

March 2024

Quarterly Report

29Metals Limited ('29Metals' or, the 'Company' or, the 'Group') today reported results for the March 2024 quarter ('Mar-Qtr'). Currency amounts in this report are in Australian dollars unless otherwise stated.

Key points:

Safety

- Group total recordable injury frequency rate ('TRIFR')¹ 6.6 (Dec-Qtr: 6.5).
- Group lost time injury frequency rate ('LTIFR')¹ 1.9 (Dec-Qtr: 1.5).

Golden Grove

- Copper and zinc production of 5.8kt (Dec-Qtr: 5.2kt) and 4.7kt (Dec-Qtr: 20.7kt), respectively.
- C1 Costs² of US\$4.05/lb copper sold (Dec-Qtr: US\$3.06/lb copper sold).
- Positive free cash flow from Golden Grove for the quarter.
- Continued improvement in development advance rates at Xantho Extended (Mar-Qtr: 853 metres vs Dec-Qtr: 726 metres).
- Commencement of containerised concentrates, providing productivity and environmental benefits.
- Applications for regulatory approval for future development of Gossan Valley submitted post quarter end.
- No change to 2024 guidance ranges.

Capricorn Copper

- Production to be suspended, with regard given to dewatering constraints at Esperanza South due to an increase of on-site water levels after an extended period of rainfall between late January and mid-March 2024, and operational performance since the partial restart of operations in August 2023.
- Preservation of group liquidity, maintaining focus on environmental management and compliance, and progression of key enablers for a successful and sustainable restart of operations are focus areas for the suspension period.
- Key enablers for a restart of production include the sustainable reduction of on-site water inventory, the reinstatement of a water treatment facility, and certainty of long-term tailings capacity.
- Expected reduction of operating expenses to approx. \$18 million for H2-2024 after one-off transition costs and ramp-down of activity through the Jun-Qtr, further reduction of operating expenses expected into 2025.
- Rest of 2024 capital expenditure forecast of \$13 million to \$16 million³.
- Copper production of 1.3kt (Dec-Qtr: 2.4kt) for the quarter.
- Total Site Costs⁴, Capital and Recovery Costs during the quarter of \$48 million (Dec-Qtr: \$52 million).

Corporate/Other

- James Palmer appointed as the new Chief Executive Officer of 29Metals, commencing on 1 May 2024.
- Updated Mineral Resources and Ore Reserve estimates reported during the quarter, with strong conversion of Mineral Resources delivered from targeted exploration activity through 2023⁵.
- Balance sheet strengthened post quarter end, with binding terms sheet agreed for a US\$50 million offtake finance facility with Glencore International AG, and commitment from insurers to a further interim insurance progress payment of \$16 million.
- Unaudited available cash at 31 March 2024 of \$106 million⁶ (31 December 2023: \$162 million).

Commenting on the Mar-Qtr, Managing Director & CEO, Peter Albert, said:

"At Golden Grove, record development rates and paste fill achieved at the Xantho Extended orebody in the Mar-Qtr positions the asset well for the balance of the year. The decision to suspend operations at Capricorn Copper was difficult, especially after the commitment and hard work by the team to bring the mine back into production. However, the suspension of operations best preserves group liquidity and allows time to establish the key enablers for a successful and sustainable future restart of operations.

For H2-2024, a reduction of cash outflows at Capricorn Copper and a step down in Term Loan principal repayments from US\$10 million to US\$2.5 million per quarter will benefit cash flows. The balance sheet is well positioned with the liquidity provided by the US\$50 million offtake finance facility and commitment from insurers to a further insurance progress payment of \$16 million announced post quarter end. And we are of course very encouraged by the recent strength in metal prices at a time of ongoing improvement in operating performance at Golden Grove."

Golden Grove

Table 1: Golden Grove Summary

	Unit	Mar-Qtr-2023	Jun-Qtr-2023	Sep-Qtr-2023	Dec-Qtr-2023	Mar-Qtr-2024	2024 Guidance ⁱ
TRIFR		9.4	9.9	9.1	7.1	7.2	N/a
LTIFR		1.0	1.6	2.1	1.6	1.7	N/a
Copper produced	kt	3.2	4.2	5.5	5.2	5.8	18 – 22
Zinc produced	kt	8.7	13.5	8.6	20.7	4.7	54 – 61
Gold produced	koz	3.0	2.8	4.3	3.9	2.8	17 – 25
Silver produced	koz	172	214	197	192	128	700 – 1,000
Payable copper sold	Mlbs	8.0	8.2	8.6	12.6	12.6	N/a
Site Costs ⁱⁱ	\$m	82	78	81	91	86	345 – 393
C1 Costs ⁱⁱⁱ	\$m	22	55	43	59	78	N/a
C1 Costs	US\$/lb Cu sold	1.91	4.46	3.26	3.06	4.05	N/a
Total capital	\$m	13	13	10	14	13	59 – 75
AISC	\$m	36	69	54	72	92	N/a
AISC	US\$/lb Cu sold	3.10	5.64	4.16	3.71	4.81	N/a

- 2024 guidance for Golden Grove as set out in the quarterly report for the Dec-Qtr-2023 released to the ASX announcements platform on 30 January 2024. Copies of quarterly reports are available on 29Metals' website at: <https://www.29metals.com/investors/reports-presentations>. Refer to important information on page 10 regarding forward looking information in this report.
- Site Costs is the sum of mining costs (excluding capitalised development), processing costs, and G&A costs.
- C1 Costs is the sum of Site Costs, concentrate transport, TCRCs, stockpile movements, and by-product credits.

Production

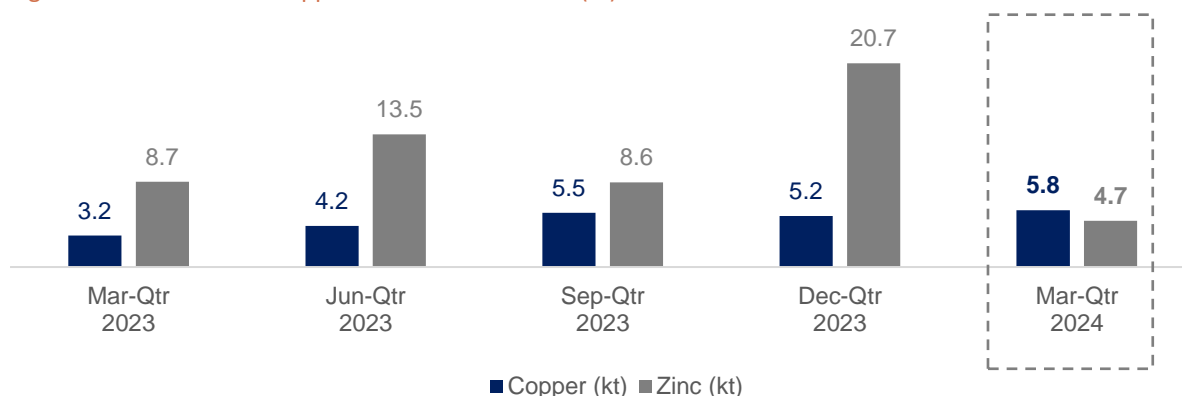
Total ore mined during the quarter was 358kt (Dec-Qtr: 397kt). Development advance rates continue to improve at Xantho Extended, with 853 metres (Dec-Qtr: 726 metres) completed during the quarter and record daily, weekly, and monthly development advance recently achieved. Lower zinc and gold production during the Mar-Qtr was due to lower ore tonnes mined from Xantho Extended (Mar-Qtr: 65kt versus Dec-Qtr: 137kt). A planned paste fill cycle at Xantho Extended during the quarter has enabled multiple Xantho Extended stopes to be brought online post quarter end. It is anticipated that Xantho Extended ore tonnes mined, and zinc and gold metal production, will increase significantly during subsequent quarters.

