

## QUARTERLY ACTIVITIES REPORT JUNE 2022

### HIGHLIGHTS

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- Maiden ten-hole 4,000m diamond drilling program commenced at Mulga Tank Ni-Cu-PGE Project
  - Visible nickel sulphides observed in six of the first nine holes drilled - over a wide area and range of exploration targets - highlighting the prospectivity of the Mulga Tank project
  - Disseminated magmatic sulphides observed over >300m in recent hole MTD020 - indicating the potential for a large scale working mineral system at Mulga Tank
  - Potential for Mt Keith-style (Type 2) disseminated sulphide as well as Perseverance-style (Type 1) basal massive sulphide deposits
  - First geochemical assays results anticipated from end of July and through August-September
  - The Company remains well funded, with \$3.68m cash at quarter end
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Western Mines Group Ltd (WMG or Company) (**ASX:WMG**) is pleased to provide shareholders with the following Quarterly Activities Report, and accompanying Appendix 5B, for what has been a significant quarter of exploration for the Company.

The Company's principal focus for the quarter was the flagship Mulga Tank Ni-Cu-PGE Project. Exploration targeting work was completed at the beginning of the period which defined numerous drill targets to be tested with an initial ten-hole diamond drilling program totalling 4,050m (*ASX, Mulga Tank Ni-Cu-PGE Project: Major Targets Drill Ready, 6 April 2022*). Drilling commenced on 20 April 2022, with seven of the holes completed during the quarter and the remainder completed in July.

The drill program aims to test a range of exploration targets across the Mulga Tank Ultramafic Complex with WMG's systematic exploration approach building a robust exploration model for the discovery of nickel sulphide mineralisation within this large and highly prospective ultramafic body.

Visible nickel sulphides were observed in six of the first nine holes drilled. Multiple occurrences of remobilised nickel-copper sulphide veins were seen in holes MTD012, MTD013, MTD014A, MTD016 and MTD018, predominantly drilled around the flanks of the ultramafic complex, whilst disseminated magmatic sulphides occurred over >300m in hole MTD020 (*ASX, Two Zones of Visible Nickel Sulphides in Hole MTD012, 4 May 2022; Multiple Zones of Visible Nickel Sulphides in Hole MTD013, 16 May 2022; Completion of Hole MTD014A: Planned Follow-up Hole MTP022, 26 May 2022; Mulga Tank Drilling Update, 23 June 2022; Disseminated Sulphides Seen Over >300m in Hole MTD020, 26 July 2022*).

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**Shares on Issue:** 44.65m  
**Share Price:** \$0.18  
**Market Cap:** \$8.04m  
**Cash:** \$3.68m (30/06/22)

During the quarter the Company also completed field reconnaissance work and a ground magnetic survey at the Jasper Hill Gold Project, looking to advance this project to drill ready status. Limited exploration work was undertaken on the Company’s other projects during the period whilst the Company focused on the Mulga Tank drilling program.

