

30 January 2024

December 2023 Quarterly Activities Report

HIGHLIGHTS

Australia

Gold Duke (Au)

- **WGR completed metallurgical test work from historic ore stockpiles located at the Gold Duke project to determine processing pathways¹.**
- **Both Heap Leach and CIL amenability test work was completed, and the results point towards a low capex gold operation without the need to construct a mill, nor share revenue with external parties for toll treatment in a mill¹.**

Sandstone (Au-Li)

- **Exploration licence E53/1339 granted in the Sandstone greenstone belt and is considered highly prospective to host Gold (Au) and Lithium (Li) mineralisation.**

Sweden

- **Western Gold completed the acquisition of the Holmtjarn REE, Loberget Graphite and Rullbo Graphite Projects from Euro Future Metas Pty Ltd (EFM). WGR now owns 100% of EFM².**

Sidensjö

- **WGR has made applications for four (4) Exploration Claims, Risnäs nr 100, Kopparberget nr 100, Hinnsjön nr 100, and Skorpéd nr 100, collectively known as the Sidensjö project, in central Sweden³.**
- **The claims are highly prospective for Lithium-Caesium-Tantalum pegmatite deposits, adjacent or along strike to Ragnar Metals Ltd (ASX:RAG) emerging Orrvik and Bergrom Lithium discoveries³.**

Rullbo

- **Resampling of graphitic schist from historic diamond holes conducted with intervals up to 21.45m @ 4.10% TGC from just 40m⁴.**
- **Graphitic schist intercepts are coincident with areas of low resistivity that strike northwest over an extensive strike length of 7km⁴.**

¹ Refer ASX announcement 30th October 2023

² Refer ASX announcement 22nd November 2023

³ Refer ASX announcement 18th December 2023

⁴ Refer ASX announcement 6th December 2023

Loberget

- **Rock chip sampling identified two new zones of graphitic schist outcrop up with samples up to 15.9% TGC⁴.**
- **Graphitic schist outcrops are also coincident with areas of low resistivity and measure across an impressive NW strike length of 4km⁴.**

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 31st December 2023. The company finalised acquisition of Euro Future Metals (EFM) and progressed exploration at projects within Sweden and Australia.

WGR Managing Director Warren Thorne commented:

“The December quarter has seen WGR finalise the acquisition of EFM and expand our exploration portfolio with the application of the Sidensjö licenses for highly sought-after critical minerals, notably lithium.

Exploration for graphite at the Loberget and Rullbo have demonstrated WGR’s belief that the region, which currently hosts the Woxna Graphite mine, has significant exploration potential. Strong results from outcrop sampling at Loberget and thick intersections from assaying historic drillholes has set up for WGR for an exciting 2024 of ground geophysics and drilling.

WGR’s Gold Duke project has taken a significant step forward towards production with preliminary metallurgical test-work indicating the viability of the ore to heap-leach processing. WGR is now planning a drill program to provide metallurgical and geotechnical parameters to progress the towards feasibility studies:

Australia

Gold Duke Project

Test work was completed by Perth-based BHM Process Consultants to determine the amenability of the orebodies to heap leaching and CIL processing (see ASX announcement 30th October 2023). At the end of 51 days of column leaching 52.9% of the Au has been extracted into the leach liquor and wash. The Au extraction was extrapolated to approximate the Au extraction over a longer period. At 70 days of leaching approximately 71% of the Au should be extracted into the leach liquor.

A typical heap leach cycle rate is 90 days per pad and thus, an 80% gold extraction has been kinetically extrapolated as a likely gold recovery from this material under standard operational heap leach conditions.

Based on the initial positive amenability of the oxide ore to be heap leachable WGR will:

- Work with BHM to create a metallurgical drill program to test effect on recovery on samples from different parts of the orebody. •

- Further column leaching test work may further optimise the results and should consider:
- The effect of different crush sizes (including not crushing the ore at all), and
- The effect of particle size on gold recovery.

