RAGNAR
METALS LTD.

28 July 2023

JUNE 2023 QUARTERLY ACTIVITIES REPORT

Ragnar Metals Limited ("**Ragnar**" or the "**Company**", **ASX: RAG**) presents this Quarterly Activities Report for the quarter ended 30 June 2023.

Highlights:

- **Conditional sale of Ragnar Metals Sweden AB to BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited (ASX: BHP), for A$9,800,000**
- **A 1% Net Smelter Return Royalty (Royalty) payable to Ragnar upon commencement of commercial production which may be bought out for A$10,000,000**
- **Staked two new Lithium and two Rare Earth projects in Sweden**
- **Fully underwritten rights entitlement issue at $0.02**

Executive Director – Eddie King commented:

"It has been a busy quarter for Ragnar Metals, with the conditional divestment of all the Company's nickel interests to BHP Metals Exploration for cash consideration of A$9.8m, with further upside in the Royalty. This is a significant outcome for a junior explorer and underpins the exploration work done by our in-house geological team and our geological consultants in-country."

"The sale of our nickel interests allows the Company to continue its strategy of exploring for Battery Minerals, backed by a strong geological team in one of the best exploration jurisdictions in the world with a significant mineral endowment. The Company is in a strong financial position, and we look forward to providing further updates on our recently staked tenements in Sweden."

PROJECTS

Sweden – New Lithium Projects

During the quarter, the Company applied for and was granted tenure over two new lithium projects in Sweden, the Hälleberget and Bergom Lithium Projects[1].

The Hälleberget Lithium Project is strategically located 10km north of the Järkvissle lithium pegmatite deposit. Previous exploration at Hälleberget has identified outcropping lithium-bearing pegmatites over 500m strike with historical exploration results up to 0.473% Li_2O, 196 ppm Ta and 4.48% Sn.

Widespread yet unexplored pegmatite outcrops characterise the Bergom Lithium Project, with only one historical assay returning 0.172% Li_2O, 95 ppm Ta and 0.38% Sn.

[1] ASX:RAG: 26/06/23 "Acquisition of Two Lithium Projects in Sweden"

The area is considered highly prospective for discovering lithium pegmatite deposits since the district represents the western extent of the same belt that contains the largest lithium deposits in Scandinavia, the Kaustinen Lithium province in Finland.

