

31 October 2023

## SEPTEMBER 2023 QUARTERLY ACTIVITIES REPORT

### Highlights

- **Scheme approved and effective:** Subsequent to the end of the Quarter, the resolution presented to Shareholders relating to the scheme of arrangement (the Scheme), under which Develop Global Limited (Develop) proposed to acquire all the shares in Essential for consideration of 1 new Develop share for every 6.18 Essential shares held by Essential shareholders (the Scheme Resolution), was passed by the requisite majorities of Essential shareholders at the Scheme Meeting held on 18 October and the Scheme became Effective on 26 October, following the second Court Hearing held on 24 October.
- **Pioneer Dome Lithium Project:**
  - **Drilling:** The Diamond Drill (DD) programme to obtain core samples from the Cade deposit for metallurgical optimisation test work and project engineering design commenced in September and was completed early October.
  - **Water targeting:** A drill programme targeting potential production water sources was planned during the Quarter with three Reverse Circulation (RC) holes drilled in three heritage cleared target areas at the end of the DD drill programme in October.
  - **Flora & Fauna survey update:** The update survey was undertaken in late September, completing all flora & fauna assessment requirements to progress permitting.
  - **Heritage Survey:** Planning for a heritage survey over Mining Lease M15/1896 was completed during the Quarter with the survey started in early October and expected to be completed in November.
- **Closing Cash of \$6.8 million on hand as at 30 September 2023.**

## DEVELOP SCHEME OF ARRANGEMENT

### POST QUARTER:

The resolution relating to the scheme of arrangement (the **Scheme**), under which Develop Global Limited (**Develop**) proposed to acquire all the shares in Essential for consideration of 1 new Develop share for every 6.18 Essential shares held by Essential shareholders<sup>1</sup> (the **Scheme Resolution**), was passed by the requisite majorities of Essential shareholders at the Scheme Meeting held on 18 October<sup>2</sup>.

For the Scheme Resolution to have been approved, it was necessary for both of the following voting thresholds to be met:

1. A majority in number (more than 50%) of the members who were present and voting, either in person or by proxy, attorney or in the case of a corporation its duly appointed corporate representative; and
2. at least 75% of the total number of votes cast on the Scheme Resolution by shareholders entitled to vote on the Scheme Resolution.

**The first and second thresholds were met and the Scheme was approved by Essential shareholders.**

In summary:

- 109,818,169 votes (93% of the votes) cast by Essential shareholders were in favour of the Scheme; and
- 78% of Essential shareholders present and voting (in person or proxy, attorney or in the case of a corporation its duly appointed corporate representative) voted in favour of the Scheme.

On 24 October<sup>3</sup>, the Federal Court of Australia (sitting in Perth) (**Court**) made orders approving the scheme of arrangement.

On 26 October<sup>4</sup>, Essential lodged with the Australian Securities and Investments Commission (**ASIC**) a copy of the orders of the Federal Court of Australia (sitting in Perth) (**Orders**) approving the scheme of arrangement and the Scheme became Effective. Essential Shares were suspended from trading on ASX at close of trading that same day.

Essential shareholders who hold Essential Shares at the Scheme record date (being, 5:00pm (AWST) on Monday, 30 October 2023) (**Scheme Record Date**) will receive 1 new Develop share for every 6.18 Essential Shares held on 6 November, in accordance with the terms of the Scheme (**Scheme Consideration**).<sup>1</sup>

The key dates for the remaining steps of the Scheme are set out below:

Events	Date
Implementation Date	Monday, 6 November 2023
Essential removed from official list of ASX (with effect from close of business)	Tuesday, 7 November 2023

<sup>1</sup> Other than Ineligible Foreign Holders (being those Essential shareholders with an address as shown in the Share Register on the Scheme Record Date in a place outside of Australia and New Zealand and any other jurisdictions in respect of which Develop and Essential agree is lawful and not unduly onerous or unduly impractical to issue new Develop shares to an Essential shareholder with a registered address in such jurisdiction) or Non-Electing Small Shareholders (being Essential shareholders who hold less than a marketable parcel of shares who do not opt-in to receive new Develop shares), who will receive their respective pro rata proportion of the sale proceeds of the new Develop shares which would otherwise have been issued under the Scheme.

