



Dear Investor,

Financial market behaviour continued to focus on growing concerns that global inflationary pressures may not be simply just be transitory side effects of COVID restrictions. This was evident in further rises in global bond yields, oil prices and the Aussie dollar. The Australian equity market rose over the week (All Ords. Index Acc. +0.9%) with sector performance somewhat arbitrary and demonstrating no clear coherence with broader global financial market movements.

Net tangible assets (NTA) per share for both funds were steady over the week. News discussed this week includes: West African Resources project acquisition; the emergence of a second bidder for Apollo; and, Emerald Resources' quarterly results.

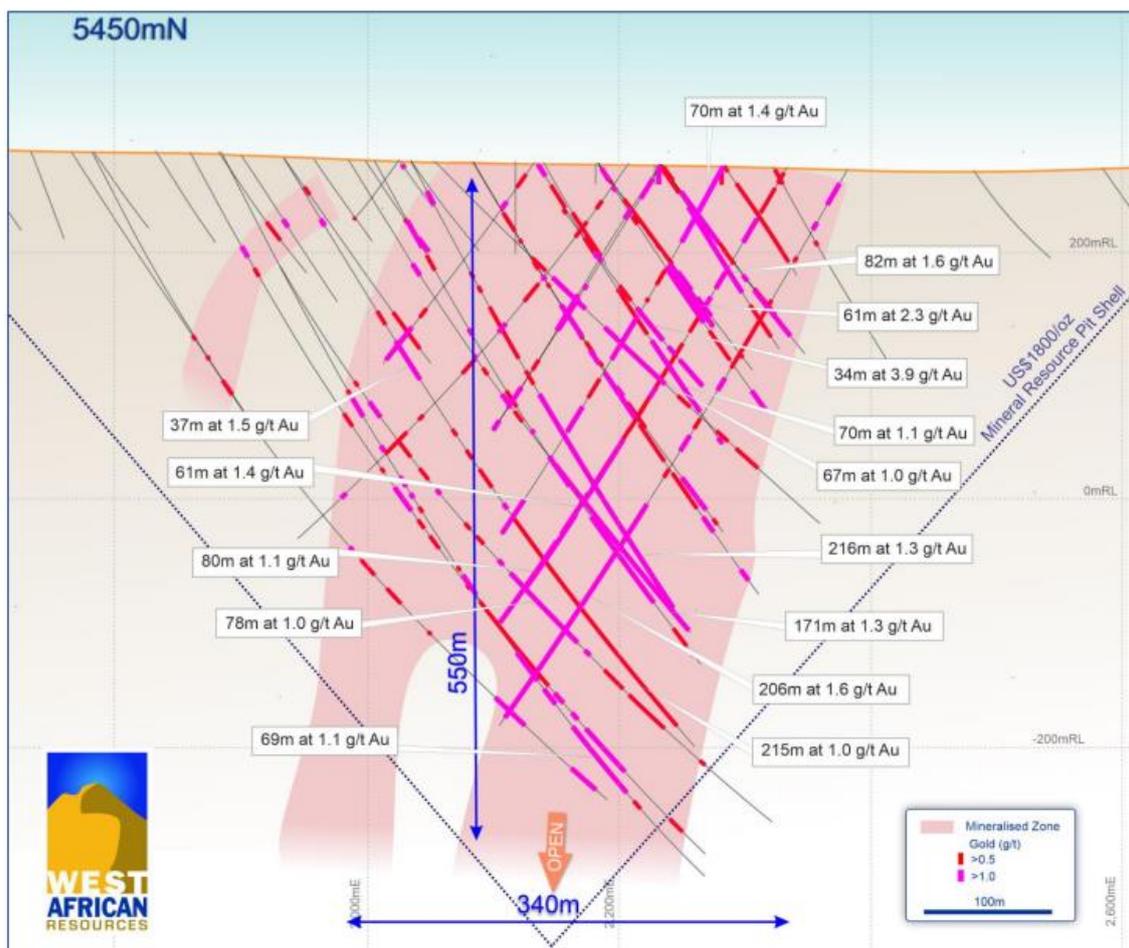
Click on the blue numbers within the table below to access the NTA figures released to the ASX today.

