

ASX Announcement

15th May 2024

AEM Survey Planned and Field Trip Completed at Uley North Graphite Project

Highlights

- ✦ *Inaugural field trip to the Uley North Graphite Project completed*
- ✦ *Geological consultant with extensive graphite experience and significant local knowledge engaged*
- ✦ *Several walk-up drill targets defined including the extension of Quantum Graphite's historic Uley Graphite Mine*
- ✦ *Airborne Electromagnetic (AEM) survey planning underway, covering select highly prospective graphite targets*

Westar Resources Limited (ASX: **WSR**) (**Westar** or the **Company**) is pleased to report on the completion of the inaugural field trip to the highly prospective Uley North Graphite Project (**Uley North** or the **Project**) in South Australia. The Company has identified several walk-up drill targets including an extension to Quantum Graphite's historic Uley Graphite Mine. An airborne electromagnetic survey (AEM) to cover select priority target areas is being planned.

The field trip provided the Company with further data and a more comprehensive understanding of the project, underscoring the significant potential for graphite exploration.

Westar Executive Director Lindsay Franker commented:

"Westar has commenced a detailed review of existing datasets and is currently undertaking ground truthing to obtain an understanding of the graphite potential of the Uley North Project, strategically located in one of the world's largest and most prolific coarse graphite provinces in the world. We are planning staged exploration programs including, detailed airborne EM surveys that we expect will unlock the graphite mineralisation potential of the Project.

We also note the recent Australian government announcement that they will spend \$566 million over next decade, focusing on conducting surveys to identify potential critical minerals deposits.

Graphite is listed as a critical mineral for the energy transition in Australia and we are excited to add this mineral to our existing portfolio."

Field Trip

Westar recently completed its inaugural field trip to the Uley North Project area (Figures 1 & 2). The site visit, led by Exploration Manager Jason Boladeras and a geologist from Vendor Astralis Resources' (Figure 3) aimed to improve the Company's understanding of the geology, key stakeholders, infrastructure, logistics, evaluate the potential for graphite mineralisation, and integrate insights from historical data to refine exploration targets.

Westar has engaged local consultant geologist Dwayne Povey, who possesses extensive experience in local graphite exploration. He served as Chief Geologist of Lincoln Minerals (ASX:LML) for 16 years until 2022, during which time he led his team to discover the now Kookaburra Gully graphite deposit, located 25km NE of the Uley North tenements. Prior to that, Dwayne was Senior Mine Geologist for seven years at the Ernest Henry Copper-Gold Mine in Queensland. His most recent roles include Exploration Superintendent for Gold Road Resources' projects in South Australia and Queensland from 2022 to 2023, and he continues to consult on exploration projects for private and ASX listed explorers. Dwayne will provide technical advice and on-ground assistance for Westars' Uley North exploration programs, and we welcome him to the team.

