

WESTGOLD RESOURCES LIMITED

ASX: WGX

DECEMBER QUARTERLY OVERVIEW

25 JANUARY 2023

Wayne Bramwell | Managing Director
Tommy Heng | Chief Financial Officer
Phillip Wilding | Chief Operating Officer
Matthew Pilbeam | General Manager EH&S

Disclaimer



COMPLIANCE STATEMENT

The information in this report that relates to Exploration Results is compiled by Westgold technical employees and contractors under the supervision of Mr. Simon Rigby B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Rigby 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 Rigby consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Rigby 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. Leigh Devlin, B.Eng MAusIMM. Mr. Devlin 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 Edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*. Mr. Devlin consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr. Devlin 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.

FY23 – Tracking to Guidance

OPERATION	GROUP	Q1	Q2	YTD
Production (koz)	240,000 -260,000	66,048	62,180	128,228
AISC (A\$/oz)	1,900-2,100	2,106	2,071	2,089
Growth Capital (A\$M) ¹	60	21	18	39
Exploration (A\$M) ²	20	7	3	10

1. Growth Capital includes underground, camp and other growth-related project, property, plant and equipment costs
2. Exploration includes expenditure associated with all Murchison and Bryah tenure and includes FY23 Great Fingall and Caustons drilling



Westgold's new CAT R2900 XE hybrid loader at Starlight UG mine

“Westgold’s transformation to becoming a profitable gold miner continues to advance.

In Q2, FY23 our operating discipline is improving, and our results demonstrate the rising operational efficiencies and increasing cost management. Critically our business is leaner, less complex and our largest mines are expanding rapidly.

Going forward we are confident greater efficiencies will be realised. Our operating and commercial teams are working in unison to find ways to safely expand production, lift productivity and drive our costs down.

Our immediate focus remains to increase cash flow to enhance profitability and set Westgold up for growth into FY24.”

Q2 FY23 Results – Efficiencies improving

- **EH&S performance metrics continue to improve**
- **62,180oz produced** – at an All-In-Sustaining Cost (AISC) of **\$2,071/oz**, decreasing QoQ
- **128,228oz produced for H1** – tracking to top end of FY23 guidance – at an AISC of **\$2,089/oz**
- **Positive mine operating cash flow** - of \$24M
 - up \$3M on previous quarter
- **Continuing to grow outputs** - from Big Bell and Bluebird underground mines
- **8 drill rigs on resource development** - with best intercepts to date including:
 - 2.74m @ 127.65g/t from 70m (MN1040GC18 – Moonlight Lode within Starlight)
 - 7.00m @ 26.25g/t Au from 89m (22CNDD209 – Consols Lode within Paddy’s Flat)
 - 36.00m @ 5.02g/t Au from 557m (22BLDD253 – Bluebird, not true width)
 - 63.73m at 3.68g/t Au from 357m (22BBDD0104 - Big Bell)
- **Clean Energy Transition (CET) Project**
 - civil works at Tuckabianna for power station, LNG facilities and solar array complete
- **New Underground Hybrid loader onsite at Starlight**
- **Hedge position continues to unwind** – to 70,000oz at quarter end
- **Westgold remains debt free**
- **Closing cash and liquid assets of \$159M at quarter end maintained**

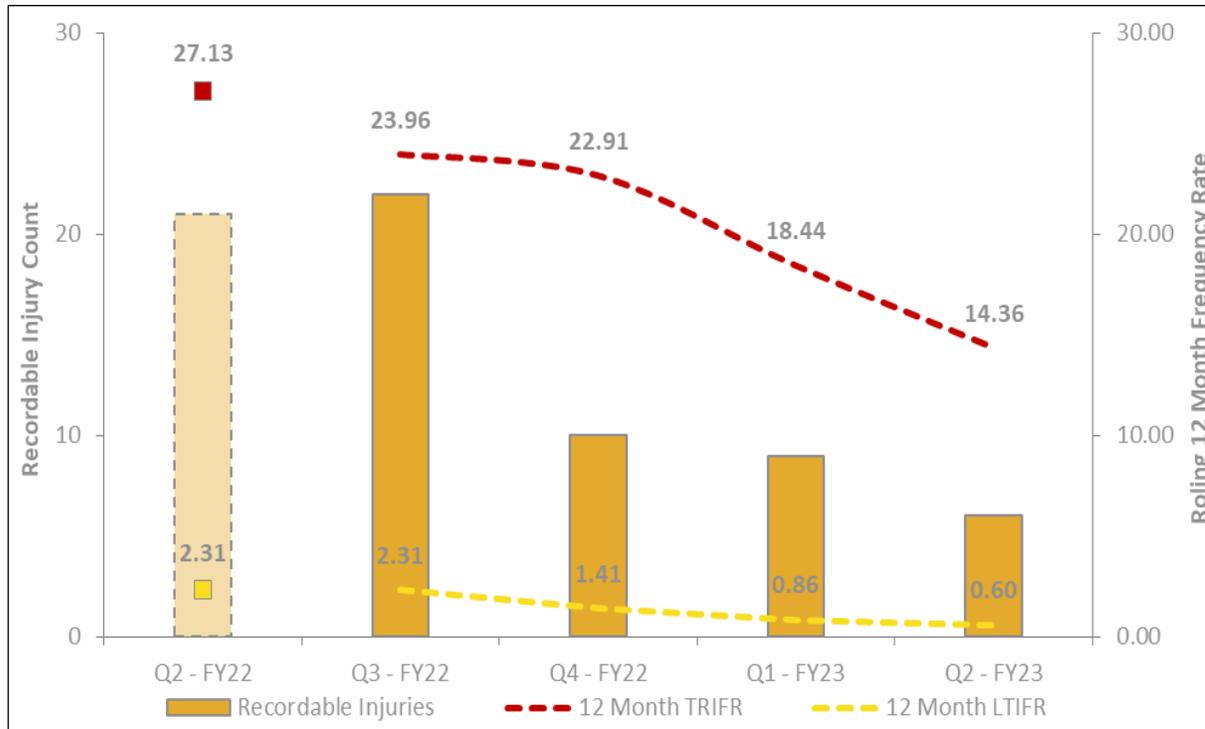


Q2 Environment, Health & Safety Performance

COVID-19 - continues to challenge our business, but we can report zero material impact to our operations:

- All Regions effected by **COVID-19 clusters** in the quarter;
- Robust *Procedures and Plans* implemented to *protect our people*.

