ASX RELEASE
31 AUGUST 2023

MTD026 AQUA REGIA TESTWORK CONFIRMS NICKEL SULPHIDE

HIGHLIGHTS

- **Shallow interval of mineralisation from hole MTD026 was sampled for aqua regia testwork**
- **Comparison of nickel assay by four acid (4A) versus aqua regia (AR) digest suggests high percentage of nickel in sulphide form versus silicate nickel**
- **Intersection demonstrates better than 98% similarity in assay results:**

MTD026	**Four Acid**	**130m at 0.305% Ni, 136ppm Co, 122ppm Cu from 116m**
	Aqua Regia	**130m at 0.300% Ni, 132ppm Co, 121ppm Cu from 116m**

- **Shallow intersection of mineralisation was selected from the top 250 vertical metres of the hole - amenable to open pit mining**
- **Similar results previously seen in holes MTD012, MTD022 and MTD023 - showing shallow zone of nickel sulphide mineralisation could extend ~2.3km across Mulga Tank Complex**
- **Potential for Mulga Tank to host very significant volumes of nickel in sulphide form**

Western Mines Group Ltd (WMG or Company) (**ASX:WMG**) is pleased to update shareholders on aqua regia testwork results from the Mulga Tank Ni-Cu-PGE Project. Assay results have been received for the shallow interval of nickel sulphide mineralisation recently observed from hole MTD026. Similar work was previously conducted on hole MTD020 (*ASX, MTD020 Assays Confirm Extensive Working Mineral System, 7 November 2022*) and holes MTD012, MTD022 and MTD023 (EIS1) (*ASX, Aqua Regia Testwork Confirms Nickel Sulphide Association, 6 April 2023*).

A comparison of nickel assay results by four acid versus aqua regia digest was undertaken. Four acid is considered a near total digestion technique that breaks down most silicate and oxide minerals whereas aqua regia is considered a partial digestion technique that does not dissolve silicate minerals but does dissolve soluble sulphide minerals. The results of the comparison testwork suggests a high percentage of nickel in sulphide form versus silicate nickel, with the 130m intersection showing better than 98% similarity in results.

These are very positive results indicating nickel is very likely predominantly associated with sulphide mineralisation. Broad intervals of shallow mineralisation (within the top 250 vertical metres) have now been tested by this method in four drill holes over some 2.3km. Assuming this mineralisation is laterally continuous, these results demonstrate the potential for the Complex to host significant volumes of nickel in sulphide form within a large near surface, open pit scenario for the Mulga Tank Project.

Commenting on the aqua regia results, WMG Managing Director Dr Caedmon Marriott said:

> *"This basic comparison testwork has now been completed on five holes showing significant intersections of disseminated sulphide mineralisation and attempts to further prove the disseminated nickel mineralisation at Mulga Tank is hosted in potentially recoverable sulphide form - these very positive results clearly demonstrate it likely is.*
>
> *We're conscious of exploring by economics and deliberately selected shallow intervals found in the top few hundred vertical metres that could be amenable to a large scale open pit scenario. Shallow intersections from four holes, MTD012, MTD022, MTD023 and MTD026 appear laterally continuous over some 2.3km, though a lot of further drilling is required to confirm this.*
>
> *Even considering just these uppermost intersections, the drilling results to date show the potential for the Mulga Tank Complex to host large volumes of nickel in sulphide form. Further infilling drilling is planned to test the continuity, with a potentially very significant shallow nickel sulphide resource there for us to go after."*

FOUR ACID AND AQUA REGIA DIGEST COMPARISON

Samples from the shallow interval of mineralisation seen in hole MTD026 were submitted for further analysis by aqua regia digest in addition to the previous four acid digest analysis. Similar comparison work was previously undertaken on the broad intersection of mineralisation seen in hole MTD020 (*ASX, MTD020 Assays Confirm Extensive Working Mineral System, 7 November 2022*) and holes MTD012, MTD022 and MTD023 (EIS1) (*ASX, Aqua Regia Testwork Confirms Nickel Sulphide Association, 6 April 2023*).

