

Shareholder approval given to the Broken Hill Mines strategy, one of Australia's great mining jurisdictions

The Board of Coolabah Metals Limited (ASX:CBH) (**Coolabah** or the **Company**) is pleased to provide the following Quarterly Activities Report up to 31 December 2024.

Strategic consolidation transaction of two of the three mining companies that control all current Ag-Pb-Zn operations at Broken Hill

Highlights

- Broken Hill Mines Pty Ltd (BHM) completed acquisition of Broken Hill Operations Pty Ltd (BHOPL)
- General Meeting of shareholders of Coolabah Metals Limited (to be renamed 'Broken Hill Mines Limited') of which all 18 resolutions were passed

The Company was pleased to announce on 31 October 2024, that it had received notice from BHM that BHM completed the acquisition of the Rasp Mine and associated assets via the acquisition of 100% of the issued share capital in BHOPL from CBH Resources (a wholly owned subsidiary of Toho Zinc Ltd).

Completion of the Company's Acquisition of BHM and Re-compliance (together, the **Transaction**) is conditional on the Company obtaining all necessary regulatory approvals to give effect to the Transaction.

Transaction Summary

Acquisition of 100% of issued capital in Broken Hill Mines Pty Ltd (BHM), which is party to:

- Rasp Ag-Pb-Zn Mine Agreement: Acquisition complete of the Rasp Mine in Broken Hill, NSW from CBH Resources Limited (wholly owned subsidiary of Toho Zinc Ltd)
- Pinnacles Ag-Pb-Zn JV Agreement: Option over a 70% profit sharing interest in the development and operation of the Pinnacles Mine, located 15km from the Rasp Mine

Existing JORC 2012 Mineral Resource (MRE) with Exploration Target upside:

- Rasp MRE: 10.1Mt at 9.4% ZnEq (5.7% Zn, 3.2% Pb and 49g/t Ag)
- Pinnacles MRE: 6.0Mt at 10.9% ZnEq (4.7% Zn, 3.3% Pb, 133g/t Ag & 0.5g/t Au)
 - Inc. Perseverance Deposit: 3.5Mt at 12.3% ZnEq (4.5% Zn, 4.1% Pb, 166g/t Ag & 0.5g/t Au)
- Pinnacles Exploration Target : 6.0 - 15.0Mt at 2.0 - 4.0% Zn, 3.0 - 6.0% Pb & 40 - 125g/t Ag

The potential quantity and grade of Exploration Targets are conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Rasp Mine Currently Operational & Pinnacles Mine on C&M:

- Strategy to consolidate operational Rasp infrastructure with Pinnacles mineral resource base
- Rasp Mine net cashflow from current operations 1H CY2024 A\$8.3 million
- Rasp current throughput ~400,000tpa, with plant design capacity 750,000tpa
- Rasp has been a consistent producer of low impurity zinc and lead-silver concentrates since 2012, with established concentrate logistics supply chain to domestic and international smelters
- Concentrate Offtakes: BHM has secured new offtake agreements for zinc inc. US\$5.3 million (~A\$8.0 million) financing (committed) & lead inc. US\$10 million (~A\$15 million) financing (conditional)

Transformational Transaction for Coolabah Metals:

- **New Team:** Coolabah Board & management changes, adding significant operational and commercial experience in base metals operations, inc: Patrick Walta (proposed Executive Chairman), Mark Hine (proposed NED), Brent Walsh (proposed NED), Steve Woodham (current Chair transitioning to NED)
- **Strong Cash Position:** Coolabah to hold cash and committed undrawn financing estimated between A\$16.5 million to A\$17.5 million (excludes ~A\$15 million in conditional lead offtake financing)
- **Environmental Bonding:** Coolabah to also hold A\$16.9 million in restricted cash via fully cash backed environmental bonds in place for Rasp
- **Recompliance:** ASX Chapters 1 & 2

Next Steps Toward Transaction Completion:

- The Company is completing Independent Geological & Accounting Reports for inclusion in the public offer prospectus (Prospectus) as part of ASX Chapter 1 & 2 recompliance

Coolabah Metals Limited (ASX:CBH) (**Coolabah** or the **Company**) was pleased to announce that it had entered into a binding agreement to acquire 100% of the issued capital in Broken Hill Mines Pty Ltd (**BHM**) (the **Acquisition**), which in turn holds:

- a) a binding agreement to acquire the Rasp Mine and associated assets via the acquisition of 100% of the issued share capital in Broken Hill Operations Pty Ltd (**BHOPL**) (**BHOPL SPA**); and
- b) a binding heads of agreement for an option to acquire a Net Smelter Return (**NSR**) based 70% profit sharing operating arrangement to develop the Pinnacles Mine (Pinnacles Option).

