

7 December 2023

## Future Metals NL

### Panton Scoping Study Demonstrates Potential for Long-life, Globally Significant PGM Operation

- Study leverages off >A\$50m investment into Panton to date, including prior feasibility studies, ~45,000m drilling, decline access to orebody & comprehensive bulk metallurgical testwork
- Study demonstrates potential for Panton to be one of few long life, globally significant PGM operations in the western world
- Robust project economics, low capital intensity versus industry benchmarks and strong leverage to PGM price appreciation, with:
  - 1.5Moz PdEq<sup>2</sup> mining inventory from 9.8Mt @ 3.60g/t PGM<sub>3E</sub><sup>1</sup>, 0.25% Ni, 12.6% Cr<sub>2</sub>O<sub>3</sub> (4.77g/t PdEq<sup>2</sup>) for 1.1Moz PGM<sub>3E</sub><sup>1</sup>, 25kt Ni, 1.1Mt Cr<sub>2</sub>O<sub>3</sub> concentrate
  - Initial ~9-year mine life (study's mine plan covers just 26% of the current defined Reef & High Grade Dunite material and only 10% of the overall MRE)
  - PGM production averaging 117,000oz pa from high grade feed of 3.60g/t PGM<sub>3E</sub><sup>1</sup>
  - PdEq<sup>2</sup> production averaging 161,000oz pa (inc. nickel and chromite by-products)
  - Low All-in Sustaining Costs (AISC), averaging US\$789/oz (projected to be in the 2<sup>nd</sup> quartile), thereby providing resilience throughout the metal price cycle
- Conventional flowsheet (crush, grind & flotation), producing high grade PGM & chromite concentrates, analogous to several current South African PGM operations
- Upside potential via resource growth, additional by-product credits (copper, cobalt, rhodium & iridium), & further optimisation of mine design, processing & logistics
- Potential for future Cu-Ni-PGM resources at Eileen Bore Project to be included in the next stages of feasibility work
- Future Metals is planning initiation of a PFS, targeted for completion in Q4 2024

### Study Highlights

- Study demonstrates the potential for Panton to be one of few significant primary PGM operations in the western world. The Study supports a high-grade, **initial 9-year operation** processing both Reef and High-Grade Dunite material through a conventional crush, grind and flotation flow sheet, producing:

| Avg. Production | PGM<br>(Oz pa) | Chromite Conc.<br>(Tpa) | Nickel<br>(Tpa) | PdEq <sup>2</sup><br>(Oz pa) |
|-----------------|----------------|-------------------------|-----------------|------------------------------|
| 1,250ktpa       | 117,000        | 134,000                 | 1,200           | 161,000                      |

- **Robust economics** with Panton demonstrating strong financial metrics that reflect the high-grade and low capital intensity of the Project

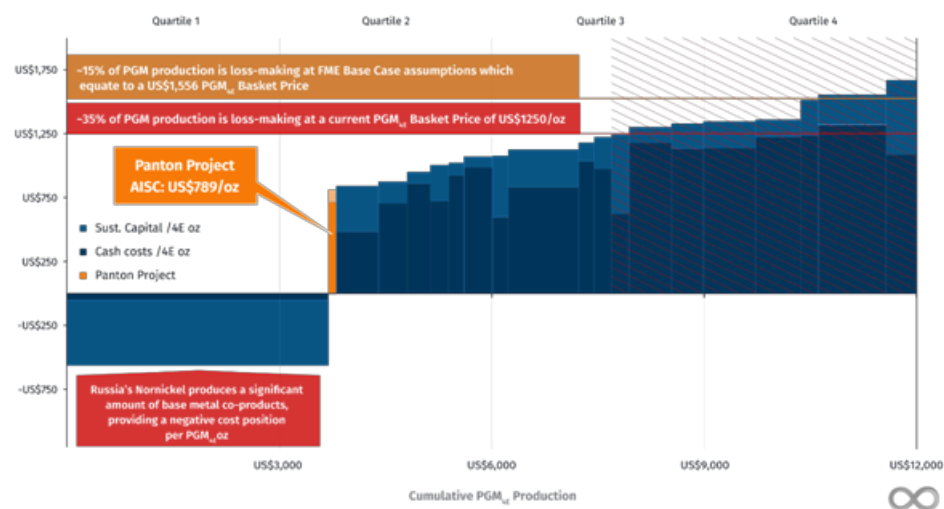
| Valuation<br>(1,250kt) | Pre-Production Capex<br>(A\$m) |                        | NPV <sub>8%</sub><br>(A\$m)<br>(pre / post tax) |                       | IRR<br>(%)<br>(pre / post tax) |                    |                      |
|------------------------|--------------------------------|------------------------|---|-----------------------|--------------------------------|--------------------|----------------------|
| Base Case              | 267                            |                        | 250 / 153                                       |                       | 26% / 21%                      |                    |                      |
| PGM 5yr Avg Case       |                                |                        | 477 / 311                                       |                       | 39% / 31%                      |                    |                      |
|                        | PGM Basket                     |                        |   |                       | By-product credits             |                    |                      |
| Prices                 | Platinum<br>(US\$/oz)          | Palladium<br>(US\$/oz) | Gold<br>(US\$/oz)                               | Rhodium*<br>(US\$/oz) | Basket<br>Price<br>(US\$/oz)   | Nickel<br>(US\$/t) | Chromite<br>(US\$/t) |
| Base Case              | 1,285                          | 1,400                  | 2,000   | 4,450                 | 1,556                          | 20,000             | 282                  |
| PGM 5yr Avg Case       | 1,040                          | 2,115                  | 1,870   | 12,450                | 2,200                          | 20,000             | 282                  |

\*Note Rh not included in Panton Scoping Study economic evaluation. Included for comparison to South African PGM Basket