Four acid digestion uses a combination of nitric, perchloric and hydrofluoric acid with a final dissolution stage using hydrochloric acid. This digestion breaks down most silicate and oxide minerals allowing for the "near-total" analysis of most minerals. In comparison, aqua regia digestion is a partial digestion technique using nitric and hydrochloric acid. Aqua regia is less aggressive and does not dissolve silicate minerals and, as such, silicate associated nickel minerals such as that within olivine should not be dissolved to any significant degree.

A semi-quantitative assessment or comparison can be conducted on the two techniques to indicate the proportion of nickel mineralisation associated with sulphide (and potentially iron), relative to that of nickel in silicate (which is typically unrecoverable during beneficiation processing).

The results of this comparison testwork demonstrate very encouraged results for the interval selected with better than 98% similarity in results - indicating nickel is predominantly associated with sulphide mineralisation.

HOLE MTD026

Ninety-four, mostly 1m and 2m samples, were selected from hole MTD026 covering the interval of significant disseminated nickel mineralisation between 116m to 246m depth downhole (130m at 0.31% Ni, 136ppm Co and 122ppm Cu) as well as less well mineralised samples either side.

The aqua regia assay results for this interval appear to indicate predominant nickel in sulphide with better than 98% similarity in the results (Table 1):

Four Acid	**130m at 0.305% Ni, 136ppm Co, 122ppm Cu from 116m**
Aqua Regia	**130m at 0.300% Ni, 132ppm Co, 121ppm Cu from 116m**

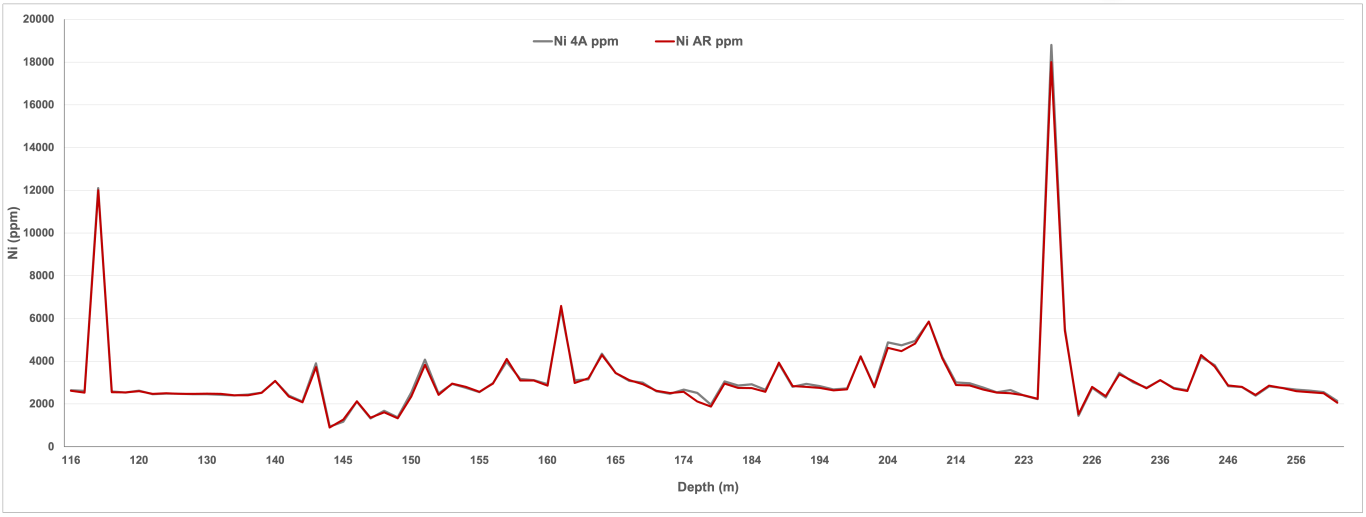

Figure 1: MTD026 Comparison of four acid (4A) versus aqua regia (AR) assay results

PREVIOUS AQUA REGIA TESTWORK

Similar comparison work was previously undertaken on the broad intersections of mineralisation seen in holes MTD012, MTD020, MTD022 and MTD023 (*ASX, MTD020 Assays Confirm Extensive Working Mineral System, 7 November 2022; Aqua Regia Testwork Confirms Nickel Sulphide Association, 6 April 2023*).

