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17 April 2023

EXPLORATION ACTIVITIES AND OPERATIONAL UPDATE

Highlights

Salazar REE (WA):

- Assay results from infill and extensional drilling at Salazar Rare Earth Elements (REE) Clay Project expected before the month-end. Results to date include:
 - 34m of 2337ppm TREO⁶ from 7m in SZA070, includes 2m of 1.1% TREO (10,963ppm TREO) from 28m³
 - 11m of 3,682ppm TREO from 21m in SZA155, includes 1m of 2.2% TREO (22,316ppm TREO), 1,353ppm Pr₆O₁₁, 6,273ppm Nd₂O₃, 1,042ppm Dy₂O₃ and 192ppm Tb₄O₇ from 29m⁴
- AMC Consultants engaged to undertake a mineral resource estimate to upgrade the existing 43.5Mt @ 1192ppm TREO resource¹ during May 2023
- Historical metallurgical results returned up to 92.8% REE recoveries. ANSTO engaged to further optimise leaching kinetics at Newmont Deposit in conjunction with beneficiation testwork at Nagrom and the Uni of Newcastle

Nevada Lithium (USA):

- Drill planning and permitting at the Montezuma Well and Big Smoky Valley Nevada claims is underway with drilling planned for Q3, 2023 to target large-scale sediment-hosted lithium claystone deposits

Hermit Hill Lithium Project (NT):

- Planning underway for commencement of field activities at Hermit Hill Lithium Project in Northern Territory on completion of the wet season

West Cobar Metals Limited (ASX:WC1) (“West Cobar”, “the Company”) is pleased to provide an update on activities at its suite of mineral exploration projects in Western Australia, Northern Territory, Nevada (USA) and NSW.

Salazar Rare Earths (WA)

The Salazar Project includes the clay-hosted Newmont REE deposit which contains an Inferred Mineral Resource¹ of 43.5Mt at 1192ppm total rare earth oxide (TREO). The project’s tenements include an additional exploration target of 200-500Mt at 1000-1400ppm TREO.²

The Salazar project Exploration Target is conceptual based on reasonable grounds and assumptions described in the announcement to the ASX of 7 November 2022. There has been insufficient exploration to estimate a Mineral Resource from this exploration target and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Final Drill Results – expected April 2023

Following completion of the first phase of aircore drilling at Salazar Rare Earth Project 120km NE of the town of Esperance in WA, West Cobar expects to receive its final batch of assay results from the 283-hole, 9342m program before the end of April 2023.

To date, outstanding mineralization results, from shallow depths, received include:

From the Newmont deposit area

- 34m of 2337ppm TREO from 7m in SZA070³
 - includes 2m of 1.1% TREO (10,963ppm TREO) from 28m
- 11m of 3,682ppm TREO from 21m in SZA155⁴
 - includes 1m of 2.2% TREO (22,316ppm TREO) 1,353ppm Pr₆O₁₁, 6,273ppm Nd₂O₃, 1,042ppm Dy₂O₃ and 192ppm Tb₄O₇ from 29m
- 15m of 1028ppm TREO from 17m in SZA027⁵
- 15m of 1560ppm TREO from 13m in SZA032⁵

¹ West Cobar ASX announcement dated 8 September 2022, titled “Acquisition of Salazar Rare Earths Project”.

² West Cobar ASX announcement dated 7 November 2022, titled “Potential to Expand REE Resource at Salazar”.

³ West Cobar ASX announcement dated 6 February 2023, titled “High Grade Results from AC Drilling at Salazar REE Project”.

⁴ West Cobar ASX announcement dated 30 March 2023, titled “More High-Grade REE Clay Mineralisation Results”.

⁵ West Cobar ASX announcement dated 1 March 2023, titled “More High-Grade Results at Salazar REE Project”.

- 7m of 2626ppm TREO from 18m in SZA055⁵
- 11m of 1415ppm TREO from 8m in SZA063⁵
- 16m of 1,547ppm TREO from 10m in SZA122⁴
- 8m of 1,426ppm TREO from 32m in SZA151⁴

From the O'Connor area

- 10m of 2366ppm TREO from 20m in SZA081³
- 10m of 1717ppm TREO from 10m in SZA080³
- 11m of 1645ppm TREO from 20m in SZA077³
- 32m of 973ppm TREO from 7m in SZA088⁴
- 20m of 1,181ppm TREO from 8m in SZA089⁴
- 33m of 951ppm TREO from 15m in SZA094⁴
- 11m of 1,446ppm TREO from 13m in SZA095⁴