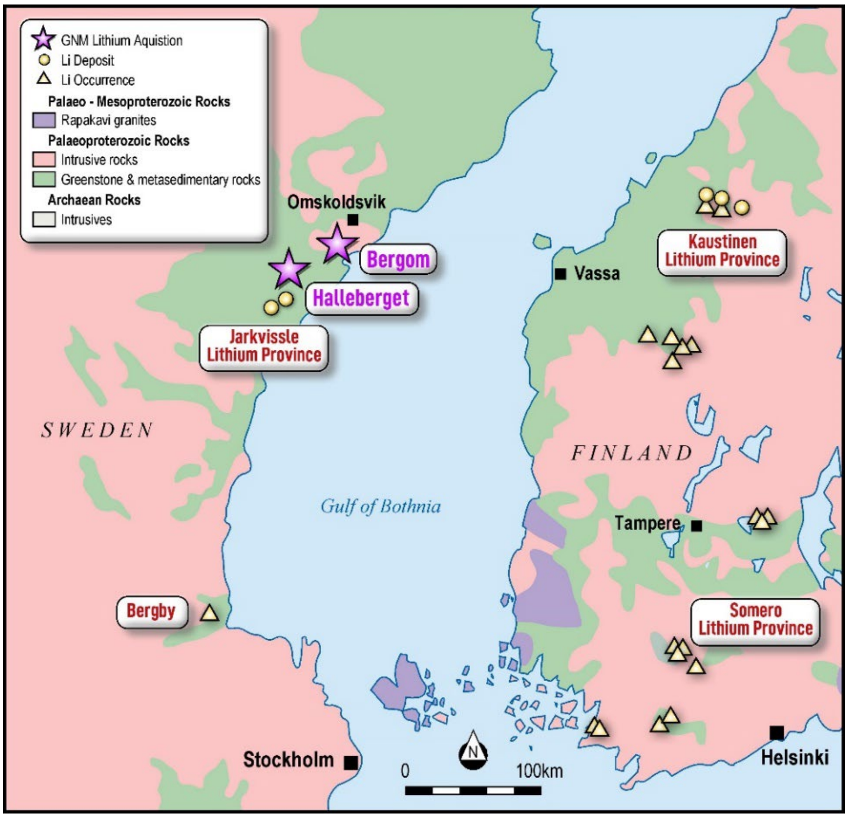

Figure 1: Simplified geological map of Scandinavia showing the location of Ragnar's new Lithium Projects.

Sweden – New Heavy Rare Earths Projects

Also, during the quarter, the Company announced it had identified and secured two new Rare Earth element licenses, comprising 37.3 km2 of tenure highly prospective for heavy rare earth element (HREE) mineralisation and NdPr metals, the Olserum North HREE Project and the Gruvhagen NdPr Project[2].

The Olserum North HREE Project is strategically located 8.5km north of and in an identical geological setting to the Olserum Heavy REE deposit. Previous exploration in the area has identified outcropping HREE mineralisation that returned historical exploration results of 4,044 ppm TREE with 63% HREE.

The Gruvhagen NdPr Project is located within the 'REE-Line', where previous exploration in the area has identified outcropping REE mineralisation that returned historical exploration results of 36,921 ppm (3.7%) TREO with relatively high Nd/Pr (30%).

Both projects are considered highly prospective for discovering Rare Earth mineralisation in the southwestern Fennoscandian Province, renowned for REE deposits, including Sweden's largest REE deposit, Norma Karr.

[2] ASX:RAG: 26/06/23 "Acquisition of Two Rare Earth Projects in Sweden"

