

Condensed Interim Financial Report

For the Half Year Ended
31 December 2021

This condensed interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with any public announcements made by Kalgoorlie Gold Mining Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

KALGOORLIE GOLD MINING LIMITED

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CORPORATE DIRECTORY

Directors

Pauline Gately - Non-Executive Chair

Matthew Painter - Managing Director

Carmel McKenzie - Non-Executive Director

Andrew Penkethman - Non-Executive Director

Company Secretary

Graeme Smith

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Australian Securities Exchange

ASX Code – KAL

Directors' Report

Your Directors present their report together with the condensed interim financial report of Kalgoorlie Gold Mining Limited ("KalGold" or the "Company") and the entity it controlled (together "the Group") for the half-year ended 31 December 2021 and the auditor's review report thereon.

Directors

The names of the Directors who held office during or since the end of the half-year are:

Pauline Gately – Appointed 23 August 2021

Matthew Painter – Appointed 23 July 2021

Carmel McKenzie – Appointed 23 July 2021

Andrew Penkethman – Appointed 05 November 2020

Review of Results

A summary of consolidated revenues and results for the half-year is set out below:

	2021	
	Other Income	Loss for the half-year
	\$	\$
Group other income and loss	-	519,683

The Group recorded an operating loss after income tax for the half-year ended 31 December 2021 of \$519,683.

The Group's cash position at the end of the half-year was \$5,648,166.

Principal Activities

The principal activity of the Company during the financial period was the acquisition, exploration and development of mineral resource projects throughout the Kalgoorlie region of Western Australia.

Review of Operations

About Kalgoorlie Gold Mining Limited

Kalgoorlie Gold Mining Ltd (**ASX:KAL**) ('**KalGold**' or 'the **Company**') successfully listed on the Australian Securities Exchange (ASX) on 17 November 2021. Since then, the Company has undertaken a busy schedule of RC drilling (first two programs complete, results from second program pending), auger drilling, and costeaning combined with ongoing geological reinterpretation and target generation at Bulong Taurus and other projects.

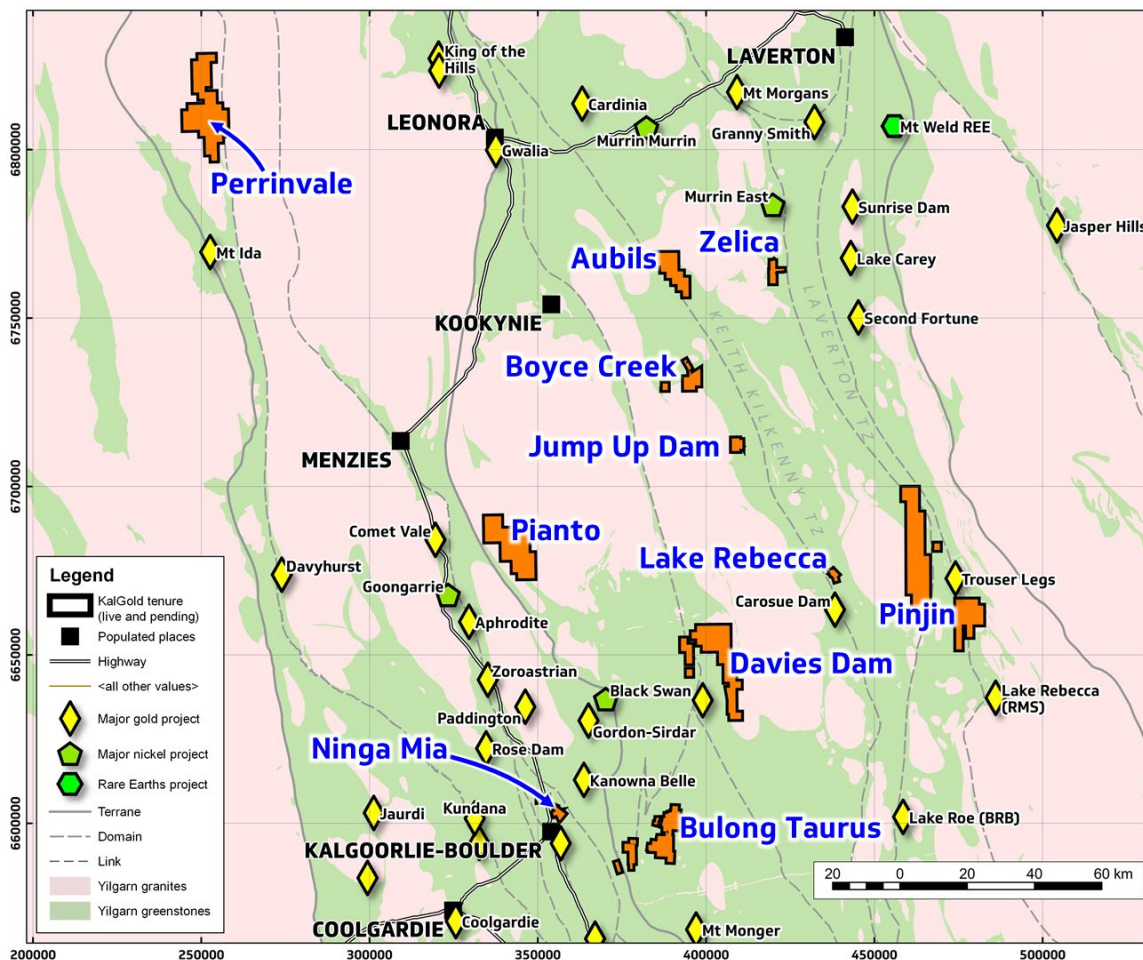


Figure 1 – KalGold's projects in the Eastern Goldfields of Western Australia, showing current work activities. Projection MGA 94 Zone 51.

Lead Project – The Bulong Taurus Gold Project

Work commenced on the ground at Bulong Taurus prior to the Company's ASX debut with target identification from the compilation and digitisation of all historic work programs, including soil and surface sampling, and RC and diamond drill programs. As a result of this work, KalGold now possesses the first digital record of all historic work undertaken over the entire Taurus Gold Mining Centre.

La Mascotte gold mineralisation represents around 1% of the Bulong Taurus project area, and is one of dozens of historic mines and structural targets within KalGold's Lead Project.

