Interim Financial Report

Australasian Gold Limited

ACN 625 744 907

For the Half Year Ended 31 December 2020

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Directors' Report

Australalasian Gold Limited ("the **Company**" or "**Australasian Gold**") is an unlisted public company incorporated and domiciled in Australia.

The directors present their report together with the financial statements of the group consisting of the Company and its controlled entity at the end of, or during the half-year ended 31 December 2020.

1. Directors

The names of the directors in office at any time during or since the end of the year are:

Qingtao Zeng	appointed 23 April 2018
Graeme Fraser	appointed 10 August 2020
Rory McGoldrick	appointed 10 August 2020

2. Principal activities

During the financial period, the principal activities of the group consisted of:

- Exploration for and evaluation of mineral resource projects within Australia and overseas and progressing its plan to list on the ASX.

No significant change in the nature of these activities occurred during the financial period.

3. Review of operations and operating results

The operating loss for the half-year ended 31 December 2020 was $119,589 (2019: $24,666) and reflected the impact of the following identified matters:

- On 1 July 2020, the Group re-negotiated a lease agreement with its landlord (being a related party to Dr Qingtao Zeng), which resulted in the value of property, plant & equipment and the lease liability reducing by $18,934.
- In August 2020, the Group paid $5,000 and issued 500,000 shares at 10 cents per share to Geosmart Consulting Pty Ltd for reimbursement of exploration expenses incurred and consideration for services provided for the Group's tenement application E 08/3248 (known as Fairview), including withdrawing a prior application over the same ground.
- In August 2020, the Company issued 2 million shares at $0.01475 per share to Dr Qingtao Zeng in the Company in recognition of services rendered to the Group, on the basis that the remuneration fell into the Remuneration exemption of Chapter 2E of the Corporations Act 2001.
- The Group raised $200,000 via the issue of 2 million shares at 10 cents per share before costs during November and December 2020.
- Dr Qingtao Zeng was appointed as Managing Director on 31 October 2020 with a monthly fee of $10,000 which will increase to $20,000 upon when the Group is listed on the ASX. The initial term is 24 months from the date the group listed on the ASX. Per the Managing Director Service agreement, it provided for the issuance of 3,500,000 Performance Rights, 2,000,000 Options (exercisable at 30 cents per Option) and 700,000 Shares (which has been assessed to have a value of $481,861 for financial reporting purposes).
- The Group entered into a Sale and Purchase Agreement for the May Queen Gold Project on 9 September 2020 and agreed to issue 4.5 million shares at $0.10 per share to IronRidge Resources Limited (IronRidge) as consideration. In turn, IronRidge also agreed to subscribe for 1 million Shares at $0.10 per Share. Completion of the purchase and subscription occurred on 8 February 2020.

- The Group also entered into a Sale and Purchase Agreement for the Mt Clermont Gold project on 25 November 2020 and agreed to issue 1 million shares at $0.10 per share as consideration to Drummond West Pty Ltd. Completion will occur once certain procedural steps are completed under the Mineral Resources Act 1989 (Qld), which is expected to occur prior to the Company listing on ASX.

4. Significant changes in the state of affairs

With the exception of the matters noted in principal activities section, there were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

5. Events after the end of the reporting period

On 11 September 2020, the Group entered into a Sale and Purchase Agreement for the May Queen Gold Project and agreed to issue 4.5 million shares at $0.10 per share to IronRidge Resources Limited (IRR) as consideration. In turn, IronRidge also agreed to subscribe for 1 million shares at $0.10 per share. Completion of the purchase and subscription occurred on 8 February 2021.

On 27 January 2021, the Group issued the following instruments to Dr Qingtao Zeng on executing the deed to vary his consulting agreement:

1) 2,000,000 unlisted options, exercisable at 30 cents each per share within two years of the Group listing on ASX, with an estimated fair value of $169,047.
2) 3,500,000 performance rights which will convert into shares upon meeting certain stated hurdles (i.e. completion of the Group's first drilling program and the volume weighted average price of the Group's shares being equal to or greater than 30 cents, achieving a JORC or NI 43-101 compliant resource of certain grades). The fair value was estimated to be $181,860.
3) 700,000 shares valued at approximately $140,000.

