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ASX RELEASE

WA1 RESOURCES LTD

17 JANUARY 2024

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 DECEMBER 2023

West Arunta Project

- **Ongoing step out drilling at Luni continued to define the lateral extent of the mineralised carbonatite**
- **A shallow, high-grade blanket of niobium mineralisation at Luni has been substantially extended for over 2km east-west and remains open**
- **Further 100m spaced infill drillhole assays received demonstrating shorter-range continuity of the shallow high-grade zone**
- **Further evidence of a potential deeper high-grade zone in the southeast of the interpreted carbonatite (LURC23-174 from 127m: 12m at 3.0% Nb_2O_5)**
- **LUDD23-001 drilled in the eastern zone enhances geological understanding and demonstrates the potential for high-grade mineralisation at depth, with 2.8m at 3.1% Nb_2O_5 from 167.7m**
- **Assay results received from a reconnaissance RC drill program at P2 confirms the potential for a large, mineralised carbonatite system to be present**
- **P2 is located 30km west of Luni and may represent a future satellite opportunity for any development at Luni**
- **Over 30,000m of drilling was completed in 2023 with further drilling planned for the start of 2024**
- **Negotiation Protocol signed with the Ngururrpa Native Title holders**

Corporate

- **Completion of the second Tranche of the A$15m (before costs) placement at an issue price of A$5.00**
- **Cash balance of approximately A$18.7m as at 31 December 2023**

WA1 Resources Ltd (ASX: WA1) (**WA1** or the **Company**) is pleased to provide a report on its activities for the quarter ended 31 December 2023.

West Arunta Project (100% owned)

The West Arunta Project is located approximately 490km south of Halls Creek in Western Australia. It contains the **Pachpadra, Sambhar and Urmia prospect areas.**

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The Company continued RC and diamond drilling during the quarter, largely focussed on the Luni mineralised carbonatite discovery within the Sambhar prospect area. Shallow, high-grade niobium mineralisation has been encountered at Luni over a large extent and is yet to be laterally constrained.

Over 30,000m was completed in the 2023 calendar year at Luni and P2 and drilling is planned to recommence in early 2024.

