

27 July 2023

## June 2023 Quarterly Activities Report

### HIGHLIGHTS

- Extensive Au-As anomaly identified at the Prince Ivan prospect 1600m in strike length and 200m width.<sup>1</sup>
- The anomaly is associated with the Comedy King Fault and a series of fault slays on the western margin of the Joyner's Find Greenstone belt 30km south-west of Wiluna in WA.<sup>1</sup>
- Anomaly is along strike from Great Western Exploration's (ASX:GTE) Firebird Project resulting in a >5km regional greenstone-hosted Au and As in soil anomaly.<sup>1</sup>
- Approvals for drill testing for this compelling project are underway.<sup>1</sup>
- New Exploration Licence Application EL33449 ("Boothby") has been submitted covering 32km<sup>2</sup> of highly prospective ground 60km to the northwest of Arafura Rare Earths Ltd (ASX:ARU) Nolans Bore REE-P-U-Th deposit.<sup>2</sup>
- Rare-earth enrichment up to 22,000 ppm (2.20%) total rare earth oxides ("TREO") identified in historic stream sediment sampling.<sup>2</sup>
- The REE-mineralisation sample exhibits a Nd/Pr ratio of approximately 4:1, comparable to the nearby Nolans deposit.<sup>2</sup>
- WGR intends to carry out detailed mapping and geochemical sampling and follow-up stream sediments samples to determine source of REE mineralisation.<sup>2</sup>

Western Gold Resources Limited (ASX: WGR) ("**WGR**" or "the **Company**") is pleased to provide shareholders with its quarterly report for the three-month period ending 30<sup>th</sup> June 2023.

### WGR Managing Director Warren Thorne commented:

*"This quarter has seen WGR continue to deliver on its greenfield exploration strategy, with the discovery of a strong Au-As soil anomaly on the western margin of the Joyner's Find Shear zone at the Gold Duke Project. To discover an anomaly of this size and tenor provides continued belief in the project to deliver additional mineral resources. Its location adjacent and along strike to Great Western Exploration's Firebird indicates we could be dealing with a newly discovered regional mineralised corridor.*

*In parallel, metallurgical test work by Perth-based BHM Process Consultants to determine the amenability of the orebodies to heap leaching which is potentially a lower cost / higher profit operation is ongoing.*

*WGR has also expanded its portfolio of projects by submitting an exploration approval license for the high-prospective REE Boothby project in line with the Company's strategy of acquiring and exploring high-quality REE projects."*

<sup>1</sup> Refer ASX announcement 11<sup>th</sup> May 2023

<sup>2</sup> Refer ASX announcement 8<sup>th</sup> May 2023

## **Gold Duke Project**

### Exploration

WGR completed 1624 UFF+ soil samples over the Prince Ivan project area with samples spaced 25m apart on lines 200m apart (Figure 1: 25m x 200m). Samples were analysed using the UltraFine+ method (LabWest Minerals Analysis Pty Ltd, Malaga, WA) to fully assess the soil properties and relationships (to the geochemistry) to improve the chances of future discovery. The soil sampling program is part of WGR's industry partnership with the CSIRO 'UltraFine+ research project. The project calls upon CSIRO's world-leading expertise to analyse the soil sample geochemical assay data and provide new data analytics and targeting for mineral exploration.

The 1600m north to northeast trending UFF+ gold anomaly feature parallels the northerly-trending stratigraphy (Figure 1). The 1600m gold anomaly is outlined by the 8ppb contour with peak value of 21ppb and associated As anomaly defined by 20ppb As with a peak of 69ppb. Field work has confirmed the anomaly is hosted predominantly within a sub-cropping package of shale, minor siltstone, sandstone, and thin BIF layers.

WGR plans to follow up prospective geochemical anomalies at the Prince Ivan Prospect with extensional UFF soil sampling to the south. Geological mapping will be conducted to further refine areas.

