



ASX:EMS

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31 October 2024

ASX:EMS

ACN 643 902 943

CAPITAL STRUCTURE

Share Price: A\$0.019

Cash: A\$0.9M

Debt: Nil

Ordinary Shares: 113.7M

Market Cap: A\$2.2M

Enterprise Value: A\$1.3M

Options:

2.3M (3years/30c)

20.3M (3years/10c)

10.0M (3 years/6c)

BOARD OF DIRECTORS

Mark Dugmore

Independent Non-
Executive Director

Ian White

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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SEPTEMBER 2024 QUARTERLY ACTIVITIES REPORT

New targets identified at Browns Reef, the commencement of drilling, and co-funding grant awarded for IP survey at Arunta

HIGHLIGHTS

Cobar Project, NSW

- Reverse Circulation (RC) drilling completed to test the new, high priority 'Kelpie Hill' and 'Windmill Dam' targets at the Cobar Project.
- Diamond tails completed on two RC holes, one each at Kelpie Hill and Windmill Dam.
- Diamond hole at Evergreen completed to test for an extension of the mineralisation along strike to the north.
- Planning underway for an Induced Polarisation (IP) survey to 'see through' the younger Tertiary basalt cover, potentially highlighting new target areas for drilling.

Arunta Project, NT

- Induced Polarisation (IP) survey completed at the Arunta Project to generate drill targets along strike from the existing Home of Bullion deposit.
- The area offers strong potential for the discovery of additional high-grade, structurally controlled Volcanogenic Massive Sulphide-style lodes along a magnetic high trend.
- Results from the IP survey will assist with prioritising targets for future drilling.
- Survey supported by a co-funding grant for up to \$100,000 through the NT's Geophysics and Drilling Collaborations Program, Round 17, under the 'Innovative Targeting' category.

Corporate

- Eastern Metals was successful in its application for the Australian Government's Junior Minerals Exploration Incentive scheme, receiving an allocation of \$910,750 in refundable tax offsets and franking credits that are available for potential distribution to Eligible Shareholders for the 2024-25 income tax year.

Eastern Metals CEO, Ley Kingdom, said: *"The September Quarter has been a busy period for Eastern Metals, with exploration programs underway at both our Cobar Project in NSW and Arunta Project in the Northern Territory.*

"RC drilling at the Cobar Project commenced in early August, initially targeting the new Kelpie Hill and Windmill Dam targets, both of which lie along the highly prospective Woorara Fault and returned strongly anomalous copper, lead, zinc and silver results from rock chip sampling.

"Drilling at Cobar next moved to the high-grade Evergreen prospect, where previous drilling has returned intercepts including 13m @ 5.4% Zn, 2.3% Pb, 0.14% Cu, 11.5g/t Ag and 0.9g/t Au from 225m.

"At the Arunta Project, an Induced Polarisation survey commenced in mid-September, with results expected to enhance our understanding of the geologically complex Home of Bullion deposit and assess the potential for new discoveries within the Bullion Schist host rock along strike from the deposit.

"We look forward to another busy period at both Cobar and Arunta during the December 2024 Quarter."