The aqua regia assay results for the intervals from all of these holes showed better than 97% similarity in results and indicated predominant nickel in sulphide form (Table 1):

HoleID	From (m)	To (m)	Interval (m)	Four Acid			Aqua Regia					
				Ni (%)	Co (ppm)	Cu (ppm)	Ni (%)	Ni AR/ 4A	Co (ppm)	Co AR/ 4A	Cu (ppm)	Cu AR/ 4A
MTD012	177	227	50	0.32	124	25	0.31	**97.1%**	115	**92.8%**	25	**100.0%**
MTD022	108	192	84	0.32	128	49	0.32	**99.9%**	123	**96.0%**	49	**100.0%**
MTD023	118	196	78	0.28	131	70	0.27	**97.2%**	124	**94.3%**	70	**99.8%**
MTD026	116	246	130	0.31	136	122	0.30	**98.6%**	132	**97.6%**	121	**99.6%**

Table 1: Summary of four acid (4A) versus aqua regia (AR) assay results

DISCUSSION

In the absence of magmatic sulphide processes nickel is incorporated into olivine during crystallisation and essentially trapped within the dunite host rock. Whereas, in “live” sulphur saturated mineral systems the nickel will partition into potentially “recoverable” nickel sulphide form.

This simple comparison testwork attempts to provide a semi-quantitative analysis of the proportion of nickel in sulphide, relative to silicate nickel. Better than 98% similarity in the interval assays by the two digestion techniques was seen in hole MTD026 and better than 97% similarity was previously seen for holes MTD012, MTD020, MTD022 and MTD023 (*ASX, Aqua Regia Testwork Confirms Nickel Sulphide Association, 6 April 2023; MTD020 Assays Confirm Extensive Working Mineral System, 7 November 2022*).

These very positive results suggest nickel is likely predominantly associated with sulphide mineralisation.

From the limited drilling to date similar broad intervals of shallow disseminated mineralisation, within the top 250 vertical metres, have been seen across holes MTD012-MTD022-MTD023-MTD026 approximately 2.3km apart. These uppermost shallow intersections are potentially amenable to a large scale open pit scenario and were deliberately selected for this initial testwork, being mindful of potential economics whilst exploring.

Together these holes begin to hint at the possible lateral extent of this mineralisation but a lot more infill drilling will be required to confirm this. The advantage in targeting this shallow zone is it is could be fairly rapidly drilled out with RC drilling in parallel with the ongoing deeper diamond drilling for massive sulphide targets. The feasibility of this will be tested over the next few months.

