

Tennant Minerals Ltd - Quarterly Activities Report

For the quarter ended 31 December 2023

Tennant Minerals Limited ("Tennant" or "the Company") continued to focus on advancing the high-grade Bluebird copper-gold discovery at its 100%-owned Barkly Project in the Northern Territory during the quarter ended 31 December 2023 ("the Quarter").

This included the ongoing Stage 3 drilling program which is testing an expanded mineralised target footprint at Bluebird over a strike-length of more than 1.5km and from near surface to more than 400m depth^{1,2} (see Figure 1, drillhole and target location plan).

The results to date from the Stage 3 program continue to demonstrate the continuity of exceptional copper and gold grades at Bluebird as the Company moves towards generating a maiden Mineral Resource.

QUARTER HIGHLIGHTS

- **High-grade copper and gold drilling results including a bonanza 2.6m zone grading 18.8% copper (Cu), and 12.3 g/t gold (Au) from the Bluebird Eastern Extension drilling** (see cross section, Figure 2)¹:
 - These bonanza results are part of the highest-grade copper-gold intersection to date from this shallow eastern extension of the Bluebird discovery in diamond drillhole BBDD0042¹:
 - **14.1m @ 10.4% CuEq* (7.6% Cu, 2.4g/t Au, 0.32% Bi)** from 90.64m downhole, incl. **9.3m @ 14.7% CuEq* (10.8% Cu, 3.6 g/t Au, 0.38% Bi)** from 95.4m, and, incl. **2.6m @ 31.5% CuEq* (18.8% Cu, 12.3 g/t Au, 1.08% Bi)** from 97.38m.
- **Intensely copper mineralised intersection in Western High-Grade Zone** (see cross section, Figure 3):
 - BBDD0045 intersected 63m of hematite alteration and copper mineralisation from 150m downhole including a **48m zone of strong to intense copper mineralisation** including several massive chalcopyrite (copper-sulphide) zones². Results are expected in 2 to 3 weeks for this hole.
 - Results were received post the Quarter from BBDD0046 on the same section as BBDD0045 included **36.7m @ 1.3% CuEq* (1.14% Cu, 0.08 g/t Au)** from 129.3m downhole.
 - Samples from both BBDD0046 and BBDD0045 have been aggregated to produce bulk composite samples which are undergoing metallurgical test-work.
- **Discovery of copper mineralisation in Bluebird East Target Zone** (results pending, Figure 4), including:
 - BBDD0043: which intersected a 24m zone of hematite-chlorite-silica alteration from 252.8m downhole including **8m of copper mineralisation** from 269.4m (malachite, minor chalcocite)².
 - BBDD0048: which intersected 66m of hematite-chlorite-silica alteration from 432.9m including a **14m zone of strong hematite with copper mineralisation** (chalcopyrite and minor chalcocite)³.
- Post the Quarter, the **appointment of Vincent Algar to the role of CEO**. Vince is a mining and resources geologist with over 33 years in the industry and a strong track record of building shareholder value.