Total ore milled was 351kt (Dec-Qtr: 418kt). Lower milled tonnes were the result of a higher proportion of copper ore (Mar-Qtr: 257t vs Dec-Qtr: 204kt) versus zinc ore (Mar-Qtr: 93t vs Dec-Qtr: 213kt), and two unplanned downtime events associated with the primary crusher and overland conveyor.

Copper production for the quarter was 5.8kt (Dec-Qtr: 5.2kt), with higher quarter-on-quarter production driven by higher milled copper grade (Mar-Qtr: 1.9% vs Dec-Qtr: 1.5%) and higher copper recoveries (Mar-Qtr 88% vs Dec-Qtr: 85%).

Zinc production for the quarter was 4.7kt (Dec-Qtr: 20.7kt), with lower quarter-on-quarter production driven by lower zinc grades (Mar-Qtr: 1.9% vs Dec-Qtr: 5.6%) and lower zinc recovery (Mar-Qtr: 72% vs Dec-Qtr: 89%), due to lower quarter-on-quarter zinc ore tonnes milled. Zinc metal production for the remainder of the year is expected to be materially higher as a larger contribution of ore mined from Xantho Extended increases the proportion of zinc ore milled, with the first of the Jun-Qtr's zinc campaigns well underway during April.

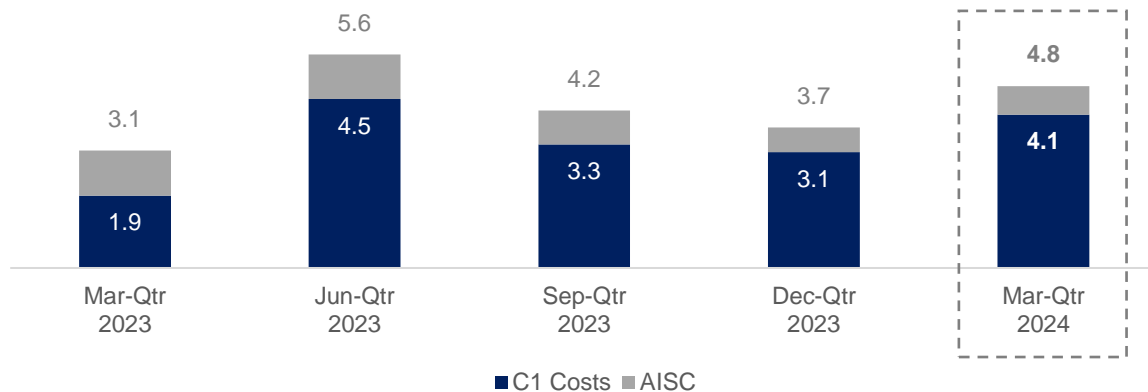
Figure 1: Golden Grove: Copper and Zinc Production (kt)



Costs and Capital

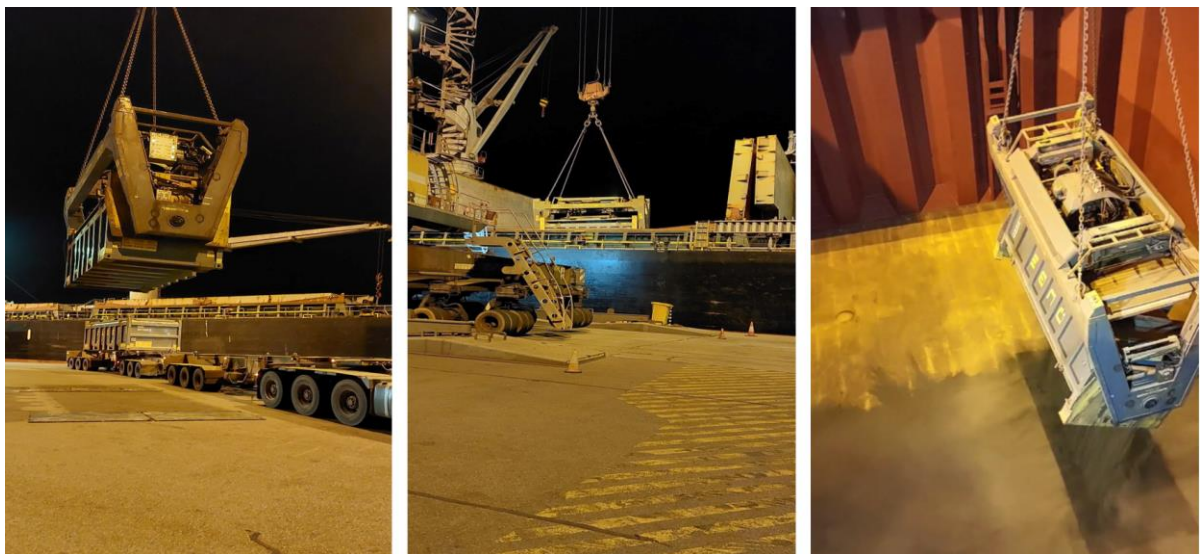
C1 costs of US\$4.05/lb copper sold (Dec-Qtr: US\$3.06/lb copper sold) and AISC of US\$4.81/lb copper sold (Dec-Qtr: US\$3.71/lb copper sold) for the quarter. Lower by-product production and the sale of zinc concentrate stockpile produced in the Dec-Qtr resulted in a stockpile movement charge of \$26.5 million for the quarter (Dec-Qtr: \$16.6 million credit). Stockpile movement charges were the primary driver of higher unit C1 costs and AISC, partially offset by higher by-product credits (Mar-Qtr: \$57.9 million vs Dec-Qtr: \$33.1 million).

Figure 2: Golden Grove C1 Costs and AISC (US\$/lb Cu sold)



In-line with the ongoing cost reduction and production efficiency focus, the first of the site's containerised concentrates were loaded onto a ship at the Port of Geraldton via the Rotabox system. The Rotabox system of rotating container tippers with integrated lid lifters, delivers productivity gains, logistical flexibility, and environmental advantages.

Figure 3: Containerised concentrates loaded onto a ship at the Port of Geraldton via the Rotabox system



The Tailings Storage Facility ("TSF") 4 project remains on track for completion during Mar-Qtr-2025. Detailed design completed during the quarter indicates higher capital cost than previous estimates. As a result, total Golden Grove 2024 capital is now expected to be at the top end of the \$59 million to \$75 million guidance range. TSF 4 represents a one-off investment to support +15-years of tailings capacity at planned milling and backfill rates.

Growth Projects and Exploration

Applications for regulatory approval for the future development of Gossan Valley were submitted post quarter end. Upon development, Gossan Valley is expected to enhance overall ore production and scheduling flexibility by providing an additional independent, and relatively shallow, production front at Golden Grove.

Exploration drilling in the Mar-Qtr focused on resource conversion at Hougomont Extended. Drilling at Oizon commenced late in the quarter, with additional metres to be drilled throughout the Jun-Qtr.

Conversion drilling to-date has aligned with current geological understanding of the area. Through the drill program, sulphides were intercepted outside of the current modelled resource. Assay results from this drilling are expected to be returned during the Jun-Qtr.

Table 2: Golden Grove Mar-Qtr Drilling Summary

	Unit	Exploration	Resource extension	Resource conversion
Hougoumont Extended underground diamond drilling	Metres	-	-	1,416
Oizon underground diamond drilling	Metres	-	-	321

A long section for Golden Grove, illustrating 29Metals' Mineral Resources and Ore Reserves estimates at 31 December 2023, organic growth target areas and target areas for exploration is set out in Appendix 3.

