

Wednesday, 9th April 2025

Strategic Partnership secures long-term future for the Storm Copper Project, Canada

Major offtake and funding deal to advance development and exploration activities

- **Strategic Partnership.** American West Metals Ltd (**American West**) and Ocean Partners Holdings Ltd (**OP**) – a global metal trading, technical advisory and financing company – have entered into a partnership and funding agreement for the development of the Storm Copper Project (**Storm** or the **Project**). The binding heads of agreement includes:
 - **US\$2m Private Placement** – OP will subscribe to fully paid ordinary shares of American West to the value of US\$2m, subject to shareholder approval at a General Meeting of American West (**Private Placement**)
 - **Project Financing** – OP will provide up to 80% of initial capital for the development of the Project via a senior secured loan facility, subject to a bankable feasibility study and formal documentation
 - **Offtake** – OP's subscription under the Private Placement is subject to American West and OP entering into a binding offtake agreement (**Offtake Agreement**) which secures OP 100% of the offtake of copper and silver products from the Project forecast under the Preliminary Economic Analysis (**PEA**)
 - **Technical and copper market advisory.** The American West/OP strategic alliance will work together to optimise and advance the development activities to define the best outcomes for the Project
- **US\$3.5m Royalty funding brought forward.** Taurus Mining Royalty has agreed to advance the US\$3.5m second tranche of the Royalty payment based on the positive Storm PEA results, with payment of US\$2.8m to be made to American West this month
- **New funds to be used to progress the Storm Copper Project, including:**
 - An expansion of exploration activities, including drilling at near-mine and regional exploration targets
 - Pre-Feasibility Study (**PFS**) and permitting activities to advance the development of the Storm Project
 - Securing of key, long-lead processing, and mining equipment



American West Metals Limited (**American West** or **the Company**) (ASX: AW1) is pleased to announce that the Company has entered into a binding agreement with global metal trading and advisory group Ocean Partners Holding Ltd (**OP** or **Ocean Partners**) which will comprise an equity investment in American West as well as project development funding and copper-silver offtake to OP for the Storm Copper Project.

Dave O'Neill, American West's Managing Director, said:

"We are very pleased to announce a strategic partnership and funding package for the Storm Copper Project which secures the long-term future of the Project. This is another significant milestone for Storm and continues to position Storm as the next potential copper mine in Canada, joining other very successful base metal mines in the region such as Polaris (22Mt @ 14.1% Zn, 4% Pb) and Nanisivik (18Mt @ 9% Zn, 0.7% Pb)."

"American West's ability to attract and partner with global companies like Ocean Partners speaks volumes to the high-quality of the Project and the management team, and emphasises the low-risk pathway to potential development."

"Ocean Partners' existing partnerships and experience with ore-sorting and direct shipping ore (DSO) copper products are a natural fit with Storm and will help strengthen and streamline the technical aspects of the processing work flow for the PFS and beyond."

"On the back of the recently released Storm PEA, Taurus has agreed to advance the second tranche of the royalty payment. This tranche of funding will now be available immediately and demonstrates Taurus' strong belief in the development and growth potential of Storm."

"The funding package and strategic partnership will allow American West to execute the dual strategy of aggressive exploration and streamlined development during 2025. We look forward to updating investors as the work programs are finalised and get underway."

Brent Omland, Ocean Partners CEO, also commented:

"We are delighted to be partnering with American West on the Storm Copper Project which is rapidly emerging as a long-life, district-scale copper opportunity. Our shared goal is the timely success of the Project and we look forward to working closely with the American West team as they continue to make significant advances through process innovation and resource growth. Ocean Partners has extensive experience in marketing and trading DSO into global markets and are confident in the marketability and attractiveness of the Storm copper-silver product."

ABOUT OCEAN PARTNERS

Ocean Partners offers a complete range of trading services for miners, smelters, refiners, and metal consumers around the world. Working closely with global partners Ocean Partners offer customised risk management solutions while linking clients to unique market opportunities.

