WESTGOLD RESOURCES LIMITED

ACN 009 260 306

APPENDIX 4E
DIRECTORS' REPORT
ANNUAL FINANCIAL REPORT

YEAR ENDED 30 JUNE 2023

Contents

Corporate Directory

Directors
Hon. Cheryl L Edwardes AM (Non-Executive Chair)
Wayne C Bramwell (Managing Director)
Fiona J Van Maanen (Non-Executive Director)
Gary R Davison (Non-Executive Director)
Julius L Matthys (Non-Executive Director)
David N Kelly (Non-Executive Director)

Company Secretary
Susan Park (Company Secretary)

Senior Executives
Su Hau Heng (Chief Financial Officer)
Phillip Wilding (Chief Operating Officer)

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ASX Code: WGX

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Domicile and Country of Incorporation
Australia

Appendix 4E – Results for Announcement to the ASX

Consolidated	30 June 2023 $	30 June 2022 $	Movement $	Movement %
Revenue from ordinary activities[1]:	654,371,234	647,576,618	6,794,616	1
Profit (loss) from ordinary activities after tax attributable to members[2]:	10,003,484	(111,119,291)	121,122,775	109
Net profit attributable to members:	10,003,484	(111,119,291)	121,122,775	109
Net tangible assets per share[3]:	1.26	1.24		

1. Revenue from ordinary activities relates to revenue from continuing operations.
2. Profit from ordinary activities after tax discloses the profit from continuing operations after tax.
3. Net tangible assets includes right-of-use assets

DIVIDEND INFORMATION

Westgold's key financial objective is to deliver superior shareholder value. One mechanism is by a potential return on investment to our shareholders in the form of a dividend. Premised upon this the Board has set the dividend policy as a maximum annual dividend of 30% of net profit after tax (NPAT), with the policy reviewed annually. Any payment is at the full discretion of the Board and will be considered in light of market conditions, balance sheet strength and Company growth plans.

The Board did not declare a dividend for the 2023 reporting year as it was deemed prudent to maintain balance sheet strength during a period of increasing inflation and supply chain pressures.

This position will be reviewed by the Board next reporting period.

COMMENTARY ON RESULTS FOR THE YEAR		
An explanation of the results is included in the 2023 Annual Report.		
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AUDIT

This report is based on financial statements that have been audited.

This Appendix 4E is to be read in conjunction with the 2023 Annual Financial Report and Directors' Report.

Letter from the Chair

Dear Shareholders,

It is my pleasure to present the Westgold Resources Limited ("Westgold" or "the Group") Annual Financial Report for the financial year ended 30 June 2023 (FY23).

FY23 has been one of significant positive change for Westgold. After working through early challenges and refocusing in the first half of FY23, I'm proud to see the company emerge as a truly successful West Australian gold producer.

In the first quarter of FY23 the Board initiated a strategic review to address the improvement of profitability of the business.

In parallel, a new leadership team initiated the reset of our culture, operational base and approach to cost management. A new strategy was outlined to the shareholders with commitment to an operating regime that would deliver safe and profitable production in FY23. The plan was to restructure and stabilise the business in the first half and if successful, profitability would return in the second half of FY23.

Difficult decisions were made, including placing three marginal underground mines on to care and maintenance. Staff and equipment were redeployed and consolidated into four larger operating underground mines. A deep dive into Westgold's cost base was completed with opportunities identified to improve productivity and reduce our costs.

With new vigour, Westgold's safety performance continued to improve, along with operating efficiencies and productivity. Cost management improved dramatically alongside greater accountability being shifted back to operational management. Significant investments were made in exploration and resource development with a view to extending the planning horizon and mine life of each of our four operating mines and the planned next underground mine at Great Fingall.

After two quarters of cash outflow, the business was financially stabilised. The second half of FY23 saw positive cashflow from our operations and increasing efficiencies being realised. The large, fixed forward hedge book was coming to an end and stronger production from our mines, coupled with a rising A$ gold price, lifted our revenue.

Our approach to environmental, social and corporate governance (ESG) continues to evolve. ESG is key to our social licence to operate and with a view to reducing our emissions and operating cost, major investment was made in the construction of four new hybrid (gas-solar-battery) power stations across our operations. The first station was commissioned at Tuckabianna in July 2023, with three more stations scheduled for commissioning in the first half of FY24.

Our commitment to becoming a better corporate citizen was evidenced in FY23 by greater community initiatives and involvement. A new Community Relations team was established to work with the communities we impact upon across our regional tenure, and particularly the area of indigenous employment.

FY23 was a turnaround year for Westgold. Our employees have leaned into the new direction, new culture and the values that underpin how we do business. There is still much to achieve but Westgold finishes FY23 in a strong financial position with $192M in cash, bullion and liquid assets. Importantly, the Group is fully funded to deliver its FY24 corporate objectives.

Our vision for Westgold going forward is clear. To be a safer, progressive, socially responsible, highly profitable and cash generative gold miner with the aim of providing consistent returns to our shareholders.

Thank you for your continued support.

Hon. Cheryl Edwardes AM
Non-Executive Chair

Directors' Report

The Directors submit their report together with the financial report of Westgold Resources Limited (Westgold or the Company) and of the Consolidated Entity, being the Company and its controlled entities (the Group), for the year ended 30 June 2023.

DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Hon. Cheryl L Edwardes AM - Non-Executive Chair (Appointed 28 March 2022)

Ms Edwardes is a highly credentialed and experienced company director and Chair. A solicitor by profession and former Attorney-General for Western Australia, Minister for Environment and Minister for Labour Relations. Ms Edwardes has extensive experience and knowledge of Western Australia's legal and regulatory framework relating to mining projects, environmental, native title, heritage and land access.

During the past three years, she has also served as a director of the following public listed companies:

- Kalium Lakes Limited (appointed 25 November 2022; resigned 3 August 2023);
- Flinders Mines Limited (appointed 17 June 2019);
- Nuheara Limited (appointed 2 January 2020); and
- Vimy Resources Limited (appointed 26 May 2014; resigned 4 August 2022).

Wayne C Bramwell - Managing Director (Appointed Non-Executive Director 3 February 2020)

Mr Bramwell (BSc Extractive Metallurgy, Grad Dip Business, MSc (Min Econ)) is a metallurgist and mineral economist, experienced director and mining executive with extensive project and corporate development, executive management and governance expertise in precious and base metal companies spanning nearly three decades. He holds a Bachelor of Science in Extractive Metallurgy, a Graduate Diploma in Business, a Master of Science in Mineral Economics and is a graduate of the Australian Institute of Company Directors.

During the past three years, he has served as a director of the following public listed companies:

- CZR Resources Limited (appointed 3 November 2020; resigned 19 February 2021);
- Azure Minerals Limited (appointed 14 October 2020; resigned 19 February 2021);
- Ardea Resources Limited (appointed 29 January 2018; resigned 3 July 2020);
- Vimy Resources Limited (appointed 18 October 2021; resigned 4 August 2022); and
- Deep Yellow Limited (appointed 4 August 2022; resigned 31 January 2023).

Fiona J Van Maanen - Non-Executive Director (Appointed 6 October 2016)

Mrs Van Maanen is a CPA, holds a Bachelor of Business (Accounting) and a Graduate Diploma in Company Secretarial Practice. Mrs Van Maanen has significant experience in corporate governance, financial management and accounting in the mining and resources industry. Mrs Van Maanen serves on Westgold's Audit, Risk and Compliance Committee and Remuneration and Nomination Committee.

During the past three years, she has served as a director of Pantoro Limited (appointed 4 August 2020).

Gary R Davison - Non-Executive Director (Appointed 1 June 2021)

Mr Davison (FAusIMM (CP)), is a highly regarded mining engineer with over 45 years of worldwide mining experience. Gary holds a Diploma in Engineering (Mining) and a Masters in Mineral and Energy Economics. He is also the Managing Director of Australia's premier mining consultancy Mining One Pty Ltd. Mr Davison serves on Westgold's Audit, Risk and Compliance Committee and Remuneration and Nomination Committee.

During the past three years, he has served as a director of Nagambie Resources Ltd (appointed 15 May 2019, resigned 8 September 2021).

Julius L Matthys - Non-Executive Director (Appointed 28 March 2022)

Mr Matthys has substantial corporate experience having spent 36 years in the resources sector. He has held senior executive roles in large corporate entities including President of Worsley Alumina JV, Marketing Director at BHP Iron Ore, Alumina and Aluminium. Mr Matthys was previously Chair of gold producer Doray Minerals Limited, managing its merger with Silver Lake Resources. He currently serves as a Non-Executive Director of Quintis.

Mr Matthys has not held any public company directorships in the past three years.

David N Kelly - Non-Executive Director (Appointed 5 November 2023)

Mr Kelly is a geologist with 35 years' experience in exploration, operations management, mine planning, project evaluation, business development and project finance. Most recently he was employed by Resolute Mining Limited as Executive General Manager – Strategy and Planning, following 2 years as Chief Operating Officer.

Prior to joining Resolute, Mr Kelly was a Director of Optimum Capital, an independent advisory house servicing junior and mid-tier miners. He previously worked with groups such as Consolidated Minerals Limited, WMC Resources Limited, Central Norseman Gold Corporation, NM Rothschild and Sons and Investec Australia and has held several non-executive directorships in mining and exploration companies, including Predictive Discovery, Renaissance Minerals and Turaco Gold.

Peter Schwann - Non-Executive Director (Appointed 2 February 2017, Resigned 26 July 2022)

Mr Schwann (Assoc. in Applied Geology, FAIG, MSEG) is a highly experienced, internationally recognised geologist and mining executive. Mr Schwann has broad experience across multiple commodities with extensive geological capability as well as significant operational management. Mr Schwann served on the Company's Audit, Risk and Compliance Committee and Remuneration and Nomination Committee.

During the past three years, he has served as a director of the following public listed company:

- Aruma Resources Limited (Appointed 10 February 2010)

COMPANY SECRETARY

Susan Park (Appointed 5 April 2022)

Ms Park is a governance professional with over 25 years' experience in the corporate finance industry and extensive experience in Company Secretary and Non-Executive Director roles in ASX, AIM and TSX listed companies. Ms Park holds a Bachelor of Commerce from the University of Western Australia, is a Member of the Australian Institute of Chartered Accountants, a Fellow of the Financial Services Institute of Australasia, a Graduate Member of the Australian Institute of Company Directors and a Graduate Member of the Governance Institute of Australia. She is currently Company Secretary of several ASX listed companies.

Lisa Smith (Appointed 20 December 2019, resigned 11 October 2022)

Ms Smith holds a Bachelor of Laws and a Bachelor of Commerce and brings over 17 years legal experience across a broad range of practice areas including commercial and corporate, regulation and compliance as well as experience with secretarial duties. Ms Smith has previously acted as principal lawyer for a private resources industry services firm and has substantial policy and advocacy experience.

INTERESTS IN THE SHARES AND PERFORMANCE RIGHTS OF THE COMPANY

As at the date of this report, the interests of the Directors in the shares and rights of the Company were:

Director	Fully Paid Ordinary Shares	Performance Rights
Hon. CL Edwardes AM	6,122	-
WC Bramwell	50,000	587,668
FJ Van Maanen	435,521	-
GR Davison	-	-
JL Matthys	112,658	-
DN Kelly[1]	-	-
Total	**604,301**	**587,668**

1 Appointed on 5 November 2022.

PRINCIPAL ACTIVITIES

The principal activities during the year of the Group were the exploration, development and operation of gold mines, primarily in Western Australia.

EMPLOYEES

The Group had 918 employees at 30 June 2023 (2022: 1,077).

CORPORATE OVERVIEW

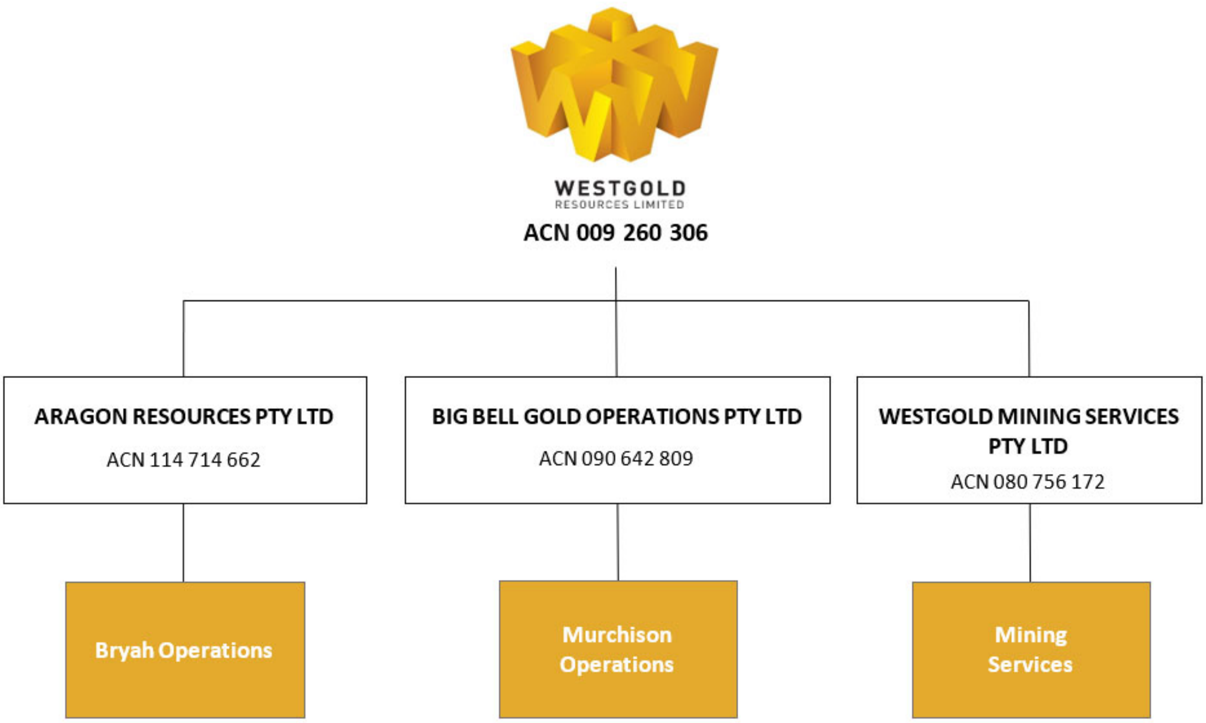
Westgold is a progressive and innovative gold producer with a large and strategic land package in the Murchison and Bryah regions of Western Australia. After listing on the ASX in December 2016 the company has consolidated over 1,300 km2 of mining titles across three key business units. These units encompass the Fortnum operations (the Bryah region in the north), the Meekatharra operations (in the centre of our tenure) and the Cue operations (in the south of our Murchison portfolio) and are supported by Westgold's wholly owned mining services unit.

The gold endowment of the region is extensive with the Murchison being one of the largest historic goldfields in Western Australia. To date the Murchison has produced more than 10 million ounces of gold with Westgold reporting a total Mineral Resource of 7.9 million ounces and 2.1 million ounces of gold in Ore Reserves (refer ASX announcement 6 October 2022).

During FY23, Westgold consolidated its operations to four underground mines and three processing plants and produced 257,116 ounces of gold from its Bryah and Murchison operations.

CORPORATE STRUCTURE

Westgold's corporate structure is depicted below.



OPERATING AND FINANCIAL REVIEW

OPERATING RESULTS

The Group's full year gold production was 257,116 ounces (FY22 - 270,884 ounces). Overall, the results reflect a year of transition following a strategic review that saw the business reset its model to focus on safe and profitable gold production. Three underground operations were put on care and maintenance, all business units restructured and Group expenditure and commercial processes reviewed.

These actions over the year are reflected in the following key measures:

- Consolidated revenue increased by 1% to $654,371,234 (2022: $647,576,618);
- Consolidated total cost of sales increased by 2% to $631,598,901 (2022: $620,300,818);
- Profit before income tax and non-cash impairment decreased by 10% to $13,949,469 (2022: $15,448,892); and
- Profit after income tax and non-cash impairment increased by 109% to a gain of $10,003,484 (2022: loss $111,119,291).

REVIEW OF FINANCIAL CONDITION

The Consolidated Statement of Cash Flows reflects a closing cash and cash equivalents of $176,411,855 (2022: $182,701,502).

Operating Activities

Group cash flow generated by operating activities decreased on that of the previous year with a total inflow of $168,433,218 (2022: $179,855,454).

Investing Activities

Cash flows used in investing activities across the Group decreased on that of the previous year with a total outflow of $158,074,095 (2022: $201,009,289).

Cash flow applied to investing activities in the current year relate to key growth capital at the Big Bell underground mine (CGO), Starlight underground mine (FGO) and the Bluebird and Paddy's Flat underground mines (MGO), along with investment in the new power stations for the Clean Energy Transition project (CET). Other capital investment was sustaining capital in all of the operating underground mines to maintain developed tonnes and production output at similar levels.

Total capital investment in mine properties and development, exploration and evaluation expenditure and property, plant and equipment during the current year was $147,347,357 (2022: $239,019,046), broken into key operations as follows:

- Murchison $119,132,722 (2022: $201,562,547);
- Bryah $28,214,635 (2022: $37,456,499); and

Capital commitments of $26,168,651 (2022: $17,715,233) existed at the reporting date, principally relating to the purchase of plant and equipment.

Exploration activities continued at all operations during the year with $18,909,901 (2022: $18,190,290) expended.

Financing Activities

Net cash flows from financing activities amounted to an outflow of $16,648,770 (2022: inflow of $53,171,308).

- The Group's interest-bearing loans and borrowings decreased to $27,490,818 (2022: $42,959,811) with marginal additions to the mobile mining fleet with the expanded growth activities.

SHARE ISSUES DURING THE YEAR

There has been no share issues during the year.

DIVIDENDS

No dividend will be paid to members in respect of the year ended 30 June 2023.

The Board did not declare a dividend for the 2023 reporting year. The decision was made in order for Westgold to maintain its balance sheet strength as it continues its operational transformation on building cash and enhance profitability on a sustainable basis and critically ensure that our immediate growth ambitions are funded from our existing cash resources.

This position will be reviewed by the Board next reporting period.

REVIEW OF OPERATIONS

In FY23, Westgold delivered 257,116 ounces from its Murchison and Bryah operations whilst continuing to define, explore and develop the next suite of mineral assets within the Westgold landholding.

Westgold remains the dominant gold mining company in the Bryah and Murchison region. The Company has ≈ 350 mining titles covering 1,300 km^2 across this highly prospective region and now operates four underground mines and three processing plants.

Westgold is an owner-operator of all its underground mines. This vertical integration benefits Westgold by providing greater cost control and operating flexibility across the Company's assets.

Murchison Operations

The Murchison Operations are located around the regional towns of Meekatharra and Cue in the mid-west region of Western Australia and incorporates the Meekatharra and Cue Gold Operations.

Revenue from the Murchison Operations improved to $517,503,405 (2022: $489,358,532) and segment profits increased to $14,951,974 (2022: $9,462,740).

