



**WESTGOLD**  
RESOURCES LIMITED

ersonal use only

**ASX: WGX**  
**Corporate Update**  
**June 2021**

# COMPLIANCE STATEMENTS

## Competent Persons Statements

The information in this report that relates to Exploration Results and Mineral Resources and Ore Reserves is based on information compiled Mr Jake Russell B.Sc. (Hons) MAIG and Anthony Buckingham B.Eng (Mining Engineering) MAusIMM. Both have 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)”. Both consent to the inclusion in this report of the matters based on his information in the form and context in which it appears. All are full time senior employees of the Company and are 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.

## Exploration and Production Target Statement

The information in this report that relates to exploration targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Production targets and mine designs are presented with the best of the knowledge and situation at this point in time and may change in the future.

## General Disclaimer

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This overview of Westgold does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Company’s prospects.

You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.

# Investment Synopsis

Domestic Gold Producer, WA Murchison Focus

ASX 200, GDX, GDXJ

Strong Balance Sheet – >A\$178m in cash, no corporate debt

Self-sufficient, Owner Operator, Substantial Fixed Assets and Fleet

Long Life Mines – Substantial Resource & Reserves

Increasing Output, Increasing Margins, Reducing Capex

Committed, Focused, Responsible Miner, Track Record

**Focused**

**Increasing Output**

**Self-sufficient**

**Fiscally Strong**

**Long Life**

**High Margin**



## Corporate Snapshot

ASX: WGX (ASX200, GDX, GDXJ)

FPO Shares on Issue: 423.86 million (\$2.40/sh)

2.32 million ZEPO & Employee Perf. Rights

Market Capitalization: ~A\$ 960 million  
share price \$2.27 (26/5/21) (~US\$775 million)

Cash & Bullion: \$178 million (as at March 31, 2021)

Corporate Debt: Nil ~ \$30m equipment leasing

Cash & Bullion: \$178 million (as at March 31, 2021)

