



# **WESTERN MINES GROUP LTD**

**ACN 640 738 834**



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**HALF YEAR REPORT 31 DECEMBER 2023**

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**Western Mines Group Ltd**

Corporate Directory

31 December 2023

<b>Directors</b>	Mr Rex Turkington (Non-Executive Chairman) Dr Caedmon Marriott (Managing Director) Dr Benjamin Grguric (Non-Executive Technical Director) Mr Francesco Cannavo (Non-Executive Director)
<b>Company Secretaries</b>	Mr Ian Gregory
<b>Registered Office</b>	Level 3, 33 Ord Street, West Perth WA 6005
<b>Principal Place of Business</b>	Level 3, 33 Ord Street, West Perth WA 6005 Tel: +61 475 116 798 Email: <a href="mailto:contact@westernmines.com.au">contact@westernmines.com.au</a>
<b>Share Register</b>	Automic Group, Level 5, 126 Phillip Street Sydney NSW 2000 Tel: 1300 288 664
<b>Auditor</b>	HLB Mann Judd (Vic) Partnership Level 9, 550 Bourke Street Melbourne VIC 3000
<b>Solicitors</b>	Moray & Agnew Lawyers Level 6, 505 Collins Street, Melbourne VIC 3000
<b>Stock Exchange Listing</b>	Western Mines Group Ltd shares are listed on the Australian Securities Exchange (ASX code: WMG)

## **REVIEW OF OPERATIONS**

Western Mines Group Ltd (WMG or Company) (**ASX:WMG**) is pleased to provide shareholders with the following Review of Operations for the half-year to 31 December 2023.

The Company's principal focus for the period was the flagship Mulga Tank Ni-Cu-PGE Project where exploration results continued to validate the discovery of a major nickel sulphide mineral system. Assay results from further diamond drill holes MTD026, MTD027 and MTD028 were received during the period, with results from MTD027 being the best results to date at the project (*ASX, MTD026 Assays - 840m of Nickel Sulphide Mineralisation, 30 August 2023; MTD027 Best Assay Results Yet at Mulga Tank, 4 October 2023; MTD028 Disseminated Nickel Sulphide 140m at 0.49% Ni, 31 October 2023*). The results highlight multiple broad intersections of disseminated nickel sulphide mineralisation which cumulatively totalled:

**MTD026                    840m at 0.28% Ni, 140ppm Co, 103ppm Cu, 24ppb Pt+Pd with S:Ni 1.6**

**MTD027                    694m at 0.31% Ni, 141ppm Co, 68ppm Cu, 30ppb Pt+Pd with S:Ni 1.0**

**MTD028                    466m at at 0.35% Ni, 139ppm Co, 63ppm Cu, 43ppb Pt+Pd with S:Ni 1.0**

Whilst the visible disseminated mineralisation, confirmed by assay results, clearly demonstrates extensive Type 2 Mt Keith-style nickel sulphide mineralisation, there is increasing evidence of a likely Type 1/2 hybrid nickel sulphide mineral system more akin to Perseverance-style mineralisation (basal massive sulphide component). This includes numerous examples of remobilised massive sulphide veinlets throughout the Complex, visible larger in-situ immiscible sulphide globules in hole MTD027 and assay results suggesting possible Perseverance-style heavily disseminated "cloud" sulphide at depth in the holes:

**MTD027                    96m at 0.40% Ni, 161ppm Co, 99ppm Cu, 43ppb Pt+Pd from 1,208m**

**inc. 38m at 0.56% Ni, 159ppm Co, 105ppm Cu, 65ppb Pt+Pd from 1,262m**

**inc. 8m at 1.11% Ni, 181ppm Co, 143ppm Cu, 91ppb Pt+Pd from 1,270m**

During the period the Company also completed a 22 hole reverse circulation (RC) drilling program at Mulga Tank. This was the first drilling program designed to systematically test the lateral continuity of the shallow, uppermost zone of disseminated nickel sulphide mineralisation observed in the Company's diamond holes MTD012, MTD022, MTD023, MTD026, MTD027 and MTD028 within the main body of the Mulga Tank Ultramafic Complex (*ASX, RC Drilling Program Commences at Mulga Tank, 20 September 2023; RC Drilling Expansion and Drilling for Equity, 17 October 2023; Completion of 7000m RC Drilling Program at Mulga Tank, 7 November 2023*).

The holes were spaced at approximately 500m x 300m and cover a 2,500m x 1,000m area across the centre of the Complex. Each hole was designed to a target depth of ~300m, which was achieved in all but three holes, for a total of 7,035.5m - of which the top ~60m of each hole, or 1,321m in total, was mud-rotary drilling through the sand cover.

Assay results from the RC holes confirm the drilling was successful in targeting shallow mineralisation with cumulatively around ~50% of the samples from 19 of the 22 holes showing mineralisation - with elevated Ni and S, in combination with highly anomalous Cu and PGE. This uppermost zone of disseminated mineralisation appears to be laterally very extensive and is certainly not constrained by the initial RC program.

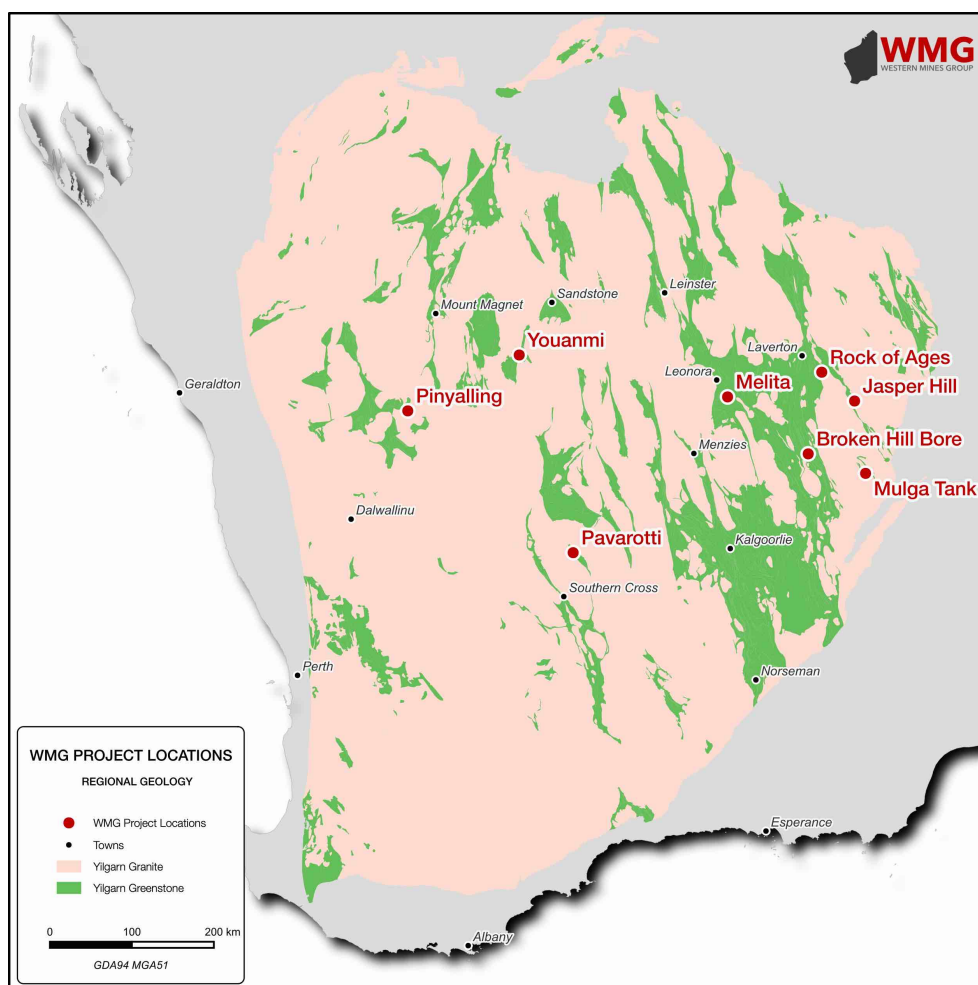
As a complementary technique to the ongoing drilling programs, the Company engaged Expert Geophysics to undertake a MobileMT survey at Mulga Tank. MobileMT (Mobile MagnetoTellurics) is the latest innovation in airborne electromagnetic technology and the most advanced generation of Airborne Natural Source Audio Frequency Magnetotelluric (AFMAG) technologies. This deep resistivity mapping tool aims to further unlock the 3D architecture of the Complex and target accumulations of massive nickel sulphide (ASX, *Completion of MTD026 and Upcoming MobileMT Survey, 27 June 2023*). The survey was conducted across the entire Mulga Tank Complex and parts of the surrounding Minigwal Greenstone Belt (ASX, *Completion of MobileMT Survey at Mulga Tank, 8 August 2023*). Upcoming diamond hole EIS3 testing a compelling conductive anomaly in the centre of the main body of the Mulga Tank Complex highlighted by the MobileMT data.

The Company announced the acquisition of neighbouring tenement E39/2134 at Mulga Tank from Dynamic Metals Limited (ASX:DYM). This bolt-on acquisition consolidates the entire Mulga Tank Ultramafic Complex, now 100% owned by WMG (ASX, *WMG Consolidates Entire Mulga Tank Complex, 3 October 2023*).

A summary of WMG's projects, recent exploration work and forward plans is given below.

## PROJECT OVERVIEW

WMG holds a collection of eight exploration projects, each 100% owned, focused on gold, base and battery metals and all located on a number of Western Australia's major mineral belts.



