



# LEADING THE AUSTRALIAN RARE EARTH CLAYS CHARGE

Salazar Project, WA



4 November 2022

## WEST COBAR METALS

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# OVERVIEW

- West Cobar has completed the acquisition of the Salazar Rare Earth Element (REE) clay project in southern Western Australia
- Drilling has delineated a significant JORC (2012) compliant resource:
  - Newmont deposit Inferred Resource of 43.5 Mt at 1192 ppm total rare earth oxide (TREO) (CSA 2018)\*
- Eight years of exploration, metallurgical testwork and studies undertaken to date
- Strategically located near key infrastructure and the deep-water port of Esperance
- Mineralogy comprises REE in kaolin clay with a potential co-product advantage
- Strong leverage to the permanent magnet/electrification thematic
- Near term activities are focused on drilling, metallurgical testwork and optimisation studies



## WHY RARE EARTHS

- The Western World has identified rare earths as critical raw materials with high economic significance and high supply risk to future economies
- As China dominates the global REE supply chain and with increasing geopolitical tensions, the development of alternative sources of supply has now become a priority for Governments and Industry all over the world
- Increasing global efforts to decarbonise, Governments worldwide are committing to ambitious targets to transition to green economies
- Rare earths are critical for the manufacture of permanent magnets which have compelling supply/demand dynamics driven by green energy in particular electric vehicles (EVs) and wind turbines



**“The Middle East has its oil,  
China has rare earths”**

- Deng Xiaoping (January 1992)

# Corporate Snapshot

## Capital Structure

Total number of shares currently on issue	80,500,000
Options on issue	16,000,000*
Share Price (@ 3 Nov 2022)	\$0.18
Market Cap (undiluted)	\$14.5m
Cash Balance (at 30 Sept 2022)	\$2.8m

\* Additional 2,400,000 options to be issued to the Board/Company Secretary pursuant to shareholder approval. Refer to WC1 ASX announcement 24 October 2022.

## Shareholders

Top 20	61.3%
Board and Management	13.9%

## Share Price and Volume

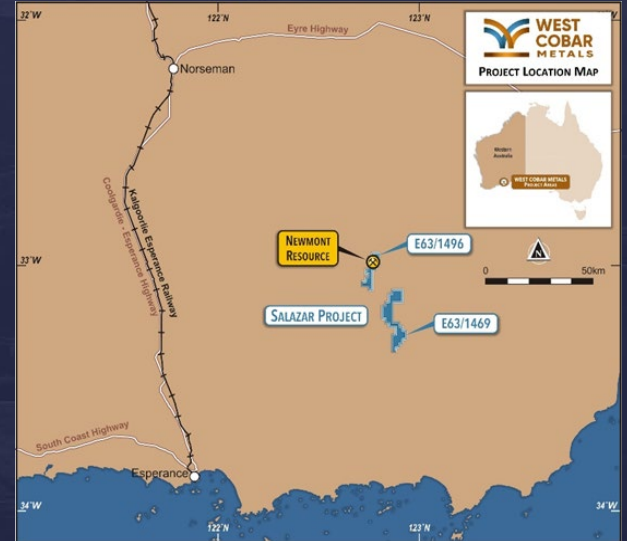




## SALAZAR REE CLAY PROJECT

# EXCELLENT LOCATION AND INFRASTRUCTURE

- Western Australia is a low sovereign risk, ethical and proven mining jurisdiction
- The project area is located 120 km north-east of the township and deep-water port of Esperance
- Esperance is earmarked as a potential location for major renewable energy and hydrogen hub
- Essential infrastructure already in place, with port, rail and air services nearby
- Established mining region with strong local mining culture and community
- Skilled local workforce readily available

