



**WESTGOLD RESOURCES LIMITED**  
**[ ASX: WGX ]**

# **DECEMBER QUARTERLY OVERVIEW**

**27 January 2022**

**Wayne Bramwell – Executive Director**

**Debbie Fullarton – Chief Executive Officer**

## COMPLIANCE STATEMENT

Exploration targets, exploration results the information in this report that relates to exploration targets and exploration results 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.

## MINERAL RESOURCES ESTIMATES

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

## ORE RESERVE ESTIMATES

The information in this report that relates to Ore Reserve Estimates is based on information compiled by Mr. Anthony Buckingham B.Eng (Mining Engineering) MAusIMM. Mr. Buckingham 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. Buckingham consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr. Buckingham is a full time senior executive of the Company and is eligible to, and may participate in short-term and long-term incentive plans of the Company as disclosed in its annual reports and disclosure documents.

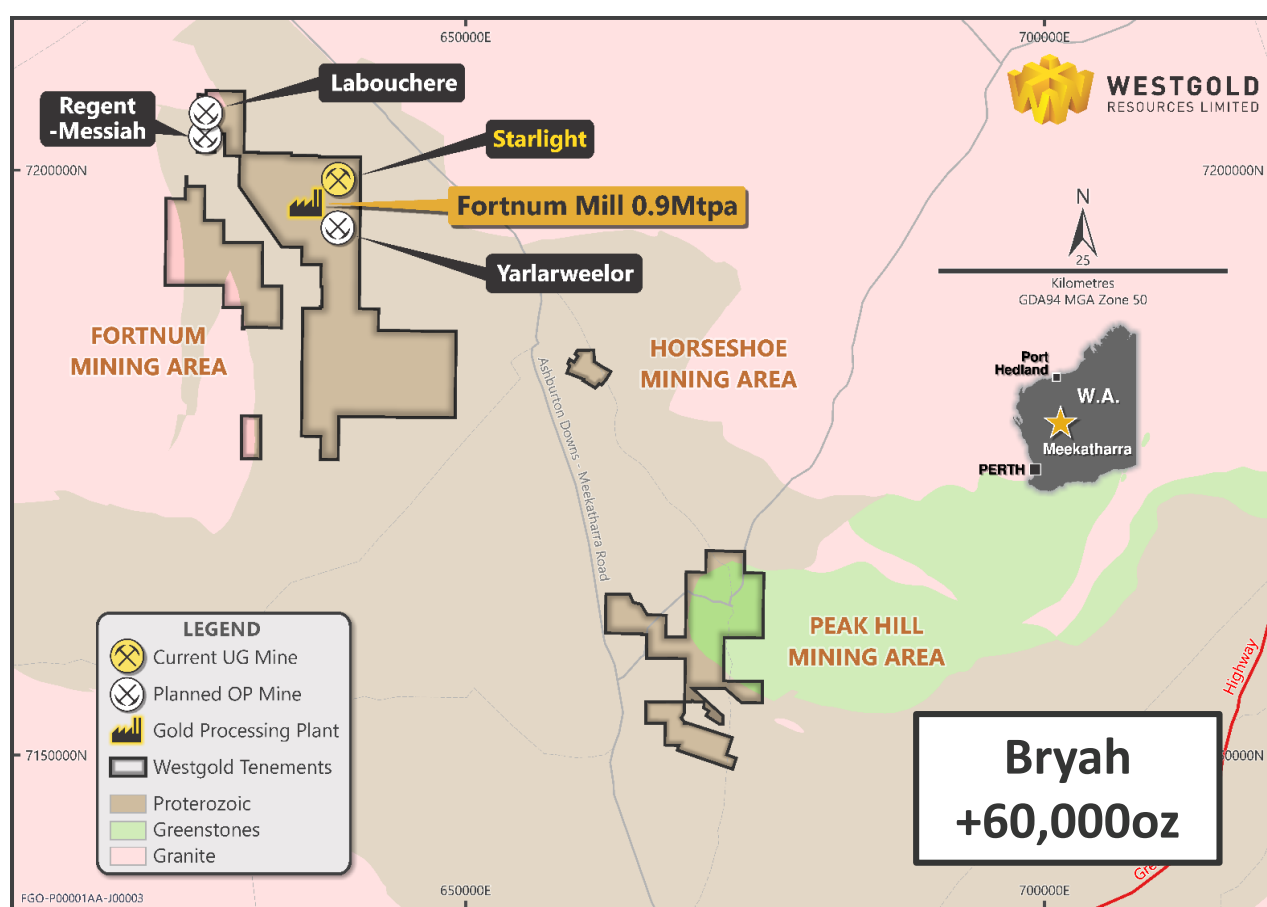
## FORWARD LOOKING STATEMENTS

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

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

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

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



**Westgold guidance and Asset Map**

**FY22 +270,000oz**

C1 A\$1,250 – A\$1,400 /oz

AISC A\$1,500 – A\$1,700 /oz

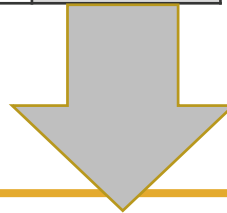
# DECEMBER QUARTER - Highlights

- **December Quarter [Q2] Results**
  - **Despite COVID disruptions - record quarterly gold production of 66,688oz**
  - **Cash cost of sales (C1) of A\$1,466/oz**
  - **All-In Sustaining Costs (AISC) of A\$1,714/oz**
- **Despite COVID cost pressures FYTD – within FY22 guidance**
  - **FY22YTD 132,861oz @ C1 of \$1,396/oz and AISC A\$1,648/oz**
- **Closing cash, unsold bullion and liquid assets of A\$110M**
- **Risk mitigating COVID, supply chain and weather risks by:**
  - **Ore stock build - building surface stocks at processing hubs**
  - **Inventory build of critical spares and consumables**
- **Major mines building momentum - mining more than we can process on a monthly basis**
  - **Starlight UG – 183Kt for Q2**
  - **Paddy's Flat UG – 196Kt for Q2 and record monthly mine production in December of 73,000t**
  - **Bluebird UG – 67Kt for Q2 [steady state declared]**
  - **Big Bell UG – 220kt for Q2 [77kt in December]**



