



JUNE 2021 QUARTERLY ACTIVITIES REPORT

Key points

- Diamond drilling underway at Aarnivalkea (Aarni') gold prospect in northern Finland following up on previous high grade intercepts, including 6.8 metres at 11.8g/t gold and 20.4 metres at 4.0g/t gold
- Diamond drilling of the Ruopas Isovaara nickel-copper-PGE target to commence during the course of the Aarni' drilling program
- Canadian gold producer Kinross Gold to spend up to US\$9.5m to earn a 70% interest in 83km² of non-core Finnish tenure
- Assays received for the first phase of drilling at the Dorothy and Margueritta prospects within Jillewarra with better RC results including 4 metres at 11.1g/t gold from 28 metres and 20m @ 1.9g/t Au from 92m, including 4m @ 6.8g/t from 92m
- Exploration underway at the West Murchison Ni-Cu-PGE project with all the Exploration Licences granted, covering a combined area of 693km²
- Notice of approval received from the NSW Department of Mining, Exploration and Geoscience (DMEG) for three large Exploration Licences covering 2,712km² at Koonenberry in northern NSW, prospective for magmatic Ni-Cu-PGE mineralisation
- Good financial position with A\$7.3 million cash at quarter's end, plus a 13.5% stake in Todd River Resources (ASX:TRT) valued at A\$5.3 million

CORPORATE

Finance

A total of A\$1.27 million was spent during the quarter on operating activities, comprising A\$0.98 million exploration and evaluation costs, A\$0.1 million corporate costs, business development costs, overheads and payments for fixed assets, A\$0.2 million staff costs and A\$5k of interest earned. At the end of the June quarter cash totaled A\$7.3 million. Planned expenditure for the next quarter ending 30 September 2021 is anticipated to be approximately A\$2.7 million. The Company's 75.2 million shareholding in Todd River

Resources (ASX:TRT) is worth an additional A\$5.3 million (applying A\$0.07/share at market close on 29 July 2021).

Capital structure

The total issued capital as at 30 June 2021 comprised 314,891,179 ordinary shares and 40.3 million unlisted options, which if exercised, would represent a capital injection of A\$11.8 million to the Company.

Related Parties

In accordance with ASX Listing Rule 5.3.5, \$118k was paid to related parties or their associates during the quarter, as shown in Section 6 of the Company's Cashflow Report (Appendix 5B) for the quarter ended 30 June 2021. This includes Non-executive Director payments of \$21k.

EXPLORATION

Central Lapland Greenstone Belt, Finland (100% S2)

S2 has mineral rights covering approximately 581 square kilometres in the Central Lapland Greenstone Belt (CLGB) of Finland (Figure 1), a region that contains significant shear zone hosted gold deposits, such as Agnico Eagle's ~7.4Moz Kittilä gold mine, and magmatic copper-nickel-PGE deposits, which include Boliden's Kevitsa mine and Anglo American's world class Sakatti deposit.

Finland Gold

In 2019, S2 discovered the mineralised gold trend at Aarnivalkea beneath shallow glacial cover in a previously unexplored area (refer to previous S2 ASX announcement on 1 May 2019). The discovery followed a systematic regional targeting approach comprising sequential ionic leach geochemistry, structural interpretation of geophysics and base of till (BOT) drilling. Follow-up broad spaced shallow reconnaissance diamond drilling defined a broad zone of near surface basement mineralisation over a 1.3 kilometre strike extent.

In October 2020, the Company drilled four very widely spaced diamond holes to test for a range of possible down-dip and down-plunge extensions to the gold mineralisation defined in the earlier shallow drilling. All four holes intercepted gold mineralisation (refer to S2 ASX announcements dated 8th December 2020 and 4th January 2021). Better intercepts included (downhole depths):

- 6.85 metres at 11.8g/t gold from 223.0 metres, including 4.0 metres at 18.1g/t from 223.0 metres in hole FAVD0062
- 20.40 metres at 4.0g/t gold from 193.1 metres, including 8.5 metres at 8.6g/t from 198.0 metres in hole FAVD0064

Holes FAVD0062 and FAVD0064 were the first deep holes drilled under the main trend of gold mineralisation identified in previous scout diamond drilling. Both holes returned high grade intercepts. These two holes are some 575m apart with no other holes drilled below a depth of 120m in between them (Figure 2).

Follow-up diamond drilling commenced in July 2021, following a long hiatus which resulted from low rig availability in Finland. The initial program will include thirteen 240 to 500 metre deep, broad spaced holes designed as a first pass systematic test of approximately 1.1 kilometres of strike below the gold anomalism identified in previous shallow scout diamond drilling. Two holes have been completed to date, with first assay results expected in August/September 2021.

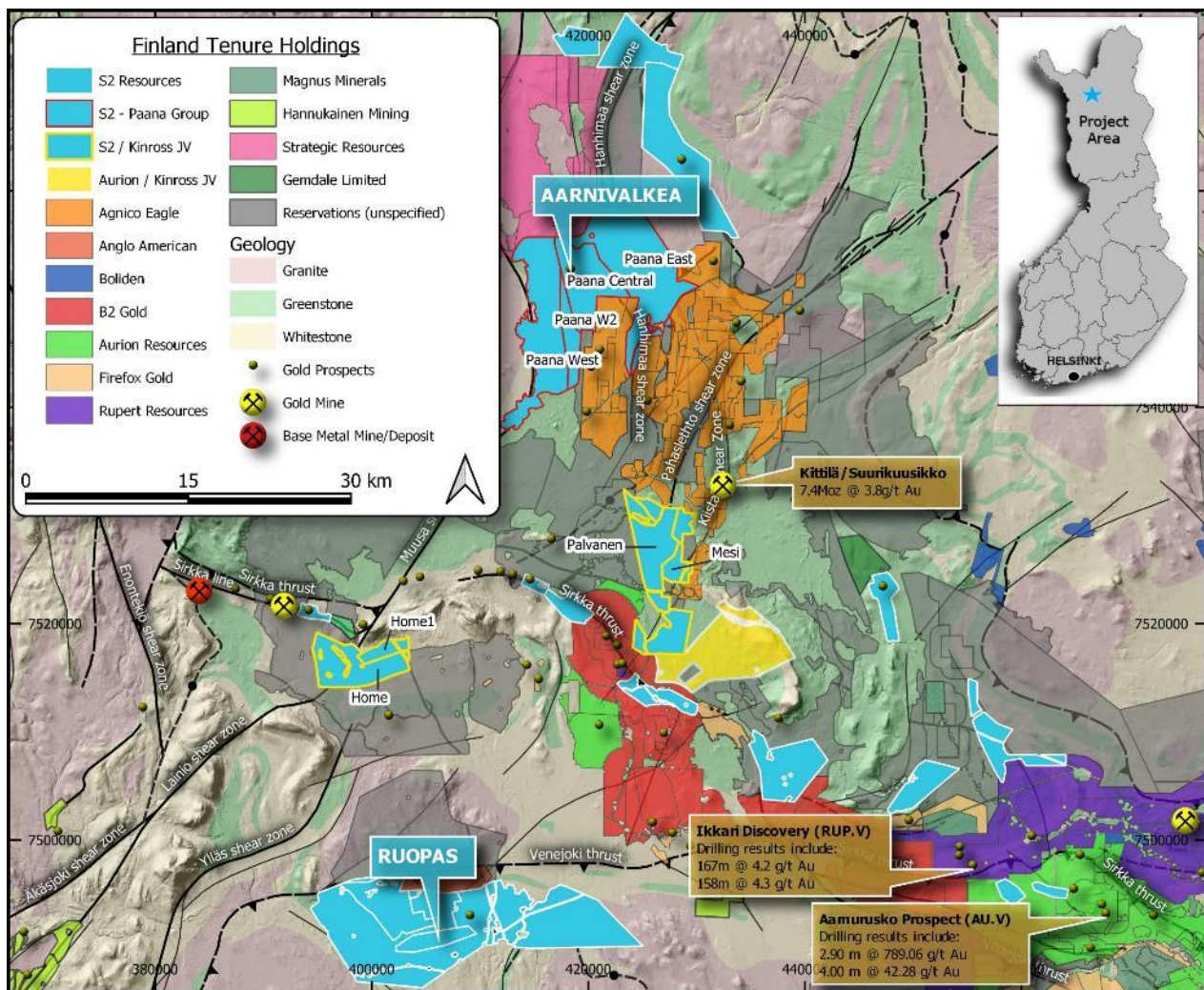


Figure 1. Map of S2's landholding in the Central Lapland Greenstone Belt, including the Kinross farm in areas, other neighbouring companies, mines, defined resources and recent drill intercepts. Resources and drill intercepts are sourced from public company statements.