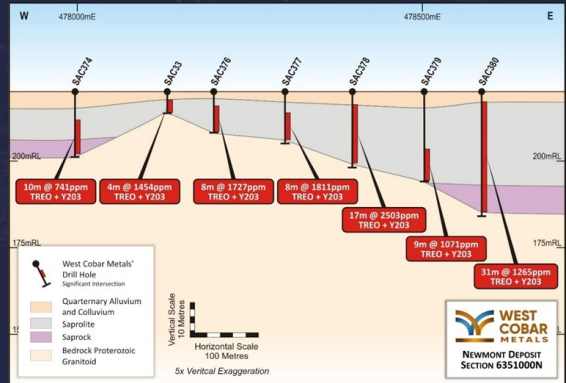


# NEWMONT REE DEPOSIT

- Tenure comprises granted tenement E63/1496
- JORC Resource already in place (43.5 Mt at 1 192 ppm TREO) with next steps to infill and upgrade the resource\*
- Mineralogy comprises REE in kaolin clay with alumina co-product advantage
- Very low background radioactive elements (thorium and uranium)
- Tenure resides on undeveloped (100% non-agricultural) state-land
- Project area is accessible year-round by road

## Inferred Mineral Resource Estimate by CSA – 2018

Cut-off TREO + Y <sub>2</sub> O <sub>3</sub> (ppm)	Tonnes (Mt)	TREO + Y <sub>2</sub> O <sub>3</sub> (ppm)	TREO (ppm)	LREO (ppm)	HREO (ppm)	U (ppm)	Th (ppm)
0	67.7	861	721	620	241	6	27
500	43.5	1192	991	847	344	7	26
1000	19.9	1734	1419	1202	532	7	23



\* Refer to WC1 ASX announcement 8 September 2022

SALAZAR REE CLAY PROJECT

# NEWMONT COMPARISON TABLE

The Newmont resource grades and tonnages compare favourably with other known clay deposits outside of China and Myanmar\*

Company	Deposit	Resource Category	Status	Resource Million Tonnes	Grade TREO Y <sub>2</sub> O <sub>3</sub> ppm	Cut-off	Pr <sub>6</sub> O <sub>11</sub> ppm	Nd <sub>2</sub> O <sub>3</sub> ppm	Dy <sub>2</sub> O <sub>3</sub> ppm	Tb <sub>4</sub> O <sub>7</sub> ppm
<b>West Cobar Metals (WC1)</b>	<b>Newmont, WA</b>	<b>Inferred Resources</b>	<b>Exploration</b>	<b>44</b>	<b>1192</b>	<b>500 ppm TREO+Y<sub>2</sub>O<sub>3</sub></b>	<b>50</b>	<b>200</b>	<b>36</b>	<b>6</b>
Heavy Rare Earths (HRE) <sup>1</sup>	Cowalinya, WA	Inferred Resources	Exploration	28	625	300 ppm TREO-CeO <sub>2</sub>	29	109	17	3
Australian Rare Earths (AR3) <sup>2</sup>	Koppamurra SA/VIC	Indicated	Exploration	45	835	325 ppm TREO-CeO <sub>2</sub>	37	142	22	4
		Inferred		36	721		32	122	19	3
		TOTAL		81	785		34	133	21	4
Ionic Rare Earths (IXR) <sup>3</sup>	Makuutu, Uganda	Indicated	Feasibility, due October 2022	404	670	200 ppm TREO-CeO <sub>2</sub>	30	110	10	3
		Inferred		127	540		30	90	10	2
		TOTAL		532	640		30	110	10	2

\* Refer to WC1 ASX announcement 8 September 2022

<sup>1</sup> HRE Prospectus 22 August 2022

<sup>2</sup> AR3 ASX announcement 28 July 2022

<sup>3</sup> IXR ASX announcement 3 May 2022



## NEWMONT METALLURGY & STUDIES

Technical work on the deposit has involved reputable institutions including the CSIRO, the University of Western Australia and the University of Newcastle and mineral processing firms Nagrom and Amdel

- Early metallurgical studies and characterisation testwork show the REE clays are amenable to acid leach processing
- High value basket price underpinned by preferred magnet rare earths - neodymium, praseodymium, dysprosium and terbium
- High heavy rare earth (HREO) concentrations - up to 30%
- High critical rare earth (CREO) concentrations – up to 37%