**Focused**

**Increasing Output**

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**Long Life**

**High Margin**



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RESOURCES LIMITED

## Board & Executive Management

### Board of Directors:

Executive Chair (Trans'n): Peter Cook

Independent NED: Fiona Van Maanen

Independent NED: Peter Schwann

Independent NED: Wayne Bramwell

Co Sec: Lisa Smith

### Executive Management:

CEO: Debbie Fullarton

COO: Anthony Buckingham

**Focused**

**Increasing Output**

**Self-sufficient**

**Fiscally Strong**

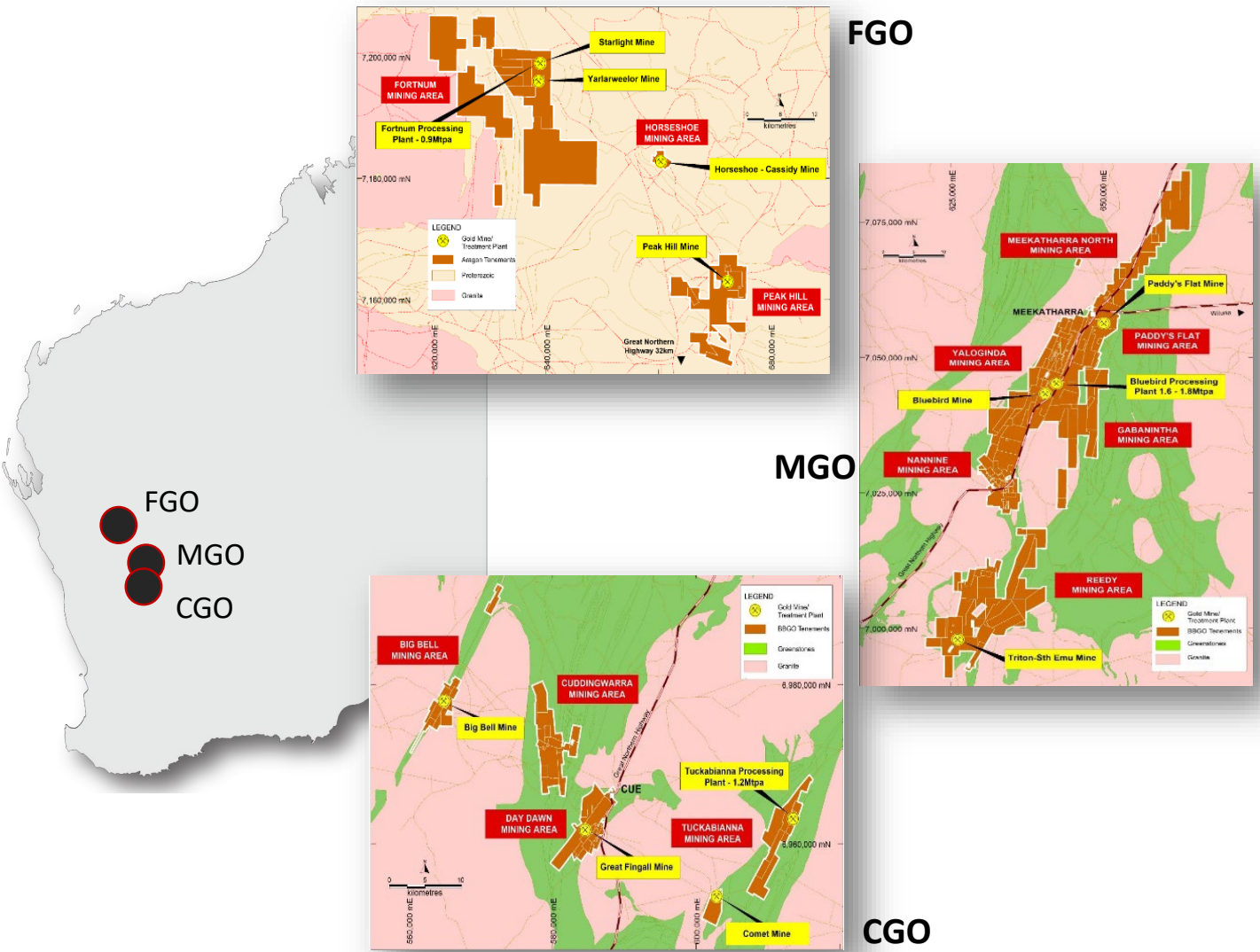
**Long Life**

**High Margin**

# Murchison Gold Operations – Our Core Business

Aggregating a Gold Province – 22.9 million oz historic production and remaining resources.

335 Mining Titles  
>1,130 Sq Km



## Murchison Gold Operations – Our Core Business

### Focused

**7 U/g Mines**

**4 Open Pits**

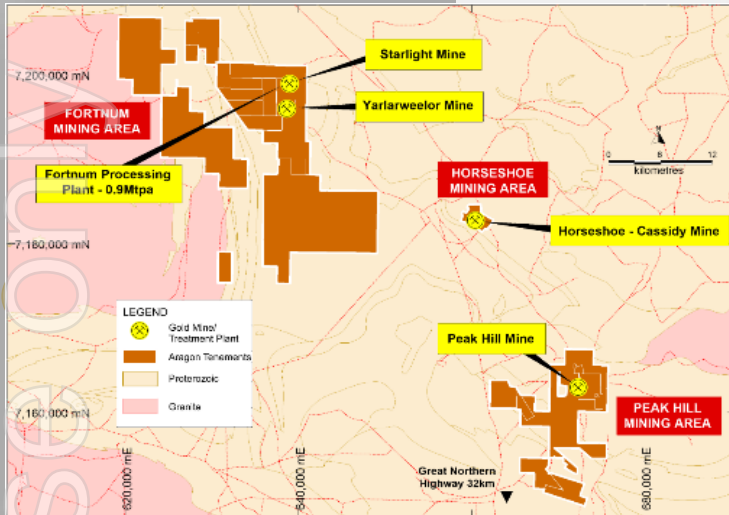
**3 Process plants**

**4 Villages**

**Surface & U/g Fleet**

- Regionally dominant land holdings
- 3 plants, 4Mtpa installed capacity
- Big Resource Base (8.8Moz @ June 30, 2020)
- 9yr + Reserves (2.5Moz @ June 30, 2020)
- 270 – 300,000 ozpa baseline output
- C1 Cash Costs: approx. A\$1,100/oz (long term average)
- AISC: A\$1,400/oz (long term average)
- Owner operator mining

