

ASX Announcement

1st March 2024

Olga Rocks Project Update

Highlights

- ✦ ***RC drill program successfully intersected the prospective gold targets in four out of five holes at Olga Rocks***
- ✦ ***Drilling returns low-tenor lithium and gold assays***
- ✦ ***Westar elects not to exercise the Option Agreement to acquire tenement package***
- ✦ ***Westar is currently reviewing projects for potential acquisitions, primarily focusing on critical and strategic minerals***

Westar Resources Limited (ASX: **WSR**) (**Westar** or the **Company**) announces the receipt of assay results from the Q4-2023 reverse circulation (RC) drilling program at the Olga Rocks Project (**Olga Rocks** or the **Project**), approximately 60km south-east of Southern Cross in Western Australia.

Although a technical success, the gold and lithium mineralisation intersected was not significant. On evaluation with previous exploration activities including the April 2023 drill campaign, limited upside now exists for the discovery of significant lithium or gold mineralisation which could become economic at scale.

Westar reports that it has notified the vendor of the Olga Rocks Project that it has elected to not extend or exercise its option to acquire 100% of the Project under the Tenement Option and Acquisition Agreement. ¹

Westar Executive Director Lindsay Franker commented:

“Westar has elected not to proceed with acquiring the Olga Rocks Project, having declined to extend or exercise its option to acquire the Project. Following the recent drill program and a thorough evaluation, we concluded that the Project's current exploration results did not meet our criteria for prioritising additional investment. This decision is consistent with our ongoing commitment to maximise value opportunities for our shareholders by strategically allocating resources to projects with greater potential. We continue to actively review projects for acquisition, particularly those involving critical and strategic minerals.”

Gold

Olga Rocks is located in the gold-rich Southern Cross greenstone belt, which has several significant gold camps within 30km of the Project including Marvel Loch and Yilgarn Star. Locally, Zenith Minerals (ASX:ZNC) 'Dulcie Far North' 150Koz Au Mineral Resource^{2,3} is located just 1.5km along strike to the southeast, and the 26Koz Au Spring Hill Mineral Resource^{4,5} is situated 5.5km along strike to the north.

Within the Project area, numerous historic gold workings are scattered along a 2km prospective Banded Iron Formation ('BIF'), of which only limited areas had been drill tested by previous explorers (Figure 1). Westar's maiden drill program in April 2023 was designed to validate historical drill hole gold intercepts, that include **8m @ 4.54 g/t Au** (OLC003), **8m @ 4.69 g/t Au** (OLC011) and **3m @ 10.6g/t Au** (OLA043).¹ Excellent gold results were returned including **3m @ 7.5g/t Au** from 57m (OLRC013)⁶. When interpreted with historic drill data over the southern area of the Project, the higher grades are irregular and discontinuous, reducing the priority for further work. However, the 2km of strike to the north was not adequately tested, and there was the potential for coherent high grade gold mineralisation to occur.

During Q4-2023 a follow-up RC drill program tested five of the most geologically favourable gold targets along the 2km of strike, to assess potential for continuous high grade gold mineralisation within BIF (Figure 1). Drilling was successful in intersecting the prospective BIF lithology in 4 out of the 5 drill holes, returning low-grade gold mineralisation. Best assays returned include:

- ✦ **2m @ 1.1g/t Au** from 12m (OLRC031, 1m splits)
- ✦ **8m @ 0.6g/t Au** from 68m (OLRC033, 4m composites)

Westar believes the BIF target has now been adequately tested for the potential to host an economic gold deposit which would suit the size of the Company, in context with other gold deposits locally/regionally and location of the nearest gold processing facility. As such, no further gold exploration will occur on the Olga Rocks Project by the Company.

