

30 January 2023

ASX: EMC

Directors

Mark Caruso
Robert Downey
David Argyle
Kim Wainwright

Capital Structure

106.4 million shares
5.9 million listed options
3.1 million unlisted options
10.2 million performance rights

Projects

Mt Edon (WA)*
Revere (WA)*
Ninghan (WA)
Rover (WA)
Mt Dimer (WA)
Yarbu (WA)
Midas (NSW)
Perseus (NSW)
Trident (NSW)

**Subject to shareholder approval*

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QUARTERLY ACTIVITIES REPORT

For the quarter ending 31 December 2022

Everest Emerges for the Climb

Highlights

- **Rio Tinto Exploration exercises farm-in option at the Company's North Rover Project to conduct a focused initial drill program to test the interpreted lithium pegmatite targets**
- **EMC exercises farm-in option to acquire the right to earn a 100% interest in the Mt Edon Project 5km from Paynes Find WA, expanding its battery materials strategy**
- **Mt Edon results from rock chip sampling indicated a highly fertile pegmatite for rare elements such as tantalum, lithium and caesium**
- **Appointment of highly experienced Chief Geologist Mr Bahman Rashidi who has 24 years industry experience in both Australia and internationally**
- **Shareholder approval obtained for 50:1 share capital consolidation**
- **Company name changed to Everest Metals Corporation Limited (ASX Ticker EMC)**
- **Cash position of \$3.1M at 31 December 2022**

Commenting on the December Quarter, Executive Chairman & CEO Mark Caruso said:

"The December 2022 quarter will be looked back on as the quarter that the platform was formed for the future growth of Everest Metals Corporation. The company now operates within a tight corporate structure and is fully funded for its near term operations."

We are very excited for the company's prospects through 2023 and I'd like to take the opportunity thank the board, management, and key personnel for their hard work through the quarter."

Everest Metals Corporation Limited (ASX: EMC) ("**EMC**" or "**the Company**") is pleased to provide the following review of activities for the quarter ended 31 December 2022. A summary of the key operational and corporate developments reported during the quarter is provided in the below report.

EXPLORATION – Western Australia

Mt Edon Project

Mt Edon mining lease (M59/704) is located 5km southwest of Paynes Find and covers the southern portion of the Paynes Find greenstone belt in the southern Murchison, and hosts an extensive swarm of pegmatites, highly prospective for Lithium, Caesium, Tantalum, Rubidium and Rare Earth Elements mineralisation.

EMC acquired an option to farm-in to acquire the right to earn a 100% interest in the project¹. EMC has funded a due diligence work program including a 507m reconnaissance RC drilling program to determine whether to proceed with the farm-in. The drilling was conducted from 8 drilling fence lines and included 24 shallow holes with an average depth of 21m. Interpretation of results from the recent drilling program has confirmed the pegmatite samples are anomalous in terms of rare metals by a median factor of around 14 times higher than background host rock and suggest that there are several prospective targets for lithium-bearing pegmatites within the Project area. Pegmatites appear to be a folded sill dipping into variable directions and angles and connected at depth.

