

AMERICAN WEST METALS LIMITED

Company Research

9th June 2023

Share Price \$0.054

52-Week Range	\$0.043 - \$0.285
Shares Outstanding	319.2m
Listed Options (\$0.20, exp 20 Sep 2024)	29.6m
Options	34.2m
Performance Rights	3.0m
Market Capitalisation	\$17.2m
Cash (31 Mar 2023 + May placement)	\$3.8m
Enterprise Value	\$13.4m
Top 20 shareholders	70%

Major Shareholders	
Board & Management	15%
InZinc Mining Ltd	4%

Board	
John Prineas	Non-Executive Chairman
Dave O'Neill	Managing Director
Michael Anderson	Non-Executive Director
Dan Lougher	Non-Executive Director
Tom Peregoodoff	Non-Executive Director

Management	
Rocky Pray	VP Operations
Thomas Ulrich	Technical Advisor



American West Metals Ltd (ASX: AW1) is a mineral exploration and development company. AW1 is focused on developing the advanced zinc-copper-indium deposit at West Desert, Utah as well as exploration across the broader project area; expanding the high-grade discoveries at the Storm Copper and Seal Zinc Projects, Nunavut; and establishing a resource at the expansive Copper Warrior Project, Utah.

Research Analyst: J-Francois Bertincourt

High Grade Copper Project with DSO from Ore Sorting

Background: American West Metals Ltd (ASX: AW1) listed in December 2021 on the Australian Securities Exchange. The company portfolio consists of three base metals projects: Storm (Cu)/Seal(Zn) in Canada and West Desert (Zn, Cu, In, Ag, Au) Copper Warrior (Cu) in the USA. This short note is solely focused on the Storm copper project, for which AW1 has the option to earn 80% of the project.

Geology: The Storm prospect comprises favourable host lithologies, regional setting and visual occurrences of mineralisation to support the proposed sediment-hosted stratiform copper (SSC) mineralisation model.

Exploration/Drilling: Exploration work at the Storm/Seal mineral asset has been carried out intermittently since the 1960s. previous drilling has returned assays of 110m @ 2.45% Cu from surface and 56.3m @ 3.07% Cu from 12.2m. On 1st September 2022, AW1 announced the results of drill hole ST22-05 with the following intercept:

- 41m @ 4.18% Cu from 38m downhole, including;
- 15m @ 10.05% Cu from 47m downhole, and including;
- 5m @ 24.28% Cu from 48m downhole

Latest Results: selected intercepts

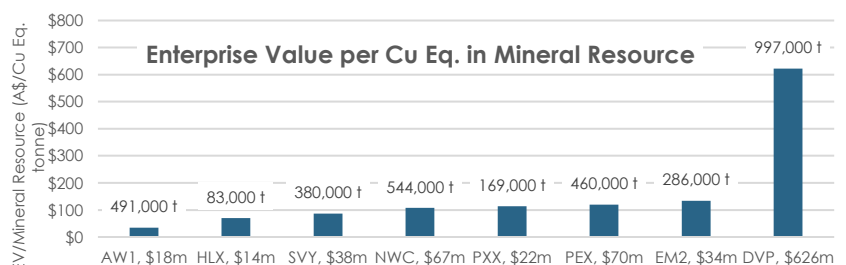
Date	Hole	Interval	Cu Grade	From
01-Sep-22	ST22-05	41.0m	4.18%	38.0m
23-May-23	SR23-01	15.2m	1.20%	47.2m
	SR23-01	7.6m	1.20%	79.3m
	SR23-01	6.1m	1.10%	120.4m
06-Jun-23	SR23-02	9.2m	2.20%	71.6m
	SR23-03	9.1m	2.50%	79.3m
	SR23-04	19.8m	1.10%	77.7m
	SR23-05	21.3m	1.00%	41.2m
	SR23-06	7.6m	1.10%	53.3m
	SR23-06	6.1m	1.20%	82.3m

Some of these copper drill hole intercepts are among the best for early stage projects, see benchmarking chart on the second page and bodes well for the upcoming MRE.

Maiden Mineral Resource Estimate (MRE): The drill holes reported above are part of the 4100N drilling program designed to support a maiden resource estimate (expected in the September quarter) where extensive near-surface copper mineralisation has already been intersected across 1,000m of strike.

Metallurgy : The straightforward nature of the copper mineralogy and host rocks of the Storm Copper Project indicated that it may be amenable to upgrading through ore sorting. A combination of X-Ray transmission and 3D laser sensors were used in the sorting algorithms given the expected density contrasts between the ore and waste. Test work using a full scale sorter has successfully generated a Direct Shipping Ore (DSO) product with a copper grade of 53.9% copper. The DSO material has no impurities and has the potential to form the basis for a low footprint and low capital development option at the Storm Copper Project.

