

ASX Announcement

28 July 2022

Quarterly Activities Report For the Period Ending 30 June 2022

HIGHLIGHTS

- ✦ **Maiden RC drilling campaign at Gidgee North VMS base-metal targets complete for 18 holes over 9 targets for 3,675m. The bulk of assays remain pending, with prioritized assays including:**
 - GNRC0013: **7m @ 0.18% Zn** from 103m
 - GNRC0015: **15m @ 0.23% Cu** from 80m
 - GNRC0016: **54m @ 0.19 % Zn** from 252m to 306m (EOH)
- ✦ **Gidgee North gold target generation and ranking complete with preparations underway for an extensive aircore drilling program in Q3CY22**
- ✦ **AEM targets identified at Opaline Well support base-metal potential with field reconnaissance planned for Q3CY22**
- ✦ **Ramelius Resources Ltd commences preparations for follow up drilling at the Mt Finnerty Farm-in / Joint Venture Project**

Westar Resources Limited (ASX:WSR) (**Westar**, the **Company**) is pleased to provide an update on exploration activities during the June 2022 Quarter.

Westar Managing Director Karl Jupp commented:

“Exploration activities during Q2CY22 were focused on RC drill-testing VMS targets at Gidgee North, with early observations and prioritised assays indicating a fertile paleo-volcanic exhalative seafloor system. Exploration activities in H2CY22 are ramping up with assays expected from the RC program, an aircore program over recently identified gold targets at Gidgee North, boots on ground field reconnaissance over the Opaline Well AEM targets and our Farm-in / JV partner Ramelius Resources preparing for follow up drilling at the Mt Finnerty Project”.



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

Westar's Project Portfolio

Westar holds 100% ownership over seven projects in Western Australia. The Sandstone Projects, Gidgee South and Gidgee North, the Mt Magnet Projects, Winjangoo and Coolaloo and the Pilbara Project, Opaline Well (Figure 1). The Southern Cross Projects, Mt Finnerty and Parker Dome, are held by Westar under a farm-in/JV agreement with Ramelius Resources Ltd having the right to earn a 75% interest.

Westar's three-pronged exploration rationale is summarised as;

- 1) Maximise discovery potential of key assets through diligent application of capital and resources, utilising best practice systematic exploration and technology;
- 2) Diversify risk on appropriate assets through partnering with fast-moving companies with reputations for building mines; and
- 3) Continuously evaluate a pipeline of prospective opportunities under the mantra 'succeed swift or fail fast'.

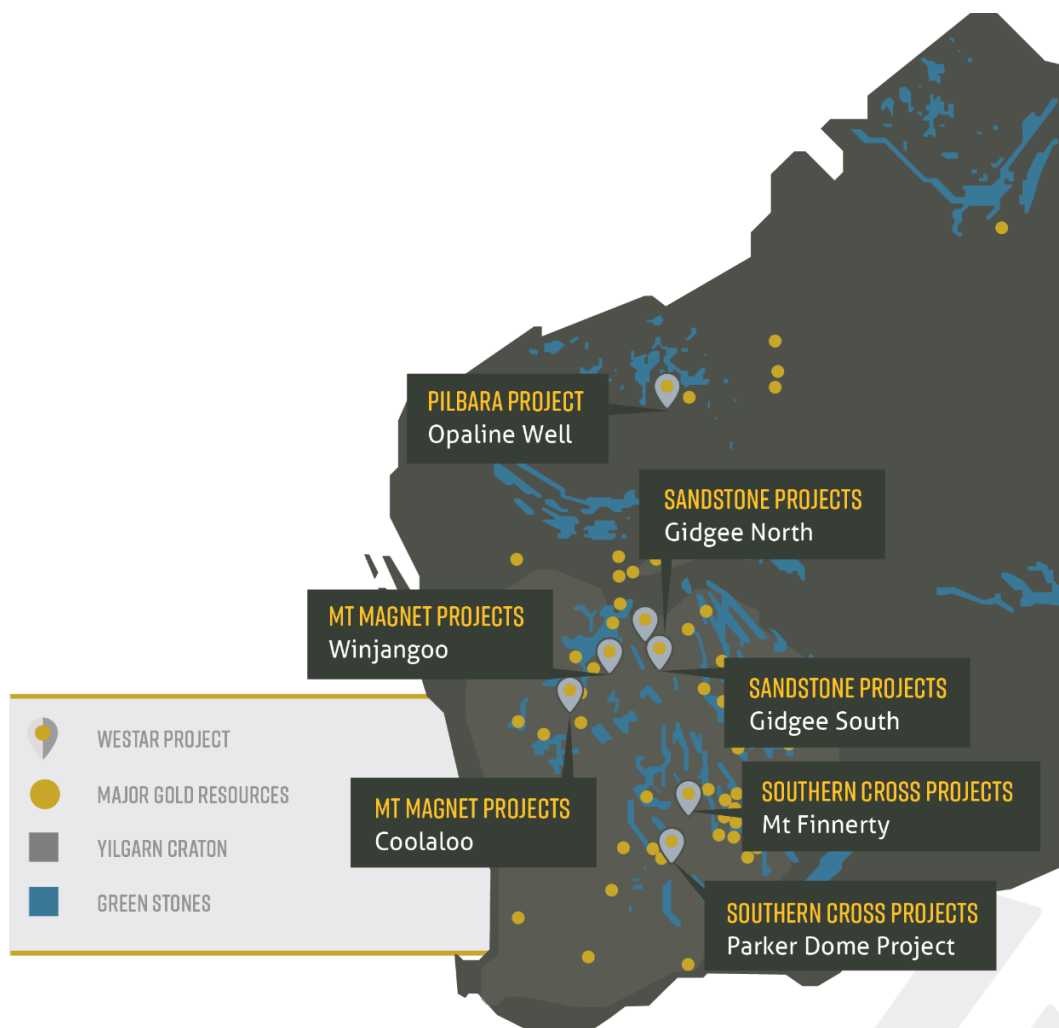


Figure 1 – Location map of Westar Projects in Western Australia

Southern Cross Projects (Ramelius Resources Ltd (ASX:RMS) Farm-in/JV)

