ASX Announcement

16 January 2023

Olga Rocks Lithium-Gold Acquisition

HIGHLIGHTS

- **Westar to acquire the highly prospective Li and Au Olga Rocks Project, adjacent to Westar's Parker Dome Project and Zeniths recent Li and Au discoveries.**
- **Historical drilling and DD fieldwork identified thick Albite-rich pegmatites with potential up to 1 km strike extent, completely untested for Li and rare metal mineralisation.**
- **Extensive historical workings and gold intercepts by previous owners, including 8m @ 4.54 g/t Au (OLC003), 8m @ 4.69 g/t Au (OLC011) and 3m @ 10.6g/t Au ((OLA043) require follow-up drilling to determine along strike and down-dip potential.**
- **Transaction involves the acquisition of 4 granted mining leases and 2 prospecting permits.**
- **An aggressive exploration program planned to commence in Q2 2023.**

Westar Resources Limited (ASX: **WSR**) (**Westar** or **the Company**) is pleased to announce the completion of negotiations to acquire 100% of the "Olga Rocks" project (the **Project**) which is considered highly prospective for lithium, rare metals and gold. Located adjacent to Westars' Parker Dome Project, the Olga Rocks Project compliments the existing tenement holding, bringing the total holdings in the region to 32.5km^2.

The Project contains numerous albite-rich pegmatites intercepted in historical drillholes which are consistent with observed outcrops and highlight the potential for up to 1km of strike length. These pegmatites have never been tested for lithium or rare metals. Initial reconnaissance and due diligence completed by Westar and independent pegmatite experts, Lily Valley International (LVI) supports the historical mapping and drilling with several pegmatite bodies overserved.

Westar Managing Director Karl Jupp commented:

"Westar is delighted to extend our exploration portfolio and expand our commodity targets in the rapidly growing rare-metals sector and there is arguably no better place to enter the market than amongst emerging world class lithium projects in Western Australia's Forrestania region. This Project provides a unique opportunity to explore along strike of known gold mineralisation, in conjunction with a region of known LCT (lithium-Caesium-Tantalum) pegmatite swarms with the ability to fast track exploration."

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Olga Rocks | Mt Finnerty

ASX Code WSR

The Olga Rocks Project

The Olga Rocks Project is located within the emerging Forrestania Li district (Figures 1 and 2), which hosts the developing Covalent Lithium "Mt Holland Project" (189Mt @ 1.50% Li_20[1]), along with Zenith Minerals recent Li-pegmatite discovery at the "Split Rocks Project" [2], less than 1.5km from Olga Rocks. Westar considers this Project has the potential to further enhance the Tier 1 lithium potential of the district, with further exploration success.

The Southern Cross Greenstone Belt hosts multiple large scale gold occurrences including Marvel Loch, Nevoria and the nearby Bounty mines; all are multi-million ounce resources. Numerous phases of early-stage exploration have been completed across the Project, including geochemical sampling, RAB, RC and a single diamond drill hole, all focused on gold exploration. Westar is systematically working through the historical data and rectifying input and grid collar location transformation issues across the Project that are interpreted to have hindered gold targeting by more recent explorers.

The Olga Rocks project adjoins the NW corner of Westar's existing Parker Dome Project and Westar geologists have commenced evaluation of the Li potential of the project, focusing along the western margin of the greenstone-granite contact.

[1] https://www.asx.com.au/asxpdf/20180426/pdf/43th7f0p2yz5fr.pdf
[2] https://wcsecure.weblink.com.au/pdf/ZNC/02598638.pdf

