

ASX: ADC

ACN 654 049 699

CAPITAL STRUCTURE

Share Price: A\$0.045
Cash: A\$2.289 M
Debt: Nil
Ordinary Shares: 74.7M
Market Cap: A\$3.4M
Enterprise Value: A\$1.1M
Options: 11.05M
Perf. Rights: 6.1M
*as of 23 Apr 2025

BOARD OF DIRECTORS AND MANAGEMENT

Andrew Shearer
Non-Executive Chair

Mark Saxon
Executive Director

Richard Boyce
Non-Executive Director

Ivan Fairhall
Non-Executive Director

Tom Davidson
Chief Executive Officer

COMPANY SECRETARY
Adrien Wing

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Quarterly Activities Report March 2025

Key Highlights

Goschen Central Project

Positive metallurgical and marketing results

- Test work validates the nominated flowsheet, where:
 - Monazite concentrate yielded 60.5% total rare earth oxides (TREO).
 - Chemical grade Zircon achieved.
 - Heavy Mineral Concentrate achieved >25% Zircon and >27% Titania grades.
- Product suite confirmed as saleable in TZMI marketing study completed on the product samples from Goschen Central.
- The results are typical for a Murray Basin “WIM style” heavy mineral sand project, with characteristics similar to other projects in the region, supporting a fast track for plant design.
- Product testing is enabling potential offtake and strategic partner discussions.

Resource development

- Further mineralogy underway to improve understanding and geological confidence of heavy mineral assemblage across the domains.

Active News-Flow

- Goschen Central scoping study
- Goschen Central mineralogy
- Retention licence application for Goschen Central Project

Corporate

- Cash Balance of \$2.289M AUD, well-funded to advance projects and assess business development opportunities.

ACDC Metals Limited (**ASX: ADC**) (“**ACDC Metals**” or the “**Company**”) announces the Quarterly Activities Report for the March 2025 Quarter. During this period, ACDC Metals has achieved substantial progress for the Heavy Mineral Sands and Rare Earth Elements at Goschen Central. The Company is building a strong portfolio of development and exploration projects and delivering results that are consistent with the strategy of advancing high value mineral sands and rare earth element projects.

ACDC Metals CEO Tom Davidson commented: “*This quarter has delivered strong results for the Goschen Central project, with a significant metallurgical and marketing program completed. This package of work is culmination of the past 12 months of work and provides confidence in our understanding of value drivers for the project.*”

We look forward to sharing further resource development and studies for the Goschen Central project in the coming quarter, as we demonstrate its value potential to our shareholders and other interested parties such as potential off-taker and development partners.”