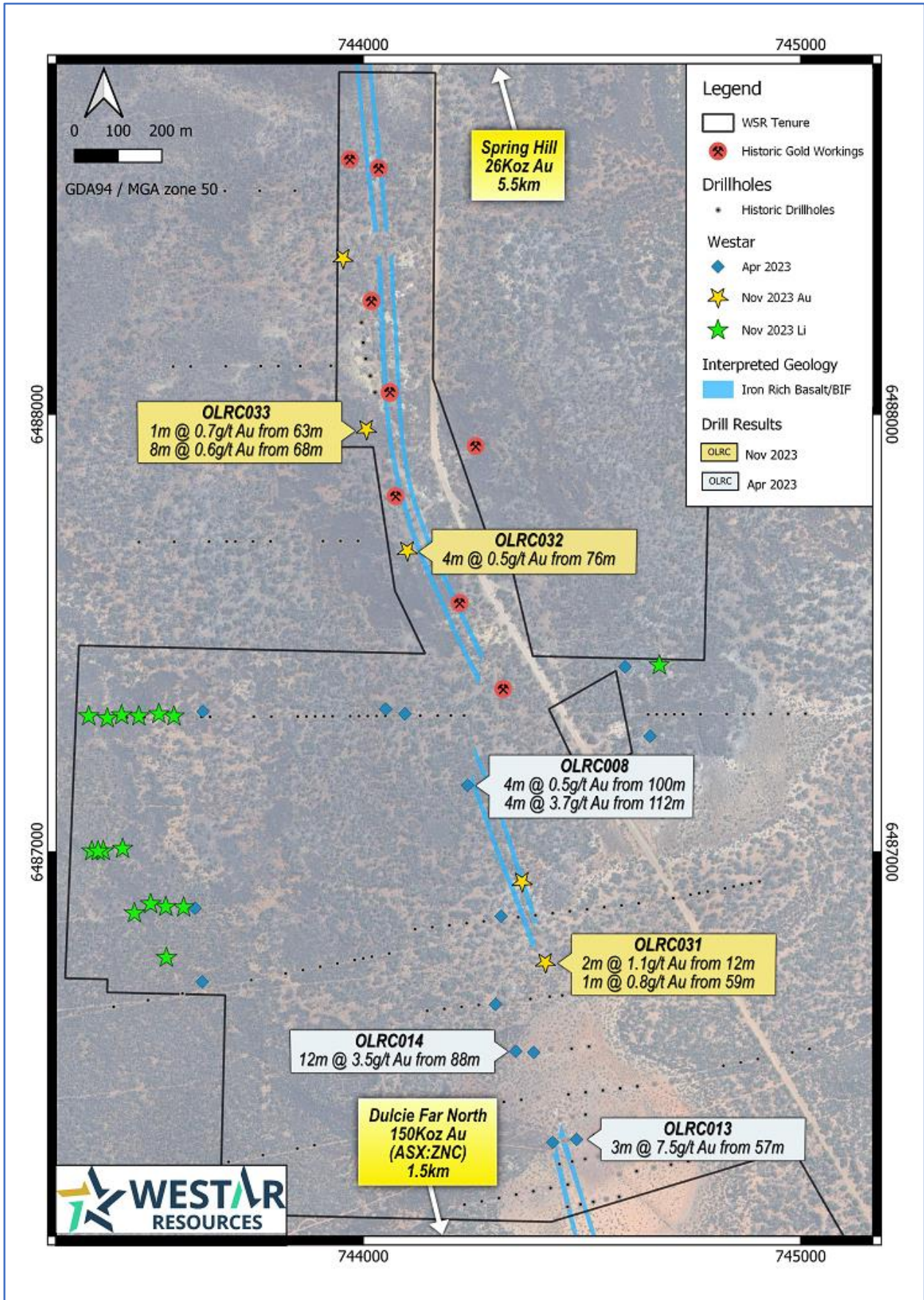


Figure 1 - Olga Rocks gold targets and key drill assay results (Google Earth image background)

Lithium

The Olga Rocks Project is located 2km from Zenith Resources (ASX:ZNC)'s recently announced 'Rio' Inferred Mineral Resource (11.9Mt @ 0.72% Li₂O)⁷ and 40km from Wesfarmers-SQM JV's operating Earl Grey lithium Mine (Mt Holland Project: 189Mt @ 1.5% Li₂O)^{8,9} which has a 50 year mine life. Pegmatite hosts lithium in both of these Resources. The Olga Rocks Project area geology consists of a thin greenstone sequence flanked by large granitoids adjacent to the east and west. Three main zones of pegmatite bodies previously defined by Westar; eastern, central, and western (Figure 2) may be sourced from these granitoids.