The Mt Finnerty Project, which forms part of the Southern Cross assets (E16/505) is located approximately 430km east-northeast of Perth and 100km northeast of Southern Cross in the Archean Mara-Diemals greenstone belt. Past exploration activity at Mt Finnerty has been extensive, with historical intersections across the project including:

- **9m at 98.2 g/t Au** from 62m in MF023, including
 - **4m at 215.8 g/t Au** from 62m
- **1m at 236.3 g/t Au** from 126m in MFRC 029
- **3m at 6.4 g/t Au** from 54m in MF034
- **24m at 3.68 g/t Au** from 45m in MF038, including
 - **4m at 12.6 g/t Au** from 46m
- **9m at 9.95 g/t Au** from 51m in MF8880/1376, and
- **6m at 14 g/t Au** from 39m in MF8580/1414.

See WSR ASX Announcement, 6 December 2020, “**Prospectus**” for additional details.

The Parker Dome Project (E77/2424) is located approximately 400km east of Perth and 60km south-southeast of Southern Cross. Situated on the western margin of the north-westerly elongated Parker Dome granitoid, the Project hosts several broad, previously identified, gold-in soil anomalies with results up to 192ppb Au. Historical RAB drilling has reported results up to 0.52 g/t Au in transported overburden and 0.38 g/t Au in ultramafics.

The Mt Finnerty and Parker Dome Projects (Figure 2) are subject to a Farm-in and Joint Venture Agreement (**Farm-in Agreement**) between Ramelius and Rouge Resources Pty Ltd (a wholly owned subsidiary of Westar Resources Ltd)). Under the terms of the Farm-in Agreement Ramelius may earn up to a 75% interest by spending \$2M over a three-year period. Westar will hold a free carried 25% until a decision to mine is made, at which point Westar can either contribute to ongoing expenditure or dilute its interest in the Project. A full summary of the Farm-in Agreement is set out in section 10.1(a) of the Company’s IPO Prospectus. (See WSR ASX Announcement, 6 December 2020, “**Prospectus**”).

Assay results for the RMS RC drilling at Mt Finnerty were reported on 31 January 2022, “**Bonanza RC Grades at the Mt Finnerty Project**” and include significant intercepts:

Flinders Prospect

- **1m at 10.5g/t Au** from 109m in FLRC0001
- **5m at 66.7g/t Au** from 175m in FLRC0002, including
 - **1m at 52.4g/t Au** from 176m, and
 - **1m at 274g/t Au** from 177m
- **4m at 14.1g/t Au** from 136m in FLRC0003, including
 - **1m at 43.4g/t Au** from 137m
- **1m at 35.0g/t Au** from 125m in FLRC0004

- 5m at 1.67g/t Au from 168m in FLRC0010

Tasman Prospect

- 5m at 2.63g/t Au from 146m in FLRC0013
- 13m at 4.37g/t Au from 182m in FLRC0015

Assay results for the RMS aircore drilling at Mt Finnerty and Parker Dome were reported by RMS on 27 April 2022, “**March 2022 Quarterly Activities Report**”.

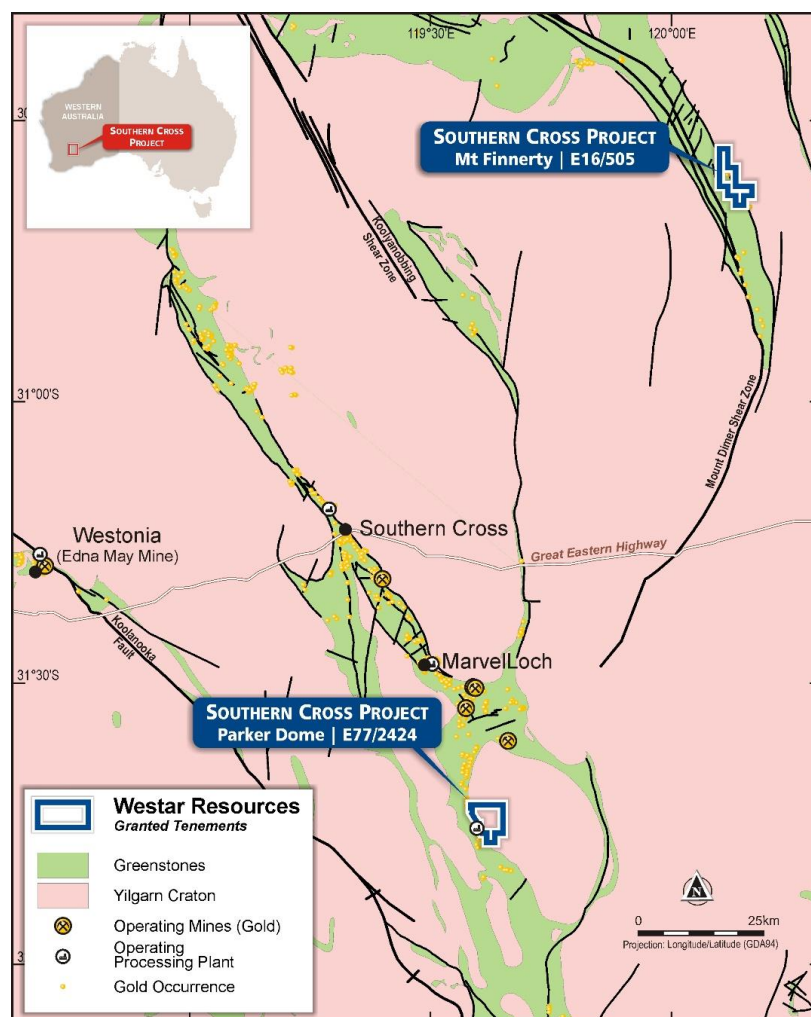


Figure 2 – location map of Westars’ Southern Cross Projects, Mt Finnerty and Parker Dome, which are under Farm-in Agreement with Ramelius Resources

RMS Activities during the quarter at Mt Finnerty & Parker Dome:

RMS have communicated that during the quarter, follow-up drill planning preparations were undertaken at the Mt Finnerty Project, including a recently completed heritage survey and receipt of previously submitted POW’s.

