



## ASX Announcement

### Quarterly Activities Report – September 2021 Quarter

29 October 2021

Greenwing Resources Limited ('Greenwing' or the 'Company') (ASX:GW1) is positioning itself as a diversified producer of critical mineral concentrates to capitalise on robust market fundamentals for graphite, lithium, and advanced materials. In progressing this strategy, the Company is pleased to report its activities for the quarter ended 30 September 2021.

## HIGHLIGHTS

- Executed acquisition of the San Jorge Lithium Brine Project located in the prolific Argentinian Lithium Triangle and fast tracked the commencement of exploration
- Completed an additional phase of the Graphmada Mineral Resource upgrade exploration program:
  - 89 auger holes drilled to an average depth of 12m from surface
  - Returning significant intercepts of graphite mineralisation, up to 11 metres at 6.9% Fixed Carbon (FC).
  - A further exploration program to commence in the December quarter
- Completed Flake Size Distribution (FSD) analysis within the Graphmada Mineral Resource with 68% of the Natural Flake Graphite categorised as large flake graphite (>180 microns) and above.
- Achieved exceptional results from the Company's work in developing environmentally friendly purification methods for the enhancement of final graphite product grade.
- Strong cash position after successful \$6.15 million equity raising.
- Executed a name change and consolidation of share capital.

Greenwing Resources Ltd

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## GRAPHITE

### Graphmada, Madagascar

#### Exploration Results<sup>1</sup>

During the quarter, Greenwing completed 1,050m of shallow auger drilling across 89 holes. The results continue to demonstrate the regolith hosted graphite mineralisation footprint at Graphmada is extensive, both laterally and in width.

Key intercepts include:

Collar ID	X	Y	Azimuth	Incl.	Total Depth	Weighted Average %FC
BSMA690	288,999	7,900,940	0	-90	12.0	<b>10.0m @ 6.4% FC</b> <b>(incl. 3.0m @ 9.6% FC)</b>
BSMA731	289,010	7,900,851	0	-90	12.0	<b>10.5m @ 3.9% FC</b> <b>(incl. 6.0m @ 5.8% FC)</b>
BSMA689	288,980	7,900,940	0	-90	12.0	<b>11.0m @ 2.1% FC</b> <b>(incl. 7.0m @ 3.2% FC)</b>
BSMA659	288,951	7,901,440	0	-90	12.0	<b>11.0m @ 3.2% FC</b> <b>(incl. 5.0m @ 6.8% FC)</b>
BSMA661	288,969	7,901,440	0	-90	12.0	<b>11.0m @ 6.9% FC</b> <b>(incl. 4.0m @ 12.3% FC)</b>

#### Ongoing Exploration Program

Greenwing is undertaking a further shallow auger drilling program and expects to release the results from this exploration in the near term.

A comprehensive diamond drilling program is planned to commence in the December quarter seeking to further grow the Mineral Resource at Graphmada over the recently expanded mineralisation footprint. Following completion of the diamond drilling program, Greenwing will aim to provide a Mineral Resource upgrade for Graphmada in support of its studies into undertaking large scale mining and processing operations of its proven and commercially accepted concentrates.

#### Flake Size Distribution Results<sup>1</sup>

At its wholly owned laboratory facility at Graphmada, Greenwing undertook Flake Size Distribution analysis during the quarter of bulk samples taken from 3 locations across the Graphmada Mineral Resource: the Ambatofafana, Mahela and Mangabe zones.

Bulk Sample Locations				
	X	Y	Z	Zone
BSMB001	288278.578	7900961.24	18.789	Ambatofafana
BSMB002	287670.855	7901985.29	10.204	Mahela
BSMB003	288059.933	7904975.23	13.236	Mangabe

<sup>1</sup> ASX announcement released 18 August 2021: Exploration and Analysis Update

The results of the testing demonstrated the unique nature of the Mineral Resource at Graphmada, with approximately 68% of the flakes reporting as large flake graphite (>180 microns), the premium pricing point. Of note was the quantity of flakes reporting above 2000 micron (2mm), which averaged 38% across all three samples. The results of this test work will be utilised in the Company's ongoing feasibility studies for large scale mining and processing at Graphmada, which the Company is aiming to produce 40,000 tonnes of graphite concentrates per annum by 2024-25.

