



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



28 April 2023

QUARTERLY ACTIVITIES REPORT TO 31 MARCH 2023

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 March 2023.

HIGHLIGHTS

- Agreement execution and completion for the sale of seven (7) exploration licenses to Minerals 260 Limited (ASX:MI6) for total consideration of 7,000,000 MI6 shares at a deemed value of \$0.30 per share (\$2,100,000).
- 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. Beryl Well is one of the tenements sold to MI6.

- An airborne geophysical survey was completed over E20/976, (Meka Project) covering 671 line kilometres with a 100 metre line spacing. Both magnetic and radiometric data was collected to assist in the interpretation of the underlying geology of this tenement. Field activities for this tenement are scheduled for the coming quarter.



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SALE OF GASCOYNE TENURE

EMT announced on 7 March 2023 that it has executed an agreement for the sale of seven (7) exploration licenses (**Project**) to Minerals 260 Limited (ASX:MI6) in the Gascoyne Province of Western Australia for total consideration of 7,000,000 MI6 shares (**Consideration Shares**) at a deemed value of \$0.30 per share (\$2,100,000).

- The agreement was between MI6 through its wholly owned subsidiary ERL (Aust) Pty Ltd and EMT and its wholly owned subsidiaries RWG Minerals Pty Ltd and Iron Clad Prospecting Pty Ltd which are the parties that hold the tenements comprising the Project.
- MI6 issued EMT 7,000,000 shares Consideration Shares on completion at a deemed issue price of \$0.30 per share. These shares were issued on 24 March 2023.
- The Consideration Shares will be subject to a voluntary escrow period of six months from completion of the acquisition on customary terms.

MEKA PROJECT (E20/0976)

The Meka Project (E20/0976) is an unexplored magnetic anomaly located in the Murchison, approximately 110 kilometres west of Cue. The tenement is approximately 15 kilometres west of the Poona Project and is accessible by station tracks and roads.

A series of anomalies lies directly along strike from the Gnangooragoo Complex, on the interpreted terrane boundary between the Murchison Domain and the Narryer Terrane, and is a prominent magnetic feature composed of both positive and negative amplitude magnetic anomalies. A series of these magnetic anomalies are present within proximity to the interpreted terrane boundary and represent exploration opportunities untested to date.

The recent work completed has involved the flying of a low level, high resolution magnetic and radiometric survey on a 100 metre line spacing. Preliminary data has been returned from the airborne contractor (Thomson Airborne). Southern Geoscience Consultants has been commissioned to produce a series of images and interpretations which will be used to guide future exploration within the tenement.



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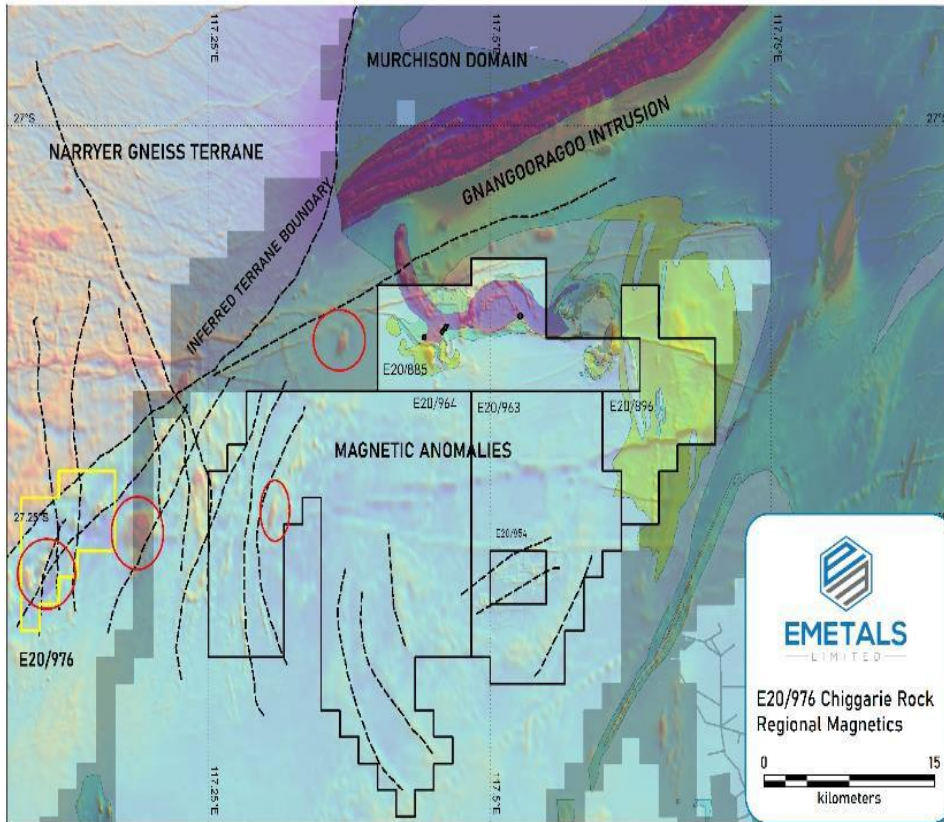


