

WESTGOLD RESOURCES LIMITED [ASX: WGX]

SEPTEMBER QUARTERLY OVERVIEW

27 October 2021

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.

SEPTEMBER QUARTER - Highlights

- **Maiden cash dividend - 2 cents [unfranked] paid** - after 2021 NPAT of \$77M
- **Record quarterly gold production of 66,173 oz** – up 16% from June quarter 2021 and on track with guidance
- **Cash cost of sales (C1) of A\$1,325/oz** – mid-range of guidance
- **All-in Sustaining Costs (AISC) of A\$1,582/oz** – mid-range of guidance
- **Closing cash, bullion and liquid assets of A\$139M.**
- **Notional revenue of \$153M** - from an achieved gold price of A\$2,322/oz
- **Capital expenditure of A\$54M** – including A\$11M sustaining capex, A\$31M growth capex with Big Bell capex rolling over and open pit pre-strips. Plant and equipment capex was A\$7M across the group and resource definition and exploration spend of A\$5M
- **Mine operating cash flow of A\$5M**
- **Company's hedge book at end of quarter was 156,000 oz** - at an average of A\$2,179/oz
- **Record monthly mine production in September at several mines** - Big Bell [79,000t], Bluebird [31,000t] and Comet [30,000t]
- **Near mine and regional exploration activities accelerated**
 - resource definition drilling at key operating underground mines
 - maiden surface drilling programme at Comet North and
 - roll-out of the revitalised regional exploration and growth strategy accelerated during the quarter
- **Westgold lodges takeover offer for regional neighbour Gascoyne Resources Limited [ASX: GCY]**



FY22 GUIDANCE



Murchison [MGO+CGO]

Big Bell UG

Comet UG

South Emu – Triton UG

Bluebird UG

Paddy's Flat UG

Open Pits

+210,000 oz



Bryah [FGO]

