TERRA STUDIO

ASX: WIN

WIN Metals Ltd: High Grade Resource Deserves Re-Rating

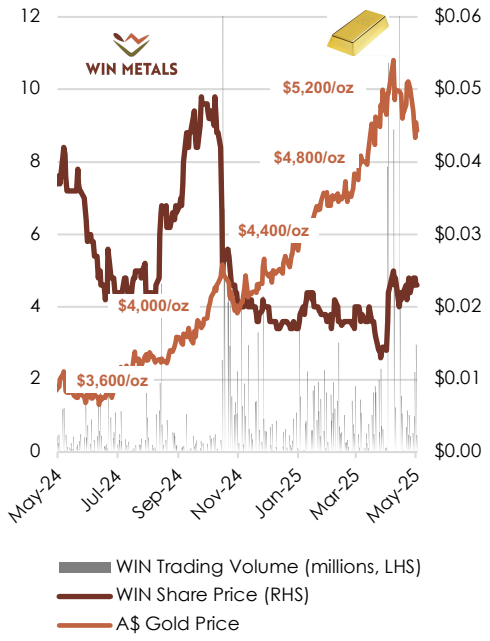
Company Research

21st May 2025

Share Price	**$0.018**
52-Week Range	$0.013 - $0.054
Shares Outstanding	550.1m
Options ($0.07 exp. 31 Oct 2025)	15.9m
Options ($0.44, exp. 30 Apr 2026)	85.0m
Options ($0.23, exp. 30 Oct 2027)	0.2m
Options ($0.04, exp. 30 May 2028)	20.9m
Options ($0.29, exp. 30 Oct 2028)	0.2m
Options (0.35, exp. 30 Oct 2029)	0.2m
Performance Rights	18.3m
Market Capitalisation	$9.9m
Net Cash (31st Mar 2025)	$2.0m
Enterprise Value	$7.9m

Board & Management

Andrew Parker	Chairman
Steve Norregaard	Managing Director & CEO
Scott Perry	Non-Executive Director
Felicity Repacholi	Non-Executive Director
Graeme Scott	CFO & Co Sec.
Will Stewart	Geology Manager



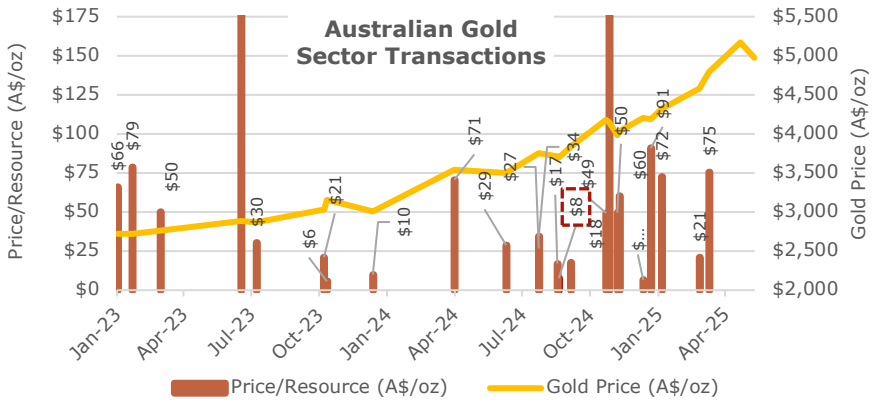
WIN Metals Ltd (ASX: WIN) holds 100km^2 of granted mining tenure In the East Kimberley region of Western Australia which hosts a significant gold endowment and abundant exploration potential.

WIN has a second project area in the South-Eastern Goldfields region of Western Australia, known as Mt Edwards, where the 240km^2 of tenure hosts an advanced aggregation of 12 Nickel sulphide orebodies and lithium mineralisation capable of development with the appropriate market conditions.

Research Analyst: J-François Bertincourt

Advanced Gold Project: The Butchers Creek Gold Project is located 30km south-east of Halls Creek in the Kimberley region of Western Australia. Butchers Creek is a historic gold production centre hosting a global mineral resource of 5.63Mt at 1.98g/t Au for 359,000oz of gold and a series of advanced gold drill targets. Previous production from the Butchers Creek gold mine resulted in 52,000oz of gold being produced from open pit mining between 1995 and 1997. The mine closed when the gold price reached $400/oz or less than 10% of what it is today.

Cheap Acquisition: the record gold prices particularly in Australian dollar terms is increasing the appetite for corporate transactions as shown in the chart below:



Among those transactions. Win Metals' acquisition of the Butchers Creek project sits among one of the cheapest: $8/oz upfront (or $14/oz including deferred payments).

Updated MRE: on 16 April 2025, WIN updated the global MRE at Butchers Creek to 5.63Mt @ 1.98g/t Au for 359,000oz of gold with an increase of the Indicated category by 86% to 3.58Mt @ 2.24g/t Au for 258,000oz. This paves the way for WIN to advance development studies while adding further high-grade mineralisation through drilling.

Upcoming drilling program: The field survey component of the heritage survey, is complete with a final report due in late May ahead of a proposed drill program to start in July.

Potential Early Development Scenario: after examining the parameters of multiple development studies for small mines and the actual cashflows generated by toll treating operations, we have built a development scenario for the open pit part of the Butchers Creek Gold Project. Based on our assumptions, the early development of the Butchers Creek project could generate between $90 million (@$4,500/oz gold price) and $112m (@$5,000/oz gold price) of free cash flow.

This cashflow generation could significantly reduce the equity funding requirement for the underground mining development, while reducing risks and re-rating the market value of the company.

Price Catalysts: over the remainder of 2025, price catalysts include drill hole intercepts, mineral resource upgrade and the results of development studies. Should the company elect to pursue an early development scenario: pit dewatering, fast track permitting, ore mining and processing, and cash generation.

Investment Perspective: With an EV/Resource of only $27/oz, demonstrated geological continuity, highly prospective terrains, and the opportunity to deliver early cash flows, Win Metals appears significantly undervalued compared to its peers.

