

QUARTERLY ACTIVITIES REPORT – SEPTEMBER QUARTER 2021

HIGHLIGHTS

- **Swanson Tantalum Project: Maiden JORC Mineral Resource declared 1,2Mt (Indicated and Inferred) at an average grade of 412ppm (412g/t) Ta₂O₅, 76ppm (76g/t) Nb₂O₅ and 0.29% Li₂O**
- **Swanson Tantalum Project: 1,100m drilling program is ongoing to possibly expand the Mineral Resources**
- **Swanson Tantalum Project: Bench-scale metallurgical test-work completed, with preliminary mineralogical results indicating the prospect can produce a >20% Ta₂O₅ concentrate**
- **Swanson Tantalum Project: 60 tonne bulk sample taken for commercial size plant test-work**
- **Karibib Copper and Gold Project: High grade sampling results from a grab sample program confirms mineralisation extends over the exposed rocks of a 20 km x 2 km metasedimentary structural feature**
- **Kum-Kum Nickel & PGE Project: Minerals System Approach and Geophysical Large Loop TDEM survey underway to identify geophysical anomalies**
- **Bitterwasser Lithium Project: Expert appointed to determine lithium concentrations**

Arcadia Minerals Ltd (ASX:AM7) (Arcadia, AM7 or the Company) is pleased to provide its report on activities and progress made during the September 2021 quarter:

SUMMARY OF MINING EXPLORATION FOR THE QUARTER

Swanson Tantalum Project

During the quarter exploration commenced at the Swanson Tantalum Project with drilling and bulk sample contractors being mobilised and independent Mineral Resource consultants, Snowden, being appointed to determine Swanson's maiden JORC Mineral Resource.

The drilling contractor commenced with road operations, drill pad preparation and construction of water-for-drilling infrastructure with the purpose of conducting a drilling program and to possibly extend the resource.

The drilling program was planned to consist of 22 diamond boreholes for approximately 1,100m of core over the Swanson swarm of pegmatites (which is one of a number of pegmatite swarms resident over Exclusive Prospecting Licence 5047). The drilling program follows on from an initial drilling program completed in August 2020.

A maiden JORC Mineral Resource of 1,2Mt (Indicated and Inferred) at an average grade of 412ppm (412g/t) Ta₂O₅, 76ppm (76g/t) Nb₂O₅ and 0.29% Li₂O was declared over 4 outcropping LCT pegmatites. The Mineral Resource was estimated over 4 of 15 known LCT pegmatites that lie within the Swanson Project area of 83ha out of a total 1,010ha of area that are known to contain pegmatites in the license area. A 1,100m drilling program is continuing over 11 of the 15 LCT pegmatites and a Mineral Resource update is expected in Q1/2022.

A bulk sampling program was also conducted by Spes Bona to extract 100 tons of pegmatite material. The Company plans to conduct test work over 60 tons of the bulk sample material, and the test-work is to be conducted by CoreMet Mineral Processing (Pty) Ltd, a mineral processing consultancy firm in Johannesburg, and by LightDeepEarth (Pty) Ltd, a metallurgical solutions company in Pretoria, South Africa utilising commercial size plant and equipment.

Further information can be found in the ASX announcement dated 23 September 2021.

Karibib Copper Gold Project

At the Karibib Project a grab sampling program was undertaken over a northeast-southwest trending, 1 to 2.5km wide and 20 km long structural feature discovered by Karibib on its Goas licences situated in the Karibib Gold Belt. This lies in close geological association and proximity to the producing Navachab Gold Mine and Osino Resources recent discovery at Twin-Hills.

The purpose of the sampling program was to test whether the mineralisation extends over the entire structural feature and to determine the dominant mineralisation model (skarn or vein-type) prevalent over the structural feature.

The high-grade sampling results have confirmed that the mineralisation extends over the exposed rocks of the 20km x 2 km metasedimentary structural feature.

Further information can be found in the ASX announcement dated 7 September 2021.

Kum-Kum Nickel & PGE Project

The Company engaged Dr Bjorn van der Huyden from the University of Stellenbosch to conduct a Mineral Systems Approach (MSA) by considering evidence of the geological processes required to form and preserve massive sulphide ore deposits.

