

# September 2022 Quarterly Report

29Metals Limited ('29Metals' or, the 'Company') today reported results for the September 2022 quarter.

## Highlights

- **Improved safety performance** with the Group total recordable injury frequency rate ('TRIFR') reducing for the third consecutive quarter to a 12-month rolling average of 10.2/mwhrs (Jun-Qtr: 12.1).
- **Improved production performance** with copper production of 12.3kt and zinc production of 12.5 kt both higher:
  - at Capricorn Copper, copper production of 7.7kt (Jun-Qtr: 5.6kt) from improved tonnes milled, grade and recovery; and
  - at Golden Grove, copper production of 4.6kt (Jun-Qtr: 5.5kt) and zinc production of 12.5kt (Jun-Qtr: 10.8kt), with improved metal recovery following reinstatement of the zinc re-grind mill and higher grades.
- **Cost pressures managed** with absolute costs driven by higher activity and input costs escalation (e.g., diesel). Early signs in the quarter that inflationary pressures may be easing, along with reductions in absenteeism and turnover.
- **Continuing progress on operational de-risking and growth projects** during the quarter:
  - completion of installation of the paste plant at Golden Grove, with filling of first trial stope underway, and ventilation upgrades and activities to increase tailings capacity at both sites; and
  - completion of studies for Gossan Valley and Cervantes at Golden Grove which are undergoing final review in advance of an update to the market regarding study outcomes.
- **Continuing exploration success** across the portfolio, with results for exploration at Esperanza South ('ESS') at Capricorn Copper, Cervantes at Golden Grove, and Redhill, reported during the quarter. Results at ESS were a standout, with increasing widths and copper and cobalt grades at depth.
- **Renewed underground mining contract with Byrnegut at Golden Grove** for a further five years.
- **Finished the quarter with an unaudited cash balance of \$189 million** (Jun-Qtr \$228 million), after QP adjustments, settlement of copper hedges and the first scheduled repayment of 29Metals' term loan facility.
- **Pre-IPO copper hedge-book closed** with final settlement of copper hedges completed in early October;
- **Full year guidance maintained** following continuing cost discipline and improvements in production, despite challenging external conditions. Dec-Qtr zinc production will be supported by high zinc grade ore sources in the plan for the quarter and substantial ROM stockpiles of primary zinc ore.

## Summary

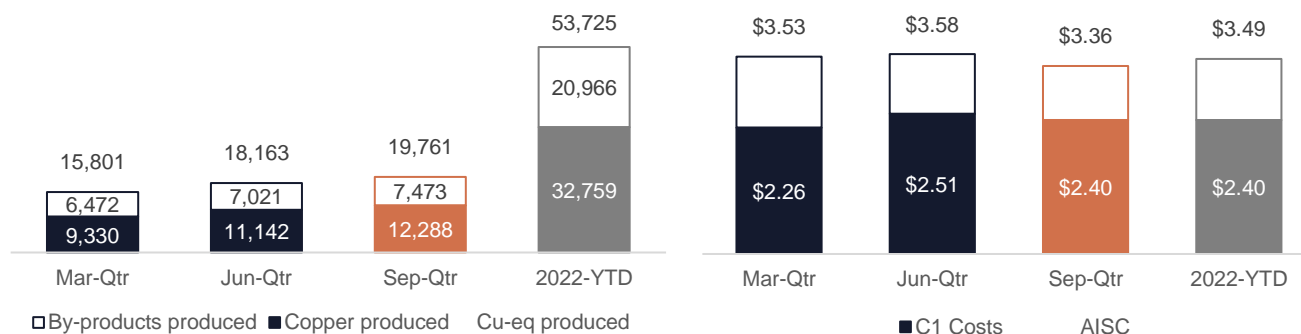
	Unit	Mar-Qtr 2022	Jun-Qtr 2022	Sep-Qtr 2022	2022 YTD	2022 Guidance <sup>1</sup>
TRIFR <sup>2</sup>	/mwhrs	13.3	12.1	10.2	10.2	N/a
LTIFR <sup>2</sup>	/mwhrs	1.0	1.0	1.0	1.0	N/a
<b>Copper produced</b>	kt	<b>9.3</b>	<b>11.1</b>	<b>12.3</b>	<b>32.8</b>	<b>39 – 46</b>
Zinc produced	kt	12.2	10.8	12.5	35.5	55 – 65
Gold produced	koz	5.1	8.2	5.2	18.5	23 – 27
Silver produced	koz	339	351	343	1,033	1,250 – 1,500
<b>Cu-eq production <sup>3</sup></b>	kt	<b>15.8</b>	<b>18.2</b>	<b>19.8</b>	<b>53.7</b>	<b>N/a</b>
C1 Costs	\$m	67	74	93	234	N/a
<b>C1 Costs</b>	<b>US\$/lb Cu sold</b>	<b>2.26</b>	<b>2.51</b>	<b>2.40</b>	<b>2.40</b>	<b>N/a</b>
Capital – Cap. Dev & Sust.	\$m	23	19	25	66	79 – 99
AISC	\$m	104	106	130	341	N/a
<b>AISC</b>	<b>US\$/lb Cu sold</b>	<b>3.53</b>	<b>3.58</b>	<b>3.36</b>	<b>3.49</b>	<b>N/a</b>
Capital – Growth & Expl.	\$m	6	7	5	18	20 – 32
Average copper price <sup>4</sup>	US\$/lb	4.55	4.26	3.56	4.08	N/a
Average exchange rate <sup>4</sup>	AUD:USD	0.725	0.714	0.683	0.707	N/a

<sup>1</sup> Guidance first published with 29Metals' 2021 Dec-Qtr (as released to the ASX announcements platform on 24 January 2022), as updated by 29Metals in its 2022 Mar-Qtr and Jun-Qtr reports (released to the ASX announcements platform on 27 April and 20 July 2022 (respectively)).

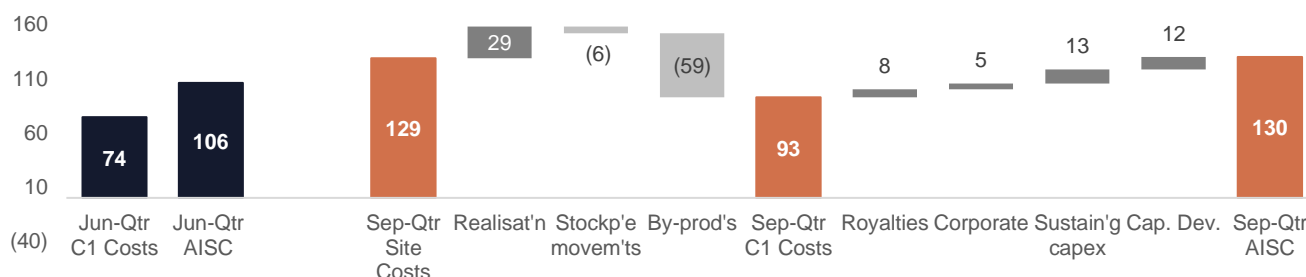
Copies of 29Metals' past quarterly reports are available on 29Metals' website at: <https://www.29metals.com/investors/reports-presentations>. Refer to important information on page 13 regarding forward looking information in this report.

- <sup>2</sup> TRIFR and lost time injury frequency rate ('LTIFR') are shown as the 12-month moving average at the end of each Qtr and reported on a per million work hours ('mwhrs') basis.
- <sup>3</sup> Production in copper equivalent terms ('Cu-eq') for the Sep-Qtr is calculated applying average LME metal prices (Cu US\$7,751/t, Zn US\$3,280/t, Au US\$1,727/oz, Ag US\$19/oz, Pb \$1,978/t (Source: FactSet)) and actual recoveries (refer to Appendix 1). Cu-eq production for the Mar-Qtr 2022 and the Jun-Qtr 2022 calculation assumptions are set out in the Mar-Qtr and Jun-Qtr reports. 2022 YTD Cu-eq is the simple aggregate of reported Mar-Qtr, Jun-Qtr and Sep-Qtr Cu-eq.
- <sup>4</sup> Average copper price excludes final invoice, unrealised quotational period ('QP') adjustments and hedging (Source: FactSet).
- <sup>5</sup> Average closing exchange rate for the period (Source: FactSet).

## Group Production (tonnes) and unit costs (US\$/lb payable Cu sold)



## Sep-Qtr Group AISC build (A\$ million)



- <sup>1</sup> Site costs are the aggregate of mining, processing, and G&A expenses. Realisation costs are the aggregate of concentrate transport costs and TCRC (refer to Appendix 2).

