ADVANCEMETALS

Quarterly Activities Report

for the Period Ended 30 June 2026

Advance Metals Limited (**ASX:AVM**) ("**Advance**" or the **"Company"**), a silver and gold exploration company focused on developing high grade precious metals projects across Mexico and Australia, is pleased to provide an overview of the Quarterly Activities for the Period Ended 30 June 2026 ("**Quarter**" or the **"Reporting Period"**).

HIGHLIGHTS

- Maiden diamond drilling commenced at the high grade 100%-owned Gavilanes Silver Project in Durango, Mexico, with a program of up to 4,500 metres planned across 15 to 18 diamond drill holes[1]
- First drill hole at Gavilanes, GV-26-001, returned a broad high grade silver intersection of 33.9m at 220g/t Ag from 117.6m including 6.2m at 718g/t Ag from 133m[2]
- Additional deeper silver, base metal and gold mineralisation intersected in GV-26-001, including 3.3m at 270 g/t Ag, 0.2g/t Au, 0.7% Cu, 0.7% Pb & 1.1% Zn from 164.6m[2]
- Subsequent to the end of the quarter, strong results were also received from GV-26-002 and GV-26-003 in progress, including broad polymetallic zones below upper high grade silver intersections[3,4]
- Drilling, historic core sampling and geological modelling are expected to support a planned JORC Mineral Resource upgrade for Gavilanes, targeted for early Q4 CY2026[1,2]
- Advance moved toward 100% ownership of the high grade Myrtleford and Beaufort Gold Projects in Victoria through an amended agreement with 1548043 B.C. Ltd[4]
- Initial gravity recoverable gold testwork at Happy Valley returned total gold recoveries of up to 96.1%, supporting potential low cost processing options[4]
- Further drilling at Happy Valley returned high grade gold results, including 1m at 22.3g/t Au from 95.7m, including 0.2 at 108.5g/t Au[4]
- Regional mapping and rock chip sampling commenced across selected historic workings at Myrtleford and Beaufort, including targets along the 16km Magpie Barwidgee trend, where no modern drilling has been completed[5]

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[1] *AVM ASX Announcement, 6 May 2026, "Diamond Drilling Commences at the High Grade Gavilanes Silver Project in Mexico."*
[2] *AVM ASX Announcement, 4 June 2026, "First Gavilanes Drill Hole Intersects Broad High Grade Silver Zone - Amended."*
[3] *AVM ASX Announcement, 1 July 2026, "Second Drill Hole Confirms Expanding High Grade Silver and Copper-Gold System at Gavilanes."*
[4] *AVM ASX Announcement, 14 July 2026, "Gavilanes Delivers Strongest Polymetallic Interval to Date Below High Grade Near-Surface Silver Mineralisation."*
[5] *AVM ASX Announcement, 21 May 2026, "Advance Moves Towards 100% Ownership of Victorian Gold Projects Following Strong Exploration and Metallurgical Results."*
[6] *AVM ASX Announcement, 6 July 2026, "Advance Defines High Grade Gold Controls at Happy Valley with New 3D Geological Model."*

Dr Adam McKinnon, Managing Director and CEO, commented:

"This Quarter was another important period for Advance as we commenced maiden drilling at Gavilanes and delivered excellent first resultS from the program. GV-26-001 intersected a broad zone of high grade silver mineralisation, including 33.9m at 220g/t Ag and a higher grade interval of 6.2m at 718g/t Ag. This is an encouraging start to the program and supports our planned pathway toward a JORC Mineral Resource upgrade at Gavilanes."

"At the same time, we continued to strengthen our Victorian gold portfolio, moving toward 100% ownership of Myrtleford and Beaufort following further high grade drilling results and excellent gravity recoveries from Happy Valley. These results continue to support the potential for a high grade gold opportunity with future low-cost processing optionality."

"With active drilling in Mexico, ongoing target generation in Victoria, and a focused precious metals portfolio across two highly prospective jurisdictions, Advance is well positioned to deliver continued exploration news flow through the second half of 2026."

