



EMETALS
LIMITED



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Directors

Gary Lyons, Chairman

Mathew Walker, Director

Teck Siong Wong, Director

Sonu Cheema, Company
Secretary

Issued Capital (ASX Code: EMT)

850,000,000 Ordinary Shares

420,000,000 Quoted options
exercisable ("EMTO" at \$0.03 on
or before 30 September 2025



24 January 2023

QUARTERLY ACTIVITIES REPORT TO 31 DECEMBER 2022

The Directors of eMetals Limited (**ASX:EMT**) (**eMetals**) (**Company**) are pleased to submit the Quarterly Activities Report and Appendix 5B for the quarter ending 31 December 2022.

HIGHLIGHTS

High grade rock chip results were returned from sampling conducted at Beryl Well, including:

- **BWRC3** **26.47% Niobium & 6.68% Tantalum; and**
- **BWRD4** **23.79% Niobium & 6.33% Tantalum.**

Although the extent of the niobium and tantalum rich material is yet to be specifically determined, Company personnel believe it is related to iron rich material confined to structural infill zones.

Field activities have commenced at the Willi Creek project (E09/2464) in the Gascoyne region of Western Australia prospective for REE mineralisation. A total of 61 rock chip samples and a Heritage Survey was completed during the quarter.

Review of all other projects was completed during the quarter with all statutory reports lodged.

BERYL WELL PROJECT

The Beryl Well Project overlies the historical Nardoo & Morrissey Hill workings. Numerous pegmatites are described in the area and mica, beryl and tantalum-columbite have all been mined in the past. Reference 2 Drilling completed by EMT in 2021 focused on the southern pegmatites with a total of 30 reverse circulation holes for 1717 metres. The drilling was targeted on the outcropping pegmatite units to test the concept of cross cutting later structures providing a conduit to the mineralisation however no significant results were returned. The previous high grade rockchips returned by the work of VMC and the latest high grade results from EMTs recent sampling are located to the north of the drilling completed and the recent field visit focused on this area to assess any further potential.

WILLI CREEK PROJECT (E09/2464)

The Willi Creek project tenement is located in the Gascoyne region of Western Australia and covers an area of approximately 217 square kilometres. The tenement is immediately adjacent to



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Dreadnought Resources (ASX: DRE) Mangaroon Rare Earth Project which has recently announced significant drill intersections of thick REE ironstones at its Yin and Sabre prospects located to the east of project area.

The tenement was originally pegged in 2021 based on its very close spatial association to a large granitoid that covers approximately 50 square kilometres that is strongly radiometric and one of the most radiometric granitoids in the Gascoyne Region. A total of 61 rock chip samples were collected during the quarter focused in the central portion of the project. A Heritage survey was also completed allowing the work program to be collected.

