

# ASX Announcement

28 March 2022



## Westar Completes Placement to Accelerate Drilling and Exploration at Gidgee North

### HIGHLIGHTS

- ✦ **Binding commitments received for a Two-Tranche Placement to raise c.\$2 million, with strong support from new and existing sophisticated investors**
- ✦ **The Placement allows the Company to accelerate exploration activities at the Gidgee North project, with drilling of multiple VMS style base-metal targets (Cu-Zn-Ag-Au) scheduled early next quarter**
- ✦ **Discovery potential for a new Western Australian VMS Base metals camp**

Westar Resources Limited (ASX:WSR) (**Westar** or the **Company**) is pleased to announce it has received binding commitments for a Two-Tranche Placement to raise approximately \$2 million (before costs) at an issue price of \$0.095 per share (**Placement**).

Approximately \$538,000 in shares will be issued under the Company's existing listing rule 7.1 and 7.1A capacity, with the remaining securities subject to shareholder approval at a shareholder meeting to be held shortly.

The Placement was supported by several high quality new and existing sophisticated and professional investors.

#### **Westar Managing Director Karl Jupp commented:**

*"With encouraging exploration results coming from Gidgee North, we are pleased to have the ongoing support of existing shareholders and also welcome a number of new sophisticated investors. The Placement provides the Company with a strong cash position to commence drilling and continue additional exploration at the Gidgee North project which hosts both gold and VMS base-metal targets with historic copper and zinc drill intercepts."*



#### **Registered Address**

Westar Resources Limited  
ACN 635 895 082  
ABN 66 635 895 082

**A** Level 1, 19 Ord St,  
West Perth, WA 6005  
**P** PO Box 814  
West Perth, WA 6872

#### **Board Members**

Karl Jupp - Managing Director & CEO  
Simon Eley – Non-Executive Chairman  
Nathan Cammerman – Non-Executive Director

**T** +61 08 6556 6000  
**E** admin@westar.net.au  
**W** www.westar.net.au

#### **Projects**

Sandstone (100% Owned)  
Mt Magnet (100% Owned)  
Nullagine (100% Owned)  
Southern Cross (RMS JV)

ASX Code            WSR

## PLACEMENT

The Placement comprises a two-tranche placement with 5,665,416 fully paid ordinary shares issued immediately under the Company's LR 7.1 and 7.1A capacity ("**Placement Shares**") and a further 15,387,216 shares issued subject to shareholder approval ("**Conditional Placement Shares**").

The Placement Shares and Conditional Placement Shares will also include a 1:3 free attaching option exercisable at \$0.14 on or before 3 years from the date of issue ("**Options**"). The Options are subject to shareholder approval.

The shares will be issued at a price of \$0.095 to sophisticated investors, representing a 2.6% discount to the 5-day VWAP last closing price.

Directors have also contributed \$60,000 as part of the Conditional Placement Shares with the issue subject to shareholder approval.

Settlement of the Placement Shares will occur on or about Wednesday, 5 April 2022, with a shareholder meeting to approve the Conditional Placement Shares in early May 2022.

Foster Stockbroking will be paid a 1% management fee and a 5% selling fee together with the issue of 2,000,000 options exercisable at \$0.14 on or before 3 years from the date of issue.