<sup>2</sup> Refer to ASX announcement dated 18 October titled "Results of Scheme meeting".

<sup>3</sup> Refer to ASX announcement dated 24 October titled "Court Approves Scheme".

<sup>4</sup> Refer to ASX announcement dated 26 October titled "Scheme of Arrangement Becomes Effective".

## Pioneer Dome Lithium Project feasibility study activities

The following activities were undertaken at the Project during the Quarter.

- **Drilling:** The Diamond Drill (DD) programme to obtain core samples from the Cade deposit for metallurgical optimisation test work and project engineering design was completed. Mineralisation was intersected where expected. The core will now be cut and sectioned to provide suitable samples for assaying and for conducting the metallurgical test work.
- **Water targeting:** Three Reverse Circulation (RC) holes were drilled in three heritage cleared target areas at the end of the DD drill programme. Following completion of the heritage survey that is underway, the remainder of the water target areas with potential to provide future production water sources will also be drilled.
- **Flora & Fauna survey update:** The update survey was undertaken in late September, completing all flora & fauna assessment requirements to progress permitting.
- **Heritage Survey:** A heritage survey over Mining Lease M15/1896 commenced in early October and is anticipated to be completed in November. This will clear the way for the future mining operation and for the completion of additional water exploration.
- **Clearing Permit:** Outputs from the flora and fauna surveys (baseline and the update mentioned above) will be used to apply for a clearing permit covering the footprint of the future mining operation. This is expected to be granted by the June Quarter of 2024.

Further details of operational activities at the Project can be found in the following ASX announcements:

- 17 July – Drilling completed at Pioneer Dome Lithium Project - updated
- 5 September – Development update – Pioneer Dome Lithium Project
- 20 October – Development update – Pioneer Dome Lithium Project

## GOLDEN RIDGE GOLD PROJECT

The Golden Ridge Gold Project (ESS: 100%) is located 20km south-east of Kalgoorlie and is highly prospective for gold and nickel mineralisation. The Project lies within the well-endowed Menzies-Boorara Shear Zone that hosts the Paddington, Boorara and Golden Ridge Deposits. Exploration at the Project has identified multiple highly prospective gold and nickel targets.

No significant gold exploration activities were undertaken during the Quarter.

## JUGLAH DOME GOLD PROJECT

The Juglah Dome Project (ESS: 100%) is located ~60km east-southeast of Kalgoorlie and is highly prospective for gold mineralisation. Exploration by previous owners identified multiple gold targets using soil geochemistry and drilling. The Project lies in a similar geological setting to the Majestic and Imperial Deposits, located 10km

to the north-west, and the Daisy Complex to the west, which forms part of Silver Lake Resources Limited's Mt Monger Operations.

No significant gold exploration activities were undertaken during the Quarter.

## **JOINT VENTURE INTERESTS**

**Essential Metals has a portfolio of minority (20%-30%) free-carried interests in four gold and three nickel joint ventures located in Western Australia.**

### **Acra Gold Joint Venture** Eastern Goldfields WA

*ESS 25% - Northern Star Resources Limited (ASX: NST) 75%*

The Acra Project is near Kalgoorlie. Northern Star Resources Limited (ASX: NST) has earned a 75% Project Interest and continues to fully fund exploration programmes until approval of a Mining Proposal by DMIRS is received with Essential Metals holding a 25% interest.

No significant gold exploration activities were undertaken during the Quarter.

### **Blair – Golden Ridge Nickel Joint Venture** Eastern Goldfields WA (nickel rights only)

*ESS 100% reducing to 25% - Australian Nickel Co. Ltd (renamed from Crest Investment Group 1 Ltd) earning 75% (farm-in stage)*

The Blair - Golden Ridge Nickel Project is located approximately 30km by sealed road to the southeast of Kalgoorlie-Boulder and hosts the historical Blair Nickel Mine, which produced a total of 1.2 Mt @ 2.63% Ni between 1989 and 2009. The consolidated 113km<sup>2</sup> project area is considered highly prospective for the discovery of new high-grade komatiite-hosted nickel deposits (Kambalda style).

The Golden Ridge Project is currently being managed by highly experienced nickel explorers and developers Australian Nickel Company Limited ("ANCO") through a Farm-In Joint Venture Agreement. ANCO has the right to earn a 75% interest in the nickel and related commodities rights by spending \$4.0 million over four years, with ESS retaining a 25% free-carried interest to a decision to mine.

