

Westgold Resources Limited: Higginsville Expansion Plan

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Debottlenecking to increase throughput and expansion to 2.6Mtpa to enhance operating margins in Southern Goldfields

[Westgold Resources Limited](#) (ASX: WGX) (TSX: WGX) (Westgold or the Company) is pleased to provide this summary of the Scoping Study into the potential expansion of the Company's existing 1.6Mtpa Higginsville Processing Plant at Higginsville, Western Australia to 2.6Mtpa (Higginsville Expansion Plan - HXP).

HIGHLIGHTS

- The HXP Scoping Study evaluates the expansion of the existing 1.6Mtpa Higginsville processing plant to 2.6Mtpa - reducing the operating cost per tonne of a large facility that can be further expanded as resource opportunities grow
- The HXP increases steady state gold production at Higginsville from 87kozpa to between 122kozpa and 160kozpa (at the historic 1 August 2024 Ore Reserve grade of 1.9g/t¹)
- The HXP is expected to reduce current processing costs from ~36\$/t to ~33\$/t and the Southern Goldfields mid-point AISC by ~A\$142/oz
- The HXP Scoping Study is financially compelling:
 - Modest mid-point capital requirements of ~A\$92M - largely funded from A\$85M sale of Lakewood
 - Mid-point IRR of 37% - with a mid-point payback of 2.1 years @ A\$3,200/ounce gold price
 - Brings forward A\$135M - \$279M of cash flow - @ A\$3,200/ounce gold price
- The HXP Scoping Study outcomes are based on 2024 reserves only - and does not incorporate any debottlenecking improvements of the existing 1.6Mtpa Higginsville processing plant, cost benefits from conversion to hybrid energy and ongoing resource/reserve conversion or exploration success at Beta Hunt, Two Boys or regional open pit targets
- Debottlenecking the existing plant is in progress - to lift throughput from current production rate of 1.6Mtpa
- Detailed engineering study to commence - to improve the order of accuracy of the 2.6Mtpa expansion case to support a financial investment decision in FY26

¹ To be updated in the next phase of study with the 2025 Reserve and Resource update

Cautionary Statement

The HXP Scoping Study is based on an order of magnitude technical and economic assessment and is insufficient to support estimation of new Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusion of the HXP Scoping Study will be realised.

The HXP Scoping Study referred to in this ASX release has been undertaken to evaluate the potential expansion of the Higginsville Processing Plant.

The HXP Scoping Study has been prepared on a 100% basis and is a preliminary technical and economic study of the potential viability of the expanded Higginsville facility. It is based on technical and economic assessments that are sufficient to support estimation of Ore Reserves reported (as at 1 August 2024) for the Southern Goldfields Operations which are included within the project production schedule. The HXP Scoping

Study has been completed to a level of accuracy of +/- 35% for operating costs, capital costs and financial outcomes.

The Company believes that it has a reasonable basis for providing these forward-looking statements and the forecast financial information based on material assumptions outlined in this release.

While the Company considers all the material assumptions used in the HXP Scoping Study to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the HXP Scoping Study will be achieved.

One of the key assumptions is that the funding for the expansion of the Higginsville Processing Plant will be available when required. To achieve the outcomes indicated in the HXP Scoping Study, funding of \$60M-\$124M will be required.

The Company has at 31 December 2024 \$153M of cash, bullion and liquid investments (refer ASX - 23 January 2025, December 2024 Quarterly Results). On 28 October 2024, Westgold announced it had executed a commitment letter with its existing lenders to increase its \$100 million Syndicated Facility Agreement to \$300 million through the addition of a new \$200M facility. In Q2 FY25, Westgold drew down \$50 million of the facility.

In addition, on 25 February 2025, Westgold announced the sale of the higher cost Lakewood Processing Plant at Kalgoorlie for \$85M, comprising \$70M in cash and \$15M in scrip. As of 31 March 2025, Westgold had received the scrip and \$25M in cash, with an additional \$20M payment due by 30 June 2025 and the final cash payment of \$25M on 30 November 2025.

Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the HXP Scoping Study.

Westgold Managing Director and CEO Wayne Bramwell commented:

"Westgold's strategy is to drive our cost base lower and increase free cash generation by expanding and improving outputs at our largest mines and processing plants across our portfolio.

The HXP Scoping Study closely aligns with this strategy and showcases the value that modest capital investment can deliver by expanding this existing 1.6Mtpa processing plant to circa 2.6Mtpa. The increased processing capacity lowers Higginsville's operating cost and can increase steady state gold production from 87kozpa to between 122kozpa and 160kozpa (at the historic 1 August 2024 Ore Reserve grade of 1.9g/t²)

An expanded, lower cost 2.6Mtpa Higginsville mill will also enable greater resource development opportunities across the Southern Goldfields portfolio. Exploration and resource conversion within the Beta Hunt and Two Boys underground mines is advancing rapidly with open pit opportunities around Higginsville currently being tested.

Debottlenecking of the existing Higginsville mill has commenced with the next phase of the Higginsville detailed engineering study to commence immediately, with a view to making a financial investment decision on the HXP during FY26."

² To be updated in the next phase of study with the 2025 Reserve and Resource update

Westgold's Southern Goldfields Assets - An Overview

Westgold's Southern Goldfields portfolio includes the large Beta Hunt underground at Kambalda, the smaller Two Boys underground at Higginsville, a 1.6Mtpa processing plant and associated processing infrastructure, and 244 live mining tenements (as of 30 June 2024). The processing plant is located at Higginsville, Western

Australia, approximately 80 km south of the Beta Hunt Mine (Figure 2).

The Higginsville Processing Plant is a conventional carbon-in-leach (CIL) processing plant built by GR Engineering Services and commissioned in 2008. The original plant design capacity was 1.0 Mtpa, with subsequent upgrades and modifications, taking the capacity to 1.6 Mtpa.

Higginsville is currently fed by the Beta Hunt and Two Boys underground mines. Open pit mining at Higginsville has recently recommenced at Lake Cowan, with these pits providing a softer oxide ore source to Higginsville.

Higginsville Expansion Plan (HXP) - Summary

The HXP Scoping Study reviewed multiple plant expansion scenarios ranging from 2.6Mtpa to 4.0Mtpa.

The HXP expansion, as defined in this release, refers to Westgold's preferred option - a 1.0Mtpa³ increase in processing capacity of the existing Higginsville plant from 1.6Mtpa to 2.6Mtpa, that can be further expanded, once regional mine outputs can sustainably exceed 2.6Mtpa.

This HXP expansion is achieved via the replacement of the existing four stage crushing circuit with primary crushing, a 5.5MW SAG mill, and a pebble crusher tied into the existing ball mill. Other downstream modifications including a pre-leach thickener and an additional leach tank is incorporated to allow for increased volumetric flow while maintaining circuit residence time and recovery.

This expansion balances capital efficiency, financial returns, operating risk, and implementation time.

The HXP is also intentionally designed to provide optionality over another expansion in the future, once resource conversion increases the output of our existing Southern Goldfields mines and exploration delivers new targets.

Note that all HXP Scoping Study figures represented below are mid-point values.

Key outputs of the HXP Scoping Study include (see Tables 1-3 for further details, including appropriate ranges):

- Modest capital outlay of approximately A\$92M - and delivers a 1.0Mtpa expansion of the existing plant to 2.6Mtpa.
- Increases steady state annual gold production by approximately 55kozpa - from 87kozpa to 141kozpa
- Reduces operating costs in the Southern Goldfields from ~36\$/t to ~33\$/t - and the Southern Goldfields mid-point AISC by ~\$142/oz
- Brings forward approximately A\$207M in free cash flow at a A\$3,200/oz gold price - A\$808M at spot gold of A\$5,213/oz⁴ on 11 April 2025.
- Delivers an internal rate of return of 37% - and a 2.1-year payback
- Establishes a 2.6Mtpa processing facility - that can be further expanded as mine outputs grow.

