

ASX Announcement

21 JANUARY 2021



Auger Results Confirm Gold Potential of High Priority Targets at Coolaloo Project

HIGHLIGHTS

- ✦ **Auger geochemical soil program confirms priority targets, coincident with recently identified geophysical anomalies by Southern Geoscience Consultants**
- ✦ **Includes multiple targets that have not been historically drill-tested and considered to be high-priority based on the Company's prospectivity ranking matrix**
- ✦ **Reconnaissance program to evaluate the newly identified targets at Coolaloo planned for Q1 CY2021, with PoW's approved**

Westar Resources Limited (ASX:WSR) (**Westar, the Company**) is pleased to announce it has received encouraging results from a recently completed auger sampling program over two first-pass exploration areas at its 100% owned Coolaloo Project, 25km south of Mt Magnet.

The auger geochemical anomalies are coincident with priority geophysical targets and highlight the potential of the Coolaloo Project (see WSR ASX announcement 12/01/2021). Westar Managing Director Karl Jupp said the anomalous geochemical results have accelerated planning of first pass drill planning scheduled for Q1 CY2021.

"The anomalous geochemical results, coincident with the geophysical targets, have highlighted the gold prospectivity of the Coolaloo project. We're now planning our maiden drilling program to test these high priority targets and look forward to updating the market as we progress."

Coolaloo is considered highly prospective for hosting multiple styles of mineralisation including:

- BIF hosted mineralisation (analogous to the +2Moz Hill 50 mineralisation)
- Shear hosted gold mineralisation within granite-greenstone contacts
- Porphyries in granodiorite on granite contacts (Eradinus style of mineralisation)



Registered Address

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Board Members

Karl Jupp - Managing Director & CEO
Simon Eley – Non-Executive Chairman
Nathan Cammerman – Non-Executive Director

Gold Projects

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

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Shares on Issue 50.4M
Cash (at IPO) \$4.7M
ASX Code WSR



AUGER GEOCHEMICAL PROGRAM

The auger drill sampling program collected 458 surficial geochemical samples from a carbonate rich horizon up to 2m in depth. Auger drill sampling is a rapid and effective first pass exploration technique to assess large areas for gold system prospectivity. The auger program at Coolaloo targeted selective areas based on prospectivity ranking generated from interrogation of DMIRS state-wide magnetic data, gravity data, historic soil sampling assay results and other spectral data sets such as Sentinel 2. The airborne geophysics completed by Westar in has supported and enhanced the quality of these initial auger sampling targets.

