

ASX Announcement

31 JULY 2023



QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 JUNE 2023

HIGHLIGHTS

- M3 Mining advances exploration at both the Edjudina Gold Project and the Victoria Bore Copper Project

Edjudina Gold Project (100% owned)

- Two aircore drill programs totalling 6,638m completed at Edjudina
- Highlight intercept from first program at El Capitan prospect;
 - 10m at 241.2 g/t Au from 27m (EDJAC164)¹
 - Including 1m at 2,303.53 g/t Au from 27 – 28m
- Awaiting results from second round of drilling at El Capitan – Assays expected August
- Airborne magnetic survey (DroneMag) completed subsequent to quarter end
 - Data currently being processed with interpretation to begin imminently

Victoria Bore Copper Project (100% owned)

- Litho-structural interpretation and multi-commodity targeting of the Victoria Bore project area was completed in collaboration with PGN Geoscience
- Geochemical campaign planning currently underway to test high-priority base metal targets on granted tenement

Corporate

- The Company is well-funded for its planned exploration activities for the remainder of the calendar year with cash as of 30 June 2023 of approximately \$2.8 million
- Continued evaluation of multiple advanced projects in Australia and overseas in a range of commodities progressed in the June quarter

¹ See M3M announcement 10/07/2023 "Spectacular gold mineralisation confirmed at Edjudina" for further details.



Registered Address

M3 Mining Limited
ACN 644 548 434
ABN 98 644 548 434

Level 13, 191 St George's Tce
Perth, WA 6000

www.m3mining.com.au

Directors

Russell Davis - Non-Executive Chairman
Simon Eley - Executive Director
Eddie King - Non-Executive Director

✉ info@m3mining.com.au
☎ +61 08 6243 6581

Projects

Edjudina Gold Project (100% Owned)
Victoria Bore Copper Project (100% Owned)

Shares on Issue	46.5M
Share Price	\$0.17
Market Cap	\$7.9M
ASX Code	M3M

M3 Mining Limited (ASX: M3M) (M3 Mining, the Company) is pleased to provide an update on corporate and exploration activities during the June 2023 Quarter.

EXECUTIVE DIRECTOR SIMON ELEY:

“The June quarter was an exciting period for M3 Mining as the Company uncovered spectacular gold mineralisation at El Capitan.

It was an unexpected discovery that came to light during a follow-up drill program intended for another prospect. Fortunately, we had time up our sleeves at the end of the program and decided to target some historic gold-in-soil anomalies with the drill rig.

The significance of this find cannot be understated and it has injected renewed enthusiasm into our team. Since the discovery in mid-June the Company has drilled an additional 3,182m of aircore and also completed a detailed DroneMag survey. We expect to receive assay results in late-August and the DroneMag data within the next fortnight.

The Victoria Bore project is also progressing well with the team currently planning a comprehensive geochemical program to assess the high-priority base metals targets that were uncovered during litho-structural interpretation. We believe further exploration in the 330km² area holds great potential and could lead us to more exciting discoveries in the near future.”

UPCOMING M3 NEWSFLOW

- Quarter 3, 2023**
- Assays from expedited follow-up aircore drilling at El Capitan
 - El Capitan DroneMag survey results and interpretation
 - Follow-up aircore and/or reverse circulation drilling at El Capitan
 - Regional soil sampling program at Edjudina
 - Geochemical campaign at Victoria Bore to test base metal targets



Figure 1 – DroneMag Survey at El Capitan



Edjudina Gold Project

The Edjudina Project is located approximately 150km northeast of Kalgoorlie in Western Australia. It covers a section of the established mineralised trend along the Keith-Kilkenny Tectonic Zone which hosts multiple significant gold discoveries (see Figure 2). No large-scale mining has occurred within the tenement area, however, historical near surface workings can be observed throughout the region, particularly within and along strike of the previous mines in the Yilgangi Mining Field.