Figure 1: E20/976 Interpreted Regional Setting on the terrane boundary

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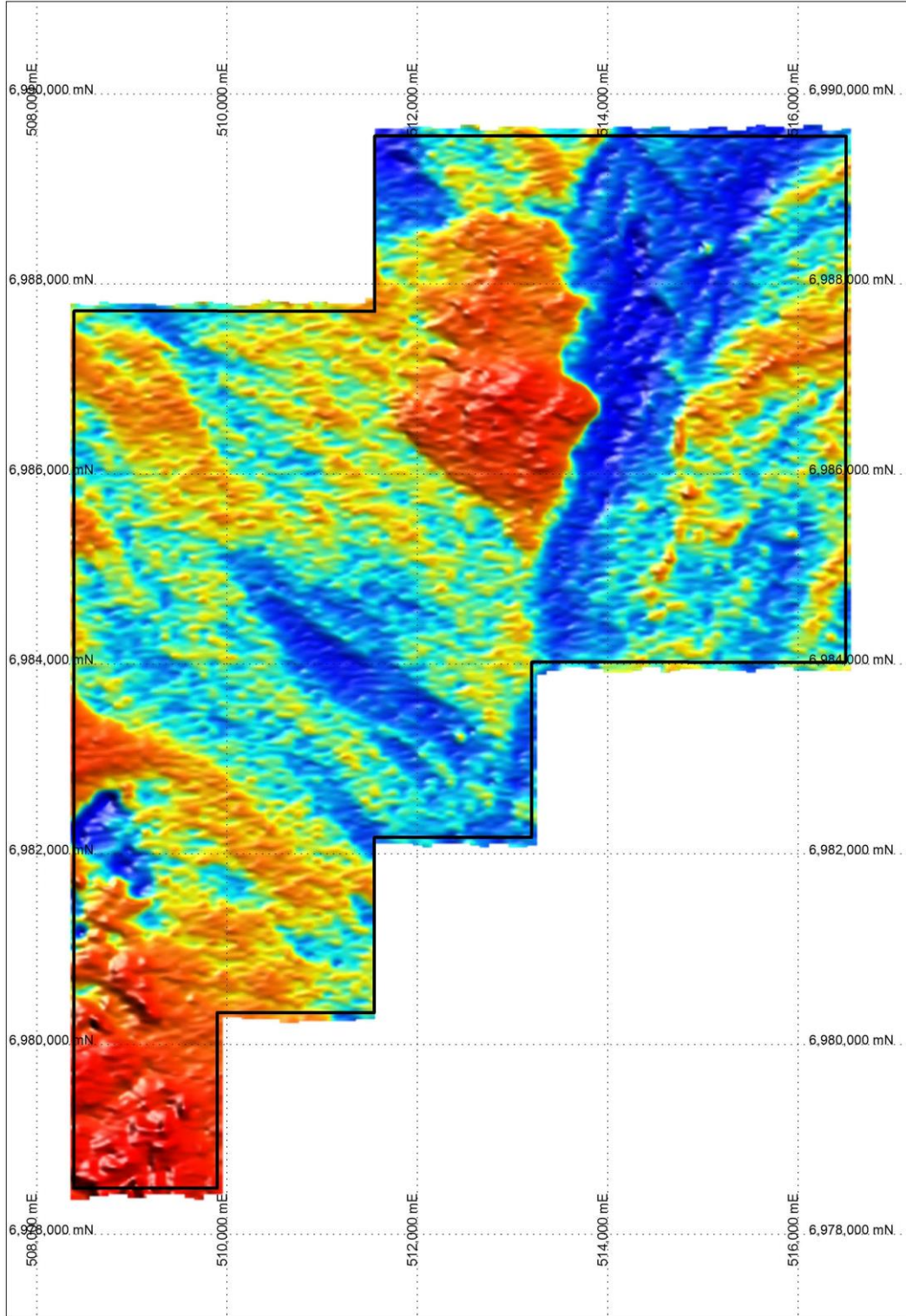


