



ASX:EMS

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31 July 2024

ASX:EMS

ACN 643 902 943

CAPITAL STRUCTURE

Share Price: A\$0.030

Cash: A\$1.1M

Debt: Nil

Ordinary Shares: 113.7M

Market Cap: A\$3.41M

Enterprise Value: A\$2.3M

Options:

26.6M (3years/30c)

20.3M (3years/10c)

5.0M (3years/6c)

BOARD OF DIRECTORS

Robert Duffin

Non-Executive Chairman

Ian White

Independent Non-Executive Director

Mark Dugmore

Independent Non-Executive Director

Dr Jason Berton

Independent Non-Executive Director

CHIEF EXECUTIVE OFFICER

Ley Kingdom

COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Ian Morgan

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JUNE 2024 QUARTERLY ACTIVITIES REPORT

Exciting new targets identified at Browns Reef, with drilling imminent; Co-funding grant awarded for IP survey at Arunta

HIGHLIGHTS

Cobar Project, NSW

- Field work programs identify new strongly anomalous base metal zones at Browns Reef to the north and south of the high-grade Evergreen zone.
- A Reverse Circulation (RC) drilling program has been designed to test these anomalous zones, which have been named 'Kelpie Hill' and 'Windmill Dam'.
- Drilling approvals in place and drill contract awarded, with drilling scheduled to commence in the coming weeks.
- Approvals are also in place for further diamond drilling at the high-grade Evergreen zone.

Arunta Project, NT

- Co-funding grant of up to \$100,000 secured through the NT's Geophysics and Drilling Collaborations Program, Round 17, under the 'Innovative Targeting' category.
- Funding will support the completion of an Induced Polarisation (IP) survey at the Arunta Project to generate drill targets along strike from Home of Bullion with its 3.1Mt @ 2.9% CuEq JORC resource.
- The area offers strong potential for the discovery of additional high-grade structurally controlled Volcanic Massive Sulphide-style lodes.

Corporate

- Completion of a successful ~\$1M share placement, with funds to accelerate exploration activities across the Company's highly prospective copper and base metals portfolio.
- Binding agreement to sell the Thomson Project in NSW to Legacy Minerals Holdings Ltd (ASX:LGM) for \$200,000 in cash plus a 1.5% royalty. The cash sale allows Eastern Metals to focus its funds and human resources on the exploration of the Cobar and Arunta Projects.

Eastern Metals CEO, Ley Kingdom, said: *"The June Quarter has been an exciting period for the Company, with field work programs at our Cobar Project in NSW identifying two high-priority targets to the north and south of the known high-grade mineralisation at Evergreen. Both targets are located along the highly prospective Woorara Fault, with the potential that they may define multiple mineralised zones that extend over about 2.5km from Pineview in the south to the new Kelpie Hill target in the north. Planning and approvals for an RC drilling campaign to test this theory are complete, with drilling expected to kick off in August.*

"We were also delighted to receive a co-funding grant from the Northern Territory government to support the completion of an Induced Polarisation survey at the Arunta Project to help define drill targets along strike from Home of Bullion.

"With exploration programs at both the Cobar and Arunta Projects ramping up, we reached agreement during the Quarter to divest the Thomson Project in NSW to Legacy Minerals, providing Eastern Metals with an all-cash consideration of \$200,000 plus a 1.5% NSR, while enabling us to prioritise our efforts on the more advanced assets within our portfolio.

"The sale of the Thomson Project, together with a successful \$1 million strategic share placement completed during the Quarter, ensure the Company is well positioned to accelerate its exploration programs in both NSW and the NT."

Eastern Metals Limited (**ASX: EMS**) ("**Eastern Metals**" or "the **Company**") is pleased to present its Quarterly Report for the period ending 30 June 2024.

EXPLORATION UPDATE

COBAR PROJECT, NSW

Eastern Metals' focus within the 100%-owned Cobar Project in NSW is the Browns Reef zinc-lead-silver-copper-gold deposit (**Figure 1**).

