

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 31 DECEMBER 2023

Date: 25th January 2024

ASX Code: NFL

Capital Structure

Ordinary Shares: 38,000,000
 Unlisted Options: 9,990,000
 Listed Options: 10,999,808
 Performance Shares: 1,400,000
 Current Share Price: 21.0c
 Market Capitalisation: \$7.98m
 Cash: \$3.49m (31 Dec 2023)
 Debt: Nil

Directors

Ben Phillips
 Executive Chairman

Leo Pilapil
 Technical Director

Patrick Holywell
 Non-Executive Director

Arron Canicais
 Company Secretary

Contact Details

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 Cottesloe WA 6011

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norfolkmetals.com.au

Norfolk Metals Limited (ASX:NFL) (Norfolk or the Company) is pleased to report on its activities during the 3-month period ended 31 December 2023.

ORROROO URANIUM PROJECT

- Land access secured for maiden drill program for Orroroo Uranium Project
- Phase 1 of maiden drill program completed
- Orroroo prospectivity expanded with 3 new holes delineating pU308
- Phase 2 of maiden drill program due for imminent reporting

CORPORATE

- Strategic A\$1m placement corner stoned by major shareholders
- Strong financial position with \$3.49m cash at December 2023 quarter end

ROGER RIVER GOLD PROJECT

- Roger River Project subsequent exploration progressing with surface geochemistry and desktop studies

Orroroo Uranium Project, South Australia

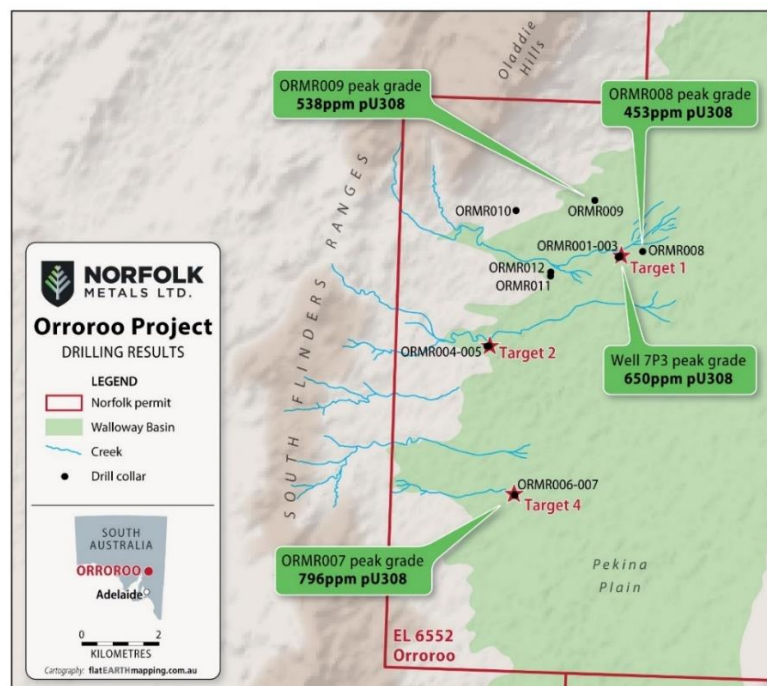


Image 1. Uranium *peak grade occurrences delineated by Norfolk Metals via Phase 1 drilling and February 2023 downhole geophysical survey

**peak grade(s) noted are the direct detection of pU308 over a 0.02m interval by Prompt Fission Neutron downhole logging within a composite intersection with a cut-off grade greater than 100ppm pU308. See previous ASX announcement from 27th February 2023 regarding uranium value reported at Well 7P3 (650ppm pU308).*

Exploration Activities

Norfolk Metals Ltd (**Norfolk** or the **Company**) completed Phase 1 drilling in December 2023 with 12 holes drilled across EL6552. The program commenced with the rapid drill testing of the three known uranium occurrences at Targets 1, 2 and 4 as displayed in the Company announcement on 9th November 2023. Norfolk's' primary objective for this first phase of the program was to test the prospective palaeochannel and floodplain model. A commitment of up to nine (9) holes across the three (3) targets was made with the Company completing three (3) holes at Target 1 and two (2) holes each at both Target 2 and Target 4.

Towards the completion of drilling at Target areas 1, 2 and 4, the second hole at Target 4 (ORMR007) was tested with a Prompt Fission Neutron (PFN) tool across the horizon of elevated gamma returning a value of **147ppm pU308 over 0.36m with a peak reading of 796ppm pU308**. This is a positive reconfirmation of the previously reported uranium occurrence via spectral gamma logging of historical Linc Energy drill holes (see ASX announcement 27th February 2023).

Norfolk expanded Phase 1 of the maiden drill program, testing the previously released regional REDOX model of the Walloway Basin (see announcement 6th July 2023) within the approved drilling areas of EL6552. Two (2) of five (5) holes drilled returned very encouraging results with peak values of **453ppm pU308 at ORMR008** and **538ppm pU308 at ORMR009**. These encouraging results will be further interpreted based on all lithology logging and modelling at the end of the program.

Phase 2 of the maiden drill program has been delayed due to inclement weather in the mid north region of South Australia along with some equipment issues; we are excited with program progress and anticipate reporting results in the next fortnight.