³ Additional debottlenecking planned for the existing Higginsville Processing Plant is outside the scope of this study and would be additive the combined capacity of the expanded facility.

⁴ US\$3,231 LBMA gold price at 0.6197 AUD:USD from Reserve Bank of Australia on 11 April 2025

Table 1 - Summary of HXP Study Inputs and Results @ A\$3,200/oz gold price

Key Study Inputs	Units Base Case		2.6 Mtpa Expansion	
	1.6 Mtpa Existing			
Plant Capacity	Mtpa	1.6	2.6	
Total Ore Processed	Mt	20.358	20.358	
Mine Life	y	12.7	8.7	
Gold Produced	koz	1,103	1,103	
Key Study Results			Mid	Min - Max
Expansion Capital	\$M	N/A	92	60 - 124
Processing Opex	\$/t	36	33	22 - 48
Δ Processing Opex	\$/t	0	(3)	(2) - (4)
Max Δ Cumulative Pre-Tax Cash Flow	\$M	0	207	135 - 279
LOM Cumulative Pre-Tax Cash Flow	\$M	486	550	358 - 743
NPV _(8%)	\$M	298	350	228 - 473
AISC	\$M	2,760	2,618	1,702 - 3,534
Δ AISC	\$/oz	0	(142)	(92) - (192)
Payback Period	y	N/A	2.1	1.4 - 2.8
IRR	%	N/A	37	24 - 50

Key Study Outcomes and Assumptions

The HXP Scoping Study assumes a conservative two-year period to reach an expanded steady state (circa 2.6Mtpa) from the final investment decision (FID). All cases assume processing the entire current Southern Goldfields Ore Reserve of 20.4Mt at 1.9g/t⁶ for 1.2Moz at its current average grade, without specific timing or sequencing assumptions for individual ore bodies within the Southern Goldfields.

The HXP Scoping Study excludes depletion since the date of the Ore Reserve statement (1 August 2024) and production from prospective mining zones such as the Fletcher Zone at Beta Hunt or the Two Boys underground, which are both currently the subject of extensive drilling programs.

The HXP Scoping Study assumes the mine-mill system is constrained by mill capacity, resulting in 100% mill utilisation over the life of mine. In addition, it assumes a flat mining cost of \$85/t and fixed site General & Administrative expenses of \$12M per annum.

The conservative gold price assumption of \$3,200/oz is consistent with that used for the Ore Reserve estimation and is held flat over LoM in the HXP Scoping Study. This gold price assumption is significantly lower than the spot gold price at \$5,213/oz observed on 11 April 2025⁵.

Table 2 - HXP Key inputs and assumptions

Description	Unit	Value
Gold price (AUD)	A\$/oz	3,200
Ore reserve / Ore Milled	Mt	20.4
Head grade	g/t	1.90[6]
Recovery	%	89.1
Mining cost	\$/t milled	85
Site general & administrative expenses	\$M	12
Discount rate	%	8.0
Development capital in year -1 ⁷	\$M	30
Development capital in year -2 ⁶	\$M	62

⁵ US\$3,231 LBMA gold price at 0.6197 AUD:USD from Reserve Bank of Australia on 11 April 2025

⁶ To be updated in the next phase of the detailed engineering study, along with the 2025 Reserve and Resource update

⁷ Based on midpoint project capex of \$92M
The financial summary is shown below:

Table 3 - HXP Financial Results Ranges at AUD\$3,200/oz and spot gold price

Financials Results

Gold Price (AUD)	A\$/oz	3,200	5,213 ⁸
Project Valuation of 2.6Mtpa Expansion		Mid Min - Max	Mid Min - Max
Cumulative free cash flow pre-tax	\$M	550 358 - 743 2,604	1,693 - 3,515
Free cash flow brought forward ⁹	\$M	207 135 - 279 808	525 - 1091
NPV(8%)	\$M	350 228 - 473 1,746	1,135 - 2,357
AISC margin	\$/oz	582 378 - 786 2,444	1,589 - 3,299

