



**GROUP 6**  
**METALS**  
LIMITED

# Securing long-term western supplies of Tungsten

**March 2024**

- ✓ Ramping production at the Dolphin Tungsten Mine
- ✓ Large regional exploration opportunity
- ✓ Advancing downstream processing capability

**ASX:G6M**



# COMPANY PRESENTATION

## Tungsten Production Accelerating



# Important Notices and Disclaimer

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Statements in this announcement may be forward looking statements. Forward looking statements can be identified by the use of forward-looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe' or 'continue' or the negative or other variations of comparable terminology.

Certain statements made in this announcement contain or comprise certain forward-looking statements regarding Group 6 Metal's Mineral Resources and Reserves, exploration and project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Group 6 Metals believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements and no assurance can be given that such expectations will prove to have been correct.

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# Disclaimer continued...

This presentation has been prepared by Group 6 Metals Limited (“G6M”) as a summary of its Dolphin Project. By accepting, accessing or reviewing this Presentation, you acknowledge and agree to the terms set out below.

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## COMPETENT PERSON’S STATEMENT

The Information in this presentation relating to Mineral Resources and Exploration Results are extracted from the following reports lodged as market announcements and available to view on the Company’s website [www.g6m.com.au](http://www.g6m.com.au):

- “Updated Resources Statement April 2015” released 24 April 2015
- “Updated Reserve Statement” released 21 September 2015
- “Updated Reserve Statement released 21 September 2015” released 20 October 2015

- “Dolphin Project Drilling Results April 2018” released 23 April 2018
- “Exploration Drilling Results May 2018” released 17 May 2018
- “Updated Feasibility Study and Mineral Resource” released 3 June 2019
- “18% Increase in Tungsten Resources” released 26 September 2019
- “Bold Head Maiden Mineral Reserve Estimate” released 26 June 2023

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements. Material assumptions underpinning production targets, or the forecast financial information derived from a production target, in the relevant market announcements continue to apply and have not materially changed. In the case of estimates of mineral resources, all material assumptions and technical parameters underpinning the estimates in the relevant market announcements 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 announcements.

# Company Vision

To become a trusted major producer of high-quality tungsten products through sustainable and innovative development of high-grade mineral resources.



**In Production** - Producing high-grade tungsten concentrate from the highest-grade tungsten deposit in the Western world at an average grade of 0.91%  $WO_3$



**Critical mineral** – broad economic application in “everyday settings”, including in construction, automotive, energy, aerospace and defence.



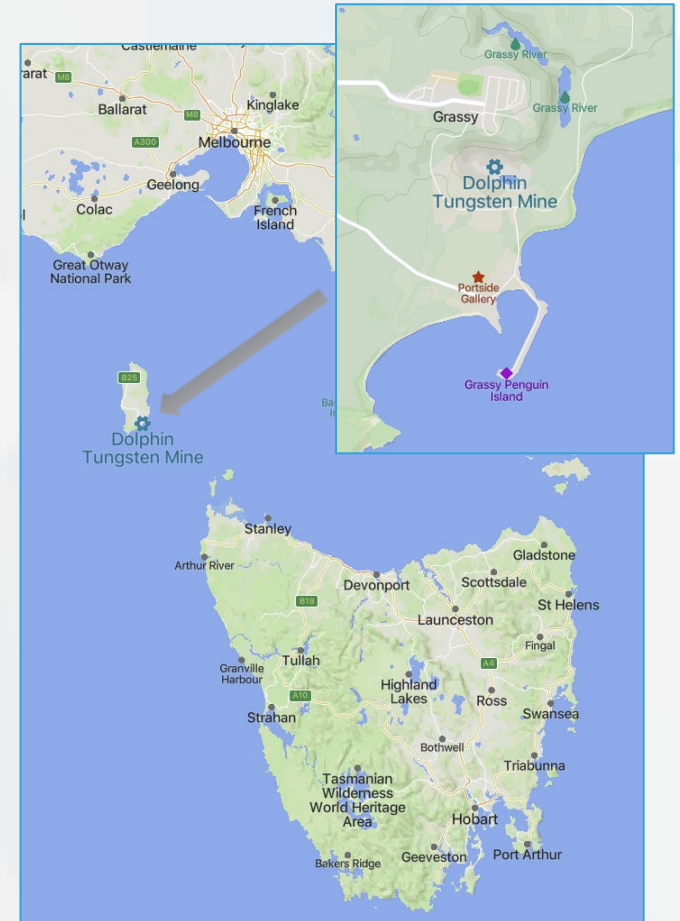
**Beyond the Dolphin Mine** – capacity to add value through the development of the regional exploration opportunities, and downstream processing to increase  $WO_3$  recovery and product value



**Strategic Partnerships** – growing desire by western consumers to diversify supply chains in a tungsten market dominated by China



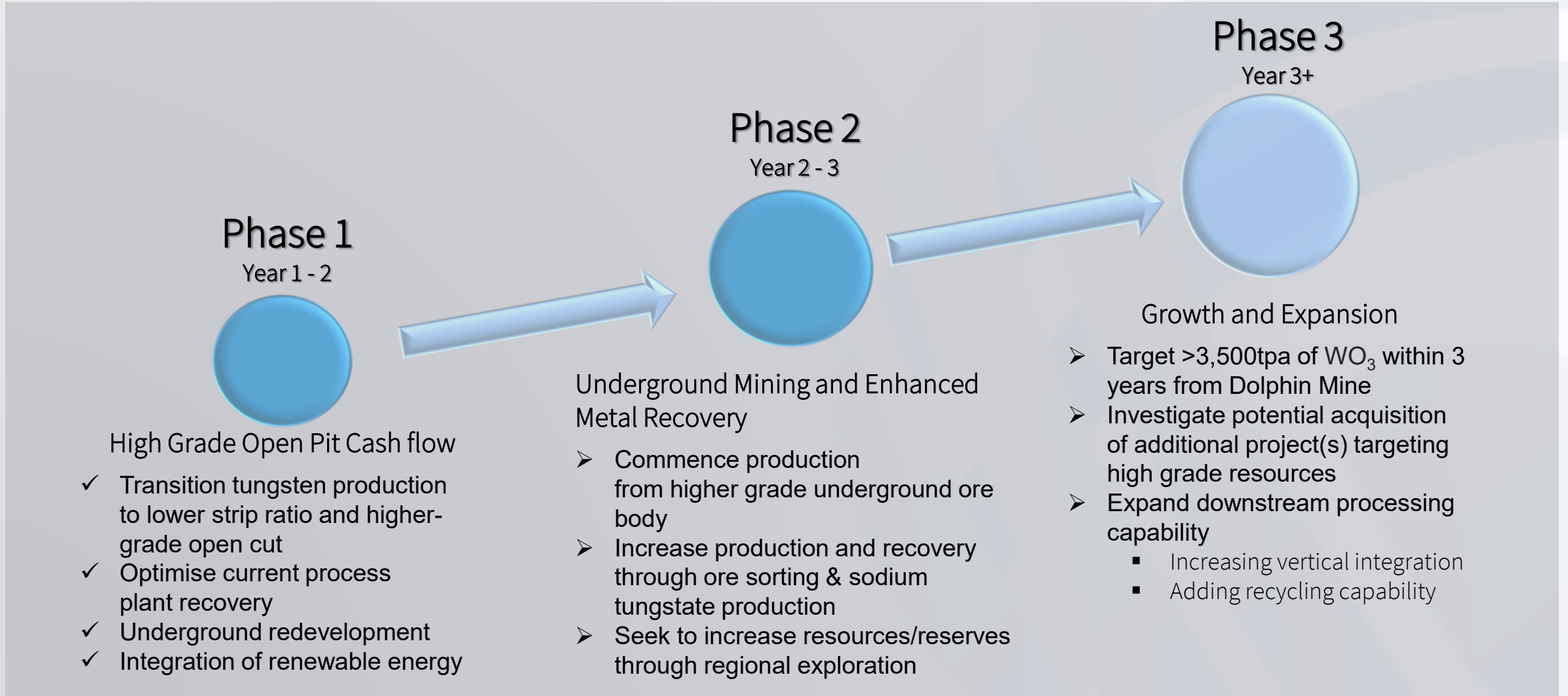
**Strong support of major shareholders** – major shareholders have demonstrated strong support of the company and its ambitions