Capricorn Copper

Table 3: Capricorn Copper Summary

Unit	Mar-Qtr-2023	Jun-Qtr-2023	Sep-Qtr-2023	Dec-Qtr-2023	Mar-Qtr-2024
TRIFR	5.5	7.7	5.0	5.6	5.8
LTIFR	1.8	2.2	1.2	1.4	2.9
Copper produced kt	2.6	0.0	1.1	2.4	1.3
Silver produced koz	20	0	6	10	5
Payable copper sold Mlbs	6.7	(0.1)	1.6	5.3	2.5
Site Costs ⁱ \$m	31	1	19	31	32
C1 Costs ⁱⁱ \$m	38	2	14	42	34
C1 Costs US\$/lb Cu sold	3.88	N/a	6.01	5.17	8.80
Total capital \$m	6	1	3	7	6
AISC \$m	46	3	18	50	41
AISC US\$/lb Cu sold	4.69	N/a	7.53	6.20	10.67
Recovery Costs ⁱⁱⁱ \$m	9	25	13	14	10

i. Site Costs is the sum of mining costs (excluding capitalised development), processing costs, and G&A costs.

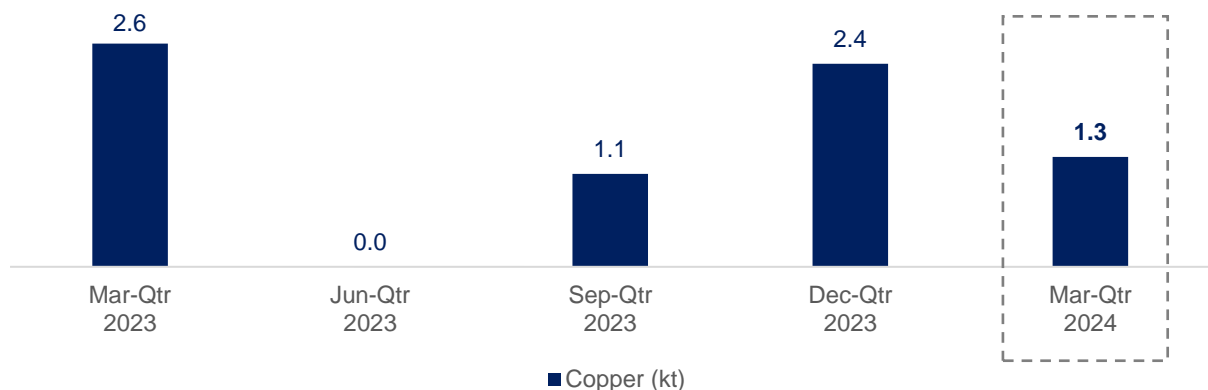
ii. C1 Costs is the sum of Site Costs, concentrate transport, TCRCs, stockpile movements, and by-product credits.

iii. Costs allocated to recovery of operations from impact of the extreme weather event in early March 2023

Mar-Qtr-2024 Production, Costs and Capital

Ore milled for the quarter was 94kt (Dec-Qtr: 180kt) at an average copper grade of 1.7% (Dec-Qtr: 1.7%) and recovery of 77% (Dec-Qtr: 78%), resulting in copper production of 1.3kt (Dec-Qtr: 2.4kt). Plant runtime was impacted by water treatment challenges, negatively affecting ore milled and copper production. Total Site Costs, Capital and Recovery Costs during the quarter were \$48 million (Dec-Qtr: \$52 million).

Figure 4: Capricorn Copper: Copper Production (kt)



Suspension of Production

On 26 March 2024, the Company announced the decision to suspend mining and milling operations at Capricorn Copper.

Despite the progress made on water reduction initiatives since the extreme weather event in March 2023, bulk water releases and mechanical evaporation during the 2023/2024 wet season have not been sufficient to offset additions to on-site water inventory from successive tropical cyclones between late January and mid-March 2024. This resulted in a steady accumulation of water in regulated structures on site to similar levels following the March 2023 extreme weather event.

As a result, the ongoing dewatering of Esperanza South underground mine and a timely full recovery of operations in line with the Capricorn Copper Recovery Plan⁷ was constrained by water levels in regulated surface water storage structures. The increase in water levels on site, combined with consideration of operational performance since August 2023, meant the continuation of operations on a partial basis was no longer sustainable, resulting in the decision to suspend production as the prudent path forward.

Mining ceased following the announcement, with minor works to be completed post quarter end to prepare the mine for a period of suspension prior to demobilisation of equipment and reduction of on-site personnel by the mining contractor.

Processing operations are planned to continue through April to run down surface stockpiles prior to reduction of the 29Metals workforce during the balance of the Jun-Qtr.

A 29Metals workforce of approximately 40 people will be retained to deliver on our objectives through the suspension period, which are to:

- ensure the health and safety of our people;
- manage our ongoing environmental responsibilities; and,
- progress key enablers for a restart of production.

Capricorn Copper remains a valued and strategically important long-term asset to 29Metals. The asset has a substantial copper endowment (Mineral Resources estimates of 64.8Mt at 1.8% copper⁸) in a 'tier 1' jurisdiction with established infrastructure and significant exploration upside potential⁹. To this end, the Company remains committed to progressing the asset towards a successful and sustainable restart of operations and will advance key enablers of a restart during the suspension period with consideration of available group liquidity and progress of regulatory approvals. The key enablers for a successful and sustainable restart are expected to be:

- reduction of water inventory held on site, including completing the dewatering of Esperanza South and implementing further measures to enhance the resilience of the site to future weather events;
- establishing long-term tailings storage capacity;
- completing the design, procurement and installation of the new water treatment plant, providing a reliable and sustainable source of water suitable for mining and milling operations, and improving resilience against future weather events; and
- identifying and implementing opportunities to enhance productivity and reduce costs.

With consideration of available group liquidity, select exploration programs to further increase the size and definition of the Mineral Resource estimates will continue to be assessed through the suspension period, with focus on the potential new orebody east of the existing Mammoth orebody.

Operating expenses are expected to reduce to approximately \$18 million for H2-2024 after one-off termination costs and ramp-down of activity through the Jun-Qtr. Further reduction of operating expenses is expected into 2025 with ongoing cost reduction and efficiency measures as water reduction initiatives are embedded, and with the rightsizing of contracts. In particular, the expiry of the existing power purchase agreement in January 2025 will provide opportunity to right-size the contract to expected power requirements. A progressive unwind of working capital will occur in-line with the reduction of operating expenses.

Capital costs for the rest of 2024 are expected to be in the range of \$13 million to \$16 million, which funds:

- completion of in-progress capital works;
- investment to ensure ongoing management of our environmental responsibilities, including water reduction projects; and,

- design work and minimum capital requirements to maintain optionality to progress investment in key restart enablers of Esperanza South dewatering, long-term tailings storage capacity and new water treatment plant.

Higher capital expenditure would be required upon commitment to long-lead items and execution of key restart enablers of Esperanza South dewatering, long-term tailings storage capacity and new water treatment plant, which will be subject to finalisation of detailed designs, consideration of available group liquidity and progress of regulatory approvals.

With permitting of long-term tailings storage capacity a key enabler of a successful and sustainable restart, the ongoing support of the Queensland government will be critically important in the timely restart of operations. The Company looks forward to building upon and maintaining the support from government to date, particularly under the Prescribed Project and Critical Infrastructure Project status conferred late last year¹⁰, to secure the regulatory approvals required to support the restart enablers outlined above.

Growth and Exploration

Drilling continued during the quarter to follow-up the encouraging drill intercepts east of the Mammoth orebody, assay results are expected late in the Jun-Qtr. A table summarising drilling activity for the quarter is included below.

