

# IND HPQ Drill Program and Testwork Update

## Highlights

- **Program of Works approval received from DEMIRS allowing commencement of ~4,000m Resource drilling programs across Mukinbudin and Pippingarra High Purity Quartz (HPQ) Projects.**
- **Drilling at Mukinbudin will focus on shallow quartz occurrences identified in historic drilling and surface mapping, where recent beneficiation work achieved a quartz product of 99.991% SiO<sub>2</sub> through a simple flowsheet.**
- **Infill drilling at Pippingarra will be undertaken across the exploration target area and will also test several quartz occurrences mapped across the wider mining lease area.**
- **IND independent testwork continues, with comprehensive testwork underway by leading industrial minerals consultancy ANZAPLAN in Germany.**
- **IND's marketing team is currently on the ground in China, pursuing long term offtake partners for the Company's HPQ products.**

**Managing Director Jeff Sweet** commented:

*"I am looking forward to commencing drilling at our high quality HPQ Projects, where we see significant potential to define mineral resources for supply of HPQ.*

*"Our marketing team continues to strategically advance our product into China and worldwide, and the high quality of our products as verified by our recent testwork, has opened up these conversations with a number of potential offtake partners.*

*"We look forward to bringing results to our shareholders and followers as these become available."*

Industrial Minerals Ltd (ASX: IND) (The **Company** or **IND**) is pleased to announce that a reverse circulation (**RC**) drilling campaign will commence in August 2024 at its HPQ Projects in Western Australia. The program includes ~2,000m of resource drilling at the Mukinbudin HPQ Project (**Mukinbudin**) and ~2,000m of infill drilling at the Pippingarra HPQ Project (**Pippingarra**).

IND is also pleased to provide an update on the Company's ongoing beneficiation testwork, and marketing activities underway in China.

## HPQ Resource Drilling Program

IND has engaged geological consultant Rose Mining Geology Consultants (RMG) to complete Mineral Resources Estimates for its High Purity Quartz Projects. RMG's team has extensive experience with exploration, resource development and reporting of Industrial Mineral. This includes the experience to sign off as Competent Person for High Purity Quartz Mineral Resource Estimates.

### Mukinbudin HPQ Project

At Mukinbudin, the Company is planning an initial RC drilling program focused on resource definition. The planned drilling program will comprise approximately 40 holes for an estimated 2,000m.

The drill target areas have been selected based on surface mapping of the site along with historical drill data, intersecting wide bands of quartz. Drilling will occur in and adjacent to the existing feldspar pits, as well as along strike from the historically mined quartz pits. Focus will be on the potential for shallow resource definition, providing the potential for a rapid path to low-cost production.

The Project is located 250km east of Perth, Western Australia, with easy road, port and rail access to the project. Mukinbudin consists of several large pegmatite bodies containing high quality potassium feldspar and quartz deposits. The feldspar and quartz occur in large podiform pegmatite bodies within Archean granite of the West Australian Shield (Yilgarn)<sup>1</sup>.

Recent beneficiation testwork<sup>2</sup> on Quartz sample T1-C, a maiden sample from the Mukinbudin Project, achieved >99.991% SiO<sub>2</sub> from a simple processing flow sheet that included attrition, flotation and magnetic separation treatment, highlighting the potential quality of the product achievable from the project and the potential opportunities for early stage offtake.



**Figure 1:** Mukinbudin Project drill program.

<sup>1</sup> For full details of the historic results from Mukinbudin, including JORC tables, please refer to ASX Announcement 30 April 2024 – IND Acquires High Purity Quartz Project Broadening Offtake Opportunities

<sup>2</sup> ASX Announcement 26 July 2024 - Maiden Mukinbudin Quartz Processing Testwork Achieves Premium HPQ Product

