

20 April 2023

## Quarterly Activities Report For the period ending 31 March 2023

Australian battery minerals explorer, Firetail Resources Limited (**Firetail or the Company**) (ASX: FTL) is pleased to provide a summary of its activities for the three month period ending 31 March 2023, its fourth quarter as an ASX-listed company.

During the quarter, Firetail received assay results from Phase 1 of the Yalgoo Project drilling campaign in Western Australia, which have confirmed the presence of LCT-bearing pegmatites. The results also identified high-grade Rubidium, warranting further investigation.

### Highlights

#### Yalgoo-Dalgaranga Lithium Project

- Confirmation of LCT-bearing pegmatites, with results up to **0.28% Li<sub>2</sub>O, 1860ppm Cs and 92ppm Ta** received (22YGRC004 21m-22m).
- Focus for next campaign on new drill targets identified within the 25km “Goldilocks Zone” as correlation of drill data to soil sampling confirms prospectivity of pegmatites.
- High-grade Rubidium identified within drill results warrants further investigation, including significant intercepts:
  - **10m @ 0.44% Rb from 10m** (22YGRC004)
  - **3m @ 0.32% Rb from 13m** (22YGRC043)
  - **2m @ 0.31% Rb from 0m** (22YGRC006)
  - **8m @ 0.25% Rb from 28m** (22YGRC007, 4m composite samples)

#### Commenting on the March Quarter, Firetail's Executive Chairman, Brett Grosvenor, said:

*“It has been a steady quarter for Firetail with the return of assay results from our Yalgoo Project. Our team is continuing to work towards follow-up drill planning to expand and uncover more on these initial results.*

*“The presence of high-grade Rubidium within our “Goldilocks Zone” was very promising, as the mineralisation is near surface, confirming a fertile district of Rubidium mineralisation. These trace elements are normally associated with lithium exploration, which will be examined through further exploration.*

*“We were also pleased to announce the appointment of Mr. Cai Kecheng as a Non-Executive Director to represent our largest shareholder Hong Kong Jayson Mining Co. Ltd. Mr. Cai brings a wealth of knowledge and relevant corporate strategy skills from his extensive experience in the financial investment sector.*

*“The Board remains confident in the exploration program and project developments, and would like to thank our strong technical team for their significant efforts on Firetail’s exploration milestones”.*

## Yalgoo-Dalgaranga Lithium Project

### Drill Results Confirm High-Grade Rubidium<sup>1</sup>

During the quarter, the Company received assay results from the 49 Reverse Circulation (RC) holes completed for the 1,932 metre Phase 1 drilling campaign, confirming LCT bearing pegmatites.

The drilling was focused on five target prospective pegmatities defined by Firetail's surface mapping and geochemical sampling at the Yalgoo Project site in the Murchison region of Western Australia.

14 holes returned assays over 0.15 %Rb, with a standout intersection of 10m @ 0.44% Rb from 10m of the eastern fold hinge of one of the defined LCT pegmatite target areas.

The holes returned assays up to **0.28% Li<sub>2</sub>O, 1860ppm Cs and 92ppm Ta** (22YGRC004 21m-22m) in the defined LCT pegmatite areas.

The Company believes the holes to the north and south of the Rubidium-bearing pegmatite have not effectively tested the northern and southern extensions of this high-grade result, with this intersection remaining open along strike and at depth.

The presence of high-grade Rubidium identified within drill results warrants further investigation, as it is considered to be one of highest value critical metals, with Rubidium Carbonate pricing an average US\$1,200 per kilogram.

Significant intercepts include (Figure 1):

- **10m @ 0.44% Rb from 10m** (22YGRC004)
- **3m @ 0.32% Rb from 13m** (22YGRC043)
- **2m @ 0.31% Rb from 0m** (22YGRC006)
- **8m @ 0.25% Rb from 28m** (22YGRC007, 4m composite samples)

Rubidium has potential applications for decarbonisation as an additive for efficiency improvements in solar energy and battery technologies.

The focus for the next campaign will be on new drill targets which were identified within the 25km "Goldilocks Zone", as there is correlation of drill data to soil sampling, confirming prospectivity of pegmatites.