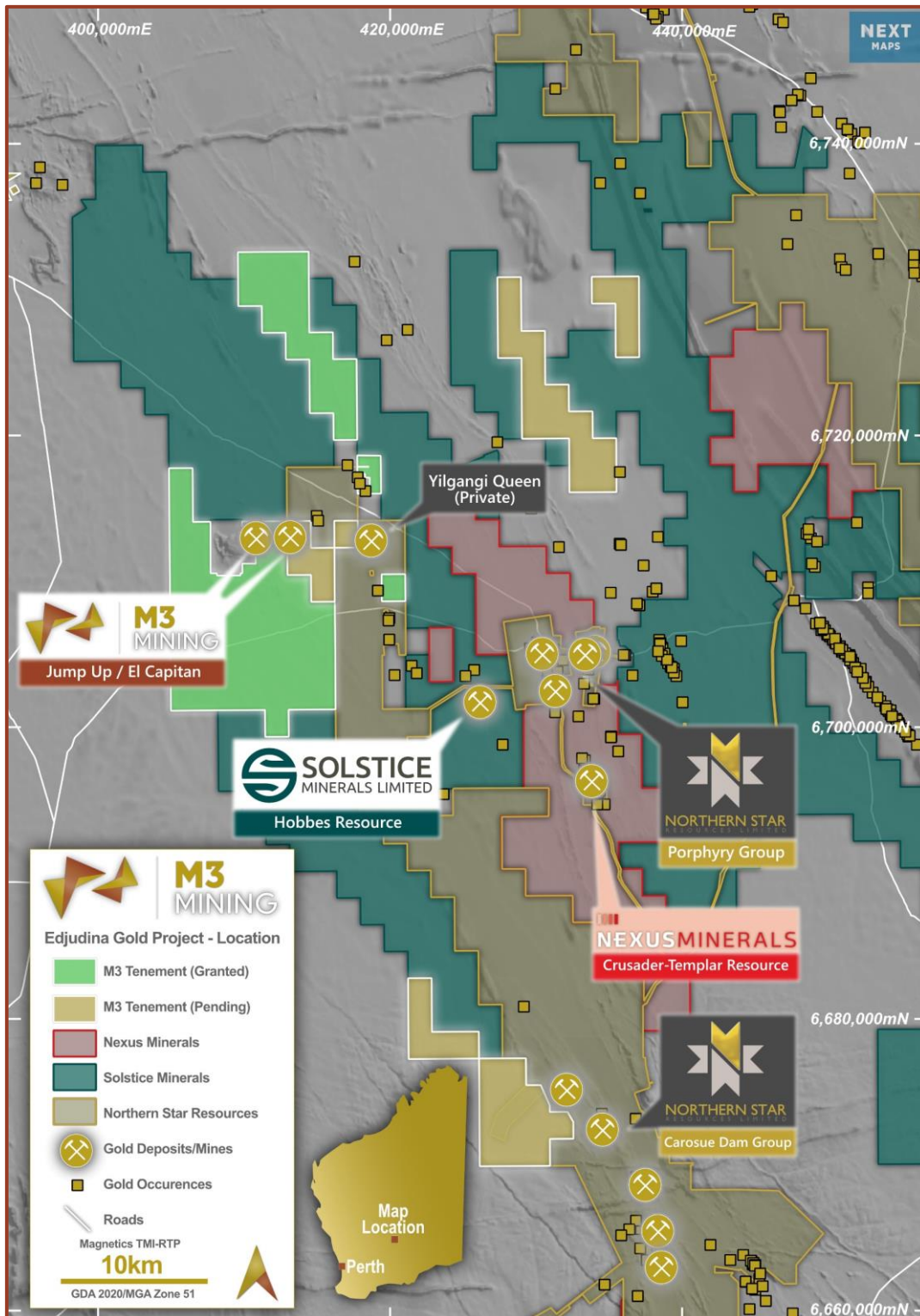


Figure 2 – Edjudina Gold Project Overview

El Capitan Discovery

The drill program completed in May consisted of 76 aircore holes for 3,456m. The program was designed to test soil anomalies identified along a splay structure to the major regional Keith-Kilkenny fault, which hosts numerous gold occurrences including the historic operating Yilgange goldfield and the currently operating private Yilgange Queen mine. These splays host the Jump Up prospect within M3M tenure and successfully intersected significant coarse gold mineralisation at the newly named “El Capitan Prospect” (see Figure 3, 5).