Starlight UG

Open Pits

+60,000 oz

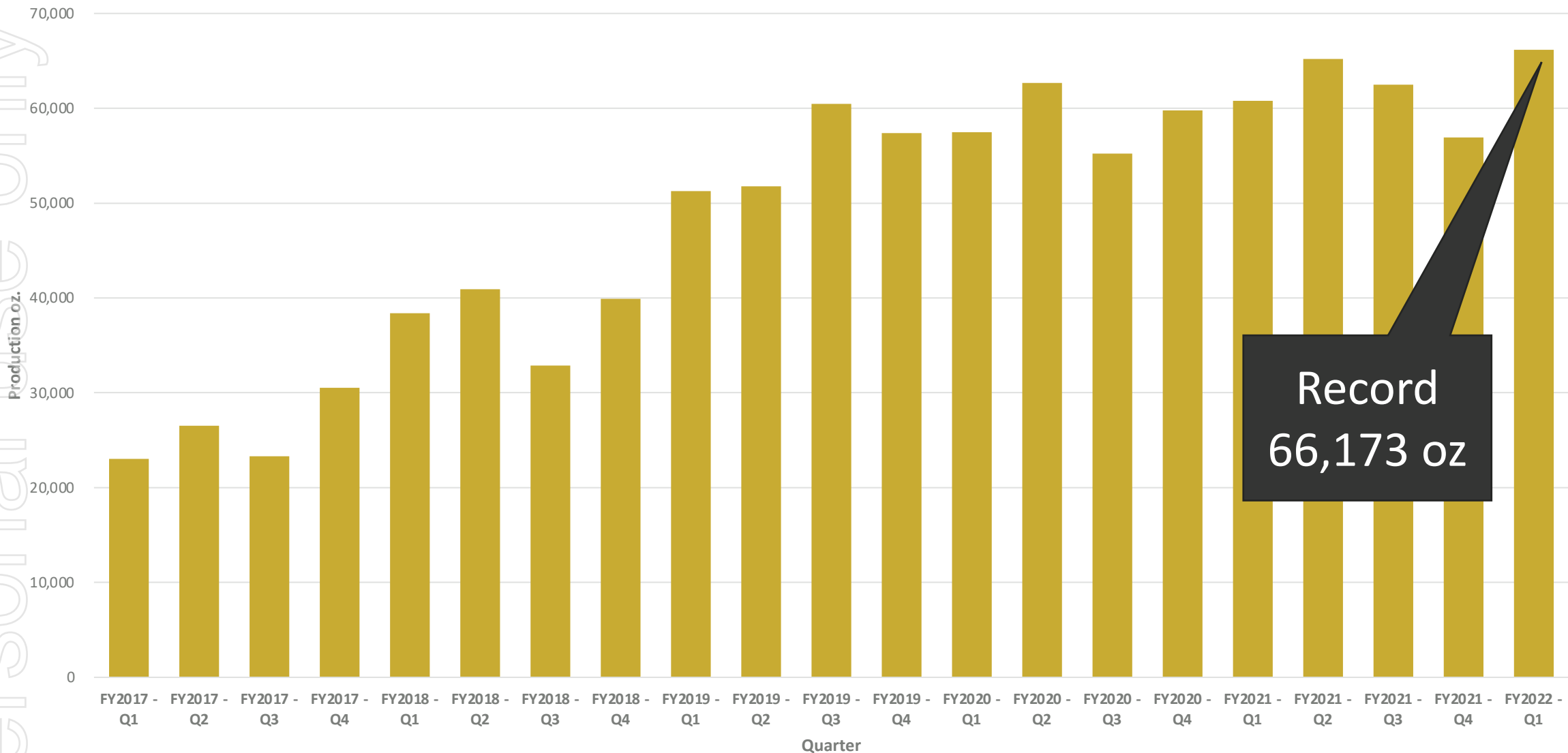


FY22 guidance +270,000 oz
@ A\$1,500 – A\$1,700 oz

RECORD PRODUCTION – Murchison + Bryah Operations

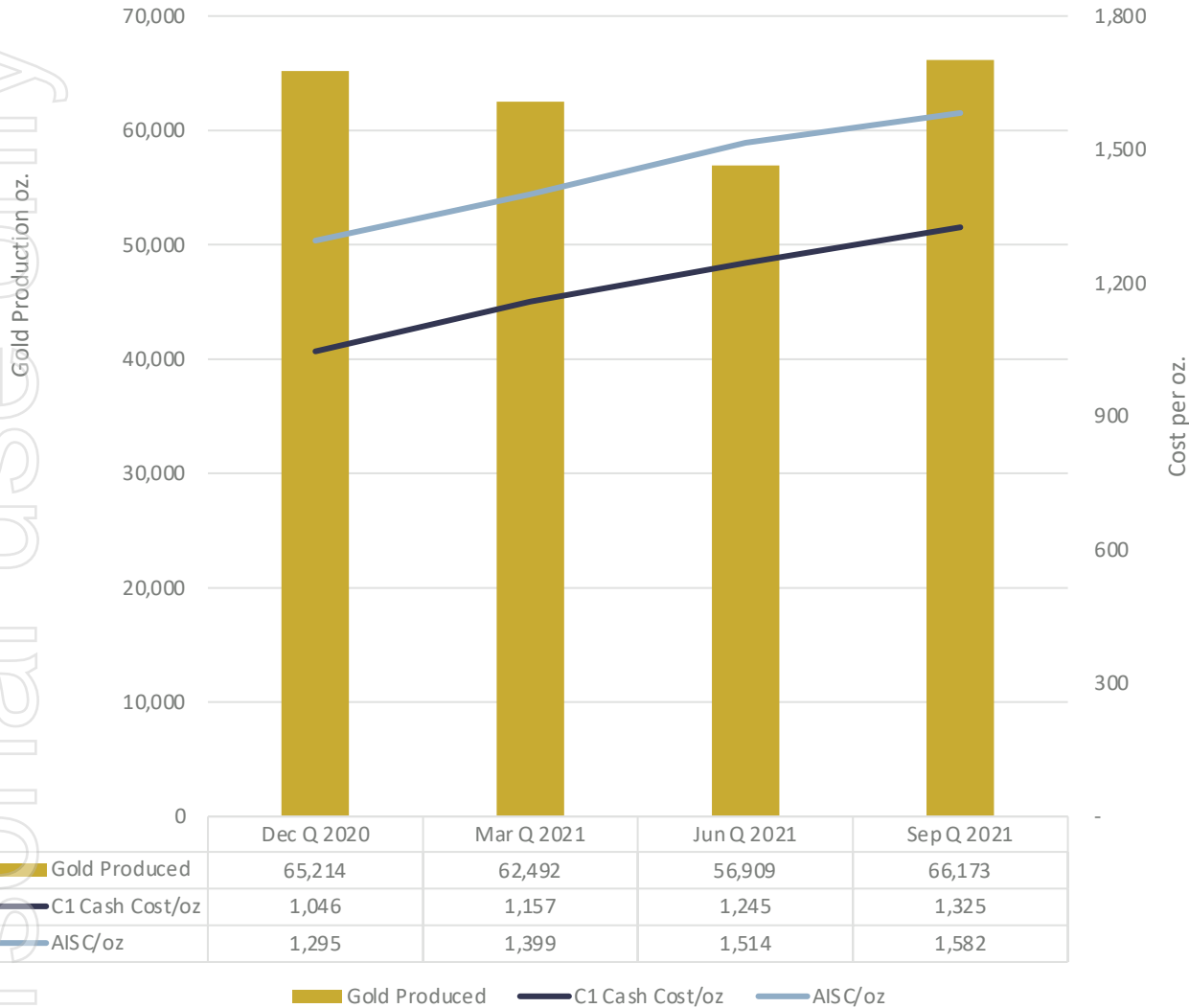





Westgold Quarterly Gold Production since 2017 [Murchison + Bryah Operations]



Q1 FY22 - Scorecard

Group Gold Production and A\$ Costs



	FY22 Guidance	Q1 FY22	Result
Production	+270,000 oz	66,173	Record quarter 
C1	A\$1,250 – 1,400	1,325	Within guidance 
AISC	A\$1,500 – 1,700	1,582	Within guidance 

Q1 FY22 – Group Results

		MGO Sept Qtr FY22	CGO Sept Qtr FY22	FGO Sept Qtr FY22	Group Total Sept Qtr FY22	Group Total FYTD
Physical Summary	Units					
ROM - UG Ore Mined	t	348,230	255,102	184,036	787,367	787,367
UG Grade Mined	g/t	2.41	2.84	2.83	2.65	2.65
OP Ore Mined	t	101,753	115,158	0	216,911	216,911
OP Grade Mined	g/t	1.10	1.98	0.00	1.57	1.57
All Ores Processed	t	444,619	333,480	203,271	981,370	981,370
Head Grade	g/t	2.08	2.52	2.52	2.32	2.32
Recovery	%	87.6	90.1	94.8	89.9	89.9