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1. Company & Project Benchmarking

Peer Group Selection

To select Win Metals peer group, we focused on ASX-listed companies with similar size mineral resource by gold content (~200,000 to ~500,000 oz):

- BMG Resources Ltd (ASX: BMG): Abercromby gold project
- Lefroy Exploration Ltd (ASX: LEX): Mt Martin and other projects
- Norwest Minerals Ltd (ASX: NWM): Bulgera gold project
- Kalgoorlie Gold Mining Ltd (ASX: KAL): Bulong Taurus gold project
- Javelin Minerals (ASX: JAV): Coogee and Eureka gold projects
- Odyssey Gold Limited (ASX: ODY): Tuckanarra gold project (80%)
- Great Boulder Resources Ltd (ASX: GBR): Side Well project (75%)
- Nexus Minerals Ltd (ASX: NXM): Crusader-Templar project
- Cavalier Resources Ltd (ASX: CVR): Crawford project

Similar to Win Metals with the Butchers Creek project, a number of companies in the peer group have existing operating gold processing facilities in the vicinity of their flagship project.

Benchmarking Results

Figure 1.1 summarizes the market capitalisation and cash balance (as at 31 March 2025 or later subject to placement) with the companies sorted by increasing enterprise value/resource multiple as displayed in Figure 1.2. Figure 1.2 summarises the attributable gold mineral resource of the company as well as the attributable gold grade and enterprise value/resource multiple.

We note that companies with a higher grade mineral resource attracts a higher EV/Resource multiple. On this basis, WIN with its 2g/t gold mineral resource, should attrack a EV/Resources two to three times its current value.

Figure 1.1 – Company Benchmarking

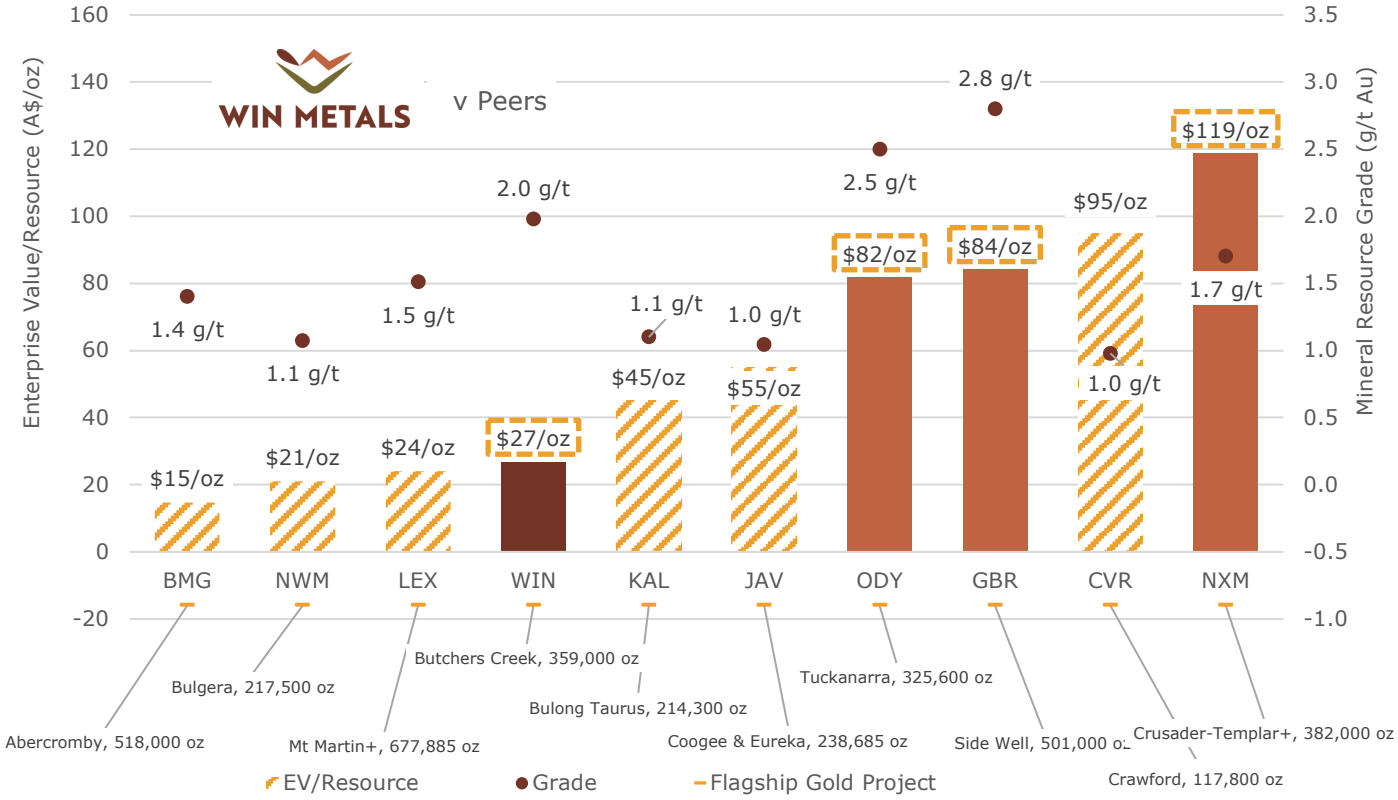
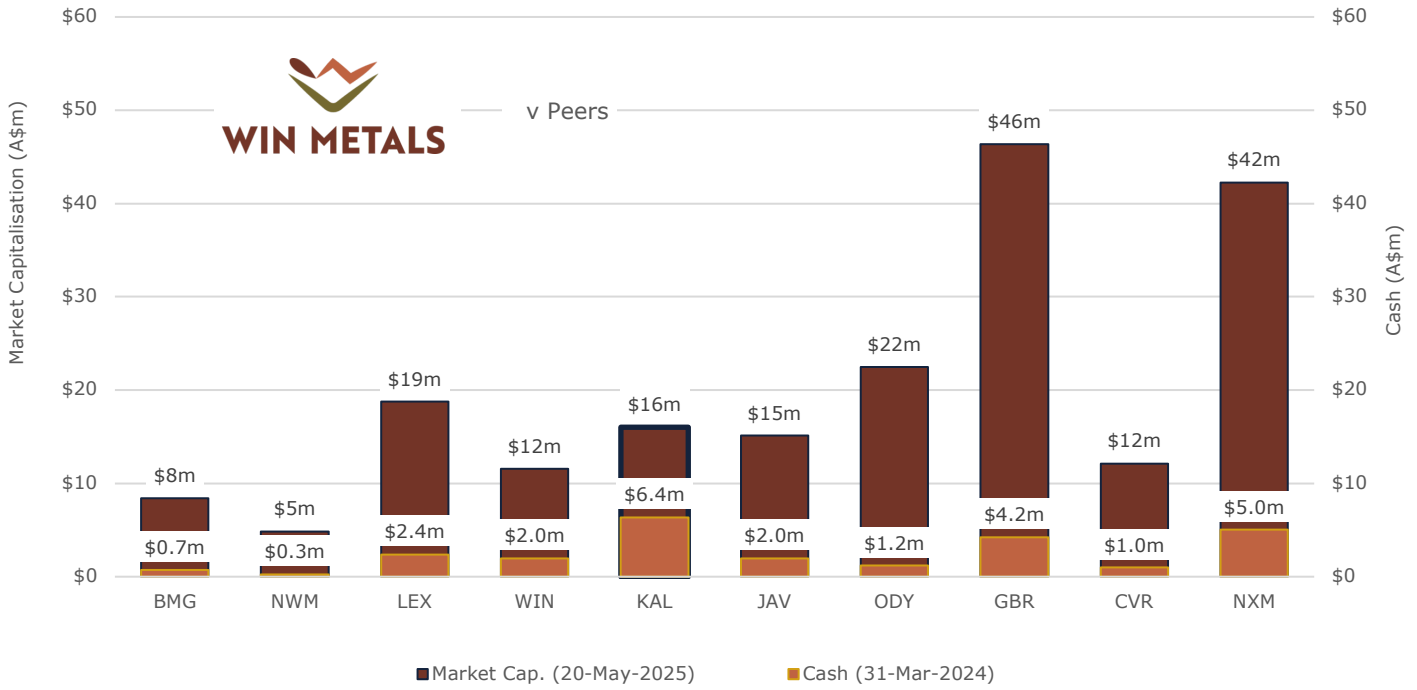