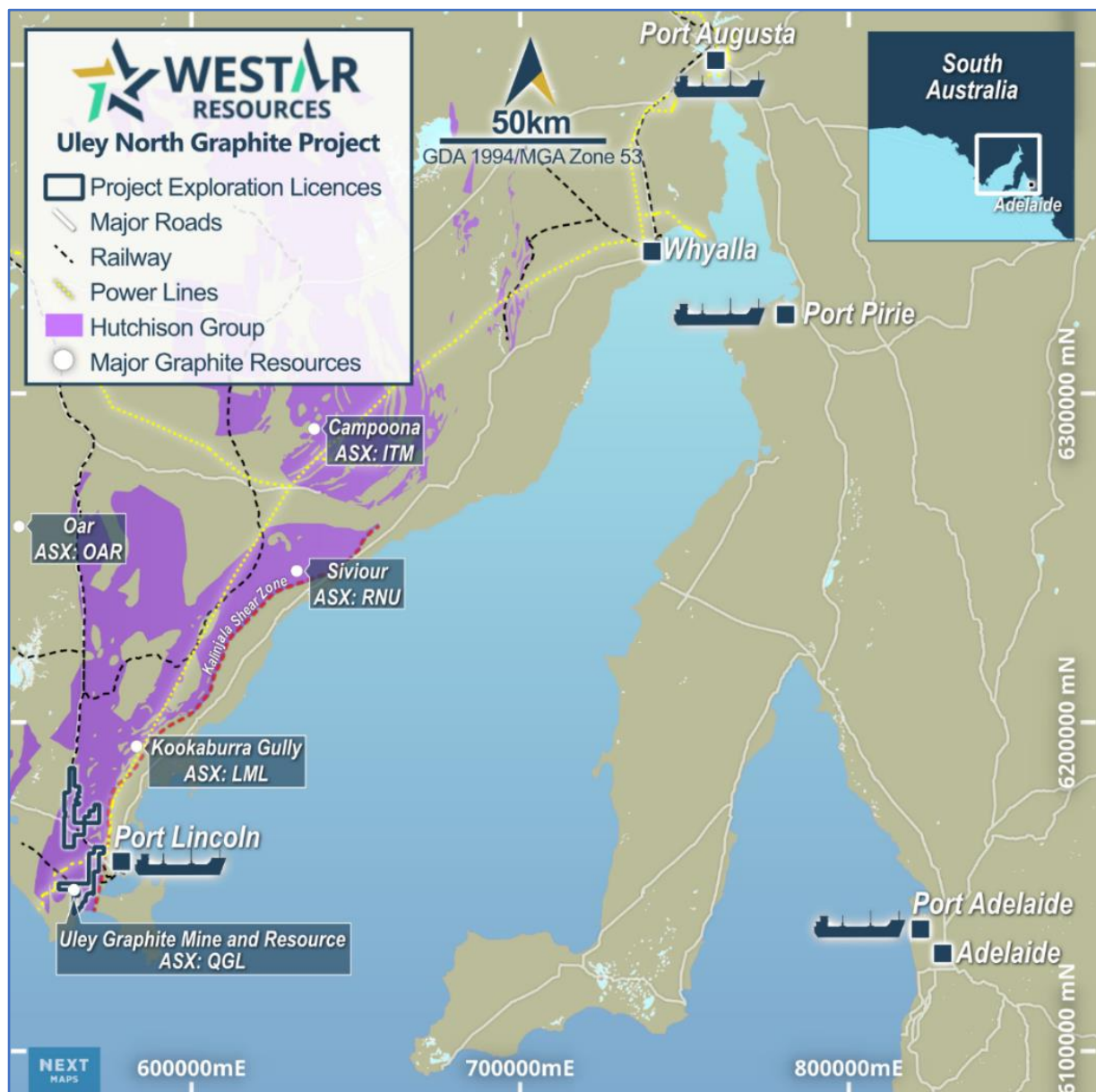


Figure 1. Location of the Hutchison Group rocks hosting graphite resources and location of the Uley North Project

