ASX:AIM Announcement ASX:AIM | FME

Quarterly Activities Report for the period ended 31 March 2023

28 April 2023

Highlights

- **Discovery of a large 1km long untested embayment feature ("BC1") with multiple coincident Ni-Cu-PGM sulphide geophysical and stream sediment anomalies**
- **Step out drilling results at Panton returned high-grade PGM mineralisation 350m beyond the existing 6.9Moz PdEq JORC Mineral Resource Estimate ("MRE")**
- **Breakthrough for future processing of Panton ore with the following achievements:**
  - **Flotation repeatability established with consistent metallurgical PGM average recoveries of 78% at concentrate grades averaging 286g/t PGM_{3E}**
  - **Bulk ore sorter test work demonstrated 97% recovery of high-grade PGM bearing ore and rejection of low grade material and waste**
- **Scoping Study is well advanced incorporating the processing achievements, and assessing the value add of downstream processing as a development option to produce future high payability, low emission upgraded metal products. The Company is targeting finalisation and release of the study's findings in H2 2023**
- **Secured the right to farm-in to the adjoining and highly prospective Panton North exploration ground, more than doubling exploration position at Panton, and adding Copernicus North as a second project**
- **Drill planning underway for Q2 2023 to test the shallow BC1 target and other targets at Panton West**
- **The Company remains well funded to complete its planned drilling and the Scoping Study**

Future Metals NL ("Future Metals" or the "Company", ASX | AIM: FME) is pleased to provide its Quarterly Activities and Cashflow Report for the Quarter ended 31 March 2023 ("**Quarter**").

Future Metals is the 100% owner of the Panton PGM-Ni Project ("**Panton Project**", or "**Project**"), located 60km north of the town of Halls Creek in the eastern Kimberley region of Western Australia, a tier one mining jurisdiction.

The Project is situated on three granted mining licences and lies 1km off the Great North Highway which accesses the Port of Wyndham (see Figure One).

The Panton Project hosts an independent JORC Code (2012) Mineral Resource Estimate ("**MRE**"), as announced on 21 June 2022, of **129Mt @ 1.20g/t PGM_{3E}, 0.19% Ni**, 0.04% Cu and 154ppm Co (1.66g/t PdEq) at a cut-off grade of 0.90g/t PdEq for contained metal of **5.0Moz PGM_{3E}, 239kt Ni,** 48kt Cu and 20kt Co **(6.9Moz PdEq)**.

[1] *PGM_{3E} = Palladium (Pd) + Platinum (Pt) + Gold (Au)*

The MRE includes a **high-grade reef of 25Mt @ 3.57g/t PGM_{3E}, 0.24% Ni**, 0.07% Cu and 192ppm Co (3.86g/t PdEq) for contained metal of **2.9Moz PGM_{3E}, 60kt Ni**, 18kt Cu and 5kt Co **(3.2Moz PdEq)**.

PGM-Ni mineralisation occurs within a layered, differentiated mafic-ultramafic intrusion referred to as the Panton intrusive which is a 12km long and 3km wide, south-west plunging synclinal intrusion. PGM mineralisation is hosted within a series of stratiform chromite reefs as well as a surrounding zone of mineralised dunite within the ultramafic package. The Panton intrusive is also highly prospective for Ni-Cu-PGM sulphide mineralisation from multiple magmatic events.

Mr Jardee Kininmonth, Managing Director of Future Metals, commented on the Quarter:

"Great progress has been made on both the Scoping Study which is assessing the development options for Future Metals' high-grade PGM resource, as well as our exciting nickel-sulphide exploration model.

"The metallurgical achievements and processing breakthrough will enhance the economic outcomes for the Scoping Study, and we are enthused by the potential upside from incorporating downstream processing into the study programme, which could set Future Metals apart as a future high-grade, low emissions PGM producer.

"The Company has also quickly matured the nickel-sulphide exploration model from concept stage to definitively demonstrating that the Panton Project has strong potential to host a significant accumulation of Ni-Cu sulphide mineralisation.

As part of this exploration model, we farmed into the adjoining Panton North and the nearby Copernicus North tenements which host a number of highly prospective and untested Ni-Cu sulphide targets including the recently identified embayment feature (BC1) and Panton West which we are preparing to drill in Q2 2023."

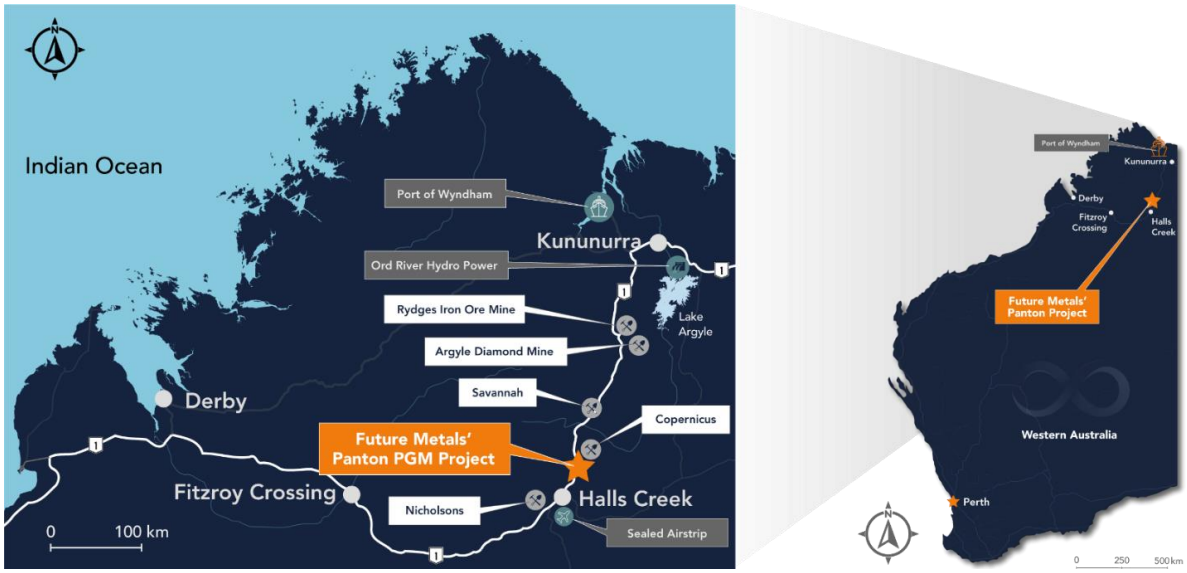


Figure One | Panton PGM Project Location

Operational Activities

Drilling Results Discussion

The Company completed its 2022 drilling campaign during the Quarter, where it was testing targets identified from historical drilling, EM surveys, and gravity and magnetics inversion modelling. The completed drilling successfully demonstrated a distinct and broad Ni-Cu sulphide enriched zone within the Panton Intrusive separate to the high-grade reef and the surrounding bulk mineralisation in the 6.9Moz PdEq MRE.