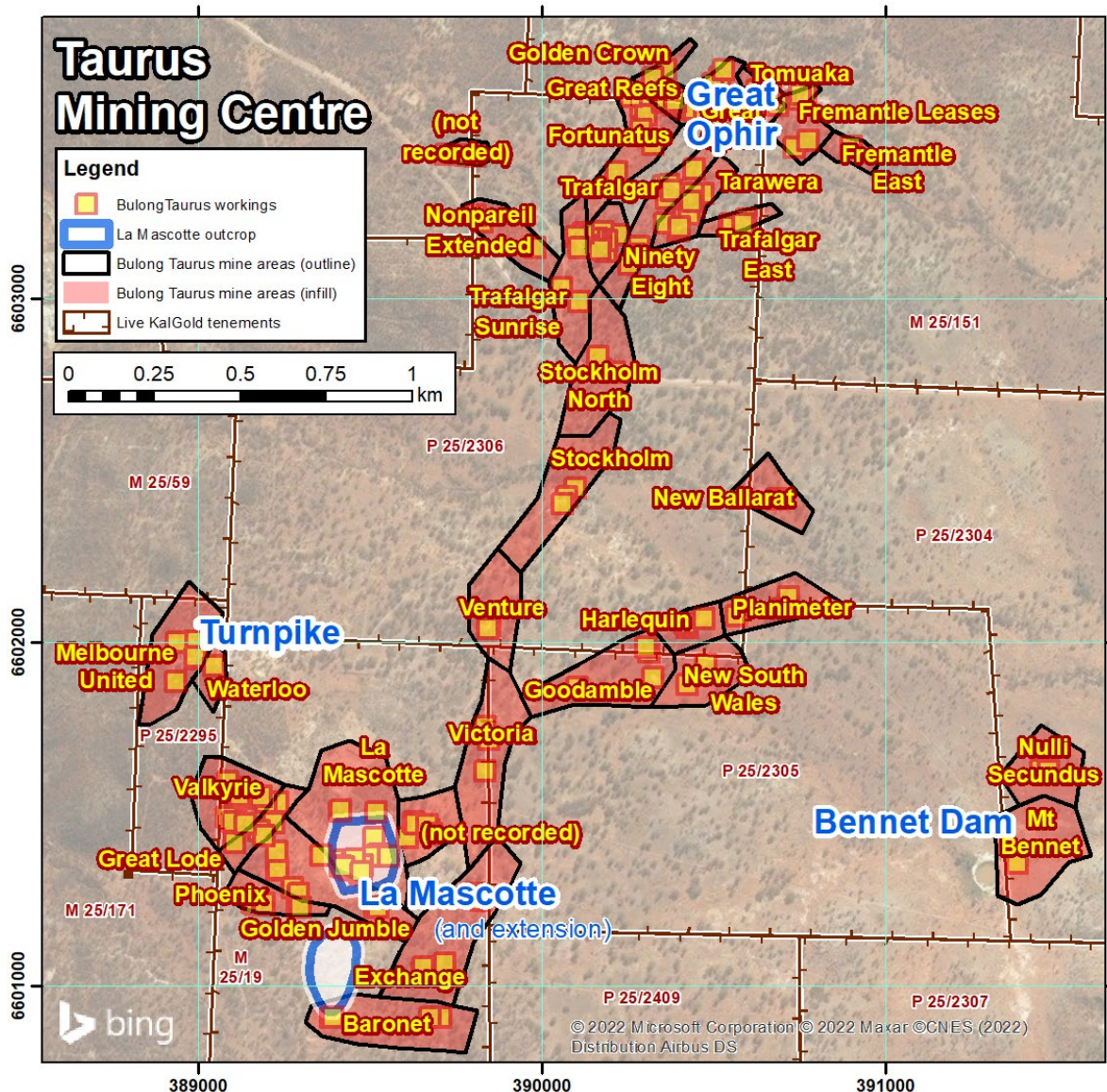


Figure 2 – Outcropping gold mineralisation at La Mascotte constitutes ~1% of the Taurus Gold Mining Centre within the Bulong Taurus Project. Historic mine site workings are shown. Outcropping gold at La Mascotte measures approximately 200x200m, with the drilled part of the deposit measuring about 300x300m. KalGold will drill test for strike extensions of outcrop and underground mineralisation to the north and south, and for extension down dip to the west. Projection MGA 94 Zone 51.

A review of La Mascotte gold system legacy data shows near-surface mining opportunities with potential to significantly expand the mineral system:

- Over **90 drill holes** to 40x20m density mostly from 1980s to 1990s:
 - Predominantly RC drilling, with limited diamond drilling;
 - Gold intercepted to 140m beneath surface over 300x300m area.
- Open pit potential, where gold mineralisation from surface is **open down-dip** to the west **and open along strike** to the north and south.
- Near surface intercepts** include:
 - ARC47: **7m at 14.87g/t Au from surface**
 - BLRC210001: **18m at 1.23g/t Au from 1m incl. 2m at 4.95g/t Au from 15m**
 - BURC047: **2m at 141.15g/t Au from 8m**
 - ARC70: **3m at 7.25g/t Au from 11m**
 - MRC020: **2m at 31.13g/t Au from 12m**
 - ARC38: **21m at 1.08g/t Au from 23m incl. 1m at 5.89g/t Au from 32m**
 - ARC36: **21m at 1.16g/t Au from 44m incl. 4m at 2.08g/t Au from 54m**

Directors' Report

- Potential to extend to depth is indicated by results including:
 - BD6: **10m at 39.14g/t Au** from 128m *and* **2m at 12.41g/t Au** from 149m
 - BD12: **1m at 84.1g/t Au** from 67m
 - MRC092: **4m at 9.07g/t Au** from 118m
 - MRC094: **5m at 7.11g/t Au** from 130m

Results of the La Mascotte data review and forthcoming drilling

A thorough review of all open file data and digitisation of historic drilling at La Mascotte have been instrumental in helping the Company configure a comprehensive geological model. Diligent on-ground confirmation of drill collar locations and retrieval of old laboratory assay certificates should also enable historic data to be incorporated into KalGold's planned JORC 2012 resource estimate.

Although further assessment is needed to determine additional drilling required to bring the dataset to a suitable level for a new resource calculation, in the interim, obvious gaps in the dataset and extensions to mineralisation down-dip and along strike are candidates for drilling.

