

Major Field Exploration Program Commences at Melita

Highlights

- Major ground based program now underway to define both gold and Cu-Pb-Zn VMS drill targets involving soil sampling and ground magnetics
- Recent rock chip results confirm WMG has identified location of Airstrip Cu-Pb-Zn Gossan highlighted in historical exploration reports
- June site visit ground-truthed a number of satellite based targets and highlighted several areas for follow up field exploration work
- Remaining satellite based alteration targets to be ground-truthed
- Limited exploration work across the Melita tenement since the 1980-90's
- Recent upswing in exploration activity across neighbouring projects surrounding the Melita -Kookynie area

Western Mines Group Ltd (WMG or Company) (ASX:WMG) is pleased to update shareholders on the commencement of a major fieldwork program at the Melita Project.

Summary

The Melita Project comprises exploration licence E40/379, covering an area of approximately 105km², located 20km south-southeast of Leonora and close to the Kookynie gold mining centre, in the heart of the WA Goldfields. Following an initial field visit back in June, WMG is now commencing a major follow up ground exploration program focused on gold and Cu-Pb-Zn VMS targets across the project area.

WMG has identified two parallel trends of historical gold workings, and recent gold prospecting nugget patches, associated with the historical Princess Melita high-grade gold workings. These trends extend along a cumulative strike of approximately 4km. The Company is mobilising to site this week to commence soil sampling, ground magnetic survey and geological mapping work in order to define initial aircore (AC) drill targets.

Recent rock chip results collected by the Company appear to confirm the location of the "Airstrip Cu-Pb-Zn Gossan", described in historical exploration reports from the 1970-80's. Assay results returned up to 1.27% Zn. This area will also be the focus of soil sampling, ground magnetic survey and geological mapping work, along with reconnaissance to identify further VMS gossans along this trend.

Commenting on the Melita Project, WMG Managing Director Caedmon Marriott said:

"Our field team is mobilising to site to this week to undertake two to three weeks of exploration work across the first two target areas highlighted from our previous June visit - focusing on gold around the Princess Melita workings and Cu-Pb-Zn in the Airstrip area. The program aims to delineate targets for an initial AC drilling program later in the year.

The team will also look to ground-truth further satellite targets in the southern part of this large tenement area and hunt more Cu-Pb-Zn VMS gossans identified in historical reports."



Project Overview

The Melita Project comprises exploration licence E40/379, covering an area of approximately 105km². The project is located 20km south-southeast of Leonora and to the north of the Kookynie, Niagara and Orient Well-Butterfly gold mining centres, in the heart of the WA Goldfields. The Kookynie area has seen recent upswing in exploration activity, with WMG's Melita Project surrounded by the likes of Genesis Minerals (ASX:GMD), Saturn Metals (ASX:STN), Azure Minerals (ASX:AZS) and KIN Mining (ASX:KIN), along with other companies such as Metalicity (ASX:MCT) and Carnavale Resources (ASX:CAV) all active in the area (Figure 1).

WMG project tenement is relatively under explored compared to some of the surrounding area and was the focus of Cu-Zn volcanogenic massive sulphide (VMS) exploration during the 1970-80's - with analogies drawn to the Noranda VMS camp in Canada. The tenement also contains the historical Princess Melita gold workings with recorded production in the late 1890's.

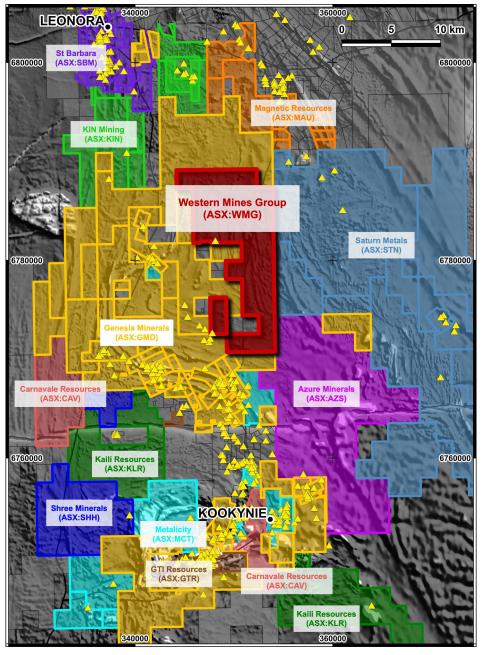


Figure 1: Location of Melita Project



Satellite Based Remote Sensing Work

Earlier in the year the Company engaged satellite remote sensing specialists Earthscan to complete satellite based targeting work. This work involved mineral alteration interpretation and mapping, based on ASTER and Landsat satellite data, and identified 19 target areas with favourable alteration signatures, across the tenement (Table 1). In many cases these target areas are associated with major regional structures and/or also associated with evidence of historical workings. A number of the targets were visited and ground-truthed during the recent June site visit and the remainder will visited over the coming months.

