

26 July 2024

Quarterly Activities Report

For the period ending

30 June 2024

Highlights

Copper Exploration

- Copper targets developed at Bulla Park, NSW (best result to date 33m of 0.45%Cu, 0.15%Sb in 19CA002)¹ with geophysical data processing and interpretation by leading consultancy Resource Potentials Pty Ltd – to be drilled in Q3 2024.²
- Project Generation studies defined **high priority Iron Oxide Copper-Gold (IOCG)** targets in WC1 granted tenements of the Salazar Project.³
- Complex magnetic and gravity anomalies defined under thin cover have not been tested despite, in many cases being associated with Electro-Magnetic (EM) targets.
- Field work is planned at four targets during Q3 to commence to rank these targets for drill testing.
- A 1.5% NSR was agreed on for Ni, Cu and Au production to extinguish retained mineral rights on certain tenements purchased from Dundas Minerals Ltd.⁴

Salazar Critical Minerals Project (WA)

- Aircore drill program intended to extend the Newmont Resource REE, Ti and Sc resources completed with 63 holes for 2217m.⁵
- Subsequent to the Quarter, results were received and are being processed and modelled.⁶
- A Resource update of the Newmont deposit will be estimated during Q3.
- A Maiden **Scandium Mineral Resource** estimate was completed at the Newmont deposit of **12 Mt of 103 ppm Sc** Inferred Mineral Resource (JORC 2012).⁷
- Preliminary metallurgical testwork reports high scandium leach recovery up to 81.2% at atmospheric pressure.⁶
- Scandium may add significant value to rare earths, titanium dioxide and alumina co-products at Newmont.

¹ Refer to the Company's Prospectus dated 6 August 2021, as announced to the ASX on 29 September 2021

² WC1 announcement to ASX, 27 June 2024, 'New Copper drilling targets at Bulla Park'.

³ WC1 announcement to ASX, 29 May 2024, 'New Copper Gold and Carbonatite targets at Salazar'.

⁴ Dundas Minerals Ltd announcement to ASX, 29 May 2024, '1.5% NSR on Ni/Cu/Au production from WC1 sale tenements'.

⁵ WC1 announcement to ASX, 5 June 2024, 'Drilling completed at Salazar'.

⁶ WC1 announcement to ASX, 8 July 2024, 'Outstanding drill results at Salazar'.

⁷ WC1 announcement to ASX, 29 April 2024, 'Maiden scandium resource declared at Salazar'.

Summary

West Cobar Metals Limited (ASX:WC1) (“West Cobar” or “the Company”) is pleased to provide an update on progress made during the Quarter ended 30 June 2024 on copper exploration and at the company’s flagship Salazar Critical Minerals Project in Western Australia.

Having established major resources of REE’s, TiO₂, scandium and alumina within the Salazar Critical Minerals Project, the Company is now renewing its focus on copper exploration.

Upcoming drilling is targeting higher grade copper mineralisation at Bulla Park, NSW and targets for IOCG deposits are being developed in the Albany Fraser belt adjacent and included in the tenements of the Salazar Critical Minerals Project.

Within the Salazar Critical Minerals Project, West Cobar continues to advance the Newmont REE-TiO₂-Scandium-Alumina deposit by developing feasible extraction process flowsheets for the key commodities. Aircore drill program intended to extend the Newmont REE, Ti and Sc Inferred Mineral Resources was completed with 63 holes for 2717m.⁴ Results have been received and are being processed and modelled.⁵ A Mineral Resource update will be estimated during Q3.

Copper Exploration

Bulla Park Copper Project, NSW

Following the drilling of diamond hole BDD08 during Q4 2023, which intersected 146m of 0.16% Cu, 0.03% Sb and 3g/t Ag from 136m the drill data and geophysical data was subject to an independent review by leading consultancy Resource Potentials Pty Ltd with a view to identifying possible higher grade areas to be targeted by further drilling for copper (Cu) and strategic metal antimony (Sb).⁸

Previous drill intersections¹ include 135m of 0.24% Cu (including 33m of 0.45% Cu and 0.13% Sb) in 19CA002 which indicate a major mineral system. Copper grades and intercept thicknesses are consistently improving at the edges of gravity and magnetic high anomaly zones which are linked to an interpreted fault feeder zone.

