



ASX Announcement

Quarterly Activities Report – June 2022 Quarter

29 July 2022

Greenwing Resources Ltd (**Greenwing** or the **Company**) (ASX:GW1), is pleased to report its activities for the June 2022 quarter as it continues to progress its strategy to become an integrated green metals producer with exposure to lithium, graphite and advanced materials.

HIGHLIGHTS

- Commencement of detailed Transient Electromagnetic ("TEM") geophysical survey at the San Jorge Lithium Project, located in the prolific Lithium Triangle
- Preparation for maiden drilling program at the San Jorge Lithium Project continued
- Brine samples supplied to leading providers of Direct Lithium Extraction ("DLE") technology for testing
- Completion of diamond drilling program at Graphmada Mining Complex with 69 drill holes for a total of 3,268 meters
- Updated Graphmada Mineral Resource announced of 61.9 million tonnes (Mt) at 4.5% Fixed Carbon (FC), nearly tripling the total contained graphite to 2.7 Mt (refer Table 1)
- Successful production and characterisation of graphene to ISO Technical Standard (TS) 21356-1:2021

LITHIUM

San Jorge, Argentina

The San Jorge Lithium Project consists of a 38,000 hectare tenement package, inclusive of the entire 2,800 hectare San Francisco Salar, in the highly prospective Lithium Triangle which accounts for a significant proportion of the world's lithium production.

At the end of the quarter, the Company commenced a TEM Electrical Geophysical survey with an objective of mapping the extent of the brine body, particularly off the visible salar, and to provide information on the lithologies associated with aquifers in the salar, as well as to define geological structures. The survey will consist of 9 lines with up to 128 TEM stations.