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

*"The Sep-Qtr showed continued improvement in performance, particularly our safety results and higher metal production.*

*Cost management remained a focus in the quarter. While 2022 has been a challenging year with tight labour market conditions, elevated absenteeism, high turnover, and external cost inflation, we are pleased to see signs of reduced impacts of these challenges with some consumable costs starting to decline.*

*In addition to our improved operating performance, we continued to progress our operational de-risking actions and growth opportunities. Ventilation upgrades to support mining at depth, the paste plant at Golden Grove and activity relating to tailings capacity increases at both sites continued in the quarter.*

*We were pleased to report further excellent exploration results during the quarter, including better than anticipated widths and grades of copper and cobalt at depth at ESS, as well as the results of our first field campaign at Redhill which identified new mineralised veins and extensions to known veins, validating our view of the upside potential at Redhill.*

*We completed studies for Gossan Valley and Cervantes, with the final review of study outcomes underway. We look forward to reporting the results of those studies shortly. Work to update our life of mine to incorporate these opportunities is ongoing. In line with our strategy, we continue to focus on organic growth opportunities to extend mine life and support stronger future production.*

*At Capricorn Copper, we have also commenced a study to understand cobalt by-product recovery opportunities.*

*Our focus remains on working safely to deliver a strong Dec-Qtr."*

## COVID update

Direct and indirect impacts of COVID-19 eased during the Sep-Qtr. Absenteeism related to COVID-19 progressively improved through the quarter and relative to previous quarters, although seasonal illness-related absenteeism continued to present some challenges.

29Metals will continue to manage the direct and indirect impacts of COVID-19. However, on the basis that the direct and indirect impacts of COVID-19 appear to have peaked, and in the absence of a material adverse change, 29Metals will cease including this separate COVID-19 update in its quarterly reporting.

## Sustainability & ESG

29Metals' Sustainability & ESG performance and activities during the Sep-Qtr, along with progress against 29Metals' Sustainability & ESG priorities, is set out below.

### Safe and inclusive workplace

Safety performance continued to improve during the Sep-Qtr with the 12-month rolling TRIFR reducing to 10.2/mwhrs (Jun-Qtr: 12.1/mwhrs). LTIFR remained flat at 1.0/mwhrs.

The TRIFR trend is pleasing, however, 29Metals recognises that there remains work to do.

Health and safety activities and events in the Sep-Qtr included:

#### Capricorn Copper

- roll-out of respiratory health training; and
- emergency response team ('ERT') training and qualification, increasing capacity to respond to emergency events.

#### Golden Grove

- roll-out of voluntary mental health first aid training. The training assists participants to identify and respond to mental health matters and has received encouraging interest from the workforce; and
- introduction of the Golden Grove "Healthy Lifestyle Program" seeking to promote general health and wellbeing for the workforce.

Across the Group, work to implement an updated framework for the management of critical risks continued, along with our focus on health and safety leadership interactions, with Golden Grove reporting a positive increase in both these parameters.

Progress against 29Metals' 2022 inclusion and diversity objectives continued during the Sep-Qtr, including via 29Metals' workforce-led working group, *InDiVisible*.

### Responsible environmental stewardship

During the quarter, 29Metals' continued to focus on the management of waste and water. Activities and events in the Sep-Qtr included:

#### Group

- development of an internal "incubator" to promote the identification of initiatives to improve Sustainability & ESG performance, and ensure that initiatives are evaluated in a consistent manner and tracked; and
- gap analysis report regarding application of the *ICMM Global Tailings Management Standard* at Golden Grove and Capricorn Copper has been received and is being reviewed.

#### Capricorn Copper

- continued actions to reduce the volume of water stored on site, including ordering new high-efficiency mechanical evaporators which are expected to be in operation in late October / early November; and
- completion of a new comprehensive site water balance model ('WBM'). The work on the new WBM identified opportunities to increase the reuse and recycling of mine-affected water at site and, thereby, reduce the volume of water withdrawn from the environment. Evaluation of the opportunities is underway.



### **Golden Grove**

- completion of installation of the paste plant at Golden Grove, with filling of first stope underway. The paste plant will utilise reclaimed dry tailings, reducing the volume of tailings solids stored on surface; and
- evaluation of the repurposing of an historic borrow pit for mine-affected water storage. Subject to regulatory approvals, if implemented, the additional storage capacity will decrease reliance on environmental water sources and enhance water security.

At both operating sites, engagement with regulatory stakeholders in relation to environmental approvals is ongoing to mitigate the risk of approval process delays being experienced across the sector.

## **Partnering with stakeholders**

Engagement with key stakeholders regarding 29Metals' *Our Approach to Sustainability & ESG* continued during the quarter, offering an important opportunity to obtain direct feedback from stakeholders, including assisting 29Metals to identify future priorities.

Key performance areas and actions during the Sep-Qtr included:

### **Capricorn Copper**

- stakeholder consultation events, providing an update to community stakeholders regarding Capricorn Copper's operations and management of environmental matters; and
- engagement with representatives of the Kalkadoon First Nations group regarding cultural awareness training and the implementation and promotion of development and business opportunities. A key milestone in the quarter was confirmation of the first Kalkadoon participants in an internship program at Capricorn Copper (modelled on the Bayalgu traineeship program previously implemented at Golden Grove).

### **Golden Grove**

- engagement with the SHINE group regarding future programs to continue to support vocational skills and opportunities for young women in the regional community;
- engagement with the Bayalgu First Nations Group regarding the re-commencement of the traineeship program following the softening of COVID-19 related restrictions; and
- continued roll-out of cultural awareness training to the workforce.

Engagement with key contractors was a particular focus during the quarter. As announced on 29 September 2022, the renewed underground mining services contract with Byrnegut Australia Pty Ltd at Golden Grove includes a commitment to identify and evaluate opportunities for 29Metals and Byrnegut to collaborate on Sustainability & ESG matters.

## **Responsible and ethical business practices / Continuous improvement**

Roll out and training in relation to 29Metals' policies relating to workplace behaviour continued during the quarter. In addition to ensuring expectations regarding acceptable behaviour are clearly understood, the roll out focuses on ensuring that the workforce is encouraged to raise concerns and is aware of the different channels for doing so.

During the quarter work commenced on the development of a Group-wide standard regarding engagement with community stakeholders, seeking to establish a consistent framework across the Group, including governance around community contributions.

## **Progress of 29Metals' 2022 Sustainability & ESG Priorities**

Work against 29Metals 2022 Sustainability & ESG priorities continued during the quarter (refer to Appendix 3).

## Golden Grove Operations

	Unit	Mar-Qtr 2022	Jun-Qtr 2022	Sep-Qtr 2022	2022 YTD	2022 Guidance <sup>1</sup>
TRIFR <sup>2</sup>	/mwhrs	14.0	14.0	10.4	10.4	N/a
LTIFR <sup>2</sup>	/mwhrs	0.6	0.6	0.5	0.5	N/a
<b>Copper produced</b>	<b>tonnes</b>	<b>4,099</b>	<b>5,533</b>	<b>4,618</b>	<b>14,251</b>	<b>15,000 – 19,000</b>
Zinc produced	tonnes	12,235	10,787	12,513	35,536	55,000 – 65,000
Gold produced	ounces	5,055	8,167	5,235	18,457	23,000 – 27,000
Silver produced	koz	288	296	268	853	1,050 – 1,250
Lead produced	tonnes	467	593	631	1,691	2,000 – 3,000
<b>Cu-eq production <sup>3</sup></b>	<b>tonnes</b>	<b>10,448</b>	<b>12,425</b>	<b>11,907</b>	<b>34,780</b>	<b>N/a</b>
C1 Costs	\$m	11	29	33	73	N/a
<b>C1 Costs</b>	<b>US\$/lb Cu sold</b>	<b>0.93</b>	<b>1.90</b>	<b>2.19</b>	<b>1.74</b>	<b>N/a</b>
Capital – Cap. Dev & Sust.	\$m	11	10	14	35	40 – 48
AISC	\$m	27	44	52	123	N/a
<b>AISC</b>	<b>US\$/lb Cu sold</b>	<b>2.37</b>	<b>2.87</b>	<b>3.44</b>	<b>2.95</b>	<b>N/a</b>

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<sup>2</sup> TRIFR and LTIFR shown is the 12-month moving average at the end of each quarter and reported on mwhrs basis.

<sup>3</sup> Cu-eq production for the Sep-Qtr is calculated applying average LME metal prices (Cu US\$7,751/t, Zn US\$3,280/t, Au US\$1,727/oz, Ag US\$19/oz, Pb \$1,978/t (Source: FactSet)) and actual recoveries (refer to Appendix 1). Cu-eq production for the Mar-Qtr 2022 and the Jun-Qtr 2022 calculation assumptions are set out in the Mar-Qtr and Jun-Qtr reports. 2022 YTD Cu-eq is the simple aggregate of reported Mar-Qtr, Jun-Qtr and Sep-Qtr Cu-eq.

## Mining

Mine production was split approximately 75:25 between Gossan Hill and Scuddles during the Sep-Qtr, with 372kt ore mined (Jun-Qtr: 361kt).

