

Quarterly Report December 2021

ASX code : REC

Board

Brett Wallace
Managing Director

Simon Andrew
Non-Executive Chairman

Felicity Repacholi-Muir
Non-Executive Director

Projects

Brandy Hill South Project
Bohemia Project
Hyden Project

Issued Capital

45.56M shares on issue
9.112M unlisted options

Market Capitalisation

\$8.44 million

Enterprise Value

\$4.60 Million

Cash at Bank (Jan 31)

\$3.760 million

Recharge Metals Limited

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Key Highlights

- Recharge commenced trading on ASX on 11 October 2021
- Successfully Completed \$5.0 million IPO
- Commenced Drilling at Brandy Hill South Project in first quarter
- Significant visible copper mineralisation in all initial holes at Brandy Hill South

Recharge Metals Limited (ASX: REC, Recharge or the Company) is pleased to present a summary of activities for the quarter ended 31 December 2021.

Recharge's primary focus after completing the IPO and ASX Listing was to commence drilling at Brandy Hill South Project.

IPO and ASX Listing

Recharge commenced trading on the Australian Securities Exchange (ASX) on 11 October 2021 under ticker "**REC**" after successful completion of the \$5.0 million initial public offering. (IPO).

The IPO raised a total of \$5.0 million at an issue price of \$0.20 per share.

As part of the IPO, the acquisition of the 100% owned Western Australian projects has been completed including the Brandy Hill South, Bohemia and an option over the Hyden Project.

Exploration Activities

Following its successful IPO and ASX listing in October, the Company commenced on ground exploration activities on the Brandy Hill South Project, while also progressing the Bohemia Downs and Hyden Projects through negotiating heritage agreements, data compilation and targeting.

Brandy Hill South

Reverse Circulation Drill Program

Following the successful IPO in October, the company immediately commenced Reverse Circulation (RC) drilling at the Brandy Hill South Tenement, E59/2181.

During the quarter Recharge completed detailed reprocessing of geophysical data collected from previous surveys over the Brandy Hill Project. Three plates were identified as target areas. Recharge completed seven (7) holes, totaling 1,193m, in November and December 2021, refer to Table 1.

Table 1: Drill hole collar details for 2021 RC percussion drilling program at the Brandy Hill Project

HoleID	East ¹ (m)	North ¹ (m)	RL ¹ (m)	Dip	Azi	Depth (m)
BHRC006	444201	6805514	280	-60	90	150
BHRC007	444172	6805508	280	-60	90	146
BHRC008	444220	6805320	280	-60	90	154
BHRC009	444153	6805325	280	-60	90	163
BHRC010	444144	6805310	279	-60	90	210
BHRC011	444099	6805305	275	-60	90	210
BHRC020	444132	6805732	264	-60	90	160

¹ Easting and Northing Coordinate System = UTM GDA94 Zone 50

A further thirteen (13) holes on E59/2181, utilising a Schramm 660 RC drill rig were completed in January 2022, totalling 2181m, refer to Table 2.

Table 2: Drill hole collar details for January 2022 RC percussion drilling program at the Brandy Hill

HoleID	East ¹ (m)	North ¹ (m)	RL ¹ (m)	Dip	Azi	Depth (m)
BHRC012	444177	6805251	277	-60	90	166
BHRC013	444175	6805410	279	-60	90	180
BHRC014	444171	6805410	278	-60	90	210
BHRC015	444094	6805411	276	-60	90	210
BHRC016	444139	6805249	277	-60	90	210
BHRC017	444097	6805249	275	-60	90	230
BHRC018	444068	6805244	278	-60	90	96
BHRC019	444057	6805307	277	-60	90	90
BHRC021	444630	6804600	280	-60	90	137
BHRC022	444135	6805502	276	-60	90	209
BHRC023	444104	6805507	271	-60	90	84
BHRC024	444039	6805700	277	-60	90	179
BHRC025	444460	6805600	280	-60	90	180

¹ Easting and Northing Coordinate System = UTM GDA94 Zone 50

Samples from the November and December drilling are currently undergoing analysis, with results anticipated in late January 2022.

Drilling was designed to test the continuity of mineralisation, depth extensions of the mineralisation and extensions along strike at the Brandy Hill South Project (Figure 1).

