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27 APRIL 2022

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 MARCH 2022

Highlights

West Arunta Project

- **Gravity survey results highlight significant new anomaly – Luni**
- **New tenement applications to significantly expand project tenure**
- **Finalised plans for fieldwork set to commence early-April**

Other Projects

- **Consultations ongoing with the aim of entering into heritage agreements to permit exploration at the Madura and Hidden Valley projects**

Corporate

- **Commencement of trading on ASX on 8 February under the code WA1**
- **Cash balance of $4.1 million as at 31 March 2022**

WA1 Resources Ltd (**ASX: WA1**) (**WA1** or **the Company**) is pleased to provide a report on its activities for the quarter ended 31 March 2022.

West Arunta Project (100% owned)

The West Arunta Project is located approximately 490km south of Halls Creek in Western Australia. It comprises the **Pachpadra, Sambhar and Urmia prospect areas** which are significant geophysical anomalies interpreted to have the potential to host iron-oxide copper-gold (**IOCG**) mineralisation and are contained within a granted Exploration Licence.

Exploration Tenure Significantly Expanded

In February, following the completion of an internal review of regional exploration potential within the West Arunta, the Company sought to significantly expand its tenement holdings via two new Exploration Licence applications EL(A)80/5752 and 5753.

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Figure 1: West Arunta Project Location

The tenement applications cover areas interpreted to contain the Dwarf Well Granite and the Carrington Suite Granite and Gneiss units. These granites, as well as the Mt Webb Granite, could be key granitic intrusive units correlated with gold and IOCG potential. Alternatively, these granites may be basement in which case later Mt Webb-age granites may be related to mineralisation in the West Arunta region.

WA1 will initially seek to incorporate the new tenements within its existing native title exploration and land access agreements.

Recent geophysical work by multiple explorers in the West Arunta has also delivered an important finding – detailed geophysics have the potential to define important new deposit-scale anomalies which are not observable in regional datasets and could be prospective for IOCG-style mineralisation.

Exploration programs will be assessed through the tenement granting process with a comprehensive review of the limited historic exploration completed. Plans will be provided once the tenements are granted and are anticipated to include first-pass reconnaissance and geophysical surveys.

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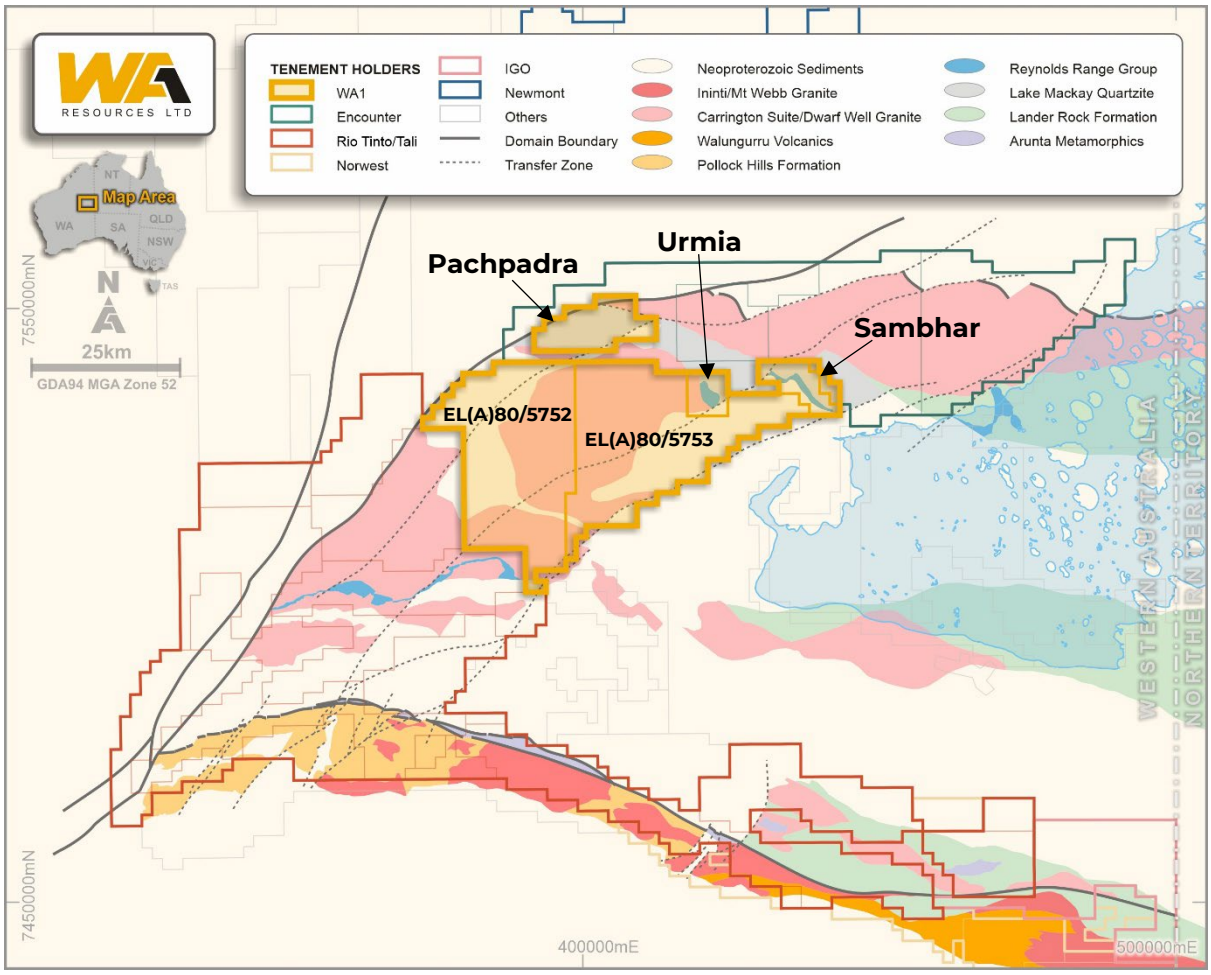