Metallurgical tests on saprolite samples from Newmont have demonstrated that total REE (TREO + Y2O3) recoveries using 10% hydrochloric acid ranged from 41% to 85.1% (whole samples) and 54.2% to 92.8% (-20 micron screened samples), in 24-hour tests at 30°C. Recoveries improve with increasing temperature\*



# RARE EARTH CO-PRODUCT ADVANTAGE

- Newmont deposit has a potential co-product advantage with excellent in-situ alumina grades
- Inferred JORC Resource already in place (28.3 Mt at 23.4% Al<sub>2</sub>O<sub>3</sub> at 10% cut off)\*
- Lab testwork shows high leach extraction, high purification grades to produce 99.99% (4N) High Purity Alumina (HPA)
- REE development with HPA co-product opportunity to be evaluated
- Tenure resides on undeveloped (non-agricultural) state land and the project area is accessible year-round by road

**Inferred Alumina JORC Estimate by CSA – 2018**

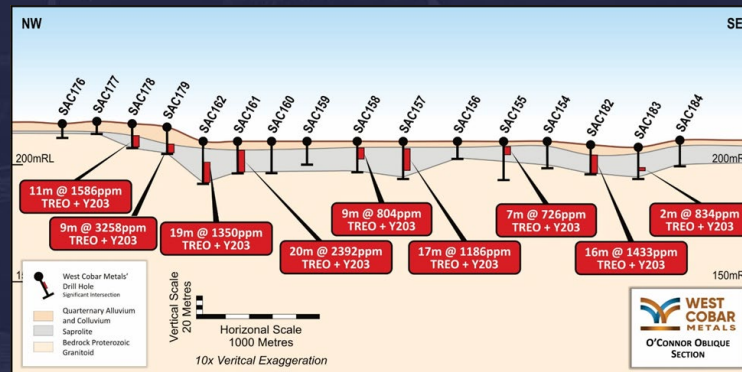
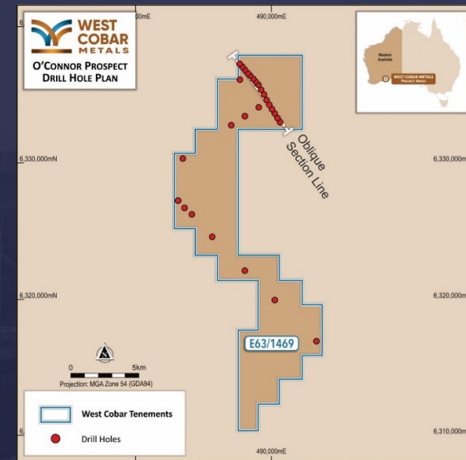
Cut-off (Al%)	Mt	Al %	Al <sub>2</sub> O <sub>3</sub> %
5	62.0	10.0	18.8
10	28.3	12.4	23.4
15	3.4	16.5	31.2



\* Refer to WC1 ASX announcement 8 September 2022

# O'CONNOR PROSPECT

- Salazar also includes the O'Connor prospect which is located 10kms to the south-east of Newmont within granted tenement E63/1469
- Thirty vertical aircore and reverse circulation (RC) holes for a total of 901 metres\* have been drilled 300m to 4300m apart with REE intersections including:
  - SAC160, 19m @ 1939 ppm TREO + Y2O3 from 8m
  - SAC161, 20m @ 2392 ppm TREO + Y2O3 from 7m
  - SAC179, 9m @ 3258 ppm TREO + Y2O3 from 14m
  - SAC188, 23m @ 1454 ppm TREO + Y2O3 from 16m
- Drill results are encouraging, albeit wide-spaced, but indicate that infill drilling would be justified
- Tenure resides on undeveloped (100% non-agricultural) state land and the project area is accessible year-round by road



\* Refer to WC1 ASX announcement 8 September 2022

WEST COBAR METALS

## WEST COBAR NSW PROJECTS

Three projects at various stages of exploration 100-200 km west of Cobar:

1. Bulla Park Project –Stratabound-structural copper (+silver)
2. Cawkers Well – Gold
3. Nantilla – Copper/base metal/gold (geophysical target)