Gold output for the year was 203,382 ounces at a C1 Cash Cost of $1,686 per ounce and an AISC of $1,971 per ounce as disclosed in the table on page 9.

Meekatharra Gold Operations (MGO)

MGO is located around the regional town of Meekatharra and encompasses Westgold's central group of assets including the historic gold mining centres of Meekatharra North, Paddy's Flat, Yaloginda, Nannine and Reedy's.

The MGO processing hub incorporates the 1.6-1.8 Mtpa Bluebird processing plant, a 420-person village, and associated mining infrastructure required to support mining operations. The Bluebird plant receives underground ore from the Paddy's Flat and Bluebird underground mines, surplus ore from CGO and supplementary lower grade surface stockpiled ore.

In addition to current Mineral Resources and Ore Reserves, MGO has a number of exploration targets which should underwrite sustainable gold production at the operations beyond existing targets, including:

- Extensions to the Bluebird and Paddy's Flat Mines, along with the potential inclusion of South Junction;
- Triton Deeps and Boomerang in the Reedy Mining Area; and
- New targets across the central package where drilling under 100m in depth is sparse, with advanced targets including the GNH and Gibraltar deposits.

Cue Gold Operations (CGO)

CGO is located around the regional town of Cue and encompasses Westgold's southern-most group of Murchison assets. This package includes two of Australia's most prolific past producers in the Big Bell mine (2.6 million ounces) and the Great Fingall mine (1.2 million ounces).

The CGO processing hub incorporates the 1.4 Mtpa Tuckabianna processing plant, a 148-person village at Big Bell, a 266-person village at Cue and associated mining infrastructure to support mining operations.

The Tuckabianna plant receives underground ore from the large Big Bell underground, with supplementary feed provided by lower grade surface stockpiles. Following the completion of ramp up and commencement of steady state production in April 2022, Big Bell has consistently delivered design levels, producing 1.1Mt of ore at 2.6g/t for 95koz contained ounces of gold in FY23.

In addition to current Mineral Resources and Ore Reserves, CGO has a number of development projects and exploration targets which should underwrite growth in gold production at the operations, including:

- Great Fingall and Golden Crown – approved by the Board for development in August 2023;
- Fender Mine – a shallow underground mine beneath Westgold's Fender open pit expected to commence mining in October 2023;
- Caustons – on the Tuckabianna trend, close to the mill and high potential for underground mining;
- Additional shallow targets on the Big Bell line of lode beneath the 700, 1600 and the Shocker pits; and
- Open pit and underground targets within the Cuddingwarra Mining centre.

Bryah Operations

The Bryah Operations are centred upon the Fortnum Gold Operation (FGO). FGO is located within the Proterozoic age Bryah Basin stratigraphy approximately 150 km northwest of Meekatharra and represents the northernmost group of Westgold assets. These assets encapsulate the historic mining centres of Labouchere, Fortnum, Horseshoe and Peak Hill which collectively has delivered approximately 2 million ounces of reported gold production.

The FGO processing hub incorporates the 0.9 Mtpa Fortnum carbon-in-leach (CIL) processing plant, a 200-person village, airstrip and associated mining infrastructure required to support mining operations. Mining output is currently dominated by the Starlight underground mine with supplementary, free on surface low grade stockpiles providing a blended feedstock to the plant.

Gold output in FY23 was 53,735 ounces at a C1 Cash Cost of $1,780 per ounce and an all-in sustaining cost (AISC) of $2,103 per ounce as disclosed in the table on page 9.

The decrease in the gold output, though partially offset by the increase in the gold price, resulted in an overall decrease in revenue to $136,867,829 (2022: $158,218,086). Segment profits decreased to $7,820,360 (2022: $17,702,894).

In addition to current Mineral Resources and Ore Reserves, FGO has a number of exploration targets which should underwrite sustainable gold production at the operations beyond existing targets, including:

- extensions to the Starlight underground mine;
- open pit mining from the historic Yarlarweelor, Nathans and Labouchere mines;
- the Regent and Messiah deposits; and
- new targets within the proximate Peak Hill tenements.

Westgold Operating Performance by Operation

Year Ended 30 June 2023		Murchison	Bryah	Group
Physical Summary	**Units**			
UG Ore Mined	t	2,256,023	687,395	**2,943,418**
UG Grade Mined	g/t	2.9	2.4	**2.8**
Ore Processed	t	2,822,282	802,753	**3,625,035**
Head Grade	g/t	2.5	2.2	**2.5**
Recovery	%	88	96	**90**
Gold Produced	oz	203,382	53,735	**257,116**
Gold Sold	oz	202,026	53,983	**256,009**
Achieved Gold Price	$/oz	2,556	2,556	**2,556**
Cost Summary				
Mining	$/oz	1,052	1,083	**1,058**
Processing	$/oz	467	560	**487**
Admin	$/oz	104	120	**107**
Stockpile Adjustments	$/oz	64	17	**54**
C1 Cash Cost (produced)[1]	**$/oz**	**1,686**	**1,780**	**1,706**
Royalties	$/oz	96	65	**90**
Corporate Costs	$/oz	26	55	**32**
Sustaining Capital	$/oz	163	203	**172**
All-in Sustaining Costs[2]	**$/oz**	**1,971**	**2,103**	**1,999**

Year Ended 30 June 2022		Murchison	Bryah	Group
Physical Summary	**Units**			
UG Ore Mined	t	2,433,591	705,868	**3,139,459**
UG Grade Mined	g/t	2.7	2.9	**2.8**
OP Ore Mined	t	669,454	-	**669,454**
OP Grade Mined	g/t	1.6	-	**1.6**
Ore Processed	t	2,872,855	825,070	**3,697,925**
Head Grade	g/t	2.5	2.6	**2.5**
Recovery	%	89	95	**90**
Gold Produced	oz	204,937	65,947	**270,884**
Gold Sold	oz	203,986	65,719	**269,705**
Achieved Gold Price	$/oz	2,399	2,408	**2,401**
Cost Summary				
Mining	$/oz	1,158	822	**1,076**
Processing	$/oz	406	370	**397**
Admin	$/oz	88	76	**84**
Stockpile Adjustments	$/oz	(165)	26	**(119)**
C1 Cash Cost (produced)[1]	**$/oz**	**1,487**	**1,294**	**1,438**
Royalties	$/oz	95	62	**87**
Corporate Costs	$/oz	20	36	**24**
Sustaining Capital	$/oz	146	133	143
All-in Sustaining Costs[2]	**$/oz**	**1,748**	**1,525**	**1,692**

1. C1 Cash Cost (C1): represents the cost for mining, processing and administration after accounting for movements in inventory (predominantly ore stockpiles). It includes net proceeds from by-product credits but excludes the cost of royalties and capital costs for exploration, mine development and plant and equipment.

2. All-in Sustaining Cost (AISC): is made up of the C1 cash cost plus royalty expense, sustaining capital expense and general corporate and administration expenses.

CORPORATE

Gold Forward Contracts

At the end of the financial year, the Group had unrecognised sales contracts for 10,000 ounces at an average price of $2,459 per ounce ending in July 2023, which the Group will deliver physical gold to settle (refer to note 5).

During 2023, the Group entered into zero-cashflow collar contracts whereby the Group purchased a total of 30,000 ounces of gold call options and sold a total of 30,000 ounces of gold put options contracts with equal and offsetting values at inception. These contracts are comprised of put options of $2,700/oz and call options of $3,340/oz. All of these contracts were outstanding at 30 June 2023 and mature over the period July 2023 to June 2024.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Total equity increased to $598,339,298 (2022: $587,767,457). This included share based payments of $1,039,025.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no other significant events after the balance date.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group is expected to continue exploration, development, operations and production and marketing of gold bullion in Australia and will continue the development of its gold exploration projects.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's operations are subject to the relevant Commonwealth and State environmental protection legislations.

The Group holds various environmental licenses issued under these laws and these licenses include conditions and regulations in relation to specifying limits on discharges into the air, surface water and groundwater, the management and storage of hazardous substances and the rehabilitation of areas disturbed during the course of exploration, mining and processing activities.

The Board monitors all environmental performance obligations. Our operations are subjected to regular Government agency audits and site inspections. There have been zero significant environmental incidents, material breaches of the Group's environmental licenses and all mining and exploration activities have been undertaken in compliance with the relevant environmental regulations.

PERFORMANCE RIGHTS

Employee rights

During the year ending 30 June 2023, the Company granted 2,182,314 unlisted Performance Rights (WGXAG) to senior management under the Employee Performance Rights Plan. Included in this issue were 385,233 Performance Rights granted to the Managing Director.

The principal terms of the Employee Rights are:

- The Performance Rights have been issued for nil consideration;
- Each Performance Right carries an entitlement to one fully paid ordinary share in the Company for each Performance Right vested;
- Vesting only occurs after the end of the Performance Periods (30 June 2025) and the number of Performance Rights that vest (if any) will depend on:
  - Relative Total Shareholder Return;
  - Absolute Total Shareholder Return;
  - Absolute Earnings Per Share;
  - Ore Reserve Growth;
- Any Performance Rights that do not vest after the end of the Performance Periods will automatically lapse; and
- No amount is payable by a holder of Performance Rights in respect of the shares allocated upon vesting.

Unissued shares

As at the date of this report, unissued ordinary shares under share based payment arrangements are:

Performance Rights (Rights)	Number of shares	Exercise Price	Expiry Date
Rights – Tranche 5 - Directors	202,435	Zero	30 June 2024
Rights – Tranche 5 - Employees	958,623	Zero	30 June 2024
Rights – Tranche 6 - Directors	385,233	Zero	30 June 2025
Rights – Tranche 6 - Employees	2,182,314	Zero	30 June 2025
Total	**3,728,605**		

Holders of these instruments do not have any right, by virtue of the instrument, to participate in any share issue of the Company or any related body corporate.

Shares issued as a result of exercising performance rights

During the financial year no listed rights were converted to acquire fully paid ordinary shares in the Company, refer to note 25 for further details.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company paid a premium in respect of a contract of insurance to insure Directors and Officers of the Company and related bodies corporate against those liabilities for which insurance is permitted under section 199B of the Corporations Act 2001. Disclosure of the nature of the liabilities and the amount of the premium is prohibited under the conditions of the contract of insurance.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

DIRECTORS' MEETINGS

The number of meetings of Directors (including meetings of committees of Directors held during the year and the number of meetings attended by each Director) was as follows:

	Directors		Audit, Risk and Compliance Committee		Remuneration and Nomination Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Hon. CL Edwardes AM	14	14	-	-	-	-
WC Bramwell	14	14	-	-	-	-
FJ Van Maanen	14	14	4	4	3	3
GR Davison	14	13	4	4	3	3
JL Matthys	14	14	4	4	3	3
DN Kelly [1]	10	9	2	2	1	1
PB Schwann [2]	-	-	-	-	1	-

[1] Appointed on 5 November 2022.

[2] Resigned on 26 July 2022.

Committee Membership

As at the date of this report, the Company had an Audit, Risk and Compliance Committee and a Remuneration and Nomination Committee of the Board of Directors. Members acting on these committees during the year were:

Audit, Risk and Compliance Committee	Remuneration and Nomination Committee
FJ Van Maanen – Chair	JL Matthys – Chair
JL Matthys	FJ Van Maanen
GR Davison	GR Davison
DN Kelly [1]	DN Kelly [1]
PB Schwann [2]	PB Schwann [2]

[1] Appointed to the Committee on 5 November 2022.

[2] Resigned on 26 July 2022.

Remuneration Report (Audited)

Contents

1. REMUNERATION REPORT OVERVIEW

The Directors of Westgold Resources Limited present the Remuneration Report (the Report) for the Group for the year ended 30 June 2023 (FY2023). This Report forms part of the Directors' Report and has been audited in accordance with section 300A of the *Corporations Act 2001* and its regulations.

The Report details the remuneration arrangements for Key Management Personnel (KMP) being the:

- Non-Executive Directors (NEDs); and
- Executive directors and senior executives (collectively "the executives").

KMP are those who directly, or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Group.

Details of KMP of the Group are set out below:

	Name	Position	Appointed	Resigned
(i)	**Non-Executive Directors**			
	Hon. CL Edwardes AM	Non-Executive Chair	28/03/2022	-
	FJ Van Maanen	Non-Executive Director	06/10/2016	-
	GR Davison	Non-Executive Director	01/06/2021	-
	JL Matthys	Non-Executive Director	28/03/2022	-
	DN Kelly	Non-Executive Director	05/11/2022	-
	PB Schwann	Non-Executive Director	02/02/2017	26/07/2022
(ii)	**Managing Director**			
	WC Bramwell	Managing Director	24/05/2022	-
(iii)	**Senior Executives**			
	SH Heng	Chief Financial Officer	02/08/2021	-
	PW Wilding	Chief Operating Officer	11/10/2022	-
	L Smith	Company Secretary & General Counsel	20/12/2019	02/11/2022

2. REMUNERATION AND NOMINATION COMMITTEE RESPONSIBILITIES

Remuneration and Nomination Committee duties

The Remuneration and Nomination Committee is a subcommittee of the Board and are chartered to:

- Oversee formulation and review of the Company's organisational development, succession planning for the Group's Executive Directors and senior executives;
- Approve, review and refer to the Board matters relating to the appointment and the removal of executives who report directly to the Managing Director and or Executive Director to ensure that an appropriate Board succession plan is in place;
- Ensure that the performance of the Board and its members is regularly reviewed; and
- Assist the Chair in advising Directors about their performance and possible retirement.

Remuneration report at FY2022 AGM

The FY2022 remuneration report received positive shareholder support at the FY2022 AGM with a vote of 94% in favour.

REMUNERATION REPORT (AUDITED) (CONTINUED)

2. REMUNERATION AND NOMINATION COMMITTEE RESPONSIBIITIES (CONTINUED)

Director succession planning

The Remuneration and Nomination Committee continually considers the changing needs of the Group with the aim to maintain consistent governance over all activities.

During the financial year, Westgold appointed David Kelly as a Non-Executive Director on 5 November 2022.

The Board structure as at 30 June 2023 is as follows:

Name	Position
Hon. CL Edwardes AM	Non-Executive Chair
WC Bramwell	Managing Director
FJ Van Maanen	Non-Executive Director
GR Davison	Non-Executive Director
JL Matthys	Non-Executive Director
DN Kelly	Non-Executive Director

3. REMUNERATION GOVERNANCE

The Remuneration and Nomination Committee makes recommendations to the Board on:

- Non-Executive Director fees;
- Executive remuneration (Directors and senior executives); and
- The executive remuneration framework and incentive plan policies.

The Remuneration and Nomination Committee assess the appropriateness of the nature and amount of remuneration of Non-Executive Directors and executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Directors and executive team. The composition of the Remuneration and Nomination Committee is set out on this page of this financial report.

Use of remuneration advisors

The Remuneration and Nomination Committee did not engage any remuneration advisors during the current year.

4. NON-EXECUTIVE DIRECTOR REMUNERATION

NED Remuneration Policy

The NED fee policy is designed to attract and retain high calibre directors who can discharge the roles and responsibilities required in terms of good governance, strong oversight, independence and objectivity.

The Company's constitution and the ASX listing rules specify that the NED fee pool limit, shall be approved periodically by shareholders. The last determination was at the Annual General Meeting of shareholders on 26 November 2021 with an aggregate fee pool of $750,000 per year. The amount of the aggregate remuneration sought to be approved by shareholders and the manner in which it is paid to NEDs is reviewed annually against comparable companies. The Board also considers benchmarking data when undertaking the review.

Non-executive directors are encouraged to hold shares in the Company and align their interests with the Company's shareholders. The shares are purchased by the directors at the prevailing market share price.

NED Remuneration Structure

The remuneration of NEDs consists of director's fees. There is no scheme to provide retirement benefits to NEDs other than statutory superannuation. NEDs do not participate in any performance-related incentive programs. Fees paid to NEDs cover all activities associated with their role on the Board and any sub-committees. NEDs are entitled to fees or other amounts as the Board determines where they perform special duties or otherwise perform extra services on behalf of the Company. They may also be reimbursed for out-of- pocket expenses incurred as a result of their directorships.

Position	Annual Fees $
Non-Executive Chair	175,000
Non-Executive Director	95,000

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. EXECUTIVE REMUNERATION

Executive Remuneration Policy

In determining executive remuneration, the Board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Company to attract and retain high calibre talent;
- aligned to the Company's strategic and business objectives and the creation of shareholder value;
- transparent and easily understood; and
- acceptable to shareholders.

The Company's approach to remuneration ensures that remuneration is competitive, performance-focused, clearly links appropriate reward with desired business performance and is simple to administer and understand by executives and shareholders.

In line with the remuneration policy, remuneration levels are reviewed annually to ensure alignment to the market and the Company's stated objectives to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Executive Remuneration Structure

The Company's remuneration structure provides for a combination of fixed and variable pay with the following components:

- fixed remuneration;
- short-term incentives (STI); and
- long-term incentives (LTI).

In accordance with the Company's objective to ensure that executive remuneration is aligned to Company performance, a portion of executives' remuneration is placed "at risk". The relative proportion of FY2023 potential total remuneration packages split between the fixed and variable remuneration is shown below:

Executive	Fixed remuneration	STI	LTI
Managing Director	61%	20%	19%
Other Executives	77%	19%	4%

Elements of remuneration

Fixed remuneration

Fixed remuneration consists of base salary, superannuation and other non-monetary benefits and is designed to reward for:

- the scope of the executive's role;
- the executive's skills, experience and qualifications; and
- individual performance.

Short Term Incentive (STI) arrangements

Under the STI, all executives have the opportunity to earn an annual incentive award which is delivered in cash. The STI recognises and rewards annual performance.

How is it paid?	Any STI award is paid in cash after the assessment of annual performance.
How much can executives earn?	In FY2023, the STI dollar values that executives are entitled to receive as a percentage of their fixed remuneration would not exceed 50% for the Managing Director and 40% for the other executives.
How is performance measured?	A combination of specific Company Key Performance Indicators (KPIs) is chosen to reflect the core drivers of short-term performance and provide a framework for delivering sustainable value to the Group and its shareholders. These measures have been selected as they can be reliably measured, are key drivers of value for shareholders and encourage behaviours in line with the Company's core values.
What KPIs were chosen?	The following KPIs were chosen for the 2023 financial year: • KPI 1: Safety & Environmental Performance Targets (30%) • KPI 2: All-in Sustaining Cost (AISC) relative to budget (30%) • KPI 3: Gold production relative to budget (30%) • KPI 4: Personal KPI (10%)

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. EXECUTIVE REMUNERATION (CONTINUED)

When is it paid?	The STI award is determined after the end of the financial year following a review of performance over the year against the STI performance measures by the Remuneration and Nomination Committee. The Board approves the final STI award based on this assessment of performance and the award is paid in cash up to three months after the end of the performance period.
What happens if an executive leaves?	Where executives cease to be an employee of the Group: • due to resignation or termination for cause, before the end of the financial year, no STI is awarded for that year; or • due to redundancy, ill health, death or other circumstances approved by the Board, the executive will be entitled to a pro-rata cash payment based on assessment of performance up to the date of ceasing employment for that year; • unless the Board determines otherwise.
What happens if there is a change of control?	In the event of a change of control, a pro-rata cash payment will be made based on assessment of performance up to the date of the change of control (subject to Board discretion).