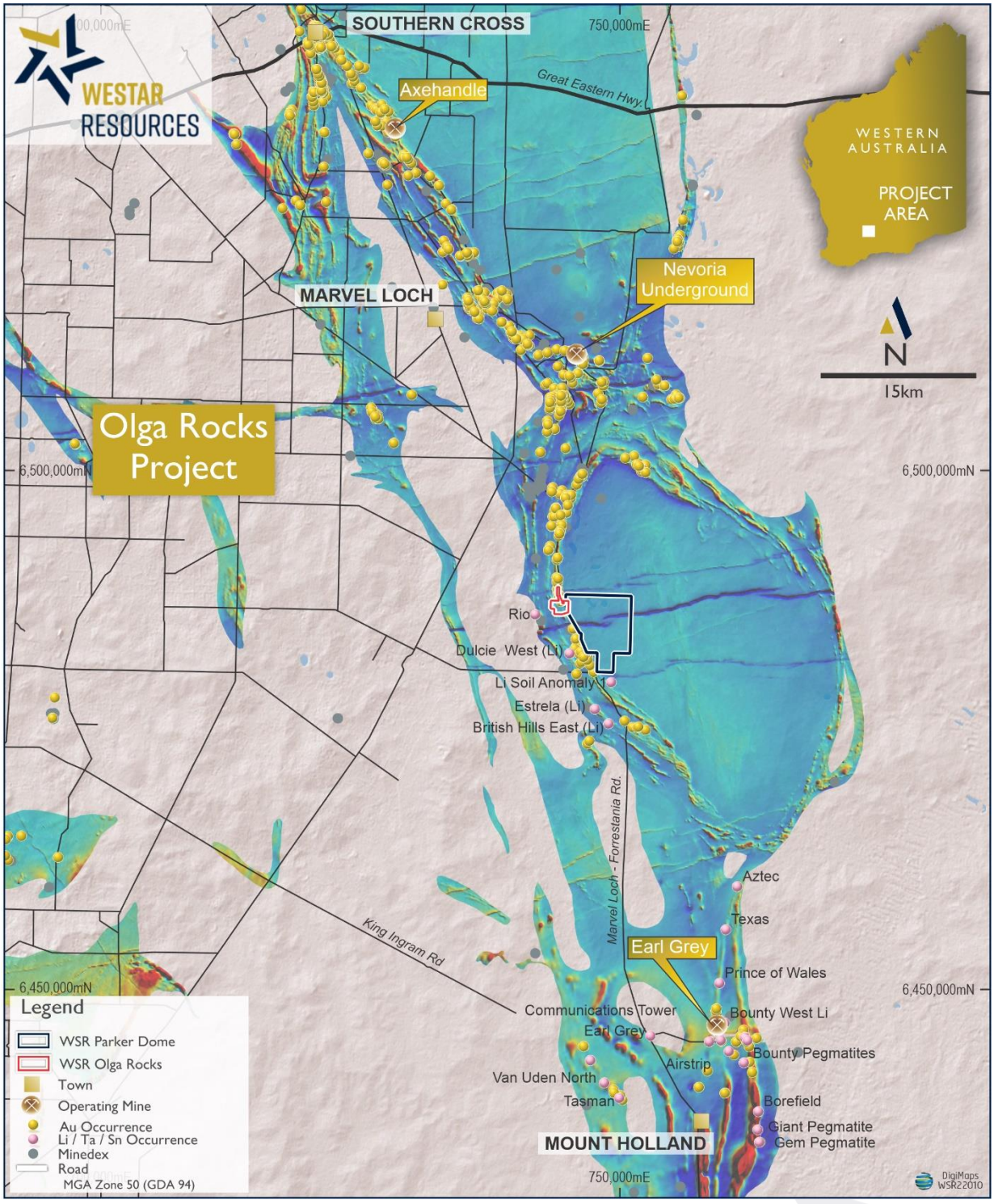


Figure 1 - Location map of the Olga Rocks Project & Parker Dome Tenure near Southern Cross, WA.