## PROJECT OVERVIEW

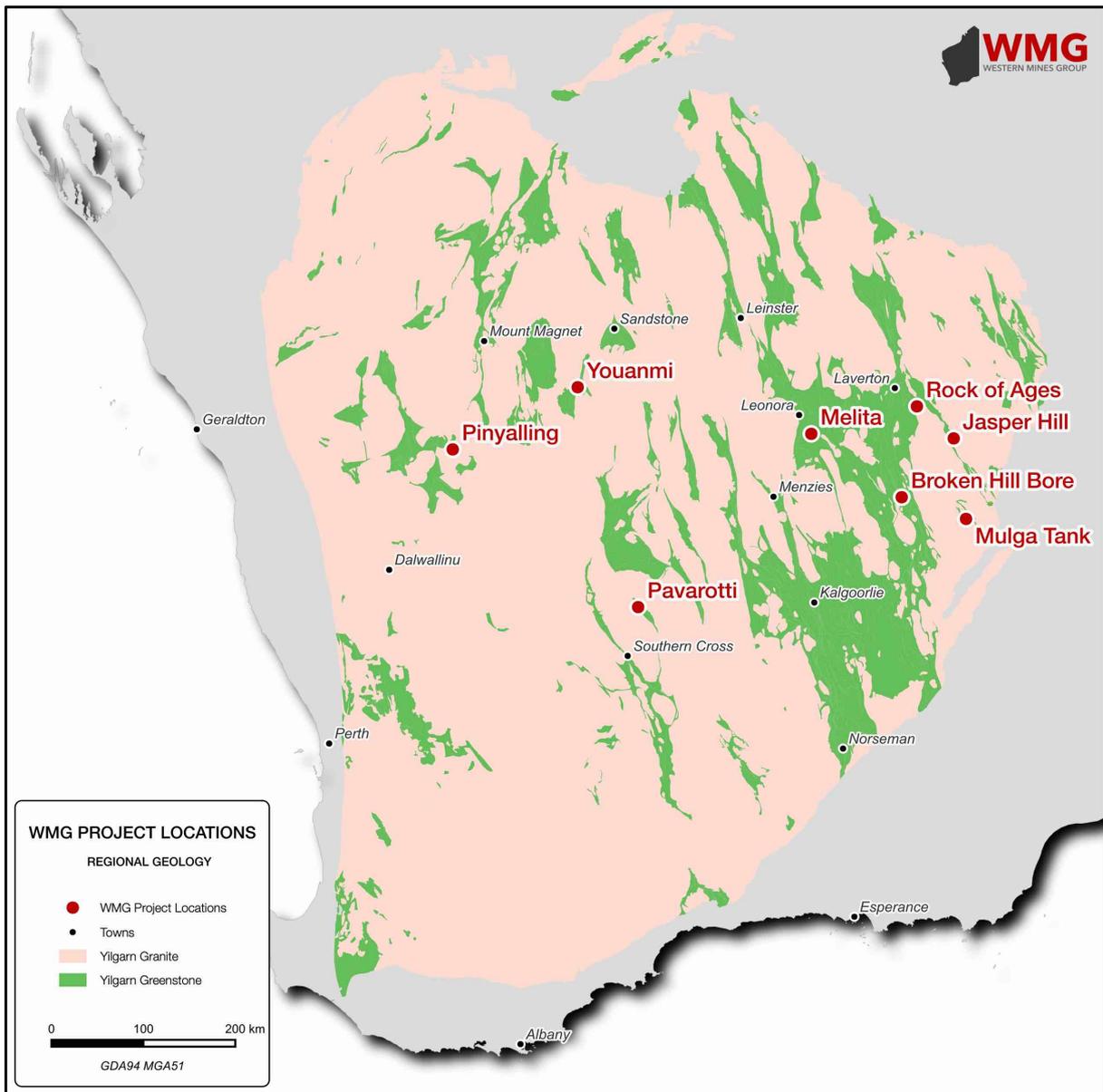


Figure 1: Map of WMG project locations

## MULGA TANK

The Mulga Tank Project comprises exploration licence E39/2132 and exploration licence applications E39/2223 and 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 previously undertaken a range of ground geophysical surveys to explore the Mulga Tank Ultramafic Complex including a high-powered Moving Loop Electromagnetic (MLEM) survey. The MLEM survey identified 12 major bedrock conductor anomalies that could be associated with deposits of massive Ni-Cu-PGE sulphides (ASX, *Major EM Targets Identified at Mulga Tank Ni-Cu-PGE Project*, 7 March 2022) (Figure 2).