Initial four-metre composite fire assay results indicated mineralisation as follows²:

- 20m at 5.7 g/t Au from 24m (Incl. 12m at 9 g/t Au from 24m) (EDJAC164)
- 4m assay result of 13.5 g/t Au from 24m subsequently re-assayed at 309.4 & 638.8 g/t Au



Figure 3 – Coarse Gold Panned from EDJAC164 (27 – 28m)

Since receiving the initial results, one-metre samples have been analysed via screen fire assay. This methodology produces, a more representative sample where coarse gold is anticipated.

Screen fire assay results indicated mineralisation as follows³:

- 10m at 241.2 g/t Au from 27m (EDJAC164)
- Bonanza grades from 27 – 28m (2,303.53 g/t Au)

While still at an early stage of exploration, the use of screen fire assays has confirmed the initial four metre composite fire assays.

² See M3M announcement 7/06/2023 “High Grade Gold Intersection from Scout Drilling at Edjudina” for further details.

³ See M3M announcement 10/07/2023 “Spectacular gold mineralisation confirmed at Edjudina” for further details.

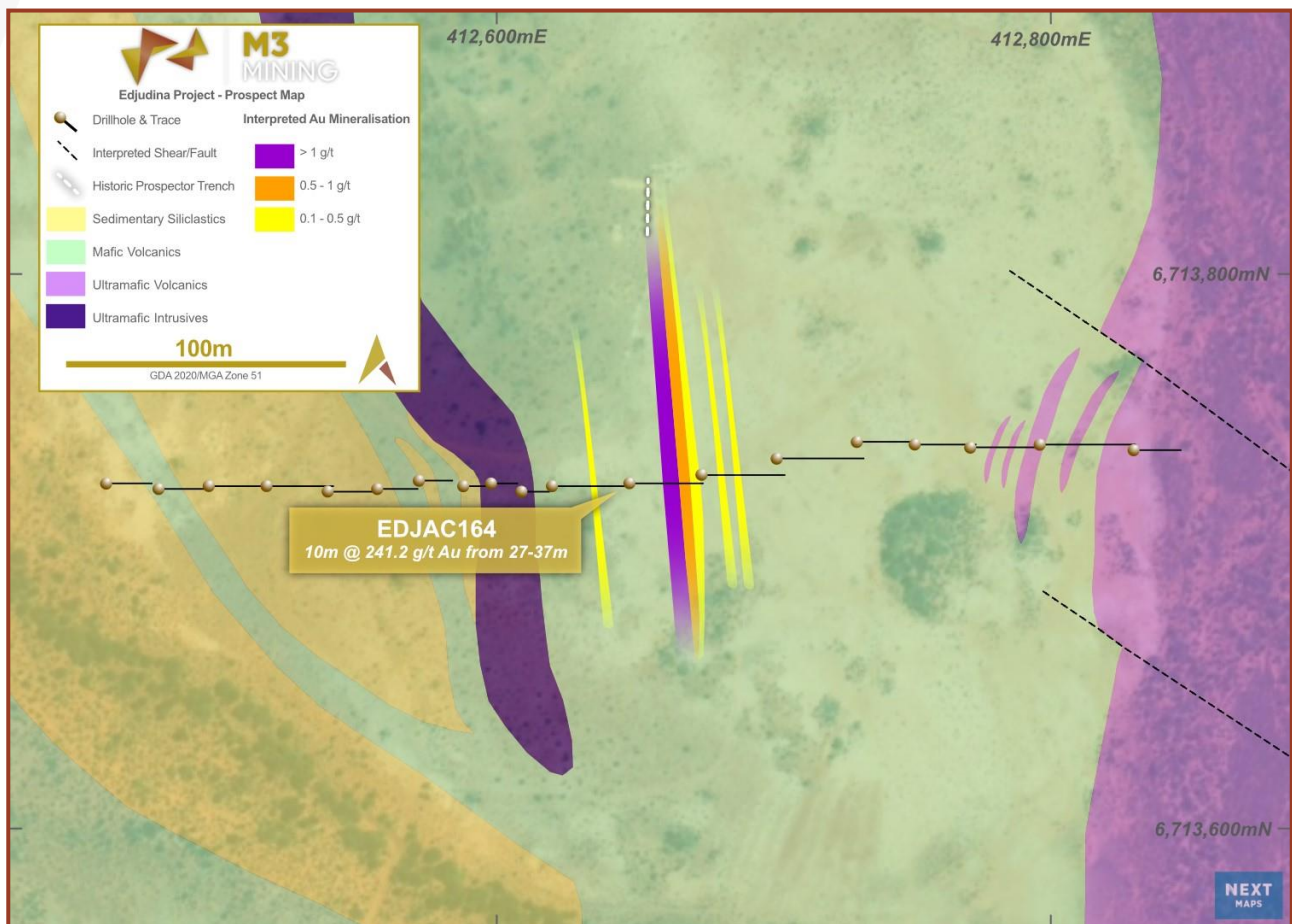


Figure 4 – Plan View of Drill line at The El Capitan Prospect

Locally, the El Capitan prospect is an area of significant quartz scree with a unique moderate-relief hill composed of weathered, weakly-sheared, carbonate-altered mafic / ultramafic outcrop. The area has been subject to historic prospector activities including trenching and surface scraping. A historic prospecting trench is present approximately 100m north of the gold intercepted in EDJAC164 (see Figure 4). At this early stage, the Company interprets this to represent the potential trend of mineralisation along the N to NNW fabric that can be seen regionally in historic aeromagnetic surveys.

Expedited Follow-up Drill Program

Within the quarter, M3 Mining completed the expedited AC drilling program at El Capitan. Drilling concluded on 30 June 2023. A total of 3,182 metres was drilled over 74 holes. The program was designed to test north and south extensions following the results from the initial scout drilling campaign as a precursor, and subject to results, to a reverse circulation drilling program to test the depth of the potential mineralisation.

DroneMag Survey

Subsequent to the end of the June quarter, M3 Mining undertook a DroneMag survey to provide the Company with a greater understanding of the local geology surrounding the El Capitan prospect. The survey covered six square kilometres and utilised tight line spacing of 25m to provide the Company with a detailed and thorough magnetic dataset of the area.