⁸ US\$3,231 LBMA gold price at 0.6197 AUD:USD from Reserve Bank of Australia on 11 April 2025

⁹ Max Δ Cumulative Pre-Tax Cash Flow between the base case and HXP expansion case represents the cash flow brought forward by the increased throughput of the HXP.

Sensitivity Analysis

The project NPV is most sensitive to changes in gold price and operating cost as shown in Table 4, whilst being more resilient and less sensitive to changes in the discount rate and capital cost.

Table 4 - Higginsville Scoping Study sensitivities

NPV Sensitivity

Gold price ($\pm 10\%$)	$\pm \$222M$
Operating Cost ($\pm 10\%$)	$\pm \$47M$
Discount Rate ($\pm 1\%$)	$-\$18M, +\$19M$
Capital Cost ($\pm 10\%$)	$\pm \$9M$

Capital Costs

Capital cost estimates are derived from several sources, including quotes, contractor estimating database and recently tendered pricing. Estimated capital considered direct costs for mechanical equipment, bulk commodities, additional on-site infrastructure requirements and transport.

Indirect costs for construction, EPCM, third party consultants and provisioned for taxes, duties, contingency and escalation were also included in the estimate. The basis for capital cost estimation included process flow diagrams, conceptual layout sketches and mechanical equipment lists. The capital cost estimate excludes potential projects external to the processing plant such as power systems, bulk earthworks/civils, TSF, mining infrastructure or water upgrades.

The capital cost estimate is factored based on the cost of the mechanical equipment, and benchmarked against recent studies and projects, to meet the required accuracy criteria of +35% for the HXP Scoping Study.

Further opportunities to optimise and refine the capital cost estimate will be taken during the detailed study of the expansion.

Table 5 - HXP Scoping Study capital cost estimates

Expansion Capital Cost	Mid Min - Max
Crushing	\$M 12 8 - 16
Grinding	\$M 27 18 - 36
Leaching, Adsorption & Gold Room	\$M 9 6 - 12
Other Infrastructure	\$M 6 4 - 8
Indirect costs	\$M 38 25 - 51
Total Capex	A\$M92 60 - 124

Operating Cost

The operating cost estimate for the expansion have been developed to a HXP Scoping Study level accuracy of $\pm 35\%$. The processing operating cost estimates include:

- labour costs for onsite management and technical activities directly associated with the processing plant
- labour costs for operation and maintenance of the processing plant and supporting infrastructure
- costs associated with the direct operation of the processing plant, including power, all reagents, consumables and maintenance materials
- operating costs for on-site assay laboratory requirements.

The operating cost estimates were determined from first principles using inputs from a variety of sources,

including but not limited to:

- base staffing schedule and an assessment of incremental labour requirements
- grinding energy requirement assessments
- power consumption derived from load lists and from unit power costs
- current maintenance requirements and maintenance materials calculated as a percentage of the total direct costs
- reagent consumption and supply costs from current plant data and consultant databases
- previous studies, and current plant production and cost data.

Mining costs were estimated on a fixed \$85/t basis and site G&A was fixed at \$12M/year.

Table 6 - HXP Scoping Study operating cost estimates

Processing Plant Operating Costs		Base Case		2.6Mtpa Expansion	
		1.6 Mtpa Existing			
		Current	Mid	Min	Max
Plant Total	\$M/y	58	87	57 - 118	
Plant total unit cost	\$/t	36	33	22 - 48	

Looking Forward

The results of the HXP Scoping Study are compelling and consistent with Westgold's strategy to expand its larger and more productive mines and mills to reduce costs and increase free cash flow. As such, the Company will now commence a more detailed study on the HXP 2.6Mtpa case.

