

ASX Announcement

28 April 2023



QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 MARCH 2023

HIGHLIGHTS

- M3 Mining advances exploration at both the Victoria Bore Copper Project and the Edjudina Gold Project

Edjudina Gold Project (100% owned)

- Drilling to commence at the Jump Up prospect next week.
- 3,000m drilling program planned to extend strike length of gold mineralisation intercepted in maiden aircore (AC) program. Significant intercepts include:
 - 12m at 0.84 g/t Au from 68m (Incl. 4m at 1.92 g/t Au from 72m) (EDJAC085)
 - 3m at 1.50 g/t Au from 76m (EDJAC071)
 - 20m at 0.24 g/t Au from 16m (EDJAC075)
 - 12m at 0.20 g/t Au from 72m (EDJAC070)
- Assays expected within Quarter 2

Victoria Bore Copper Project (100% owned)

- Metallurgical work underway on graphite mineralisation encountered in previous drilling programs. Total Graphitic Carbon (TGC) significant intercepts include:
 - 4m at 9.9% TGC from 211m & 5m at 8.0% TGC from 220m (VBRC012)
 - 2m at 6.0% TGC from 71m & 2m at 5.8% TGC from 89m (VBRC014)
- Samples have been dispatched to *IMO Metallurgy* for flotation testwork to determine the nature of the graphite mineralisation and if economic graphite concentrate can be produced
- Litho-structural interpretation and multi-commodity targeting exercise by PGN Geoscience nearing completion.

Corporate

- Evaluation of several advanced projects in a range of commodities in Australia and overseas progressed in the March quarter
- The Company is well-funded for its planned exploration activities for the remainder of the year with cash as of 31 March 2023 of approximately \$3.3 million



Registered Address

M3 Mining Limited
ACN 644 548 434
ABN 98 644 548 434

Level 13, 191 St George's Tce
Perth, WA 6000

www.m3mining.com.au

Directors

Russell Davis - Non-Executive Chairman
Simon Eley - Executive Director
Eddie King - Non-Executive Director

✉ info@m3mining.com.au
☎ +61 08 6243 6581

Projects

Edjudina Gold Project (100% Owned)
Victoria Bore Copper Project (100% Owned)

Shares on Issue 46,513,303
ASX Code M3M

M3 Mining Limited (ASX: **M3M**) (**M3 Mining**, the **Company**) is pleased to provide an update on corporate and exploration activities during the March 2022 Quarter.

EXECUTIVE DIRECTOR SIMON ELEY:

"The March quarter saw planning and target generation across both of the Company's existing projects along with the assessment of additional projects that could deliver significant growth opportunities for the future of the Company and shareholders.

We are about to begin aircore drilling at the Edjudina Gold Project which aims to extend the strike length of known mineralisation 1,600m further to the southeast. This program is following up on high grade intercepts from our maiden program in combination with historic soils that outlines a 2,500m long gold-in-soil anomaly.

The Company has engaged specialists at IMO Metallurgy to complete metallurgical testwork on the graphite mineralisation intersected at Victoria Bore. The planned flotation testwork will provide the company with a better understanding of the nature of the graphite intercepted and whether a saleable graphite concentrate can be derived from the project.

PGN Geoscience, a highly experienced structural geologists group are nearing completion of a litho-structural interpretation of M3 Mining's tenure at Victoria Bore. The group are also undertaking a broad targeting exercise to provide the company with regional mineral targets to prioritize future exploration across the 330km² project area."

UPCOMING M3 NEWSFLOW

- Quarter 2, 2023**
- Drilling results from follow-up aircore at Edjudina
 - Metallurgical analysis of graphite samples from Victoria Bore
 - Litho-structural interpretation and regional targeting for Victoria Bore
 - Surface sampling of priority regional and near-mine targets at Victoria Bore



Edjudina Gold Project

The Edjudina Project is located approximately 150km northeast of Kalgoorlie in Western Australia. It covers a section of the established mineralized trend along the Keith-Kilkenny Tectonic Zone which hosts multiple significant gold discoveries (see Figure 1). Edjudina can be accessed via tarred and gravel roads while the tenement areas are readily accessible by gravel and station access roads.

No large-scale mining has occurred within the tenement area, however historical near surface workings can be observed throughout the region, particularly within and along strike of the previous mines in the Yilgarn Mining Field.