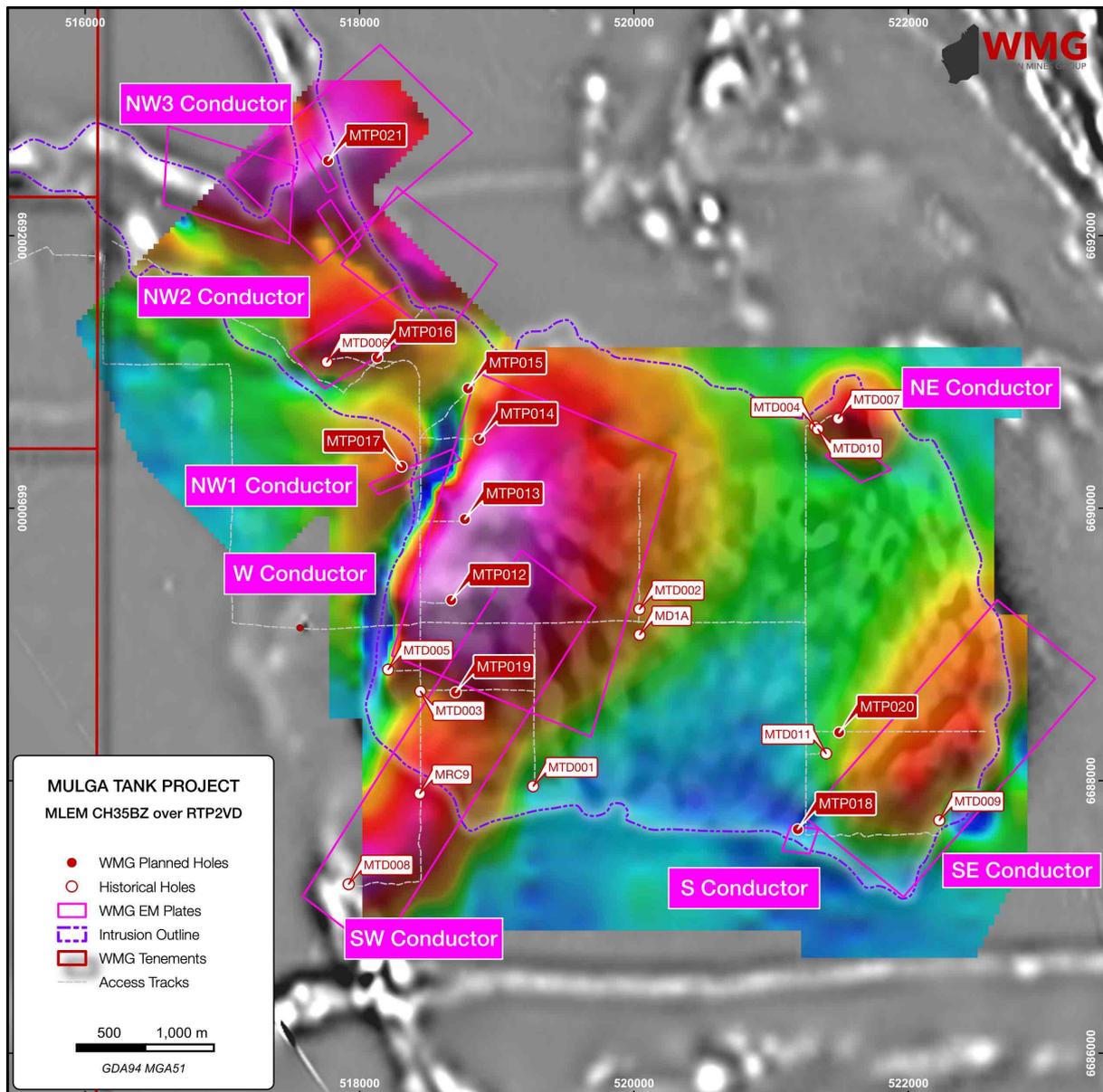


Figure 2: Mulga Tank MLEM mid-late channel CH35BZ image showing EM plates and WMG’s planned drill holes

Subsequent drill targeting work was completed at the beginning of the quarter with an initial ten-hole diamond drilling program, totalling 4,050m, designed to test numerous targets across the project (*ASX, Mulga Tank Ni-Cu-PGE Project: Major Targets Drill Ready, 6 April 2022; Drilling Commences at Mulga Tank, 20 April 2022*). The targets and drill holes were selected based on a combination of geophysical modelling of the recent MLEM results along with geological interpretation of the intrusion and geochemical vectoring work (Table 1).

The diamond drilling program commenced on 20 April 2022, shortly after the technical work was concluded, with seven holes (MTD012 to MTD018) drilled during the quarter and remaining three holes finished in July.

HoleID	Target	Description
MTD012	Geology	Testing western margin of the intrusion between holes MTD003, MTD005 and the W Conductor
MTD013	EM	Testing basal contact of western margin at top of W Conductor
MTD014	EM	Testing basal contact of western margin at top of W Conductor
MTD015	Geology	Longitudinal geological section through the neck of the <i>Panhandle</i> at top of the W Conductor, to confirm intrusive or extrusive related model of intrusion geometry, with implications for belt wide targeting
MTD016	Geology/EM	Following up on high grade result of remobilised sulphides in hole MTD006 0.25m at 3.8% Ni, 0.7% Cu and 0.7g/t PGE, up dip of NW2 Conductor and along northern margin of gravity high body
MTD017	EM	Discrete EM anomaly along margin of coincident gravity high body in unusual orientation on western margin of intrusion
MTD018	Geology/EM	Testing down dip MTD003 intersection of 1m at 1.13% Ni and 0.49g/t Pd on the basal contact with coincident EM anomaly
MTD019	EM	Discrete EM anomaly on southern margin of the intrusion in highly favourable basal contact position
MTD020	Geology	Testing down dip of hole MTD011 that showed multiple zones of nickel sulphide mineralisation
MTD021	EM	Testing up dip component of NW3 Conductor

**Table 1: Descriptions of Mulga Tank Drill Targets**

Visible nickel nickel sulphides were observed in six of the first nine holes drilled. Multiple occurrences of remobilised nickel-copper sulphide veins were seen in holes MTD012, MTD013, MTD014A, MTD016 and MTD018, predominantly drilled around the flanks of the ultramafic complex, whilst disseminated magmatic sulphides occurred over >300m in hole MTD020 (*ASX, Two Zones of Visible Nickel Sulphides in Hole MTD012, 4 May 2022; Multiple Zones of Visible Nickel Sulphides in Hole MTD013, 16 May 2022; Completion of Hole MTD014A: Planned Follow-up Hole MTP022, 26 May 2022; Mulga Tank Drilling Update, 23 June 2022; Disseminated Sulphides Seen Over >300m in Hole MTD020, 26 July 2022*).

For further information on the drilling program, including updates on the progress and visual results of the drilling and descriptions of the targeting work please refer to recent ASX announcements.