The next steps and activities planned for the Yalgoo-Dalgaranga Project include:

- Initial drilling of the Johnson Well Rubidium pegmatite, whose northern extension reaches onto Firetail tenement E59/2364
- Target Generation - review geochemistry and first-pass drilling to define and rank high-priority targets, and plan follow-up work programs

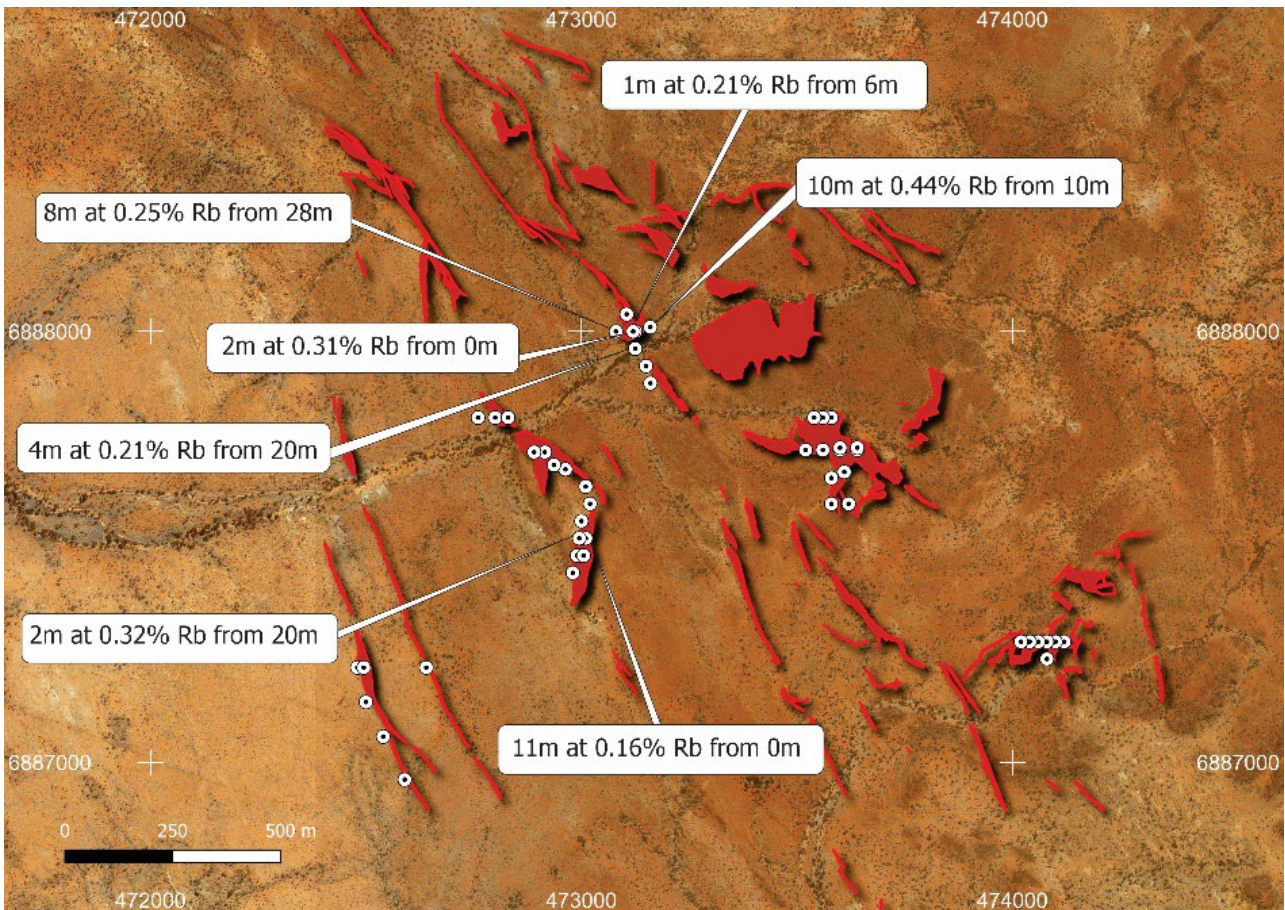


FIGURE 1. DRILL COLLAR PLAN OF FTL'S YALGOO LITHIUM PROJECT, SHOWING OUTLINES OF OUTCROPPING LCT PEGMATITES (FOR LOCATION, SEE FIGURE 2)

