

Quarterly Activities Report

For the Quarter ended 30 June 2023

Tennant Minerals Limited (ASX: TMS) ("Tennant" or the "Company") is pleased to report its activities for the Quarter ended 30 June 2023 ("Quarter"). Exploration was focussed on drilling and delineation of the Bluebird, high-grade, copper-gold discovery ("Bluebird Prospect") as well as exploration of other targets on the Barkly Project tenements ("Barkly Project") in the Northern Territory (see Figure 1).

HIGHLIGHTS

- **Drilling recommenced at the Bluebird High-Grade Copper-Gold Discovery¹:**
 - The **Stage 3**, up to 5,000-metre RC and diamond drilling program targeting mineralised extensions and strong, newly defined geophysical anomalies commenced in early May 2023.
 - 14 holes for 3,166 meters of pre-collar and diamond drilling at Bluebird during the Quarter².
 - All holes completed to date have intersected mineralised iron-stone².
- **Major new induced polarisation (IP) and resistivity geophysical survey completed²:**
 - Major IP/resistivity survey completed during the Quarter. Preliminary 2-D inversion modelling identified several strong low-resistivity anomalies, including an anomaly centred 160m east of Bluebird which is lower resistivity feature the main Bluebird mineralisation (see Figure 2).
 - The **Stage 3** drilling program was expanded to test this new, high-priority, low-resistivity (high-conductivity), step-out target - extending east of Bluebird (Figure 2).
 - Further IP/resistivity profiles have now been generated across the entire corridor and are currently being modelled to define additional priority targets.
- Subsequent to the Quarter, initial results from the **Stage 3** drilling, which tested above the previous outstanding intersection on section 448,320mE in BBDD0018³, produced **exceptionally high-grade results including bonanza gold and copper intersections in BBDD0026²** (Figure 3):
 - **17.95m @ 11.08 g/t Au, 2.66% Cu** from 131m downhole,
Incl. 15.9m @ 12.45 g/t Au, 2.91% Cu from 131.8m,
Incl. 5m @ 38.6 g/t Au, 6.11% Cu from 142.7m incl. **2.25m @ 64 g/t Au, 9.57% Cu.**
- Drilling also intersected thick zones of intense copper mineralisation at shallower depths to the east of the previously drilled zone. This mineralisation is associated with the strong, low-resistivity IP anomaly east of Bluebird. These new mineralised intersections have **effectively doubled the strike-length of the Bluebird mineralisation to 500m and extended the zone to within 60m of surface²** (see longitudinal projection, Figure 4). The mineralisation remains open in all directions.
- Results from an additional 13 holes are pending, with logging, core-cutting and sampling expected to continue into August. Further drilling is planned to continue testing the up and down plunge extensions of the mineralisation as well as test new low-resistivity targets east and west of Bluebird.

