

Quarterly Activities Report for period ending 30 September 2024

31 October 2024



Future Metals NL ("Future Metals" or the "Company", ASX | AIM: FME) is pleased to announce its Quarterly Activities and Cashflow Report for the quarter ended 30 September 2024 (the "Quarter").

Highlights

- Completion of heritage surveys, ground gravity activities and maiden drilling at Eileen, with four holes drilled for 1,195.2m
- Drilling at the Eileen Bore Prospect, co-funded by a WA Government EIS grant, was testing continuity of mineralisation in historical drilling and depth extensions. Drilling successfully intersected 122.7m of variably mineralised ultramafic, including a 39m zone of 25-30% blebby to disseminated chalcopyrite-pyrrhotite mineralisation
- Drilling at a previously untested target ('Target 2') intersected over 200m of prospective ultramafic in EBDD003 with multiple zones of disseminated to blebby sulphides including:
 - 4.7m of 10-25% chalcopyrite, pyrrhotite, pentlandite from 127.6m; and
 - 7.8m of 10-15% chalcopyrite, pyrrhotite, pentlandite from 255.5m
- Future Metals is undertaking ongoing review of potential acquisition opportunities for resource projects including assets within strategic proximity to the Panton PGM Project
- Completion of Option Offer to eligible holders for one new option at \$0.06 per share, with three-year expiry
- Continued prudent financial management including reduction in corporate costs