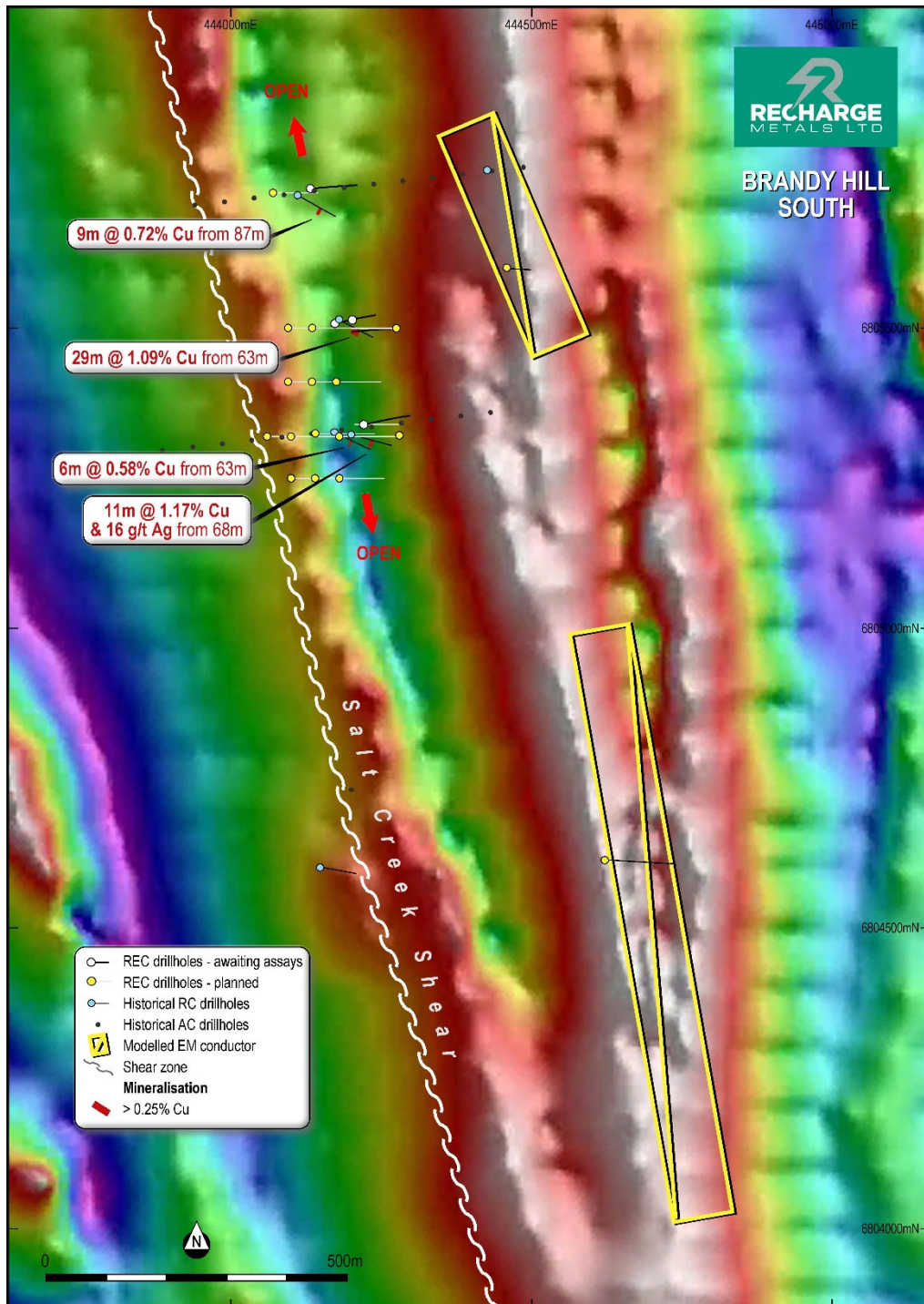


Figure 1: Brandy Hill South Plan with existing and proposed drilling, modelled FLEM conductor plates, overlying a total magnetic intensity image

