



ASX Release: 23 May 2022

## IRIS to Acquire Lithium Project in Strategically Located, Tier-1, Historical Mining Jurisdiction of South Dakota, USA

The Company has concluded a \$2.0m Placement to support planned activities

### Highlights:

- IRIS to acquire 100% of highly prospective and strategic hard rock lithium projects through the acquisition of White Rock, L.L.C. in the Tier-1 Jurisdiction of South Dakota, USA (the **"South Dakota Project"** or the **"Project"**).
- Within the greater South Dakota Project there are 2 sub projects:
  - Dewy Project
  - Custer Project
- Combined total land holdings of approximately **10,846 Acres** (approximately 4,400 Ha), **across 525 Claims**.
- An abundance of mapped pegmatites are located within the project areas including historical lithium bearing mines
- Experienced South Dakota-based in country consultant, RRL Consulting (the **"Consultant"**), appointed to assist with ongoing business development activities and on budget.
- Experienced geological team to progress exploration program, headed by, Chris Connell.
- **\$2.0 million placement** completed to support the acquisition and provide working capital to be directed to the acquisition and initial exploration in South Dakota.
- Exploration to commence immediately post completion of the acquisition, starting with field mapping activities and geochemical works.
- US President Joe Biden has recently invoked the Defense Production Act in an effort to **encourage domestic production of battery materials** within the United States.
- IRIS' USA Strategy is, through the process of exploration and development, to become a leading supplier of lithium to the North American Battery Metals industry.
- IRIS' WA strategy remains on track with expenditure and plans remaining unchanged and continuing to progress on plan and on budget.

**Non-Executive Director, Chris Connell, commented:** *"Following introduction to this Project and completing a desktop assessment of its potential, I have for the past 6 weeks, been based in the Black Hills region with our consultant to assess the projects and confirm their prospectivity. The jurisdiction is also Tier One and includes townships in the Black Hills of South Dakota founded on mining, and having a long, proud history of supporting local mining operations, including for lithium.*

*I will be returning to South Dakota in the coming weeks to advance the Company's exploration efforts."*

**Executive Director, Tal Paneth, added:** *"After methodically assessing numerous projects to complement our suite of Australian assets, the Board has achieved an agreement that has met its key investment criteria of geographic and commodity diversification in a mining friendly jurisdiction.*

*The acquisition of the highly prospective hard rock lithium South Dakota Project sees IRIS join the green battery revolution at a time when the US President has recently enacted legislation to encourage domestic lithium production."*

### Directors

Simon Lill, Non-Executive Chairman  
Tal Paneth, Executive Director  
Peter Marks, Executive Director  
Chris Connell, Non-Executive Director  
David Franks, Company Secretary

### IRIS Metals Limited ASX: IR1

**Registered Office**  
Level 6, 400 Collins Street  
MELBOURNE VIC 3000

### Contact Details

[admin@irismetals.com](mailto:admin@irismetals.com)  
[www.irismetals.com](http://www.irismetals.com)  
ABN  
61 646 787 135



IRIS Metals Limited (“IRIS” or the “Company”) (ASX:IR1) is pleased to announce it has entered a Share Sale Agreement (“SSA”), to acquire White Rock, L.L.C. (“White Rock”), a South Dakota incorporated corporation, which owns **525 lode claims** covering approximately **10,846 Acres** prospective for hard rock lithium, **in South Dakota, USA**.

Consistent with its objectives, and as outlined in the 2021 IRIS prospectus, the Company has been assessing various resource-based investment opportunities, with the aim of increasing shareholder value. The IRIS Board believes that this opportunity is consistent with achieving this objective.

### Why Lithium, why USA, why Now?

Lithium is an appealing commodity from numerous perspectives, including:

- **Environmental & Social Responsibility** - as a key ingredient in the rechargeable batteries powering the Electric Vehicle (“EV”) and energy storage revolutions; lithium is the basis for the clean, green power that will help address pollution, greenhouse gasses and climate change.
- **Macroeconomic** - numerous reputable industry experts including McKinsey and Macquarie Bank point to strong demand/supply characteristics in the short, medium and long term, favourable for investment in the space.

The USA in general, and South Dakota in particular, provide a compelling lithium exploration jurisdiction:

- **Security of Tenure** – a jurisdiction with guaranteed security of tenure.
- **Minimal Outlays** – no minimum annual expenditure requirements or mandatory reduction in tenure.
- **Defense Production Act** - to encourage domestic production of minerals required to make batteries for EVs and long-term energy storage. Potential government funding for strategic projects.
- **Politics** – bipartisan support for promoting clean energy, with billions of dollars of available funding.
- **Geopolitics** – recent global events have reaffirmed the importance of location of tenure and security of supply - and there is no better location than the USA, and no better location within the USA than South Dakota.
- **Mining Friendly Jurisdiction** - South Dakota has a **145-year history of continuous mining**. It has a stable government and supportive legislation, established infrastructure and experienced workforce and is continually ranked at the top or near the top of States for cost and ease of doing business.

The time is now for IRIS to:

- **Diversify Geographically** – from its Tier-1 tenure in Australia to Tier-1 tenure in the USA.
- **Diversify Commodity** – join the green revolution by exploring for lithium in a known jurisdiction
- **Increase Shareholder Value** –by acquiring a highly prospective project.
- **Mitigate Commodity Risk** – by investing in a project with a commodity that has outstanding medium and long term demand/supply characteristics.

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## The South Dakota Project

The Black Hills of South Dakota are famous for historic lithium mining dating back to 1898 when Li-bearing spodumene (contains up to 7%  $\text{Li}_2\text{O}$ ), and amblygonite (contains up to 10%  $\text{Li}_2\text{O}$ ) was first mined near the township of Custer.

Other economic minerals historically mined from the pegmatites of the Black Hills include: beryl, columbite-tantalite, mica, feldspar, quartz and tin.

The Black Hills of South Dakota are also famous for gold mining. The famous 40M oz Homestake gold mine is located in the Black Hills and several large-scale open cut gold mines continue operation today. The Black Hills were founded on a rich history of mining and remain favorable to future mining operations.