Sandstone Projects – Gidgee North & Gidgee South

The Company’s Sandstone assets are comprised of two separate projects, covering approximately 460km² - Gidgee South (E57/1055 & M57/352) and Gidgee North (E53/1920, E51/2044 with E53/2227 and E51/2090 under application, and Farm-in/JV E53/1832-I), located in Western Australia, approximately 640 km northeast of Perth (Figure 3). The Projects lie within the Gum Creek Greenstone Belt (GCGB) of the Youanmi Terrane, which forms a lensoidal belt measuring some 100km in length and 24km in width.

High grade historical workings at Gidgee South extend south from the Birrigrin Mining Centre (BMC), through a previously identified geochemical anomaly, towards an area of more recent dry blowing (prospecting) activity at Carbine Bore.

Previous exploration over the northern GCGB, including the Gidgee North Project, was largely focused on near mine environs or known shear zones and structures, with regional exploration comprising limited, shallow rotary air blast (RAB) and soil geochemical sampling programs. Many of the targets defined by former explorers remain inconclusively tested, despite covering favourable geological and structural settings, including the potential for Cu-Zn VMS mineralised systems.

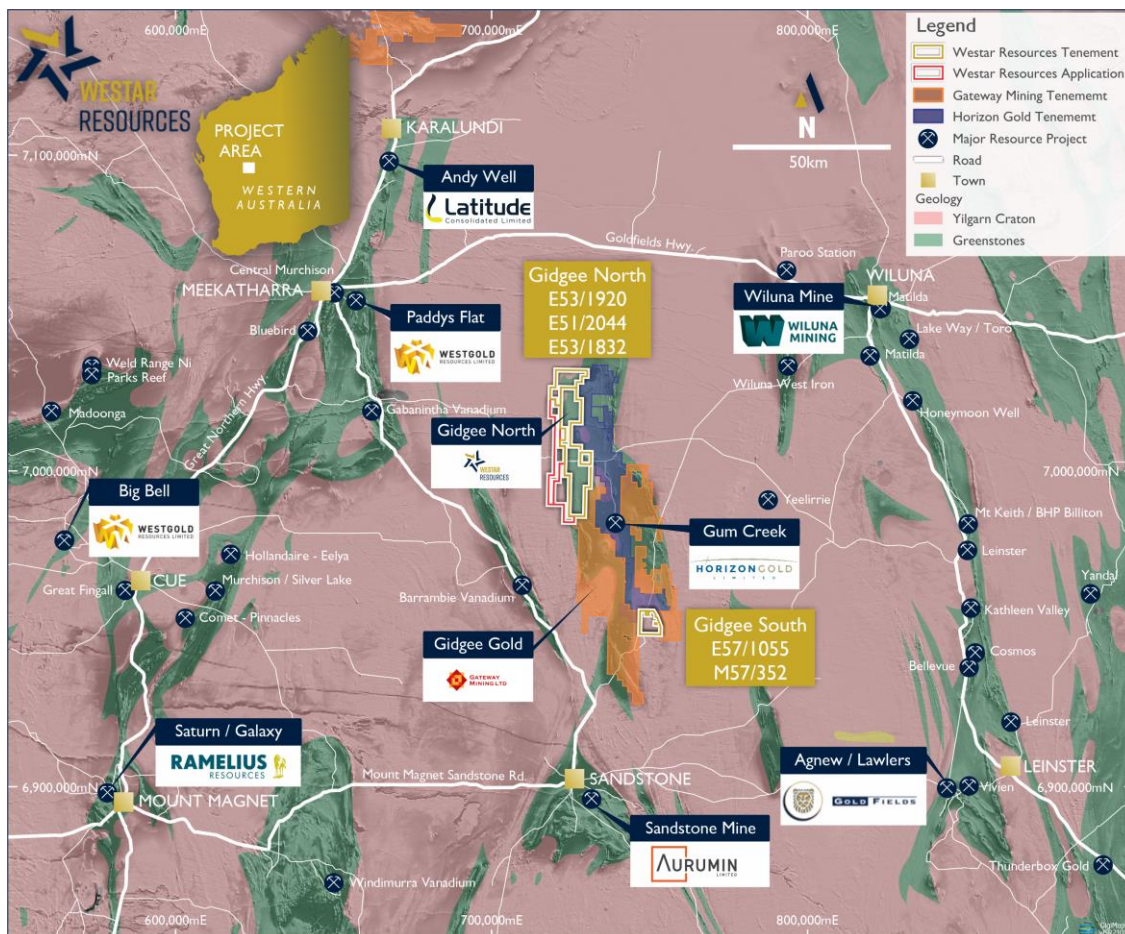


Figure 3 – Location map of Westar’s Sandstone Projects, Gidgee North and Gidgee South.

Activities during the quarter at Gidgee North – VMS Targets:

During the June quarter WSR completed 18 RC drill holes at 9 targets for 3,675 metres (Figure 4). The drilling was designed as a proof-of-concept program to test the potential for VMS mineralisation over multiple coincident geochemical and geophysical anomalies as described in ASX Announcement, 19 March 2022, “**Maiden RC Drill Program Commences at Gidgee North**”.

