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ASX Announcement

31 August 2021
ASX: WMC

FULL-YEAR FINANCIAL REPORT

Wiluna Mining Corporation Limited (ASX:WMC) ("Wiluna Mining" or "the Company") is pleased to report its financial results for the year ended 30 June 2021.

Summary financial results	June 2021 ($M)	June 2020 ($M)	Change (%)
Revenue from gold & silver sales	131	127	4%
Gross profit from operations	21	1	2,000%
Net profit after tax	20	14	43%
Cash & bullion*	59	11	436%
(Net debt) / net cash & bullion	(1)	11	N/A
Net cash inflows from operating activities	34	14	143%
Net cash used in investing activities	(99)	(43)	130%
Gold production (ounces)	51,552	61,885	-17%
Gold sales price achieved (A$/oz)	2,627	2,131	23%
All-in sustaining cost (A$/oz)	1,794	1,950	-8%

* Bullion includes gold bullion on hand valued at the prevailing spot gold price at 30 June

EXPLANATION OF RESULTS

- Wiluna Mining generated a strong net profit for the year ended 30 June 2021 of A$20m. Gross profit from operations and cash flows from operations of A$21m and A$34m respectively, were underpinned by gold production of 51,552oz at an All in Sustaining Cost of A$1,794/oz. Gold production for the year was primarily sourced from ore mined at the Company's open pits, however, during the year open pit mining at Wiluna ceased allowing the Company to focus on its underground strategy.
- Owing to a combination of improved operating performance and proceeds from equity transactions and debt financing, the Company was able to strengthen its balance sheet position and deliver an A$82m increase in net assets, as well as a A$51m improvement in its working capital position.
- Significant net investment of A$99m was primarily associated with the Stage 1 Development including the concentrator, underground development, pre-production mining activities and Resource definition drilling. These major investing activities will sustain and create substantial value as the Company pursues its staged development program, having delivered 66% completion of the concentrator construction, and 6,274 metres of underground development and rehabilitation by 30 June 2021.
- Key business development activities included the commencement of the Stage 2 Feasibility Study, advancement of a London Stock Exchange main board listing, repayment of the Mercuria Tranche 1 A$21 million debt in July 2021, drawdown of the Mercuria Tranche 2 US$42m four-year term loan facility[1], substantive Resource and Reserve updates[2] (including a 142% increase in underground Ore Reserves), and a continuation of the Company's drilling strategy, delivering numerous high-grade intercepts within both sulphide and free milling zones, including "bonanza-grade" results in the initial mining areas of the Company's staged development program[3].

A review of the Company's operations is provided in the Directors' Report in the Financial Report.

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1. See ASX announcement dated 16 June 2021
2. See ASX announcements dated 5 November 2020 and 16 March 2021 respectively
3. See ASX announcements dated 8 July 2020, 27 July 2020, 2 September 2020, 22 September 2020, 27 October 2020, 17 November 2020, 27 January 2021, 10 March 2021, 31 March 2021, 6 May 2021, 17 June 2021. "Bonanza-grade" results announced 20 July 2021, subsequent to the end of FY2021