Price only

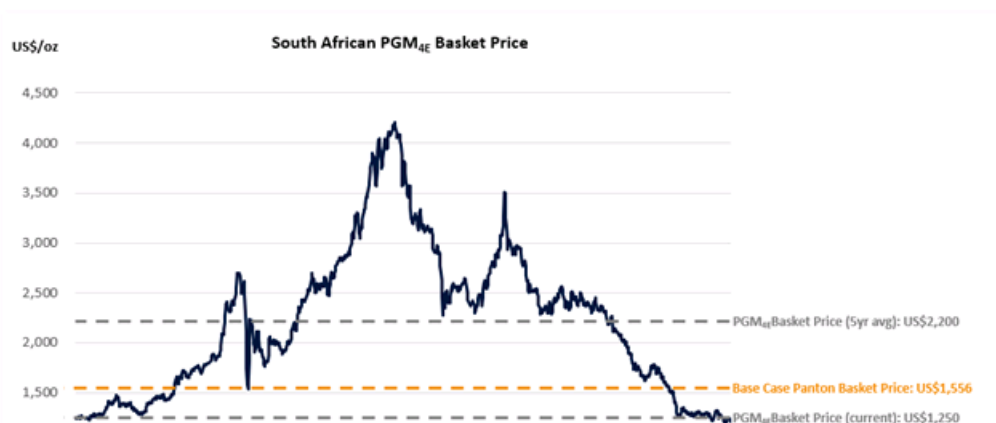
- **Panton Base Case long term PGM pricing aligns with the ~85<sup>th</sup> percentile of the cost curve** (see Figure One), with the current South African PGM<sub>4E</sub> basket price at an unsustainable ~65% percentile (i.e. ~35% of current global operations losing money), near all-time lows
- **Panton's estimated AISC of US\$789/oz (projected 2<sup>nd</sup> quartile)** provides the opportunity for the planned future operations to generate robust operating margins in all phases of the PGM price cycle (see Figures One & Two)
- **Study includes just 26% of Reef & High Grade Dunite material** - mine life extension and valuation uplift to be targeted via progressive uplift in Resource categorisation
  - Average annual operating **free cash flow A\$72m** - **clear value-add of mine life extensions**
- **Panton has the opportunity to achieve an accelerated pathway to production, driven by:**
  - Project's location on granted Mining Leases
  - >A\$50m invested in the Project to date including an established portal and decline, comprehensive metallurgical test work, >45,000m of drilling & prior environmental studies
  - Strong relationships with local stakeholders including the Traditional Owners
- **Panton is optimally located, with good access to established infrastructure:**
  - East Kimberley region of Western Australia, a top-tier mining and investment jurisdiction
  - ~1km from a sealed highway utilised by other mining operations
  - ~70km from a sealed airstrip for employee and contractor transportation
  - 300km from deep-water port at Wyndham, with easy access into key potential markets

#### Global PGM producer net total cash costs plus SIB per 4E oz, CY2022 US\$/4E oz



**Figure One | PGM Industry's Cost Curve and Panton Project's positioning.** Source SFA (Oxford)

\*Further details for the industry cost curve analysis are shown under PGM Industry Cost Curve Position section in the body of this announcement





**Figure Two | South African PGM<sub>4E</sub> Basket Price.** Source: Bloomberg & Company estimates.

\*The PGM<sub>4E</sub> basket price is calculated based on the weightings of Pt, Pd, Au and Rh production for the South African PGM industry. All other metals production is considered a by-product and credited towards an operations' cost base

### Significant upside potential for Pantan over and above the Scoping Study outcomes from:

- The Pantan orebody is open at depth and interpreted to have improving thicknesses and grades; further drilling may support mine life extensions
- Inclusion of other payable metals including rhodium, iridium, copper and cobalt
- Resource delineation and inclusion of processing feed from nearby projects such as Eileen Bore Project or other discoveries within Future Metals' 176km<sup>2</sup> exploration acreage
- Pricing upside associated with 'Western premiums' for scarce and critical resources located in Australia supporting supply chain development outside of China, Russia and South Africa
- Expansion potential from the significant near-surface Bulk Dunite mineralisation which is not included within this Scoping Study

### Managing Director Jardee Kininmonth commented:

*"We are very pleased that the Pantan Scoping Study demonstrates robust economics for a globally significant PGM-Ni-Chromite Project.*

*Future Metals' team has capitalised on the significant bank of prior work completed on the Project and its superior grades to develop a conventional flow sheet producing saleable PGM and chromite concentrates at a meaningful scale in a global context. Coupled with the fact that Pantan is one of the only near-term development prospects for PGM supply outside of Russia and South Africa, the Company is in a tremendous position to grow value through 2024 and beyond.*

*The Scoping Study shows a robust Project which can withstand downturns in the PGM price cycle and provide significant leverage to upswings in prices too. The Company plans to progress Pantan swiftly through the various feasibility stages in order to be as production-ready as possible during the next upswing."*

Further details and the full scoping study can be found at the following link: <http://www.rns-pdf.londonstockexchange.com/rns/9392V 1-2023-12-6.pdf> and on the Company's website at <https://future-metals.com.au>.

This announcement has been approved for release by the Board of Future Metals NL.

### Cautionary Statement

*The Scoping Study Report ("Scoping Study" or "Study") referred to in this announcement has been undertaken to evaluate the potential development of the Pantan PGM-Ni-Cr Project ("Pantan" or the "Project"). The Project is 100% owned by Future Metals NL ("Future Metals", "FME" or the "Company"). The Scoping Study comprises a preliminary technical and economic study of the potential viability of the Project. It is based on low accuracy level technical and economic assessments that are not sufficient to support estimation of Ore Reserves. Additional infill drilling, evaluation work and appropriate studies are required before Future Metals will be able to estimate Ore Reserves or provide assurance of an economic development case. **The Scoping Study has been completed to a level of accuracy of +/- 35%.***

*Of the Mineral Resources scheduled for extraction in this Scoping Study's production target, approximately 86% are classified as Indicated and 14% as Inferred over the first five years and 50% are classified as Indicated and 50% as Inferred over the evaluation period. There is a low level of geological confidence associated with Inferred Mineral Resources, and there can be no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target will be realised.*

*Under prior owners, the Project has previously had a JORC (2012) Mineral Resource Estimate ("MRE") with the majority of that estimate in the Measured & Indicated categories. This supported a Bankable Feasibility Study which was completed on the Project. Additional conservatism has been applied when estimating Pantan's current JORC MRE, however, the Company believes*

that this is relevant information when assessing the results and confidence levels applied in this Scoping Study.

*Future Metals notes that the majority of the upfront capital required is projected to be repaid in the years where Indicated Resources comprise a majority of the production schedule. The Company believes that it has a reasonable basis for providing such forward-looking statements and the forecast financial information based on material assumptions outlined in this announcement. One of the key assumptions is that funding for the Project will be available when required. While the Company considers all of the material assumptions to be based on reasonable grounds, there can be no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved.*

*To achieve the range of outcomes indicated in the Scoping Study, funding in the order of approximately A\$267m will likely be required in pre-production capital expenditure. There is no certainty that the Company will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to, or otherwise affect, the value of Future Metals' shares. It is also possible that Future Metals could pursue other value realisation strategies such as a sale, partial sale or joint venture of the Project. If it does, this could materially reduce the Company's proportionate ownership of the Project. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.*

**For further information please contact:**

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## Introduction

Future Metals owns 100% of the Panton PGM-Ni-Cr deposit ("Panton" or the "Project") in the eastern Kimberley region of Western Australia, a tier one mining jurisdiction. The Project is located on three granted mining licenses 70km north of Halls Creek and 60km south of the operating Savannah Nickel Mine owned by Panoramic Resources Ltd.

The Project is well situated for future planned operations, with good access to roads, a deep-water port at Wyndham, sealed airstrips and local populations at the nearby towns of Halls Creek and Kununurra.

