GROUP6 METALS LIMITED

ASX ANNOUNCEMENT

20 January 2023

SHARE PURCHASE PLAN UPDATE AND RELEASE OF SUPPLEMENTRY PROSPECTUS

Key Highlights

- Overwhelming support of the Share Purchase Plan ("SPP"), with the Company receiving applications in excess of $4.0 million
- The SPP offer closing date has been amended to 1st February 2023 and will be capped at $4.5 million
- Proceeds from the Share Purchase Plan will be used for:
  - Dolphin Tungsten Mine Capital Expenditure;
  - Dolphin Tungsten Mine Pre-Production Costs; and
  - General Working Capital
- Construction and commissioning activities continue at the Dolphin Tungsten Mine with Group 6 Metals on track to achieve first concentrate production in late Q1 2023

Group 6 Metals Limited (**ASX: G6M**, "**Group 6**" or the "**Company**") is pleased to announce it has received strong support of its Share Purchase Plan from eligible Shareholders which, together with the recently completed $20.0m Placement, will primarily fund ongoing construction and operating activities at the Dolphin Tungsten Mine ("**Dolphin**" or the "**Project**") on King Island, Tasmania.

The Company has elected to extend the Share Purchase Plan (**"SPP"**) for a further two weeks and increase the maximum amount raised to $4.5m to afford eligible G6M shareholders an additional opportunity to participate on the same terms as the Placement. Applications received as at the date of the supplementary prospectus are subject to withdrawal rights.

Under the SPP, eligible G6M shareholders, being shareholders with a registered address in Australia or New Zealand on the G6M register as at 7.00pm (Sydney time) on Friday 25 November 2022 will have the opportunity to apply for up to A$30,000 of additional shares per eligible shareholder without incurring brokerage or transaction costs.

Funds raised under the SPP and the recently completed placement will be applied towards capital expenditure ($10 million) and pre-production costs ($6 million) at Dolphin, and for general working capital ($4-8.5 million).

The Company remains on track to achieve first tungsten concentrate production at Dolphin in late Q1 2023.

Level 26, 259 George Street, Sydney NSW 2000
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Group 6 Metals Managing Director and Chief Executive Officer, Keith McKnight said,

"We have been delighted to see the level of interest in our SPP which gives eligible shareholders the chance to invest in a capital raise on the same terms as the recent Placement. The positive feedback and support we have received so far has been very encouraging and is a strong endorsement of the Dolphin Tungsten Project.

The site construction and commissioning teams continue to make good progress and are working very hard to maintain our current schedule which is tracking well. The price of tungsten has remained stable during the latter half of 2022 and we anticipate that it will continue to remain strong throughout 2023.

Additionally, the Company has begun its regional exploration program with drilling currently taking place at the Investigator Prospect. This is expected to be finished within 6-8 weeks and the Company looks forward reporting the results from these activities as they become available."

Group 6 Metals Chairman, Johann Jacobs further commented,

"On behalf of the board, I would like to thank our eligible shareholders for their support of the SPP. Construction of a project in the current climate is not without its challenges and we are delighted to have a shareholder base who have the confidence in the Company's board and management to navigate the issues as they arise. We look forward to regularly updating the market on what is certain to be a very exciting period for the Company and its shareholders."

Updated Timetable for SPP

The timetable set out below is an updated indicative timetable for the SPP. The Company may change these dates and times at its discretion, subject to the ASX Listing Rules and Corporation Act.

TIMETABLE		
Description	**Date**	**Activity**
Record Date	Friday 25, November 2022	Date for determining Eligible Shareholders
Offer Announcement	Monday 28, November 2022	Offer is announced to the market
Offer Date	Tuesday 6, December 2022	Offer opens and Offer documentation dispatched
Closing Date	Wednesday 1, February 2023	Applications must be received by 5.00pm Sydney time
Last date to withdraw an application	Monday 20, February 2023	Request for withdrawal of application must be received by 5.00pm Sydney time
Announce results	Wednesday 22, February 2023	Announcement date of funds raised and shares to be issued
Allotment Date	Wednesday 22, February 2023	New Shares and Options allotted
Trading Date	Friday 24, February 2023	New Shares commence trading on the ASX
Dispatch Date	Friday 24, February 2023	New Shares and Option Statements sent to Shareholders

The Company also attaches a Supplementary Prospectus in relation to the SPP.

