

31 July 2023

# QUARTERLY ACTIVITIES REPORT

## FOR THE QUARTER ENDING JUNE 30, 2023

### HIGHLIGHTS

- Completed 100% acquisition of the Schryburt Lake REE-niobium project
- Initial exploration indicates several characteristics at Schryburt Lake similar to the Niobec REE-Nb deposit in Canada
- Four new large undrilled “magnetic low” features of 700m-900m in length at Schryburt Lake present potential scale
- Evidence of high grade mineralisation of up to 5.7% TREO within magnetic low targets at Schryburt Lake were never followed up
- Acquired EPM 28063 and EPM 28005 to expand the Biloela Project to a total of 456.2 km<sup>2</sup>
- Rock sampling at Tea Tree North returned results of up to 6% copper and 6.9 g/t gold which has confirmed historical mineralisation in trenching of 25m @ 2.3% copper (\*no gold assays in historical samples)
- Rock sampling at Tea Tree South returned results of up to 3% copper and 0.6 g/t gold which has confirmed historical mineralisation in trenching of 12m at 1.2% copper including 2m at 3.7% copper (\*no gold assays in historical samples)
- Rock sampling at Quartz Ridge returned results of up to 24% copper, 4.4g/t gold and 912g/t silver
- High grade zone encountered at Quartz Ridge with a strike of 200m and average grade of rock samples at 5.4% copper, 0.9g/t gold and 248g/t silver

Bindi Metals Limited (**ASX: BIM**, “**Bindi**” or the “**Company**”) is pleased to deliver June Quarter Activities Report to shareholders. During the quarter, Bindi completed the conditional sale and purchase agreement to acquire 100% interest in the Schryburt Lake REE-Nb Project in Northern Ontario, Canada and continued further exploration at the Company’s Biloela Copper Project in Queensland, Australia.

## Operations

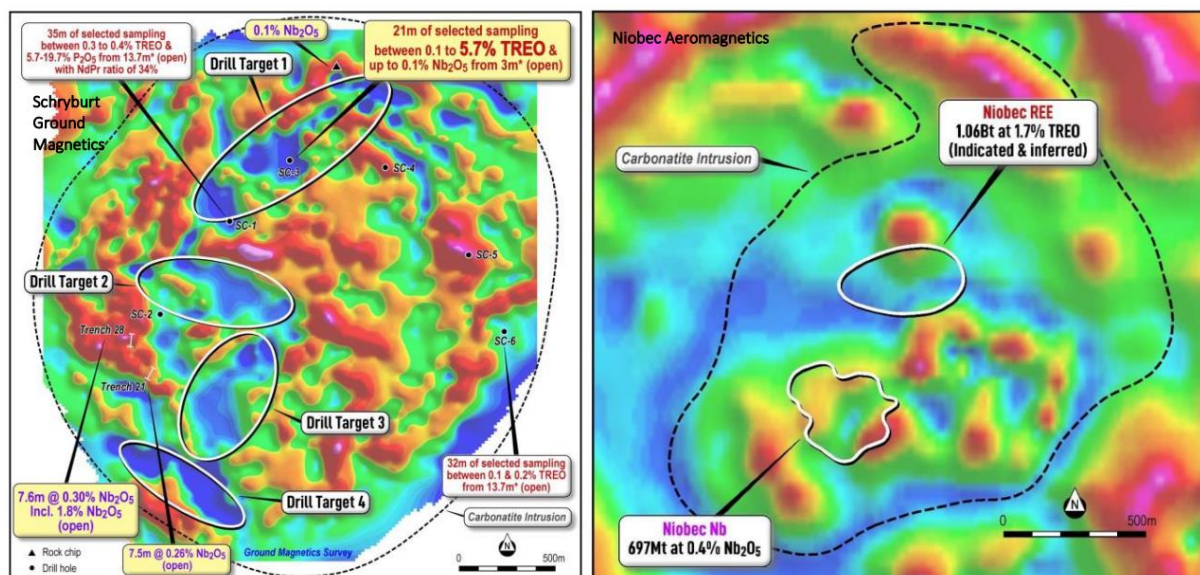
### Schryburt Lake Rare Earth and Niobium Project

Bindi reprocessed the historical ground magnetic data undertaken by Many Lakes Exploration in 1961 in order to help define magnetic low targets that are similar in size and scale to those identified at Niobec. The ground magnetic survey at Schryburt was conducted at 120m line spacing and readings every 15m or 30m and is considered to be of high enough quality to detect important magnetic low features.

