



WA CRITICAL MINERALS

23 APRIL 2024

ASX: WC1

MAJOR PROJECTS

Salazar, WA - Rare Earth Elements
Bulla Park, NSW - Copper
Nevada, USA - Lithium
Hermit Hill, NT - Lithium

DIRECTORS & MANAGEMENT

Mark Bolton *Non Exec Chairman*
Matt Szwedzicki *Managing Director*
David Pascoe *Head of Technical & Exploration*
Ron Roberts *Non Exec Director*

CAPITAL STRUCTURE

Ordinary Shares	122.3m
Options (unlisted)	34.1m
Perf Rights	4m
Market Cap (undiluted)	\$4.9m
Share Price (22/04/2024)	\$0.04

WEST COBAR METALS LTD

Address: Suite B9, 431 Roberts Rd,
Subiaco WA 6008
Phone: +61 8 9287 4600
Website: www.westcobarmetals.com.au
Email: info@westcobarmetals.com.au

Positive Findings from Newmont Ti Benchmarking Study

Highlights

- Titanium industry expert TZMI completes titanium benchmarking study on the Salazar Critical Minerals Project
- Study identifies Newmont as a standout from its peers in terms of Ti and TREO in-situ grade
- Benchmarking study is highly encouraging and supports validating flowsheet for production of titanium minerals from Salazar

West Cobar Metals Limited (ASX:WC1) (“West Cobar”, “the Company”) is pleased to provide an update on activities at its Salazar critical minerals project in Western Australia.

Salazar Critical Minerals Project Ti Benchmarking Study

Following successful characterisation testwork of Ti mineralisation at the Newmont Deposit area¹, West Cobar Metals engaged international titanium expert TZ Minerals International Pty Ltd (TZMI) to complete a benchmarking study of the Newmont resource.

TZMI is a global, independent consulting and publishing company which specialises in all aspects of the mineral sands, titanium dioxide and coatings industries².

The Newmont resource³ and characterisation data was used by TZMI to benchmark the Salazar project deposit against several existing operations and potential new projects under development using publicly available information and TZMI estimates. The outcomes of the benchmarking are shown in

Figure 1.

The benchmarking study shows that the Ti contained within the Newmont deposit has promising potential for economic extraction and that the Newmont resource is positioned favourably amongst peer resources in respect of both Ti and rare earth element content.

