

Drilling resumes at Conserrat

8 January 2021

Highlights

- **Drilling has resumed at the Conserrat project**, a recent gold and silver discovery located in the Santa Cruz province of Argentina.
- Two drill rigs are on site including a diamond and reverse circulation (RC) rig.
- Drilling will commence at the **Mia** prospect to test a new gold and silver zone discovered late last year (**4.1m at 1gpt Au, 644gpt Ag or 10gpt AuEq¹** from 175m)
- Mineralisation is interpreted to be a **new mineralised shoot** that is **open in all directions**.
- Electrical Tomography (ET) geophysical surveying has been completed at the **Patricia** prospect and has defined several Mia-type targets for scout RC drill testing.
- Gold and silver assays for holes at **Florencia** and **Emilia Este** are delayed due to Christmas closures but are anticipated to be received in mid-January.
- Systematic regional exploration has resumed at Conserrat with additional geophysical surveys and surface sampling planned for Q1 2021.

Managing Director Todd Williams states: *We are pleased to be back in the field following the Christmas break and look forward to further drilling at the new mineralised gold and silver zone discovered in hole DDH-MI20-065 late last year. The company is well funded for 2021 and is focused on making new discoveries at Mia and elsewhere within the project.*

¹Gold equivalent grades calculated at spot price of U\$1945/oz gold and U\$27.4/oz silver (Au + Ag/71.1)

E2 Metals Limited

ABN: 34 116 865 546
ASX Code: E2M

Issued Capital

149.7M fully paid
ordinary shares

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Summary

E2 Metals (**E2 or the Company**) is pleased to announce that drilling has resumed at the **Conserrrat** project following the Christmas and New Year break. **Conserrrat** is located in the Santa Cruz Province of Argentina and is host to a new greenfields gold and silver discovery centered 25 kilometers along trend from AngloGold Ashanti’s Cerro Vanguardia mine (historical and current reserves 8.9Moz Au, 137Moz Ag).

