



Quarterly Report

for the Quarter ended **31 March 2022**

Armada Metals Limited (ACN 649 292 080) (ASX: **AMM**) (**Armada** or the **Company**) is pleased to provide a summary of activities for the Quarter ended 31 March 2022.

Over the Quarter, the Company commenced its Phase 1 diamond drilling program along the Libonga-Matchiti Trend (LMT) at the Nyanga Project (**Project**) in Gabon and announced the successful renewal of Permit G5-555 for an additional period of three years until February 2025.

HIGHLIGHTS

- A 3,000 metre (m) diamond drilling program is underway on Armada's highest priority targets.
- Drilling is scheduled to commence at the Company's highest priority target, Matchiti Central, in April.
- In February 2022, Armada received notice of the renewal of exploration permit G5-555 (see ASX Release dated 02.03.2022 – 'Renewal of permit G5-555'), which is valid for a further three years.
- Diamond drill holes LBNDD001 and LBNDD002 are in progress at the Libonga North target. LBNDD001 and LBNDD002 were designed to test electro-magnetic plates interpreted from the data acquired during the 2021 Xcite™ HTDEM survey.
- Renewal supports the district-scale potential of the Nyanga Project and regional programs over the additional 1,495km² will be planned for 2022.

Armada's Managing Director Dr Ross McGowan commented:

"After a tremendous effort by the teams to mobilise and commence drilling, it is exciting to see these first drill holes advancing on our high-priority Libonga North target. This Phase 1 diamond drilling program represents the first time that these nickel-copper targets, generated by Armada, have been drill tested. This is the culmination of a number of years of work by the Armada team, and any drill success in this first phase will have significant implications for resource discovery and the potential scale of the Nyanga Project. We look very forward to updating shareholders in the coming weeks and months with the Company's exploration progress."