Flake Size Distribution						
	<b>+2mm</b> (>2000microns)	<b>+35 mesh</b> (>500microns)	<b>+50 mesh</b> (>300 microns)	<b>+80 mesh</b> (>180 microns)	<b>+100 mesh</b> (>150 microns)	<b>-100 mesh</b> (<150 microns)
	SUPER JUMBO		JUMBO	LARGE	MEDIUM	FINE
<b>BSMB001</b>	50.2	9.6	6.7	15.1	5.4	12.8
<b>BSMB002</b>	19.6	16.1	10.9	23.4	9.6	20.2
<b>BSMB003</b>	11.2	7.3	8.1	25.9	11.9	35.4
<b>Average</b>	<b>27.0</b>	<b>11.0</b>	<b>8.5</b>	<b>21.5</b>	<b>8.9</b>	<b>22.8</b>
	Large Flake = 68%					
	Course Flake = 77%					

Table subject to rounding

### Purification Trials<sup>1</sup>

During the quarter the laboratory team at Graphmada undertook trials of various methods of purification to determine the best method for upgrading final concentrate grade (i.e., saleable product grade).

The first method utilised Hydrochloric Acid, a common inorganic acid used in the management of swimming pools, which was found to be very effective in upgrading the concentrate from 90.4% FC to 94.2% FC within 6 hours.

The second method used an organic, environmentally friendly acid, which was also found to be successful in upgrading the graphite from 91.6% to 92.4% FC over an 8-hour period.

The Company will continue trials to optimise its preferred purification technique for subsequent pilot scale testing and lodgement of an intellectual property patent.

Purification Trials				
	Time in Solution	Original Grade	Purified Grade	Upgrade Benefit
Inorganic Acid	6 hours	90.4% FC	94.2% FC	3.8% FC
Organic Acid	8 hours	90.7% FC	92.4% FC	1.7% FC

## LITHIUM

### San Jorge, Argentina

The Company announced during the quarter that it had executed an agreement to acquire Andes Lito SA<sup>2</sup> which holds an option to acquire the San Jorge Lithium Project located in Catamarca province, Argentina.

The San Jorge Lithium Brine Project is in the Lithium Triangle, a prolific location accounting for over half of the world's annual lithium production (Figure 2). The project consists of 15 granted Exploration Licenses (EL's) covering 36,000 hectares inclusive of the San Francisco Salar which covers 2,800 hectares.

For further information regarding the San Jorge Lithium Brine Project and transaction terms, please refer to the Company's announcement dated 3 September 2021: Execution of San Jorge Project Acquisition Agreement.



Location of the San Jorge Project.

<sup>2</sup> ASX announcement released 13 July 2021: Bass to proceed with San Jorge lithium acquisition.

Since completion of the acquisition, the Company has moved swiftly to engage a team of highly skilled and experienced contractors to plan and commence exploration work which will initially focus on the previously unexplored San Francisco Salar and will include geophysics, soil sampling and hand auguring.

Results from this initial program are expected to be released during the December quarter.

### **Millie's Reward, Madagascar**

The Company continues its planning activities for exploration of the project in the new year.

## **ADVANCED MATERIALS**

Greenwing and Swinburne having signed a Master Research and Development Agreement to develop advanced materials using both Expandable Graphite and Graphene from the Company's premium concentrates, has commenced research and development activities.

The key objective of the first collaboration is to create a patentable, environmentally friendly, advanced fireproof panelling product from purified Expandable Graphite and Graphene, with a focus on mechanical strength and fire retardation.

The Company and Swinburne have progressed research activities during the quarter, completing a detailed literature review, graphite characterisation work researching specific properties and commencement of testing and analysis.

The team is now focused on the preparation of graphite-polyethylene composites to current market standard utilising various graphite weight concentrations, with compression moulding into films and then first round of testing occurring after the end of the quarter. Further market updates will be available this quarter.

Due to COVID-19 restrictions in Victoria, this work program has progressed slower than planned however, with the restrictions lifting, the Company expects to see material advancements of its activities in the coming quarters.

## **CORPORATE**

### **Tasmanian Assets**

The Company continues its care and maintenance activities for its Que River tenements (CML68M/1984).