The Company's first RC drill program undertaken during Q4 2021 confirmed thick zones of near-surface oxidised gold mineralisation punctuated by high grade intervals at **La Mascotte**. As reported by the Company (ASX release 29 November 2021), two new RC drill holes returning the following results:



Figure 3 – KalGold geologists discuss historic results and December drill plans on site at La Mascotte.

BLRC210001 **18m at 1.23g/t Au** from **1m**
including **2m at 4.95g/t Au** from 15m

10m at 1.29g/t Au from **23m**
including **1m at 8.19g/t Au** from 23m

10m at 1.16 g/t Au from **52m**
including **1m at 6.48g/t Au** from 52m

4m at 1.18 g/t Au from 75m

BLRC210002 4m at 0.82 g/t Au from 24m
12m at 0.85 g/t Au from 35m
including 1m at 2.87 g/t Au from 35m
and 1m at 2.71 g/t Au from 44m

3m at 1.11 g/t Au from 72m

2m at 1.37 g/t Au from 82m

These results confirmed historic 1990s pre-JORC resource drill out results.

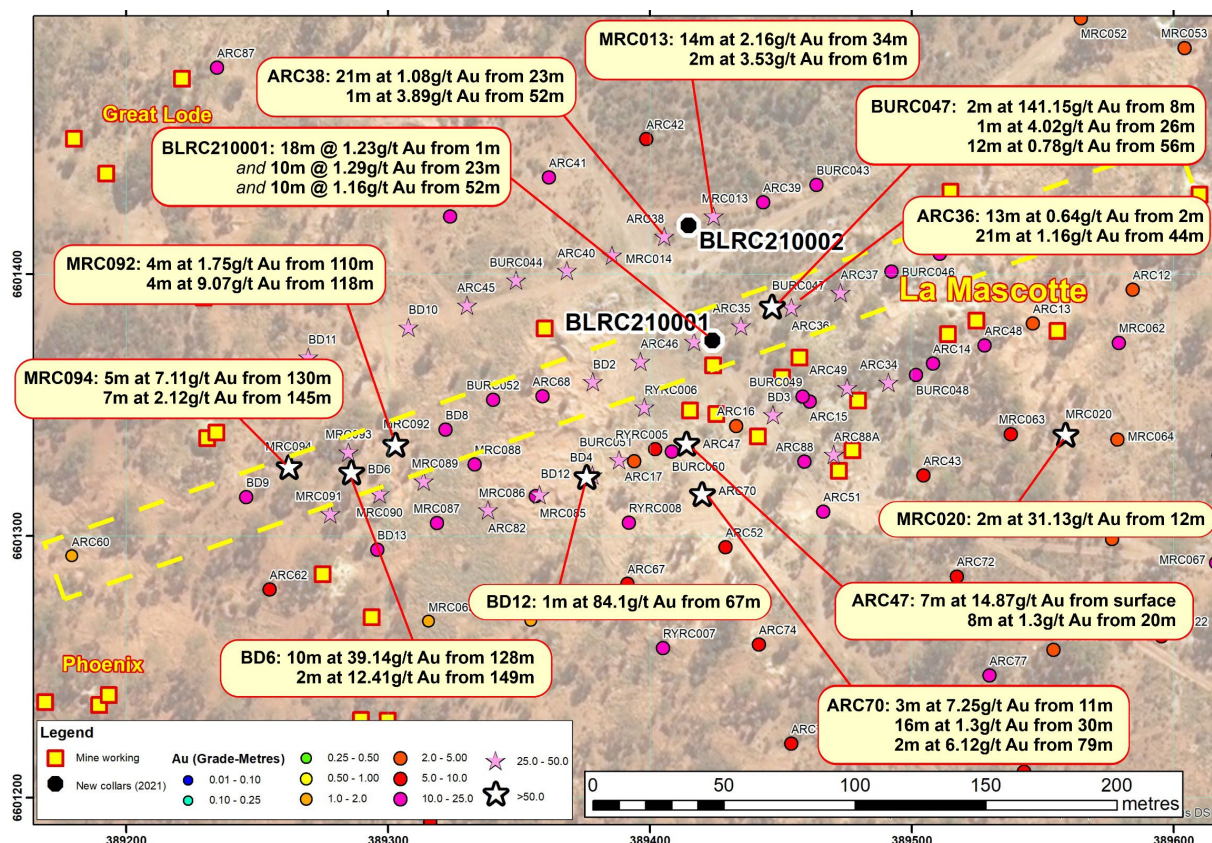
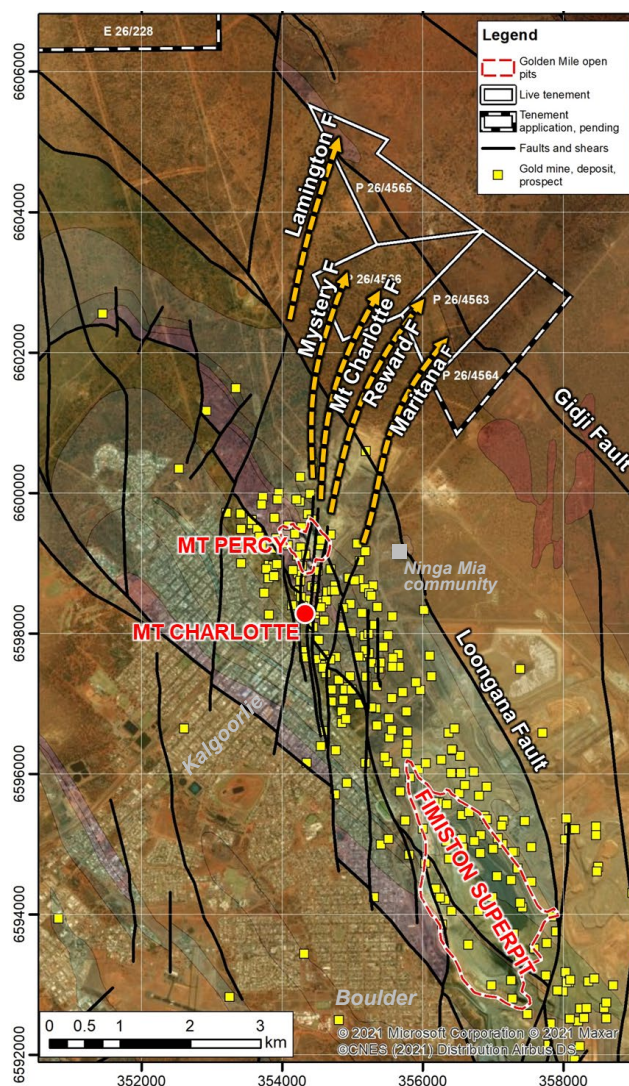