The magnetic reprocessing has successfully identified 4 new undrilled magnetic low trends:

1. **Target 1:** Northeast-trending low feature with dimensions 900m by 300m and recorded high grade REE intersection within the magnetic low in SC-3 of 1.5m at 5.7% TREO within a 21m zone\* between 0.1 and 5.7 % TREO; also, just north of SC-1 with 35m zone\* of between 0.3 and 0.4 % TREO;
2. **Target 2:** East-west magnetic low feature with dimensions 700m by 250m and is located only 200m northeast of the Trench 28 with high grade niobium up to 1.8% and no REE assays; also just south of SC-1 with a 35m zone\* of between 0.3 and 0.4 % TREO.
3. **Target 3:** Northeast trending low feature with dimensions of 650m by 350m and is only 100m east of Trench 21 with 7.5m @ 0.3 % niobium that has no REE assays
4. **Target 4:** East-west trending strong magnetic low feature with dimensions 800m by 300m just south of Trench 21 with 7.5m @ 0.3 % niobium that has no REE assays

The work has now defined four high priority areas that have never been explored and represent exceptional drill targets.



**Figure 1.** Reprocessed ground magnetics at Schryburt showing new targets (left) and airborne magnetics at Niobec<sup>1</sup> showing the location of the REE resource in a magnetic low (right)

## Revised terms of Sale and Purchase Agreement

The revised consideration for the acquisition is:

- 900,000 fully paid ordinary shares; and
- 5,200,000 Performance Rights across three classes. Each Performance Right will convert into 1 Share per Performance Right subject to satisfaction of the relevant performance hurdle:
  - Class A (1,000,000): The Company announcing the achievement of at least one rock sample at 1% (or greater) contained total rare earth oxide (TREO) or equivalent in two separate prospect areas in relation to the Project area within 2 years from the date of issue of the Performance Rights.
  - Class B (1,000,000): The Company announcing achievement of a drilling intersection of >10m at 1% (or greater) contained total rare earth oxide (TREO) or equivalent in relation to the Project area within 2 years from the date of issue of the Performance Rights.
  - Class C (3,200,000): The Company announcing the determination of an Inferred Resource (as defined in the JORC Code 2012) of greater than 10,000t contained TREO equivalent at a cut-off grade of 0.5 % in relation to the Project area within 5 years of the date of issue of the Performance Rights.

(together the **Consideration Securities**)

The full terms and conditions of the Performance Rights are as set out in Annexure B to the Company's announcement dated 27 March 2023.

The Consideration Securities will be subject to a voluntary escrow period of 6 months from the date of issue of the securities.

In addition, the Company has agreed to pay the Beneficial Owners an aggregate 1% net smelter return royalty payable from the sale of all minerals produced from commercial mining operations on the Mineral Titles.

The acquisition is conditional on:

- The Company obtaining any necessary shareholder or regulatory approvals, including pursuant to Listing Rule 7.1 in relation to the issue of the Consideration Securities; and
- The parties obtaining all other necessary third party consents and approvals (including any necessary regulatory consents and approvals) to lawfully complete the matters set out in the sale and purchase agreement.

The SPA otherwise remains on terms and conditions that are customary for this type of agreement.

## Biloela Copper Project

During the quarter Bindi expanded the Biloela Project by the acquisition of Lark Resources Pty Ltd, the holder of EPMs 28005 and 28063. These tenements surround and extend to the north from Bindi's original tenement at Biloela, EPM 27478.