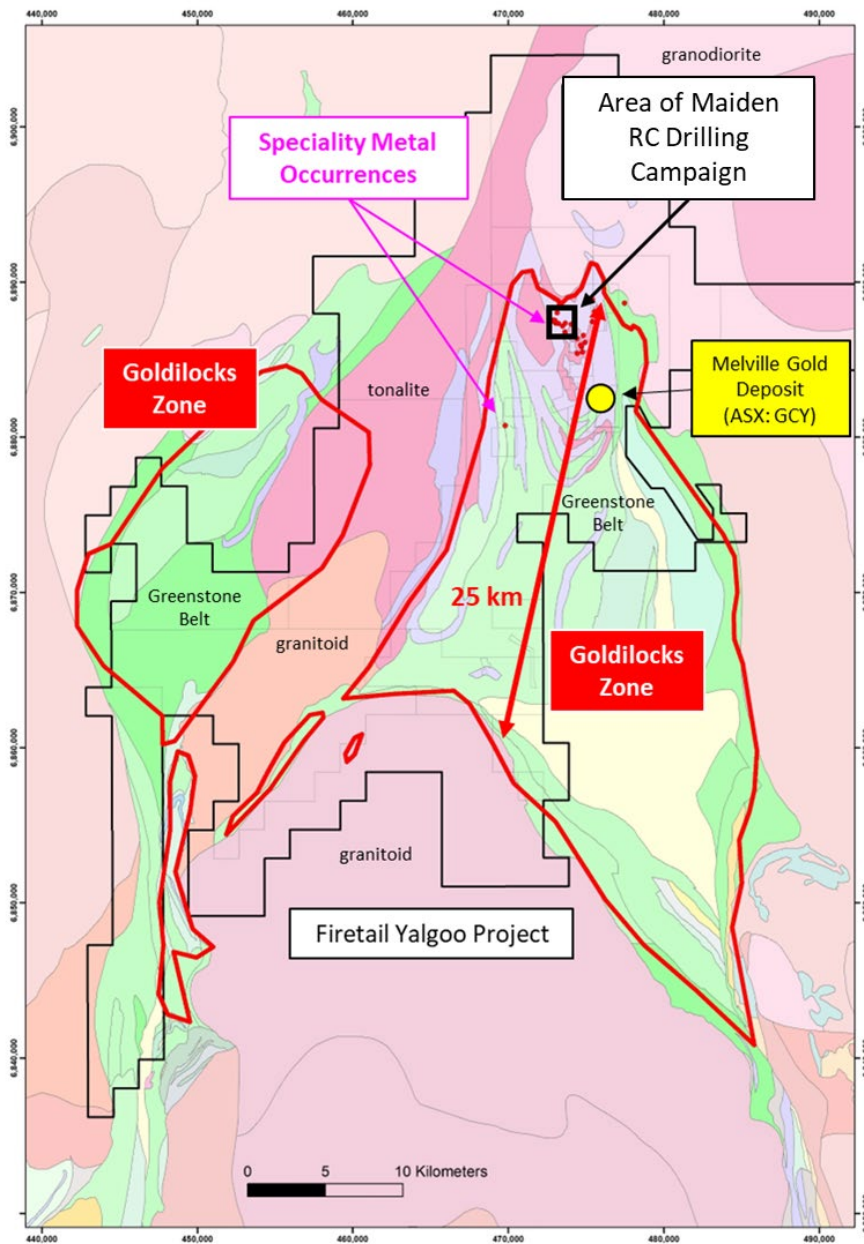


FIGURE 2. YALGOO PROJECT LOCATION PLAN DISPLAYING REGIONAL GEOLOGY, "GOLDILOCKS ZONE" AND AREA OF FIRETAIL'S EXPLORATION WORK PROGRAMS

**Mt Slopeaway Nickel-Cobalt-Manganese Project**

No exploration activities were reported in the period.

**Paterson Copper-Gold Project**

No exploration activities were reported in the period.

## Corporate

### Appointment of Board Member<sup>2</sup>

After the Quarter, Firetail was pleased to announce the appointment of Mr. Cai Kecheng as Non-Executive Director of Firetail's Board of Directors.