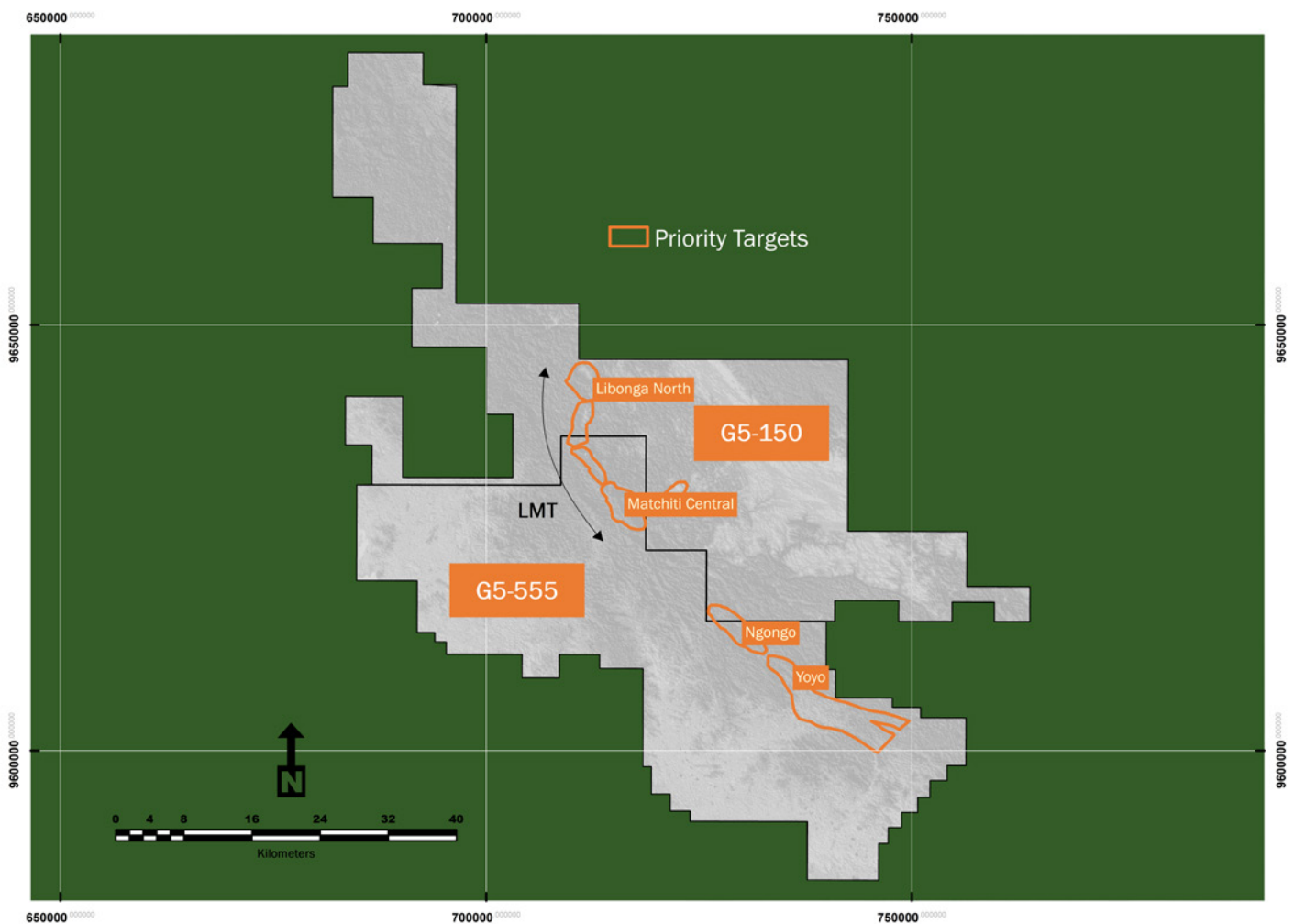


COMMENCEMENT OF DIAMOND DRILLING

During the quarter, diamond drilling commenced at the high priority Libonga North target (Figures 1 and 2). This represents the first drill holes to be tested on magmatic Ni-Cu sulphide targets in this region.

The renewal of permit G5-555 has allowed Matchiti Central, currently the highest ranked exploration target, situated at the southern end of the Libonga-Matchiti Trend, to be included in the Phase 1 drilling program. Modification to the operations program were required to achieve this during March.

Figure 1: Nyanga Project targets. Source: Armada.





LIBONGA NORTH

Diamond drillholes LBNDD001 and LBNDD002 commenced to test electro-magnetic plates X-LBN02 and X-LBN04 (respectively). These plates were interpreted from the data acquired during the 2021 Xcite™ (HTDEM) survey (along section LA1080) (Figures 2 and 3).

LBNDD001 crossed sulphidic meta-pelites from 50.90 m downhole before intersecting a 168 m thick mafic-ultramafic intrusion. The intrusion interfingers with the metasediments at the top (Figure 4).

LBNDD002 crossed sulphidic meta-pelites from 81.83 m downhole before intersecting a 37 m thick, mafic intrusion. The intrusion interfingers with biotite-rich basement lithologies at the end of the hole.

At the target depths in both holes, the modelled HTDEM conductors consisted of meta-pelites with disseminated and bedding-parallel sulphides (predominantly iron sulphide with minor visible copper sulphide in the form of chalcopyrite), with some locally graphite-rich zones (notably in LBNDD002).

Mafic-ultramafic rocks with trace disseminated and blebby iron and copper sulphides have been encountered in both holes. The drill holes will be logged and sampled in detail. Whole rock geochemistry will be used to interpret and define the different intrusion phases during the next quarter once the Libonga North program is completed..

Figure 2: Plan view displaying magnetic susceptibility inversion data (Figure 5) with Maxwell modelled Xcite™ HTDEM™ plates for the Libonga North and Libonga South targets. The locations of the two drill holes in progress (LBNDD001 and LBNDD002) are displayed. Refer to Appendix 1 for detailed modelled plate properties. Source: Armada.

