# QUARTERLY ACTIVITIES REPORT

for the period ended 30 September 2023

31 October 2023

C29 METALS

## September Quarter Activity

- **Up to 8 holes for 2800m Reverse Circulation (RC) drill programme proposed**
- **Targets to be tested following detailed evaluation of Induced Polarisation (IP), magnetic, gravity and geochemical anomalies**
- **Compelling Copper target at Clarries Prospect to be tested, where previous limited shallow percussion drilling returned highly anomalous copper intersect of 21m @ 0.57% Cu from 8m, including 4m @ 2.1% Cu from 25m**
- **A$525,000 capital raised**

**C29 Metals Limited** (ASX:C29) ('C29 Metals', or 'the Company') is pleased to provide its quarterly activities report for the 3 month period ending 30 September 2023.

## Mayfield Copper-Gold Project, Queensland

Mayfield Copper-Gold Project is located in the highly prospective eastern fold belt of the Proterozoic Mount Isa Inlier in Queensland, and situated just 25km south of Carnaby Resources (ASX:CNB) recent discovery at Nil Desperandum and Lady Fanny and 50km from Hammer Metals (ASX:HMX) Kalman project.

C29 announced that it received the initial results from the Induced Polarisation (IP) geophysical survey recently completed at its 100% owned Mayfield base metals exploration project in Queensland. The IP survey has identified multiple chargeable and resistive anomalies over several of the previously delineated gravity and magnetic targets.

In total, 19 traverse lines of Induced Polarisation were collected in an East-West orientation spaced 400m apart using a 2D 100m Dipole – Dipole configuration.

The Company announced on 6 September 2023, that it had finalised planning for a maiden drilling programme at its 100% owned Mayfield base metals exploration project in the world-class eastern fold-belt of the Proterozoic Mount Isa Inlier in Queensland (refer Figure 1).

The Company's IP survey identified significant multiple chargeable and resistive anomalies over several of the previously delineated gravity and magnetic targets and was extended to cover strong chargeable anomalies heading north towards the historic copper Trekelano Mine pit.

The Company subsequently designed a maiden Reverse Circulation (RC) drill programme to test the best targets from combined geophysical and geochemical responses. The planned drilling is to comprise up to 8 holes (refer Figures 2), dependent upon geological observations and drill performance on deeper holes, for a maximum of 2800m with contingencies. The initial six average around 300m depth, with some contingent metres available if observations demand.