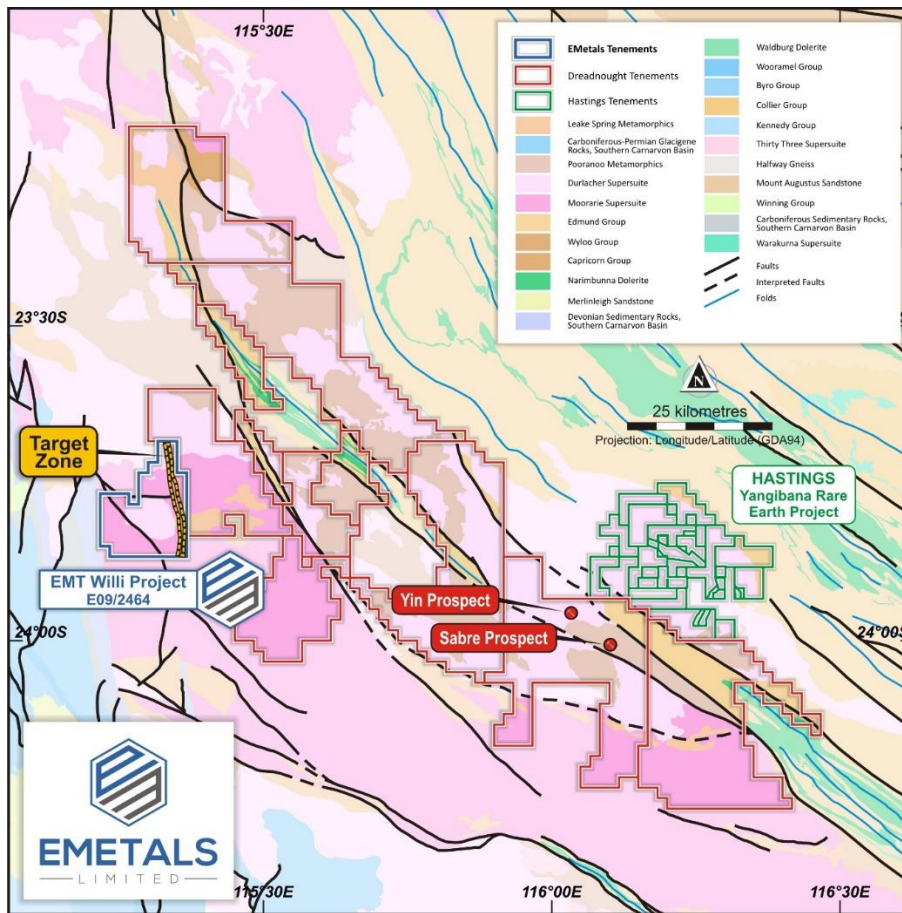


Figure 1: Regional Location Plan: Willi Creek Project

SALMON GUMS PROJECT

Salmon Gums holds four exploration licenses (E63/2049, E63/2066, E63/2126, E63/2127) covering an area of 219 blocks for a total of 630 square kilometers of the Eucla Basin in the Albany Fraser Range Province of southern Western Australia (**Project**).

The Project cover areas underlain by meta-granites of Archaean to Proterozoic age. These granitic rocks are situated within the Albany Fraser Orogen on the south and southeastern margins of the Yilgarn Craton. Outcrop of the meta-granites within the Project is rare with majority of the tenements overlain by Cainozoic sediments, aeolian sands and salt lakes.



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Work on the Salmon Gums Project was restricted to negotiation of a Heritage survey during the quarter, and statutory reporting obligations.

