



EMETALS
— LIMITED —



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Directors

Gary Lyons, Chairman

Mathew Walker, Director

Teck Siong Wong, Director

Sonu Cheema, Company
Secretary

Issued Capital (ASX Code: EMT)

850,000,000 Ordinary Shares

420,000,000 Quoted options
exercisable ("EMTO" at \$0.03 on
or before 30 September 2025

26 July 2024

ACQUISITION OF MUBENDE GOLD PROJECT, UGANDA

The Directors of eMetals Limited (**ASX:EMT**)(**eMetals**)(**Company**) are pleased advise it has entered into a binding terms sheet (**Agreement**) with Sifang Mineral Resources Limited (**Sifang**), a Ugandan incorporated company, and its shareholders (**Sifang Shareholders**) to acquire an interest in a granted exploration licence (EL00379) located in central Uganda (the **Mubende Gold Project**) through the purchase 80% of the ordinary shares in Sifang. Sifang is the 100% legal and beneficial owner of the Mubende Gold Project and four exploration license applications located in central Uganda (the **Applications**).

HIGHLIGHTS

- The granted exploration license EL00379 covers 202 square kilometres in the Mubende region west of Kampala and includes the highly prospective Bukuya prospect.
- The Bukuya prospect is currently being mined by 60-80 artisanal workers over 600 metres of prospective strike and remains open along strike and at depth.
- Rock chip samples taken from a recent site visit to the Bukuya prospect by consultant geologists returned numerous specimens containing visible gold in both ferro-manganese and quartz veins.
- Experienced in-country technical team appointed including Mr Dylan le Roux and Mr Allan Agumya to manage exploration activities.
- Field activities scheduled to commence 05 August 2024.

Commenting on the acquisition Managing Director Mr Mathew Walker stated, "We are delighted to have secured a significant land holding that has prospectivity confirmed by a strong presence of artisanal mining activity. Uganda has a well established gold mining industry and regulatory protocols that add to the appeal of the acquisition. We look forward to the commencement of field activities in the immediate term."

MUBENDE GOLD PROJECT

The Mubende Gold Project is an extensive landholding of 202 square kilometers that covers a series of metasediments, predominantly characterized by meta-wacke's and phyllitic slates, with occasional interbedded quartzite units and mafic volcanics. Late-stage granites have intruded the metasediments, mainly in the southern part of the license.