Sandstone Gold Project

WGR has granted the exploration tenement E 53/1339 located within the Sandstone greenstone belt (Figure 1). The Sandstone greenstone belt lies in the central-northern part of the Southern Cross Domain of the Youanmi Terrane, within the Yilgarn Craton of Western Australia where gold was first discovered in 1892 with historic production of 1.21Moz.

Based on the litho-structural controls on ore formation determined by Davies et. al., (2019)⁵, E53/1339 has significant potential for undiscovered shear zone-hosted gold deposits. These deposits are likely to be located adjacent to district-scale jogs in major lithospheric-scale structures. WGR's exploration efforts will target lithology-parallel shear zones and corridors of oblique fault arrays adjacent to the lithospheric-scale Edale shear zone crosscuts the tenement (Figure 1).

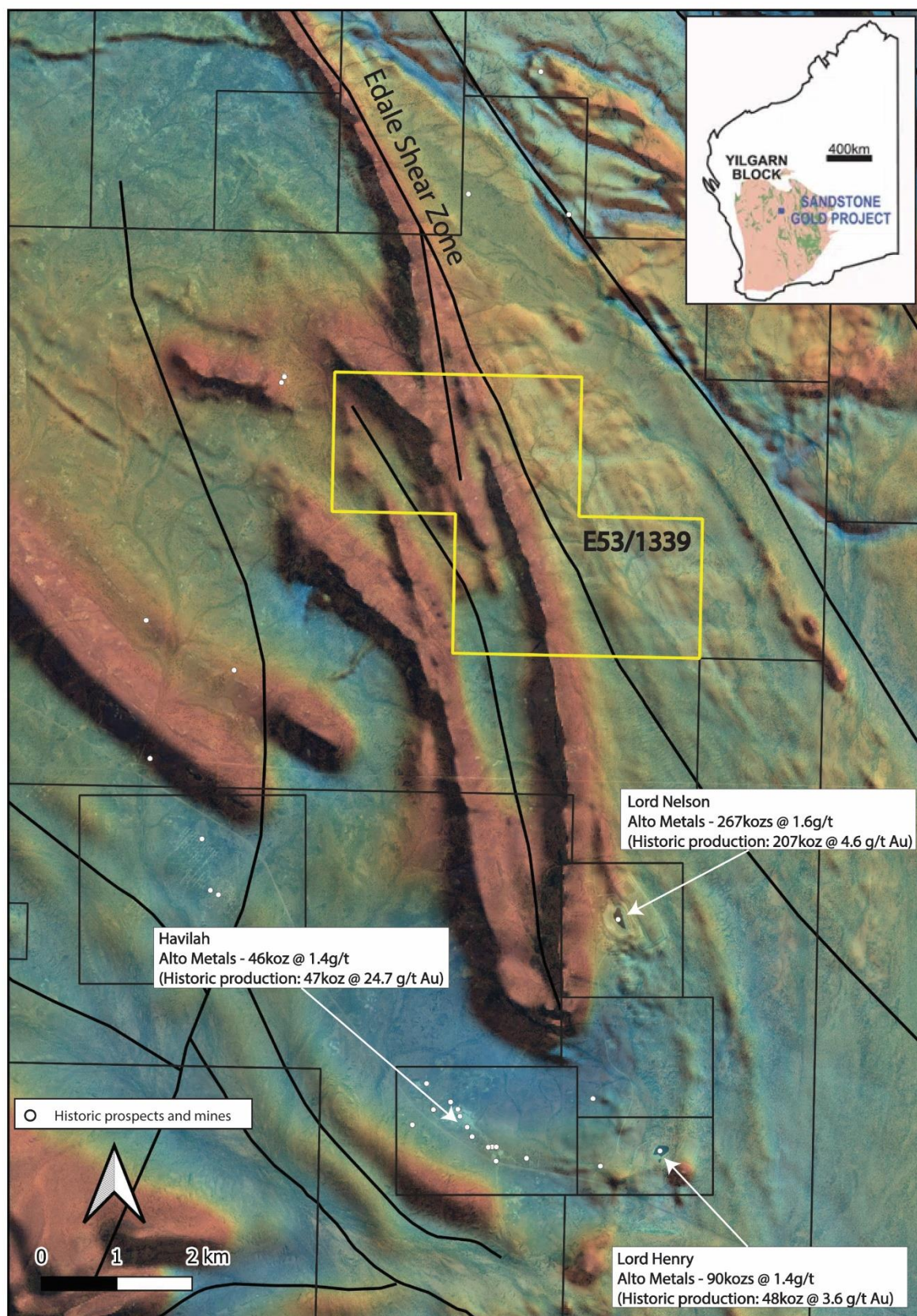
The Sandstone Greenstone Belt is also considered prospective for lithium given that within Western Australia, the rare-earth lithium-caesium-tantalum (LCT) family of pegmatite deposits occur dominantly within the Archean greenstone belts in upper greenschist to amphibolite-facies. The prospectivity of the area is confirmed by Rio Tinto Exploration (RTX), exercising its farm-in option with Everest Metals Corporation Limited (ASX:EML) to the North Rover Project, located to the east of the Edale Shear zone in a similar geological setting.

