

**SEPTEMBER 2022 QUARTERLY REPORT**

Western Yilgarn NL (**Western Yilgarn** or **Company**) (ASX: WYX) is pleased to provide its Quarterly Activities Report for the period ending 30 September 2022 (**Quarter**).

**HIGHLIGHTS**

- ✓ **Darling Range - Application E 70/5111**  
Meetings and discussions held with the WA Mining Minister and DMIRS to progress grant of application E 70/5111 located near Chalice Mining's Julimar and Gonneville discoveries
- ✓ **Melbourne / Darling Range Land Access**  
Land access arrangements progressed for Melbourne and Darling Range projects following positive meetings with landowners.
- ✓ **Sylvania Prospectivity**  
First visit to Sylvania project produces higher than anticipated level of prospectivity with confirmation of 3 exploration target areas identified by the WYX technical team.
- ✓ **Project Expansion – New Leases**  
New leases acquired during the quarter to complement existing projects: E 36/1025 Bulga; E 70/6167 Melbourne; application ELA 52/4177 Sylvania.

**Chairman, Peter Lewis commented:**

*"The Board commends this quarterly report to the market and our shareholders. The Board is highly satisfied with progress made to date across Western Yilgarn's considerable number of projects. Further geophysical and geological reviews have highlighted prospective areas we were not previously aware of. In addition, land access meetings have provided pathways onto green-titled farmland at the Melbourne project. First pass sampling at Sylvania has provided compelling targets. Western Yilgarn is also carrying out due-diligence on what looks to be an excellent acquisition for the Company which provides a firm foothold in the burgeoning REE segment."*

## PROJECTS OVERVIEW

Prospective for platinum group metals (PGE), gold, nickel, and other minerals, Western Yilgarn's portfolio of 6 projects comprises 10 exploration licences plus 1 licence (ELA 70/5111 "Darling Range PGE Project") remaining under application as at the date of this announcement.

Activities applicable to all licences:

- Exploration budget approved by Board.
- Expert consultant geophysical review received from the team at ExploreGeo Pty Ltd (ExploreGeo), led by Kim Frankcombe.
- Projects review received and first site visit completed by Sahara Operations [Australia] Pty Ltd (Sahara), led by Beau Nicholls.

**Melbourne project** EL 70/5767; EL 70/5921; EL 70/6167 (granted September).

Desktop review indicates exploration potential for Cu, Ni, Au.

- Historical data review and reprocessing of geochemical data using loGAS software.
- Land access agreements being executed for both "east" and "west" tenements with access to at least 75% of "east" and 50% of "west" anticipated for this season.
- Exploration plan drafted based on geophysical report. Access available post-harvest to complete an extensive shallow auger drilling campaign.
- New exploration lease "Melbourne north-west" EL 70/6167 granted. Land access discussions will commence post-harvest in November. This lease shares some boundary with the northern end of "Melbourne west" EL 70/5767 and therefore offers continuity.

**Sylvania project** comprises E 52/3861; and ELA 52/4177 which was applied for in September.

Desktop review indicated exploration potential for Ni, Cu, REE (E 52/3861) and Li, Au (E 52/4177).

- Historical data review and reprocessing of geochemical data using loGAS software.
- First site visit by geology consultants completed in September. This preliminary review defined 3 discrete exploration targets within the lease:
  1. Ni-Ci-PGE associated with Ultramafic plus possible remnant greenstone
  2. Anomalous REE and Li stream sediment samples in granite possibly associated with pegmatites and granite
  3. A dyke anomalous in Zr and Cu.
- Exploration plan approved and being implemented
- Dialogue and working relationship established with pastoral lease management
- New exploration lease "Sylvania South" ELA 52/4177 applied for in September and replacing previous application ELA 52/4163. New application lodged on 5th October to encompass a greater area. Dialogue established and underway with the pastoral lease holder to coordinate access.

