

ASX:ALM

ANNOUNCEMENT

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 JUNE 2022

Highlights

- **Alma Metals Limited** (the “Company” or “Alma”) (**ASX:ALM**) exercised its option to commence an Earn-In Joint Venture at the Briggs, Mannersley and Fig Tree Hill Project in Central Queensland.
- Alma can earn up to 70% interest in the project through staged exploration and expenditure totalling \$15.25M over nine years.
- Soil sampling geochemistry results highlight significant upside potential at the Briggs Project. Anomalous copper results indicate the system may exceed 2,200m in strike length, of which only 500m has been drilled to a density sufficient for an inferred resource.
- Exploration target¹ of 455Mt to 850Mt at 0.20% to 0.35% Cu has been determined for the Briggs Project. This excludes the current Inferred Resource of 143Mt @ 0.29% Cu at Briggs Central.
- Alma is planning a six-hole, 3,000m core drilling campaign to test the validity of the exploration target at Briggs. This is expected to commence in the second half of 2022.
- Alma’s CEO, Frazer Tabear, committed to a full-time role to oversee the evaluation of this project and to grow the Company’s copper portfolio in Australia.

PROJECTS:

1. Queensland Copper

1.1. Introduction

The Briggs, Mannersley and Fig Tree Hill Porphyry Copper Project comprises three exploration permits for minerals (EPM’s) covering a total area of 241 km² and contains a JORC compliant Inferred Mineral Resource estimate of 143Mt @ 0.29% copper at a 0.2% copper cut-off grade in the Central Porphyry zone of the Briggs Copper Project (“Project”).

¹The potential tonnage and grade of the exploration targets is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in an increase in the Mineral Resource Estimate.

The Project is in a low-risk, Tier 1 jurisdiction, close to key infrastructure, including sealed roads, rail, grid power, gas pipelines and a deep-water port at Gladstone which lies only 50km to the east (Figure 1).

Under the terms of an Option and Earn-In Joint Venture Agreement signed with owner Canterbury Resources Limited, Alma can reach 70% ownership of the Project through staged exploration and evaluation programs (refer ASX release dated 18 August 2021).

During the completed Option phase Alma sole funded more than \$750,000 of assessment activity including:

- 12-hole (1,446m) RC drilling program confirming extensive porphyry copper-molybdenum mineralisation up to 750m along strike from the existing mineral resource at the Central Porphyry (refer ASX release 18 February 2022).
- Grid-based soil sampling program providing high resolution, low detection level gold and multi-element geochemistry across the entire Briggs porphyry system, confirming anomalism along a strike-length of ~2200m (refer ASX release 12 May 2022).
- Metallurgical test-work confirming potential for excellent metal recoveries of 92% to 95% copper from Briggs mineralisation (refer ASX release 11 April 2022).

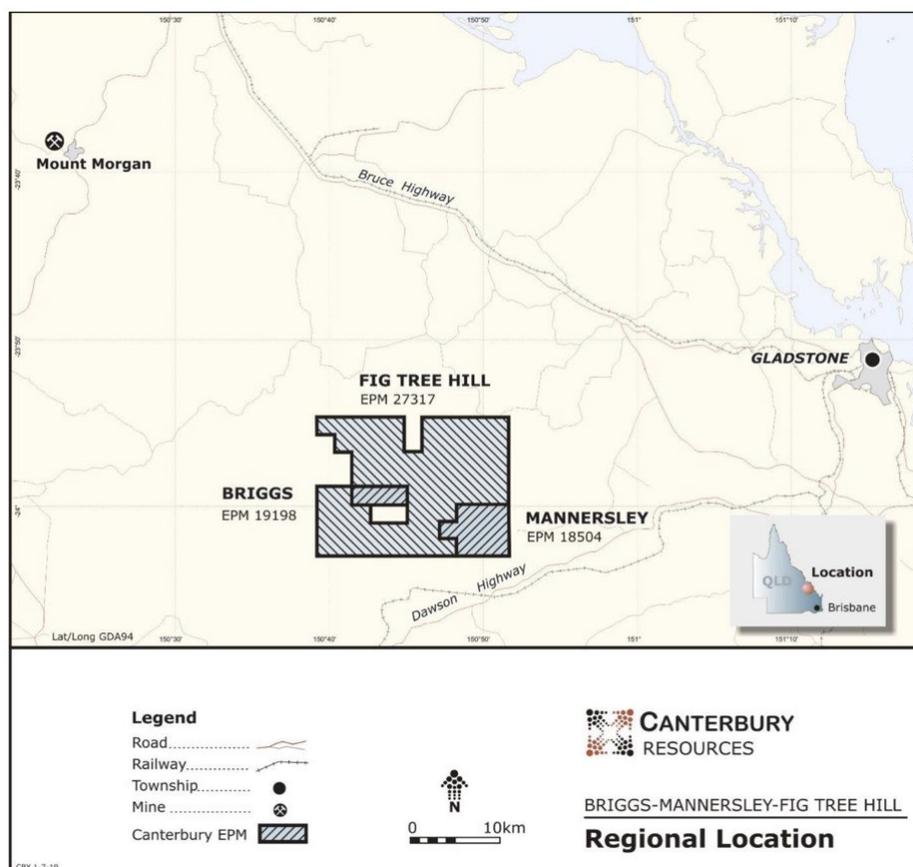


Figure 1. Location Map of the Briggs and Mannersley Copper Project, SE Queensland