**Figure 1: Map of WMG Project Locations**

## **MULGA TANK**

The Mulga Tank Project comprises exploration licences E39/2132, E39/2134 and E39/2223 and exploration licence application E39/2299, covering the Minigwal Greenstone Belt, 190km east-northeast of Kalgoorlie. The Minigwal Greenstone Belt is a NNW trending linear sequence of predominantly mafic and ultramafic lithologies; it is very under explored due to the presence of shallow sand cover and presents a “frontier” exploration opportunity for major Ni-Cu-PGE and orogenic gold deposits.

WMG has been undertaking continuous drilling programs at the Mulga Tank Project since November 2022, with exciting exploration results demonstrating significant nickel sulphide mineralisation and an extensive nickel sulphide mineral system within the Mulga Tank Ultramafic Complex (*ASX, MTD023 Assays Confirm Discovery of Significant Nickel Sulphide System, 5 April 2023; MTD026 Assays - 840m of Nickel Sulphide Mineralisation, 30 August 2023; MTD027 Expands Mineralisation 4km Across Mulga Tank, 28 August 2023*).

A second multipurpose RC drill rig completed a systematic shallow drilling program across the centre of the main body of the Complex during the period looking to build on these results to date (*ASX, RC Drilling Program Commences at Mulga Tank, 20 September 2023; Completion of 7000m RC Drilling Program at Mulga Tank, 7 November 2023*).

### **DIAMOND DRILLING RESULTS**

Diamond holes MTD027 and MTD028 were completed during the period (*ASX, MTD027 Expands Mineralisation 4km Across Mulga Tank, 28 August 2023; MTD028 Further Nickel Sulphides at Mulga Tank, 2 October 2023*) with geochemical assay results for these, and hole MTD026, received during the period (*ASX, MTD027 Best Assay Results Yet at Mulga Tank, 4 October 2023; MTD028 Disseminated Nickel Sulphide 140m at 0.49% Ni, 31 October 2023*).

Hole MTD027 is located on the eastern side of the Mulga Tank Complex in an area that has had no previous drilling. The hole was designed to test a coincident gravity and magnetic high, a minor MLEM anomaly, and for the presence of nickel sulphide mineralisation in this area.

The hole was drilled to a total depth of 1,662.3m, the deepest hole drilled at the project, and intersected ~1,500m of variably serpentinised and talc-carbonate altered high MgO meso to adcumulate dunite ultramafic (84-1,630.9m), beneath 84m of sand cover (0-84m), before encountering a footwall of basalt and silicified shales at 1,630.9m depth (1,630.9-1,662.3m).

Disseminated magmatic sulphides (trace to 2%) were observed at numerous intervals down the hole, starting from around 216m depth. In a number of places the disseminated sulphides coalesced into interstitial blebs (3 to 5% sulphide) between former olivine crystals.

Frequent intersections of high-tenor in-situ nickel sulphide globules and remobilised massive nickel sulphide veinlets were also observed down the length of the hole. A number of good examples of high-grade nickel sulphide material filling fractures in the rock were seen, including shallow examples in the top 200m of the hole.

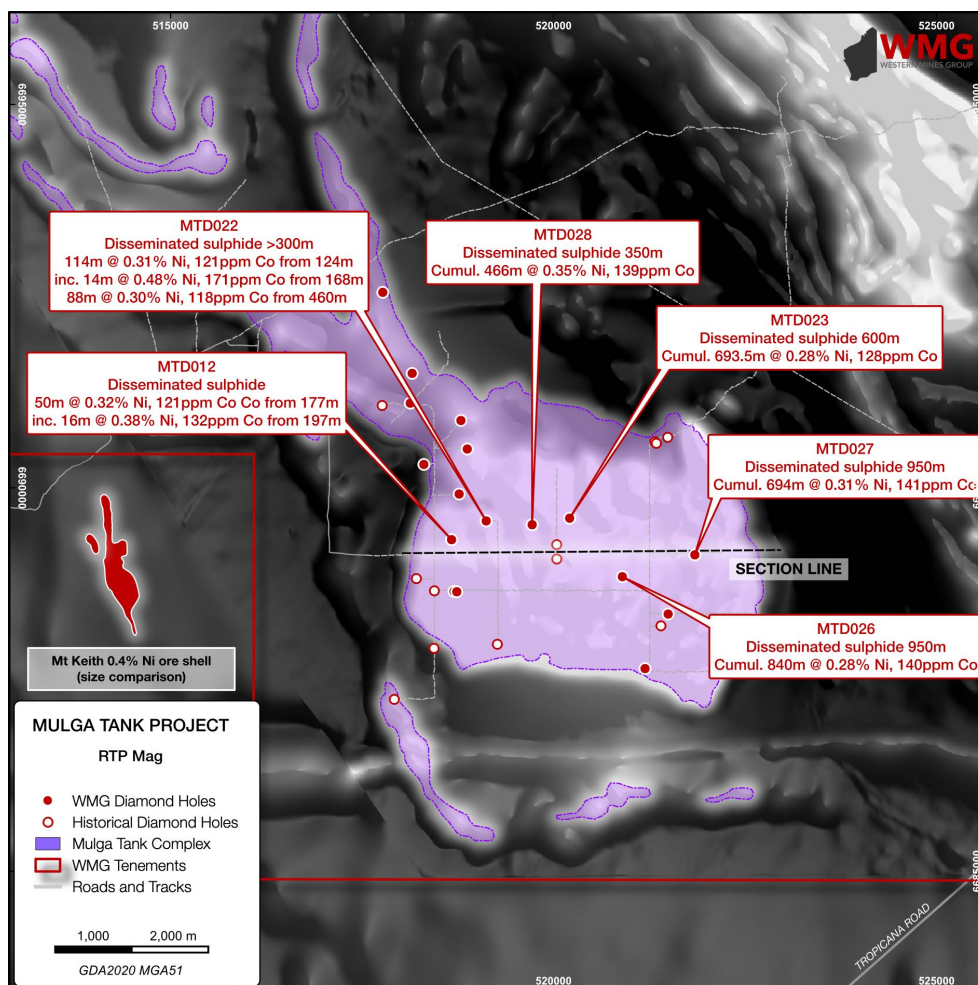
This is a very positive observation, in a new previously undrilled area, and opens up the eastern margin in the search for massive sulphide sources or deposits within the Complex (Perseverance-style basal massive sulphide) and not just limited to the western margin where previously encountered.

Hole MTD028 is located on the western side of the Mulga Tank Complex between previous holes MTD022 and MTD023 (EIS1). The hole was designed to test the continuity of mineralisation between these holes, possible association of mineralisation with magnetic highs and also further test the large *W Conductor* EM anomaly at depth.

The hole was drilled to a total depth of 1,107.5m and intersected ~950m of variably serpentinised and talc-carbonate altered high MgO meso to adcumulate dunite ultramafic (75-1,040.3m), beneath 75m of sand cover (0-75m), before encountering the usual footwall assemblage of black shale, basalt and silicified shales at 1,040.3m depth (1,040.3-1,107.5m).

Disseminated magmatic sulphides (trace to 2%) were observed at numerous intervals down the hole, starting from around 138m depth. In a number of places the disseminated sulphides coalesced into interstitial blebs (3 to 5% sulphide) between former olivine crystals.

Overall hole MTD028 showed similarities with the two neighbouring holes MTD022 (~600m to the W) and MTD023 (EIS1) (~500m to the WSW). Similar intersections of disseminated sulphides were observed to MTD023 (EIS1) occurring in four broad zones. A number of intersections of high-tenor remobilised massive nickel sulphide veinlets were also observed in the deeper portion of the hole, similar to those seen in surrounding holes MTD012, MTD013, MTD022 and MTD022W1, and MTD023 (EIS1). This continues to confirm the basal contact of the Complex to be highly prospective for massive sulphide accumulations.



**Figure 2: Location of WMG deep diamond holes drilled during 2023**

**DIAMOND GEOCHEMICAL ASSAY RESULTS**

Assay results for holes MTD027 and MTD028 were received during the period (ASX, *MTD027 Best Assay Results Yet at Mulga Tank, 4 October 2023; MTD028 Disseminated Nickel Sulphide 140m at 0.49% Ni, 31 October 2023*). The results show prospective high-temperature adcumulate-extreme adcumulate dunite host rock down the length of both holes, averaging 48.4% MgO, 0.25% Al<sub>2</sub>O<sub>3</sub> (volatile free), over a cumulative 1,501m for MTD027 and 47.9% MgO, 0.35% Al<sub>2</sub>O<sub>3</sub> (volatile free), over a cumulative 935m for MTD028.