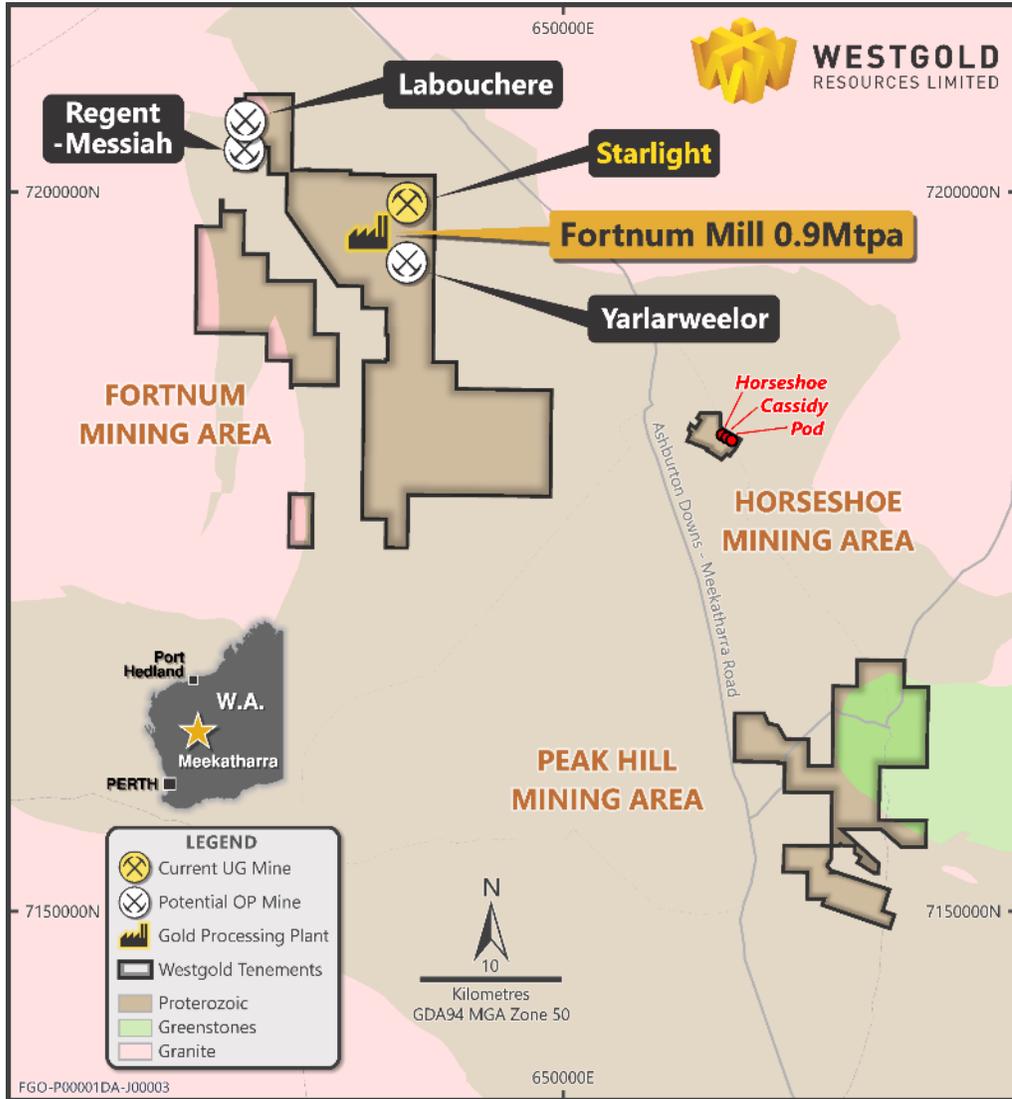
Quarter on quarter - Recordable Injury Performance



EH&S Performance Highlights for the Quarter:

- **22.1% decrease** in Total Recordable Injury Frequency Rate (TRIFR):
 - Q2 – 14.36 from Q1 – 18.44
- **30.2% decrease** in Lost Time Injury Frequency Rate (LTIFR):
 - Q2 – 0.60 from Q1 – 0.86
- **4.77% decrease** in High Potential Incident Frequency Rate (HiPoFR):
 - Q2 – 6.58 from Q1 – 6.91
- **Significant Environmental Incident Frequency Rate (SEIFR) remained** at 0.00 for this quarter
- **Psychosocial Harm** - new supporting processes and reporting systems implemented.

