



SUNSHINE GOLD LIMITED

(ABN 12 063 388 821)

INTERIM FINANCIAL STATEMENTS 31 DECEMBER 2021

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

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SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

The directors of Sunshine Gold Limited ("Sunshine Gold" or "the Company") present their report together with the consolidated interim financial report for the Company and entities it controlled during the half-year ended 31 December 2021 ("the Group").

DIRECTORS

The following persons were directors of Sunshine Gold Limited during the half-year and up to the date of this consolidated interim financial report. Directors were in office for the entire period unless otherwise stated.

- Alec Pismiris (Chairman and Company Secretary)
- Damien Keys (Managing Director)
- Paul Chapman (Non-Executive Director)
- Les Davis (Non-Executive Director)
- Anthony Torresan (Non-Executive Director)

REVIEW OF OPERATIONS

QUEENSLAND - OPERATIONS

Field Activities have primarily been divided between Ravenswood West and Triumph for the reporting period and have included soil sampling and drilling.

The half-year was safe and productive, with key performance indicators for the reporting period shown below:

- A total of 99 RC drill holes and 1 diamond core hole completed across the Sunshine Gold portfolio for 11,739.5m of drilling
- 1,453 geochemical soil samples were collected and analysed across four prospect areas
- Ten days of drilling were lost due to rain at the Triumph project in December

TRIUMPH

A resource drilling program commenced at Triumph in November 2021. During the reporting period, a total of 42 reverse circulation drill holes were drilled, totalling 4,306m. Of these, 25 drill holes were drilled at Big Hans for 2,450m, 7 holes at South Constitution for 640m, and 10 holes at New Constitution for 1,216m. The drilling program was designed to infill and extend known mineralised trends in the southern prospects where Sunshine Gold intercepted significant mineralisation in early 2021. The drilling continued into the subsequent reporting period, with a maiden resource expected in March 2022.

RAVENSWOOD WEST

During the reporting period, geochemical soil sampling and reverse circulation (RC) drilling was undertaken at the Dreghorn prospect, located 20km SSW of Ravenswood and 58km SE of Charters Towers. A total of 787 soil samples were collected in the period at Dreghorn, with a further 288 samples and 28 rock chips were collected immediately north of the Burdekin River at Hanoverian, which lies within the same anomalous Dreghorn trend. The soil sampling confirmed the presence of a >9km length gold in soil anomaly within Sunshine Gold's tenure and highlighted structures of interest within the broader NE-trending anomalism. Reconnaissance RC drilling at Dreghorn was undertaken in July 2021 and was designed to test a number of these geochemical anomalies, structural orientations and historical workings. A total of 34 holes were drilled at Dreghorn for 3,558m.

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Sunshine Gold also undertook soil sampling at the Elphinstone Creek prospect, located just 8km SW of Ravenswood. The program was designed to test both gold in historical stream sediment samples and rare earth elements noted in both streams and soils around the Barrabas Adamellite. A total of 309 soil samples and 20 rock chips were taken from the north of the proposed survey area, which crossed just into the Barrabas Adamellite in the southernmost samples. The survey to date indicates significant REE elevations within the Barabbas Adamellite, with future sampling proposed to extend the survey further south.

Targeted drilling was conducted at both the Titov and Kean's prospects. At Titov, 8 RC drill holes were completed for 1,550m. The drilling was undertaken to validate historical drilling intercepts, assay for previously untested elements, and to test the potential structural orientation of the mineralisation. The drill holes successfully intercepted significant copper, molybdenum and silver mineralisation. This was followed by a deeper, diamond core drill hole, which successfully intercepted the mineralised zone down dip. The diamond hole was drilled to a depth of 501.5m and assays are currently pending.

At Kean's, drilling targeted a number of outcropping quartz veins, some of which had been historically worked for gold and also reported significant amounts of Cu and Mo. A total of 15 RC holes were completed for 1,824m. The drilling reported some encouragement including Au, Cu and Mo intervals, with follow up geological studies to continue in 2022.

A total of 69 soil samples were also collected at the Wilbur's Hill prospect, located 1.7km south of Titov. Follow up geophysics is expected in 2022.