On 29 January 2021, the Group issued 500,000 unlisted options and 150,000 shares to each of Graeme Fraser and Rory McGoldrick, exercisable at 30 cents each per share within two years of the Group listing on ASX for nominal consideration. The fair value of the 1,000,000 options was assessed to be $84,524, while the value of the 300,000 shares was $60,000.

On 5 March 2021, the Group submitted its prospectus to ASIC and is currently seeking admission to list on The Australian Securities Exchange (ASX). Closing date of the offer is 1 April 2021 with expected admission of the Group on 28 April 2021.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not impacted the group for the period ended 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian, State and Territories Governments and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Except for the above, no matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

6. Environmental Regulation

The Group operates within the resources sector and conducts its business activities with respect for the environment, while continuing to meet the expectations of the shareholders and suppliers. The Group is subject to and is compliant with all aspects of environmental regulation of its exploration and mining activities in the relevant jurisdiction. The directors are not aware of any environmental law that is not being complied with.

The directors are mindful of the regulatory regime in relation to the impact of the organisational activities on the environment. There have been no known breaches by the Group during the financial year.

7. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001.*

On behalf of the directors

Qingtao Zeng
Director

Dated this 8th day of April 2021

HLB MANN JUDD

Auditor's independence declaration

As lead auditor for the review of the half year financial report of Australasian Gold Limited and controlled entity for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Australasian Gold Limited and the entity it controlled.

HLB Mann Judd
Chartered Accountants

Jude Lau
Partner

Melbourne
9 April 2021

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

	Note	Half-year ended 31 December 2020 $	Half-year ended 31 December 2019 $
Other revenue		-	-
Other expenses	3	(119,079)	(22,987)
		(119,079)	(22,987)
Finance income		30	124
Finance costs		(540)	(1,803)
Loss before income tax		**(119,589)**	**(24,666)**
Income tax benefit		-	-
Loss for the year after income tax		**(119,589)**	**(24,666)**
Total other comprehensive income		**-**	**-**
Total comprehensive (loss) for the period		**(119,589)**	**(24,666)**

The accompanying notes form part of these financial statements.

	Note	31 December 2020 $	30 June 2020 $
ASSETS			
Current assets			
Cash and cash equivalents	4	292,486	172,529
Trade and other receivables		4,742	15,681
Prepayment	5	40,408	2,542
Total current assets		**337,636**	**190,752**
Non-current assets			
Exploration and evaluation assets	6	156,487	-
Right-of-use assets	7	10,683	35,444
Total non-current assets		**167,170**	**35,444**
Total assets		**504,806**	**226,196**
LIABILITIES			
Current liabilities			
Trade and other payables		138,097	94,174
Lease liabilities	8	12,981	26,290
Total current liabilities		**151,078**	**120,464**
Non-current liabilities			
Lease Liabilities	8	-	11,915
Total non-current liabilities		**-**	**11,915**
Total liabilities		**151,078**	**132,379**
Net assets		**353,728**	**93,817**
EQUITY			
Issued capital	9	974,055	594,555
Accumulated losses		(620,327)	(500,738)
Total equity		**353,728**	**93,817**

The accompanying notes form part of these financial statements.

	Issued capital $	Accumulated losses $	Total $
Balance at 1 July 2019	**594,555**	**(436,700)**	**157,855**
Total comprehensive income			
Total profit or (loss)	-	(24,666)	**(24,666)**
Other comprehensive income	-	-	**-**
Total comprehensive income	**-**	**(24,666)**	**(24,666)**
Transactions with members in their capacity as owners:			
Funds received from capital raising, net of costs	-	-	**-**
Total transactions with owners	**-**	**-**	**-**
Balance at 31 December 2019	**594,555**	**(461,366)**	**133,189**
Balance at 1 July 2020	**594,555**	**(500,738)**	**93,817**
Total comprehensive income			
Total profit or (loss)	-	(119,589)	**(119,589)**
Other comprehensive income	-	-	**-**
Total comprehensive income	**-**	**(119,589)**	**(119,589)**
Transactions with members in their capacity as owners:			
Funds received from capital raising, net of costs	200,000	-	**200,000**
Share issued during the period	179,500	-	**179,500**
Total transactions with owners	**379,500**	**-**	**379,500**
Balance at 31 December 2020	**974,055**	**(620,327)**	**353,728**

The accompanying notes form part of these financial statements.