A diamond drill hole is designed to intersect this feeder fault zone. A second drill hole is planned to test a discrete magnetic anomaly high 5km north of the Bulla Park prospect, at the Caliper Prospect.

⁸ WC1 announcement to ASX, 25 October 2023, ‘Drilling successfully completed at Bulla Park’.

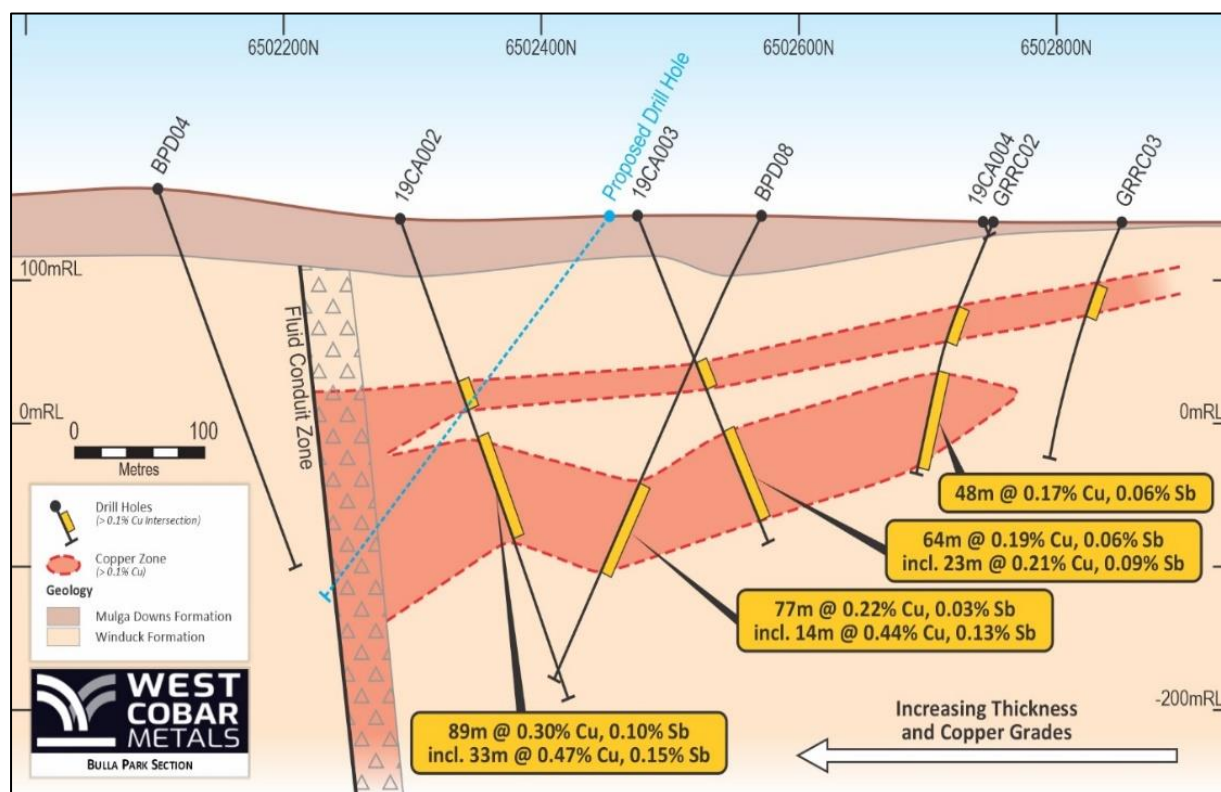


Figure 1: Bulla Park, north-south cross section showing newly interpreted fault zone target and planned diamond drillhole BD09 as a dashed blue line. ^{1,9, 10}

⁹ WC1 announcement to ASX, 17 December 2021, 'Drill Program – Bulla Park Final Assays'.

¹⁰ WC1 announcement to ASX, 15 December 2023, 'Thick Zone of Mineralisation intersected at Bulla Park'.

