



Quarterly Report

for the Quarter ended **December 2022**

Armada Metals Limited (ACN 649 292 080) (ASX: AMM or *Armada* or the *Company*) is pleased to provide a summary of activities for the Quarter ended 31 December 2022, at the Nyanga Project in Gabon.

HIGHLIGHTS

- Armada continues to advance the district-scale Nyanga Ni-Cu Project with the launch, and completion, of the first ever Mobile Magnetotellurics ('MobileMT') survey on the African Continent.
- A total of 1,453-line kilometers (km) of survey were completed (Refer Figure 1 and Tables 1 to 3).
- The latest innovation in airborne electromagnetics, the MobileMT survey was completed along the Libonga-Matchiti Trend ('LMT') and the Ngongo-Yoyo Trend ('NYT') (Refer Figure 1), to rapidly test potential concealed portions of both trends.
- An additional target, Doumvou (Refer Figure 1), was also surveyed.

Armada's Managing Director & CEO Dr Ross McGowan commented:

"Armada's exploration efforts in Gabon continue to use the latest techniques and advanced technologies to deliver shareholders potentially game-changing technical possibilities at our district-scale Nyanga Project.

This is the first time that a proprietary, fully integrated Mobile MT survey has been conducted on the African Continent. The successful completion of this survey, which commenced on time and completed ahead of schedule, is testament to Armada's commitment to increasing our knowledge base, understanding and confidence in the regional geological framework at Nyanga. I would like to personally thank our technical and exploration teams on the ground for their tremendous efforts over the last quarter.

We look forward to receiving the final data products shortly which will validate that the technique is suitable for this kind of magmatic Ni-Cu exploration terrain. We will then also interrogate this new data to supplement our existing Ni-Cu targets with lookalikes along the NYT, and the parallel coastal magmatic Ni-Cu trend, where the Doumvou target sits. This work will drive the continuation of the ground NSAMT surveys in Q1-2023 to lock-in additional drill targets for the highly anticipated 2023 season".



Figure 1: Location of the completed MobileMT survey grids in relation to the Phase 1 LMT drilling program. The Doumvou coastal magmatic Ni-Cu target was included in the final program – December 2022.





Figure 2: Expert Geophysics Ltd towed bird acquiring MobileMT data in the survey along the Ngongo-Yoyo Trend – December 2022.





LMT MobileMT Survey

Expert Geophysics Ltd ('EGL') flew 10 lines (50km) of survey over the exact section lines as the ground NSAMT program (completed in Q4 2022) to use for a proof-of-concept study. In addition, 200m spaced lines were completed to provide full coverage of the LMT targets (Refer **Figure 1**).

Table 1: LMT Block – survey data acquisition specification.

Block Name	Area size km ²	Kms	Flight Line Direction	Flight Line spacing (m)	Tie line spacing (m)	Remarks
LMT	800	439.524	90°	200	2,000	Libonga zone
			90°	400	2,000	Matchiti Zone

NYT MobileMT Survey

A 400m line spacing was selected. Tie lines were positioned at 2,000m spaced intervals throughout the survey profiles (Refer **Figure 1**).

Table 2: NYT Block – survey data acquisition specification.

Block Name	Area size km ²	Kms	Flight Line Direction	Flight Line spacing (m)	Tie line spacing (m)	Remarks
NYT	1,395	817.376	52°	400	2,000	-

Doumvou MobileMT Survey

The Company elected to survey a third target after the commencement of the survey to provide data to define potential additional targets for future NSAMT surveys and drill testing in 2023. A 400m line spacing was selected for this block located on the Company's coastal magmatic Ni-Cu trend. Tie lines were positioned at 2,000m spaced intervals throughout the survey profiles (Refer **Figure 1**).

Table 3: Doumvou Block – survey data acquisition specification.