# Fortnum Gold Operations – A snapshot!



- 3 Major Gold Production Fields:
  - Labouchere
  - Fortnum
  - Peak Hill
- Simple Metallurgy
- CIP Plant capacity of 0.9Mtpa
- Current Ore Feed :
  - Starlight U/g Mine ~ 700 kt @ 3.0+ g/t
  - Open Pit/Stocks ~ 200kt @ 1.2 g/t
- Gold Output: 65 - 70,000 oz @ AISC A\$1,300/oz
- Total IMR (June 2020): 1.32 million oz
- Total MR (June 2020): 398,000oz





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## Central Murchison Area – MGO & CGO

### CMGP - Focus

**5 U/g Mines** (Operating)

**4 U/g mines** (planned)

**Several Open Pits**

**2 Process plants**

**3 Villages**

**Surface & U/g Fleet**



#### **Steady Profile:**

110,000 – 120,000 oz p.a.

C1 Cash Costs: \$1,250 - \$1,350/oz

AISC: \$1,500 - \$1,600/oz

#### **Steady Profile:**

95,000 – 105,000 oz p.a.

C1 Cash Costs: \$1,100 - \$1,200/oz

AISC: \$1,250 - \$1,350/oz

**Total Resource (MGO & CGO): 7.48 million oz**

**Total Reserve (MGO & CGO): 2.16 million oz**

**Operating Life : 9 years +**



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**Focused**

**Increasing Output**

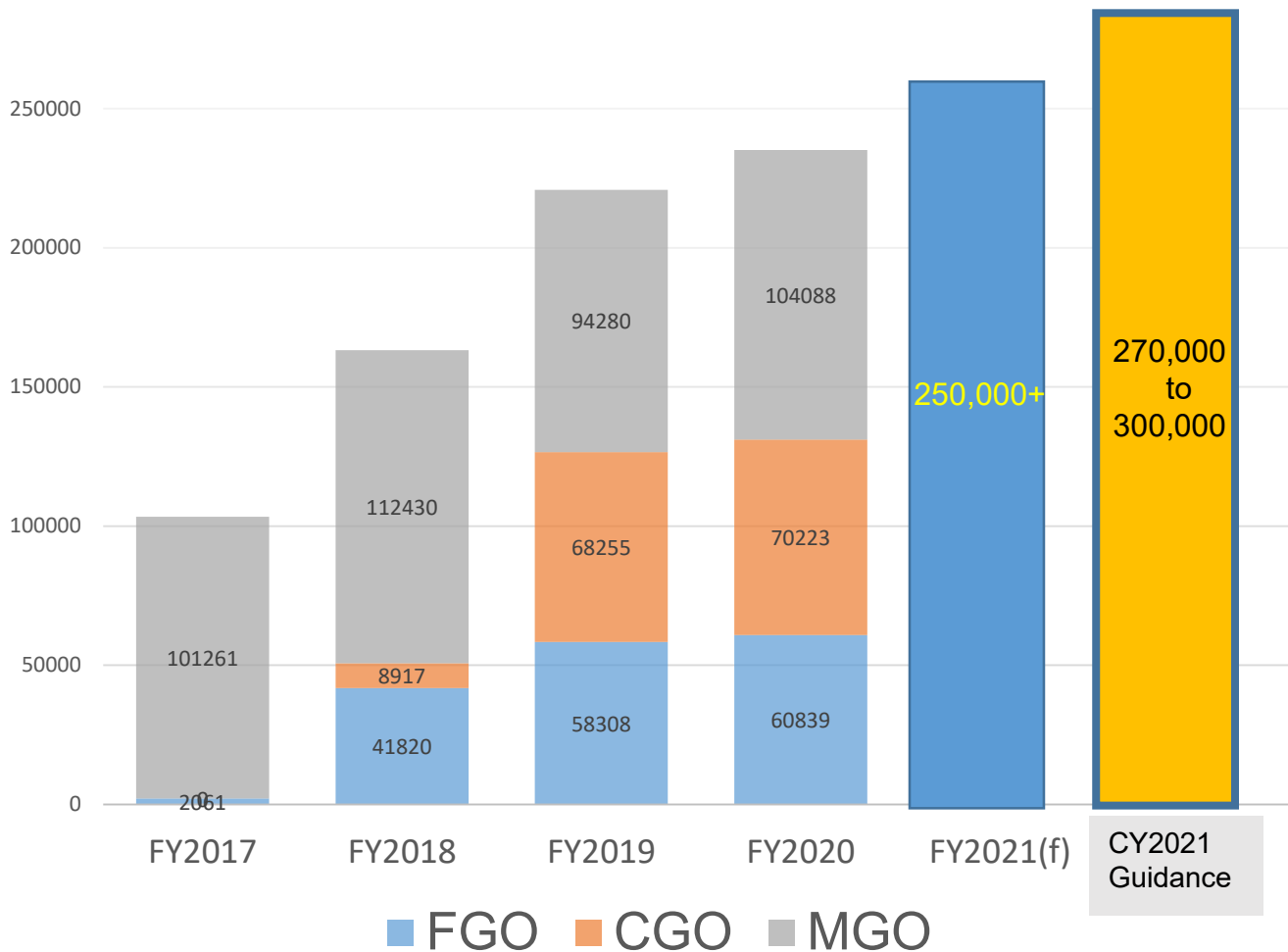
**Self-sufficient**

**Fiscally Strong**

**Long Life**

**High Margin**

## Output Growth In The Murchison





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## Forward Guidance (CY 2021 guidance advised 20/1/2021)

Gold Sales	270,000 – 300,000 oz
Cash Costs (C1) - A\$/oz	A\$1,200 – \$1,300/oz
AISC - A\$/oz	A\$1,450 - \$1,550/oz

Note: Back-end skewed along with ramp-ups

Quarter	Sales	C1 Cash Cost	AISC
Mar Q 2021	63,139 oz	A\$1,158/oz	A\$1,399/oz
Jun Q 2021	.....	....pending.....	.....

Still believe on track for CY guidance (COVID pending)

Focused

Increasing Output

Self-sufficient

Fiscally Strong

Long Life

High Margin



# Owner Operator - Underground Mining Services

**Focused**

**Increasing Output**

**Self-sufficient**

**Fiscally Strong**

**Long Life**

**High Margin**



Underground mining specialists with  
our own mining services division –  
Minterra Pty Ltd.







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## Owner Operator - Open Pit Mining Services

