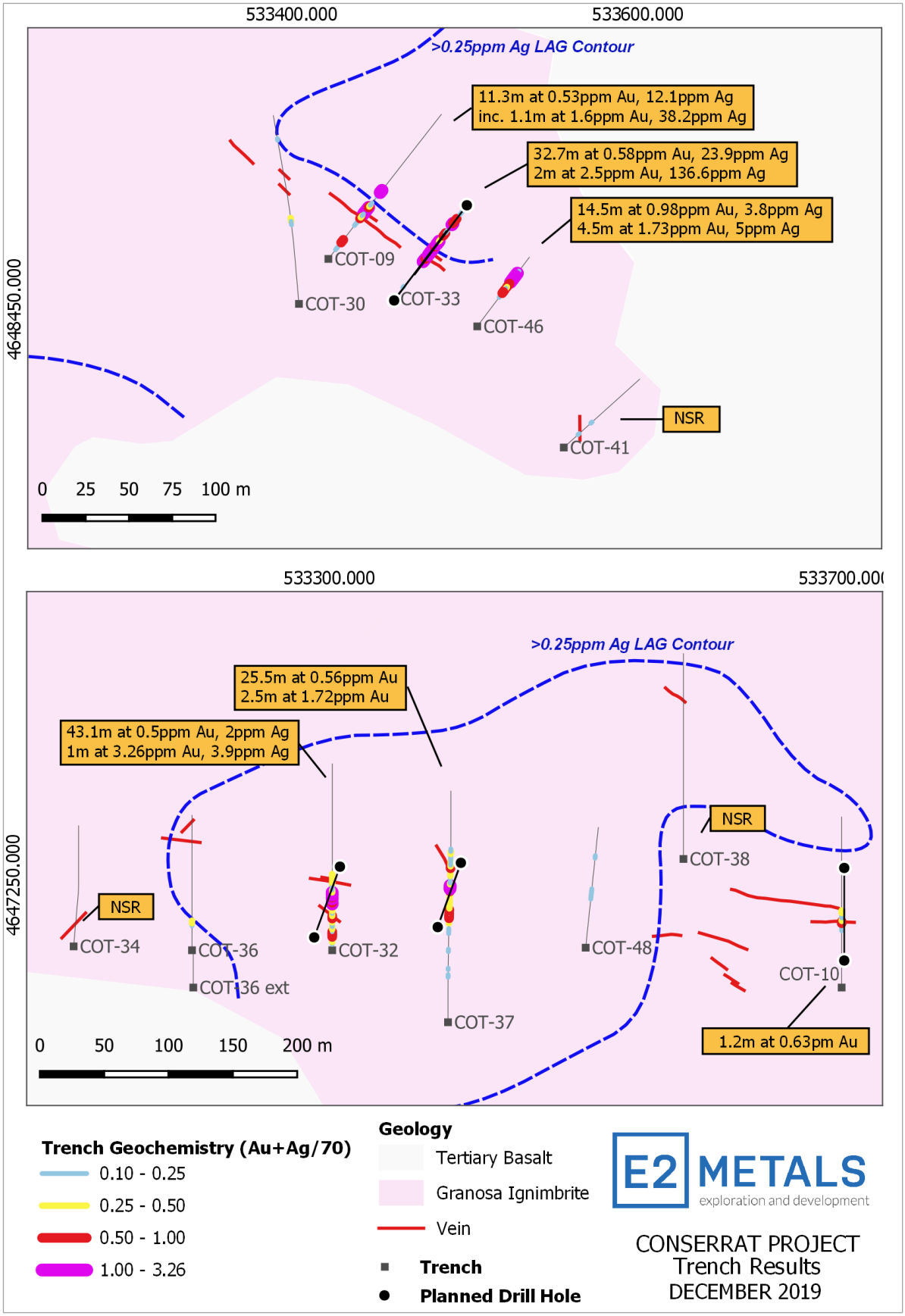

Figure 3: Ro (top) and Florencia (bottom) trench results

A pair of scissor drill holes has been planned for Ro to test the depth extension of the widest zone of gold and silver mineralisation in COT-33.

At **Florencia**, results for all seven trenches completed in the soil anomaly have been received and confirm the source of the anomaly to be a broad zone of stockwork veins in COT-32 and COT-37, spaced 100m apart. Mineralisation is associated with a vein system that extends over 500m in strike length, characterised by strong clay alteration and anomalous (~0.2ppm) gold.

Infill sampling at Florencia has extended previously reported mineralised intervals in COT-32 to over 43m at 0.5ppm Au. This includes 1m at 3.26ppm Au. Silver tenor is low when compared to Ro and may indicate a higher erosional level within a zoned epithermal vein system. Similar mineralisation was identified 100m to the east in trench COT-37 which returned 25.5m at 0.56gpt Au, including 2.5m at 1.72ppm Au. Three pairs of drill hole scissors have been planned for the prospect to test the depth potential of the mineralised segments of the Florencia vein system.