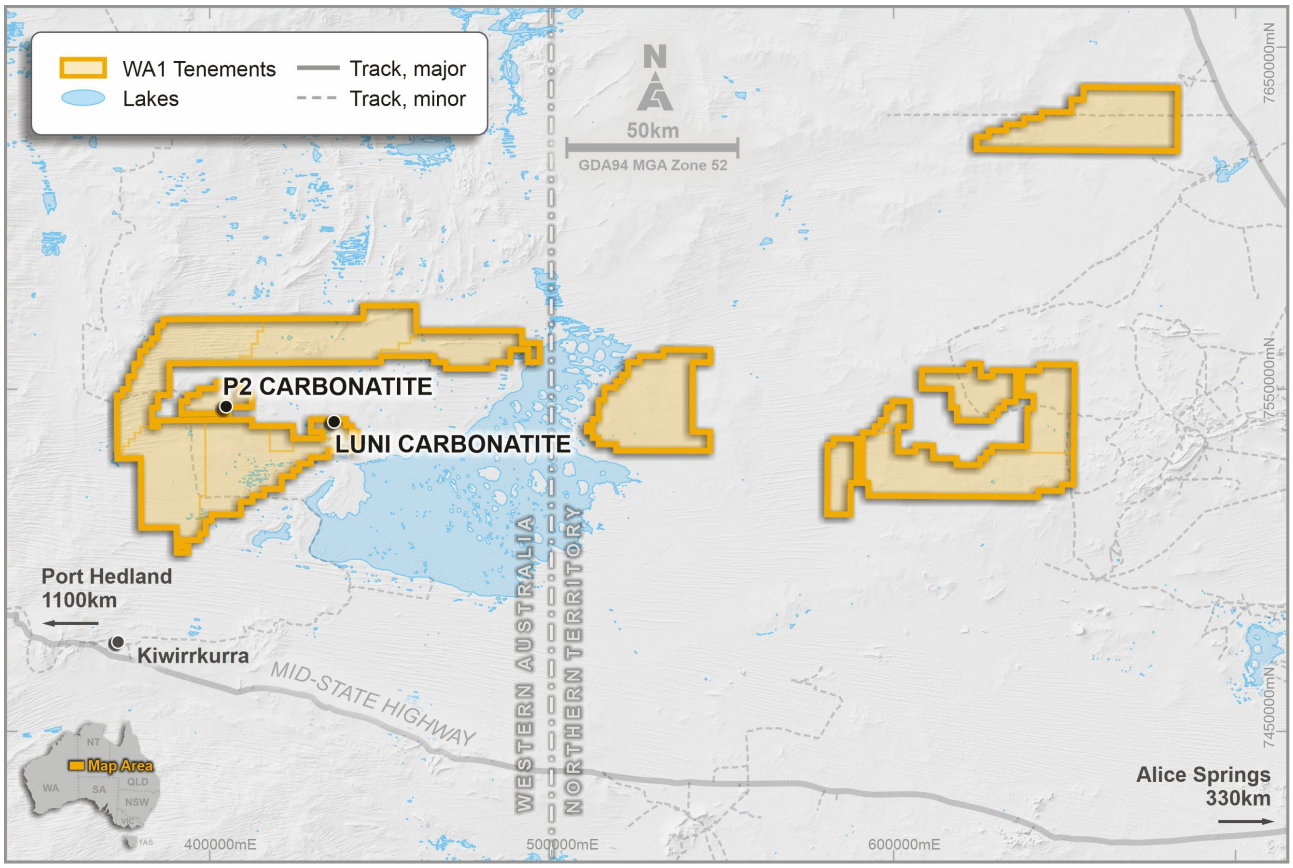

Figure 1: Location of the West Arunta Project

Luni Exploration Results

The 2023 drilling campaign at the Luni carbonatite commenced in March 2023 and was completed in early December. During the quarter, the