Alma executed the Option on 1 July 2022 and can earn up to a 70% interest via three stages of exploration expenditure totalling \$15.25M:

1. \$2.25M in exploration expenditure to earn a 30% interest by 30 June 2024 (2 years).
2. A further \$3.0M in expenditure to reach 51% interest by 30 June 2026 (4 years).
3. A further \$10.0M in expenditure to reach a 70% interest by 30 June 2031 (9 years).

1.2. Soil Sampling Confirms Large Strike Extent of Briggs Mineralisation

Assays from 100m x 50m spaced soil sampling define a surface geochemical anomaly which extends up to 1,200m outside the currently defined mineral resource envelope (Figure 2, refer ASX release 12 May 2022).

Key observations from the assay data are as follows:

- Copper anomalism peaks at 4,710ppm Cu (0.47% Cu) and defines a large anomaly measuring more than 2,200m along strike and over 950m across strike at >500ppm Cu.
- There are several clusters of >1,000ppm Cu (0.1% Cu) which reflect the known mineralised centres at Briggs Central and the Northern and Southern Porphyry Targets (Figure 2).
- There is a very strong correlation between surface soil sampling geochemistry and the underlying geology as evident from outcrop and drilling.
- The copper geochemistry indicates very significant targets for additional tonnage immediately surrounding the Briggs Central Mineral Resource Estimate.
- A large molybdenum anomaly (>20ppm Mo) with a peak value of 84ppm partially surrounds the copper anomaly at Briggs Central, indicating a zoned system consistent with multiple mineralised events as previously documented from drill core.

1.3. Large Exploration Targets at Briggs

Geological mapping and limited drilling confirms that three geochemical anomalies >0.1% Cu in soils define outcropping mineralised intrusions and adjacent volcanic sediments containing copper bearing quartz stockworks. The central area also contains the Briggs Central Inferred Resource (143Mt @ 0.29% Cu).

Exploration Targets have been defined for each of these three areas as shown in Table 1 below:

Table 1 Exploration Target Ranges for the Briggs Project	
Target	Exploration Target Ranges
Northern Porphyry	110Mt - 205Mt @ 0.20% to 0.35% Cu
Briggs Central	260Mt - 490Mt @ 0.20% to 0.35% Cu
Southern Porphyry	85Mt - 155Mt @ 0.20% to 0.35% Cu
Total	455Mt - 850Mt @ 0.20% to 0.35% Cu