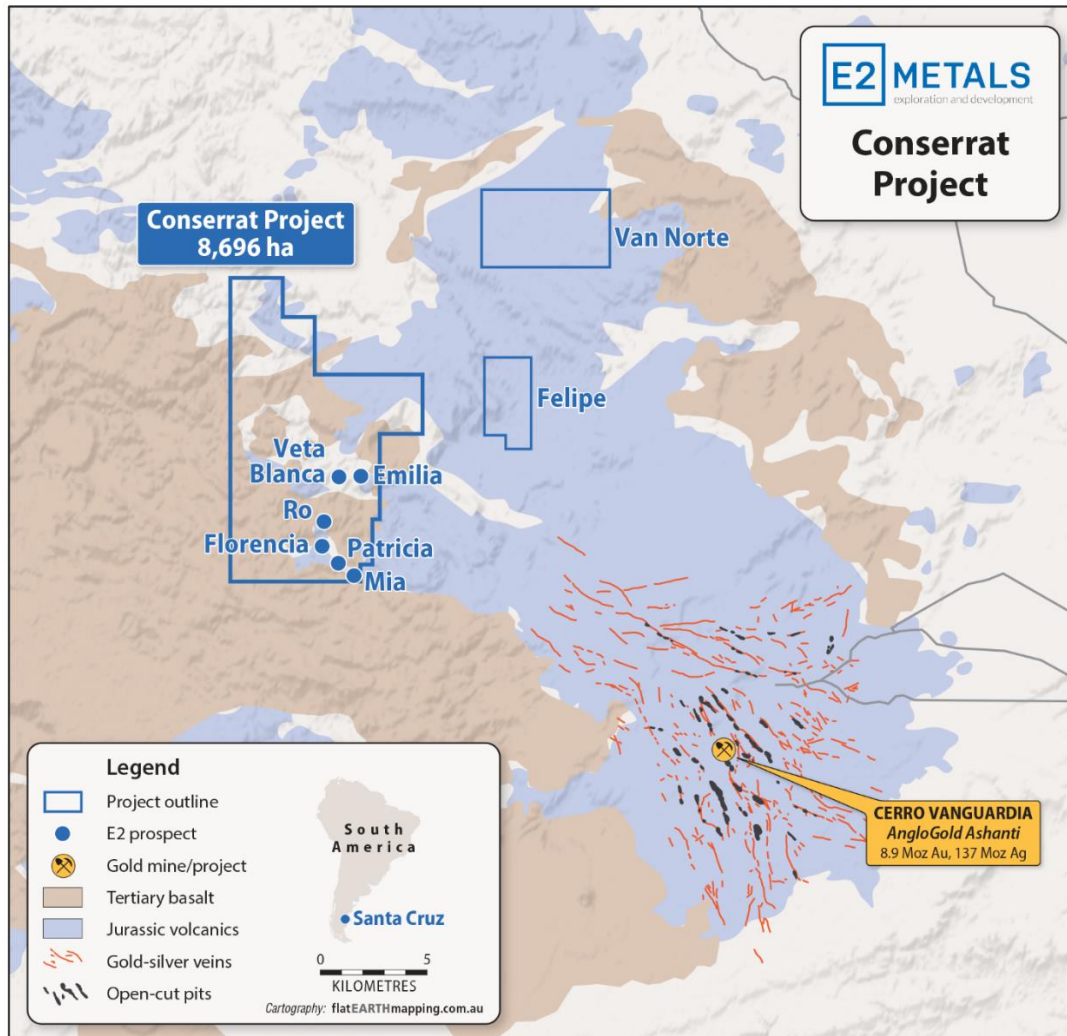


Figure 1: Conserrrat Project

Upcoming plans

Two drill rigs are on site including a diamond and Reverse Circulation (RC) rig.

The work program will initially comprise follow up drilling at the **Mia** prospect to test a new gold and silver zone discovered at depth beneath known high-grade mineralisation (see ASX announcement 22 December 2020, *Drilling expands gold and silver mineralisation at Mia*).

Previously reported gold and silver assay results for Mia and the new zone are in Figure 2:

DDH-MI20-065: 14m at 0.4gpt Au, 218gpt Ag (3.4gpt AuEq¹) from 169m, including
4.1m at 1gpt Au, 644gpt Ag (10gpt AuEq¹) from 175m, and
14m at 0.75gpt Au, 12gpt Ag (0.9gpt AuEq¹) from 194m

Preliminary interpretation is that the high-grade silver mineralisation intersected in DDH-MI20-065 relates to a second mineralised shoot that has developed at the intersection of the **Lara Vein** with a separate strike-parallel structure. This shoot is interpreted to be distinct from shallow high-grade mineralisation discovered in October last year (*see ASX announcement, 28 October 2020, Exceptional gold and silver drill results from Mia*) which is shown to be plunging shallowly to the west (see Figure 3).

Initially, three diamond drill holes for 775m are planned to test the new gold and silver zone on a 75m by 50m grid, with the view to provide a preliminary interpretation on the extent and plunge of mineralisation to inform future infill drilling.

RC Drilling will also be completed early in the program at the **Patricia** prospect to test the northwestern extension of two mineralised structures identified from an Electrical Tomography (ET) survey completed late last. A similar ET survey was completed earlier at Mia (*see ASX announcement, 15 December 2020, further high-grade results at Mia*) and was instrumental in locating mineralised structures intercepted in hole DDH-MI20-065.

Systematic regional exploration has resumed at Conserrat with additional geophysical surveys and surface sampling planned for Q1 2021.

A large number of gold and silver assay results remain outstanding for the **Florencia** and **Emilia Este** prospects with laboratory turnaround times extended due to the Christmas and New Year's break. All results are anticipated in mid-January.