Other Prospects

Field evaluation and reconnaissance trenching at several regional soil targets is ongoing. Trenching of a silver and gold soil anomaly located 300m south of Ro has identified a new vein trend with strongly anomalous gold and silver. The single trench COT-47 cutting the zone returned 1m at 0.54ppm Au and 22.5ppm Ag. The vein zone is associated with strong chargeabilities in the Gradient Array IP and is open to the east and west.

For enquiries please contact:

Todd Williams
Managing Director
Ph: + 61 3 9692 7222

Competent Person's Statement

Information in this report that relates to Exploration results and targets is based on, and fairly reflects, information compiled by E2 Metals Limited and Colin Brodie, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Brodie is a Senior Technical Advisor and consultant to E2 Metals Limited. Mr. Brodie 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 by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Brodie consents to the inclusion of the data in the form and context in which it appears.

Table 1: Ro – key trench intervals

Trench	From	To	Interval	Sample	Au	Ag	Statement
COT-33	26	27.2	1.2	5776	0.39	5.47	32.7m at 0.58ppm Au, 23.9ppm Ag from 26m
COT-33	27.2	28	0.8	5777	0.94	18.36	15m at 0.83ppm Au, 49.5ppm Ag from 27.2m
COT-33	28	29.2	1.2	5778	1.07	111.12	
COT-33	29.2	30.2	1	5779	0.68	10.08	
COT-33	30.2	32.2	2	5780	0.31	0	
COT-33	**32.2**	**34.2**	**2**	**5781**	**2.5**	**136.62**	***2m at 2.5ppm Au, 136.6ppm Ag from 32.2m***
COT-33	34.2	36.2	2	5782	0.73	45.9	
COT-33	36.2	36.7	0.5	5783	0.28	39.66	
COT-33	36.7	37.2	0.5	5784	0.36	52.41	
COT-33	37.2	38.2	1	5785	0.1	7.66	
COT-33	38.2	40.2	2	5786	0.27	20.65	
COT-33	40.2	42.2	2	5787	0.83	61.79	
COT-33	42.2	44.2	2	5788	0.23	5.27	
COT-33	44.2	46.2	2	5789	0.23	3.06	
COT-33	46.2	48.2	2	5790	0.67	3.62	
COT-33	48.2	50.2	2	5791	0.13	0	
COT-33	50.2	51.2	1	6495	0.11	0	
COT-33	51.2	52.2	1	6496	0.12	0	
COT-33	52.2	53.2	1	6497	0.25	0	
COT-33	53.2	54.3	1.1	6498	0.41	2.03	
COT-33	54.3	55.3	1	5792	1.13	0	
COT-33	55.3	56	0.7	5793	0.54	0	
COT-33	56	56.8	0.8	5794	0.22	0	
COT-33	56.8	57.4	0.6	5795	0.38	0	
COT-33	57.4	58.7	1.3	5796	0.6	4.74	
COT-46	24	25	1	6278	0.48	4.83	*14.5m at 0.98ppm Au, 3.8ppm Ag from 24m*
COT-46	25	26.5	1.5	6279	0.6	3.9	
COT-46	26.5	27.5	1	6485	0.23	1	
COT-46	27.5	28.5	1	6486	0.43	1	
COT-46	28.5	30	1.5	6487	0.76	6.21	
COT-46	30	31	1	6488	0.64	3.25	
COT-46	31	32	1	6280	0.49	1	
COT-46	**32**	**34**	**2**	**6281**	**1.91**	**4.5**	***4.5m at 1.73ppm Au, 5ppm Ag from 32m***
COT-46	**34**	**35.5**	**1.5**	**6282**	**1.37**	**7.54**	
COT-46	**35.5**	**36.5**	**1**	**6283**	**1.9**	**2.32**	
COT-46	36.5	38.5	2	6284	1.09	2.92	

Table 2: Florencia – key trench intervals

Trench	From	To	Interval	Sample	Au	Ag	Statement
COT-32	8.4	10.4	2	5746	0.08	7.62	
COT-32	10.4	12.4	2	5747	0.61	23.75	*43.1m at 0.5ppm Au, 2ppm Ag from 10.4m*
COT-32	12.4	14.4	2	5748	0.86	5.88	
COT-32	14.4	16.4	2	5749	0.11	0	
COT-32	16.4	18.4	2	5751	0.28	0	
COT-32	18.4	20.4	2	5752	0.17	2.24	
COT-32	21.7	23.7	2	6110	0.12	0	
COT-32	23.7	24.7	1	6111	0.08	0	
COT-32	24.7	26.7	2	5753	0.95	0	
COT-32	26.7	28.7	2	6112	0.36	0	
COT-32	28.7	30.7	2	5754	0.19	0	
COT-32	30.7	32.7	2	5755	0.35	0	
COT-32	32.7	34.7	2	5756	0.41	0	
COT-32	34.7	36	1.3	5757	0.06	0	
COT-32	36	37	1	6113	1.8	3.62	*9m at 1.18ppm Au, 1.8ppm Ag from 36m*