Gavilanes Silver Project, Mexico

During the Quarter, Advance commenced its maiden diamond drilling program at the 100% owned Gavilanes Silver Project in western Durango, Mexico.

Gavilanes is a key asset within Advance's Mexican silver growth strategy, with the maiden program designed to test depth and strike extensions to the existing high grade silver system, while also assessing additional targets beyond the current defined mineralisation.

The full program is expected to comprise 15 to 18 new diamond holes totalling up to 4,500 metres.[1]

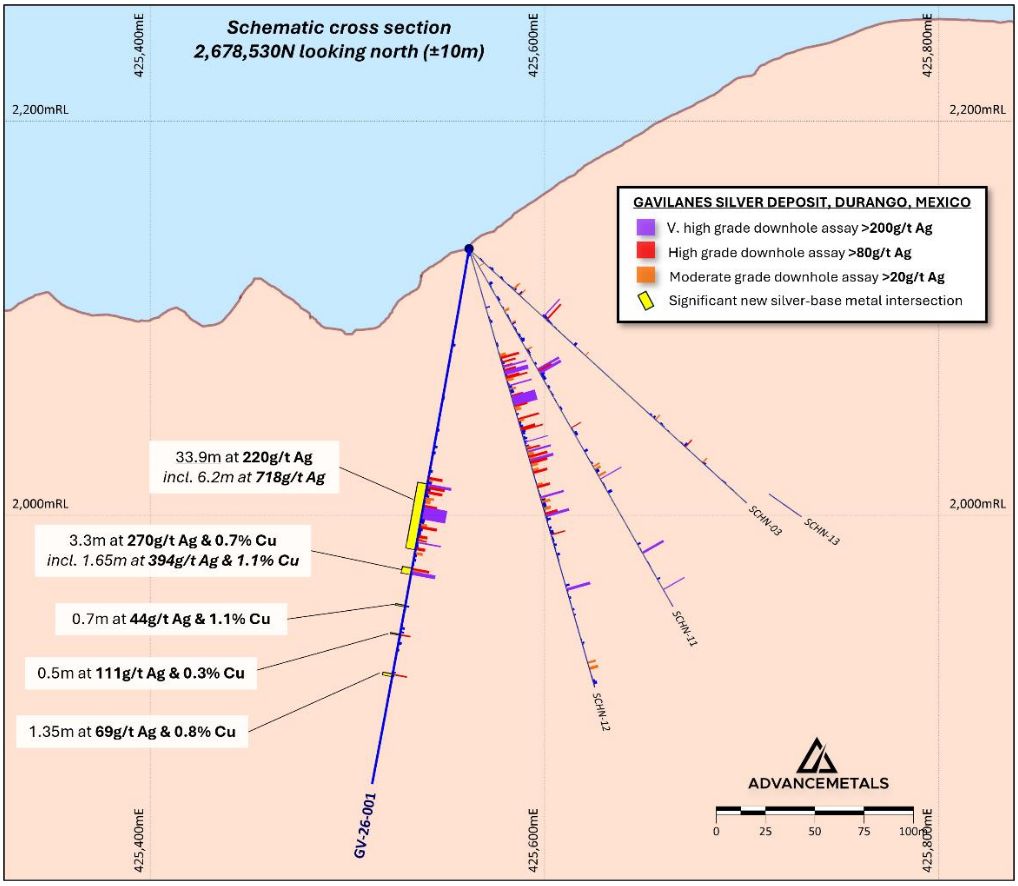

Figure 1. *Schematic cross section at 2,678,530N showing the significant intersections recently returned from GV-26-001 at the Gavilanes Project in reference to previous drilling[2].*

First holes intersect broad high grade silver mineralisation

Following the commencement of drilling, Advance reported the first assay results from Gavilanes during the Quarter.