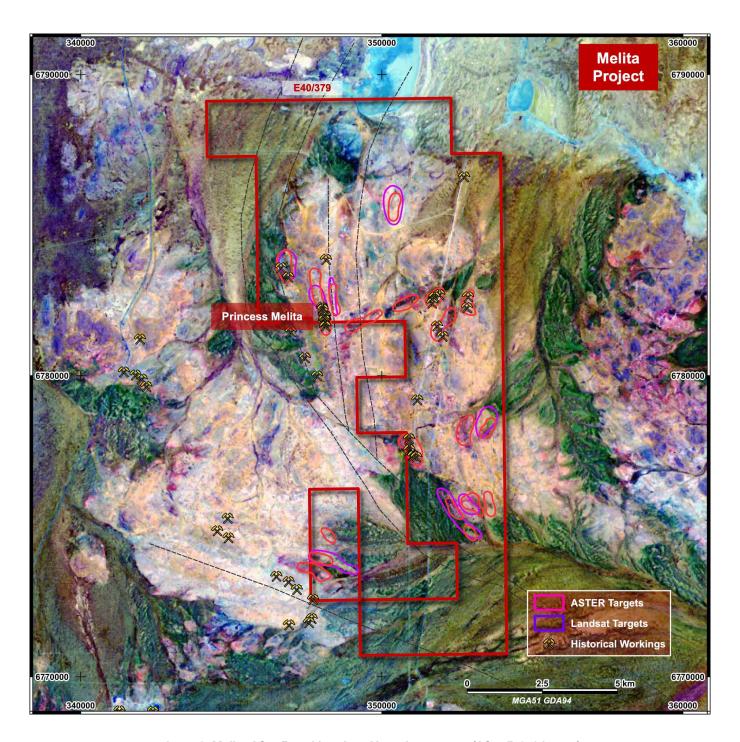


Figure 2: Melita ASTER and Landsat Alteration Targets (ASTER 642 image)



