



In a challenging year, Westgold pays its maiden dividend

Company/ASX Code	Westgold Resources Ltd ASX:WGX
AGM date	Friday 26 November 2021
Time and location	10.00 am Liberty Conference Centre, 197 St Georges Tce, PERTH WA 6000
Registry	Computershare Investor Services Pty Ltd
Webcast	Physical meeting
Poll or show of hands	Poll on all items
Monitor	Kevin Bowman and Dr Lynda Newland
Pre AGM-Meeting	Yes, with Executive Director Wayne Bramwell. Chairman P Cook was to attend but had an urgent meeting.

Kevin Bowman (and his associates), who is involved in the preparation of these voting intentions, has a shareholding in this company.

Financial Reports

Despite the fluctuation in the share price over the year, the Company has had a very successful year.

Revenue increased by 16% to \$571 million, total costs of sales decreasing by 2% to \$455 million, net profit after tax growing by 122% to \$76.7 million and at financial year end, a cash and cash equivalent balance of almost \$151 million. Net assets increased by more than 16% to \$607 million.

The Company has declared a maiden dividend of 2 cents per share which was paid in October 2021.

The Founding Director, Peter Cook stood down as Executive Director in August 2021 and was replaced by Mr Wayne Bramwell.

The Company is firmly placed in the Central Murchison region and despite COVID-19 continued to advance over the year with few disruptions under its owner-operator model, although production was down over the second part of the financial year. Unfortunately, the Company suffered a fatality at its Big Bell mine mid-year.

The share price varied widely from a high of \$2.98 in November 2020 to a low of \$1.58 in September 2021.

The Company did not claim on Job Keeper.

There were no capital raisings during the year.

Item 1	Adoption of Remuneration Report
ASA Vote	For

Summary of ASA Position

At the FY20 AGM the Remuneration Report received 98% support.

Westgold's remuneration structure is made up of three components, Fixed Rem, STI and LTI.

STI focuses on operational & financial targets & has the following weightings

Safety & Environmental performance targets – 25%

AISC relative to budget – 25%

Gold production relative to budget – 25%

Personal performance as KMP – 25%

The STI is paid in cash compared to ASA guidelines requiring minimum 50% in equity & balance cash with some deferment.

LTI involves Performance Rights over a 3 year Performance period. ASA guidelines nominate a more realistic "Long Term" performance period of four years. Dividends do not apply to WGX Performance Rights. The Executive Chairman LTI award is capped at 80% of fixed remuneration and LTI award for other KMP is capped at 40% of fixed remuneration. WGX utilise VWAP 5 days ahead of the day of the grant to establish possible number of Performance Rights.

The LTI has the following weightings with measurement period for FY21 Performance Rights July 1 '20 to June 30 '23.

RTSR growth 25%

Absolute TSR 25%

Growth in absolute EPS 25%

Operational growth 25% (including ore reserves & production)

Relative proportion of FY21 potential total remuneration split between fixed & at risk.

	Fixed remuneration	At risk STI	At risk LTI
Executive Chairman	67%	13%	20%
Other Executives	75%	11%	14%

Financial performance & CEO remuneration

(As at FYE)	2021	2020	2019	2018
NPAT (\$m)	76.7	34.6	14.1	(1.171)
UPAT (\$m)	n/a	n/a	n/a	n/a
Share price (\$)	\$1.98	\$2.24	\$1.88	\$1.85
Dividend (cents)	2.0 cents	0	0	0
Simple TSR (%)	(10.6%)	19.1%*	1.6%	n/a
EPS (cents)	18.16	8.65	3.74	(0.34)
CEO total remuneration, actual (\$m)	1.032	.814	1.1	1.707

For FY21, the CEO's total actual remuneration was 11.04 times the Australian Full time Adult Average Weekly Total Earnings (based on May 2021 data from the Australian Bureau of Statistics). Actual earnings are defined as the cash payments made during the year (FR, STI, deferred STI, plus any vesting of equity incentives at share price on date of vesting).

Note - For May 2021, the Full-time adult average weekly total earnings (annualised, original) was \$93,444 (<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0>, "Full-time adult average weekly total earnings").

Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking) by the share price at the start of the year.

