

ASX Announcement

1 March 2023

Expansion of Olga Rocks Lithium-Gold Project

HIGHLIGHTS

- ✦ Acquisition further enhances WSR Olga Rocks footprint of 4 granted mining leases and 2 prospecting permits in this exciting emerging lithium pegmatite province.
- ✦ Historical RAB drilling has identified multiple shallow pegmatite intercepts along strike of the interpreted central pegmatite zone and, significantly, builds on the interpreted western pegmatite zone.
- ✦ Potential strike increases for the central pegmatite zone now extended to approximately 3km.

Westar Resources Limited (ASX: **WSR**) (**Westar** or **the Company**) is pleased to announce the completion of negotiations to acquire 100% of P77/4070, adjacent to the “Olga Rocks” project (the **Project**) which is considered highly prospective for lithium, rare metals and gold. P77/4070 compliments the existing tenement holding and is along strike of the NNW trending interpreted central and western pegmatite zone within the southern tenure.

With limited systematic exploration, all of which never targeted the known pegmatite bodies, Westar considers the multiple pegmatite intercepts are highly encouraging, and significantly increases the potential strike length of the LCT type pegmatites interpreted in the southern portion of Olga rocks. With only shallow RAB drilling complete, this tenure will be included in the exploration drilling currently being planned to test the Li mineralisation within the interpreted LCT pegmatite swarm identified.

Westar Managing Director Karl Jupp commented:

“Although early days for the Olga Rocks project, the pegmatite story is building rapidly with historical drilling indicating substantial thickness and strike extent of the central pegmatite zone and rock-chips indicating LCT-style fractionated pegmatites. We know we’re in the right district with ASX listed neighbours Zenith Minerals and Xantippe having recent lithium exploration success and the world-class Covalent Lithium Project at Mt Holland is approximately 40km away within the same Southern Cross-Forrestania Greenstone Belt. With the current lithium focus we haven’t even begun to evaluate the gold potential of the project either, which from historical intercepts and the number of workings is extremely encouraging.”



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Projects

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

ASX Code WSR

LCT-Pegmatite Potential

Westar field and technical studies¹² have identified three zones of LCT-prospective pegmatite at the Olga Rocks project, being Western, Central and Eastern Zones. Fractionated, LCT-type pegmatite mineralisation has been confirmed from rock chips within the central and eastern zones with mapping confirming several zones can be identified within the outcrops. Research of publicly available WAMEX files, geophysics interpretation and on-ground mapping reconnaissance have indicated the possibility of strike extension of the western and central pegmatites into the recently acquired tenure. Historic RAB drilling over P77/4368 is widely spaced (approximately 400m x 80m to 400m x 20m spacing), predominantly shallow drilling. This drilling focused on testing for gold anomalism, however, several intercepts of Fg (Felsic Granitoid, interpreted as Felsic Pegmatite) and V (Vein quartz interpreted as a potential pegmatitic fractionation phase) are logged throughout the tenure, Table 1.

Based on these intercepts and rock chips and drilling intercepts, this extends the interpreted western trend up to 3km in strike length (Figure 1). As noted in Table 1, the historical drill holes are all shallow, which highlights the exploration potential throughout the Olga Rocks project.

Westar cautions that at this early-stage data analysis is of a preliminary nature and site investigations are at a reconnaissance level.

Table 1 – Historical RAB drillholes with logged pegmatite and felsic intervals³ (Figure 1)

Hole ID	E_GDA94	N_GDA94	M from	M to	width	logging	EOH
PDR181	743344.5	6487959.5	17	19	2	Fg	26
PDR186	743704.8	6487961.4	21	22	1	Fg	45
	743704.8	6487961.4	29	31	2	Fg	
	743704.8	6487961.4	40	41	1	V	
PDR317	743868	6487710.3	8	9	1	Fg	14
PDR318	743908	6487710.5	10	11	1	Fg	18
PDR347	743801.5	6488911	13	16	3	V	26
PDR348	743881.5	6488911.4	18	22	4	Fg	22

NB: All drillhole collar positions shown in Figure 1 are drilled -60 to local grid 090

Within the immediate project region, ASX listed neighbours Zenith Minerals⁴ and Xantippe⁵ have recently announced significant Li bearing pegmatites in drilling and the world-class Covalent Lithium Project at Mt Holland⁶, is approximately 40km away within the same Southern Cross-Forrestania Greenstone Belt.