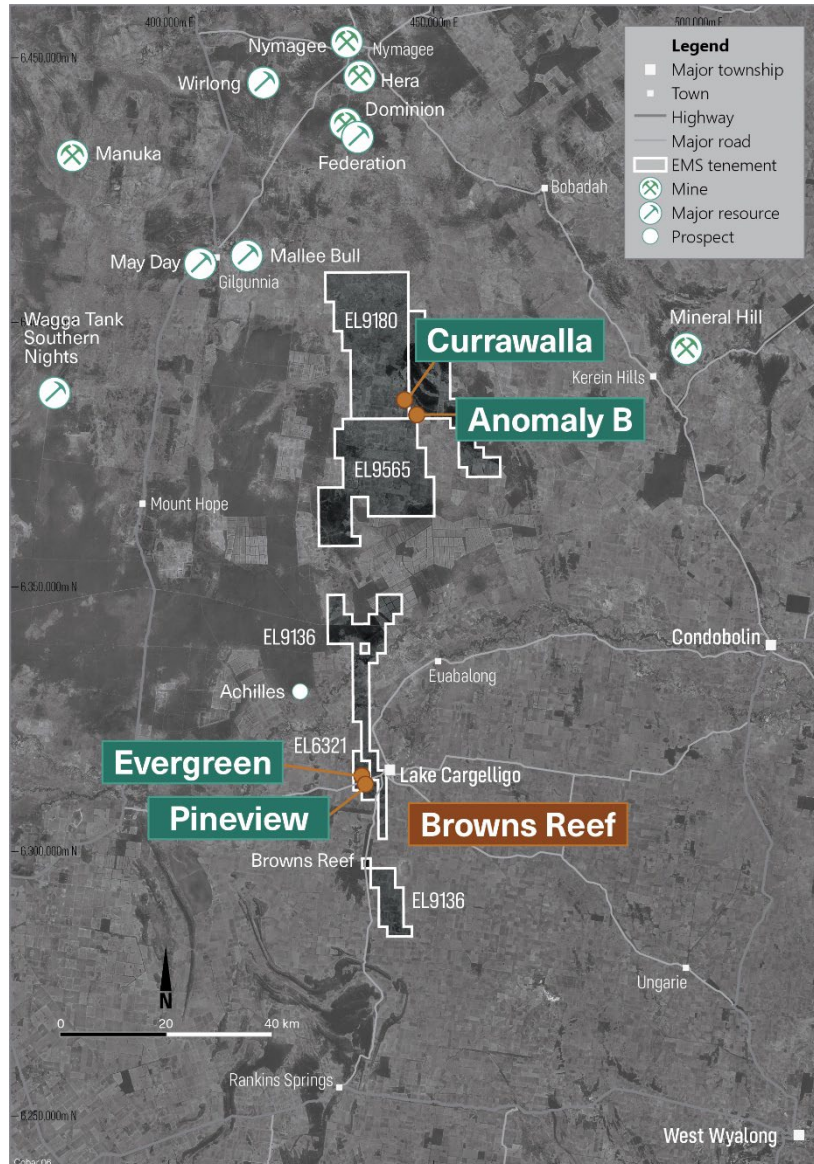


Figure 1: Location of tenements comprising the 100%-owned Cobar Project in NSW.

EL6321 Browns Reef

Browns Reef is a large, structurally controlled base metals system extending over a total strike length of about 6km with two higher-grade mineralised zones, Evergreen and Pineview (**Figure 2**).

Fieldwork programs undertaken across EL6321 during the Quarter identified new zones of anomalous base metal mineralisation¹ in the northern portion of the project area. The fieldwork

¹ ASX EMS Announcement of 3 June 2024, "New High-Priority Targets Identified at Browns Reef, NSW".

programs were completed in April and May 2024 and focused on the Woorara Fault, to the north of the known high-grade Pineview and Evergreen zones.

Fieldwork undertaken in April focused on the area between the Lachlan Valley Way Road and the North Uabba Road. The program was aimed at ground truthing and, where possible, adding to the auger and rotary air blast (RAB) hole data and geological mapping originally acquired by the Electrolytic Zinc Company of Australasia Ltd (EZ) in the 1970s.

Most paddocks in the area have been cropped or cultivated at some stage and outcrop is rare; however, gossanous material is commonly evident in stone raked piles throughout the entire strike length of the inferred Woorara Fault and Preston-Clements contact, defining a north-northwest trending zone.

In addition, ground reconnaissance revealed that gossanous float material was often present scattered along the approximate trend of the inferred mineralised zone; it is believed that significant displacement of this float due to farm activities has not taken place. In total, 28 samples of gossanous rock material were collected for assaying, comprising an average of 1-2kg per sample from multiple pieces of surface float.

A second field trip was conducted in mid-May 2024 utilising a SciAps X555 portable X-ray fluorescence analyser (pXRF) to conduct soil readings every 10 metres along east-west traverses. Line spacing was informed based on real-time results and the previous day's visual assessment of geochemical dispersion of lead. The program was used to test the pXRF capabilities for detecting lead in soils and identifying geochemical trends across the different lithologies at Browns Reef.

The Tertiary basalt coverage within EL6321 is a considerable masking lithology that potentially covers portions of the northern extension of the Browns Reef mineralisation. The pXRF demonstrated that soil anomalism of lead (Pb) and arsenic (As) were readily traceable within the soil profiles and decreasing Pb results could effectively map out the basalt and Clements Formation contact zones. Rock chip samples paired with the pXRF readings were able to distinguish further prospective zones to the south and north of the Evergreen deposit.

Of particular note are two new prospective areas now designated "Kelpie Hill" and "Windmill Dam". Kelpie Hill is located approximately 700 metres to the northwest of Evergreen, and Windmill Dam is 500 metres to the southeast.

