

CONFIRMATIONS

American West Metals Limited (ACN 645 960 550) (**Company**) provides the following confirmations to satisfy conditions for the admission of the Company's securities to quotation on ASX.

Capitalised terms in this announcement have the same meaning as given under the Company's prospectus dated 29 October 2021 as varied by the Company's supplementary prospectus dated 16 November 2021 (**Prospectus**) unless the context otherwise requires.

Completion of Public Offer

The Company confirms that all conditions to the Offer under the Prospectus have been satisfied and the Company has issued 60,000,000 fully paid ordinary shares (**Shares**) under the Offer at an issue price of \$0.20 per Share to raise \$12,000,000 (before costs).

Completion of Issues

In addition to the Shares issued pursuant to the Public Offer, the Company confirms that it has also issued the following:

- (a) 4,790,550 Lead Manager Options;
- (b) 13,385,000 Vendor Shares;
- (c) 1,300,000 Adviser Shares; and
- (d) 5 Performance Rights to Rocky Pray.

Completion of West Desert Option Agreement

The Company confirms that the conditions precedent to the West Desert Option Agreement between the Company, West Desert Metals Inc and InZinc Mining Ltd (**InZinc**) have been satisfied. In accordance with the terms of the West Desert Option Agreement the Company issued 13,385,000 Shares on 2 December 2021 and paid CAD\$1,000,000 and USD\$1,225,000 on 2 December 2021.

Repayment of the loan agreement with Zeus Private Equity Pty Ltd

The Company confirms full repayment of the Loan Agreement with Zeus Private Equity Pty Ltd for \$450,000.

Reimbursement of Reclamation Bond

The Company confirms that it has reimbursed InZinc for a reclamation bond in connection with the West Desert Project. The Company reimbursed InZinc US\$96,577, being the amount currently on file with the State of Utah Division of Oil, Gas and Mining.

Tenements and Exploration Activities

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to the Company entering its tenements and carrying out exploration

activities such that the Company will be able to spend its cash in accordance with its commitments.

UPDATED PRO-FORMA BALANCE SHEET

The following is an updated statement of financial position for the Company based on actual funds raised of \$12,000,000 under the Prospectus:

	NOTE	UNAUDITED CONSOLIDATED 30 JUNE 2021 ACTUAL \$	UNAUDITED CONSOLIDATED 30 JUNE 2021 PRO-FORMA \$12M \$
CURRENT ASSETS			
Cash and cash equivalents	1	1,094,265	9,062,039
Trade and other receivables		201,970	201,970
Other current assets		24,529	24,529
TOTAL CURRENT ASSETS		1,320,764	9,288,538
TOTAL ASSETS		1,320,764	9,288,538
CURRENT LIABILITIES			
Trade and other payables		87,913	87,913
TOTAL CURRENT LIABILITIES		87,913	87,913
TOTAL LIABILITIES		87,913	87,913
NET ASSETS		1,232,851	9,200,625
EQUITY			
Issued capital	2	3,055,001	16,882,892
Foreign exchange reserve		(3,712)	(3,712)
Accumulated losses	3	(1,818,438)	(7,678,555)
TOTAL EQUITY		1,232,851	9,200,625
1. CASH ASSETS			
The movement in cash assets is as follows:			
Unaudited 30 June 2021 balance		1,094,265	1,094,265

Issue of Shares	(a)	-	12,000,000
Offer costs	(a)	-	(1,109,109)
Acquisition costs	(b)	-	(2,794,050)
Reclamation bond	(e)	-	(129,067)
		1,094,265	9,062,039
2. ISSUED CAPITAL			
Issued capital opening balance		3,055,001	3,055,001
Issue of Shares	(a)	-	12,000,000
Offers costs	(a)	-	(1,109,109)
Success Fee	(c)	-	260,000
Acquisition costs	(d)	-	2,677,000
		3,055,001	16,882,892
3. ACCUMULATED LOSSES			
Accumulated Losses opening balance		(1,818,438)	(1,818,438)
Acquisition costs	(b), (d)	-	(5,471,050)
Success fee	(c)	-	(260,000)
Reclamation bond	(e)	-	(129,067)
		(1,818,438)	(7,678,555)

Notes:

Proposed transactions adjusting the 30 June 2021 unaudited consolidated statement of financial position for American West Metals Limited and the 30 June 2021 pro-forma consolidated statement of financial position are as follows:

- (a) Issue of shares to raise \$12,000,000 and estimated cost of the share issue expected to be \$1,109,109.
- (b) Costs associated with acquiring the West Desert Project estimated to be CA\$1,000,000 (AU\$1,076,750) and US\$1,225,000 (\$1,637,115) in cash to InZinc and a success fee of US\$60,000 (AU\$80,185) in cash to Robert Schafer, immediately following the issue of the Shares that are the subject of the Offer.
- (c) American West to pay a share-based success fee of 1,300,000 Shares (AU\$260,000) to Robert Schafer in relation to acquisition of the West Desert Project. Robert Schafer will be issued these Shares at the same time as the Shares under offer.
- (d) American West to issue CA\$2,500,000 in fully paid ordinary shares in American West at the Offer price, which equates to 13,385,000 shares (AU\$2,677,000).
- (e) American West to pay a reclamation bond of US\$96,577 (AU\$129,067) to reimburse InZinc for the amount currently on file with the State of Utah Division of Oil, Gas and Mining.

CAPITAL STRUCTURE

The Company's capital structure, as at the date of admission of the Company to the Official List of the ASX is set out below.

Security	Number
Shares	159,685,000
Options ¹	4,790,550
Performance Rights ²	5

Notes:

1. Exercisable at \$0.30 each on or before the date which is three (3) years from the date the Company's Shares are admitted to the Official List.
2. Each Performance Right will convert into 100,000 Shares upon satisfaction of the relevant milestone.

STATEMENT OF COMMITMENT OF FUNDS

The Company intends to apply the funds raised from the Public Offer (being \$12,000,000) together with its existing cash reserves over the next two (2) years as follows:

Funds available	Amount raised (\$) (\$12,000,000)	Percentage of Funds (%)
Existing cash reserves ¹	514,000	4.11%
Funds raised from the IPO Offer	12,000,000	95.89%
Total	12,514,000	100%
Allocation of funds		
Acquisition of West Desert Project ²	2,794,050	22%
Exploration of West Desert Project ³	6,625,000	53%
Storm Copper Project ³	600,000	5%
Seal Zinc Project ³	150,000	1%
Copper Warrior Project ³	163,364	1%
Administration Costs ⁴	580,200	5%
Expenses of the Offer ⁵	1,109,109	9%
Working Capital ⁶	492,277	4%
Total	12,514,000	100%

Notes:

1. Refer to the Financial Information set out in the Independent Limited Assurance Report in Annexure D of the Prospectus. The Company intends to apply these funds towards the purposes set out in this table, including the payment of the expenses of the Offer of which various amounts will be payable prior to completion of the Offer. Since 30 June 2021, the Company has expended approximately \$980,000 comprising instalment payments for the acquisition of the West Desert Project, payments in connection with exploration activities carried out at the Projects, costs in relation to preparing the Prospectus and general administration expenses.

2. The Company will have acquired 100% of the West Desert Project on payment of \$2,794,050 (following completion of the IPO Offer and prior to being admitted to the Official List of ASX) which will satisfy all cash payments due under the West Desert option.
3. Refer to Section 5.4 of the Prospectus and the Independent Geologist's Report in Annexure A of the Prospectus for further details with respect to the Company's proposed exploration programs at the Projects.
4. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.
5. Refer to Section 9.9 of the Prospectus for further details.
6. To the extent that:
 - (a) the Company's exploration activities warrant further exploration activities; or
 - (b) the Company is presented with additional acquisition opportunities, the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions), as well as repayment of the loan from Zeus Private Equity Pty Ltd (refer to Section 8.3.3 of the Prospectus). Any amounts not so expended will be applied toward administration costs for the period following the initial 2-year period following the Company's quotation on ASX.

RESTRICTED SECURITIES

The following securities are subject to ASX imposed escrow:

Class	Number	Restriction Period
Shares	58,224,999	24 months from the date of quotation
Options	4,790,550	24 months from the date of quotation
Shares	26,185,000	12 months from the date of issue

WAIVER DECISIONS

Listing Rule 1.1, Condition 12

Based solely on the information provided, ASX grants the Company a waiver from Listing Rule 1.1 condition 12 to the extent necessary to permit the Company to issue 5 performance rights that each convert, upon the satisfaction of certain milestones, to the Company's ordinary shares on a 1:100,000 basis to Rocky Pray, an employee of the Company, as Performance Rights with a nil exercise price on the condition that that the full terms and conditions of the Performance Rights are clearly disclosed in the Prospectus.

Listing Rule 6.1

Based solely on the information provided, ASX confirms to the Company that the terms of 5 performance rights that each convert, upon the satisfaction of certain milestones, to the Company's ordinary shares on a 1:100,000 basis proposed to be issued by the Company to Rocky Pray are appropriate and equitable for the purposes of Listing Rule 6.1.

This announcement was authorised for release by the Board of Directors of American West Metals Limited.

For further information, please contact:

Sarah Shipway
Company Secretary

+61 8 6109 6653

info@aw1group.com

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