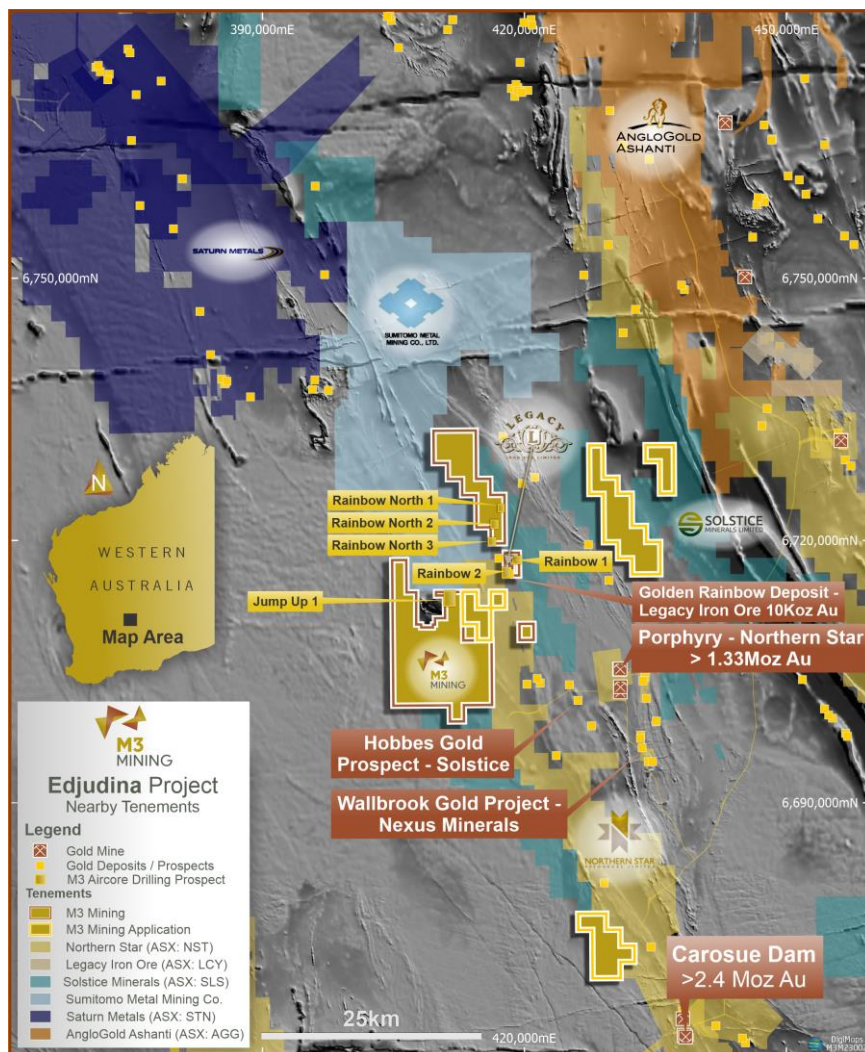


Figure 1 – Edjudina Gold Project Overview¹

¹ See SAR ASX Announcement, 04/08/20, “Carosue Dam and Thunderbox only - Reserves rise to 3.7Moz” for additional details regarding standalone JORC categories of the quoted mineral resources at Carosue Dam and Porphyry.

While some phases of exploration have been completed historically, a large proportion of the grassroots exploration, such as aircore and RAB drilling, has been ineffective due to the depth of weathering and transported cover in the region and the limited depth of drilling.

Since M3 Mining acquired the Edjudina Gold Project it has completed a Sub-Audio Magnetics survey, a broad soil sampling survey and its first aircore (AC) drilling program.

Edjudina Gold Project Maiden Drilling Campaign

A total of 7,826m of AC drilling was completed by in September 2022. 119 holes were drilled across the project and the program successfully uncovered and confirmed primary gold mineralisation.

The best results from this program were recorded at the Jump Up prospect, where drilling was designed to follow-up a historical intercept of 2m at 5.69 g/t Au from 37m in drill hole JURB093 (see M3M ASX Announcement, 27/07/21, “**Prospectus**” for additional details). Results confirmed the historical intercept and outlined the presence of a 1.2km long northwest striking gold system that is open both along strike at depth (see Figure 2).