Block Name	Area size km ²	Kms	Flight Line Direction	Flight Line spacing (m)	Tie line spacing (m)	Remarks
Doumvou	~60	195.909	90°	400	2,000	Additional regional target tested



TECHNICAL DISCUSSION

The contract to fly the survey was awarded to **EGL** and Skyhorse Aviation (Pty) Ltd ('**SHA**'). The MobileMT system was deployed from Canada in November 2022. The survey was planned to assess the potential related to the southern Ngongo and Yoyo intrusions along the **NYT** and provide the ability to assess the deeper, or non-outcropping, parts of the **LMT** intrusion complex.

GeoFocus (Pty) Ltd ('**GF**') and Richard Hornsey Consulting Ltd ('**RHC**') have been retained by the Company to assist with the quality control, processing, and interpretation of the MobileMT data.

The MobileMT survey was undertaken to provide an optimal depth of investigation, and the direct detection of apparent conductive zones related to potential magmatic sulphide mineralisation.

- MobileMT is the latest innovation in airborne electromagnetics. The MobileMT technology utilises naturally occurring electromagnetic fields in the frequency range of 25 – 20,000 Hz. The signal/data processing algorithms have been developed from extensive experience within the **EGL** team. It essentially produces results and depths of investigation comparable to ground AMT methods.
- The survey system includes a high sensitivity optically pumped airborne magnetometer. Complimentary VLF data will provide near surface electro-magnetic information.
- The airborne survey system comprised the following instrumentation:
 - *MobileMT (Mobile MagnetoTellurics) towed bird with the 97 m long tow cable;*
 - *Geometrics G822A or Scintrex CB-3 Caesium magnetometer, installed in a separate towed bird (Refer **Figure 2**);*
 - *EGL PC-104 based data acquisition system;*
 - *EGL GPS navigation computer/pilot steering indicator; and*
 - *Smart micro model UMRR-OA radio altimeter, 0 – 500 m range.*

Base station and ground support instrumentation comprised:

- *MobileMT base station, four electric channels for four pairs of electrodes, with data logger;*
- *GEM Systems GSM-19 base station magnetometer with data logger; and*
- *A field data processing workstation and a full suite of software for the quality control and preliminary processing of the airborne geophysical data.*



PLANNED ACTIVITIES FOR Q1 2023

Ground based Natural Source Audio-Magnetotelluric ('**NSAMT**') geophysical survey grids, at the **LMT**, **NYT** and **Doumvou** target areas are planned for targeting of potential magmatic sulphide accumulations

Detailed analysis of the Phase 1 core, including the use of a PXRF to systemically analyse major and trace elements, for lithological and magmatic sulphide characterisation, will continue.

A geochronology (dating) study is planned for Q1 2023. This is to provide geological context to the intrusions at the magmatic Ni-Cu Nyanga Project.

CORPORATE

There were no material corporate events during or subsequent to the end of the quarter.

FINANCIAL

In accordance with ASX Listing Rule 5.3.5 and as noted in section 6.1 of the Appendix 5B, payments of \$97,000 were made during the quarter comprising \$84,000 for salaries and fees for the Company's executive and non-executive directors and payment of \$13,000 to a related party of a director for investor relations. In addition, as noted in section 6.2 of the Appendix 5B, an amount of \$67,000 was paid for exploration consulting services to a related party of a director. No other payments were made to any related parties of the entity or their associates.

A comparison of the Company's actual expenditure since admission to the Official List of ASX on 13 December 2021 to 31 December 2022 against estimated expenditure in the Use of Funds statement in the Prospectus is set out below in accordance with ASX Listing Rule 5.3.4. The table also shows the Company's expenditure for the prior quarter, as required by ASX Listing Rule 5.3.1.

USE OF FUNDS

Table 4: Use of Funds Table pursuant to ASX Listing Rules 5.3.1 and 5.3.4.