Approved by the Board of Group 6 Metals Limited.

For more information:

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About Group 6 Metals

Group 6 Metals Limited (ASX: G6M), previously known as King Island Scheelite Limited (ASX: KIS), is an Australian resources exploration and development company. The Company's name honours tungsten as Group 6 Metals' first commodity project (The Dolphin Mine) under development, as tungsten is a member of Group 6 of the periodic table along with chromium and molybdenum, as well as being a critical mineral and a geopolitically strategic resource.

The Company is focused on the redevelopment of its 100%-owned Dolphin Mine located on King Island, Tasmania. Initially the focus is on producing a high grade of tungsten concentrate, however, the Company plans to value-add the product for supply into the upstream tungsten industry.

SUPPLEMENTARY PROSPECTUS
GROUP 6 METALS LIMITED ACN 004 681 734

Important information

This Supplementary Prospectus is dated 20 January 2023 (**Supplementary Prospectus**) and is intended to supplement and amend the information contained in the Prospectus dated 13 December 2022 (**Prospectus**) issued by Group 6 Metals Limited ACN 004 681 734 (**Company** or **G6M**) to raise up to $23 million, comprising a $3 million securities purchase plan and a placement of $20 million (**Equity Raising**).

The Supplementary Prospectus has been prepared on the basis of the ASX announcement dated 16 January 2023 which is attached as Appendix 1.

This Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) and the Australian Securities Exchange (**ASX**) on 20 January 2023. Neither ASIC nor the ASX take responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus. This document is important and should be read in its entirety. Please consult your legal, financial or other professional adviser if you do not fully understand the contents.

The Company has issued an electronic version of this Supplementary Prospectus and the Prospectus. Electronic versions of both may be accessed at www.g6m.com.au.

Contents

The information shown in the numbered paragraphs below is to supplement and amend the information presently contained in the Prospectus. Namely, the Prospectus is amended as follows:

1 Replace references to the SPP raising a 'maximum of $3 million' or raising an amount which is 'capped at $3 million' to a 'capped at $4.5 million' throughout the Prospectus, including:

(a) on the cover page, under the heading 'SPP';

(b) in paragraph 2 of the Chairman's letter;

(c) in paragraph 7 of the Chairman's letter; and

(d) in the balance as updated in this Supplementary Prospectus as set out below.

2 Replace references to the Equity Raising raising a 'maximum of $23 million' to a 'maximum of $24.5 million' throughout the Prospectus, including:

(a) in paragraph 2 of the Chairman's letter;

(b) in the first sentence of Section 3.1; and

(c) in the balance as updated in this Supplementary Prospectus as set out below.

3 Replace paragraph 3 of the Chairman's letter of the Prospectus with the following:

"The Board intends to use the proceeds of the Equity Raising to fund Dolphin Tungsten Mine capital expenditure ($10 million), Dolphin Tungsten Mine pre-production costs ($6 million) and for general working capital ($4 - 8.5 million)."