The Jump Up prospect contains a sequence of NW-SE striking volcanic and intrusive mafic units to the east with a narrow metasedimentary unit to the west intercepted on the two northernmost lines. Mineralisation occurs within a sheared mafic volcanic unit, interpreted to be a basalt. The higher-grade zones are associated with chlorite-carbonate-sericite alteration and minor disseminated sulphides.

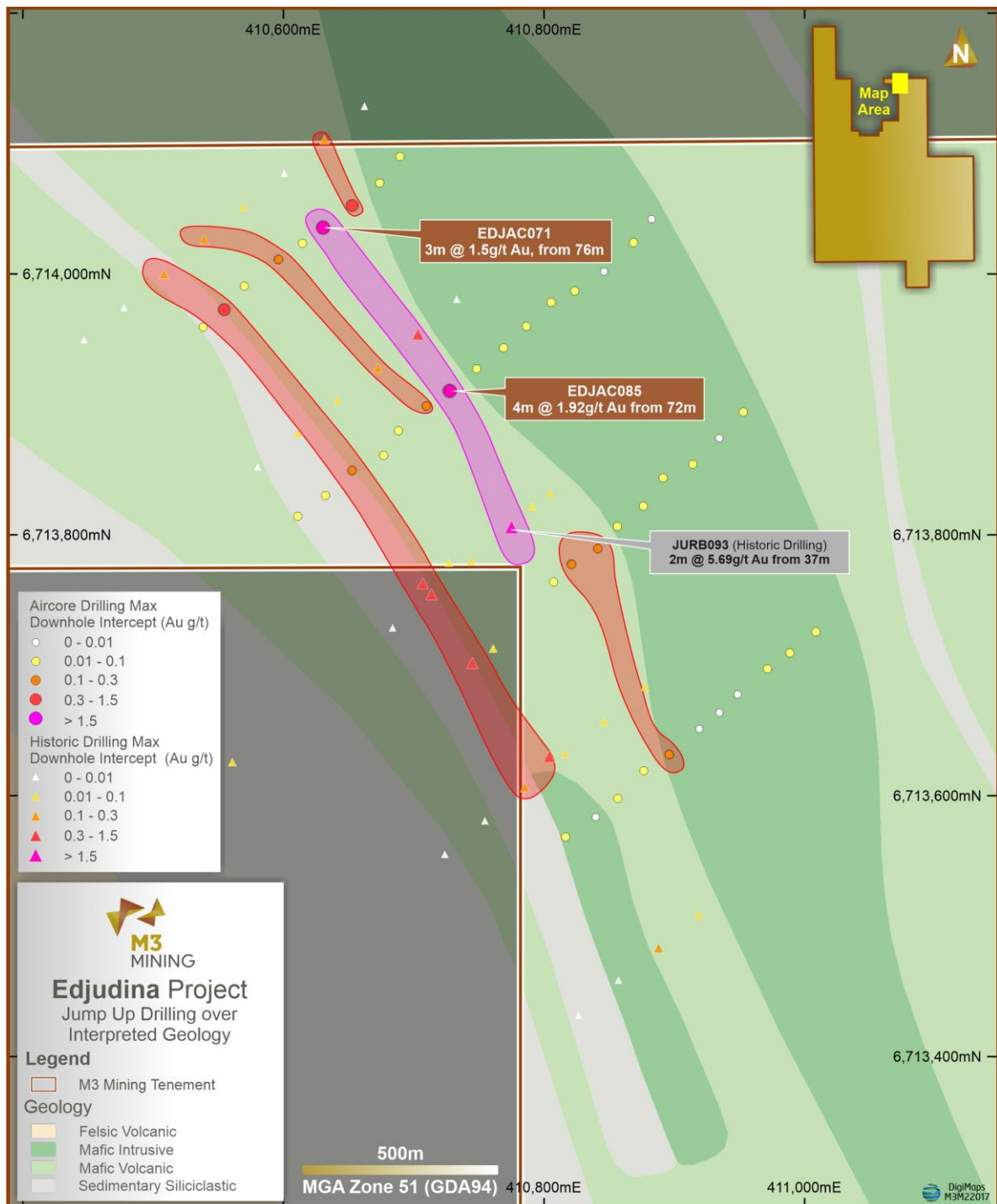
In addition to current and historical high-grade intercepts at Jump Up, there has also been extensive soil sampling completed in the past by other parties around Jump Up that indicate an additional 2.5km gold-in-soils anomaly continues to the southeast along strike from where last years’ drilling was completed.

