

Quarterly Activities Report for period ended 31 December 2024

30 January 2025



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 31 December 2024 (the "Quarter").

Highlights

- **Maiden drilling at the Eileen Bore Prospect has identified a new mineralised zone 1km to the east ("Target 2") with multiple zones of disseminated to blebby sulphides intersected, including:**
 - 4.7m of 10-25% chalcopyrite, pyrrhotite, pentlandite from 127.6m; and
 - 7.8m of 10-15% chalcopyrite, pyrrhotite, pentlandite from 255.5m
- **Extension drilling at Eileen Bore intersected variably mineralised ultramafic, including a 39m zone of 25-30% blebby to disseminated chalcopyrite-pyrrhotite mineralisation**
- **Assay results for drilling expected to be released shortly**
- **Ground gravity data collected combined with drilling at Target 2 indicates a large prospective ultramafic**
- **Continued prudent financial management, including reduced corporate costs in light of the ongoing low PGM price environment**
- **Ongoing review of potential acquisition opportunities for value-accretive resource projects, including assets within strategic proximity to the Panton PGM Project**

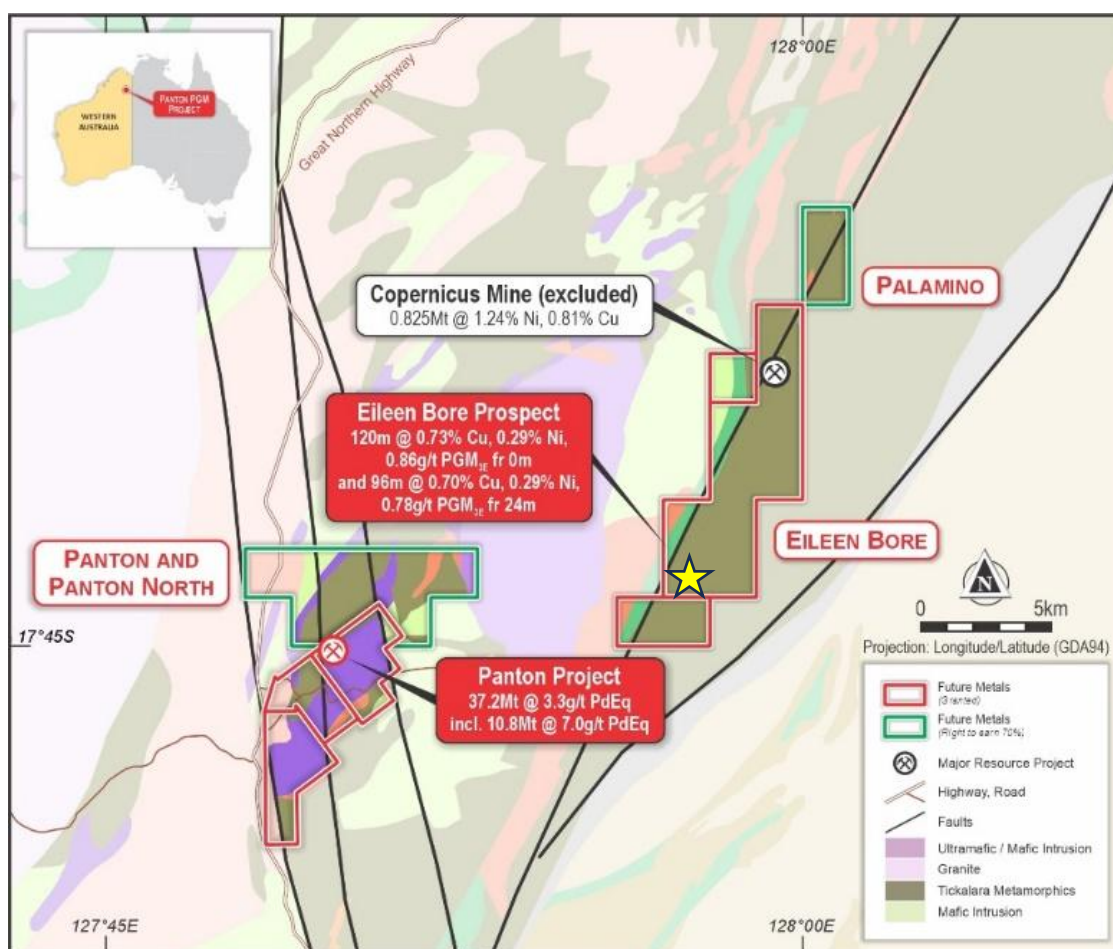


Figure One | Future Metals East Kimberley Projects, the Panton Project & Alice Downs Corridor

Alice Downs Corridor Exploration

The maiden drilling programme was successfully completed at the Eileen Bore Prospect and the adjacent, previously undrilled Target 2 within the Alice Downs Corridor. A total of four diamond drill holes were drilled, totalling 1,195.2m. Assay results were received mid-December 2024, but due to a quality control/quality assurance ("QA/QC") issue with the preliminary results, public release has been delayed until advice is received from the laboratory.