WESTGOLD – 100% Western Australian



BRYAH OPERATIONS

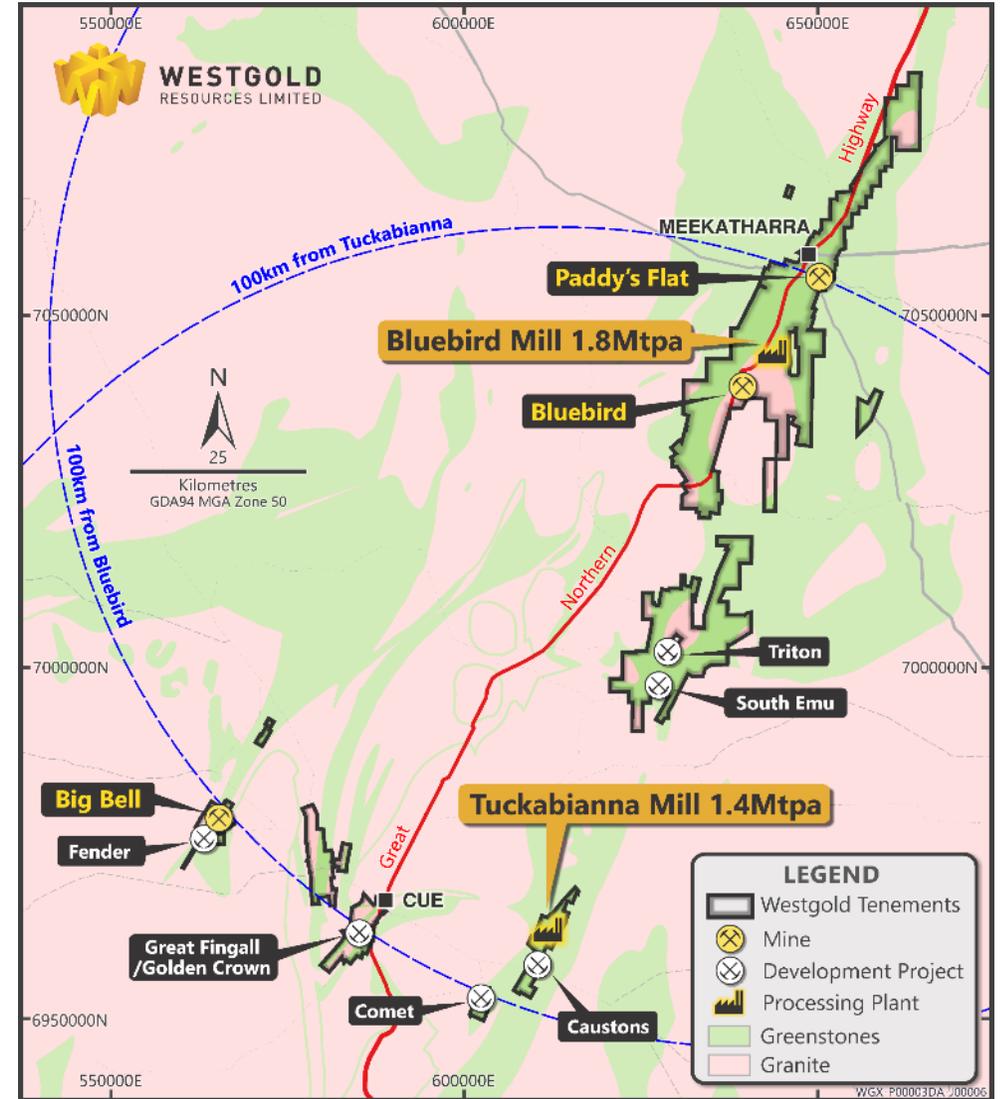
1400 strong workforce

1300km² tenure

4 underground mines

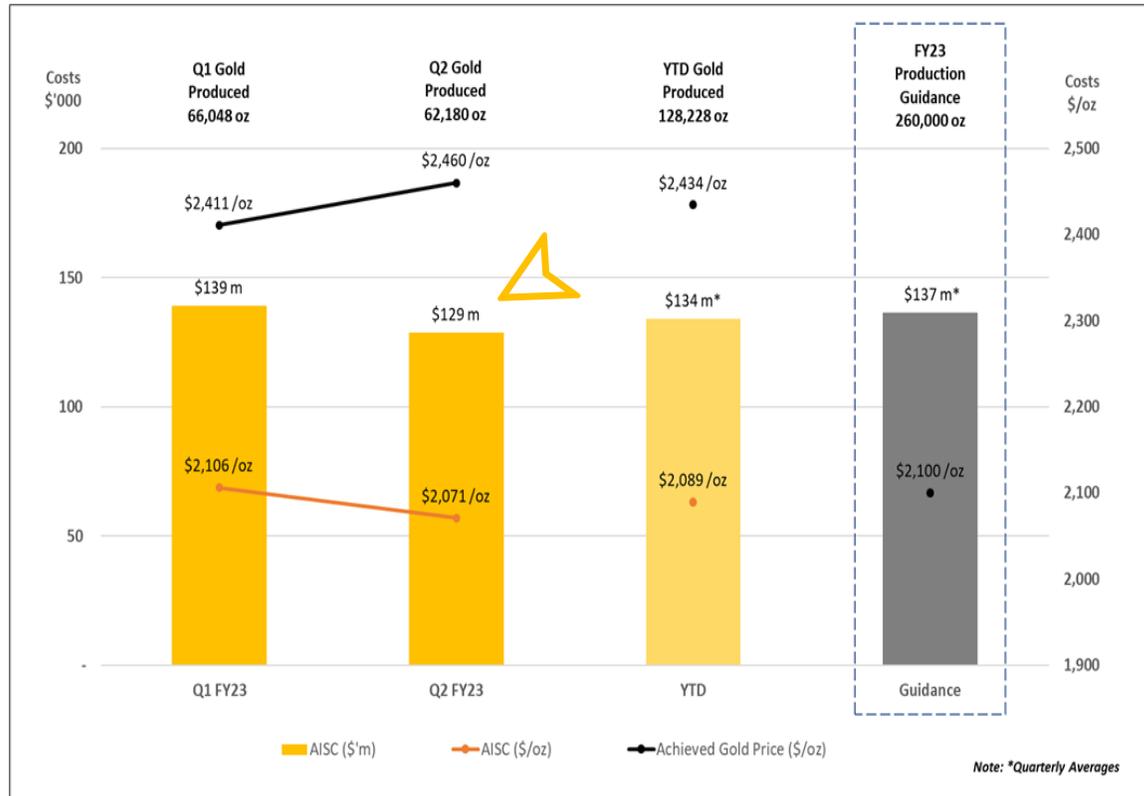
3 processing plants

Owner / operator with extensive UG fleet

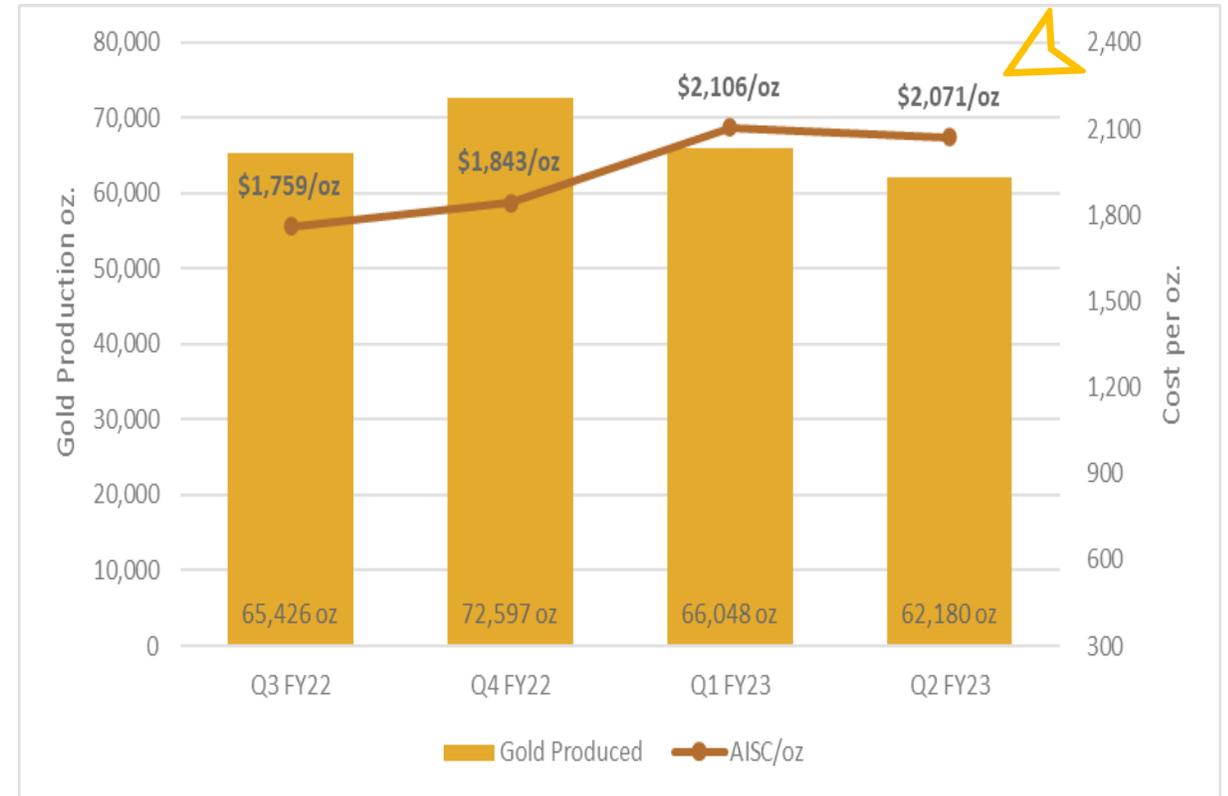


MURCHISON OPERATIONS

Q2 – In review



Production (oz), Achieved Gold Price & AISC (\$/oz)



Quarters Rolling Gold Production (oz) & AISC (\$/oz)

Q2 KEY METRICS – The trend is your friend



- Westgold is tracking to its FY23 production and cost guidance:
 - Production for the quarter of **62,180oz**.
 - AISC for Q2 of **\$2,071/oz** - and trending down
- H1, FY23 TOTAL = 128,228oz @ AISC \$2,089/oz
- FY22 stockpile drawdown continues (monetisation)
- Capital expenditure of **\$18M** this quarter (Q1: \$21M) - key assets now at steady state with only major capital being tailings lifts and power project.
- Exploration investment increasing with 7-8 rigs operating - **\$3M*** (Q1: \$7M)

