

**ASX ANNOUNCEMENT**  
**ASX: ENV**

29<sup>th</sup> July 2020



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**QUARTERLY ACTIVITIES REPORT**  
**FOR PERIOD ENDED 30 JUNE 2020**

**CORPORATE**

On 26<sup>th</sup> May 2020, the Company announced a name change from Crossland Strategic Metals Limited to Enova Mining Limited (Enova). Enova's new ASX issuer (ticker) code is ENV. Our new website is found at [www.enovamining.com](http://www.enovamining.com). On 1<sup>st</sup> July 2020, our registered office changed location to Level 26, 360 Collins St. Melbourne, VIC 3000.

On 22<sup>nd</sup> May 2020, an allotment of 37,500,000 fully Paid Ordinary Shares (pre-consolidation) were issued in exchange for AUD\$150,000 to provide further operational funding.

Effective 30<sup>th</sup> June 2020, the Company completed the consolidation of its securities on issue at a ratio of 5:1. This was a practical consideration, with intentions to raise capital funds and issue shares in the future using more manageable share volumes and prices.

The Company remains focused on the development of the Charley Creek rare earth project located in central Northern Territory, Australia.

**FINANCE**

The Company and its Board are pleased to announce that Enova is debt free. On 9<sup>th</sup> June 2020, the issue and allotment of 644,147,133 ordinary shares (pre-consolidation) at an issue price of \$0.005 per share to related parties of the Company was completed. The issue of shares was approved by shareholders on 11<sup>th</sup> May 2020 (pursuant to resolutions 4 and 5 respectively of the Company's AGM notice dated 6<sup>th</sup> April 2020). These transactions represent complete extinguishment of loans and accrued interest to the Company totaling AUD\$3.219M.

The Company continues to investigate all available finance options, mindful of ASX and ASIC requirements. The Company is actively in discussions with investors and anticipates continued funding by way of a private placement. The Covid-19 pandemic has generally distracted investors and delayed potential interest.

The Company and its Board will continue to closely monitor and manage available funds and ensure adequate financial coverage for creditors and forth-coming expense commitments.

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**critical metals for a sustainable future**

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## PROJECT DEVELOPMENT STRATEGY

Air-core drilling at Cattle Creek in 2019 recovered samples from previously untested zones at depth (less than 60 metres). Enova is reconsidering its development strategy based on results from new metallurgical test-work, using material from our drilling programme. Enova has also identified concentrations of scandium that may be of economic significance. We currently are undertaking metallurgical process recovery test-work to support this assertion, please refer to our Project Activity section further on. These findings represent exciting new opportunities which may positively impact our current operations concept. The combination of higher-grade, higher-value material and substantiation of a viable extraction route could reduce the size of operations and subsequent capital requirements. This requires additional metallurgical test-work. This delay relies on further funding and it pushes back our timeline for a resource estimate and scoping study updates. Overall, the benefits from realization of this opportunity out-weighs the delay to the schedule.

Enova's project development strategy aims to re-define the Charley Creek Resource Estimate and Scoping Study, as pre-requisite for further funding of the project pre-feasibility study. The Company is working toward completing the following programs:

1. Establish a computerized orebody model, using data from the March 2019 drilling programme,
2. Using samples from the March 2019 drilling programme, complete metallurgical test work that is in progress. The objective is to develop a revised mineral process model to use as recovery overlay for the orebody model. From this work, we can ascertain indicative mineral concentrate yields and product quality data. These are necessary technical requirements to establish reasonable prospects for eventual economic extraction (RPEEE) for the updated JORC 2012 resource estimate,
3. In addition, larger scale laboratory test-work is needed to obtain enough concentrate for refinery test work. This work also serves to provide metallurgical and engineering "proof of concept" for several of the concentration processes identified; normally these tests are completed during the pre-feasibility stage. Using concentrates from the "proof of concept testing", additional refinery product test-work will follow to provide greater confidence in the rare-earth refining process, product yields and specification.

By completing the described work programs, Enova can update the scoping study which is a necessary pre-requisite for JORC code reporting standards. This study will make it possible for the Company to seek new equity funds. The total budgeted cost of the process/refinery test-work programs and the scoping study update is currently estimated to be in the range of \$750,000 to \$1M.