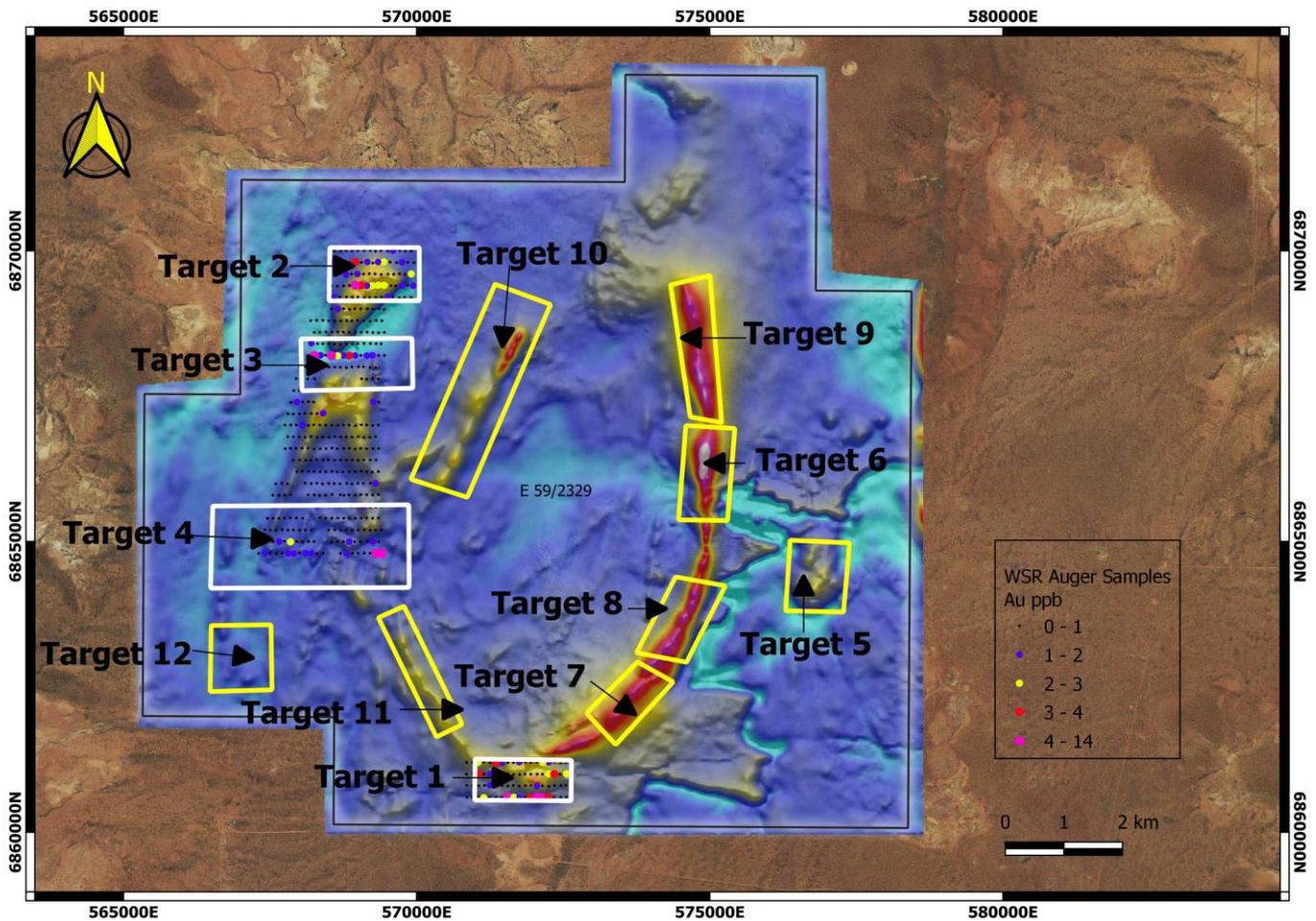


Figure 1 - E59/2329 Coolaloo Gold Project showing WSR Auger Soils Anomalies on WSR Magnetics with Exploration Targets highlighted

TARGET SUMMARY

Westar has identified and prioritized twelve targets at Coolaloo. Five priority targets, which host coincident auger geochemical anomalism and magnetic highs have been fast tracked for air core drilling.

Target No.	Target Size	Target Priority	Target Description	Next steps
1	1650m x 700m	1	Coincident elevated soil geochemistry with magnetic high in possible granite pressure shadow	Progress to immediate drill targeting
2	1500m x 900m	1	Coincident elevated soil geochemistry with magnetic high	Progress to immediate drill targeting
3	1900m x 900m	1	Coincident elevated soil geochemistry with magnetic high	Progress to immediate drill targeting
4	3350m x 1500m	1	Elevated auger soil geochemistry associated with complex folded stratigraphy	Progress to immediate drill targeting
5	1000m x 1200m	2	Complex magnetic feature	Field reconnaissance and evaluation
6	1600m x 850m	2	Magnetic high may be associated with BIF on granite margin under cover	Field reconnaissance and evaluation
7	1300m x 700m	2	Magnetic high may be associated with BIF on granite margin under cover	Field reconnaissance and evaluation
8	1400m x 800m	2	Magnetic high may be associated with BIF on granite margin under cover	Field reconnaissance and evaluation
9	2400m x 600m	2	Magnetic high may be associated with BIF on granite margin under cover	Field reconnaissance and evaluation
10	3600 x 1000m	3	Magnetic high may be associated with BIF on granite margin under cover	Field reconnaissance and evaluation

11	2200m x 4500m	3	Magnetic high may be associated with BIF on granite margin under cover	Field reconnaissance and evaluation
12	1100m x 1100m	4	Magnetic features under cover	Field reconnaissance and evaluation

Table 1 - Coolaloo Target Summary

NEXT STEPS

Westar's immediate activities at Coolaloo include:

- Drill program design for drilling in Q1 CY2021 over high priority target areas, including the integration of recently completed high-resolution geophysics
- Developing exploration strategies for untested magnetic targets
- Assessing the project area for other potential styles of gold bearing mineralisation.