Preliminary observations were reported in ASX Announcement 30 May 2022 “**Gidgee North Exploration Update**” and include;

- Stacked (multiple) and/or broad zones of semi-massive pyrite +/- pyrrhotite mineralisation in black shales, that are largely coincident with the FLEM plate models.
- Lithologies at each prospect are broadly similar, consisting of mafic volcanic and fine-grained meta sediments/volcaniclastics with frequent and often extensive sulphidic black shale horizons, generally analogous to the nearby Altair Zn-Cu prospect.
- Logged alteration including intense silica, phyllic and propylitic altered basalts

Assay results of prioritised samples were reported in ASX Announcement 14 June 2022, “**Gidgee North Exploration Update**” and validate earlier pXRF analysis¹, including: (using a 0.1% Zn and/or 0.1% Cu cut-off, minimum 4 metre interval with maximum of 2 continuous metres of internal dilution):

- GNRC0013: 7m @ 0.18% Zn from 103m (100-116m submitted)
- GNRC0015: 15m @ 0.23% Cu from 80m (80-96m submitted)
- GNRC0016: 54m @ 0.19 % Zn from 252m (252-306m (EOH) submitted)

Assay results from GNRC0015 (Geo prospect) and GNRC0016 (Vela prospect) are encouraging with the potential for higher grade Zn and Cu considering the potential volume implied by the extensive thickness of the host lithology combined with the dimensions of the FLEM target plates at both prospects. The depth of the sulphide-hosting lithology also remains open at both prospects. At the end of the quarter assay data remain pending due to laboratory staffing issues (COVID-related) and are expected mid Q3CY2022.

DHEM surveys were completed where RC hole casing could be inserted or where a dummy probe was able to verify holes remained open at depth. External geophysical consultants, Newexco, have recently provided reporting of the DHEM data to Westar, which will be interpreted with assay data, once received, and announced to the ASX.

¹ PXRF results that are the subject of this report are preliminary only. The use of the pXRF is an indication only of the order of magnitude of final assay analysis. The samples that are the subject of this report have been submitted for laboratory assay and some variation from the results presented herein should be expected.

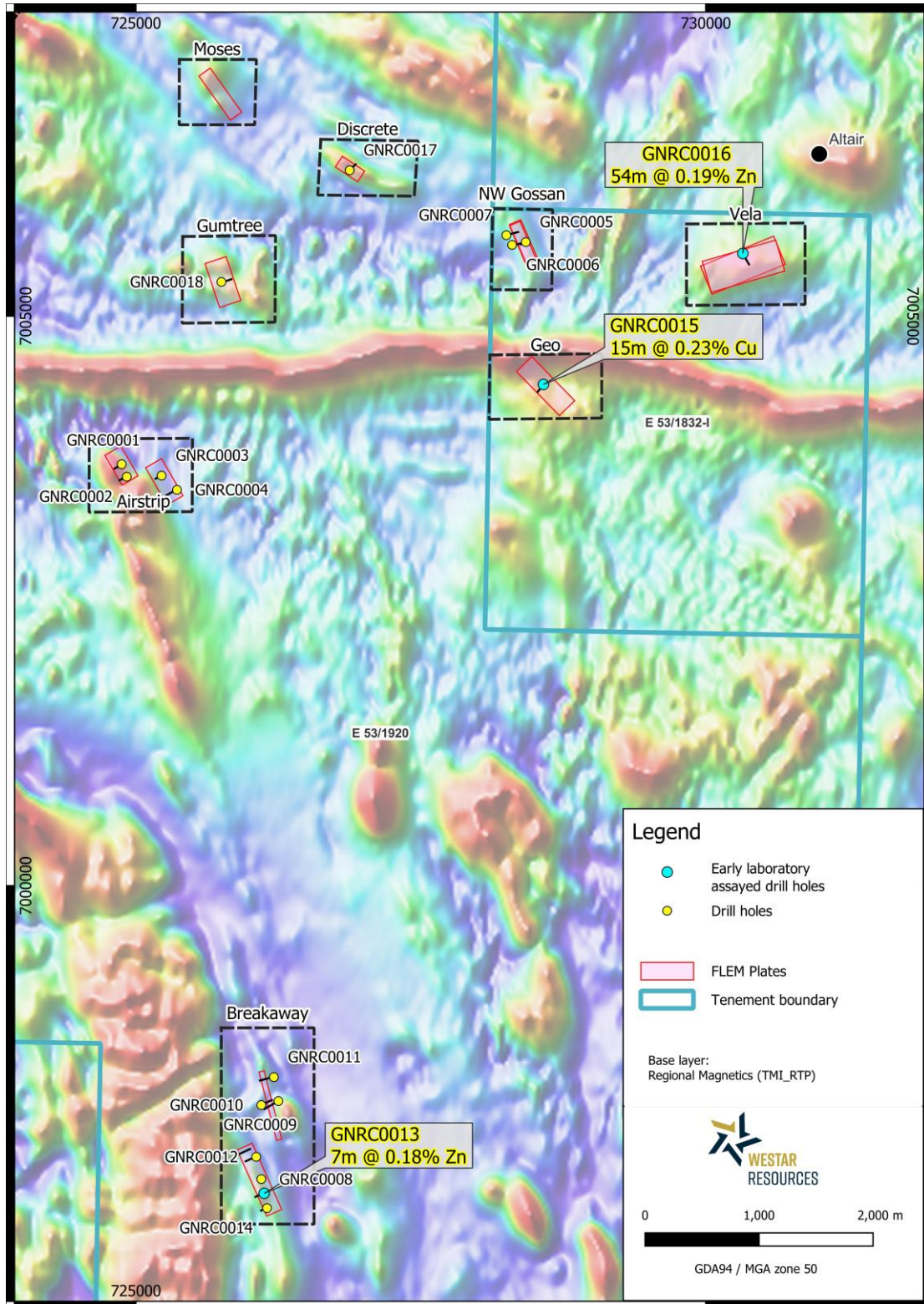


Figure 4 – RC Drill hole collars with FLEM plates over magnetics (TMI_RPT), Gidgee North.

