

DECEMBER 2022 QUARTERLY REPORT

Western Yilgarn NL (**Western Yilgarn** or **Company**) (ASX: WYX) is pleased to provide its Quarterly Activities Report for the period ending 31 December 2022 (**Quarter**).

HIGHLIGHTS

- ✓ **Darling Range - Application E 70/5111**
Grant of E 70/5111 advanced as WA Government releases its decision to abandon Strategic Assessment for the Perth and Peel Region and DMIRS commences process to progress the grant of mining tenure.
- ✓ **Melbourne / Darling Range Land Access**
First Land access agreement formalised with more coming.
- ✓ **Sylvania Prospectivity**
Further research builds potential. Access with pastoralists arranged with both projects.
- ✓ **Bulga Project**
Auger programme underway to uplift soil samples.
- ✓ **Challa Project**
Soil and rock-chip programme completed. Samples relocated to Perth for analysis

Chairman, Peter Lewis commented:

"The Board is pleased with the continued development of exploration activities by Western Yilgarn at its leases. We have solid cash reserves, low overheads, and exciting projects that are ripe for exploration in a rapidly developing resource region. Combined with a market actively looking for solutions in the REE, PGE, Ni, Li, Cu, and Ni segments, we are excited to see what 2023 will deliver for shareholders."

25 January 2023**PROJECTS OVERVIEW**

Variously prospective for platinum group metals (PGE), rare earth elements (REE), gold, nickel, and other minerals, Western Yilgarn's portfolio of 6 projects comprises 10 exploration licences plus 1 licence (ELA 70/5111 "Darling Range PGE Project") remaining under application as at the date of this announcement.

Darling Range PGE Project ELA 70/5111

- The Company applied for ELA 70/5111 on 4th January 2018 (Application) which was recommended for grant on 16th February 2018. The Company reconfirms in this quarterly report that the standing of its Exploration Lease application for ELA 70/5111 is good but remains not granted due to Government procedural issues which are currently being resolved.
- In the subject reporting Quarter there has been activity in DMIRS that signals positive developments in the coming year through the abandonment of the Perth Peel Regional Scheme which has previously affected the progress of the Application. In addition, DMIRS have indicated the development of policies for progressing mining tenure which are expected to be completed by the end of June 2023.
- For more background on Darling Range Project, the Company directs the reader to the Western Yilgarn website <https://westernyilgarn.com.au/projects/darling-range/>.

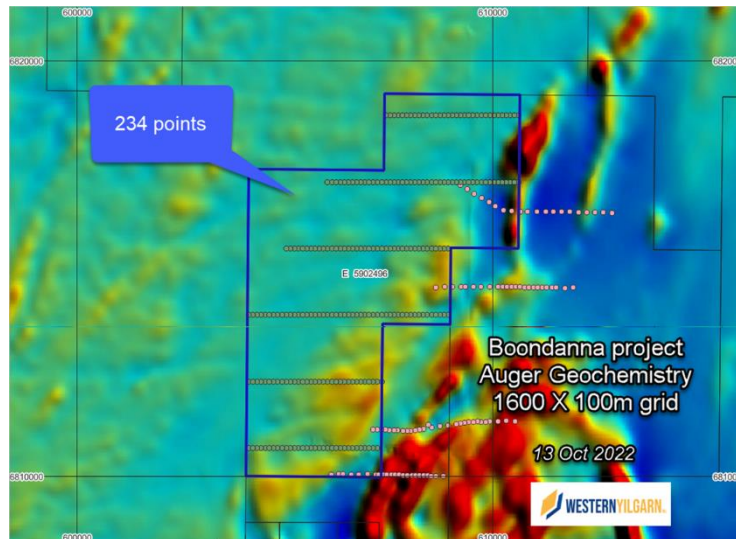
Melbourne project comprises EL70/5767 "West"; EL70/5921 "East"; EL70/6167 "Northwest"

- Desktop review indicates exploration potential for Cu, Ni, Au.
- POWs approved for Melbourne East and Melbourne West.
- Site access agreement formalised for 1 major area.
- Site access agreements moving to formalised closure for January.

Sylvania project comprises E 52/3861; and ELA 52/4177 "Sylvania South" which was applied for in September '23.