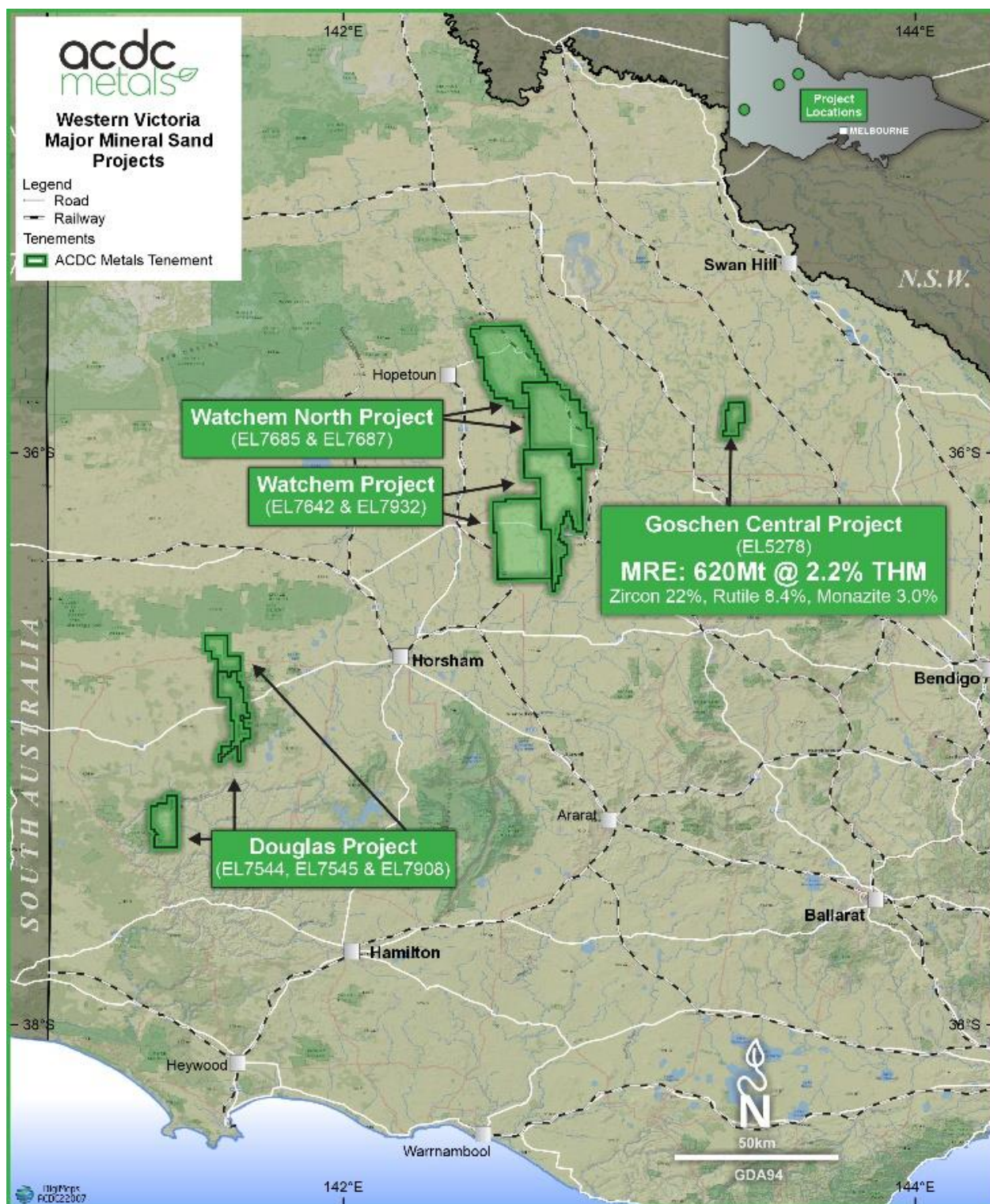


Figure 1 – Overview of ACDC Metals tenements

Activities for the Quarter

OPERATIONS

During the March 2025 quarter ACDC Metals delivered the metallurgical and marketing results from the 1.6 tonne bulk sample for the Goschen Central Project, located in western Victoria¹. The production of final heavy mineral sand (HMS) products and defining key characteristics enabled the company to engage TZMI Minerals International Pty Ltd to complete a marketing study. The outcomes of which will directly be input to the scoping study.

Additionally, during the quarter the company continued development of the resource with commencement of further mineralogy at the Goschen Central project. This work is based on the recommendations from Resource geologists at Snowden Optiro, which will further improve our confidence of the estimate and provide greater understanding of target areas.

Goschen Central Project

The Goschen Central Project is a heavy mineral sand and rare earth element project located in the Murray Basin of northwestern Victoria. The Goschen Central Project is held within EL5278, located approximately 50 km south-southwest of Swan Hill. The Goschen Central Project includes fine-grained sheet-style HMS mineralisation, interpreted to have been deposited in an off-shore environment. Fine grained, off-shore HM deposits in the Murray Basin are often referred to as WIM-style deposits.

WIM-style deposits have been long recognised as rich potential sources of zircon and titania products (rutile, ilmenite, leucoxene), however more recently have been acknowledged for their significant rare earth element content, held in the minerals monazite and xenotime.