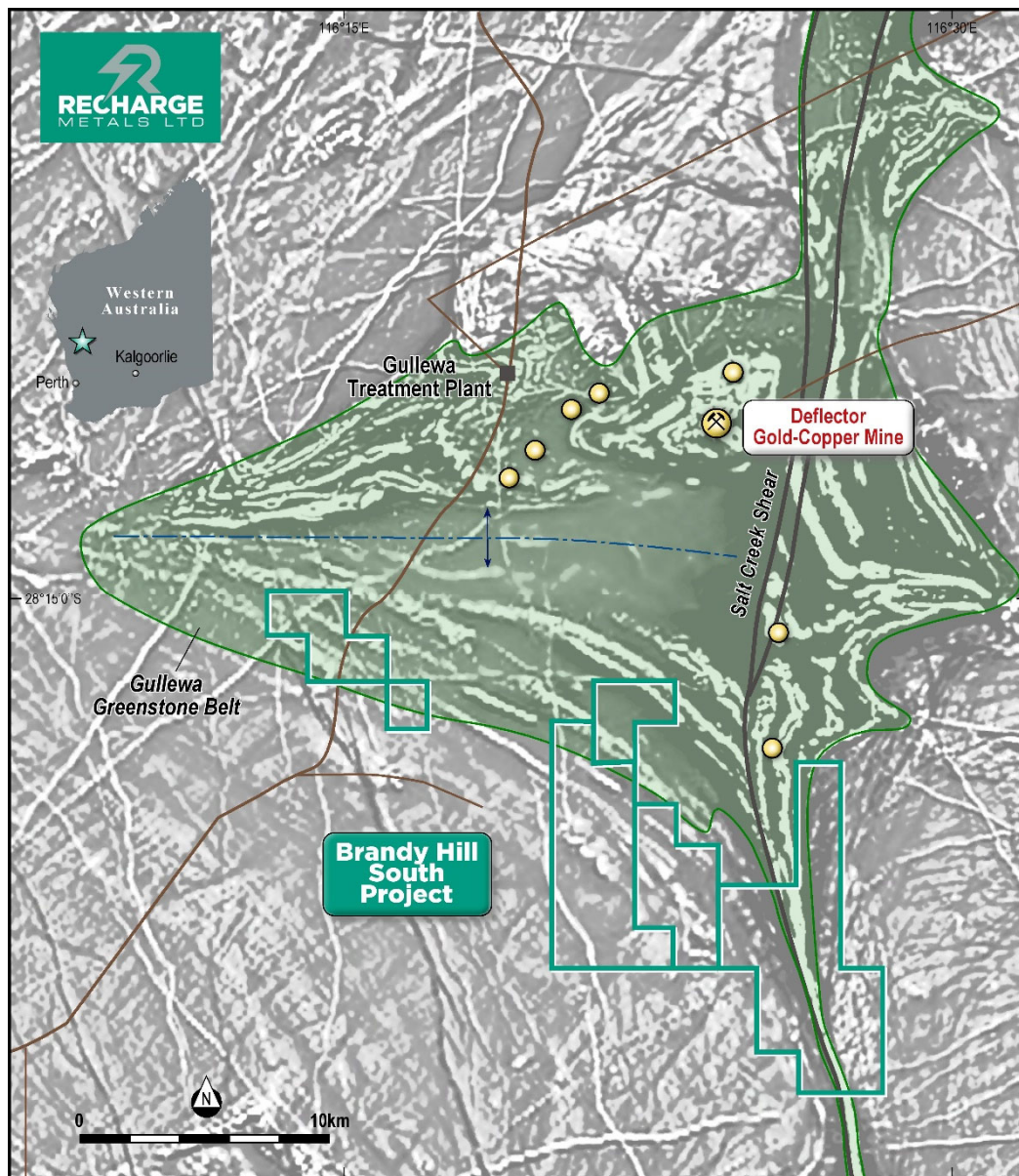


Figure 2: Brandy Hill South Project location over magnetics and geology

The main structure within the Brandy Hill South Project is the Salt Creek Shear that trends north south and deforms the belt on a regional scale (Figure 2). Cross-cutting northeast and northwest faults are secondary to this, with Riedal structures occurring between parallel faults.

Heritage Survey

A heritage survey was conducted on E59/2181 by representatives of the Yamatji Southern Regional Corporation (YSRC) and Sticks and Stones Cultural Resources Management (SandS CRM) in late December 2021.

Hyden Project

The Hyden Project comprises of three granted exploration licences (E 70/5003, E 70/5747 and E 70/5756) which collectively cover a total area of 156 Blocks (~450km²) within the Western Gneiss Terrane of the southwest Yilgarn Province, WA. The Hyden South Project is sub-divided into two sub-projects, namely:

- Hyden (E 70/5003 and E 70/5756); and
- Tampia East (E 70/5747).

Recharge has an option to acquire E 70/5003 which at the date of this Report has not been exercised and is the holder of E 70/5756 but may be required to transfer E 70/5756 to the vendor of E 70/5003 if the option over E 70/5003 is not exercised.