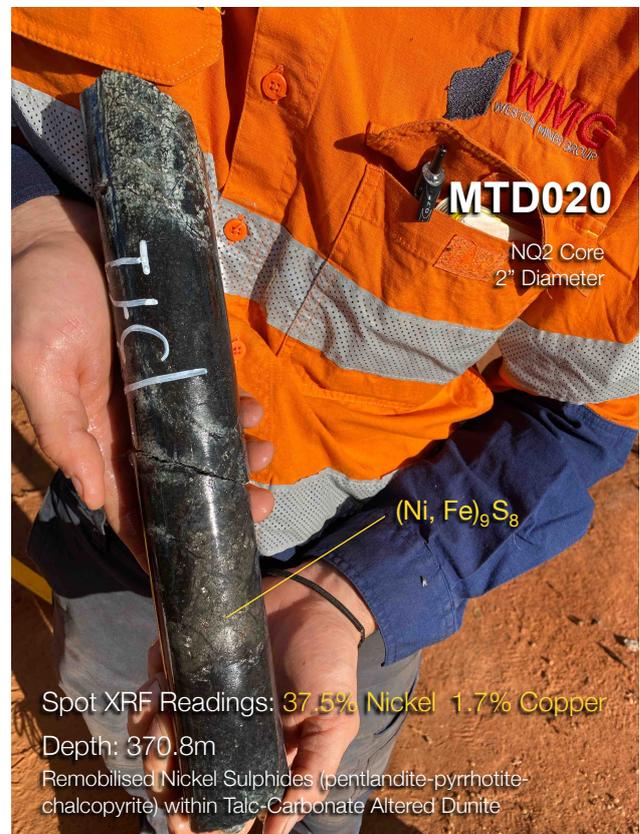
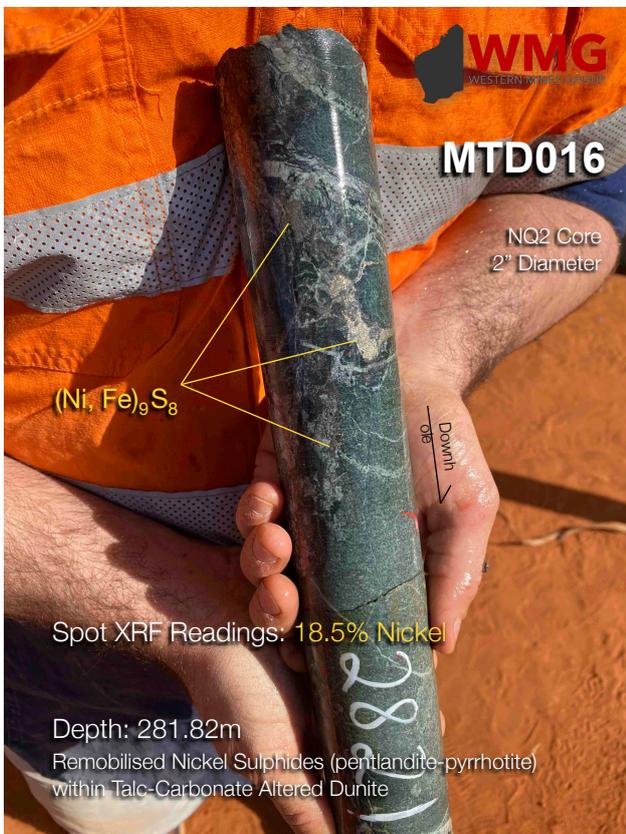
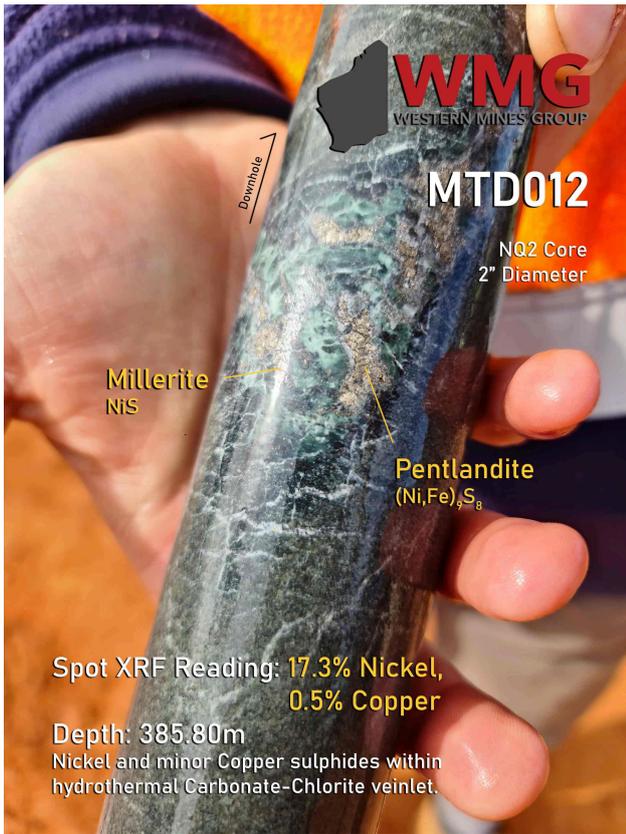


Figure 3: Photos showing examples of visible sulphides from Mulga Tank drilling program  
Note: core is NQ2 being 2 inches or 50mm diameter

## 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) immediately to the south and Fish (87,000oz at 4.1g/t Au), to the east. The basalt, BIF and ferruginous chert sequence hosting the Lord Byron deposit extends into WMG’s tenement areas.

Jasper Hill is the Company’s primary gold project containing a mineralised gold trend over 3km strike. Field reconnaissance work involving geological mapping and locating historical drill collars was undertaken during the quarter along with a high-resolution ground magnetic survey over part of tenement E39/2073.

