LEADING THE CHARGE IN AUSTRALIAN RARE EARTH CLAYS

22 JANUARY 2024

ASX: WC1

MAJOR PROJECTS

Salazar, WA - Rare Earth Elements
Nevada, USA - Lithium
Hermit Hill, NT - Lithium
Bulla Park, NSW - Copper

DIRECTORS & MANAGEMENT

Rob Klug *Non Exec Chairman*
Matt Szwedzicki *Managing Director*
David Pascoe *Head of Technical & Exploration*
Mark Bolton *Non Exec Director*
Ron Roberts *Non Exec Director*

CAPITAL STRUCTURE

Ordinary Shares	**120.8m**
Options (unlisted)	**32.2m**
Perf Rights	**5.5m**
Market Cap (undiluted)	**$8.8m**
Share Price (19/1/2024)	**$0.073**

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NEVADA LITHIUM PROJECT EXPLORATION UPDATE

Summary

- RC drilling of 8 holes within West Cobar's Nevada Lithium Project was completed and assays have now been received
- Results confirm prospectivity for lithium

West Cobar Metals Limited (ASX:WC1) ("West Cobar", "the Company") has completed its drilling program to test its lithium claystone project near Tonopah in Nevada, USA and assay results have been received.

West Cobar's claims areas have similar geology to known major claystone hosted lithium deposits in the region and preliminary mapping and surface sampling confirmed that its claims areas are prospective.

Zones of lithium anomalous claystone dominant sequences were intersected in RC drill holes BSV04 and BSV05 (from 47m to 62m depth) at Big Smoky Valley.

West Cobar Managing Director, Matt Szwedzicki commented:

"We tested the potential of the Nevada lithium project and we have encountered lithium mineralisation in two of the holes.

While we will assess next steps for the Nevada project, the Company continues to concentrate its efforts on our advanced Salazar REE-TiO_2 project in the Esperance region of Western Australia.

The results of the mineralogical and metallurgical test work together with an updated Exploration Target inclusive of the recently acquired tenements is expected shortly."

Figure 1 – Location of West Cobar's claims and major discovered lithium deposits in Nevada

Nevada Lithium Project

Lithium mineralisation in the region is hosted by claystones within the Siebert Formation. The Nevada Lithium Project's 242 claims lie in the Silver Peak-TLC zone, which hosts the single biggest lithium mine in the US, Albemarle's Silver Peak lithium-in-brines operation, as well as some of the country's largest lithium in claystone resources.

The Nevada Lithium Project consists of the Montezuma Well and Big Smoky Valley claims areas that lie within public land controlled by the Federal Bureau of Land Management (BLM). The claims areas lie in flat arid country allowing year-round access for exploration.

The **Montezuma Well Project** (Figure 2) is located 1100 meters west of American Lithium Corporation's TLC deposit and 2.5km north of American Battery Technology's

recently announced Tonopah Flats discovery. A recent drill hole approximately 1km south of the Montezuma Well tenement area intersected 35m of 463ppm Li from 107m. Mapping indicated that claystones of the lithium mineralised Siebert Formation could be upfaulted and shallower within the Montezuma Well area.

However, the two RC holes drilled by West Cobar intersected 67m and 75m (respectively) of coarse boulder alluvials before being abandoned due to drilling difficulties. The underlying prospective Siebert Formation claystones were not intersected and there remains potential for underlying lithium mineralisation.