	Note	Half-year ended 31 December 2020 $	Half-year ended 31 December 2019 $
Cash flows from operating activities			
Interest income received		30	124
Payments to suppliers and employees		(73,586)	(22,612)
Net cash (used in) by operating activities		**(73,556)**	**(22,488)**
Cash flows from investing activities			
Payments for exploration expenditure		(6,487)	-
Net cash (used in) investing activities		**(6,487)**	**-**
Cash flow from financing activities			
Issue of shares, net of costs		200,000	-
Repayments of leasing liabilities		-	-
Net cash provided by financing activities		**200,000**	**-**
Net (decrease)/increase in cash held		119,957	(22,488)
Cash at the beginning of the period		172,529	204,894
Cash at the end of the half-period	**4**	**292,486**	**182,406**

The accompanying notes form part of these financial statements.

1. Summary of significant accounting policies

Australasian Gold Limited (“the **Company**” or “**Australasian Gold**”) is an unlisted public company incorporated and domiciled in Australia.

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2020.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

These special purpose financial statements were authorised for issue, in accordance with a resolution of directors, on 8 April 2021.

a) Going concern assumption

As at 31 December 2020, the group has accumulated losses of $620,327 and expended net operating cash outflow for the half year of 73,556.

In spite of the above, the directors are satisfied with the group’s current financial position and are of the view that the continued application of the going concern basis of accounting is appropriate due to the following factors:

- The group is in the process of completing its initial public offering on the Australian Securities Exchange (ASX) and is seeking to raise circa $4.5 million before costs, with the process progressing as planned; and
- Should the group not succeed with its planned IPO, the directors are able to selectively manage and reduce the group’s cash outflow to manage the group’s cash position, as well as consider alternative fund-raising arrangements to provide the group with the necessary cashflow required.

In the event that the Group is unsuccessful in implementing the above-stated initiatives, a material uncertainty exists, that may cast significant doubt on the Group’s ability to continue as a going concern and its ability to recover assets and discharge liabilities in the normal course of business and at the amounts shown in the financial report.

The financial report does not include any adjustments relating to the recoverability & classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessarily incurred should the group not continue as a going concern.

2. Changes in significant accounting policies

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

3. Other expenses

Accounting policy – Other expenses
Other expenses represent costs incurred for administration of the business.

	Half-year ended 31 December 2020 $	Half-year ended 31 December 2019 $
Accounting & bookkeeping fees	11,950	2,400
ASIC fees	1,293	1,823
Compliance manager fees	3,261	-
Depreciation	5,827	12,510
Director fees	59,500	-
Entertainment	174	-
Office expenses & outgoings	8,134	5,188
Project expenses written off	28,699	894
Telephone & internet	160	-
Travel expenses	81	172
Total other expenses	**119,079**	**22,987**

4. Cash and cash equivalents

Accounting policy – Cash and cash equivalents
Cash and cash equivalents include cash on hand and deposits held at call with banks.

	31 December 2020 $	30 June 2020 $
Cash at bank and on hand	292,486	172,529
Total cash and cash equivalents	**292,486**	**172,529**

5. Prepayments

Accounting policy - Prepayments
The Group recognised listing related costs and prepaid office outgoings as prepayment. The directors have made the judgement that this is appropriate to continue to carry forward these capitalised costs as the work to which these costs relate to will assist with the ASX listing, which is currently underway.

