ASX Release

23 November 2026 **ASX Code: WC1**

SCANDIUM STRATEGY GAINING MOMENTUM

Highlights

Salazar Project, WA

- Assay results from the recently completed scandium-focused drilling program at Salazar are imminent.
- This was the first Scandium dedicated program the company has undertaken and highlights the shift in focus progressing through 2026.
- Drilling targeted higher-grade scandium zones at the Newmont deposit, with the aim of lifting grade and expanding the current Inferred Mineral Resource.
- Global demand for scandium is expected to keep rising, driven by solid oxide fuel cells powering AI data centres, aerospace and defence alloys, and advanced semiconductors, while supply remains concentrated in China.
- Despite recent market volatility, demand for AI compute continues to grow materially, as highlighted by Anthropic's record initial public offering on the Nasdaq.
- Metallurgical testwork is progressing on several parallel streams, with further results expected in the near term.
- Managing Director Matt Szwedzicki met US government officials and industry representatives during a critical minerals delegation to the United States.

West Cobar Metals Limited (ASX: **WC1**) (**West Cobar** or **the Company**) provides an update on its scandium strategy at the Salazar Critical Minerals Project (**Salazar**), located approximately 120 km north-east of Esperance in Western Australia.

Salazar Drilling — Assays Imminent

The Company's first dedicated scandium drilling campaign at Salazar was completed in early November 2026. Assay results from 91 aircore holes (totalling 2,941m) are imminent. The holes were drilled on a closer-spaced pattern (nominally 100 m by 50 m) around previous higher-grade scandium intersections at the Newmont deposit, and also tested the greenfield Benriach scandium prospect.

The program was designed to:

- Target the higher-grade scandium zones identified in the Company's review of historical data (ASX announcement, 8 July 2026); and

- Test extensions to the existing scandium mineralisation, with the aim of expanding the Inferred Mineral Resource.

The current Salazar scandium Inferred Mineral Resource is 15 Mt at 153 ppm Sc_2O_3, for 2,300t of contained scandium oxide. Salazar also hosts Inferred Mineral Resources[1] of titanium dioxide (42Mt of 5.2%TiO_2), HPA alumina (4Mt of 29.7%Al_2O_3) and gallium (263 Mt at 35 ppm Ga_2O_3),[2] and Inferred and Indicated Resources of rare earths (230Mt 0f 1178ppm TREO,[3] includes Indicated Resource of 44Mt of 1229ppm TREO), offering potential by-product credits.