As reported, the Acquisition will amount to a significant change to the nature and scale of the Company's activities and as such, as the Company has now obtained shareholder approval under ASX Listing Rule 11.1.2 at the general meeting held on 29 November 2024. The Company now continues with recompliance with Chapters 1 and 2 of the ASX Listing Rules in accordance with ASX Listing Rule 11.1.3 (**Re-compliance**). As part of this process, the Company consolidated its securities on a 3 to 1 basis (**Consolidation**).

As stated, completion of the Acquisition and Re-compliance (together, the **Transaction**) is now conditional on the Company obtaining all necessary regulatory approvals to give effect to the Transaction (amongst other things).

Other than the ASX and shareholder approvals referred to in this quarterly report, the Company is not aware of any additional regulatory approvals required to give effect to the Transaction and that are required in order to continue operating the Rasp Mine as at the date of this announcement.

On completion of the Transaction (**Completion**), the Company will be reinstated as a mineral's producer.

As narrated, following shareholder approval, the Company will seek to raise \$3,000,000 (before costs) (Minimum Subscription) via a public offer of 15,000,000 fully paid ordinary shares (Shares) at an issue price of \$0.20 per Share (Public Offer). The Directors of Coolabah reserve the right to accept oversubscriptions of 5,000,000 Shares to raise an additional \$1,000,000 (before costs) (Maximum Subscription). The Public Offer will be undertaken on a post Consolidation basis.

Existing shareholders of the Company (Shareholders) will be given priority access to 50% of the Public Offer (up to 10,000,000 Shares on Maximum Subscription).

Corporate

Financial

Following the exploration activities, Coolabah had a cash position of approximately \$2.82 million at the end of the December quarter. Related party payments for the quarter are as outlined in the Appendix 5B at section 6.1, a total of \$130,857 which includes the directors' fees and statutory superannuation paid to directors.

The Board of Directors of Coolabah Metals Limited authorised the release of this announcement.

Further information:

Steve Woodham
Chairperson
steve@coolabahmetals.com.au
0417 293 449

List of Tenements

Tenement Number / Name	Ownership	Project	Location
EL9648 Mundi Mundi	100%	Mundi Mundi	Broken Hill, NSW
EL8785 Nymagee	100%	Nymagee	Nymagee, NSW
EL8638 Barrow	100%	Nymagee	Nymagee, NSW
EL9578 DYWAT	100%	Nymagee	Nymagee, NSW
EL9357 Orion	100%	Coolabah	Coolabah, NSW
EL9287 Coolabah	100%	Coolabah	Coolabah, NSW
EL9359 Vega	100%	Coolabah	Coolabah, NSW
EL9358 Richardson	100%	Coolabah	Coolabah, NSW
EPM27733 Gunpowder Creek	100%	Gunpowder Creek	Mt Isa, QLD
ML5571 Gunpowder Creek	100%	Gunpowder Creek	Mt Isa, QLD
ML5572 Gunpowder Creek	100%	Gunpowder Creek	Mt Isa, QLD
EPM27530 Cannington	100%	Cannington	Cannington, QLD
EPM27742 Brumby	100%	Cannington	Cannington, QLD
Carmoy	100%	Hampden	Quebec, Canada
Taiga	100%	Hampden	Quebec, Canada
La Grande	100%	Hampden	Quebec, Canada
Mago North	100%	Hampden	Quebec, Canada
McCoy Lake	100%	McCoy Lake	Ontario, Canada

About Coolabah Metals Limited

Coolabah Metals Limited (ASX:CBH) is an ASX-listed minerals explorer with a focus on copper, gold, base metal assets and group two (2) Non-Metallic minerals throughout Australia. Coolabah Metals is also active in exploring lithium projects located in Canada. Positioning Coolabah as a player in the fast-growing renewables exploration sector. CBH aims to build shareholder wealth through the discovery and development of mineral deposits across various Australian and Canadian projects, being the Mundi Mundi Project, Coolabah Project, Nymagee Project, Gunpowder Creek Project, Cannington Project and the Hampden and McCoy Lake Projects.

Coolabah Project

The Coolabah Project area comprised of 1,177km², lies adjacent to the Girilambone copper deposits including Avoca Tank, Tritton and the newly discovered Constellation Deposit. The Coolabah Project is highly prospective given that geology structures / regional settings are similar to known deposits.

Nymagee Project

The Nymagee Project area totals 533.3km² and is located amongst significant discoveries at Federation, Hera and Nymagee and is highly attractive for Cobar Style Deposits. The Nymagee Project lies on a major north-easterly structure prospective for gold, copper, lead, and zinc mineralisation.

