

Completion of Mulga Tank Tenement Acquisition

Key Points

- Completion of acquisition of neighbouring ground to expand the Mulga Tank Ni-Cu-PGE Project
- Payment of purchase consideration 500,000 shares, 500,000 options and grant of 1% NSR to Duketon Mining (ASX:DKM)
- Gives WMG dominant position on the Minigwal Greenstone Belt - covering 37km strike and expanding the project area to over 395km²
- “Belt scale” opportunity on a significantly under explored greenstone belt prospective for Ni-Cu-PGE and gold
- Ongoing MLEM survey at Mulga Tank is progressing well with infill lines in the southern sector defining robust drill targets and the central sector nearing completion
- Preparations for an initial drilling program are underway with PoW lodged

Western Mines Group Ltd (WMG or Company) (**ASX:WMG**) is pleased to update shareholders on the completion of the acquisition of neighbouring ground and significant expansion of the flagship Mulga Tank Ni-Cu-PGE Project.

Summary

In accordance with the terms of the acquisition agreement WMG has completed the purchase of 100% of the neighbouring ground at the Mulga Tank Ni-Cu-PGE Project held by Duketon Mining (ASX:DKM) (*ASX, Acquisition to Expand Flagship Mulga Tank Ni-Cu-PGE Project, 8 November 2021*). The Company has now made payment of the acquisition consideration and issued 500,000 full paid ordinary shares in the Company, 500,000 options over ordinary shares (with an exercise price of \$0.30 per share, exercisable 2 years from the date of issue) and granted a 1% Net Smelter Royalty (NSR) to the Vendor Duketon Mining Limited.

The acquisition expands WMG’s project area from 113km² to 395km², covering approximately 37km strike and the majority of the under explored Minigwal Greenstone Belt. The new ground contains a 12km trend of interpreted ultramafic bodies on the western basal portion of the Minigwal Greenstone Belt, representing a potential feeder system for the Mulga Tank dunite intrusion, 100% owned by WMG.

The ongoing Moving Loop Electromagnetic (MLEM) survey at Mulga Tank (*ASX, Moving Loop EM Survey Commences at Mulga Tank Project, 7 October 2021*) has completed the southern sector of the intrusion and is currently nearing completion of the central sector later this month. Additional infill lines were completed across bedrock conductor targets identified in the southern sector (*ASX, Nickel Exploration Update: High Priority Targets Identified, 17 November 2021*) and these have successfully define a number of initial drill targets in this sector.

Commenting on the Mulga Tank Project, WMG Managing Director Caedmon Marriott said:

“This strategic acquisition transforms our flagship Mulga Tank project to ‘belt scale’ opportunity and gives WMG a great footprint across the under explored Minigwal Greenstone Belt. Our ongoing MLEM survey is progressing well with a number of drill targets already identified in the southern sector and the survey lines across the central sector nearing completion later this month.

Preparations for an initial drill program next year are underway with a Program of Work application now lodged. Regional exploration plans are also in progress in anticipation of the grant of tenement applications E39/2223 and E39/2299.”

Project Overview

The Mulga Tank Project comprises exploration licence E39/2132 and exploration licence applications E39/2223 and E39/2299, covering approximately 395km² of the Minigwal Greenstone Belt, 190km east-northeast of Kalgoorlie. The Minigwal Greenstone Belt 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.