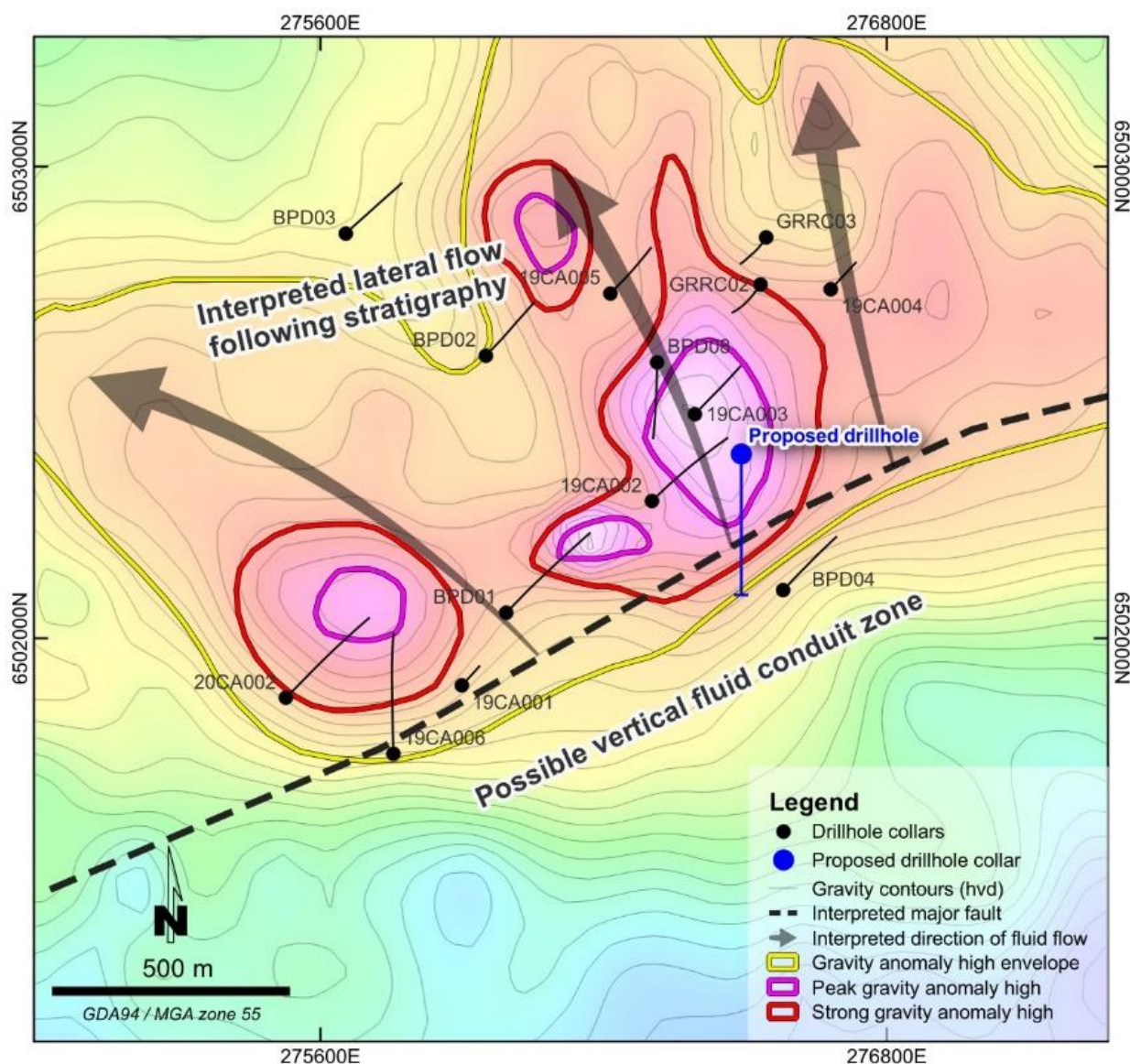


Figure 2: Bulla Park, drillhole collars and holes traces projected to surface, highlighting the location of planned diamond drill hole BD09 over gravity image. The gravity anomaly high pattern largely reflects the extent of siderite and barite veining and alteration, and an interpreted northeast-trending feeder structure forms a sharp edge to the gravity anomaly zone.