Gold Produced	oz	26,115	24,422	15,636	66,173	66,173
Gold Sold	oz	19,239	18,248	12,676	50,163	50,163
Achieved Gold Price	A\$/oz	2,314	2,320	2,336	2,322	2,322
Cost Summary	Units					
Mining	A\$/oz	1,052	1,100	825	1,016	1,016
Processing	A\$/oz	400	322	344	358	358
Admin	A\$/oz	75	74	73	74	74
Stockpile adjustments	A\$/oz	(27)	(217)	(135)	(123)	(123)
C1 Cash Cost (produced)	A\$/oz	1,500	1,279	1,107	1,325	1,325
Royalties	A\$/oz	107	52	58	76	76
C2 Cash Cost (produced)	A\$/oz	1,607	1,331	1,165	1,401	1,401
Corp.Costs/Reclaim. etc	A\$/oz	10	11	22	13	13
Sustaining Capital	A\$/oz	243	63	206	168	168
All-in Sustaining Costs	A\$/oz	1,860	1,405	1,393	1,582	1,582
Cash Flow Summary						
Mine Operating Cash Flow	A\$ m	(4.5)	3.0	6.1	4.6	4.6
Growth/Start-up Capital	A\$ m	(10.4)	(17.7)	(3.3)	(31.4)	(31.4)
Plant and Equipment	A\$ m	(3.2)	(2.3)	(1.2)	(6.7)	(6.7)
Net Mine Cash Flow	A\$ m	(18.1)	(17.0)	1.6	(33.5)	(33.5)
Exploration Summary						
Exploration Spend	A\$ m	(3.1)	(1.3)	(0.8)	(5.2)	(5.2)