Detailed mapping and surface geochemistry sampling programmes are currently being planned for the Tampia East Project during the March Quarter.

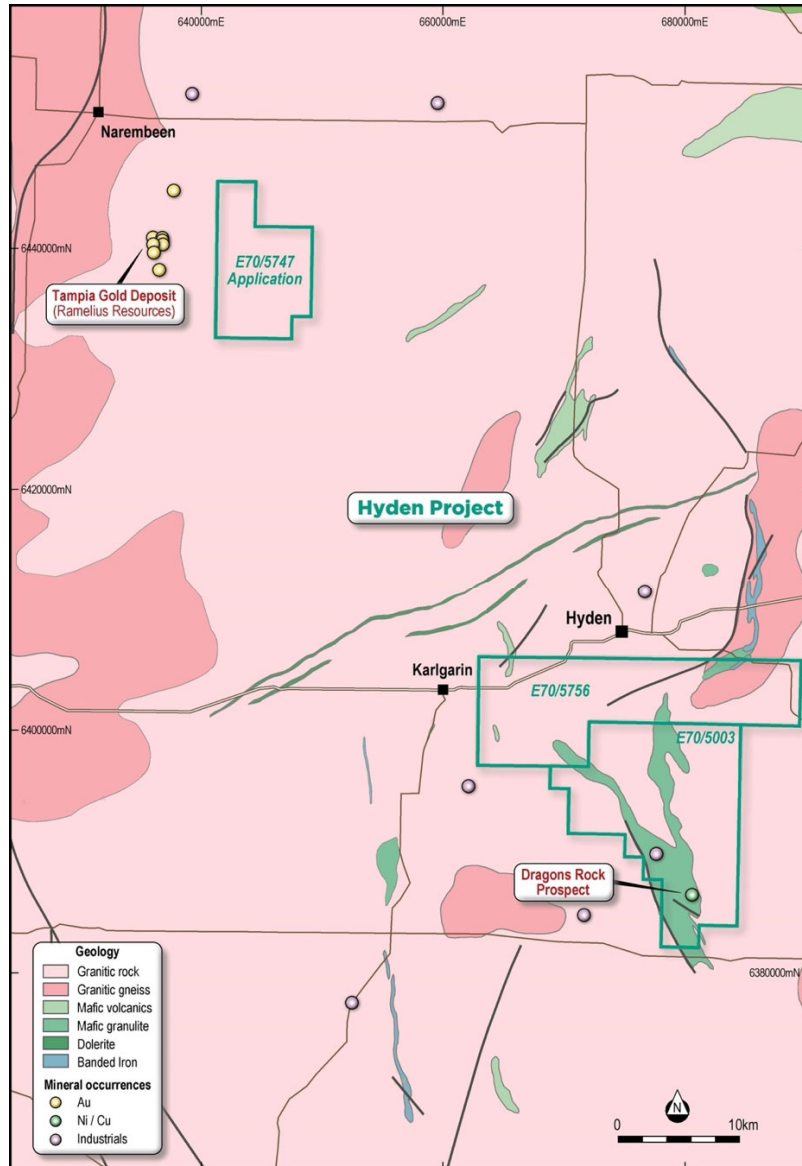


Figure 3: Hyden Project – GSWA 1:500K geology

Bohemia Downs

The Bohemia Project comprises three exploration licence applications (E 80/5574, E 80/5575 and E 80/5576), which collectively cover 181 Blocks (~570km²) in the Lennard Shelf, Kimberly Region, WA.

Negotiations with the native title owners of the land for heritage protection agreements have progressed during the quarter and are expected to be executed in the March quarter.

Planned Activities for Quarter ending 31 March 2022

Brandy Hill South Project

The following activities have been planned for the current quarter.

- Recharge completed a further thirteen (13) holes of RC Drilling in January 2022 utilising a Schramm 660 RC drill rig, consisting of approximately 2,181m.
- Down Hole Electromagnetic Survey (DHEM)
- Diamond tail drill program comprising three (3) holes, consisting of approximately 700m.
- Mapping; and
- Geochemical sampling program.

Hyden/Tampia East

- Mapping; and
- Geochemical sampling program

Bohemia Downs

- Negotiating Heritage Agreements with Native Title Parties.

