

ASX ANNOUNCEMENT

September Quarterly Activities Report

HIGHLIGHTS

- Site preparation works continue for the planned development of the Chilalo Graphite Project in Southeast Tanzania
 - Following the completion of compensation payments under the Resettlement Action Plan (RAP), the process of transferring the landholdings to EV1 has commenced
 - A review of capital and operating costs has found that the 2023 Updated DFS costs are still accurate
- Robin Birchall was appointed as Non-Executive Chair and Craig Moulton was appointed as a Non-Executive Director. Mike Spreadborough and Henk Ludik resigned from the Board.
- The Company's Chief Executive Officer, Phil Hoskins, and Grany Dyker, the Company's Chief Financial Officer, both tendered their resignations during the quarter.
- Treadstone Resource Partners continues to coordinate and broaden the Company's ongoing strategic investor process, aiming to secure additional financing support for the development of Chilalo
- ARCH completed its Tranche 2 investment for \$1.33 million and now holds a 25.31% interest in the Company

Evolution Energy Minerals ("Evolution" or the "Company") (ASX: EV1, FSE: P77) is pleased to report the Company's activities for the quarter ended 30 September 2024.

Much of the focus during the quarter was continuing discussions with potential financiers and strategic investors with regards to the development of Chilalo. Treadstone Resource Partners continued during the quarter with the identification and negotiations with strategic investors ¹.

At the Board level, Robin Birchall was appointed as Non-Executive Chairman and Craig Moulton was appointed as a Non-Executive Director following the resignations of Michael Spreadborough and Henk Ludik².

During the Quarter, the Company's Chief Executive Officer, Phil Hoskins, tendered with resignation³. The Company's CFO, Grant Dyker, also tendered his resignation⁴. Following the end of the quarter, Brian Gordon has been appointed a Non-Executive Director and Jay Stephenson was appointed as Chief Financial Officer. Ongoing recruitment for a new Chief Executive Officer is occurring with an appointment expected soon.

As part of the \$4.0 million Placement announced in June 2024, ARCH completed its investment of \$1.33 million, taking its interest to 25.31%.

¹ ASX Announcement 4 June 2024 – Evolution commences strategic investor process

² ASX Announcement 15 August 2024 – Change of Board Members

³ ASX Announcement 18 July 2024 – Resignation of CEO

⁴ ASX Announcement 12 September 2024 – CFO Resignation

Evolution's Non-Executive Chairman, Robin Birchall, commented:

"Recent movements in the prices of other battery minerals provides confidence that the proposed development of Chilalo may be well timed to correspond to increased demand and improved graphite pricing. "The financing process is being well managed by Treadstone and we remain confident of attracting a funding package that will see Chilalo construction in the near future."

POST QUARTER END ACTIVITY**Exploration at Chikundo VHMS Prospect**

Following the quarter's end, the Company announced the identification of a new copper, lead, and zinc mineralisation prospect within the Chilalo Graphite Project tenements, named the Chikundo VHMS (Volcanic Hosted Massive Sulphide) Prospect. Located approximately 4.5km southwest of the planned Chilalo plant site, initial fieldwork has identified artisanal workings with visible malachite staining and potential chalcopyrite mineralisation. Evolution is about to commence a targeted exploration program, including:

- **Geological Mapping and Soil Sampling:** A comprehensive mapping and sampling campaign is underway to infill existing data and potentially extend the current Cu-Pb-Zn anomalies. Historical soil samples with promising geochemical data are being re-assayed using advanced techniques to obtain multi-element analysis.
- **Geophysical Surveys:** Ground Fixed Loop Electromagnetic (FLEM) or Airborne VTEM surveys are being deployed to model the subsurface structure and identify VHMS targets that may be obscured by graphite conductors in the area.
- **Drilling Program:** Reverse Circulation (RC) drilling is planned to define the extent, depth, and continuity of the mineralisation. These efforts are expected to refine the mineral resource potential of Chikundo, which could complement Chilalo's graphite production by adding a diversified metal profile to Evolution's portfolio.