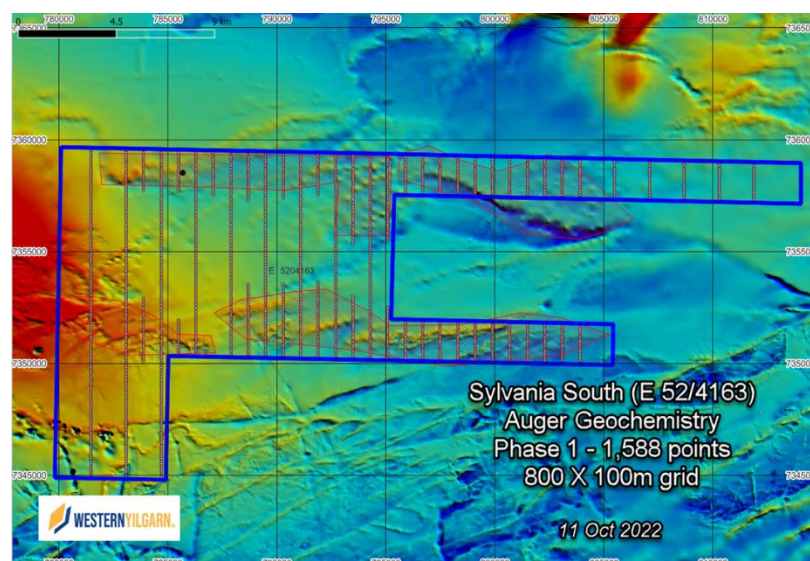
Sylvania North E 52/3861

- As previously reported, prospective for Ni, Cu, REE
- Dialogue with KNAC confirmed an Aboriginal Heritage Survey will be required before planned activities can be commenced.



Sylvania South ELA 52/4177

- Land access for the Sylvania South project was agreed with the pastoral lease holder in December. The agreement is being drawn up and expected to be executed in January.
- Karlka Nyiyaparli Aboriginal Corporation (KNAC) lodged an objection to the application based on implementation of a new agreement between WYX and KNAC being accepted. WYX has responded to the objection and is optimistic of an equitable resolution soon being achieved.
- Dialogue with KNAC confirmed an Aboriginal Heritage Survey will be required before planned activities can be commenced.
- As soon as access issues are cleared, shallow auger samples are planned to be uplifted from 1588 points on a 800mtr x 100mtr grid.
- Historical data review and reprocessing of geochemical data using loGAS software indicated exploration potential for Li, Au .



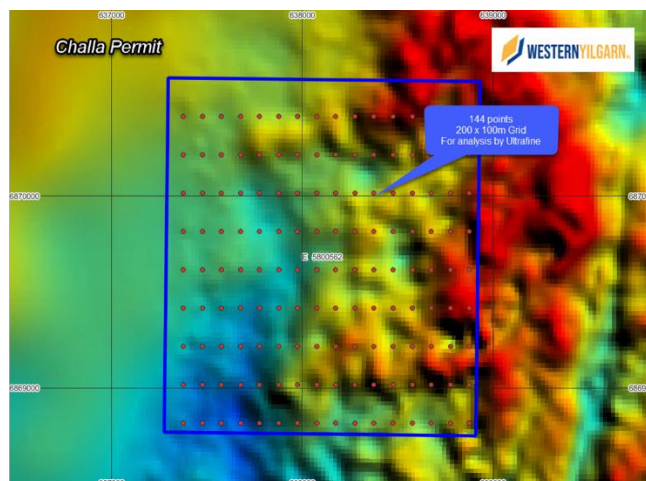
Mount Magnet projects

Boodanoo E 59/2496

- Access permission for site was achieved with the pastoral lease holder in December.
- Shallow auger samples are planned to be uplifted from 234 points on a 1600mtr x 100mtr grid pattern.
- Desktop review indicates two different granites within the tenement, one of which occurs only in the tenement. Both are most likely in fault contact with sediments to the east. The fault has anomalous Au outside of the tenement. There is prospectivity for anomalous Au in the unique granite structure contained in the lease. Sampling across the tenement for this and also to better understand REE and Li pegmatites shall be completed.