The Project is located within the traditional lands of the Malarngowem, and the tenure sits within the Alice Downs Pastoral Station.

PGM-Ni-Cr mineralisation occurs within a layered, differentiated mafic-ultramafic intrusion referred to as the Panton intrusive which is a 9km long and 3km wide and 1.7km thick south-west plunging synclinal intrusion. PGM and Cr mineralisation is hosted within a series of stratiform chromite reefs as well as a surrounding zone of mineralised dunite within the ultramafic package.

Panton is the highest grade PGM deposit in Australia, with mineralisation defined across three components within a JORC (2012) Mineral Resource Estimate; the Reef, the High Grade Dunite and the Bulk Dunite. The High Grade Dunite is at the contact and runs parallel to the Reef throughout the entire deposit. These two components of the Resource are the focus for the Scoping Study and planned future operations.

Future Metals plans to produce both a high-grade PGM concentrate, and a chromite concentrate from the Panton deposit. These concentrates will be trucked via sealed public roads to Wyndham for export to customers globally.





Figure Three | Panton PGM-Ni-Cr Project's Location

## Key Study Outcomes and Assumptions

### Physicals Assumptions

The Study has been compiled by the Company based on a series of workstreams undertaken by external consultants and has examined two development scenarios, a 1,250ktpa Case and 850ktpa Case, with the higher production scenario determined to be optimal.

Planned operations involve the mining of small open pits in the initial years of construction and operation, followed by underground mining operations to support a concentrator utilising a crush, grind and flotation flow sheet to produce a PGM concentrate and a chromite concentrate.

The primary difference between the two alternative cases assessed is the processing throughput rates, and the resultant mining rates and pre-production capital required. Outputs for the 850ktpa Case are set out in Chapter 11 of the Panton Scoping Study.

Table One | Operating Assumptions

| Metric  | Unit         | Scoping Study Outcome |
|---|--------------|-----------------------|
| <b>Mining Physicals</b>   |              |                       |
| <b>Underground Mining</b>   |              |                       |
| Total Lateral Development   | m            | 84,056                |
| Total Vertical Development  | m            | 4,071                 |
| Total Waste   | kt           | 2,254                 |
| Total Reef Ore  | kt           | 3,513                 |
| Reef Grade - PGM <sub>3E</sub> <sup>1</sup> (LOM Avg)             | g/t          | 6.84                  |
| Reef Grade - PdEq <sup>2</sup> (LOM Avg)                          | g/t          | 8.96                  |
| Total Dunite Ore  | kt           | 5,365                 |
| Dunite Grade - PGM <sub>3E</sub> <sup>1</sup> (LOM Avg)           | g/t          | 1.61                  |
| Dunite Grade - PdEq <sup>2</sup> (LOM Avg)                        | g/t          | 2.19                  |
| Years of Underground Mining                                       | yrs          | 8.5                   |
| <b>Open Pit Mining</b>  |              |                       |
| Total Waste   | kt           | 11,648                |
| Strip Ratio   | W:O          | 12.2                  |
| Total Reef Ore  | kt           | 273                   |
| Reef Grade - PGM <sub>3E</sub> <sup>1</sup> (LOM Avg)             | g/t          | 6.23                  |
| Reef Grade - PdEq <sup>2</sup> (LOM Avg)                          | g/t          | 8.16                  |
| Total Dunite Ore  | kt           | 679                   |
| Dunite Grade - PGM <sub>3E</sub> <sup>1</sup> (LOM Avg)           | g/t          | 1.52                  |
| Dunite Grade - PdEq <sup>2</sup> (LOM Avg)                        | g/t          | 2.09                  |
| Years of Open Pit Mining  | yrs          | 2.0                   |
| <b>Processing Physicals</b>                                       |              |                       |
| Total Indicated Ore Processed                                     | kt           | 4,888 (50%)           |
| Total Inferred Ore Processed                                      | kt           | 4,942 (50%)           |
| Total Ore Processed   | kt           | 9,830                 |
| <b>Processing Years (LOM)</b>                                     | <b>years</b> | <b>8.5</b>            |
| <b>PGM<sub>3E</sub><sup>1</sup> Grade (LOM Avg)</b>               | <b>g/t</b>   | <b>3.60</b>           |
| Nickel Grade (LOM Avg)  | %            | 0.25%                 |
| Chromite Grade (LOM Avg)  | %            | 12.6%                 |
| <b>PdEq<sup>2</sup> Grade (LOM Avg)</b>                           | <b>g/t</b>   | <b>4.77</b>           |
| Recovery - Pt (LOM Avg)   | %            | 81%                   |
| Recovery - Pd (LOM Avg)   | %            | 92%                   |
| Recovery - Au (LOM Avg)   | %            | 95%                   |
| Recovery - Ni (LOM Avg)   | %            | 40%                   |
| Recovery - Cr <sub>2</sub> O <sub>3</sub> (LOM Avg)               | %            | 73%                   |
| Total PGM <sub>3E</sub> Concentrate Produced                      | kt           | 379                   |
| PGM <sub>3E</sub> <sup>1</sup> Concentrate Grade (LOM Avg)        | g/t          | 81                    |
|   |              | 2.7%                  |
| Nickel (in PGM <sub>3E</sub> Concentrate) Grade (LOM Avg)         | %            |                       |
| <b>Summary of Recovered Metal</b>                                 |              |                       |
| Recovered PGM <sub>3E</sub> <sup>1</sup> in Concentrate (LOM Avg) | <b>27 kt</b> | <b>117 000</b>        |

|   |       |         |
|---|-------|---------|
| Recoverable Nickel in Concentrate (LOM Avg) | oz pa | 111,000 |
| Saleable Chromite Concentrate (LOM Avg)     | tpa   | 1,200   |
| Recovered PdEq <sup>2</sup> (LOM Avg)       | oz pa | 134,800 |
|   |       | 161,000 |

## Financial Assumptions

The Study utilised the assumptions set out in Table Two. The Company concluded that it has a reasonable basis for using these assumptions and providing the forecast financial information and production targets included in this announcement. The Company is satisfied that the financial viability of the Project is not dependent on the inclusion of Inferred Resources.

The Company has utilised a long term Base Case PGM Basket Price (Pt, Pd, Au, Rh) assumption that is modelled at approximately the 85<sup>th</sup> percentile of the PGM<sub>4E</sub> cost curve, i.e. it assumes a long term price where ~15% of operations are loss making. Price assumptions for platinum, palladium and nickel are also supported by estimates from a range of market analysts. The Company has utilised spot prices for gold and chromite concentrate (40-42% Cr<sub>2</sub>O<sub>3</sub>, CIF South Africa). The Company has also included a financial evaluation utilising the historical 5-year average PGM prices.