A geophysical ground large, fixed loop Time Domain Electromagnetic (TDEM) survey over the Tantalite Valley Complex is currently being undertaken in conjunction with the Geophysical experts. The purpose of conducting the survey is to possibly identify massive and semi-massive Nickel & PGE sulphides at the contact between Tantalite Valley's Mafic-Ultramafic rocks and the surrounding country rock.

Further information can be found in the ASX announcement dated 23 July 2021.

Bitterwasser Lithium Project

The Company appointed Hydrological Specialist Professor Jaco Nel to determine the concentration of lithium and boron in the subsurface groundwater. The work will involve Down-the-Hole electrical conductivity and temperature surveys to determine the vertical distribution of the total dissolved solids, collect representative samples from areas with high and low total dissolved salts and to submit the samples for lithium and boron analysis.

Further information can be found in the ASX announcement dated 27 July 2021.

CORPORATE

The Company's corporate address has changed to Suite 7 - 63 Shepperton Road, Victoria Park, WA, 6100.

Mr Andrew Law, an experienced Mining Engineer has been appointed to the Board of Arcadia, following the resignation of Mr Joseph van der Elsen from the Board.

The Company has lodged its Annual Financial Report for the year ended 30 June 2021.

FINANCIAL

During the Quarter, a total of \$454,137 was spent on activities related to the exploration and development of the Company's Projects. The Company has not incurred any expenditure for mining production activities during the Quarter.

Payments totalling approximately \$118,851 were made to related parties of the Company with respect to the Quarter, being director fees, consulting fees and leasing charges (see section 6.1 and 6.2 of the Accompanying 5B).

CAPITAL STRUCTURE AT 30 SEPTEMBER 2021

Description	Number
CDIs	85,500,100
Options	5,000,000
Performance Shares	8,550,000

USE OF FUNDS¹

Arcadia Minerals provides the following disclosure required by ASX listing rule 5.3.4 regarding a comparison of its actual expenditure to date since listing on 25 June 2021 against the 'use of funds' statement in its replacement prospectus dated 15 April 2021.

Expenditure	Funds allocated under the prospectus	Actual to 30 September 2021	Variance
Swanson project	\$ 3,693,450	\$463,218	\$3,230,232
Kum-Kum project	\$ 716,100	\$105,021	\$611,079
Karibib project	\$ 488,400	\$48,835	\$439,565
Bitterwasser Project	\$ 468,050	\$55,607	\$412,443
Expenses of the offers	\$ 694,367	\$770,784	(\$76,417)
Working Capital	\$ 689,633	\$213,871	\$475,762
Total	\$6,750,000²	\$1,657,336	\$5,092,664

TENEMENT TABLE: ASX LISTING RULE 5.3.3

Mining tenement interests held at the end of the quarter and their location.

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER	AREA IN HECTARES	PERMIT STATUS	PERMIT EXPIRY	INTEREST
Tantalite Project, Karas Region - Namibia						
Swanson	EPL5047	Orange River Pegmatite (Pty) Ltd	14 672	Active	03/06/2023	80%
Nickel Project, Karas Region - Namibia						
Kum-Kum	EPL7295	Orange River Pegmatite (Pty) Ltd	29 738	Active	28/04/2022	80%
Keimusmund	EPL6940		20 119	Pending Renewal	17/09/2021	
Copper Gold Project, Karibib Region - Namibia						
Goas	EPL4663	Goas Pegmatite Exploration (Pty) Ltd	40 979	Active	03/06/2023	68%
Lithium Brines Project, Hardap Region - Namibia						
Mbela	EPL7614	Brines Mining Exploration Namibia (Pty) Ltd	12 578	Active	18/11/2022	50%
Blokwater	EPL8101		87 902	Active	15/11/2023	
Lekkerwater	EPL8102		95 561	Active	16/11/2023	
Kentani	EPL8103		92 745	Active	15/11/2023	
Meerkat	EPL8104		55 108	Active	10/02/2024	

¹ The use of funds statement was a statement of current intentions, investors should note that the allocation of funds set out in the table may change depending on a number of factors including the results of exploration, outcome of development activities, regulatory developments, market and general economic conditions.