Total development rates improved by approximately 10% quarter-on-quarter, including 287m at Xantho Extended ('XE') (Jun-Qtr: 275m). As previously reported, year-to-date development advance remains approximately 20% behind plan. It is not expected that the shortfall in the development year-to-date will be recovered, however, it is expected that development rates for the balance of the year will improve to planned rates.

Higher activity quarter-on-quarter, which included mined tonnes, operating development, and rehabilitation, benefitted from reduced absenteeism.

Procurement and installation activities continued for key ventilation upgrade projects (refer Key Projects section).

Production from the first 45m stope interval at XE was completed during the quarter, with the stope currently being backfilled with cemented hydraulic fill (CHF). The full height stope performed in line with plan.

Installation of the paste fill plant was completed in the quarter, with filling of the first trial stope underway (refer to Key Projects).

As announced on 29 September 2022, the underground mining services contract with Byrnegut Australia Pty Ltd at Golden Grove has been renewed for a term of up to five years.

## Processing

Total ore tonnes milled was lower for the quarter at 336kt (Jun-Qtr 387kt) which comprised 173kt of copper ore & 163kt of zinc ore. Mill throughput reflected a combination of:

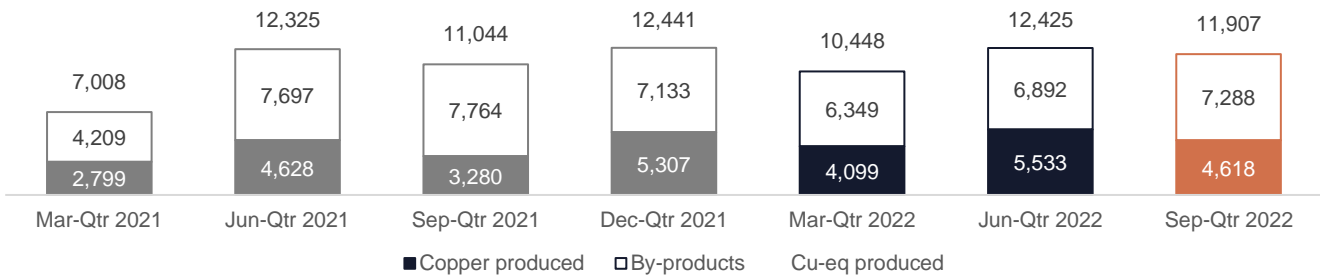
- a major planned plant maintenance shutdown, deferred from the Jun-Qtr to Sep-Qtr, with all scopes successfully completed on plan; and
- milling rate constraints implemented during construction of the lift of TSF1. The milling rate constraint was lifted after construction work on TSF progressed toward end of Sep-Qtr.

Closing ROM stocks at the end of the quarter were approximately 100kt of primarily zinc ore. Metal recoveries for copper and zinc improved during the Sep-Qtr, reflecting the impact of the zinc regrind mill being returned to service and higher feed grades.

Gold and silver recoveries also improved reflecting the higher contribution of zinc ore in total mill feed relative to Jun-Qtr, with overall lower pyrite content.



## Quarterly production (tonnes) <sup>1</sup>



<sup>1</sup> Cu-eq production is based on average LME metal prices for the relevant period (source: FactSet) and actual recoveries.

## Costs

Site Costs of \$82 million (Jun-Qtr \$74 million) were impacted by mining costs which were \$6 million higher quarter-on-quarter. Higher mining costs reflected the increase in total activity (described above) and costs escalation (e.g., diesel) during the quarter.

Higher processing costs quarter-on-quarter were impacted by the planned shutdown during the quarter.

C1 Costs of \$33 million (Jun-Qtr \$29 million) include a \$10 million stockpile credit, reflecting the increase in ROM stocks and timing differences between production and sales.

Lower by-product credits of \$57 million (Jun-Qtr \$66 million) reflects lower gold and silver sales, and lower prevailing zinc prices during the quarter.

Growth capital of \$2.5 million (Jun-Qtr \$3.4 million) relates to work on the Paste Plant. Sustaining capital of \$7.6 million (Jun-Qtr \$4.0 million) primarily relates to TSF construction activities and mining infrastructure, including ventilation (refer Key Projects).

Higher C1 Costs on a unit costs basis for the quarter reflect higher activity levels overall, as outlined above, lower by-products sales and lower copper metal sold. AISC unit costs reflects the combination of higher C1 Costs unit costs and the sustaining capital during the quarter.



## Capricorn Copper Operations

	Unit	Mar-Qtr 2021	Jun-Qtr-2022	Sep-Qtr 2022	2022 YTD	2022 Guidance <sup>1</sup>
TRIFR <sup>2</sup>	/mwhrs	12.5	8.7	9.6	9.6	N/a
LTIFR <sup>2</sup>	/mwhrs	1.8	0.9	0.9	0.9	N/a
<b>Copper produced</b>	<b>tonnes</b>	<b>5,231</b>	<b>5,608</b>	<b>7,669</b>	<b>18,508</b>	<b>23,000 – 27,000</b>
Silver produced	koz	51	54	74	180	200 – 250
<b>Cu-eq production <sup>3</sup></b>	<b>tonnes</b>	<b>5,353</b>	<b>5,737</b>	<b>7,854</b>	<b>18,945</b>	<b>N/a</b>
C1 Costs	\$m	56	45	59	160	N/a
<b>C1 Costs</b>	<b>US\$/lb Cu sold</b>	<b>3.07</b>	<b>3.13</b>	<b>2.52</b>	<b>2.87</b>	<b>N/a</b>
Capital – Cap. Dev & Sust.	\$m	12	9	10	31	39 – 51
AISC	\$m	72	56	73	201	N/a
<b>AISC</b>	<b>US\$/lb Cu sold</b>	<b>3.94</b>	<b>3.93</b>	<b>3.08</b>	<b>3.59</b>	<b>N/a</b>

<sup>1</sup> Guidance first published with 29Metals' 2021 Dec-Qtr (as released to the ASX announcements platform on 24 January 2022), as updated by 29Metals in its 2022 Mar-Qtr and Jun-Qtr reports (released to the ASX announcements platform on 27 April and 20 July 2022 (respectively)). Copies of 29Metals' past quarterly reports are available on 29Metals' website at: <https://www.29metals.com/investors/reports-presentations>. Refer to important information on page 13 regarding forward looking information in this report.

<sup>2</sup> TRIFR and LTIFR shown is the 12-month moving average at the end of each quarter and reported on mwhrs basis.

<sup>3</sup> Cu-eq production for the Sep-Qtr is calculated applying average LME metal prices (Cu US\$7,751/t, Ag US\$19/oz, (Source: FactSet)) and actual recoveries (refer to Appendix 1). Cu-eq production for the Mar-Qtr 2022 and the Jun-Qtr 2022 calculation assumptions are set out in the Mar-Qtr and Jun-Qtr reports. 2022 YTD Cu-eq is the simple aggregate of reported Mar-Qtr, Jun-Qtr and Sep-Qtr Cu-eq.

## Mining

Mining continued from all three orebodies (ESS, Mammoth and Greenstone) during the Sep-Qtr, with higher grade material from Mammoth and ESS. Ore mined for the quarter was 429kt (Jun-Qtr: 465kt), reflecting short-term reduced draw point availability in ESS combined with ventilation constraints as a result of ongoing commissioning of new surface fans (refer Key Projects).

Development activities in the Sep-Qtr continued to focus on maintaining multiple production fronts across the three orebodies. It is anticipated that the contribution from Greenstone will be depleted over the coming six-month period.

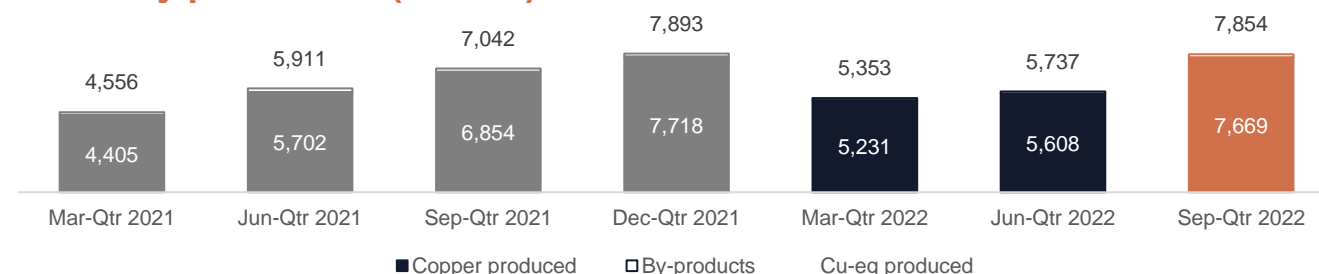
Further progress was made on operational de-risking and productivity projects during the quarter, including ventilation upgrades in Mammoth, G-Lens and ESS (refer to Key Projects).