# Q2 FY22 - Scorecard

FY22 Guidance		Q1	Q2	Result	YTD
Production Oz Au	+270,000	66,173	66,688	Record quarter	132,861
C1 A\$/oz	1,250 – 1,400	1,325	1,466	+13%	1,396
AISC A\$/oz	1,500 – 1,700	1,582	1,714	+16%	1,648

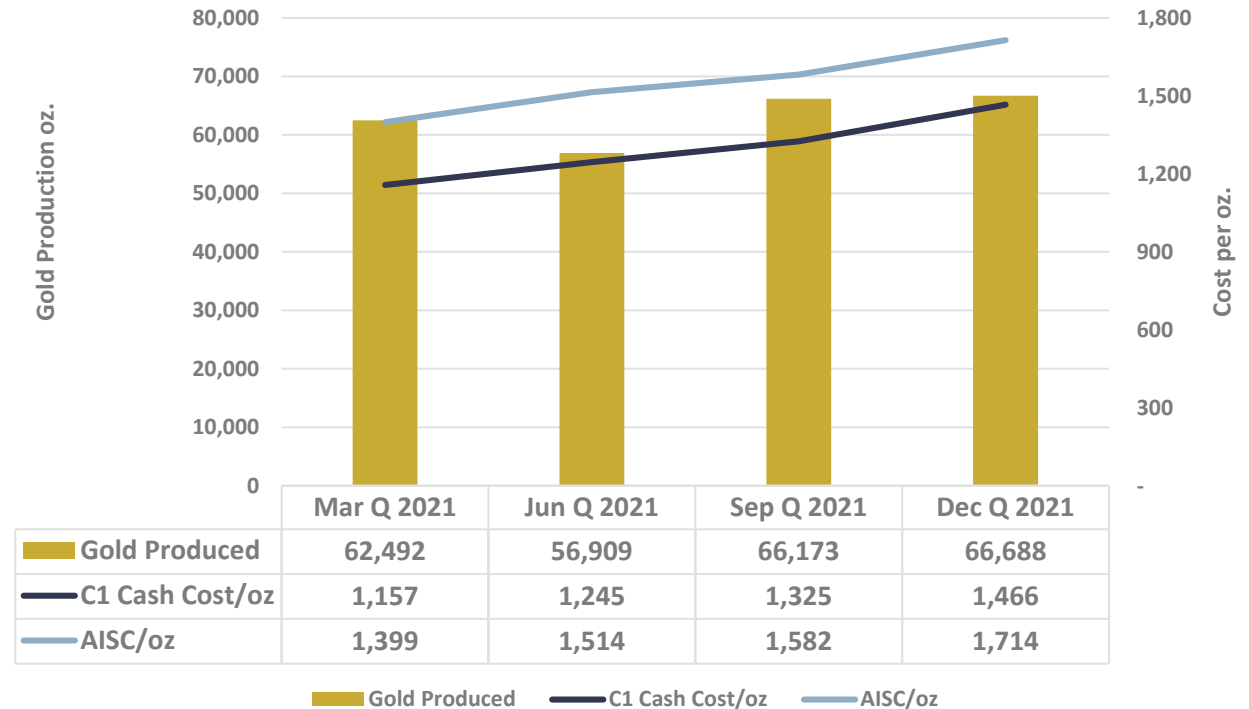


Within FY22 guidance

FY22YTD 132,861 oz @ C1 of \$1,396/oz and AISC A\$1,648/oz



Group Gold Production and A\$ Costs



# Q2 FY22 – Group Results



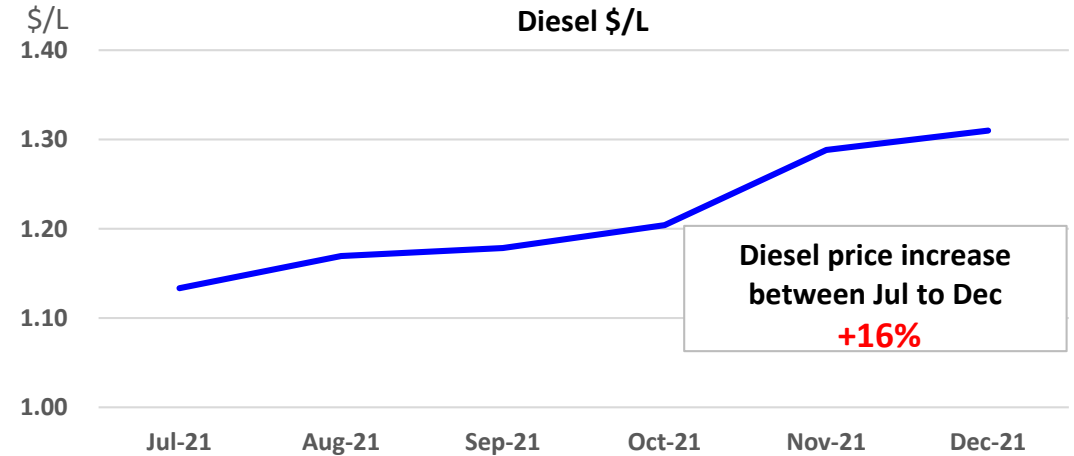
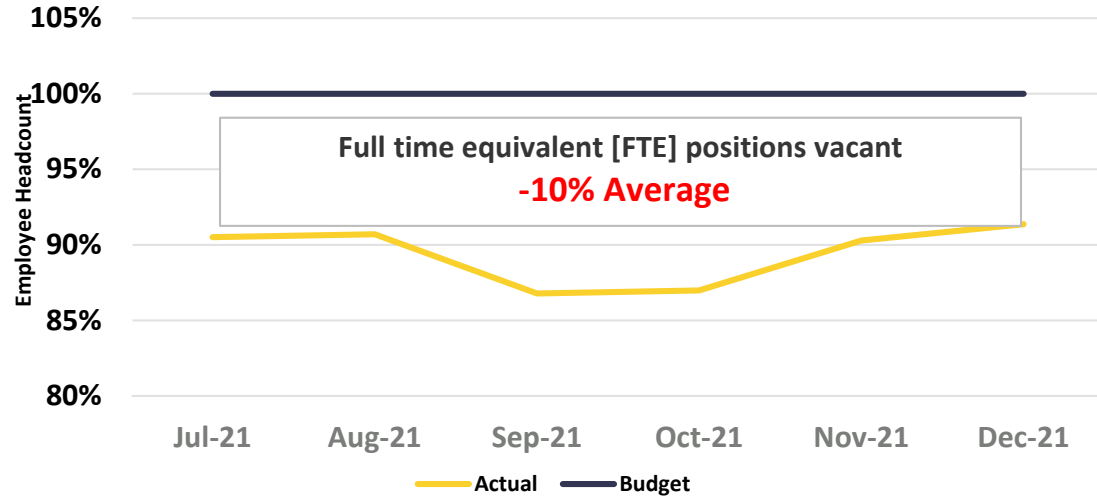
		GROUP	GROUP	GROUP
		Q1 FY22	Q2 FY22	FYTD
<b>Physical Summary</b>	<b>Units</b>			
ROM - UG Ore Mined	t	787,367	794,482	1,581,849
UG Grade Mined	g/t	2.7	2.6	2.6
OP Ore Mined	t	216,911	159,465	376,376
OP Grade Mined	g/t	1.6	1.3	1.5
Ore Processed	t	981,370	<b>957,591</b>	<b>1,938,961</b>
Head Grade	g/t	2.3	<b>2.4</b>	<b>2.4</b>
Recovery	%	90	<b>89</b>	<b>90</b>
Gold Produced	oz	66,173	<b>66,688</b>	<b>132,861</b>
Gold Sold	oz	50,163	<b>81,754</b>	<b>131,917</b>
Achieved Gold Price	A\$/oz	2,322	<b>2,380</b>	<b>2,358</b>
<b>Cost Summary</b>				
Mining	A\$/oz	1,016	<b>1,102</b>	<b>1,059</b>
Processing	A\$/oz	358	<b>392</b>	<b>375</b>
Admin	A\$/oz	74	<b>82</b>	<b>78</b>
Stockpile Movements	A\$/oz	(123)	<b>(110)</b>	<b>(116)</b>
<b>C1 Cash Cost (produced oz)</b>	<b>A\$/oz</b>	<b>1,325</b>	<b>1,466</b>	<b>1,396</b>