The project has been modelled on an unlevered basis on 100% ownership terms. NPV<sub>8%</sub> and IRR are modelled from the start of project construction. Costs incurred to reach a Final Investment Decision ("FID") are not included in the pre-production capital estimate. The capital payback period is assumed to be measured from the commencement of production.

Capital costs are based on current engineering databases and direct quotes from equipment manufacturers, as well as estimates based on recent actual pricing from similar WA mining operations. They include all pre-production site, processing plant, tailings dam, mine development and initial open pit mining costs. They also include sustaining capital post-production.

Operating costs are derived from a number of sources including quotes supplied by vendors, consultants' databases and estimates based on similar WA mining operations.

The Company's financial evaluation outputs and key project metrics are set out on a real, unlevered basis.

**Table Two | Financial Assumptions**

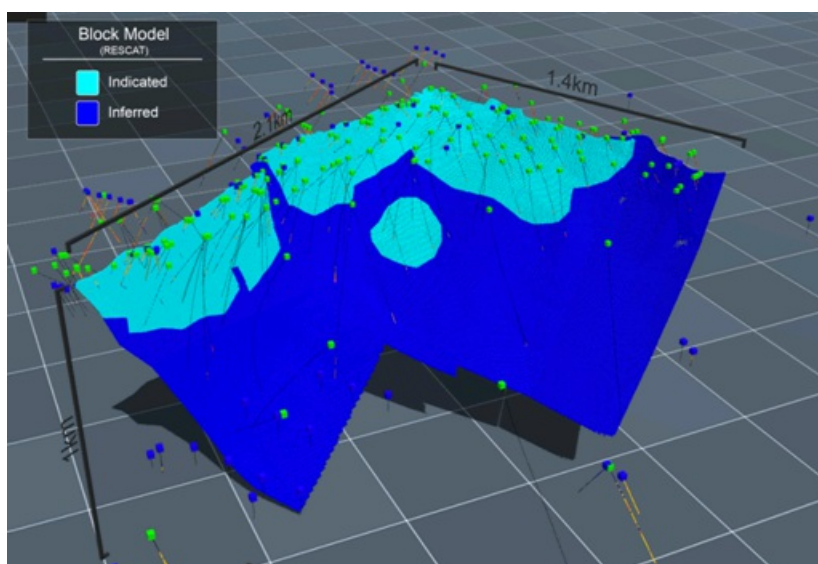
|  |                | Base Case    | PGM<br>5-<br>year<br>Avg<br>Case |
|--|----------------|--------------|----------------------------------|
| <b>Commodity prices (LOM avg.)</b>                       |                |              |                                  |
| Pt   | US\$/oz        | 1,285        | 1,040                            |
| Pd   | US\$/oz        | 1,400        | 2,115                            |
| Au   | US\$/oz        | 2,000        | 1,870                            |
| Rh*  | US\$/oz        | 4,450        | 12,450                           |
| <b>PGM<sub>4E</sub> Basket Price</b>                     | <b>US\$/oz</b> | <b>1,556</b> | <b>2,200</b>                     |
| Ni   | US\$/t         | 20,000       | 20,000                           |
| Cr <sub>2</sub> O <sub>3</sub> (40-42% CIF South Africa) | US\$/t         | 282          | 282                              |
| <b>Financial</b>   |                |              |                                  |
| WACC (real)  | %              | 8%           |                                  |
| Exchange rate  | A\$/US\$       | 0.65         |                                  |
| <b>Payability</b>  |                |              |                                  |
| Pd payability  | %              | 92           |                                  |
| Pt payability  | %              | 92           |                                  |
| Au payability  | %              | 80           |                                  |
| Ni payability  | %              | 55           |                                  |
| Cr <sub>2</sub> O <sub>3</sub> payability                | %              | 95           |                                  |
| Pd-Au payability (tails product)                         | %              | 98           |                                  |
| <b>Pre-Production Capital Estimates</b>                  |                |              |                                  |
| Pre-Production Open Pit Mining                           | A\$m           | 21           |                                  |
| Pre-Production Underground Mining                        | A\$m           | -            |                                  |
| Processing Plant   | A\$m           | 146          |                                  |
| Non-Process Infrastructure                               | A\$m           | 34           |                                  |
| Indirects  | A\$m           | 33           |                                  |
| Contingency  | A\$m           | 32           |                                  |

|  |                 |                  |             |
|--|-----------------|------------------|-------------|
| <b>Total Pre-Production Capital</b>    | <b>A\$m</b>     | <b>267</b>       | <b>PGM</b>  |
| Sustaining Capital (LOM avg.)          | A\$m            | 17               | <b>5-</b>   |
| <b>Operating Expenditure Estimates</b> |                 | <b>Base Case</b> | <b>year</b> |
| Open Pit Mining                        | A\$/t processed | 26.7             | <b>Avg</b>  |
| Underground Mining                     | A\$/t processed | 97.4             | <b>Case</b> |
| Processing                             | A\$/t processed | 37.6             |             |
| G&A                                    | A\$/t processed | 5.0              |             |
| Realisation Costs (Logistics, TC/RCs)  | A\$/t processed | 20.6             |             |
| <b>Financial Outcomes</b>              |                 |                  |             |
| NPV <sub>8%</sub> (pre-tax)            | A\$m            | <b>250</b>       | <b>477</b>  |
| NPV <sub>8%</sub> (post-tax)           | A\$m            | <b>153</b>       | <b>311</b>  |
| IRR (pre-tax)                          | %               | <b>26%</b>       | <b>39%</b>  |
| IRR (post-tax)                         | %               | <b>21%</b>       | <b>31%</b>  |
| Payback Period                         | Years           | <b>4.0</b>       | <b>3.2</b>  |

\*Note Rh not included in Panton Scoping Study economic evaluation. Included for comparison to South African PGM Basket Price only

## Production Target

The focus of the Study is the Reef-style mineralisation and the mineralised High Grade Dunite which sits predominantly in the footwall of the Reef. The deposit is laterally and vertically extensive, and mineralisation is demonstrably continuous across its extent. The shallower portions, which the Study envisages to be mined initially, have been more densely drilled and therefore have been categorised as Indicated Resources. The spacing of drillholes is broader at depth (see Figure Four), and while this deeper drilling demonstrates the continuity of the Reef and High Grade Dunite mineralisation, there are lower levels of geological confidence in the grades and widths of the mineralisation in these areas. Given this, the deeper portion of the deposit has been classified as Inferred. The Company intends to complete a review of the Resource in conjunction with the Study mine planning to define the areas which require further drilling in order to upgrade them from Inferred to Indicated. As part of the Study, the Company has included \$3m per annum from Year 5 for infill drilling costs.