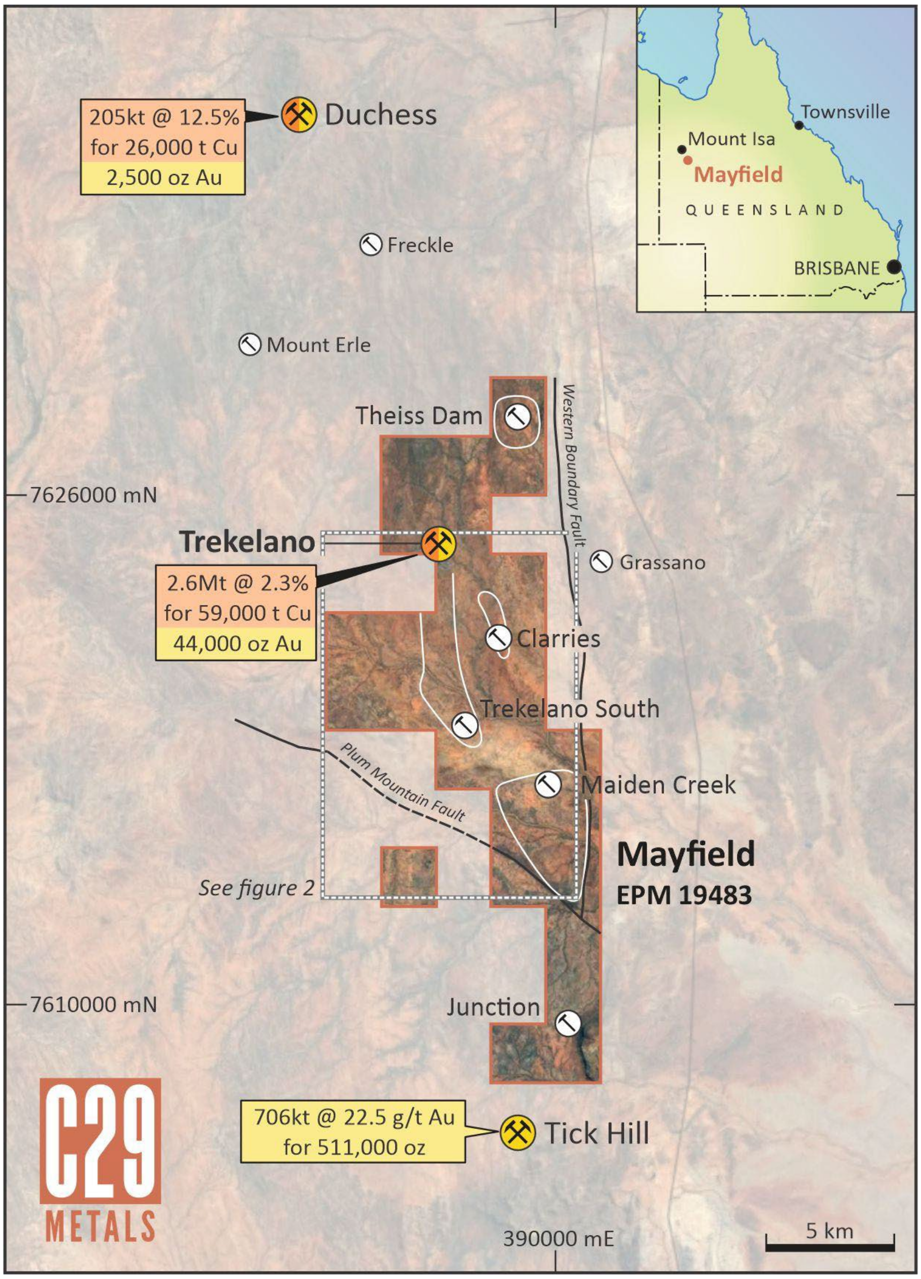


Figure 1. Mayfield Location plan, highlighting previous local production centres and named prospects

