

ASX Announcement

31 January 2022



Quarterly Activities Report For the Period Ending 31 December 2021

HIGHLIGHTS

- ✦ **Maiden RC and aircore drilling completed at the Ramelius Resources farm-in projects, Mt Finnerty and Parker Dome, with post end-of-quarter assay results including significant intercepts:**
 - **Flinders Prospect: 5m at 66.7g/t Au** from 175m in FLRC0002
 - **Tasman Prospect: 13m at 4.37g/t Au** from 182m in FLRC0015
- ✦ **RC Drilling at Gidgee South identifies gold mineralisation including significant intercepts:**
 - **3m @ 3.29g/t Au** from 35m in GSRC0005,
 - **3m @ 3.41g/t Au** from 55m in GSRC0047,
 - **1m @ 7.45g/t Au** from 42m in GSRC0051
- ✦ **Multiple gold and base-metal targets identified at Gidgee North from soil sampling and SkyTEM conductors, supporting potential for VMS-style mineralisation.**
- ✦ **Airborne-EM geophysics completed at Opaline Well following from positive gold and base-metal rock chip samples obtained during reconnaissance field activities in Q3 CY2021.**

Westar Resources Limited (ASX:WSR) (**Westar, the Company**) is pleased to provide an update on exploration activities during the December 2021 Quarter.

Westar Managing Director Karl Jupp commented:

"Exploration activities during Q4CY2021 have delivered significant results at several projects. We're hugely encouraged by early results and the potential for a high-grade discovery at Gidgee South and at Gidgee North the story is rapidly building momentum to support our interpreted VMS-style Cu-Zn mineralisation. The completion of drilling programs by our farm-in partner, Ramelius Resources, at the Mt Finnerty project marks a significant milestone for Westar Resources with assay results reported post end-of-quarter confirming historical bonanza-grade gold mineralisation and extending the zone of mineralisation south of the Flinders prospect to the Tasman prospect."



Registered Address

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Nathan Cammerman – Non-Executive Director

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Projects

Sandstone (100% Owned)
Mt Magnet (100% Owned)
Nullagine (100% Owned)
Southern Cross (RMS JV)

ASX Code WSR

Westar's Project Portfolio

Westar holds 100% ownership over seven projects in Western Australia. The Sandstone Projects, Gidgee South and Gidgee North, the Mt Magnet Projects, Winjangoo and Coolaloo and the Pilbara Project, Opaline Well (Figure 1). The Southern Cross Projects, Mt Finnerty and Parker Dome, are held by Westar under a farm-in/JV agreement with Ramelius Resources Ltd having the right to earn a 75% interest.

Westar's three-pronged exploration rationale is summarised as;

- 1) Maximise discovery potential of key assets through diligent application of capital and resources, utilising best practice systematic exploration and technology;
- 2) Diversify risk on appropriate assets through partnering with fast-moving companies with reputations for building mines; and
- 3) Continuously evaluate a pipeline of prospective opportunities under the mantra 'succeed swift or fail fast'.