Multiple broad intersections of disseminated nickel mineralisation with elevated Ni and S, in combination with highly anomalous Cu and PGE, show strong evidence for an extensive “live” magmatic nickel sulphide mineral system, and confirm the visual observations. Significant mineralised intersections include:

**MTD026**            130m at 0.31% Ni, 136ppm Co, 122ppm Cu, 24ppb Pt+Pd from 116m  
inc. 13m at 0.35% Ni, 142ppm Co, 301ppm Cu, 65ppb Pt+Pd from 157m  
                         158m at 0.27% Ni, 136ppm Co, 70ppm Cu, 19ppb Pt+Pd from 262m  
                         38m at 0.28% Ni, 136ppm Co, 64ppm Cu, 16ppb Pt+Pd from 448m  
                         104m at 0.24% Ni, 139ppm Co, 100ppm Cu, 22ppb Pt+Pd from 500m  
inc. 16m at 0.40% Ni, 175ppm Co, 157ppm Cu, 45ppb Pt+Pd from 528m  
                         32m at 0.31% Ni, 177ppm Co, 250ppm Cu, 30ppb Pt+Pd from 660m  
                         258m at 0.26% Ni, 135ppm Co, 95ppm Cu, 24ppb Pt+Pd from 792m  
                         32m at 0.31% Ni, 149ppm Co, 95ppm Cu, 15ppb Pt+Pd from 1,092m  
                         53m at 0.34% Ni, 149ppm Co, 136ppm Cu, 40ppb Pt+Pd from 1,154m  
                         35m at 0.38% Ni, 159ppm Co, 113ppm Cu, 32ppb Pt+Pd from 1,154m

Which cumulatively total:

840m at 0.28% Ni, 140ppm Co, 103ppm Cu, 24ppb Pt+Pd

**MTD027**            64m at 0.27% Ni, 133ppm Co, 55ppm Cu, 17ppb Pt+Pd from 122m  
                         38m at 0.32% Ni, 154ppm Co, 114ppm Cu, 44ppb Pt+Pd from 210m  
                         30m at 0.34% Ni, 157ppm Co, 112ppm Cu, 46ppb Pt+Pd from 290m  
                         100m at 0.32% Ni, 136ppm Co, 49ppm Cu, 30ppb Pt+Pd from 430m  
                         118m at 0.29% Ni, 136ppm Co, 60ppm Cu, 25ppb Pt+Pd from 578m  
                         130m at 0.24% Ni, 127ppm Co, 81ppm Cu, 22ppb Pt+Pd from 894m  
                         96m at 0.40% Ni, 161ppm Co, 99ppm Cu, 43ppb Pt+Pd from 1,208m  
inc. 38m at 0.56% Ni, 159ppm Co, 105ppm Cu, 65ppb Pt+Pd from 1,262m  
inc. 8m at 1.11% Ni, 181ppm Co, 143ppm Cu, 91ppb Pt+Pd from 1,270m  
                         78m at 0.36% Ni, 139ppm Co, 40ppm Cu, 30ppb Pt+Pd from 1,450m  
                         40m at 0.33% Ni, 151ppm Co, 18ppm Cu, 37ppb Pt+Pd from 1,556m

Which cumulatively total:

694m at 0.31% Ni, 141ppm Co, 68ppm Cu, 30ppb Pt+Pd

**MTD028**      16m at 0.31% Ni, 139ppm Co, 16ppm Cu, 19ppb Pt+Pd from 134m  
 30m at 0.30% Ni, 124ppm Co, 10ppm Cu, 15ppb Pt+Pd from 158m  
 20m at 0.27% Ni, 116ppm Co, 29ppm Cu, 21ppb Pt+Pd from 219m  
 24m at 0.27% Ni, 111ppm Co, 23ppm Cu, 21ppb Pt+Pd from 282m  
 120m at 0.32% Ni, 137ppm Co, 65ppm Cu, 44ppb Pt+Pd from 410m  
 116m at 0.27% Ni, 127ppm Co, 59ppm Cu, 39ppb Pt+Pd from 630m  
 140m at 0.49% Ni, 161ppm Co, 92ppm Cu, 61ppb Pt+Pd from 874m  
 inc. 82m at 0.55% Ni, 173ppm Co, 114ppm Cu, 74ppb Pt+Pd from 886m

Which cumulatively total:

**466m at 0.35% Ni, 139ppm Co, 63ppm Cu, 43ppb Pt+Pd with S:Ni 1.0**

Whilst the visible disseminated mineralisation, confirmed by assay results, clearly demonstrates extensive Type 2 Mt Keith-style nickel sulphide mineralisation, there is increasing evidence of a likely Type 1/2 hybrid nickel sulphide mineral system more akin to Perseverance-style mineralisation (basal massive sulphide component). This includes numerous examples of remobilised massive sulphide veinlets throughout the Complex, visible larger in-situ immiscible sulphide globules in hole MTD027 and assay results suggesting possible Perseverance-style heavily disseminated “cloud” sulphide at depth in the holes:

**MTD026**      0.5m at 1.21% Ni, 490ppm Co, 1,455ppm Cu, 93ppb Pt+Pd from 116.5m

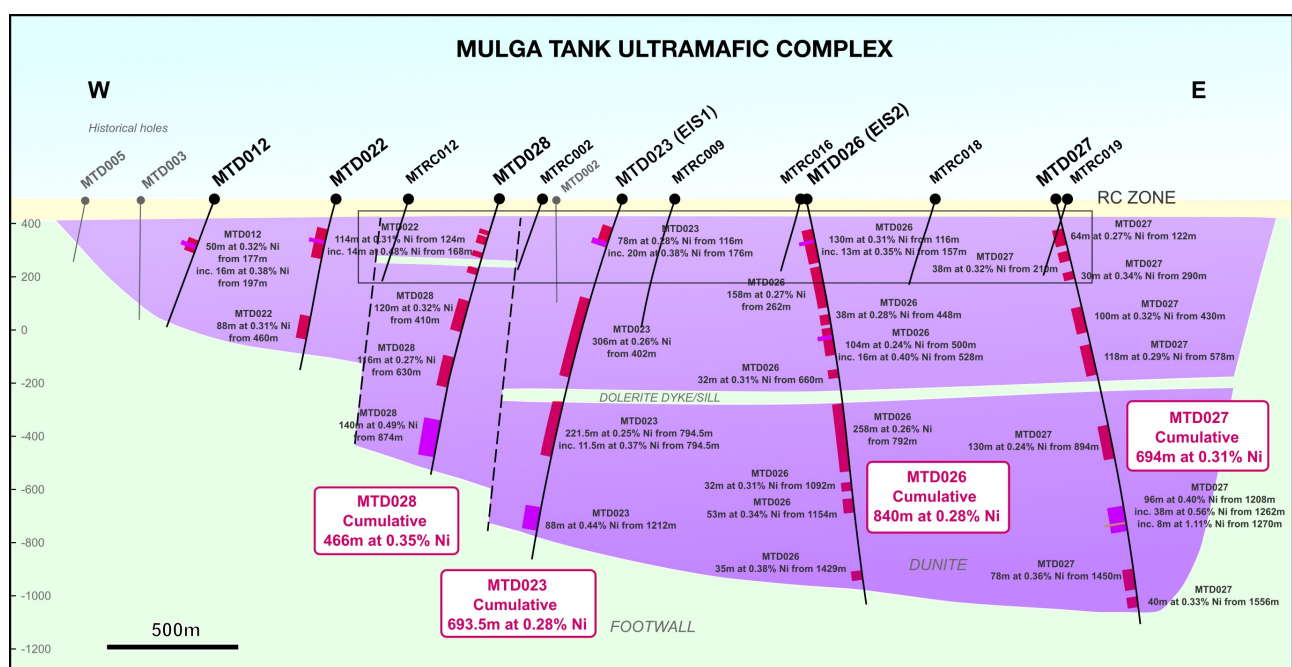
0.3m at 1.88% Ni, 846ppm Co, 762ppm Cu, 214ppb Pt+Pd from 224.3m

**MTD027**      1.0m at 1.05% Ni, 290ppm Co, 111ppm Cu, 110ppb Pt+Pd from 504m

**MTD027**      96m at 0.40% Ni, 161ppm Co, 99ppm Cu, 43ppb Pt+Pd from 1,208m

inc. 38m at 0.56% Ni, 159ppm Co, 105ppm Cu, 65ppb Pt+Pd from 1,262m

inc. 8m at 1.11% Ni, 181ppm Co, 143ppm Cu, 91ppb Pt+Pd from 1,270m



**Figure 3: Cross-section through the centre of the Mulga Tank Ultramafic Complex**

## **RC DRILLING PROGRAM**

The Company also completed a 22 hole reverse circulation (RC) drilling program during the period. This was the first drilling program designed to systematically test the lateral continuity of the shallow, uppermost zone of disseminated nickel sulphide mineralisation observed in the Company's diamond holes MTD012, MTD022, MTD023, MTD026, MTD027 and MTD028 within the main body of the Mulga Tank Ultramafic Complex (ASX, *RC Drilling Program Commences at Mulga Tank, 20 September 2023; RC Drilling Expansion and Drilling for Equity, 17 October 2023; Completion of 7000m RC Drilling Program at Mulga Tank, 7 November 2023*).

The holes were spaced at approximately 500m x 300m and cover a 2,500m x 1,000m area across the centre of the Complex. Each hole was designed to a target depth of ~300m, which was achieved in all but three holes, for a total of 7,035.5m - of which the top ~60m of each hole, or 1,321m in total, was mud-rotary drilling through the sand cover.

Geochemical assay results have now been received for these initial RC holes (ASX, *First RC Assays Show Broad Zones of Mineralisation, 14 November 2023; MTRC009 Assays Confirm 367m of Nickel Mineralisation, 30 November 2023; MTRC015 Assays Reveal Multiple Intersections Over 1% Ni, 4 December 2023; MTRC018 Assays Confirm Massive Sulphide 1.8% Ni, 4.9% Cu, 6 December 2023; First RC Without Mineralisation Found at Mulga Tank, 21 December 2023; More Intersections over 1% Ni at Mulga Tank, 11 January 2024*). Of these 22 holes, 19 holes demonstrate significant evidence for "live" magmatic sulphide chemical processes and nickel sulphide mineralisation. Zones of mineralisation were generally defined by a combination of the various geochemical indicators and cut-off grades (Ni >0.16%, Cu >20ppm, Pt+Pd >20ppb, S >0.1% and S:Ni >0.5), with only minimal inclusion of unmineralised material below mineable width.