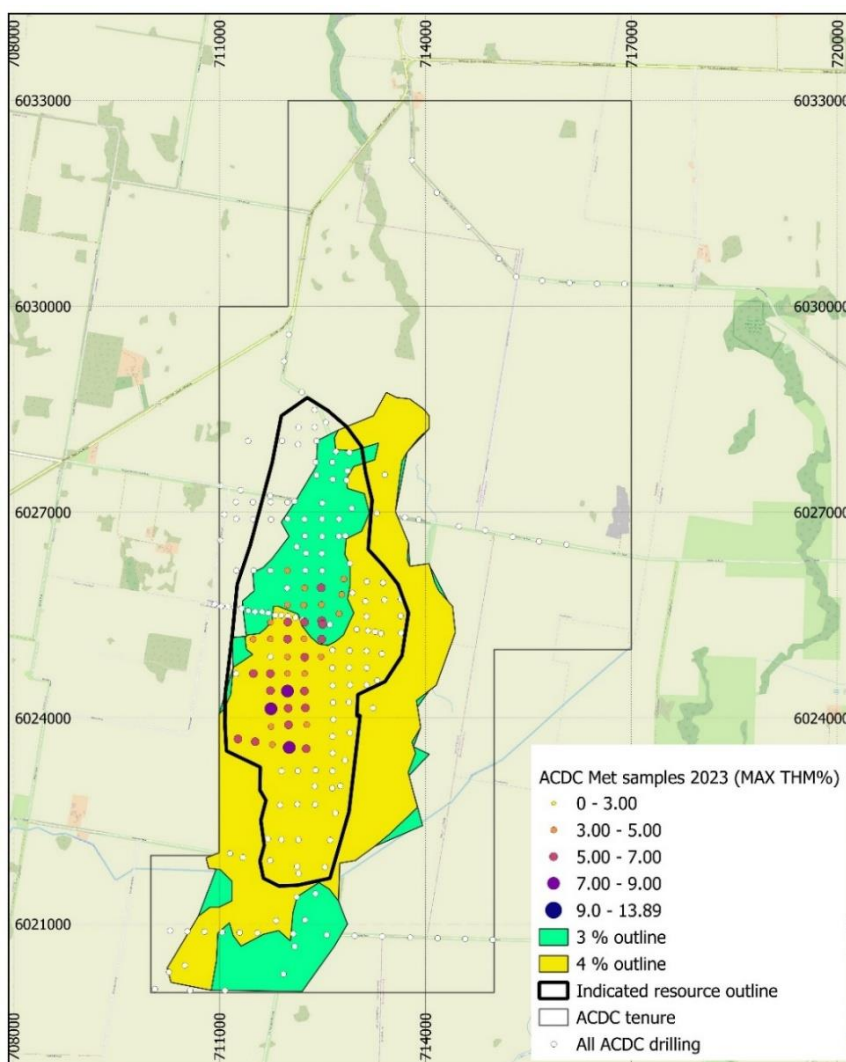
Metallurgical testwork program

The program utilised 1.6 tonnes of material collected from 40 holes drilled in the 2023 drill program at Goschen Central Project, (Figure 2). Results from the testwork program will enable further development of the project and is allowing the Company to provide sample to customers for validation.

The testwork program delivered:

- A representative sample of Heavy Mineral concentrate (HMC) and Rare Earth Mineral concentrate (REMC).
- Separated minerals to enable product quality testing, including:
- Zircon, Rutile, Ilmenite, Monazite and Xenotime.
- Process engineering inputs to enable the next stage of development towards feasibility.
- Further confidence in resource definition to inform the mineral resource estimate.
- A monazite sample to enable further development of the downstream rare earth element processing flowsheet.

¹ ASX Announcement – ACDC Metals – 17 February 2025 – Met. Testwork program Completed for Goschen Central.



Goschen Central Metallurgical samples



MGA94/Z54

Figure 2 - Bulk sample locations

The assay results from the 2023 drill campaign were reported in ASX announcement 3 October 2023². The full list of holes and intervals of material collection provided in ASX announcement 17 February 2025³. Three hundred and twelve (312) samples in total from 40 holes were collected and composited to form the bulk sample, refer to table and figure.

# of samples	Location	Domain*
60% (187)	1% wireframe	100
23% (72)	3% wireframe	300
17% (53)	<1% wireframe	0

*defined in JORC compliant Mineral Resource estimate⁴.