Figure 2: Combined Radiometric Image E20/976



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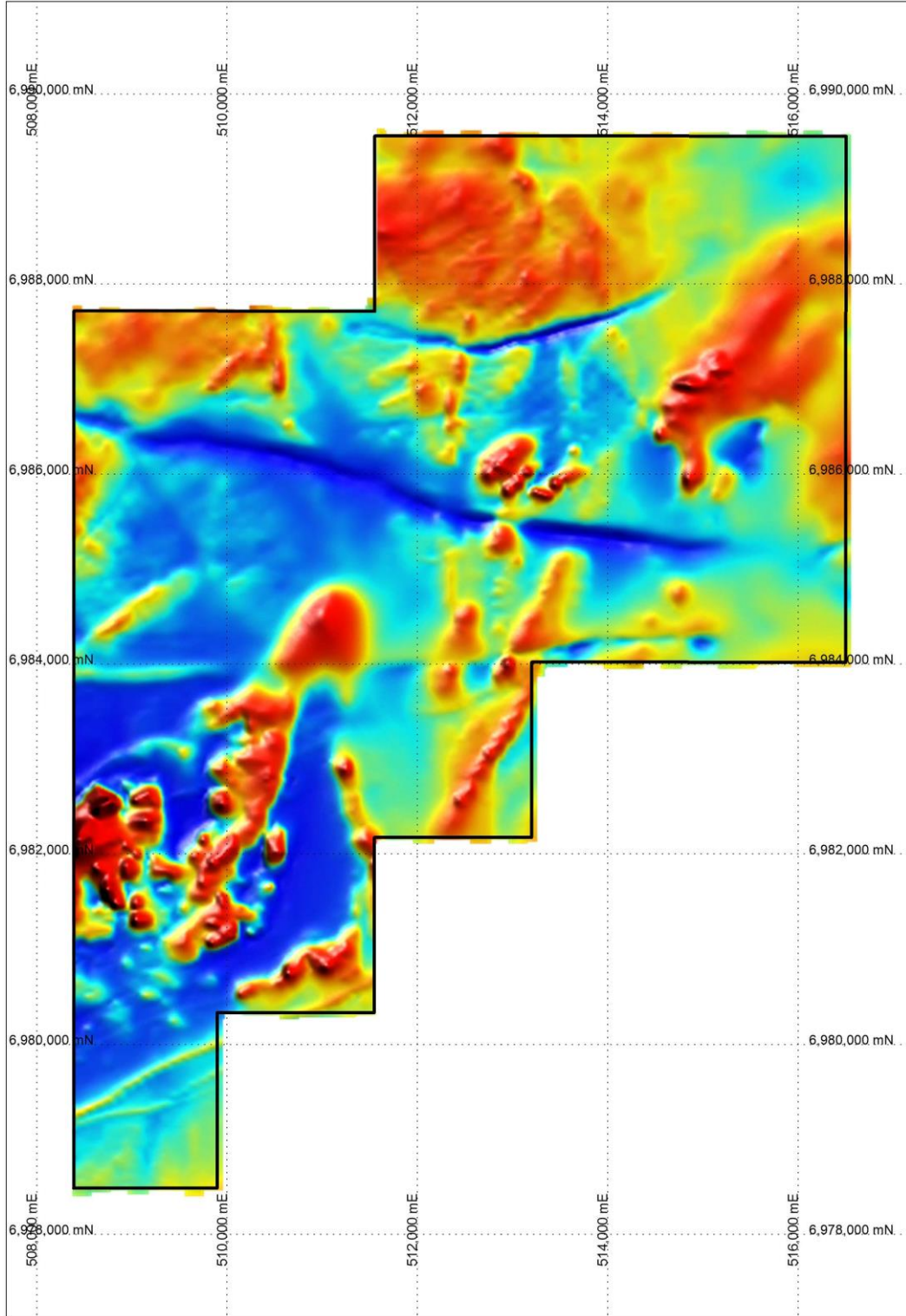


Figure 3: Aeromagnetic Image (RTP) E20/976



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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.

Work on the Salmon Gums Project was restricted to negotiation of a Heritage survey during the March quarter, and statutory reporting obligations. Recent encouraging gold and rare earth values have been recently released by Meeka Metals (ASX: MEK) on adjoining tenure to the south highlighting the prospectivity of the area.

