

## Quarterly Activities and Cashflow Report for the period ended 31 March 2022

Future Metals NL (“Future Metals” or the “Company”, ASX | AIM: FME), a platinum group metals (“PGM”) focussed company, is pleased to provide its Quarterly Activities and Cashflow report for the quarter ended 31 March 2022 (the “March Quarter”).

### Highlights

#### Panton PGM Project

- Assay results received for eight resource definition holes, all demonstrating significant mineralisation over broad, shallow intercepts including (at a 0.5g/t PGM<sub>3E</sub> cut-off, maximum 4m internal dilution) (refer to Table One and Appendix Two for full details):
  - 20.6m @ 2.14g/t PdEq<sup>2</sup>** (1.79 g/t PGM<sub>3E</sub><sup>1</sup> & 0.20% Ni) from 39m (PS398)
  - 18.27m @ 1.95 g/t PdEq<sup>2</sup> (1.58 g/t PGM<sub>3E</sub><sup>1</sup> & 0.20% Ni) from 74m (PS394)
  - 16m @ 1.56 g/t PdEq<sup>2</sup> (1.17 g/t PGM<sub>3E</sub><sup>1</sup> & 0.19% Ni) from 23m (PS395)
  - 19.2m @ 1.50 g/t PdEq<sup>2</sup> (1.09 g/t PGM<sub>3E</sub><sup>1</sup> & 0.19% Ni) from 34m (PS393)
  - 32.88m @ 1.72 g/t PdEq<sup>2</sup>** (1.33 g/t PGM<sub>3E</sub><sup>1</sup> & 0.19% Ni) from 28.12m (PS402)
- Assay results received from 11 historical, previously unsampled, drill holes confirmed that the mineralisation width at Panton exceeds 50 metres along the drilled 3.5km strike. Notable intercepts include (at a 0.5g/t PGM<sub>3E</sub> cut-off, maximum 4m internal dilution) (refer to Table One and Appendix Two for full details):
  - 53.3m @ 1.74 g/t PdEq<sup>2</sup>** (1.29 g/t PGM<sub>3E</sub><sup>1</sup> & 0.22% Ni) **from 80m** (PS177)
  - 12m @ 1.41 g/t PdEq<sup>2</sup> (0.94 g/t PGM<sub>3E</sub><sup>1</sup> & 0.22% Ni) from 142m (PS215)
  - 10m @ 1.29 g/t PdEq<sup>2</sup> (0.92 g/t PGM<sub>3E</sub><sup>1</sup> & 0.15% Ni) from 76m (PS178)
- All historical holes returned significant intercepts of mineralisation when applying an unconstrained PdEq cut-off grade of 0.5g/t, intercepts included:
  - 55.3m @ 1.70 g/t PdEq<sup>2</sup>** (1.26 g/t PGM<sub>3E</sub><sup>1</sup> & 0.22% Ni) **from 78m** (PS177)
    - inc. 7.5m @ 4.11 g/t PdEq<sup>2</sup> from 80.5m**
  - 86m @ 1.16 g/t PdEq<sup>2</sup>** (0.74 g/t PGM<sub>3E</sub><sup>1</sup> & 0.18% Ni) **from 33m** (PS143)
  - 60.5m @ 1.15 g/t PdEq<sup>2</sup>** (0.70 g/t PGM<sub>3E</sub><sup>1</sup> & 0.18% Ni) **from 2.2m** (PS174)
    - inc. 4.9m @ 2.56 g/t PdEq<sup>2</sup> from 17.1m
  - 56.5m @ 1.18 g/t PdEq<sup>2</sup>** (0.73 g/t PGM<sub>3E</sub><sup>1</sup> & 0.19% Ni) **from 6.5m** (PS185)
- Review underway of geophysical and geological data accumulated over the 30+ years of work completed at Panton
- Initial sighter work and detailed review of all metallurgical information from Panton’s prior owners has been completed. The Company is adapting the test work regime to the anticipated ore feed of the bulk tonnage strategy, which includes both physical separation and flotation test work. Review of hydrometallurgical information is also underway
- An updated JORC Mineral Resource Estimate (“MRE”) remains on track for the second quarter that will encompass shallow, bulk PGM-Ni mineralisation up to 50 metres in thickness, that importantly sits outside of the current MRE (refer to the Company’s announcements dated 17 February 2022, 8 March 2022, 4 April 2022 and 22 April 2022)

#### Corporate

- In anticipation of the Company rapidly advancing the Panton project following the completion of the updated MRE, a number of key appointments were made: Mr Jardee Kininmonth - CEO, Mr Brian Talbot – Lead Technical Advisor and Mr Andrew Shepherd GM - Project Development
- Cash position of approximately A\$4.3 million as at 31 March 2022

<sup>1</sup> PGM<sub>3E</sub> = Palladium (Pd) + Platinum (Pt) + Gold (Au)

<sup>2</sup> PdEq (Palladium Equivalent g/t) = Pd(g/t) + 0.76471xPt(g/t) + 0.875xAu(g/t) + 1.90394xNi(%) + 1.38936xCu(%) + 8.23xCo(%)

<sup>3</sup> PGM<sub>6E</sub> = Palladium (Pd) + Platinum (Pt) + Rhodium (Rh) + Ruthenium (Ru) + Osmium (Os) + Iridium (Ir)

### Panton PGM Project

The 100% owned Panton PGM project is located 300km south of the industrial centre of Kununurra in the eastern Kimberly region of Western Australia, a tier one mining jurisdiction (please refer to Figure One).

Panton has access to all requisite infrastructure being 1km off the Great Northern Hwy, the port of Wyndham 300km north; potential to access the Lake Argyle hydro scheme; sealed airstrip 60km south at Halls Creek; and multiple other mining operations within 150km of the Panton PGM Project.

Panton is held under three granted Mining Leases (M80/103, M80/104 and M80/105) covering an area of approximately 23km<sup>2</sup>. Past exploration and drilling, predominantly undertaken by Platinum Australia Ltd in the early 2000s, resulted in the delineation of the current Mineral Resource Estimate ("MRE") for the Panton deposit undertaken by Cube Consulting Pty Ltd ("Cube") in April 2003. In August 2015, Cube reviewed and re-reported the MRE in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves 2012 ("JORC 2012").