The Company's first diamond drill hole, GV-26-001, tested mineralisation approximately 80 metres down dip to the west of the high grade zone previously defined in historic drilling.[2]

GV-26-001 returned[2]:

- 33.9m at 220g/t Ag from 117.6m, including 6.2m at 718g/t Ag from 133m

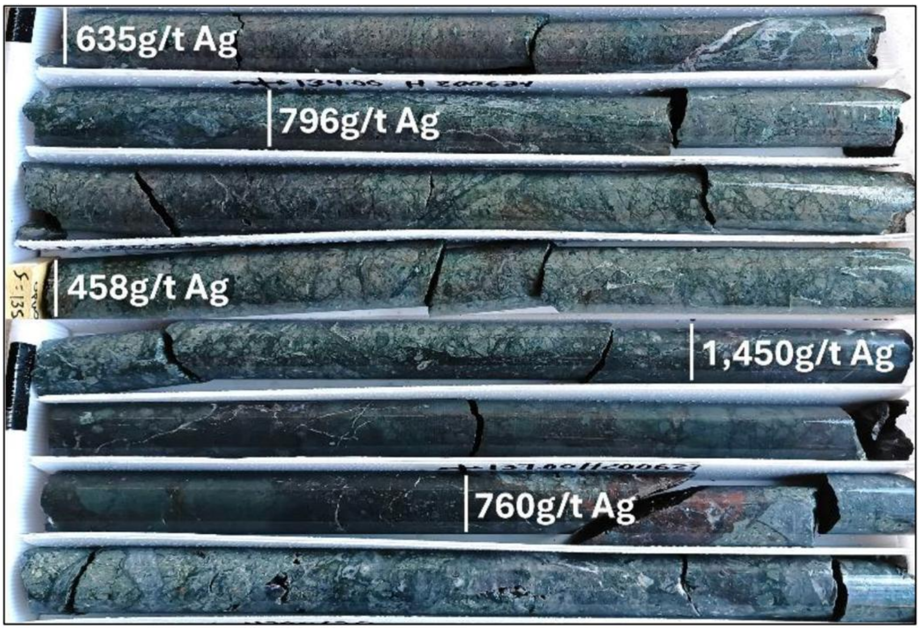

Figure 2. *Strongly altered breccia zone in diamond hole GV-26-001 showing multiple consecutive high grade down hole silver assay results. This zone forms part of an intersection grading 6.2 metres at 718g/t Ag from 133m[2].*

The result provides early support for Advance's strategy of targeting extensions to the known high grade mineralised system.

Deeper in the hole, multiple silver intersections were also associated with increasing base metals and gold including[2]:

- 3.3m at 270g/t Ag, 0.2g/t Au, 0.7% Cu, 0.7% Pb and 1.1% Zn from 164.6m, including 1.65m at 394g/t Ag, 0.4g/t Au, 1.1% Cu, 1.1% Pb and 1.7% Zn from 166.25m

Figure 3*. Section of cut core showing a complex breccia zone with hematite (brown), quartz (white) and the copper sulphide mineral chalcopyrite (yellow). Peak assay grades from this zone included 0.9m at 467g/t Ag, 0.6g/t Au, 1.4% Cu, 1.4% Pb & 2.1% Zn from 169m down hole.[2]*

Subsequent to the end of the Quarter, Advance reported further results from the Gavilanes drilling program, with GV-26-002 confirming additional shallow high grade silver mineralisation and intersecting a broad deeper copper-silver-gold zone.

GV-26-002 returned:[3]

- 8.4m at 245g/t Ag from 90m, including 3m at 523g/t Ag
- 54.6m at 0.6% Cu, 22g/t Ag and 0.3g/t Au from 180m

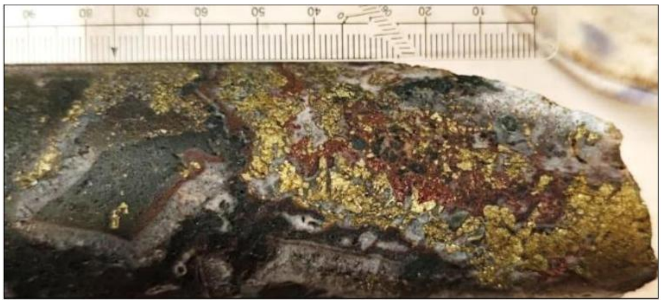

Figure 4. *Breccia zone at 224 metres down hole in GV-26-002 showing strong chalcopyrite (yellow) and native copper (redbrown) mineralisation. The interval with this mineralisation graded 1.2 metres at 1.8% Cu, 98g/t Ag & 2.3g/t Au from 123.8m[3].*