Mr. Cai Kecheng represents Hong Kong Jayson Mining Co. Ltd (**Jayson**), the largest shareholder of Firetail, with a holding of over 10%. Jayson is a leading battery minerals investment company, with associations to PUTAILAI (the world's largest cathode materials producer and lithium battery recycling operator) and CATL (the world's largest lithium battery cell manufacturing enterprise). Mr. Cai has over 18 years experience within financial investment and corporate strategy, and is currently the Associate President and Head of Investment & Strategy for Jayson.

Firetail's Non-Executive Director Mr. Steve Brockhurst resigned as a member of the Board of Directors, with his company Mining Corporate continuing to provide bookkeeping, accounting and compliance services to Firetail.

### Resignation of Company Secretary<sup>3</sup>

During the quarter, Firetail advised of the resignation of David McEntaggart as Joint Company Secretary, with Mr Craig McNab now being the sole Company Secretary. Mr McEntaggart will continue to provide accounting and compliance services to the Company as required through Mining Corporate Pty Ltd.

## Capital Structure and Related Party Payments

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company's consolidated cash at hand was \$5.5M as at 31 March 2023 with no debt.

The total amount paid to related parties of Firetail Resources and their associates, as per item 6.1 of the Appendix 5B was \$92k. Included in this amount is \$64k for director fees and \$28k paid to Mining Corporate, an entity controlled by Stephen Brockhurst for bookkeeping, accounting and company secretarial fees.

The total amount paid to related parties of Firetail Resources and their associates, as per item 6.2 of the Appendix 5B, was \$24k for director and consulting fees.

The current capital structure is as follows:

Ordinary shares: 77,000,000      Options: 7,000,000

Change in Top 20 shareholding occurred in the beginning of April, with two of the Supercruser vendors completing off market transfers. Significant shareholder Paul Bryne divested 3M of his shares and Justin Haines has also disposed of 3M shares. Top 20 shareholders remain strong and supportive of the Board.

## Use of Funds

In line with obligations under ASX Listing Rule 5.3.4, the Company provides the following information with respect to its Use of Funds Statement set out in its Prospectus dated 25 February 2022 and its actual expenditure since ASX admission on 13 April 2022.

Expenditure	Funds allocated under Prospectus	Actual 13 April 2022 to 31 Mar 2023	Variance	Note
Exploration <sup>1</sup>	\$4,650,000	\$1,540,859	-\$3,109,141	1
Corporate Admin	\$1,593,950	\$836,783	-\$757,167	1
Working Capital	\$1,567,133	\$111,418	-\$1,455,715	1
Costs of offer	\$313,917	\$297,699	-\$16,218	1
<b>Total</b>	<b>\$8,125,000</b>	<b>\$2,786,759</b>	<b>-\$5,338,241</b>	

<sup>1</sup> For the purposes of the Use of Funds the Company has grouped Exploration

#### Notes:

- Fourth quarter of operations as an ASX-listed entity. Exploration spend is lower than expected due to longer than anticipated return of the results from Laboratory for the Yalgoo and Mt Slopeaway projects. Until the results are know, the board has elected to conserve funds and ensure the development strategy is correct. All other expenditure was materially as expected.