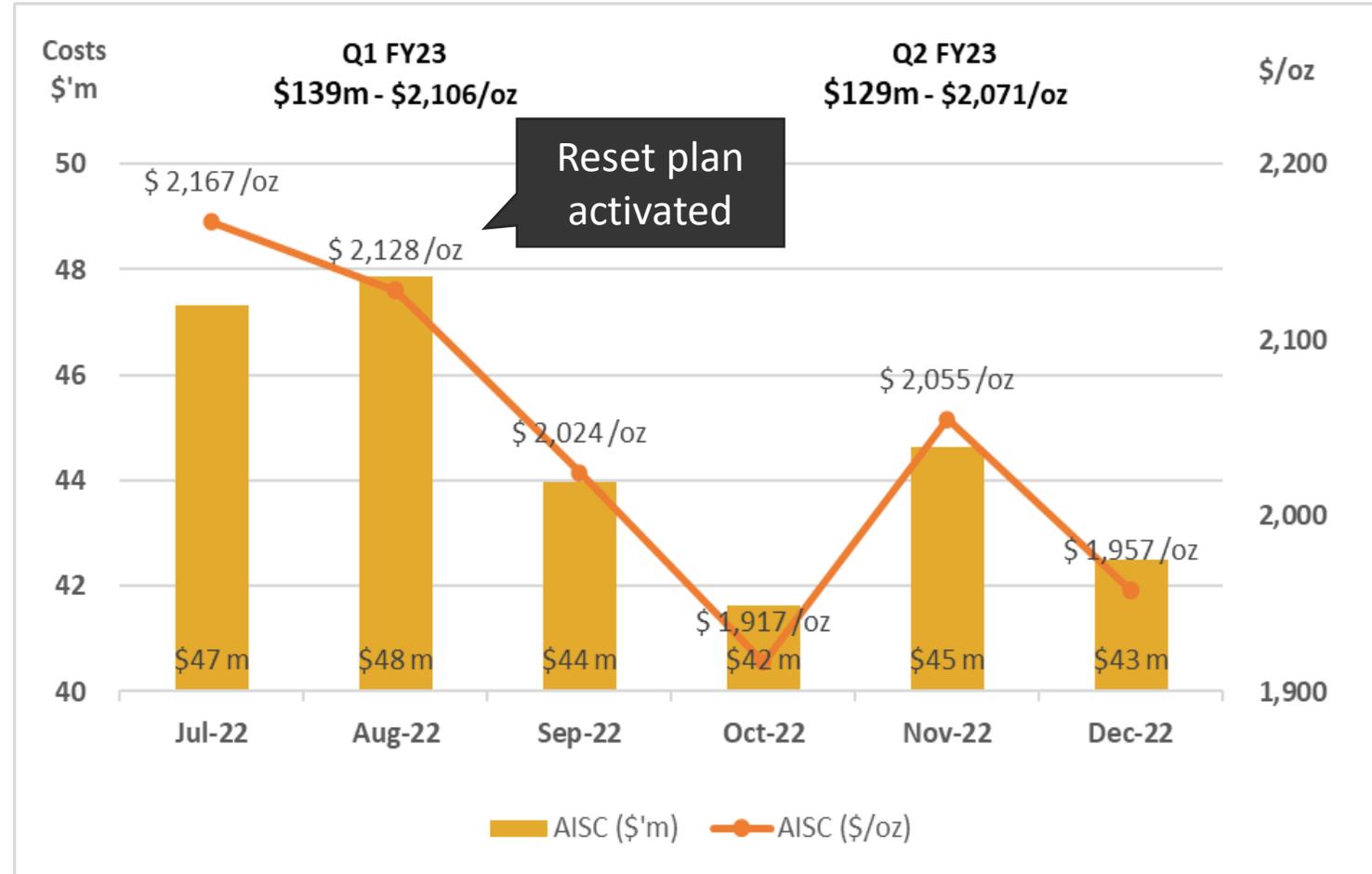
*scheduling

		MURCHISON DEC QTR FY23	BRYAH DEC QTR FY23	GROUP DEC QTR FY23	GROUP YTD FY23
Physical Summary					
	Units				
ROM - UG Ore Mined	t	601,578	191,181	792,759	1,573,508
UG Grade Mined	g/t	2.8	2.1	2.6	2.7
OP Ore Mined	t	-	-	-	-
OP Grade Mined	g/t	-	-	-	-
Ore Processed	t	724,292	207,540	931,832	1,837,504
Head Grade	g/t	2.4	2.0	2.3	2.4
Recovery	%	87	96	89	90
Gold Produced	oz	49,280	12,900	62,180	128,228
Gold Sold	oz	49,435	13,414	62,849	129,389
Achieved Gold Price	A\$/oz	2,460	2,460	2,460	2,434
Cost Summary					
Mining	A\$/oz	1,062	1,164	1,083	1,108
Processing	A\$/oz	474	622	505	493
Admin	A\$/oz	109	129	113	111
Stockpile Movements	A\$/oz	39	(60)	19	49
Royalties	A\$/oz	97	69	91	85
Cash Cost (produced oz)	A\$/oz	1,781	1,924	1,811	1,844
Corporate Costs	A\$/oz	25	50	30	30
Sustaining Capital	A\$/oz	225	248	230	215
All-in Sustaining Costs	A\$/oz	2,031	2,222	2,071	2,089
Notional Cashflow Summary					
Notional Revenue (produced oz)	A\$ m	121	32	153	312
All-in Sustaining Costs	A\$ m	(100)	(29)	(129)	(267)
Mine Operating Cashflow	A\$ m	21	3	24	45
Growth Capital	A\$ m	(10)	(3)	(13)	(29)
Plant & Equipment	A\$ m	(3)	(2)	(5)	(10)
Exploration Spend	A\$ m	(3)	(0)	(3)	(10)
Net Mine Cashflow	A\$ m	5	(2)	3	(4)

Q2 KEY METRICS – continued

- **Transition to profitability continues**
 - Operating discipline improving
 - Cost management improving
 - Big Bell and Bluebird expanding
 - Starlight and Paddy’s Flat being optimised
 - Redeployment of personnel into larger assets ongoing
 - Rationalise of underground fleet ongoing
 - Review major supplier agreements ongoing