BACKGROUND

The Coolaloo gold project (E59/2329) is 100% owned and located approximately 25 km South of Mount Magnet in Western Australia (Figure 4).

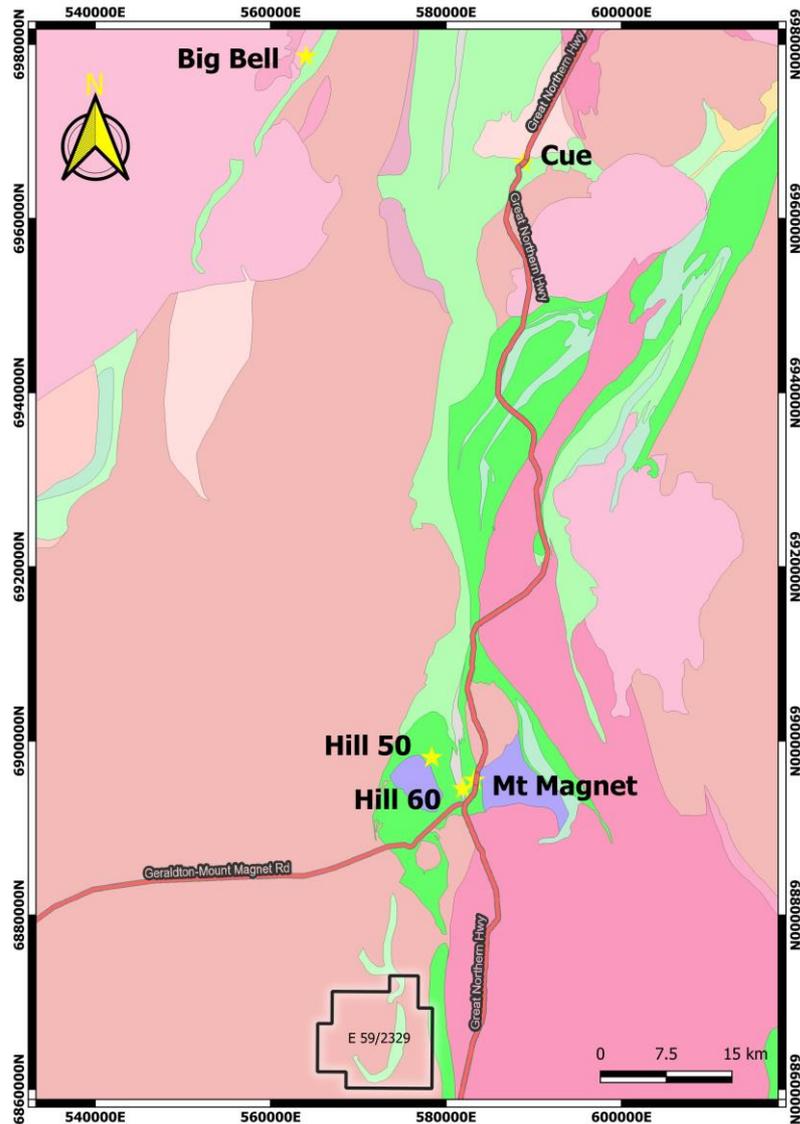


Figure 4 Coolaloo Project Locality Map and Mt Magnet township

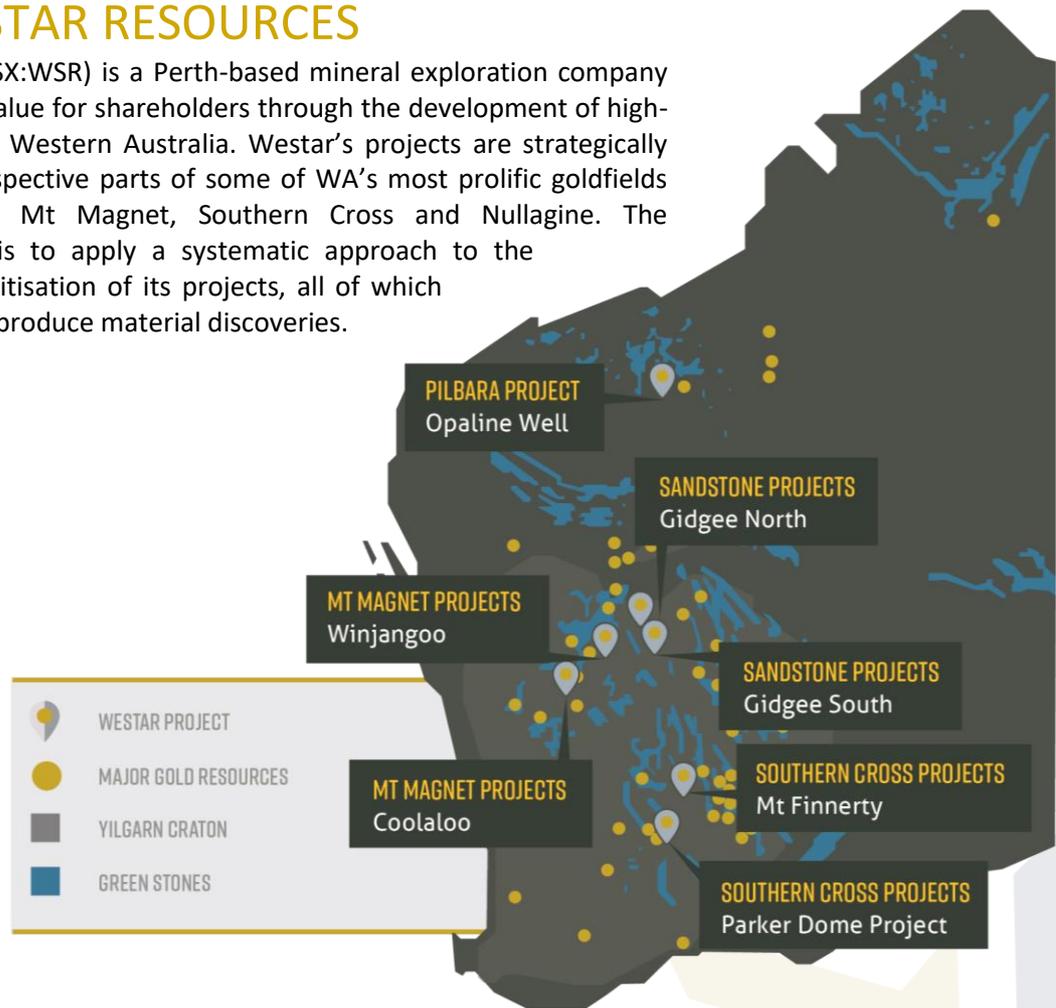
For the purpose of Listing Rule 15.5, this announcement has been authorised by the board of Westar Resources Ltd.

ENQUIRIES

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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 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.



COMPETENT PERSON STATEMENT

The information in this announcement that relates to exploration results is based on and fairly represents information compiled by Kelvin Fox, a competent person who is a member of the AusIMM. Kelvin Fox is employed by Westar Resources Limited. Kelvin Fox 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. Kelvin Fox consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Auger samples were collected using a purpose built 6-wheel drive auger rig contracted from Gyro Australia Drill and Survey. The vertical drilling was to depths ranging from 0.5m to 2.5m to collect one representative sample from each hole. Most of the auger holes were drilled to depths of 0.5-1.0m, with each hole stopping when the rig could no longer penetrate the ground. In a limited number of cases, where proposed sample location points coincided with significant topography and vehicle access was not possible, hand samples were dug by the sample crew. The technique and medium collected is considered a surface geochemical sample. Experienced field personnel supplied by the auger company are always present when sampling to ensure the appropriate carbonate rich horizon is collected from each hole. Each 0.5m of drill depth was tested using hydrochloric acid to test for the presence of carbonate and within each individual hole the horizon with the strongest carbonate response was collected for assay. If no carbonate was present the sample was collected from the bottom of the hole. Logs of each hole reporting hole depth and sample depth were recorded at each hole and provided to Westar Resources at the completion of drilling. Auger drilling was complete to obtain one sample from each shallow hole from which 200grams was pulverised to produce a 50g charge for fire assay with an ICPMS finish
Drilling techniques	<ul style="list-style-type: none"> 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 method, etc). 	<ul style="list-style-type: none"> Auger drilling with 3.5inch drill bit with depths ranging from 0.5 to 2.5m
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Recoveries were not assessed as they are not material to the sample collected Not applicable Not applicable. On receipt at the laboratory all sample weights are measured and reported to the Company