Bindi undertook a regional targeting study on the surrounding 100% owned tenements to the central Flanagan's exploration licence and identified a number of high priority targets for field-based mapping and sampling. The study identified two major prospect areas only a few kilometres on strike from the Kroombit copper-zinc deposit (held by Argonaut Resources NL; MDL 2002 and ML 5631 are excised from EPM 28005 - see Figure 2). Assays from the program returned exceptional results with assays up to up to 6.1% copper and 6.9 g/t gold from an outcropping zone with 40m of strike at Tea Tree and high-grade copper assays at Old Kroombit up to 8.0%.

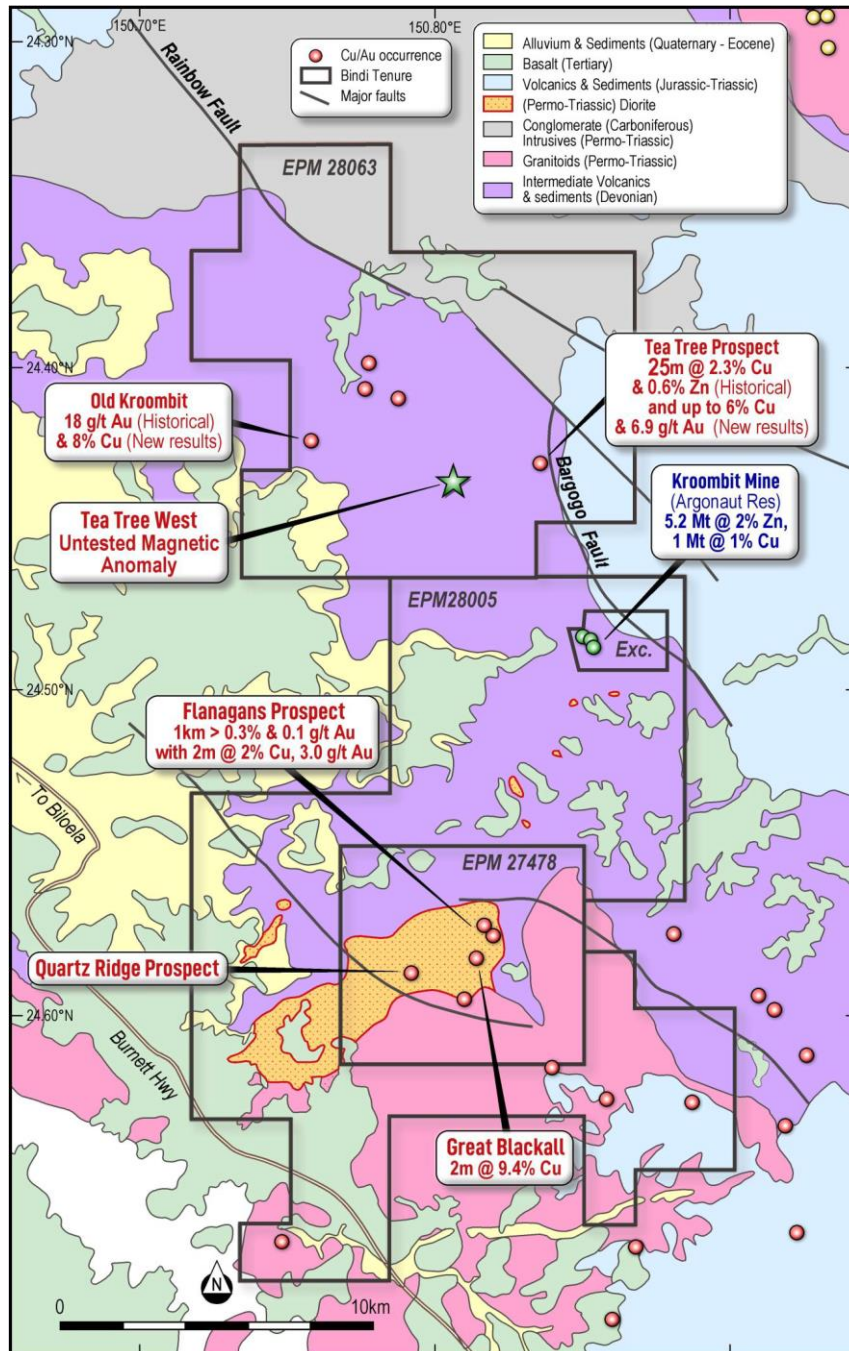
### *Tea Tree North and South*

Highlights of rock sampling by Bindi Metals include:

- An outcropping zone with rock chip assays results of greater than 0.5% copper over 40m of strike and up to 6.1% copper, 6.9 g/t gold, 110 g/t silver at Tea Tree North. . Nine grab rock samples taken across strike over 40m had an average 1.2% copper and 0.3 g/t gold hosted on the contact of diorite and rhyolite with strong silica-sericite and iron oxide alteration
- An outcropping zone with rock chip assay results of greater than 0.25% copper over 49m of strike and up to 3% copper, 0.6 g/t gold and 1.8% zinc at Tea Tree south hosted in rhyolite with strong silica-sericite and iron oxide alteration
- Mapping indicates that the mineralisation at Tea Tree is confined to folded volcanoclastics and limestone in close in contact with two porphyry diorite intrusive stocks

Highlights of historic surface trenching results include:

- New rock sampling results by Bindi help confirm and relocate historic copper mineralisation reported of:
  - 25m at 2.3% copper and 0.6% zinc in a trench at Tea Tree North; and
  - 12m of 1.3% Cu, including 2 m at 3.7% copper in a trench at Tea Tree South
  - 250m east of Tea Tree North historical sampling of outcrop returned a 12m composite sample @ 23.0% copper and 1.5% zinc with a surface grab sample 50 m south at 29.0% zinc and 0.9% copper at Tea Tree
- The historic surface trench sampling did not assay for gold with the new results confirming copper-gold mineralisation in the system.