No significant exploration activities were undertaken during the Quarter.

### **Balagundi Gold/Base Metals Joint Venture** Eastern Goldfields WA

*ESS 100% reducing to 25% - Black Cat Syndicate Limited (ASX: BC8) earning 75% (farm-in stage)*

The Balagundi Project is located 25km east of Kalgoorlie and sits immediately adjacent to the north-west portion of the Myhree Mining Centre within the Kurnalpi Terrane, which is separated from the Myhree Mining Centre by the Victory Fault (a second order regional structure). The project is prospective for both gold and base metal VMS-style deposits. Essential and Black Cat entered into the Farm-in and Joint Venture in July 2019.

No significant exploration activities were undertaken during the Quarter.

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### **Wattle Dam Nickel Joint Venture** Eastern Goldfields WA (nickel rights only)

*ESS 20% - Maximus Resources Limited (ASX: MXR) 80%*

Essential holds a 20% free-carried interest (nickel only) in the Wattle Dam project near Kambalda, WA, with Maximus Resources Ltd (ASX: MXR).

No significant nickel exploration activities were undertaken during the Quarter.

### **Larkinville Joint Venture** Eastern Goldfields WA (excluding nickel)

*ESS 25% - Maximus Resources Limited (ASX: MXR) 75%*

Essential holds a 25% free-carried interest (all minerals except 20% for nickel) in the Wattle Dam project near Kambalda, WA, with Maximus Resources Ltd (ASX: MXR).

No significant exploration activities were undertaken during the Quarter.

### **Kangan Gold Joint Venture** Pilbara, WA

*ESS 30% - Novo Resources Limited 70%*

The Kangan Project is located in the West Pilbara region of Western Australia. Novo Resources Corp holds a 70% interest in the Project with Essential retaining a 30% interest. Novo will fully fund all gold exploration programmes with Essential Metals free-carried until a decision to mine is made.

No significant exploration activities were undertaken during the Quarter.

### **Maggie Hays Joint Venture** Dundas Mineral Field, WA

*ESS 20% - Poseidon Nickel Limited 80%*

The Joint Venture lies within E63/1784 at the southern edge of the Lake Johnston Nickel Project, which is situated 100km west of Norseman in the Dundas Mineral Field. It is accessed via the Hyden-Norseman Road. The tenement that comprises the Joint Venture is considered primarily prospective for nickel.

No significant exploration activities were undertaken during the Quarter.

## **CORPORATE**

As at 30 September 2023, the Company held **\$6.8 million in cash** and had no debt. \$750,000 was received during the Quarter from Critical Resources Limited, being a milestone payment related to the sale of the Company's 51% interest in the Mavis Lake Project in January 2022.

As at 30 September 2023, there were 268,859,967 ordinary shares, 3,700,002 share options and 1,696,797 performance rights on issue.

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## Appendix 5B expenditure disclosure

During the quarter, the Company paid a total of \$195,000 to related parties, comprising all directors of the Company (Managing Director salary, non-executive director fees and superannuation). (Appendix 5B, Item 6).

## ASX ANNOUNCEMENTS

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

DATE	Company	HEADLINE
20 December 2022	Essential Metals Limited	Dome North Resource upgrade
7 February 2023	Essential Metals Limited	Pioneer Dome scoping study
17 July 2023	Essential Metals Limited	Drilling completed at Pioneer Dome Lithium Project - updated
5 September 2023	Essential Metals Limited	Development update – Pioneer Dome Lithium Project
20 October 2023	Essential Metals Limited	Development update – Pioneer Dome Lithium Project

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*This ASX release has been approved by the Board of Directors.*

### For further information:

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## PIONEER DOME LITHIUM PROJECT

The 450km<sup>2</sup> Pioneer Dome Project (ESS: 100%) is in the core of Western Australia’s lithium corridor in the Eastern Goldfields, approximately 130km south of Kalgoorlie and 275km north of the Port of Esperance. A Mineral Resource<sup>5</sup> of 11.2Mt @ 1.16% Li<sub>2</sub>O has been defined at Dome North in the northern area of the Project.