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	<b>WIC.ASX</b>	<b>OZG.ASX</b>
Pre Tax NTA	<u>139.0c</u>	<u>34.6c</u>
Share Price	119.0c	27.0c
Share Price Discount to NTA	14.0%	22.1%
Gross Dividend Yield	7.8%	3.7%

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# West African Resources M&A Growth



West African Resources (WAF.ASX) has announced the acquisition of 90% of the 6.8Moz Kiaka gold project from B2Gold Corp for a payment U\$100m in staged cash and share payments plus a royalty consideration. We view WAF as the natural owner of this advanced development opportunity. Kiaka is located just 45km south of the Company's producing Sanbrado Gold Project in Burkina Faso, which

WAF has done an excellent job in developing and operating to date.

We believe this is a well-timed and astute piece of M&A which will now enable WAF to become a +400,000oz producer over the short to medium term. Kiaka is a relatively low-grade ore body (1g/t gold grade on average) with excellent geometry i.e. continuous, wide mineralisation from surface. We believe there is likely to be a very low waste to ore ratio, particularly in the early years of the project. This should enable a relatively short payback period which will help to substantially de-risk the inherent risks of developing a large, low-grade project.

West African Resources is a disclosed portfolio holding in Westoz Investment Company Ltd.

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# Apollo Bidding War



Following on from last week's takeover approach from Ramelius Resources (RMS.ASX), Apollo (AOP.ASX) has received a second takeover offer from Gold Road Resources (GOR.ASX). Gold Road is offering an unconditional all cash Offer to acquire 100% of AOP shares for \$0.56 per share, implying an AOP equity value of ~\$166 million.

GOR has also acquired a 19.9% stake in AOP from key shareholders, which would appear to put this bid at a key advantage over the RMS bid, given RMS's bid is conditional on acquiring 90% shareholder approval. However, we would not rule out another round of bidding in this takeover story.

Apollo is a disclosed holding of Ozgrowth Ltd. The AOP share price rose +11.3% over the week.

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## **Emerald Resources Posts' Impressive Maiden Quarterly**



Emerald Resources (EMR.ASX) today released their September quarterly report for the Okvau gold mine. Much of this information released last month when EMR announced successful ramp up to target production rates had been achieved, but there were some important and positive confirmatory figures disclosed. This included news that all in cash costs over the last two months have averaged an impressively low U\$723/oz.

EMR also revealed that the company received A\$24.8m in gold revenue during the quarter and had approx. A\$17m of gold bullion on hand at 30<sup>th</sup> September. We expect the December quarter will see the company produce a strong free cash flow number which will further demonstrate the robust economics of this project and the ability of the EMR team to deliver to plan. It will also be interesting to see if the very positive reserve reconciliation (more gold in ground than estimated) witnessed to date continues as mining progresses.

EMR is a disclosed holding of Ozgrowth Ltd.

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## **How To Become A Shareholder**

Investors wishing to gain exposure to our investments can purchase shares in Westoz Investment Company Limited and Ozgrowth Limited through your investment platform, stockbroker or affiliated adviser. Shares trade on the ASX under the tickers WIC.ASX and OZG.ASX.

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## **Contact Us**

### **Westoz Funds Management Pty Ltd**

Phone: (08) 9321 7877

Email: [admin@westozfunds.com.au](mailto:admin@westozfunds.com.au)

Website: [www.westozfunds.com.au](http://www.westozfunds.com.au)

ABN 30 106 677 721, AFSL 285607

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## **Westoz Funds Management Pty Ltd**

Westoz Funds Management Pty Ltd is the appointed investment manager for two listed investment companies: Westoz Investment Company Limited (WIC.ASX); and, Ozgrowth Limited (OZG.ASX).

Westoz Funds Management is a wholly owned subsidiary of Euroz Limited (EZL.ASX).

## **Net Tangible Assets**

The NTA figures reported above are unaudited and are our estimate as at the close of business on the specified date. Further detail on NTAs can be found on our [website](#).

## **Disclaimers**

This document has been provided to you for your general information and does not take into account your objectives, financial situation and needs and must not be relied upon by you as general or personal financial product advice that has been provided to you by Westoz Funds Management Pty Ltd. If you require any advice regarding any aspect of the information set out in this document, particularly as to whether you should base an investment decision upon that information, please contact your financial adviser.

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