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ASX RELEASE

WA1 RESOURCES LTD

27 JULY 2023

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 30 JUNE 2023

West Arunta Project

- **Ongoing step out drilling at Luni continued to define the lateral extent of the mineralised carbonatite**
- **Shallow high-grade niobium mineralisation is now evident over a 1.4km extent and remains open with the high-grade oxide blanket yet to be laterally defined**
- **Evidence of high grade, multi commodity potential exists at Luni in addition to niobium**
- **Diamond drilling commenced during the quarter and will be initially focused on infill drilling and producing core samples for process test work**
- **Initial mineralogy reported strong liberation characteristics of the high-grade primary niobium bearing minerals within limited composite samples**
- **Drilling approaching 10,000m completed so far this year with two drill rigs continuing to define the extent of this globally significant discovery**

Corporate

- **Completion of A$10 million (before costs) placement at an issue price of A$2.75 per share**
- **Cash balance of approximately A$17m as at 30 June 2023**

RC and diamond drilling in progress during the quarter at the West Arunta Project

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WA1 Resources Ltd (ASX: WA1) (**WA1** or the **Company**) is pleased to provide a report on its activities for the quarter ended 30 June 2023.

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.**

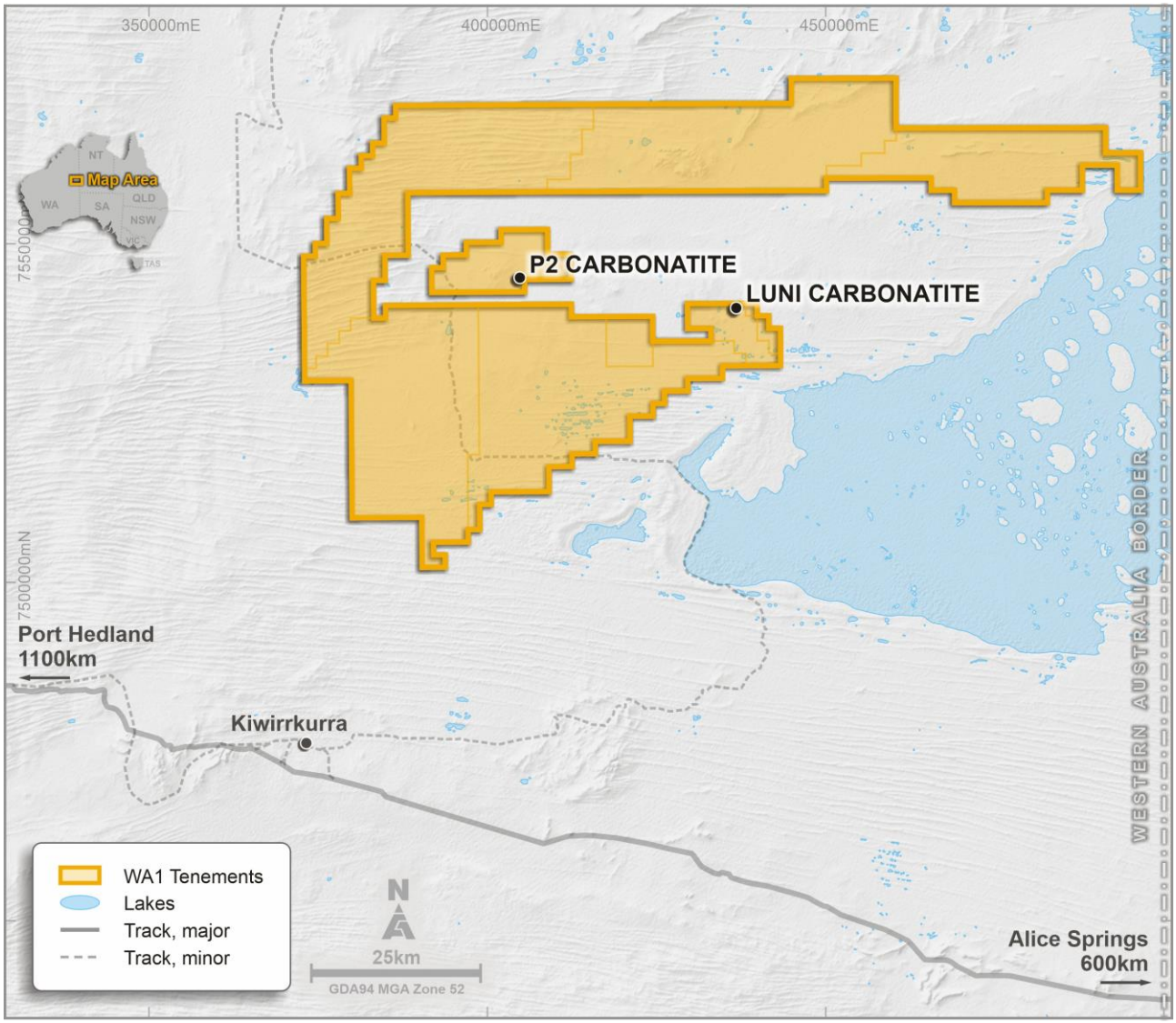

Figure 1: Location of the West Arunta Project

Luni Exploration Results

WA1 has continued to progress its 2023 step out drilling campaign at the Luni carbonatite, which commenced in the previous quarter (see ASX announcement dated 22 March 2023). Throughout the June quarter, the Company provided details of significant assay results received from ongoing drilling at Luni (see ASX announcements dated *1 May, 5 June and 29 June 2023).*

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A summary of significant niobium intercepts at the Luni carbonatite to the end of the quarter are provided in Figure 2.