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

EXPLORATION UPDATE

COBAR PROJECT, NSW

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

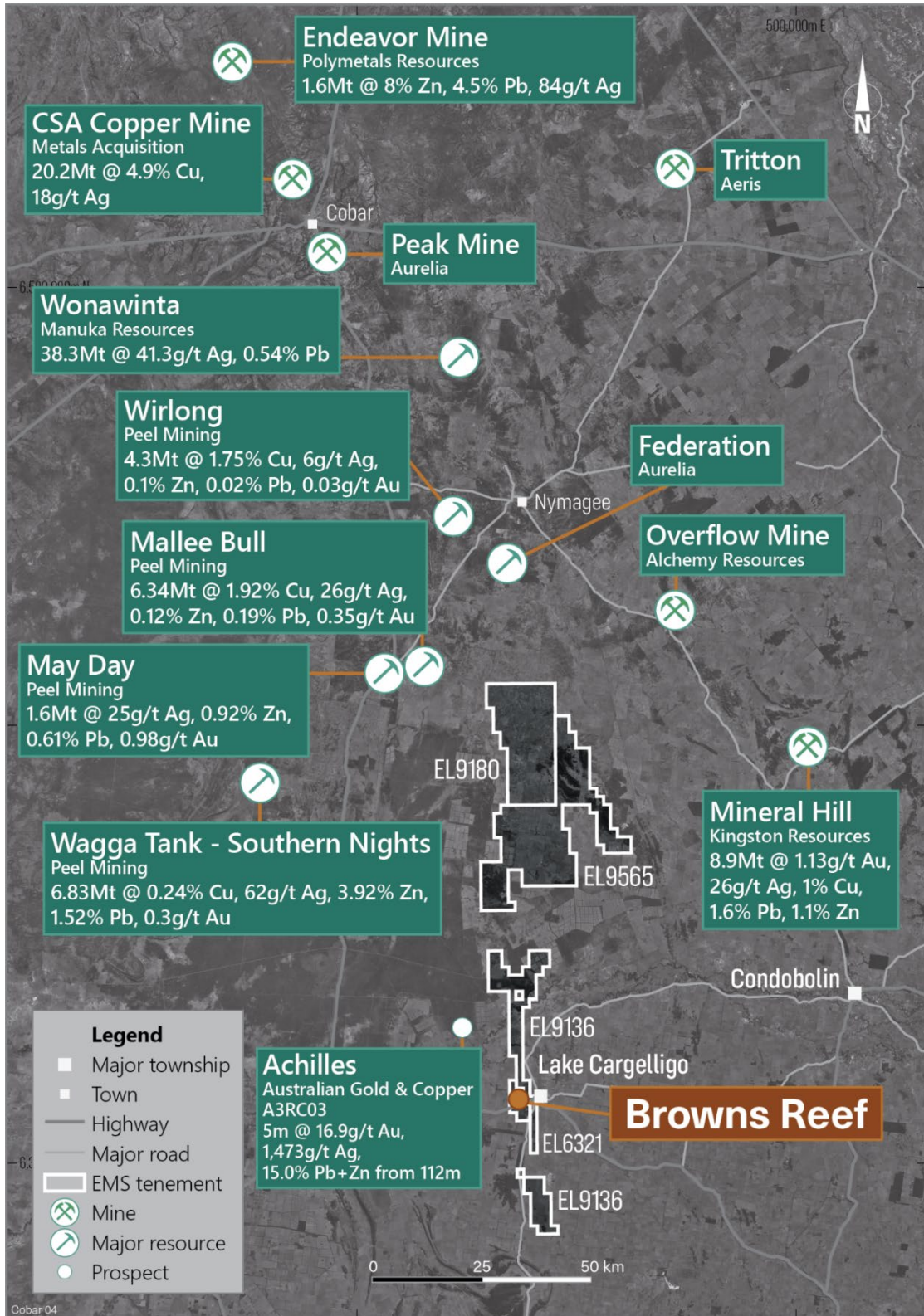


Figure 1: Location of the Cobar Project, southern Cobar Basin, NSW and EL6321, Browns Reef¹.

¹ The third-party projects are not considered by the Company to be peer comparisons to the Company's projects; Eastern Metals is a mineral explorer, not a mineral producer. The third-party projects listed are from producing operations or approved mining projects. Information extracted from each company's website, market announcements, presentations and reports lodged during the FY2023 and FY2024 periods.

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**).

Eastern Metals commenced a Reverse Circulation (RC) drilling program during the September Quarter to test newly identified high-priority targets. The drilling initially focussed on the Kelpie Hill and Windmill Dam targets, located to the north and south of the high-grade Evergreen Zone at Browns Reef² (EL6321), both of which returned highly anomalous grades from surface rock chip sampling³. In-fill and extensional drilling was also planned at Evergreen (refer to **Figure 2**).

Kelpie Hill is located approximately 700 metres to the north-west of Evergreen, and Windmill Dam is 500 metres to the south-east. Refer to **Figure 2**.