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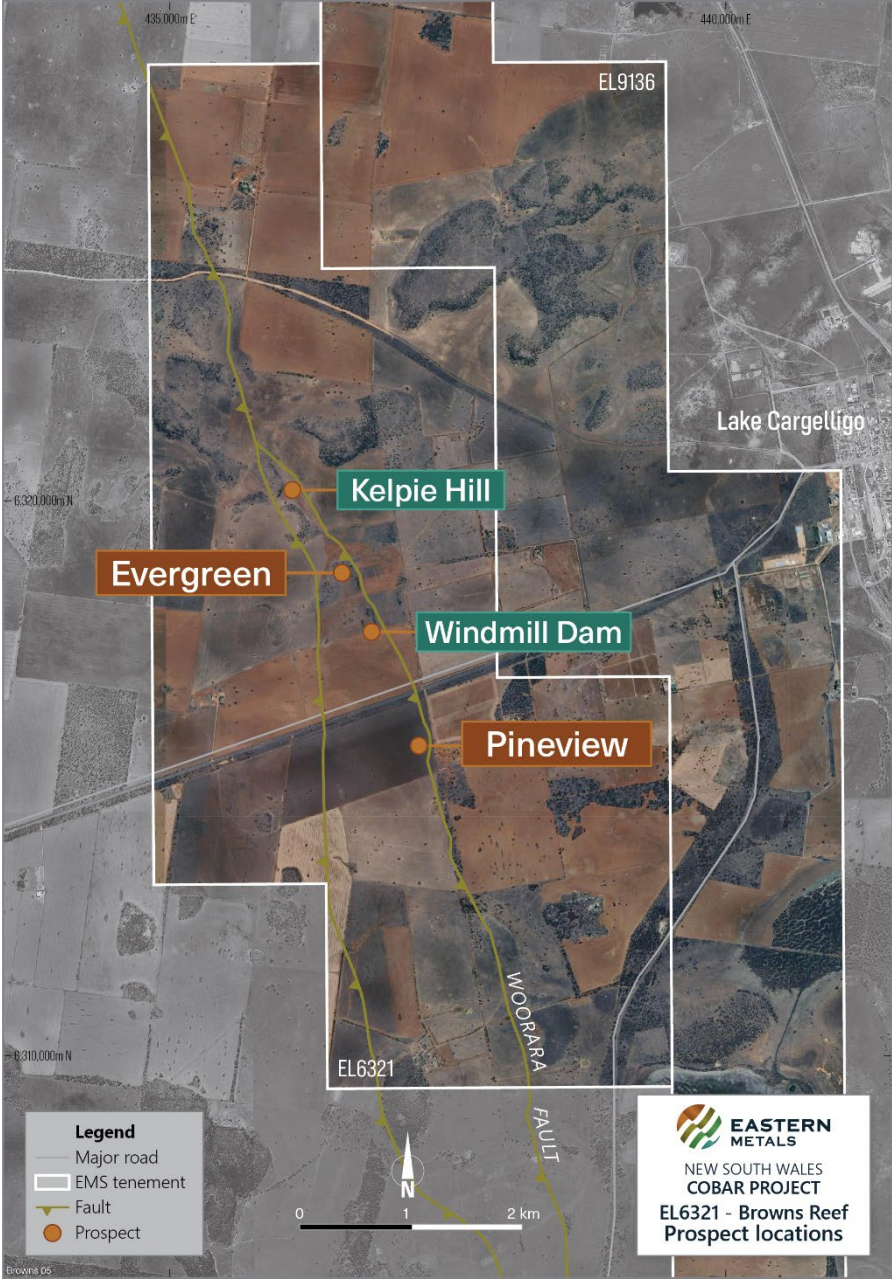


Figure 2: Location of EL6321, Browns Reef and the Pineview, Evergreen, Kelpie Hill & Windmill Dam prospects.

Rock Chip Sample Summary

A total of twenty-eight (28) rock chip samples of gossanous float lithologies were sent for assaying in April 2024. Multi-Element ICP and Low-Level Fire Assay techniques were used for all samples with potential pathfinder elements (e.g. As) included in the analysis suite.

