

## **GREAT FINGALL COMMENCES**

**At steady state, Great Fingall is expected to deliver +45koz pa Au production  
@ All-In Cost (AIC) ≈\$1,801/oz**

**Westgold Resources Limited (ASX: WGX – Westgold or the Company)** is pleased to announce that it has taken the first cut in the Great Fingall decline, thus restarting this iconic, high-grade historic mine which is located 5km southwest of Cue and 28km from Westgold’s Tuckabianna processing hub.



### **Highlights**

- **Great Fingall decline development commenced - new equipment and high-speed development crew mobilised to site.**
- **Early development likely to intersect previously discovered linking reef structures - with potential to realise early production upside in FY24.**
- **Initial eight-year mine life with first scheduled ore in H1, FY25.**

### **Westgold Managing Director Wayne Bramwell commented:**

“Great Fingall is one of four +1Moz historic producing mines in Westgold’s portfolio.

At steady state, Great Fingall will be a long-life, high-grade, high-margin underground mine, producing +45,000oz a year. Our base case plan boasts compelling returns, is fully funded from operational cashflows and focuses on deeper virgin reef extensions only.

Importantly, significant upside exists from known shallow high-grade, flat and linking structures that we will develop through as we push the decline past the shallow remnant mining areas to the virgin extensions of this high-grade orebody. These opportunities, which could deliver additional ounces during FY24 have not yet been included in the current business case or design.

Seeing this prolific and iconic mine restart under our stewardship is a proud day for everyone in Westgold and heralds a new phase in this historic goldfield’s evolution.”



## First cut completed in Great Fingall decline

With the FID approved in August 2023, Westgold mobilised the key underground fleet, supporting surface infrastructure and high-speed development team to commence development in less than two months. The high-speed development team completed the first cut into the existing decline access on 19 October 2023, in line with the development plan envisaged in the Great Fingall Study.

## Great Fingall Overview

The Great Fingall (GF) and Golden Crown (GC) mines, located within the Day Dawn mining centre near Cue, entered Westgold's portfolio through its acquisition of Aragon Resources in May 2011 (See **Figure 1**). The mines are both high yielding assets of historical significance, with over **1.55Moz** of gold being produced since the late 1800s.