Royalties	A\$/oz	76	<b>88</b>	<b>82</b>
<b>C2 Cash Cost (produced oz)</b>		<b>1,401</b>	<b>1,554</b>	<b>1,478</b>
Corporate Costs / Reclaim etc	A\$/oz	13	<b>13</b>	<b>13</b>
Sustaining Capital	A\$/oz	168	<b>147</b>	<b>157</b>
<b>All-in Sustaining Costs</b>	<b>A\$/oz</b>	<b>1,582</b>	<b>1,714</b>	<b>1,648</b>
<b>Notional Cashflow Summary</b>				
<b>Mine Operating Cashflow</b>	<b>A\$ m</b>	<b>43</b>	<b>38</b>	<b>81</b>
Growth / Startup Capital	A\$ m	(32)	<b>(29)</b>	<b>(61)</b>
Plant & Equipment	A\$ m	(6)	<b>(11)</b>	<b>(17)</b>
<b>Net Mine Cashflow</b>	<b>A\$ m</b>	<b>4</b>	<b>(2)</b>	<b>2</b>
<b>Exploration Summary</b>				
Exploration Spend	A\$ m	(5)	<b>(5)</b>	<b>(10)</b>

## Q2 versus Q1 comparison

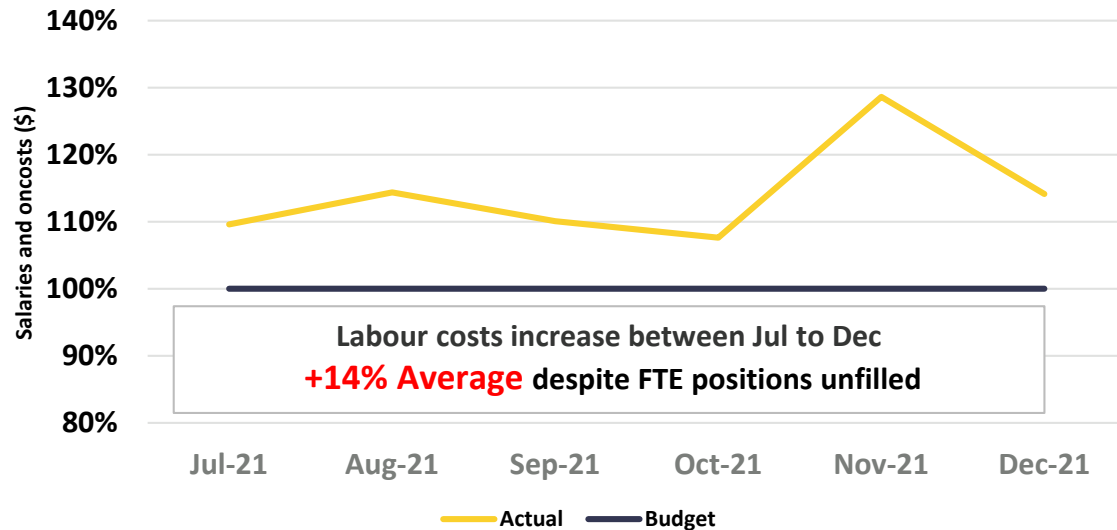
- **Total production 957,591t** aligned
- **Grade 2.4 g/t Au** +4% (ability to prioritise HG ore)
- **Achieved gold price A\$2,380/oz** +2% (active gold sales policy)
- **Mining cost** +8% (impacted by labour, fuel & consumables)
- **Processing cost** +9% (impacted by fuel increases)
- **Admin cost** +11% (impacted by additional flights and fuel increases)
- **Sustaining capital** -12% (build in stockpiles)
- **Mine Operating CF** -12% (impact of higher C1 costs in Q2)
- **Net Mine Cashflow** aligned
- **Exploration spend** aligned