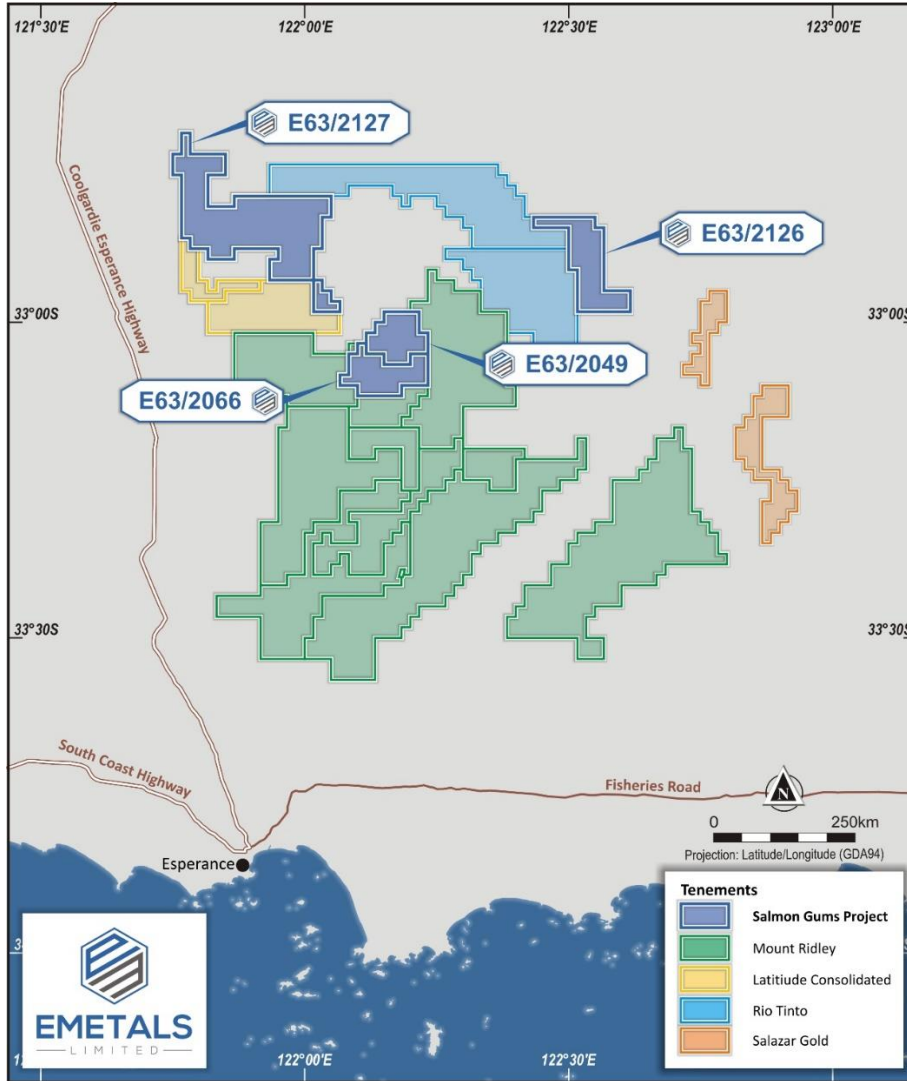


Figure 2 - Salmon Gums Project

TWIN HILLS

The Twin Hills Project consists of three granted exploration licenses (E29/950, E29/1163, E29/1164) located approximately 30 kilometers northeast of Menzies and 150 kilometers north of Kalgoorlie in the Eastern Goldfields of Western Australia. The tenement covers an area of approximately 50 square kilometers and extends over about 10 kilometers of strike of the greenstone sequence that hosts the excised historical Twin Hills gold mine. The tenement covers the north and south extension of the shear zone which is the interpreted host of mineralisation at Twin Hills.



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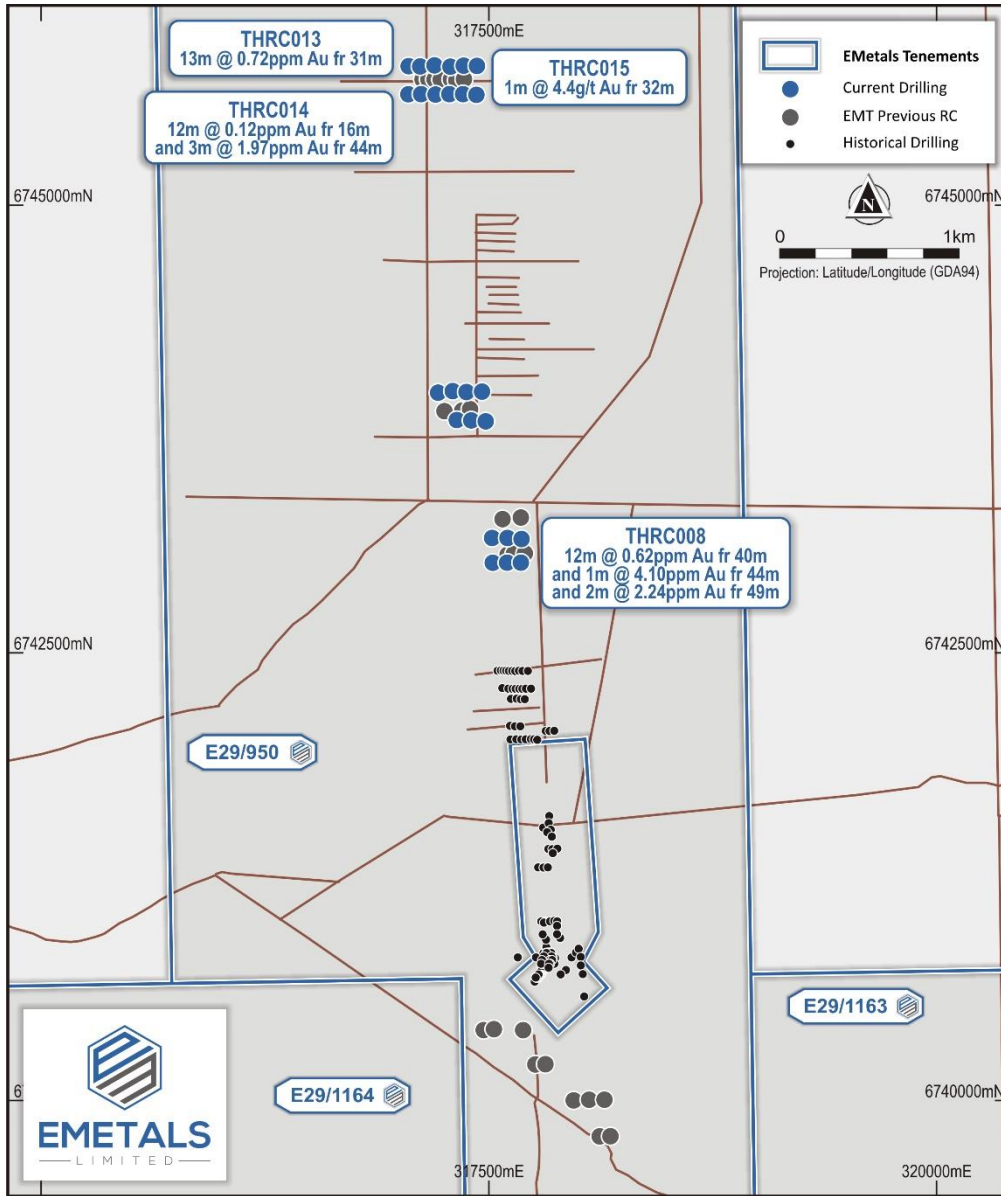


