29 October 2024

Quarterly Activities Report – September 2024

Key information

- Twenty-nine lithium targets identified over 21km of strike length at both Ant Hill and Camel Creek
- Mapping and geochemical fieldwork to test new lithium targets commencing late October over both tenements
- Worldview-3 high-resolution satellite data imagery and interpretation completed at the Ant Hill and Camel Creek Project in the East Pilbara.
- Cash at 30 September 2024 – $1.482 million.
- Listed securities held at 30 September 2024 – $1.248 million

All references in this report are to Australian Dollars, unless otherwise stated.

Yari Minerals Limited ("Company") (ASX: YAR) presents its September 2024 quarterly activities report.

Pilbara Lithium Projects – Pilbara, Western Australia

The Company owns 100% of the Pilbara Lithium projects as detailed below.

East Pilbara

The Worldview-3 imagery results and interpretation were received, and this has given highly detailed ground cover and lithological information that is invaluable for geological and mineral mapping, as well as identifying alteration linked to pegmatitic mineralisation. It offers spectral data similar to the Aster imagery acquired in 2022 but with a significantly finer resolution, which is 16 times greater.

This advanced remote sensing technology has enabled us to detect various alteration minerals, including smectite, muscovite, kaolinite, jarosite, iron oxide, epidote, alunite, and illite. These minerals are important indicators of hydrothermal alteration processes typically associated with mineral deposits. Mapping these alteration types allows us to better understand the geological environment, pinpoint potential resource areas, and fine-tune our exploration strategies.

This approach improves the efficiency and accuracy of mineral targeting and reduces the need for extensive field exploration, cutting costs and speeding up our discovery potential.

The analysis at Camel Creek and Ant Hill has highlighted key zones with mineralisation potential in both the eastern and western sections.

In the eastern zone, the main rock units consist predominantly of monzogranitic felsic rocks, metamorphosed mafic rocks, and a prominent mafic dyke. Areas with high concentrations of clay minerals, white mica, iron oxide, and chlorite/epidote have been identified. Chlorite/epidote is particularly concentrated in the mafic rocks and dykes.

Zones containing a combination of these alteration minerals are considered to potentially host mineralisation. In the western zone, significant concentrations of clay minerals, muscovite, and minor iron oxide and chlorite/epidote are found in the felsic rocks.

The southern part of this zone shows promising potential, with high concentrations of iron oxide, clay minerals, and chlorite/epidote. Chlorite/epidote and iron oxide dominate the mafic rocks, with white mica, likely phengite, detected in certain areas.