1 See WSR ASX Announcement, 27 February 2023, "LCT Pegmatite Mineralisation Confirmed at Olga Rocks"

2 See WSR ASX Announcement, 28 February 2023, "Olga Rocks Pegmatite Interpretation"

3 WAMEX Reports A55223 & A58283 – (Fg=Felsic Granitoid (interpreted as pegmatite), V = Vein Quartz)

4 See ZNC ASX Announcement 16 November 2022, "Zenith Drilling Returns Significant Lithium"

5 See XTC ASX Announcement, 13 February 2023, "Drilling intersects thick intervals of LCT Pegmatite"

6 See KDR ASX Announcement, 26 April 2023, "Quarterly Activities Report"

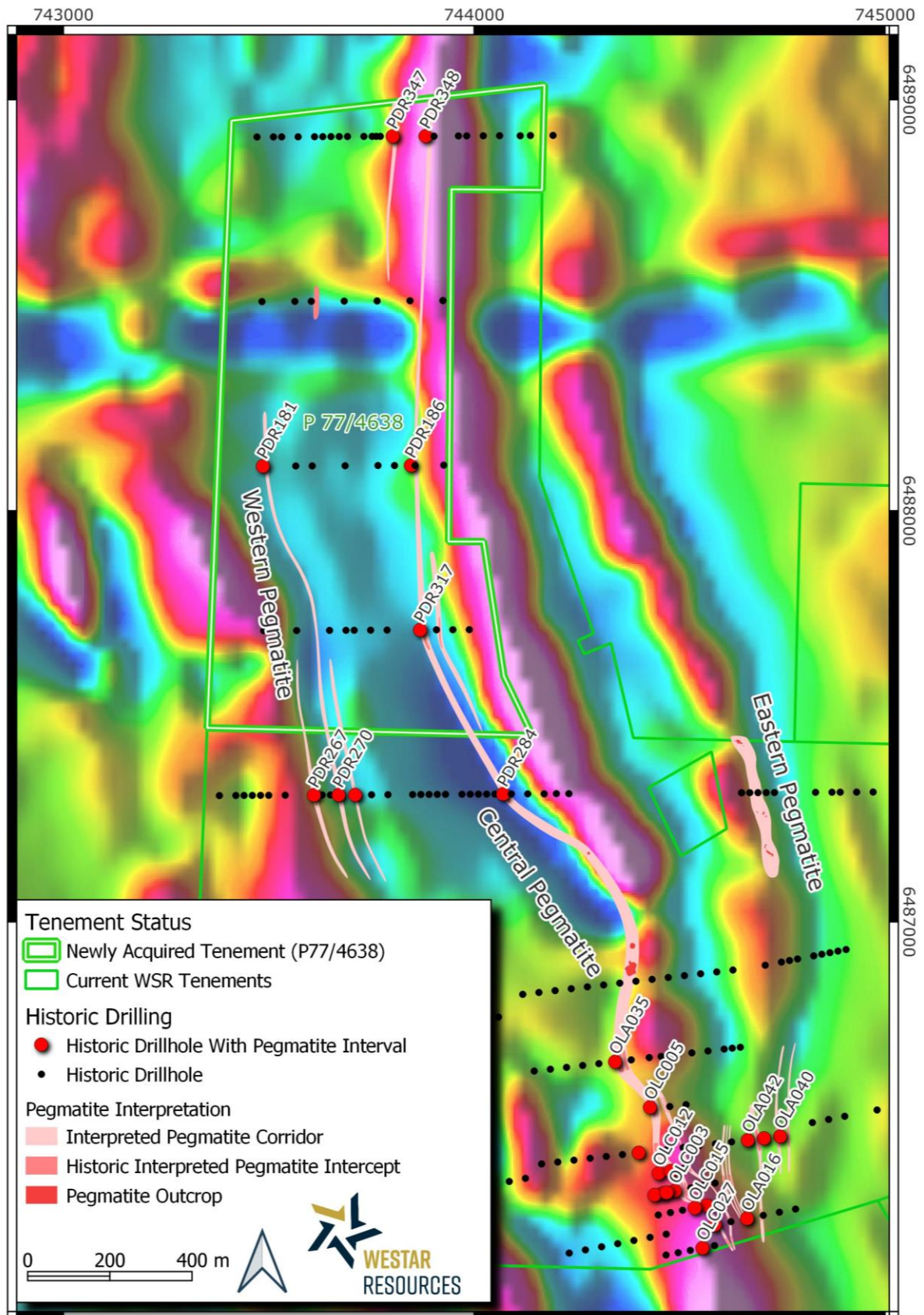


Figure 1 – Olga Rocks Project and acquired tenure, P77/4638

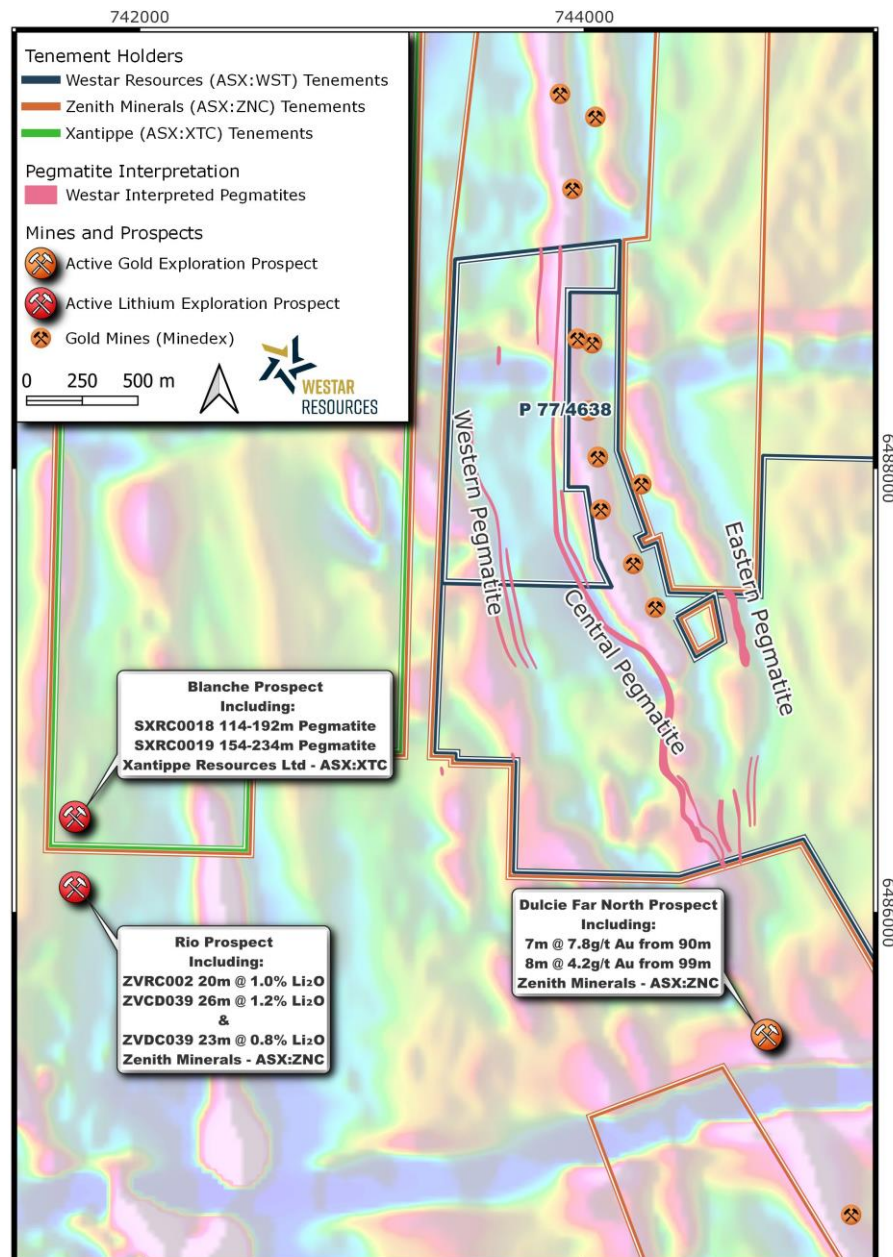


Figure 2 – Olga Rocks Project location map and recent drill results from ASX:ZNC and ASX:XTC

Sale Terms

As consideration for 100% ownership of application P77/4638, Westar has agreed to pay \$5,000 cash and issues of 500,000 fully paid ordinary shares to the Vendors, Alan Williams (or nominee). There is no change to the board of Westar.

The Consideration Shares will be issued pursuant to the Company's available capacity under Listing Rule 7.1.

Next Steps

As previously announced, Westar has commissioned PGN Geoscience to compile a detailed litho-structural interpretation using high-resolution open file data (MAGIX:A84462) to assist in providing definition and orientation of the pegmatite under cover and assist in drill targeting for both LCT-style pegmatite mineralisation and gold. Other planned exploration activities include:

- Mapping and rock-chip sampling.
- Ongoing review of historical gold mining reports overlying the tenure.
- Assessing the western Parker Dome tenement for LCT pegmatite potential.
- Permitting and approvals prior to a maiden “Proof of Concept” RC drilling campaign.

