



ASX Announcement/Press Release | 28 April 2023

EverGreen Lithium Limited (ASX:EG1)

## Quarterly Activities and Cash Flow Report for the Period Ending 31 March 2023

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### Highlights

- EverGreen Lithium commenced trading on the ASX under the code ASX:EG1 on 11 April 2023.
- Listing follows successful completion of EverGreen's Initial Public Offering (IPO), resulting in a strong cash balance at listing of approximately \$10M.
- Results from exploration work undertaken at Bynoe and Kenny prior to IPO as outlined in the Prospectus are expected in the short term.
- The Northern Territory is home to Australia's newest producing Lithium Mine Finnis, which is owned and operated by Core Lithium (ASX:CXO) and is contiguous to EverGreen's Bynoe project located in the Litchfield Pegmatite Province.
- EverGreen intends on deploying its strong cash reserves towards making the next critical mineral discovery, at its Bynoe, Kenny and Fortune projects.

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EverGreen Lithium Limited (**ASX:EG1**) ("**EverGreen Lithium**" or "**the Company**") is pleased to announce its quarterly activities report for the period ending 31 March 2023.

### IPO & Capital Raising

EverGreen commenced trading on the Australian Securities Exchange (ASX) on 11 April 2023, under the ticker "EG1", following the oversubscribed initial public offering (IPO) lead by Taylor Collison Limited.

\$7.0M dollars was raised at an issue price of 0.25c, resulting in the issue of 28.0M shares. At IPO the top 20 shareholders held 81.13% of the total issued capital, a large portion of which is escrowed for 24 months.

## Bynoe Project (Northern Territory)

EverGreen's Bynoe project is its Flagship asset. The Bynoe project is located contiguous to Core Lithium's producing Finnis hard rock lithium project situated in the strongly lithium endowed Litchfield pegmatite province in the Northern Territory.

EverGreen's tenure is 231km<sup>2</sup> in size, providing the Company and its shareholders with a regional scale project area, and in the event of exploration success, significant scope to achieving a regional scale discovery.

Across the border to EverGreen's project, Core Lithium has a mineral resource estimate of 30.6mt @ 1.31% Li<sub>2</sub>O.