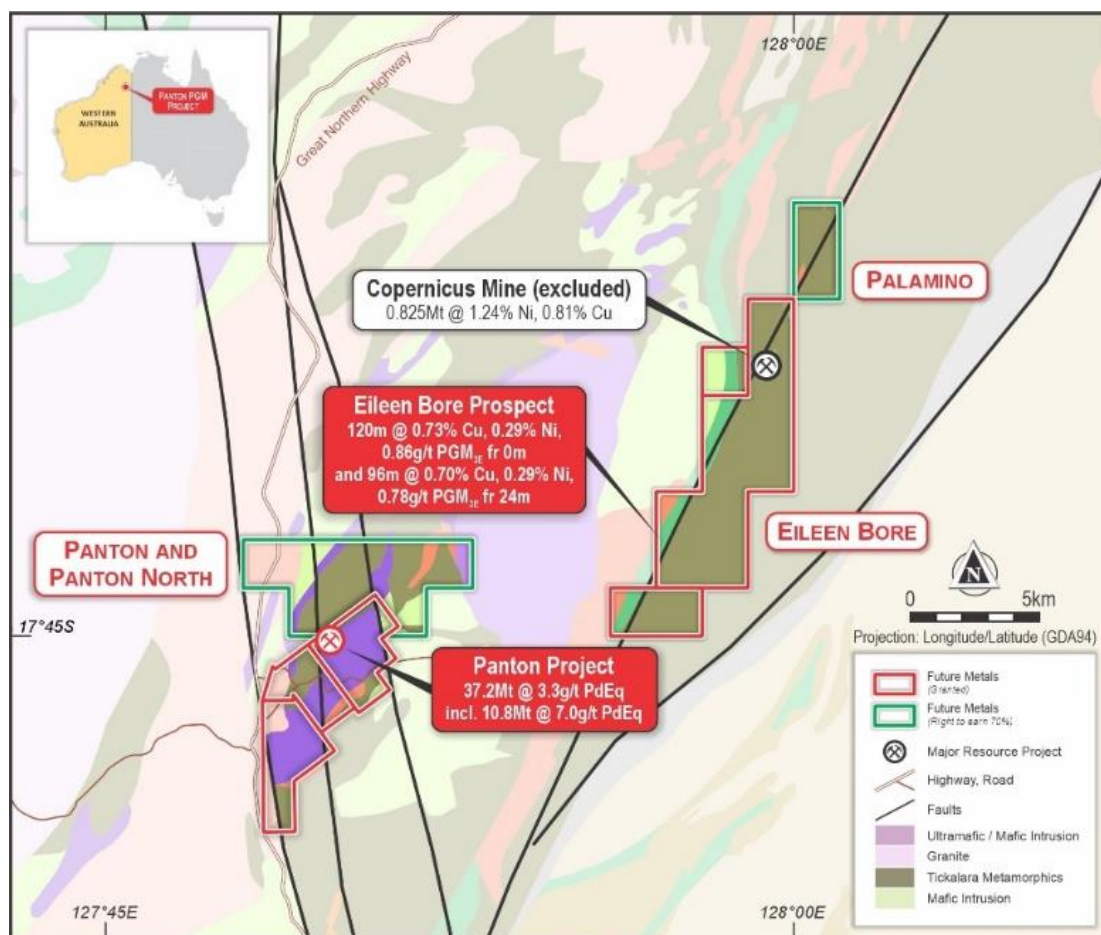


Figure One | Future Metals East Kimberley Projects, the Panton Project & Alice Downs Corridor

Alice Downs Corridor Exploration

During the Quarter, Future Metals received heritage survey approval to allow the Company's maiden drilling at the 'Eileen Bore Prospect' and the adjacent previously undrilled 'Target 2', within the Alice Downs Corridor. A total of four diamond holes were drilled for 1,195.2m (completed post end of Quarter), co-funded by a recent EIS grant. Two diamond holes (EBDD001 and EBDD002) were drilled at Eileen Bore to test for extensions and confirm continuity of wide zones of copper & nickel mineralisation in historic drilling. A further two diamond holes (EBDD003 and EBDD004) were drilled at Target 2 as a first pass test of surface anomalism.

The Alice Downs Corridor targets are located within a 20km radius of the Company's 100% owned Panton Project in the highly prospective East Kimberley region of Western Australia. Broad zones of disseminated and net-textured copper and nickel sulphides occur within multiple host intrusions and are comprised of chalcopyrite, pyrrhotite, pentlandite and pyrite. The historically mined Copernicus deposit is one such example.

The main focus of historical drilling has been on the near-surface mineralisation at Eileen Bore.



Photo One | Topdrill at the first hole for Eileen Bore drilling

Eileen Bore Prospect | Drilling

The Eileen Bore Prospect is an advanced exploration target with historical third-party drilling confirming wide zones of consistent Cu-Ni-PGM mineralisation from surface along a known strike of approximately 300m. Mineralisation remains open down dip and at depth, with mineralisation only tested to 96m vertical below surface.

This historical drilling confirms a disseminated Cu-Ni-PGM magmatic sulphide body within a serpentised pyroxenite host. Multiple historic holes have ended in mineralisation and modelling suggests that mineralisation is focused within a synformal fold axis and is plunging to the north-northwest. This interpreted orientation remains open with scope for significant additional mineralisation.

Historical drilling at the Eileen Bore Prospect returned wide zones of mineralisation, including:

- 120m @ 0.73% Cu, 0.29% Ni & 0.86g/t PGM_{3E} from 0m (EOH) ^(EBRC 010)
 - Incl. 16m @ 1.0% Cu, 0.36% Ni & 0.99g/t PGM_{3E} from 100m
- 96m @ 0.70% Cu, 0.29% Ni & 0.78g/t PGM_{3E} from 24m (EOH) ^(EBRC 003)
 - Incl. 10m @ 1.08% Cu, 0.34% Ni & 1.04g/t PGM_{3E} from 56m

The Company drilled hole EBDD002 between historical holes EBRC010 and EBRC003 to confirm historical results, test the continuity of mineralisation and to test the true width of mineralisation given both historical holes EBRC010 and EBRC003 ended in mineralisation.

EBDD002 intersected a 122.7m zone of varying sulphide mineralisation from 36.7m, with a **39m zone of 25-30% disseminated chalcopyrite and pyrrhotite from 79.9m**. This zone is chalcopyrite dominant, with remobilised pyrrhotite and pentlandite veins present.

EBDD002 is located approximately 30m from historical holes EBRC010 and EBRC003, demonstrating potential for continuity of mineralisation across a broad area of the Eileen Bore Prospect.

