

2022 ANNUAL REPORT



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Corporate Directory

Directors

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Non-Executive Chairman

Dr Matthew Greentree

Chief Executive Officer and Managing Director

Mr Denis Rakich

Executive Director

Mr Geoffrey Jones

Non-Executive Director

Mr Neil Fearis

Non-Executive Director

Mr Timothy Kestell

Non-Executive Director

Company Secretary

Mr Denis Rakich

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Managing Director's Letter

Dear Fellow Shareholders,

On behalf of the Board, we welcome all new and existing shareholders that have supported the Company during the 2022 Financial Year. This year has been particularly significant with a number of major achievements which have advanced the development of our flagship Katanning Gold Project (KGP), located in south-west Western Australia.

I would like to thank the Ausgold team for their dedication, we can be proud of the results achieved this year which places the Company in an enviable position to deliver upon its goal of becoming Australia's next mid-tier gold producer.

Ausgold has consistently demonstrated the potential at the KGP by developing a robust geological and Resource model which continues to deliver low-cost discovery ounces:

- Over 60,000m's of drilling has delivered a 44% increase or 960,000 koz gold added to the JORC Resource which now stands at **56Mt at 1.21g/t for 2.16 Moz gold** at a discovery rate of less than \$11 per ounce
- High Resource confidence with over 82% of the Resource in the Measured and Indicated categories
- Further discovery potential with high-grade results which continue to expand the current Resource with exploration drilling continuing to deliver results
- A Pre-Feasibility Study which demonstrates an exceptional operation:
 - Maiden Ore Reserve **32Mt @ 1.25g/t gold for 1.28 Moz**
 - 11 year Life of Mine producing an average of 105 koz per year;
 - Excellent metallurgical characteristics with gold recoveries over 90%;
 - Simple on-site processing via conventional crushing, grinding and CIL facility;
 - Post-tax cashflow of \$547 million / NPV5 \$364 million;
 - IRR 40.7 % and a payback of 1.7 years; and
 - Pre-production capital costs of \$225 million.

A pathway to further Resource growth has been identified with the new drilling demonstrating the potential remaining at depth and along strike. Further high value targets are identified in a number of regional targets within Ausgold's expanded tenement footprint which now stands at over 5,500km².

The on-ground success has meant the Company was able to capitalise the business appropriately raising over \$16 million during the year to build the balance sheet for the year ahead. The Company continues to receive strong support from shareholders, and I firmly believe the market will reward the strong results delivered to drive further value for all shareholders.

Looking ahead to 2023, we expect to deliver further Resource growth with continued exploration success which will support the completion of a Definitive Feasibility Study for KGP. The Company anticipates 2023 will provide further advancements leading to the development of a large multi-million-ounce mining operation at the Katanning Gold Project.

Finally, I would also like to take this opportunity to thank you, our shareholders, for your ongoing support. The Company is in a strong position and is focused on developing the KGP, currently one of the largest undeveloped free-milling open pit gold projects in Western Australia.

Matthew Greentree
Managing Director



Review of Operations FY2022

Highlights:

Pre-Feasibility Study (PFS) completed on the Katanning Gold Project (KGP) which delivered a Maiden ore reserve of 1.28 Moz at 1.25g/t making Katanning one of the largest undeveloped free-milling open pit gold projects in Western Australia.

- Average gold production of 105 koz per year for 11 years
- Ore to be processed on-site via conventional crushing, grinding and CIL processing facility
- Excellent metallurgical characteristics with gold recoveries over 90%
- Post-tax cashflow of \$547 million / NPV5 \$364 million
- IRR 40.7 % and a payback of 1.7 years
- Pre-production capital costs of \$225 million
- Initial 6 years of production focused on delivering a higher 1.47g/t grade for an average 126 koz of gold, generating \$555M of after tax free cashflow

Upgraded JORC Resource delivered of 56Mt at 1.21g/t for 2.16 Moz gold:

- 960,000 oz added since 2021 year (44% increase)
- 1.784 Moz of Resource in Measured and Indicated categories
- Best-in-class discovery economics at \$11 per ounce, with further Resource growth expected

Ausgold has developed a robust understanding of the geology hosting the KGP gold mineralisation delivering low cost discovery cost of \$11 per Resource ounce, following 234,000m of completed drilling with significant results including:

Southern Zone

- 21m @ 2.11g/t Au from 61.08m
- 10m @ 2.89g/t Au from 84m
- 6m @ 4.5g/t Au from 32m
- 9m @ 2.52g/t Au from 85m
- 18m @ 1.23g/t Au from 83m
- 10m @ 2.01g/t Au from 66m

Central Zone

- 28m @ 11.3g/t from 90m
- 20m @ 10.5g/t from 10m
- 26m @ 6.6g/t from 117m
- 20m @ 7.6g/t from 96m
- 13m @ 11.3g/t from 7m
- 28m @ 4.8g/t from 49m
- 20m @ 6.5g/t from 93m
- 20m @ 15.6g/t from 97m

Tenement position significantly expanded at Katanning with a farm-in agreement with Cygnus Gold Ltd for 85% interest in the Stanley Gold Project covering a 233km² land position consolidating our ground position in the northeastern Katanning Greenstone Belt. The Stanley Project covers a 24km strike length of highly prospective greenstone belt. The Company now holds a ground position of over 5,500 km².

New drilling at Ausgold's regional Duggan prospect has identified two high-grade mineralised shoots extending 430m along strike which remain open, with significant results including:

- 7m @ 4.05g/t Au from 19m including 5m @ 5.50g/t Au from 19m in DUGRC015
- 4m @ 5.48g/t Au from 72m including 3m @ 7.17g/t Au from 72m in DUGRC019
- 3m @ 2.29g/t Au from 111m including 2m @ 3.21g/t Au from 111m in DUGRC001

Outstanding Growth potential remains:

- Resource remains open at depth and along strike, with drilling results showing potential for further discovery within and outside existing Resource areas, including deeper underground targets
- Further Resource upgrades expected based on planned and current drilling
- Definitive Feasibility Study (DFS) expected to be completed end Q4 CY2023
- Coupled with the strong PFS outcomes, the Company anticipates a positive outlook for investors and stakeholders with the FY23 year marking the start of a journey toward a much larger multi-million-ounce mining operation at the Katanning Gold Project

A total of A\$16.6M raised during the year with the Company well-funded to advance the Katanning Gold Project.

Katanning Gold Project

WESTERN AUSTRALIA (AUC 100%)

Ausgold Limited (ASX: AUC) is an ASX listed exploration company which holds a dominant tenure position over the entire Katanning Greenstone Belt, located within the gold rich Archean Yilgarn Craton of Western Australia. The Yilgarn is one of Australia's premier mineral provinces and host to numerous major gold deposits. Ausgold holds >5,500km² of ground in the historically underexplored and highly prospective southwest portion of the Yilgarn Craton.

The Katanning Gold Project (KGP) lies within the Katanning Greenstone Belt and is located approximately 35km from the township of Katanning situated 275km south of Perth in the Southwest Yilgarn Craton of Western Australia. The KGP lies within a major mineralised structural corridor, with exploration to date having outlined a 17km belt hosting multi-lode gold mineralisation across three key zones including the following gold deposits and prospects (Figure 1):

- Central Zone – Jackson, Olympia, Jinkas, and Jinkas South
- Southern Zone – Rifle Range, Dingo, and Lukin
- Northern Zone – Datatine