Ocean Partners operates worldwide via strategic offices, agencies, and partnerships. The Ocean Partners team have extensive backgrounds in mining, geology, metallurgy, and finance which includes significant experience within the DSO markets.



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STRATEGIC PARTNERSHIP KEY TERMS

The American West/Ocean Partners strategic partnership represents a significant step in securing the future of Storm and highlights the Project's position as an emerging producer of high-quality copper and silver raw materials.

The long-term agreement with OP follows an extensive due diligence process and further highlights Storm as a viable, low-risk, highly ESG credentialed, copper-silver growth story. OP has a successful track record of funding base metals projects utilising ore-sorting to produce a commercial DSO product, which will be valuable to enhancing the technical aspects of the development work at Storm.

The key terms of the Ocean Partners binding Heads of Agreement are set out below:

1. US\$2 million Private Placement

Funds will be advanced to American West for the issue of 78,697,462 ordinary shares at an issue price of A\$0.042 per share, which represents the 30-day volume weighted average price (**VWAP**) of traded Shares as at 8 April 2025 and using an exchange rate of USD\$1:A\$0.60. Ocean Partners subscription under the placement is subject to: (1) American West and Ocean Partners entering into an offtake agreement in respect of 100% of PEA Base Production from the Storm Project; (2) receipt of shareholder approval for the issue of shares at a General Meeting of American West; and (3) Taurus advancing US\$2,800,000 to American West under the Royalty Financing Agreement dated 23 September 2024 between Taurus and American West; and (4) American West raising at least a further US\$2.0m via the issue of Shares (at an issue price to be determined) prior to the date of the General Meeting, such Shares to be issued under American West's current Listing Rule placement capacity.

The shares issued to OP will be subject to a voluntary 24 months escrow period, commencing on the date the shares are issued.

2. Project Debt Financing

Ocean Partners will work together with American West to arrange funding for the development of the Storm Project. OP will provide up to 80% of the initial development capital for the Storm Copper Project subject to, amongst other things, the delivery of a bankable feasibility study and American West making a final investment decision in respect of the Project. Other indicative terms of the funding facility include:

- (a) A maximum of US\$40,000,000 to be advanced by way of a 3-year senior secured loan.
- (b) Subject to shareholder approval, the Company issuing OP upon first drawdown of the loan agreement with options to acquire ordinary shares in American West (being a number of options equal to US\$5m divided by the 20-day VWAP of shares immediately prior to the date of issue) with the options having a 3 year term.
- (c) A one-off establishment fee to be paid to OP in the amount of 2% of the loan to be paid in cash or equity (at a deemed issue price per Share which is equal to the VWAP of Shares on the 30 consecutive trading days immediately prior to the date of issue) at the election of American West. If American West elects to pay the establishment fee in Shares the issue will be subject to shareholder approval.
- (d) A repayment structure matched to the cash flows under the project development.



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3. Offtake Agreement

Ocean Partners are granted exclusive right to 100% of copper and silver products from the Project (based on the forecast production under the PEA).

American West and Ocean Partners will work together to optimise the economics and product specifications for the Project. Pricing for the offtake will be based on market terms usual for transactions of this type.

The offtake agreement recognises the high-quality of the proposed Storm copper-silver products and OP's long-term belief in the development potential of the Project.

ROYALTY PAYMENT TRANCHE BROUGHT FORWARD

Taurus has agreed to advance the second tranche of the US\$12.5 million royalty package entered into in 2024. No further conditions are required to be met for the second tranche to be paid.

The amount of US\$3.5m will now be advanced by Taurus this month, with American West to receive US\$2.8m and Aston Bay Holdings US\$0.7m.