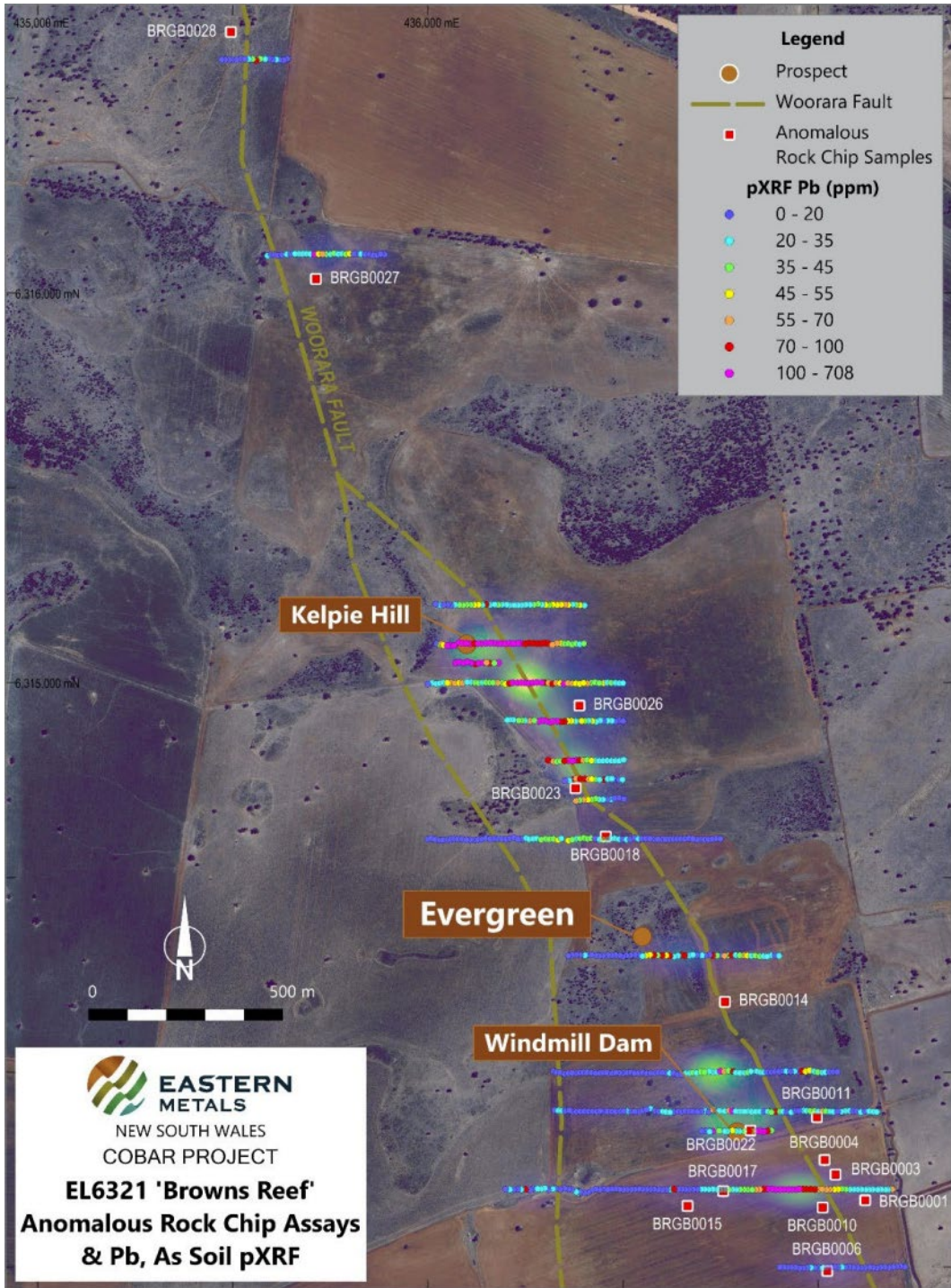


Figure 3: Location of rock chip samples, pXRF traverses with Pb (ppm) and As (ppm, 'heat mapped').

A summary of anomalous results is presented in **Table 1**.

All but one of these samples were collected from gossanous and ferruginous ex-sulphide float, the remaining sample from a stone raked pile (BRGB0001). Preliminary results from these rock chip samples were used as a guide for the pXRF traverse program described below, particularly in areas of low auger/RAB drilling density. The locations of rock chip samples is shown in Figure 3.

Table 1: EL6321 rock chip sample significant anomalous assay results²

Sample ID	MGA94 E	MGA94 N	Au (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
BRGB0001	437120	6313677	0.01	23.1	68	2400
BRGB0003	437044	6313743	<0.01	61.2	1000	2600
BRGB0004	437016	6313780	<0.01	116.0	150	3700
BRGB0006	437023	6313495	0.01	132.0	1200	1800
BRGB0010	437011	6313658	0.01	99.2	50	1600
BRGB0011	436996	6313890	<0.01	51.5	82	1200
BRGB0014	436761	6314186	0.01	157.0	3200	6400
BRGB0015	436665	6313662	<0.01	86.1	1500	1200
BRGB0017	436756	6313700	0.01	136.0	3000	1000
BRGB0018	436455	6314610	<0.01	65.6	2100	1100
BRGB0022	436826	6313856	0.01	622.0	4200	1400
BRGB0023	436378	6314734	0.03	90.6	1300	1700
BRGB0026	436388	6314946	0.02	98.4	1200	2200
BRGB0027	435713	6316041	<0.01	231.0	1600	2500
BRGB0028	435495	6316675	<0.01	52.9	400	1700

pXRF Summary

Seventeen (17) lines of 10m spacing pXRF soil readings were collected between 17 and 21 May 2024. A total of 753 readings were taken with a SciAps X555 pXRF utilised on 'soils' mode which allows for highly sensitive multi-elemental analysis.

Initial sampling lines were chosen based on their proximity to gossanous rock chip samples that were collected in April 2024. Sampling lines were between 6313500N and 6316600N, which commenced close to the Lachlan Valley Way and ended near the North Uabba Road.

The ability of the pXRF to pick up Pb within soils is evident and background soil Pb within the Tertiary basalt and Ordovician Clements Formation cover soils was approximately 10-20 ppm. Even within cultivated paddocks, the elevation in Pb along the interpreted Browns Reef mineralisation trend was apparent (see Figure 2). Pb often ranged from 70-100+ ppm within these zones. The highest Pb value recorded for the program was 708 ppm which fell within the newly designated Kelpie Hill prospect.

In-fill lines were added at the beginning of each day pending the visual display of the Pb values from the previous day. In-fill lines were also added to provide a clearer anomalous trend line where the EZ auger/RAB drillholes were sparse. In matching bottom-hole assay data from the 1970s and pXRF results, a clearer trend of anomalous base metal zones can be distinguished where the Tertiary basalt is not present (see Figure 2).

² ASX EMS Announcement of 3 June 2024, "New High-Priority Targets Identified at Browns Reef, NSW".