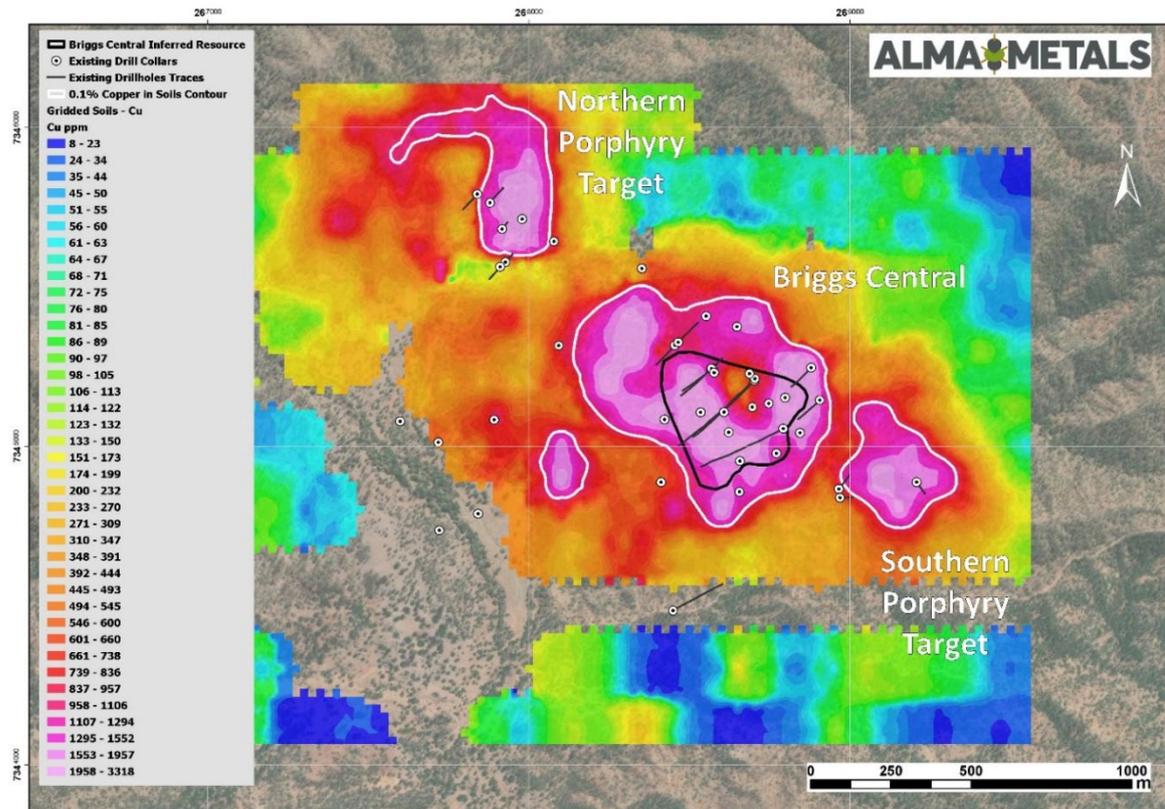


Figure 2. Exploration Target outlines (white) based on 0.1% Cu in soils contour. Existing inferred mineral resource outline (black) and all existing drill holes shown.

Determination of grade and tonnage ranges for the exploration targets were defined as follows:

- The surface area of each exploration target was defined using the 0.1% copper in soils contour (Figure 2). The Briggs Central exploration target excludes the inferred resource.
- The 0.1% copper contour corresponds extremely well with confirmed outcrop of mineralised felsic intrusive rocks and enclosing mineralised volcanic sediments, and also with lows in airborne magnetic data (Figure 3).
- The exploration targets are assumed to be subvertical, the same geometry as the current Inferred Resource published for Briggs Central.
- A specific Gravity of 2.6 was used to calculate tonnages. This is the same SG that was used for the Briggs Central Mineral Resource Estimate (see ASX released dated 18 August 2021).
- The tonnage ranges were calculated based on +/-30% of the calculated volume to a depth of 550m. This is consistent with the depth of the Inferred Resource estimate in the Briggs Central Porphyry (see cross-section in Figure 4).
- The range of copper grades was determined from a statistical evaluation of copper assays from all existing drilling within the three exploration targets, including those used for the Mineral Resource Estimate at Briggs Central (drill locations shown in Figures 2 and 3).

NOTE: The potential tonnage and grade of the exploration targets is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in an increase in the Mineral Resource Estimate. The Exploration Target for Briggs Central excludes the current Inferred Mineral Resource estimate (143Mt @ 0.29% Cu).