Company provided details of significant assay results received from Luni (see ASX announcements dated *26 October, 8 November and 11 December 2023).*

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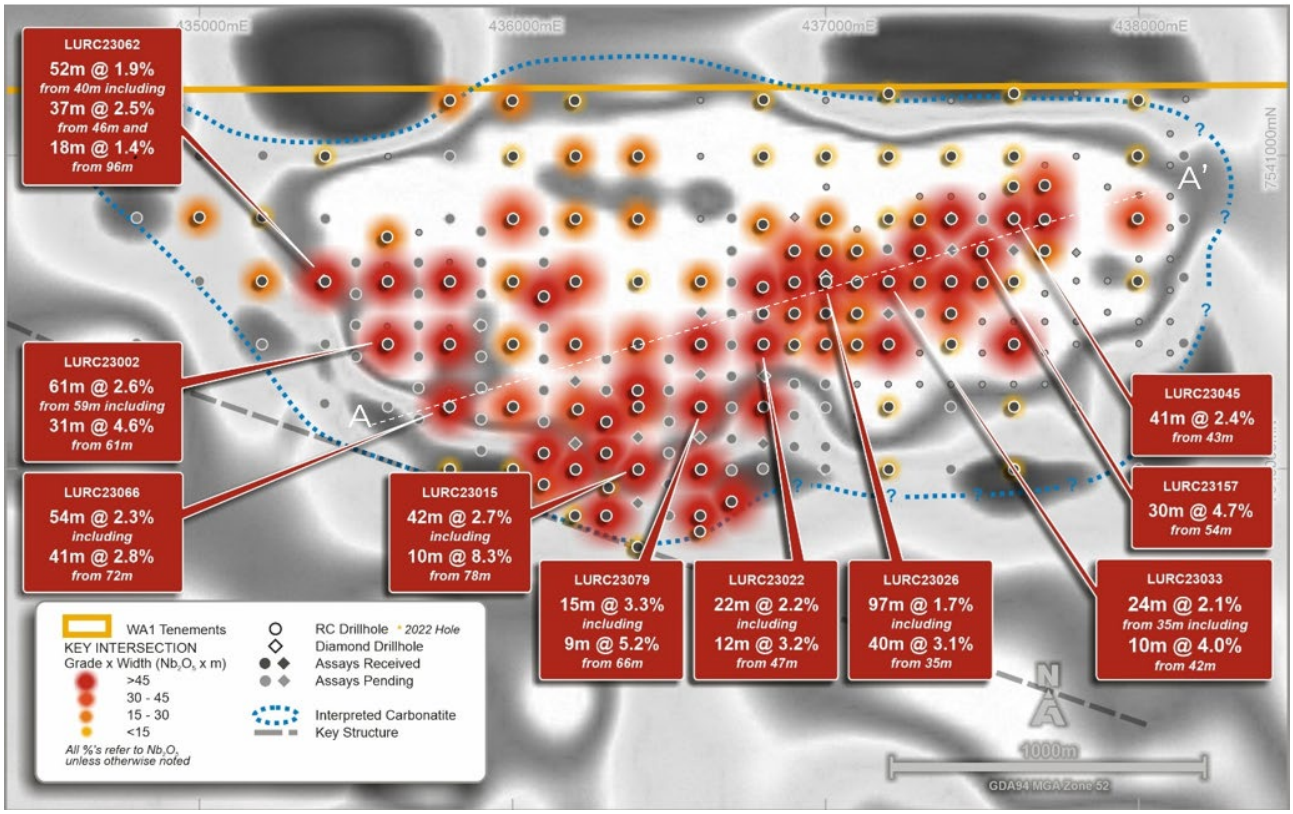