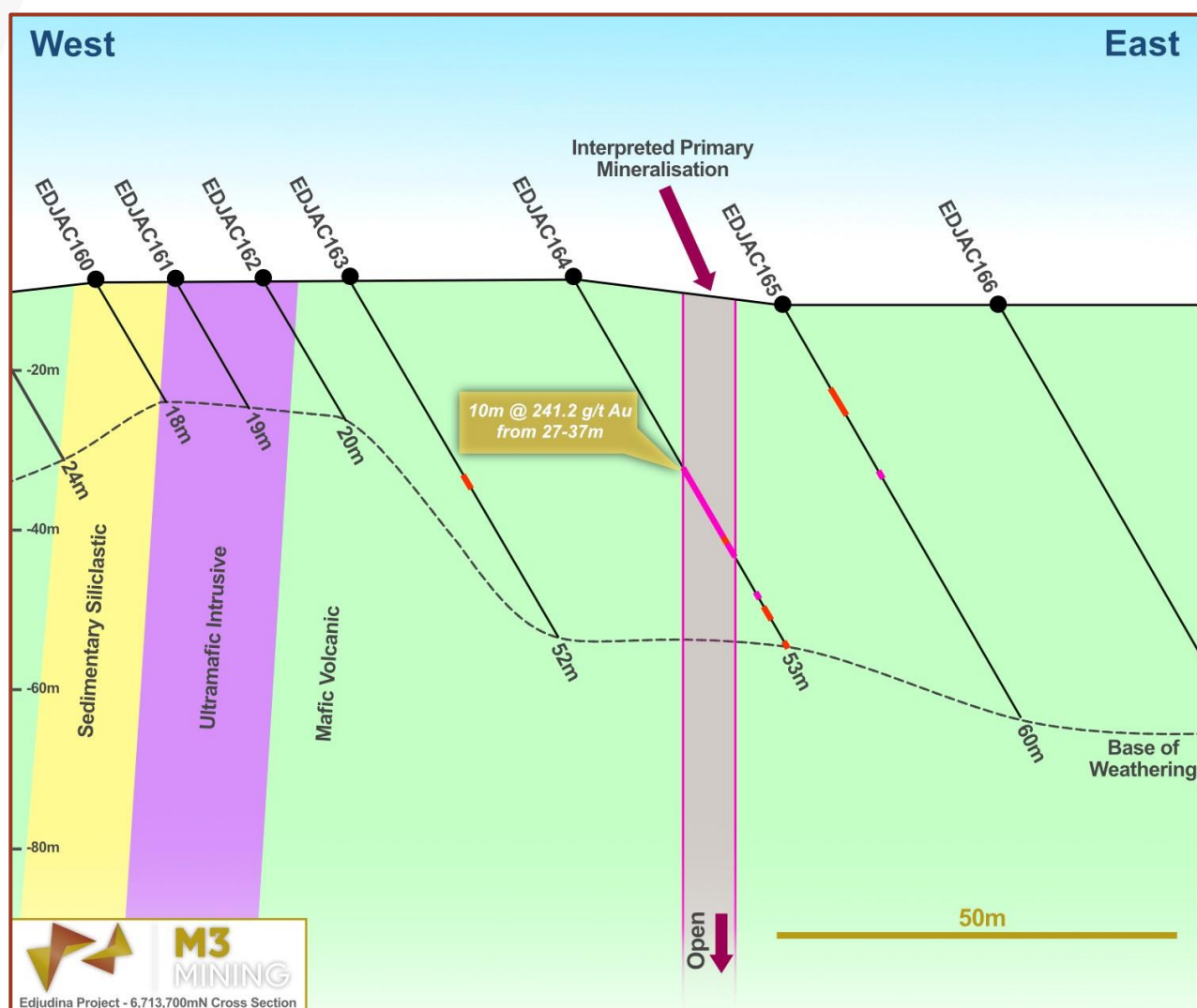


Figure 5– Cross Section of Mineralisation encountered in Drillhole EDJAC164

Next Steps

The Company awaits the receipt of assay results for the expedited AC program. As shown by the coarse gold panned from EDJAC164 (see Figure 3) and the screen fire assay results, the mineralisation at El Capitan exhibits a high nugget effect. As the Company advances El Capitan it will be exploring various alternative assay methodologies, such as Photon Assay. This method also uses a 500g charge which provides a more representative analysis than the standard 30g fire assay charge. The Company expects to receive these results prior to the end of August.

Further work will be undertaken by the M3 Mining technical team to better understand the mineralisation and geology present at the El Capitan prospect. This will include analysis of the results received from the recently completed AC drilling program as well as a detailed magnetic survey.

The DroneMag survey completed by Pegasus Airborne Systems (see Figure 1), and interpretation of the results is expected to be completed in August. The data will assist in planning follow-up drill programs in the area by identifying the correct structures to be targeted.

Victoria Bore Copper Project

The Victoria Bore Copper Project is centred on the historic Victoria Copper Mine which produced high grade copper averaging circa 32.7% Cu for 62.5t of copper from near surface in the 1950's⁴. The Victoria Bore Project is located approximately 120 km south of the town of Onslow and 130km southeast of Exmouth in Western Australia. The tenements lie adjacent to the Northwest Coastal Highway and are readily accessible (see Figure 6).



Figure 6 – Victoria Bore Copper Project Overview

⁴ See M3M announcement 27/07/2021 "Prospectus" for further details



Litho-structural Interpretation

A litho-structural interpretation of the Victoria Bore project area was completed in collaboration with PGN Geoscience using a combination of high resolution magnetic and radiometric data and previous mapping by GSWA (see Figure 7).

The identified rock types include Paleoproterozoic meta-sediments of the Wyloo Group, which contain the historical Victoria Copper Mine. This formation extends south-eastward, forming a limb that tapers off in the southeastern corner.

Wyloo meta-sediments are also present on the western side of the tenement. The majority of the Project's area is occupied by two distinct types of granitic batholiths which have been locally intruded by dolerite dykes.

Towards the south and east, there are Mesoproterozoic dolostones and siltstones from the Edmund Group which contains intrusive sills of the Narimbunna Dolerite.