**Figure Four | Isometric view of high-grade Panton with drill traces and resource blocks coloured by Resource classification**

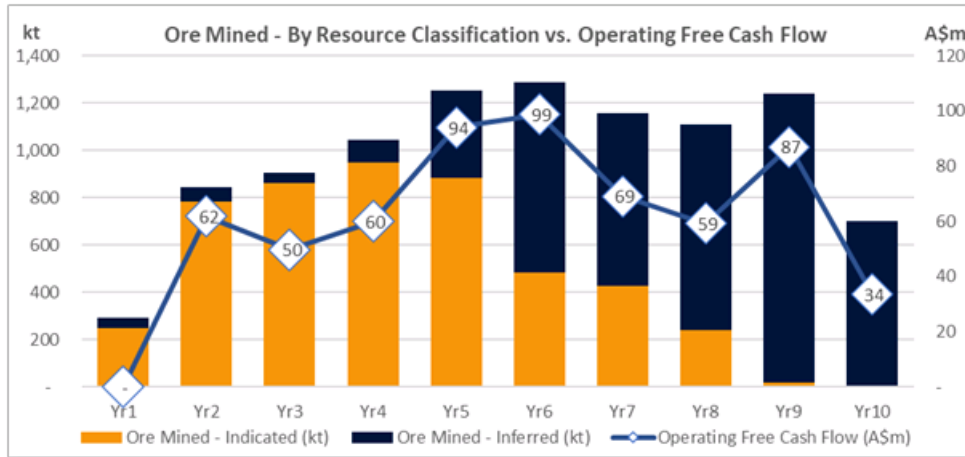
Under prior owners, the Project has previously had a JORC (2012) MRE with the majority of that estimate falling in the Measured and Indicated categories. This supported a Bankable Feasibility Study which was completed on the Project in 2003 and updated in 2012. A significant component of Panton's current JORC MRE has been classified as Indicated and, the Company believes that this is relevant information when assessing the results and confidence levels applied in the Study.

Total payable metal over the life of the Project is forecast to be approximately 1,210koz of PdEq<sup>2</sup> (911koz PGM<sub>3E</sub><sup>1</sup>, 5kt nickel and 1,084kt chromite concentrate).

Annual numbers with the breakdown of Indicated and Inferred Resources for mined ore are shown in Figure Five.



Indicated Resources comprise 86% of the total material scheduled for extraction in the first five years of the production target outlined in the Study. Over the life of mine, Indicated material comprises 50% of the Study's production target. The Study demonstrates that the pre-production capital for the Project is forecast to be repaid in Year 5 when Indicated material comprises the majority of the mine plan.

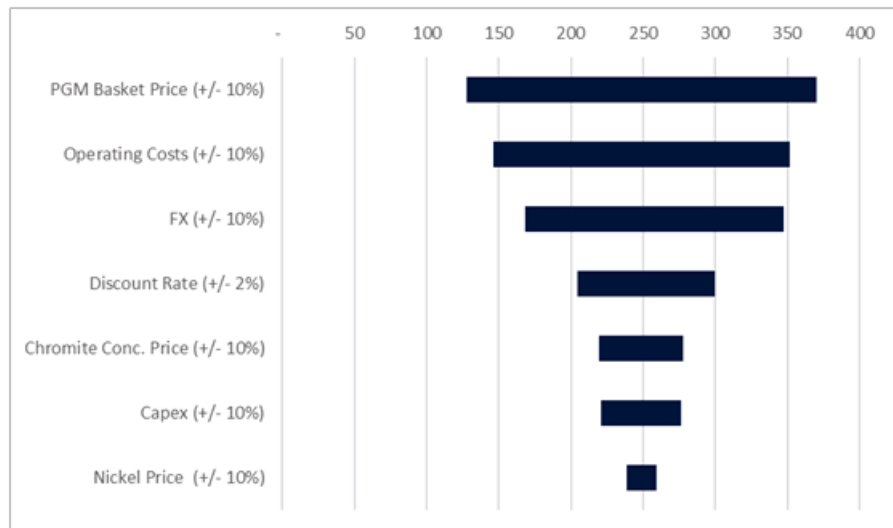


**Figure Five | Ore Mined - by Resource Classification vs. Operating Free Cash Flow**

The mine plan only includes 26% of material from the combined MRE for the Reef and High Grade Dunite. There is significant upside potential for the Project from improving the geological confidence of the Inferred mineralisation for its inclusion of additional material into the mine plan. Figure Five shows the forecast annual free cash flows of the Project. As an indication of the potential upside associated with mine life extensions, average annual free cash flows during the years of operation are A\$72m.

## Sensitivity Analysis

The Project's NPV<sub>8%</sub> and IRR are most sensitive to changes in PGM<sub>3E</sub><sup>1</sup> prices, operating costs and exchange rates, as shown in Figure Five.



**Figure Six | Project NPV<sub>8%</sub> (pre-tax) Analysis**

**Table Three | Scenario Analysis - PGM<sub>3E</sub> Price Assumptions**

|  | Base Case    |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
| Pt Price (US\$/oz)                             | 1,085        | 1,185        | 1,285        | 1,385        | 1,485        |
| Pd Price (US\$/oz)                             | 1,200        | 1,300        | 1,400        | 1,500        | 1,600        |
| Gold Price (US\$/oz)                           | 1,800        | 1,900        | 2,000        | 2,100        | 2,200        |
| Rhodium Price (US\$/oz)*                       | 4,450        | 4,450        | 4,450        | 4,450        | 4,450        |
| <b>Basket PGM<sub>4E</sub> Price (US\$/oz)</b> | <b>1,370</b> | <b>1,463</b> | <b>1,556</b> | <b>1,649</b> | <b>1,743</b> |
| <b>Pre-tax NPV<sub>8%</sub> (A\$m)</b>         | <b>78</b>    | <b>164</b>   | <b>250</b>   | <b>336</b>   | <b>422</b>   |



|                                      |     |     |     |     |     |
|--------------------------------------|-----|-----|-----|-----|-----|
| <b>Pre-tax IRR (%)</b>               | 14% | 20% | 26% | 31% | 37% |
| <b>Payback Period</b>                | 5.0 | 4.4 | 4.0 | 3.7 | 3.4 |
| <b>Annual Operating CF (A\$m)</b>    | 69  | 80  | 91  | 101 | 112 |
| <b>LOM Operating CF (A\$m)</b>       | 588 | 679 | 771 | 862 | 953 |
| <b>LOM FCF (A\$m)</b>                | 164 | 255 | 346 | 437 | 529 |
| <b>Annual Operating FCF (A\$m)**</b> | 51  | 61  | 72  | 83  | 94  |

\*Note Rh is not included in the Study's economic evaluation. Included for comparison to South African PGM operations only.

\*\*Operating FCF refers to free cash flow excluding pre-production capital

## Project's Positioning

The Study highlights the Project as being a potentially globally significant producer of PGMs and chromite. Panton also represents one of the only near-term development PGM projects outside of Russia and South Africa. Additionally, the Study demonstrates that Panton has a lower capital intensity than other similar PGM projects in the study phase, given its higher PGM grade.