The southern Yilgarn area is recognised as being well-endowed with spodumene deposits, including Pioneer Dome, the Bald Hill Mine, the Mt Marion Mine, the Manna Project and the Buldania Project, all of which are located within a 90km radius. The world-class Greenbushes Deposit, the Mt Holland Mine and the Mt Cattlin Mine are located further west, south-west and south-south-west, respectively.

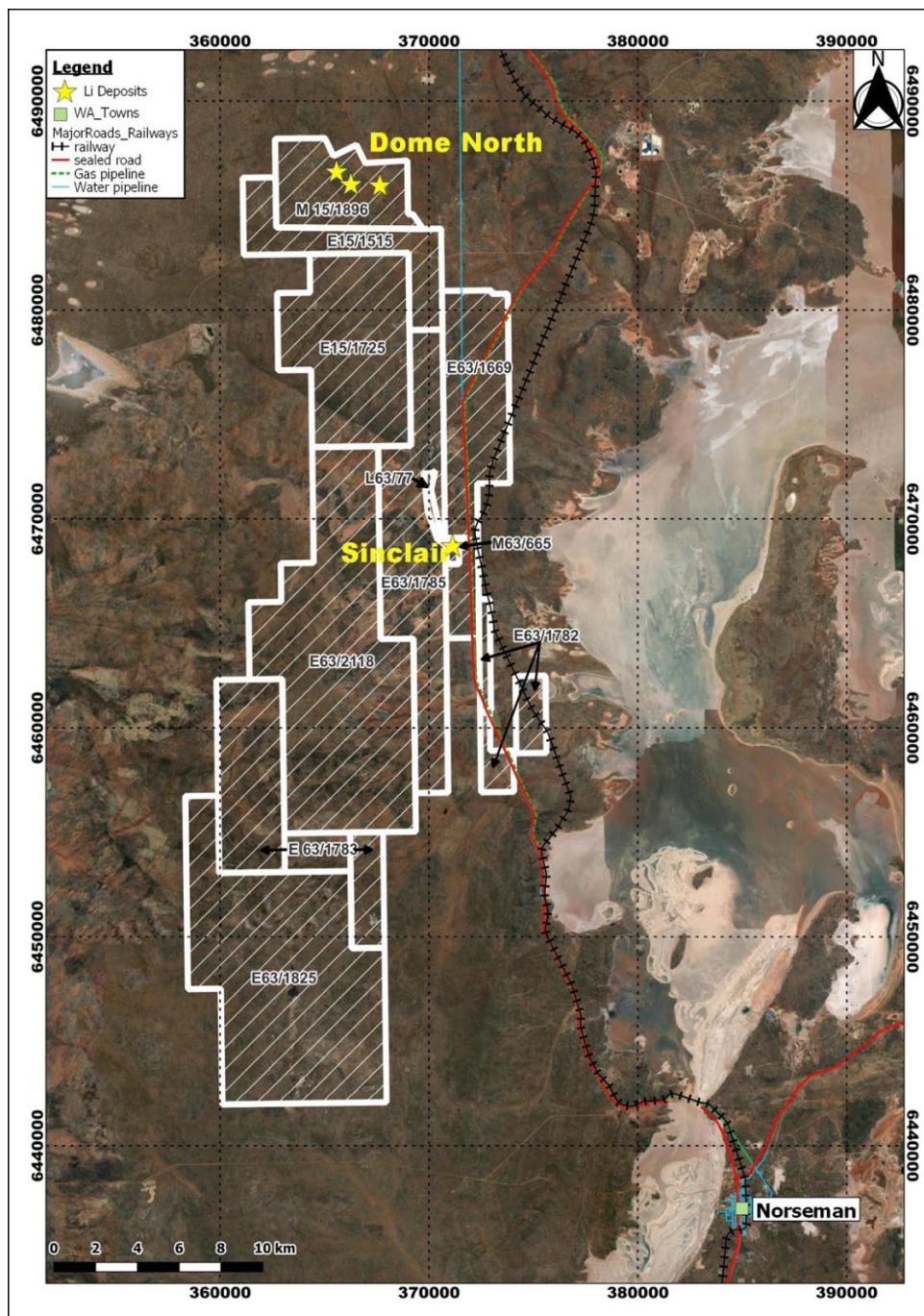


Figure 1 – The location of the tenements of the Pioneer Dome Lithium Project relative to major infrastructure.

