

Wednesday, 22nd June 2022

High Impact Drilling to Commence at the Storm Copper Project

- **Diamond drilling scheduled to commence July 2022 and will test high-grade copper targets**
- **Drilling to focus on resource definition at the high-grade 2750N Zone**
- **Previous intersections at the 2750N Zone include 110m @ 2.45% Cu from surface and 56.3m @ 3.07% Cu from 12.2m**
- **Potential to also discover additional massive sulphide copper zones with drill testing of new, high-priority EM conductors**
- **A bulk sample of copper mineralisation at Storm will be acquired during the program for the second phase of direct shipping ore (DSO) and beneficiation test work, with initial ore sorting supporting the potential to produce a DSO with a grade >53% Cu**

American West Metals Limited (**American West Metals** or **the Company**) (ASX: AW1) is pleased to announce high-impact drilling and exploration activities at the high-grade Storm Copper and Seal Zinc-Silver Projects (**Storm, Seal** or **the Projects**) on Somerset Island, Nunavut.

A major diamond drilling program is scheduled to commence at Storm next month, to test key resource and exploration targets. This drilling program will be the first since American West Metals became project operator, under the option agreement with Aston Bay Holdings (TSX-V: BAY).

The resource definition drilling will begin at the 2750N Zone where historical drilling has encountered significant copper mineralisation, including 110m at 2.45% Cu from surface (drill hole ST97-08), and 56.3m @ 3.07% Cu from 12.2m (drill hole ST99-19). The 2750N Zone copper mineralisation is open at depth and along strike.

Drilling will also test a number of high-priority electromagnetic (EM) conductors that were identified by the 2021 fixed loop electromagnetic (FLEM) survey completed by American West over the Storm Project area. The survey identified multiple near surface anomalies, some of which are coincident with outcropping copper occurrences, that are consistent with the EM responses of known massive chalcocite mineralisation on the Storm property.

The 2021 survey also identified several large, flat lying EM conductors that may represent a deeper, stratigraphic source to the near surface mineralisation. These anomalies present compelling targets for the discovery of a major sedimentary copper mineral system.

APEX Geoscience Ltd have been contracted to manage and execute the 2022 program.

Dave O’Neill, Managing Director of American West Metals commented:

“With a round of successful drilling at our West Desert Project already delivered this year, we are now excited to be preparing for our maiden drilling program at the Storm high-grade copper project.

“Drilling at Storm will commence in the coming weeks with logistics for the program well underway. Having a number of high-value targets planned for drilling, we look forward to expanding on the thick, high-grade copper already discovered.

“The drill program has a dual strategy. Firstly, to define resources that may support an initial low-footprint mining proposal utilising a DSO model that produced a 53% Cu product in our initial test work.

“Secondly, to confirm the outstanding growth potential of the Project by identifying further, undiscovered zones of high-grade copper mineralisation in unexplored areas.

“We are pleased to be working closely again alongside our partners Aston Bay Holdings and APEX Geoscience on this exciting project, and look forward to reporting news as drilling progresses.”

