

10 August 2023

Production Ramp Up at Dolphin Tungsten Mine

Key Highlights

- **Second delivery of high-grade tungsten concentrate ready for shipment**
- **Drill and blast operations have commenced, providing a steady supply of high-grade ore to the process plant commencing in mid-August**
- **Production forecast indicates a steady increase in ore processing to reach the monthly nameplate production in Q4 2023.**
- **Share Purchase Plan has been finalised having successfully raised \$4.3m**

Group 6 Metals Limited (ASX: G6M, “Group 6 Metals” or the “Company”) is pleased to provide an update on its operational activities at the Company’s wholly owned Dolphin Tungsten Mine (“DTM”), located on King Island, Tasmania.



Figure 1- High Grade Concentrate to be loaded in container for second shipment

During the month of July, the team focused on optimisation of the process plant and preparation for drill and blast materials. The process plant processed 12,500 tonnes of low-grade ore at 0.28%WO₃. Steady progress has been made in ramping up the crushing circuit to achieve daily production targets which has been challenging due to the high clay content of the remnant ore. The crushing

plant has proven it can exceed nameplate production when supplied with fresh ore, and concentrate production is expected to increase significantly when fresh ROM ore is supplied this month.

Mine production achieved 140,000 BCM of material movement for the month of July which is line with mine production forecasts and proves the capability of the existing mining fleet. To date over 1.5 million BCM of overburden has been moved which is significantly ahead on waste stripping allowing for easier access and greater efficiencies for mining ore on the eastern side of the pit, with almost 600,000 BCM being used to construct the first stage of the tailings storage facility.

The site team has also successfully completed its first production blast following a seed trial blast programme completed at the end of July. The seed trial confirmed the blast modelling and has provided design input into the production blasting design.



Figure 2 - Drilling ongoing in "West Pit" on western side of Dolphin Open Cut

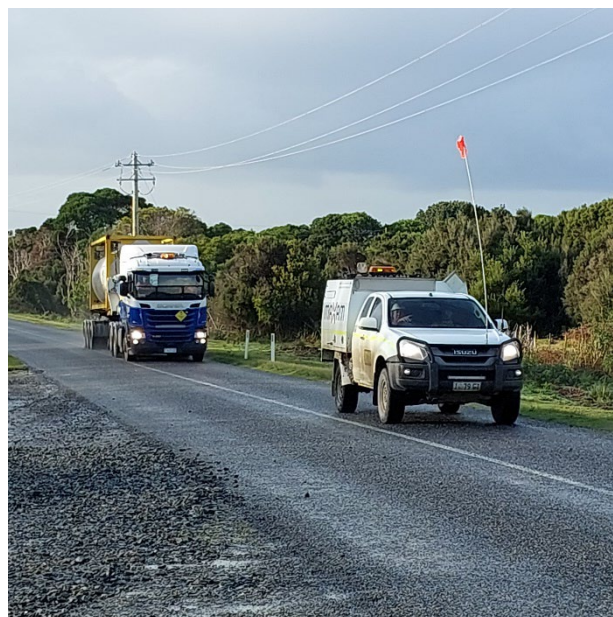


Figure 3 - ANE being transported by G6M Prime Mover to ANE Compound

The team is now focused on increasing and maintaining concentrate production over the next 3 months processing higher grade ore from the Dolphin open cut.

Group 6 Metals Managing Director & Chief Executive Officer, Keith McKnight, said:

"The site team has been working diligently on ramp up and stabilising the process plant operation in anticipation of receiving higher grade ore from the open pit following the commencement of production blasting. It is not unusual to encounter challenges when ramping up a new process plant, but it has demonstrated it can produce high grade concentrate at up to 70% of nameplate production which is a major positive for the project.

Up to now the process plant has been processing lower grade remnant ore, but as production blasting has commenced, we will start supplying significantly higher-grade ore which is expected to see a big improvement in plant performance and concentrate production. Setting up the project to receive and use explosives on a remote island location has been a complex process which required diligent engagement with regulators, logistics service providers and our site contractors. It is very pleasing that we have now successfully achieved our first production blast, and we can now progress our open pit mining plan producing high-grade ore almost immediately."

Tungsten is a critical mineral used in a variety of applications, including steelmaking, mining, construction, electronics and defence. The global demand for tungsten is expected to grow significantly in the coming years, driven by demand from the construction, mining and defence sectors.

The commencement of high-grade ore mining at DTM is another significant milestone for Group 6 Metals. The Company is well positioned to capitalise on the increasing strategic importance and demand for tungsten and becoming a leading producer of high-grade tungsten concentrate in the western world.

Keith McKnight continued, *“Whilst the team has faced many challenges, it has met them head on and now with the commencement of ore mining, we can look forward to increasing concentrate production and optimising the performance of the mine and process plant.”*

Share Purchase Plan (SPP) Finalised

As announced on 11 July 2023, the SPP was strongly supported by eligible shareholders with the Company accepting valid applications totalling \$3.7 million. The Company now advises it has finalised the SPP having raised an additional \$0.6 million by placing approximately half of the remaining SPP allocation to professional and sophisticated investors. The SPP raised a total of \$4.3million resulting in the issuance of 30,797,893 shares at an offer price of \$0.14 per share which is the same issue price as the recently completed Placement.

The Company will not issue any further securities under the SPP.

Group 6 Metals Chairman Johann Jacobs commented:

“On behalf of the board, I would like to thank our Shareholders for their participation in the Share Purchase Plan. We are very pleased with the success of the Offer which is indicative of our Shareholders’ continued support of the Company and the Mine.”

Approved by the board of Group 6 Metals Limited.

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About Group 6 Metals

Group 6 Metals Limited (ASX: G6M), previously known as King Island Scheelite Limited (ASX: KIS), is an Australian resources exploration, development and production company. The Company's name honours tungsten as Group 6 Metals' first commodity project (The Dolphin Mine) in production, as tungsten is a member of Group 6 of the periodic table along with chromium and molybdenum, as well as being a critical mineral and a geopolitically strategic resource.

The Company is focused on the producing high-grade tungsten concentrate from its 100%-owned Dolphin Mine located on King Island, Tasmania. The Company's medium-term objectives is to investigate opportunities to value-add the product for supply into the upstream tungsten industry.

Forward looking statements

Statements in this Announcement may be forward looking statements. Forward looking statements can be identified by the use of forward-looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe' or 'continue' or the negative or other variations of comparable terminology.

Certain statements made in this announcement contain or comprise certain forward-looking statements regarding Group 6 Metal's Mineral Resources and Reserves, exploration and project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Group 6 Metals believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements and no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in commodity prices and exchange rates and business and operational risk management.