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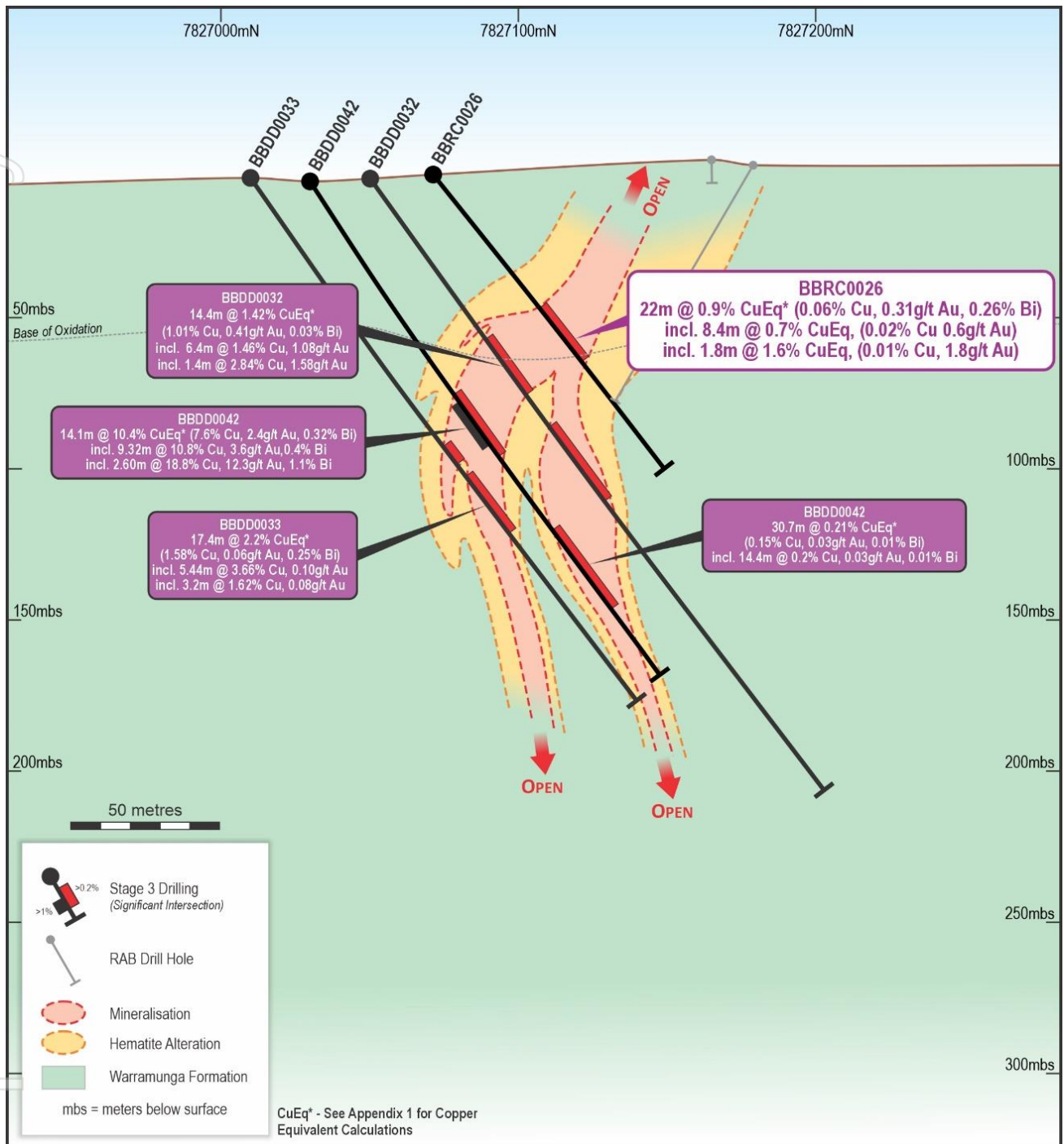


Figure 2: Bluebird cross section 448,500mE showing new high-grade copper and gold intersection in BBDD0026.

Bluebird Western High-Grade Gold-Copper Zone

In addition, a substantial copper intersection has been produced from diamond drilling at the Bluebird Western High-Grade Gold-Copper Zone in **BBDD0046**^{1,2} (see cross section, Figure 3 and longitudinal projection, Figure 4), including **36.7m @ 1.3% CuEq* (1.14% Cu, 0.08 g/t Au)** from 129.3m downhole.

The intersection in BBDD0046 is open to shallow depth and on the same section as BBDD0045² which intersected **48m of strong to intense copper mineralisation, including several massive chalcopyrite zones** (see cross section 448,300mE, Figure 3 below). Results from this intensely mineralised zone are expected in 2 to 3 weeks.

Previous Stage 3 results from this very high-grade gold and copper-sulphide zone include a **bonanza intersection of 5m @ 38.6 g/t Au, 6.11% Cu within an overall interval of 17.95m interval @ 2.66% Cu, 11.08 g/t Au in BBDD0026**⁴.

