

QUARTERLY REPORT TO 30 SEPTEMBER 2023

Summary

Advance Metals Limited (ASX: AVM) (AVM, or the Company) is pleased to provide its Quarterly Activities Report for the three months ending 30 September 2023.

Augustus Polymetallic Project

- Historic geochemical samples identify the presence of copper (Cu), silver (Ag), gold (Au).
- Existing road and highway networks in place leading into the project area.
- The area was drilled previously by ASARCO, Teck (Cominco), Freeports and other junior mining companies.

Garnet Skarn Project

- Technical team have put together a drilling program which should be conducted during the current quarter on receipt of drilling permits.
- The technical team have created a 3D model.

Corporate

- The Company announced (ASX: AVM 18 October 2023) a Share Purchase Plan whereby shareholders at 7pm on 17 October 2023 can apply for up to \$30,000 of new shares at \$0.0035 per share. The Share Purchase Plan, to raise up to \$612,500, closes at 5pm on 10 November 2023.

Augustus Polymetallic Deposit

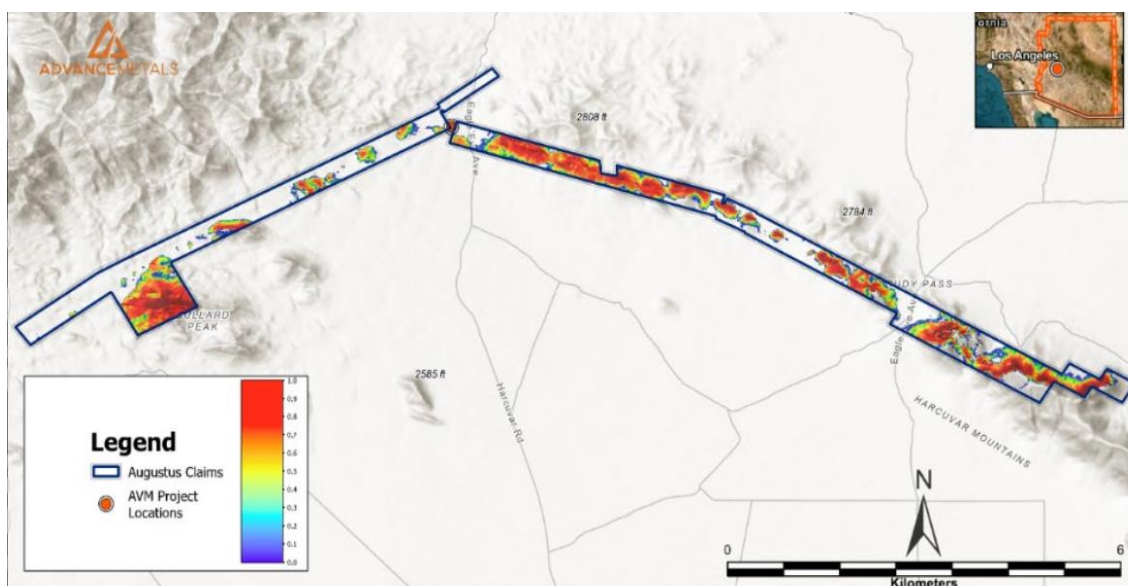
The Augustus project is high grade polymetallic project in West Central Arizona, approximately 43 km Northwest of Phoenix. The Company staked an area covering approximately 704 Hectares (1,741 acres) with favourable mineralisation and geology.

The project has vast amounts of historical exploration data available from work completed by major mining companies such as Teck, Asarco and Freeports. A historical assay from a rock chip sample shows copper grades of +2% copper, +24 g/t gold and 7.8 g/t silver.

Between 1933 and 1956 the Bullard Mining District produced approximately 614,000 pounds of copper, 3,600 ounces of gold, and 15,000 ounces of silver from 17,000 tons of ore (Keith and others, 1983). (ASX: AVM 20 April 2023).

The AVM technical team established high grade copper potential at the Augustus Project in Arizona. XRF samples demonstrated copper grades exceeding 20% copper. 30 rock chip samples were collected and sent to the lab for geochemical analysis. Surface outcrops were observed, with one outcrop exceeding 91 metres (300 feet) in length. 90 mapping points were collected, containing key information on faults, contacts, veins, and drill holes. Historic mine workings and drill hole locations were identified which may be eligible for use as JORC data in the future.