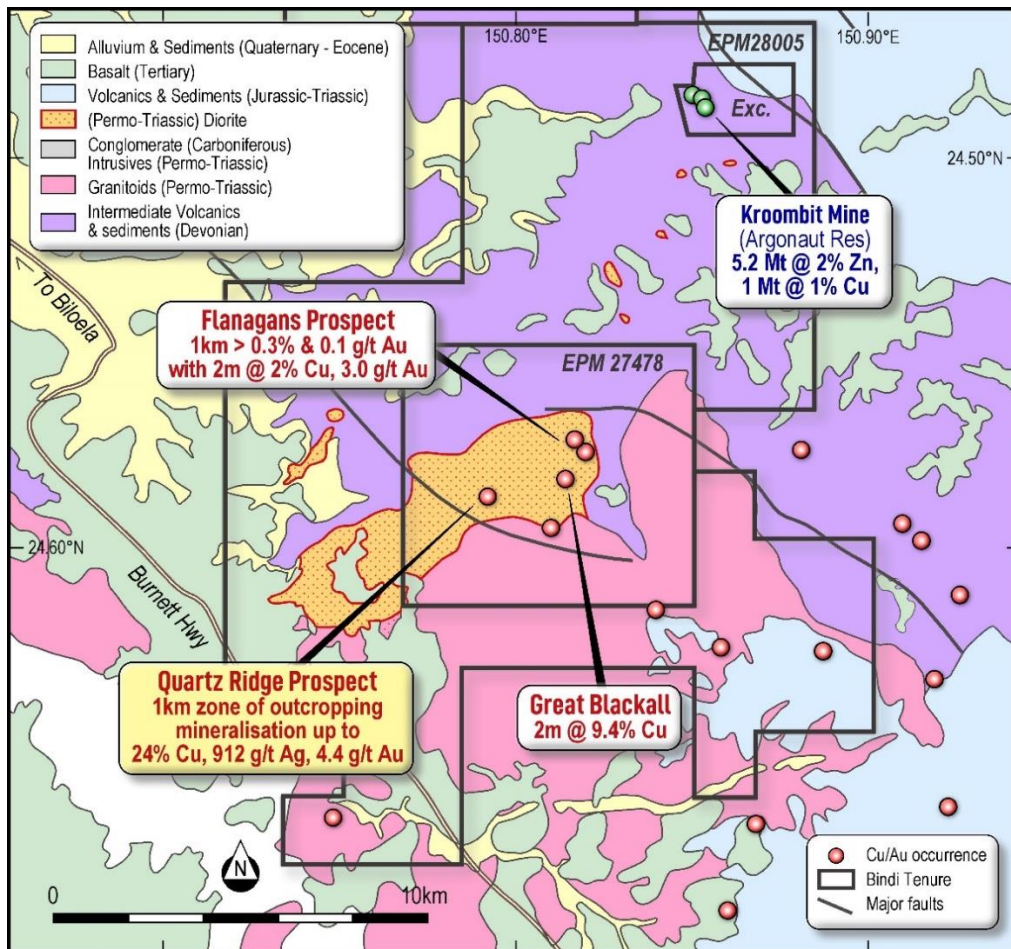


**Figure 2.** Location of the Tea Tree Prospects and regional tenement package

### Quartz Ridge

- Over 1km of outcropping copper-gold mineralisation in new assay results from Quartz Ridge with a high-grade zone over 200m of strike, and up to 5m wide with an average grade of 5.4% copper, 0.9g/t gold and 248g/t silver. Hosted in monzogranite with strong sericite alteration
- Exceptional, high-grade results of up to 24.0% copper, 4.4g/t gold, 912g/t silver, 0.4% antimony, 0.1% molybdenum and 2.1% lead

- Mineralisation located semi-coincident with a prominent circular magnetic high anomaly typical of intrusion-related systems with dimensions of 500m by 570 m interpreted from drone magnetics
- Outcropping mineralisation in the west of the Quartz Ridge prospect has an associated magnetic high anomaly with dimensions of 350m by 300m. Hosted in altered intrusive diorites with iron oxide and potassic alteration and up to 5.5% copper and 1.7g/t gold
- Mineralisation styles in the diorite hosted zone in the west of Quartz Ridge are distinctly different from the main zone at Quartz Ridge with a combination of vein hosted, breccia hosted (and stockwork veinlets in diorite)
- A prominent magnetic high extends 350m east from the outcropping copper gold mineralisation that is the possible extension of this zone The prospect is located only 2 km SW of Great Blackall with high grade copper drill intersections up to 9.4% copper and 2.1g/t gold over 2m in historical drilling.