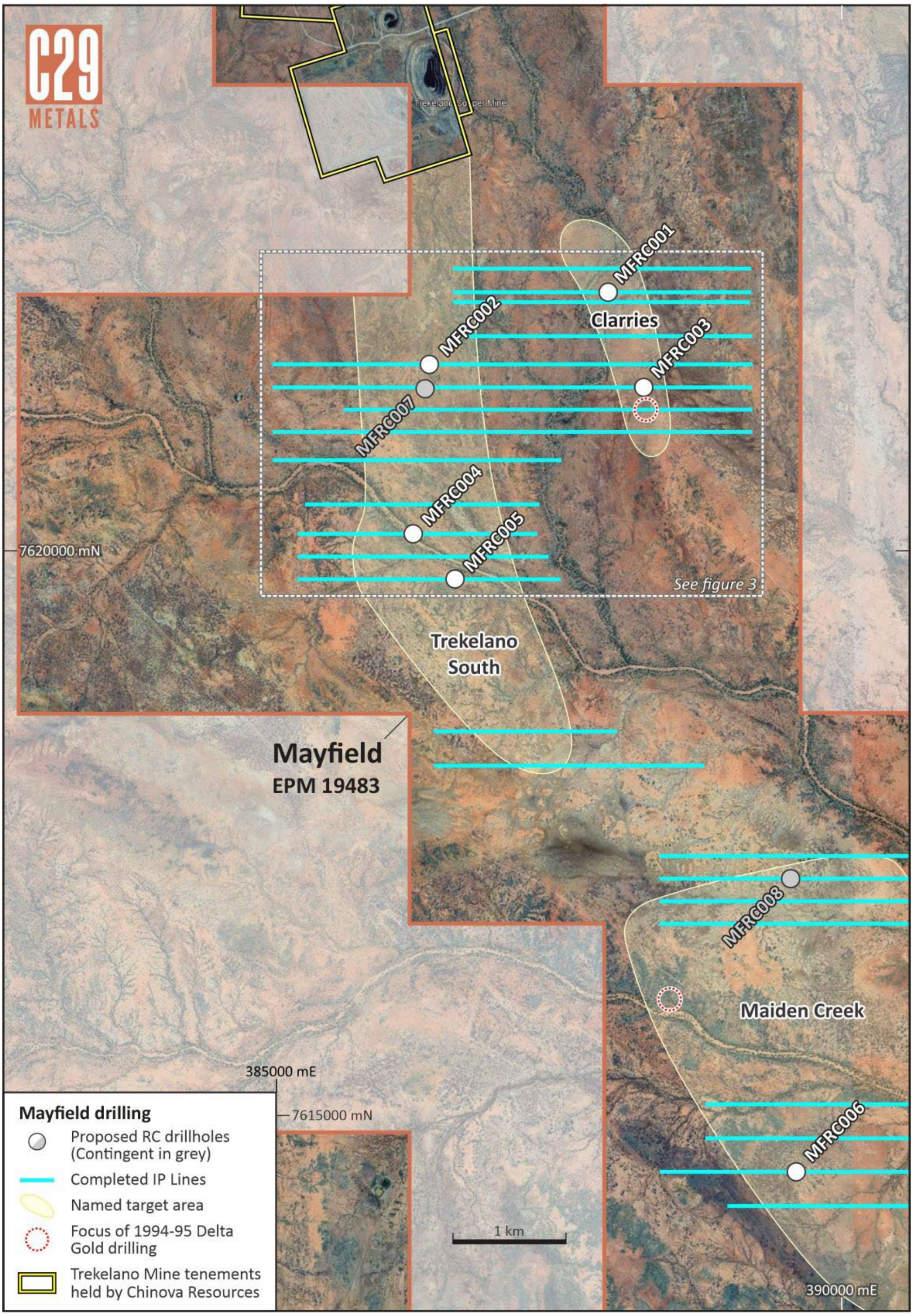


Figure 2. Planned drilling in relation to 2023 IP survey lines, highlighting named Prospect areas and proximity to Trekelano Copper-Gold mine on tenure.

# Corporate

Cash on hand as the end of the quarter was $1.23m.

The Company raised A$525,000 (before costs) during the quarter via a placement at 7.5 cents per share.

*Exploration*

*ASX L*isting Rule 5.3.1: Exploration and Evaluation expenditure during the Quarter was $405,000. Exploration and evaluation during the quarter largely comprised of costs associated with ground work, geophysical interpretation and drill planning for Mayfield and Sampsons Tank.

*ASX Listing Rule 5.3.2:* There were no mining production and development activities during the Quarter.

*ASX Listing Rule 5.3.3:* Tenements held by the Company, at the end of the quarter are presented in Table 1.

The mining tenements relinquished during the quarter and their location:

| | | | | |
|---|---|---|---|---|
| **Pocitos Lithium Brines** | **Pocitos 7 and 9** | **-** | **Option to acquire 80%** | **Option to acquire 80%** |

The mining tenement interests acquired during the quarter and their location: None.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter: N/A

Beneficial percentage interests held in farm-in or farm-out agreements acquired or disposed of during the quarter: N/A

**Table 1 Details of Tenements Held at 30 September 2023**

*NOTE: + Tenement applications are subject to grant*

| Project | Tenement ID | Interest Held at Previous quarter | Interest acquired / disposed | Interest Held at 30 Sept 2023 |
|---|---|---|---|---|
| **Reedy Creek** | EL8541 | 100% | - | 100% |
| **Sampsons Tank** | EL8525 | 100% | - | 100% |
| **Stadlers** | E 08/3122 | 100% | - | 100% |

| | | | | |
|---|---|---|---|---|
| **Wagin WA** | E 70/6334 | 100% | - | 100% |
| | E 70/6335 | 100% | - | 100% |
| | E 70/6336 | 100% | - | 100% |
| | E 70/6337 | 100% | - | 100% |
| | E 70/6338 | 100% | - | 100% |
| **Torrens North** | EL6741 | 100% | - | 100% |
| **Mulgaria** | EL6804 | 100% | - | 100% |
| **Nilpena** | ELA2022/00004 | 0% | Under application | 0% |
| **Yadlamalka** | EL6805 | 100% | - | 100% |
| **Carriewerloo** | EL6740 | 100% | - | 100% |
| **Mayfield** | EPM19483 | 100% | - | 100% |

*ASX Listing Rule 5.3.4: Use of Funds*

C29 provides the following disclosure as required by ASX Listing Rule 5.3.4 regarding a comparison of its actual expenditure to date since listing on 1 November 2021 against the 'use of funds' statement in its prospectus dated 3 September 2021.