Dolphin Tungsten Mine, King Island, Tasmania

# G6M Growth Phases

High-grade, long-life mine with strategic growth opportunities.



# Revised Mining Sequence – Goals & Objectives

Revised approach to maximise cashflows and execute company vision

Phase 1 → Phase 2 → Phase 3 →

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	
Dolphin OC	█														
Dolphin UG			█												
Bold Head OC								█							
Dolphin OC Stg 2									█						
Bold Head UG									█						

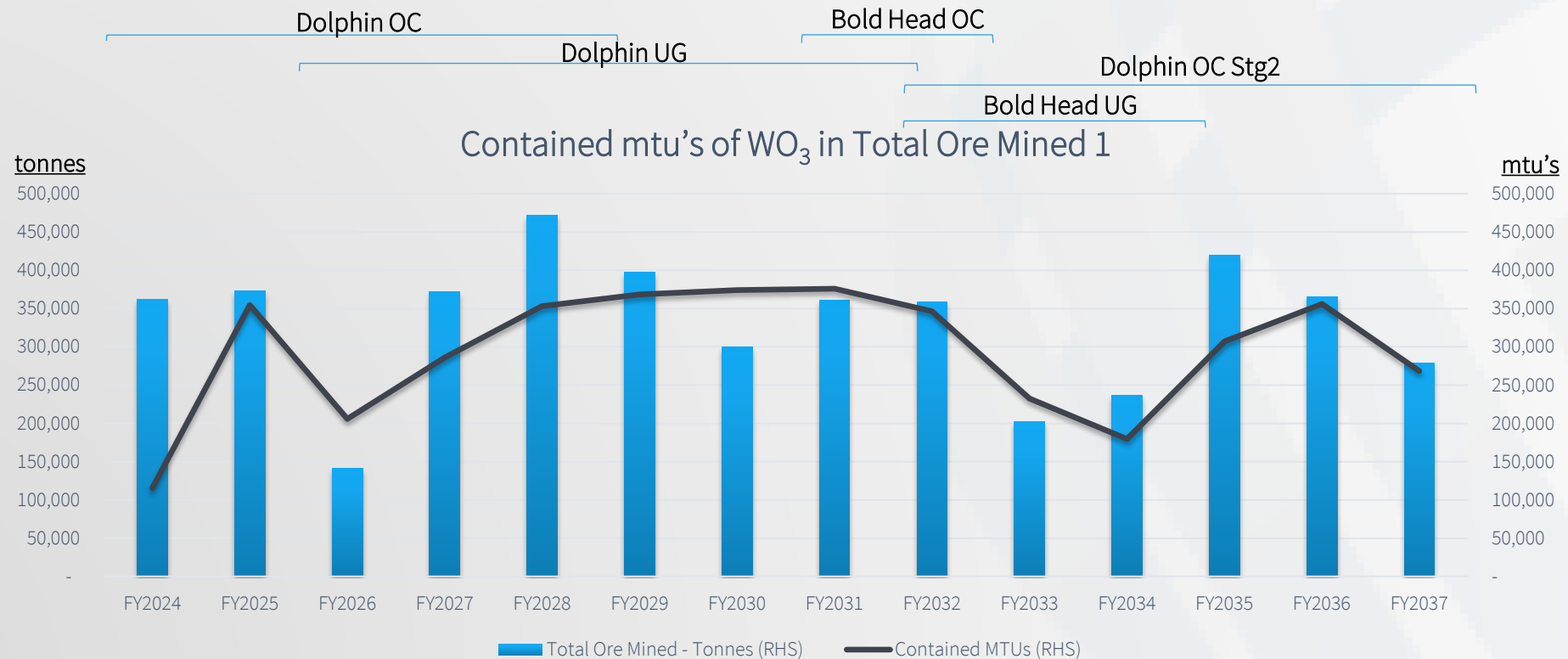
- Amending mine sequence to bring underground (UG) online earlier and deferring Stage 2 Open Cut (OC)
- Prioritising higher grade ore in Stage 1 open cut, lowering strip ratio, maximising concentrate production and revenue
- Substitute cash flows from Stage 2 Open Cut with higher cashflows from Dolphin UG
- Bring Bold Head Reserve into the mine sequence at the end of the Dolphin UG. Bold head is contemplated as mainly an UG operation with reserve upside available with further exploration.
- Mine Stage 2 Open Cut (higher strip ratio, medium grade) with optimised open cut mining fleet and optimised process plant enabling higher recoveries

# Life Of Mine Production Profile

Maintaining steady production over the initial 14.5-year mine life

- Multiple phases of mining underpinned by total probable reserves of 4.8mt
- Targeting average sales of > 225,000 mtu's of WO<sub>3</sub> pa (i.e. 2,250 tpa) over 14.5-year mine life<sup>1</sup>.

