



# ESSENTIAL METALS

for a sustainable future

29 July 2022

## JUNE 2022 QUARTERLY REPORT

### Outstanding high grade lithium drill results from shallow Resource drilling enhance the potential economics of the Dome North lithium Resource

### HIGHLIGHTS

- **Pioneer Dome Lithium Project, WA:** Key operational activities during the Quarter were:
  - Assays were received for samples from the diamond core drill (DD) programme aimed at improving the quality and confidence of the lithium Mineral Resource Estimate (MRE) with excellent high-grade intersections recorded, such as:
    - **Cade Deposit:**
      - **19.2m @ 1.44% Li<sub>2</sub>O** from 15m (PDD596)
      - **9.6m @ 1.42% Li<sub>2</sub>O** from 14.4m (PDD598)
      - **23.7m @ 1.26% Li<sub>2</sub>O** from 3.6m (PDD599)
      - **18.9m @ 1.24% Li<sub>2</sub>O** from 21.1m (PDD600)
      - **14.7m @ 0.90% Li<sub>2</sub>O** from 11.6m (PDD595)
    - **Davy Deposit:**
      - **31.95m @ 1.24% Li<sub>2</sub>O** from 45.4m (PDD601)
      - **17m @ 1.32% Li<sub>2</sub>O** from 97.1m (PDD605)
      - **18.7m @ 1.05% Li<sub>2</sub>O** from 17m (PDD603)
      - **11.1m @ 1.70% Li<sub>2</sub>O** from 99.2m (PDD604)
- Three composite samples were selected to represent the upper zone of the Cade deposit, the upper zone of the Davy deposit and the fresh rock zone of the Davy deposit for metallurgical test work, complementing the successful test work already completed on the fresh rock zone of the Cade deposit.
- The Company continued to implement its development-ready strategy to be underpinned by preparation of a scoping study in the December quarter.
- **Closing cash** on hand as at 30 June 2022 was \$10.5 million.
- **Corporate:** An unsolicited, confidential, non-binding indicative takeover proposal was received in April from a credible lithium industry participant to acquire 100% of the issued capital of Essential by way of an off-market takeover, however it was subsequently withdrawn in light of the upward trajectory in the trading price of Essential shares around that time.

#### ASX Code: ESS

#### Corporate Profile

Shares on issue: 246,487,425  
Listed Options: 20,720,729  
(\$0.15 exercise: 30/11/22 expiry)

Cash: \$10.5m (30 Jun 2022)  
Debt: Nil

#### KEY PROJECTS

**LITHIUM** Pioneer Dome  
**GOLD** Golden Ridge  
**GOLD** Juglah Dome

#### Joint Ventures (ESS %)

2 x nickel projects (20-25%)\*  
4 x gold projects (25-30%)\*  
\* Free carried to a decision to mine

#### Corporate Directory

**Non-Executive Chairman**  
Craig McGown

**Non-Executive Directors**  
Paul Payne  
Warren Hallam

**Managing Director**  
Timothy Spencer

**CFO & Company Secretary**  
Carl Travaglini

**Exploration Manager**  
Andrew Dunn

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## PIONEER DOME LITHIUM PROJECT

The Pioneer Dome Project (ESS: 100%) is located in the heart of Western Australia's lithium corridor in the Eastern Goldfields, approximately 130km south of Kalgoorlie and 275km north of the Port of Esperance. A Mineral Resource of 11.2Mt @ 1.21% Li<sub>2</sub>O<sup>1</sup> has been defined at Dome North in the northern area of the Project.

The southern Yilgarn area is recognised as being well-endowed with spodumene deposits, including the Bald Hill Mine, the Mt Marion Mine and the Buldania Project. The world-class Greenbushes Deposit, the Mt Holland Mine and the Mt Cattlin Mine are located further west, south-west and south-south-west, respectively.

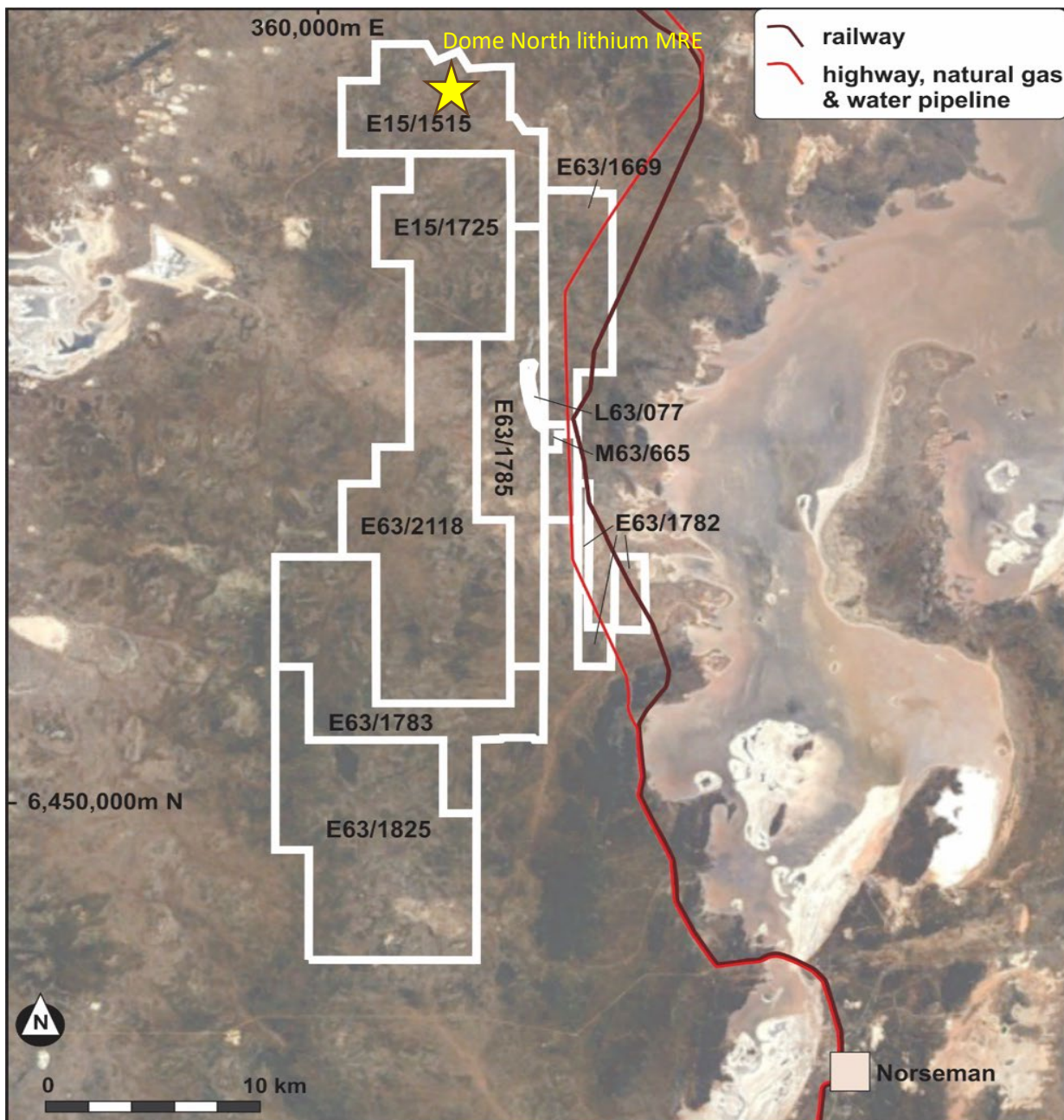


Figure 1 - The location of the tenements of the Pioneer Dome Lithium Project relative to major infrastructure.

<sup>1</sup> Refer ASX:ESS announcement 29 September 2020 - Dome North Resource upgrade





## DOME NORTH SHALLOW DIAMOND DRILL PROGRAMME

Assays for the 13-hole (909m) diamond drilling (DD) programme conducted in the previous quarter were received in this Quarter. The two main objectives of this drilling were:

1. Increase the confidence in the current Dome North Lithium Mineral Resource Estimate (MRE) by converting a large part of the Davy deposit and areas across the upper zone of the Cade deposit from the Inferred to Indicated Resource categories by in-fill drilling, measuring the bulk densities and completing metallurgical test work.
2. Conduct confirmatory metallurgical test work to determine lithium recoverability with a focus on the upper zone in Cade and the Davy deposit as well as the fresh rock zone in the Davy deposit.

By the end of the Quarter, the drill core had been sampled and despatched to Nagrom Laboratories for sample preparation and compositing into three representative samples (Cade Oxide, Davy Oxide, Davy Fresh) in preparation for the metallurgical test work. The results are expected in September.

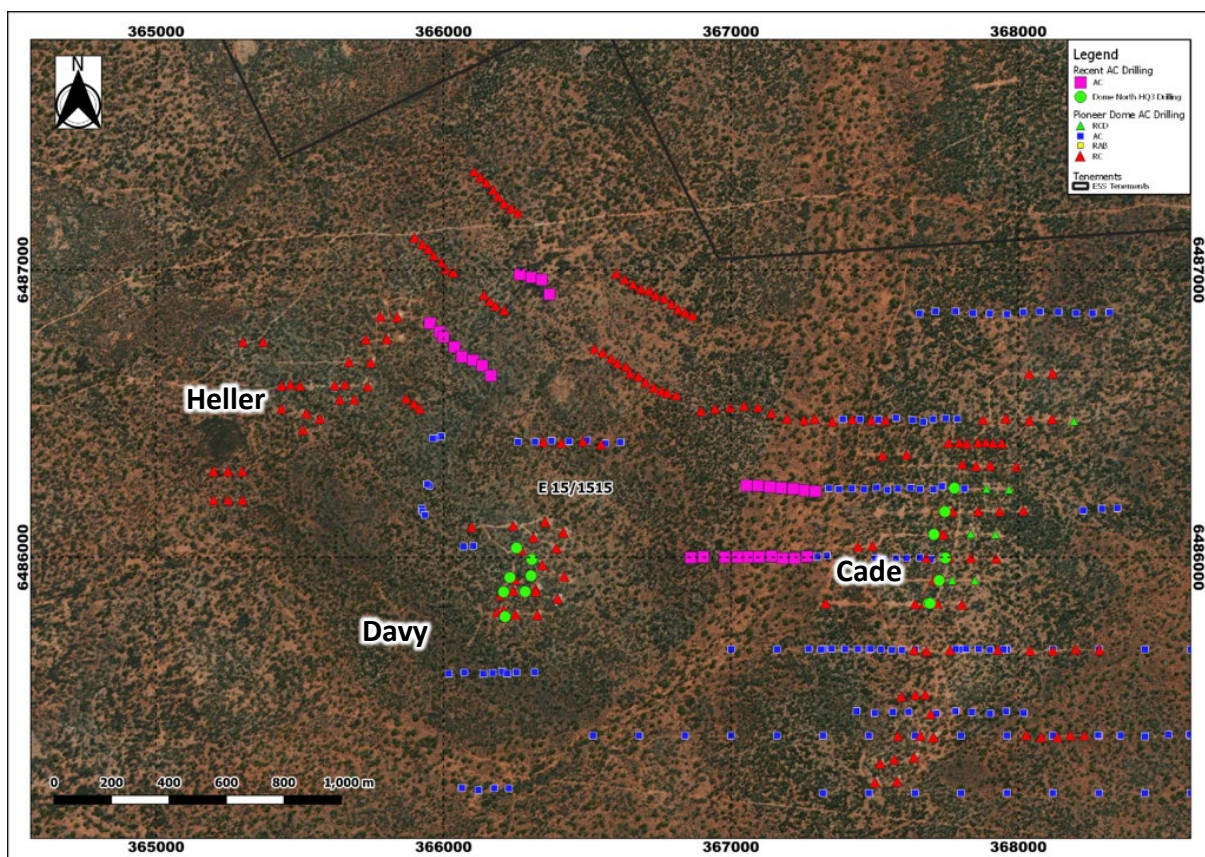


Figure 2 - Plan view of the Dome North area with the diamond holes shown as green circles.