WGR now intends to carry out detailed mapping and geochemical sampling to determine the geological controls on mineralisation.

Sweden

Loberget Graphite

A previous field program by the company identified graphite mineralisation in outcrop of 10% TGC (See ASX announcement 5th October 2023). A second field program was completed in October to further define outcropping graphite mineralisation.



**Figure 1. E3/1339 shown on TMI displaying proximity to Edale Shear Zone and nearby resources.
Note potential second-order mineralisation structures that crosscut tenure.**

Two samples were taken from pegmatites from a granite quarry and ten samples of outcropping graphitic schist (Figure 2). The samples are by no means representative of the overall grade of the prospects, which is better determined by drilling. Rather, they were taken to provide confirmation of graphite mineralisation and to define mineral associations at each site. Twelve rock chip samples were submitted for multi-element and TGC analysis.

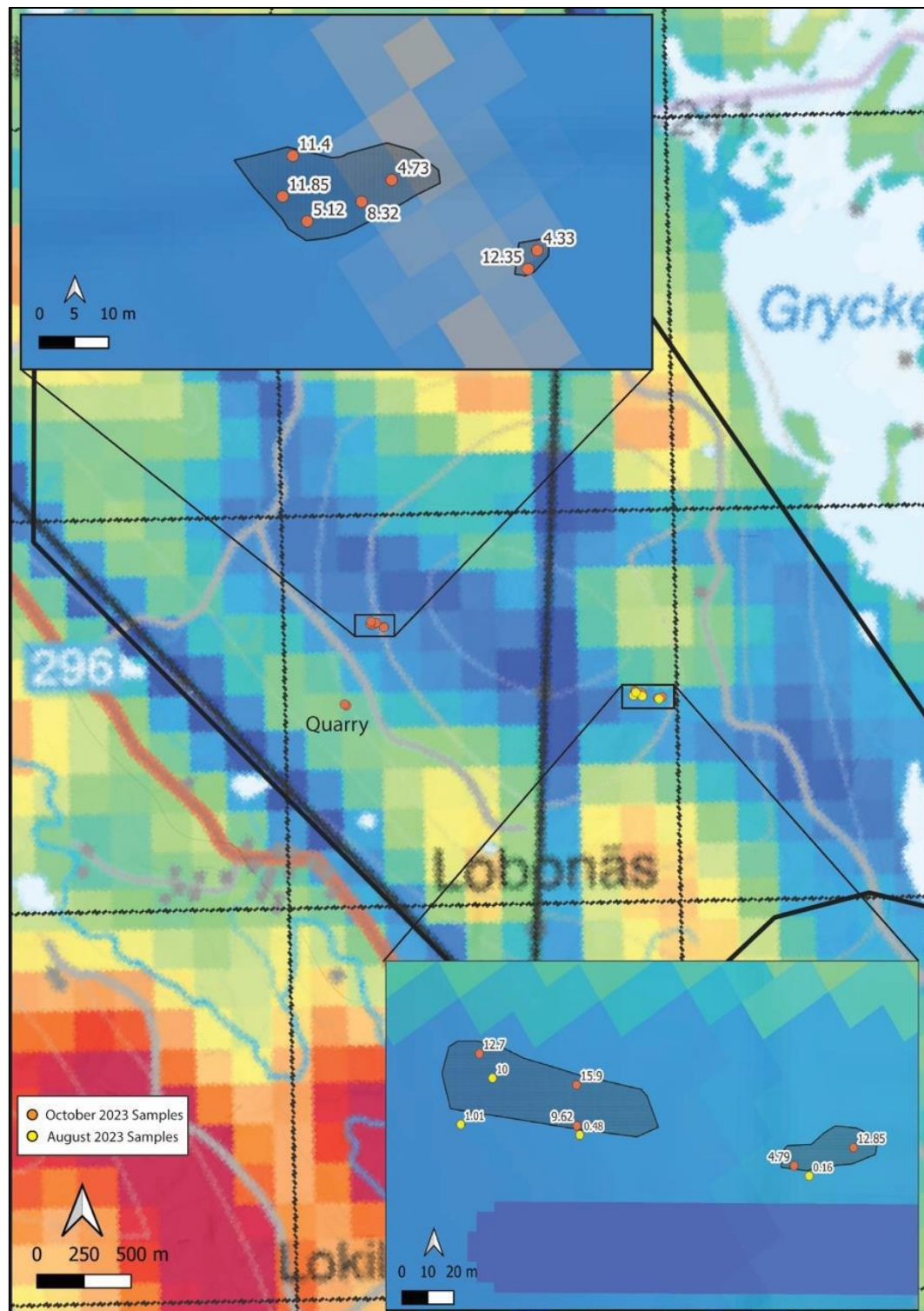


Figure 2. Sample Locations and grade (% TGC) of Loberget rock chip samples on SLINGRAM resistivity (blue – low resistivity – high conductivity)

The two areas of graphitic schist outcrop (Western and Eastern) strike at approximately 290° and dip steeply (70-80°) to the south-west. Mineralization may extend over 1.6 km between the two areas and remains to be tested by further field programs. Additionally, the application Hogabert nr 100 permit has now been approved and that extends exploration by 9.5km along strike from and between the Woxna Graphite Mine and the Mattsmyra graphite resource. Eight diamond holes drilled within the Hogabert permit are held at the National Drill Core housed at SGU's Mineral Resources Information Office in Malå and will be inspected.

Rullbo Graphite

Graphitic shale from three historic drill cores (84009, 84008 and 84004) were submitted to ALS, Malmo for analysis and summarized in Table 2 and displayed in Figure 3. Table 2. Historic drillholes resampled for graphite at Rullbo prospect. The mineralisation in drillhole 84004 coincides with a prospect-width magnetic and conductive zone that trends NE-SW (Figure 3).