Figure 4 (above) – Historic drilling at La Mascotte has been reviewed and validated by KalGold's recent confirmatory drill holes (black dots). Mineralisation to the north of the section (footprint of Figure 5 section in yellow dashed line) does not appear to have drilled all the way through the mineralised zone and will be tested in forthcoming drilling. Thick moderate grade zones are punctuated by focused high-grade intercepts both in shallow parts of the mineral system (to the east) and in deeper parts where drilling has penetrated (to the west). Au (grade-metres) represents gold abundance in each drill hole and are calculated by multiplying an intercept value by its thickness. Data is currently under assessment for inclusion into an upgraded JORC Code (2012) resource but shows a broad ~300x300m mineralised area defined by historic drilling. Projection MGA 94 Zone 51.

Figure 5 (right) – Geology of the Ninga Mia project and the Golden Mile at Kalgoorlie (Geological Survey of WA, 100k solid geology) superimposed on satellite imagery, showing the Fimiston Superpit, Mt Charlotte, and Mt Percy mines in relation to KalGold's tenure. Yellow dashed arrows diagrammatically show the interpreted extension of faults from Mt Charlotte (black) that appear to extend into the Ninga Mia tenure. Targets are being defined throughout the project area. (Geology: purple = ultramafic rocks, green = mafic rocks, yellow/brown = felsic rocks (Black Flag Formation), pink = granites and porphyries). Fault nomenclature as per Bateman and Hagemann 2004, Mineralium Deposita v39 p.536-559. Projection MGA 94 Zone 51.



Directors' Report

Secondary projects – the Ninga Mia gold project

At Ninga Mia at Kalgoorlie, a detailed reinterpretation of the geology of the project area is showing that the project is underlain by the highly prospective Black Flag Formation adjacent to the supergiant Golden Mile gold deposit.

Published geological interpretations show that many of the faults controlling gold mineralisation around the Mt Charlotte deposit terminate to the north at or before the Loongana Fault (Figure 6). KalGold is defining a new geological interpretation (not shown, proprietary intellectual property) using detailed geo physical datasets as a framework for exploration. In this framework, at least some of the faults that control gold mineralisation at Mount Charlotte propagate into the Ninga Mia tenure including the Mount Charlotte, Mystery, Reward, and Maritana Faults (Figure 6). Refining of the extent of these faults and targets on KalGold's Ninga Mia tenure is ongoing. Intersections of these faults with porphyries, other structures, and late-stage conglomerates associated with the Gidji Fault are of particular interest. Such features are often key controls of significant gold deposits in the Eastern Goldfields.

Generative Projects

KalGold's extensive tenement position in the highly prolific Eastern Goldfields of Western Australia is strategically situated along the major geological structures of the region. These structures, such as the Laverton Tectonic Zone and the Keith-Kilkenny Tectonic Zone, provide the plumbing for hydrothermal gold mineralisation throughout the region.

Whether the tenements host buried greenstone belts, gold-in-granite targets, or have been the focus of nickel resource definition whilst neglecting gold mineralisation, KalGold's projects all have enormous potential but are at an early stage of exploration. Efforts to generate specific targets for drill testing are proceeding on all tenure, with particular focus at Perrinvale and Pianto.

Subsequent events – work programs underway in 2022

KalGold's work programs continue apace to ensure timely project progression in the face of industry-wide long turn-around times for chemical gold assays. Drill programs are set to continue to test our lead project with diamond and RC drill programs scheduled to commence soon.

Bulong Taurus project (Lead Project)

La Mascotte

In January 2022, another 12 RC holes were drilled at La Mascotte. While results for these holes are pending, strong alteration consistent with mineralisation has been noted extensively.

Great Ophir

Results are also pending for another 20 RC drill holes at Great Ophir, around 3km north of La Mascotte at KalGold's Lead Project, Bulong Taurus. This program was designed to test new ideas at the prospect and will significantly increase the footprint of effective drilling at Great Ophir.

Auger assay results from Bulong Taurus reveal extensive gold anomalism

Assay results received post December 2021 from KalGold's Bulong Taurus auger drill program are also promising. Results show extensive and continuous gold anomalism for up to 1.5 km along strike from La Mascotte towards the south and southeast. This area will be targeted in forthcoming drilling.

Several other targets have also been identified by gold anomalism throughout the auger program area. Work is ongoing to fully interrogate the multi-element dataset.

Third phase of RC drilling to commence in May

KalGold has locked in the third phase of RC drilling at Bulong Taurus for May 2022. Targeting is ongoing and ultimately will be informed by the results of the second phase RC program for which

Directors' Report

results are pending. La Mascotte, Great Ophir, Turnpike, Bennett Dam, and other structural and geochemical targets will be tested.

Diamond drill program at La Mascotte prospect

A diamond drill program at the outcropping La Mascotte gold prospect is also expected to commence in late March or April 2022, subject to rig availability. Up to eight diamond drill holes are planned to define structural controls on gold mineralisation along the strike length of the prospect. This program is expected to inform targeting for subsequent drill programs as well as contribute significantly to an initial JORC (2012) resource estimate.