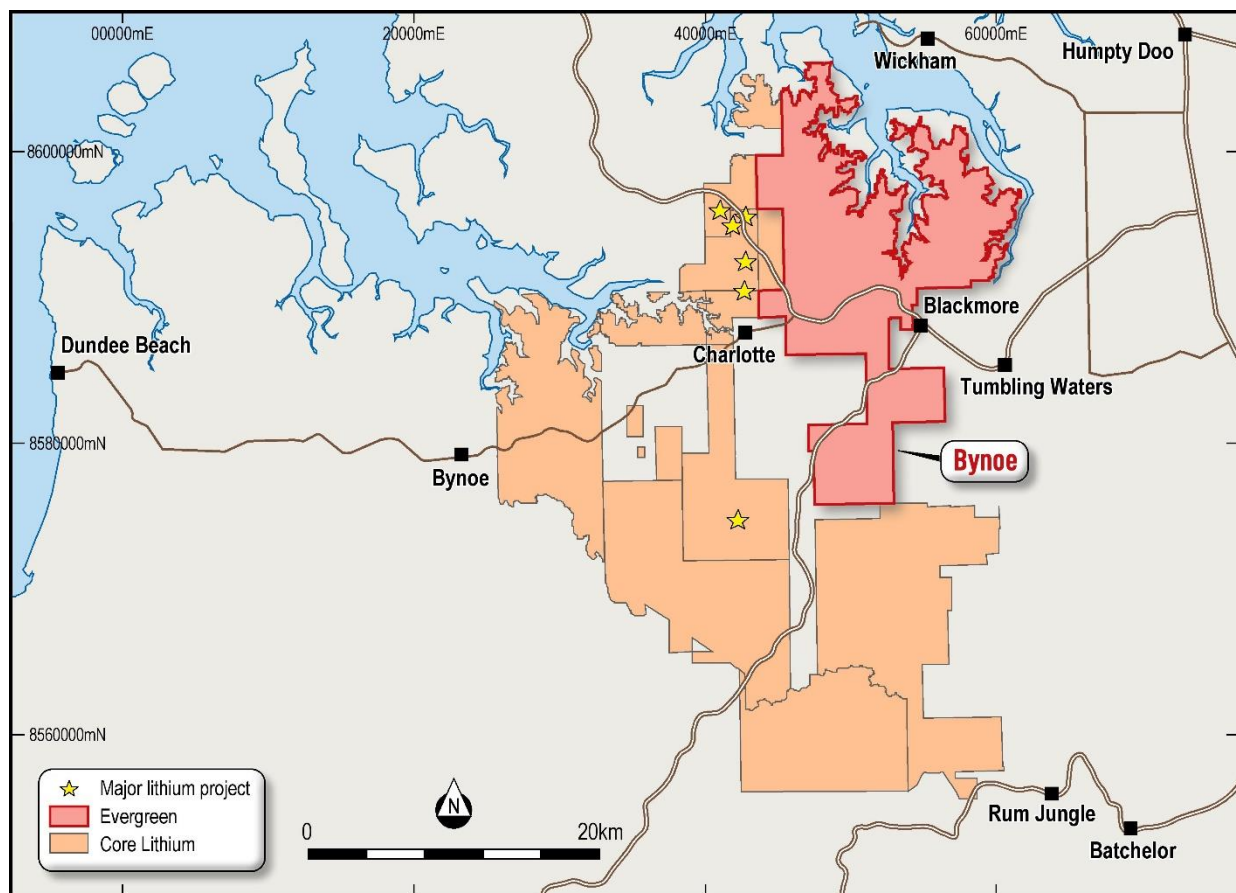


Figure 1: EverGreen's Bynoe project in proximity to Core Lithium's producing Finnis project.

Prior to its IPO, Evergreen undertook a targeted exploration program at Bynoe and will be reporting on the following in the short term :

### Stage 2 Geochemistry extension program:

This program was conducted in Q4'22 and was aimed at extending the maiden geochemistry program which confirmed the continuation of the mineralisation signature from the contiguous Finnis project.

The program consisted of the collection of 633 samples, including soil, rock chip, float, and termite mounds.

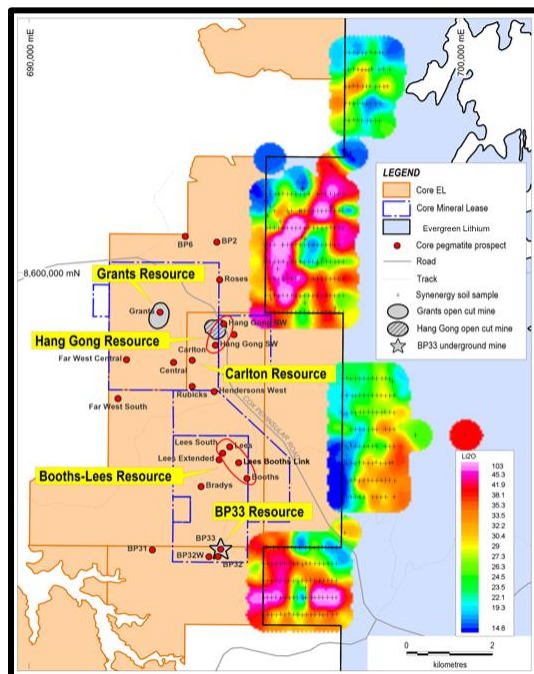


Figure 2: Maiden Geochemistry targets.