Over the March quarter, the Company has been planning a follow-up drill program at the Jump Up prospect. Drilling is anticipated to commence within the next week at the Jump Up prospect and the company anticipates receipt of assays in quarter two.

Next Steps

Follow-up aircore drilling will test the strike extensions to the southeast of known mineralisation at Jump Up along a historically sampled 2,500m gold-in-soil anomaly. This program will focus on priority areas along the anomaly in its first phase. Following the completion and receipt of assay results, infill drilling will be planned along this corridor to follow up any significant results.





² See M3M ASX Announcement, 21/12/22, “Primary Gold Intercepted in Maiden Edjudina Aircore Program” for additional details.

Victoria Bore Copper Project

The Victoria Bore Copper Project is centred on the historic Victoria Bore copper mine which produced high grade copper averaging circa 32.7% Cu for 62.5t of copper from near surface in the 1950's (see M3M ASX Announcement, 27/07/21, "**Prospectus**" for additional details). The Victoria Bore Project is located approximately 120 km south of the town of Onslow and 130km southeast of Exmouth in Western Australia. The tenements lie adjacent to the Northwest Coastal Highway and are readily accessible by gravel tracks (see Figure 3).

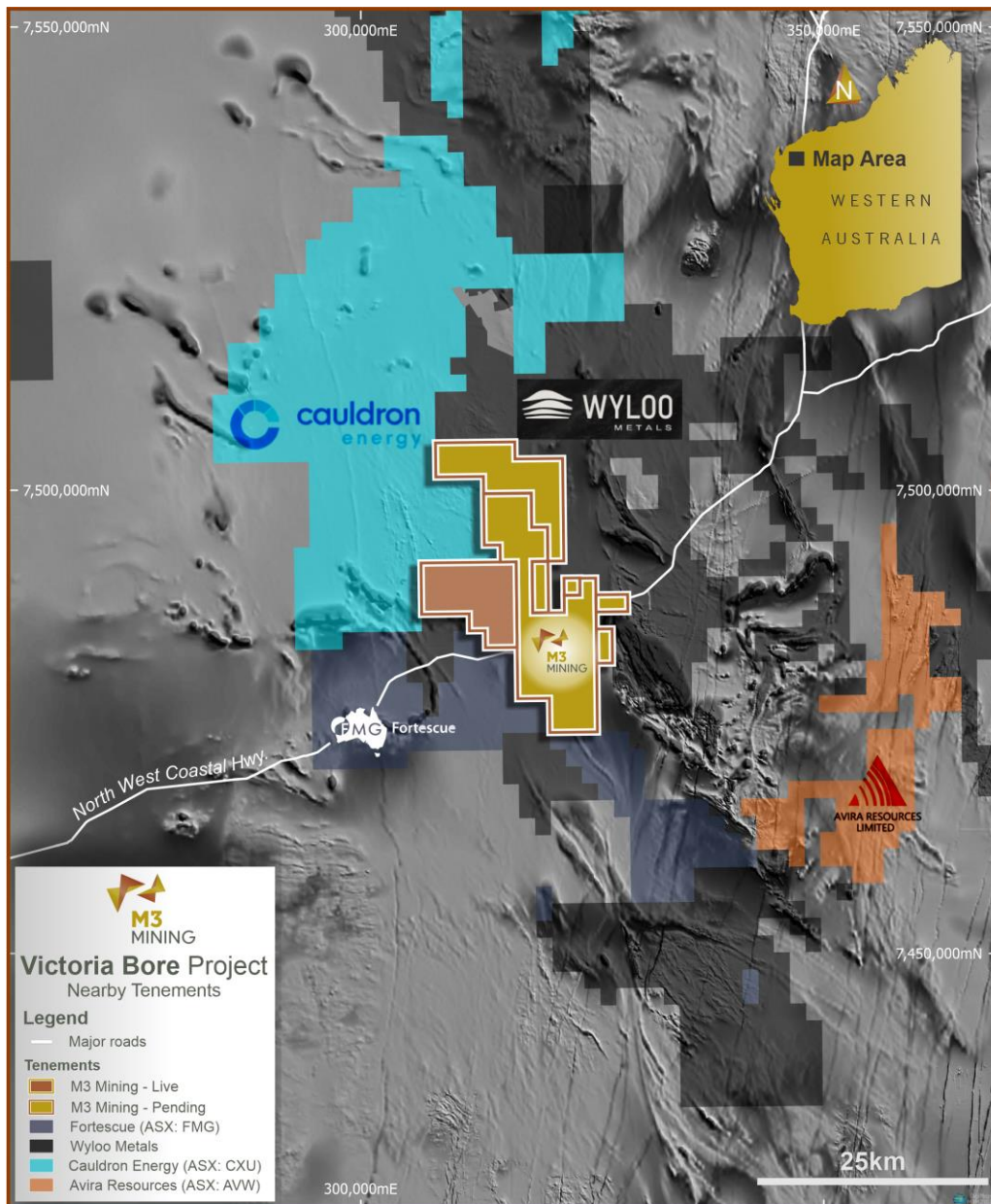


Figure 3 – Victoria Bore Copper Project Overview

The small-scale historical Victoria Copper Mine was discovered around 1914, with workings covering a length of 130m via a series of shallow shafts, with the main shaft to a depth of 21m with three drives. Limited activities have occurred within the tenement with no modern exploration undertaken with the exception of a MLEM survey conducted in 2012.

Since M3 Mining acquired the Project, it has taken samples around the historically mined area confirming the historic grades with samples assaying up to 26.6% Cu. A maiden drilling program was completed that confirmed a trace mineralised system beneath the historic mine. The company has also completed multiple geophysical surveys, a FLEM survey over the Victoria Bore area, and a regional aeromagnetic and radiometric survey over all tenure.