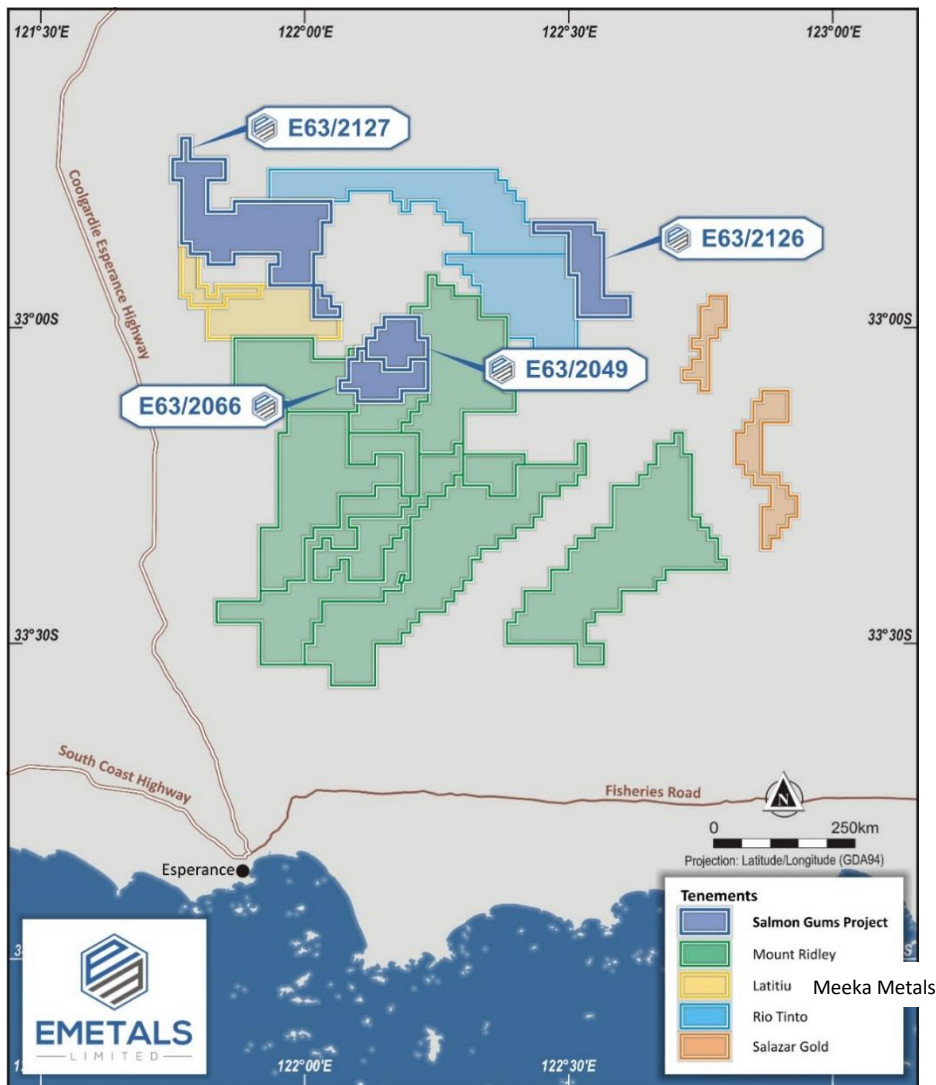


Figure 4 - Salmon Gums Project



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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.