Figure 1.2 – Project Benchmarking



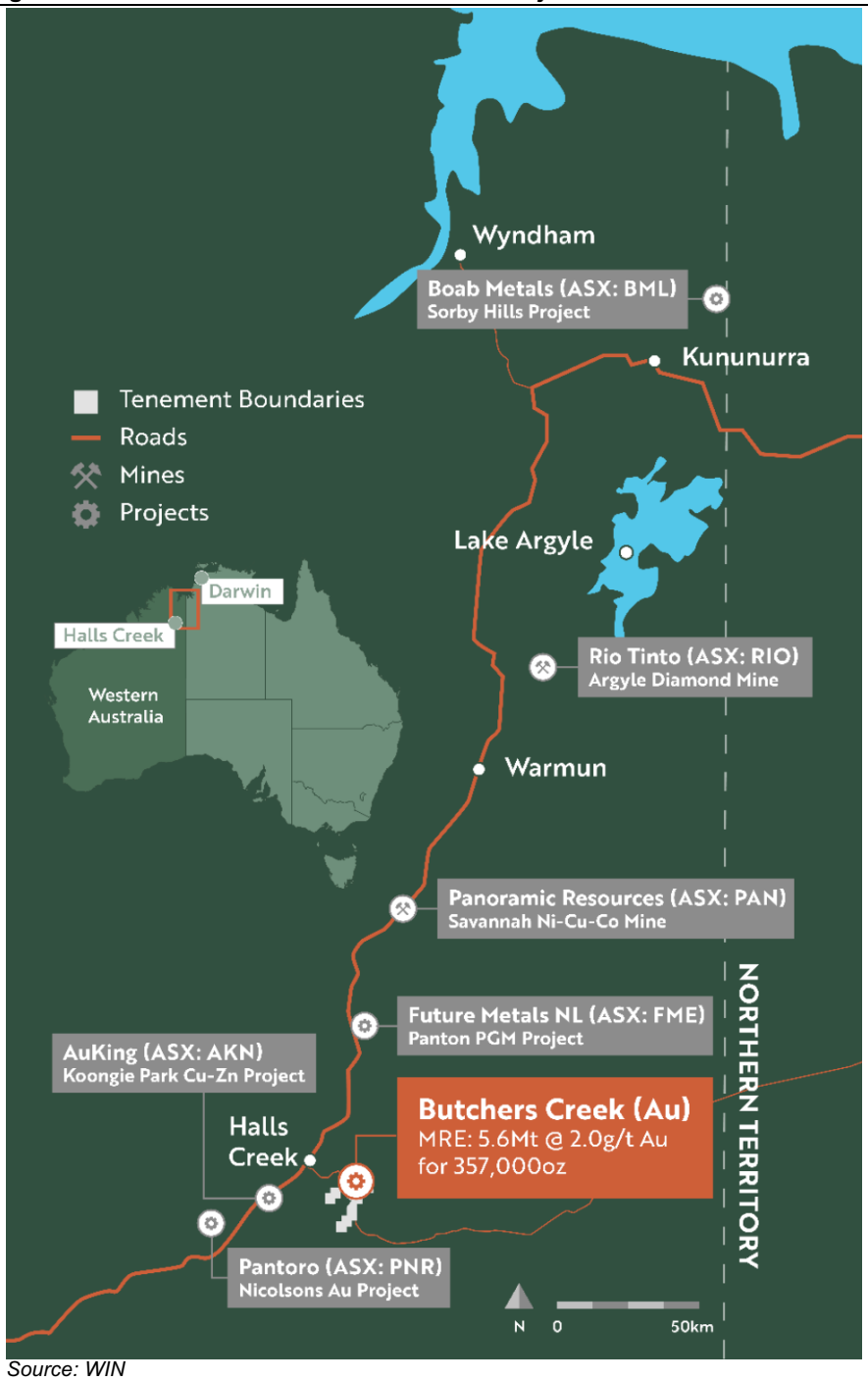
2. Butcher's Creek Gold Project

Location

The Butchers Creek Gold Project is located 30km south-east of Halls Creek in the Kimberley region of Western Australia. Butchers Creek is a historic gold production centre hosting a global mineral resource of 5.6Mt at 2.0g/t Au for 357,000oz of gold and a series of advanced gold drill targets. Previous production from the Butchers Creek gold mine resulted in 52,000oz of gold being produced between 1995 and 1997.