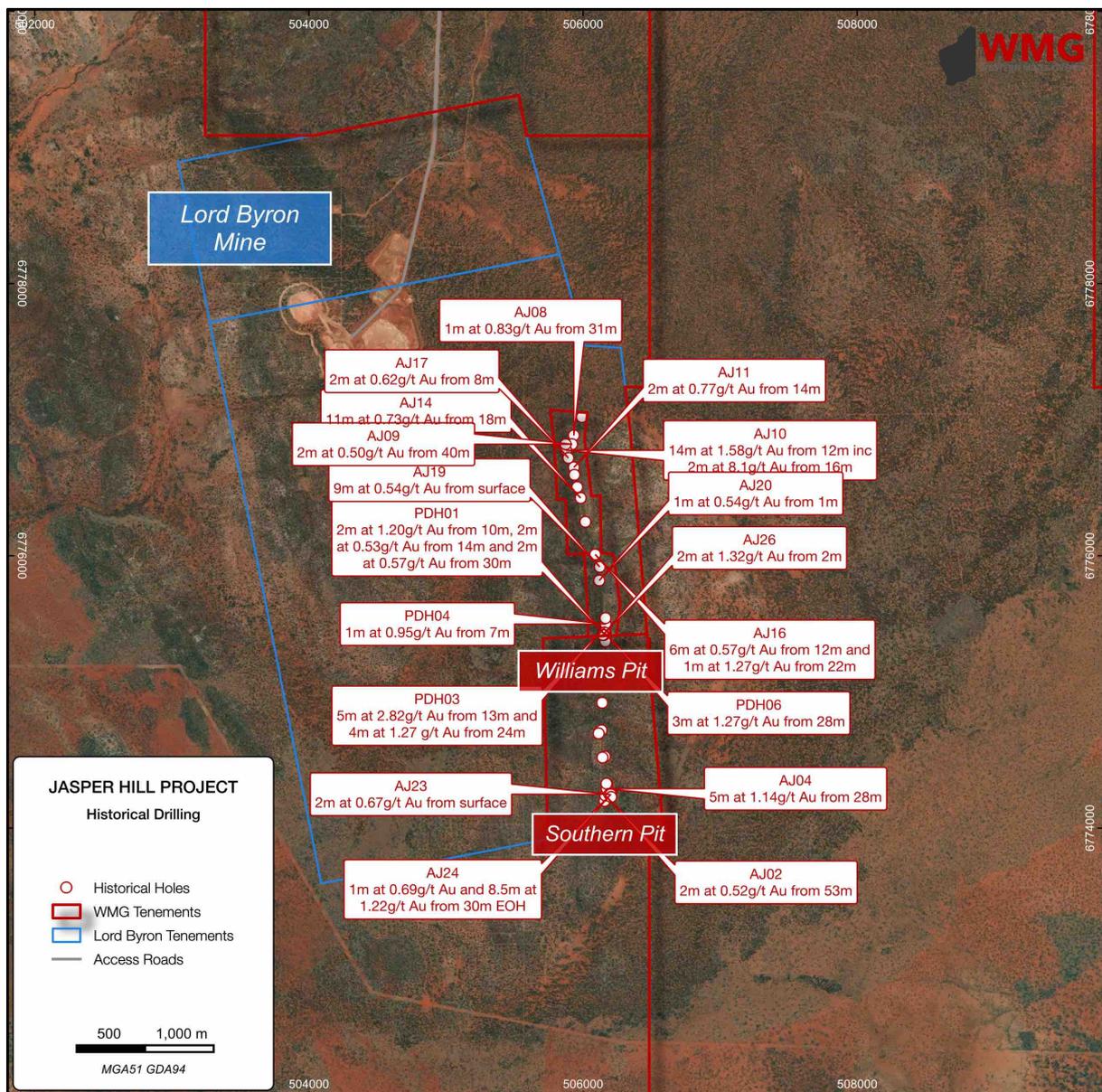


Figure 4: Mineralised trend and significant drill intersections (E39/2073 and P39/6267)

The Company plans to complete a litho-structural interpretation and drill targeting work, to advance the project ready for an initial RC drilling program.

## 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).

During the quarter the Company received a cash payment of \$200,000 ex GST for the sale of the iron ore rights to Mineral Resources Ltd that was negotiated in the previous quarter (*ASX, Sale of Pavarotti Project Iron Ore Rights, 4 April 2022*). The cash payment represents a nice return on the acquisition cost of the project (\$39,891), whilst WMG still maintains 100% of the rights to all other mineral commodities within the tenements and continues to remain focused on the Ni-Cu-PGE potential of the project.

WMG has previously completed a historical review of the Pavarotti Project (for both iron ore and Ni-Cu-PGE) which highlights the area around Jocks Fury gossan as highly prospective and likely the Company's primary target for nickel sulphide mineralisation (*ASX, Nickel Exploration Update: High Priority Targets Identified, 17 November 2021*).

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).

## YOUANMI

The Youanmi Project comprises exploration licence E57/1119 and prospecting licence P57/1450. 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 tenements are just 2km to 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.

During the quarter the Company completed a project review and planning for field reconnaissance, geochemical sampling and a high-resolution ground magnetic survey to be undertaken in the current quarter.