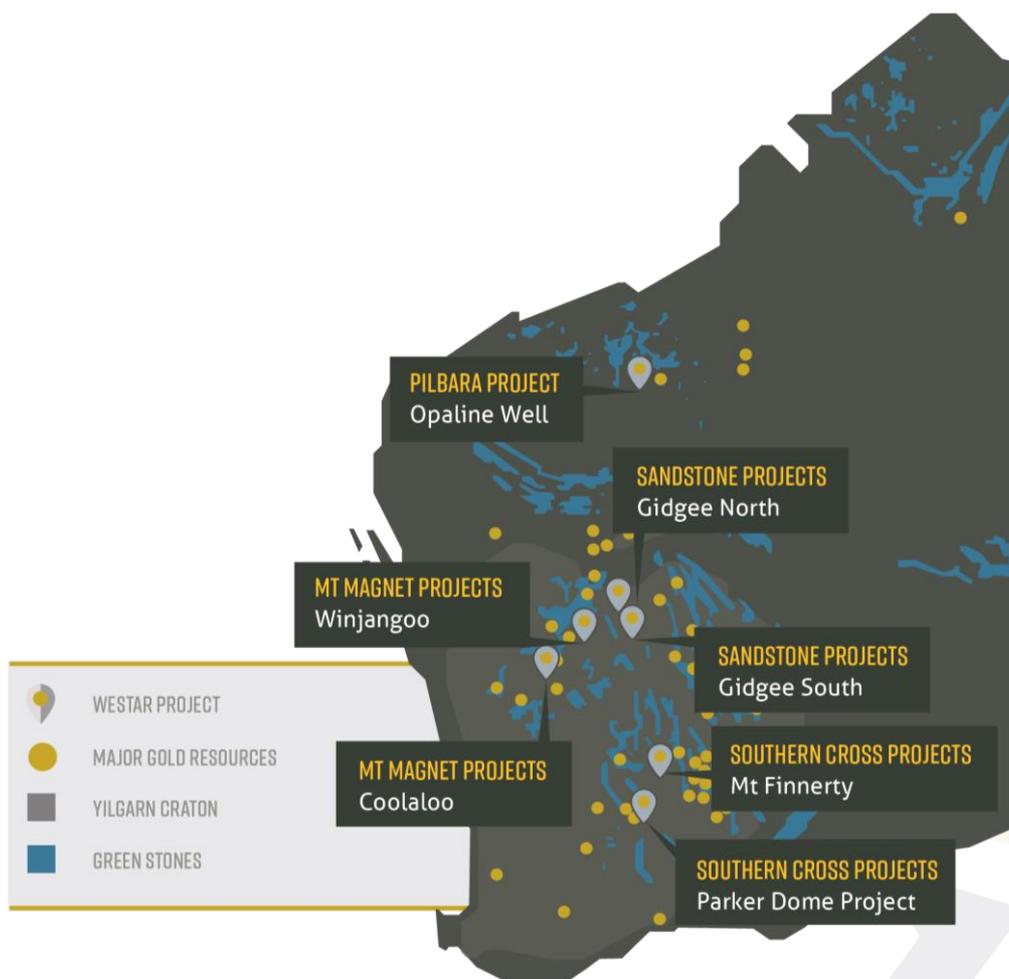


Figure 1 – Location map of Westar Projects in Western Australia

Sandstone Projects – Gidgee North & Gidgee South

The Company's Sandstone assets are comprised of two separate projects - Gidgee South (E57/1055, M57/352, P57/1363 and P57/1368) and Gidgee North (E53/1920, E51/2044 and Farm-in/JV E53-1832), covering ~ 325 km² and located appx. 640 km northeast of Perth, WA (Figure 2). The Projects lie within the Gum Creek Greenstone Belt (GCGB) of the Youanmi Terrane, which forms a lensoidal, broadly sinusoidal belt measuring some 100km in length and 24km in width.

High grade historical workings at Gidgee South extend south from the historic Birrigrin Mining Centre (BMC), through a previously identified geochemical anomaly, towards an area of more recent dry blowing (prospecting) activity at Carbine Bore.

Previous exploration over the northern GCGB, including the Gidgee North Project, was largely focused on near mine environs or known shear zones and structures, with regional exploration comprising limited, shallow rotary air blast (RAB) and soil geochemical sampling programs. Many of the targets defined by former explorers remain inconclusively tested, including the potential for Cu-Zn VMS mineralised systems. Large areas of the Sandstone Projects also remain essentially unexplored despite covering favourable geological and structural settings.



Figure 2 – Location map of Westar's Sandstone Projects, Gidgee North and Gidgee South.

Activities during the quarter at Gidgee South:

- Westar announced assay results from the Gidgee South maiden RC drilling campaign - 7 October 2021, **“Maiden Drilling at Gidgee South Confirms Gold Mineralisation”**, which included significant intersections (Figure 3);
 - **3m @ 3.29g/t Au** from 35m in GSRC0005, including **1m @ 6.27g/t Au** from 35-36m
 - **3m @ 3.41g/t Au** from 55m in GSRC0047, including **1m @ 7.14g/t Au** from 55-56m
 - **1m @ 7.45g/t Au** from 42m in GSRC0051

The announcement also included rock chip samples from the Gidgee South project including;

- Quartz veining in mullock adjacent to shallow historical ‘Tassie’ gold workings of **15.3g/t Au** and **14.3g/t Au**.
 - Quartz and goethite rock chips from spoil next to a collapsed, hand-dug prospector pit, lying along strike of GSRC0005, approximately 100m south of the Tassies workings assayed of **4.38g/t Au**.
 - Carbine Bore surface samples GSK018 and GSK029 from the cemented regolith returned anomalous gold assays of **3.61 g/t Au** and **0.14 g/t Au** respectively.
- Westar and specialist mapping consultants completed geological and prospectivity mapping over the Carbine Bore prospect to increase geological knowledge and identify any potential sources of gold nuggets that have been discovered in the area.