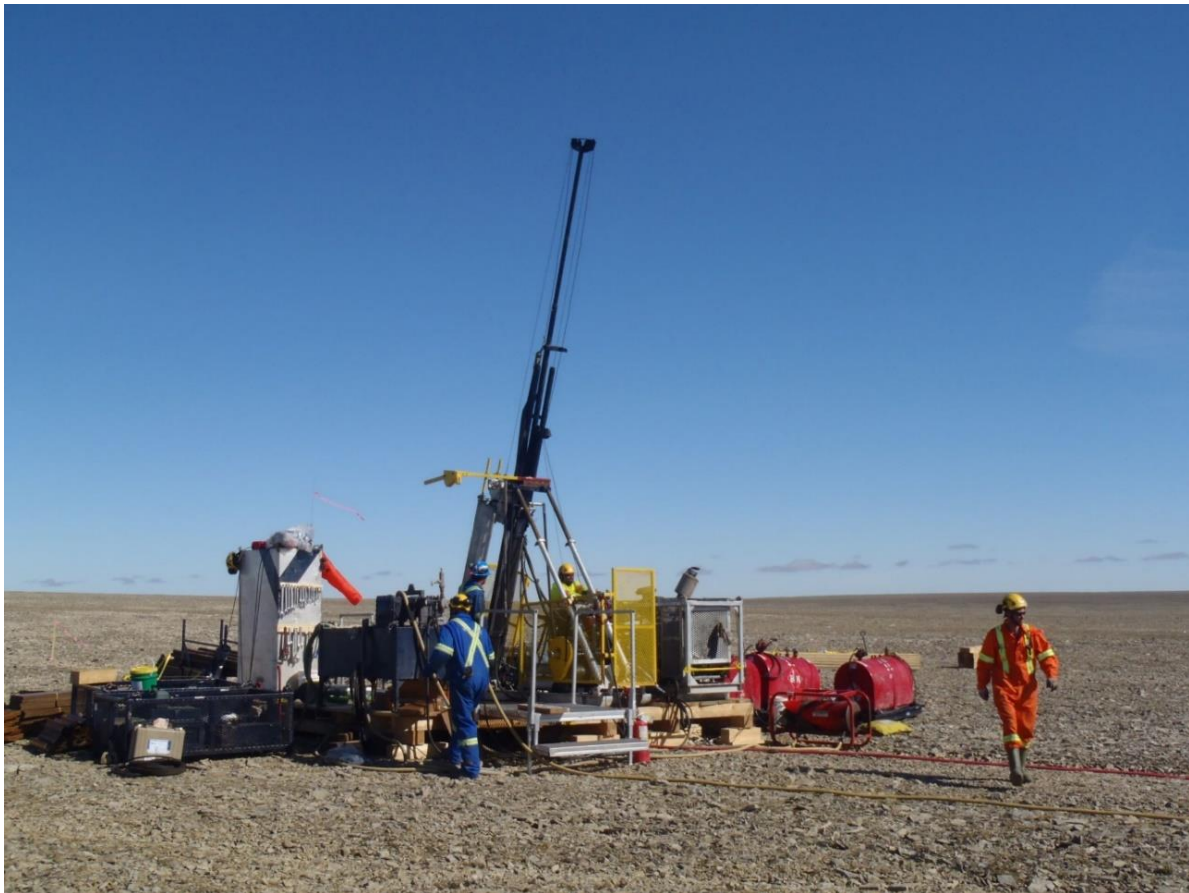


Figure 1: Diamond drilling underway at the Storm Copper Project during 2016. The diamond rig is at site and being prepared for the 2022 drill program (Photo credit Aston Bay Holdings Ltd)



RESOURCE DEFINITION DRILLING

Resource definition in the 2022 drill program will initially focus on defining potential shallow resources within the 2750N Zone.

Historical drilling within the 2750N Zone has encountered thick intervals of high-grade copper mineralisation, including 110m at 2.45% Cu from surface (drill hole ST97-08), and 56.3m @ 3.07% Cu from 12.2m (drill hole ST99-19). Given the outstanding width of these intervals and the distance between drill holes (>100m), extension and infill drilling in the 2750N Zone gives the potential opportunity to quickly define large volumes of further copper mineralisation.

Over 1,500 metres of drilling is initially planned in and around the 2750N Zone, with hole depths between 100-150m due to the shallow nature of mineralisation.

Initial ore sorting test work on the shallow copper mineralisation at Storm supported the production of a DSO product grading 53% Cu (see ASX announcement dated 11 April 2022 – *Over 53% Cu Direct Shipping Ore Generated at Storm Copper*).

The excellent results from the ore-sorting and DSO test work suggest that a shallow, high-grade resource is likely to be well suited to a low-footprint DSO mining operation.

EXPLORATION DRILLING - 2021 FIXED LOOP EM (FLEM) SURVEY

American West Metals completed a large fixed loop EM (FLEM) survey over the Storm Copper Project area in 2022 (see ASX announcement dated 14th December 2021 – *Outstanding growth potential confirmed at Storm Copper Project*).