Figure One | Panton Location

The current Panton MRE is **14.32Mt @ 4.89g/t PGM(6E)<sup>3</sup>, 0.31g/t Au and 0.27% Ni** (please refer to Table One). The Panton mineralisation occurs within a layered, differentiated mafic-ultramafic intrusion referred to as the Panton intrusive which is a 10km long and 3km wide, south-west plunging synclinal intrusion. The Panton MRE is domained into the A, B, C and D Blocks (refer to Figures Two and Three).

	Tonnage (Mt)	Grade					Contained	
		PGM (g/t)	Au (g/t)	Ni (%)	Cu (%)	Co (ppm)	PGM ('000oz)	Ni (t)
<b>Top Reef</b>								
Measured	4.40	5.58	0.42	0.28	0.08	209	850	12,214
Indicated	4.13	6.26	0.38	0.31	0.09	232	880	12,745
Inferred	1.56	4.72	0.38	0.36	0.13	233	260	5,619
	<b>10.09</b>	<b>5.73</b>	<b>0.40</b>	<b>0.30</b>	<b>0.09</b>	<b>222</b>	<b>1,990</b>	<b>30,579</b>
<b>Middle Reef</b>								
Measured	2.13	2.76	0.10	0.18	0.03	186	200	3,783
Indicated	1.50	3.17	0.10	0.19	0.04	199	160	2,858
Inferred	0.60	2.58	0.10	0.19	0.05	195	50	1,161
	<b>4.23</b>	<b>2.90</b>	<b>0.10</b>	<b>0.19</b>	<b>0.04</b>	<b>193</b>	<b>410</b>	<b>7,840</b>
<b>Total</b>	<b>14.32</b>	<b>4.89</b>	<b>0.31</b>	<b>0.27</b>	<b>0.08</b>	<b>214</b>	<b>2,400</b>	<b>38,419</b>

Table One | Panton JORC 2012 MRE

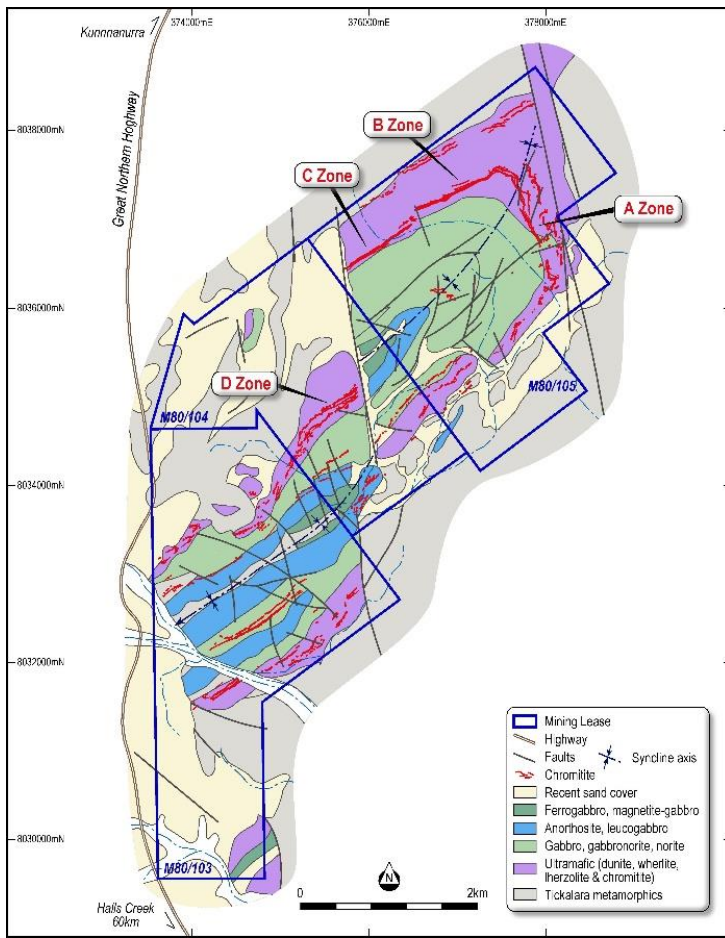


Figure Two | Panton Geology Showing the A, B, C and D Blocks

## March Quarter Activity

### Drilling | Exploration Overview

As previously reported, the Company completed approximately 6,000m of diamond core drilling at the Company's 100% owned Panton PGM Project. The was programme designed to:

- provide samples for further metallurgical test work;
- test continuity and depth extensions to the existing MRE;
- test the potential for defining a much larger and shallower mineralised zone at lower cut-off grades; and
- test parallel zones of highly anomalous PGM at surface (i.e. the Northern Anomaly)

The Company completed 27 drill holes with 8 holes drilled to provide metallurgical samples and 19 holes drilled as exploration holes with assay results from the exploration holes received during the Quarter and detailed below.

The Company expects to progressively report assay results from a further 33 drill holes (comprising 23 historical holes not previously completely sampled) during May 2022.

Once received, all new assay data will be incorporated into a new MRE for the Panton PGM Project. The planned updated MRE will take into consideration shallow, bulk PGM-Ni mineralisation that sits outside of the current MRE (refer to the announcement of 8 December 2021).

### Drill Results

A total of 19 exploration holes were drilled as part of the Company's 6,000m diamond core drilling programme. Assay results for eight of the 19 exploration holes drilled have been received and confirm broader widths of shallow PGM mineralisation than modelled in the current 2.4Moz MRE (refer to Appendix One).

