

23 January 2024

DECEMBER QUARTERLY REPORT

Western Yilgarn NL (ASX: WYX) ("Western Yilgarn" or "the Company") is pleased to provide its Quarterly Report for the three-month period ending 31st December 2023.

HIGHLIGHTS

- A successful December Quarter with significant progress at the Company's key projects – Julimar West and Bulga – has strongly positioned the Company in the Yilgarn Craton and Ida Fault regions of Western Australia.
- At Julimar West, the grant of the Julimar West Exploration Licence – ELA 70/5111 – an extensive permit of 348.7km² located within 2.5km of the world-class Gonneville Ni-Cu-PGE discovery enables exploration activities to commence.
- At the Bulga Project key Ni-Cu-PGE and LCT Pegmatite targets were identified which together with successful lease applications established a significant holding (477km) in the highly prospective Ida Fault region of Western Australia where recent LCT pegmatite results from neighbouring TECHGEN Metals Ltd (ASX:TG1, refer announcement 10/11/23) identified the prospectivity of Ida Fault region
- Access arrangements including permits to work are underway and exploration activities planned for both Julimar West and Bulga.

Peter Lewis, Chairman of Western Yilgarn commented:

"It has been an exciting December Quarter which has highlighted the significance of our two key projects – Julimar West and Bulga. The much awaited grant of Julimar West, a project within 2km of the world-class Gonneville discovery enables us to pursue access and undertake initial exploration activities. In addition, the impressive progress and enhancement of our Bulga Project which has been successfully increased in size means that the Company holds a significant position in the sought after Ida Fault region of Western Australia.

Planned exploration activities at both projects in the coming quarters will further cement the Western Yilgarn's status as an emerging exploration company in highly prospective regions of Western Australia."

PROJECTS

Western Yilgarn has 5 exploration projects with a total area of 1,527km² (including application areas) located across Western Australia.

The projects are prospective for Ni-Cu-Co-PGE, Au and Li and include:

- **Bulga Ni-Cu-Li-Au**
- **Julimar West Ni-Co-PGE**
- **Boodanoo Li-Ni**
- **Sylvania Li-Cu-Au**
- **Melbourne Cu-Au.**



Figure 1 – Location of Western Yilgarn's exploration portfolio in Western Australia.

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Julimar West Project (ELA 70/5111)

In November, Western Yilgarn was delighted to advise that the WA Government had granted the Julimar West Exploration Licence (EL 70/5111) located adjacent to Chalice Mining's (ASX: CHN) Julimar Ni-Cu-PGE Project (Figure 3) in Western Australia.

Chalice Mining's Julimar Project contains the world-class 3MT NiEq Gonneville Mineral Resource Estimate (CHN ASX Announcement 31 July 2023). Importantly, the Gonneville Intrusion is located less than 2.5km east of the Julimar West Project tenement border, with the Chalice interpreted fault running into the Julimar West Project area and mineralisation dipping towards the Julimar West Licence.

The Department of Mines, Industry Regulation and Safety (DMIRS) granted the Julimar West Licence (EL70/5111) to Western Yilgarn for a standard period of 5 years on conditions considered standard for a tenement of this nature, including sub-surface rights only in relation to private land, Ministerial consent required prior to exploration on reserves and the requirement to enter into the Noongar Standard Heritage Agreement as prescribed by the South West settlement ILUA. (Refer to WYX's IPO Prospectus dated 7 February 2022 for further details including the independent solicitor's report from page 203.)

The granting of EL70/5111 enables Western Yilgarn to commence planned exploration activities, which will initially comprise a helicopter borne electro-magnetic survey to define disseminated massive sulphide targets to over 500m vertical depth. This type of survey has been utilised by WYX's neighbors, Chalice, to effectively highlight the Gonneville intrusion as reported in publicly available information released by Chalice (WYX ASX Announcement 21 August 2023).