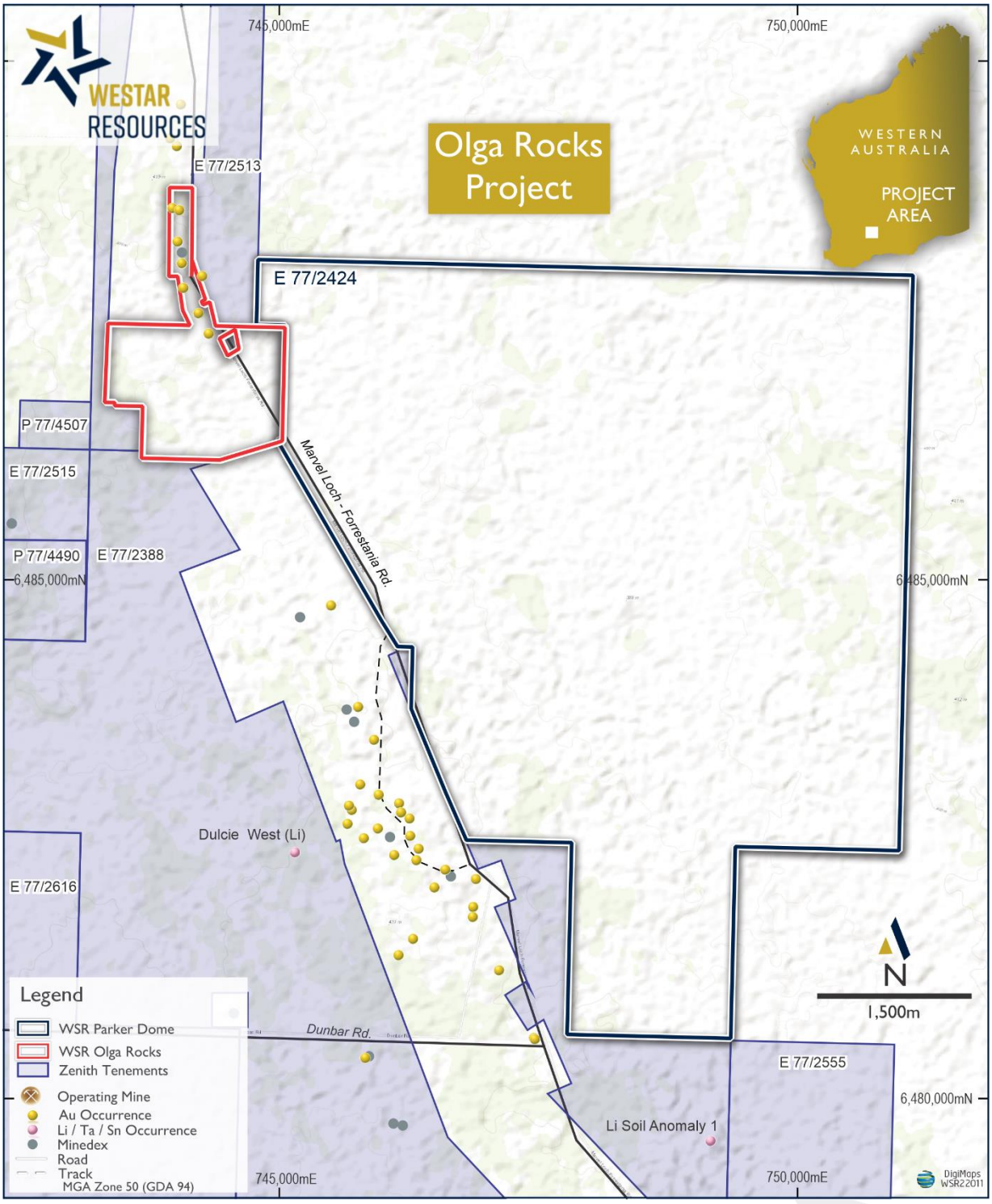


Figure 2 - Location map of the Olga Rocks Project & Parker Dome Tenure near Southern Cross, WA

Pegmatite Hosted LCT Potential

Pegmatites were first identified at the Olga Rocks Project in 1914, however, gold has been the predominant focus of historical exploration within the region. Westar considers Olga Rocks to be prospective for LCT class of pegmatites potentially has similar style of mineralisation to the recent Lithium discovery by Zenith Minerals, however further work is required to confirm this interpretation. Recent intercepts by Zenith include[3];

- 26m @ 1.2% Li2O, incl. 13m @ 1.9% Li2O (upper zone); and
- 23m @ 0.8% Li2O, incl. 8m @ 1.3% Li2O (lower zone).

Westar's due diligence field work was undertaken by Company geologists, accompanied by lithium expert Mr Jeremy Clark from LVI in late 2022. This work confirmed the presence of pegmatites in drill logging undertaken by previous owners and identified muscovite and albite-rich pegmatites in outcrop, (Figure 3), indicating a potential 1.0-1.5 km strike extent. Pegmatite rock chip-samples taken during the field reconnaissance (assays pending), combined with the site visit observations, highlight the potential of LCT class pegmatites within the Project that are consistent with regional analogies.

Of significance is that no systematic regional geochemical and rock chip analysis has been undertaken within the Project other than the historical gold focused drilling completed by Sons of Gwalia (SOG), nor has any drilling or geochemistry ever been undertaken to target the known pegmatites. During the late 1990's SOG gold exploration logged multiple occurrences of pegmatite in drilling, with one intersection logging a total of 32m of pegmatite (publicly available WAMEX A-file A55223, RC drill-hole OLC006, see Table 1 and Appendix 1 for additional information), however, no known samples were assayed for Li and there exists no Li-focused systematic exploration conducted on the known pegmatites.

Table 1 – Pegmatite intercepts from historical SOG's drilling (Source: WAMEX A-file A55223)

HoleID	Pegmatite Toal (m)	Logged Geology	Comment
OLC005	22	Massive coarse grey, qtz/muscovite/clay shell with massive, fine grained, yellow brown, clay/geothite core	Approx collar location.
OLC006	32	Massive coarse grained, white - white grey, Qtz/Clay/Muscovite	Altered basalt finger from 77-81m
OLC010	9	Massive, coarse grained, white, Feldspar	
OLC012	25	"Vein Quartz" coarse grained, white - yellowwhite clay/sericite altered	Logged as vein qtz but likely pegmatite
OLC027	8	Massive, medium grained, green/grey/white, feldspar/qtz/biotite/garnet pegmatite	Approx collar location.
OLA035	39	Massive, coarse grained, cream coloured, qtz/feldspar. From 26-39m, logged as vein qtz	26-39m logged as vein qtz, possibly continued pegmatite however. Approx collar location
OLA045	14	Massive, very coarse grained, cream coloured, qtz/feldspar/clay	No Dip/Azi recorded, but, same Dip/Azi observed as other AC holes in sections at end of Afile

Westar notes that limited QAQC and verification data is publicly available, however, it and its consultants are aware of the procedures used by SOG during this period, and considers the data is suitable for

[3] https://wcsecure.weblink.com.au/pdf/ZNC/02598638.pdf

reporting as historical information. Further verification works are being completed by Westar to confirm the publicly available information on the WAMEX website.