The acquisition of mining claims in the Black Hills include two main project areas covering:

- the Dewy-High Climb (**Dewy Project**); and
- Custer-Beecher trends (**Custer Project**).

These projects represent large areas of fertile lithium-cesium-tantalum ("LCT")-pegmatites covering several historic lithium mines and numerous historical industrial mineral pegmatite mines.

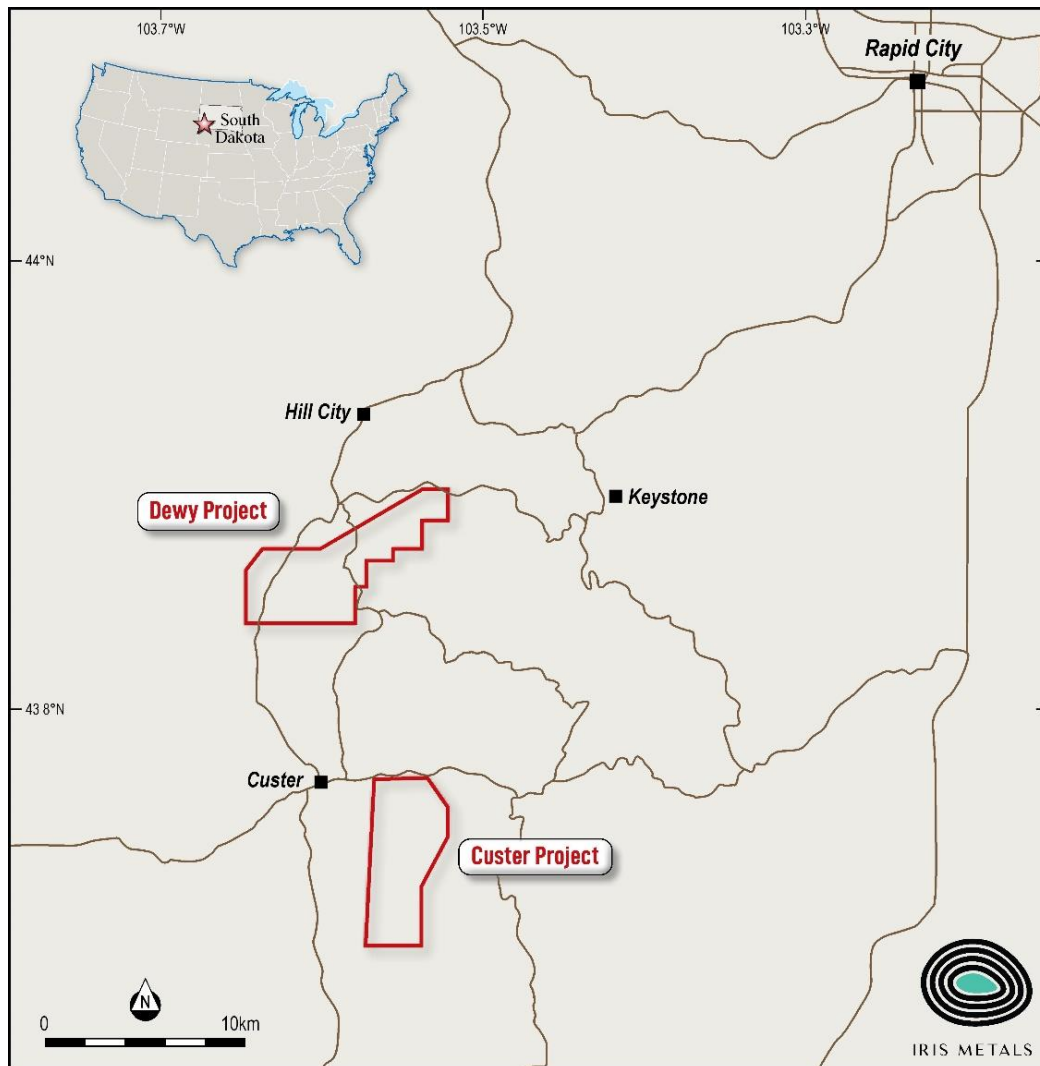


Figure 1: Location map of Dewy and Custer projects.