Greenwing Resources Ltd

ABN 31 109 933 995

Phone: +61 (0) 7 3063 3233 | Level 21, 110 Mary Street Brisbane Qld 4000

www.greenwingresources.com

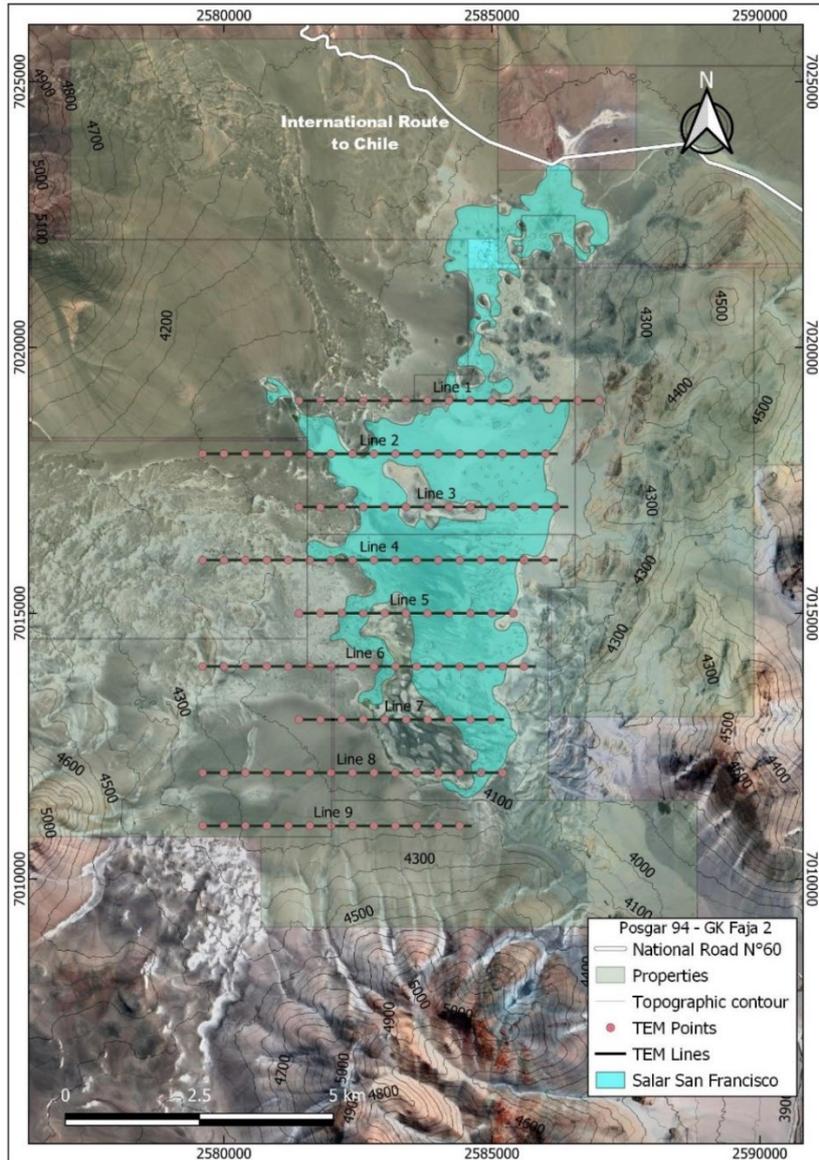


Figure 1: Location of TEM geophysical lines planned to evaluate brine distribution

During the quarter, planning work continued for the Company's maiden drilling program. The drilling program is planned around the western margins of the salar, as experience in other salt lake basins suggest lithium brine is likely to extend under the alluvial gravels and basalt flows in this area.

The three rotary holes of approximately 400m each are designed to confirm the lithium concentration and obtain information about different types of sediments and host units to brine. Concurrently to undertaking the drilling program the Company will also extract larger brine samples for processing evaluation.

Non-Disclosure Agreements (NDA's) were executed with leading providers of DLE technology and brine samples provided to determine the brine's suitability for DLE processing.

Millie's Reward, Madagascar

The Company continued planning activities for a future exploration program at Millie's Reward,

GRAPHITE

Graphmada, Madagascar

Greenwing completed a diamond drilling program at its wholly owned Graphmada Graphite Mining Complex, Madagascar. The program consisted of 69 drill holes for a total of 3,268 meters.

At the Ambatofafana Zone, the primary aim was to expand the Mineral Resource, which was achieved with 31 drill holes for 1,889 meters. The diamond drill section (Figure 2) for Ambatofafana contained many high-grade thick intersections along drill holes GW1D0044 to GW1D0052 (excluding GW1D0058) – reported in ASX Announcement dated 13 April 2022.

This zone continues to demonstrate significant graphite mineralisation that is open laterally, in width and in depth, with most drill holes ending in mineralisation.

