

EXCEPTIONAL 64.3% FLAKE GRAPHITE RESULT HIGHLIGHTS LAC RAINY'S TIER-1 RESOURCE POTENTIAL AS DEVELOPMENT STUDIES ADVANCE

- *Major drilling programs set to commence to test new high-grade zones and target a substantial Mineral Resource upgrade*
- Exceptionally high-grade flake-graphite result of 64.3% graphitic carbon (Cg) received from the extensive sampling program at Lac Rainy - which also produced 10 results of over 20% Cg and averaged 11% Cg across a 36km strike-length of graphitic trends identified within the project⁰ (Figures 1 and 2).
- The existing Lac Rainy Mineral Resource of 13.3Mt @ 11.5% Cg¹ has been defined from drilling over just 1km of the expanded 36km strike-length of graphitic trends. An extensive new drilling program scheduled to commence next month will target priority new high-grade zones identified from the sampling program to significantly upgrade and expand the Mineral Resources (see Figures 3 and 4).

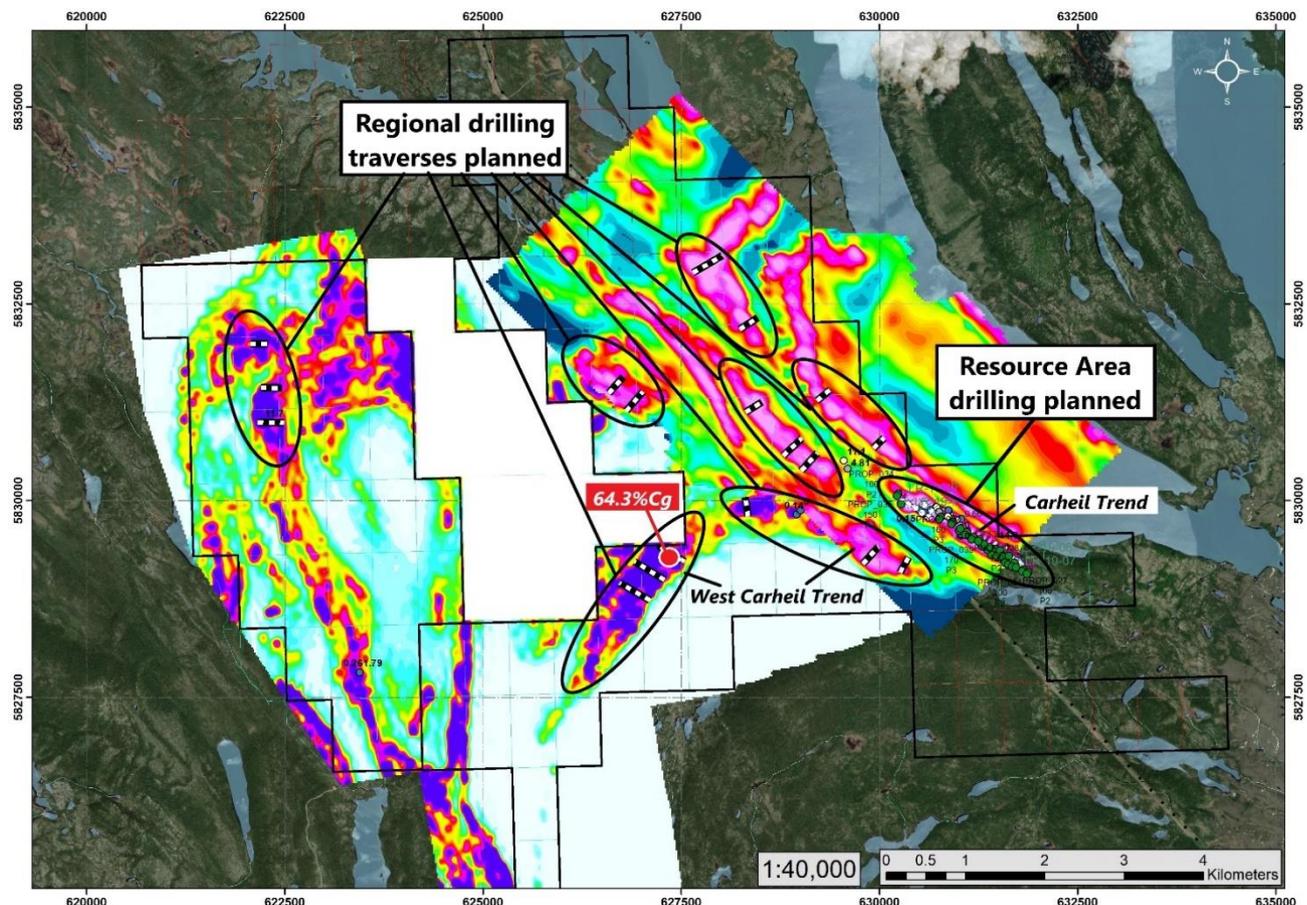


Figure 1: Lac Rainy Graphite Project, key high-grade graphite EM trends with planned drilling areas

- Preparations also commenced for a Pre-Feasibility Study (PFS) into commercial production of flake-graphite concentrate from Lac Rainy. The PFS will upgrade and expand on the previously completed Scoping Study, which demonstrated strong economic cashflow potential at over 100% margin based on production of nearly 100kt per annum of 96.7% Cg flake graphite concentrate over a 14-year period, with capital payback within four years. *The Company confirms it is not aware of any other new information or data that materially affects the information in the 03 February 2021 Scoping Study².*
- In parallel with the PFS, the Company will carry out a study into the most suitable purification method for processing the high-grade flake-graphite concentrate into premium battery-grade spherical-graphite for the North American lithium-ion battery and EV markets, which are currently almost entirely dependent on Chinese supply.
- These critically important studies will be directed and managed by newly appointed Chief Executive Officer (CEO) Paul Ferguson, who commences with the Company on 22 January.