The sediments within the project area have been subjected to multiple events of folding, faulting, and thrust faulting, resulting in a complex structural environment within the identified geology.

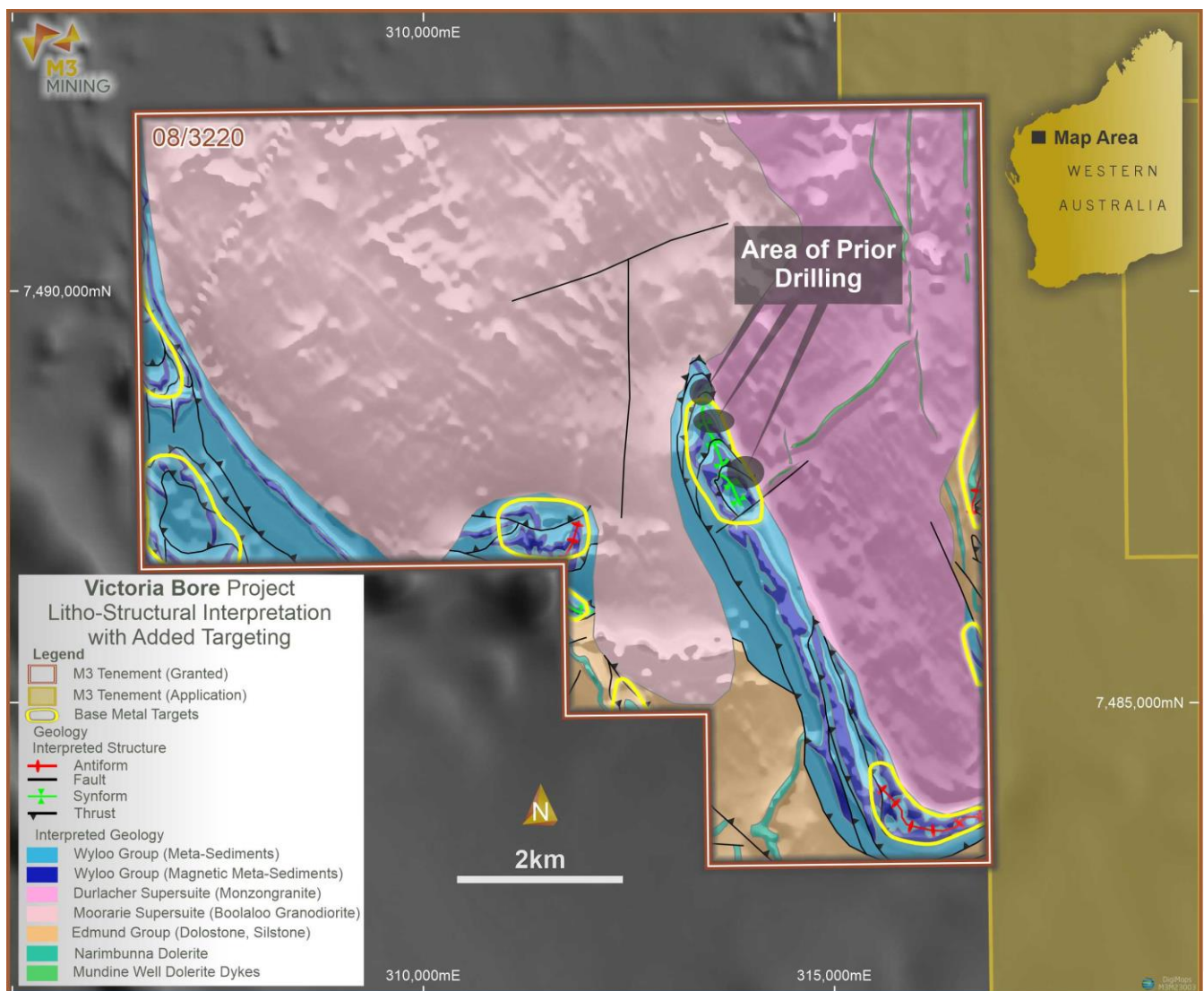


Figure 7 – Litho-Structural Interpretation of Victoria Bore with Base Metal Targets

Regional Targeting

Base metals potential at Victoria Bore is evident with reported copper, lead, zinc, silver anomalies found in Wyloo Group meta-sediments nearby, specifically in the Ashburton Formation. These occurrences, including historic mines, are situated adjacent to the east of the Company's tenure.