Newmont Resource Upgrade – expected May 2023

CSA Global ("CSA") was engaged by Salazar Minerals to estimate a Mineral Resource for the Newmont deposit in 2015. CSA estimated an Inferred Mineral Resource of 43.5Mt at 1192ppm TREO (500ppm cut-off) in accordance with the JORC Code (2012).¹

Cut-off (TREO ppm)	Tonnes (Mt)	TREO ⁶ (ppm)	TREO (ppm)	LREO ⁷ (ppm)	HREO ⁸ (ppm)	U (ppm)	Th (ppm)
0	67.7	861	721	620	241	6	27
500	43.5	1192	991	847	344	7	26
1000	19.9	1734	1419	1202	532	7	23

Table 1: Newmont Deposit Inferred Mineral Resource estimated by CSA⁹

AMC Consultants have been engaged to update the Mineral Resource. The new drillholes are primarily extension drillholes with some infill and twin holes. All information from the

⁶ TREO = Y₂O₃ + La₂O₃ + Ce₂O₃ + Pr₈O₁₁ + Nd₂O₃ + Sm₂O₃ + Eu₂O₃ + Gd₂O₃ + Tb₄O₇ + Dy₂O₃ + Ho₂O₃ + Er₂O₃ + Tm₂O₃ + Yb₂O₃ + Lu₂O₃

⁷ LREO = La₂O₃ + Ce₂O₃ + Pr₈O₁₁ + Nd₂O₃

⁸ HREO = Eu₂O₃ + Gd₂O₃ + Sm₂O₃ + Tb₄O₇ + Dy₂O₃ + Ho₂O₃ + Er₂O₃ + Tm₂O₃ + Yb₂O₃ + Lu₂O₃ + Y₂O₃

⁹ Dr Andrew Scogings of CSA Global is the Competent Person for the Newmont Resource estimate (in accordance with the JORC 2012 Code)

drilling program will be integrated with historical data, to update the existing high-grade Newmont Inferred Resource during May 2023.

The Newmont resource grades, and tonnage compare favorably with other known REE clay deposits within Australia (Table 2).

Company	Code	Deposit	Resource Category	Resource Million Tonnes	Grade TREO+Y2O3 ppm	Cut-off	Pr ₆ O ₁₁	Nd ₂ O ₃	Dy ₂ O ₃	Tb ₄ O ₇
West Cobar Metals	WC1	Newmont, WA	Inferred	43.5	1192	500ppm TREO+Y2O3	50	200	36	6
Heavy Rare Earths ¹⁰	HRE	Cowalinya, WA	Inferred	28	625	300ppm TREO-CeO ₂	29	109	17	3
Australian Rare Earths ¹¹	AR3	Koppamurra SA/VIC	Indicated & Inferred	101	818	325ppm TREO-CeO ₂	37	139	21	4
Krakatoa ¹²	KTA	Tower, WA	Indicated & Inferred	101	840	300ppm TREO-CeO ₂	Not presented			

Table 2: Australian REE clay deposits, published Mineral Resources

ANSTO Leaching Studies – expected over the next 3 months

Historical testwork commissioned by Salazar Minerals, showed that Newmont sample REE recoveries ranged from 54.2% to 92.8% (-20 micron screened samples) in 24-hour tests at 30 degrees Celsius using 10% hydrochloric acid.¹

West Cobar is working through a comprehensive leaching program with ANSTO. The first phase of leach tests has been designed to build on the results observed in previous testwork and to determine the most feasible approach for rare earth extraction. Results from ANSTO’s micro-leaching testwork are expected to take 3 months to complete from receipt of sample material.

Beneficiation Testwork – ongoing

Meanwhile, beneficiation testwork on representative ore samples from the Newmont deposit is currently underway through the ARC Centre of Excellence for Enabling Eco-Efficient Beneficiation of Minerals at the University of Newcastle. West Cobar has also engaged mineral processing specialist Nagrom to undertake scouting beneficiation

¹⁰ Heavy Rare earths’ Prospectus 22 August 2022

¹¹ ASX announcement, Australian Rare Earths, 3 April 2023

¹² ASX announcement, Krakatoa Resources, 21 November 2022

testwork on historical ore samples from the O'Connor prospect.

These metallurgical programs will run over the course of 2023, with material results to be communicated as they become available.

Nevada Lithium Project (USA)

Situated within the world class Nevada lithium district, the Nevada Lithium Project consists of the Montezuma Well and Big Smoky Valley claims areas which are considered prospective for large-scale sediment-hosted lithium claystone deposits. The prospective areas are located in close proximity to the mining town of Tonopah and 350km southeast of the Tesla Gigafactory in Nevada (Figure 1).