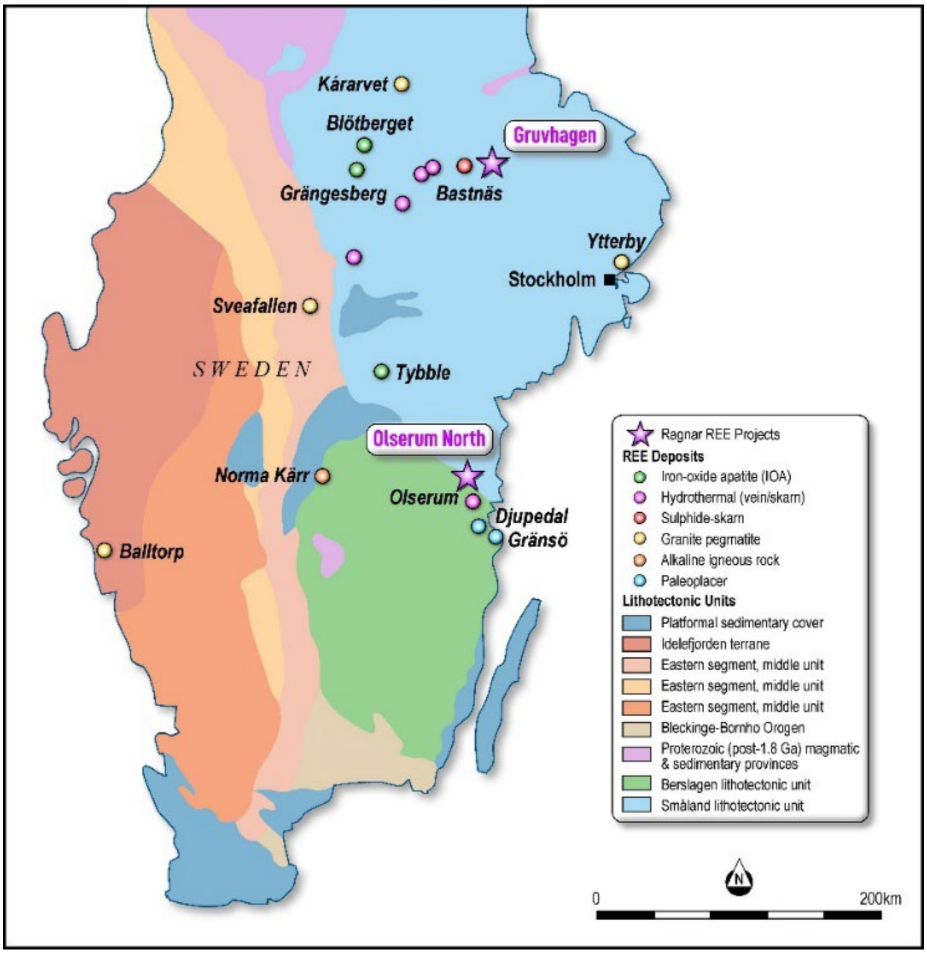

Figure 2: Simplified geological map of Southwest Fennoscandian Shield showing the location of Ragnar's new REE Projects in relation to the Olserum and Norma Karr REE deposits.

After the quarter ended, the Company announced it had received assay results from rock chip samples from two prospects at the Olserum Heavy Rare Earth Element (HREE) Project[3].

- The Flaken Prospect produced assays up to 11,991 ppm (1.2%) TREO and 4,967 ppm (0.5%) TREO with abnormally high HREO of up to 93%. This is a new REE discovery from old workings.
- The Hylleled Prospect produced assays up to 9,012 ppm (0.9%) TREO and 8,286 ppm (0.8%) TREO with abnormally high HREO of up to 86%.

These results are highly significant as the Hylleled and Flaken prospects are located 1.1 km apart, with the airborne magnetic data suggesting that the magnetite-HREO mineralisation is connected (Figure 3).

[3] ASX:RAG: 13/07/23 "Potential 1.1km Strike of HREE Mineralisation Identified"