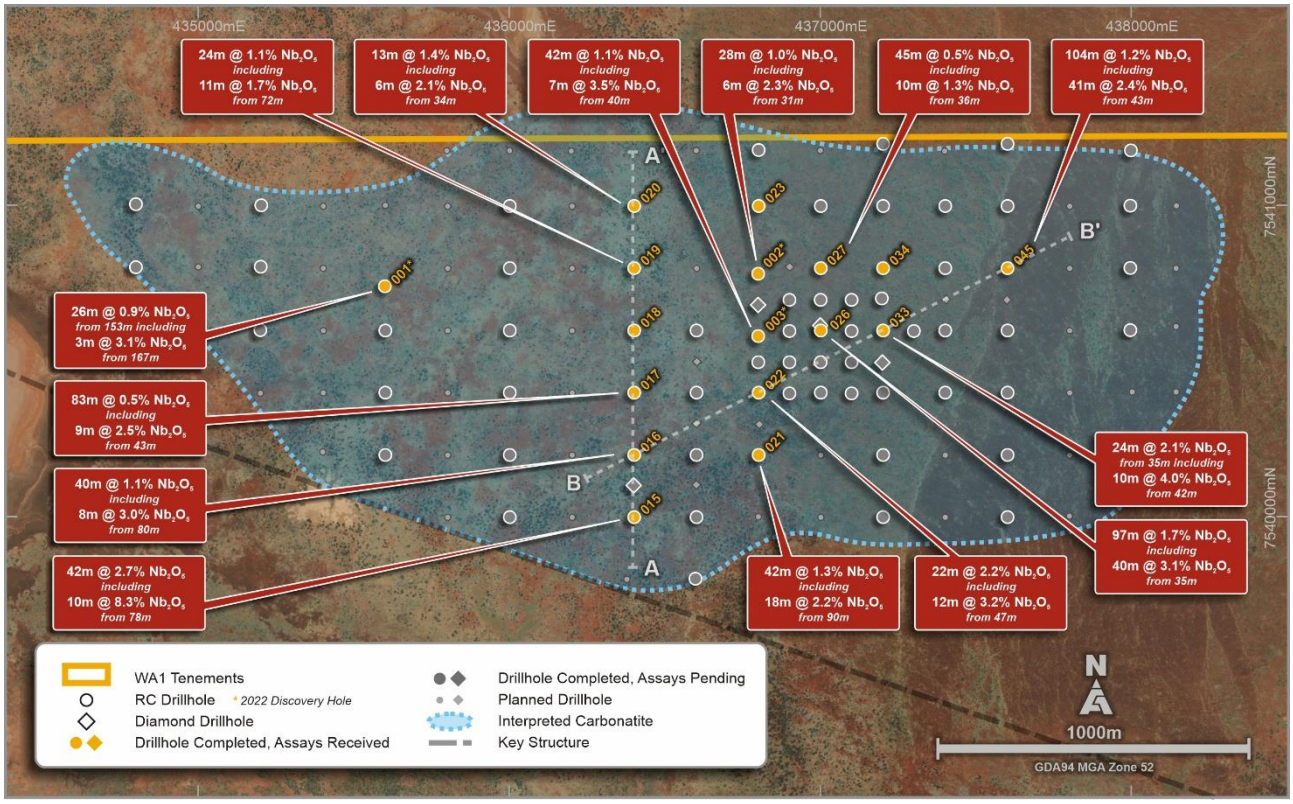

Figure 2: Luni carbonatite plan view of completed and planned drilling with significant intersections

Drilling in 2023 has focused on testing the shallow, enriched horizon present between the intensely and moderately weathered carbonatite at Luni. This high-grade enriched layer remains laterally unconstrained by ongoing drilling being completed by a diamond drill rig and a reverse circulation (RC) drill rig.

On 5 April 2023, the Company announced it had expedited key intercepts from the first three drill holes from Luni for laboratory analysis. Field observations indicated continuity of the carbonatite system and a similar weathering profile to that intersected in the 2022 discovery holes.

On 1 May 2023, the Company reported the first assay results from limited intervals within the first three RC holes completed. The holes were spaced on a 200m grid from the 2022 discovery holes and confirmed that high-grade mineralisation extended at least 400m east and 200m south of last year's discovery holes. Mineralised zonation continued to be observed in these initial results including significant intercepts of TREO (24m at 2.4% from 39m), tantalum and scandium (10m at 795ppm Ta_2O_5 and 243ppm Sc_2O_5 from 42m) within LURC23-033.

On 5 June 2023, the company announced further assay results which included remaining assays from previously reported holes as well as further step out holes. Intersections included some of the highest niobium intersections to date including 10m at 8.3% Nb_2O_5 within 42m at 2.7% Nb_2O_5. At that time this confirmed that shallow, high-grade niobium mineralisation was evident for 1km in strike. There was further evidence of high-grade zonation within the carbonatite with significant titanium intercepts including 144m of 2.9% TiO_2 from surface within LURC23-034. The