The Project consists of three mining leases, five exploration licences and three prospecting licences. All of the tenements are in good standing with one exploration licence and one prospecting licence application pending.

Figure 2.1 – Location of Butchers Creek Gold Project



Source: WIN

Acquisition

Consideration for the transaction at completion is comprised the following:

> I. $1,000,000 + GST in cash; and
> II. WIN Shares to the value of $1,750,000 (calculated based on a deemed issue price per WIN Share of $0.025) ("Consideration Shares"). The Consideration Shares are subject to a 12-month voluntary escrow agreement from completion.

Consideration payable post settlement comprises:

> I. $1,000,000 + GST payable to Meteoric 18 months after completion; and
> II. An additional $1,250,000 + GST upon the production by the Company of 20,000 troy ounces of gold (in aggregate) at the Project.

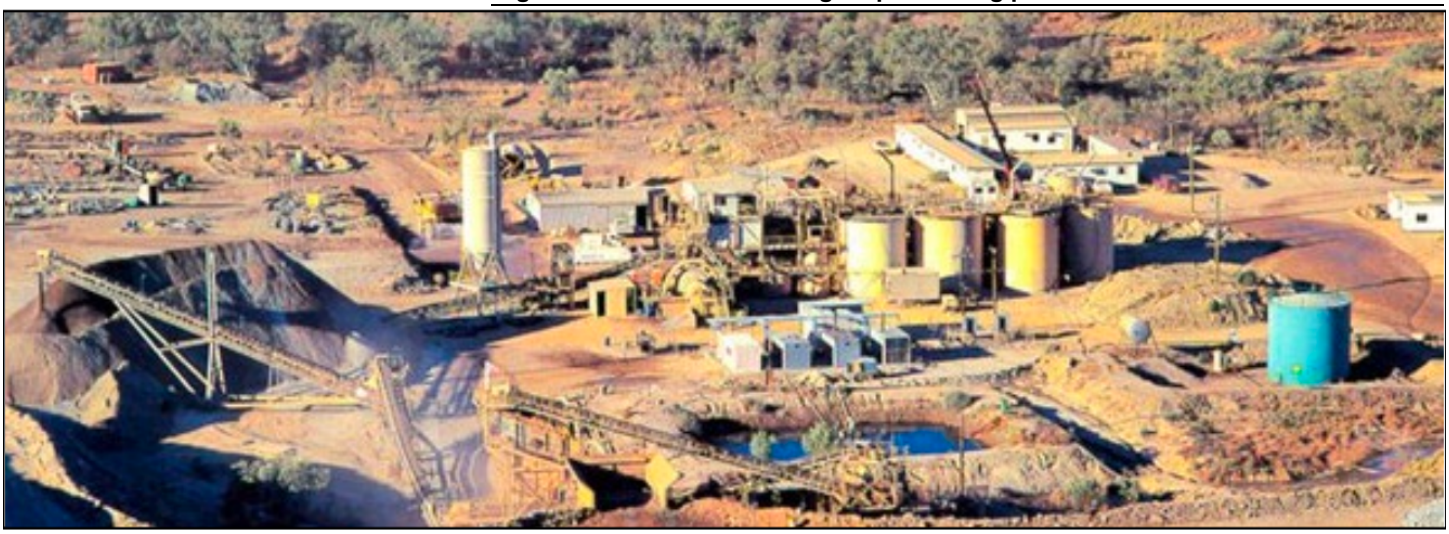
The consideration results in the Price/Resource ounce of only $8/oz upfront and $14/oz including the defereed payments.

History

The Halls Creek region heralded Western Australia's first gold rush in the 1890's but has been largely limited to small scale mining and artisanal activities until the 1990's.

Gold production from the Butchers Creek open pit commenced in 1995 with the construction of a 500,000 tpa conventional carbon in pulp gold ore processing plant, a 9Mt tails storage facility, diesel power station and a 75-person accommodation camp and offices (Figure 2.2). Total production from Butchers Creek open pit recorded 761,000t @ 2.09g/t Au for 52,000oz of gold produced until the operation was closed in late 1997 due to the low gold price at the time. The Butchers Creek 500,000 tpa processing plant has since been decommissioned and mine site rehabilitated.

Figure 2.2 – Butchers Creek gold processing plant



Source: WIN

Post closure of the mining operation in 1997, various public and private entities held the tenure with exploration drilling in the ensuing period mostly carried out by Northern Star Resources (ASX: NST) in 2004 at Golden Crown and Meteoric Resources (ASX:MEI) between 2020 and 2022 at Butchers Creek.

WIN Metals acquired the project late in 2024 with its maiden drilling campaign informing the April 2025 Butchers Creek MRE update.

Figure 2.3 shows the Butchers Creek open pit. Once dewatered, process which should take about six weeks, gold ore is readily accessible from the pit floor.

Figure 2.3 – Butchers Creek open pit May 2024

Source: WIN

Mineral Resource

Table 2.1 summarises the mineral resource estimate at the Butchers Creek project.