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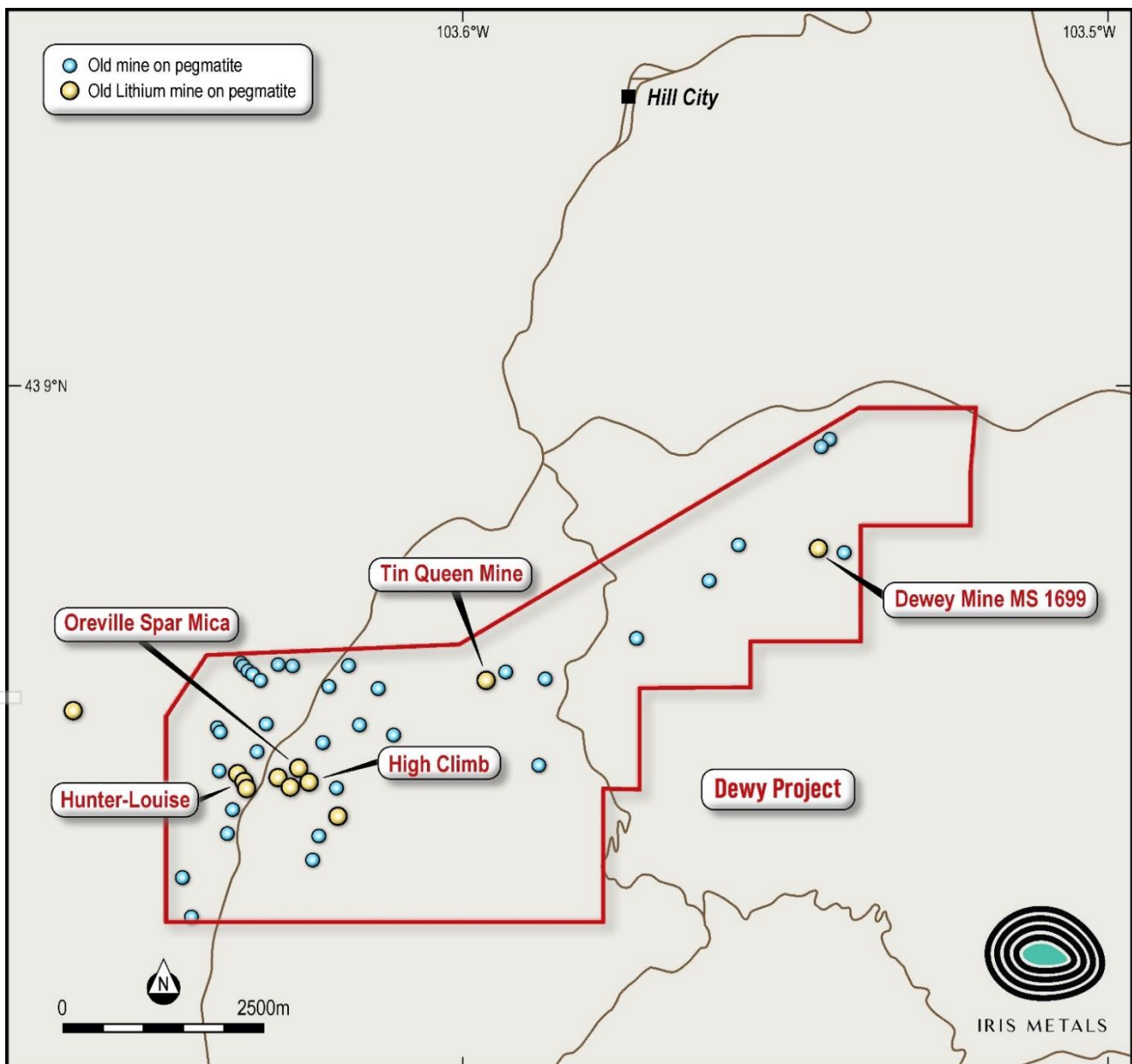


### Dewy Project

The Dewy Project consists of **250 BLM Lode Claims** and covers an area of approximately **5,165 Acres** of prospective LCT-pegmatites occurring in numerous discontinuous swarms represented along strike to many historic lithium mines (Figures 2 & 3).

Historic lithium bearing mines in the Dewy project area include:

- High Climb (spodumene)
- Hunter & Louise (spodumene, amblygonite)
- Tin Queen (spodumene, amblygonite, lithiophilite)
- Dewy Lode (spodumene, amblygonite)
- Oreville Spar (amblygonite)
- Gap (lithiophilite)



**Figure 2:** Location map of the Dewy Project, reflecting historic pegmatite mines in blue and lithium specific pegmatite mines in yellow.

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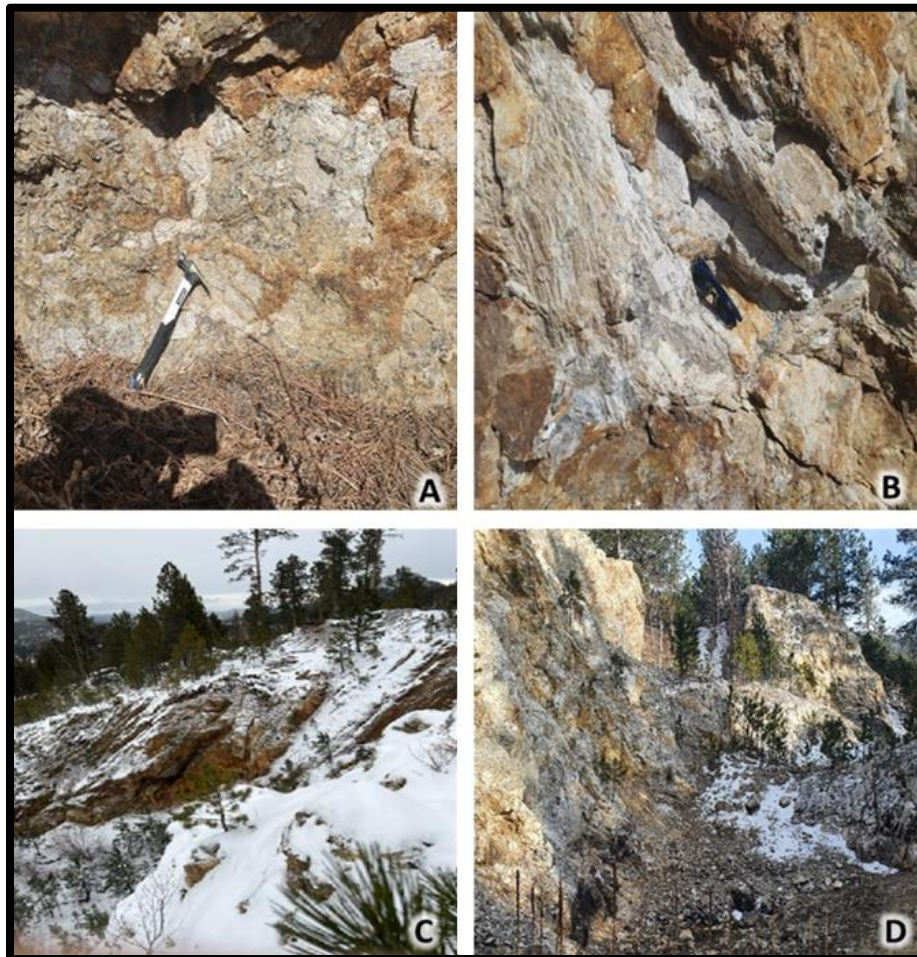


### Information on some of the historic Lithium mines within the Dewy Project

Historically, the High Climb pegmatite was mined for amblygonite, beryl, mica and feldspar (spodumene was left in situ or on waste dumps). The pegmatite is exposed for over 100m at surface with the open cut mine cutting across the 30m width of the pegmatite. The High Climb pegmatite is a classic example of a fractionated LCT pegmatite with internal zones of quartz-spodumene and cleavelandite-amblygonite with the un-mineralised exterior carapace composed of quartz-feldspar-muscovite.