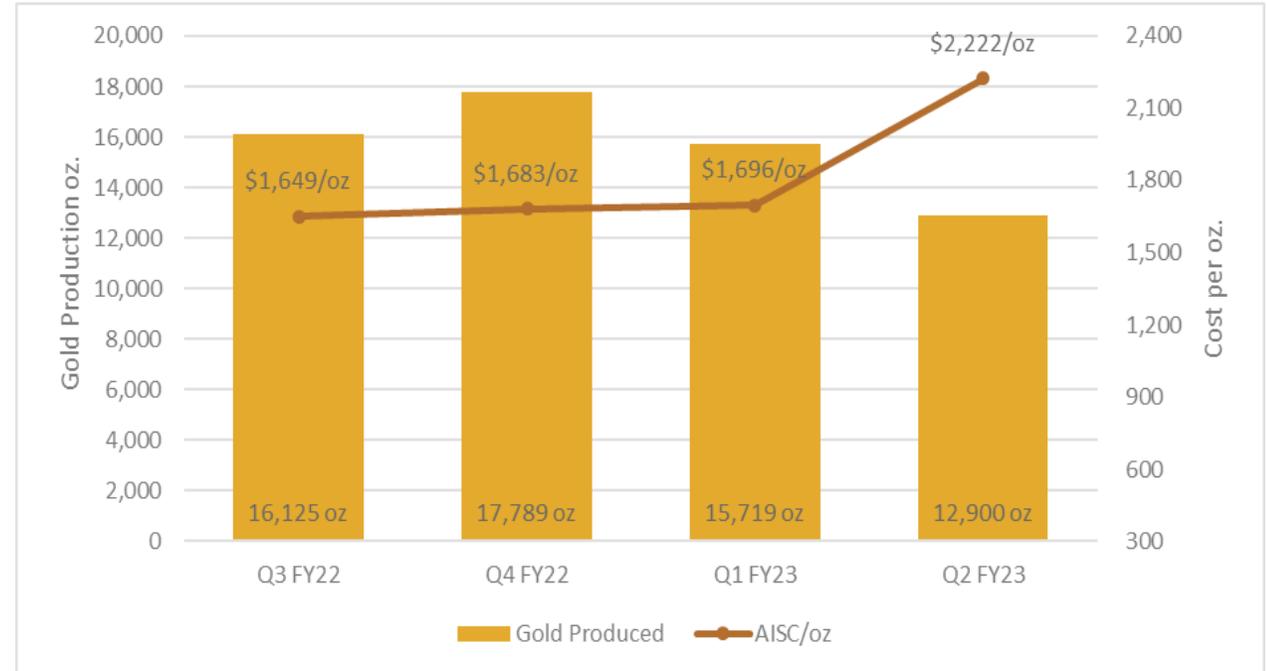
- **Benefits seen in December Quarter**
 - cost benefits have flown through in Q2 and expected to continue into Q3



Westgold Monthly AISC (\$'m) & (\$/oz)

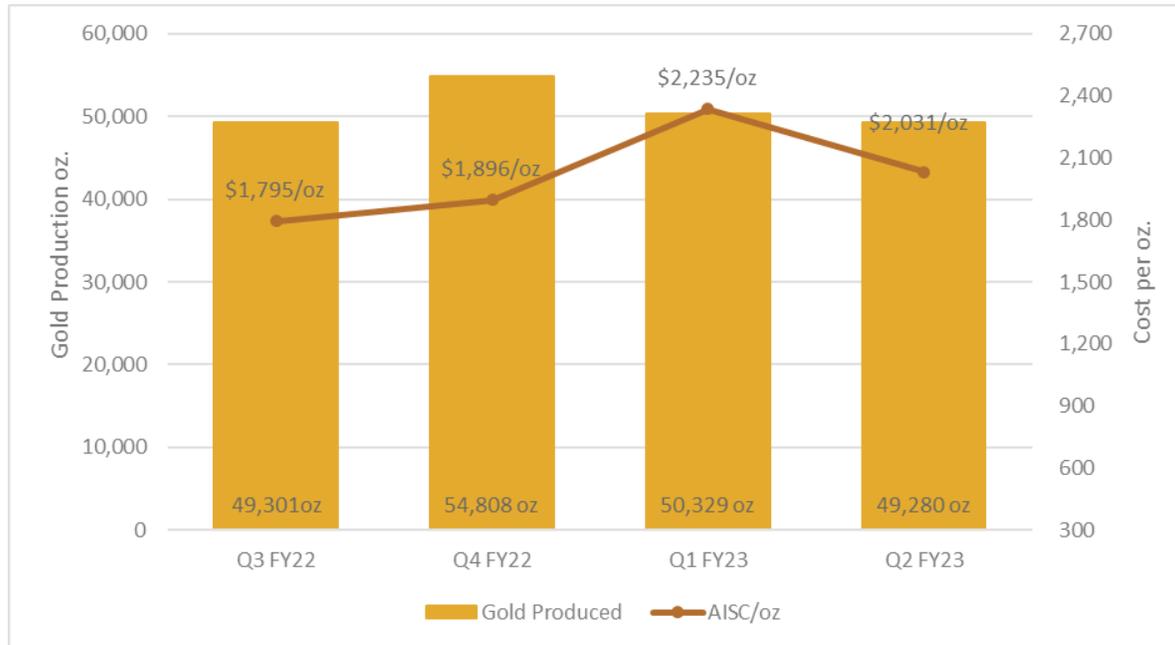
BRYAH - Operational Summary

- **Challenging quarter for the Starlight mine**
 - with 191kt at 2.1g/t Au for the quarter, a **22%** drop in grade, resulting in an increase of **30%** to AISC
- **Grade down on mine planning challenges** - plans to get this back on track over the next quarter
- **Process plant throughput increased from Q1**
- **Ongoing definition drilling of the Starlight lodes** - both for the FY23 production and increasingly for the long-term future of the mine
- Better results returned from drilling activities at **Moonlight**:
 - **2.74m at 127.65g/t Au** from 70m in MN1040GC18
- Better results returned from drilling activities at **Nightfall**:
 - **4.43m at 16.67g/t Au** from 106m in NF1205GC069
 - **4.95m at 20.33g/t Au** from 178m in NF1205GC39



Bryah Operation	HG		HG Ounces mined	Recovery	Ounces produced
	tonnes	grade			
Starlight Mine	191,181	2.1	13,155		
Fortnum Processing Hub	207,540	2.0	13,392	96%	12,900