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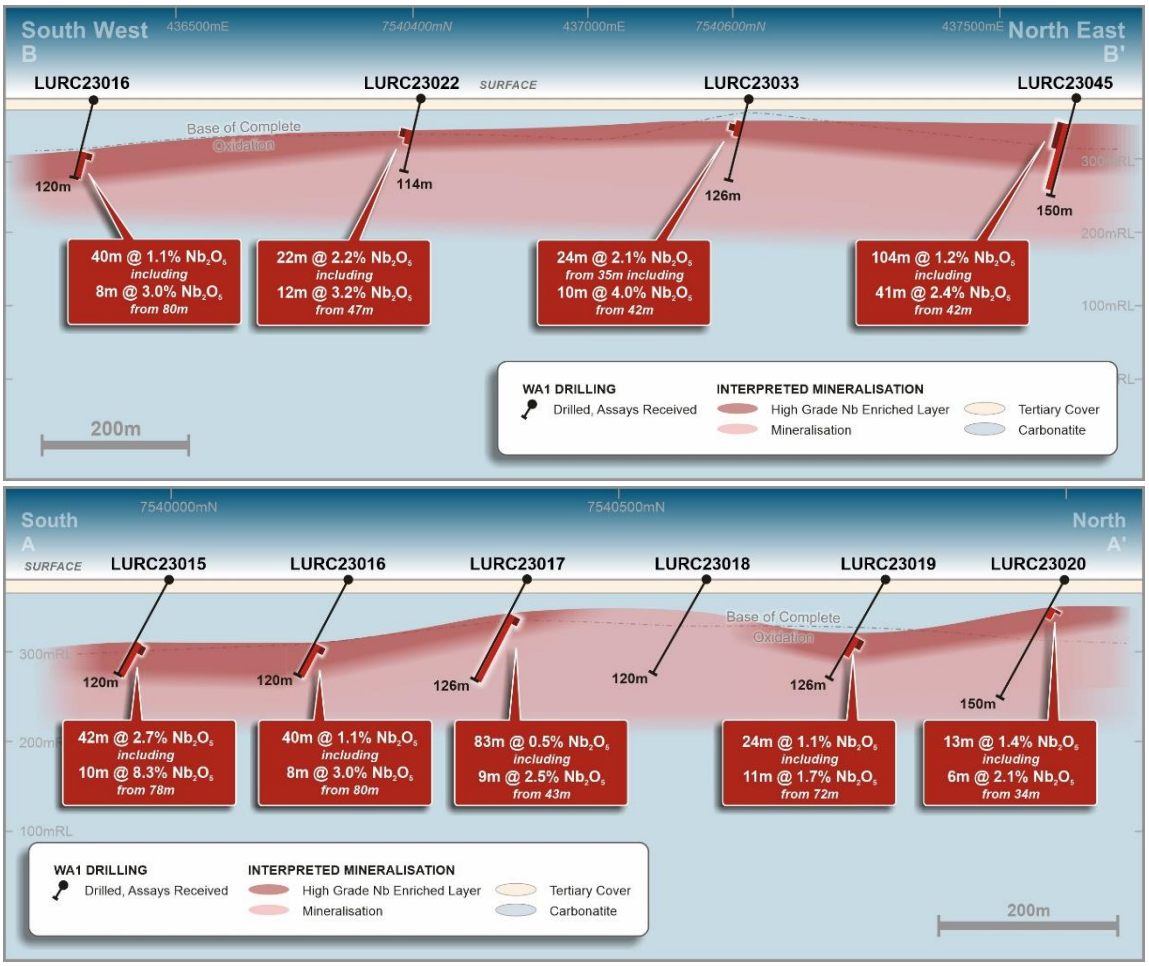
company also announced the commencement of diamond drilling with an initial focus of this drilling directed towards infill for a maiden mineral resource estimate and the production of core samples for process test work.

On 29 June 2023, the company announced further assay results which extended the high-grade niobium footprint in multiple directions by up to 400m with mineralisation open in all directions.

Orientation of the enriched, oxide mineralisation (true width) is currently interpreted to be sub-horizontal, coincidentally with the flat lying transition between intensely and moderately weathered carbonatite.



Figures 3-4: Top – Simplified long-section looking north-west, Bottom – Simplified cross-section looking west

Preliminary Mineralogical Characterisation and Assessment

On 5 June 2023, the Company announced it had received interim results from a limited mineralogical characterisation and assessment undertaken by ALS Metallurgy Pty Ltd utilising QEMSCAN and XRD techniques. The analyses were completed on three sized composite RC drilling samples taken from previously reported oxide-enriched mineralised intervals of drillholes LURC23-026 and LURC23-033.

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The key niobium-bearing mineral identified was pyrochlore which is consistent with previous petrographic analyses on the 2022 discovery drillholes, along with columbite being dominant in one of the samples. Importantly, the observed pyrochlore (~70% Nb_2O_5, 0.18% Ta_2O_5) and columbite (~74% Nb_2O_5, 0.06% Ta_2O_5) primary minerals both have very high-niobium content and low-tantalum levels. These mineral grains were also highly liberated within the sample medium.

When sized in the -150+38 µm fraction, all three samples reported over 85% of the dominant niobium bearing mineral as being 'well-liberated' or 'high-grade middlings'.

The key REE-bearing minerals identified were monazite/rhabdophane and crandallite. The monazite/rhabdophane was observed to have high-REE content (~55-60% TREO) and all three samples reported over 75% classification in the 'well-liberated' to 'medium-grade middlings' categories in the -150+38 µm fraction.

The key phosphate-bearing mineral identified was apatite. The apatite was also positively liberated with all three samples reporting over 90% in the 'well-liberated' or 'high-grade middlings' categories in the -150+38 µm fraction.