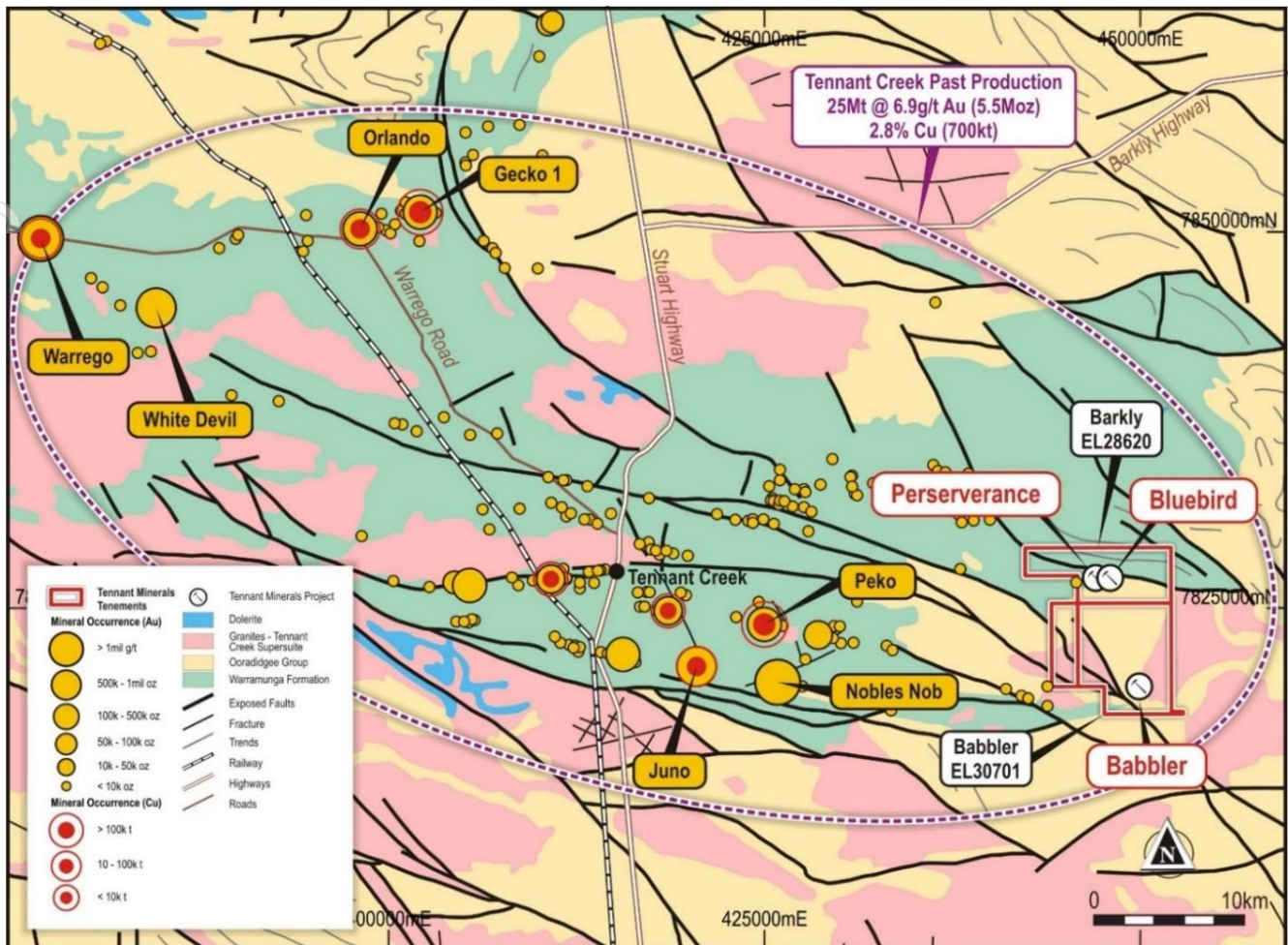


Figure 1: Location of the Barkly Project and major historical mines in the Tennant Creek Mineral Field

BARKLY PROJECT

Bluebird High-Grade Copper-Gold Discovery:

New Stage 3 Drilling Program:

During the Quarter, drilling resumed at the Bluebird copper-gold discovery on the Barkly Project¹.

The Stage 3 drilling program is designed to build on previous drilling at Bluebird by the Company, which led to the discovery of high-grade copper and gold mineralisation over a 240m strike length and to a depth of more than 250m. Bluebird is a “blind” discovery hidden beneath about 60m of weathered saprolite and remains completely open in all directions (see Figure 2 and Figure 4).

The Stage 3 drilling program plan includes up to 5,000m of RC and diamond drilling to test the shallow plunging thick and high-grade copper and gold zone extending west and east of Bluebird, as well as targeting projected extensions at depth (see Figure 2 and Figure 4).

The initial holes targeted immediate extensions of the high-grade copper and bonanza gold zones to the west of the intersections in the recently completed Stage 2 program⁴, which included (see Figure 4):

- BBDD0018: **30.5m @ 6.2% Cu, 6.8 g/t Au from 153.6m incl. 17.8m @ 5.2% Cu, 11.5 g/t Au³**
- BBDD0012: **63m @ 2.1% Cu, 4.6 g/t Au from 153m incl. 27.55m @ 3.6% Cu, 10.0 g/t Au⁵, and,**
- BBDD0021: **24m @ 0.66% Cu, 11.8 g/t Au from 161m incl. 5.7m @ 0.74% Cu, 49.3 g/t Au⁶**

The planned drilling program also includes deeper drilling below the high-grade copper and gold intersections in BBDD0025 (**16.45m @ 3.05% Cu, 2.31 g/t Au³**) and BBDD0015 (**17.8m @ 3.7% Cu, 0.34g/t Au⁷**) for a repeat of the thick dilational high-grade zone at depth.



