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ASX RELEASE

WA1 RESOURCES LTD

8 APRIL 2024

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 MARCH 2024

West Arunta Project

- **Assays from broad spaced diamond and RC drilling continued to be reported during the quarter which extended and demonstrated continuity of niobium mineralisation at Luni**
- **A shallow, high-grade blanket of niobium mineralisation has now been extended to over 2km east-west at Luni and remains open**
- **Field activities and diamond drilling recommenced during the quarter with a second drill rig scheduled to commence in April 2024**
- **Metallurgical testwork commenced with an initial focus on demonstrating the viability of flotation to separate the key niobium bearing minerals**
- **Internal metallurgical capabilities enhanced with key appointments including Clovis Sousa as Niobium Processing Advisor**

Corporate

- **Completion of a A$40m (before costs) placement at A$10 per share**
- **Cash balance of approximately A$53m as at 31 March 2024**

WA1 Resources Ltd (ASX: WA1) (**WA1** or the **Company**) is pleased to provide a report on its activities for the quarter ended 31 March 2024.

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.**

Aerial photograph looking east at Luni

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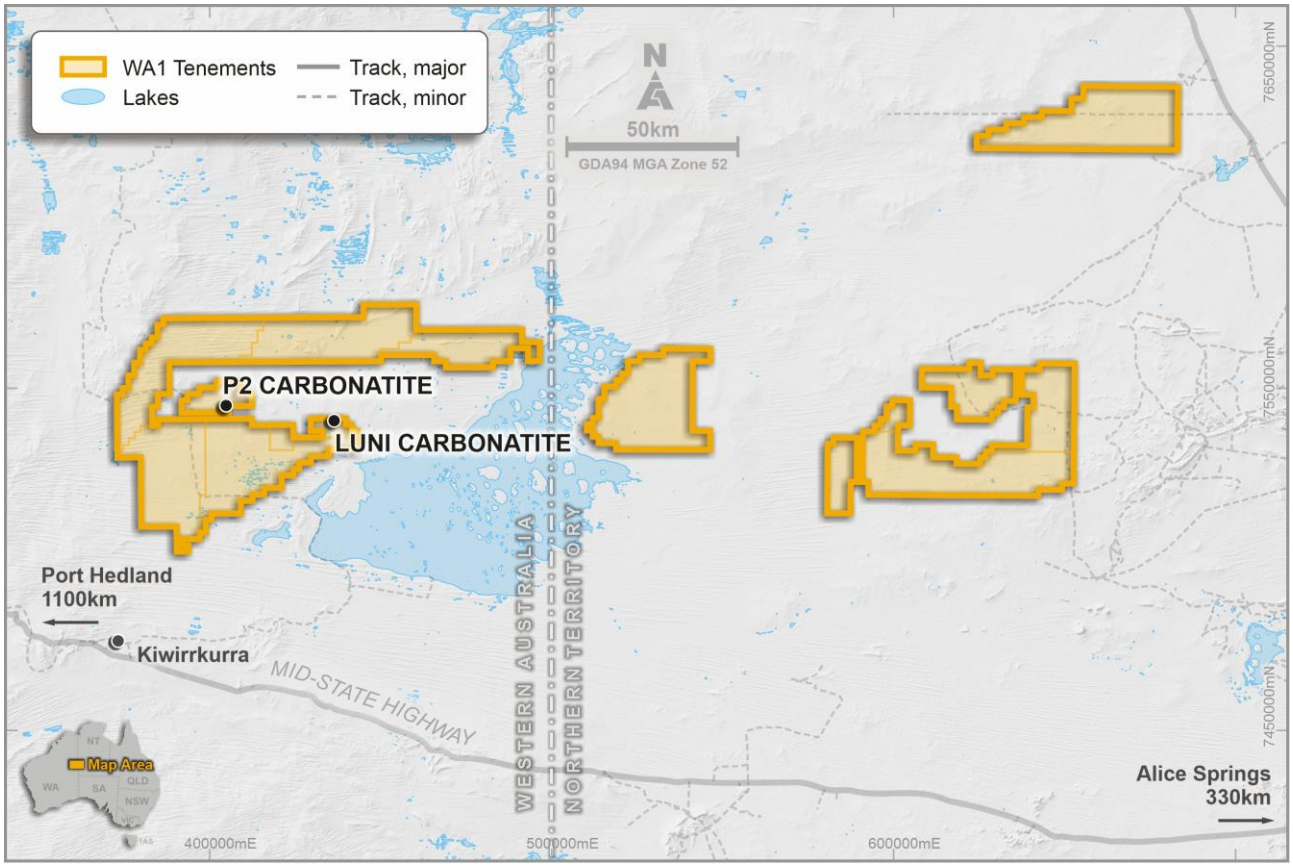

