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14 December 2022

## **SUBSTANTIAL INCREASE OF LANDHOLDING NEAR SALAZAR REE PROJECT**

### **Highlights**

- Binding agreement signed to acquire Lanthanos Resources, owner of tenement application E69/3982 which is located 150km north-east of Esperance, Western Australia, subject to West Cobar Metals shareholder approval and other conditions precedent
- The acquisition provides a strategic increase in landholding with the addition of 575 square kms and over 70km strike of untested REE enriched clays along the REE corridor
- The tenement is located over the eastern Albany-Fraser Orogen, along the Nornalup corridor which is host to 'A' Type REE enriched granites and highly prospective secondary REE clays
- 100% of the tenure resides on undeveloped (non-agricultural) state-land and the tenement area is accessible year-round by road

West Cobar Metals Limited (ASX: WC1) ("West Cobar" or "the Company") is pleased to announce that it has entered into a binding agreement to acquire Lanthanos Resources Pty Ltd ("Lanthanos Resources"), owner of tenement application E69/3982 ("Tenement").

The Tenement is considered prospective for REE clays and is located 150 km northeast of the deep-water Port of Esperance. The Tenement consists of 200 blocks for a total area of 575 square kms and contains over 70km strike of prospective REE enriched clays.

West Cobar's increased landholding via the acquisition of Lanthanos Resources provides the Company with material upside potential as the value of the REE clays in the Esperance region develops.

The Tenement is located over the eastern Albany-Fraser Orogen, along the Nornalup corridor which is host to 'A' Type REE enriched granites and secondary REE clays. The Tenement is congruent and situated immediately to the east of the OD6 Metals Limited

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(ASX: OD6) REE clay project<sup>1</sup> (Figure 1).

100% of the tenure resides on undeveloped (non-agricultural) state-land and is accessible year-round by road. The Tenement area benefits from its proximity to essential infrastructure (including port, rail, and air services) and is well serviced with a readily available skilled local work force in nearby Esperance and other towns in WA's Great Southern region.

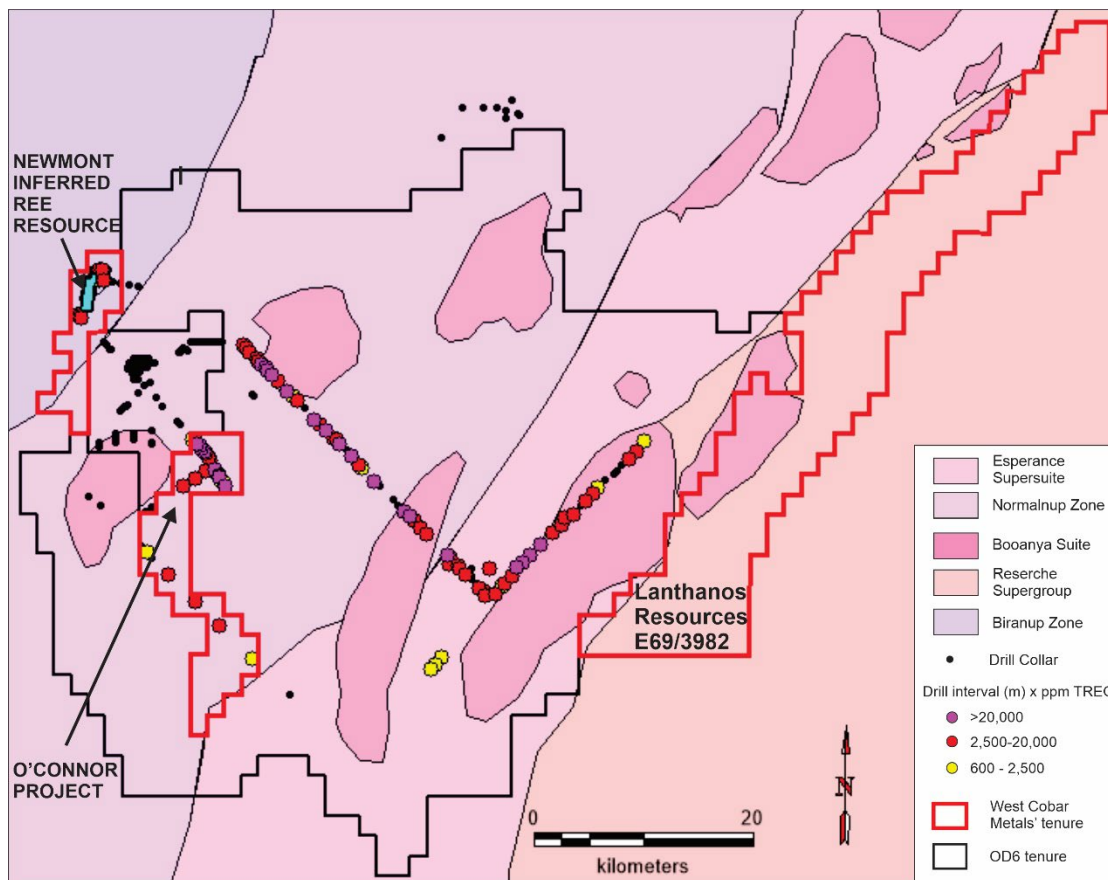


Figure 1: Location of tenement

### REE Target Model

In 2011, Salazar Gold Pty Ltd discovered REE enrichment within both basement rocks and saprolite clays of the Norralup Complex. The Norralup Complex is part of the Albany-Fraser Orogen which is intruded by the Esperance Super Suite Granitoids/Gneisses and Booyana A-Type Alaskites strongly enriched in REE (A102910 WAMEX).