A summary of the RC assay results announced to date are listed below:

MTRC001	Cumulative	253m at 0.24% Ni, 128ppm Co, 76ppm Cu, 27ppb Pt+Pd with S:Ni 1.4
MTRC002	Cumulative	111m at 0.31% Ni, 136ppm Co, 69ppm Cu, 37ppb Pt+Pd with S:Ni 0.7
MTRC003	Cumulative	175m at 0.26% Ni, 114ppm Co, 18ppm Cu, 19ppb Pt+Pd with S:Ni 0.6
MTRC004		No significant mineralisation
MTRC005	Cumulative	164m at 0.26% Ni, 134ppm Co, 114ppm Cu, 20ppb Pt+Pd with S:Ni 1.3*
MTRC006	Cumulative	159m at 0.29% Ni, 125ppm Co, 29ppm Cu, 12ppb Pt+Pd with S:Ni 0.6*
MTRC007	Cumulative	168m at 0.29% Ni, 125ppm Co, 29ppm Cu, 12ppb Pt+Pd with S:Ni 1.0*
MTRC008	Cumulative	91m at 0.24% Ni, 122ppm Co, 53ppm Cu, 15ppb Pt+Pd with S:Ni 1.1
MTRC009	Cumulative	367m at 0.26% Ni, 133ppm Co, 74ppm Cu, 25ppb Pt+Pd with S:Ni 1.3
MTRC010	Cumulative	106m at 0.25% Ni, 119ppm Co, 25ppm Cu, 15ppb Pt+Pd with S:Ni 1.0
MTRC011	Cumulative	110m at 0.24% Ni, 128ppm Co, 75ppm Cu, 26ppb Pt+Pd with S:Ni 1.9
MTRC012	Cumulative	190m at 0.22% Ni, 124ppm Co, 68ppm Cu, 21ppb Pt+Pd with S:Ni 1.8
MTRC013	Cumulative	149m at 0.29% Ni, 131ppm Co, 42ppm Cu, 30ppb Pt+Pd with S:Ni 1.0
MTRC014	Cumulative	158m at 0.26% Ni, 121ppm Co, 37ppm Cu, 20ppb Pt+Pd with S:Ni 0.5
MTRC015	Cumulative	129m at 0.34% Ni, 156ppm Co, 163ppm Cu, 25ppb Pt+Pd with S:Ni 1.3
MTRC016		200m at 0.30% Ni, 139ppm Co, 92ppm Cu, 25ppb Pt+Pd from 103m S:Ni 1.2
MTRC017	Cumulative	183m at 0.26% Ni, 132ppm Co, 165ppm Cu, 16ppb Pt+Pd with S:Ni 1.6
MTRC018	Cumulative	209m at 0.28% Ni, 129ppm Co, 381ppm Cu, 18ppb Pt+Pd with S:Ni 1.3*
MTRC019		186m at 0.28% Ni, 135ppm Co, 78ppm Cu, 22ppb Pt+Pd from 90m S:Ni 1.2
MTRC020	Cumulative	220m at 0.28% Ni, 132ppm Co, 112ppm Cu, 18ppb Pt+Pd with S:Ni 1.1*

\* Ending in mineralisation

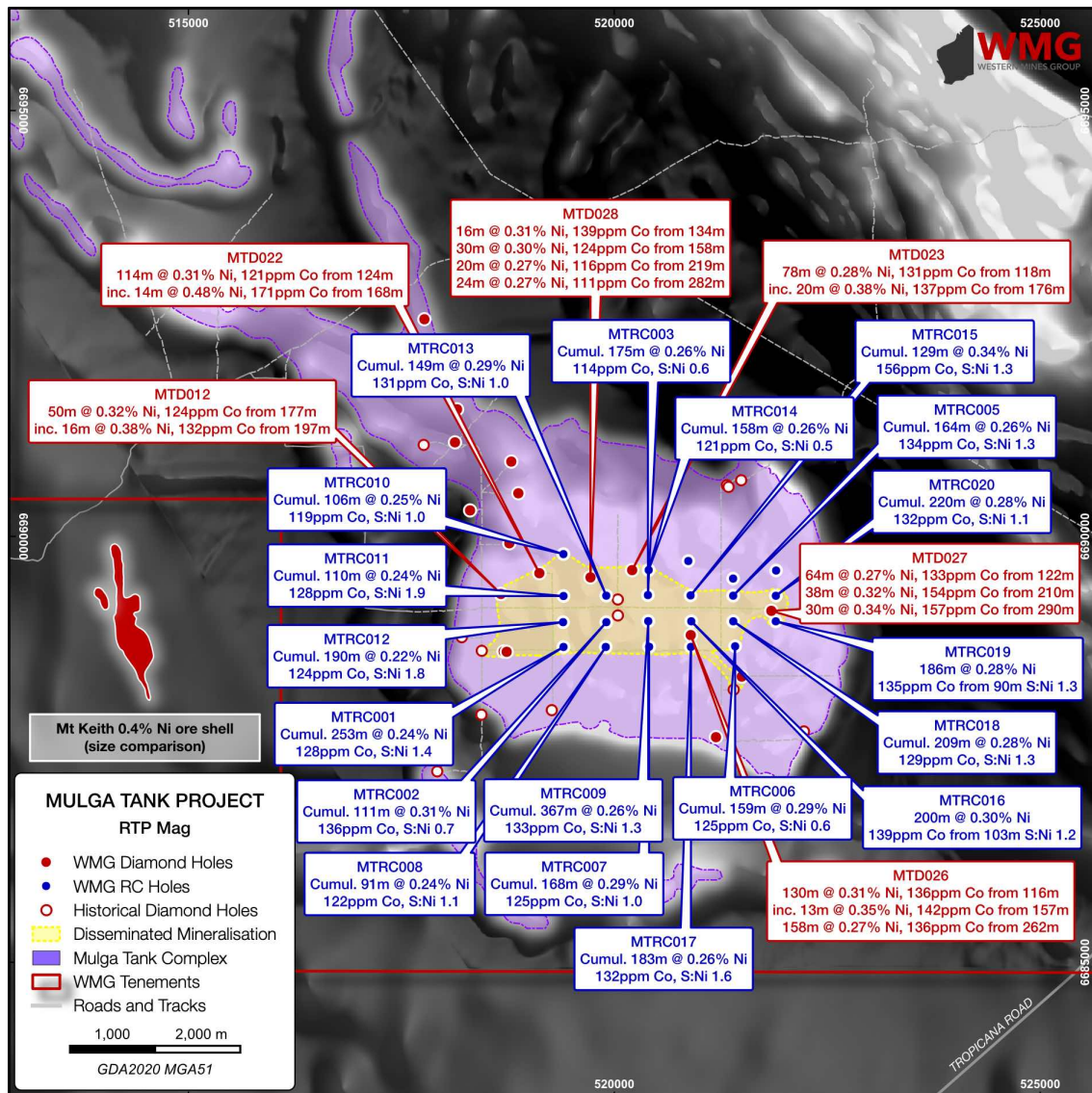


Figure 4: Assay results for shallow nickel sulphide mineralisation in the Mulga Tank Ultramafic Complex

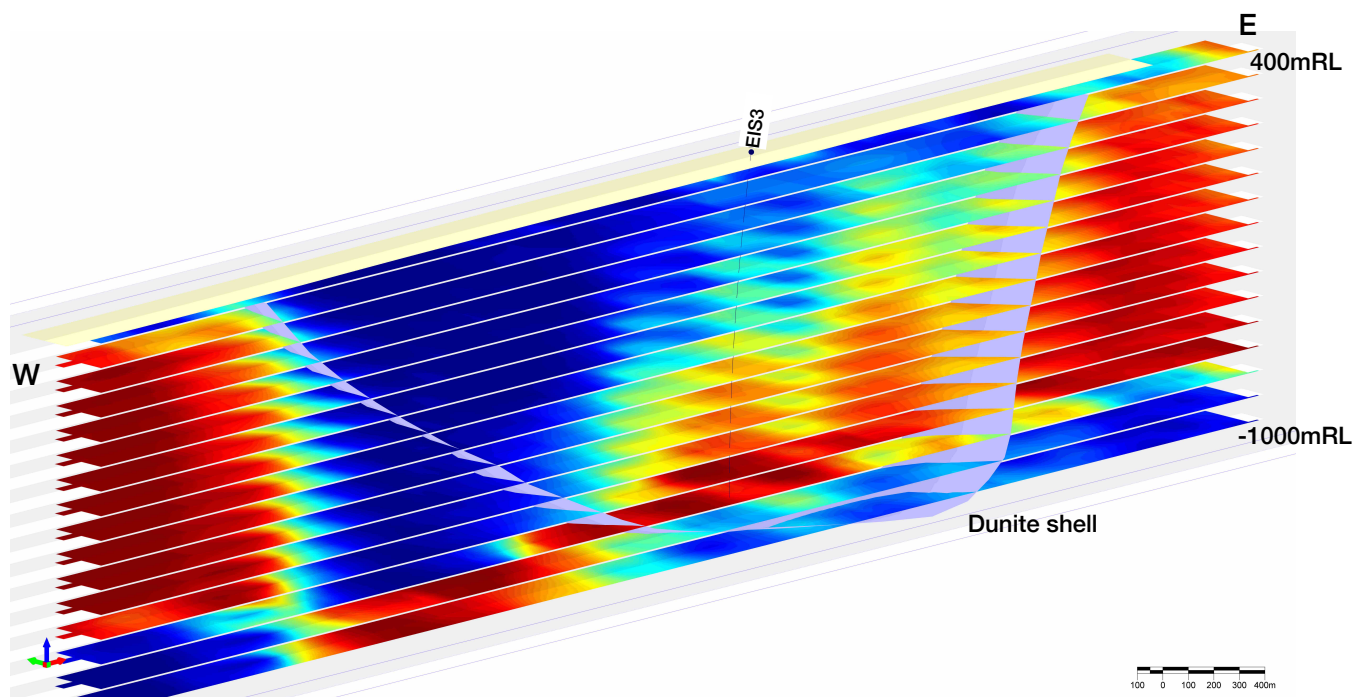
## MOBILEMT SURVEY

WMG engaged Expert Geophysics to conduct an airborne geophysical survey across the Mulga Tank Ultramafic Complex using their innovative MobileMT technology (ASX, *Completion of MobileMT Survey at Mulga Tank, 8 August 2023*). As well surveying the main body of the Complex within tenement E39/2132 the Company took the opportunity to fly the entire Complex and interpreted komatiite channels within WMG's northern tenement application E39/2299 and subsequently acquired neighbouring tenement E39/2134.