During the financial year a combination of financial and non-financial measures were used to measure performance for STI rewards, with a score being calculated on the following measures:

Metric	Weighting	Targets	Score
Safety - Medically Treated Injury Frequency Rate (MTIFR)	10	Annual MTIFR decreases by 25% or more	10
		Annual MTIFR stays within ±25%	5
		Annual MTIFR increases by 25% or more	0
Safety - Lost Time Injury Frequency Rate (LTIFR)	10	Annual LTIFR decreases by 25% or more	10
		Annual LTIFR stays within ±25%	5
		Annual LTIFR increases by 25% or more	0
Environmental	10	Exceptional environmental management performance	10
		No serious breaches of environmental management	5
		Serious breach of environmental management	0
AISC relative to budget	30	Actual costs below budget by 10% or more	30
		Actual costs below budget by between 5% and 10%	24
		Actual costs below budget by less than 5%	18
		Actual costs above budget by less than 5%	12
		Actual costs above budget by between 5% & 10%	6
		Actual costs above budget by more than 10%	0
Gold Production relative to budget	30	Actual production above budget by 10% or more	30
		Actual production above budget by between 5% and 10%	24
		Actual production above budget by less than 5%	18
		Actual production equals to budget	12
		Actual production below budget by less than 5%	6
		Underperforms budget by between 5% & 10%	0
Personal performance	10	Exceptional Effort and Exceptional Achievement	10
		Exceptional Effort and Good Achievement	8
		Good Effort and Good Achievement	6
		Good Effort and Average Achievement	4
		Average Effort and Average Achievement	2
Total	**100**		

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. EXECUTIVE REMUNERATION (CONTINUED)

STI outcomes

Performance against those measure is as follows for FY2023:

Name	Position	STI Achieved %	STI Awarded[1] $	Maximum potential award $
WC Bramwell	Managing Director	71	209,680	293,626
SH Heng	Chief Financial Officer	84	142,464	170,170
PW Wilding	Chief Operating Officer	92	172,030	187,408
Total			**524,174**	**651,204**

[1] Performance is measured based on a combination of the operational segment performance as well as overall Group performance. The FY2023 STI awards were paid in August 2023.

Long Term Incentive (LTI) arrangements

Under the LTI plan, annual grants of performance rights are made to executives to align remuneration with the creation of shareholder value over the long-term.

How is it paid?	Executives are eligible to receive Performance Rights (Performance Rights). In FY2023 Performance Rights were issued, being a conditional right issued to receive a share subject to the terms of the offer.
Are rights eligible for dividends?	Executives are not eligible to receive dividends on unvested rights.
How much can executives earn?	The LTI dollar values that executives are entitled to receive as a percentage of their fixed remuneration would not exceed 80% (FY2022: 80%) for the Managing Director, 80% (FY2022: 60%) for the senior executives and 60% (FY2022: 60%) for the other executives. The number of Rights granted were determined using the fair value at the date of grant using a Monte Carlo valuation model, taking into account the terms and performance conditions upon which the Rights were granted.
How is performance measured?	Tranche 6 Performance Rights will vest and become exercisable subject to the following conditions: A service condition which requires: • Continued employment for the three-year period from 1 July 2022 to 30 June 2025. A performance condition which comprises the following: • Growth in Relative Total Shareholder Return • Growth in Absolute Total Shareholder Return • Growth in Absolute Earnings Per Share • Ore Reserve Growth
How is performance measured?	**Relative Total Shareholder Return (RTSR) Performance Condition** The RTSR Performance Rights (30% of total Rights) are measured against a defined peer group of companies over the testing period, which the Board considers compete with the Company for the same investment capital, both in Australia and overseas, and which by the nature of their business are influenced by commodity prices and other external factors similar to those that impact on the Total Shareholder Return performance of the Company. The comparator group of companies for FY23 Rights comprises of:

Gold Road Resources Limited	Musgrave Minerals Limited
Dacian Gold Limited	Newcrest Mining Limited
Ramelius Resources Limited	Regis Resources Limited
Red 5 Limited	Resolute Mining Limited
St Barbara Limited	Silver Lake Resources Limited

The vesting schedule for the RTSR measure is as follows:

RTSR Performance	% Contribution to the Number of Rights to Vest
Below 50th percentile	0%
At 50th percentile	50%
Above 50th percentile and below 75th percentile	Pro-rata from 50% to 100%
75th percentile and above	100%

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. EXECUTIVE REMUNERATION (CONTINUED)

Absolute Total Shareholder Return (ATSR) Performance Condition

The ATSR Performance Rights (30% of total Rights) will vest subject to the performance of the Company's Total Shareholder Return over the service period. The ATSR will be measured by comparing the 30 day VWAP at grant date to the 30 day VWAP at vesting date (30 June 2025).

The vesting schedule for the ATSR measure is as follows:

ATSR Performance	% Contribution to the Number of Rights to Vest
Below 15%	0%
Between 15% and up to 25%	Pro-rata from 50% to 75%
Between 25% and up to 50%	Pro-rata from 75% to 100%
Greater than 50%	100%

Absolute Earnings Per Share (AEPS) Performance Condition

The AEPS Performance Rights (30% of total Rights) will vest subject to the annual growth rate of the Company's EPS over the service period. The AEPS will be measured by comparing the EPS (excluding any non-recurring items) at the grant date to the EPS (excluding any non-recurring items) at vesting date (30 June 2025). The vesting schedule for the AEPS measure is as follows:

AEPS Performance	% Contribution to the Number of Rights to Vest
Below 15%	0%
Between 15% and up to 25%	Pro-rata from 50% to 75%
Between 25% and up to 50%	Pro-rata from 75% to 100%
Greater than 50%	100%

Ore Reserve Growth Performance Conditions

The Ore Reserve Growth Performance Rights (10% of total Rights) will be measured based on the Reserve Statement as reported at the end of the FY2023 financial year under JORC guidelines.

Ore Reserve Performance	% Contribution to the Number of Rights to Vest
Negative Growth	0%
Depletion Replaced	50%
Between depletion replaced and 10% increase	Pro-rata from 50% to 100%
Depletion replaced and 10% increase or greater	100%

When is performance measured?

Tranche 6

The measurement date is 31 March 2025.

What happens if an executive leaves?

Where executives cease to be an employee of the Group:

- due to resignation or termination for cause, then any unvested Performance Rights will automatically lapse on the date of the cessation of employment; or
- due to redundancy, ill health, death or other circumstances approved by the Board, the executive will generally be entitled to a pro-rata number of unvested Performance Rights based on achievement of the performance measures over the performance period up to the date of cessation of employment;
- Unless the Board determines otherwise.

REMUNERATION REPORT (AUDITED) (CONTINUED)

6. PERFORMANCE AND EXECUTIVE REMUNERATION OUTCOMES

Remuneration earned by executives in 2023

The actual remuneration earned by executives in the year ended 30 June 2023 is set out in the Table on page 19. This provides shareholders with a view of the remuneration paid to executives for performance in FY2023 year.

Use of board discretion over remuneration outcomes

During the year the Remuneration and Nomination Committee

- Considered the appropriateness of awarding STI in relation to performance outcomes and market conditions;
- Reviewed the personal KPIs for all senior executives in line with the short term incentive arrangements; and
- Determined the appropriate total remuneration packages for new appointments of senior executives to ensure alignment to the market and the Company's stated objectives.

STI performance and outcomes

A combination of financial and non-financial measures was used to measure performance for STI rewards. As a result of the Group's performance against those measures STIs rewarded for the FY2023 as disclosed in the Table on page 16, were paid in August 2023.

LTI performance and outcomes

Performance Rights were granted in FY2022 (Tranche 5) and FY2023 (Tranche 6). All LTI's are subject to performance hurdles.

- Tranche 5 has a three-year vesting period ending in June 2024.
- Tranche 6 has a three-year vesting period ending in June 2025

The Managing Director WC Bramwell was granted 385,233 Tranche 6 LTI's in October 2022.

Senior Executives were granted a total 586,420 Tranche 6 LTI's in October 2022.

For further details of Performance Rights granted, cancelled, lapsed and vested refer to Table 3 below.

Overview of Company performance

The table below sets out information about Westgold's earnings and movements in shareholder wealth for the past six years up to and including the current financial year.

	30 June 18[3]	30 June 19[3]	30 June 20	30 June 21	30 June 22	30 June 23
Closing share price	$1.85	$1.88	$2.09	$1.88	$1.19	$1.44
Profit/(loss) per share (cents)	(0.34)	3.74	8.65	18.16	(25.32)	2.11
Net tangible assets per share[1]	$1.12	$1.14	$1.24	$1.43	$1.24	$1.26
Dividend paid per shares (cents)[2]	-	-	-	2	-	-

1 Net tangible assets per share include right of use assets and lease liabilities.

2 FY21 cash dividend of 2 cents per share declared on 30 August 2021 and paid on 15 October 2021.

3 The comparatives have not been adjusted for changes due to the adoption of AASB 15, AASB 16 and AASB 9**.**

Securities Trading Policy

The Westgold Securities Trading Policy applies to all employees and directors. The policy prohibits employees from dealing in Westgold securities while in possession price sensitive information regarding the Company that is not generally available.

7. EXECUTIVE EMPLOYMENT ARRANGEMENTS

A summary of the key terms of employment agreements for executives in place at 30 June 2023 is set out below. There is no fixed term for executive service agreements and all executives are entitled to participate in the Company's STI and LTI plans. The Company may terminate employment agreements immediately for cause, in which the executive is not entitled to any payment other than the value of fixed remuneration and accrued leave entitlements up to the termination date.

Name	Base Salary $	Superannuation	Notice Period	Termination Payment
WC Bramwell (Managing Director)	531,450	10%	3 months	Per NED
SH Heng (Chief Financial Officer)	385,000	10%	3 months	Per NED
PW Wilding (Chief Operating Officer)	424,000	10%	3 months	Per NED

- PW Wilding was appointed as Chief Operating Officer on 11 October 2022.

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. EXECUTIVE EMPLOYMENT ARRANGEMENTS (CONTINUED)

2023	Short term				Other		Post-employment	Long term benefits	Share-based payment[6]	Total	Performance related
	Salary and fees	Cash bonus	Annual leave benefit	Non-monetary benefits	Other Fees	Termination Payment[5]	Superannuation	Annual and Long service leave	Performance Rights		%
Non-executive Directors											
Hon. CL Edwardes AM	175,000	-	-	-	-	-	18,375	-	-	193,375	-
FJ Van Maanen	95,000	-	-	-	-	-	9,975	-	-	104,975	-
GR Davison	95,000	-	-	-	-	-	9,975	-	-	104,975	-
JL Matthys	95,000	-	-	-	-	-	9,975	-	-	104,975	-
DN Kelly[1]	61,908	-	-	-	-	-	6,500	-	-	68,408	-
	521,908	**-**	**-**	**-**	**-**	**-**	**54,800**	**-**	**-**	**576,708**	
Managing Director											
WC Bramwell	559,461	209,680	-	4,666	-	-	32,150	55,728	171,013	1,032,698	37
Senior Executives											
SH Heng	391,134	142,464	-	4,468	-	-	30,868	41,167	99,960	710,061	34
PW Wilding[2]	409,821	172,030	-	3,416	-	-	29,860	104,936	166,985	887,048	38
L Smith[3]	92,962	8,240	-	2,701	-	171,500	19,601	-	(219,665)	126,138	0
	1,453,378	**532,414**	**-**	**15,251**	**-**	**171,500**	**112,479**	**201,831**	**218,292**	**2,705,145**	
Totals	**1,975,286**	**532,414**	**-**	**15,251**	**-**	**171,500**	**167,279**	**201,831**	**218,292**	**3,281,853**	

1. DN Kelly was appointed on 5 November 2022
2. PW Wilding was appointed Chief Operating Officer on 11 October 2022.
3. L Smith resigned on 02 November 2022
4. Where employees have reached the maximum super contribution base, the amount of deemed super in excess of the maximum was paid out as salary at the employee's election.
5. Additional discretionary termination payments were made on resignation.
6. Share-based payment remuneration represents the balances expensed under the accounting standards. In situations where an employee forfeits their share-based payment instruments due to failure to meet service conditions, previously expensed amounts are reversed in profit or loss. Therefore, negative remuneration in this table represents these reversals, relative to the employees' previously expensed amounts.

REMUNERATION REPORT (AUDITED) (CONTINUED)

7. EXECUTIVE EMPLOYMENT ARRANGEMENTS (CONTINUED)

2022	Short term				Other		Post-employment	Long term benefits	Share-based payments[9]	Total	Performance related
	Salary and fees	Cash bonus	Annual leave benefit	Non-monetary benefits	Other Fees	Termination Payment[8]	Superannuation	Annual and Long service leave	Performance Rights		%
Non-executive Directors											
Hon. CL Edwardes AM[1]	45,646	-	-	-	-	-	4,565	-	-	50,210	-
WC Bramwell[2]	15,119	-	-	1,649	-	-	1,512	-	6,511	24,791	-
FJ Van Maanen	102,500	-	-	-	-	-	10,250	-	-	112,750	-
GR Davison	105,833	-	-	-	-	-	10,583	-	-	116,417	-
JL Matthys[1]	24,127	-	-	-	-	-	2,413	-	-	26,540	-
PG Cook[4]	116,667	-	-	4,937	-	-	11,667	-	(198,754)	(65,484)	-
PB Schwann	102,292	-	-	-	-	-	10,229	-	-	112,521	-
	512,184	**-**	**-**	**6,586**	**-**	**-**	**51,219**	**-**	**(192,243)**	**377,745**	
Executive Director											
WC Bramwell[2]	375,000	77,548	21,302	2,770			37,899	23,928	62,168	600,615	-
PG Cook[4]	48,333	-	-	2,478	-	230,262	4,833	-	-	285,906	-
Senior Executives											
WC Bramwell[5]	43,589	11,062	3,205	513	-	-	4,359	1,038	7,981	71,747	27
SH Heng	275,000	34,897	15,380	4,932	-	-	27,500	6,822	38,294	402,825	18
PW Wilding[6]	37,769	7,433	2,692	-	-	-	3,777	872	9,779	62,322	28
L Smith	278,196	35,063	17,102	7,415	-	-	27,492	7,837	89,711	462,816	27
DA Fullarton[3, 7]	407,580	-	-	7,415	-	195,042	25,529	-	(74,371)	561,195	-
A Buckingham[3, 7]	387,901	-	-	7,415	-	303,573	25,530	-	(72,162)	652,257	-
	1,853,368	**166,003**	**59,682**	**32,938**	**-**	**728,877**	**156,919**	**40,497**	**61,400**	**3,099,684**	
Totals	**2,365,552**	**166,003**	**59,682**	**39,524**	**-**	**728,877**	**208,138**	**40,497**	**(130,843)**	**3,477,430**	

1. Hon. CL Edwardes AM and JL Matthys were appointed on 28 March 2022.
2. WC Bramwell was appointed to Executive Director on 1 August 2021 and resigned on 23 May 2022 (he previously held the position of a non-executive Director).
3. Where employees have reached the maximum super contribution base, the amount of deemed super in excess of the maximum was paid out as salary at the employee's election.
4. PG Cook resigned as Executive Chairman on 31 July 2021 and as Non-Executive Chairman on 28 March 2022.
5. WC Bramwell was appointed to Managing Director on 24 May 2022.
6. PW Wilding was appointed A/Chief Operating Officer on 24 May 2022.
7. DA Fullarton and A Buckingham resigned on 24 May 2022.
8. Termination payments were made in line with the arrangements summarised in section 7 above, plus any accrued annual leave and long service leave balances at termination date.
9. Share-based payment remuneration represents the balances expensed under the accounting standards. In situations where an employee forfeits their share-based payment instruments due to failure to meet service conditions, previously expensed amounts are reversed in profit or loss. Therefore, negative remuneration in this table represents these reversals, relative to the employees' previously expensed amounts.

REMUNERATION REPORT (AUDITED) (CONTINUED)

8. ADDITIONAL STATUTORY DISCLOSURES

Table 1: Westgold Performance Rights (Rights) granted, vested or lapsed during the period

Executive	Tranche[1]	Granted	Grant date	Fair value per right[2]	Total value at grant date	Vesting date	Expiry date	Vested	Lapsed/forfeited
WC Bramwell	5	50,609	11/10/2021	$1.20	$60,528	30/06/2024	30/06/2024	-	-
	5	50,609	11/10/2021	$0.95	$48,129	30/06/2024	30/06/2024	-	-
	5	50,609	11/10/2021	$1.79	$90,539	30/06/2024	30/06/2024	-	-
	5	50,609	11/10/2021	$1.79	$90,539	30/06/2024	30/06/2024	-	-
	6	**115,570**	**04/10/2022**	**$0.572**	**$66,106**	**30/06/2025**	**01/10/2025**	-	-
	6	**115,570**	**04/10/2022**	**$0.361**	**$41,721**	**30/06/2025**	**01/10/2025**	-	-
	6	**115,570**	**04/10/2022**	**$0.855**	**$98,812**	**30/06/2025**	**01/10/2025**	-	-
	6	**38,523**	**04/10/2022**	**$0.855**	**$32,937**	**30/06/2025**	**01/10/2025**	-	-
SH Heng	5	25,281	11/10/2021	$1.20	$30,236	30/06/2024	30/06/2024	-	-
	5	25,281	11/10/2021	$0.95	$24,042	30/06/2024	30/06/2024	-	-
	5	25,281	11/10/2021	$1.79	$45,227	30/06/2024	30/06/2024	-	-
	5	25,281	11/10/2021	$1.79	$45,227	30/06/2024	30/06/2024	-	-
	6	**83,723**	**04/10/2022**	**$0.572**	**$47,889**	**30/06/2025**	**01/10/2025**	-	-
	6	**83,723**	**04/10/2022**	**$0.361**	**$30,224**	**30/06/2025**	**01/10/2025**	-	-
	6	**83,723**	**04/10/2022**	**$0.855**	**$71,583**	**30/06/2025**	**01/10/2025**	-	-
	6	**27,906**	**04/10/2022**	**$0.855**	**$23,861**	**30/06/2025**	**01/10/2025**	-	-
PW Wilding	4	22,646	24/11/2020	$1.48	$33,607	30/06/2023	30/06/2023	-	22,646
	4	22,646	24/11/2020	$1.25	$28,398	30/06/2023	30/06/2023	-	22,646
	4	22,646	24/11/2020	$2.17	$49,074	30/06/2023	30/06/2023	-	22,646
	4	22,646	24/11/2020	$2.17	$49,074	30/06/2023	30/06/2023	-	22,646
	5	25,607	11/10/2021	$1.20	$30,626	30/06/2024	30/06/2024	-	-
	5	25,607	11/10/2021	$0.95	$24,352	30/06/2024	30/06/2024	-	-
	5	25,607	11/10/2021	$1.79	$45,811	30/06/2024	30/06/2024	-	-
	5	25,607	11/10/2021	$1.79	$45,811	30/06/2024	30/06/2024	-	-
	6	**92,204**	**04/10/2022**	**$0.572**	**$52,740**	**30/06/2025**	**01/10/2025**	-	-
	6	**92,204**	**04/10/2022**	**$0.361**	**$33,285**	**30/06/2025**	**01/10/2025**	-	-
	6	**92,204**	**04/10/2022**	**$0.855**	**$78,834**	**30/06/2025**	**01/10/2025**	-	-
	6	**30,733**	**04/10/2022**	**$0.855**	**$26,278**	**30/06/2025**	**01/10/2025**	-	-

REMUNERATION REPORT (AUDITED) (CONTINUED)

8. ADDITIONAL STATUTORY DISCLOSURES (CONTINUED)

Table 1: Westgold Performance Rights (Rights) granted, vested or lapsed during the period (continued)

Executive	Tranche[1]	Granted	Grant date	Fair value per right[2]	Total value at grant date	Vesting date	Expiry date	Vested	Lapsed/forfeited
L Smith	4	18,872	24/11/2020	$1.48	$28,006	30/06/2023	30/06/2023	-	18,872
	4	18,872	24/11/2020	$1.25	$23,665	30/06/2023	30/06/2023	-	18,872
	4	18,872	24/11/2020	$2.17	$40,895	30/06/2023	30/06/2023	-	18,872
	4	18,872	24/11/2020	$2.17	$40,895	30/06/2023	30/06/2023	-	18,872
	5	23,871	11/10/2021	$1.20	$28,550	30/06/2024	30/06/2024	-	23,871
	5	23,871	11/10/2021	$0.95	$22,701	30/06/2024	30/06/2024	-	23,871
	5	23,871	11/10/2021	$1.79	$42,705	30/06/2024	30/06/2024	-	23,871
	5	23,871	11/10/2021	$1.79	$42,705	30/06/2024	30/06/2024	-	23,871
	6	**47,950**	**04/10/2022**	**$0.572**	**$27,428**	**30/06/2025**	**01/10/2025**	-	**47,950**
	6	**47,950**	**04/10/2022**	**$0.361**	**$17,310**	**30/06/2025**	**01/10/2025**	-	**47,950**
	6	**47,950**	**04/10/2022**	**$0.855**	**$40,997**	**30/06/2025**	**01/10/2025**	-	**47,950**
	6	**15,984**	**04/10/2022**	**$0.855**	**$13,666**	**30/06/2025**	**01/10/2025**	-	**15,984**

Notes

[1] Rights Tranche 4 were granted in FY2021, Rights Tranche 5 were granted in FY2022 and Rights Tranche 6 were granted in FY2023

[2] The maximum exposure of the performance rights approximates the fair value per right.