Figure 2: Simplified geology & tenure map of the West Arunta

Figure source: WA1 Resources Ltd Prospectus dated 29 November 2021, Schedule 3 – Independent Technical Assessment Report (modified from GSWA 1:500k geology), overlain by updated Exploration Licence tenement polygons (excluding miscellaneous leases) from DMIRS.

Gravity Survey Identifies Significant New Target – Luni Anomaly

In March, the Company released the results of a helicopter-supported ground gravity survey completed at the Sambhar prospect which defined a significant new gravity anomaly referred to as Luni.

The newly identified Luni anomaly, located to the north-east of the Sambhar prospect area, is characterised by a discrete and high amplitude gravity response with a limited coincident magnetic anomaly occurring to the side. Luni is also located at the intersection of two key interpreted regional structural features.

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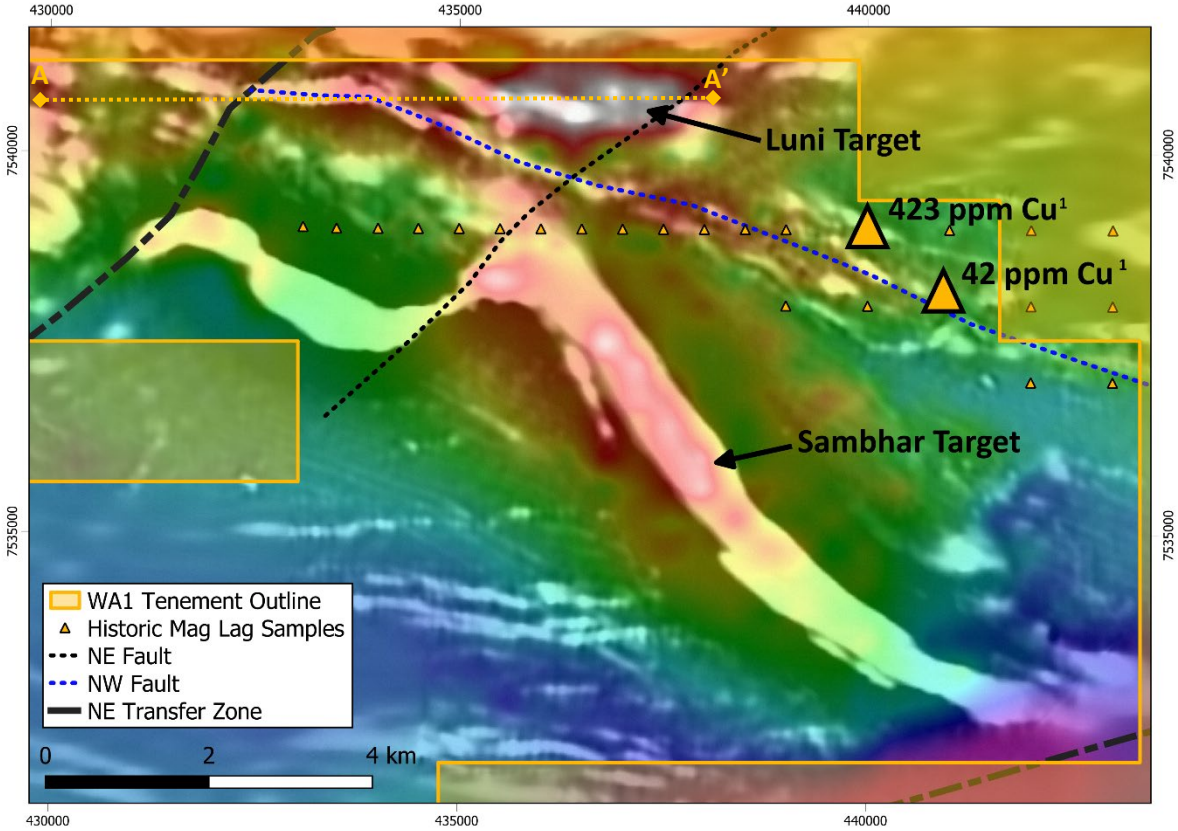