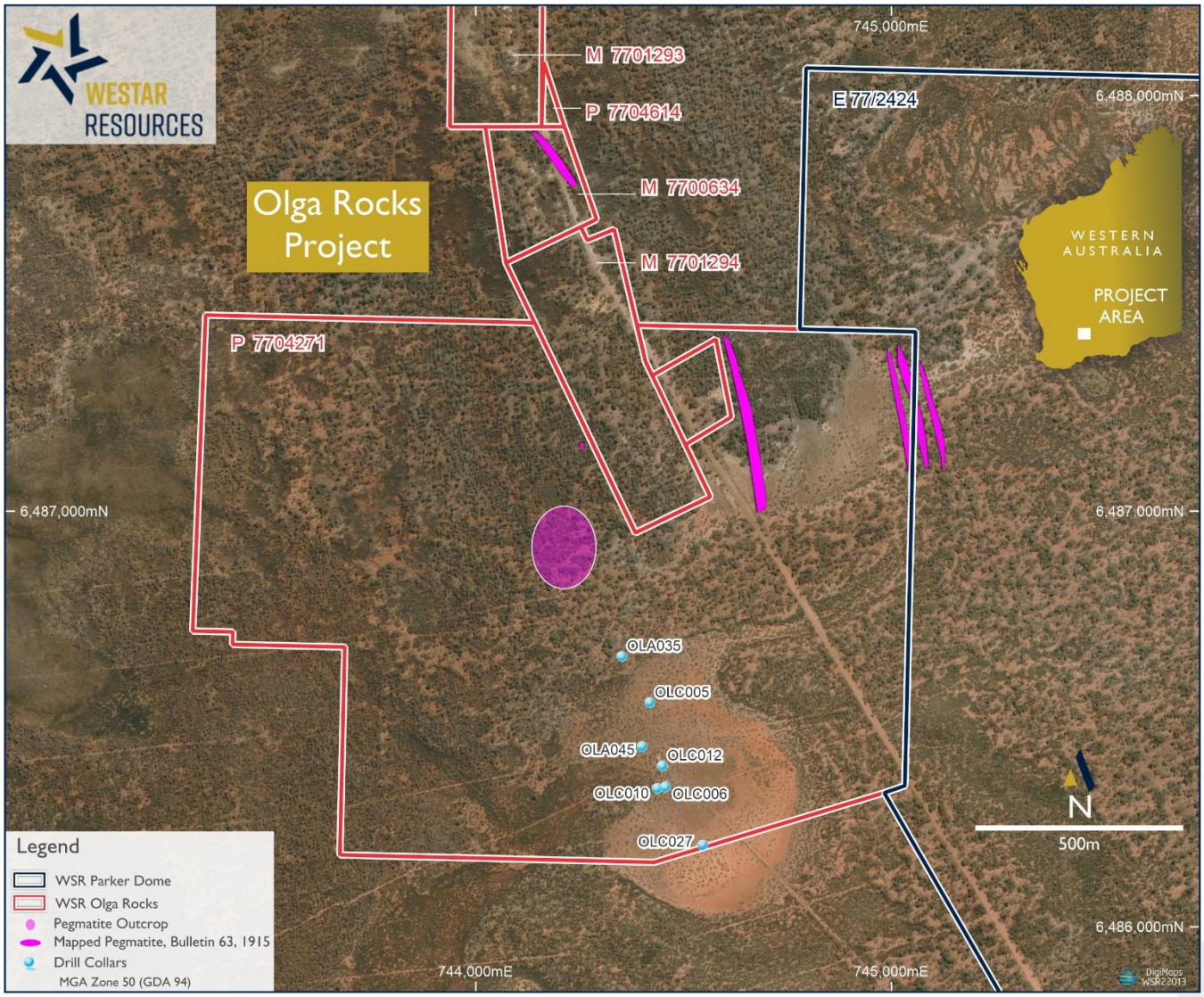


Figure 3 – Historical SOG drill holes collars containing pegmatite intercepts (as per Table 1), with historically mapped Pegmatites.

Gold Potential

The Southern Cross Greenstone Belt hosts over 150 known deposits and has historically produced over 15 million oz of gold. Historical drilling has targeted gold mineralisation only, with numerous mineralised intercepts reported through WAMEX A-files. Table 2 below, details significant intercepts directly extracted from publicly available WAMEX A-File A55223, "*Olga Rocks JV, Annual Report for the Period 12/10/96 – 11/10/97, Sons of Gwalia*". Figure 4 shows the location of SOG drilling.