*The company did not pay a dividend in 2020 however in December 2019, shareholders received shares in the demerged company Castile Resources Limited, which held the Polymetallic assets in the Northern Territory, on the basis of 1 share for every 4 shares in Westgold, at no cost. This was valued at \$13.1m. As at 30 June 2021, these shares were valued at 22 cents per share.

We support the adoption of the remuneration report.

Item 2	Election of Mr Gary Davidson as a Director
ASA Vote	For

Summary of ASA Position

Mr Davidson FAusIMM (CP) is a highly regarded mining engineer with over 40 years of worldwide experience. Mr Davidson holds a Diploma in Engineering (Mining) and a Masters in Mineral and Energy Economics. He is also the Managing Director of Australia's premier mining consultancy Mining One Pty Ltd and has demonstrated success in mining operations. Mr Davidson has an ability to stand back and logically examine mining fundamentals, then recommend and implement improvements and innovations to better the safety of employees and create value for shareholders.

The ASA supports the appointment of Mr Davidson to the Board.

Item 3	Re-election of Mr Peter Cook as a Director
ASA Vote	For

Summary of ASA Position

Mr Cook is a Geologist and Mineral Economist with over 30 years of experience in the field of exploration, project, operational and corporate management of mining companies.

Currently Peter is a Director of Castile, Titan Minerals Ltd and Breaker Resources Ltd.

The Board considers that Mr Peter Cook, if re-elected, will continue to be classified as a non-independent Director due to his previous executive role with the Company.

We support the re-election of Mr Cook as a non-independent Directors of the Company.

Item 4	Grant of Performance Rights to Mr Wayne Bramwell or his nominee.
ASA Vote	For

Summary of ASA Position

The Company proposes to grant Mr Bramwell (or his nominee) a total of 202,435 Performance Rights in relation to the FY2022.

Mr Bramwell was appointed Executive Director from 1 August 2021. The previous Executive Director, Mr Peter Cook remained on the Board as a Non-Executive Chairman with effect from 1 August 2021.

The number of Performance Rights to be granted to Mr Bramwell has been determined based upon the following considerations.

- a) his remuneration
- b) his extensive experience and reputation within the mining industry
- c) the current price of Westgold shares
- d) the Directors wish to ensure the remuneration package offered is competitive with market standards and practice.
- e) Incentives to attract and ensure continuity of service of Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.

Mr Bramwell's current total remuneration package is as follows

• Total Fixed Remuneration	\$495,000
• Annual leave, non-monetary benefits and Long Service Leave	\$45,865
TOTAL	\$540,865

Short Term incentives (maximum percentage of salary)	50%
Long Term incentives (maximum percentage of TFR)	80%

Based on the Monte Carlo Model method, the estimated total value of the Performance Rights being granted to Mr Bramwell is \$334,208.

A recent survey published in the *West Australian* showed that Mr Bramwell's overall salary package, was below the average for mining companies of similar size and less than the previous Executive Director.

The ASA will support the Resolution.

Item 5	Non-Executive Director Remuneration Pool Increase.
ASA Vote	For

Summary of ASA Position

The Resolution calls for the Non-Executive Pool to be increased from \$500,000 to \$750,000. The Pool has not been increased since 2016 despite the growth in the Company since it was demerged from Metals X in 2017.

The ASA considers the Pool increase to be reasonable for a company of Westgold's size and will support the Resolution.

Item 6	Replacement of Company Constitution.
ASA Vote	For

Summary of ASA Position

The original Constitution was adopted in 2016 and there have been several changes to the Listing Rules and Corporations Act since that time.

Under Clause 5.2 of the New Constitution, the Directors have the power to determine to hold a general meeting at two or more locations using one or more technologies to facilitate electronic participation and will allow virtual meetings as well as physical meetings. It also includes the usual proportional takeover provisions, which will be voted on every three years.

Interested parties should read the full details in the WGX NOM Explanatory Memorandum.

The ASA supports the adoption of the New Constitution.

Item 7	Adoption of proportional takeover provisions.
ASA Vote	For

Summary of ASA Position

In accordance with section 648G of the Corporations Act 2001 there is a requirement to insert article 14 into the proposed Constitution of the Company requiring shareholder approval of any proportional takeover bids as permitted under the Corporations Act 2001.

Interested parties should read the full details in the WGX NOM Explanatory Memorandum.

ASA supports the resolution.

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