### PGM Market Dynamics

The supply of primary PGM production is currently dominated by South African and Russian operations. Such operations supply >80% of PGM<sub>4E</sub> (Pd, Pt, Au & Rh) production (based on actual 2022 figures). Both of these countries are subject to material investment and operating risks:

- Russia is currently subject to international sanctions which has deterred Western investment into its mining industry, complicated the sourcing of new and sustaining mining equipment for existing operations and caused Western customers to seek alternative sources for metals such as PGMs.
- South Africa produced over 71% of primary platinum supply and 37% of primary palladium supply in 2022. Many of the operations in South Africa have operated for several decades, leading to deep mines and aging infrastructure which ultimately increases operating costs and sustaining capital. These issues are amplified by the chronic power availability issues in the country.

South African deposits are also relatively high in rhodium, with the recent profitability of many operations being driven by very strong rhodium prices, which has subsequently declined (2021: Rh price ~US\$29,000/oz vs 2023: Rh price ~US\$4,450/oz). This price decline, coupled with significant cost base inflation has the potential to lead to mine closures in the near to medium term.

### PGM Industry Cost Curve Position

The Study demonstrates that the proposed operation has the potential to be a low-cost producer of PGMs, with strong resilience for future operations throughout the PGM price cycle.

Figure One shows that at the current PGM<sub>4E</sub> basket price of ~US\$1,250/oz approximately 35% of existing PGM production is loss-making. This creates potential for a significant amount of supply to cease in the near to medium term unless prices increase.

Panton's cash costs net of by-product credits and AISC of US\$678/oz and US\$789/oz respectively demonstrate that if the Project was currently producing it would be towards the middle of the 2<sup>nd</sup> quartile of PGM production, thereby ensuring resilient margins in a depressed price environment and making for an economically robust project capable of withstanding sustained downturns in PGM prices.

Further details on the calculation methodology for the Company's stated cash costs, AISC and PGM industry cost curve are set out in Chapter 10 of the Study.

### Study Stage PGM Projects ex-South Africa and Russia

Table Four shows how Panton compares to two other study-stage PGM projects outside of South Africa and Russia. In contrast to other developers, Panton has a superior grade and materially lower capital requirements.

**Table Four | PGM Project Comparisons (ex-South Africa & Russia)**

| Project       | Owner         | Location          | Upfront Pre-Production Capital (A\$m) | PGM <sub>3E</sub> <sup>1</sup> Grade (g/t) | Life of Mine (Years) | PGM <sub>3E</sub> <sup>1</sup> Production (Koz, LOM Avg) | Co-Product Production (LOM Avg) |
|---------------|---------------|-------------------|---------------------------------------|--|----------------------|--|---------------------------------|
| <b>Panton</b> | Future Metals | Western Australia | 267                                   | 3.60                                       | 8.5                  | 117  | 1kt nickel<br>134kt chromite    |

| Australia                |                   |                   |                    |      |      |     | concentrate                               |
|--------------------------|-------------------|-------------------|--------------------|------|------|-----|---|
| <b>Gonneville (15Mt)</b> | Chalice Mining    | Western Australia | 1,600              | 0.95 | 19   | 280 | 9kt nickel<br>10kt copper<br>0.8kt cobalt |
| <b>Marathon</b>          | Generation Mining | Ontario, Canada   | 1,243 <sup>3</sup> | 0.90 | 12.5 | 216 | 9kt copper<br>248koz silver               |

<sup>3</sup> Pre-production capital estimate of C\$1,110. AUD:CAD exchange rate of 0.89 applied

\*See Appendix Two for source details

## Project Configuration

Initial open pit mining will be undertaken in parallel with construction of the processing plant. Open pit mining will continue into the second year of operations, providing the initial processing feed for the processing plant. Portal and decline development will begin within Year 2 and material from underground mining will comprise the majority of processing feed from Year 3 onwards.

Panton's processing flowsheet will produce a PGM concentrate with payable by-products and a chromite concentrate.

Mined material will report to a crusher, followed by ore sorting to separate Reef from High Grade Dunite. Each of these feed types will then report to their own processing train. The unit operations for both are the same to produce a PGM concentrate; two-stage grinding followed by flotation.

The Reef flow sheet will also include a Resin-in-Leach leaching circuit to produce a high-grade PGM product for direct sale to refiners or for blending with the PGM concentrate produced from flotation. The Reef flow sheet also includes a flotation circuit to produce a chromite concentrate.

Figure Seven shows the summary flowsheet for the Panton Project.

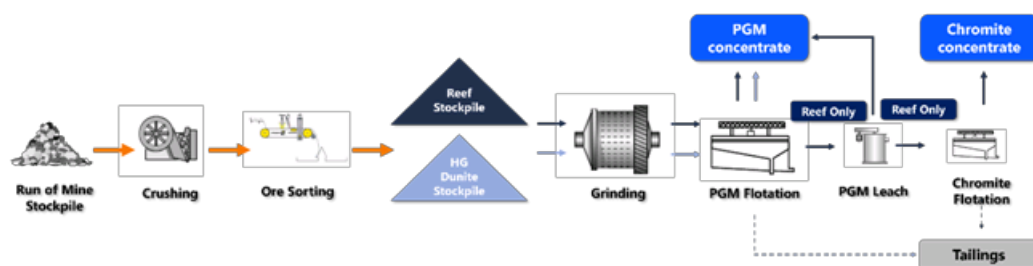


Figure Seven | Panton Scoping Study Flowsheet (summarised)

Power will be supplied from a gas-fired power plant on site utilising trucked liquefied natural gas with variable renewable energy from a solar panel installation.

Water will be supplied from a borefield located within the existing Mining License area.

The Project is located ~1km from a sealed highway which runs to the deep-water port at Wyndham approximately 300km to the north. Multiple third party operations export their products out of the port. A sealed airstrip is located at Halls Creek, ~70km to the south of the Project along a sealed highway.

It is envisaged that the proposed workforce at Panton would be predominantly fly-in, fly-out and would travel to and from Halls Creek via Broome and onto Perth (or elsewhere).

## Upside Opportunities

The Study underpins a compelling investment case for progressing the Project, and the Company sees significant further upside opportunities as set out below:

- **Improved geological confidence of existing Resource:** The Study only includes 26% of the Reef and High Grade Dunite MRE due to reporting constraints in including Inferred resources. Average annual free cash flows of A\$72m in the Study demonstrate the significant upside in increasing mine life through the inclusion of existing Resources.
- **Resource growth:** The Panton orebody is open at depth and interpreted to have improving thicknesses and grades; further drilling may support mine life extensions beyond the currently modelled life of mine.