The drilling at Eileen Bore has confirmed that the mineralisation is hosted in a similar lithology to the Copernicus Deposit, consisting of serpentised pyroxenite with varying percentages of interstitial blebby to disseminated pyrrhotite-chalcopyrite ± pentlandite.

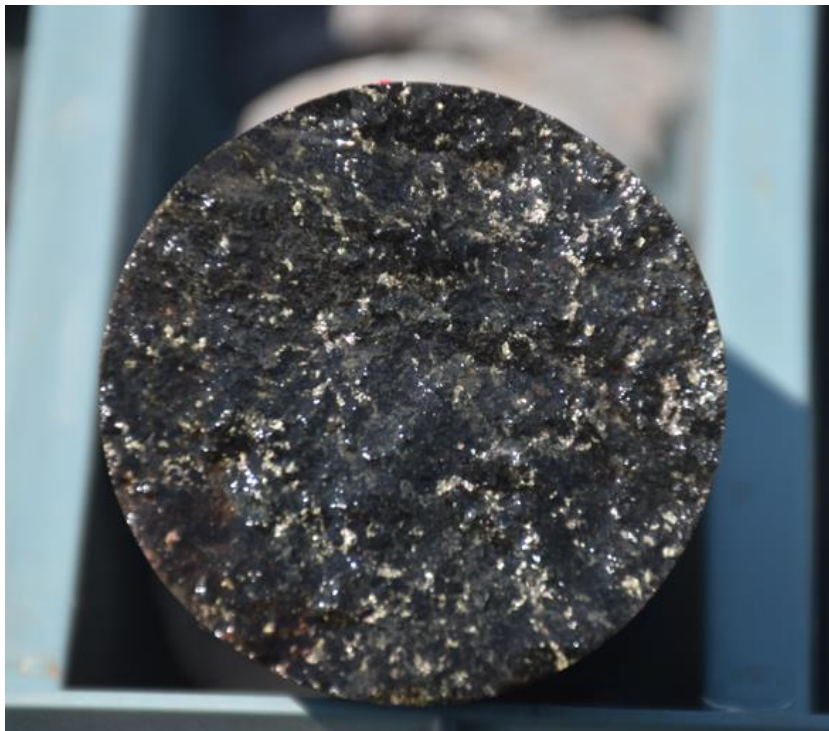


Photo Two | Chalcopyrite dominant mineralisation in EBDD002*

Target 2 | Drilling

Target 2, located approximately 1km northeast of Eileen Bore, is an area that has never seen previous drilling and is supported by magmatic chalcopyrite-pyrrhotite mineralisation identified in petrography of peridotite rock chips, and associated Ni-Cu, PGE and Au soil anomalism.

Drilling at Target 2 has intersected over 200m of prospective ultramafic, with multiple zones of disseminated to blebby magmatic sulphides. **Of particular interest are a 4.7m intersection of 10-25% chalcopyrite, pyrrhotite, pentlandite from 127.6m and a 7.8m intersection of 10-15% pyrrhotite, chalcopyrite, pentlandite from 255.5m which indicate variable zones of sulphide mineralisation within the 200m interval** (refer Photo Three).

Similar to Eileen Bore, mineralisation intersected at Target 2 is hosted in a similar lithology unit as the Copernicus Deposit.