Image 1: DDH1 multi-purpose drilling rig on Stage 3 RC/diamond hole BBDD0026²

Heavy unseasonal rains resulted in the program being cut-short temporarily. Pending the evaluation of the new data and outstanding assays, the program will continue in the near future.

Significant New IP Low-Resistivity Targets Identified:

Inversion modelling of initial results from a major IP geophysical survey completed by Planetary Geophysics identified a strongly-conductive (low-resistivity) anomaly centred 160m to the east of Bluebird (see 3D inversion model and section of IP target, Figure 2).

This new step-out IP (low resistivity) target is less resistive (more conductive) than the main Bluebird mineralised zone, and thus represents a potential repeat of the high-grade copper-gold discovery, at a similar shallow depth.

The scope of the Stage 3 drilling was expanded to include drilling of this new high-priority IP low resistivity target, which is strongly developed from around 80m below surface and indicates that Bluebird and the new target zone occupy a large, doubly-plunging, dilational zone extending of over 500m strike length (see Figure 2).

Other targets to the west of Bluebird, within the 2.5km Bluebird-Perseverance Corridor, were identified based on inversion modelling of gravity, magnetics and the initial IP profiles carried out in 2022⁸. Further IP profiles have now been generated across the entire corridor and are currently being modelled to define additional priority targets.

Further drilling will be planned subject to the 3-D inversion modelling of the remaining IP profiles across the entire Bluebird-Perseverance Corridor (see Figure 5).