Challa E 58/562

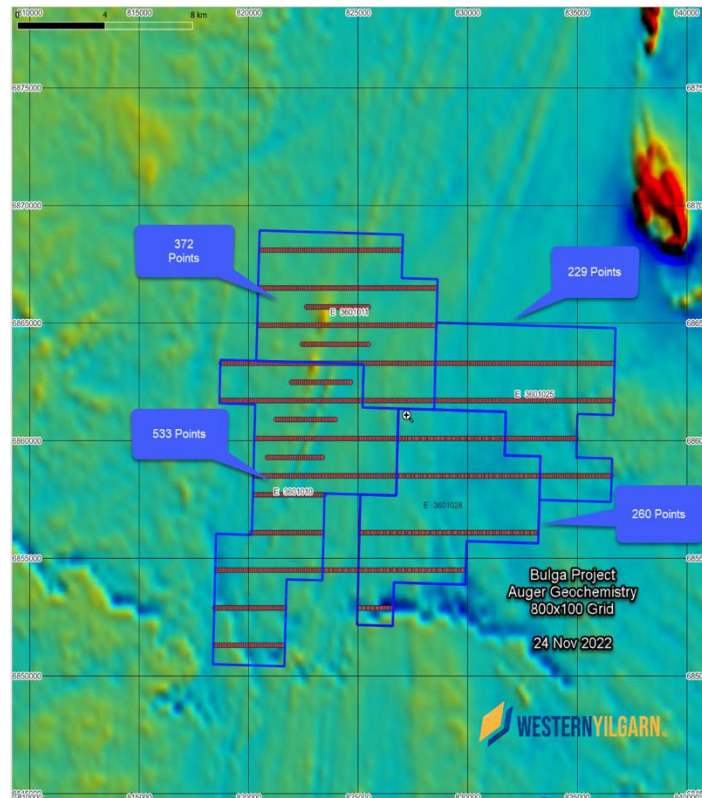
- A soil and rock chip campaign in December saw removal of 144 samples back to Perth for assay.



Bulga E 36/1010; E 36/1011; E 36/1025

- POW approved, site access arranged.
- SaharaNR auger rigs mobilised for an extensive auger drilling campaign totalling 1134 holes on an 800mtr x 100mtr grid pattern. Work continued through Christmas and into new year.
- The project is located at a complex structural knot on the edge of two major terranes. With so many structures converging in one place, there may be potential for greater volumes of fluid movement and third or fourth order sprays that may contain Au, even in granite.
- A confirmed ultramafic unit adjacent to one of the major structures may be prospective for nickel. In the south, a tortuous reversely polarised magnetic feature may represent a mafic sill, in which case it may be prospective for Ni and Cu.

25 January 2023



Meeting with DMIRS.

WYX met with DMIRS senior staff in the reporting period in order to uplift contemporary government information plus maintain a lobbying presence with government.

Potential Acquisition – Kouzan Exploration Leases

After completing due-diligence including analysis of soils uplifted from site by its exploration team, WYX did not proceed with exercising of its option to purchase Kouzan Pty Ltd.

CORPORATE

SHAREHOLDER MEETING

On 23 November 2022, the Company held its annual general meeting (**AGM**) of shareholders. All resolutions were carried at the AGM.

FINANCIALS

APPENDIX 5B QUARTERLY REPORT AND STATEMENT OF CASH FLOWS

The ASX Appendix 5B quarterly report is attached to and lodged with this report and covers the 3-month period from 1 October 2022 to 31 December 2022.

During the Quarter, the Company spent a total of \$67k on exploration expenditure, \$49k on staff costs, \$39k on administration and corporate costs and transferred \$40k to be held as security against a corporate credit card facility. The net cash expenditure for the quarter was lower than the previous quarter as a result of a GST refund from the ATO covering several prior periods.

PAYMENTS TO RELATED PARTIES AND THEIR ASSOCIATES

In accordance with ASX Listing Rule 5.3.5, an amount of \$35k was paid to Directors of the Company.

ASX LISTING RULE 5.3.4 DISCLOSURE

The Company was readmitted to the official list of ASX on 4 May 2022 (**Readmission**). As part of the Company's re-listing on the ASX, it issued a prospectus dated 7 February 2022 which disclosed the Company's intended use of funds in the 24-month period following Readmission (**Use of Funds Statement**).