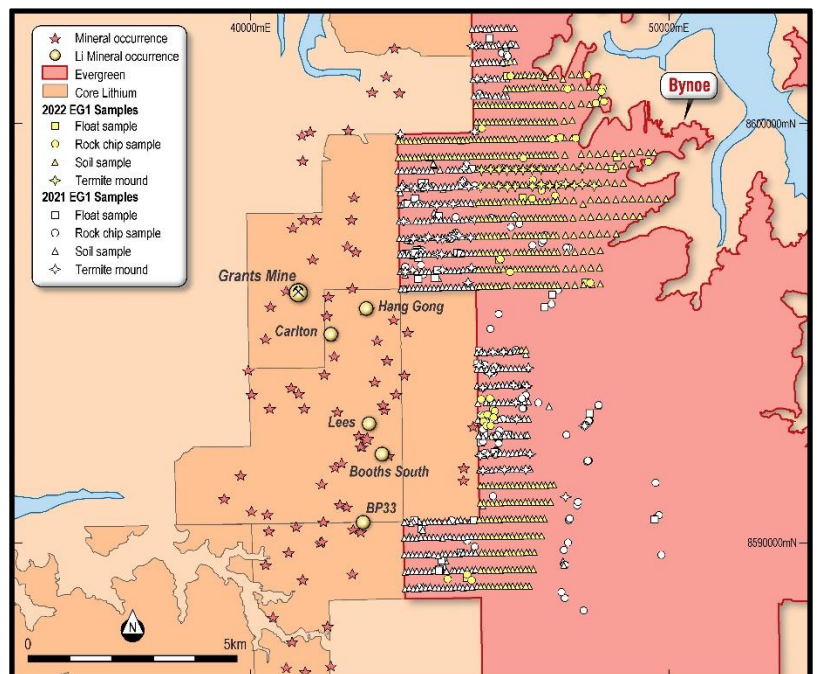


Figure 3: 2022 Geochemistry extension location points (yellow).

### Stage 1 Ambient Noise Tomography Survey (ANT)

ANT is a new geophysical technique created by Fleet Space Technologies.

In May of 2022, the technique was trialed by Core Lithium at its BP33 prospect which had already been drill tested and therefore the deposit already identified.

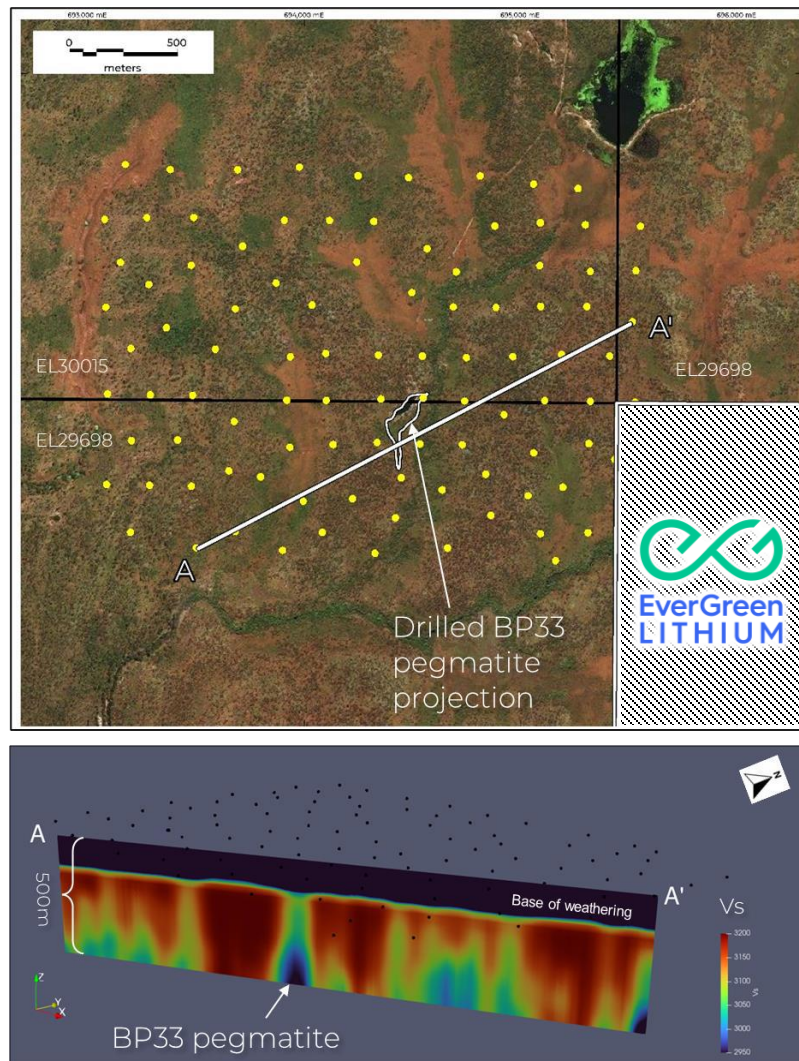
On 1 August 2022, Core reported “BP33 drilling delivers outstanding results” and that the ANT survey undertaken **successfully imaged pegmatite to 500m depth**.