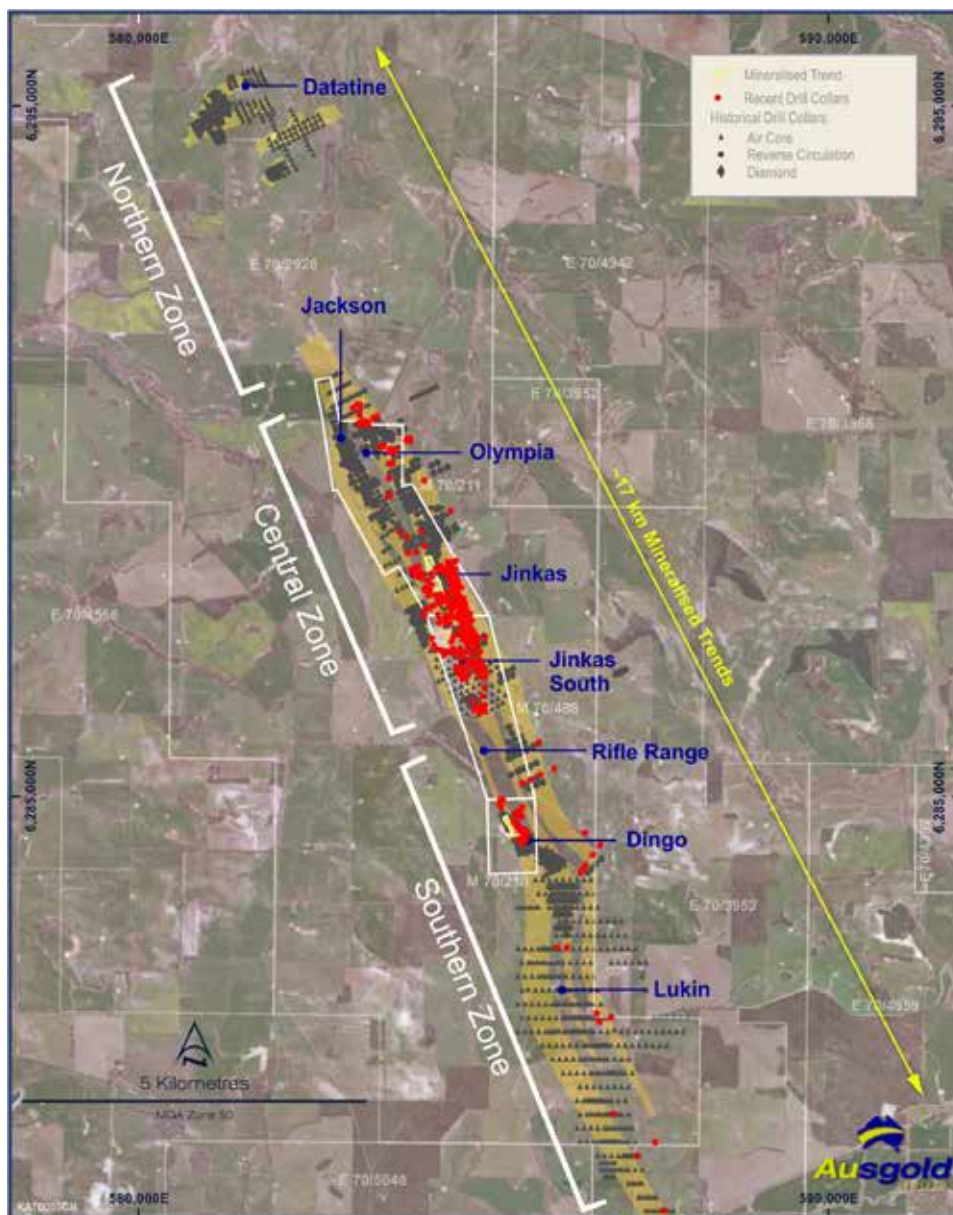


Figure 1 - Map of the 17km Katanning Gold Project, including the Northern, Central and Southern Zones

Pre-feasibility Study

Ausgold announced results of the Pre-feasibility Study and Maiden JORC Reserve subsequent to the year end.

The current Pre-feasibility Study forecasts that the Project will generate A\$1,008 million of EBITDA over the LOM and an average free cashflow of A\$243 million a year. This projected cashflow underpins an outstanding internal rate of return of 40.7% and payback period of just 1.7 years (pre-tax). Ausgold's forecast strong financial performance is based upon an initial annual production rate of 126,000oz a year for the first six years and a LOM all-in sustaining cost (AISC) of \$1,481/oz. The maiden Probable Ore Reserve is 32Mt at 1.25 g/t for 1,280,000oz gold.

The Project also has significant growth potential, with new discoveries and additional high-grade mineralisation identified subsequent to the Pre-feasibility Study cut-off of May 2022.