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— LIMITED —

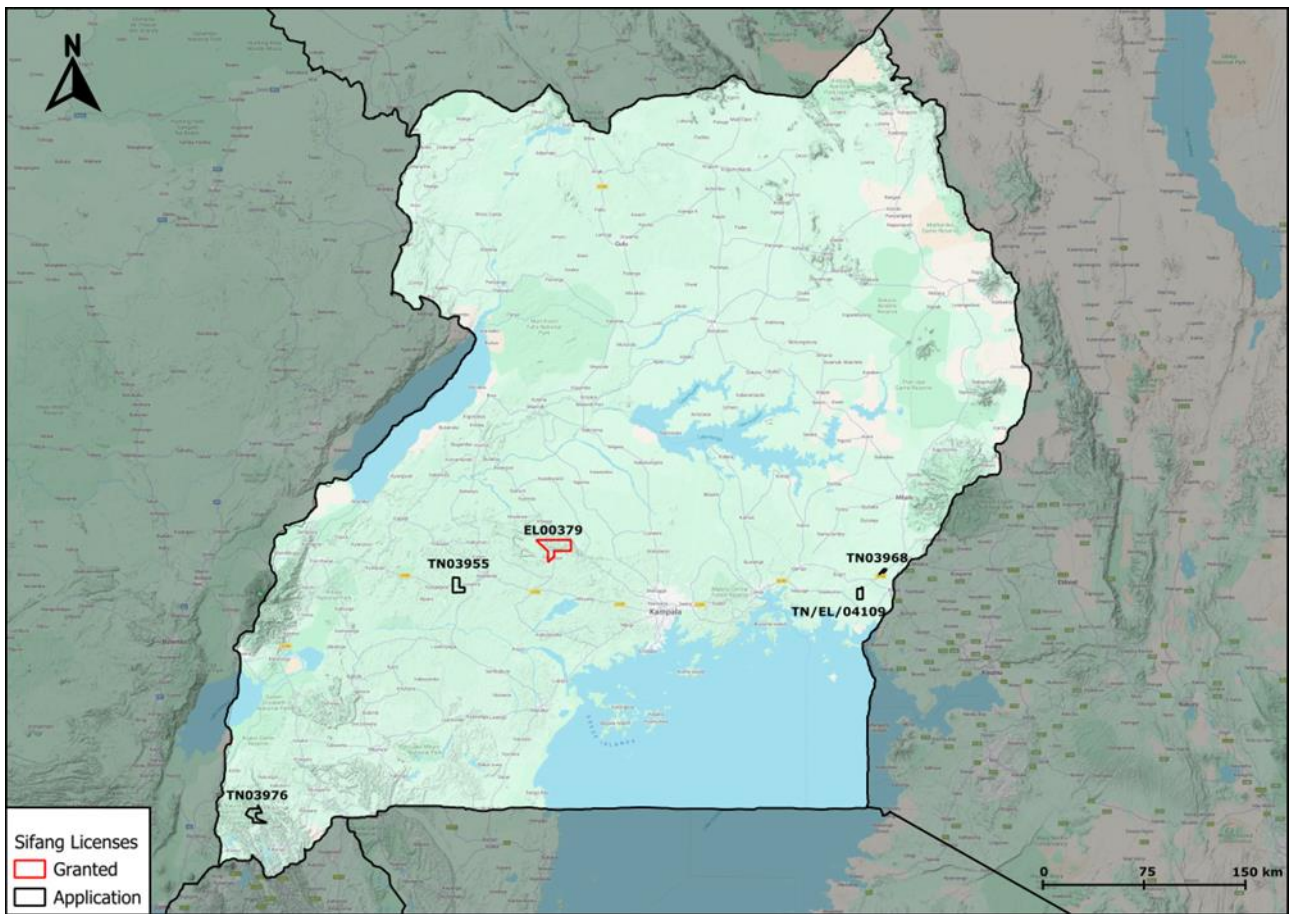


Figure 1: Regional Map with locations of Sifang licenses.

At the Bukuya prospect, wall rock consists of metapelitic units with vertical foliation trending NW in most shafts, turning EW in the northern artisanal shafts. Mineralization appears confined to a deformation zone within the metapelites and hosts three subsets of veins exploited by artisanal workers. The first subset includes quartz veins with hematite mineralization, iron-oxide staining, and goethite/limonite-filled vugs, seen in southern shafts with NW trending foliation. The second subset comprises metallic veins of blueish-grey and black ferro-manganese mineralisation with botryoidal textures and specular hematite, found in northern shafts with EW trending foliation. The third set comprises massive milky white quartz veins.

These veins are described in more detail below.

Type 1 (Iron-rich quartz veins): These are quartz veins that show varying degrees of ferro(-manganese) mineralisation. Mineralisation occurs as hematite (red), specular hematite (dark silver/black), and a lesser degree of manganese (botryoidal, blue-grey to black). Vugs filled with limonitic material is often seen in these veins and is interpreted to represent leached out sulphides. These veins are seen in the SE of the Bukuya site. They are typically decimetre to metre scale and are foliation concordant (vertical to subvertical with dominantly NW trend).

Type 2 (Ferro-manganese veins and alteration zones): These veins are composed entirely of metallic ferromanganese minerals with little to no quartz present. Veins are dark-grey to black in colour, indicating mainly specular hematite and manganese mineralisation. The wall rock adjacent to these



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veins is generally highly altered and hematite rich. They are associated with foliation parallel stringers and occasionally bound by Type 1 veins. These zones are mainly found in the centre of the study site.