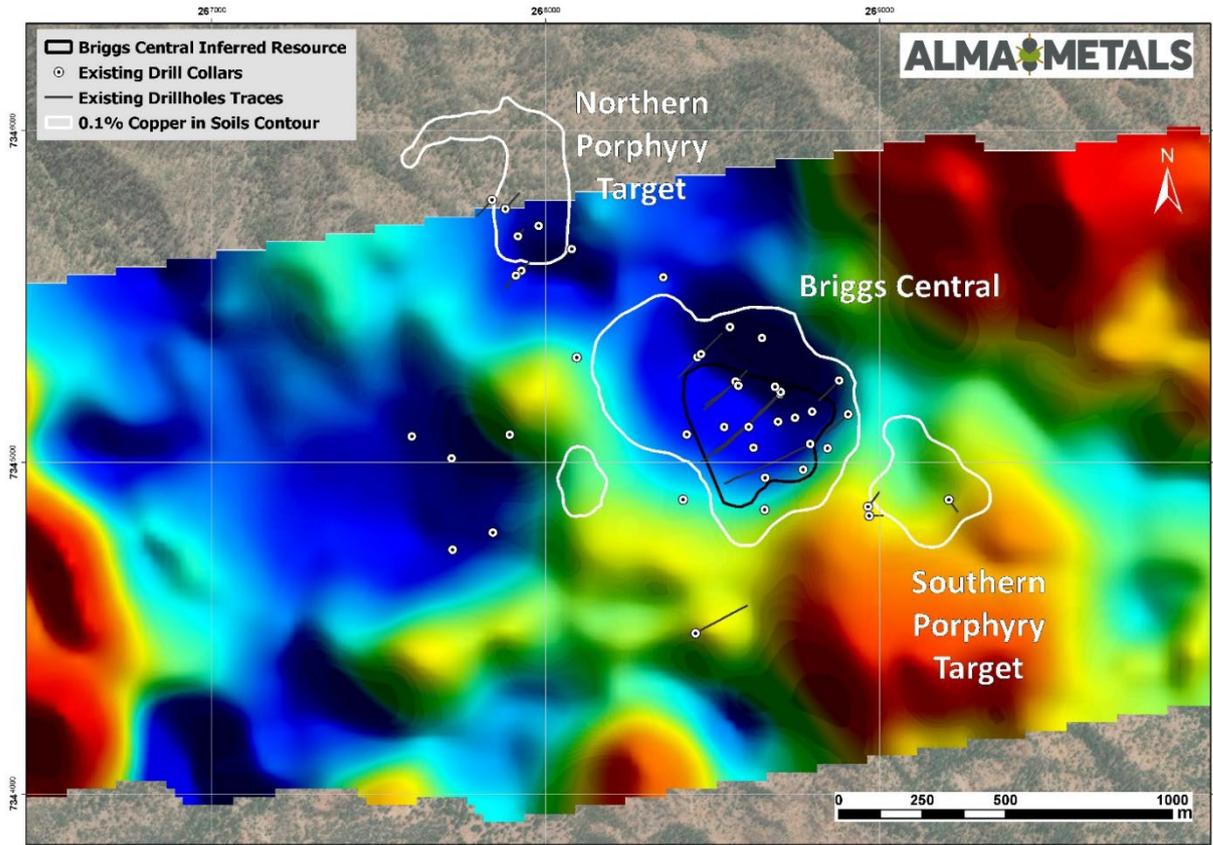


Figure 3. Exploration target outlines (white) overlain on RTP aeromagnetic data

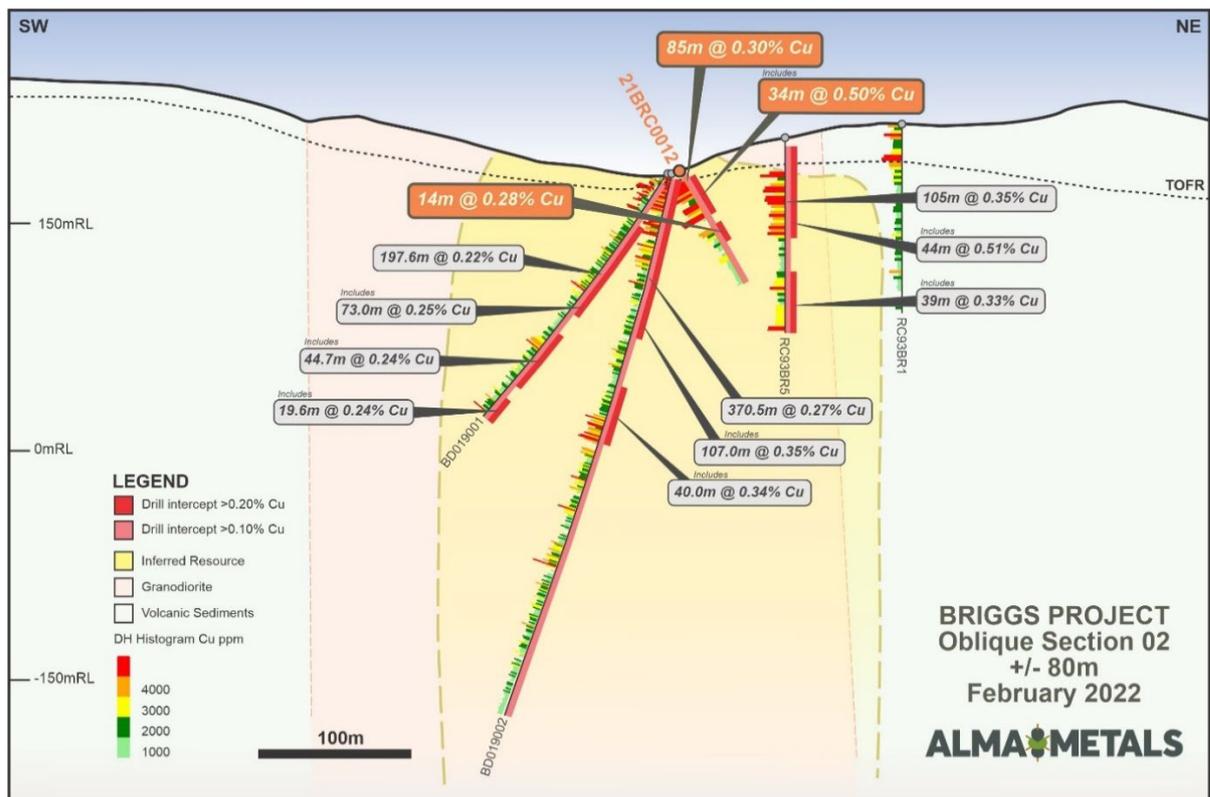


Figure 4. Geological cross section through Briggs Central inferred resource and exploration target.