GV-26-003 returned shallow high grade mineralisation in the upper portions of the hole:[4]

- 15.6m at 309g/t Ag from 24m, including 3.4m at 569g/t Ag
- 6m at 204g/t Ag from 58.8m, including 1.2m at 548g/t Ag

GV-26-003 also returned the most significant polymetallic interval from the project to date:

- 37.5m at 83g/t Ag, 0.8g/t Au, 0.6% Cu, 0.6% Zn & 0.3% Pb from 205.8m to EOH, including *5.5m at 160g/t Ag, 2.3g/t Au & 1.5% Cu*

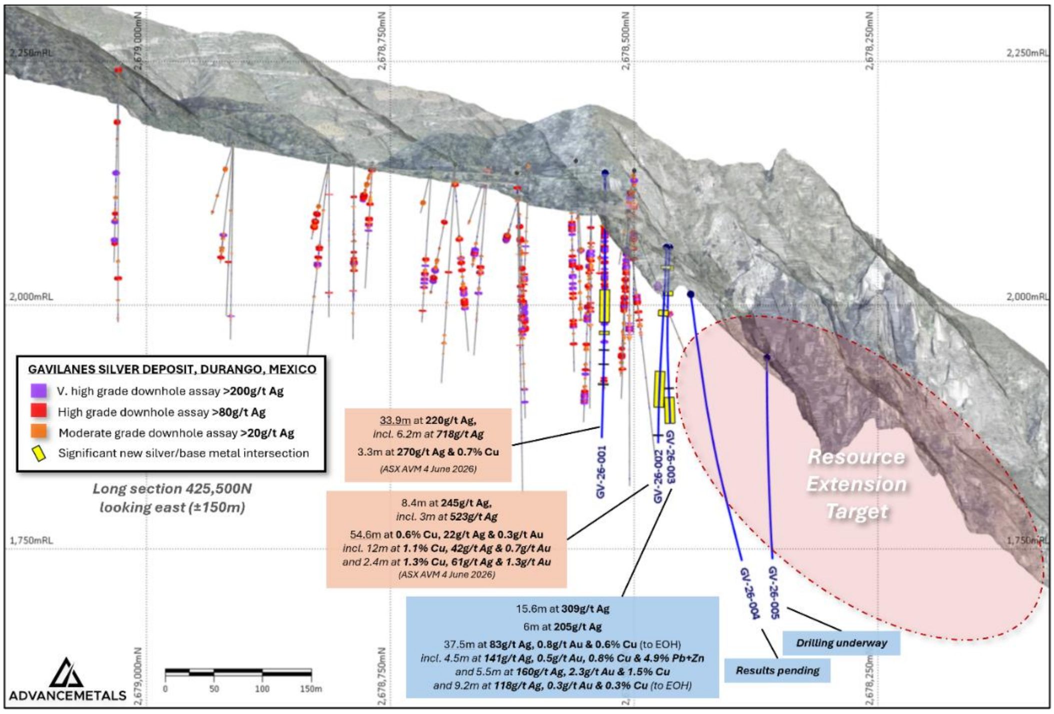

Figure 5. *Long section showing previous drilling with downhole silver grades at Gavilanes along with Advance's recent drill holes (blue) and results at the southern end of the high grade system[4].*

Myrtleford and Beaufort Gold Projects, Victoria

Advance moves toward 100% ownership[5]

During the Quarter, Advance reached an amended agreement to move toward 100% ownership of the high grade Myrtleford and Beaufort Gold Projects in Victoria.

Advance had previously entered into a joint venture agreement to acquire an 80% interest in the projects for total consideration of C$3.0 million. Under the amended agreement, Advance agreed to acquire the remaining 20% interest for additional consideration of C$1.0 million, taking total consideration for 100% ownership to C$4.0 million, staged over three years.