Figure 2: Luni carbonatite plan view of completed and planned drilling with significant intersections and gravity (resUC200m) underlay

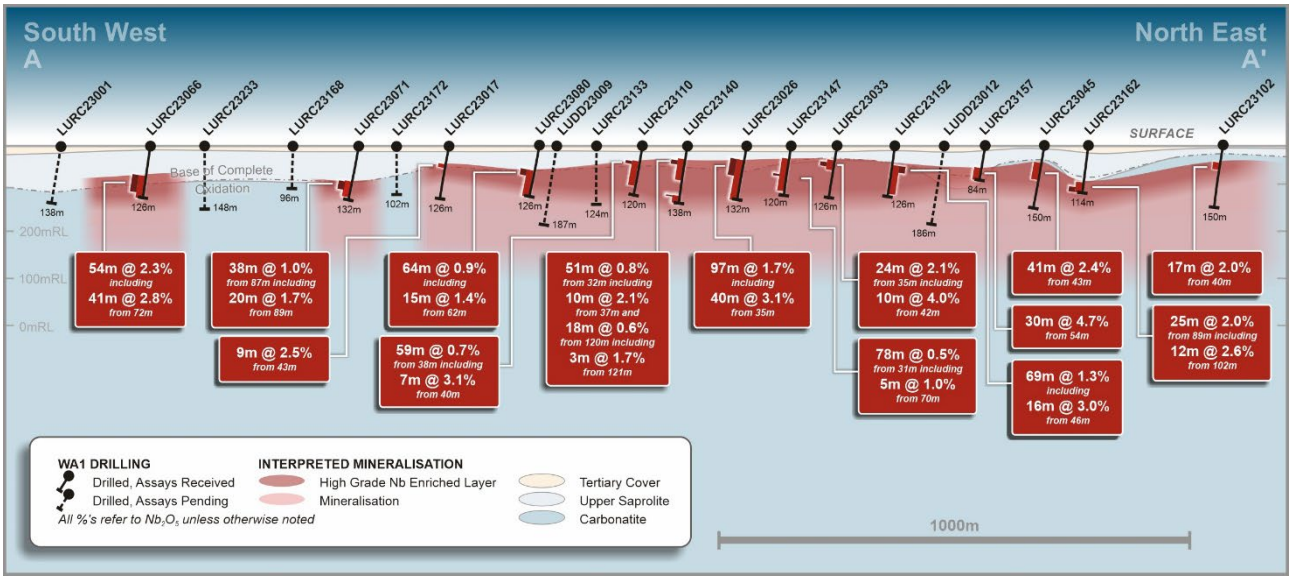

Figure 3: Simplified long-section looking northwest

On 26 October 2023, the Company announced it had received assay results from 12 RC drill holes. The new drill intersections related to broad 200m step-out holes, indicating the presence of a shallow, broad southwestern extension of the Luni carbonatite complex.

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On 8 November 2023, the Company announced assay results from 21 RC drillholes in the eastern zone of the interpreted Luni carbonatite complex. The assay results were from 100m-spaced drillholes and further demonstrated continuity of the shallow high-grade niobium blanket.

On 11 December 2023, the Company announced assay results from 21 RC drillholes and one diamond drillhole completed at the Luni carbonatite. Assays from the central zone demonstrated continuity of the shallow high-grade blanket of niobium mineralisation between the western and eastern zones.

The Company is targeting the release of a maiden Mineral Resource estimate for Luni in Q2-2024 which incorporates the zones of the carbonatite referred to above that has been the primary focus of drilling in 2023.

Assay results were received from the first diamond drillhole at Luni, LUDD23-001, which is located in the eastern zone and the key mineralised horizon. The drillhole was located five metres from LURC23-026 and returned 31.1m at 2.4% Nb_2O_5 from 30.9m. The diamond drillhole provided important geological details and also identified the potential for deeper high-grade mineralisation to exist, beyond the depth of RC drill testing which has typically ended at approximately 120m. LUDD23-001 intersected 7.4m at 2.9% Nb_2O_5 from 156.3m and a further 2.8m at 3.1% Nb_2O_5 from 167.7m.

On 11 December 2023 the Company also announced assay results from LURC23-174 which is interpreted to be in the southeastern fault offset zone of the interpreted Luni carbonatite complex. LURC23-174 returned a key intersection of 12m at 3.0% Nb_2O_5 and provided further support for the potential occurrence of a deeper high-grade zone of mineralisation in the southeast of Luni which represents an exciting new area requiring further exploration. The passive seismic model potentially provides an explanation of the deeper mineralisation through the occurrence of two vertically offset horizons (refer to ASX announcement dated 26 September 2023). Further RC and diamond drilling has been completed in the southeastern area to test the potential for enriched mineralisation in this deeper target zone.

A summary of the most significant niobium intercepts at the Luni carbonatite to the end of the quarter are provided in Figure 2. For full details of the intersections below refer to ASX announcements dated 6 February, 1 May, 5 June, 29 June, 21 August, 28 August, 26 September, 26 October, 8 November and 11 December 2023.

P2 Exploration Results

On 20 December 2023, the Company announced it had received assays from a six-hole reconnaissance drilling program at the P2 carbonatite and surrounding areas. The P2 carbonatite was discovered in 2022 with a single drillhole (PARC003).

The P2 target area is characterised by a large gravity anomaly and semi-coincident magnetic anomalies which cover an area of approximately 2.5km by 1.0km. The objective of the reconnaissance drill program was to broadly test the extensive geophysical anomalies present at P2 and improve the Company's understanding of the geological setting and controls on mineralisation.

The new intersections at P2 suggest an unconstrained zone of shallow mineralisation may exist between two drillholes located 800m apart (PARC23-006 and PARC23-007). P2 is located 30km

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west of Luni and these assay results suggest P2 may represent a future satellite opportunity for any development at Luni.

Future exploration is planned to include broad-spaced grid drilling within the interpreted P2 carbonatite to assess the extent of mineralisation and lateral zonation.