Overall, the preliminary metallurgical amenability of the samples looks potentially favourable as it appears that high grade concentrates can be produced based on the particle liberation observed at practical grind sizes. Noting other mineralisation (i.e. titanium and tantalum) was not part of this limited initial assessment.

The Company is planning a detailed metallurgical test work program that will utilise drill core samples from the diamond drilling program. This work will look to test a conventional flowsheet design, similar to that currently used by the three existing major niobium mines globally. Initial test work will include physical separation and flotation techniques targeting the production of mineral concentrates, prior to assessing the production of end-products.

The primary focus of this work will be on the niobium mineralisation, with other mineralisation to be investigated as potential by-products.

For full details of all assay results refer to WA1's ASX announcements on 1 May 2023, 5 June 2023 and 29 June 2023.

Other Projects

Hidden Valley Project (100% owned)

The Hidden Valley Project comprises one Exploration Licence located 150km south of Kununurra, Western Australia. The tenement lies within the Osmond Ranges on a major structural position straddling the Osmond Fault. The fault is a unique east-north-east trending structural domain immediately east of the Halls Creek Orogen.

The company completed an airborne electromagnetic survey at the Hidden Valley Project to test for bedrock conductive anomalies in Q4 2022. Preliminary interpretation of the results by a geophysical consultant was recently completed. Interpretation of the data suggests there are no obvious bedrock conductors, and that electrical conductivity trends observed most likely represent conductive stratigraphy, deep weathering or conductive cover focused around drainage features. Follow-up field reconnaissance has been suggested to verify these observations and better constrain the geology.

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Madura Project (100% owned)

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

During the quarter, the Company continued the process of negotiating heritage protection agreements, along with planning for potential initial exploration programs.

Historical exploration on the tenements, prior to WA1's applications in 2021 included airborne geophysical surveys and a regional stratigraphic drilling by the Geological Survey of Western Australia. Much of this work was concentrated around the northern most tenements, where indicators for copper-gold source and host rocks is historically documented.

There is potential for copper-gold mineralisation of an IOCG affinity and other styles of mineralisation.

Figure 5: Madura Project tenements plan

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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.

During the quarter, the Company made a number of new exploration tenement applications in the Northern Territory, as part of the West Arunta project.

Corporate

On 11 May 2023, the Company announced it had received a firm commitment for the placement of new ordinary shares to raise A$10 million before costs (the **Placement**). The Placement was completed to large Australian institutional investor Regal Funds Management.

The Placement was conducted at an issue price of $2.75 per share, which represented a 2% discount to the 5-day VWAP of WA1 shares at the time of the Placement. A total of 3.6 million new shares were issued under the Placement, bringing the total shares on issue to approximately 53.4 million. The new shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1A. The Placement was settled on 18 May 2023 with the allotment of shares and normal trading occurring the following day.

Summary of Expenditure Incurred on Activities & Use of Funds Comparison

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 30 June 2023 $m
Exploration and related expenses	2.8	2.8
Corporate and administration expenses	1.0	1.0
Reimbursement of West Arunta Project vendor	0.2	0.2
Costs of the Offer	0.4	0.4
General Working Capital	0.1	0.1
Total	**4.5**	**4.5**

The Company is required under the ASX Listing Rules to compare the 'Use of Funds' statement from the above-mentioned prospectus to actual expenditure. The above statement was for the first 24 months after the Company listed on the ASX. The Company achieved the above by 30 June 2023 ahead of the 24-month period. Thereafter the Company began expending funds from its capital raising conducted in November 2022.

The Company incurred $2,787,011 which for accounting purposes has been allocated to exploration and evaluation activities during the quarter and related to field work and consultants.

Other than as referred to above, no expenditure was allocated to development activities during the quarter.

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The Company's focus remains on planning and executing exploration activities.

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 30 June 2023 is set out below.