| Target | Easting (MGA51) | Northing (MGA51) | Description | Rating |
|--------|--------------------|---------------------|--|--------|
| ME01 | 346764 | 6783642 | Sheared north trending contact of felsic volcanics with intercalated basaltic to doleritic volcanics; moderate argillic and low propylitic alteration; moderate kaolin, illite and low alunite; silica, sericite and FeOH alteration on fault zone; historical workings | 2 |
| ME02 | 347956 | 6782460 | Sheared contact zone of basalt to dolerite volcanics with intercalated felsic volcanics and schists; moderate to strong argillic alteration with kaolinite and illite; moderate RBD signatures with strong zones of hematite, sericite and silica; target extends over 2km from Princess Melita workings | 1 |
| ME03 | 348433 | 6782538 | Rhyolitic lavas and volcaniclastics in contact with basaltic to dolerite volcanics; low to moderate argillic alteration with illite, sericite, silica and smectite clays; Landsat high sericite and smectite clays with FeOH in possible shear zone | 3 |
| ME04 | 350425 | 6785602 | Rhyolitic lavas and volcaniclastics in contact with basalt; moderate argillic alteration with illite and kaolinite; central zone of high AlOH coincides with N-S trending RBD signature; high sericite, silica with hematite and FeOH | 2 |
| ME05 | 349392 | 6781809 | Major ENE trending fault zone transecting basaltic, doleritic and felsic volcano-sedimentary units; moderate to strong argillic alteration with illite, kaolinite and minor alunite; strong RBD linear zones, smaller zones of AlOH, high hematite and Fe clays | 2 |
| ME06 | 350783 | 6782411 | Sheared fault zone intersecting basalt, dolerite and felsic volcanics; ENE trending alteration with high argillic alteration and strong RBD signatures; strong illite with kaolinite, minor epidote chlorite with hematite, goethite and Fe clays, silica and sericite | 1 |
| ME07 | 351744 | 6782619 | Sheared basaltic and doleritic volcanics with minor felsic volcanics; strong argillic with propylitic alteration; high illite, kaolinite with high hematite, FeOH, sericite and silica; ENE extension of ME06, historical workings | 1 |
| ME08 | 352042 | 6781695 | Contact zone of basaltic and sheared dolerite/gabbros with interleaved felsics; strong argillic with minor propylitic alteration; high kaolinite with alunite, illite and calcite, epidote, chlorite; strong RBD signature with high AlOH zones | 1 |
| ME09 | 352881 | 6782427 | Contact zone of basaltic to doleritic volcanics and rhyolitic volcaniclastics; low to moderate argillic alteration; high hematite, FeOH, minor sericite, silica with illite, kaolinite; historical workings | 2 |
| ME10 | 353513 | 6778261 | NE trending fault zone within rhyolitic volcanics, moderate argillic alteration with illite and kaolinite, high hematite and FeOH; moderate RBD and linear AlOH signatures | 2 |
| ME11 | 352765 | 6778183 | Major N-S fault zone with doleritic volcanics with intercalated felsics; strong argillic and low propylitic alteration; high illite and kaolinite, low alunite; high hematite, FeOH with very strong RBD signature | 1 |
| ME12 | 350996 | 6777576 | Basaltic and doleritic volcanics with intercalated felsics; strong to moderate argillic alteration with low propylitic; high kaolinite with low illite, prominent NNW trending zone of high AlOH; high hematite with FeOH and zones of silica and sericite; historical workings | 1 |
| ME13 | 352400 | 6775589 | Sheared contact of felsic and basaltic volcanics; moderate argillic with low propylitic alteration; high illite with low kaolinite and high hematite with FeOH; NNW linear RBD signature | 2 |
| ME14 | 352934 | 6774781 | Major NW fault zone truncating basaltic and felsics volcanics and andesitic to rhyodacitic volcaniclastics; moderate to low argillic alteration; moderate RBD | 2 |
| ME15 | 352999 | 6775714 | Doleritic volcanics with intercalated felsics; moderate argillic alteration, high kaolinite, low illite; moderate RBD signature; high hematite, FeOH and sericite | 2 |
| ME16 | 353578 | 6775743 | Doleritic volcanics with intercalated felsics; moderate argillic alteration, high kaolinite, low illite; moderate RBD signature; high hematite, FeOH and sericite; high silica with smectites adjacent to north trending fault zone | 2 |
| ME17 | 348225 | 6774693 | Contact zone of doleritic and gabbroic units with basaltic and intercalated rhyodacitic lavas and volcaniclastics; low to moderate argillic alteration with illite, sericite, silica and smectite clays; low RBD and AlOH | 2 |
| ME18 | 347979 | 6773911 | Fault zone truncating gabbroic and doleritic units and basaltic to rhyodacite volcaniclastics; strong argillic alteration with high illite, kaolinite, low alunite; sheared felsic schists with high sericite, silica and high hematite; very strong RBD and AlOH signatures | 1 |
| ME19 | 347748 | 6773477 | Contact zone of basaltic and rhyodacitic units; strong argillic alteration with high kaolinite and illite with very high hematite and FeOH; very strong RBD and AIOH signatures; parallel trend of historical workings to south | 1 |

Table 1: Melita ASTER Alteration Targets



Princess Melita Gold Workings

The area around the historical Princess Melita workings will be the main focus of the upcoming field program. Two parallel trends of historical workings, and recent gold prospecting nugget patches and scrapings, have been mapped along a north-south strike in the western portion of E40/379; southwest of Melita Station. Three satellite based targets are associated with this area showing interesting alteration signatures, following a similar north-south trend along major structures and geological contacts.

An area of approximately 2.1km width and 2.3km strike will be covered by multi-element geochemical soil sampling, a high-resolution ground magnetic survey and geological mapping. The aim of this work will be to produce a litho-structural interpretation of the area, highlighting any anomalous areas of gold and pathfinder geochemistry, that will then be used to plan a first pass AC drilling program to test priority targets.