The prospectivity of the Julimar West Exploration Licence had previously attracted Chalice and Caspin Resources (ASX: CPN) to also make applications over land within EL 70/5111. However, with the granting of EL 70/5111 to Western Yilgarn, the applications are now void.

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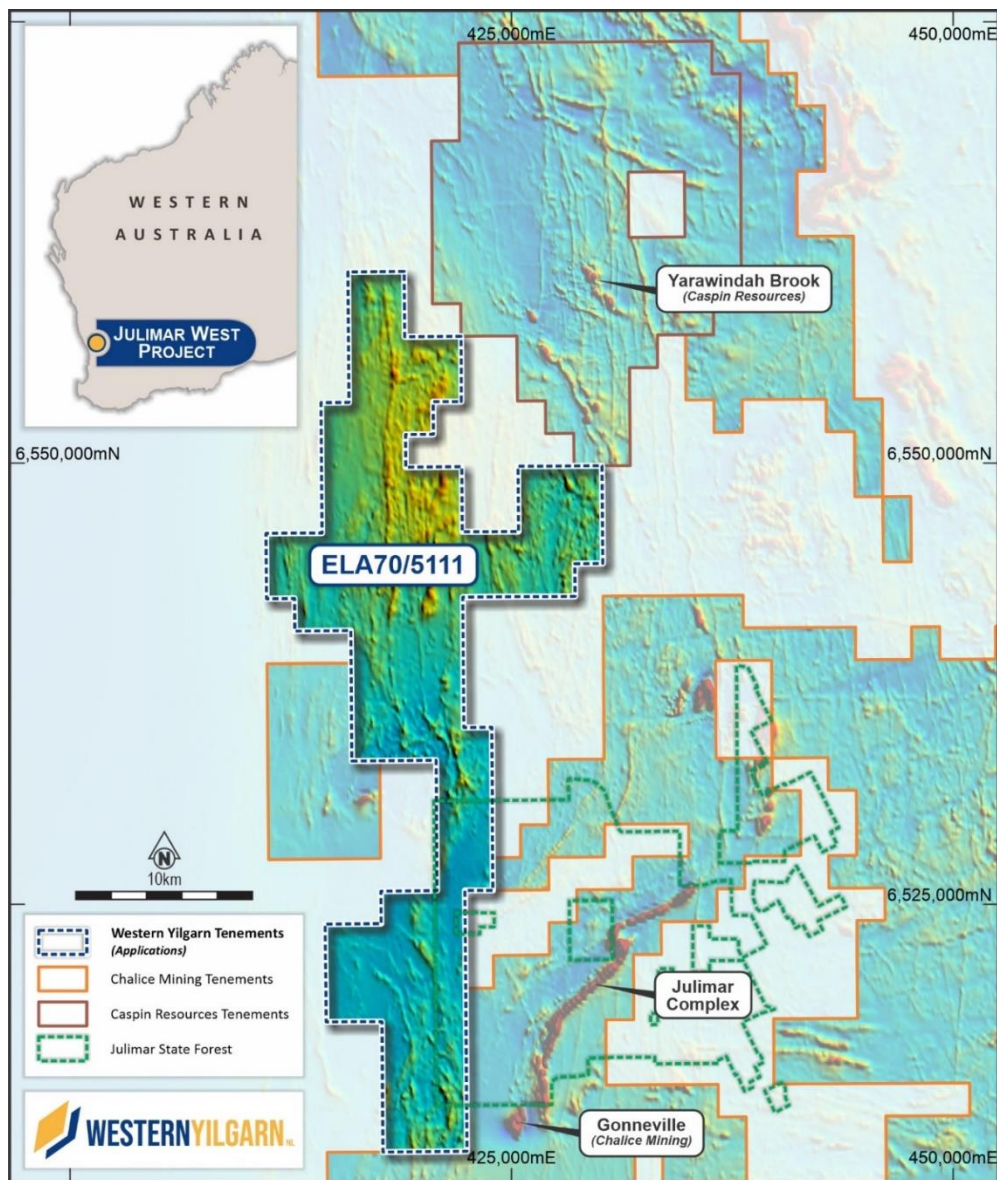


Figure 2 – Julimar West Regional Location Map

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Bulga Project

The Bulga Project is located ~50km to the southwest of Gold Fields' Agnew Gold Project and is centred on Pinnacles Station. The Project comprises four granted contiguous exploration licences and two applications which cover a combined area of ~477km².