The Hunter and Louise mine is composed of 6 small open cut pits primarily mined for mica and spodumene. The mineralized pegmatite is exposed at surface for over 200m with varying widths averaging 10m. The Hunter and Louise deposit is another good example of a zoned pegmatite with the carapace wall rock predominantly composed of feldspar and interior zones of quartz-spodumene± amblygonite.

The Tin Queen mine, comprising of three open cut pits, commenced operations in the early 1940's, operating intermittently and initially targeting tin, with later production focusing primarily on mica with amblygonite and beryl recovery. Other lithium minerals identified at the Tin Queen mine include spodumene and lithiophilite-triphyllite.



**Figure 3:** *Photos of historic lithium producing mines in the Dewy Project.*

- A & B: Spodumene crystals in the wall of the Hunter & Louise pits.
- C: High Climb open cut (spodumene & amblygonite).
- D: Tin Queen open cut (spodumene, amblygonite, lithiophilite).

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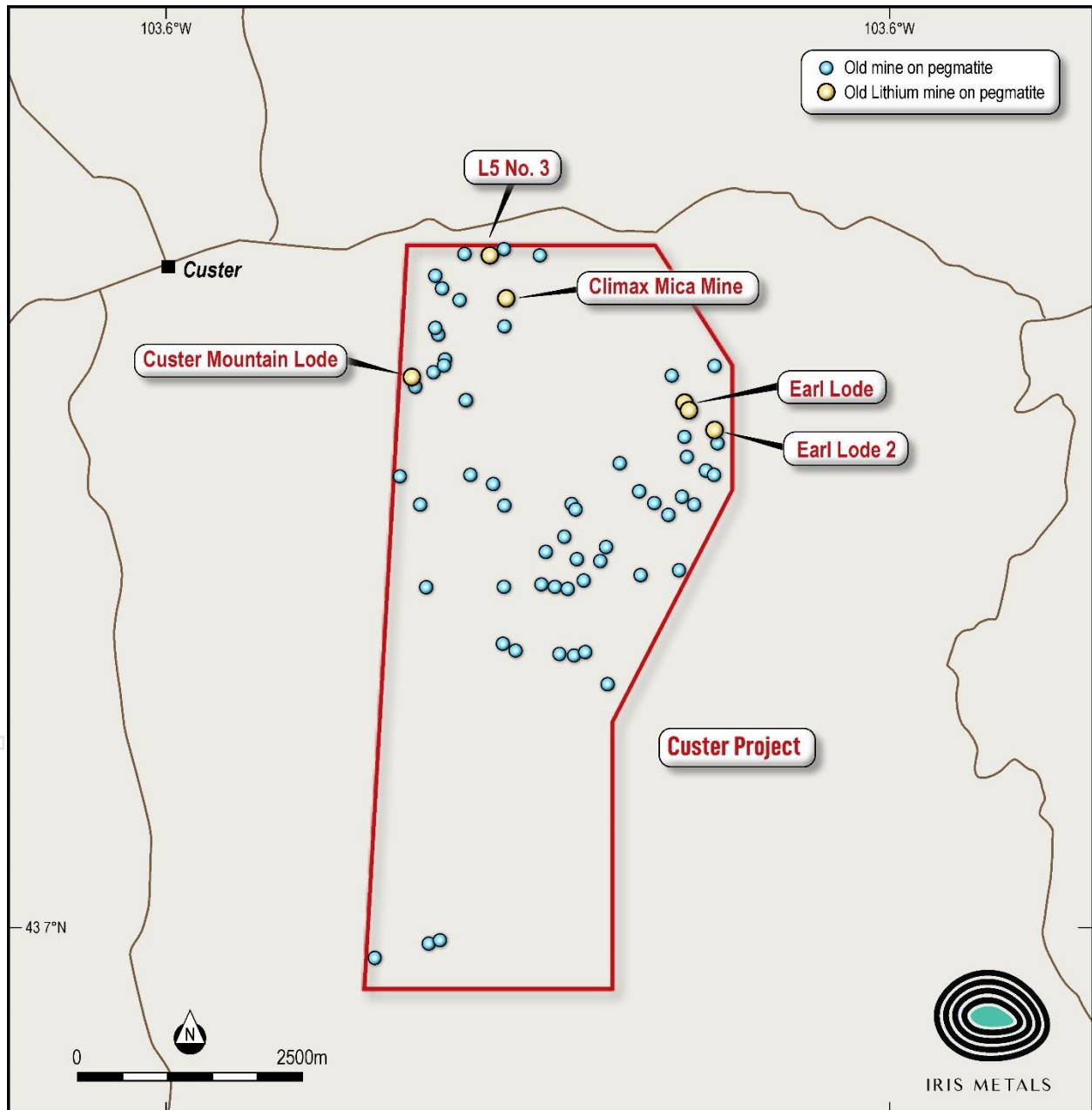


### Custer Project

The Custer Project consists of **275 BLM Lode Claims** and covers an area of approximately **5,681 Acres** of prospective LCT-pegmatites occurring in a north south corridor and containing many historic lithium mines (**Figures 4 & 5**).

Historic lithium bearing mines in the Custer Project area include:

- Custer Mountain (spodumene, amblygonite, lepidolite)
- Earl Lode (spodumene, amblygonite)
- L5 No.3 (spodumene)
- Climax (amblygonite, lithiophilite-triphyllite)
- Elkhorn (lithiophilite)



**Figure 4:** Location map of the Custer Project, reflecting historic pegmatite mines in blue and lithium specific pegmatite mines in yellow.