The DD programme consisted of six holes drilled into the upper ~40m of the Cade Deposit and seven holes drilled into the Davy Deposit for a total of 909 metres (Figure 2).



At Cade, observations of the drill core indicated that, while the metasediment (host rock) was strongly weathered, the upper portion of the pegmatite had visual spodumene with minimal weathering and the lower portion of the pegmatite was weakly to moderately weathered depending on the fracture density.<sup>2</sup>

Assay results mostly confirmed visual observations and the results from previous deeper drilling.

All the holes drilled at Cade contained significant intersections:

- 19.2m @ 1.44% Li<sub>2</sub>O from 15m (PDD596)
- 2.7m @ 2.28% Li<sub>2</sub>O from 51m (PDD596)
- 10m @ 1.13% Li<sub>2</sub>O from 18.5m (PDD597)
- 9.6m @ 1.42% Li<sub>2</sub>O from 14.4m (PDD598)
- 23.7m @ 1.26% Li<sub>2</sub>O from 3.6m (PDD599)
- 18.9m @ 1.24% Li<sub>2</sub>O from 21.1m (PDD600)
- 5.5m @ 1.19% Li<sub>2</sub>O from 46.8m (PDD600)
- 14.7m @ 0.90% Li<sub>2</sub>O from 11.6m (PDD595)

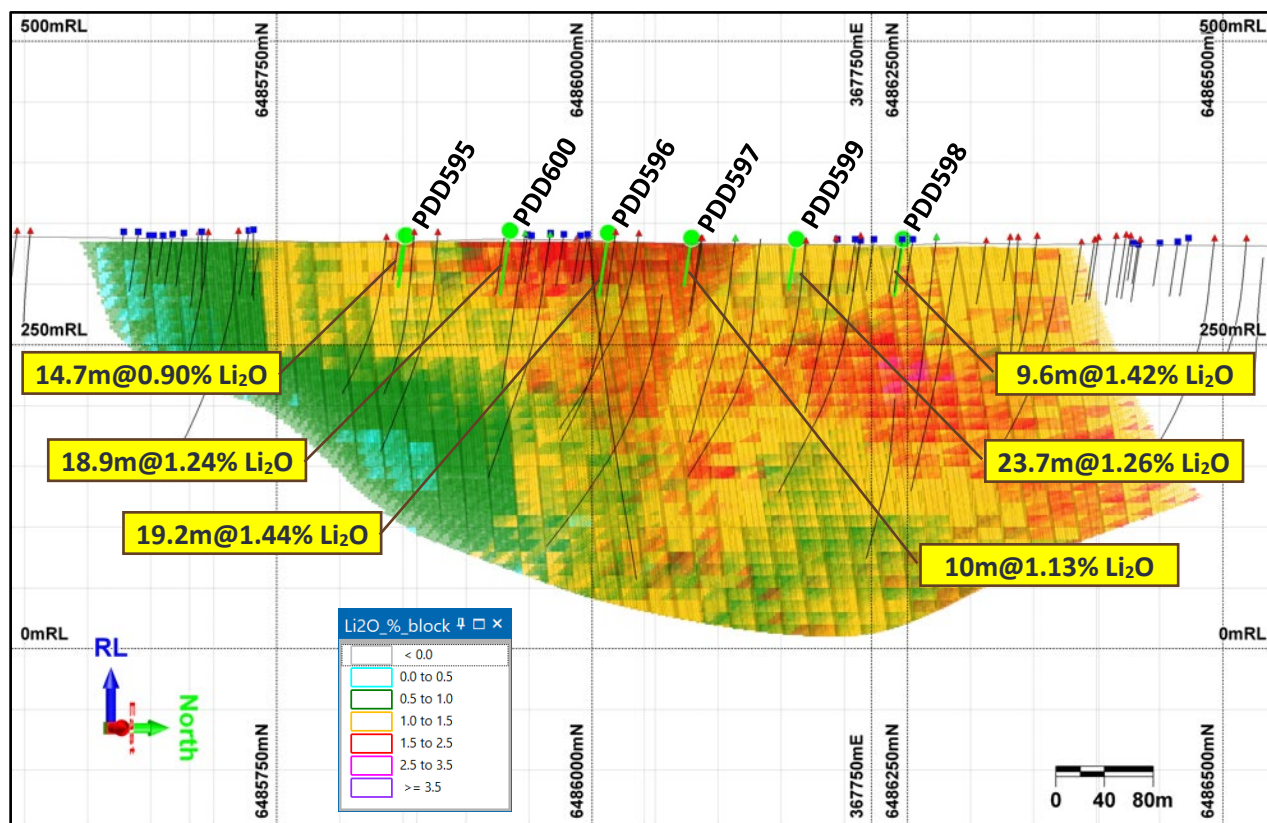


Figure 3 – Long-section of the Cade deposit with previous drilling (thin black traces), completed HQ3 diamond drilling (thick green traces) with lithium intersections and Lithium (Li<sub>2</sub>O) Mineral Resource Estimate (coloured by grade as per the legend).

Seven diamond drill holes totalling 547.65m were drilled at Davy. The four holes drilled above fresh rock (PDD601 to 603 and PDD607) had weakly to strongly weathered pegmatite hosted in weathered ultramafic lithology. The three holes drilled into fresh rock (PDD604 to 606) intersected pegmatite with fine to coarse spodumene and minor lepidolite.

<sup>2</sup> Refer to ASX announcement dated 25 February 2022 “Pioneer Dome Lithium Project update - amended”





Assay results largely confirmed the observations from the drill core with some changes to the interpretation of the pegmatite and mineralisation. Holes PDD601, PDD602, PDD603 and PDD607 indicate a steepening of the pegmatite, particularly near surface, such that PDD602 only intersected the wall zone of the pegmatite that was not significantly mineralised. Intersections in the strongly weathered pegmatite areas (within 15m of surface) appear to be significantly depleted in lithium compared to those deeper in the weathered zone.

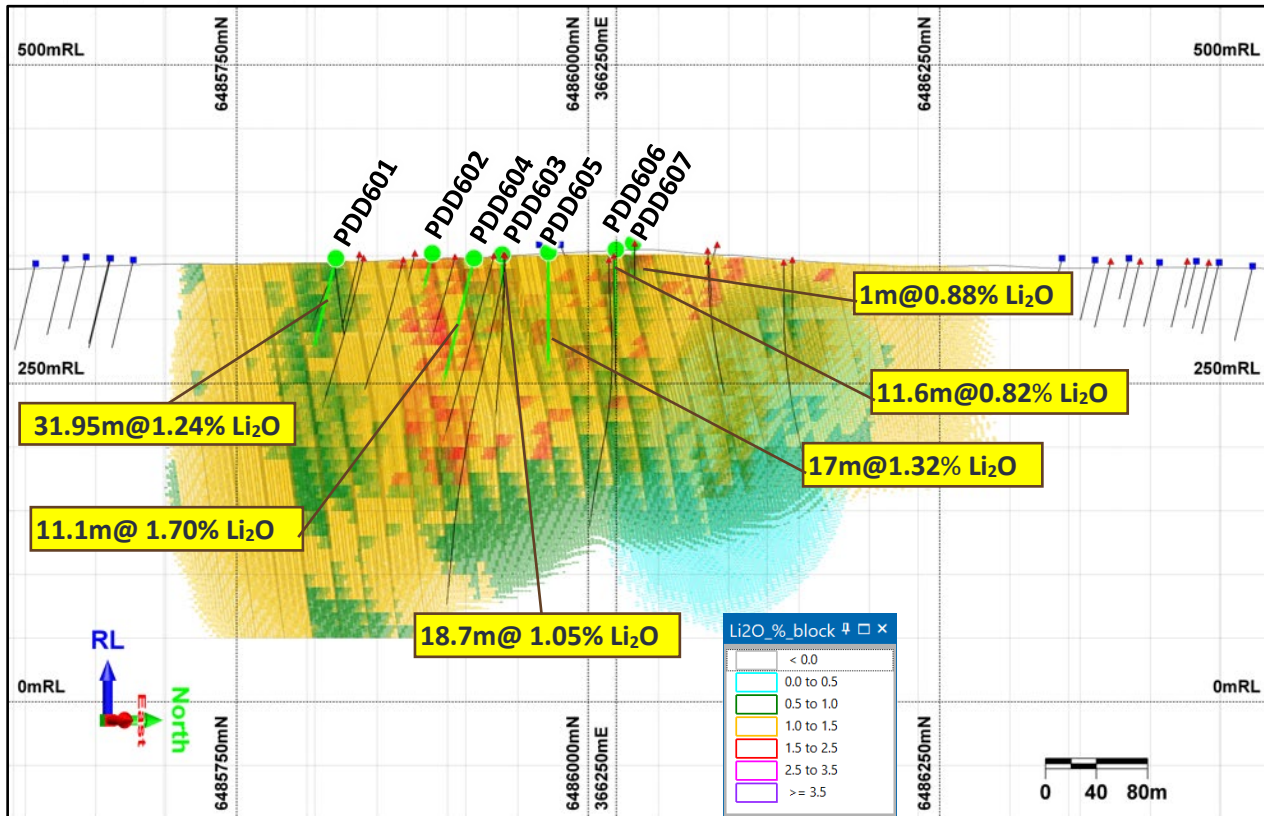


Figure 4 - Long-section of the Davy deposit with previous drilling (thin black traces), completed HQ3 diamond drilling (thick green traces) with lithium intersections and Lithium (Li<sub>2</sub>O) Mineral Resource Estimate (coloured by grade as per the legend).

Table 1 - Highlighted lithium intersections

Area	Hole_ID	From (m)	To (m)	Width (m)	Li <sub>2</sub> O%
Cade	PDD595	11.6	26.3	14.7	0.90
Cade	PDD596	15	34.2	19.2	1.44
Cade	PDD596	51	53.7	2.7	2.28
Cade	PDD597	18.5	28.5	10	1.13
Cade	PDD598	14.4	24	9.6	1.42
Cade	PDD599	3.6	27.3	23.7	1.26
Cade	PDD600	21.1	40	18.9	1.24
Cade	PDD600	46.8	52.3	5.5	1.19
Davy	PDD601	45.4	77.35	31.95	1.24
Davy	PDD603	17	35.7	18.7	1.05
Davy	PDD604	99.2	110.3	11.1	1.70
Davy	PDD605	97.1	114.1	17	1.32
Davy	PDD606	72.6	84.2	11.6	0.82