4 Replace rows 2 to 5 of the first table in Section 1.1 of the 'Investment Overview' with the following:

Key SPP details

Terms of offer	Details
Total number of New Shares offered under the SPP	26,470,560
Total number of New Options offered under the SPP, subject to shareholder approval under Listing Rule 7.1 or otherwise utilising the Company's placement capacity under the Listing Rules	13,235,280
Total amount to be raised under the SPP (before the exercise of any New Options)	$4,500,000
Total amount to be raised if all available New Options offered under the SPP are issued and exercised	$8,205,878

5 Replace the table in Section 1.2 of the 'Investment Overview' with the following:

Event	Date
Trading halt	Thursday, 24 November 2022
Record Date for SPP (7.00pm, Sydney time)	Friday, 25 November 2022
Announcement of Placement and SPP	Monday, 28 November 2022
Shares resume trading on the ASX	Monday, 28 November 2022
Prospectus date	Tuesday, 13 December 2022
Dispatch of Prospectus	Thursday, 15 December 2022
Opening Date of SPP and Placement Options Offer	Thursday, 15 December 2022
Extraordinary general meeting of shareholders	Tuesday, 17 January 2023
Closing Date for SPP and Placement Options Offer	Wednesday, 1 February 2023
Last date to withdraw an Application in accordance with Section 3.13	Monday, 20 February 2023
Issue of New Shares and New Options under the SPP (subject to shareholder approval for the New Options)	Wednesday, 22 February 2023
Issue of New Options under the Placement Options Offer (subject to shareholder approval)	Wednesday, 22 February 2023
Despatch of Holding Statements for Shares under SPP	Friday, 24 February 2023
Normal ASX trading for New Shares issued under the SPP commences	Friday, 24 February 2023

6 Replace the table in Section 1.3 of the 'Purpose of the Equity Raising and use of funds' with the following:

Use of proceeds	$ raised (million)
Dolphin Tungsten Mine capital expenditure	$10 million
Dolphin Tungsten Mine pre-production costs	$6 million

Use of proceeds	$ raised (million)
General working capital	$4 million - $8.5 million
Total funds raised	**$20 million - $24.5 million**

7 Replace rows 4 and 5 of the first table in Section 1.4 of the 'Investment Overview' with the following:

Shares

Approximate number of New Shares to be issued under the SPP	26,470,560
Approximate total number of Shares on issue after the Equity Raising (before the exercise of any New Options)	779,247,334

8 Replace rows 5 and 6 of the second table in Section 1.4 of the 'Investment Overview' with the following:

Options

Approximate number of Options to be issued under the SPP	13,235,280
Approximate total number of Options on issue after the Equity Raising	276,684,861

9 Replace the answer to the question 'What is the SPP?' in Section 1.5 as follows:

Question	Answer	Section
What is the SPP?	The SPP is an offer to Eligible Shareholders of up to 26,470,560 New Shares at an issue price of $0.17 per New Share (and 1 New Option for every 2 New Shares issued) to raise up to approximately $4.5 million (before the exercise of any New Options). The issue of the New Options under the SPP is subject to shareholder approval under Listing Rule 7.1.	section 3.1

10 Replace the answer to the question 'What is the SPP?' in Section 1.5 as follows:

Question	Answer	Section
How do I participate in the SPP?	To participate in the SPP, please make the application payment in accordance with the instructions on the Application Form before Wednesday, 1 February 2023.	section 4 and Application Form

11 Replace Section 3.1(b) with the following:

"a securities purchase plan to Eligible Shareholders to raise a further $4.5 million before costs by the issue of up to 26,470,560 Shares at $0.17 per Share plus up to 13,235,280 free attaching New Options on the basis of 1 New Option for every 2 New Shares subscribed for under the SPP,"

12 Replace paragraph 2 of Section 3.3(a) with the following:

"Under the SPP, the Company offers to Eligible Shareholders a total of 26,470,560 New Shares at an issue price of $0.17 each and a total of 12,235,280 free attaching New Options, with a target to raise $4 million (before costs and the exercise of any New Options)."

13 Replace the first paragraph of Section 3.4 with:

"Each of the Offers will open on Thursday, 15 December 2022. The SPP and Placement Options Offer will close at 5:00pm (AEST) on Wednesday, 1 February 2023."