**Figure 3.** Prospects at the Biloea Project and the location of Quartz Ridge

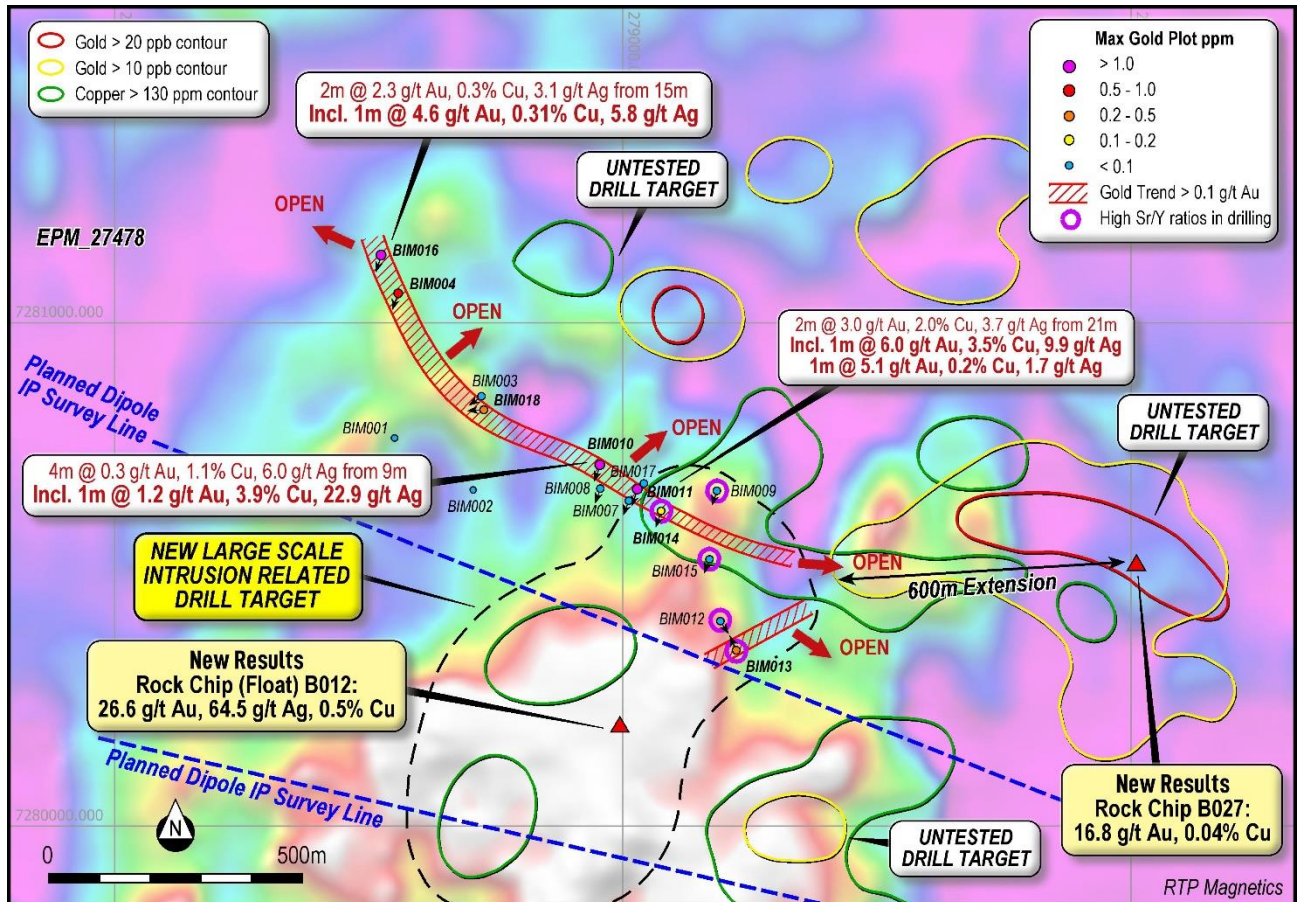
### Flanagan's East Results

- Follow up mapping on the highly anomalous 700m long and 300m wide copper-gold soil target at Flanagan's East returned up to 16.9g/t gold from outcrop and is located 600m east of the copper-gold trend at Flanagan's
- Gold mineralisation is hosted in a hematite breccia and represents a new style of target in the Flanagan's area

- The overall defined copper-gold mineralisation trend totals 1.9 km along the Flanagan's trend

### Flanagan's Central Results

- Follow up mapping over the new intrusion-related drill target at Flanagan's announced earlier this year returned up to 0.5 % copper, 26.6g/t gold and 65g/t silver in a float sample (see Figure 4)
- The mineralised sample contains strong silica and iron oxide alteration with stockwork veinlets throughout



**Figure 4.** RTP drone magnetic image with new rock chips results from Flanagan's East and Central prospect area and the planned dipole-dipole induced polarization survey lines

## Corporate

Cash balance as at 30 June 2023 was \$2.28 million.

## Financial and Related Party Payments

The Company's Quarterly Cashflow Report (Appendix 5B) follows this Activity Report. Pursuant to ASX Listing Rule 5.3.5, the total amount paid to related parties of the Company and their associates, as per item 6.1 of the Appendix 5B was \$64K and includes payments to directors for fees and consulting costs paid during the quarter.

## Use of Funds

In line with obligations under ASX Listing Rule 5.3.4, the Company provides the following information in respect to its Use of Funds Statement set out in its Prospectus dated 5 April 2022 and its actual expenditure since ASX admission on 28 June 2022.

Expenditure	Funds allocated under Prospectus	Actual 1 Jul 2022 to 30 Jun 2023	Variance
Exploration	\$2,492,000	\$1,441,341	\$-1,050,659
Administration and Corporate Costs	\$800,00	\$289,908	-\$510,092
Working Capital	\$1,200,348	\$247,107	-\$953,241
Costs of the Offer	\$524,703	\$502,158	-\$22,545
<b>Total</b>	<b>\$5,017,051</b>	<b>\$2,480,514</b>	<b>-\$2,536,537</b>

1. The variance is due to timing difference of the Prospectus forecast over a 2 year period versus 9 months' actual spend. All expenditure was materially as expected. The Use of Funds table is a statement of current intentions, investors should note that the allocation of funds set out in the table may change depending on a number of factors including the results of exploration, outcome of development activities, regulatory developments and market and general economic conditions.

