

## A golden year for Westgold

<b>Company/ASX Code</b>	Westgold Resources Ltd/WGX
<b>AGM time and date</b>	12.00 noon AWST Thursday, 28 November 2024
<b>Location</b>	Conference Centre, Exchange Tower, 2 The Esplanade, PERTH WA 6000
<b>Registry</b>	Computershare
<b>Type of Meeting</b>	Physical
<b>Monitor</b>	Kevin Bowman and Dr Lynda Newland
<b>Pre AGM Meeting?</b>	Yes with Chairperson, Hon Cheryl Edwards, NED Julius Matthys and Executive Director, Wayne Bramwell

Monitor Shareholding: The individuals (and their associates) involved in the preparation of this voting intention have a shareholding in this company.

### 1. How we intend to vote

No.	Resolution description	
1	Non Binding Resolution to Adopt Remuneration Report	<b>For</b>
2	Re-election of the Mr David Kelly as a Director	<b>For</b>
3	Election of the Mr Leigh Junk as a Director	<b>For</b>
4	Re-election of the Ms Shirley In't Velt as a Director	<b>For</b>
5	Grant of Performance Rights to Mr Wayne Bramwell	<b>For</b>
6	Approval of potential termination benefits in relation to Performance Rights granted to Mr Wayne Bramwell	<b>For</b>
7	Approval of Salary Sacrifice Plan	<b>For</b>
8	Increase in Directors' Fees	<b>For</b>
9	Renewal of proportional takeover provisions	<b>For</b>
10	Appointment of Auditor	<b>For</b>

## 2. Summary of Issues

With a surging increase in the gold price, the Company has had a great year with a Total Shareholder Return (TSR) of almost 70%. Since the end of the financial year, the share price has continued to rise and peaked at \$3.36 in early November. All hedging has been paid out and the Company held cash of \$236m as at the end of the financial year. Almost 228,000 ounces were produced, and the company has set a target of 400,000 ounces for the next financial year. In September 2024, Westgold joined the ASX200 index.

In August 2024, it made an “all scrip” bid to merge with Karora Resources, a TSX listed company with similar owner-operator areas in the Southern Goldfield. The merger brings together two similar sized companies with 1900 employees. Operations at Paddy’s Flat were closed in January 2024.

### ESG Achievements

In 2024 Westgold constructed four new hybrid (gas-solar-battery) power stations across its operations. These have the effect of reducing its use of diesel by 38 million litres per annum thereby reducing its carbon emissions by 56%. This is a savings of \$60 per ounce.

### Financial Summary

(As at FYE)	2024	2023	2022	2021	2020
NPAT (\$m)	95.2	10.0	(111.1)	76.7	34.6
UPAT (\$m)	n/a	n/a	n/a	n/a	n/a
Share price (\$)	\$2.42	\$1.44	\$1.19	\$1.98	\$2.24
Dividend (cents)	2.25c	0	0	2.0c	0
Simple TSR (%)	69.6%	21.0%	(39.9%)	(10.6%)	19.1%*
EPS (cents)	20.1	2.1	(25,32)	18.16	8.65
CEO total remuneration, actual (\$m)	1.800	1.032	0.600	.814	0.814

Westgold was demerged from Metals X in 2017.

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 paid a dividend in 2021 of 2 cents per share and 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.

### **Resolution 1 Adopt Remuneration report – For**

The Westgold remuneration structure for the Managing Director consists of the common Fixed component plus the incentivised STI and LTI award opportunities.

STI weightings are

- Safety & Environmental Targets 25%
- All in cost 25%
- Gold production relative to budget 25%
- Personal KPI 25%

Any STI award is paid in cash.

LTI Performance Rights weightings are

- Relative TS Returns
- Growth in Absolute TSR
- Growth in Absolute EPS
- Ore Reserve Growth

For FY25, the CEO/MD fixed remuneration (FR) was increased from to \$0.85m from \$0.65, In keeping with the growth in size and complexity of the company.

In FY24, the STI opportunity was increased from 50% FR in FY23 to 100%, and LTI opportunity from 80% in FY23 to 150%. LTI awards are allocated using 5 day volume weighted share price to 30 June.

Performance period is 3 years and measured against peer companies. While we would prefer to see more detail relevant to performance metrics and for a maximum 50% of any STI award paid in cash with remainder in deferred equity. We expect the company to adopt a more mature remuneration framework now it has joined the ASX200 index.

### **Resolutions 2, 3, 4 Re-election and election of Directors – For**

Mr David Kelly is a geologist with 35 years of experience in exploration, operations management, mine and project evaluation and project and finance. He is a NED of Lefroy Exploration.

Mr Leigh Junk is also an experienced Director and was recently a Director of Karora Resources Limited.

Ms Shirley In't Veld is also a very experienced Director previously serving on the Boards of CSIRO, the NBN, Northern Star, Perth Airport and Alcoa, as well as several other major companies. She was also a Director of Karora Resources.

### **Resolution 5 Grant of Performance Rights to Mr Wayne Bramwell - For**

The Company intends to grant a total of up to 500,483 Performance Rights (each with a nil exercise price and an expiry date of 30 June 2029) to Mr Bramwell. At 150% of FR, this indicates an allocation price of \$2.54. The notice of meeting used

Given Mr Bramwell's additional responsibilities, we believe the maximum opportunity of his salary package offered to him is reasonable, relative to other mining companies of similar size.

#### **Resolution 6 Approval of potential termination benefits in relation to Performance Rights granted to Mr Wayne Bramwell - For**

This Resolution allows the Board to grant these Performance Rights to Mr Bramwell in the event of his termination from the Company and follow from the increase in the proportion of pay at risk.

#### **Resolution 7 Approval of Salary Sacrifice Share Plan - For**

At our meeting we pointed out that several Directors did not hold sufficient shares in the company as per the ASA Guidelines. The chairperson explained that the Company has been involved in several confidential matters, including the merger with Karora Resources, which precluded the Directors purchasing shares even outside the normal "blackout" period.

The approval of this Plan which can extend to the NEDs, will alleviate this problem.

#### **Resolution 8 Increase in Directors' Fees - For**

The proposal is to increase the aggregate fee pool from \$750,000 per annum to \$1,250,000 per annum, the first increase since 2021. At our meeting we pointed out the having 8 Directors on the Board, was significantly more than Boards of companies of similar size. The Chairperson agreed but stated that this was hopefully a temporary measure and part of the merger agreement with Karora Resources.

The increase in the Directors' Pool was mainly to accommodate the extra Directors rather than any significant increase in Directors fees.

#### **Resolution 9 Renewal of proportional takeover provisions- For**

This is now a fairly standard provision, to allow shareholders to vote on whether a proportional takeover should proceed.

#### **Resolution 10 Appointment of Auditor - For**

The Board considered the length of tenure of the previous auditor, Ernst & Young, being since the demerger in 2016. It considered it good corporate governance to rotate the audit appointment and sought proposals from leading audit service providers. Following which the Directors proposed the appointment of Deloitte Touche Tohmatsu) as auditor of the Company. We will agree to a change in Auditor

**Appendix 1**  
**Remuneration framework detail**

CEO rem. Framework for FY25	Max. Opportunity \$m	% of Total
Fixed Remuneration	0.85	29
STI - Cash	0.85	29
STI - Equity	0	0
LTI	1.275	42
Total	2.975	100

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan as disclosed in the notice of meeting. The performance rights are allocated using face value. The table differs from the amount shown in the notice of meeting as the maximum total financial benefit to the MD, because the statutory value is used for the performance rights.

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