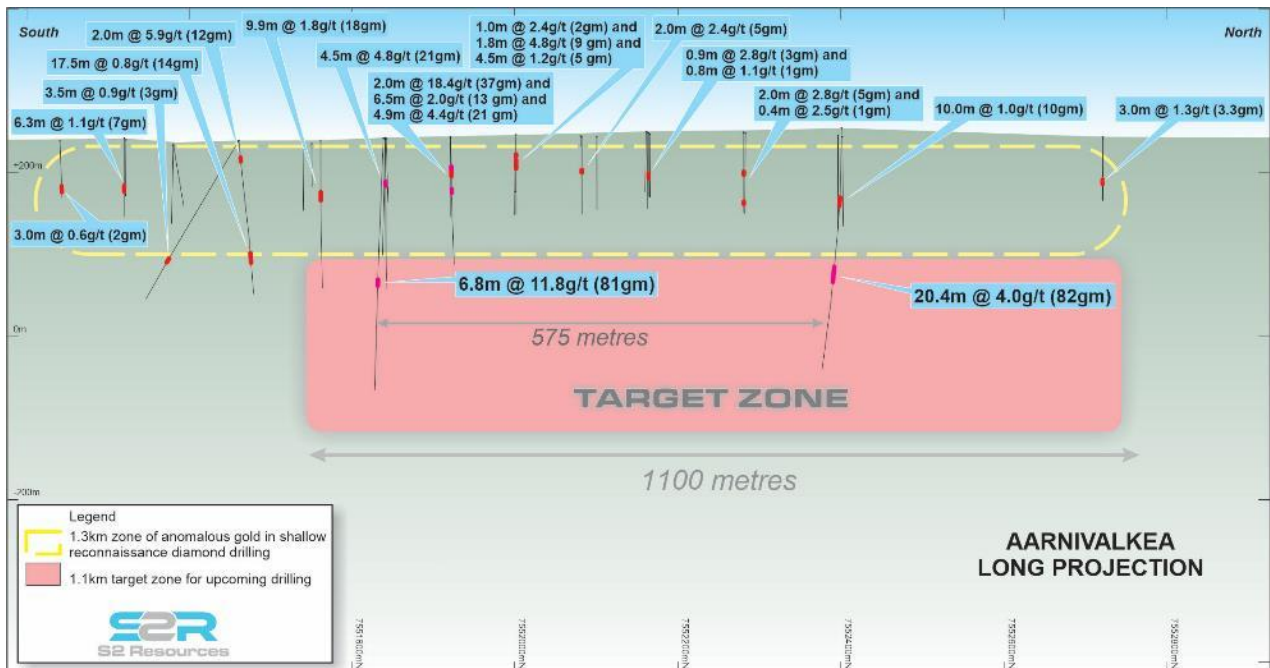


Figure 2. Long projection of the Aarnivalkea prospect showing the target zone for the current drill program, along with high grade intercepts from deeper drilling and selected intercepts from shallow scout diamond drilling.

Finland Base metals

In April 2021, S2 received notice that a long-standing objection to the grant of exploration permit ML2018:0065 covering the Ruopas Isovaara area (Figure 3) had been dismissed by the Administrative Court of Northern Finland, allowing the permit to be granted. Isovaara is considered prospective for magmatic style nickel-copper-PGE mineralisation and is located in the same belt as Anglo American's giant Sakatti deposit (44.4Mt at 1.9% Cu, 0.96% Ni 1.46g/t PGEs). It contains the previously identified 280 metre by 240 metre electromagnetic (EM) plate with coincident anomalous nickel and copper in base of till (BoT) drilling (Figure 4). The Company is planning to drill test this EM target during the course of the Aarnivalkea diamond campaign.

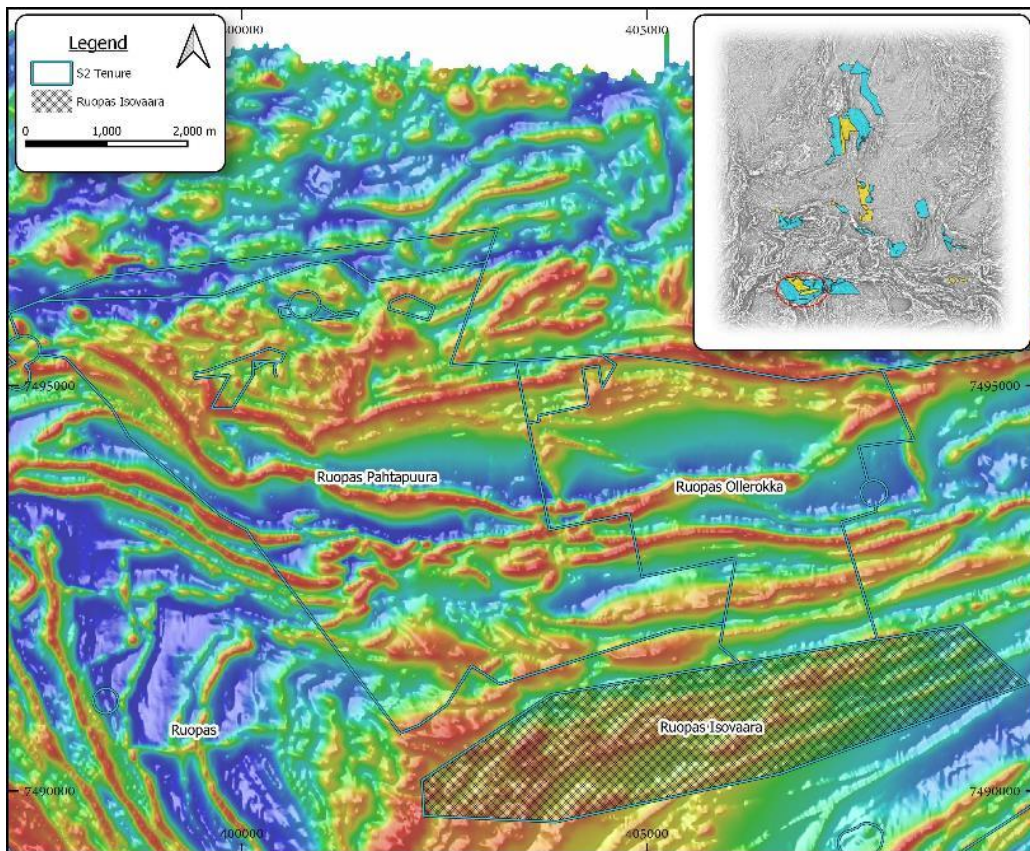


Figure 3. Location map of the Ruopas Isovaara exploration area, part of the greater Ruopas nickel-copper project, underlain by regional aeromagnetic data.

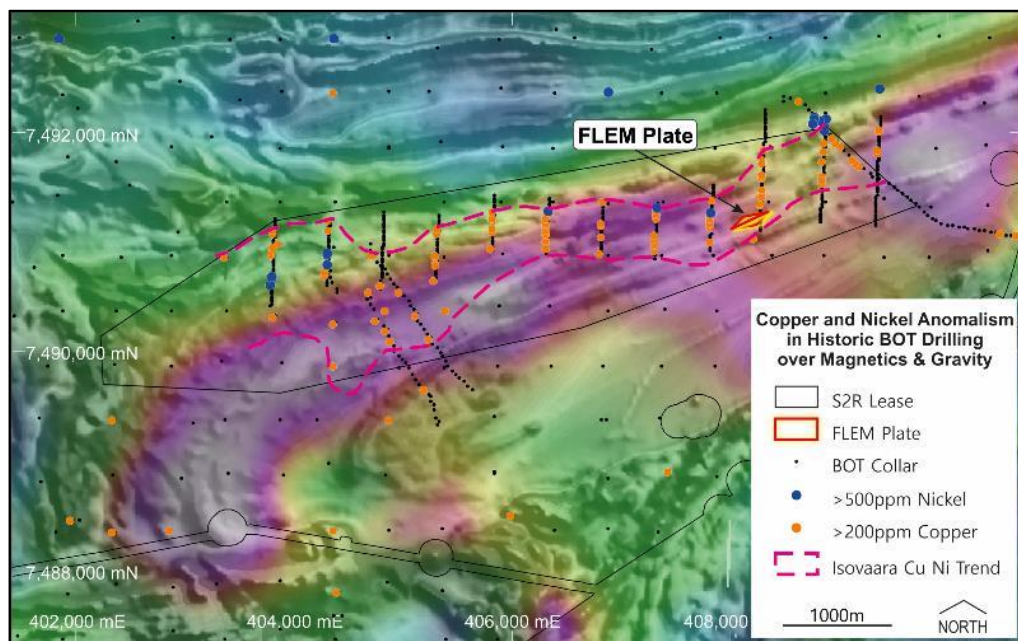


Figure 4. Location of the EM conductor on a gravity ridge (colour) with a coincident BoT copper-nickel anomaly at Isovaara. The conductor plunges to the northeast so any eroded up-plunge component would have been located to the west where the main BoT anomalism occurs. Magnetics, gravity and BoT drilling were sourced from the Finnish Geological Survey (GTK).

Kinross Gold farm-in agreement

In June 2021, S2, through its wholly owned Finnish subsidiary Sakumpu Exploration Oy (“Sakumpu”), entered into a binding farm-in agreement with North American major gold producer Kinross Gold Corporation (“Kinross”) (KGC.NYSE, K.TSX) on four exploration licence and licence applications (“licences”) covering an area of 83 square kilometres in the CLGB. Under this agreement, Kinross can spend up to US\$9.5 million (approximately A\$12.9 million¹) to earn a 70% interest in the licences, with a minimum expenditure requirement of US\$3.5 million over the first three years (refer to S2 ASX announcement dated 3rd June 2021). The farm-in incorporates two distinct blocks known as Home and Palvaanen/Mesi (see Figure 1 above).

Kinross was also granted a right of first refusal (“ROFR”) on any offer S2 may receive to sell, divest, farm-out or enter into a joint venture arrangement on the four licence and licence applications which make up the Paana block, containing the Aarnivalkea gold prospect. Importantly, the ROFR over the Paana block is not triggered by any change of control of Sakumpu, such as a demerger or spin-out of Sakumpu by S2 or a change of control transaction relating to S2.

