



**WESTGOLD**  
RESOURCES LIMITED

# **WESTGOLD RESOURCES LIMITED**

[ **ASX : WGX** ]

## **The Platform for Profitability**

**Wayne Bramwell – Executive Director**

**Bell Potter Unearthed - February 2022**



## COMPLIANCE STATEMENT

Exploration targets, exploration results the information in this report that relates to exploration targets and exploration results is compiled by Westgold technical employees and contractors under the supervision of Mr. Jake Russell B. Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Russell is a full time employee of the company, and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities 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 Russell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Russell is eligible to participate in short and long term incentive plans of the company.

## MINERAL RESOURCES ESTIMATES

The information in this report that relates to Mineral Resource Estimates is compiled by Westgold technical employees and contractors under the supervision of Mr. Jake Russell B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Russell is a full time employee of the company, and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities 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 Russell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Russell is eligible to participate in short and long term incentive plans of the company.

## ORE RESERVE ESTIMATES

The information in this report that relates to Ore Reserve Estimates is based on information compiled by Mr. Anthony Buckingham B.Eng (Mining Engineering) MAusIMM. Mr. Buckingham has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which they are undertaking to qualify as a Competent Person as defined in the 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012)". Mr. Buckingham consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr. Buckingham is a full time senior executive of the Company and is eligible to, and may participate in short-term and long-term incentive plans of the Company as disclosed in its annual reports and disclosure documents.

## FORWARD LOOKING STATEMENTS

These materials prepared by Westgold Resources Limited (or "the Company") include forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances.

# Westgold [ASX : WGX] – The Platform for Profitability



**Established Australian producer** - Tier 1 jurisdiction and a +35M oz gold province



**Operational flexibility** – 4Mt milling capacity and 2.2M Oz reserve



**Owner miners** – cost effective and efficient underground and open pit miners



**FY21** – produced 245,000 oz and cash build delivered maiden dividend



**FY22** – production guidance +270,000 oz @ AISC A\$1500-1700/oz



**FY22/FY23 on** – focus is profitability by:

- consistent operational delivery – grade / ounces / cost management
- increasing free cash flow, operating margin and return on investment
- future proofing the business.



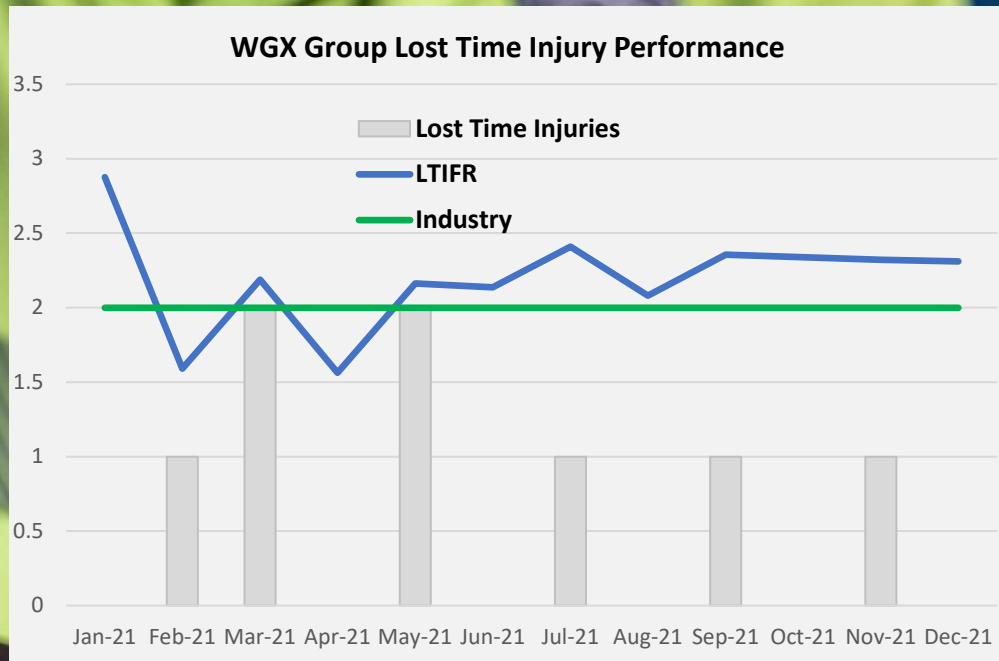
# Corporate Structure

Corporate Structure	
ASX CODE	<b>WGX</b>
Shares on Issue <sup>1</sup>	425.4M
Options on Issue <sup>1</sup>	4.0M
Market Capitalisation @ 08/02/2022	819M
12 Month Trading Range	A\$1.57 – A\$2.40
Avg Liquidity / day	≈1.4M
Dividends Paid <sup>1</sup>	\$0.02 cps
Institutional Investors	≈80%
Major Shareholders <sup>1</sup>	%
Ruffer LLP	9.0
Van Eck Associates	8.2
L1 Capital	6.9
Invesco	5.9
FIL Limited	5.7



Board	
Non-Executive Chairman	<b>Peter Cook</b>
Executive Director	<b>Wayne Bramwell</b>
Ind. Non-Exec Director	<b>Fiona Van Maanen</b>
Ind. Non-Exec Director	<b>Peter Schwann</b>
Ind. Non-Exec Director	<b>Gary Davison</b>

Management	
Chief Executive Officer	<b>Debbie Fullarton</b>
Chief Operating Officer	<b>Anthony Buckingham</b>
Chief Financial Officer	<b>Tommy Heng</b>
Company Secretary and Group Counsel	<b>Lisa Smith</b>



## FY22 – Safety Statistics & ESG Processes Improving

ESG is an integral part of our business and Westgold recognises the increasing importance in disclosure and performance and is:

- Working towards reporting in accordance with Global Reporting Initiative (GRI) Standards
- Adopting the Task Force on Climate-Related Disclosures (TCFD) guidelines and identifying material topics with the United Nations (UN) Sustainable Development Goals (SDGs)
- Issued our second Sustainability Report (FY21) in October which:
  - Set out how we manage sustainability across our business
  - Outlined our commitments for FY22
  - Contained a GRI core option index
  - Mapped our information and performance data in alignment with SDGs
- Committed to building on our sustainability disclosures through a focus on relevant sustainability priorities
- Continually improving the quality of data and comparatives
- Disclosing targets and pathways to mitigate our footprint on the environment