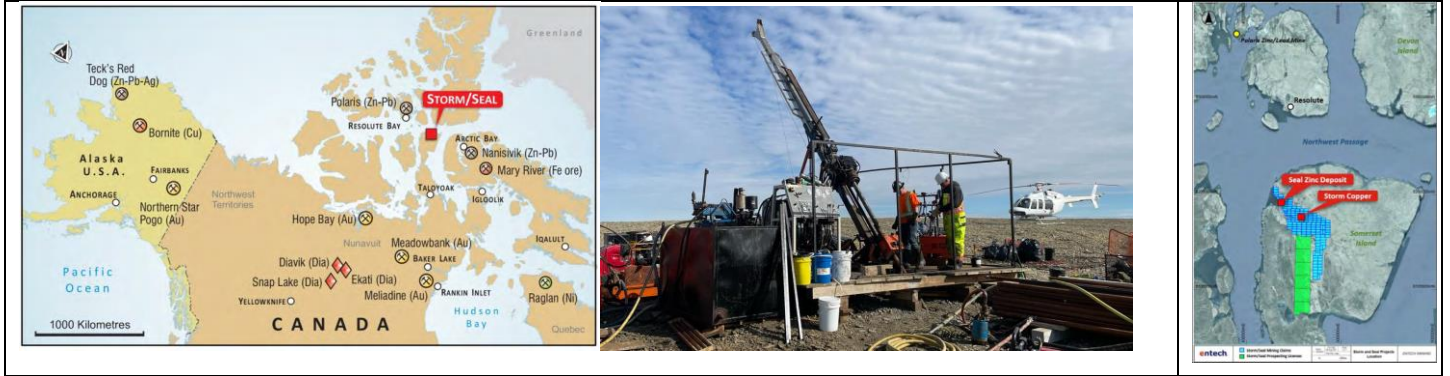
Comparison with ASX-Listed Companies/Projects: In the absence of a MRE for Storm the follow chart is essentially based on West Desert, where copper represents about 10% of the MRE.



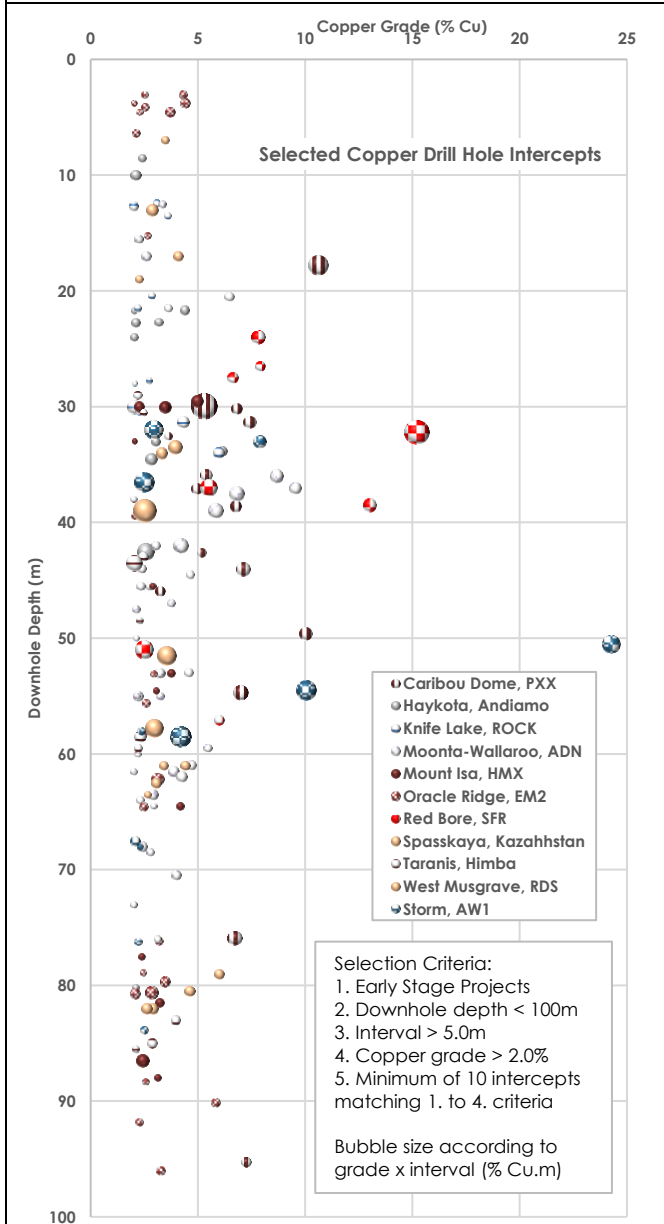
Labels indicate the contained Cu equivalent metal in mineral resources.
 Metal prices assumptions: Cu = US\$8,000/t, Pb = US\$2,000/t, Zn = US\$2,400/t, Au = US\$1,900/oz and Ag = US\$22/oz. Indium is not considered.
 Metallurgical recoveries are not considered.
 ASX codes labels include the market capitalisation as at 8th June 2023

Investment Perspective: The currently low market valuation of AW1 compared to its peers offers an excellent investment opportunity. The Storm project could well be a game changer and a company maker.

Storm/Seal Project Location



Drill Hole Benchmarking



Based on the selection criteria and while it is still early days for Storm, the project has already generated some of the best copper drill hole intercepts ever recorded.

Preliminary Metallurgical Testwork: Ore Sorting



Massive & breccia chalcocite (dark grey) from 36m downhole in drill hole ST22-01



Full scale Steinert KSS ore sorter, Bibra Lake, Western Australia



Left to right: Very High Density product 53.9% Cu (DSO), High Density product 10.3% Cu, and Low Density product 0.3% Cu (waste rock) portable XRF results

Source: AW1 company announcements. S&P Capital IQ Pro and Terra Studio for the Drill Hole Intercepts Benchmarking chart

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