The Bulga Project is located near two Tier 1 world-class nickel projects operated by BHP (ASX:BHP), the Leinster and Mt Keith operations, along with several 2Moz+ gold operations including the Agnew, Lawlers and Bellevue mining operations. Bulga is also ~60km north of Delta Lithium's (ASX:DLI) Mt Ida Lithium Project (12.7Mt @ 1.2% Li₂O reported in October 2022) and ~90km south of Liontown Resources' (ASX:LTJ) Kathleen Valley Lithium Project (156Mt at 1.4% Li₂O (as of April 2021)).

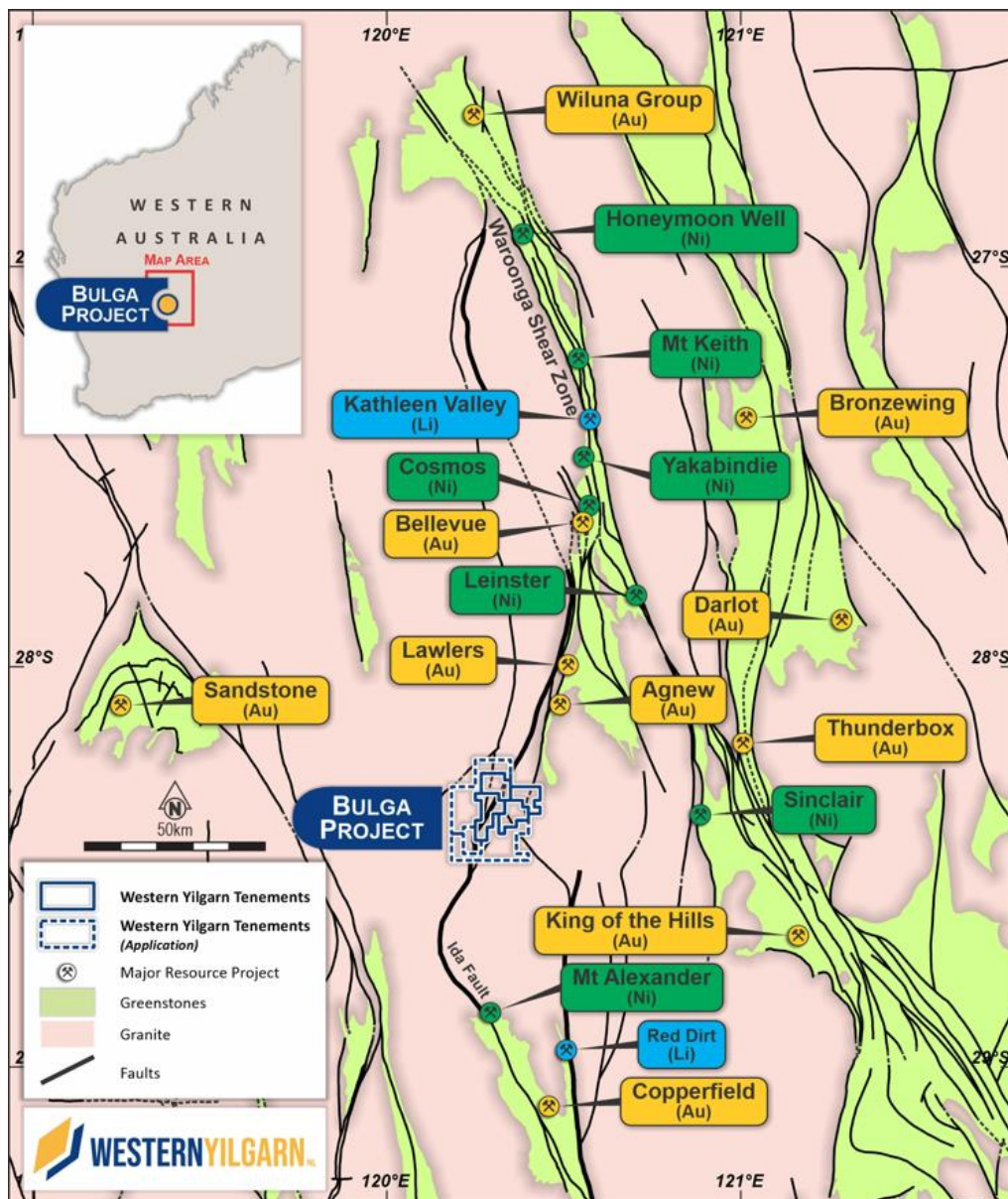


Figure 3 – Bulga Project Location

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Exploration Program

Exploration at the Bulga Project continued during the quarter with Western Yilgarn providing an update on its ongoing auger geochemistry and mapping program at its prospective project. Subsequently, Phase 3 infill drilling progressed to completion on December 15th with all 1338 points drilled by the auger team. All uplifted samples were freighted to Perth before the team demobilised.

The total number of holes drilled on the Company's original four licences (E 36/1010; E 36/1011; E 36/1025; and E 36/1028) now stands at ~3,684. The infill component of the drilling program provides an auger grid of 200m x 100m spacing across identified targets, with additional infill to 100m x 50m planned prior to RC drilling in 2024.

The recently completed round of auger geochemistry is infill focused and designed to provide greater clarity of the highly alluring first and second round results achieved from the previous broader grid pattern. Importantly, Western Yilgarn plans to apply the same style of auger geochemistry exploration across two more Bulga leases which were granted in December:

- **E 36/1065 – a ~136km² lease contiguous to existing leases and sharing northern, eastern, and western boundaries**