	Prospectus	Dec-21	Mar- 22	Jun- 22	Sep-22	Dec-22	Total
Exploration	7,890,000	576,000	892,000	1,267,000	2,041,000	879,000	5,655,000
Working Capital	1,990,836	627,000	199,000	311,000	372,000	329,000	1,838,000
Expenses per offer	1,168,952	1,131,000	-	11,000	-	-	1,142,000
	11,049,788	2,334,000	1,091,000	1,589,000	2,413,000	1,208,000	8,635,000



ASX RELEASES

Table 5: Summary of ASX Announcements released on the Armada Metals' ASX platform during and subsequent to the end of the December 2022 quarter.

Date	Price Sensitive	Conductance (s)
11 October	No	Application for Quotation of Securities (Release from escrow)
28 October	Yes	Quarterly Activities/Appendix 5B Cash Flow Report
31 October	No	Change of Registry Address
14 November	Yes	Exploration Update – New Drill Targets Identified
30 November	No	Commencement of Mobile MT Survey at the Nyanga Project
9 January	Yes	Renewal of Permit G5-150

TENEMENT SCHEDULE

In accordance with ASX Listing Rule 5.3.3, Armada Metals advises that it held licenses for the following tenements during the quarter. No tenements were acquired or disposed during the quarter, and no new farm-in or farm-out agreements were entered into during the quarter. Each of the tenements listed in the table below are 100% owned by the Company's wholly owned subsidiary, Armada Exploration Gabon SARL.

Table 6: Tenement Schedule pursuant to ASX Listing Rule 5.3.3.

Permit ¹	Area size km ²	Granted	Term	End date	Registered Holder	Interest
G5-150	1,230	29 November 2022	3 yrs	29 November 2025	Armada Exploration Gabon Sarl	100%
G5-555	1,495	14 February 2022	3 yrs	13 February 2025	Armada Exploration Gabon Sarl	100%

EVENTS SUBSEQUENT TO QUARTER END

The renewal of permit G5-150 was granted by his Excellency Elvis Ossindji, Minister of Mines and Geology in Gabon, on 29th November 2022 and received formally by the Company on 5th January 2023 (Refer ASX Announcement 9 January 2023). The permit has been renewed for a period of three (3) years until the end of November 2025. In addition, the permit has been reduced by 1497km² to 1230km², a reduction of 18%, on which the Company remain in discussion with the Ministry of Mines.

Commenting on the renewal in the announcement of 9 January 2023, Dr McGowan said:

"The recent renewal of permit G5-150 for an additional three years is a significant achievement for Armada as we seek to explore the entire length of the 25km-long and highly prospective strike of the Libonga-Matchiti Trend. Importantly, the renewal maintains the district-scale potential of the Nyanga Project, and we look forward to continuing advanced exploration over our highest priority targets within the renewed areas over the course of 2023."

The renewal represents further endorsement by the Government of Gabon and Ministry of Mines, and we look forward to their continued support."



This Quarterly Activities Report contains information reported in accordance with JORC 2012 in the following announcement released during the December quarter. Full details of the exploration results referred to herein including relevant JORC information can be accessed in the announcement released by the Company to the ASX on 14 November 2022. No mineral resources or reserves have been reported and no mining activity occurred during the quarter.

This Quarterly Activities Report and Appendix 5B were authorised on behalf of the Armada Metals Limited Board by: Dr Ross McGowan, Managing Director & CEO.

For further information, please contact:

Dr Ross McGowan
Managing Director & CEO

Armada Metals Limited
<mailto: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).

BACKGROUND ON RICHARD HORNSEY CONSULTING (PTY) LTD

Richard Hornsey Consulting (Pty) Ltd ('RHC') has been retained by the Company to support the Company's technical team and influence the exploration strategy.