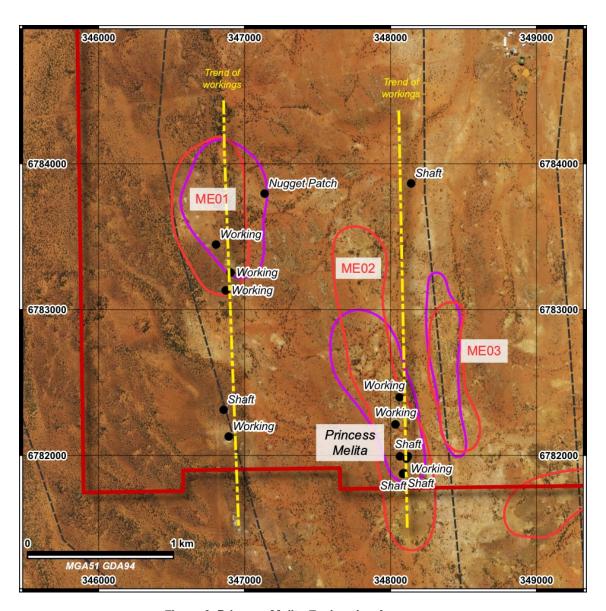


Figure 3: Princess Melita Exploration Area



Airstrip Cu-Pb-Zn Gossan

During the 1970-80's the felsic volcanic sequences in the Melita-Kookynie area were the focus of exploration for Cu-Zn volcanogenic massive sulphide (VMS) mineralisation by a number of major companies including Le Nickel-Union Miniere, CRA Exploration, WMC, Shell Minerals and BP Minerals. Several gossans with anomalous copper and zinc mineralisation were identified around Melita and reported in historical exploration reports.

One of the gossans reported within tenement E40/379 was the "Northern Grid" or "Airstrip" gossan, identified by Le Nickel-Union Miniere in 1971 and mapped approximately 350-400m ENE from the end of the Melita Station airstrip. Le Nickel-Union Miniere, and later CRA Exploration (1973-75), reported rock chip results of up to 0.6% Cu, 0.27% Pb and 7.7% Zn.

This general area corresponds to WMG's satellite target ME04, which the Company visited in June. Two rock chip samples were collected from a gossanous-looking sub-cropping ferruginous unit. Assay results show anomalous Cu-Pb-Zn inline with historical results and appear to confirm the location of this historical target.

| SampleID | MGA51 East | MGA51 North | Cu (%) | Pb (%) | Zn (%) | Au (g/t) | Ag (g/t) |
|----------|------------|-------------|--------|--------|--------|----------|----------|
| MA004 | 350546 | 6785738 | 0.08 | 0.53 | 1.27 | 0.02 | 1.41 |
| MA005 | 350563 | 6785729 | 0.15 | 0.15 | 0.72 | 0.23 | 1.77 |

Table 2: Airstrip Gossan Rock Chip Sample Assay Results



Table 3: Airstrip Gossan Rock Chip Samples



An area of approximately 0.6km width and 1.3km strike will be covered in the upcoming field program with multi-element geochemical soil sampling, a high-resolution ground magnetic survey and geological mapping. The aim of the work is to delineate a target area that will then be used to plan a first pass RC/AC drilling program.

This exploration program is being undertaken in parallel with a ramp up of activity across our exploration portfolio, including the commencement of a ground MLEM survey at our flagship Mulga Tank project currently expected around 18 August.

The Company looks forward to updating shareholders on the progress of these activities in due course.

For further information please contact: Dr Caedmon Marriott

Managing Director Tel: +61 475 116 798

Email: contact@westernmines.com.au

This announcement has been authorised for release to the ASX by the Board of Western Mines Group Ltd



Western Mines Group Ltd

ACN 640 738 834 Level 3, 33 Ord Street West Perth WA 6005

Board

Rex Turkington
Non-Executive Chairman

Dr Caedmon Marriott *Managing Director*

Francesco Cannavo
Non-Executive Director

Paul Burton
Non-Executive Director

Capital Structure

Shares: 43.8m Options: 18.4m Share Price: \$0.195 Market Cap: \$8.54m Cash (30/06/21): \$5.5m



@westernmines



westernmines



Western Mines Group

About WMG

Western Mines Group Ltd (ASX:WMG) is a mineral exploration company driven by the goal to create significant investment returns for our shareholders through exploration and discovery of high-value gold and nickel sulphide deposits across a portfolio of highly-prospective projects located on major mineral belts of Western Australia.

Our flagship project and current primary focus is the Mulga Tank Ni-Cu-PGE Project, a major dunite intrusive found on the under-explored Minigwal Greenstone Belt. Previous work shows significant evidence for a working sulphide mineral system and is considered highly prospective for Ni-Cu-PGE mineralisation.

