
September 2023 Quarterly Activities Report

Key Developments:

- **Statement of Claim filed with the arbitral tribunal seated in Copenhagen on July 19, 2023**
- **Government of Greenland's final decision on the amended exploitation licence application received**
- **Board changes**
- **Results from maiden Villasrubias first drill program**
- **Additional exploitation licence applications approved in Spain**
- **Strategic Review and Evaluation of Additional Exploration Projects Globally**

September 2023 Quarterly Activities

Energy Transition Minerals LTD ('ETM' or 'the Company') is pleased to provide the following quarterly update on the Company's activities.

The Company's primary objectives remain the expansion of minerals resources under its management through the development of the Kvanefjeld rare earth element project in Greenland, and the expansion of its exploration portfolio across the entire technology metals complex. Through an externally funded arbitration process, the Company is seeking clarity on the application of Greenland Parliament Act No. 20 to the Kvanefjeld Project, so that a path forward for the development of this important asset can be determined. In parallel, the Company has evaluated a range of critical minerals projects and managed to take advantage of the current softness in the markets to advance the negotiations on several acquisitions, which will go to complement its portfolio. The strategy remains to build up the Company's portfolio in the critical metals complex, using a mix of primary projects and secondary acquisitions across the energy, electric motors and battery metals sectors.

Greenland

Statement of Claim

The Statement of Claim was filed with the arbitral tribunal seated in Copenhagen ('Tribunal') on 19 July 2023. The Claim pertains to the dispute with the Governments of Greenland and Denmark regarding the Company's rights under its current exploration licence for the Kvanefjeld project. The claimant in the dispute is Greenland Minerals A/S ('GMAS'), a 100% subsidiary of ETM and the holder of the exploration licence for the Kvanefjeld rare earths project in southern Greenland. The Statement of Claim provides a detailed account of the Company's activities in Greenland over a 14 plus year history, commencing in 2007. The Statement of Claim is supported by a number of independent expert report, witness statements and approximately 1,900 individual pieces of evidence.

Amended exploitation licence application rejected by Government of Greenland

On 8 September 2023, the Government of Greenland formally rejected the application for an amended exploitation licence; this follows the Government's draft decision (27 July 2023) to which the Company was given a short time to respond. This latest development indicates that the input from



the Company was disregarded. As background, the Company had proposed an amended application for its Kvanefjeld project in December 2022, focusing solely on mining specific minerals, excluding uranium, which would be stored as waste. A copy of the comments from the Company to the draft decision can be found at the link: <https://etransmin.box.com/v/ETM-Response-01Sep2023>

The arguments that base the final decision are nearly identical to those of the draft decision: this suggests that no proper consideration has been given by the Government of Greenland to the issues raised by the Company in its comments. The Company completely disagrees with this formal decision on the following key points:

1. The application of Act No. 20, which the Company believes does not apply due to constitutional property rights and is subject to ongoing arbitration.
2. The government's stance that the amended proposal is identical to the original, which was rejected, despite the new application proposing no uranium exploitation.
3. A dispute over the term 'exploitation,' as the government's interpretation conflicts with commercial usage, particularly concerning uranium handling without processing for sale.

Ongoing Maintenance Works and Community engagement

The Company has engaged with local trades and businesses to maintain its assets in Narsaq, with a program of maintenance and repainting which was carried out on buildings owned by GMAS in Narsaq. This provided the Company with the opportunity to engage local trades and businesses.

At the same time, community and stakeholder engagement activity by Greenland Minerals A/s has continued in Greenland during the September quarter. Local activity was complimented by a visit by ETM senior management in late September and early October. Further engagements between stakeholders and ETM are being scheduled for late November.

Board Changes

On 14 August 2023, Sara Kelly was appointed as Non-Executive Chair of Energy Transition Minerals Ltd, on the same day Ed Mason stepped down as Non-Executive Chairman.

Ms Kelly has over 17 years' experience as a corporate lawyer and extensive experience in corporate governance, compliance and transaction management. She has been involved in a broad range of cross-border and domestic transactions including capital raisings, asset acquisitions and disposals, joint ventures and corporate restructures. Sara is currently Non-Executive Chair of Midas Minerals Limited (ASX:MM1).

Spain

Villasrubias

The Company announced the completion and results of its inaugural drilling program at the Villasrubias lithium project in Salamanca, Western Spain. The drilling program comprised 1133.2 meters of drilling across 12 holes, with all assay results having been processed by ALS Global.

The Villasrubias project is authorized by research permit No. 6914, granted to SIEMCALSA in 2019, which allows exploration for lithium, tin, tantalum, and niobium over an 11.4 km² area. The Iberian Peninsula has a history of lithium and tin mining, and Villasrubias itself has historical tin mines dating back to the 1940s.