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### **Information on some of the historic lithium mines within the Custer Project**

The Custer Mountain mine has been mined for feldspar and beryl sporadically since 1942 (Figure 2). Mapping of the mine in 1945 by the United States Geological Survey ("USGS") described pegmatite zones rich in spodumene, amblygonite and lepidolite. Spodumene crystals were documented up to 1.5m long and 0.5m thick. The Climax mine was one of the largest producers of mica in the Black Hills and has been intermittently operated since 1880. The pegmatite contains zones rich in lithium bearing minerals amblygonite and lithiophilite-triphyllite.



**Figure 5:** Photos of historic lithium producing mines in the Custer Project.

- A: The Custer Mountain open cut mine that produced spodumene, amblygonite and lepidolite.
- B: The Elkhorn open cut mine that produced lithiophilite.

### **Initial Exploration Program**

Initial exploration will consist of mapping, gridded soil and rock chip sampling to determine the priority targets for drill testing. To assist initial evaluation of the prospects, IRIS has acquired a Laser-Induced Breakdown Spectroscopy ("LIBS") analyser, a technology that measures "light elements" (such as Li, Be, Al & Mg) and provides real time and in-field analysis as to the presence of lithium (and other minerals) within the host medium. The acquisition and use of the LIBS analyser will assist the Company in rapidly identifying the highest priority target areas, prior to an in-depth geochemical and subsequent drill program.

### **Kookynie and Leonora Projects**

The proposed acquisition is consistent with the Company's strategy which seeks to expand its operations through the acquisition of additional projects to create shareholder value, a strategy which was outlined in the Company's IPO Prospectus. Importantly, the proposed acquisition does not change IRIS' focus on the exploration and development of its Western Australian assets. The strategies, budgets and plans for the exploration of the Kookynie and Leonora projects, per the Company's prospectus, remain unchanged and will be pursued in parallel with the American opportunity, the subject of this release. The budget as updated is set out in Appendix 3. As referred to in the quarterly report dated 29 April 2022, the Company reported encouraging high-grade gold intercepts from its maiden RC drill program at Kookynie, however its maiden Aircore program returned no significant intercepts. Please refer to Appendix 3 for the collar table and JORC table 1.

IRIS will be resuming with its regional AC drill program at Kookynie to test targets identified via ground mapping, desktop reviews and geophysics, which is intended to commence in late Q2/early Q3, once the services of drilling contractors have been finalised. Given IRIS' positive drilling results achieved at Lily, a follow up RC program is currently being planned to test for extensions and deeper mineralisation, with works scheduled to be undertaken in Q3. Once concluded at Kookynie, it is the Company's intention to commence drill testing historic areas of interest as well as new targets delineated at Leonora, commencing at the Little Dipper project.

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### Proposed Capital Raising

In connection with the acquisition, IRIS is undertaking a placement to raise \$2,000,000 in new capital, through the issue of 5,000,000 fully paid ordinary shares which are being issued at a price of \$0.40 per share (“**placement**” & “**Capital Raising**”). The funds used from this Capital Raising will be allocated to IRIS Metals’ South Dakota strategy and used to fund the acquisition and subsequent exploration activities and for general working capital purposes. The capital raising has been managed by S A Capital Pty Ltd who will receive a total fee of 4.0 million unlisted Options, noting no cash fee is payable. The Options have an exercise price of \$0.40 expiring on 31 July 2025.

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## Appendix 1: Agreements

### Share Sale Agreement - White Rock, L.L.C.

IRIS has entered into a SSA with White Rocks, to acquire the South Dakota Project prospective for hard rock lithium, on the following key terms:

#### Consideration:

- USD\$50,000 cash consideration installment 1 (to secure exclusivity – already paid).
- USD\$50,000 cash consideration installment 2 (completion cash consideration), payable within 5 business days of completion.
- Up to USD\$300,000 of cash reimbursements, based on the provision of approved receipts.
- IRIS is to issue White Rocks with 4,000,000 fully paid ordinary shares which will be escrowed for 2-years from the date of issue.
- The Company will grant White Rocks a net smelter return (NSR) royalty of 1.25%.

White Rock have provided warranties & representations standard for a transaction of this nature.

### Consulting Agreement – RLL Consulting, L.L.C. (RLL)

IRIS has entered into a consulting agreement with RLL, who will be appointed as IRIS' South Dakota in country manager, to assist IRIS in a Business Development capacity and progress its South Dakota Project.

#### Consideration:

- USD\$100,000 annual retainer with a 3-month severance.
- 2,000,000 shares vesting in equal tranches at the 12-, 24-, 36- & 48-month anniversary from the commencement date of the consulting agreement, which will be escrowed in line with ASX requirements at the time of issue.
- Performance rights that upon achieving a drilling intercept of not less than 10m at 1.25% Li<sub>2</sub>O in South Dakota, RLL to be issued 1,000,000 fully paid ordinary shares which will be escrowed in line with ASX requirements at the time of issue.
- In the event the consultant identifies, stakes, or introduces the Company to any additional ground in South Dakota, there is to be a NSR of 1.25% attributable to the consultant or its nominee.

RLL have provided warranties & representations standard for an agreement of this nature.

### Pro Forma Capital Structure at Completion

Class	Shares	%	Options
Shares currently on Issue	87,250,000	87.91%	
Consideration shares under the SSA	4,000,000	4.03%	
Capital Raising shares	5,000,000	5.04%	
Performance shares under the Consulting Agreement	1,000,000 <sup>1</sup>	1.01%	
Retainer shares to be issued in line with the Consulting Agreement	2,000,000 <sup>2</sup>	2.02%	
Unlisted options on issue (exercisable at \$0.30, Expiring 15/09/2024)	-	-	3,750,000
Unlisted options on issue (exercisable at \$0.30, Expiring 15/10/2024)	-	-	1,000,000 <sup>3</sup>
Broker Options	-	-	4,000,000 <sup>4</sup>
<b>Total Post Transaction</b>	<b>99,250,000</b>	<b>100%</b>	<b>8,750,000</b>

1. 1,000,000 shares to be issued in the event of achieving a drilling intercept of not less than 1.25% Li<sub>2</sub>O within 5 years.

