JUNE 2021 QUARTERLY REPORT

Hyperion Metals Limited (ASX: HYM) ("Hyperion") highlights during and after the June 2021 quarter were:

- Secured the rights to the patented GSD technology for producing low-cost spherical titanium powders for 3D printing
- Established a technology partnership with EOS GmbH, a global leader in industrial 3D printing, aiming to accelerate the deployment of Hyperion's HAMR and GSD technologies to produce low cost, low carbon titanium metal and powders
- Signed a MOU with Energy Fuels that aims to build an integrated, all-American rare earths supply chain. The MOU will evaluate the potential supply of rare earth minerals from Hyperion's Titan Project to Energy Fuels for value-added rare earth processing at their operational White Mesa Mill
- Outstanding technical advancement at the Titan Project, including delivery of initial Phase 3 drilling results, progression of metallurgical test work, commencement of scoping study and significant growth in the Titan Project area to approximately 6,000 acres
- First results from the Phase 3 drill program at the Titan Project included the thickest, highest grade intercepts received to-date, highlighting the consistency of mineralization over ~3.6km strike length
- Established leading Capital Markets and Scientific and Technology Advisory Boards to advance strategic partnerships for financing, development, and operational activities as well as accelerate the research, development and commercialization of our patented titanium technologies

Anastasios Arima, CEO & Managing Director of Hyperion Metals said:

"We had a breakout quarter at Hyperion Metals – we made exceptional progress and we achieved a number of milestones that will deliver significant shareholder value.

We secured the rights to the breakthrough GSD titanium metal powders technology that offers the potential to materially reduce the cost of producing metal powders for 3D printing. Titanium metal is the superior metal for a wide range of advanced applications, from aerospace to defence, and with lower prices it will also be the logical choice for industrial applications, electronic consumer products and electric vehicles.

We announced a technology partnership with EOS GmbH, a global leader in 3D printing, that aims to accelerate the commercialization of Hyperion's patented HAMR and GSD titanium metal and powders technologies. EOS shares our goal of developing sustainable, low carbon and low-cost titanium metal and powders supply chains.

Our Titan Project in west Tennessee grew by 59% in size and we continued to rapidly define widespread, shallow high-grade mineralization in one of the world's best located regions for a critical mineral project. This area is already infrastructure rich, with close access to excellent roads, rail, river, power and skilled labour. Electricity and skilled labour costs are significantly below Australian comparables. We expect to announce a maiden JORC Mineral Resource this quarter and we plan to continue to aggressively grow this resource over time.

We have made excellent progress on offtake discussions for our high value products. The U.S. is the second largest global market for mineral sands and is currently ~94% import dependent. Strong global demand and major supply disruptions have led to very tight market conditions and our potential U.S. customers are looking to diversify and re-shore their sourcing of critical minerals. We announced an MOU with Energy Fuels to evaluate the potential supply of rare earth minerals from Hyperion's Titan Project to Energy Fuels.

I want to thank my team, our Advisory Board members and our consultants for their significant efforts over the quarter. We are in a strong financial position with $2.3 million cash and up to $2.5 million to be received this quarter through the exercise of listed options.

Hyperion's goal is to build an all-American vertically integrated ore-to-metal titanium business, with the highest quality and environmental standards across the full supply chain. We have already made outstanding progress towards this goal - and we are working on a range of exciting developments to accelerate our progress."

For further information, please contact:

Anastasios (Taso) Arima, *CEO and Managing Director*
+1 347 899 1522
info@hyperionmetals.us