The drilling program was undertaken by Drillit Consulting Pty Ltd – an experienced drilling contractor based in the Cobar Basin. The drilling was completed in October, with initial assay results expected in the December 2024 Quarter.

Traverses testing the geochemistry at surface using a pXRF⁴ demonstrated that soil anomalism of lead (Pb), arsenic (As) and antimony (Sb) 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 Evergreen.

The RC program was designed to test whether the anomalous grades from surface rock chip samples and results from pXRF soil readings represent further zones of mineralisation between Pineview and Evergreen and, potentially, to the north of Evergreen.

² Eastern Metals Ltd (ASX:EMS) ASX Announcements 27 June 2022, 'Evergreen Discovery Zone Expanded at Browns Reef' & 2 August 2022, 'More High-Grade Assays in Evergreen Discovery at Browns Reef'.

³ Eastern Metals Ltd (ASX:EMS) ASX Announcement 3 June 2024, 'New High-Priority Targets Identified at Browns Reef, NSW'.

⁴ As above.

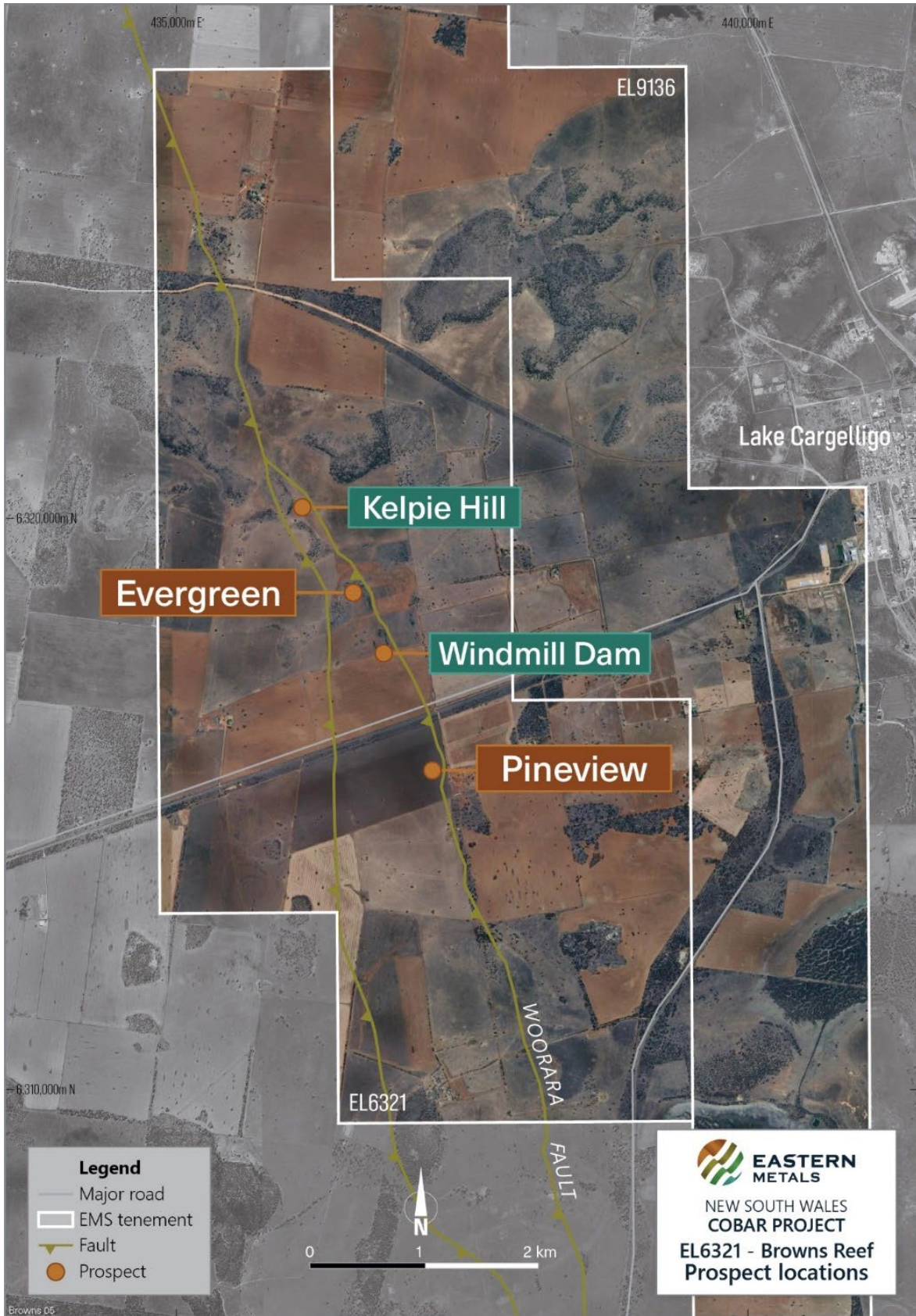


Figure 2: Location of EL6321, Browns Reef and the Pineview, Evergreen, Kelpie Hill & Windmill Dam prospects.

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% CuEq⁵, Mulbangas and Prospect D. The locations of these tenements are shown in **Figure 3**.

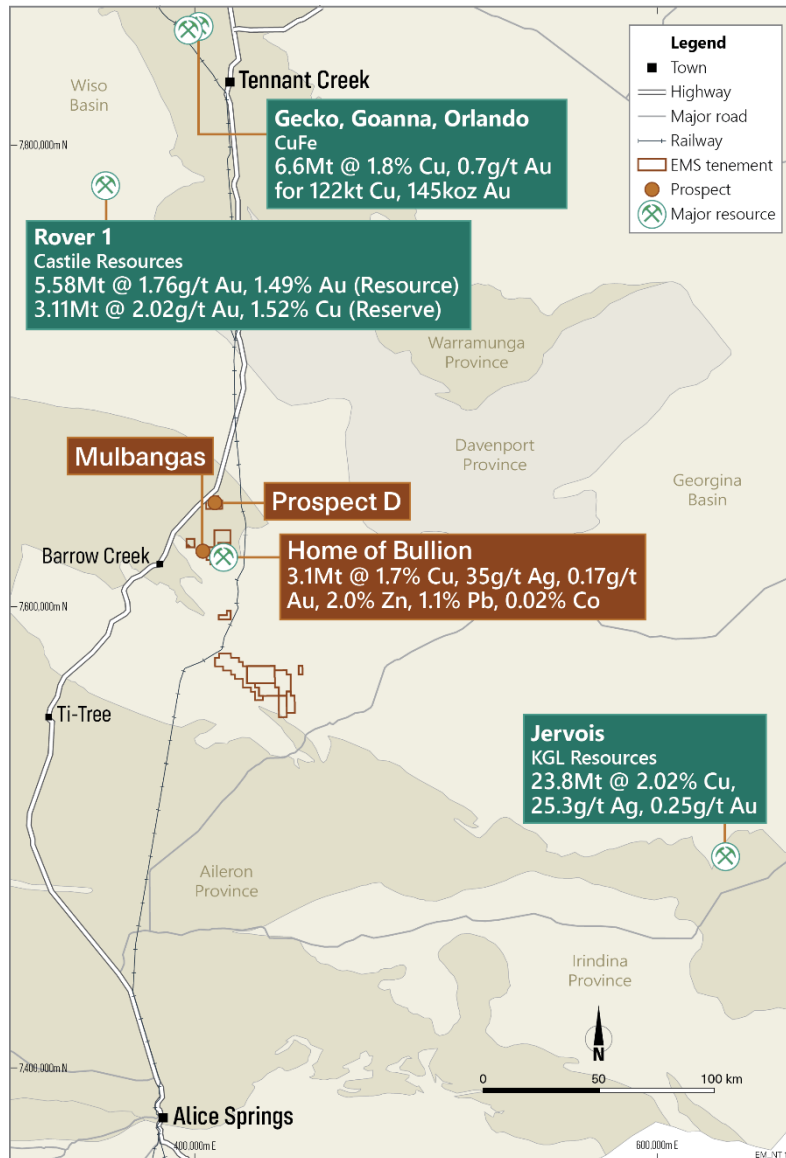


Figure 3: Location of the Company's Arunta Project tenements in the Northern Territory⁶.