Type 3 (Pure quartz veins): These are milky-white veins with little to no ferro-manganese mineralisation or staining present. Compared to the Type 1 quartz veins, these veins are massive and competent as opposed to more brittle and fractured/jointed. They are the most common and widespread of the veins and show a large variety of geometries, from stockwork and folded veins seen in the meta-wacke, to foliation parallel stringers, and thick, metre wide veins.

Free gold was observed in several specimens in Type 2 and Type 3 veins.

TECHNICAL TEAM

Mr Dylan le Roux is a South African geologist with ~10 years' experience operating in Africa with a focus on East Africa and Uganda. He has managed and executed several early-stage exploration programmes and has experience in various commodities including gold, tin, lithium, and copper.

Mr Allan Agumya is a local Ugandan businessman who has been involved in the mining industry for over 13 years and has a broad contact base within the Uganda business and regulatory community. He currently serves as the Chairman of the Miner's Forum Uganda.

ACQUISITION TERMS

A summary of the material terms of the Agreement is set out below:

Due Diligence Period	<p>(a) Upon execution of the Agreement, the Company shall commence an exclusive due diligence period of 60 days (Due Diligence Period) and shall fund an initial exploration program and conduct legal, commercial and technical due diligence as required during the Due Diligence Period.</p> <p>(b) Upon completion of the Due Diligence Period, if the Company wishes to proceed with the acquisition of the Mubende Gold Project (Acquisition) it shall notify Sifang by written notice (Participation Notice) and pay Sifang US\$10,000 (Participation Fee).</p>
Acquisition	<p>(a) Subject to:</p> <ul style="list-style-type: none">(i) provision of the Participation Notice and payment of the Participation Fee by the Company; and(ii) EL00379 having been granted and Sifang presenting a copy thereof to EMT, <p>the Company agrees to acquire and Sifang and the Sifang Shareholders each agrees to sell 80 ordinary shares in the capital of Sifang (being 80% of the issued share capital in Sifang) (Acquisition Shares).</p> <p>(b) The Company shall pay Sifang a sum of US\$20,000 in consideration for the Acquisition.</p>
Earn-in and Option	<p>(a) Following completion of the Acquisition (Completion), Sifang shall commence systematic exploration on at the Mubende Gold Project. The Company agrees to fund all exploration activities up to the delivery of a definitive feasibility study in accordance with the JORC Code (2012 Edition).</p>



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	(b) For a period of 24 months commencing on and from Completion (Option Period), the Company has the option to purchase another 10% interest in Sifang (Option) by paying the Sifang Shareholders US\$1,000,000 such that the Company has a total interest in Sifang of 90%.
	(c) If the Company does not exercise the Option within the Option Period, the Company is deemed to have withdrawn from the Mubende Gold Project and must as soon as practicable transfer 100% of the Acquisition Shares back to the Sifang Shareholders.
Additional Tenure	(a) The Company has first right of refusal to retain each of the Applications for a period of 6-months from the date of signing of the Agreement for a fee of US\$15,000 per Application.
	(b) In the event the Company does not want any or all of the Applications, Sifang may withdraw any Application not retained by the Company and re-apply in a different capacity at their own cost and risk.

CORPORATE

CATEGORY	ASX CODE	NUMBER
Issued Ordinary Shares	EMT	850,000,000
Options (\$0.03 – 30 September 2025)	EMTO	420,000,000

This announcement has been authorised by the Board of eMetals Limited.

For, and on behalf of, the Board of the Company

Mathew Walker

Director

EMETALS Limited

-ENDS-

Shareholders and other interested parties can speak to Mr Sonu Cheema if they have any queries in relation to this announcement: +61 8 9463 2463.

Forward looking statements

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and our management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by law. These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements.



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Competent Persons Statement

The information in this announcement that relates to exploration results is based on and fairly represents information and supporting documentation prepared by Mr Dylan le Roux. Mr Dylan le Roux a consultant geologist for eMetals and a member of the South African Council for Natural Scientific Professions ("SACNASP"). Mr Dylan le Roux has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Mr Dylan le Roux consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.