Dominic Allen, *Corporate Development*
+61 468 544 888
info@hyperionmetals.us

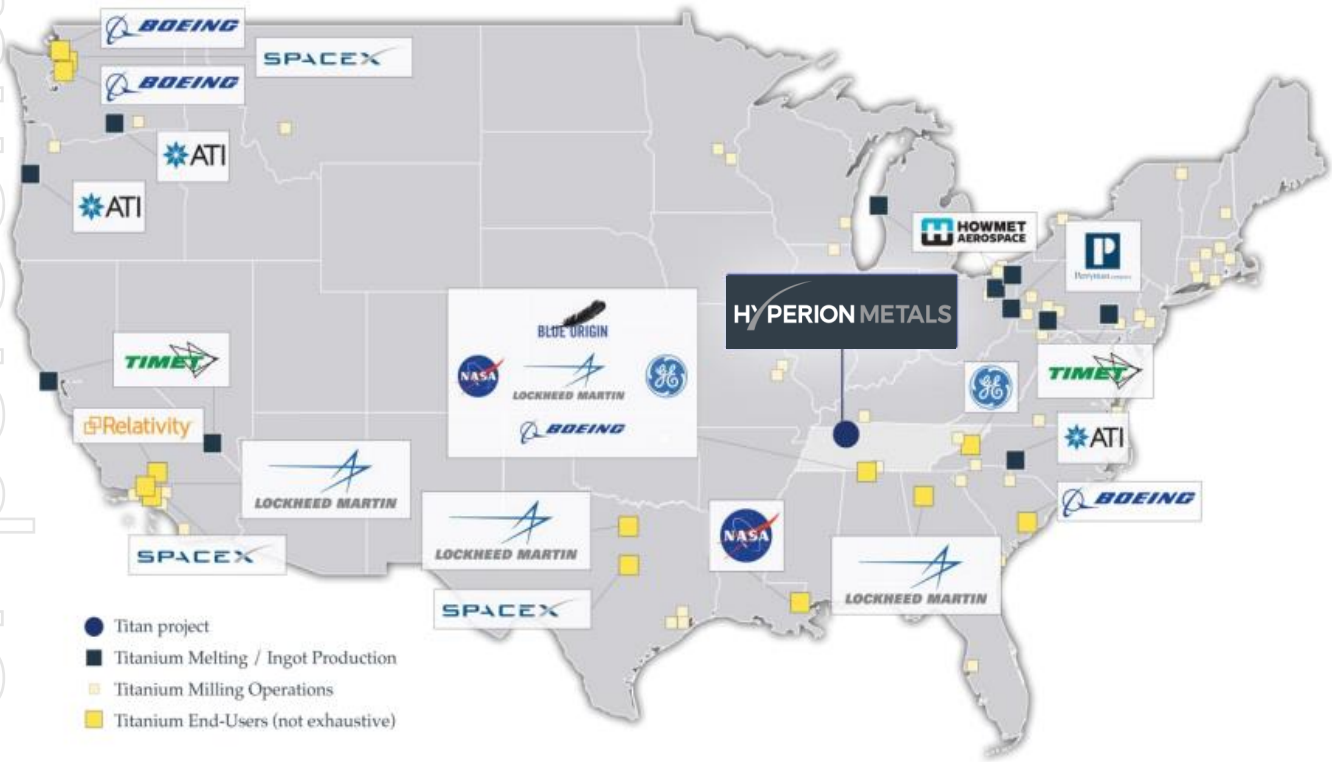

Figure 1: Titanium ingot producers and major U.S aeronautic and space manufacturing facilities

TECHNOLOGY PARTNERSHIP WITH EOS

After the end of the quarter, Hyperion announced the execution of a Memorandum of Understanding ("MOU") for a technology partnership with EOS GmbH, the world's leading solution supplier for industrial 3D printing of metals and plastics. The technology partnership aims to accelerate the deployment of Hyperion's patented Hydrogen Assisted Magnesiothermic Reduction ("HAMR") and Granulation-Sintering-Deoxygenation ("GSD") technologies for the potential production of low cost, low-to-zero carbon titanium metal and powders. The collaboration will focus on:

- Technical and economic evaluation of powders produced via the HAMR and GSD processes for use in additive manufacturing as compared to the current titanium metal powders;
- Recyclability of titanium metal powders using the HAMR and/or GSD technology processes; and
- Environmental and sustainability evaluation of powders produced via the HAMR and GSD processes for use in additive manufacturing versus other production processes.

ENERGY FUELS RARE EARTH SUPPLY CHAIN

During the quarter, Hyperion signed a strategic MOU to establish a partnership with Energy Fuels (NYSE:UUUU) that aims to build an integrated, all-American rare earths supply chain. The MOU will evaluate the potential supply of rare earth minerals from Hyperion's Titan Project to Energy Fuels for value added processing at Energy Fuels' operational White Mesa Mill.

Rare earths are highly valued as critical materials for magnet production essential for wind turbines, EVs, consumer electronics and military applications. Monazite is a highly valuable rare earth-bearing mineral, planned to be produced at the Titan Project.

Under the MOU, the parties have agreed to negotiate a definitive sales agreement for supply of Monazite. In addition, subject to Hyperion supplying Energy Fuels with a sufficient quantity of Monazite from the Titan Project within a reasonable period of time, Hyperion and Energy Fuels will evaluate entering into a joint venture or other similar arrangement whereby Hyperion would participate with Energy Fuels, and potentially other parties, in the continuing development and operation of an integrated, low-cost and sustainable independent U.S. rare earth supply chain, with monazite to be processed and separated into value-added rare earth products at Energy Fuels' White Mesa Mill.

GSD TITANIUM POWDERS TECHNOLOGY

During the quarter, Hyperion secured the exclusive rights to the patented GSD technology for producing zero carbon, low-cost spherical titanium powders. GSD is a thermochemical process for producing spherical titanium powders used in 3D printing and additive manufacturing and was invented by Dr. Z. Zak Fang and his team at the University of Utah.

GSD offers major advantages in the production of spherical titanium for use in 3D printing:

- Production of titanium and titanium alloy powders with low oxygen, controllable particle size and excellent flowability;
- Higher manufacturing yields than current processes, leading to significantly lower costs;
- Energy efficient process leading to a zero-carbon process when coupled with renewable power; and
- The ability to utilize lower cost and sustainable feedstocks including recycled titanium metal powders/scrap or HAMR titanium powders.

Hyperion already holds an exclusive license for the patented HAMR technology that is a proven method to produce titanium metal with significantly less energy than the current Kroll process. This technology was also developed by Professor Zak Fang and his team at the University of Utah with funding from the US Department of Energy.

The HAMR technology has successfully produced titanium metal at pilot plant scale at product qualities that exceed current industry standards. Detailed economic-energy analysis and process simulations indicate that the HAMR process uses ~50% less energy than the Kroll process and offers a path to dropping the cost of titanium by ~50%. Using renewable electricity, it can produce zero carbon titanium metal.

The combination of the two patented technologies - GSD and HAMR - plus the advent of wide scale industrial 3D printing capabilities offers a compelling market opportunity.

The successful scale up of these technologies could potentially produce zero-carbon spherical titanium powders at a fraction of the cost, with economic modelling indicating a reduction in costs per ton of over 75%. Oak Ridge National Laboratories reports that 3D printing can cut down manufacturers' use of raw materials by up to 90%. This quantum of efficiency and cost reduction would not just disrupt the titanium market, but also the far larger aluminum and stainless steel markets.