1.4. Next Steps

- Follow-up drilling to test the validity of the exploration targets and expand the Inferred Mineral Resource at Briggs is scheduled to commence in H2, 2002.
- Six deep diamond drill holes for a total of 3,000m are planned, four to expand the resource and evaluate the exploration target at Briggs Central, and two to evaluate the exploration target at the Northern Porphyry (Figure 5).

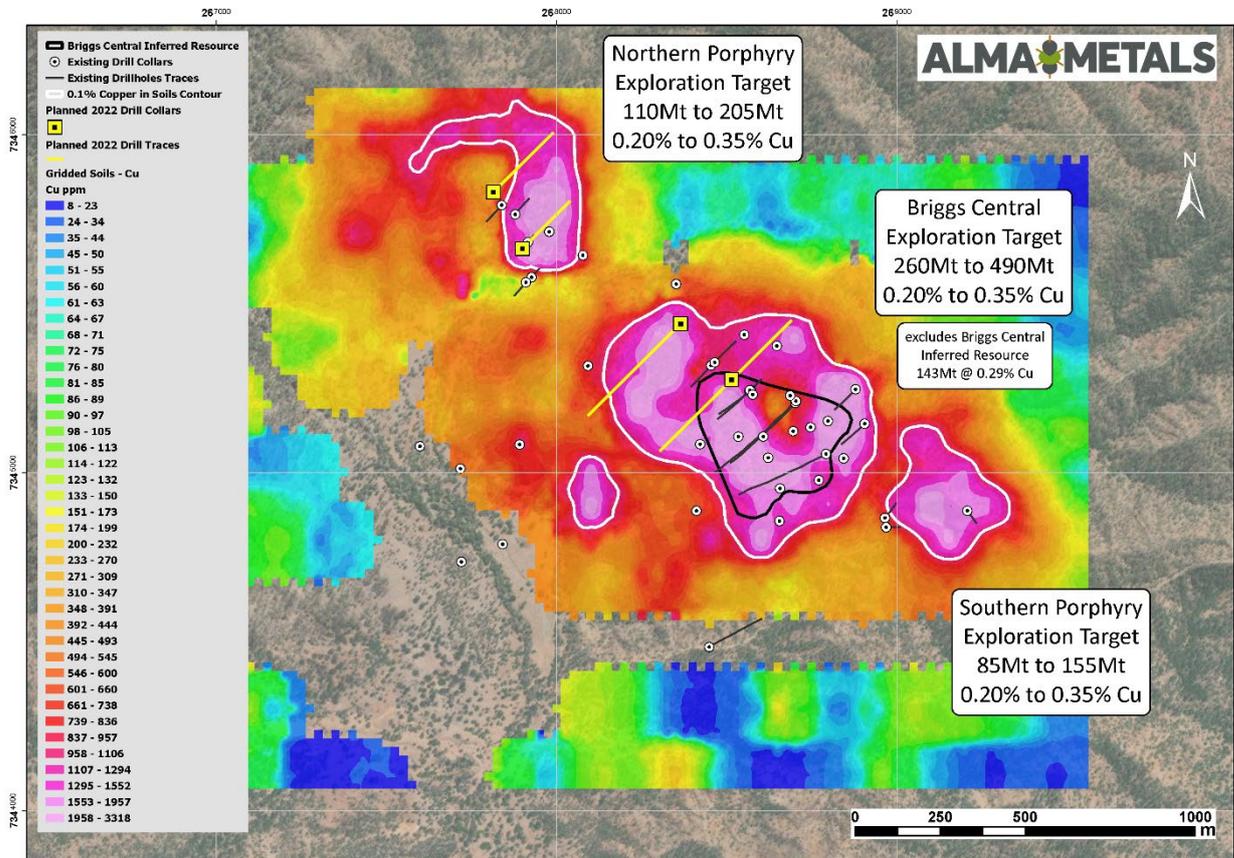


Figure 5. Exploration target outlines and proposed drill collars and traces (yellow) for evaluation core drilling program

2. East Kimberley Copper Projects

Alma Metals has submitted applications for five maximum size exploration licences in the East Kimberley District of Western Australia, covering project areas considered highly prospective for stratiform copper mineralisation like the Central African Copperbelt (Figure 6).

