



Winsome Resources (WR1)

Step-out drilling continues to grow Adina further

- **High-grade intersections at Adina.** WR1 reported more positive assays from seven infill and 11 step-out holes at Adina's Footwall Zone and Main Zone. Hits at the Main Zone included 13.9m @ 1.95% Li₂O from 62m, 25.6m @ 1.84% Li₂O from 28m, and 51.5m @ 1.78% Li₂O from 36m. Meanwhile, highlights from the Footwall Zone included 10.2m @ 1.67% Li₂O from 242m, 11.0m @ 1.75% Li₂O from 189m and 27.0m @ 1.19% Li₂O from 271m. The Main Zone is largely shallow, which will support the first few years of mining in a potential low strip open pit operation.
- **The step-out drilling has extended the strike of Adina to 2.11km** from 1.34km. This affirmed the lithium mineralisation's continuity east and west of Adina Main, which remains open, further strengthening our potential estimate of over 100Mt of Resource if mineralisation continues in similar scale across the 3.1km strike from Adina South West to Adina East. This will help to boost the tonnage, grades and confidence for the upcoming MRE upgrade. Beyond that, the Ridge Zone, Adina Far East and Jackpot present even further significant upside.
- **Another discovery highlighting Adina's massive potential.** The results also include a drillhole to the south-west of Adina Main that intersected a 62.4m thick intersection of spodumene-bearing pegmatite which may represent a new pegmatite zone. This points to the potential for further pegmatite bodies to be formed at Adina.
- **Progressing well towards the resource upgrade.** Current drilling at Adina continues to focus on extensions to mineralisation in all directions outside the current MRE. WR1 aims to systematically explore the wider Adina project in 2024. New high priority gravity pegmatite targets have been delineated to the west of Adina Main.

- **Stay tuned for more assays.** More news is to come as assay results are now being received from the recent drilling completed in 2024. This is likely to provide strong momentum for WR1 especially as it seeks to progress towards its MRE upgrade in 1H2024. The recent encouraging met test results have also allowed preliminary development studies to progress, WR1 aiming to publish the studies in 2H2024 with environmental and infrastructure studies progressing concurrently.
- **We currently rate WR1 a Buy with a 12-month price target of \$2.16.** WR1 is currently trading at only \$63/t LCE - under that of peers of \$177/t LCE, implying further upside. The company remains amply funded with \$54M cash as at end December. WR1's recent inclusion in S&P/ASX All Ordinaries Index also bodes well with its prospect ahead.

Foster Stockbroking and staff (excluding analyst) own 131,000 WR1 shares. Cranport owns 331,740 WR1 shares.

Foster Stockbroking received fees from its role as Co-Manager to the \$19M flow-through placement of WR1 shares at \$4.18 and \$26M institutional placement of WR1 shares at \$2.00 in February 2023, and from its participation in the \$34M flow-through placement of WR1 shares at \$2.38 and institutional placement of WR1 shares at \$1.22 in October 2023.

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