Table 4: Capricorn Copper Mar-Qtr Drilling Summary

	Unit	Exploration	Resource extension	Resource conversion
Mammoth underground diamond drilling	m	1,394	-	-

A long-section for Capricorn Copper, illustrating 29Metals' 2023 Mineral Resources and Ore Reserves estimates, that outlines in-mine and near mine growth opportunities, and priority targets for exploration, is set out in Appendix 3.

Data processing and analysis of ambient noise tomography, ground gravity and magnetotelluric data in relation to the Cooperative Exploration Initiative were completed during the quarter, with the Final report submitted to the Queensland Government. A Geological model has been developed with multiple areas identified for further assessment and potential follow-up work.

Redhill

The Group exploration budget has been prioritised towards near mine targets at Capricorn Copper and Golden Grove. As a result, activity and expenditure at Redhill has been minimised to compliance related activities only.

Reserves and Resources

29Metals released its 31 December 2023 Mineral Resources and Ore Reserves estimates during the quarter¹¹.

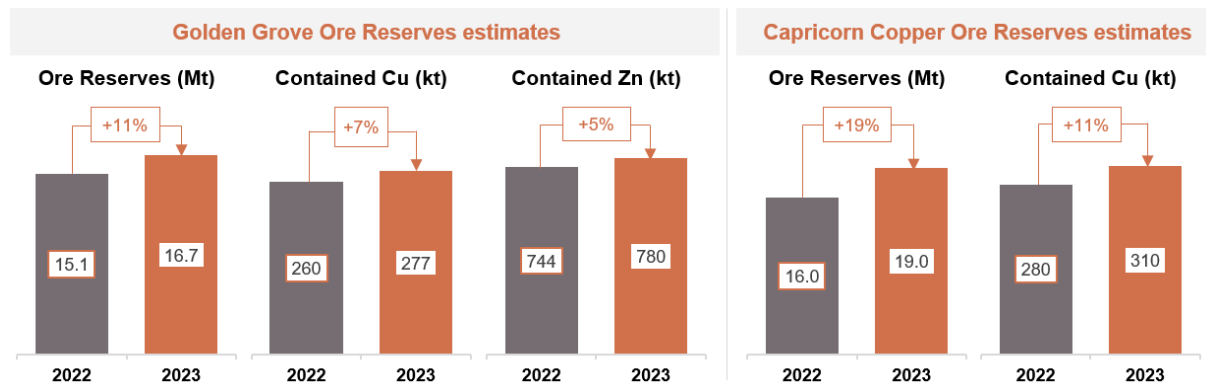
Targeted investment through 2023 was able to deliver significant conversion of Mineral Resources to Ore Reserves. Key highlights included:

- Increase in Group Ore Reserves tonnes to 35.7Mt (2022: 31.0Mt) after depletion from production.
- Cervantes Ore Reserves estimate of 2.9Mt @ 1.5% Cu, 4.8% Zn, 0.6 g/t Au, 33 g/t Ag and 0.4% Pb.

Group Mineral Resources estimates tonnes after depletion from production increased marginally at 31 December 2023 to 128.3Mt (2022: 127.9Mt). Importantly, strong conversion from Inferred to Measured and Indicated Mineral Resources reflects increased geological confidence, with Measured and Indicated Resources tonnes after depletion from production increasing to 94.4Mt (2022: 92.7Mt). Specifically:

- Esperanza South at Capricorn Copper – the proportion of Measured and Indicated increased 30% year-on-year; and,
- Cervantes at Golden Grove – the proportion of Measured and Indicated increased 45% year-on-year.

Figure 5: Targeted investment delivers significant conversion of Mineral Resources



Sustainability & ESG

Safe and inclusive workplace

Group TRIFR increased marginally to 6.6 at quarter end (Dec Qtr: 6.5). Group LTIFR increased to 1.9 (Dec-Qtr: 1.5), with a single lost time injury for the quarter.

Key activity during the quarter included:

- Continuing roll out of the Group's Critical Risk Management Framework.
- Implementation of the Mine Safety Management System at Golden Grove, including finalising Principal Mine Hazard Management Plans.
- Emergency Response Team training at both Golden Grove and Capricorn Copper.
- Extending our focus on promoting inclusion and diversity, Diversity, Equity and Inclusion awareness training was held, focusing on respectful behaviours and communication.

In addition, following announcement of the decision to suspend operations at Capricorn Copper¹², a key focus has been providing support to our colleagues at Capricorn Copper directly affected, including senior leadership presence on site and professional counselling support.

Figure 6: Our Approach to Sustainability & ESG



Responsible environmental stewardship

During the quarter, key activity continued to focus on water management and tailings capacity at both sites.

Golden Grove

- Maintaining engagement with the regulator regarding the progress of the application for TSF 4, with an approval decision expected in the Jun-Qtr.
- Third party dam safety review of existing tailings storage facilities, as part of 29Metals regular tailings storage facility assurance activities, undertaken in parallel with a routine inspection conducted by the regulator. No material matters of concern were identified.
- Approval for a new water bore (at the Gossan Valley site) received, providing additional water security for operations.

Capricorn Copper

- The application to amend the design storage allowance for the Esperanza Pit ('EPit'), and to re-commence tailings storage in the EPit for an interim period, progressed, with close engagement with the Office of Coordinator-General (the 'OCG') and the Department of Environment, Science and Innovation (the 'DESI').
- Progressed preliminary engineering and supporting studies for proposed TSF 3.

- Continuing progress on water management activities, including successfully releasing approximately 120 ML of treated mine-affected water (calendar year-to-date).

Post quarter end, applications for regulatory approval for the future development of Gossan Valley were submitted. In addition, 29Metals reinitiated work against its TCFD roadmap, with evaluation of the Golden Grove emissions profile and opportunity to reduce future emissions. This work will be used to inform future credible targets for emissions reductions.

Partnering with stakeholders

At Golden Grove, during the quarter 29Metals refreshed its approach to community engagement, formalising a *Community Consultative Committee* and hosting a site visit of the Committee. The site visit was well attended, with local First People's, Shire Council and landowners in attendance.

At Capricorn Copper, following the announcement of the suspension of operations, engagement with the OCG and DESI has further intensified with a commitment to work collaboratively on key approvals required to support a successful and sustainable restart of operations as soon as possible. A clear path to long term tailings capacity and water management (immediate, medium and longer term) are the key focus of this engagement.

29Metals' *Sustainability & ESG Priorities* for 2024 are set out in 29Metals' 2023 Annual Report and Sustainability & ESG Report which were published on 19 April 2024. As previously, progress against the priorities will be reported quarterly.

Finance and Corporate

Total gross revenue¹³ was \$154 million in the Mar-Qtr. An increase of \$13 million versus the prior quarter (Dec-Qtr: \$141 million), driven by higher zinc metal sales and higher realised copper prices at Golden Grove, which offset lower quarter-on-quarter revenue at Capricorn Copper.