MobileMT is the latest innovation in airborne electromagnetic technology and the most advanced generation of Airborne Natural Source Audio Frequency Magnetotelluric (AFMAG) technologies. MobileMT utilises naturally occurring electromagnetic fields in the 25Hz to 20,000Hz frequency range and is essentially a high-resolution deep resistivity and conductivity mapping tool capable of delivering 3D geoelectrical information down to >1km depth.

The Company received final 3D inversion modelling results during the period and this exciting new dataset is progressively being used in the Company's systematic exploration strategy - combined with the Company's existing 3D datasets, such as magnetics, gravity and the extensive geological information gained from the recent deep EIS holes.

One of the first uses of the MobileMT dataset has been in the exact planning and drilling targeting of the Company's next EIS co-funded deep diamond hole EIS3 (ASX, *2024 Exploration Programs Commence at Mulga Tank, 29 January 2023*). This hole will look to test for a sulphide enriched keel in the deepest part of the Complex, based on the Company's previous deep diamond drilling, and also tests a compelling coincident MobileMT anomaly around -700m RL, near the basal contact.



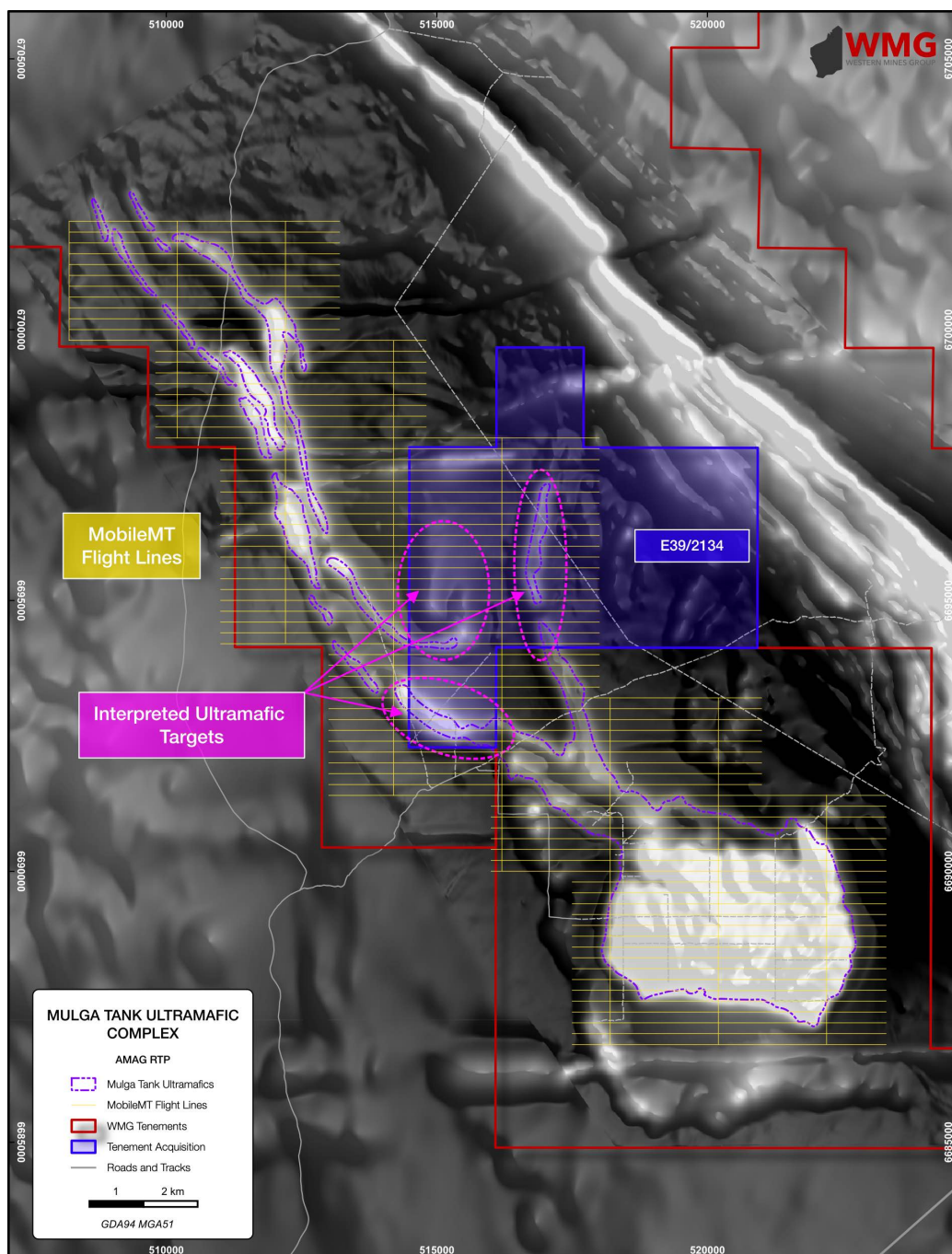
**Figure 5: Stacked depth slices of MobileMT conductivity showing drill trace of EIS3 and outline dunite shell of the Mulga Tank Complex**

### **CONSOLIDATION OF THE ENTIRE MULGA TANK ULTRAMAFIC COMPLEX**

WMG entered into a binding agreement to acquire 100% of neighbouring tenement E39/2134 held by Dynamic Metals (ASX:DYM), contiguous to the Company's current Mulga Tank project area. The acquisition expands WMG's project area to 425km<sup>2</sup>, covering approximately 37km strike and the entire under explored Minigwal Greenstone Belt (ASX, *WMG Consolidates Entire Mulga Tank Complex, 3 October 2023*).

Acquisition consideration of \$20,000 cash, 100,000 fully paid ordinary shares in the Company, 200,000 options over ordinary shares (with an exercise price of \$0.60 per share, exercisable 3 years from the date of issue) and a 1% Net Smelter Royalty. The acquisition was completed in November following shareholder approval for the issue of shares and options at the Company's AGM (ASX, *Results of Annual General Meeting, 21 November 2023*).

The new ground contains a number of interpreted ultramafic bodies thought to represent potential komatiite channels emanating from the main Mulga Tank dunite intrusion. These interpreted ultramafic bodies have never been drill tested but are very likely extensions of the komatiite sequences drilled by WMG in the *Panhandle* area of the Mulga Tank Complex. WMG's recent holes MTD016 and MTD024 and historical hole MTD006 show these komatiite sequences contain evidence for high-grade nickel sulphide mineralisation (ASX, *First Assay Results Confirm Ni-Cu-PGE Mineralisation, 15 August 2022*) and could potentially host Kambalda-style massive nickel sulphide deposits. These komatiite channels are interpreted to extend through the new tenement E39/2134 and up into WMG's northern tenement application E39/2299 (Figure 6).



**Figure 6: Mulga Tank acquisition of tenement E39/2134**

## JASPER HILL

The Jasper Hill Project comprises exploration licences E39/2073, E39/2079 and prospecting licence application P39/6267. The project is located approximately 80km southeast of Laverton and covers part of the poorly exposed Merolia Greenstone Belt, a NNW trending belt, up to 20km wide, that can be traced over 110km in a SSE direction from the Burtville Mining Centre. The project area is lightly explored, due to being partly under shallow cover, but is contiguous to the historical producing mines of Lord Byron (160,000oz at 1.0g/t Au) and Fish (87,000oz at 4.1g/t Au).

Jasper Hill is the Company's primary gold project containing a mineralised gold trend over 3km strike. Historical shallow, wide spaced, RAB and RC drilling during the 1980's highlights a number of robust gold results within the tenement including: **AJ10 14m at 1.58g/t Au from 14m, including 2m at 8.1g/t Au from 16m, PDH02 13m at 1.44g/t Au from 15m, including 5m at 3.11g/t Au from 15m and PDH03 18m at 1.28g/t Au from 14m, including 4m at 3.35g/t Au from 14m** - with little or no follow up work since that time.

Field reconnaissance work involving geological mapping, a high-resolution ground magnetic survey over part of tenement E39/2073 and locating significant aboriginal heritage sites was conducted during the period. The Company plans to complete a litho-structural interpretation and drill targeting work, to advance the project ready for an initial RC drilling program. The Company engaged remote sensing specialists Earthscan Pty Ltd to complete satellite based remote sensing work over the project area, using ASTER multispectral imagery. This work focused on mapping alteration signatures of possible gold targets. Numerous new and existing alteration targets were identified by the work which will be ground-truthed during the next field visit.