During the March quarter, M3 Mining continued to review the 2022 RC drilling campaign, coordinated metallurgical work to test the economic potential of the graphite intersected and expects to soon receive the completed collaborative litho-structural interpretation and regional targeting between the M3 Mining team and PGN Geoscience.

2022 Victoria Bore Drilling Summary

Three RC holes, totalling 607m were drilled. Trace base metal occurrences were encountered in all holes which expands the footprint of mineralisation at the Project a further 400m to the northwest (see Figure 4). Previously announced geophysical plates have been effectively tested and are now known to be from a graphitic shale.

Two out of three holes successfully intercepted the modelled EM plate. The target depth of both holes aligned with a graphitic shale unit. Significant intercepts from VBRC012 include, 4m at 9.9% TGC from 211m and 5m at 8.0% TGC from 220m (see Figure 5).³

All three identified targets are sufficiently tested for base metals from a geophysical perspective, however, a model explaining the presence of mineralisation in all holes and the wider area is still yet to be determined.

Graphite Testwork

Subsequent to the end of the quarter, M3 have submitted a bulk sample of its graphitic shale to IMO Metallurgy who are completing flotation amenability testwork, along with a mineralogical investigation. This will provide the Company with the necessary information to determine whether an economic graphite concentrate can be produced from the graphite intercepted thus far at Victoria Bore. At this stage, the Company is still unaware of the nature of mineralisation along with the flake size distribution.

If the graphite in VBRC012 is continuous with VBRC014 and the metallurgical testwork is positive the 1,400m long conductive trend presents itself as an exciting exploration corridor for further drilling.

³ See M3M ASX Announcement, 20/01/23, “**Victoria Bore Copper Project Exploration Update**” for additional details.