The Agreement satisfies several of S2’s strategic objectives, namely:

- It allows S2 to retain 100% ownership of and focus its funds on core assets, in particular the Aarni’ gold prospect and Ruopas Isovaara nickel-copper target
- It expedites exploration on other earlier stage, but highly prospective gold target areas within the Kinross farm-in licences
- It decreases the overall fixed cost which S2 would otherwise need to incur to continue to hold a 100% interest in this extensive area
- This significant reduction in non-core fixed ground holding costs enables S2 to optimise the effectiveness of its exploration program by increasing the proportion of in-ground expenditure at Aarni’ and Ruopas
- Should Kinross make a discovery under the farm-in, S2 has the option to retain a 30% exposure to this as a joint venture (JV) participant
- It enables S2 to consider various strategic options over a further 159 square kilometres of prospective tenure in this emerging gold province

Kinross has commenced exploration on both the Palvanen/Mesi and Home blocks. Initial works will include airborne geophysics, mapping and surface sampling over broad areas, along with base of till (BoT) drilling on the granted Palvanen licence. The Palvanen/Mesi block is located just 4.2 kilometres southwest of Agnico Eagle’s (AEM.NYSE) 7.4Moz Kittilä gold mine. This block straddles the northeast-southwest orientated shear zone controlling Kittilä mineralisation and contains southern extensions of the Porkonen Formation which hosts the main gold deposits (Figure 5).

¹ Using an exchange rate of A\$1.00:US\$0.737.

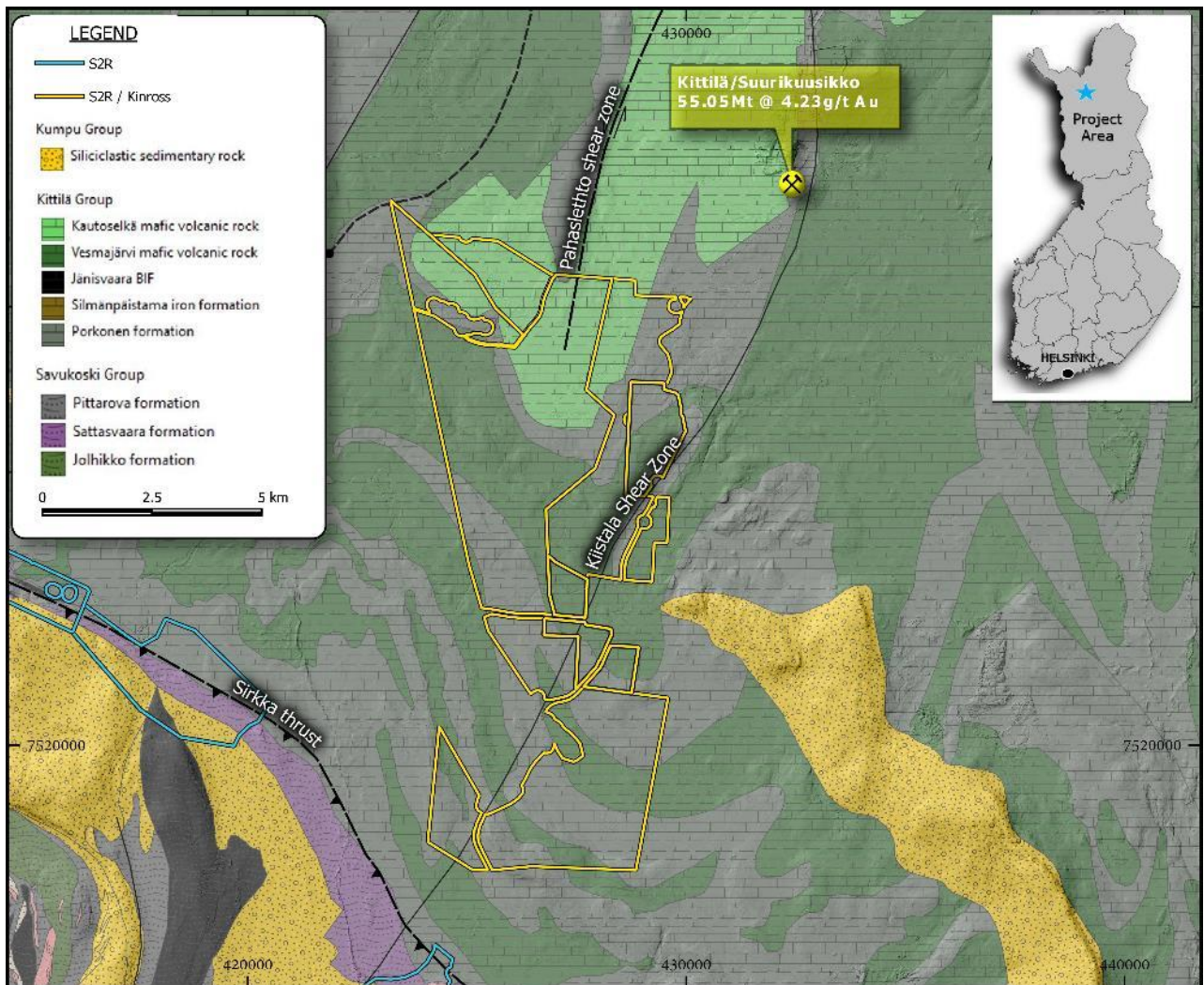


Figure 5. Finnish Geological Survey (GTK) regional geology map covering the Palvanen/Mesi farm-in block and Agnico Eagle's Kittilä gold mine. The map shows key controlling features of Kittilä mineralisation, such as the Kiistala Shear and the Porkonen Formation, propagating south into the Palvanen/Mesi block

Jillewarra gold and base metals project, Western Australia (S2 earning 70%)

S2 is earning a majority interest in the Jillewarra project which covers 793 square kilometres of gold and base metal prospective greenstones situated approximately 50 kilometres west of Meekatharra in the Murchison Goldfields of Western Australia (Figure 6).

Jillewarra remains largely under explored with 50 kilometres strike of prospective Archaean greenstone geology and very limited drilling below 70 metres. S2 will take a systematic approach to identify and drill test targets throughout the Jillewarra Belt. To date, 30 targets have been identified based on structural and geological interpretation, evidence of historical workings and historic exploration data. Earlier this year, the Company commenced drilling in the Dorothy-Margueritta area where historic drilling and old workings provided an obvious starting point for exploration in belt.

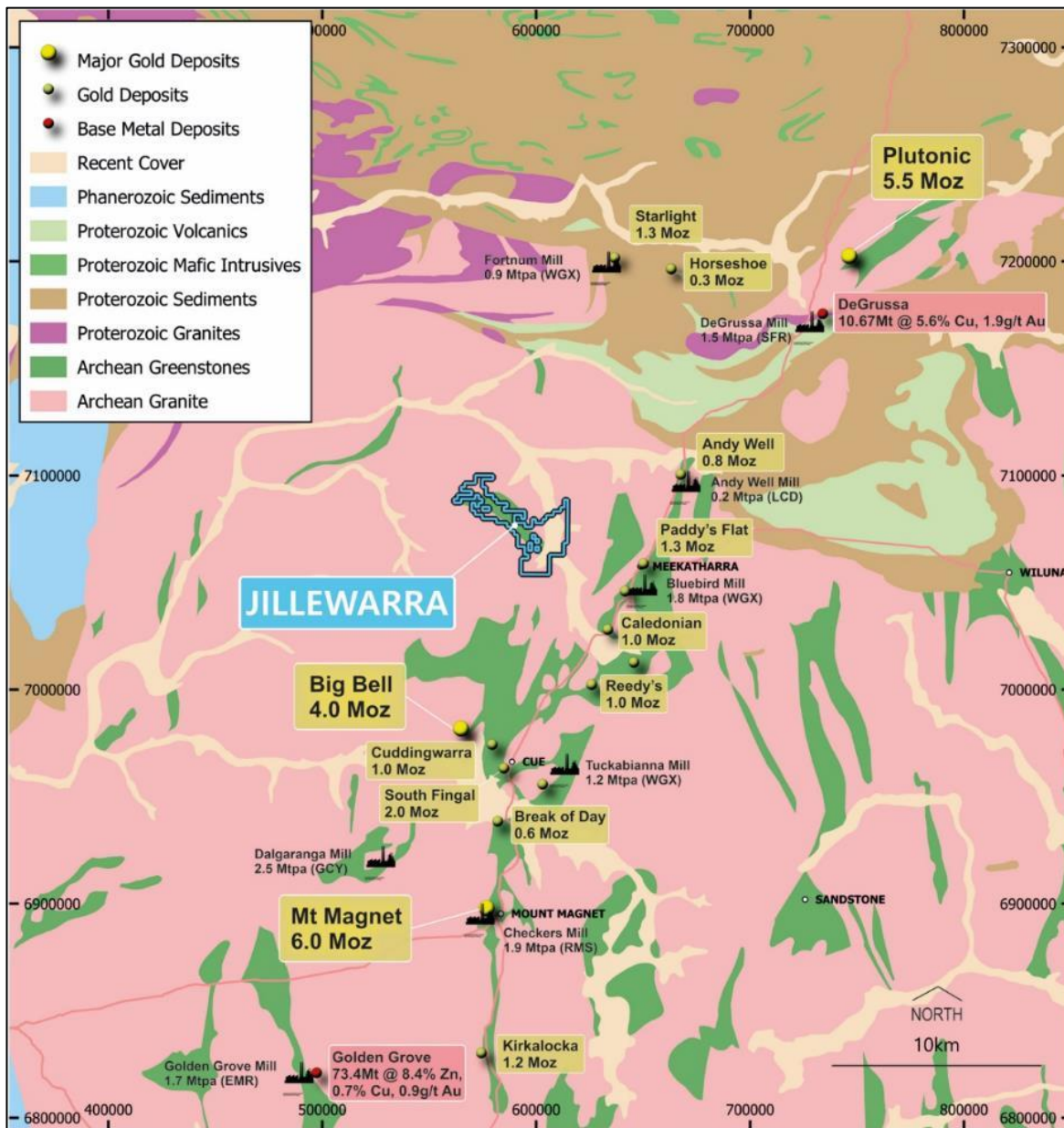


Figure 6: Setting of the Jiliewarra project, showing district scale gold and base metal endowment.