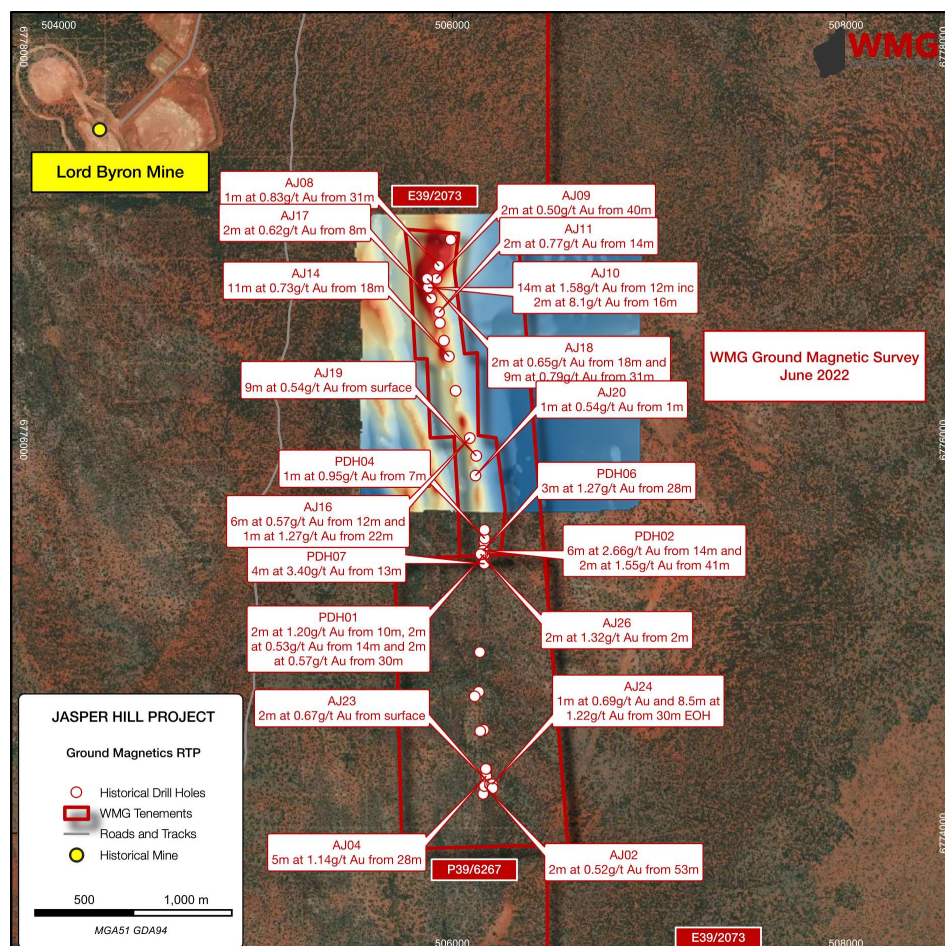


Figure 7: WMG ground magnetic survey and significant drill intersections (E39/2073 and P39/6267)

## **PINYALLING**

The Pinyalling Project comprises exploration licence E59/2486 covering 55km<sup>2</sup>. The project is located approximately 25km NW of Paynes Finds and lies at the south-eastern end of the Yalgoo-Singleton Greenstone Belt, within an area known as the Warriedar Fold Belt that comprises a folded sequence of gabbro and dolerite intercalated with basalt, ultramafics, sediments and BIF. The Warriedar Fold Belt hosts a number of historic gold workings at the Pinyalling Mining Centre, 3km north of the tenement area, as well as the Baron Rothschild prospect drilled by Thundelarra Exploration during the 1990s.

The Company engaged remote sensing specialists Earthscan Pty Ltd to complete satellite based remote sensing work over the project area, using ASTER multispectral imagery. The work was principally focused on mapping pegmatite sequences that could potentially host lithium mineralisation, along with alteration signatures of possible gold and base metal targets. The Company notes the upswing in lithium focused exploration in the area at Golden State Mining's (ASX:GSM) nearby Paynes Find Lithium Project (ASX:GSM, *Lithium Exploration and Drilling Update, 22 December 2022*).

Towards the end of the period, the Company completed an initial field reconnaissance visit to the project area to ground-truth targets identified by the remote sensing work. A number of sub-cropping and outcropping pegmatites were encountered and sampled. In general the tenement area contained a lot more remnant greenstone belt lithologies than the simple granitic terrane shown on the GSWA geological mapping of the area. These possible extensions of the nearby Warriedar Fold Belt increase the gold potential of the project area than first thought.



**Figure 8: Example of outcropping pegmatite at the Pinyalling Project**



**Figure 9: Example of sub-cropping pegmatite at the Pinyalling Project**

## **PAVAROTTI**

The Pavarotti Project comprises exploration licence E77/2478 and exploration licence application E77/2746. The project is located approximately 50km north-northeast of Southern Cross and lies on the western side of the Koolyanobbing Greenstone Belt, a northwest trending sequence of mafic and ultramafic volcanic and intrusive rocks with lesser sediments intercalated with BIF horizons forming prominent ridges. The BIF horizons have been exploited since the 1960s, with several open pit iron ore mines that are currently owned by Mineral Resources (ASX:MIN).

Historical rock chip samples from Jock's Fury show anomalous results of up to **0.74% Ni, 0.11% Cu and 0.22g/t Pt+Pd over 140m strike**. BHP drilled several shallow holes at Jocks Fury in the late 1960's including **H202 intersecting 4.6m at 1.28% Ni, 597ppm Cu, 293ppm Co** from 42.7m to the end of hole (EOH) and **H273 intersecting 16.8m at 0.78% Ni, 360ppm Cu, 285ppm Co** from 12.2m, including **3.1m at 1.60% Ni, 865ppm Cu, 700ppm Co** from 24.4m. These results do not appear to have been adequately tested at depth and this area was largely overlooked in subsequent exploration by Delta Gold (1985 to 1996) and Western Areas (2000 to 2014).

Limited exploration work was done on the project during the period. The Company continues to wait on the grant of tenement application E77/2746, containing Jock's Fury, in order to commence exploration.

## ROCK OF AGES

The Rock of Ages Project comprises prospecting licence P38/4203 and is located approximately 32km southeast of Laverton. The project lies on the Laverton Greenstone Belt, around 4.5km south of the historical Burtville Mining Centre. The tenement contains the historical Rock of Ages workings, a series of shallow mine workings over approximately 600m strike, associated with quartz veining and ferruginous cherts, within felsic volcanic schists. Historical records indicate 2,074oz Au was mined from the workings between 1902 and 1911 at an average grade of 50g/t Au.

No exploration work was done on the project during the period. The Company completed an initial drilling program at the project in September 2021 which identified some encouraging high-grade gold intersections including **RARC005 5m at 3.12g/t Au** from 91m, including **1m at 10.85g/t Au** from 91m and **RARC006 3m at 2.66g/t Au** from 85m, including **1m at 6.82g/t Au** from 86m, and **1m at 1.88g/t Au** from 58m (*Further Assays Confirm High-Grade Gold at Rock of Ages, 21 December 2021*).

Mineralisation remains open at depth and along strike to the north and south and shows evidence for up to 5 stacked gold lodes that appear to correlate well between drill holes.

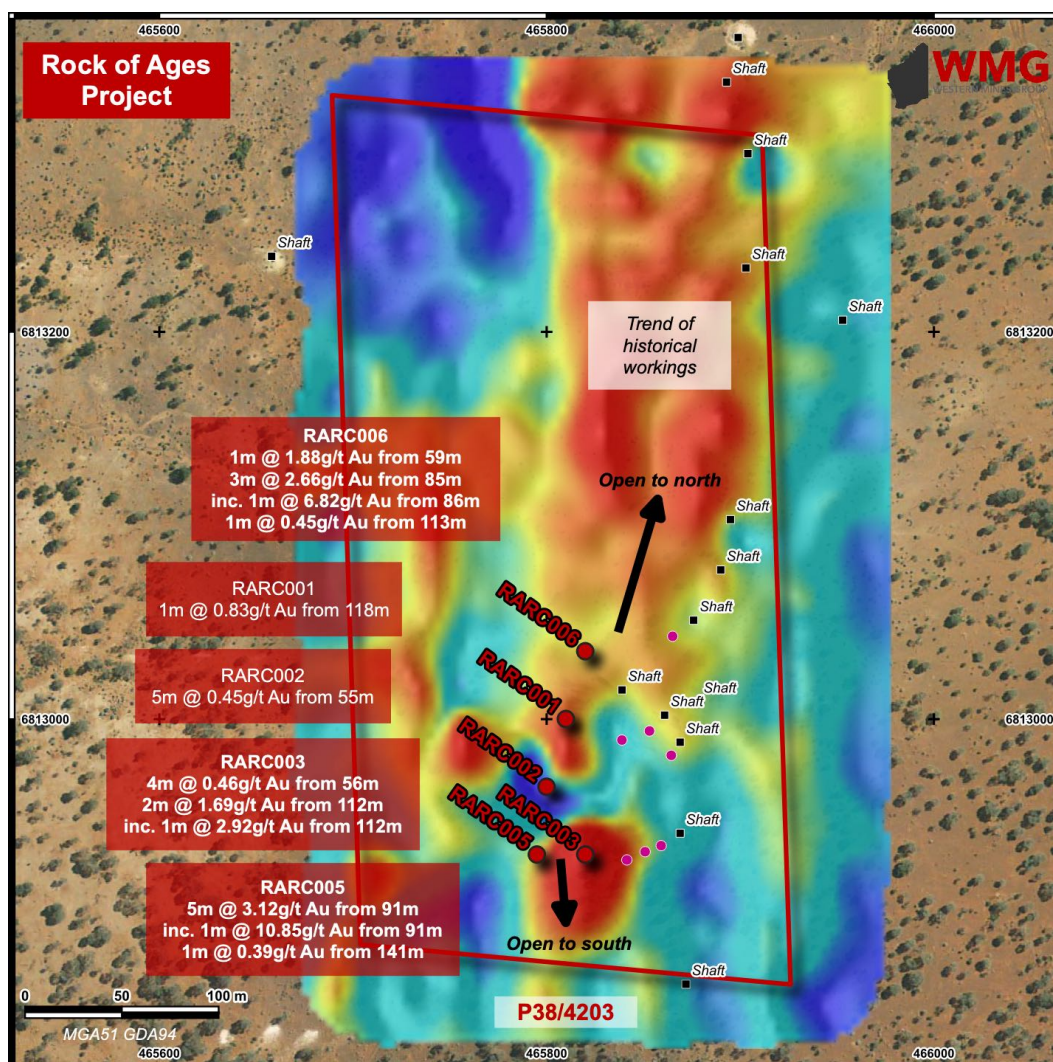


Figure 10: Rock of Ages RC Drilling Results on Ground Magnetism RTP Image

## **YOUANMI**

The Youanmi Project comprises exploration licence E57/1119. The project is located 70km southwest of Sandstone and lies on the eastern side of the Youanmi Greenstone Belt, along the major Youanmi Shear.