A total of eight diamond drill holes (PS407-PS414) for approximately 3,275m were completed, testing for the occurrence of magmatic Ni-Cu-PGM sulphide mineralisation. All assay results were received during the Quarter. These results demonstrate that Panton hosts multiple mineralisation styles including a large sulphide rich system outside of the portion of the deposit hosting the 6.9Moz PdEq JORC MRE.

High-Grade PGM Reef Step Out Intersection

Results from the deep drill hole PS414, 1,328.6m co-funded under the Western Australian State Government's EIS Scheme, were received during the Quarter. Intersections demonstrating significant PGM and sulphide mineralisation include (refer Figure Three):

- 22.4m @ 1.50 g/t PGM_{3E}[1], 0.21% Ni, 155ppm Co and 0.04% Cu from 786m, including
    - Intersection of the high-grade PGM upper reef of 2m @ 6.6 g/t PGM_{3E}[1], 0.29% Ni, 153ppm Co, 0.12% Cu from 786m
- 36m @ 0.86 g/t PGM_{3E}[1], 0.23% Ni, 151ppm Co, 0.01% Cu from 850m
- 19m @ 0.15 g/t PGM_{3E}[1], 0.19% Ni, 158ppm Co, 0.11% Cu from 1,053m

This was the first time a drill hole had been drilled through the entire Panton intrusion and its results demonstrated strong continuity of the high-grade PGM reef, providing a step out intersection of up to 350m from the nearest drill hole included in the current MRE.

This provides significant growth potential to the high-grade reef component of the MRE, comprising 3Moz of the current 6.9Moz PdEq MRE.

Figure Two shows where hole PS414 intersected the high-grade reef, relative to the closest other intersections included in the current MRE wireframe model.

The Company is currently working on an updated JORC MRE to incorporate a more detailed geological understanding of the high-grade reefs that has been informed by recent drilling. This will enable improved mine and process design to underpin the Scoping Study on the high-grade PGM mineralisation at the Panton Project. The Company expects that this updated MRE will be significantly enhanced by the results from hole PS414.

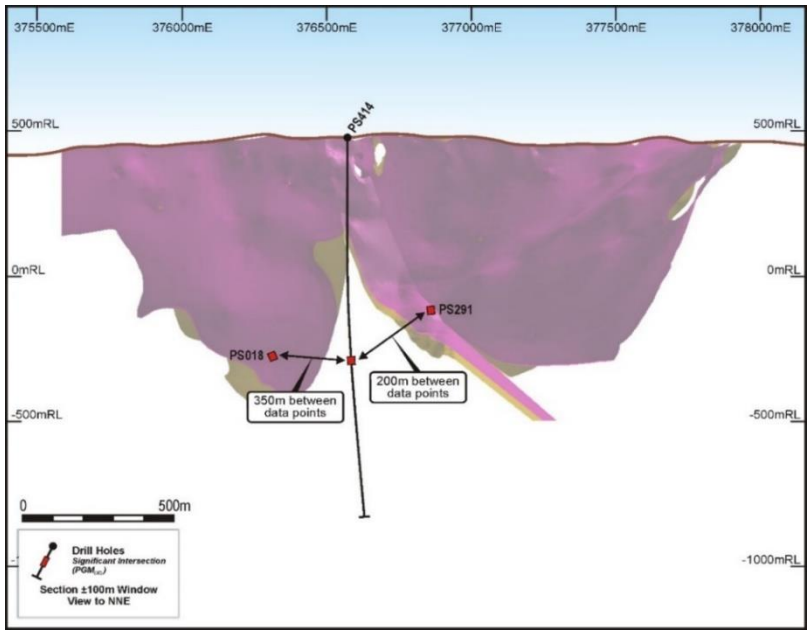


Figure Two | Orthogonal view showing location of PS414 intersection of the high-grade PGM reef relative to the nearest holes in the NNW and NE

Panton Complex

The 2022 drill programme completed during the Quarter successfully redefined the Panton Project as an intrusive complex ("**Panton Complex**") with significant potential for a nickel-sulphide discovery and will enable the Company to focus in on the most prospective areas for drilling a potentially large accumulation of sulphide mineralisation.

The deep drill hole identified at least two discrete phases of magma intrusions. The upper zone (Unit B) hosting the previously defined reef-style PGM mineralisation and the newly recognised lower zone (Unit A) hosting disseminated magmatic sulphide mineralisation.

The identification of two distinct intrusions is significant for advancing exploration at Panton, which has historically been considered one system, with this drill hole confirming the dynamic nature of the newly defined Panton Complex.

In addition, it supports the interpretation that the presence of a large untested embayment feature (see discussion below) on the northwest margin of the complex as a high-priority target. It also explains the local anomalous high-grade Ni-Cu sulphide intercepts in historical drilling and the recently drilled zones of broad disseminated magmatic sulphide mineralisation in the northwest area.

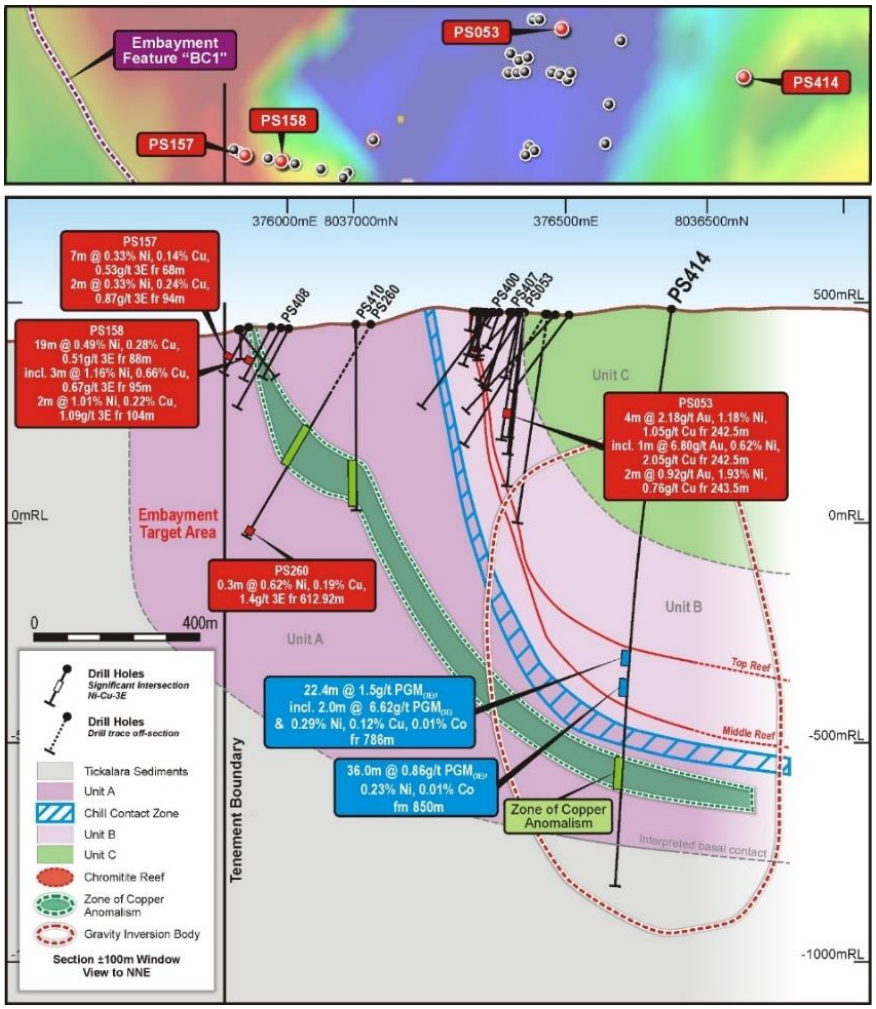


Figure Three | Cross Section for Drill Hole PS414

The above observations have been integrated into a model to explain the sulphide mineralisation potential of Unit A at Panton, as illustrated in Figure Four.