### **Equity Raising**

During the quarter, the Company completed the first tranche of a \$6.15 million equity raising by way of a placement of ordinary shares at an issue price of \$0.24 per share to professional and sophisticated investors, with \$4.63 million received during the quarter and commitments being received for approximately \$1.52 million subject to shareholder approval at the Company's upcoming Annual General Meeting.

The proceeds of the issue are being immediately directed to the execution of the Company's strategic objectives, notably exploration programs at San Jorge and Graphmada.

## Shareholder Meeting

The Company held a General Meeting on 15 July 2021 at which all resolutions put to the meeting were passed. The resolutions included:

- a consolidation of share capital on a 50 into 1 basis
- a change the Company's name from Bass Metals Ltd to Greenwing Resources Ltd.
- approval to issue the first tranche of shares for the acquisition of Andes Litio (the San Jorge Lithium Project)
- the election of a non-executive director – James Brown
- approval for the issue of shares and options to directors
- ratification of previous issues of securities.

The share consolidation and name change have now been effected. The ASX code has also changed to GW1.

The Company's Annual General Meeting will be held on 12 November 2021.

## ASX listing rule 5.3 disclosures

For the quarter ended 30 September 2021, the Company had net cash outflows of \$223k in capitalised exploration and evaluation activities. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$nil for directors' fees, with an amount of \$96k accrued for the quarter.

For more information, please contact [info@greenwingresources.com](mailto:info@greenwingresources.com)

Rick Anthon	Peter Wright
Chairman	Executive Director

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

## 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% <sup>1</sup>
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 <sup>2</sup>
Argentina	Catamarca	File No. 22/2020 – Safra Lik	Option <sup>2</sup>
Argentina	Catamarca	File No. 23/2020 – Safra 1 Lik	Option <sup>2</sup>
Argentina	Catamarca	File No. 68/2017 – San Jorge Este 1	Option <sup>2</sup>
Argentina	Catamarca	File No. 54/2017 – San Jorge Este 2	Option <sup>2</sup>
Argentina	Catamarca	File No. 59/2017 – San Jorge Este 3	Option <sup>2</sup>
Argentina	Catamarca	File No. 55/2017 – San Jorge Norte 1	Option <sup>2</sup>
Argentina	Catamarca	File No. 53/2017 – San Jorge Norte 2	Option <sup>2</sup>
Argentina	Catamarca	File No. 52/2017 – San Jorge Oeste 1	Option <sup>2</sup>
Argentina	Catamarca	File No. 50/2017 – San Jorge Oeste 2	Option <sup>2</sup>
Argentina	Catamarca	File No. 56/2017 – San Jorge Oeste 3	Option <sup>2</sup>
Argentina	Catamarca	File No. 57/2017 – San Jorge Oeste 4	Option <sup>2</sup>
Argentina	Catamarca	File No. 58/2017 – San Jorge Sur 1	Option <sup>2</sup>
Argentina	Catamarca	File No. 67/2017 – San Jorge Norte 4	Option <sup>2</sup>
Argentina	Catamarca	File No. 51/2017 – San Jorge Norte 3	Option <sup>2</sup>

Notes:

1. Intec Limited holds a 2.5% NSR Royalty over all Product from Greenwing's interests in CML68M/1984.
2. Greenwing has the option 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 is based on information compiled by Tim McManus, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy and a full-time employee of 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.



## Appendix 5B

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

Name of entity

GREENWING RESOURCES LIMITED

ABN

31 109 933 995

Quarter ended ("current quarter")

30 SEPTEMBER 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	56	56
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(64)	(64)
	(e) administration and corporate costs	(181)	(181)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
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)	6	6
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(183)</b>	<b>(183)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(223)	(223)
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(223)</b>	<b>(223)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,629	4,629
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	(392)	(392)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(4)	(4)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>4,233</b>	<b>4,233</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	609	609
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(183)	(183)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(223)	(223)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,233	4,233

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(16)	(16)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,419</b>	<b>4,419</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	4,419	609
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,419</b>	<b>609</b>

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

<b>Current quarter \$A'000</b>
-
-

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

During the period \$96k has been accrued for directors' fees.

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

7. <b>Financing facilities</b>		<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		
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.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	(183)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(223)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(406)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	4,419
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	4,419
8.7	<b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	<b>10.9</b>
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
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	
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	
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	

## **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 October 2021

Authorised by: 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.