- The project contains numerous copper occurrences hosted in the Elgee Siltstone and the base of the Middle Pentecost Sandstone, both in the Palaeo-Proterozoic Kimberley Group.
- Considered prospective for sediment-hosted, stratiform copper mineralisation.
- No modern exploration for copper in the project area is noted in any open file data.
- The Company has commenced discussions with the Traditional Owners (the Balangarra people) and their legal representative to negotiate land access and commercial agreements regarding these lands.

- An initial agreement is expected to be signed in mid-Q3, 2022.
- This agreement provides the framework for Alma to commence reconnaissance of known copper occurrences and a regional, helicopter-supported stream sediment sampling program aimed at reducing the area of interest from the current 1,000km².
- Follow-up programs comprising combinations/permutations of aerial geophysical surveying, infill stream sediment sampling and soil sampling and geological mapping will be undertaken over the most promising areas.

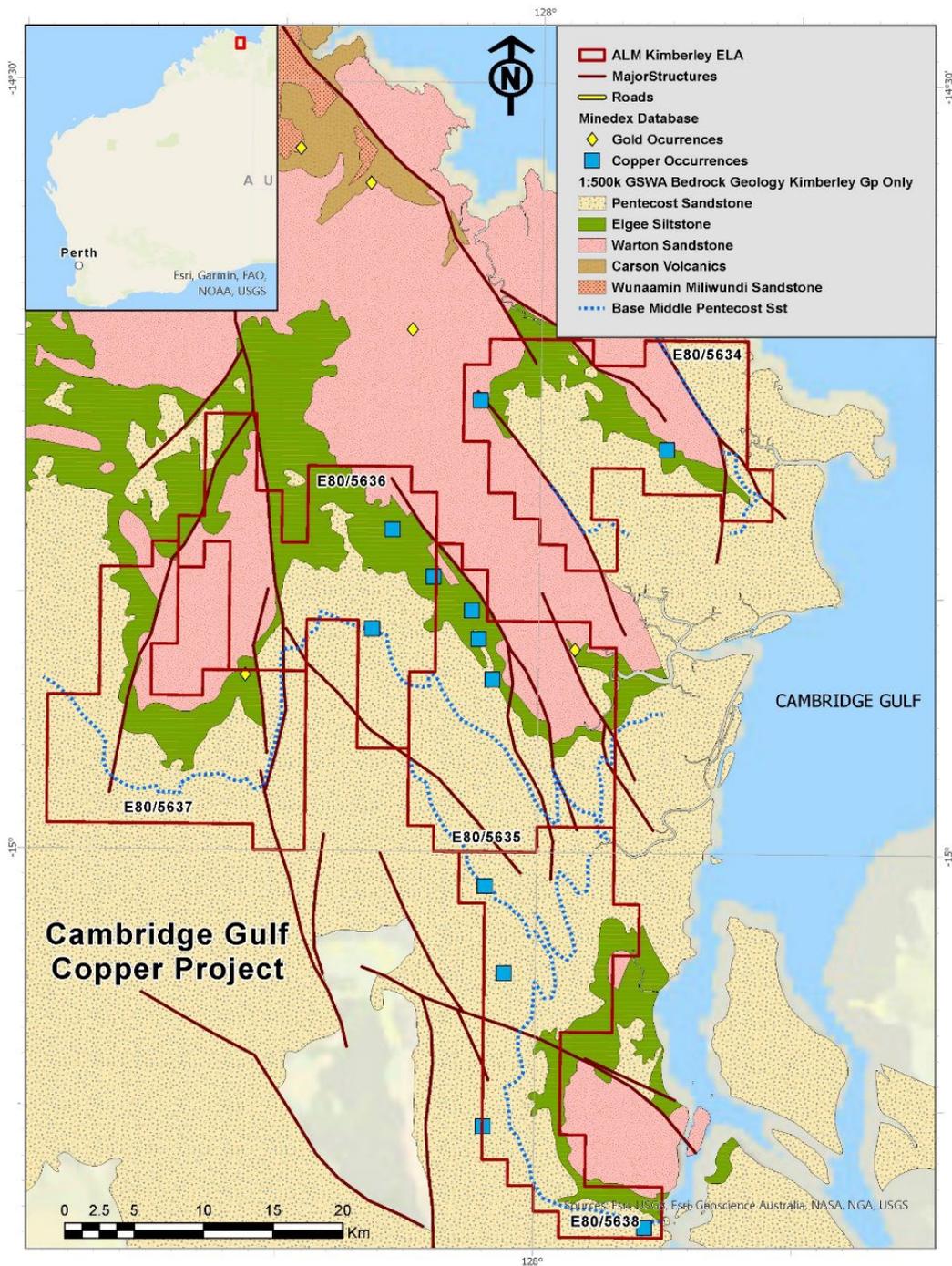


Figure 6. East Kimberley licence applications plotted over regional geology, showing copper occurrences in the Elgee Siltstone and at the base of the Middle Pentecost Sandstones.