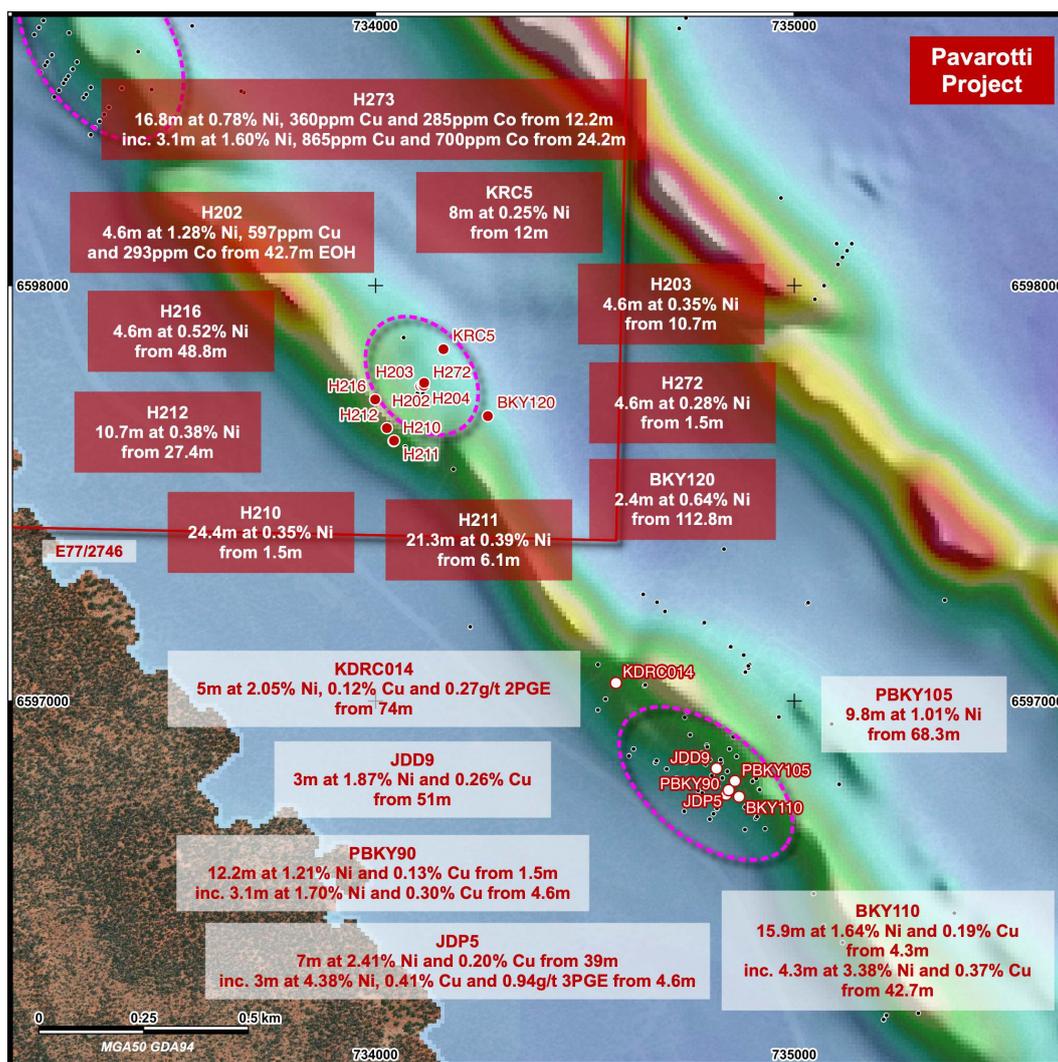


Figure 5: Significant historical drilling intersections around Jocks Fury and Jocks Dream

## 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 completed initial desktop studies of the region during the quarter after receiving the grant of tenement E59/2486 in the previous period. An initial field reconnaissance visit may be undertaken in conjunction with planned fieldwork at Youanmi. This area of the Murchison has recently received a significant uptick in exploration interest and attention, with significant news flow from Tempest Mineral's (ASX:TEM) nearby Meleya Project Orion discovery (ASX:TEM, *Meleya Update - Significant Discovery at Orion Target, 28 March 2022*).

Whilst limited previous exploration has been conducted within the tenement area of E59/2486 it was initially pegging following similar logic to Tempest’s exploration approach with geological mapping, soil geochemistry and rock chip sampling suggesting the tenement could contain previously unrecognised extensions of the Yalgoo-Singleton Greenstone Belt and Warriedar Fold Belt.

The project also adds lithium potential to the Company’s commodity exposure and is located close to Golden State Mining’s (ASX:GSM) Payne’s Find Lithium Project.