In terms of significant findings, the following points were highlighted:

- Nine holes intersected at least one pegmatite/aplite body, with thickness ranging between 0.28 and 2.90 meters.
- The intersected pegmatite bodies were mineralized with varying grades of lithium, tin, and tantalum.
- Lithium occurs in the form of lepidolite, tin and tungsten are believed to be hosted within cassiterite and scheelite respectively.
- High tantalum grades were identified in multiple drill holes, representing a novel discovery for Villasrubias.

Regarding additional exploration potential, the site mineral potential is broadened by tin and tungsten which were also discovered within metasediment layers and quartz dikes.

The detailed results of the drill campaign can be found in the Company's announcement released on 6 September 2023.

Additional Exploration Licence applications

Energy Transition Minerals Ltd incorporated a wholly owned subsidiary in Spain, Energy Transition Minerals Spain ('ETM Spain'). ETM Spain will become the legal owner of ETM's Spanish projects and assets and spearhead the Company's expansion into the upstream lithium and energy transition minerals sector in Europe.

Furthermore, Energy Transition Minerals, through Technology Metals Europe (its partner in Spain), has applied for four new lithium-tin-tungsten exploration licences ("*permiso de investigación*") in the provinces of Salamanca and Cáceres, Western Spain, named "Aldeadávila", "Hinojosa", "El Payo" and "Salvaleón". The permits will be held by ETM Spain, each providing priority and exclusivity for three years over a total of 177.3 km².

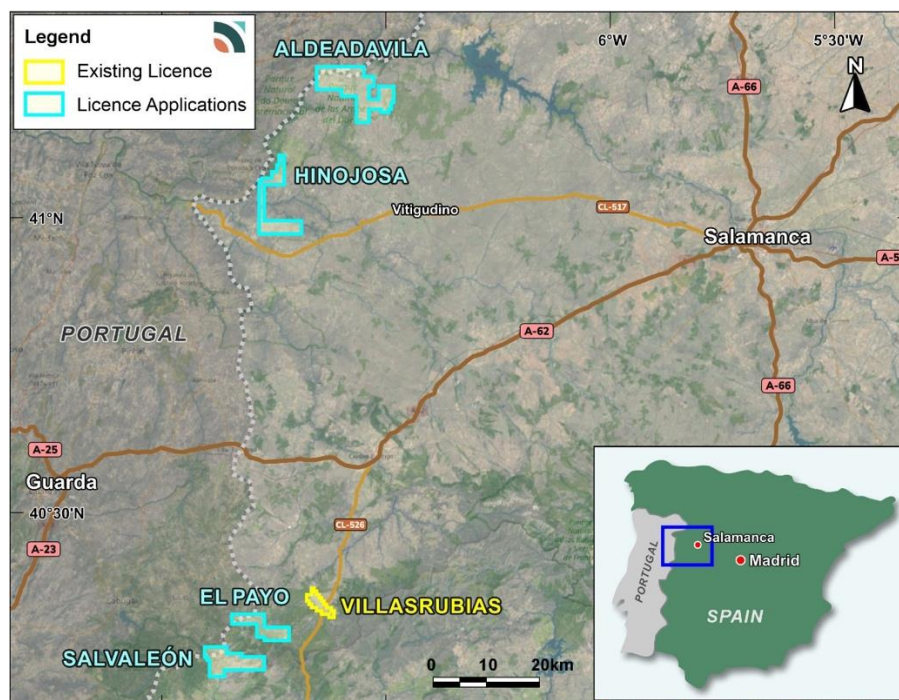


Figure 1: Location of the Hinojosa, el Payo, Aldeadávila, Salvaleón projects, Spain



The licences cover Variscan-age pegmatite fields that share geological features with more advanced lithium projects held by peer companies on both sides of the Spanish-Portuguese border. The pegmatite and quartz dykes, some with kilometer scale, are hosted in Precambrian metasediments and fertile Variscan granites (such as Guarda, Jálama and Cadalso – Casillas de Flores or Gata batholiths) where numerous lithium, tin and tungsten occurrences, and medium size mines such as the “Barruecopardo” tungsten mine and the “Fregeneda” lithium mine are located.

Hinojosa Investigation Licence

The "Hinojosa nº 6.963" exploration licence (“*permiso de investigación*”) is in the north of the Salamanca province and extends over approximately 38 km² (Figure 2). The project is close to the La Fregeneda pegmatite field which includes the “*Feli*” and “*Alberto*” high grade lithium and feldspar mines that were active until the mid-1980s.

