



ESSENTIAL METALS

for a sustainable future

ASX Code: ESS

Corporate Profile

Shares on issue: 244,343,360
Listed Options: 22,684,238
(\$0.15 exercise: 30/11/22 expiry)

Cash: \$9.5m (31 Mar 2022)
Debt: Nil

KEY PROJECTS

LITHIUM Pioneer Dome
GOLD Golden Ridge
GOLD Juglah Dome

Joint Ventures (ESS %)

2x nickel projects (20-25%)*
4x gold projects (25-30%)*
* Free carried to a decision to mine

Corporate Directory

Non-Executive Chairman
Craig McGown

Non-Executive Directors
Paul Payne
Warren Hallam

Managing Director
Timothy Spencer

CFO & Company Secretary
Carl Travaglini

Exploration Manager
Andrew Dunn

Investor Relations

Nicholas Read
Read Corporate
t: +61 8 9388 1474
e: nicholas@readcorporate.com.au

ABN: 44 103 423 981

t: +61 8 9322 6974
e: info@essmetals.com.au
w: essmetals.com.au

Level 3, 46 Ord St
West Perth, WA 6005
Australia
PO Box 1787,
West Perth, WA 6872
Australia

26 April 2022

Corporate update

Further to the Trading Halt request of 21 April 2022, Essential Metals Limited (ASX: ESS) ("**Essential**" or the "**Company**") provides the following update.

Non-binding Indicative Proposal

Essential advises that it received an unsolicited, confidential, non-binding indicative takeover proposal ("**Indicative Proposal**") from a credible lithium industry participant ("**Interested Party**") to acquire 100% of the issued capital of Essential by way of an off-market takeover.

The Indicative Proposal was incomplete and subject to conditions including the completion of due diligence, a unanimous recommendation by the Essential Board and a 90% minimum acceptance threshold.

The Board of Essential, together with its corporate and legal advisers, Sternship Advisers and HopgoodGanim respectively, undertook a review of the Indicative Proposal and engagement with the Interested Party.

After deliberations by both parties, the Interested Party advised that in light of the recent upward trajectory in the trading price of Essential shares, it is unlikely that a transaction would be successfully completed at this time and so withdrew the Indicative Proposal.

The Board appreciates the interest in the Company.

Corporate update

Essential continually assesses strategic options with assistance from Sternship Advisers and is in ongoing preliminary discussions with various local and international lithium industry participants interested in off-take and/or investment. Essential will keep shareholders updated as to any material developments, cautioning that at the current time all discussions are preliminary and incomplete.

Project strategy

As detailed in the investor presentation released on 11 April¹, Essential is focussed on advancing the Pioneer Dome Lithium Project towards development.

¹ Refer ASX announcement dated 11 April 2022 "Investor Presentation"



A Scoping Study will be completed by the end of 2022, which will incorporate the results of additional metallurgical test work studies that will commence shortly along with the extensive Mineral Resource extension drilling program that is scheduled to commence next month.

Assays from the recently completed exploration and metallurgical diamond drill programme are expected by end-May with metallurgical test work to follow upon receipt of the assays.

This ASX release has been approved by the Board of Directors.

For further information:

Tim Spencer, Managing Director
Essential Metals Limited
T: +61 8 9322 6974
E: tims@essmetals.com.au

Investor Relations

Nicholas Read
Read Corporate
T: +61 8 9388 1474
E: nicholas@readcorporate.com.au

ABOUT ESSENTIAL METALS LIMITED

Essential Metals is a well-funded and active explorer focussed on the discovery of key global demand-driven commodities, for the creation of shareholder wealth through exploration and project development. The Company operates **three strategically located lithium and gold projects** in Western Australia.

100% OWNED AND MANAGED PROJECTS:

- **LITHIUM:** The **Pioneer Dome Lithium Project** is highly prospective for lithium-caesium-tantalum (LCT) mineral systems and includes the **Dome North Lithium Mineral Resource** of 11.2 million tonnes @ 1.21% lithium (Li₂O).²
- **GOLD:** The **Juglah Dome Project** is located 60km east-south-east of Kalgoorlie and is considered to be highly prospective for gold and has potential for VHMS style polymetallic deposits.
- **GOLD:** The **Golden Ridge Project** is located ~20km south-east of Kalgoorlie, WA. Our activities are focussed on reappraising known prospects as well as identifying new areas within the large land tenure.

JOINT VENTURE INTERESTS:

- **GOLD:** The **Acra** Project is near Kalgoorlie. Northern Star Resources Limited (ASX:NST) has earned a 75% Project Interest and continues to fully fund exploration programmes until approval of a Mining Proposal by DMIRS is received with Essential Metals holding a 25% interest.
- **GOLD:** The **Kangan** Project is in the West Pilbara and part of a joint venture with Novo Resources Corp who will jointly fund 100% of gold exploration programmes until a decision to mine is made, with Essential Metals holding a 30% interest.
- **GOLD:** The **Balagundi** Project is subject to a farmin & JV agreement where Black Cat Syndicate Limited (ASX:BC8) is earning a 75% interest in the Project located at Bulong, near Kalgoorlie. Black Cat will then

² Refer to ASX announcement dated 29 September 2020 "Dome North Lithium Project – Resource Upgrade"



fully fund gold exploration programmes until a decision to mine is made, with Essential Metals retaining a 25% interest.

- **GOLD:** The Company holds a 25% free-carried interest (20% for nickel rights) in the **Larkinville** Project near Kambalda, WA, with Maximus Resources Ltd (ASX:MXR).
- **NICKEL:** The nickel mineral rights on the **Blair-Golden Ridge** Project, which includes the suspended Blair Nickel Sulphide Mine, are subject to a Farmin/Joint Venture with Australian Nickel Company Ltd, a nickel exploration specialist which is earning up to a 75% interest. The Company will retain a 25% free-carried interest up to a decision to mine.
- **NICKEL:** The Company holds a 20% free-carried interest (nickel only) in the **Wattle Dam** project near Kambalda, WA, with Maximus Resources Ltd (ASX:MXR).

Forward Looking Statement

This announcement may contain forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.