The report noted:

*"Finding a successful geophysical technique for identifying the Finnis pegmatites has been elusive, and the ability to target blind pegmatites is seen as a major breakthrough in exploration;*

*The results were an outstanding success, with the BP33 body imaged as a low S - Wave velocity anomaly, showing excellent correlation with the pegmatite body interpreted from drilling"; and in summary*

*"The now proven ability to detect subsurface pegmatites at considerable depths (at least 500m) will be a major boost for future exploration. ANT technology is a cost-effective method of informing drilling targets."*



**Figure 4:** ANT successfully images existing BP33 pegmatite.



EverGreen deployed 338 ANT nodes and undertook surveys at 4 separate areas within its Bynoe project with a view to enhancing and correlating existing geochemical targets and identifying new exploration targets. 108 of the nodes were deployed in the Southern Survey area effectively extending Core Lithium's earlier ANT program that resulted in "an outstanding success" at BP33.

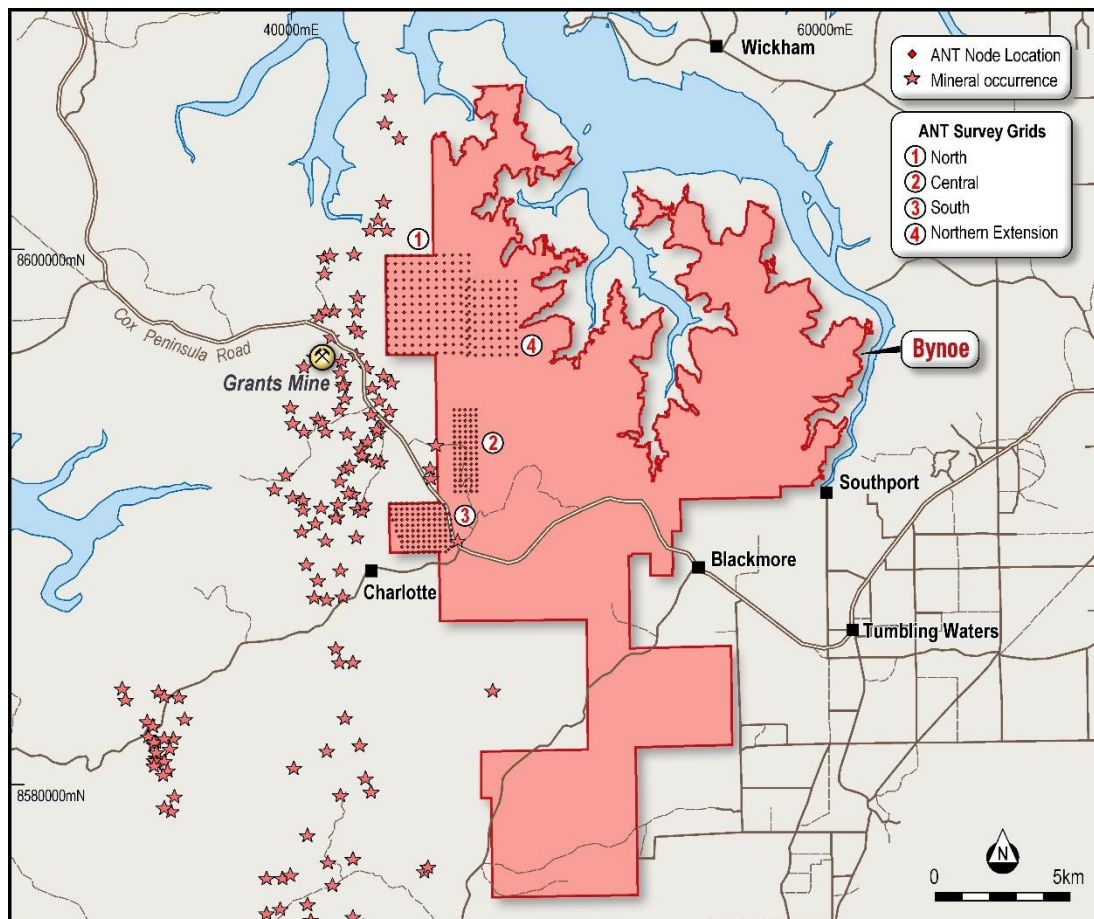


Figure 5: ANT survey locations reflective of node locations.

### Kenny Project (WA)

EverGreen's Kenny project is 210km<sup>2</sup> in size and is situated in the Dundas mineral field, proximal to Buldania (Liontown Resources ASX: LTR), Bald Hill, and Mt Marion Lithium resource discoveries.

