

22 January 2021

## December 2020 Quarterly Activities Report

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Protean Energy Ltd (**Protean** or the **Company**) provides shareholders its quarterly report for the three-month period ending 31 December 2020.

### Disposal of KORID Energy Interest

On 2 November 2020, Protean advised it entered into a binding term sheet to dispose of its 50% interest in KORID Energy Co Limited (**KORID**) to Australia VRFB ESS Company Pty Ltd (**VRFB Australia**).

The disposal was subject to shareholder approval at the Company's Annual General Meeting on the terms set out in the Addendum to the Notice of Meeting dated 20 November 2020.

Following receipt of shareholder approval on 15 December 2020, and the satisfaction of certain condition precedents, the Company advised it completed the disposal of its 50% interest in KORID to VRFB Australia on 4 January 2021.

### Gwesan Vanadium Project Exploration Programme

During the quarter, Protean advised it had engaged independent consulting group GeoGeny Consultants Group Inc. (**Geogeny**) to provide in-country services to undertake an eight-phase exploration programme at its Gwesan Vanadium Project in South Korea.

The initial stage of the programme will comprise compilation of all available technical information with the aim of identifying vanadium prospectivity on the Gwesan Vanadium Project tenement in South Korea and is anticipated to be completed during Q1 2021.

The Company anticipates undertaking a field reconnaissance programme consisting of multi-commodity soil and trench sampling campaigns with requisite approvals and permits to be sought in Q1 2021. The second stage programme will seek to define anomalous zones of vanadium mineralisation to be followed up with auger drilling and aeromagnetic surveying. Subject to results of the preceding three stages it is proposed to diamond drill test vanadium targets defined by the programmes.

### Gwesan Vanadium Project Background

The Geology in the Okcheon belt consists of meta-sedimentary sequence that is composed of three formations including the Wunkyori, Hwajeonri and Guryongsan. The stratigraphical sequence within the belt at the Gwesan project comprises a dark grey Phyllite, followed by the black shale (ore zone) and a fine grained sandstone. The historical drilling at the Gwesan project has intercepted black shale along a 10km strike.

The mineralised black shale has been under-targeted in the past and drilling completed in 2013 has shown and confirmed the potential for Vanadium mineralisation hosted by the black shale (refer ASX release 13 November 2013).

## **Daejon Project Update**

Subsequent to the end of the quarter, the Company received confirmation that, following an open hearing with the Mining Registration Office in South Korea in late November 2020, the Daejon Vanadium Project tenements have been granted a 1-year extension of term until November 2021.

### **CORPORATE**

#### Placement

On 28 October 2020, the Company announced that it had received firm commitments to raise \$385,000 from sophisticated investors, who are clients of CPS Capital Group Pty Ltd (**CPS**), at an issue price of \$0.006 per fully paid ordinary share (**Placement**).

The Placement was issued in two tranches, being:

1. 40,000,000 fully paid ordinary shares on 4 November 2020; and
2. 24,166,667 fully paid ordinary shares on 16 December following shareholder approval at the Company's Annual General Meeting.

#### Fully Underwritten Rights Issue

The Company successfully completed a fully underwritten pro rata non-renounceable entitlement offer, raising approximately \$1.61 million before costs.

#### Options Issue

The Company issued 40,000,000 unquoted options exercisable at \$0.01 on or before 15 December 2023 at an issue price of \$0.00001.

#### Board and Company Secretarial Changes

14 October 2020 the Company advised that Mr Joe Graziano and Mr Timothy Slate have been appointed Non-Executive Directors of the Company. Mr Tim Slate was also appointed joint Company Secretary.

Mr Matthew Foy resigned as Non-Executive Director of the Company on 14 October 2020 and as joint Company Secretary on 15 December 2020.

### **Additional ASX Information**

Protean provides the following information pursuant to ASX Listing Rule requirements:

1. ASX Listing Rule 4.7C.1: The Company's net cashflow used in operations for the quarter was \$143,000. The Company's operational expenses mainly comprised of administration and corporate costs (\$115,000) and staff costs (\$24,000).
2. ASX Listing Rule 4.7C.3: In item 6 of the attached Appendix 4C, payments to related parties of approximately \$43k comprising of Director Services (\$24) and Non-Director Services – company secretarial services (\$9k), accounting services (\$8k) and serviced office (\$2k) were paid during the quarter.

This release has been authorised for release by the Directors of the Company.

For further information, see [www.proteanenergy.com](http://www.proteanenergy.com) or phone: T: + 61 8 6558 0886

**ENDS**

## SCHEDULE A- KOREAN TENEMENT SCHEDULE

(100% held directly by SK Energy Metals Pty Ltd which is in turn 50% owned by Korea Vanadium Ltd). There was no change in the interests of the Gwesan tenement during the quarter.

Tenement Name	ID	Registration No.	Expiry Date	Area (ha)	Mineral
Gwesan	137	79161	11/01/2022	275	Uranium, Vanadium

### Daejeon Group – detailed information

Daejeon Group includes Okcheon -136, -147, Daejeon -18, -28, -38, -48, -17, -7 in total 8 tenements. This group is considered as one tenement for exploration and mining to MRO under the Korean mining law. The below tenements have been granted a 1-year extension of term until November 2021

Tenement Name	Area	ID	Registration No.	Expiry Date	Area (ha)	Interest Held at end of quarter	Changes during the quarter	Mineral
Daejeon Group	Daejeon	18	77011	November 2021	277	0%	(100%)	Uranium, Vanadium, Molybdenum
	Daejeon	28	77012	November 2021	259	0%	(100%)	Uranium, Vanadium
	Daejeon	38	77013	November 2021	277	0%	(100%)	Uranium, Vanadium
	Daejeon	48	77014	November 2021	277	0%	(100%)	Uranium, Vanadium
	Okcheon	136	77010	November 2021	138	0%	(100%)	Uranium, Vanadium
	Okcheon	147	77038	November 2021	277	0%	(100%)	Uranium, Vanadium
	Daejeon	17	77039	November 2021	103	0%	(100%)	Uranium, Vanadium
	Daejeon	7	77114	November 2021	190	0%	(100%)	Uranium, Vanadium, Molybdenum
					1,798			

### Competent Person Statement

The information contained in this ASX release relating to exploration results and Mineral Resources has been compiled by Mr Kahan Cervoj of Optiro Pty Ltd. Mr Cervoj is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient 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 editions of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Cervoj consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Additionally, Mr Cervoj confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.