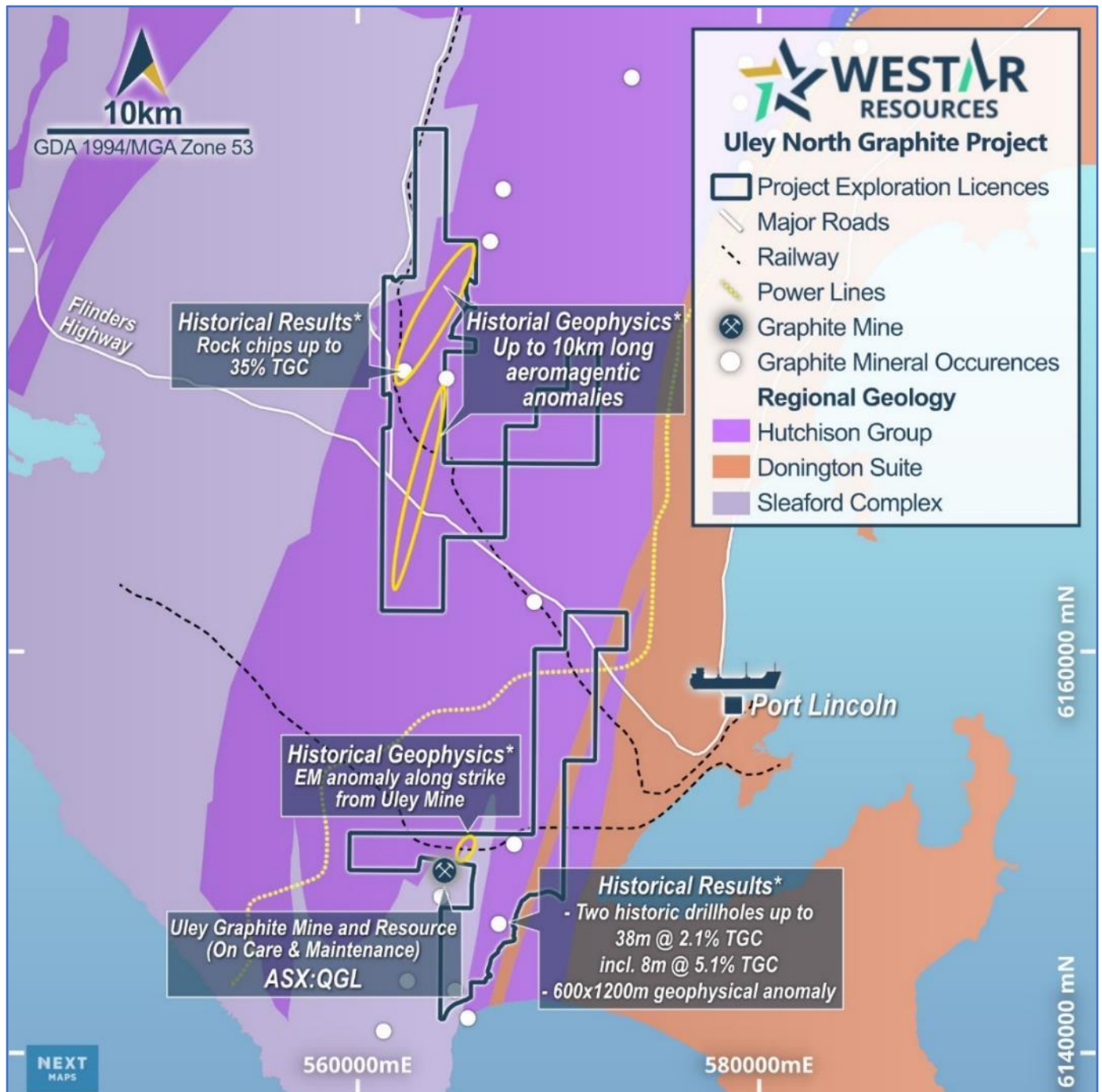


Figure 2. Location of Uley North Graphite Project with key graphite-related historical results¹

During the field trip it was observed that the majority of the Project area is covered by sandy soil or gravel, with very little outcrop. As such a beach cutting was visited along strike to the south of the Project (for clarity, off the Project tenements) where graphite mineralisation hosted by sheared sediments was outcropping (Figure 4), for visual clues to improve understanding of controls on mineralisation.



Figure 3. WSR Exploration Manager and Astralis Vendor at The road turn-off to the historic Uley Graphite Mine



Figure 4. Graphite mineralisation outcropping along strike to the south of the Project, Sleaford Bay (off-tenement)

AEM Survey

Most of the Project area is underlain by recent thin cover with negligible outcrop. An airborne geophysical survey is one of the best ways to approach larger areas with little previous exploration, in particular using the electromagnetic technique for discovering graphite deposits. Graphite-bearing rock units are highly conductive compared to most other rock types and stand out prominently on images from an AEM survey.

Respected geophysical consulting firm ‘Resource Potentials’ have been engaged to assist in planning an AEM survey. The survey will focus on select areas of Uley North that are most likely to host graphite mineralisation. Resource Potentials is currently obtaining quotes and timing from geophysical contractors.

Next Steps

Westar is continuing due diligence on the graphite mineralisation potential of Uley North during its 3-month Option Agreement period, which includes compiling historical exploration data. As detailed in the Company’s ASX announcement on 17th April 2024, an initial assessment has identified several promising exploration targets. These include extensions of Quantum Graphite’s Uley Mine less than 1km along strike, two historic drill holes that intersected thick zones of graphite mineralisation, and graphite-rich rock chips that have yet to be explored with modern on-ground investigations and drill testing.