Historical EM surveys had successfully identified several strong conductive anomalies that are associated with known copper mineralisation at Storm. The high-powered 2021 survey was designed to better define these historical anomalies, highlight potential extensions to the known copper mineralisation and to also identify potential new targets.

The survey identified two distinct types of EM anomalies which included strong, near-surface and sub-vertical conductors, as well as a series of large, deeper and generally flat-lying conductors (Figure 2).

The 2021 FLEM survey covered a 6km strike of the interpreted 120km mineralised trend at the Storm Project. Numerous gossans and copper soil anomalies have been identified outside the FLEM survey area, providing a strong pipeline of additional exploration targets and suggesting potential for the repetition of the highly-mineralised zones already discovered at Storm.

Shallow EM conductors

Seven shallow conductors were identified during the 2021 FLEM survey that are interpreted as likely to represent untested zones of massive chalcocite mineralisation. These anomalies are favorably situated along, or in close proximity to, the bounding faults of the Storm graben, and in areas of elevated density (Figure 2).

Importantly, the conductors east of the 2200N and 2750N Zones are also associated with significant copper in soil geochemical anomalies and outcropping copper mineralisation.

With only very limited drilling into some of these areas of anomalism, the newly defined conductors present a number of compelling new and untested drill targets that will be tested during the upcoming drilling program.



