

14 April 2022

Quarterly Activities and Cashflow Report for the period ending 31 March 2022

Boab Metals Limited (ASX: **BML**) ("**Boab**" or "**Company**") is pleased to provide the following activity and cashflow report for the quarter ending 31 March 2022. During the quarter, the Company made significant progress toward reaching a Decision to Mine at its 75% owned Sorby Hills Lead-Silver-Zinc Project ("**SorbyHills**" or "**the Project**"), located in the Kimberley Region of Western Australia.

HIGHLIGHTS

- Port Access Agreement executed with Cambridge Gulf Limited securing access and stevedoring services at the Port of Wyndham, the only deep-water port between Broome and Darwin. The agreement extends to 2034 with an option to rollover thereafter.
- New high grade drilling results at the Beta Deposit support its inclusion in the Sorby Hills Definitive Feasibility Study ("DFS") mining inventory.
- Exceptional drilling results at Beta Deposit included:
 - SHRC_123: 27m @ 3.47% Pb & 37g/t Ag from 34m; and
 - SHRC_124: 17m @ 3.51% Pb & 46g/t Ag from 49m.
- Assays confirm elevated silver grades with metre intervals recording up to 360g/t Silver.
- The Sorby Hills DFS on track for conclusion Q2 2022. Mine designs have been finalised and final EPC tenders are expected to be received from a suite of experienced engineering firms during the upcoming quarter.
- **Negotiations with offtakers have reached an advanced stage.** Binding Offtake Agreements will be finalised after the release of the DFS to provide Boab the opportunity to fully evaluate the offtake terms, including financing offers, in light of the DFS results.
- The Company has a cash balance of A\$7.5M as at 31 March 2022 and is well funded to continue progressing Sorby Hills to a Final Investment Decision ("FID").

Boab Managing Director and CEO, Simon Noon, stated: "Momentum is building as we near completion of the Sorby Hills DFS. We have a busy quarter ahead of us and we look forward to providing significant Project execution updates to the market as we progress towards a Decision to Mine."

Managing Director Simon Noon Company Secretary Jerry Monzu **Directors** Gary Comb (Chairman) Richard Monti Andrew Parker **Registered Office** 4 Clive Street West Perth, WA 6005, Australia Telephone +61 8 6268 0449 ASX Code BML ABN 43 107 159 713

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Port Access Agreement

During the period Boab announced that it had executed an agreement with Cambridge Gulf Limited ("**Cambridge Gulf**") with respect to access and stevedoring services at Wyndham Port, the port through which concentrates produced at the Sorby Hills will be stored, loaded and shipped to customers. The Agreement extends to April 2034, with an automatic rollover each 12-month period thereafter.

Obligations of either party under the agreement are subject to customary conditions precedent including the obtainment of any outstanding environmental approvals, consents, permits or other authorisations required by any government body, department or authority. The Company and Cambridge Gulf are working closely with each other and the relevant stakeholders to finalise these workstreams.

Wyndham Port is located 150 km by existing sealed road from Sorby Hills (Figure 1) and is the only deepwater port between Broome and Darwin. The facility is a vital link within Northern Australia's primary and secondary industries' supply chains. The Port is designed for the export of metal concentrates.

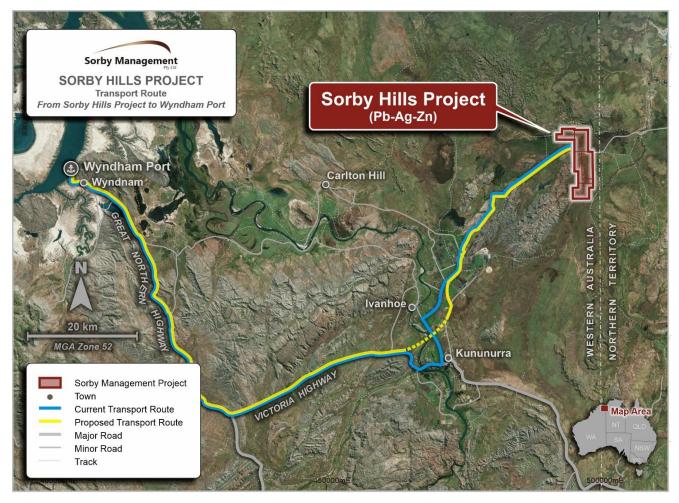


Figure 1: Location of Wyndham Port with respect to the Sorby Hills Project.