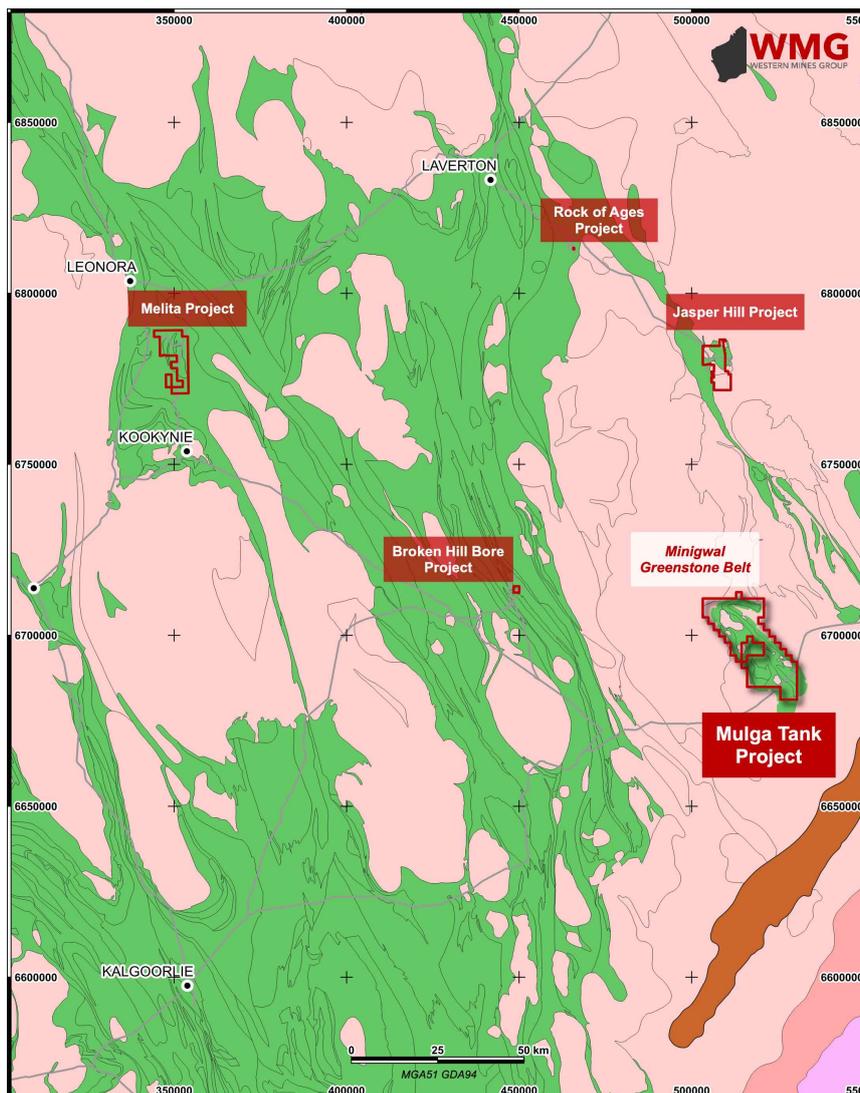


Figure 1: Location of WMG’s Mulga Tank Project and other projects in the Eastern Goldfields of WA

WMG's tenement E39/2132 contains the entire Mulga Tank Dunite Intrusion, a major ultramafic intrusion and a key feature of the area, considered highly prospective for Ni-Cu-PGE magmatic sulphide mineralisation. The acquisition of the area covered by tenement application E39/2299 consolidates WMG's position over the Minigwal Greenstone Belt, expanding the Company's project area from 113km² to 395km² and covering approximately 37km strike of the belt.

Tenement E39/2299 contains a 12km trend of interpreted ultramafic bodies on the western basal portion of the Minigwal Greenstone Belt, representing a potential feeder system for the Mulga Tank dunite intrusion (100% owned by WMG within tenement E39/2132). This trend has received little to no exploration focus to date, but given the clear evidence of a working Ni-Cu-PGE mineral system within the Mulga Tank intrusion, WMG considers these ultramafic bodies to also be prospective for Ni-Cu-PGE magmatic sulphide mineralisation. The rest of the Minigwal Greenstone Belt is also considered prospective for orogenic gold mineralisation.