# Westgold – Rapid Growth Since 2017

**FY21 245kOz**  
Maiden Cash Dividend Paid

**FY20 235kOz**  
1Moz production milestone

**FY19 220kOz**  
Assets rationalised to Murchison + Bryah

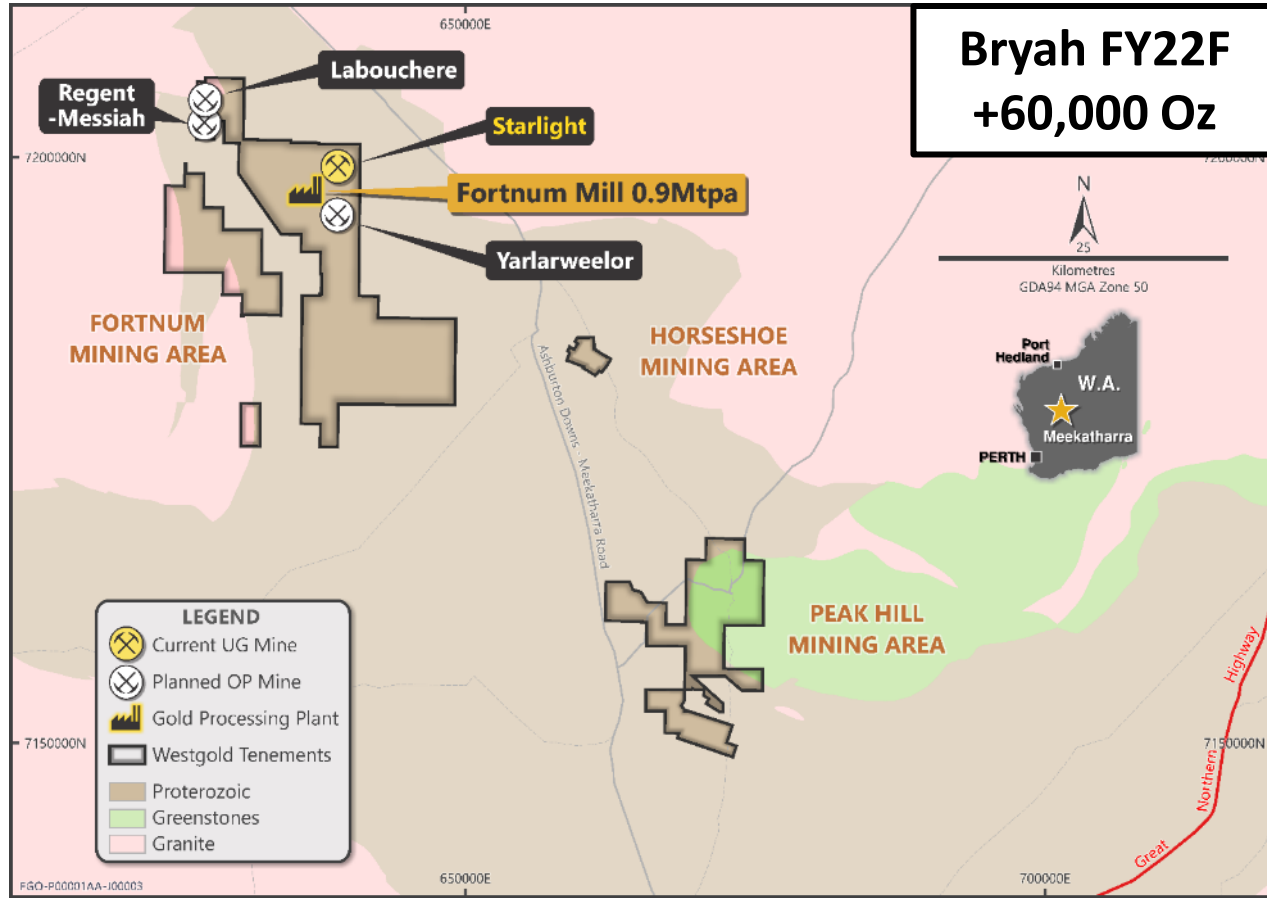
**FY17 - FY19**  
Production from Kalgoorlie + Murchison assets