-ENDS -

This announcement has been authorised for release to the market by the Board of Bindi Metals Limited.

### For more information:

**Henry Renou**  
*Executive Director*  
[info@bindimetals.com.au](mailto:info@bindimetals.com.au)  
+61 (08) 9481 0389

**Peter Taylor**  
*Media & Investor Relations*  
[peter@nwrcommunications.com.au](mailto:peter@nwrcommunications.com.au)  
+61 (0)412 036 231

### About Bindi Metals Limited

Bindi Metals is focused on the acquisition, exploration and development of mineral exploration assets which have the potential to deliver growth to shareholders with the key Company assets of the Schryburt Lake carbonatite hosted REE-Nb project located 120 km north of Pickle Lake in Ontario Canada and the Biloela Copper Project, located in the Yarrol province, 30km southwest of Biloela and 90km southwest of the Port of Gladstone, Queensland. The Biloela Project was recently expanded to include the surrounding tenements from Lark Resources and together the Biloela Project includes the Flanagans, Great Blackall and Tea Tree prospects which are highly prospective for copper and gold discoveries.

## Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled under the supervision of Henry Renou, the Executive Director and Exploration Manager of Bindi Metals Limited. Mr Renou is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.” Mr Renou consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

## June 2023 QUARTER – ASX ANNOUNCEMENTS

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

17 April 2023	Schryburt Lake Project Extension to Due Diligence Period
19 April 2023	Investor Presentation
16 May 2023	Schryburt Lake Project varied to acquire a 100% interest
22 May 2023	Exploration Commenced and Drill Targets Refined in Magnetics
22 May 2023	Shareholder Webinar Update and Outlook
6 June 2023	Assays Confirm Extensive Copper Potential at Tea Tree
7 June 2023	Clarifying Assays Confirm Extensive Copper Potential
21 June 2023	Further High Grade Copper Mineralisation at Biloela Project
24 July 2023	Blue Jay Assays Confirm High Grade REE and Nb at Surface
24 July 2023	Broker Briefing Rare Earths Investor Webinar

These announcements are available for viewing on the Company’s website at [www.bindimetals.com.au](http://www.bindimetals.com.au). Bindi confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

## Appendix 1 – Tenement information as required by ASX Listing Rule 5.3.3

Country	Location	Project	Tenement	Change in Holding (%)	Current Interest (%)
Australia	QLD	Biloela	EPM27478	-	100%
Australia	QLD	Biloela	EPM28063	100%	100%
Australia	QLD	Biloela	EPM28005	100%	100%
Canada	Ontario	Schryburt Lake	318 claims: <ul style="list-style-type: none"> <li>701430 to 701561 (132 claims)</li> <li>747474 to 747649 (176 claims)</li> <li>750254 to 750263 (10 claims)</li> </ul>	100%	100%

## Appendix 5B

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

Name of entity

Bindi Metals Limited

ABN

52 650 470 947

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(279)	(1,623)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(131)	(511)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	11	27
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>(399)</b>	<b>(2,107)</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	-	(5)
	(d) exploration & evaluation	-	(60)
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 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>(65)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(288)*
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>(288)</b>

\*IPO related capital raising costs relating to Company's listing on the ASX on 28 June 2022.

<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	2,683	4,744
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(399)	(2,107)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(65)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(288)

## 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 (12 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>2,284</b>	<b>2,284</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	807	1,683
5.2	Call deposits	1,477	1,000
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>2,284</b>	<b>2,683</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	64
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>The amounts reported at item 6.1 relate to payments to directors including non-executive fees, consulting fees and superannuation paid during the quarter.</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.</i> <i>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)	(399)
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)	(399)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,284
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,284
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	5.72
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

## **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2023

Authorised by: By the Board of Bindi Metals Limited  
(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.