A comparison of the Company's actual expenditure since Readmission against the estimated expenditure noted within the Use of Funds Statement is set out below in accordance with ASX Listing Rule 5.3.4:

Expense	Proposed Use of Funds	Actual expenditure to 31 December 2022	Variance (AUD)
Exploration Expenditure (2 years)	\$2,320,000	\$316,319	\$2,003,681
Expenses of the recapitalisation process and the Offer	\$797,186	\$799,194	\$(2,008)
General and administrative costs (2 years)	\$750,000	\$341,906	\$408,094
Working capital (2 years)	\$1,018,413	\$28,945	\$989,468
Total	\$4,885,599	\$1,486,364	\$3,399,235

The variances above can be attributed predominantly to the Company re-listing during the June 2022 Quarter and expenditure being less than 8 months into a 24 month budget.

Authorised for release by the Board of Western Yilgarn NL.

Ends.

25 January 2023

All Shareholder enquiries relating to the Company's operations – Please contact:

Peter Lewis (Chairman) on 0418 785 259

Gavin Rutherford (General Manager) on 0400 250 441

John Traicos (Director) on 0417 885 279

or visit the Company website at www.westernyilgarn.com.au

WYX SCHEDULE OF INTEREST IN MINING TENEMENTS (as required by ASX Listing Rule 5.3.3)

Mining Tenements at 31 December 2022

Location	Tenement	Name	Holder	Equity	Status	Area (blocks)
Western Australia	ELA70/5111	Darling Range	PBX Aus Pty Ltd	100%	Application Pending	119
Western Australia	E52/3861	Sylvania North	AAM Resources	100%	Application Granted	43
Western Australia	E52/4163 ³	Sylvania South	AAM Resources	100%	Application Pending	75
Western Australia	E58/562	Challa	AAM Resources	100%	Application Granted	1
Western Australia	E59/2496	Boodanoo	AAM Resources	100%	Application Granted	13
Western Australia	E36/1010	Bulga	Western Yilgarn	100%	Application Granted	21
Western Australia	E36/1011	Bulga	Western Yilgarn	100%	Application Granted	16
Western Australia	EL36/1025 ¹	Bulga	Western Yilgarn	100%	Application Granted ¹	14
Western Australia	E70/5767	Melbourne West	Western Yilgarn	100%	Application Granted	35
Western Australia	E70/5921	Melbourne East	Western Yilgarn	100%	Application Granted	33
Western Australia	E70/6167 ²	Melbourne NW	Western Yilgarn	100%	Application Granted	31
Notes: <ol style="list-style-type: none"> 1. Exploration licence E36/1025 granted in quarter on 1 July 2022 2. Exploration licence E70/6167 granted in quarter on 20 Sept 2022 3. Exploration licence application E52/4163 withdrawn per favour E 52/4177 application which included the E52/4163 blocks plus 30 more contiguous blocks for a total of 75 blocks 						

25 January 2023**Forward Looking Statements**

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Western Yilgarn, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

Competent Person Statement

The reported Exploration Results were compiled by Beau Nicholls, a Fellow of the Australian Institute of Geoscientists. Mr. Nicholls 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Nicholls is a principal Consultant with Sahara Natural Resources (Sahara), and the Competent Person is independent of the Company and other than being paid fees for services in compiling this report, neither has any financial interest (direct or contingent) in Western Yilgarn.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Western Yilgarn NL

ABN

62 112 914 459

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	(1)	(1)
1.2	Payments for		
	(a) exploration & evaluation	(67)	(220)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(49)	(77)
	(e) administration and corporate costs	(39)	(179)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	11	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (movement cash from non-restricted to restricted)	(40)	(40)
1.9	Net cash from / (used in) operating activities	(185)	(506)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (DOCA proceeds)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(2)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	-	(2)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,567	3,890
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(185)	(506)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(2)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,382	3,382

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,382	3,567
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,382	3,567

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	35
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

	8. Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(185)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(185)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,382
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,382
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	18.36
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 25 January 2023.....

Authorised by: Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.