**December 2016**  
Westgold lists on ASX

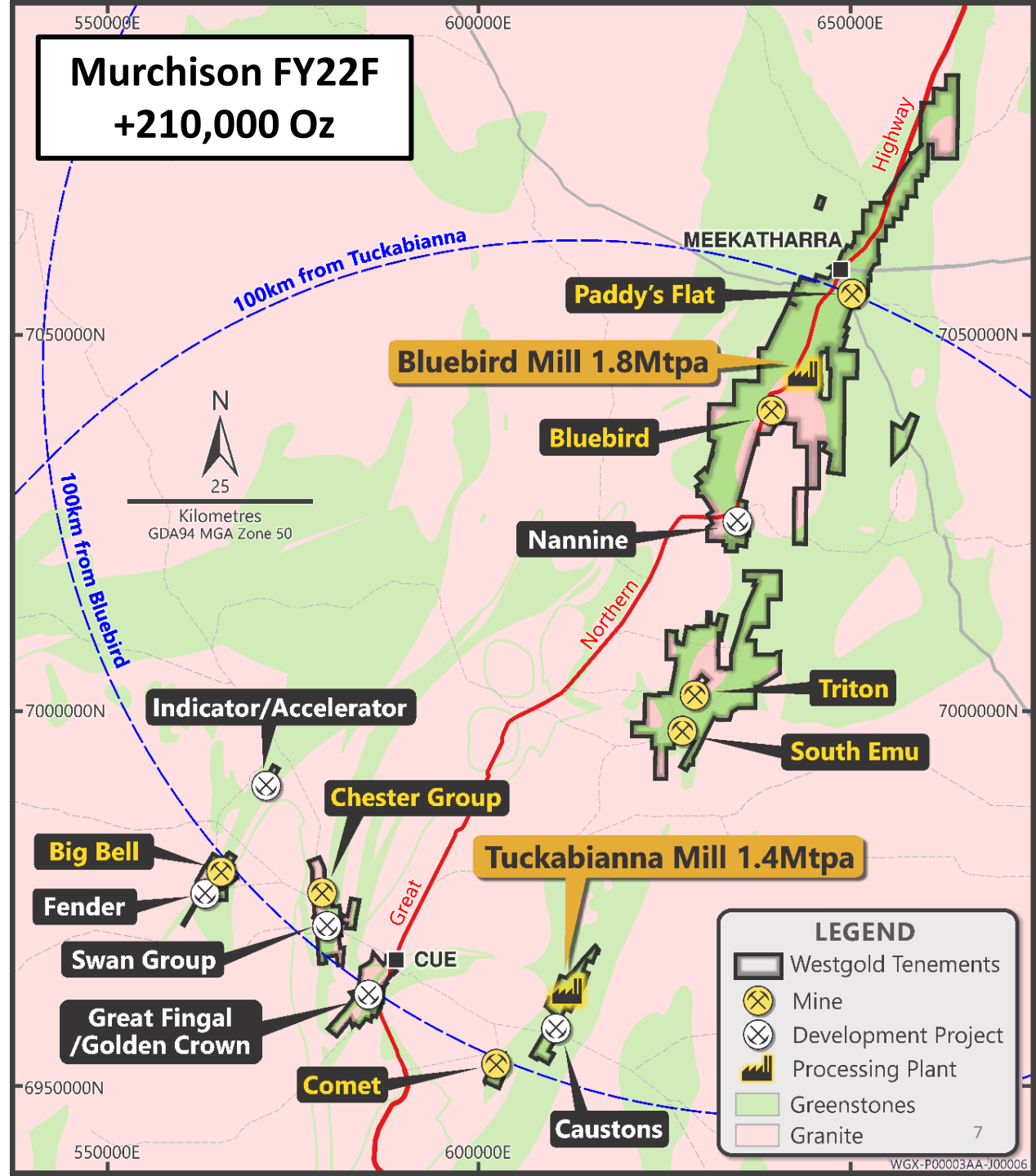
**FY22F +270kOz**



# Westgold – Our WA Footprint



**FY22 Guidance +270,000 oz**  
**@ C1 A\$1,250 – A\$1,400 /oz and ASIC A\$1,500 – A\$1,700 /oz**



# FY21 – The Platform is Established



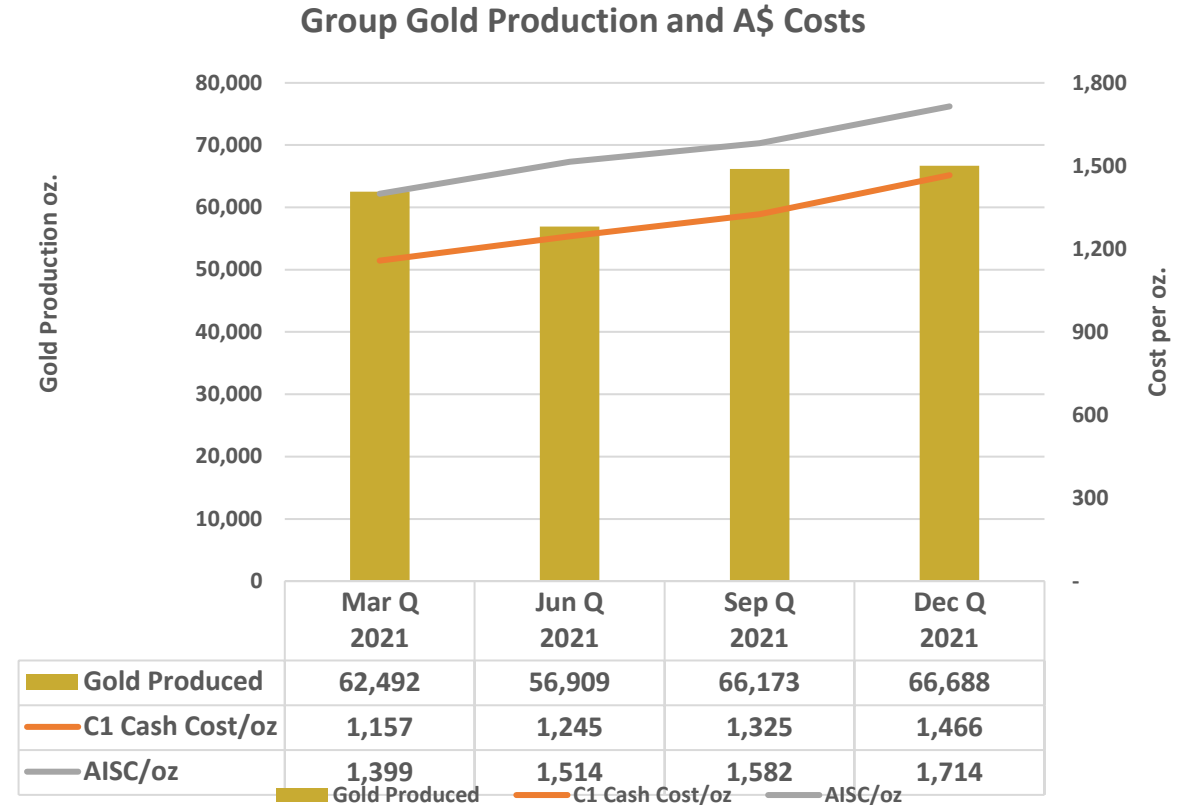
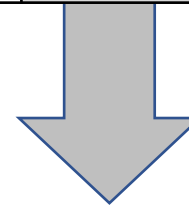
FINANCIAL METRIC	FY20	FY21	Variance	
Gold Sales [oz]	235,196	245,066	+ 4%	↑
Revenue [A\$M]	492	571	+ 16%	↑
Cost of Sales [A\$M]	463	456	- 2%	↓
Net profit before tax [NPBT - A\$M]	44	112	+ 155%	↑
Net Profit after tax [NPAT - A\$M]	35	77	+ 122%	↑
EBITDA	184	252	+ 37%	↑
Net cashflow from operations [A\$M]	156	249	+ 60%	↑
Closing cash and cash equivalents [A\$M]	138	151	+ 10%	↑
Net Assets [A\$M]	522	607	+ 16%	↑
Earnings per share [cents per share]	8.65	18.16	+ 110%	↑
Maiden cash dividends declared [AUD cents per share]		2.0		

- FY21 began to see capital investment start to deliver improved fiscal results<sup>1</sup>
- Capital investment phase tapering
- Big Bell contribution rises as virgin horizons accessed
- Bluebird underground commences
- Open pit mining across the Murchison package contributing supplementary ounces
- Expansion of Paddy's Flat and Starlight orebodies
- Triton orebody decline access
- Bluebird mill expanded to 1.7-1.8Mtpa
- Tuckabianna power upgrade removed milling constraint



# FY22 – Despite COVID 19 Operational Delivery Improving

FY22 Guidance		Q1	Q2	Result	YTD
Production Oz Au	+270,000	66,173	66,688	Record quarter	132,861
C1 A\$/oz	1,250 – 1,400	1,325	1,466	+13%	1,396
AISC A\$/oz	1,500 – 1,700	1,582	1,714	+16%	1,648



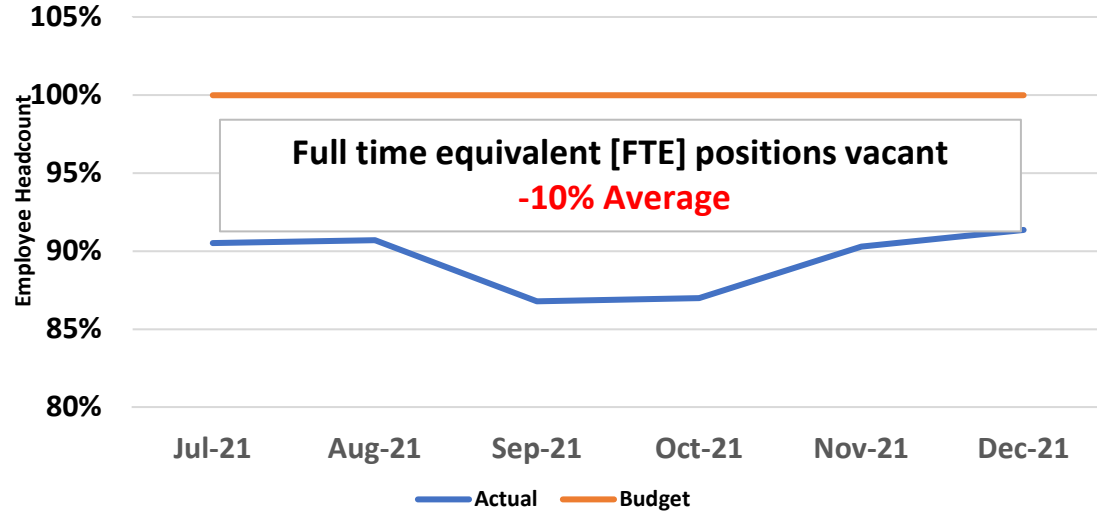
**Within FY22 guidance**

**FY22YTD 132,861 oz @ C1 of \$1,396/oz and AISC A\$1,648/oz**

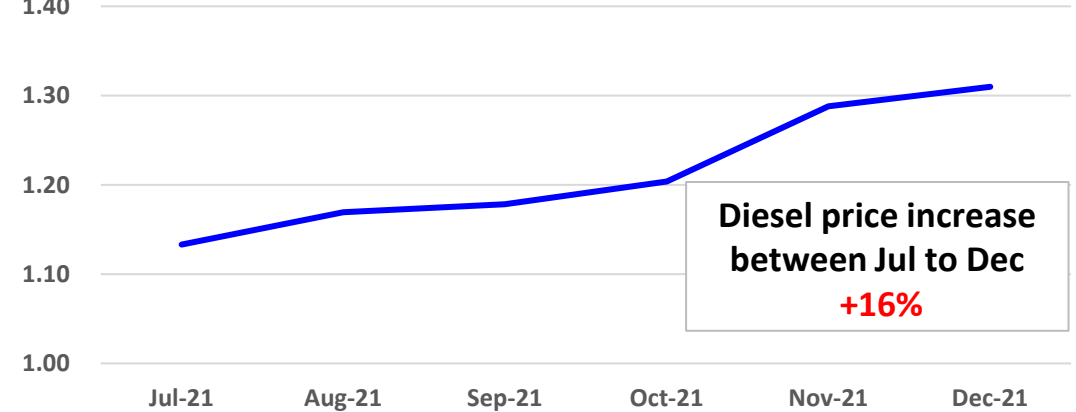


# COVID-19 Impacts and Response

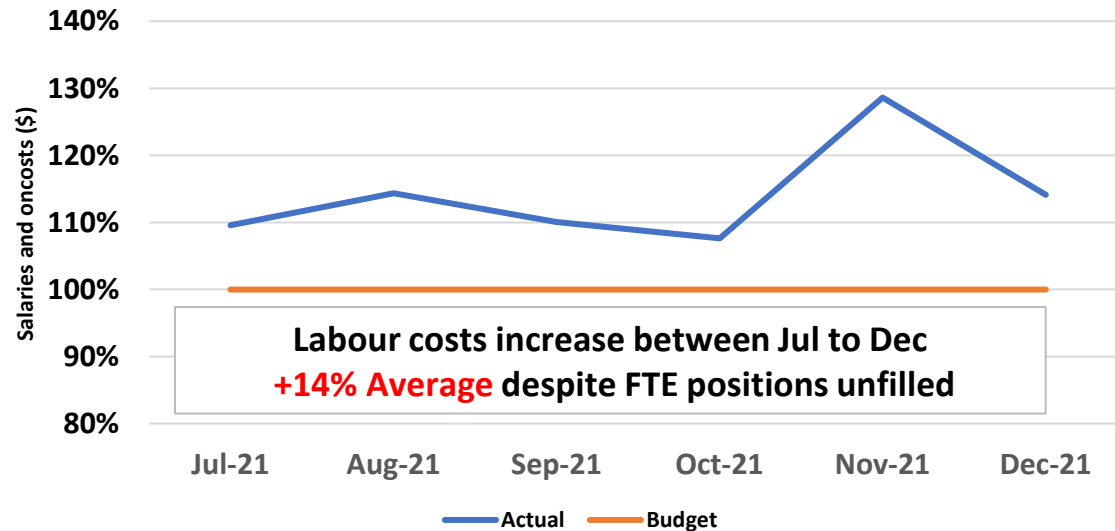
### Employee Headcount - Mining Operations