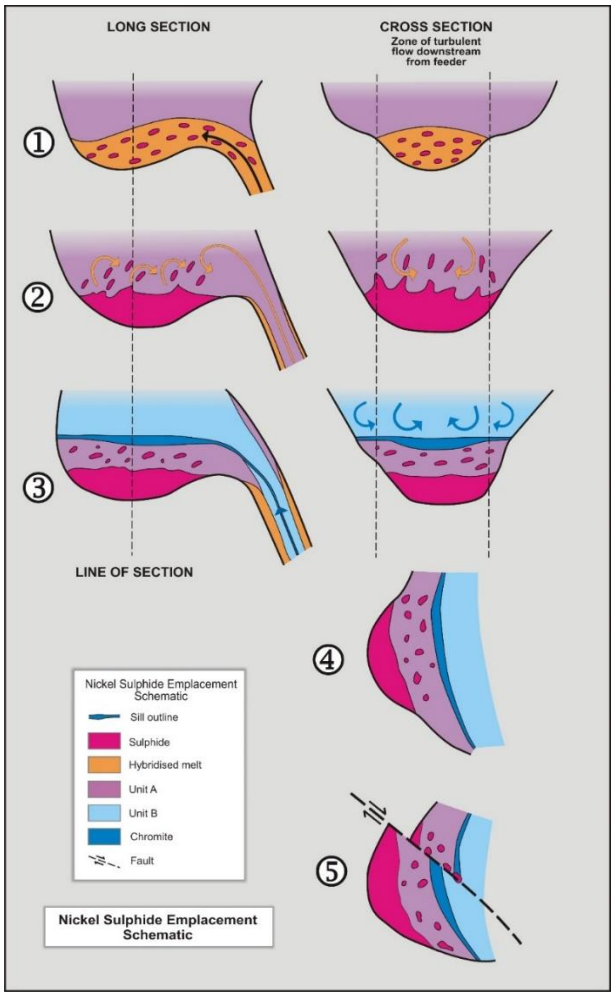


Figure Four | Nickel Sulphide Emplacement Schematic

1: Emplacement of a hybrid melt (mixture of wallrock sulphide droplets to blebs, plus primary picritic magma) into the base of the sill

2: Accumulation and pooling of Ni-Cu rich sulphide magma in embayments near the feeder; remobilisation of sulphides from the top of this pool by subsequent pulses of turbulent new magma, resulting in sulphide-rich blobs within the overlying dunite formed by the new magma

3: Lower zone, including sulphide blobs overlying the basal sulphide pool, freezes; major new magma pulse into sill (using same feeder position) produces PGM-rich Chromitite layers which are thickest and best mineralised above the sulphide-rich embayment

4: Folding of the sill resulting in the embayment area appearing as a thickened zone on the contact

5: Late faulting locally remobilised sulphide blobs

Significant Embayment feature 'sulphide trap' - BC1

During the ongoing review of new and historical geological information the Company has identified a potential embayment feature on the Panton North tenement (subject to a farm-in agreement with Octava Minerals Ltd where the Company has the right to earn 70% interest).

Embayment features can act as 'sulphide traps', providing a confined localised volume in which sulphide rich magma can settle. This untested embayment feature was identified along the northwest intrusion contact in multiple datasets, including magnetics and short wave infra-red imagery. A desktop review of the surface expression of this embayment area indicates that it has been subject to increased weathering which in turn can be an indicator of gossanous material, potentially related to sulphide mineralisation. Historical stream sediments identified highly anomalous coincident nickel-copper values on the margin of the interpreted embayment feature ("BC1"). The BC1 target represents a strike of approximately 1,000m which has not been drill tested (refer Figure Five).