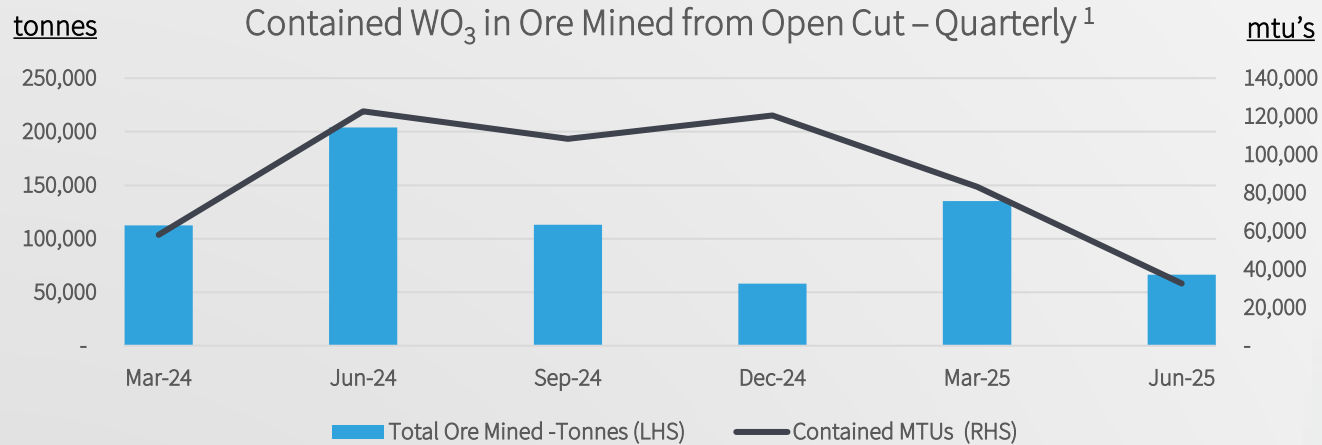
Note: (1) Refer to the "Forward Looking Statements" on the disclaimer slides of this Presentation for further details.





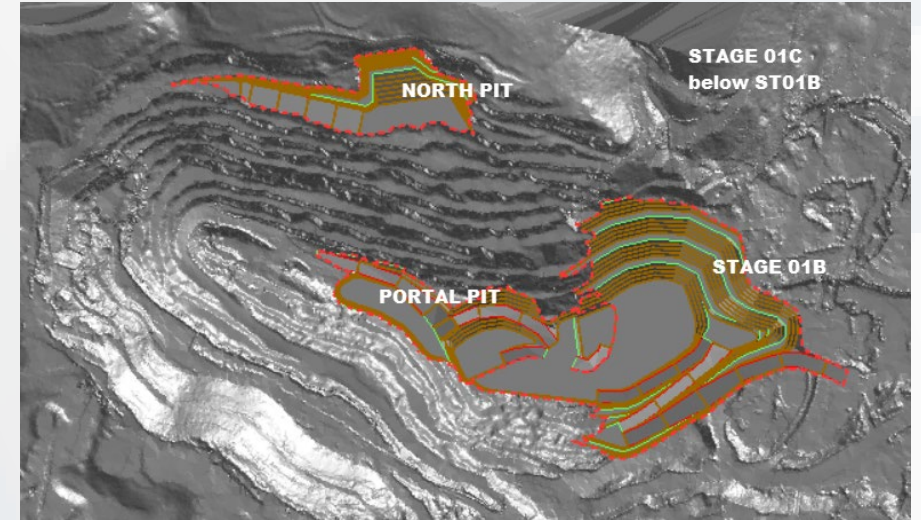
# Accelerating High Grade Ore from Open Cut Pit

Higher grade increases production and lowers unit cost

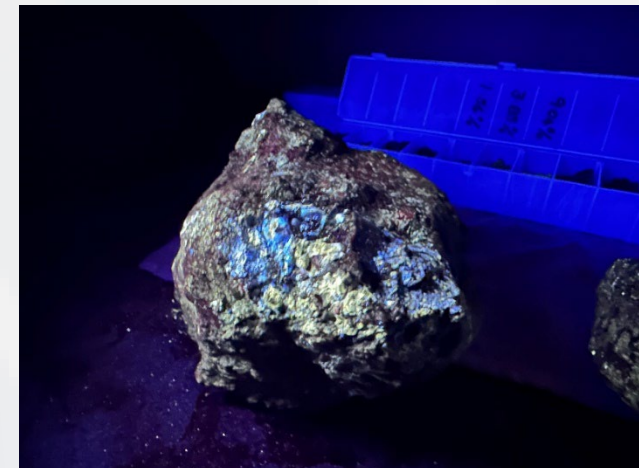


- Optimising the initial 16-month open pit mine plan to bring forward higher grade ore averaging 0.85% WO<sub>3</sub>
- Reducing overall open cut pit material movements over this period, from 123 kBCM per month to 37 kBCM in H2 CY 2024
- Targeting 271,853 mtu's of WO<sub>3</sub> production in FY 2025 from lower-cost open pit mine operations.

Note: (1) Refer to the "Forward Looking Statements" on the disclaimer slides of this Presentation for further details.



Stage 1 Dolphin Open Cut Pit



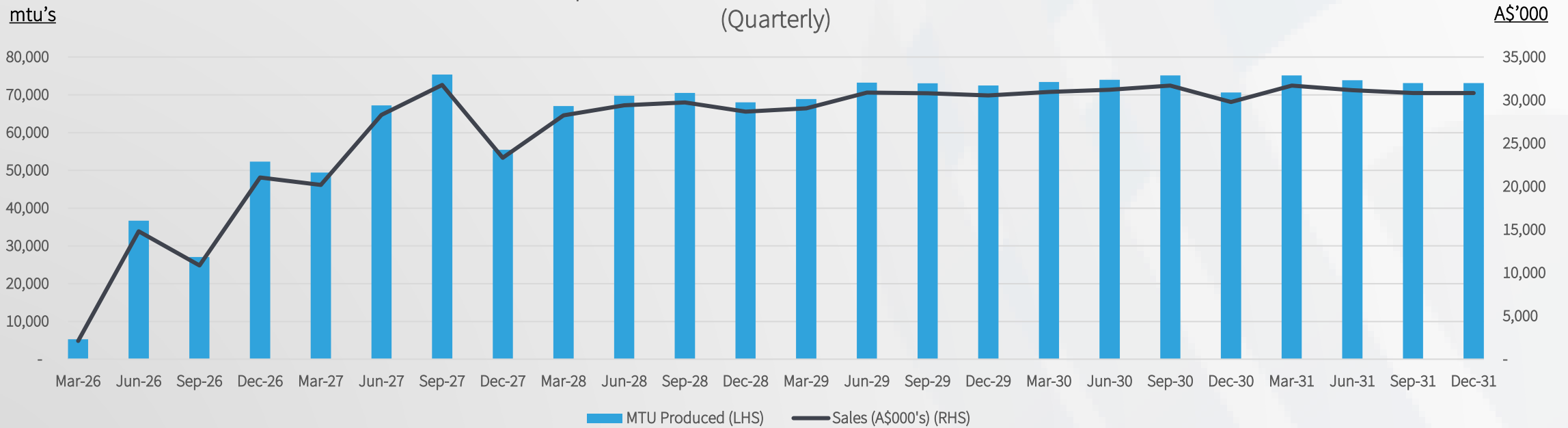
High Grade Rock Sample from "Portal Pit"  
(estimated grade 2.5% WO<sub>3</sub>)

# Transitioning to World Class UG Operation

High grade UG production targeted to commence in 2026

- Commence UG development in H2 2025, with ore production targeted to start in early 2026
- Over six years of high-grade production averaging 1.23% WO<sub>3</sub>
- Potential to extend UG mineable resources once mining commences

Dolphin UG – Saleable Production & Revenue<sup>1</sup>  
(Quarterly)



Note: (1) Refer to the "Forward Looking Statements" on the disclaimer slides of this Presentation for further details.