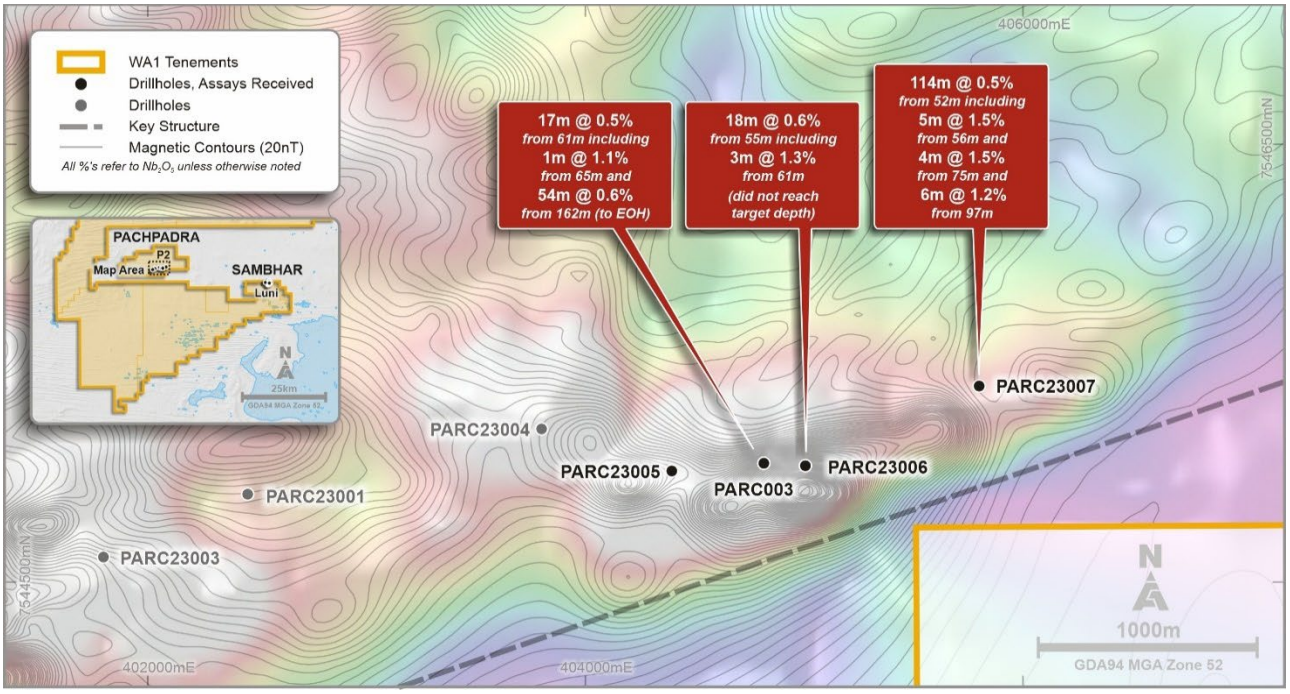

Figure 4: P2 plan view with drill collar locations and new significant intersections

Negotiation Protocol with Parna Ngururrpa

On 19 October 2023, the Company announced that it had signed a Negotiation Protocol with Parna Ngururrpa (Aboriginal Corporation) RNTBC, the native title representative body for the Ngururrpa native title holders. The Negotiation Protocol has been signed with a view to entering into a Mining Agreement for the development and operation of the West Arunta Project, whist preserving the traditional way of the life of the Ngururrpa people. The protocol contemplates an indicative timeline for negotiations that align to WA1's goals.

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-northeast trending structural domain immediately to the east of the Halls Creek Orogen.

The Company completed an airborne electromagnetic survey at the Hidden Valley Project in 2022 to test for conductive bedrock anomalies. Interpretation of the results by the Company's geophysical consultants was completed and 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. No work was completed on the project during the quarter.

Madura Project (100% owned)

The Madura Project tenements are located approximately 540km east of Kalgoorlie, with non-contiguous tenements extending to near the south coast of Western Australia. The exploration project comprises 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 and planning for potential initial exploration programs.