## Processing

Ore tonnes milled for the Sep-Qtr was significantly higher at 493kt (Jun-Qtr: 412kt), reflecting improved mill runtime as significant maintenance improvements reduced unplanned downtime with opening ROM tonnes more than offsetting the shortfall between mining and milling for the quarter.

Higher copper metal production quarter-on-quarter reflects increased milled tonnes, higher feed grade and improved recoveries.

## Quarterly production (tonnes) <sup>1</sup>



<sup>1</sup> Cu-eq production is based on average LME metal prices for the relevant period (source: FactSet) and actual recoveries.

## Costs

Site Costs were flat quarter on quarter at \$47 million (Jun-Qtr: \$47 million), with an increase in mining costs, despite lower volumes, reflecting some costs escalation (e.g., diesel costs), offset by lower general and administration expenses. Processing costs were flat quarter-on-quarter despite a material improvement in milled tonnes.

C1 Costs increased to \$59 million (Jun-Qtr: \$45 million) after a \$4 million stockpile movement charge (Mar-Qtr: \$8 million credit), reflecting a drawdown of ROM stocks during the period and timing differences between production and sales.

Sustaining capital was flat at \$5 million (Jun-Qtr: \$5 million) and related to water management, ventilation upgrades and the new mechanical evaporators (refer to Key Projects), as well as upgrades to camp facilities and IT infrastructure.

Lower unit C1 Costs and AISC reflect the higher C1 Costs more than offset by higher copper sales of 7.3kt (Jun-Qtr: 4.6kt) and a lower AUD:USD exchange rate.

## Key Projects

### Golden Grove

- **Ventilation upgrades:** procurement and commissioning stages of the additional surface cooling plant progressed in line with the project schedule. This upgrade to the cooling plant will provide the underground operation with additional chilled air and is expected to be in service later in the Dec-Qtr. Delivery of two additional 1MW underground booster fans for XE has been delayed, with expected delivery moving from the Dec-Qtr into the Mar-Qtr 2023. Progress with commissioning of additional underground fans supporting activity levels in one of the upper-level high grade ore bodies, D-Zinc, is progressing to schedule and are expected to be completed during the Dec-Qtr.



*3.2MW bulk air coolers and chiller plant installed as part of the second stage surface cooling plant upgrade. Additional chilled air will be distributed to XE orebody to further improve underground operating conditions.*

- **Paste Plant:** Installation of the paste plant and supporting infrastructure was completed during the quarter. The commissioning process, which includes filling the first stope and ensuring performance criteria such as QA/QC and designed filling rate are met, will continue in the Dec-Qtr.
- **Studies:** Work on the Cervantes and the Gossan Valley studies was completed by the end of the quarter. The studies outcomes are undergoing final management review, with outcomes to be reported to the market in the Dec-Qtr, once completed. Updates to the Golden Grove life-of-mine, including incorporating studies outcomes and timing of the projects, are ongoing.
- **Tailings capacity expansion:** The final stage of the lift on TSF1 (lift 5B) was impacted by delays due to wet weather events during the Sep-Qtr. Despite the delays, it is expected that the lift will be completed on schedule in the Dec-Qtr. Following completion of the TSF1 5B lift, construction is planned to commence at TSF3 lift 5 late Dec-Qtr.

### Capricorn Copper

- **ESS ventilation upgrade:** Installation of the new surface fans was completed. Commissioning of the fans remains ongoing, with equipment failure on one of the fans delaying successful commissioning into the Dec-Qtr.
- **TSF activities:** The approval process for the next lift of the Esperanza TSF (the 'ETSF') is underway, with construction of the lift planned to commence in the Dec-Qtr (subject to regulatory approvals). Design activities for a third and final lift of the ETSF, along with studies and design work for a new life-of-mine TSF have now commenced.
- **New evaporators:** New high-efficiency mechanical evaporators have been ordered and are expected to be installed in late October / early November 2022. The new evaporators are expected to deliver additional and improved performance (relative to the existing mechanical evaporators) and will assist in further reducing the volume of water stored on site.
- **Cobalt studies commencing:** A mineral deportment study has commenced to understand cobalt by-product recovery opportunities from the various flotation plant streams. The study scope includes mineralogy, mineral liberation, and chemical assay analysis. The study is due to be completed in the Mar-Qtr 2023.



## Exploration

During the quarter, drill testing of prioritised areas continued at both Capricorn Copper and Golden Grove, along with regional drilling at Eagles Nest, and Foschi's East. In addition, 29Metals announced drilling results from ESS and Cervantes as well as the exploration results from the Redhill 2022 field campaign.<sup>1</sup>

Drilling activities for the Sep-Qtr are summarised below. Long-sections for Golden Grove and Capricorn Copper, identifying in-mine and near mine growth opportunities, are set out in Appendix 4.

Sep-Qtr Drilling	Unit	Exploration	Extension	Conversion
<b>Golden Grove</b>				
Amity Underground Diamond	m	-	363	-
Hougoumont Underground Diamond	m	-	-	763
Cervantes Underground Diamond	m	-	1,397	2,670
XE Underground Diamond	m	-	2,368	1,171
<b>Capricorn Copper</b>				
Eagles Nest Surface Diamond	m	145	-	-
Foschi's East Reverse Circulation ('RC')	m	199	-	-
ESS Surface Diamond Drilling	m	-	412	1,488
ESS Underground Diamond	m	-	722	1,984
Greenstone Underground Diamond	m	-	2,004	482
Mammoth Underground Diamond	m	-	431	388

### Golden Grove

Drilling at Cervantes continued in the Sep-Qtr following reporting of drilling results on 1 August 2022<sup>2</sup>. 29Metals' focus is on upgrading the mineral resource category within the central portion of the orebody, as well as testing for potential mineralisation to the north of the interpreted feeder position. Drilling will continue in the Dec-Qtr.

XE resource conversion drilling targeting the deepest parts of the known resource continued in the Sep-Qtr, the orebody remains open down-plunge with drilling activities continuing into the Dec-Qtr.

Drilling at Oizon and Xantho Extended North planned for the Sep-Qtr was deferred to the Dec-Qtr and early 2023, respectively, to allow for the development of suitable underground drill locations.

### Capricorn Copper

As reported on 1 August 2022<sup>2</sup>, surface drilling at ESS intersected wide zones of copper, silver, and cobalt mineralisation, with results exceeding what is modelled within the existing Mineral Resources estimates. Key results included:

- SDESS22\_002\_W4: 72.9m @ 2.9% Cu, 37g/t Ag, 672ppm Co, from 793m
- SDESS22\_001\_W4:
  - 29m @ 2.0% Cu, 18g/t Ag, 441ppm Co, from 690m; and
  - 86m @ 2.8% Cu, 32g/t Ag, 822ppm Co, from 727m
- SDESS22\_002\_W2: 104m @ 2.0% Cu, 22g/t Ag, 714ppm Co, from 746m.

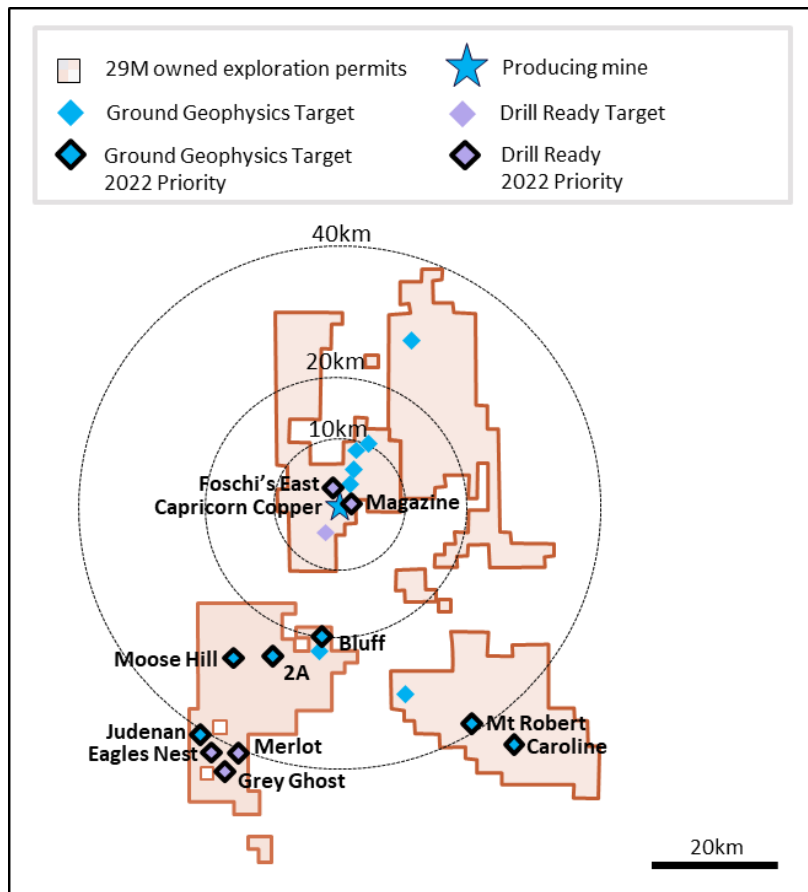
Drilling in this area is ongoing with a combination of resource conversion and extension drilling undertaken in the quarter. Given the strength of these results, the ESS drilling program was extended. This drilling will continue into the Dec-Qtr.

