

WMG SIGNS MOU TO SUPPLY MAGNESITE FROM MULGA TANK

HIGHLIGHTS

- WMG has entered into a MoU with Magnium Australia to collaborate on the possible supply of magnesite from the Mulga Tank Project
- Magnium is a mineral technology company looking to become a leading producer of low-carbon magnesium metal through the commercialisation of their proprietary Magsonic™ carbothermic reduction process - magnesite is a key feedstock into this process
- The near-surface upper portion of the high MgO dunite forms an altered “magnesite cap” above the Mulga Tank nickel sulphide deposit
- XRD results highlight parts of this oxidised zone contain up to 48% magnesite
- This oxidised domain is currently treated as overburden or waste in the Company’s mineral resource estimate - converting this into a potential revenue stream would increase the economics of the Mulga Tank Project
- Under the MoU WMG will look to define the extent of the “magnesite cap” and provide samples to Magnium for test work
- Subject to successful outcomes WMG and Magnium will look to enter in a formal supply agreement at a later date

Western Mines Group Ltd (WMG or Company) (**ASX:WMG**) is pleased to update shareholders on strategic developments at the Mulga Tank Ni-Cu-Co-PGE Project, on the Minigwal Greenstone Belt, in Western Australia’s Eastern Goldfields. The Company has entered into a Memorandum of Understanding (MoU) with Magnium Australia Pty Ltd (Magnium) under which the two companies will look to collaborate on the possible supply of magnesite ($MgCO_3$) from the Mulga Tank Project.

Magnium is a private mineral technology company working to commercialise their Magsonic™ process to produce low-carbon Magnesium (Mg) metal. Magnium are looking to build a pilot plant at Collie, Western Australia, to demonstrate their proprietary Carbothermic Reduction process with supersonic quenching to extract magnesium metal from magnesium-rich resources. A key potential feedstock into this process is magnesite ($MgCO_3$).

The main body of the Mulga Tank Ultramafic Complex is a high MgO (+45% MgO) dunite intrusive, with coarse grained olivine generally showing adcumulate to extreme adcumulate texture.

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Shares on Issue: 113.75m
Share Price: \$0.19
Market Cap: \$21.61m
Cash: \$3.14m (31/12/25)

The dunite body covers approximately 20km² (~4km x ~5km) and has been shown by drilling to be around ~1,500m thick at its deepest point in the centre. The upper 10-20m of the dunite has been weathered and altered and a “magnesite cap” has formed from the talc carbonate alteration of the olivine. This zone was modelled and domained as oxide “OX” in the Company’s Mineral Resource Estimate (ASX, *Mulga Tank Mineral Resource Over 5Mt Contained Nickel*, 10 April 2025). Recent semi-quantitative XRD results for a number of composite samples taken from within this zone suggest it contains up to 48% magnesite (MgCO₃).

Under the terms of the MoU the two companies have agreed to collaborate together to investigate this oxide zone. WMG will look to establish the extent of the magnesite resource and supply a bulk sample to Magnium for test work in their Magsonic™ process. Assuming successful results in establishing a resource and suitability of the magnesite, and/or other high MgO feedstocks, the companies will look to enter into good faith negotiations in relation to a formal supply agreement under which Magnium may access the Mulga Tank magnesite supply.

Commenting on the Magnium MoU, WMG Managing Director Dr Caedmon Marriott said:

“It was great to meet Magnium on the recent WA Critical Minerals Delegation to PDAC, New York and Washington. They have some very exciting technology they are looking commercialise to produce magnesium metal - an important critical metal with a robust demand outlook.

A key input into their process is magnesite and other high MgO feedstocks... at Mulga Tank we have “high MgO” in abundance. The main body of the Mulga Tank Complex is a fairly unique piece of rock, being a huge +45% MgO adcumulate dunite measuring kilometres in both area and thickness.

A combination of being under sand cover and the lack of interstitial material due to the adcumulate texture means a classic laterite-saprolite weathering profile hasn’t formed at the top of the ultramafic body and instead weathering and alteration has formed a “magnesite cap”. This oxide zone is treated as overburden in our resource model. Assuming successful results from the MoU it could be transformative for the economics of the project to generate revenue from this waste.”

Commenting on the WMG MoU, Magnium CEO Shilow Shaffier said:

“We’re excited to be working with WMG to explore Mulga Tank as a potential domestic source of magnesite feedstock. Australia currently has no primary magnesium production, and establishing an auditable, sovereign supply chain — from local feedstock through to finished metal — is central to our mission. The scale of the magnesite cap at Mulga Tank, combined with its proximity to our planned Collie commercial plant, makes this a compelling partnership as we move towards full-scale production

Magnesium is an irreplaceable critical metal in defence and aerospace applications, as well as being essential to lightweighting and the energy transition, yet Australia and its allies remain entirely dependent on imports. In an environment where critical mineral security is increasingly important, this MoU with WMG is a meaningful step towards a fully integrated, domestic magnesium industry. We look forward to testing the Mulga Tank magnesite at our facilities, with a view to incorporating it into our Australian-made, secure and sustainable metal supply.”