- 20.6m @ 2.14g/t PdEq<sup>2</sup> (1.79 g/t PGM<sub>3E1</sub> & 0.20% Ni) from 39m (PS398)
- 18.27m @ 1.95 g/t PdEq<sup>2</sup> (1.58 g/t PGM<sub>3E1</sub> & 0.20% Ni) from 74m (PS394)
- 16m @ 1.56 g/t PdEq<sup>2</sup> (1.17 g/t PGM<sub>3E1</sub> & 0.19% Ni) from 23m (PS395)
- 19.2m @ 1.50 g/t PdEq<sup>2</sup> (1.09 g/t PGM<sub>3E1</sub> & 0.19% Ni) from 34m (PS393)
- 32.88m @ 1.72 g/t PdEq<sup>2</sup> (1.33 g/t PGM<sub>3E1</sub> & 0.19% Ni) from 28.12m (PS402)

Drill hole PS400 returned an unconstrained bulk intersection of **140.8m @ 1.07g/t PdEq<sup>3</sup> from 28m** down hole including a broad zone of sulphide mineralisation and included intercepts (at a 0.5g/t PGM<sub>(3E)</sub> cut-off, maximum 4m internal dilution) of:

- 39.48m @ 1.20 g/t PdEq<sup>2</sup> (0.81 g/t PGM<sub>3E1</sub> & 0.17% Ni) from 37.1m
- 25.66m @ 1.17 g/t PdEq<sup>2</sup> (0.74 g/t PGM<sub>3E1</sub> & 0.19% Ni) from 104.34m
- 12.2m @ 1.15g/t PdEq<sup>2</sup> (0.66 g/t PGM<sub>3E1</sub> & 0.18% Ni) from 135.4m

Unconstrained intersections within the zone of sulphide mineralisation from drill hole PS400 included intercepts of:

- 34.05m @ 0.16 g/t Au + 0.14% Cu + 0.17% Ni from 208.7m
- 18.3m @ 0.08 g/t Au + 0.13% Cu + 0.16% Ni from 266.5m

Drill hole PS398 returned broad widths of shallow PGM and nickel mineralisation, including:

- 20.6m @ 2.14g/t PdEq<sup>2</sup> (1.79 g/t PGM<sub>3E1</sub> & 0.20% Ni) from 39m
- 11m @ 1.12 g/t PdEq<sup>2</sup> (0.72 g/t PGM<sub>3E1</sub> & 0.15% Ni) from 64m
- 30.6m @ 1.21 g/t PdEq<sup>2</sup> (0.75 g/t PGM<sub>3E1</sub> & 0.21% Ni) from 83m

Drill hole PS402 returned an unconstrained bulk intersection of **150.8m @ 1.18g/t PdEq<sup>3</sup> from 8m** down hole and notable intercepts (at a 0.5g/t PGM<sub>(3E)</sub> cut-off, maximum 4m internal dilution) Of (refer to Table One and Appendix Two for full details):

- 32.88m @ 1.72 g/t PdEq<sup>2</sup> (1.33 g/t PGM<sub>3E1</sub> & 0.19% Ni) from 28.12m
- 22.37m @ 1.36 g/t PdEq<sup>2</sup> (1 g/t PGM<sub>3E1</sub> & 0.16% Ni) from 66.76m
- 12.1m @ 1.45 g/t PdEq<sup>2</sup> (1.05 g/t PGM<sub>3E1</sub> & 0.20% Ni) from 130.9m

Drill hole PS397 also returned broad widths of shallow PGM and nickel mineralisation, with an unconstrained bulk intersection of **119.78m @ 1.06g/t PdEq<sup>2</sup> from surface** including constrained intercepts of (refer to Table One and Appendix Two for full details):

- 37.1m @ 1.32g/t PdEq<sup>2</sup> (0.95 g/t PGM<sub>3E1</sub> & 0.16% Ni) from 8m
- 27.8m @ 1.25g/t PdEq<sup>2</sup> (0.80 g/t PGM<sub>3E1</sub> & 0.21% Ni) from 59.2m

Assays for the remaining holes submitted to the laboratory that remain outstanding are expected to be reported in May 2022 which will then enable modelling of an updated MRE based on the shallow, bulk tonnage mineralisation at Panton.

Assay results from these holes are set out in Table One below (refer to the Company's announcements 17 February, 8 March 2022 and 4 April 2022):