Underground drilling was conducted across Greenstone, Mammoth and ESS in the quarter. Mammoth drilling focussed on the Mammoth Deeps and G-Lens areas. Drilling at Mammoth Deeps intersected mineralisation along an east-west structure, follow up drill programs are being designed. Greenstone drilling focussed on a possible extension to the west of the existing mineralisation.

<sup>1</sup> Refer to 'Exploration Update' and 'Exploration Update – Redhill' released to the ASX announcements platform on 1 August 2022 and 26 September 2022 (respectively) for full details of the Redhill field campaign exploration results, including JORC disclosures. Copies of these releases are available on 29Metals' website at: <https://www.29metals.com/investors/asx-announcements>.

<sup>2</sup> Refer to 'Exploration Update' released to the ASX announcements platform on 1 August 2022 for full drilling results, including JORC disclosures. A copy of the release is available on 29Metals' website at <https://www.29metals.com/investors/asx-announcements>.

Figure 1: Capricorn Copper tenements and regional targets



At the Eagles Nest regional target, an initial three-hole program commenced late in the Jun-Qtr and concluded in the Sep-Qtr. Drilling was following up on coincident geophysical, and geochemical anomalies. Minor dolomite-chalcopyrite veining was intersected. Follow up work at Eagles Nest would require further drilling to evaluate the potential at depths greater than 300m below surface. This is relatively deep in comparison to other regional prospects and will be prioritised accordingly.

At the Foschi's East regional target, a single RC hole was drilled to determine the position of a mapped east-west fault which is interpreted to be a parallel structure to the Mammoth Extended fault. The Mammoth Extended fault is host to both the Esperanza, and Greenstone deposits. This drillhole did not intersect any significant structure, and further interpretation is required on the fault position prior to additional drilling.

Assay results returned from the Grey Ghost regional target suggest the lead in soil anomaly is derived from local upgrading of background shales, and further work on this prospect is not warranted.

A campaign of ground geophysics in the form of induced polarisation (IP) surveys is planned to occur on six prospects, this work will

commence early in the Dec-Qtr and will take approximately three weeks to complete.

Initial testing with two RC holes is planned for the Merlot prospect in the Dec-Qtr. Merlot is an historic prospect centred on a 1.2km portion of the Judenan Fault that hosts surface hematite and quartz-fill locally up to 6m in width at surface. Merlot is east of Grey Ghost and Eagles Nest, approximately 45km from the Capricorn Copper mine.

## Redhill

As reported, the results for the 2022 field season were received in the Sep-Qtr<sup>3</sup>, with the results highlighting the potential for extensions to existing mineralised veins in all evaluated areas and potential for additional veins not currently included in 29Metals' Mineral Resources estimates<sup>4</sup> for Redhill.

At Cristina/Gorda, portable small drill samples returned elevated copper and precious metals mineralisation, with results as high as 3.4% Cu, 9.5g/t Au, and 221g/t Ag.

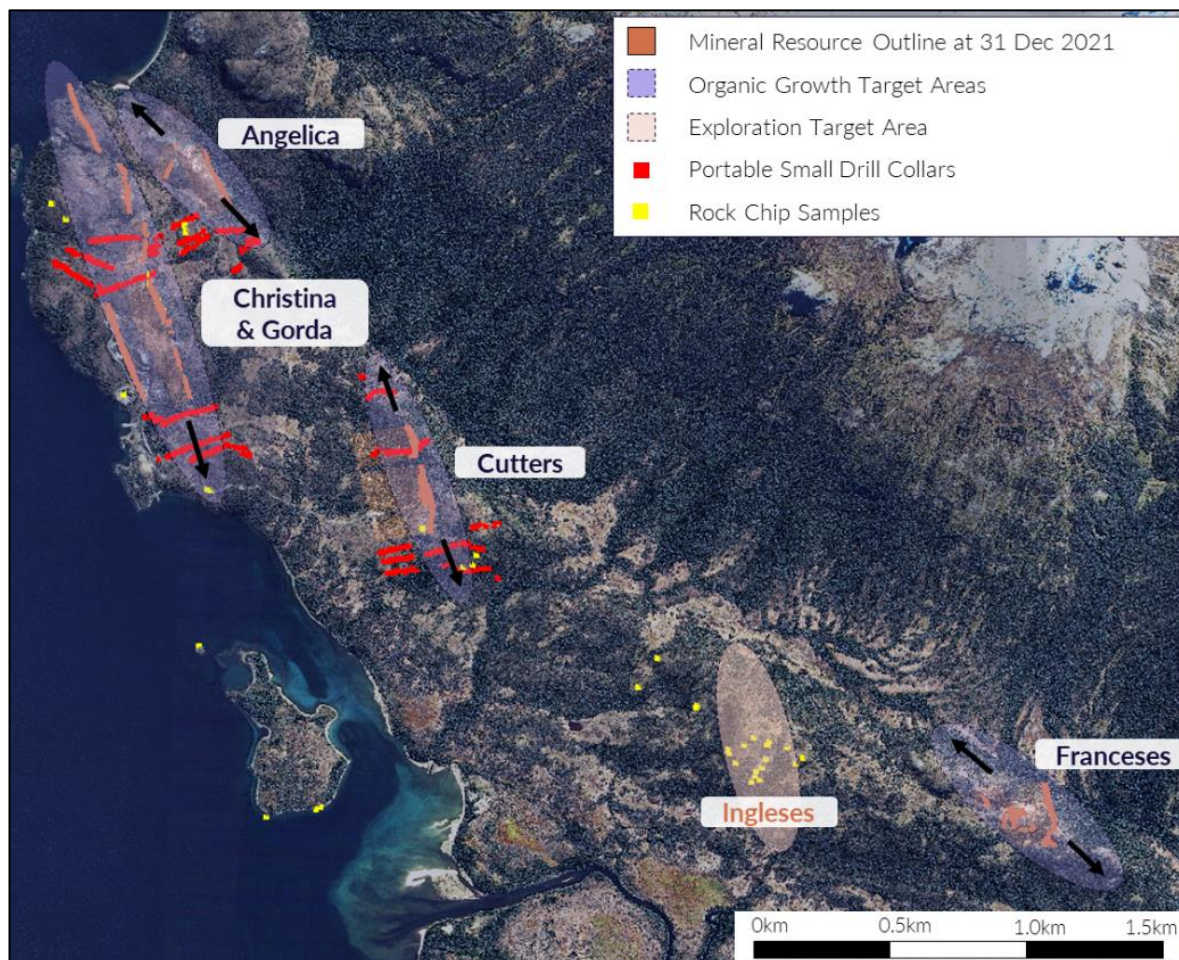
At Cutters, returned rock samples have highlighted possible extensions to existing veins as well as additional veins outside of current Mineral Resources estimates, with samples returning high grade copper and elevated precious metals mineralisation, with results as high as 12.4% Cu, 3.0g/t Au, and 246g/t Ag.

At Ingleses, an area of historic mining activity not currently included in 29Metals Mineral Resources estimates for Redhill, rock samples have returned high grade copper and elevated silver results as high as 11.9% Cu and 164g/t Ag.

<sup>3</sup> Refer to 'Exploration Update' and 'Exploration Update – Redhill' released to the ASX announcements platform on 1 August 2022 and 26 September 2022 (respectively) for full details of the Redhill field campaign exploration results, including JORC disclosures. Copies of these releases are available on 29Metals' website at: <https://www.29metals.com/investors/asx-announcements..>

<sup>4</sup> 29Metals' Mineral Resource estimates for Redhill, including JORC Code Table 1 disclosures, are set out in 29Metals' Mineral Resources and Ore Reserves estimates as released to the ASX announcements platform on 11 March 2022 (a copy of which is available on 29Metals' website at <https://www.29metals.com/investors/reports-presentations>. <https://www.29metals.com/investors/reports-publications>).

Figure 2: Cutters Cove area plan view showing location of 2022 field season samples



All modelled veins commence at surface, with the current mineral resources estimate predominantly modelled to a depth of 100m below surface, and a maximum depth of 200m. The new results show that all mineralised veins estimated are open along strike and at depth.

The results of the 2022 field campaign are being used to inform planning for future exploration activity at Redhill.