- **Additional payable metals:** The Panton deposit contains metals either not included in the MRE or not assumed to be payable. Additional work in the PFS stage may support the inclusion of other payable metals including rhodium, iridium, copper and cobalt.
- **Expansion potential:** The Study does not include the near-surface Bulk Dunite mineralisation. This component of the MRE comprises 55.7Mt @ 1.2g/t PdEq<sup>4</sup>, with future metallurgical studies may support a significantly expanded operation.
- **Regional discoveries:** The Company has recently expanded its exploration position around the Panton Project. Additional nearby discoveries will potentially further enhance the Project's economics through shared surface and processing infrastructure. Future Metals' Eileen Bore Project is located ~15km to the east of Panton and historic drilling indicates the potential to quickly establish a resource estimate, progress metallurgical understanding and include it in the overall project development plan.
- **Western price premiums:** Pricing upside associated with being one of the few western PGM & chromite projects outside of China, Russia and South Africa. The Company will establish the Project's competitiveness on a carbon intensity basis during the planned PFS, however given the grade, and intended power source the Company is currently of the view that the Project will be substantially less carbon intensive than many existing projects.

<sup>4</sup> MRE PdEq calculation details provided in Appendix One of the Study

## Funding Strategy

Estimated pre-production funding of A\$267m is required to achieve the range of outcomes indicated in the Study. The Company is of the view that there is a reasonable basis to believe that the requisite funding amount for the Project will be available when required. The grounds on which this reasonable basis is established include:

- The Project has strong technical and economic fundamentals which provide an attractive return on capital and generate robust cashflows under a range of commodity price assumptions, even at currently depressed spot prices. This provides a strong platform for attracting potential equity, debt and offtake funding.
- The Project is located in Western Australia, a top tier mining and investment jurisdiction with a stable political and regulatory environment. This increases attractiveness for potential financiers given the reduced level of sovereign, legal, operational and financial risks.
- The Project is the highest grade PGM & chromite deposit in Australia, and one of the highest grade undeveloped PGM projects in the world. PGM supply is currently heavily concentrated in Russia and South Africa. The criticality of PGMs to multiple decarbonisation technologies, the significant risk of negative supply shocks, and the Project's location in a top tier western mining jurisdiction are expected to drive significant interest from a range of potential pools of capital. This includes potential non-dilutive government funding sources available for critical minerals projects in Western jurisdictions.
- The Company continues to engage with potential strategic partners who are interested in the Project in light of the reasons stated above. The Company will progress these discussions which may ultimately lead to a partnership with a larger company with improved access to capital.
- Future Metals' board and management team have a strong track record of raising equity and debt funds for development and operating projects.

There can be no certainty that the Company will be able to source funding as and when required. Typical project development financing would involve a combination of debt and equity. It is possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of the Company's existing shares.

## External Relations and Regional Benefits

The Study shows that Panton will be a significant operation in the East Kimberley region of Western Australia, stemming from which there will be substantial social and economic benefits.

The Company has had positive engagement with the Traditional Owners of the Project area and will continue to engage with them, and the broader East Kimberley community to ensure that the future development of the Project provides a positive contribution to the region.

During construction the Project would provide approximately 150 jobs, with steady-state operations requiring 215 jobs for ~9 years. The Company is committed to prioritising indigenous employment and contracting services to support its operations.

The Study sets out a high-grade, predominantly underground project with a relatively small surface footprint. The

Company's current exploration practices involve minimising land disturbance where possible and it will continue to do so as it advances the Project. The Company is committed to being a strong environmental steward in the areas in which it operates and will continue to engage positively with stakeholders to ensure that the environmental impact of its activities and operations are minimised.

## Forward Plan

The Study provides support that Panton is a commercially viable project and accordingly, the Company now plans to commence a Pre-Feasibility Study ("PFS") to further de-risk the Project and finalise a go-forward development case.

The Company will, in particular, seek to further optimise the processing flowsheet, undertake metallurgical variability testing, progress offtake discussions and improve the geological confidence of the MRE. Additionally, the Company will begin preparing the Project for regulatory approvals processes.

The Company is currently targeting completion of a PFS in Q4 2024.

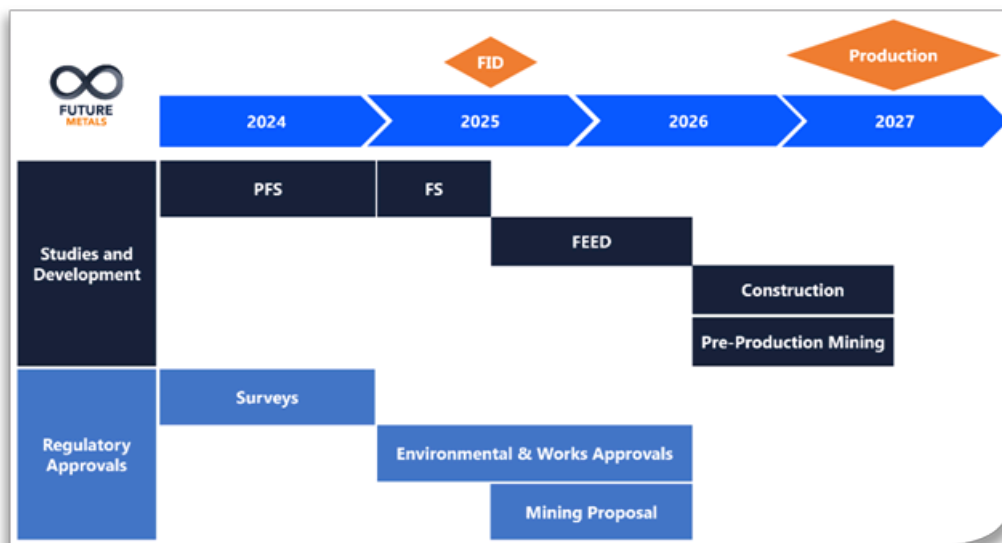


Figure Eight | Panton Forward Plan and Development Timeline

## Study Consultants

The Company completed the Panton Scoping Study with an internal team, with support from several specialist consultants. The following list of consultants have contributed to the Study.

| Contributor  | Workstream   |
|--|--|
| Independent Metallurgical Operations (IMO) Pty Ltd | Metallurgical test-work, flowsheet, process design, process capital and operating cost estimates |
| ABGM Pty Ltd                                       | Pit optimisation and underground mine design, scheduling, cost estimation.                       |
| Anandarasa Advisory                                | Economic evaluation modelling  |
| International Resource Solutions Pty Ltd           | Mineral resource estimation  |
| Steinert   | Ore sorting testwork   |
| Biologic   | Preliminary environmental assessment   |
| RPM Global   | Permitting scoping study   |
| Mainsheet  | Electricity scoping study  |

## Competent Person's Statement

### Mineral Resources

The information in this document that relates to Mineral Resources has been extracted from the ASX announcement titled: "Resource Upgrade Defines Panton Impressive Grade & Scale", 26 October 2023. This announcement is available to view on the Company's website at [future-metals.com.au](https://future-metals.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 announcement and that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. The Company

parameters underpinning the estimates in the original release 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 relevant original market announcement.