HODGKINSON

A field visit was undertaken to the Campbell Creek area of the Hodgkinson Project in August 2021. The visit was used to follow up gold anomalism identified during soil sampling conducted in the previous reporting period. The geology of the largest anomaly, named Red Ridge North, was mapped at prospect scale and 14 follow up rock chips were collected from the area.

INVESTIGATOR

Work on the Investigator prospect was limited to desktop studies during the reporting period, including review of historical report and mapping.

CORPORATE

CAPITAL RAISING

In September 2021, the Company completed a share placement to institutional and sophisticated investors at \$0.045 for a total of \$5 million (before costs). Directors contributed \$315,000 to the Placement subject to shareholder approval, which was obtained on 18 November 2021. A further \$162,000 was raised in November 2021 through the exercise of options.

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

INVESTMENT IN COCKATOO IRON

Sunshine Gold holds 6,250,000 fully paid ordinary shares in Cockatoo Iron NL ("Cockatoo Iron") as a consequence of the sale of its interests in the Cockatoo Island Project and participation in a subsequent entitlements issue. Cockatoo Iron has a 43.24% interest in Pearl Gull Limited (ASX: PLG).

BUSINESS DEVELOPMENT

The directors believe the Company's existing cash reserves provide sufficient working capital to carry out its objective of assessing the open-pit potential of the Queensland projects whilst testing for large-scale mineralisation. The Company will maintain an ongoing program of assessing projects that meet its acquisition strategy.

SUBSEQUENT EVENTS

As at the date of this report, no matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent years.

RESULTS OF OPERATIONS

The net loss after income tax for the period was \$783,628 (2020: \$742,448).

FINANCIAL POSITION

The net assets of the Company are \$11,168,184 as at 31 December 2021 (at 30 June 2021: \$7,021,310).

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

SCHEDULE OF TENEMENT INTERESTS AS AT 31 DECEMBER 2021

Project	Tenement	Status	Beneficial Interest
TRIUMPH	EPM 18486	GRANTED	100%
TRIUMPH	EPM 19343	GRANTED	100%
HODGKINSON	EPM 18171	GRANTED	100%
HODGKINSON	EPM 19809	GRANTED	100%
HODGKINSON	EPM 25139	GRANTED	100%
HODGKINSON	EPM 27539	GRANTED	100%
HODGKINSON	EPM 27574	GRANTED	100%
HODGKINSON	EPM 27575	GRANTED	100%
INVESTIGATOR	EPM 27343	GRANTED	100%
INVESTIGATOR	EPM 27344	GRANTED	100%
RAVENSWOOD WEST	EPM 26041	GRANTED	100%
RAVENSWOOD WEST	EPM 26152	GRANTED	100%
RAVENSWOOD WEST	EPM 26303	GRANTED	100%
RAVENSWOOD WEST	EPM 26304	GRANTED	100%
RAVENSWOOD WEST	EPM 27824	GRANTED	100%
RAVENSWOOD WEST	EPM 27825	GRANTED	100%

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is included within this financial report.

This consolidated interim financial report is signed in accordance with a resolution of the board of directors.



Alec Pismiris
Director

Dated at Perth this 23rd day of February 2022

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Note	31 December 2021 \$	31 December 2020 \$
Other income	3	1,359	234,099
Corporate expenses		(437,962)	(682,547)
Impairment of investments		(150,000)	-
Share-based payments		(42,025)	(294,000)
Rehabilitation expense	11	(155,000)	-
Loss before income tax		(783,628)	(742,448)
Income tax		-	-
Loss for the period		(783,628)	(742,448)
Other comprehensive income/(loss) for the period		-	-
Total comprehensive loss for the period attributable to the members		(783,628)	(742,448)
<hr/>			
		Cents	Cents
Basic and diluted loss per share (cents per share)	4	(0.16)	(0.19)