# COVID-19 Impacts and Response

Employee Headcount - Mining Operations



Mining Operations Salaries and Oncosts

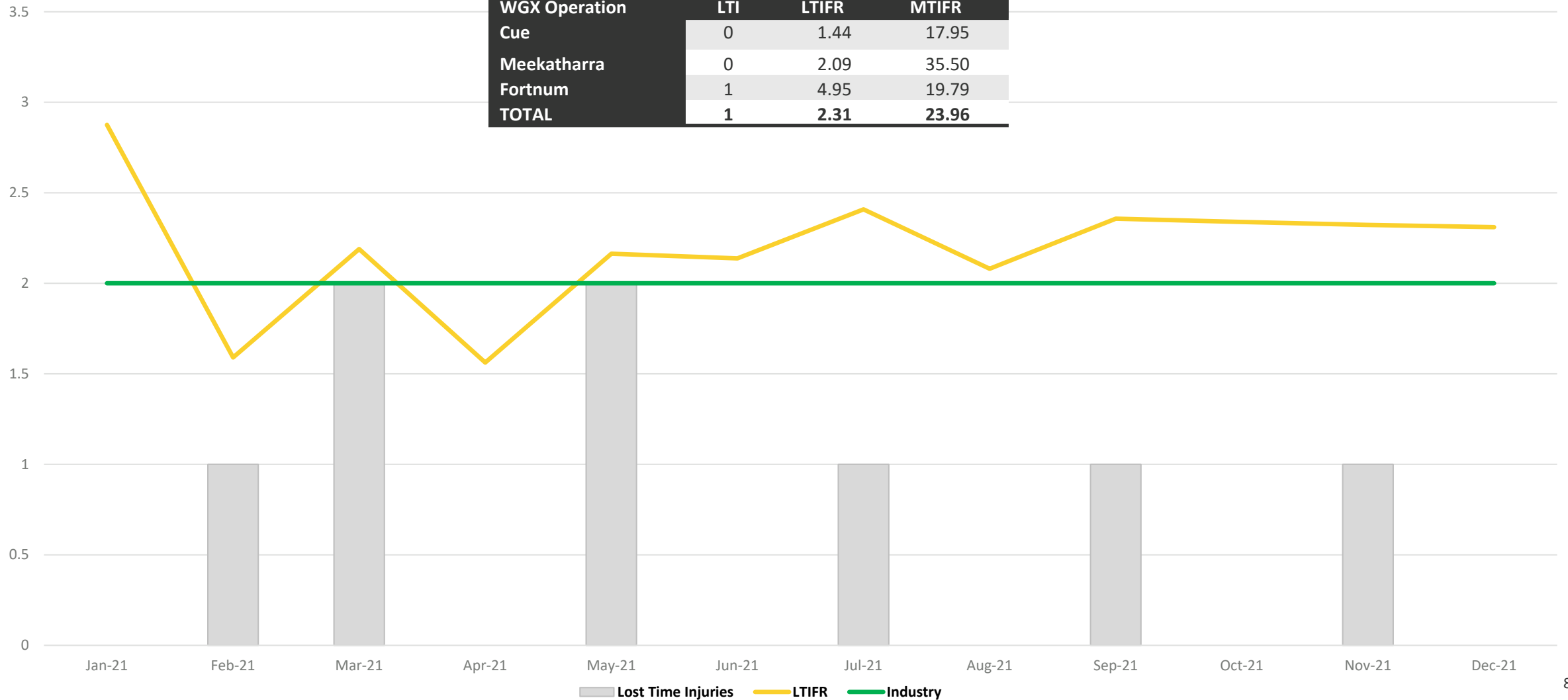


**Cost inputs up but Westgold has achieved another record quarter of gold production**

# Q2 FY22 – Safety Statistics

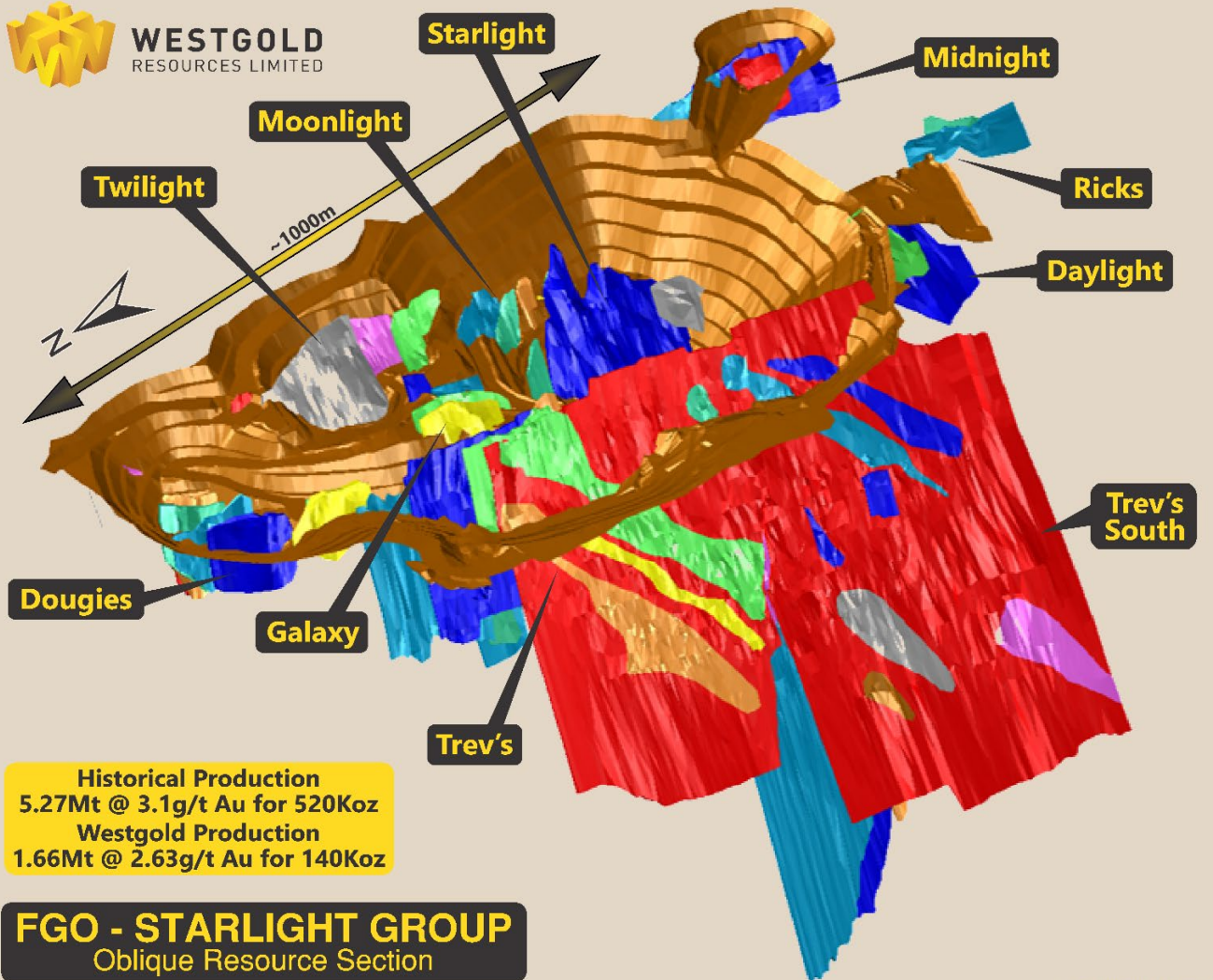
WGX Group Lost Time Injury Performance

WGX Operation	LTI	LTIFR	MTIFR
Cue	0	1.44	17.95
Meekatharra	0	2.09	35.50
Fortnum	1	4.95	19.79
<b>TOTAL</b>	<b>1</b>	<b>2.31</b>	<b>23.96</b>