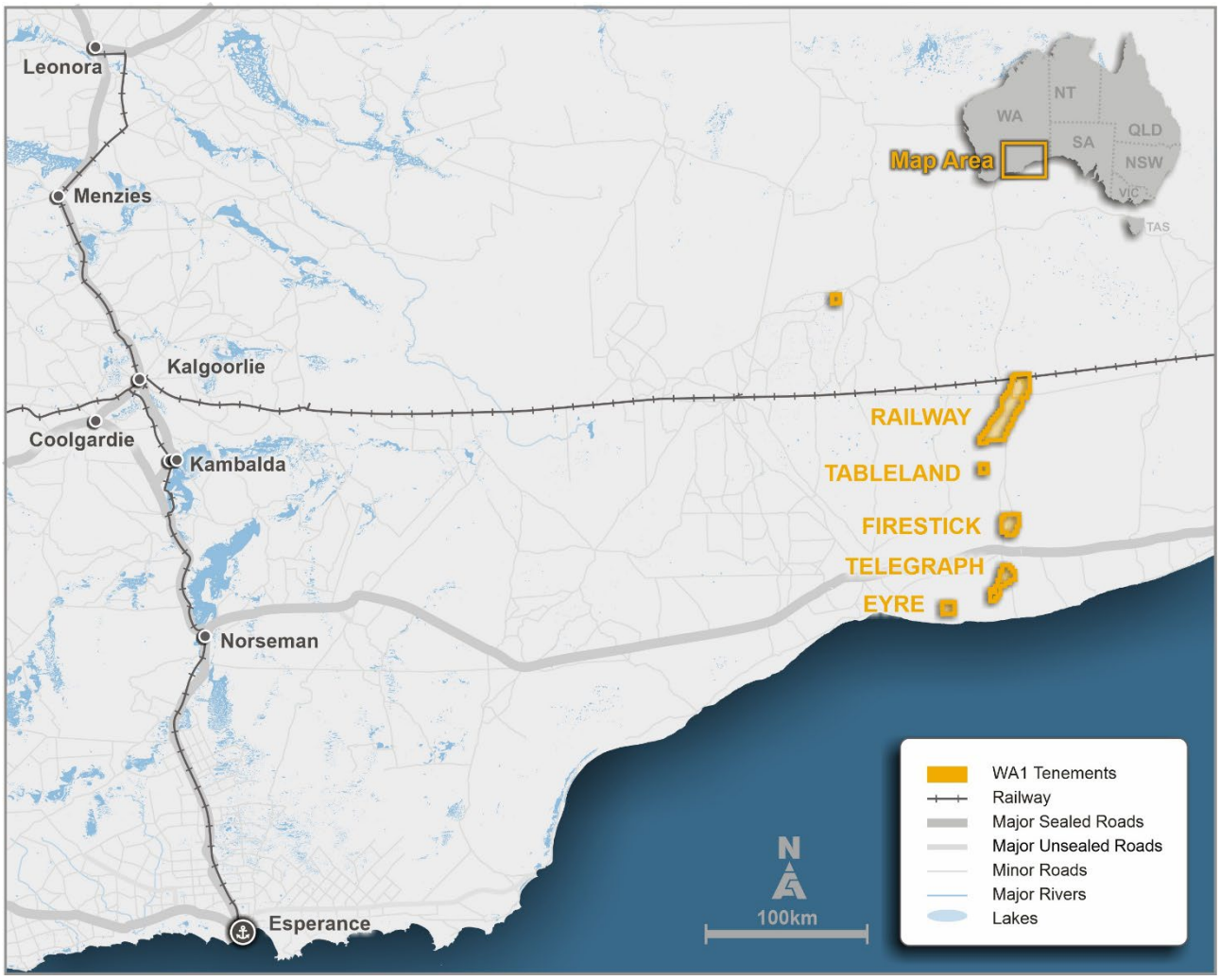

Figure 5: Madura Project tenements plan

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Historical exploration on the tenements prior to WA1's applications in 2021 included airborne geophysical surveys and 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. Accordingly, the Company believes there is potential for copper-gold mineralisation of an IOCG affinity and other styles of mineralisation.