**Focused**

**Increasing Output**

**Self-sufficient**

**Fiscally Strong**

**Long Life**

**High Margin**



**UNIQUE - OWNER MINER**

**Focused**

**Increasing Output**

**Self-sufficient**

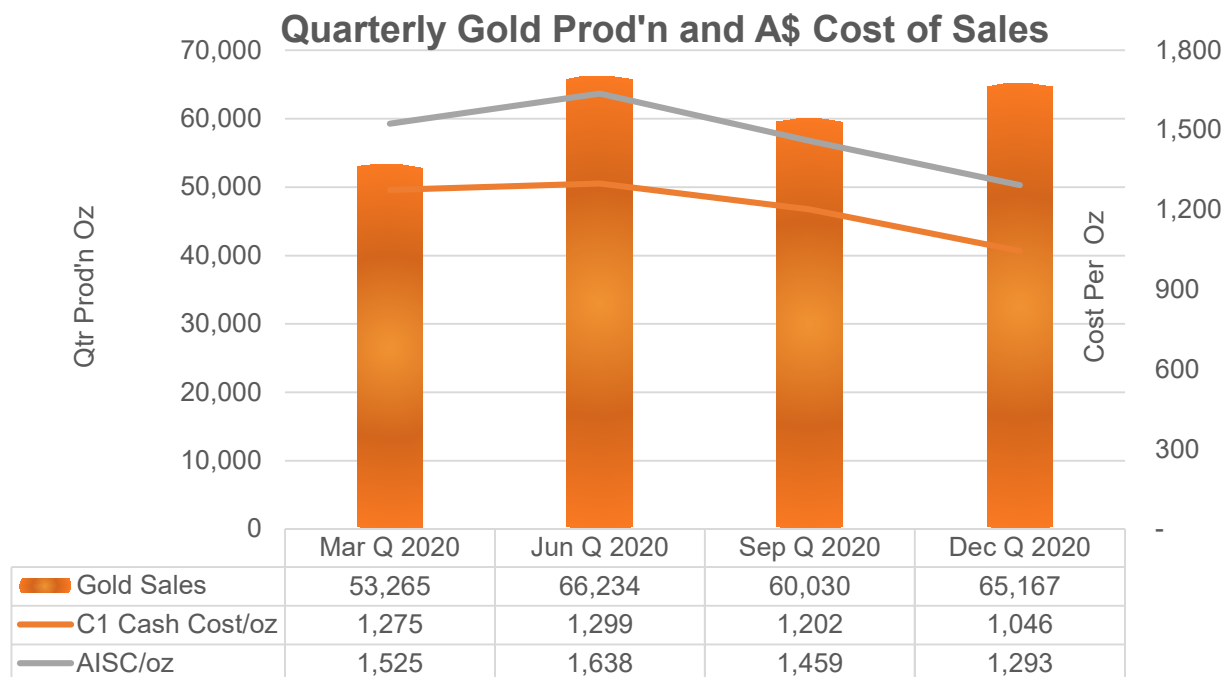
**Fiscally Strong**

**Long Life**

**High Margin**

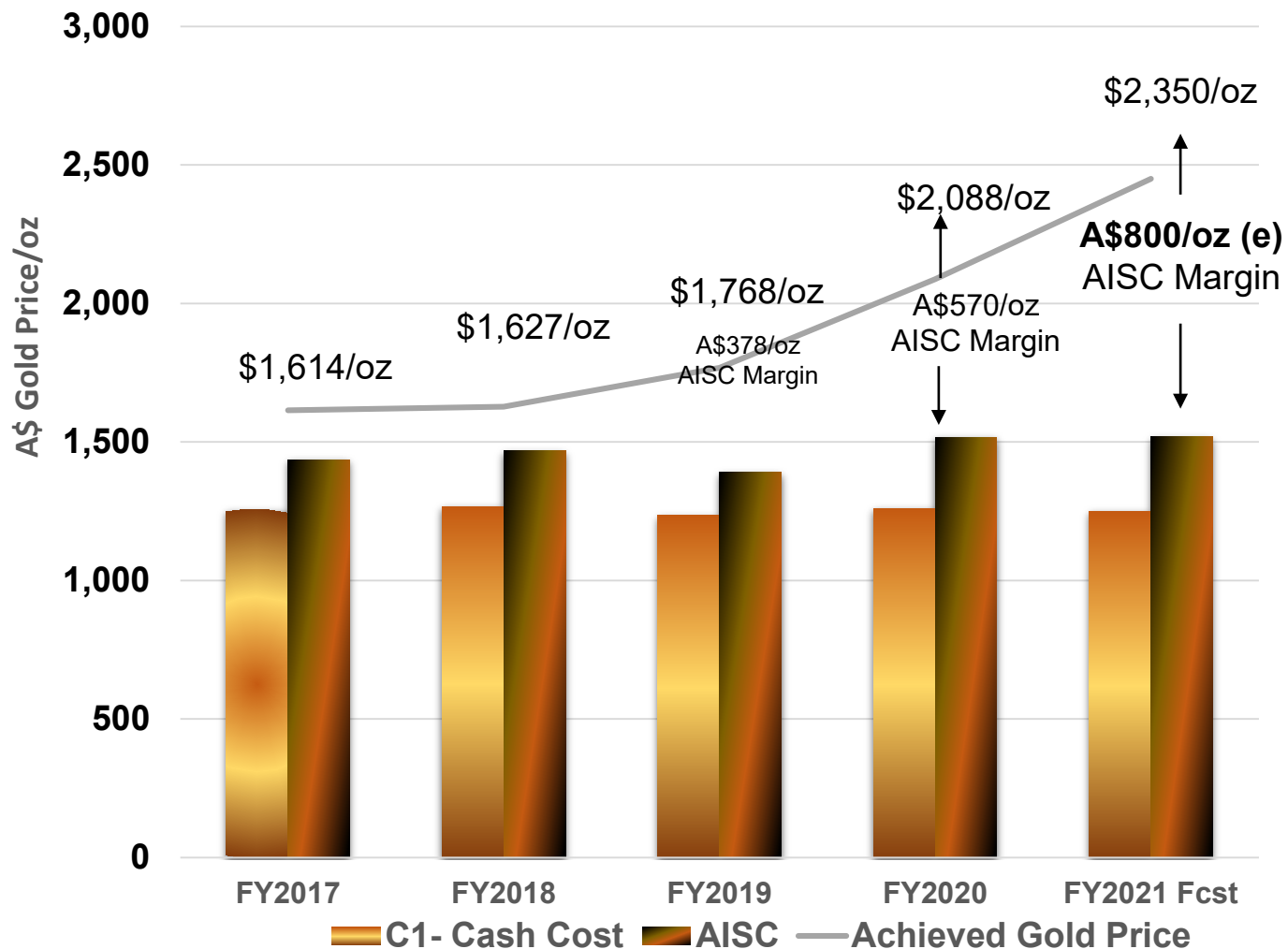
## Efficiency Gains - Reducing Unit Costs

