

ASX:WGX

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FY23 FULL YEAR RESULTS

# WESTGOLD RESOURCES LIMITED

Wayne Bramwell

| Managing Director

Tommy Heng

| CFO



**WESTGOLD**  
RESOURCES LIMITED



## COMPLIANCE STATEMENT

The information in this report that relates to Exploration Results is compiled by Westgold technical employees and contractors under the supervision of Mr. Simon Rigby B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Rigby is a full-time employee of the company and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Rigby consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Rigby is eligible to participate in short- and long-term incentive plans of the company.

The information in this report that relates to Mineral Resource Estimates is compiled by Westgold technical employees and contractors under the supervision of Mr. Jake Russell B.Sc. (Hons), who is a member of the Australian Institute of Geoscientists. Mr Russell is a full time employee of the Company, and has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*. Mr Russell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Russell is eligible to participate in short and long term incentive plans of the company.

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

## MINERAL RESOURCES AND ORE RESERVE ESTIMATES

Information in this presentation relating to Mineral Resource and Ore Reserve estimates is extracted from the ASX releases “Resources and Reserve Statement – Amended” dated 6 October 2022 and “Great Fingall Resource grows to half a million ounces” dated 31 May 2023. Westgold confirms that it is not aware of any new information or data that materially affects the information included in these announcements and that all material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed. Westgold confirms that the form and context in which the competent persons’ findings are presented in this document have not been materially modified from the original market announcements

## FORWARD-LOOKING STATEMENTS

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

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

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

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



# FY23 – A Turnaround Year



**Story of two halves - H1 stabilise and reset, H2 building cash**

**Record production at the Bluebird & Big Bell mines**

**49% increase in Great Fingall Mineral Resource to 588koz**

**63% reduction to TRIFR of 8.37**

**Top end of production guidance and mid-point of All-In Sustaining Cost (AISC) guidance achieved**

# At first glance, production and costs compare unfavourably to FY22

	Unit	FY23	FY22	Inc/(Dec) %
All-In Sustaining Cost (AISC)	A\$/oz	1,999	1,692	18%
Production	koz	257	271	(5)%

- High cost pressures in the first half of FY23, impacted by inflation
  - resulted in marginal mines being placed on care and maintenance
- Closed 3 underground mines and several open pits in early FY23
  - impacting production

...but this is not the full story.

# Financial metrics improved in FY23

Strong year on year financial performance despite increasing cost pressures in H1 FY23

	FY23 (\$M)	FY22 (\$M)	Inc/(Dec) %
Revenue	654	648	1%
EBITDA <sup>1</sup>	167	34	387%
NPAT <sup>2</sup>	10	(111)	109%
Free Cash Flow <sup>3</sup>	10	(21)	150%
Net Assets	589	588	2%
Cash, Bullion & Liquids	192	190	1%

- Revenue growth through improving exposure to spot price - partially offset by fewer ounces produced
- EBITDA & NPAT impacted by reduced production through fewer producing assets and increasing cost pressures in H1 partially offset by lower D&A
  - FY22 EBITDA & NPAT impacted by \$175M impairment
- Free cash flow benefited from exposure to spot price and improved costs in H2 - offset by reduced production and increasing cost pressures in H1