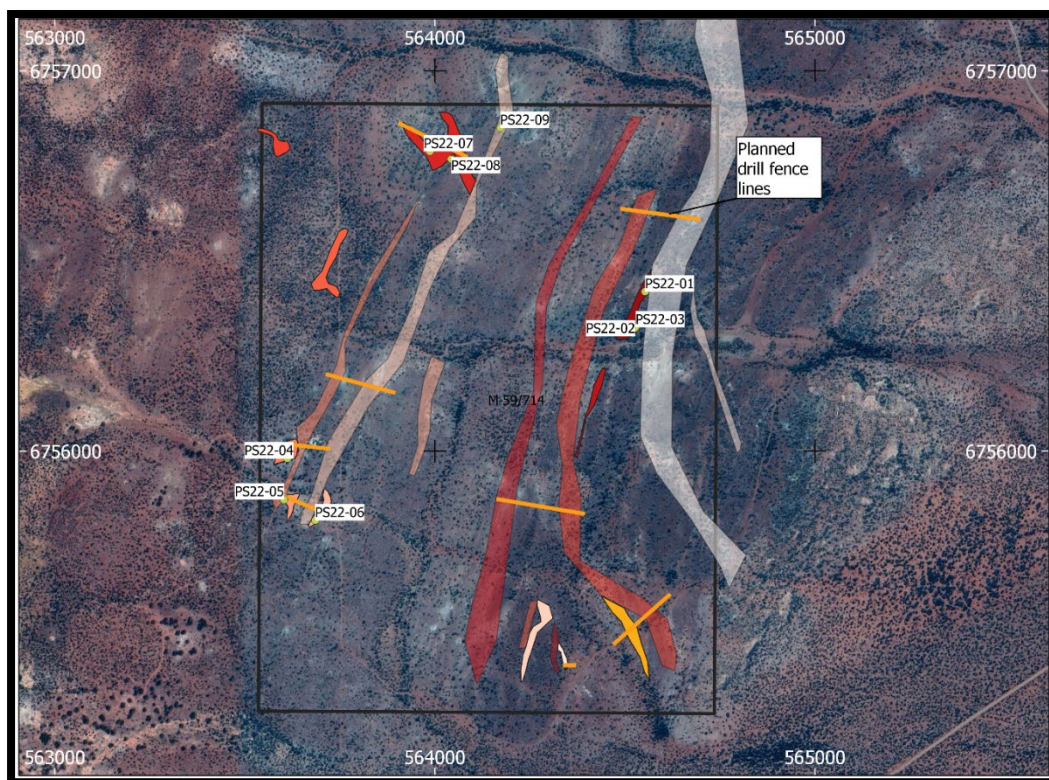


Figure 1: Rock chip sample in Mt Edon mining lease

Post quarter end, the Company announced it intended to exercise its exclusive option to acquire a 51% interest in the Mt Edon Project, subject to shareholder approval².

¹ EMC ASX announcement on 13/10/2022, TSC Acquires Option Over Highly Prospective Mt Edon Lithium-Caesium-Tantalum Mining Lease Expanding Battery Materials Strategy

² EMC ASX announcement on 13/01/2023, Results Highlight Extensive Well Developed Pegmatite Field- EMC To Exercise Farm-In Rights to Mt Edon LCT Pegmatite Project

Rover Gold Project

EMC's 100% owned Rover Gold Project ("**Rover**") is a significant strategic tenement holding in Central Yilgarn, prospective for Archean gold and volcanic hosted massive sulphide deposits. Rover comprises ~460km² of tenure covering two parallel linear greenstone belts. The most advanced prospect is Creasy 1 gold on the Maynard Hills greenstone belt. Shallow high grade gold mineralisation was discovered in late 2019 during the inaugural drilling program. RC drilling completed in December 2021 targeted the Harmonic, Four Corners and Blue Hills Prospects.

In March 2022, Rio Tinto Exploration Pty Ltd ("**RTX**") signed a farm-in agreement whereby RTX will explore the northern part of Rover for non-gold minerals for an exclusive six month period with an option to extend for a further 6 months.

No further work was completed at Rover during the December 2022 quarter.

RIO Exercises Option to Advance Lithium Exploration

In early December 2022, EMC reported that RTX, a wholly owned subsidiary of the global mining group Rio Tinto (RIO), had elected to exercise its option to farm-in to the northern Rover Project exploration licence (E57/1134) ("**North Rover**") in the central Yilgarn region of Western Australia.

As previously reported, EMC entered a binding term sheet ("**Agreement**") with RTX in March 2022 (see ASX announcement dated 31 March 2022), with RTX paying EMC an initial A\$25,000 upfront for an exclusive initial six-month option to explore North Rover for non-gold minerals.

Following the completion of an initial exploration program, RTX has exercised its option to earn an 80% Joint Venture interest in the non-gold mineral rights on E57/1134 by sole funding A\$5M of non-gold exploration. During the initial six-month option period, RTX identified a sub-cropping weathered pegmatite unit that may be prospective for lithium and tantalum mineralisation, with an area prioritised for follow-up drill testing³. RTX plans to conduct an initial drill program of 500-1,000m to investigate the interpreted pegmatite unit in Q2-2023, subject to land access consents and clearances.

Mt Dimer Gold & Silver Project

The Mt Dimer Gold & Silver Project ("**Mt Dimer**") is located 120km northeast of Southern Cross and comprises a mining lease (M77/515) and exploration license (E77/2383). Within the mining lease, historical open-cut mining to a depth of ~50m in the 1990s produced circa 8,500 Oz Au⁴.

No additional work was undertaken at Mt Dimer during the December 2022 quarter, and the Company has made a decision to divest the asset.

Yarbu Gold Project

The Yarbu Gold Project ("**Yarbu**") is located on the Marda Greenstone belt ~80km northwest of the Mt Dimer Project. Yarbu consists of three exploration licenses (E77/2442, E77/2540 and E77/2539) which

³ EMC ASX announcement on 5/10/2022, Rio Tinto Exploration Exercises Farm-in Option at North Rover Project, WA and Plans to Drill Test Lithium Pegmatite Target

⁴ TSC ASX announcement on 30 September 2020, Strong gold potential at Mt Dimer

cover approximately 223km² and are prospective for Archean Gold deposits.

No further work was completed at Yarbu during the December 2022 quarter and EMC continues to assess all options available on the future of the project.