<sup>5</sup> Refer ASX:ESS announcement 20 December 2022 “Dome North Resource upgrade”

## ABOUT ESSENTIAL METALS LIMITED

Essential Metals is a well-funded and active explorer focussed on the discovery of lithium and other key global demand-driven commodities, for the creation of shareholder wealth through exploration and project development. The Company operates **three strategically located lithium and gold projects** in Western Australia.

### 100% OWNED AND MANAGED PROJECTS:

- **LITHIUM:** The **Pioneer Dome Lithium Project** is highly prospective for lithium-caesium-tantalum (LCT) mineral systems and includes the **Dome North Lithium Mineral Resource** of 11.2 million tonnes @ 1.16% lithium (Li<sub>2</sub>O) including 8.7 million tonnes @ 1.23% lithium (Li<sub>2</sub>O) within the Indicated Category.<sup>6</sup>
- **GOLD:** The **Juglah Dome Project** is located 60km east-south-east of Kalgoorlie and is considered to be highly prospective for gold and has potential for VHMS style polymetallic deposits.
- **GOLD:** The **Golden Ridge Project** is located ~20km south-east of Kalgoorlie, WA. Our activities are focussed on reappraising known prospects as well as identifying new areas within the large land tenure.

### JOINT VENTURE INTERESTS:

- **GOLD:** The **Acra Project** is near Kalgoorlie. Northern Star Resources Limited (ASX:NST) has earned a 75% Project Interest and continues to fully fund exploration programmes until approval of a Mining Proposal by DMIRS is received with Essential Metals holding a 25% interest.
- **GOLD:** The **Kangan Project** is in the West Pilbara and part of a joint venture with Novo Resources Corp (TSXV:NVO), who will fund 100% of gold exploration programmes until a decision to mine is made, with Essential Metals holding a 30% interest.
- **GOLD:** The **Balagundi Project** is subject to a farmin & JV agreement where Black Cat Syndicate Limited (ASX:BC8) is earning a 75% interest in the Project located at Bulong, near Kalgoorlie. Black Cat will then fully fund gold exploration programmes until a decision to mine is made, with Essential Metals retaining a 25% interest.
- **GOLD:** The Company holds a 25% free-carried interest (20% for nickel rights) in the **Larkinville Project** near Kambalda, WA, with Maximus Resources Ltd (ASX:MXR).
- **NICKEL:** The nickel mineral rights on the **Blair-Golden Ridge Project**, which includes the suspended Blair Nickel Sulphide Mine, are subject to a Farmin/Joint Venture with Australian Nickel Company Ltd, a nickel exploration specialist which is earning up to a 75% interest. The Company will retain a 25% free-carried interest up to a decision to mine.
- **NICKEL:** The Company holds a 20% free-carried interest (nickel only) in the **Wattle Dam JV** near Kambalda, WA, with Maximus Resources Ltd (ASX:MXR).
- **NICKEL:** The Company holds a 20% free-carried interest in the **Maggie Hays JV** near Lake Johnson, WA, with Poseidon Nickel Ltd (ASX:POS).

<sup>6</sup> As per this ASX announcement.



### **Forward Looking Statement**

This announcement may contain forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.

### **Reference to previous market announcements**

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The company confirms that the form and context in which Exploration Results or Competent Person's findings are presented have not been materially modified from the original market announcements.

### **Dome North Mineral Metallurgical Test Work - Competent Person Statement**

The information in this report that relates to metallurgical test work for the Dome North Lithium Project has been reviewed by Mr Joshua Paterson who is a member of the Australasian Institute of Mining and Metallurgy. Mr Paterson is an employee of Primero Ltd and has sufficient experience relevant to the style of processing response and type of deposit under consideration, and to the activities undertaken, 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 Paterson consents to the inclusion in the report of a summary based upon his information in the form and context in which it appears.

### **Company Exploration Results – Competent Person Statement**

Mr Matthew Watson (AusIMM) holds the position of Chief Geologist and is employed full-time by Essential Metals Limited. Mr Watson is eligible to receive equity-based securities in Essential Metals Limited under the Company's employee incentive schemes. Mr Watson compiled the technical aspects of this Announcement pertaining to Exploration Results, which is based on and fairly represents information compiled by Mr Watson. Mr Watson is a member of the Australian Institute of Mining and Metallurgy and has sufficient experience that is relevant to this style of mineralisation and type of deposit under consideration and to the activity that is being reported on 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 Watson consents to the inclusion in the report of the matters in the form and context in which it appears.