Spectral Analysis



Garnet Skarn Project, Idaho

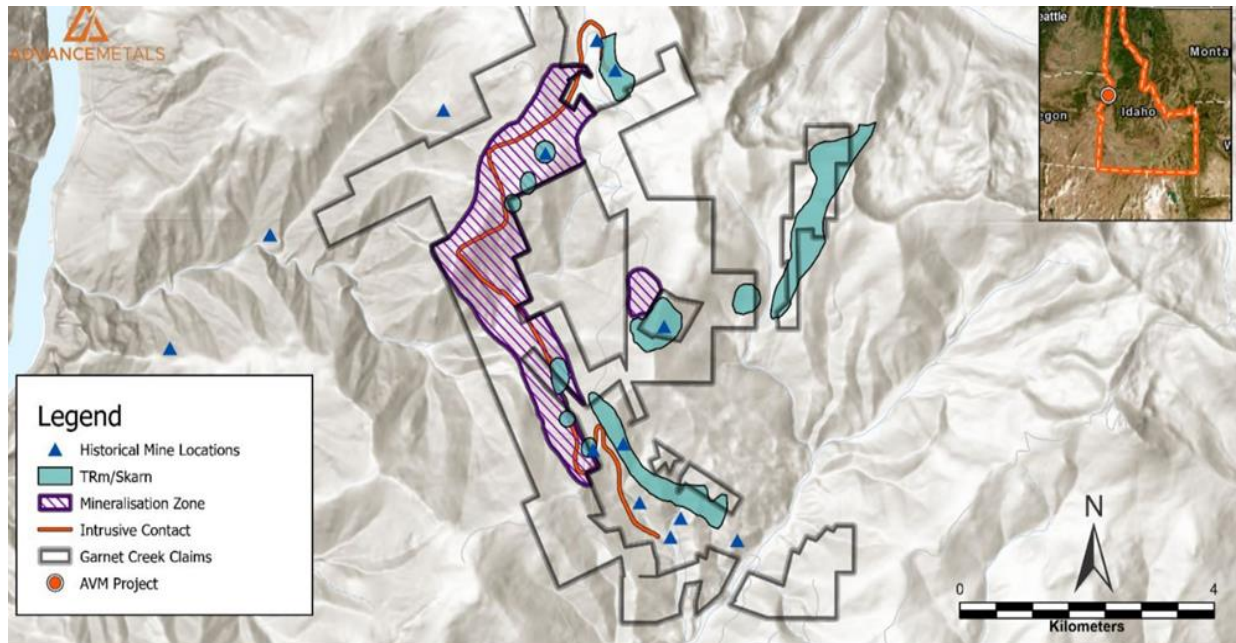
The Company continues to advance its Garnet Creek project as it awaits the approval of its drilling permits and has been in constant contact with the permitting regulator.

Geochemical surveys including rock chip and soil sampling, geological mapping, and ground surveys have been completed and announced to market (ASX: AVM 8 February 2023). The Company has taken an extensive review of all the project data over the last quarter and will update exploration targets that will be announced to the market once finalised.

A fresh-look review was conducted using an innovative combination of new data collected by the Advance Metals technical team and historic data collected by Anaconda Mining Company over many years in the mid to late 1900's. All historic data was digitalised. The resulting analysis expanded to cover 24% of the claimed property at Garnet Skarn. This fresh look will lead to multiple new exploration targets. The new mineralisation zone covers a northwest-southeast contact.

The data included drilling data, geochemical assays, mine plans and geophysical data.

Mineralisation Zone



Within the 4 km by 0.5 km target mineralisation zone, four skarn zones have been identified. Pending further exploration, it is not unreasonable to assume exploration potential of 20M to 30M tons of copper.

Garnet Skarn 3D Model

From the historic data and current data collected and analysed, Advance Metals technical teams created a 3D Model. AVM used Satellite Spectral Imagery, Aeromagnetic Surveys, Radiometric Surveys and Soil Geochemical Analysis to identify anomalies across the Garnet Skarn property.

The subsurface model used field collected mapping data, cross referenced with historic data. The results from the 3D Model indicate the Garnet Skarn Deposit is similar in structure to producing mines across the region. A drilling program is being permitted to confirm and further develop the understanding of Garnet Skarn's geology and mineralisation.