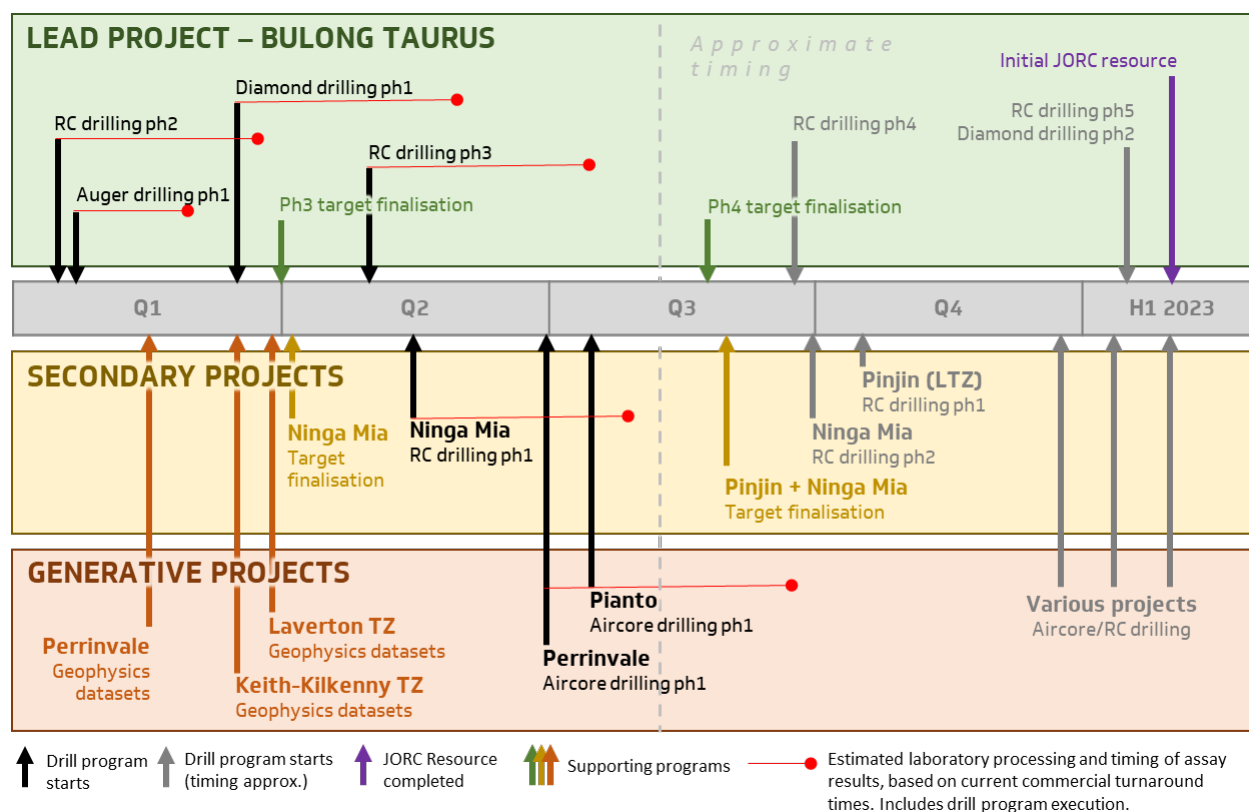


Figure 6 – Indicative timeline for active exploration projects and programs from KalGold portfolio.

Ninga Mia project (Secondary Project)

Pending government approval of a Program of Works, an initial RC drill program at Ninga Mia will also commence in May 2022.

Around 30 targets have been defined where extensions of the Mount Charlotte Fault, Reward Fault, and other gold controlling structures at the Mount Charlotte gold mine cross the broad and extensive Gidji Fault Zone and its splays. Northern Star's Two-Up gold discovery (ASX: NST) lies immediately west of KalGold's tenure and targets that are along strike from Two-Up will require testing.

KalGold is working to prioritise targets for drill testing. These targets represent application of the latest research into gold mineralisation processes and associations, and have not been applied to the area before. Initial examination indicates that the majority of new targets generated at Ninga Mia have not been tested in historical drill programs.

Generative project advances

Perrinvale gold project developments

Targeting is underway at Perrinvale in preparation for a first-pass aircore drilling program. Our new, detailed aeromagnetic dataset, covering the greater Perrinvale and Mt Ida region, is helping to define gold mineralisation at the northern extension of the Mt Ida greenstone belt within KalGold's tenure.

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Only very limited historic gold exploration has been conducted within the project area and its immediate surrounds.

An initial program is expected to test several specific sites. Timing is subject to rig availability, but is expected to commence around May to June.

Pianto gold project developments

Tenement E29/1125 was granted by the Department of Mines, Industry Regulation and Safety (DMIRS) in February 2022. The tenement hosts the Pianto project which comprises laterally extensive gold-in-granite targets, similar to the Golden Cities gold mine to the south, that are entirely obscured by transported material and calcrete. An aircore/slimline RC program is being designed to test the targets.

Pinjin gold project developments

The Pinjin gold project is located on the Laverton Tectonic Zone. The recent award of exploration licence E31/1199, located between the Edjudina and Pinjin mining centres, combined with KalGold's identification of the area's enhanced prospectivity have prioritised the Company's assessment of the project. The greater area is also attracting attention following Ramelius Resources' acquisition of the million-ounce Lake Rebecca gold project along strike to the south during the half year.

The 250km-long, gold-bearing Laverton Tectonic Zone controls gold mineralisation at Pinjin and is one of the main long-lived, transcrustal structures of the eastern part of the Eastern Goldfields province. It comprises a series of north- to NNE- and NNW-striking faults and shears that host and/or control tens of millions of ounces of gold mineralisation along its length, including Granny Smith, Sunrise Dam, Red October, the Edjudina and Pinjin mining centres, and Lake Rebecca.

Targeting continues throughout the area to define targets for drill testing.

Regional aeromagnetic dataset acquisition

The first part of a regional aeromagnetic, radiometric and elevation model dataset has been acquired, with more detailed data expected shortly. These datasets will be used to define high-quality targets over the Keith Kilkenny Tectonic Zone projects and the Laverton Tectonic Zone projects.

The Keith Kilkenny Tectonic Zone projects comprise mining tenements containing nickel laterite resources defined by extensive historic drilling. KalGold does not own the nickel resources, but retains access to all historic drill pulps archived in Kalgoorlie. The vast majority of these samples have not previously been assayed for gold. KalGold intends to reassay selected historic drill pulps (where available within generated target areas) to help define gold anomalism, and/or discoveries on these tenements prior to follow up drilling.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable Australian securities laws, which are based on expectations, estimates and projections as of the date of this news release.

This forward-looking information includes, or may be based upon, without limitation, estimates, forecasts and statements as to management's expectations with respect to, among other things, the timing and amount of funding required to execute the Company's exploration, development and business plans, capital and exploration expenditures, the effect on the Company of any changes to existing legislation or policy, government regulation of mining operations, the length of time required to obtain permits, certifications and approvals, the success of exploration, development and mining activities, the geology of the Company's properties, environmental risks, the availability and mobility of labour, the focus of the Company in the future, demand and market outlook for precious metals and the prices thereof, progress in development of mineral properties, the Company's ability to raise funding privately or on a public market in the future, the Company's future growth, results of operations, restrictions caused by COVID-19, performance, and business prospects and opportunities. Wherever possible, words such as "anticipate," "believe," "expect", "intend", "may" and similar expressions have been used to identify such forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the information is given, and on information available to management at such time.