Richard Hornsey Consulting (Pty) Ltd ('RHC') is an African-based consultancy that was established to provide specialist geological consulting services to the mineral exploration and resource sector. Richard Hornsey is the principal of RHC and is a globally recognised expert in Ni-sulphide and PGE exploration and mine development. Before RHC, Richard was engaged full time by MMG Ltd as the Ni Commodity Team Leader with a global exploration mandate. RHC have been retained by the Company to provide (but not limited to) the following: technical consulting in sulphide Ni and PGE metals exploration, geological field services, data compilation and three-dimensional interpretation, and on-site technical reviews and exploration staff mentoring.

BACKGROUND ON GEOFOCUS (PTY) LTD

Geofocus (Pty) Ltd ('GeoFocus') has been retained by the Company to support the Company's technical team and assist to drive the exploration strategy.

Geofocus is a South African based geophysical consultancy that was established to provide specialist geophysical consulting services to the mineral exploration sector. Gavin Selfe is one of the principals of Geofocus and is a well-known geophysical consultant in Africa, with 34 years' experience. Previously, Gavin headed his own private consultancy (GRS Consulting) later expanding with partners in 2016 to include ground and drone-based geophysical surveys in addition to consulting. Prior to that, Gavin worked for Anglo Gold, De Beers and Anglo-American Base Metals throughout Africa, for 15 years, and was Anglo's principal geophysicist for target generation in Africa at the time of leaving in 2003. Gavin has been retained by the Company to provide technical consulting in geophysics, and in particular, the 3D processing and interpretations of the recent NSAMT surveys, Xcite™ and Mobile MT heli-borne EM surveys.



BACKGROUND ON EXPERT GEOPHYSICS LIMITED

Expert Geophysics Limited (EGL) is a company specialising in airborne geophysical surveys worldwide with advanced electromagnetic systems. EGL offers the latest innovations in airborne electromagnetic technology to the mineral exploration, oil and gas and geothermal industries among others. The principals of the company have combined over 120 years of experience in the development and interpretation of helicopter borne electromagnetic systems, and since 2018 the company has contributed significantly to their many client's successes in the mineral exploration industry. EGL's flagship technology is the Mobile MagnetoTellurics (MobileMT) system which is the most advanced generation of airborne AFMAG technology. Utilising naturally occurring electromagnetic fields, the system combines the latest advances in electronics, airborne system design, and sophisticated signal processing techniques. This results in resistivity mapping to depths and resolutions unequalled in the airborne industry.

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.