- **E 36/1066 – a ~138km² lease contiguous to existing leases and sharing southern, eastern, and western boundaries.**

The granting of E 36/1065 and E 36/1066 increases the Company's granted lease area at Bulga to ~477km. Both were selected by Western Yilgarn for further follow up owing to the prospectivity arising from first-pass exploration activities by the Company.

Western Yilgarn is preparing a Permit of Work (POW) application to ensure exploration activity can commence on the newly granted licences in early 2024. Future exploration work may include:

- Geophysics
- Geochemical
- EM Survey
- Soil sampling
- AC / RC Drilling Program.

Geological Setting

The Bulga Project is located along the interpreted trend of the Ida Fault, which in turn is interpreted to be a fundamental, early steep structure effectively marking the boundary between the Eastern Goldfields Super Terrane in the east and the Youanmi Terrane to the west. The Ida Fault structure locally becomes the Mt Goode Rift, which hosts the Cosmos mineralised complex. Bulga stratigraphy is interpreted to be contiguous with the Cosmos trend.

The northward continuation can be traced on the west side of the Agnew-Wiluna greenstone belt as the Wahroonga Shear Zone (a locally important Au-associated structure), whilst the southern continuation correlates with the western margin to the Coolgardie, Widgiemooltha, and Chalice greenstone belts (Weinberg et al., 2002).

The Bulga Project geology comprises mainly granite with minor greenstone rocks adjacent to the Mt Ida fault. The main greenstone sequence consists of two prominent magnetic units (at least on a semi-regional scale) which appear to merge to the south. The belt has been sparsely drilled and the greenstone sequence appears to have an interpreted maximum thickness of approximately 1,000m. Mapping is difficult due to cover and all interpretation has been via magnetic data and limited drilling.