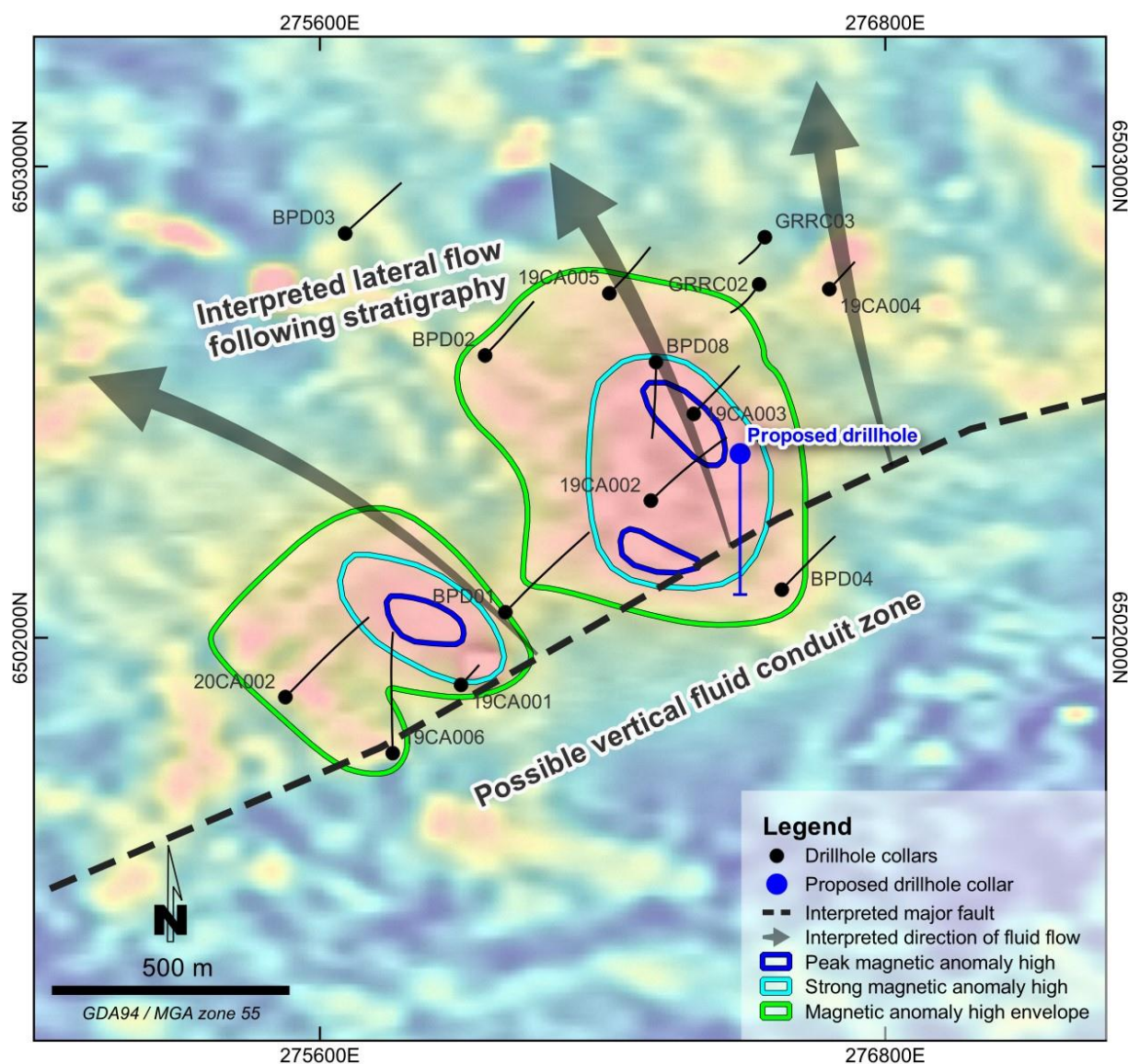


Figure 3: Bulla Park geophysical linework interpretation on aeromagnetic anomaly image showing planned drilling across the fault zone target (reprocessed by Resource Potentials from low level aeromagnetics flown for West Cobar Metals in March 2023)²

