

ASX Announcement 12 February 2018

Freak Storm Halts Production at the CMGP

Westgold Resources Limited (ASX:WGX) (Westgold) advises that a freak storm on Saturday night has impacted operations at the Central Murchison Gold Project (CMGP). The rainfall has forced the temporary closure of the Bluebird Mill and created flooding within the Paddy's Flat underground mine, the newly started Jack Ryan underground mine and nearby open pit mines.

The rain event saw nearly 200 mm of rain on the operations over a 2-3 hour period creating flash flooding in the region. The passing wall of water, often over one metre deep drenched some electrical circuits and overflowed bunding which was designed to contain spills. The project was shut down and all mines were smoothly evacuated without issue and without any safety or risk incident.



Recovery actions are underway and it is expected that operations will be restored over the ensuing days.

Westgold Managing Director Peter Cook said:

"This is yet another storm this summer that has impacted the operations over the past month. Other storms, whilst disruptive, have not resulted in a halt but rather impacted mine production. This one, dumping a years annual rainfall in a few hours will cause the operations be impacted. While we should be up and running again relatively quickly, the net outcome may be loss of about one weeks production over the guarter. The company expects its annual production guidance to be around 300,000 ounces per annum.

On a positive note, the storm had little impact in the Tuckabianna area and the Company expects to commence dry commissioning of the Tuckabianna mill later this week, well ahead of time and under budget."

Enquiries

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