The amended agreement provides Advance with a clear pathway to full ownership while retaining flexibility to satisfy payments in either shares or cash at its discretion. It also provides the Company with sole and exclusive working rights over the tenements, full operational control for exploration activities and the right to conduct drilling, sampling, surveys and exploration work.

As part of the agreement, Advance will grant 1548043 B.C. Ltd a 1% net smelter return royalty in respect of any future gold production from the projects.

Happy Valley gravity recoverable gold testwork

During the Quarter, Advance reported initial gravity recoverable gold testwork results from the Happy Valley deposit at Myrtleford.

The testwork was completed by ALS Metallurgy in Burnie, Tasmania, using a KC-MD3 Knelson concentrator with three stages of grinding. Three composite samples were tested from core in drillholes AMD001, AMD003 and AMD009.

The results indicated strong amenability to gravity concentration, with gold recoveries to the coarse gravity fraction ranging from 69% to 85%. Total gold recoveries after regrinding the tails to 250 microns and 75 microns ranged from 91.8% to 96.1%.[5]

Gold concentrate grades achieved were in the range of 1,483g/t Au to 2,058 g/t Au.

The Company considers the initial testwork positive for potential future low cost processing options at Happy Valley.

Happy Valley Drilling

Advance also continued exploration at the Happy Valley Prospect, where drilling has confirmed high grade gold mineralisation across multiple reef positions.

Following a review of historical development and production records, Advance drilled five shallow holes, AMD024 to AMD028, to test areas where minimal historical mining was interpreted to have occurred at depth and toward the southeast.

The strongest result from this program came from AMD026, which returned:[5]

- 0.6m at 9.4g/t Au from 76.9m
- 1m at 22.3g/t Au from 95.7m, including 0.2m at 108.5 g/t Au