■ MGO

■ Paddy's Flat UG

- New management in place
- Sequencing – mining through LG and remnant zones

■ Bluebird UG – 31,000t record in September

■ CGO

■ Big Bell UG - 79,000t record in September

■ Comet UG - 30,000t record in September

■ Jim's Find O/P - grade up for quarter

■ FGO

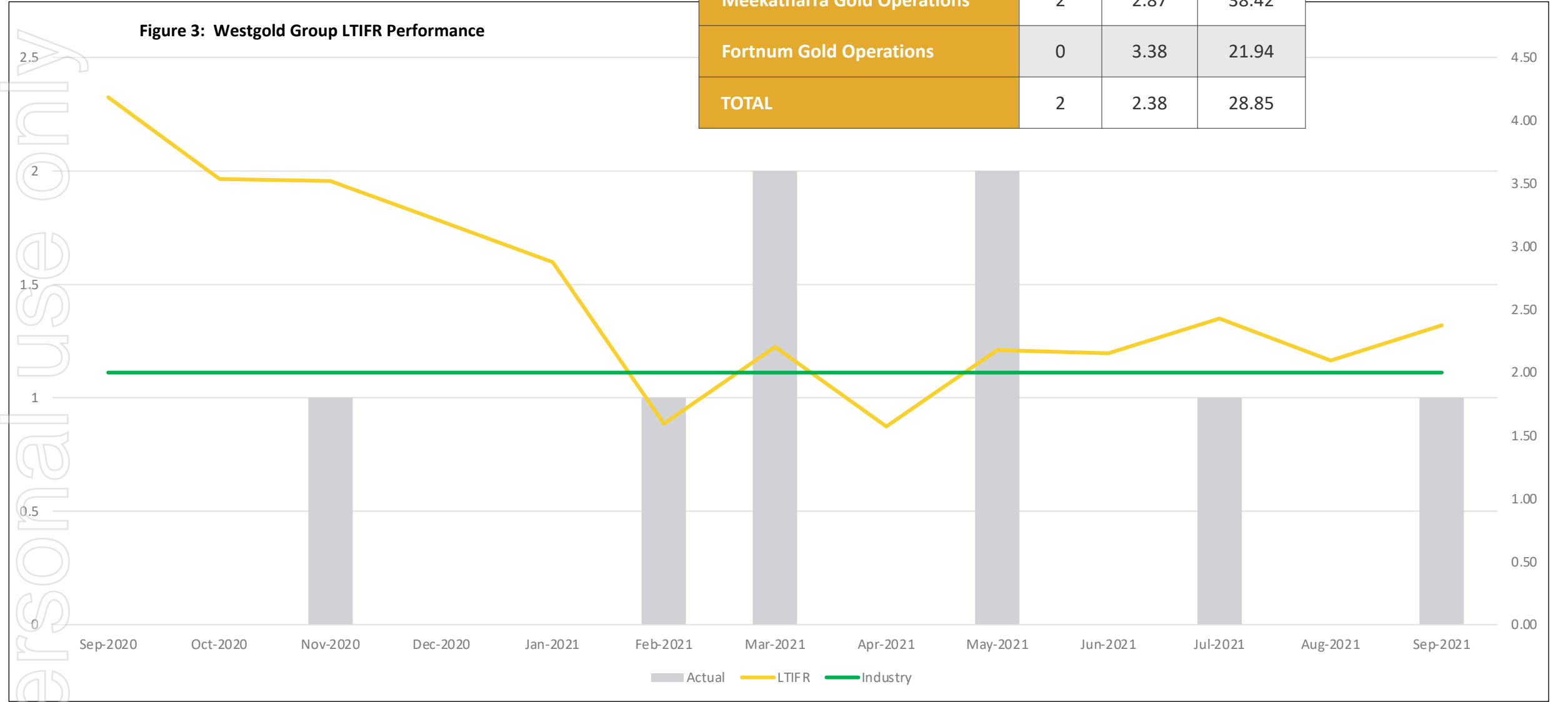
■ Extensional drilling accelerated

Q1 FY22 – Safety Statistics



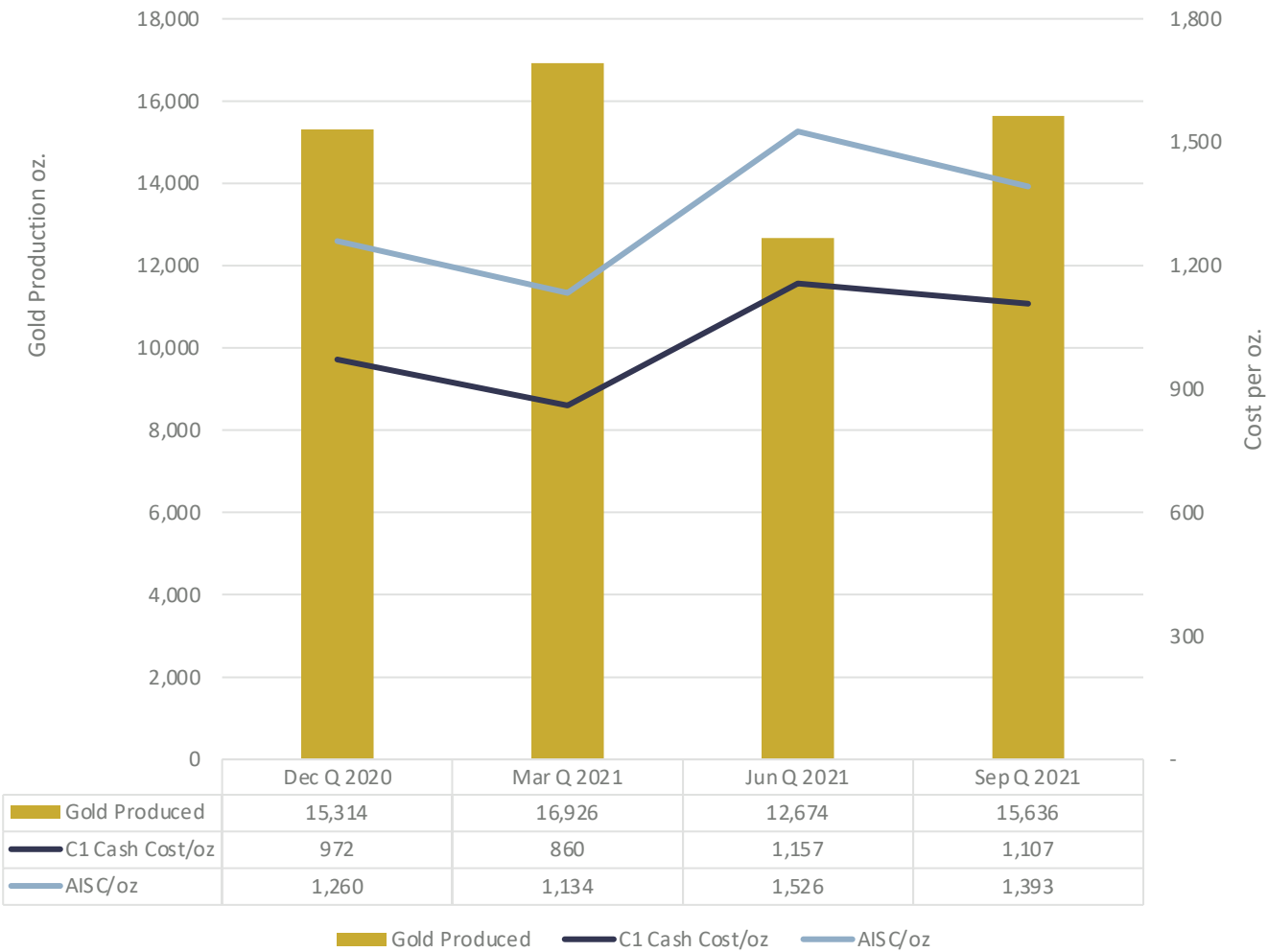
Site	LTI	LTIFR	TRIFR 12MMA
Cue Gold Operations	0	1.48	21.52
Meekatharra Gold Operations	2	2.87	38.42
Fortnum Gold Operations	0	3.38	21.94
TOTAL	2	2.38	28.85