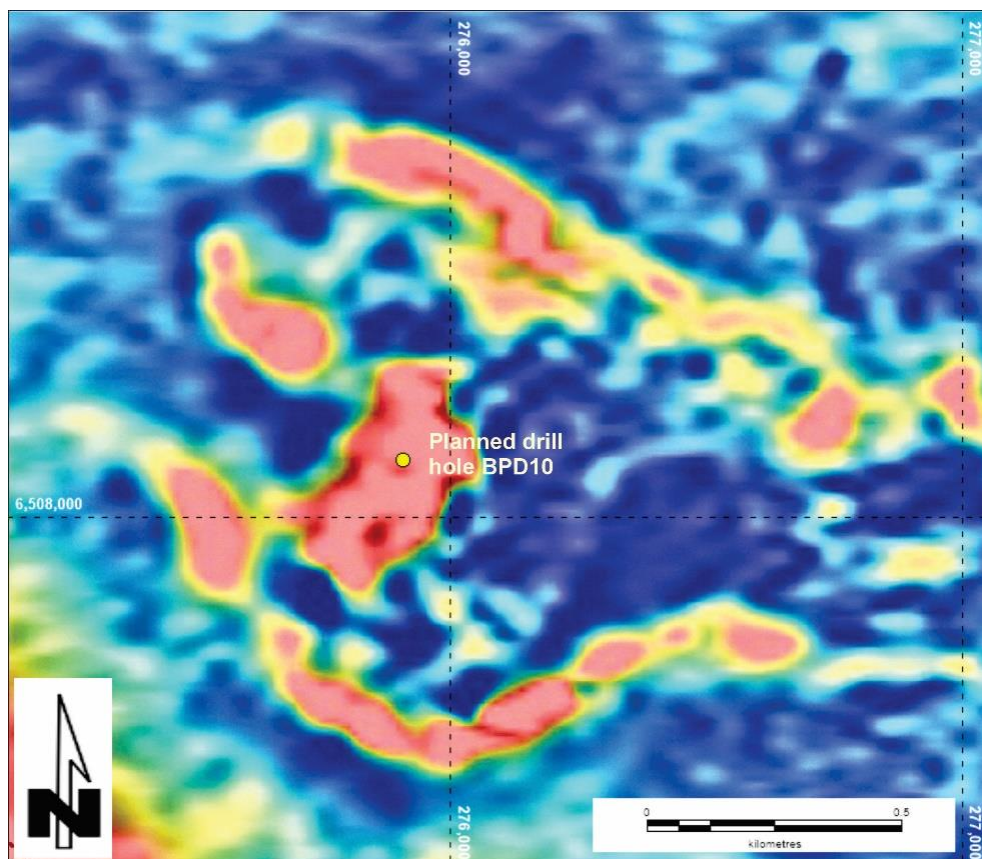


Figure 4: Caliper Prospect, planned RC drillhole collar and detailed aeromagnetic anomaly image

IOCG Targets, Fraser Range, WA

Project Generation studies have defined high priority Iron Oxide Copper-Gold (IOCG) targets in WC1 granted tenements in the Fraser Range in Western Australia. Complex magnetic and gravity anomalies defined under thin cover have not been tested despite, in many cases being associated with Electro-Magnetic (EM) targets (see Figure 5). Field work is planned at four targets during Q3 to commence to rank these targets for potential drill testing.