Gunpowder Creek Project

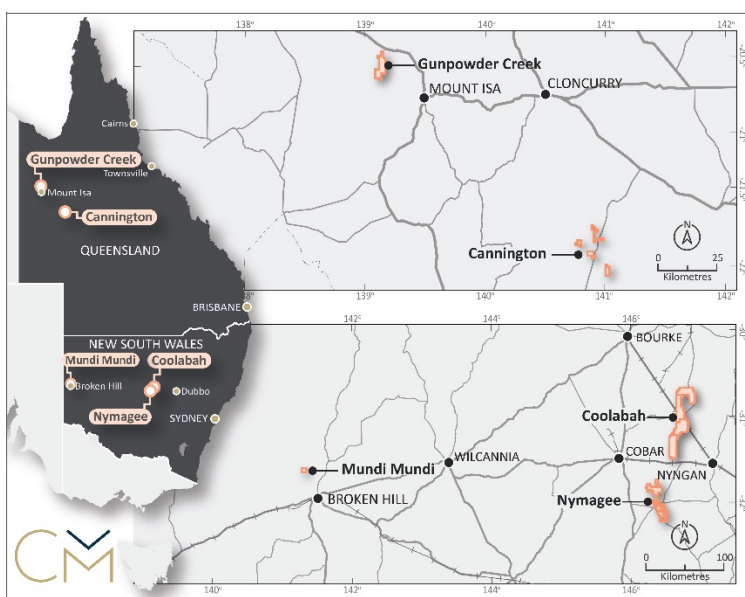
The Gunpowder Creek Project is located within the world class Mt Isa block, only 40km northwest of Mt Isa and is home to numerous historic workings over 5km and highlights high-grade rock chips up to 32g/t gold. The Gunpowder Creek Project is prospective for vein/fault hosted high grade gold and Mt Isa Copper-Lead-Zinc type mineralisation.

Cannington Project

The Cannington Project is located 130km SSE of Cloncurry comprised of two exploration licences that covers a total area of 113.4km². The main prospect within the Project is Brumby, being a copper-gold project spatially related to a strong magnetic high and interpreted to be an Iron Oxide Copper Gold (IOCG) style target.

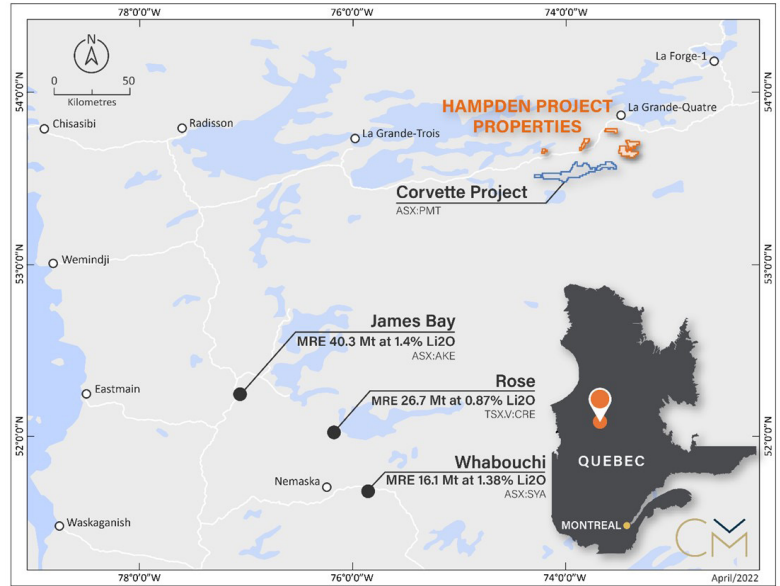
Mundi Mundi Project

The Mundi Mundi Project is located 33km NNE Broken Hill comprised of one exploration licence that covers a total area of 35.1km². The main prospect within the Mundi Mundi Project is for Group 2 Non-Metallic minerals, the new exploration license covers two historic fluorite mines Mount Eltie and Mount Robe last mined in the 1930's.



