



*LEADING THE CHARGE
IN AUSTRALIAN RARE
EARTH CLAYS*

22 FEBRUARY 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)	\$5.4m
Share Price (21/2/2024)	\$0.045

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SALAZAR FLOWSHEET

Highlights

- **Conceptual flowsheet with three major product streams is currently being validated:**
 - **Ti (ilmenite concentrate) stream underpinned by a simple physical process**
 - **Direct REE leach stream targeting rare earth carbonate (and potentially Scandium) products**
 - **Clay flotation stream targeting REE concentrate**
- **Flowsheet should enable a lower cost and phased pathway to development**

West Cobar Metals Limited (ASX:WC1) (“West Cobar”, “the Company”) is pleased to provide an update on planned activities at its Salazar rare earth element (REE) and co-products project in Western Australia.

Salazar Rare Earth Element and Co Products Project

West Cobar has completed sufficient baseline technical characterisation work to progress to the next development stage of the Salazar Project, in particular focused on the Newmont deposit.

The Newmont deposit contains a large and advanced indicated and inferred REE resource (which stands at 83Mt at 1117ppm total rare earth oxide¹) as well as a TiO₂ inferred resource (29Mt at 5.0% TiO₂)² and an alumina inferred resource (4Mt at 29.6% Al₂O₃)².

Recent metallurgical works have enabled the company to focus development studies on a project which could potentially have a Ti product stream (ilmenite concentrate), a rare earth element (REE) stream and Scandium as a co product.

Metallurgical works will focus on defining a flowsheet to produce Ti minerals and further develop the REE and Sc potential of the project. West Cobar will continue metallurgical development works whilst an exploration drilling program is planned to commence during Q2 2024.

Additional works will be undertaken to assess the requirements at a site and company level to progress the project.

No forecast is made of whether the Salazar Project will be feasible, whether it can be funded or developed or whether minerals production may occur or to what degree.

Validating the Conceptual Flowsheet

Ongoing activities are focused on validating the conceptual flowsheet (Figure 1) and outlining the pathway to development inclusive of mining, process engineering, utilities, site services and approvals.

As detailed in the flowsheet below, the Ti (ilmenite) concentrate is produced via a simple physical separation process, with the remaining material comprising a cleaner rare earth element (and Scandium) feed. Options for processing the REE include flotation to a concentrate and/or leaching followed by purification into a mixed rare earth carbonate product.

A key advantage of this conceptual flowsheet is the optionality over the development phases and associated capital costs. For example, a relatively low capex phase 1 development might focus on early ilmenite production with rare earth element (and potentially Scandium) processing capacity added subsequently.

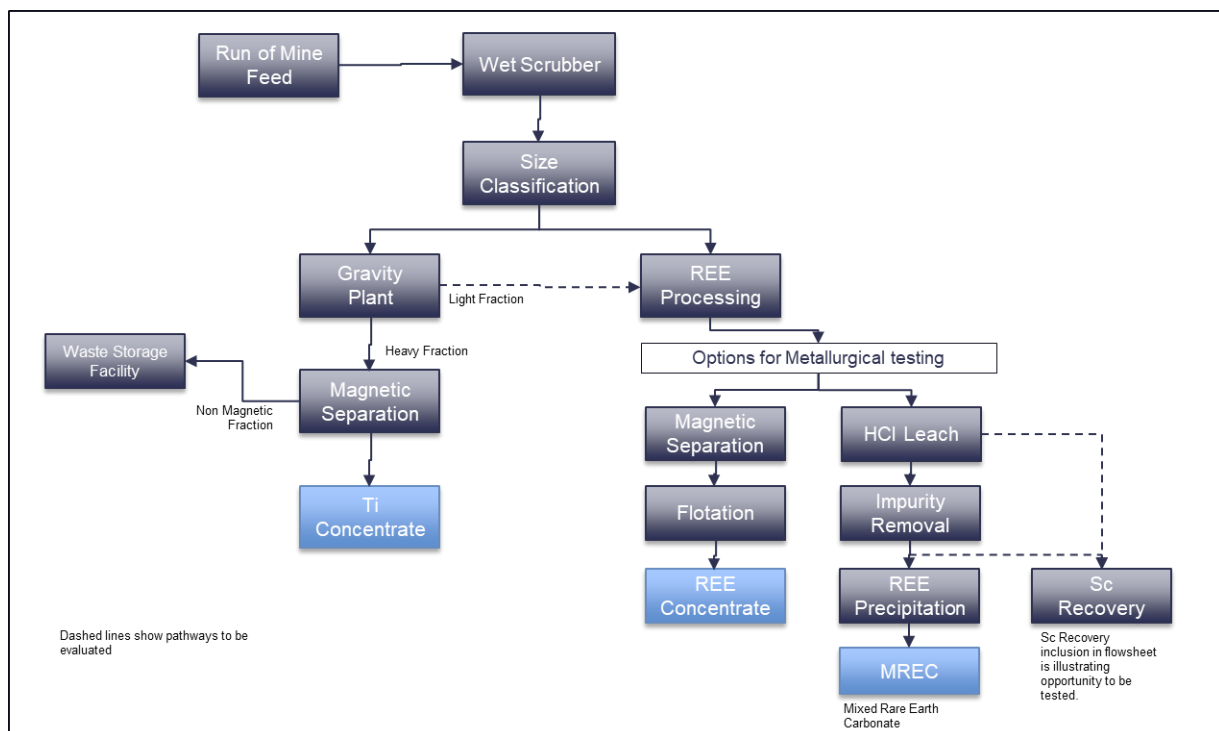


FIGURE 1: CONCEPTUAL PROCESS TESTWORK FLOWSHEET

Detailing logistics and export pathways will feature later in the process as the products and production rates are better defined.