During the June Quarter, assays were received for the first campaign of RC drilling at the Dorothy and Margueritta prospects. These prospects are located in the southeast of the Jiliewarra project area. Better results included:

Margueritta South (downhole widths):

- 4 metres at 11.1g/t gold from 28 metres, including 1 metre at 28.6g/t gold from 29 metres, and 5 metres at 2.6g/t gold from 42 metres in SJWC0011
- 2 metres at 1.3g/t gold from 37 metres in SJWC0014

Margueritta (downhole widths):

- 3 metres at 2.3g/t gold from 41 metres in SJWC0006
- 8 metres at 1.7g/t gold from 39 metres in SJWC0009
- 4 metres at 0.7g/t gold from 20 metres and 4 metres at 1.2g/t gold from 96 metres in SJWC0008

Dorothy (downhole width):

- 20 metres at 1.9g/t gold from 92 metres downhole, including 4 metres at 6.8g/t gold from 92 metres, 4 metres at 1.0g/t gold from 100 metres, and 4 metres at 1.6g/t gold from 108 metres in SJWC0005

Assays were also received for the first aircore program targeting southerly strike extensions to the Dorothy-Margueritta trends, as well as potential parallel zones of mineralisation to the southwest of Margueritta. At Margueritta South, anomalous gold and arsenic has now been defined over a strike length greater than 600 metres. Better aircore intercepts included:

- SJWA0022: 16 metres at 1.5g/t gold from surface, including 4 metres at 4.8g/t gold from 4 metres
- SJWA0037: 12 metres at 1.0g/t gold from 28 metres, including 4 metres at 2.8g/t gold from 32 metres

Aircore drilling, in conjunction with rock chips and historic workings have defined two new parallel gold trends to the west of Margueritta (Figure 7).

Along the Western Trend, wide (240 metre) spaced reconnaissance lines with 20 metre hole spacing were drilled starting approximately 120 metres south of historic workings. Hole SJWA0102 in the northernmost line intercepted 27 metres at 0.5g/t gold from 92 metres to the end of hole. Aircore drilling and rock chips have defined an anomalous gold and arsenic zone greater than 350 metres in strike.

Rock chip sampling identified another gold trend between Margueritta and the Western Trend. These rock chips grade up to 16.0 g/t gold and line up with historical workings and anomalous intercepts in historical drilling to define a linear trend extending for over 1.5 kilometres and potentially linking up to the Dorothy prospect a further 500 metres to the north. This trend has only been tested by five shallow historic reconnaissance drill lines with four of these lines intercepted anomalous gold. Better results from historic RAB drilling include 6 metres at 0.8g/t gold from 2 metres (DH037) and 15 metres at 0.4g/t gold from 15 metres (MRR029). Follow up infill and extensional aircore drilling was undertaken on the Western Trend in May 2021. Assays remain outstanding.

Further broad spaced reconnaissance aircore drilling was conducted in the central-north of Jillewarra targeting an area of interpreted structural and geological interest where aeromagnetic imagery shows a bifurcation of stratigraphy to the NW and NNW (Figure 8). Historic workings are present in the area and anomalous gold has been detected in very limited historic drilling and surface geochemistry. Results for this aircore program are also awaited.

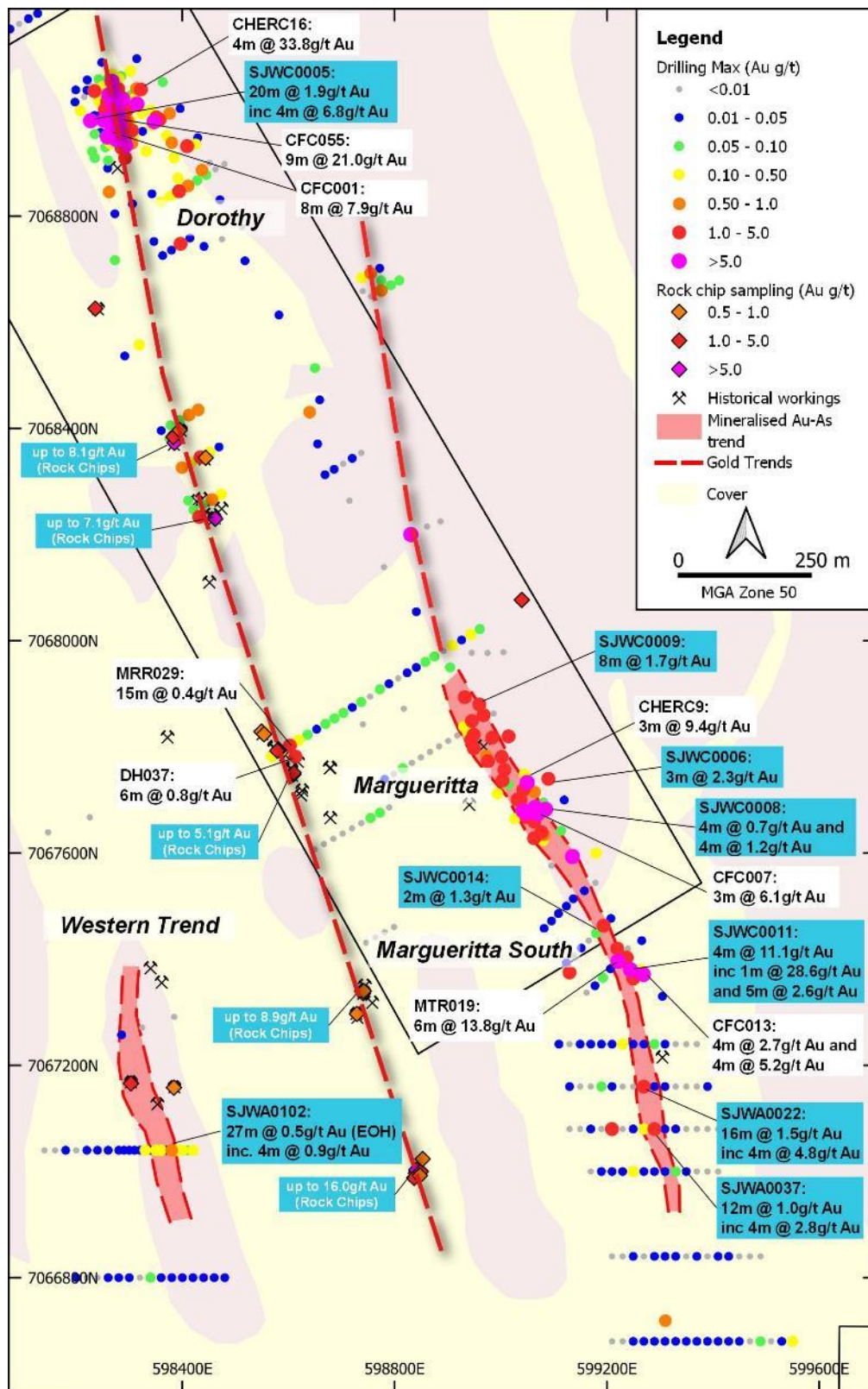


Figure 7. Map of the Dorothy-Margueritta area in Jilewarra showing three mineralised gold trends identified in historic and recent drilling and recent rock chip sampling. S2 drillholes and rock chips are displayed with blue labels.