Generally LTI's lapse immediately on resignation.

The value of the share-based payments granted during the period is recognised in compensation over the vesting period of the grant. For details on the valuation of the options, including models and assumptions used, please refer to note 28.

REMUNERATION REPORT (AUDITED) (CONTINUED)

8. ADDITIONAL STATUTORY DISCLOSURES (CONTINUED)

Table 2: Shareholdings of key management personnel (including nominees)

	Balance held at 1 July 2022	On exercise of rights	Net change other[7]	Balance held at 30 June 2023
Directors				
Hon. CL Edwardes AM	6,122	-	-	6,122
WC Bramwell	50,000	-	-	50,000
FJ Van Maanen	435,521	-	-	435,521
GR Davison	-	-	-	-
JL Matthys	112,658	-	-	112,658
DN Kelly	-	-	-	-
PB Schwann[1]	-	-	-	-
Executives				
SH Heng	10,000	-	10,000	20,000
PW Wilding	27,477	-	(3,610)	23,867
L Smith[2]	22,810	-	-	22,810
Total	**664,588**	**-**	**6,390**	**670,978**

1. PB Schwann resigned on 26 July 2022.
2. L Smith resigned as Company Secretary & General Counsel on 2 November 2022 (balances provided as at her resignation date).

Table 3: Performance Rights holdings of key management personnel (including nominees)

Performance Rights	Balance at beginning of year 1 July 2022	Granted as remuneration	Exercised	Lapsed	Balance at end of year 30 June 2023	Not vested and not exercisable	Vested and exercisable
Directors							
Hon. CL Edwardes AM	-	-	-	-	-	-	-
WC Bramwell	202,435	385,233	-	-	587,668	587,668	-
FJ Van Maanen	-	-	-	-	-	-	-
GR Davison	-	-	-	-	-	-	-
JL Matthys	-	-	-	-	-	-	-
DN Kelly	-	-	-	-	-	-	-
PB Schwann[1]	-	-	-	-	-	-	-
Executives							
SH Heng	101,123	279,075	-	-	380,198	380,198	-
PW Wilding	193,012	307,345	-	(90,584)	409,773	409,773	-
L Smith[2]	170,971	159,834	-	(330,805)	-	-	-
Total	**667,541**	**1,131,487**	**-**	**(421,389)**	**1,377,639**	**1,377,639**	**-**

Loans to key management personnel and their related parties

There were no loans to key management personnel during the years ended 30 June 2023 and 30 June 2022.

Other transactions to key management personnel and their related parties

There are no other transactions with key management personnel during the years ended 30 June 2023 and 30 June 2022.

End of Audited Remuneration Report.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of the Company support and have adhered to the principles of Corporate Governance. The Company's corporate governance key statements, frameworks, policies and charters are all available on the Company's website at:

www.westgold.com.au/site/about-us/corporate-governance

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORTING

The Company intends to release a Sustainability Report in October 2023 outlining the impacts, footprint and achievements of the Group during 2023.

AUDITOR'S INDEPENDENCE AND NON-AUDIT SERVICES

AUDITOR'S INDEPENDENCE DECLARATION

The Directors received the Auditor's Independence Declaration, as set out on page 27, from Ernst & Young.

NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor, Ernst & Young. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Ernst & Young received or are due to receive the following amounts for the provision of non-audit services (refer to note 31):

- Tax compliance and other services $76,174.

Signed in accordance with a resolution of the Directors.

Independent Non-Executive Chair

Perth, 23 August 2023

Auditor's Independence Declaration

Building a better working world

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Auditor's independence declaration to the directors of Westgold Resources Limited

As lead auditor for the audit of the financial report of Westgold Resources Limited for the financial year ended 30 June 2023, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Westgold Resources Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

T S Hammond
Partner
23 August 2023

Consolidated Statement of Comprehensive Income for the year ended 30 June 2023

	Notes	2023	2022
Continuing operations			
Revenue	5	654,371,234	647,576,618
Cost of sales	7(a)	(631,598,901)	(620,300,818)
Gross profit		**22,772,333**	**27,275,800**
Other income	6	10,999,888	4,663,417
Finance costs	7(b)	(2,457,285)	(1,398,660)
Other expenses	7(c)	(17,369,902)	(12,967,460)
Impairment of mine properties and property plant and equipment	17	-	(175,535,410)
Net (loss)/ gain on fair value changes of financial assets	15	4,435	(2,014,040)
Exploration and evaluation expenditure written off	18	-	(110,165)
Profit/(loss) before income tax from continuing operations		**13,949,469**	**(160,086,518)**
Income tax benefit/(expense)	8	(3,945,985)	48,967,227
Net Profit/(Loss) for the year		**10,003,484**	**(111,119,291)**
Other comprehensive profit for the year, net of tax		-	-
Total comprehensive profit/(loss) for the year		**10,003,484**	**(111,119,291)**
Total comprehensive profit/(loss) attributable to:			
members of the parent entity		**10,003,484**	**(111,119,291)**
		10,003,484	**(111,119,291)**
Earnings per share attributable to the ordinary equity holders of the parent (cents per share)			
Basic profit/(loss) per share			
Continuing operations	9	2.11	(25.32)
Diluted profit/(loss) per share			
Continuing operations	9	2.11	(25.32)

Consolidated Statement of Financial Position as at 30 June 2023

	Notes	2023	2022
CURRENT ASSETS			
Cash and cash equivalents	10	176,411,855	182,701,502
Trade and other receivables	11	6,854,911	7,122,734
Inventories	12	82,739,473	96,082,089
Prepayments	13	6,449,836	5,427,078
Other financial assets	14	4,149,443	1,930,033
Total current assets		**276,605,518**	**293,263,436**
NON-CURRENT ASSETS			
Financial assets at fair value through profit and loss	15	8,157,712	6,799,309
Property, plant and equipment	16	140,903,171	147,916,103
Mine properties and development	17	258,787,650	263,803,557
Exploration and evaluation expenditure	18	123,487,370	104,577,467
Right-of-use assets	19	5,310,415	10,814,702
Total non-current assets		**536,646,318**	**533,911,138**
TOTAL ASSETS		**813,251,836**	**827,174,574**
CURRENT LIABILITIES			
Trade and other payables	20	79,227,398	88,017,524
Provisions	21	11,809,258	13,066,226
Interest-bearing loans and borrowings	23	15,942,787	22,842,019
Total current liabilities		**106,979,443**	**123,925,769**
NON-CURRENT LIABILITIES			
Provisions	22	66,274,692	69,669,839
Interest-bearing loans and borrowings	24	11,548,031	20,117,792
Deferred tax liabilities	8	30,110,372	25,693,717
Total non-current liabilities		**107,933,095**	**115,481,348**
TOTAL LIABILITIES		**214,912,538**	**239,407,117**
NET ASSETS		**598,339,298**	**587,767,457**
EQUITY			
Issued capital	25	462,997,480	463,468,148
Accumulated losses	26	(63,075,769)	(73,079,253)
Share-based payments reserve	27	16,923,956	15,884,931
Other reserves	27	181,493,631	181,493,631
TOTAL EQUITY		**598,339,298**	**587,767,457**

Consolidated Statement of Cash Flows for the year ended 30 June 2023

	Notes	2023	2022
OPERATING ACTIVITIES			
Receipts from customers		654,368,748	647,576,036
Interest received		3,457,455	220,263
Receipts from other income		3,295,285	3,080,832
Payments to suppliers and employees		(491,001,745)	(469,372,796)
Interest paid		(1,686,525)	(1,648,881)
Net cash flows from operating activities	10	**168,433,218**	**179,855,454**
INVESTING ACTIVITIES			
Payments for property, plant and equipment		(45,273,252)	(37,738,519)
Payments for mine properties and development		(95,357,436)	(150,540,448)
Payments for exploration and evaluation		(18,909,901)	(18,190,290)
Payment for financial assets		(1,955,248)	(2,390,258)
Proceeds from sale of financial assets	15	476,062	-
Payments for performance bond facility		(2,219,410)	(780,584)
Proceeds from sale of property, plant and equipment		5,165,090	8,630,810
Net cash flows used in investing activities		**(158,074,095)**	**(201,009,289)**
FINANCING ACTIVITIES			
Payment of equipment loans	4(f)	(10,155,112)	(28,133,801)
Payment for lease liabilities		(6,493,658)	(9,037,306)
Proceeds from share issue	26(b)	-	100,800,000
Payments for share issue costs		-	(4,132,800)
Payments for dividends		-	(6,324,785)
Net cash flows from (used in) financing activities		**(16,648,770)**	**53,171,308**
Net (decrease)/increase in cash and cash equivalents		(6,289,647)	32,017,473
Cash and cash equivalents at the beginning of the financial year		182,701,502	150,684,029
Cash and cash equivalents at the end of the year	10	**176,411,855**	**182,701,502**

Consolidated Statement of Changes in Equity for the year ended 30 June 2023

	Issued capital (note 25)	Retained Earnings (accumulated losses) (note 26)	Share-based payments reserve (note 27)	Equity reserve (note 27)	Total Equity
2023					
At 1 July 2022	**463,468,148**	**(73,079,253)**	**15,884,931**	**181,493,631**	**587,767,457**
Profit for the year	-	10,003,484	-	-	10,003,484
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive loss for the year net of tax	**-**	**10,003,484**	**-**	**-**	**10,003,484**
Transactions with owners in their capacity as owners					
Share-based payments	-	-	1,039,025	-	1,039,025
Issue of share capital	-	-	-	-	-
Share issue costs, net of tax	(470,668)	-	-	-	(470,668)
Dividends paid	-	-	-	-	-
At 30 June 2023	**462,997,480**	**(63,075,769)**	**16,923,956**	**181,493,631**	**598,339,298**
2022					
At 1 July 2021	**364,077,523**	**46,522,657**	**15,266,496**	**181,493,631**	**607,360,307**
Loss for the year	-	(111,119,291)	-	-	(111,119,291)
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive loss for the year net of tax	**-**	**(111,119,291)**	**-**	**-**	**(111,119,291)**
Transactions with owners in their capacity as owners					
Share-based payments	-	-	618,435	-	618,435
Issue of share capital	102,957,835	-	-	-	102,957,835
Share issue costs, net of tax	(3,567,210)	-	-	-	(3,567,210)
Dividends paid	-	(8,482,619)	-	-	(8,482,619)
At 30 June 2022	**463,468,148**	**(73,079,253)**	**15,884,931**	**181,493,631**	**587,767,457**

Notes to the Consolidated Financial Statements for the year ended 30 June 2023

1. CORPORATE INFORMATION

The financial report of Westgold Resources Limited for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on 23 August 2023.

Westgold Resources Limited (the Company or the Parent) is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the Directors Report.

The address of the registered office is Level 6, 200 St Georges Terrace, Perth WA 6000.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on a historical cost basis, except for certain financial assets, which have been measured at fair value through profit or loss.

The financial report is presented in Australian dollars.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and also International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Adoption of new accounting standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2022. Other than the changes described in note 37, the accounting policies adopted are consistent with those of the previous financial year.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent entity and its subsidiaries (the Group) as at 30 June each year. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Comprehensive Income from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intercompany transactions between members of the Group are eliminated in full on consolidation.

(d) Foreign currency translation

Functional and presentation currency

The Group's consolidated financial statements are presented in Australian (A$), which is also the parent entity's functional currency. The Group does not have any foreign operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the reporting date.

All exchange differences are taken to the profit or loss.

(e) Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by management to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided by management to the Board of Directors. The Group aggregates two or more operating segments when they have similar economic characteristics. Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for “all other segments”.

(f) Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Financial Instruments

Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Certain commodity contracts are accounted for as executory contracts and not recognised as financial instruments as these contracts were entered into and continue to be held for the purpose of the delivery of gold bullion in accordance with the Group’s expected sale requirements (see note 5).

Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition, and subsequently measured at amortised cost, or fair value through profit or loss or fair value through OCI.

The classification of financial assets at initial recognition that are debt instruments depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them. With the exception of trade receivables, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient for contracts that have a maturity of one year or less, are measured at the transaction price determined under AASB 15.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, the Group’s financial assets are classified in these categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

The Group’s financial assets at amortised cost include cash, short-term deposits, and trade and other receivables. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of other income in the Consolidated Statement of Comprehensive Income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value, i.e., where they fail the SPPI test. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that do not pass the SPPI test are required to be classified, and measured at fair value through profit or loss, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies the simplified approach in calculating ECLs, as permitted by AASB 9. Therefore, the Group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date (see note 3). For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL.

The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, and payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss and other comprehensive income.

Loans, borrowings, and trade and other payables

After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income.

This category generally applies to interest-bearing loans and borrowings and trade and other payables.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost includes expenditure incurred in acquiring and bringing the inventories to their existing condition and location and is determined using the weighted average cost method.

(i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(j) Rehabilitation costs

The Group is required to decommission and rehabilitate mines and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities.

The expected cost of any approved decommissioning or rehabilitation programme, discounted to its net present value, is provided when the related environmental disturbance occurs. The cost is capitalised when it gives rise to future benefits, whether the rehabilitation activity is expected to occur over the life of the operation or at the time of closure. The capitalised cost is amortised over the life of the operation and the increase in the net present value of the provision for the expected cost is included in financing expenses.

Expected decommissioning and rehabilitation costs are based on the discounted value of the estimated future cost of detailed plans prepared for each site. Where there is a change in the expected decommissioning and restoration costs, the value of the provision and any related asset are adjusted, and the effect is recognised in profit or loss on a prospective basis over the remaining life of the operation.

The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by potential proceeds from the sale of assets or from plant clean up at closure.

(k) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value.

Capital work-in-progress is stated at cost and comprises all costs directly attributable to bringing the assets under construction ready to their intended use. Capital work-in-progress is transferred to property, plant and equipment at cost on completion.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, or where appropriate, over the estimated life of the mine.

Major depreciation periods are:

- Mine specific plant and equipment is depreciated using – the shorter of life of mine and useful life. Useful life ranges from 2 to 25 years.
- Buildings – the shorter of life of mine and useful life. Useful life ranges from 5 to 40 years.
- Office plant and equipment is depreciated at 33% per annum for computers and office machines and 20% per annum for other office equipment and furniture.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. Refer to note 2(o) for further discussion on impairment testing performed by the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit and loss in the period the item is derecognised.

(l) Exploration and evaluation expenditure

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and:

- it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or
- exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off to the profit and loss or provided against.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment on a regular basis or whenever impairment indicators are present. When information becomes available suggesting that the recovery of expenditure which had previously been capitalised is unlikely or that the Group no longer holds tenure, the relevant capitalised amount is written off to the profit or loss in the period when the new information becomes available.

(m) Mine properties and development

Expenditure on the acquisition and development of mine properties within an area of interest are carried forward at cost separately for each area of interest. This includes the costs associated with waste removal (stripping costs) in the creation of improved access and mining flexibility in relation to the ore to be mined in the future. Accumulated expenditure is amortised over the life of the area of interest to which such costs relate on a production output basis.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Impairment

The carrying value of capitalised mine properties and development expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Refer to note 2(o) for further discussion on impairment testing performed by the Group.

Stripping (waste removal) costs

As part of its mining operations, the Group incurs stripping (waste removal) costs both during the development phase and production phase of its operations. Stripping costs incurred in the development phase of a mine, before the production phase commences (development stripping), are capitalised as part of the cost of constructing the mine and subsequently amortised over its useful life using a unit of production (UOP) method. The capitalisation of development stripping costs ceases when the mine/component is commissioned and ready for use as intended by management.

Stripping activities undertaken during the production phase of a surface mine (production stripping) are accounted for as set out below. After the commencement of production, further development of the mine may require a phase of unusually high stripping that is similar in nature to development phase stripping. The cost of such stripping is accounted for in the same way as development stripping (as outlined above).

Production stripping is generally considered to create two benefits, being either the production of inventory or improved access to the ore to be mined in the future. Where the benefits are realised in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories.

Where the benefits are realised in the form of improved access to ore to be mined in the future, the costs are recognised as a non-current asset, referred to as a 'stripping activity asset', if the following criteria are met:

- Future economic benefits (being improved access to the ore body) are probable
- The component of the ore body for which access will be improved can be accurately identified
- The costs associated with the improved access can be reliably measured

If any of the criteria are not met, the production stripping costs are charged to profit or loss as operating costs as they are incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In identifying components of the ore body, the Group works closely with the mining operations personnel for each mining operation to analyse each of the mine plans. Generally, a component will be a subset of the total ore body, and a mine may have several components. The mine plans, and therefore the identification of components, can vary between mines for a number of reasons.