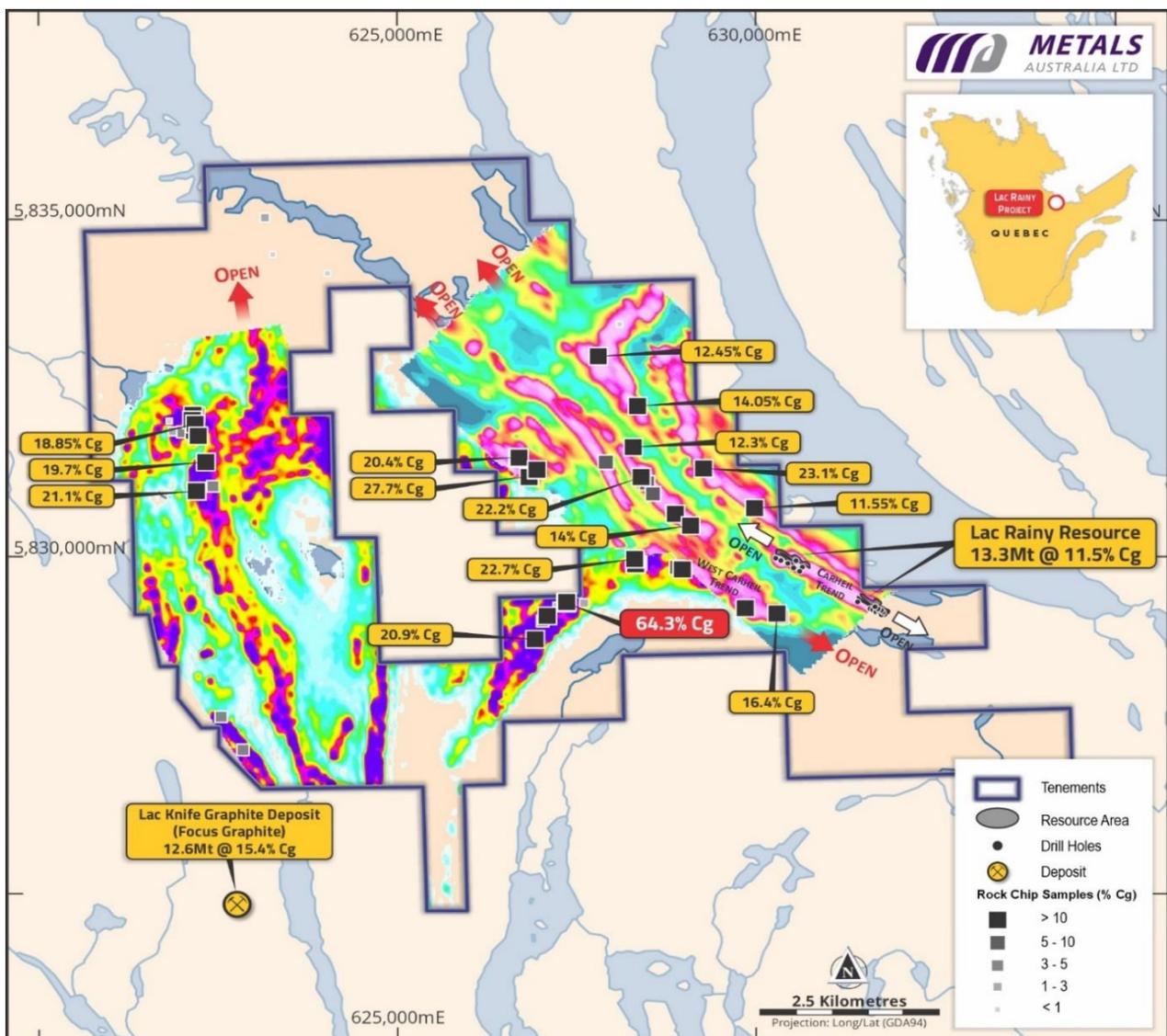


Figure 2: Lac Rainy Graphite Project high-grade sample locations and EM indicated graphitic trends

Metals Australia Ltd Chairman Mike Scivolo commented:

“The latest exceptionally high-grade 64.3% flake graphite result further reinforces our belief that our Lac Rainy Graphite Project has the potential to be a globally significant, Tier-1 flake-graphite resource.

“This is further supported by the fact that the existing high-grade resource we have defined to date is from drilling over just 1km of the over 36km of graphitic trends now identified on the Lac Rainy project.

“We now look forward to launching an extensive drilling program to test the new high-grade target zones along that extended strike-length with the aim of substantially upgrading the existing resource and confirming the enormous potential for resource growth into the future.

“In parallel with this major drilling program, we will also advance our key development studies - including a pre-feasibility study into high-grade flake-graphite production and an options study to select the best of the available methods for conversion of the high-grade flake-graphite concentrate to premium battery grade spherical graphite for lithium-ion battery anodes.

“We see the production of this premium battery-grade product as an outstanding opportunity to feed a North American market that is rapidly looking to diversify away from dependence on Chinese supply.

“These accelerated work programs and development studies are key steps towards unlocking Lac Rainy’s true potential as discussions are progressed regarding government funding and offtake partnerships.”

Metals Australia Ltd (ASX: MLS) (“Metals Australia” or “the Company”) is pleased to announce the Company has received an exceptionally high-grade assay result of 64.3% graphitic carbon (Cg) from its Lac Rainy Graphite Project in one of the world’s premier graphite regions in Quebec, Canada (see location, Figures 1, 2 and 3 and results, Appendix 1).

The latest result of 64.3% Cg is from an over-limit (>50% Cg) analysis of a rockchip sample collected on extensions of the West Carheil Trend at Lacy Rainy. The West Carheil Trend has produced multiple >20% Cg rockchip results over a strike-length shown in electromagnetic (EM) imagery to continue for over 6km, with no previous drill-testing (see Figures 2 and 3).

The existing Carheil Trend Mineral Resource at Lac Rainy of 13.3Mt @ 11.5% Cg (including Indicated: 9.6Mt @ 13.1% Cg and Inferred: 3.7Mt @ 7.3% Cg)¹ has been defined from just 1km strike-length of drill-testing (see Figures 3 and 4).