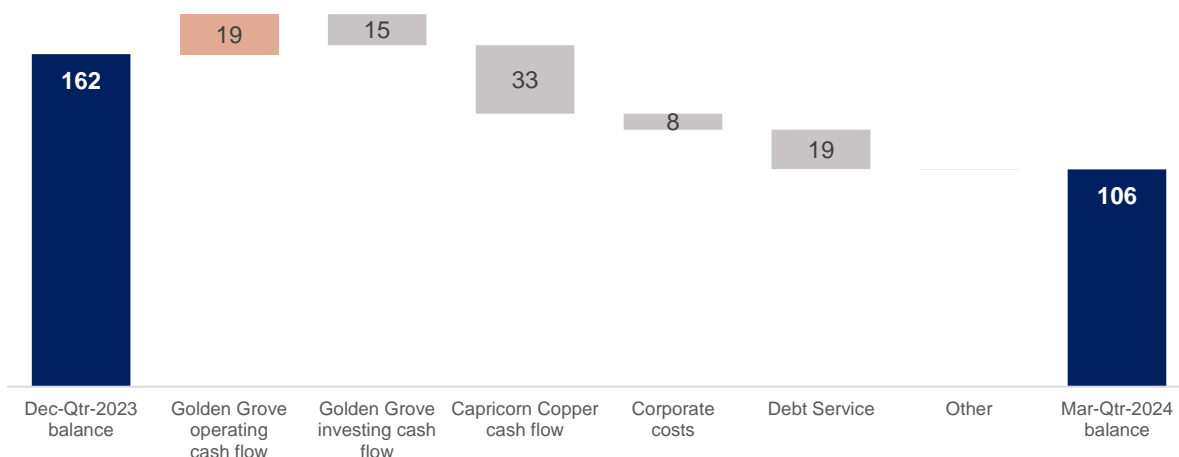
Table 5: Group Revenue Summary

	Unit	Mar-Qtr-2023	Jun-Qtr-2023	Sep-Qtr-2023	Dec-Qtr-2023	Mar-Qtr-2024
Total gross revenue¹	\$m	163.7	99.9	101.1	141.3	154.2
Golden Grove	\$m	119.1	100.6	91.8	110.4	139.9
- Copper	\$m	50.8	45.5	49.9	69.5	77.1
- Zinc	\$m	24.9	39.2	31.3	29.9	51.7
- Gold	\$m	18.9	8.9	7.1	7.4	6.4
- Silver	\$m	14.8	5.9	3.4	3.5	4.7
- Lead	\$m	9.7	1.3	0.0	0.1	0.0
Capricorn Copper	\$m	44.6	(0.7)	9.3	31.0	14.3
- Copper	\$m	43.8	(0.7)	9.2	31.0	14.2
- Silver	\$m	0.8	0.0	0.2	0.0	0.0

29Metals' unaudited cash and cash equivalents at 31 March 2024 was \$106 million^{14,15} (31 December 2023: \$162 million). Unaudited drawn debt at 31 March 2024 was US\$136 million (31 December 2023: US\$146 million)¹⁶. Group unaudited net drawn debt¹⁷ at 31 March 2024 was \$103 million (31 December 2023: \$52 million).

Cash outflows from debt servicing during the quarter includes US\$10 million principal repayment of the Term Loan facility. A further US\$10 million principal repayment will occur in the Jun-Qtr, followed by step-down of principal repayments to US\$2.5 million in each of the Sep-Qtr and Dec-Qtr.

Figure 7: Group cash and cash equivalents (\$ million)



Finalisation of the amount of stamp duty payable in relation to the acquisition of Golden Grove is expected during the Jun-Qtr-2024. Concurrently, 29Metals is engaging with the WA Office of State Revenue to agree a schedule for staged payments. A provision of \$27 million was held for stamp duty liability at 31 December 2023.

CEO Transition

On 5 March 2024, 29Metals announced that James Palmer has been appointed as the new Chief Executive Officer of 29Metals. James will commence the role on 1 May 2024, and replaces Peter Albert who will retire as Managing Director & CEO on 30 April 2024.

Offtake finance

29Metals has agreed a binding terms sheet for a US\$50 million offtake finance facility with Glencore International AG ('Glencore'), (the '**Proposed Offtake Facility**') post quarter end.

The Proposed Offtake Facility has received credit approvals from the Company's senior lenders, subject to completion of long form documentation, expected to be executed during the Jun-Qtr, and customary conditions precedent.

The Proposed Offtake Facility funds will be available for draw down from financial close and will provide additional balance sheet support as Capricorn Copper moves into suspension and works are progressed towards a sustainable restart of operations.

Capricorn Copper insurance claim

29Metals has continued to progress the insurance claim relating to loss and damage suffered as a result of the extreme weather event at Capricorn Copper in March 2023¹⁸. As previously reported, 29Metals' insurers have confirmed indemnity for damage to surface property and associated business interruption, with an initial unallocated interim progress payment of \$24 million received in the second half of 2023.

Following further engagement with insurers and the customary claim adjustment process, undertaken in parallel to Capricorn Copper recovery plan activities, 29Metals' insurers have committed to a further unallocated interim progress payment of \$16 million in relation to the surface component of the claim.

We have continued our work to evaluate matters raised by insurers in relation to the underground component of the claim. With the further progress on the surface component of the claim, evidenced by the further interim progress payment, we are looking forward to accelerating progress on the balance of the claim with insurers.

The announcement of the suspension of operations at Capricorn Copper on 26 March 2024 is not expected to materially impact the resolution of the insurance claim.

This quarterly report is authorised for release by the Managing Director & CEO, Peter Albert.

Important information

Forward-looking statements

This document contains forward-looking statements and comments about future events, including in relation to 29Metals' businesses, plans and strategies. Forward-looking statements can generally be identified by the use of words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and similar expressions. Indications of, and guidance or outlook regarding, future performance are also forward-looking statements.

Forward-looking statements involve inherent risks, assumptions and uncertainties, both general and specific, and there is a risk that predictions, forecasts, projections and other forward-looking statements will not be achieved. A number of important factors could cause 29Metals' actual results to differ materially from the plans, objectives, expectations, estimates, targets and intentions expressed in such forward-looking statements, and many of these factors are beyond 29Metals' control. Relevant statements may prove to be incorrect, and circumstances may change, and the contents of this document may become outdated as a result.

Without limiting the generality of the foregoing, 29Metals notes that instances of escalating COVID-19 infection and hospitalisation rates continue to be reported publicly. 29Metals' guidance and other forward looking statements assume that restrictions on movement and other government intervention will not return or escalate.

Forward-looking statements are based on 29Metals' good faith assumptions as to the financial, market, regulatory and other relevant environments that will exist and affect 29Metals' business and operations in the future. 29Metals does not give any assurance that the assumptions will prove to be correct. There may be other factors that could cause actual results or events not to be as anticipated, many of which are beyond 29Metals' reasonable control.

Readers are cautioned not to place undue reliance on forward-looking statements. Except as required by applicable laws, 29Metals does not undertake any obligation to publicly update or revise any forward-looking statements, to advise of any change in assumptions on which any such statement is based, or to publish prospective information in the future.

Non-IFRS financial information

This report includes certain metrics, such as *Site Costs*, *C1 Costs*, *AISC*, *total liquidity*, *drawn debt and net drawn debt*, that are not recognised under Australian Accounting Standards and are classified as "non-IFRS financial information" under ASIC Regulatory Guide 230: *Disclosing non-IFRS financial information*. 29Metals uses these non-IFRS financial information metrics to assess business performance and provide additional insights into the underlying performance of its assets.

Non-IFRS financial information metrics in this report do not have standardised meaning under the Australian Accounting Standards and, as a result, may not be comparable to the corresponding metrics reported by other entities. Non-IFRS financial information metrics are unaudited.

Non-IFRS financial information should be considered in addition to, and not as a substitute for, financial information prepared in accordance with Australian Accounting Standards. Readers are cautioned not to place undue reliance on non-IFRS financial information cited in this report.