New Project Generation

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

Corporate

In the September 2023 quarter, the Company announced it had received firm commitments for an institutional placement to raise gross proceeds of A$15 million (before costs) at an issue price of A$5.00 per share, which represented a 5% discount to the 10-day VWAP of WA1 shares. A total of 3 million new shares were issued under the placement in two tranches.

Tranche 1 of the placement was issued pursuant to the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A, raising A$12.8 million before costs and resulting in the issue of approximately 2.6 million new shares. Tranche 1 was settled on 7 September 2023 with the allotment of shares and normal trading occurring the following day.

Tranche 2 was subject to shareholder approval. On 16 October 2023, the Company held a General Meeting with all resolutions put to shareholders carried on a poll, including the ratification of Tranche 2 which raised an additional A$2.2 million before costs and resulted in the issue of a further 0.4 million new shares. On 19 October 2023 the Tranche 2 shares were settled with the allotment of shares and normal trading occurring the following day.

On 27 November 2023, the Company held its Annual General Meeting with all resolutions put to shareholders carried on a poll.

At quarter-end the Company held approximately $18.7 million in cash.

Summary of Expenditure Incurred on Activities & Use of Funds Comparison

The Company is required under the ASX Listing Rules to compare the 'Use of Funds' statement from its prospectus (refer to ASX announcement dated 4 February 2022) to actual expenditure. The use of funds statement was for the first 24 months after the Company listed on the ASX. The Company achieved the below by 30 June 2023 ahead of the 24-month period. Thereafter the Company began expending funds from its subsequent capital raisings.

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Table 1: Use of Funds Comparison

Use of Funds (2yr estimate, refer to section 2 of the WA1 Prospectus)	Prospectus Use of Funds $m	Actual to 31 December 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**

During the quarter, the Company incurred $6,191,454 which for accounting purposes has been allocated to exploration and evaluation activities and related to field work and consultants.

For accounting purposes, no expenditure was allocated to development activities during the quarter. The Company's focus remains on planning and executing exploration and evaluation 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 31 December 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[1]	97,125	132,506
Executive Director Salary & Superannuation[1]	77,700	96,570
Non-Executive Director Fees	41,625	41,625
Company Secretarial Fees	12,488	12,488
Tali Resources Pty Ltd[2]	6,301	-
Total payments to related parties of the entity and their associates	**235,239**	**283,189**

1. *Previous quarter includes Short Term Incentive payment in recognition of performance in FY23*
2. *Reimbursement for the use of staff and associated costs related to WA1's on-ground activities*

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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 December 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	Granted	WA	100%	-
E80/5861	West Arunta	WA1	Granted	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%	-
EL33378	West Arunta	WA1	Application	NT	100%	-
EL33545	West Arunta	WA1	Application	NT	100%	-
EL33546	West Arunta	WA1	Application	NT	100%	-
EL33550	West Arunta	WA1	Application	NT	100%	-
EL33586	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%	-
E69/4103	Madura	WA1	Granted	WA	100%	Granted
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.

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 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 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	31 December 2023

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 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	(370)	(760)
	(e) administration and corporate costs	(680)	(1,848)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	209	354
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)	599	950
1.9	**Net cash from / (used in) operating activities**	**(242)**	**(1,304)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	58
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(6,192)	(11,362)
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 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**	**(6,192)**	**(11,304)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,362	15,180
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	(124)	(811)
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	(15)	(30)
3.10	**Net cash from / (used in) financing activities**	**2,223**	**14,340**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	22,940	16,998
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(242)	(1,304)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6,192)	(11,304)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,223	14,340

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**18,730**	**18,730**

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	18,730	20,940
5.2	Call deposits	-	2,000
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)**	**18,730**	**22,940**

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	235
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)	(242)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(6,192)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(6,433)
8.4	Cash and cash equivalents at quarter end (item 4.6)	18,730
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	18,730
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	2.9

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: 17 January 2024

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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