Simple Front-End Process for the Ilmenite Stream

West Cobar has obtained positive initial results from recent works on the metallurgical characterisation of the Newmont Deposit^{3,4}. The metallurgical characterisation shows an ilmenite concentrate can likely be produced from the Newmont resource⁴. Works over the coming months will assess the Ti production potential at a broader scale across Newmont and

seek to refine the process flowsheet and product characteristics eg % Heavy Mineral and Ti mineral content of a concentrate.

Importantly, the ilmenite concentrate was generated by the relatively simple and standard industry process of size classification, heavy liquid separation and then magnetic separation. Further testing will take place to determine the expected commercial value and applications of this ilmenite, taking into account its mineralogy and composition.

A Complementary Rare Earth Element and Scandium Stream

By removing the Ti rich material, the remaining stream is a cleaner feed for the REE stream. Options for this stream include leaching, aiming to create a mixed rare earth carbonate product, with potential extraction of the very high value Scandium also.

With a globally significant REE resource, extensive REE testwork results to date and further programs planned, the Company will be considering the optimal REE process flow.

A Stronger Commercial Proposition

The conceptual flowsheet which the Company is working towards benefits from complementary revenue streams of ilmenite, REE and potentially Scandium.

Evaluation efforts are now focused on determining the potential for a relatively low cost phased development – ie determining the possibility of the ilmenite concentrate as a primary product initially. Further processing capacity added for the substantial REE (and Scandium) feed, is expected to improve the economic attractiveness of the project.

Ongoing Activities

Metallurgical works will focus on defining a flowsheet to produce Ti minerals and further develop the REE and Sc potential of the project. The key objectives of the near-term work program are to:

- Define the project conceptual flowsheets for processing
- Understand the indicative costs and project economics
- Develop a timeline and framework for approvals
- Develop a timeline for development to first product

Samples for testwork will be collected from existing drill reserves, composited and submitted to specialist vendors to work on the main areas of magnetic separation, flotation and leaching of rare earths and scandium.

Works are currently underway to detail the environmental and approvals related activities inclusive of site surveys and the development of an approvals framework and timetable.

The Project team will be focussed on the final stages of planning for exploration drilling, with a key objective of testing the extension of Newmont.

West Cobar Managing Director, Matt Szwedzicki, commented: *“This conceptual flowsheet which we are now validating holds potential for a significant commercial undertaking for the Salazar project.*

Once we validate this flowsheet, our ilmenite concentrate stream may underpin a simple and relatively low cost pathway to developing this major project.

With the potential for three significant revenue streams from three diverse products in high global demand, we are focused on delivering this development strategy.”

References

- 1) WC1 announcement to ASX, 9 August 2023, ‘Salazar Clay-REE Resource Quadruples’.
- 2) WC1 announcement to ASX, 27 September 2023, ‘Significant Co-Product Resources add value to Newmont REE’.
- 3) WC1 announcement to ASX, 24 July 2023, ‘Excellent Rare Earth Metallurgical Recoveries Achieved at Salazar’.
- 4) WC1 announcement to ASX, 6 Feb 2024, ‘Positive Results from Salazar Ti Characterisation’.

-ENDS-

This ASX announcement has been approved by the Board of West Cobar Metals Limited ACN 649 994 669.

Further information:

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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 in this announcement that relates to exploration results was reported by the Company in accordance with ASX Listing Rule 5.7 and the JORC Code (2012 edition) in the Company's ASX announcements dated 24 July 2023, 9 August 2023, 27 September 2023 and 6 Feb 2024. Copies of those announcements are available at www.asx.com.au. The Competent Persons for those exploration results in the announcements David Pascoe and Aaron Debono. The Company confirms that it is not aware of any new information or data that materially affects the exploration results information included in those market announcements. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from those market announcements.

The information contained in this announcement that relates to the exploration information at West Cobar's projects fairly reflects information compiled by Mr David Pascoe, who is Head of Technical and Exploration 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.

The information contained in this announcement that relates to the metallurgical information at the Salazar REE Project WA is based on, and fairly reflects, information compiled by Mr Aaron Debono, who is a consultant metallurgist acting for West Cobar Metals Limited and a Fellow of the Australian Institute of Mining and Metallurgy. Mr Debono 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 Debono consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The statements of estimates of mineral resources in this announcement were reported by the Company in accordance with ASX Listing Rule 5.8 and the JORC Code (2012 edition) in the Company's ASX announcements entitled 'Salazar Clay-REE Resource Quadruples' dated 9 August 2023 and 'Significant Co-Product Resources add value to Newmont REE' dated 27 September 2023 and for which the consents of the Competent Persons Mr Serik Urbisinov and Dr Andrew Scogings were obtained. Copies of those announcements are available at www.asx.com.au. The Company confirms with respect to those mineral resource estimates, that it is not aware of any new information or data that materially affects the information included in the mineral resource estimates provided by the Competent Persons in those announcements and that all material assumptions and technical parameters underpinning the mineral resource estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from those market announcements.