Aldeadavila Investigation Licence

The "Aldeadávila nº 6.934" exploration licence (“*permiso de investigación*”) covers 64 km² within the Community of Castilla y León. Lithium is the mineralization is the primary target at Aldeadavila, associated with tantalum, tungsten, and tin, consistent with historical mining in the area based on records from the Geological Institute of Spain (IGME). The area nears the active tungsten mine of Saloro, in Barruecopardo.

El Payo Investigation Licence

The exploration licence (“*permiso de investigación*”) “El Payo nº 6.935” extends over approximately 24 km² between the municipalities of Navasfrías, Casillas de Flores and El Payo, close to the border with Portugal. The mines and occurrences in the area are associated with the Jálama batholith. Depending on the nature of the host rock, the mineralization includes disseminated cassiterite in granitic and aplitic rocks and disseminated cassiterite in pegmatite dikes, that are associated with quartz veins bearing cassiterite and wolframite within the granite batholith.

Salvaleon Investigation Licence

The "Salvaleón nº 10395-00" exploration licence (“*permiso de investigación*”) covers 34 km² and straddles the municipalities of Valverde del Fresno, Eljas, San Martín de Trevejo, province of Cáceres, and of El Payo and Navasfrías in the province of Salamanca. The target minerals for this project include lithium, tungsten, and tin.

Three of the four exploration programs submitted were formally approved by the Mines Department of the Junta of Castille and Leon in anticipation of the formal granting of the licences. The Company is still pending the approval of its submission of works for the “Salvaleon” permit, from the Mines Department of Extremadura. Whilst the licenses have not been formally approved, the process is well underway, and pending further regulatory review.

Further details of the four licences applied for can be found in the Company’s ASX announcement on 7 August 2023.



Strategic Review and Evaluation of Additional Exploration Projects

As part of the strategic review prompted by the arbitration regarding Kvanefjeld, the Company's management had resolved to execute a strategic portfolio diversification with an ambitious plan to expand and broaden the Company's exploration focus to include the other critical minerals that are indispensable to the electrification of the economy.

Over the past 9 months, we have evaluated a significant number of exploration projects across six of the seven continents namely North America (USA, Canada), South America (Brazil), Europe (Finland, Germany, Greenland), Africa (Malawi, South African Rep, DRC, Nigeria) Asia (Vietnam, Indonesia, Malaysia) and Australia. The softness in the mineral exploration market provides the opportunity for more favourable terms to be negotiated.

Authorised for release by the Board of Energy Transition Minerals Ltd.

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About Villasrubias

On 14th July 2022 the Company announced that it has entered into a binding head of agreement with Technology Metals Europe SL ('**TME SL**') and its sole shareholder Welsbach Holdings Pte Ltd ("**Welsbach**"), for the right to earn-in a 51% interest in TME SL (the '**Transaction**'). TME SL is the sole owner of an exploration permit in Spain prospective for lithium ('**Tenement**'), known as the Villasrubias project.

ETM can earn its interest in TME SL by spending AU\$3,000,000 on a jointly agreed work program in relation to the Tenement within 3 years from the date of satisfaction (or waiver, if permitted) of the conditions precedent to the Transaction. Shareholder approval of the of the Transaction was obtained on 28th October 2022.

About the Kvanefjeld Project

The Kvanefjeld Project is centred on the northern Ilimaussaq Intrusive Complex in southern Greenland. The project includes several large-scale multi-element resources including Kvanefjeld, Sørensen and Zone 3. Global mineral resources now stand at **1.01** billion tonnes (JORC-code 2012 compliant).

The deposits are characterised by thick, persistent mineralisation hosted within sub-horizontal lenses that can exceed 200m in true thickness. Highest grades generally occur in the uppermost portions of deposits, with overall low waste-ore ratios.

Less than 20% of the prospective area has been evaluated, with billions of tonnes of lujavrite (host-rock to defined resources) awaiting resource definition. Extensive resources of other rare minerals enriched in critical elements also occur within the license area.

While the resources are extensive, a key advantage to the Kvanefjeld project is the unique rare earth and uranium-bearing minerals. These minerals can be effectively beneficiated into a low-mass, high value concentrate, then leached with conventional acidic solutions under atmospheric conditions to achieve particularly high extraction levels of rare earths. This contrasts to the highly refractory minerals that are common in many rare earth deposits that require technically challenging and costly processing. The rigorously developed process route for Kvanefjeld has been the subject of several successful pilot plant campaigns. Uranium and zinc will be recovered as by-products are low incremental costs.