Figure 3: Sambhar Prospect combined gravity and magnetic anomaly images

Figure source: Residual gravity: colour. Magnetics: TMIRTP shadow and shading with structural interp. Note 1: Beadell Resources Ltd WAMEX Report A86251, completed 24 lag samples, average Cu across all samples was 37ppm Cu. Refer to the WA1 Prospectus, Appendix B dated 29 November 2021.

The Luni gravity-only anomaly sets it apart from the primary Sambhar prospect which has coincidental gravity and magnetic anomalism and therefore could suggest a possible hematite dominated IOCG target at Luni.

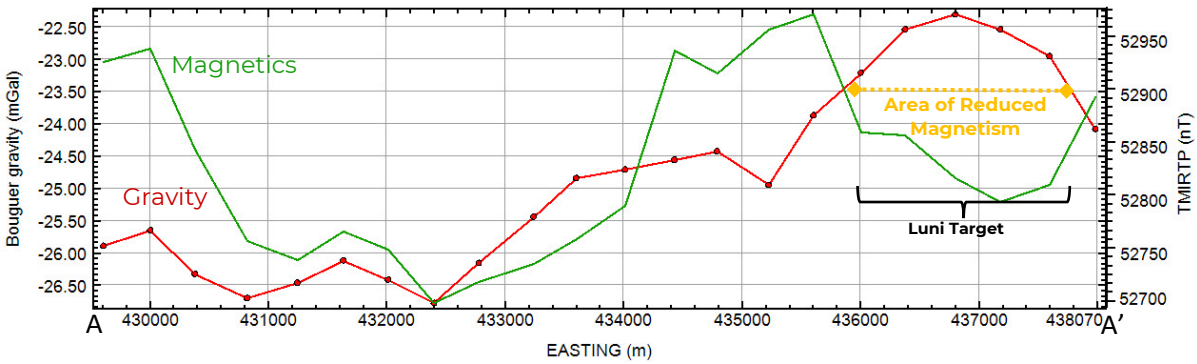

Figure 4: Luni geophysical anomaly profiles

IOCG deposits have differing gravity and magnetic characteristics due to variations in the extent and mineralogy of iron alteration. It is generally accepted that large bodies of high-density, magnetite-rich rock with low concentrations of copper can be hydrothermally altered into non-magnetic hematite which can carry higher copper and gold grades in

some settings. Strong structural controls, such as those interpreted at the Sambhar and Luni exploration areas, could also provide the means for the extensive hydrothermal activity necessary for the formation of an IOCG system and the accumulation of elevated copper and gold, and potentially a suite of other commodities such as cobalt, uranium and rare earth elements.

The Luni anomaly is particularly analogous to the Prominent Hill IOCG deposit in South Australia in terms of size, shape and amplitude.