14 Insert a new section 3.13 as shown below (and amend current Section 3.13 to "Section 3.14"):

'3.13 Return of Application Money

In accordance with section 724(1)(d) and (2) of the Corporations Act, as a result of the amendment to the Offer timetable, the Company gives each Applicant, who has subscribed under the Offer up to the date of this Supplementary Prospectus:

(i) *a copy of this Supplementary Prospectus which changes the terms of the Offer; and*

(ii) *one month to withdraw their application and, on an election to do so, each relevant Applicant will be repaid their Application Money in full,*

noting that interest on Application Money is not payable by the Company.'

15 Replace the table in Section 5.1 with the following:

	30 Jun 2022 Historical	Placement	SPP	30 Jun 2022 Pro forma Historical
	$		$	$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	4,529,465	19,100,000	4,405,000	28,034,465
Prepayments and other receivables	1,851,321	-	-	1,851,321
Deposits	194,878	-	-	194,878
TOTAL CURRENT ASSETS	6,575,664	19,100,000	4,405,000	30,080,664
NON-CURRENT ASSETS				
Deposits	2,864,600	-	-	2,864,600
Property, plant and equipment	43,012,301	-	-	43,012,301
Right-of-use-assets	2,531,224	-	-	2,531,224
Mine development assets	296,371	-	-	296,371
TOTAL NON-CURRENT ASSETS	48,704,496	-	-	48,704,496
TOTAL ASSETS	55,280,160	19,100,000	4,405,000	78,785,160
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	6,907,034	-	-	6,907,034
Lease liabilities	464,409	-	-	464,409
Loan interest payable	117,534	-	-	117,534

Other current liabilities	40,195	-	-	40,195
TOTAL CURRENT LIABILITIES	7,529,172	-	-	7,529,172
NON-CURRENT LIABILITIES				
Derivative liabilities	11,859,135	-	-	11,859,135
Lease liabilities	1,230,322	-	-	1,230,322
Secured loan payable	10,634,545	-	-	10,634,545
Other non-current liabilities	153,014	-	-	153,014
TOTAL NON-CURRENT LIABILITIES	23,877,016	-	-	23,877,016
TOTAL LIABILITIES	31,406,188	-	-	31,406,188
NET ASSETS	**23,873,972**	**19,100,000**	**4,405,000**	**47,378,972**
EQUITY				
Issued capital	103,100,310	19,100,000	4,405,000	126,605,310
Reserves	1,963,831	-	-	1,963,831
Accumulated losses	(81,190,169)	-	-	(81,190,169)
TOTAL EQUITY	**23,873,972**	**19,100,000**	**4,405,000**	**47,378,972**

16 Replace the paragraph under the words '*The SPP:*' in Section 5.3 with the following:

"the issue of 26,470,560 New Shares under the SPP, expected to raise gross proceeds of $4,500,000 less estimated offer costs of $95,000."

17 Replace the table in Section 5.4 with the following:

Cash as at 30 June 2022	$4,529,465
Gross proceeds of the Placement	$20,000,000
Costs of the Placement	($900,000)
Net proceeds of the Placement	$19,100,000
Gross proceeds of the SPP	$4,500,000
Offer costs of the SPP	($95,000)
Net proceeds of the SPP	$4,405,000
Pro forma historical cash balance	**$28,034,465**

18 Include new Section 7.4 below (and amend current Section 7.4 to Section 7.5):

"A subsidiary of the Company has entered into a contract with Gekko Systems Pty Ltd ("Gekko") for the engineering, procurement and construction of the processing plant at the Dolphin Tungsten Mine (the **EPC Contract**). The EPC Contract provides for the remuneration of Gekko on a cost-plus basis, with Gekko being entitled to an incentive payment (calculated as a share of savings) if the actual costs incurred by Gekko are less than the estimated final contract cost of $49,283,858 (excluding GST).

The Contract contains other provisions of a type commonly encountered in design and construction contracts of this nature, including in relation to warranties in respect of the works, entitlements of Gekko to time and cost adjustments in the event of certain relief events, termination rights, indemnities, limitations of liability, rectification of defects in the works, liquidated damages for delays to completion and the provision of security.