Hole	From (m)	To (m)	Interval (m)	Pd (g/t)	Pt (g/t)	Au (g/t)	PGM3E <sup>1</sup> (g/t)	Ni (%)	Cu (%)	Co (pm)	PdEq <sup>2</sup> (g/t)
PS393	8	10.6	2.6	1.18	1.01	0.28	2.46	0.23	0.04	157	2.8
PS393	18.8	21.1	2.3	0.45	0.14	0.02	0.61	0.18	0.06	154	1.05
PS393	34	53.2	19.2	0.51	0.47	0.11	1.09	0.19	0.03	156	1.5
PS393	61	73	12	0.37	0.32	0.11	0.8	0.14	0.05	154	1.18
PS393	89	119.48	30.48	0.41	0.27	0.04	0.72	0.21	0.01	150	1.19
PS393	125.5	129.4	3.9	0.24	139	0.05	0.43	0.13	0.04	173	0.85
PS394	30	31	1	0.37	0.14	0.01	0.52	0.17	0	150	0.94
PS394	45.1	47.57	2.47	0.99	0.77	0.06	1.83	0.15	0.02	120	2.04
PS394	73.9	92.17	18.27	0.72	0.68	0.17	1.58	0.2	0.04	157	1.95
PS394	101	113	12	0.35	0.33	0.08	0.76	0.14	0.04	147	1.11
PS394	125	158.55	33.55	0.36	0.25	0.02	0.64	0.2	0	141	1.08
PS394	164	165.1	1.1	0.36	0.26	0.04	0.65	0.18	0.18	180	1.13
PS395	23	39	16	0.58	0.5	0.09	1.17	0.19	0.02	150	1.56
PS395	44	56.6	12.6	0.38	0.36	0.11	0.85	0.14	0.03	143	1.19
PS395	75	82.7	7.7	0.46	0.36	0.03	0.85	0.2	0.01	146	1.26
PS395	88	113.5	25.5	0.37	0.25	0.02	0.64	0.21	0.01	139	1.11
PS395	117.5	126	8.5	0.25	0.16	0.039	0.45	0.14	0.03	160	0.84
PS396	56.3	60.6	4.3	0.36	0.14	0.02	0.52	0.16	0.00	140	0.91
PS396	65	86	21	0.58	0.54	0.03	1.15	0.18	0.01	144	1.48
PS396	91	103	12	0.41	0.42	0.10	0.93	0.15	0.04	154	1.29
PS396	116	154.7	38.7	0.46	0.32	0.02	0.80	0.21	0.01	142	1.25
PS396	159	170	11	0.22	0.13	0.03	0.37	0.14	0.03	158	0.78
PS397	0	2.4	2.4	0.76	0.78	0.22	1.76	0.20	0.05	236	2.2
PS397	8	45.1	37.1	0.43	0.40	0.12	0.95	0.16	0.04	144	1.32
PS397	59.2	87	27.8	0.47	0.31	0.04	0.80	0.21	0.01	147	1.25
PS397	102	104.52	2.52	0.42	0.22	0.04	0.68	0.12	0.04	183	1.05
PS398	39	59.6	20.6	0.75	0.86	0.17	1.79	0.2	0.03	157	2.14
PS398	64	75	11	0.34	0.28	0.09	0.72	0.15	0.04	158	1.12
PS398	83	113.6	30.6	0.42	0.29	0.03	0.75	0.21	0.01	150	1.21
PS398	118.6	121.5	2.9	0.29	0.16	0.02	0.48	0.2	0.02	167	0.97
PS398	126	127	1	0.43	0.21	0.18	0.54	0.1	0.25	170	1.06
PS398	134.6	135.85	1.25	0.4	0.18	0.05	0.63	0.12	0.05	171	1.02
PS398	187	196.6	9.6	0.31	0.16	0.06	0.53	0.09	0.1	163	0.92
PS400	37.1	76.58	39.48	0.37	0.35	0.09	0.81	0.17	0.03	143	1.20
PS400	90.65	101.4	10.75	0.35	0.31	0.02	0.68	0.19	0.01	140	1.08
PS400	104.34	130	25.66	0.44	0.28	0.02	0.74	0.19	0.02	137	1.17
PS400	135.4	147.6	12.2	0.38	0.21	0.07	0.66	0.18	0.05	163	1.15
PS402	28.12	61	32.88	0.65	0.56	0.13	1.33	0.19	0.04	147	1.72
PS402	66.76	89.13	22.37	0.45	0.43	0.12	1.00	0.16	0.04	156	1.36
PS402	113	126	13	0.40	0.35	0.02	0.77	0.20	0.01	145	1.19
PS402	130.9	143	12.1	0.61	0.42	0.02	1.05	0.20	0.01	134	1.45
PS402	149	157	8	0.58	0.36	0.01	0.95	0.21	0.00	148	1.39

**Table Two | Exploration Drilling Assay Results**

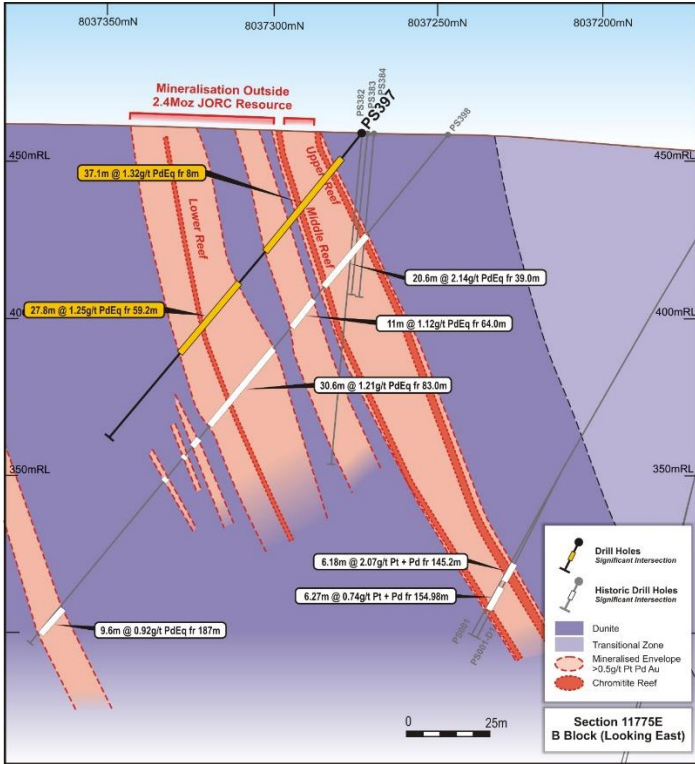


Figure Three | Future Metals' Exploration Drilling (PS397) - Pantan Cross Section

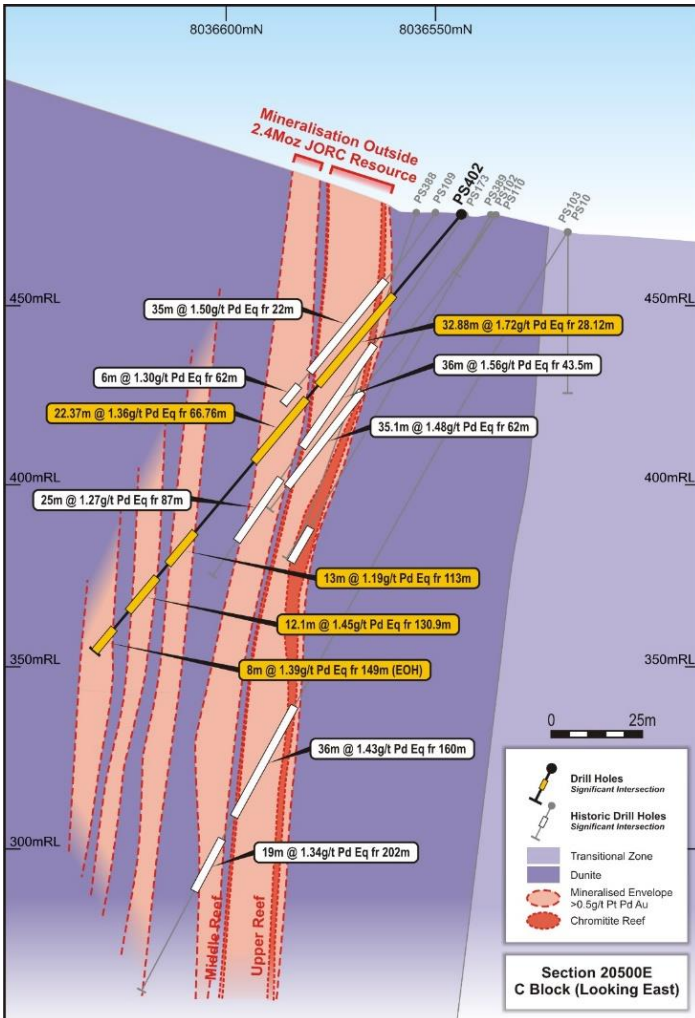


Figure Four | Future Metals' Exploration Drilling (PS402) - Pantan Cross Section

## Sampling of Historical Unsourced Drill Holes

As previously reported the Company commenced a review of the historical drilling undertaken at Panton consisting of 377 holes for 69,292 metres.

