ASX ANNOUNCEMENT
31 July 2024

JUNE 2024 QUARTERLY REPORT

HIGHLIGHTS

- **Share placement and share purchase plan successfully raises $9M towards resource drilling and advanced mining studies.**
- **Flotation tests on the pyroxene-hosted lead-silver ore type returned strong lead and silver recoveries and produced lead concentrates with exceptionally high-silver grades.**
- **Both the pyroxene-hosted and carbonate-hosted lead-silver ore types have now produced lead concentrates with exceptionally high silver grades ranging from 932 to1485 g/t underlining their strong revenue potential.**
- **Flotation results also demonstrate a saleable product can be concentrated from the shallower, mixed mineral, copper sulphide ore types opening up near to surface copper-gold mineralisation to potential early development.**
- **Drilling recommenced on the shallow Starter Zone with the aim of growing the Indicated silver-lead resource base to facilitate the publication of a revised mining study.**
- **Key critical path items required for the grant of a mining lease have been initiated.**
- **Results from the first three drill tests are anticipated shortly.**

ACTIVITIES REPORT

This quarter, Maronan Metals Ltd (ASX: MMA) (Maronan or the Company) announced preliminary metallurgical results from research undertaken on previously untested ore types (ASX: MMA 17 April 24) and successfully completed a share placement and share purchase plan (SPP) raising $9M for resource drilling and advanced mining studies (ASX:MMA 16 May 2024 and 13 June 2024).

Drilling recommenced on the Shallow Starter Zone in June (Figure 2 and ASX:MMA 06 June 2024) with results from early holes anticipated shortly.

Placement and Share Purchase Plan

The placement and SPP were conducted at an issue price of $0.24 per share and achieved strong support from existing shareholders, a corporate entity, as well as new institutional and sophisticated investors. Veritas Securities Limited acted as Lead Manager for the placement and successfully raised $5.65M.

Due to the overwhelming demand from existing shareholders, the SPP raised a total of ~$3.37M well in excess of the original $1.5M target.

At 30 June the cash on hand was $10.1M.

Preliminary Metallurgical Test Results

During the quarter, preliminary test work was undertaken for the first time on a sample of pyroxene-hosted silver-lead mineralisation and three separate samples of lower-grade copper-gold mineralisation including transitional and fresh ore types with mixed sulphide species (ASX: MMA 17 April 2024).

Flotation tests on the pyroxene-hosted lead-silver ore type returned strong lead and silver recoveries and produced lead concentrates with very high silver grades. This result is similar to that achieved for the carbonate-hosted ore type. Importantly, both lead-silver ore-types have produced lead concentrates with exceptionally high silver grades ranging from 932 to1485 g/t underlining their strong revenue potential. Comminution work has also shown the silver-lead ore types are easy to grind and can be classified as "Soft to Medium" providing significant processing cost advantages.

The flotation work on the lower-grade, mixed mineral, copper sulphide ore types returned strong recoveries for copper (85-90%) and produced an excellent copper concentrate grading 25-27% copper with variable gold and silver contents. These preliminary results demonstrate a saleable product can be concentrated from the shallower, mixed mineral ore types opening up near to surface copper-gold mineralisation to potential early development.

Metallurgical test work to date reinforces the high-value proposition of the Maronan ores and provides key data for future optimisation test work. It is expected that the processing and mining advantages defined by these positive preliminary metallurgical tests will translate into very industry competitive capital and operating costs at Maronan.

Ongoing Work Program

A 7,000 – 10,000 m diamond drilling program was initiated in June following the successful capital raising (Figure 2 and ASX:MMA 06 June 2024). This drill program is focused on the near surface Starter Zone with the aim of growing the Indicated silver-lead resource base (Figure 1). To date, four holes have been completed, two of which have been logged, sampled and dispatched to the laboratory for assaying.

In parallel, work continues on a revised mining study using the updated Starter Zone resource and a modified mining schedule. Up to date capital costs for associated infrastructure and mine development are being sought from reputable underground mining contractors to assist this study.

Key critical path items required for the grant of a mining lease over Maronan have been initiated including baseline environmental monitoring, infrastructure studies and stakeholder engagement.