Titanium competes with metals such as aluminum and stainless steel for strength, and corrosion resistance, and while there are several other metals with excellent properties in these applications, none have the same combined superior properties of strength, weight and corrosive resistance as titanium.

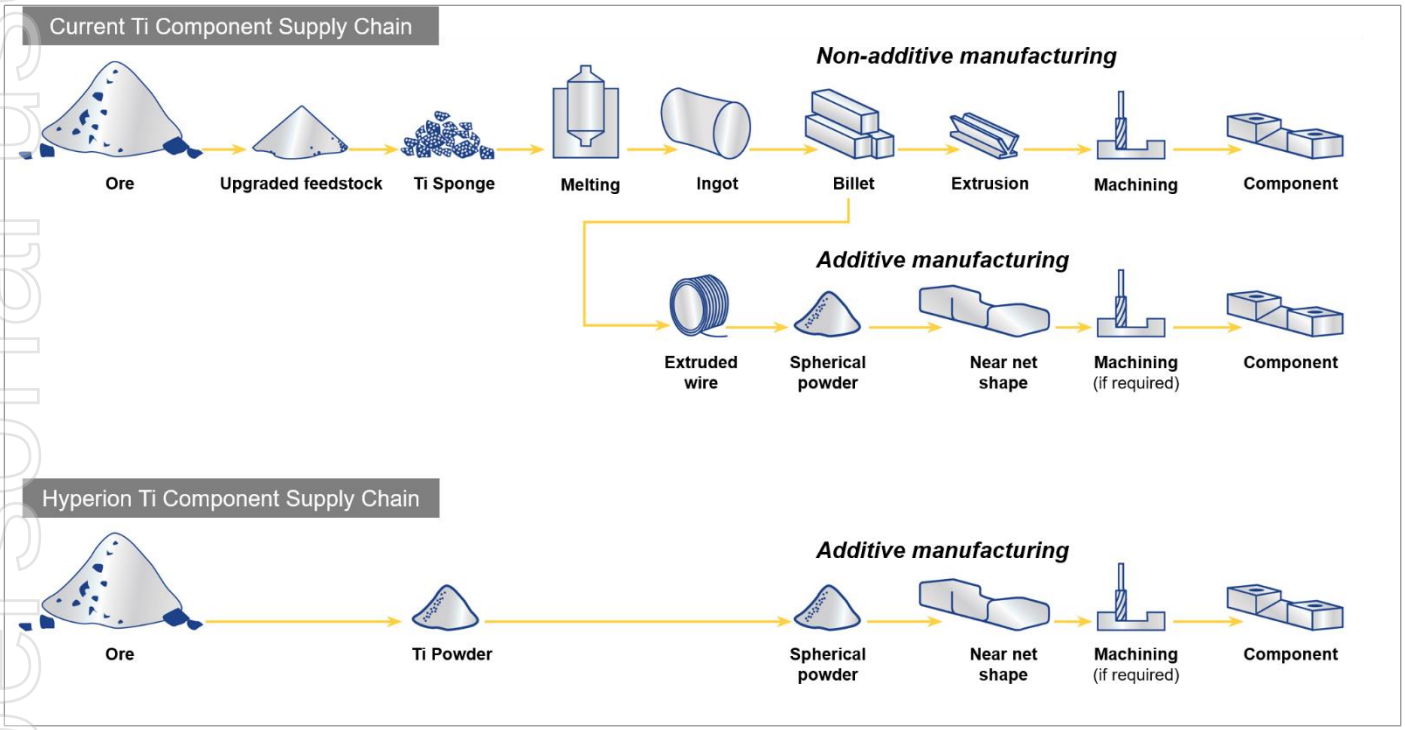

Figure 2: Current Ti supply chain vs. potential Ti supply chain utilizing HAMR & GSD technologies

The size of the global titanium primary metal market is ~US$4.2bn pa[1]. The size of the manufactured titanium part market, which would be the relevant comparator for additive manufacturing with titanium powders, is a multiple of US$4.2bn pa. The global primary stainless steel market is ~US$115bn pa[2] and the aluminum market ~US$150bn pa[3,4].

Titanium is a superior metal for a wide range of high-performance applications in the aerospace, medical, space and defense sectors. It is only cost that has held it back from being used for its superior properties in larger consumer markets such as the global transportation industry.

The patented HAMR and GSD technologies have the potential to provide a step change in the titanium supply chain process through eliminating process stages, reducing energy consumption, reducing carbon emissions and significantly cutting costs. Hyperion believes these breakthrough technologies offer a pathway to create the lowest cost, lowest carbon titanium components globally.

1 Roskill Titanium Metal 10th Edition Update 1 – November 2020
2 Alcoa Corporation Investor Presentation, May 2021
3 Outokumpu, https://www.outokumpu.com/en/investors/outokumpu-as-an-investment/operating-environment
4 MEPS, https://www.meps.co.uk/gb/en/products/world-stainless-steel-prices

TITAN DRILLING PROGRAM

During the quarter, Hyperion announced the initial results of the Phase 3 drilling program, with excellent high-grade intercepts from the first 38 holes of the program highlighting the potential to define a large, critical mineral resource at the Titan Project, and the definition of a critical mineral rich province in the USA.