Figure 3: Westgold Group LTIFR Performance



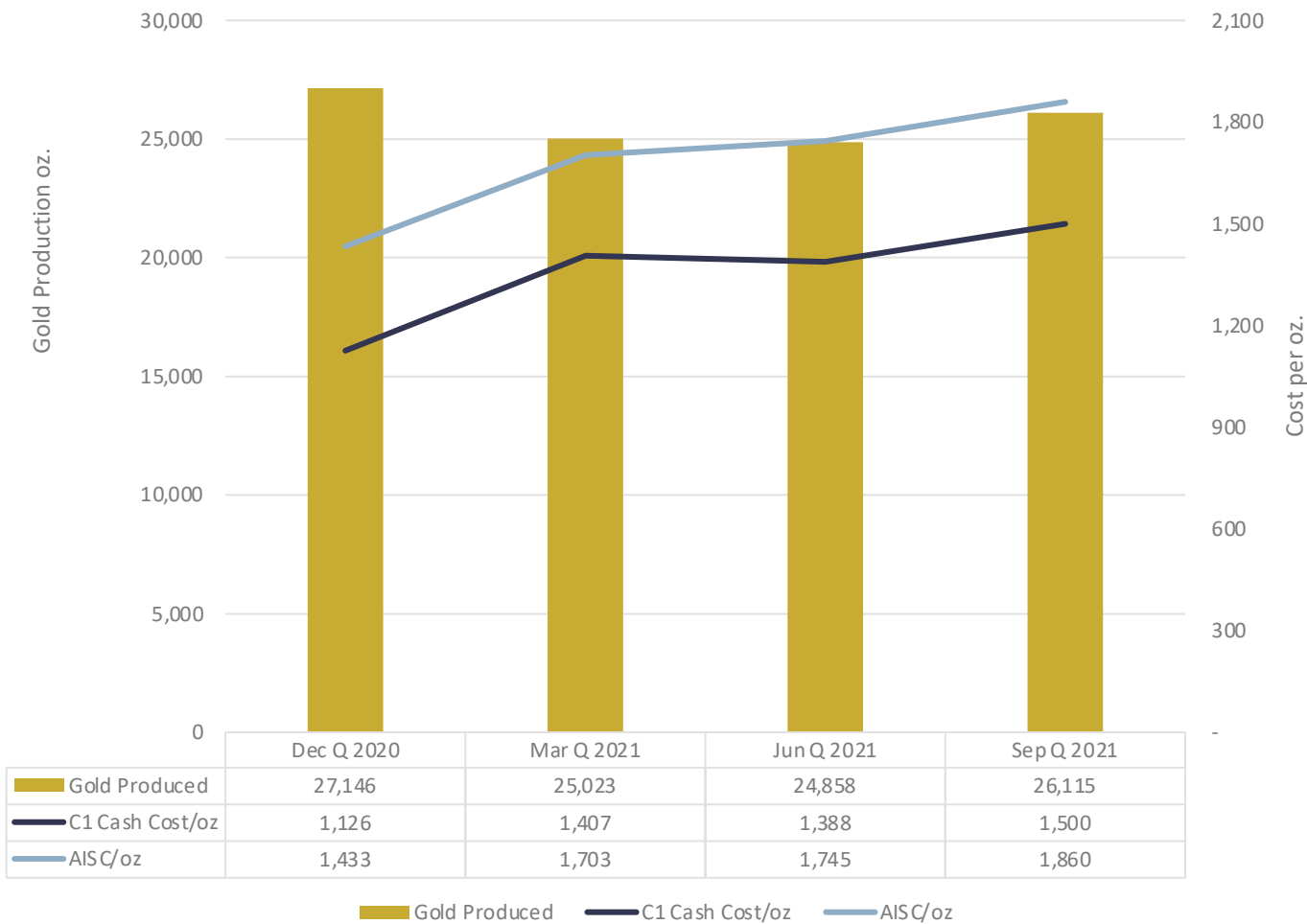
- Gold production for the quarter was 15,636 oz with Cash cost of sales (C1) of A\$1,107/oz and AISC of A\$1,393/oz, generating a mine operating cash flow of \$6M
- Starlight underground mine continues to be the prime high-grade production source at Fortnum
- Fortnum processing hub continued to perform well milling 203,271t at 2.52 g/t Au for 15,636 oz with the mill operating at 94.8% metallurgical recovery.