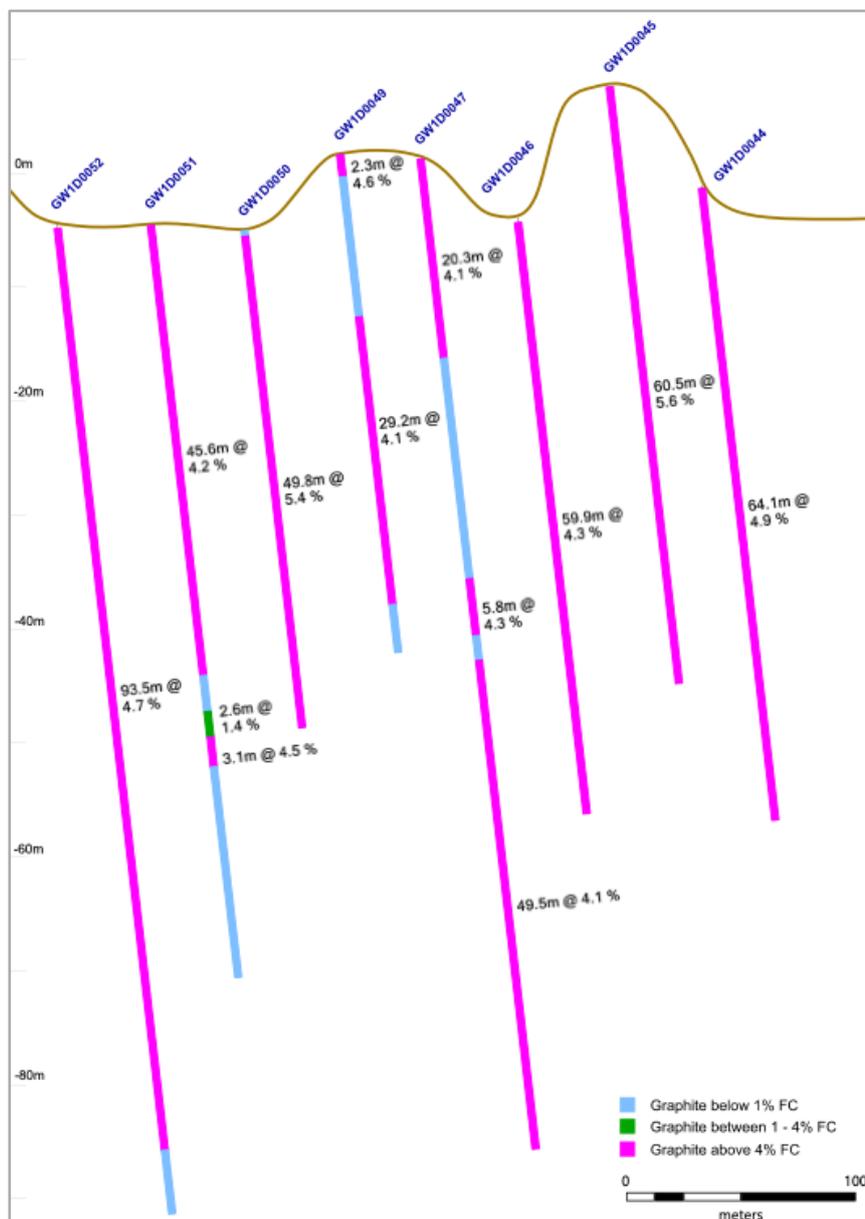


Figure 1: Drill section (Ambatofafana)

Update Mineral Resources

As announced on 12 July 2022, the drilling program expanded the Graphmada Mineral Resource to **61.9Mt at 4.5% Fixed Carbon (FC)**. The contained graphite has nearly tripled, increasing from 890kt to 2,780kt.

This program has made significant advancement in realising the Exploration Target estimate of 86-146 Million tonnes between 4-6% TGC.

Next steps involve advancing feasibility studies on large scale mining and processing.

Table 1: June 2022 Graphmada Mining Complex Mineral Resources

	Tonnes (Mt)	FC%	Contained Graphite (kt)
Measured	18.7	4.9	911
Indicated	12.3	4.7	582
Inferred	30.9	4.2	1,288
Total	61.9	4.5	2,780

Important Notes:

An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade, relates to mineralization for which there has been insufficient exploration to estimate a Mineral Resource. The potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate an additional Mineral Resource and it is uncertain if further exploration will result in the estimation of an additional Mineral Resource.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases, and the form and context of the announcement has 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.

ADVANCED MATERIALS

Greenwing's research partnership with Swinburne University achieved the characterisation of graphene as defined by International Organisation for Standardisation ("**ISO standards**"). Greenwing is the only ASX listed company to report that its graphene has been produced to this high standard in an ISO 9001 facility.

This milestone, the second milestone reached as part of the collaboration, is a key step in the Company's plans to create a patentable and environmentally friendly process to produce advanced materials such as expandable graphite and graphene. The Company aims to utilise these advanced materials in the manufacture of next generation fireproof products, with a focus on mechanical strength and high-quality fire resistance.

The graphene demonstrated monolayered and few layered graphene sheets and laterally, large graphene sheets, which are highly sought after in high performance applications. Graphene was produced via an environmentally friendly process using an organic solvent with Liquid Phase Exfoliation ("**LFE**"), a promising method due to scalability.