### Diesel \$/L



### Mining Operations Salaries and Oncosts



**Cost inputs up but Westgold achieved another record quarter of gold production in Q2 FY22**





## The Murchison +210,000 oz for FY22

### Meekatharra

Paddy's Flat  
Bluebird  
South Emu – Triton  
Open Pit ores & S/P

+65 ktpm @ 2.7 g/t Au  
+24 ktpm @ 3.0 g/t Au  
+20 ktpm @ 2.7 g/t Au  
as scheduled

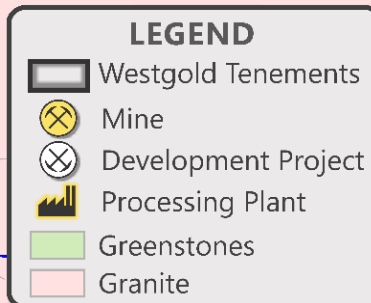
1.8 Mtpa Bluebird  
Processing Hub

### Cue

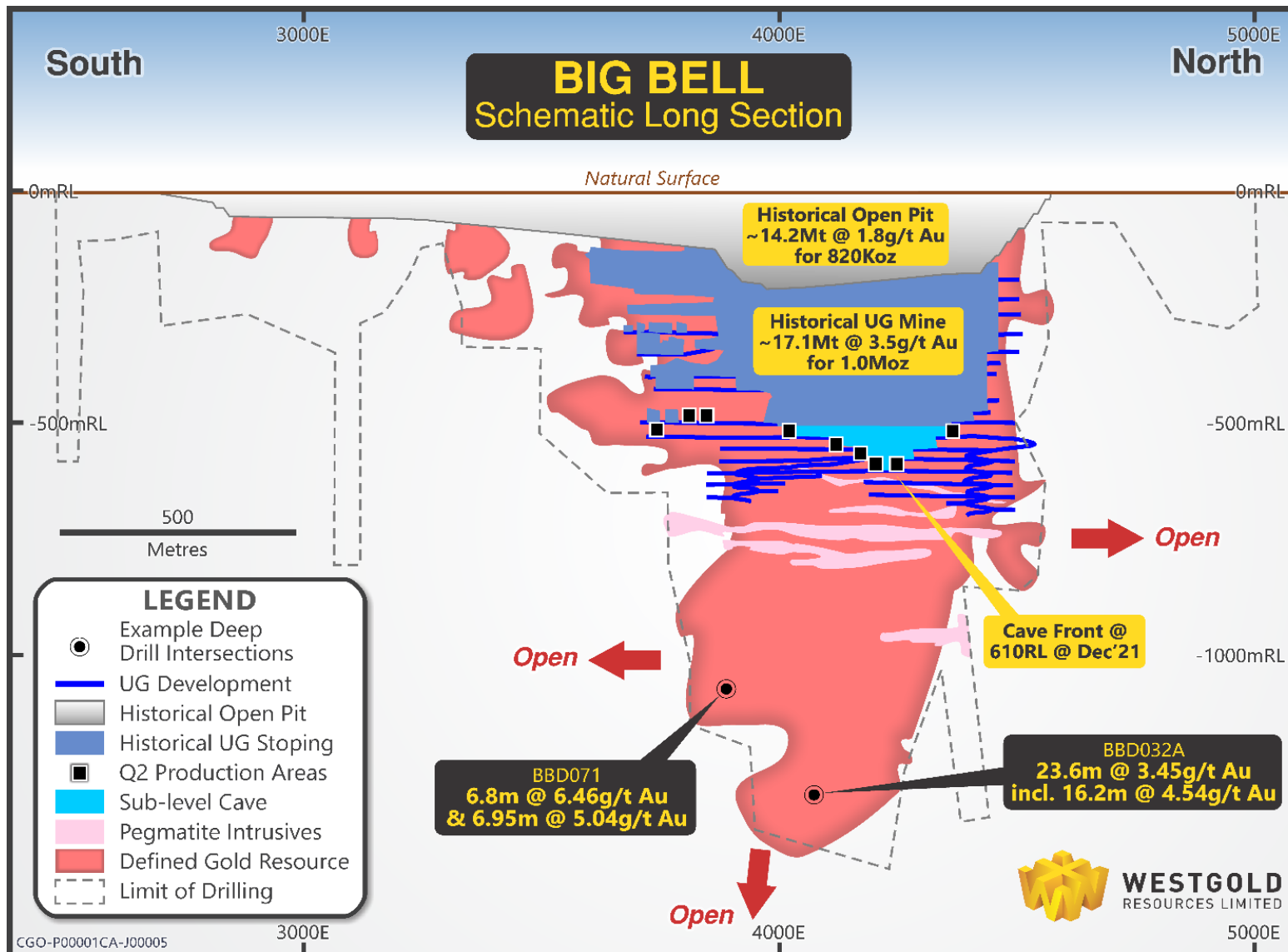
Big Bell  
Comet  
Open Pit ores & S/P

+70 ktpm @ 2.7 g/t Au  
+20 ktpm @ 2.9 g/t Au  
as scheduled