⁵ Refer to the Mineral Resources Holdings table on page 13 of this report for further details. For details of material factors contributing to the copper equivalent (CuEq) refer to page 14.

⁶ The third-party projects are not considered by the Company to be peer comparisons to the Company's projects; Eastern Metals is a mineral explorer, not a mineral producer. The third-party projects listed are from producing operations or approved mining projects. Information extracted from each company's website, market announcements, presentations and reports lodged during the FY2023 and FY2024 periods.

EL23186 Home of Bullion, EL32027

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 Quarter⁷.

During the September 2024 Quarter, a ground-based Induced Polarisation (IP) survey commenced at the Arunta Project, with the aim of identifying new drill targets along strike from the polymetallic (Cu-Zn-Ag-Pb-Au-Co) Home of Bullion deposit.

The survey will focus on an area extending to the northwest and southeast of Home of Bullion along a magnetic high trend, which represents a high-priority area for the discovery of new, high-grade and structurally controlled Volcanogenic Massive Sulphide-style (VMS) lodes (**Figure 4**). Results from the survey will help define and prioritise targets for future drill testing.

The survey is supported by a co-funding grant of up to \$100,000 which was awarded to Eastern Metals in Round 17 of the NT Geophysics and Drilling Collaborations Program (GDGP), part of the NT Government's 'Resourcing the Territory' initiative⁸.

IP surveying is regularly used in minerals exploration to help define concentrations of sulphide minerals, including VMS-style deposits such as Home of Bullion. The survey currently underway at the Arunta Project is being conducted by Fender Geophysics and will comprise initial trial lines of both Gradient Array IP (GAIP) and Pole-dipole Array IP (PDIP) over the known mineralisation at Home of Bullion for future survey and drill planning.

The survey design along strike from Home of Bullion deposit 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 and prospects (**Figure 5**).

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 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.

The renewal application for EL23186 was lodged on 8 July 2024 and approved on 1 October 2024.

⁷ Refer ASX EMS Announcements of 8 March 2023 and 10 March 2023, "Resource Grows at Home of Bullion Copper Project".

⁸ Eastern Metals Ltd (ASX:EMS) ASX Announcement 11 June 2024, 'Successful NTGS Co-Funding Collaboration Grant'.