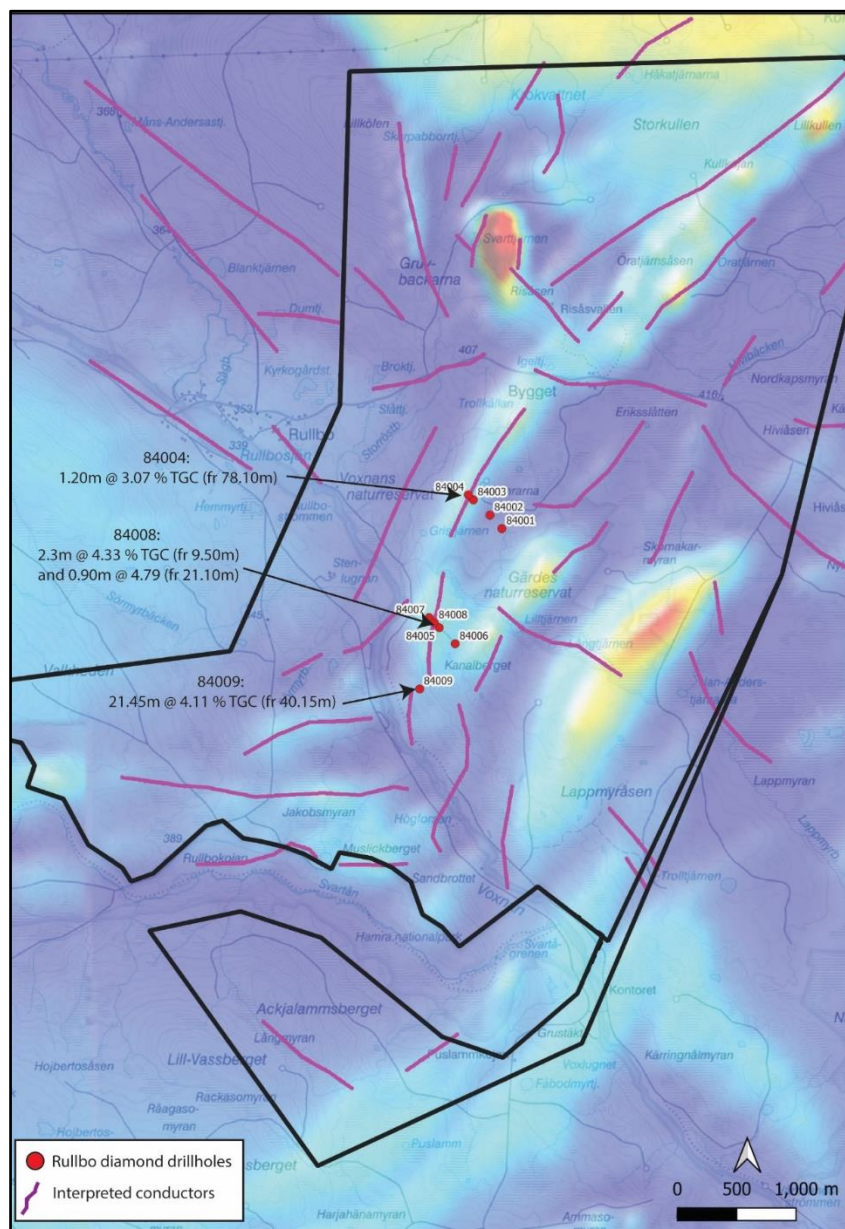


Figure 3. Rullbo drillholes displaying assay results from assayed drillholes on TMI with interpreted conductors shown.

The results support the exploration model that the Rullbo prospect can host significant graphite mineralisation. WGR is currently engaging Geovista to reprocess historic geophysical datasets which will assist WGR in defining targets for further drilling.

Table 1. Historic drillholes resampled for graphite at Rullbo prospect.

Hole_ID	Sample_ID	Northing	Easting	Drill Year	Depth	Dip	Azimuth	From	To	Interval	% TGC
84009	Rullbo	6849763	1452435	1984	96.2	55	343	40.15	61.6	21.45	4.11
84008	Rullbo	6850320	1452565	1984	70.2	55	364	9.5	11.8	2.3	4.33
84008					and	55		21.1	22	0.9	4.79
84004	Rullbo	6851389	1452867	1984	95.3	55	384	78.1	79.3	1.2	3.07

With the significant progress made in the Swedish Autumn, WGR will look to conduct further work in 2024 including analysing remaining diamond core from Rullbo held at the SGU Malmo core shed.

Sidensjö Critical Minerals

The Project is geologically located in the county of Västernorrland, within 100-200 km from the city of Sundsvall (which is 340 km north of Stockholm). The rocks of the Harno formation consist mainly of metagreywackes (1.9-2.2 Ma old) of varying metamorphic grade. Intercalations of amphibolitic metabasalts occur, where the pillow lava structure can be seen occasionally. The metagreywackes are intruded by synorogenic (1,800 Ma) Harno granite which forms massive and sheet-like intrusions with abundant pegmatite. Muscovite-, biotite- and two-mica granites are known. Rare-element pegmatites are commonly associated with the Harno granite intrusions enclosed by low-grade metamorphic graywacke of the Harno formation³.