Trench	From	To	Interval	Sample	Au	Ag	Statement
COT-32	37	38	1	6114	0.53	2.1	
COT-32	38	39	1	6115	0.24	2.28	
COT-32	39	40	1	6116	0.55	0	
COT-32	**40**	**41**	**1**	**5758**	**3.26**	**3.94**	***1m at 3.26ppm Au, 3.94ppm Ag from 40m***
COT-32	41	43	2	5759	0.97	2.16	
COT-32	43	45	2	5760	1.16	0	
COT-32	45	47	2	5761	0.23	2.51	
COT-32	47	49	2	5762	0.24	0	
COT-32	49	51	2	5763	0.22	0	
COT-32	51	52.6	1.6	5764	0.11	0	
COT-32	52.6	53.5	0.9	5765	0.3	0	
COT-37	76.9	78.9	2	6247	0.47	0	*58.1m at 0.36ppm Au, 0ppm Ag from 76.9m*
COT-37	78.9	80.9	2	6248	0.04	0	
COT-37	80.9	82.9	2	6249	0.98	0	*25.5m at 0.56ppm Au, 0ppm Ag from 80.9m*
COT-37	82.9	84.9	2	6251	0.76	0	
COT-37	84.9	85.9	1	6252	0.24	0	
COT-37	85.9	86.9	1	6253	0.16	0	
COT-37	86.9	87.6	0.7	6254	0.75	0	
COT-37	87.6	88.6	1	6255	0.09	0	
COT-37	88.6	89.9	1.3	6335	0.28	0	
COT-37	89.9	91.9	2	6336	0.26	0	
COT-37	91.9	93.9	2	6337	0.28	0	
COT-37	93.9	95.9	2	6338	0.38	0	
COT-37	95.9	97.9	2	6339	0.26	0	
COT-37	97.9	99.9	2	6340	0.35	0	
COT-37	99.9	101.9	2	6341	0.46	0	
COT-37	101.9	103.9	2	6342	0.52	0	
COT-37	**103.9**	**105.4**	**1.5**	**6343**	**1.58**	**0**	***2.5m at 1.72ppm Au, 0ppm Ag from 103.9m***
COT-37	**105.4**	**106.4**	**1**	**6256**	**1.94**	**0**	
COT-37	106.4	107.4	1	6257	0	2.43	
COT-37	107.4	108.4	1	6258	0.39	0	
COT-37	108.4	110	1.6	6344	0.16	0	
COT-37	110	111.9	1.9	6345	0	0	
COT-37	111.9	113.9	2	6346	0.12	0	
COT-37	113.9	115.9	2	6347	0.34	0	
COT-37	115.9	117.9	2	6348	0.1	0	
COT-37	117.9	119.9	2	6349	0.03	0	
COT-37	119.9	121.4	1.5	6351	0.53	0	
COT-37	121.4	122.4	1	6259	0.4	0	
COT-37	122.4	123.4	1	6260	0.15	0	
COT-37	123.4	125.4	2	6261	0.38	0	
COT-37	125.4	127	1.6	4956	0.12	0	
COT-37	127	129	2	4957	0.19	0	
COT-37	129	131	2	4958	0.2	0	
COT-37	131	133	2	4959	0.27	0	
COT-37	133	135	2	4960	0.17	0	

Table 1: JORC Code Reporting Criteria

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling Techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	**Trench Program October 2019** • Trench samples were collected with the assistance of an electric grinder to cut channels in the trench floor with about 3 cm depth and 3-5cm width. • The samples were taken in continuous linear intervals in those zones where geologists recognized potential mineralization, without sampling in intervening intervals. • Sample lengths ranged from 0.5 to 2m. • A quality control sample (international standards, blanks or duplicate) was inserted after each group of 24 samples.
Drilling Techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	**Trench Program October 2019** • Channels were cut in this program with a 2700W De Walt electric grinder, which had 9" diameter segmented diamond discs installed. The channels were cut on the floor of the trench, previously swept with a brush and mapped by the geologist, making cuts of approximately 3 cm depth and a width of 3-5cm, with a constant width and depth within each sample interval. • The samples were taken using a hammer and cold chisel being careful to take all the material contained in the gutter continuously from beginning to end of the sample interval.
Drill Sample Recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	**Trench Program October 2019** • Sample recovery from channels was monitored by experienced technicians and field geologists to ensure the representativeness of samples. • There has not been any investigation into the relationship between sample recovery and grade. It is considered that there was not any preferential loss/gain of fine or coarse material.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical	**Trench Program 2019** Systematic geological logging was undertaken using a hand lens to closely examine the trench ground. Data collected includes:

Criteria	JORC Code Explanation	Commentary
	studies.	• Lithology • Relationship between lithologies. • Alteration extent, nature and intensity. • Oxidation extent, mineralogy and intensity. • Sulphide types, nature and visually estimated percentage. • Quartz vein types, occurrence, width, textures and any relevant observation. • Structure types, width and measurements of dip and dip direction. • Crucial zones of interest were reviewed later.
	• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	
	• The total length and percentage of the relevant intersections logged.	
Sub-Sampling Techniques and Sample Preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	
	• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	**Trench Program October 2019** • Samples were collected in plastic bags of approx. 4 kg weight, properly labelled with the sample number. • In the Alex Stewart preparation laboratory facilities samples were dried and crushed until more than 80% is finer than 10 mesh size, then a 600g split is pulverized until 95% is finer than 106 microns. • Certified Standard Reference materials and duplicate samples are inserted every 25 samples to assess the accuracy and reproducibility. • Sample sizes are considered appropriate.
Quality of Assay Data and Laboratory Tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations	**Trench Program October 2019** • Standard assay procedures performed by a reputable assay lab (Alex Stewart) were undertaken. Gold assays are by a 50g fire assay with an atomic absorption finish. Silver was read by gravimetry on micro-balance. • No geophysical tools were used in the determination of the assay results. All assay results were generated by an independent third-party laboratory as described above. • Certified reference material, blanks or duplicates were inserted at least every 25

Criteria	JORC Code Explanation	Commentary
	factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	samples. Standards are purchased from a Certified Reference material manufacture company – Ore Research and Exploration. Standards were purchased in foil lines packets of between 60g and 100g. Different reference materials were used to cover high grade, medium grade and low grader ranges of gold and silver. The standard names on the foil packages were erased before going into the pre-numbered sample bag and the standards are submitted to the lab blind.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	**Trench Program October 2019** • The raw assay data forming significant intercepts are examined and discussed by at least two company personnel. • Trench logging data has been collected in paper form in the field, with careful verification by several staff, particularly of the sample numbers and sample intervals. This has later been entered into Excel spreadsheets by a trained clerical person, closely supervised by a geologist and verified by the other geologists involved in the projects. This data is then transferred to MapInfo format. • Assay data is provided by Alex Stewart in three formats, csv spreadsheets, Excel spreadsheets and signed pdf files. The csv files are used to merge the data into MapInfo files. Hard copy of this and other data is stored with the other drill hole data.
Location of Data Points	• Accuracy and quality of surveys used to locate drill holes (collar and down- hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	**Trench Program October 2019** • The beginning of the trench (collar) was measured using a Garmin handheld GPS accurate to ±5m. • Trenches are surveyed by geologists using a Brunton compass instrument at different intervals from of tens of meters according with relevant topography breaks. • All coordinates are based on UTM Zone 19S using a WGS84 datum. • Topographic control to date has used GPS data, which is adequate considering the small relief (<50m) in the area.
Data Spacing and Distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	**Trench Program October 2019** • Conserrat is a new discovery and as a result the trench spacing is variable, with closer spacing on zones where surface sampling has given encouraging results (30-40m along strike) and some scout trenches testing geophysical or conceptual targets hundreds of metres from the mapped veins. • Not applicable as no Ore Resource or Reserve has been completed at Conserrat. • No sample compositing has been applied.
Orientation of Data in Relation to Geological Structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	**Trench Program October 2019** • Trenches were orientated to cross the interpreted mineralized veins at a high angle in a horizontal sense.

Criteria	JORC Code Explanation	Commentary
	• If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	
Sample Security	• The measures taken to ensure sample security.	**Trench Program October 2019** • Chain of custody was managed by E2Metals. Samples were placed into taped polyethylene bags with sample numbers that provided no specific information on the location of the samples. Samples were transported from site to the Alex Stewart preparation lab in Puerto San Julian by E2Metals personnel and after preparation pulps were transported to Mendoza or Perito Moreno for final analysis using transport organized by Alex Stewart.
Audits or Reviews	• The results of any audits or reviews of sampling techniques and data.	No audit or review of the sampling regime at Conserrat has been undertaken.