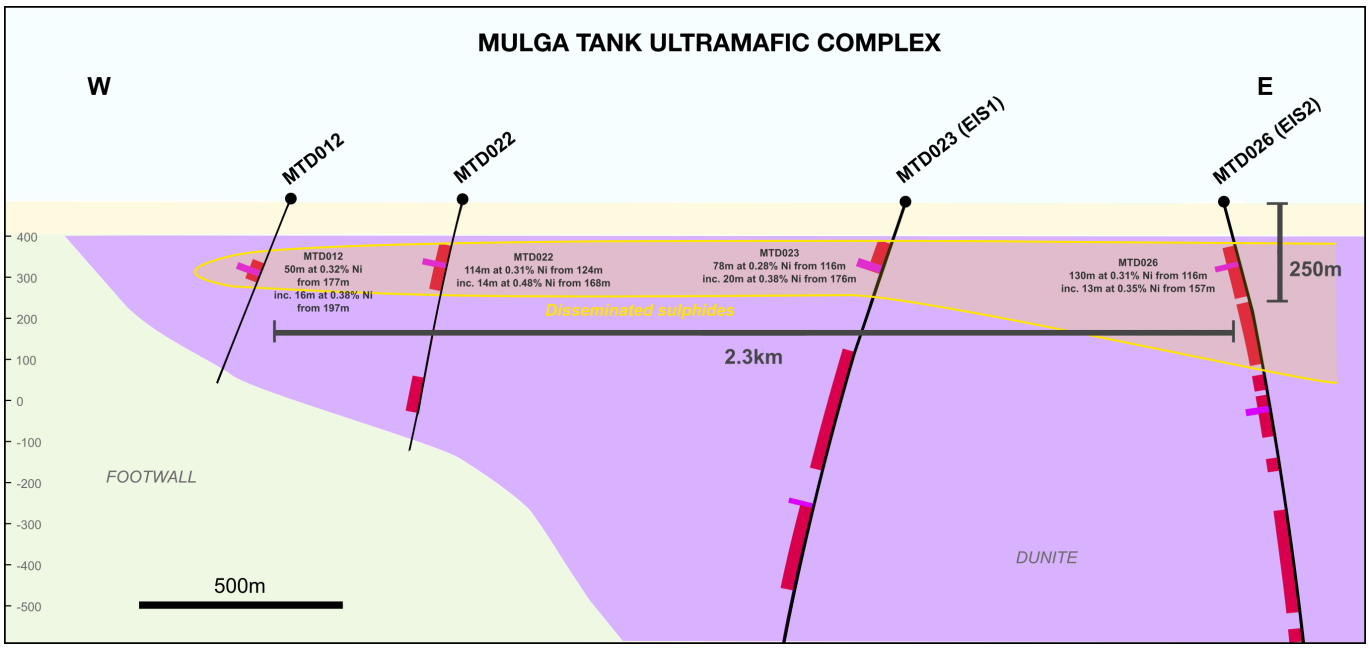

Figure 2: Cross Section through the western side of the Mulga Tank Ultramafic Complex through holes MTD012 to MTD026

These early stage exploration results are starting to show the potential for the Mulga Tank Complex to host very significant volumes of nickel in sulphide form. The Company looks forward to updating shareholders on the continuing progress as this exciting drilling program develops.

For further information please contact:

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This announcement has been authorised for release to the ASX by Dr Caedmon Marriott, Managing Director

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Board

Rex Turkington
Non-Executive Chairman

Dr Caedmon Marriott
Managing Director

Francesco Cannavo
Non-Executive Director

Dr Benjamin Grguric
Technical Director

Capital Structure

Shares: 60.55m
Options: 21.12m
Share Price: $0.475
Market Cap: $28.76m
Cash (30/06/23): $3.27m

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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 ultramafic complex found on the under-explored Minigwal Greenstone Belt. Exploration results show significant evidence for an extensive working nickel sulphide mineral system and is considered highly prospective for Ni-Cu-PGE mineralisation.

The Company's primary gold project is Jasper Hill, where WMG has strategically consolidated a 3km mineralised gold trend with walk-up drill targets. WMG has a diversified portfolio of other projects including Melita (Au, Cu-Pb-Zn), midway between Kookynie and Leonora in the heart of the WA Goldfields; Youanmi (Au), Pavarotti (Ni-Cu-PGE), Rock of Ages (Au), Broken Hill Bore (Au) and Pinyalling (Au, Cu, Li).

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, a Member of the Society of Economic Geologists 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.

MULGA TANK PROJECT

JORC CODE, 2012 EDITION - TABLE 1
SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	• 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 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.	• Diamond core drilling was completed using standard industry best practice • NQ2 diamond core was cut in half or quarters and sampled on either geological or whole metre intervals. Samples will be crushed and pulverised to produce a sub-sample for analysis by either multi-element ICP-AES (ME-ICP61 and ME-ICP41), precious metals fire assay (Au-AA25 or PGM-ICP23) and loss on ignition at 1,000°C (ME-GRA05) • Portable XRF data collected at 50cm sample point spacing downhole, with a 20 second beam time using 3 beams • Model of XRF instrument was Olympus Vanta M Series
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).	• Diamond drilling comprised NQ2 core • The core was orientated using a downhole orientation tool at the end of every run
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.	• Diamond core recoveries were logged and recorded in the database. Overall recoveries were reported at >95% with no core loss issues or significant sample recovery problems • Diamond core was reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths were checked against the depth given on the core blocks and rod counts were routinely carried out by the drillers • Some portions of the core with visible sulphide veining were quartered and removed for thin section and sulphide characterisation work, this biased selection of mineralisation may result in underreporting of grade