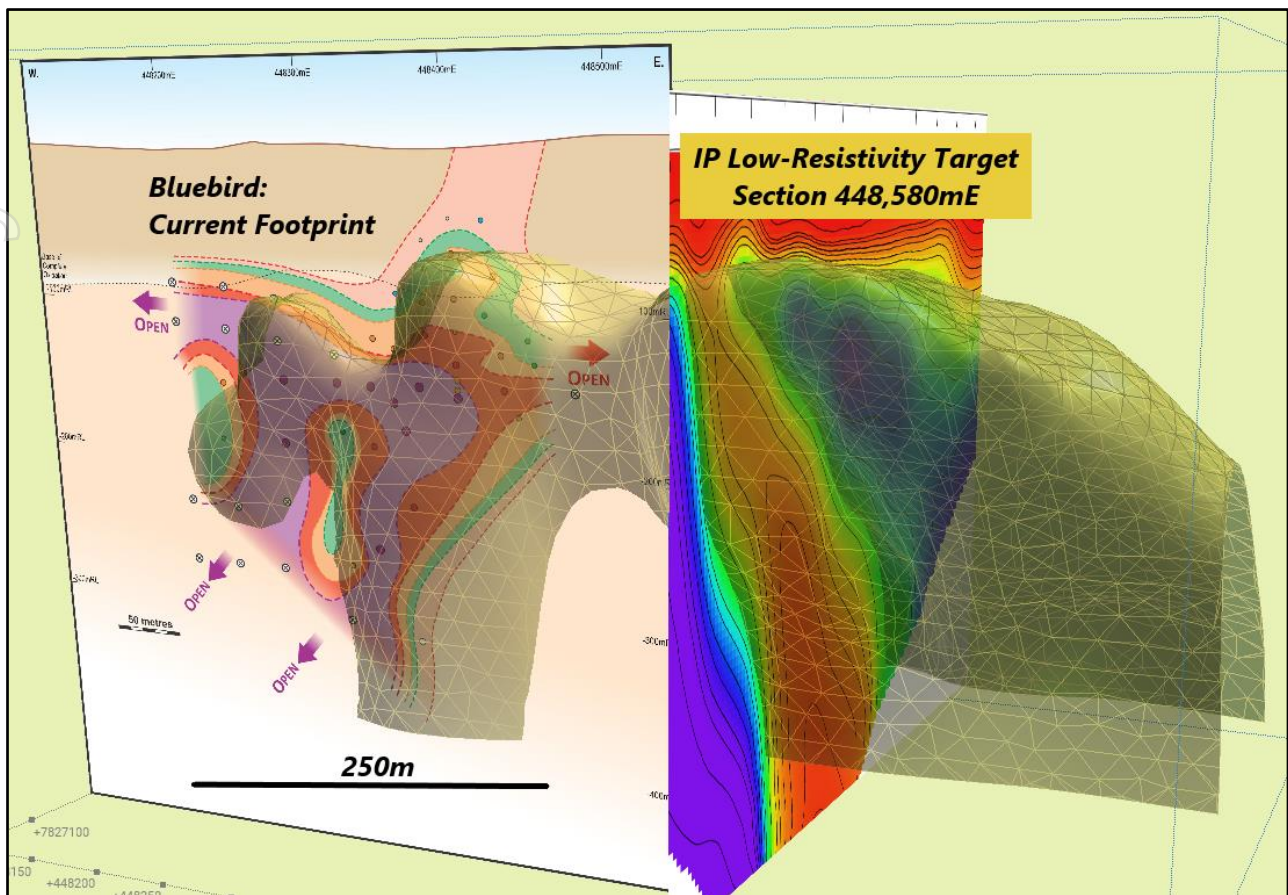


Figure 2: 3D inversion model of IP/low resistivity target zone centered on 448,580mE, showing Bluebird current footprint and New Geophysics Targets

Initial results from the Stage 3 drilling program:

The latest (Stage 3) drilling at the Bluebird discovery has produced more exceptionally high-grade results including bonanza gold and copper intersections in BBDD0026² of:

- **5m @ 38.6 g/t Au & 6.1% Cu from 142.7m incl. 2.25m @ 64 g/t Au & 9.57% Cu.**

These bonanza results are part of an exceptionally high-grade gold and copper intersection in BBDD0026 which is located up-dip of the previous outstanding intersection in BBDD0018 of **30.5m @ 6.2% Cu, 6.8 g/t Au³** (see cross section, Figure 3). The new BBDD0026 intersection includes:

- **17.95m @ 11.08 g/t Au, 2.66% Cu from 131m downhole²,**
Incl. 15.9m @ 12.45 g/t Au, 2.91% Cu from 131.8m,
Incl. 5m @ 38.6 g/t Au, 6.11% Cu from 142.7m incl. 2.25m @ 64 g/t Au, 9.57% Cu.

The new drilling has also intersected thick zones of intense copper mineralisation at shallower depths to the east of the previously drilled zone, **effectively doubling the strike-length of the Bluebird mineralisation to 500m and extending the zone to within 60m of surface** (see longitudinal projection, Figure 4). The mineralisation remains open in all directions and further drilling is planned (Figure 4).

The extension of the Bluebird mineralisation to the east corresponds with the upper part of the strong IP/low-resistivity target identified (Figure 2), which remains open to the east. Further IP/low-resistivity anomalies to the east and to the west of Bluebird are currently being modelled for drill-targeting.

The cross-section in Figure 3 shows the new high-grade interval in BBDD0026, above the previous outstanding intersection in BBDD0018⁴. Additional new holes BBDD0031 and BBRC0021 are also shown. Results from these holes and the remainder of the program are expected in the September Quarter.