The rockchip sampling program included 80 samples which tested 10 graphitic trends with similar, if not greater, electromagnetic (EM) anomaly intensity to the Carheil Trend (see Figures 1,2 and 3).

The results of the sampling programme included 10 samples over 20% Cg and averaged over 11% Cg over the entire 36km strike-length of sampled trends. **This represents high-grade flake-graphite potential of over 35-times the 1km strike-length drilled to date – which includes the existing Mineral Resource.**

Extensive Resource Expansion Drilling Program Set to Commence:

The Company now plans to carry out an extensive drilling program of up to 12,000m with three key objectives:

- i) To at least double the existing Mineral Resource base at Lac Rainy to provide for over 20 years of flake-graphite production (based on the existing Scoping Study production rate of 100,000k tonnes per annum of flake-graphite concentrate (>95% Cg).
- ii) To test key high-grade target areas near the current resource (see Figure 3 below) which have been demonstrated through EM survey results and the recent rockchip sampling to represent priority targets for further high-grade Mineral Resource growth into the future.
- iii) To provide drill-core samples from multiple areas for further metallurgical testwork, building on the excellent testwork results to date which include production of flake-graphite concentrate grades of up to 97% Cg⁶ which convert to **very high-yields of high-purity, battery-grade (99.96% Cg) spherical graphite³ with outstanding lithium-ion battery charging and durability properties⁴.**

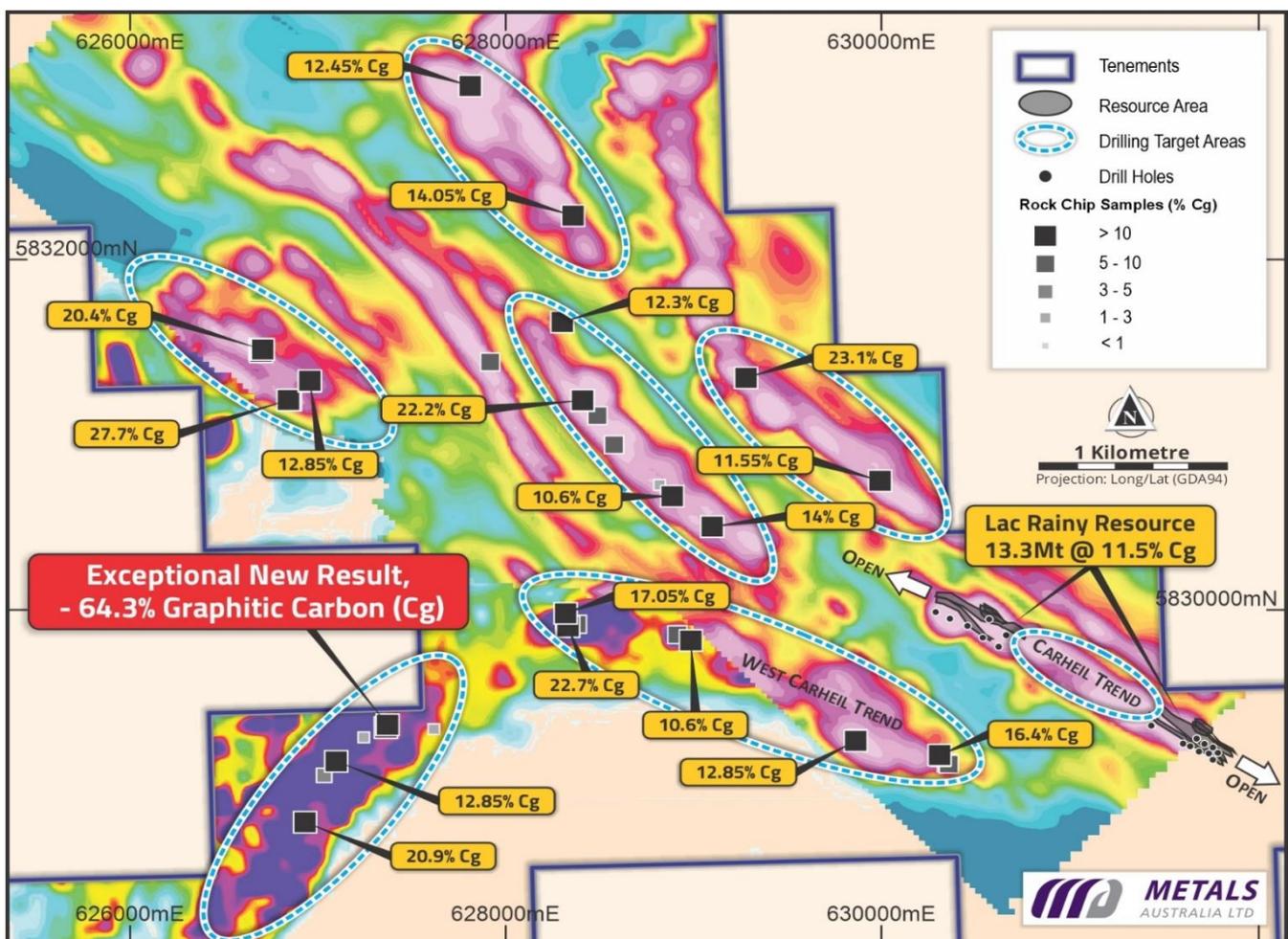


Figure 3: Lac Rainy Graphite Project high-grade sample locations on the eastern side of the Lac Rainy Project, showing extensive EM indicated graphitic trends and the existing Mineral Resource

The Quebec government is currently processing the Company’s drilling permit applications, which were submitted following extensive First Nations people consultation.

Suitable drilling rigs have been identified and access and site-preparation will commence as soon as government approval is received, expected by late January, for a program commencing in February 2024.

Areas of high-grade sample results outside the Carheil Trend (e.g. West Carheil) will be tested at the same time as the Mineral Resource extension programs on the Carheil Trend (see Figure 4 below).