EXPLORATION – New South Wales

Midas Cu-Au Project

The Midas Cu-Au Project (“**Midas**”) is prospective for Iron-Oxide-Copper-Gold (“**IOCG**”) and is located 40km northeast of Broken Hill and adjacent to Silver City Minerals (ASX: SCI) Yalcowinna Tenement. Several areas of strong Cu-Au anomalism have already been defined across the Midas Project through soil and rock chip sampling programmes.

Perseus IOCG Project

The Perseus Project (“**Perseus**”) is prospective for IOCG mineralisation and is located ~50km west of Broken Hill and north of the Thackaringa Cobalt Project. In 2018 EMC identified six high priority IOCG targets for testing and the Geological Survey of NSW’s November 2018 Mineral Potential Report for the Curnamona ranked three of the six high priority Perseus targets as highly prospective.

Trident IOCG Project

EMC’s Trident Project (“**Trident**”) is prospective for IOCG and tin. Located ~35km north-east of Broken Hill within the Curnamona Craton, it is hosted in an ovoid-shaped craton of Paleoproterozoic to Mesoproterozoic rocks of the Willyama Supergroup (1720-1640Ms) which hosts the Broken Hill stratabound lead-zinc-silver deposits and numerous small metalliferous occurrences. In 2021 EMC identified strong copper, gold, and tin mineralisation at Trident.

No further exploration activity was completed across the Company’s NSW projects during the December 2022 quarter. The Company considers the asset non-core and will move to assess divestment options.

The Company continues to review future opportunities in Australia, Southeast Asia, Mongolia, and Africa.

CORPORATE

Change of Registered Office

On 10 October 2022, the Company announced its registered office and principal place of business changed to Suite 4.02, Level 4, 256 Adelaide Terrace, Perth WA 6000⁵.

Change of Auditor

HLB Mann Judd Pty Ltd (“Mann Judd”) has been appointed as auditor of the Company effective 2 December 2022. The change follows the resignation of the Company’s current auditor Grant Thornton Audit Pty Ltd in accordance with ASIC consent under section 329(5) of the Corporations Act. The change of auditor has occurred due to the Company tendering the audit service. Mann Judds appointment is effective until the next Annual General Meeting of the Company. In accordance with section 327C of the Corporations Act, a resolution will be put to shareholders at the 2023 Annual General Meeting to ratify the appointment of Mann Judd as the Company auditor⁶.

Appointment of Chief Geologist

In early December, the Company appointed a highly experienced geologist, Mr Bahman Rashidi, as Chief Geologist. Mr Rashidi is a senior geologist with over 24 years’ industry experience in Australia and internationally in Africa, Central Asia, Middle East, Europe, and South America. He is a member of the Australian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG) and is a Competent Person as defined by the JORC Code (2012)⁷.

Share Consolidation

The Company completed the consolidation of its share capital on a 50 to 1 basis, with fractional entitlements rounded up to the nearest whole share (Consolidation). The Consolidation was approved by shareholders at the Company’s Annual General Meeting held on 25 November 2022. As a result of the Consolidation, the total number of fully paid ordinary shares (Shares) in the Company reduced from 5,321,627,810 to 106,432,556 shares⁸.

Change of Company Name

Following shareholder approval granted at the Company’s Annual General Meeting held on 25 November 2022, the name of the Company changed from Twenty Seven Co. Limited to Everest Metals Corporation Limited. The Australian Securities and Investments Commission recorded the name change effective from 29 November 2022. The effective date for the change of Company Name on the ASX was 9 December 2022. The Company’s new ASX listing code is EMC⁹.

⁵ TSC ASX announcement on 10/10/2022, Change of Registered Office and Principal Place of Business

⁶ TSC ASX announcement on 2/12/2022, Change of Auditor

⁷ TSC ASX announcement on 2/12/2022, Appointment of Chief Geologist

⁸ EMC ASX announcement on 9/12/2022, Corporate Update

⁹ EMC ASX announcement on 9/12/2022, Corporate Update

Cash Position

EMC had a cash position of \$3.1m at 31 December 2022.

Appendix 5B disclosures

EMC's accompanying Appendix 5B (quarterly Cashflow Report) includes an amount in item 6.1 which constitutes Non-Executive Directors' fees paid for the quarter.

During the period, the Company spent approx. \$249,000 on exploration management activities.

The aggregate amount of payments to related parties and their associates included in the current quarter cashflows from operating activities was \$103,766, comprising of Director, consulting and legal fees.

Tenements

A current tenement summary appears in table 1 below.