The Victoria Copper Mine along with recent drilling by M3 Mining is interpreted to also occur within the aforementioned Ashburton Formation. The litho-structural interpretation has highlighted 13 square kilometres of ground that is interpreted to be meta-sediments of the Wyloo Group. Areas within this geology that occur alongside major folding and/or thrust faulting is the subject for priority base metal targeting (see Figure 7).

To assess the mineralisation potential, the Company is currently planning soil geochemistry surveys to determine if the identified targets exhibit the required geochemical signatures indicative of underlying base metal mineralisation.

In addition to base metals, the highly folded sediments in Victoria Bore may offer potential for antiform-hosted orogenic gold. Specifically, deformed sediments in close proximity to the dolerite formations exhibit favourable conditions for gold mineralisation due to the combination of competency contrast and the presence of a geochemical front. Surface geochemistry surveys will also be utilised over priority areas to assess the projects potential for gold mineralisation.



Figure 8 – The Victoria Bore Copper Project



Corporate

Current cash as of 30 June 2023 was approximately \$2.8m. The Company remains well funded for its planned exploration activities into 2023.

M3 Mining is still strongly focused on acquisition opportunities in precious and base metals as well as energy sectors. During the June quarter, multiple projects in Australia and overseas have been assessed and the Company is in active discussions with several parties in this regard. These discussions remain incomplete, and no terms have been agreed however the Company will update the market as required.

M3 Mining participated in the ShareCafe Small Cap "Hidden Gems" Webinar that was held on 21 July 2023. Executive Director; Simon Eley provided an overview of the Company and its exploration activities and can be watched at the following link:

<https://www.sharecafe.com.au/2023/07/21/m3-mining-asxm3m-webinar-presentation/>

Mr Eley also spoke on the ASX Market Goss podcast which can be listened to here:

<https://open.spotify.com/episode/5evwrZbOGPXlsO6lxfqYR?si=vITEc-1xRwyVdABVHj32OA>

Financial

STATEMENT PURSUANT TO LISTING RULE 5.3.4

M3 Mining Limited provides the following additional information in accordance with Listing Rule 5.3.4.

Table 1 sets out a comparison of the use of funds to date compared to the Use of Funds Statement included in the Prospectus dated 26 May 2021. The Company was admitted to the Official List of ASX on 27 July 2021.

Use of Funds	Per Prospectus Dated 26 May 2021	Expenditure to date to 30 June 2023
	\$	\$
Exploration Activities	\$2,720,000	\$1,927,132
Salaries & Wages	\$-	\$414,395
Administration expenses and working capital	\$2,233,843	\$734,943

Table 1 – Use of Funds

The Company considers that there are no material variances with the use of funds table in the Prospectus and the expenditure of funds to date other than the use of consultants to complete technical work on both Projects. Most funds continue to be spent on exploration.

For the purpose of Section 6 of the Appendix 5B, all payments made to related parties have been paid in relation to director fees.