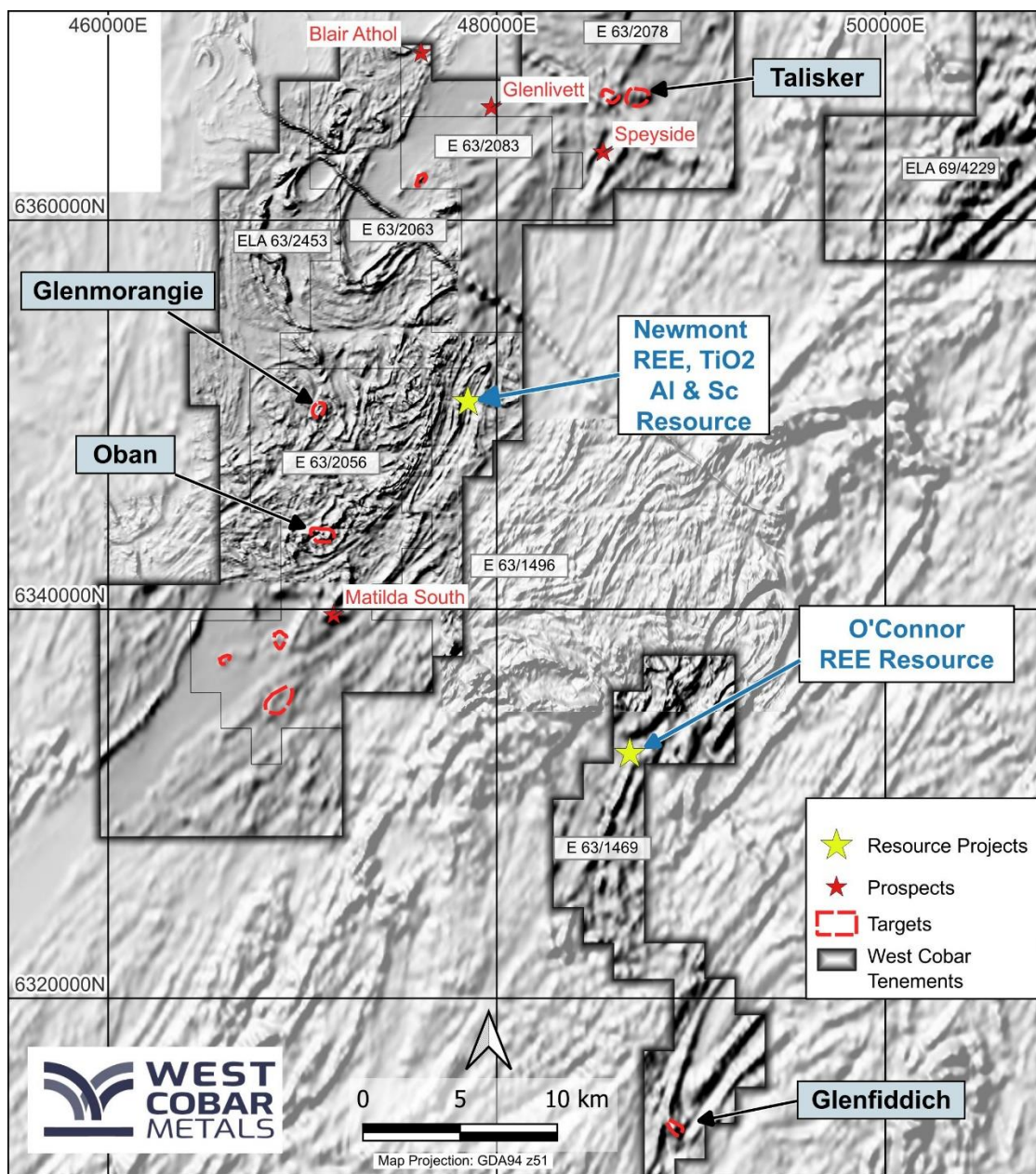


Figure 5: Tenement areas, prospects and copper IOCG targets over regional aeromagnetic image

NSR Agreement

In May 2024 it was agreed with Dundas Minerals Ltd that exploration rights over three of the exploration licences (E63/2063, E63/2078 and E63/2083) purchased from Dundas, where two-year exploration rights were retained, for nickel, copper and gold exploration, will be converted to a 1.5% net smelter royalty (NSR) for these elements.³

Salazar Critical Minerals Project

The Salazar Project (including both the Newmont and O'Connor deposits) is situated in the Esperance district, approximately 120km north-east of Esperance, WA.

Scandium

A Maiden Scandium Mineral Resource estimate was completed at the Newmont deposit resulting in 12 Mt of 103 ppm Sc Inferred Mineral Resource (JORC 2012).⁶ Preliminary metallurgical testwork reports high scandium leach recovery up to 81.2% at atmospheric pressure.⁶ Scandium may add significant value to rare earths, titanium dioxide and alumina co-products at Newmont. The conceptual flowsheet which the Company is developing benefits from complementary revenue streams of ilmenite, REE and scandium.¹¹

Air core drilling program

A program of 63 air core (AC) holes totaling 2217 meters was completed. It was designed to extend and increase existing REE, TiO₂ and Sc Inferred Mineral Resources at the Newmont deposit, and SSW along the Newmont – Matilda South zone.

Assay results for this program were received during July.⁵ Results are being processed and modelled ahead of revised estimated mineral resources to be completed during Q3.

¹¹ WC1 announcement to ASX, 22 February 2024, 'Salazar flowsheet'.