**Figure 1: Westgold's Murchison Assets - extending from Cue to Meekatharra**

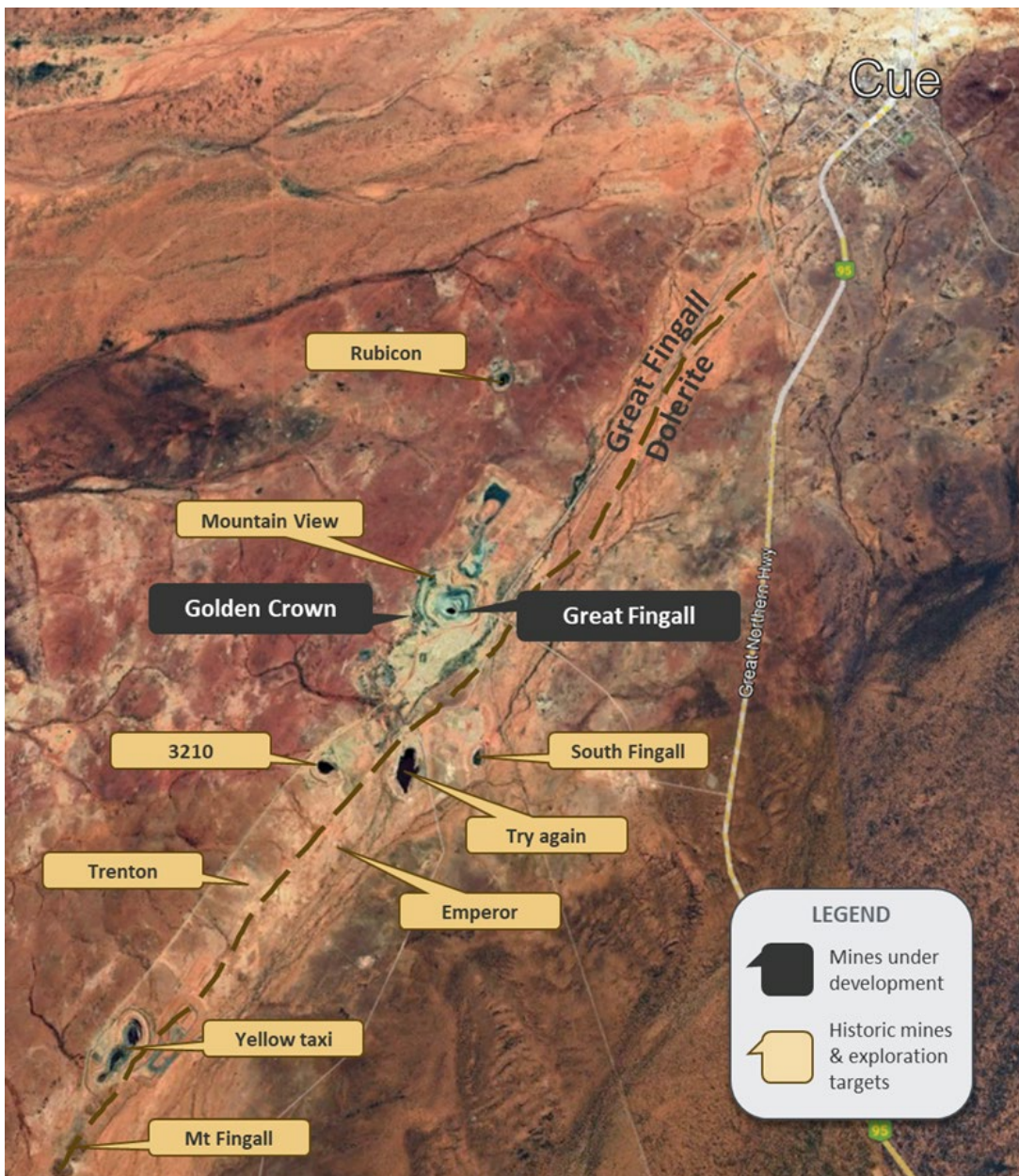
Between 1891 and 1929, Great Fingall delivered **1.2Moz** of gold from **1.9Mt** of ore at a recovered grade of **19.5g/t Au**, from twenty levels developed underground to a depth of 786 metres below the surface.

Modern mining recommenced in 1995 via open pit methods, focusing on extracting the stockwork vein system in the footwall of the Great Fingall Reef. The open pit operated up until March 1999, yielding 82koz gold from 1.8Mt of ore. Two subsequent open pit campaigns, the last by Westgold in 2020, have produced a further 54koz gold leaving the pit floor 170m below surface with underground decline access established.



Importantly, no mining has been conducted on the underground extensions to the orebody for nearly a century.

Golden Crown was mined exclusively as an underground mine on a small scale between 1897 and 1902 and more recently between 1986 and 1996. During the latter period between 1968 and 1996, Golden Crown produced **288koz of gold from 648kt of ore at a grade 13.8g/t Au**. Great Fingall and Golden Crown are separated by ≈700m along the Great Fingall Dolerite, a prospective mineralised trend which hosts numerous other historic open pits and shallow underground orebodies (see **Figure 2**).



**Figure 2: Numerous historic discoveries along the Great Fingall Dolerite**

The trend has limited drilling conducted at depth and hosts numerous target areas of interest for Westgold.

These target areas represent exciting opportunities for further organic growth within this historically prolific region of Westgold’s exploration ground.





## Great Fingall Feasibility Study

During FY23, Westgold conducted a \$4M drilling campaign targeting the area below the historic workings of Great Fingall. This campaign was successful in proving the continuity and tenor of the Great Fingall Reef extensions, but critically, it also revealed the existence of a parallel high-grade quartz reef which led to a significant upgrade in the Great Fingall Mineral Resource Estimate to **588,000oz of contained gold** (Refer ASX – Great Fingall Resource Grows to Half a Million Ounces, 31 May 2023).

Importantly, the Great Fingall Mineral Resource remains open at depth.

**Combined with the Golden Crown Mineral Resource of 194,000oz, the Great Fingall Base Case development plan is based on a total resource of 782,000oz of contained gold.**

The updated interpretation of Great Fingall and Golden Crown, combined with additional drilling completed in early FY24, underpinned the completion of Great Fingall Feasibility Study (Study) in August 2023 and a subsequent Final Investment Decision (FID) to commence the development of the Great Fingall mine.