## Corporate

### Revenue

29Metals' gross revenue for the Sep-Qtr, inclusive of final invoice and QP adjustments, but excluding hedging gains/losses and TCRC, is shown in the table below.

	Unit	Mar-Qtr 2022	Jun-Qtr 2022	Sep-Qtr 2022	2022 YTD
<b>Total Gross Revenue</b>	<b>\$m</b>	<b>232.0</b>	<b>165.2</b>	<b>192.8</b>	<b>590.0</b>
<b>Golden Grove</b>	<b>\$m</b>	<b>138.6</b>	<b>118.9</b>	<b>109.5</b>	<b>367.1</b>
- Copper	\$m	50.9	64.0	49.5	164.4
- Zinc	\$m	60.4	56.4	41.4	158.2
- Gold	\$m	13.9	16.1	10.2	40.2
- Silver	\$m	7.6	5.5	3.5	16.6
- Lead	\$m	(0.2)	-	-	(0.2)
- QP adjustments	\$m	6.2	(23.0)	4.8	(12.0)
<b>Capricorn Copper</b>	<b>\$m</b>	<b>93.4</b>	<b>46.2</b>	<b>83.3</b>	<b>222.9</b>
- Copper	\$m	85.7	65.5	74.3	225.5
- Silver	\$m	1.4	1.5	1.9	4.7
- QP adjustments	\$m	6.3	(20.8)	7.1	(7.3)



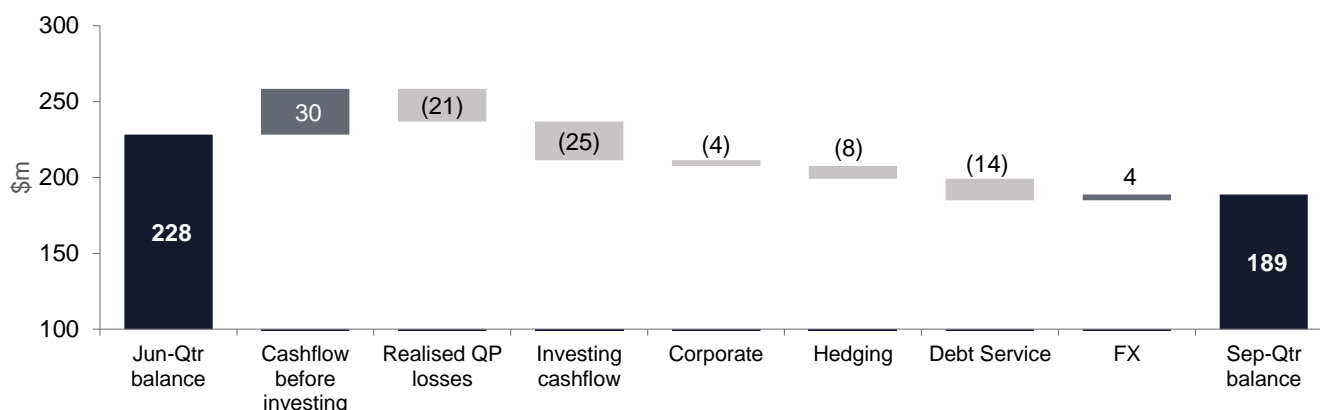
QP adjustments in the Sep-Qtr reflect a combination of realised QP adjustments for prior period sales and unrealised QP adjustments from sales during the Sep-Qtr with open QPs being re-valued at 30-Sep using the relevant commodity price forward curves. The QP on concentrate shipments generally ranges from one to three months from the date of shipment.

## HY2022 Interim Dividend

During the Sep-Qtr, 29Metals announced its first dividend, an interim dividend of \$0.02 per share (fully franked), for a total payment of approximately \$9.6 million. Payment of the interim dividend occurred after the end of the Sep-Qtr and is not reflected in the reported unaudited cash balances at 30 September 2022.

## Drawn debt and cash balances

29Metals' unaudited cash balance <sup>5</sup> at 30 September 2022 was \$189 million (30 June 2022: \$228 million).



- Cashflow before investing is shown prior to adjustments for AASB16 lease accounting.
- Investing cashflow payments include payments for property, plant, and equipment, capitalised mine development, and exploration.
- Sep-Qtr balances are unaudited cash and cash equivalents, excluding EMR Capital IPO proceeds retained by 29Metals under the "Cash Backed Indemnity" arrangements described in section 10.6.12.3 of the 29Metals Prospectus dated 21 June 2021 (a copy of which was released to the ASX announcements platform on 2 July 2021), and cash balances set aside for rental security deposits.
- Sep-Qtr closing cash balance based on 30 Sep 2022 AUD:USD exchange rate of 0.650 (Source: RBA, 30 June 2022: 0.689).

Cashflows before investing of \$30 million in the Sep-Qtr is before \$21 million of realised losses on QP adjustments from prior period sales, impacting Sep-Qtr cash receipts.

Unaudited closing cash of \$189 million is after payments of approximately \$8 million to settle pre-IPO hedging contracts. At 30 September 2022, total cash payments made during 2022 for the period for settlements of copper hedges were \$26 million.

The decline in the AUD:USD foreign exchange rate during the period favourably impacted the Australian dollar value of 29Metals' US dollar deposits.

The first principal repayment of US\$6 million under 29Metals' term loan facility was paid during the Sep-Qtr. Unaudited drawn debt (excluding lease liabilities, and derivative financial assets and liabilities) at 30 September 2022 was US\$144 million. <sup>6</sup>

Final settlement of stamp duty in relation to the acquisition of Golden Grove remains outstanding with the WA Office of State Revenue. 29Metals' has maintained a provision of \$26 million for stamp duty.

## Hedging

During the Sep-Qtr, 29Metals cash settled 2,402 tonnes of copper hedges in relation to Jun-2022, Jul-2022 and Aug-2022 copper hedges at Capricorn Copper, and 3,498 ounces of gold hedges in relation to Jun-2022, Jul-2022 and Aug-2022 gold hedges at Golden Grove.

The final pre-IPO copper hedges in relation to Capricorn Copper matured in the Sep-Qtr with the final cash settlement occurring in early October. 29Metals now has full exposure to the compelling supply-demand thematic underpinning the long-term outlook for the copper market.

<sup>5</sup> Cash and cash equivalents (unaudited).

<sup>6</sup> Drawn debt excludes bank guarantees issued under the Group's environmental bonding facility (\$57 million).



After settlement of hedges during the quarter, 29Metals had the following hedges outstanding at 30 Sep 2022.

	Volume	Average Price	Maturity
Copper	802 tonnes	\$9,007/tonne	Sep-22 <sup>1</sup>
Gold	34,688 ounces	\$2,620/ounce	Sep-22 – Sep-25

<sup>1</sup> As noted above, final settlement of the Sep-22 copper hedges was completed in early October 2022.

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

## **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.

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, particularly in the current economic climate with the significant volatility, uncertainty and disruption caused directly or indirectly by the COVID-19 pandemic. 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 information and data, such as *C1 Costs*, *AISC* and *Cu-eq*, 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.

The 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 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	Non-Executive Chairman
Peter Albert	Managing Director & CEO
Fiona Robertson	Independent Non-executive Director
Jacqueline McGill AO	Independent Non-executive Director
Martin Alciaturi	Independent Non-executive Director

### **Company Secretary**

Clifford Tuck

### **Registered Office**

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Telephone: +61 3 7037 5300

Email: [contactus@29Metals.com](mailto:contactus@29Metals.com)

Website: [www.29Metals.com](http://www.29Metals.com)

### **Stock Exchange Listing**

Australian Securities Exchange (Ticker: 29M)

### **Investor relations Enquiries**

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Group Manager Investor Relations

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Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)

Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### **Issued Share Capital**

29Metals' issued capital is 481,329,528 ordinary shares (at 30 September 2022).