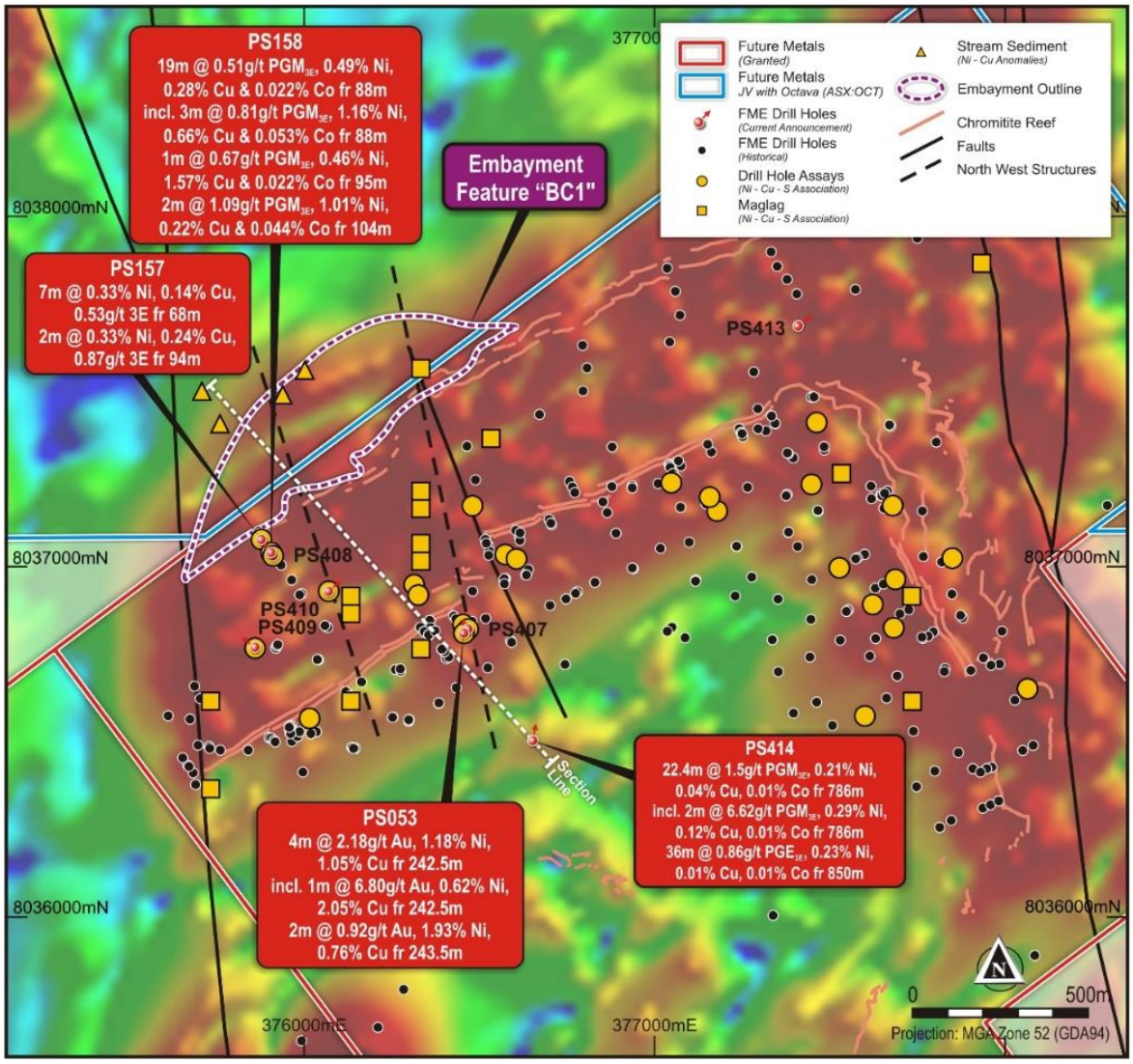


Figure Five | Plan view showing embayment target ('BC1') and significant sulphide intercepts

Assay results | Holes PS407 - PS413

Drill holes PS407 to PS413 were primarily targeting large magnetic anomalies and sulphide mineralisation intersected in historical drilling. All drill holes demonstrated a distinctive sulphide population that is anomalous relative to historical drilling along strike in Unit A, which was targeting the same stratigraphic units. Anomalous intersections included:

- 83m @ 0.49 g/t PGM_{3E}, 0.25% Ni, 136ppm Co, 0.04% Cu, 0.24% S from 53m(PS408)
- 1m @ 0.60 g/t PGM_{3E}, 0.27% Ni, 0.23% Cu, 141ppm Co, 0.42% S from 84m(PS408)
- 6m @ 0.07 g/t PGM_{3E}, 0.21% Ni, 0.12% Cu, 171ppm Co, 0.55% S from 57m(PS409)
- 10m @ 0.48 g/t PGM_{3E}, 0.20% Ni, 0.03% Cu, 131ppm Co, 0.62% S from 198m(PS409)
- 19m @ 0.23 g/t PGM_{3E}, 0.26% Ni, 158ppm Co, 0.09% Cu, 0.34% S from 240m(PS410)
- 5m @ 0.15 g/t PGM_{3E}, 0.21% Ni, 153ppm Co, 0.08% Cu, 0.48% S from 343m(PS410)
- 11m @ 0.03 g/t PGM_{3E}, 0.11% Ni, 1149ppm Co, 0.10% Cu, 0.59% S from 146m(PS410)
- 1m @ 0.97 g/t PGM_{3E}, 0.25% Ni, 0.30% Cu, 161ppm Co, 0.49% S from 314m(PS410)
- 53m @ 0.12 g/t PGM_{3E}, 0.18% Ni, 158ppm Co, 0.10% Cu, 0.44% S from 32m(PS413)

Metallurgical Testwork and Scoping Study Activities

During the Quarter, the Company released an update regarding its metallurgical test work programmes and Scoping Study activities. The results demonstrated a significant de-risking for the potential future mining and processing of the high-grade reef component of the Panton Project's MRE and provided a credible path towards developing a low capital, high margin PGM-Ni operation. The Company is currently progressing a Scoping Study which will evaluate multiple development scenarios, including the production and sale of a bulk Ni-PGM concentrate and a scenario where the concentrate is further processed using hydrometallurgical technology to produce upgraded PGM and base metals products.

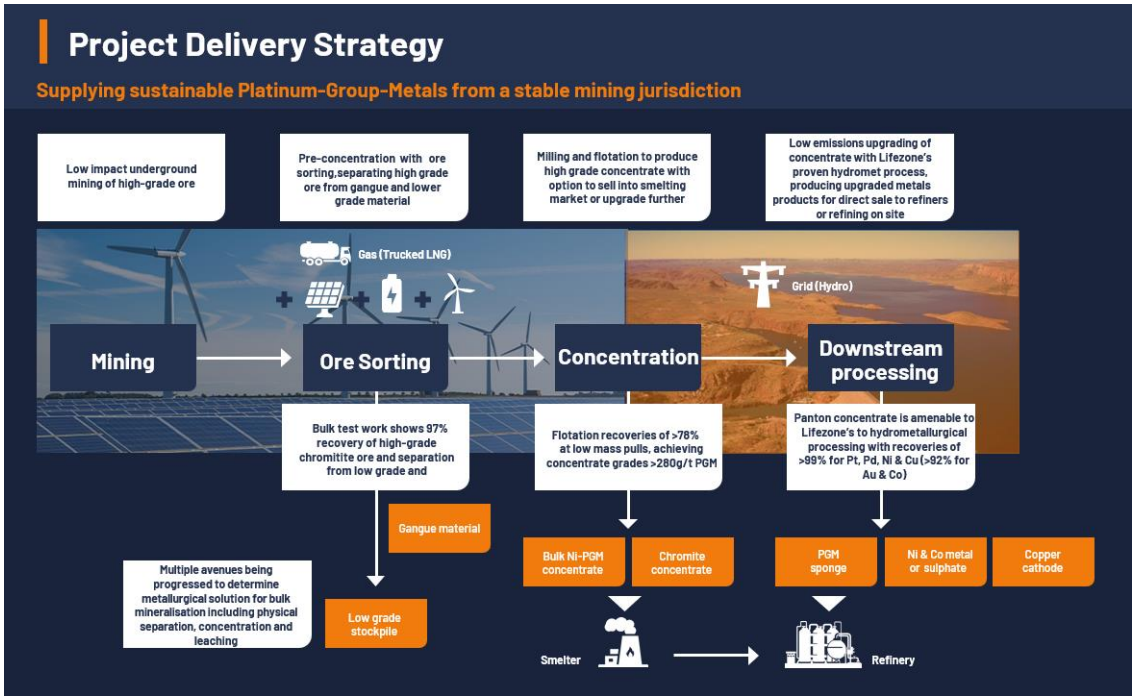


Figure Six | Project Delivery Strategy

Pre-concentration via Ore Sorting

Options to de-risk and improve the development economics for the Panton Project have been investigated through innovation and recent technological improvements. One such pathway involves the rejection of waste early in the comminution process via ore sorting.