Background

The Olga Rocks Project is located within the emerging Forrestania Li district which hosts the developing Covalent Lithium “Mt Holland Project” (189Mt @ 1.50% Li₂O⁷, Figure 3), along with Zenith Minerals’ recent Li-pegmatite discovery at the “Split Rocks Project”⁸, less than 1.5km from Olga Rocks, Figure 2. Westar considers this Project has the potential to further enhance the Tier 1 lithium potential of the district, with further exploration success. Westar announced on 16 January 2023 completion of negotiations to acquire the Olga Rocks project.

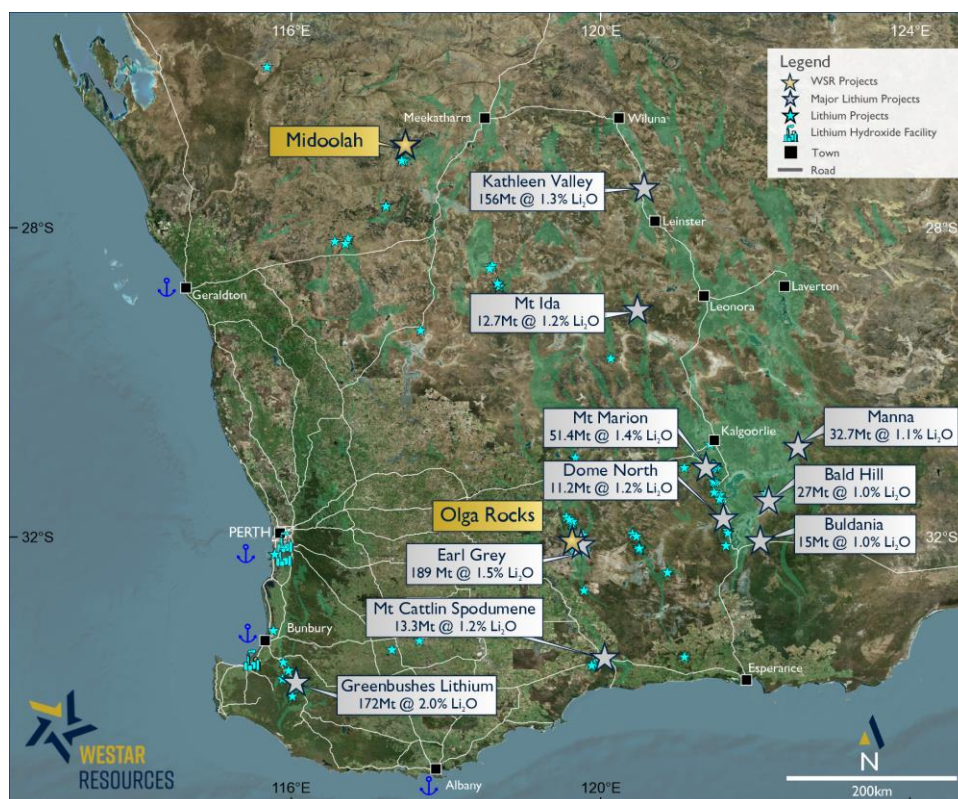


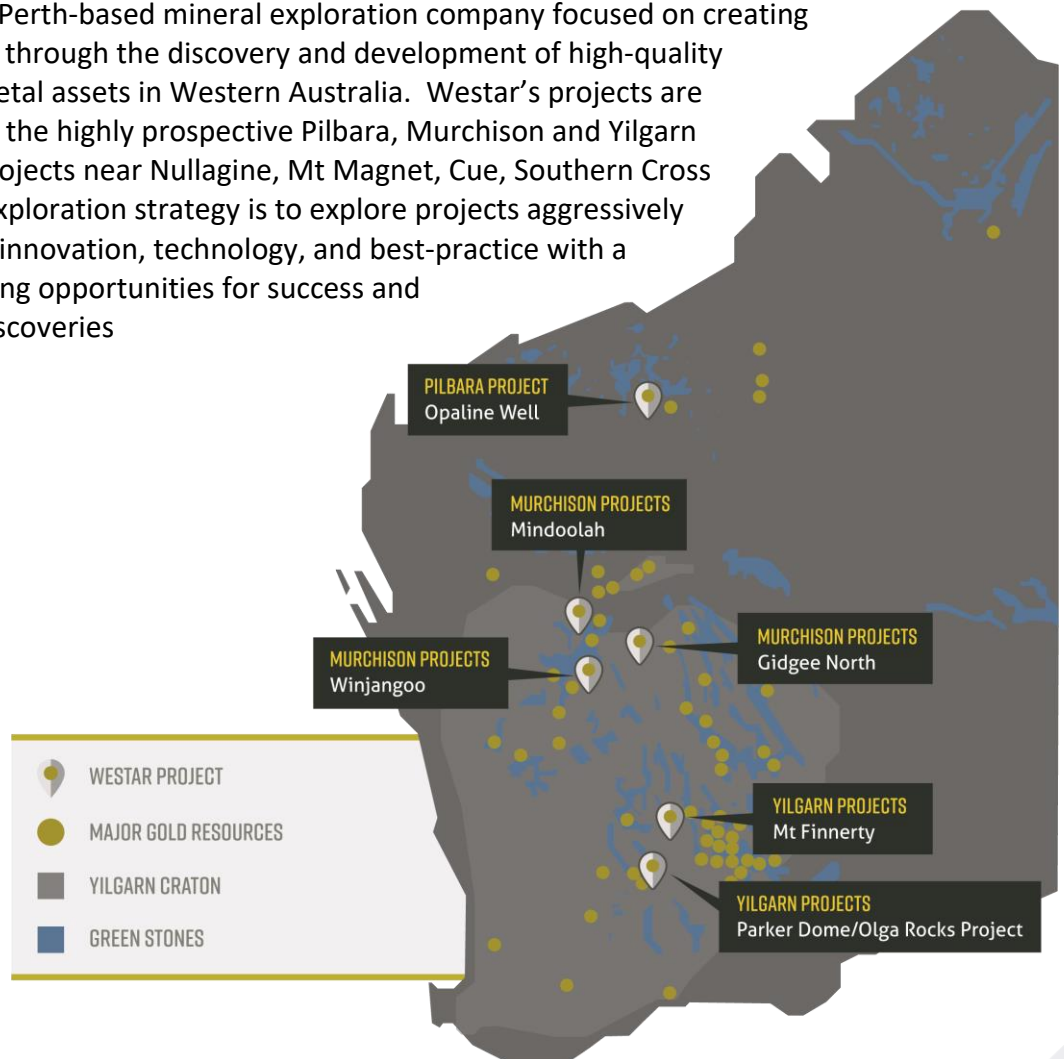
Figure 3 – Location map of Westar’s lithium-gold projects, **Olga Rocks** and **Mindoolah** with other WA lithium resource projects

⁷ See KDR ASX Announcement, 26 April 2018 “Quarterly Activities Report”

⁸ See ZNC ASX Announcement, 16 November 2022, “Zenith Drilling Returns Significant Lithium”

ABOUT WESTAR RESOURCES

Westar Resources is a Perth-based mineral exploration company focused on creating value for shareholders through the discovery and development of high-quality precious and future metal assets in Western Australia. Westar's projects are strategically located in the highly prospective Pilbara, Murchison and Yilgarn regions of WA, with projects near Nullagine, Mt Magnet, Cue, Southern Cross and Sandstone. Our exploration strategy is to explore projects aggressively and intelligently using innovation, technology, and best-practice with a clear focus on optimising opportunities for success and generating material discoveries



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

ENQUIRIES

Karl Jupp, Managing Director & CEO | +61 8 6556 6000 | kjupp@westar.net.au

COMPETENT PERSON STATEMENT

The Exploration Results have been compiled under the supervision of Mr. Jeremy Clark who is a director of Lily Valley International and a Registered Member of the Australian Institute of Mining and Metallurgy. Mr. Clark has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