The Company and Swinburne will now focus on:

- ◆ Optimising the graphene percentage for strength and fire-resistant properties for use in advanced materials and products
- ◆ commence the manufacturing of next generation prototypes
- ◆ undertaking further analysis of fire resistant and mechanical properties

CORPORATE/ COMPANY

Sale of Tasmanian Assets

The Company executed an Asset Sale Agreement for the Que River tenements (CML68M/1984). Completion of the asset sale remains subject to various conditions precedents being met, including but not limited to the tenement being renewed and transferred and a replacement security deposit on terms acceptable to both parties.

ASX listing rule 5.3 disclosures

For the quarter ended 30 June 2022, the Company had net cash outflows of \$841k in capitalised exploration and evaluation activities and \$63k in research and development activities. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$44k for directors' fees, with an amount of \$70k accrued for the quarter.

Investor Presentations

Please refer to the presentation released on 26 April 2022, and since the end of the quarter it attended and presented to the Noosa Mining Conference on 20 July 2022.

Shareholder Meeting

The Company held a Shareholder Meeting on 28 June 2022 at which all resolutions put to the meeting were passed. The resolutions included:

- Approval for the issue of shares to the vendors of Andes Lito SA
- Ratification of a previous share issue for shares issued in lieu of cash interest payable on the Company's unlisted convertible notes
- Approval to issue shares to directors in lieu of interest payable on the Company's unlisted convertible notes
- Approval to issue options to directors and employees.

For more information:

visit www.greenwingresource.com or contact info@greenwingresources.com

Rick Anthon, Chairman

Craig Lennon, CEO

This announcement has been approved by the Company's Board of Directors for release.

ABOUT GREENWING RESOURCES

Greenwing Resources Ltd (ASX:GW1) is an Australian-based critical minerals exploration and development company committed to sourcing metals and minerals required for a cleaner future. With lithium and graphite projects across Madagascar and Argentina, Greenwing plans to supply electrification markets, while researching and developing advanced materials and products.

Tenement & Permit Holding

The Company's interests in mining and exploration tenements and permits are as follows:

Country	Region	Tenement / Permits	Interest
Australia	Tasmania	CML 68M/1984 Que River Mine Lease	100% ¹
Madagascar	Antsinanana	PE 25600 Loharano (East)	100%
Madagascar	Antsinanana	PE 26670 Mahefedok	100%
Madagascar	Antsinanana	PE 24730 Andapa	100%
Madagascar	Antsirabe	PRE 4383	100%
Madagascar	Antsirabe	PRE 11545	100%
Madagascar	Antsirabe	PRE 39808	Mineral Rights
Argentina	Catamarca	File No. 49/2017 – Gruta San Francisco	Option ²
Argentina	Catamarca	File No. 22/2020 – Safra Lik	Option ²
Argentina	Catamarca	File No. 23/2020 – Safra 1 Lik	Option ²
Argentina	Catamarca	File No. 68/2017 – San Jorge Este 1	Option ²
Argentina	Catamarca	File No. 54/2017 – San Jorge Este 2	Option ²
Argentina	Catamarca	File No. 59/2017 – San Jorge Este 3	Option ²
Argentina	Catamarca	File No. 55/2017 – San Jorge Norte 1	Option ²
Argentina	Catamarca	File No. 53/2017 – San Jorge Norte 2	Option ²
Argentina	Catamarca	File No. 52/2017 – San Jorge Oeste 1	Option ²
Argentina	Catamarca	File No. 50/2017 – San Jorge Oeste 2	Option ²
Argentina	Catamarca	File No. 56/2017 – San Jorge Oeste 3	Option ²
Argentina	Catamarca	File No. 57/2017 – San Jorge Oeste 4	Option ²
Argentina	Catamarca	File No. 58/2017 – San Jorge Sur 1	Option ²
Argentina	Catamarca	File No. 67/2017 – San Jorge Norte 4	Option ²
Argentina	Catamarca	File No. 51/2017 – San Jorge Norte 3	Option ²

Notes:

1. Intec Limited holds a 2.5% NSR Royalty over all Product from Greenwing's interests in CML68M/1984.
2. Greenwing has the ability to acquire up to 100% of each of these permits – refer to ASX announcements dated 26 March 2021 and 3 September 2021.