Future Metal's expects results to be released shortly.

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.

Two diamond drill holes, EBDD001 and EBDD002, were drilled at the Eileen Bore Prospect to test for extensions of historical drilling and confirm the continuity of wide, near-surface zones of copper and nickel mineralisation. Additionally, two more diamond drill holes, EBDD003 and EBDD004, were drilled at Target 2 as an initial test of surface anomalism.



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

Eileen Bore Prospect | Drilling

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

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

- 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

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 (refer to Photo 2)**. This zone is chalcopyrite dominant, with remobilised pyrrhotite and pentlandite veins present.

This drill programme confirmed a disseminated Cu-Ni-PGM magmatic sulphide body within a serpentised pyroxenite host. Multiple historical holes ended in mineralisation and modelling suggests mineralisation is focused within a synformal fold axis and is plunging to the north-northwest.

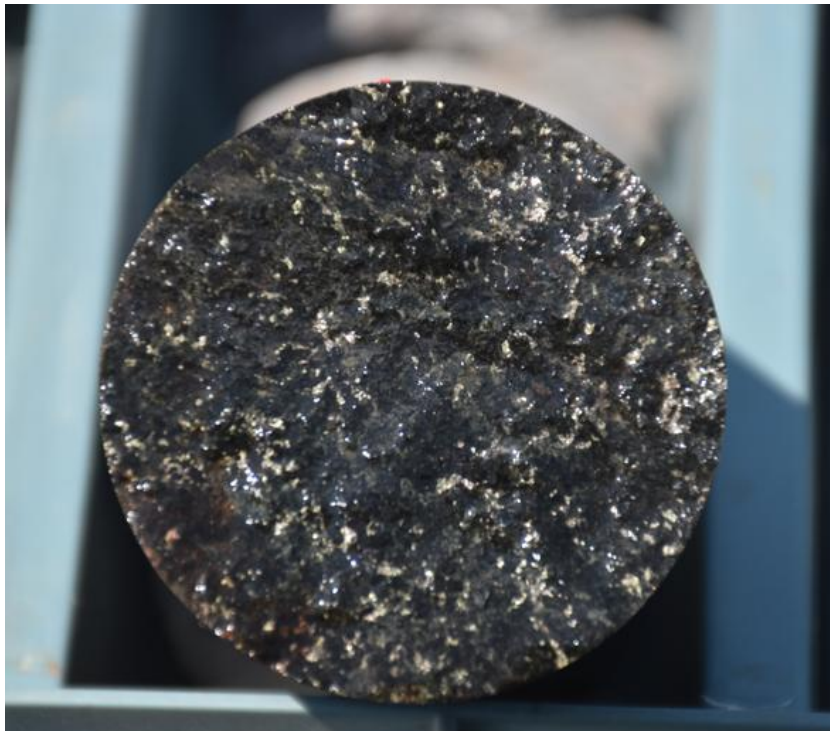


Photo Two | Chalcopyrite dominant mineralisation in EBDD002

Target 2 | Drilling

Target 2, located approximately 1km northeast of the Eileen Bore prospect, is a newly discovered area. Drilling at Target 2 intersected over 200m of prospective ultramafic, with multiple zones of disseminated to blebby magmatic sulphides. **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 is particularly interesting, both indicate variable zones of sulphide mineralisation within the 200m interval** (refer to Photo Three).