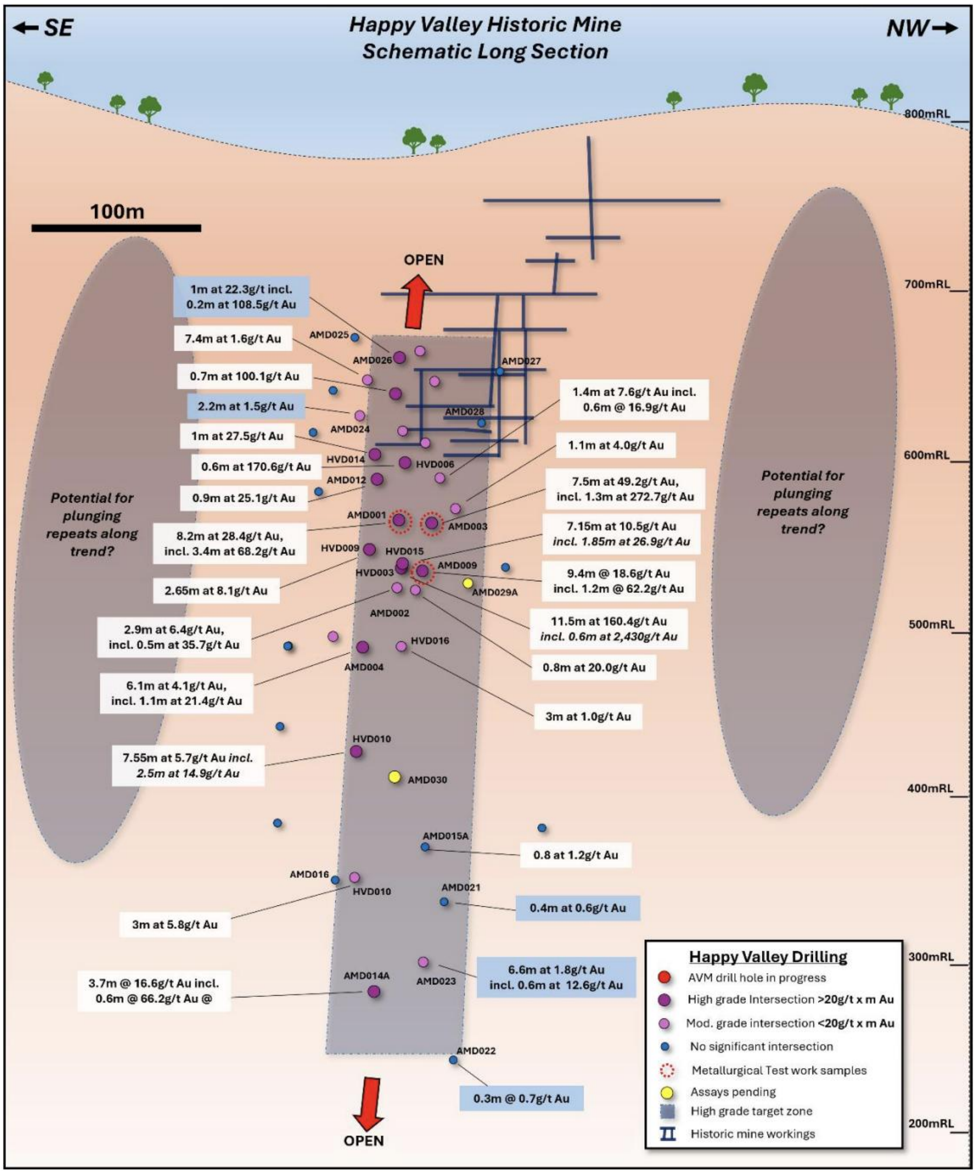

Figure 6. *Schematic long section looking southwest showing previous drilling by Serra Energy Metals at Happy Valley (HVDprefix, ASX AVM 6 January 2025) along with Advance's recently drilled holes (AMD- prefix, ASX AVM 26 September and 18 November 2025).*[5]

The 1m at 22.3g/t Au intersection is located up dip in the central axis of very high grade gold mineralisation and was not mined or accessed historically. It represents the shallowest high grade intersection reported at Happy Valley and remains open up dip.

Deeper drill holes also continued to intersect strong quartz structures, although with variable mineralisation. The best deeper gold result was returned from AMD023 which intersected:[5]

- 6.6m at 1.8g/t Au from 496.8m including 0.6m at 12.6g/t Au from 502.4m

Together with previous deeper drilling, the results show that high grade gold mineralisation at Happy Valley extends to at least 500 metres below surface. Following the latest round of diamond drilling, Advance is progressing a structural model for the deposit to support future drill targeting.

Subsequent tot the end of the quarter Advance reported final assay results from recent drilling at Happy Valley and completed a new 3D geological model for the deposit.

Final high grade gold results included:[6]

- 1.8m at 15.2g/t Au from 132.3m, including 0.2m at 131.5g/t Au
- 1.3m at 4.65g/t Au from 324.0m

The new 3D model identifies three main gold bearing quartz veins extending to at least 500m below surface and provides a stronger targeting framework for high grade extensions and untested areas at Happy Valley and across the broader Myrtleford Project.

Broader Happy Valley trend

Earlier in the year, Advance completed a maiden step out drilling program targeting prospects outside the main Happy Valley deposit, including Queen of the Hills, located 4.5km to the southeast and Sheards, located 1.5km to the northwest.[5]

Results from Queen of the Hills demonstrated the broader potential of the Happy Valley trend including[5]:

- 4m at 2.4g/t Au from 102.2m
- 3.2m at 1.4 g/t Au, including 0.6m at 7.7 g/t Au

At Sheards, Advance completed two drill holes, with AMD020 successfully testing the interpreted mineralised structure. AMD020 intersected three mineralised quartz zones with anomalous gold, including:[4]

- 3m at 0.3g/t Au from 316.7m and 0.7m at 0.3g/t Au from 301.2m.

The quartz reef structures intersected at Sheards were associated with pyrite and arsenopyrite, similar to the Happy Valley deposit.

The results from Queen of the Hills and Sheards provide further evidence that mineralisation is not confined to Happy Valley and support the potential for additional high grade zones along the broader 13km Happy Valley Trend.