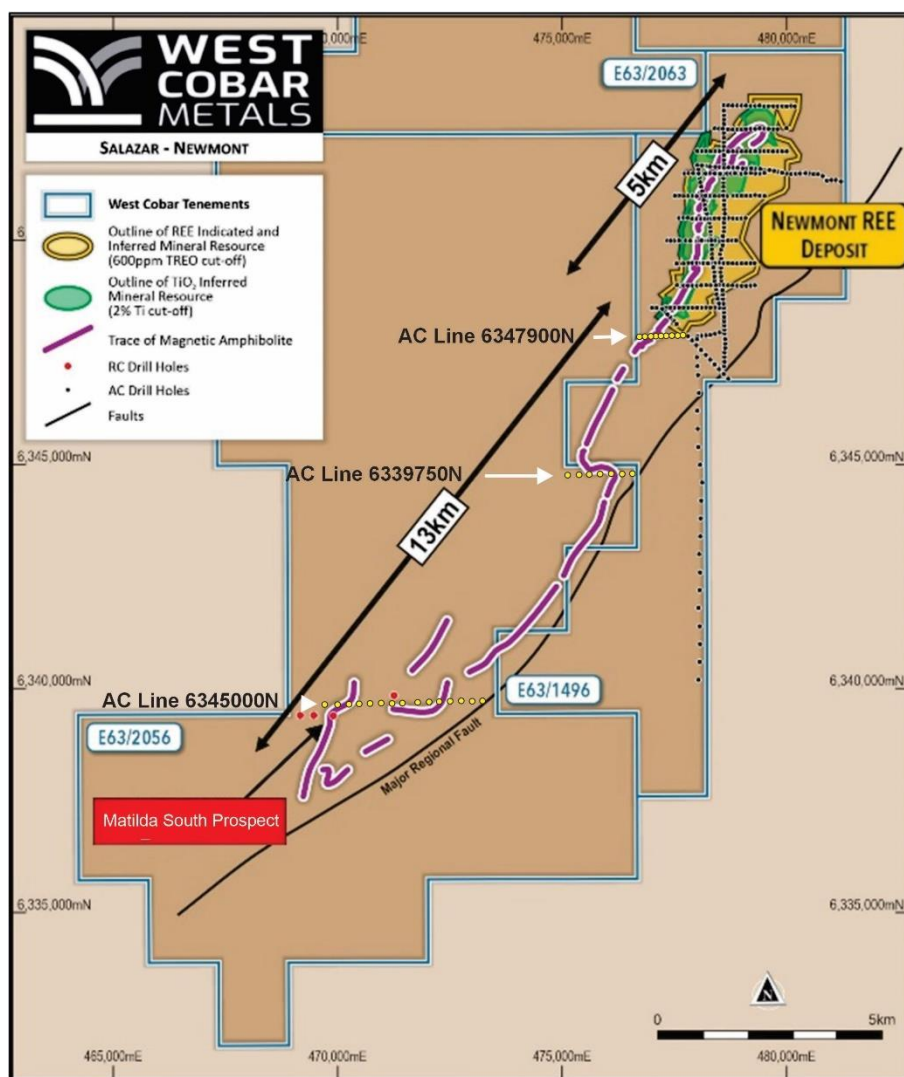


Figure 6: AC drilling, Newmont – Matilda South. Recent 2024 air core program – yellow collar positions

Other Projects

Cawkers Well Project, NSW (ELs 9197 and 9278)

No work was completed during the Quarter.

Nantilla Project, NSW (EL 9179)

No work was completed during the Quarter.

Hermit Hill, NT

No work was completed during the Quarter.

Nevada Lithium Project (USA)

West Cobar continues to assess prospectivity at its Nevada project to determine next steps.

Porphyry North Project, WA

No work was completed during the Quarter.

Corporate

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company's consolidated cash at hand was \$0.3M as at 30 June 2024 with no debt.

On 27 June 2024 the Company announced a capital raising consisting of a placement to institutional investors to raise approx. \$966k and an options entitlement offer to raise up to \$381k. Binding commitments were received for the share placement.

Subject to Shareholder approval at a General Meeting to be held on 14 August 2024 participants in the placement will also receive 1 free attaching Option for every 2 shares subscribed.