In Q4'22 an auger geochemistry program was undertaken resulting in 1,731 holes being drilled. The results are due shortly.



Figure 6: Location of Kenny Project.

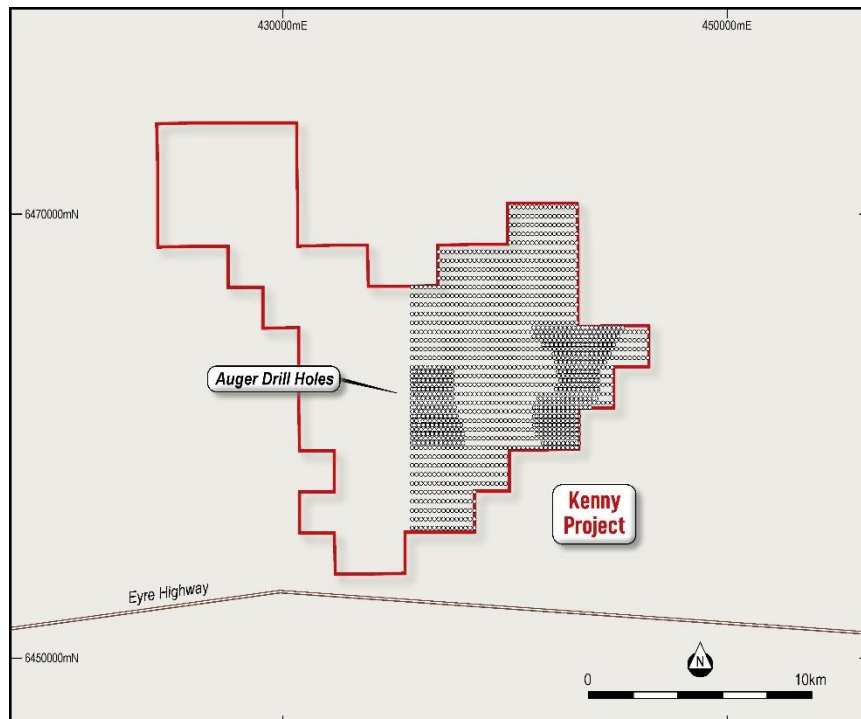


Figure 7: Auger program undertaken at Kenny Project.



### Fortune Project (NT)

The Fortune project is located within the Arunta pegmatite province and is 784.71 KM<sup>2</sup> in size.

The tenure is currently in application phase, noting that an initial meeting has been held with the Traditional Owners.

### Corporate

#### Financial

Cash and cash equivalents as at 31 March 2023 was \$9.9 million compared with \$3.5 million at 31 December 2022.

Cash movements during the quarter included the funds receipted prior to the Initial Public Offering of \$7 million, IPO transaction costs of \$0.1 million, exploration and evaluation costs of \$0.27 million, corporate and administration cost of \$0.2 million and staff costs of \$11k.

Directors, being related parties of the Company were remunerated to the amount of \$13k in consulting fees during the quarter. An additional \$4.4k was paid to a related entity of a Director as settlement of rent expenses for the quarter.