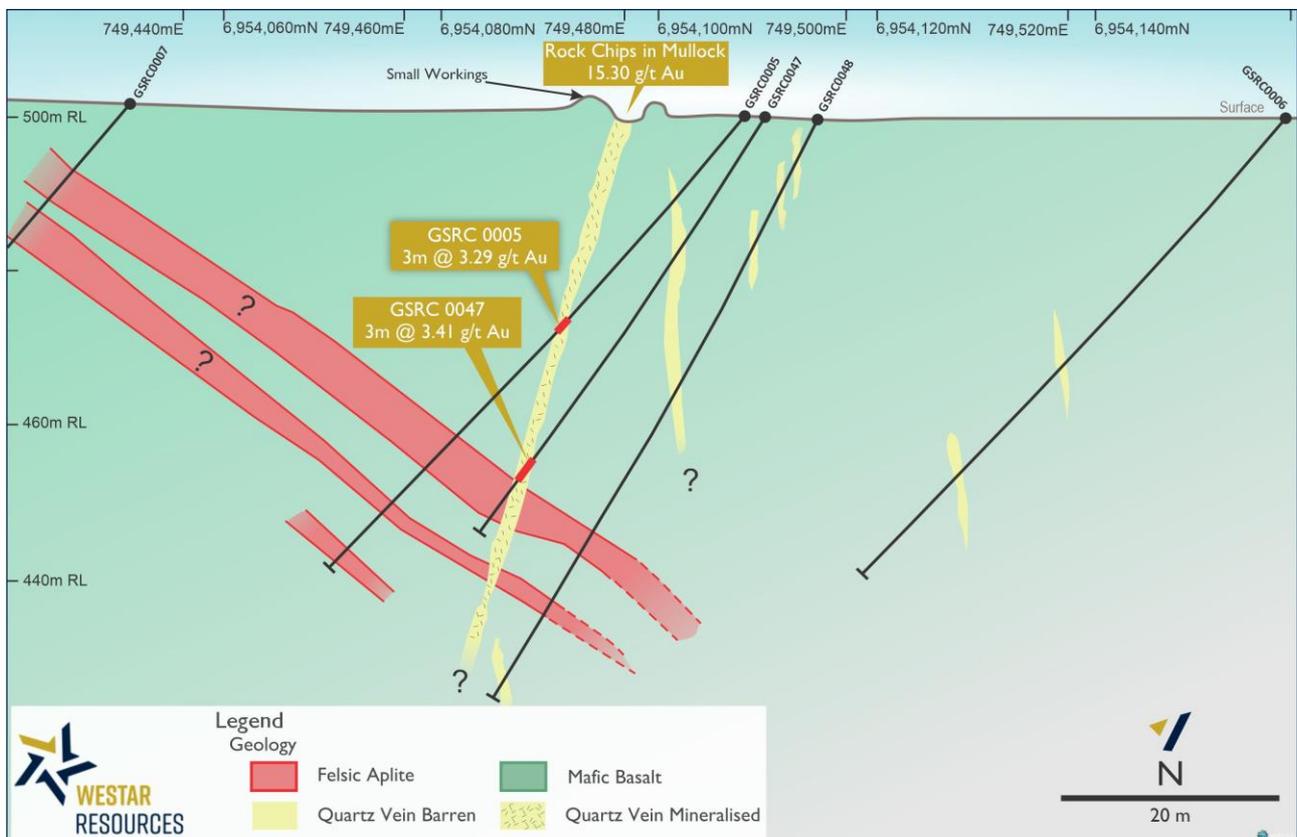


Figure 3 – Cross-section interpretation from drilling at the historical Tassie’s mine area.

Activities during the quarter at Gidgee North:

- An exploration update at the Gidgee North Project was announced on 4 October 2021, **“Gidgee North Base Metal and Gold Exploration Update”** with highlights including;
 - Multiple gold and base-metal targets identified through integrated data analysis and review of historical geochemical datasets.
 - Large Cu-Ba-As-Zn anomaly identified from field reconnaissance and soil sampling coincident with the only AEM conductor targeted to date.
 - Metal zonation from soil sampling supports interpretation of VMS-style mineralisation. Interpretation builds on six conductors identified using SkyTEM data, with relatively shallow modelled depths of 35m-100m.
- Westar announce on 18 October 2021, a binding agreement to earn up to a 75% interest in the contiguous Geoff Well Project **“Consolidates Belt with Drill Ready Targets”**, which contains previously identified Cu-Zn mineralisation in historical drilling including (Figure 4);
 - **8m at 1.12% Cu** from 48m (to EOH) (GVER010), including **4m at 1.65% Cu** from 48m
 - **20m at 0.17% Zn** from 40m (to EOH) (GVER008)
- Application for an additional 20 blocks of tenure adjoining Gidgee North (E51/2044, South-East Bore) was granted on the 18 October 2021, and announced on 22 October 2021, **“Exploration Update”**.
- Westar completed additional field reconnaissance and in-fill and extensional soil sampling with results pending at the end of quarter.

