Conserrat Project Exploration Update

19 October 2020

Highlights

- The planned drill program at **Mia** comprising 5 reverse circulation (RC) holes and 3 diamond holes for 909m has been completed.
- An initial scout RC drill program at **Patricia** of 4 holes for 394m has also been completed.
- Drill assays are expected in 2-3 weeks with COVID-19 travel restrictions causing some delays.
- Drilling has commenced at **Ro** and **Florencia** and will continue for the next four weeks.
- Follow-up rock chip sampling at **Emilia** has returned up to **15gpt gold and 2146gpt silver** in vein samples, confirming the high-grade target.

Summary of drilling

E2 Metals **(E2 or the Company)** announces that drilling at the Conserrat project is progressing well with all planned holes completed at the **Mia** and **Patricia** prospects. The program included an initial 9 RC holes and 3 diamond holes for a combined total of 1303m. Holes collars are provided in **Table 1** and shown in **Figures 1 and 2**.

Drilling at Mia was designed to test extensions of the high-grade gold and silver announced last field season (*see ASX announcement, 6 May 2020, 8m at 7.46gpt Au and 216gpt Ag at Mia prospect, Conserrat*). The program comprised 5 RC holes and 3 diamond holes for 909m. Hole lengths ranged from 84 to 169m.

All drill holes intercepted epithermal veins, breccias and alteration similar to the last program.

At Patricia, scout drill holes were designed to locate the source of a float train of banded epithermal veins with visible gold containing up to **40gpt Au and 262gpt Ag**. The program comprised 4 RC holes for 394m on two fences spaced 75m apart. Hole lengths ranged from 96 to 102 meters.

Hole DRC-PA20-007 intercepted a 4m wide vein from 92m downhole depth, indicating that the float train is displaced up to 50m north of the source. Further RC drilling is contemplated to better define the strike extent of the Patricia vein.

E2 Metals Limited

ABN: 34 116 865 546
ASX Code: E2M

Issued Capital

131.2M fully paid ordinary shares

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Table 1: ***Mia and Patricia drill hole collars***
Coordinates stated in WGS84 UTM 19S

Prospect	Hole	Easting	Northing	Elevation	Dip	Azimuth	Depth
Mia	DDH-MI20-001	534940	4645850	306	-60	37	92
Mia	DDH-MI20-002	534995	4645925	301	-60	217	161.2
Mia	DDH-MI20-003	534927	4646007	298	-60	217	169
Mia	DRC-MI20-011	535017	4645873	306	-60	217	100
Mia	DRC-MI20-012	535035	4645897	302	-60	217	84
Mia	DRC-MI20-013	534934	4645934	302	-60	217	102
Mia	DRC-MI20-014	534954	4645955	300	-60	217	96
Mia	DRC-MI20-015	534916	4645874	305	-60	180	105
Patricia	DRC-PA20-006	534069	4646535	304	-60	217	100
Patricia	DRC-PA20-007	534052	4646511	306	-60	217	102
Patricia	DRC-PA20-008	534134	4646494	301	-60	217	96
Patricia	DRC-PA20-010	534115	4646470	302	-60	217	96