MURCHISON- Operational Summary

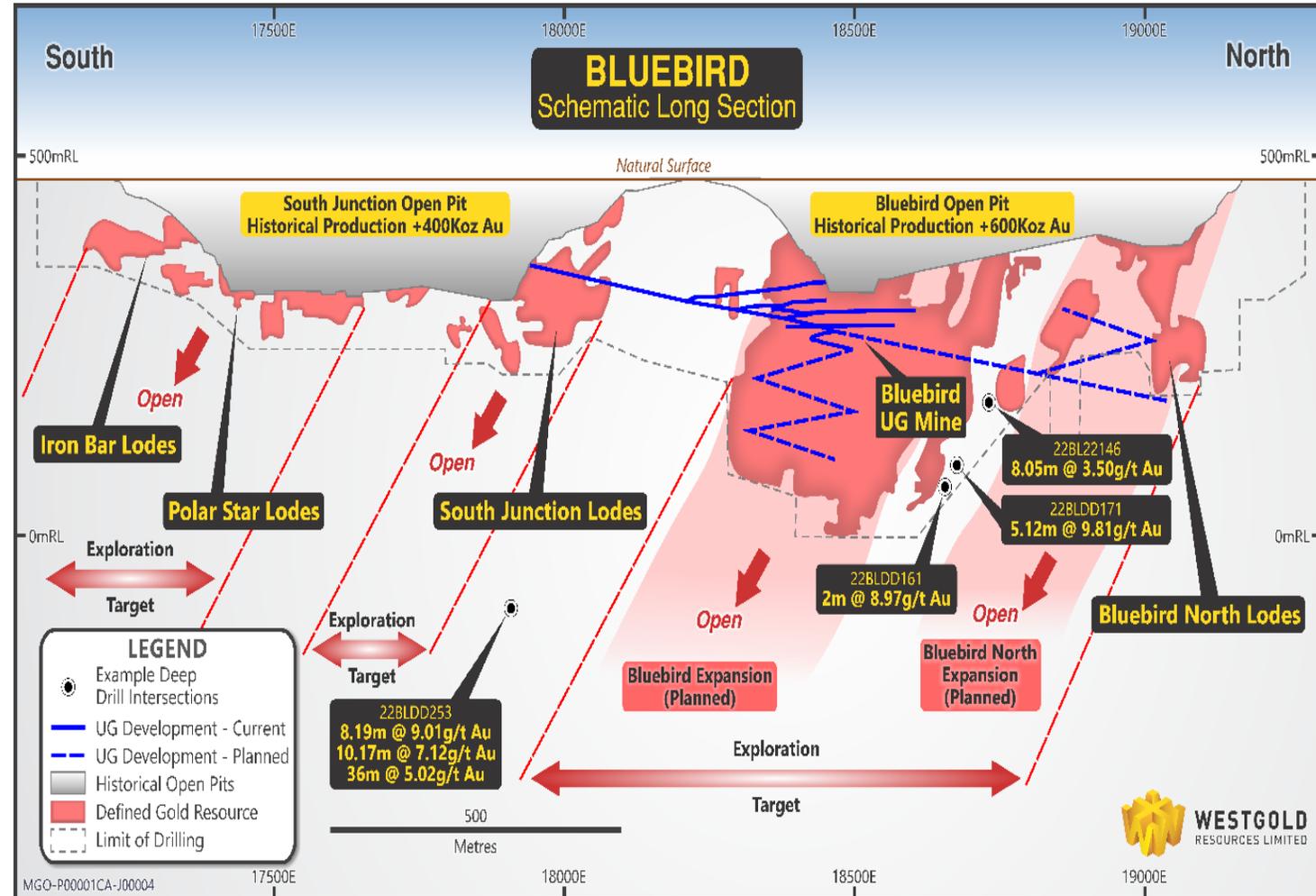


Murchison Operation	HG		HG		Ounces produced
	tonnes	grade	Ounces mined	Recovery	
Big Bell	293,614	2.5	23,433		
Tuckabianna Processing Hub	332,608	2.3	24,860	88%	21,781
Paddy's Flat	196,714	2.8	17,620		
Bluebird	111,250	3.5	12,389		
Bluebird Processing Hub	391,684	2.5	31,432	87%	27,499

- **Processed ore tonnage increased by 3%** - to 724.3kt compared to the previous quarter (Q1: 702.4kt)
- **Head grade was steady at 2.4g/t Au** (Q1: 2.3g/t Au) as mainly due to weather delays and more LG in blend early in quarter
- **Key mines continue to grow**
 - **Big Bell** – producing 294kt at 2.5g/t Au for 23.4koz mined
 - **Bluebird** – producing 111kt at 3.5g/t Au for 12.5koz mined
- **Bluebird UG Expansion going strong and more to come** - with acceleration of a second decline to open more areas to the South
- **Drilling activities ramped up late in Q1** - within the 4 operating mines, with a total of 8 underground diamond drill rigs operating most of the quarter, dropping to 7.
- **Big Bell** – external review for expansion underway

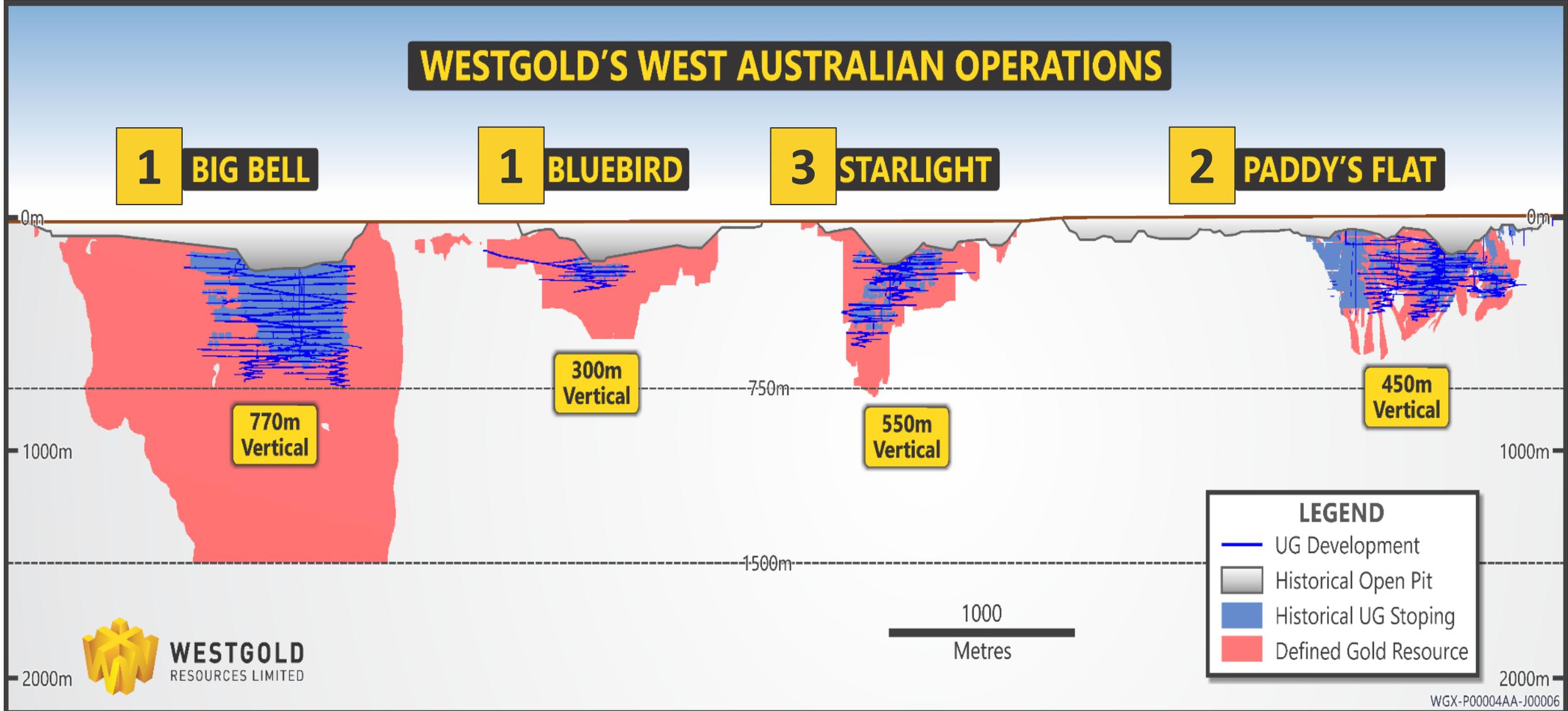
MURCHISON- Operational Summary

- Better results returned from drilling activities:
- Paddy's Flat
 - 7m at 26.25g/t Au from 89m in 22CNDD209
 - 1.56m at 178.75g/t Au from 89m in 22CNDD211
 - 8.92m at 9.79g/t Au from 28m in 22VIDD015
 - 9.29m at 10.34g/t Au from 116m in 22VIDD346
- Bluebird
 - 8.19m at 9.01g/t Au from 372.81m
 - 10.17m at 7.12g/t from 484.1m and
 - 36m at 5.02g/t Au from 557m (not true width)
- Big Bell
 - 38.08m at 4.22g/t Au from 396m in 22BBDD0103
 - 63.73m at 3.68g/t Au from 357m in 22BBDD0104
 - 64m at 2.62g/t Au from 428m in 22BBDD0106