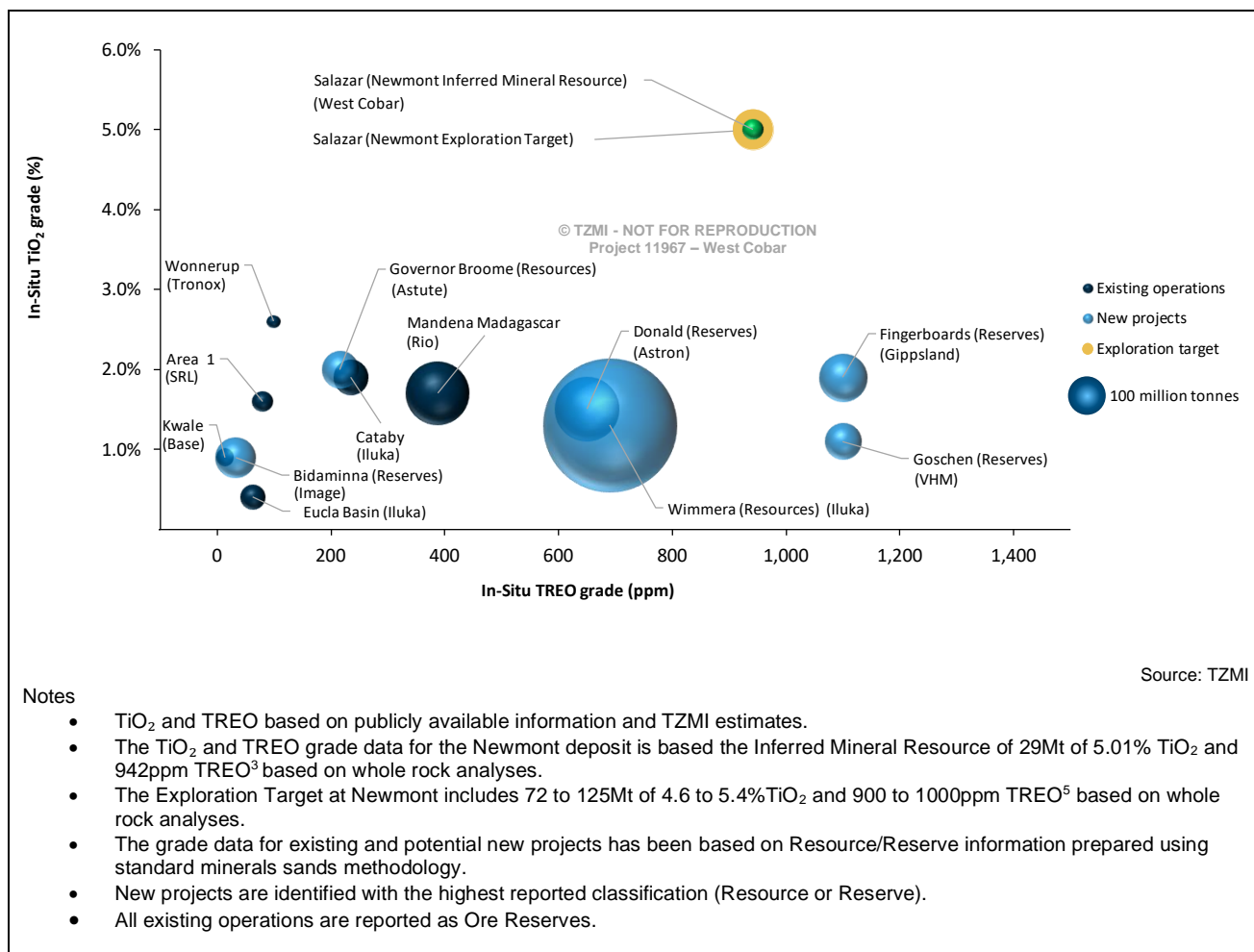


Figure 1 : Salazar Project (Newmont deposit) benchmarking

The relative positioning of the Newmont Inferred Ti and rare earth element resource is very positive for West Cobar, with relatively high insitu TiO₂ grades and TREO grades compared to its peers. The Ti levels of the resource (on a whole rock basis) compare very favourably to both developing and operating projects.

TZMI concluded that “In terms of final ilmenite product quality, the composition of the magnetic fraction (comprising predominantly ilmenite) shows some promise with TiO₂ levels as high as 48.5%. This suggests the ilmenite is likely present as primary ilmenite ... the CaO, MgO, V₂O₅, Cr₂O₃ in the magnetic fraction all seem relatively low which is positive and likely to be within the accepted levels for ilmenite used in sulfate pigment production.”

For personal use only

Forward Works

The results of the benchmarking study further support West Cobar's plans to progress with the flowsheet development works⁴ investigating the potential to produce a high grade titanium mineral product from the Salazar project in conjunction with high value critical minerals (rare earth elements and scandium). The initial flowsheet evaluation testwork will focus on ore zone characterisation, mineral separation and mineralogical analysis.

West Cobar Managing Director, Matt Szwedzicki, commented:

"We are encouraged by the findings of TZMI's benchmarking study showing that Newmont titanium and total rare earth oxide content stands out compared to major project peers.

In addition to the high grade scandium that Newmont contains, this confirmation of high insitu grades of Ti and TREO gives us the confidence to proceed with the validation of the conceptual flowsheet, which shows Ti as a key product and hence revenue stream."

TiO₂ Market

The global titanium market was valued at US\$29 billion in 2022 and is forecast to grow to US\$52 billion by 2030 as a result of increased construction activity as well as expansion in the automotive and aerospace sectors. (source: gminsights.com, statista.com, Global Market Value of Titanium 2021-2030)

Titanium feedstocks are characterised by two primary product chains, supplied by the mineral sands industry:

- Titanium dioxide (TiO₂) pigment; and
- Titanium metal

Production of TiO₂ pigment accounts for almost 90% of global titanium feedstock consumption. TiO₂ pigment is used predominantly in the production of high-quality surface finishes such as paints, sunscreen and food colouring.

TiO₂ pigment consumption generally increases as disposable income increases, and as a result there is a close link between GDP growth and TiO₂ pigment consumption. On a global scale, both growth rates historically have been similar, approximately 3.0-3.5% per annum, depending on the starting and ending dates and relative position in the business cycle.

A commonly traded product is ilmenite concentrate, with indicative ilmenite concentrate prices in the range of US\$250/t to US\$350/t.

About the Salazar Project

The Salazar Project (consisting of both the Newmont and O'Connor deposits) is situated in the Esperance district approximately 120km north-east of the township of Esperance and all tenements are located on non-agricultural undeveloped state land (Figure 2).

With a total area of 1,171km², the project features some of the highest grade saprolitic clay-hosted rare earth element and co-product resources discovered in Australia.