## Appendix 1: Production and sales

	Unit	Mar-Qtr 2022	Jun-Qtr 2022	Sep-Qtr 2022	2022 YTD	2022 Guidance
<b>Golden Grove</b>						
Ore Mined	kt	399	361	372	1,132	1,450 – 1,650
Ore Milled	kt	394	387	336	1,117	1,450 – 1,650
Milled Grade	Cu-eq (%)	3.4%	4.1%	4.3%	3.9%	N/a
	Copper (%)	1.2%	1.7%	1.5%	1.5%	N/a
	Zinc (%)	3.8%	3.4%	4.3%	3.8%	N/a
	Gold (g/t)	0.7	1.1	0.7	0.8	N/a
	Silver (g/t)	33.4	33.9	34.3	33.9	N/a
Recovery	Copper (%)	83.5%	86.3%	88.9%	86.3%	N/a
	Zinc (%)	82.8%	82.5%	87.1%	84.2%	N/a
	Gold (%)	54.5%	61.2%	67.0%	60.6%	N/a
	Silver (%)	68.1%	70.2%	72.5%	70.2%	N/a
Cu Concentrate Prod. <sup>1</sup>	dmt	20,851	28,219	22,674	71,744	N/a
	Cu grade (%)	19.4%	19.5%	20.0%	19.6%	N/a
	Copper (t)	4,036	5,505	4,542	14,083	N/a
	Gold (oz)	4,132	7,772	4,589	16,493	N/a
	Silver (oz)	187,917	202,473	154,813	545,204	N/a
Zn Concentrate Prod. <sup>1</sup>	dmt	25,324	22,329	24,085	71,738	N/a
	Zn grade (%)	48.3%	48.3%	52.0%	49.5%	N/a
	Zinc (t)	12,235	10,787	12,514	35,537	N/a
	Gold (oz)	705	288	374	1,367	N/a
	Silver (oz)	63,014	54,266	58,497	175,777	N/a
HPM Concentrate Prod. <sup>1</sup>	dmt	1,211	1,313	1,806	4,329	N/a
	Gold (oz)	218	107	272	596	N/a
	Silver (oz)	37,404	39,625	55,110	132,138	N/a
	Copper (t)	63	28	76	167	N/a
	Lead (t)	467	593	632	1,691	N/a
Metal Produced	Copper (t)	4,099	5,533	4,618	14,251	15,000 – 19,000
	Zinc (t)	12,235	10,787	12,514	35,537	55,000 – 65,000
	Gold (oz)	5,055	8,167	5,234	18,456	23,000 – 27,000
	Silver (oz)	288,335	296,364	268,420	853,119	1,050,000 – 1,250,000
	Lead (t)	467	593	632	1,691	2,000 – 3,000
Payable Metal Sold	Copper (t)	3,722	4,966	4,678	13,365	N/a
	Zinc (t)	11,215	9,422	9,976	30,613	N/a
	Gold (oz)	5,310	6,063	3,832	15,205	N/a
	Silver (oz)	236,163	180,647	142,679	559,488	N/a
	Lead (t)	(9)	0	0	(9)	N/a
<b>Capricorn Copper</b>						
Ore Mined	Kt	419	465	429	1,313	1,600 – 1,850
Ore Milled	Kt	417	412	493	1,322	1,600 – 1,850
Milled Grade	Copper (%)	1.5%	1.6%	1.8%	1.6%	N/a
Recovery	Copper (%)	85.2%	85.9%	88.1%	86.6%	N/a
Cu Concentrate Prod.	Dmt	22,512	24,235	31,039	77,786	N/a
	Cu grade (%)	23.2%	23.1%	24.7%	23.8%	N/a
	Copper (t)	5,231	5,608	7,669	18,508	23,000 – 27,000
	Silver (oz)	51,139	54,354	74,492	179,984	220,000 – 290,000
Payable Metal Sold	Copper (t)	5,997	4,643	7,310	17,950	N/a
	Silver (koz)	42,372	43,485	68,518	154,375	N/a

<sup>1</sup> Metal volumes cited for Cu, Zn and HPM Concentrate Production includes only those metals that are payable under the relevant concentrate offtake arrangements.

## Appendix 2: C1 Costs and AISC

	Unit	Mar-Qtr 2022	Jun-Qtr 2022	Sep-Qtr 2022	2022 YTD	2022 Guidance
<b>29Metals Group</b>						
<b>C1 Costs</b>	<b>\$m</b>	<b>66.8</b>	<b>74.3</b>	<b>92.7</b>	<b>233.8</b>	<b>N/a</b>
Payable copper sold	Mlbs	21.4	21.2	26.4	69.0	N/a
<b>C1 Costs</b>	<b>\$/lb</b>	<b>3.12</b>	<b>3.51</b>	<b>3.51</b>	<b>3.39</b>	<b>N/a</b>
<b>C1 Costs</b>	<b>US\$/lb</b>	<b>2.26</b>	<b>2.51</b>	<b>2.40</b>	<b>2.40</b>	<b>N/a</b>
Royalties	\$m	9.4	7.4	7.6	24.3	N/a
Corporate	\$m	5.3	5.4	5.2	15.9	N/a
Sustaining capex	\$m	10.9	9.2	13.0	33.1	44 – 55
Capitalised development	\$m	12.1	9.7	11.6	33.3	35 – 44
<b>AISC</b>	<b>\$m</b>	<b>104.4</b>	<b>106.0</b>	<b>130.1</b>	<b>340.5</b>	<b>N/a</b>
<b>AISC</b>	<b>\$/lb</b>	<b>4.87</b>	<b>5.01</b>	<b>4.92</b>	<b>4.93</b>	<b>N/a</b>
<b>AISC</b>	<b>US\$/lb</b>	<b>3.53</b>	<b>3.58</b>	<b>3.36</b>	<b>3.49</b>	<b>N/a</b>
Growth Capital	\$m	3.3	3.4	2.5	9.2	10 – 12
Group Exploration	\$m	2.7	3.1	2.9	8.6	10 – 20
FX rate	AUD:USD	0.725	0.714	0.683	0.707	N/a
<b>Golden Grove</b>						
Mining (excl. CapDev)	\$m	47.0	48.1	54.6	149.7	195 – 225
Processing	\$m	17.4	17.1	19.8	54.3	65 – 75
G&A	\$m	7.6	8.8	7.4	23.9	26 – 32
Concentrate transport	\$m	6.9	6.7	6.9	20.4	32 – 36
TCRC	\$m	17.6	17.4	11.8	46.8	53 – 70
Stockpile movements	\$m	(2.4)	(3.4)	(10.4)	(16.1)	N/a
By-products <sup>1</sup>	\$m	(83.6)	(65.5)	(57.2)	(206.3)	N/a
<b>C1 Costs</b>	<b>\$m</b>	<b>10.5</b>	<b>29.2</b>	<b>33.0</b>	<b>72.7</b>	<b>N/a</b>
Payable copper sold	Mlbs	8.2	10.9	10.3	29.5	N/a
<b>C1 Costs</b>	<b>\$/lb</b>	<b>1.28</b>	<b>2.66</b>	<b>3.20</b>	<b>2.47</b>	<b>N/a</b>
<b>C1 Costs</b>	<b>US\$/lb</b>	<b>0.93</b>	<b>1.90</b>	<b>2.19</b>	<b>1.74</b>	<b>N/a</b>
Royalties	\$m	5.7	4.6	4.7	15.0	N/a
Sustaining capex	\$m	2.8	4.0	7.6	14.4	19 – 23
Capitalised development	\$m	7.8	6.3	6.7	20.8	21 – 25
<b>AISC</b>	<b>\$m</b>	<b>26.8</b>	<b>44.0</b>	<b>51.9</b>	<b>122.8</b>	<b>N/a</b>
<b>AISC</b>	<b>\$/lb</b>	<b>3.27</b>	<b>4.02</b>	<b>5.04</b>	<b>4.17</b>	<b>N/a</b>
<b>AISC</b>	<b>US\$/lb</b>	<b>2.37</b>	<b>2.87</b>	<b>3.44</b>	<b>2.95</b>	<b>N/a</b>
Growth Capital	\$m	3.3	3.4	2.5	9.2	10 – 12
<b>Capricorn Copper</b>						
Mining (excl. CapDev)	\$m	21.8	23.0	23.6	68.4	89 – 102
Processing	\$m	13.5	15.0	14.9	43.4	51 – 56
G&A	\$m	8.5	9.2	8.4	26.1	28 – 34
Concentrate transport	\$m	5.0	4.8	6.0	15.8	19 – 22
TCRC	\$m	3.1	2.7	4.4	10.3	13 – 16
Stockpile movements	\$m	5.4	(8.3)	4.0	1.1	N/a
By-products <sup>1</sup>	\$m	(1.4)	(1.5)	(1.9)	(4.7)	N/a
<b>C1 Costs</b>	<b>\$m</b>	<b>55.9</b>	<b>44.9</b>	<b>59.5</b>	<b>160.3</b>	<b>N/a</b>
Payable copper sold	Mlbs	13.2	10.2	16.1	39.6	N/a
<b>C1 Costs</b>	<b>\$/lb</b>	<b>4.23</b>	<b>4.38</b>	<b>3.69</b>	<b>4.05</b>	<b>N/a</b>
<b>C1 Costs</b>	<b>US\$/lb</b>	<b>3.07</b>	<b>3.13</b>	<b>2.52</b>	<b>2.87</b>	<b>N/a</b>
Royalties	\$m	3.6	2.8	2.9	9.3	N/a
Sustaining capex	\$m	8.2	5.3	5.3	18.8	25 – 32
Capitalised development	\$m	4.2	3.4	5.0	12.5	14 – 19
<b>AISC</b>	<b>\$m</b>	<b>71.9</b>	<b>56.3</b>	<b>72.7</b>	<b>200.9</b>	<b>N/a</b>
<b>AISC</b>	<b>\$/lb</b>	<b>5.44</b>	<b>5.50</b>	<b>4.51</b>	<b>5.08</b>	<b>N/a</b>
<b>AISC</b>	<b>US\$/lb</b>	<b>3.94</b>	<b>3.93</b>	<b>3.08</b>	<b>3.59</b>	<b>N/a</b>
Growth Capital	\$m	0.0	0.0	0.0	0.0	0

<sup>1</sup> By-products include gold, zinc, silver and lead revenue, net of unrealised QP adjustments.