## USE OF PROCEEDS

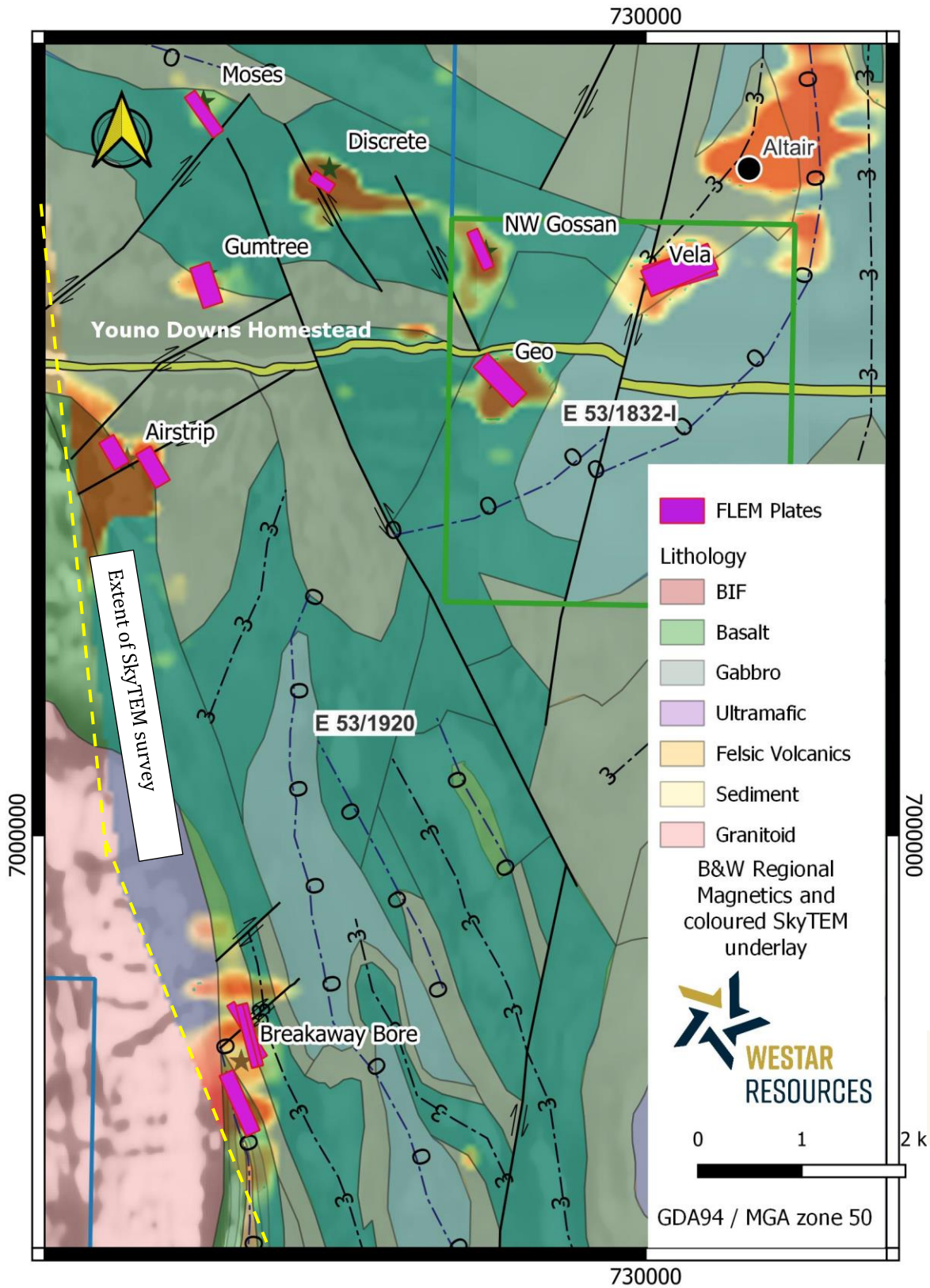
Proceeds raised pursuant to the Placement will be used to fund:

- A Maiden RC drill program at its 100% owned VMS-Base metals targets at the Gidgee North Project
- DHEM surveys on priority RC drill-holes at Gidgee North
- Soil geochemistry, geophysics and targeting of additional prospects at Gidgee North between the Breakaway Bore and Griffin Prospects
- RC Drilling of identified gold targets at the historical Birrigrin Mining Centre, Gidgee South Project
- Field reconnaissance and soil geochemistry over the Opaline Well AEM identified conductors
- Corporate costs and general working capital requirements

The immediate priority of the Company is commencement of RC drilling at the VMS style base-metal targets at the Gidgee North Project (see ASX Announcement 23 February, "**VMS Base metal targets confirmed at Gidgee North**"). The Gidgee North maiden RC drilling program will initially test up to ten priority VMS targets (Figure 1), including **Geo**, **NW Gossan**, **Moses**, **Discrete**, **Gumtree**, **Airstrip** (two targets), **Breakaway Bore** (two targets) and **Vela** (historical intercepts include **8m @1.12% Cu** from 48m (to EOH in GVER101).

Funds from the placement will allow WSR to accelerate exploration, via additional step-out drilling, pending success of initial priority holes and the DHEM surveys. Drilling is expected to commence early in Q2 CY2022.





