

25 November 2011

Process Engineering and Surface Infrastructure Study for Central Murchison Gold Project DFS awarded

Westgold Resources Limited (ASX: WGR) ("Westgold") is pleased to announce that it has appointed GR Engineering Services (GRES) to undertake the Processing and Surface infrastructure study for the Central Murchison Gold Project.

GRES is an experienced and highly regarded engineering company with a solid track record in relation to the design and construction of the type and scale of the proposed gold processing facility to be located at the site of the previous Big Bell gold plant. Significant infrastructure remains in place at the site of the previous plant which will be utilised in the recommencement of operations.

Update on Definitive Feasibility Study

- Westgold has identified 19 open pit mineral resources capable of being mined and included in the final production schedule
- 3 significant underground mines at Big Bell, Great Fingall and Golden Crown
- Finalising work on historic tailings - Indicated Resource 3.39Mt @ 0.70 g/t, potential for early gold production
- Environmental studies underway
- Total Identified Mineral Resource for CMGP 2Moz Au

A consolidated production schedule for the project has been completed. The plant and surface support infrastructure design works to be completed by GRES will allow for the optimisation of operating and capital cost estimates for the various ore sources and types. The design works are expected to be completed by the end of the March quarter 2012.

Westgold's CMGP strategy is to establish a central processing facility which will cater for blending of multiple ore sources with the objective of commencing with open pit and tailings material in the initial 2-3 years whilst access to the three underground mines is established. Forecast annual production is expected to increase from an initial 50Kozpa to 100+Kozpa as the high grade underground ore becomes the main source for the project in steady state.

END

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Competent Persons Statement - Central Murchison Gold Project

The Mineral Resources presented in this table for stockpiles of mineralised material, as well as for the historic Big Bell Tailings is based upon information compiled by Mr Jake Russell who is a fulltime employee of Westgold Resources. Mr Russell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Russell consents to the inclusion of this table in the report in the form and context in which it appears. For both stockpile and tailings resources all material is included in the Mineral Resource.

Other Mineral Resources and Ore Reserves presented in the tables above relating to the Central Murchison Gold Project have been reviewed by Mr Andrew Beckwith from publically stated JORC-compliant information originally reported in by Aragon Resources in their "Quarterly Activities and Cashflow Reports" released to the Australian Securities Exchange on the 28 January 2011. This information, in the opinion of Mr Beckwith, complies with the reporting standards of the 2004 JORC Code. Mr Beckwith is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Beckwith is a Director of Westgold Resources and consents to the inclusion of this table in the form and context in which it appears.

Central Murchison Gold Project Resource and Reserve Background

Table 1: CMGP – Mining Reserve Estimate – Underground Mines

Deposit	Probable Ore Reserve Estimate		
	Tonnes	Grade (g/t Au)	Ounces
Big Bell Underground	2,895,000	4.2	390,000
Great Fingall/Golden Crown Underground [^]	878,000	8.0	224,000
Total	3,773,000	5.1	614,000

[^] Great Fingall Claim: There is a 49% joint venture interest claim over the Great Fingall deeps orebody from 500 metres below surface by virtue of a farm-in agreement signed in 1984 and passed down through the various owners. Great Fingall Mining has lodged a caveat against M21/7 (the tenement the subject of the Great Fingall Deposit). The current total resource included in the area of the claimed JV is approximately 927,000 tonnes @ 9.1g/t Au for 271,000 ounces. The current Mining Reserve Estimate (Probable JORC classification) in the JV area is estimated at 502,000 tonnes @ 6.6g/t Au containing 107,000 ounces. There is currently no formal joint venture agreement in place between Westgold and Great Fingall Mining. Westgold continues to be in discussions with Great Fingall Mining about this matter and will advise the market of any material results.

Modifying Factors

The Mining Reserve Estimates (Probable JORC Classification) include mining dilution and ore extraction factors.