### Pippingarra HPQ Project

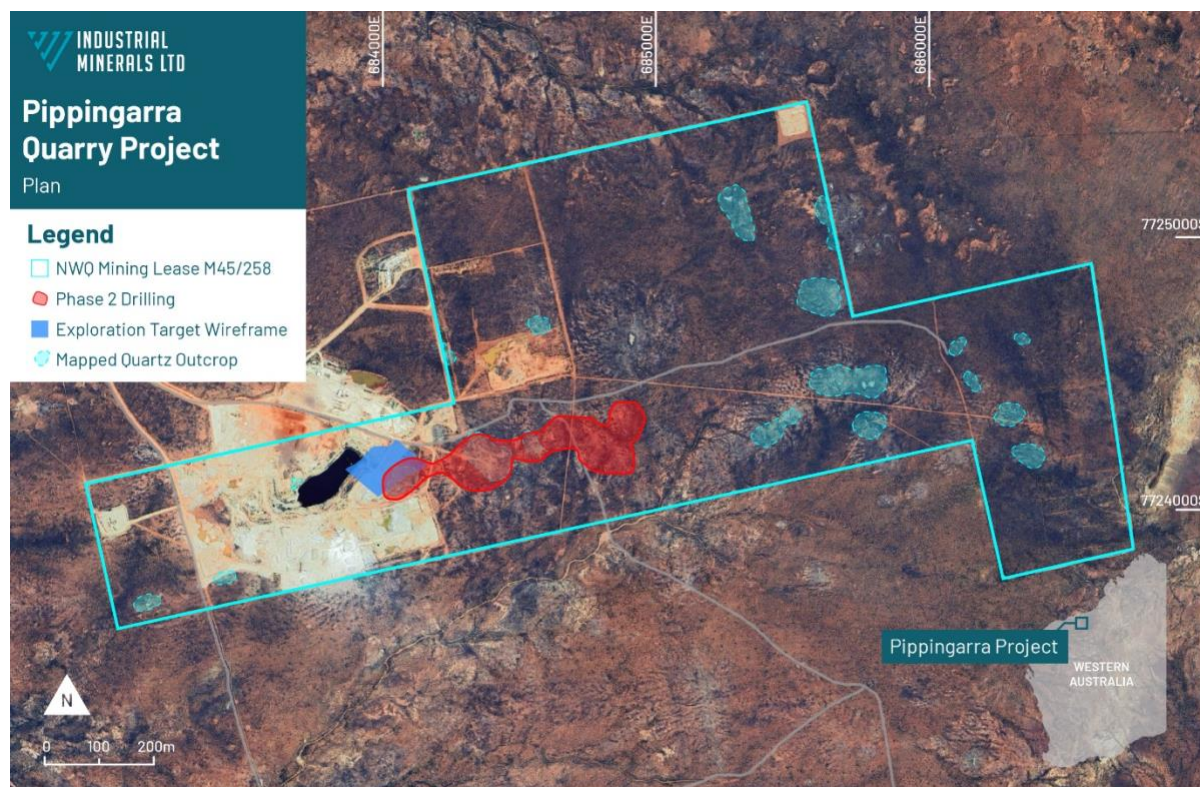
At Pippingarra, IND is planning a Phase 2 RC drilling program to test the continuity of the quartz zones to the east of the Exploration Target area, as well as test a further 19 targets identified from mapped quartz blows outcropping at surface. The planned drilling will comprise approximately 30 holes for an estimated 2,000m. Drill spacing suitable for a mineral resource estimation will be up to 200m x 50m.

A key aim for the drill program will be to define quartz ore zones close to surface, with targets generated from the extensive historical drill data and surface mapping conducted across the project area.

The Company has provision for a component of diamond drilling 250m to obtain core for further metallurgical and process flowsheet testing both within Australia and China. Depending on drilling results, continuity of the host lithology, and composition of the quartz zones, the Company will be able to determine the confidence of the potential mineral resource.

IND defined a Maiden HPQ Exploration Target<sup>3</sup> in April 2024 at Pippingarra based on the RC drilling program completed in December 2023. The exploration target range is 1M to 3M tonnes at 97%-99% SiO<sub>2</sub>.

**The potential quantity and grade of the Exploration Target is conceptual in nature, and there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target was prepared and reported in accordance with the 2012 edition of the JORC Code.**



**Figure 2:** Pippingarra Project Quartz zone identified by IND RC and historical diamond drilling results.

<sup>3</sup> ASX Announcement 24 April 2024 – IND Establishes HPQ Exploration Target at Pippingarra Project

### Beneficiation Testwork Update

The Company reported exceptional processing testwork results<sup>2</sup> from both Mukinbudin and Pippingarra, with the sample from Mukinbudin achieving +99.991% SiO<sub>2</sub> purity from a simple flowsheet.

Consequently, IND prepared samples to be sent to leading industrial minerals specialist consultancy Dorfner-ANZAPLAN (“ANZAPLAN”) in Germany. As leaders in HPQ assessment and evaluation, ANZAPLAN can enhance the previous work completed by performing advanced techniques such as calcination and hot chlorination to determine the ultimate quartz quality. Their unique expertise in designing flowsheets tailored to remove impurities at trace levels ensures that even the most stringent customer requirements are met.

ANZAPLAN has confirmed that they have received the samples and that a testwork proposal will be provided to IND within the next two weeks.

### Ongoing Marketing

IND has an ongoing program of marketing quartz ore and HPQ with product specification sheets generated from ongoing testwork.

The Company’s GM Sales, Marketing and Business Development, Eileen Hao, has been on the ground in China through the month of August, advancing offtake outcomes for IND’s HPQ and HPSS projects.

Ms Hao recently attended the 2024 National Integrated Circuit and Photovoltaic High Purity Quartz (HPQ) Material Industry Development Conference showcased the strong and rapidly advancing HPQ market in China, driven by significant demand from the semiconductor and photovoltaic industries.