3. SW Terrane Copper and Gold in Western Australia

3.1. Exploration Update

The Company has several granted exploration licences in the emerging world class province of the SW Terrane of Western Australia (Figure 7). These cover project areas which are considered prospective for large porphyry-style Cu-Au deposits or intrusion related orogenic Au deposits. Preliminary evaluation of open file data indicates extremely limited historical exploration has been undertaken in these areas.

- Soil sampling at 200m to 400m spacing along public access roads has been completed across all five granted exploration licences.
- Results have been received for Sunnyside and Mayanup but are still outstanding for Tarin Rock and Kondinin.
- Moderate Cu, Ni, Co anomalism was detected in the central part of Sunnyside project. This requires follow-up field investigation.
- Minor Cu anomalism was detected in the Mayanup project, but this is spatially related to Proterozoic dykes and does not appear to be related to mineralisation. The tenement has been relinquished.

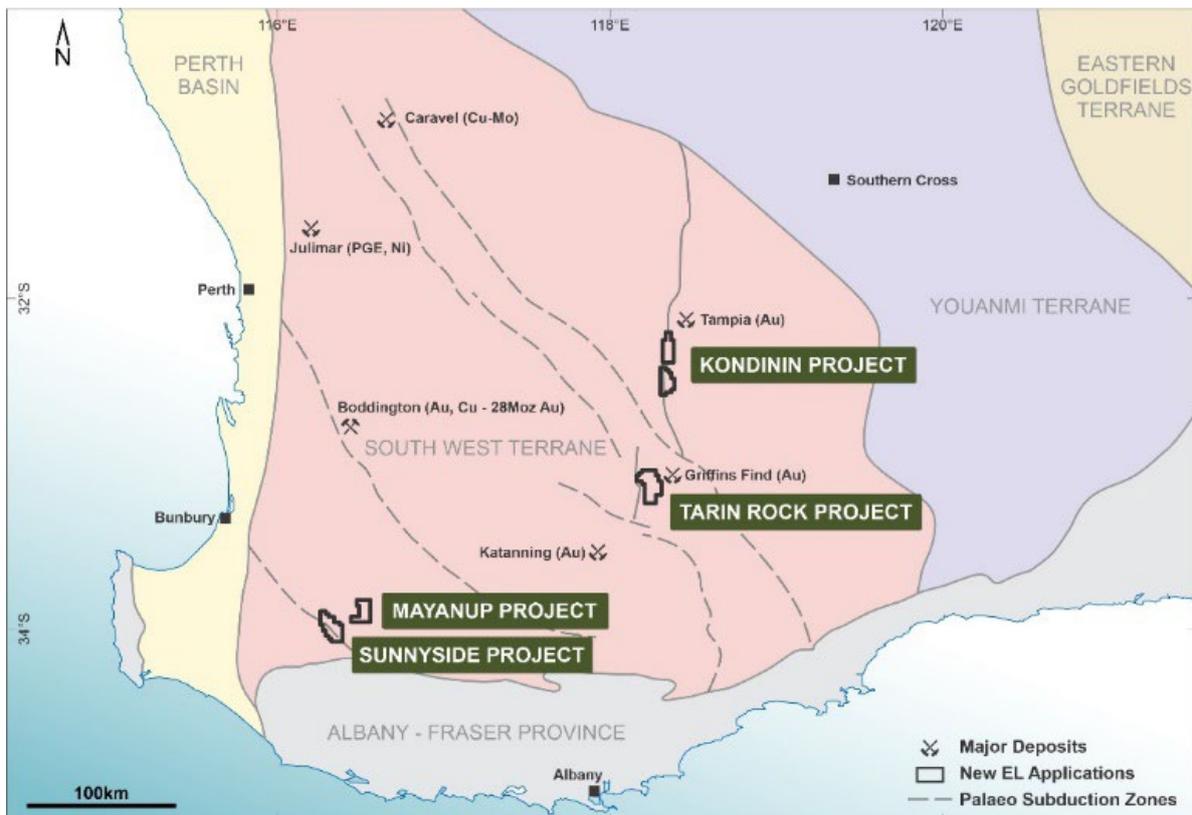


Figure 7. Location of Alma's copper-gold projects in the SW Terrane of Western Australia

4. Corporate

At the date of this report, the Company had;

- 739,472,257 shares on issue
- Cash reserves of A\$1.5M
- Investments in ASX-listed companies valued at A\$3.4M
- Nil debt

Approximately A\$185,000 of exploration and evaluation expenditure was expensed during the quarter which comprised of mostly of payments for geochemical sampling programmes and to drilling support contractors.

There were no substantive mining production and development activities during the quarter.