The Study proposes a base case with a mine design which focuses on the high-margin, high-confidence reef extensions. The design enables significant upside potential outside of the Study economics, with optionality to both access remnant positions higher-up in the mine and assess potential high-grade flat and linking structures (such as the Sovereign Reef – refer ASX release of 20 June 2022, High Grade Intercepts At new Sovereign Reef Discovery) in the hanging wall and footwall of the Great Fingall Reef.

The base business case proposes a project which:

- Delivers +45kozpa with an eight-year initial mine life, with ore processed at the Tuckabianna mill at an AIC of \$1,801/oz.
- has no contribution of ounces recovered from remnant or flat lying structures that will be intersected as the decline advances.
- produces first ore in H1 FY25 from virgin ore at depth - following 18 months of decline development.
- has a payback of 4 years<sup>1</sup> and requires modest progressive capital expenditure – scheduled as \$30M for FY24 and FY25 with the peak negative cumulative cash flow of \$82M.
- generates approximately **\$800/oz** of free cashflow at a gold price of \$2,600/oz, rising to approximately **\$1,140/oz** of free cashflow at current spot prices; and
- is highly value accretive with an NPV of \$272M and an IRR of 69%<sup>1</sup>, taking Westgold's group production through **300koz per annum**.

Key metrics for the study can be found below in **Table 1**.

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<sup>1</sup> Assumes spot gold price of \$2,944/oz.

**Table 1: Great Fingall Base Case Study Metrics**

Metrics	Unit	Base Case Feasibility Study Results	
Mine production	Mt	2.5	
Grade mined	g/t Au	5	
Metallurgical recovery	% gold	95	
Gold production	'000 oz	383	
Mine life	years	8	
Gold price assumption	\$/oz	2,600	2,944
Revenue	\$M	996	1,128
Life of Mine Capital expenditure	\$M	148	148
Operating expenditure	\$M	514	514
Government royalties	\$M	27	30
<b>Total expenditure</b>	<b>\$M</b>	690	693
<b>Net cashflow</b>	<b>\$M</b>	306	436
NPV8%	\$M	184	272
IRR	%	53	69
Payback	years	4.3	4.0
Peak cash drawdown	\$M	87	82
All-in cost (AIC)	\$/oz	1,801	1,810

Note: All data is pre-tax real (2023 A\$).

## Looking Forward

Westgold is focussed on developing quickly towards the virgin ore at Great Fingall and Golden Crown.

Westgold's study estimates an 18-month development period to first scheduled ore (see **Figure 3**) with Westgold developing approximately 4,000m of decline through competent ground, to a depth of ≈700m below surface. The schedule conservatively assumes 220m/month development rate and with new equipment and a dedicated high speed development crew now on site, our expectation is that this rate will be exceeded, shortening the schedule.

The base schedule sees the team develop towards the bottom of the historic Golden Crown shaft and once there, the Company intends to repurpose the shaft as a return air vent during FY24. Beyond this, the decline will descend back towards Great Fingall to access the virgin ore below the old workings in mid FY25. The decline then progresses to the virgin ore underneath the old workings at Golden Crown in Q4 FY25.

Early in the development schedule, Westgold expects to develop through flat lying structures including the Sovereign Reef first discovered in June 2022. Drilling indicates, at least in the intersected position, that the reef dips ~45 degrees to the south and thus may represent a mineralised "linking structure" between Golden Crown and Great Fingall.

Once development has progressed to the area, Westgold will assess the extent and recoverability of these structures.