Despite global price fluctuations, China's HPQ production is expanding, with companies like Pacific Quartz and Hubei Feilihua leading the charge. Supported by robust government policies and technological innovations, China's HPQ industry is steadily improving the quality of its quartz products, closing the gap with international competitors.

The future outlook is bright, with increased production capacity and ongoing research positioning China as a major player in the global HPQ market. Following meetings with several HPQ Producers, IND has been requested to provide quartz ore samples, further expanding our potential offtake opportunities.



**Figure 3:** IND's marketing team attended the Second National Integrated Circuit and Photovoltaic High Purity Quartz Material Industry Development Conference in China.

**This announcement has been authorised by the Board of Industrial Minerals Ltd.**

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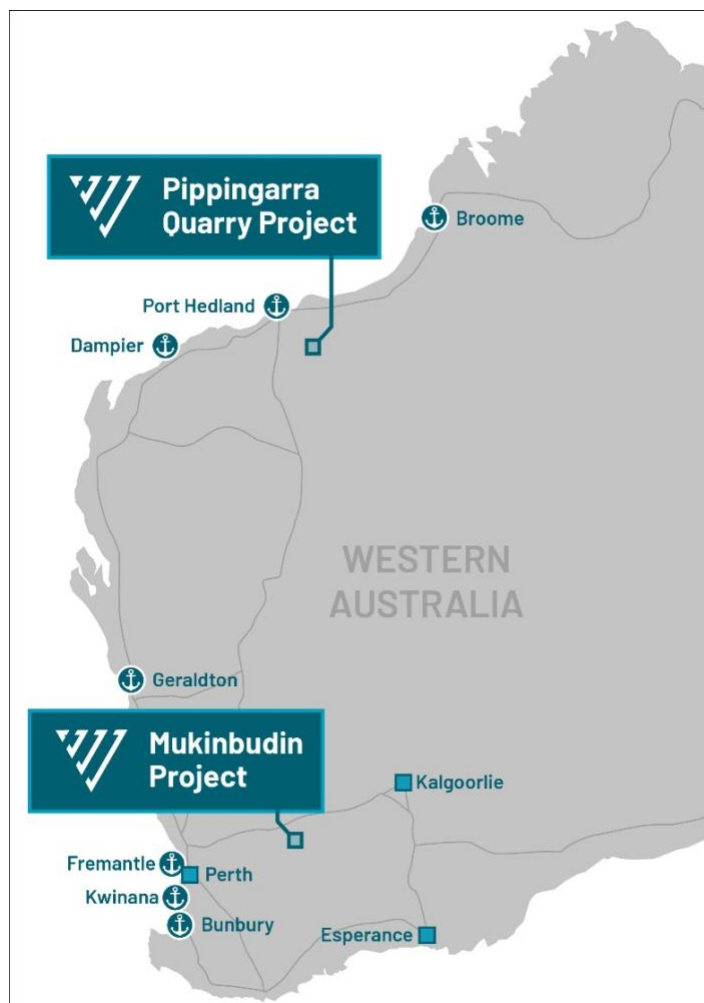
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## About IND

Industrial Minerals Ltd is a critical minerals explorer and a developer of high purity silica sand and quartz. The Company holds high purity silica sand (HPSS) and high purity quartz (HPQ) advanced projects in Western Australia, positioned to supply the rapidly expanding solar PV industry. The Company has a strategy of defining high quality resources near key infrastructure and located on granted mining leases to fast-track the pathway to production. IND's advanced testwork and large portfolio of projects gives the company a competitive advantage in presenting a range of product specifications to its broad network of potential customers.



## Competent Person Statement

The information in this announcement that relates to exploration activities on the Company's Projects is based on information compiled and fairly represented by Mr Bryan Bourke, who is a Member of the Australian Institute of Geoscientists and consultant to Industrial Minerals Ltd. Mr Bourke has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person 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". Mr Bourke consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears

The information in this release that relates to metallurgical test work has been reviewed by Mr Eugene Dardengo. Mr Dardengo is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and a consultant to Industrial Minerals Ltd. Mr Dardengo has sufficient experience with 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 "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code 2012). Mr Dardengo consents to the inclusion in this report of the contained technical information in the form and context as it appears.

Where statements in this announcement refer to exploration results which have previously been reported, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements, and in the case of estimates of Mineral Resources, 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 the Competent Persons' findings are presented have not been materially modified from the original market announcements.

## Forward-looking Statements

Certain statements contained in this document may be 'forward-looking' and may include, amongst other things, statements regarding production targets, economic analysis, resource trends, pricing, recovery costs, and capital expenditure. These 'forward-looking' statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by IND, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as 'believe', 'expect', 'anticipate', 'indicate', 'target', 'plan', 'intends', 'budget', 'estimate', 'may', 'will', 'schedule' and others of similar nature. IND does not undertake any obligation to update forward-looking statements even if circumstances or management's estimates or opinions should change. Investors should not place undue reliance on forward-looking statements as they are not a guarantee of future performance.

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