Drilling Program

Eastern Metals has received approvals from the NSW regulator³ for RC drilling at the Kelpie Hill and Windmill Dam targets. The Company also has approvals in place for further diamond drilling at the high-grade Evergreen zone. Drilling is scheduled to commence by 30 September 2024.

Drillit Consulting Pty Ltd – an experienced drilling contractor based in the Cobar Basin previously been used by the Company – has been awarded the contract for the drill program. Planning is also underway for an IP survey north and south of Evergreen, as this has the capability to remove the masking effect of the Tertiary basalt cover, potentially highlighting significant new target areas for drilling.

EL9136 Bothrooney

Three land access agreements were signed by landholders for EL9136 (Bothrooney) in mid-May 2024 and reconnaissance fieldwork on this tenement is ongoing to assess the potential of Tabberabberan basin structures associated with the regional Woorara and Kilparney faults.

A renewal application was lodged with the NSW Resources Regulator on 7 April 2024 and was approved on 13 June 2024.

EL9180 Tara

A renewal application was lodged with the NSW Resources Regulator on 7 May 2024 and was approved on 28 June 2024.

ARUNTA PROJECT, NT

The Arunta Project, which is located in the Northern Territory, east of the Stuart Highway between Alice Springs and Tennant Creek near the township of Barrow Creek, comprises two groups of tenements, 'Neutral Junction' in the north and 'Adnera Hill' to the south.

The Company's core focus within the Arunta Project is the **Home of Bullion deposit** (EL23186), which hosts a **3.1 million tonne resource grading 2.9% CuEq⁴**, Mulbangas and Prospect D. The locations of these tenements are shown in **Figure 4**.

³ ASX EMS Announcement of 17 July 2024, "Drilling to Test High-Priority Targets at Browns Reef".

⁴ Refer to the Mineral Resources Holdings table on page 13 of this report for further details.

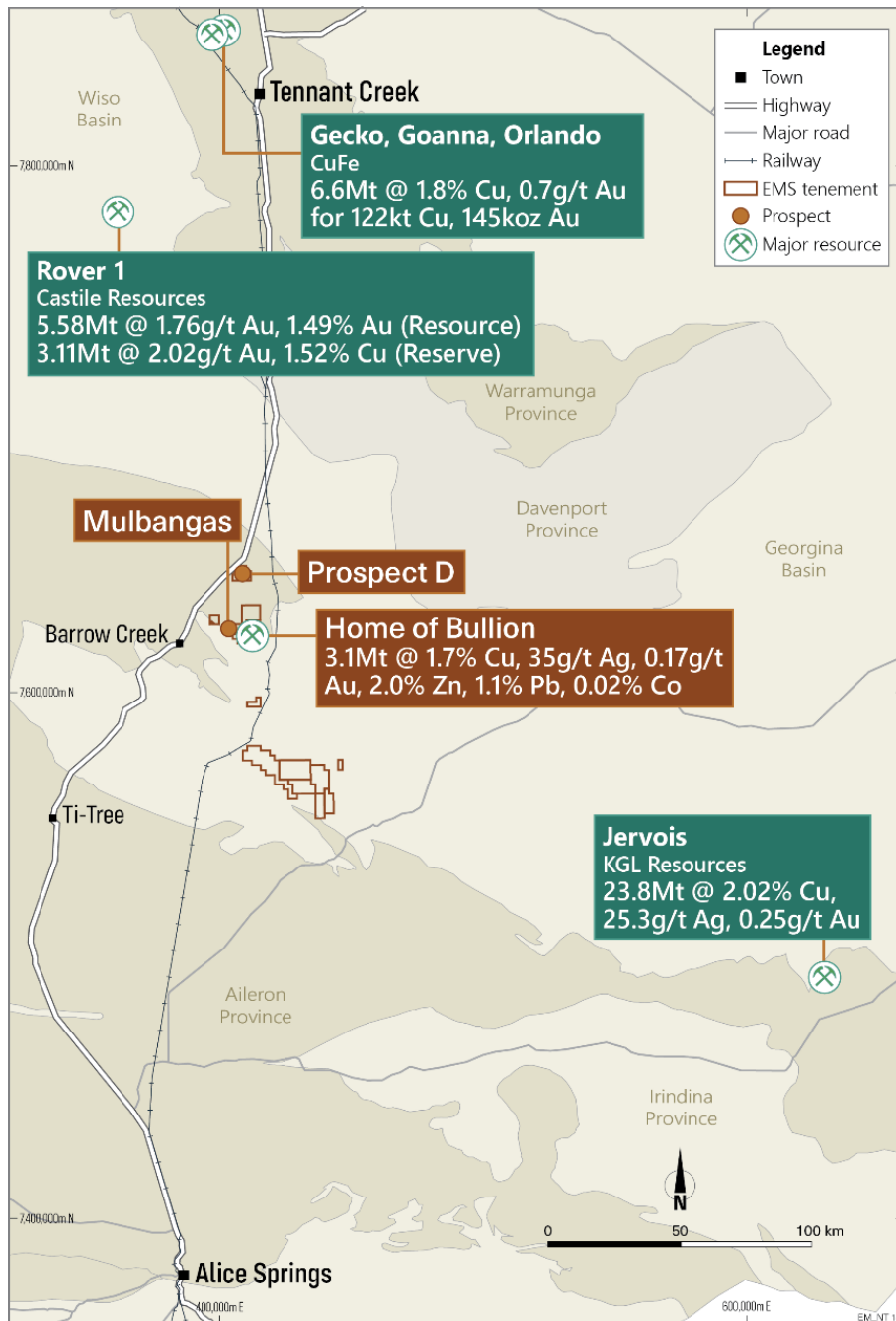


Figure 4: Location of the Company's Arunta Project tenements in the Northern Territory.