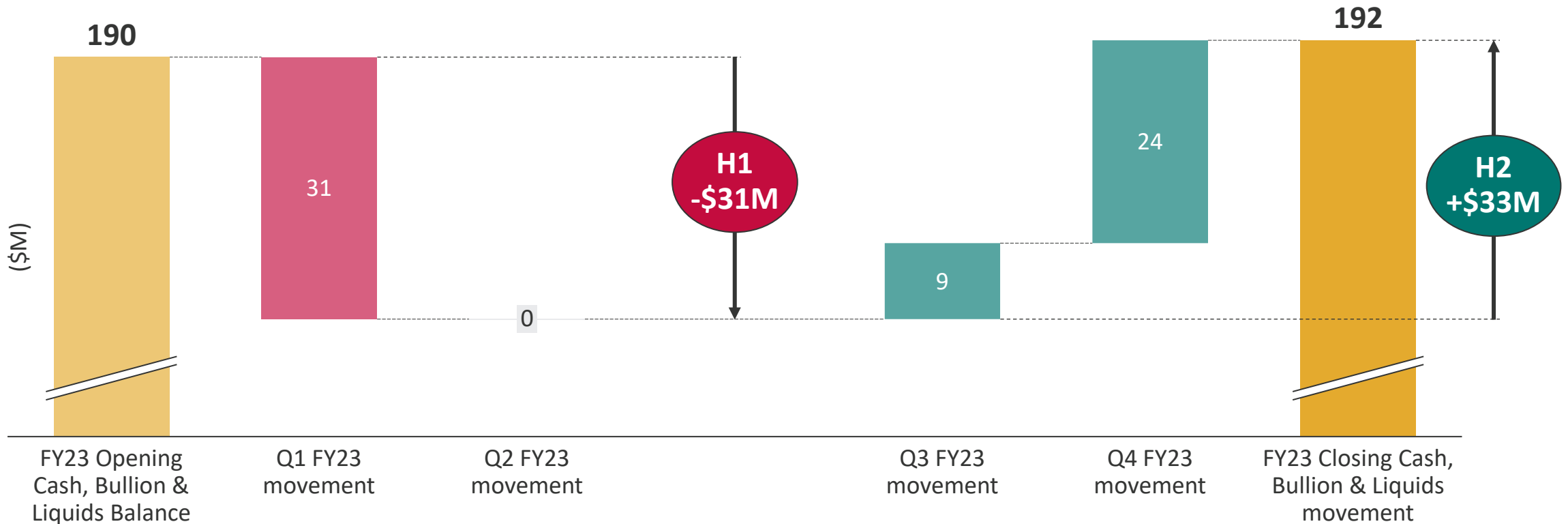
1. Earnings before interest, tax, depreciation and amortisation (EBITDA) excluding significant items was \$209M in FY22

2. Net profit after tax

3. Operating cash inflows minus investing cash outflows

# FY23 - a tale of two halves

\$2M build in Cash, Bullion & Liquids position achieved through a \$33M uplift in the second half