Corporate information

29Metals Limited (ABN 95 650 096 094)

Board of Directors

Owen Hegarty OAM
Peter Albert
Fiona Robertson AM
Jacqueline McGill AO
Martin Alciaturi
Tamara Brown
Francis 'Creagh' O'Connor

Non-executive Director, Chair
Managing Director & CEO
Independent Non-executive Director
Independent Non-executive Director
Independent Non-executive Director
Independent Non-executive Director
Non-executive Director

Company Secretary
Clifford Tuck

Registered office

Level 2, 150 Collins St
Melbourne, Victoria 3000
Australia

Telephone: +61 3 7037 5300
Email: contactus@29metals.com
Website: www.29metals.com

Stock exchange listing

Australian Securities Exchange (Ticker: 29M)

Investor relations

Michael Slifirski
Group Manager Investor Relations
Telephone: +61 3 7037 5300
Email: Michael.Slifirski@29metals.com

Kristian Stella
Group Manager Business Development
Telephone: +61 3 7037 5300
Email: Kristian.Stella@29metals.com

Registry

Link Market Services
Telephone: +61 1300 554 474
Email: registrars@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

Issued share capital

29Metals' issued capital is 701,699,237 ordinary shares (at 6 March 2024).

Appendix 1: Production and sales

	Unit	Mar-Qtr 2023	Jun-Qtr 2023	Sep-Qtr 2023	Dec-Qtr 2023	Mar-Qtr 2024	2024 Guidance ⁱ
Golden Grove							
Ore mined	kt	355	351	421	397	358	1,475 – 1,625
Ore milled	kt, total	315	387	420	418	351	1,475 – 1,625
	kt, Cu ore	179	189	243	204	257	N/a
	Kt, Zn ore	136	199	176	213	93	N/a
Milled grade	Copper (%)	1.2%	1.2%	1.5%	1.5%	1.9%	N/a
	Zinc (%)	3.4%	3.9%	2.7%	5.6%	1.9%	N/a
	Gold (g/t)	0.5	0.3	0.5	0.5	0.4	N/a
	Silver (g/t)	26.4	24.9	21.9	21.3	18.8	N/a
Recovery	Copper (%)	84.7%	87.5%	86.8%	85.0%	87.8%	N/a
	Zinc (%)	81.8%	88.2%	77.1%	88.9%	72.2%	N/a
	Gold (%)	60.7%	66.1%	62.7%	60.2%	67.1%	N/a
	Silver (%)	64.2%	69.0%	66.6%	67.4%	60.7%	N/a
Cu concentrate prod.	dmt	16,275	22,070	27,533	25,453	29,521	N/a
	Cu grade (%)	19.1%	18.9%	20.0%	20.2%	19.4%	N/a
	Copper (t)	3,110	4,165	5,497	5,134	5,726	N/a
	Gold (oz)	2,519	2,379	3,784	3,065	2,400	N/a
	Silver (oz)	85,671	126,894	147,552	125,710	102,020	N/a
Zn concentrate prod.	dmt	16,880	26,613	17,638	41,765	9,301	N/a
	Zn grade (%)	51.5%	50.6%	48.8%	49.6%	50.5%	N/a
	Zinc (t)	8,686	13,477	8,607	20,729	4,697	N/a
	Gold (oz)	320	331	458	789	334	N/a
	Silver (oz)	45,303	57,573	39,938	54,769	19,157	N/a
HPM concentrate prod.	dmt	1,398	1,484	446	693	394	N/a
	Gold (oz)	202	96	39	18	53	N/a
	Silver (koz)	40,856	29,511	9,396	11,723	7,167	N/a
	Copper (t)	74	52	27	37	46	N/a
	Lead (t)	527	319	124	196	73	N/a
Metal produced	Copper (t)	3,185	4,216	5,524	5,171	5,771	18,000 – 22,000
	Zinc (t)	8,686	13,477	8,607	20,729	4,697	54,000 – 61,000
	Gold (oz)	3,041	2,806	4,281	3,872	2,787	17,000 – 25,000
	Silver (oz)	171,830	213,978	196,886	192,202	128,344	700,000 – 1,000,000
	Lead (t)	527	319	124	196	73	N/a
Payable metal sold	Copper (t)	3,645	3,708	3,880	5,728	5,726	N/a
	Zinc (t)	5,014	12,025	8,911	7,632	13,646	N/a
	Gold (oz)	6,275	3,070	2,384	2,483	1,795	N/a
	Silver (oz)	424,772	151,381	84,549	121,627	124,162	N/a
	Lead (t)	3,033	398	0	(59)	0	N/a
Capricorn Copper							
Ore mined	kt	234	0	100	157	161	N/a
Ore milled	kt	193	0	85	180	94	N/a
Milled grade	Copper (%)	1.7%	0.0%	1.6%	1.7%	1.7%	N/a
Recovery	Copper (%)	82.5%	0.0%	80.6%	77.8%	77.1%	N/a
Cu concentrate prod.	dmt	12,637	0	5,168	10,985	6,029	N/a
	Cu grade (%)	20.9%	0.0%	21.6%	21.6%	20.8%	N/a
	Copper (t)	2,640	0	1,115	2,371	1,253	N/a
	Silver (oz)	19,557	0	6,253	10,015	5,411	N/a
Payable metal sold	Copper (t)	3,037	(37)	709	2,389	1,149	N/a
	Silver (oz)	21,449	(142)	4,455	0	1,455	N/a

- i. 2024 guidance for Golden Grove as set out in the quarterly report for the Dec-Qtr-2023 released to the ASX announcements platform on 30 January 2024. Copies of quarterly reports are available on 29Metals' website at: <https://www.29metals.com/investors/reports-presentations>. Refer to important information on page 10 regarding forward looking information in this report.