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note	31 December 2021 \$	30 June 2021 \$
Current Assets			
Cash and cash equivalents	5	4,915,116	2,192,165
Security deposits		147,115	144,000
Trade and other receivables	6	105,078	91,711
Prepayments		21,689	43,378
Total Current Assets		5,188,998	2,471,254
Non-Current Assets			
Exploration and evaluation expenditure	7	6,888,692	4,513,541
Property, plant and equipment		75,788	39,011
Other financial assets		62,500	200,000
Total Non-Current Assets		7,026,980	4,752,552
TOTAL ASSETS		12,215,978	7,223,806
Current Liabilities			
Trade and other payables		838,415	156,722
Interest-bearing liabilities		18,075	19,158
Provisions		36,304	18,315
Total Current Liabilities		892,794	194,195
Non-Current Liabilities			
Interest-bearing liabilities		-	8,301
Provision for rehabilitation	11	155,000	-
Total Non-Current Liabilities		155,000	8,301
TOTAL LIABILITIES		1,047,794	202,496
NET ASSETS		11,168,184	7,021,310
EQUITY			
Issued capital	8	22,497,970	17,609,493
Reserves	9	2,987,108	2,945,083
Accumulated losses		(14,316,894)	(13,533,266)
TOTAL EQUITY		11,168,184	7,021,310

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Issued Capital	Options Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
Balance at 01/07/2020	14,096,796	1,937,083	(12,468,469)	3,565,410
Total comprehensive Income/(loss) for the period				
Loss for the period	-	-	(742,448)	(742,448)
Total comprehensive loss for the period	-	-	(742,448)	(742,448)
<i>Equity transactions:</i>				
Acquisition of subsidiary	1,760,000	560,000	-	2,320,000
Share based payments	-	434,000	-	434,000
Issue of fully paid ordinary shares	2,026,845	-	-	2,026,845
Capital raising costs	(274,148)	-	-	(274,148)
Balance at 31/12/2020	17,609,493	2,931,083	(13,210,917)	7,329,659
Balance at 01/07/2021	17,609,493	2,945,083	(13,533,266)	7,021,310
Total comprehensive Income/(loss) for the period				
Loss for the period	-	-	(783,628)	(783,628)
Total comprehensive loss for the period	-	-	(783,628)	(783,628)
<i>Equity transactions:</i>				
Share based payments	-	42,025	-	42,025
Issue of fully paid ordinary shares	5,162,000	-	-	5,162,000
Capital raising costs	(273,523)	-	-	(273,523)
Balance at 31/12/2021	22,497,970	2,987,108	(14,316,894)	11,168,184

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Note	31 December 2021 \$	31 December 2020 \$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(394,945)	(668,646)
Interest received		1,359	14,951
Net Cash Used In Operating Activities		(393,586)	(653,695)
Cash Flows from Investing Activities			
Payments for exploration expenditure		(1,677,624)	(30,914)
Cash brought to account on acquisition of subsidiary		-	53,155
Payment to term deposit		-	1,200,000
Acquisition of financial assets		(12,500)	-
Purchase of plant and equipment		(47,250)	-
Net Cash (Used In)/From Investing Activities		(1,737,374)	1,222,241
Cash Flows from Financing Activities			
Gross proceeds from share issues		5,162,000	2,026,845
Costs of share issues		(299,583)	(129,231)
Repayment of borrowings		(8,506)	-
Net Cash From Financing Activities		4,853,911	1,897,614
Net increase in cash and cash equivalents held		2,722,951	2,466,160
Cash and cash equivalents at beginning of the financial period		2,192,165	2,094,411
Cash and cash equivalents at the end of the half-year	5	4,915,116	4,560,571

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

NOTE 1: BASIS OF PREPARATION

The interim consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures that the financial report and notes also comply with International Financial Reporting Standards IAS 34: Interim Financial Reporting.

It is recommended that this consolidated interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by Sunshine Gold Limited and its controlled entities during the half-year in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001* and ASX Listing Rules.

The interim consolidated financial report does not include full disclosures of the type normally included in annual financial reports.

The interim consolidated financial report has been prepared on an accruals basis and is based on historical costs, cost is based on the fair value of the consideration given in exchange for assets.

Statement of compliance

The interim financial statements were authorised for issue on 23 February 2022.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

Significant accounting estimates and judgements

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2021.

New and Revised Accounting Standards and Interpretations

The accounting policies have been consistently applied by the consolidated entity and are consistent with those in the June 2021 annual financial report except for the impact (if any) of new and revised standards and interpretations outlined below.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current half-year.