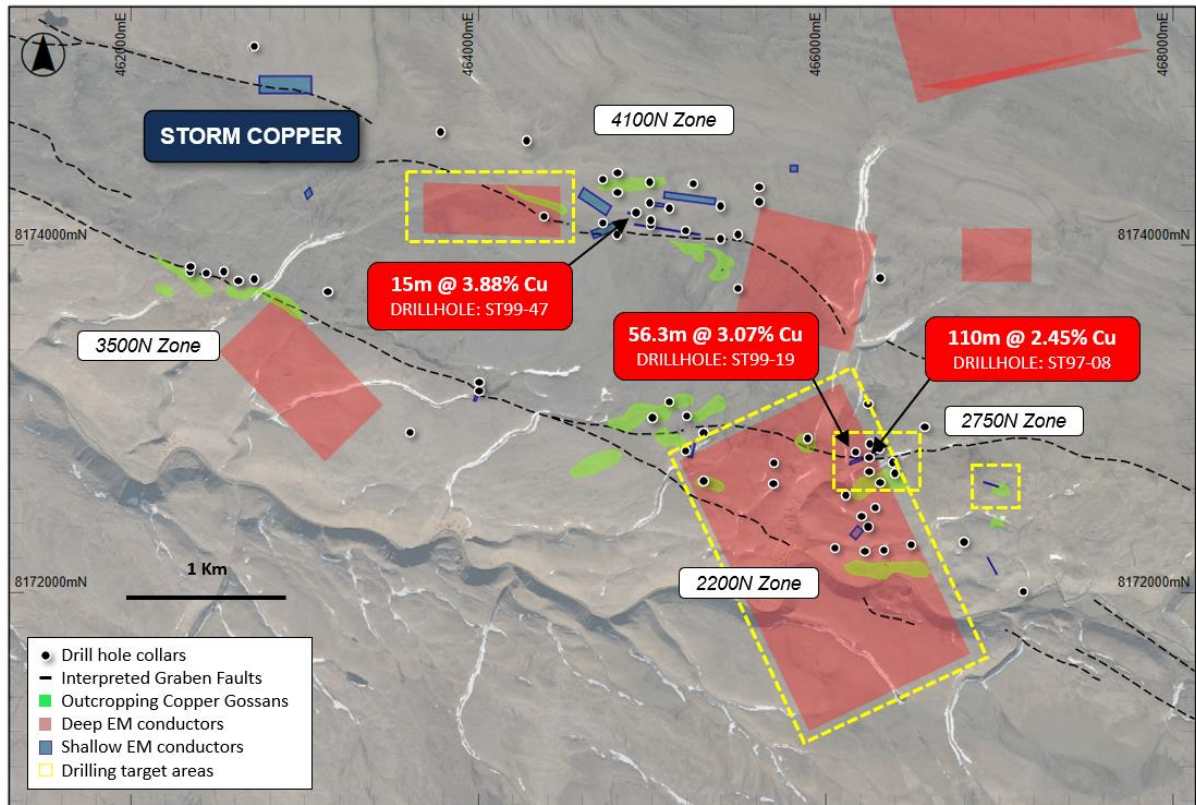


Figure 2: Storm Copper Project – 2021 FLEM conductors, drilling, outcropping copper mineralisation (gossan) and major faults overlaying aerial photography

Deep EM conductors

Seven untested deeper conductors of interest were also identified during the 2021 survey (Figure 2, red rectangles). Six of the seven anomalies are located proximal to the bounding faults of the Storm graben.

The geometry and mostly gentle dips of the modelled deep EM conductors suggest that they may be related to stratiform type targets, and may be indicative of traditional sedimentary type copper mineralisation at depth. Given the highly resistive nature of the host geology (dolomites), even subtle conductors are considered to be highly prospective when combined with coincident geochemical or airborne gravity anomalies.

One of these is a large (>750m in strike) conductive anomaly associated with the 4100N Zone where previous high-grade intersections include 15m @ 3.88% Cu from 72.4m (drill hole ST99-47). A large conductive anomaly was also recognised below the 2750N and 2200N Zones.

These present as compelling large-scale exploration targets that may represent the source of the near-surface high-grade copper already confirmed by shallow drilling. These new targets will be tested as part of the 2022 drill program.

FORWARD PROGRAM

The diamond drilling at the Storm Copper Project is expected to commence during early July, with the logistics and final planning currently underway. The results of the drilling program are expected to be released regularly given the highly visual nature of the copper mineralisation and host geology.

ABOUT STORM COPPER AND SEAL ZINC-SILVER PROJECTS, NUNAVUT

The Nunavut property consists of 117 contiguous mining claims and 6 prospecting permits covering an area of approximately 302,725 hectares on Somerset Island, Nunavut, Canada.

The Storm Project comprises both the Storm Copper Project, a high-grade copper discovery (intersections including 110m @ 2.45% Cu from surface and 56.3m @ 3.07% Cu from 12.2m) as well as the Seal Zinc-Silver Deposit (intersections including 14.4m @ 10.58% Zn, 28.7g/t Ag from 51.8m and 22.3m @ 23% Zn, 5.1g/t Ag from 101.5m).