Ore sorting technology has been used in the PGM and chromite mining industry for over ten years. The technology classifies and separates individual rocks by their physical and chemical properties. By removing gangue and low-grade ore, the size of the crushing, milling and flotation equipment can be optimised. Reducing the process plant throughput rate while increasing grade provides direct savings in terms of capital and operating costs. Ore sorting also reduces the impact of dilution allowing for the use of conventional mining equipment, further driving down operating costs. Reductions in mining and process operating costs allows the mining cut-off grade to be optimised and the viable mining inventory to be potentially increased.

Sighter and bulk test work has been completed with Steinert Sorting Solutions. The sighter test work involved a three-stage separation process applied to a mixed feed of chromitite, magnesite and dunite. Greater than 95% chromitite recovery was achieved during the first pass, using an x-ray transmission 3D-laser combination sort programme ("**XRT-3D**"), due to the chromitite being substantially higher in atomic density. 100% of the magnesite was recovered during the second pass, using both an XRT-3D combination (due to the lower atomic density of magnesite) and laser brightness (due to the high colour contrast between magnesite and the other materials).

Following the success of the sighter test work, a bulk test was also completed. The bulk test work involved compositing separate chromitite and dunite samples to replicate the expected feed mix from a mine stope. The chromitite and dunite were crushed and screened into three size fractions; +25mm, +10mm, and -10mm. Each of these size fractions were assayed prior to preparation of two composites; -75mm to +25mm and -25mm to +10mm, which were processed using the same XRT 3D-laser combination sort programme used in the sighter test work. The fine -10 mm fraction is considered to be below the capability of the ore sorting units and was not tested.

The bulk ore sort test work validated the sighter test work on multiple size fractions, demonstrating 96.7% recovery of high-grade ore and rejection of low-grade and waste, increasing the PGM grade of the potential mill feed by 10.7% and reducing the throughput volume by 12.7%. This represents a very positive result early on in the test work process.

Table One | Bulk Ore Sorting Test Results

Ore Sorting Products		Pt		Pd		Au		Pt, Pd & Au	
	Recovery (%)	g/t	Recovery (%)	g/t	Recovery (%)	g/t	Recovery (%)	g/t	Recovery (%)
Calculated Head Grade (Ore Sorter Feed)		3.49		4.00		0.38		**7.87**	
Total Ore Sorter Accepts	87.3	3.88	96.9	4.44	96.8	0.40	92.5	**8.72**	**96.7**
Total Ore Sorter Rejects	12.7	0.85	3.09	1.00	3.18	0.22	7.5	**2.07**	**3.4**

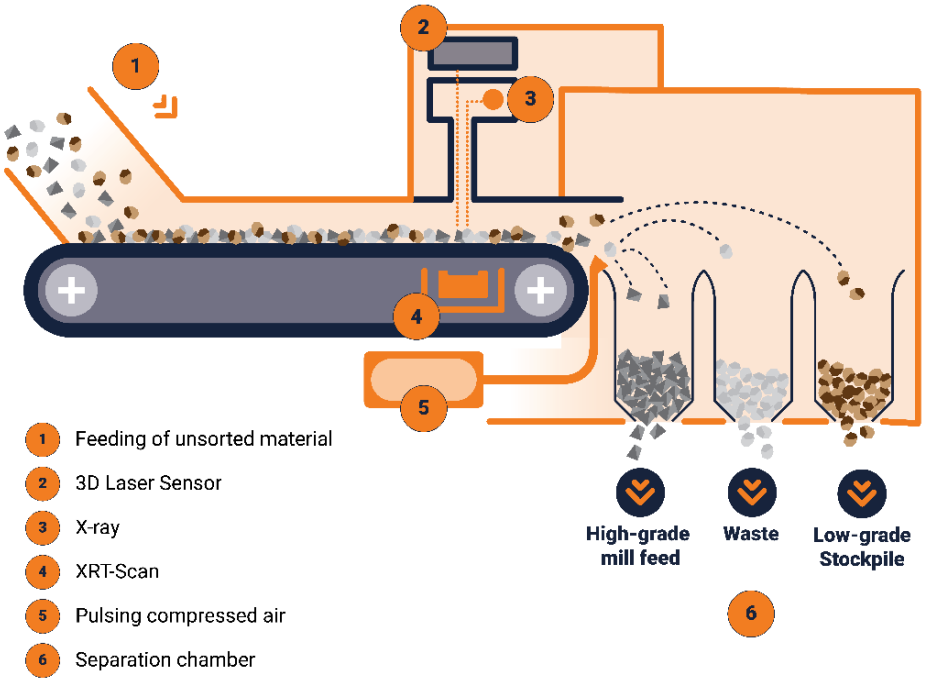
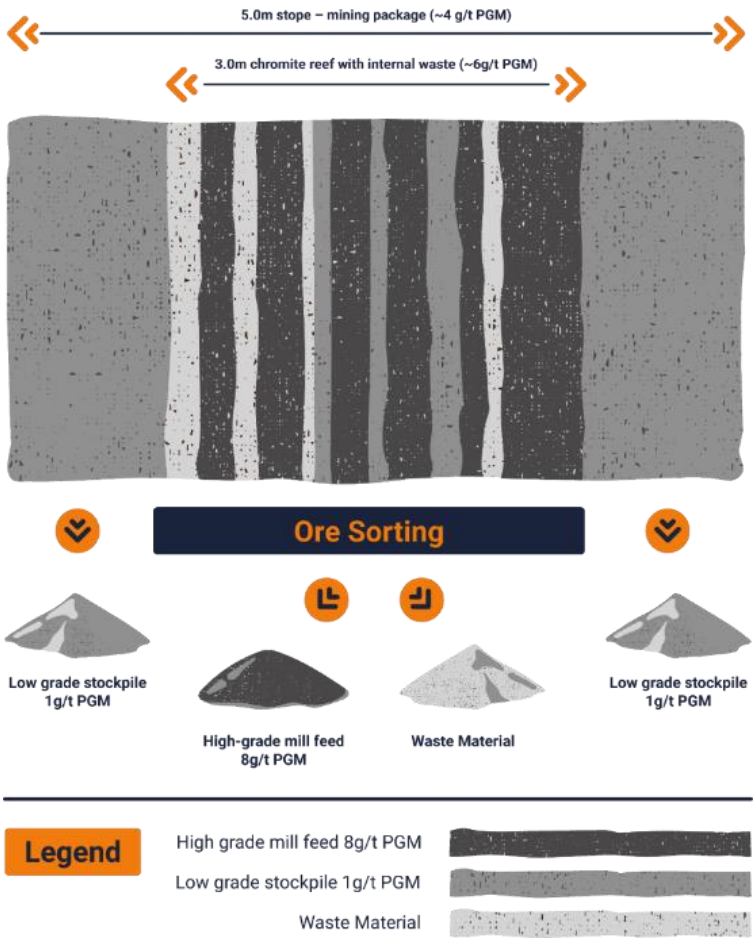


Figure Seven | Steinert KSS XT CLI Ore Sorter



*Dimensions and grades are for illustrative purposes only

Figure Eight | Ore Sorting Schema

Flotation Test Work Results

As previously noted in the Company's announcement on 7 July 2021 '*Above 80% PGM Recovery to High Grade PGM Concentrate*', flotation test work carried out in 2015 on Panton chromitite ore achieved a technical breakthrough for the Panton Project. The best result achieved (test HL1279) was 81.4% recovery (PGM_{3E}) at a 2.5% mass pull for a 272 g/t PGM_{3E} concentrate grade with a rapid 14 minutes of flotation time. Whilst the 2015 test work achieved dramatic improvements in the flotation performance, repeatability of HL1279 was not established and there was minimal follow up optimisation work.