FGO Gold Production and A\$ Costs

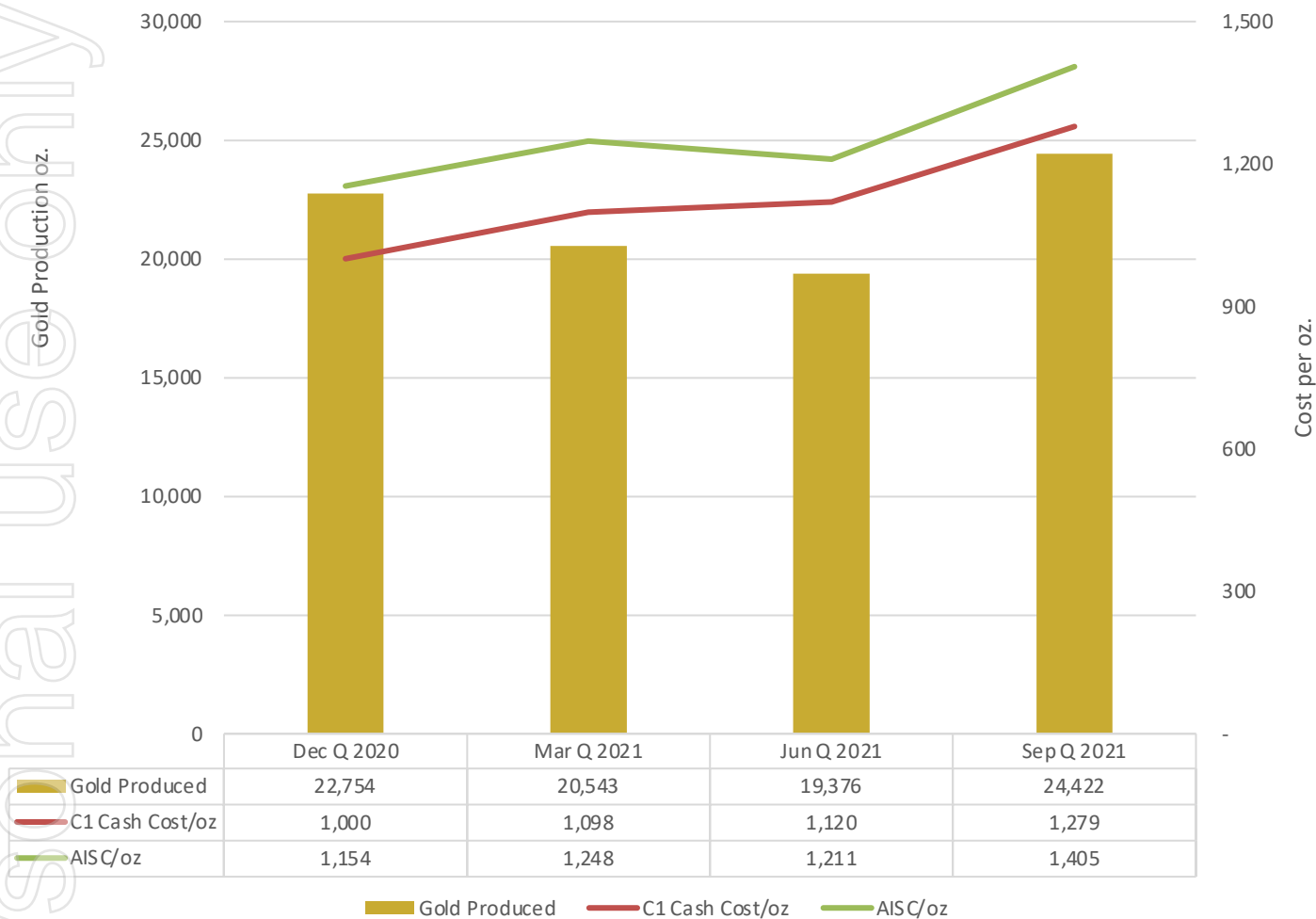


- Gold production for the quarter was 26,115 oz with Cash cost of sales (C1) of A\$1,500/oz and AISC of A\$1,860/oz generating a mine operating cash flow of (A\$5M) for the quarter
- Production suffered from some short-term head grade reductions from the three primary underground mines as they developed through lower grade regions
- December will see an improvement in both grade and volume of ore, resultant from the mine plan developing into the higher-grade endowment regions across the mines
- The Bluebird processing hub performed strongly with throughput at 444,619t for the quarter and in-line with the upper end of the 1.6-1.8 million tonne plant capacity

MGO Gold Production and A\$ Costs



CGO Gold Production and A\$ Costs



- Gold production for the quarter was 24,422 oz with Cash cost of sales (C1) of A\$1,279/oz and AISC of A\$1,405/oz, generating a mine operating cash flow of A\$3M from an average achieved gold price of A\$2,320/oz
- Big Bell is the primary ore source feeding the Tuckabianna processing hub and the mine continues its upward trajectory in both grade and tonnage and achieved a record monthly production of 79,000t in September
- Following in the Big Bell tracks, the smaller Comet underground also achieved a project to date record production of 30,000t in September
- The Tuckabianna processing hub performed strongly with throughput of 333,480t at 2.52 g/t Au and 90.1% metallurgical recovery



RESOURCE DEFINITION DRILLING



- Substantial resource definition drilling programs completed at various operations during the September quarter.
- Encouraging results returned from many areas including down-plunge extensional drilling at the Starlight UG mine at FGO:
 - **7.0m @ 5.97g/t Au & 4.88m @ 6.26g/t Au in hole ST1044RD14**
 - **10.98m @ 4.62g/t Au from hole ST1044RD20**
 - **2.24m @ 12.13g/t Au from hole ST1044RD23**

Board Changes

- As announced on 30 July 2021 the Company's founder, inaugural Managing Director and subsequently Executive Chairman, Mr Peter Cook has transitioned to Non-Executive Chairman as of 1 August 2021 and Non-Executive Director Mr Wayne Bramwell moved to an Executive Director role from that date.