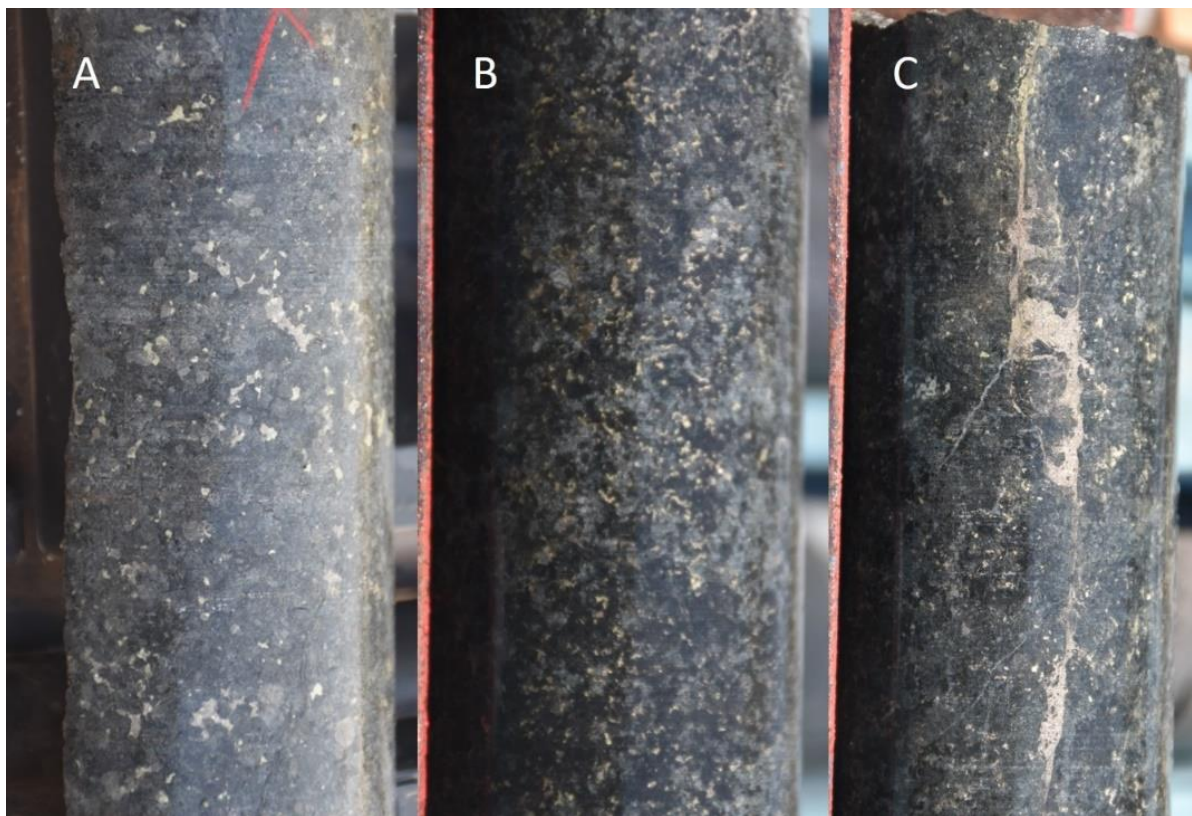


Photo Three | A: Pyrrhotite-pentlandite-chalcopyrite mineralisation in EBDD003, B: Chalcopyrite dominant mineralisation in EBDD002, C: Pyrrhotite-pentlandite stringers in EBDD002*

** Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.*

Logging of drill core is being completed and samples are being prepared for assay submission. Select prospective samples, based on visual observations, will be submitted for expedited analysis. The Company will report assays as they become available.

Ground Gravity

During the Quarter, Future Metals undertook a ground gravity survey which commenced in the Alice Downs Corridor mid-September and included the Octava Minerals JV tenement E80/5459 (Palamino). Once the survey in the Alice Downs Corridor is completed, the crew will complete the ground gravity survey at Panton North (E80/5455, Octava Minerals JV Tenement).



Photo Four | Traditional owners performing “Muntha” to appease the supernatural generational spirits so they will not harm the workers

At Panton North, the ground gravity data will be used to model the northern portions of the Panton Complex. Within the Alice Down Corridor Project, the data will assist in targeting Ni-Cu-PGE ultramafic bodies similar to the Copernicus Deposit.

Project Generation

The Company continues to review and undertake due diligence on resource assets which complement the development and exploration strategy of Future Metals at the Panton Project and the Eileen Bore Cu-Ni-PGM Project.

The Company will keep investors informed of any material developments in regard to new project opportunities if and when they arise, however there is no guarantee of any resulting transactions.

Corporate

Option Offer

During the Quarter the Company completed the Option Offer, allowing eligible holders to subscribe for one new option for every one FMEO ASX-listed option held at an issue price of 0.025 cents per new option, raising a nominal A\$40,000 (before costs). The ASX listed FMEO options had previously expired on 11 June 2024. Each new option is exercisable at a price of 6.0 cents per share and expires three years from their date of issue.