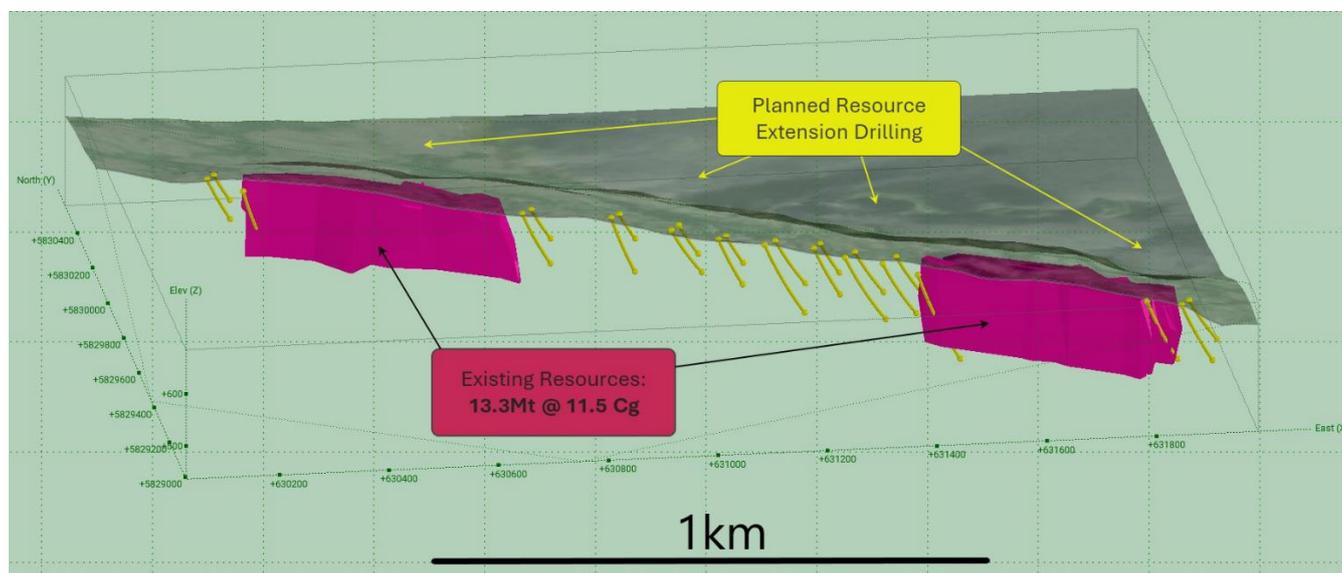


Figure 4: Mineral Resource models on Lac Rainy - Carheil Trend with the planned resource extension drilling

Key Development Studies Set to Commence:

Pre-Feasibility Study on High-Grade Flake-Graphite Production

In parallel with the new drilling programs, the Company will commence a (PFS on mining and flake graphite concentrate production at Lac Rainy(Figure 3).

Proposals have been received from several engineering groups with graphite expertise and these will be evaluated prior to selecting the most suitable group to advance this key study.

The PFS will build on the previously completed 2020 Scoping Study⁵ based on the current Indicated and Inferred Mineral Resource of 13.3Mt @ 11.5% Cg¹. The Scoping Study demonstrated strong cashflow potential at an operating cost estimate of US\$433/t and over 100% cashflow margin at an average flake graphite concentrate price of US\$885/t. This is based on production of nearly 100kt per annum of 96.7% Cg flake graphite concentrate over a 14-year period and capital payback within four years. *The Company confirms that it is not aware of any other new information or data that materially affects the information in the Scoping Study release of 3rd February 2021².*

The PFS will incorporate additional flake-graphite concentrate testwork results which produced a flake-graphite concentrate bulk sample grading 96.8% Cg (target range 94% to 97% Cg) and demonstrated very high closed-circuit (plant conditions) recoveries into the concentrate of 95.1% Cg⁶.

Study into Production of Premium Battery Grade Spherical Graphite

The outstanding results from the downstream spherical graphite and battery testwork have demonstrated that Lac Rainy premium battery grade spherical graphite exceeds lithium-ion battery maker physical property and electrochemical specifications⁴.

Significantly, Lac Rainy is also strategically located in Quebec, Canada, close to the rapidly expanding EV and renewable energy battery markets in the US. The US Government has declared a number of minerals

'critical', including graphite, and has passed the *Inflation Reduction Act*, which includes funding to source critical minerals projects outside China, primarily focussed on North America (including Canada). Consequently, demand for down-stream production of spherical graphite in the North American market is expected to grow rapidly and government funding support is likely to be available to assist development of such production. This represents an outstanding opportunity for the Company to supply battery-grade graphite to the North American lithium-ion battery and EV markets.

In parallel with the PFS into flake-graphite production, Metals Australia **will now undertake a study into the most suitable purification method for processing the high-grade flake-graphite concentrate into premium battery-grade uncoated spherical graphite for lithium-ion battery anode production ("Options Study") to supply the rapidly growing demand for this product.**

The Options Study will examine purification options which include the low temperature alkaline purification method (which achieved premium battery grade **99.96% Cg** purity³) as well as thermal purification. Thermal purification is effectively high-temperature roasting of the flake-graphite concentrate which can achieve very high purities of >99.98% Cg at the pre-spheroidisation stage. Thermal purification has the added benefit over other methods of purifying the graphite prior to spheroidization. This means that highly purified fines left over from the spheroidisation process represent a high-purity product for sale to other industries such as nuclear. Thermal purification requires high-energy input and hence low-energy costs. Lac Rainy has the distinct advantage of being located in an area of low-cost hydroelectric power in eastern Quebec.

Proposals for the Options Study are currently being evaluated at the same time as the PFS proposals.

This announcement was authorised for release by the Board of Directors.