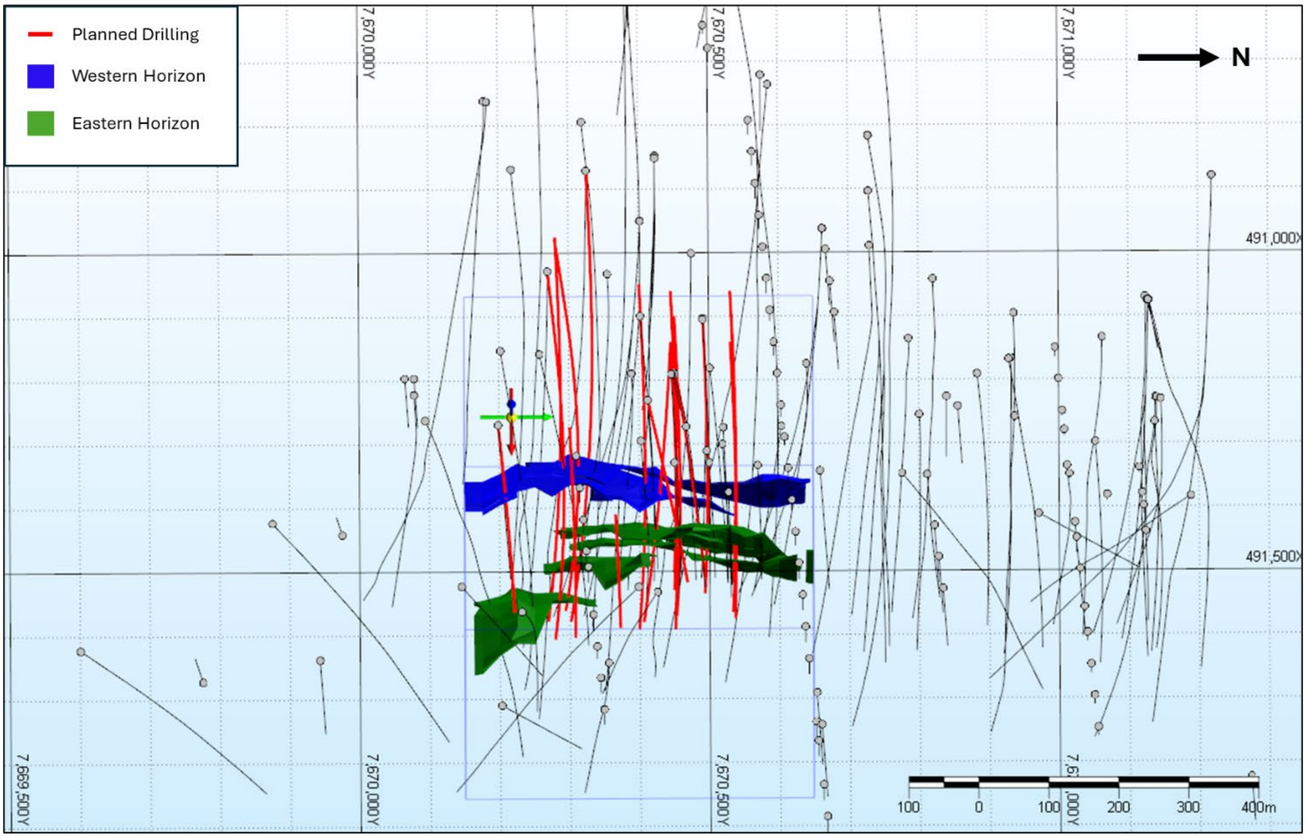

Figure 1. Maronan planned 2024 drilling targeting silver-lead mineralisation within the Starter Zone. 3D image viewed from above facing west displaying planned drilling (red traces) and wireframes of the Eastern (green) and Western (blue) Horizons

Corporate

During the quarter, Maronan Metals incurred legal fees in relation to a Takeovers Panel application initiated by a lone shareholder in connection with the Company's placement and share purchase plan. The matter required considerable management time and resources and ultimately ASIC concluded there was no evidence supporting the shareholder's allegations of artificial share price manipulation and the Takeovers Panel declined to conduct proceedings.

Company Promotion

Several initiatives were undertaken to raise the profile of the Company during the quarter. These included presenting at the RIU Investment Showcase held on the Gold Coast as well as participating in the Foster Stockbroking Silver Conference held online.