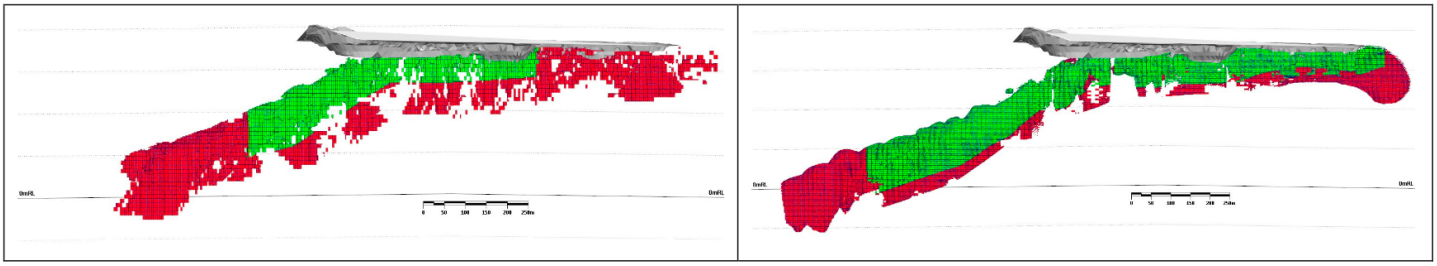
Table 2.1 – Butchers Creek Mineral Resource Estimate

Deposit	Last Update	Resource Classification	Tonnes (Mt)	Au g/t	Contained Gold (Oz)
Butchers Creek	Apr-25	Indicated	3.58	2.24	258,000
		Inferred	1.65	1.18	63,000
Golden Crown	Jun-21	Inferred	0.40	3.10	38,000
Total		**Indicated + Inferred**	**5.63**	**1.98**	**359,000**

Comparing the 2021 MRE to this updated 2025 MRE, the total ounces for Butchers Creek has increased only by 1% to 321,000oz. But more importantly the Indicated resource component has increased by 86% and now stands at 3.58Mt at 2.24g/t for 258,000oz which is available for conversion into Ore Reserves following completion of the planned economic studies.

Figure 2.4 below illustrates MRE classification differences between the 2021 and 2025 MRE models. The 2025 MRE model has increased the Indicated resource to the south and north under the existing pit.

Figure 2.4 – MRE classification: 2021 MRE (left) 2025 MRE (right)

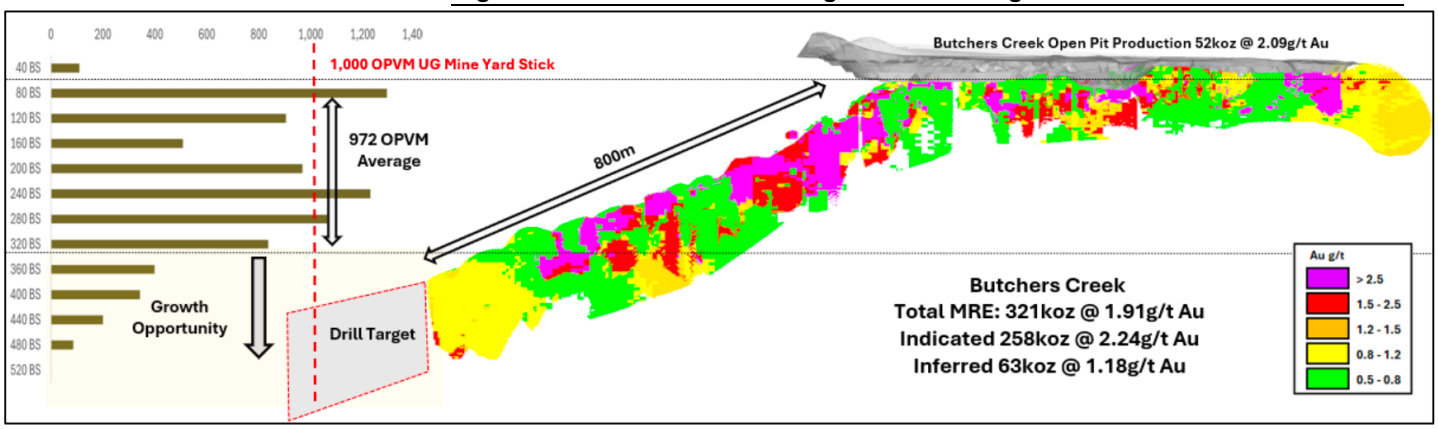


Source: WIN – green = indicated, red = inferred

Further drilling down dip should confidently convert infered resources into indicated resources.

Figure 2.5 illustrates Butchers Creek gold endowment from below the existing open pit to 500m vertically below surface. Ounces Per Vertical Metres (OPVM) averages 972 at the base of the open pit to 320m vertically below surface, with the resource remaining open and depth only constrained by lack of further drilling. A gold endowment of about 1,000 oz per vertical meter is an excellent measure of the future viability of the mine.

Figure 2.5 – Butchers Creek Long Section looking north-west.