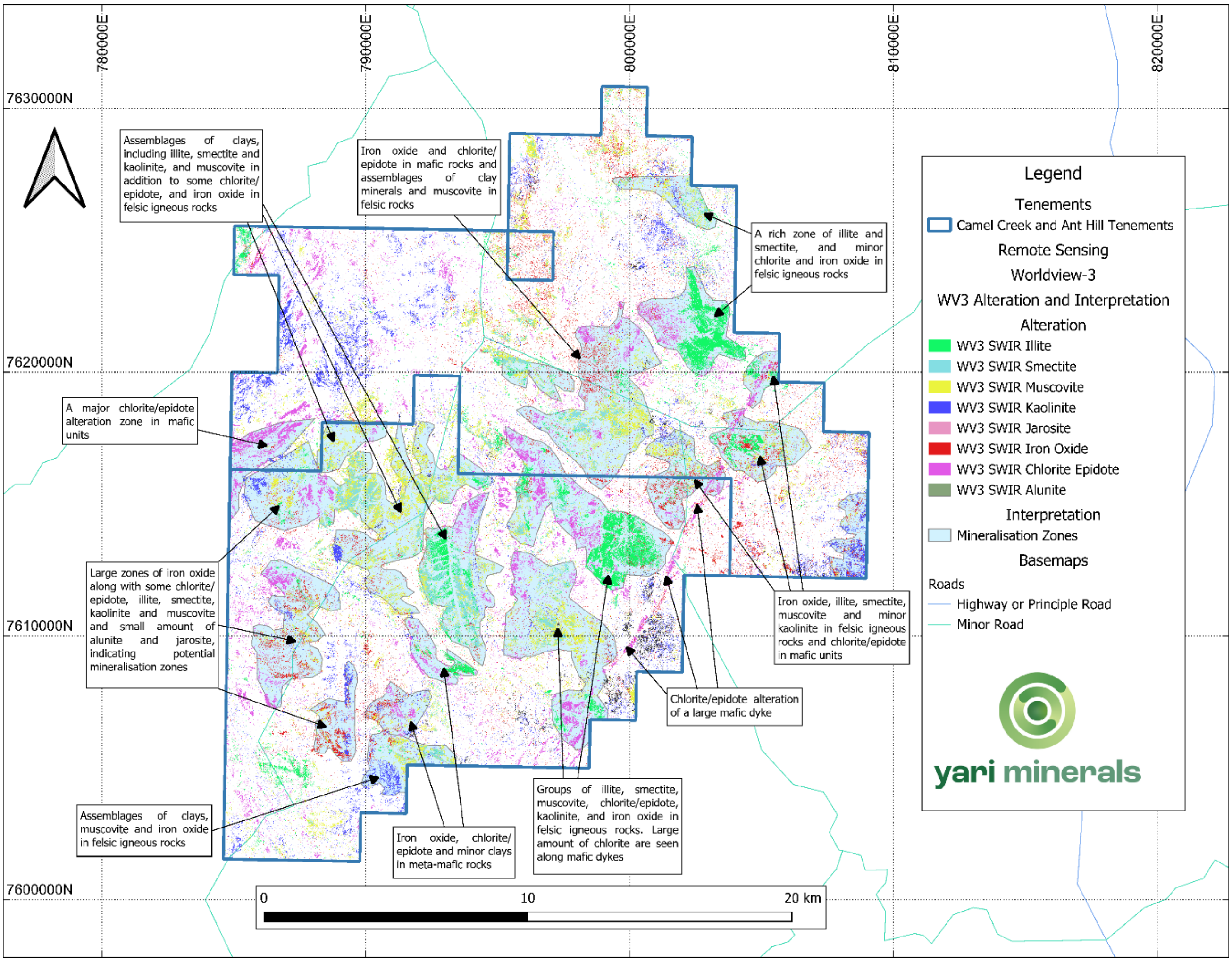

Figure 1 Camel Creek and Ant Hill Project Worldview-3 Mineral Map and Interpretation

In addition to the standard processing suite, Geoimage has applied more advanced techniques capable of specifically identifying structural lineaments, dykes, and lithium mineralisation from the data. A detailed lineament interpretation was carried out using advanced WorldView-3 imagery and AW3D 30m DEM data. The analysis considered key factors such as pronounced linear traces, topographic changes, displacement or dragging of geological features, and sharp or dendritic linear streams. Additionally, linear rock units have been identified and interpreted as inferred dykes. The primary lineament orientations in the project area are NE-SW, E-W, and NW-SE, while inferred dykes predominantly strike NNE-SSW, NNW-SSW, and N-S.

The analysis of SWIR (short-wave infrared) data identified key minerals such as muscovite, chlorite, kaolinite, and illite, which exhibit distinct absorption features. These minerals can aid in detecting lithium-bearing pegmatites. Furthermore, spodumene and lepidolite, common lithium-bearing minerals, were inferred based on their unique absorption patterns in the VNIR (visible and near-infrared) and SWIR ranges.

Spodumene absorbs at 2.205µm, while lepidolite, which is similar to muscovite, has distinct features at 0.550 and 0.950µm in the VNIR. Alteration products like illite, smectite, and iron oxide, often associated with spodumene and lepidolite, suggest the presence of lithium-rich pegmatites in the area. Concentrations of lithium indicators have been identified clustering around the dyke structures, which extend over the north-south length of the project tenements for a distance of more than 20km.