### Tenement Schedule

Project	Tenement	Beneficial Interest on Listing	Beneficial Interest at end of quarter
Paterson	E 45/5831	FTL 100%	FTL 100%
Paterson	E 45/5396	FTL 100%	FTL 100%
Paterson	E 45/5358	FTL 100%	FTL 100%
Paterson	E 45/5391	FTL 100%	FTL 100%
Paterson	E 45/5397	FTL 100%	FTL 100%
Paterson	E 45/5407	FTL 100%	FTL 100%
Yalgoo	M 59/358	FTL 100%	FTL 100%
Yalgoo	E 59/2468	Li Rights	Li Rights
Yalgoo	E 59/2230	Li Rights	Li Rights
Yalgoo	E 59/2289	Li Rights	Li Rights
Yalgoo	E 59/2140-I	Li Rights	Li Rights
Yalgoo	P 59/2138	Li Rights	Li Rights
Yalgoo	P 59/2134	Li Rights	Li Rights
Yalgoo	E 59/2252	Li Rights	Li Rights
Yalgoo	M 59/384	Li Rights	Li Rights
Yalgoo	E 59/2284	Li Rights	Li Rights
Yalgoo	E 59/2077	Li Rights	Li Rights
Yalgoo	E 59/2456	Li Rights	Li Rights
Yalgoo	E 59/2458	Li Rights	Li Rights
Yalgoo	E 59/2295	Li Rights	Li Rights
Yalgoo	E 59/2469	Li Rights	Li Rights
Yalgoo	E 59/2364	Li Rights	Li Rights
Yalgoo	P 59/2040	Li Rights	Li Rights
Yalgoo	P 59/2042	Li Rights	Li Rights
Yalgoo	E 59/2150	Li Rights	Li Rights
Yalgoo	M 59/57	Li Rights	Li Rights
Yalgoo	P 59/2158	Li Rights	Li Rights
Yalgoo	E 59/2363	Li Rights	Li Rights
Yalgoo	E 59/2534	Li Rights	Li Rights
Yalgoo	E 59/2053	Li Rights	Li Rights
Yalgoo	E 59/2544	Li Rights	Li Rights
Yalgoo	P 59/2088	Li Rights	Li Rights
Yalgoo	P 59/2089	Li Rights	Li Rights
Yalgoo	P 59/2086	Li Rights	Li Rights
Yalgoo	P 59/2087	Li Rights	Li Rights
Edgerton	E 52/3894	Li Rights	Li Rights
Edgerton	E 52/3756	Li Rights	Li Rights
Mt Slopeaway	EPM 26816	FTL 100%	FTL 100%
Mt Slopeaway	EPM 26848	FTL 100%	FTL 100%

## ASX Announcements

This Quarterly Activities Report contains information reported in accordance with JORC 2012 in the following announcement:

3 April 2023 - Maiden Drill Campaign Confirms High-Grade Rubidium at Yalgoo

*This announcement has been authorised for release on ASX by the Company's Board of Directors.*

**-END-**

For more information contact:

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## Competent Person Statement

The information in this announcement is based on, and fairly represents information compiled by Mr Robert Wason, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Wason consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

## Forward-looking statements

This announcement may contain certain "forward-looking statements". Forward looking statements can generally be identified by the use of forward-looking words such as, "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