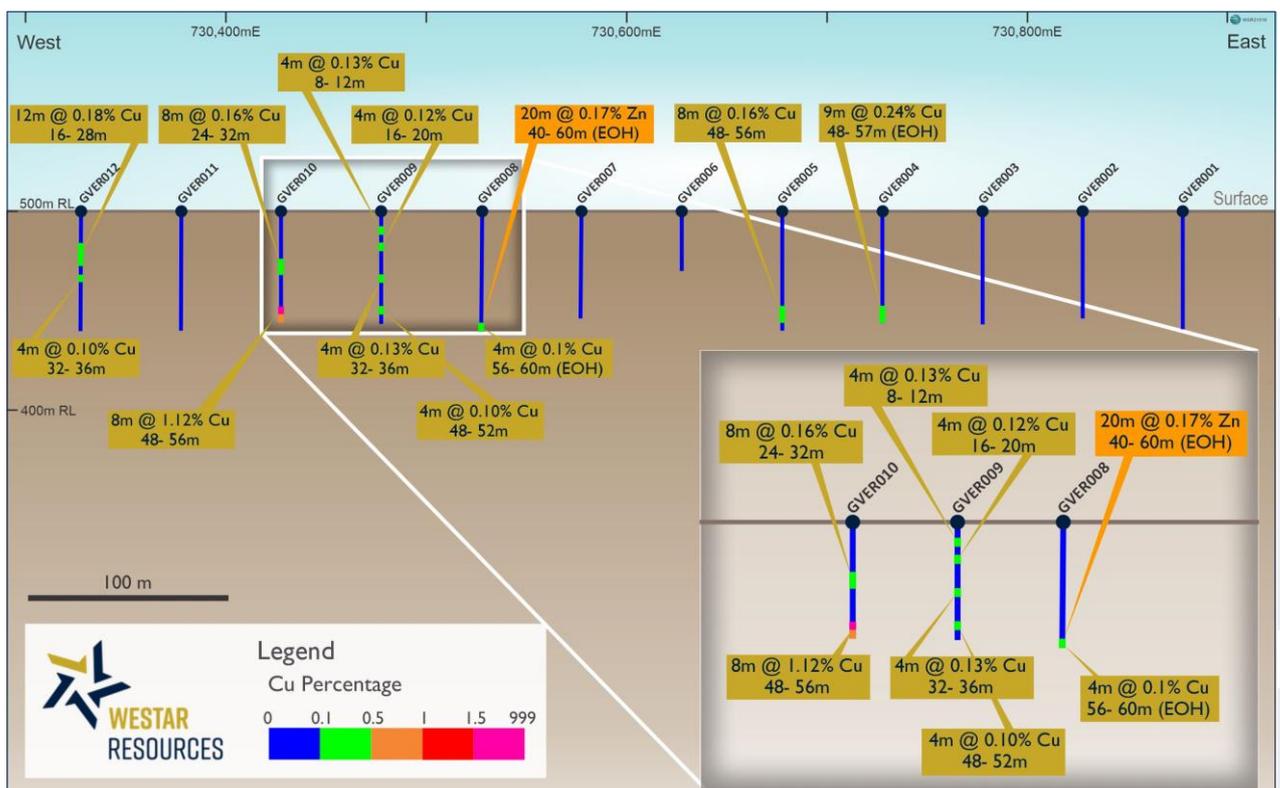


Figure 4 – Historical drilling at the Vela Prospect with significant Cu and Zn intersections

Mt Magnet Projects – Winjangoo & Coolaloo

The Mount Magnet Projects cover approximately 302 km² and are comprised granted exploration licences at the Winjangoo Project (E58/536) and the Coolaloo Project (E59/2329 & E59/2509), Figure 4, situated in the Murchison Mineral Field. The projects are proximal to the historical mining centre of Mount Magnet which has historically produced over six million ounces of gold since the initial discovery in 1891.

Activities in the quarter at Winjangoo:

- Westar announced the results of the maiden RC drilling program at Winjangoo on 22 October 2021, “**Exploration Update**”, with significant intersections including;
 - **1m at 0.25g/t Au** from 52-53m in WJRC0006
 - **1m at 0.22g/t Au** from 53-54m in WJRC0006 and
 - **4m @ 0.14 g/t Au** from 24m in WJRC0036

Activities during the quarter at Coolaloo:

- No activities were completed at the Coolaloo Project during the reporting period.

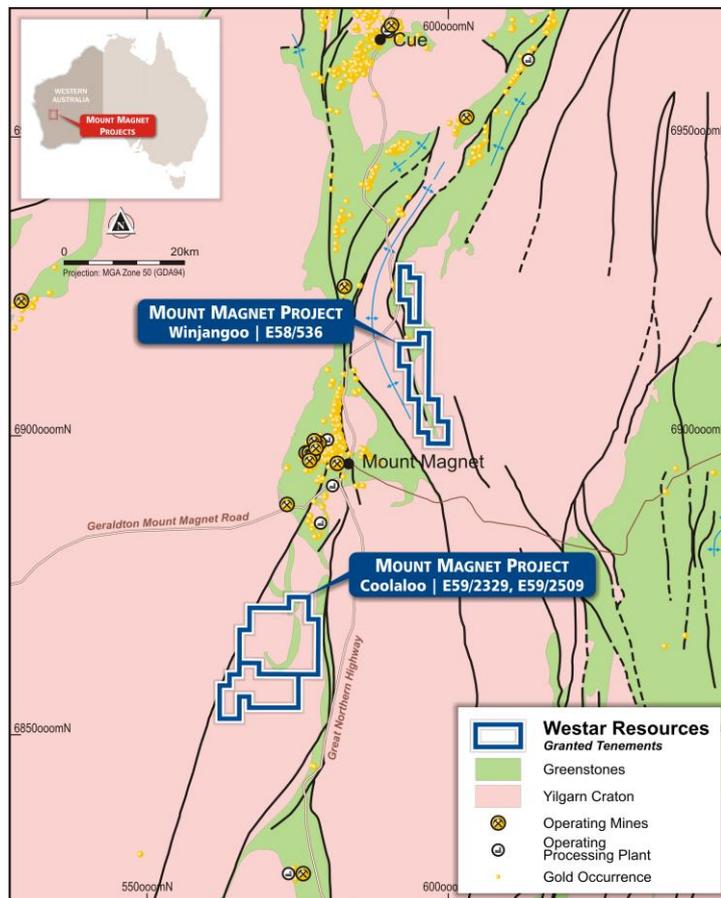


Figure 4 – Location map of Westar’s Mt Magnet Projects, Winjangoo and Coolaloo

Pilbara Project – Opaline Well

Westar’s Opaline Well project (E45/4997) is located in the Pilbara, approximately 190km southeast of Port Hedland and 35km west of Nullagine, Figure 5. Historical exploration over this portion of the Coongan greenstone belt includes geochemical exploration, with rock chip samples up to 200 g/t Au around the historical Triberton Creek workings and rock chips assays ranging from 0.25–1.15% Cu, 0.14–1.85% Zn, 79–155 g/t Ag and 0.19–0.41 g/t Au around the historic Opaline Well workings (See WSR ASX Announcement, 6 December 2020, “*Prospectus*” for additional details).

Activities during the quarter at Opaline Well:

Westar announced completion of a 370-line km airborne Xcite™ electromagnetic survey (AEM) over the Opaline Well project area on 22 October 2021, “*Exploration Update*”, following positive field reconnaissance and rock-chip sampling reported in the previous quarter. Data interpretation and modelling are in progress at the completion of the reporting period and will be reported to the market in due course.