Activities during the quarter at Gidgee North – Gold Targets:

Westar, in conjunction with Outcrop Exploration Services (OES), completed a detailed gold prospectivity and target generation analysis at Gidgee North using Westar’s extensive geochemical, geophysical, spectral and mapping datasets and announced the findings to the ASX on 30 June 2022, **“Priority Drill Ready Gold Targets Identified at Gidgee North”**. Multiple targets were defined and prioritised through interrogation of regolith normalised surface geochemistry and detailed structural analysis utilising re-processed airborne magnetic and gravity geophysical data (Figure 5).

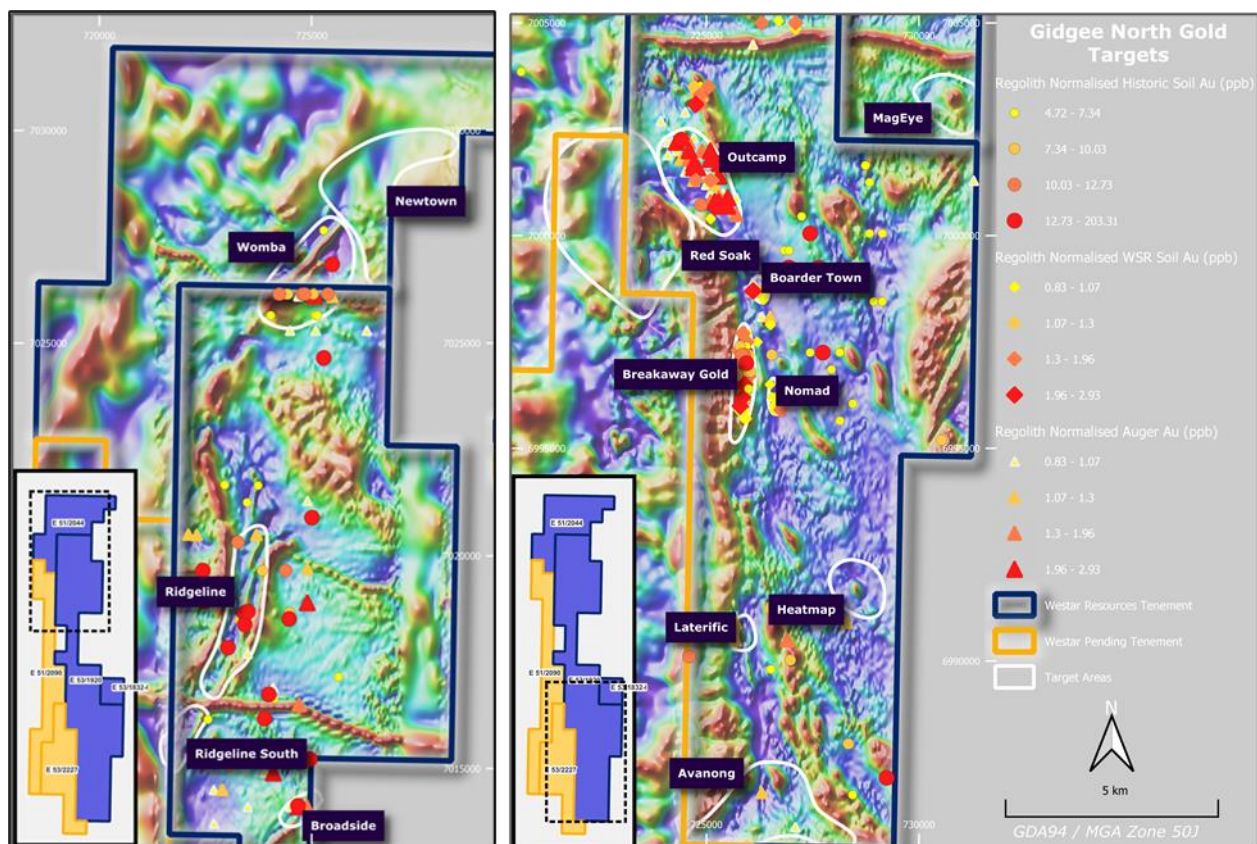


Figure 5 - Gidgee North Project’s Gold Targets (TMI RTP magnetic imagery base layer)

Five gold mineralisation styles are considered dominant in the Gum Creek Greenstone Belt at Gidgee North, including:

1. Ductile/Brittle Shear-Hosted
2. BIF-Hosted
3. Intrusion-Related-Gold-System (IRGS) Quartz Veins
4. Syenite Intrusion Related
5. Late-Basin Margin Type

Following target generation, each target was evaluated through a ranking matrix (Table 1 and Figure 6) to ensure diligent application of capital and resources in rapidly progressing exploration activities.

Table 1 - Weighted Rank score criteria

Criteria	Weighting
Prospectivity Score	50
Target Type (Geochemical, Structural or Conceptual)	20
Work program implementation	5
Duration	5
Activity capital requirement	20
Total	100