- Owner-operators: high fixed cost business.
- Operating expenditure (ex-growth essentially fixed).
- As output increases unit costs decrease.
- Westgold costs have been reducing – industry increasing.



# Fix the Operating Costs – Ride the Margin

Focused  
 Increasing Output  
 Self-sufficient  
 Fiscally Strong  
 Long Life  
 High Margin





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## Growth Capex - Shifting to Sustaining

Focused

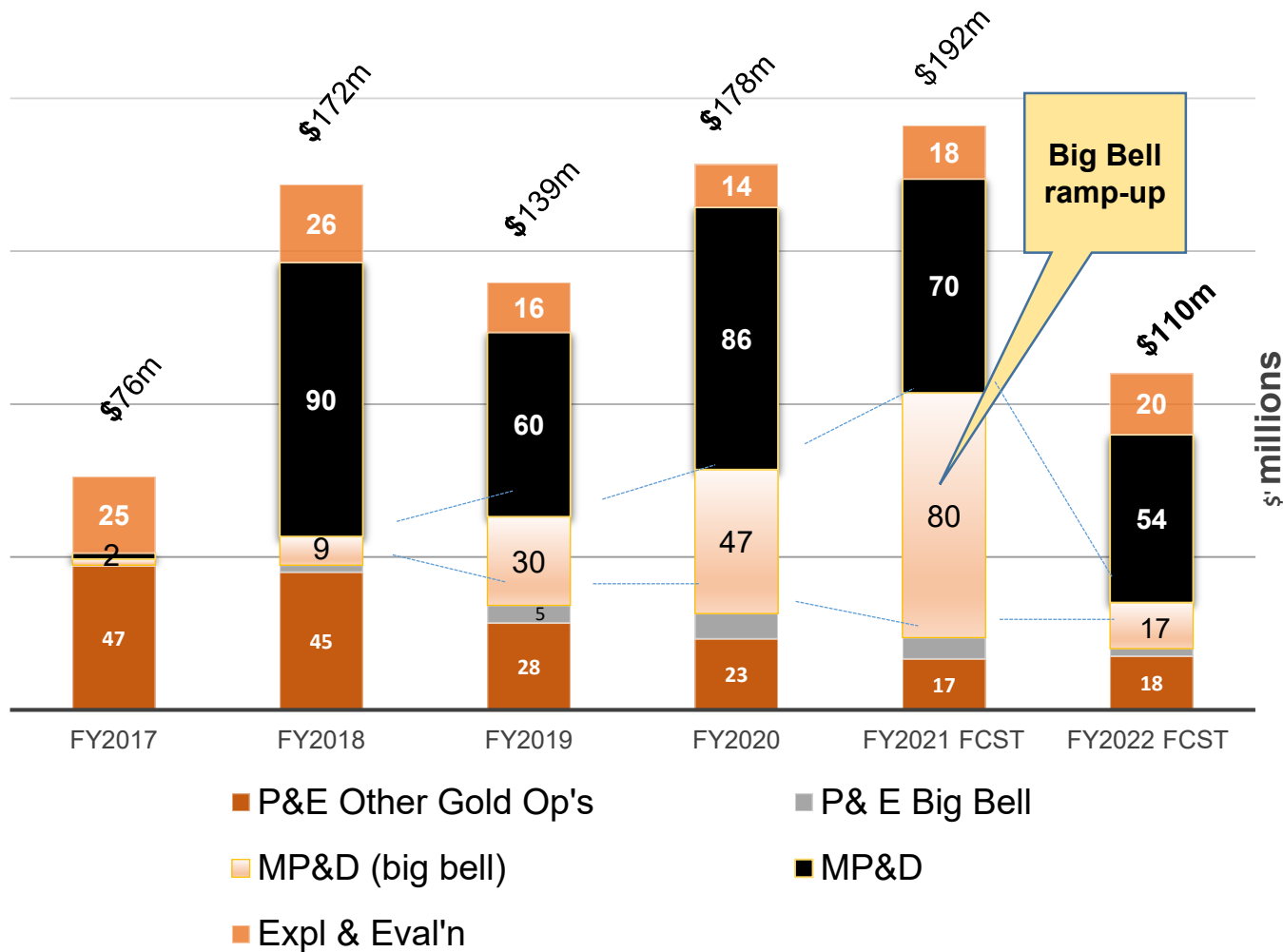
Increasing Output

Self-sufficient

Fiscally Strong

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# Scorecard Improving – HY Dec 2020 Results

Focused

Increasing Output

Self-sufficient

Fiscally Strong

Long Life

High Margin

	Dec 2020	Dec 2019	Variation	
Gold sales	125,197oz	115,697oz	8%	↑
Revenue	\$301.8 m	\$228.9 m	32%	↑
Net cash flow from operations	\$139.8 m	\$54.4 m	157%	↑
Profit before income tax	\$69.8 m	\$10.7 m	552%	↑
Profit after income tax	\$47.5 m	\$9.7 m	390%	↑
Basic profit per share	11.28c	2.46c	359%	↑
Hedges ounces	168,000oz	180,000oz	7%	↓
Average hedge price	\$2,083/oz	\$1,892/oz	10%	↑
Corporate Debt (Gold prepay facility)	\$0.0m	\$12.9m	Repaid in Full	
	Dec 2020	Jun 2020	Variation	
Closing cash & equiv.	\$161.9 m	\$137.6 m	18%	↑