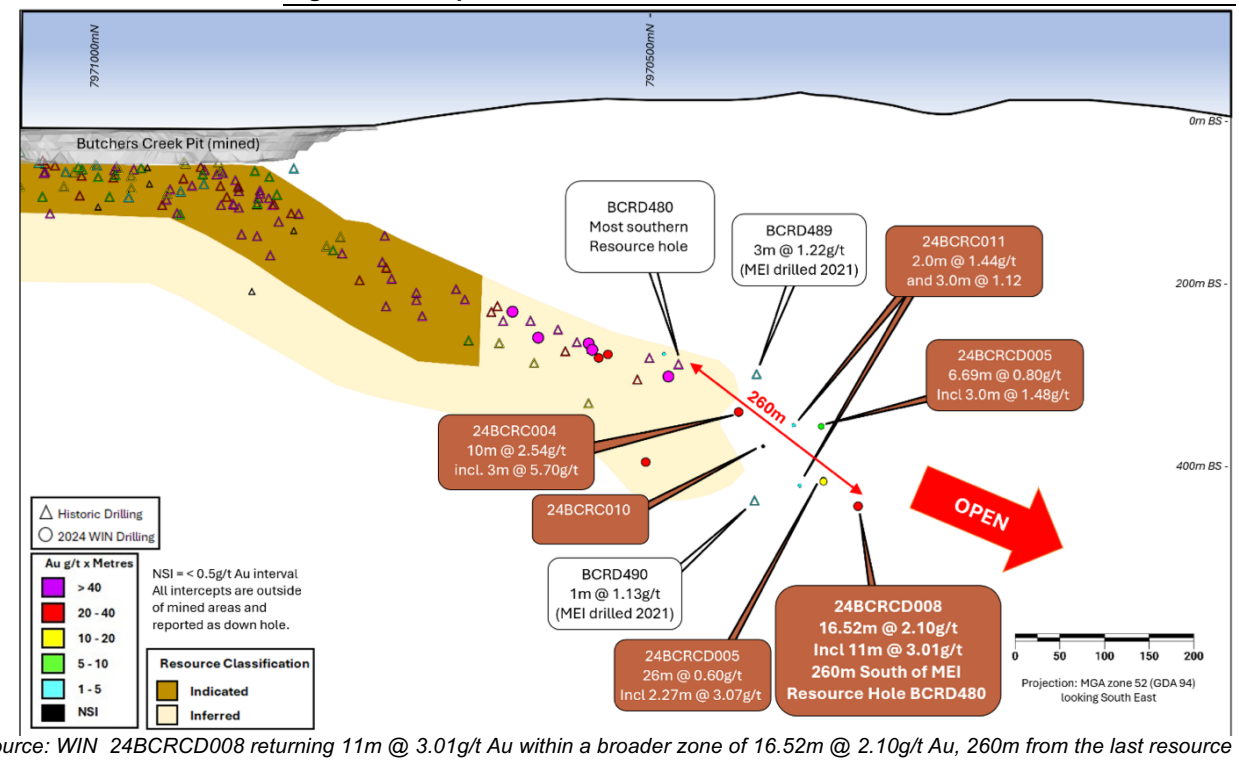
Source: WIN – Gold endowment displayed as ounces per vertical metre (OPVM)

The recent drilling program successfully converted the inferred mineral resource into indicated over the 800m of down plunge mineralisation extension. Further drilling down plunge should result in additional mineral resources.

Butchers Creek Exploration Upside

The prospectivity for more high grade mineral resources is excellent considering the well defined geological continuity.

Figure 2.6 – Exploration Results to South of Butchers Creek



Source: WIN 24BCRCD008 returning 11m @ 3.01g/t Au within a broader zone of 16.52m @ 2.10g/t Au, 260m from the last resource drillhole BCRD480. Note the resource classification outlines are before the April 2025 update.

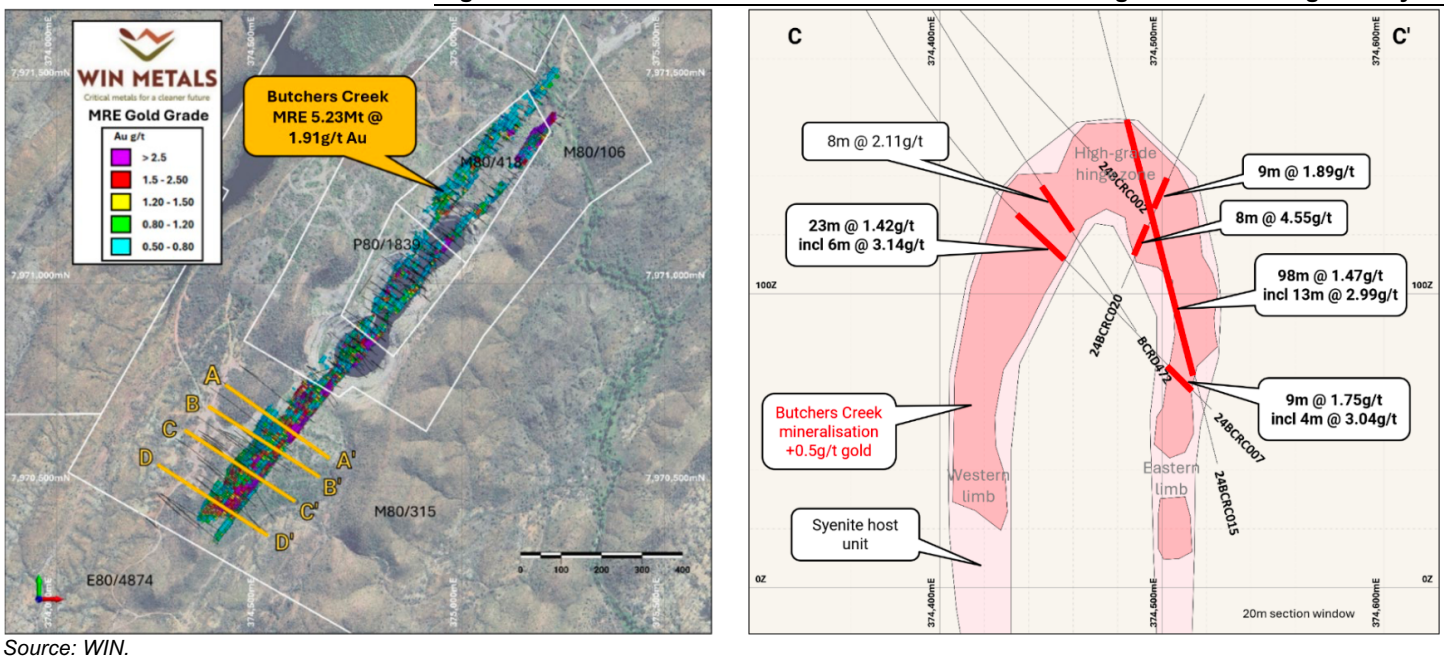
On 4 February 2025, WIN announced the results of drill hole 24BCRCD008 which intersected 11m @ 3.01g/t Au some 260m to the south of previous drilling within the current resource envelope. This intercept is within a broader zone of mineralisation returning 16.52m @ 2.10g/t Au.