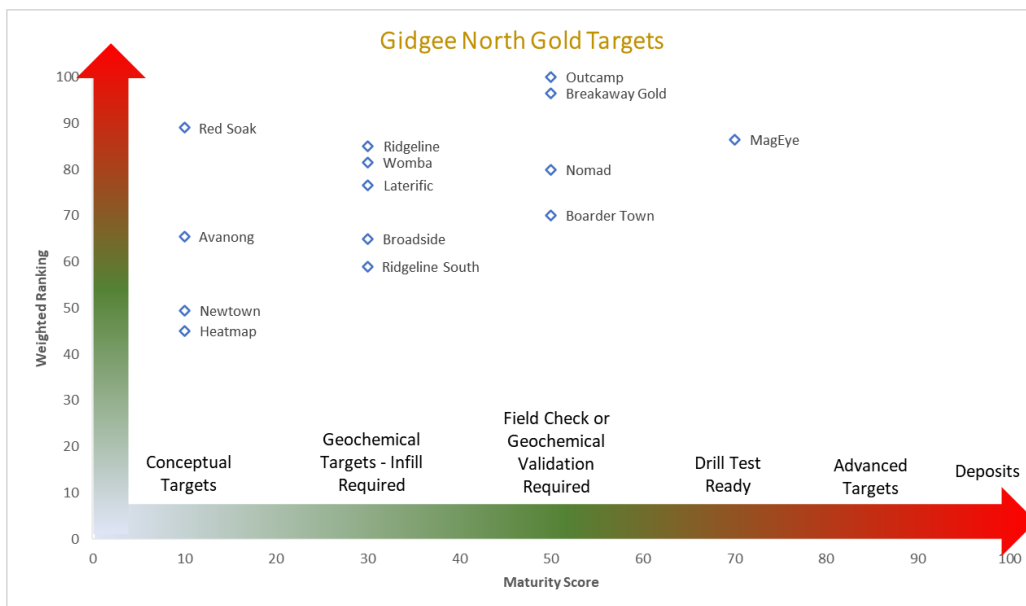


Figure 6 – Gidgee North Project – gold targets and ranking.

The prospectivity analysis identified several target areas outside of the existing tenure, resulting in application of the contiguous Romeo’s Reward (E 53/2227) and Juliet’s Bore (E 51/2090) tenements, comprising 20 and 24 blocks respectively (Figure 5).

Activities during the quarter at Gidgee South:

During the June quarter Westar executed a tribute agreement with a local prospector to commence mechanised prospecting activities for alluvial gold at the historical Birrigrin Mining Centre (M57/352), ASX Announcement 1 June, “**Gidgee South Alluvial Gold Discoveries**”. The agreement includes a tribute payment of 15% of any gold discovered to be delivered to Westar Resources.

Additional information on the Gidgee South Gold Project and the historical Birrigrin Mining Centre can be found in ASX Announcement, 1 May 2021, “**Acquisition of the Historical High-Grade Birrigrin Mining Centre at Gidgee South**”.

Pilbara Project – Opaline Well

Westar’s Opaline Well project (E45/4997) is in the Pilbara, approximately 190km southeast of Port Hedland and 35km west of Nullagine (Figure 8). Historical exploration over this portion of the Coongan greenstone belt includes geochemical exploration, with rock chip samples up to 200 g/t Au around the historical Triberton Creek workings and rock chips assays ranging from 0.25–1.15% Cu, 0.14–1.85% Zn, 79–155 g/t Ag and 0.19–0.41 g/t Au around the historic Opaline Well workings (See WSR ASX Announcement, 6 December 2020, “**Prospectus**” for additional details).



Figure 8 - Opaline Well location map and significant gold operations in the Pilbara region of WA

Activities during the quarter at Opaline Well:

During the quarter Westar geologists integrated and reviewed the results of the 370-line km airborne Xcite™ electromagnetic survey (AEM) over the Opaline Well project, announced to the ASX on 2 March 2022, “**AEM Survey Identifies Conductors at Opaline Well**”, (Figure 9). Initial preparations were made for a helicopter-assisted field reconnaissance of the AEM targets and several other identified areas of interest.