Westar's maiden RC drill program in April 2023 successfully intersected numerous pegmatites in the central zone (Figure 2), although only returning low-order lithium anomalism. However, the only drill hole to intersect the western pegmatite returned 2m @ 0.2% Li₂O (OLRC005)¹⁰ from a significant 44m-thick fractionated pegmatite, accompanied by a fertile elemental signature of Lithium-Caesium-Tantalum ('LCT')-style pegmatites. Much of the 44m width is oxidised/weathered which can result in lithium depletion: this occurred at Mt Holland. Accordingly, it was possible that the central pegmatite zone was sourced from the eastern granitoid and the western pegmatite from a more fertile western granitoid, which may be the same source as Zenith's Rio deposit just 2km away.

During Q4-2023, a lithium-focused RC drill program (Figure 2) targeted along strike from OLRC005, where the pegmatite was interpreted to extend beneath cover for approximately 1,300m of strike¹⁰. A shallow RC drill program was initially completed as a mapping tool to define pegmatite extents. Deeper RC drilling was then used to intersect pegmatite in fresh rock, where there is no lithium depletion occurring from weathering processes.

The RC drill hole targeting pegmatite in fresh rock down-dip from OLRC005 was a technical success, intersecting 18m and 4m of pegmatite from 66m and 97m respectively (OLRC030). However only low-order lithium mineralisation was associated, with best drill assays (1m splits) returned including:

- ✦ 5m @ 0.1% Li₂O from 81m;
- ✦ 3m @ 0.1% Li₂O from 97m (Figure 2).

Three drill traverses were completed along strike from OLRC005 to the northwest but only located the pegmatite on one of the three traverses where a 19m wide (downhole) pegmatite was intersected in fresh rock, although assays returned negligible lithium. The pegmatite intrusion therefore appears discontinuous and may be displaced by faults.

A lack of significant lithium results from the western pegmatite zone may be due to being too far from the possibly more Li-fertile granitoid to the west (compared to the eastern granitoid) which may be the source of lithium-endowed pegmatites which host Zenith's Rio Resource 2km to the west.

Westar believes the eastern, central and western pegmatite zones are now adequately tested for significant lithium mineralisation.