Recent drilling by southern neighbors Future Battery Minerals (ASX:FMB) has intersected 35.1m @ 463ppm Li from 106.7m (drill hole WF23-001), 1 km to the south of the Montezuma Well Prospect. ¹³

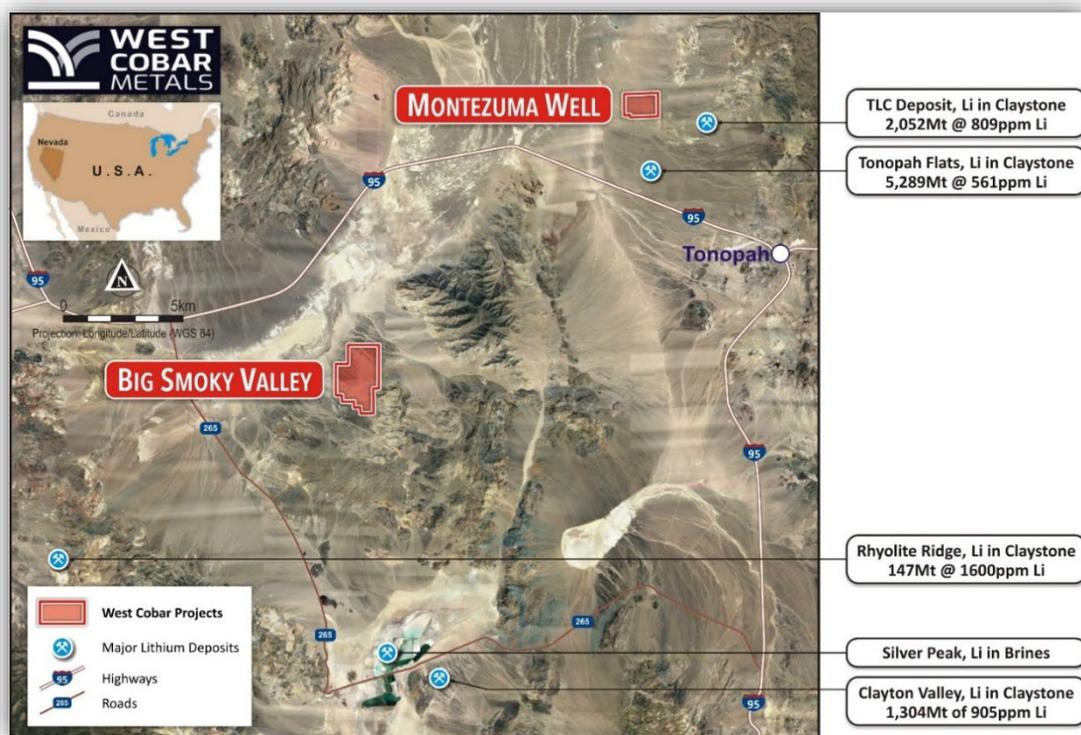


Figure 1 – West Cobar's claim areas and major lithium deposits in Nevada and Oregon ¹⁴

¹³ Future Battery Minerals, ASX announcement 13 April 2023

¹⁴ West Cobar ASX announcement dated 24 March 2023, titled "Prime Lithium Exploration Ground Staked in Nevada".

The 242 claims lie in the Silver Peak-TLC zone, which hosts the single biggest US lithium producer, Albemarle's Silver Peak lithium-in-brines operation, and some of the largest US lithium in claystone resources. The ground is prospective for lithium underlain by the host claystones of the Siebert and Esmeralda Formations.

- Montezuma Well Prospect consists of 59 claims and is located 2km west of American Lithium Corporation's TLC deposit and 4km north of American Battery Technology's recently announced Tonopah Flats discovery. Five reverse circulation holes to depths of 80 to 120 meters will be drilled to test for lithium claystone deposits.
- Big Smoky Valley Prospect consists of 183 claims and is located 30km south-west of the TLC deposit, 30km north-east of Loneer's Rhyolite Ridge deposit and 20km north of Silver Peak. Six reverse circulation holes to depths of 80 to 120 meters will be drilled to test for lithium claystone deposits.

Permitting applications for the planned drilling are underway. The drilling program is expected to be carried out in Q3.

Hermit Hill Lithium (NT)

The Hermit Hill project area is located in the Litchfield Province, roughly 100km south-southwest of Core Lithium's Finnis Lithium Project and Lithium Plus Minerals' Lei lithium prospect, and 30km west of Ragusa Minerals' Tank Hill lithium discovery (Figure 2).

Following the grant of the 667km² Hermit Hill tenement (EL 33208), West Cobar has commenced planning exploration activities in preparation for the 2023 field campaign at the end of the Northern Territory wet season. Due to a prolonged wet this year, the field work is expected to commence in June at the earliest.