*****ENDS*****

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About Metals Australia

Metals Australia Ltd (ASX:MLS) is advancing a high-quality portfolio of battery minerals and metals projects in the highly-prospective and mining-friendly jurisdictions of Western Australia and Quebec, Canada.

The Company's development focus is the flagship **Lac Rainy high-grade flake-graphite project** in Quebec, which is well placed for the future delivery of premium, battery grade graphite to the North American lithium-ion / EV battery market. The Company recently announced widespread and exceptionally high-grade graphite sampling results from Lac Rainy, including a sample containing over 50% graphitic carbon (Cg) from a large EM anomaly west of the existing Mineral Resource⁵.

Metallurgical test work on the Lac Rainy project has generated high-grade **flotation concentrate results of up to 97% graphitic carbon (Cg)**⁸. A bulk concentrate sample despatched to Germany has **produced premium battery grade 99.96% Cg purity spherical graphite**³. Electrochemical (battery charging and durability) tests have **confirmed Lac Rainy battery grade (99.96% Cg) spherical graphite is premium-quality lithium-ion battery anode material with exceptional battery charging capacity and outstanding discharge performance and durability**⁴.

The Company is also advancing its lithium exploration projects at **Corvette River**⁴ in the world-class James Bay lithium region of Quebec, where it has discovered LCT pegmatites immediately along strike from Patriot Battery Metals' world-class lithium pegmatite discoveries, as well as a new LCT pegmatite trend at Corvette South, parallel to Patriot's Corvette Lithium Trend^{2,3}.

The Company's other key projects include its advanced **Manindi battery minerals and metals project** in the Murchison district of Western Australia, where metallurgical testwork has located spodumene in samples from a high-grade lithium intersection of **12m @1.38% Li₂O** including **3m @ 2.12% Li₂O**⁶. The Company also has a high-grade zinc with copper and silver Mineral Resource and a new vanadium-titanium discovery at the Manindi Project.

Metals Australia is also carrying out an aggressive exploration program targeting lithium-pegmatites under shallow cover⁸ at the **Warrambie project**, located, just 10km east of the Andover lithium discovery of Azure Minerals (ASX:AZS)⁷ in Western Australia's northwest Pilbara region.

References

⁰ Metals Australia Ltd, 16 October 2023. *Extensive High-Grade Graphite more than 50% at Lac Rainy*

¹ Metals Australia Ltd, 15 June 2020. *Metals Delivers High Grade Maiden JORC Resource at Lac Rainy Graphite.*

² Metals Australia Ltd, 6 March 2023. *Lac Rainy Graphite Study delivers strong economics with Significant upside.*

³ Metals Australia Limited, 28 February 2023. *Battery Grade 99.96% Spherical Graphite for Lac Rainy.*

⁴ Metals Australia Ltd, 23 May 2023. *Outstanding Battery Test Results for Lac Rainy Graphite.*

⁵ www.fastmarkets.com/insights/spherical-natural-graphite-prices

⁶ Metals Australia Limited, 27 July 2022. *Bulk Graphite Concentrate Finalised for Battery Testing.*

⁷ Focus Graphite Ltd, 28 January 2014. *Announces Benchmark Feasibility Study Update for its Lac Knife Graphite Project.*

⁸ Metals Australia Ltd, 30 June 2020. *Metallurgical Testing Confirms Lac Rainy Graphite High Purity and Grade.*

⁹ Metals Australia Ltd, 27 July 2023. *Expanded Pegmatite Sampling Re-Commencing in Corvette Area.*

¹⁰ Metals Australia Ltd, 02 October 2023. *63 Pegmatite Samples from Corvette River Tenements in Lab.*

¹¹ Metals Australia Ltd, 06 June 2023. *Exceptional Drilling Results up to 2.59% Li₂O at Manindi.*

¹² Metals Australia Ltd, 30 November 2023. *Potential for Vanadium-Titanium Upgrade at Manindi West.*

¹³ Metals Australia Ltd, 16 June 2022. *Metals Australia Acquires Key Battery Metals Projects.*

Cautionary Statement Regarding Forward Looking Information

This document contains forward-looking statements concerning Metals Australia Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties, and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political, and social uncertainties, and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of Metals Australia Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.

Competent Persons Statement

The information in this report that relates to exploration results, Mineral Resources and Exploration Targets has been reviewed, compiled, and fairly represented by Mr Jonathon Dugdale. Mr Dugdale is a Technical Advisor to Metals Australia Ltd and a Fellow of the Australian Institute of Mining and Metallurgy ('FAusIMM'). Mr Dugdale has sufficient experience, including over 35 years' experience in exploration, resource evaluation, mine geology and finance, relevant to the style of mineralisation and type of deposits under consideration 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, Minerals Resources and Ore Reserves. Mr Dugdale consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this document that relates to metallurgical test work is based on, and fairly represents, information and supporting documentation reviewed by Mr Peter Adamini, BSc (Mineral Science and Chemistry), who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Adamini is a full-time employee of Independent Metallurgical Operations Pty Ltd, who has been engaged by Metals Australia Ltd to provide metallurgical consulting services. Mr Adamini has approved and consented to the inclusion in this document of the matters based on his information in the form and context in which it appears.

In preparing this announcement the Company has relied on the announcements previously made by the Company as listed under "References". The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement.

