

Monday, 24th June 2024

A\$18.8 Million royalty package for the Storm Copper Project, Canada

Non-dilutive financing secured from leading royalty fund to support exploration and development at Storm

- Binding agreement entered with Taurus Mining Royalty Fund L.P. (**Taurus**) to provide US\$12.5 million (A\$18.8 million¹) in exchange for a royalty package over the Storm Copper Project
- The following funding will be advanced by Taurus:
 - US\$5m (A\$7.5m) upon signing of formal documentation and financial close
 - US\$3.5m (A\$5.25m) upon delivery of a PFS for Storm and submission of permitting documents for a development at Storm
 - US\$4m (A\$6m) upon announcement of an increase in the JORC compliant resource for Storm to at least 400,000 tonnes of contained copper at a resource grade of at least 1.00% Cu
- Taurus will be granted a new 0.95% gross override royalty (GOR) from all production at Storm
- Funding under the royalty package will be allocated to American West Metals and Aston Bay Holdings in accordance with their respective interests under the unincorporated joint venture for Storm, being 80% for American West Metals and 20% for Aston Bay Holdings
- American West Metals will use its proceeds from the royalty funding to:
 - Accelerate the Storm 2024 resource expansion and exploration programs, with the 20,000m summer drilling program now underway
 - Bring forward the logistics for the 2025 field activities with supplies delivered to site via sealift in 2024 (offering significant savings on the cost of the 2025 program)
 - Expediate the completion of ESG, mining and development studies
- The royalty funding is non-dilutive to the Company's capital structure compared to conventional equity funding and provides American West with a robust balance sheet going forward

American West Metals Limited (**American West** or the **Company**) (ASX: AW1 | OTCQB: AWMLF) is pleased to announce that the Company has entered into a binding agreement with Australian-based Taurus Mining Royalty Fund L.P. (**Taurus**) whereby Taurus will provide funding of up to US\$12.5 million (A\$18.8 million¹) under a royalty package for the Storm Copper Project.

¹ Based on AUD:USD exchange rate of 1:1.5.



Dave O'Neill, Managing Director of American West Metals, commented:

"We are very pleased to have secured royalty funding to support the advancement of the Storm Copper Project. The royalty financing provides American West with a substantial quantum of funds on terms that are considerably more attractive and less dilutionary than alternative equity funding."

"The investment from Taurus is a strong endorsement of the potential at Storm, and recognises the strong foundations for growth established by the exploration and resource delineation work conducted by American West to date."

"The Company is now well positioned to accelerate the 2024 and 2025 work programs at Storm, with the 2024 summer drilling program now in full swing. This puts American West in a strong position to grow shareholder wealth as the demand outlook for copper reaches all-time highs."

Michael Davies, Taurus Chief Investment Officer, also commented:

"We are delighted to be furthering our involvement with the Storm Copper Project which is rapidly emerging as a high-grade, district-scale copper project. We look forward to working with the American West Metals team as they continue to grow Storm's copper endowment and advance the project to production in the coming years."

KEY ROYALTY TERMS

The key terms of the Taurus royalty package are set out below:

1. US\$12.5 million funding

Funds will be advanced at the following stages:

- (a) US\$5 million on signing of formal documentation and financial close.
- (b) US\$3.5 million upon delivery of a pre-feasibility study for Storm and submission of permitting documents for a development at Storm.
- (c) US\$4 million upon delivery of a resource increase in the JORC compliant resource for Storm to at least 400,000 tonnes of contained copper at a resource grade of at least 1.00% Cu.

2. Royalty

Taurus will be granted the following royalties over Storm:

- (a) A 0.95% GOR on the sale of all product from Storm.
- (b) A 0.50% GOR over any additional mineral rights acquired by American West within 5km of the current extents of the Storm Project ("AOI Royalty").

The 0.95% GOR, together with the historical 0.875% GOR over Storm acquired by Taurus from a third party earlier this year, will give Taurus a total 1.825% GOR over Storm. (The historical 0.875% GOR was held by Commander Resources Inc, a previous owner of the Storm Project).