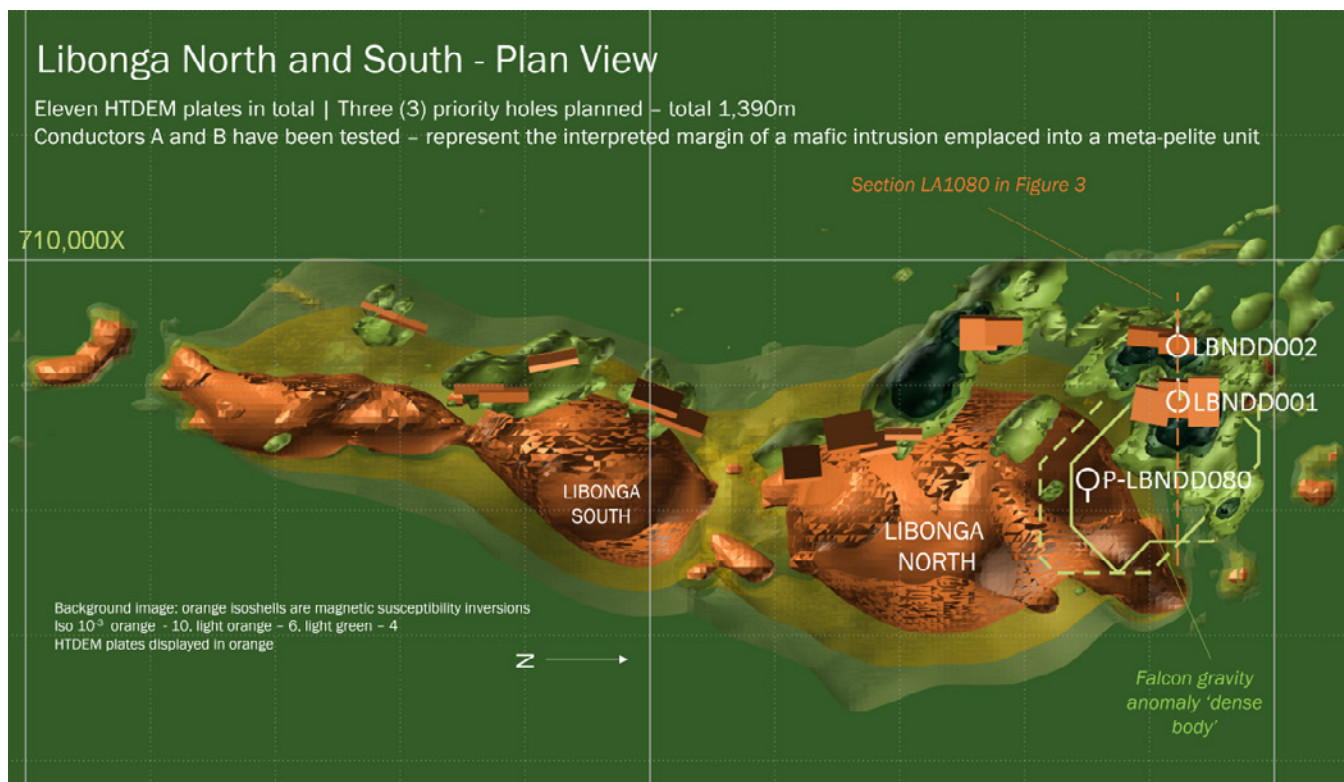