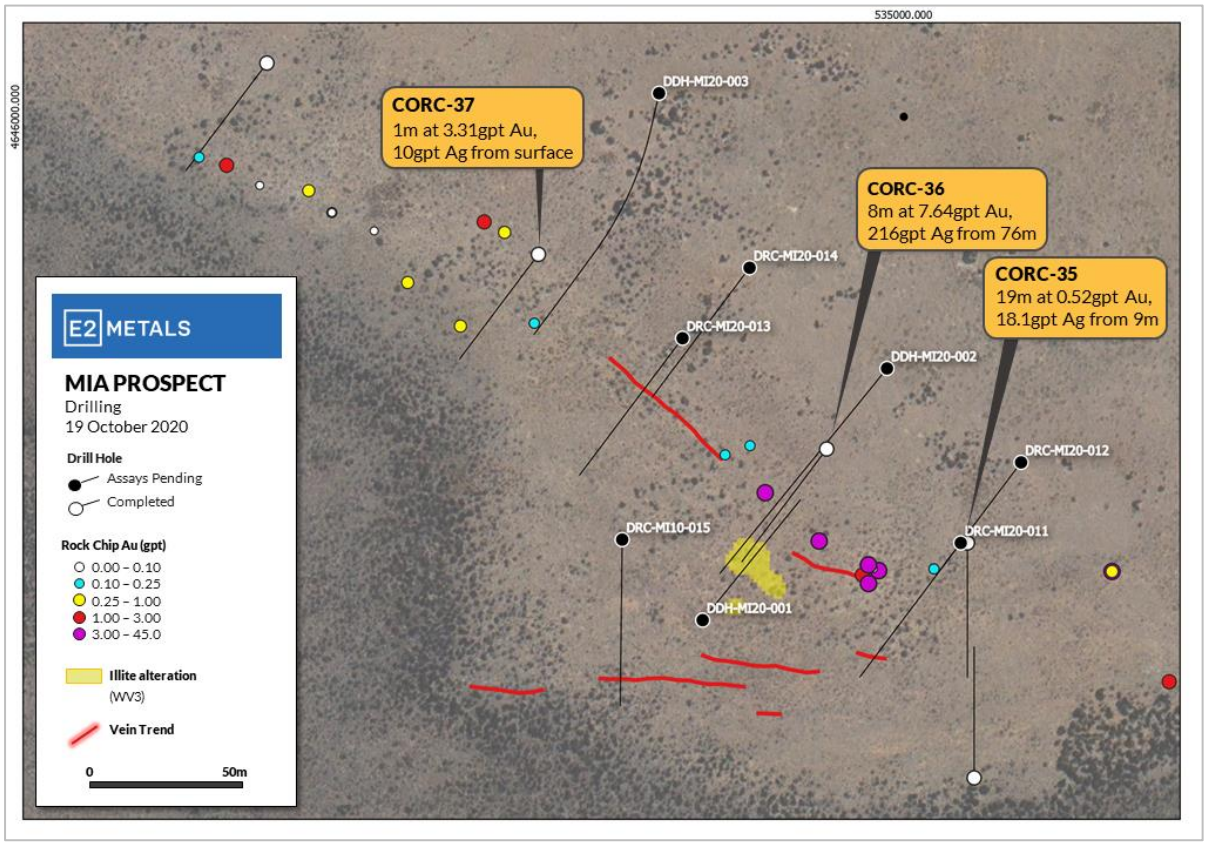

Figure 1: *Mia prospect drillholes*

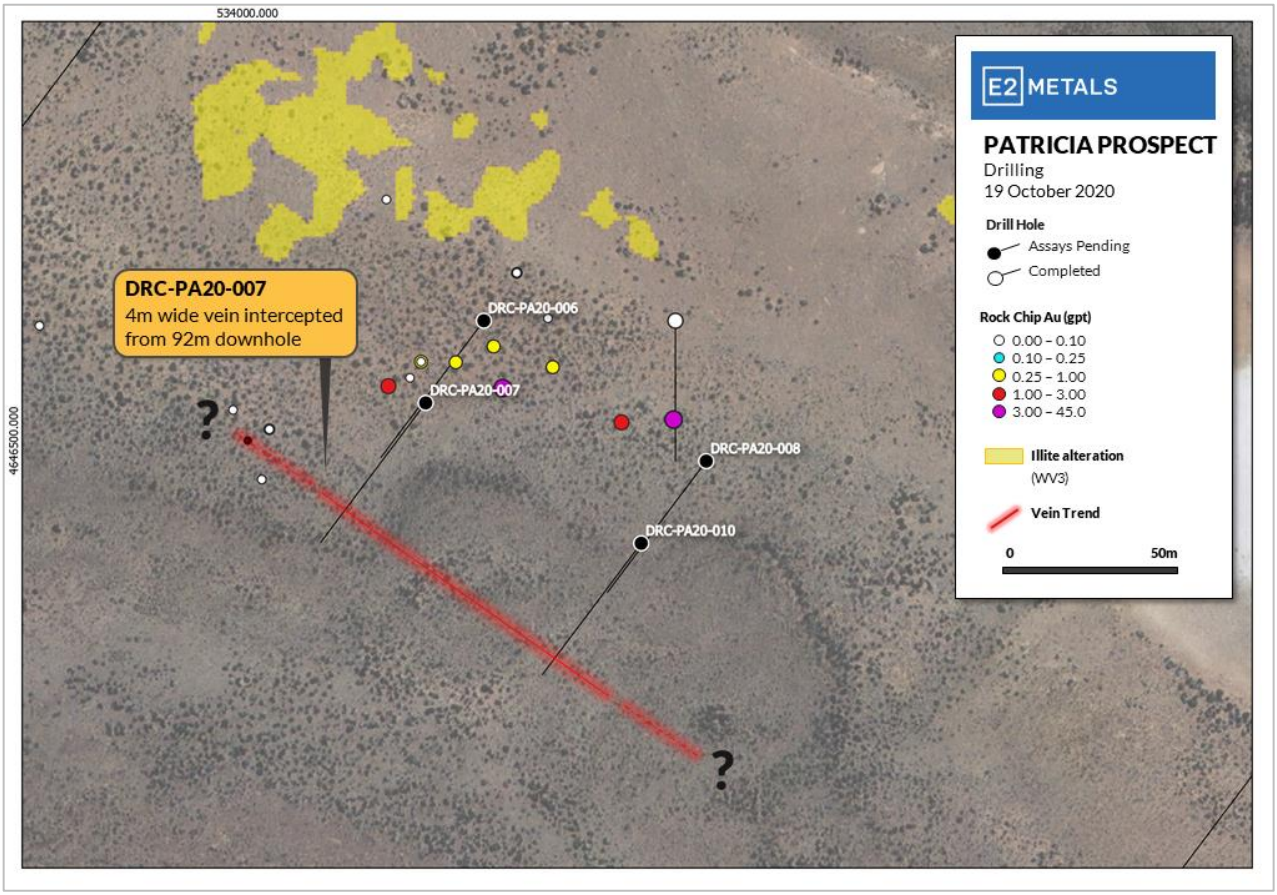

Figure 2: *Patricia prospect drillholes*

Summary of drilling cont.

Drill samples have been submitted to Alex Stewart laboratories in Perito Merino and Mendoza. All results are expected in 2 to 3 weeks with COVID-19 and related travel restrictions causing minor delays.

Both rigs remain on site and the second phase of drilling has commenced at **Ro** and **Florencia** with an additional 1500m planned for both prospects. The program is anticipated to take 4 weeks to complete.

Emilia Rock Chip Sampling

Follow up rock chip sampling (n=19) at the **Emilia** prospect has confirmed the high-grade vein target announced on 3 August 2020 (*see ASX announcement, New gold and silver targets emerge at Emilia and Ro*) with recent samples returning up to **15gpt Au, 2146gpt Ag**. Gold and silver assay results for all samples are provided in **Table 2** and shown in **Figure 3**.

Gold and silver mineralisation is associated with crystalline quartz veins with abundant pyrite, silver sulphosalts (black sulphides) and crude colloform banding. The mineralised veins are distinct from the surrounding vein outcrop indicating the potential for a discrete target at depth. Sampling has defined a zone of 100m by 50m that will be tested with scout RC drilling during this campaign.