| Use of Fund | Full Subscription ($) ($5m) Raised | Actual amount spent ($) in the quarter ended 30 September 2023 | Total Actual amount spent ($) to date |
|---|---|---|---|
| Exploration at the Sampson Tank Project | 1,180,000 | 22,620 | 520,555 |
| Exploration at the Reedy Creek Project | 800,000 | 2,640 | 601,097 |
| Exploration at the Torrens Projects | 300,000 | 15,748 | 136,030 |
| Exploration at the Stadlers Project | 390,000 | 20,057 | 160,876 |
| Mayfield Project Acquisition | - | 200,981 | 474,919 |
| Argentina Lithium Project | - | 143,436 | 1,268,614 |
| Estimated expenses of the Offers | 567,095 | - | 590,215 |

| | | | |
|---|---|---|---|
| Administration costs | 1,080,000 | 192,132 | 826,675 |
| **Total** | **4,317,095** | **597,614** | **4,578,981** |

*ASX Listing Rule 5.3.5: Related Party Payments*

Pursuant to item 6 in the Company's Appendix 5B – Quarterly Cashflow Report for the Quarter ended 30 September 2023, the Company made payments of $52,000 to related parties which relate to existing remuneration arrangements.

-ENDS-

Authorised for release by the Board.

**For further information please contact:**

**Jeremy King**
*Executive Director*
**Email:** info@c29metals.com.au
**Website:** c29metals.com.au

**Competent Person Statement**

*The information in this announcement that relates to the Argentine Li Brine project is based on, and fairly represents information compiled by Phillip Thomas, Technical Adviser of C29 Metals, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Thomas has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Major consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.*

*The information in this announcement that relates to the Australian Projects is based on, and fairly represents information compiled by Kerry Griffin, Technical Adviser of C29 Metals, who is a Member of the Australian Institute of Geoscientists.. Mr Griffin has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Major consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.*

## Disclaimer

*In relying on the above mentioned ASX announcement and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above-mentioned announcement.*

# Appendix 5B

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

Name of entity

| |
|---|
| C29 Metals Limited |

| ABN | Quarter ended ("current quarter") |
|---|---|
| 47 645 218 453 | 30 September 2023 |

| **Consolidated statement of cash flows** | | **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 | (130) | (130) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | - | - |
| | (e) administration and corporate costs | (194) | (194) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 2 | 2 |
| 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) | - | - |
| **1.9** | **Net cash from / (used in) operating activities** | **(322)** | **(322)** |

| | | | |
|---|---|---|---|
| **2.** | **Cash flows from investing activities** | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) exploration & evaluation | (275) | (275) |
| | (e) investments | - | - |
| | (f) other non-current assets | - | - |

| **Consolidated statement of cash flows** | | **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** | **(275)** | **(275)** |

| | | | |
|---|---|---|---|
| **3.** | **Cash flows from financing activities** | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 525 | 525 |
| 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 | - | - |
| 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** | **525** | **525** |

| | | | |
|---|---|---|---|
| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
| 4.1 | Cash and cash equivalents at beginning of period | 1,306 | 1,306 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (322) | (322) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (275) | (275) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 525 | 525 |

| **Consolidated statement of cash flows** | | **Current quarter $A'000** | **Year to date (3 months) $A'000** |
|---|---|---|---|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| **4.6** | **Cash and cash equivalents at end of period** | **1,233** | **1,233** |

| **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 | 1,233 | 1,306 |
| 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)** | **1,233** | **1,306** |

| **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 | (52) |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

*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.*

| 7. | **Financing facilities**<br>*Note: the term "facility' includes all forms of financing arrangements available to the entity.*<br>*Add notes as necessary for an understanding of the sources of finance available to the entity.* | **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. | | |
| | N/A | | |

| 8. | **Estimated cash available for future operating activities** | **$A'000** |
|---|---|---|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (322) |
| 8.2 | Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (275) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (598) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 1,233 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 1,233 |
| 8.7 | **Estimated quarters of funding available (item 8.6 divided by item 8.3)** | **2** |

*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.*

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 |
| | *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: 31 October 2023

Authorised by: The Board of C29 Metals Limited
(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.