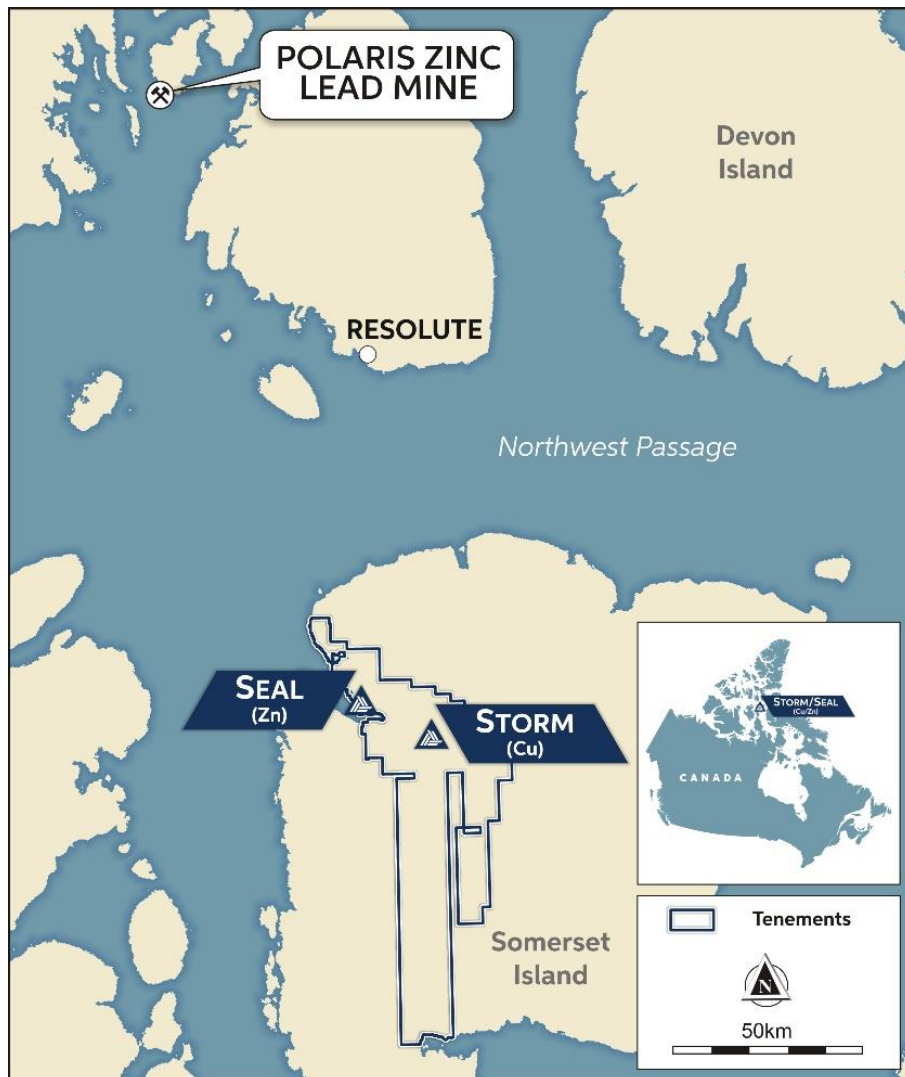
There are numerous underexplored targets within the 120km strike length of the mineralized trend, including the Tornado copper prospect where 10 grab samples yielded >1% Cu up to 32% Cu in gossans.

American West Metals Limited has an option to earn an 80% interest in the Storm Project.



Figure 3: Location map of major northern Canada and USA mining projects





This announcement has been approved for release by the Board of American West Metals Limited.

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ASX Listing Rule 5.12

The Company has previously addressed the requirements of Listing Rule 5.12 in its Initial Public Offer prospectus dated 29 October 2021 (released to ASX on 9 December 2021) (**Prospectus**) in relation to the West Desert Project. The Company is not in possession of any new information or data relating to the West Desert Project that materially impacts on the reliability of the estimates or the Company's ability to verify the estimates as mineral resources or ore reserves in accordance with the JORC Code. The Company confirms that the supporting information provided in the Prospectus continues to apply and has not materially changed.

This ASX announcement contains information extracted from the following reports which are available on the Company's website at <https://www.americanwestmetals.com/site/content/>:

- 29 October 2021 Prospectus

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in the Prospectus. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Prospectus.

Competent Person Statement

The information in this report that relates to Exploration Targets and Exploration Results for the West Desert Project is based on information compiled by Mr Dave O'Neill, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr O'Neill is employed by American West Metals Limited as Managing Director, and is a substantial shareholder in the Company.

Mr O'Neill 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr O'Neill consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.





ABOUT AMERICAN WEST METALS

AMERICAN WEST METALS LIMITED (ASX: AW1) is a new Australian company focused on growth through the discovery and development of major base metal mineral deposits in Tier 1 jurisdictions of North America. We are a progressive mining company focused on developing mines that have a low-footprint and support the global energy transformation.

Our portfolio of copper and zinc projects include significant existing resource inventories and high-grade mineralisation that can generate robust mining proposals. Core to our approach is our commitment to the ethical extraction and processing of minerals and making a meaningful contribution to the communities where our projects are located.

Led by a highly experienced leadership team, our strategic initiatives lay the foundation for a sustainable business which aims to deliver high-multiplier returns on shareholder investment and economic benefits to all stakeholders.