Drilling Results at the Beta Deposit

The Beta Deposit was drill tested for the first time by Boab Metals during the Phase V diamond and RC drilling campaign undertaken in 2021. Dominated by galena mineralisation together with very high-grade silver, the mineralisation at Beta is located within sedimentary breccia filled channels in carbonate rocks ("Upper Formation") in the hanging wall of the Knox Siltstone (Figure 2).

Exceptional drilling results at Beta Deposit included:

- SHRC_123: 27m @ 3.47% Pb & 37g/t Ag from 34m;
 - Including 3m @ 7.04% Pb & 95g/t Ag from 35m;
 - o 5m @ 5.60% Pb & 44g/t Ag from 45m; and
 - o 6m @ 4.50% Pb & 49g/t Ag from 55m.
- SHRC_124: 17m @ 3.51% Pb & 46g/t Ag from 49m
 - Including 8m @ 6.93% Pb & 90g/t Ag from 57m.

The results conform with the interpreted mineralisation geometry and confirm the elevated silver grades with some metre intervals recording up to 360g/t silver (SHRC_124 from 57m).

The drilling conducted by Boab in 2021 and the high-grade assay results support the inclusion of the Beta deposit in the Sorby Hills DFS mining inventory.

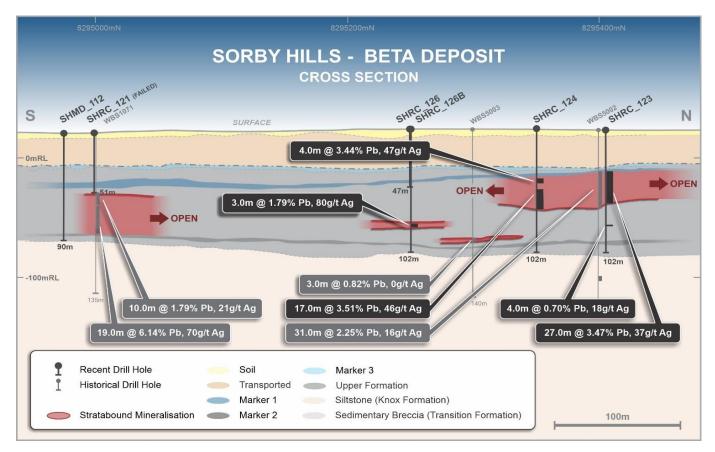


Figure 2 - Cross section through the Beta Deposit.

Sorby Hills Definitive Feasibility Study Update

The Sorby Hills DFS is on track for conclusion in the upcoming quarter.

- Results from the Phase V diamond drilling campaign undertaken in 2021 have been incorporated into an expanded Sorby Hills Mineral Resource Estimate (ASX Announcement 17 December 2021).
- The updated Mineral Resource has underpinned updated mine designs and schedules that have been completed by Entech Mining. The designs and schedules have formed the basis for quotations provided by a range of mining contractors.
- DFS metallurgical testwork has been completed (ASX Announcement 19 November 2021). Flotation recoveries have been derived for each deposit and ore-type and primary grind size, reagent regimes and residence times have been optimised for the purpose of defining the Sorby Hills Process Plant design criteria.
- Process design criteria and preliminary process plant design work have formed the basis for an EPC tender process. Final submissions are expected to be received from a suite of experienced engineering firms during the upcoming quarter and will be used as input to the DFS.