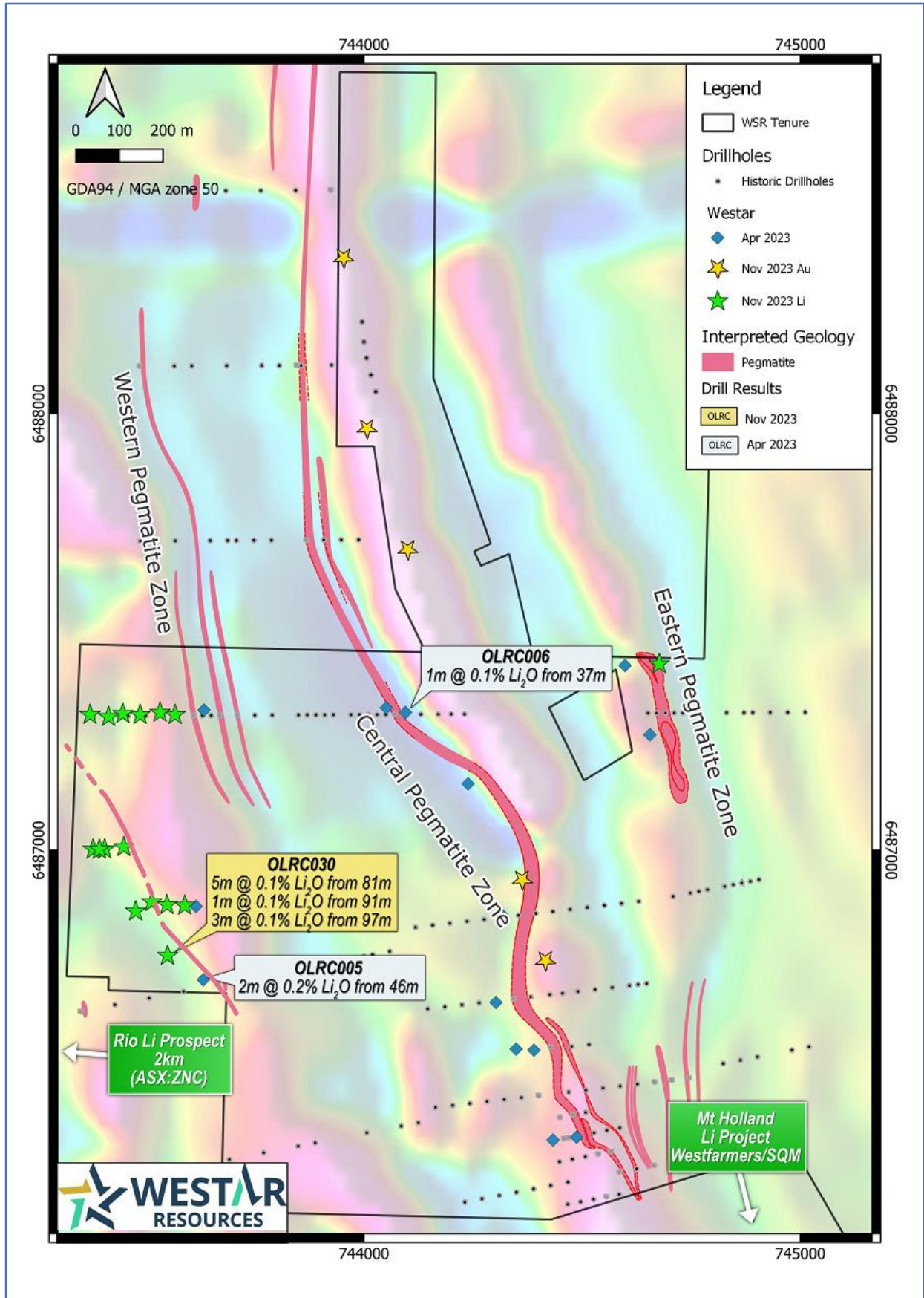


Figure 2 - Olga Rocks lithium targets and key drill assay results (aeromagnetic image background)

Next Steps

Based on the lithium and gold results from the recent drilling program, Westar has decided not to exercise the Option to acquire the tenement package. Westar thanks the owner for their hospitality and excellent working relationship, and wishes them all the best with their future endeavours. The Company has also decided to divest its adjacent Parker Dome Prospect tenement.

Westar has followed through on its strategy of identifying and securing projects with significant upside potential, followed by focused and efficient exploration programs that lead to a timely decision on whether to advance. In just over 12 months, the Company has signed the option agreement, completed mapping/geochemical programs and conducted two follow-up drill programs.

Westar continues to evaluate new projects that can add significant value to shareholders, with a focus on (but not limited to) critical and strategic minerals. The Company is currently considering a potential project acquisition.