EL23186 Home of Bullion

An updated Mineral Resource estimate (3.1 million tonnes, 2.9% CuEq) for the Home of Bullion copper deposit was released by the Company in the March 2023 Quarter.⁵

During the quarter, Eastern Metals was awarded co-funding for up to \$100,000⁶ in Round 17 of the Northern Territory (NT) Geophysics and Drilling Collaborations Program (GDGP), part of the NT

⁵ ASX EMS Announcements of 8 March 2023 and 10 March 2023, "Resource Grows at Home of Bullion Copper Project".

⁶ ASX EMS Announcement of 11 June 2024, "Successful NTGS Co-Funding Collaboration Grant".

Government's 'Resourcing the Territory' initiative⁷. This is a competitive grants program administered by the Northern Territory Geological Survey (NTGS) to address geoscientific knowledge gaps, advance exploration activity and support the discovery and development of resources in the NT.

The funding will support the completion of an Induced Polarisation (IP) survey at the Arunta Project to generate drill targets along the ~9km northwest extension from Home of Bullion to the Mulbangas prospect. This area offers strong potential for the discovery of additional high-grade structurally controlled Volcanic Massive Sulphide-style lodes.

The survey design between the Home of Bullion deposit and Mulbangas prospect, within EL23186, EL28615 and EL32027, is consistent with the orientation of the Bullion Schist host rock and the structural framework of the known areas of mineralisation at Home of Bullion. It is anticipated that the survey coverage will enable correlation of the Home of Bullion's geological features along strike, such as key host faults and folds, mineralisation lodes within the Bullion Schist, magnetic anomalies and other geophysical signatures associated with alteration patterns. This will allow a more precise testing of previously defined exploration targets (**Figure 5**).

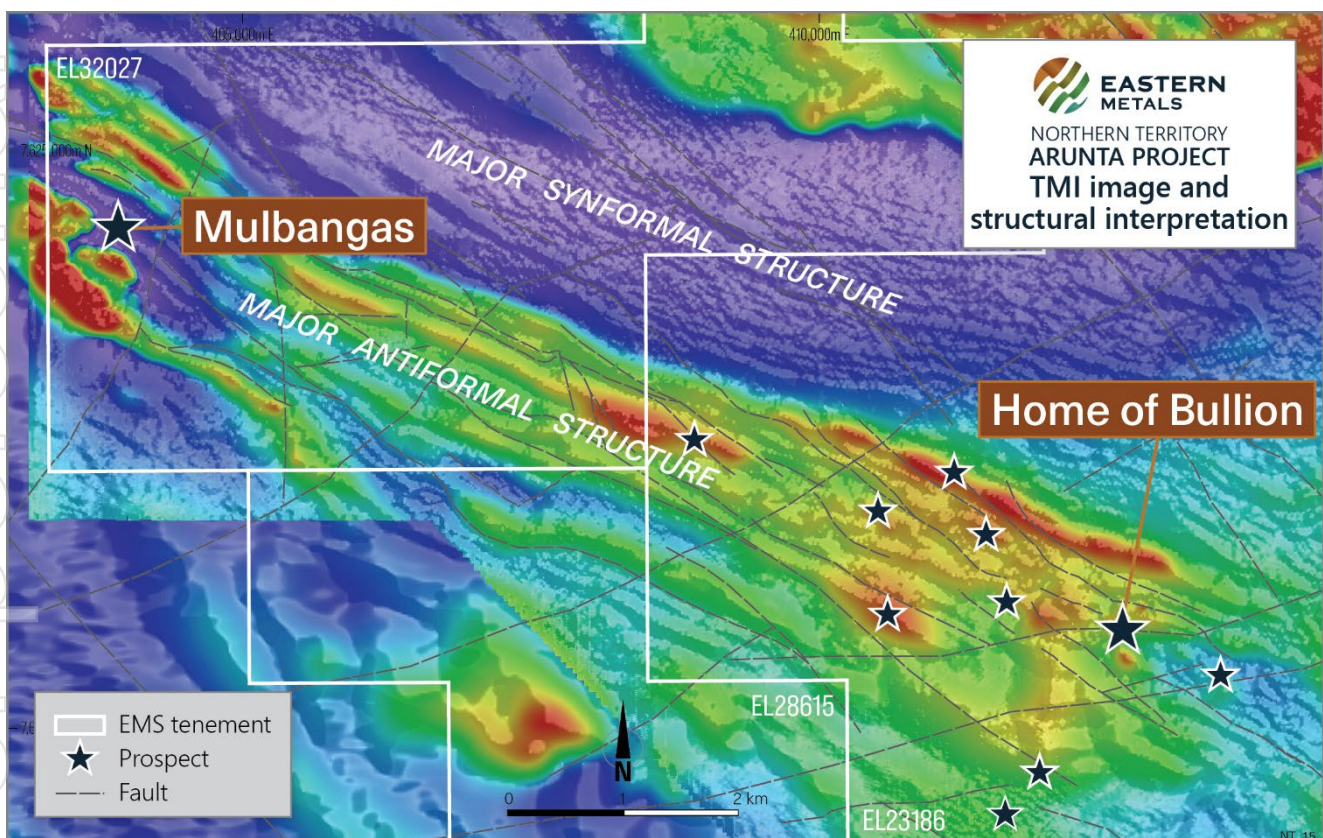


Figure 5: Structural interpretation of the TMI-RTP magnetic imagery showing a major northwest-trending structure that defines the prospective area between the Home of Bullion deposit and Mulbangas prospect.