These include, but are not limited to the type of commodity, the geological characteristics of the ore body, the geographical location, and/or financial considerations. Given the nature of the Group's operations, components are generally either major pushbacks or phases and they generally form part of a larger investment decision which requires board approval.

The stripping activity asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore, plus an allocation of directly attributable overhead costs.

If incidental operations are occurring at the same time as the production stripping activity, but are not necessary for the production stripping activity to continue as planned, these costs are not included in the cost of the stripping activity asset.

If the costs of the inventory produced and the stripping activity asset are not separately identifiable, a relevant production measure is used to allocate the production stripping costs between the inventory produced and the stripping activity asset. This production measure is calculated for the identified component of the ore body and is used as a benchmark to identify the extent to which the additional activity of creating a future benefit has taken place. The Group uses the expected volume of waste extracted compared with the actual volume for a given volume of ore production of each component.

The stripping activity asset is accounted for as an addition to, or an enhancement of, an existing asset, being the mine asset, and is presented as part of 'Mine properties' in the statement of financial position. This forms part of the total investment in the relevant cash generating unit(s), which is reviewed for impairment if events or changes of circumstances indicate that the carrying value may not be recoverable.

The stripping activity asset is subsequently depreciated using the UOP method over the life of the identified component of the ore body that became more accessible as a result of the stripping activity. Economically recoverable reserves, which comprise proven and probable reserves, are used to determine the expected useful life of the identified component of the ore body. The stripping activity asset is then carried at cost less depreciation and any impairment losses.

(n) Non-current assets and disposal groups held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale and measured at the lower of their carrying amount and fair value less costs of disposal if their carrying amount will be recovered principally through a sale transaction. They are not depreciated or amortised. For an asset or disposal group to be classified as held for sale it must be available for immediate sale in its present condition and its sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but is not in excess of any cumulative impairment loss previously recognised.

A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised as the date of de-recognition.

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the Consolidated Statement of Comprehensive Income and the assets and liabilities are presented separately on the face of the Consolidated Statement of Financial Position.

(o) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal (FVLCD) and its value in use (VIU).

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining FVLCD, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecasts, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated, based on the life-of-mine plans. The estimated cash flows are based on expected future production, metal selling prices, operating costs and forecast capital expenditure based on life-of-mine plans.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

VIU does not reflect future cash flows associated with improving or enhancing an asset's performance, whereas anticipated enhancements to assets are included in FVLCD calculations.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the profit and loss. For such properties, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

(p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(q) Lease liabilities

The Group has lease contracts for various items of mining equipment, motor vehicles and buildings used in its operations., All leases with the exception of short term (under 12 months) and low value leases, are recognised on the balance sheet as a right-of-use asset and a corresponding interest-bearing liability. Lease costs are recognized in the income statement over the lease term in the form of depreciation on the right-of-use asset and finance charges representing the unwinding of the discount on the lease liability. The Group recognises leases using the incremental borrowing rate.

(r) Interest revenue

Revenue is recognised using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(s) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue contracts because it typically controls the goods or services before transferring them to the customer.

Gold bullion sales

For bullion sales, most of this is sold under a long-term sales contract with the refiner and forward sale agreements with Citibank N.A. The only performance obligation under the contract is the sale of gold bullion. Revenue from bullion sales is recognised at a point in time when control passes to the buyer. This generally occurs after the unrefined doré is out turned and the Group either instructs the refiner to purchase the out turned fine metal or advises the refiner to transfer the gold to the bank by crediting the metal account of the bank. As all performance obligations are satisfied at that time, there are no remaining performance obligations under the contract. The transaction price is determined at transaction date and there are no further adjustments to this price.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. The Group applies the practical expedient to not adjust the promised consideration for the effects of a significant financing component where the period between the transfer of the refined gold to a customer and the receipt of the advance is one year or less. For long-term advances from customers the transaction price is discounted, using the rate that would be reflected in a separate transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent adjusted for:

- cost of servicing equity (other than dividends) and preference share dividends;
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised; and
- other non-discriminatory changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares divided by the weighted average number of ordinary shares and dilutive potential ordinary shares; adjusted for any bonus element.

(u) Issued capital

Issued and paid-up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction in the proceeds received.

(v) Share-based payment transactions

The Group provides benefits to employees (including Directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions). The Group has one plan in place that provides these benefits. It is the Long-Term Incentive Plan (LTIP) which provides benefits to all employees including Directors.

In valuing equity-settled transactions, no account is taken of any vesting conditions (such as service conditions), other than conditions linked to the price of the shares of Westgold Resources Limited (market conditions) if applicable.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using either a Black & Scholes or a Monte Carlo model as appropriate. Further details of which are given in note 28.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the consolidated statement of comprehensive income is the product of (i) the grant date fair value of the award; (ii) the current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The charge to profit and loss for the period is the cumulative amount as calculated above, less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition is considered to vest irrespective of whether or not the market condition is fulfilled, provided that all other conditions are satisfied.

If a non-vesting condition is within the control of the Group, Company or the employee, the failure to satisfy the condition is treated as a cancellation. If a non-vesting condition within the control of neither the Group, Company nor employee is not satisfied during the vesting period, any expense for the award not previously recognised is recognised over the remaining vesting period, unless the award is forfeited.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect, if any, of outstanding rights is reflected as additional share dilution in the computation of dilutive earnings per share.

(w) Employee benefits

Wages, salaries, sick leave and other short-term benefits

Liabilities for wages and salaries, including non-monetary benefits, accumulating sick leave and other short-term benefits expected to be settled wholly within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departure and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Superannuation

Contributions made by the Group to employee superannuation funds, which are defined contribution plans, are charged as an expense when incurred.

(x) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on purchase of goods or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Commitments and contingencies are disclosed net of amounts of GST recoverable from, or payable to, the taxation authority.

(y) Income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations where applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided for using the full liability balance sheet approach.

The tax rates and tax laws used to compute the amount of deferred tax assets and liabilities are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable profits.

Deferred tax liabilities are recognised for all taxable temporary differences except to the extent that the deferred tax liability arises from:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (or tax loss); and
- taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures when the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, including carry-forward tax losses and tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised except when:

- the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (or tax loss); and
- the deductible temporary difference is associated with investments in subsidiaries, associates and interests in joint ventures and it is not probable that the temporary difference will reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets and deferred tax liabilities are reassessed at each reporting date and are recognised to the extent that they satisfy the requirements for recognition.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes relating to transactions recognised outside profit and loss (for example, directly in other comprehensive income or directly in equity) are also recognised outside profit and loss.

Tax consolidation

Westgold Resources Limited and its wholly owned Australian resident subsidiaries formed a tax consolidated group (the Tax Group) with effect from 1 December 2016. Members of the Tax Group have entered into a tax sharing agreement, which provides for the allocation of income tax liabilities between members of the Tax Group should the parent, Westgold Resources Limited, default on its tax payments obligations.

The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group. Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group.

The allocation of taxes under the tax funding agreement is recognised as an increase/decrease in the controlled entities intercompany accounts with the tax consolidated group head company, Westgold Resources Limited. The nature of the tax funding agreement is such that no tax consolidation adjustments are required.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the following critical accounting policies for which significant judgements have been made as well as the following key estimates and assumptions that have the most significant impact on the financial statements. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Significant judgements

- **Revenue from contracts with customers**

  Judgement is required to determine the point at which the customer obtains control of gold. Factors including transfer of legal title, transfer of significant risks and rewards of ownership and the existence of a present right to payment for the gold typically result in control transferring upon allocation of the gold to the customers' account.

Significant accounting estimates and assumptions

Determination of mineral resources and ore reserves

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates and provisions for mine rehabilitation. The Group estimates its mineral resource and reserves in accordance with the *Australian code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (*the JORC code). The information on mineral resources and ore reserves were prepared by or under the supervision of Competent Persons as defined in the JORC code. The amounts presented are based on the mineral resources and ore reserves determined under the JORC code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately, result in the reserves being restated.

Mine rehabilitation provision

The Group assesses its mine rehabilitation provision on an annual basis in accordance with the accounting policy stated in note 2(j). In determining an appropriate level of provision consideration is given to the expected future costs to be incurred, the timing of those future costs (largely dependent on the life of mine) and the estimated level of inflation. The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, timing, cost increases as compared to the inflation rate of 2.5% (2022: 2.5%), and changes in discount rates. The applicable discount rates are based on the expected life of mine for each operation, ranging between 7 to 10 years.

The expected timing of expenditure can also change, for example in response to changes in reserves or production rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for mine rehabilitation. As a result, there could be significant adjustments to the provisions established which would affect future financial result. The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on various factors, including whether the Group decides to exploit the related area interest itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

Life of mine method of amortisation and depreciation

Estimated economically recoverable reserves and resources are used in determining the depreciation of mine-specific assets. This results in a depreciation charge proportional to the depletion of the anticipated remaining life-of-mine production. The life of each item, which is assessed at least annually, has regard to both its physical life limitations and present assessments of economically recoverable reserves of the mine property at which the asset is located. Changes in estimates are accounted for prospectively.

These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. The calculation of the UOP rate of depreciation could be impacted to the extent that actual production in the future is different from current forecast production based on economically recoverable reserves, or if future capital expenditure estimates change. Changes to economically recoverable reserves could arise due to changes in the factors or assumptions used in estimating reserves, including:

- The effect on economically recoverable reserves for differences between actual commodity prices and commodity price assumptions
- Unforeseen operational issues.

Impairment of capitalised mine development expenditure, property, plant and equipment

The future recoverability of capitalised mine development expenditure, property, plant and equipment is dependent on a number of factors, including the level of proved and probable reserves, and the likelihood of progressive upgrade of mineral resources in to reserves over time. In addition, consideration is given to future technological changes, which could impact the cost, future legal changes (including changes to environmental restoration obligations), and changes in commodity prices. Non-financial assets are reviewed for impairment if there is any indication that the carrying amount may not be recoverable.

When applicable, FVLCD is estimated based on discounted cash flows using market based commodity prices and foreign exchange rate assumptions, estimated quantities of recoverable minerals, production levels, operating costs and capital requirements, based on the relevant CGU's life-of-mine (LOM) plans.

Consideration is also given to analysts' valuations. The fair value methodology adopted is categorised as Level 3 in the fair value hierarchy.

In determining the VIU, future cash flows for each CGU (i.e. each mine site) are prepared utilising management's latest estimates of:

- the quantities of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction;
- royalties and taxation;
- future production levels;
- future commodity prices;
- future cash costs of production and development expenditure; and
- other relevant cash inflows and outflows.

Cash flow scenarios for a range of commodity prices and foreign exchange rates are assessed using internal and external market forecasts, and the present value of the forecast cash flows is determined utilising a pre-tax discount rate.

The Group's cash flows are most sensitive to movements in commodity price, expected quantities of ore reserves and mineral resources and key operating costs. In particular, CGO, MGO and FGO are most sensitive to expected quantities of ore reserves and mineral resources to be extracted and therefore the estimated future cash inflows resulting from the sale of product produced is dependent on these assumptions. Variations to the expected cash flows, and the timing thereof, could result in significant changes to any impairment losses recognised, if any, which in turn could impact future financial results.

To the extent that capitalised mine development expenditure is determined not to be recoverable in the future, this will reduce profit in the period in which the Group makes this determination. Capitalised mine development expenditure is assessed for recoverability in a manner consistent with property, plant and equipment as described below.

Refer to note 2(o) for further discussion on the impairment assessment process undertaken by the Group.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Provision for expected credit losses (ECLs) on trade receivables and other short-term receivables carried at amortised cost

The Group uses a provision matrix to calculate ECLs for trade and other short-term receivables carried at amortised cost. The provision rates are based on days past due.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year, which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a key estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Share-based payment transactions

The fair value is determined by using an appropriate valuation, using the assumptions as discussed in note 28. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities in the next annual reporting period but may impact expenses and equity.

Estimating the incremental borrowing rate

Where the Group cannot readily determine the interest rate implicit in its leases, it uses the relevant incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Significant judgement in relation to future cash flow

The Group has several lease contracts relating to premises and power stations that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. For renewal options that were reasonably certain to be exercised, these have been included in the calculation of right-of-use assets and lease liabilities.

Significant judgement in relation to recovery of deferred tax assets

Judgement is required to determine whether deferred tax assets are recognised in the statement of financial position. Deferred tax assets, including those arising from unused tax losses, require management to assess the likelihood that the Group will generate sufficient taxable earnings in the future periods in order to recognise and utilise those deferred tax assets. Judgement is also required in respect of the application of existing tax laws in each jurisdiction and to identify uncertainties over income tax treatments.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Future changes in tax laws in the jurisdictions in which the Group operates could also limit the ability of the Group to obtain tax deductions in future periods.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise receivables, trade and other payables, finance lease and equipment loans, cash and cash equivalents, deposits, equity investments and derivatives.

Risk exposures and responses

The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk, equity price risk and liquidity risk. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analysis and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The board reviews and agrees policies for managing each of these risks as summarised below.

4. **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

(a) Interest rate risk

The Group's exposure to risks of changes in market interest rates relate primarily to the Group's interest-bearing liabilities and cash balances. The level of debt is disclosed in notes 23 and 24. The Group's policy is to manage its interest cost using fixed rate debt. Therefore, the Group does not have any variable interest rate risk on its debt. The Group constantly analyses its interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates. There is no significant exposure to changes in market interest rates at the reporting date.

At the reporting date the Group's exposure to interest rate risk for classes of financial assets and financial liabilities is set out below.

	Floating interest rate	Fixed interest	Non-interest bearing	Total carrying amount
2023				
Financial assets				
Cash and cash equivalents	176,411,855	-	-	176,411,855
Trade and other receivables	-	-	6,854,911	6,854,911
Financial assets at fair value through profit and loss	-	-	8,157,712	8,157,712
Other financial assets	-	4,149,443	-	4,149,443
	176,411,855	**4,149,443**	**15,012,623**	**195,573,921**
Financial liabilities				
Trade and other payables	-	-	(79,227,398)	(79,227,398)
Lease liabilities	-	(5,595,472)	-	(5,595,472)
Interest-bearing liabilities	-	(21,895,346)	-	(21,895,346)
	-	**(27,490,818)**	**(79,227,398)**	**(106,718,216)**
Net financial assets				**88,855,705**
2022				
Financial assets				
Cash and cash equivalents	142,701,502	40,000,000	-	182,701,502
Trade and other receivables	-	-	7,122,734	7,122,734
Financial assets at fair value through profit and loss	-	-	6,799,309	6,799,309
Other financial assets	-	1,930,033	-	1,930,033
	142,701,502	**41,930,033**	**13,922,043**	**198,553,578**
Financial liabilities				
Trade and other payables	-	-	(88,017,524)	(88,017,524)
Lease liabilities	-	(10,909,353)	-	(10,909,353)
Interest-bearing liabilities	-	(32,050,458)	-	(32,050,458)
	-	**(42,959,811)**	**(88,017,524)**	**(130,977,335)**
Net financial assets				**67,576,243**

Interest rate risk exposure

	Post tax profit higher (lower)		Other Comprehensive Income higher (lower)	
	30 June 2023	**30 June 2022**	**30 June 2023**	**30 June 2022**
Judgements of reasonably possible movements:				
+ 0.25% (25 basis points)	308,721	319,728	-	-
- 1.0% (100 basis points)	(1,234,883)	(1,278,911)	-	-

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk

Credit risk arises from the financial assets of the Group, which comprises cash and cash equivalents, trade and other receivables, financial assets representing listed shares and other financial assets held as security and loans. Cash and cash equivalents are held with National Australia Bank, which is an Australian Bank with an AA- credit rating (Standard & Poor's).

The Group's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of the financial assets (as outlined in each applicable note).

The Group does not hold any credit derivatives to offset its credit exposure.

The Group trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

Receivable balances are monitored on an ongoing basis with the result that the Group does not have a significant exposure to bad debts.

Significant concentrations of credit risk are in relation to cash and cash equivalents with Australian banks.

(c) Price risk

Commodity Price Risk

The Group is exposed to commodity price risk on gold sales due to its holdings of gold zero cost collars. Refer to note 5 for details.

Equity Security Price Risk

The Group's operations were exposed to equity security price fluctuations arising from investments in equity securities. Refer to note 15 for details of equity investments at fair value through profit or loss held at 30 June 2023.

The Group has equity investments, which have shown volatility in price movements over the year. If security prices varied by 20%, with all other variables held constant, the impact on post tax profits and equity at 30 June, is reflected below:

	Post tax profit higher (lower)		Other Comprehensive Income higher (lower)	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Judgements of reasonably possible movements:				
Price + 20%	1,142,080	951,903	-	-
Price - 20%	(1,142,080)	(951,903)	-	-

(d) Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the subsequent ability to meet the obligations to repay the financial liabilities as and when they fall due.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of equipment loans.

The table below reflects all contractually fixed payables for settlement, repayment and interest resulting from recognised financial liabilities as of 30 June 2023. Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing as 30 June.

The remaining contractual maturities of the Group's financial liabilities are:

	2023	2022
6 months or less	(90,155,224)	(100,990,852)
6 - 12 months	(9,211,017)	(11,321,798)
1 - 5 years	(19,869,554)	(21,558,211)
Over 5 years		-
	(119,235,795)	**(133,870,861)**

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Maturity analysis of financial assets and liabilities based on management's expectation

The risk implied from the values shown in the table below reflects a balanced view of cash inflows and outflows. Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant, equipment and investments of working capital e.g. inventories and trade receivables. To monitor existing financial assets and liabilities, as well as to enable effective controlling of future risks, management monitors its Group's expected settlement of financial assets and liabilities on an ongoing basis.

	<6 months	6-12 months	1-5 years	>5 years	Total
2023					
Financial assets					
Cash and equivalents	180,928,394	-	-	-	180,928,394
Trade and other receivables	6,854,911	-	-	-	6,854,911
Other financial assets	4,149,443	-	-	-	4,149,443
	191,932,748	-	-	-	191,932,748
Financial liabilities					
Trade and other payables	(79,227,398)	-	-	-	(79,227,398)
Lease liabilities	(1,640,546)	(776,749)	(4,190,794)		(6,608,089)
Interest-bearing loans	(8,720,808)	(5,804,591)	(8,421,478)	-	(22,946,877)
	(89,588,752)	(6,581,340)	(12,612,272)	-	(108,782,364)
Net inflow/(outflow)	**102,343,996**	**(6,581,340)**	**(12,612,272)**	**-**	**83,150,384**
2022					
Financial assets					
Cash and equivalents	183,178,708	-	-	-	183,178,708
Trade and other receivables	7,122,734	-	-	-	7,122,734
Other financial assets	1,930,033	-	-	-	1,930,033
	192,231,475	-	-	-	192,231,475
Financial liabilities					
Trade and other payables	(88,017,524)	-	-	-	(88,017,524)
Lease liabilities	(3,685,953)	(2,887,530)	(5,879,451)	-	(12,452,934)
Interest-bearing loans	(9,287,375)	(8,434,268)	(15,678,760)	-	(33,400,403)
	(100,990,852)	(11,321,798)	(21,558,211)	-	(133,870,861)
Net inflow/(outflow)	**91,240,623**	**(11,321,798)**	**(21,558,211)**	**-**	**58,360,614**

(e) Fair values

For all financial assets and liabilities recognised in the Consolidated Statement of Financial Position, carrying amount approximates fair value unless otherwise stated in the applicable notes.