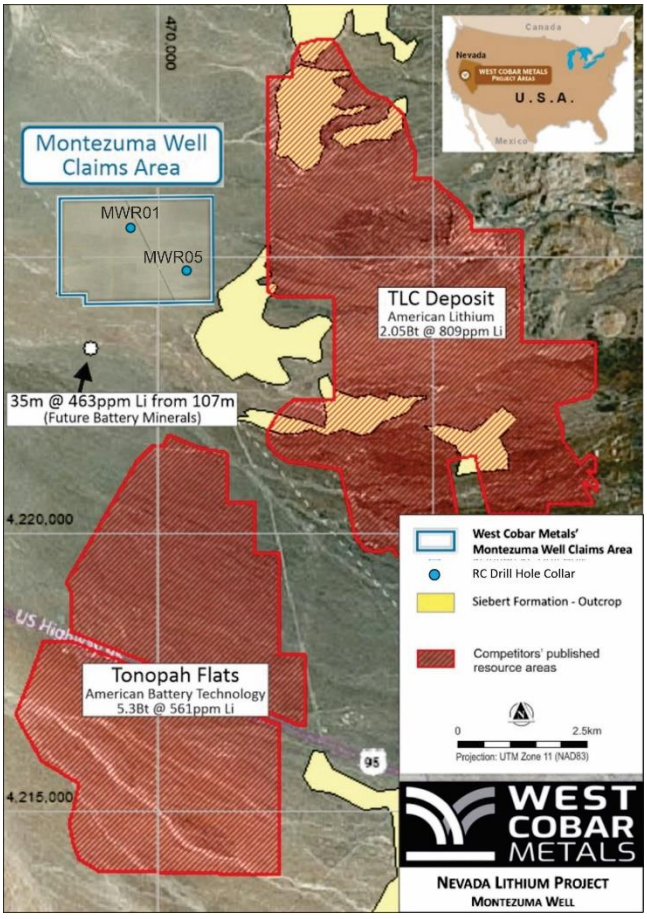

Figure 2 – West Cobar's RC drill collars within Montezuma Well claims area, shown in relation to major lithium in claystone deposits – outlines of published Inferred Resources shown [1,2,3]

The **Big Smoky Valley Project** (Figure 3) is located 30km north-east of Ioneer's Rhyolite Ridge deposit and 20km north of Silver Peak. Geological mapping indicated

[1] Future Battery Metals Ltd, ASX Release, 13 April 2023
[2] https://americanlithiumcorp.com/tlc-lithium-project/#mineralization (February 2023)
[3] American Battery Technology, February 2023, Technical Report Summary for the Tonopah Flats Lithium Project

that thick sequences of the prospective Siebert Formation mudstones and tuffs dip shallowly into West Cobar's tenement area and are covered by thin alluvial and colluvial sediments.

Six RC drill holes were completed to a maximum depth of 148m (Appendix 1). Siebert Formation claystones and volcaniclastics were intersected in all drill holes. Zones with anomalous lithium (up to 140ppm Li over 1m) were obtained in BSV04 and BSV05 (Appendix 1).

