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31 July 2025

Quarterly Activities and Cash Flow Report to 30 June 2025

Highlights

OPERATIONS

Safety and Environmental

- Zero Lost Time Injuries (LTIs) were recorded during the quarter.
- The safety focus remained on improvements in the workplace environment particularly in the processing plant area, training of operations staff and embedding supervision and leadership protocols.
- Implementation of a safety management system "Skytrust" commenced and continues to be rolled out.

Record Quarterly Production

- The Group mined 202kt of ore for the quarter, a significant increase from the previous quarter (112kt).
- End of quarter stockpiles equated to 572kt at an average grade of 0.44% WO_3[1].
- Open cut mining operations to cease as scheduled at the end of July 2025. The Company's operational focus will then move to processing of the accumulated stockpiles, which is expected to continue for 12 months whilst preparing for Dolphin underground mining.
- Process plant throughput in the quarter was 52,159 tonnes with an average estimated feed grade of 0.67%. Throughput was increased from the previous quarter by 7kt, with record plant throughput and concentrate production in June. Saleable tungsten production for the quarter was a record 19,294 mtu[2], including record monthly production in June of 8,321 mtu.
- 19,846 mtu of WO_3 in tungsten concentrate was sold compared to 14,948 mtu in the previous quarter.
- Cash received from customers was $7.2 million for the quarter.

[1] Tungsten trioxide, based on pit grade estimation
[2] A metric ton unit (**mtu**) is 10 Kg WO_3

CORPORATE AND FINANCIAL

Completion of Recapitalisation Plan

- Shareholders overwhelmingly approved all resolutions of the General meeting held on 23 April 2025 resulting in a significant reduction in loans and other debt payable as well as the receipt of remaining subscription funds.[3]
- Receipt during the quarter of $7.5 million loan under a debt facility with the State of Tasmania.
- Closing cash balance at quarter end of $7.6 million with only $863K of debt due within 12-months of the end of the quarter.
- The Company has finalised and lodged its outstanding financial reports for the 2024 full year and 2025 half year, bringing the Company up to date with its corporate reporting requirements.

Critical Minerals Market

- Continued rise in spot WO_3 pricing, driven by global events.
- Reports of ongoing and severe global WO_3 shortages mainly due to restrictions on Chinese exports.
- G6M well placed to benefit from western governments' strategic stockpiling policies, awaiting details of Australian Federal Government initiative.

Dolphin Tungsten Mine Activities Update

A summary of key safety, environment and production statistics relevant to the operations for the last quarter and comparative quarters are as follows:

	Unit of Measure	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25
Safety and environment					
Lost time incidents	No.	3	3	2	0
Production					
Waste mined	t	250,653	108,702	283,478	258,237
Ore mined	t	132,853	124,551	112,201	202,152
Plant feed volumes	t	46,440	31,717	45,124	52,159
Average feed grade	WO3%	0.73%	0.79%	0.71%	0.67%
WO3 produced	mtu	14,462	11,405	14,955	19,294
WO3 sold	mtu	17,072	9,332	14,948	19,846

From a safety perspective, the Company accomplished its first quarter in the financial year without recording a lost time incident. The positive trend can be attributable to improvements to the safety culture driven by the introduction of additional resources including an expanded safety team, introduction of better systems, and the introduction of suitably qualified and experienced shift supervisors and superintendents.

[3] refer to Company announcement *Result of Meeting* dated 23 April 2025

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Ore mined during the quarter was 202,152 tonnes and waste mined was 258,237 tonnes. Strip ratios were greatly improved upon from previous quarters with the Company having gained access to final stages of the current open cut mine plan. Having amassed stockpiles of 572kt by the end of the quarter, the Company will perform its final month of mining in July 2025 to complete the mining plan at Dolphin open cut. From August 2025 through to at least June 2026, the Company's operations will include the processing of its stockpiles without onerous open cut mining costs. The upcoming financial year therefore reflects a runway to complete major process plant upgrades, generate significant positive cashflows to support operations, and begin development and capital expenditure for underground mining activities.

Processing feed volumes also increased from the previous quarter, demonstrating the ongoing incremental impact of process plant remediation and upgrades progressively completed during the quarter. Process Plant feed grade fell marginally short of a 0.70% target. As a result of the activities conducted throughout the quarter, WO_3 produced of 19,485 mtu was the highest in the Company's history and included record monthly production achieved in June.

Corporate and Financial

Cash position

The Company held $7.6 million in cash as at 30 June 2025.

Recapitalisation

On 23 April 2025, shareholders voted in favour of all resolutions at the Company's General Meeting. The financial outcomes of the General Meeting were as follows:

- the conversion of debt to equity totaling $81.1 million due to lenders and key creditors;
- equity subscriptions of $5.9 million with the issuance of ordinary shares;
- the issue of 7.2 billion warrants to the Senior Lending Group[4]; and
- a $7.5 million loan from the State of Tasmania.