The Phase 3 drill program is focused upon infill drilling at the Titan Project to delineate a maiden Mineral Resource estimate. The results received included the thickest, highest-grade intercepts to date, highlighting the potential for consistent grade and thickness of mineralization over ~3.6km strike length drilled to date. Highlights included:

Drill hole ID	Result
21-SDW-055	***48.8m @ 3.3% THM including 15.2m @ 6.5% THM and 13.7m @ 4.3% THM***
21-SDW-054	***42.7m @ 3.7% THM including 7.6m @ 7.0% THM and 13.7m @ 6.8 % THM***
21-SDW-059	***44.2m @ 3.5% THM including 10.7m @ 5.6% THM***
21-SDW-056	***45.7m @ 3.2% THM including 13.7m @ 4.6% THM and 12.2m @ 6.0% THM***
21-SDW-058	***48.8m @ 2.4% THM including 12.2m @ 6.0% THM***
21-SWW-048	***15.2m @ 7.6% THM including 6.1m @ 14.7% THM***

Table 1: Select drilling intersections highlighting very thick, high grade mineralization.

The main mineralized zone is hosted stratigraphically in the lower member of the McNairy Formation. Mineralization averages 18 meters thickness and to date has been traced for 3.6 kilometers along strike.

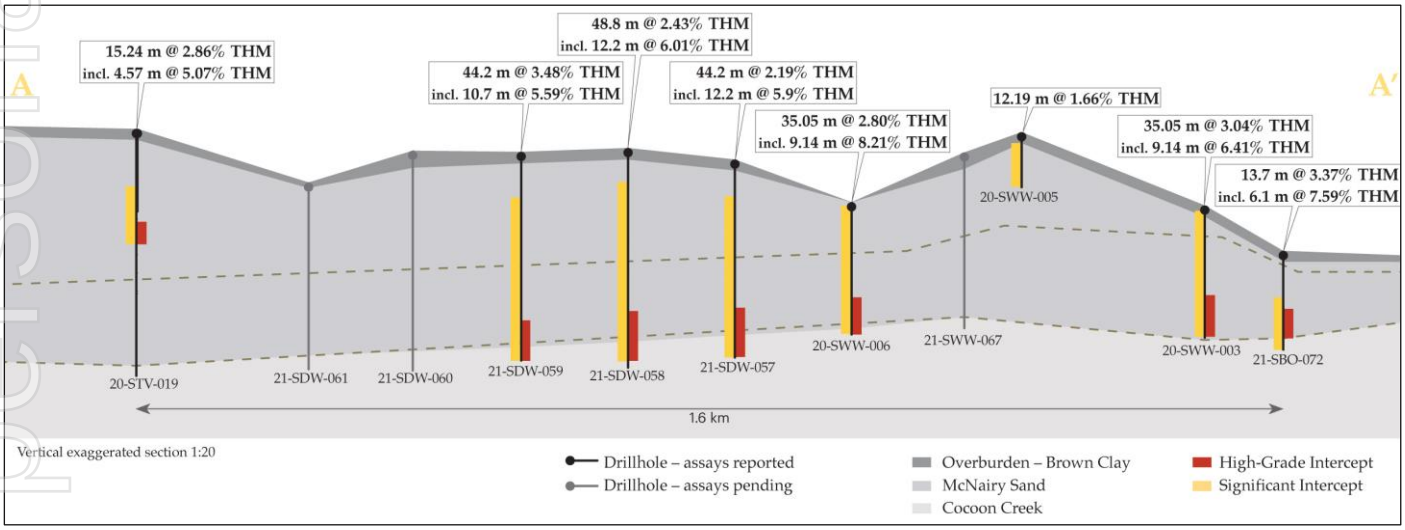

Figure 3: Cross section (A – A') displaying the thick, high grade intersections.

Further, Hyperion also completed 32 drill holes and a 1 tonne metallurgical bulk sample at its recently acquired land position in the region. The new land position includes areas which had significant drilling by DuPont, Kerr McGee, RGC / Iluka, BHP and Altair International from the 1950's to the 1990's. Exploration results from the new land position are expected to be released in the coming months.