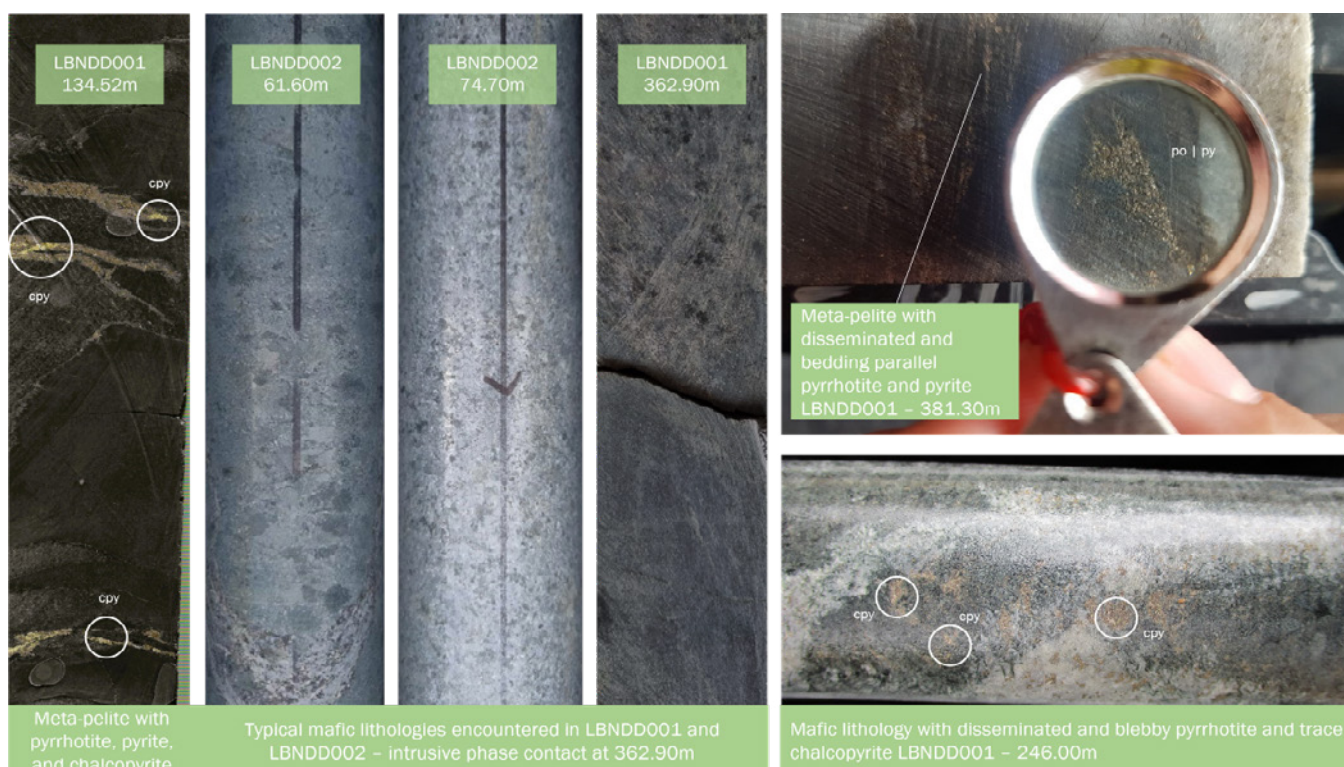