The pro rata entitlement offer will be made to existing eligible shareholders at an issue price of \$0.01 per new option, all options issued under the capital raising will have an exercise price of \$0.06 and will expire on 30 June 2028. For further details on the capital raise please refer to the ASX announcement made on 27 June 2024.

The total amount paid to related parties of the Company and their associates, as per item 6.1 of the Appendix 5B was \$90k for director and consulting fees.

The total amount paid to related parties of the Company and their associates, as per item 6.2 of the Appendix 5B, was \$7k for consulting fees.

-ENDS-

This ASX announcement has been approved by the Board of West Cobar Metals Limited.

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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 the 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.

Statements contained in this document, including but not limited to those regarding the possible or assumed future costs, performance, dividends, returns, revenue, exchange rates, potential growth of West Cobar, industry growth or other projections and any estimated company earnings are or may be forward looking statements. Forward-looking statements can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. These statements relate to future events and expectations and as such involve known and unknown risks and 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.

Such forward-looking statements speak only as of the date of this document. There can be no assurance that actual outcomes will not differ materially from these statements. To the maximum extent permitted by law, West Cobar and any of its affiliates and their directors, officers, employees, agents, associates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and
- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

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 is an accurate representation of the available data and studies for West Cobar's projects.

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 Exploration and Technical Services at West Cobar Metals Limited and a Member of the Australian Institute of Geoscientists. Mr Pascoe has sufficient experience which is relevant to the styles of mineralisation and types 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 Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Resources provided by the Competent Persons in the announcements to the ASX of 9 August 2023 and 27 September 2023 and that all material assumptions and technical parameters underpinning the Ore Resources, continue to apply and have not materially changed.

Appendix 1 – Tenement Information

Project	State/ Country	Tenement	Tenure type	Change in Interest	WC1 Current Interest
Bulla Park	NSW	EL 8642	Exploration Licence	-	100%
		EL 9195	Exploration Licence	-	100%
		EL 9260	Exploration Licence	-	100%
		EL 9281	Exploration Licence	-	100%
Cawkers Well	NSW	EL 9197	Exploration Licence	-	100%
Nantilla	NSW	EL 9179	Exploration Licence	-	100%
Newmont	WA	E63/1469	Exploration Licence	-	100%
O'Connor	WA	E63/1496	Exploration Licence	-	100%
Lanthanos	WA	E69/3982	Exploration Licence	-	100%
Newmont West	WA	E63/2056	Exploration Licence	-	100%
Newmont West	WA	E63/2083	Exploration Licence	-	100%
Newmont West	WA	E63/2078	Exploration Licence	-	100%
Newmont West	WA	E63/2063	Exploration Licence	-	100%
Porphyry North	WA	E31/910-I	Exploration Licence	-	100%
Hermit Hill	NT	EL 33208	Exploration Licence	-	100%
Montezuma Well	Nevada, US	NV 1058 19910-19968	Registered claims	-	100%
Big Smoky Valley	Nevada, US	NV 1058 20148-20330	Registered claims	-	100%

Appendix 5B

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

Name of entity

West Cobar Metals Limited

ABN

26 649 994 669

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(223)	(1,093)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	7	29
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes (paid) / refunded	-	-
1.7	Government grants and tax incentives	-	701
1.8	Other (provide details if material)	15	45
1.9	Net cash from / (used in) operating activities	(201)	(318)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(20)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(c) property, plant and equipment	-	(8)
	(d) exploration & evaluation	(679)	(2,744)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	46	46
	(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	(633)	(2,726)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,030
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	-	(56)
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	-	974

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,090	2,327
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(201)	(318)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(633)	(2,727)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	974
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	256	256

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	256	190
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term Deposit – 90 days maturity)	-	900
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	256	1,090

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	(90)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(7)
<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.</i> <i>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.		

8. Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(201)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(679)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(880)
8.4	Cash and cash equivalents at quarter end (item 4.6)	256
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	256
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.29
	<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: As the Company is an exploration company and not generating any revenue it is expected that it will continue to have negative operating cash flows for the time being. The Company had large expenditure this quarter due to drilling activities at its Salazar Critical Minerals project near Esperance.	

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: On 27 June 2024 the Company announced a successful capital raising consisting of a \$966k share placement to institutional investors and an Entitlement offer to eligible shareholders to raise a potential further \$381k.

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.

Date: 26 July 2024

Authorised by: By the Board

(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.