## Appendix 3: Progress against 2022 Sustainability & ESG Priorities




Summary of 2022 Sustainability & ESG Priority <sup>7</sup>	Progress
<b>Safe &amp; inclusive workplace</b>	
Continuing focus on eliminating serious injuries through updated critical control framework and verification	<input type="radio"/>
Investigation of barriers to attracting and retaining a diverse workforce, and developing an action plan	<input type="radio"/>
Renewed focus on reducing incidence of minor injuries	<input type="radio"/>
*Improve detailed demographic data collection and analysis	<input type="radio"/>
Continued workforce engagement and feedback loops, building on the successful 2021 workplace health survey	<input checked="" type="radio"/>
<b>2022 Annual Inclusion and diversity objectives:</b>	
Maintain no less than 30% representation of each gender on the Board	<input checked="" type="radio"/>
Year-on-year increase in the percentage of female employees as a proportion of total employees	<input type="radio"/>
Commence Workplace Gender Equality Agency reporting, including completion of gender pay-gap analysis	<input checked="" type="radio"/>
Establish a Diversity Working Group with representation from across the workforce, to provide advice and recommendations regarding workplace inclusion and diversity improvement opportunities and strategies	<input checked="" type="radio"/>
Conduct a whole of workforce survey to identify issues and opportunities for inclusion and diversity improvement; Develop a gap analysis and action plan based on the results	<input type="radio"/>
Establish a clear baseline understanding of the Company's workforce (employees and contractors) diversity to inform future actions and objectives	<input type="radio"/>
Refresh and roll out cultural awareness training, in consultation with local First Nations stakeholders - training to be successfully completed by all employees and contractors at superintendent level or above across 29Metals	<input type="radio"/>
<b>Responsible environmental stewardship (including action on climate change)</b>	
Develop and launch 29Metals' roadmap for aligning with TCFD recommendations	<input checked="" type="radio"/>
<b>Implement 2022 actions in 29Metals' roadmap for aligning with TCFD recommendations:</b>	
Continue to build and enhance Board and Management climate competency through climate education sessions	<input type="radio"/>
Formally integrate climate change risks and opportunities into risk management framework	<input type="radio"/>
Complete assessment of emissions profile (Scope 1 and 2) for existing operations to inform the development of absolute emissions or emissions intensity reduction plan, to underpin the setting of credible targets	<input type="radio"/>
Reduce water levels in Capricorn Copper regulated facilities and improve operating water balance	<input type="radio"/>
Industry collaboration – advance existing collaboration activities (ICAA and CopperString 2.0), and identify collaboration opportunities with business partners and customers	<input type="radio"/>
Complete gap analysis for application of ICMM Global Tailings Management Standard at 29Metals operating sites	<input type="radio"/>
Implementation of paste fill operations at Golden Grove, reducing the volume of tailings stored in surface tailings management facilities	<input type="radio"/>
Improve data collection and analytics for environmental stewardship metrics to inform future actions and priorities	<input type="radio"/>
Reduce volume of water withdrawn from the environment for mining operations	<input type="radio"/>
Commence transition to Progressive Rehabilitation and Closure Plan at Capricorn Copper	<input type="radio"/>
<b>Partnering with stakeholders</b>	
Re-initiate sponsored traineeship program for First Nations people at Golden Grove (following COVID-19 related pause in the program)	<input type="radio"/>
Develop and roll-out sponsored traineeship programs for First Nations people at Capricorn Copper	<input type="radio"/>
Launch 29Metals' Our Approach to Sustainability & ESG with stakeholders, including local communities	<input type="radio"/>
Re-refresh stakeholder and community engagement to confirm stakeholder priorities for Sustainability & ESG activities	<input type="radio"/>
Improve data collection and analytics regarding direct and indirect economic contributions, and the community impact, to inform future activities and priorities	<input type="radio"/>
Review and update contract management processes, with a focus on identifying opportunities to improve local and regional business participation	<input type="radio"/>

<sup>7</sup> 29Metals' 2022 Sustainability & ESG priorities, as published in 2021 Sustainability & ESG Report released to the ASX announcements platform (as part of the 2021 Annual Report) on 21 April 2022 (a copy of which is available via 29Metals' website at: <https://www.29metals.com/sustainability>).

**Summary of 2022 Sustainability & ESG Priority <sup>7</sup>**

**Progress**

<b>Responsible and ethical business practices / Continuous improvement</b>	
Continuing engagement with our workforce, highlighting workplace behaviour	
Fostering an environment where workplace participants have the confidence to raise concerns	
Leverage experience at Golden Grove to design and implement effective community programs, particularly with First Nations stakeholders	
Promoting opportunities for local residents and business in our host communities	

 Completed
  Commenced and in-progress / underway
  Not started / no progress

## Appendix 4: Long sections

Figure 3: Golden Grove long section

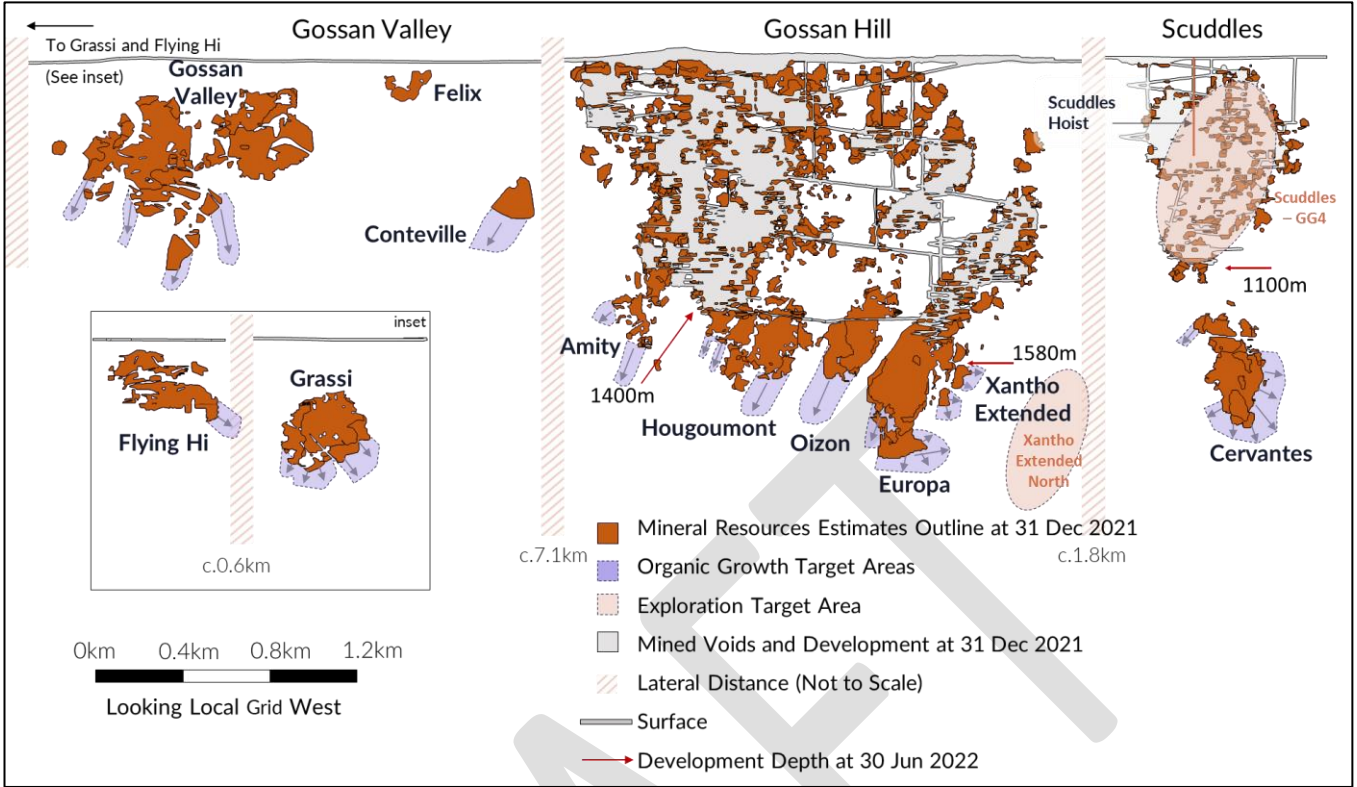


Figure 4: Capricorn Copper long section