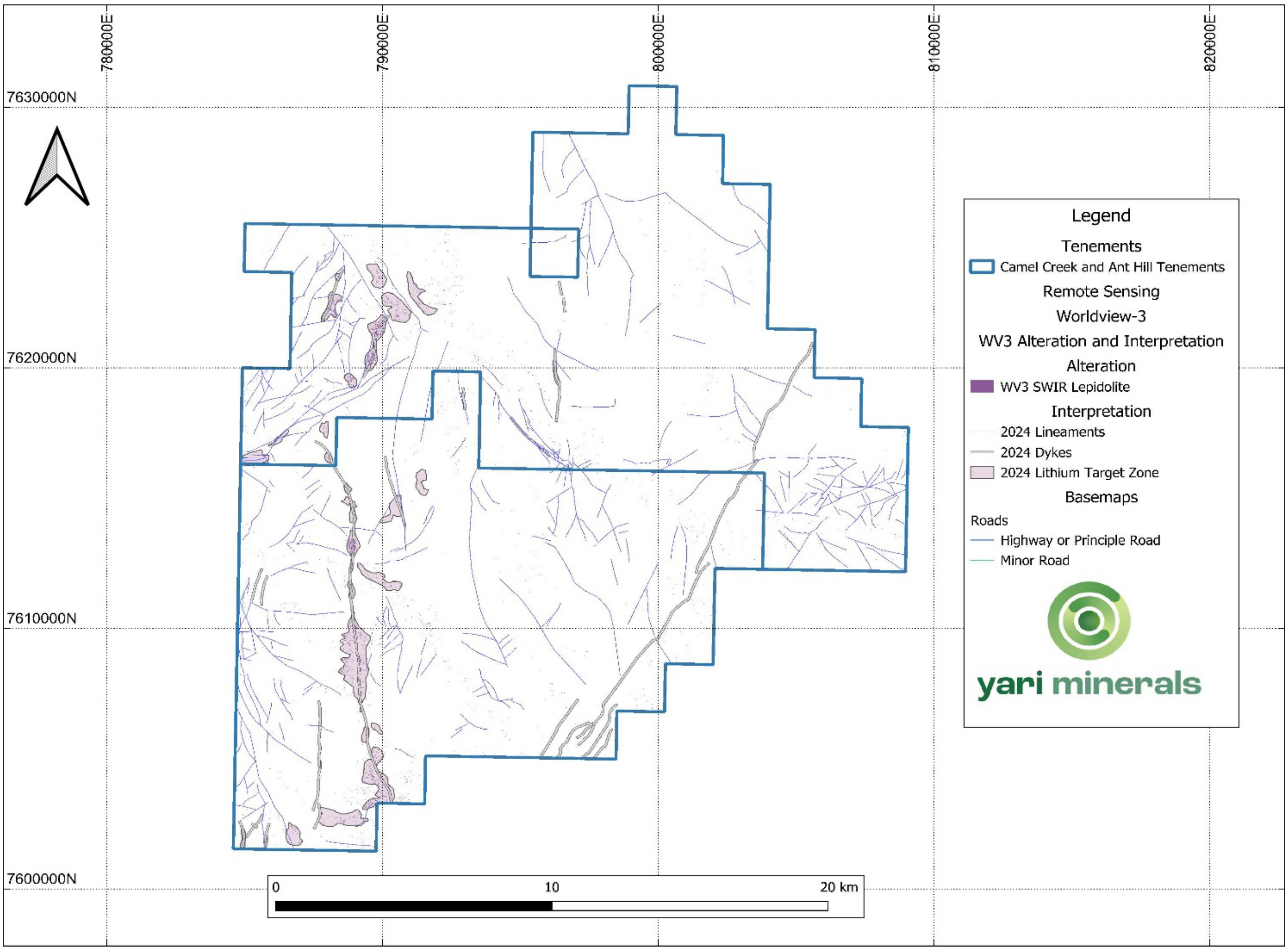

Figure 2 Camel Creek and Ant Hill Project Worldview-3 Lepidolite Alteration and Lithium Target Zones

The company has initiated a first-pass field mapping and geochemical sampling program, focusing on high-priority areas identified through the recent Worldview-3 Satellite hyperspectral mapping analysis. This analysis revealed zones with potential lithium mineralization.

Fieldwork is now underway, with mapping and geochemical assessments being conducted to confirm the presence of lithium and validate the findings from the Worldview-3 spectral data.

The initial phase began on October 20th, concentrating on Priority One areas using a 100m x 400m grid along the main north-south dyke structure. Rock chips are being collected from outcrops, while soil samples are taken where outcrops are absent. These samples will be analyzed for 49 elements, including lithium, base, and precious metals.