3D Model Full Selection

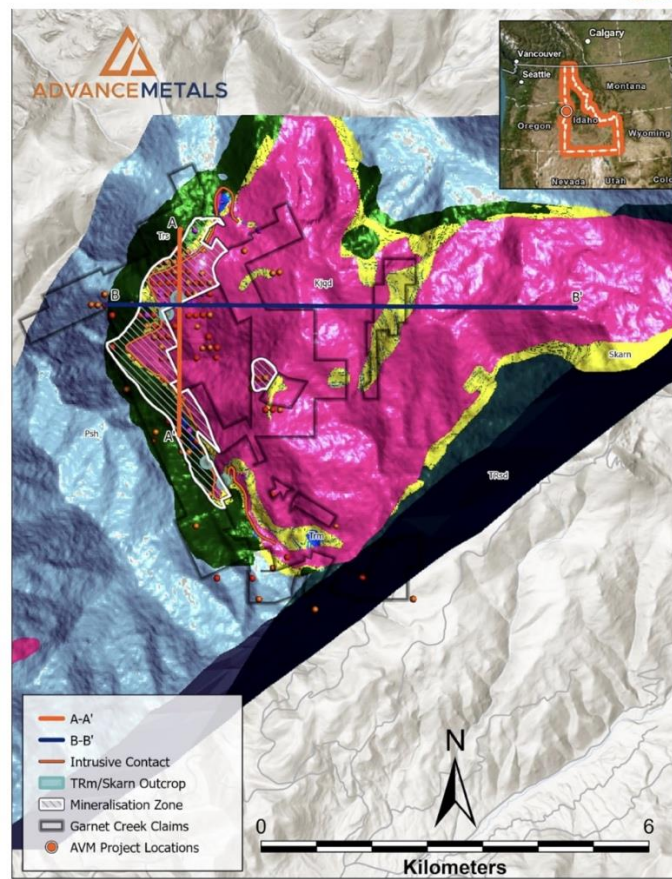


Figure 3: 3D Model Full Selection

Gold Project, Idaho

The Company continues to review the Anderson Creek Gold project in Eastern Idaho and develop its exploration plans that include geophysical and geochemical programs that will help to define the ore body. As part of the exploration program the Company will also be developing a permit to drill once further analysis has been completed.

Bandera Mining

Joint Venture Special Purpose Vehicle

A joint venture between the Company and its partner World Industrial Minerals has been established being a special purpose vehicle called Bandera Mining LLC. Bandera has completed significant due diligence in identifying several highly prospective copper and critical minerals projects. The Company has started the process of engaging numerous mining stakeholders to lease and acquire these projects.

Corporate

Since the end of the quarter, the Company has announced a Share Purchase Plan whereby shareholders at 7pm on 17 October 2023 can apply for up to \$30,000 of new shares at \$0.0035 per share. The Share Purchase Plan, to raise up to \$612,500, closes at 5pm on 10 November 2023.

Focus for Next Quarter

During the next quarter, the Company will continue with scheduled prospecting activities at the Garnet Skarn project in Idaho, and the Augustus Polymetallic project in Arizona. Prospecting plans with Bandera Mining LLC, the newly formed Joint Venture project in the US, will also be initiated.

The Company will also continue to implement its new strategy, with a major focus on US-based copper projects in historic mining districts.

Tenements

A list of tenements held by AVM and its subsidiaries as of 30 September 2023.

	Tenement Reference	Nature of interest
Mining tenements held at the end of the quarter	Elko Coal Licences in British Columbia, Canada. Licences 418648, 418649 and 418650. Andersons Creek - Federal Lode Claims, Idaho, USA, Claims AC01-AC117 Garnet Creek - Federal Lode Claims, Idaho, USA, Claims GC01-GC147 Augustus Polymetallic – Federal Lode Claims, Arizona, USA Claims – AUG001 – AUG072	100% ownership
Mining tenements acquired during the quarter	Nil	Nil
Mining tenements relinquished during the quarter	Claims – AUG073 – AUG085	Nil
Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter	Nil	Nil
Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed during the quarter	Nil	Nil