Newsworthy material including interviews were produced with online platform Stockhead.

Several articles were published and promoted on MMA's social media platforms LinkedIn and X.

Figure 2. DDH1 Drill Rig 44 Drilling hole MRN24005 at the Maronan Project

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ABOUT MARONAN METALS

Maronan Metals Limited (ASX: MMA) is an Australian mineral explorer focused on realising the growth potential of the advanced Maronan copper-gold and silver-lead deposit in the Cloncurry region of northwest Queensland - one of Australia's most productive mineral provinces.

Work to date has reinforced the understanding of the deposit's geometry and significant size potential while metal and grade variations allow considerable flexibility and optionality in how the resources can be appraised.

This announcement was authorised by the Board of Maronan Metals Limited. For further information on the Company, please visit: maronanmetals.com.au

CONTACT

Richard Carlton
Managing Director
+61 402 298 029
richard.carlton@maronanmetals.com.au

Ian Gebbie
Company Secretary
+61 431 272 148
ian.gebbie@maronanmetals.com.au

ADDENDUM TO JUNE 2024 QUARTERLY ACTIVITIES REPORT

Additional ASX Information

- ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the quarter ending 30 June 2024 was $591,000.
- ASX Listing Rule 5.3.2: There were no substantive Mining Production and Development activities conducted during the quarter.
- ASX Listing Rule 5.3.4: Use of funds since listing compared with Prospectus lodged with ASX on 27 April 2022. Variance to date is due to the current stage through the exploration programme.
- ASX Listing Rule 5.3.5: During the quarter ending 30 June 2024, the Company paid $109,457 to related parties representing Directors' salaries, fees and superannuation.

	Use of Funds in Prospectus $000	Use of Funds to 30 June 2024 $000
Exploration	11,000	11,047
Expenditure reimbursement	500	500
Expenses of the offer	880	798
Administration costs	1,500	1,790
Working capital	1,120	196
	15,000	**14,331**

Please refer to Appendix 5B for further information regarding movements in cash during the quarter.

Table 2 - Granted exploration tenements held at the end of the Quarter are as follows:

Project	Tenement Reference	Company Interest (%)	Comments
Maronan	EPM 13368	100	

Table 3 - Exploration tenements acquired or disposed of during the quarter are as follows:

Project	Tenement Reference	Status	Comments
Nil			

-ENDS-

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Robert Rutherford, who is a member of the Australian Institute of Geoscientists (AIG). Mr Rutherford is the Non-Executive Technical Director of the Company. Mr Rutherford 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 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Rutherford consents to the inclusion in the report of the matters based on his information 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

Maronan Metals Limited

ABN	Quarter ended ("current quarter")
17 156 269 993	30 June 2024

Consolidated statement of cash flows			Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**			
1.1	Receipts from customers			
1.2	Payments for			
	(a)	exploration & evaluation	(591)	(4,519)
	(b)	development	-	
	(c)	production	-	
	(d)	staff costs	-	
	(e)	administration and corporate costs	(113)	(850)
1.3	Dividends received (see note 3)		-	
1.4	Interest received		15	48
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid (ATO R&D tax incentive refund)		758	758
1.7	Government grants and tax incentives		-	-
1.8	Other (Net GST)		(105)	72
1.9	**Net cash from / (used in) operating activities**		**(36)**	**(4,491)**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire or for:			
	(a)	entities	-	-
	(b)	tenements	-	-
	(c)	property, plant and equipment	(7)	(13)
	(d)	exploration & evaluation	-	-
	(e)	investments	-	-
	(f)	other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 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**	**(7)**	**(13)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	9,019	9,019
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	48	48
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(347)	(347)
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**	**8,720**	**8,720**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,469	5,930
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(36)	(4,491)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7)	(13)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8,720	8,720

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**10,146**	**10,146**

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	10,146	1,469
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)**	**10,146**	**1,469**

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	(109)
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** *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 (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.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(36)
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)	(36)
8.4	Cash and cash equivalents at quarter end (item 4.6)	10,146
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	10,146
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	281.83

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?

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?

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?

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.

31 July 2024

Date: ....

The Board of Directors

Authorised by: ....
(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.