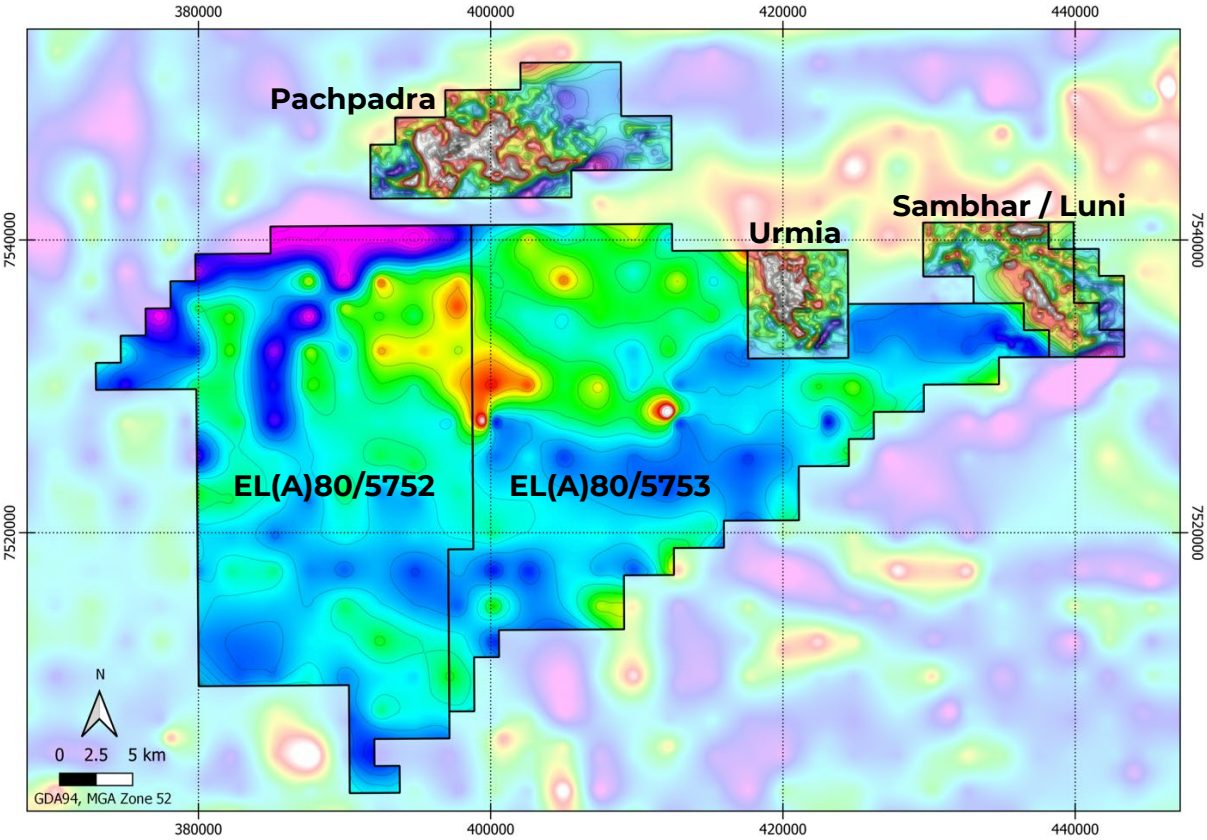

Figure 5: Anomaly image of detailed gravity survey areas with regional gravity underlay and WA1 tenement outline

West Arunta Project Overview

Prior to WA1 acquiring the West Arunta Project in 2021, the Company's tenements had limited historical exploration for gold and copper, largely in the form of reconnaissance airborne geophysics, limited ground geophysical surveys, and surface sampling.

Geophysics are the primary tool for identifying IOCG deposits as this style of mineralisation has differing gravity and magnetic characteristics due to variations in the extent and mineralogy of iron alteration. It is generally accepted that large bodies of high-density, magnetite-rich rock with low concentrations of copper can be hydrothermally altered into non-magnetic hematite which can carry higher copper and gold grades in some settings. Strong structural controls, such as those interpreted within the West Arunta Project

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tenements, could provide the means for the extensive hydrothermal activity necessary for the formation of an IOCG system and the accumulation of elevated copper and gold, and potentially a suite of other commodities such as cobalt, uranium and rare earth elements.

WA1 is now embarking on the next stage of exploration at the West Arunta Project through completion of further on-ground activities.