## **Mount Magnet project**

- Boodenoo E 59/2496  
Desktop review indicates two different granites within the tenement, one of which occurs only in the tenement. Both are most likely in fault contact with sediments to

the east. The fault has anomalous Au outside of the tenement. There is prospectivity for anomalous Au in the unique granite structure contained in the lease. Sampling across the tenement for this and also to better understand REE and Li pegmatites shall be completed.

- Challa E 58/562  
Desktop review indicates potential for V and Ti? Desktop review indicates the tenement is underlain by gabbro. The gabbro may overly down-dip extensions of the Canegrass Magnetic Zone and could be several hundred metres thick. Rock and chip sampling shall be completed and IP surveys to develop potential drill targets are being considered.

**Bulga** E 36/1010; E 36/1011; E 36/1025

- First site visit planned for November '22.
- The project is located at a complex structural knot on the edge of two major terranes. With so many structures converging in one place, there may be potential for greater volumes of fluid movement and third or fourth order sprays that may contain Au, even in granite.
- A confirmed ultramafic unit adjacent to one of the major structures may be prospective for nickel. In the south, a tortuous reversely polarised magnetic feature may represent a mafic sill, in which case it may be prospective for Ni and Cu.
- Exploration licence E36/1025 granted in quarter on 1 July 2022

**Darling Range PGE Project** ELA 70/5111

- The Company applied for ELA 70/5111 on 4th January 2018. The application was recommended for grant on 16th February 2018. The Company reconfirms in this quarterly report that the standing of its Exploration Lease application for ELA 70/5111 is good but remains not granted due to Government procedural issues. For more background on the issue, The Company directs the reader to the Western Yilgarn website <https://westernyilgarn.com.au/projects/darling-range/>

**Meeting with the Mining Minister.**

On Thursday October 20th, WYX Chairman Peter Lewis and Director John Traicos met with Hon. William (Bill) Joseph Johnston MLA, Minister for Mines and Petroleum; Energy; Corrective Services; Industrial Relations. The meeting objective was to seek clarity if not finalisation of the grant process for the Exploration Lease Application ELA 70/5111 "Darling Range PGE Project".

The Company understands that the Minister will be making enquiries with the Department (DMIRS) regarding the status of the application.

**Potential Acquisition**

On 27th October 2022, the Company secured an option until January 2023 to acquire two exploration licences, E 09/2542 and E 09/2539, in the Gascoyne Region of Western Australia which are prospective for Rare Earths (REE) and Manganese. Upon exercise of the option, the projects can be acquired by the Company via the acquisition of the owner, Kouzan Pty Ltd, for \$200,000. The Company has commenced due diligence and will provide updates to shareholders in due course.

## FINANCIALS

### APPENDIX 5B QUARTERLY REPORT AND STATEMENT OF CASH FLOWS

The ASX Appendix 5B quarterly report is attached to and lodged with this report and covers the 3-month period from 1 July 2022 to 30 September 2022.

During the Quarter, the Company spent \$153k on exploration expenditure with administration and corporate expenditure totalling \$168k.

### PAYMENTS TO RELATED PARTIES AND THEIR ASSOCIATES

In accordance with ASX Listing Rule 5.3.5, an amount of \$32k was paid to Directors of the Company.

### ASX LISTING RULE 5.3.4 DISCLOSURE

The Company was readmitted to the official list of ASX on 4 May 2022 (**Readmission**). As part of the Company's re-listing on the ASX, it issued a prospectus dated 7 February 2022 which disclosed the Company's intended use of funds in the 24-month period following Readmission (**Use of Funds Statement**).

A comparison of the Company's actual expenditure since Readmission against the estimated expenditure noted within the Use of Funds Statement is set out below in accordance with ASX Listing Rule 5.3.4:

Expense	Proposed Use of Funds	Actual expenditure to 30 September 2022	Variance (AUD)
Exploration Expenditure (2 years)	\$2,320,000	\$249,556	\$2,070,444
Expenses of the recapitalisation process and the Offer	\$797,186	\$799,194	\$(2,008)
General and administrative costs (2 years)	\$750,000	\$253,350	\$496,650
Working capital (2 years)	\$1,018,413	\$0	\$1,018,413
<b>Total</b>	<b>\$4,885,599</b>	<b>\$1,302,100</b>	<b>\$3,583,499</b>

The variances above can be attributed predominantly to the Company re-listing during the June 2022 Quarter and expenditure being less than 5 months into a 24 month budget.