## PROJECT ACTIVITY

### Metallurgical Test-work

Toward the end of March 2020, bulk gravity separation tests were undertaken using 500 kg of drill samples from five complete drill holes (totalling 119 lineal metres of drilling). This work was completed in early May by IHC Robbins (IHCR). The test investigated sample properties and gravity recovery performance. Investigations included the following procedures:

- material particle size distribution,
- deportment analysis of screening and desliming of a bulk sample, as feed preparation for gravity separation.
- tabling tests (as an indication of gravity separation performance)

Feed preparation testing by IHCR indicated higher than expected metal losses to slimes, further investigation is needed. Whilst the tests focused on rare earth recovery, deportment analysis results indicated higher than expected scandium levels. Following on from this work, Brisbane Metallurgical Laboratories (BML) commenced leaching 'sighter' test-work. During May, leaching tests explored the extraction of higher-grade zones of rare earth element (REE) and scandium minerals not recoverable by gravity separation. Current work focuses on leach performance tests using different leachants and temperatures. Leaching has the potential to improve process recovery for REE and potential scandium extraction.

In early July, a further 500 kg bulk sample was dispatched from the Charley Creek project site to BML Brisbane. These samples are specifically from five (5) complete holes (totalling 121 lineal metres of drilling) of shallow depths, varying from 16 to 33 metres located in a zone of higher-grade REE and scandium. Leaching tests will continue at BML using this higher-grade sample.

We are currently refining our leaching tests and investigating deleterious metal precipitation/suppression prior to adsorption testing. We expect to undertake further leach testing over Q3 and into Q4 of 2020 to find the right combination of parameters and processes. At this stage, the feed preparation (scalping, sizing and desliming) and gravity separation circuits will likely form the basis of REE and scandium pre-concentration.

Based on test-work results from three (3) independent laboratories, the Company suspects current drill sample scandium assays may be under-called. As a result, the Company also dispatched duplicate drill assay samples from the project site to BML Brisbane for scandium re-assay.

Once we have sufficient detail from the test-work, Enova will provide details of test-work and explain its operational potential.

### Resource Modelling

In May, SRK continued work on geological interpretation and grade model interpolation of the drilling data. Enova has been able to use visualisation software to review drilling

data to improve our understanding of interpreted rock-type horizons and their relationship to high-grade REE and scandium zones.

## **TENEMENTS**

The Company has not changed its tenement holdings since the March 2020 quarter. No further tenement reductions are planned for this year. Enova is focused on the Charley Creek project tenements to conserve finances.

Further information about the Company is available at our website [www.enovamining.com](http://www.enovamining.com).

The market will be kept appraised of developments, as required under ASX Listing Rules and in accord with continuous disclosure requirements.

