

WMG WINS $220,000 EIS AWARD TO DRILL MULGA TANK

HIGHLIGHTS

- **Successful award of $220,000 of Government co-funded exploration drilling at Mulga Tank**
- **Competitive application process for innovative exploration drilling projects assessed against EIS criteria**
- **Plan to drill two deep +1,000m diamond holes as part of the Company's Phase 2 drilling program later this year**
- **Aims to unlock knowledge of the highly prospective Mulga Tank Ultramafic Complex testing major targets and vectoring towards mineralisation**
- **Targeting major Type 1 Perseverance-style massive and Type 2 Mt Keith-style disseminated sulphide deposits with significant evidence of working magmatic nickel sulphide mineral system across the complex**

Western Mines Group Ltd (WMG or Company) (**ASX:WMG**) is pleased to announce the Company has been awarded $220,000 to fund deep drilling at the Mulga Tank Ni-Cu-PGE Project, under the WA State Government's Co-funded Exploration Drilling Program, part of the Exploration Incentive Scheme (EIS).

The Company was successful in its application to EIS Round 26 and has been awarded the maximum $220,000 of co-funding towards 50% of direct drilling costs for two deep exploration holes at Mulga Tank. The grant procedure is a competitive application process awarded to exploration drilling at innovative exploration drilling projects assessed against EIS criteria.

WMG intends to use this funding to drill two deep +1,000m diamond drill holes into the Mulga Tank Ultramafic Complex (MTUC), as part of the Company's planned Phase 2 drilling program later this year. These holes will be the deepest ever drilled at the project with the aim of characterising a complete cross-section of this highly prospective major dunite intrusion. As well as unlocking knowledge of the intrusion, to help focus future exploration work, the holes will also test major Type 1 (massive Perseverance-style) and Type 2 (disseminated Mt Keith-style) targets including the *W Conductor* and the significant gravity high at the base of the intrusion, that may represent the feeder system for the whole complex.

Commenting on the EIS Award, WMG Chairman Rex Turkington said:

> *"Congratulations and great work by Caedmon, Ben and the exploration team in our successful application and EIS award. The maximum $220,000 award will be used for two exciting deep holes aimed at testing some significant targets and unlocking knowledge of the Mulga Tank Complex."*

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Shares on Issue: 44.65m
Share Price: $0.12
Market Cap: $5.36m
Cash: $3.68m (30/06/22)

MULGA TANK PHASE 2 DRILLING PROGRAM

WMG completed a ten-hole diamond drilling program at the Mulga Tank Ni-Cu-PGE Project between April and July this year. Based on the results of this program the Company is in the process of planning a second phase of drilling, currently targeted to commence towards the end of November. A number of follow-up holes have been identified based on the DHEM results and geochemical assay results received to date, with further assay results anticipated imminently (*ASX, First Assay Results Confirm Ni-Cu-PGE Mineralisation, 15 August 2022; Mulga Tank DHEM Identifies Multiple Offhole Targets, 13 October 2022*).

As part of this second phase of drilling the Company applied to Round 26 of the WA State Government's Exploration Incentive Scheme (EIS) Co-funded Exploration Drilling Program with a proposal to drill two deep +1,000m diamond drill holes into the Mulga Tank Ultramafic Complex. The Company recently received notification of a successful award of the maximum $220,000 of co-funding towards 50% of the direct drilling costs of these holes. The grant procedure is a competitive application process awarded to exploration drilling at innovative exploration drilling projects assessed against EIS criteria.