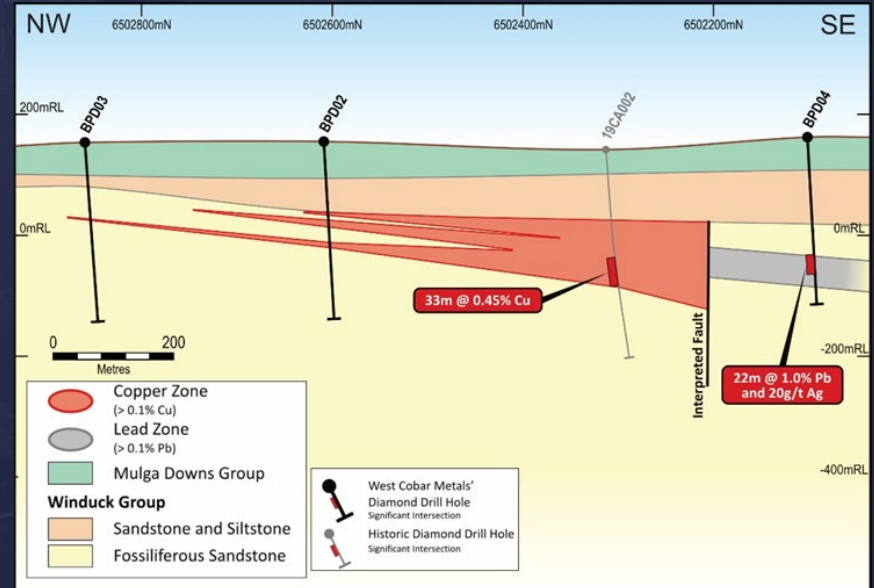
Drilling at Mt Jack was not successful and the project will not be progressed. WC1 ASX announcement 8 September 2022 outlines an updated use of funds for the Company



## WEST COBAR METALS

# BULLA PARK COPPER PROJECT

- Historical diamond hole 19CA002 intersected 135m of 0.24% Cu, including 33m of 0.45% Cu\*
- Initial drill results received from Bulla Park in late 2021 downgraded the immediate prospectivity for economically mineable mineralisation as it relates to the geological model presented in the WC1 prospectus\*
- The project is still considered prospective for stratabound/ structural copper (+silver) mineralisation
- Best mineralisation has weak magnetic response
- Low-level aeromagnetic surveys planned to focus on identifying other drill targets



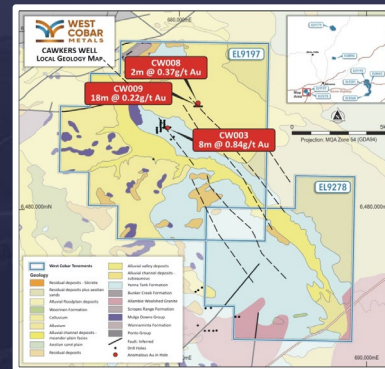
\* Refer to WC1 Prospectus dated 6 August 2021,  
WC1 ASX announcement 8 September 2022



# CAWKERS WELL AND NANTILLA – GOLD & BASE METALS

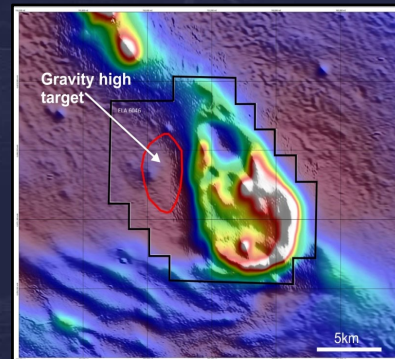
## CAWKERS WELL

- Sediment-hosted, structurally controlled gold mineralisation related to NW structures in regional aeromagnetics
- RC drill intersections include 18m @ 0.22g/t Au and 8m 0.84g/t Au. Only three previous drill holes have directly tested these structures\*
- The Company is currently in negotiations with respect to land access at Cawkers Well ahead of progressing exploration