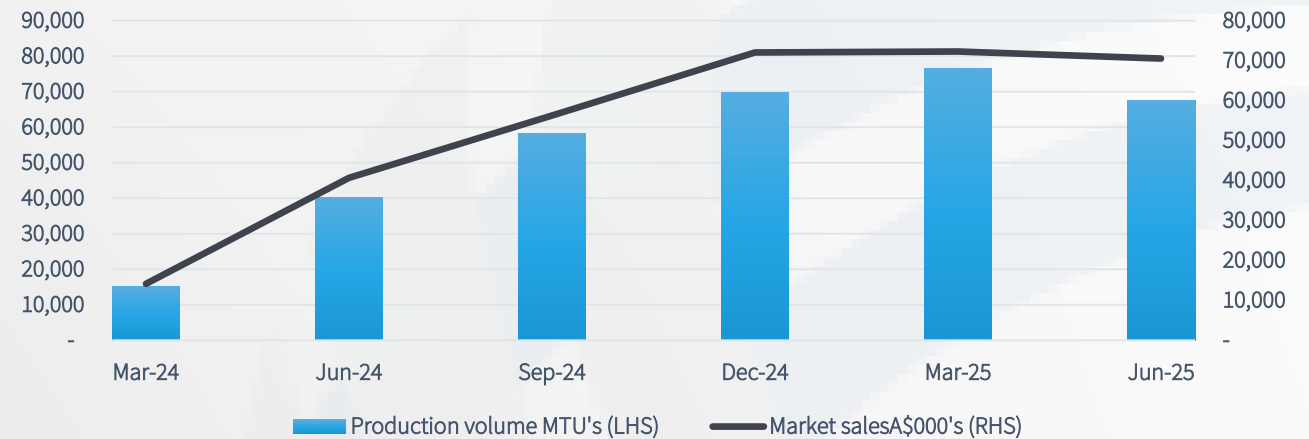
# Increasing production from Process Plant

High-grade ore brought forward, increasing early cash flow

- Producing high-grade concentrate at 63% WO<sub>3</sub>
- Continuously improving process plant utilisation and throughput planned at 75%
- Improving recovery through plant optimisation and increasing head grade.
- Head grade forecast to increase to an average of 1.12% WO<sub>3</sub> for H2 2024
- Production targeted to increase to more than 70,000 MTUs per quarter for the December 24 and March 25 quarters
- Average LOM All-In-Cost of A\$296 per mtu of WO<sub>3</sub> sold
- Opportunities for ore sorting and bolt-on alkali leach ST plant to treat low-grade ore/concentrate and increase overall recovery by approximately 20%

Note: (1) Refer to the "Forward Looking Statements" on the disclaimer slides of this Presentation for further details.

WO<sub>3</sub> Production Volumes to Revenue - Quarterly<sup>1</sup>



Spirals and Derrick Screens



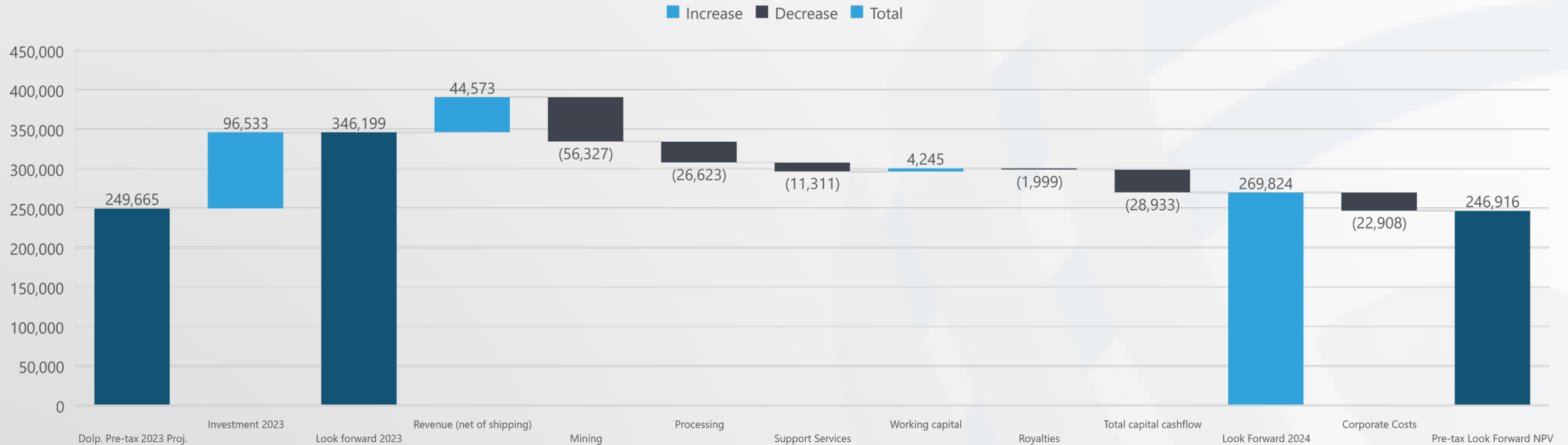
Concentrate Dryer and Magnetic Separator



Concentrate product loaded for dispatch  
January 2024

# 2023/2024 NPV Comparison

Compelling project economics with pre-tax NPV of \$232,093 (including corporate overhead)



## Derivation of 2023 Project NPV

Items	(A\$ 000's)
Look forward NPV as at 31 March 2023	346,199
Less: Investment up to 31 March 2023	96,533
<b>Dolphin Pre-tax 2023 Project NPV (as at 31 March 2023)</b>	<b>249,665</b>