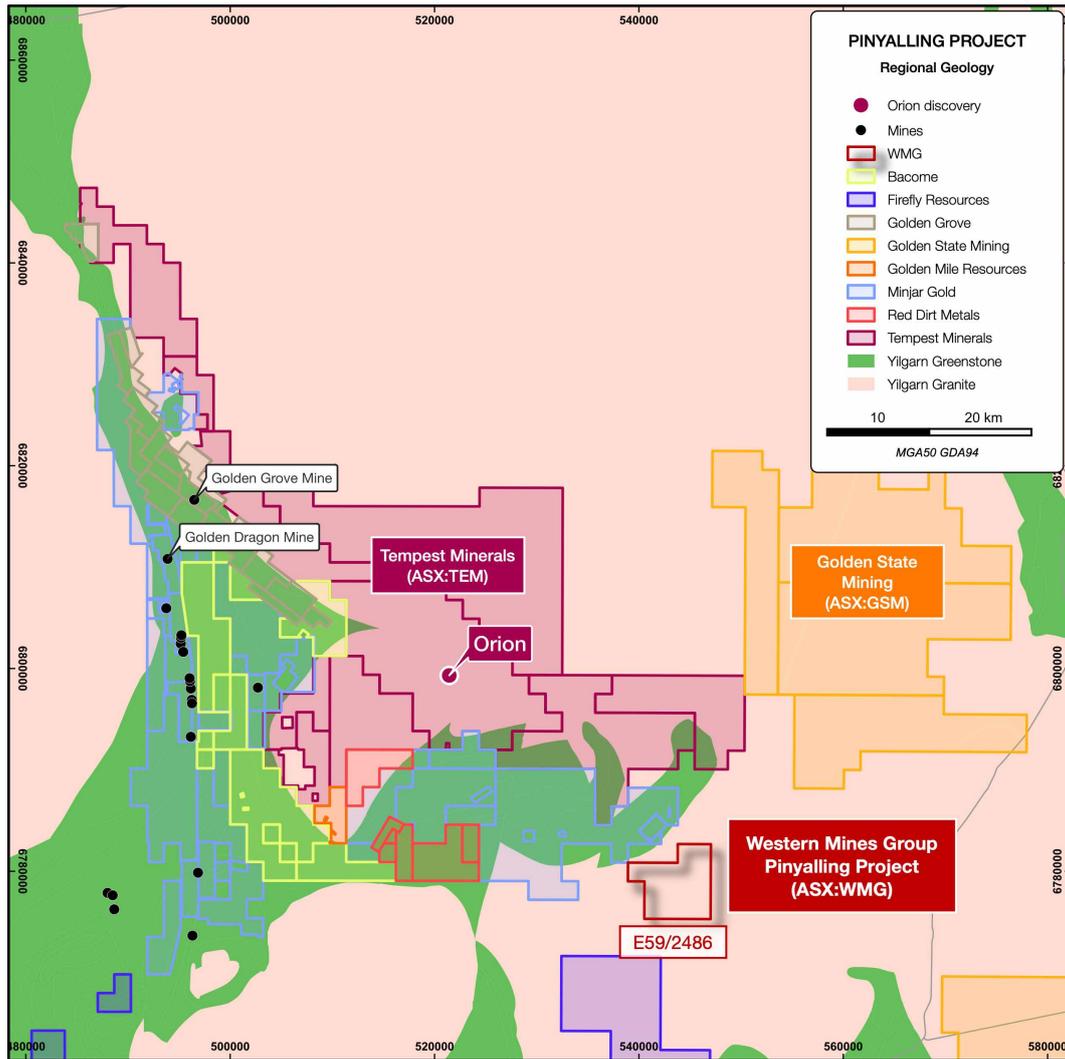


Figure 6: Pinyalling Project Area

## 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.



## 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).

Limited exploration was done on the project during the quarter. The Company continues to review initial soil geochemical and ground magnetic data collected during a series of field campaigns over the last three quarters (ASX, *Major Field Program Commences at Melita, 11 August 2021*; *Completion of Initial Field Program at Melita, 16 September 2021*).