Update on the Offtake Tender Process

Interest in the Sorby Hills concentrate has been strong and Boab has received offtake offers that, in total, far exceed the planned production capacity. Negotiations with a selected range of international traders and domestic and international smelters have now advanced to the point where detailed offtake terms sheets, including associated debt financing facilities, are being considered and finalised.

The Company has determined that a final decision concerning the placement of production under offtake will closely follow the release of the Sorby Hills DFS. This timing will provide Boab the opportunity to evaluate the offtake terms with the benefit of the DFS results and consider how the proposed offtake debt facilities may sit alongside potential debt facilities from Northern Australian Infrastructure Facility and commercial banks.

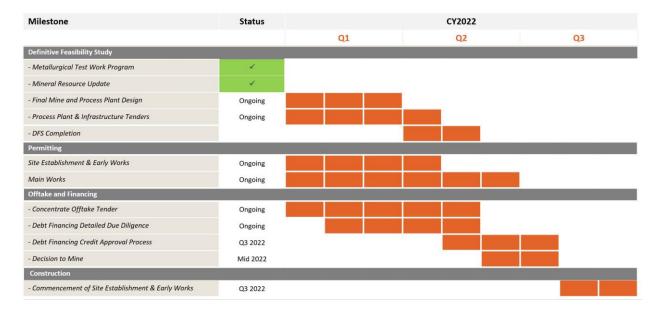
Next Steps - Project Development Timeline

Over the upcoming quarter, the Company anticipates completing the following milestones:

- Completion of the Sorby Hills DFS;
- Execute Binding Offtake for Boab's share of the Sorby Hills Lead-Silver Concentrate;
- Receive Approvals to commence Site Establishment Works;
- Select a Preferred Tenderer for the Process Plant EPC Contract; and
- Complete financier due diligence workstreams.

Boab is targeting reaching a Decision to Mine in late Q2 / early Q3 2022.

Table 1: Development Timeline



Financial and Corporate Overview

The consolidated cash balance of the Company as at 31 March 2022 was A\$7.5 million. During the period, the Company paid \$80k to related parties. These payments were made to Directors of Boab Metals Limited in relation to salaries and directors' fees, on normal commercial terms.

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

FOR FURTHER INFORMATION, PLEASE CONTACT:

Simon Noon Managing Director & CEO

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Email: info@BoabMetals.com

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.

Compliance Statements

Information included in this announcement relating to Exploration Results has been extracted from the ASX Announcements titled "High Grade Lead Silver confirmed at Beta Deposit" dated 1 February 2022 and available to view at 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 the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

APPENDIX 1

INTERESTS IN TENEMENTS

Farm-In Agreements/ Projects/Tenements	Location	Held at Start of Quarter	Held at End of Quarter
Sorby Hills Project			
M80/196		75%	75%
M80/197		75%	75%
M80/285	WA,	75%	75%
M80/286	Australia	75%	75%
M80/287		75%	75%
E80/5317		100%	100%
Borroloola West Project			
EL31354		100%	100%
EL26938		51%	51%
EL26939	NT,	51%	51%
EL28508	Australia	51%	51%
EL28658		51%	51%
EL30305		51%	51%
MLN624		51%	51%
Manbarrum Project			
EL24395	NT,	100%	100%
MA24518	Australia	100%	100%
MA26581	Australia	100%	100%
Urrao Project			
2791	Colombia	100%	100%