At quarter end, the Company's debt position is $32.7 million. The principal repayment date for loans totalling $31.8 million is 30 April 2027 with only $863 thousand due within 12-months of quarter end.

Amounts loaned of $31.8 million as previously noted are from the Senior Lending Group and State of Tasmania. These loans may be converted to ordinary shares of the Company at the option of lenders by way of the exercise of their warrants prior to an expiration date of 31 October 2025.

Options

The following options were exercised during the quarter:

7,000,000 G6MAA options, 3,000,000 expiring 30 September 2026 and 4,000,000 expiring 19 July 2028, exercisable at $0.00.

[4] the Senior Lending Group or "SLG" is: Elphinstone Holdings Pty Ltd, Abex Limited, Chrysalis Investments Pty Ltd, CJRE Maritime Pty Ltd and Pure Asset Management Pty Ltd

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Licences and Leases

The Company holds the following licences and leases as at 30 June 2025:

	Interest
Exploration Licence EL19/2001 at Grassy, King Island (63 sq km) (expires 14 December 2026)	100%
Mining Lease CML 2080P/M at Grassy, King Island (566 hectares) (expires 5 December 2029)	100%

There was no material activity at the exploration tenement during the quarter. The tenement is not subject to any farm-in or farm-out agreements.

There have been no mining tenements acquired or disposed of during the quarter.

Payments to related parties of the entity and their associates

The amount included in section 6.1 of the Appendix 5B includes cash payments of $927,551 in director's fees, remuneration and payments to related associates. $702,789 of those payments were made to William Adams Pty Ltd, a Company controlled by director Dale Elphinstone. The payments were for the rental of mining equipment, spare parts and related services under an arrangement between William Adams and the Company on arms' length terms. $37,918 of those payments were made to Elphinstone Holdings Pty Ltd, also an entity controlled by Mr Elphinstone, for interest on loans.

Group 6 Metals Executive Chairman Kevin Pallas said:

Recapitalisation, Corporate and Funding

"At a General Meeting held on 23 April 2025, shareholders overwhelmingly supported each of the recapitalisation plan resolutions. This marked the conclusion of a process involving the Senior Lending Group (SLG) and the Tasmania Government agreeing to convert secured loans to equity, and the SLG providing fresh equity funding. It also included major participating creditors converting debt to equity. Having completed these agreements, the Company was then able to meet external auditor and other requirements enabling the release of the 30 June 2024 Annual Report and soon after, the 31 December 2024 Interim Financial Statements. These fundamental milestones help pave the way for the Company's reinstatement on the ASX, subject to further ASX requirements which we are in the process of addressing. The reconvened FY24 AGM will be held on 20 August 2025. Included in the meeting items for shareholder consideration is a 1 for 100 share consolidation. We believe that the 21,920,268,847 Shares on issue represents an unduly large number of shares and that the consolidation will provide a more manageable share register that will assist in simplifying administration, reducing the volatility of the share price and enable a more consistent valuation of the Company; and the Consolidation is also expected to assist in positioning the Company for long term growth by making an investment in the Company's securities more attractive to institutional and other investors."

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Mr Pallas continued,
"During the quarter the Company was in receipt of $7.5 million loan funding under a debt facility with the State of Tasmania, as part of the Recapitalisation Plan. With a far stronger balance sheet and a closing cash balance at quarter end of $7.6 million with only $863K of debt due within 12-months of quarter end, this is the healthiest financial position that the Company has been in for quite some time."

Mining Activity

"Strip ratios were greatly improved upon from previous quarters as we gained access to final stages of the current open cut mine plan. In difficult and tight conditions, and having rectified the maintenance backlog on mobile plant, the mining team did a fantastic job resulting in more than 200-thousand tonnes of ore mined. At the end of the quarter, we had built ore stockpiles of about 570-thousand tonnes most of which will be progressively processed over the next 12 to 18 months. The plan is to complete open cut mining at the end of July 2025, and we have transitioned to planning and preparation for the underground phase of the project. We hold some very good historical data relating to the previous underground mining operations, and this correlated well with what we witnessed as the old workings were exposed when mining progressed in the bottom of the pit over the last several months. Fortuitously, this helped us to plan the exposure of an historical decline shaft which proved to be well preserved and is planned to be used as the main portal, thus saving the Company significant development cost. We are progressing detailed planning and scheduling of the underground phase of the mine, but it is too early to say exactly when we will commence although we want to be up and running within 12 months."