Appendix 1: Lac Rainy Graphite Sample Results

	Sample ID	Easting (NAD 19)	Northing (NAD 19)	Sample Type	Sample type	Outcrop Dimension	Graphitic Carbon %
1	G182251	627,810	5,832,996	Grab	Out-Crop	5x5m	12.45
2	G182252	628,357	5,832,257	Grab	Sub-rnidd Boulder	50x50x30cm	14.05
3	G182253	630,345	5,829,135	Grab	Sub-angular boulder	50x50x30cm	9.43
4	G182254	630,353	5,829,128	Grab	Sub-rnidd Boulder	50x100x80	5.49
5	G182255	630,305	5,829,182	Grab	Sub-rnidd Boulder	100x50x50	16.40
6	G182256	630,310	5,829,167	Grab	Sub-rnidd Boulder	50x50cm	6.08
7	G182257	629,859	5,829,263	Grab	Sub-rnidd Boulder	50x50cm	12.85
8	G182258	629,865	5,829,274	Grab	Sub-rnidd Boulder	100x50x50	6.45
9	G182259	622,553	5,827,647	Grab	Out-Crop	1x2m	3.38
10	G182260	622,859	5,827,153	Grab	Out-Crop	50x100cm	4.21
11	G182261	622,173	5,831,896	Grab	Out-Crop	10x5m	3.27
12	G182262	622,179	5,831,889	Grab	Out-Crop	10x5m	10.70
13	G182263	622,022	5,831,867	Grab	Out-Crop	5x1m	3.36
14	G182302	627,363	5,829,338	Chip	Boulder	0.5x0.5m	64.3
15	G182303	627,371	5,829,355	Grab	Boulder	1x2m	24.90
16	G182304	627,246	5,829,277	Grab	Boulder	1x1m	2.61
17	G182305	627,098	5,829,146	Grab	Boulder	2x2m	12.85
18	G182306	627,034	5,829,063	Grab	Boulder	1x1m	3.47
19	G182307	626,932	5,828,799	Grab	Boulder	2x2m	20.90
20	G182301	627,617	5,829,324	Chip	Boulder	4x2m	1.64
21	G182308	627,917	5,831,420	Chip	Boulder	20x10m	6.96
22	G182309	629,277	5,831,332	Grab	Boulder	1x2m	23.10
23	G182310	629,989	5,830,745	Grab	Out-Crop	30x10	11.55
24	G182311	622,272	5,832,051	Grab	Out-Crop	1x2m	NR
25	G182312	622,212	5,832,053	Grab	Out-Crop	1x1m	5.24
26	G182313	622,216	5,832,128	Grab	Out-Crop	1x2m	5.72
27	G182314	622,160	5,832,129	Grab	Out-Crop	1x1m	12.45
28	G182315	622,097	5,832,071	Grab	Out-Crop	1x2m	2.93
29	G182316	622,148	5,832,053	Grab	Out-Crop	1x2m	16.30
30	G182317	622,190	5,831,991	Grab	Out-Crop	1x2m	15.60
31	G182318	622,230	5,831,814	Grab	Out-Crop	1x1m	18.85
32	G182201	628,112	5,833,452	Grab	Sub-rnidd Boulder	3x3m	0.33
33	G182202	626,698	5,831,481	Grab	Out-Crop	1x0,5m	13.40
34	G182203	626,698	5,831,482	Grab	Out-Crop	1x0,5m	12.65
35	G182204	626,695	5,831,495	Grab	Out-Crop	2x2m	15.45
36	G182205	626,700	5,831,496	Grab	Out-Crop	1x1m	20.40
37	G182206	626,707	5,831,494	Grab	Sub-rnidd Boulder	0.5x0.5m	18.60

	Sample ID	Easting (NAD 19)	Northing (NAD 19)	Sample Type	Sample type	Outcrop Dimension	TGC%
38	G182207	626,851	5,831,205	Grab	Sub-rnidd Boulder	0.5 x 0.5m	24.60
39	G182208	626,844	5,831,206	Grab	Sub-rnidd Boulder	1x1m	27.70
40	G182209	626,957	5,831,312	Grab	Sub-rnidd Boulder	0.4 x 0.2m	19.85
41	G182210	626,957	5,831,316	Grab	Sub-rnidd Boulder	2x2m	19.60
42	G182211	628,299	5,831,650	Grab	Sub-rnidd Boulder	2x4m	12.30
43	G182212	628,409	5,831,203	Grab	Sub-rnidd Boulder	0.75 x 0.75m	22.20
44	G182213	628,408	5,831,205	Grab	Sub-rnidd Boulder	0.5 x 0.3m	10.40
45	G182214	628,486	5,831,114	Grab	Sub-rnidd Boulder	3x1m	7.18
46	G182215	628,571	5,830,953	Grab	Sub-rnidd Boulder	0.5 x 0.5m	3.52
47	G182216	628,574	5,830,949	Grab	Out-Crop	2x20m	7.01
48	G182217	628,817	5,830,716	Grab	Sub-rnidd Boulder	n/a	2.27
49	G182218	628,884	5,830,658	Grab	Sub-rnidd Boulder	0.5 x 0.5m	10.60
50	G182219	626,953	5,831,318	Grab	Sub-rnidd Boulder	4x5m	7.33
51	G182220	629,096	5,830,484	Grab	Sub-rnidd Boulder	n/a	14.00
52	G182221	628,911	5,829,865	Grab	Out-Crop	n/a	9.95
53	G182222	628,923	5,829,857	Grab	Sub-rnidd Boulder	n/a	3.32
54	G182223	628,983	5,829,836	Grab	Out-Crop	At least 1x5m	10.50
55	G182224	628,328	5,829,916	Grab	Out-Crop	n/a	12.15
56	G182225	628,328	5,829,916	Channel	Out-Crop	0.5m	10.85
57	G182226	628,328	5,829,917	Channel	Out-Crop	0.5m	17.85
58	G182227	628,329	5,829,915	Channel	Out-Crop	0.75m	22.70
59	G182228	628,329	5,829,916	Channel	Out-Crop	0.75m	15.35
60	G182229	628,330	5,829,914	Channel	Out-Crop	0.4m	15.50
61	G182230	628,330	5,829,915	Channel	Out-Crop	0.4m	12.65
62	G182231	628,305	6,829,922	Channel	Out-Crop	0.6m	3.11
63	G182232	628,305	6,829,923	Channel	Out-Crop	0.8m	3.10
64	G182233	628,305	6,829,924	Channel	Out-Crop	0.7m	3.33
65	G182234	628,296	5,829,924	Grab	Out-Crop	1x3m	1.91
66	G182235	628,318	5,829,990	Grab	Out-Crop	5x15m	17.05
67	G182236	628,376	5,829,925	Grab	Out-Crop	1 m	6.65
68	G182237	622,337	5,831,429	Grab	Sub-rnidd Boulder	0.5m x 0.6m	19.70
69	G182238	622,317	5,831,363	Grab	Sub-rnidd Boulder	1x1m	0.93
70	G182239	622,439	5,831,059	Grab	Sub-rnidd Boulder	1x2m	4.05
71	G182240	622,209	5,830,995	Channel	Out-Crop	1m	12.20
72	G182241	622,208	5,830,995	Channel	Out-Crop	1m	8.66
73	G182242	622,207	5,830,996	Channel	Out-Crop	1m	16.20
74	G182243	622,206	5,830,996	Channel	Out-Crop	1m	21.10
75	G182244	621,867	5,831,840	Grab	Out-Crop	1 x 0.5m	0.84
76	G182245	621,880	5,831,871	Grab	Out-Crop	1 x 0.5m	1.59