Criteria	JORC Code explanation	Commentary
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. • The total length and percentage of the relevant intersections logged.	• Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape and fill material were collected and stored in the database • Logging of diamond core recorded lithology, mineralogy, mineralisation, structural, weathering, colour, and other features of the samples. Core was photographed in both dry and wet form • Drillhole was logged in full, apart from rock roller diamond hole pre-collar intervals
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 sub-sampling 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.	• Core was cut in half and sampled on either geological intervals or 1 or 2 metre lengths for geochemical assay • Some portions of the core with visible sulphide veining were quartered and removed for thin section and sulphide characterisation work • Samples were crushed and pulverised to produce a sub-sample for analysis by either multi-element ICP-AES (ME-ICP61 or ME-ICP41), precious metals fire assay (Au-AA25 or PGM-ICP23) and loss on ignition at 1,000°C (ME-GRA05) • Sample sizes are considered appropriate for the grain size and style of sulphide mineralisation targeted
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.	• Samples analysed by four-acid digest multi-element ICP-AES (ME-ICP61) or precious metals fire assay (Au-AA25 or PGM-ICP23) are considered total or near total techniques • Samples analysed by aqua regia digest multi-element ICP-AES (ME-ICP41) is considered a partial technique of soluble sulphide • Standards representative of the grade of mineralisation anticipated were inserted approximately every 20-25 samples (4-5%) • ALS also follow their own QA/QC procedures using standards and blacks • No issues with the assay data have been observed
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.	• Significant reported assay results were verified by multiple alternative company personnel • Assay data was compiled into a SQL database server

Criteria	JORC Code explanation	Commentary
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.	• Drill holes located using a handheld GPS with accuracy of +/-3m, downhole surveys used continuous gyro readings at 5m intervals • Coordinates are in GDA94 UTM Zone 51
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.	• The drilling completed was reconnaissance in nature designed to test specific geological and geophysical targets for first pass exploration purposes only • No sample compositing
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.	• The drilling was planned to be approximately perpendicular to the interpreted stratigraphy and footwall contact
Sample security	• The measures taken to ensure sample security.	• Samples core was delivered to the laboratory by company personnel
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits or reviews of drilling sampling techniques or data by external parties at this stage of exploration • An internal review of sampling techniques and data will be completed

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 E39/2132, tenement applications E39/2223 and E39/2299 • Held 100% by Western Mines Group Ltd • 1% NSR to original tenement holder • Native Title Claim by Upurli Upurli Nguratja 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.	• Previous exploration over the Mulga Tank project area by various companies dates back to the 1980s • Of these, more detailed exploration was completed by BHP Minerals Pty Ltd (1982–1984), MPI Gold Pty Ltd (1995–1999), North Limited (1999–2000), King Eagle Resources Pty Ltd (2004–2012), and Impact (2013–2018)

Criteria	JORC Code explanation	Commentary
Geology	• Deposit type, geological setting and style of mineralisation.	• The geology of the project area is dominated by the irregular shaped Mulga Tank serpentinised metadunite intrusive body measuring ~5km x 5km, hosted within metasediments, mafic to felsic schists and foliated metagranite of the northwest trending Archean Minigwal Greenstone Belt • Previous drilling intersected disseminated and narrow zones of massive nickel-copper sulphide mineralisation within the dunite intrusion • The intrusion is concealed under variable thicknesses of cover (reported up to 70 m in places) with the interpretation of the bedrock geology based largely on aeromagnetic data and limited drilling

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.
		• A listing of the drill hole information material to the understanding of the exploration results provided in the body of this announcement
		• The use of any data is recommended for indicative purposes only in terms of potential Ni-Cu-PGE mineralisation and for developing exploration targets

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.	• No metal equivalent values have been quoted • Results where stated have been normalised to a volatile free sample based on the LOI at 1,000°C results using the formula M(VF) = M / (100%-LOI%)
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').	• The drillhole was oriented to intersect perpendicular to the mineralisation or stratigraphy • The relationship of the downhole length to the true width is not known
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, photos and tabulations are presented in the body of the announcement

Criteria	JORC Code explanation	Commentary
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.	• Reporting of significant intersections in Table 2 • Reporting of majority of all sample results on charts within the document
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.	• Not applicable
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 planned includes further drill testing of targets identified • Exploration is at an early stage and future drilling areas will depend on interpretation of results