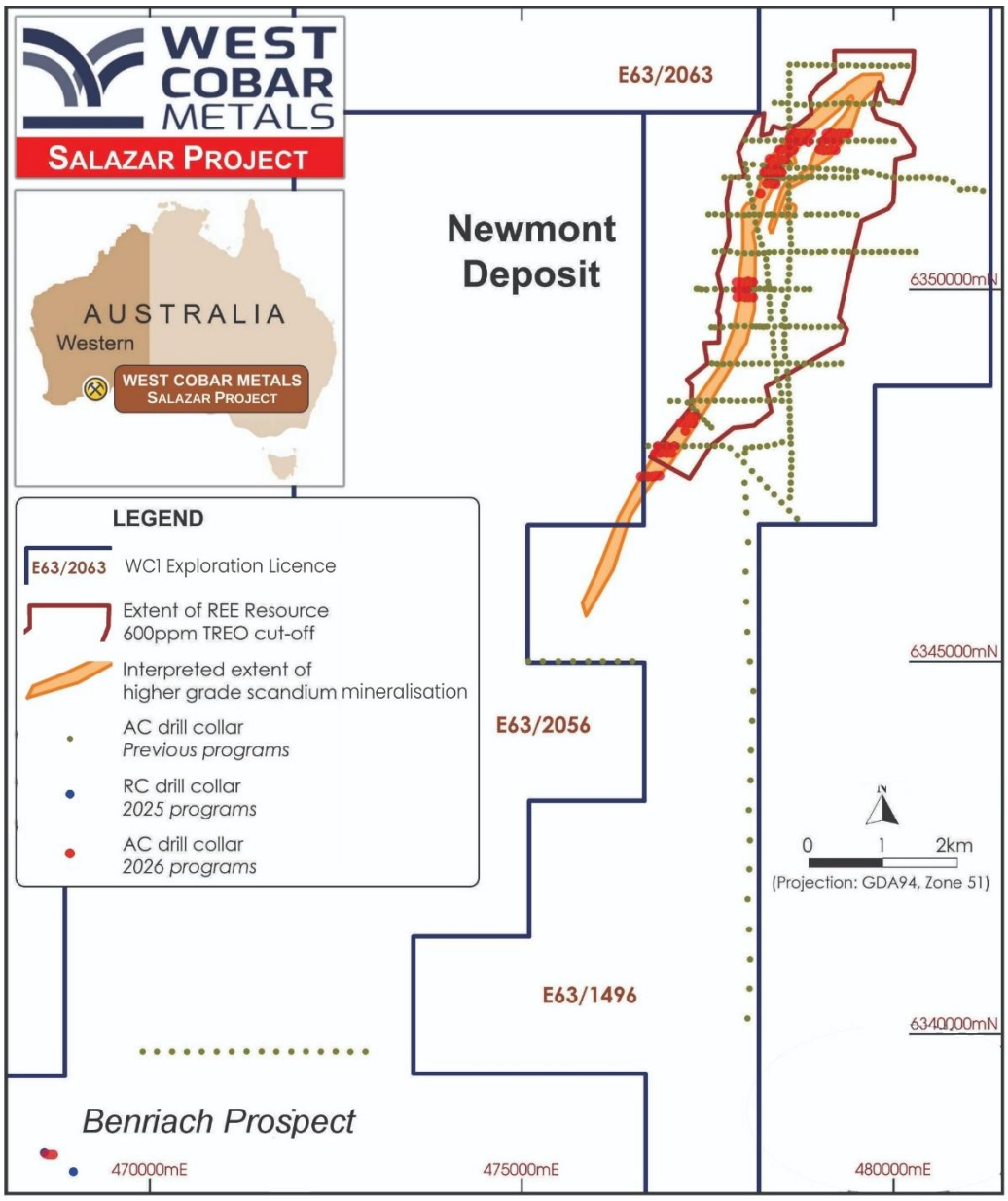

Figure 1: *Extent of Scandium mineralisation interpreted from previous drill results, and collars of recently completed air-core drill program*

[1] *West Cobar Metals ASX release, 'Major Resource Expansions at Salazar', 8 October 2024*

[2] *West Cobar Metals ASX release, 'Salazar Project delivers major 263Mt Gallium Resource', 22 January 2026*

[3] *TREO = La_2O_3 + CeO_2 + Pr_6O_{11} + Nd_2O_3 + Sm_2O_3 + Eu_2O_3 + Gd_2O_3 + Tb_4O_7 + Dy_2O_3 + Ho_2O_3 + Er_2O_3 + Tm_2O_3 + Yb_2O_3 + Lu_2O_3 + Y_2O_3*

Metallurgical Testwork

Metallurgical testwork on Salazar scandium mineralisation is progressing on several streams. Further results are expected before year end and will be reported to the market when received.

AI Compute Demand

Despite recent volatility in technology and resource markets, investment in AI compute continues to grow materially. On 18 November 2026, Anthropic, the developer of the Claude AI models, priced its Nasaq initial public offering at US$83 per share, above its marketed range, raising over US$ 100bn — the largest IPO on record.

The capital being raised to build AI compute is translating into demand for reliable, rapidly deployable power for data centres. Solid Oxide Fuel Cells (SOFC) systems that use scandium are one of the fastest-growing sources of that power, which supports the long-term demand outlook for scandium.

Scandium Demand Outlook

Scandium is a critical mineral with a small, concentrated market. Global production of scandium oxide was about 80t in 2025, almost all recovered as a by-product of other processing (*source: USGS*). Demand is expected to keep growing, with independent analysis forecasting demand of around 194t per year by 2035, more than three times 2025 consumption. The key drivers are:

- **Solid oxide fuel cells (SOFCs) for AI data centres.** Scandium-stabilised zirconia is the electrolyte in high-efficiency SOFCs, such as those made by Bloom Energy. Bloom's on-site power systems are being deployed at scale to meet AI data-centre electricity demand.
- **Aerospace and defence.** Aluminium-scandium alloys are stronger, lighter and more weldable than conventional alloys. Major defence contractors have entered offtake options with scandium developers.
- **Advanced semiconductors.** Aluminium-scandium nitride is used in 5G and radar radio-frequency chips, a high-purity application with no ready substitute.
- **Security of supply.** China, the leading producer, has required export licences for scandium since April 2025. The United States and its allies are funding non-Chinese supply, including a conditional US$400 million loan commitment from the US Office of Strategic Capital to an Australian scandium project and a US Defense Logistics Agency stockpile program.