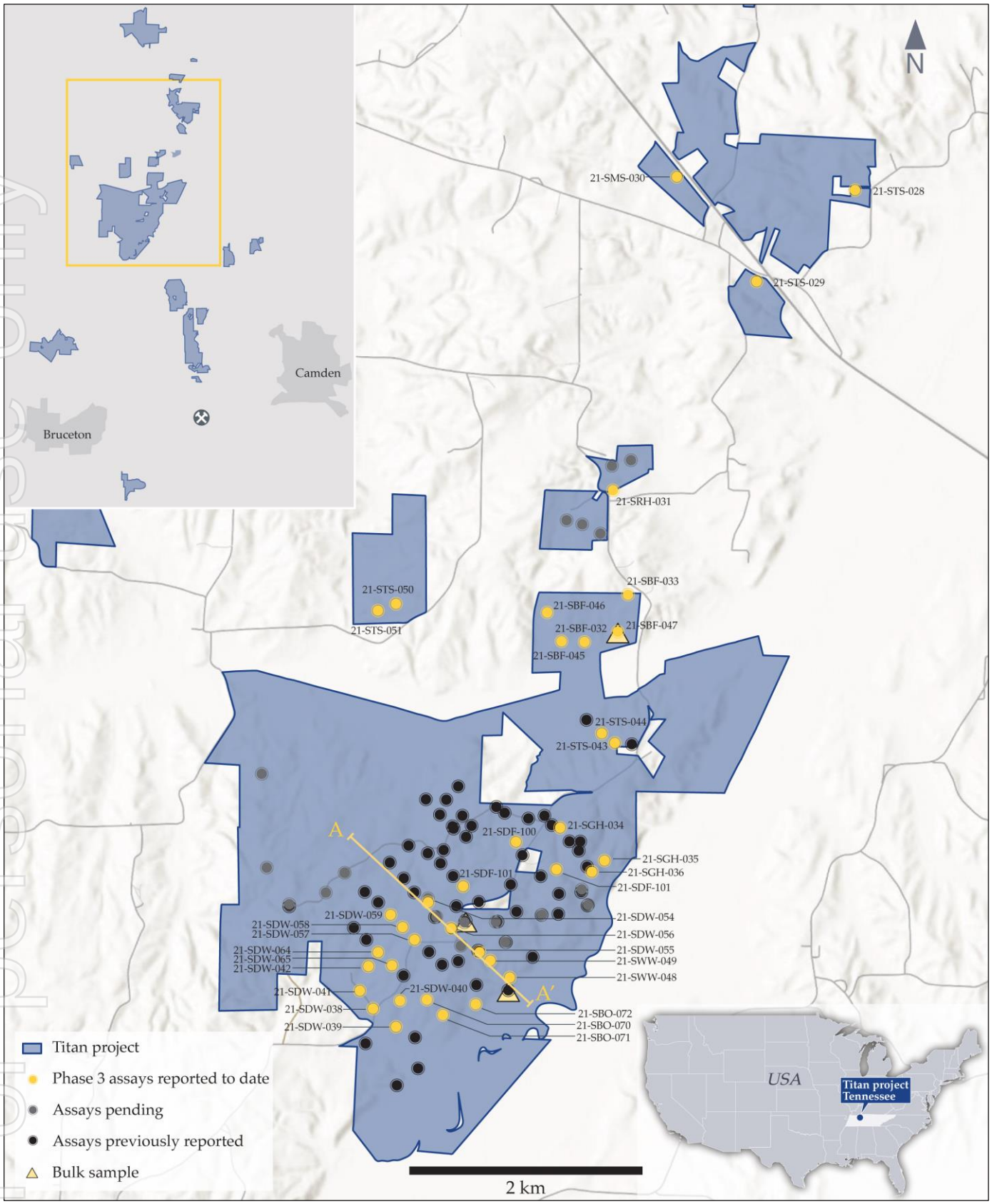

Figure 4: Map highlighting the focus area of Phase 3 infill drilling and previous bulk sample locations.

BULK SAMPLE TESTWORK

Three ~500kg bulk samples were collected and sent for metallurgical test work at Mineral Technologies Inc. lab in Starke, Florida; one of the leading mining and mineral sand processing equipment suppliers globally. Two of the bulk samples were selected from the lower mineralized unit and one sample from the upper unit at the Titan Project. All three samples were progressed through standard, spiral wet processing techniques to produce heavy mineral concentrates.

Dry processing and separation test work was then undertaken, with activities including separation through high tension roll separators, rare earth drum magnets, rare earth roll magnets and electrostatic plate separators. Initial samples have been produced, including ilmenite, leucoxene/rutile, zircon, and the rare earth element containing mineral monazite.

Analytical data for the final products will be completed by SGS Laboratories in Lakefield, Ontario, with results expected during Q3 2021, and will further inform heavy mineral concentrate assemblage data for an initial resource estimate and flowsheet development for the Titan Project.

COMMENCEMENT OF SCOPING STUDY

Hyperion engaged global engineering firm Hatch to lead the design and project management of the Titan Project Scoping Study. Hatch is a top-tier engineering firm with extensive experience in developing heavy mineral sand projects around the world for major mining companies. The Scoping Study is led by John Elder, Hatch's USA Mining and Metals Director, who has over 30 years' experience in heavy mineral sand developments and operations.

The commencement of the Scoping Study is a key step in the development of the Titan Project and will outline material physical and economic metrics as well as major development timelines.

Hyperion's Titan project is in one of the world's best regions for a critical mineral project. This area in West Tennessee has world class infrastructure, with nearby access to excellent roads, rail, river, power and skilled labour. Mineral sands projects operational costs are heavily influenced by electricity and labour costs. Electricity costs in Tennessee are a fraction of those in Western Australia and skilled labour costs are materially less.

LAND POSITION GROWS BY 59%

Hyperion increased its holdings of titanium, zircon, rare earth minerals and high-grade silica mineral sands properties at its Titan Project to 6,111 acres, a 59% increase in landholding, with the potential to be one of the United States' largest sources of critical minerals.

The additional land was secured through option agreements signed with local landowners at the Titan Project on substantially the same terms as the Company's existing option agreements.

