Wiluna Mining Corporation Ltd: Annual Financial Report Explanation of Results

31.08.2020 | ABN Newswire

Perth, Australia - Wiluna Mining Corp. (ASX:WMX) (FRA:NZ3) (OTCMKTS:BKHRF) reports its financial results for the year ended 30 June 2020.

Wiluna Mining generated a strong net profit for the year ended 30 June 2020 of $14m. Gross profit and cash flows from operations of A$1m and A$14m respectively, was underpinned by gold production of 61,885oz at an All in Sustaining Cost ('AISC') of A$1,950/oz.

Owing to a combination of improved operating performance, the realisation of value from the sale of non-core assets, and proceeds from equity transactions, the Company was able to achieve significant balance sheet repair including:

o A $34m improvement in its working capital position; and,

o Total debt reduction of $15m.

Additionally, there was significant concurrent investment into site-based capital infrastructure (primarily a new tailings storage facility) and preproduction mining activities (primarily at Williamson). These major investing activities will sustain and create substantial value over the next 12-15 months as the Company transitions to the production of gold in concentrate.

Key business development activities during the year included the successful completion of the Stage 1 Expansion Study, the refurbishment of the Rod Mill (providing additional mill throughput)3 and 49,800 metres of drilling 'under the headframe' at the Wiluna Mining Centre, which delivered consistent outstanding results in support of the Company's Stage 1 and 2 expansion plans. Expenditure relating to mine properties, exploration and evaluation, and plant infrastructure amounted to $61m, representing significant investment in the Company's asset base.

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

To view the Financial Report, please visit:
https://abnnewswire.net/lnk/L6W073FB

About Wiluna Mining Corporation Ltd:

Wiluna Mining Corp. (ASX:WMX) is a Perth based, ASX listed gold mining company that controls over 1,600 square kilometres of the Yilgarn Craton in the Northern Goldfields of WA. The Yilgarn Craton has a historic and current gold endowment of over 380 million ounces, making it one of most prolific gold regions in the world. The Company owns 100% of the Wiluna Gold Operation which has a defined resource of 6.4 Moz at a grade of 2.1 g/t Au. In May 2019, a new highly skilled management team took control of the Company with a clear plan to leverage the Wiluna Gold Operation's multi-million-ounce potential.

Source:

Wiluna Mining Corp. Ltd

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