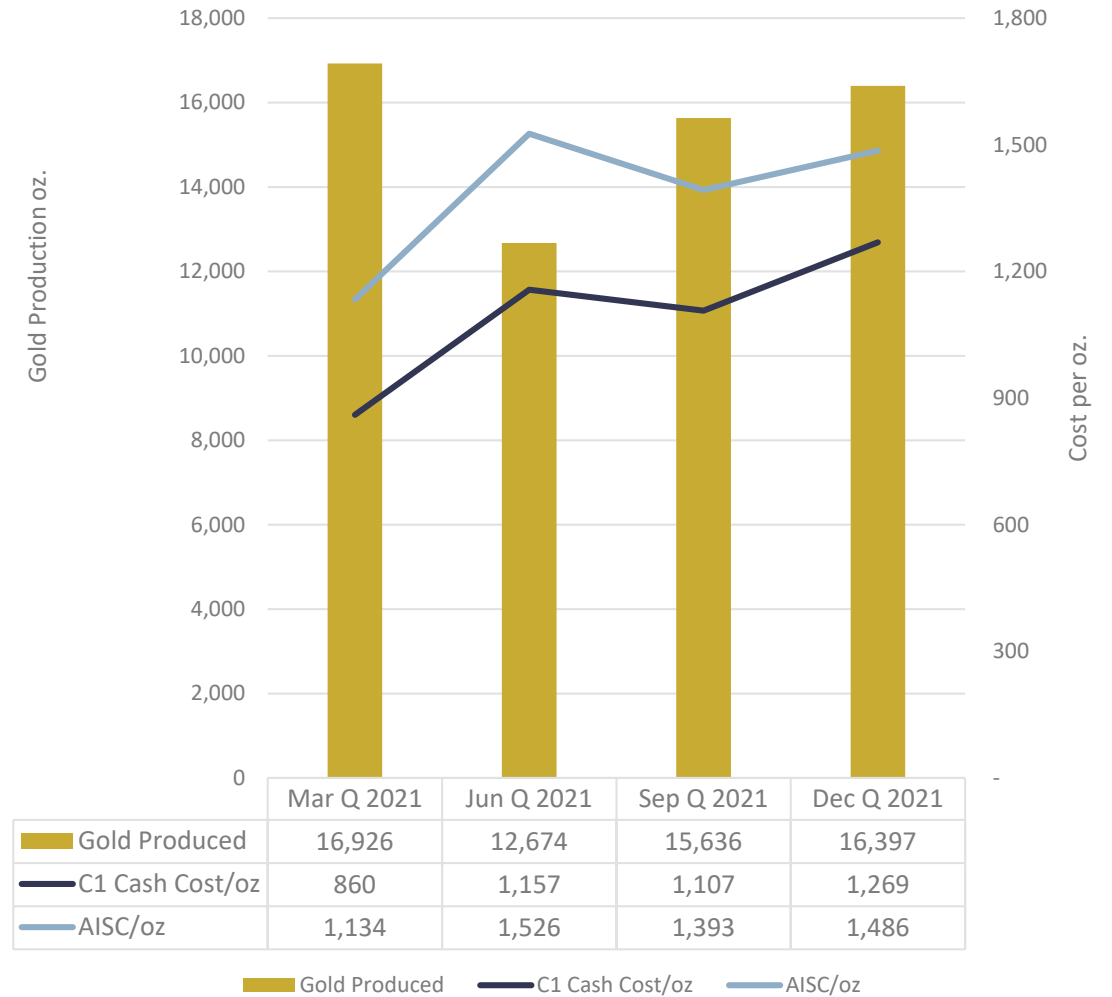


# BRYAH - Fortnum

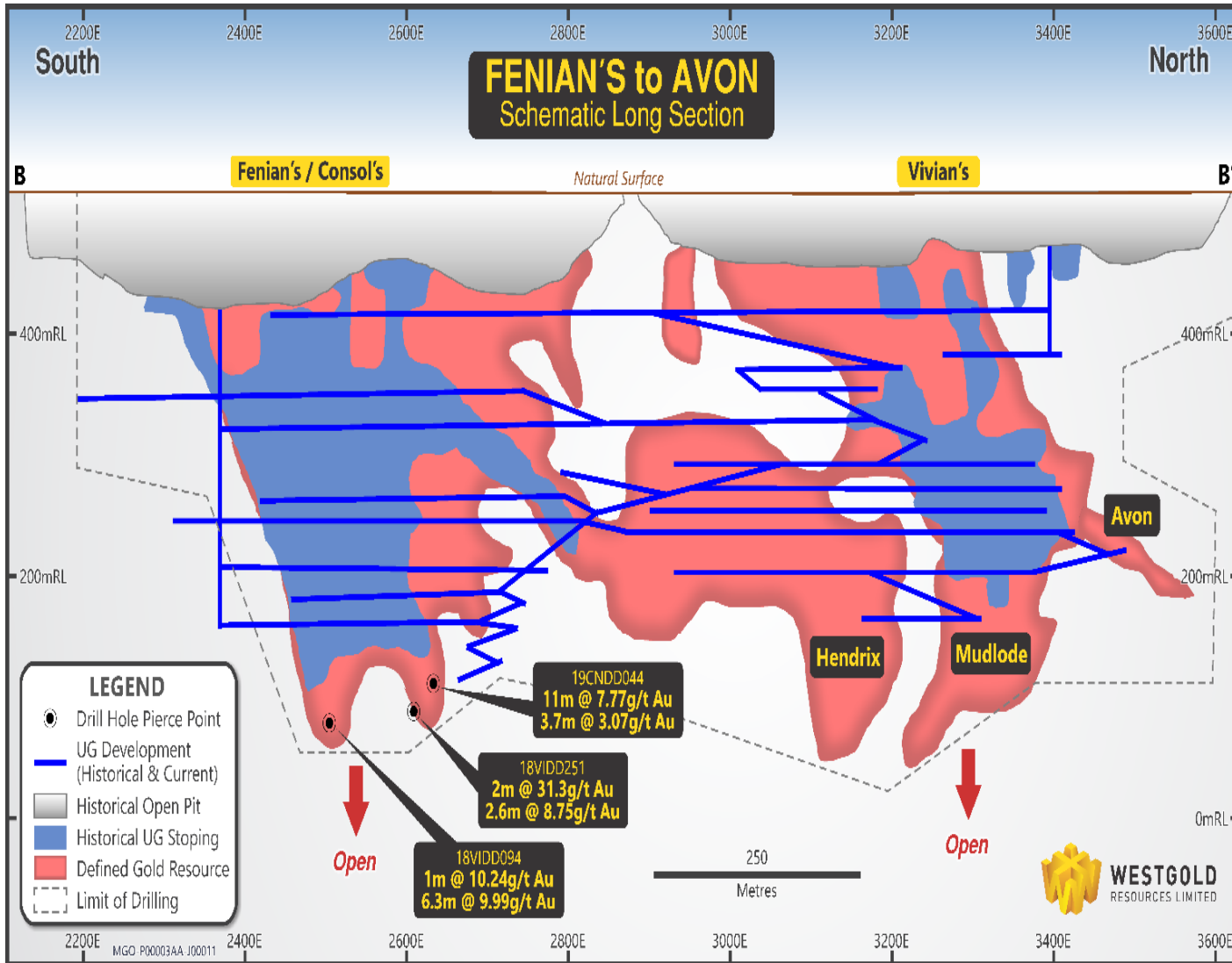