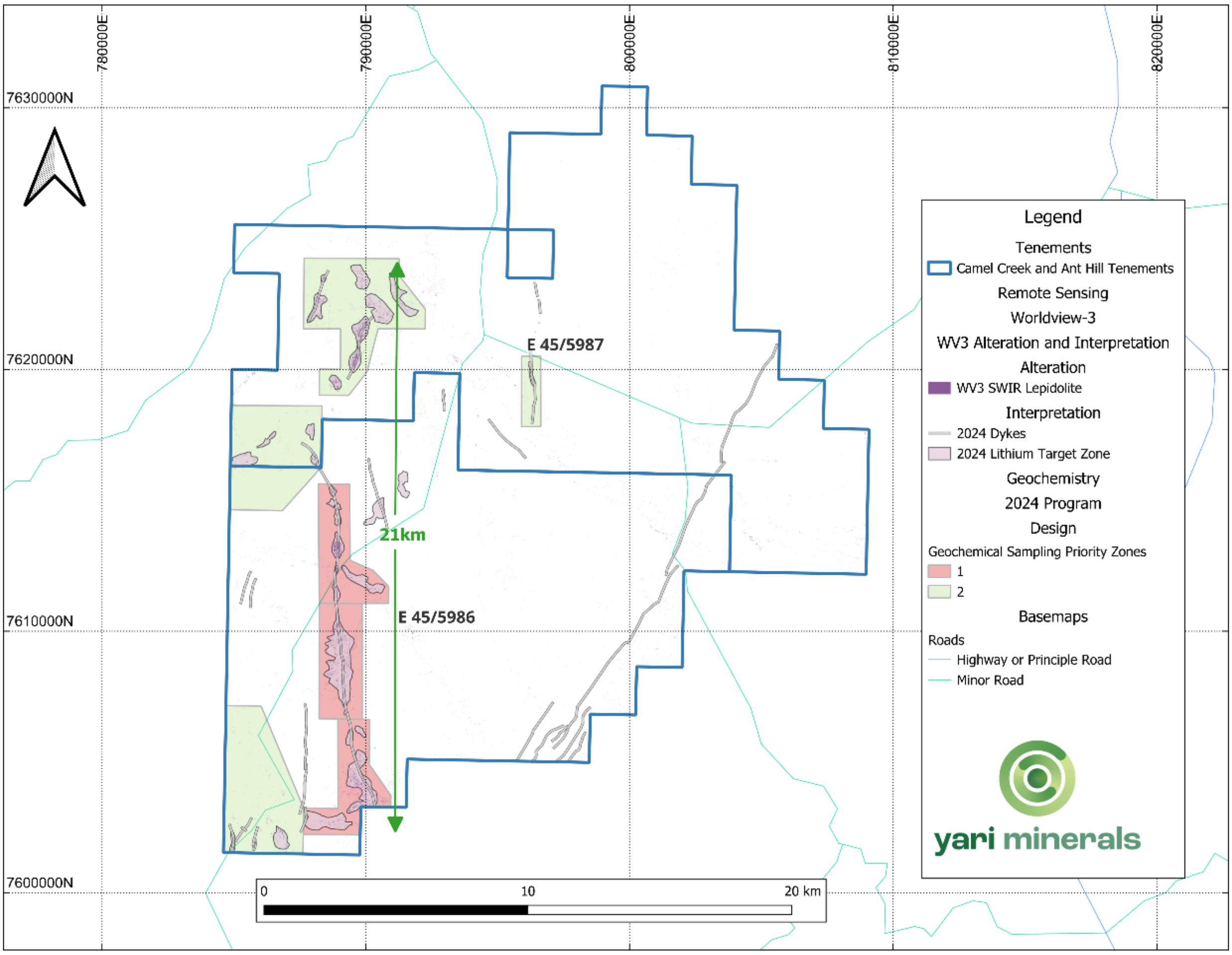

Figure 3 Camel Creek and Ant Hill Project Worldview-3 Lithium Target Zones and Fieldwork Priority Zones

South Wodgina

The company has been further developing its relationship with the Mugarinya group, meeting with elders on-site to discuss a land access agreement, which is a requirement to obtain a mining access permit from the Aboriginal Lands Trust.

Exploration expenditure incurred during the quarter on the Pilbara Lithium Projects was $0.143 million.

There were no substantive mining or development activities during the quarter.

Corporate

Cash

The Company's closing cash balance at the end of the quarter was $1.482 million.

Listed shares

The Company received 11,441,647 Impact Silver, as part sale consideration from the disposal of the Plomosas Mine, Mexico. During the quarter, the Company disposed of 1,639,500 Impact Silver shares, for net proceeds of $0.438 million.

The Impact Silver shareholding of 4,669,147 shares were valued at $1.248 million based on a closing share price of C$0.25 per Impact Silver share as at 30 September 2024. All shares held by Yari at the date of this report are fully released from escrow, with no restrictions on sale.

Business Development

The company continues to assess new projects principally focusing on lithium and gold.

Impact Silver arbitration

In February 2024, Impact Silver issued a notice to initiate arbitration against Yari. Under the Share Sale Agreement, Impact Silver purchased 100% of the shares in Minera Latin American Zinc S.A.P.I. de C.V, a Mexican company that owns and operates the Plomosas project located in Chihuahua, Mexico.

During the quarter, the Company completed submissions for the arbitration hearing and is taking all necessary actions to defend its interests and pursue any counterclaims including costs against Impact Silver.