Table 1 Key LOM Financial and Physical metrics

Key Metrics	
Life of Mine	11 years after 1.5 years construction
Ore Tonnes Mined	32 Mt
Ore Processing Rate	3 Mt/a
Stripping Ratio	9
Average gold grade – years 1 - 6	1.47 g/t Au
Average gold production (recovered) – years 1 - 6	126 koz
Average gold grade – LOM	1.25 g/t Au
Average gold production (recovered) – LOM	105 koz
Recovered Gold	1.16 Moz
Financial Metrics	
Revenue	A\$2,669M
All in Sustaining Costs (AISC) – first 6 years production	A\$1,370 per oz
All in Sustaining Costs (AISC) – LOM	A\$1,481 per oz
Net free cashflow (pre-tax)	A\$746M
Net free cashflow (post-tax)	A\$540M
EBITDA – Life of Mine	A\$981M
Payback period (post-tax)	1.7 years
NPV (pre-tax)	A\$515M
NPV (post – tax)	A\$364M
Internal Rate of Return (IRR) pre-tax	50.5%
Internal Rate of Return (IRR) post-tax	40.7%
Gold Price Assumption	A\$2,300 per ounce
Capital Expenditure and Closure Costs	
Pre-Production Capital and Operating Costs	A\$225M
Sustaining Capital Costs	A\$31M
Closure Costs	A\$8M

Maiden Ore Reserve

The Project's underlying Mineral Reserve is technically robust, being based on almost 234,137 m of RC and diamond drilling providing a high confidence geological model. The current mining areas are located on granted Mining Leases where small scale mining has been undertaken in the past and provides context for a large open cut mining development demonstrated within the PFS.

Table 2 Life of Mine Mineral Resources and Ore Reserve Inventory

Mineral Resource	Tonnes (Mt)	Grade (g/t Au)	Contained Ounces (oz)
Measured	19.0	1.31	800,000
Indicated	26.8	1.14	984,000
Inferred	9.5	1.03	370,000
Total	56.0	1.21	2,160,000
Ore Reserve	Tonnes (Mt)	Grade (g/t Au)	Contained Ounces (oz)
Probable	32	1.25	1,280,000
Total	32	1.25	1,280,000

Notes: Mineral Resources are Reported at a 0.6 g/t Au cut-off grade and ore reserves are reported based on a A\$2,200 gold price as a basis for cut-off grade estimations and pit optimisations. Life of mine only includes Central zone and Dingo Resource areas. The Ore Reserve and LOM only include Measured and Indicated Resource.

Upgraded 2021 JORC Resource Mineral Resource

During the year Ausgold engaged independent geological consultants to undertake updates of the KGP geological model to provide two upgrades to the KGP JORC Resource. The estimates were completed and announced to ASX on 7 December 2021 and 25 May 2022.

The expanded Resource, which now totals **2.16 million ounces of gold** (see Table 2 for details), represents a 44% increase in total contained ounces since the 2021 Resource estimate of 1.2 million ounces.

The updated KGP gold Resource was reported and classified in accordance with the 2012 JORC Code and has further expanded the Central and Southern Zone Resources. The updated Resource has increased the Measured and Indicated Resource categories a further 762,700 ounces, bringing this to a total of 1,784,000 ounces, which forms the basis of the Pre-feasibility Study and the Maiden Ore Reserve (Figure 2).

The Central Zone represents the majority of the KGP Resource, including the stacked Jinkas-White Dam, Olympia and Jackson lodes, which has been updated by 15,078m of new RC and diamond drilling (Figure 3-4 and Figure 6). The Southern Zone Resource has been updated by over 8,199m of new RC and diamond drilling, with the Dingo Resource, which now includes the Dingo South area, extending the Resource a further 900m along strike (Figures 5-6). The Datatine deposit remains unchanged from the 2019 estimation. However, further drilling has been conducted after the Resource upgrade with results awaited.