Initial activities will include geological mapping and soil and rock chip sampling to develop targets for drilling. Geophysical surveys may also be undertaken to assist in identifying lithium-rich pegmatitic zones under cover.

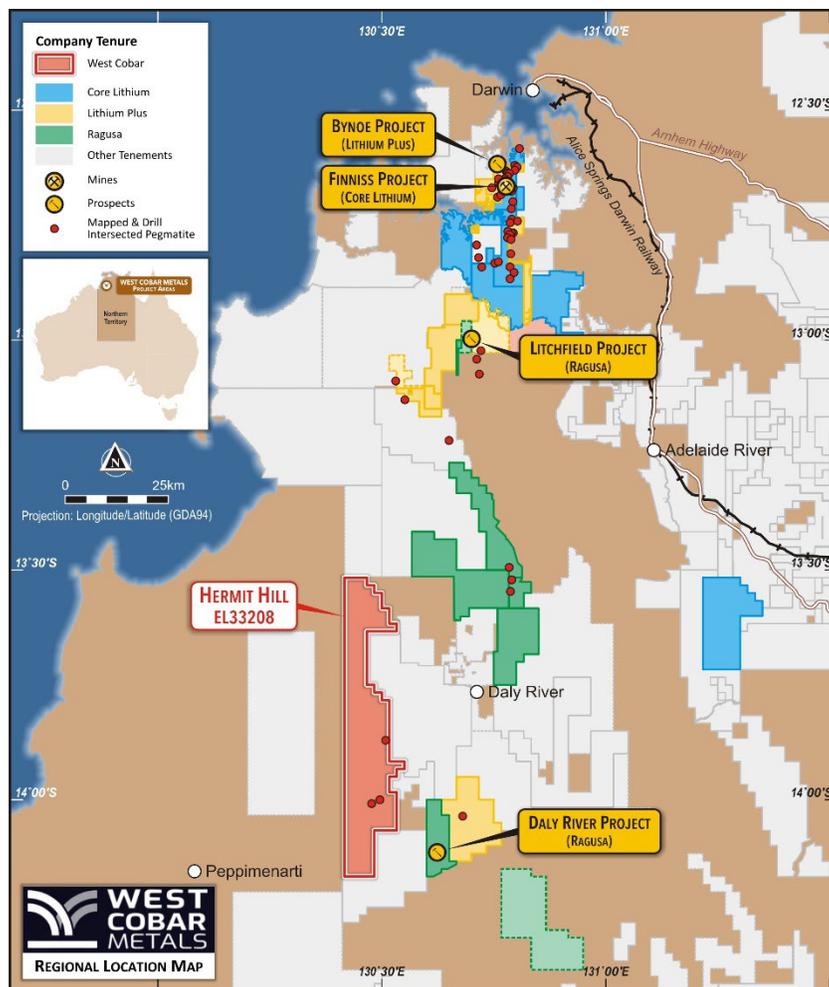


Figure 2 – Hermit Hill lithium project location

Cobar West Projects (NSW)

West Cobar has flown a low-level aeromagnetic survey over the Bulla Park Copper Project in the Cobar Basin in central NSW during the March quarter. Diamond drilling to test a revised geological copper model at Bulla Park will be planned, subject to the geophysical data validating magnetic targets.

The revised model suggests that the significant copper mineralisation identified at Bulla Park to date could reflect a “halo” around a higher-grade intrusive pipe or stockwork system, as is seen in other deposits in the Cobar Basin.

The Company expects the diamond holes to be drilled in Q3, with results to inform next steps at Bulla Park.

Inter-party negotiations with the property owners at West Cobar's Cawkers Well and Nantilla projects in New South Wales have to date been unsuccessful in concluding access agreements, however West Cobar is now currently actively engaged in negotiations with landholders at the Nantilla Project for access.

-ENDS-

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

Further information:

David Pascoe
Chief Executive Officer
david.pascoe@westcobarmetals.com.au
+61 8 9481 0389

Luke Forrestal
GRA Partners
luke.forrestal@grapartners.com.au
+61 411 479 144

Kevin Das
Executive Director
kevin.das@westcobarmetals.com.au
+61 421 077 523

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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 that relates to the exploration information at West Cobar's projects fairly reflects information compiled by Mr David Pascoe, who is CEO of West Cobar Metals Limited and a Member of the Australian Institute of Geoscientists. Mr Pascoe has sufficient experience which is relevant to the style of mineralisation and type 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 with respect to the Salazar Project, 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 Person in the announcement to the ASX of 8 September 2022 and that all material assumptions and technical parameters underpinning the Ore Resources, continue to apply and have not materially changed.