Forward-looking information involves significant risks, uncertainties, assumptions, and other factors that could cause actual results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors, including, but not limited to, fluctuations in currency markets, fluctuations in commodity prices, the ability of the Company to access sufficient capital on favourable terms or at all, changes in national and local government legislation, taxation, controls, regulations, political or economic developments in Australia or other countries in which the Company does business or may carry on business in the future, operational or technical difficulties in connection with exploration or development activities, employee relations, the speculative nature of mineral exploration and development, obtaining necessary licenses and permits, diminishing quantities and grades of mineral reserves, contests over title to properties, especially title to undeveloped properties, the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other geological data, environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding, limitations of insurance coverage and the possibility of project cost overruns or unanticipated costs and expenses, and should be considered carefully. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Prospective investors should not place undue reliance on any forward-looking information.

Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Company does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

No stock exchange, regulation services provider, securities commission or other regulatory authority has approved or disapproved the information contained in this news release.

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Matthew Painter, a Competent Person who is a Member of the Australian Institute of Geoscientists. Dr Painter is the Managing Director and Chief Executive Officer of Kalgoorlie Gold Mining Limited (KalGold) and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Painter consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Dr Painter holds securities in Kalgoorlie Gold Mining Limited.

Table 1 – Tenement Information
Kalgoorlie Gold Mining Limited and Its 100% Owned Subsidiaries, on a Consolidated Basis
at 31 December 2021

Project Group	Project	Tenement	Mineral rights		Status
			Minerals	% Rights	
Bulong Taurus	Northern Group	M25/19	Gold	100%*	Live
		M25/59	Gold	100%*	Live
		M25/151	Gold	100%*	Live
		M25/171	Gold	100%*	Live
		M25/187	Gold	100%*	Live
		P25/2295	Gold	100%*	Live
		P25/2296	Gold	100%*	Live
		P25/2297	Gold	100%*	Live
		P25/2304	Gold	100%*	Live
		P25/2305	Gold	100%*	Live
		P25/2307	Gold	100%*	Live
		P25/2308	Gold	100%*	Live
		P25/2408	Gold	100%*	Live
		P25/2409	Gold	100%*	Live
		P25/2306	Gold	100%*	Live
		P25/2482	Gold	100%*	Live
		P25/2483	Gold	100%*	Live
		P25/2484	Gold	100%*	Live
	Southern Group	M25/134	Gold	100%*	Live
		M25/145	Gold	100%*	Live
		M25/161	Gold	100%*	Live
		M25/209	Gold	100%*	Live
		P25/2454	Gold	100%*	Live
		P25/2455	Gold	100%*	Live
		P25/2456	Gold	100%*	Live
		P25/2457	Gold	100%*	Live
		P25/2458	Gold	100%*	Live
		P25/2459	Gold	100%*	Live
		P25/2460	Gold	100%*	Live
		P25/2461	Gold	100%*	Live
		P25/2609	Gold	100%*	Live
		P25/2613	Gold	100%*	Live
		P25/2614	Gold	100%*	Live
		P25/2615	Gold	100%*	Live
	Western Group	E25/578	Gold	100%*	Live
		P25/2559	Gold	100%*	Live
		P25/2560	Gold	100%*	Live
		P25/2561	Gold	100%*	Live
	Hammersmith	P25/2650	Gold	100%*	Live
Kalgoorlie	Ninga Mia	P26/4563	All	100%	Live
		P26/4564	All	100%	Pending
		P26/4565	All	100%	Live
		P26/4566	All	100%	Live
	Gidji	E26/228	All	100%	Pending
	Boorara	P26/4542	All	100%	Live
		P26/4543	All	100%	Live
Keith Kilkenny TZ	Aubils	E39/1954	Gold	100%*	Live
	Boyce Creek	E31/1169	Gold	100%*	Live
		E31/1208	Gold	100%*	Live
		E31/1213	Gold	100%*	Live
		E31/1092	Gold	100%*	Live

Directors' Report

Project Group	Project	Tenement	Mineral rights		Status
			Minerals	% Rights	
	Jump Up Dam	M31/483	Gold	100%*	Live
		M31/493	Gold	100%*	Pending
		M31/475	Gold	100%*	Live
		M31/477	Gold	100%*	Live
		M31/479	Gold	100%*	Live
	Lake Rebecca	M31/488	Gold	100%*	Pending
		P31/2038	Gold	100%*	Live
		P31/2039	Gold	100%*	Live
		P31/2040	Gold	100%*	Live
	Laverton TZ	Pinjin	E28/3134	All	Pending
			E31/1119	All	Live
			E31/1261	All	Pending
		Zelica	E39/2188	All	Live
Pianto	Pianto South	E29/1125	All	100%	Pending
Perrinvale	Perrinvale	E29/1006	Gold	100%*	Live
		E29/1078	Gold	100%*	Live
Davies Dam	Davies Dam	E27/606	All	100%	Live
		E27/607	All	100%	Live
		E27/643	All	100%	Pending
		E27/646	All	100%	Pending
		E27/647	All	100%	Pending
		E28/2978	All	100%	Live

* - KalGold has 100% gold rights for all primary gold mineralisation, saprock (oxide) gold mineralisation, and all alluvial gold mineralisation below 6m depth on the Bulong Taurus project, Keith Kilkenny project, and Perrinvale project only. On these projects, an alluvial Gold Rights agreement with a defined group of local prospectors applies only to alluvial gold mineralisation within 6m of surface. This agreement does not apply to outcropping primary gold or near surface saprock (oxide) gold mineralisation, such as that intercepted at the La Mascotte prospect on the Bulong Taurus project. At La Mascotte, KalGold retains all gold rights from surface to depth apart from thin alluvial placers that mantle very limited parts of the surface and where discovery of nuggets was documented. This agreement does not apply to other gold projects within the KalGold portfolio where KalGold also retains alluvial rights from surface in addition to the saprock (oxide) and primary gold mineralisation to depth.

Directors' Report

Corporate

IPO

Kalgoorlie Gold Mining Ltd successfully listed on the Australian Securities Exchange (ASX) on 17 November 2021 issuing \$16.5 million of shares and raising \$7.5 million cash.

