



ASX Announcement
24 December 2018

WESTGOLD FURTHER EXPANDS ITS MURCHISON FOOTPRINT BUYING THE ANDY WELL AND GNAWEEDA GOLD PROJECTS

Westgold Resources Limited (**Westgold**) (**ASX:WGX**) is pleased to announce that it has signed a binding term sheet (**Term Sheet**) with Doray Minerals Limited to buy its Andy Well and Gnaweeda Gold Projects collectively (the **Projects**) located 40 km north of Meekatharra and 50 km north of its Bluebird Processing Hub.

HIGHLIGHTS

- Westgold will pay Doray \$2.5 million in cash and \$6.5 million in shares at completion which is planned to occur on or about February 15, 2019.
- Doray has voluntarily agreed to a 12 month on escrow on its \$6.5m in Westgold shares which will be calculated at the 30-day VWAP price prior to execution of the Terms Sheet.
- Westgold will also make bonus payments to Doray from future production as follows:
 - » \$2 million cash after production by Westgold of 100,000 oz from The Projects;
 - » \$2 million cash after production by Westgold of 250,000 oz from The Projects;
 - » \$2 million cash after production by Westgold of 500,000 oz from The Projects;

The Term Sheet provides for the sale of Doray's 100% owned subsidiary, Andy Well Mining Pty Ltd, to Westgold. Completion of the transactions under the Term Sheet remains subject to standard conditions including:

- the satisfactory completion of due diligence by Westgold;
- the transfer of any tenements comprising the Gold Projects currently held by Doray to Andy Well Mining Pty Ltd;
- the receipt of any necessary third-party consents;

The signing of the Term Sheet with Doray is another step toward total consolidation in the Central Murchison Region by Westgold. The Andy Well and Gnaweeda Gold Projects provide future mining opportunities of both high-grade underground ore and bulk oxide open pit ores respectively. Located just 50 km up the Great Northern Highway from the Bluebird Processing Hub, the projects have the advantage of leveraging off a larger and lower cost production base.

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Andy Well & Gnaweeda Mineral Resources

The information is extracted from the report entitled Annual Report to Shareholders created on 22 October 2018 and is available to view on Doray's website (www.dorayminerals.com.au) and the ASX (www.asx.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statements

Certain statements in this report relate to the future, including forward looking statements relating to Westgold's financial position and strategy. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of Westgold to be materially different from future results, performance or achievements expressed or implied by such statements. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and deviations are both normal and to be expected. Other than required by law, neither Westgold, their officers nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements will actually occur. You are cautioned not to place undue reliance on those statements.