As detailed in the Company's announcement on 21 June 2022 '*Independent Resource Estimate of 6.9Moz PdEq*', the Company undertook further flotation test work in early 2022 on both low-grade composites (~2.3g/t PGM_{3E}) and high-grade composites (~7.6g/t PGM_{3E}), using a single stage rougher-scavenger test. Results yielded PGM_{3E} recoveries of up to 68% and 71% respectively (with higher Pd recovery relative to the Pt recovery) with concentrate grades of ~130g/t PGM_{3E} for the high-grade composite and up to 17g/t PGM_{3E} for the low-grade composite.

Following this initial test work, the Company embarked on a systematic programme of optimisation and variability test work with Independent Metallurgical Operations Pty Ltd.

Flotation results from this latest programme of optimisation and variability test work yielded positive results on the high-grade chromitite samples with **consistent PGM_{3E} recoveries of 75.7% to 81.4% with concentrate grades from 167 g/t to 387 g/t PGM_{3E} with an average of 286g/t PGM_{3E}**. These results were achieved over six consecutive tests, demonstrating strong repeatability of the flotation regime. A key factor to these consistent results is controlling potential through the flotation cycle and ensuring a reducing environment is maintained. Other physical parameters have also been optimised such as froth collection rates, number of flotation stages and flotation retention time. Table Two details these latest flotation results.

Table Two | Optimisation and Variability Flotation Test Programme - Concentrate Grades

Test No.	Concentrate Grade									Head Grade			
	Mass Pull	Pt		Pd		Au		Pt, Pd & Au		Pt	Pd	Au	Pt, Pd & Au
	%	g/t	Rec	g/t	Rec	g/t	Rec	g/t	Rec	g/t			
FT014	2.46	136	77.7	154	74.9	11	65.3	**301**	**75.7**	4.31	5.06	0.42	9.79
FT015	2.90	121	80.3	139	78.1	11	68.9	**271**	**78.6**	4.38	5.18	0.45	10.01
FT016	1.85	175	78.9	197	75.9	15	68.3	**387**	**76.9**	4.09	4.79	0.41	9.29
FT017	2.36	136	78.8	154	75.7	12	67.9	**302**	**76.7**	4.08	4.78	0.43	9.29
FT018	3.34	127	82.3	151	81.2	11	74.6	**289**	**81.4**	5.13	6.21	0.50	11.84
FT019	4.51	71	78.3	89	77.2	7	70.9	**167**	**77.4**	4.11	5.19	0.43	9.73
Average	**2.90**	**128**	**79.4**	**147**	**77.2**	**11**	**69.3**	**286**	**77.8**	**4.35**	**5.20**	**0.44**	**9.99**

The Company considers the head grade of the flotation tests to be within an acceptable range of potential mill feed grade when factoring in mined grade of the Upper Reef following upgrading through ore sorting.

Table Three sets out the range of achieved recoveries, concentrate grades and head grades for by-products in the flotation tests on chromitite ore samples:

Table Three | By-product Recoveries*

Panton	Ni (%)	Cu (%)	Co* (%)	Rh (g/t)	Ir (g/t)	Os (g/t)
Head Grade	0.27 - 0.28	0.04	0.03	0.09 - 0.10	0.09 - 0.11	0.12 - 0.13
Recovery (%)	37 - 45	56 - 62	8 - 9	38 - 44	50 - 55	29 - 34
Concentrate Grade	3.8 - 5.5	0.9 - 1.3	0.06 - 0.07	1.4 - 2.0	1.9 - 2.6	1.4 - 2.1

*Only FT017 was assayed for Co

Ongoing Test Work

The results demonstrate that a very high grade PGM_{3E} concentrate is achievable from Panton chromitite ore feed. As a consistent baseline flotation regime has been established, there is significant potential for further optimisation through the study process. This includes introducing a cleaner circuit, concentrate regrind, and further exploratory testing of reagents to improve recoveries, including the recoveries of base metals in feed. The Company will continue to test for further improvements, as well as testing the variability of flotation response from samples throughout the Panton orebody.

Panton's future concentrate will likely be marketed as a bulk Ni-PGM_{3E} concentrate. Additional optimisation, planning and marketing work is required in relation to the chrome content of the concentrate, given it is a deleterious element. However, the high PGM_{3E} grade of the concentrate is expected make the potential Panton Ni-PGM_{3E} concentrate attractive to smelters despite the chrome content. Mine planning and blending strategies will also be utilised to ensure a consistent, valuable Ni-PGM_{3E} concentrate is produced.

Test work has demonstrated that a metallurgical grade chromite concentrate can be produced from the Panton flotation tails (from chromitite ore) through Wet High Intensity Magnetic Separation ("**WHIMS**"). Chromite concentrate represents a potentially valuable co-product, which is typically sold into the ferrochrome industry, as input into stainless steel.

The Company plans to continue optimisation and marketing work and assess the inclusion of a WHIMS circuit in the forthcoming Scoping Study.

Downstream Processing | Hydrometallurgy

A study is underway to assess the potential to further process the high-grade concentrate utilising a hydrometallurgical process to produce upgraded metal products. The potential benefits of hydrometallurgical processing include improved payabilities, reduced logistics costs and significantly less sensitivity to many elements deleterious to smelters, such as chrome. Such benefits have resultant benefits for mine planning and mine inventory.

Lifezone Ltd ("Lifezone") has been engaged as a technology partner to further explore the amenability of utilising their hydrometallurgical technology for further upgrading of the Panton concentrate. The Lifezone hydromet process replaces the smelting process, extracting contained metals in concentrate through hydrometallurgical processes to produce a suite of metals products suitable for potential direct sale to refiners. Hydrometallurgical processing has a range of benefits relative to smelting including[1] :

- 65-80% lower capital costs
- 35-50% lower operating costs
- 50-85% lower electricity consumption
- Up to 80% lower CO_2 emissions and no SO_2 emissions
- Fewer constraints on concentrate quality than smelting

The Company's view is that a low emission upgraded PGM product from Australia would be highly sought after by potential customers in the hydrogen and automotive industries, who are sensitive to accumulated emissions through the supply chain, as well as other ESG considerations.

Panton's high grade PGM_{3E} concentrate would allow for a small, low-capital process plant employing Lifezone's hydromet technology, which would potentially significantly enhance the economics of the Panton Project.