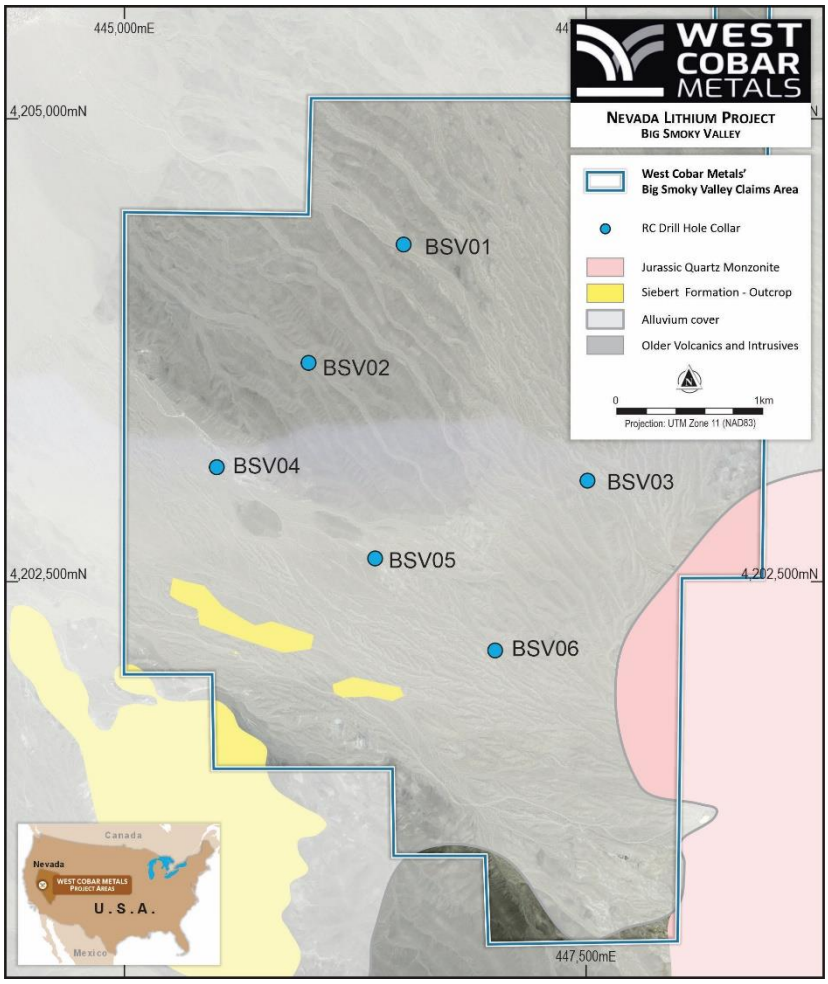

Figure 3 – RC collars in area of Big Smoky Valley claims.

About West Cobar Metals

West Cobar is developing its flagship Salazar Rare Earths and Co-Product Project in Western Australia and is also exploring for lithium in the Northern Territory and copper in NSW.

-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 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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significant uncertainties, many of which are outside the control of West Cobar. Actual results, performance, actions and developments of West Cobar may differ materially from those expressed or implied by the forward-looking statements in this document.

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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 that relates to the exploration information at the Nevada Projects, USA fairly reflects information compiled by Mr David Pascoe, who is Head of Exploration and Technical Services 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.

Appendix 1 – RC Drill Holes

Collars

HOLE ID	Project	Collar Easting	Collar Northing	TD (m)	Top of Siebert Formation
MWR01	Montezuma Well	469500	4225500	67	Not reached
MWR02	Montezuma Well	470500	4224750	75	Not reached
BSV01	Big Smoky Valley	446500	4204325	146	8m
BSV02	Big Smoky Valley	447500	4203050	148	8m
BSV03	Big Smoky Valley	446000	4203675	148	6m
BSV04	Big Smoky Valley	445500	4203125	148	24m
BSV05	Big Smoky Valley	446350	4202625	148	17m
BSV06	Big Smoky Valley	447000	4202125	140	3m

All RC drill holes vertical, UTM zone 11N

Assays

HOLE ID	Project	From (m)	To (m)	Interval (m)	Li ppm
MWR01	Montezuma Well	No significant results			
MWR02	Montezuma Well	No significant results			
BSV01	Big Smoky Valley	No significant results			
BSV02	Big Smoky Valley	No significant results			
BSV03	Big Smoky Valley	No significant results			
BSV04	Big Smoky Valley	136	145	9	85
BSV05	Big Smoky Valley	47	62	15	83
BSV06	Big Smoky Valley	No significant results			

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

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.*	• For the November to December 2023 Phase 1 drill program, samples were taken every drilled meter from a reverse circulation (RC) drill rig. The sample in total was collected in a plastic RC bag. Samples for assay are around 4 to 10kg taken from every 1m RC drill interval. The entire 4kg sample was pulverized in the laboratory and a portion analysed for lithium at ALS (method Li-ICP31), Vancouver. • The sampling was supervised by an experienced geologist. A blank sample, CRM (Certified Reference Material) standard and duplicate sample was inserted in the sampling sequence. The laboratory also inserted QAQC samples, including CRMs (see Quality of assay data and laboratory tests).
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*	• An RC drill rig was employed using industry standard drilling techniques. • Drilling used using RC with 10ft length drill rods.