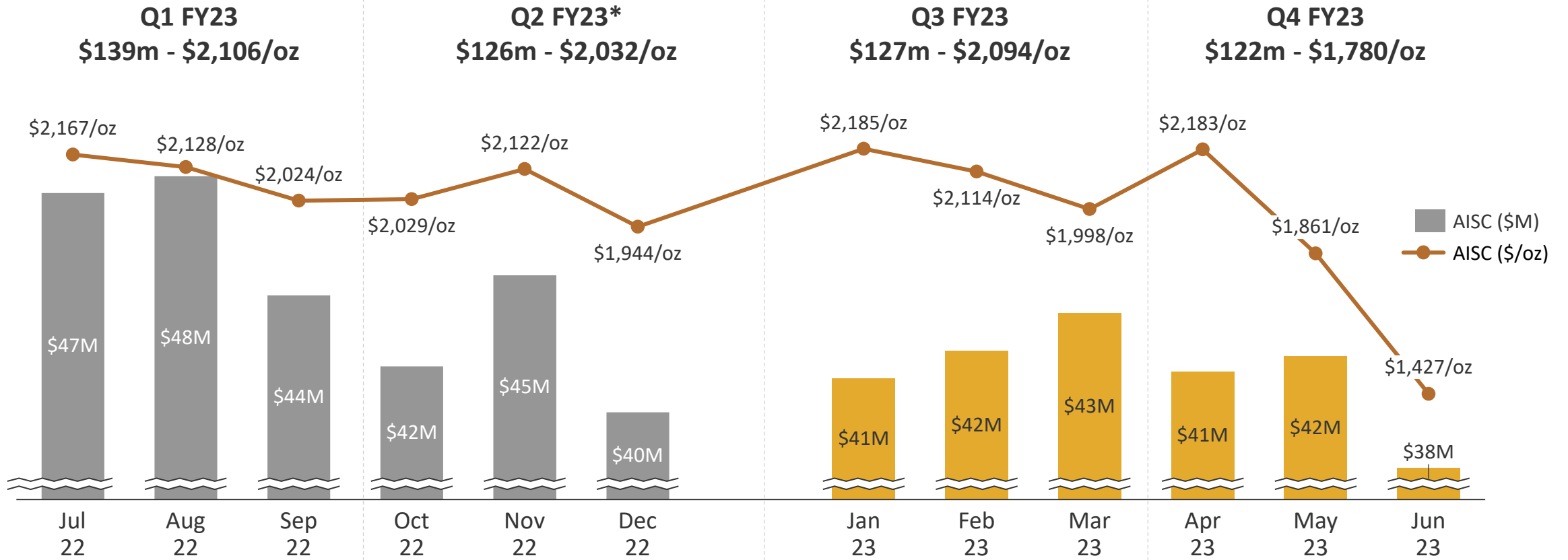


**H1 - Reset and stabilise**

**H2 - Generate cash**

# Cost out strategy – began to see benefits

\$17M reduction in AISC in H2 vs H1 FY23 & 12% reduction from Q1 to Q4

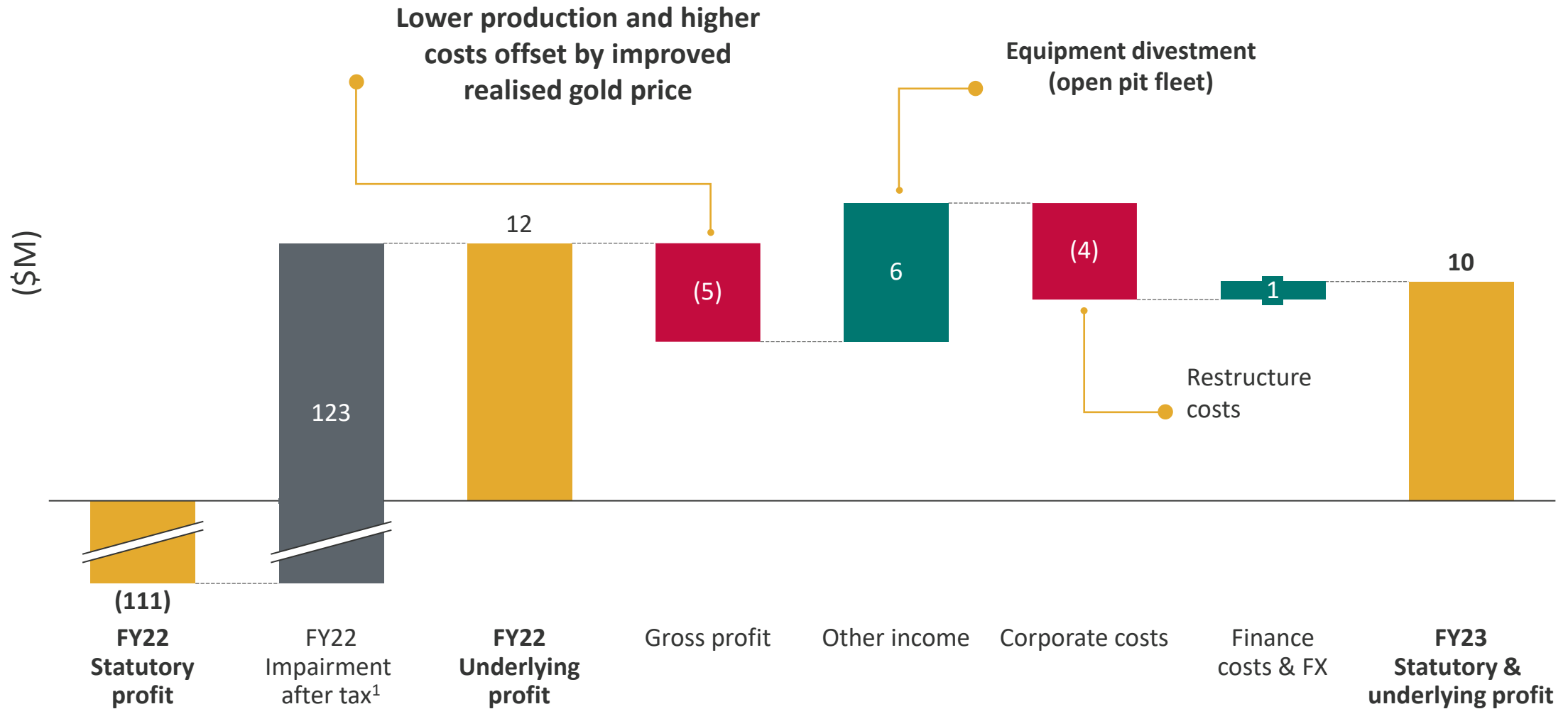


**H1 - Reset and stabilise**

**H2 - Generate cash**

**Note:**  
\* Q2 FY23 AISC adjusted post audited Half-Year Financial Report for the period ended 31 December 2022

# FY23 NPAT impacted by H1 reset

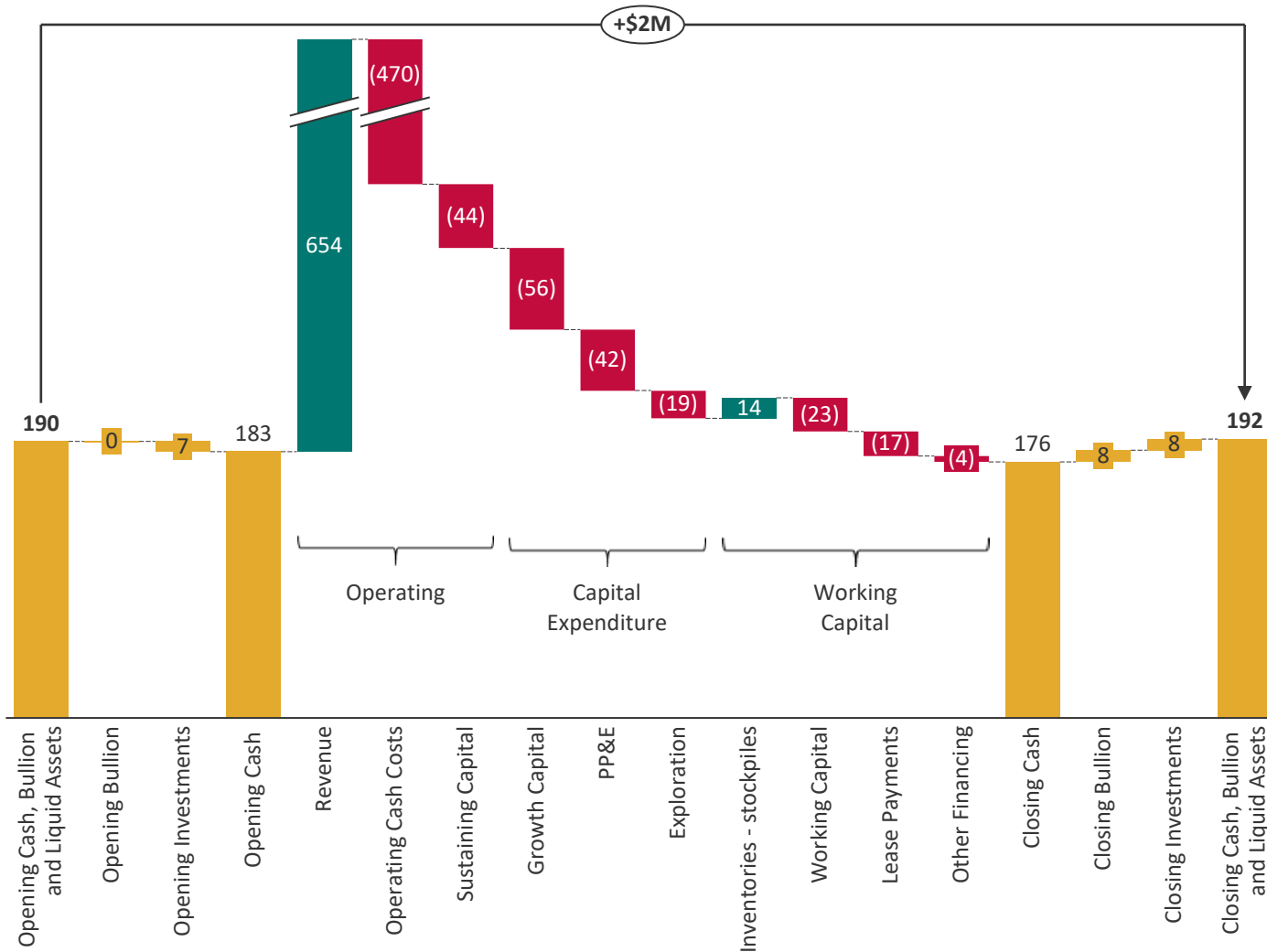


1. Pretax impairment was \$175.5M in FY22



# FY23 – closing cash, bullion and liquids up A\$2M to A\$192M

## FY23 Closing Cash, Bullion and Liquid Assets grows to \$192M (\$M)

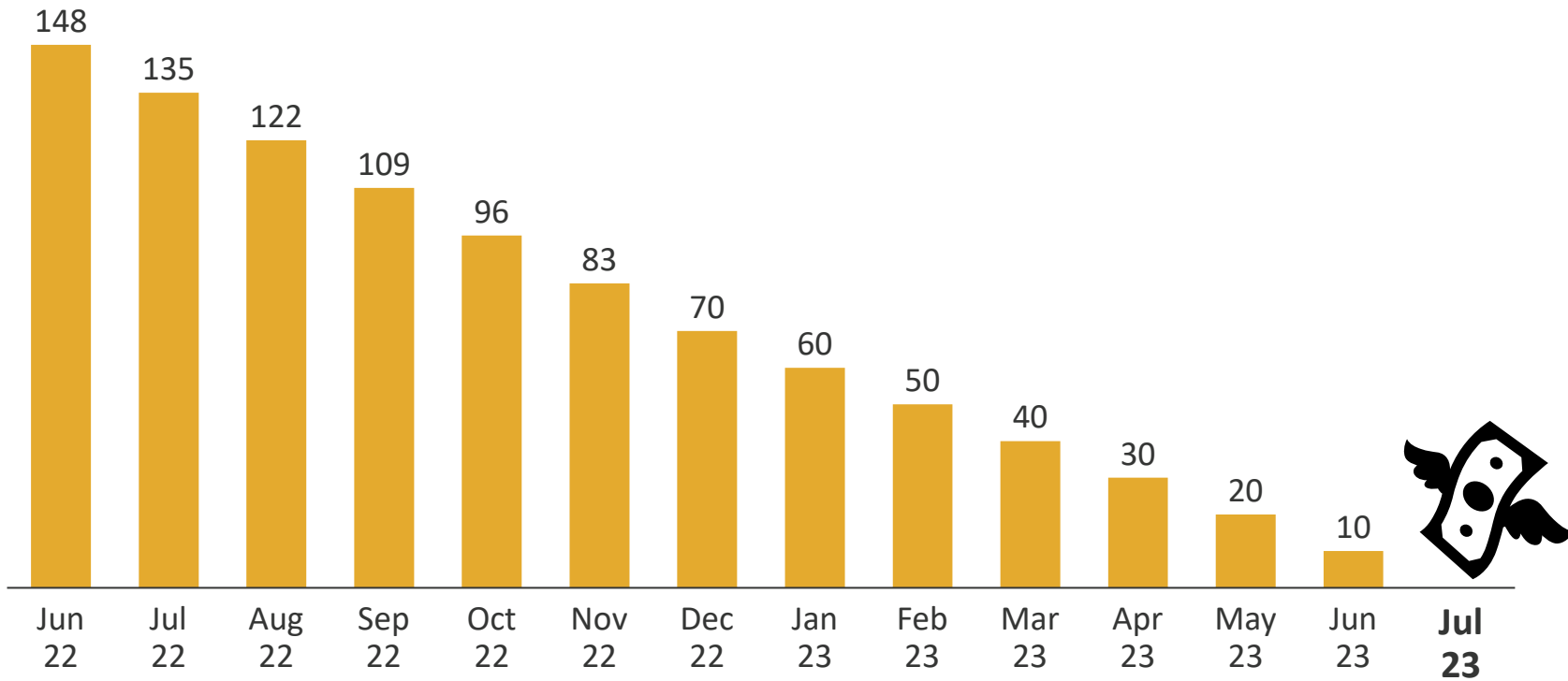