Table 2: ***Emilia rock chip gold and silver assay results***
Coordinates stated in Lat Long WGS84

Prospect	Sample Type	Easting	Northing	Elevation	Sample Number	Au (gpt)	Ag (gpt)
Emilia	Float	-68.5294	-48.2943	257	10626	1.05	32.32
Emilia	Float	-68.5293	-48.2945	263	10627	15.08	2146
Emilia	Float	-68.5294	-48.2944	265	10628	0.26	18.3
Emilia	Float	-68.5289	-48.2945	262	10629	0.08	13.3
Emilia	Float	-68.5284	-48.2945	264	10630	0.18	142
Emilia	Float	-68.5281	-48.2949	268	10631	0.03	2.23
Emilia	Float	-68.528	-48.2949	269	10632	0.03	4.05
Emilia	Float	-68.5279	-48.295	265	10633	0.03	6.47
Emilia	Float	-68.5278	-48.295	266	10634	0.14	5.96
Emilia	Float	-68.5274	-48.2941	251	10635	0.07	7.59
Emilia	Float	-68.5274	-48.2941	255	10636	0.11	2.13
Emilia	Float	-68.5274	-48.2944	255	10637	0.11	6.96
Emilia	Float	-68.5285	-48.2949	264	10638	0.1	19.32
Emilia	Float	-68.5284	-48.2947	267	10639	0.01	-2
Emilia	Float	-68.5266	-48.2956	248	10640	0.04	-2
Emilia	Float	-68.5266	-48.2958	265	10641	-0.01	-2
Emilia	Float	-68.5267	-48.2958	275	10642	-0.01	-2
Emilia	Float	-68.5267	-48.2961	295	10643	-0.01	-2
Emilia	Outcrop	-68.5266	-48.2963	301	10644	0.01	3.46