<sup>1</sup> OD6 Metals Ltd ASX announcement 11 November 2022

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The REE target model shows the regolith profile commonly consists of transported sediments overlying a REE enriched saprolite (up to 5000 ppm TREO) and saprock, commonly 15-35m thick (Figure 2). Geoscience Australia note the Booyana A-Type granites are strongly enriched in REE minerals with associated REE carbonates weathering readily to enrich the above and adjacent saprolite clays.

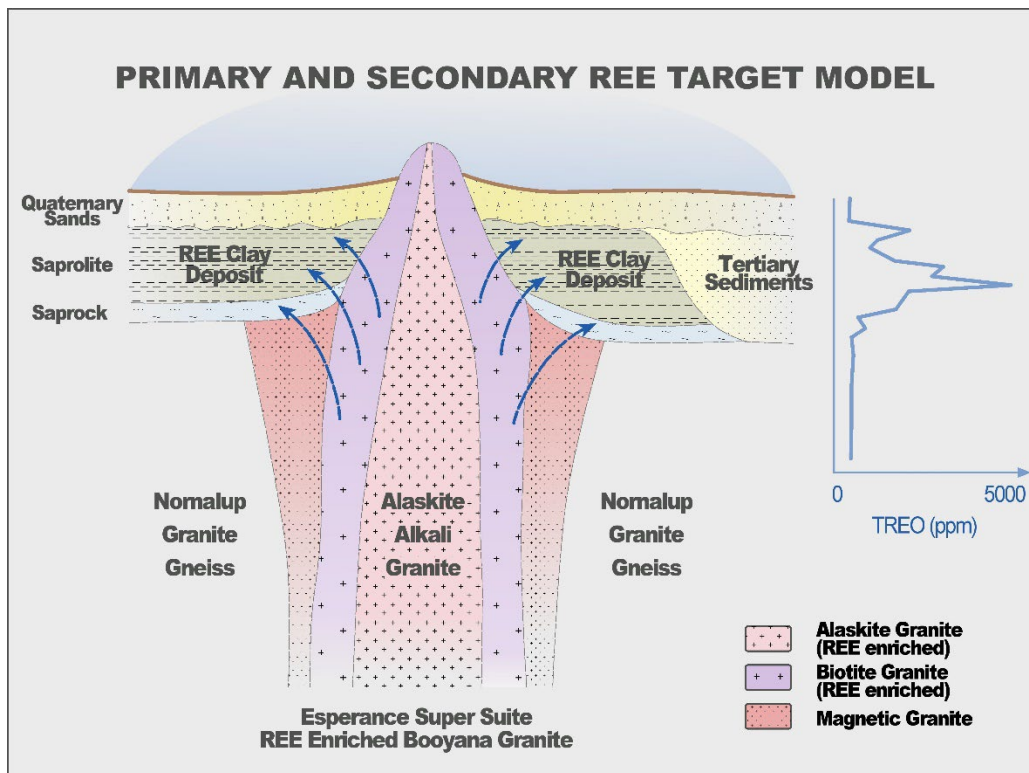


Figure 2: REE clay ore deposit model developed by Salazar (A102910 WAMEX)

West Cobar Metals Non-Executive Chairman, Rob Klug, commented: *"The Company is pleased to significantly expand its land position within a tightly held and highly sought-after region, prospective for REE clays. The acquisition is strategically complementary to the Company's existing Salazar REE clay project and provides us with greater exposure to the region for a total combined area of 745 square kms.*

*As we drive progress at our Salazar Project, and as other players in the area continue to achieve success with their exploration, this landholding provides material upside potential for the Company."*

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## Acquisition Terms

- West Cobar has entered into an agreement to acquire all of the issued share capital of Lanthanos Resources Pty Ltd for consideration of 1,600,000 fully paid ordinary shares in the capital of West Cobar ("Consideration Shares"). The acquisition is conditional upon, amongst other matters, the shareholders of West Cobar having approved the issue of the Consideration Shares to the non-related vendors pursuant to Listing Rule 7.1 and to Mr Kevin Das pursuant to Listing Rule 10.11. The Company intends to obtain shareholder approval at a general meeting in or around January 2023.
- West Cobar will pay a non-refundable fee of \$35,000 to cover the Tenement application costs.
- Each Lanthanos Resources shareholder will be subject to a 6-month voluntary escrow on the disposal of their Consideration Shares.
- Mr Kevin Das, Executive Director of the Company, is a shareholder of Lanthanos Resources.

The agreement is otherwise on customary terms and conditions for a transaction of this nature, including pre-completion obligations, termination rights and warranties and indemnities provided by the vendors.

-ENDS-

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

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### **Forward looking statement**

Certain information in this document refers to the intentions of West Cobar, but these are not intended to be forecasts, forward looking statements or statements about the future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of the events in the future are subject to risk, uncertainties and other actions that may cause West Cobar's actual results, performance or achievements to differ from those referred to in this document. Accordingly, West Cobar and its affiliates and their directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of these events referred to in the document will actually occur as contemplated.

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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 the Salazar Project and Tenement, is based, and 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.

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