FY22 Guidance

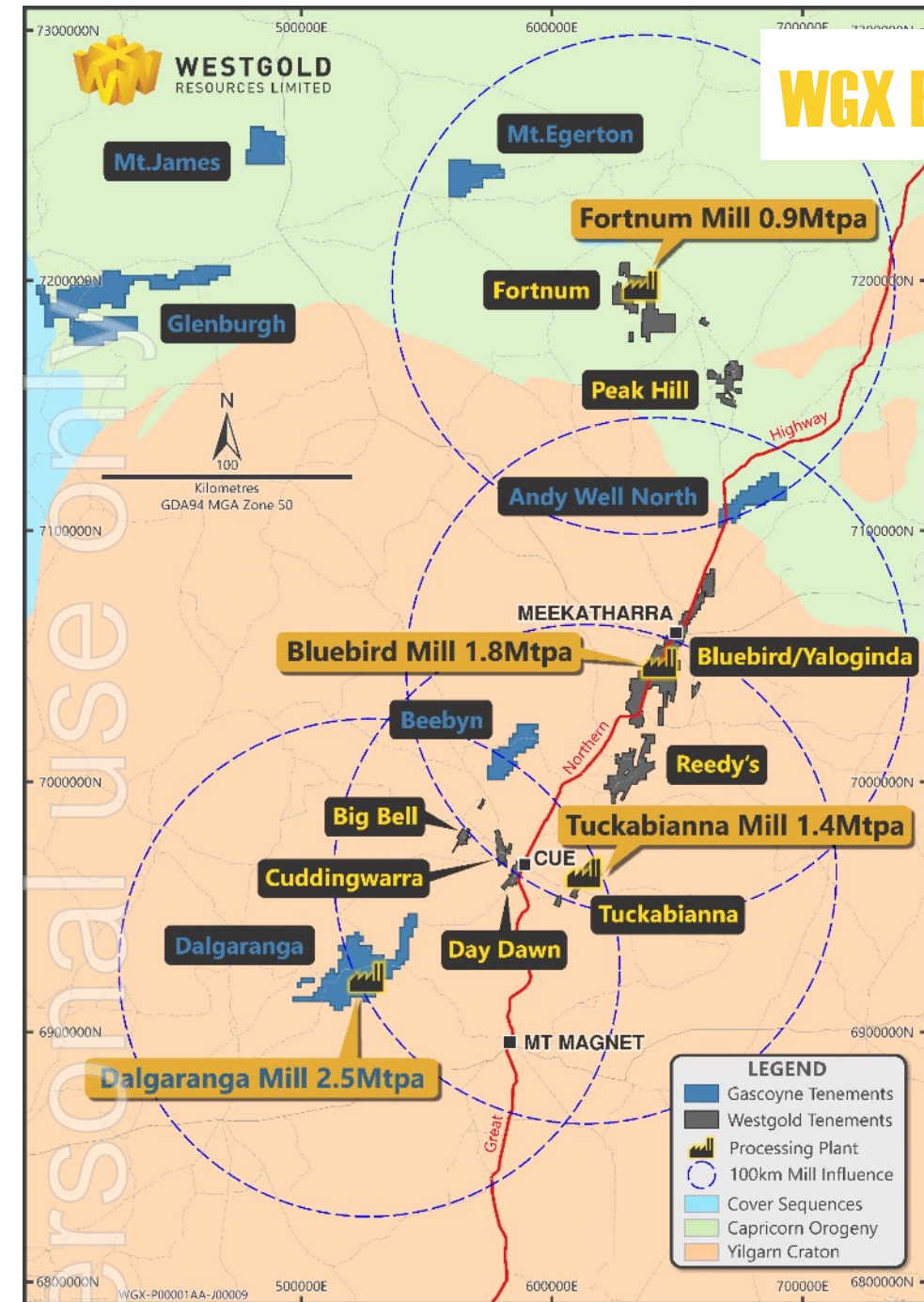
On 3 August 2021 Westgold announced its gold production guidance for financial year 2021-22 [FY22] to the market.

- Group Gold Production** **+270,000 oz**
- Cash cost of sales [C1]** **A\$1,250 – 1,400 oz**
- All in sustaining cost [AISC]** **A\$1,500 – 1,700 oz**

Maiden Cash Dividend

- On 30 August 2021 Westgold announced that the Board approved a maiden cash dividend of 2.0 cents [unfranked] per fully paid share in recognition of the Company's improved financial performance for FY21 and revised its dividend reinvestment plan [DRP]. The issue price for shares under the DRP being at a 7.5% discount to the daily volume weighted average [VWAP] of the Company's share price for the 5 business days from the commencing of trading after the record date.

WGX BIDS FOR GASCOYNE – An Infrastructure Option



WESTGOLD RESOURCES LIMITED [ASX: WGX]



WESTGOLD
RESOURCES LIMITED

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