These results were from WIN's first drilling programme at Butchers Creek which comprised of 25 drillholes for 7,200m. The program included five exploration step out holes, of which four intersected gold mineralisation. The objectives of the program were achieved with resource infill holes increasing resource confidence and the step out exploration drilling results confirming the conceptual mineralisation targets and the project upside potential.

Regional Geology, Interpretation and Exploration Upside

The gold mineralisation at the Butchers Creek gold deposit is stratabound within a tightly folded antiformal hinge zone of an intrusive syenite host. This is bound within a sedimentary package of sandstones, siltstones and shales. The antiform hosting the mineralised syenite plunges at 20°-25° to the southwest and is traceable over 1.5km to a vertical depth of 400m, with the down plunge extent of the deposit limited by drilling. The geometry of Butchers Creek is illustrated below in Figure 2.7 below.

Figure 2.7 – Butchers Creek Schematic Section C illustrating mineralisation geometry



Source: WIN.

Results such as 98m at 1.47 g/t are outstanding. The large extension of the mineralisation in the three main direction bodes well for a high level of mechanisation during future development and mining, reducing costs and minimising ore dilution.

3. Small Mines Developments

To justify the cost assumptions for the potential development of the Butchers Creek project, we have collected data from past development studies for small mines.

Assumptions

We have examined the technical parameters of a number of small gold mining projects as compiled in Table 3.1.

Table 3.1 – Data Collection from Small Mines Development Studies

Item	Unit	Leonora	Garden Gully	Abercromby	Wallbrook	Jasper Hills	Crawford	Kal East	Munda	Devon
Operator		Cavalier	New Murchison	BMG Resources	Nexus	Brightstar	Cavalier	Black Cat	Auric	Linden Gold
Date		1-Apr-25	3-Feb-25	31-Oct-24	4-Jun-24	25-Mar-24	14-Mar-24	14-Jul-23	28-Jun-23	6-Sep-23
Study		Revised PFS	Feasibility Study	Scoping Study	Scoping Study	Scoping Study	PFS	PFS	Scoping Study	Feasibility Study
OP Mineral Resource	tonnes		2,205,000	11,117,000	5,670,000	4,917,000	3,745,000	18,836,000	4,480,000	467,000
Grade	g/t		3.9	1.45	1.7	1.8	1.0	2.1	1.38	4.6
Gold Contained	oz		279,000	518,000	304,000	293,000	117,800	1,294,000	198,700	69,000
Strip ratio	x		21	1.72	16	11.6	2.4	*6*	11.5	35
Waste	tonnes		18,300,000	952,880			2,634,002	19,656,000	19,734,000	9,100,000
OP Mining Inventory (MI)	tonnes	1,002,000	890,000	554,000	1,493,290	2,210,000	1,002,000	4,052,000	1,716,000	260,000
OP Grade	g/t	0.91	4.8	1.54	1.75	1.62	0.91	1.70	2.2	4.6
Gold Contained	oz	29,300	138,018	27,430	84,018	115,463	29,300	222,000	121,375	38,370
UG Mining Inventory	tonnes			810,000		190,000		776,000		-
UG Grade	g/t			3.99		4.38		3.2		-
Gold Contained	oz			103,908		26,497		80,000		-
Resource to MI conversion	%			25%	28%	48%	25%	23%	61%	56%
Recovery	%	80%	95%	92%	96%	93%	80%	92%	95%	84%
Recovered Gold	oz	23,467	131,117	120,000	80,451	131,526	23,440	278,474	114,700	32,231
Gold price	A$/oz	4,600	3,750	3,500	3,500	3,000	2,900	2,900	2,600	3,000
Revenue	A$m	107.9	491.7	420.0	281.6	394.6	68.0	807.6	298.2	96.7
Unit Costs										
OP Mining Cost	A$/t mined	(26.35)	(159.00)	(14.14)	(4.72)	(2.65)	(21.69)	(4.74)	(4.24)	(3.62)
UG Mining Cost	A$/t mined			(150.00)	-	(138.00)	-	(110.95)		-
Haulage	A$/t ore			(5.00)	(25.00)	(18.50)	-		(14.48)	
Processing	A$/t ore	(11.13)	(52.00)	(50.00)	(31.00)	(35.00)	(20.00)	(38.87)	(50.00)	(57.95)
G&A	A$/t ore	(4.84)	(89.00)	(3.00)	-	(9.20)	(9.40)	(5.43)	(3.00)	(5.76)
Costs										
Pre-strip mining cost	A$m				-	-	-	-		-
OP Mining Cost	A$m	(26.4)	(141.51)	(21.31)	(119.8)	(73.9)	(23.4)	(112.4)	(90.9)	(33.86)
UG Mining Cost	A$m			(121.50)	-	(26.0)	-	(86.1)		-
Haulage	A$m			(6.82)	(37.3)	(35.0)	-	(18.2)	(24.8)	(4.73)
Processing	A$m	(12.1)	(46.3)	(68.2)	(46.3)	(82.7)	(18.4)	(139.3)	(85.8)	*(10.34)*
G&A	A$m		(79.2)	(4.1)	-	(22.6)		(22.0)	(5.1)	(1.50)
Other costs	A$m		(6.9)		-	-	-	-		(3.08)
Capex (initial)	A$m	(9.80)	(25.92)	(25.00)	(2.70)	(9.13)	(5.60)	(236.80)	(7.20)	(8.12)
Capex (sustaining)	A$m					(8.77)	(0.20)			
Royalty Rate	%	2.50%	2.50%	5.50%	3.00%	4.50%	2.50%	3.08%	2.50%	3.50%
Royalties	A$m	(2.70)	(12.29)	(23.10)	(8.45)	(17.76)	(1.70)	(24.8)	(7.46)	(3.38)
FCF Calculated	A$m	56.9	179.5	150.0	67.0	118.7	18.7	167.9	76.9	**31.7**
FCF Reported	A$m	56.9	161.0	150.0	69.7	118.7	18.2	167.9	76.9	31.7
AISC	A$/oz	2,173			2,634	1,972	1,777	1,618	1,930	1,782
LOM	months	18	30	13		45	18	66	3	14

Source: company announcements, Terra Studio assumptions and calculations, OP = Open Pit, UG = Underground

Figures in blue background are sourced from public announcements, figures in white background are calculated. Figures in *italics* are our assumptions. Our focus here is to derive unit costs assumptions for the mining and treatment of the Wattle Dam gold ores.