Cost Rationalisation

The Company continues to progress the reduction in discretionary corporate expenditure to reduce overheads and maintain cash during the current period of low PGM prices. During the Quarter Future Metals announced the transition of the Company's Executive Chair, Patrick Walta, to a part time role. This includes a reduction in executive service fees from \$30,000 per month to \$5,000 per month.

Financial Commentary

The Company held approximately A\$1.69m in cash at the end of the Quarter.

Exploration and project development expenditure during the Quarter amounted to approximately A\$279k. Payments for administration and corporate costs amounted to approximately A\$367k and included significant one-off annual costs including audit fees (A\$29k), insurance renewals (A\$52k) and ASX listing fees (A\$56k). Also included in corporate costs were payments to related parties and their associates of A\$54k, comprising Director fees and remuneration (including superannuation). The Quarterly Cashflow Report (Appendix 5B) for the period ended 30 September 2024 provides an overview of the Company's financial activities.

For additional information please refer to the ASX/AIM announcements covered in this report:

30 October 2024	Copper Nickel Sulphide Intercepts in Exploration - Revised
9 October 2024	Drilling Underway at Eileen Bore
16 September 2024	Heritage Surveys Completed at Eileen Bore

The above announcements are available to view on the Company's website at future-metals.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant original market announcements. The Company confirms that the information and context in which any Competent Person's findings are presented have not been materially modified from the original market announcements.

For further information, please contact:

Future Metals NL

Patrick Walta

Strand Hanson Limited (Nominated Adviser)

James Bellman/Rob Patrick

+61 8 9480 0414

info@future-metals.com.au

+44 (0) 207 409 3494

Appendix One | Exploration and Mining Permits

Exploration & Mining Permits changes during the Quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
Nil				

Farm-In / Farm Out Agreement changes during the Quarter

Joint Venture	Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
Octava Minerals Ltd	Panton North	Western Australia	E80/5455	-	-
Octava Minerals Ltd	Palamino	Western Australia	E80/5459	-	-

Future Metals may earn up to 70% in the two tenements listed above. Details of the transaction can be found in the announcement 'Farm-In Agreement Over East Kimberley Ni-Cu-PGE Prospects' released on 17 January 2023.

Interests in Mining & Exploration Permits & Joint Ventures at 30 September 2024

Project	Location	Tenement	Area	Interest at end of Quarter
Panton PGM-Ni Project	Western Australia	M80/103	8.6km ²	100%
		M80/104	5.7km ²	100%
		M80/105	8.3km ²	100%
Panton North (OCT JV)	Western Australia	E80/5455	8 BL	-
Alice Downs Corridor (OCT JV)	Western Australia	E80/5459	2 BL	-
Alice Downs Corridor	Western Australia	E80/4922	1BL	100%
Alice Downs Corridor	Western Australia	E80/4923	2BL	100%
Alice Downs Corridor	Western Australia	E80/5056	10BL	100%

Appendix 5B

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

Name of entity

Future Metals NL

ABN

99 124 734 961

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows (refer Note 1)		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(279)	(279)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(367)	(367)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	6
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)	7	7
1.9	Net cash from / (used in) operating activities	(632)	(632)

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

Consolidated statement of cash flows <i>(refer Note 1)</i>		Current quarter \$A'000	Year to date (3 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	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of listed option securities	40	40
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(18)	(18)
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)	-	-
3.10	Net cash from / (used in) financing activities	22	22

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,291	2,291
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(632)	(632)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	22	22

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

Consolidated statement of cash flows <i>(refer Note 1)</i>		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	5	5
4.6	Cash and cash equivalents at end of period	1,686	1,686

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	1,686	2,289
5.2 Call deposits	-	2
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,686	2,291

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	54
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> - Payment of Directors' Fees and Remuneration	

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

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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(632)
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)	(632)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,686
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,686
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.67
<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 2024

Authorised by: the Board

(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.