Figure 3 – Twin Hills Drill Project

CORPORATE

CATEGORY	ASX CODE	NUMBER
Issued Ordinary Shares	EMT	850,000,000
Options (\$0.03 – 30 September 2025)	Listed Options	420,000,000

The Company engages Cicero Group Pty Ltd for accounting, administrative and company secretarial services at \$8,000 per month (exclusive of GST). Company Director Mathew Walker is a shareholder in Cicero Group Pty Ltd as disclosed in the Prospectus lodged on 5 November

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2019. Payments of monthly and accrued Director fees, superannuation and provision of administration/consulting services totaled \$43k during the December quarter.

eMetals provides the following disclosures required by ASX Listing Rule 5.3.

EXPENDITURE ITEM	\$'000	Notes and Expenditure details
Exploration Program and Due Diligence costs	66	<ul style="list-style-type: none"> Logistics planning, reconnaissance and geological mapping DD program for project acquisitions Analysis and reporting Technical geologist and consultants. Tenement legal, administration, reporting and management
Administration, Corporate and working capital	106	<ul style="list-style-type: none"> Staff Costs Legal and due diligence expenses Compliance and listing fees Marketing and IR Accounting and Company secretarial
Other	(12)	<ul style="list-style-type: none"> GST BAS.

TENEMENT SCHEDULE

Tenement	Status	Project	Interest (%)	Current Area	Grant Date	Application Date	Expiry Date
E09/2114	LIVE	NARDOO WELL	100	25	28/08/2015	8/08/2014	27/08/2025
E09/2156	LIVE	YINNETHARRA	100	21	6/02/2017	23/10/2015	5/02/2027
E09/2302	LIVE	PYRAMID HILL	100	34	13/03/2019	6/03/2018	12/03/2024
E09/2358	LIVE	NARDOO WEST	100	35	18/05/2020	31/07/2019	17/05/2025
E09/2463	LIVE	LYONS	100	28	6/07/2021	21/10/2020	5/07/2026
E09/2464	LIVE	LYNDON	100	69	8/07/2021	21/10/2020	7/07/2026
E09/2472	LIVE	LYONS	100	40	29/07/2021	18/11/2020	28/07/2026
E20/0976	LIVE	MEKA	100	19	2/08/2021	26/10/2020	1/08/2026
E29/0950	LIVE	TWIN HILLS	100	10	23/09/2015	26/02/2015	22/09/2025
E29/1163	LIVE	TWIN HILLS	100	7	1/07/2022	21/10/2021	30/06/2027
E29/1164	LIVE	TWIN HILLS	100	5	1/07/2022	21/10/2021	30/06/2027
E63/2049	LIVE	SALMON GUMS	100	26	21/09/2020	6/07/2020	20/09/2025
E63/2066	LIVE	SALMON GUMS	100	31	10/12/2020	26/10/2020	9/12/2025
E63/2126	LIVE	SALMON GUMS	100	41	15/03/2022	24/06/2021	14/03/2027
E63/2127	LIVE	SALMON GUMS	100	121	15/03/2022	24/06/2021	14/03/2027
E70/5654	LIVE	KENT	100	9	23/12/2020	5/11/2020	22/12/2025