Community and Infrastructure Development

Evolution remains committed to its community and infrastructure initiatives, which are essential for Chilalo's future development. Key developments include:

- **Land Transfer and Site Access:** After completing compensation payments under the Resettlement Action Plan, the process of transferring the landholdings to Evolution has commenced, enabling site clearance and plant construction following the Final Investment Decision (FID). To support construction logistics, the Company will upgrade the access road to an all-weather format, suitable for heavy vehicle transport.
- **Public Road Upgrades by TARURA:** In partnership with the Tanzanian rural roads agency TARURA, the upgrade and bituminisation of the public road between Ruangwa town and the Chilalo site are progressing. This major infrastructure project will facilitate equipment delivery and product export from the Chilalo site, with completion expected in mid-2025.
- **Grid Power Connection by TANESCO:** The Tanzanian electricity agency TANESCO is working to connect Chilalo to the grid, which will provide power for administrative infrastructure during construction. The primary plant power supply will utilize an integrated gas and solar solution, which is not only cost-effective but also aligns with Evolution's ESG objectives.

Continued Offtake and Investor Support

Evolution has actively engaged with shareholders and offtake partners to reaffirm support for the Chilalo Project amid recent management and board changes. This support includes:

- **Ongoing Partnerships:** Evolution continues to receive strong backing from major shareholders, particularly the Arch Sustainable Resources Fund, which has shown understanding and support for the

Company's strategic shifts. Similarly, Evolution's primary offtake partner, BTR New Material Group Co., Ltd., remains supportive and engaged in project development discussions.

- **Investor Outreach and Roadshow:** Evolution will conduct an investor roadshow across Australia and Asia in late October, providing key updates on Chilalo's progress and Evolution's broader strategic direction. Interested investors are encouraged to contact Robin Birchall or Andrew Rowell to arrange meetings during the roadshow.

CORPORATE

Cash

At 30 September 2024, the Company had cash of \$2.946 million.

INFORMATION REQUIRED UNDER ASX LISTING RULES

Information required under Listing Rules 5.3.1 and 5.3.2

Evaluation and exploration expenditure during the Quarter amounted to \$538,000. During the quarter, there were no mining production and development activities.

Information required under Listing Rule 5.3.3 – tenement information

The Company's tenement interests as at 30 September 2024 are shown below.

Licence	Project	Location	Beneficial Interest at start of quarter ¹	Beneficial Interest at end of quarter ¹
ML/00951/2023 – Chilalo	Chilalo	Tanzania	84%	84%
PL/25161/2023	Chilalo	Tanzania	84%	84%

1. The remaining 16% is held by the Government of Tanzania as an undiluted, free-carried interest in Kudu.

Information required under Listing Rule 5.3.5

During the Quarter, the Company made payments to related parties of \$88,355, all of which comprised payments to Evolution directors in accordance with the applicable terms of engagement.

Reference to Previous ASX Announcements

In relation to other previously announced information included in this September Quarterly Activities Report, the dates of which are referenced, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements.

This announcement has been approved for release by Evolution's Board of Directors.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Evolution Energy Minerals Limited

ABN

53 648 703 548

Quarter ended ("current quarter")

Sept 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(538)	(538)
	(b) development		
	(c) production		
	(d) staff costs	(971)	(971)
	(e) administration and corporate costs	(347)	(347)
1.3	Dividends received (see note 3)		
1.4	Interest received	7	7
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(2,212)	(2,212)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(49)	(49)
	(d) exploration & evaluation		
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(49)	(49)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,173	2,173
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	2,173	2,173

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,066	3,066
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,212)	(2,212)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(49)	(49)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,173	2,173

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(32)	(32)
4.6	Cash and cash equivalents at end of period	2,946	2,946

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,946	3,082
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,946	3,082

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	88
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		
Fees include Salaries, Director Fees and Consulting Fees to Executive Director and Non-Executive Directors		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,212)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,212)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,946
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,946
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.33
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	The Company does not anticipate maintaining its current expenditure levels as it is actively engaged in a cost reduction initiative, aiming to optimise operating cash flows.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	In addition to ongoing cost reduction efforts, the Company is exploring alternative funding options to support its operations. Management remains confident in the viability of these efforts, based on existing relationships and previous funding successes.	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Yes, the Company expects to continue its operations and meet its objectives by closely managing expenditure and actively seeking capital-raising opportunities, aligning resources to support ongoing business goals.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 October 2024

Date:

Authorised by: The Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.