The Company has provided a deed of guarantee in relation to the obligations of its subsidiary under the EPC Contract."

19 Replace Section 8.1 with the following:

"**Principal effect of the SPP and Placement on the Company**

The principal effects of the Equity Raising, assuming the SPP and the Placement are fully subscribed, will be to:

(i) increase the number of Shares on issue by 144,117,619 Shares, from 630,754,715 Shares immediately prior to the Placement, to 779,247,334 Shares (includes shares issued to directors upon exercise of previously issued unquoted options);

(ii) increase the number of Options on issue by 100,470,575, from 179,589,286 Options immediately prior to the Placement, to 280,059,861 Options (includes the exercise of options by directors); and

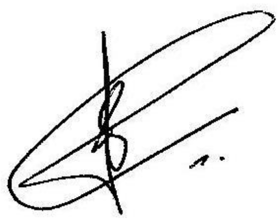
(iii) increase cash reserves by approximately $23.5 million (on a full subscription basis) immediately after completion of the SPP and the Placement and payment of the costs and expenses set out in this Prospectus, including the estimated expenses of the SPP and the Placement."

20 Update the following defined terms in the 'Glossary' table in Section 9:

Closing Date	means the closing date of the Offers, being 5:00pm AEST on Wednesday, 1 February 2023.
SPP	means the offer to each Eligible Shareholder of an estimated 26,470,588 New Shares at an issue price of $0.17 per Share totalling no more than $30,000, with 1 free attaching New Option for every 2 New Shares subscribed.

Authorisation

This Supplementary Prospectus is issued by the Company. In accordance with section 720 of the *Corporations Act 2001* (Cth), each Director has consented to the lodgement of this Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgement.



Johann Jacobs
Chairman
Group 6 Metals Limited

GROUP6 METALS LIMITED

ABN 40 004 681 734

For all enquiries:

Phone:
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(outside Australia) +61 3 9415 4000

Web:
www.investorcentre.com/contact

G6M

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

X 9999999991 I ND

Entitlement No: 12345678

CLOSING DATE:

Your payment must be received by 5:00pm (AEDT) Wednesday 1 February 2023

Share Purchase Plan Application Form

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details above. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of Group 6 Metals Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Group 6 Metals Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that:

- You are not applying for New Shares with an application price of more than $30,000 under the Offer (including by instructing a Custodian to acquire New Shares on your behalf under the Offer); and
- The total of the application price does not exceed $30,000 in relation to:
  a) the New Shares that are the subject of this application; and
  b) any other Shares issued to you under the Offer or any similar arrangement in the 12 months before the application (excluding Shares applied for but not issued).

Group 6 Metals Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Group 6 Metals Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Group 6 Metals Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Group 6 Metals Limited does not notify you of that event.

Registration Name & Offer Details

Details of the shareholding and the Offer are shown above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Make Your Payment:

Note that shares may be purchased in increments of $1000 subject to purchase of the minimum value and not exceeding the maximum value. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

B PAY

Biller Code: 389908
Ref No:1234 5678 9123 4567 89

Offer Details:

Minimum value available to purchase:	**$1,000**
Maximum value available to purchase:	**$30,000**

Record Date:

Friday 25 November 2022

BPAY

Make your payment via BPAY® either online or by phone with your bank using the payment details above. If you are unable to pay via BPAY, please call the Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) to obtain alternative payment instructions.

Neither Computershare Investor Services Pty Limited (CIS) nor Group 6 Metals Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by the closing date. Eligible Shareholders should use the customer reference number shown on this Application Form when making a BPAY payment.

Privacy Notice

The personal information you provide on this form is collected by CIS, as registrar for the securities issuer (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at www.computershare.com/au/privacy-policies.

ABN 40 004 681 734

Return your Form to the Company's share registry:

By Mail:
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

Phone:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Share Purchase Plan - Withdrawal Form

If you wish to withdraw your SPP Application, your form must be received by 5:00pm (AEDT) Monday 20 February 2023

This is an important document that requires your immediate attention. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Shareholding Details

Use this form if you wish to withdraw your SPP Application.