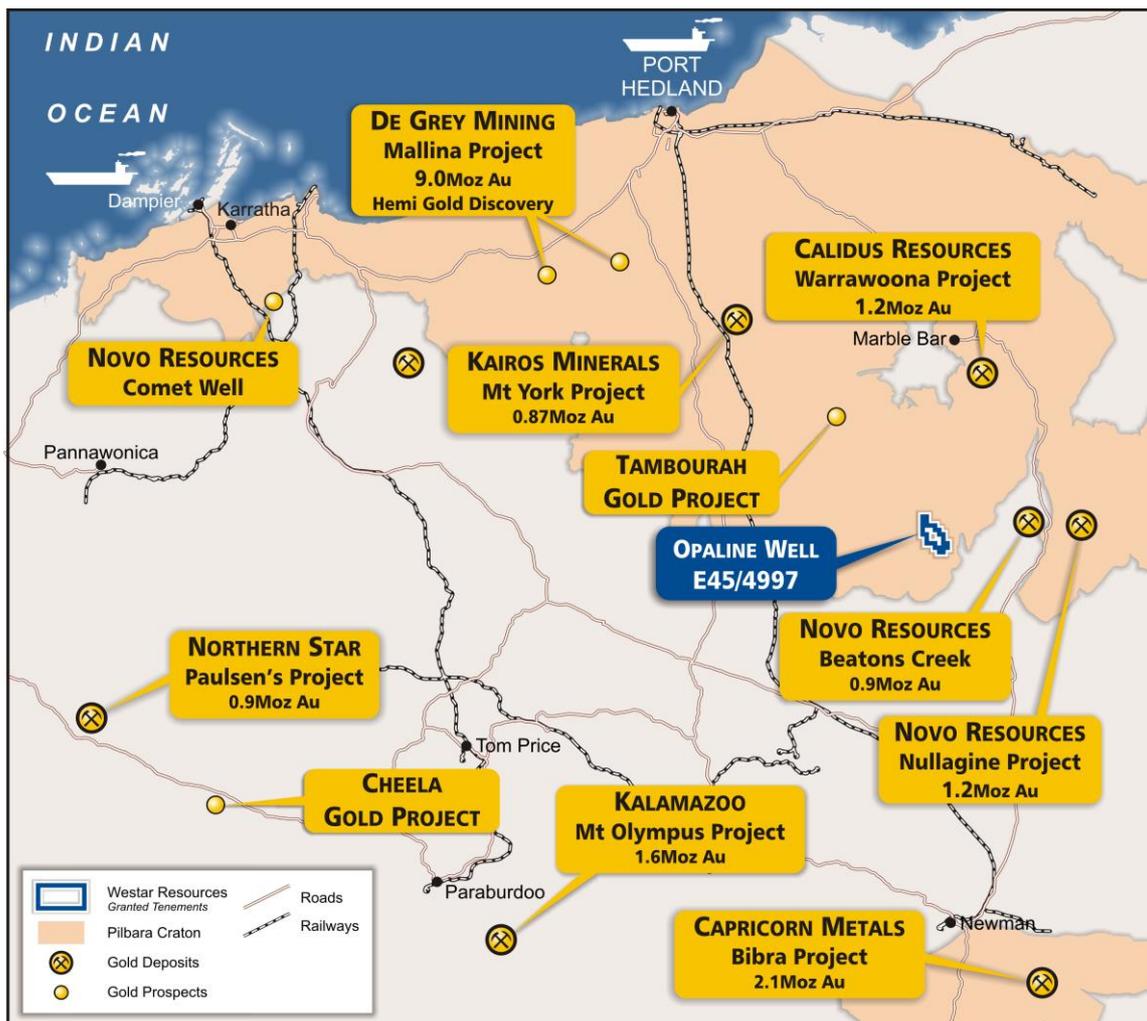


Figure 5 – Regional Location map of Westar's Pilbara Project, Opaline Well

Southern Cross Projects (Ramelius Resources (ASX:RMS) Farm-in/JV)

The Mt Finnerty Project, which forms part of the Southern Cross Assets (E16/505) is located approximately 430km east-northeast of Perth and 100km northeast of Southern Cross. Located in the Archean Mara-Diemals greenstone belt, previous exploration activity has been extensive, with historical intersections across the project including:

- MF023 – 9m averaging **98.2 g/t Au** from 62 - 71m downhole, including
 - 4m averaging **215.8 g/t Au** from 62 - 66m downhole
- MFRC 029 – 1m at **236.3 g/t Au** from 126-127m downhole
- MF034 – 3m averaging **6.4 g/t Au** from 54 – 57m downhole
- MF038 – 24m averaging **3.68 g/t Au** from 45 – 68m downhole,
 - including 4m averaging **12.6 g/t Au** from 46 – 50m downhole
- MF8880/1376 – 9m averaging **9.95 g/t Au** from 51 – 60m downhole, and
- MF8580/1414 – 6m averaging **14 g/t Au** from 39 – 45m downhole.

See WSR ASX Announcement, 6 December 2020, “*Prospectus*” for additional details.

The Parker Dome Project (E77/2424) is located approximately 400km east of Perth and 60km south-southeast of Southern Cross. Situated on the western margin of the north-westerly elongated Parker Dome granitoid, the project hosts several broad previously identified gold-in soil anomalies from historic auger drilling with results up to 192ppb Au. Historical RAB drilling has reported results up to 0.52 g/tAu in transported overburden and 0.38 g/t Au in ultramafics.