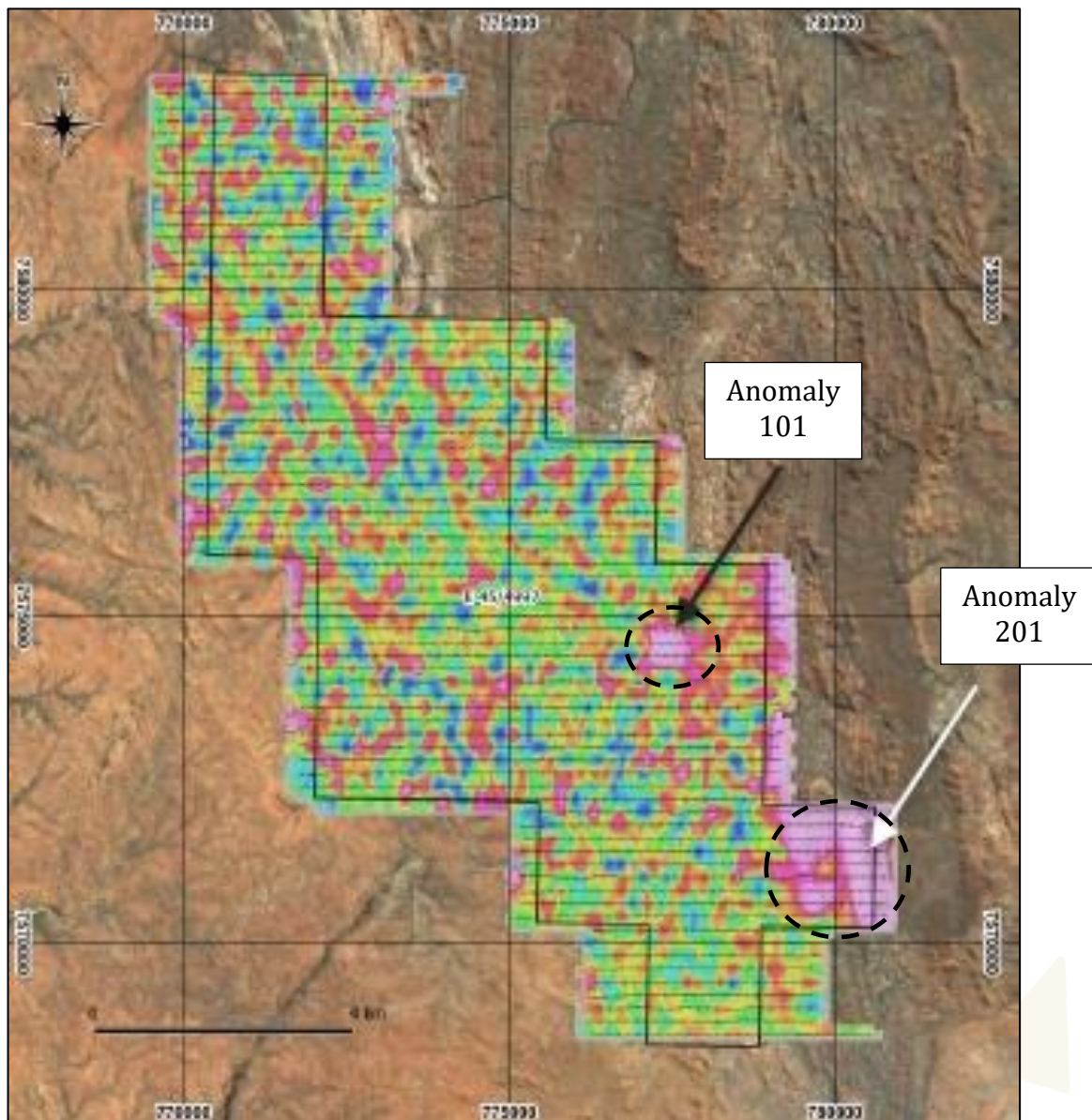


Figure 9 – The Opaline Well Project and late time (Ch 40) identified AEM anomalies

Mt Magnet Projects – Winjango & Coolaloo

The Mount Magnet Projects cover approximately 302 km² and are comprised of granted exploration licences at the Winjango Project (E58/536) and the Coolaloo Project (E59/2329), Figure 10, situated in the Murchison Mineral Field. The projects are proximal to the mining centre of Mount Magnet which has historically produced over six million ounces of gold since the initial discovery in 1891.

No activities were completed at the Winjango or Coolaloo Projects during the reporting period.

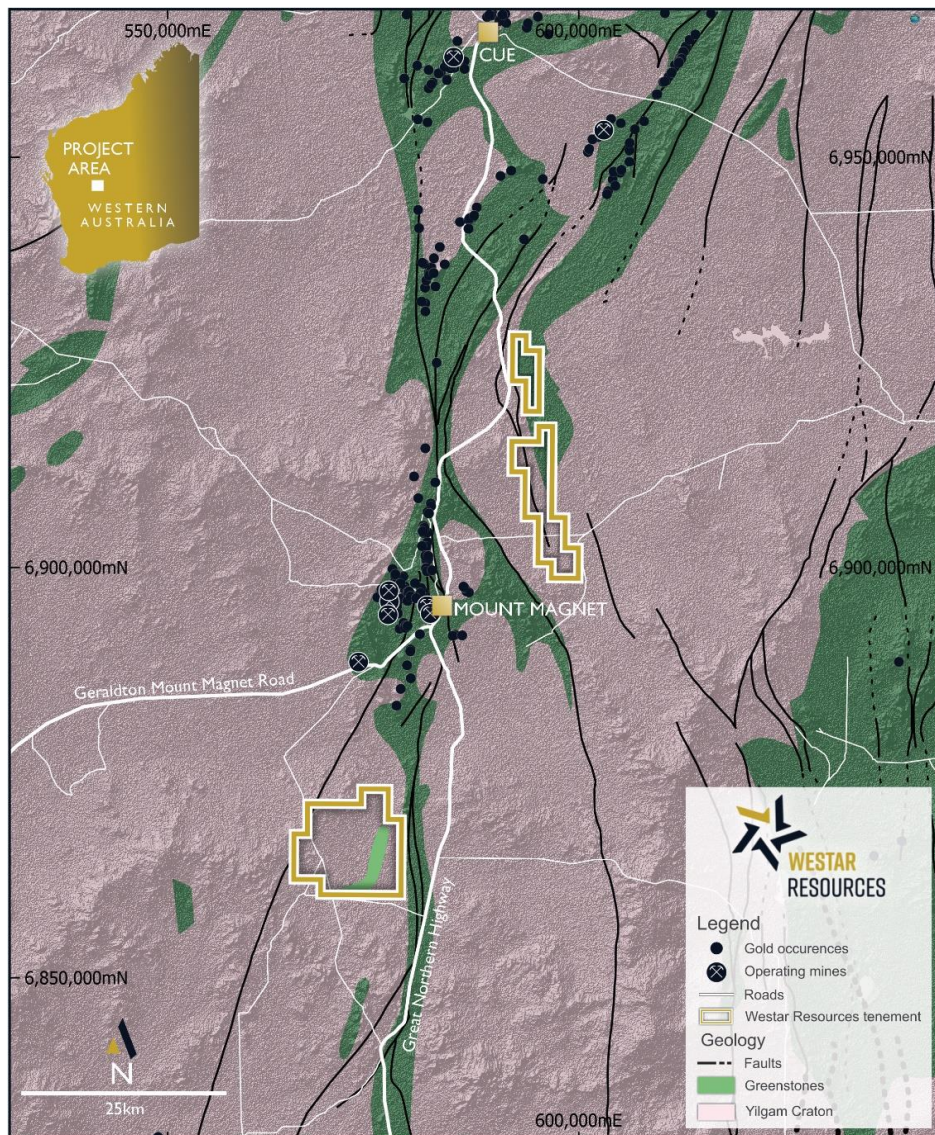


Figure 10 – Location map of Westar’s Mt Magnet Projects, Winjango and Coolaloo

Forward Work Plans

Westar is committed to systematic evaluation and progression of exploration projects through diligent application of capital and resources. Westar intends to progress exploration across its project portfolio in line with the Company's stated exploration rationale.

Southern Cross Projects (Ramelius Resources (ASX:RMS) Farm-in/JV)

Forward works programs at the Mt Finnerty Project are underway in anticipation of follow-up drilling late Q3CY22 / early Q4CY22. Further RC drilling, in the order of 4000m, is planned (cf. 16 RC holes for 3,021m to date and primarily at Flinders prospect) to define extents and controls on potential high-grade mineralisation at both the Flinders and Tasman Prospects. Given a number of holes were previously abandoned due to waterflow, diamond tails may be considered beneficial, especially to ascertain orientation of mineralisation.