The southern Eyre Peninsula is not only known for its famous seafood but also significant farmland cropping. Farmland overlies a large portion of the Project area and a grain export facility is located at Port Lincoln just 11km from Uley North. Westar looks forward to developing quality relationships with the farming

community and other key stakeholders in the area, and Company management understands the importance of this given that some have farming backgrounds. Conversations have already begun thanks to the assistance of Dwayne, who is based in Port Lincoln and has a valuable local network.

Westar Resources looks forward to providing timing of the proposed AEM survey over the next few weeks, along with any significant findings from the ongoing historical exploration review.

Uley North Project Background

The Uley North Graphite Project is centred only 11km northwest of Port Lincoln, South Australia. (Figure 1). Port Lincoln is a 7hr drive or 50-minute flight from Adelaide. The Project area is easily accessible via Proper Bay Road and the Flinders Highway which runs through each tenement.

The Project area covers portions of the Hutchison Group sedimentary host rocks, which are highly prospective for graphite (Figure 1). Regionally, the Hutchison Group includes graphite Mineral Resources from Lincoln Minerals (ASX:LML - 12.8Mt @ 7.6% TGC²) and Renascor Resources (ASX:RNU - 123.6Mt @ 6.9% TGC³), which are 25km and 100km to the northeast respectively. Renascor has the world's second largest Proven graphite Ore Reserve and largest graphite Ore Reserve outside of Africa, demonstrating the Hutchison Groups' ability to host significant graphite deposits.

Locally, Quantum Graphite's (ASX:QGL) historic Uley graphite Mine is located on the tenement adjacent to Uley North, which contains Australia's highest grade flake graphite Mineral Resource (7.2Mt @ 10.5% TGC⁴ - Figure 2). The Project's underlying rock types are typically highly metamorphosed sediments (gneiss, quartzite) and granitoids (granitic gneiss, granite, granodiorite), overlain by sand, soil and gravel. The Kalinjala Shear Zone runs NNE through the southern tenure.

Why Graphite

The clean energy revolution hinges on critical minerals like graphite, a key component in lithium-ion batteries for electric vehicles and energy storage. While future demand for graphite is projected to increase, particularly in energy storage applications, the supply chain is geographically limited. This presents a significant opportunity for Westar with the Uley North Graphite Project. China, the world's dominant producer, recently imposed export restrictions, highlighting the vulnerability of a concentrated supply chain.