² ASX Announcement – 3 October 2023 – ACDC’s Goschen Central High Grade Drill Results Indicate Widespread and Consistent Mineralisation over 7.5km².

³ ASX Announcement – 17 February 2025 – Met. Testwork program Completed for Goschen Central.

⁴ ASX Announcement – 3 December 2024 – ACDC Metals Delivers Significant Upgrade at Goschen Central.

Product suite

Key findings:

- The Zircon concentrate meets chemical grade, with ZrO_2 content greater than 65%.
- The Titanium (Ti) suite provides options for HMC customers to either produce a single Ti Concentrate targeting TiO_2 grades of 60%, or to separate into individual products:
 - o Rutile (>98% TiO_2)
 - o Leucoxene (70 to 98% TiO_2)
 - o Ilmenite (40 to 70% TiO_2)
- The work conducted was not optimised and demonstrates the potential for progressive product improvement.

Key Composition of Heavy Mineral Concentrate (HMC)

Titania (TiO_2) – 27.2%

Zircon ($\text{Zr}(\text{Hf})\text{O}_2$) – 25.4%

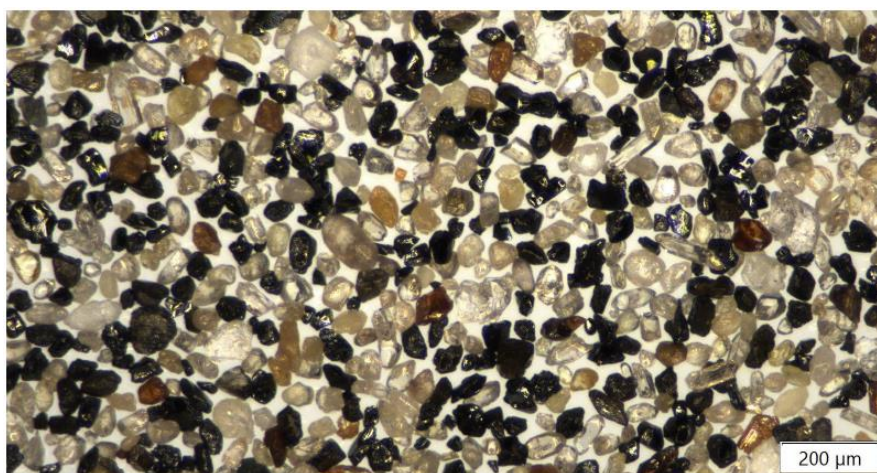


Figure 3 - Heavy Mineral Concentrate (HMC) post flotation and REMC removal

Key Mineralogy of Rare earth mineral concentrate (REMC)

Xenotime – 9.83%

Monazite – 86.7%

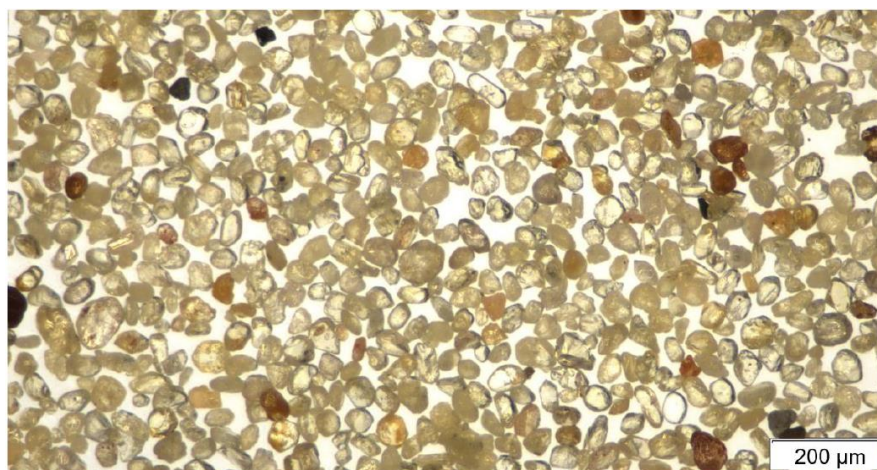


Figure 4 - Rare earth mineral concentrate (REMC)

Further separation was conducted on the HMC to produce individual zircon and titanium products. Characterisation testwork was conducted to determine; grade, particle size distribution and deleterious elements.