A review of the assay results for those holes that were drilled and sampled through the Upper Reef footwall demonstrates substantial bulk PGM-Ni mineralisation, outside of the current MRE. There are widths of up to 50m in the mineralised footwall dunite that has not been considered in the MRE.

In the past, drill holes were often terminated once the hole reached the 'Upper Reef' or the 'Middle Reef' and were not drilled through the entire prospective footwall horizon to the 'Lower Reef'. Several drill holes only had samples and assays taken within the visible chromitite in the Upper and Middle Reef and were not sampled between or below in the host dunite rock.

Following the review of historical drilling, the Company identified historical drill holes that were not sampled and assayed through the mineralised footwall dunite. A total of 33 historical drill holes were identified and then cut and sampled for submission to the laboratory for assay.

Subsequent to Quarter end, the company announced 11 drill hole assays had been received and continue to confirm much broader widths of shallow PGM mineralisation than modelled in the current 2.4Moz MRE (refer to company announcement 22 April 2022).

Assays for the remaining holes submitted to the laboratory that remain outstanding are expected to be reported in May 2022 which will enable the modelling of an-updated JORC MRE based on the shallow, bulk tonnage mineralisation at Panton.

These latest assay results are set out in Table Three below (refer to company announcement 22 April 2022):

Hole ID	From (m)	To (m)	Interval (m)	Pd (g/t)	Pt (g/t)	Au (g/t)	PGM <sub>3E</sub> <sup>1</sup> (g/t)	Ni (%)	Cu (%)	Co (ppm)	PdEq <sup>2</sup> (g/t)
<b>Intersections based on 0.5 g/t PGM<sub>3E</sub><sup>1</sup> cut-off grade, maximum 4m internal dilution</b>											
PS138	181	224	43	0.35	0.29	0.09	0.73	0.18	0.03	140	1.13
PS143	82	83	1	0.42	0.42	0.28	1.13	0.16	0.09	155	1.56
PS165	78	82	4	0.25	0.37	0.25	0.87	0.21	0.04	156	1.3
PS177	80	133.3	53.3	0.59	0.56	0.15	1.29	0.22	0.02	159	1.74
PS178	76	86	10	0.42	0.39	0.11	0.92	0.15	0.04	153	1.29
PS215	142	154	12	0.45	0.35	0.14	0.94	0.21	0.04	151	1.41
PS215	160	165.5	5.5	0.34	0.35	0.01	0.71	0.15	0.09	112	1.01
PS215	171	179.8	8.8	0.36	0.35	0.04	0.75	0.18	0.02	145	1.13
<b>Intersections based on 0.5 g/t PdEq<sup>2</sup> cut-off grade, unconstrained</b>											
PS133	56	149.1	93.1	0.25	0.21	0.05	0.51	0.17	0.03	146	0.94
PS134	43.2	95.7	52.5	0.32	0.27	0.11	0.69	0.17	0.05	137	1.13
PS138	173	240	67	0.25	0.21	0.07	0.52	0.17	0.05	143	0.97
PS139	183.35	227	43.65	0.15	0.10	0.02	0.27	0.14	0.04	149	0.69
PS143	33	119	86	0.39	0.31	0.05	0.74	0.18	0.03	147	1.16
PS165	33	81.4	48.4	0.39	0.33	0.06	0.78	0.19	0.02	147	1.22
PS174	2.2	62.7	60.5	0.30	0.27	0.13	0.70	0.18	0.04	144	1.15
PS177	78	133.3	55.3	0.57	0.55	0.14	1.26	0.22	0.02	157	1.70
PS178	27	89.9	62.9	0.38	0.32	0.11	0.80	0.18	0.03	149	1.22
PS185	6.5	63	56.5	0.33	0.31	0.09	0.73	0.19	0.04	153	1.18
PS215	113	179.8	66.8	0.26	0.20	0.05	0.51	0.17	0.02	140	0.93

**Table Three | Historical Unsourced Drill Assay Results**

<sup>1</sup> 3E= Palladium (Pd) + Platinum (Pt) + Gold (Au)

<sup>2</sup> PdEq (Palladium Equivalent g/t) = Pd(g/t) + 0.76471xPt(g/t) + 1.90394xNi(%) + 0.875x(Au(g/t)) + 1.38936xCu(%) + 8.23xCo(%)