# NPV Updated

Description	Unit	2023	2024	Comments
Waste	000's Bcm	10,508	8,307	Decreased due to overburden in advance (depletion) and re-blocking of the geology model, partially offset by inclusion of Bold Head
Ore Feed	000's tonnes	4,546	4,564	Inclusion of Bold Head ore netted off by re-blocking of the geology model and increase to the dilution assumptions
<b>Saleable Production</b>	<b>MTU</b>	<b>3,273</b>	<b>3,266</b>	Saleable production remains the same
FX	AUD/USD	0.667	0.675	Long term FX assumed based on general market consensus
Average sell price per MTU in concentrate	AUD	392	413	Assumed APT price is U\$300 per mtu (current price) until October 2024, increasing to U\$340 until October 2025 and to U\$365 for life of Mine. APT price achieved \$355 per mtu in May 2022.
		<b>2023 NPV</b>	<b>2024 NPV</b>	
<b>Net Revenue</b>	<b>AUD M's</b>	<b>773</b>	<b>818</b>	
Mining Costs	AUD M's	(152)	(208)	Revised costs inputs for labour, FIFO, energy, fuel, explosives and other consumables to reflect current costs. Inclusion of Bold Head mining costs.
Processing costs	AUD M's	(107)	(134)	Revised cost inputs for labour, FIFO, energy and other consumables to reflect current costs. Revised assumptions on key plant operating parameters – increasing the duration of process plant operation and associated fixed costs .
Support costs	AUD M's	(31)	(42)	Increased costs to support remote island operations – Material increases in labour and insurance costs.
<b>Operational EBITDA</b>	<b>AUD m's</b>	<b>483</b>	<b>434</b>	
Corporate	AUD M's	-	(23)	Corporate costs have been included in the financial model.
<b>EBITDA</b>	<b>AUD M's</b>	<b>483</b>	<b>411</b>	
Royalties and working capital	AUD M's	(85)	(83)	Royalties have increased due to increased revenue. This increase has been offset by decreases in working capital.
Capital	AUD M's	(52)	(81)	Net increase in capital and capital sustaining costs caused by; capital expenditure since March 2023, reduction in TSF construction costs, removal of sunk cut off wall (Stage 2 open cut), offset by capital expenditure on Dolphin UG development cost increase, renewable power station development & Bold Head development costs.
<b>Pre-tax NPV</b>	<b>AUD M's</b>	<b>346</b>	<b>247</b>	
Tax	AUD M's	(99)	(40)	Tax has reduced due to the lower profitability and increase in estimated carried forward losses
<b>Post tax NPV</b>	<b>AUD M's</b>	<b>247</b>	<b>207</b>	

# Enhanced Metal Recovery Opportunities

Seeking to extract more value in a higher cost environment

- ▶ Sodium Tungstate Plant (ST)
  - Evaluating plans to upgrade low-grade concentrate using an ST plant, which would replace/integrate into the back end of the existing APT plants
  - ST plant would be used to extract tungsten from the tailing stream, producing higher grade tungsten product with less deleterious minerals
  - Expected increase recovery by 15-20% and higher payability for  $WO_3$  units sold

## Ore Sorting

- ▶ Re-evaluation of Ore Sorting;
  - ✓ Based on previous test work there is potential to significantly increase plant feed head grade
  - ✓ Mining Operations now provide access to representative samples for testing
  - ✓ Sorting will increase  $WO_3$  production by enabling processing of ore currently below plant cut-off grade.
  - ✓ G6M is in discussions with industry-leading OEMs, with test work underway



Image of a Sodium Tungstate (Atmospheric Alkali Leach) Plant



Image of a Scheelite Ore Sorting Plant

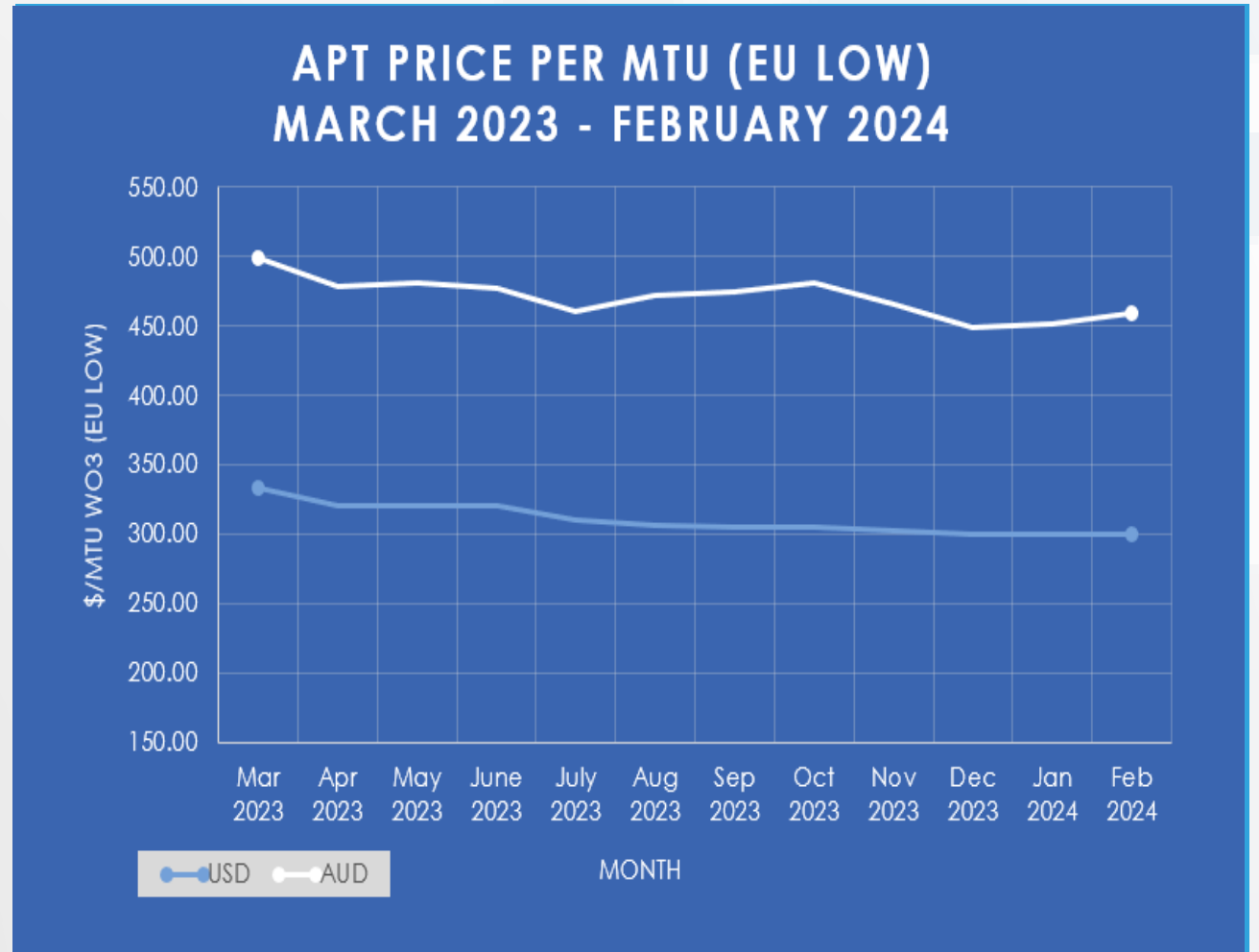
Note: Photos are representations of the plant described, not the property of G6M

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# Tungsten Market

Tungsten prices remaining stable at relatively high levels.

- Tungsten concentrate pricing is referenced from the Ammonium Para Tungstate (APT) price published weekly by Fastmarkets, Argus and other market publications
- Tungsten prices have remained stable, staying well above historical averages despite de-stocking and lower trading activity in 2023, suggesting strong underlying market fundamentals.
- The average cost of production for Chinese producers in 2023 is increasing due to diminishing economic reserves, global inflationary cost pressures and stricter regulatory requirements
- Achieved a price of A\$338 per mtu  $WO_3$  sold for the December 2023 quarter.
- Resumption of normal trading volumes expected in 2024 to support anticipated positive price movement



Source: Fastmarkets Metal Bulletin – CIF Rotterdam.