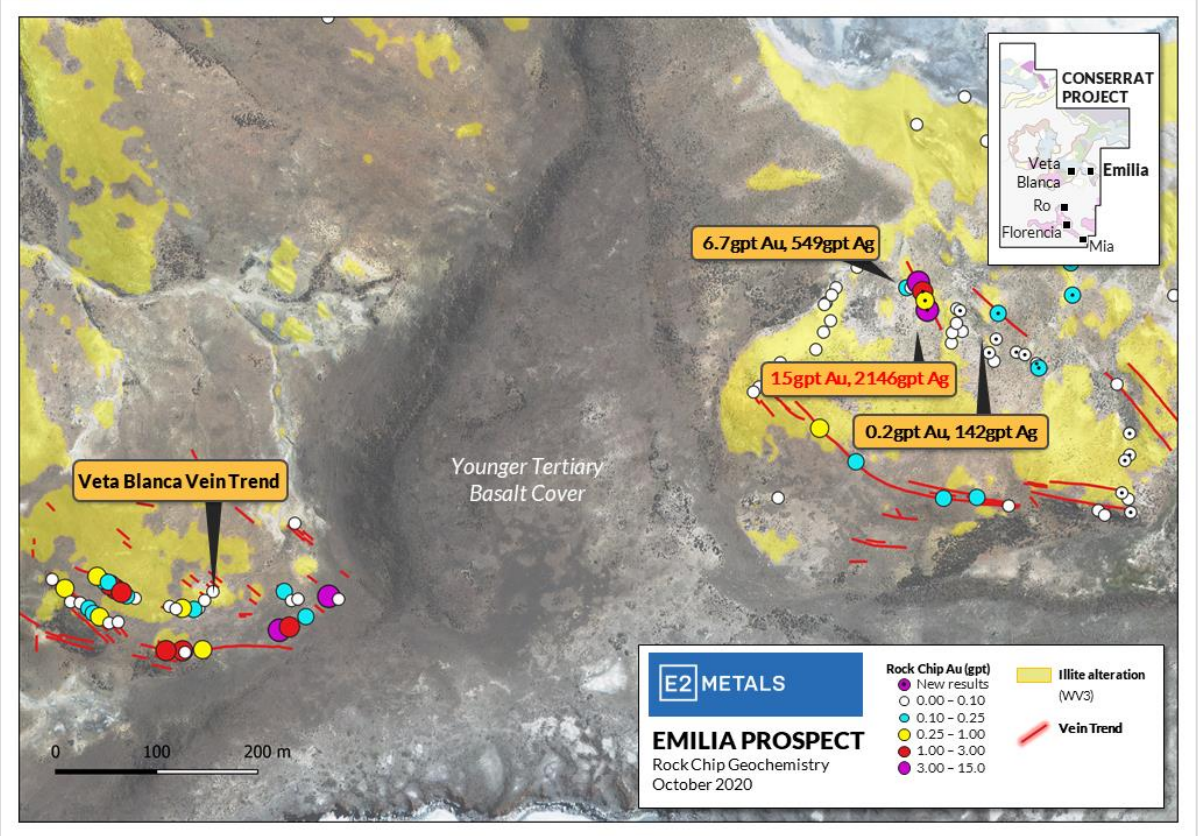

Figure 3*: Emilia propsect rock chip geochemistry*

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This announcement is authorised for release to the market by the Board of Directors of E2 Metals Limited.