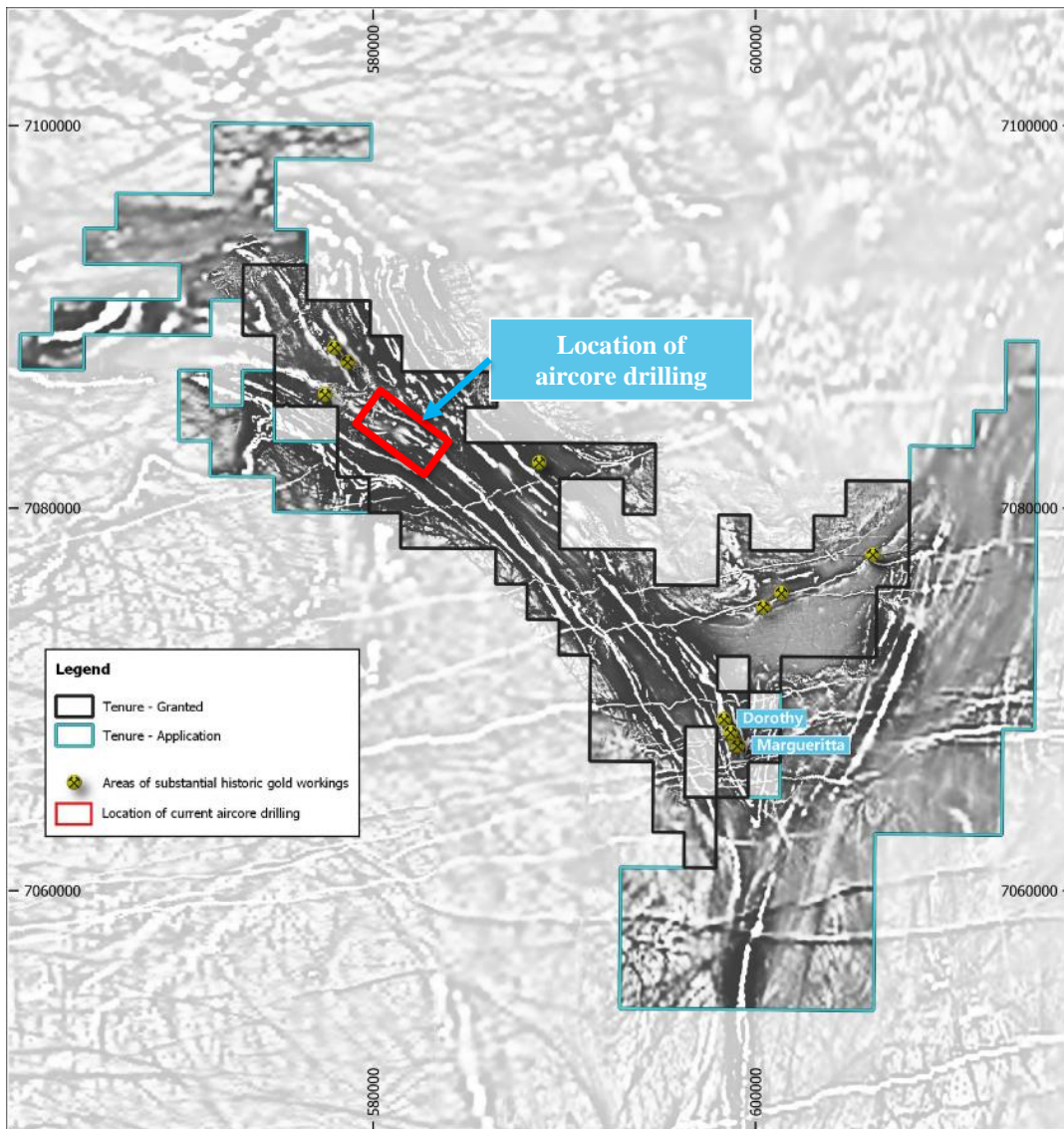


Figure 8. Location of current aircore drilling in central-northern Jillewarra

Koonenberry nickel-copper-PGE project

S2 has three Exploration Licence applications covering 2,712 square kilometres in northern New South Wales (NSW) extending for a strike of 143 kilometres along the Koonenberry Belt. The scale and cratonic margin setting of this belt is analogous to the Fraser Zone of the Albany Fraser Orogen, which hosts the Nova-Bollinger and Silver Knight nickel-copper-cobalt deposits and the Tropicana gold deposit (Figures 9 & 10). The belt also contains early breakup gabbros and likely comagmatic orthocumulate ultramafic picrite sills and intrusions, considered petrographically similar to those that host mineralisation in the Russian Pechenga nickel-copper-PGE camp.

During the quarter, S2 received a notice from the New South Wales (NSW) Department of Mining, Exploration and Geoscience (DMEG) for the proposed approval for 2,712 square kilometres of mineral exploration tenure incorporating Exploration Licence Applications (ELA's) 6198, 6199 and 6200 (see ASX announcement dated

19 April 2021). The applications cover a major proportion of the Koonenberry Belt in areas of shallow to moderate cover. The Koonenberry Belt is largely unexplored and prospective for intrusive magmatic base metal mineralisation, similar to the Fraser Range prior to the Nova-Bollinger discovery (made by S2's team as Sirius Resources). The last sustained base metal exploration was undertaken by Vale-Inco from 2005 to 2010 before that company exited Australia as an exploration destination.

Despite the scale of project area, the minimum expenditure requirement is modest, totaling A\$275,400 across the three ELAs for the first year. Prior to the grant of the licences, S2 is undertaking a right to negotiate process with any potential native title parties. Planned activities for financial year 2022 include establishing land access agreements, electromagnetic (EM) surveys, soil and rock chip sampling, regional mapping and data consolidation. Existing datasets will provide a head start to S2, however the area is largely unexplored in terms of effective drilling.

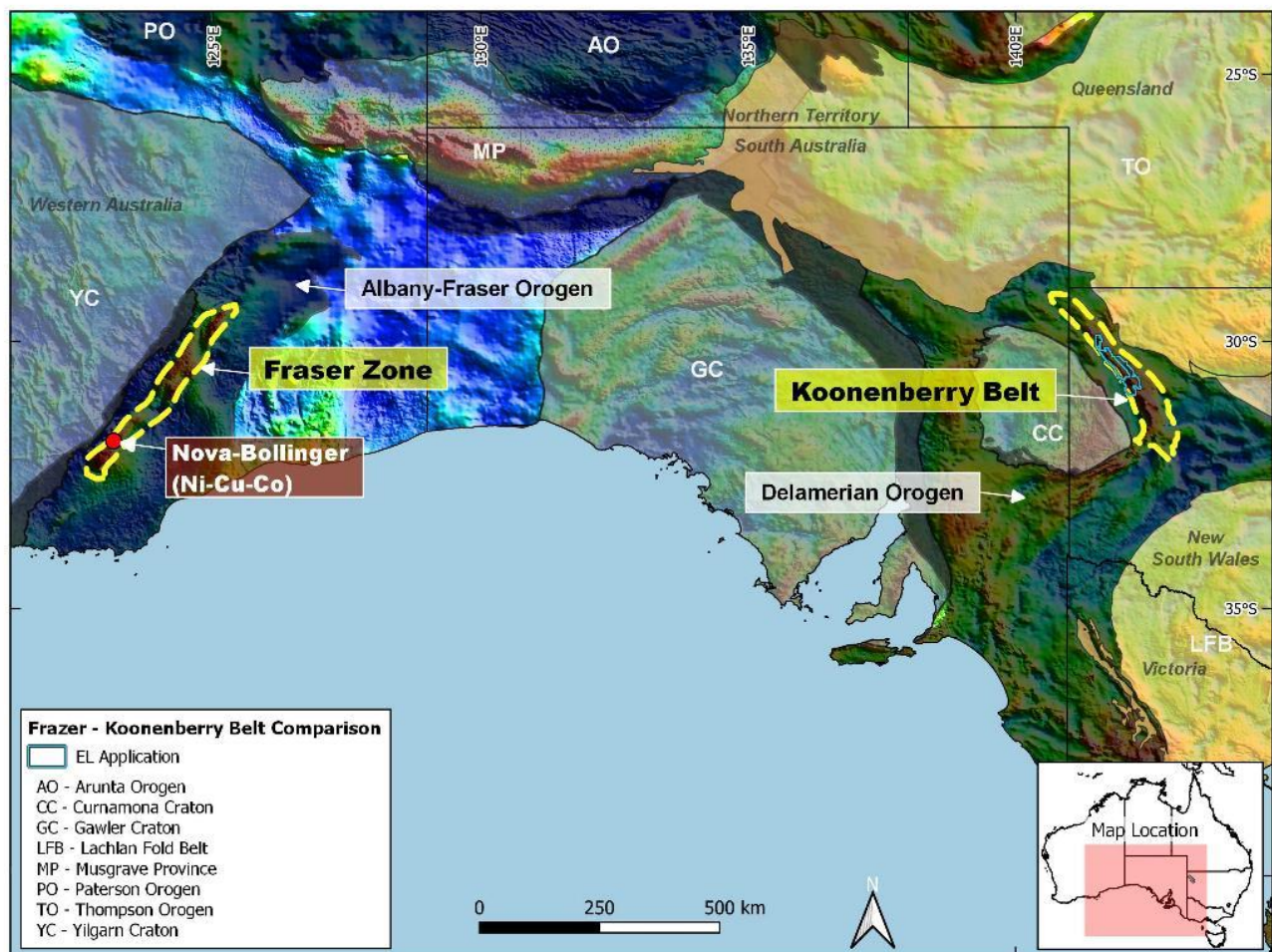


Figure 9. Location map of the Koonenberry Belt showing a comparison to the Fraser Zone of the Fraser Range which hosts the Nova-Bollinger deposit. The Koonenberry Belt is located on the north-eastern margin of the Curnamona Craton.