Tenement Schedule

Tenement	Project	District	Status	Date of Grant
E08/3220	Victoria Bore	Ashburton	Granted	4 June 2020
E08/3326	Victoria Bore	Ashburton	Pending	-
E08/3427	Victoria Bore	Ashburton	Pending	-
E08/3428	Victoria Bore	Ashburton	Pending	-
E08/3429	Victoria Bore	Ashburton	Pending	-
E08/3430	Victoria Bore	Ashburton	Pending	-
E08/3431	Victoria Bore	Ashburton	Pending	-
E08/3440	Victoria Bore	Ashburton	Pending	-
E 31/1140	Edjudina	Yerilla	Granted	11 July 2017
E 31/1141	Edjudina	Yerilla	Granted	11 July 2017
E 31/1168	Edjudina	Yerilla	Granted	5 July 2018
P 31/2113	Edjudina	Yerilla	Granted	21 December 2017
E 31/1249	Edjudina	Yerilla	Granted	6 May 2020
E 31/1258	Edjudina	Yerilla	Granted	26 June 2020
E 31/1265	Edjudina	Yerilla	Pending	-
E 31/1344	Edjudina	Yerilla	Pending	-
E 31/1345	Edjudina	Yerilla	Pending	-
P 31/2131	Edjudina	Yerilla	Granted	4 December 2020
E 31/1331	Edjudina	Yerilla	Pending	-
E 31/1321	Edjudina	Yerilla	Pending	-
E 31/1318	Edjudina	Yerilla	Pending	-
E 31/1363	Edjudina	Yerilla	Pending	-
E 31/1364	Edjudina	Yerilla	Pending	-
E 31/1365	Edjudina	Yerilla	Pending	-
E 31/1366	Edjudina	Yerilla	Pending	-
E 31/1367	Edjudina	Yerilla	Pending	-

Table 2 – M3 Mining Tenement Schedule

Announcement References

Date	Title
27 Jul 2021	Prospectus
3 Nov 2021	High Grade Copper at Victoria Bore and drilling commences
1 Dec 2021	High priority gold targets identified at Edjudina
10 Feb 2022	Copper Intercepted in maiden drilling campaign
5 Jul 2022	Robust drill targets identified at Edjudina gold project
27 Jul 2022	M3 Mining discovers strong EM conductor at Victoria Bore
28 Sep 2022	M3 Mining expands strategic footprint at Edjudina
12 Oct 2022	M3 Mining Victoria Bore Update
22 Nov 2022	Victoria Bore magnetic and radiometric survey data received
21 Dec 2022	Primary Gold Intercepted in Maiden Edjudina Aircore Program
20 Jan 2023	Victoria Bore Copper Project Exploration Update
17 May 2023	Regional Targets uncovered at Victoria Bore
7 Jun 2023	High Grade Gold Intersection from Scout Drilling at Edjudina
10 Jul 2023	Spectacular gold mineralisation confirmed at Edjudina
27 Jul 2023	DroneMag Survey Completed at El Capitan

Table 3 – ASX announcements referred to within report



-END-

This announcement has been authorised for issue by the Board of M3 Mining Limited in accordance with ASX Listing Rule 15.5.

Investors should refer to previously stated announcements for additional details on exploration results and associated competent person statement.

For further information please contact:

Simon Eley

Executive Director

M3 Mining Ltd

T +61 8 6243 6581

E info@m3mining.com.au

Media

David Tasker

Chapter One Advisors

T +61 433 112 936

E dtasker@chapteroneadvisors.com.au

About M3 Mining

M3 Mining Limited (ASX:M3M) is a Perth-based mineral exploration company focused on creating value for shareholders through exploration and development of a high-quality base metal and gold exploration portfolio. M3 Mining's projects are strategically located in regions surrounded by majors and has experienced minimal modern, systematic exploration across both projects. The Company's strategy is to apply a systematic approach to the assessment and prioritisation of its projects, all of which have the potential to produce material discoveries.



Appendix 5B

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

Name of entity

M3 MINING LIMITED

ABN

98 644 548 434

Quarter ended ("current quarter")

30 JUNE 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(298)	(1,226)
(b) development	-	-
(c) production	-	-
(d) staff costs	(121)	(308)
(e) administration and corporate costs	(57)	(327)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	24	63
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	(452)	(1,798)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(1)	(20)
(c) property, plant and equipment	(4)	(8)
(d) exploration & evaluation (capitalised)	-	-
(e) investments	-	-
(f) other non-current assets – security bond	(15)	(15)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(20)	(43)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,116
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	-	(5)
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	-	1,111

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,309	3,567
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(452)	(1,798)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(20)	(43)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,111





Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	2,837	2,837

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	337	809
5.2	Call deposits	2,500	2,500
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)	2,837	3,309

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	114
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>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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)	(452)
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)	(452)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,837
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,837
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.3
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.		
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?	
	Answer: N/A	
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?	
	Answer: N/A	
	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?	
	Answer: N/A	
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.

Date:31 JULY 2023.....

Authorised by: ...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.