	Sample ID	Easting (NAD 19)	Northing (NAD 19)	Sample Type	Sample type	Outcrop Dimension	TGC%
77	G182246	621,829	5,832,016	Grab	Out-Crop	1 x 0.5m	0.94
78	G182247	623,165	5,835,036	Grab	Sub-rndd Boulder	0.3 x 0.3m	1.36
79	G182248	623,274	5,834,487	Grab	Angular Boulder	2x3m	0.93
80	G182249	624,036	5,834,207	Grab	Sub-rndd Boulder	1 x 0.5m	0.04

Appendix 2: JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (e.g., ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Sampling points were located through follow-up of existing electromagnetic imagery and/or “BeepMat” conductivity measurements (EM device dragged along ground by field operator). • Outcrops with graphite content are located using hand-held GPS then described and sampled. • Samples categorised as “grabs”, representing point locations defined by a small area typically less than 0.5m². A best effort was made to collect as much fresh material as practical and avoid or minimize the inclusion of weathered material in the sample. Hand tools were used to clear the sampling site and remove weathered material as practical before sampling. • Samples from “Channels” were cut of the freshest material practical and are considered more representative than the grab samples for that particular location. • Samples are considered representative of the site targeted, followed best industry practises as described above, with sufficient material collected per sample. • Samples submitted for assay typically weigh 2-3 kg or more. Channel samples may be considered more representative than grab samples as more fresh material may be collected, they report an interval and not a point, and are larger samples. Channel samples are typically several times larger in size that grab samples, adding to their more representative nature. • Samples using Magnor Exploration Inc sampling protocols and QAQC procedures as per industry best practice, delivered by ALS at Val-d’Or, Quebec. • All rockchip and previous drilling samples samples have been crushed, dried and pulverised (total prep) to produce a sub sample for multi-element analysis by four acid digest with ICPMS, total graphitic carbon by Leco.

Criteria	JORC Code Explanation	Commentary
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit, or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> No drilling reported in this release. Previous and planned drilling will be conducted by Magnor Exploration utilising a WL66 (HQ) conventional diamond drilling with core diameter of 63.5mm. All drillholes have been orientated. Downhole surveying completed using a Devico Deviflex downhole survey instrument. Core recoveries are measured by the drillers for every drill run. The core length recovered is physically measured for each run, recorded, and used to calculate the core recovery as a percentage of core recovered. Any core loss is recorded on a core block by the drillers. Careful drilling techniques in areas of broken ground are employed with communication between the geologist and drillers to maximise core recovery. A sampling bias has not been determined.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Previous diamond core recoveries are during drilling and reconciled during the core processing and geological logging. The core length recovered is measured for each run and recorded which is used to calculate core recovery as a percentage. A sampling bias has not been determined.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All rock and channel samples were described to industry standard levels with rock type, modal mineralogy, grain size, and other pertinent observations noted. Descriptions are qualitative in nature. Geological logging is carried out on all drill holes with lithology, alteration, mineralisation, structure, and veining recorded.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality, and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in-situ material collected, 	<ul style="list-style-type: none"> Sample preparation follows industry best practice standards and is conducted by internationally recognised laboratories - ALS Laboratories Ltd in Val d'Or, Quebec. Code RX1-graphite was completed as preparation. Samples are crushed to 80% passing 10 mesh, riffle split (250 g), and pulverized to 95% passing 105 micron. Analysis used ALS packages Code 4F-C,S, and 4F-C-Graphite using a graphite specific preparation (RX1- Graphite). Total carbon as well as graphitic carbon are the primary deliverables.

Criteria	JORC Code Explanation	Commentary
	<p><i>including for instance results for field duplicate/second-half sampling.</i></p> <ul style="list-style-type: none"> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Sampling techniques utilized, as described above, ensure adequate representativeness and sample size. As is early exploration, industry standard sampling techniques were followed with fresh material targeted for collection as practical. No blanks or standards were submitted by the company with laboratory blanks, standards, and duplicates relied upon, with results reviewed by the companies' consultants and found to be satisfactory with no material concerns. Sample size (2-3 kg) accepted as general industry standard for grab samples and is sufficient to provide a representative sample size for the location being sampled. The sample sizes are considered appropriate for the type of mineralisation under consideration. Maxwells Data management systems for appraisal of the QA/QC indicated no issues.
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Selected samples are assayed for total graphitic carbon and sulphur via Leco furnace. Graphitic carbon is determined by digesting the sample in 50% HCl to evolve carbonate as CO₂. Residue is filtered, washed, dried, and then roasted at 425°C. The roasted residue is analysed for C and S by high temperature Leco furnace with infrared detection. The analytical methods are considered appropriate for this style of mineralisation. Internal laboratory QAQC relied upon with laboratory blanks, standards, and duplicates relied upon, with results reviewed by the companies' consultants and found to be satisfactory with no material concern. No new metallurgical test work is reported in this release. Refer to ASX announcement by Metals Australia Limited, 28 February 2023. "Battery Grade 99.96% Spherical Graphite for Lac Rainy" and Metals Australia Ltd, 23 May 2023. "Outstanding Battery Test Results for Lac Rainy Graphite" for details of the spherical graphite and battery testwork results. No additional geophysical data is reported. "BeepMat" conductivity measurements were used locally to locate graphitic zones.