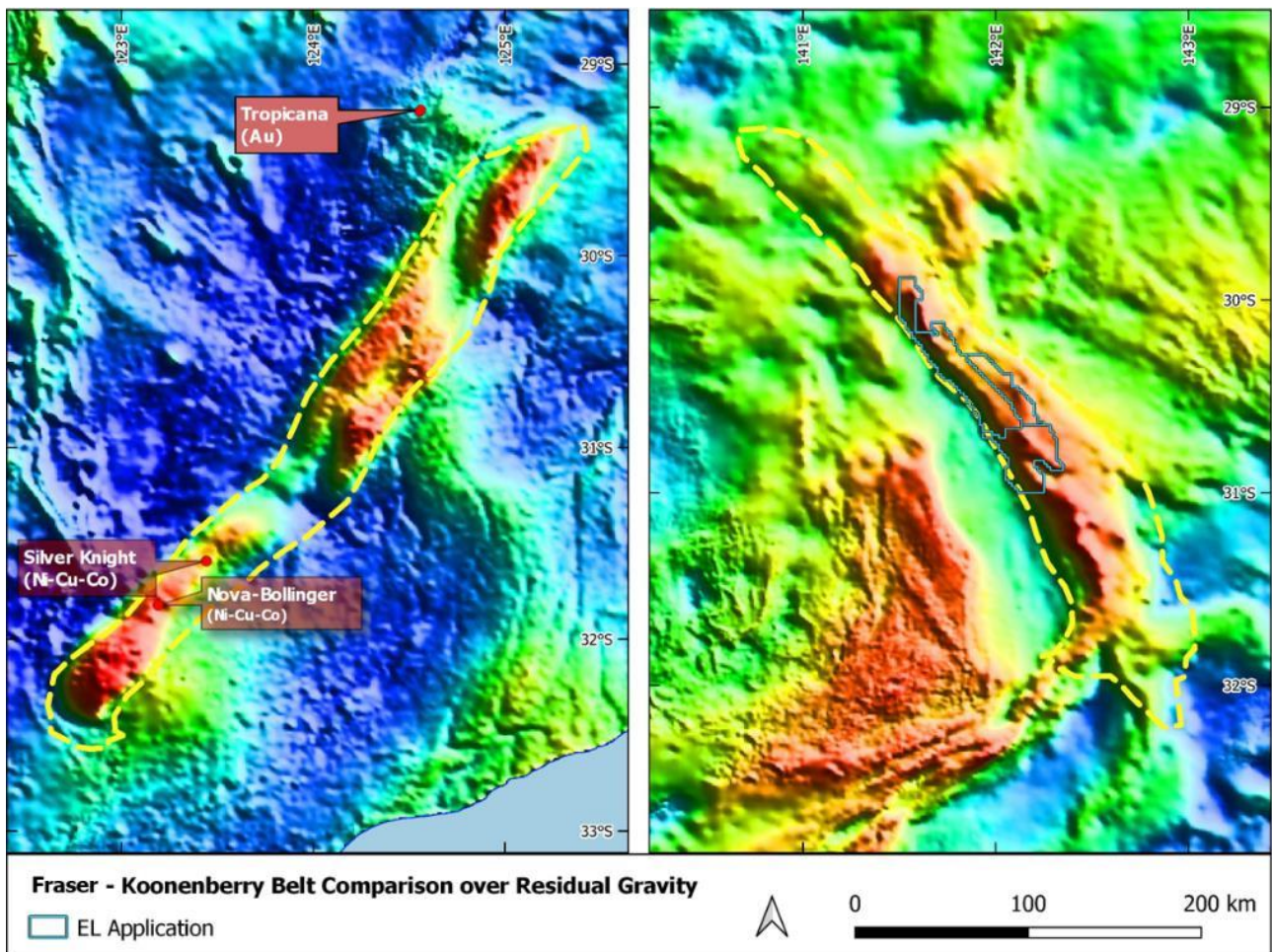
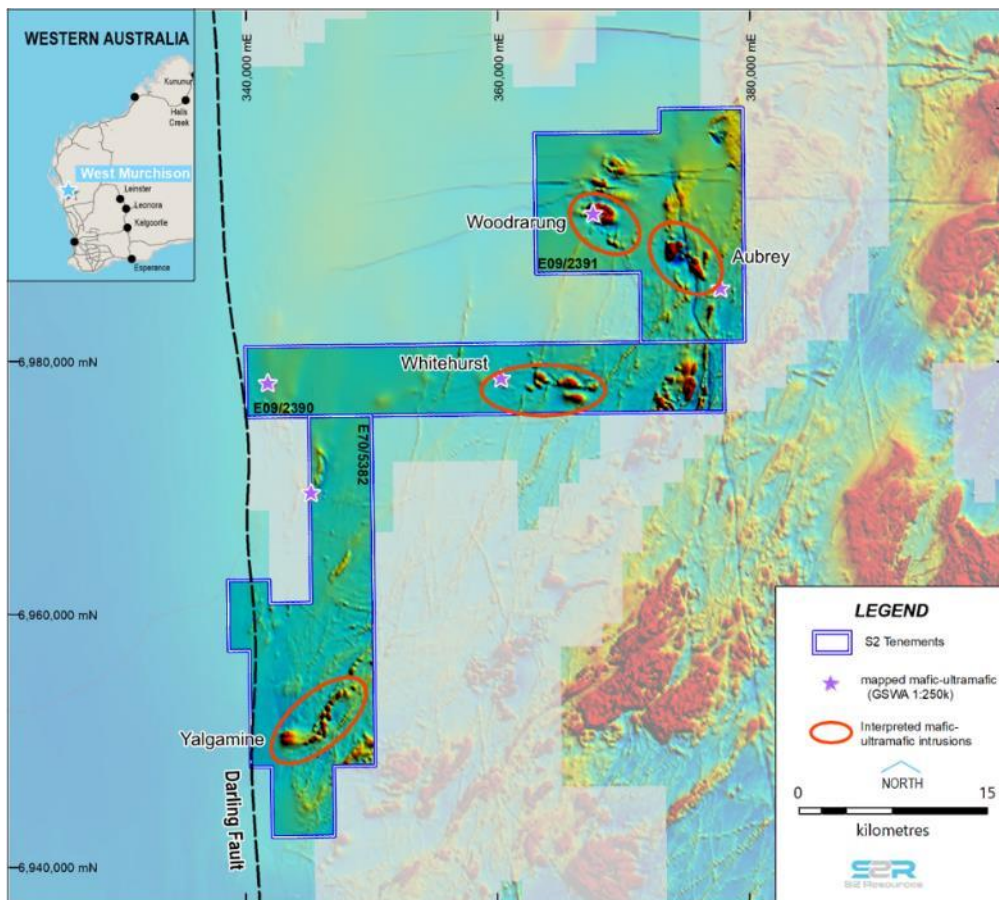


Figure 10. Same-scale comparison of the Fraser Zone of the Albany-Fraser Orogen (left) and the Koonenberry Belt (right) showing tenure over a prominent gravity ridge.

West Murchison nickel-copper-PGE project, Western Australia (S2 100%)

S2 has three Exploration Licences covering 693 square kilometres over several targets interpreted to represent mafic-ultramafic intrusions prospective for magmatic nickel-copper-PGE mineralisation. Initial soil samples collected earlier in 2020 highlighted anomalous nickel, copper and gold over ultramafic basement geology at the Woodraring target are (Figures 11 & 12).

All three Exploration Licences at West Murchison project were granted following the finalisation of a heritage agreement with the Wajarri Yamatji Native Title group in May 2021. Regional soil sampling commenced shortly after, however this program was cut short due to wet weather. Plans for the September quarter include ground EM surveys and further soil geochemistry surveys over three target areas including Woodraring, Aubrey and Whitehurst.



Figures 11. Aeromagnetic (RTP) image of the West Murchison project with interpreted intrusive target areas encircled red.

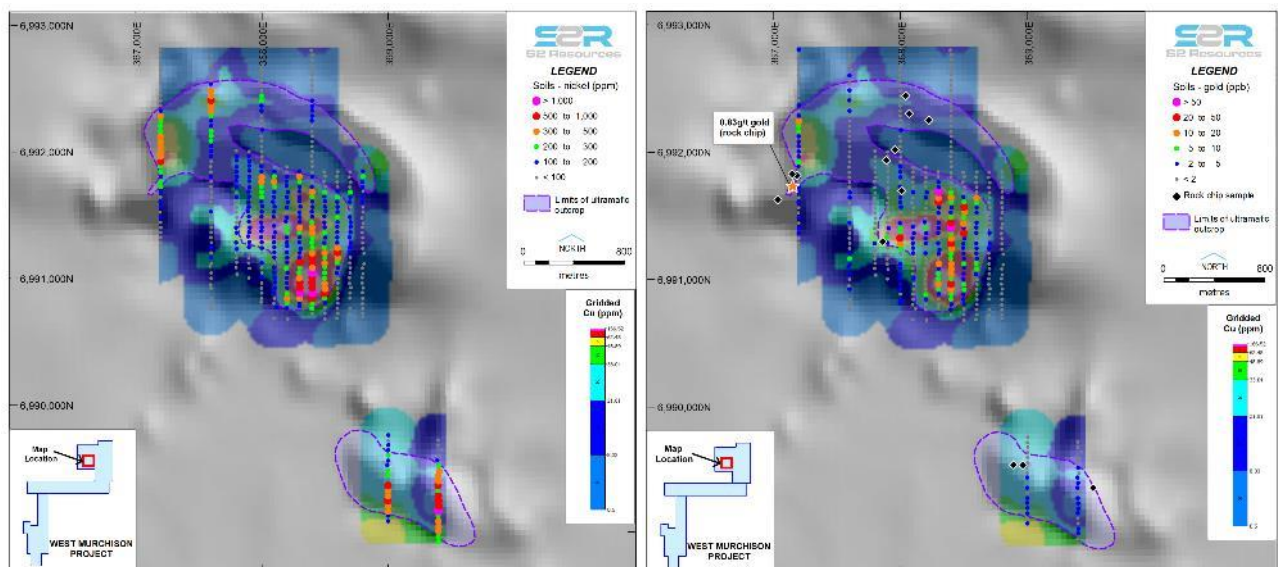


Figure 12. Woodraring target area. Left: Nickel (dots) and copper (colour underlay) soil anomalies over the magnetic anomalies interpreted to represent an ultramafic intrusion (greyscale). Right: Gold (dots) and copper (colour underlay) soil anomalies over the magnetic anomalies interpreted to represent an ultramafic intrusion (greyscale).