MULGA TANK ULTRAMAFIC COMPLEX

Exploration results from the Company's various drilling programs at the Mulga Tank Project over the last three years have demonstrated significant nickel sulphide mineralisation and an extensive nickel sulphide mineral system within the Mulga Tank Ultramafic Complex.

WMG has undertaken a combination of both diamond and RC drilling. With this two pronged approach, RC is used to infill and prove up the extent of shallow disseminated nickel sulphide mineralisation, defined by the Company's Mineral Resource Estimate (ASX, *Mulga Tank Mineral Resource Over 5Mt Contained Nickel, 10 April 2025*), whilst the diamond drilling program continues to test deeper targets for basal massive sulphide.

MULGA TANK MINERAL RESOURCE ESTIMATE

The Company has been systematically drilling the main body of the Mulga Tank Ultramafic Complex and is currently undertaking its fifth phase of drilling. All drilling results up until Phase 3 at the end of February 2025 were used in the Mulga Tank April 2025 Mineral Resource Estimate (ASX, *Mulga Tank Mineral Resource Over 5Mt Contained Nickel, 10 April 2025*). The area of interest defined by the drilling was wireframed and divided into three geological domains (Figure 1):

SAN - the sand cover above the Mulga Tank Complex (density 1.5) - all drill hole collars located by DGPS and used to create Sand Cover Surface DTM

OX - a narrow oxidised zone between the sand cover and dunite (density 2.3)

UD - dunite containing disseminated sulphide mineralisation (density 2.7) - which was limited to a floor depth of 50RL, approximately 400m below surface. This is ~80m deeper than the average RC drill hole depth of ~320m, with 32 of the 58 RC end in mineralisation and continuing mineralisation demonstrated in deeper diamond holes

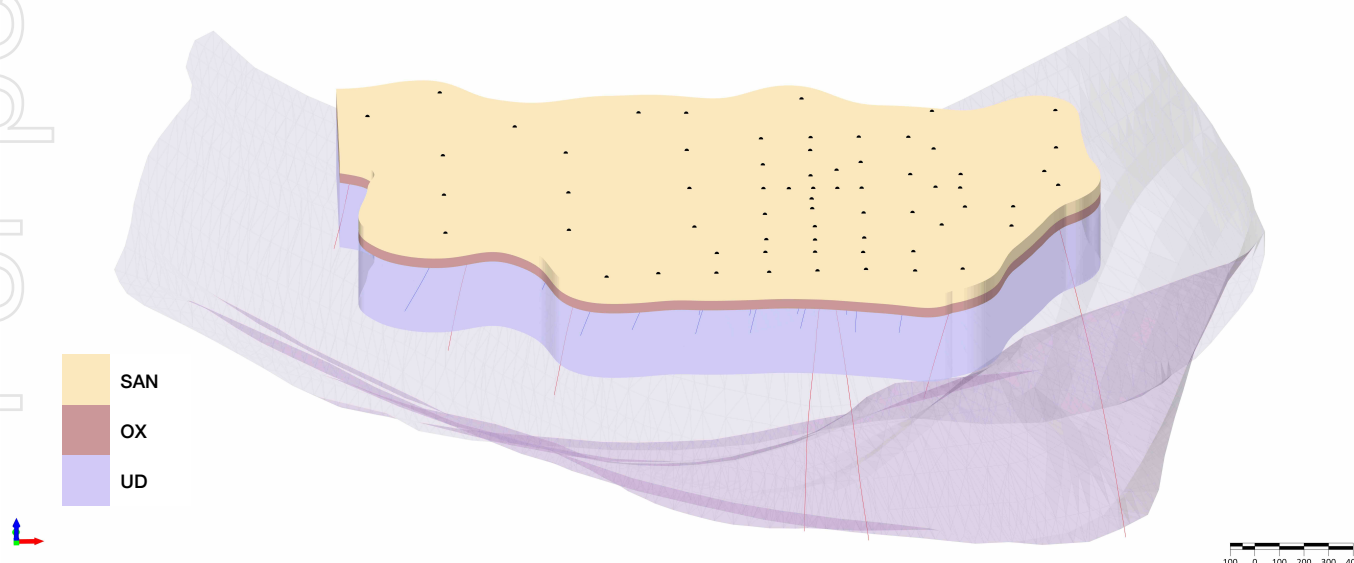


Figure 1: Mulga Tank wireframe geological domains
Outline of main Mulga Tank dunite body, viewed from south looking north

Hard domain boundaries were used between the geological domains, meaning only composites within the domain were used to estimate inside that domain. Each of the geological domains were block modelled but the Mineral Resource Estimate was reported for the dunite domain (UD) only and nickel within the oxidised domain (OX) was specifically excluded from the reported results.

