

Quarterly Report

June 2024 Quarter

11 April 2025



Wiluna Mining Corporation Limited (Subject to Deed of Company Arrangement) (“Wiluna”, “WMC” or the “Company”) provides the following update on the Company and its activities for the June 2024 Quarter.

KEY HIGHLIGHTS

OPERATIONS:

- Commissioning of Wiltails circuit completed in December 2023, ramp-up continues to target a combined 400 dry tonnes per hour throughput rate (across the Milling and Wiltails scrubber circuits).
- Target of processing 100% tailings material achieved during April 2024 and maintained throughout the quarter.
- 525,748 tonnes of material were processed for the production of 5,341oz of Au during the quarter. Down from 617,580 tonnes (of both tailings and heap leach material) and 7,088oz in the previous quarter.
- Overall grade processed in the quarter increased from 0.75g/t Au to 0.86g/t Au.
- Overall recovery decreased from 47.7% to 36.9%.
- Dewatering systems and access to key areas underground continue to be maintained during care and maintenance to facilitate the restart of future mining operations.
- Appointment of Evan Spencer as Chief Operating Officer on 4 June 2024.
- Connection of Wiltails circuit to the site power supply (plant previously run on Generator sets).
- Received approval for mining of two further tailings cells, providing higher grade and easier-to-mine ore.
- Completed TSF-K Stage 2 lift.
- Reline of Wiltails scrubber.

CORPORATE:

- Delisting from the ASX during April 2024 has not impeded the strategic review process, implementation of the DOCA, or materially affected the anticipated process for re-admission to the ASX.
- Refinancing transaction undertaken during the quarter, incumbent secured lender paid in full all outstanding principal and interest (US\$36.7m).
- The new secured lender is supportive of the project and has provided a revised debt landscape which aligns with the turnaround strategy being pursued by the Deed Administrators.
- Following the refinancing event, the sale advisory role of Amicaa was discontinued.

FINANCIAL:

- Cash on hand as at 30 June 2024 was A\$2.1M (31 March 2024: A\$2.7M).
- The Company made payments of principal and interest to its new secured lender throughout the quarter.
- The new secured lender provided a further A\$3M working capital facility to the Company.

OPERATIONS

APPOINTMENT OF CHIEF OPERATING OFFICER

During June 2024, the Company appointed Mr Evan Spencer as Chief Operating Officer.

Mr Spencer is a 30-year mining professional with qualifications in Mining Engineering, Geology, and Mineral Economics. He has held previous General Manager, Chief Operating Officer and Chief Executive Officer roles within Australian listed companies and major international mining companies. Most recently, Mr Spencer was Executive Chairman and Chief Executive Officer of Atlantic Tin which owned 75% of the Achmmach Tin Project, located in Morocco, a joint venture project with the Nittetsu Mining Company.

TAILINGS RETREATMENT PROJECT

During April 2024, the Company transitioned to feeding solely tailings material through the Wiltails scrubber circuit and mill circuit. The crushing circuit is no longer run consistently following the cessation of the processing of heap leach material.

Throughout the June 2024 quarter, the Deed Administrators and Company management undertook key activities to improve the operation of Wiltails. Key activities undertaken were aligned to Wiltails' medium-term purpose as a cash flow generative business unit whilst the recapitalisation transaction is undertaken, and until the resumption of hard rock mining.

Key activities were:

- Sought and received mining approval for two alternate tailings cells being cells which provide for higher grade and easier to mine ore. First ore was mined from the cells during April 2024 and August 2024 respectively.
- Wiltails scrubber reline completed May 2024.
- Connection of the Wiltails circuit to site power supply during May 2024. The Wiltails circuit previously ran off of a generator set (diesel).
- Completed stage 2 lift of TSF-K during May 2024.

A combined total of 525,748 tonnes of material was fed through the scrubber circuit and mill producing 5,341oz of Au during the June 2024 quarter. This compares against 617,580 tonnes processed in the March 2024 quarter, producing 7,088oz of Au.

Monthly average throughput rates during the June 2024 quarter ranged from 203 to 263 dry tonnes per hour, down from the previous quarter's peak throughput of 327 dry tonnes per hour in the month of February 2024.

Monthly gold ounces produced throughout the June 2024 quarter peaked during the second month at 2,347oz Au.

The average tailings ore grade was higher this quarter and remains above management's estimation. Recovery decreased this quarter and remains below the targeted level.

PRODUCTION

As noted above, the quarter involved the transition to processing of solely tailings material. A summary of the production results for the current and two previous quarters is set out below.