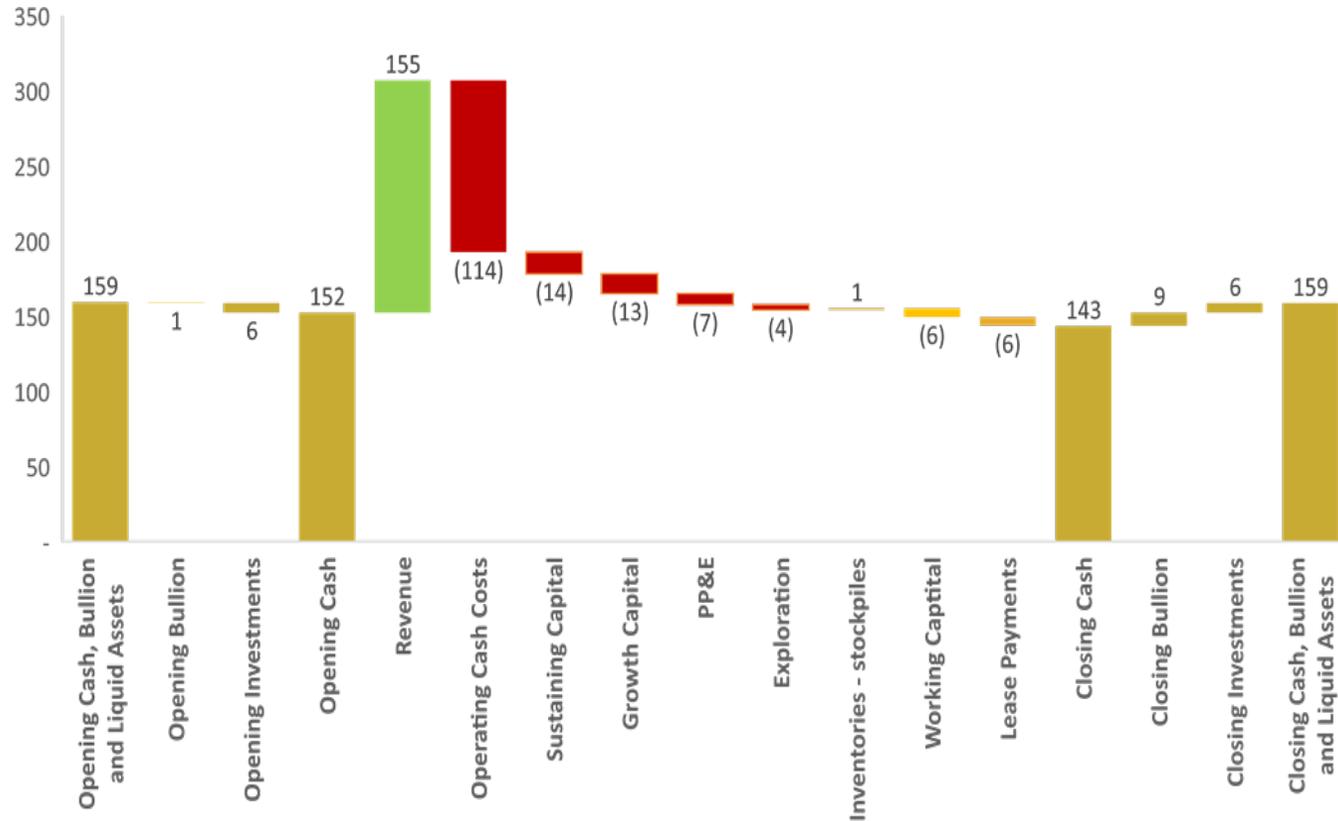


EXTENDING MINE LIVES – 7 rigs on infill and extensional drilling

WESTGOLD'S WEST AUSTRALIAN OPERATIONS



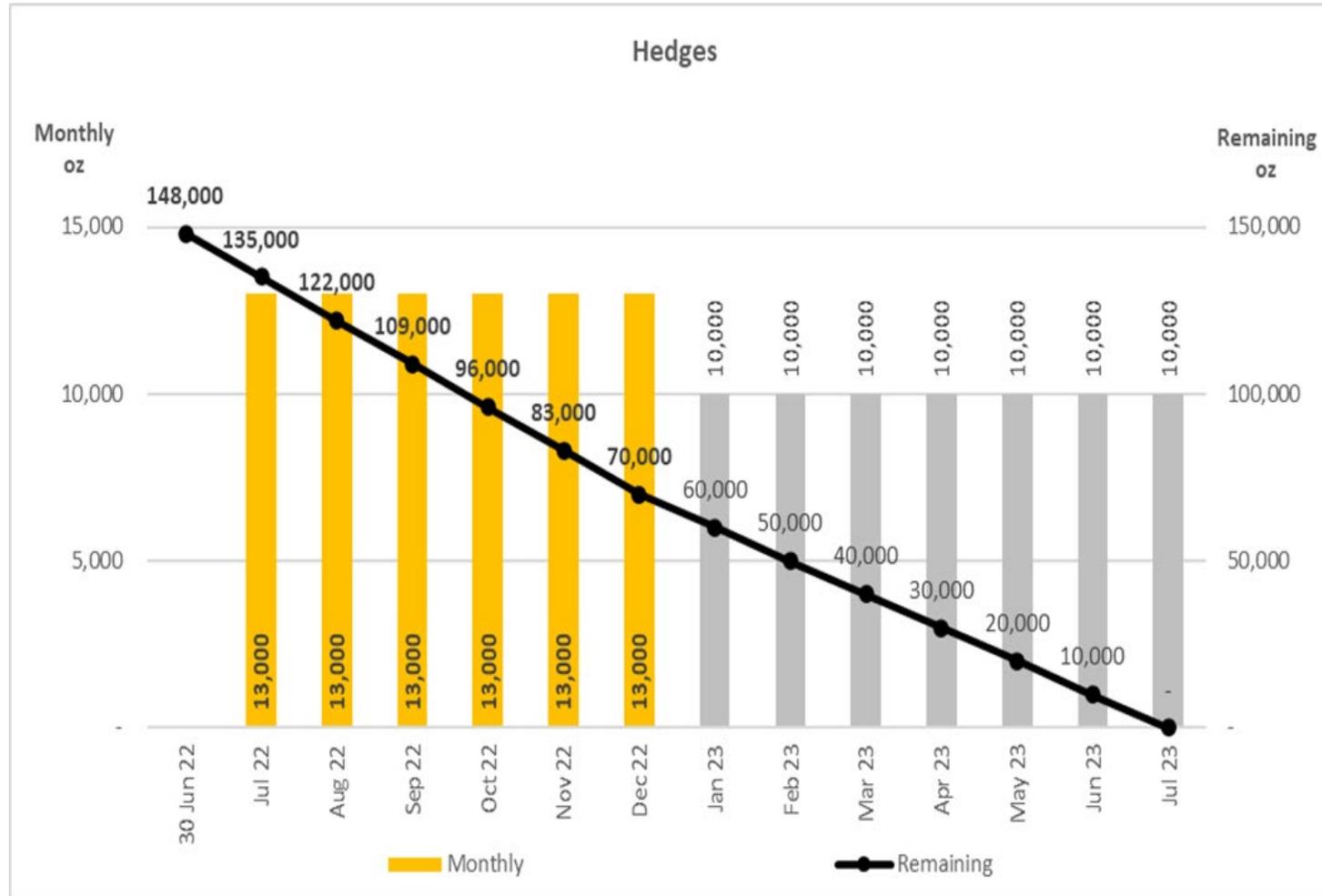
Q2 – Waterfall Chart Maps Cash Flow Movement