Rounding of Amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' report and in the condensed interim financial report have been rounded to the nearest dollar.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Group other than as referred to elsewhere in this condensed interim financial report and in the financial statements and notes attached thereto.

Subsequent Events

No matters or circumstances have arisen since the end of the half year, that have 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.

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 on the following page.

This report is presented in accordance with a resolution of the Board of Directors made pursuant to s.306 (3) of the *Corporations Act 2001* and is signed for and on behalf of the Directors by:

Signed in accordance with a resolution of the directors:



Matthew Painter

Managing Director

Perth, 14 March 2022

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of Kalgoorlie Gold Mining Limited for the half year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Kalgoorlie Gold Mining Limited and the entity it controlled during the period.

BUTLER SETTINERI (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth

Date: 14 March 2022

KALGOORLIE GOLD MINING LIMITED

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

	Note	31 December 2021 \$
Other income		-
Computers and software		(2,691)
Consulting expense		(31,024)
Depreciation		(3,685)
Employee benefits expense		(120,720)
Insurance		(5,430)
Investor relations		(19,747)
Legal fees		(3,965)
Office rental and occupation expenses	4	(35,660)
Share based payments	5	(241,950)
Share registry and listing fees		(44,138)
Travel and accommodation		(2,587)
Other expenses		(8,086)
Loss before income tax		(519,683)
Income tax (expense) / benefit		-
Loss for the year		(519,683)
Total comprehensive loss attributable to members of the parent entity		(519,683)
Basic & diluted loss per share (cents per share)		(1.94)

The accompanying notes form part of these financial statements.

KALGOORLIE GOLD MINING LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	31 December 2021
		\$
Current Assets		
Cash and cash equivalents		5,648,416
Trade and other receivables		50,818
Total Current Assets		5,699,234
Non-Current Assets		
Plant and equipment		40,258
Exploration and evaluation	5,6	11,426,238
Total Non-Current Assets		11,466,496
TOTAL ASSETS		17,165,730
Current Liabilities		
Trade and other payables		71,667
Loans and borrowings		36,984
Provisions		93,500
Total Current Liabilities		202,151
TOTAL LIABILITIES		202,151
NET ASSETS		16,963,579
Equity		
Issued capital	7	15,867,685
Reserves	5,8	1,615,577
Accumulated losses		(519,683)
TOTAL EQUITY		16,963,579

The accompanying notes form part of these financial statements.

KALGOORLIE GOLD MINING LIMITED

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

	Issued Capital	Share Based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance at 1 July 2021				
Loss attributable to members of the entity for the period				
Loss for the period	-	-	(519,683)	(519,683)
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive loss for the period	-	-	(519,683)	(519,683)
Transaction with owners, directly in equity				
Shares issued during the half-year, net of issue costs	15,867,685	-	-	15,867,685
Options issued during the half-year	-	1,615,577	-	1,615,577
Balance at 31 December 2021	15,867,685	1,615,577	(519,683)	16,963,579

The accompanying notes form part of these financial statements.

KALGOORLIE GOLD MINING LIMITED

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

	31 December 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES	
Interest	-
Payments to suppliers and employees	(190,944)
Other receipts	-
Net cash used in operating activities	(190,944)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of plant and equipment	(43,943)
Payments for exploration and evaluation expenditure	(1,079,998)
Net cash used in investing activities	(1,123,941)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of shares during the period	7,486,900
Costs associated with shares issued during the period	(523,599)
Proceeds from related party loan	1,102,225
Repayment of related party loan	(1,102,225)
Net cash provided by financing activities	6,963,301
Net increase/(decrease) in cash and cash equivalents held	5,648,416
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at the end of the period	5,648,416

The accompanying notes form part of these financial statements.

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

Reporting entity

Kalgoorlie Gold Mining Limited ("KalGold" or the "Company") is a company limited by shares, incorporated, and domiciled in Australia. The condensed interim financial report as at and for the half-year ended 31 December 2021 covers the consolidated group of Kalgoorlie Gold Mining Limited and the entity it controlled (together "the Group"). The Group is a for-profit entity.

Basis of preparation

This condensed interim financial report is a consolidated general-purpose financial report which has been prepared in accordance with Accounting Standard AASB 134: *Interim Financial Reporting* ("AASB 134") and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Standards IAS 34: *Interim Financial Reporting*. The condensed interim financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets.

This condensed interim financial report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the annual financial statements. Accordingly, this condensed interim financial report is to be read in conjunction with any public announcements made by the Company during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

With the exception of the new accounting standards discussed in note 2 Changes in significant accounting policies below, the adoption of the new standards and interpretations effective as at 1 July 2021 had no material impact on the Group.

Going Concern

The Group incurred a net loss of \$519,683 for the half-year ended 31 December 2021 and generated an operating cash outflow of \$190,944, and as at that date, had net current assets of \$5,497,083 and net assets of \$16,963,579. Cash on hand at 31 December 2021 was \$5,648,416.

The condensed interim financial report has been prepared on a going concern basis. The Directors believe the Company, will have access to, sufficient cash to fund administrative and other committed expenditure requirements and, as at the date of this report, the Directors believe they can meet all liabilities as and when they fall due.

Rounding amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' report and in the condensed interim financial report have been rounded to the nearest dollar.

NOTE 2: CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

Impact of New and Amended Accounting Standards and Interpretations

The Group has adopted all of the new and amended Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to the Group and effective for the current reporting period. The Group has considered the implications of new and amended Accounting Standards and has determined that their application to the financial statements is either not relevant or not material.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and amended Standards and Interpretations in issue not yet adopted for the half-year 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.

KALGOORLIE GOLD MINING LIMITED

NOTE 3: SEGMENT INFORMATION

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 separately identifiable segments.

The Group remains focused on mineral exploration over areas of interest solely in Australia.

NOTE 4: LEASES

The Group leases office and storage premises with lease terms of 12 months or less and leases office equipment of low value. The Group has elected to apply the practical expedients included with AASB 16 and not recognise a right-of-use asset or lease liability in the financial statements for these leases.

