

ASX Announcement



24 February 2022

ASX: WMC

31 DECEMBER 2021 HALF-YEAR FINANCIAL RESULTS

HALF-YEAR HIGHLIGHTS

- \$90.7 million net investment during the period, principally in mine development and in completing the stage 1 concentrator
- Stage 1 concentrator successfully commissioned and outperforming nameplate capacity; targeting annualised full production run rate of 100kozpa-120kpza by end of June 2022
- Feasibility study continues; completion expected in March 2022
- Underground mine development meters (including rehabilitation) for the period were 5,012 meters
- Underground sulphide development on schedule; 88,731 tonnes milled to 31 December 2021
- ~139,000 tonnes of sulphide ore stockpiled and ready to process as at 31 December 2021
- 2,690 wet tonnes of gold concentrate ready for export produced; average concentrate grade of 70 g/t
- Production concurrent to mine development at 31 December 2021 of 16,084oz
- Construction of Wiltails continues; work is 20% complete at 31 December 2021. Expected commissioning in May 2022. Wiltails will contribute a material increase in gold production over a long life
- Mineral Resource update during the half-year; total Mineral Resource is now 5.53Moz @ 2.19g/t, including 4.51Moz @ 3.90g/t at the Wiluna Mining Centre
- Mercuria Tranche 1 debt paid off in full on 28 July 2021
- Mercuria Tranche 2 debt repayment commencement extended for 3 months, commencing April 2022
- Successful two-tranche share placement of A\$53.0m completed
- Cash and bullion on hand was \$41.6 million as at December 31 2021
- Gold hedging contracts at 31 December 2021 were for 156,500oz @ US\$1,820/oz (or ~A\$2,509/oz), with a negative mark-to-market position of A\$5.0m

EXPLANATION OF FINANCIAL RESULTS

	Half-year ended Dec-21 (\$'000)	Half-year ended Dec-20 (\$'000)	Change %
Summary financial results			
Gross profit from operations	3,561	9,167	-56%
Net (loss)/profit after tax	(16,319)	11,481	N/A
Net cash inflow from operating activities	30,219	887	N/A
Net cash used in investing activities	(90,746)	(29,346)	209%

- The Company generated a net loss for the 6 months period to 31 December 2021 of A\$16.3m. This was primarily driven by A\$13.2m of unrealised treasury losses (including marked-to-market positions on gold forward contracts and FX movements on foreign debt), non-cash net realisable value write-downs of ore stockpiles of A\$1.7m, and fees relating to the ongoing London stock exchange listing of A\$0.6m.
- Gross cash flows from operations of A\$30.2m were underpinned by gold production of 16,084oz, noting that those cash flows were temporarily improved by approximately A\$12.06m relating to extended payments terms agreed with key suppliers. That temporary improvement will be reversed over the remainder of the financial year.

- Net cash used in investing activities of A\$90.7m is mainly attributed to the Company's total investment in its long-term development which includes:
 - Continued underground mine rehabilitation and development for Stage 1 and Stage 2; with underground mining costs higher than initially anticipated due to additional initial development works required, increased costs of manning (and associated costs), and additional rehabilitation activity to improve mine area access;
 - Construction of the Stage 1 Concentrator (completed and successfully commissioned);
 - Continued resource drilling;
 - Continued upgrading of site infrastructure; and,
 - Continuing costs associated with feasibility studies.

END

This announcement has been approved for release by the Executive Chair of Wiluna Mining Corporation Limited.

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About Wiluna Mining

Wiluna Mining Corporation (ASX: WMX) is a Perth-based, ASX-listed gold mining company that controls over 1,600 square kilometres of the Yilgarn Region in the Northern Goldfields of Western Australia.

The Yilgarn Region has a historic and current gold endowment of over 380 million ounces, making it one of the most prolific gold regions in the world. The Company owns 100% of the Wiluna Gold Operation which is one of the largest gold districts in Australia under single ownership based on overall JORC Mineral Resource.



BOARD OF DIRECTORS

Milan Jerkovic – *Executive Chair*
Greg Fitzgerald – *Non-Executive Director*
Lisa Mitchell – *Non-Executive Director*
Colin Jones – *Non-Executive Director*
HJ Plaggemars – *Non-Executive Director*
Rowan Johnston – *Non-Executive Director*

CORPORATE INFORMATION

211.3M Ordinary Shares
3.7M Unquoted Options/ZEPO's

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