Other emerging uses could add to demand as supply becomes more reliable:

- **Green hydrogen.** Solid oxide electrolysis cells (SOECs) are fuel cells run in reverse to make hydrogen from water and can use the same scandium-stabilised zirconia electrolyte.

- **3D printing (additive manufacturing).** Aluminium-scandium alloy powders are used to print high-strength, lightweight parts for aerospace, motorsport and space applications.
- **Electric vehicles and transport.** Aluminium-scandium alloys can cut weight in vehicle bodies, battery enclosures and rail and marine structures, if supply and price allow wider use.
- **Consumer electronics and sporting goods.** Thin, strong aluminium-scandium components are used in devices, bicycle frames and other premium equipment.
- **Lighting and lasers.** Scandium compounds are used in high-intensity metal-halide lamps and in specialised solid-state lasers.

United States Visit

Managing Director Matt Szwedzicki has recently returned from the United States, where he met US Government officials and industry delegates - which has resulted in key contacts and provided a better understanding of the fast-moving demand dynamics for Scandium. The company is deploying key learnings into its project and downstream partnership plans.

Management Comment

West Cobar Managing Director Matt Szwedzicki: *"Our scandium strategy is rapidly gaining momentum as we await results from our recent scandium focused drilling programme and metallurgical testwork updates. We expect to use these results to update our mineral resource estimates and subsequently to leverage growing market interest for scandium.*

Our discussions in the United States gave us a better understanding of the scandium market dynamics and what downstream participants are looking for. We are using those insights to focus our assessment of potential partnerships. The results of the work at Salazar will give us a better basis for those discussions as we evaluate how the project could supply those markets."

Next steps

- Receive and report assay results from the recently completed Salazar aircore program.
- Report results from the current metallurgical testwork streams.
- Update the Salazar scandium Mineral Resource estimate as warranted.
- Use the drilling and metallurgical results to guide project evaluation and inform discussions with prospective partners.

-ENDS-

This ASX announcement has been approved by the Board of West Cobar Metals Limited.

About West Cobar Metals Limited

West Cobar Metals Limited is an ASX-listed exploration and development company focused on advancing the Salazar Scandium and Critical Minerals Project in Western Australia, the Cobar West copper–antimony–silver project in New South Wales, and the Mystique Gold Project in Western Australia.

Address: Suite B9, 431 Roberts Rd, Subiaco WA 6008
Phone: +61 8 9287 4600
Website: www.westcobarmetals.com.au
Email: info@westcobarmetals.com.au
ACN: 649 994 669

Further information:

Matt Szwedzicki
Managing Director
ms@westcobarmetals.com.au
+61 8 9287 4600

Luke Forrestal
GRA Partners
luke.forrestal@grapartners.com.au
+61 411 479 144

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The information contained in this announcement that relates to the exploration information at West Cobar's Projects fairly reflects information compiled by Mr David Pascoe, who is Head of Technical and Exploration of West Cobar Metals Limited and a Member of the Australian Institute of Geoscientists. Mr Pascoe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Pascoe consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The statement of estimates of Mineral Resources for the Salazar Project deposits in this announcement were reported by West Cobar in accordance with ASX Listing Rule 5.8 and the JORC Code (2012 edition) in the announcements released to the ASX on 8 October 2024 and 22 January 2026 (Competent Person: Mr Serik Urbisinov), and for which the consent of the Competent Person was obtained. Copies of these announcements are available at https://www.westcobarmetals.com.au. West Cobar confirms it is not aware of any new information or data that materially affects the Mineral Resources estimates information included in the market announcements and that all material assumptions and technical parameters underpinning the Mineral Resources estimates in the announcements continue to apply and have not materially changed. West Cobar confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the market announcements.