Olga Rocks Background

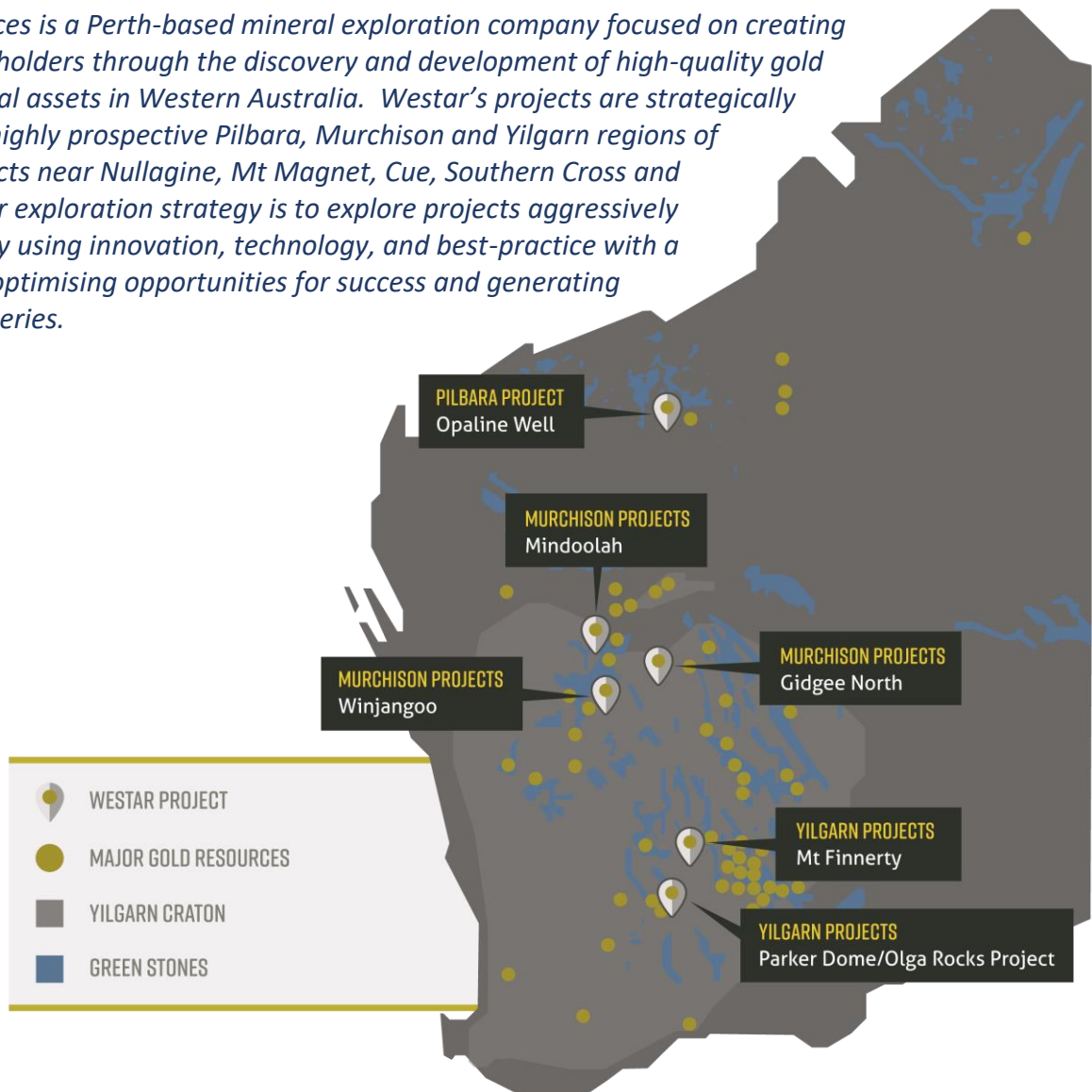
Westar secured the right to acquire the Olga Rocks Project in mid-January 2023¹, after completing extensive data compilation, reconnaissance mapping and sampling, orientation soil sampling, and, a proof-of-concept RC drilling program during the due diligence period.^{11,12} Westar field and technical studies identified areas of both LCT-prospective pegmatite and high-grade gold hosted in a mafic sequence. Westar began drilling its maiden RC drill program just three months after acquisition, successfully defining numerous pegmatite zones along with low-order anomalous lithium with a fertile LCT signature and high grade gold intercepts in the prospective mafic horizon.^{6,10}

References in this release:

- 1 WSR ASX Announcement, 16 Jan 2023, "Olga Rocks Lithium-Gold Acquisition"
- 2 ZNC ASX Announcement, 11 July 2023, "Maiden Mineral Resource – Dulcie Far North Gold Project"
- 3 Inferred resource 3.4Mt @ 1.4g/t Au for 150koz Au
- 4 GDA ASX Announcement, 01 Aug 2012, "Activities Report for the June Quarter 2012"
- 5 Resource: indicated 226,400t @ 2.0g/t Au (14,250oz Au); inferred 180,300t @ 2.0g/t Au (11,500oz Au)
- 6 WSR ASX Announcement, 06 Jul 2023, "Maiden drilling returns high-grade gold at Olga Rocks"
- 7 ZNC ASX Announcement, 28 Sept 2023 Maiden Lithium Mineral Resource at Split Rocks Project
- 8 Resource: measured 66Mt @ 1.58% Li₂O (1.04Mt); indicated 106Mt @ 1.52% Li₂O (1.61Mt); inferred 17Mt @ 1.11% Li₂O (195Kt)
- 9 KDR ASX Announcement, 19 Mar 2018 "Substantial Increase in Earl Grey Mineral Resource Estimate"
- 10 WSR ASX Announcement, 19 Jul 2023, "Drilling Confirms LCT Style Pegmatites at Olga Rocks"
- 11 WSR ASX Announcement, 27 Feb 2023, "LCT Pegmatite Mineralisation Confirmed at Olga Rocks"
- 12 WSR ASX Announcement, 28 Feb 2023, "Olga Rocks Pegmatite Interpretation"

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 gold 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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The Exploration Results have been compiled under the supervision of Mr Jason Boladeras who is a full-time employee of Westar Resources Ltd and a Registered Member of the Australian Institute of Geoscientists. Mr Boladeras 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 2012 edition of the JORC Code.

Table 1: Significant Intercepts, Lithium

Hole Id	From (m)	To (m)	Intercept Length (m)	Grade Li ₂ O (%)	Comment
OLRC030	81	86	5	0.12	1m split
OLRC030	91	92	1	0.12	1m split
OLRC030	97	100	3	0.10	1m split

Assays reported for 1m splits: >= 0.1% Li₂O cut-off grade with 2m maximum internal dilution.