### Dome North Lithium Mineral Resource – Competent Person Statement

The information in this report that relates to the Dome North Lithium Project Mineral Resource is based on information compiled by Mr Andrew Dunn (previously the Exploration Manager and permanent employee of Essential Metals Limited) and Mr Lauritz Barnes (consultant with Trepanier Pty Ltd). Mr Dunn was eligible to receive equity-based securities in Essential Metals Limited under the Company's employee incentive schemes. Mr Dunn and Mr Barnes are both members of the Australian Institute of Geoscientists. Mr Dunn and Mr Barnes both have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Dunn was the Competent Person for the database (including all drilling information), the geological and mineralisation models plus completed the site visits. Mr Barnes is the Competent Person for the construction of the 3-D geology / mineralisation model plus the estimation. Mr Dunn and Mr Barnes consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

#### Dome North Mineral Resource by deposit and category: (0.3% Li<sub>2</sub>O cut-off grade)

Deposit	Classification	Tonnes (Mt)	Li <sub>2</sub> O %	Ta <sub>2</sub> O <sub>5</sub> ppm	Contained Li <sub>2</sub> O (T)	Fe <sub>2</sub> O <sub>3</sub> %
Cade	Indicated	6.9	1.26	49	88,000	0.44
	Inferred	1.3	0.88	49	11,000	0.44
Davy	Indicated	1.6	1.08	81	18,000	0.54
	Inferred	0.6	0.89	73	4,000	0.58
Heller	Inferred	0.7	1.02	76	8,000	0.72
<b>Total</b>	<b>Total</b>	<b>11.2</b>	<b>1.16</b>	<b>57</b>	<b>129,000</b>	<b>0.48</b>

*Note: Appropriate rounding applied.*

## Appendix 1

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter.

### 1. Listing of Tenements (Consolidated Basis) as at Quarter End

Tenement	Holder	Notes	Status
<b>Pioneer Dome Project Located 133km SSE of Kalgoorlie, WA</b>			
E15/1515	Essential Metals Limited		Granted
E15/1725	Essential Metals Limited		Granted
E63/1669	Essential Metals Limited		Granted
E63/1782	Essential Metals Limited		Granted
E63/1783	Essential Metals Limited		Granted
E63/1785	Essential Metals Limited		Granted
E63/1825	Essential Metals Limited		Granted
E63/2118	Essential Metals Limited		Granted
L63/77	Essential Metals Limited		Granted
M63/665	Essential Metals Limited		Granted
M15/1896	Essential Metals Limited		Application
<b>Golden Ridge Nickel Project Located 30km SE of Kalgoorlie, WA</b>			
E26/186	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
E26/211	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
E26/212	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
M26/220	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
M26/222	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
M26/284	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
M26/285	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
L26/272	Golden Ridge North Kambalda Pty Ltd	1, 2	Granted
<b>Juglah Dome Project Located 60km ESE of Kalgoorlie, WA</b>			
E25/585	Western Copper Pty Ltd	3	Granted
<b>Regional Projects, Located in WA</b>			
E15/1710	Essential Metals Limited		Granted
<b>Kangan Lithium &amp; Gold Project Located 80km S of Port Hedland, (Wodgina) WA</b>			
E45/4948	Essential Metals Limited	5	Granted
E47/3318-I	Essential Metals Limited	4, 5	Granted
E47/3321-I	Essential Metals Limited	4, 5	Granted
E47/3945	Essential Metals Limited	5	Granted
<b>Balagundi Gold &amp; Base Metals Project Located 25km NE of Kalgoorlie, WA</b>			
E27/558	Essential Metals Limited	6	Granted
<b>Acra Gold Project Located 60km NE of Kalgoorlie, WA</b>			
E27/278	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E27/438	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E27/491	Essential Metals Limited / Northern Star Resources Limited	8	Granted
E27/520	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E27/548	Essential Metals Limited / Northern Star Resources Limited	8	Granted
E27/579	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E28/1746	Essential Metals Limited / Northern Star Resources Limited	7, 8	Granted
E28/2483	Essential Metals Limited / Northern Star Resources Limited	8	Granted