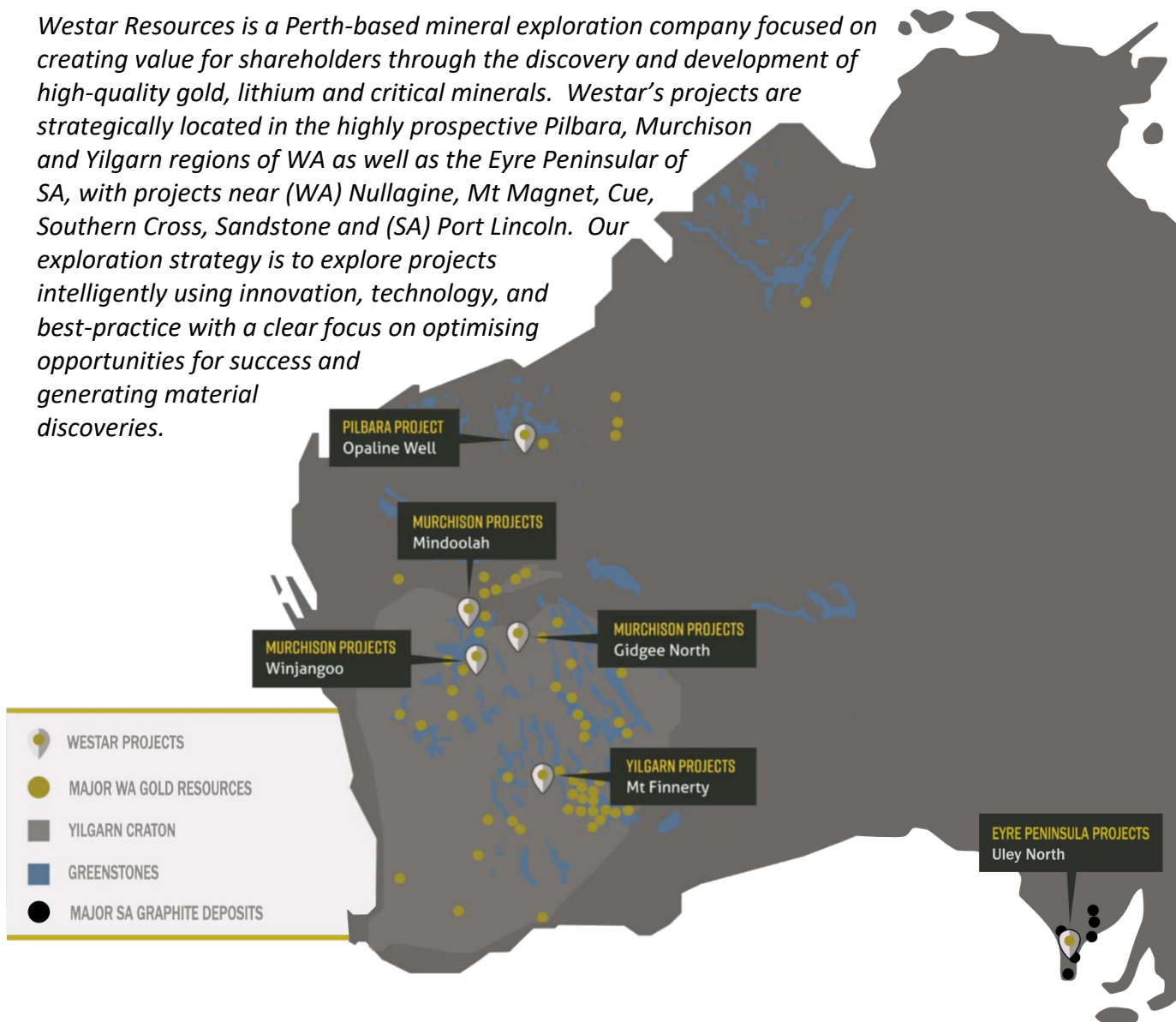
Renascor had a \$185 million loan facility⁵ approved in April 2024 from the Australian government through its \$4 billion critical minerals facility, demonstrating the government's commitment to developing the graphite industry. Renascor are using the finances to build a processing facility for manufacturing uncoated Purified Spherical Graphite in SA. As referred to above, the Australian government recently announced a \$566 million spend over next decade focused on conducting surveys to identify potential critical minerals deposits⁶.

References in this release:

- 1 ASX WSR announcement, 17 Apr 2024, "Option to acquire Uley North Project in premier graphite region of South Australia"
- 2 ASX LML announcement, 15 Apr 2024, "Target achieved of doubling the Kookaburra Graphite Project Resource"
- 3 ASX RNU announcement, 14 Sep 2023, "Siviour Mineral Resource Increases by 25%"
- 4 ASX QGL announcement, 18 Nov 2021, "Uley 3 drill program results in Mineral Resource Estimate"
- 5 ASX RNU announcement 17 Apr 2024, "A\$185M Government loan approved for upstream graphite mine"
- 6 www.mining.com/web/critical-minerals-targeted-as-australia-boosts-resource-hunt

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, lithium and critical minerals. Westar's projects are strategically located in the highly prospective Pilbara, Murchison and Yilgarn regions of WA as well as the Eyre Peninsular of SA, with projects near (WA) Nullagine, Mt Magnet, Cue, Southern Cross, Sandstone and (SA) Port Lincoln. Our exploration strategy is to explore projects 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 information in this announcement that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Jason Boladeras, a Competent Person who is a Registered Member of the Australian Institute of Geoscientists (AIG). Mr Boladeras is a fulltime employee of Westar Resources Ltd and 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. Mr Boladeras consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.