Appendix 2: C1 Costs and AISC

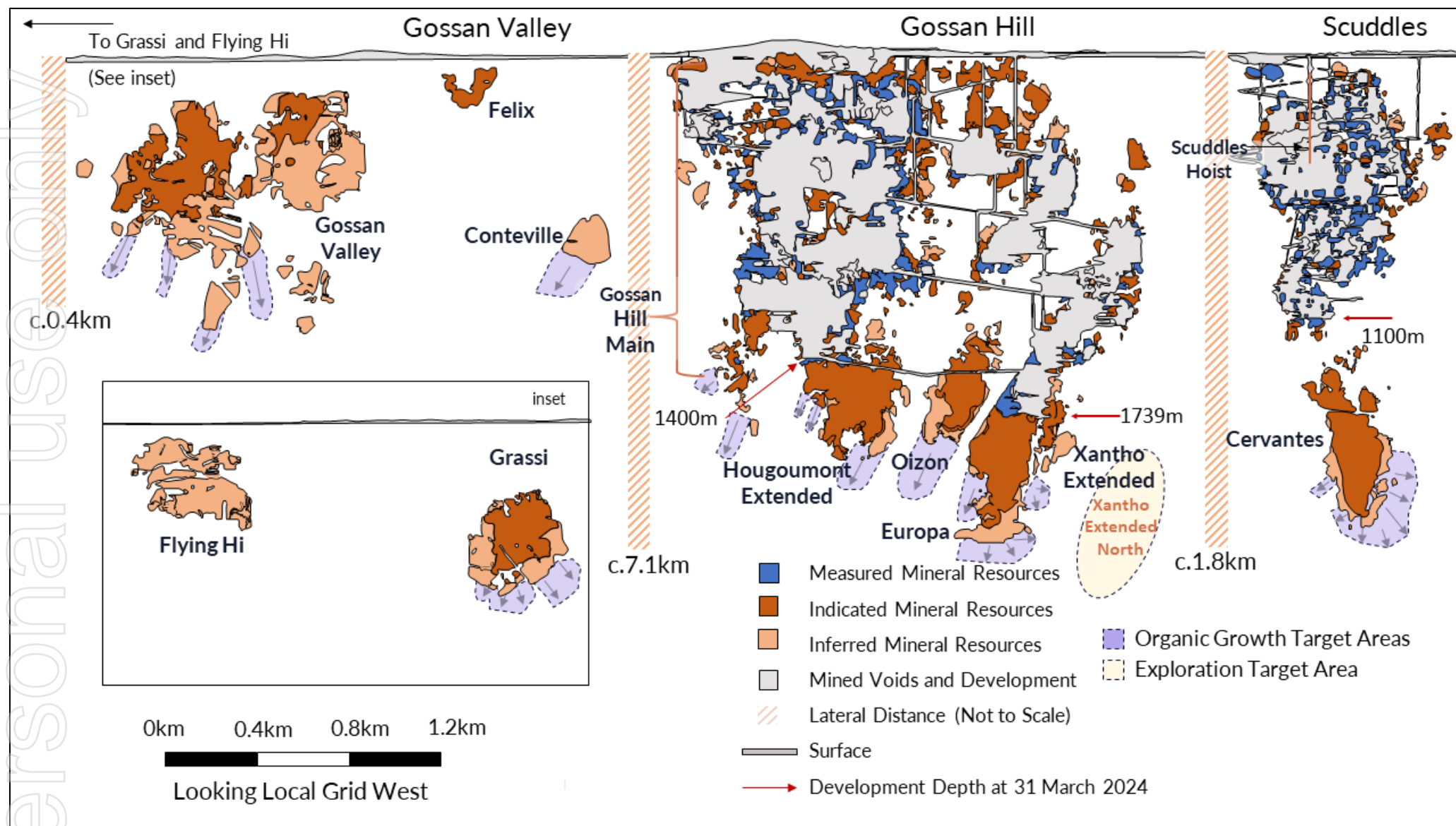
	Unit	Mar-Qtr 2023	Jun-Qtr 2023	Sep-Qtr 2023	Dec-Qtr 2023	Mar-Qtr 2024	2024 Guidance ⁱ
29Metals Group							
C1 Costs	\$m	60.6	57.3	57.1	101.5	111.9	N/a
Payable copper sold	Mlbs	14.7	8.1	10.1	17.9	15.2	N/a
C1 Costs	\$/lb	4.11	7.08	5.65	5.67	7.39	N/a
C1 Costs	US\$/lb	2.81	4.73	3.70	3.69	4.86	N/a
Royalties	\$m	6.4	4.2	4.8	5.2	4.0	N/a
Corporate	\$m	6.6	7.5	6.3	8.8	8.5	32 – 36
Sustaining capex	\$m	6.4	7.0	5.9	8.9	5.2	N/a
Capitalised development	\$m	9.3	4.4	4.8	6.8	9.6	N/a
AISC	\$m	89.2	80.3	78.8	131.2	139.2	N/a
AISC	\$/lb	6.05	9.92	7.79	7.33	9.19	N/a
AISC	US\$/lb	4.14	6.63	5.10	4.77	6.04	N/a
Growth capital	\$m	3.1	2.9	2.4	5.8	3.6	N/a
Group exploration	\$m	0.2	1.3	2.1	1.1	1.4	4 – 7
FX rate	AUD:USD	0.684	0.668	0.655	0.650	0.657	N/a
Golden Grove							
Mining (excl. CapDev)	\$m	57.1	53.5	56.0	62.2	58.8	235 – 270
Processing	\$m	18.7	17.9	18.5	22.3	20.9	85 – 95
G&A	\$m	6.5	6.6	6.1	6.2	5.9	25 – 28
Concentrate transport	\$m	4.7	4.8	5.1	5.4	4.6	23 – 27
TCRC	\$m	9.6	15.3	13.1	13.1	19.0	68 – 78
Stockpile movements	\$m	(1.2)	11.0	(6.3)	(16.6)	26.5	N/a
By-products ⁱⁱ	\$m	(73.0)	(54.5)	(50.0)	(33.1)	(57.9)	N/a
C1 Costs	\$m	22.4	54.6	42.6	59.4	77.8	N/a
Payable copper sold	Mlbs	8.0	8.2	8.6	12.6	12.6	N/a
C1 Costs	\$/lb	2.79	6.68	4.98	4.71	6.17	N/a
C1 Costs	US\$/lb	1.91	4.46	3.26	3.06	4.05	N/a
Royalties	\$m	4.2	4.0	4.5	4.0	3.4	N/a
Corporate	\$m	-	-	-	-	1.8	7 – 8
Sustaining capex	\$m	4.7	6.0	4.2	4.8	3.7	24 – 30
Capitalised development	\$m	5.1	4.4	3.1	3.8	5.6	15 – 20
AISC	\$m	36.4	69.0	54.4	72.0	92.3	N/a
AISC	\$/lb	4.53	8.44	6.36	5.70	7.31	N/a
AISC	US\$/lb	3.10	5.64	4.16	3.71	4.81	N/a
Growth capital	\$m	3.1	2.9	2.4	5.8	3.6	20 – 25
Capricorn Copper							
Mining (excl. CapDev) ⁱⁱⁱ	\$m	15.4	0.1	11.9	17.1	17.6	N/a
Processing ⁱⁱⁱ	\$m	11.2	0.83	4.0	9.4	9.5	N/a
G&A ⁱⁱⁱ	\$m	4.1	0.0	3.2	4.5	5.3	N/a
Concentrate transport	\$m	3.6	(0.3)	0.6	1.8	1.0	N/a
TCRC	\$m	3.8	0.5	1.0	3.9	1.5	N/a
Stockpile movements	\$m	0.7	1.2	(6.0)	5.3	(0.9)	N/a
By-products ⁱⁱ	\$m	(0.8)	(0.0)	(0.2)	0	(0.0)	N/a
C1 Costs	\$m	38.0	2.2	14.4	41.9	33.9	N/a
Payable copper sold	Mlbs	6.7	(0.1)	1.6	5.3	2.5	N/a
C1 Costs	\$/lb	5.67	N/a	9.18	7.95	13.39	N/a
C1 Costs	US\$/lb	3.88	N/a	6.01	5.17	8.80	N/a
Royalties	\$m	2.1	0.1	0.2	1.2	0.6	N/a
Corporate	\$m	-	-	-	-	1.1	4 – 5
Sustaining capex	\$m	1.7	1.0	1.7	4.1	1.5	N/a
Capitalised development	\$m	4.2	0.0	1.7	3.0	4.0	N/a
AISC	\$m	45.9	3.4	18.0	50.2	41.1	N/a
AISC	\$/lb	6.86	N/a	11.49	9.53	16.23	N/a
AISC	US\$/lb	4.69	N/a	7.53	6.20	10.67	N/a
Growth capital	\$m	0.0	0.0	0.0	0.0	0.0	N/a
Recovery costs ⁱⁱⁱ	\$m	8.9	25.4	12.6	14.1	10.4	N/a

- i. 2024 guidance for Golden Grove as set out in the quarterly report for the Dec-Qtr-2023 released to the ASX announcements platform on 30 January 2024. Copies of quarterly reports are available on 29Metals' website at: <https://www.29metals.com/investors/reports-presentations>. Refer to important information on page 10 regarding forward looking information in this report. Operating and financial information presented in this report is unaudited. By-products include gold, zinc, silver and/or lead revenue, net of unrealised QP adjustments.
- ii. By-products include gold, zinc, silver and/or lead revenue, net of unrealised QP adjustments.
- iii. Majority of Capricorn Copper Site Costs (Mining (excl. CapDev), Processing and G&A) for the period 1 March to 30 June 2023 allocated to Recovery costs.