Table 2 – SOG reported RC drilling Significant Intercepts (>1g/t Au) at the Olga Rocks Project, 1997, WAMEX A-file A55223

Hole No	Northing (local)	Easting (local)	Dip/Azi	From (m)	To (m)	Interval (m)	Grade (g/t Au)
OLC003	7103	11616	-60/090	49	51	2	1.25
				58	66	8	4.54*
				68	72	4	1.28
				74	76	2	2.21
OLC004	7206	11623	-60/090	44	45	1	3.32
				56	59	3	1.24
				63	64	1	1.29
OLC007	7048	11627	-60/090	47	49	2	5.13
				52	54	2	2.37
OLC011	7101	11646	-60/090	51	59	8	4.69**
				69	71	2	1.77
OLC012	7156	11589	-60/090	64	65	1	1.30
OLC013	7154	11619	-60/090	60	61	1	1.03
OLC015	7048	11658	-60/090	64	68	4#	1.55
OLC016	7098	11684	-60/090	56	60	4#	4.40

*includes 1m @ 16.72g/t Au from 58m; **includes 1m @ 10.53g/t Au from 58m
4m composite, all other samples 1m composites, fire assay

Table 3 – SOG reported AC drilling Significant Intercepts (>0.5g/t Au) at the Olga Rocks Project, 1997, WAMEX A-file A55223

Hole No	Northing (local)	Easting (local)	Dip/Azi	From (m)	To (m)	Interval (m)	Grade (g/t Au)
OLA002	7600	11820	-60/090	9	12	3	1.24
OLA006	7600	11660	-60/090	6	9	3	0.57
OLA043	7200	11780	-60/090	33	36	3	10.60
OLA044	7200	11740	-60/090	27	30	3	5.13

Westar notes these are historical drilling results, in local grid, and no data validations or QA/QC has been completed on this data. Westar has commenced compiling a digital geological database of analogue historical data and in no way warranties the accuracy, of the data presented above or that the data is representative of the total Olga Rocks Project or total historical exploration activities. To ensure transparency, the total SOG drilling reported in WAMEX A-file A55223 is presented below in Figure 4, and drillholes with pegmatite intercepts (as per Figure 3) are highlighted.

Furthermore, it is noted that limited follow-up RAB and RC drilling was completed in the area of these intercepts by the successive tenure holder, Polaris Metals NL. Whilst assay results demonstrate low-grade anomalous gold, Westar's initial due diligence work has indicated these holes were potentially drilled in incorrect locations to target higher-grade mineralisation due to grid transformation issues. To ensure transparency, the results, which are reported in WAMEX A-File A71736, Olga Rocks Project Combined Annual Report, Polaris Metals NL, 2005, are presented below in Table 4. Significant intercepts are shows in Table 4 while the location are shown in Table 6 and 7.

Table 4 – Polaris Metals NL reported RAB (ORPRB prefix) and RC (ORRC prefix) drilling Significant Intercepts at the Olga Rocks Project, 2005, WAMEX A-file A71736. RAB holes are report Au > 0.1 g/t and RC holes Au > 0.3 g/t

Hole_ID	Easting MGA94	Northing MGA94	From m	To m	Intercept m	Grade Ppm Au
ORPRB008	744449	6486863	12	13	1	0.37
			17	26	9	0.36
			26	29	3	0.14

Hole_ID	Easting MGA94	Northing MGA94	From m	To m	Intercept m	Grade Au ppm
ORRC001	744612	6486463	42	46	4	0.51
ORRC002	744597	6486462	41	48	7	0.31

Westar notes other various RAB and geochemical samples has been undertaken over the several areas of the Project, however data compilation and grid location conversion validation have been identified, as such this information has not been reported. Westar notes that this information is publicly available on WAMEX.