The Kvanefjeld project area is located adjacent to deep-water fjords that allow for shipping access directly to the project area, year-round. An international airport is located 35km away, and a nearby lake system has been positively evaluated for hydroelectric power.

Kvanefjeld provides an excellent opportunity to introduce a large, stable supplier at prices that are readily sustainable to end-users. In addition, rare earths from Kvanefjeld will be produced in an environmentally sustainable manner further differentiating it as a preferred supplier of rare earth products to end-users globally. These factors serve to enhance demand growth.



Exploration Licenses	Location	Ownership
EL 2010/02	Southern Greenland	Held by Greenland Minerals A/S, a fully owned subsidiary of ETM.
Permit of Investigation 6.914	Salamanca, Spain	Held by Technology Metals Europe SL ('TME'), Energy Transition Minerals Ltd can earn a 51% interest in TME by spending AU\$3 Million on an agreed work program, within a 3 year period commencing 28 Oct 2022.
Exploration License Applications	Location	Ownership
Permit of Investigation N° 6.963	Salamanca, Spain	Under application, to be held by Energy Transition Minerals Ltd Spain, a fully owned subsidiary of ETM.
Permit of Investigation N° 6.934	Castilla y León, Spain	Under application, to be held by Energy Transition Minerals Ltd Spain, a fully owned subsidiary of ETM.
Permit of Investigation N° 6.935	Salamanca, Spain	Under application, to be held by Energy Transition Minerals Ltd Spain, a fully owned subsidiary of ETM.
Permit of Investigation N° 10395-00	Salamanca, Spain	Under application, to be held by Energy Transition Minerals Ltd Spain, a fully owned subsidiary of ETM.

Capital Structure – As at 30 September 2023	
Total Ordinary shares	1,355,744,012
Total performance rights (subject to vesting conditions)	93,066,666

Listing Rule 5.3.5 disclosure

The amount disclosed in the Appendix 5B for the quarter ended 30 September 2023, at item 6.1 of \$175,731 represents the total of Director salary, fees and superannuation paid during the quarter.

ABOUT ENERGY TRANSTION MINERALS LTD.

Energy Transition Minerals Ltd (ASX: ETM) is an exploration and development company focused on developing high-quality mineral projects globally. One of the Company's projects is the Kvanefjeld Rare Earth Project. A comprehensive feasibility study was completed in 2015. The studies outlined the potential for Kvanefjeld to be developed as a long-life, low cost, and large-scale producer of rare earth elements. The company is also involved in the Villasrubias lithium project. Villasrubias is an early-stage exploration project located in the region of Castille and Leon in Spain. The company continues to assess other opportunities globally with the aim to get involved in the development of critical metals projects with a view to become a key enabler of the energy transition.

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The mineral resource estimate for the Kvanefjeld Project was updated and released in a Company Announcement on 12 February 2015. The ore reserve estimate was released in a Company Announcement on 3 June 2015. There have been no material changes to the resource estimate, or ore reserve and the Company is not aware of any new information or data that materially affects the information in those announcements and the material assumptions and technical parameters continue to apply and have not materially changed since the release of these announcements.

The exploration results for Villasrubias were released in a Company Announcement on 6 September 2023. The Company is not aware of any new data or information that materially affects the information.

Please visit the company's website at www.etransmin.com where recent news articles, commentary, and company reports can be viewed.

Appendix 5B

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

Name of entity

Energy Transition Minerals Ltd

ABN

85 118 463 004

Quarter ended ("current quarter")

30 Sept 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 Months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(351)	(941)
(e) administration and corporate costs	(462)	(1,589)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	78	203
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)	24	51
1.9 Net cash from / (used in) operating activities	(712)	(2,277)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(1,206)	(1,825)
(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 (9 Months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(64)
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Research & Development rebate)	-	-
2.6	Net cash from / (used in) investing activities	(1,206)	(2,967)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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 (Litigation funding refund of legal expense paid – refer ASX announcement 5 July 2022)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	21,561	24,951
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(712)	(2,277)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,206)	(3,031)

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 (9 Months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	19,643	19,643

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	284	361
5.2	Call deposits	19,359	21,200
5.3	Bank overdrafts		-
5.4	Other (provide details)		-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	19,643	21,561

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	176
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p> <p>Payments shown at 6.1 are for Director salary, fees and superannuation.</p>		

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(712)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,206)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,918)
8.4 Cash and cash equivalents at quarter end (item 4.6)	19,643
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	19,643
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	10.2
<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: Not applicable	
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: Not applicable	

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

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: Not Applicable

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.

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: 31 October 2023

Authorised by: By the board of Energy Transition Minerals Ltd
(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.