Figure 1: Location of the West Arunta Project

The Company recommenced field activities and diamond drilling at the West Arunta project in February. The initial focus of drilling is the retrieval of samples from Luni for metallurgical testwork before moving to extensional and infill drilling. Flotation testwork on diamond core samples also commenced during the quarter.

Further gravity and passive seismic surveys were also completed during the quarter at Luni and P2. Preparation for a series of early development and permitting field activities progressed during the quarter and are planned to include heritage and environmental surveys.

Luni Exploration Results

During the quarter, the Company announced it had received assay results from 76 RC drillholes and five diamond drillholes (including two diamond tails) from Luni from the 2023 drill program. The new intersections related both to broad 200m step-out drillholes and 100m-spaced infill drillholes (see ASX announcements dated *2 February, 21 February, and 28 March 2024).*

The results included the best niobium intersection to date, located in the north-east zone with LUDD23-013 intersecting 34.0m at 4.8% Nb_2O_5 from 87.0m, including 16.0m at 7.9% Nb_2O_5. A summary of some of the most significant niobium intercepts at the Luni carbonatite to the end of the quarter are provided in Figure 2.

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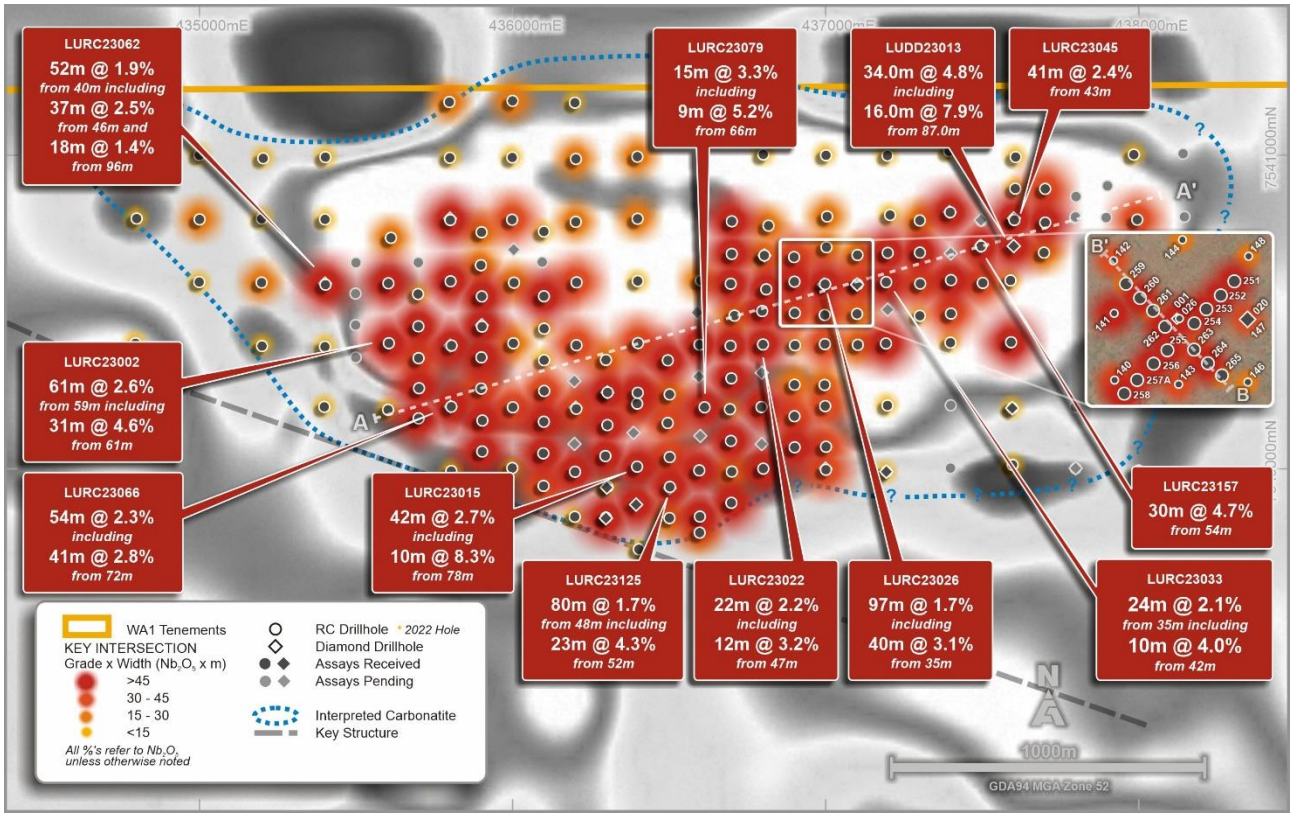