Marketing

The key product specifications determined by the testwork program were provided to TZ Minerals International Pty Ltd (TZMI). TZMI are the leading independent global marketing intelligence and advisory firm. They were engaged to evaluate the product suite and provide in-depth analysis on marketing and pricing structures for the Scoping Study.

The HMC sample evaluated by TZMI was post the flotation stage, where monazite and xenotime have been removed. It was determined that the Goschen Central HMC products benchmarks well against peer Murray Basin projects, that are more advanced and nearing execution. Forecast pricing for a HMC product was provided, along with recommendations for expected ranges to analyse in the Scoping Study. TZMI have also provided intelligence to support ACDC's discussions with potential offtake and strategic partners.

The TZMI price forecast estimates that 85% of the value per tonne of HMC will be from a combination of both standard and premium Zircon, with the remaining 15% value based on a combined Titania concentrate.

The flowsheet is configured to also produce monazite and xenotime products, which provides additional revenue streams. For the Scoping Study ACDC Metals intends to base monazite and xenotime pricing on Adamas Intelligence forecasts.

Resource development

A key recommendation from the Q4 CY2024 mineral resource estimate update was to conduct further mineralogy analysis by domain.

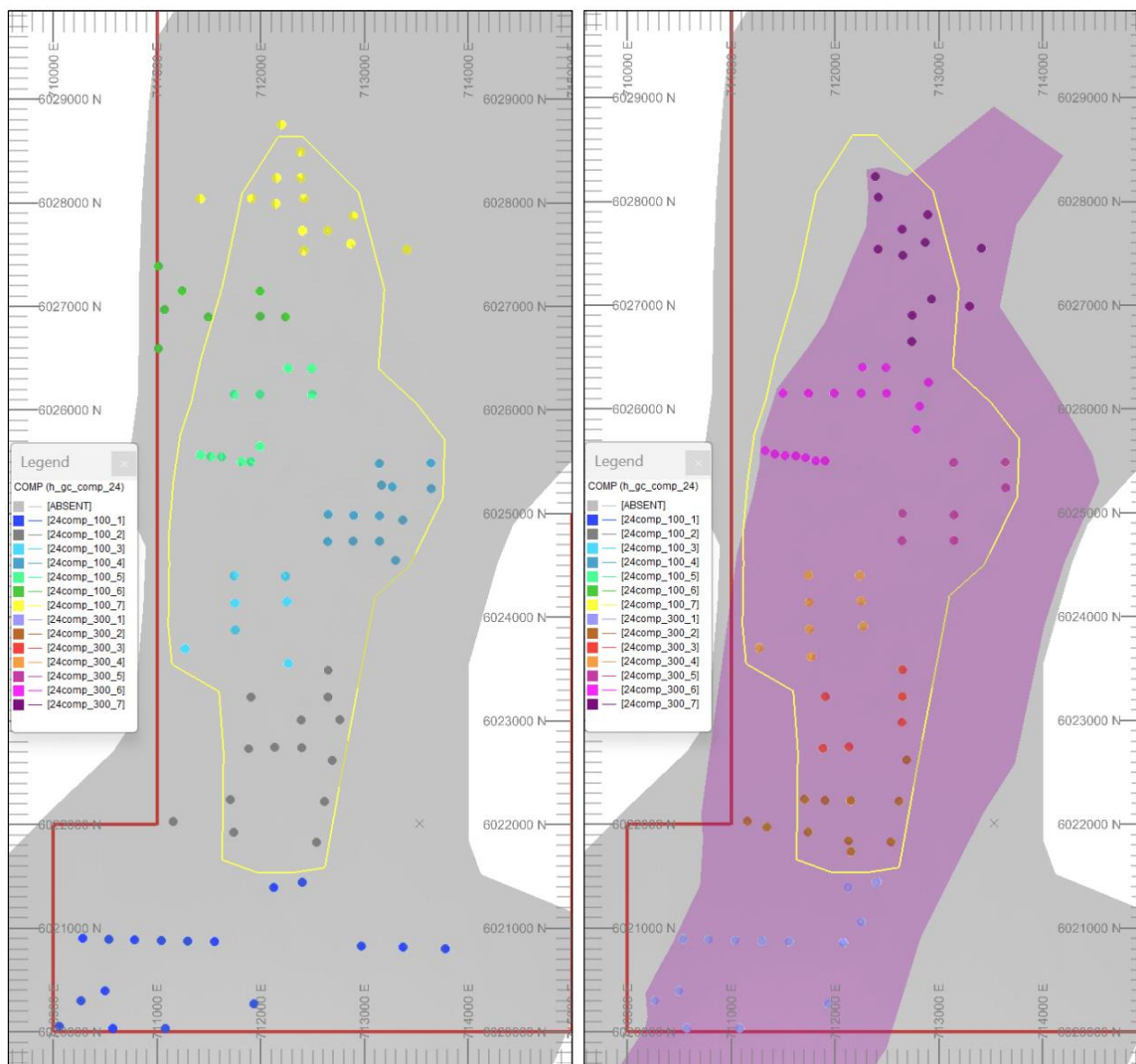


Figure 5 - Location of proposed composites for Domain 100 (left) and Domain 300 (right)

Note: Indicated outline in yellow and 1-3% THM wireframe (grey) and plus 3% THM wireframe (magenta).

No further drilling was required to collect samples as heavy mineral satchets are in storage from previous drilling campaigns. All assay results for samples have been previously reported and included within the 2024 MRE update. Sample preparation was based on the Snowden Optiro resource geologist and competent person recommendations.

14 samples in total were assembled and have been sent to Bureau Veritas in Adelaide for analysis, the results are due in the current quarter. The results will be evaluated for use to provide a further update to the mineral resource estimate.