The tenement is located 7km from the historic Youanmi Gold Mining Centre, which has produced over 600,000oz of gold since its discovery in the late 1800's, currently owned by Rox Resources (ASX:RXL) and Venus Metals (ASX:VMC). The area has seen a resurgence in exploration activity with the recent discovery of the high-grade Penny North (ASX:RMS) and Grace (ASX:RXL) deposits along the Youanmi Shear.

A site visit for field reconnaissance and a high-resolution ground magnetic survey were completed during the period. Data from this fieldwork fed into a review of the project. Based on the review, the Company took the decision to surrender prospecting licence P57/1450 during the period but will maintain exploration licence E57/1119.

## **MELITA**

The Melita Project comprises exploration licence E40/379, covering an area of approximately 105km<sup>2</sup>. The project is located 20km south-southeast of Leonora and to the north of the Kookynie, Niagara and Orient Well-Butterfly gold mining centres, in the heart of the WA Goldfields. The Kookynie area has seen recent upswing in exploration activity, with WMG's Melita Project surrounded by the likes of Genesis Minerals (ASX:GMD), Saturn Metals (ASX:STN), Azure Minerals (ASX:AZS), KIN Mining (ASX:KIN) and the recently listed Mt Malcolm Mines (ASX:M2M) and Iris Metals (ASX:IR1).

The Company notes the increase in M&A activity around the Leonora-Kookynie area and undertook a review of the project, including soil geochemical and ground magnetic data collected during a series of WMG field campaigns (*ASX, Major Field Program Commences at Melita, 11 August 2021; Completion of Initial Field Program at Melita, 16 September 2021*).

## **BROKEN HILL BORE**

The Broken Hill Bore Project comprises exploration licence E31/1222 and is located approximately 160km northeast of Kalgoorlie, near Edjudina. The Edjudina region hosts a number of significant gold deposits such as Northern Star's (ASX:NST) Carosue Dam Project, the Edjudina Gold Camp, 9km south of the project and the Patricia workings along strike. The Yarri and Porphyry Gold Camps are located in the Murrin Domain 18km to the west and the Deep South Deposits in the Linden Domain to the north east.

No exploration work was done on the project during the period.

## **ASX ANNOUNCEMENTS**

The above Review of Operations was summarised from the ASX announcements released during the period. Please refer to the announcements below for further information, no material changes have occurred from information listed in these announcements:

*Quarterly Activities Report, 27 July 2023*

*MTD027 Expands Mineralisation 4km Across Mulga Tank, 28 August 2023*

*MTD026 Assays 840m of Nickel Sulphide Mineralisation, 30 August 2023*

*MTD026 Aqua Regia Testwork Confirms Nickel Sulphide, 31 August 2023*

*Mulga Tank Mineralogy Highlights Carbon Capture Potential, 13 September 2023*

*RC Drilling Program Commences at Mulga Tank, 20 September 2023*

*MTD028 Further Nickel Sulphides at Mulga Tank, 2 October 2023*

*WMG Consolidates Entire Mulga Tank Complex, 3 October 2023*

*MTD027 Best Assay Results Yet at Mulga Tank, 4 October 2023*

*RC Drilling Expansion and Drilling for Equity, 17 October 2023*

*WMG Wins \$220,000 EIS Award to Drill Mulga Tank, 19 October 2023*

*Capital Raise to Advance Mulga Tank Project, 25 October 2023*

*Quarterly Activities Report, 27 October 2023*

*MTD028 Disseminated Nickel Sulphide Mineralisation 140m at 0.49% Ni, 31 October 2023*

*Completion of 7000m RC Drilling Program at Mulga Tank, 7 November 2023*

*First RC Assays Show Broad Zones of Mineralisation, 14 November 2023*

*MTRC009 Assays Confirm 367m of Nickel Mineralisation, 30 November 2023*

*MTRC015 Assays Reveal Multiple Intersections Over 1% Ni, 4 December 2023*

*MTRC018 Assays Confirm Massive Sulphide 1.8% Ni, 4.9% Cu, 6 December 2023*

*First RC Hole Without Mineralisation Found at Mulga Tank, 21 December 2023*

## **DIRECTORS' REPORT**

The Directors present their report, together with the Financial Statements, on Western Mines Group Ltd (the Company) for the half-year ended 31 December 2023.

### ***DIRECTORS***

The following persons were Directors of the Company during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Rex Turkington (Non-Executive Chairman)  
Dr Caedmon Marriott (Managing Director)  
Dr Benjamin Grguric (Non-Executive Technical Director)  
Mr Francesco Cannavo (Non-Executive Director)

### ***PRINCIPAL ACTIVITIES***

During the financial half-year the principal continuing activities of the company consisted of:

- exploration and development of its tenement assets.

### ***OPERATING RESULTS AND FINANCIAL POSITION***

During the half-year, the Company made a loss after providing for income tax of \$722,069 (31 December 2022 \$510,571). The focus of the Company during the half-year was the continuing mineral exploration of various projects in Western Australia. A description of the Company's mineral exploration projects was detailed in the Review of Operations prior to the Directors' Report.

### ***MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL HALF-YEAR***

On 13 March 2024, the Company completed a capital raise, receiving commitments totalling \$1,052,495 (before costs) with 7,016,636 new ordinary shares in the Company to be issued at \$0.15 per share. In addition to the capital raise, and on the same terms, the Directors of the Company committed to invest a combined \$112,500, for 750,000 shares, subject to shareholder approval at the Company's next general meeting.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

### ***AUDITOR'S INDEPENDENCE DECLARATION***

A copy of the Auditor's Independence Declaration as required under *Section 307C of the Corporations Act 2001* is set out immediately after this Directors' Report.

This report is made in accordance with a resolution of Directors, pursuant to *Section 306(3)(a) of the Corporations Act 2001*.

On behalf of the Directors



---

Dr Caedmon Marriott  
Managing Director  
14 March 2024



**Auditor's independence declaration**

As lead auditor for the review of the half year financial report of Western Mines Group Ltd for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink, appearing to read 'HLB Mann Judd'.

**HLB Mann Judd**  
**Chartered Accountants**

Melbourne  
14 March 2024

A handwritten signature in blue ink, appearing to read 'Jude Lau'.

**Jude Lau**  
**Partner**

[hlb.com.au](http://hlb.com.au)

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## **Western Mines Group Ltd**

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31 December 2023

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## **GENERAL INFORMATION**

The Financial Statements cover Western Mines Group Ltd as an individual entity. The Financial Statements are presented in Australian dollars, which is Western Mines Group Ltd's functional and presentation currency.

Western Mines Group Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 3, 33 Ord Street  
West Perth WA 6005

A description of the nature of the Company's operations and its principal activities are included in the Directors' Report, which is not part of the Financial Statements.

The Financial Statements were authorised for issue, in accordance with a resolution of directors, on 14 March 2024.

**Western Mines Group Ltd****Statement of Profit or Loss and Other Comprehensive Income  
For the half-year ended 31 December 2023**

	Note	31 December 2023 (\$)	31 December 2022 (\$)
Interest income		35,931	17,985
Gain on debt settled issue of shares		10,600	-
<b>Expenses</b>			
Administration expenses		(329,263)	(192,858)
Tenement expenses		(22,635)	(20,549)
Employee benefits expense		(216,591)	(147,791)
Share based payment expense		(118,491)	(165,743)
Depreciation and amortisation expense		(24,083)	(1,615)
Impairment of assets	4	(57,537)	-
<b>Loss before income tax expense</b>		<b>(722,069)</b>	<b>(510,571)</b>
Income tax expense		-	-
<b>Loss after income tax expense for the period attributable to the owners of Western Mines Group Ltd</b>		<b>(722,069)</b>	<b>(510,571)</b>
Other comprehensive income for the period, net of tax		-	-
<b>Total comprehensive income for the period attributable to the owners of Western Mines Group Ltd</b>		<b>(722,069)</b>	<b>(510,571)</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	9	(1.15)	(1.12)
Diluted earnings per share	9	(1.15)	(1.12)

*The above statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Western Mines Group Ltd**  
**Statement of Financial Position**  
**As at 31 December 2023**

	Note	31 December 2023 (\$)	30 June 2023 (\$)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,103,453	3,271,415
Trade and other receivables	3	224,215	389,635
Other		38,457	21,885
<b>Total current assets</b>		<b>2,366,125</b>	<b>3,682,935</b>
<b>Non-current assets</b>			
Property, plant and equipment		237,958	209,313
Exploration and evaluation	4	7,614,451	5,023,660
<b>Total non-current assets</b>		<b>7,852,409</b>	<b>5,232,973</b>
<b>Total assets</b>		<b>10,218,534</b>	<b>8,915,908</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5	1,293,279	831,222
Employee benefits		29,995	20,699
<b>Total Current liabilities</b>		<b>1,323,274</b>	<b>851,921</b>
<b>Non-current liabilities</b>			
Employee benefits		2,445	1,058
<b>Total Non-Current liabilities</b>		<b>2,445</b>	<b>1,058</b>
<b>Total liabilities</b>		<b>1,325,719</b>	<b>852,979</b>
<b>Net assets</b>		<b>8,892,815</b>	<b>8,062,929</b>
<b>Equity</b>			
Issued capital	6	10,985,795	9,466,704
Reserves	7	1,443,971	1,465,987
Accumulated losses		(3,536,951)	(2,869,762)
<b>Total equity</b>		<b>8,892,815</b>	<b>8,062,929</b>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Western Mines Group Ltd**  
**Statement of Changes in Equity**  
**For the period half-year 31 December 2023**