Criteria	JORC Code explanation	Commentary
	method, etc).	
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.*	• Sample quality and recovery were recorded on log and sample sheets. The sample data was entered into an Excel sample log sheet. • Sample recovery was of a high standard. • Holes were drilled 1km to 1.5km apart • No indications of sampling or analytical bias were obtained
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.*	• Every 1m interval of the material drilled was geologically examined and logged (colour, grain size, clay content and type) and intervals of similar geology grouped and zones of transported and in-situ regolith identified (soil, clay, alluvials). • All one-meter intervals saved in chip trays
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*	• Sample method and analysis type (ALS Li-ICP31) appropriate for RC drill testing and potential lithium mineralisation • RC drill samples mostly clayey with varying quartz grain content and rare chips, collected direct from RC sample return outlet, every 5ft, into plastic RC bags weighing4-10kg. • Dry, damp and wet intervals recorded • Sample type and method were of an appropriate standard for RC drilling

Criteria	JORC Code explanation	Commentary
	material being sampled.	
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 (ie lack of bias) and precision have been established.*	• ICP lithium analysis is appropriate for reconnaissance drilling. • Blanks, standard CRMs and duplicates were inserted in the sample stream.
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.*	• Drill Samples taken were also tested by hand held SciAps Z905 lithium analyser (LIBS) readings (values too variable and uncertain to be presented) but which broadly support the laboratory analyses results.
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 hole collars pegged and picked up with handheld GPS (+/- 3m) sufficient for drill spacing and the style of mineralisation targeted. No downhole surveys conducted as all holes vertical • The grid system corresponds to NAD83, zone 11 • Elevations interpreted from topographic maps. Adequate (+/1m) for the relatively flat terrain drilled.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish*	• Drill spacing was based on expected depth of transported overburden, thickness of prospective Siebert Formation claystone and possible lithium distribution.

Criteria	JORC Code explanation	Commentary
	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.*	● No sample compositing was applied and every meter drilled below transported overburden was assayed. ● Significant sample results are reported in Appendix 1
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.*	● All drill holes were vertical. Given the shallow depth of the drill holes, sub-horizontal layering in the regolith and drill spacing of 1km to 1.5km, any deviation is unlikely to have a material effect on the work completed.
Sample security	● *The measures taken to ensure sample security.*	● Samples were stored in a secured laydown area in Tonopah and then delivered directly to the ALS preparation facility in Elko, Nevada. Samples for ICP analysis were sent by ALS to their laboratory in Vancouver.
Audits or reviews	● *The results of any audits or reviews of sampling techniques and data.*	● None carried out.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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	● Both claims areas lie in the vicinity of Tonopah, Nevada, USA. ● **Montezuma Well Prospect** consists of 59 claims and is located 2km west of American Lithium Corporation's TLC deposit and 4km north of American Battery Technology's recently announced Tonopah Flats discovery. ● **Big Smoky Valley Prospect** consists of 183 claims and is located 30km south-west of the TLC deposit, 30km north-east of Ioneer's Rhyolite Ridge deposit and 20km

Criteria	JORC Code explanation	Commentary
	the area.	north of Silver Peak. • West Cobar's claims areas lie within public lands administered by the Bureau of Land Management (BLM) in relatively flat arid country allowing all-year-round access for exploration.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No previous exploration work has been recorded within the staked claims
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Exploration is targeting claystone hosted lithium deposits within the Siebert Formation
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.*	• Drill hole collar information is listed in the drill hole table included as Appendix 1 in this announcement.
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*	• No aggregation method or metal equivalent used

Criteria	JORC Code explanation	Commentary
	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.*	
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').*	● Due to the sub-horizontal distribution and orientation of the regolith hosted mineralised trend the vertical orientation of drill holes is not believed to bias sampling.
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.*	● See main body of report
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.*	● Significant sample results are reported in Appendix 1
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*	● No other exploration data to report

Criteria	JORC Code explanation	Commentary
	deleterious or contaminating substances.	
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.*	● Further programs of drilling may be required to test the Siebert Formation for economic deposits of claystone hosted lithium mineralisation below the alluvial cover at Montezuma Well.