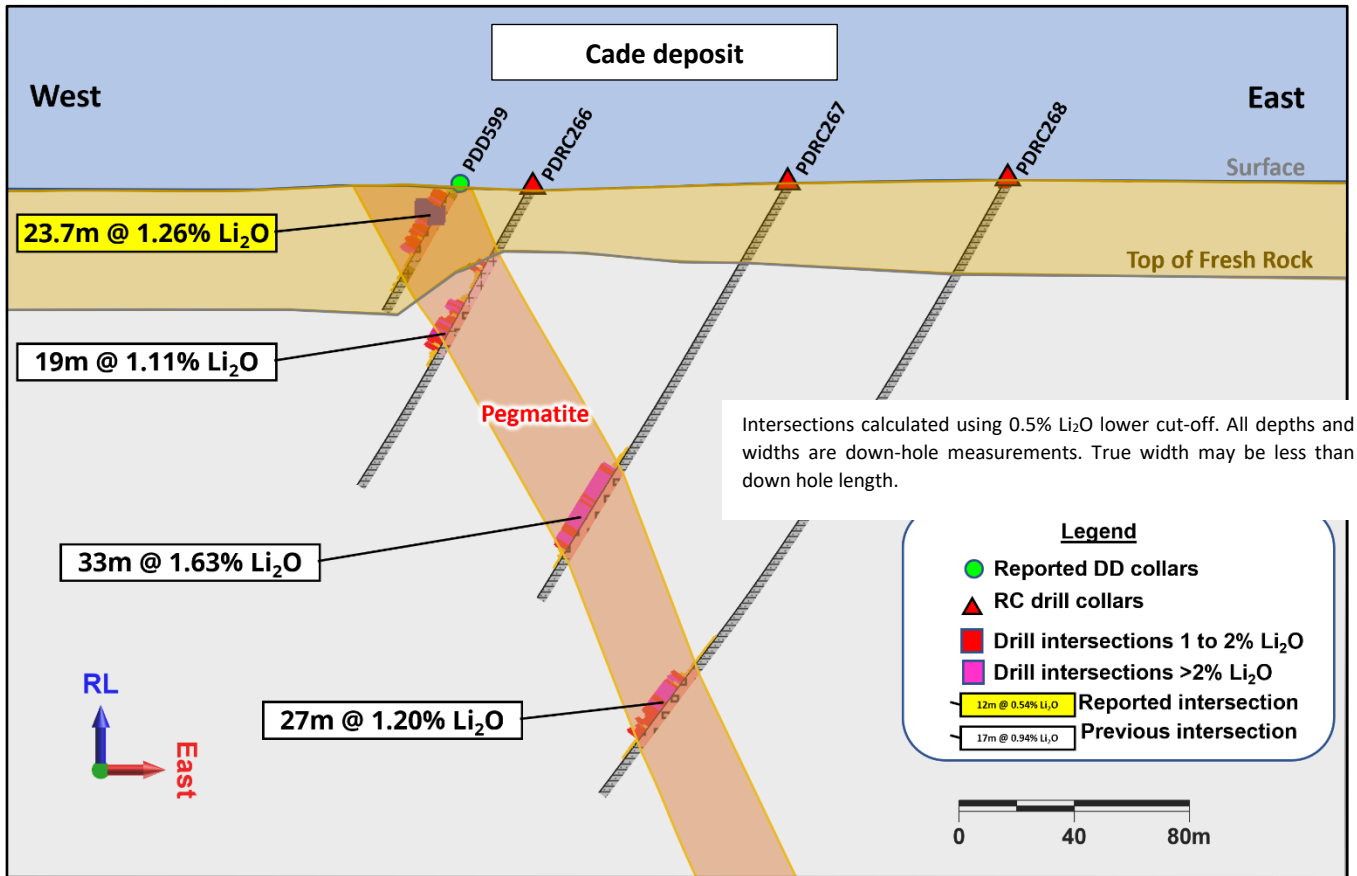


Figure 5 - Cross-section containing PDD599 at the Cade deposit.

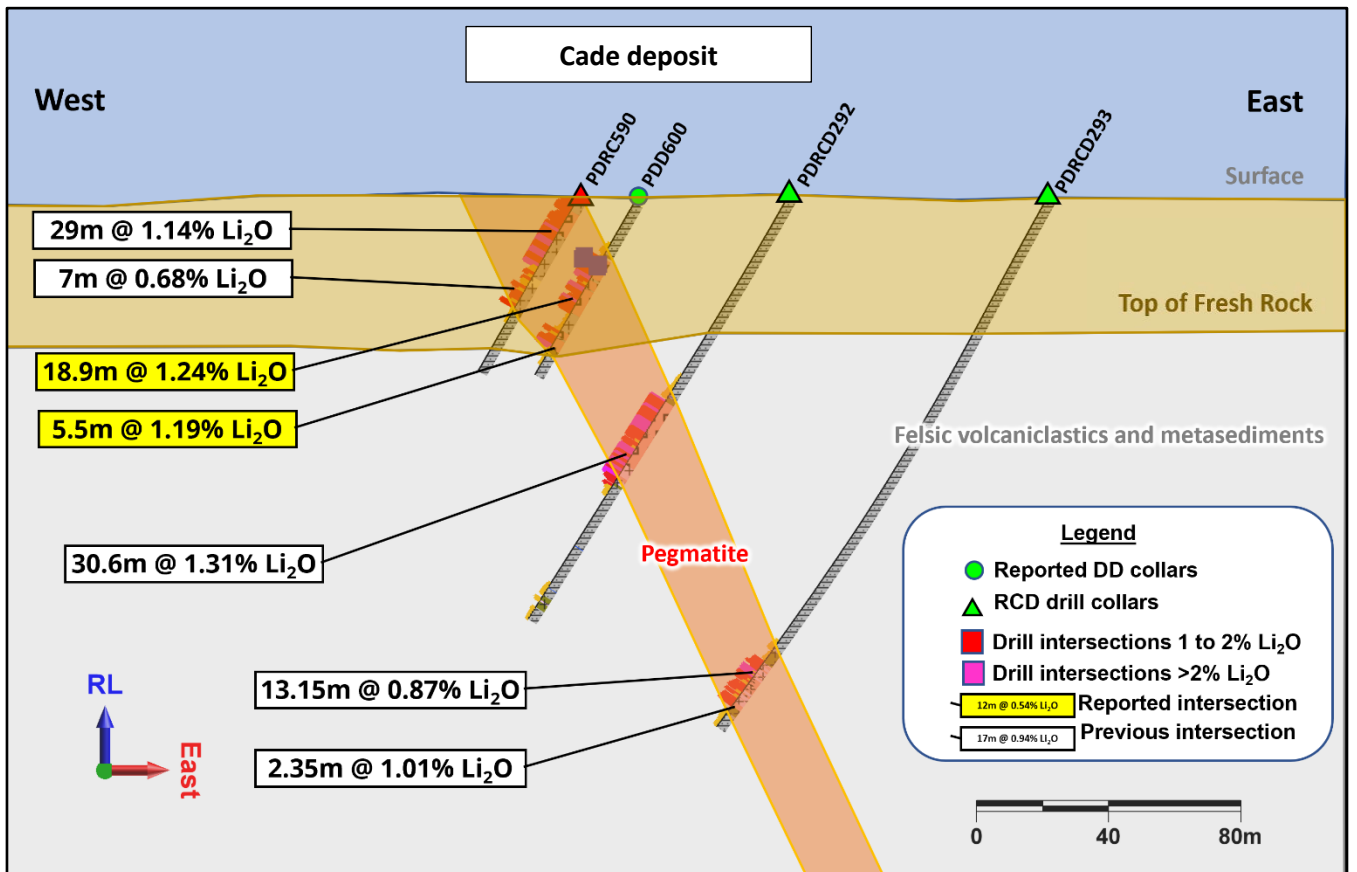




Figure 6 - Cross-section containing PDD600 at the Cade deposit.

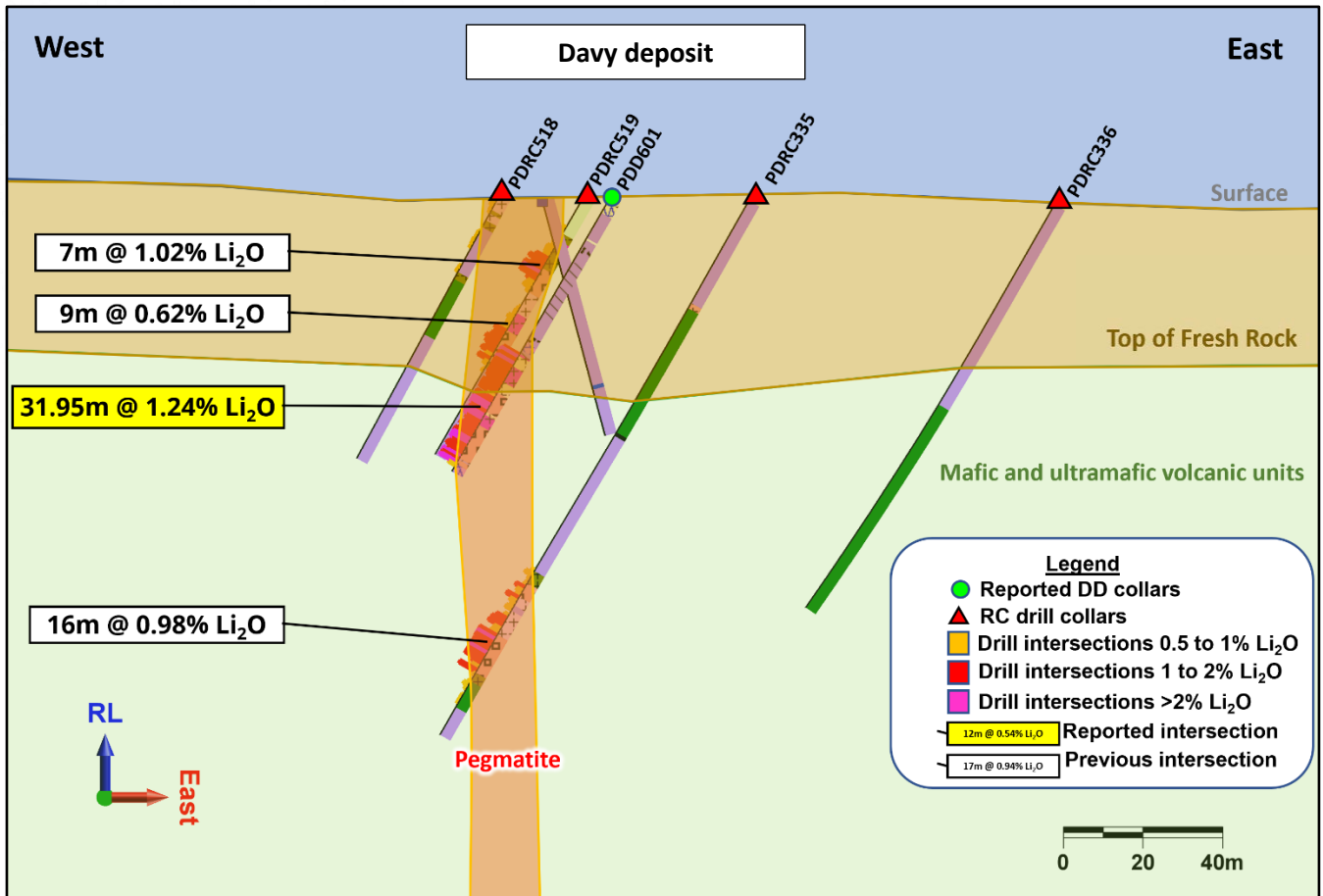


Figure 7 - Cross-section containing PDD601 at the Davy deposit.

Refer to ASX:ESS announcement dated 7 June 2022 "Assays confirm high-grade near surface lithium at Dome North" for further information.



## DOME NORTH DEEP EXPLORATION DIAMOND DRILL PROGRAMME

The objective of the programme is to test for extensions to the Cade and Davy deposits at depth and the Davy deposit along strike. The drill programme commenced towards the end of May and is expected to be completed by the end of August. Assays will then take a further ~10 weeks.

Following receipt of assays, a lithium Mineral Resource Update shall be estimated and reported in the December Quarter.

