

ASX Code: ESS

Corporate Profile

Shares on issue: 151 million
Cash: \$4.4m (30 Jun 2020)
Debt: Nil

Corporate Directory

Non-Executive Chairman

Craig McGown

Managing Director

Timothy Spencer

Non-Executive Directors

Paul Payne

Warren Hallam

CFO & Company Secretary

Carl Travaglini

Key Projects

Sole Funded

Juglah Dome (Au)

Blair-Golden Ridge (Au, Ni)

Dome North (Li)

Sinclair Caesium Mine (Cs)

Mavis Lake (Li)

Free Carried to Decision to Mine

Acra (Au) 25%

Kangan (Au) 30%

Balagundi (Au) 25%

Investor Relations

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ESSENTIALMETALS

for a sustainable future

1 September 2020

SINCLAIR CAESIUM DEPOSIT EXTENSION DRILLING PROGRAMME COMMENCES

A drilling programme has commenced to test the northern extent of the Sinclair Caesium Deposit.

HIGHLIGHTS

- A mineralised corridor has been modelled using existing high grade caesium drill intersections which confirm mineralisation extends up to 80m from the northern open pit wall of the Sinclair Caesium Mine.
- The drill programme will target a total length of 120m as well as aim to infill and widen the mineralised zones around the existing drill intersections.
- A separate pegmatite, PEG007, that lies approximately 1km north of the Sinclair Caesium Deposit has also been identified as a target for caesium and will be drill tested in this programme.

The Sinclair extension drilling programme will consist of between 22 and 38 Reverse Circulation holes, with the objective of testing the Exploration Target* of approximately 1,000 to 2000 tonnes of between 8% and 14% Cs₂O (caesium oxide) (refer ASX release 8 June 2020).

The PEG007 pegmatites show similar fractionation and mineralogy to the Sinclair Caesium Deposit with zones of quartz, potassium feldspar and lithium present at surface. This first drill test of the PEG007 target will consist of three to five holes.

Essential Metals Managing Director, Tim Spencer, said: *"The Sinclair Caesium Mine proved to be a very profitable operation and we would very much like to replicate that. While the target corridor being tested is smaller in volume than was previously mined, there is potential for it to be expanded should drilling be successful in delineating more caesium."*

The 'first pass' drilling further north at PEG007 has the potential to define a new caesium occurrence. This is a particularly exciting opportunity as there are only two other commercial caesium deposits, excluding Sinclair, known world-wide."

**The potential quantity and grade of the Exploration Target is conceptual in nature. There is insufficient exploration information generated to estimate a Mineral Resource and it is uncertain that further exploration will result in the estimation of a Mineral Resource.*

This ASX release has been approved by the Board of Directors

For further information:

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About Essential Metals Limited

Following successful completion of the Sinclair Caesium Mine, Essential Metals is now a well-funded and active explorer focused on key global demand-driven commodities, looking for its next opportunity to create shareholder wealth through exploration and project development. The Company operates a portfolio of strategically located lithium, caesium, gold, nickel and cobalt projects in mining regions in Western Australia, plus a high-quality lithium asset in Canada.

Lithium - Caesium:

- The **Pioneer Dome LCT Project** is highly prospective for lithium, evidenced by the discovery of multiple spodumene bearing pegmatites in the Dome North area. It includes the Cade Deposit, on which a maiden JORC Inferred Resource of 8.2 million tonnes @ 1.23% Li₂O was estimated in November 2019. It also hosts the **Sinclair Caesium Deposit** that was successfully developed and mined by the Company.
- The Company holds a 51% Project interest in the **Mavis Lake Lithium Project**, Canada where Company drilling has intersected spodumene.

Gold:

- The **Juglah Dome Project** is located 60km east-southeast of Kalgoorlie and is considered to be highly prospective for gold with recent work also raising its prospectivity for VHMS style polymetallic deposits.
- The **Blair - Golden Ridge** Project is located ~20km SSE of Kalgoorlie, WA and is prospective for gold. Activities are focussed on reappraising known prospects as well as identifying new areas within the large land tenure.

Gold Farmin/Joint Ventures: Essential Metals has three free-carried interests with well credentialed JV partners:

- **Acra JV Project** near Kalgoorlie: Northern Star Resources Limited (ASX:NST) has earned a 75% Project Interest and continues to fully fund exploration programmes until approval of a Mining Proposal by DMIRS with Essential Metals retaining a 25% interest.
- **Kangan Project** in the West Pilbara: A farmin & JV agreement with Novo Resources Corp (TSXV:NVO) and Sumitomo Corporation will fully fund gold exploration programmes until a decision to mine is made, with Essential Metals retaining a 30% interest.
- **Balagundi Project:** A farmin & JV agreement where Black Cat Syndicate Limited (ASX:BC8) is earning a 75% interest in the Project located at Bulong, near Kalgoorlie. Black Cat will then fully fund gold exploration programmes until a decision to mine is made, with Essential Metals retaining a 25% interest.

Nickel: The **Blair-Golden Ridge Project** includes the suspended Blair Nickel Sulphide Mine and the advanced Leo Dam prospect as well as several other prospects.

Reference to previous market announcements

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Forward Looking Statement

This announcement may contain forward-looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Stuart Kerr.

Mr Kerr is a fulltime employee of Essential Metals Limited and holds shares/equity based securities in Essential Metals Limited. Mr Kerr is a member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Editions of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Kerr consents to the inclusion in the report of the matters based on his (or her) information in the form and context in which it appears.