Figure 3: Section view displaying conductivity isoshells from Geoscience Australia (GA) layered earth volumes with Maxwell modelled Xcite™ HTDEM™ plates for the Libonga North target (see Figure 1 for location). The locations of the current drill holes are shown. Refer to Appendix 1 for detailed modelled plate properties. Source: Armada.



Figure 4: Typical lithologies encountered – Libonga North drilling program. Source: Armada.





Geological Model

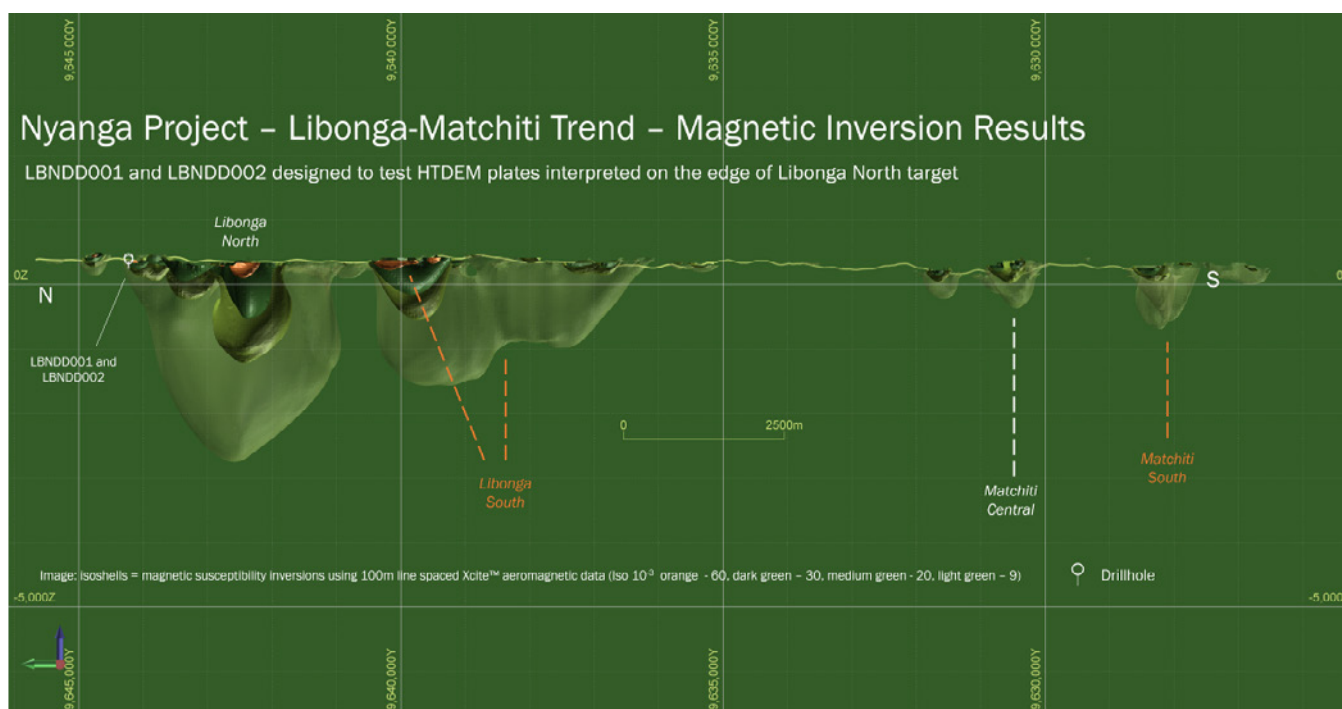
The understanding of the Libonga-Matchiti Trend (LMT) predictive model continues to evolve with new data and continues to be accurate as a predictive tool for targeting the intrusions. Geological, geophysical, and geochemical data sets are being combined with the gravity, magnetic and Xcite™ data to drive the 2022 diamond drilling program.

Geophysical Modelling

An inversion of regional 100m line spaced aeromagnetic data was performed by the Company's geophysical consultant to define a potential geometry of the intrusions along the Libonga-Matchiti Trend.

The Libonga North and South intrusions are modelled as a series of three irregular bodies with an interpreted gentle northerly plunge (Figure 5). The Matchiti intrusions can also be mapped as a series of three irregular bodies.

Figure 5: The Libonga-Matchiti Trend (LMT) magnetic inversion model (refer to Figure 1 for location). Source: Armada.



REGIONAL PROSPECTING PROGRAMS

The Company has been employing a systematic application of the technical knowledge gained on the Nyanga Project to date with the aim of advancing exploration targets. The Ngongo-Yoyo Trend ('NYT'), between 10 km and 30 km southeast of the Libonga-Matchiti Trend, has been identified as an area of interest ('NYT') (Figure 1).

A field crew was operating on the ground early in 2021 along the NYT which comprises an interpreted 25 km long mafic-ultramafic complex situated along a principal regional structure to the southeast of the LMT.

Geological mapping identified multiple bedrock exposures of mafic and ultramafic units over the two principal areas of interest. A total of 227 rock samples were collected.

With the renewal of exploration permit G5-555, these samples have been sent for whole rock analysis at ALS Chemex laboratory in Ireland. All assay results are pending.



PLANNED ACTIVITIES FOR Q2 2022

- Continuation of the drilling program at the Libonga North target. Follow up holes will be planned based on initial PXRF results and geological logging and interpretations. Lithogeochemical indicator work will be used to highlight prospective units within the interpreted intrusive body at Libonga North.
- Drilling is scheduled to commence at the high-priority Matchiti Central target in April. The targets and drill holes were selected based on a combination of geophysical modelling with geological interpretation of the intrusion and geochemistry results, in summary:
 - Targeting an interpreted basal contact at around 200–300 m depth.
 - Discrete EM targets have been prioritised over broader likely more stratigraphic anomalies.
 - Testing of bouguer anomalies interpreted by the Company's consultant geophysicist.
- Planning of regional work programs in permit G5-555 to advance the exploration pipeline.

G5-555 PERMIT RENEWAL

As announced on 2nd March 2022, Armada received notice of the renewal of exploration permit G5-555 in late February. The permit has been renewed for a period of three years until February 2025 and the total project area (both exploration permits G5-150 and G5-555) is 2,991km².