**Approved for release by the Board of Enova Mining Limited**



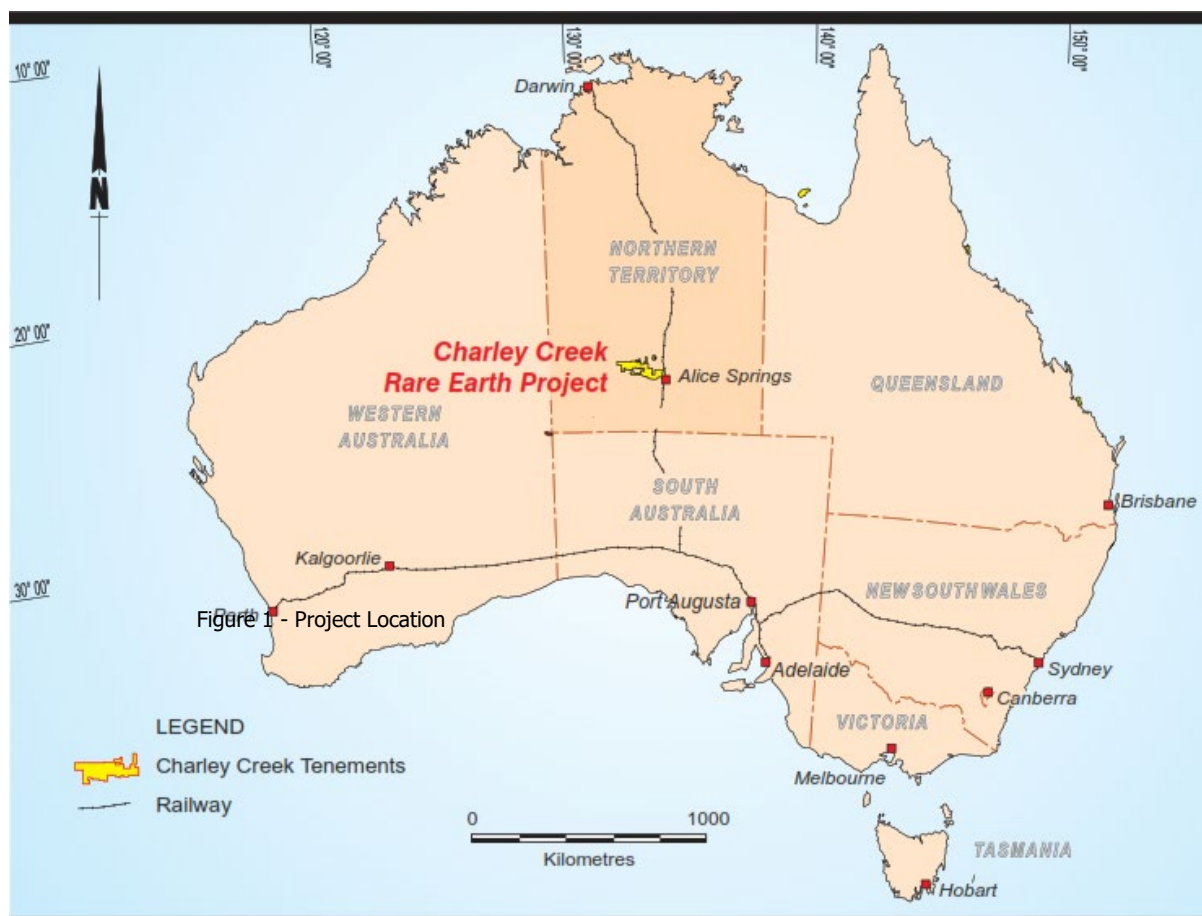
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## About the Charley Creek (Mineral Sands) Project

The Charley Creek rare earth project is located 110 km W-NW of Alice Springs in the central Northern Territory, Australia (see map below, Figure 1). The operation will involve free-dig mining of sand/silt mineralisation extending from the surface to varying depths (10 to 80m) with little to no overburden. Enova Mining Limited, with 100% project equity, is working to re-establish a resource statement and scoping study. The project is well positioned to be a low environmental impact mine with few encumbrances. The Company is currently reviewing its resource model and the mineral processing flowsheet. Metallurgical laboratory test-work is in-progress to increase the rare earth mineral process recovery. The target final products are high purity rare earth oxide/hydroxide/carbonates, suitable for export to downstream high-purity product refiners, with potential industrial mineral by-products.



## **Disclaimer**

This ASX announcement (Announcement) has been prepared by Enova Mining Limited (“Enova” or “the Company”). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Enova, its subsidiaries, and their activities, which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Enova.

By its very nature exploration for minerals is a high-risk business and is not suitable for certain investors. Enova’s securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are many risks, both specific to Enova and of a general nature which may affect the future operating and financial performance of Enova and the value of an investment in Enova including but not limited to economic conditions, stock market fluctuations, commodity price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel.

Certain statements contained in this announcement, including information as to the future financial or operating performance of Enova and its projects, are forward-looking statements that: may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions; are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Enova, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and, involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Enova disclaims any intent or obligation to update publicly any forward-looking statements, whether because of new information, future events, or results or otherwise. The words ‘believe’, ‘expect’, ‘anticipate’, ‘indicate’, ‘contemplate’, ‘target’, ‘plan’, ‘intends’, ‘continue’, ‘budget’, ‘estimate’, ‘may’, ‘will’, ‘schedule’ and similar expressions identify forward-looking statements.

All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantee of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. No verification: although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.