Table 1: Tenement Summary at 31 December 2022

Tenement No	State	Project	Status	Interest at beginning of the quarter	Interest at end of the quarter
M77/515	WA	Mt Dimer	Granted	100%	100%
E77/2383	WA	Mt Dimer	Granted	100%	100%
E77/2442	WA	Yarbu	Granted	100%	100%
E77/2539	WA	Yarbu	Granted	100%	100%
E77/2540	WA	Yarbu	Granted	100%	100%
E57/1085	WA	Rover	Granted	100%	100%
E57/1120	WA	Rover	Granted	100%	100%
E57/1134	WA	Rover	Granted	100%	100%
EL8736	NSW	Trident	Granted	100%	100%
EL8732	NSW	Midas	Granted	100%	100%
EL8904	NSW	Midas	Granted	100%	100%
EL8778	NSW	Perseus	Granted	100%	100%
L77/334	WA	Mt Dimer	Pending	-	-
L77/335	WA	Mt Dimer	Pending	-	-
M59/714	WA	Mt Edon*	Granted	0%	0% (option to earn in to 100%)

* M59/714 is in the process of being transferred to Entelechy Resources Pty Ltd who is the beneficial owner of the tenement.

December 2022 Quarter ASX Announcements

Additional details including JORC 2012 reporting tables, where applicable, can be found in the following relevant announcements lodged with the ASX prior, during and subsequent to the review period:

- ***Mt Edon Rock Chip Sampling Indicates Fertile Well Developed Rare Element Pegmatite Structure*** – 24 October 2022
- ***TSC Acquires Option Over Highly Prospective Mt Edon Lithium-Caesium-Tantalum Mining Lease Expanding Battery Materials Strategy*** – 13 October 2022
- ***Rio Tinto Exploration Exercises Farm-in Option at North Rover Project, WA and Plans to Drill Test Lithium Pegmatite*** – 5 October 2022

The Board of Everest Metals Corporation Limited authorised the release of this announcement to the ASX.

For further information please contact:

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Chairman & CEO

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Competent Person Statement

Information in this release relates to new exploration results that previously announced is based on information compiled and approved for release by Mr Bahman Rashidi, who is a member of the Australian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). Mr Rashidi is chief geologist and a full-time employee of the Company. He has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity, he is undertaking to qualify as a Competent Person in accordance with the JORC Code (2012). The information from Mr Rashidi was prepared under the JORC Code (2012). Mr Rashidi consents to the inclusion in this ASX release in the form and context in which it appears.

Forward Looking and Cautionary Statement

This report may contain forward-looking statements. Any forward-looking statements reflect management's current beliefs based on information currently available to management and are based on what management believes to be reasonable assumptions. It should be noted that a number of factors could cause actual results, or expectations to differ materially from the results expressed or implied in the forward-looking statements.

About Everest Metals Corporation

Everest Metals Corporation Limited (ASX: EMC) is an ASX-listed explorer. EMC's Australian assets comprise two tenure groupings detailed briefly as follows:

WA Archaean Gold and Battery minerals assets:

- **Mt Edon Project:** Project contains the Mt Edon Pegmatite Field on granted Mining Lease M59/714 located in the Southern portion of the Paynes Find Greenstone Belt – an area known to host swarms of Pegmatites. Considered highly prospective for Lithium, Caesium, Tantalum, Rubidium and Rare Earth Elements mineralisation. Moving to 51% ownership subject to shareholder approval.

- **Revere Project:** The tenement package size, including the tenements under option cover an area of 82 km², including granted tenements E51/1766, E51/1770, P51/3240, P51/3241 and pending applications M51/905, E51/2119, E51/2088 and includes a system of richly endowed Gold Reefs, from surface over a 7km strike area. Moving to 51% ownership subject to shareholder approval.
- **Ninghan Project:** The project sitting in Ninghan Fold Belt mafic and ultramafic greenstone. The tenement package size, cover an area of 228 km², including granted tenements E59/2464 and E59/2500, prospective for gold, silver, copper, nickel and cobalt.
- **Mt Dimer Project:** is made up of mining lease M77/515 and exploration license E77/2383. The project is highly prospective for Archean gold.
- **Yarbu Project:** This project is located on the Marda Greenstone belt ~ 80km to the northwest of the Mt Dimer Project. Yarbu consists of three exploration licenses (E77/2442, E77/2540 and E77/2539) which cover approximately 223sq km and are highly prospective for Archean gold deposits.
- **Rover Project:** EMC's 100% owned Rover project is located near Sandstone in a base metals and gold mineral rich area associated with Archean greenstone belts. Rover Project is a large 460sqkm tenure package covering two linear Archean greenstones, with a combined length of around 160km.

NSW Iron Oxide-Copper-Gold and Tin assets:

- Covering a combined 753km², EMC has one of the largest license holdings in the northern Broken Hill area. All within 50km of Broken Hill, EMC is currently exploring for Iron-Oxide-Copper-Gold (IOCG) and Base Metals across the Company's three projects, **Midas, Trident and Perseus Projects**.