The methods for estimating fair value are outlined in the relevant notes to the financial statements.

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:
Level 1 – the fair value is calculated using quoted prices in active markets.
Level 2 – the fair value is estimated using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from price).
Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below.

2023	Quoted market price (Level 1)	Valuation technique market observable inputs (Level 2)	Valuation technique non-market observable inputs (Level 3)	Total
Financial assets				
Instruments carried at fair value				
Listed investments	8,157,712	-	-	8,157,712
	8,157,712	**-**	**-**	**8,157,712**
2022				
Financial assets				
Instruments carried at fair value				
Listed investments	6,799,309	-	-	6,799,309
	6,799,309	**-**	**-**	**6,799,309**

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(f) Changes in liabilities arising from financing activities

	Opening	Cash flows	New leases	Reclassification adjustment	Closing
Lease liability					
2023					
Current obligations	6,004,390	(6,493,657)	489,267	2,111,143	2,111,143
Non-current obligations	4,904,963	-	690,509	(2,111,143)	3,484,329
Total liabilities	**10,909,353**	**(6,493,657)**	**1,179,776**	**-**	**5,595,472**
2022					
Current obligations	5,469,969	(9,037,306)	3,567,337	6,004,390	6,004,390
Non-current obligations	1,868,565	-	9,040,788	(6,004,390)	4,904,963
Total liabilities	**7,338,534**	**(9,037,306)**	**12,608,125**	**-**	**10,909,353**

	Opening	Cash flows	Additions	Reclassification adjustment	Closing
Interest bearing liability					
2023					
Current obligations	16,837,629	(10,155,112)	(6,682,516)	13,831,644	13,831,645
Non-current obligations	15,212,829	-	6,682,516	(13,831,644)	8,063,701
Total liabilities	**32,050,458**	**(10,155,113)**	**-**	**-**	**21,895,346**
2022					
Current obligations	17,492,098	(28,133,801)	10,641,703	16,837,629	16,837,629
Non-current obligations	20,245,206	-	11,805,252	(16,837,629)	15,212,829
Total liabilities	**37,737,304**	**(28,133,801)**	**22,446,955**	**-**	**32,050,458**

5. REVENUE

	2023	2022
Sale of gold at spot	325,212,443	336,730,400
Sale of gold under forward contracts [(1)]	329,158,791	310,846,218
Total revenue from contracts with customers	**654,371,234**	**647,576,618**

Disaggregated revenue per segment has been disclosed in note 32.

[(1)] Gold sold under forward contracts

The Group's operations are exposed to commodity price fluctuations. The Group has a commodity risk management hedging policy that authorises management to enter into price protection contracts to ensure revenue streams up to 60% of gold sales for up to three years of forecast production.

At the end of the financial year, the Group had unrecognised gold forward contracts for 10,000 ounces at an average price of $2,459 per ounce ending in July 2023, under which the Group will deliver physical gold to settle. The Group also had 30,000 ounces of gold put options of $2,700/oz and gold call options of $3,340/oz. The value of the zero-cost collars at financial year end was deemed to be immaterial. Refer to note 4(c) Commodity Price Risk.

The transaction price allocated to remaining performance obligations under forward contracts not recognised at the balance sheet date at 30 June 2023 is as follows:

Gold forward contracts		
- Within 1 year	24,594,000	330,707,005
- 1 to 2 years	-	23,964,276
	24,594,000	**354,671,281**

The amounts due are for delivery of gold which will be paid within 3 days of delivery.

6. OTHER INCOME

Interest income calculated using the effective interest rate method	3,447,526	266,150
Net gain on sale of financial assets at FVTPL	(190,939)	-
Net gain on sale of property, plant and equipment	4,448,016	1,316,434
Other income	3,295,285	3,080,833
Total other income	**10,999,888**	**4,663,417**

7. EXPENSES

	2023	2022
(a) Cost of sales		
Gold production		
Salaries, wages expense and other employee benefits	160,623,325	175,906,269
Other production costs	295,008,423	218,314,978
Write down in value of inventories to estimated net realisable value	-	10,252,203
Royalty expense	23,082,403	23,537,397
Depreciation and amortisation expense		
Depreciation of non-current assets:		
Plant and equipment	43,906,314	54,409,633
Buildings	1,986,122	2,095,532
Right-of-use assets	6,139,491	8,249,706
Amortisation of non-current assets:		
Mine properties and development costs	100,852,823	127,535,100
Total cost of sales	**631,598,901**	**620,300,818**

(b) Finance costs

	2023	2022
Interest expense	1,686,525	1,648,881
Capitalised borrowing costs to qualifying asset	-	(1,145,680)
Unwinding of rehabilitation provision discount	770,760	895,459
Total finance costs	**2,457,285**	**1,398,660**

Big Bell Underground Mine went into commercial production on 1 April 2022. Subsequent to going into commercial production, none of the borrowing costs have been capitalised.

(c) Other expenses

	2023	2022
Administration expenses		
Employee benefits expense		
Salaries and wages expense	8,198,787	6,555,882
Directors' fees and other benefits	576,708	377,746
Other employee benefits	165,478	87,033
Share-based payments expense	1,039,025	618,435
	9,979,998	7,639,096
Other administration expenses		
Consulting expenses	1,505,099	2,170,807
Subscriptions	1,028,757	273,090
Recruitment and relocation	437,108	255,911
Business development	759,619	91,125
Insurance	437,486	396,621
Travel and accommodation expenses	238,346	92,200
Other costs	2,055,863	1,157,911
	6,462,278	4,437,665
Depreciation expense		
Property plant and equipment	383,053	374,671
Right-of-use assets	544,573	516,028
	927,626	890,699
Total other expenses	**17,369,902**	**12,967,460**

8.	INCOME TAX	2023	2022
(a)	Major components of income tax expense:		
	Income Statement		
	Current income tax expense		
	Current income tax (benefit) expense	(17,818,544)	(10,632,327)
	Adjustment in respect of current income tax of previous years	-	-
	Deferred income tax		
	Relating to origination and reversal of temporary differences	21,878,828	(39,878,133)
	Adjustment in respect of prior year tax losses / DTA	(114,299)	1,543,233
	Income tax for continuing and discontinuing operations	**3,945,985**	**(48,967,227)**
(b)	**Amounts charged or credited directly to equity**		
	Share issue costs	470,670	(565,590)
		470,670	**(565,590)**

(c) A reconciliation of income tax benefit and the product of accounting loss before income tax multiplied by the Group's applicable income tax rate is as follows:

	2023	2022
Accounting profit (loss) before tax from continuing operations	13,949,469	(160,086,518)
Total accounting profit (loss) before income tax	**13,949,469**	**(160,086,518)**
At statutory income tax rate of 30% (2022: 30%)	4,184,840	(48,025,955)
Non-assessable income	(124,556)	(459,389)
Under (over) in respect of prior years	(114,299)	(481,883)
Income tax (benefit) expense reported in the income statement	**3,945,985**	**(48,967,227)**
Tax expense from continuing operations	3,945,985	(48,967,227)
Income tax (benefit) expense reported in the income statement	**3,945,985**	**(48,967,227)**

(d) Deferred income tax at 30 June relates to the following:

	Consolidated Statement of Financial Position		Consolidated Statement of Comprehensive Income	
	2023	2022	2023	2022
Deferred tax liabilities				
Exploration	(22,751,899)	(16,538,683)	6,213,216	5,068,766
Trade and other receivables	(639,932)	(341,375)	298,557	(334,642)
Prepayments	(10,141)	(16,394)	(6,253)	4,555
Deferred mining	(28,796,912)	(32,761,755)	(3,964,843)	(43,709,681)
Inventories	(10,905,583)	(10,964,932)	(59,349)	2,261,854
Property plant and equipment	(8,691,031)	(7,729,115)	961,916	1,743,102
Gross deferred tax liabilities	**(71,795,498)**	**(68,352,254)**		
Deferred tax assets				
Net gain on financial assets FVTPL	453,115	423,071	(30,044)	(604,212)
Accrued expenses	390,096	718,292	328,197	116,382
Provision for employee entitlements	4,637,450	4,820,069	182,620	(715,206)
Provision for rehabilitation	11,069,385	17,696,605	6,627,219	(3,609,899)
Business related costs	165,227	162,179	(3,048)	(99,151)
Capital raising costs	896,406	1,367,076	-	-
Recognised tax losses	24,073,447	17,471,245	(6,602,203)	(9,089,097)
Gross deferred tax assets	**41,685,126**	**42,658,537**		
Net deferred tax liabilities	**(30,110,372)**	**(25,693,717)**		
Deferred tax expense			**3,945,985**	**(48,967,227)**

(e) Unrecognised losses

At 30 June 2023, there are no unrecognised losses for the Group (2022: nil).

9. EARNINGS PER SHARE

The following reflects the data used in the basic and diluted earnings per share computations.

		2023	2022
(a)	**Earnings used in calculating earnings per share**		
	Net profit/(loss) attributable to ordinary equity holders of the parent	10,003,484	(111,119,291)
	Net profit attributable to ordinary equity holders of the parent	**10,003,484**	**(111,119,291)**
	Basic earnings/(loss) per share (cents)	2.11	(25.32)
		2.11	**(25.32)**
	Earnings used in calculating earnings per share		
	For diluted earnings per share:		
	Net profit/(loss) attributable to ordinary equity holders of the parent (from basic EPS)	10,003,484	(111,119,291)
	Net profit attributable to ordinary equity holders of the parent	**10,003,484**	**(111,119,291)**
	Diluted profit/(loss) per share (cents)		
	Continuing operations	2.11	(25.32)
		2.11	**(25.32)**
(b)	**Weighted average number of shares**		
	Weighted average number of ordinary shares for basic earnings per share	473,622,730	438,907,701
	Effect of dilution:		
	Rights	-	-
	Weighted average number of ordinary shares adjusted for the effect of dilution	**473,622,730**	**438,907,701**

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

The Company had 4,438,946 performance rights (contingently issued shares) on issue that are excluded from the calculation of diluted loss per share for the current financial period.

10. CASH AND CASH EQUIVALENTS

	2023	2022
Cash at bank and in hand	176,411,855	142,701,502
Short-term deposits	-	40,000,000
Cash at bank and in hand	**176,411,855**	**182,701,502**

CASH FLOW RECONCILIATION

Reconciliation of net profit after income tax to net cash flows from operating activities

	2023	2022
Profit/(loss) before income tax	**10,003,484**	**(111,119,291)**
Amortisation and depreciation	153,812,376	193,180,670
Income tax (benefit)/expense	3,945,984	(48,967,227)
Share based payments	1,039,025	618,435
Unwinding of rehabilitation provision discount	770,760	895,459
Net loss/(profit) on disposal of property, plant and equipment	(4,448,016)	(1,316,434)
Profit on disposal of fair value financial assets	190,939	-
Fair value change in financial instruments (refer to note 15)	(4,435)	2,014,040
Impairment of mine properties and property plant and equipment (refer to note 17)	-	175,535,410
Exploration and evaluation expenditure written off (refer to note 18)	-	110,165
	165,310,117	**210,951,227**
Changes in assets and liabilities		
(Increase)/decrease in inventories	13,342,615	(36,952,721)
Increase in trade and other receivables and prepayments	(754,936)	(1,047,740)
Increase/(decrease) in trade and other creditors	(8,790,126)	4,520,668
Increase/(decrease) in provisions	(674,452)	2,384,020
Net cash flows from operating activities	**168,433,218**	**179,855,454**

At 30 June 2023, the Group had available $8,457,321 (2022: $3,156,781) of undrawn borrowing facilities.

11. TRADE AND OTHER RECEIVABLES (CURRENT)

Statutory receivables	5,858,984	6,453,347
Other debtors	995,927	669,387
Total trade and other receivables	**6,854,911**	**7,122,734**

Statutory receivables comprises of GST input tax credits and diesel fuel rebates.

Other debtors are non-interest bearing and generally have a 30-60 day term.

All trade and other receivables are classed as recoverable in full, none of which were past due. The carrying amount of other debtors approximate their fair value. Refer note 4(b) for credit risk disclosures.

		2023	2022
12.	**INVENTORIES (CURRENT)**		
	Ore stocks at net realisable value	25,577,725	37,699,414
	Gold in circuit at cost	16,293,902	20,870,066
	Gold metal at cost	3,901,481	-
	Stores and spares at cost	44,459,486	44,208,485
	Provision for obsolete stores and spares	(7,493,121)	(6,695,876)
	Total inventories at lower of cost and net realisable value	**82,739,473**	**96,082,089**

During the year there were no write-downs in inventories (2022: $10,252,203) from continuing operations for the Group. This is included in cost of sales refer to note 7(a).

13.	**PREPAYMENTS (CURRENT)**		
	Prepayments	6,449,836	5,427,078
		6,449,836	**5,427,078**

Prepayments include insurances, software licenses and subscriptions.

14.	**OTHER FINANCIAL ASSETS (CURRENT)**		
	Cash on deposit	4,149,443	1,930,033
		4,149,443	**1,930,033**

The cash on deposit is interest bearing and is used as security for bank guarantees.

15.	**FINANCIAL ASSETS**		
	Listed shares - Australian	8,157,712	6,799,309
		8,157,712	**6,799,309**
	Movement in Listed Shares		
	At 1 July	6,799,309	6,423,091
	Additions of listed shares	1,955,248	2,390,258
	Proceeds on disposal of financial assets	(476,062)	-
	Loss on disposal of financial assets	(125,218)	-
	Net gain /(loss) on fair value changes of financial assets	4,435	(2,014,040)
	At 30 June	**8,157,712**	**6,799,309**

Listed shares

These financial assets consist of investments in ordinary shares. The fair value of equity investments at fair value through profit or loss has been determined directly by reference to published price quotations in an active market(Level 1).

Movement in investments during the year ended 30 June 2023 are as follows:

- The Group has a 2.48% (30 June 2022: 1.01%) interest in Musgrave Minerals Limited, which is involved in the exploration of gold and base metals in Australia. Musgrave is listed on the Australian Securities Exchange (ASX: MGV). At the end of the period, the fair value of the Group's investment was $4,182,673 (30 June 2022: $1,335,747) which is based on the quoted share price.
- The Group has a 11.58% (2022: 14.78%) interest in Alto Metals Limited which is involved in the exploration of gold and base metals in Australia. Alto is listed on the Australian Securities Exchange (ASX: AME). At the end of the year, the fair value of the Group's investment was $3,975,039 (2022: $5,463,561) which is based on the quoted share price.

16. PROPERTY, PLANT & EQUIPMENT	**2023**	**2022**
Plant and equipment		
Gross carrying amount at cost	378,943,868	377,434,401
Accumulated depreciation and impairment	(284,067,365)	(264,485,838)
Net carrying amount	94,876,503	112,948,563
Land and buildings		
Gross carrying amount at cost	26,774,075	26,474,862
Accumulated depreciation and impairment	(11,107,700)	(9,121,579)
Net carrying amount	15,666,375	17,353,283
Capital work in progress at cost	30,360,293	17,614,257
Total property, plant and equipment	**140,903,171**	**147,916,103**
Movement in property, plant and equipment		
Plant and equipment		
At 1 July net of accumulated depreciation	112,948,563	141,224,081
Transfer from capital work in progress	27,420,667	46,224,414
Disposals	(1,203,359)	(7,314,376)
Impairment write-down (refer to note 17)	-	(12,401,251)
Depreciation charge for the year	(44,289,369)	(54,784,305)
At 30 June net of accumulated depreciation	**94,876,503**	**112,948,563**
Land and buildings		
At 1 July net of accumulated depreciation	17,353,283	17,372,278
Transfer from capital works in progress	299,212	2,076,537
Depreciation charge for the year	(1,986,120)	(2,095,532)
At 30 June net of accumulated depreciation	**15,666,375**	**17,353,283**
Capital work in progress		
At 1 July	17,614,257	8,151,819
Additions	45,759,537	60,185,474
Transfer to mine properties (refer to note 17)	(5,055,590)	(898,122)
Transfer to mine capital development (refer to note 17)	(238,033)	(1,523,963)
Transfer to plant and equipment	(27,420,667)	(46,224,414)
Transfer to land and buildings	(299,212)	(2,076,537)
At 30 June	**30,360,293**	**17,614,257**

The carrying value of plant and equipment purchase under financing arrangements at 30 June 2023 is $29,485,283 (2022: $34,874,588).

Assets under equipment loans are pledged as security for the related interest bearing liabilities (refer to notes 23 and 24).

17. MINE PROPERTIES AND DEVELOPMENT		
Mine properties		
Gross carrying amount at cost	368,689,838	363,637,652
Accumulated amortisation and impairment	(214,118,850)	(190,388,957)
Net carrying amount	154,570,988	173,248,695
Mine capital development		
Gross carrying amount at cost	583,531,191	492,782,758
Accumulated amortisation and impairment	(479,314,529)	(402,227,896)
Net carrying amount	104,216,662	90,554,862
Total mine properties and development costs	**258,787,650**	**263,803,557**

17. MINE PROPERTIES AND DEVELOPMENT (CONTINUED)	2023	2022
Movement in mine properties and development		
Mine properties		
At 1 July net of accumulated amortisation	173,248,695	272,124,342
Additions	2,717,004	51,886,544
Transfer from capital work in progress (refer to note 16)	5,055,589	898,122
Transfer from mine capital development	-	3,455,983
Transfer from exploration (refer to note 18)	-	1,518,725
Decrease in rehabilitation provision	(2,720,408)	(9,067,232)
Amortisation charge for the year	(23,729,892)	(28,900,121)
Impairment write-down	-	(118,667,667)
At 30 June net of accumulated amortisation	**154,570,988**	**173,248,695**
Mine capital development		
At 1 July net of accumulated amortisation	90,554,862	135,211,578
Additions	90,510,400	98,653,906
Transfer from capital work in progress (refer to note 16)	238,033	1,523,963
Transfer from exploration (refer to note 18)	-	1,722,869
Transfer to capital development	-	(3,455,983)
Amortisation charge for the year	(77,086,633)	(98,634,979)
Impairment write-down	-	(44,466,492)
At 30 June net of accumulated amortisation	**104,216,662**	**90,554,862**
IMPAIRMENT OF MINE PROPERTIES AND DEVELOPMENT		
Murchison CGO CGU		
Mine properties	-	107,892,672
Mine capital development	-	1,530,969
Murchison MGO CGU		
Mine properties	-	5,815,456
Mine capital development	-	19,833,030
Property Plant and Equipment (refer to note 16)	-	10,637,100
Bryah FGO CGU		
Mine properties	-	4,959,539
Mine capital development	-	23,102,493
Property Plant and Equipment (refer to note 16)	-	1,764,151
Impairment loss before income tax		**175,535,410**

Results of impairment testing

Mine Properties and development

Westgold is a dynamic, growth oriented Western Australian gold miner and is unique in the Australian gold sector as an owner operator. Westgold's operations are comprised of:

- the Bryah Operations at Fortnum (FGO)
- the Murchison Operations at Meekatharra (MGO) and Cue (CGO)

These operations are the Cash Generating Units of the Group as they each operate independent of the other. A Cash Generating Unit (CGU) is defined as the smallest group of assets that includes the assets and generates cash flows that are largely independent of the cash inflows from other assets or group of assets.