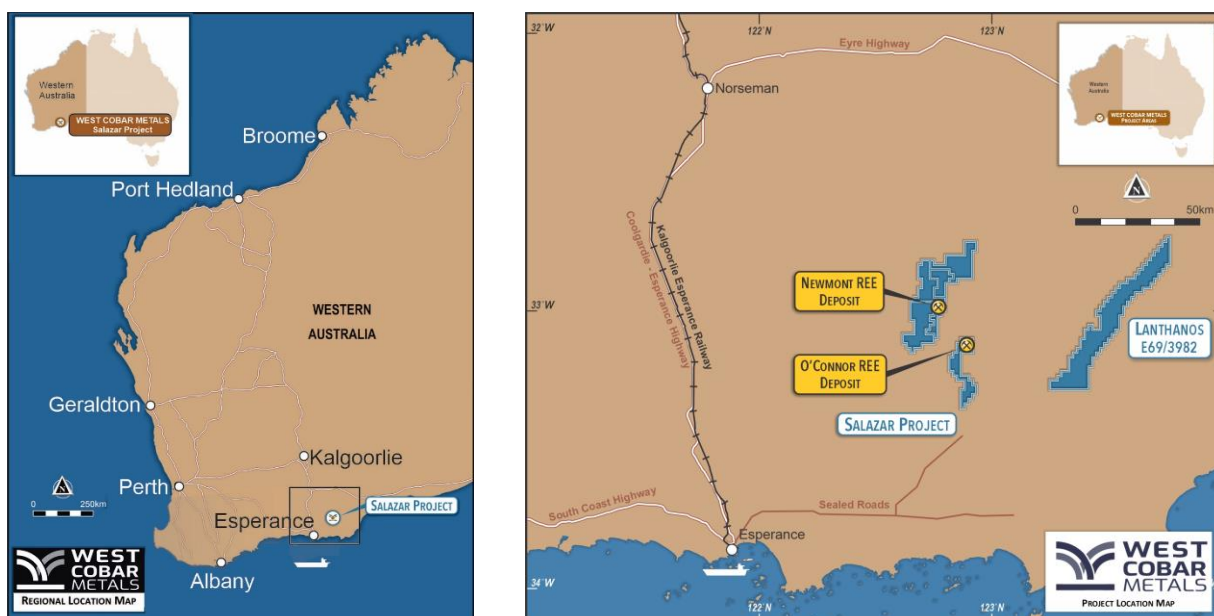


Figure 2: Location of the Salazar Critical Minerals Project and Tenements

Newmont

West Cobar's Newmont deposit contains a large and advanced indicated and inferred REE resource (which stands at **83Mt at 1117ppm total rare earth oxide**⁶) as well as a TiO₂ inferred resource (**29Mt at 5.0% TiO₂**)³ and an alumina inferred resource (**4Mt at 29.6% Al₂O₃**)³.

Recent metallurgical works have enabled the company to focus development studies on a project which could potentially have a Ti product stream (ilmenite concentrate), a rare earth element (REE) stream and scandium as a co-product.

West Cobar's Newmont deposit consists of saprolite clay host rock which overlies amphibolite and is a unique deposit in the region due to a number of factors:

- The Newmont REE, TiO₂ and Al₂O₃ resources are comparatively high grade
- High grade zones of scandium overlie the amphibolite
- Potential for high value co-products including, TiO₂, Al₂O₃ (4N), scandium and gallium
- Successful beneficiation tests have shown excellent upgrade potential
- High content of valuable heavy rare earths dysprosium and terbium

For personal use only

- Low content of radioactive minerals uranium and thorium, thereby improving processing options
- Shallow, thick saprolite (clay) hosted mineralisation amenable to low cost mining

O'Connor

The O'Connor deposit overlies granitic bedrock and has different geological characteristics to the Newmont deposit - but benefits from a large resource (**107Mt at 1216ppm TREO**)⁶ with substantial undrilled upside.

References

- 1) ASX release, "Salazar Ti Characterisation yields positive results", 06th Feb, 2024
- 2) <https://www.tzmi.com/about-us/>
- 3) ASX release, "Significant Co Product resources add value and optionality to Newmont REE deposit", 27th Sept, 2024
- 4) ASX release, "Salazar Flowsheet", 22nd Feb, 2024
- 5) ASX release, 'Salazar Exploration Target Update', 22 January 2024
- 6) ASX release, 'Salazar Clay-REE Resource Quadruples', 9 August 2023

-ENDS-

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

Further information:

Matt Szwedzicki
Managing Director
ms@westcobarmetals.com.au
+61 8 9287 4600

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

For personal use only

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

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.

Statements contained in this document, including but not limited to those regarding the possible or assumed future costs, performance, dividends, returns, revenue, exchange rates, potential growth of West Cobar, industry growth or other projections and any estimated company earnings are or may be forward looking statements. Forward-looking statements can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. These statements relate to future events and expectations and as such involve known and unknown risks and significant uncertainties, many of which are outside the control of West Cobar. Actual results, performance, actions and developments of West Cobar may differ materially from those expressed or implied by the forward-looking statements in this document.

Such forward-looking statements speak only as of the date of this document. There can be no assurance that actual outcomes will not differ materially from these statements. To the maximum extent permitted by law, West Cobar and any of its affiliates and their directors, officers, employees, agents, associates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and
- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

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 Head of Technical and Exploration 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.

For personal use only

The information contained in this announcement that relates to the metallurgical information at the Salazar REE Project WA is based, and fairly reflects, information compiled by Mr Aaron Debono, who is a consultant metallurgist acting for West Cobar Metals Limited and a Fellow of the Australian Institute of Mining and Metallurgy. Mr Debono 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 Debono 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 announcements to the ASX of 9 August 2023 and 27 September 2023 and that all material assumptions and technical parameters underpinning the Ore Resources, continue to apply and have not materially changed.

For personal use only