## NANTILLA

- Nantilla aeromagnetic patterns indicate multiple intrusions, possible magnetite or pyrrhotite skarn at margins
- Gravity high on western margin of intrusive indicates possible Fe-rich haematite or pyrite, stockworks or breccias, prospective for Au/Cu mineralisation
- The Company is currently in negotiations with respect to land access at Nantilla ahead of progressing exploration



\* Refer to WC1 Prospectus dated 6 August 2021 and WC1 ASX announcement 8 September 2022

## BOARD AND MANAGEMENT

# HIGHLY EXPERIENCED TEAM WITH A STRONG TRACK RECORD



**Robert Klug** (LLB, B Comm) – Non Exec Chairman

- Australian qualified resources and corporate lawyer with 30 years' experience
- Previously nine years as General Counsel and Company Secretary at Sandfire Resources



**Matt Szwedzicki** (B Eng (Hons), B Comm, GAICD) - Non Exec Director

- 20+ years of resources-focused corporate and commercial experience (capital markets, M&A, corporate strategy)
- Founder and Managing Director of Spark New Energies (energy company focused on the UK)



**Kevin Das** (B.Sc Geology (Hons), GAICD) – Exec Director

- 19+ years' experience as geologist and resources investor
- 12+ years' REE experience, instrumental in the discovery of the Browns Range rare earth deposits in WA
- Co-founder and Managing Director of mineral investment and project acquisition firm ARD Group



**Ron Roberts** – Non Exec Director

- 35+ years' experience in all aspects of exploration, data management and land access
- Ex Sandfire Resources from listing, through to discovery and rapid growth into ASX 200 company
- Co-founder Bulla Park Metals (West Cobar Metals)



**David Pascoe** (B.Sc (Hons), M.Sc) – CEO

- Geologist with 30+ years experience worldwide exploration, evaluation and mining.
- Previous Chief Geologist and Exploration Manager positions. Co-founder Bulla Park Metals (West Cobar Metals)
- Numerous discoveries – Magellan (WA, lead), Tocantinzinho (Brazil, 2Moz Au), Kerimenge (PNG, 1Moz Au)



**Craig McNab** – Company Secretary

- Experienced Chartered Accountant & Fellow member of the Chartered Governance Institute (Chartered Secretary)
- Initially qualified at PwC & has held senior corporate compliance roles at Anglo American plc & De Beers UK
- Provides corporate compliance services to a number of ASX-listed resource companies

EARLY MOVER ADVANTAGE

# PROPOSED NEXT STEPS

## Salazar REE Project:

- **Drilling** - expedite drilling to increase confidence in Newmont resource and follow up encouraging initial results at O'Connor
- **Optimisation Studies** - re-engage experts to optimise front-end through beneficiation methods and REE recovery with various extraction methods
- **Metallurgy** - follow up and progress metallurgical studies undertaken by Salazar

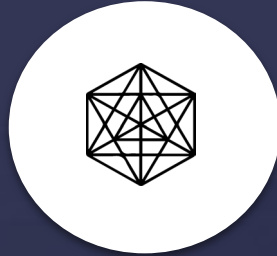
## Cobar West Projects:

- Low level magnetic survey and interpretation at Bulla Park
- Exploration drilling at Cawkers Well and Nantilla as proposed in the Company Prospectus

## PROPOSED NEXT STEPS



# WHY INVEST?



## UPSIDE POTENTIAL

Enterprise value offers significant upside as projects progress



## HIGH GRADE ADVANCED ASSET

Substantial REE clay resource and 8+ years' testwork and studies



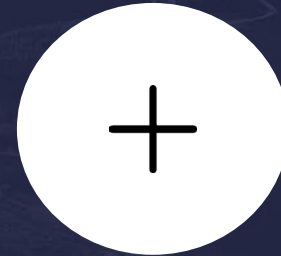
## STRONG NEWSFLOW

Multiple price catalysts loom as activity increases at Salazar



## HIGH CALIBRE TEAM

Excellent mix of skills including significant rare earths experience



## CO-PRODUCT ADVANTAGE

HPA provides additional exposure to the electrification thematic



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