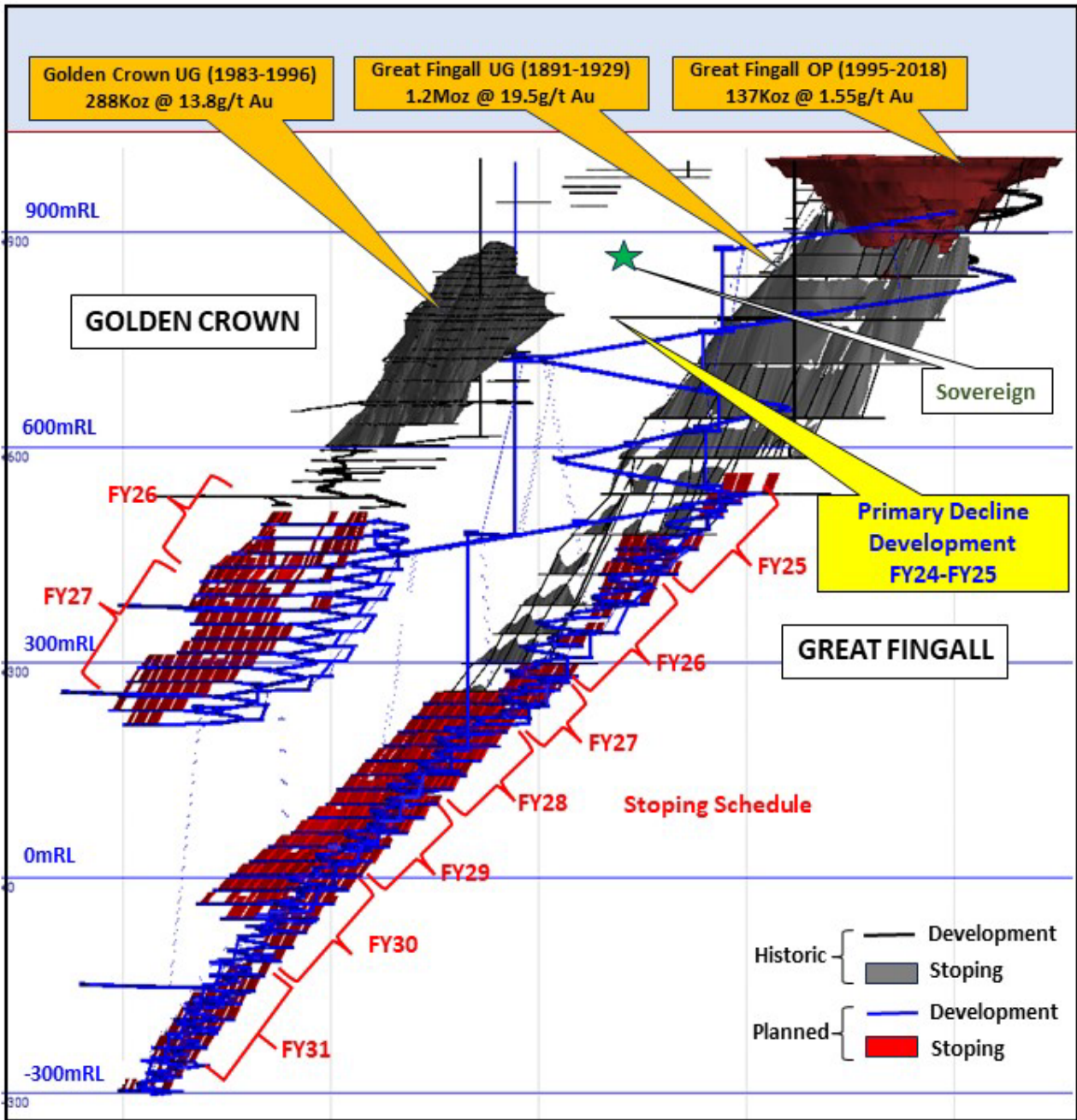


Figure 3: Great Fingall development plan and mine schedule

ENDS

ANNOUNCEMENT IS AUTHORISED FOR RELEASE TO THE ASX BY THE BOARD.

MEDIA AND INVESTOR RELATIONS ENQUIRIES

INVESTOR RELATIONS

Kasun Liyanaarachchi | Investor Relations Manager  
 Investor.Relations@westgold.com.au  
 +61 458 564 483

MEDIA

Peter Knight | Communications Advisor  
 Peter.Knight@westgold.com.au  
 +61 459 980 481



## COMPETENT PERSON STATEMENTS

### EXPLORATION RESULTS AND MINERAL RESOURCES ESTIMATES

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

### ORE RESERVES

The information in this report that relates to Ore Reserve 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 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012)". Mr. Devlin consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr. Devlin is a full-time senior executive of the Company and is eligible to and may participate in short-term and long-term incentive plans of the Company as disclosed in its annual reports and disclosure documents.

### FORWARD LOOKING STATEMENTS

Certain statements in this report relate to the future, including forward looking statements relating to Westgold's financial position and strategy. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of Westgold to be materially different from future results, performance or achievements expressed or implied by such statements. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement and deviations are both normal and to be expected. Other than required by law, neither Westgold, their officers nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements will actually occur. You are cautioned not to place undue reliance on those statements.