Q2 Waterfall Chart

- Q2 gold sales of **62,849oz** resulting in revenue of **\$155M** at an achieved gold price of **\$2,460/oz**
- Continuing operating cost reduction – Q2 **\$128M** (Q1: \$141M)
 - reflects changes to the operating plan and the pausing of mines with the cost benefits flowing through Q2
 - Stabilisation in the price of key consumables (i.e. diesel fuel price end of Q2 \$1.39/l vs Q1 \$1.36/l)
- **Capital expenditure stabilised** – less requirements on growth development capital with key assets such as Big Bell and Bluebird in steady state operations
- **Exploration investment continues** – commencement of the Fingall Deeps diamond drilling program in **Q2**.
- **Westgold remains debt free** - with closing cash, bullion and liquid assets of **\$159M** at quarter end maintained
- **Growth funds being deployed** - **\$3M** drawdown for growth projects relating to the Great Fingall Deeps drilling program and the tailings storage facility (TSF) lift at the Fortnum processing hub

Q2 Hedge Book – 70,000oz and tapering fast..



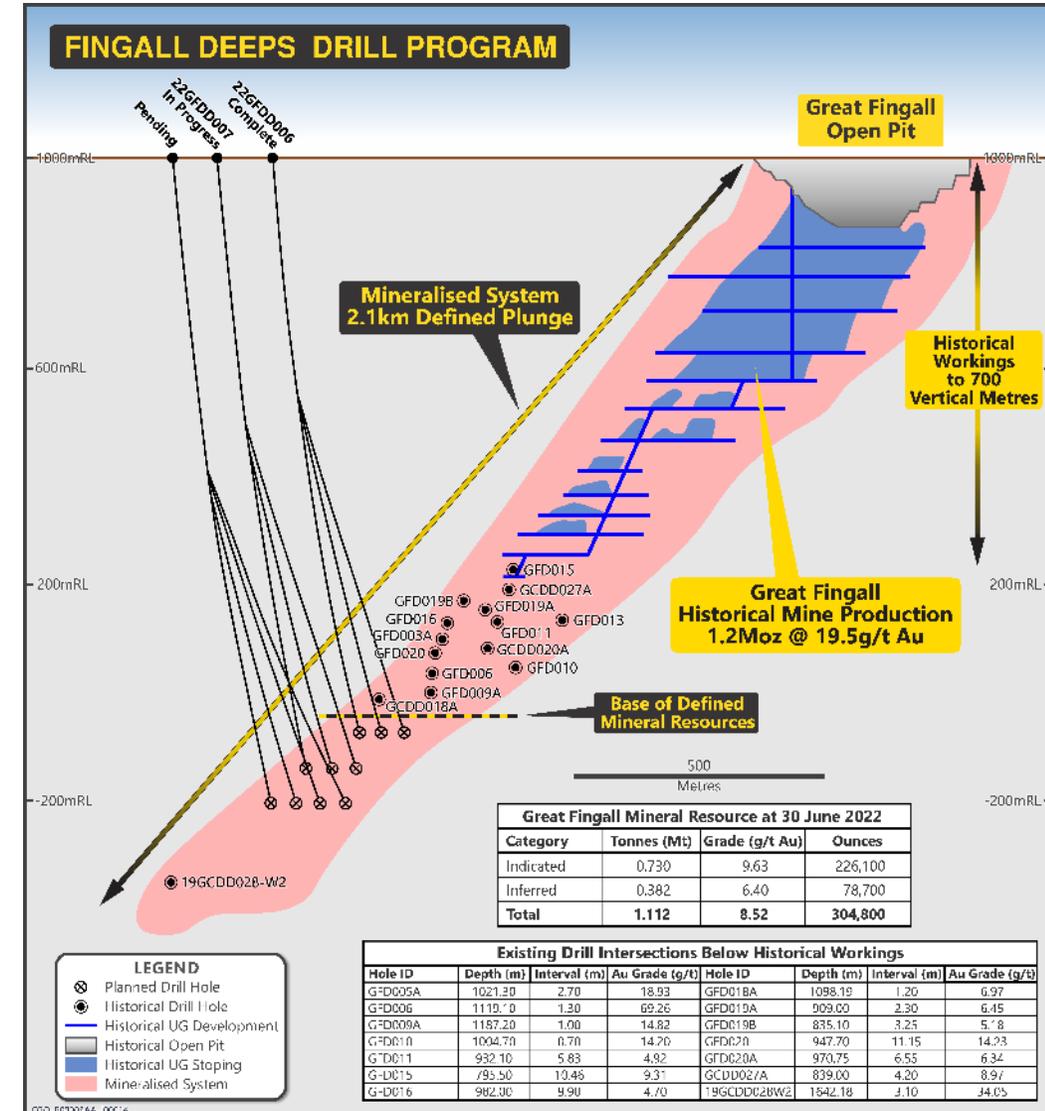
Hedge book reduced during Q2 to 70,000oz

- at an average **A\$2,463/oz**
- Last spot sale on 16/01/23 was **@A\$2,750/oz**
- No new hedges put in place since March 2022
- Hedging position reviewed monthly

Q2 Exploration & Growth – Multiple Targets

- **8,400m of Aircore drilling (AC) across 6 early-stage targets**
 - Early encouragement from the Emerald Bore targets 25km north of Meekatharra – follow-up in Q3

- **2,590m of Diamond Drilling (DD) at Fingall Deeps**
 - Program commenced to test an additional ≈250m of down plunge mineralisation beneath the currently defined ~300Koz Mineral Resource
 - **First “parent hole” and three “daughters” (22GFDD006) completed**
 - **New geological data has resulted in a model update** - showing that the Fingall Reef is not flattening with depth and so completed holes were not in optimal positions.
 - Best intersection to date of **5.13m @ 2.35g/t Au inc. 0.44m @ 13.10g/t Au (22GFDD006_W2)**
 - **Program has been modified** - next “parent” (22GFDD007) has commenced targeting the updated position of the Fingall Reef within the preferred granophytic dolerite host



Q3, FY23 Outlook

Grade focus and cost base optimisation continues

- Operational efficiencies – innovate, optimise and improve
 - Expand Bluebird and continue Big Bell expansion study
 - Optimise Paddy's Flat and Starlight
 - Optimise our mining fleet [slide 19]
- Commercial opportunities
 - Continue to leverage our scale and buying power
- Business Improvement Programme
 - Harness the knowledge of our workforce to drive efficiencies

Keep drilling!

- 7 rigs on resource extension – Bluebird, Paddy's, Starlight and Big Bell
- 1 rig @ Great Fingall – complete exploration programme

Invest in the future

- CET Project advancing – civils at Big Bell and Fortnum power stations commence





Need More Information?

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