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

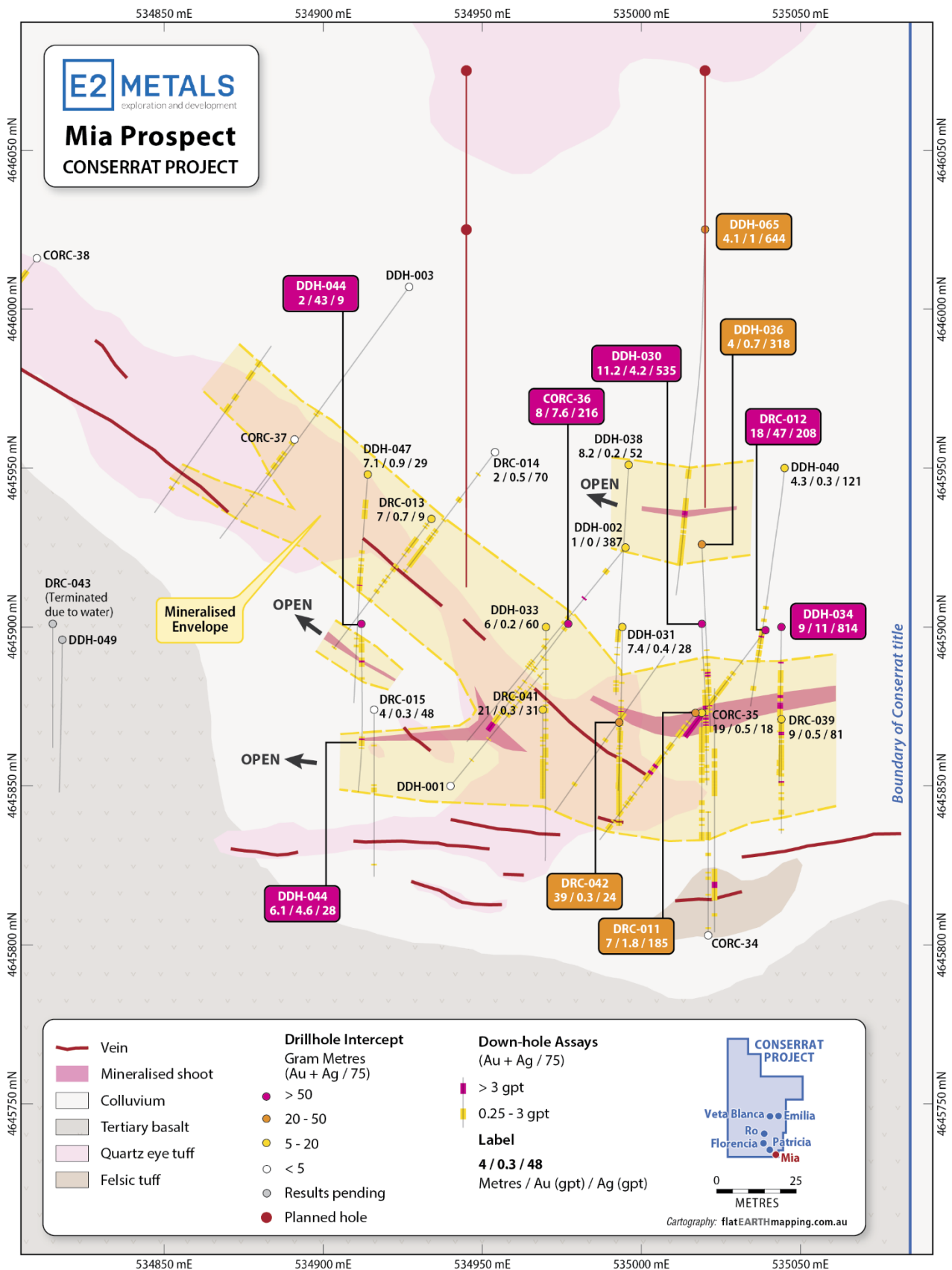


Figure 2: Mia Prospect drill holes and gold silver results (Datum WGS UTM19S)
Note to simplify map labels prefix "MI20" has been removed from collar IDs