In assessing whether an impairment is required, the carrying value of the asset or CGU is compared with its recoverable amount. The recoverable amount is the higher of the CGU's fair value less costs of disposal (FVLCD) and value in use (VIU). Given the nature of the Group's activities, information on the fair value of an asset is usually difficult to obtain unless negotiations with potential purchasers or similar transactions are taking place. Consequently, the VIU for each CGU has been estimated based on discounted future estimated cash flows (expressed in real terms) expected to be generated from the continued use of the CGUs using market-based commodity price and exchange assumptions. Production and cost assumptions were derived from estimated quantities of recoverable minerals, production levels, operating costs and capital requirements, and its eventual disposal, based on the CGU latest life of mine (LOM) plans. These cash flows were discounted using a real post-tax discount rate that reflects the weighted average cost of capital of the Group.

17. MINE PROPERTIES AND DEVELOPMENT (CONTINUED)

Estimates of quantities of recoverable minerals, production levels, operating costs and capital requirements are generated as part of the Group's planning process, including LOM plans, budgets, forecasts and CGU-specific studies.

This assessment is in accordance with the relevant accounting standards taking into consideration the current outlook for gold prices, increasing supply chain cost pressures including diesel fuel, consumables, labour costs and interest rates while maintaining the production, processing and recovery assumptions.

In performing the impairment assessment, the company determined that the carrying value of each CGU did not exceed its recoverable amount. Therefore, no impairment was recorded for the 30 June 2023 period (30 June 2022: $175,535,410).

Key Assumptions

The table below summarises the key assumptions used in the 2023 year end carrying value assessments.

Assumption	Value
Gold price ($/oz)	A$2,794/oz – A$2,100/oz real
Discount rate	5.5% real post tax

Gold prices

Gold prices are estimated with reference to external market forecasts based on a consensus view of market experts.

Discount rate

In determining the fair value of CGU's, the future real cashflows are discounted using rates based on the Group's estimated after tax real weighted average cost of capital with a mid-point of 5.5%.

Operating and capital costs

Life of mine operating and capital cost assumptions are based on the Group's latest budget and life-of-mine plans.

Climate related risks

The potential financial impact of climate related risks have been considered in impairment test through the inclusion of committed initiatives in cash flow forecasts including commitments to replace the Diesel power generation with solar and gas power generation.

Sensitivity Analysis

Any variation in the key assumptions impacts the recoverable value of the CGU's. In its 30 June 2023 assessment, the recoverable amount was approximately the same as the carrying amount for each CGU. Therefore, if the variation in an assumption has a negative impact on recoverable value, it could indicate a requirement for additional impairment of non-current assets for any of the CGU's. Reciprocally, if the variation in an assumption has a positive impact on recoverable value, it could indicate a requirement for a reversal of impairment charged and accumulated in the prior period. The maximum reversal will be capped at the prior period impairment.

Murchison CGO Sensitivity Analysis

It is estimated that changes in key assumptions, in isolation, would have the following approximate increase/(decrease) on the recoverable amount of the Murchison CGO CGU as at 30 June 2023.

Murchison CGO	Increase in key assumption $'m	Decrease in key assumption $'m
10% change in gold price ($/oz.)	109	(153)
100 basis point in discount rate	(13)	13
10% change in operating cost	(97)	97

Murchison MGO Sensitivity Analysis

It is estimated that changes in key assumptions, in isolation, would have the following approximate increase/(decrease) on the recoverable amount of the Murchison MGO CGU as at 30 June 2023.

Murchison MGO	Increase in key assumption $'m	Decrease in key assumption $'m
10% change in gold price ($/oz.)	36	(134)
100 basis point in discount rate	(6)	6
10% change in operating cost	(119)	26

17. MINE PROPERTIES AND DEVELOPMENT (CONTINUED)

Bryah Sensitivity Analysis

It is estimated that changes in key assumptions, in isolation, would have the following approximate increase/(decrease) on the recoverable amount of the Bryah FGO CGU as at 30 June 2023.

Bryah -FGO	Increase in key assumption $'m	Decrease in key assumption $'m
10% change in gold price ($/oz.)	30	(32)
100 basis point in discount rate	(1)	1
10% change in operating cost	(32)	30

18. EXPLORATION AND EVALUATION EXPENDITURE

	2023	2022
Exploration and evaluation costs carried forward in respect of mining areas of interest		
Pre-production areas		
At cost less expenditure written off	123,487,370	104,577,467
Net carrying amount	**123,487,370**	**104,577,467**
Movement in deferred exploration and evaluation expenditure		
At 1 July net of accumulated impairment	104,577,467	89,738,936
Additions	18,909,901	18,190,290
Transferred to mine properties (refer to note 17)	-	(1,518,725)
Transferred to mine capital development (refer to note 17)	-	(1,722,869)
Expenditure written off - continuing operations	-	(110,165)
At 30 June net of accumulated impairment	**123,487,368**	**104,577,467**

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas. During the year, a review was undertaken for each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. In assessing the carrying value of all of the Group's projects, there were no expenditure on exploration and evaluation of mineral resources written off during the year (2022: $110,165) to the profit and loss.

19. RIGHT-OF-USE ASSETS

Group as a lessee

The Group has lease contracts for various items of mining equipment, power stations, motor vehicles and buildings used in its operations. Leases of mining equipment generally have lease terms between three and seven years, while motor vehicles and buildings generally have lease terms between three and five years.

The Group also has certain leases of assets with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the short-term lease and lease of low-value assets recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Power Stations	Premises	Mining Equipment	Total
As at 1 July 2022	5,749,531	4,602,730	462,441	10,814,702
Additions	277,191	-	902,585	1,179,776
Disposals	-	-	-	-
Accumulated Depreciation expense	(5,196,922)	(950,555)	(536,586)	(6,684,063)
As at 30 June 2023	**829,800**	**3,652,175**	**828,440**	**5,310,415**

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	2023	2022
As at 1 July	10,814,702	7,258,887
Additions	1,179,776	12,321,549
Disposals	-	-
Accretion of interest	622,347	271,572
Payments	(7,306,410)	(9,037,306)
As at 30 June	**5,310,415**	**10,814,702**
The following are the amounts recognised in profit or loss:		
Depreciation expense for right-of-use assets		
Included in cost of sales	6,139,491	8,249,706
Included in administration expenses (refer to note 7)	544,573	516,028
Interest expense on lease liabilities	622,347	271,572
Less interest expense capitalised to qualifying asset	-	(158,195)
Total amount recognised in profit or loss	**7,306,411**	**8,879,111**

20. TRADE AND OTHER PAYABLES

Trade creditors (a)	29,262,357	47,637,236
Sundry creditors and accruals (b)	49,965,041	40,380,288
	79,227,398	**88,017,524**

The carrying value of trade and other payables approximates the fair value.

(a) Trade creditors are non-interest bearing and generally on 30-day terms.

(b) Sundry creditors and accruals are non-interest bearing and generally on 30-day terms.

21. PROVISIONS (CURRENT)

Provision for annual leave	9,340,463	10,865,164
Provision for long service leave	2,468,795	2,201,062
	11,809,258	**13,066,226**

22. PROVISIONS (NON-CURRENT)

Provision for long service leave	3,648,908	3,000,672
Provision for rehabilitation (a)	62,625,784	66,669,167
	66,274,692	**69,669,839**

(a) Provision for rehabilitation

The Group makes full provision for the future cost of rehabilitating mine sites and related production facilities on a discounted basis at the time of developing the mines and installing and using those facilities. The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites, which are expected to be incurred up to 2033 which is when the producing mine properties are expected to cease operations. These provisions have been created based on the Group's internal estimates. Assumptions based on the current economic environment have been made, which management believe is a reasonable basis upon which to estimate the future liability.

22. PROVISIONS (NON-CURRENT) (CONTINUED)

(a) Provision for rehabilitation (continued)

These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mines cease to produce at economically viable rates. This, in turn, will depend upon future gold prices, which are inherently uncertain.

The discount rates used in the calculation of the provision as at 30 June 2023 range from 3.95% to 4.03% (2022: range from 3.34% to 3.58%). Refer to note 3 for further detail.

(b) Current and non-current movements in provision for rehabilitation

	2023	2022
At 1 July	66,669,167	74,840,940
Adjustment due to revised conditions	(4,814,142)	(9,067,232)
Unwind of discount	770,760	895,459
At 30 June	**62,625,785**	**66,669,167**

23. INTEREST-BEARING LOANS AND BORROWINGS (CURRENT)

Lease liabilities	2,111,143	6,004,390
Equipment loans	13,831,644	16,837,629
At 30 June	**15,942,787**	**22,842,019**

Represents current portion of equipment loans which have repayment terms of 36 months from inception.

24. INTEREST-BEARING LOANS AND BORROWINGS (NON-CURRENT)

Lease liabilities	3,484,329	4,904,963
Equipment loans	8,063,702	15,212,829
At 30 June	**11,548,031**	**20,117,792**

Represents non-current portion of equipment loans which have repayment terms of 36 months from inception.

The weighted average interest rate is 7.91% per annum (2022: 3.91%).

Assets pledged as security:

The carrying amounts of assets pledged as security for current and non-current interest-bearing liabilities:

Non-current		
Equipment loans		
Plant and equipment	29,485,283	34,874,588
Total non-current assets pledged as security	**29,485,283**	**34,874,588**

Plant and equipment assets are pledged against liabilities for the term of the arrangement.

Future commitments in respect of interest bearing loans

Equipment loan commitments

The Company has equipment loans for various items of plant and machinery. The equipment loans have an average term of 36 months. Assets under equipment loans are pledged as security for the related interest bearing liabilities.

Interest bearing liabilities	**Minimum payments**	**Present value of payments**
2023		
Within one year	14,525,399	13,831,644
After one year but not more than five years	8,421,478	8,063,702
Total minimum payments	22,946,877	21,895,346
Less amounts representing finance charges	(1,051,531)	-
Present value of minimum payments	**21,895,346**	**21,895,346**
2022		
Within one year	17,721,643	16,837,629
After one year but not more than five years	15,678,760	15,212,829
Total minimum payments	33,400,403	32,050,458
Less amounts representing finance charges	(1,349,945)	-
Present value of minimum payments	**32,050,458**	**32,050,458**

24. INTEREST-BEARING LOANS AND BORROWINGS (NON-CURRENT) (CONTINUED)

Lease liabilities

AASB 16 *Leases* requires the recognition of right-of-use assets for the remaining term of the current leases for office premises and the warehouse facility, as well as the power stations and equipment at the various mine sites.

Lease liabilities	**Minimum lease payments**	**Present value of lease payments**
2023		
Within one year	2,417,295	2,111,143
After one year but not more than five years	4,190,794	3,484,329
Total minimum lease payments	6,608,089	5,595,472
Less amounts representing finance charges	(1,012,617)	-
Present value of minimum lease payments	**5,595,472**	**5,595,472**

Lease liabilities	**Minimum lease payments**	**Present value of lease payments**
2022		
Within one year	6,573,483	6,004,390
After one year but not more than five years	5,879,451	4,904,963
Total minimum lease payments	12,452,934	10,909,353
Less amounts representing finance charges	(1,543,581)	-
Present value of minimum lease payments	**10,909,353**	**10,909,353**

25. ISSUED CAPITAL

(a) Ordinary Shares

Issued and fully paid	**462,997,480**	**463,468,148**

(b) Movements in ordinary shares on issue

	Number	**$**
At 1 July 2021	**423,925,206**	**364,077,523**
Issued share capital	48,000,000	100,800,000
Issued share capital on exercise of rights (f)	332,332	-
Issued share capital under dividend reinvestment plan	1,365,192	2,157,835
Share issue costs, net of tax	-	(3,567,210)
At 30 June 2022	**473,622,730**	**463,468,148**
Issued share capital on exercise of listed rights	-	-
Issued share capital under dividend reinvestment plan	-	-
Issued share capital	-	-
Share issue costs, net of tax	-	(470,668)
At 30 June 2023	**473,622,730**	**462,997,480**

(c) Terms and conditions of contributed equity

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings. In the event of winding up the Company the holders are entitled to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Effective 1 July 1998, the Corporations legislation in place abolished the concepts of authorised capital and par share values. Accordingly, the Parent does not have authorised capital nor par value in respect of its issued shares.

(d) Escrow restrictions

There are no current escrow restrictions on the issued capital of the Company.

25. ISSUED CAPITAL (CONTINUED)

(e) Performance Rights on issue

Unissued ordinary shares of the Company under performance rights at the date of this report are as follows:

Type	Expiry Date	Exercise Price	Number of performance rights
Unlisted - Tranche 5 (i)	30/06/2024	Nil	1,161,058
Unlisted - Tranche 6 (i)	30/06/2025	Nil	2,567,547
Total			**3,728,605**

(i) Rights issued pursuant to the Westgold Resources Limited Employee Share Performance Rights Plan.

(f) Performance Rights conversions

No listed performance rights were exercised during the financial year (2022: 332,332).

	2023	2022
(g) Capital management - gearing ratio		
Gearing ratio	4.59%	7.31%
Debt	27,490,818	42,959,811
Capital	598,339,298	587,767,457

Capital includes issued capital and all other equity reserves attributable to the equity holders of the parent for the purpose of the Group's capital management. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder's value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 June 2023 and 30 June 2022. The Group monitors capital using a gearing ratio, which is debt divided by the aggregate of equity. The Group includes in its net debt, interest bearing loans and borrowings. The Group's aim is to keep the gearing ratio between 5% and 20%.

26. RETAINED EARNINGS (ACCUMULATED LOSSES)

	2023	2022
At 1 July	(73,079,253)	46,522,657
Net profit/(loss) in current year attributable to members of the parent entity	10,003,484	(111,119,291)
Dividends paid	-	(8,482,619)
At 30 June	**(63,075,769)**	**(73,079,253)**

27. RESERVES

	Share-based payments reserve	Equity reserve	Total
At 30 June 2021	**15,266,496**	**181,493,631**	**196,760,127**
Share-based payments	618,435	-	618,435
At 30 June 2022	**15,884,931**	**181,493,631**	**197,378,562**
Share-based payments	1,039,025	-	1,039,025
At 30 June 2023	**16,923,956**	**181,493,631**	**198,417,587**

Equity reserve

This reserve relates to the intercompany loans with Metals X Ltd written off on demerger of the Group.

Share-based payments reserve

This reserve is used to recognise the fair value of instruments issued to employees in relation to equity-settled share-based payments.

28. SHARE-BASED PAYMENTS

(a) Recognised share-based payment expense

The expense recognised for services received during the year is shown in the table below:

	2023	2022
Expense arising from equity-settled share-based payments	**1,039,025**	**618,435**

The share-based payment plan is described below. There have been no cancellations or modifications to the plan during 2023, 2022, 2021 and 2020.

(b) Transactions settled using shares

There were no transactions settled using shares in the year ending 30 June 2023.

(c) Employee share and option plan

Under the Employee Share and Option Plan (ESOP), grants are made to senior executives and other staff members who have made an impact on the Group's performance. ESOP grants are delivered in the form of share options or performance rights which vest over periods as determined by the Board of Directors.

(d) Performance rights (Rights)

Unlisted Employee Performance Rights are issued to senior management under the Employee Share Option Plan, the principal terms being:

- The Performance Rights have been issued for nil consideration.
- Exercise Price of a Performance Right is nil
- The Performance Rights measurement date for Tranche 6 is 31 March 2025 and Tranche 5 is 31 March 2024
- The Performance Rights are subject to defined Performance Conditions as below:

		Tranche 6	Tranche 5
○	Growth in Relative Total Shareholder Return (RTSR)	30%	25%
○	Growth in Absolute Total Shareholder Return (ATSR)	30%	25%
○	Growth in Absolute Earnings Per Share (EPS)	30%	25%
○	Ore Reserve Growth	10%	-
○	Operational Growth	-	25%

- Subject to the terms contained in this Offer, the Performance Rights will not be transferable in whole or in part (except, in the case of the Performance Right holder's death, by his or her legal personal representative).
- The Company will issue fully paid ordinary Shares ranking pari passu with the issued ordinary shares once the Performance Rights have vested.
- The Company will apply for listing on the ASX of the resultant Shares of the Company issued upon vesting of any Performance Rights.
- A Performance Rights holder cannot participate in dividends or bonus issues, with respect to those Performance Rights, unless those Performance Rights are vested.
- A Performance Rights holder does not have any right to participate in new issues of securities in the Company made to shareholders with respect to those Performance Rights.
- The Board has the right to vary the entitlements of Participants to take account of the effect of capital reorganisations, bonus issues or rights issues.
- No amount is payable by a holder of Performance Rights in respect of the shares allocated upon vesting of the Performance Rights.

Summary of rights granted under the Employee Share and Option Plan

	2023 Number	2023 WAEP	2022 Number	2022 WAEP
Outstanding at the beginning of the year	2,459,072	-	2,213,898	-
Granted during the year	3,159,585	-	2,128,138	-
Exercised during the year	(126,564)	-	(205,768)	-
Lapsed/forfeited during the year	(1,053,147)	-	(1,677,196)	-
Outstanding at the year end	**4,438,946**	**-**	**2,459,072**	**-**
Exercisable at the year end	**-**	**-**	**-**	**-**

28. SHARE BASED PAYMENTS (CONTINUED)

(d) Performance rights (continued)

The following table represents the outstanding balance as at 30 June 2023:

Grant Date	Vesting date	Expiry date	Exercise price	Number of Options / Rights	Options lapsed / forfeited	Options / Rights Issued / (exercised)	Number of Options / Rights at end of the year	
							On issue	Vested
ZEPO - Tranche 3								
07/05/2020	30/06/2022	30/06/2022	$0.00	126,564	-	(126,564)	-	-
Rights - Tranche 4								
24/11/2020	30/06/2023	30/06/2023	$0.00	762,080	(51,739)	-	710,341	-
Rights - Tranche 5								
11/10/2021	30/06/2024	30/06/2024	$0.00	202,435	-	-	202,435	-
11/10/2021	30/06/2024	30/06/2024	$0.00	1,367,993	(409,370)	-	958,623	-
Rights - Tranche 6								
04/11/2022	30/06/2025	01/10/2025	$0.00	-	-	385,233	385,233	-
04/10/2022	30/06/2025	01/10/2025	$0.00	-	(592,038)	2,774,352	2,182,314	-
Total				**2,459,072**	**(1,053,147)**	**3,033,021**	**4,438,946**	**-**

Weighted average remaining contractual life of share-based payments

The weighted average remaining contractual life for the share-based payments outstanding as at 30 June 2023 is 1.69 years (2022: 1.68 years).