### CADE DEEPS

The Mineral Resource Estimate (MRE) for the Cade deposit currently stands at:

- **Indicated:** 5.4Mt @ 1.3% Li<sub>2</sub>O totalling 70,000 tonnes of Li<sub>2</sub>O or 173,120 tonnes of lithium carbonate equivalent (LCE).
- **Inferred:** 2.8Mt @ 1.18% Li<sub>2</sub>O totalling 33,000 tonnes of Li<sub>2</sub>O or 81,600 tonnes of LCE.
- **Total Cade MRE:** 8.2Mt @ 1.26% Li<sub>2</sub>O totalling 103,000 tonnes Li<sub>2</sub>O or 254,720 tonnes of LCE.

The objective of this drill programme is to test below the Cade Deposit, at a vertical depth of ~100-200m below the lower boundary of the current lithium Resource to better understand the plunge extent and geometry and to better delineate the potential extent of lithium mineralisation.

As reported in a Company ASX announcement released on 14 July (“Pioneer Dome Lithium Project update”), the observations from the first three holes completed suggests that the Cade pegmatite plunges to the south rather than to the north, as originally interpreted. To the south of the deposit is the Pioneer Monzogranite, which is interpreted to be the parental source of the Dome North pegmatites.

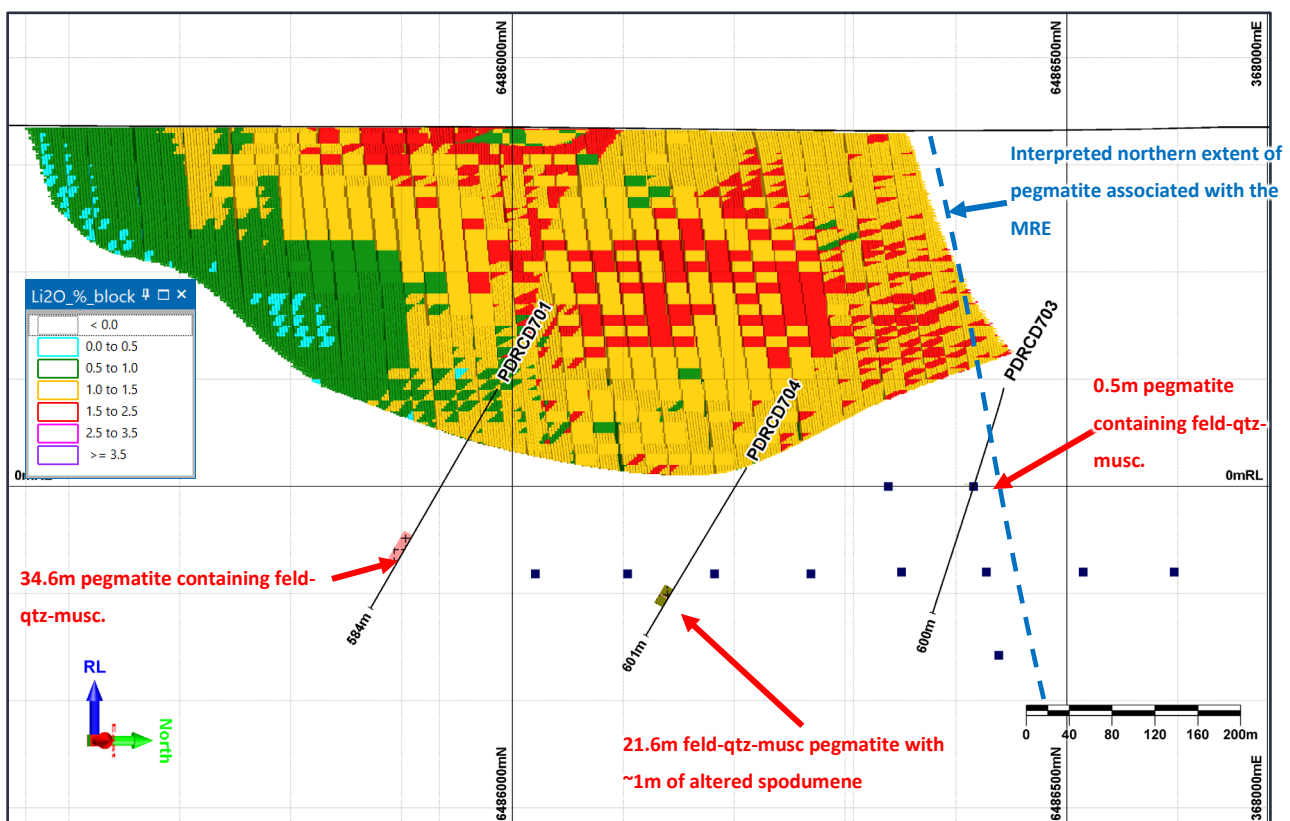


Figure 8 - Long-section of Cade spodumene deposit showing the observations from PDRCD701, PDRCD703 and PDRCD704. Planned pierce points (black squares), 2020 MRE (coloured by Li<sub>2</sub>O% grade as per legend). NB: musc=muscovite, qtz= quartz & feld=feldspar.





Importantly, the pegmatite intersected in holes PDRCD701 and PDRCD704 appears to be thickening to the south (PDRCD704: ~16m true width; PDRCD701: ~25m true width) and, while no visual spodumene was observed in PDRCD701, the pegmatite is zoned and possibly fractionated with the development of quartz zones. Spodumene was observed in hole PDRCD704 over a one metre interval at a down-hole depth of 556.1m.

All logged pegmatite core will be sampled immediately. Assays are expected to take 10-12 weeks from receipt of the samples.

The number and location of diamond holes planned at Cade Deeps as part of the Dome North drill programme will be reviewed and modified as needed following completion of each hole.

**Caution:** Estimates by experienced, competent geoscientists are considered to be reliable and reproducible semi-quantitative estimates of the abundance of minerals present in a sample. Visual estimates of mineral abundance should, however, never be considered a proxy or substitute for laboratory analyses where metal concentrations or grades are the factor of principal economic interest.

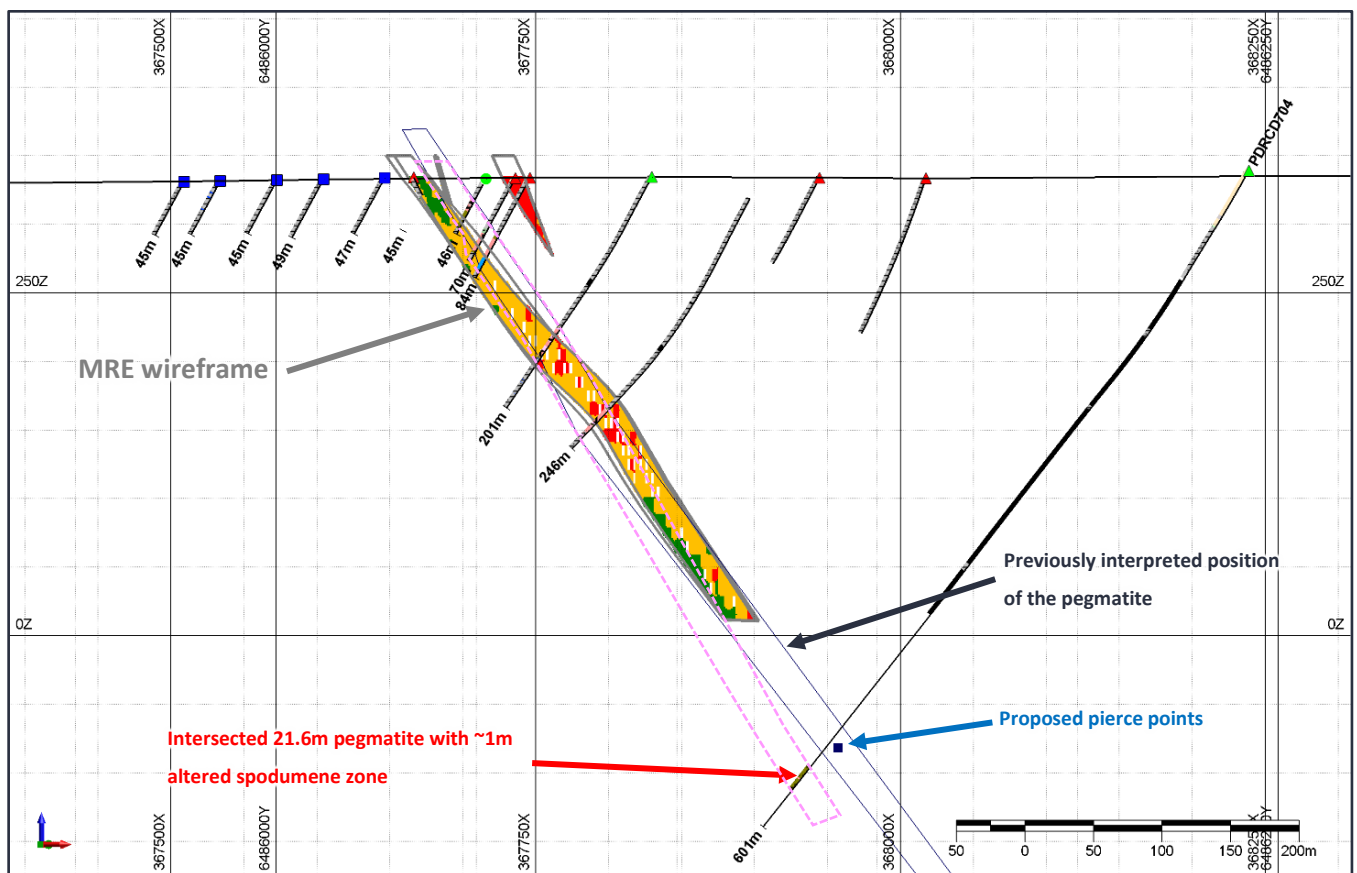


Figure 9 - Cross-section of PDRCD704 showing the location of the 21.6m pegmatite interval (~16m true width) relative to the planned pierce points and interpreted pegmatite position. The pierce point is approximately 120m below the bottom of the lithium Mineral Resource shell.



### DAVY DEPOSIT DRILL PLAN

The Mineral Resource Estimate (MRE) for the Davy deposit currently stands at<sup>2</sup>:

- **Total Davy MRE (all Inferred):** 2.3Mt @ 1.13% Li<sub>2</sub>O totalling 25,000 tonnes of Li<sub>2</sub>O or 61,825 tonnes of LCE.

#### **Davy Depth Extent**

A total of three holes on nominal 80 metre spacing are planned beneath the current Mineral Resource, where the pegmatite appears to be open at depth.