# Tungsten: A Strategically Important Critical Mineral

A mineral of growing strategic importance

- Tungsten is ranked by the British Geological Surveys, various US Departments, the European Commission, Japan, Russia and **Australia as a 'critical' mineral:**
  - Due to its economic importance
  - Supply risk – dominance of China in the market
  - Inability to be substituted
- **Tungsten’s growing strategic importance:**
  - Defence consumption forecast to double over the next 5 years
  - In 2022, the Biden Administration announced it was working to increase US stockpiles of critical minerals, including tungsten
  - Defence Production Act Title III passed in US Congress gives Australia “domestic” status US Government investment.
  - G6M engaging with Dept of Defence to investigate potential opportunity to supply tungsten to US Strategic Stockpile



*“The U.S. Army will boost production of 155mm artillery shells more than sixfold to 85,000 a month by fiscal 2028, according to the service’s undersecretary”*

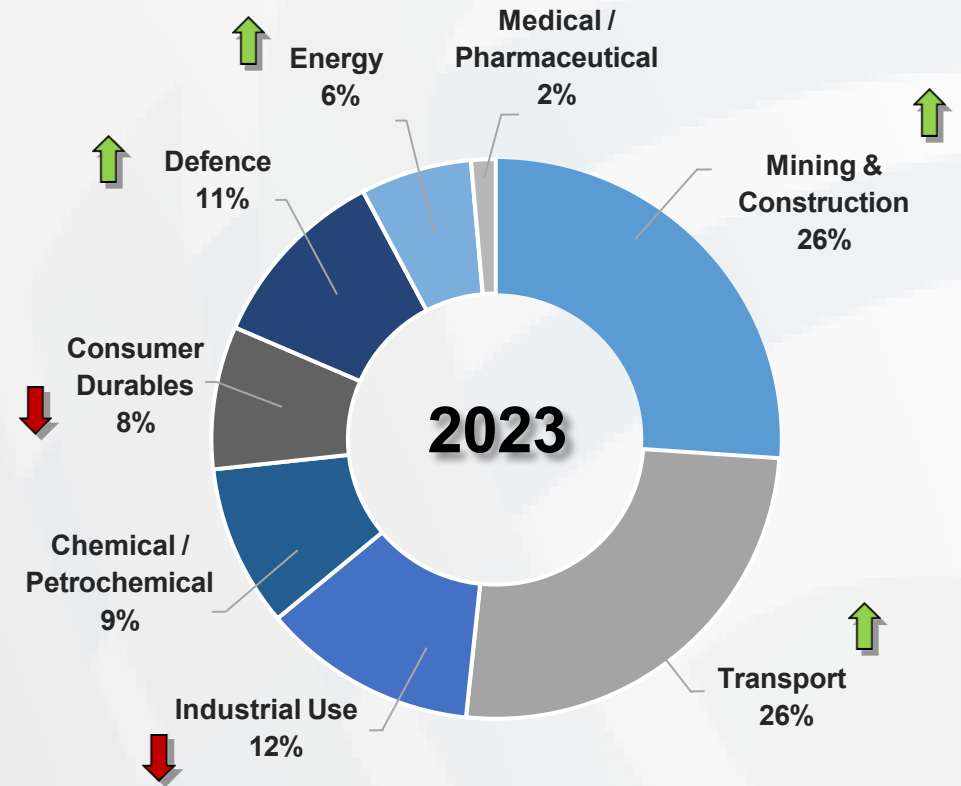
Source: Defence News “US Army eyes sixfold production boost of 155mm shells used in Ukraine” 29<sup>th</sup> March 2023



# Supply and Demand For Tungsten

Estimated 4.3% growth in demand in 2023, defence a significant driver

- 1 **Mining and Construction** – Primarily used in drill bits, hammers and tunnel-boring machines, mining and construction was the most tungsten consuming segment in 2021
- 2 **Automotive** – Cutting tools are abrasion resistant able to withstand higher temperatures, and used in applications where steel tools would wear quickly. Tungsten is widely used for machining in engines and prominent in electric vehicles
- 3 **Industrial** – Used in applications where steel tools would wear quickly, such as high-quantity and high-precision production. Significant growth estimated in Silicon and PV wafer production using tungsten wire for cutting.
- 4 **Energy** - Used in a wide range of applications in both the renewables and O&G industry. Critical input for equipment needing the ability to withstand significant pressure, such as drill bits and well logging. Particularly strong growth to come from renewables construction, primarily wind turbines and solar panels
- 5 **Defence and Aerospace** – Used in a wide range of counterweights for satellite and helicopter blades, missiles, and cockpits to increase the efficacy of vibration-warning control. Significant growth in demand is expected following increasing defence budgets in light of Russia’s military activity in Ukraine



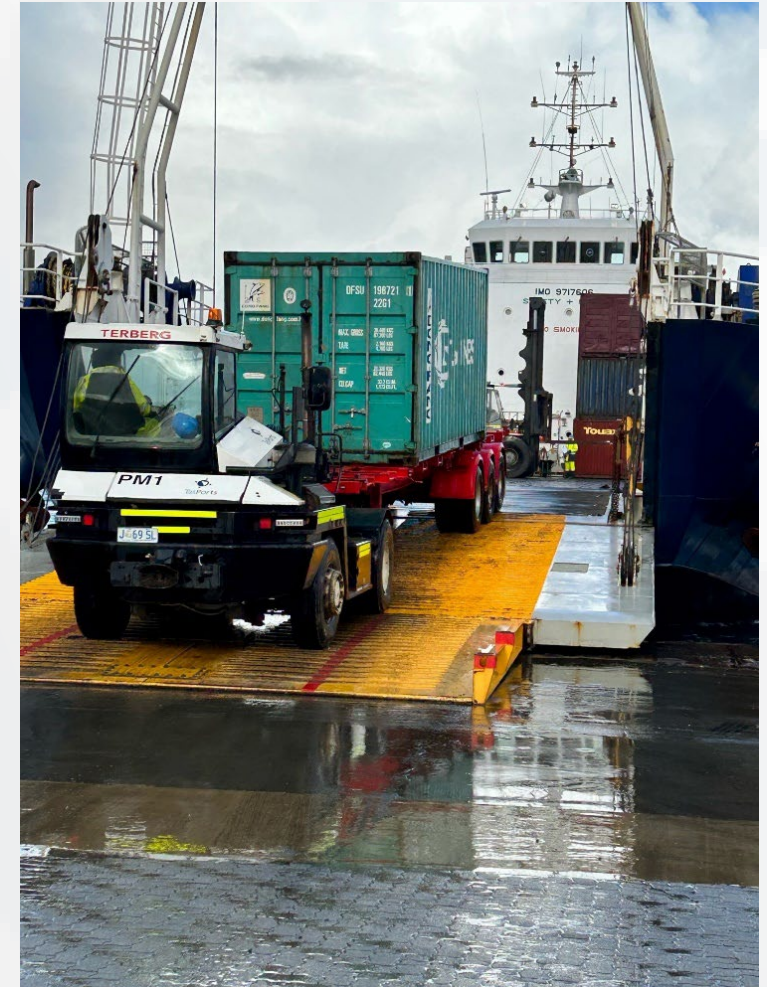
Source: SRM Tungsten End of Use Updates (April 2023)