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.

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 representativity and the appropriate calibration of any measurement tools or systems used.	**Emilia Rock Chip Sampling** • The rock chip samples reported in this announcement were collected by E2 Metals during September 2020. A total of 19 samples were collected from vein outcrop and representative float trains. • Samples were analysed by Alex Stewart Argentina. Samples were crushed to less than 2mm, split and pulverized to <75µm. • Multi-element (48) data was by four acid digest and ICP-OES. Au was by fire assay using a 50g sample with AA finish. **Conserrat RC Drilling** • RC chips were collected using a Rifle John type splitter incorporated into the cyclone which split the sample into two portions of approximately 75% and 25%. • About 95% of the samples were collected on a dry basis. • When the sample is wet an Hydraulic Cone Splitter is used, which take out the excess of water, and splits two portion of the reject in 75% and 25%. • Assay standards, blanks and duplicates were inserted into every 25 samples. **Conserrat Diamond Drilling** • Representative half core samples were split from HQ diameter diamond drill core on site using rock saws • The sample intervals were defined from lithological, mineralization characteristics, with lengths no longer than 2 m and no less than 0.5 m. • The orientation of the cut line is defined, when is possible, from structural features such as contacts, fractures, faults, veinlets, so as to cut the core into two equal parts. • Core orientation line ensures uniformity of core splitting wherever the core has been successfully oriented. • Sample intervals are defined and subsequently checked by geologists, and sample

Criteria	JORC Code Explanation	Commentary
		tags are attached (stapled) to the wood core trays for every sample interval. • Assay standards, blanks and duplicates were inserted into every 12.5 samples average
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).	**Conserrat RC Drilling** • The reverse circulation percussion (RC) method used in this program used a 5.5" (289mm) face sampling bit with a first phase of sample splitting into two portions of approximately 75% and 25% undertaken in the RC cyclone with outlets into two plastic (dry samples) or micro-porous cloth bags (wet samples). **Conserrat Diamond Drilling** • The diamond drilling has HQ diameter with triple tube core recovery configuration.

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.
		Conserrat RC Drilling
		• Sample recovery was monitored by weighing sample bags on scales beside the drill rig.
		• To make sure that chip sample recovery was maximized the outlets from the cyclone into the sample bags were carefully sealed. The cyclone and drill string were regularly cleaned by the drill operators using compressed air to prevent down hole contamination.
		• 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.
		Conserrat Diamond Drilling
		• Diamond drill core recoveries were assessed using the standard industry best practice which involves:
		  ○ Measuring core lengths with a tape measure.
		  ○ Removing the core from the split inner tube, and placing it carefully in the core box.
		  ○ Assessing recovery against core block depth measurements.
		  ○ Measuring RQD, recording any measured core loss for each core run.
		• All core was carefully placed in HQ sized core boxes and transported a short distance to a core processing area were logging and photography could be

Criteria	JORC Code Explanation	Commentary
		completed. • Diamond core recoveries average 98% through all the meters drilled. • Overall, core quality is good, with minimal core loss. Where there is localized faulting and or fracturing core recoveries decrease, however, this is a very small percentage of the mineralized intersections.
• **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 studies.	Systematic geological logging was undertaken using a hand lens to closely examine the chips and cores. Data collected includes: • Nature and extent of lithologies. • Relationship between lithologies. • Alteration extent, nature and intensity. • Oxidation extent, mineralogy and intensity. • Sulphide types and visually estimated percentage. • Quartz vein, veinlets, breccia types and visually estimated percentage. • Structures occurrence and attitude. • Chips from crucial zones of interest are checked later, off site, by examination with a 10x binocular microscope.
	• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	**Conserrat RC Drilling** • Both qualitative and quantitative data is collected, though quantitative data is based on visual estimates, as described above. • All holes are logged from start to finish and were conducted on drill site. **Conserrat Diamond Drilling** • All holes are logged from start to finish and were conducted on the core shack. • Both qualitative and quantitative data is collected, using predefined logging codes for lithological, mineralogical, and physical characteristics. • Cores are photographed after logging, with sample numbers marked in the boxes, before and after being cut and sampled.
	• The total length and percentage of the relevant intersections logged.	• 100% of all recovered chips and cores are logged.
Sub-Sampling Techniques	If core, whether cut or sawn and whether quarter, half or all core taken.	• Representative half core samples were split using rock saws.