Three Springs nickel-copper-PGE project, Western Australia (S2 100%)

S2 has two Exploration Licences covering approximately 478 square kilometres over several targets interpreted to represent mafic-ultramafic intrusions prospective for magmatic nickel-copper-PGE mineralisation.

S2 progressed landholder access negotiations during the quarter with an aim to commence field work in late-2021 to early-2022. Financial year 2022 activities will include an auger geochemical program and ground EM. The timing of these programs is aimed at working in with local farming cycles.

Fraser Range nickel project, Western Australia (S2 100%)

The Company has three exploration licences covering 242 square kilometres of the Fraser Range nickel province. The licences are located 40 to 80 kilometres to the northeast of the Nova-Bollinger nickel-copper mine (discovered by S2's predecessor, Sirius Resources in 2012).

No activities were carried out at the Fraser Range nickel project during the June quarter. Planned activities for the September quarter include mapping and surface sampling of licence E28/2794, upon which S2 has conducted no exploration work to date.

Polar Bear nickel project, Western Australia (S2 100% nickel rights)

S2's holds the nickel rights over an area of 568 square kilometres to the southeast of the Widgiemooltha and Kambalda nickel sulphide trends. S2 retained these rights when it sold the Polar Bear project (comprising the Polar Bear and Norcott projects and the Eundynie Joint Venture) to Higginsville Gold Operations (now owned by Karora Resources Inc.). The nickel rights include the Halls Knoll, Taipan and Gwardar nickel prospects.

No activity this quarter.

Berkshire Ni-Cu-PGE project, Western Australia (via 13.5% shareholding in Todd River Resources)

S2 is exposed to the Berkshire nickel-copper-PGE project via 75.2 million shares held in Todd River Resources (ASX:TRT). The Berkshire project contains a number of mafic-ultramafic intrusions analogous to the Gonneville intrusion which hosts Chalice Mining's Julimar nickel-copper-PGE discovery.

During the quarter, Todd River Resources conducted aircore drilling on the Western Trend and auger geochemical sampling on the Eastern Trend at its Berkshire Valley project (Figure 13). Both areas returned encouraging Ni-Cu-PGE anomalism, including over 1.8 kilometres in the northern part of the Eastern Trend with sample results up to 0.09% copper and 53.9ppb Pt+Pd, supported by anomalous nickel values of between 100-300ppm (refer to TRT's ASX announcement dated 29th June 2021). A comparison of scale and geochemical anomalism of the Berkshire Valley project to Chalice Mining's Julimar project is shown in Figure 14.

Also during the quarter, TRT had tenements granted at the Pingandy (100% TRT), Nerramyne (100% TRT) and Mt Vinden (100% TRT) projects (refer to TRT's ASX Quarterly Report released 23rd July 2021).

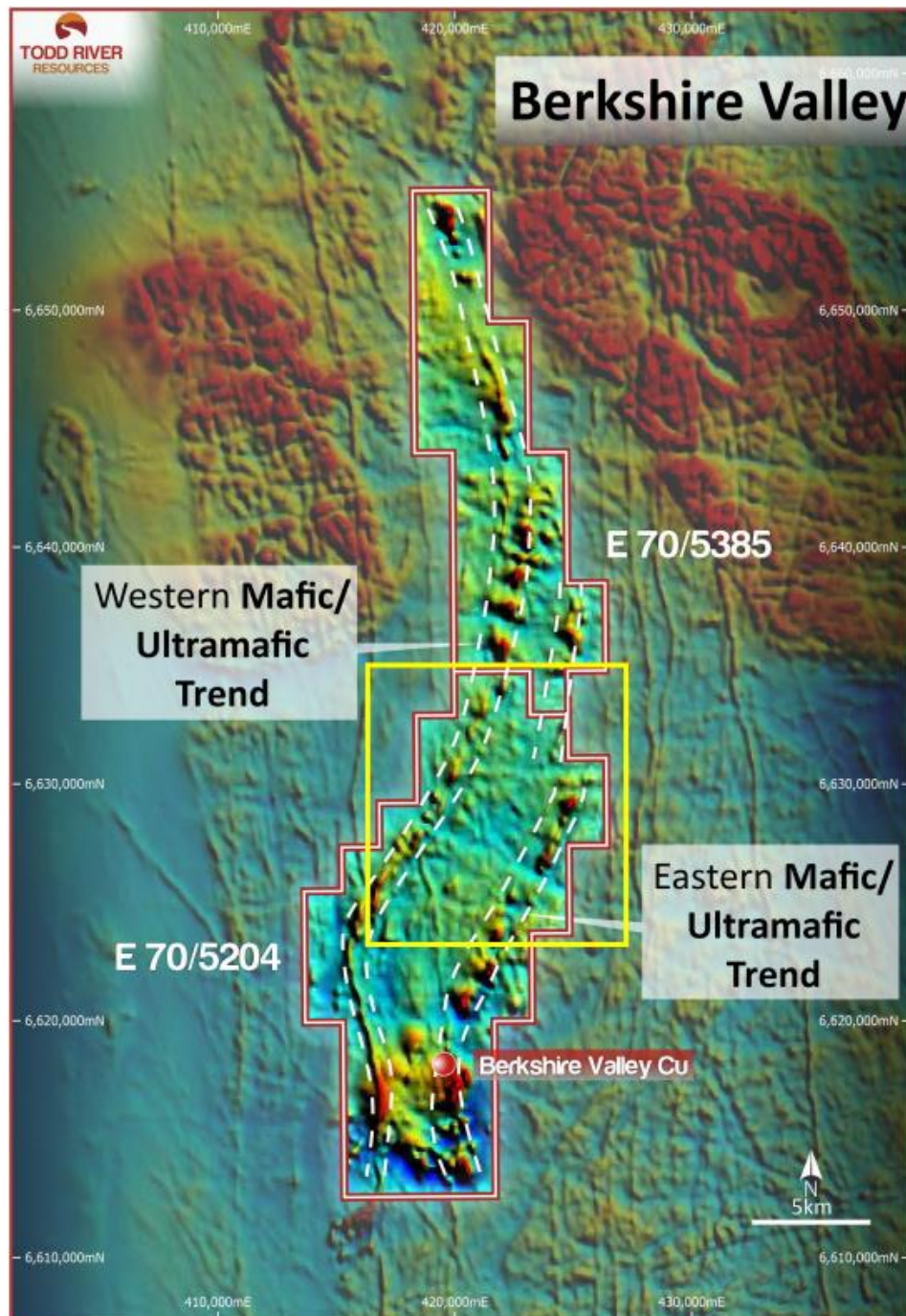


Figure 13. Berkshire Valley Project Magnetics showing the two prospective trends of interpreted mafic and ultramafic intrusions with the yellow box highlighting the work area for the auger geochemical sampling. (source: TRT)

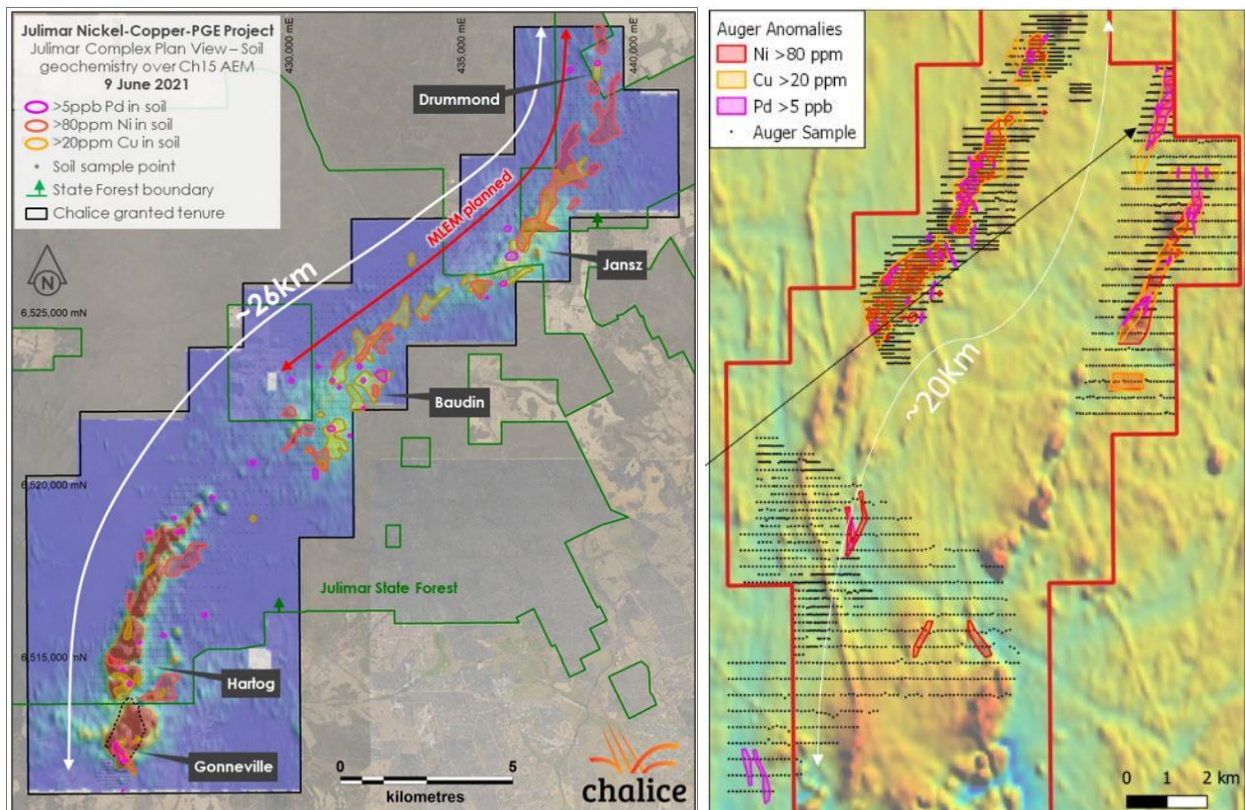


Figure 14. A comparison of scale and geochemical anomalism of Todd River Resources' Berkshire Valley project (right) to Chalice Mining's Julimar project (left) (source: TRT, CHN).