Eastern Metals will integrate the IP data with previous datasets such as magnetic and gravity images, drilling information, geochemical results, structural models and solid geology interpretation to

⁷ <https://resourcingtheterritory.nt.gov.au/>

obtain a more detailed analysis of the project area. Overall, the IP survey is expected to improve the geological understanding of the prospective lodes within the Bullion Schist and possibly increase the scale of the Home of Bullion deposit.

A renewal application for EL23186 was lodged with the NT Department of Industry, Tourism and Trade on 8 July 2024 and is still being assessed by the regulator.

CORPORATE

DIVESTMENT OF THE THOMSON PROJECT

Eastern Metals signed a binding Heads of Agreement (“HoA”) during the Quarter for the sale of the Thomson Project⁸ in New South Wales to Legacy Minerals Holdings Ltd (ASX: LGM, “Legacy Minerals”) for \$200,000 in cash and a 1.5% Net Smelter Royalty (“NSR”).

The sale will streamline Eastern Metals’ asset portfolio, enabling the Company to focus its funds and resources on the high-potential, advanced base metals Cobar Project in New South Wales and Arunta Project in the Northern Territory.

The total consideration is:

- \$200,000 cash payable to EMS, with \$50,000 payable within seven days of the HoA execution date, and \$150,000 payable on completion; and
- A 1.5% NSR, on all minerals produced with a buy-back option for:
 - i. Half of the NSR (0.75%) for \$2M at any time; and
 - ii. The remaining half of the NSR (0.75%), for \$4M at any time.

Upon completion, Legacy Minerals will hold a 100% unencumbered interest in the two Thomson Project tenements, EL9190 and EL9194.

Completion will be subject to a number of standard conditions precedent (if required), including any approvals required by the ASX, Ministerial consent and other conditions precedent usual for this type of transaction.

FINANCIAL OVERVIEW

Capital Raising

Eastern Metals completed a successful share placement to professional and sophisticated investors during the Quarter to raise \$1,000,000 (before costs) through the issue of 31.25 million new fully paid ordinary shares (“Shares”) at an issue price of \$0.032 per Share (“the Placement”).

⁸ ASX EMS Announcement of 24 June 2024, “Thomson Project Sold for \$200,000 Plus 1.5% NSR”.

The proceeds of the Placement will be used to accelerate the Company's exploration activities across its highly prospective portfolio of polymetallic projects in the Cobar Basin and NT, as well as to provide additional working capital.

Cash position

Eastern Metals held cash reserves at the end of the Quarter of approximately \$1.1 million.

During the Quarter, Eastern Metals' cash expenditure for exploration and evaluation totalled \$255,000. Full details of exploration activity during the Quarter are included in this Quarterly Activities Report. There were no substantive mining production and development activities during the Quarter.

Shareholder Information

As at 30 June 2024, the Company had 552 shareholders and 113,676,245 ordinary fully-paid shares on issue, with the top 20 shareholders holding 68.4% of the total issued capital.

Payments to Related Parties of the Entity and their Associates

During the quarter ended 30 June 2024, the aggregate amount of payments to related parties and their associates totalled \$81,125 including GST, consisting of \$81,125 directors' fees, including \$26,125 directors' fees payable at 31 March 2024.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's planned activities, including mining and exploration programs, and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. In addition, summaries of Exploration Results and estimates of Mineral Resources and Ore Reserves could also be forward looking statements.

Although Eastern Metals believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Previously Reported Information

Certain information in this announcement references previously reported announcements. The announcements are available to view on the Company's website (www.easternmetals.com.au) and on the ASX website (www.asx.com.au). Other than the information set out in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the exploration results continue to apply and have not materially changed.

Authorisation for this Announcement

This announcement has been authorised for release by the Company's Disclosure Officers in accordance with its Disclosure and Communications Policy which is available on the Company's website, www.easternmetals.com.au.

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TENEMENT INTERESTS

Eastern Metals' tenement holding as of 30 June 2024.