2. 2,000,000 shares to be issued vesting in 4 equal tranches over 4 years in accordance with the agreement entered with RLL.

3. 500,000 have vested as of 15 April 2022 and a further 500,000 will vest as at 15 October 2022.

4. To be issued in conjunction with the capital raise and subject to shareholder approval at the next shareholder meeting.

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## Appendix 2: Acquisition Properties

Claims*	Expiry Date	Type of Property	Approx. Size in Acres	State	Project	Ownership
275 Registered Claims^	1 Sep**	Lode Claim	5,681	South Dakota	Custer	White Rock, L.L.C.
250 Registered Claims^	1 Sep**	Lode Claim	5,165	South Dakota	Dewy	White Rock, L.L.C.

\*A standard claim is the equivalent of 20.66 Acres, noting that some claims may be smaller than others.

\*\* Renewable annually, as of 1 September each year.

^ After taking all practical endeavours in the due diligence process that included site reconnaissance, review of publicly available information (including with the Bureau of Land Management), ground mapping and independent review of documentation provided by White Rock, L.L.C.; the Company believes the lode claims that are the subject of this report are not subject to any competing claims.

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### Appendix 3: Collar Table of Kookynie December Aircore drill program

Hole ID	Tenement	Hole Type	Easting (MGA94)	Northing (MGA94)	RL	Azi	Dip	EoH	Grade
RSAC001	P40/1385	AC	348653	6760376	440	0	-60	38	NSI
RSAC002	P40/1385	AC	348652	6760349	440	0	-60	25	NSI
RSAC003	P40/1385	AC	348650	6760333	440	0	-60	50	NSI
RSAC004	P40/1385	AC	348649	6760308	440	0	-60	33	NSI
RSAC005	P40/1385	AC	348653	6760291	440	0	-60	39	NSI
RSAC006	P40/1385	AC	348646	6760267	440	0	-60	54	NSI
RSAC007	P40/1385	AC	348648	6760194	440	0	-60	1	NSI
RSAC008	P40/1385	AC	348649	6760187	440	0	-60	3	NSI
RSAC009	P40/1385	AC	348651	6760166	440	0	-60	1	NSI
RSAC010	P40/1385	AC	348650	6760133	440	0	-60	1	NSI
RSAC011	P40/1385	AC	348649	6760082	440	0	-60	4	NSI
RSAC012	P40/1385	AC	348652	6760043	440	0	-60	25	NSI
RSAC013	P40/1385	AC	348652	6760032	440	0	-60	27	NSI
RSAC014	P40/1385	AC	348651	6760021	440	0	-60	5	NSI
RSAC015	P40/1385	AC	348651	6760011	440	0	-60	14	NSI
RSAC016	P40/1385	AC	348650	6759997	440	0	-60	23	NSI
RSAC017	P40/1385	AC	348649	6759987	440	0	-60	14	NSI
RSAC018	P40/1385	AC	348649	6759974	440	0	-60	5	NSI
RSAC019	P40/1385	AC	348647	6759962	440	0	-60	19	NSI
RSAC020	P40/1385	AC	348646	6759955	440	0	-60	17	NSI
RSAC021	P40/1385	AC	348646	6759945	440	0	-60	17	NSI
RSAC022	P40/1385	AC	348646	6759935	440	0	-60	18	NSI
RSAC023	P40/1385	AC	348646	6759923	440	0	-60	20	NSI
RSAC024	P40/1385	AC	348648	6759913	440	0	-60	20	NSI
RSAC025	P40/1385	AC	348648	6759903	440	0	-60	25	NSI
RSAC026	P40/1385	AC	348646	6759890	440	0	-60	24	NSI
RSAC027	P40/1385	AC	348646	6759877	440	0	-60	27	NSI
RSAC028	P40/1385	AC	348651	6759866	440	0	-60	7	NSI
RSAC029	P40/1385	AC	348771	6760000	440	0	-60	65	NSI
RSAC030	P40/1385	AC	348771	6759974	440	0	-60	43	NSI
RSAC031	P40/1385	AC	348771	6759953	440	0	-60	8	NSI
RSAC032	P40/1385	AC	348885	6759946	440	0	-60	44	NSI
RSAC033	P40/1385	AC	348882	6759928	440	0	-60	55	NSI
RSAC034	P40/1385	AC	348882	6759908	440	0	-60	60	NSI
RSAC035	P40/1385	AC	348882	6759881	440	0	-60	61	NSI
RSAC036	P40/1385	AC	348882	6759861	440	0	-60	38	NSI
RSAC037	P40/1385	AC	348881	6759843	440	0	-60	17	NSI
RSAC038	P40/1385	AC	348879	6759830	440	0	-60	8	NSI
RSAC039	P40/1385	AC	348879	6759817	440	0	-60	11	NSI
TWAC001	P40/1334	AC	349910	6759287	430	320	-60	35	NSI
TWAC002	P40/1334	AC	349924	6759277	430	320	-60	25	NSI
TWAC003	P40/1334	AC	349930	6759269	430	320	-60	26	NSI
TWAC004	P40/1334	AC	349937	6759261	430	320	-60	24	NSI
TWAC005	P40/1334	AC	349948	6759251	430	320	-60	30	NSI
TWAC006	P40/1334	AC	349953	6759242	430	320	-60	24	NSI
TWAC007	P40/1334	AC	349960	6759234	430	320	-60	31	NSI
TWAC008	P40/1334	AC	349967	6759224	430	320	-60	24	NSI
TWAC009	P40/1334	AC	349972	6759212	430	320	-60	27	NSI
TWAC010	P40/1334	AC	349983	6759207	430	320	-60	30	NSI
TWAC011	P40/1334	AC	349990	6759195	430	320	-60	32	NSI
TWAC012	P40/1334	AC	350002	6759187	430	320	-60	39	NSI
TWAC013	P40/1334	AC	350014	6759172	430	320	-60	36	NSI
TWAC014	P40/1334	AC	350101	6759097	430	320	-60	48	NSI
TWAC015	P40/1334	AC	350116	6759077	430	320	-60	32	NSI
TWAC016	P40/1334	AC	350127	6759068	430	320	-60	28	NSI
TWAC017	P40/1334	AC	350140	6759055	430	320	-60	24	NSI
TWAC018	P40/1334	AC	350150	6759042	430	320	-60	29	NSI
TWAC019	P40/1334	AC	350145	6759012	430	320	-60	30	NSI
TWAC020	P40/1334	AC	350155	6758997	430	320	-60	30	NSI
TWAC021	P40/1334	AC	350164	6758984	430	320	-60	31	NSI
TWAC022	P40/1334	AC	350175	6758974	430	320	-60	32	NSI
TWAC023	P40/1334	AC	350213	6759186	430	320	-60	23	NSI
TWAC024	P40/1334	AC	350226	6759170	430	320	-60	32	NSI
TWAC025	P40/1334	AC	350236	6759155	430	320	-60	18	NSI
TWAC026	P40/1334	AC	350246	6759140	430	320	-60	42	NSI
TWAC027	P40/1334	AC	350259	6759129	430	320	-60	33	NSI
TWAC028	P40/1334	AC	350266	6759118	430	320	-60	40	NSI
TWAC029	P40/1334	AC	350276	6759105	430	320	-60	36	NSI
TWAC030	P40/1334	AC	350284	6759093	430	320	-60	33	NSI
TWAC031	P40/1334	AC	350293	6759082	430	320	-60	14	NSI
TWAC032	P40/1334	AC	350379	6759351	430	300	-60	6	NSI
TWAC033	P40/1334	AC	350394	6759343	430	300	-60	2	NSI
TWAC034	P40/1334	AC	350406	6759338	430	300	-60	4	NSI
TWAC035	P40/1334	AC	350418	6759330	430	300	-60	4	NSI
TWAC036	P40/1334	AC	350430	6759320	430	300	-60	4	NSI
TWAC037	P40/1334	AC	350444	6759258	430	300	-60	18	NSI