ASX Announcements

23 October 2023	Change of Director's Interest Notice
23 October 2023	Share Purchase Plan Documentation
23 October 2023	Share Purchase Plan – Notice under ASIC

18 October 2023	Proposed issue of Securities - AVM
18 October 2023	Security Purchase Plan
16 October 2023	Trading Halt
6 October 2023	AVM adds Prolific Bullard Property
5 October 2023	Outstanding Rock Chip Assay Results – Augustus Project
27 September 2023	Significant upgrade to JORC Exploration Targets
18 September 2023	3D Modelling Confirms Copper Potential at Depth
13 September 2023	A New Mineralisation Trend Identified
12 September 2023	Half Year Accounts
16 August 2023	Change of Director's Interest Notice
3 August 2023	Exploration Results – Augustus Polymetallic Project
26 July 2023	Quarterly Activities/Appendix 5B Cash Flow Report
20 July 2023	US Strategic Review Update – July 2023
10 July 2023	Company Update

Cash and Financial Assets

As of 30 September 2023, the group had cash of \$182k.

Expenditure

The Company undertook a review of its tenements during the quarter and planned for the forthcoming exploration programs.

Aggregate payments to related parties are included in item 6 of Appendix 5B (\$3K). This figure consists of Directors' fees and consulting fees paid to related parties during the quarter.

This market announcement has been authorised for release to the market by the Board of Advance Metals Limited.

For further information, please contact:

Frank Bennett, Chief Executive Officer

fbennett@advancemetals.com

Dominic Hill, Chief Operating Officer

dhill@advancemetals.com.au

Previously Released Information

AVM confirms it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of exploration targets, that all material assumptions and technical parameters underpinning the exploration targets in the relevant market announcements continue to apply and have not materially changed. AVM confirms that the form and context in which the Competent Person's findings were presented have not been materially modified from the original market announcements.

Forward-Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices, or potential growth of the Company, are or may be forward-looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements.

The interpretations and conclusions reached in this announcement are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high they might be, make no claim for absolute certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk, or conclusions contained in this report will therefore carry an element of risk.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr. Jim Guilinger. Mr. Guilinger is a Member of a Recognized Overseas Professional Organisation included in a list promulgated by the ASX (SME Registered Member of the Society of Mining, Metallurgy and Exploration Inc).

Mr. Guilinger is Principal of independent consultants World Industrial Minerals LLC. Mr. Guilinger has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Guilinger consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

ASX Release Date

Tuesday 31 October 2023

ASX Code

AVM

About Us

Advance Metals Limited is an ASX listed metals exploration company with a diversified asset portfolio with a focus on identifying and developing North American metal projects.

AVM is advancing the development of its Copper and Gold assets – Garnet Creek and Anderson Creek Project in Idaho, USA. AVM continues to seek investment in metals projects in north America.

AVM holds renewable energy assets under its 100% owned subsidiary Primary Power including a 50% interest in GP Hydro Pte Ltd.

Board

Non-Executive Chairman – Geoff Hill

Non-Executive Director – Keith Middleton

Non-Executive Director – Mel Sanderson

Company Secretary

Wayne Kernaghan

Management

CEO – Frank Bennett

COO – Dom Hill

Project	Ownership
Anderson Creek Gold	100%
Garnett Creek Copper	100%
GP Hydro Pte Ltd	50%
Elko Project	100%

Appendix 5B

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

Name of entity

Advance Metals Limited

ABN

83 127 131 604

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	136	136
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(185)	(361)
	(e) administration and corporate costs	(121)	(318)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	16
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	(167)	(527)

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	(261)	(574)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	(261)	(574)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	20
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	-	-
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	-	20

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	610	1,263
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(167)	(527)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(261)	(574)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	20

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	182	182

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	182	610
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)	182	610

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	3*
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. Payment of fees to Directors for Director and consulting fees.

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. 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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(167)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(261)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(428)
8.4	Cash and cash equivalents at quarter end (item 4.6)	182
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	182
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.43
	<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	
	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: The company always monitors its cash position and it expects funding will be forthcoming via either equity or borrowings should it be required. On 18 October 2023 the company announced a Share Purchase Plan.	

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, the company expects to be able to continue its operations and meet its business objectives.

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 2023

Authorised by: The Board

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.