Tenure ⁹	Location	Company's Interest	Holder	Status
EL23186	Home of Bullion, Northern Territory	100%	Company	Renewal lodged ¹⁰
EL28615	Donkey Creek, Northern Territory	100%	Company	Current
EL32027	Barrow Creek, Northern Territory	100%	Company	Current
EL24253	Mount Skinner, Northern Territory	75.14%	Mithril ¹¹	Current
EL29475	Adnera, Northern Territory	100%	Company	Current
EL30797	Ooralingie, Northern Territory	100%	Company	Current
EL31292	Buggy Camp, Northern Territory	100%	Company	Current
EL6321	Browns Reef, New South Wales	100%	Company	Current
EL9180	Tara, New South Wales	100%	Company	Current
EL9136	Bothrooney, New South Wales	100%	Company	Current
EL9190	Falcon, New South Wales	100%	Company	Transfer pending
EL9194	Harrier, New South Wales	100%	Company	Transfer pending
EL9565	Black Range, New South Wales	100%	Company	Current

⁹ EL9190 and EL9194 were agreed to be divested during the quarter; transfer is pending. Refer ASX EMS Announcement of 24 June 2024, "Thomson Project Sold for \$200,000 Plus 1.5% NSR". There were no other tenement acquisitions or disposals during the June 2024 quarter.

¹⁰ A renewal application for EL23186 was lodged prior to its expiry on 14 July 2024. This licence is still current and will remain in good standing until assessed by the regulator.

¹¹ Tenement held by Mithril Resources Limited (ASX: MTH) (Mithril). The 75.14% interest held by Bowgan Minerals Ltd (Bowgan) in the Joint Venture is pursuant to a Joint Venture Agreement dated 26 April 2011 between Mithril Resources Ltd, Mega Hindmarsh Pty Ltd and Bowgan.

MINERAL RESOURCES HOLDINGS

Eastern Metals' resource inventory comprises the Home of Bullion Resource (NT).

HOME OF BULLION RESOURCE ESTIMATE¹²

Lode	Weathering	Class	Tonnage (kt)	Density	CuEq %	Cu %	Zn %	Ag ppm	Pb %	Au ppm	Co %
Main Upper	Oxide	Indicated	110	2.7	4.0	2.3	1.0	71	2.6	0.37	0.01
Main Upper	Fresh	Indicated	370	3.8	4.7	2.8	4.1	47	1.2	0.28	0.03
Main Lower	Fresh	Inferred	740	4.3	4.5	2.7	2.9	39	1.1	0.43	0.03
South	Oxide	Inferred	120	2.7	2.1	1.4	1.3	19	0.7	0.02	0.01
South	Fresh	Inferred	1,100	3.8	2.5	1.4	1.7	40	1.2	0.05	0.02
South LGFW ¹³	Oxide	Inferred	40	2.7	0.8	0.4	0.4	10	0.5	0.01	0.00
South LGFW	Fresh	Inferred	580	3.4	0.9	0.4	0.8	14	0.6	0.01	0.01
Total			3,100	3.7	2.9	1.7	2.0	35	1.1	0.17	0.02
All	Oxide		270	2.7	2.6	1.6	1.0	39	1.4	0.16	0.01
All	Fresh		2,790	3.9	2.9	1.7	2.2	35	1.1	0.17	0.02
Total			3,100	3.7	2.9	1.7	2.0	35	1.1	0.17	0.02
All		Indicated	480	3.6	4.6	2.7	3.4	53	1.5	0.3	0.03
All		Inferred	2,580	3.8	2.6	1.5	1.8	32	1.0	0.1	0.02
Total			3,100	3.7	2.9	1.7	2.0	35	1.1	0.17	0.02

¹² See the Company's ASX announcements 8 March 2023 and 10 March 2023 for further details.

¹³ LGFW means low grade footwall unit.

Appendix 5B

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

Name of entity

Eastern Metals Limited

ABN

29 643 902 943

Quarter ended ("current quarter")

30 June 2024

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 & evaluation	(255)	(886)
(b) development	-	-
(c) production	-	-
(d) staff costs	(117)	(362)
(e) administration and corporate costs	(173)	(575)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	28
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	(539)	(1,795)

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	-	-
(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 (12 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)	525	525
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	(34)	(41)
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	491	484

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,094	2,357
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(539)	(1,795)
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)	491	484

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
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,046	1,046

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	596	544
5.2	Call deposits	450	550
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)	1,046	1,094

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 ¹	81
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.

¹ Aggregate amount of payments to related parties and their associates totals \$81,125 including GST, consisting of \$81,125 directors' fees, including \$26,125 directors' fees payable at 31 March 2024.

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

7. Financing facilities <i>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.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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.		
Not applicable.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(539)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(539)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,046
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,046
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.94
<i>Note: if the entity has reported positive relevant outgoings (i.e. 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: The Company will manage its net operating cash flows within the limits of available funding. Net cash used in operating activities totalling \$539,000 for the June 2024 quarter includes \$255,000 exploration expenditure, which is discretionary expenditure.	

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: As at 30 June 2024, the following funding arrangements have been made:

- \$475,200 received on 16 July 2024, from second tranche of \$1 million capital raising (ASX: EMS announcement 20 May 2024)
- NT Geological Survey co-funding grant of up to \$100,000 for the Company's Arunta Project (ASX: EMS announcement 11 June 2024)
- \$200,000 cash from sale of the Company's Thomson Project totalling \$200,000 plus 1.5% net smelter royalty. \$50,000 was received on 3 July 2024. \$150,000 is receivable upon completion of the tenement transfer. (ASX: EMS announcement 24 June 2024)

The Company believes that the reported funding arrangements will be successful.

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: Yes

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.

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: 31 July 2024

Authorised by: Company Disclosure Officers²
(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.

² In accordance with its Disclosure and Communications Policy which is available on the Company's website www.easternmetals.com.au