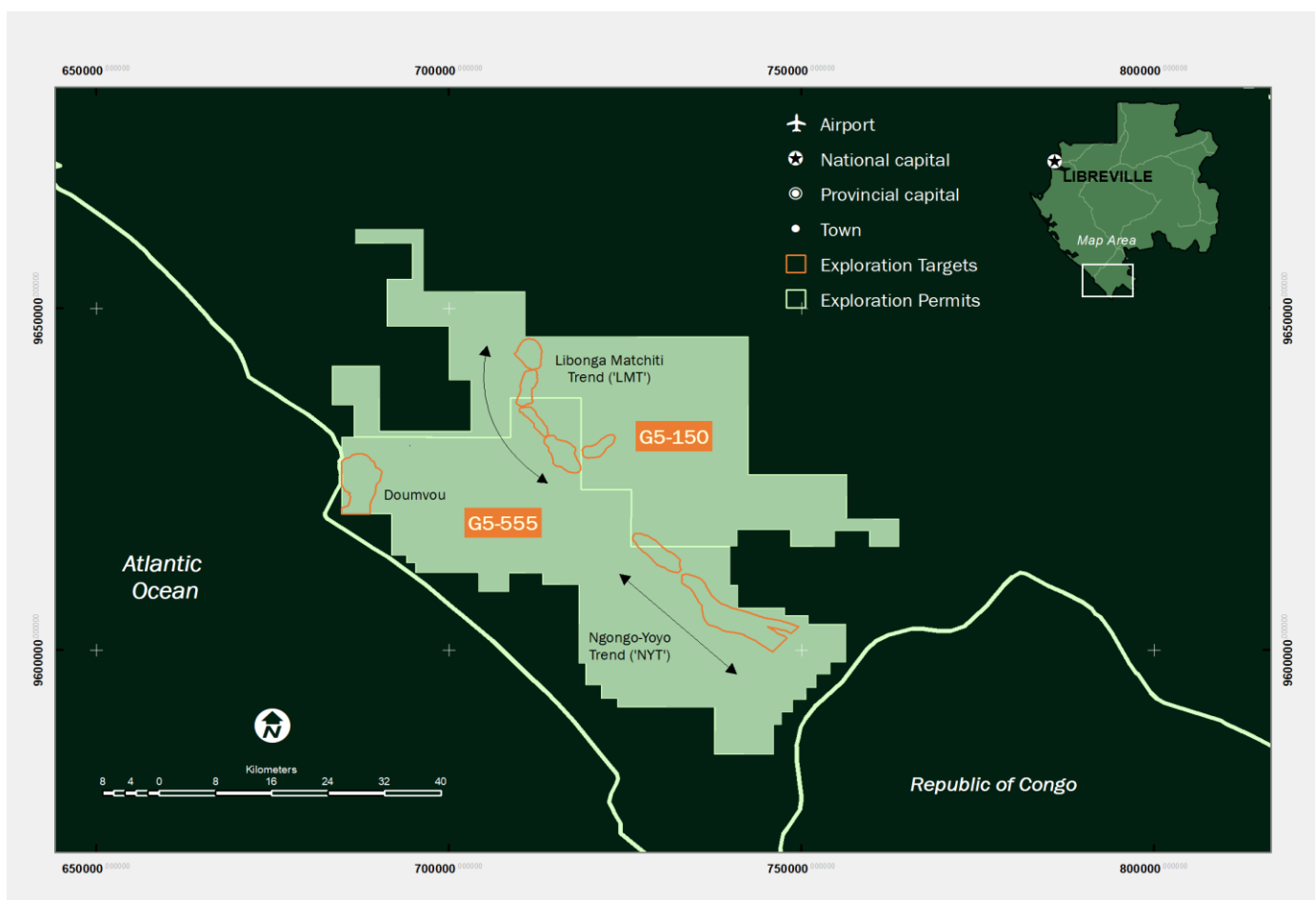
APPENDIX 1: THE NYANGA PROJECT BACKGROUND

The Company has developed a multi-target exploration pipeline. Advanced exploration has so far been focused on the 25km-long Libonga-Matchiti Trend ('LMT').

A number of targets are located along the 25km-long Libonga-Matchiti Trend ('LMT'). This trend is marked by anomalous copper and nickel in soils along gabbro to peridotite fractionation suite units outcropping at surface.

The Ngongo-Yoyo Trend ('NYT') extends for up to 40km from the LMT in a south-easterly direction.

The Doumvou target is one of six regional targets mapped along a structural corridor parallel to the coastline (Refer Company Prospectus).



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 December 2022

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		
	(b) development		
	(c) production		
	(d) staff costs	(129)	(384)
	(e) administration and corporate costs	(200)	(827)
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	(329)	(1,211)
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	(879)	(5,079)
	(e) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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)		36
2.6	Net cash from / (used in) investing activities	(879)	(5,043)
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		(11)
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	-	(11)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,031	8,854
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(329)	(1,211)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(879)	(5,043)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(11)
4.5	Effect of movement in exchange rates on cash held	(38)	196
4.6	Cash and cash equivalents at end of period	2,785	2,785

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	1,285	4,031
5.2	Call deposits	1,500	
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)	2,785	4,031

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	97
6.2	Aggregate amount of payments to related parties and their associates included in item 2	67
<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 totalling \$84K and \$13K for investor relations 6.2 Includes fees paid for exploration consulting services.		

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)	(329)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(879)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,208)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,785
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,785
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.31
<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: 31 January 2023

Authorised by: Dr Ross McGowan on behalf of the Armada Metals Limited 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.