[1] Kell hydrometallurgical extraction of precious and base metals from flotation concentrates – Piloting, engineering and implementation advances. June 2019. K Liddell, M Adams, L Smith

June 2023 Quarter Activities

Ongoing Exploration Activities

The Company continues to build upon its nickel sulphide exploration model and work towards a discovery of a large, high-grade accumulation of Ni-Cu sulphides. The 2022 drill programme enabled the Company to validate the presence of a primary magmatic sulphide system within Panton, reduce the search space for follow-up exploration and identify a discrete untested target in BC1, the embayment feature.

Evaluations and preparatory activities are being undertaken across Panton, BC1 and the Panton West prospect for a follow up drill programme currently planned for Q2 2023.

The drill programme will likely involve shallow Reverse Circulation ("RC") drilling as a first pass. The Company will provide further details on these targets in Q2 2023.

Scoping Study Progress

The Company is pleased with the progress made to date, with ore sorting and flotation test work significantly de-risking the future development of Panton. The ore sorting results have a material impact on mine design and enable a reduction in the size of milling and flotation equipment, tailings storage, electricity requirements and water consumption which will therefore reduce estimated capital and operating costs. Following positive pre-scoping assessment and prior test work of Lifezone's hydromet process, the Company is also assessing the potential of downstream integration as part of its Scoping Study. Additionally, the Company now has an improved geological model for Panton which will be used to inform an updated JORC Mineral Resource estimate to be incorporated into the Scoping Study. Lastly, the Company continues to progress potential processing pathways for its significant low-grade Resource and will also incorporate this into its study activities once a metallurgical solution is in place.

Accordingly, the Company expects an updated Scoping Study, incorporating these improvements, to be completed in H2 2023.

Corporate

Farm-In and Joint Venture Agreement

The Company executed a Farm-in and Joint Venture Agreement with Octava Minerals Limited ("Octava") with respect to the right to earn a 70% interest in its wholly owned Panton North and Copernicus North Ni-Cu-PGM projects in the East Kimberly region of Western Australia.

Future Metals issued 3.5 million new ordinary shares to Octava, voluntarily escrowed for 12 months, as upfront consideration. The Company is also, inter alia, required to make a final payment to Octava of A$200,000 in 12 months from completion in cash or shares (at Future Metals' sole election).

Financial commentary

The Quarterly Cashflow Report (Appendix 5B) for the period ending 31 March 2023 provides an overview of the Company's financial activities.

The Company held approximately A$3.9 million in cash at the end of the Quarter.

Expenditure on exploration during the Quarter amounted to approximately A$1.45 million. Expenditure on metallurgical test work and scoping study activities amounted to approximately A$73k. Payments for administration and corporate costs amounted to approximately A$675k. This included payments to related parties and their associates of A$118k, comprising Director fees and remuneration (including superannuation).

Statement of commitments

The Quarter is covered by the Statement of Commitments outlined in the Company's ASX Prospectus dated 18 May 2021. A summary of expenditure to date is outlined in the table below.

	Proposed Use of Funds 13 June 2021 to 13 June 2023 **$**	**Actual** (13 June 2021 to 31 March 2023) **$**
Exploration & development expenditure		
Panton Option consideration	3,000,000	3,000,000
Estimated duty liability	1,755,495	560,415
Drilling of extensions	2,000,000	5,625,061
Metallurgical testwork	500,000	386,682
Process design, mining and development studies	1,000,000	646,151
Other technical studies	500,000	-
Assessment of complementary assets or projects	500,000	-
SUB-TOTAL	**9,255,495**	**10,218,309**
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	4,149,858
Working Capital	768,200	85,964
TOTAL	**14,225,863**	**16,529,105**

For additional information please refer to ASX/AIM announcements covered in this report:

- 17 January 2023 | Farm-In Agreement Over East Kimberley Ni-Cu-PGE Prospects
- 17 January 2023 | Proposed issue of securities - FME
- 19 January 2023 | Quarterly Activities and Cash Flow to 31 December 2023
- 20 January 2023 | Notification regarding unquoted securities - FME
- 27 January 2023 | Application for quotation of securities - FME
- 2 February 2023 | Large Ni-Cu (PGE) Sulphide Zone Identified at Panton
- 8 February 2023 | Corporate Presentation, AMEC Investor Briefing
- 13 February 2023 | Mining and Processing Breakthrough at Panton
- 14 February 2023 | Corporate Presentation, RIU Fremantle
- 15 March 2023 | Half Year Accounts to 31 December 2022
- 21 March 2023 | High Grade Mineralisation Intersected in 350m Step Out Hole

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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 is forms part of United Kingdom domestic law pursuant to the European Union (Withdrawal) Act 2018, as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019.

Competent Person's Statement

The information in this announcement that relates to Exploration Results is based on, and fairly represents, information compiled by Ms Barbara Duggan, who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Ms Duggan is the Company's Principal Geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity she 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). Ms Duggan consents to the inclusion in this announcement of the matters based upon her information in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources is based on, and fairly represents, information compiled by Mr Brian Wolfe, who is a Member of the Australian Institute of Geoscientists. Mr Wolfe is an external consultant to the Company and is a full time employee of International Resource Solutions Pty Ltd, a specialist geoscience consultancy. Mr Wolfe 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 Wolfe 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 the Panton PGM-Ni Project

The 100% owned Panton PGM-Ni Project is located 60kms north of the town of Halls Creek in the eastern Kimberly region of Western Australia, a tier one mining jurisdiction. The project is located on three granted mining licences and situated just 1km off the Great North Highway which accesses the Port of Wyndham (refer to Figures One and Nine).

The Project hosts an independent JORC Code (2012) MRE of 129Mt @ 1.20g/t PGM_{3E}[1], 0.19% Ni, 0.04% Cu and 154ppm Co (1.66g/t PdEq) at a cut-off grade of 0.90g/t PdEq for contained metal of 5.0Moz PGM_{3E}[1], 239kt Ni, 48kt Cu and 20kt Co (6.9Moz PdEq). The MRE includes a high-grade reef of 25Mt @ 3.57g/t PGM_{3E}[1], 0.24% Ni, 0.07% Cu and 192ppm Co (3.86g/t PdEq) for contained metal of 2.9Moz PGM_{3E}[1], 60kt Ni, 18kt Cu and 5kt Co (3.2Moz PdEq).

PGM-Ni mineralisation occurs within a layered, differentiated mafic-ultramafic intrusion referred to as the Panton intrusive which is a 12km long and 3km wide, south-west plunging synclinal intrusion. PGM mineralisation is hosted within a series of stratiform chromite reefs as well as a surrounding zone of mineralised dunite within the ultramafic package.