Criteria	JORC Code Explanation	Commentary
and Sample Preparation		
	• 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 representativity 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.	**Conserrat RC Drilling** • The small sample bags derived from the initial RC rig cyclone and riffle splitting reach a weight of 2.7-4Kg. • Wet samples were split with a hydraulic cone splitter from the cyclone in bags with a micro-porous fabric, which allowed water to escape without loss of particulate material. • The riffle splitter was cleaned with compressed air between samples to prevent sample contamination. • The big bag with the original reject from the RC rig after the splitting have been stored for any future re-sampling needs. **Conserrat Diamond Drilling** • The core intervals were marked, and the core was split with a rock saw. • Half core samples were placed in plastic bags and tagged with a unique sample number. The other half of the core was returned to the core box and securely stored **Laboratory** • 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 (RC) and every 12.5 samples (DDH) 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	• 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

Criteria	JORC Code Explanation	Commentary
	and model, reading times, calibrations 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.	above. • Certified reference material, blanks or duplicates were inserted at least every 25 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.	• The raw assay data forming significant intercepts are examined and discussed by at least two company personnel. • No twinned holes have been used at this stage. • Drill hole logging data has been collected in paper form in the field, with careful verification by several staff, particularly of the sample numbers and drill hole 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.	• Drill hole collars are located using Garmin hand held GPS accurate to ±5m. • 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)	• Conserrat is a new discovery and as a result the drill hole spacing is variable, with closer spacing on zones where surface sampling has given encouraging results (30-40m along strike) and some scout holes 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.

Criteria	JORC Code Explanation	Commentary
	and classifications applied. • Whether sample compositing has been applied.	• 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. • If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Drilling is orientated to cross the interpreted, steeply dipping mineralized veins at a high angle. No known bias has been introduced into the drilling orientation.
Sample Security	• The measures taken to ensure sample security.	• 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.

Section 2 Reporting of Exploration

Criteria	JORC Code Explanation	Commentary
Mineral Tenement and Land Tenure Status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	E2 Metals Limited holds an 80% interest in the Conserrat Project through its ownership in local Argentine holding company Minera Los Domos SA. **Conserrat Project titles** • Title ID 437.471/BVG/17
Exploration Done by Other Parties	• Acknowledgment and appraisal of exploration by other parties.	**Reconnaissance exploration by IAMGOLD** • During the early 2000s IAMGOLD collected 131 vein outcrop and float samples within the project area. **Reconnaissance exploration by Circum Pacific Pty Ltd** • Between the period October 2017 to March 2018 Circum Pacific Pty Ltd collected 120 vein outcrop and float samples within the project area.
Geology	• Deposit type, geological setting and style of mineralisation.	**Santa Cruz Geology and Deposit Model** • Conserrat is located towards the central eastern margin of the extensive ~60,000 km.sq Deseado Massif geological province that stretches across southern Argentina into the Chilean southern Andes. This massif is made up of Jurassic volcanic and volcaniclastic rocks of the Chon Aike formation. • Important precious metal deposits have been discovered in the province during the past 20 years. Gold and silver mineralisation is associated with Low Sulphidation (LS) Epithermal veins in northwesterly structures that were active at the time of mineralisation.

Criteria	JORC Code Explanation	Commentary

Drill Hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
	  • Easting and northing of the drill hole collar
	  • Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
	  • Dip and azimuth of the hole
	  • Down hole length and interception depth
	  • Hole length
	
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.
		No drill results are disclosed in this announcement. Drill hole information is provided in Table 1.

Data Aggregation Methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	No drill results are disclosed in this announcement.
Relationship Between Mineralisation Widths and intercept lengths.	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg “down hole length, true width not known”).	No drill results are disclosed in this announcement.

Criteria	JORC Code Explanation	Commentary
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Yes.
Balanced Reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	**Emilia rock chip sampling** All gold and silver assay results are provided in Table 2.
Other Substantive Exploration Data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Not applicable.
Further Work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Exploration drilling is ongoing