Table 2: Significant Intercepts, Gold

Hole Id	From (m)	To (m)	Intercept Length (m)	Grade Au (g/t)	Comment
OLRC031	12	14	2	1.13	1m split
OLRC031	44	48	4	0.29	4m composite
OLRC031	59	60	1	0.79	1m split
OLRC031	60	64	4	0.30	4m composite
OLRC031	76	84	8	0.28	4m composite
OLRC032	52	56	4	0.18	4m composite
OLRC032	64	68	4	0.16	4m composite
OLRC032	76	80	4	0.45	4m composite
OLRC033	63	64	1	0.66	1m split
OLRC033	68	76	8	0.56	1m split
OLRC034	28	36	8	0.19	4m composite

Assays reported for 1m splits: >=0.5g/t Au cut-off grade with 2m maximum internal dilution.

Assays reported for 4m composites: >=0.125g/t Au cut-off grade with 4m maximum internal dilution.

Table 3: Drill Collar Details

HoleID	Easting	Northing	RL	Depth	Dip	Azimuth
OLRC015	743567.29	6487310.22	358	60	-61	81
OLRC016	743532.90	6487315.49	351	60	-62	84
OLRC017	743487.21	6487310.29	356	60	-61	91
OLRC018	743447.65	6487312.70	356	60	-60	88
OLRC019	743415.00	6487305.69	359	60	-61	88
OLRC020	743372.53	6487310.54	365	60	-61	91
OLRC021	743589.52	6486873.54	352	60	-61	82
OLRC022	743548.67	6486874.96	346	60	-61	85
OLRC023	743513.97	6486881.57	350	60	-61	84
OLRC024	743476.97	6486860.49	346	60	-61	81
OLRC025	743449.92	6487007.75	351	60	-61	92
OLRC026	743405.87	6487002.47	352	60	-60	88
OLRC027	743379.47	6487002.16	350	60	-61	92
OLRC028	744362.80	6486932.61	346	80	-60	84
OLRC029	743394.00	6487002.00	345	120	-61	87

OLRC030	743550.05	6486758.84	349	120	-61	92
OLRC031	744416.18	6486747.80	340	84	-61	82
OLRC032	744100.62	6487688.56	371	84	-61	69
OLRC033	744007.05	6487965.85	375	90	-61	74
OLRC034	743953.69	6488356.47	378	84	-61	82
OLRC035	744676.77	6487426.72	356	120	-61	266

Co-ordinates are MGA94, Zone 50. Azimuth is magnetic north. Max Depth is the drill hole length measured along the drill hole from the surface to the end of the hole.

Appendix 1 - JORC Code, 2012 Edition – Table 1 (Olga Rocks - RC Drilling)

Section 1 Sampling Techniques and Data

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

Criteria	Commentary
<i>Sampling techniques</i>	<p>For each one metre drilled, the bulk of sample was collected into a wheelbarrow from the RC rig-mounted cone splitter. The bulk samples were placed onto the ground in piles, making rows of up to 20 samples. A smaller, representative 1m split sample was collected from the cone splitter's second port into a numbered calico bag.</p> <p>Composite 4m spear samples were collected from every hole and submitted for laboratory analysis. Each composite sample is estimated to weigh <3 kg and was made up of approximately equal volumes of material from each of the sample piles that comprised the composite interval.</p> <p>The rig-split numbered calico bags from individual one metre samples from geologically prospective zones for gold and lithium, as determined by the site geologist, were also submitted for analysis.</p> <p>The same spear was used for the collection of all composites.</p> <p>Composite samples and a selection of original rig-split 1m interval samples were submitted to Bureau Veritas laboratory for multi-element analysis.</p>
<i>Drilling techniques</i>	<p>A nominal 144mm diameter face sampling reverse circulation percussion hammer bit was used.</p>
<i>Drill sample recovery</i>	<p>The sample recovery, was recorded by the field geologist, with water encountered in 4 of the 21 holes.</p> <p>The cyclone was regularly cleaned to ensure sample quality.</p> <p>A relationship between recovery and grade has not been established for the first pass RC drilling.</p>
<i>Logging</i>	<p>All drill metre samples had a grab sample sieved, washed, logged and chip samples stored by a suitably qualified and experienced geologist.</p> <p>Logging was qualitative with semi-quantitative estimates made of relevant features such as percentage of quartz.</p>