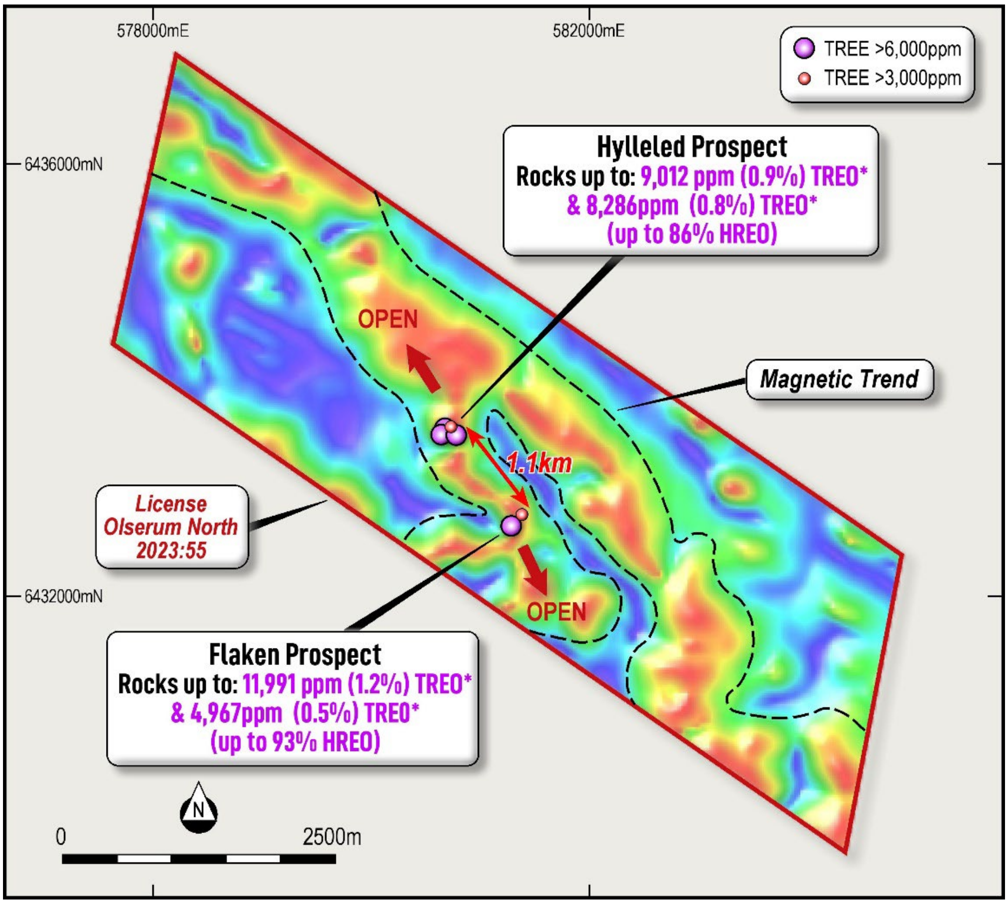

*Figure 3: Airborne Magnetic Map (tilt derivative) showing the location of recent rock sample results (*TREO includes all rare earth elements plus Y and Sc)*

Australian Gold Projects

The Company's technical team are considering satellite imagery options with the aim of defining alterations and potential new targets on both the Kenya Gold Project and the Leeds Gold Project. This work is currently in progress and ongoing to incorporate all existing exploration work completed by the Company.

CORPORATE AND ADMINISTRATIVE

Sale of Ragnar Metals Sweden AB

On 26 June 2023, the Company announced that it has entered into a conditional sale and purchase agreement (SPA) to dispose of its wholly owned subsidiary Ragnar Metals Sweden AB to BHP Metals Exploration Pty Ltd, a subsidiary of BHP Group Limited (ASX: BHP)[4].

The sale includes tenements and exploration licences over the Tullsta nickel project in Sweden. The deal is expected to be complete by 30 September 2023, with A$9,800,000 to be paid by BHP Metals Exploration Pty Ltd on completion. Deferred consideration, in the form of a 1% Net Smelter Return Royalty (Royalty), will be payable to Ragnar upon commencement of commercial production. The Purchaser may buy out the Royalty for a further A$10,000,000.

The transaction is subject to the satisfaction of conditions, including RAG completing an internal restructure to transfer specific Swedish licences from RAG to Ragnar Metals Sweden AB.

[4] ASX:RAG: 26/06/23 "Sale of Ragnar Metals Sweden AB to BHP for A$9,800,000"

Entitlement Issue

The Company announced on 26 June 2023 a non-renounceable entitlement issue of one fully paid ordinary share for every four shares held by those Shareholders registered at the record date at an issue price of $0.02 per share, together with one new option for every one share issued, to raise approximately $1.89m. On 25 July, the company confirmed the offer had closed with acceptances received for 51,149,660 shares and 51,149,660 options representing $1,022,993.20. The shares and options were issued on 27 July 2023. The remaining 43,646,417 shares and 43,646,417 options, representing $872,928.34, will be issued pursuant to the terms of the underwriting agreement, with their expected issue to be completed by 3 August 2023.

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For the purpose of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

Competent Person Statement

The information in this announcement relating to exploration results, geology and planning is based on information compiled by Leo Horn of All Terrain Geology, a consultant to Ragnar Metals and a member of The Australasian Institute of Geoscientists. Mr Horn has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking 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". Mr Horn consents to the inclusion in the report of the matters based on his information and documents in the form and context in which it appears.

Disclaimer

No exploration data or results are included in this report that have not been released previously. All data or results have been referenced in the text. Refer ASX announcement on the said date for full details of these results. Ragnar Metals is not aware of any new information or data that materially effects the information in the said announcements.

Appendix 1 – Additional ASX Listing Rule Disclosures

For the purpose of ASX Listing Rule 5.3.1, payments for exploration, evaluation and development during the quarter totalled $321k, as detailed in the Company's accompanying Appendix 5B statement. This figure includes payments for exploration, drilling and analysis on the Leeds Project tenements and the Swedish tenements. Details of exploration activities undertaken during the quarter are as described in the preceding quarterly report and this Appendix.

For the purpose of ASX Listing Rule 5.3.2, the Company confirms there were no substantive mining production and development activities undertaken during the quarter.

Pursuant to ASX Listing Rule 5.3.3, the details of the mining tenements and the Company's beneficial percentage interest held in those Tenements at the end of the quarter is included in the Table at the end of this Appendix.