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

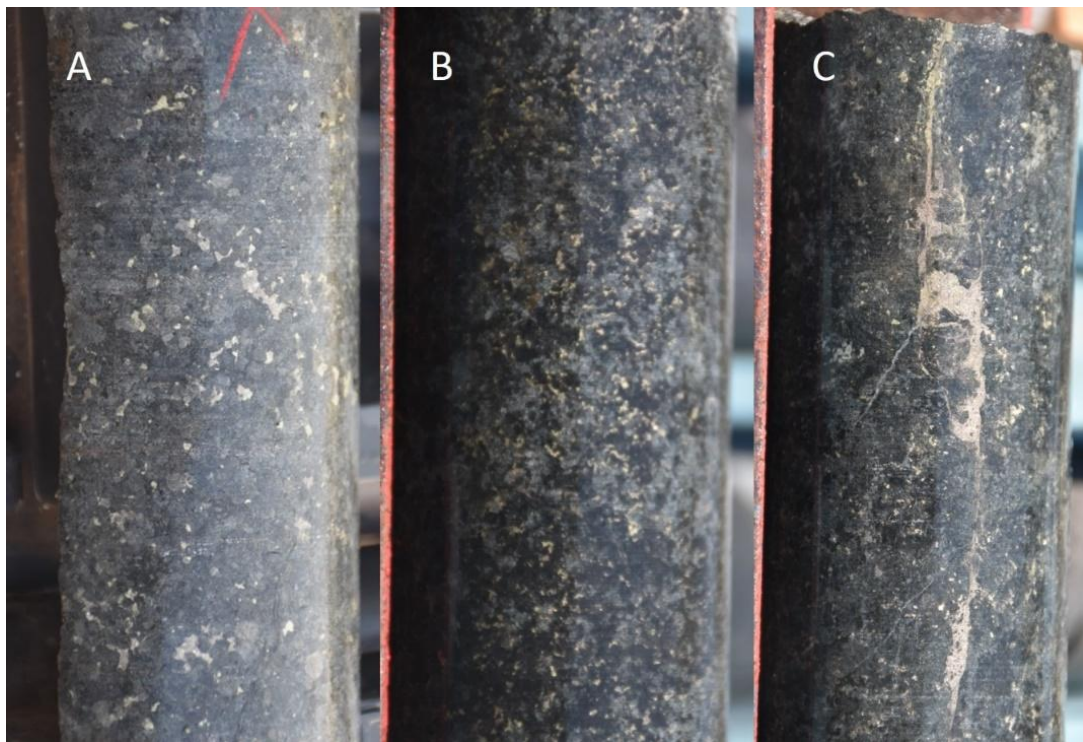


Photo Three | A: Pyrrhotite-pentlandite-chalcopyrite mineralisation in EBDD003, B: Chalcopyrite dominant mineralisation in EBDD002, C: Pyrrhotite-pentlandite stringers in EBDD002

Ground Gravity

Ground gravity across the Alice Downs Corridor and Panton North was completed under the EIS Venture 1 programme. The ground gravity data is being processed but initial data indicates multiple targets within the Alice Downs Corridor as well as the extension of the Panton Complex to the northwest.

Corporate

Mr Justin Tremain stepped down as Non-Executive Director on 11 November 2024 following increased commitments with his executive role at another ASX-listed company. The Company does not intend to find a replacement at this stage and will continue to operate with three directors, leading to a reduction in corporate costs.

The Company announced a change of Company Secretary after the resignation of Thomas O'Rourke. Mr Harry Miller, with 10 years' experience in the provision of secretarial services, was appointed on 19 December 2024.

Project Generation

With the depressed PGM price environment continuing to inhibit the development of the Panton PGM Project, the Company is undertaking ongoing due diligence on the acquisition potential of other value-accretive resource assets.

The Company is committed to keeping investors informed of any material developments related to new project opportunities as they arise. However, there is no assurance that any transactions will result from these ongoing evaluations.

Cost Rationalisation

The Company continues to progress in reducing discretionary corporate expenditure to reduce overheads.

Financial Commentary

The Company held approximately A\$0.57m in cash at the end of the Quarter.

Exploration and project development expenditure during the Quarter amounted to approximately A\$945k. Payments for administration and corporate costs amounted to approximately A\$179k. Also included in corporate costs were payments to related parties and their associates of A\$39k, comprising Director fees and remuneration (including superannuation). The Quarterly Cashflow Report (Appendix 5B) for the period ended 31 December 2024 provides an overview of the Company's financial activities.

The Quarterly Cashflow Report (Appendix 5B) is attached to this report.

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

19 December 2024	Change of Company Secretary
21 November 2024	Result of AGM and Board Changes
30 October 2024	Copper Nickel Sulphide Intercepts in Exploration Drilling
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:

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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 31 December 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")

31 December 2024

Consolidated statement of cash flows (refer Note 1)		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	(945)	(1,224)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(179)	(546)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	8
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
1.9	Net cash from / (used in) operating activities	(1,121)	(1,754)

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 (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	-	-

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
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(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

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,686	2,291
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,121)	(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

Consolidated statement of cash flows <i>(refer Note 1)</i>		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	3	5
4.6	Cash and cash equivalents at end of period	568	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	568	1,686
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)	568	1,686

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	39
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	

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)	(1,121)
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)	(1,121)
8.4 Cash and cash equivalents at quarter end (item 4.6)	568
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	568
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.51
<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: The Company plans to reduce its net operating cashflows by implementing a cost reduction program, scaling back its exploration expenditure and reducing corporate office costs.	
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: The Company has not currently taken any formal steps to raise further funds however is confident of being able to raise further capital in the future through existing and new shareholders to fund its ongoing operations.	

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: Yes, the Company expects to be able to continue its operations and to meet its business objectives based on its responses to items 1 and 2 above.

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.

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: 30 January 2025

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.