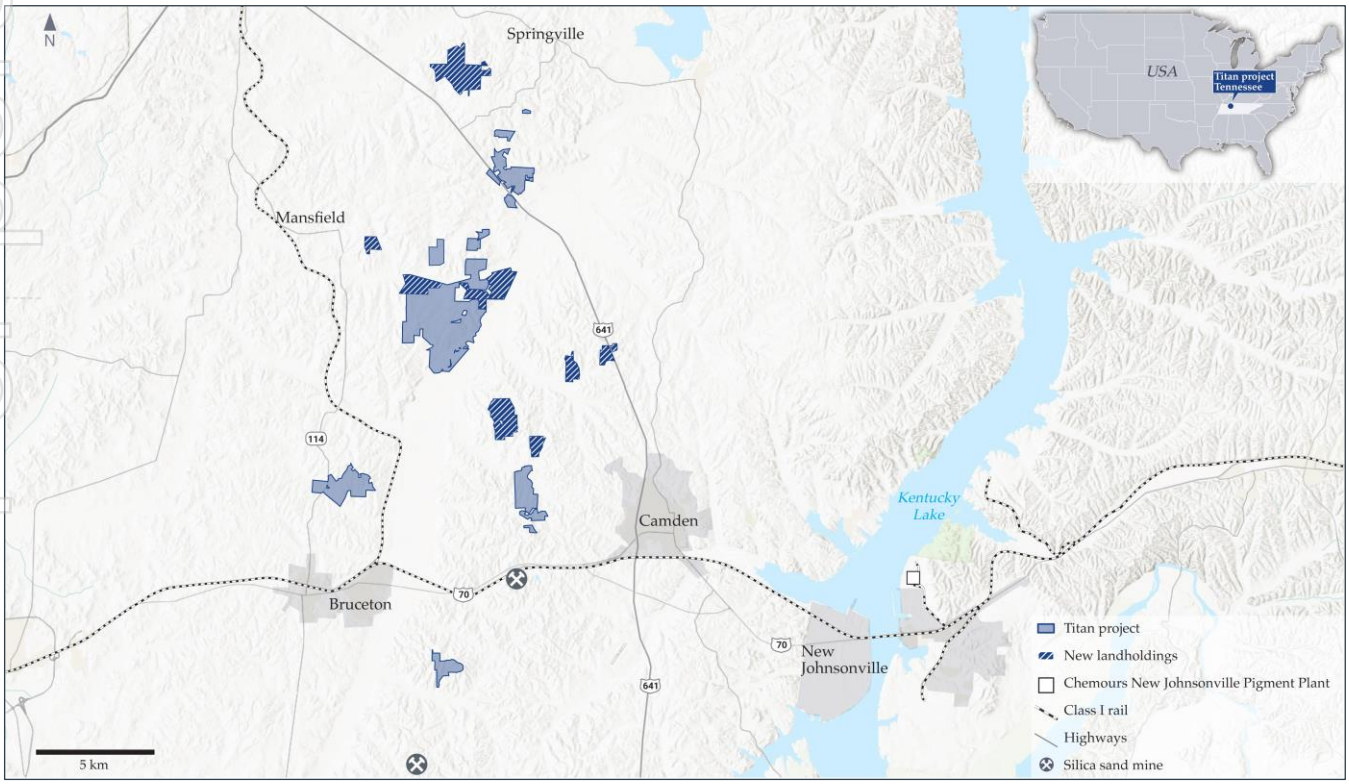

Figure 5: Titan Project location highlighting Hyperion's new landholdings

COMMENCEMENT OF SUSTAINABILITY LIFE-CYCLE STUDIES

During the quarter, Hyperion engaged Presidio Graduate School's expert consulting division, PGS Consults to commence an Environmental, Sustainability and Corporate Governance ("ESG") assessment and subsequent integration study. PGS Consults is housed in Presidio Graduate School, the country's first and only independent graduate school focused entirely on sustainability and social justice, with corporate clients including HP Inc., Flex Ltd., Granite Construction, Thermo Fisher Scientific and Domaine Chandon.

Pamela J. Gordon, Managing Director of PGS Consults and a 31-year sustainability industry veteran, is leading the engagement for Hyperion. Ms. Gordon has trained more than 1,000 engineers on three continents in competitive and cost-effective eco design, authored more than 400 articles, and delivered more than 100 keynote presentations on sustainable business practices. Ms. Gordon previously founded and ran leading management consulting firm Technology Fore-casters, Inc., which was named by the San Francisco Business Times as one of the 100 fastest growing private companies in the San Francisco Bay Area for four years in a row, with clients including Siemens, Motorola, Agilent Technologies and the Canadian government.

PGS Consults will undertake a materiality assessment, a life cycle assessment and create a playbook for ESG leadership. The review and assessment will identify priority ESG focus areas, highlight key ESG recommendations, and deliver an actionable life cycle assessment. PGS Consults will conduct the study in accordance with GRI, UN SDG, and TCFD standards.

The ESG integration study will outline material physical and economic ESG metrics as well as major development milestones and timelines. The Company expects the ESG assessment and integration study to be completed later in H2 2021.

WORLD CLASS ADVISORY BOARD

Hyperion established a Capital Markets Advisory Board and a Scientific and Technology Advisory Board to advance potential strategic partnerships for financing, development, and operational activities as well as accelerate the research, development and commercialization of our patented titanium metal and powders technologies.