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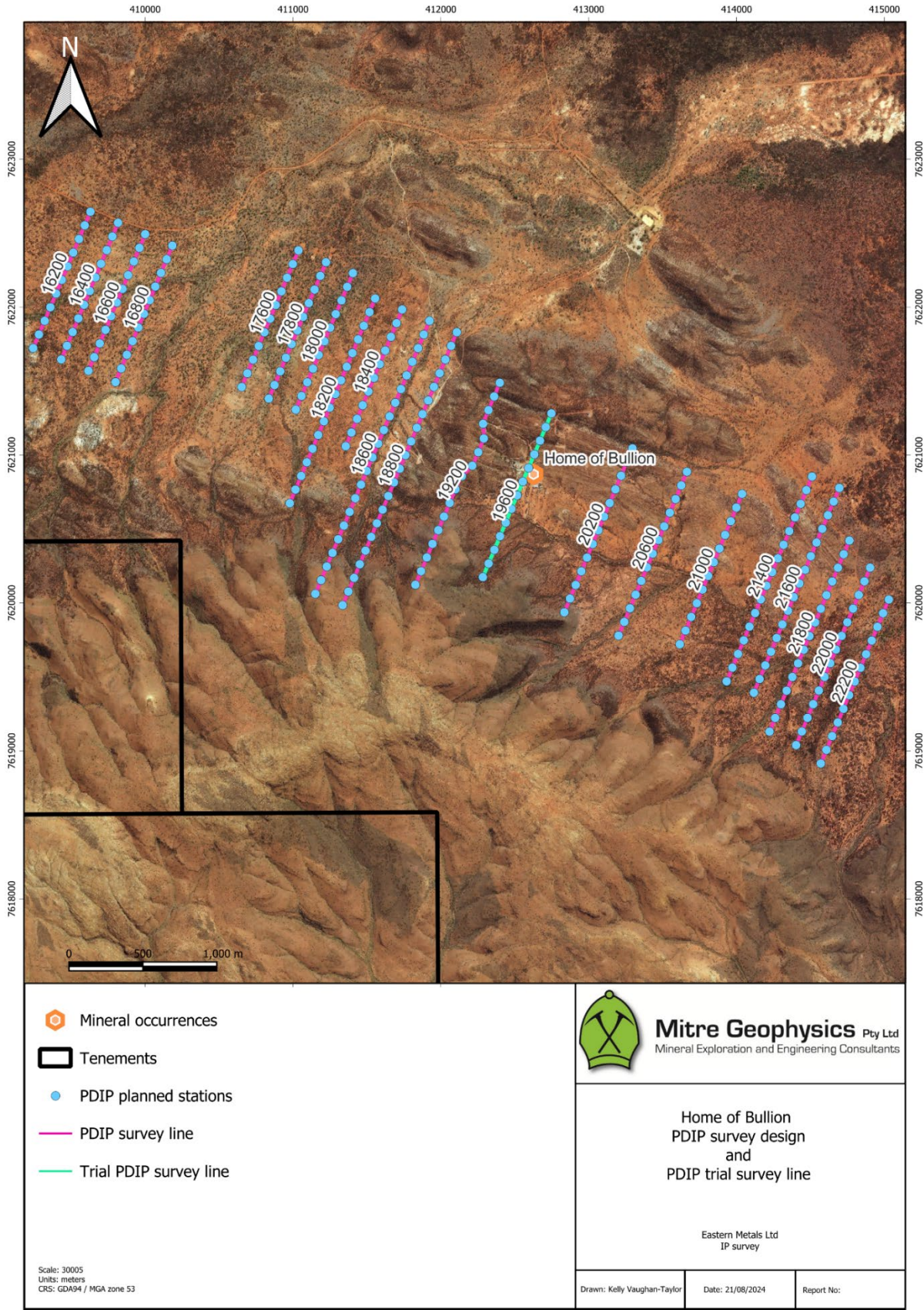


Figure 4: Location of IP survey in the Company's Neutral Junction group of tenements to the northwest of Home of Bullion to Mulbangan.