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Basic surface geology was logged at each site • Sample colour and reaction to hydrochloric acid was recorded and entered to an excel spreadsheet. • Only the specific sampled horizon was logged
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • 	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • The samples are sent to Nagrom laboratory in Perth where they are weighed, dried pulverised and a 50g sample collected for fire assay and then measured by ICP-MS (lab method FA50). The assay method is total assay technique and is appropriate for the sample type and assay precision required • No geophysical tools, spectrometers or handheld XRF instruments were used to assess or test the samples • The sampling program was conducted using a suite of certified reference material including duplicates, blanks and standards in the field, and additional lab inserted blanks, standards and replicates.
	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Not applicable • Not applicable • Primary field data was collected on a field laptop, then sent to WSR where it was entered to the company's internally managed database. The location of the sample points has been spatially validated by WSR using GIS software • No Data were adjusted
Location of data points	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • All sample point locations were logged into a handheld GPS in coordinate system MGA94Z50 • The level of topographic control is acceptable for the auger soil samples

Criteria	JORC Code explanation	Commentary
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • North-south line spacing at nominal 100m spacing with sample centres at nominal 50m along lines • Not Applicable • No sample compositing applied.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Not applicable • Not applicable
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • The auger contractor despatched all samples as one batch to Nagrom laboratory in Perth. WSR where notified when samples arrived. The samples are not left unattended.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No external reviews or audits have been undertaken of these first pass exploration results

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • The Coolaloo Project is located approximately 25km SW from Mt Magnet, Western Australia and consists of a single exploration license E59/2329 which covers an area of 45 blocks. E59/2329 is 100% owned by Rouge Resources which is a 100% subsidiary of Westar Resources. The tenement is current and in good standing with the Department of Mines, Industry Regulation and Safety (DMIRS) of Western Australia.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • The tenement has been in part surface sampled by previous explorers with limited drilling having been undertaken by previous explorers. The historic activity has not impacted on the design, implementation and interpretation of the auger soil sample results or the design of future immediate follow up programs, as there has been no historic drilling on targets 1-5. The assessment of historic drilling is ongoing and will be incorporated into ongoing target definition and selection at Coolaloo

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The Coolaloo project is prospective for shear hosted gold on granite-greenstone contacts
Drill hole Information	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • As the WSR holes are all shallow vertical auger holes to a maximum depth of 2.5m with an average depth of 1.5m, and the target of the drilling is to collect a surface sample and to detect surface anomalism, the auger sample data points can adequately be considered as surface soil samples.
Data aggregation methods	<ul style="list-style-type: none"> • <i>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.</i> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • No data aggregation or metal equivalence calculations were undertaken on the WSR auger soil results and no cut-off were applied to the assessment of the auger soils.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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’).</i> 	<ul style="list-style-type: none"> • There are no relationships between mineralisation widths and the exploration results for surface auger sampling
Diagrams	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • All appropriate diagrams are in the body of this announcement
Balanced reporting	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • All significant exploration results are reported

Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>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 deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> To date only rock chip, soil, lag and BLEG, airborne geophysical surveys and interpretation and geological mapping have been completed by previous explorers. No other modifying factors have been investigated at this stage.
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Follow-up to the geochemical auger results is ongoing and will involve combinations of possible further auger soil sampling and air core drilling, with assessment of drill and sample planning utilizing government and Currently no further follow up programs have been fully designed and the possible extents of any mineralization present are currently unknown.