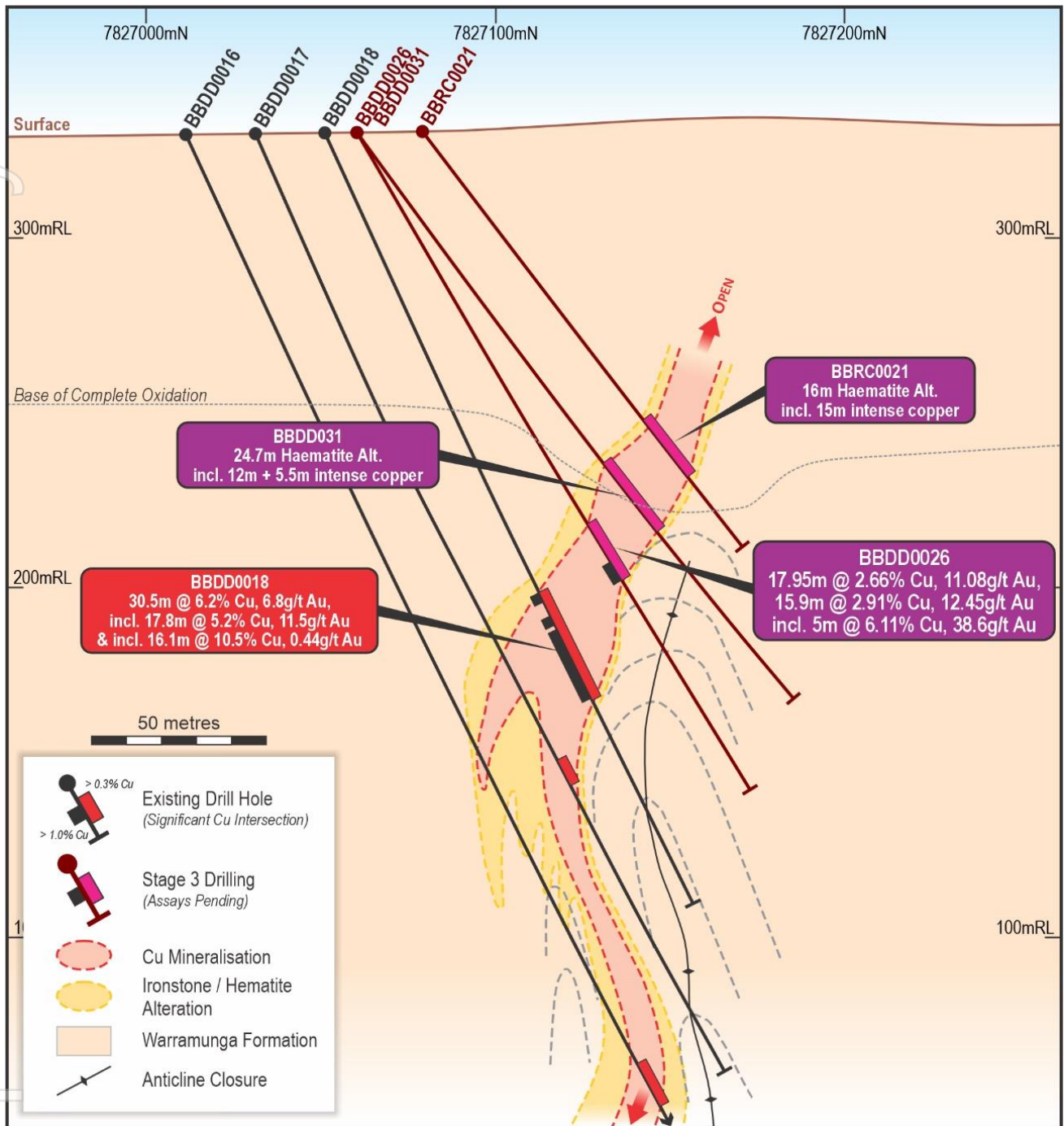


Figure 3: Bluebird cross section 448,320mE showing high-grade gold-copper intersections in BBDD0018 & newly drilled and reported BBDD0026 (BBDD0026 - reported 19 July, 2023)²