Processing*	Unit	June 2024 Qtr	March 2024 Qtr	December 2023 Qtr
Free milling/tailings blend - Ore tonnes processed	T	261,369	287,542	332,677
Free milling/tailings blend - Ore grade processed	g/t	0.86	0.72	0.58
Tailings – Ore tonnes processed	T	264,380	330,038	252,946
Tailings – Ore grade processed	g/t	0.85	0.78	0.67
Total - Ore tonnes processed	T	525,748	617,580	585,623
Total - Ore grade processed	g/t	0.86	0.75	0.61
Total - Gold produced	oz	5,341	7,088	5,954
Overall recovery	%	36.9	47.7	51.5

**Presented figures are subject to rounding.*

During the month of April 2024, the CIL tanks were dual fed tailings and dump leach stockpile material. Therefore, the Overall recovery presented is an average figure representative of the mixed ore sources.

UNDERGROUND MINE

Dewatering systems and access to key underground areas continue to be maintained during the care and maintenance of the underground mine post-cessation of underground mining activities in December 2022. Activities continue to facilitate the restart of mining operations.

EXPLORATION AND RESOURCE DRILLING

Following the appointment of the Administrators in July 2022, all exploration and resource drilling activities have been suspended.

CORPORATE

The Company remains subject to control by the Deed Administrators. The Deed Administrators continue to engage with parties which have expressed interest in the recapitalisation of the Company.

The Australian Securities Exchange (ASX) removed the Company from the official list at the commencement of trading on Friday, 5 April 2024¹. The delisting has not impeded the strategic review process, implementation of the Deed of Company Arrangement (DOCA) or materially affected the anticipated process for re-admission to the ASX.

During the June 2024 quarter, the Company undertook a refinancing transaction, whereby the incumbent secured lender, Mercuria Energy Trading Pte Ltd, was paid in full its outstanding principal and accrued interest amounts, being US\$36.7M.

The incoming secured lender is supportive of the project and has provided a revised debt landscape which supports the turnaround strategy being pursued by the Deed Administrators. Following the refinancing event, the sale advisory role of Amicaa was discontinued.

The Deed Administrators consider the improved support of the secured creditor, recent engagement from market participants and strong gold price environment have strengthened the prospects of a recapitalisation transaction.

FINANCIAL

Cash on hand as of 30 June 2024 was A\$2.1M. Gold bullion sales continued during the June 2024 quarter, with gross sales collected totalling A\$19.6M during the quarter.

Principal and interest payments to the new secured lender began during the quarter, supported by operational cashflow generated by Wiltails project production.

The total debt owing to the secured lender as of 30 June 2024 was A\$59M.

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The release of this document has been approved by the Deed Administrators*

* Michael Ryan, Kathryn Warwick, Daniel Woodhouse and Ian Francis, all Senior Managing Directors of FTI Consulting, were appointed as Deed Administrators on 28 July 2023.

¹ ASX announcement dated 5 April 2024

QUARTERLY CASH FLOW SUMMARY

		June 2024 Qtr \$'000	March 2024 Qtr \$'000	December 2023 Qtr \$'000
Cash flows from operating activities				
Proceeds from gold and silver sales		19,651	22,511	17,340
Payments to suppliers and employees		(22,278)	(20,502)	(20,167)
Interest paid	2	(5,315)	(66)	(825)
Net cash from operating activities		(7,943)	1,943	(3,652)
Cash flows from investing activities				
Purchase of plant and equipment		-	-	(3,269)
Payments for exploration and evaluation		-	-	-
Net cash used in investing activities		-	-	(3,269)
Cash flows from financing activities				
Proceeds from issue of debt	1	59,829	-	-
Payment of share issue costs		-	-	-
Repayment of loans	2	(52,216)	-	-
Repayment of right of use lease liabilities		(299)	(375)	(242)
Other		-	-	(176)
Net cash from financing activities		7,314	(375)	(418)
Net increase/(decrease) in cash held		(629)	1,569	(7,338)
Cash and cash equivalents at the beginning of the period		2,734	1,165	8,503
Foreign exchange gain/(loss)		-	-	-
Cash and cash equivalents at the end of the period		2,105	2,734	1,165

Notes:

- During the June 2024 quarter the Company undertook a refinancing transaction.
 - The incumbent secured lender was replaced by a new secured lender.
 - The incoming secured lender provided a further A\$3.0m of funding to support the working capital position of Wiluna.
- The outgoing secured lender received payment in full for all to date principal and interest balances outstanding.

ANNEXURE A

Wiluna Mining Group – Entities over which the Deed Administrators are appointed

Company	ACN
Wiluna Mining Corporation Limited (Subject to deed of company arrangement)	119 887 606
Wiluna Operations Pty Ltd (Subject to deed of company arrangement)	166 954 525
Wiluna Gold Pty Ltd (Subject to deed of company arrangement)	153 919 549
Kimba Resources Pty Ltd (Subject to deed of company arrangement)	106 123 951
Zanthus Energy Pty Ltd (Subject to deed of company arrangement)	129 728 374
Lignite Pty Ltd (Subject to deed of company arrangement)	128 111 204
Scaddan Energy Pty Ltd (Subject to deed of company arrangement)	128 388 634