



22 December 2021

## Strong Demand for Sorby Hills Lead-Silver Concentrate from Leading International Groups

Boab Metals Limited (ASX: **BML**) (“**Boab**” or the “**Company**”) is pleased to provide this update on its offtake tender process for Boab’s 75% share of the high quality Sorby Hills Lead-Silver concentrate. The balance 25% concentrate production belongs to Boab’s 25% contributing joint venture partner Henan Yuguang Gold & Lead Co. Ltd., one of China’s largest lead smelting and silver producers.

### HIGHLIGHTS

- **Strong Demand Confirmed for Sorby Hills Lead-Silver Concentrate from Leading Domestic and International Offtakers.**
- **Offtake Proposals received to date have offered attractive terms and confirmed the high quality of the Sorby Hills Lead-Silver concentrate.**
- **Shortlisting of proposals has occurred.**
- **Competitive offtake tender process for the Sorby Hills concentrate is on track for completion in Q1 2022.**

### Boab Managing Director and CEO, Mr Simon Noon stated:

*“We are strongly encouraged by the offtake proposals we have received from a host of international and domestic lead concentrate smelters and traders. The strength of responses demonstrates the depth of market demand for our Sorby Hills Lead-Silver concentrate, and gives us every confidence that we will conclude binding offtake on highly competitive terms.*

*We look forward to completing this process with our shortlisted offtake proponents in calendar Q1 2022.”*

#### Managing Director

Simon Noon

#### Company Secretary

Jerry Monzu

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## Offtake Update

Earlier this year, Boab conducted a series of preliminary soundings with a number of leading base metals smelters and traders. The purpose of the Preliminary Offtake Soundings was to build relationships between Boab and a range of Tier 1 offtake partners, to receive indicative offtake terms for the concentrate to be produced from Sorby Hills, and to garner feedback to inform the ongoing Sorby Hills Definitive Feasibility Study.

The preliminary soundings were extremely positive, demonstrating significant demand for the Sorby Hills Lead-Silver concentrate, which is of a quality that does not attract penalty element charges based on the detailed Pre-Feasibility Study (“**PFS**”) concentrate assay specification. Feedback from the preliminary soundings also provided useful insights for the ongoing DFS metallurgical program and Lead market dynamics more generally.

Following these preliminary soundings, Boab commenced a formal competitive tender process for Boab’s share of the Sorby Hills concentrate. Offtake Proposals received to date from leading international and domestic offtakers have offered attractive terms and have confirmed strong demand for the high quality Sorby Hills Lead-Silver concentrate. Proponents providing the strongest proposals have been shortlisted, and the tender process to award binding offtake of the Sorby Hills concentrate is on track for completion in Q1 2022.

The Company intends to provide a further update to the market on the conclusion of this process.

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The Board of Directors have authorised this announcement for release to the market.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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## About Boab Metals Limited

Boab Metals Limited (“**Boab**”, ASX: **BML**) is a Western Australian based exploration and development company with interests in Australia and South America. In Australia, the Company is currently focused on developing the Sorby Hills Lead-Silver-Zinc Joint Venture Project in WA. Boab owns a 75% interest in the Joint Venture with the remaining 25% (contributing) interest held by Henan Yuguang Gold & Lead Co. Ltd.

Sorby Hills is located 50km from the regional centre of Kununurra in the East Kimberley and has existing sealed roads to transport concentrate from site to the facilities at Wyndham Port, a distance of 150km. Established infrastructure and existing permitting allows for fast-track production.

The Sorby Hills PFS detailed a high-value, low-risk operation processing 1.5Mtpa from four open pit deposits producing an average 81,000 dry metric tonnes of concentrate per annum containing 50kt of Lead and 1.5Moz of Silver.

Concentrate produced from Sorby Hills is planned to be exported via the Port of Wyndham (~150km by existing sealed road from site) and forecast to generate nearly A\$2 billion in sales over an initial 10 year mine-life (ASX release 25 August 2020).

Following the results of the Phase V drilling program, Boab recently announced an expanded and increased-confidence Total Resource of 47.3Mt at 4.1% Pb Eq (3.1% Pb, 35g/t Ag) and 0.4% Zn (ASX release 17 December 2021).

## Compliance Statements

Information included in this announcement relating to Mineral Resources, Ore Reserves, Production Targets and Financial Forecasts has been extracted from the Mineral Resource Estimate dated 2 June 2020, the Pre-Feasibility Report and Ore Reserve Statement dated 25 August 2020, DFS Metallurgical Results dated 19 November 2021, and updated Mineral Resource Estimate dated 17 December 2021, all available to view at [www.boabmetals.com.au](http://www.boabmetals.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in either the Mineral Resource Estimate or the Ore Reserve Statement and that all material assumptions and technical parameters underpinning the estimates, production targets and financial forecasts continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the Mineral Resource Estimate or the Ore Reserves Statement.