The royalty package over the Storm Copper Project requires Taurus to make three staged payments:

- (a) US\$5 million on signing of formal documentation and financial close – **COMPLETED.**
- (b) US\$3.5 million upon delivery of a pre-feasibility study for Storm and submission of permitting documents for a development at Storm – **DEEMED SATISFIED.**
- (c) US\$4 million upon delivery of a resource increase in the JORC compliant resource for Storm to at least 400,000 tonnes of contained copper at a resource grade of at least 1.00% Cu.

For further details of the royalty package, see our ASX Release dated 24 June 2024 'S18.8M Royalty Financing'.

Use of Funds

American West will continue to unlock the outstanding potential at Storm – a Project which the Company believes is emerging as a globally significant copper district with an expedited pathway to a potential low-cost, high-margin mining operation. The funds from the Royalty and Private Placement will be specifically used for exploration and development activities at the **Storm Copper Project**, including:

- Exploration along the 110km copper belt, including the drilling of regional targets such as the Blizzard and Tornado Prospects.
- Expansion of the known resources (the current JORC Code 2012 compliant Indicated and Inferred Mineral Resource Estimate for Storm contains **20.6Mt @ 1.2% Cu, 3.4g/t Ag**).
- Resource definition at the Cirrus Deeps, Cyclone Deeps, The Gap, Hailstorm, Squall, and other high-grade copper Prospects.
- PFS activities including further metallurgical testing and process optimisation, geotechnical drilling, project engineering and costing studies.



ABOUT THE STORM COPPER PROJECT

The Storm Copper Project is located on Somerset Island, Nunavut, Canada. The Project covers an area of over 2,200 square kilometres within the Polaris mineral district, and is just 120km south of Resolute Bay, the regional community and logistics hub.

Aston Bay is a deep-water bay located on the Northwest Passage, a seasonal ice-free waterway historically used to ship concentrate from the World Class Polaris and Nanisivik zinc-lead mines. Excellent facilities, including a 50-person camp, are in place to enable exploration and resource activities to be undertaken.

American West owns 80% of the Storm Project, and partners with Aston Bay Holdings (TSX:BAY) who own 20% of the Project.

Positive Preliminary Economic Analysis

The PEA has outlined a technically robust project and demonstrated that Storm has the potential to become a profitable, long-life mine with strong economic returns for the Company.

The PEA estimates that an open pit mining and mineral processing facility at Storm can be developed with a low initial capital cost of US\$47.4m to deliver a project NPV of approximately US\$149m and a post-tax IRR of approximately 46%. Shareholder returns can be substantially enhanced by use of 100% debt to fund development, which boosts the approximate pre-tax IRR to an impressive 135%.

The PEA is based on the current Storm MRE of 20.6Mt at 1.1% Cu and 3.8g/t Ag which contains 229Kt of copper and 2.2Moz of silver (using a 0.35% Cu cut-off). With less than 5% of the 110km prospective copper horizon at Storm systematically explored with drilling and numerous exploration targets already identified along the copper belt, there is strong potential to add significant copper resources to the Storm MRE. The Company is planning a major exploration program for 2025 to test a pipeline of high-quality copper targets.

The below key economic metrics of the PEA highlight the competitive cost profile and investment returns (all financial metrics are approximations estimated on the basis of assumptions in the PEA). See ASX announcement dated 3 March 2025: *Storm Copper Project Preliminary Economic Analysis* for more detail on the PEA.



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Growth and Exploration Strategy

The shallow copper mineralisation within the Storm Deposits is open in all directions. The host stratigraphy and structures have been shown to be laterally and vertical extensive and therefore rank as high priority areas for further resource growth.

There is also outstanding potential to grow the mineralised footprint of copper mineralisation outside of the Storm area. Only 5% of the prospective 110km long copper belt within the project area has been explored with focused geophysics and drilling, with numerous copper rich gossans already discovered within the regional Tornado, Blizzard, and Tempest Prospect areas.