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

Item	Current Quarter $	Previous Quarter $
Managing Director Salary & Superannuation	69,063	69,063
Executive Director Fees	55,250	18,417
Non-Executive Director Fees	27,625	34,992
Company Secretarial Fees	12,431	12,431
Accounting Services	-	11,519
Total payments to related parties of the entity and their associates	**164,369**	**146,421**

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 30 June 2023

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%	-
E80/5860	West Arunta	WA1	Application	WA	100%	-
E80/5861	West Arunta	WA1	Application	WA	100%	-
E80/5862	West Arunta	WA1	Application	WA	100%	-
E80/5865	West Arunta	WA1	Application	WA	100%	-
E80/5866	West Arunta	WA1	Application	WA	100%	-
E80/5753	West Arunta	WA1	Withdrawn	WA	0%	Withdrawn
E80/5752	West Arunta	WA1	Withdrawn	WA	0%	Withdrawn
EL33378	West Arunta	WA1	Application	NT	100%	-
EL33545	West Arunta	WA1	Application	NT	100%	-
EL33546	West Arunta	WA1	Application	NT	100%	-

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Tenement	Project	Holder	Status	Location	Current Interest	Nature of Change
EL33550	West Arunta	WA1	Application	NT	100%	-
E69/3843	Madura	WA1	Granted	WA	100%	-
E69/3844	Madura	WA1	Granted	WA	100%	-
E69/3854	Madura	WA1	Granted	WA	100%	-
E69/3855	Madura	WA1	Granted	WA	100%	-
E69/3861	Madura	WA1	Granted	WA	100%	-
E69/4028	Madura	WA1	Granted	WA	100%	-
E69/4029	Madura	WA1	Granted	WA	100%	-
E69/4102	Madura	WA1	Withdrawn	WA	0%	Withdrawn
E69/4103	Madura	WA1	Application	WA	100%	-
E80/5651	Hidden Valley	WA1	Granted	WA	100%	

ENDS

This Announcement has been authorised for market release by the Board of WA1 Resources Ltd.

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Competent Person Statements

The information in this announcement that relates to Exploration Results is based on information compiled by Ms. Stephanie Wray who is a Member of the Australian Institute of Geoscientists. Ms. Wray is a full-time employee 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". Ms. Wray consents to the inclusion in the announcement of the matters based on her information in the form and context in which it appears.

The information in this document that relates to mineralogical and metallurgical test work is based on, and fairly represents, information and supporting documentation reviewed by Mr Peter Adamini, BSc (Mineral Science and Chemistry), who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Adamini is a full-time employee of Independent Metallurgical Operations Pty Ltd, who has been engaged by WA1 Resources Limited to provide metallurgical consulting services. Mr Adamini has approved and consented to the inclusion in this document of the matters based on his information in the form and context in which it appears.

Disclaimer: No representation or warranty, express or implied, is made by the Company that the material contained in this announcement will be achieved or proved correct. Except for statutory liability which cannot be excluded, each of the Company, its directors, officers, employees, advisors and agents expressly disclaims any responsibility for the accuracy, fairness, sufficiency or completeness of the material contained in this presentation and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any effort or omission therefrom. The Company will not update or keep current the information contained in this presentation or to correct any inaccuracy or omission which may become apparent, or to furnish any person with any further information. Any opinions expressed in the presentation are subject to change without notice.

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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 Tier 1 deposits in Western Australia's under explored 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 most 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

Name of entity

WA1 Resources Ltd

ABN	Quarter ended ("current quarter")
51 646 878 631	30 June 2023

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 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	(252)	(725)
	(e) administration and corporate costs	(362)	(1,020)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	103	174
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (net GST receivable)	248	409
1.9	**Net cash from / (used in) operating activities**	**(263)**	**(1,162)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(1)	(142)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(2,787)	(4,455)
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(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**	**(2,788)**	**(4,597)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10,000	20,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	90	90
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(435)	(981)
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 – office lease repayment	(11)	(30)
3.10	**Net cash from / (used in) financing activities**	**9,644**	**19,079**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	10,405	3,678
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(263)	(1,162)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,788)	(4,597)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,644	19,079

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**16,998**	**16,998**

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	14,998	2,405
5.2	Call deposits	2,000	8,000
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)**	**16,998**	**10,405**

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	164
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)	(263)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,787)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,050)
8.4	Cash and cash equivalents at quarter end (item 4.6)	16,998
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	16,998
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	6

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: 27 July 2023

Authorised by: THE BOARD OF DIRECTORS
(Name of body or officer authorising release – see note 4)

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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