## Compliance Statement

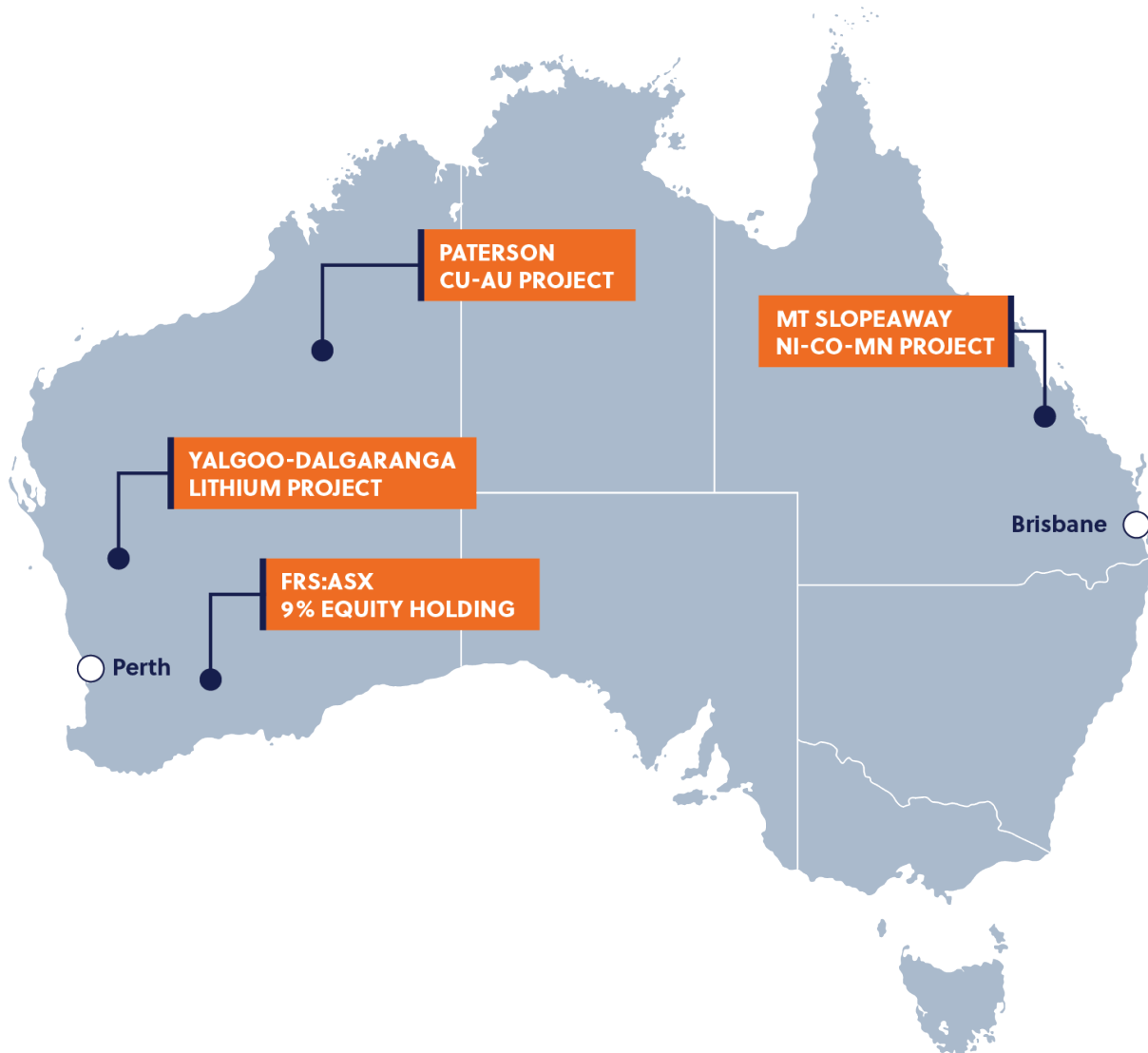
With reference to previously reported Exploration results and mineral resources, the company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus dated 25 February 2022 and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the Prospectus dated 25 February 2022 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 Prospectus dated 25 February 2022.

**About Firetail Resources**

Firetail Resources (ASX:FTL) is a battery minerals company with an exciting project portfolio with exposure to multiple battery mineral commodities at its well-located Western Australian and Queensland projects.

The projects range from early exploration stage at the Paterson and Yalgoo-Dalgaranga Projects through to advanced exploration-early resource stage at the Mt Slopeaway Project.

With a portfolio of highly prospective assets plus the experience of a strong technical team, the Company is well positioned to rapidly explore and develop their battery mineral projects and become a significant contributor to the green energy revolution.



**FIRETAIL PROJECTS PORTFOLIO**

<sup>1</sup> ASX Announcement 3 April 2023 – Maiden Drill Campaign Confirms High-Grade Rubidium at Yalgoo  
<sup>2</sup> ASX Announcement 5 April 2023 – Firetail Board Changes  
<sup>3</sup> ASX Announcement 10 February 2023 – Resignation of Joint Company Secretary



## Appendix 5B

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

**Name of entity**

Firetail Resources Limited

**ABN**

67 651 057 822

**Quarter ended ("current quarter")**

31 March 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(249)	(716)
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)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(249)</b>	<b>(716)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(24)
(d) exploration & evaluation	(239)	(1,173)
(e) investments	-	(16)
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	31
(d) investments	14	14
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)		
- Payments for security deposits	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(225)</b>	<b>(1,168)</b>

<b>3. Cash flows from financing activities</b>		
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):		
Lease repayments	(8)	(24)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(8)</b>	<b>(24)</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	5,938	7,364
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(249)	(716)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(225)	(1,168)

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(8)	(24)
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>5,456</b>	<b>5,456</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,456	1,938
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term deposit)	4,000	4,000
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,456</b>	<b>5,938</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	92
6.2	Aggregate amount of payments to related parties and their associates included in item 2	24

*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.*

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</b>		-
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(249)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(239)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(488)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,456
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,456
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	11.2
<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	

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

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

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.

## 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: 20 April 2023

Authorised by: By the 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.