Net assets	\$577.8m	\$521.9m	11%	↑

# Financially Engineered for Success

Focused

Increasing Output

Self-sufficient

Fiscally Strong

Long Life

High Margin

	31 December 2020 \$
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	161,904,518
Trade and other receivables	7,587,610
Inventories	51,503,145
Prepayments	2,142,243
Other financial assets	1,149,449
<b>Total current assets</b>	<b>224,286,965</b>
<b>NON-CURRENT ASSETS</b>	
Financial assets at fair value through pro	13,513,889
Property, plant and equipment	166,303,439
Mine properties and development costs	340,726,580
Exploration and evaluation expenditure	86,562,722
Right-of-use assets	7,737,425
<b>Total non-current assets</b>	<b>614,844,055</b>
<b>TOTAL ASSETS</b>	<b>839,131,020</b>
<b>CURRENT LIABILITIES</b>	
Trade and other payables	69,368,910
Provisions	11,035,514
Interest-bearing loans and borrowings	22,318,384
Unearned income	-
<b>Total current liabilities</b>	<b>102,722,808</b>
<b>NON-CURRENT LIABILITIES</b>	
Provisions	78,175,274
Interest-bearing loans and borrowings	18,329,986
Deferred tax liabilities	62,128,223
<b>Total non-current liabilities</b>	<b>158,633,483</b>
<b>TOTAL LIABILITIES</b>	<b>261,356,291</b>
<b>NET ASSETS</b>	<b>577,774,729</b>