The mineralised dunite domain (UD) was reported as a Mineral Resource Estimate, in accordance with JORC 2012, and at a 0.20% Ni cut-off grade is estimated to be:

Indicated 565 million tonnes grading 0.28% Ni, 134ppm Co, 104ppm Cu, 18ppb Pt+Pd S:Ni 1.0

Inferred 1,403 million tonnes grading 0.27% Ni, 129ppm Co, 73ppm Cu, 17ppb Pt+Pd S:Ni 0.9

Total Resource 1,968 million tonnes grading 0.27% Ni, 131ppm Co, 82ppm Cu, 17ppb Pt+Pd S:Ni 0.9

Block modelling of the oxidised domain (OX) gave a volume of approximately 151 million cubic metres or 348 million tonnes at the assumed density of 2.3.

MAGNESITE XRD RESULTS

The Company has recently been undertaking some novel leaching test work to investigate the potential of recovering nickel and other elements from the oxide domain. As part of this work the Company completed semi-quantitative XRD analysis on a number of composite samples from the oxidised portions of holes MTRC043 and MTRC044. Results from this XRD analysis is shown in Table 1 below:

Hole	Composite Sample	Goethite (FeO(OH))	Magnesite (MgCO ₃)	Magnetite (Fe ₃ O ₄)	Talc-Group (Fe,Al,Mg, Ni) ₃ Si ₄ O ₁₀ (OH) ₂	Quartz (SiO ₂)	Serpentine Group (Mg,Fe,Ni) ₃ Si ₂ O ₅ (OH) ₁₀	Total
MTRC043	67-76m	3%	21%	1%	11%	45%	19%	100%
MTRC044	62-71m	-	48%	2%	3%	25%	21%	99%

Table 1: Mulga Tank oxide zone XRD results

The results confirm visual field observations with up to 48% magnesite shown by the XRD analysis.

WMG-MAGNIUM MEMORANDUM OF UNDERSTANDING

The Company has recently entered into a Memorandum of Understanding (MoU) with Magnium Australia Pty Ltd (Magnium) under which the two companies will look to collaborate on the possible supply of magnesite from the Mulga Tank Project. Under the MoU the two companies will look to:

- Define and delineate the magnesite resource and/or other high MgO feedstocks available at Mulga Tank
- Provide a bulk sample of the magnesite for test work
- Undertake test work to determine if the magnesite is suitable for use in the Magsonic™ process

Assuming successful results from the sampling and testing the two companies will enter into good faith negotiations in relation to a formal supply agreement under which Magnium may access the magnesite.

BACKGROUND ON MAGNIUM AUSTRALIA

Magnium Australia Pty Ltd is a private mineral technology company looking to commercialise their Magsonic™ process to produce low-carbon Magnesium (Mg) metal. Their next-gen technology, which has been developed by CSIRO since 2003, can produce high-purity magnesium metal with less energy and lower cost through their proprietary Carbothermic Reduction process with supersonic quenching to extract magnesium metal from magnesium-rich resources.

Magnium have received several grants from the Australian Government and have established their facilities in Collie, Western Australia. They are now progressing towards a Final Investment Decision (FID) on the first commercial production module, which will eventually scale to over 100,000 tonnes per year of magnesium metal.

Magnesium is an important critical metal, particularly used in “lightweighting”, when alloyed with aluminium, creates lighter, stronger and more fuel-efficient transport.

WMG is pleased to be partnering with Magnium in looking to create value from what could be an extensive source of magnesite feedstock at Mulga Tank. The Company looks forward to updating shareholders on these plans and the continuing progress at Mulga Tank as results are received.

For further information please contact:

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This announcement has been authorised for release to the ASX by Dr Caedmon Marriott, Managing Director

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Board

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Francesco Cannavo
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Dr Benjamin Grguric
Technical Director

Capital Structure

Shares: 113.75m
Options: 16.65m
Share Price: \$0.19
Market Cap: \$21.61m
Cash (31/12/25): \$3.14m

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ABOUT WMG

Western Mines Group Ltd (ASX:WMG) is a mineral exploration company driven by the goal to create significant investment returns for our shareholders through exploration and discovery of high-value gold and nickel sulphide deposits across a portfolio of highly-prospective projects located on major mineral belts of Western Australia.