### Development

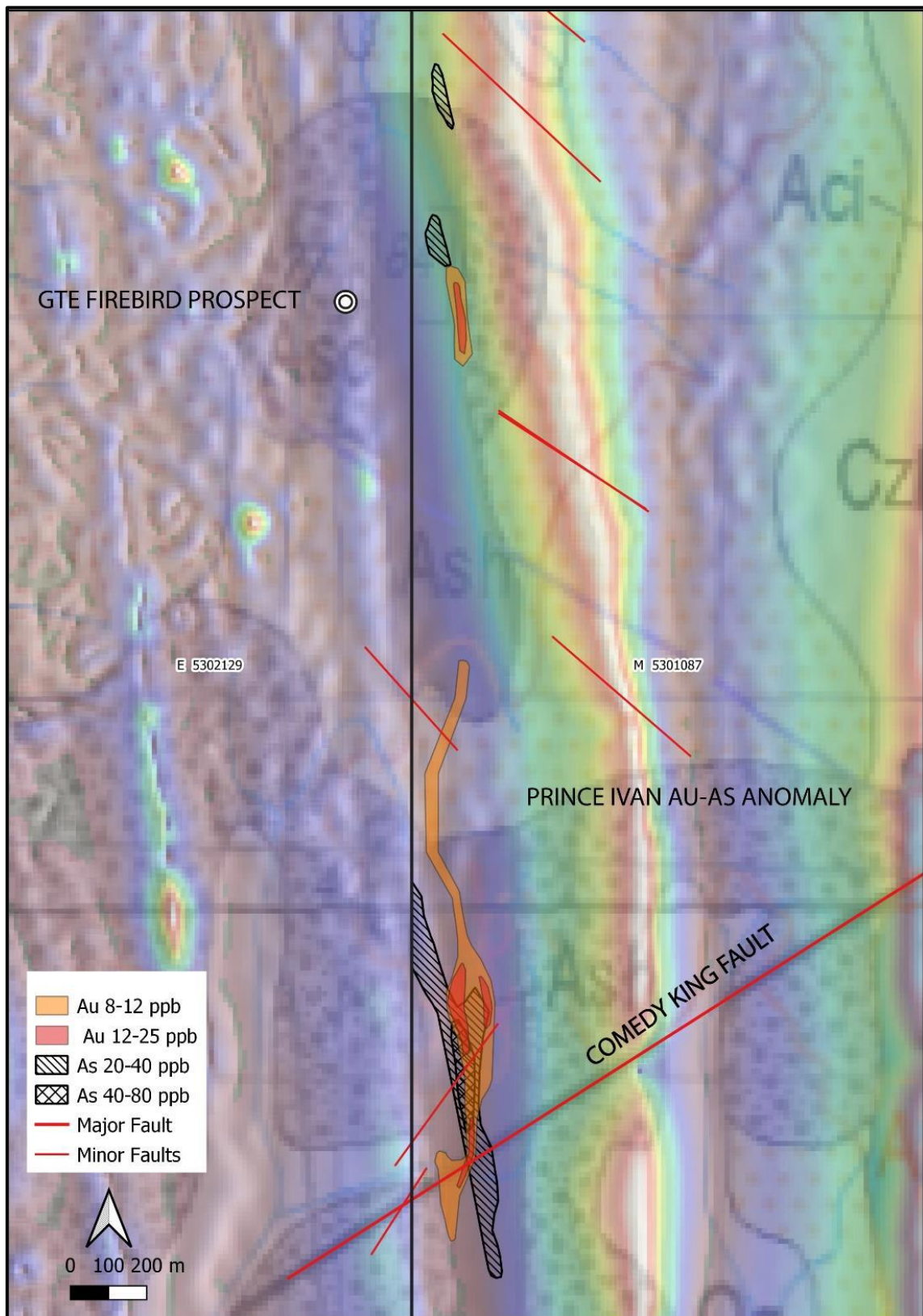
WGR has engaged Perth-based BHM Process Consultants to determine the amenability of the orebodies to heap leaching which is potentially a lower cost / higher profit operation. Based on recommendations a metallurgical test work program began in March 2023. The Company will continue to update the market on the programs progress.

## **Boothby Project**

WGR lodged Exploration License application ELA33449, referred to as the 'Boothby REE project', located within the highly REE-endowed Reynolds Range of the Paleoproterozoic Aileron Province (Figure 2). This new exploration licence application covers 32km<sup>2</sup> of highly prospective geology 60km northwest of the world-class Nolan's REE-P-U-Th deposit (Figure 3).

Historic stream sediment sampling programs included seven samples located within the tenement application EL33449 (Figure 3), with one sample having full REE analysis and six others with partial REE analysis (Table 1). The one sample with full REE analysis (Figure 3) contains a TREO of 2.20% demonstrating the potential of the project to host a high-grade TREO deposit. The REE-mineralisation sample exhibits a Nd/Pr ratio of approximately 4:1, comparable to the nearby Nolans deposit.