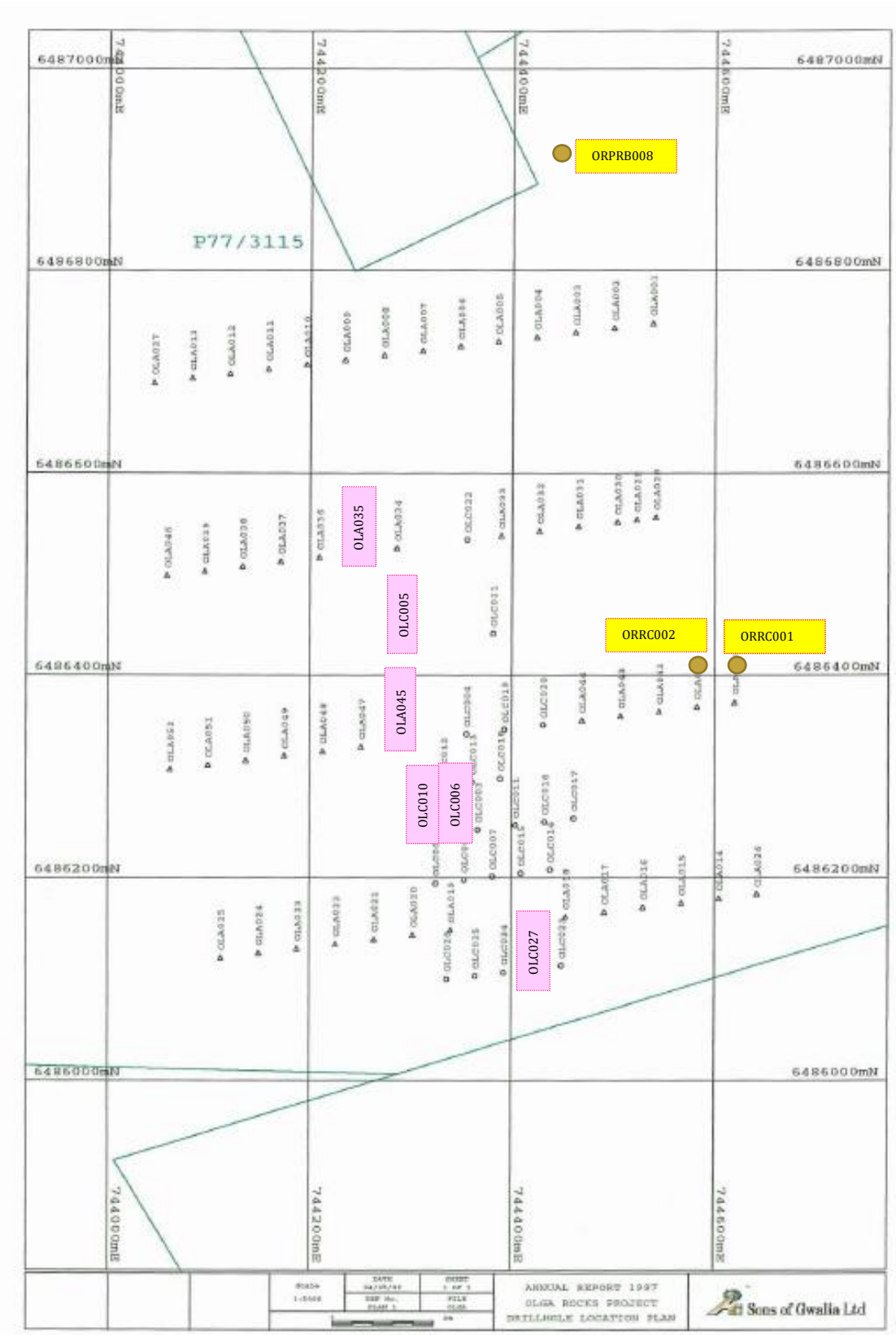


Figure 4 – Historical SOG drill holes collars as reported in WAMEX A-file A55223. Drillholes containing pegmatite intercepts (as per Table 1 and Figure 3) are highlighted pink. Polaris holes are in yellow.

Next Steps

Westar is planning an aggressive exploration program over the Project focused on systematic exploration methods never previous applied, nor considered by previous owners or vendors. With results imminent for multielement rock chip sampling, Westar is planning to undertake detailed analysis of historical drilling and mapping over the region to focused on defining the local and regional fractionation followed by a targeted drill program in Q2 2023.