**Figure 1** – FLEM plates over SkyTEM anomalies and geology; Youno Downs camp, Gidgee North.

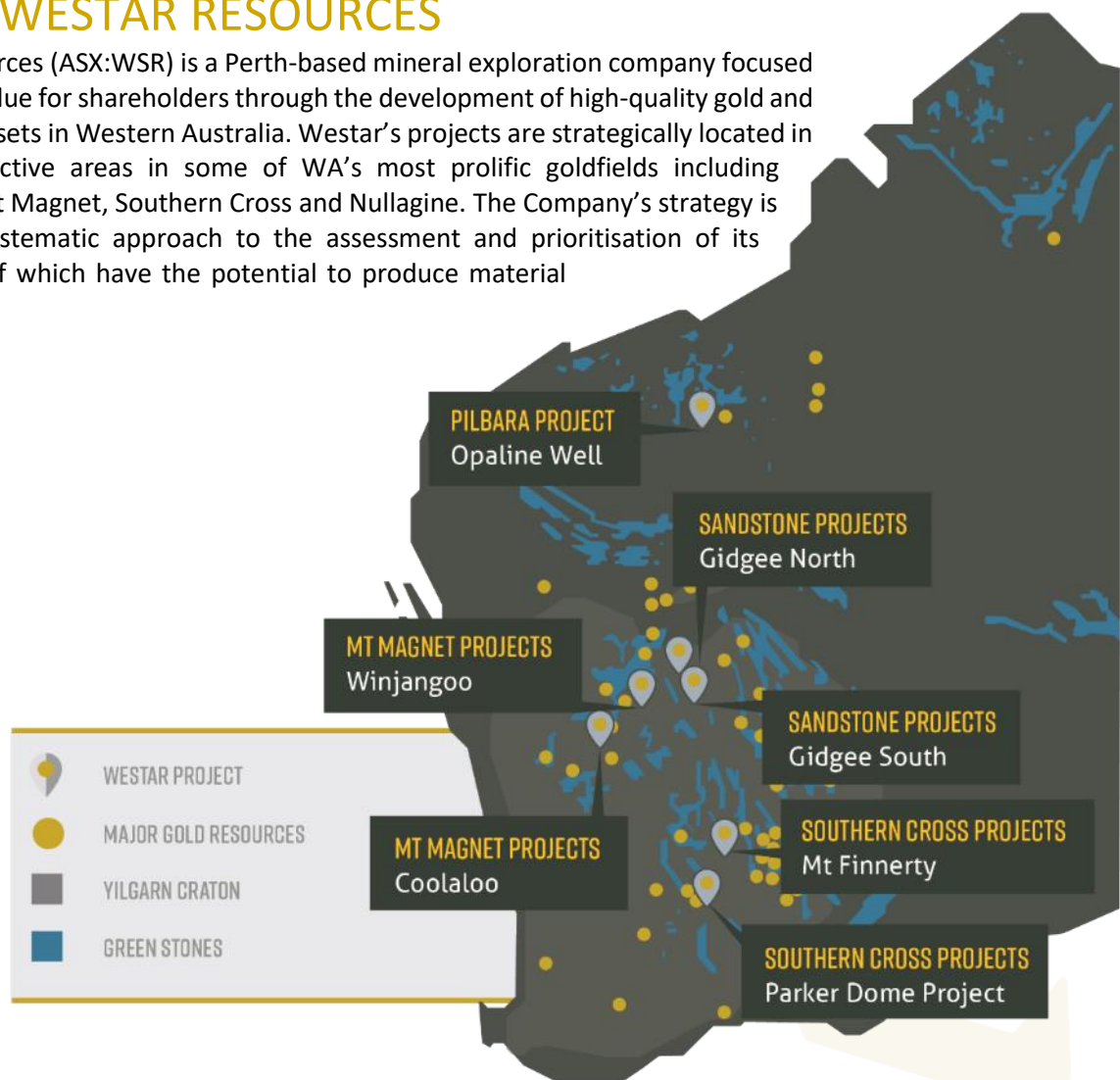
For the purpose of Listing Rule 15.5, this announcement has been authorised by the board of Westar Resources Ltd.

## ENQUIRIES

Karl Jupp, Managing Director & CEO  
 +61 8 6556 6000  
[kjupp@westar.net.au](mailto:kjupp@westar.net.au)

## ABOUT WESTAR RESOURCES

Westar Resources (ASX:WSR) is a Perth-based mineral exploration company focused on creating value for shareholders through the development of high-quality gold and base-metal assets in Western Australia. Westar's projects are strategically located in highly prospective areas in some of WA's most prolific goldfields including Sandstone, Mt Magnet, Southern Cross and Nullagine. The Company's strategy is to apply a systematic approach to the assessment and prioritisation of its projects, all of which have the potential to produce material discoveries.



## COMPETENT PERSON STATEMENT

The information in this announcement that relates to exploration results is based on and fairly represents information compiled by Karl Jupp, a competent person who is a member of the AusIMM. Karl Jupp is employed by Westar Resources Limited. Karl Jupp has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Karl Jupp consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