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

Criteria	Commentary
<i>Sampling techniques</i>	<p>No information is provided in WAMEX files on the sampling technique used. Traditionally, RAB samples are collected via a cyclone and placed in 1 metre increments directly on to the ground. Sampling is conducted via sample scoop into numbered calico bags.</p> <p>Samples submitted to the Ultra Trace laboratory (Southern Cross) were assayed for gold by fire assay and a suite of 10 elements by ICP-AES analysis following a four-acid digest. All bottom of hole samples were additionally analysed for K and Na.</p>
<i>Drilling techniques</i>	No information is provided in WAMEX files other than RAB/Aircore drilling was utilised.
<i>Drill sample recovery</i>	No information is available to confirm this.
<i>Logging</i>	<p>All drill sample intervals had a grab sample sieved, washed and logged.</p> <p>Information indicates that logging was qualitative with semi-quantitative estimates made of relevant features such as percentage of quartz veins or sulphides.</p> <p>100% of the samples were geologically logged.</p>
<i>Sub-sampling techniques and sample preparation</i>	The composite samples were collected, using a sample scoop, from the sample that was placed in piles on the ground. The composite samples were sent to the laboratory in individually numbered calico sample bags.
<i>Quality of assay data and laboratory tests</i>	No QAQC results are available
<i>Verification of sampling and assaying</i>	Drill logs of pegmatite were confirmed with available residual material from ground cuttings at several holes. No verification sampling of gold assays is available given the historical nature of the drilling.
<i>Location of data points</i>	<p>A sufficient quantity of drill hole collars from historical drilling have been located in the field and verified to confirm that the local grid to MGA94 Zone 50 conversion is sufficiently accurate for the purpose of data interpretation and planning of future drill holes. Hole locations, grids, sections and elevations referred to in the body text and figures are reporting in MGA94 Zone 50.</p> <p>RLs have been assigned to each drill hole from DTM data acquired during 20m line spacing magnetics survey (A19703). Location accuracy of the DTM data is consistent with field observations and considered suitable for data interpretation.</p>
<i>Data spacing and distribution</i>	Drill lines were variable spaced at around 800m nominal. Holes along lines were spaced 20-40m apart. 3m composites were taken over the whole hole as standard procedure, with reduced intervals over shallow holes or irregular intervals to match the end of hole depth.
<i>Orientation of data in relation to geological structure</i>	All holes are orientated 60° to local grid east. Given the early stage of exploration, the relation to structures and geological setting are not confirmed.
<i>Sample security</i>	No information is available.
<i>Audits or reviews</i>	No audit/reviews have been conducted on the data reported herein.

JORC Code, 2012 Edition – Table 1 report

Section 2 Reporting of Exploration Results

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

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<p>Exploration reported was conducted on tenement P77/4271, which is 100% owned by Lithos Energy Pty Ltd, a subsidiary of Westar Resources Limited.</p> <p>The Olga Rocks Project is located approximately 70km south of Southern Cross in Western Australia.</p> <p>The tenement is current and in good standing with the Department of Mines, Industry Regulation and Safety (DMIRS) of Western Australia.</p>
<i>Exploration done by other parties</i>	Previous exploration has been undertaken by companies including Sons of Gwalia and Polaris as part of Joint Venture arrangements. All work is considered historical in nature and completed on local grids.
<i>Geology</i>	The Olga Rocks Project lies within the Southern Cross Greenstone Belt, which forms a lensed, broadly sinusoidal belt measuring some 250 km in length and 50 km in width. It is dominated by volcanic and sedimentary sequences and surrounded by intrusive granitoids, which contain rafts of greenstone. The margins of the belt are typically dominated by contact-metamorphosed basalts and banded iron formations (BIF).
<i>Drill hole Information</i>	<p>The results from historical drill holes cannot be confirmed. The reported drilling results were undertaken by previous publicly listed companies on the ASX, with methods recognized by Westar and its consultants. While further work is required to fully validate the results, Westar is of the opinion that the historical results used in this release are suitably applied for correct understanding of the report.</p> <p>Data compilation and grid location, conversion and validation issues have been previously identified and verified to confirm that the local grid to MGA94 Zone 50 conversion is sufficiently accurate for the purpose of data interpretation and planning of future drill holes. Westar notes that the drill hole data and location information is publicly available on WAMEX.</p>
<i>Data aggregation methods</i>	Not relevant.
<i>Relationship between mineralisation widths and intercept widths</i>	No relationship between mineralisation widths and intercept widths have been established with the limited historical exploration data available. There is insufficient drilling to confidently interpret the orientation of a potential mineralized zone.
<i>Diagrams</i>	Suitable maps have been included in the body of the announcement.
<i>Balanced reporting</i>	Key results and conclusions have been included in the body of the announcement.
<i>Other substantive exploration data</i>	Open file historical drilling and sampling data over several areas of the Project is publicly available on the DMIRS WAMEX system. Compilation of this data is ongoing.
<i>Further work</i>	Westar intends to progress exploration activities at Olga Rocks to advance both the lithium-caesium-tantalum pegmatite and gold targets. Upcoming field activities include evaluation of current rock chips, additional mapping, rock chip sampling and soil sampling and the re-processing of geophysics data before target definition, ranking and design of a maiden drilling campaign.