The historical GOR included a buyback right whereby the GOR could be reduced from 0.875% to 0.475% by payment of C\$4 million. This buyback right will be cancelled as part of the new royalty arrangements.

Taurus will have the right to match any royalty or streaming transaction associated with the Storm Project up until 12 months following the declaration of commercial production at the Project.

The new royalty arrangements will be documented in formal documentation that will reflect the above commercial terms and will contain such other terms and conditions that are customary for royalty financings of this kind.

The royalty arrangements with Taurus do not impose any royalty on American West's other projects, namely the West Desert and Copper Warrior Projects in Utah, USA.

ABOUT THE STORM COPPER PROJECT

The Storm Copper Project is located on Somerset Island, Nunavut, Canada. The Project covers an area of over 2,200 square kilometres within the Polaris mineral district, and is just 120km south of Resolute Bay, the regional community and logistics hub.

Aston Bay is a deep-water bay located on the Northwest Passage, a seasonal ice-free waterway historically used to ship concentrate from the World Class Polaris and Nanisivik zinc – lead mines. Excellent facilities, including a 50-person camp, are in place to enable exploration and resource activities to be undertaken.

American West owns 80% of the Storm Project, and partners with Aston Bay Holdings (TSX:BAY) who own 20% of the Project.

Maiden Resource Estimate

American West delivered a maiden independent JORC Code - 2012 Indicated and Inferred Mineral Resource Estimate (MRE)¹ for the Storm Project in January, 2024. The MRE consists of **17.5Mt @ 1.2% Cu and 3.4g/t Ag**, which includes 205Kt of copper and 1.9Moz of silver.

The maiden MRE for the Storm Project has delivered the foundations to what American West Metals believe will be a globally significant copper district.

Immediate Resource Upside Potential

The shallow copper mineralisation within the Storm Deposits is open in all directions. The host stratigraphy and structures have been shown to be laterally and vertical extensive and therefore rank as high priority areas for resource growth.

Additionally, the high-grade 2023 copper discoveries at Thunder (**48.6m @ 3% Cu in ST23-03**), Lightning Ridge (**15.2m @ 2.3% Cu and 15.2m @ 2.1% Cu in ST23-52**) and Cyclone North (**7.6m @ 1% Cu in ST23-55**) are not yet included in the MRE. These target areas present as immediate opportunities to further expand the resources at Storm.

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Growth and Exploration Strategy

There is also outstanding potential to grow the mineralised footprint of copper mineralisation outside of the Storm area.

Only 5% of the prospective, 100km long copper belt within the project area has been explored with focused geophysics and drilling, with numerous copper rich gossans already discovered within the regional Tornado, Blizzard, and Tempest Prospect areas.

Exploration and drilling are currently underway and is focused on two clear strategies:

- Expansion of existing, and definition of new copper resources in the Storm area, and,
- Exploration to generate and test new targets within the Storm area, and to expand the exploration into the Tornado, Blizzard and Tempest areas.

This strategy will aim to deliver organic resource growth and further new discoveries of high-grade copper as we demonstrate the global significance of the Storm Project.

Direct Shipping Ore (DSO) potential

The near-surface mineralisation at Storm is high-grade and amenable to simple beneficiation techniques. Test work using full scale ore sorters and inline pressure jigs has produced spectacular results from typical Storm mineralisation by generating high-grade copper products.

This technology and process pathway has the potential to remove the need for a traditional floatation plant and associated tailings facility, reducing the operating footprint and significantly lowering capital.

Scoping level activities are currently underway to optimise and refine the process further.

This announcement has been approved for release by the Board of American West Metals Limited.