Figure 2: Luni carbonatite plan view of completed drilling with significant intersections and gravity (resUC200) underlay

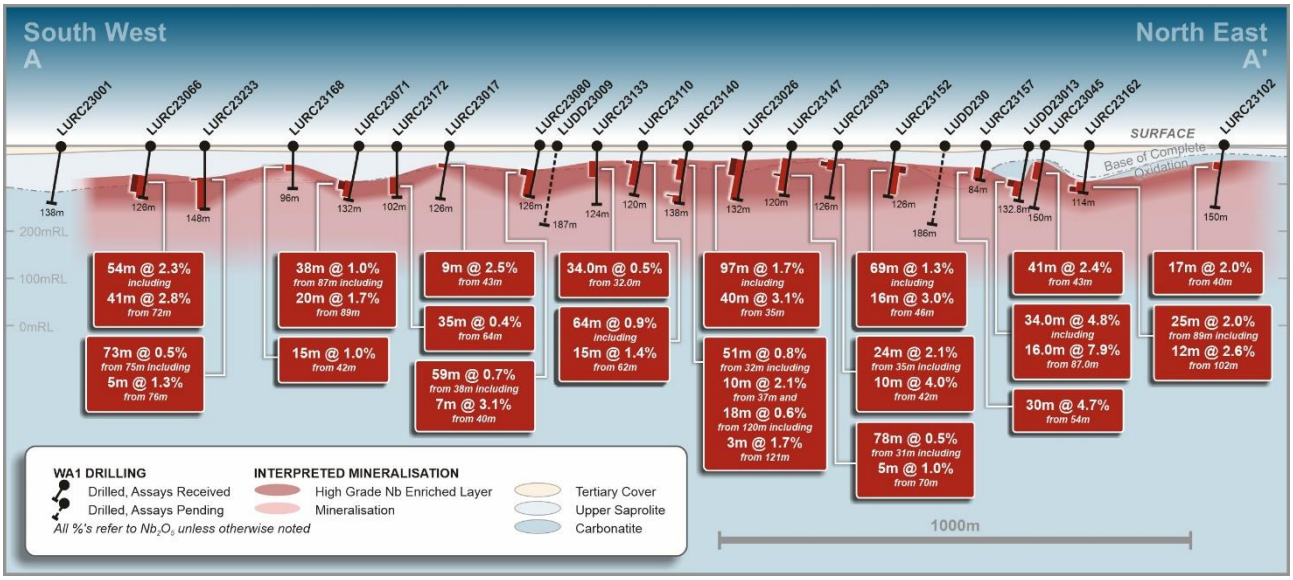

Figure 3: Simplified long-section looking northwest

The results also provided evidence for the continuity of shallow, high-grade niobium mineralisation and enhanced the geological understanding of the carbonatite complex in support of the ongoing resource definition work.