The Company will provide updates with respect to the arbitration as soon as is legally possible, the process of arbitration is confidential and no market announcements can be currently released.

Payments to related parties

During the quarter, payments totaling $0.137 million were made to director's for salaries, fees, superannuation and deferred Plomosas Mine, Mexico sale bonus.

This announcement was authorised for issue to the ASX by the Directors of the Company.

For further information please contact:

Anthony Italiano
Managing Director
08 6400 6222

About Yari Minerals

Yari Minerals Limited (ASX: YAR) owns 100% interests in the Pilbara Lithium and Wandagee Projects, which comprise approximately 1,400km^2 in 6 granted exploration licenses located in the Pilbara and Gascoyne regions of Western Australia.

The Pilbara Projects are highly prospective for lithium and situated near two of the world's largest hard rock lithium deposits/mines (ASX: PLS – Pilgangoora & ASX: MIN – Wodgina) and other deposits and occurrences near Marble Bar (ASX: GL1's Archer Project).

Until 3 April 2023 CZL owned and operated the Plomosas Mine in Mexico. On that date the Mine was sold to Impact Silver (TSX-V: IPT). The Company retains an interest in that Project through a 12% net profit interest royalty and shares in Impact Silver which we part of the purchase consideration.

Caution Regarding Forward Looking Statements and Forward-Looking Information:

This report contains forward-looking statements and forward-looking information, which are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of lithium, zinc, lead and silver, the actual results of current exploration, the availability of debt and equity financing, the volatility in global financial markets, the actual results of future mining, processing and development activities, receipt of regulatory approvals as and when required and changes in project parameters as plans continue to be evaluated.

Except as required by law or regulation (including the ASX Listing Rules), Yari Minerals undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Competent Persons' Statement

The information in this report that relates to exploration results, data collection and geological interpretation is based on information compiled by Mr Kerry Griffin. Mr Griffin is the COO of Yari Minerals and is a Member of the Australian Institute of Geoscientists (AIG). Mr Griffin has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (JORC Code). Mr Griffin consents to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

Appendix 1: Tenement Schedule

The schedule of tenements and concessions held by the Company on 30 September 2024 are detailed in Table 1 below.

There were no changes to the tenements during the quarter.

Table 1 –Tenement schedule							
Lease	**Project**	**Name**	**Type**	**Lease Status**	**Expiry Date**	**Q3 YAR Equity**	**Q2 YAR Equity**
Western Australia							
EL45/5972	Figtree	Figtree	Exploration	Granted	10/03/2028	100%	100%
EL45/5973	South Wodgina	South Wodgina	Exploration	Granted	03/07/2027	100%	100%
EL45/5974	South Wodgina	South Wodgina	Exploration	Granted	03/07/2027	100%	100%
EL45/5986	Ant Hill	Ant Hill	Exploration	Granted	26/05/2027	100%	100%
EL45/5987	Camel Creek	Camel Creek	Exploration	Granted	26/05/2027	100%	100%

Appendix 5B

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

Name of entity

YARI MINERALS LIMITED

ABN	Quarter ended ("current quarter")
27 118 554 359	30 SEPTEMBER 2024

Consolidated statement of cash flows		Current quarter $AUD'000	Year to date (9 months) $AUD'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(106)	(578)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(101)	(451)
	(e) administration and corporate costs	(233)	(403)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	10
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(434)**	**(1,422)**

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	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $AUD'000	Year to date (9 months) $AUD'000
2.2	Proceeds from the disposal of:		
	(a) entities (net of cash disposed)	-	-
	(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 (Impact Silver shareholding)	438	1,996
2.6	**Net cash from / (used in) investing activities**	**438**	**1,996**

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

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,478	909
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(434)	(1,422)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	438	1,996
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		**Current quarter $AUD'000**	**Year to date (9 months) $AUD'000**
4.5	Effect of movement in exchange rates on cash held	-	(1)
4.6	**Cash and cash equivalents at end of period**	**1,482**	**1,482**

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 $AUD'000**	**Previous quarter $AUD'000**
5.1	Bank balances	1,482	1,478
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)**	**1,482**	**1,478**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $AUD'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(137)
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.

Item 6.1 - payments of executive salaries, superannuation, director fees and deferred Plomosas Mine, Mexico sale bonus.

7.	**Financing facilities** *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.*	**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	-	-
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**	**$AUD'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(434)
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)	(434)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,482
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,482
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.4

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?

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?

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?

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: 29 October 2024

Authorised by: 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.