The mine evaluation studies conducted or commissioned by Aragon apply a gold price of AU\$1,250 and state royalty of 2.5%. Nominal ore process operating unit cost of \$25 per tonne have been used in the studies and metallurgical recoveries are based on actual historical data for the mines when in operation:

- Big Bell – Mining dilution of 20% applied to ore production, mine extraction factors of 85% are estimated. Metallurgical recoveries of 90% are applied.
- Golden Fingall - Mining dilution of 10% applied, mine extraction factors of 80% are estimated. Metallurgical recoveries of 95% have been applied

Central Murchison Resource Table (* denotes underground resource)

Mining Centre/ Deposit	Measured			Indicated			Inferred			Total Resource		
	Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au	Tonnes	Au	Au
	('000s)	g/t	Oz	('000s)	g/t	Oz	('000s)	g/t	Oz	('000s)	g/t	Oz
Murchison Bell												
1600N/Shocker				415	2.5	33,000	359	3.2	37,000	774	2.8	70,000
Big Bell*				5,153	4.5	747,000	7	4.9	1,200	5,161	4.5	748,000
Fender				71	4.1	9,000				71	4.1	9,000
North Fender				385	1.7	21,000	578	1.6	30,000	963	1.7	51,000
Sub-total				6,024	4.2	810,000	944	2.2	68,200	6,969	3.9	878,000
Cuddingwarra												
Black Swan				222	3.5	25,000	1	1.3		223	3.5	25,000
Black Swan South				315	3.5	35,000	1,816	3.8	224,000	2,131	3.8	259,000
Chieftain				50	3.1	5,000	75	3.4	8,000	125	3.3	13,000
City of Chester				28	2.3	2,000	82	2.4	6,000	110	2.4	8,000
City of Sydney	4	1.6		62	2.1	4,000				65	2.0	4,000
Golden Gate				65	3.0	6,000	1	2.6		66	3.0	6,000
Rheingold							89	3.8	11,000	89	3.8	11,000
Rheingold South	23	3.3	3,000	82	3.6	10,000	96	3.4	11,000	202	3.5	23,000
Sub-total	27	3.0	3,000	824	3.3	87,000	2,160	3.7	260,000	3,011	3.6	349,000
Day Dawn												
3210				50	3.3	5,000				50	3.3	5,000
Golden Crown*				551	9.6	169,000	91	5.4	16,000	642	9.0	185,000
Great Fingall				349	1.9	21,000	1,500	1.4	67,000	1,849	1.5	88,000
Great Fingall*1				1,034	10.2	340,000	271	6.5	56,000	1,305	9.4	396,000
Kinsella	1	2.9		54	3.1	5,000				55	3.1	6,000
Mt Fingall							30	3.1	3,000	30	3.1	3,000
Rubicon	19	2.9	2,000	50	2.3	4,000	12	1.3		80	2.3	6,000
South Fingall				36	2.8	3,000	28	3.1	3,000	65	3.0	6,000
Try Again	1	1.8		12	3.2	1,000	178	3.1	17,000	192	3.1	19,000
Yellow Taxi				80	2.4	6,000	15	2.9	1,000	94	2.5	7,000
Yellow Taxi South							37	4.3	5,000	37	4.3	5,000
Sub-total	21	2.8	2,000	2,216	7.8	554,000	2,162	2.5	168,000	4,399	5.1	726,000
Sub Total In situ	47	3.3	5,000	9,064	4.983	1,451,000	5,266	2.9	496,200	14,379	4.22	1,953,000
Stockpiles												
Big Bell Stockpiles				116	0.83	3,000				116	0.8	3,000
Big Bell Tails				3,394	0.7	72,000				3,394	0.7	72,000
Cuddingwarra Stockpiles				70	0.81	2,000				70	0.8	2,000
Day Dawn Stockpiles				119	1.0	3,000				119	1.0	3,000
Fingall Sands				34	1.20	1,000				34	1.2	1,000
Sub Total Stockpiles	0	-	0	3,733	0.71	81,000	0	-	0	3,733	0.71	81,000
TOTAL	47	3.31	5,000	12,797	4.83	1,532,000	5,266	2.9	496,200	18,112	3.49	2,034,000