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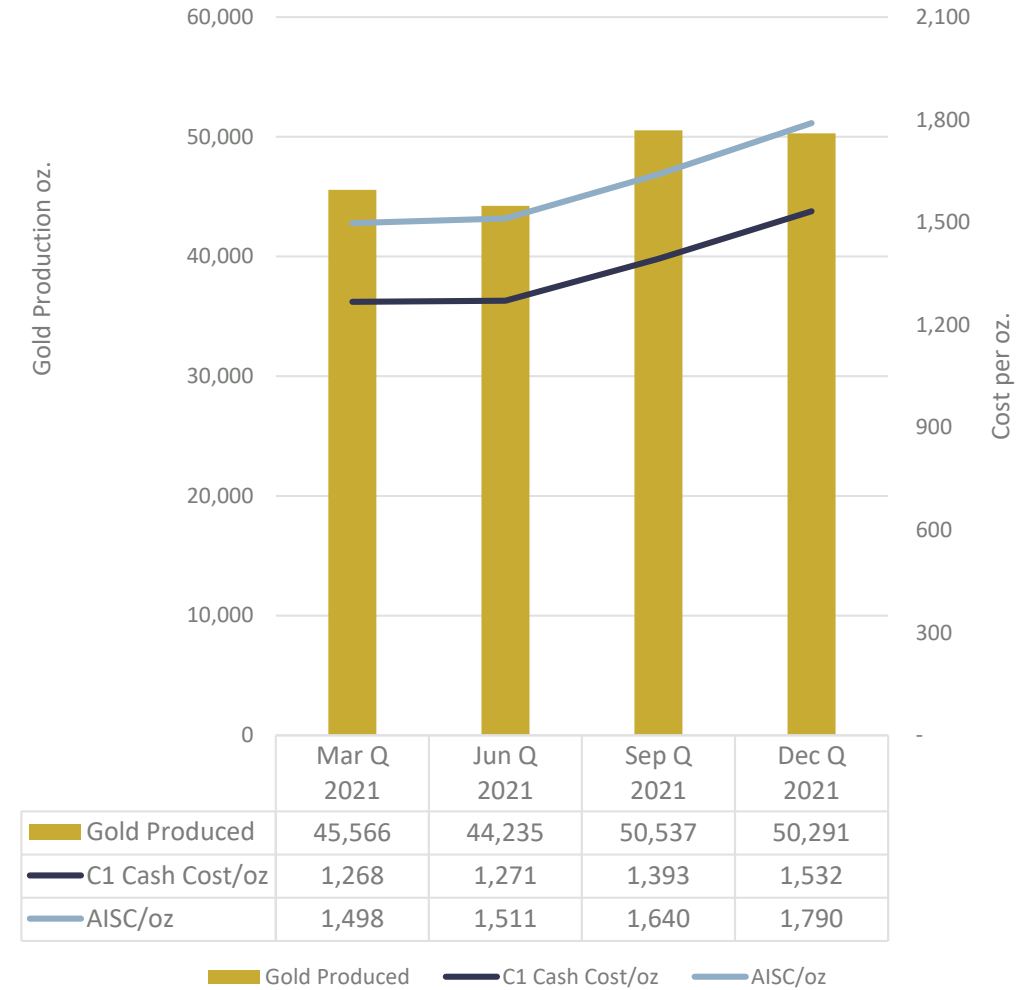
**Bryah Gold Production and A\$ Costs**