Expenses relating to these leases, recognised in the Statement of Profit or Loss are as follows:

	Half-year to 31 December 2021 \$
Expense relating to short-term leases	22,242
	<u>22,242</u>

NOTE 5: SHARE-BASED PAYMENTS

	Half-year to 31 December 2021 \$
Issue of options to Directors	241,950
Issue of options to Joint Lead Managers	163,877
Issue of options to Ardea Resources Limited	1,209,750
Balance at reporting date	<u>1,615,577</u>

Valuation of Share Based Payments

A summary of the key assumptions used in applying the Black Scholes model to the share-based payments recognised is as follows:

The Options have been valued using the Black Scholes valuation methodology. The following table lists the inputs used to value the Options to be issued under the Offer.

Number of Options	20,031,950
Exercise price	\$0.25
Share price at grant date	\$0.20
Life of the Options	3 years
Risk free interest rate	1.00%
Volatility	70%
Value per Option	\$0.08065

KALGOORLIE GOLD MINING LIMITED

NOTE 6: EXPLORATION AND EVALUATION

	31 December 2021 \$
Balance at beginning of the period	-
Exploration expenditure during the period	11,426,238
Impairment expense during the period	-
Balance at end of the period	11,426,238

The Directors' assessment of whether any triggers of impairment for the Group's exploration and evaluation assets existed as at 31 December 2021 was after consideration of factors such as prevailing market conditions, previous expenditure for exploration work carried out on the tenements, maintaining rights to tenure and the potential for mineralisation based on the Group's and independent geological reports.

Furthermore, the ultimate value of these assets is dependent upon recoupment by commercial development or the sale of the whole or part of the Group's interests in these exploration properties for an amount at least equal to the carrying value.

As at 31 December 2021, the Directors have concluded that there remains an expectation that the carrying amount of the Group's exploration and evaluation assets will be recovered in full on the basis of the above factors, and hence no impairment triggers exist. Consequently, no detailed impairment assessment has been performed as at 31 December 2021.

However, there may exist on the Group's exploration properties, areas subject to claim under Native Title or containing sacred sites or sites of significance to Aboriginal people. As a result, the Group's exploration properties or areas within the tenements may be subject to exploration and mining restrictions. During the half-year ended 31 December 2021, no impairment was taken to account.

NOTE 7: EQUITY

	31 December 2021 \$
(a) Issued Capital	
86,434,600 Ordinary shares	15,867,685
	15,867,685

(b) Ordinary shares

The following movements in ordinary share capital occurred during the reporting period:	31 December 2021 \$
Balance at beginning of the period	100
Shares issued during the period	
37,434,500 issued 4 November 2021	7,486,900
35,000,000 issued 4 November 2021	7,000,000
9,000,000 issued 4 November 2021	1,800,000
3,500,000 issued 5 November 2021	175,000
1,500,000 issued 5 November 2021	75,000
Costs associated with equity raisings	(669,315)
Balance at end of the period	15,867,685

KALGOORLIE GOLD MINING LIMITED

	31 December 2021 No.
Balance at beginning of the period	100
Shares issued during the period	
37,434,500 issued 4 November 2021	37,434,500
35,000,000 issued 4 November 2021	35,000,000
9,000,000 issued 4 November 2021	9,000,000
3,500,000 issued 5 November 2021	3,500,000
1,500,000 issued 5 November 2021	1,500,000
Balance at end of the period	<u>86,434,600</u>

(e) Unlisted options

	31 December 2021
The following movements in Unlisted options on issue occurred during the period:	\$
Balance at beginning of the period	-
Options issued during the period	1,615,577
Balance at end of the period	<u>1,615,577</u>
	No.
Balance at beginning of the period	-
Options granted during the period	-
\$0.25 Options expiring 16 September 2024	3,000,000
\$0.25 Options expiring 05 November 2024	17,031,950
Balance at end of the period	<u>20,031,950</u>

NOTE 8: RESERVES

	31 December 2021 \$
Share based payments reserve	1,615,577
	<u>1,615,577</u>

Movements in reserves

	\$
Share-based payments reserve	
Balance at beginning of the period	-
Issue of options to Directors during the period	241,950
Issue of options to Joint Lead Managers during the period	163,877
Issue of options to Ardea Resources Limited during the period	1,209,750
Balance at end of the period	<u>1,615,577</u>

This reserve is used to record the value of equity benefits provided to Directors, employees and third parties of the Group in accordance with its accounting policy. Refer to Note 5 for details of share-based payments made during the half-year.

KALGOORLIE GOLD MINING LIMITED

NOTE 9: COMMITMENTS AND CONTINGENCIES

Expenditure commitments

The Group has entered into certain obligations to perform minimum work on mineral tenements held. These obligations may vary over time, depending on the Group's exploration programmes and priorities. As at balance date, total exploration expenditure commitments on tenements by the Group have not been provided for in the financial statements and those which cover the following twelve month period amount to \$603,020. These may be varied or deferred on application and are expenditures expected to be met in the normal course of business.

There are no contingencies.

NOTE 10: SUBSEQUENT EVENTS

Other than as noted elsewhere in this report, no matters or circumstances have arisen since the end of the half year, that have 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.

NOTE 11: DIVIDENDS

No dividends were paid or declared during the half-year and no recommendation for payment of dividends has been made.

KALGOORLIE GOLD MINING LIMITED

DIRECTORS' DECLARATION

- 1) In the opinion of the Directors of Kalgoorlie Gold Mining Limited:
 - (a) the financial statements and notes of Kalgoorlie Gold Mining Limited are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (ii) 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) there are reasonable grounds to believe that Kalgoorlie Gold Mining Limited will be able to pay its debts as and when they become due and payable.
- 2) This declaration is made in accordance with a resolution of the Directors.



Matthew Painter

Managing Director

Perth, 14 March 2022

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF KALGOORLIE GOLD MINING LIMITED

Conclusion

We have reviewed the accompanying half year financial report of Kalgoorlie Gold Mining Limited ("the Company") and its controlled entity ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2021 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated 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, nothing has come to our attention that causes us to believe that the accompanying half year financial report of the Group is not in accordance 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 financial 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 Auditing Standard on Review Engagements 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 half year 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 ethical requirements in accordance with the Code.

Directors' responsibilities for the half year financial report

The directors of the Company are responsible for the preparation and fair presentation of the half year financial report in accordance with the Accounting Standard AASB 134 *Interim Financial Reporting* 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 responsibilities for the half year 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 in order to state whether anything has come to our attention that causes us to 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 2021 and its financial performance and its cash flows 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.

BUTLER SETTINERI (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth

Date: 14 March 2022