Authorised for release by the Board of Western Yilgarn NL.

**Ends.**

28 October 2022

All Shareholder enquiries relating to the Company's operations – Please contact:

Peter Lewis (Chairman) on 0418 785 259

Gavin Rutherford (General Manager) on 0400 250 441

John Traicos (Director) on 0417 885 279

or visit the Company website at [www.westernyilgarn.com.au](http://www.westernyilgarn.com.au)

**WYX SCHEDULE OF INTEREST IN MINING TENEMENTS  
(as required by ASX Listing Rule 5.3.3)**

**Mining Tenements at 30 September 2022**

Location	Tenement	Name	Holder	Equity	Status	Area (blocks)
Western Australia	ELA 70/5111	Darling Range	PBX Aus Pty Ltd	100%	Application Pending	119
Western Australia	E52/3861	Sylvania North	AAM Resources	100%	Application Granted	43
Western Australia	E52/4163 <sup>3&amp;4</sup>	Sylvania South	AAM Resources	100%	Application Pending	45
Western Australia	E58/562	Challa	AAM Resources	100%	Application Granted	1
Western Australia	E59/2496	Boodanoo	AAM Resources	100%	Application Granted	13
Western Australia	E36/1010	Bulga	Western Yilgarn	100%	Application Granted	21
Western Australia	E36/1011	Bulga	Western Yilgarn	100%	Application Granted	16
Western Australia	EL36/1025 <sup>1</sup>	Bulga	Western Yilgarn	100%	Application Granted <sup>1</sup>	14
Western Australia	E70/5767	Melbourne West	Western Yilgarn	100%	Application Granted	35
Western Australia	E70/5921	Melbourne East	Western Yilgarn	100%	Application Granted	33
Western Australia	E70/6167 <sup>2</sup>	Melbourne NW	Western Yilgarn	100%	Application Granted	31

**Notes:**

1. Exploration licence E36/1025 granted in quarter on 1 July 2022
2. Exploration licence E70/6167 granted in quarter on 20 Sept 2022
3. Exploration licence E52/4163 applied for in quarter on 9 Sept 2022
4. Exploration licence E52/4163 withdrawn in next quarter on 12 October 2022 on the 5<sup>th</sup> October 2022 AAM Resources lodged E 52/4177 that included the E52/4163 plus 30 more contiguous blocks totalling 75 blocks

**Forward Looking Statements**

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Western Yilgarn, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

**Competent Person Statement**

The reported Exploration Results were compiled by Beau Nicholls, a Fellow of the Australian Institute of Geoscientists. Mr. Nicholls has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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. Nicholls is a principal Consultant with Sahara Natural Resources (Sahara), and the Competent Person is independent of the Company and other than being paid fees for services in compiling this report, neither has any financial interest (direct or contingent) in Western Yilgarn.

## Appendix 5B

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

Name of entity

Western Yilgarn NL

ABN

62 112 914 459

Quarter ended ("current quarter")

30 September 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(153)	(153)
(b) development	-	-
(c) production	-	-
(d) staff costs	(28)	(28)
(e) administration and corporate costs	(140)	(140)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(321)</b>	<b>(321)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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 (DOCA proceeds)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	-
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(2)	(2)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(2)</b>	<b>(2)</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,890	3,890
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(321)	(321)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	(2)

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,567</b>	<b>3,567</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	3,567	3,890
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,567</b>	<b>3,890</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	32
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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.		

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

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(321)
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)	(321)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,567
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,567
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	11.09
	<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?	
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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?	
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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?	
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	<i>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.</i>	

**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: 28 October 2022.....

Authorised by: Board of Directors.....  
(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.