	31 December 2020 $	30 June 2020 $
Prepayment – listing expenses	37,868	-
Prepayment – other	2,540	2,542
Total prepayments	**40,408**	**2,542**

6. Exploration and evaluation assets

Accounting policy - Exploration and evaluation assets
Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Where these criteria are not met, the expenditure incurred are expensed to the profit or loss.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

	31 December 2020 $	30 June 2020 $
Opening Balance	-	-
Costs capitalised during the year	156,487	-
Total exploration and evaluation assets	**156,487**	**-**

The capitalised exploration and evaluation costs of $156,487 (30 June 2020: $nil) represent expenditure incurred by the Group in relation to acquisition of tenements during the period which meet the criteria for recording as an asset per AASB 6 Exploration for and Evaluation of Mineral Resources.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent upon successful development and commercial exploitation, or alternatively, sale of the respective areas of interest, the results of which are still uncertain.

7. Right-of-use assets

Accounting policy – Right-of-use assets
The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The group also assesses the right-of-use asset for impairment when such indicators exist.

If the group expects to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset.

	31 December 2020 $	30 June 2020 $
Cost		
Building	41,530	60,464
Accumulated depreciation	(30,847)	(25,020)
Balance at 31 December 2020	**10,683**	**35,444**

8. Lease liabilities

Accounting policy - Lease liabilities

Company as a Lessee

For any new contracts entered into on or after 1 January 2019, the group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the company
- the group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets
The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Recognition and measurement of leases (under AASB 117 until 30 June 2019)
In the comparative period, leases of property, plant and equipment were classified as either finance lease or operating leases. The Group determined whether an arrangement was or contained a lease based on the substance of the arrangement and required an assessment of whether fulfilment of the arrangement is dependent on the use of the specific asset(s); and the arrangement conveyed a right to use the asset(s).

Leases of property, plant and equipment where the Group as a lessee had substantially all of the risks and rewards of ownership were classified as finance leases. Finance leases were initially recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The leased asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum finance lease payments were apportioned between the reduction of the outstanding lease liability and the periodic finance expense, which is calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement.

Assets held under other leases were classified as operating leases and were not recognised in the Group's balance sheet. Operating lease payments were recognised as an operating expense in the Statement of profit or loss and other Comprehensive Income on a straight-line basis over the lease term.

	31 December 2020 $	30 June 2020 $
Current	12,981	26,290
Non-current	-	11,915
Total lease liabilities	**12,981**	**38,205**

The incremental borrowing rate applied to lease liabilities recognised was 5.03% (30 June 2020: 6.20%).

9. Issued capital

	31 December 2020		30 June 2020	
	Number	$	Number	$
Issued capital	11,500,001	979,501	6,000,001	600,001
Cost of shares issued	-	(5,446)	-	(5,446)
Fully paid ordinary shares	**11,500,001**	**974,055**	**6,000,001**	**594,555**

a) Ordinary shares
Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders' meeting each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Movements in ordinary shares

Date	Details	Number	$	Issue price
1 July 2019	**Balance at period end**	**6,000,001**	**600,001**	
31 December 2020	**Balance at period end**	**6,000,001**	**600,001**	
12 August 2020	Issue of shares – Fairview	500,000	50,000	$0.10 per share
8 December 2020	Issue of shares – seed capital	2,000,000	200,000	$0.10 per share
12 August 2020	Issue of shares – director fee[(1)]	2,000,000	29,500	$0.01475 per share
25 November 2020	Issue of shares – Mt Clermont	1,000,000	100,000	$0.10 per share
31 December 2020	**Balance at period end**	**11,500,001**	**979,501**	

(1) The Board considers that the issue of 2,000,000 shares in the Company at a deemed issue price of AU$0.01475 to Qingtao Zeng in recognition of this service constitutes reasonable remuneration and as such would fall into the Remuneration Exemption of Chapter 2E of the *Corporations Act 2001* (Cth) prohibitions from giving a financial benefit to a related party.

b) Capital management
Management objectives when managing capital are to ensure that the group can fund further exploration and listing activities.