Corporate

Financial

Following completion of the IPO, Recharge had approximately \$5.281 million to fund an aggressive exploration programme. After the rapid acceleration of exploration activities following the IPO, and payment of all the capital raising expenses, cash on hand as at 31 December 2021 was \$4.045 million.

Related party payments for the Quarter, as outlined in the Appendix 5B at section 6.1, total \$100,888 and includes amounts paid to directors including director's fees and statutory superannuation.

Capital Structure as at 31 March 2021

Description	Number
Fully paid ordinary shares	45,562,501
Unlisted options exercisable at \$0.25 on or before 13 February 2024	3,000,000
Unlisted options exercisable at \$0.25 on or before 7 October 2024	5,712,000
Unlisted options exercisable at \$0.25 on or before 7 July 2024	400,000

Use of funds¹

Recharge provides the following disclosures required by ASX Listing Rule 5.3.4 regarding a comparison of its actual expenditure to date since listing on 11 October 2021 against the 'use of funds' statement in its prospectus dated 10 August 2021.

Expenditure	Funds allocated under Prospectus	Actual to 31 December 2021	Variance
Exploration	\$2,560,000	\$337,663	(\$2,222,337)
Working capital	\$1,956,289	\$409,425	(\$1,546,864)
Vendor under Hyden Tenement	\$5,528	\$5,528	-
Stamp Duty	\$128,307	53,952	(\$74,355)
Costs of offer	\$600,083	\$656,124	\$56,041
Future acquisition costs	\$200,000	-	(\$200,000)
Total	\$5,450,207	\$1,462,690	(\$3,987,517)

1. The Use of Funds table is a statement of current intentions, investors should note that the allocation of funds set out in the table may change depending on a number of factors including the results of exploration, outcome of development activities, regulatory developments and market and general economic conditions.

This announcement has been authorised for release by the board.

Contacts

For more information, please contact:

Mr Brett Wallace

Managing Director

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Mr Alex Cowie

Media & Investor Relations

alexc@nwrcommunications.com.au

Summary of Mining Tenements

Tenement	Status	Project	Location	Ownership
E59/2181	LIVE	BRANDY HILL SOUTH	Yalgoo	100
E59/2560	LIVE	BRANDY HILL SOUTH	Yalgoo	100
E59/2587	LIVE	BRANDY HILL SOUTH	Yalgoo	100
E59/2588	LIVE	BRANDY HILL SOUTH	Yalgoo	100
P59/2182	LIVE	BRANDY HILL SOUTH	Yalgoo	100
E70/5003 *	LIVE	HYDEN	Hyden	0
E70/5756	LIVE	ROE	Hyden	100
E70/5747	LIVE	TAMPIA EAST	Hyden	100
E59/2636	PENDING	BRANDY HILL SOUTH	Yalgoo	100
E59/2647	PENDING	BRANDY HILL SOUTH	Yalgoo	100
E80/5574	PENDING	BOHEMIA	Kimberly	100
E80/5575	PENDING	BOHEMIA	Kimberly	100
E80/5576	PENDING	BOHEMIA	Kimberly	100

* Recharge has an option to acquire E 70/5003 which at the date of this Report has not been exercised and is the holder of E 70/5756 but may be required to transfer E 70/5756 to the vendor of E 70/5003 if the option over E 70/5003 is not exercised.

About Recharge Metals



Recharge Metals Ltd is an Australian copper developer and explorer, focusing on Australian copper projects.

Three **100% owned** Western Australian development and exploration projects:

- **Brandy Hill South** Cu-Au mineralisation
- **Hyden** Cu-Ni-Co mineralisation
- **Bohemia** Cu- Pb-Zn mineralisation

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled and fairly represented by Mr Brett Wallace, Managing Director of Recharge Metals Ltd, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Wallace has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has 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 Wallace consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Appendix 5B

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

Name of entity

Recharge Metals Limited

ABN

13 647 703 839

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(101)	(147)
	(e) administration and corporate costs	(509)	(619)
1.3	Dividends received (see note 3)		
1.4	Interest received	1	1
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	(609)	(765)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	(54)	(139)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(236)	(251)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	(290)	(390)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,000	5,500
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	(352)	(363)
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	4,648	5,137

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	289	56
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(609)	(765)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(290)	(390)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,648	5,137

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,038	4,038

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	4,023	284
5.2	Call deposits	15	5
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)	4,038	289

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	101
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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)	(609)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(236)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(845)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,038
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4.038
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3
<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: 31 January 2022

Authorised by: **The Board of Recharge Metals Limited**

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.