- **Defence spending** – NATO 2% of GDP guideline and requirement to replenish ammunition because of the Ukraine – Russia conflict
- **Strategic stockpile** – The US strategic stockpile is expected to deplete by 2025; therefore, it will need to be restocked in the near term
- **Commercialisation of new industrial applications** such as tungsten Niobium batteries and tungsten hexafluoride gas

# Offtake Agreements

Sales have commenced to established industry participants

- Wolfram Bergbau und Hütten AG – a world-leading supplier of tungsten powders and a subsidiary of the US\$28 bn market cap Sandvik Group (STO: SAND)
- Traxys, a leading international physical commodity trader headquartered in Luxembourg, engaged in the sourcing, trading, marketing and distribution of non-ferrous metals, ferroalloys, minerals and industrial raw materials
- Combined agreements accounted for approximately 47% of average annual forecast production over the contracted period due to UG production being bought forward. (This has changed from the previous update of c. 59% because more MTUs are planned to be available for sale in the contract period due to the mine plan change.)
- G6M will receive the APT price as published by commodity price reporting agency Fastmarkets, which is then multiplied by an assumed average payability factor across current agreements and spot market forecasts
- Samples are being provided to other ammonium para tungstate producers to increase committed sales under offtake once production reaches a steady state targeted in H1 2024



Logistics chain established and proven from King Island

# Dolphin Mine Reserves and Resources

Long mine life with significant exploration upside to potentially extend project life

## Indicated Resource<sup>1</sup>

**Dolphin** – 9.6M tonnes @ 0.90% W<sub>3</sub>  
(0.20% cut-off)

**Bold Head** – 1.6M tonnes @ 0.91% W<sub>3</sub>  
(0.50% cut-off)

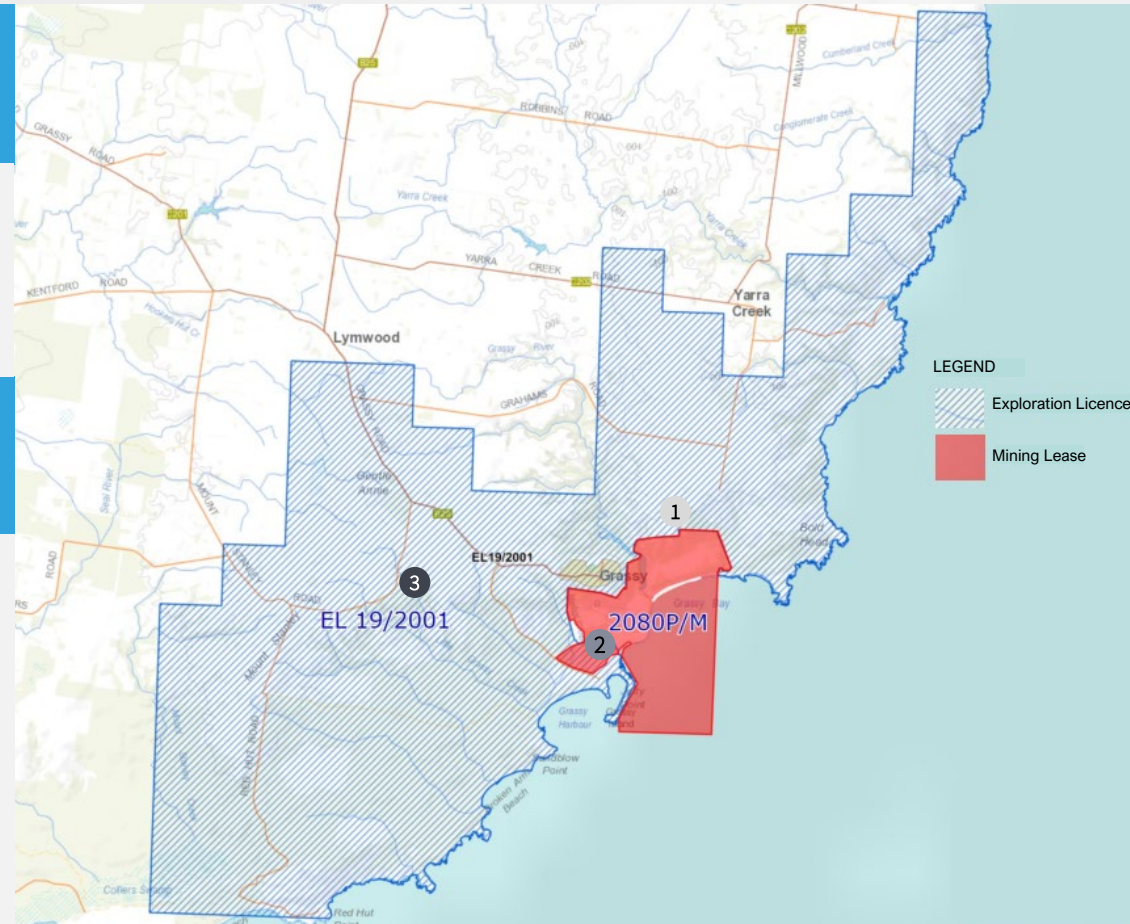
## Probable Reserves<sup>2</sup>

**Dolphin OC** – 2.9M tonnes @ 0.76% W<sub>3</sub>  
(0.20% cut-off)

**Dolphin UG** – 1.5M tonnes @ 1.24% W<sub>3</sub>  
(0.70% cut-off)

**Bold Head OC** – 0.05M tonnes @ 1.0%  
W<sub>3</sub> (0.70% cut-off)

**Bold Head UG** – 0.39M tonnes @ 0.9%  
W<sub>3</sub> (0.70% cut-off)



Open-cut Dolphin is the first ore body, with significant potential to extend mine life on underexplored land located on the current mining lease:

- 1 Maiden Reserve at Bold Head adds to the tungsten Reserve on completion of Feasibility Study<sup>3</sup>
- 2 Dolphin underground mine (extension beyond open-pit) producing c.264kt pa at an average grade of 1.24%
- 3 A drilling campaign in 2018 successfully found scheelite at the Investigator deposit (6km west of Dolphin), with similar geology to the Dolphin Mine. Another round of drilling was completed in April with assay results pending.