#### Directors

Simon Lill, Non-Executive Chairman  
 Tal Paneth, Executive Director  
 Peter Marks, Executive Director  
 Chris Connell, Non-Executive Director  
 David Franks, Company Secretary

#### IRIS Metals Limited ASX: IR1

**Registered Office**  
 Level 6, 400 Collins Street  
 MELBOURNE VIC 3000

#### Contact Details

[admin@irismetals.com](mailto:admin@irismetals.com)  
[www.irismetals.com](http://www.irismetals.com)  
 ABN  
 61 646 787 135



### Ongoing Compliance

The Directors confirm that the Company is in ongoing compliance with the ASX Listing Rules including, in particular, Listing Rule 3.1.

### Financial

As of May 2022, cash was approximately \$3.8 million, following net cash outflows from operations of \$0.37 million for the period 1 April 2022 through to 1 May 2022. The material expense item of Exploration and Evaluation Costs is \$0.28 million.

### Use of Funds

IRIS provides the following disclosures required by ASX Listing Rule 5.3.4 regarding a comparison of its actual expenditure to date since listing on 23 September 2021 against the 'Use of Funds' statement in its Prospectus dated 16 July 2021. Going forward, it is expected that, barring any unforeseen circumstances, the Use of Funds will be in line with that set out in the Company's 2021 Prospectus.

Funds available	Note	Use of funds statement (\$000s)	Actual (\$000s)	Variance (\$000s)
Existing cash reserves	1	100	194	(94)
Funds raised from the public offer		7,000	7,000	-
<b>Total</b>		<b>7,100</b>	<b>7,194</b>	<b>(94)</b>

Allocation of funds	Note	Estimated expenditure May 2022 (\$000s) <sup>4</sup>	Actual expenditure to May 2022 (\$000s) <sup>5</sup>	Variance (\$000s)
Exploration Expenditure	2	1,742	1,467	275
Payment to vendors of tenements contingent upon IPO	2	105	110	(5)
Working capital and administration costs	2	799	1,227	(428)
Expenses of the public offer	3	721	566	155
<b>Total</b>		<b>3,367</b>	<b>3,370</b>	<b>(3)</b>

Notes:

1. The actual opening cash balance at 1 July 2021 was higher than the balance used in the prospectus.
2. The company settled the transactions contemplated in the prospectus as maximum subscription on 15 September 2021. The actual use of funds to May 2022 represents expenditure incurred since 01 July 2021 regarding exploration and evaluation of its two wholly owned projects.
3. Some expenses of the public offer were incurred in the preceding quarter.
4. Estimated expenditure 1 May 2022 is for the period 1 July 2021 through to 1 May 2022 and is calculated based on the forecasts provided in the Prospectus dated 16 July 2021, pro rated for the period.
5. Actual expenditure is for the period 1 July 2021 through to 1 May 2022.

### About IRIS Metals Limited:

IRIS Metals (ASX:IR1) is an Australian-based explorer with an extensive suite of assets prospective for gold, nickel and lithium in Western Australia and South Dakota, USA. Its wholly-owned WA tenement portfolio includes a compelling landholding in central Kookynie - a gold camp renowned for its historical high grade gold production and bonanza gold grades, and strategic tenure in the highly prospective Tier-1 mining jurisdiction of Leonora. The hard rock lithium South Dakota Project provides the Company and its shareholders with exposure to the battery metals space in a mining friendly jurisdiction with a history of past production. IRIS is pursuing a strategy of rapid prospect evaluation in recognised mineral fields, with a view to making economic discoveries, thereby enhancing shareholder value.

#### Directors

Simon Lill, Non-Executive Chairman  
Tal Paneth, Executive Director  
Peter Marks, Executive Director  
Chris Connell, Non-Executive Director  
David Franks, Company Secretary

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#### **Forward looking Statements:**

This announcement may contain certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements. These factors include, among other things, commercial and other risks associated with exploration, estimation of resources, the meeting of objectives and other investment considerations, as well as other matters not yet known to IRIS Metals or not currently considered material by the company. IRIS Metals accepts no responsibility to update any person regarding any error or omission or change in the information in this presentation or any other information made available to a person or any obligation to furnish the person with further information.