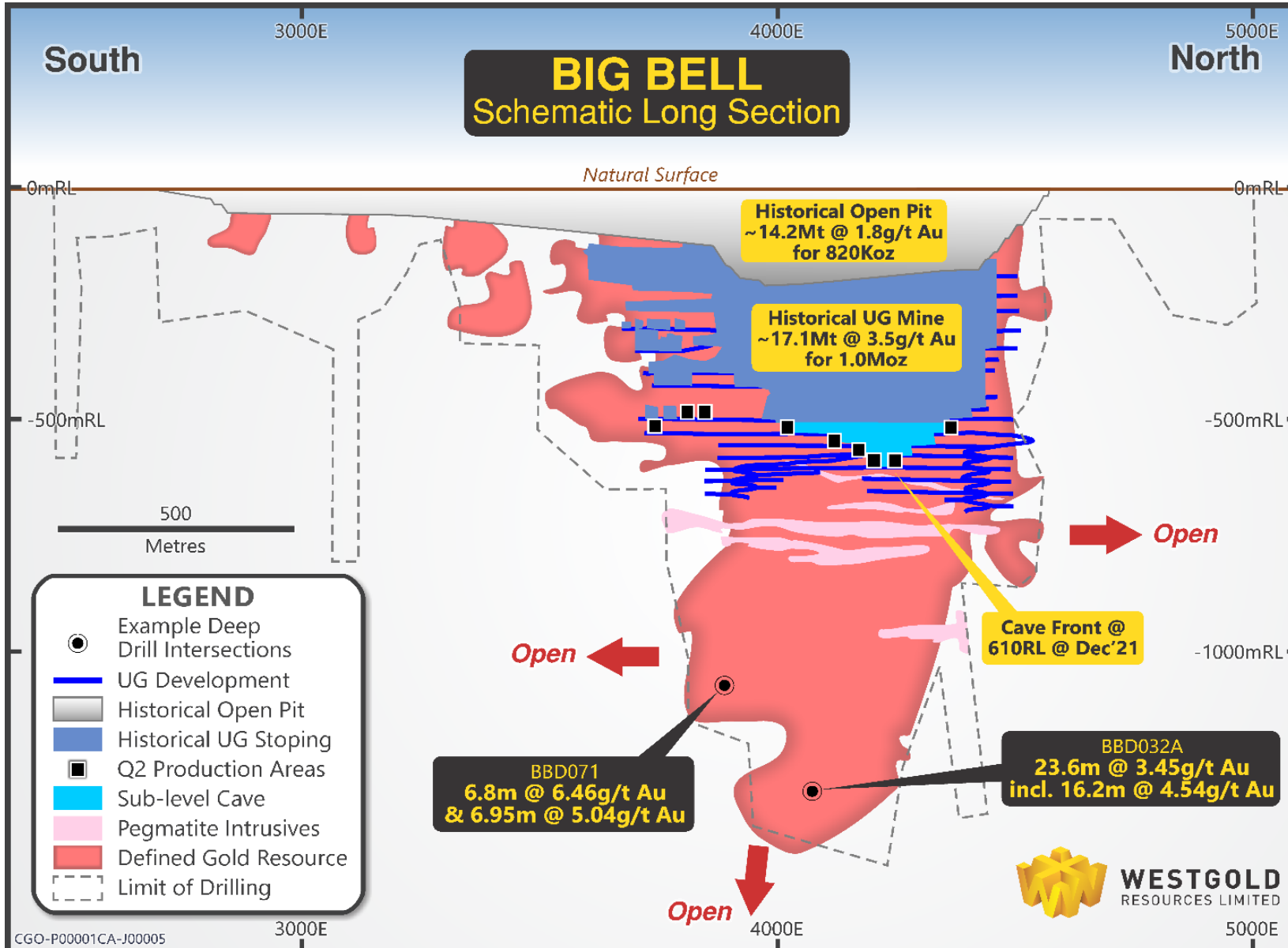


# MURCHISON – Meekatharra and Cue



Murchison Gold Production and A\$ Costs





## Big Bell Q2 Output

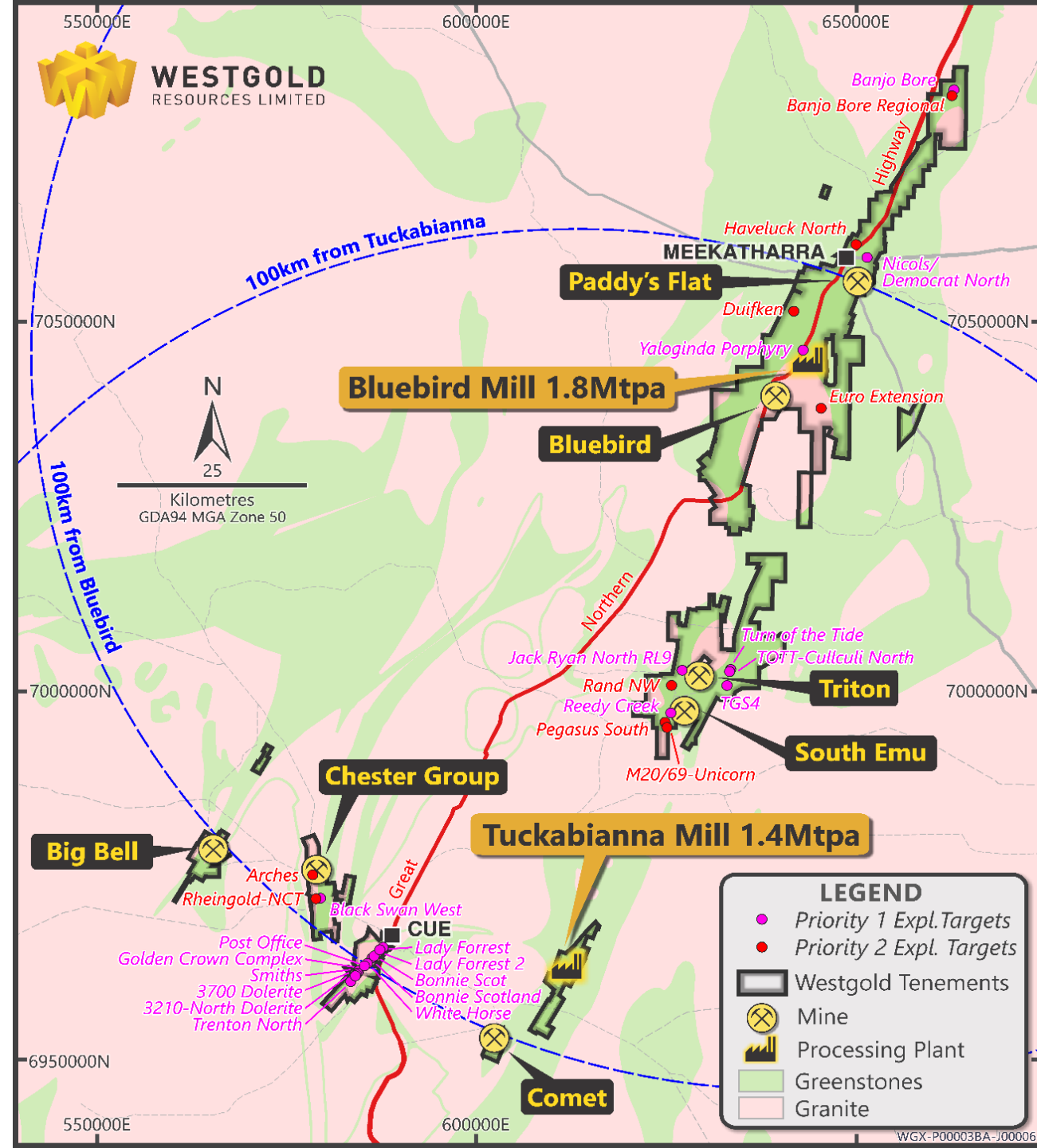
- 219,698 t @ 2.5 g/t Au
- Higher % of lower grade upper level and peripheral ore blocks mined
- Q3 return to higher % of deeper cave production at/above reserve grade of 2.8g/t Au