Refer to the Appendix 5B for an overview of the Company's financial activities during the quarter.

The Company provides the following disclosures required by ASX Listing Rule 5.3.4 regarding a comparison of its actual expenditure to date since listing on 11 April 2023 against the 'Use of Funds' statement in its Prospectus dated 5 April 2023. Estimated expenditure for each quarter is calculated by pro-rating the Use of Funds statement across the 2-year period post-IPO. Note that for the current quarter, the Use of Funds is not applicable as IPO funds were available for use after 31 March 2023. Going forward, it is expected that, barring any unforeseen circumstances, the Use of Funds will be in line with that set out in the Company's Prospectus.

Funds available	Use of funds statement (\$000s)	Actual (\$000s)	Variance (\$000s)
Existing cash reserves (Note 1, 2)	3,668	2,908	760
Funds raised from the public offer	7,000	7,000	-
<b>Total</b>	<b>10,668</b>	<b>9,908</b>	<b>760</b>

#### Notes:

1. The actual cash balance at 11 April 2023 was lower than the balance used in the prospectus, with the delay in timing of the IPO resulting in expenditure forecast to occur after IPO, being incurred prior to the IPO.
2. The variance of \$706k was mainly due to the timing of additional payments made for geological services and administrative expenditure during the period of the prospectus to actual listing.



### ASX Announcements

During the quarter, the Company made no ASX announcements.

### Tenement Schedule (Australia)

License	Location	License Type	Ownership
EL31774	Northern Territory	Exploration Licence	Synergy Prospecting Pty Ltd (100%)
EL31828	Northern Territory	Exploration Licence Application	Synergy Prospecting Pty Ltd (100%)
E63/1888	Western Australia	Exploration Licence	Synergy Prospecting Pty Ltd (100%)





**For further information, please contact:**

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### **Forward looking Statements:**

This announcement may contain certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements. These factors include, among other things, commercial and other risks associated with exploration, estimation of resources, the meeting of objectives and other investment considerations, as well as other matters not yet known to EverGreen Lithium or not currently considered material by the company. EverGreen Lithium accepts no responsibility to update any person regarding any error or omission or change in the information in this presentation or any other information made available to a person or any obligation to furnish the person with further information.

### **About EverGreen Lithium (ASX:EG1)**

EverGreen Lithium (ASX:EG1) is an exploration company which owns 100% of three highly prospective lithium spodumene projects in Australia. The Bynoe, Kenny and Fortune Projects are located in areas of known lithium pegmatite occurrences within the Northern Territory and Western Australia. EverGreen's flagship Bynoe Lithium Project comprises a 231km<sup>2</sup> land position contiguous to Core Lithium's (ASX:CXO) producing Finniss Project. EverGreen's objective is to achieve exploration success with the goal of identifying a world class discovery utilising the latest in exploration techniques while maintaining an ESG focus with a view to contributing to a clean and green future.

To learn more, please visit: [www.evergreenlithium.com.au](http://www.evergreenlithium.com.au)

This ASX announcement has been authorised by the Board of EverGreen Lithium (ASX:EG1)

## Appendix 5B

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

Name of entity

Evergreen Lithium Limited

ABN

17 656 722 397

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(269)	(1,291)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(11)	(31)
	(e) administration and corporate costs	(204)	(1,716)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(484)</b>	<b>(3,038)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(130)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(130)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	7,000	7,000
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	(124)	(124)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(50)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>6,876</b>	<b>6,826</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,517	6,251
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(484)	(3,038)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(130)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,876	6,826

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>9,909</b>	<b>9,909</b>

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	9,909	3,517
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>9,909</b>	<b>3,517</b>

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	17
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p><i>Item 6.1 comprises \$13k paid to Directors in Consulting fees during the quarter and \$4.4k paid for rental costs during the quarter, which were invoiced through a related entity of a Director.</i></p>		

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

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

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(484)
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)	(484)
8.4	Cash and cash equivalents at quarter end (item 4.6)	9,909
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	9,909
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	20.47
	<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	



**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: 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.

28 April 2023

Date: .....

Mr Peter Marks

Authorised by: .....  
(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.