WMG holds numerous other projects across major WA mineral belts including Melita (Au), midway between Kookynie and Leonora in the heart of the WA Goldfields and Jasper Hill (Au), with numerous prospective gold trends extending from the adjacent Lord Byron and Fish historical gold mines. The Company is also actively exploring Youanmi (Au), Pavarotti (Ni-Cu-PGE), Rock of Ages (Au), Broken Hill Bore (Au) and Pinyalling (Au).

Competent Persons Statement

The information in this announcement that relates to Exploration Results and other technical information complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Dr Caedmon Marriott, Managing Director of Western Mines Group Ltd. Caedmon is a Member of the Australian Institute of Geoscientists and a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Caedmon consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which WMG operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside WMG's control.

WMG does not undertake any obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of WMG, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this announcement reflect views held only as at the date of this announcement.



Melita

JORC Code, 2012 Edition - Table 1 Section 1: Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
|------------------------|--|---|
| | Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample | Rock chip samples taken as 1kg to 1.5kg grab samples Historical rock chip samples were taken as grab samples and assumed to use industry standard practise for that time |
| Sampling techniques | representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. | |
| | • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. | |
| Drilling techniques | Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | Not applicable |
| Drill sample recovery | Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | Not applicable |
| Logging | Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. | Not applicable |
| | The total length and percentage of the relevant intersections logged. | |



| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| Sub-sampling techniques and sample preparation | If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all subsampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. | collected for each rock chip grab sample Samples were pulverised to >85% passing 75um at the laboratory |
| Quality of assay data and laboratory tests | The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | Nature and quality of the assay and laboratory procedures are considered appropriate for the rock chip samples Samples were submitted to ALS in Perth for gold and multi-element assay using method code AuME-TL43, overrange samples were reanalysed by Au-AROR43 ALS also completed duplicate sampling and ran internal standards as part of the assay regime; no issues with accuracy or precision were identified |
| Verification of sampling and assaying | The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. | No adjustments have been made to assay data |
| Location of data points | Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. | Rock chip samples located using a handheld GPS with accuracy of +/-3m Coordinates are in GDA94 UTM Zone 51 Historical rock chip sample locations are either unknown or reported in local grid and shown on hand drawn maps |
| Data spacing and distribution | Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. | Not applicable |
| Orientation of data in relation to geological structure | Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | Not applicable |
| Sample security | The measures taken to ensure sample security. | Samples were bagged and transported to the analytical laboratory by Company staff |



| Criteria | JORC Code explanation | Commentary |
|-------------------|---|---|
| Audits or reviews | • The results of any audits or reviews of sampling techniques and data. | No audits or reviews of sampling techniques or data |

Section 2: Reporting of Exploration Results

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| Mineral tenement and land tenure status | Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | Tenement E40/379 Held 100% by Western Mines Group Ltd 1% NSR to original tenement holder Native Title Claim by Nyalpa Pirniku not yet determined No known historical or environmentally sensitive areas within the tenement area Tenement is in good standing |
| Exploration done by other parties | Acknowledgment and appraisal of exploration by other parties. | Le Nickel-Union Miniere JV (1971) undertook the first Cu-Zn VMS exploration around the Melita area and identified Northern Grid/Airstrip and Snowy Well gossans CRA Exploration (1973-75) completed further Cu-Zn VMS exploration around Airstrip gossan and identified Mt Melita gossan |
| Geology | Deposit type, geological setting and style of mineralisation. | Princess Melita area exploration is targeting shear/lode hosted orogenic gold in quartz veins Airstip area exploration is targeting Cu-Pb-Zn volcanogenic massive sulphide mineralisation |
| Drill hole information | A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | Not applicable |
| Data aggregation methods | In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. | |



| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| Relationship between mineralisation widths and intercept lengths | These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). | Not applicable |
| Diagrams | Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | Appropriate maps and tabulations are presented in the body of the announcement |
| Balanced reporting | Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | Comprehensive reporting of all historical exploration is not practicable and largely not material as exact sample locations are unknown Maximum historical rock chip values have been quoted and the use of this data is recommended for indicative purposes only in terms potential Cu-Pb-Zn VMS mineralisation and for developing exploration targets and is not considered material or misleading in understanding the historical early stage nature of the work |
| Other substantive exploration data | Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | ASTER and Landsat8 based mineral alteration interpretation and targeting completed by Earthscan Pty Ltd Various industry standard and proprietary band images and band ratioing techniques used to determine target areas with mineral alteration signatures of interest |
| Further work | The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | Future exploration may include soil and rock chip sampling, ground magnetic surveys, geological mapping and drill testing of targets identified Exploration is at an early stage and future drilling areas will depend on interpretation of results |