Retention Licence application

The Goschen central Project is currently on an exploration licence (EL5278), which was first granted in 2010, and is due to expire on the 30th June 2025. The Company is currently progressing with a retention licence application and will submit shortly.

The intent of a retention licence is to allow the holder to further develop the project and enable the company to determine an economic decision to proceed to mining licence. It does not grant the Company any rights to proceed to an operational mining phase.

Scoping Study - Project Overview

ACDC is well advanced with the completion of a Scoping Study on the project, with the results expected to be released in Q2 2025.

The Scoping Study will be based on the update Mineral Resource Estimate (MRE) of 620Mt @ 2.2% Total Heavy Mineral (THM), comprising of 210Mt @2.3% THM as Indicated category and 410Mt @ 2.1% THM as Inferred category⁵ and characterisation testwork conducted in Q2 2023.

In addition to zircon and titania, Goschen Central hosts a large rare earth bearing monazite resource. This provides the opportunity to vertically integrate a heavy mineral sand mining operation with a rare earth processing plant (REPP) project, to unlock a significant uplift in value through the potential production of a mixed rare earth oxide (or equivalent).

Phase 1 involves construction of a long lived mine at Goschen Central, paired with a nearby mineral sand processing plant, that will provide two (2) saleable products being a HMC rich in zircon and titania, and an REMC rich in monazite and xenotime, both suitable for international or domestic markets.

Phase 2 involves the construction of a rare earth processing plant (REPP) to process (“crack”) a monazite concentrate via a proprietary caustic crack process to produce a MREO. Phase 2 will result in three (3) saleable products from the Goschen Central project. The monazite mineral concentrate is envisaged to be transported to the REPP located in South Australia for hydrometallurgical processing.

⁵ ACDC Metals – ASX Announcement 3 December 2024 – ACDC Metals Delivers Significant Upgrade at Goschen Central.