Sale Terms

Transaction Structure

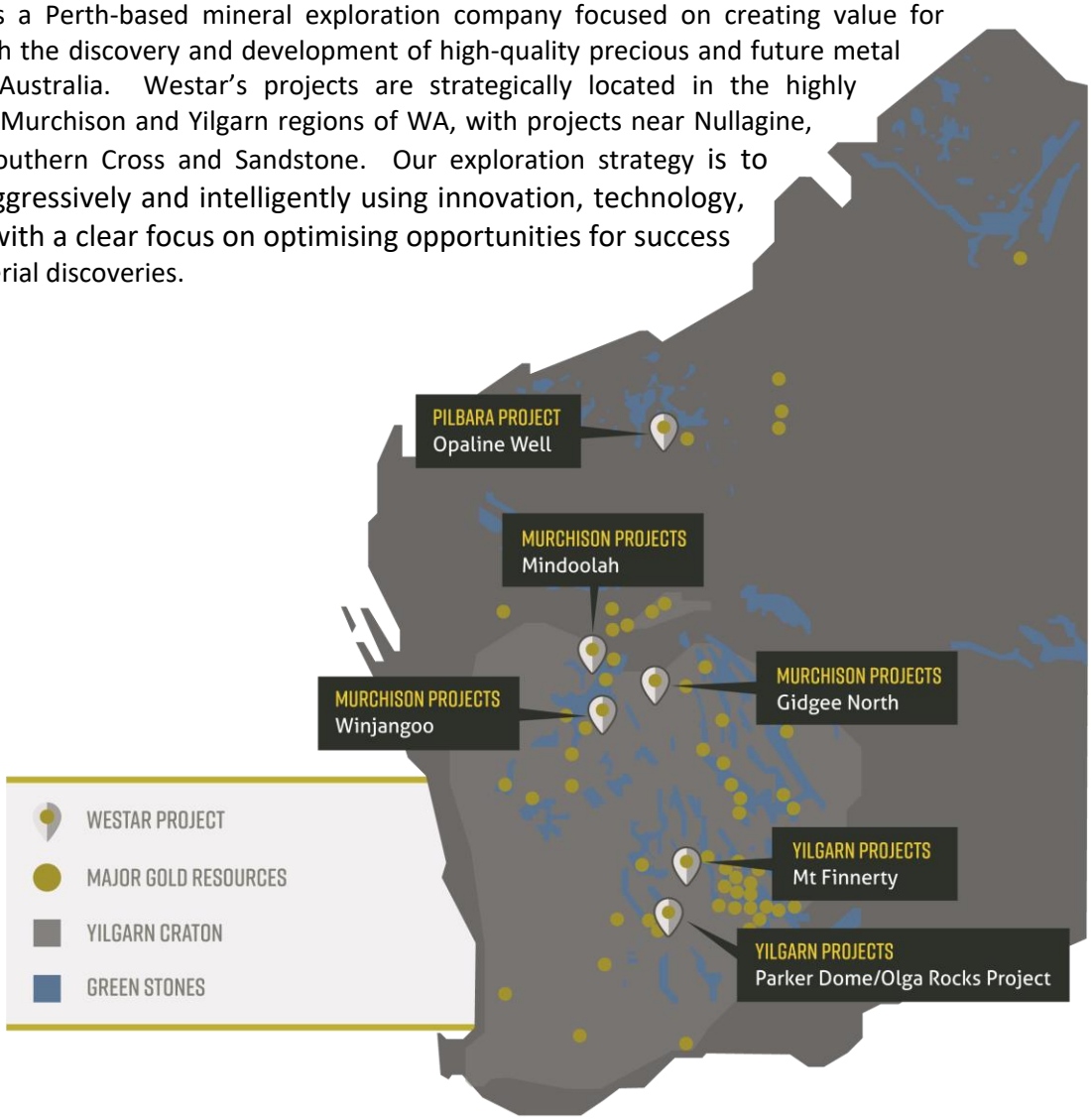
The Company has executed an Option Agreement with a private vendor (Graeme Taylor) to acquire the Olga Rocks Project (M77/563, M77/634, M77/1293, M77/1294, P77/4271 & P77/4614 (application)) on a 100% ownership basis.

Key terms of the transactions are summarised as follows:

- WSR to pay $30,000 cash for a 3-month period of exclusivity to complete due diligence (DD)
- If WSR is satisfied with the DD review, WSR will pay an option fee of $70,000 cash for a 12-month Option Period to purchase 100% of the Tenure (WSR to maintain the leases in good standing)
- WSR may elect to extend the option period for 12 months for a payment of $150,000, of which up to $50,000 may be satisfied by issuing WSR shares at a 10-day VWAP
- If purchasing at any stage, WSR will pay the purchase consideration of $800,000, of which up to $320,000 may be satisfied by issuing WSR shares as a 20-day VWAP

ABOUT WESTAR RESOURCES

Westar Resources is a Perth-based mineral exploration company focused on creating value for shareholders through the discovery and development of high-quality precious and future metal assets in Western Australia. Westar's projects are strategically located in the highly prospective Pilbara, Murchison and Yilgarn regions of WA, with projects near Nullagine, Mt Magnet, Cue, Southern Cross and Sandstone. Our exploration strategy is to explore projects aggressively and intelligently using innovation, technology, and best-practice with a clear focus on optimising opportunities for success and generating material discoveries.



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

ENQUIRIES

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COMPETENT PERSON STATEMENT

The Exploration Results have been compiled under the supervision of Mr. Jeremy Clark who is a director of Lily Valley International and a Registered Member of the Australian Institute of Mining and Metallurgy. Mr. Clark has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code

Appendix 1

Table 5 – drillhole collar, survey and pegmatite intercepts details to accompany Table 1 (Source: WAMEX A-file A55223)

HoleID	Hole Type	E AMG	N AMG	RL	WAMEX A File	Depth (EOH)	Dip	Mag Azi	Pegmatite From	Pegmatite To
OLC005	RC	744277.2	6486391	382.717	A55223	77	-60	83	3 19 42 55	11 30 44 56
OLC006	RC	744314.5	6486188	383.297	A55223	119	-60	83	48 81	72 89
OLC010	RC	744295.3	6486184	383.148	A55223	126	-60	83	88 112	93 116
OLC012	RC	744307.6	6486238	383.163	A55223	113	-60	83	39	64
OLC027	RC	744404.6	6486048	383.865	A55223	100	-60	83	73	81
OLA035	AC	744210.1	6486502	382.355	A55223	53	-60	83	0	39
OLA045	AC	744258.4	6486285	382.934	A55223	61	-60	83	47	61

Table 6 – drillhole collar, survey and pegmatite intercepts details to accompany Table 2 (Source: WAMEX A-file A69937)