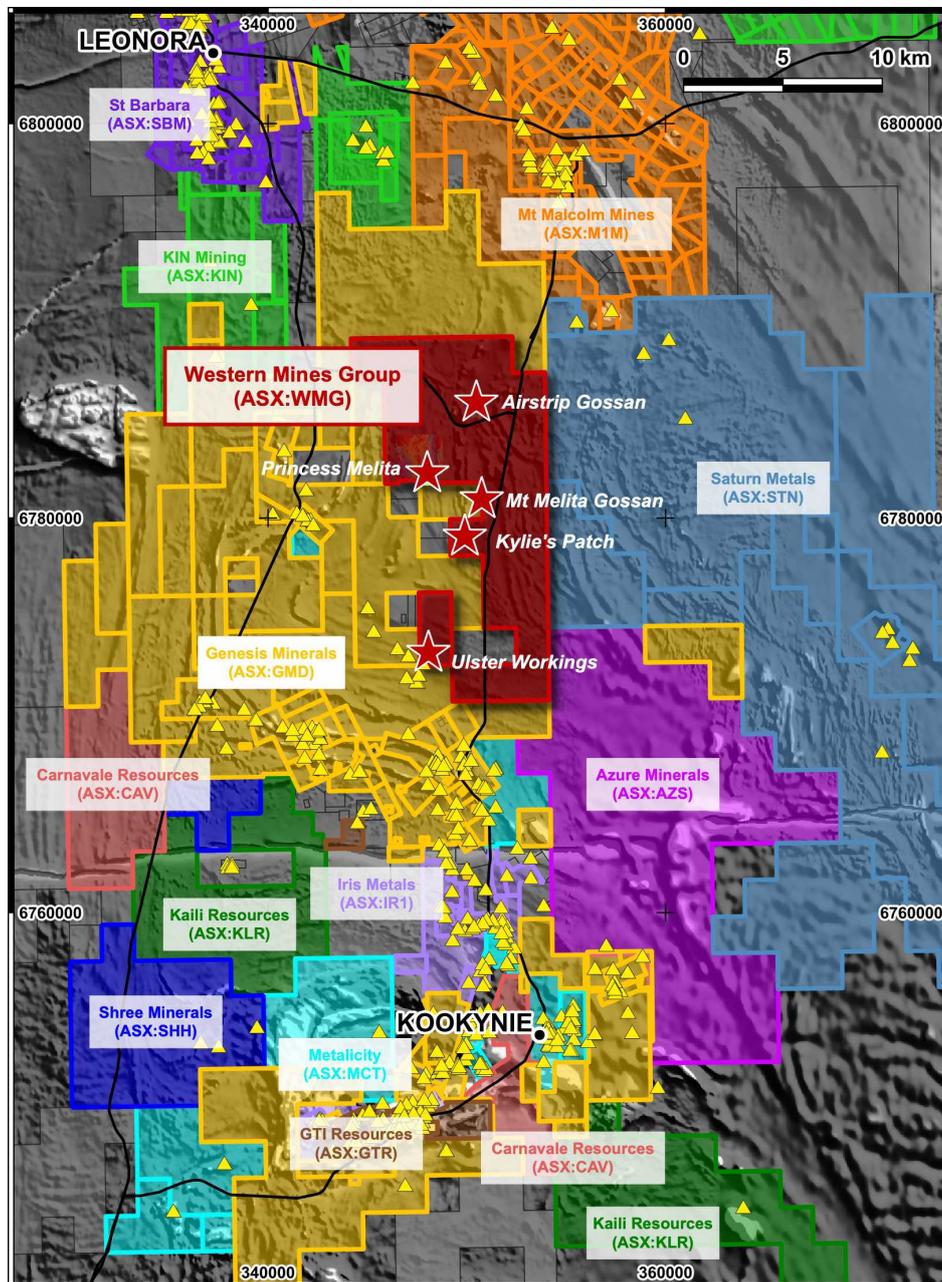


Figure 8: Location of Melita Project

## **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 quarter.

**For further information please contact:**

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

**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: 22.85m  
Share Price: \$0.18  
Market Cap: \$8.04m  
Cash (30/06/22): \$3.68m

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**ABOUT WMG**

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.

The Company's primary gold project is Jasper Hill, where WMG has strategically consolidated a 3km mineralised gold trend with walk-up drill targets. WMG has a diversified portfolio of other projects including Melita (Au, Cu-Pb-Zn), midway between Kookynie and Leonora in the heart of the WA Goldfields; Youanmi (Au), Pavarotti (Ni-Cu-PGE), Rock of Ages (Au), Broken Hill Bore (Au) and Pinyalling (Au, Cu, Li).

**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.

**DISCLAIMER**

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which WMG operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside WMG's control.

WMG does not undertake any obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of WMG, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this announcement reflect views held only as at the date of this announcement.

## QUARTERLY ACTIVITY REPORTS BY MINING EXPLORATION ENTITIES ASX LISTING RULE 5.3

### ASX LISTING RULE 5.3.1 - EXPLORATION ACTIVITIES

Exploration and Evaluation during the quarter was \$574,143, a significant increase from previous quarters as we prepared for and commenced a diamond drilling program at Mulga Tank. Major items of expenditure included final completion of MLEM survey and commencement of diamond drilling at Mulga Tank.

### ASX LISTING RULE 5.3.2 - MINING PRODUCTION AND DEVELOPMENT ACTIVITIES

No mining production or development activities during the quarter.

### ASX LISTING RULE 5.3.3 - TENEMENT TABLE

Tenement	Holder	Status	Grant (Application)	Expiry	Area	Interest
E31/1222	Western Mines Group Ltd	Granted	09/09/20	08/09/25	1BL	100%
P38/4203	Western Mines Group Ltd	Granted	12/01/21	28/12/24	9.71Ha	100%
E39/2073	Thomas Williams Neelesh Bhasin	Granted	07/06/19	06/06/24	14BL	100%
E39/2079	Bruce Legendre	Granted	28/07/21	27/07/26	11BL	100%
E39/2132	Western Mines Group Ltd	Granted	22/07/20	21/07/25	27BL	100%
E39/2223	Western Mines Group Ltd	Application	(23/02/21)	-	11BL	100%
E39/2299	Western Mines Group Ltd	Application	(05/11/21)	-	95BL	100%
P39/6267	Western Mines Group Ltd	Application	(28/07/21)	-	119Ha	100%
E40/379	Western Mines Group Ltd	Granted	03/04/19	02/04/24	35BL	100%
E57/1119	Western Mines Group Ltd	Granted	04/12/19	03/12/24	4BL	100%
P57/1450	Western Mines Group Ltd	Granted	15/07/19	14/07/23	188Ha	100%
E59/2486	Bruce Legendre	Granted	18/03/22	17/03/27	15BL	100%
E77/2478	Western Mines Group Ltd	Granted	24/01/19	23/01/24	5BL	100%
E77/2746	Bruce Legendre	Application	(03/12/20)	-	1BL	100%

**Tenement Table:** Tenements held at quarter end, all tenements located in Western Australia.

**Tenements relinquished during the quarter:** None

**Tenements interests acquired during the quarter:** None

**Farm-in or farm-out agreements entered into during the quarter:** None

**Beneficial interests held in farm-in or farm-out agreements at end of quarter:** N/A

### ASX LISTING RULE 5.3.4 - QUARTERLY USE OF FUNDS

Reconciliation of Use of Funds against IPO Prospectus is shown below:

Expenditure	Prospectus	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Actual
Exploration	\$3,608,000	\$157,573	\$299,777	\$207,501	\$574,143					\$1,238,994
Regional Exploration/Project Generation	\$200,000	-	\$65,530	\$9,500	-					\$75,030
Working Capital	\$1,079,828	\$153,016	\$114,647	\$121,954	\$145,996					\$535,613
Costs of the Offer	\$612,172	\$620,000	-	-	-	-	-	-	-	\$620,000
<b>Total</b>	<b>\$5,500,000</b>	<b>\$930,589</b>	<b>\$479,954</b>	<b>\$338,955</b>	<b>\$720,139</b>					<b>\$2,469,637</b>

### ASX LISTING RULE 5.3.5 - PAYMENTS TO RELATED PARTIES

Payments to related parties of the entity and their associates are shown below:

Related Party	Amount	Description
Directors	\$104,304	Director fees and salaries
Associate of Director	\$2,805	Occupancy expenses
Director	\$12,047	Exploration field services paid to a Director related entity