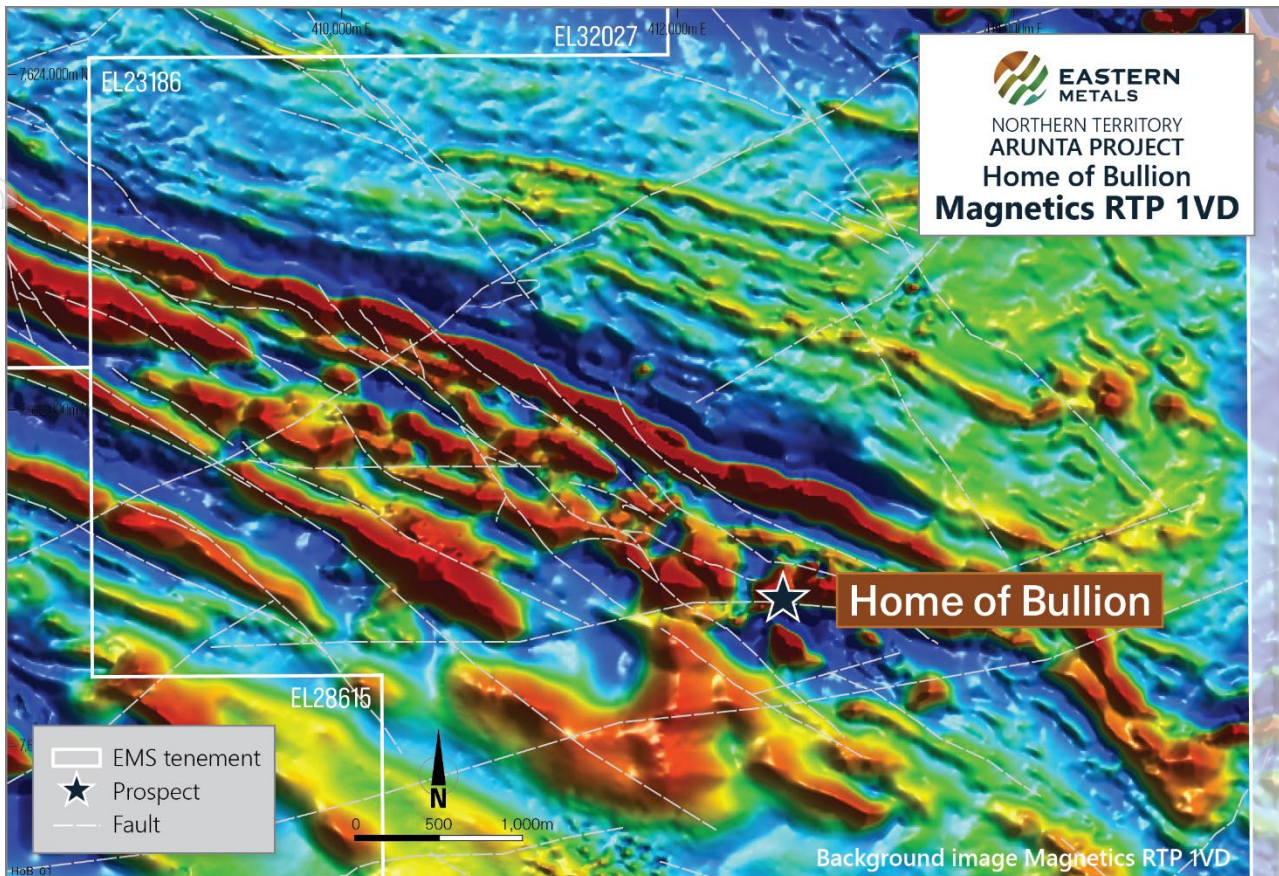


Figure 5: Structural interpretation of the RTP 1VD magnetic imagery showing a major northwest-trending structure that defines the prospective area between the Home of Bullion deposit and Mulbangas prospect.

CORPORATE

JMEI Tax Credits

Eastern Metals was successful in its application to participate in the Australian Government’s Junior Minerals Exploration Incentive (“JMEI”) for the 2024-25 income tax year⁹, and has been awarded an allocation of \$910,750 in exploration credits.

The JMEI scheme encourages investment in small, Australian exploration companies that carry out greenfields mineral exploration and allows those companies to convert a portion of their tax losses into credits (franking or offset) to be passed on to “Eligible Shareholders”.

Eligible Shareholders are entitled to receive JMEI credits and must be Australian resident shareholders who invest, for cash, in newly issued Eastern Metals shares (for example, in a Placement Offer, Entitlement Offer or Share Purchase Plan) between 1 July 2024 and 30 June 2025.

Individual shareholders, trusts or superannuation funds will be entitled to refundable tax offsets, and in the case of corporate investors, franking credits. JMEI credits are distributed to all Eligible Shareholders on a pro-rata basis.

⁹ Refer <https://data.gov.au/> 18 July 2024.

Should an Eligible Shareholder receive newly issued EMS shares in the 2024-25 tax year, Eastern Metals encourages individuals and entities to seek their own tax advice. Further information can be found on the Australian Taxation Office's ("ATO") webpage 'What to do if you receive exploration credits', [here](#).

The maximum amount of exploration credits for an income year, is the lesser of the following:

- The Company's actual greenfields exploration expenditure for the income year, multiplied by the Company's corporate tax rate for the income year.
- The Company's actual tax loss for the income year, multiplied by the Company's corporate tax rate.
- The amount of credits the ATO allocated to the Company (\$910,750 for the Company during the year ended 30 June 2025), plus any unused portion of the Company's exploration credits allocation relating to the preceding income year (currently \$nil for Eastern Metals).

Further information about the Federal Government's JMEI scheme can be found [here](#).

Eastern Metals would like to thank the Australian Government for its support, and the Association of Mining and Exploration Companies for its advocacy on behalf of junior exploration companies in relation to the JMEI scheme.