1.4 Mtpa Tuckabianna  
Processing Hub



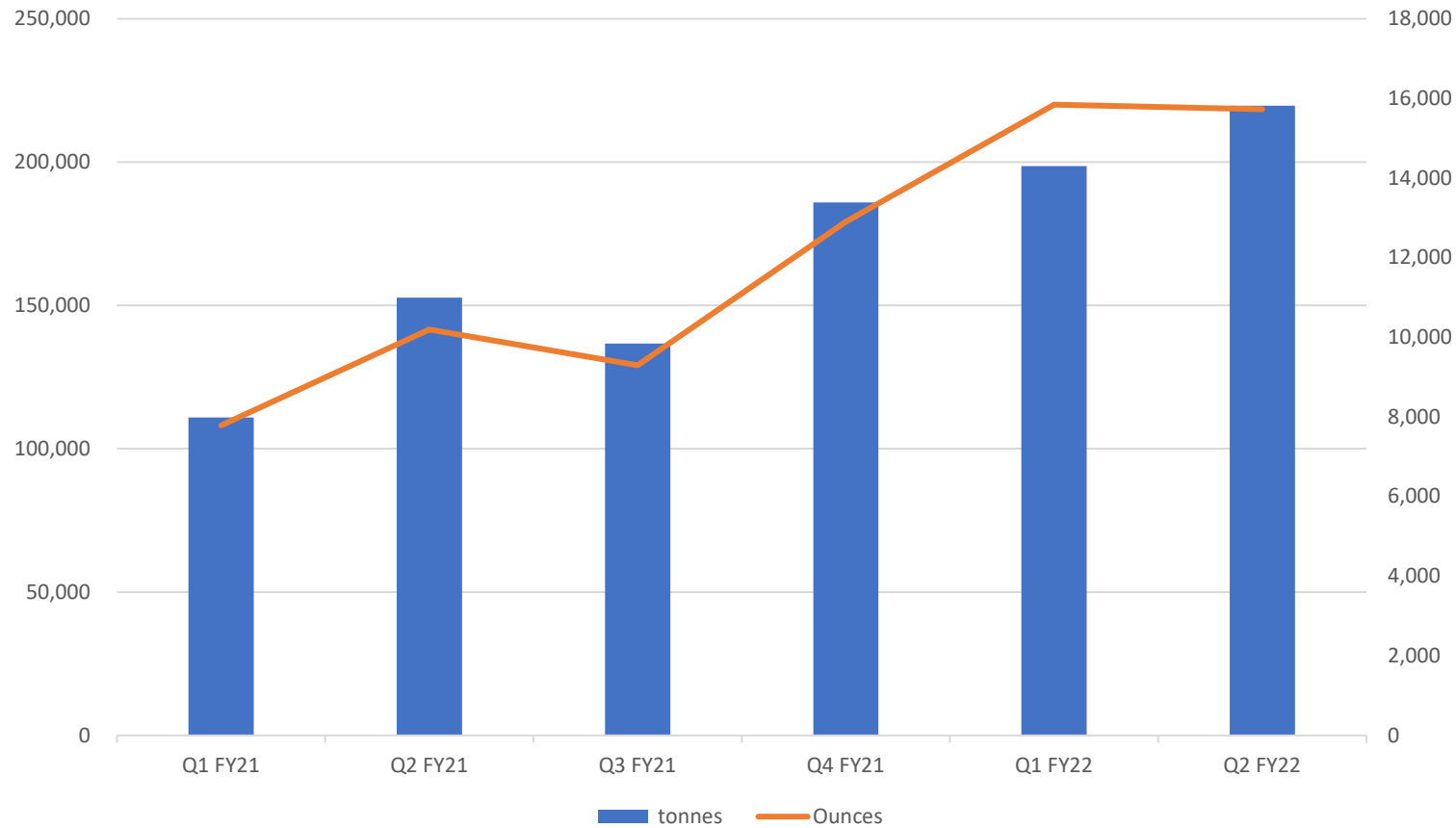
# Big Bell – Cue’s Baseload Producer



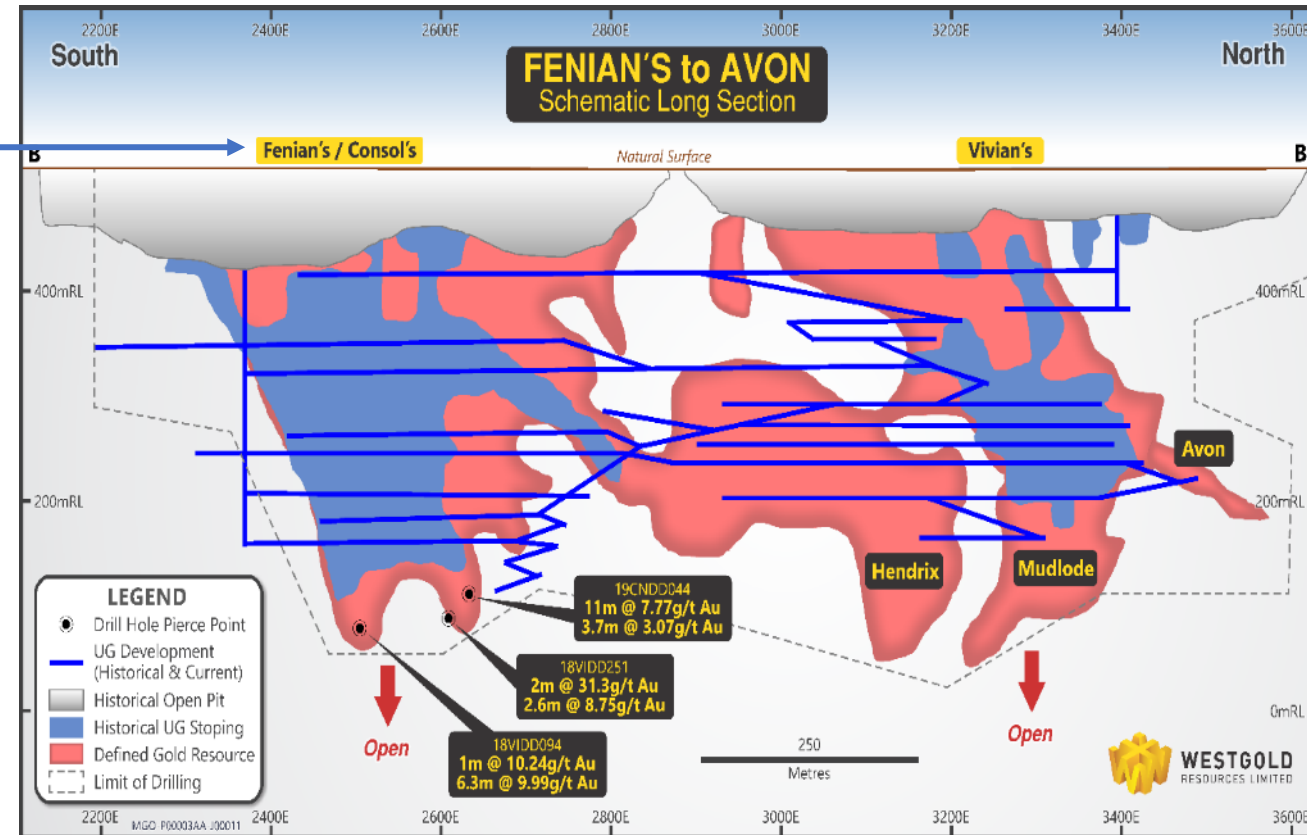
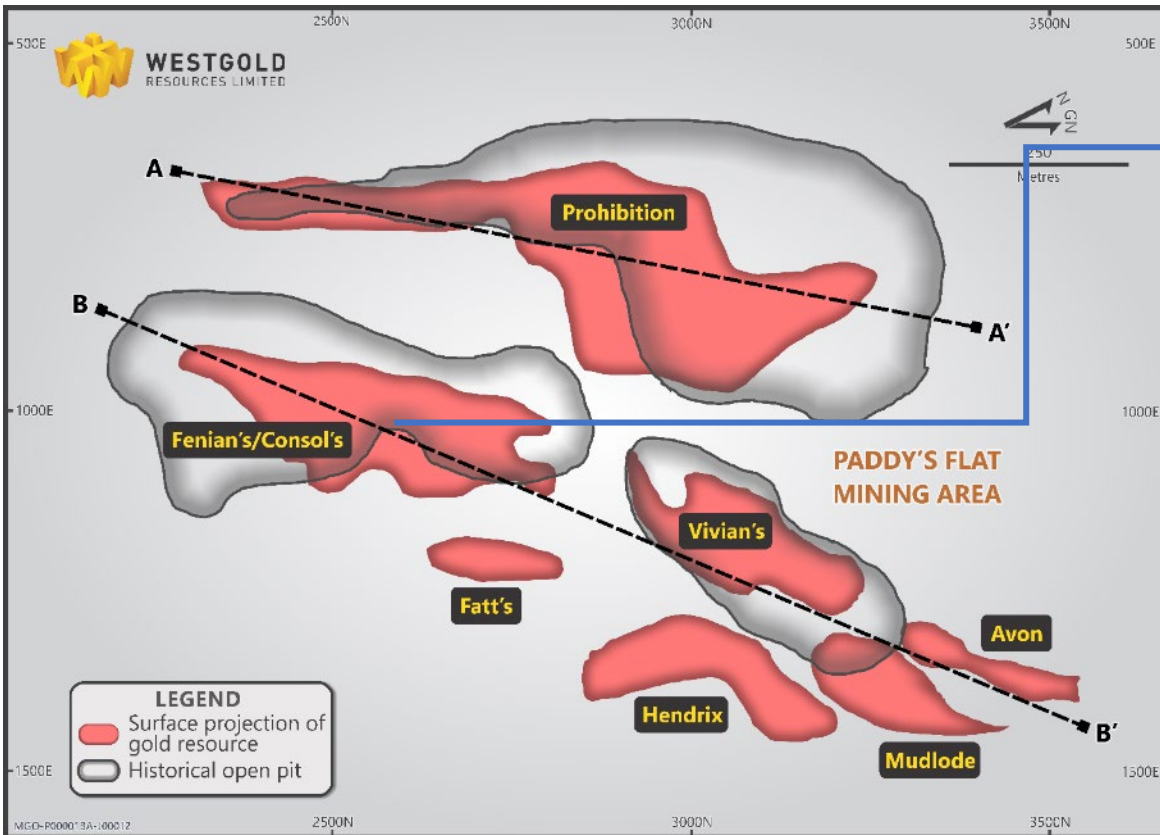
- Sub-level cave and infrastructure re-established and now mining virgin ore blocks
- Second virgin level exposed and cave front currently 610m below surface
- Production at design levels of 70-80ktpm
- New technologies and productivity improvements improving efficiencies and cycle times
- Grade moving towards reserve grade of 2.8 g/t Au
- Capital investment moving from growth to sustaining