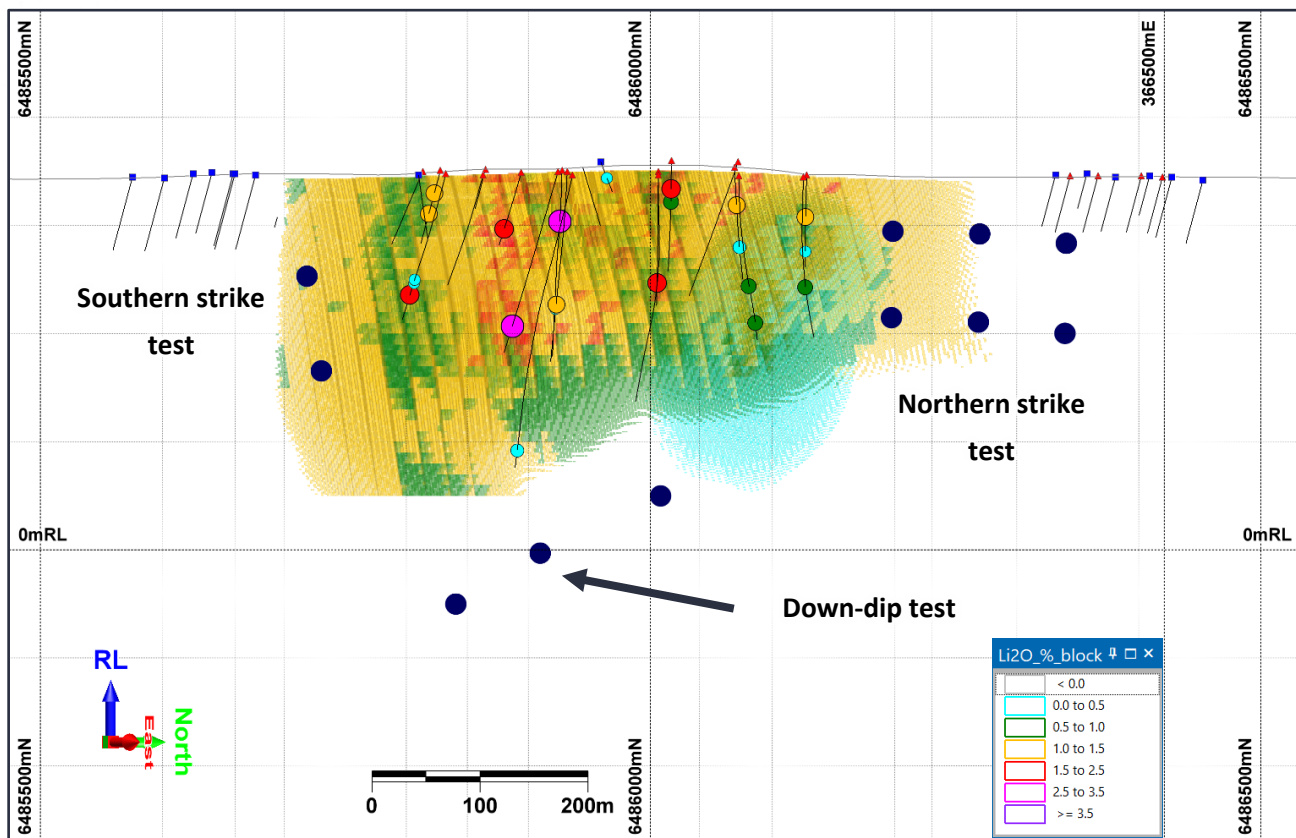


Figure 10 – Long-section of Davy with September 2020 MRE (coloured by grade - see legend), drill traces of previous drilling with Li<sub>2</sub>O intersection >0.5% (coloured dots) and proposed Davy drilling (dark blue circles representing planned drill pierce points).

#### **Davy Northern Strike Extent**

Potential remains at Davy for the defined pegmatites to thicken to the north, in line with the observations of a similar setting at Cade. Three lines of drilling on nominal 80 metre spacing have been planned to test this area of the Mineral Resource.

#### **Davy Southern Strike Extent**

Due to the significant steepening of the pegmatite, it is possible that the previous shallow drilling missed the target. Two RC holes for 500 metres have been planned 80 metres south of the southernmost known position to test either for a sub-vertical or steep north-east dipping pegmatite, assuming it is consistent with the strike of the Davy deposit.



### STEPS TOWARDS BEING DEVELOPMENT READY

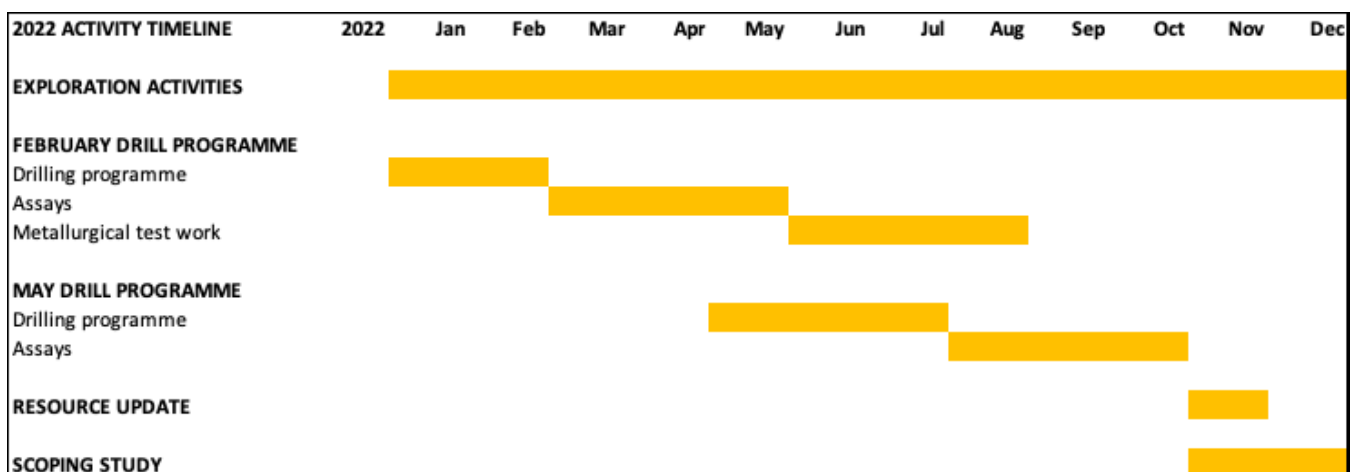
During the December quarter, the Company expects to be able to commence an updated lithium Mineral Resource Estimate, which together with the metallurgical test work results, will underpin a Scoping Study targeted for completion by year-end. This in turn is expected to pave the way for a Feasibility Study commencing in early 2023.

Steps are being taken to transition the Dome North Resource area to a 'development ready' status. These steps include:

- A flora and fauna study was completed and no material issues were identified;
- A hydrology study has been completed and multiple potential water sources have been identified;
- Additional metallurgical test work, focussed on the upper zone of Cade deposit and on the Davy deposit is planned to be completed by the end of July to complement previous successful test work on Cade;
- A mining agreement is in place with NNTAC, the representative body of the Ngadju people, the custodians of the land on which the project is located; and
- A mining lease application will be lodged at the appropriate time during 2022.

The Dome North lithium Mineral Resource remains the only Australian lithium Mineral Resource not yet subject to an offtake commitment.

The Company is presently engaged in ongoing discussions with various local and international lithium participants interested in off-take and/or investment. The Company cautions that it is not party to any binding agreements with respect to the aforementioned discussions and that an investment decision should not be made on the basis of these discussions. There can be no certainty that any binding agreement or agreements will eventuate. The Company will keep shareholders updated as to any material developments, cautioning that at the current time all discussions are preliminary and incomplete.







## GOLDEN RIDGE GOLD PROJECT

The Golden Ridge Gold Project (ESS: 100% Au) is located 20km south-east of Kalgoorlie and is highly prospective for gold and nickel mineralisation. The Project lies within the well-endowed Menzies-Boorara Shear Zone that hosts the Paddington, Boorara and Golden Ridge Deposits. Exploration at the Project has identified multiple highly prospective gold and nickel targets.

No significant gold exploration activities were undertaken during the Quarter.

## JUGLAH DOME GOLD PROJECT

The Juglah Dome Project (ESS: 100%) is located ~60km east-southeast of Kalgoorlie and is highly prospective for gold mineralisation. Exploration by previous owners identified multiple gold targets using soil geochemistry and drilling. The Project lies in a similar geological setting to the Majestic and Imperial Deposits, located 10km to the north-west, and the Daisy Complex to the west, which forms part of Silver Lake Resources Limited's Mt Monger Operations.

The RC drill programme targeted the 400m strike of the porphyry defined by the previous air-core as well as successfully testing for a further 400 metres along strike to the southeast where the porphyry was interpreted to lie beneath the shallow lake sediments. The Gards porphyry has now been drill defined over a strike length of 1.5km and is still open.

The March 2022 drill programme consisted of 22 RC drill holes on 7 drill lines totalling 1,915 metres drilled along the south-easterly strike of the Gards porphyry. Holes were drilled at 40m spacings on wide spaced drill lines ranging from 80m to 240m apart.

Initial assay results have now been received with assays returned from either three metre composite samples or one metre rig mounted cone splits (where visual proxies of gold mineralisation in the felsic porphyry units were observed). The one metre splits from anomalous three metre composites samples will be submitted for further gold analysis. The most significant gold intersections from this (March 2022) drilling included:

- **5m @ 1.08g/t Au from 35m (22GSRC002)**
- **12m @ 0.95g/t Au from 30m (22GSRC013)** – three metre composites
- **8m @ 1.49g/t Au from 75m including 1m @ 7.30g/t Au (22GSRC014)**
- **3m @ 0.73g/t Au from 57m (22GSRC003)**

Gold anomalism and felsic porphyry units were intersected on every drill line. Mineralisation generally occurs within the felsic porphyry units or at the sheared margins associated with feldspar-pyrite alteration and quartz veining. The strongest gold mineralisation was returned on the section 6,568,340N in holes 22GSRC013 and 22GSRC014. The RC section spacing was 160m to the north and south of these holes with anomalous mineralisation intersected on the adjacent sections.

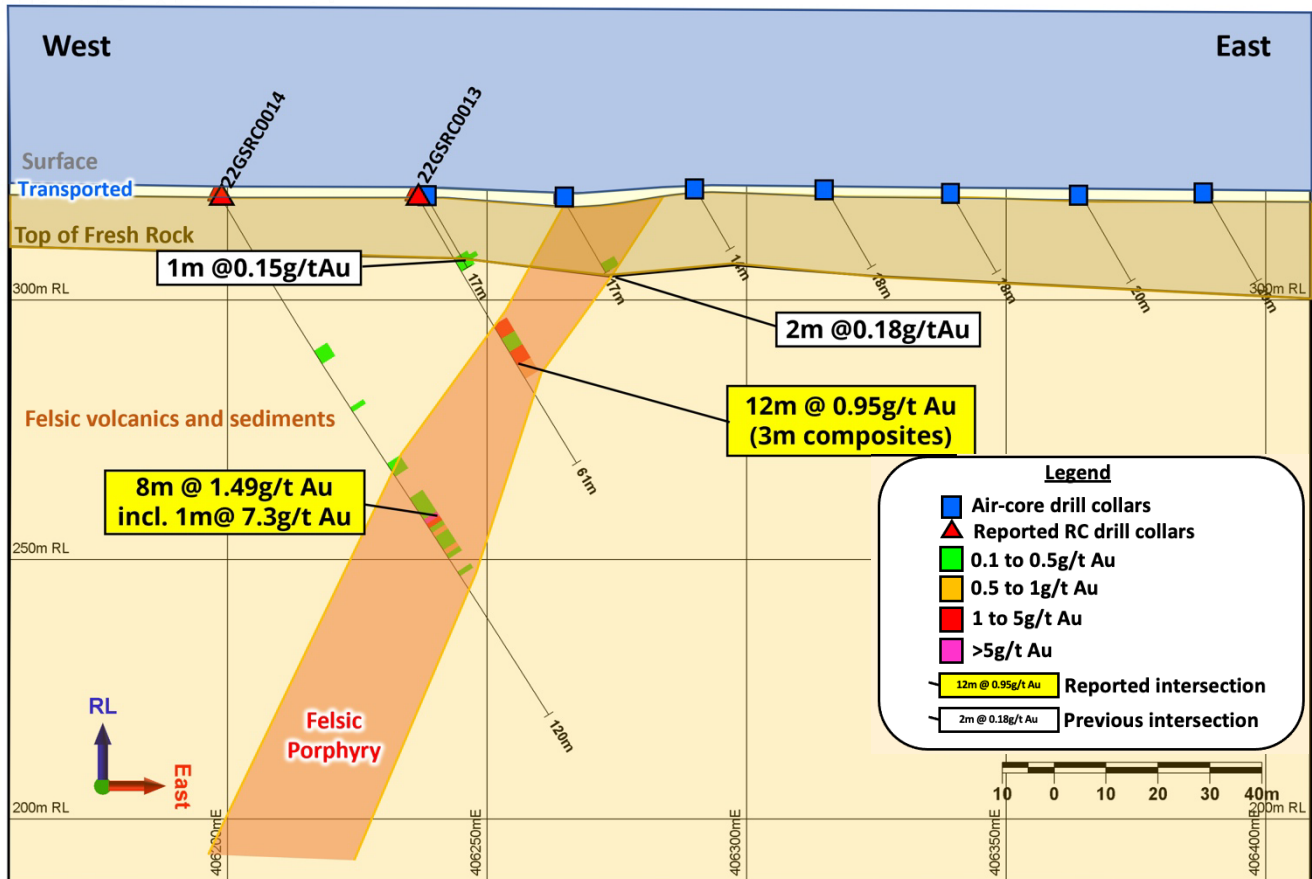


Figure 11 – Cross section containing holes 22GSRC0013 and 22GSRC0014. Note that previous intersections were reported in ASX announcement dated 17 May 2021 “Juglah Dome drilling outlines 1km of strike at Gards”.