Range of exercise price of share-based payments

The range of exercise price for share-based payments outstanding at the end of the year is $0.00 (2022: $0.00).

Weighted average fair value of share-based payments

The weighted average fair value of share-based payments granted during the year was $0.62 (2022: $1.43).

Valuation of share-based payments

The fair value of the equity-settled share-based payments granted under the ESOP is estimated at the date of grant using either a Black & Scholes or a Monte Carlo model, which takes into account factors including the exercise price, the volatility of the underlying share price, the risk-free interest rate, the market price of the underlying share at grant date, historical and expected dividends and the expected life of the option or right, and the probability of fulfilling the required hurdles.

- Tranche 3 Options vest subject to performance hurdles, measured for the period 1 July 2019 to 30 June 2022
- Tranche 4 Rights vest subject to performance hurdles, measured for the period 1 July 2020 to 30 June 2023
- Tranche 5 Rights vest subject to performance hurdles, measured for the period 1 July 2021 to 30 June 2024
- Tranche 6 Rights vest subject to performance hurdles, measured for the period 1 July 2022 to 30 June 2025

The following table gives the assumptions made in determining the fair value of the rights granted in Tranche 6.

Grant date	04/10/2022	04/10/2022	04/10/2022	04/10/2022
	RTSR	ATSR	AEPS	Ore Reserve Growth
Expected volatility (%)	54%	54%	54%	54%
Risk-free interest rate (%)	2.97%	2.97%	2.97%	2.97%
Expected life of options (years)	2.75	2.75	2.75	2.75
Options exercise price ($)	$0.00	$0.00	$0.00	$0.00
Share price at grant date ($)	$0.86	$0.86	$0.86	$0.86
Fair value at grant date ($)	$0.57	$0.36	$0.86	$0.86

The effects of early exercise have been incorporated into the calculations by using an expected life for the option that is shorter than the contractual life based on historical exercise behaviour, which is not necessarily indicative of exercise patterns that may occur in the future. The expected volatility was determined using a historical sample of the Company's share price over a three-year period. The resulting expected volatility therefore reflects the assumptions that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

29. COMMITMENTS

(a) Capital commitments

At 30 June 2023, the Group has capital commitments that relate principally to the purchase and maintenance of plant and equipment for its mining operations.

Capital expenditure commitments

	2023	2022
- Within one year	**26,168,651**	**17,715,233**

(b) Mineral tenement lease commitments

The Company has commercial leases over the tenements in which the mining operations are located. These tenement leases have a life of between six months and twenty-one years. In order to maintain current rights to explore and mine the tenements, the Group is required to perform minimum exploration work to meet the expenditure requirements specified by the relevant state governing body. There are no restrictions placed on the lessee by entering into these contracts.

Mineral tenement leases:		
- Within one year	4,570,018	4,395,253
- After one year but not more than five years	17,816,763	17,132,795
- After more than five years	24,435,509	23,423,341
	46,822,290	**44,951,389**

(c) Other commitments

The Group has obligations for various expenditures such as royalties, production-based payments and exploration expenditure. Such expenditures are predominantly related to the earning of revenue in the ordinary course of business.

	2023	2022
Royalties paid under contractual arrangements	**23,082,403**	**23,537,397**

30. CONTINGENT ASSETS AND LIABILITIES

(i) Bank guarantees and rental deposits

The Group has a number of bank guarantees and rental deposits in favour of various government authorities and service providers. These primarily relate to office leases and environmental and rehabilitation bonds at the various projects. The total amount of these guarantees at the reporting date is $4,149,443 (2022: $1,930,033). The bank guarantees are fully secured by term deposits (refer to note 14).

31. AUDITOR'S REMUNERATION

Amounts received or due and receivable by Ernst & Young (Australia) for:		
Fees for auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	283,665	282,825
Fees for other assurance and agreed upon procedures services and other legislation or contractual arrangements where there is discretion as to whether the service is provided by the auditor or another firm.	8,320	-
Fees for other services:		
- Tax compliance and others	67,854	2,200
Total auditor's remuneration	**359,839**	**285,025**

32. OPERATING SEGMENTS

For management purposes, the Group is organised into operating segments determined by the location of the mineral being mined or explored, as these are the sources of the Group's major risks and have the most effect on rates of return.

Reportable segments

The Group comprises the following reportable segments

Reference	Segment	Nature
FGO	Bryah Operations	Mining, treatment, exploration and development of gold assets
MGO & CGO	Murchison Operations	Mining, treatment, exploration and development of gold assets
Other	Other	Exploration and development of other mineral assets

General

Executive management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. However, certain income and expenses (see below) are managed on a consolidated basis and are not allocated to operating segments. All other adjustments and eliminations are part of the detailed reconciliations presented further below.

Unallocated income and costs

Finance income and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a Group basis. Corporate charges comprise non-segmental expenses such as head office expenses and interest costs. Corporate charges are not allocated to operating segments. Refer to reconciliation segment results to consolidated results.

Other disclosures

Capital expenditure consists of additions of property, plant and equipment, mine properties and development and exploration and evaluation expenditure including assets from the acquisition of subsidiaries.

The following table presents revenue and profit information for reportable segments for the years ended 30 June 2023 and 30 June 2022.

	Murchison	Bryah	Other	Total
Year ended 30 June 2023				
External revenue				
Sale of gold at spot	257,000,212	68,212,231	-	325,212,443
Sale of gold under forward contracts	260,503,193	68,654,073	-	329,157,266
Total segment revenue	**517,503,405**	**136,866,304**	**-**	**654,371,234**
Results				
Depreciation and amortisation	(127,427,674)	(25,457,077)	(927,626)	(153,812,377)
Exploration and evaluation expenditure written off	-	-	-	-
Segment profit/(loss) before impairment	**14,951,974**	**7,820,360**	**(2,457,285)**	**20,315,049**
Total assets	**531,858,864**	**78,496,658**	**98,285**	**610,453,807**
Total liabilities	**(136,040,060)**	**(34,087,935)**	**-**	**(170,127,995)**
Capital expenditure	**(119,132,722)**	**(28,214,635)**	**-**	**(147,347,357)**

32. OPERATING SEGMENTS (CONTINUED)

	Murchison	Bryah	Other	Total
Year ended 30 June 2022				
External revenue				
Sale of gold at spot	247,763,992	88,966,408	-	336,730,400
Sale of gold under forward contracts	241,594,540	69,251,678	-	310,846,218
Total segment revenue	**489,358,532**	**158,218,086**	**-**	**647,576,618**
Results				
Depreciation and amortisation	(143,564,220)	(48,725,750)	(890,699)	(193,180,669)
Exploration and evaluation expenditure written off	(89,016)	(21,149)	-	(110,165)
Segment profit/(loss) before impairment	**9,462,740**	**17,702,894**	**(1,398,659)**	**25,766,975**
Total assets	**557,446,050**	**73,580,723**	**44,059**	**631,070,832**
Total liabilities	**(167,705,275)**	**(35,871,982)**	**(42,705)**	**(203,619,962)**
Capital expenditure	**(201,562,547)**	**(37,456,499)**	**-**	**(239,019,046)**

		2023	2022
(a)	**Reconciliation of profit/(loss)**		
	Segment profit/(loss)	**20,315,049**	**25,766,975**
	Corporate administration expenses	(17,369,902)	(12,967,460)
	Corporate interest income	3,447,526	266,150
	Corporate other income	3,295,285	3,080,833
	Net gain/(loss) on fair value changes of financial assets	4,435	(2,014,040)
	Net gain/(loss) on sale of financial assets at FVTPL	(190,939)	-
	Net gain/(loss) on disposal of assets	4,448,016	1,316,434
	Impairment of mine properties and property plant and equipment	-	(175,535,410)
	Total consolidated profit (loss)/from continuing operations before income tax	**13,949,470**	**(160,086,518)**

(b)	**Reconciliation of assets**		
	Segment operating assets	**610,453,807**	**631,070,832**
	Unallocated corporate assets		
	Cash and cash equivalents	175,101,708	181,738,509
	Trade and other receivables	548,612	458,822
	Prepayments	953,768	912,144
	Other financial assets	3,545,584	1,326,174
	Financial assets (equity investments)	8,157,712	6,799,309
	Property, plant and equipment	11,540,680	1,374,246
	Right-of-use assets	2,949,966	3,494,538
	Total consolidated assets	**813,251,837**	**827,174,574**

(c)	**Reconciliation of liabilities**		
	Segment operating liabilities	**170,127,995**	**203,619,962**
	Unallocated corporate liabilities		
	Trade and other payables	8,907,103	4,045,805
	Provision for employee benefits	2,354,042	2,482,343
	Interest-bearing loans and borrowings	3,413,026	3,565,290
	Deferred tax liability	30,110,371	25,693,717
	Total consolidated liabilities	**214,912,537**	**239,407,117**

32. OPERATING SEGMENTS (CONTINUED)

	2023	2022
(d) Segment revenue from external customers		
Segment revenue	654,371,234	647,576,618
Total revenue	**654,371,234**	**647,576,618**

Revenue from external customers by geographical locations is detailed below. Revenue is attributable to geographical location based on the location of the customers. The Company does not have external revenues from external customers that are attributable to any foreign country other than as shown.

Australia	654,371,234	647,576,618
Total revenue	**654,371,234**	**647,576,618**

The Group has two customers to which it sells gold and each account for 50% and 50% of this external revenue respectively (2022: 52% and 48%).

(e) Segment non-current assets are all located in Australia.

33. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

		Appointed	Resigned
(i) Non-Executive Directors (NEDs)			
Hon. CL Edwardes AM	Non-Executive Chair	28/03/2022	-
FJ Van Maanen	Non-Executive Director	06/10/2016	-
GR Davison	Non-Executive Director	01/06/2021	-
JL Matthys	Non-Executive Director	28/03/2022	-
DN Kelly	Non-Executive Director	05/11/2022	-
PB Schwann[1]	Non-Executive Director	02/02/2017	26/07/2022
(ii) Managing Director			
WC Bramwell	Managing Director	24/05/2022	-
(iii) Other Executives (KMPs)			
SH Heng	Chief Financial Officer	02/08/2021	-
PW Wilding	Chief Operating Officer	11/10/2022	-
L Smith[2]	Company Secretary & General Counsel	20/12/2019	02/11/2022

1. PB Schwann resigned as an Independent Non-Executive Director on 26 July 2022.
2. L Smith resigned as Company Secretary and General Counsel on 02 November 2022.

There are no other changes of the key management personnel after the reporting date and before the date the financial report was authorised for issue.

(b) Compensation of Key Management Personnel

	2023	2022
Short term benefits	2,522,951	2,664,040
Other fees	-	14,373
Termination payments	171,500	728,876
Post-employment benefits	167,279	208,138
Other long-term benefits	201,831	40,498
Share-based payments	218,292	(130,843)
	3,281,853	**3,525,082**

(c) Loans to Key Management Personnel

There were no loans to key management personnel during the current or previous financial year.

33. KEY MANAGEMENT PERSONNEL (CONTINUED)

(d) Interest held by Key Management Personnel under the Long-Term Incentive Plan

Performance Rights held by key management personnel under the long-term incentive plan to purchase ordinary shares:

Grant date	Expiry date	Exercise price $	2023	2022
11/10/2021	30/06/2024	0.00	405,986	501,470
04/10/2022	01/10/2025	0.00	971,653	-
Total			**1,377,639**	**667,541**

35. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The consolidated financial statements of the Group include Westgold Resources Limited and the subsidiaries listed in the following table:

	Country of	Ownership interest	
Name	**incorporation**	**2023**	**2022**
Aragon Resources Pty Ltd	Australia	100%	100%
Big Bell Gold Operations Pty Ltd	Australia	100%	100%
Westgold Mining Services Pty Ltd	Australia	100%	100%

(b) Ultimate parent

Westgold Resources Limited is the ultimate parent entity.

(c) Key management personnel

Details relating to key management personnel, including remuneration paid, are included in note 33.

(d) Transactions with related parties

	2023	2022
Services provided by Westgold Resources Limited to Castile Resources Ltd	-	4,967
Amount owing by Castile Resources Ltd at 30 June	-	490

34. INFORMATION RELATING TO WESTGOLD RESOURCES LIMITED (THE PARENT ENTITY)

Current assets	180,149,671	184,435,649
Total assets	445,506,661	462,571,498
Current liabilities	11,748,033	6,680,412
Total liabilities	14,674,169	10,093,436
Issued capital	462,997,479	463,468,149
Retained earnings/(accumulated losses)	(52,645,728)	(31,431,802)
Share-based payments reserve	16,923,957	15,884,932
Other reserves	4,556,783	4,556,783
Total Equity	**431,832,491**	**452,478,062**
Profit/(loss) of the parent entity	(21,213,926)	(11,379,797)
Total comprehensive profit of the parent entity	(21,213,926)	(11,379,797)

35. Guarantees entered into by the parent entity in relation to the debts of its subsidiaries.

Pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785, Westgold and its wholly owned subsidiaries entered into a deed of cross guarantee on 28 November 2016 (the Guarantee). The effect of the Guarantee is that Westgold has guaranteed to pay any deficiency in the event of winding up of any controlled entity which is a party to the Guarantee or if they do not meet their obligations under the terms of any debt subject to the Guarantee. The controlled entities which are parties to the Guarantee have given a similar guarantee in the event that Westgold is wound up or if it does not meet its obligations under the terms of any debt subject to the Guarantee.

The Consolidated Statement of Financial Position and Consolidated Statement of Comprehensive Income for the closed group is not different to the Group's Statement of Financial Position and Statement of Comprehensive Income.

Other contingent liabilities of the parent entity	Nil
Contractual commitments by the parent entity for the acquisition of property, plant or equipment	Nil

36. EVENTS AFTER THE BALANCE SHEET DATE

There have been no other significant events after the balance date.

37. ACCOUNTING STANDARDS

New and amended standards and interpretations

The Group has adopted all Accounting Standards and Interpretations effective from 1 July 2022. The accounting policies adopted are consistent with those of the previous financial year. Several new and amended Accounting Standards and Interpretations applied for the first time from 1 July 2022 but did not have a material impact on the consolidated financial statements of the Group and, hence, have not been disclosed.

The standards and interpretations that have been issued or amended but not yet effective have not been early adopted by the Group for the annual reporting period ended 30 June 2023.

The following Accounting Standards issued but not yet effective, have been assessed with no significant impact to the Group.

- AASB 2021-5 Amendments to AASs – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- AASB 17 Insurance Contracts
- AASB 2021-2 Amendments to AASB 108 – Definition of Accounting Estimates
- AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-current

Directors' Declaration

In accordance with a resolution of the Directors of Westgold Resources Limited, I state that:

In the opinion of the Directors:

(a) the financial statements and notes of the Company and of the Group are in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the Company's and the Group's financial position as at 30 June 2023 and of their performance for the year ended on that date; and

  (ii) complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(b) and;

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(d) this declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2023.

As at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee identified in Note 35.

On behalf of the Board.

Hon. Cheryl L Edwardes AM
Non-Executive Chair

Perth, 23 August 2023

Independent Audit Report

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Independent auditor's report to the members of Westgold Resources Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Westgold Resources Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2023 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

1. Impairment assessment of non-current assets

Why significant	How our audit addressed the key audit matter
At 30 June 2023, the Group had non-current assets of $405,001,236 comprising property, plant and equipment, capitalised mine properties and development expenditure and right of use assets (refer to Notes 16,17 and 19 of the financial report). At the end of the reporting period, the Group exercises judgment and estimation in performing their impairment assessment The Group assessed whether the recoverable value exceeds the carrying value as at 30 June 2023 of its Murchison CGO, Murchison MGO and Bryah FGO cash generating units (CGUs) and concluded that no impairment was required for any of these CGUs. We considered this to be a key audit matter because of the significant judgment and estimates involved in the determination of the recoverable amount of the CGUs, including assumptions relating to future gold prices, foreign exchange, operating and capital costs, the discount rate used to reflect the risks associated with the forecast cash flows having regard to the current status of the CGUs, and the reserves and resources included in the life of mine plans.	Our audit procedures on the impairment assessment made by the Group included the following: ► Ensured the Group's impairment methodology was in accordance with the requirements of Australian Accounting Standards. ► Evaluated the assumptions and methodologies used by the Group, in particular, those relating to forecast cash flows including inputs used to formulate them, and the resource valuation multiples used. This included assessing, with involvement from our valuation specialists, where appropriate, the gold prices with reference to market prices (where available), market research, market practice, market indices, foreign exchange rates, broker consensus, historical performance, discount rates and resource valuation multiples. ► Tested the mathematical accuracy of the Group's discounted cash flow impairment models and agreed relevant data, including assumptions on timing and future capital and operating expenditure, to the Group's feasibility analysis of the CGUs and the latest Board approved life of mine plans (as appropriate). ► Assessed the work of the Group's internal experts with respect to the capital and operating assumptions used in the cash flow forecasts. We also considered the competence, qualifications and objectivity of the experts and assessed whether key capital and operating expenditure assumptions were consistent with information in Board reports and releases to the market. ► Assessed the work of the Group's experts with respect to the reserve and resource assumptions used in the cash flow forecasts. This included understanding the estimation process. We also examined the competence, qualifications and objectivity of the Group's experts, and assessed whether key economic

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Why significant	How our audit addressed the key audit matter
	assumptions were consistent with those used elsewhere in the financial report. ► Assessed the impact of a range of sensitivities to the economic assumptions underpinning the Group's impairment assessment. ► Evaluated the adequacy of the Group's disclosures in the financial report relating to impairment.

2. Rehabilitation and restoration provisions

Why significant	How our audit addressed the key audit matter
As a consequence of its operations, the Group incurs obligations to restore and rehabilitate the environment at its mine sites. Rehabilitation activities are governed by local legislative requirements. As at 30 June 2023 the Group's consolidated statement of financial position includes provisions of $62.6m in respect of such obligations (refer to Note 22 of the financial report). Estimating the costs associated with these future activities requires considerable judgment in relation to factors such as timing of the rehabilitation, the costs associated with the rehabilitation activities and economic assumptions such as discount rates and inflation rates. Accordingly, this was considered to be a key audit matter.	We evaluated the assumptions and methodologies used by the Group in determining their rehabilitation obligations. Our audit procedures included the following: ► Assessed the qualifications, competence and objectivity of the Group's internal experts, the work of whom, formed the basis of the Group's rehabilitation cost estimates. ► With the assistance of our subject matter specialists, we assessed the appropriateness of the rehabilitation cost estimates. ► Tested the mathematical accuracy of the rehabilitation models and assessed the appropriateness of the assumed timing of cashflows, inflation and discount rate assumptions. ► Assessed the adequacy of the Group's disclosures in the financial report relating to rehabilitation obligations.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 20X1 annual report other than the financial report and our auditor's report thereon. We obtained the corporate directory, the directors' report and the letter from the chair that are to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Audit Report

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Westgold Resources Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

Independent Audit Report

Building a better working world

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst + Young

Ernst & Young

T S Hammond
Partner
Perth
23 August 2023