The group manages the capital structure and makes adjustments to it in light of the forecast cash requirements. To that end, internal capital rationing is complemented by capital raising activities as required to ensure funding for development activities is in place. There was no change to the capital management policies applied in the current year. There are no externally imposed capital requirements.

10. Related party transactions

Transactions between related parties are on normal commercial terms & conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

During the period, services were provided by GeoSmart Consulting which provides technical assistance to the group to carry out its work activities. Qingtao Zeng, who is the director of Australasian Gold Limited, controls GeoSmart Consulting. The Board considers that the GeoSmart Consulting arrangement is a commercial arrangement entered into on favourable terms to Australasian Gold Limited. There is no obligation for the Company to acquire services exclusively from GeoSmart Consulting or for GeoSmart Consulting to exclusively provide services to the Company.

Total amounts paid (excluding GST) to GeoSmart Consulting during the period including the provision of services provided by Qingtao were $9,000 (2019: $nil). The balance outstanding at 31 December 2020 was $nil (30 June 2020: $nil).

During the year ended 30 June 2019, the group entered into a lease agreement with Woodsouth Asset Management which is controlled by a close family member of Qingtao Zeng, director of Australasian Gold Limited.

Total amounts paid to Woodsouth Asset Management during the year were $5,000 excluding GST (2019: $3,000 excluding GST). The balance outstanding at 31 December 2020 was $47,110, (30 June 2020: $33,400) which will only become due and payable upon the group's successful listing on ASX.

11. Events after the end of the year

On 11 September 2020, the Group entered into a Sale and Purchase Agreement for the May Queen Gold Project and agreed to issue 4.5 million shares at $0.10 per share to IronRidge Resources Limited (IRR) as consideration. In turn, IronRidge also agreed to subscribe for 1 million shares at $0.10 per share. Completion of the purchase and subscription occurred on 8 February 2021.

On 27 January 2021, the Group issued the following instruments to Dr Qingtao Zeng on executing the deed to vary his consulting agreement:

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3) 700,000 shares valued at approximately $140,000.

On 29 January 2021, the Group issued 500,000 unlisted options and 150,000 shares to each of Graeme Fraser and Rory McGoldrick, exercisable at 30 cents each per share within two years of the Group listing on ASX for nominal consideration. The fair value of the 1,000,000 options was assessed to be $84,524, while the value of the 300,000 shares was $60,000.

On 5 March 2021, the Group submitted its prospectus to ASIC and is currently seeking admission to list on The Australian Securities Exchange (ASX). Closing date of the offer is 1 April 2021 with expected admission of the Group on 28 April 2021.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not impacted the group for the period ended 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian, State and Territories Governments and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Except for the above, no matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

12. Contingencies

As of 31 December 2020, the group had no contingent assets and liabilities (30 June 2020: Nil).

13. Segment note

The group has adopted AASB 8 *Operating Segments*., whereby segment information is presented using a management approach. Management has determined the operating segment based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board has concluded the group operate in one segment being mineral exploration within Australia.

14. Company details

The registered office and principal place of business is:

Registered Address:
Level 8, 99 St Georges Terrace
Perth, WA 6000

Principal Business Office:
Unit 34, 123B Colin Street
West Perth, WA 6008

Directors' Declaration

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *'Interim Financial Reporting'*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to *Section 303(5)(a)* of the *Corporations Act 2001.*

Qingtao Zeng
Director

Dated this 8th day of April 2021

Independent Auditor's Review Report to the Members of Australasian Gold Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Australasian Gold Limited ("the Company") and its controlled entity ("the Group"), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Australasian Gold Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty Regarding Going Concern

We draw attention to Note 1 (a) *Going concern assumption* in the half-year financial report, which indicates that the Group has accumulated losses of $620,327 and expended net operating cash outflow of $73,556 during the period ended 31 December 2020. As stated in Note 1 (a) *Going concern assumption*, these events or conditions, along with other matters as set forth in Note 1 (a) *Going concern assumption*, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards*) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Responsibility of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Jude Lau
Partner

Melbourne
9 April 2021