Capital Markets Advisory Board

- **Todd Ruppert** – Founder and CEO of Ruppert International. Todd retired from T. Rowe Price, the global asset management firm with over $1 trillion under management, where he was CEO and President of T. Rowe Price Global Investment Services, Co-President of T. Rowe Price International, and a member of the operating steering committee of the T. Rowe Price Group. Todd is a venture partner at Greenspring Associates, a venture capital firm with over $12 billion under management. Todd is Chairman of several firms, President of London's Royal Parks Foundation, a global ambassador for the Duke of Edinburgh's International Award, and a Board member of INSEAD Business School and the Rock and Roll Hall of Fame.
- **Melissa Waller** – President of AIF Institute, an independent economic think tank focused on institutional investment policy for Chief and Senior Investment Officers and Board members of the world's largest institutional asset owners. Melissa was formerly the Deputy Treasurer and Chief of Staff for the North Carolina Department State of Treasury, and brings over 20 years of private, public and industry banking experience, including 15 years with Wachovia/Wells Fargo. Melissa currently serves as Executive Program Director for the National Institute of Public Finance, as well as Director of Public and Private Partnerships for the Kenan Institute.
- **Andy Stewart** – Industry Partner at Motive Partners, an investment platform with expertise in financial technology businesses. Andy also serves as Chief Innovation Officer at Wilshire and is Executive Chairman of Global Shares. Prior to joining Motive, Andy co-led Blackrock's Alternative Investment Platform (BAI). He helped grow the business to over $120 billion in assets and more than $1.2 billion in revenues. Andy chaired BAI's Executive Committee and was a member of the BAI Investment Committee.

- **Toby Symonds** – Advisory Board member and Senior Advisor to a range of investment management firms across private equity, hedge funds and real estate, including Sweetwater Capital Partners and Mosaic Real Estate Investors. Toby was previously a Managing Director within the predecessor firm to Point72 Asset Management, SAC Capital, and was a founding partner at both ENA Investment Capital in London and Altai Capital Management in New York. Toby brings over 18 years of leadership experience within investment management, and prior to this he spent 12 years with investment banks JP Morgan and Morgan Stanley.

Scientific and Technology Advisory Board

- **Dr. Zak Fang** – Program Director at the US Government funded Advanced Research Projects Agency-Energy (ARPA-E), focused on advanced materials and manufacturing technologies for energy production, storage, and efficiency applications. Dr. Fang is the Founder and Chief Technology Officer of Blacksand Technologies, LLC. The breakthrough HAMR & GSD technologies were invented by Dr. Z. Zak Fang and his team with funding from ARPA-E, with Boeing and Arconic as industrial partners.
- **Dr. Kesh Keshavan** – President of Blacksand Technologies, LLC and Director of Development for SuperMetalix, Inc., an R&D company that created and commercialized the synthetic superhard material Tetride, a tungsten boride composite 10x harder than steel. Dr. Keshavan previously served as a Director, Materials Engineering for Smith Bits; Technology Advisor for Schlumberger's Drilling Group; Vice President for the Advanced Materials Group at SII Mega Diamond and Vice President for GeoDiamond Engineering & Manufacturing**.**
- **Dr. Ali Yousefiani** –Technical Fellow and the Chief Scientist for Metallic Materials Technology for Boeing Research & Technology. Boeing is the world's largest aerospace company and leading manufacturer of commercial jetliners, defense, space and security systems, and is one of the world's largest consumers of titanium metal and products. Dr. Yousefiani is responsible for insertion of advanced metallic-based material technologies into current and future Boeing product platforms. He leads a wide range of cutting-edge programs aimed at the maturation of durable, manufacturable, and commercially deployable metallic airframe structures.
- **Dr. Eliana Fu** – Materials scientist with extensive industry experience in aerospace additive and traditional manufacturing at Titanium Metals Corp (TIMET). She also had roles with SpaceX and Relativity Space, who are global leaders in the application of 3D printing for rocket production for space exploration. She participated in former Los Angeles Mayor Eric Garcetti's Advanced Manufacturing Committee and is Ambassador for the Las Vegas Chapter of Women in 3D Printing.
- **Mr. Tom Witheford** – Highly experienced specialty metals executive, having spent 30 years in leadership roles including as President of Allegheny Technologies (ATI) Specialty Materials division, Managing Director Europe & Asia for GKN Powder Metallurgy, and President of Precision Castparts Corp's Special Metals division. He has deep experience across the production of metal alloys, titanium, alloy applications and 3D printing.

CORPORATE

Board Changes

Non-Executive Chairman Mr. Todd Hannigan moved to Executive Chairman of Hyperion Metals on 24 May 2021. Mr. Hannigan has over 25 years of global experience in natural resources as company founder, chief executive officer, private capital investor and non-executive director. In these lead roles Mr. Hannigan has helped build multiple billion-dollar companies in the private and public markets. He is a large shareholder and non-executive director of Piedmont Lithium Limited (Nasdaq/ASX: PLL).

Mr. Alastair Smith resigned as Non-Executive Director.

Senior Management Appointments

Hyperion appointed Dr. Hyrum Lefler as Senior Project Metallurgist to lead the commercialization of the Company's patented titanium metal and powder technologies. He will be supported and advised by Hyperion's world class Advisory Boards.

Dr. Lefler will lead the scale up of Hyperion's low cost, low carbon titanium metal and powder production. Hyperion expect to commence production of titanium products for customer and partner testing in the second half of 2021.

Company Name Change

The Company changed its name to from "Tao Commodities Limited" to "Hyperion Metals Limited".

ASX - ADDITIONAL INFORMATION

Mining properties – Titan Project

As at 30 June 2021, the Titan Project comprised of approximately 6,111 acres of surface and associated mineral rights in Tennessee prospective for heavy mineral sands ("HMS"), rich in minerals critical to the U.S, including titanium, rare earth minerals, high grade silica sand and zircon, of which approximately 137 acres are owned and approximately 5,974 acres are subject to exclusive option agreements. These exclusive option agreements, upon exercise, allow us to purchase or, in some cases lease, the surface property and associated mineral rights. During the quarter, the Company entered into new option agreements covering approximately 2,261 acres with local landowners.