FINANCIAL OVERVIEW

Cash position

Eastern Metals held cash reserves at the end of the Quarter of approximately \$0.9 million.

During the Quarter, Eastern Metals' cash expenditure for exploration and evaluation totalled \$0.4 million. 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 September 2024, the Company had 555 shareholders and 113.7 million ordinary fully-paid shares on issue, with the top 20 shareholders holding 46% of the total issued capital.

Payments to Related Parties of the Entity and their Associates

During the quarter ending 30 September 2024, the aggregate amount of payments to related parties and their associates totalled \$8,250 including GST, consisting of \$8,250 directors' fees.

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 that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

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 September 2024.

Tenure ¹⁰	Location	Company's Interest	Holder	Status
EL23186	Home of Bullion, Northern Territory	100%	Company	Current
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	Current
EL9194	Harrier, New South Wales	100%	Company	Current
EL9565	Black Range, New South Wales	100%	Company	Current

¹⁰ There were no tenements acquired or disposed during the quarter.

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.

MATERIAL FACTORS CONTRIBUTING TO COPPER EQUIVALENT VALUES

Metal	Prices	Units	Recoveries
Cu	8,900	US\$/t	0.9
Zn	3,300	US\$/t	0.6
Ag	26	US\$/troy oz	0.8
Au	1,850	US\$/troy oz	0.8
Pb	2,500	US\$/t	0.6
Co	57,300	US\$/t	0.6

- All lodes have been reported at 0.5% Cu equivalent (CuEq)¹⁴.
- CuEq, as well as the six estimated elements, are reported. CuEq has been calculated from the block estimates on a block-by-block basis.
- Copper equivalent is calculated as follows:

$$\text{CuEq} = \text{Cu} + (\text{Zn} \times 0.25) + (\text{Ag} \times 83.49) + (\text{Au} \times 5904) + (\text{Pb} \times 0.19) + (\text{Co} \times 4.29)$$
 (all elements in ppm).
- This calculation is based on the following assumed metal prices and recoveries, which were provided by Eastern Metals Ltd.
- A cut-off grade of 0.5% CuEq is consistent with other comparable copper deposits and can be demonstrated to be break even for base processing costs at approximately US\$45/t ore.

$$\text{Cut-off (\%)} = \text{processing cost} / (\text{recovery} \times \text{price [per \% unit]})$$
 For example, $0.5 = 45 / (0.9 \times 100)$.
- It is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

¹⁴ Eastern Metals Ltd (ASX:EMS) ASX Announcements 8 March 2023, 'Resource Grows at Home of Bullion Copper Project' & 10 March 2023, 'Re-Lodgement - Market Announcement dated 8 March 2023'.

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 September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(375)	(375)
(b) development	-	-
(c) production	-	-
(d) staff costs	(83)	(83)
(e) administration and corporate costs	(193)	(193)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	5
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	(646)	(646)

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 (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	50	50
	(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	50	50

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	475	475
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	(29)	(29)
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	446	446

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,046	1,046
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(646)	(646)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	50	50
4.4	Net cash from / (used in) financing activities (item 3.10 above)	446	446

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	896	896

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	641	596
5.2	Call deposits	255	450
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)	896	1,046

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	8
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 totalled \$8,250 including GST, consisting of \$8,250 directors' fees. Directors' fees payable at 30 September 2024 totalled \$46,750 (30 June 2024 \$Nil).

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	Not applicable.	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(646)
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)	(646)
8.4 Cash and cash equivalents at quarter end (item 4.6)	896
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	896
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.39
<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: Yes, the Company manages its net operating cash flows within the limits of available funding. Net cash used in operating activities totalling \$646,000 for the September 2024 quarter included \$235,000 discretionary exploration expenditure. Total non-discretionary operating expenditure was \$411,000. Only non-discretionary expenditure would have resulted in 2.18 estimated quarters of funding available.	
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: Yes, as at 30 September 2024, the following funding arrangements have been made: <ul style="list-style-type: none"> • 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). 	

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

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, refer to the answers to Items 8.8.1 and 8.8.2 above.

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 October 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 – 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.

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

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