### NEXT STEPS

The three metre composite samples with anomalous gold results will have their corresponding one metre interval splits submitted for gold analysis. Once these results have been received, the programme results will be reviewed and interpreted and follow up work will be planned.

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## JOINT VENTURE INTERESTS

Essential Metals has a portfolio of minority (20%-30%) free-carried interests in four gold and two nickel joint ventures located in Western Australia.

### Acra Gold Joint Venture Eastern Goldfields WA

#### ESS 25% - Northern Star Resources Limited (ASX: NST) 75%

Joint Venture partner, Northern Star Resources, advised that Reverse Circulation (RC) drilling was completed at the Gambia South prospect located two kilometres south of Horizon Mineral's Gambia open pit. Mineralisation along the Gambia trend is associated with multiple flat-lying stacked lodes hosted within a northwest trending gabbro unit.

Seven RC drill holes were completed for a total of 901m, following up a successful drill programme completed in October 2021, which intersected mineralisation in 320m spaced RC traverses with a best intercept of 16m @ 1.96g/t from 38m, including 1m @ 24g/t (ACEX002). The RC drilling continues to confirm the presence of significant bedrock mineralisation over a 350m strike length.

The programme was suspended due to heavy rain and flooding and will recommence in the upcoming September quarter.

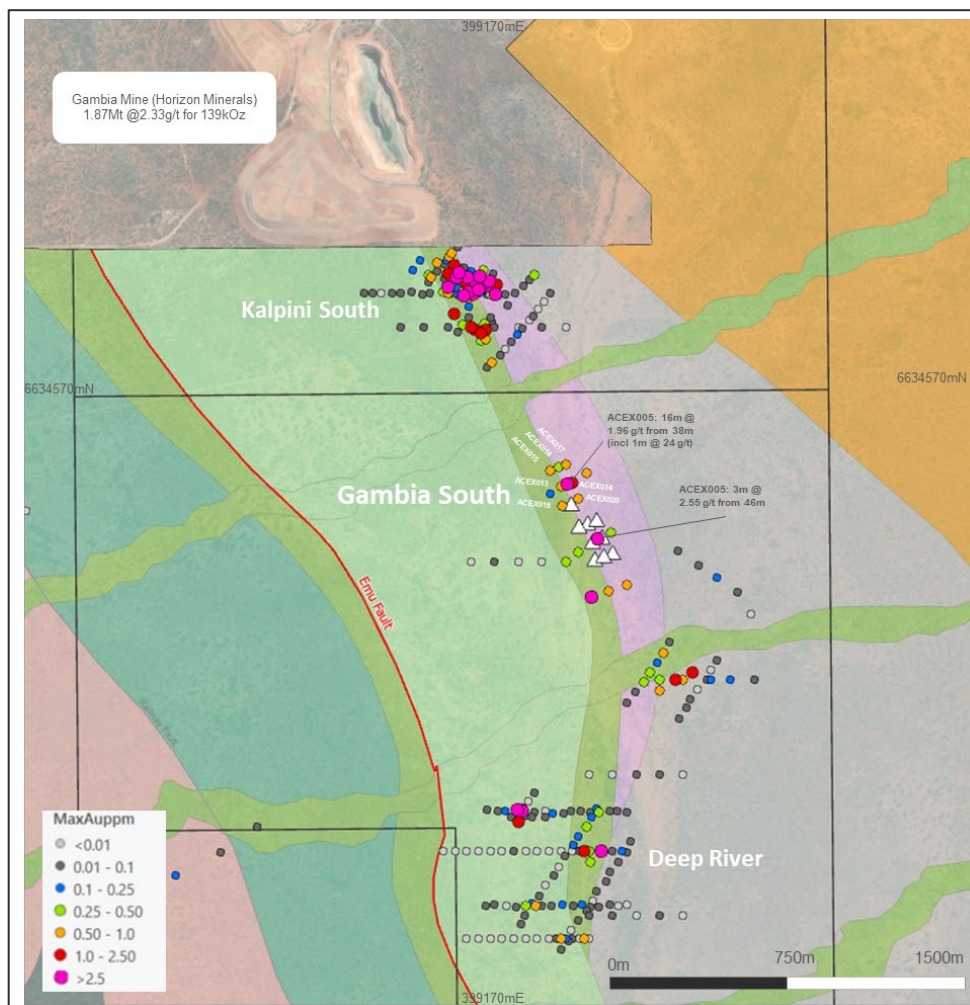


Figure 12. Map showing the location of planned Gambia South RC drilling, the status of results, geology and interpreted mineralised structures.





## Blair – Golden Ridge Nickel Joint Venture Eastern Goldfields WA (nickel rights only)

*ESS 100% reducing to 25% - Australian Nickel Co. Ltd (renamed from Crest Investment Group 1 Ltd) earning 75% (farm-in stage)*

The Blair - Golden Ridge Nickel Project is located approximately 30km by sealed road to the south east of Kalgoorlie-Boulder and hosts the historical Blair Nickel Mine, which produced a total of 1.2 Mt@ 2.63% Ni between 1989 and 2009. The consolidated 113km<sup>2</sup> project area is considered highly prospective for the discovery of new high-grade komatiite-hosted nickel deposits (Kambalda style).

The Golden Ridge Project is currently being managed by highly experienced nickel explorers and developers Australian Nickel Company Limited (“ANCO”) through a Farm-In Joint Venture Agreement with Essential Metals Limited (“ESS”). ANCO has the right to earn a 75% interest in the nickel and related commodities rights by spending \$4.0 million over 4 years, with ESS retaining a 25% free-carried interest to a decision to mine.

Assays from an initial 20-hole (3,429m) RC drilling program conducted in February and March were received during the June quarter. The drill programme with accompanying down-hole electromagnetic (DHEM) surveys was the first conducted by Essential’s Farm-in/JV partner, ANCO.

Five targets drilled by ANCO included Blair South, N10C, Blair Footwall, Elias and Reeve.

- Significant nickel assays were received from all five targets, with best results including<sup>3</sup>:
  - **25m @ 0.80% Ni** and 994ppm Cu (**includes 6m @ 2.22% Ni** and 2514ppm Cu) from 119m (Blair South) (ANRC017)
  - **28m @ 0.60% Ni** and 911ppm Cu (**includes 4m @ 1.41% Ni** and 1050ppm Cu) from 113m (Blair South) (ANRC019)
  - **11m @ 0.42% Ni** and 470ppm Cu from 32m and **4m @ 0.65% Ni** and 215ppm Cu (including 1m @ 1.56% Ni and 71ppm Cu) from 104m (Blair Footwall) (ANRC002)
  - **4m @ 0.60% Ni** and 315ppm Cu from 140m (N10C Target) (ANRC005)
  - **2m @ 0.50% Ni** and 150ppm Cu from 219m (N10C Target) and **3m @ 0.51% Ni** and 201ppm Cu from 227m (N10C Target) (ANRC010)
  - **2m @ 0.43% Ni** and 122ppm Cu from 107m (Elias) (ANRC014)

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<sup>3</sup> Refer ASX announcement dated 19 July 2022 titled “Nickel drill hits at Blair Golden Ridge Nickel JV Project.”

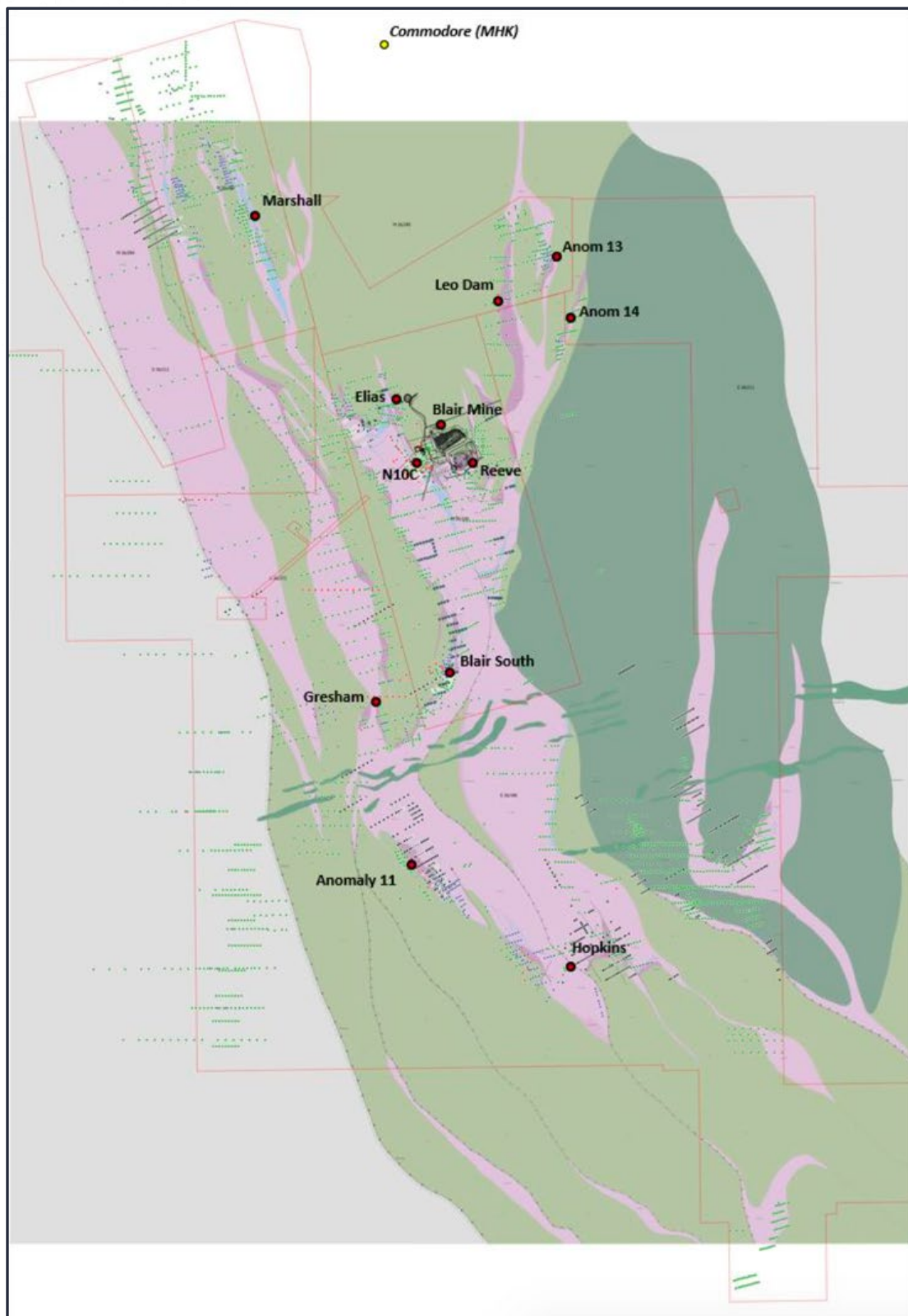


Figure 13: Regional Geology, Tenure and Prospect Location Plan.