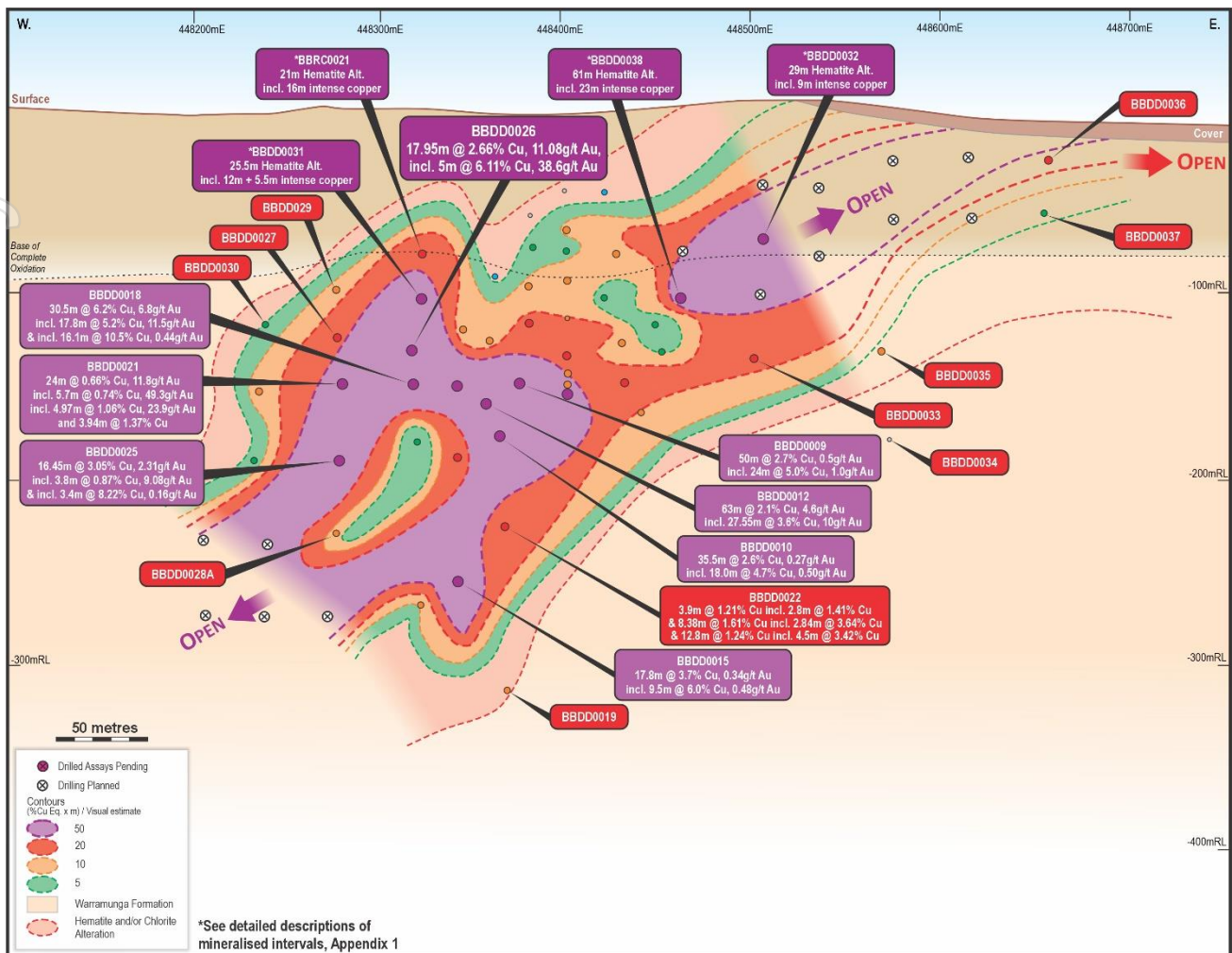


Figure 4: Bluebird discovery, longitudinal projection showing exceptional Cu-Au intersections and first results from the June Quarter drilling (from BBDD0026 – reported subsequent to the Quarter on 19 July, 2023)²

Bluebird-Perseverance Corridor

The Bluebird discovery occurs within the intersection of ironstones and a regional D2 ENE-WSW trending structure. It was discovered by RAB drilling into an area of anomalous subcrop/outcrop. RAB drilling to the west of Bluebird is not considered effective due to increased cover.

Gravity modelling of the 2.5km corridor between Bluebird and Perseverance highlighted the potential for repetitions of Bluebird-like mineralisation in similar structural positions. Follow up magnetics and IP surveys confirmed the potential for future mineral discoveries in this corridor⁸.

An IP survey completed during the December Quarter highlighted a distinct low-resistivity (high conductivity) response, corresponding with the Bluebird mineralisation on cross section 448,360mE which includes the BBDD0012 intersection of **63m @ 2.1% Cu, 4.6g/t Au⁵** and the IP low-resistivity zone shows potential continuity below 300m depth.

Further regional scale IP dipole-dipole traverses detected other low-resistivity responses that were tested with shallow drilling, intersecting mineralised structures in several areas including at Perseverance North⁹.

An extensive new IP survey has now been completed, focused on extensions of the key Barkly targets within the Bluebird-Perseverance corridor (Figure 5), as well as extensions of the Bluebird mineralisation to the east and west. Final inversion modelling and exploration targeting is ongoing, with drilling to be planned to test priority targets.