Process Plant Performance

"There was further strong evidence that the processing plant production run-rate could be incrementally improved. This was demonstrated in the quarter as several plant upgrades and component change-outs resulted in improved throughput and recovery. The process plant improvement plan still has some way to go, and our fixed plant maintenance backlog is being addressed whilst planned maintenance schedules are progressing reasonably well. We experienced additional one-off costs during the period due to lingering plant weaknesses which resulted in greater than planned downtime, but this improved markedly in June which proves that we are on the right track in this regard. Record production was achieved in June with 8,321 mtu of WO_3 produced in the month, and quarterly production was 19,294 mtu of WO_3, another record high. Continuously improving this production run-rate on a consistent basis remains a near-term objective, and we are confident of increased plant resilience as several key plant components are scheduled for installation in the coming quarter."

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Conclusion

Mr Pallas concluded:

"The goals that we set about six months ago seemed very ambitious, but our board, management and team members have so far met the challenges. These included gaining shareholder approval for the recapitalisation plan, completing outstanding compliance reporting thus allowing the Company to reconvene the FY24 AGM, and now addressing other ASX compliance hurdles so that our shares can recommence trading in the near future, subject to ASX final review. In addition, significant steps were taken to improve relations with the community and with supply chain partners, whilst support from the Tasmania Government was also crucial. All of this progressed whilst our people went to work every day, in sunshine and rain, to keep the production wheels turning at the same time as we implement the improvement program. A great testament to what can be done now and into the future on King Island. Whilst we still face many challenges, the very positive market outlook for critical minerals especially tungsten, and G6M possessing a clear pathway to capitalise on the significant high grade Dolphin ore body presents a unique opportunity for investors as we progressively unlock this value, and seek further potential value uplift through the introduction of technologies such as ore sorting and alkali leaching, not to mention the Bold Head resource and regional exploration opportunities that we have before us."

Approved by the Board of Group 6 Metals Limited.

For more information, please contact:

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Appendix 5B

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

Name of entity

GROUP 6 METALS LIMITED

ABN	Quarter ended ("current quarter")
40 004 681 734	30 June 2025

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	7,182	19,543
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production	(5,776)	(27,315)
	(d) staff costs	(3,423)	(13,536)
	(e) administration and corporate costs	(1,241)	(5,546)
1.3	Dividends received		
1.4	Interest received	27	33
1.5	Interest and other costs of finance paid	(84)	(617)
1.6	Income taxes paid		
1.7	Government grants and tax incentives	2,146	2,152
1.8	Other (provide details if material)		
1.9	**Net cash used in operating activities**	**(1,169)**	**(25,286)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(1,207)	(2,914)
	(d) exploration & evaluation		
	(e) investments		
	(f) other non-current assets		
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
	(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		
2.5	Other (provide details if material)		
2.6	**Net cash used in investing activities**	**(1,207)**	**(2,914)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,010	2,010
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	8,100	37,202
3.6	Repayment of borrowings & leases	(723)	(4,196)
3.7	Prepaid transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	**Net cash from financing activities**	**9,387**	**35,016**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	744	809
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,169)	(25,286)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,207)	(2,914)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,387	35,016
4.5	Effect of movement in exchange rates on cash held	(129)	1
4.6	**Cash and cash equivalents at end of period**	**7,626**	**7,626**

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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	7,626	744
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)**	**7,626**	**744**

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	584
6.2	Aggregate amount of payments to related parties and their associates included in item 3.6	344

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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7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	32,615	32,615
7.2	Credit standby arrangements		
7.3	Other (Mobile fleet finance facility)	10,300	1,766
7.4	**Total financing facilities**	42,915	34,381

7.5	**Unused financing facilities available at quarter end**	8,534

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.

Lender	Facility Type	Finance Amount	Interest Rate	Maturity date	Secured/ Unsecured
Pure Asset Management Pty Ltd	Debt	$9,375,000	12.00%	30/04/2027	Secured
Chrysalis Investments Pty Ltd ATF The Ellis Family Trust	Debt	$3,187,500	12.00%	30/04/2027	Secured
Elphinstone Holdings Pty Ltd	Debt	$7,125,000	12.00%	30/04/2027	Secured
Abex Limited	Debt	$4,687,500	12.00%	30/04/2027	Unsecured
Ballarat & Clarendon College Ltd (BCC)	Debt	$800,000	Variable	30/06/2026	Secured
State of Tasmania	Debt	$7,500,000	12.00%	30/04/2027	Secured
OEM Financier	Mobile mining fleet facility	$1,766,429	Various	48 months from drawdown	Unsecured

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,169)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,169)
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,626
8.5	Unused finance facilities available at quarter end (item 7.5)	8,534
8.6	Total available funding (item 8.4 + item 8.5)	16,160
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	13.8

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:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	N/A.	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	N/A.	
	8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	N/A.	
	Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.	

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2025

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

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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.

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