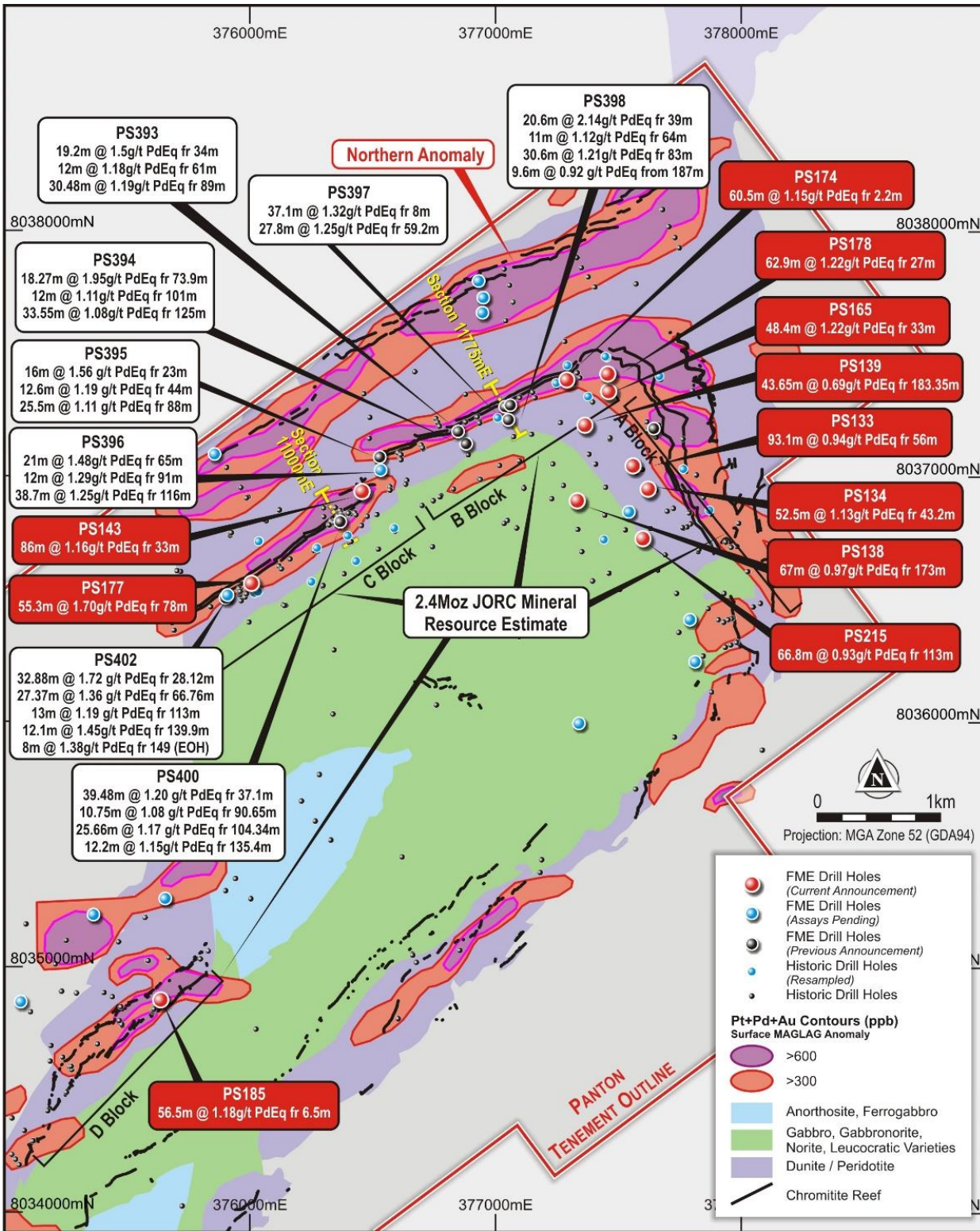


Figure Five | Panton Drill Hole Plan



## Geology & Geophysics Data Review

An extensive review of all existing geological and geophysical data accumulated throughout the Panton project's 30+ year history is underway. The project's prior owners were solely focussed on the chromitite reefs given they were outcropping, high grade and demonstrate continuous mineralisation.

The Company is completing 3D analysis of its aeromagnetic data using modern geophysical techniques not previously applied to the data. This analysis will aid the Company's understanding of how the chromitite reefs are orientating at depth and potentially show anomalous zones to target with follow up deeper drilling. The analysis has been initiated following a preliminary review of the characteristics of other PGM deposits which demonstrated projects that have a similar hydrothermal 'overprinting' may host larger, thicker sulphide-dominant zones of mineralisation at depth where the chromitite reefs flatten out.

## Metallurgical Update

During the Quarter, the Company completed preliminary sighter test work and an extensive review of the significant test work data from Panton's previous owners. The majority of the historical test work had focussed on the chromite reef mineralisation, being the high-grade portion of the Panton orebody, which showed PGM recoveries of over 80% in combination with concentrate grades over 100g/t PGM<sub>(3E)</sub>.

The Company's recent test work largely confirmed this on flotation of the high-grade chromite reef with +100g/t PGM<sub>(3E)</sub> at over 70% PGM<sub>(3E)</sub> recovery.

The remodelling of the MRE to include shallow, bulk PGM and Ni mineralisation is expected to provide scale to enable the Company to consider value-added and optimisation alternatives for the processing of the lower grade PGM and Ni mineralisation. The Company's test work is now focussed on optimising recoveries and concentrate grades on the lower grade, bulk mineralisation. It has been observed that mineralised host dunite rock which surrounds the chromite reefs has a different composition, which potentially provide alternative options for processing and optimisation of the final product.

## Physical Separation

Physical separation test work was commenced during the Quarter, utilising a number of processing techniques which pre-concentrate or separate ore feed based on its physical characteristics such as size, density or colour. The physical separation techniques being examined include ore sorting, heavy liquid separation ("**HLS**"), spirals and Wet High Intensity Magnetic Separation ("**WHIMS**"). These techniques have shown favourable results in historical test work programmes on Panton ore and Future is now applying them to composite samples of the anticipated ore feed from a bulk tonnage operation. Panton ore is suitable given the difference in colour between chromite-rich ore, mineralised dunite, waste dunite, magnesite and talc. This may allow for the removal of gangue minerals ahead of the milling circuit, and separation of ore into high-grade and low-grade streams which can then be processed using targeted milling and reagent regimes. The WHIMS test work will substantiate prior test work demonstrating the amenability of extracting chromite from flotation tails to produce a chromite concentrate for sale as a by-product.

## Flotation

In parallel with the physical separation test work, during the Quarter the Company undertook flotation test work seeking to replicate unit operations common in South African PGM facilities which process a high proportion of the Panton-analogous UG2 ore as their feed. This will focus on the mineral deportment at each stage across a 3-stage mill-float ("**MF**") flow sheet involving an initial coarse grind and flash float, primary grind and float, and regrind and float with cleaning.