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Assay results were also received relating to short-range variability testing which was completed in the eastern zone of the carbonatite. This drilling comprised 15 RC drillholes (LURC23-251 to 265) at an average spacing of 28m between holes (Figure 4). The program was the basis of an important study to inform the Mineral Resource estimation process. Analysis of the results suggests that niobium mineralisation is continuous over shorter-ranges and provides further confidence in the current drill spacing. Two of the reported diamond drillholes were completed as twins (or close-spaced) to RC drillholes.

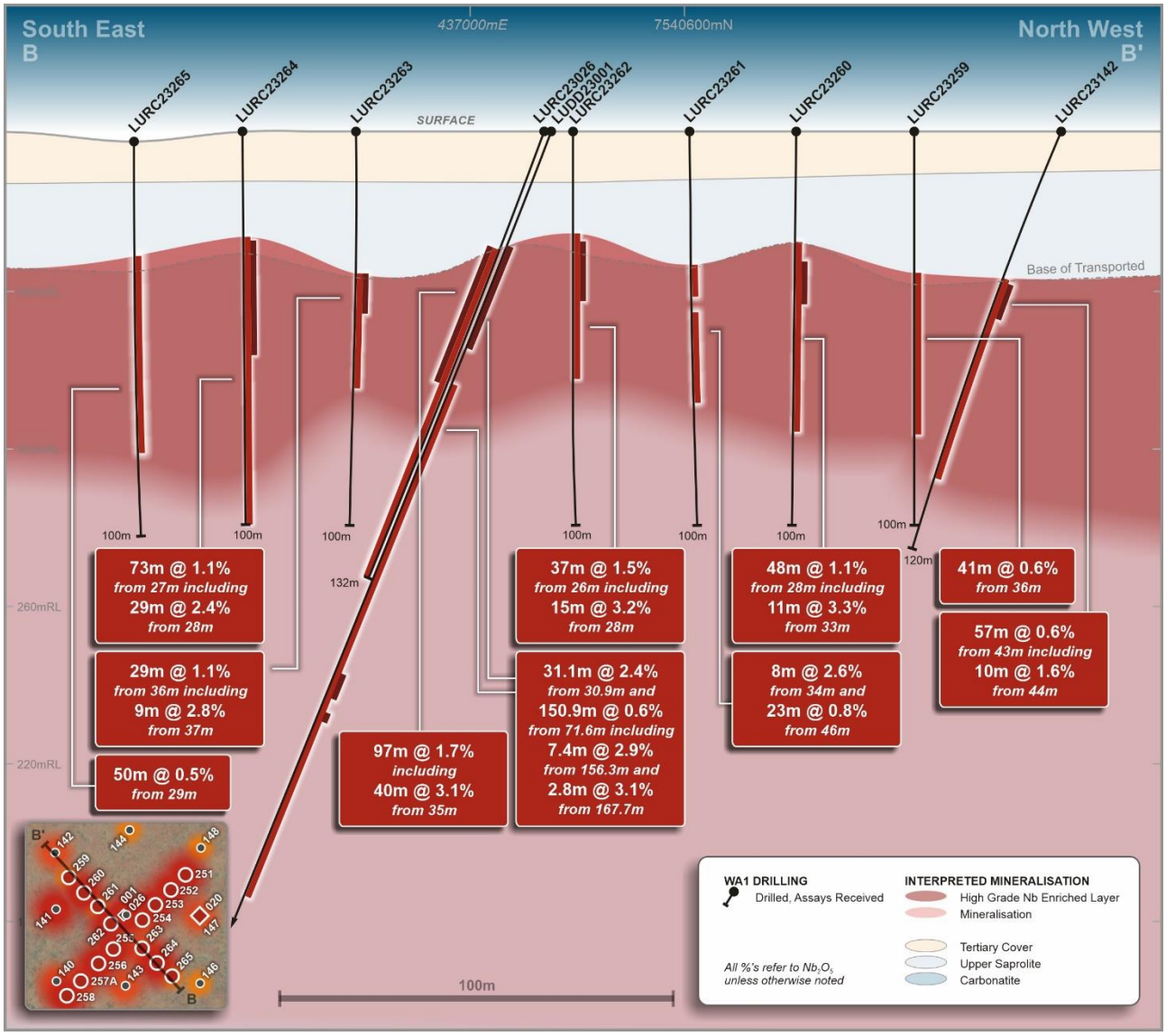

Figure 4: Simplified-section B-B' looking south-west with new significant intersections