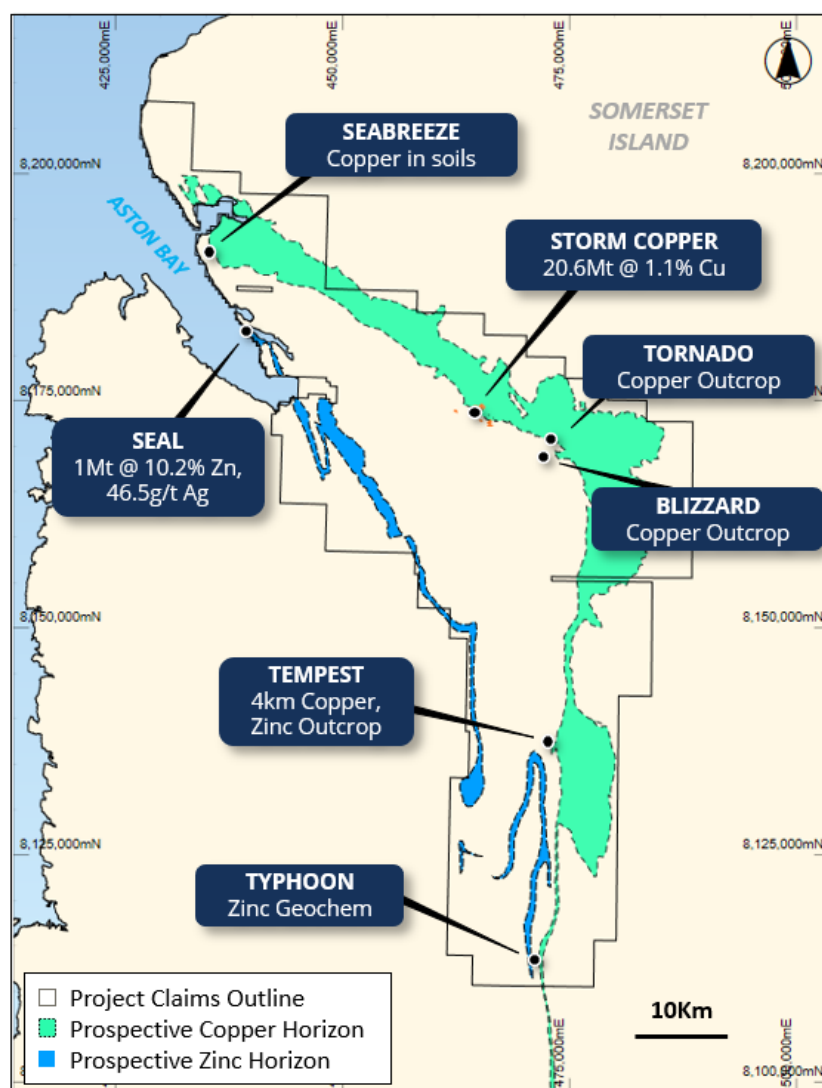


Figure 1: Prospect location map of the Storm Project highlighting the main prospective copper and zinc stratigraphic horizons and numerous copper and zinc prospects.

Seal zinc-silver deposit is a NI 43-101 foreign and historical resource and is not reported in accordance with JORC Code 2012. A competent person has not done sufficient work to classify the 'foreign estimates' as 'mineral resources' in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the 'historical estimates' will be able to be reported as 'mineral resources' in accordance with the JORC Code. See the 29 October 2021 Prospectus for more information.



This announcement has been approved for release by the Board of American West Metals Limited.

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Forward looking statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified using forward-looking words such as "may," "will," "expect," "intend," "plan," "estimate," "anticipate," "continue," and "guidance," or other similar words and may include, without limitation, statements regarding plans, strategies, and objectives of management.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, and achievements to differ materially from any future results, performance, or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events, or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements, or events not to be as anticipated, estimated, or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in this announcement speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.



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Competent Person's Statement – Mine Engineering

The Information in this Report that relates to the Preliminary Economic Analysis is based on information compiled by Jim Moore, who is a qualified mining engineer and a Chartered Professional member of the Australian Institute of Mining and Metallurgy.