Samples from both BDD0046 and BBDD0045 have been aggregated to produce bulk composite samples which are undergoing metallurgical test-work managed by Strategic Metallurgy in Perth. This work includes flotation tests for sulphide mineralisation and gravity concentration tests for native copper and free gold recovery.

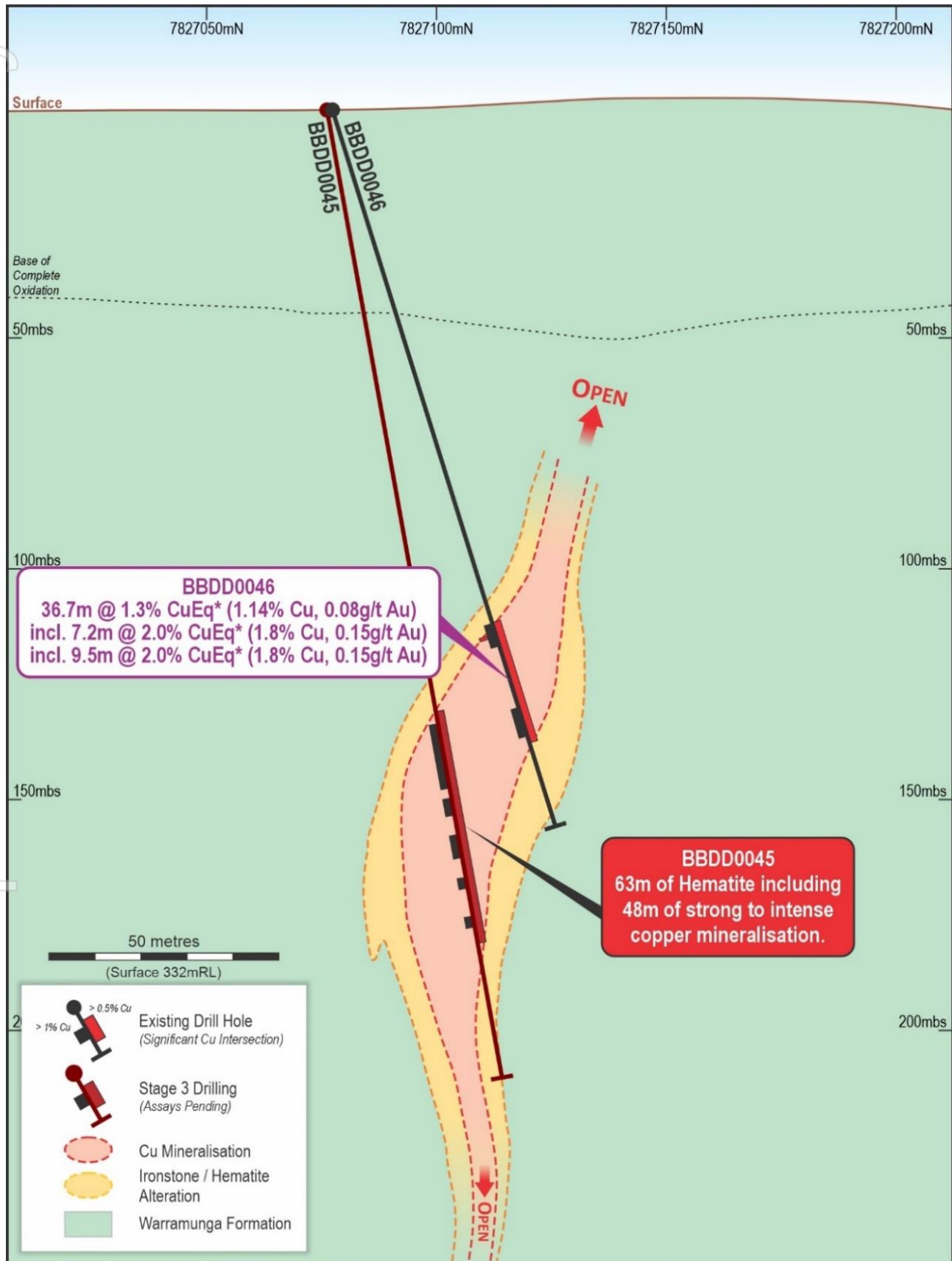


Figure 3: Bluebird cross section 448,300mE showing new high-grade copper intersection in BBDD0046.