Current Metallurgical Testwork Programs

During the quarter, the Company announced it commenced flotation testwork on diamond core samples at an international laboratory with experience in niobium beneficiation. This program is expected to run for approximately five months. In parallel, the Company commenced physical beneficiation and flotation testwork utilising internal expertise and local laboratories.

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The primary objective of this initial testwork is to demonstrate the ability to concentrate niobium bearing minerals via flotation from a single sample point in the east of Luni. If successful, the flotation regime will subsequently be optimised for that sample point. Testing will then proceed to assess any variability throughout the deposit from samples sourced from other parts of Luni. Drilling at Luni in 2024 will initially be focused on acquiring sufficient samples for this variability testwork to be undertaken in the second half of this year.

Following the above testwork, flotation will be tested with other processes to achieve the objective of producing a concentrate suitable for taking into the intermediate processing and final conversion steps for the production of ferroniobium.

The subsequent processing and conversion of niobium concentrate to an end-product is planned in later testwork programs. This step is generally regarded as being a high-recovery and lower-risk process once concentration has been achieved.

Appointment of Niobium Processing Advisor

On 21 February 2024, the Company announced that it had formally appointed Clovis Sousa as Niobium Processing Advisor to work alongside recent key internal appointments and further enhance the Company's overall technical capabilities.

Mr Sousa, who resides in Brazil, is a metallurgist with over 33 years' experience working at CBMM, the world's largest niobium producer. He was most recently head of the industrial production activities of CBMM which included oversight of mining operations, ore processing, conversion, and metallurgical and chemical processing for ferroniobium and specialty products (such as niobium oxides).

Other Projects

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 eight granted Exploration Licences 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.

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.