#### **Competent Persons Statement:**

The information in this announcement that relates to exploration results is based on information reviewed by Chris Connell a Competent Person who is a member of Australian Institute of Geologists and a Non-Executive Director to IRIS Metals Limited. Chris Connell is an exploration geologist with over 25 years' experience in gold and base metal exploration including gold exploration and resource definition in the Eastern Goldfields and has sufficient experience in the styles of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Chris Connell has consented to the inclusion in this Public Report of the matters based on his information in the form and context in which it appears.

This release is approved by the Board of IRIS Metals Limited.

#### **Directors**

Simon Lill, Non-Executive Chairman  
Tal Paneth, Executive Director  
Peter Marks, Executive Director  
Chris Connell, Non-Executive Director  
David Franks, Company Secretary

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# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Industry standard air-core drilling was used to obtain 1m samples via a rig-mounted cyclone and bucket with each sample placed in an individual pile and numbered calico bag after splitting via three tier jones riffle splitter. An approximately 2.5kg sample was then obtained using a small scoop and sampling from individual piles to produce composite 4m samples except where the end of hole restricted the composite to 3m or less.</li> <li>Samples generally ranging from 2 to 3.5 kilograms were pulverised at the laboratory to -75 microns to produce a 50 g charge for fire assay.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Air-core drilling by face-sampling blade bit with a hole diameter of approximately 120mm.</li> <li>Holes drilled to 'refusal' where the blade bit can no longer penetrate. Depths ranged from 1m to 65m.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Overall recoveries were recorded as good and there were no significant recovery problems.</li> <li>Air-core samples were collected from a rig mounted cyclone at 1m intervals, split into numbered calico bags and laid on the ground in rows of 10 or 20m. All efforts made when composite sampling to achieve a representative sample.</li> <li>Samples were visually checked for recovery and contamination.</li> <li>There is no noted evidence of sample bias.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All holes were logged by inspection of washed cuttings at time of drilling.</li> <li>The drilling and sampling technique is appropriate for early-stage exploration but will not be used to support mineral resource estimation, mining studies and metallurgical studies.</li> <li>Logging is qualitative in nature.</li> <li>Chips from each metre were sieved and retained in compartmentalised chip trays.</li> <li>Total length logged is 1942m, 100% of meters drilled.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were taken using a small scoop. Samples were mostly dry.</li> <li>The sampling technique is appropriate to the early-stage style of exploration.</li> <li>No duplicate samples were taken but industry standards and blanks were submitted at the ratio of 1 in 30 samples. These QC results are reported by the laboratory with final assays.</li> <li>The sample preparation involved oven drying and then pulverisation of the entire sample in an LM5 or equivalent pulverising mill to a grind size of 85% passing 75 micron.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> </ul>	<ul style="list-style-type: none"> <li>All samples were analysed by Fire assay of a 50g charge.</li> <li>No geophysical or handheld instruments were used for analysis.</li> <li>Additional to IRIS Metals standards and blanks, Internal laboratory controls include duplicate assaying of randomly selected assay pulps and assaying of internal laboratory standards. All control data is reported to the Company and inspected for any discrepancy.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>No significant intersections have been identified for the current program.</li> <li>No holes have been twinned in the current program.</li> <li>Primary data was collected using a combination of excel and paper templates in the field.</li> <li>No adjustments were made to assay data.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Hole collar positions were located using a hand-held GPS referenced to MGA GDA94, Zone 51 and are accurate to approximately 5m. Dip and Azimuth were controlled by compass and clinometer at the rig. No downhole surveys were taken.</li> <li>Collar elevation values applied are arbitrary, based on the regional elevation average. This is appropriate to early-stage exploration. Topographic control will be established where the potential for economic mineralisation is demonstrated.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Nominal hole spacing is 20m, however varies from 7m – 30m on section lines dependent on hole depth.</li> <li>Further drilling of prospects with significant intersections may not necessarily result in definition of a mineral resource.</li> <li>4m sample compositing occurred in the field except where the end of hole restricted the composite to 3m or less. No data compositing has used.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>AC drill lines oriented orthogonal to interpreted strike to the extent to which this is known.</li> <li>No sampling bias is believed to have been introduced. No direct structural measurements have been taken.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were collected by Iris Metals employees and personally delivered to the Intertek laboratory in Kalgoorlie.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	No review or audit has been carried out.

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Kookynie project results reported here are situated across P40/1334 and P40/1385 for which IRIS Metals owns and operates and holds rights to 100%* of all metals with exception made to alluvial rights agreed to prospecting parties.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Of the two discrete prospect areas much of the historic work across the has been carried out by Mount Eden from the mid-1980s, and by Britannia Gold Ltd in the mid 1990s. Soil samples were taken over the prospect area on P40/1334.</li> <li>Much of the modern-day exploration on P40 / 1334 was conducted by Mount Eden, including vacuum drilling, rock chip sampling, costeaning and RAB drilling. Much of this activity was centred on historic gold workings. Kookynie Resources completed a hand auger sampling program across the same area in 2002.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Air-core drilling targeted favourable stratigraphy (basalt granite margins) and interpreted structural targets. Target is shear hosted vein style gold mineralisation.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>A collar table and table is supplied in the appendices. No significant intercepts are reported.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No significant intercepts are reported.</li> <li>No metal equivalent values, or formulas used.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>No significant intercepts are reported.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate summary figures including scale and MGA 94 coordinates are included in the report.</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>A collar table and table of all holes drilled is supplied in the appendices and lists all holes drilled.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Historical drill programs have reportedly defined anomalous mineralisation within the tenement package. Most of the historical drill collar locations cannot be confidently located and the purpose of this program is in part to confirm historical work.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Collection and analysis of selected 1m splits may be warranted.</li> </ul>