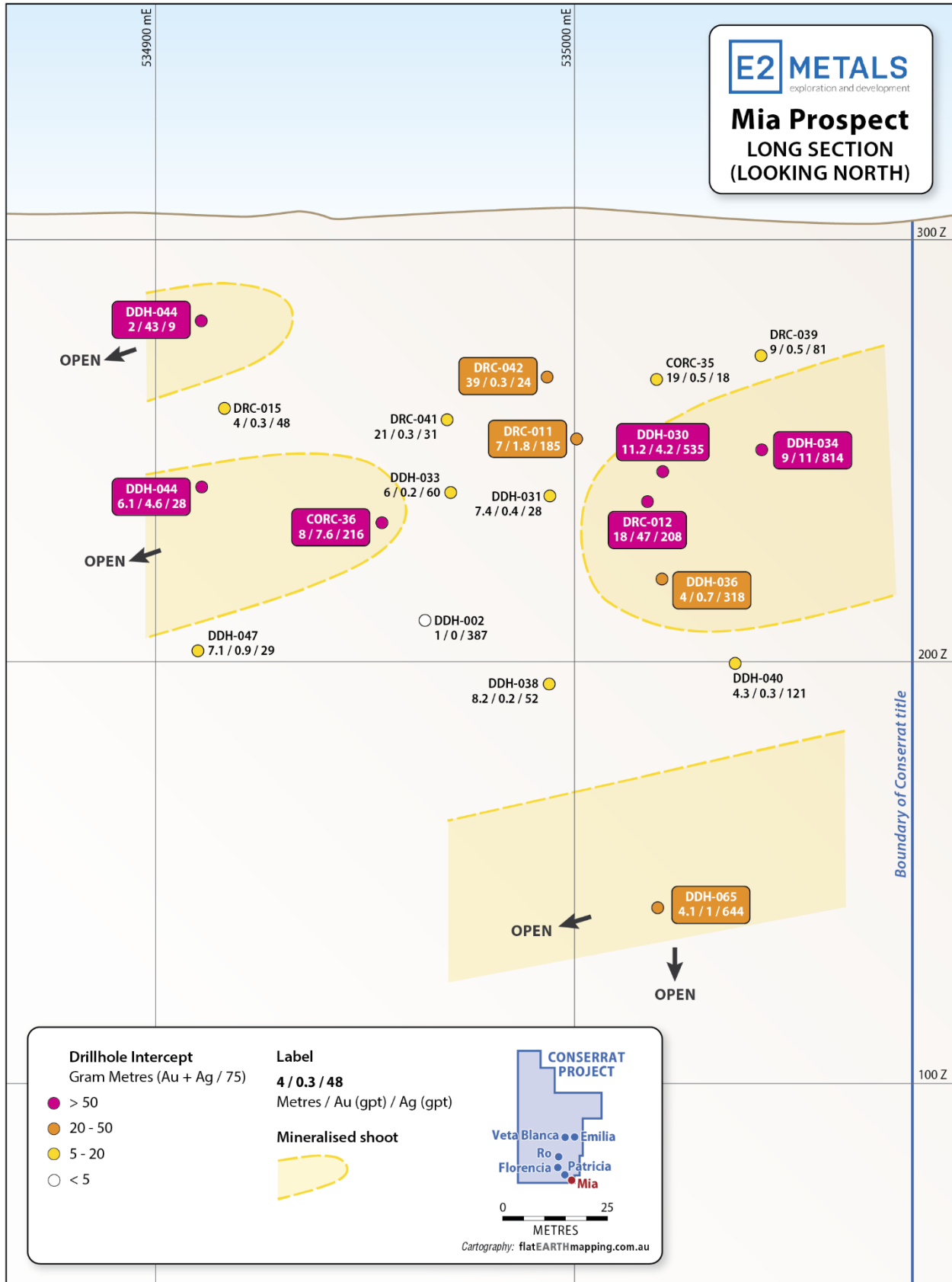


Figure 3: Mia long section (Datum WGS UTM19S)
Note to simplify map labels prefix "MI20" has been removed from collar IDs

Streamline Competent Person Statement

This report contains information extracted from previous ASX releases which are referenced in the report. The Company is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statement

Certain statements in this announcement constitute "forward-looking statements" or "forward looking information" within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. These statements reflect the Company's current expectations regarding future events, performance and results, and speak only as of the date of this announcement.

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