Strong Cash & Bullion

Spares, Ore Stocks & GIC

3 Process Plants, 4  
camps o/pit & u/g mining  
fleet

7 Underground mines,  
5 open pits

6.25 million oz of  
resource not in reserves

Prov'n Enviro Rehab

Mine Equipment leases  
ROU contracts

A 10 year Regional Project  
with

**No Corporate Debt**



**WESTGOLD**  
RESOURCES LIMITED

# ESG – Our Footprint (from our June 30, 2020 ESG Report)

Focused  
on  
Improved  
ESG Outcomes



## OPERATING RESPONSIBLY

CO<sub>2</sub> Emissions

Scope 1 – 126Kt kt  
Scope 2 – 16 kt

Energy Used

Diesel – 2,354 Tj  
Gas 2 – 65 Tj

Water Usage

9.99GL

Progressive  
Rehabilitation

108 Ha

Material Environ  
Incidents

0

Regulatory  
Non-compliances

0



## CREATING ECONOMIC BENEFIT

Gross Regional Product

\$490 million

State Govt Royalties

\$13.37 million

Payroll Tax

\$8.48 million

Mining Tenement  
Rents & Rates

\$3.93 million

Mineral Resource  
Fund

\$0.72 million

Mine Safety Levy

\$0.57 million

Local Procurement

~ 95%

Native Title Payments

\$2.1 million



## A SAFE & DIVERSE WORKPLACE

Mine Fatalities

0

Lost Time Injury  
Frequency Rate

6.3

Medically Treated  
Injury Frequency Rate

20.9

Total Women  
in Workforce

13.6%

Total Women in  
Senior Management

63%

Total Women  
Job Applicants

3.9%

New Employees  
who are Women

10.7%

Total Employees

> 950

1

<4

# Trading Comparatives

## 2021 Forecast– World Gold Stocks

Size	P/E (avg)	P/CF (avg)	EV/EBITDA (avg)
Large Caps (>\$10bn US)	15.6	8.7	24.0
Mid Caps (>\$2bn < \$10bn US)	14.0	7.3	14.4
Small Caps (>\$1bn US)	14.0	6.6	16.3
Small Caps (< \$1bn US)	13.8	8.9	24.7
<b>Westgold</b>	<b>8.2</b>	<b>3.5</b>	<b>3.1</b>

Source Data: Refinitiv ( from Thomson Reuters May 2021)





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# Resource & Reserves Summary

(@ June 30, 2020) – JORC 2012

WESTGOLD RESOURCES LIMITED Mineral Resource Statement - Rounded for Reporting 30/06/2020			
Project	Tonnes ('000s)	Grade (g/t)	Ounces Au ('000s)
<b>Measured</b>			
CMGP (MGO + CGO)	5,545	3.27	583
FGO	740	3.57	85
<b>Sub-Total</b>	<b>6,285</b>	<b>3.31</b>	<b>668</b>
<b>Indicated</b>			
CMGP (MGO + CGO)	59,317	2.22	4,243
FGO	15,155	1.82	889
<b>Sub-Total</b>	<b>74,472</b>	<b>2.14</b>	<b>5,132</b>
<b>Inferred</b>			
CMGP (MGO + CGO)	41,472	1.99	2,656
FGO	5,400	1.98	343
<b>Sub-Total</b>	<b>46,872</b>	<b>1.99</b>	<b>2,999</b>
<b>Total</b>			
CMGP (MGO + CGO)	106,335	2.19	7,482
FGO	21,295	1.92	1,317
<b>Grand Total</b>	<b>127,629</b>	<b>2.14</b>	<b>8,799</b>

**Total Resource  
8.8 Million Oz's**

WESTGOLD RESOURCES LIMITED Ore Reserve Statement - Rounded for Reporting 30/06/2020			
Project	Tonnes ('000s)	Grade (g/t)	Ounces Au ('000s)
<b>Proven</b>			
CMGP (MGO + CGO)	3,467	2.64	295
FGO	655	2.59	55
<b>Sub-Total</b>	<b>4,122</b>	<b>2.64</b>	<b>349</b>
<b>Probable</b>			
CMGP (MGO + CGO)	22,147	2.62	1,863
FGO	5,817	1.83	343
<b>Sub-Total</b>	<b>27,964</b>	<b>2.45</b>	<b>2,206</b>
<b>Total</b>			
CMGP (MGO + CGO)	25,615	2.62	2,158
FGO	6,471	1.91	398
<b>Grand Total</b>	<b>32,086</b>	<b>2.48</b>	<b>2,555</b>

**Total Reserves  
2.56 Million Oz's**

Focused

Increasing Output

Self-sufficient

Fiscally Strong

Long Life

High Margin