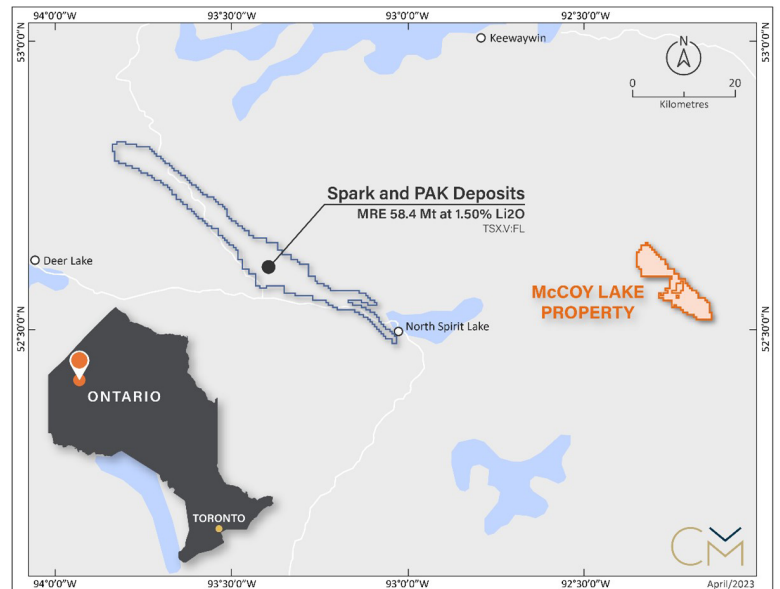
Hampden Project

The Hampden Project area totalling 113km² is located near Patriot Battery Metals Corvette Project, which is a potential world class spodumene deposit. The Hampden Project is located within the James Bay Region of Quebec, Canada and is known for containing significant resources of lithium and is a prime investment opportunity for lithium exploration and production hosting several known spodumene bearing pegmatite projects.



McCoy Lake Project

The project area is situated approximately 75km east of the Frontier Lithium PAK and Spark deposits and targets an underexplored greenstone assemblage, situated near fertile granite systems. The project is located remotely in north-western Ontario, however year-round access is available through float or ski-equipped aircraft from Red Lake, Ontario, which is approximately 180km away.



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Competent Persons Statement

The Exploration Targets for the Pinnacles Mine contained in this announcement are based on, and fairly represents, information compiled by Mr David Larsen who is a Member of The Australian Institute of Geoscientists (MAIG) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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. Mr Larsen is an Independent Consultant and he consents to the inclusion in the announcement of the Exploration Results and Exploration Targets in the form and context in which they appear.

The Mineral Resource estimate for the Pinnacles Mine contained in this announcement is based on, and fairly represents, information compiled by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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. Mr Tear is a Director of H&S Consultants Pty Ltd and he consents to the inclusion in the report of the Mineral Resource estimate in the form and context in which they appear.

The Mineral Resources for the Rasp Mine contained in this announcement are based on, and fairly represents, information compiled by John Collier, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Collier is the Principal Consultant for Conarco Consulting and was previously employed by CBH Resources as Group Manager – Geology. Mr Collier has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results and Mineral Resources'. Mr Collier consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The calculated Metal Equivalents (clause 50 of the JORC Code) for both Pinnacles Mine and Rasp Mine contained in this announcement is based on, and fairly represents, information compiled by Mr David Ward who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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. Mr Ward is a Director of Coolabah Metals Limited and he consents to the inclusion in the report of the Mineral Resource estimate in the form and context in which they appear.

The information in this document that relates to Mundi Mundi, Nymagee, Coolabah, Gunpowder Creek, Cannington, Hampden & McCoy Lake exploration targets, exploration results, mineral resources or ore reserves is based on information compiled by David Ward BSc, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM), (Member 228604). David Ward is a Director and shareholder of Coolabah Metals Ltd. David Ward has over 25 years of experience in metallic minerals mining, exploration and development and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a 'Competent Person' as defined under the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ward consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Cautionary Statement

Visual estimates described in the announcement are a guide only and should never be considered a proxy or substitute for laboratory analysis. Only subsequent laboratory geochemical assay can be used to determine grade of mineralisation. CBH will always update shareholders when laboratory results become available.

Forward-Looking Statement

This document may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this document. Subject to any continuing obligations under applicable law, the Company does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions, or circumstances on which any such forward looking statement is based.

Appendix 5B

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

Name of entity

COOLABAH METALS LIMITED

ABN

74 652 352 228

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(21)	(126)
	(b) development	-	
	(c) production	-	
	(d) staff costs	-	
	(e) administration and corporate costs	(312)	(613)
1.3	Dividends received (see note 3)	-	
1.4	Interest received	30	64
1.5	Interest and other costs of finance paid	(3)	(6)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(306)	(681)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	(258)	(763)
	(b) tenements	-	-
	(c) property, plant and equipment	(36)	(50)
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(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)	-	-
2.6	Net cash from / (used in) investing activities	(294)	(813)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt 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 (lease liabilities)	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - Payment of lease liabilities	(12)	(23)
3.10	Net cash from / (used in) financing activities	(12)	(23)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,430	4,335
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(306)	(681)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(294)	(813)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(12)	(23)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,818	2,818

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,818	3,430
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,818	3,430

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	131
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

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

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

7.5 **Unused financing facilities available at quarter end** -

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.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(306)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(306)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	2,818
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	2,818
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	9.21

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.

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

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

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

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 16 January 2025

Authorised by: By the Board of Coolabah Metals Limited
(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.