Hole_ID	Easting MGA_50	Northing MGA_50	RL_nom	Az_MGA_50	Dip deg	Depth m
ORPRB001	744456	6486445	384	90	-60	24
ORPRB002	744462	6486447	384	90	-60	30
ORPRB003	744444	6486445	384	89	-60	21
ORPRB004	744426	6486444	384	86	-60	30
ORPRB005	744567	6486871	384	82	-60	22
ORPRB006	744525	6486873	384	84	-60	40
ORPRB007	744490	6486870	384	85	-60	40
ORPRB008	744449	6486863	384	82	-60	29
ORPRB009	744409	6486859	384	86	-60	34
ORPRB010	744369	6486854	384	81	-60	20
ORPRB011	744321	6486851	384	82	-60	9

Table 7 – drillhole collar, survey and pegmatite intercepts details to accompany Table 2 (Source: WAMEX A-file A69937)

Hole_ID	Easting MGA_50	Northing MGA_50	RL_nom	Az_MGA_50	Dip deg	Depth m
ORRC001	744612	6486463	384	83	-60	57
ORRC002	744597	6486462	384	82	-60	60
ORRC003	744582	6486461	384	82	-60	66

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	For each one metre drilled, sample was collected in bags and split using a riffle splitter , and these were placed onto the ground in piles, making rows of 30 to 40m samples. A smaller, representative 1m split sample was collected from the splitter's second port into a numbered calico bag. Samples submitted to the Ultra Trace laboratory (Southern Cross) were be assayed for gold by fire assay and a suite of 10 elements by ICP-AES analysis following a four-acid digest.
Drilling techniques	A nominal 136mm diameter face sampling reverse circulation percussion hammer bit was used.
Drill sample recovery	No information is available to confirm this.
Logging	All drill metre samples had a grab sample sieved, washed, logged and stored by a suitably qualified and experienced geologist. Information indicates that logging was qualitative with semi-quantitative estimates made of relevant features such as percentage of quartz veins or sulphides. 100% of the samples were geologically logged.
Sub-sampling techniques and sample preparation	The composite samples were collected, using a sample scoop, from the sample that was placed in piles on the ground. The composite samples were sent to the laboratory in individually numbered calico sample bags.
Quality of assay data and laboratory tests	No QAQC results are available
Verification of sampling and assaying	Drill logs of pegmatite were confirmed with available residual material on ground cuttings for several holes. No verification sampling of gold assays is available given the historical nature of the drilling
Location of data points	Drillholes locations have not been reviewed or verified, however relative locations of holes have been confirmed by onsite due diligence. Further work is required to confirm the local grid to AGM conversion between generations of exploration.

	The area of drilling is predominantly low lying and relatively flat. Hence, topographic control is not an issue when interpreting the drill results.
Data spacing and distribution	
Orientation of data in relation to geological structure	All holes have been orientations 60° to the east. Given the early stage of exploration the relation to structures and geological setting are not confirmed.
Sample security	No information is available, however Westar is aware suitable procedures were in place by previous explorers
Audits or reviews	No audit/reviews have been conducted on the data reported herein.

JORC Code, 2012 Edition – Table 1 report

Section 2 Reporting of Exploration Results

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

Criteria	Commentary
Mineral tenement and land tenure status	Exploration reported was conducted on was conducted on tenements P77/4271, which is 100% owned by LE Pty Ltd, a subsidiary of Westar Resources Limited. The Olga Rocks Project is located approximately 70km south of Southern Cross in Western Australia. The tenement is current and in good standing with the Department of Mines, Industry Regulation and Safety (DMIRS) of Western Australia.
Exploration done by other parties	Previous exploration has been undertaken by companies including Sons of Gwalia and Polaris as part of Joint Venture arrangements. All work is considered historical in nature, and completed on local grids.
Geology	The Olga Rocks Project lies within the Southern Cross Greenstone Belt, which forms a lensed, broadly sinusoidal belt measuring some 250 km in length and 50 km in width. It is dominated by volcanic and sedimentary sequences and surrounded by intrusive granitoids, which contain rafts of greenstone. The margins of the belt are typically dominated by contact-metamorphosed basalts and banded iron formations (BIF).
Drill hole Information	Drilling of RAB and RC holes have been completed however the results cannot be confirmed. The reported results were undertaken by previously publicly listed companies on the ASX, with procedures known to Westar and its consultants. While further work is required to fully validate the results, Westar is of the opinion the reported included in this release are suitable to be considered historical results and are available in the public domain on WAMEX.
Data aggregation methods	Not relevant.
Relationship between mineralisation	Given the early stage of exploration, understanding on the orientation of mineralisation is not confirmed.

widths and intercept widths	
Diagrams	Suitable maps have been included in the body of the announcement.
Balanced reporting	Key results and conclusions have been included in the body of the announcement.
Other substantive exploration data	Westar notes that RAB and geochemical samples has been undertaken over the several areas of the Project, however data compilation and grid location conversion validation have been identified, as such this information has not been reported. Westar notes that this information is publicly available of WAMEX
Further work	Data analysis of RC geochemistry and aircore drilling are proposed.