	<b>Issued Capital (\$)</b>	<b>Reserves (\$)</b>	<b>Accumulated Losses (\$)</b>	<b>Total Equity (\$)</b>
Balance at 1 July 2022	5,847,767	1,327,856	(1,974,602)	5,201,021
Loss after income tax expense for the half-year	-	-	(510,571)	(510,571)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(510,571)	(510,571)
Transfer on lapse of options	-	(26,973)	26,973	-
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	546,289	-	-	546,289
Share based payments	-	165,743	-	165,743
<b>Balance at 31 December 2022</b>	<b>6,394,056</b>	<b>1,466,626</b>	<b>(2,458,200)</b>	<b>5,402,482</b>
	<b>Issued Capital (\$)</b>	<b>Reserves (\$)</b>	<b>Accumulated Losses (\$)</b>	<b>Total Equity (\$)</b>
Balance at 1 July 2023	9,466,704	1,465,987	(2,869,762)	8,062,929
Loss after income tax expense for the half-year	-	-	(722,069)	(722,069)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(722,069)	(722,069)
Transfer on conversion of performance rights	148,435	(148,435)	-	-
Transfer on lapse of options	-	(54,880)	54,880	-
Transfer on exercise of options	26,675	(26,675)	-	-
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (Note 6)	1,343,981	-	-	1,343,981
Share based payments (Note 7)	-	207,974	-	207,974
<b>Balance at 31 December 2023</b>	<b>10,985,795</b>	<b>1,443,971</b>	<b>(3,536,951)</b>	<b>8,892,815</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Western Mines Group Ltd**  
**Statement of Cash Flows**  
**For the half-year ended 31 December 2023**

	Note	December 2023 (\$)	December 2022 (\$)
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees (inclusive of GST)		(559,185)	(314,228)
Interest received		45,298	11,239
<b>Net cash (used in) operating activities</b>		<b>(513,887)</b>	<b>(302,989)</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(52,728)	-
Payments for exploration and evaluation		(1,936,007)	(1,355,351)
Government grants received relating to exploration expenditure		193,600	-
<b>Net cash (used in) investing activities</b>		<b>(1,795,135)</b>	<b>(1,355,351)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		1,238,029	550,000
Share issue transaction costs		(96,969)	(3,711)
<b>Net cash from financing activities</b>		<b>1,141,060</b>	<b>546,289</b>
Net increase in cash and cash equivalents		(1,167,962)	(1,112,051)
Cash and cash equivalents at the beginning of the financial period		3,271,415	3,682,150
<b>Cash and cash equivalents at the end of the financial period</b>		<b>2,103,453</b>	<b>2,570,099</b>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION**

These general purpose Financial Statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with *Australian Accounting Standard AASB 134 'Interim Financial Reporting'* and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with *International Financial Reporting Standard IAS 34 'Interim Financial Reporting'*.

These general purpose Financial Statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these Financial Statements are to be read in conjunction with the Annual Report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**GOING CONCERN**

The Financial Statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. For the half year ended 31 December 2023, the Company incurred a loss of \$722,069 and had negative cash flows from operating activities of \$513,887.

The Directors have reviewed the cashflow forecasts and believe that there are reasonable grounds to believe that the Company will be able to continue as a going concern due to the following factors:

- The Company's recent capital raise receiving commitments totalling \$1,052,495 (before costs) (Note 8, 13 March 2024).
- The Company's remaining capacity to raise additional capital without seeking shareholder approval under *ASX Listing Rules 7.1 and 7.1A*.
- The Company has established exploration programs and has budgeted for cash flow requirements for the 12 months from the date of this report. The cash available at the date of the report is sufficient to meet the cash flow forecasts. Where necessary, the Company can reduce or redirect planned project expenditure to manage its cash flows to ensure it meets its obligations as and when they fall due, as well as progress its projects effectively.

Accordingly, the Directors believe that the Company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the Financial Statements.

In the event that the Company is unsuccessful in implementing the above-stated initiatives, a material uncertainty exists, that may cast significant doubt on the Company's ability to continue as a going concern and its ability to recover assets and discharge liabilities in the normal course of business and at the amount shown in the Financial Statements.

**Western Mines Group Ltd**  
**Notes to the Financial Statements**  
**31 December 2023**

Should the Company be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different from those stated in the Financial Statements.

**NOTE 2. OPERATING SEGMENTS**

***Identification of reportable operating segments***

The Company is organised into one operating segment, exploration for minerals within Australia. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

**NOTE 3. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES**

	31 December 2023 (\$)	30 June 2023 (\$)
Government grant receivable	26,400	220,000
Other receivables	73,052	439
Interest receivable	4,650	14,017
GST receivable	120,113	155,179
	<b>224,215</b>	<b>389,635</b>

**NOTE 4. NON-CURRENT ASSETS - EXPLORATION AND EVALUATION**

	31 December 2023 (\$)	30 June 2023 (\$)
Exploration and evaluation - at cost	7,614,451	5,023,660

***Reconciliations***

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Exploration and Evaluation (\$)
Balance at 1 July 2023	5,023,660
Additions	2,575,324
Write off of assets*	(57,537)
Acquisition of tenements	73,004
Balance at 31 December 2023	<b>7,614,451</b>

\* During the half-year licence P57/1450 was relinquished and the carrying value has been written off in full.

**Western Mines Group Ltd**  
**Notes to the Financial Statements**  
**31 December 2023**

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves.

**NOTE 5. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES**

	31 December 2023 (\$)	30 June 2023 (\$)
Trade payables	1,220,788	754,142
Other payables	72,491	77,080
	<b>1,293,279</b>	<b>831,222</b>

**NOTE 6. EQUITY - ISSUED CAPITAL**

	31 December 2023 Shares	30 June 2023 Shares	31 December 2023 (\$)	30 June 2023 (\$)
Ordinary shares - fully paid	67,566,546	59,702,831	10,985,795	9,466,704

***Movements in ordinary share capital***

Details	Date	Shares	Issue Price	\$
Balance	1 July 2023	59,702,831		9,466,704
Shares issued on conversion of performance rights	10 July 2023	600,000	\$0.0609	36,535
Shares issued on exercise of options	25 August 2023	250,000	\$0.4067	101,675
Shares issued on conversion of performance rights	28 September 2023	2,000,000	\$0.0559	111,900
Issue of Shares	1 November 2023	4,153,715	\$0.2800	1,163,029
Shares issued as consideration for tenement acquisition	22 November 2023	100,000	\$0.2600	26,000
Shares issued to settle trade payables	14 December 2023	760,000	\$0.3150	239,400
Less cost of capital raised		-	\$0.0000	(159,448)
Balance	31 December 2023	67,566,546		10,985,795

***Ordinary shares***

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

**NOTE 7. EQUITY - RESERVES**

	31 December 2023 (\$)	30 June 2023 (\$)
Share-based payments reserve	1,443,971	1,465,987

***Share-based payments reserve***

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

***Movements in reserves***

Movements in each class of reserve during the current financial half-year are set out below:

	Share-based payments (\$)
Balance at 1 July 2023	1,465,987
Transfer to issued capital on exercise of options and conversion of performance rights	(175,110)
Transfer to accumulated losses	(54,880)
Share-based payments	207,974
Balance at 31 December 2023	1,433,971

**NOTE 8. EVENTS AFTER THE REPORTING PERIOD**

On 13 March 2024, the Company completed a capital raise, receiving commitments totalling \$1,052,495 (before costs) with 7,016,636 new ordinary shares in the Company to be issued at \$0.15 per share. In addition to the capital raise, and on the same terms, the Directors of the Company committed to invest a combined \$112,500, for 750,000 shares, subject to shareholder approval at the Company's next general meeting.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**NOTE 9. EARNINGS PER SHARE**

	31 December 2023 (\$)	31 December 2022 (\$)
Loss after income tax attributable to the owners of Western Mines Group Ltd	(722,069)	(510,571)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	62,954,497	45,391,305
Weighted average number of ordinary shares used in calculating diluted earnings per share	62,954,497	45,391,305
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(1.15)	(1.12)
Diluted earnings per share	(1.15)	(1.12)

**NOTE 10. CONTINGENT LIABILITY**

The Company has entered into various tenement purchase agreements that include net smelter royalty (NSR) obligations as consideration payable in the event that certain parameters are achieved. These parameters are production based such that the royalty is only paid when production commences.

There are no other matter which the Company considers would result in a contingent liability as at the date of this report.

## **DIRECTORS' DECLARATION**

In the Directors' opinion:

- the attached Financial Statements and notes comply with the *Corporations Act 2001*, the *Australian Accounting Standard AASB 134 'Interim Financial Reporting'*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached Financial Statements and notes give a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a Resolution of Directors made pursuant to *Section 303(5)(a) of the Corporations Act 2001*.

On behalf of the Directors



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Dr Caedmon Marriott  
Managing Director  
14 March 2024



**Independent auditor's review report to the members of Western Mines Group Ltd**

**Conclusion**

We have reviewed the accompanying half-year financial report of Western Mines Group Ltd ("the Company"), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Western Mines Group Ltd does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

**Material Uncertainty Regarding Going Concern**

We draw attention to Note 1 Going Concern in the half-year financial report, which indicates that the Company incurred a loss of \$722,069 and had a net cash outflow from operating activities of \$513,887 during the period ended 31 December 2023. As stated in Note 1 Going Concern, these events or conditions, along with other matters as set forth in Note 1 Going Concern, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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**Responsibility of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in blue ink, appearing to read 'HLB Mann Judd'.

**HLB Mann Judd  
Chartered Accountants**

Melbourne  
14 March 2024

A handwritten signature in blue ink, appearing to read 'Jude Lau'.

**Jude Lau  
Partner**