	<p>100% of the samples were geologically logged.</p> <p>High Magnesium basalt is interpreted based on the presence of approximate abundances of olivine and pyroxenite within the mineral assemblages.</p> <p>High Iron Basalt / Banded Iron Formation 'BIF' is an interpreted term based on the presence of magnetic drill chips, colour, iron content and occasional pyrite.</p>
<p><i>Sub-sampling techniques and sample preparation</i></p>	<p>The composite samples were collected, using a plastic spear, from the 1 metre piles on the ground. The composite samples were sent to the laboratory in individually numbered calico sample bags with digital records kept by the field geologist of the sample details.</p> <p>The samples were mostly dry. Some samples were damp and the degree of sample moisture was estimated and recorded in the drill logs.</p> <p>From each sample pile of one metre of sample interval, approximately equal volumes were extracted to create the composite samples, nominally with four one-metre samples comprising each composite sample.</p> <p>Five rig-split duplicates, four commercial standards for lithium and one commercial gold standard were inserted at irregular intervals into the 563 samples being submitted for multi-element analysis.</p>
<p><i>Quality of assay data and laboratory tests</i></p>	<p>Samples were submitted securely to Bureau Veritas, a commercial laboratory in Perth, which is an accredited laboratory for the type of analyses undertaken.</p> <p>Samples were prepared by sorting and drying and then pulverising to <2.5kg to 95% passing 105 microns.</p> <p>1m rig split samples from intervals logged as pegmatite were submitted to Bureau Veritas laboratory for peroxide fusion preparation and analysis for Al, Ca, Fe, K, Li, Mg, Mn, P, Ti, Cs, Rb, Sn, Ta, W and Nb by ICP-OES and ICP-MS.</p> <p>Li-suite analysis</p> <p>PF100: Peroxide fusion. A sample aliquot is fused with sodium peroxide and then dissolved in dilute hydrochloric acid and the solution analysed.</p> <p>PF101: Peroxide fusion elements determined by ICP-AES.</p> <p>PF102: Peroxide fusion elements determined by ICP-MS</p> <p>4m composites samples were submitted to Bureau Veritas laboratory for multi-element analysis of Ag, As, Co, Cr, Cu, Mn, Mo, Pb, S, Sc, Zn, Bi, Sb and Te from ultramafic/mafic lithologies.</p> <p>Multi-elements analysis of composite samples</p> <p>MA100: Mixed acid digest for near "total" digest of most samples.</p> <p>MA101: Multiple elements determined by ICP-AES</p> <p>MA102: Multiple elements determined by ICP-MS</p> <p>Gold analysis</p> <p>FA002: Lead collection fire assay by ICP-MS. Nominal 40g charge analysed. Silver used as secondary collector.</p>

	<p>Standard laboratory QAQC is undertaken and monitored by the laboratory and by the company upon assay result receipt.</p>
<p><i>Verification of sampling and assaying</i></p>	<p>The geological, sample and metadata is logged using 'Ocris' software by the field geologists and uploaded to a database by Westar's database administrator. Microsoft Access is used as the database.</p> <p>Received assay data is electronically merged with the sampling data by Westar's database administrator and verified by Westar relevant project geologist who confirms the data merge is correct and all information has been correctly captured. Any errors are immediately reported to the database administrator and corrected.</p> <p>The complete data set is exported and used to calculate mineralised intercepts.</p> <p>No adjustment has been made to assay data as reported by the laboratory other than calculation of Li₂O% from Li ppm using a 2.153 conversion factor.</p> <p>No twinned holes were drilled, sampled or logged and compared as this was a first pass RC drilling programme. Historical holes were present within tens of metres of drilling in some areas, but were deemed insufficient in intercepting the target.</p>
<p><i>Location of data points</i></p>	<p>GPS coordinates for each site were collected using a GPS built into the logging computer. Down hole surveying was done upon completion of each hole using a down hole surveying tool operated by the drilling contractor.</p> <p>Datum and grid system used: UTM GDA94, MGA Zone 50.</p> <p>The area of drilling is predominantly low lying and relatively flat. Hence, topographic control is not an issue when interpreting the drill results. GPS RL data is adequate for the purpose of first pass RC drilling.</p>
<p><i>Data spacing and distribution</i></p>	<p>Hole collar locations and drill traces were designed to test specific lithologies identified from historical drill logs and reconnaissance of the surface geology.</p> <p>Nominal 4m composite samples and 1m rig-split samples, where appropriate, were collected and submitted to the laboratory as described in the Sampling and Sub-sampling techniques sections.</p>
<p><i>Orientation of data in relation to geological structure</i></p>	<p>There is insufficient geological knowledge of the drilled areas to comment in detail on the orientation of data in relation to geological structure. However, drill holes were orientated approximately perpendicular to the interpreted strike and dip of the local stratigraphy.</p> <p>There is insufficient drilling on current prospects to confidently interpret the orientation of a potential mineralised zone.</p>
<p><i>Sample security</i></p>	<p>Samples were collected on site and loaded into bulka bags by Westar staff and contractors. Westar Staff and a courier transported the samples by 4WD/truck directly to the Bureau Veritas laboratory in Perth, Western Australia.</p>
<p><i>Audits or reviews</i></p>	<p>There were no audits or external reviews on the sampling techniques and data collected.</p>