Please enter yoru shareholding details in the space provided.

Step 2: Signing Instructions

Individual: Where the shareholding is in one name, the shareholder must sign.
Joint Shareholding: Where the shareholding is in more than one name, all of the shareholders must sign.
Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.
Companies: Where the shareholding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and a Company Secretary.

Overseas Companies: Where the shareholding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.
Deceased Estate: Where the shareholding is in the name of a deceased estate, all executors must sign.

Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form ➔

Share Purchase Plan - Withdrawal Form

STEP 1 **Shareholding Name & Address Details:** **HIN/SRN:**

STEP 2 **Signature of Shareholder(s)** *This section must be completed.*

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we wish to withdraw my/our previously submitted SPP Application.

Individual or Shareholder 1	Shareholder 2	Shareholder 3
Sole Director and Sole Company Secretary/ Sole Director (cross out titles as applicable)	Director	Director/Company Secretary (cross out titles as applicable)

STEP 3 **Contact Details**

Contact Name ____________ **Contact Daytime Telephone** ____________ **Date** / /

Email Address ____________

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at http://www.computershare.com/au.

Appendix 1 – ASX Announcement dated 16 January 2023

Dolphin Tungsten Mine Update

Group 6 Metals Limited (ASX: G6M, "Group 6 Metals" or the "Company") provides an update regarding construction activities at the Company's wholly owned Dolphin Tungsten Mine ("DTM"), located on King Island, Tasmania.

Construction of the processing plant for the DTM continues to progress well against schedule for completion, commissioning and first production of concentrates in early 2023.

The Company has been advised by its lead engineering, procurement, and construction (EPC) contractor, Gekko Systems Pty Ltd, of constraints that have caused higher than expected costs in execution of the EPC contract. These constraints relate to project-specific and market conditions impacting logistics, materials and installation costs, including inflation, shipping and transport, foreign currency exchange rates and labour constraints.

The extent of the newly anticipated construction costs is up to $7.5 million, constituting approximately 14% of the value of the EPC contract the Company signed with Gekko Systems in November 2021, or 8% of the overall project CAPEX budget. The Company will carry out a detailed assessment on these costs as a matter of priority.

In the meantime, Group 6 Metals and Gekko are taking joint action to mitigate these anticipated cost increases while optimising the safety, schedule and successful re-development of the DTM. The parties are also in discussions regarding options to limit the impact of these anticipated cost increases on the Company's cashflow while the plant is being commissioned and ramping up to nameplate production.

While these newly anticipated construction costs are unfortunate, in today's high inflationary environment for construction projects they are difficult to mitigate against. The Company remains committed to the successful completion and commissioning of the Dolphin Tungsten Mine which has an initial 14-year mine life underpinned by Reserves, with significant regional exploration upside which the Company will restart drilling on next week.

In light of the above, the Company has elected to extend the closing date for the SPP until the 1st February 2023 which will afford shareholders who have made an application for shares under the SPP time to amend or withdraw their application. A supplementary prospectus for the SPP will also be released by the Company in the coming days.

Approved by the board of Group 6 Metals Limited.

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+61 (0) 2 8622 1402 | info@g6m.com.au

For more information, please contact:

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About Group 6 Metals

Group 6 Metals Limited (ASX: G6M), previously known as King Island Scheelite Limited (ASX: KIS), is an Australian resources exploration and development company. The Company's name honours tungsten as Group 6 Metals' first commodity project (The Dolphin Mine) under development, as tungsten is a member of Group 6 of the periodic table along with chromium and molybdenum, as well as being a critical mineral and a geopolitically strategic resource.

The Company is focused on the redevelopment of its 100%-owned Dolphin Mine located on King Island, Tasmania. Initially the focus is on producing a high grade of tungsten concentrate, however, the Company plans to value-add the product for supply into the upstream tungsten industry.