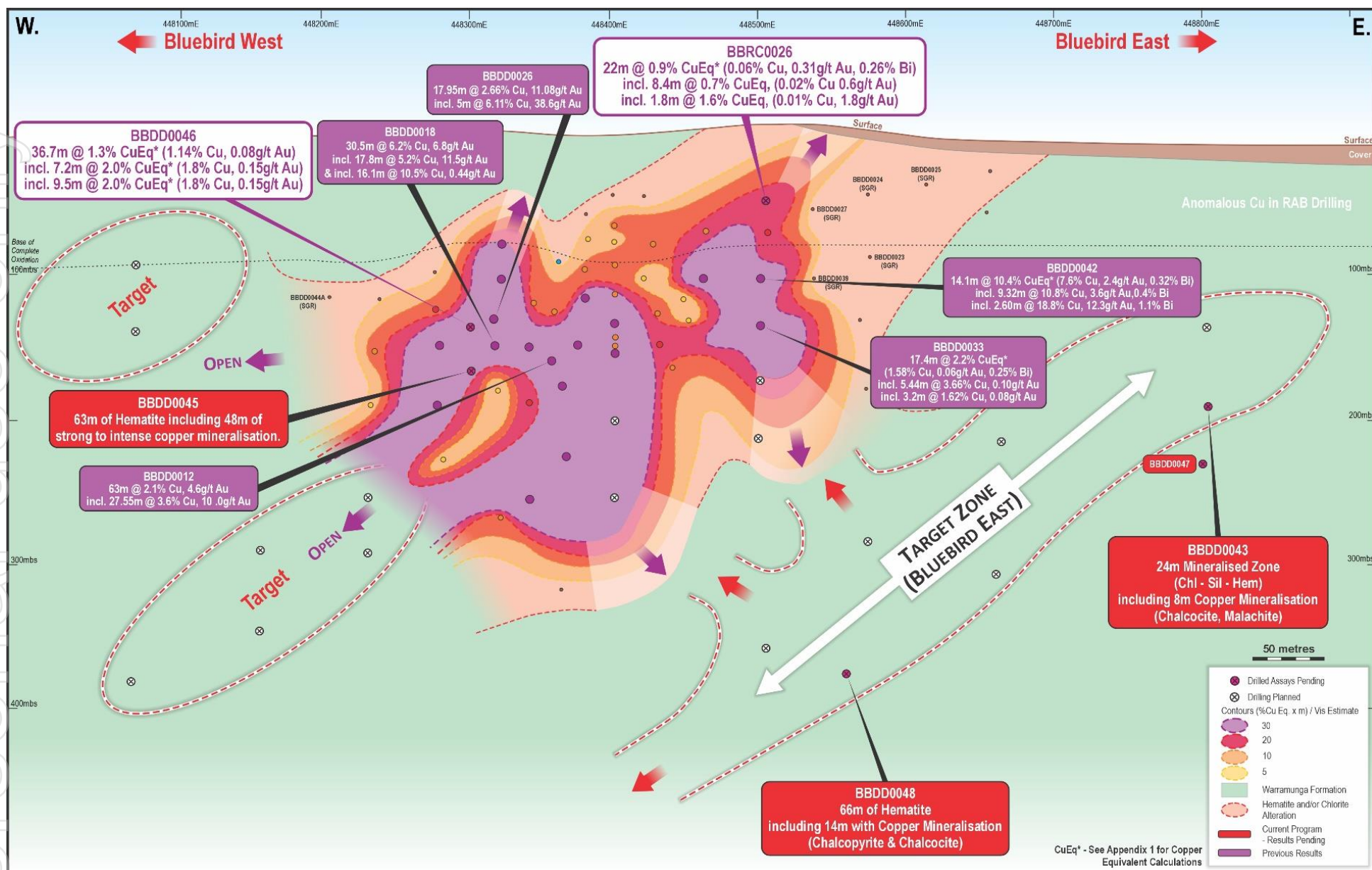


Figure 4: Bluebird longitudinal projection showing key copper-gold intersections, new high-grade copper and gold intersections planned drilling.