Drill Permitting Approvals

Norfolk received all necessary approvals to commence drilling late November 2023. A formal approval letter was received from the South Australian Department of Energy and Mining (**DEM**) for the proposed Exploration Program for Environment Protection and Rehabilitation (**EPEPR**) confirming that Norfolk's maiden drill program can commence on EL6552 (the **Orroroo Project**). This milestone approval was the major catalyst for the mobilisation of associated contractors to Orroroo. The approvals were the accumulation of over a year of continuous engagement with the primary stakeholders and landowners of Orroroo and EL6552.

Roger River Gold/Copper Project, Tasmania

Exploration Activities

Norfolk is continuing the work to obtain a better understanding of the copper and gold mineralisation at Roger River to guide the next exploration phase and likely drilling. The Company completed determining if all of the preferred historical soil samples (not sampled for Cu) over the White Water and A2 Prospects can be re-submitted for Cu (multi-elements) analysis. The Company has completed this work by compiling and submitting 148 pulp soil samples for multi-element analyses to ALS in Burnie, Tasmania. It is important to note that there are coincident gold and arsenic soil anomalies within the White Water Prospect that remain untested with drilling. The program is ongoing and once completed with full interpretation the findings will be released to market.

Corporate

Late November 2023 Norfolk Metals received firm commitments from professional and sophisticated investors for a strategic placement (**Placement**) to raise A\$1,000,000 via the issue of 5,000,000 fully paid ordinary shares (**Placement Shares**) in the Company at an issue price of A\$0.20 per Placement Share. The Placement was firmly oversubscribed with several current major shareholders corner stoning the raise to further solidify the top holders position and Company share structure. Whistler Wealth Management and JP Equities (together, the **Key Brokers**), with directors and clients of the Key Brokers, being major shareholders in the Company, have been issued a cumulative total of 500,000 unquoted options exercisable at A\$0.30 each on or before 29 November 2026 (**Broker Options**).

The cash flows relating to the quarter included \$223k in exploration and evaluation spend on the Company's Roger River and Orroroo projects and \$298k in staff and admin costs managing the corporate requirements of the Company.

The Company had a closing cash balance of \$3.49 million.

Finance and Use of Funds

Pursuant to ASX listing rule 5.3.4, the Company provides a comparison of its actual expenditure against the estimated expenditure on items set out in in section 5.4 of the Company's Prospectus.

Activity Description	Funds Allocated (\$)	Actual to Date (\$)
Exploration (2 years)	2,401,000	1,347,231
Administration (2 years)	1,028,750	1,268,684
Expenses of the Offer	560,808	491,703

For the purposes of section 6 of the Appendix 5B, all payments made to related parties are for director and consulting fees.

Tenement Status

The Company confirms that all of its tenements remain in good standing. The Company has not disposed of any tenements during the quarter.

Tenement ID	Holder/Applicant	Interest (%)
EL20/2020	Roger River Resources Pty Ltd	100%
EL17/2021	Roger River Resources Pty Ltd	100%
EL6552	Black Lake Pty Ltd	100%
EL6814	Black Lake Pty Ltd	100%

END

This announcement has been authorized by the board of directors of Norfolk.

About Norfolk Metals

The Orroroo Uranium Project comprises two granted exploration licenses, EL6552, and EL6814, which together cover 659km², and a small (64km²) contiguous tenement under application ELA2023/000024, located approximately 274km northwest of the capital city of Adelaide,

South Australia within the Walloway Basin, which is an elongate Tertiary Basin approximately 50km long and up to 15km wide. It consists of Tertiary and Quaternary sediments unconformably underlain by Adelaidean basement.

The Roger River Project comprises two granted exploration licenses, EL20/2020, and EL17/2021, which together cover 261km², located 410km northwest of the capital city of Hobart, Tasmania. The Project is prospective for gold and copper as indicated by the intense silicification, argillisation and diatreme breccias in close proximity to the Roger River Fault along with carbonate-rich host rocks.

For further information please visit www.norfolkmetals.com.au.

Competent Persons Statement

The information in this announcement that relates to exploration results, is based on, and fairly represents, information and supporting documentation prepared by Mr Leo Pilapil, a competent person who is a member of the Australasian Institute of Mining and Metallurgy. Mr Pilapil has a minimum of five years' experience which is relevant to the style 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 Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Pilapil is a related party of the Company, being the Technical Director, and holds securities in the Company. Mr Pilapil has consented to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Appendix 5B

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

Name of entity

Norfolk Metals Limited

ABN

38 652 438 385

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(79)	(117)
(e) administration and corporate costs	(219)	(294)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	58	63
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	(240)	(348)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(223)	(371)
(e) investments	-	-
(f) other non-current assets	-	-

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 (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(223)	(371)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,000	1,110
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	(79)	(106)
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) – receipt/payment of insurance funding facility	-	(8)
3.10	Net cash from / (used in) financing activities	921	996

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,029	3,210
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(240)	(348)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(223)	(371)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	921	996

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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,487	3,487

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	1,237	1,529
5.2	Call deposits	2,250	1,500
5.3	Bank overdrafts	-	-
5.4	Other (Corporate Credit Card)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,487	3,029

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	79
6.2	Aggregate amount of payments to related parties and their associates included in item 2	28

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.		
	N/A		

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(240)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(223)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(463)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,487
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,487
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.53
<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: Not applicable	
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: Not applicable	
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: Not applicable	
<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

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

Date: 25 January 2024

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

- 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.
- 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.

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