During the June Quarter, this broader district scale opportunity was further advanced through regional mapping and rock chip sampling across selected historic workings at Myrtleford and Beaufort, including targets along the 16km Magpie-Barwidgee Trend.[5]

Corporate

During the Quarter, Advance continued to strengthen and focus its high grade precious metals portfolio across Mexico and Australia.

The Company progressed an amended agreement to move toward 100% ownership of the high grade Myrtleford and Beaufort Gold Projects in Victoria, following continued exploration success at Happy Valley and encouraging initial gravity recoverable gold testwork.[3]

Under the amended agreement, Advance agreed to acquire the remaining 20% interest in the projects for additional consideration of C$1.0 million. The total consideration for 100% ownership is C$4.0 million, staged over three years, with Advance retaining flexibility to satisfy payments in either shares or cash at its discretion.[3]

The amended agreement provides Advance with a clear pathway to full ownership of Myrtleford and Beaufort, while maintaining operational control and flexibility as the Company continues to assess the broader district scale opportunity across the Victorian Goldfields.

Financial Position

At the end of the June Quarter, Advance held cash and cash equivalents of $4.326M.

Outlook

Following an active June Quarter, Advance enters the next Period with strong momentum across its Mexican Silver and Victorian gold portfolio.

Key priorities include:

- Continued progress of the maiden diamond drilling program at Gavilanes
- Receipt of assays from new holes GV-26-004 and 005
- Ongoing drilling testing of extensions to the kwon high grade silver system
- Review and sampling of selected historic drill core at Gavilanes
- Incorporation of new lithological, structural and geochemical data into the updated Gavilanes geological model
- Progression of workstreams to support the planned Gavilanes JORC Mineral Resource upgrade, targeted for early Q4 CY2026
- Assessment of the high grade resource potential and potential low cost mining and processing pathways at Happy Valley
- Generation of maiden drill targets along the Magpie-Barwidgee Trend
- Continued mapping and sampling of selected high grade targets across Myrtleford and Beaufort

With active drilling at Gavilanes, ongoing modelling and target generation in Victoria, and a focused portfolio of high grade precious metals assets, Advance is well positioned to deliver continued exploration news flow and progress its resource growth strategy through the second half of 2026.

This announcement has been authorised for release by the **Board of Advance Metals Limited**.

For further information:

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Appendix 5B

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

Name of entity	
Advance Metals Limited	
ABN	**Quarter ended ("current quarter")**
63 103 323 173	30 June 2026

	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	(2,934)	(6,181)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(13)	(24)
	(e) administration and corporate costs	(149)	(572)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	44	105
1.5	Interest and other costs of finance paid	(3)	(3)
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**	**(3,055)**	**(6,675)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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	-	257
	(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**	**-**	**257**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	100
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	235
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(4)	(590)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(4)**	**(255)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	7,385	11,002
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,055)	(6,675)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	257
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(4)	(255)

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	-	(3)
4.6	**Cash and cash equivalents at end of period**	**4,326**	**4,326**

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	4,326	7,385
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)**	**4,326**	**7,385**

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	94
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.

*Payment of fees to Directors for Director and consulting fees for the quarter.

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	-	-
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)	(3,055)
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)	(3,055)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,326
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,326
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**1.42**

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?

Answer: Yes. The Company expects net operating cash outflows to continue at broadly the level reported for the current quarter, as exploration activity on its Mexican silver projects is ongoing and further exploration programs are planned.

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?

Answer: Yes. The Company is assessing options to raise additional capital, including an equity placement utilising its capacity under ASX Listing Rules 7.1 and 7.1A and an offer to existing shareholders. The Company has previously raised capital when required and, having regard to that record and the results of its exploration programs, the Directors have a reasonable expectation that further funding will be raised as and when required. No raising has been completed or underwritten as at the date of this report.

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?
	Answer: Yes, on the basis of the cash held at 30 June 2026, the matters set out in item 8.8.2 and the Board's ability to adjust the timing of discretionary exploration expenditure if required.
	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: 27 July 2026...

Authorised by: The Board...
(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.