The majority of the previous test work on Panton ore utilised a single-stage grind to 38µm followed by a long rougher float and scavenging stages. Initial sighter test work indicates that a single-stage fine grind creates significant flotation issues as it generates slimes and liberates free-floating gangue materials which inhibit the flotation of the base metal and PGM bearing minerals. A multi-staged MF approach avoids the issues associated with overgrinding, allows reagent regime to be adjusted through the flow sheet based on targeted outcomes, and reduces the mass pull to fine-grind unit operations. The Company is also carrying out flotation test work on material in the 'weathered' zone of the orebody, following up previous results which indicated that acceptable recoveries could be achieved given the PGM metal elements at Panton occur as tellurides, antimonides and bismuthides.

## Hydrometallurgy

Prior test work has shown the potential for Panton to produce high value intermediate products with the Panton concentrate having good amenability to hydrometallurgical processing which provides several potential benefits over smelting<sup>1</sup>, including:

- Creates a refined product, allowing the producer to market directly to end customers, thereby improving payabilities & margins
- less capital intensive
- faster relative processing times leading to working capital position improvement
- significantly less electricity consumption, SO<sub>2</sub> and CO<sub>2</sub> emissions
- increased flexibility for integrated upstream production

A hydrometallurgy test work program and scoping review will be initiated in H2 2022.

<sup>1</sup> 'Kell hydrometallurgical extraction of precious and base metals from flotation concentrates – Piloting, engineering, and implementation advances.' K.S. Liddell, M.D. Adams, L.A. Smith, and B. Muller 7 A hydrometallurgy test work program and scoping review will be initiated in H2 2022.

## Palladium Equivalent (PdEq)

Based on metallurgical test work completed on Panton samples, all quoted elements included in the metal equivalent calculation (palladium, platinum, gold, nickel, copper and cobalt) have a reasonable potential of being ultimately recovered and sold.

Metal recoveries used in the palladium equivalent (PdEq) calculations are in the midpoint of the range of recoveries for each element based on metallurgical test work undertaken to date at Panton. It should be noted that palladium and platinum grades reported in this announcement are lower than the palladium and platinum grades of samples that were subject to metallurgical test work (grades of other elements are similar).

Metal recoveries used in the palladium equivalent calculations are shown below:

- Palladium 80%, Platinum 80%, Gold 70%, Nickel 45%, Copper 67.5% and Cobalt 60%

Metal prices used are also shown below:

- Palladium US\$1,700/oz, Platinum US\$1,300/oz, Gold US\$1,700/oz, Nickel US\$18,500/t, Copper US\$9,000/t and Cobalt US\$60,000/t

Metal equivalents were calculated according to the follow formula:

- PdEq (Palladium Equivalent g/t) = Pd(g/t) + 0.76471 x Pt(g/t) + 0.875 x Au(g/t) + 1.90394 x Ni(%) + 1.38936 x Cu(%) + 8.23 x Co(%)

## Corporate

### Board and Management Changes

In anticipation of the Company rapidly advancing the Panton project following the completion of the updated MRE, a number of key changes and appointments were made during the Quarter.

Mr Jardee Kininmonth, CEO is an experienced corporate finance and mining professional across several commodity types, with extensive experience in managing cross-functional teams and working with projects across the mining life cycle, from greenfield exploration to operating mines.

Mr Brian Talbot, Lead Technical Advisor has over 25 years' experience in the mining, minerals and chemical processing sectors and holds a bachelor's degree in Chemical Engineering with Honours.

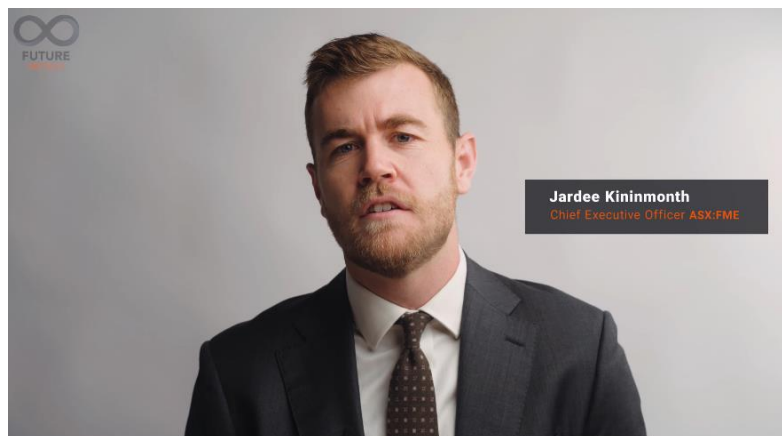
Mr Andrew Shepherd joins the team as GM - Project Development. Mr Shepherd is a qualified mining professional with a career spanning over 25 years across the mining sector in Australia and Asia. Skilled in the planning, development and implementation of complex, global, multi-discipline mining projects.

The Board had two changes with existing Non-Executive Director Mr Justin Tremain appointed Non-Executive Chair and previous Executive Chair Mr Greg Bandy retiring from the Board after more than 10 years of service.

The skill sets of the appointments, combined with those of the existing Board, place the Company in an excellent position to advance its wholly owned Panton PGM-Ni Project and generate shareholder value.

### Video Presentation

Subsequent to Quarter end, the Company released an updated investor presentation in video format presented by CEO Jardee Kininmonth. This video is available on the company website: <https://future-metals.com.au/investor-centre/media/>.



### Financial Commentary

The Quarterly Cashflow Report (Appendix 5B) for the period ending 31 March 2022 provides an overview of the Company's financial activities.

The Company is in a strong financial position with approximately A\$4.3 million in cash at the end of the March Quarter.

Expenditure on exploration during the reporting period amounted to approximately A\$254k and included assay costs (A\$88k). The Company also paid A\$560k in stamp duty for tenements acquired in June 2021.

Payments for administration and corporate costs amounted to approximately A\$449K. This included payments to related parties and their associates of A\$210k, comprising Director fees, remuneration (including superannuation) and termination payments.

## Statement of Commitments

The March Quarter is covered by the Statement of Commitments<sup>1</sup> outlined in the ASX Prospectus dated 18 May 2021. A summary of expenditure to date is outlined in Table Four below.