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Sylvania Project

The Company's Sylvania Project is located south of Newman in Western Australia's Pilbara region. The 370km² Sylvania Project comprises two non-contiguous exploration leases E52/3861 "Sylvania North" with an area of ~135km², and E52/4177 "Sylvania South" with an area of 235km².

The Sylvania South Project is located around 70km south of Newman in Western Australia's highly prospective Pilbara region and in close proximity to Capricorn Metal's (ASX: CMM) Karlawinda Gold Mine and BHP's (ASX: BHP) Mt Whaleback and Jumblebar Fe mines.

In October, the Company's collaborative partnership with Karlka Nyiyaparli Aboriginal Corporation (KNAC) expanded into the arena of field operations for the first time. KNAC's observer staff accompanied the WYX team through a first-pass, low impact exploration campaign which enabled the Company to successfully complete first pass systematic stream sediment sampling at the Sylvania South Project. 31 samples were uplifted for assay, giving 90% coverage of the permit located ~5km southwest of the Karlawinda Gold Mine.

The KNAC team comprised representatives of the Traditional Owners (TO) and observers Stanley Watson and Gavin Jackson, combined with Western Yilgarn's Beau Nicholls (Geologist) and Gavin Rutherford (General Manager) to spend 3 days undertaking first pass systematic stream sediment sampling at the Sylvania South project.

Western Yilgarn warmly acknowledges the Company's collaborative partnership with Karlka Nyiyaparli Aboriginal Corporation (KNAC). Together, WYX and KNAC may identify not only areas of geological significance but areas or items of cultural significance across the Sylvania tenements.



Figure 4 – Western Yilgarn General Manager Gavin Rutherford (centre) with observers Stanley Watson (right) and Gavin Jackson (left)

Gavin Rutherford, General Manager of Western Yilgarn said of the site visit, *"It was rewarding to spend time with Gavin and Stanley not just in terms of building a great relationship, but also to garner a better understanding of the best way to carry out our exploration on their land. The field operations served as a symbiotic way to combine*

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respect for and observance to tradition and minimal intrusion whilst satisfying shareholder requirements was achieved. This is the foundation of how we can move forward with smiles on all faces.”