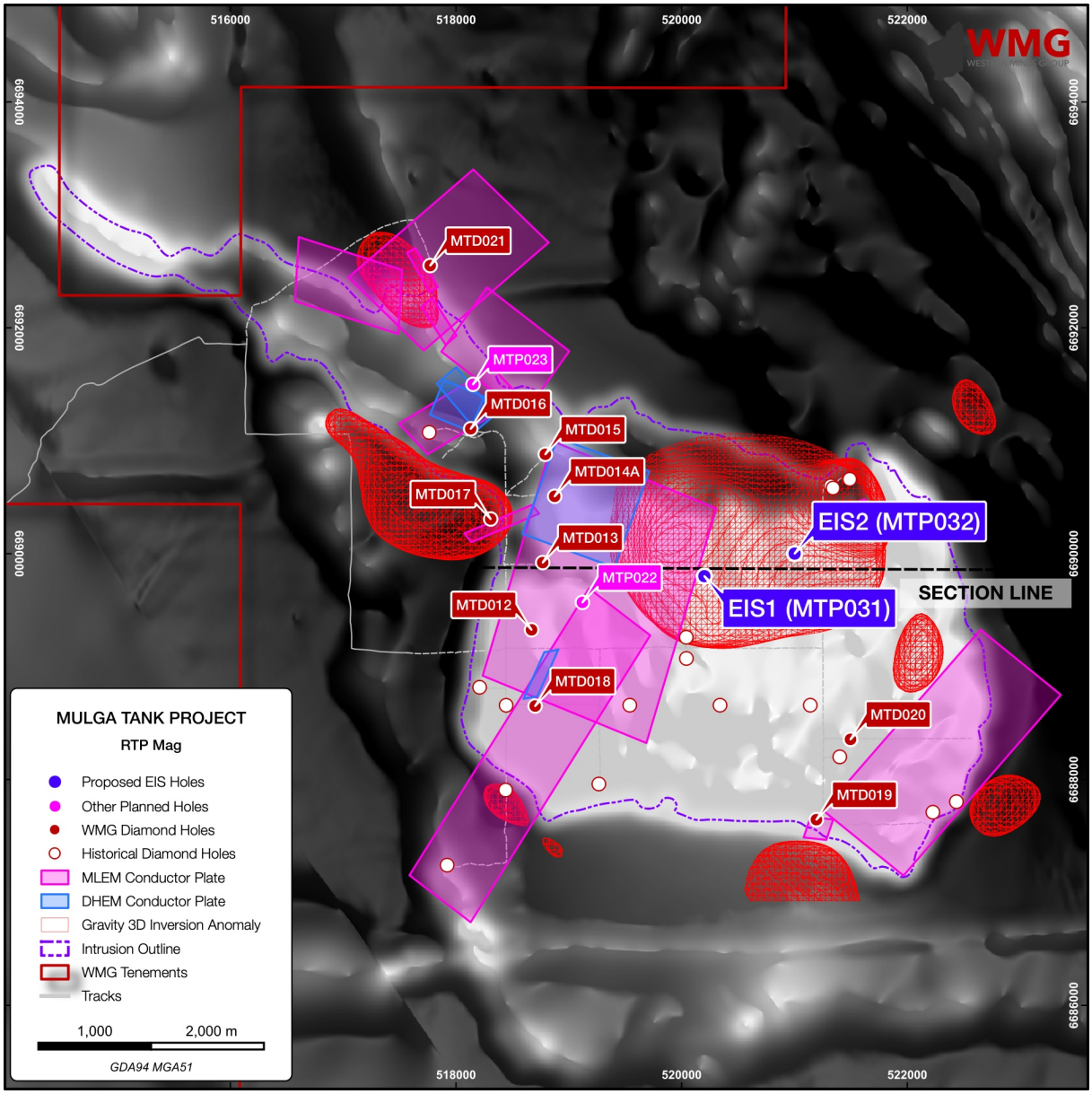


Figure 1: Location map (RTP mag image) of Proposed EIS Holes

The proposed EIS holes will be the deepest ever drilled at the project. The aim of the drilling is to capture and characterise a complete cross-section of this highly prospective and relatively under explored dunite intrusion. As well as unlocking knowledge of the intrusion to help focus future exploration work, the holes will attempt to use innovative exploration techniques to vector towards nickel sulphide mineralisation.

Mulga Tank shows significant evidence for a working magmatic nickel sulphide mineral system across large parts of the ultramafic complex with the potential to host large scale deposits of Type 1 Perseverance-style massive and Type 2 Mt Keith-style disseminated sulphide deposits. As part of the second phase of drilling the two deep EIS holes will test a number of targets including the major *W Conductor* and a significant gravity high at the base of the intrusion, that may represent the feeder system for the whole complex.