### Blair South

A total of four drill holes (totalling 531 metres) were completed at Blair South to in-fill and extend a significant zone of relatively shallow, disseminated nickel sulphides.



The information from this drilling will be used as the basis for updating a historical resource and provide important information on the platinum group element (PGE) association with the nickel mineralisation.

Better intersections include:

- **25m @ 0.80% Ni** and 994ppm Cu (includes **6m @ 2.22% Ni and 2,514ppm Cu**) from 119m (ANRC017)
- **15m @ 0.31% Ni** and 242ppm Cu from 113m (ANRC018)
- **28m @ 0.60% Ni** and 911ppm Cu (includes **4m @ 1.41% Ni and 1,050ppm Cu**) from 113m (ANRC019)
- **18m @ 0.32% Ni** and 260ppm Cu from 78m (ANRC020)

### N10C Target

The N10C target is located to the immediate west of the historical Blair Nickel Mine on what is interpreted to be a fault off-set of the basal contact that hosts the Blair nickel mineralisation. This position comes within 300m of the Blair Mine underground infrastructure, where historical wide-spaced drilling has intersected nickel sulphides over a wide area.

An 8-hole RC program (1,523m) was completed aimed at testing for any plunge control on the mineralised shoots and to clarify the stratigraphic and structural controls on the mineralisation. DHEM surveys were successfully completed on each of the cased holes.

Significant results from this drilling include:

- **4.0m @ 0.60% Ni** and 315 ppm Cu from 140m – disseminated & massive sulphide stringers on basal contact (ANRC005)
- **1.0m @ 0.30% Ni** and 371ppm Cu from 125m – massive sulphide stringer within footwall pinch out (ANRC007)
- **2.0m @ 0.51% Ni** and 150ppm Cu from 219m – off-contact disseminated sulphides AND **3.0m @ 0.51% Ni** and 201ppm Ni from 226m - disseminated & massive sulphide stringers on basal contact (ANRC010)

The key findings from this program are:

- The intersections in the historical drilling are now interpreted to be in a flanking position and have been affected by faulting. Potential remains for zones of significant mineralisation along this contact given that the drilling is wide-spaced.
- There are indications that the edge of a flat-lying “terrace” structure has been identified that contains thickened high-MgO basal flow ultramafic rocks with nickel mineralisation on the basal contact. This interpreted structural feature remains untested along strike to the north and south.

The next phase of work at the N10C target will include the integration of the recently captured DHEM data with all historical down-hole and surface electromagnetic surveys, and follow-up RC drilling to confirm the existence of the terrace structure.





## Blair Footwall

An opportunity was identified in historical data to test for remobilised nickel sulphides into the footwall of the Blair nickel deposit along two north-south trending faults. Hole ANRC002 (163m) was drilled as a reconnaissance test and to provide a platform for a DHEM survey.

The hole successfully intersected two zones of highly anomalous oxide nickel mineralisation:

- **11m @ 0.42% Ni** and 470ppm Cu from 32m (West Fault) AND **4m @ 0.65% Ni** and 215ppm Cu (includes 1m @ 1.56% Ni and 71ppm Cu) from 104m (East Fault) (ANRC002)

These results provide strong encouragement that the concept of structurally remobilised sulphides into footwall positions is valid. These structural trends remain untested along strike to the north and throughout the entire plunge of the previously mined Blair Nickel Deposit.

The next phase of work at the Blair Footwall target will include integration of the recently captured DHEM data with all historical down-hole and surface electromagnetic surveys and assessment of surface geochemistry along these trends. Future drilling will be based on the outcomes of this work.

## Elias Target

The Elias target represents the largely untested northern strike extension from the N10C target. Historical shallow RAB drilling indicates the presence of high-MgO channel facies ultramafic rocks, although the basal contact was not intersected.

A 6-hole RC drilling program (984m) was drilled over a 500m strike length aimed at providing a definitive test to confirm the presence of prospective channel facies ultramafic rocks with the potential to host nickel sulphides and to create a series of platforms for DHEM surveys.

Significant results from this drilling include:

- **39m @ 0.32% Ni** (low Cu) from 14m – containing thick high MgO basal flow with favourable Ni:Cr signature (ANRC013)
- **2m @ 0.43% Ni** and 122ppm Cu from 107m – containing disseminated & massive sulphide stringers on a basal contact at the base of thick high MgO basal flow with a favourable Ni:Cr signature (ANRC014)

The presence of thick high MgO ultramafic rocks with a favourable Ni:Cr signature over a strike length of at least 300m demonstrates that a substantial channel is present at the Elias target. The presence of disseminated and stringer massive sulphides on the basal contact further confirms the prospectivity of this position.

The next phase of work at the Elias target will include integration of the recently captured DHEM data with historical surface electromagnetic survey data. Additional drilling will be planned and integrated into the overall project priorities.



## Reeve Target

The Reeve target is located approximately 500m west of the historical Blair Nickel Mine. The position was targeted on the basis of the presence of anomalous results in historical drilling and the identification of the basal high MgO ultramafic rocks suite with a favourable Ni:Cr signature.

A single hole (ANRC001) was completed to a depth of 228m intersecting a complex of intercalated sediment-ultramafic rocks that have been highly altered to a quartz-carbonate-sulphide rock. This rock succession demonstrates that a large-scale fault is located in this position and that this drill hole has most likely drilled down the structure.

Within this complex, an intersection of 6m @ 0.36% Ni and 112ppm Cu from 187m was returned in hole ANRC001. This result demonstrates that the target remains prospective away from the fault structure and additional drill testing is justified and will be undertaken in the next program of RC drilling at the Golden Ridge Project.

## Future Work Programs

The next phase of work at the Blair – Golden Ridge Nickel Project will include:

- Air-core drilling at the Leo Dam Prospect – scheduled for August 2022.
- RC drilling at Blair South, Blair mine and Gresham – scheduled for September 2022.
- Air-core drilling at the Gresham Prospect – scheduled for October 2022.
- Ongoing integration of all geophysical datasets.
- Data assessment and targeting – Marshall, Hopkins and regional.

## Balagundi Gold/Base Metals Joint Venture Eastern Goldfields WA

**ESS 100% reducing to 25% - Black Cat Syndicate Limited (ASX: BC8) earning 75% (farm-in stage)**

The Balagundi Project is located 25km east of Kalgoorlie and sits immediately adjacent to the north-west portion of the Myhree Mining Centre within the Kurnalpi Terrane, which is separated from the Myhree Mining Centre by the Victory Fault (a second order regional structure). The project is prospective for both gold and base metal VMS-style deposits. Essential Metals and Black Cat entered into the Farm-in and Joint Venture in July 2019.

During the quarter, exploration work was focused on undertaking a heritage survey and geophysical survey data review. The Marlinyu Ghoorlie native title claimant group was re-engaged by Black Cat to conduct a work clearance heritage survey during the June quarter in preparation for the EIS co-funded diamond drilling program. The MLEM geophysical survey results were reviewed during the quarter, and the planned drill holes were refined after the survey data review.

The EIS drilling program is currently scheduled for the September 2022 quarter, once the ground has been cleared for access.



## **Wattle Dam Nickel Joint Venture** Eastern Goldfields WA (nickel rights only)

### **ESS 20% - Maximus Resources Limited (ASX: MXR) 80%**

Exploration activity by the JV operator, Maximus Resources Limited (Maximus), focused on the Hilditch West target during the Quarter.

Maximus completed a follow-up drill programme, designed to expand the initial scout drilling which successfully discovered shallow nickel-copper-cobalt intersections which included 5m @ 1.2% Ni and 2m @ 1.5% Ni (ASX:MXR announcement 22 July 2021).

The completed drill programme intersected additional mineralisation within the project area with significant intercepts including:

- 5m @ 0.9% Ni, 0.03% Co, 0.05% Cu from 42m, including 2m @ 1.1% Ni, 0.03% Co, 0.05% and
  - 9m @ 0.6% Ni, 0.03% Co from 49m, including 4m @ 0.8% Ni, 0.05% Co and
  - 0.02% Cu and 11m @ 0.4% Ni, from 95m (HWRC016)
- 28m @ 0.3% Ni from 92m including 4m @ 0.5% Ni from 106m (HWRC008)
- 11m @ 0.4% Ni, 0.03% Co from 27m including 2m @ 0.9% Ni, 0.04% Co, 0.02% Cu from 27m (HWRC015)
- 1m @ 0.9% Ni, 0.03% Co from 70m (HWRC010)

The follow-up drill programme was completed comprising 14 RC holes for 1,590m and two diamond drill holes for 490m. The diamond drilling was completed under the EIS which co-funded 50% of the drilling costs.<sup>4</sup>

## **Larkinville Joint Venture** Eastern Goldfields WA

### **ESS 25% - Maximus Resources Limited (ASX: MXR) 75%**

An external review for lithium was conducted by CSA Global at the Larkinville JV, which confirmed that the Larkinville pegmatites are prospective zoned LCT type pegmatites and that they are strongly fractionated with elevated lithium values up to 5.29% Li<sub>2</sub>O and 2.93% Rb. X-ray diffraction (XRD) analysis of the rock samples indicates multiple micas present with muscovite, lepidolite, polyolithionite and possible tainiolite. The observations support drill testing these pegmatites.<sup>5</sup>

## **Kangan Gold Joint Venture** Pilbara, WA

### **ESS 30% - Novo Resources Limited 70%**

The Kangan Project is located in the West Pilbara region of Western Australia. Novo Resources Corp holds a 70% interest in the Project with Essential Metals retaining a 30% interest. Novo will fully fund all gold exploration programmes with Essential Metals free-carried until a decision to mine is made.

No significant gold exploration activities were undertaken during the Quarter.

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<sup>4</sup> Refer ASX:MXR announcement dated 20 July 2022 "Quarterly Activities Report".

<sup>5</sup> Refer ASX:MXR announcement dated 31 March 2022 "Exploration update – lithium prospectivity at Spargoville".





## CORPORATE

As at 30 June 2022, the Company held **\$10.5 million in cash reserves** and had no debt.

During the quarter, the Company sold the remaining 20.2 million shares held in Critical Resources Limited (ASX: CRR) at an average sale price of \$0.089 per share, for total gross proceeds of \$1.8 million before selling costs.

At the end of the quarter the Company held 1.25 million shares in International Lithium Corp (TSXV: ILC.V) valued at \$0.11 million (\$0.09 per share).

During the quarter the Company issued 2,228,689 ordinary shares for gross proceeds of \$388,000 upon the conversion of:

- 2,048,133 listed ESSO share options exercisable at \$0.15 on or before 30 November 2022
- 180,556 unlisted share options exercisable at \$0.45 on or before 30 November 2022

### Appendix 5B expenditure disclosure

During the quarter, the Company paid a total of A\$122,000 to related parties, comprising all directors of the Company (Managing Director salary, non-executive director fees and superannuation). (Appendix 5B, Item 6).

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*This ASX release has been approved by the Board of Directors*

#### For further information:

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#### Investor Relations

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### References to ASX:ESS announcements:

- 29 September 2020 – Dome North Resource upgrade
- 14 January 2022 – Pioneer Dome Lithium Project update
- 17 February 2022 – Nickel drilling commences at Blair-Golden Ridge
- 25 February 2022 – Pioneer Dome Lithium Project update - amended
- 31 March 2022 – Next drilling to grow Lithium Resource
- 7 June 2022 – Assays confirm high-grade near-surface lithium at Dome North
- 14 July 2022 – Pioneer Dome Lithium Project update

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.