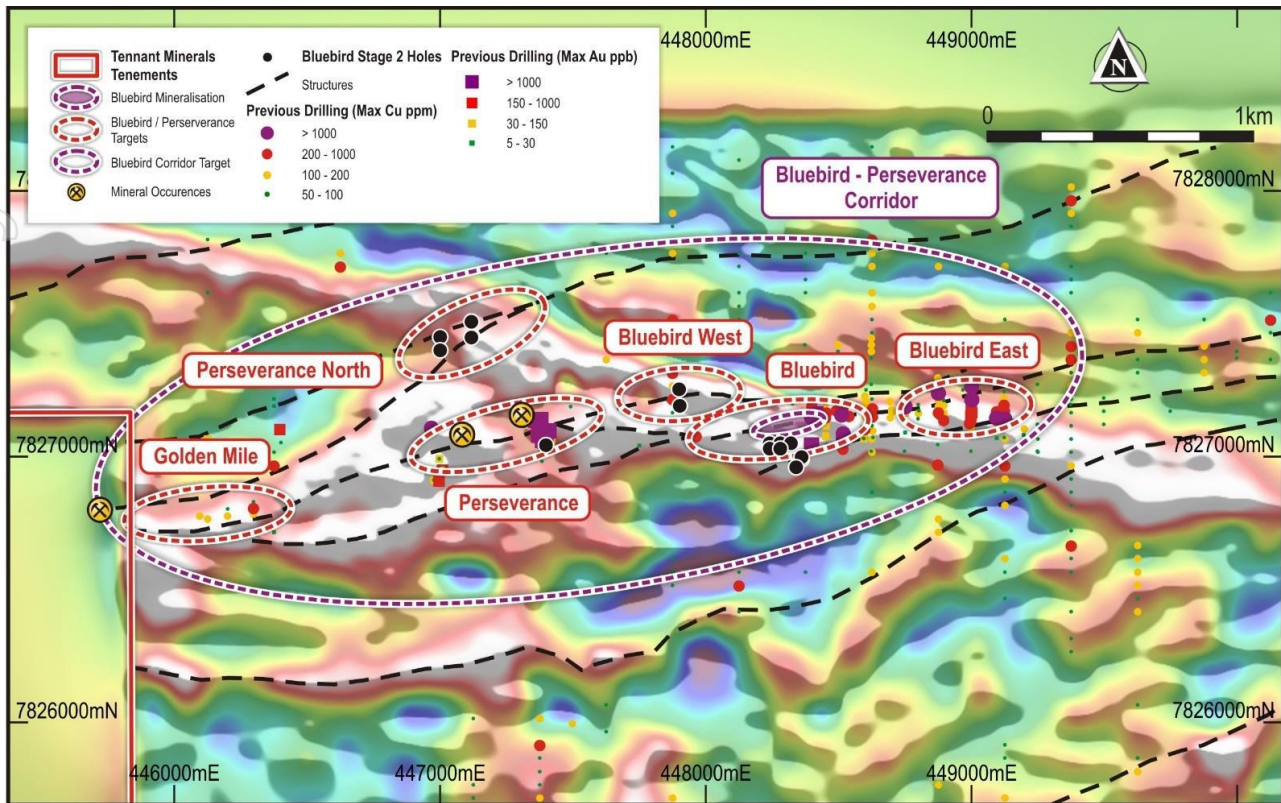


Figure 5: Bluebird-Perseverance zone bouguer gravity with structures & gravity-magnetic-IP resistivity targets.

SEPTEMBER QUARTER PLANNED ACTIVITIES

The **Stage 3** drilling program has so far included 14 holes for 3,166 meters, of an approved and budgeted 5,000m program.

Results from a further 13 drillholes recently completed at Bluebird are expected throughout the next Quarter. These results and ongoing modelling of new IP/resistivity data will result in further drilling targets being generated, to be tested as part of the Stage 3 program.

Further drilling will include shallow drilling to define the extensions of Bluebird to the east of the previously drilled zone, and potentially deeper drilling to test below the high-grade copper and gold intersections that remain open at depth (e.g. BBDD0015: **17.8m @ 3.7% Cu, 0.34g/t Au**)¹⁰ (Figure 4).