# Big Bell – Producing at Design Levels Now

Big Bell High Grade Production by Quarter



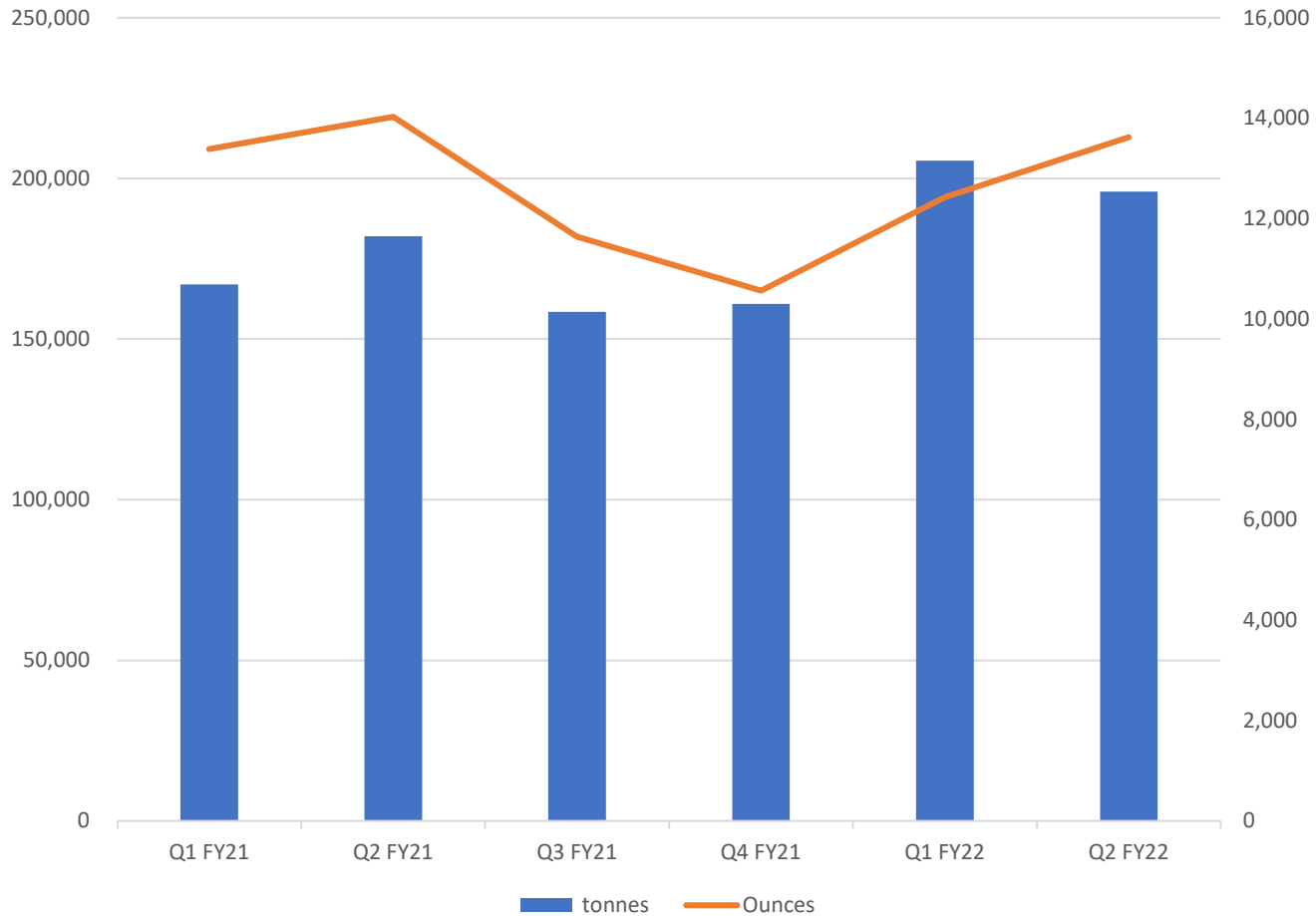
# Paddy's Flat - Fenians Ahead



- North Consol's decline reaches the base of the historic Fenian's workings
- Access to virgin ore horizons in Fenians now being established with 2 years of vertical development within virgin ore blocks planned
- Production to commence from Fenians in Q3, FY22