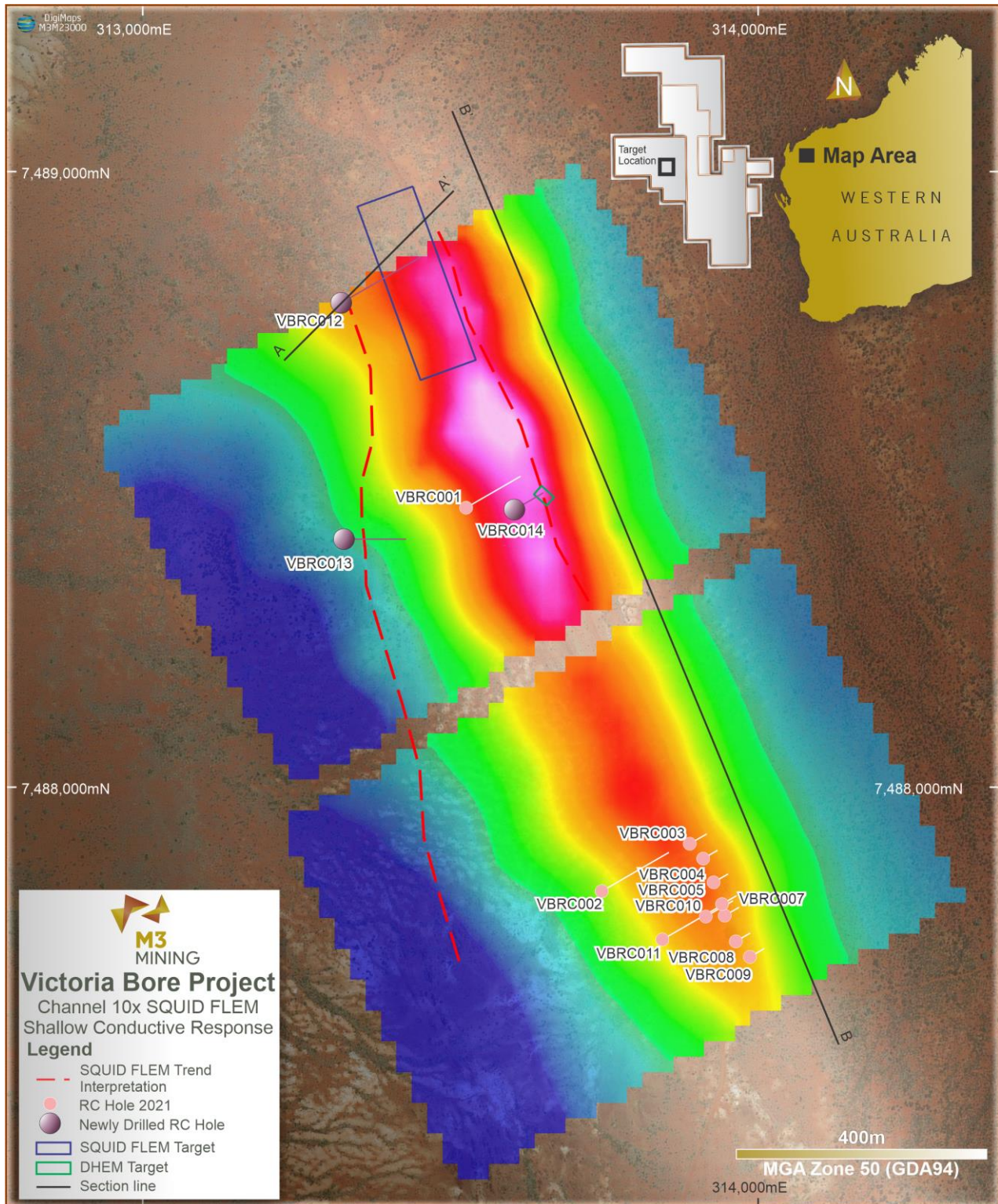


Figure 4 – Plan view of drilling showing shallow conductivity response

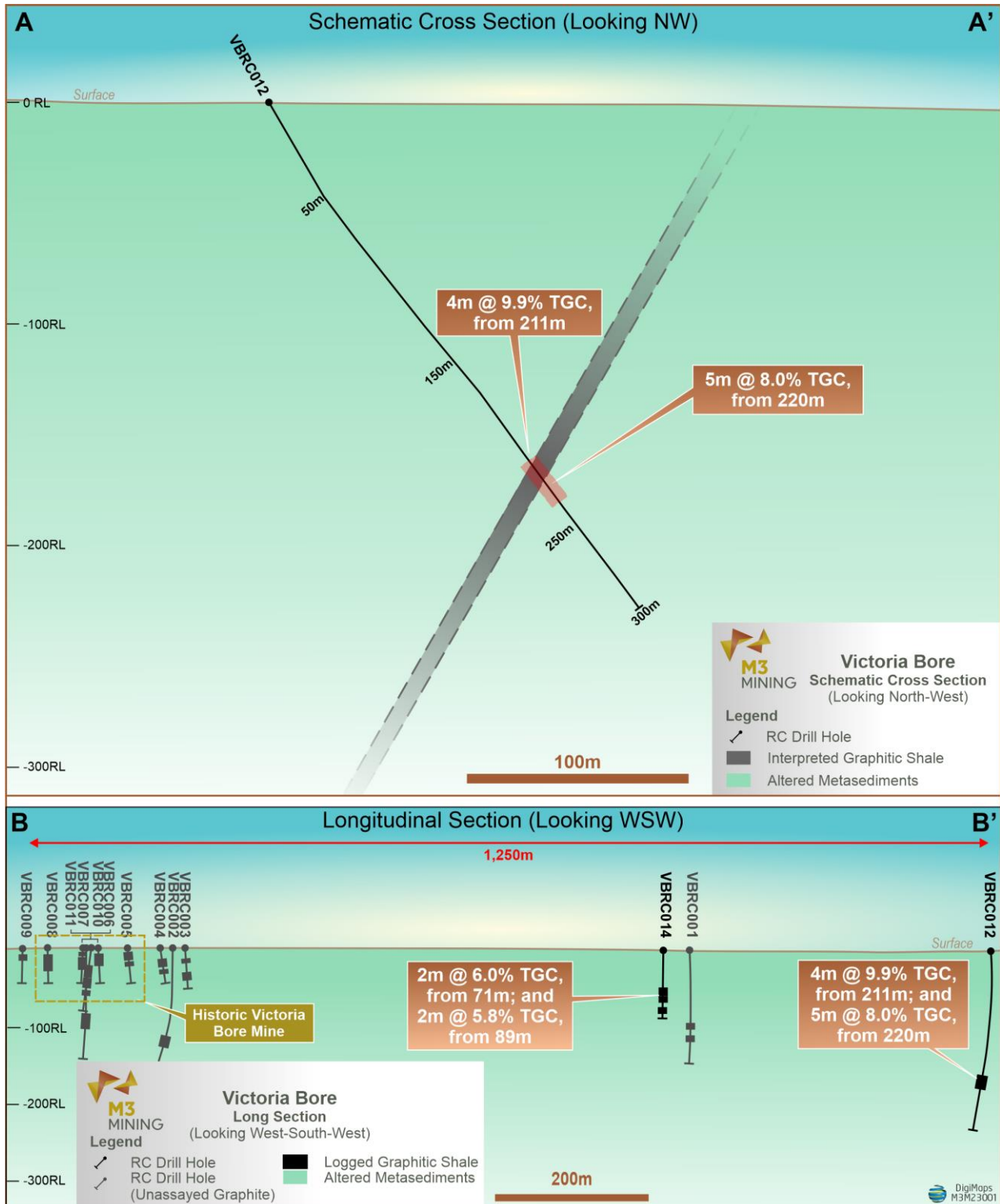


Figure 5 – Sectional view of drilling

Corporate

Current cash as of 31 March 2023 was approximately \$3.3m. The Company remains well funded for its planned exploration activities into 2023.

M3 Mining is still strongly focused on acquisition opportunities in precious and base metals as well as energy sectors. During the March quarter, multiple projects in Australia and overseas have been assessed and the Company is in active discussions with several parties in this regard. These discussions remain incomplete, and no terms have been agreed however the Company will update the market as required.

Subsequent to the March quarter, M3 Mining has relocated its corporate office. In accordance with ASX Listing rule 3.14, effective 24 April 2023, its registered office, principal place of business and contact details will change to:

Address: Level 13,
191 St Georges Terrace
Perth, WA, 6000

Postal Address: PO Box 7237
Cloisters Square PO, WA, 6850

Phone: +61 8 6243 6581

Financial

STATEMENT PURSUANT TO LISTING RULE 5.3.4

M3 Mining Limited provides the following additional information in accordance with Listing Rule 5.3.4.

Table 1 sets out a comparison of the use of funds to date compared to the Use of Funds Statement included in the Prospectus dated 26 May 2021. The Company was admitted to the Official List of ASX on 27 July 2021.