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021 *(continued)*

New and Revised Accounting Standards and Interpretations *(continued)*

Standards and Interpretations applicable to 31 December 2021

In the period ended 31 December 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the period ended 31 December 2021. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted by the Group and, therefore, no change is necessary to Group accounting policies.

NOTE 2: DIVIDENDS

There have been no dividends declared or recommended and no distributions made to shareholders or other persons during the period.

NOTE 3: LOSS BEFORE INCOME TAX

Profit/(Loss) before income tax includes the following revenues, expenses and gains whose disclosure is relevant in explaining the financial performance for the interim period:

	Consolidated	
	6 months to 31 December 2021 \$	6 months to 31 December 2020 \$
(a) Other income		
Interest earned	1,359	9,099
Consideration for termination of revenue sharing agreement	-	225,000
(b) Significant items		
<i>Included in corporate expenses</i>		
Consulting and directors' fees	170,036	143,464
Share register maintenance and listing fees	61,007	105,901
Legal fees	2,049	274,245

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021 *(continued)*

NOTE 4: LOSS PER SHARE

The following reflects the income and data used in the calculations of basic and diluted loss per share:

	Consolidated	
	6 months to 31 December 2021 \$	6 months to 31 December 2020 \$
Loss per share (cents)	(0.16)	(0.19)
Loss used in calculating basic and diluted loss per share	(783,628)	(742,448)
	Number of Shares	Number of Shares
Weighted average number of ordinary shares used in calculating basic loss per share:	474,056,275	395,159,662

The prior year number of shares has been adjusted to take into account the share consolidation undertaken in 2020 for comparative purposes.

Diluted loss per share is the same as basic loss per share as the conversion to ordinary shares does not lead to an inferior view of the earnings performance of the entity.

NOTE 5: CASH AND CASH EQUIVALENTS

For the purpose of the half-year statement of cash flows, cash and cash equivalents are comprised of the following:

	Consolidated	
	31 December 2021 \$	30 June 2021 \$
Cash at bank	4,915,116	2,192,165
	4,915,116	2,192,165

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021 *(continued)*

NOTE 6: TRADE AND OTHER RECEIVABLES

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
GST	93,948	90,170
Other	11,130	1,541
	<u>105,078</u>	<u>91,711</u>

NOTE 7: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	6 months to 31 December 2021	Year to 30 June 2021
	\$	\$
Balance at the beginning of the period	4,513,541	-
Acquisition of XXXX Gold Pty Ltd	-	2,482,688
Acquisition of Ukalunda Pty Ltd	-	399,998
Expenditure incurred during the period	2,375,151	1,630,855
Balance at the end of the period	<u>6,888,692</u>	<u>4,513,541</u>

NOTE 8: ISSUED CAPITAL

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
(a) Issued Capital		
561,222,730 Ordinary shares fully paid (30/06/2021: 444,711,618)	<u>22,497,970</u>	<u>17,609,493</u>

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021 *(continued)*

NOTE 8: ISSUED CAPITAL *(continued)*

(b) Movements in ordinary share capital

Date	Details	No. of Shares	\$
01/07/2021	Opening balance	444,711,618	17,609,493
24/09/2021	Placement	104,111,112	4,685,000
29/11/2021	Director Placement	7,000,000	315,000
30/11/2021	Option exercise	5,400,000	162,000
	Less: capital raising costs	-	(273,523)
		<u>561,222,730</u>	<u>22,497,970</u>

NOTE 9: RESERVES

(a) Composition	Consolidated	
	31 December	30 June
	2021	2021
	\$	\$
Share based payments reserve	2,987,108	2,945,083
	<u>2,987,108</u>	<u>2,945,083</u>

(b) Movements in options reserve

Date	Details	No. of Unlisted Options	Exercise Price	Expiry Date
01/07/21	Opening balance	71,000,000		
01/10/21	Employee options	1,000,000	\$0.07	31/07/2024
09/12/21	Employee options	700,000	\$0.07	31/07/2024
31/12/21	Closing balance	<u>72,700,000</u>		

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021 *(continued)*

NOTE 10: SHARE BASED PAYMENTS

The following share-based payment transactions occurred or were recognised during the half year:

- 1,700,000 \$0.07 share options expiring 31/07/2024 were issued to employees. These options were valued at \$42,025 and were fully expensed.
- 5,400,000 \$0.03 options expiring 30/9/2025 were exercised by directors raising \$162,000 in cash. The shares issued on exercise are escrowed until 10/12/2022.