Tenement	Holder	Notes	Status
<b>Wattle Dam Nickel Project Located 65km S of Kalgoorlie, WA</b>			
M15/1769	Maximus Resources Limited	9, 10	Granted
M15/1770	Maximus Resources Limited	9, 10	Granted
M15/1771	Maximus Resources Limited	9, 10	Granted
M15/1772	Maximus Resources Limited	9, 10	Granted
M15/1773	Maximus Resources Limited	9, 10	Granted
M15/1101	Maximus Resources Limited	9, 10	Granted
M15/1263	Maximus Resources Limited	9, 10	Granted
M15/1264	Maximus Resources Limited	9, 10	Granted
M15/1323	Maximus Resources Limited	9, 10	Granted
M15/1338	Maximus Resources Limited	9, 10	Granted
<b>Larkinvile West Gold Project Located 75km S of Kalgoorlie, WA</b>			
M15/1449	Essential Metals Limited / Maximus Resources Limited	11	Granted
<b>Maggie Hays Hill Nickel JV, Located 140km SE of Southern Cross</b>			
E63/1784	Essential Metals Limited / Poseidon Nickel Limited	12	Granted

Note	
1	Golden Ridge North Kambalda Pty Ltd is a 100% owned subsidiary of Essential Metals Limited.
2	Nickel sulphides rights are subject to the Australian Nickel Company Ltd Farmin/Joint venture.
3	Western Copper Pty Ltd is a 100% owned subsidiary of Essential Metals Limited.
4	Subject to a 1.5% net smelter royalty right held by FMG Pilbara Pty Ltd.
5	Kangan Gold JV Agreement: Novo Resources Corp holds a 70% Project Interest in gold and precious metals mineral rights.
6	Balagundi Farmin/JV Agreement: Black Cat Syndicate Limited is earning a 75% Project interest.
7	Heron Resources Limited retains nickel laterite ore rights.
8	Acra JV Agreement: Northern Star Resources Limited 75% interest. Essential Metals Limited 25% free carried interest.
9	Heron Resources Limited retains pre-emptive right to purchase nickel laterite ore.
10	Wattle Dam Nickel JV Agreement: Title, Mineral Rights held by Maximus Resources Limited. Essential Metals Limited 20% free carried interest in nickel sulphide minerals.
11	Larkinvile West JV Agreement: Maximus Resources Limited 75%, Essential Metals Limited 25% free carried interest, except nickel rights which are subject to the Wattle Dam JV.
12	Maggie Hays Lake JV Agreement: Poseidon Nickel Limited 80%, Essential Metals Limited 20% & free carried interest to commencement of mining.

**2. Tenements acquired during the Quarter (Consolidated Basis)**

None.

**3. Tenements sold, relinquished, reduced or lapsed during the Quarter (Consolidated Basis)**

None.

**4. Tenements applied for during the Quarter (Consolidated Basis)**

None.

## Appendix 5B

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

Name of entity

<b>ESSENTIAL METALS LIMITED</b>
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ABN

<b>44 103 423 981</b>
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Quarter ended ("current quarter")

<b>30 September 2023</b>
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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) royalties	-	-
(e) staff costs	(330)	(330)
(f) administration and corporate costs <i>(includes costs related to the Develop Global         Scheme of Arrangement)</i>	(901)	(901)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	148	148
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 Net cash from / (used in) operating activities</b>	<b>(1,083)</b>	<b>(1,083)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(859)	(859)
(e) investments	-	-

## 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 (3 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities <i>(relates to proceeds from achieving the first milestone payment criteria, forming part of the consideration for the sale of Pioneer Canada Lithium Corp.)</i>	750	750
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	70	70
	(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>(39)</b>	<b>(39)</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	-	-
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) <i>Repayment of lease liabilities</i>	(15)	(15)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(15)</b>	<b>(15)</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	7,966	7,966
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,083)	(1,083)

Appendix 5B

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(39)	(39)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(15)	(15)
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>6,829</b>	<b>6,829</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	3,079	966
5.2	Call deposits	3,750	7,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>6,829</b>	<b>7,966</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	195
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		



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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 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. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,083)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(859)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,942)
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,829
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	6,829
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.52
<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 October 2023

Authorised by: The Board of Directors  
(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.