Use of Funds	Per Prospectus Dated 26 May 2021	Expenditure to date to 31 March 2023
	\$	\$
Exploration Activities	\$2,720,000	\$1,629,352
Salaries & Wages	\$-	\$293,099
Administration expenses and working capital	\$2,233,843	\$678,450

Table 1. Use of Funds



The Company considers that there are no material variances with the use of funds table in the Prospectus and the expenditure of funds to date other than the use of consultants to complete technical work on both Projects. Most funds continue to be spent on exploration.

For the purpose of Section 6 of the Appendix 5B, all payments made to related parties have been paid in relation to director fees.

Tenement Schedule

Tenement	Project	District	Status	Date	Term
E08/3220	Victoria Bore	Ashburton	Granted	4 June 2020	5 Years
E08/3326	Victoria Bore	Ashburton	Pending	-	-
E08/3427	Victoria Bore	Ashburton	Pending	-	-
E08/3428	Victoria Bore	Ashburton	Pending	-	-
E08/3429	Victoria Bore	Ashburton	Pending	-	-
E08/3430	Victoria Bore	Ashburton	Pending	-	-
E08/3431	Victoria Bore	Ashburton	Pending	-	-
E08/3440	Victoria Bore	Ashburton	Pending	-	-
E 31/1140	Edjudina	Yerilla	Granted	11 July 2017	5 Years
E 31/1141	Edjudina	Yerilla	Granted	11 July 2017	5 Years
E 31/1168	Edjudina	Yerilla	Granted	5 July 2018	5 Years
P 31/2113	Edjudina	Yerilla	Granted	21 December 2017	5 Years
E 31/1249	Edjudina	Yerilla	Granted	6 May 2020	5 Years
E 31/1258	Edjudina	Yerilla	Granted	26 June 2020	5 Years
E 31/1265	Edjudina	Yerilla	Pending	-	-
E 31/1344	Edjudina	Yerilla	Pending	-	-
E 31/1345	Edjudina	Yerilla	Pending	-	-
P 31/2131	Edjudina	Yerilla	Granted	4 December 2020	5 Years
E 31/1131	Edjudina	Yerilla	Pending	-	-
E 31/1321	Edjudina	Yerilla	Pending	-	-
E 31/1318	Edjudina	Yerilla	Pending	-	-

Table 2 - M3 Mining Tenement Schedule

Announcement References

Date	Title
27 Jul 2021	Prospectus
3 Nov 2021	High Grade Copper at Victoria Bore and drilling commences
1 Dec 2021	High priority gold targets identified at Edjudina
10 Feb 2022	Copper Intercepted in maiden drilling campaign
5 Jul 2022	Robust drill targets identified at Edjudina gold project
27 Jul 2022	M3 Mining discovers strong EM conductor at Victoria Bore
28 Sep 2022	M3 Mining expands strategic footprint at Edjudina
12 Oct 2022	M3 Mining Victoria Bore Update
22 Nov 2022	Victoria Bore magnetic and radiometric survey data received
21 Dec 2022	Primary Gold Intercepted in Maiden Edjudina Aircore Program
20 Jan 2023	Victoria Bore Copper Project Exploration Update

Table 3. ASX announcements referred to within report

-END-

This announcement has been authorised by the Board of M3 Mining Ltd.

For further information please contact:

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About M3 Mining

M3 Mining Limited (ASX:M3M) is a Perth-based mineral exploration company focused on creating value for shareholders through exploration and development of a high-quality copper and gold exploration portfolio. M3 Mining's projects are strategically located in regions surrounded by major mining groups with both projects having experienced minimal modern, systematic exploration. The Company's strategy is to apply a systematic approach to the assessment and prioritisation of its projects, all of which have the potential to produce material discoveries.



Appendix 5B

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

Name of entity

M3 MINING LIMITED

ABN

98 644 548 434

Quarter ended ("current quarter")

31 MARCH 2023

Consolidated statement of cash flows		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	(82)	(928)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(50)	(187)
	(e) administration and corporate costs	(87)	(270)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	31	39
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	(188)	(1,346)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(19)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(c) property, plant and equipment	-	(4)
	(d) exploration & evaluation (capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(23)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,116
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	-	(5)
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	-	1,111

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,497	3,567
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(188)	(1,346)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(23)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,111
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	3,309	3,309

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	809	997
5.2	Call deposits	2,500	2,500
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)	3,309	3,497

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	64
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.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(188)
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)	(188)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,309
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,309
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	17.6
<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

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: ...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.