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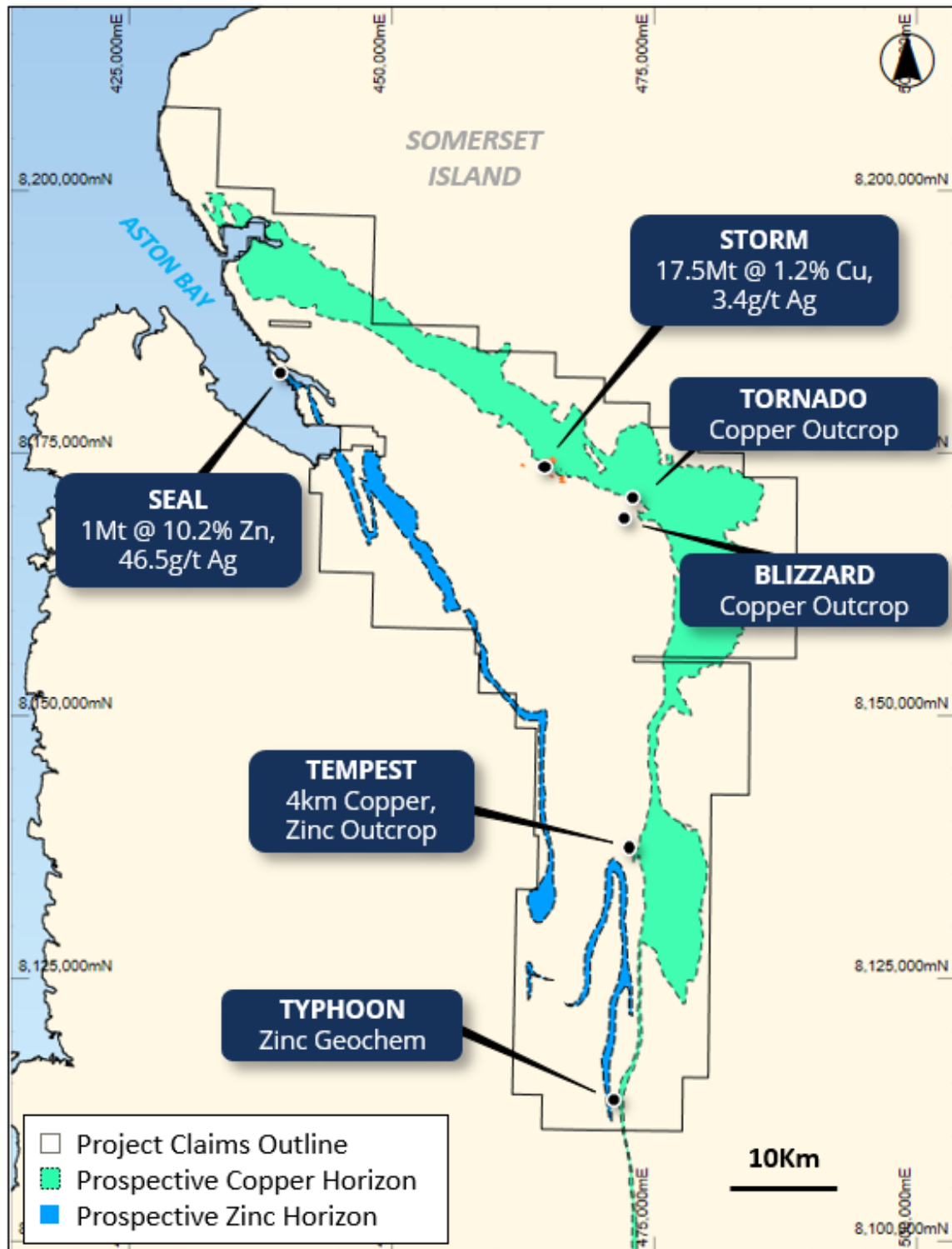


Figure 1: Map of the Project area showing the known copper and base metal deposits/prospects.



ASX Listing Rule 5.12

The Company has previously addressed the requirements of Listing Rule 5.12 in its Initial Public Offer prospectus dated 29 October 2021 (released to ASX on 9 December 2021) (Prospectus) in relation to the 2016 Foreign Seal MRE at the Storm Project. The Company is not in possession of any new information or data relating to the Seal Deposit that materially impacts on the reliability of the estimates or the Company's ability to verify the estimates as mineral resources or ore reserves in accordance with the JORC Code. The Company confirms that the supporting information provided in the Prospectus continues to apply and has not materially changed.

