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13 October 2022

# **GOLD ASSETS ADDED TO SALAZAR DEAL AT NO EXTRA COST**

## **Highlights**

- As previously announced, the Company has entered into binding agreements to acquire the Salazar Rare Earth Elements (REE) Clay Project, located 120km north-east of Esperance, Western Australia, subject to (amongst other matters) West Cobar Metals shareholder approval.
- The disposal of three tenements in WA prospective for gold mineralisation was a condition precedent to the acquisition. West Cobar has now agreed to waive this condition precedent and the gold tenements will be acquired by West Cobar for no additional cost.

On 8 September 2022, West Cobar Metals Limited (ASX: WC1) ("West Cobar") announced that it had entered into binding agreements to acquire Salazar Minerals Pty Ltd and indirectly its wholly owned subsidiary Salazar Gold Pty Ltd ("Salazar Minerals") ("Acquisition"), owner of the Salazar Rare Earth Element (REE) Clay Project ("Salazar Project"). Refer to West Cobar's ASX announcement dated 8 September 2022 for further information on the Acquisition.

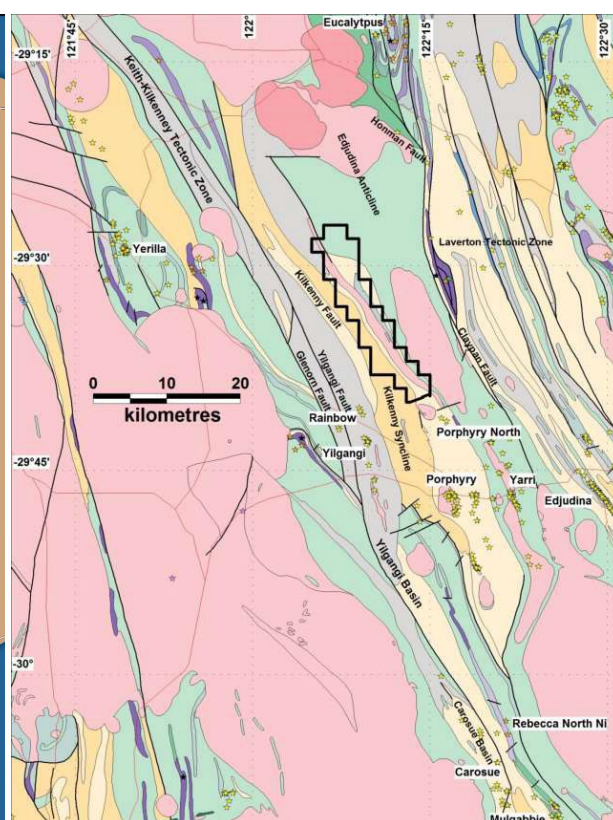
It was a condition precedent to the Acquisition that Salazar Minerals dispose of tenements E 31/910-1, E 31/942-1 and E 39/1978 ("Gold Tenements"). West Cobar is pleased to announce that it has agreed to waive this condition precedent and will acquire the Gold Tenements as part of the Acquisition. There will be no additional consideration payable for the acquisition of the Gold Tenements. The Gold Tenements are located 150km NE of Kalgoorlie, WA (Figure 1) and are grouped as the Porphyry North Project (Figure 2).

The issue of the consideration shares pursuant to the Acquisition is subject to shareholder approval at a general meeting which is scheduled to occur at 1:00pm (AWST) on Monday, 24 October 2022. Refer to West Cobar's Notice of Meeting dated 21 September 2022 and Addendum to the Notice of Meeting dated 13 October 2022 (which reflects the contents of this announcement) for further information.

The licences acquired will be re-assessed for their prospectivity, and if warranted exploration programs will be planned and carried out. The spend on the Gold Tenements is limited in the short term. There are no expenditure requirements on the Gold Tenements until early 2023 and then only approximately \$70,000 needs to be spent by 21 March 2023 (which West Cobar expects to fund from working capital). As such, the inclusion of the Gold Tenements in the Acquisition will not result in any funds being reallocated from West Cobar's existing projects (including the Salazar Project) and does not impact the proposed use of funds detailed in the ASX announcement dated 8 September 2022.



**Figure 1: Location of the Porphyry North Gold Project and Salazar REE project**



**Figure 2: Porphyry North Gold Project – regional geology with mines and prospects**

### About West Cobar Metals – other projects

The Salazar Project includes the clay hosted Newmont deposit which contains an Inferred Mineral Resource of 43.5Mt at 1192ppm total rare earth oxide (TREO+Y<sub>2</sub>O<sub>3</sub>).<sup>1</sup>

<sup>1</sup> Refer to the ASX announcement dated 8 September 2022 for further information.

In the area west of Cobar, exploration for copper and silver at the Bulla Park Project is continuing with data reassessment and further geological mapping with a view to establishing new drill targets. Exploration at the Cawkers Well and Nantilla gold and base metal projects will proceed as soon as landholder access agreements are concluded.

Tenement EL33208 in the Northern Territory is still in the application phase.

-ENDS-

This ASX announcement has been approved by the Board of West Cobar Metals Limited.

**Further information:**

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**Forward looking statement**

Certain information in this document refers to the intentions of West Cobar, but these are not intended to be forecasts, forward looking statements or statements about the future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of the events in the future are subject to risk, uncertainties and other actions that may cause West Cobar's actual results, performance or achievements to differ from those referred to in this document. Accordingly, West Cobar and its affiliates and their directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of these events referred to in the document will actually occur as contemplated.

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### **Competent Person Statement and JORC Information**

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves.

The Information contained in this announcement is an accurate representation of the available data and studies for the Salazar REE and Gold Tenements, and the Cobar West Project.

The information contained in this announcement that relates to the exploration information at the Porphyry North Project, WA and the Cobar West projects, NSW, fairly reflects information compiled by Mr David Pascoe, who is CEO of West Cobar Metals Limited and a Member of the Australian Institute of Geoscientists. Mr Pascoe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Pascoe consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Resources provided by the Competent Person in the announcement to the ASX of 8 September 2022 and that all material assumptions and technical parameters underpinning the Ore Resources, continue to apply and have not materially changed.