The Swedish mining company Luossavaara-Kiirunavaara Aktiebolag (LKAB) Prospecting completed exploration programs in the early 1980's across the Västernorrland region including mapping, boulder sampling and moraine sampling. Based on this work, LKAB identify numerous Li, Sn, W, Nb, Ta, and Cu anomalies across the Sidensjö project (Figure 5). Outcropping pegmatites were also mapped² within the Hinnsjön area coincident with Li boulder and bedrock geochemical targets. The Sidensjö project is in an area that is interpreted to represent the western extent of the same geological terrain that contains the largest lithium deposits in Scandinavia: the Kaustinen Lithium province in Finland.

On approval of the permits, anticipated to be in Q1 2024, WGR aims to start exploration in the Swedish spring including systematic geochemical sampling of known mineral occurrences and geochemical targets within the project area in conjunction with geological mapping.

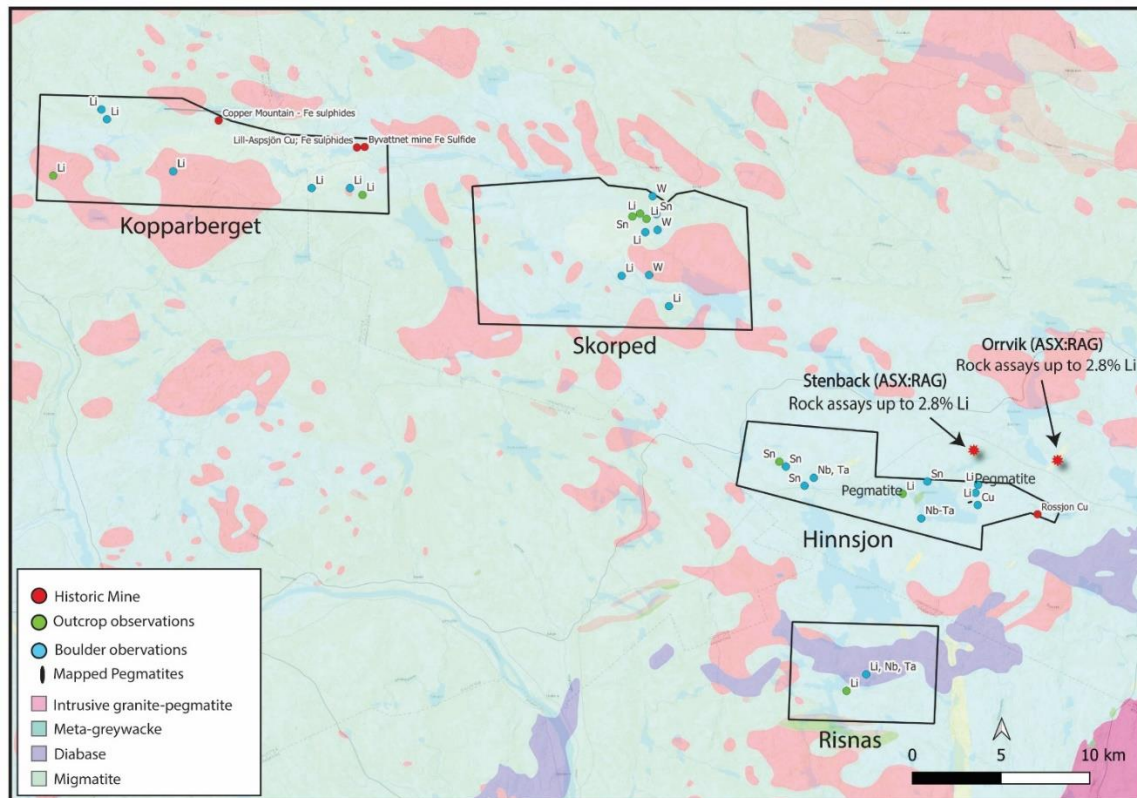


Figure 4. The four permits of the Sidensjö project showing identified outcrop and boulder observations and mapped pegmatites. Note spatial association of intrusive granites and geochemical anomalies.