Corporate Activity

The Company maintains an active investor relations program, with recent and upcoming conference and presentation events including:

- RIU Explorers – Fremantle WA – February 2025

Upcoming events

- RIU Resources Roundup – Sydney NSW – May 2025 (Delegate only)

Forward Looking Q2 CY2025 Program

The Company remains active on its projects through the March quarter. Key milestones include:

- Complete scoping study for Goschen Central Project.
- Goschen Central mineralogy.
- Submit retention licence application for Goschen Central project (EL5278).
- Continue business development and appraisal of new opportunities.

Cash

The Company closed the quarter with \$2.289 million in cash at bank, details are provided in the Appendix 5B report.

ASX Compliance

In accordance with ASX Listing Rule 5.3.1, details of the Company's exploration activities for the quarter, including any material developments or material changes in those activities and a summary of the expenditure incurred on those activities is detailed in the preceding sections and in Table A below.

With respect to Listing Rule 5.3.2, the Company confirms that there was no mine production or mine development activities for the quarter. In accordance with Listing Rule 5.3.3, the Company provides the following information in relation to its mining tenements in Table B. No mining tenements were acquired or disposed of during the quarter.

Table A – Comparison of Actual Expenditure Versus Estimated Expenditure

For the purposes of Listing rule 5.3.4, the Company provides that following comparison in Table A of actual expenditure during the quarter against the use of funds following the issue of securities pursuant to the Prospectus, together with an explanation of any material variances.

Use of Funds	Estimate for the first 2 years after ASX admission	Actual use CY2023 and CY2024	Actual use Q1 2025 Quarter**	Balance Remaining
Exploration at Goschen Central Project	1,605,000	1,217,823	12,751	374,426
Exploration at Douglas Project	1,355,000	616,089	9,273	729,638
Exploration at Watchem Project	1,185,000	1,371,958	16,614	-203,572
Medallion Monazite testing	1,450,000	500,751	0	949,249
Project Consideration (Goschen Central Project)	32,602	32,602	0	0
Project Consideration (Douglas Project)	16,372	29,572	0	-13,200
Acquisition Costs (Watchem Project)	50,000	58,800	0	-8,800
Expenses of the Offer*	1,075,000	768,197	0	306,803
Administration & Working Capital*	1,231,026	1,454,815	65,080	-288,869
Total	8,000,000	5,671,515	103,718	1,845,675

*Part of the Expenses of the Offer that was declared as an estimate has been reallocated to Administration & Working Capital in the Actual Use column.

** Reporting cost up to 16th January 2025 (2 years of listing).

In accordance with Listing Rule 5.3.5, the Company confirms payments totalling \$41,337 were made to Directors for employment costs as well as to associates and related parties of the Company, for services rendered up to 16 January 2025.

Deferred Consideration Shares

In relation to the acquisition of the Watchem tenements which was completed on 15 September 2022:

1. The number of Deferred Consideration Shares pending issue (on issue) is 600,000.

2. The terms of and conditions for the issue of Deferred Consideration Shares are summarised below:
 - The announcement of a JORC compliant Inferred Mineral Resource on the Watchem Tenements of at least 60Mt at 4% HM within 5 years from the date of settlement of the acquisition.
3. During the quarter no Deferred Consideration shares were issued or cancelled.
4. There were no further milestones met during the quarter.

Table B – Tenements

Tenement	Registered Holder	Beneficial Interest	Location	Status
EL5278	ACDC Metals Operations Ltd Providence Gold & Minerals Pty Ltd	80% 20%	South Towaninny, VIC	Granted
EL7642	Fish Hawk Resources Ltd*	100%	Watchem, VIC	Granted
EL7932	Fish Hawk Resources Ltd*	100%	Watchem, VIC	Granted
EL7544	ACDC Metals Operations Ltd Oro Plata Pty Ltd	80% 20%	Miga Lake, VIC	Granted
EL7545	ACDC Metals Operations Ltd Oro Plata Pty Ltd	80% 20%	Harrow, VIC	Granted
EL7685	ACDC Metals Operations Ltd Oro Plata Pty Ltd	80% 20%	North Watchem, VIC	Granted
EL7687	ACDC Metals Operations Ltd Oro Plata Pty Ltd	80% 20%	North Watchem, VIC	Granted
EL7908	Oro Plata Pty Ltd	100%	Harrow, VIC	Transfer to commence 4/2025

*Subsidiary 100% owned by ACDC Metals Ltd.