Mr Moore 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'.

The Company confirms that it is not aware of any new information or data that materially affects the results included in the original market announcements referred to in this Announcement and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

The ASX announcement contains information extracted from the following reports which are available on the Company's website at <https://www.americanwestmetals.com/site/content/>:

- 3 March 2025 Storm Copper Project Preliminary Economic Study

Competent Person's Statement – JORC MRE

The information in this announcement that relates to the estimate of Mineral Resources for the Storm Project is based upon, and fairly represents, information and supporting documentation compiled and reviewed by Mr. Kevin Hon, P.Geo., Senior Geologist, Mr. Christopher Livingstone, P.Geo, Senior Geologist, Mr. Warren Black, P.Geo., Senior Geologist and Geostatistician, and Mr. Steve Nicholls, MAIG, Senior Resource Geologist, all employees of APEX Geoscience Ltd. and Competent Persons. Mr. Hon and Mr. Black are members of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), Mr. Livingstone is a member of the Association of Professional Engineers and Geoscientist of British Columbia (EGBC), and Mr. Nicholls is a Member of the Australian Institute of Geologists (AIG).

Mr. Hon, Mr. Livingstone, Mr. Black, and Mr. Nicolls (the "APEX CPs") are Senior Consultants at APEX Geoscience Ltd., an independent consultancy engaged by American West Metals Limited for the Mineral Resource Estimate for the Storm Project. The APEX CPs have 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". The APEX CPs consent to the inclusion in this announcement of matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the results included in the original market announcements referred to in this Announcement and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.



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The ASX announcement contains information extracted from the following reports which are available on the Company's website at <https://www.americanwestmetals.com/site/content/>:

- 16 December 2024 Significant Growth for Storm MRE

Competent Person Statement – Previously Released Exploration Results

The ASX announcement contains information extracted from the following reports which are available on the Company's website at <https://www.americanwestmetals.com/site/content/>:

- 31 January 2025 Quarterly Activities and Cashflow Report
- 16 December 2024 Significant Growth for Storm MRE
- 20 September 2024 Thick and High-Grade Copper in Deep Drilling
- 29 November 2023 Exceptional Copper and Zinc confirmed at Tempest - Updated

The Company confirms that it is not aware of any new information or data that materially affects the results included in the original market announcements referred to in this Announcement and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

ASX Listing Rule 5.12

The Company has previously addressed the requirements of Listing Rule 5.12 in its Initial Public Offer prospectus dated 29 October 2021 (released to ASX on 9 December 2021) (Prospectus) in relation to the 2016 Foreign Seal MRE at the Storm Project. The Company is not in possession of any new information or data relating to the Seal Deposit that materially impacts on the reliability of the estimates or the Company's ability to verify the estimates as mineral resources or ore reserves in accordance with the JORC Code. The Company confirms that the supporting information provided in the Prospectus continues to apply and has not materially changed.

This ASX announcement contains information extracted from the following reports which are available on the Company's website at <https://www.americanwestmetals.com/site/content/>:

- 29 October 2021 Prospectus

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in the Prospectus. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Prospectus.



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ABOUT AMERICAN WEST METALS

AMERICAN WEST METALS LIMITED (ASX: AW1) is an Australian clean energy mining company focused on growth through the discovery and development of major base metal mineral deposits in Tier 1 jurisdictions of North America. Our strategy is focused on developing mines that have a low-footprint and support the global energy transformation.

Our portfolio of copper and zinc projects in Utah and Canada include significant existing resource inventories and high-grade mineralisation that can generate robust mining proposals. Core to our approach is our commitment to the ethical extraction and processing of minerals and making a meaningful contribution to the communities where our projects are located.

Led by a highly experienced leadership team, our strategic initiatives lay the foundation for a sustainable business which aims to deliver high-multiplier returns on shareholder investment and economic benefits to all stakeholders.