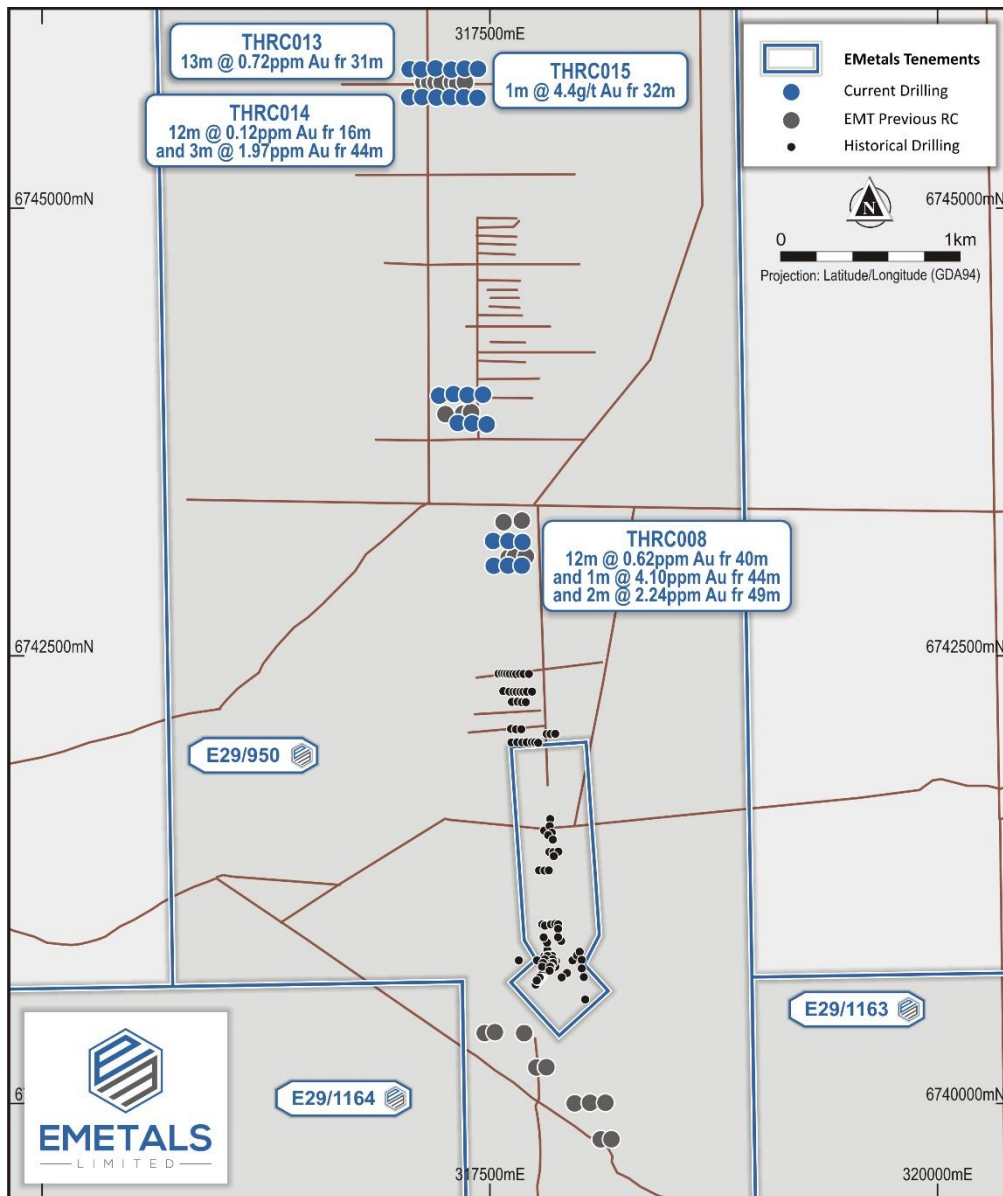


Figure 5 – Twin Hills Drill Project



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CORPORATE

CATEGORY	ASX CODE	NUMBER
Issued Ordinary Shares	EMT	850,000,000
Options (\$0.03 – 30 September 2025)	EMTO	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 2019. Payments of monthly and accrued Director fees, superannuation and provision of administration/consulting services totaled \$43k during the March 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	(87)	<ul style="list-style-type: none"> Logistics planning, reconnaissance and geological mapping DD program for project acquisitions and sales Analysis and reporting Technical geologist and consultants. Tenement legal, administration, reporting and management
Administration, Corporate and working capital	(93)	<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	13	<ul style="list-style-type: none"> GST BAS.

TENEMENT SCHEDULE

Tenement	Status	Project	Interest (%)	Current Area	Grant Date	Application Date	Expiry Date
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

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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-

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 March 2023 and to date, the Company has relied on the following ASX announcements.

ASX Announcement	13/03/2023	APPENDIX 3Y
ASX Announcement	07/03/2023	SALE OF GASCOYNE TENURE
ASX Announcement	07/03/2023	MI6: TO ACQUIRE LARGE LI-REE PROJECT IN WAS GASCOYNE
ASX Announcement	24/02/2023	DECEMBER 2022 INTERIM FINANCIAL REPORT
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

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 March 2023 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 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(23)	(37)
(b) development	-	-
(c) production	-	-
(d) staff costs	(21)	(107)
(e) administration and corporate costs	(72)	(229)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	27
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	13	56
1.9 Net cash from / (used in) operating activities	(91)	(290)
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	(64)	(222)
(e) investments	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	210	210
	(c) property, plant and equipment	-	-
	(d) investments	21	21
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	167	(9)

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	4,159	4,516
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(91)	(290)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	167	9
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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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 (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,235	4,235

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	219	11
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other ((High Interest Account)	4,016	4,148
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,235	4,159

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	-	-
7.2	-	-
7.3	-	-
7.4	-	-
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	(91)
8.2	(64)
8.3	(155)
8.4	4,235
8.5	-
8.6	4,235
8.7	27.32
<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:28/04/2023.....

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.