Bluebird East Copper-Mineralisation Discovery

The **Bluebird East Target Zone** is located approximately 500m east of the main Bluebird discovery. Anomalous previous shallow RAB drilling geochemistry correlates with the eastern part of a large, over 1.5km strike-length, gravity feature – indicating extensive ironstone (see Figure 1). The gravity feature coincides with IP resistivity lows and a reversely polarised magnetic signature stronger than Bluebird itself, indicating that the ironstone is mineralised. Bluebird East thus represents a highly prospective drilling target for a Bluebird repeat.

During the Quarter **two diamond drillholes intersected significant copper mineralisation in this large target zone**, including BBD0048³, which intersected 66m of hematite alteration including a **14m zone of strong hematite alteration with visible copper mineralisation** from 484m (chalcopyrite and minor chalcocite) and BBDD0043² which intersected a **24m zone of hematite alteration with 8m of copper mineralisation** (minor chalcocite and malachite on fractures).

These copper mineralised intersections indicate the **discovery of a new mineralised zone which has the potential to increase the strike-length of identified Bluebird mineralisation to over 800m, extending to 400m below surface** (see longitudinal projection, Figure 4). Results from these holes are expected within 3-4 weeks.

MARCH 2024 QUARTER PLANNED ACTIVITIES

Drilling is set to resume following the northern wet-season to continue testing the new Bluebird East discovery to define the extent of mineralisation within this potential Bluebird-repeat zone.

Other targets to be tested at Bluebird include western, down-plunge extensions of the main copper-gold zone and geophysical targets at Bluebird West (see Figure 4).

Metallurgical testwork on core samples from holes BBDD0045 and 0046 will also be completed. This work will include flotation tests for sulphide mineralisation as well as gravity tests for native copper and gold recovery.

Following completion of this next drilling phase and the metallurgical testwork the Company plans to carry out Mineral Resource modelling, targeting a resource with potential to support a stand-alone copper-gold mining and processing operation at the Barkly Project (see location, Figure 6, below).

The Company will also continue to generate drilling targets within the 5km **Bluebird-Perseverance gravity corridor**, where multiple coincident gravity-magnetic-IP resistivity targets have been identified (see Figure 5)⁵.