Our flagship project is the Mulga Tank Ni-Co-Cu-PGE Project, a major ultramafic complex found on the under-explored Minigwal Greenstone Belt (100% WMG). WMG's exploration work has discovered a significant nickel sulphide mineral system and is considered highly prospective for globally significant Ni-Co-Cu-PGE deposits. An Mineral Resource Estimate of 1,968Mt at 0.27% Ni, over 5.3Mt of contained nickel, was announced in April 2025, making Mulga Tank the largest nickel sulphide deposit in Australia.

The Company's primary gold project is Jasper Hill, where WMG has strategically consolidated a 3km mineralised gold trend with walk-up drill targets. WMG has a diversified portfolio of other projects including Melita (Au, Cu-Pb-Zn), midway between Kookynie and Leonora in the heart of the WA Goldfields and Youanmi (Au).

COMPETENT PERSONS STATEMENT

The information in this announcement that relates to Exploration Results and other technical information complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Dr Caedmon Marriott, Managing Director of Western Mines Group Ltd. Caedmon is a Member of the Australian Institute of Geoscientists and a Member of the Society of Economic Geologists. He 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 JORC Code. Caedmon consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

DISCLAIMER

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which WMG operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside WMG's control.

WMG does not undertake any obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of WMG, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this announcement reflect views held only as at the date of this announcement.

MULGA TANK PROJECT

JORC CODE, 2012 EDITION - TABLE 1 SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	- Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. - In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	Approximately 100g samples were taken from remaining pulps of previously analysed RC 1m samples to form a composite sample of the oxide zone of interest in a number of RC holes selected for novel leach test work. A sub-sample of these composite samples was taken from two of the holes (MTRC043 and MTRC044) and analysed using an x-ray powder diffractometer using industry standard techniques.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Reverse circulation percussion drilling with 5.25inch face sampling bit
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not applicable to mineralogical work

Criteria	JORC Code explanation	Commentary
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	Not applicable to mineralogical work
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/ second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	Approximately 100g samples were taken from remaining pulps of previously analysed RC 1m samples to form a composite sample of the oxide zone of interest in a number of RC holes selected for novel leach test work. A sub-sample of these composite samples was taken from two of the holes (MTRC043 and MTRC044) and analysed using an x-ray powder diffractometer using industry standard techniques.
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. - Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Samples submitted to Microanalysis Australia Pty Ltd for semi-quantitative XRD analysis
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - Discuss any adjustment to assay data.	Not applicable to mineralogical work

Criteria	JORC Code explanation	Commentary
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Not applicable to mineralogical work
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Not applicable to mineralogical work
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Not applicable to mineralogical work
Sample security	• The measures taken to ensure sample security.	• Samples of pulps were handled by commercial XRD facilities
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Not applicable to mineralogical work

SECTION 2: REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• Tenements E39/2132, E39/2134 and E39/2223, tenement application E39/2299 • Held 100% by Western Mines Group Ltd • 1% NSR over E39/2134, tenements E39/2132 and E39/2223 are royalty free • Native Title held by Upurli Upurli Nguratja and Nyalpa Pirniku • No known registered sites or historical areas within the tenements • Goldfields Priority Ecological Community PEC54 borders eastern edge of project area • Tenement is in good standing

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	- Previous exploration over the Mulga Tank project area by various companies dates back to the 1980s - Of these, more detailed exploration was completed by BHP Minerals Pty Ltd (1982–1984), MPI Gold Pty Ltd (1995–1999), North Limited (1999–2000), King Eagle Resources Pty Ltd (2004–2012), and Impact (2013–2018)
Geology	Deposit type, geological setting and style of mineralisation.	- The geology of the project area is dominated by the irregular shaped Mulga Tank serpentinised metadunite intrusive body measuring ~5km x 4km, hosted within metasediments, mafic to felsic schists and foliated metagranite of the northwest trending Archean Minigwal Greenstone Belt - Previous drilling intersected disseminated and narrow zones of massive nickel-copper sulphide mineralisation within the dunite intrusion - The intrusion is concealed under variable thicknesses of cover (reported up to 70 m in places) with the interpretation of the bedrock geology based largely on aeromagnetic data and limited drilling
Drill hole information	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth hole length. - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	A listing of the drill hole information material to the understanding of the exploration results was provided in previous ASX announcements and has not changed
Data aggregation methods	- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. - Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. - The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable to mineralogical work

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• Not applicable to mineralogical work
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Appropriate tabulations are presented in the body of the announcement
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Not applicable to mineralogical work
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Not applicable to mineralogical work
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Not applicable to mineralogical work