CORPORATE

Cash Position

Tennant Minerals expenditure during the Quarter was **\$1.091** million, including **\$839k (76%)** on in-the-ground exploration. Payments to related parties of the entity and their associates was limited to payment of director fees, superannuation and consulting fees totalling \$50k. The cash position of the Company as at 30 June 2023 was **\$4.370** million (see attached Appendix 5B Quarterly Cash Flow report).

REFERENCES

- ¹ 15/05/23 Tennant Minerals (ASX.TMS): "Drilling Resumes at Bluebird High-Grade Copper-Gold Discovery".
- ² 19/07/23 Tennant Minerals (ASX.TMS): "Drilling Doubles Strike Length of Bluebird Cu-Au Discovery".
- ³ 8/02/23 Tennant Minerals (ASX.TMS): "Spectacular Bluebird Drill Hit 30.5m 62 %Cu 68 g/t Au".
- ⁴ 20/03/23 Tennant Minerals (ASX.TMS): "Exceptional Results to 28.3 g/t Gold and 22.6% Copper at Bluebird".
- ⁵ 17/08/2022. Tennant Minerals (ASX.TMS): "Bonanza 63m@ 2.1% Copper and 4.6 g/t Gold Intersection at Bluebird".
- ⁶ 07/03/2023. Tennant Minerals (ASX.TMS): "Bonanza Bluebird Gold Results Including 5.7m @ 49.3 g/t Au".
- ⁷ 07/09/2022. Tennant Minerals (ASX. TMS): "Up to 54.5% Cu in Massive Sulphides at Bluebird".
- ⁸ 25/08/2022. Tennant Minerals (ASX.TMS): "Standout Geophysical Targets to Replicate Bluebird Cu-Au Discovery".
- ⁹ 24/01/2023. Tennant Minerals (ASX.TMS): "Mineralised Structures at Key Copper-Gold Targets".

ENDS

For enquiries please contact:

Stuart Usher

Company Secretary

M: +61 (0) 499 900 044

Andrew Rowell

White Noise Communications

M: +61 (0) 400 466 226

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

This release contains forward-looking statements concerning Tennant Minerals Ltd. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this release are based on the company's beliefs, opinions and estimates of Tennant Minerals Ltd as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

COMPETENT PERSONS DECLARATION

The information in this report that relates to exploration results is based on information compiled and/or reviewed by Mr Jonathon Dugdale. Mr Dugdale is the Technical Advisor to Tennant Minerals Ltd and a Fellow of the Australian Institute of Mining and Metallurgy ('FAusIMM'). Mr Dugdale has sufficient experience, including over 35 years' experience in exploration, resource evaluation, mine geology, development studies and finance, relevant to the style of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Dugdale consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

ASX LISTING RULES COMPLIANCE

In preparing this announcement the Company has relied on the announcements previously made by the Company as listed under "References". The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement.

APPENDIX 1: SCHEDULE OF TENEMENTS

Tenement ID	Type	Status	Holder	Grant Date	Expiry Date	Area (km ²)	TMS Interest
EL28620	Exploration	Active	Colour Minerals Pty Ltd	16 Dec 11	15 Dec 23	39.16	100%
EL30701	Exploration	Active	Colour Minerals Pty Ltd	20 Aug 15	19 Aug 23	42.6	100%

Appendix 5B

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

Name of entity

TENNANT MINERALS LIMITED (ASX: TMS)

ABN

25 086 471 007

Quarter ended (Current quarter)

30 June 2023

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 and evaluation (if expensed)	(839)	(4,367)
(b) development	-	-
(c) production	-	-
(d) staff costs	(49)	(184)
(e) administration and corporate costs	(221)	(491)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	18	38
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	(1,091)	(5,004)
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	-	-
2.2 Proceeds from 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	-	-

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 (12 Months) \$A'000
3. Cash flows from financing activities			
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	5,000
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	-	(332)
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		-	4,668
4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1	Cash and cash equivalents at beginning of period	5,461	4,706
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,091)	(5,004)
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)	-	4,668
4.5	Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period		4,370	4,370
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	4,370	5,461
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)		4,370	5,461
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		50	
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 and 6.2 your quarterly activity report must include a description of, and an explanation for, such payments			
Directors' salary, fees, superannuation, consultancy, and reimbursements.			

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
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.		
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)	(1,091)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,091)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	4,370
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	4,370
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	4.0

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 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: Monday, 31 July 2023

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 – e.g. 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.