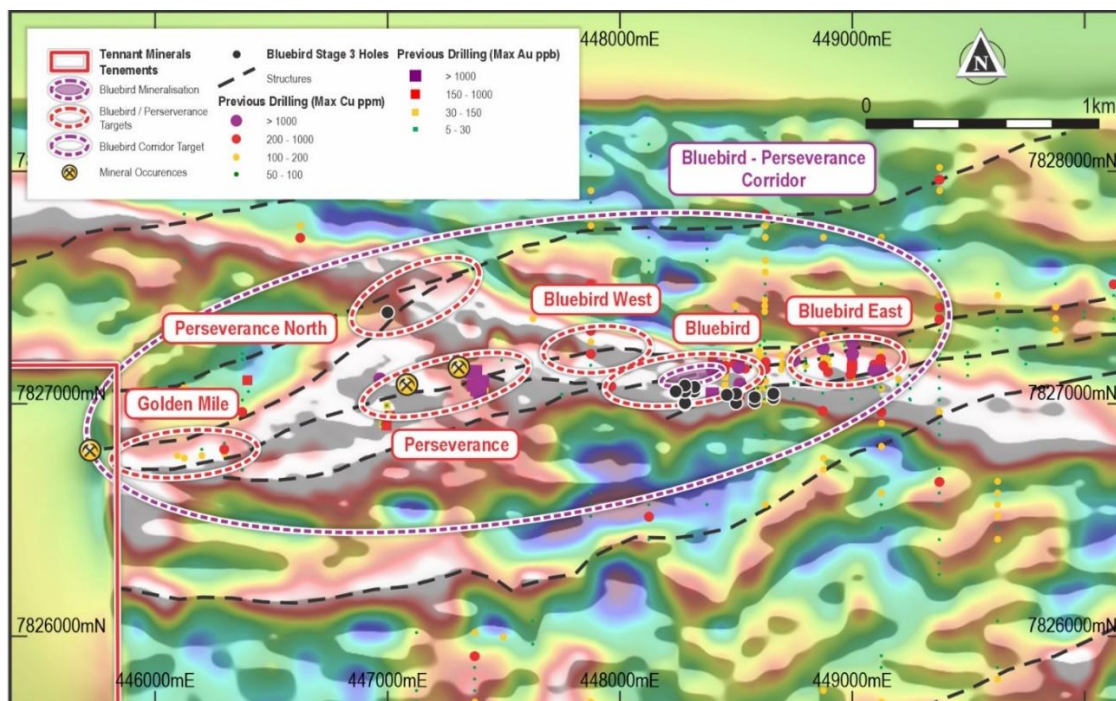


Figure 5: Barkly Project, 5km Bluebird gravity corridor and key copper-gold target zones.

The Company will seek Northern Territory government co-funding to drill-test other regional targets, including a coincident gravity high / magnetic low on the **Babbler tenement, E30701** (see location, Figure 6, below), where previous drilling intersected **3m @ 2.6 g/t Au and 0.3m @ 310 g/t Au⁶**, potentially from a hanging wall structure above an ironstone hosted copper-gold zone (see Figure 6 below).

ABOUT THE BARKLY PROJECT AND THE BLUEBIRD COPPER-GOLD DISCOVERY

The Company's 100% owned Barkly Project is on the eastern edge of the richly endowed Tennant Creek Mineral Field, which produced over 5.5Moz of gold and over 700kt of copper from 1934 to 2005⁷ (Figure 6).