The Mt Finnerty and Parker Dome Projects (Figure 6) are subject to a Farm-in and Joint Venture Agreement between Ramelius and Rouge Resources (a wholly owned subsidiary of Westar Resources Ltd) (**Farm-in Agreement**). Under the terms of the Farm-in Agreement Ramelius may earn up to a 75% interest by spending \$2M over a three-year period. Westar will hold a free carried 25% until a decision to mine is made, at which point Westar can either contribute to ongoing expenditure or dilute its interest in the project. A full summary of the Farm-in Agreement is set out in section 10.1(a) of the company’s IPO Prospectus. (See WSR ASX Announcement, 6 December 2020, “*Prospectus*”).

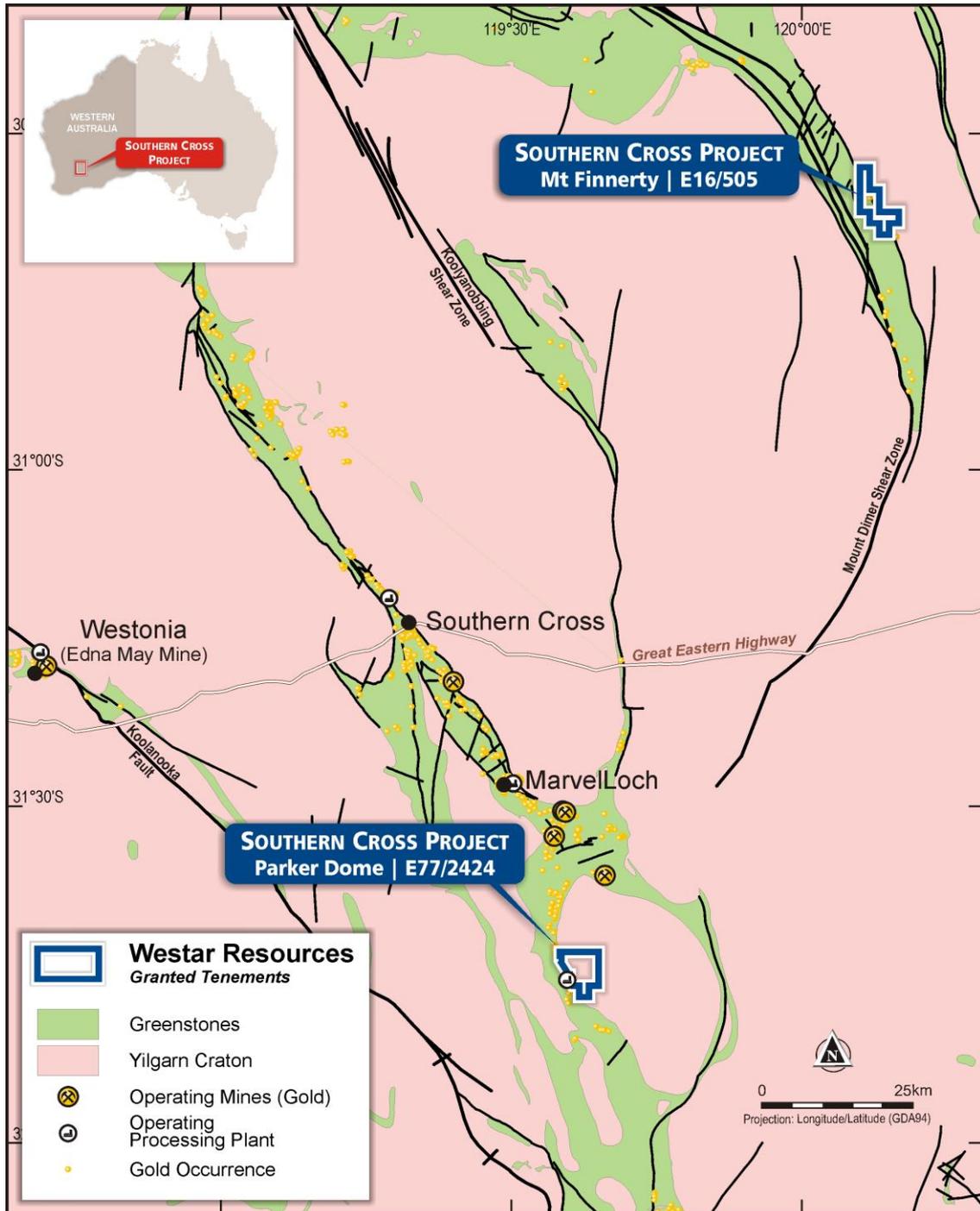


Figure 6 – location map of Westar’s Southern Cross Projects, Mt Finnerty and Parker Dome, which are under farm-in/JV agreement with Ramelius Resources

RMS Activities during the quarter at Mt Finnerty & Parker Dome:

- Westar announced Ramelius Resources commenced drilling at the Mt Finnerty Project on *12 October 2021*, “**Ramelius Commences Drilling at Mt Finnerty**”. Following completion of the RC drilling program, regional aircore drilling programs were completed at both the Mt Finnerty and Parker Dome projects prior to end of quarter.
- Post the end-of-quarter, assay results for the RC drilling were reported on *31 January 2022*, “**Bonanza RC Grades at the Mt Finnerty Project**” (Figure 7) and including significant intercepts:

Flinders Prospect

- **1m at 10.5g/t Au** from 109m in FLRC0001
- **5m at 66.7g/t Au** from 175m in FLRC0002, including
 - **1m at 52.4g/t Au** from 176m, and also including
 - **1m at 274g/t Au** from 177m
- **4m at 14.1g/t Au** from 136m in FLRC0003, including
 - **1m at 43.4g/t Au** from 137m
- **1m at 35.0g/t Au** from 125m in FLRC0004
- **5m at 1.67g/t Au** from 168m in FLRC0010