## Metallurgy

The information in this announcement that relates to metallurgical test work managed by Independent Metallurgical Operations Pty Ltd ("IMO") is based on, and fairly represents, information and supporting documentation reviewed by Mr Peter Adamini, BSc (Mineral Science and Chemistry), who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Adamini is a full-time employee of IMO, who has been engaged by Future Metals NL to provide metallurgical consulting services. Mr Adamini has approved and consented to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

## Mining

The information in this document that relates to mine planning, design and scheduling managed by ABGM Pty Ltd ("ABGM") is based on, and fairly represents, information and supporting documentation reviewed by Mr Anton von Wielligh, B.Sc. (Hons) in Engineering (Mining), who is a Fellow of AusIMM. Mr von Wielligh is a full-time employee of ABGM, who has been engaged by Future Metals NL to provide mining consulting services. Mr von Wielligh has approved and consented to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

## Exploration and Metallurgical Results

The Information in this announcement that relates to previous exploration and metallurgical results for the Project is extracted from the following ASX announcements:

- 27 July 2022 | High Grade Ni-Cu-PGE sulphides confirmed at Panton
- 13 February 2023 | Mining and Processing Breakthrough at Panton
- 21 March 2023 | High Grade PGM Mineralisation from 350m Step Out Drilling
- 4 May 2023 | Drilling to commence at Nickel Sulphide Targets
- 24 May 2023 | RC drilling commences at Panton Ni-Cu-PGM Targets
- 11 July 2023 | Step Change in PGM Recovery - Improved to 86%
- 5 October 2023 | FME Doubles Strategic Exploration Position Near Panton
- 26 October 2023 | Resource Upgrade Defines Panton Impressive Grade & Scale

The above announcements are available to view on the Company's website at [future-metals.com.au](https://future-metals.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant original market announcements. The Company confirms that the information and context in which the relevant Competent Person's findings are presented have not been materially modified from the original market announcements.

## Forward Looking Statements

Certain statements in this announcement relate to the future, including forward-looking statements relating to the Company's financial position, strategy and expected operating results. These forward-looking statements involve known and unknown risks, uncertainties, assumptions, and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement and deviations are both normal and to be expected. Other than required by law, neither the Company, its officers nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements will actually occur. You are cautioned not to place undue reliance on those statements.

## Appendix One | Peer Benchmarking References - Study-Stage PGM Projects

| Project    | Company           | Study Stage | Release Date   | Source   |
|------------|-------------------|-------------|----------------|--|
| Gonneville | Chalice           | Scoping     | 29 August 2023 | <a href="#">Gonneville Nickel-Copper-PGE Project Scoping Study</a> |
| Marathon   | Generation Mining | Feasibility | 31 March 2023  | <a href="#">Marathon 2023 Feasibility Study Update</a>             |

## Glossary

| Term | Definition |
|------|------------|
|------|------------|

|  |   |
|--|---|
| <b>AISC</b>                                    | all-in sustaining costs   |
| <b>Au</b>                                      | gold  |
| <b>Avg</b>                                     | average   |
| <b>Cr<sub>2</sub>O<sub>3</sub> or Chromite</b> | an oxide mineral and principal ore of chromium  |
| <b>Competent Person or CP</b>                  | the competent person responsible for the relevant stated information contained within this announcement   |
| <b>Cr</b>                                      | chromium  |
| <b>Cu</b>                                      | copper  |
| <b>Dunite</b>                                  | an intrusive igneous rock of ultramafic composition and with phaneritic (coarse-grained) texture  |
| <b>FCF</b>                                     | free cash flow  |
| <b>FS</b>                                      | feasibility study   |
| <b>FEED</b>                                    | front-end engineering and design  |
| <b>FID</b>                                     | final investment decision   |
| <b>g/t</b>                                     | grams per tonne   |
| <b>Indicated</b>                               | that part of a Mineral Resource for which quantity, grade and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit |
| <b>Inferred</b>                                | that part of a Mineral Resource for which quantity and grade are estimated on the basis of limited geological evidence and sampling   |
| <b>Ir</b>                                      | iridium, one of the platinum group elements   |
| <b>IRR</b>                                     | internal rate of return   |
| <b>JORC Code (2012)</b>                        | Australasian Code for Reporting of Mineral Resources and Ore Reserves 2012, published by the Joint Ore Reserves Committee   |
| <b>km</b>                                      | kilometres  |
| <b>kt</b>                                      | thousands of tonnes   |
| <b>ktpa</b>                                    | thousands of tonnes per annum   |
| <b>LOM</b>                                     | Life-of-mine  |
| <b>m</b>                                       | metres  |
| <b>Mafic</b>                                   | igneous rocks that are low in silicon and high in iron and magnesium  |
| <b>Measured</b>                                | the part of a Mineral Reserve that has been sampled extensively by closely spaced drill holes and/or developed by underground workings in sufficient detail to render an accurate estimation of grade and tonnage   |
| <b>Mineral Resource</b>                        | a concentration or occurrence of solid material of economic interest for which there is a reasonable prospect of eventual economic extraction   |
| <b>Moz</b>                                     | million ounces  |
| <b>MRE</b>                                     | mineral resource estimate   |
| <b>mRL</b>                                     | metres relative level, i.e. metres above sea level  |
| <b>Mt</b>                                      | million tonnes  |
| <b>Ni</b>                                      | nickel  |
| <b>NPV</b>                                     | net present value   |
| <b>O</b>                                       | oxygen  |
| <b>Ore Reserve</b>                             | the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted   |
| <b>Os</b>                                      | osmium, one of the platinum group elements  |
| <b>oz</b>                                      | ounces  |
| <b>pa</b>                                      | per annum   |
| <b>Panton PGM-Ni-Cr Project or Panton</b>      | the Panton PGM-Nickel-Chromium (or Chromite) Project  |
| <b>Pd</b>                                      | palladium, one of the platinum group elements   |
| <b>PdEq</b>                                    | palladium equivalent  |
| <b>PFS</b>                                     | Pre-Feasibility Study   |
| <b>PGE or PGM</b>                              | platinum group elements or metals. The collective term for platinum, palladium, rhodium, ruthenium, osmium and iridium  |
| <b>PGM<sub>2E</sub></b>                        | platinum group metals, Pt and Pd  |
| <b>PGM</b>                                     | platinum, palladium, rhodium, ruthenium, osmium and iridium   |

|                         |  |
|-------------------------|--|
| <b>PGM<sub>3E</sub></b> | platinum group metals, Pt, Pd and Au     |
| <b>PGM<sub>4E</sub></b> | platinum group metals, Pt, Pd, Au and Rh |
| <b>Tpa</b>              | tonnes per annum                         |
| <b>W:O</b>              | waste:ore ratio                          |

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