Criteria	JORC Code Explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • Assay data is reported as received with no data adjustment. Data is verified by the Company's consultants prior to disclosure.
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Handheld GPS used for location of sample points using local UTM grid, Zone 19. Such methods have a typically accuracy of 1-3 m.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Only individual sample data reported as received by laboratory for grab samples, with channel samples reported individually via Appendix 1, as well as composites in the highlight section of the NR. • Insufficient data from rockchip grab and channel sampling to establish Mineral Resources. Drilling is planned to test the identified zones, to initially establish Exploration Potential, with further drilling at sufficient spacing density to generate Mineral Resources beyond those currently established at Lac Rainy.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • Grab samples reflective of point locations with sufficient samples collected along strike to assist with interpretation of area and potential. Channel samples attempt to give an indication of grade over width.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Industry standard chain of custody followed, with samples dropped off at shipping company by field manager, shipping with tracking number, and received direct by the lab, with notification of receipt the day samples received.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • None completed by third parties. The Company's consultants vetted the database internally.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area. 	<ul style="list-style-type: none"> Metals Australia Limited is the 100% owner of the Lac Rainy Graphite Project, pursuant to the binding acquisition agreement. There are no other known material issues affecting the tenements. Quebec Lithium Limited, a wholly owned subsidiary of Metals Australia, is the owner of 100% of the graphite project, and ownership of the individual CDC claims is held by Quebec Lithium Limited. All tenements are in good standing and have been legally verified by a Quebec lawyer specializing in the field.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> No modern exploration has been conducted by other parties. Government mapping records multiple graphitic carbon bearing zones within the project area, but no data is available.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting, and style of mineralisation. 	<ul style="list-style-type: none"> The Lac Rainy graphite project is located in close proximity to Focus Graphites Lac Knife Project, which is hosted in a similar geological environment. The projects were first discovered in 1989, and has been subject to basic geological review since then. The project area geology (hosting the Lac Rainy graphite deposits) is situated within the Gagnon Group, which is the metamorphosed equivalent of the Ferriman Group in the Labrador Trough. The formations within the Ferriman Group consist of Wishart (arenitic quartzite with variable mica and calcite), Ruth (ferruginous mudstone chert), Sokoman (iron formation), and Menihek (mudstone/mica schist), as well as intrusive basalt. The Nault Formation of the Gagnon Group, comprised of graphite-bearing quartz biotite garnet paragneiss (metamorphized equivalent of the Menihek Formation), underlies the majority of the Lac Rainy Property and is the primary target rock unit. The host lithology consists of a sub-vertical, lithologically continuous unit of very fine-grained dark grey to black graphite rocks containing between 1-28% graphitic carbon and appreciable quantities of sulphides ranging in grade from 0.01-18.8% sulphur. A number of parallel units have been identified from the mapping, channel sample and drilling. The lithological units are variably folded and

Criteria	JORC Code explanation	Commentary
		faulted, with true widths up to 70m and have local continuity over hundreds of metres and regionally extend over many kilometres. Pyrite, pyrrhotite and trace chalcopyrite accompany the graphite mineralisation and the sub-vertical orientations present today..
Drill hole information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> No additional drilling information in this report.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No data aggregation with grab samples reported as point location data. Weighted compositing methods applied to channels. No metal equivalents reported No intercepts reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., down hole length, true width not known’). 	<ul style="list-style-type: none"> Not Applicable with grab samples representing surface point locations. Channels samples by nature report grade over width with best efforts to cross strike of unit. True widths not known. The geometry of the graphite mineralisation in the area drilled at the Lac Rainy Project on the Carheil trend is quite well understood and all drilling has been completed perpendicular to the strike of the mineralisation. The main hangingwall graphite unit is sub-vertical and appears to have a variable dip (~80- 90°). Several close spaced drillholes at Lac Rainy have highlighted the dip and azimuth of the mineralised zones. Drilling is required in the newly identified areas to confirm the dip of the units.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and 	<ul style="list-style-type: none"> Figure 1 shows the location of the new

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	<p><i>tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p>	<p>rockchip samples across the tenements as well as the electromagnetic anomalies that show extensions in areas of cover.</p> <ul style="list-style-type: none"> • Figure 2 is an enlargement of the eastern part of the tenements at Lac Rainy and also includes the Mineral Resource and previous drillhole locations. • Appendix 1 is a tabulation of all new rockchip sample results with locations and geological descriptions. • Appropriate maps and cross-sections of the Mineral Resource zone have been included in the text of previous announcements.
Balanced Reporting	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • Results for all sampling submitted for assay are listed in Appendix 1 attached to the body of this report. • All significant intercepts above the nominal cut-off grade of 5% Cg have been reported in the text of previous ASX releases related to the drilling results at Lac Rainy.
Other substantive exploration data	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • All meaningful and material data is reported. • A substantial amount of work has been completed at the Lac Rainy Project by Metals Australia. Work has included geophysical surveys, rock chip sampling, MMI soil sampling, trenching, diamond drilling and metallurgical testwork which is reported in previous ASX release by the Company.
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Further work to include drill-testing of high-grade graphite rockchip sampling locations in order to define additional Exploration Potential. • Further drilling is also planned to expand the existing Mineral Resource which is open in all directions. • The Company will commence a Pre-feasibility Study (PFS) on mining and flake graphite concentrate production at Lac Rainy. • The Company will also undertake an initial Options Study into the production of premium battery-grade uncoated spherical graphite for lithium-ion battery anodes. • Further metallurgical testwork on diamond core graphite samples will be used to generate flotation concentrate samples for further down-stream spherical graphite test work, and to provide to potential customers/offtakers for evaluation and test work.