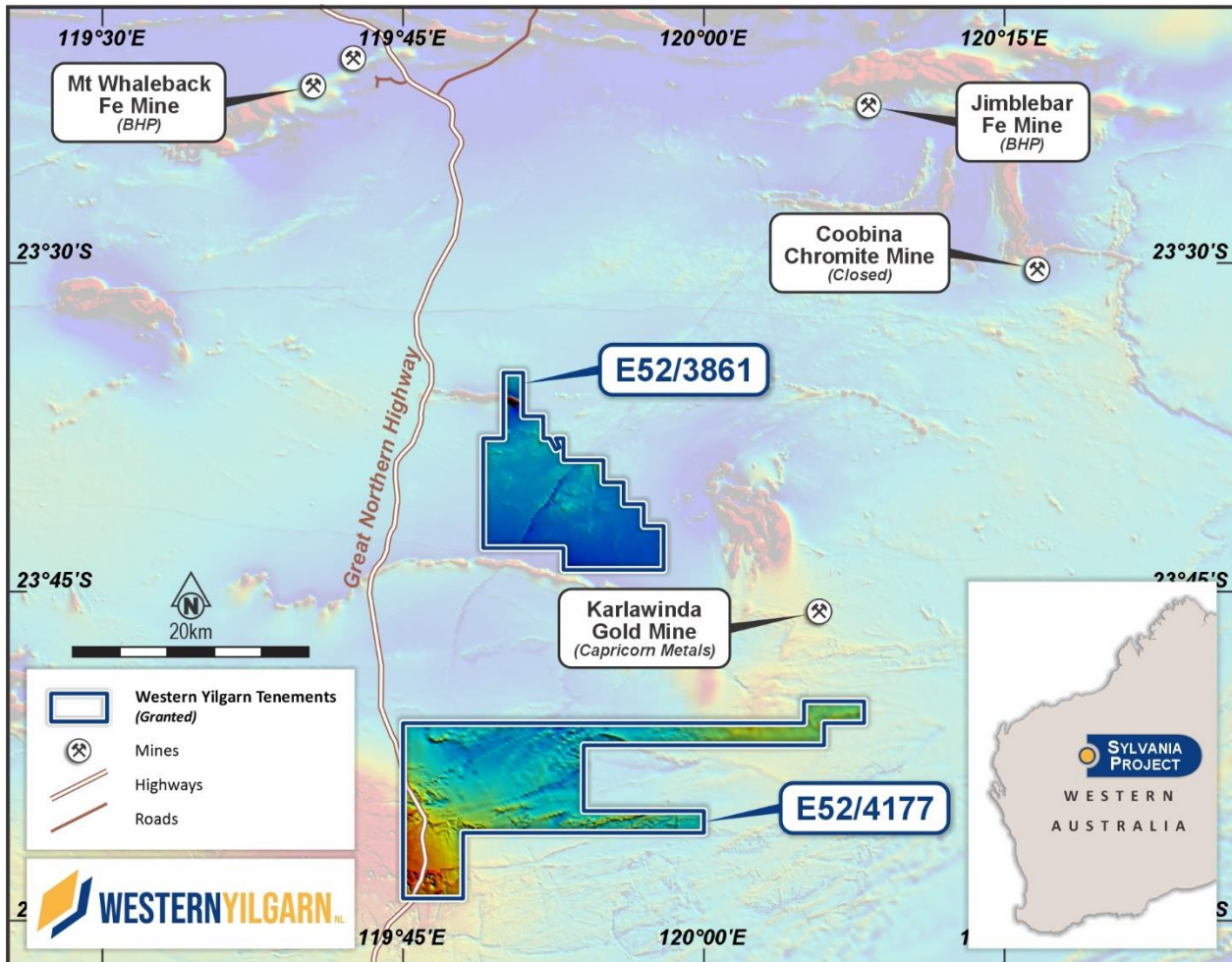


Figure 5 – The Sylvania North and South Projects in relations to nearby mines in the Pilbara region

Other Projects

No work was carried out at the Melbourne or Boodanoo Projects during the quarter.

Corporate

Annual General Meeting

Western Yilgarn held its Annual General Meeting (AGM) on 21 November 2023 where all resolutions were duly passed. For full information pertaining to the resolutions please see ASX Announcement 21 November 2023, Results of Annual General Meeting.

Appendix 5B Quarterly Report and Statement of Cashflows

The ASX Appendix 5B quarterly report is attached to and lodged with this report and covers the 3-month period from 1 October 2023 to 31 December 2023.

During the Quarter, the Company spent a total of \$190k on exploration expenditure, \$44k on staff costs and \$161k on administration and corporate costs. Investing activities during the quarter included \$50k for the acquisition of site plant and equipment. Financing activities during the Quarter totaled \$22k in relation to the lease of the Company's office which is accounted for as a finance lease.

Payments to Related Parties

In accordance with ASX Listing Rule 5.3.5, an amount of \$41k was paid to Directors of the Company.

ASX Listing Rule 5.3.4 Disclosure

The Company was readmitted to the official list of ASX on 4 May 2022 (Readmission). As part of the Company's re-listing on the ASX, it issued a prospectus dated 7 February 2022 which disclosed the Company's intended use of funds in the 24-month period following Readmission (Use of Funds Statement).

A comparison of the Company's actual expenditure since Readmission against the estimated expenditure noted within the Use of Funds Statement is set out below in accordance with ASX Listing Rule 5.3.4:

Expense	Proposed Use of Funds	Actual expenditure to 31 December 2023	Variance (AUD)
Exploration Expenditure (2 years)	\$2,320,000	\$1,542,381	\$777,619
Expenses of the recapitalisation process and the Offer	\$797,186	\$799,741	(\$2,555)
General and administrative costs (2 years)	\$750,000	\$1,054,340	(\$304,340)
Working capital (2 years)	\$1,018,413	\$69,819	\$948,594
Total	\$4,885,599	\$3,466,281	\$1,419,318

Authorised for release by the Board of Western Yilgarn NL.