² Inclusive of Company existing cash reserve of \$350,000 raised between December 2020 and January 2021

The mining tenement interests relinquished during the quarter and their location:

Nil

The mining tenement interests acquired during the quarter and their location:

Nil.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter:

Not applicable.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter:

Nil.

Authorisation

For the purpose of Listing Rule 15.5, this announcement has been authorised for release by the Board of Directors of Arcadia Minerals Limited.

For further information, please contact:

Jurie Wessels
Executive Chairman
ARCADIA MINERALS LIMITED
info@arcadiaminerals.global

APPENDIX 1 – MINERAL RESOURCE ESTIMATE

Table 1:

Mineral resources estimate for D and F Pegmatites at ORP's Swanson project as at 1 September 2021 and detailed in the Company announcement on 23 September 2021.

Classification	Pegmatite	Mass (kt)	Ta ₂ O ₅ (ppm)	Nb ₂ O ₅ (ppm)	LiO ₂ (%)
Indicated	D0	4.6	289	77	1.06
	D1	221.1	372	82	0.55
	D2	280.5	439	82	0.20
	F1	157.4	504	57	0.03
	Total	663.5	431	76	0.28
Inferred	D0	79.7	354	54	0.87
	D1	188.4	337	85	0.34
	D2	214.0	407	80	0.13
	F1	61.9	527	55	0.01
	Total	544.0	389	75	0.30
Indicated + Inferred	D0	84.3	351	55	0.88
	D1	409.5	356	83	0.45
	D2	494.4	425	81	0.17
	F1	219.2	510	56	0.02
	Total	1,207.5	412	76	0.29

COMPETENT PERSONS STATEMENT & PREVIOUSLY REPORTED INFORMATION

The Company confirms that the information in this announcement that relates to Exploration Results at the Company's projects have previously been released to the ASX as disclosed in Table 2 and continue to apply and have not materially changed, and that it is not aware of any new information or data that materially affects the information that has been included in this announcement. 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.

Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 01 September 2021 Arcadia Mineral Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 23 September 2021 (*Maiden JORC resource at Swanson Ta/Li Project*). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement including those disclosed in Table 2.

Table 2:

Release Date	ASX Announcements.
23.09.2021	Mineralogical Results Received and Bulk Sample Completed at Swanson Ta/Li Project
23.09.2021	Maiden JORC Resource at Swanson Ta/Li Project
07.09.2021	High grade sampling results at Karibib Copper and Gold Project
01.09.2021	Drilling Underway at Swanson and First Ta/Li resource estimate expected
27.07.2021	Experts appointed to determine Lithium concentrations at Bitterwasser
23.07.2021	TDEM Survey to be conducted at Kum-Kum Ni, Cu & PGE Sulphide Project
21.07.2021	Exploration commences at Swanson and Karibib projects
23.06.2021	Replacement prospectus

DISCLAIMER

Some of the statements appearing in this announcement may be forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Arcadia operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside Arcadia's control.

The Company does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of Arcadia, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by the Company. Nor does this announcement constitute investment or financial product advice (nor tax, accounting, or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

Appendix 5B

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

Name of entity

Arcadia Minerals Limited

ARBN

Quarter ended ("current quarter")

646 114 749

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(454)	(454)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(21)	(21)
	(e) administration and corporate costs	(596)	(596)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
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)	-	-
1.9	Net cash from / (used in) operating activities	(1,071)	(1,071)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(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 (3 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)	-	-
2.6	Net cash from / (used in) investing activities	-	-

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 (provide details if material)	-	-
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	6,164	6,164
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,071)	(1,071)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,093	5,093

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	5,093	6,164
5.2	Call deposits	-	-
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)	5,093	6,164

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

(119)

-

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

6.1 Director and consulting fees to Directors of A\$118,851

6.2 none

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.</i>			
<i>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.		
N/A			

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,071)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,071)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	5,093
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	5,093
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	5
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1.	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
2.	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
3.	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	

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: 28 October 2021

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

Notes

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