WGR considers the application for the Boothby is in line with the Company's strategy of acquiring and exploring high-quality REE projects.



**Figure 1. Prince Ivan Au-As anomaly displaying Au and As contours on TMI and 1:250,000 Geology. Location of GTE's Firebird prospect shown.**



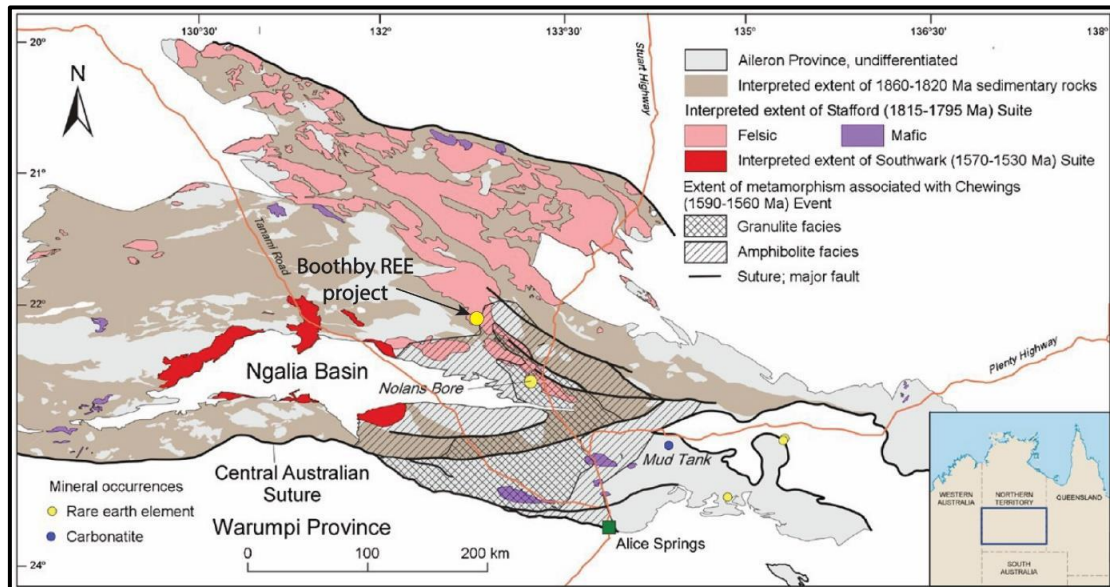


Figure 2. Location of Boothby REE project and geology of the Aileron Province

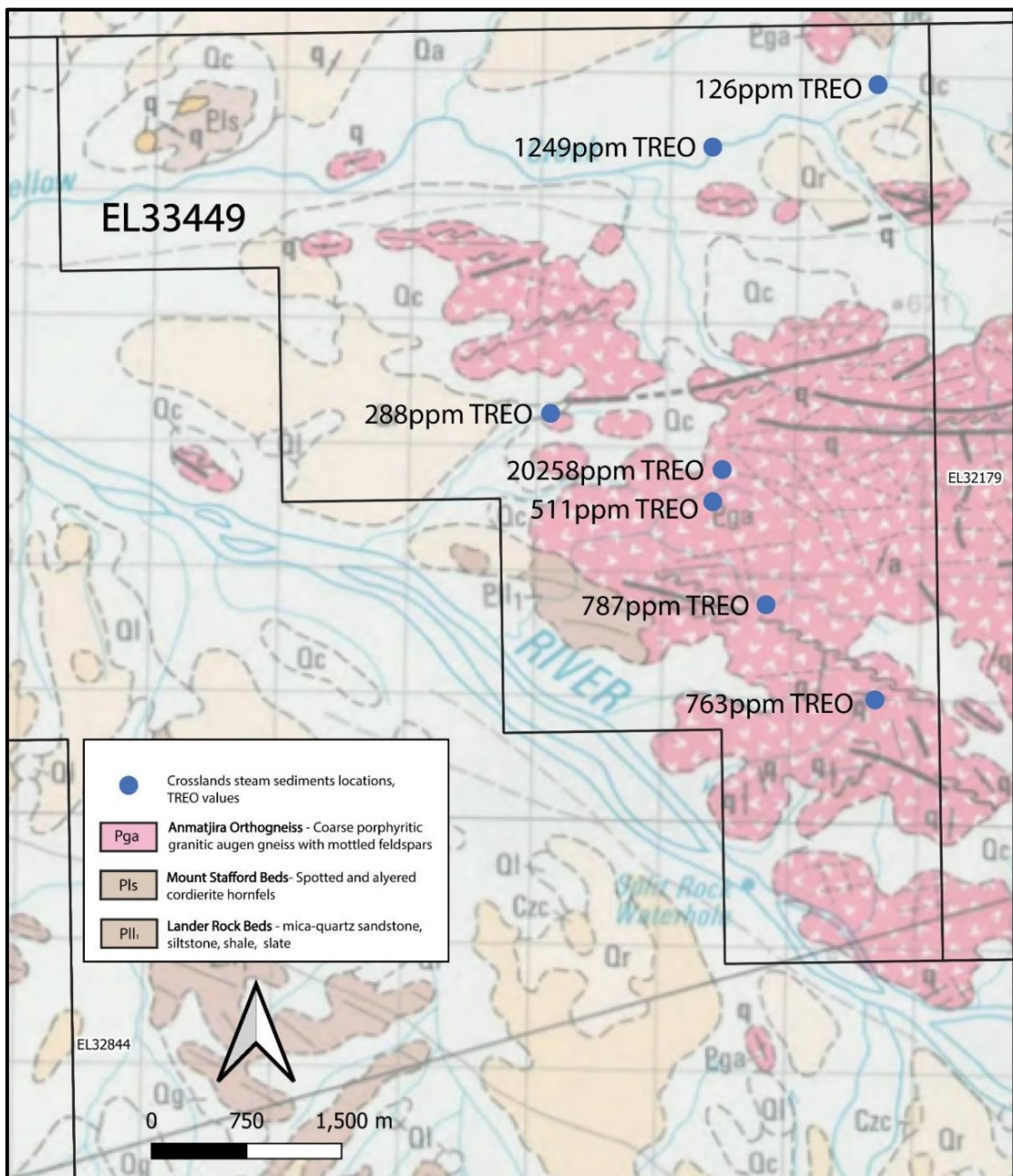


Figure 3. Boothby prospect displaying Crossland sample locations and TREO results (ppm) on local geology (NT Reynolds Range Region 1:100 000 Sheet)

## Planned Activities for the September Quarter

WGR aims to continue moving toward development of its existing deposits in addition to greenfields exploration across the northern portion of the project. Work programs will include:

- Geological mapping and approvals for future Prince Ivan work drilling programs
- Based off results from preliminary results from heap leach test work, additional workflows and drilling will be planned.
- Re-sampling of anomalous results and bottom-of-hole geochemical sampling from recent drilling to aid exploration targeting.
- First-pass mapping of exploration tenement E53/2240, prospective for Ni and REE mineralisation.

## Corporate

Cash on hand at the end of the quarter was \$659,000.

## Other Matters

In accordance with the reporting requirements of ASX Listing Rule 5.3 the Company advises as follows:

- It has spent \$276,000 on exploration and evaluation activities during the quarter. There was no mining development or production activities conducted during the quarter.
- Expenditure predominantly related to:
  - Metallurgical test work at the Gold Duke Project
  - Tenement application costs
- Comparison of Actual Expenditure to the Use of Funds Statement in the Prospectus dated 18 May 2021 and for the period since listing on 23 July 2021.

Use of Funds	Note	Use of Funds Statement \$'000's	Actual Expenditure YTD \$'000's	Variance \$'000's
Exploration on the Gold Duke Project		\$4,400	\$4,631	\$(231) <sup>1</sup>
Exploration on Gold Duke Project funded by GWR to be repaid		\$300	\$389	\$(89) <sup>1</sup>
Operating and administration expenses and general working capital		\$1,246	\$650	\$596 <sup>1</sup>
Directors Fees and Salaries		\$523	\$663	(\$140) <sup>3</sup>
Costs of Offer – Fundraising		\$470	\$470	-
Costs of Offer – other		\$60	\$195	(\$135) <sup>2</sup>
<b>Total</b>		<b>\$7,000</b>	<b>\$6,998</b>	<b>\$2</b>

<sup>1</sup> The variance for these amounts is timing related and additional scope for work programs.

<sup>2</sup> The variance for this amount relates to costs of the IPO allocated in operating and administration expenses for the purposes of the Prospectus.

<sup>3</sup> Variation due to additional cost of contractor staff to complete exploration programs.

<sup>4</sup> The Company conducted a capital raise in March 23.