This announcement has been authorised by the Board of eMetals Limited.

For, and on behalf of, the Board of the Company

Mathew Walker

Director
EMETALS Limited

-ENDS-



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Shareholders and other interested parties can speak to Mr Sonu Cheema if they have any queries in relation to this announcement: +618 6489 1600.

Forward looking statements

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and our management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by law. These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Simon Coxhell. Mr Coxhell is a consultant geologist for eMetals and a member of the Australian Institute of Mining and Metallurgy. Mr Coxhell has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Mr Coxhell consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

ASX Listing Rules Compliance

In preparing the Quarterly Report for the period ended 31 December 2022 and to date, the Company has relied on the following ASX announcements.

ASX Announcement	16/01/2023	EXCEPTIONAL HIGH GRADE ROCK CHIPS AT BERYL WELL
ASX Announcement	22/11/2022	BERYL WELL EXPLORATION UPDATE
ASX Announcement	28/10/2022	QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B SEP 2022
ASX Announcement	20/09/2022	EXPLORATION UPDATE AND TECHNICAL APPOINTMENT
ASX Announcement	16/09/2022	ANNUAL REPORT 30 JUNE 2022
ASX Announcement	26/07/2022	QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B JUN 2022
ASX Announcement	19/05/2022	PROSPECTUS
ASX Announcement	7/02/2022	SCN: SCORPION ACQUIRES POONA PROJECT
ASX Announcement	07/12/2021	NOTICE OF GENERAL MEETING
ASX Announcement	06/12/2021	SCN: SCORPION INCREASES MURCHISON FOOTPRINT
ASX Announcement	19/11/2021	ACQUISITION OF SALMON GUMS REE PROJECT AND CAPITAL RAISING
ASX Announcement	04/11/2021	EXPLORATION UPDATE
ASX Announcement	28/10/2021	EXPLORATION UPDATE
ASX Announcement	3/09/2021	DRILLING COMMENCES AT THE POONA PROJECT
ASX Announcement	4/08/2021	HIGH GRADE GOLD RESULTS ON TWIN HILLS PROJECT
ASX Announcement	29/07/2021	QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B JUN 2021

Compliance Statement

This report contains information extracted from reports cited herein. These are available to view on the website. In relying on the above ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the abovementioned announcements or this Quarterly Report for the period ended 31 December 2022 and to date.

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Appendix 5B

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

Name of entity

eMetals Limited

ABN

71 142 411 390

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(9)	(14)
(b) development	-	-
(c) production	-	-
(d) staff costs	(43)	(86)
(e) administration and corporate costs	(73)	(157)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	12	43
1.9 Net cash from / (used in) operating activities	(103)	(199)

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	(57)	(158)
(e) investments	-	-

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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 (6 months) \$A'000
	(f) other non-current assets	-	-
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	(57)	(158)

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	-	-
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	4,319	4,516
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(103)	(199)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(57)	(158)
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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,159	4,159

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	11	14
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other ((High Interest Account)	4,148	4,305
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,159	4,319

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	43
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.

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.	-	
-		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(103)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(57)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(160)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,159
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,159
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	25.99
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

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

Date:24/01/2023.....

Authorised by:By the Board.....
(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.