Planned Activities for the March and June 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:

Sweden

- Follow-up mapping and geochemical sampling program over Sidensjö permits.
- Sampling of Hogabert and remaining Rullbo diamond drill cores held at SGU Malmo.
- Reprocessing of existing geophysical surveys underway to aid in further target generation within Rullbo project.
- Petrological work to investigate mineralisation style and metal speciation at Juttegruvan.

Australia

- Metallurgical and geotechnical diamond drilling program at Gold duke
- Rehabilitation of 2023 drilling programs.
- Field mapping and surface geochemistry at Sandstone project

References

⁵Rhys S. Davies, David I. Groves, Jonathan G. Standing, Allan Trench, Michael Dentith & John P. Sykes (2019): Litho-structural controls on orogenic gold deposits within the Sandstone greenstone belt, Yilgarn Craton, Western Australia: implications for exploration targeting, Applied Earth Science

Corporate

Cash on hand at the end of the quarter was \$614,000. Following shareholder approval on 9 October 2023, WGR issued 17,000,000 Performance Rights to Directors on 23 October 2023.

On 9 October 2023, the shareholders approved the issue of 17,250,000 Consideration Shares to acquire Euro Future Metals Pty Ltd, which holds exploration permit application over three high grade prospects in Sweden. The acquisition of Euro Future Metals Pty Ltd was completed on 22 November 2023.

Other Matters

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

- It has spent \$493,000 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
 - Mapping and geochemical sampling program
 - Reprocessing of existing geophysical surveys underway to aid in further target generation within Rullbo project.
 - Petrological work to investigate mineralisation style and metal speciation at Juttegruvan

Cash Flows	Actual Expenditure In Q2 \$'000's
Exploration expenses ¹	(\$493)
Acquisition of Euro Future Metals	(\$75)
Operating and administration expenses	(\$123)
Directors' fees and staff costs	(\$62)
Placement (net of costs) ²	\$1,075

¹ Include exploration costs on the Gold Duke Project and the projects in Sweden.

² The Company completed the Tranche 2 Placement and director participation on 23 October 2023.

- During the Quarter, the Company made payments to related parties of \$115,000 comprising remuneration paid to Directors.

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 December 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 December 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
Expl/Mining Licences				
M53/971-I	Granted	GWR Group Limited 100%	Subject to Deed of Co-operation with GWR ¹	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%
E53/1339	Granted	Wiluna West Gold Pty Ltd 100%	Wholly owned subsidiary of WGR	100%
Miscellaneous Licences				
L53/115, L53/146, L53/147-148, L53/177-179 and L53/190	Granted	GWR Group Limited 100%	“ “	0%

¹ 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

E53/1339 was acquired 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")

31 December 2023

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	-	-
1.2	Payments for		
	(a) exploration & evaluation	(493)	(565)
	(b) development	-	-
	(c) production	-	-
	(d) directors and staff costs	(62)	(225)
	(e) administration and corporate costs	(123)	(350)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	7
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)	-	51
1.9	Net cash from / (used in) operating activities	(673)	(1,082)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(75)	(75)
	(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 (provide details if material)	-	-
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)	1,171	1,538
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	(96)	(99)
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)	-	-
3.10	Net cash from / (used in) financing activities	1,075	1,439

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	614	659
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(673)	(1,082)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(75)	(75)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,075	1,439

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	941	941

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	941	614
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)	941	614

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	115
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.		
	Not applicable		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(673)
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)	(673)
8.4	Cash and cash equivalents at quarter end (item 4.6)	941
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	941
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.40
	<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?	
	<p>Answer:</p> <p>Yes, given the Company is an exploration company and not generating any revenue (other than interest income) it is expected that it will continue to have negative operating cash flows for the time being. The Company expects reduced operating expenditure during the March 2024 quarter.</p>	

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 has been able demonstrate a record of securing funds when required (refer to recent ASX announcement dated refer ASX announcements dated 21 August 2023 and 7 September 2023) and is confident that it will be to continue to do so upon ongoing satisfactory exploration results.

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 8.8.1 and 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.

30 Jan 2024

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.