All share options issued during the half year vested immediately. The total amount of \$42,025 (2020: \$294,000) was recognised as a share-based payment expense.

Fair values of share options issued are determined using the Black-Scholes model based on information available as at the measurement date, considering the exercise price, term of option, the share price at grant date, expected price volatility of the underlying share, expected yield and the risk-free interest rate for the term of the option. Parameters for all share options issued during the period were:

Measurement date	27/09/21	07/12/21
Issue date	01/10/21	09/12/21
Expiry date	31/07/24	31/07/24
Dividend yield	Nil	Nil
Expected volatility	100%	100%
Risk-free interest rate	0.19%	0.93%
Expected life of options (years)	2.84	2.65
Underlying share price	\$0.051	\$0.043
Option exercise price	\$0.07	\$0.07
Value of option	\$0.027	\$0.021
Number of options issued	1,000,000	700,000
Value of options	\$27,407	14,618
Amount expensed during half year	\$27,407	14,618

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021 *(continued)*

NOTE 11: PROVISIONS AND CONTINGENT LIABILITIES

(a) Provision for Rehabilitation

As part of its acquisition of Nugold Hill Mines in 2002, the Company has an obligation to rehabilitate the Xanadu tenements area. The Company has a security bond in place with the Department of Mines, Industry, Regulation and Safety which is expected to cover the majority of the cost. The Company believes there are no potential for future operations, therefore it has engaged environmental consultants to develop a plan to rehabilitate the Xanadu tenements area that will satisfy the requirements of the Department of Mines, Industry, Regulation and Safety.

As a result of this change in obligation from the prior period, the Company has recognized a Provision for Rehabilitation of \$155,000 during the half-year ended 31 December 2021.

(b) Contingent Liabilities

The Company has no known material contingent liabilities as at 31 December 2021.

NOTE 12: SEGMENT INFORMATION

Business Segments

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separate identifiable business segments.

The operations and assets of Sunshine Gold Limited and its controlled entities are employed in exploration activities relating to minerals in Australia.

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

CONDENSED NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021 *(continued)*

NOTE 13: FINANCIAL INSTRUMENTS

Financial Instruments

The following table presents the Group's assets and liabilities measured and recognised at fair value:

31 December 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Equity investments at FVTPL	-	-	62,500	62,500

30 June 2021	Level 1	Level 2	Level 3	Total
<i>Asset</i>	\$	\$	\$	\$
Equity investments at FVTPL	-	-	200,000	200,000

Financial liabilities

	Interest rate	Maturity	31 December 2021	30 June 2021
	%		\$	\$
Finance lease	6.99	6/11/2022	18,075	27,459
			18,075	27,459

The methods and valuation techniques used for the purposes of measuring fair value are unchanged compared to the previous reporting period.

The carrying amounts of the current receivables, current payables and other liabilities are considered to be a reasonable approximation of their fair value.

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE

As at the date of this report, no matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent years.

SUNSHINE GOLD LIMITED AND CONTROLLED ENTITIES

DIRECTORS' DECLARATION

1. In the opinion of the directors:
 - a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:
 - i. giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half- year then ended; and
 - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the *Corporations Act 2001* for the half-year ended 31 December 2021.

Signed in accordance with a resolution of the board of directors.

Dated this 23rd day of February 2022



Alec Pismiris
Director

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Sunshine Gold Limited

Report on the Condensed Interim financial report*Conclusion*

We have reviewed the accompanying interim financial report of Sunshine Gold Limited ("the company") which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Sunshine 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 2021 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*.

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 company 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.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the interim 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 interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the interim 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 interim 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 2021 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 an interim 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.

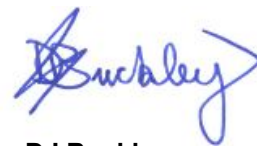
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
23 February 2022



D I Buckley
Partner

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Sunshine Gold Limited for the half-year ended 31 December 2021, 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.

Perth, Western Australia
23 February 2022


D I Buckley
Partner

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