Mining properties – Milford Project

Tenements held at 30 June 2021 by the Company relating to the Milford Project are:

Tenement	Location	Interest
ML-001 to ML-100, ML-051a	Utah, USA	100%
Total number of claims	101	

Mining exploration expenditures

During the quarter, the Company made the following payments in relation to mining exploration activities:

Activity	A$000
Drilling and assaying	(747)
Metallurgical test work	(180)
Geological consultants	(170)
Permitting	(114)
Technical studies	(377)
Field supplies, vehicles, travel and other	(117)
Total as reported in Appendix 5B	**(1,705)**

Related party payments

During the quarter, the Company made payments of approximately A$66,000 to related parties and their associates. These payments relate to executive directors' remuneration, non-executive directors' fees, employer 401(k) contributions, superannuation contributions and fees for services in relation to business development activities.

This announcement has been authorized for release by the CEO and Managing Director.

ABOUT HYPERION METALS

Hyperion's mission is to be the leading developer of zero carbon, sustainable, critical material supply chains for advanced American industries including space, aerospace, electric vehicles and 3D printing.

The Company holds a 100% interest in the Titan Project, covering over 6,000 acres of titanium, rare earth minerals, high grade silica sand and zircon rich mineral sands properties in Tennessee, USA. The Titan Project is strategically located in the southeast of the USA, with low-cost road, rail and water logistics connecting it to world class manufacturing industries.

Hyperion has secured options for the exclusive license to produce low carbon titanium metal and spherical powers using the breakthrough HAMR & GSD technologies. The HAMR & GSD technologies were invented by Dr. Z. Zak Fang and his team at the University of Utah with government funding from ARPA-E.

The HAMR technology has demonstrated the potential to produce titanium powders with low-to-zero carbon intensity, lower energy consumption, significantly lower cost and at product qualities which exceed current industry standards. The GSD technology is a thermochemical process combining low-cost feedstock material with high yield production and can produce spherical titanium and titanium alloy powders at a fraction of the cost of comparable commercial powders.

Hyperion has formed a technology partnership with EOS GmbH, the world's leading solution supplier in the field of industrial 3D printing of metals and plastics. The partnership aims to accelerate the deployment of Hyperion's HAMR and GSD technologies for the potential production of low cost, low-to-zero carbon titanium metal powders.

Hyperion also has signed an MOU to establish a partnership with Energy Fuels (NYSE:UUUU) that aims to build an integrated, all-American rare earths supply chain. The MOU will evaluate the potential supply of rare earth minerals from Hyperion's Titan Project to Energy Fuels for value added processing at Energy Fuels' White Mesa Mill. Rare earths are highly valued as critical materials for magnet production essential for wind turbines, EVs, consumer electronics and military applications.

Forward Looking Statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, and achievements to differ materially from any future results, performance, or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events, or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements, or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Competent Persons Statement

The information in this announcement that relates to the Titan Project Exploration Results is extracted from Hyperion's ASX Announcements dated 29 June 2021, 6 May 2021, 10 March 2021 and 7 January 2021 ("Original ASX Announcements") which are available to view at Hyperion's website at www.hyperionmetals.us. Hyperion confirms that a) it is not aware of any new information or data that materially affects the information included in the Original ASX Announcements; b) all material assumptions included in the Original ASX Announcements continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this report have not been materially changed from the Original ASX Announcements.

Appendix 5B

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

Name of entity	
Hyperion Metals Limited	
ABN	**Quarter ended ("current quarter")**
84 618 935 372	30 June 2021

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,705)	(2,612)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(405)	(919)
	(e) administration and corporate costs	(589)	(1,224)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	12
1.8	Other (provide details if material):		
	(a) business development	(253)	(376)
1.9	**Net cash from / (used in) operating activities**	**(2,949)**	**(5,108)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	(161)	(619)
	(c) property, plant and equipment	-	(1)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(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 (provide details if material):		
	(a) cash acquired on asset acquisition	-	35
2.6	**Net cash from / (used in) investing activities**	**(161)**	**(585)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,220
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	359	950
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(5)	(238)
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)	-	(3)
3.10	**Net cash from / (used in) financing activities**	**354**	**6,929**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	5,049	1,649
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,949)	(5,108)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(161)	(585)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	354	6,354

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(2)	(19)
4.6	**Cash and cash equivalents at end of period**	**2,291**	**2,291**

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	709	420
5.2	Call deposits	1,582	4,629
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)**	**2,291**	**5,049**

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	(105)
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

7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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.

Not applicable

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,949)
8.2	(Payments for exploration & evaluation classified as investment activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,949)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,291
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,291
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.8

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.

8.8 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?

Yes

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?

Yes – the Company has 12.6 million listed options on issue that expire on 31 August 2021. The options are exercisable at A$0.20 each and the Company expects to raise up to A$2.5 million through the exercise of these in-the-money options. At the date of this report, the Company has exercised 3.0 million of these options to raise A$0.6 million.

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?

Yes – the Company has 12.6 million listed options on issue that expire on 31 August 2021. The options are exercisable at A$0.20 each and the Company expects to raise up to A$2.5 million through the exercise of these in-the-money options. At the date of this report, the Company has exercised 3.0 million of these options to raise A$0.6 million.

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: 29 July 2021

Authorised by: Company Secretary
(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.