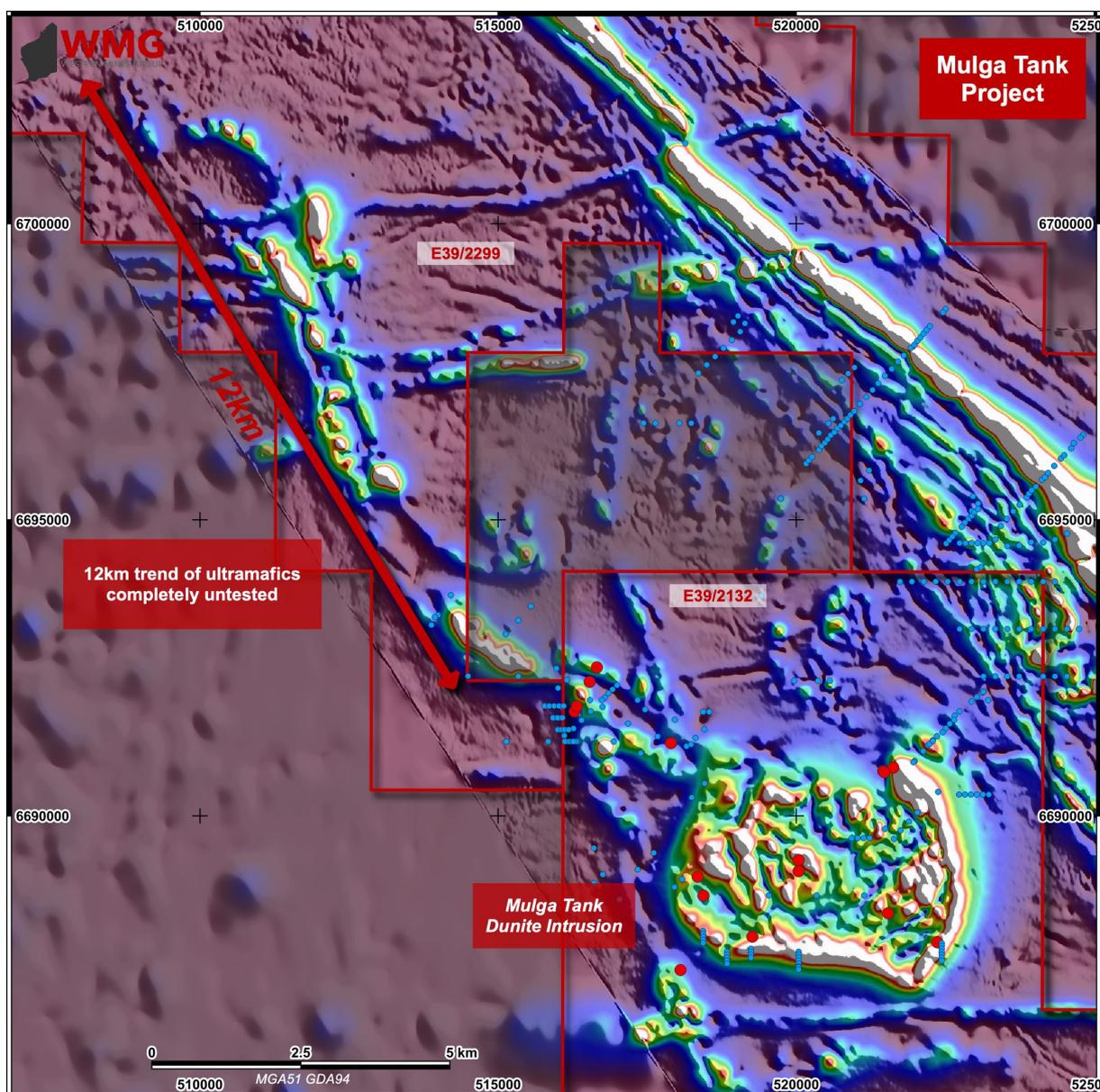


Figure 2: Ultramafic trend within tenement E39/2299 (AS Neshade L)

MLEM Update

WMG is undertaking a high-powered MLEM survey at Mulga Tank (ASX, *Moving Loop EM Survey Commences at Mulga Tank Project, 7 October 2021*). To date the survey crew has completed the southern sector of the intrusion, covering an area of approximately 8.5km², along 20.6 line kilometres. Additional infill lines were completed across bedrock conductor targets identified in the southern sector (ASX, *Nickel Exploration Update: High Priority Targets Identified, 17 November 2021*) and these have successfully defined a number of initial drill targets in this sector.

The crew is currently nearing completion of the central section of the survey area, which is anticipated later this month, before moving to the final northwest sector.