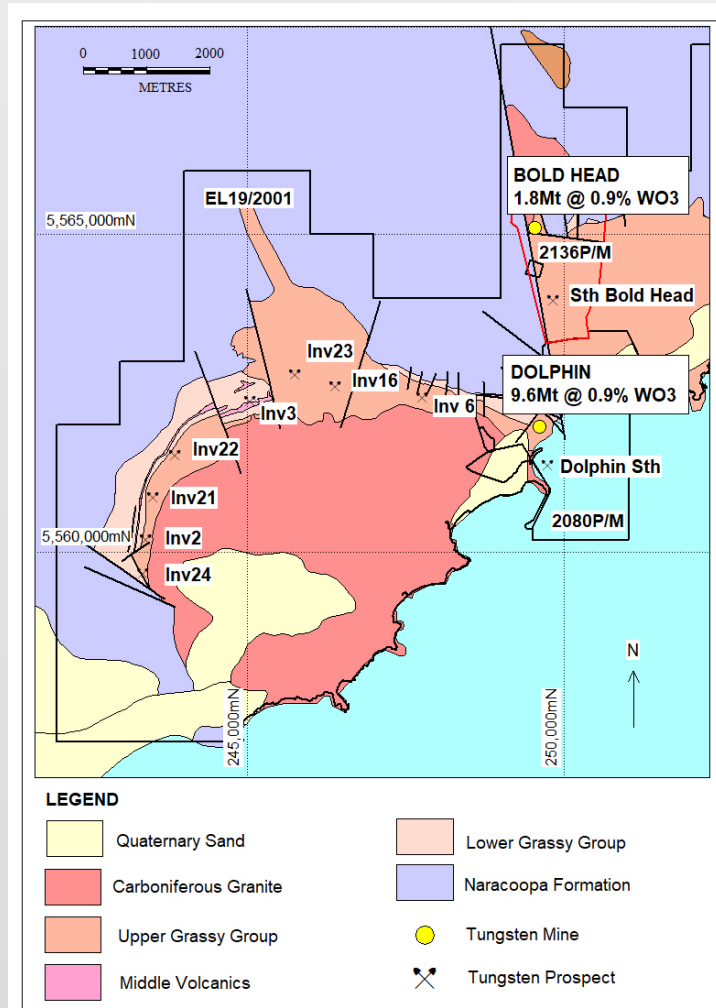
1. Source: Increase in Tungsten Resources 26 September 2019 and Updated Resources Statement 24 April 2015

2. Source: Bold Head Maiden Mineral Reserve Estimate, 26<sup>th</sup> June 2023, Revised Feasibility Study, 16 December 2020 & Revised Mineral Resource, 3 June 2019

3. Refer to ASX Announcement dated 26<sup>th</sup> June 2023 - "Bold Head Maiden Mineral Reserve Estimate".

# Resource Expansion beyond Dolphin

World-Class High-Grade Skarn with 9km strike length

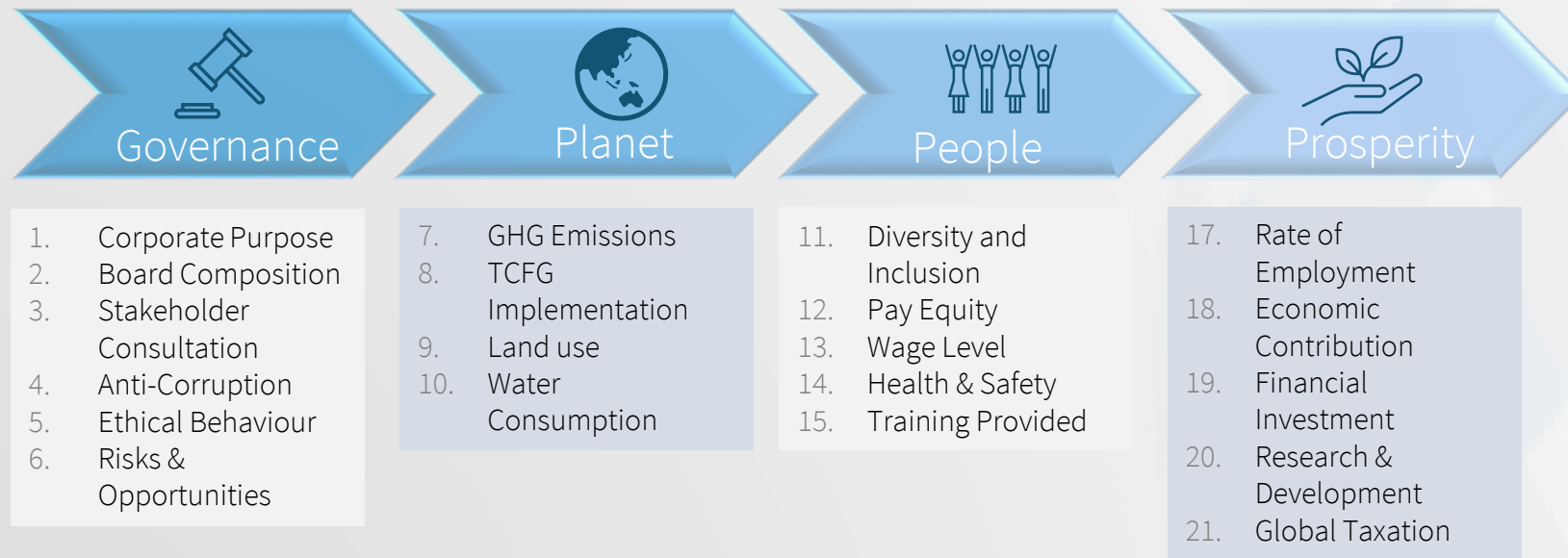


- **Two high grade tungsten resources discovered;**
  - Dolphin pre-mining resource of 24.1Mt @ 0.8% W03
  - Bold Head pre-mining resource of 2.9Mt @ 0.8%
- **Maiden Reserve estimate completed for Bold Head increasing overall reserves by 10%**
  - Proposed small high grade open pit followed by underground to supplement Dolphin ROM ore
- **Regional prospectivity in 9Km of Grassy Group/Granodiorite contact**
  - Geopeko completed regional mapping, soil sampling and 500m spaced and stratigraphic drilling 1970-1980
  - Limited exploration since 1980s
  - Discovered Investigator 21 - Undertaking 100m x 100m infill drill pattern.
  - Potential to discover several Bold Head size deposits

Note: (1) Refer to the "Forward Looking Statements" on the disclaimer slides of this Presentation for further details.

# Sustainability

Group 6 Metals is committed to operating as a responsible and sustainable tungsten mining business within the community. We recognize the impact our operations have on the environment, society, and economy, and strive to minimize our negative footprint while maximizing positive contributions.



Group 6 Metals is committed to the principles of ESG as the most effective means of creating long-term enterprise value and addressing the societal priorities enshrined in the United Nations' Sustainable Development Goals.

## Achievements to Date

- Increased regional employment opportunities
- Supporting local business and enterprises through construction
- 37.28Ha of land committed as Conservation Covenant area
- Commitment to renewable energy solution to decarbonise mine operations

## FY2024 Focus

- Engaging in a comprehensive materiality assessment to gauge environmental, social, and governance (ESG) impacts across our business, incorporating stakeholder feedback.
- Conducting an ESG materiality assessment to prioritize key sustainability issues for our business and stakeholders.

**KEITH MCKNIGHT**  
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