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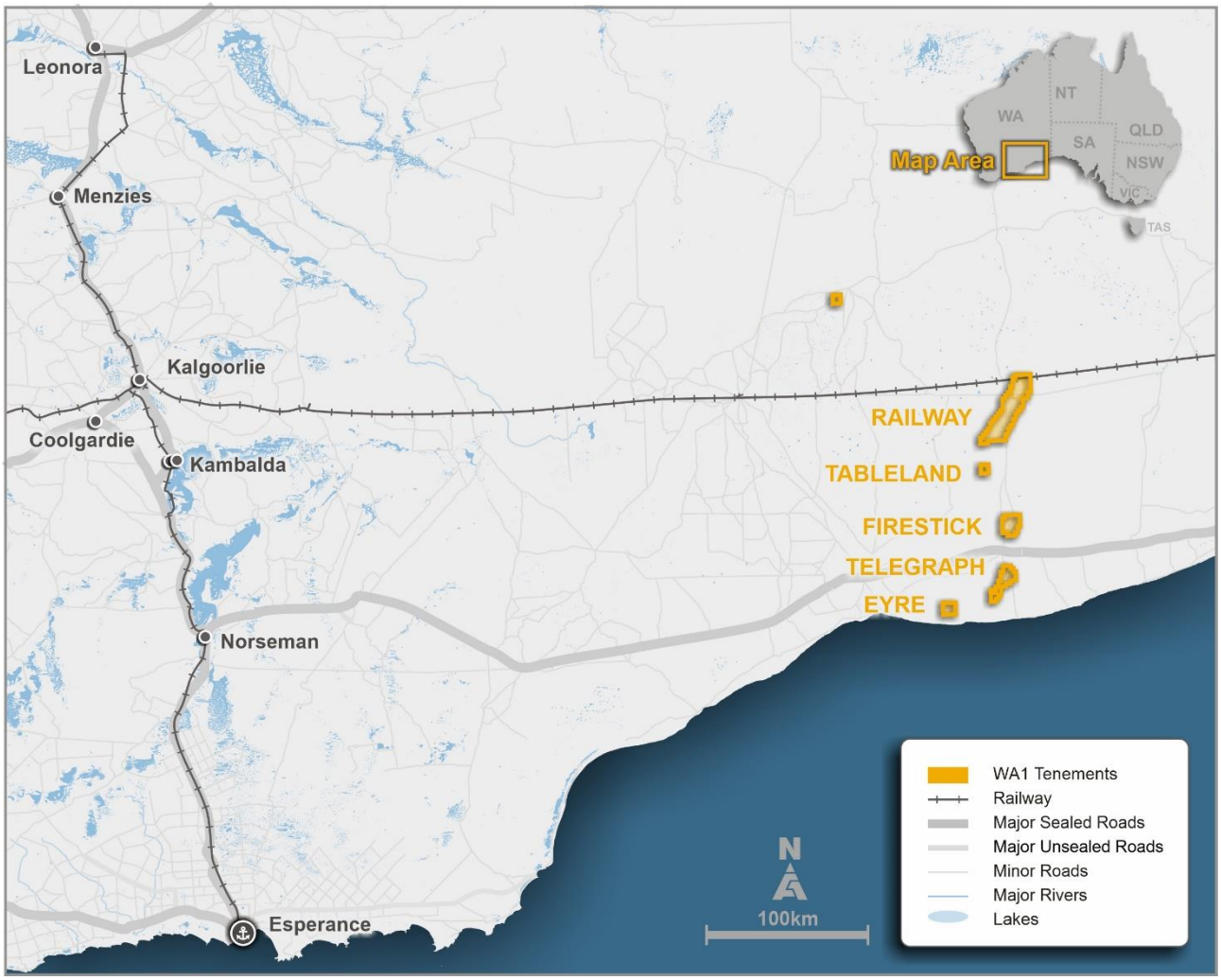

Figure 5: Madura Project tenements plan

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.

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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

On 18 January 2024, the Company announced it had received firm commitments for a placement to raise proceeds of $40 million (before costs) at an issue price of $10.00 per share, which represented a 5.5% discount to the 30-day VWAP of WA1 shares. A total of four million new shares were issued under the placement to institutional, sophisticated and professional investors. The new shares were issued under ASX Listing Rule 7.1 and following the placement the Company has a total of approximately 61.3 million shares on issue.

On 5 March 2024, the Company released its interim financial statements for the half year ended 31 December 2023.

At quarter-end the Company held approximately $53 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.

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 March 2024 $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 expenses of $3,281,859 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.

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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 2024 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	97,125	97,125
Executive Director Salary & Superannuation[1]	111,000	77,700
Non-Executive Director Fees	41,625	41,625
Company Secretarial Fees	12,487	12,488
Tali Resources Pty Ltd[2]	-	6,301
Total payments to related parties of the entity and their associates	**262,238**	**235,239**

1. *Current quarter includes Short Term Incentive payment*
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 March 2024

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%	-
E80/5651	Hidden Valley	WA1	Granted	WA	100%	-

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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.

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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 and develop 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 March 2024

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	(431)	(1,191)
	(e) administration and corporate costs	(766)	(2,614)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	442	796
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)	445	1,395
1.9	**Net cash from / (used in) operating activities**	**(310)**	**(1,614)**

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	(3,282)	(14,644)
	(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	-	-
	(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**	**(3,282)**	**(14,586)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	40,000	55,180
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	(2,139)	(2,950)
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)	(45)
3.10	**Net cash from / (used in) financing activities**	**37,846**	**52,185**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	18,729	16,998
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(310)	(1,614)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,282)	(14,586)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	37,846	52,185

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**	**52,983**	**52,983**

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	52,983	18,730
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)**	**52,983**	**18,730**

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	262
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)	(310)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3,282)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,592)
8.4	Cash and cash equivalents at quarter end (item 4.6)	52,983
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	52,983
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	14.8

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: 8 April 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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