# Paddy's Flat – Grade Lifting

## Paddy's Flat High Grade Production by Quarter



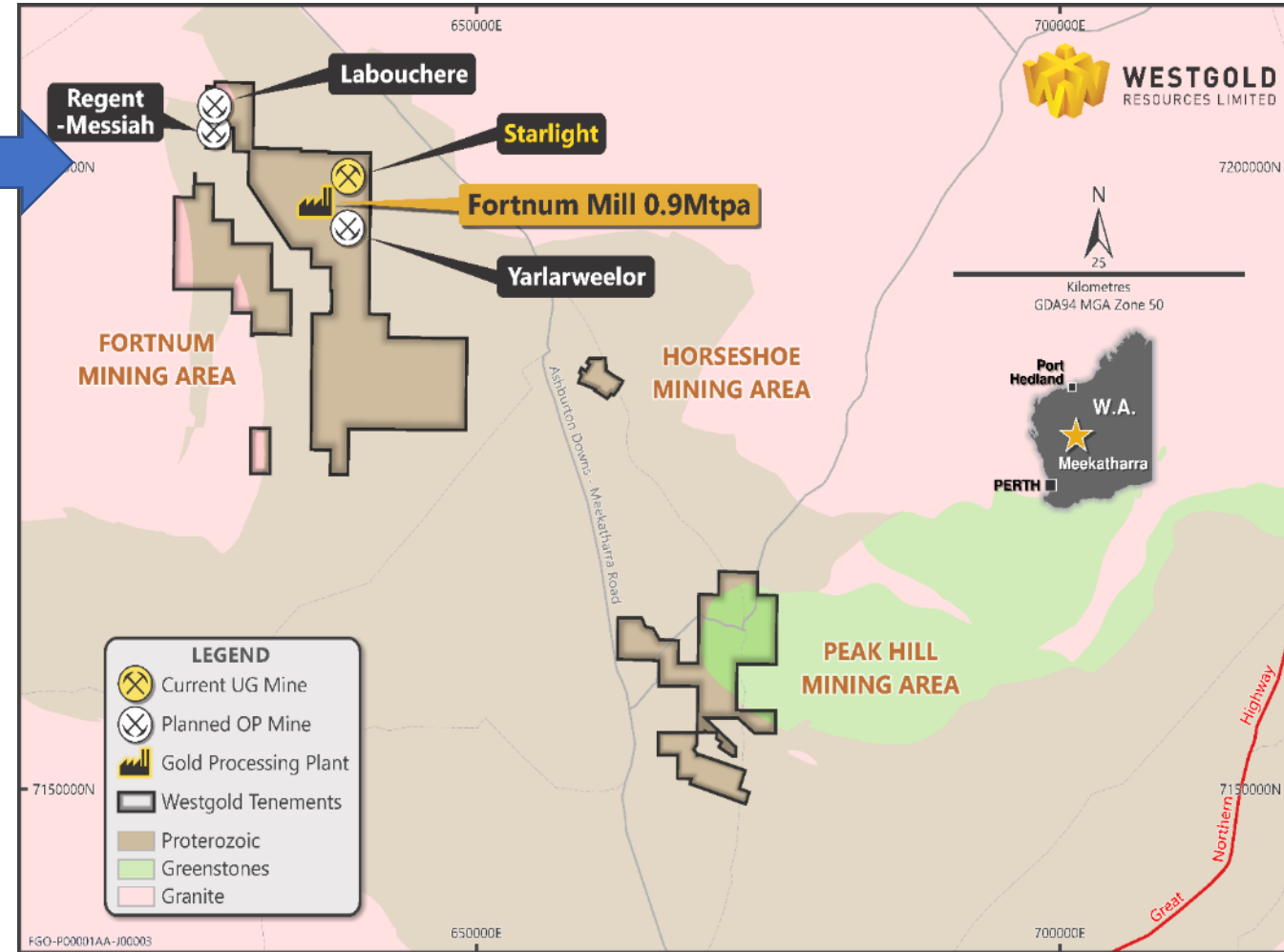
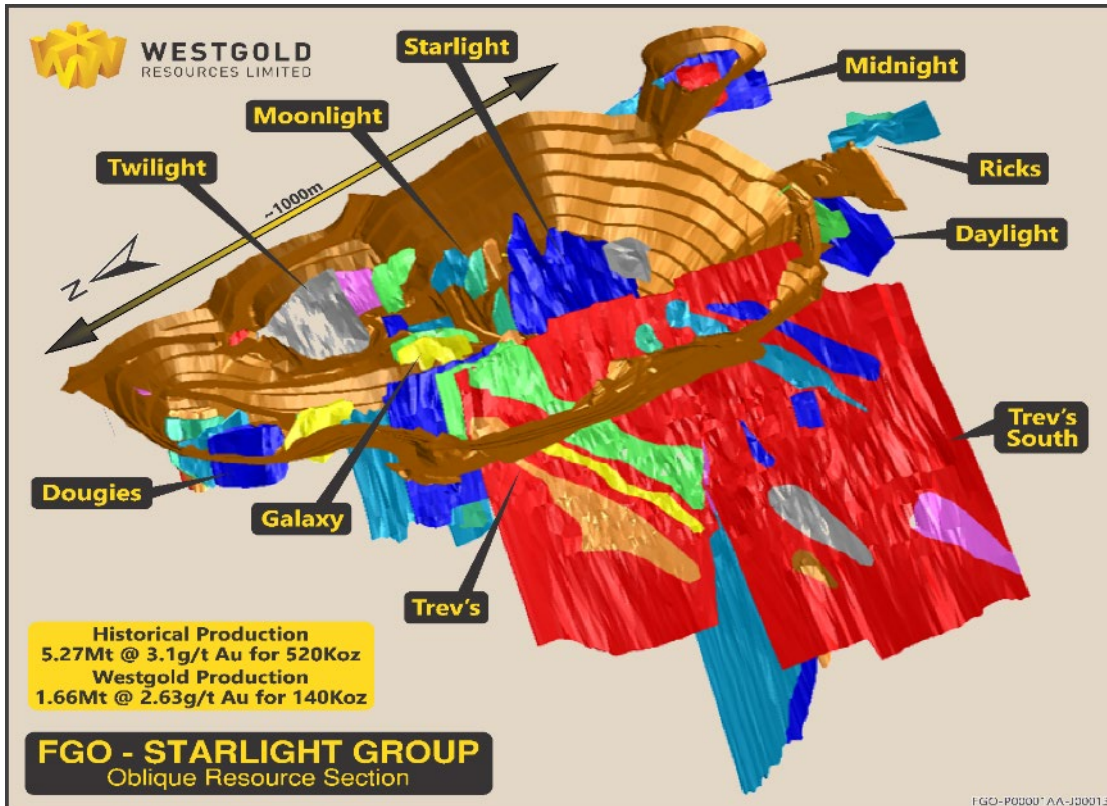
# Bryah +60,000 oz for FY22