# Exploration & Growth

## Exploration and Growth Update - 18 November 2021

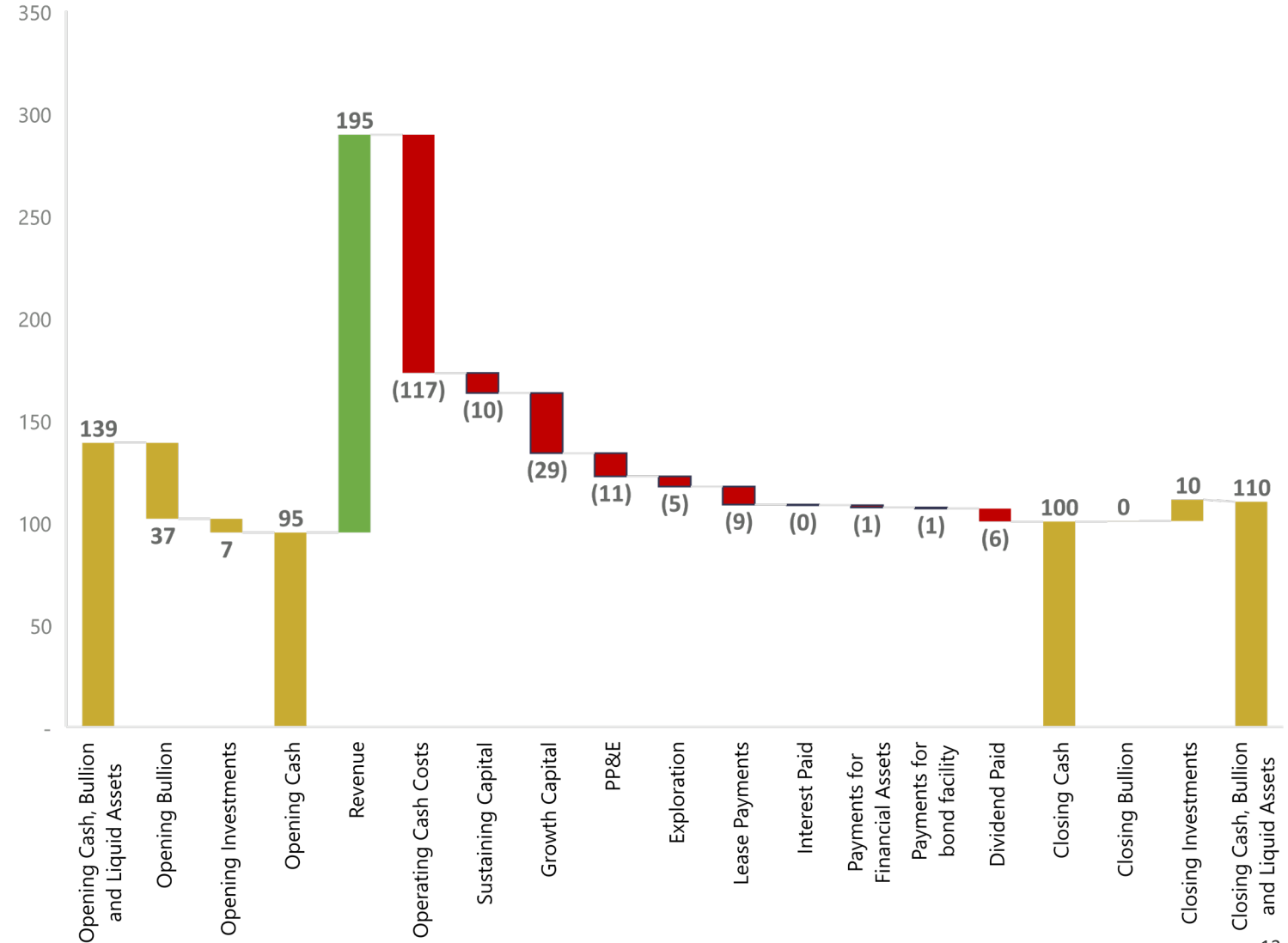
### New target pipeline identifies:

- 21 Priority 1
- 14 Priority 2 exploration targets
- Drilling to commence Q3



- **No Corporate Debt**
- **Maiden Cash Dividend**
  - maiden cash dividend of 2.0 cents [unfranked] per fully paid share
  - A\$6.4M cash disbursement to shareholders
- **Withdrawal of Offer for Gascoyne Resources Limited**
- **Gold Hedging**
  - 140,000 hedged at an average 2,179/oz
  - Further 35,000oz hedged at average A\$2,534 post quarter end
  - Total hedge position 175,000oz at average price of A\$2,262/oz

**Cash and Bullion - Q2 Dec 2021 Movement**



# Need more Information?

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