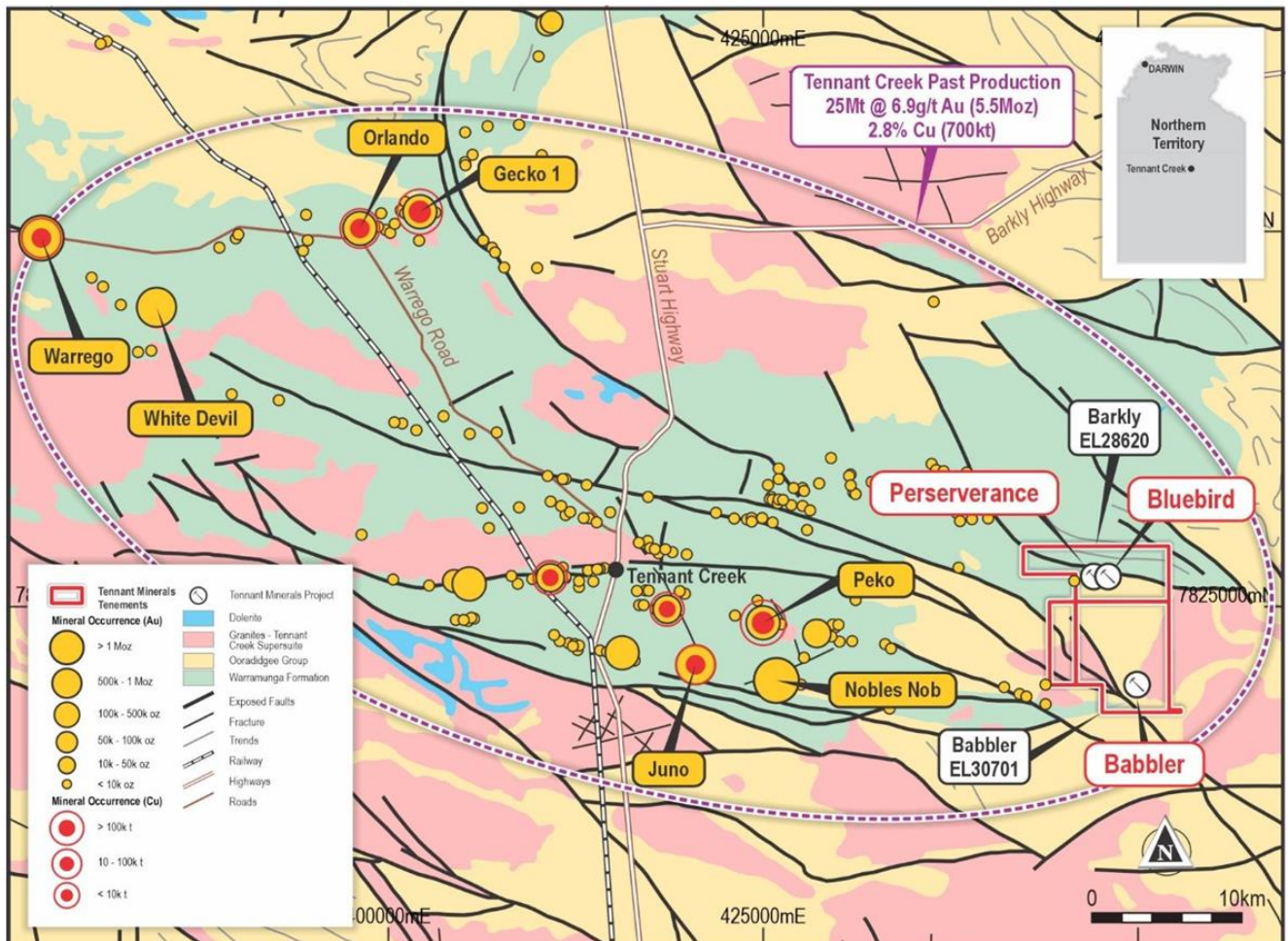


Figure 6: Location of the Barkly Project and major historical mines in the Tennant Creek Mineral Field.

The Barkly Project includes the Company's greenfields Bluebird high-grade copper gold discovery (Figure 6).

The mineralisation intersected at Bluebird is typical of the high-grade copper-gold orebodies in the Tennant Creek Mineral Field. The high-grade mineralisation is associated with intense hematite alteration and brecciation with secondary malachite (copper-carbonate) in the upper parts as well as native copper, which transitions to primary sulphide mineralisation at depth e.g. chalcocite, bornite and chalcopyrite.

Drilling to date has identified high-grade copper-gold mineralisation at Bluebird over a 500m strike length and to over 250m depth. The new Bluebird East discovery has the potential to extend the footprint of the mineralisation from near surface to over 400m depth and over a more than 800m strike-length. The mineralisation remains completely open in all directions (see Figure 4).

The Company has the dual approach of defining the Mineral Resource potential of the Bluebird discovery while also testing other key targets in the Bluebird-Perserverance corridor and regionally, based on gravity, magnetics and IP resistivity survey modelling.

CORPORATE

During the Quarter, the Company advised that Mr Mathew Driscoll resigned as a Director. Non-Executive Director Mr Neville Basset is currently acting Chairman.

Subsequent to the Quarter, the Company appointed Vincent Algar as Chief Executive Officer. A mining and resources geologist with over 33 years in the industry, Vincent brings to Tennant a strong track record of building shareholder value, most recently during his nine-year tenure as Managing Director of Australian Vanadium Ltd (ASX:AVL). During that time, Vincent raised over \$62 million in capital and built AVL's market capitalisation to over \$100 million. Under Vincent's leadership, AVL was able to advance a major vanadium project from the exploration and resource development stages through to project feasibility, attracting substantial Federal Government critical minerals funding. Mr Algar will commence as CEO on 1 February 2024.

Tennant had cash reserves of \$2.26 million at 31 December 2023 after spending \$894,000 during the Quarter, including \$864,000 on in-ground exploration (see attached Appendix 5B Quarterly Cash Flow report).