- During the Quarter, the Company made payments to related parties of \$161,000

comprising remuneration paid to Directors and payments to GWR Group Limited for tenement expenditure and admin costs recharge.

This ASX announcement was authorised for release by the Board.

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**Competent Person's Statement**

*The information in this report which relates to Exploration Results is based on information compiled by Dr Warren Thorne, he is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a full-time employee of the company. Dr Thorne who is an option-holder, 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, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Dr Thorne consents to inclusion in the report of the matters based on this information in the form and context in which it appears.*

*Where the Company refers to previous Exploration Results and to the Mineral Resource estimate included in its recently announced Prospectus dated 18 May 2021 and in previous announcements, it notes that the relevant JORC 2012 disclosures are included in the Prospectus and those previous announcements and it confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all information in relation to the Exploration Results and material assumptions and technical parameters underpinning the Mineral Resource estimate within those announcements continues to apply and has not materially changed.*

**Table 2 Tenement Schedule March 2023 Quarter**

Western Gold Resources Limited has an interest in the tenements summarised in Table 2 below through its wholly owned subsidiary Wiluna West Gold Pty Ltd.

**a) Interests in tenements as at 31 March 2023**

The Tenements are located in the Wiluna area of Western Australia. Granted Mining Licences are within their first 21 year term and are held by GWR Group Limited.

Tenement	Status	Holder	Nature of interest	Percentage Held
<b>Expl/Mining Licences</b>				
M53/971-I	Granted	GWR Group Limited 100%	Subject to Deed of Co-operation with GWR <sup>1</sup>	0%
M53/972-I	Granted	GWR Group Limited 100%	" "	0%
M53/1016-I	Granted	GWR Group Limited 100%	" "	0%
M53/1017-I	Granted	GWR Group Limited 100%	" "	0%
M53/1018-I	Granted	GWR Group Limited 100%	" "	0%
M53/1087-I	Granted	GWR Group Limited 100%	" "	0%
M53/1096 I	Granted	GWR Group Limited 100%	" "	0%
E53/2202	Granted	Wiluna West Gold Pty Ltd 100%	Wholly owned subsidiary of WGR	100%
E53/2240	Granted	Wiluna West Gold Pty Ltd 100%	Wholly owned subsidiary of WGR	100%
<b>Miscellaneous Licences</b>				
L53/115, L53/146, L53/147-148, L53/177-179 and L53/190	Granted	GWR Group Limited 100%	" "	0%

<sup>1</sup> Wiluna West Gold Pty Ltd (a wholly owned subsidiary of the Company), has entered into a Deed of Co-operation with GWR Group Limited which provides for the co-ordination of their respective activities within the Wiluna West Iron Project and Gold Duke Project areas. The Company has been granted full, free and exclusive rights to exercise the mineral rights to all minerals other than iron ore in the tenement area.

The Company has assumed all obligations under a Gold Royalty Deed in relation to a royalty on gold recovered from the land the subject of M 53/1016- 1, M 53/1017-1 and M 53/1018-1, payable to George Francis Lee (Lee) and David Jones Roberts (Roberts), the original vendors of these tenements.

**b) Tenements acquired and disposed of during the Quarter**

No tenements were acquired or disposed of during the Quarter

**c) The beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter**

None

- d) **The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the Quarter**

None



## Appendix 5B

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

Name of entity

Western Gold Resources Limited

ABN

54 139 627 446

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(276)	(1,484)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(39)	(252)
	(e) administration and corporate costs	(104)	(280)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST received)	20	64
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(397)</b>	<b>(1,949)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
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	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
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 (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	512
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	(37)	(37)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(37)</b>	<b>475</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,093	2,133
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(397)	(1,949)
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)	(37)	475

## 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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>659</b>	<b>659</b>

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	659	1,093
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>659</b>	<b>1,093</b>

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	161
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>		

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

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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.		
	Not applicable		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(397)
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)	(397)
8.4	Cash and cash equivalents at quarter end (item 4.6)	659
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	659
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.66
	<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?	
	Answer: Yes	
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?	
	Answer: The Company may contemplate a further fundraising based upon ongoing satisfactory exploration results. The Company has been able demonstrate a record of securing funds when required and is confident that it will be to continue to do so.	

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?

Answer:

The Company believes that it is able to continue its current operations and business objectives for the reasons outlined in questions 8.8. 2.

*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.*

## 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.

27 July 2023

Date: .....

The Board

Authorised by: .....  
(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.