- **Revenue** improved on prior year (FY22: \$648M) - due to increased spot exposure with fewer hedged ounces, offset by reduced production
- **Operating cash costs** impacted by increasing cost pressures in H1 FY23 (FY22: \$420M)
- **Capital expenditure stabilised** – includes the Clean Energy Transition (CET) Project (A\$7M)
- **Exploration investment activated**- in line with Westgold’s strategy to extend mine lives (includes Bluebird, Great Fingall, Big Bell Deeps)
- **Westgold remains debt free**

# Westgold fixed forward programme complete<sup>1</sup>

Additional ~\$4.4M in monthly revenue from August 2023<sup>2</sup>

Forward contracts remaining (koz)



1. 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.
2. Indicative calculation assuming \$2,900/oz spot price and the hedged price of \$2,459/oz over 10koz



## Improving financial results in FY23

REVENUE	<b>\$654M</b>	↑ 1% YoY
EBITDA	<b>\$167M</b>	↑ 387% YoY
NPAT	<b>\$10M</b>	↑ 387% YoY

## FY24 Strategy



Continue free cash flow generation



Continue to safely and efficiently optimise our assets



Invest in exploration drilling



Sensibly invest in technology that drives cost reduction



Increase mine life of our existing mines



Assess inorganic growth opportunities aligned to our core capabilities



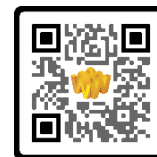
# Want to know more ?

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