APPENDIX 5B

Mining Exploration Entity or Oil and Gas Exploration Entity

Quarterly Cash Flow Report

BOAB METALS LIMITED			
ABN		Quarter ended ("	current quarter")
43 10	7 159 713	March 2022	
	Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1	Cash flows from operating activities	<i>Ç</i> , L C C C	<i>ţ</i> it ööö
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(538)	(4,095)
	(b) development	-	
	(c) production	-	
	(d) staff costs	(206)	(771)
	(e) administration and corporate costs	(250)	(846)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	16
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	
1.7	Government grants and tax incentives	-	
	Other		
	Recharge of staff costs and other administration	59	256
	costs to the Sorby JV		
1.8	·		
	Stamp Duty Paid	-	(24)
	Bank Refund (Remediation Campaign)	-	18
1.9	Net cash from / (used in) operating activities	(932)	(5,446)
2	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	
	(b) tenements	-	
	(c) property, plant and equipment	-	(6
	(d) exploration & evaluation (if	-	
	(a) invoctments		
	(e) investments	-	
	(f) other non-current assets	-	
2.2	(f) other non-current assets Proceeds from the disposal of:	-	
2.2	 (f) other non-current assets Proceeds from the disposal of: (a) entities 	-	
2.2	(f)other non-current assetsProceeds from the disposal of:(a)entities(b)tenements	-	· · · · · · · · · · · · · · · · · · ·
2.2	(f)other non-current assetsProceeds from the disposal of:(a)entities(b)tenements(c)property, plant and equipment	-	· · ·
2.2	 (f) other non-current assets Proceeds from the disposal of: (a) entities (b) tenements (c) property, plant and equipment (d) investments 	- - - -	
	(f)other non-current assetsProceeds from the disposal of:(a)entities(b)tenements(c)property, plant and equipment(d)investments(e)other non-current assets	- - - - -	-
2.3	(f)other non-current assetsProceeds from the disposal of:(a)(b)tenements(c)property, plant and equipment(d)investments(e)other non-current assetsCash flows from loans to other entities		- - - - - - -
	 (f) other non-current assets Proceeds from the disposal of: (a) entities (b) tenements (c) property, plant and equipment (d) investments (e) other non-current assets 		-



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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	-	-
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	-	-
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		
4.1	Cash and cash equivalents at beginning of	8,432	12,952
4.2	Net cash from / (used in) operating activities	(932)	(5,446)
4.3	Net cash from / (used in) investing activities	-	(6)
4.4	Net cash from / (used in) financing activities	-	-
4.5	Effect of movement in exchange rates on cash	-	-
4.6	Cash and cash equivalents at end of period	7,500	7,500

	Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
5	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1	Bank balances	7,411	8,343
5.2	Call deposits	89	89
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)	7,500	8,432

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	80*	
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-	
report	if any amounts are shown in items 6.1 or 6.2, your qu must include a description of, and an explanation for	r, such payments.	
*(Sala	ries and Director fees paid on normal commercial ter	ms.)	



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Financing facilities	Total facility amount at quarter end	Amount drawn at quarter end
Note: the term "facility' includes all forms of financing arrangements available to the entity.	\$A'000	\$A'000
Add notes as necessary for an understanding of the sources of finance available to the entity.		
Loan facilities	-	-
Credit standby arrangements	-	-
Other (please specify)	-	
Total financing facilities	-	-
Unused financing facilities available at quarter en	nd	-
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.		
-	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. Loan facilities Credit standby arrangements Other (please specify) Total financing facilities Unused financing facilities available at quarter en Include in the box below a description of each facilities have been entered into or are proposed to the proposed to the second sec	Financing facilities amount at quarter end Note: the term "facility' includes all forms of financing arrangements available to the entity. \$A'000 Add notes as necessary for an understanding of the sources of finance available to the entity. - Loan facilities - Credit standby arrangements - Other (please specify) - Total financing facilities - Unused financing facilities available at quarter end - Include in the box below a description of each facility above, including rate, maturity date and whether it is secured or unsecured. If any addit facilities have been entered into or are proposed to be entered into af

8	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(932)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(932)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	7,500
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	7,500
8.7	Estimated quarters of funding available (Item 8.6 divided by	8.05
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the	
	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	

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.

Sign here:

Jerry Monzu (Company Secretary)

Date: 14 April 2022

Authorised for release by the Board of Directors of Boab Metals Limited

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 e.g. 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.