The unit costs have been derived from parameters either disclosed, back-calculated or estimated using the available parameters reported in the company announcements.

4. Toll Treating Development for Butchers Creek

For our potential toll treating development scenario, we have assumed that the open pit ore mined at Butchers Creek would be hauled and treated at the Pantoro Ltd (ASX: PNR) Nicholsons Mill currently operating, which is located 70km from the Butchers Creek project. There are also other options avaiable with treatment plants sitting dormant currently.

Considering that the open pit from the historical operation was defined based on a $400/oz gold price, there is tremendous scope to extend the open pit with the current gold price of circa $5,000/oz

Based on the data collected in the previous section, we have built a development scenario for the Butchers Creek project consdering an open pit mining inventory subset of the mineral resource annonced on 16 Apr 2025.

Key assumptions:

- Open pit mining inventory of 750,000 t mined at a rate of 250,000 tpa
- Open pit mining cost $5.2/t mined
- Strip ratio of 7 to 1
- Haulage cost $14/t ore
- Processing cost $55/t ore
- General & Administration $12/t ore
- Metallurgical recovery 95%
- Capex: $15m
- Royalty rate: 2.5% government + 2.0% third party
- Two gold price assumptions of $4,500/oz and $5,000/oz

Based on those assumptions, the early development of the Butchers Creek project could generate between $90 million (assuming a $4,500/oz gold price) and $112 million (at a $5,000/oz gold price) of free cash flow. To reduce the initial capex, a deal could be arranged with a mining contractor to reduce the initial mining capital expenditure.

This cashflow generation could significantly reduce the equity funding requirement for the underground mining development, while reducing risks and re-rating the market value of the company.

Table 4.1 – Potential Early Development of the Butchers Creek Gold Project using Toll Treating

Item	Unit	Butchers Creek	Leonora	Garden Gully	Abercromby	Wallbrook	Jasper Hills	Crawford
Operator		Win Metals	Cavalier	New Murchison	BMG Resources	Nexus	Brightstar	Cavalier
Date			1-Apr-25	3-Feb-25	31-Oct-24	4-Jun-24	25-Mar-24	14-Mar-24
Study		none	Revised PFS	Feasibility Study	Scoping Study	Scoping Study	Scoping Study	PFS
OP Mineral Resource	tonnes	5,620,000		2,205,000	11,117,000	5,670,000	4,917,000	3,745,000
Grade	g/t	1.99		3.9	1.45	1.7	1.8	1.0
Gold Contained	oz	359,000		279,000	518,000	304,000	293,000	117,800
Strip ratio	x	7		21	1.72	16	11.6	2.4
Waste	tonnes	5,250,000		18,300,000	952,880			2,634,002
OP Mining Inventory (MI)	tonnes	750,000	1,002,000	890,000	554,000	1,493,290	2,210,000	1,002,000
OP Grade	g/t	2.00	0.91	4.8	1.54	1.75	1.62	0.91
Gold Contained	oz	48,226	29,300	138,018	27,430	84,018	115,463	29,300
UG Mining Inventory	tonnes				810,000		190,000	
UG Grade	g/t				3.99		4.38	
Gold Contained	oz				103,908		26,497	
Resource to MI conversion	%				25%	28%	48%	25%
Recovery	%	95%	80%	95%	92%	96%	93%	80%
Recovered Gold	oz	45,815	23,467	131,117	120,000	80,451	131,526	23,440
Gold price	A$/oz	5,000	4,600	3,750	3,500	3,500	3,000	2,900
Revenue	A$m	229.1	107.9	491.7	420.0	281.6	394.6	68.0
Unit Costs								
OP Mining Cost	A$/t mined	(5.20)	(26.35)	(159.00)	(14.14)	(4.72)	(2.65)	(21.69)
UG Mining Cost	A$/t mined				(150.00)	-	(138.00)	-
Haulage	A$/t ore	(14.00)			(5.00)	(25.00)	(18.50)	-
Processing	A$/t ore	(55.00)	(11.13)	(52.00)	(50.00)	(31.00)	(35.00)	(20.00)
G&A	A$/t ore	(12.00)	(4.84)	(89.00)	(3.00)	-	(9.20)	(9.40)
Costs								
Pre-strip mining cost	A$m					-	-	-
OP Mining Cost	A$m	(31.20)	(26.4)	(141.51)	(21.31)	(119.8)	(73.9)	(23.4)
UG Mining Cost	A$m				(121.50)	-	(26.0)	-
Haulage	A$m	(10.50)			(6.82)	(37.3)	(35.0)	-
Processing	A$m	(41.25)	(12.1)	(46.3)	(68.2)	(46.3)	(82.7)	(18.4)
G&A	A$m	(9.00)		(79.2)	(4.1)	-	(22.6)	
Other costs	A$m	-		(6.9)		-	-	-
Capex (initial)	A$m	(15.00)	(9.80)	(25.92)	(25.00)	(2.70)	(9.13)	(5.60)
Capex (sustaining)	A$m						(8.77)	(0.20)
Royalty Rate	%	4.50%	2.50%	2.50%	5.50%	3.00%	4.50%	2.50%
Royalties	A$m	(10.31)	(2.70)	(12.29)	(23.10)	(8.45)	(17.76)	(1.70)
FCF Calculated	A$m	111.8	56.9	179.5	150.0	67.0	118.7	18.7
FCF Reported	A$m		56.9	161.0	150.0	69.7	118.7	18.2
AISC	A$/oz	2,559	2,173			2,634	1,972	1,777
LOM	months	36	18	30	13		45	18

Source: company announcements, Terra Studio assumptions and calculations, OP = Open Pit, UG = Underground