Pursuant to ASX Listing Rule 5.3.4, the Company provides its actual expenditure grouped and categorised against the items presented in the two year "Use of Funds" statement in its Prospectus dated 7 April 2021. This table covers the period from the date of its readmission to the ASX Official List (being 27 May 2021) up to 30 June 2023 and presents the actual expense against the estimated 2 year expenditure on those item groupings. An explanation of any material differences follows the table.

The Company is reconciling closely against the expense categories reported in the "Use of Funds" statement. Explanations of variances to the prospectus estimate are given in the notes following the table below.

For the purpose of ASX Listing Rule 5.3.5, payments to related parties or associates of Ragnar Metals during the quarter totalled $65,000. The payments were to related parties and their associates for director salaries, consultancy fees and superannuation.

Table 1: Use of Funds Comparison – 27 May 2021 – 30 June 2023

Use of Funds	Prospectus estimate (2 years) $ '000s	Actual use (27 May 2021 to 30 June 2023 (quarter end) $'000s	Variance $ '000s
Expenses of the Offers	650	364	286
Repayment of Convertible Notes	240	255	(15)
Repayments of Unsecured Loans	212	217	(5)
Project Acquisition Consideration	120	120	0
Exploration Expenditure – Leeds Project	750	985	(235)
Exploration Expenditure – Kenya Project	800	121	679
Exploration Expenditure – Swedish Tenements	1,000	2,917	(1,917)
Administration Costs	800	1,508	(708)
Working Capital	1,284	263	1,021
Other Income	0	(17)	17
Total	**5,856**	**6,733**	**(877)**

The variance in relation to the actual use of funds in the table above are a result of the following:

- The Company was re-admitted to the Official List on 27 May 2021, therefore actual expenditure covers a period of 765 days from that date until 30 June 2023, as against the two year "Use of Funds" statement.

- A portion of the "Expenses of the Offer" were Lead Manager Fees which were estimated based on the maximum amount of the Prospectus fundraising but were not payable on that portion of the amount raised under the Prospectus from subscribers under the priority offer and the Chairman's list. Overall, the Expenses of the Offer were in line with the Prospectus estimate.

- The funds used for the Repayment of Convertible Notes and Repayment of Unsecured Loans were higher than estimated in the Prospectus, reflecting interest accrued up to the date of repayment, which was slightly later than anticipated. The variation was not material.

- Expenditure on exploration at the Leeds Project and Kenya Project represents the commencement of exploration activities at those Projects during the June - December 2021, Mar – Dec 2022 and March – June 2023 quarters.

- Expenditure on exploration at the Swedish Projects represents a portion of the ongoing costs of the drilling programs at the Tullsta and Granmuren Project up to 30 June 2023.

- Administration Costs disclosed in the "Use of Funds" table in the Prospectus were a forward-looking estimate covering "*ASX compliance costs, director and company secretarial fees, office costs, corporate advisory and PR costs, accounting, IT, audit, and general overhead costs for a period of 24 months following reinstatement to official quotation."* Payments classified as administration costs were payments made from 27 May 2021 to 30 June 2023, including costs accrued during part of the year prior to 27 May 2021.

TENEMENT SCHEDULE

Tenement, Location and Name	Interest at beginning of Quarter	Acquired / Disposed	Interest at end of Quarter
Hälleberget Nr 1 2023:36	0	100%	100%
Bergom Nr 2 2023:35	0	100%	100%
Gruvhagen Nr 1 2023:38	0	100%	100%
Olserum North 2023:55	0	100%	100%
Tullsta-Granmuren Project Sweden			
*Tullsta nr 6 2017:158	100%	N/A	100%
*Tullsta nr 7 2019:5	100%	N/A	100%
*Tullsta nr 8 2020:45	100%	N/A	100%
*Tullsta nr 9 2021:75	100%	N/A	100%
*Berga nr 1 2018:48	100%	N/A	100%
Other Projects Sweden			
*Gaddebo nr 3 2014:91	100%	N/A	100%
Australian Tenements			
Leeds Project			
P15/6017	80%	N/A	80%
P15/6018	80%	N/A	80%
Kenya Project			
E39/1998	100%	N/A	100%
E39/2005	100%	N/A	100%

* These tenements are subject to divestment as announced by the Company on 26 June 2023.