JORC Code, 2012 Edition – Table 1 report (Olga Rocks – RC drilling)

Section 2 Reporting of Exploration Results

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

Criteria	Commentary
<p><i>Mineral tenement and land tenure status</i></p>	<p>Exploration reported was conducted on tenements P77/4271, M77/634, M77/1293 and M77/634 which is held by the individual Graeme Francis Taylor. Westar Resources Limited is conducting exploration on the tenement while it is in an Option Agreement period with the holder. The tenement forms part of Westar’s Olga Rocks Project, approximately 60km south-southeast of the town of Southern Cross in Western Australia.</p> <p>The tenements are in good standing with the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) of Western Australia.</p> <p>There is a good, sealed to unsealed road access from the town of Marvel Loch.</p> <p>The Marlinyu Ghoolie People have native title to an area that overlaps the Olga Rocks Project.</p>
<p><i>Exploration done by other parties</i></p>	<p>Previous exploration, including drilling, 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.</p>
<p><i>Geology</i></p>	<p>The Olga Rocks Project lies within the Southern Cross-Forrestania Greenstone Belt. The lithologies through the tenement are striking approximately north-south, consisting of predominantly of mafic, ultramafic and pegmatite.</p> <p>The gold mineralisation style considered is ductile/brittle shear hosted and quartz vein hosted gold related to the BIF and shearing within the mafic lithology. The pegmatites targeted for lithium are spatially close to ultramafic and mafic lithologies.</p>
<p><i>Drill hole Information</i></p>	<p>All holes drilled are reported in Table 3 of this announcement. Collar grid co-ordinates are GDA94, MGA Zone 50. Drill depth is the distance from the surface to the bottom of the hole, measured along the length of the drill hole. Drill length is the distance from surface to a point measured along the length of the hole.</p>
<p><i>Data aggregation methods</i></p>	<p>Where repeat assays were taken by the lab, The gold or lithium value returned has been averaged to calculate the intercept and data aggregation. Higher-order lithium and gold assay results are reported in Tables 1 & 2.</p> <p><i>Key lithium drill assay results reported for 1m splits: $\geq 0.1\%$ Li₂O cut-off grade with 2m maximum internal dilution.</i></p> <p><i>Key gold drill assay results reported for 1m splits: $\geq 0.5\text{g/t Au}$ cut-off grade with 2m maximum internal dilution; 4m composites $\geq 0.125\text{g/t Au}$ cut-off grade with 4m maximum internal dilution.</i></p>
<p><i>Relationship between mineralisation</i></p>	<p>Intercept width is measured down the length of the drill hole and is not usually true width. Drilling has been designed to best represent true thickness although not enough data has been collected to confidently quote true thickness of mineralisation widths.</p>

<i>widths and intercept widths</i>	
<i>Diagrams</i>	A suitable collar map is included in the body of the announcement.
<i>Balanced reporting</i>	Key, known results and conclusions have been included in the body of the announcement.
<i>Other substantive exploration data</i>	Open file historical drilling and sampling data over several areas of the Project is publicly available on the DEMIRS WAMEX system.
<i>Further work</i>	Due to a lack of significant gold and lithium drill results in context with previous exploration, along with lack of further prospective targets, no further work is required and the Option Agreement with the owner has been concluded.