Tasman Prospect

- **5m at 2.63g/t Au** from 146m in FLRC0013
- **13m at 4.37g/t Au** from 182m in FLRC0015

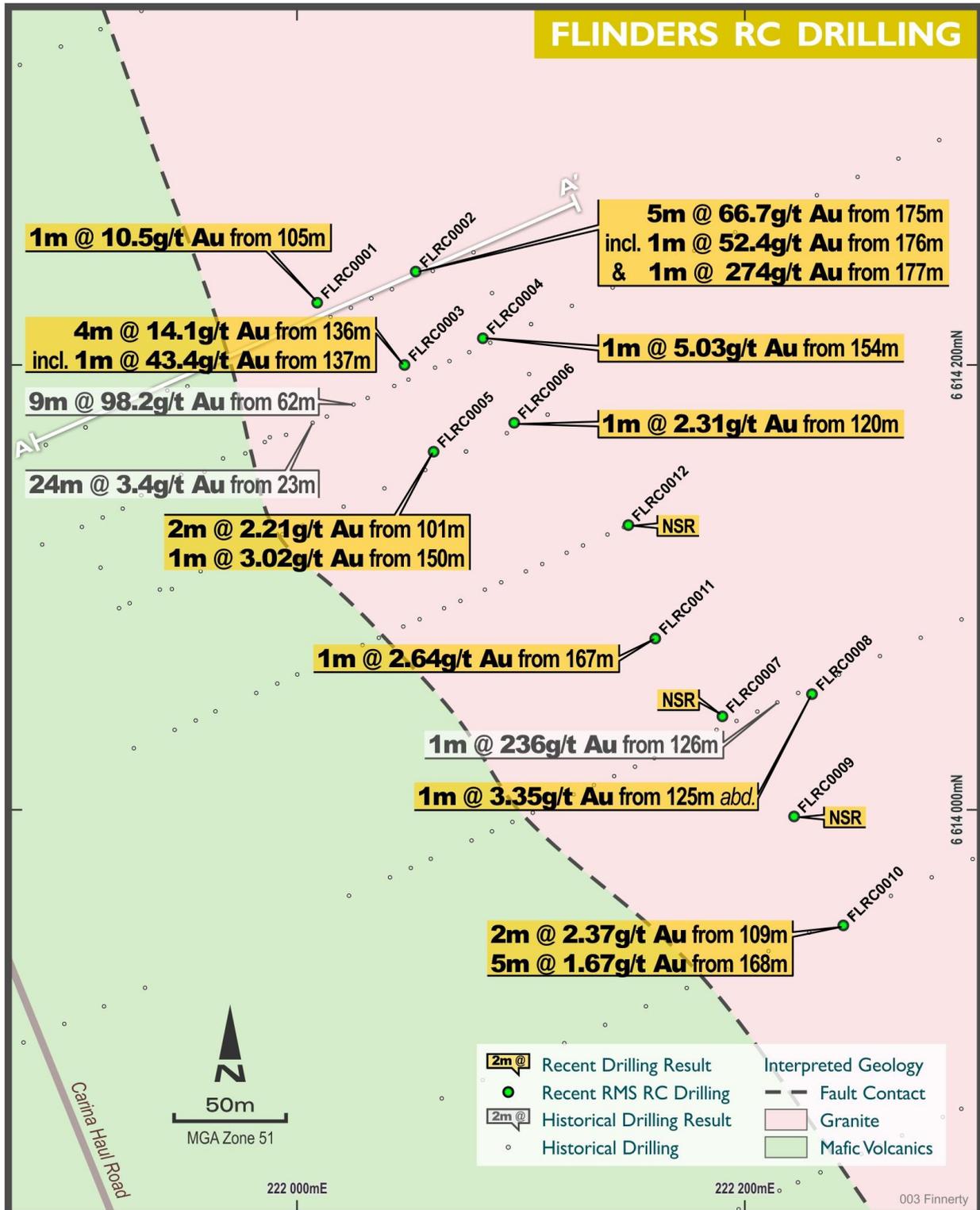


Figure 7 – Flinders Prospect Plan – Drilling Results

Forward Work Plans

Westar is committed to systematic evaluation and progression of exploration projects through diligent application of capital and resources. Westar intends to progress exploration across its project portfolio in line with the exploration rationale.

Sandstone Projects

- At Gidgee South, Westar geologists are proceeding to compile data from 2021 work programs that included RC Drilling, multi-element geochemical analysis, field mapping, rock chip sampling and a Deep Ground Penetrating Radar program. The interpretations will form the basis for designing 2022 exploration programs, expected to centre on the historical Birrigrin Mining Centre.
- At Gidgee North, assays from infill and extensional soil sampling over priority targets are expected early Q1CY2022. Specialist geophysical consultants Newexco have been engaged to provide detailed interpretation on DMIRS open-file SkyTEM conductors and to manage ground EM data acquisition and plate modelling anticipated to commence early Q1 CY2022. Results will be integrated with existing Westar datasets to form the basis of a maiden drilling program anticipated for H1CY2022.

Mt Magnet Projects

- At Winjangoo PGN Geoscience have been engaged to provide enhanced geophysical data using Westar's 2020 flown magnetic and radiometric survey. This follows from a detailed project level assessment that has identified several potential targets areas that remain untested due to transported cover.
- No immediate work is planned for the Coolaloo Project.