The information contained in this announcement relates to the following ASX announcements which are referred to in this Quarterly Activities Report:

- ASX Announcement 2 October 2023, Annual General Meeting Information
- ASX Announcement 27 October 2023, Stream Sediment Sampling completed at Sylvania Project
- ASX Announcement 14 November 2023, Julimar West Exploration Licence Granted
- ASX Announcement 16 November 2023, Bulga Project – Exploration Update
- ASX Announcement 21 November 2023, Results of Annual General Meeting
- ASX Announcement 18 December 2023, Bulga Applications Granted Increasing Lease Area by 126%

For further information please contact:

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Forward Statements

This release includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's planned exploration programs and other statements that are not historical facts. When used in this release, the words such as "could", "plan", "estimate", "expect", "anticipate", "intend", "may", "potential", "should", "might" and similar expressions are forward-looking statements. Although the Company believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve known and unknown risks and uncertainties and are subject to factors outside of the Company's control. Accordingly, no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Person Statement

The reported Exploration Results were compiled by Beau Nicholls, a Fellow of the Australian Institute of Geoscientists. Mr. Nicholls has 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'. Mr. Nicholls is a principal Consultant with Sahara Operations (Australia) Pty Ltd, and the Competent Person is independent of the Company and other than being paid fees for services in compiling this report, neither has any financial interest (direct or contingent) in the company.

Mining Tenements as at 31st December 2023

In accordance with ASX Listing Rule 5.3.3, the mining tenements held at the end of the quarter, acquired and disposed of during the quarter and their location is:

Location	Tenement	Name	Status	Acquired interest during the quarter	Disposed interest during the quarter	Interest at the end of the quarter
WA	ELA70/5111	Julimar West	Granted	-	-	100%
WA	E52/3861	Sylvania North	Granted	-	-	100%
WA	E52/4177	Sylvania South	Granted	-	-	100%
WA	E59/2496	Boodanoo	Granted	-	-	100%
WA	E36/1010	Bulga	Granted	-	-	100%
WA	E36/1011	Bulga	Granted	-	-	100%
WA	EL36/1025	Bulga	Granted	-	-	100%
WA	E36/1065	Bulga	Granted	-	-	100%
WA	E36/1066	Bulga	Granted	-	-	100%
WA	E 36/1028	Bulga	Granted	-	-	100%
WA	E70/5767	Melbourne	Granted	-	-	100%
WA	E70/5921	West	Granted	-	-	100%
WA	E70/6167	Melbourne	Granted	-	-	100%

JORC Tables

- Not required in this report

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Appendix 5B

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

Name of entity

Western Yilgarn NL

ABN

62 112 914 459

Quarter ended ("current quarter")

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	4	6
1.2	Payments for		
	(a) exploration & evaluation	(190)	(294)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(44)	(84)
	(e) administration and corporate costs	(161)	(252)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	7	16
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (movement in case from restricted to not restricted)	(30)	(30)
1.9	Net cash from / (used in) operating activities	(414)	(638)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(50)	(50)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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

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	-	-
2.6	Net cash from / (used in) investing activities	(50)	(50)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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 (Payment for finance lease liabilities)	(22)	(44)
3.10	Net cash from / (used in) financing activities	(22)	(44)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,888	2,134
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(414)	(638)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(50)	(50)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(22)	(44)

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

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	1,402	1,402

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	1,402	1,888
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)	1,402	1,888

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	41
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.		

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)	(414)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(414)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,402
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,402
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.39
<i>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.</i>		
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?	
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?	
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?	
<i>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.</i>		

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: 23 January 2024.....

Authorised by: 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.