Disclaimer

This document has been prepared by Greenwing Resources Ltd (the "Company"). It should not be considered as an invitation or offer to subscribe for or purchase any securities in the Company or as an inducement to make an invitation or offer with respect to those securities. No agreement to subscribe for securities in the Company will be entered into based on this document.

This document is provided on the basis that neither the Company nor its officers, shareholders, related bodies corporate, partners, affiliates, employees, representatives, and advisers make any representation or warranty (express or implied) as to the accuracy, reliability, relevance, or completeness of the material contained in the document and nothing contained in the document is, or may be relied upon as a promise, representation, or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law.

Forward Looking Statements

This announcement contains certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified using forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative version of them or comparable terminology.

Any forecasts or other forward-looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material.

Greenwing Resources Ltd does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will occur and you are cautioned not to place undue reliance on forward-looking statements. The information in this document does

not consider the objectives, financial situation, or needs of any person. Nothing contained in this document constitutes investment, legal, tax or other advice.

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available. This document may not be distributed or released in the United States.

Competent Person Statement

The information in this document that relates to Exploration Results, Exploration Targets and Mineral Resources in relation to the Madagascan and Australian Projects is based on information compiled by Tim McManus, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy, who is a consultant to the Company.

Tim McManus has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being 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.

Tim McManus consents to the inclusion of the information in this document in the form and context in which it appears.

The information in this document that relates to Exploration Results in relation to the Argentinean Project has been prepared by Mr Murray Brooker. Murray Brooker is an employee of Hydrominex Geoscience Pty Ltd and is independent of Greenwing.

Mr Brooker has sufficient experience 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 Brooker consents to the inclusion of the information in this document 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

GREENWING RESOURCES LTD

ABN

31 109 933 995

Quarter ended ("current quarter")

30 JUNE 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	17	128
1.2 Payments for		
(a) exploration & evaluation (if expensed)	(63)	(253)
(b) development	-	-
(c) production	-	-
(d) staff costs	(42)	(310)
(e) administration and corporate costs	(174)	(1,206)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	(2)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other	10	66
1.9 Net cash from / (used in) operating activities	(252)	(1,577)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	(260)
(b) tenements	-	-
(c) property, plant and equipment	(1)	(3)
(d) exploration & evaluation (if capitalised)	(841)	(2,331)
(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 (12 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	(842)	(2,594)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,014
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	-	(532)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings (leases)	-	(4)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	2	2
3.10	Net cash from / (used in) financing activities	2	5,480

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,001	609
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(252)	(1,577)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(842)	(2,594)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2	5,480

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	(14)	(23)
4.6	Cash and cash equivalents at end of period	1,895	1,895

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	1,895	3,001
5.2	Call deposits	-	-
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)	1,895	3,001

6. Payments to related parties of the entity and their associates

6.1	Aggregate amount of payments to related parties and their associates included in item 1	44
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

**Current quarter
\$A'000**

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

Payment of directors' fees relating to prior and current quarters, with a further \$70k outstanding relating to the current quarter.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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)	-	-
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)	(252)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(841)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,093)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	1,895
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	1,895
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.7

- 8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:
- 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:

The Company completed a significant drilling program in Madagascar during the June quarter. It expects to have lower operating expenditures in the September quarter, noting that it plans a drilling program in Argentina commencing in late September/October, which is likely to increase the outflows again in the December quarter.

The Company will look to continue its exploration and development activities in both Argentina and Madagascar with expenditure priorities carefully considered.

- 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:

The Company is considering its options to fund its exploration and development activities. The Company has a number of options including:

- raising additional equity or securing other forms of financing to meet the Company's working capital requirements.
- reducing its level of expenditure through farm outs or joint ventures; and
- disposing of assets

The Company has successfully raised funds as required in the past and retains the support of its major shareholders and corporate advisors and is optimistic that it will be able to raise further funding as required in the future.

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:

The Company will maintain exploration, development and maintenance activities whilst managing its net cash outflows allowing it to continue these activities in the near term.

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: 29 July 2022

Authorised by: the Board of Directors

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.