ENVIRONMENT

Armada organised a site visit with the Direction Générale de l'Environnement et de la Protection de la Nature ('DGEPN', a department of the Ministry of Water, Forests, Sea, Environment, Climate Change and Land Allocation). The representatives from the DGEPN visited Armada's planned drilling operations between the 6th and 10th January 2022 as part of the process to review the Company's environmental management plan and complete the approval of Armada's Notice d'Impact Environnemental et Social (environmental and social impact study) for the drilling program.

CORPORATE

The Company lodged its FY 2021 Financial Statements with ASX during March 2022.

FINANCIAL

- During the Quarter, \$892,000 was spent on exploration.
- Payments totalling approximately \$201,000 were paid to related parties, mainly being directors and consulting fees relating to exploration.

USE OF FUNDS

- As per ASX listing rule 5.3.4, the following is a summary of use of funds as a comparison between actual and the use of funds statement as detailed in the Company's prospectus:

	Prospectus	Dec-21	Mar-22	Total
Exploration	7,890,000	576,000	892,000	1,468,000
Working Capital	1,990,836	627,000	199,000	826,000
Expenses per offer	1,168,952	1,131,000	–	1,131,000
	11,049,788	2,334,000	1,091,000	3,425,000



ASX RELEASES

ASX releases referenced in this quarterly report include:

Release Date	Title
02/03/2022	Renewal of Permit G5-555
08/03/2022	Commencement of Diamond Drilling at The Nyanga Project in Gabon

TENEMENT SCHEDULE

In accordance with ASX Listing Rule 5.3., a listing of all tenement holdings is as follows:

Permit ¹	Location	Area (km ²)	Granted	Term	End date	Registered Holder	Interest
G5-150	Nyanga, Gabon	1,496	10 July 2019	3 years	09 July 2022	Armada Exploration Gabon Sarl	100%
G5-555	Nyanga, Gabon	1,495	14 February 2022	3 years	13 February 2025	Armada Exploration Gabon Sarl	100%

1. *Exploration permit translates from French 'Permis de Recherche Minière'*

- No permits were acquired (directly or beneficially) during the Quarter.
- Permit G5-555 was renewed during the Quarter.

EVENTS SUBSEQUENT TO QUARTER END

Armada Exploration Gabon SARL has received a positive outcome for the Notice d'Impact Environnemental et Social (translated as an environmental and social impact study for exploration programmes). The favourable opinion was signed by the Minister of Water, Forests, Sea, Environment, Climate Change and Land Allocation, Mr Lee J. T. White on 31 March 2022 and official notice received by the Company on the 9th April, 2022.

Both current drill holes (LBND001 and LBND002) were completed shortly after the reporting period (on 4th April) to down-hole depths of 409.30m and 407.70m respectively.

This Quarterly Activities Report and Appendix 5B were authorised by the Company's Board

For further information, please contact:

Dr Ross McGowan

Managing Director & CEO

Armada Metals Limited

ross@armadametals.com.au



BACKGROUND ON ARMADA

Armada was established to define new belt-scale discovery opportunities for key commodities (principally nickel and copper) in under-explored regions of Africa. Armada is exploring a multi-target project opportunity for magmatic Ni-Cu sulphides in the Nyanga area, southern Gabon. The Company is supported by a Board and Africa-based technical team both with a track record of successful African projects. Key members of the Armada targeting team were part of the team awarded the 2015 PDAC Thayer Lindsley Award for an International Mineral Discovery (as members of the Kamoa discovery team with Ivanhoe Mines).

COMPETENT PERSONS STATEMENT

The information in this report relates to mineral exploration results and exploration potential based on work compiled under the supervision of Mr Thomas Rogers, a Competent Person and a member of a Recognised Professional Organisation (ROPO). Mr Rogers is contracted to the Company as Technical Manager and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Rogers is a member of the South African Council for Natural Scientific Professions, a ROPO. Mr Rogers consents to the inclusion in this report of the information in the form and context in which it appears.