This study will incorporate an updated reserve and resource statement, regional mining studies and consider the longer-term portfolio plan to ensure the design provides optionality to further expand Higginsville to circa 4Mtpa. This study is expected to take approximately 6 - 8 months to complete.

In parallel, Westgold has commenced debottlenecking and optimising the existing Higginsville Processing Plant. These activities include balancing ore blend (incorporating softer oxide open pit ore and higher grade Two Boys underground), optimising crushed ore sizing to the existing milling circuit, upgrading the tailings discharge pumps and maximising power draw by managing mill target grind size.

Westgold looks forward to providing an update on the progress of the Higginsville Expansion Plan during FY26.

This announcement is authorised for release to the ASX by the Board.

Competent/Qualified Person Statements

Mineral Resource 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' (the JORC Code (2012)) and as a Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 - Standards of Disclosure for Mineral Projects (NI 43-101). Mr. Russell is an employee of the Company and, accordingly, is not independent for purposes of NI 43-101. 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. FAusIMM. 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 JORC Code (2012) and as a Qualified Person as defined in the CIM Guidelines and NI 43-101. Mr. Devlin is an employee of the Company and, accordingly, is not independent for purposes of NI 43-101. 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.

General

Mineral Resources, Ore Reserve Estimates and Exploration Targets and Results are calculated in accordance with the JORC Code. Investors outside Australia should note that while Ore Reserve and Mineral Resource estimates of the Company in this announcement comply with the JORC Code (such JORC Code-compliant Ore Reserves and Mineral Resources being "Ore Reserves" and "Mineral Resources" respectively), they may not comply with the relevant guidelines in other countries. The JORC Code is an acceptable foreign code under NI 43-101. Information contained in this announcement describing mineral deposits may not be comparable to similar information made public by companies subject to the reporting and disclosure requirements of US securities laws, including Item 1300 of Regulation S-K. All technical and scientific information in this release has been prepared in accordance with the Canadian regulatory requirements set out in NI 43-101 and has been reviewed on behalf of the Company by Qualified Persons, as set forth above.

This release contains references to estimates of Mineral Resources and Ore Reserves. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Mineral Resources that are not Ore Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource estimates may require re-estimation based on, among other things: (i) fluctuations in the price of gold; (ii) results of drilling; (iii) results of metallurgical testing, process and other studies; (iv) changes to proposed mine plans; (v) the evaluation of mine plans subsequent to the date of any estimates; and (vi) the possible failure to receive required permits, approvals and licenses.

Technical Report

The NI 43-101 compliant technical report for the Company's Higginsville operations is titled 'NI 43-101 Technical Report, Higginsville Gold Operations, Eastern Goldfields, Western Australia' and is dated 31 October 2024 with an effective date of 30 June 2024. A copy of this technical report is available under the Company's profile on SEDAR+ (www.sedarplus.ca) and on the Company's website (<https://www.westgold.com.au/>). A new 43-101 compliant technical report for Higginsville, supporting the information contained in this press release, will be filed on SEDAR+ by the company within 45 days. Reference should be made to the full text of such technical report for the assumptions, qualifications and limitations relating thereto.

Forward looking statements

These materials prepared by Westgold Resources Limited 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", "believe", "forecast", "predict", "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. In addition, the Company's actual results could differ materially from those anticipated in these forward looking statements as a result of the factors outlined in the "Risk Factors" section of the Company's continuous disclosure filings available on SEDAR+ or the ASX, including, in the Company's current annual report, half year report or most recent management discussion and analysis.

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.

Reasonable Basis for Forward-Looking Statements

This ASX release has been prepared in compliance with the JORC Code (2012) and the ASX Listing Rules. All material assumptions on which the HXP Scoping Study production target and projected financial information are based have been included in this release.

SOURCE Westgold Resources Limited

Contact

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