This ASX announcement contains information extracted from the following reports which are available on the Company's website at <https://www.americanwestmetals.com/site/content/>:

- 29 October 2021, Prospectus

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in the Prospectus. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the prospectus.

Competent Person Statement – Exploration Results

The information in this Announcement that relates to Exploration Results is based on information compiled by Mr Dave O'Neill, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr O'Neill is employed by American West Metals Limited as Managing Director, and is a substantial shareholder in the Company.

Mr O'Neill has sufficient experience that is relevant to the styles of mineralization and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The Company confirms that it is not aware of any new information or data that materially affects the results included in the original market announcements referred to in this Announcement and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The ASX announcement contains information extracted from the following reports which are available on the Company's website at <https://www.americanwestmetals.com/site/content/>:

- | | |
|--------------------|---|
| • 21 May 2024 | Thick New Coppe Zones Defined at Storm |
| • 7 May 2024 | Storm Exploration Update |
| • 22 April 2024 | Exploration Underway at the Storm Copper Project |
| • 26 March 2024 | Exploration set to Commence at Storm Copper |
| • 26 February 2024 | Resource and Exploration Activities Set for Storm |
| • 11 October 2023 | Emerging Camp-Scale Opportunity at Storm |

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Competent Person's Statement – JORC MRE

The information in this announcement that relates to the estimate of Mineral Resources for the Storm Project is based upon, and fairly represents, information and supporting documentation compiled and reviewed by Mr. Kevin Hon, P.Geo., Senior Geologist, Mr. Christopher Livingstone, P.Geo, Senior Geologist, Mr. Warren Black, P.Geo., Senior Geologist and Geostatistician, and Mr. Steve Nicholls, MAIG, Senior Resource Geologist, all employees of APEX Geoscience Ltd. and Competent Persons. Mr. Hon and Mr. Black are members of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), Mr. Livingstone is a member of the Association of Professional Engineers and Geoscientist of British Columbia (EGBC), and Mr. Nicholls is a Member of the Australian Institute of Geologists (AIG).

Mr. Hon, Mr. Livingstone, Mr. Black, and Mr. Nicolls (the "APEX CPs") are Senior Consultants at APEX Geoscience Ltd., an independent consultancy engaged by American West Metals Limited for the Mineral Resource Estimate. The APEX CPs have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". The APEX CPs consent to the inclusion in this announcement of matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the results included in the original market announcements referred to in this Announcement and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.

The ASX announcement contains information extracted from the following reports which are available on the Company's website at <https://www.americanwestmetals.com/site/content/>:

- 30 January 2024 Maiden JORC MRE for Storm



Forward looking statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified using forward-looking words such as “may,” “will,” “expect,” “intend,” “plan,” “estimate,” “anticipate,” “continue,” and “guidance,” or other similar words and may include, without limitation, statements regarding plans, strategies, and objectives of management.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance, and achievements to differ materially from any future results, performance, or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events, or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements, or events not to be as anticipated, estimated, or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in this announcement speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

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ABOUT AMERICAN WEST METALS

AMERICAN WEST METALS LIMITED (ASX: AW1) is an Australian clean energy mining company focused on growth through the discovery and development of major base metal mineral deposits in Tier 1 jurisdictions of North America. Our strategy is focused on developing mines that have a low-footprint and support the global energy transformation.

Our portfolio of copper and zinc projects in Utah and Canada include significant existing resource inventories and high-grade mineralisation that can generate robust mining proposals. Core to our approach is our commitment to the ethical extraction and processing of minerals and making a meaningful contribution to the communities where our projects are located.

Led by a highly experienced leadership team, our strategic initiatives lay the foundation for a sustainable business which aims to deliver high-multiplier returns on shareholder investment and economic benefits to all stakeholders.