FORWARD-LOOKING STATEMENTS

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Armada Metals Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Armada Metals Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

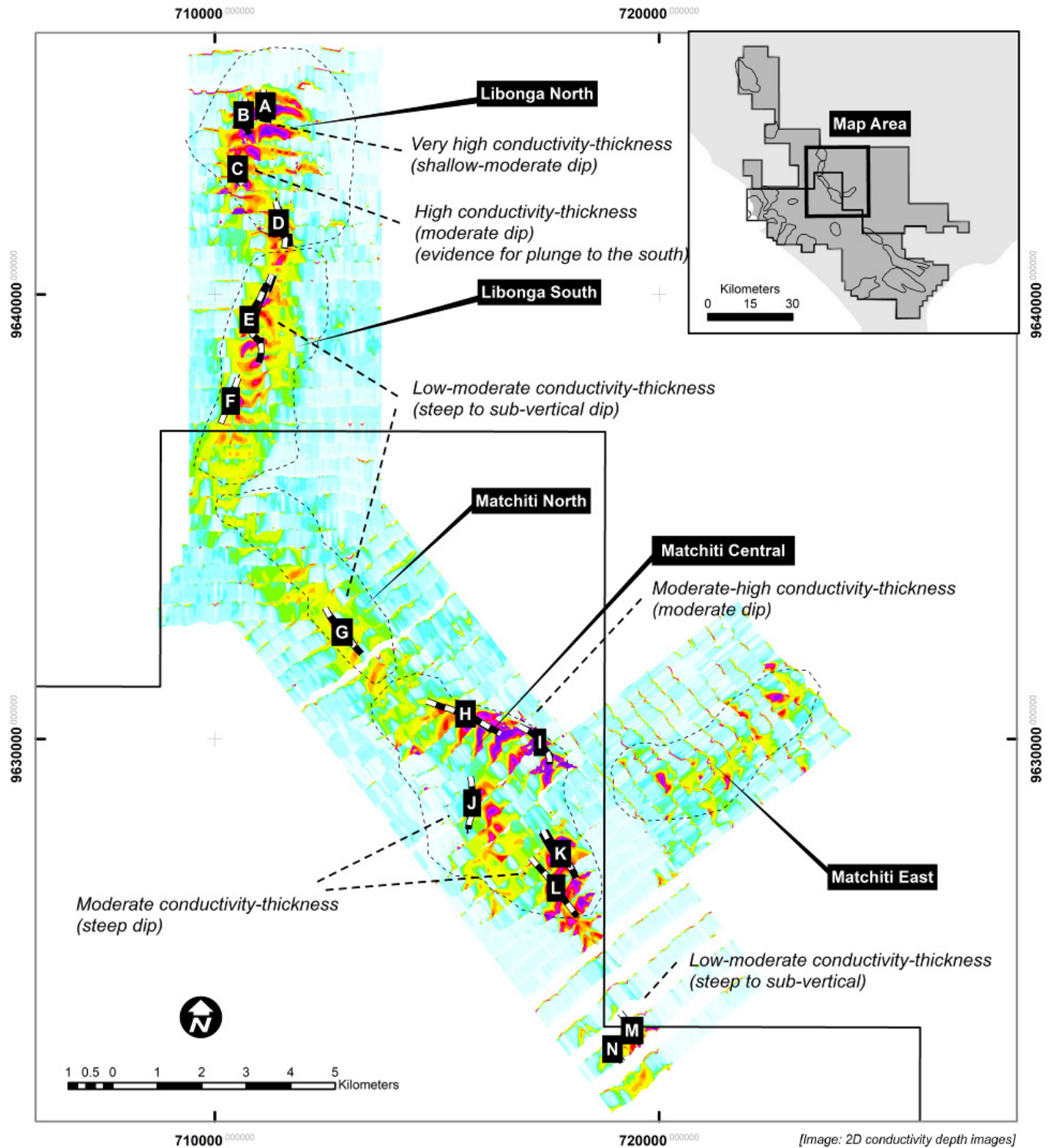


APPENDIX 1

2021 – XCITE™ HTDEM PLATE RESULTS								
Plate ID	Technical Rank (2021)	Conductance (s)	Length (m)	Depth From Surface (m)	Depth Extent (m)	Dip	Dip Direction	Modelled Conductor
X-LBN05	1	100	400	80-110	200	50	95.00	B
X-LBN04	1	100	300	80-110	200	50	90.00	B
X-LBN06	1	100	300	80-130	250	40	90.00	C
X-LBN01	1	85	250	80-130	450	30	90.00	A
X-LBN02	1	80	300	80-130	350	35	95.00	A
X-LBN03	1	80	300	80-130	300	25	100.00	A
X-LBS12	1	50	400	25-100	300	60	290.00	E
X-LBS13	1	50	400	25-100	400	65	290.00	E
X-MTC21	1	40	600	80-90	200	40	230.00	I
X-LBS14	1	35	400	25-100	250	70	260.00	E
X-LBS16	1	35	400	25-100	200	80	90.00	E
X-LBS15	1	30	400	25-100	200	65	90.00	E
X-LBN07	1	25	300	80-130	300	30	90.00	C
X-MTC20	2	35	800	40	350	60	212.50	H
X-MTC23	2	30	400	30-60	200	75	270.00	J
X-MTC24	2	25	600	10-30	400	50	60.00	K
X-MTC26	2	25	600	20	250	80	52.50	L
X-MTC22	2	25	600	30-60	150	70	272.50	J
X-MTC25	2	20	600	10-30	500	80	60.00	K
X-LBS18	3	40	300	30-40	200	90	290.00	F
X-LBS17	3	30	400	30-40	200	80	110.00	F
X-LBN08	3	25	300	80-140	200	75	270.00	D
X-LBN11	3	25	300	80-140	400	50	265.00	D
X-MTS27	3	20	400	100	400	60	235.00	M
X-LBN09	3	20	300	80-140	300	60	260.00	D
X-MTN19	3	15	800	60-70	450	70	232.50	G
X-MTS28	3	15	500	40	500	80	233.00	N
X-LBN10	3	10	400	80-140	350	40	260.00	D



HTDEM data processing displaying modelled conductors along the Libonga-Matchiti Trend (LMT).



Libonga-Matchiti Trend (LMT) - Xcite™ HTDEM + Magnetic Survey

- Modelled Conductor
- Exploration Target
- Modelled HTDEM Plate



PHASE 1 DRILLING PROGRAM HOLE COLLAR DETAILS								
Hole Id	Prospect	Type	Easting ¹	Northing ¹	RL ¹	Dip	Azimuth	Depth ²
LBND001	Libonga North	Diamond	711127	9644227	420	-80	270	409.30m
LBND002	Libonga North	Diamond	710685	9644226	391	-80	270	407.70m

¹ Handheld Garmin 64SX GPS co-ordinates

² Total depth as of 4th April 2022.

Appendix 5B

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

Name of entity

Armada Metals Limited

ABN

75 649 292 080

Quarter ended ("current quarter")

31 March 2022

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		
	(b) development		
	(c) production		
	(d) staff costs	(62)	(62)
	(e) administration and corporate costs	(137)	(137)
1.3	Dividends received (see note 3)		
1.4	Interest received		
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	(199)	(199)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation	(892)	(892)
	(e) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	(f) other non-current assets		
	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
2.3	(e) other non-current assets		
	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	(892)	(892)
2.5	Other relates to cash acquired when the company took control of Armada Exploration Limited on 11 October 2021		
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,854	8,854
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(199)	(199)

Appendix 5B

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
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(892)	(892)
4.4	Net cash from / (used in) financing activities (item 3.10 above)		
4.5	Effect of movement in exchange rates on cash held	(42)	(42)
4.6	Cash and cash equivalents at end of period	7,721	8,854

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	7,721	8,854
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)	7,721	8,854

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	105
6.2 Aggregate amount of payments to related parties and their associates included in item 2	96
<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>	
6.1 Includes payments of directors fees and fees paid to director related entity for investor relations	
6.2 Includes fees paid for exploration consulting services.	

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

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)	(199)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(892)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,091)
8.4 Cash and cash equivalents at quarter end (item 4.6)	7,721
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	7.721
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.08
<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?	
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	
<i>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.</i>	

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: ...29 April 2022.....

Authorised by: ...The Company's 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.