## Fortnum

Starlight  
Open Pit ores & S/P

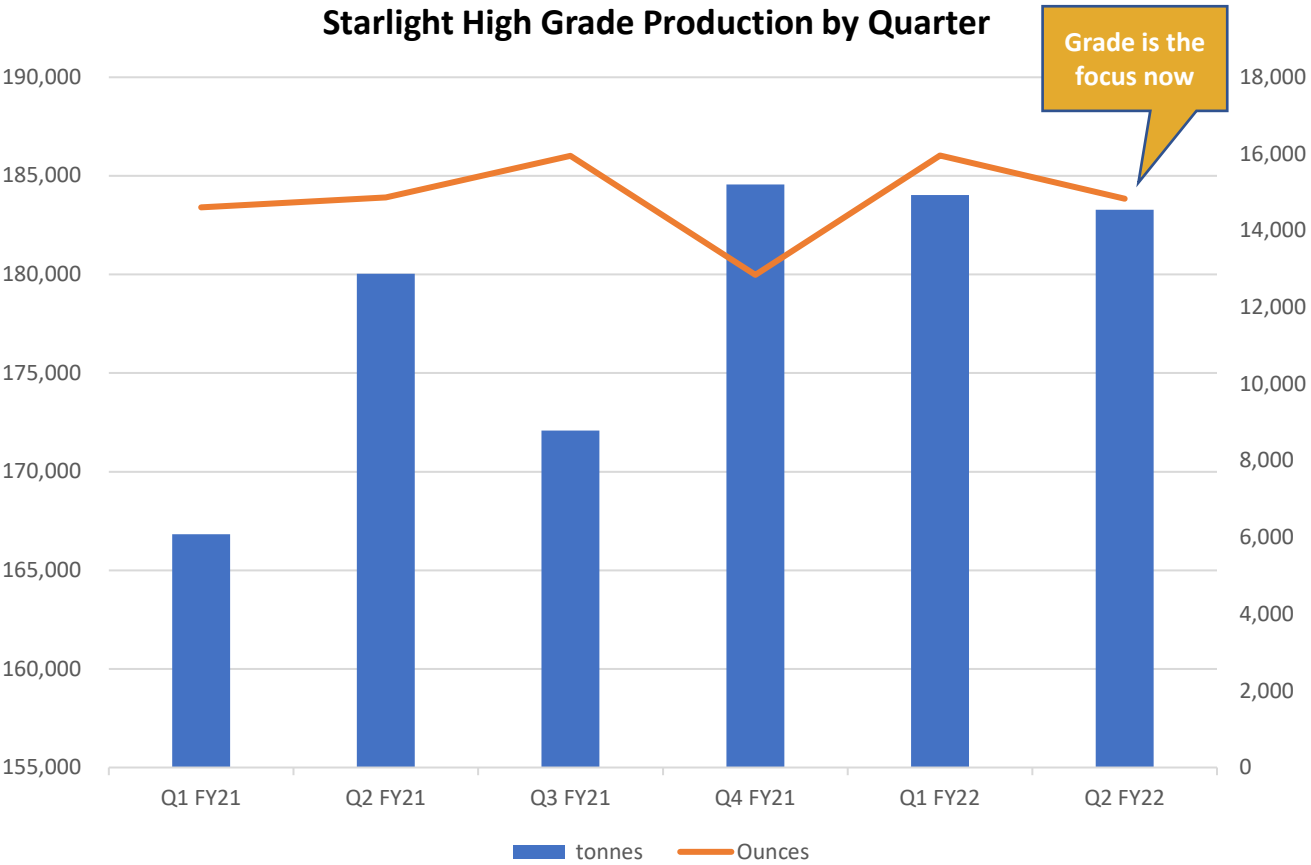
+60 ktpm @ 2.7 g/t Au  
as scheduled

0.9 Mtpa Fortnum  
Processing Hub





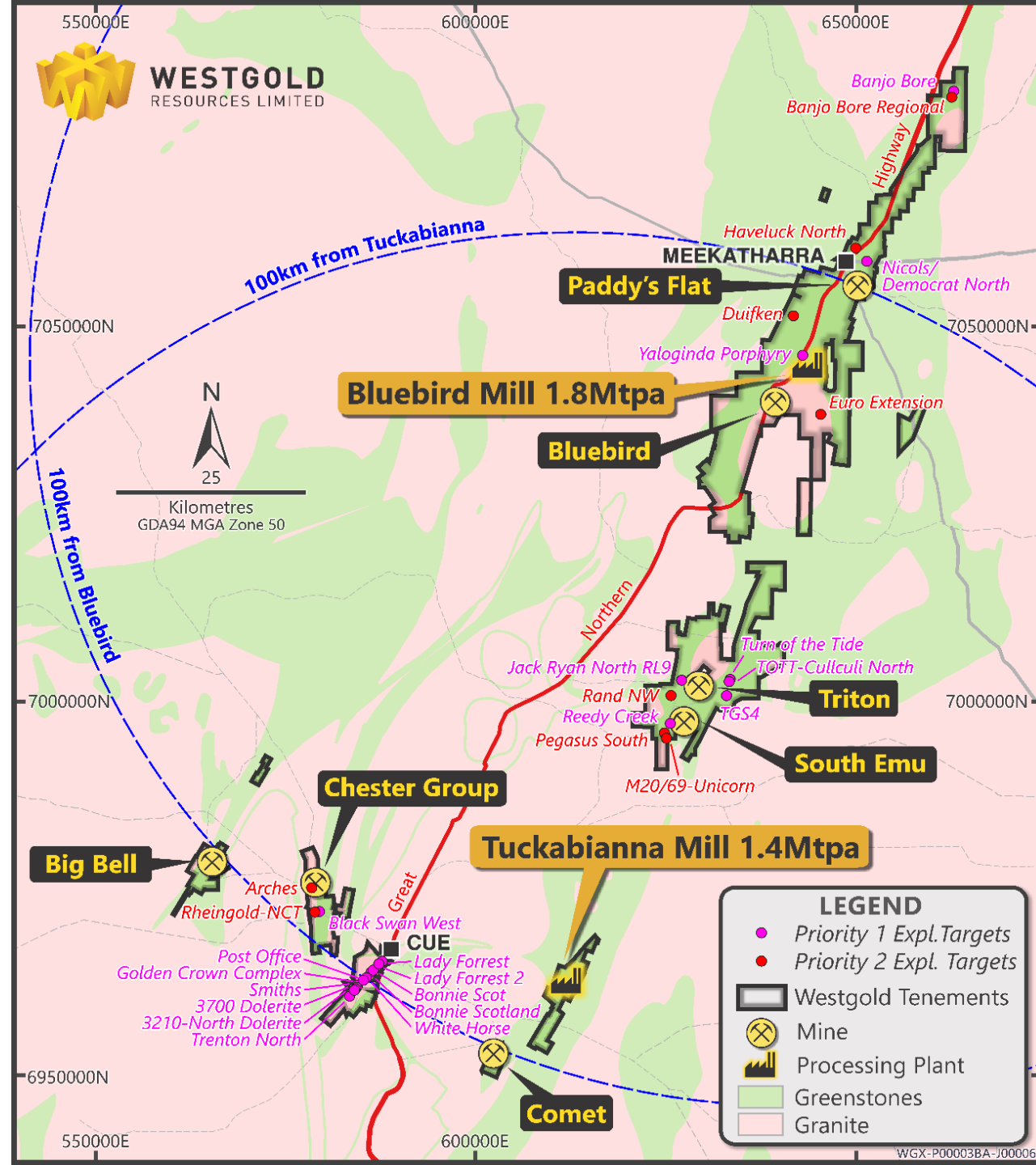
# Starlight – Tonnage Consistent



# Exploration Drilling Kicks Off

- New Exploration and Growth team established Q4 FY21
- \$14M committed for FY22
- Data consolidation and acquisition Q1/Q2 FY22
- 86 new targets defined
- 35 shortlisted for follow up
- 14 Priority 1 targets for immediate follow up<sup>1</sup>
- Drilling to commence February 2022

1 - Refer ASX WGX 18 November 2021 "Exploration & Growth Update" for details



# FY22 / FY23 – Future Proofing the Business

- **Increased surface ore stocks** – mitigate COVID 19 and weather interruptions
  - ≈1.3Mt FY22YTD [+30% increase in volume]
- **Increased inventory of critical spares, consumables and long lead items**
  - \$5M additional investment FY22YTD
- **Commenced exploration on our own assets**
  - \$14M committed for FY22 on exploration
- **Prudent capital investment**
  - \$20M in roads at Cue, fleet replacement, plant upgrades and mine infrastructure
- **Built strategic holdings in regional players**
  - Long term growth optionality over stranded regional assets
- **Established a training mine**
  - Train our staff in a real underground mine with full scale production equipment – without production pressures



# Fender – The New Execution Model

- **New underground mine development at Cue**
  - Expands Cue production profile
  - Additional high grade for Tuckabianna processing hub
  - Reduces requirement for open pit ore
  - At steady state circa 300-350,000 tpa @ 2.8 g/t Au
- **Low cost development**
  - Leverages the existing Big Bell infrastructure and personnel
- **Staged development model reduces execution cost and risk**
  - Stage 1 – portal development and drill access completed
  - Stage 2 – drilling to commence in February 2022
  - Stage 3 – Fender production commences FY23



# Westgold – Levers to Enhance our Profitability

- **Consistent production** – Big Bell, Paddy’s Flat and Starlight delivering the baseline tonnage
- **Increasing mined grade** – Bluebird, Paddy’s Flat and Comet delivering the higher grades
- **Leverage our efficiencies** – mill where we get the best economic return
- **Prudent cost management** – protection and expansion of the operating margin
- **Future proof the business** – invest in exploration and development projects [Fender, Gt Fingall, Golden Crown, Labouchere] to feed the project pipeline and sustain the production
- **Enhance the team** – build capability, create opportunity and develop next generation of leaders
- **Be nimble** – operationally [efficiencies] and corporately [growth]
- **Deliver** – on what we say.



**For all Investor and Media  
Enquiries :**

**Wayne Bramwell – Executive Director  
P: +61 8 9462 3400  
E: [wayne.bramwell@westgold.com.au](mailto:wayne.bramwell@westgold.com.au)**

**[www.westgold.com.au](http://www.westgold.com.au)**



# Appendices – 2021 Resource & Reserve Summary



WESTGOLD RESOURCES LIMITED Gold Division (WA Operating Mines) Mineral Resource Statement - Rounded for Reporting 30/06/2021			
Project	Tonnes ('000s)	Grade	Ounces Au ('000s)
<b>Measured</b>			
Murchison	8,634	3.23	896
Bryah	1,608	3.61	186
<b>Sub-Total</b>	<b>10,241</b>	<b>3.29</b>	<b>1,083</b>
<b>Indicated</b>			
Murchison	47,131	2.19	3,316
Bryah	15,818	1.78	903
<b>Sub-Total</b>	<b>62,949</b>	<b>2.08</b>	<b>4,219</b>
<b>Inferred</b>			
Murchison	33,598	2.20	2,377
Bryah	4,460	1.86	267
<b>Sub-Total</b>	<b>38,059</b>	<b>2.16</b>	<b>2,644</b>
<b>Total</b>			
Murchison	89,363	2.29	6,589
Bryah	21,886	1.93	1,357
<b>Grand Total</b>	<b>111,249</b>	<b>2.22</b>	<b>7,947</b>

WESTGOLD RESOURCES LIMITED Gold Division (WA Operating Mines) Ore Reserve Statement - Rounded for Reporting 30/06/2021			
Project	Tonnes ('000s)	Grade	Ounces Au ('000s)
<b>Proven</b>			
Murchison	6,350	2.75	562
Bryah	603	2.86	55
<b>Sub-Total</b>	<b>6,953</b>	<b>2.76</b>	<b>617</b>
<b>Probable</b>			
Murchison	16,063	2.45	1,267
Bryah	6,029	1.67	324
<b>Sub-Total</b>	<b>22,092</b>	<b>2.24</b>	<b>1,591</b>
<b>Total</b>			
Murchison	22,413	2.54	1,828
Bryah	6,633	1.78	379
<b>Grand Total</b>	<b>29,046</b>	<b>2.36</b>	<b>2,208</b>