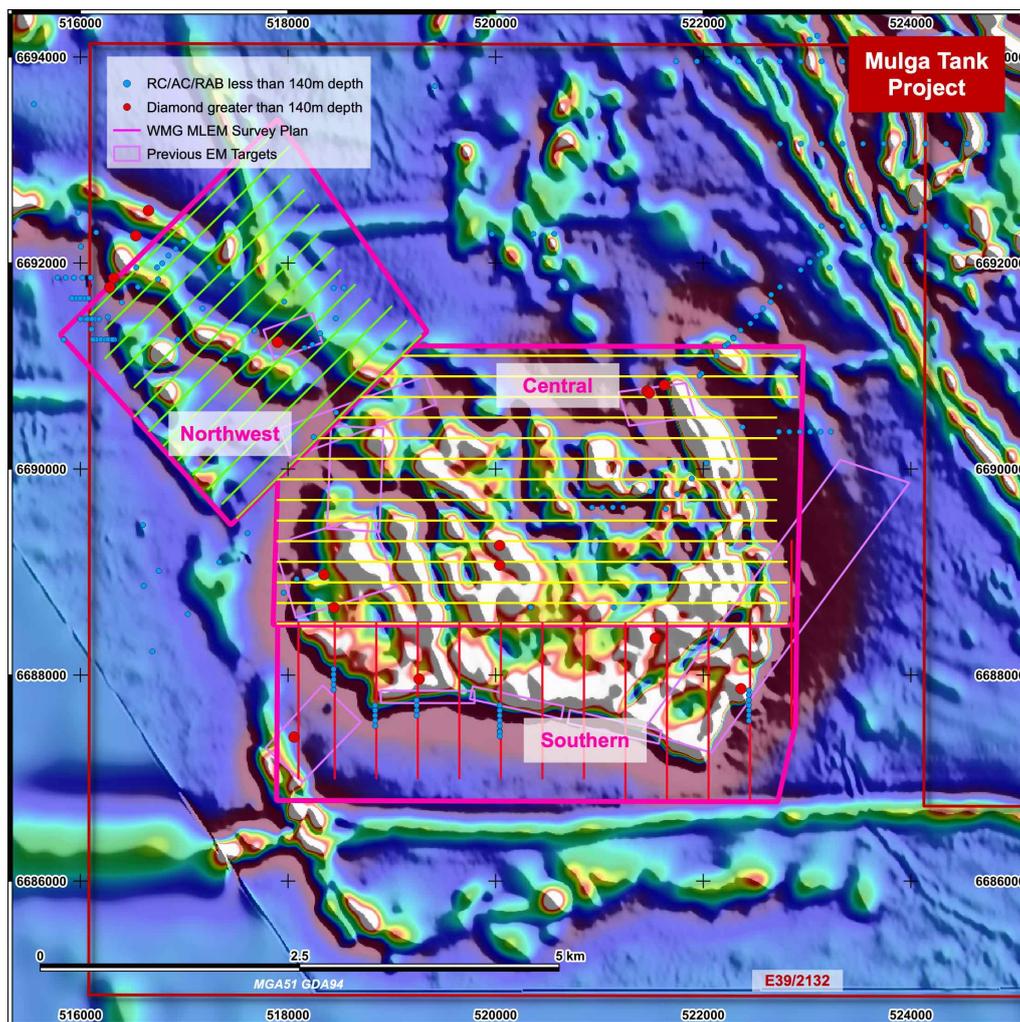


Figure 3: Mulga Tank MLEM Survey Plan

The Company looks forward to updating shareholders on the progress of these activities in due course.

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This announcement has been authorised for release to the ASX by the Board of Western Mines Group Ltd

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Board**Rex Turkington**

Non-Executive Chairman

Dr Caedmon Marriott

Managing Director

Francesco Cannavo

Non-Executive Director

Paul Burton

Non-Executive Director

Capital Structure

Shares: 44.65m
Options: 19.6m
Share Price: \$0.165
Market Cap: \$7.37m
Cash (30/09/21): \$5.03m

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Western Mines Group Ltd (ASX:WMG) is a mineral exploration company driven by the goal to create significant investment returns for our shareholders through exploration and discovery of high-value gold and nickel sulphide deposits across a portfolio of highly-prospective projects located on major mineral belts of Western Australia.

Our flagship project and current primary focus is the Mulga Tank Ni-Cu-PGE Project, a major dunite intrusive found on the under-explored Minigwal Greenstone Belt. Previous work shows significant evidence for a working sulphide mineral system and is considered highly prospective for Ni-Cu-PGE mineralisation.

WMG holds numerous other projects across major WA mineral belts including Melita (Au), midway between Kookynie and Leonora in the heart of the WA Goldfields and Jasper Hill (Au), with numerous prospective gold trends extending from the adjacent Lord Byron and Fish historical gold mines. The Company is also actively exploring Youanmi (Au), Pavarotti (Ni-Cu-PGE), Rock of Ages (Au), Broken Hill Bore (Au) and Pinyalling (Au).

Competent Persons Statement

The information in this announcement that relates to Exploration Results and other technical information complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Dr Caedmon Marriott, Managing Director of Western Mines Group Ltd. Caedmon is a Member of the Australian Institute of Geoscientists and a Member of the Australasian Institute of Mining and Metallurgy. He 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 JORC Code. Caedmon consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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