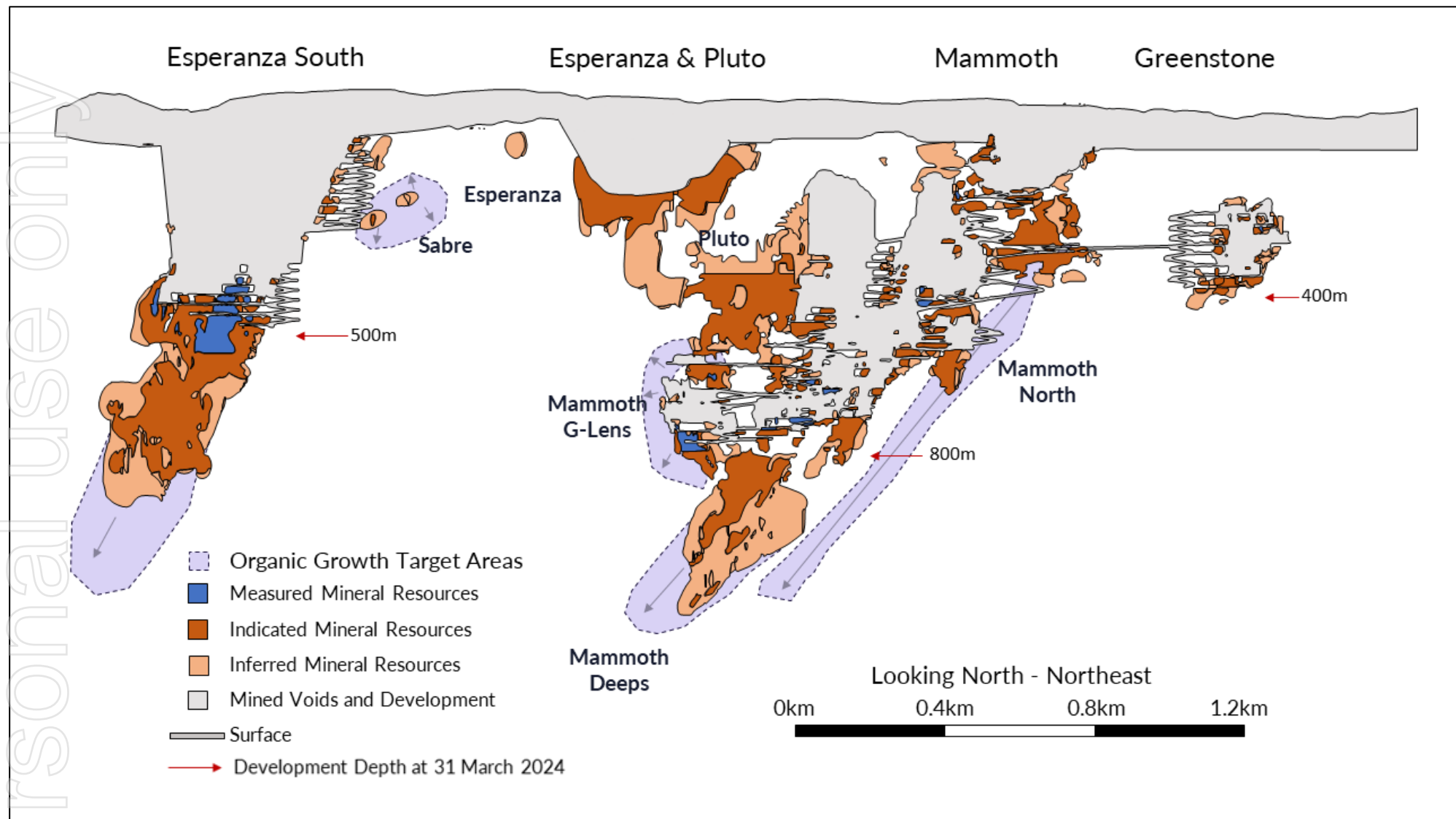
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Appendix 3: Long sections

Golden Grove long section



Capricorn Copper long section



Endnotes:

1. TRIFR and LTIFR metrics are reported as the 12-month moving average at the end of each quarter, reported on a per million work hours ('mwhrs') basis.
2. See Appendix 2 for cost categories included in C1 Costs.
3. Rest of year capital forecast to fund: completion of in-progress capital works; investment to ensure ongoing management of our environmental responsibilities, including water reduction projects; and, design work and minimum capital requirements to maintain optionality to progress investment in key restart enablers of Esperanza South dewatering, long-term tailings storage capacity and new water treatment plant. Higher capital expenditure would be required upon commitment to long-lead items and execution of key restart enablers of Esperanza South dewatering, long-term tailings storage capacity and new water treatment plant, which will be subject to finalisation of detailed designs, consideration of available group liquidity and progress of regulatory approvals.
4. Site Costs is the sum of mining costs (excluding capitalised development), processing costs, and G&A costs.
5. 29Metals' December 223 Mineral Resources and Ore Reserves estimates, including Competent Person's statements and JORC Code Table 1 disclosures, were released to the ASX announcements platform on 23 February 2024.
6. Reported unaudited available cash and cash equivalents at 31 March 2024 is after a \$15.7 million negative adjustment for payments scheduled end of Mar-Qtr but paid post quarter end due to impact of public holidays on payment processing timing. Unadjusted cash and cash equivalents at 31 March 2024 was \$121.4 million.
7. Details of the *Capricorn Copper Recovery Plan* were outlined in the ASX release entitled "Strategic Update" released to the ASX announcements platform on 23 May 2023.
8. 31 December 2023 Mineral Resources estimates. 29Metals' Mineral Resources estimates for Capricorn Copper, including Competent Person's statements and JORC Code Table 1 disclosures, were released to the ASX announcements platform on 23 February 2024.
9. Refer to 29Metals' ASX release entitled '*Exploration Update – Capricorn Copper*' released to the ASX announcements platform on 12 April 2023.
10. Refer to 29Metals' ASX release entitled '*Capricorn Copper Conferred Prescribed Project Status*' released to the ASX announcements platform on 16 November 2023.
11. 29Metals' 2023 Mineral Resources and Ore Reserves estimates, including Competent Persons' statements and JORC Code Table 1 disclosures were released to the ASX announcements platform on 23 February 2024.
12. Refer to 29Metals' ASX release entitled "Capricorn Copper – Suspension of Operations", released to the ASX announcements platform on 26 March 2024.
13. Gross revenue is inclusive of final invoice and realised QP adjustments, but excluding hedging gains/losses, TCRC and unrealised QP adjustments.
14. Unaudited cash and cash equivalents are stated excluding EMR Capital IPO proceeds retained by 29Metals under the "Cash Backed Indemnity" arrangements (as described in section 10.6.12.3 of the 29Metals Prospectus dated 21 June 2021 released to the ASX announcements platform on 2 July 2021 and available on the 29Metals website at <https://www.29metals.com/investors/asx-announcements>). Cash and debt balances are converted to AUD at the exchange rate prevailing at period end, as applicable.
15. Reported unaudited cash and cash equivalents at 31 March 2024 is after a \$15.7 million negative adjustment for payments scheduled end of Mar-Qtr but paid post quarter end due to impact of public holidays on payment processing timing. Unadjusted, cash and cash equivalents at 31 March 2024 was \$121.4 million.
16. Unaudited drawn debt is amounts drawn under the Groups term loan and revolving capital facilities, excluding bank guarantees issued under the Group's environmental bonding and letter of credit facilities (\$59 million), lease liabilities, derivative financial instruments, and insurance premium funding.
17. Unaudited drawn debt, net of cash and cash equivalents.
18. Information regarding the impact of extreme weather event at Capricorn Copper in March 2023 is included in 29Metals releases to the ASX announcements platform on 9 March, 15 March, 20 April and 23 May 2023.