During the March 2025 Quarter the following ASX Announcements were made:

MARCH 21, 2025	<u>Change in substantial holding</u>
MARCH 14, 2025	<u>Half Yearly Report and Accounts</u>
MARCH 6, 2025	<u>Change of Company Secretary</u>
FEBRUARY 17, 2025	<u>RIU Fremantle Conference Presentation</u>
FEBRUARY 17, 2025	<u>Met. Testwork program Completed for Goschen Central</u>
FEBRUARY 14, 2025	<u>Notification regarding unquoted securities - ADC</u>
FEBRUARY 14, 2025	<u>Application for quotation of securities - ADC</u>
JANUARY 30, 2025	<u>Quarterly Activities/Appendix 5B Cash Flow Report</u>
JANUARY 21, 2025	<u>Ceasing to be a substantial holder</u>
JANUARY 21, 2025	<u>Change in substantial holding</u>
JANUARY 17, 2025	<u>Application for quotation of securities - ADC</u>
JANUARY 8, 2025	<u>Notice of Release of Escrow Securities - Updated</u>
JANUARY 8, 2025	<u>Notice of Release of Escrow Securities</u>

This Announcement has been authorised for release by the Board.

Tom Davidson
Chief Executive Officer
Tom.Davidson@acdcmetals.com.au

About ACDC Metals Ltd

ACDC Metals is a heavy mineral sand and rare earth element explorer and developer focussed on projects in the Murray Basin of western Victoria, Australia. ACDC Metals is also developing its licenced downstream processing technology for its Rare Earth Processing plant (REPP) Project. The process extracts rare earth elements from monazite.

Appendix 5B

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

Name of Entity

ACDC METALS LIMITED

ABN

76 654 049 699

Quarter ended ("current quarter")

31 MARCH 2025

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	-	-
1.2 Payments for		
(a) exploration & evaluation	(30)	(30)
(b) development	-	-
(c) production	-	-
(d) staff costs	(91)	(211)
(e) administration and corporate costs	(69)	(375)
1.3 Dividends received	-	-
1.4 Interest received	24	99
1.5 Interest and other costs of finance paid (on GST credits refunded noted in 3.4 below)	(11)	(11)
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	(177)	(528)

Appendix 5B

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

	Current quarter \$A'000	Year to date (9 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	(22)
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(159)	(701)
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from 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	(159)	(723)

	Current quarter \$A'000	Year to date (9 months) \$A'000
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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 (relating to overstated GST credits on prospectus related costs in FY23 refunded to the ATO)	(56)	(56)
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	(56)	(56)

Appendix 5B
Mining exploration entity or oil and gas exploration entity quarterly cash flow report

	Current quarter \$A'000	Year to date (9 months) \$A'000
4. Net increase/(decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,681	3,596
4.2 Net cash from /(used in) operating activities (item 1.9 above)	(177)	(528)
4.3 Net cash from /(used in) investing activities (item 2.6 above)	(159)	(723)
4.4 Net cash from /(used in) financing activities (item 3.10 above)	(56)	(56)
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Effect on deconsolidation of subsidiary	-	-
4.7 Cash and cash equivalents at end of period	2,289	2,289

	Current quarter \$A'000	Previous Quarter \$A'000
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		
5.1 Bank balances	289	2,681
5.2 Call deposits	2,000	-
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)	2,289	2,681

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
91
37

Appendix 5B**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</i> <i>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.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from/(used in) operating activities (item 1.9)	(177)
8.2 Payments for exploration & evaluation classified as investing activities (item 2.1(d))	(159)
8.3 Total relevant outgoings (item 8.1 + Item 8.2)	(336)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,289
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	2,289
8.7 Estimated quarters of funding available (Item 8.6 dividend by Item 8.3)	7

8.8 If Item 8.5 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 ?

N/A

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?

N/A

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 ?

N/A

Appendix 5B

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

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: 30 April 2025

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 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 standard applies 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 for 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 risk management and internal control which is operating effectively.