The West Arunta region has experienced limited exploration with drilling on the West Arunta Project tenement limited to a single historic diamond hole drilled in 2010 which indicated potential for IOCG style mineralisation. Since 2010 region has seen low levels of exploration until recently when two key events provided renewed significant validation for the area's IOCG exploration potential.

In late 2020, Encounter Resources Ltd drilled a single diamond hole proximal to WA1's West Arunta Project which successfully intersected hydrothermally altered mafic intrusions with a distinctive IOCG geochemical signature and altered potassic granite (refer to ENR's ASX announcement on 11 February 2021 for further details).

In early 2021, Rio Tinto Exploration applied for significant tenement landholdings in the West Arunta and entered into a staged A$58.5 million farm-in and joint venture agreement in five tenements to the south held by Tali Resources Pty Ltd. These tenements are contiguous with WA1's West Arunta Project (refer to AMN's ASX announcement on 12 March 2021 for further details).

Other Projects

Madura Project (100% owned)

The Madura Project tenements are located approximately 540km east of Kalgoorlie-Boulder, with non-contiguous tenements extending to near the Western Australian south coast. The exploration project consists of two granted Exploration Licences and five Exploration Licence applications in the Madura Province of south-eastern Western Australia.

The Company is currently in the process of negotiating a heritage protection agreement with Mining Traditional Lands Aboriginal Corporation RNTBC to enable exploration activities to commence within the project area.

Prior to applying for the tenements in 2021, the tenements had historic exploration in the form of airborne geophysical surveys and a regional stratigraphic hole by the Geological Survey of Western Australia. Much of this work was concentrated around the northern most tenement, where indicators for Cu-Au source and host rocks is historically documented.

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Figure 6: Madura Project tenements plan

There is potential for gold-copper mineralisation of an IOCG affinity, and this is the basis for the proposed exploration program within the exploration project area.

Hidden Valley Project (100% owned)

The Hidden Valley Project comprises one Exploration Licence application located 150km south of Kununurra, Western Australia. The Company is currently in the process of negotiating a Native Title Heritage Protection and Mineral Exploration Agreement with Kimberley Land Council Aboriginal Corporation to enable exploration activities to commence within the project area.

The tenement is geologically located within the Osmond Ranges, with work completed by previous explorers including geophysical and surface geochemical surveys, geological mapping, and prospecting. While this historic work identified several anomalous indicators for gold and copper, no drilling has been undertaken.

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Figure 7: Hidden Valley Project tenement plan

The exploration project has been explored for multiple commodities, including diamonds, Cu, Pb, Zn, Ni, Co, PGE's, Fe and Au, and is considered prospective for sediment hosted massive sulphide (SHMS) Pb-Zn-Ag and magmatic Cu-Ni mineralisation. An initial program of reconnaissance mapping and soil geochemical sampling, exploring for polymetallic mineralisation of various styles, is proposed subsequent to the entering into of a Native Title Heritage Protection and Mineral Exploration Agreement.

New Project Generation

While the Company is focused on advancing exploration at its existing projects, ongoing efforts continue to be made to identify and assess new opportunities to enhance the Company's exploration portfolio.

Corporate

On 20 January 2022, the Initial Public Offer of 22,500,000 fully paid ordinary shares in the capital of WA1 at an issue price of $0.20 each to raise $4.5 million before costs, closed oversubscribed. On 8 February WA1 was admitted to the official list of the ASX.

The Company attended the Euroz Hartleys Annual Institutional Investor Conference in March.

At quarter-end the Company held approximately $4.1 million in cash.

Summary of Expenditure Incurred on Activities & Use of Funds Comparison

As required by the ASX Listing Rules, WA1 provides a comparison of actual expenditure to 31 March 2022 against the estimated expenditure set out in the Company's Prospectus dated 29 November 2021.

Table 1: Use of Funds Comparison

Use of Funds (2yr estimate, refer to section 2 of the WA1 Prospectus)	**Prospectus Estimated Use of Funds** $m	**Actual to 31 March 2022** $m
Exploration and related expenses	2.8	0.1
Corporate and administration expenses	1.0	0.1
Reimbursement of West Arunta Project vendor	0.2	0.2
Costs of the Offer	0.4	0.4
General Working Capital	0.1	-
Total	**4.5**	**0.9**

The Company incurred $44,152 which for accounting purposes has been allocated to exploration and evaluation activities during the quarter related to field work and consultants.