Pilbara Projects

- Newexco have been engaged to provide detailed interpretation and plate modelling using data obtained from the NRG Xcite™ electromagnetic survey, flown in Q3CY2021, in conjunction with Westar's magnetic/radiometric survey, remote sensing and mapping datasets. The results are expected mid-Q1CY2022.

Southern Cross Projects (Ramelius Resources (ASX:RMS) Farm-in/JV)

- Forward works programs at both the Mt Finnerty and Parker Dome projects will be further evaluated by farm-in partner Ramelius Resources once the results of all outstanding assays are received and interpreted, which is anticipated in Q1CY2022.

Market Sensitive Announcements During the Quarter

- 4 October 2021, *“Gidgee North Base Metal and Gold Exploration Update”*
- 7 October 2021, *“Maiden Drilling at Gidgee South confirms gold mineralisation”*
- 12 October 2021, *“Ramelius Commences Drilling at Mt Finnerty Project”*
- 14 October 2021, *“Commencement of Airborne AEM Survey at Opaline Well”*
- 18 October 2021, *“Consolidates Base Metals Blet with Drill Ready Targets”*
- 22 October 2021, *“Exploration Update”*
- 26 October 2021, *“Investor Presentation – October 2021”*

Corporate

- On 11 November 2021 the Company completed a capital raising of approximately \$0.85m
- On 30 November 2021 shareholders approved all resolutions at the Annual General Meeting.
- At the Annual General Meeting, shareholders approved the issue of 1,500,000 incentive rights to the Managing Director.

Current cash at 31 December 2021 was \$2.2 million and the Company remains funded for its CY2022 exploration activities.

Financial

STATEMENT PURSUANT TO LISTING RULE 5.3.4

Westar Resources Limited provides the following additional information in accordance with Listing Rule 5.3.4.

Table 1 sets out a comparison of the use of funds to date compared to the Use of Funds Statement included in the Prospectus dated 23 October 2020. The Company was admitted to the Official List of ASX on 16 December 2020.

Table 1 – Use of Funds.

Use of Funds	Per Prospectus Dated 23 October 2020	Expenditure to date to 31 December 2021
	\$	\$
Exploration Activities	\$2,400,000	\$1,837,292
Salaries & Wages	\$700,800	\$808,242*
Administration expenses and working capital	\$2,324,240	\$616,904

* includes fees paid to external contractors in addition to employee wages and salaries.

Westar considers that there are no material variances with the use of funds table in the Prospectus and the expenditure of funds to date. The majority of funds continue to be spent on executing the Company's three-pronged exploration strategy.

For the purpose of Section 6 of the Appendix 5B, all payments made to related parties have been paid in relation to director fees.

Tenement Schedule

Table 2 – Tenement Schedule.

Project	Tenement	Status	Grant Date	Term (Yrs)	Area (Blocks)	Area (Km ²)	Interest
Gidgee South	E57/1055	Granted	13/06/2018	5	15	42	100%
	M57/352 (Birrigrin)	Granted	09/07/2007	21	-	113.6 ha	100%
	P57/1363 (Carbine Bore)	Granted	08/09/2019	4	-	9 ha	100%
	P57/1368 (Carbine Bore)	Granted	13/10/2019	5	-	9 ha	100%
Gidgee North	E53/1920	Granted	31/10/2017	5	70	214	100%
	E51/2044 (SE Bore)	Granted	18/10/2021	5	20	60	100%
	E53-1832-I	Granted	21/08/2020 ¹	5	4	12	Farm-in/JV
Winjangoo	E58/536	Granted	11/9/2018	5	29	88	100%
Coolaloo	E59/2329	Granted	11/9/2018	5	45	136	100%
	E59/2509 (Murrawalla Hill)	Granted	22/02/2021	5	26	78	100%
Opaline Well	E45/4997	Granted	16/11/2018	5	21	67	100%
Mt Finnerty	E16/505	Granted	15/03/2019	5	10	30	100% with RMS farm-in/JV
Parker Dome	E77/2424	Granted	14/09/2017	5	12	33	100% with RMS farm-in/JV

¹ Extension of term date from initial grant

For the purpose of Listing Rule 15.5, this announcement has been authorised by the board of Westar Resources Ltd.

ENQUIRIES

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COMPETENT PERSON STATEMENTS

The information in this announcement that relates to Westar Resources Ltd exploration results is based on and fairly represents information compiled by Karl Jupp, a competent person who is a member of the AusIMM. Karl Jupp is employed by Westar Resources Limited. Karl Jupp has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Karl Jupp consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

The information in this announcement that relates to the Ramelius Resources Ltd farm-in/JV exploration results is based on and fairly represents information compiled by Peter Ruzicka, a competent person who is a member of the AusIMM. Peter Ruzicka is employed by Ramelius Resources Limited. Peter Ruzicka has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Peter Ruzicka consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

Shareholders should also refer to the Ramelius announcement dated 28/1/2022 for additional information and context.

ABOUT WESTAR RESOURCES

Westar Resources (ASX:WSR) is a Perth-based mineral exploration company focused on creating value for shareholders through the development of high-quality gold and base metal assets in Western Australia. Westar's projects are strategically located in highly prospective parts of some of WA's most prolific goldfields including Sandstone, Mt Magnet, Southern Cross and Nullagine. The Company's strategy is to apply a systematic approach to the assessment and prioritisation of its projects, all of which have the potential to produce material discoveries.