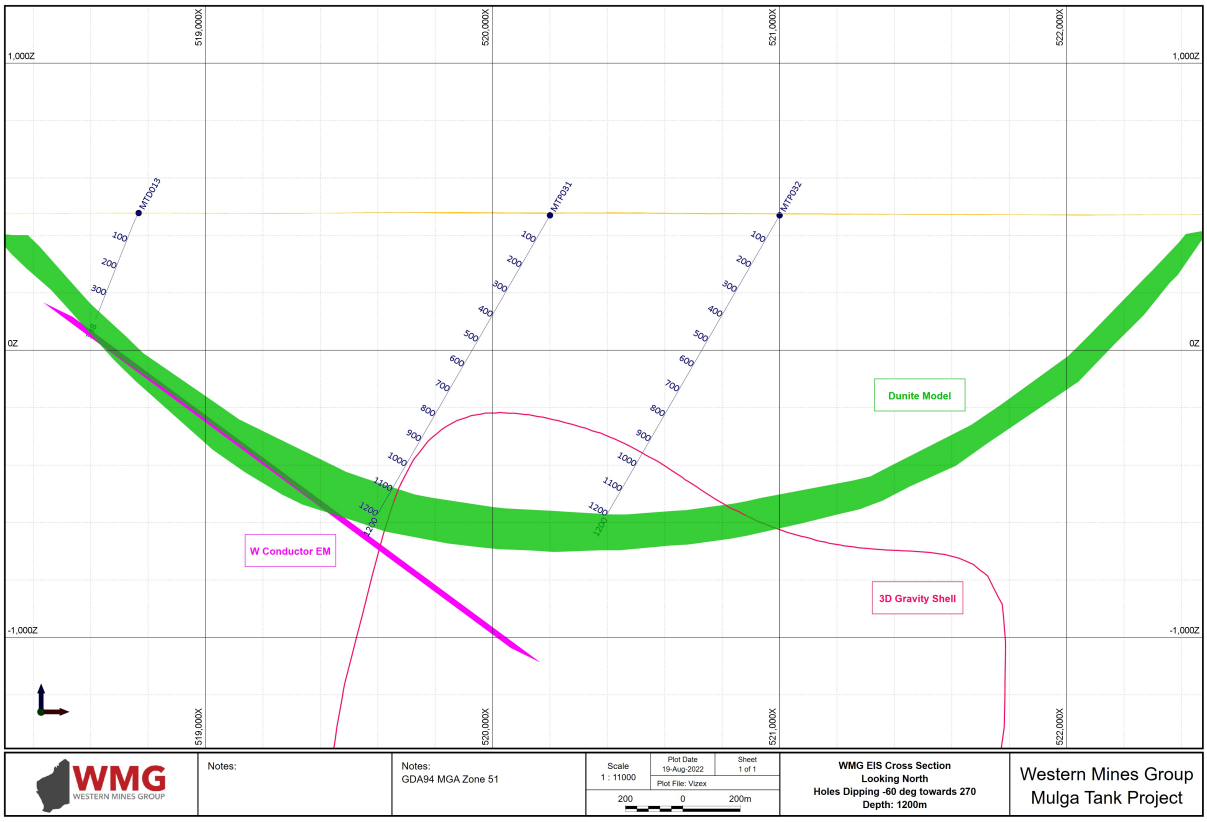


Figure 2: Cross Section across the Mulga Tank Ultramafic Complex (section location shown in Figure 1)

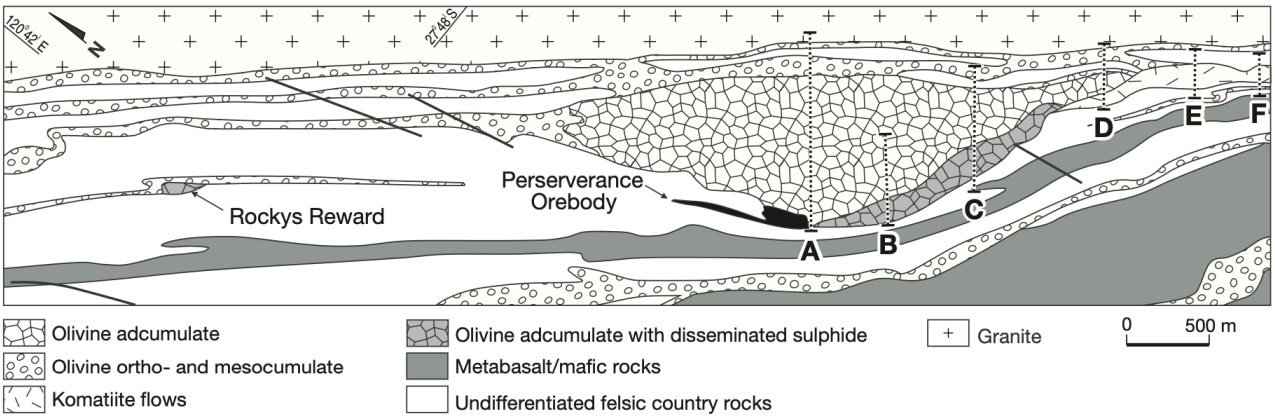


Figure 3: Cross Section across the Perseverance Ultramafic Complex (from *Barnes et al., 2011) (approximately same scale as Figure 2) showing location of Perseverance Orebody and disseminated sulphides in olivine accumulate at base of intrusion**

FUTURE WORK

The Company is still waiting on additional assay results from holes MTD012 to MTD016, as well as results from holes MTD017 to MTD021; these are anticipated imminently. The Company will update shareholders on these assay results as soon as they become available.

Based on the results of the initial diamond drilling program and incorporating the recent DHEM survey results (ASX, Mulga Tank DHEM Identifies Multiple Offhole Targets, 13 October 2022) and geochemical assay results the Company is currently in the process of completing the drill targeting work for the second phase of drilling at Mulga Tank. The Company intends to update shareholders on the results of this exploration targeting work, and targets that will be included in second phase once the work is complete. The second phase of drilling is currently aiming to commence at the end of November.

* *Stephen J. Barnes, Marco L. Fiorentini, Paul Duuring, Ben A. Grguric and Caroline S. Perring, The Perseverance and Mount Keith Nickel Deposits of the Agnew-Wiluna Belt, Yilgarn Craton, Western Australia Large Igneous Province, Western Australia, Reviews in Economic Geology v.17, p.51-88 (2011)*

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UPCOMING CONFERENCES

WMG will be presenting at the following upcoming conferences:

2-4 November - IMARC, Sydney

23-24 November - RIU Resurgence Conference, Perth

Please email contact@westernmines.com.au if you would like to meet up with Managing Director, Dr Caedmon Marriott at either of these events.

This announcement has been authorised for release to the ASX by Dr Caedmon Marriott, Managing Director