REFERENCES

- ¹ 04/12/2023. Tennant Minerals (ASX.TMS): "Exceptional Copper and Gold Results at Bluebird Extension".
- ² 15/11/2023. Tennant Minerals (ASX.TMS): "Strong to Intense Copper Mineralisation Bluebird and East".
- ³ 22/01/2024. Tennant Minerals (ASX.TMS): "New Copper Intersection Extends Bluebird Over 400m Depth".
- ⁴ 19/07/2023 Tennant Minerals (ASX.TMS): "Drilling Doubles Strike Length of Bluebird Cu-Au Discovery".
- ⁵ 25/08/2022. Tennant Minerals (ASX. TMS): "Standout Geophysical Targets to Replicate Bluebird Cu-Au Discovery".
- ⁶ 29/07/2022. Tennant Minerals (ASX. TMS): "Quarterly Activities Report for the Period Ended 30 June 2022".
- ⁷ Portergeo.com.au/database/mineinfo. Tennant Creek - Gecko, Warrego, White Devil, Nobles Nob, Juno, Peko, Argo.

Authorised for release by the board of directors.

*****ENDS*****

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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 Chris Ramsay. Mr Ramsay is the General Manager of Geology at Tennant Minerals Ltd and a Member of the Australian Institute of Mining and Metallurgy ('MAusIMM'). Mr Ramsay has sufficient experience, including over 25 years' experience in exploration, resource evaluation, mine geology, and development studies, 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 Ramsay 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

Equivalent Copper (CuEq) Calculation

The conversion to equivalent copper (CuEq) grade must take into account the expected plant recovery/payability and sales price of each commodity in the calculation.

Approximate recoveries/payabilities are based on comparable deposits previously mined in the Tennant Creek mineral field, which are similar to the Bluebird discovery in terms of mineralogy.

The prices used in the calculation are based on market pricing (at 10/08/23) for Cu, Au, Ag sourced from the website kitcometals.com whilst estimates for Bi and Co are from other sources for current Co and Bi price.

The table below shows the grades, process recoveries and factors used in the conversion of the poly metallic assay information into an equivalent Copper Equivalent (CuEq) grade percent (see table below).

Metal	Average grade	Average grade	Metal Prices			Recovery x payability	Factor	Factored Grade
-	(g/t)	(%)	\$/oz	\$/lb	\$/t	(%)	-	(CuEq%)
Cu	-	1.14	\$0.23	\$3.69	\$8,155	0.8	1	1.14
Au	0.08	-	\$1,890	\$30,240	\$66,648,960	0.8	0.82	0.07
Ag	0.50	-	\$22.7	\$363	\$800,493	0.8	0.010	0.005
Bi	-	0.02	\$0.50	\$8.00	\$17,632	0.8	2.16	0.04
Co	55.50	-	\$0.94	\$14.97	\$33,000	0.8	0.0004	0.02
							CuEq	1.3

Using the factors calculated above the equation for calculating the Copper Equivalent (CuEq)% grade of the intersection of **36.7m @ 1.3% CuEq** (1.14% Cu, 0.08 g/t Au, 0.50g/t Ag, 0.02% Bi, 55.5g/t Co) is:

$$1 \times 1.14\% \text{ Cu} + 0.82 \times 0.08\text{g/t Au} + 0.01 \times 0.50\text{g/t Ag} + 2.16 \times 0.02\% \text{ Bi} + 0.0004 \times 55.5\text{g/t Co} = 1.3\% \text{ CuEq.}$$

APPENDIX 2

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%

* Renewals pending.

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)

31 December 2023

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 and evaluation (if expensed)	(864)	(1,981)
(b) development	-	-
(c) production	-	-
(d) staff costs	(40)	(85)
(e) administration and corporate costs	(11)	(198)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	21	21
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	(894)	(2,243)
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 (6 Months) \$A'000
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	132	132
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		132	132
4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1	Cash and cash equivalents at beginning of period	3,021	4,370
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(894)	(2,243)
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)	132	132
4.5	Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period		2,259	2,259
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	2,259	3,021
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)		2,259	3,021
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	40	
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)	(894)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(894)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	2,259
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	2,259
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	2.5

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:
- 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
 - 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
 - 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: Wednesday, 31 January 2024

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.