	<b>Proposed Use of Funds</b> 13 June 2021 to 13 June 2023 A\$	<b>Actual</b> (13 June 2021 to 31 March 2022) A\$
<b>Exploration &amp; development expenditure</b>		
Panton Option consideration	3,000,000	3,000,000
Estimated duty liability	1,755,495	560,415
Drilling of extensions	2,000,000	2,268,579
Metallurgical testwork	500,000	100,242
Process design, mining and development studies	1,000,000	-
Other technical studies	500,000	-
Assessment of complementary assets or projects	500,000	-
<b>SUB-TOTAL</b>	<b>9,255,495</b>	<b>5,929,237</b>
Estimated cash expenses of the Australian Offers	1,077,834	1,164,174
Estimated cash costs for readmission to AIM	1,124,334	910,800
Administration costs	2,000,000	1,535,963
Working Capital	768,200	44,241
<b>TOTAL</b>	<b>14,225,863</b>	<b>9,584,415</b>

**Table Four | Statement of Commitments**

<sup>1</sup> The above table is a statement of current intentions. Investors should note that the allocation of funds set out in the above 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. In light of this the Board reserves the right to alter the way the funds are applied

**This announcement has been approved for release by the Board of Future Metals NL.**

## Further Information

For further information please refer to the ASX platform under ASX code FME or visit the Company's website at [www.future-metals.com.au](http://www.future-metals.com.au).

### Future Metals NL

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*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended).*

### Competent Person's Statement:

The information in this announcement that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Shane Hibbird, who is a Member of the Australasian Institute of Geoscientists. Mr Hibbird is a consultant of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Hibbird consents to the inclusion in this announcement of the matters based upon his information in the form and context in which it appears.

References may have been made in this announcement to certain past ASX announcements, including references regarding exploration results. For full details, refer to the referenced ASX announcement on the said date. The Company confirms that it is not aware of any new information or data that materially affects the information included in these earlier market announcements.

The information in this announcement which relates to Mineral Resources was stated in the Company's Prospectus dated 18 May 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus relating to Mineral Resources, and that all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply and have not materially changed.

The information in this announcement that relates to Metallurgical Results is based on, and fairly represents, information compiled by Dr Evan Kirby, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy. Dr Kirby is a full-time employee of Metallurgical Management Services (MMS) a specialist metallurgical consultancy and an independent consultant of the Company. Dr Kirby has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Dr Kirby consents to the inclusion in this announcement of the matters based upon his information in the form and context in which it appears.

## Notes to Editors

### About Platinum Group Metals (PGMs)

PGMs are a group of six precious metals being Platinum (Pt), palladium (Pd), iridium (Ir), osmium (Os), rhodium (Rh), and ruthenium (Ru). Exceptionally rare, they have similar physical and chemical properties and tend to occur, in varying proportions, together in the same geological deposit. The usefulness of PGMs is determined by their unique and specific shared chemical and physical properties.

PGMs have many desirable properties and as such have a wide variety of applications. Most notably, they are used as auto-catalysts (pollution control devices for ICE vehicles), but are also used in jewellery, electronics, hydrogen production / purification and in hydrogen fuel cells. The unique properties of PGMs help convert harmful exhaust pollutant emissions to harmless compounds, improving air quality and thereby enhancing health and wellbeing.

## Appendix One | Exploration and Mining Permits

### Changes during the March Quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
No changes during the March Quarter				

### Farm-In / Farm Out Agreement changes during the March Quarter

Joint Venture	Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
The Company has no Joint Venture Agreements					

### Interests in Mining & Exploration Permits & Joint Ventures at 31 March 2022

Project	Location	Tenement	Area	Interest at end of Quarter
Panton PGM Project	Western Australia	M80/103	8.6km <sup>2</sup>	100%
		M80/104	5.7km <sup>2</sup>	100%
		M80/105	8.3km <sup>2</sup>	100%

## Appendix 5B

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

Name of entity

<b>Future Metals NL</b>
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ABN

99 124 734 961
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Quarter ended ("current quarter")

31 March 2022
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<b>Consolidated statement of cash flows</b> <i>(refer Note 1)</i>	<b>Current quarter</b> <b>\$A'000</b>	<b>Year to date</b> <b>(9 months)</b> <b>\$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(449)	(1,192)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	5
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)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(447)</b>	<b>(1,187)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(560)	(560)
(c) property, plant and equipment	-	(44)
(d) exploration & evaluation	(254)	(2,369)
(e) investments	-	-
(f) other non-current assets	-	-

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

<b>Consolidated statement of cash flows</b> <i>(refer Note 1)</i>		<b>Current quarter</b> <b>\$A'000</b>	<b>Year to date</b> <b>(9 months)</b> <b>\$A'000</b>
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		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(814)</b>	<b>(2,973)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	-	-
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) - costs for and associated with the public offer and ASX AIM Listing	(19)	(1,074)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(19)</b>	<b>(1,074)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,602	9,556
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(447)	(1,187)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(814)	(2,973)



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

<b>Consolidated statement of cash flows</b> <i>(refer Note 1)</i>		<b>Current quarter</b> <b>\$A'000</b>	<b>Year to date</b> <b>(9 months)</b> <b>\$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(19)	(1,074)
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,322</b>	<b>4,322</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter</b> <b>\$A'000</b>	<b>Previous quarter</b> <b>\$A'000</b>
5.1	Bank balances	2,000	3,282
5.2	Call deposits	2,322	2,320
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,322</b>	<b>5,602</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter</b> <b>\$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	210
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><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></p> <p>- Payment of Directors' Fees, Remuneration and Termination Payment - \$210k</p>		

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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>		
7.1	Loan facilities	
7.2	Credit standby arrangements	
7.3	Other (please specify)	
7.4	<b>Total financing facilities</b>	
7.5	<b>Unused financing facilities available at quarter end</b>	
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.	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>	
8.1	Net cash from / (used in) operating activities (item 1.9)	(447)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(254)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(701)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,322
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,322
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	6.2
<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: 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?	
	Answer: 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?	
	Answer: N/A	
<i>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.</i>		

## 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: 29 April 2022



Authorised by: Aaron Bertolatti – Finance Director

(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.