Other than as referred to above, no expenditure was allocated to development activities during the quarter given the focus on seeking the Company's admission to ASX, which occurred on 8 February 2022 and the subsequent change in focus to planning the Company's exploration activities.

The Company currently believes it is still on track to meet its expenditure forecasts.

Payments to Related Parties of the Entity

A description of and explanation for payments to related parties and their associates per Section 6.1 of the Appendix 5B for the quarter ending 31 March 2022 is set out below.

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Table 2: Payments to Related Parties of the Entity and their Associates

Item	Current Quarter $
Managing Director Salary & Superannuation	32,083
Non-Executive Director Fees	22,458
Company Secretarial Fees	7,219
Accounting Services	18,000
Total payments to related parties of the entity and their associates	**79,760**

Tenement Interests

In accordance with the ASX Listing Rules, WA1 provides the following information in relation to its tenement holdings.

Table 3: Schedule of Tenement Interests as at 31 March 2022

Tenement	Project	Holder	Status	Location	Current Interest	Nature of Change
E80/5173	West Arunta	WA1	Granted	WA	100%	-
E80/5646	West Arunta	WA1	Granted	WA	100%	-
E80/5656	West Arunta	WA1	Granted	WA	100%	-
E80/5752	West Arunta	WA1	Application	WA	100%	Application
E80/5753	West Arunta	WA1	Application	WA	100%	Application
E69/3843	Madura	WA1	Granted	WA	100%	-
E69/3844	Madura	WA1	Granted	WA	100%	-
E69/3854	Madura	WA1	Application	WA	100%	-
E69/3855	Madura	WA1	Application	WA	100%	-
E69/3861	Madura	WA1	Application	WA	100%	-
E69/4028	Madura	WA1	Application	WA	100%	Application
E69/4029	Madura	WA1	Application	WA	100%	Application
E80/5651	Hidden Valley	WA1	Application	WA	100%	-

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ENDS

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Or visit our website at www.wa1.com.au

Authorised for market release by WA1's Board.

Competent Person Statements

The information that relates to Geophysical Results within the *Gravity Survey Identifies Significant New Anomaly – Luni Target* section of this announcement is based on information compiled by Dr. Jayson Meyers who is a Fellow of the Australian Institute of Geoscientists. Dr Meyers is a consultant to WA1 Resources Ltd and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Meyers consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears. Dr. Meyers holds securities in WA1.

The information in this announcement that relates to Exploration Results is based on information compiled by Mr. Paull Parker who is a Member of the Australian Institute of Geoscientists and is a member of the AusIMM. Mr. Parker is a director of WA1 Resources Ltd and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Parker consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

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About WA1

WA1 Resources Ltd is based in Perth, Western Australia and was admitted to the official list of the Australian Securities Exchange (ASX) in February 2022. WA1's shares are traded under the code WA1.

WA1's objective is to discover a tier 1 mineral deposit in Western Australia's underexplored regions and create value for all stakeholders. We believe we can have a positive impact on the remote communities within the lands on which we operate. We will execute our exploration using a proven leadership team which has a successful track record of exploring in WA's remote regions.

Forward-Looking Statements

This ASX Release may contain certain "forward-looking statements" which may be based on forward-looking information that are subject to a number of known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those presented here. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. For a more detailed discussion of such risks and other factors, see the Company's Prospectus and Annual Reports, as well as the Company's other ASX Releases. Readers should not place undue reliance on forward-looking information. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this ASX Release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

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Name of entity

WA1 Resources Ltd

ABN	Quarter ended ("current quarter")
51 646 878 631	31 March 2022

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(62)	(67)
	(e) administration and corporate costs	(199)	(508)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST receivable)	28	44
1.9	**Net cash from / (used in) operating activities**	**(233)**	**(531)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(94)	(95)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(44)	(190)
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	5
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(138)**	**(280)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,500	5,076
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(339)	(339)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**4,161**	**4,737**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	342	206
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(233)	(531)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(138)	(280)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,161	4,737

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**4,132**	**4,132**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	4,132	4,132
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**4,132**	**4,132**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	80
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(233)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(44)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(277)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,132
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,132
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	14.91

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: N/A	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 27th April 2022

Authorised by: WA1's Managing Director, Paul Savich

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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