The aggregate amount of payments to related parties and their associates during the quarter of approximately A\$94,000 (refer Item 6 of the accompanying Appendix 5B) comprises the following:

- Director fees (approximately A\$80,000); and
- Mitchell River Group (a company associated with Frazer Tabcart and Alasdair Cooke) serviced office and technical staff (approximately A\$14,000)

Authorised for release by Frazer Tabcart, Managing Director of Alma Metals Limited.

For any further information, please contact the Company directly on +61 8 6465 5500.

For further information, please contact:

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The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement was prepared under the JORC Code 2012. References to "Measured, Indicated and Inferred Resources" are to those terms as defined in the JORC Code (2012 edition).

Information in this report relating to Exploration results, Mineral Resources or Ore Reserves is based on information compiled by Dr Frazer Tabcart (an employee and Executive Director of Alma Metals Limited) who is a member of The Australian Institute of Geoscientists. Dr Tabcart has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Tabcart consents to the inclusion of the data in the form and context in which it appears.

APPENDIX 1: Mining Tenements Held at the end of the Quarter and their Location

Project Name	Tenement Name	Tenement Holder	License Number	Interest at beginning of quarter	Interest at end of quarter	Location
Briggs and Mannersley Porphyry Copper Project	Briggs	Canterbury Resources Ltd	EPM19198	-% (70%)	-% (70%)	QLD
	Mannersley	Canterbury Resources Ltd	EPM18504	-% (70%)	-% (70%)	QLD
	Fig Tree Hill	Canterbury Resources Ltd	EPM27317	-% (70%)	-% (70%)	QLD
Kondinin	Kondinin North	Alma Metals Australia Pty Ltd	E70/5611	100%	100%	WA
	Kondinin South	Alma Metals Australia Pty Ltd	E70/5612	100%	100%	WA
Mayanup	Mayanup	Alma Metals Australia Pty Ltd	E70/5613	100%	-%	WA
Sunnyside	Sunnyside	Alma Metals Australia Pty Ltd	E70/5614	100%	100%	WA
Tarin Rock	Tarin Rock	Alma Metals Australia Pty Ltd	E70/5615	100%	100%	WA
Tonebridge	Tonebridge	Alma Metals Australia Pty Ltd	E70/5671	100%	100%	WA
Cambridge Gulf	Helby River	Alma Metals Australia Pty Ltd	E80/5634	100%	100%	WA
	Lyne River	Alma Metals Australia Pty Ltd	E80/5635	100%	100%	WA
	Mt McMillan	Alma Metals Australia Pty Ltd	E80/5636	100%	100%	WA
	Mt Nicholls	Alma Metals Australia Pty Ltd	E80/5637	100%	100%	WA
	Thompson River	Alma Metals Australia Pty Ltd	E80/5638	100%	100%	WA
Menuair Dome	Durack River	Alma Metals Australia Pty Ltd	E80/5639	100%	-%	WA
	Palmer Creek	Alma Metals Australia Pty Ltd	E80/5640	100%	-%	WA
	West Menuair	Alma Metals Australia Pty Ltd	E80/5641	100%	-%	WA
	Mt Edith	Alma Metals Australia Pty Ltd	E80/5642	100%	-%	WA

Appendix 5B

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

Name of entity

Alma Metals Limited

ABN

45 123 316 781

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows	Current quarter (3-months) AUD\$'000	Year to date (12-months) AUD\$'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(185)	(1,118)
(b) development	-	-
(c) production	-	-
(d) staff costs	(92)	(361)
(e) administration and corporate costs	(70)	(306)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2
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	(347)	(1,783)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(23)
(d) exploration & evaluation	-	-
(e) investments	-	(1,000)
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter (3-months) AUD\$'000	Year to date (12-months) AUD\$'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 (cash held in African Energy Ltd spin-out)	-	(300)
2.6	Net cash from / (used in) investing activities	-	(1,323)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	3,400
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	(8)	(136)
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	(8)	3,264

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,971	1,473
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(347)	(1,783)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(1,323)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,264

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

Consolidated statement of cash flows		Current quarter (3-months) AUD\$'000	Year to date (12-months) AUD\$'000
4.5	Effect of movement in exchange rates on cash held	9	2
4.6	Cash and cash equivalents at end of period	1,633	1,633

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 AUD\$'000	Previous quarter AUD\$'000
5.1	Bank balances	796	1,884
5.2	Call deposits	837	87
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)	1,633	1,971

6.	Payments to related parties of the entity and their associates	Current quarter AUD\$'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	94
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	Total facility amount at quarter end AUD\$'000	Amount drawn at quarter end AUD\$'000
<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>		
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	AUD\$'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(347)
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)	(347)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,633
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,633
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.7
<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: 29 July 2022
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Authorised by: Managing Director – Frazer Tabcart
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(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.