Sandstone Projects

At Gidgee North assays from the VMS base-metal drilling are expected mid Q3CY22. These will be interpreted alongside the recently received DHEM data and existing datasets to establish next steps for follow-up exploration.

Preparations are underway for an approximately 5,000m – 7,000m aircore drilling program, expected to commence late Q3CY22. The program has been designed to test multiple priority gold targets, focusing on the southern portion of the Gidgee North tenure.

At Gidgee South, Westar geologists have proposed an approximately 800m RC drilling program focused around the historical high-grade Birrigrin Mining Centre, also testing extensions of mineralisation identified as the "Tassie's" prospect. Drilling is planned to commence in Q4CY22.

Mt Magnet Projects

At the Winjangoo project Westar will evaluate the potential for an auger-bedrock testing or ultrafine soils test work program to evaluate areas previously identified with alluvial cover where conventional soil sampling has been deemed ineffective.

No immediate work is planned for the Coolaloo Project.

Pilbara Projects

At the Opaline Well Project, preparations are underway to conduct a rapid helicopter supported reconnaissance of eight new highly prospective AEM conductors identified in Q1 2022, while investigating multiple other well-constrained gold, cobalt and base metal targets resultant from 2021 exploration activities.

Other Projects

During the quarter, Westar also continued to review project opportunities that align with the exploration strategy and meet value and prospectivity criteria.

Market Sensitive Announcements During the Quarter

- 19 April 2022, “Maiden RC Drill Program Commences at Gidgee North”
- 27 April 2022, “Mt Finnerty and Parker Dome Update”
- 27 May 2022, “Westar Completes Placement”
- 30 May 2022, “Gidgee North Exploration Update”
- 1 June 2022, “Gidgee South Alluvial Gold Discoveries”
- 14 June 2022, “Gidgee North Exploration Update”
- 30 June 2022, “Priority Drill Ready Targets Identified at Gidgee North”

Corporate

On 18 May 2022 the Company held a shareholder meeting to approve, amongst other items, the issue of shares under the second tranche of the \$2m capital raising. Shareholders approved all resolutions, resulting in the issue of shares and options associated with the capital raising.

Current cash at 30 June 2022 was \$2.3 million. With the addition of funds from capital raising the Company remains well funded for its CY2022 exploration activities.

Financial

STATEMENT PURSUANT TO LISTING RULE 5.3.4

Westar Resources Limited provides the following additional information in accordance with Listing Rule 5.3.4.

Table 1 sets out a comparison of the use of funds to date compared to the Use of Funds Statement included in the Prospectus dated 23 October 2020. The Company was admitted to the Official List of ASX on 16 December 2020.

Table 1 – Use of Funds.

Use of Funds	Per Prospectus Dated 23 October 2020	Expenditure to date to 30 June 2022
	\$	\$
Exploration Activities	\$2,400,000	\$2,704,446
Salaries & Wages	\$700,800	\$1,237,597*
Administration expenses and working capital	\$2,324,240	\$913,115

* includes fees paid to external contractors in addition to employee wages and salaries.

Exploration Activities: The higher expenditure on exploration activities is due in part to more aggressive exploration being undertaken by the Company as part of the "test and kill" strategy to review projects quickly. The total spend also includes expenditure on projects that were acquired subsequent to the IPO prospects and in addition to general increases in costs of exploration from drilling rates, fuel and assay test work.

Salaries and Wages: The increase in salaries and wages is a result of increased costs of consultants, employing staff as opposed to contractors and the general rising wages costs to meet market conditions. It is noted that management salaries have not changed and remain in line with prospectus disclosure.

Administration expenses and working capital: Reflects increased overhead costs such as market rents and reflects 2 capital raisings which supported the increased exploration activities and expenses. The approx. \$2.32m as per the prospectus reflect the budgeted forecast administration expenditure of \$1.8m plus working capital of appx. \$0.5m. The \$913,115 as of 30 June 2022 reflects the administration expenditure incurred. The Company notes following a capital raising in 2021 and 2022, the Company also has working capital of appx. \$2.3m remaining.

For the purpose of Section 6 of the Appendix 5B, all payments made to related parties have been paid in relation to director fees.

Tenement Schedule

Table 2 – Tenement Schedule.

Project	Tenement	Status	Grant Date	Term (Yrs)	Area (Blocks)	Area (Km ²)	Interest
Gidgee South	E57/1055	Granted	13/06/2018	5	15	42	100%
	M57/352 (Birrigrin)	Granted	09/07/2007	21	-	113.6 ha	100%
Gidgee North	E53/1920	Granted	31/10/2017	5	70	214	100%
	E51/2044 (SE Bore)	Granted	18/10/2021	5	20	60	100%
	E53-1832-I	Granted	21/08/2020 ¹	5	4	12	Farm-in/JV
	E53/2227 (Rome's Reward)	<i>Pending</i>			24	72	
	E51/2090 (Juliet's Bore)	<i>Pending</i>			20	60	
Winjangoo	E58/536	Granted	11/9/2018	5	29	88	100%
Coolaloo	E59/2329	Granted	11/9/2018	5	45	136	100%
Opaline Well	E45/4997	Granted	16/11/2018	5	21	67	100%
Mt Finnerty	E16/505	Granted	15/03/2019	5	10	30	100% with RMS farm-in/JV
Parker Dome	E77/2424	Granted	14/09/2017	5	12	33	100% with RMS farm-in/JV

¹ Extension of term date from initial grant

Prospecting leases P57/1363 & P57/1368 (Carbine Bore prospect at the Gidgee South Project) were amalgamated into E57/1055 during the quarter

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 6188 7675
kjupp@westar.net.au

COMPETENT PERSON STATEMENTS

The information in this announcement that relates to Westar Resources Ltd 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.