This announcement has been provided to the ASX under the authorisation of the S2 Board.

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Past Exploration results reported in this announcement have been previously prepared and disclosed by S2 Resources Ltd in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to www.s2resources.com.au for details on past exploration results.

Competent Persons statements

The information in this report that relates to Exploration Results is based on information compiled by John Bartlett, who is an employee and shareholder of the Company. Mr Bartlett is a member of the Australian Institute of Mining and Metallurgy (MAusIMM) and has sufficient experience of relevance to the style of mineralization and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bartlett consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Project	Tenement ID	Registered Holder	Location	Ownership %	Status
Western Australia					
Fraser Range	E28/2791	Southern Star Pty Ltd	Fraser Range	100%	Granted
Fraser Range	E28/2792	Southern Star Pty Ltd	Fraser Range	100%	Granted
Fraser Range	E28/2794	Southern Star Pty Ltd	Fraser Range	100%	Granted
Jillewarra	E51/1602	Tanzi Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	E51/1603	Tanzi Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	E51/1604	Tanzi Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	E51/1617	Black Raven Mining Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	E51/1906	Black Raven Mining Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	E51/1915	Black Raven Mining Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	M51/270	Tanzi Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	M51/353	Tanzi Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	M51/451	Tanzi Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	P51/2696	Wood, Sandra	Jillewarra	earning 51%	Granted
Jillewarra	P51/2950	Black Raven Mining Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	P51/3082	Black Raven Mining Pty Ltd	Jillewarra	earning 51%	Granted
Jillewarra	E51/1955	Black Raven Mining Pty Ltd	Jillewarra	earning 51% when granted	Application
Jillewarra	E51/1956	Black Raven Mining Pty Ltd	Jillewarra	earning 51% when granted	Application
Jillewarra	E51/1965	Black Raven Mining Pty Ltd	Jillewarra	earning 51% when granted	Application
Jillewarra	E51/1966	Black Raven Mining Pty Ltd	Jillewarra	earning 51% when granted	Application
Jillewarra	E51/2050	Third Eye Resources Pty Ltd	Jillewarra	earning 51% when granted	Application
Jillewarra	E51/2051	Third Eye Resources Pty Ltd	Jillewarra	earning 51% when granted	Application
Jillewarra	E51/2052	Third Eye Resources Pty Ltd	Jillewarra	earning 51% when granted	Application
Jillewarra	E51/2053	Third Eye Resources Pty Ltd	Jillewarra	earning 51% when granted	Application
Jillewarra	E51/2054	Third Eye Resources Pty Ltd	Jillewarra	earning 51% when granted	Application
Jillewarra	M51/885	Wood, Sandra	Jillewarra	earning 51% when granted	Application
Three Springs	E70/5380	Southern Star Pty Ltd	Three Springs	100%	Granted
Three Springs	E70/5381	Southern Star Pty Ltd	Three Springs	100%	Granted
West Murchison	E70/5382	Southern Star Pty Ltd	West Murchison	100%	Granted
West Murchison	E09/2390	Southern Star Pty Ltd	West Murchison	100%	Granted
West Murchison	E09/2391	Southern Star Pty Ltd	West Murchison	100%	Granted
Polar Bear	E15/1298	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E15/1461	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E15/1541	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E63/1142	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E63/1712	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E63/1725	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E63/1756	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E63/1757	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M15/651	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M15/710	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M15/1814	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/230	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/255	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/269	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/279	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P15/5958	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P15/5959	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1587	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1588	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1589	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1590	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1591	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1592	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1593	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1594	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/662	Polar Metals Pty Ltd	Lake Cowan	100% nickel when granted	Application
Eundynie JV	E15/1458	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E15/1459	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E15/1464	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E63/1726	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E63/1727	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E63/1738	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Norcott	E15/1487	Polar Metals Pty Ltd	Mt Norcott	100% nickel	Granted
Norcott	E63/1728	Polar Metals Pty Ltd	Mt Norcott	100% nickel	Granted
New South Wales					
Koonenberry	ELA6198	Third Eye Resources Pty Ltd	Koonenberry	100% when granted	Application
Koonenberry	ELA6199	Third Eye Resources Pty Ltd	Koonenberry	100% when granted	Application
Koonenberry	ELA6200	Third Eye Resources Pty Ltd	Koonenberry	100% when granted	Application
Finland					
<i>Exploration Licenses</i>					
Central Lapland	Kerjonen ML2015:0061	Sakumpu Exploration Oy	Central Lapland	100%	Granted
Central Lapland	Keulakkopää ML2016:0058	Sakumpu Exploration Oy	Central Lapland	100%	Granted
Central Lapland	Ruopas Pahtapuura ML2017:0040	Sakumpu Exploration Oy	Central Lapland	100%	Granted
Central Lapland	Paana Central ML2018:0081	Sakumpu Exploration Oy	Central Lapland	100%	Granted
Central Lapland	Aakenusvaara ML2018:0105	Sakumpu Exploration Oy	Central Lapland	100%	Granted
Central Lapland	Paana W2 ML2018:0107	Sakumpu Exploration Oy	Central Lapland	100%	Granted

Project	Tenement ID	Registered Holder	Location	Ownership %	Status
Central Lapland	Putaanperä ML2016:0063	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Sikavaara E ML2016:0056	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Paana West ML2017:0028	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Paana East ML2017:0029	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Selkä ML2017:0037	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Nuttio ML2017:0041	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Hanhijarvi ML2017:0112	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Pikkulaki ML2017:0111	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Ruopas 1 ML2018:0065	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Pahasvuoma ML2019:0085	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Rova ML2019:0086	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Sikavaara W ML2019:0107	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Ruopas Pahtapuura 1 ML2020:0041	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Ruopas Ollerokka ML2020:0042	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Ruopas ML2020:0043	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Paana Silas ML2021:0057	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Central Lapland	Paanapyytö ML2021:0058	Sakumpu Exploration Oy	Central Lapland	100% when granted	Application
Kinross JV	Palvanen ML2016:0062	Sakumpu Exploration Oy	Central Lapland	100% (Kinross earning 70%)	Granted
Kinross JV	Mesi ML2017:0034	Sakumpu Exploration Oy	Central Lapland	100% when granted (Kinross earning 70%)	Application
Kinross JV	Home ML2017:0042	Sakumpu Exploration Oy	Central Lapland	100% when granted (Kinross earning 70%)	Application
Kinross JV	Home 1 ML2018:0109	Sakumpu Exploration Oy	Central Lapland	100% when granted (Kinross earning 70%)	Application
<i>Exploration Reservations</i>					
Central Lapland	Kehrävarsi VA2021:0028	Sakumpu Exploration Oy	Central Lapland	100% when granted (Kinross earning 70%)	Application
Central Lapland	Kevuvuoma VA2021:0029	Sakumpu Exploration Oy	Central Lapland	100% when granted (Kinross earning 70%)	Application

Appendix 5B

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

Name of entity

S2 Resources Ltd

ABN

18 606 128 090

Quarter ended ("current quarter")

30 June 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation *	(984)	(4,552)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs**	(196)	(626)
	(e) administration and corporate costs	(89)	(678)
1.3	Dividends received (see note 3)		
1.4	Interest received	5	45
1.5	Interest and other costs of finance paid	(3)	(15)
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	(1,267)	(5,826)

*Exploration & evaluation comprise exploration physical costs of \$720k and pre-resource exploration staff costs of \$264k.

**Total staff costs for the quarter end was \$460k comprising pre-resource exploration \$264k, corporate \$149k, non-executive directors \$21k, business development \$25k. Staff costs of pre-source exploration \$264k has been transferred to the above category 'exploration & evaluation'.

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(20)	(104)
(d) exploration & evaluation	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(e) investments	-	-
	(f) other non-current assets	-	-
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 (net cash from sale of dormant subsidiary)	(2)	(2)
2.6	Net cash from / (used in) investing activities	(22)	(106)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	7,747
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	-	(515)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(24)	(86)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(7)	(7)
3.10	Net cash from / (used in) financing activities	(31)	7,319

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,595	6,420
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,267)	(5,826)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(22)	(106)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(31)	7,139
4.5	Effect of movement in exchange rates on cash held	42	(310)
4.6	Cash and cash equivalents at end of period	7,317	7,317

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	7,317	7,595
5.2	Call deposits		1,000
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)	7,317	8,595

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	118
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Salaries and fees paid to directors in the quarter including superannuation.		
<i>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.</i>		

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. 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)	(1,267)
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)	(1,267)
8.4 Cash and cash equivalents at quarter end (item 4.6)	7,317
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	7,317
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.78
<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:	
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:	

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:

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: 30 July 2021.....

Authorised by: .The Board.....
(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.