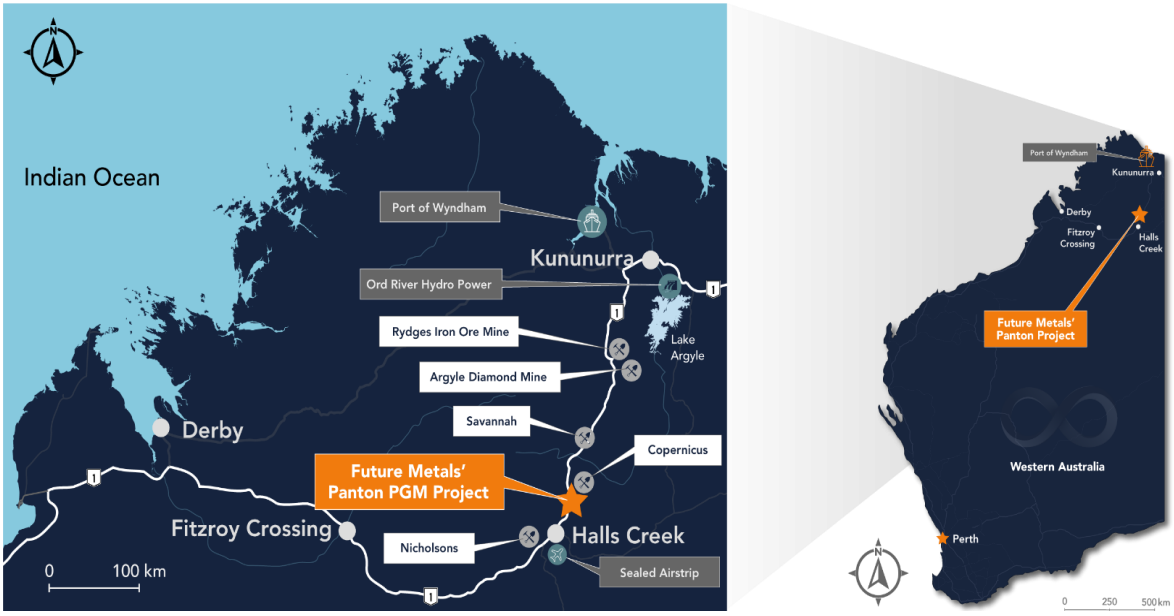

Figure Nine | Panton PGM Project Location

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

Exploration & Mining Permits changes during the Quarter

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

Farm-In / Farm Out Agreement changes during the Quarter^

Joint Venture	Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
Octava Minerals Ltd	Panton North	Western Australia	E80/5455	-	-
Octava Minerals Ltd	Copernicus North	Western Australia	E80/5459	-	-

^ During the Quarter the Company executed a farm-in and joint venture agreement with Octava Minerals Ltd over two tenements, one of which adjoins the Panton Project to the north. Future Metals may earn up to 70% in the two tenements. Details of the transaction can be found in the announcement 'Farm-In Agreement Over East Kimberley Ni-Cu-PGE Prospects' released on 17 January 2023.

Interests in Mining & Exploration Permits & Joint Ventures at 31 March 2023

Project	Location	Tenement	Area	Interest at end of Quarter
Panton PGM-Ni Project	Western Australia	M80/103	8.6km^2	100%
		M80/104	5.7km^2	100%
		M80/105	8.3km^2	100%
Panton North	Western Australia	E80/5455	8 BL	-
Copernicus North	Western Australia	E80/5459	2 BL	-

Appendix Two | Panton Mineral Resource Estimate (JORC Code 2012)[2]

Resource	Category	Mass	Grade								Contained Metal							
		(Mt)	Pd (g/t)	Pt (g/t)	Au (g/t)	**PGM_{3E}[1] (g/t)**	**Ni (%)**	Cu (%)	Co (ppm)	**PdEq[2] (g/t)**	Pd (Koz)	Pt (Koz)	Au (Koz)	**PGM_{3E} (Koz)**	**Ni (kt)**	Cu (kt)	Co (kt)	**PdEq[2] (Koz)**
Reef	Indicated	7.9	1.99	1.87	0.31	4.16	0.24	0.07	190	4.39	508	476	78	1,062	19.1	5.2	1.5	1,120
	Inferred	17.6	1.59	1.49	0.22	3.30	0.23	0.07	193	3.63	895	842	123	1,859	41.1	13.1	3.4	2,046
	Subtotal	**25.4**	**1.71**	**1.61**	**0.24**	**3.57**	**0.24**	**0.07**	**192**	**3.86**	**1,403**	**1,318**	**201**	**2,922**	**60.3**	**18.2**	**4.9**	**3,166**
Dunite	Inferred	103.4	0.31	0.25	0.07	0.62	0.17	0.03	145	1.12	1,020	825	225	2,069	179.6	30.2	15.0	3,712
	Subtotal	**103.4**	**0.31**	**0.25**	**0.07**	**0.62**	**0.17**	**0.03**	**145**	**1.12**	**1,020**	**825**	**225**	**2,069**	**179.6**	**30.2**	**15.0**	**3,712**
All	Indicated	7.9	1.99	1.87	0.31	4.16	0.24	0.07	190	4.39	508	476	78	1,062	19.1	5.2	1.5	1,120
	Inferred	121	0.49	0.43	0.09	1.01	0.18	0.04	152	1.48	1,915	1,667	347	3,929	219.7	43.2	18.4	5,758
	Total	**129**	**0.58**	**0.52**	**0.10**	**1.20**	**0.19**	**0.04**	**154**	**1.66**	**2,423**	**2,143**	**425**	**4,991**	**238.8**	**48.4**	**19.9**	**6,879**

Notes

[1] Please refer to the paragraph below for palladium equivalent (PdEq) calculation
[2] No cut-off grade has been applied to reef mineralisation and a cut-off of 0.9g/t PdEq has been applied to the dunite mineralisation

[1] PGM_{3E} = Palladium (Pd) + Platinum (Pt) + Gold (Au)

[2] Metal equivalents were calculated according to the follow formulae:

- Reef: 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(%)
- Dunite: PdEq (Palladium Equivalent g/t) = Pd(g/t) + 0.76471 x Pt(g/t) + 0.933 x Au(g/t) +2.03087 x Ni(%) + 1.481990 x Cu(%) + 8.80 x Co(%)

Appendix 5B

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

Name of entity

Future Metals NL

ABN	Quarter ended ("current quarter")
99 124 734 961	31 March 2023

Consolidated statement of cash flows *(refer Note 1)*		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,452)	(4,191)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(675)	(1,861)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	29	82
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	195	195
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(1,903)**	**(5,775)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(42)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows *(refer Note 1)*		**Current quarter $A'000**	**Year to date (9 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		
2.6	**Net cash from / (used in) investing activities**	**-**	**(42)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,845
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	-	(467)
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**	**-**	**6,378**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	5,795	3,331
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,903)	(5,775)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(42)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	6,378

Consolidated statement of cash flows *(refer Note 1)*		**Current quarter $A'000**	**Year to date (9 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**3,892**	**3,892**

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	995	926
5.2	Call deposits	2,897	4,869
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)**	**3,892**	**5,795**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	118
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

- Payment of Directors' Fees and Remuneration

7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**		

7.5	**Unused financing facilities available at quarter end**	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,903)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,903)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,892
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,892
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	2.05

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.

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

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: 28 April 2023

Authorised by: the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.