## ABOUT ESSENTIAL METALS LIMITED

Essential Metals is a well-funded and active explorer focused on key global demand-driven commodities, focussed on the creation of shareholder wealth through exploration and project development. The Company operates **three strategically located lithium and gold projects** in Western Australia.

### 100% OWNED AND MANAGED PROJECTS:

- **LITHIUM:** The **Pioneer Dome LCT Project** is highly prospective for lithium-caesium-tantalum (LCT) mineral systems and includes the **Dome North Lithium Mineral Resource** of 11.2 million tonnes @ 1.21% Li<sub>2</sub>O.<sup>6</sup>
- **GOLD:** The **Juglah Dome Project** is located 60km east-southeast of Kalgoorlie and is considered to be highly prospective for gold and has potential for VHMS style polymetallic deposits.
- **GOLD:** The **Golden Ridge Project** is located ~20km SSE of Kalgoorlie, WA. Our activities are focussed on reappraising known prospects as well as identifying new areas within the large land tenure.

### JOINT VENTURE INTERESTS:

- **GOLD:** The **Acra** Project is 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 is received with Essential Metals holding a 25% interest.
- **GOLD:** The **Kangan** Project is in the West Pilbara and part of a joint venture with Novo Resources Corp (TSXV.NVO), who will fund 100% of gold exploration programmes until a decision to mine is made, with Essential Metals holding a 30% interest.
- **GOLD:** The **Balagundi** Project is subject to 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.
- **GOLD:** The Company holds a 25% free-carried interest (gold only) in the **Larkinville** Project near Kambalda, WA, with Maximus Resources Ltd (ASX: MXR).
- **NICKEL:** The nickel mineral rights on the **Blair-Golden Ridge** Project, which includes the suspended Blair Nickel Sulphide Mine. are subject to a Farmin/Joint Venture with Crest Investment Group, a nickel exploration specialist which is earning up to a 75% interest. The Company will retain a 25% free-carried interest up to a decision to mine.
- **NICKEL:** The Company holds a 20% free-carried interest (nickel only) in the **Wattle Dam** project near Kambalda, WA, with Maximus Resources Ltd (ASX: MXR).

## Forward Looking Statements

This document 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.

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<sup>6</sup> Refer ASX:ESS announcement 29 September 2020 – Dome North Resource upgrade



## Competent Person Statements

### Exploration Results - ESS Projects

Mr Andrew Dunn (MAIG), Exploration Manager who is employed full-time by Essential Metals Limited, compiled the technical aspects of this Report, other than pertaining to the Joint Ventures. Mr Dunn is eligible to receive equity-based securities in Essential Metals Limited under the Company's employee incentive schemes. Mr Dunn is a member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to this style of mineralization and type of deposit under consideration and to the activity that is being reported on to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Dunn consents to the inclusion in the report of the matters in the form and context in which it appears.

### Dome North Lithium Project - Mineral Resources

The information in this Report that relates to Mineral Resources for the Dome North Lithium Project is based on and fairly represents information compiled by Competent Persons Mr Stuart Kerr and Mr Lauritz Barnes as extracted from the report entitled "Dome North Lithium Project – Resource upgrade" created on 29 September 2020 and is available to view on [www.essmetals.com.au](http://www.essmetals.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

### Blair-Golden Ridge Nickel Project Joint Venture

The information in this announcement which relates to exploration targets, exploration results or mineral resources is based on information compiled by Mr. Peter Langworthy. Mr. Langworthy has sufficient experience which 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 in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr. Langworthy is Managing Director and Principal Consultant of OMNI GeoX Pty Ltd. And a Director of the Australian Nickel Company Limited Mr. Langworthy consents to the inclusion of the information in this announcement in the form and context in which it appears.

### Acra Gold Project Joint Venture – Exploration Work

The information in this announcement that relates to exploration results for the Acra Project Joint Venture is based on information compiled by Michael Mulroney, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Northern Star Resources Limited. Mr Mulroney has sufficient experience that is relevant to the styles of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" for the Company's Acra Project Joint Venture. Mr Mulroney consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

### Exploration Results (Wattle Dam and Larkinville Joint Ventures)

The information in this report pertaining to the Wattle Dam Nickel JV and the Larkinville JV is based on information reviewed, collated and compiled by Dr Travis Murphy, a full-time employee of Maximus Resources Limited. Dr Murphy is a professional geoscientist and Member of The Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of Deposit under consideration and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Murphy consents to the inclusion in the report of the matters based on information in the form and context in which it appears.





## Appendix 1

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter.

### 1. Listing of Tenements (Consolidated Basis) as at Quarter End

Tenement	Holder	Notes	Status
<b>Pioneer Dome Project Located 133km SSE of Kalgoorlie, WA</b>			
E15/1515	Essential Metals Limited		Granted
E15/1725	Essential Metals Limited		Granted
E63/1669	Essential Metals Limited		Granted
E63/1782	Essential Metals Limited		Granted
E63/1783	Essential Metals Limited		Granted
E63/1785	Essential Metals Limited		Granted
E63/1825	Essential Metals Limited		Granted
E63/2118	Essential Metals Limited		Granted
L63/77	Essential Metals Limited		Granted
M63/665	Essential Metals Limited		Granted
<b>Golden Ridge Nickel Project Located 30km SE of Kalgoorlie, WA</b>			
E26/186	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
E26/211	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
E26/212	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
M26/220	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
M26/222	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
M26/284	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
M26/285	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
L26/272	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
<b>Juglah Dome Project Located 60km ESE of Kalgoorlie, WA</b>			
E25/585	Western Copper Pty Ltd	3	Granted
<b>Regional Projects, Located in WA</b>			
E15/1710	Essential Metals Limited		Granted
<b>Kangan Lithium &amp; Gold Project Located 80km S of Port Hedland, (Wodgina) WA</b>			
E45/4948	Essential Metals Limited	5	Granted
E47/3318-I	Essential Metals Limited	4, 5	Granted
E47/3321-I	Essential Metals Limited	4, 5	Granted
E47/3945	Essential Metals Limited	5	Granted
<b>Balagundi Gold &amp; Base Metals Project Located 25km NE of Kalgoorlie, WA</b>			
E27/558	Essential Metals Limited	6	Granted
<b>Acra Gold Project Located 60km NE of Kalgoorlie, WA</b>			
E27/278	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E27/438	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E27/491	Essential Metals Limited / Northern Star Resources Limited	8	Granted
E27/520	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E27/548	Essential Metals Limited / Northern Star Resources Limited	8	Granted
E27/579	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E28/1746	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E28/2483	Essential Metals Limited / Northern Star Resources Limited	8	Granted



Tenement	Holder	Notes	Status
<b>Wattle Dam Nickel Project Located 65km S of Kalgoorlie, WA</b>			
M15/1101	Maximus Resources Limited	9, 10	Granted
M15/1263	Maximus Resources Limited	9, 10	Granted
M15/1264	Maximus Resources Limited	9, 10	Granted
M15/1323	Maximus Resources Limited	9, 10	Granted
M15/1338	Maximus Resources Limited	9, 10	Granted
M15/1769	Maximus Resources Limited	9, 10	Granted
M15/1770	Maximus Resources Limited	9, 10	Granted
M15/1771	Maximus Resources Limited	9, 10	Granted
M15/1772	Maximus Resources Limited	9, 10	Granted
M15/1773	Maximus Resources Limited	9, 10	Granted
<b>Larkinville West Gold Project Located 75km S of Kalgoorlie, WA</b>			
M15/1449	Essential Metals Limited / Maximus Resources Limited	11	Granted
P15/5912	Essential Metals Limited / Maximus Resources Limited	11	Granted
<b>Maggie Hays Hill Nickel JV, Located 140km SE of Southern Cross</b>			
E63/1784	Essential Metals Limited / Poseidon Nickel Limited	12	Granted
<b>Ravensthorpe Copper-Gold Project Located 340km SW of Kalgoorlie, WA</b>			
E74/379-I	Galaxy Lithium Australia Limited	13	Granted
E74/399	Galaxy Lithium Australia Limited	13	Granted
E74/406	Galaxy Lithium Australia Limited	13	Granted
<b>Katanning Gold Project</b>			
E70/5040	Ausgold Exploration Pty Ltd	14	Granted
E70/5042	Ausgold Exploration Pty Ltd	14	Granted
E70/5043	Ausgold Exploration Pty Ltd	14	Granted
E70/5044	Ausgold Exploration Pty Ltd	14	Granted

Note	
1	Golden Ridge North Kambalda Pty Ltd is a 100% owned subsidiary of Essential Metals Limited.
2	Nickel sulphides rights are subject to the Australian Nickel Company Ltd Farmin/Joint venture.
3	Western Copper Pty Ltd is a 100% owned subsidiary of Essential Metals Limited.
4	Subject to a 1.5% net smelter royalty right held by FMG Pilbara Pty Ltd.
5	Kangan Gold JV Agreement: Novo Resources Corp holds a 70% Project Interest in gold and precious metals mineral rights.
6	Balagundi Farmin/JV Agreement: Black Cat Syndicate Limited is earning a 75% Project interest.
7	Heron Resources Limited retains nickel laterite ore rights.
8	Acra JV Agreement: Northern Star Resources Limited 75% interest. Essential Metals Limited 25% free carried interest.
9	Heron Resources Limited retains pre-emptive right to purchase nickel laterite ore.
10	Wattle Dam Nickel JV Agreement: Title, Mineral Rights held by Maximus Resources Limited. Essential Metals Limited 20% free carried interest in nickel sulphide minerals.
11	Larkinville West JV Agreement: Maximus Resources Limited 75%, Essential Metals Limited 25% free carried interest, except nickel rights which are subject to the Wattle Dam JV.
12	Maggie Hays Lake JV Agreement: Poseidon Nickel Limited 80%, Essential Metals Limited 20% & free carried interest to commencement of mining.
13	Title and lithium/tantalum rights held by Galaxy Lithium Australia Limited. Essential Metals Limited holds a 1.5% net smelter royalty.
14	Essential Metals Limited holds a 1.5% net smelter royalty.



**2. Tenements acquired during the Quarter (Consolidated Basis)**

None.

**3. Tenements sold, relinquished, reduced or lapsed during the Quarter (Consolidated Basis)**

None.

**4. Tenements applied for during the Quarter (Consolidated Basis)**

None.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

**ESSENTIAL METALS LIMITED**

ABN

**44 103 423 981**

Quarter ended ("current quarter")

**30 June 2022**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	(3)
(b) development	-	-
(c) production	-	-
(d) royalties	-	-
(e) staff costs	(200)	(799)
(f) administration and corporate costs	(266)	(771)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	20
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	13
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(465)</b>	<b>(1,540)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(2)	(17)
(d) exploration & evaluation	(693)	(2,757)
(e) investments	-	-
(f) other non-current assets	-	-



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	375
	(b) tenements	-	501
	(c) property, plant and equipment	-	-
	(d) investments	1,796	2,965
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – Subsidiary disposal costs	(32)	(85)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>1,069</b>	<b>982</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	5,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	375	965
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1)	(346)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>374</b>	<b>5,619</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	9,549	5,466
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(465)	(1,540)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,069	982
4.4	Net cash from / (used in) financing activities (item 3.10 above)	374	5,619

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>10,527</b>	<b>10,527</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	5,527	4,549
5.2	Call deposits	5,000	5,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>10,527</b>	<b>9,549</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	122
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(465)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(693)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,158)
8.4 Cash and cash equivalents at quarter end (item 4.6)	10,527
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	10,527
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	9.09
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2022

Authorised by: The Board of Directors  
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.