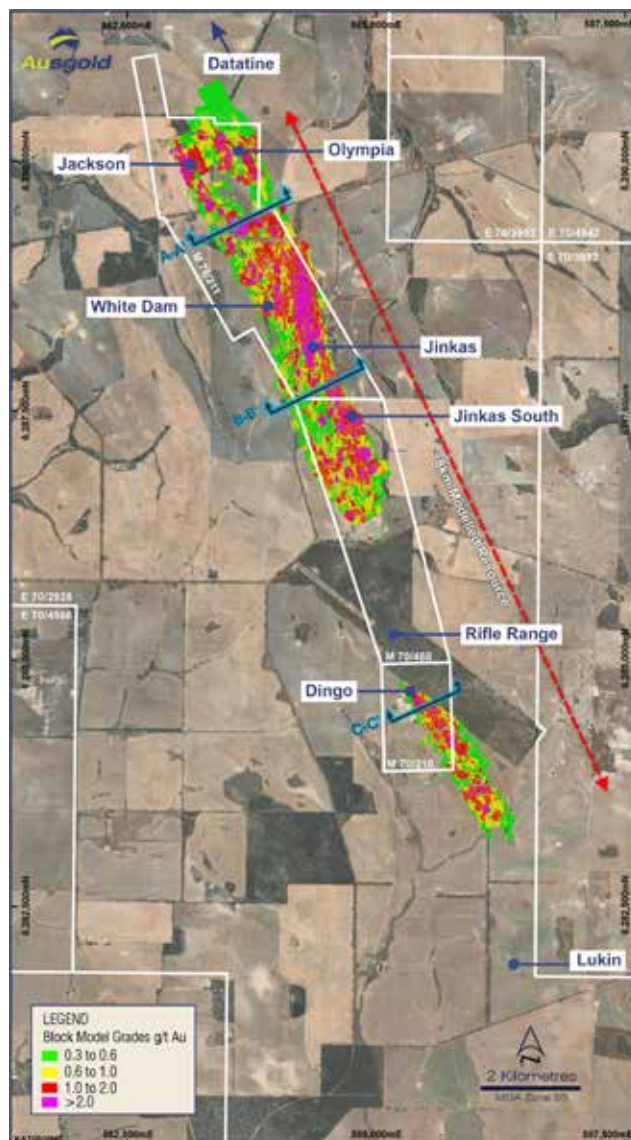


Figure 2 – KGP Resource showing May 2022 Resource block model

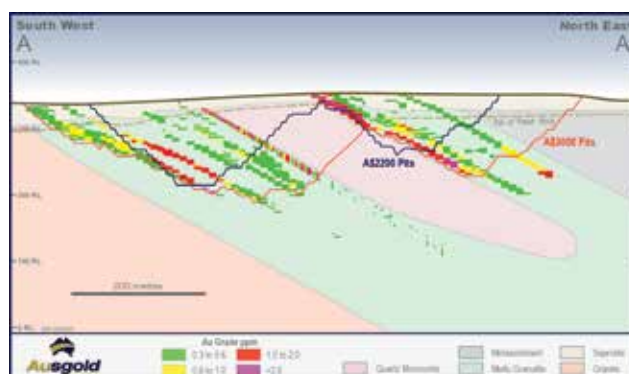


Figure 3 – Jackson and Olympia South cross-section A-A', looking north

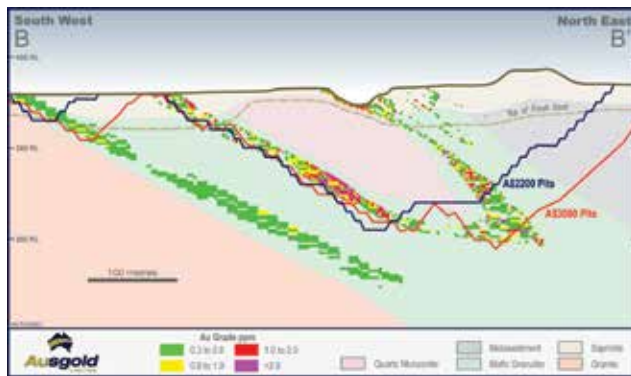


Figure 4 – Jinkas cross-section B-B', looking north

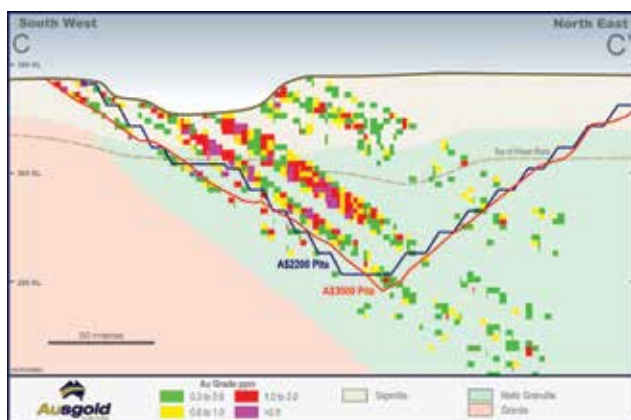


Figure 5 – Dingo cross-section C-C', looking north

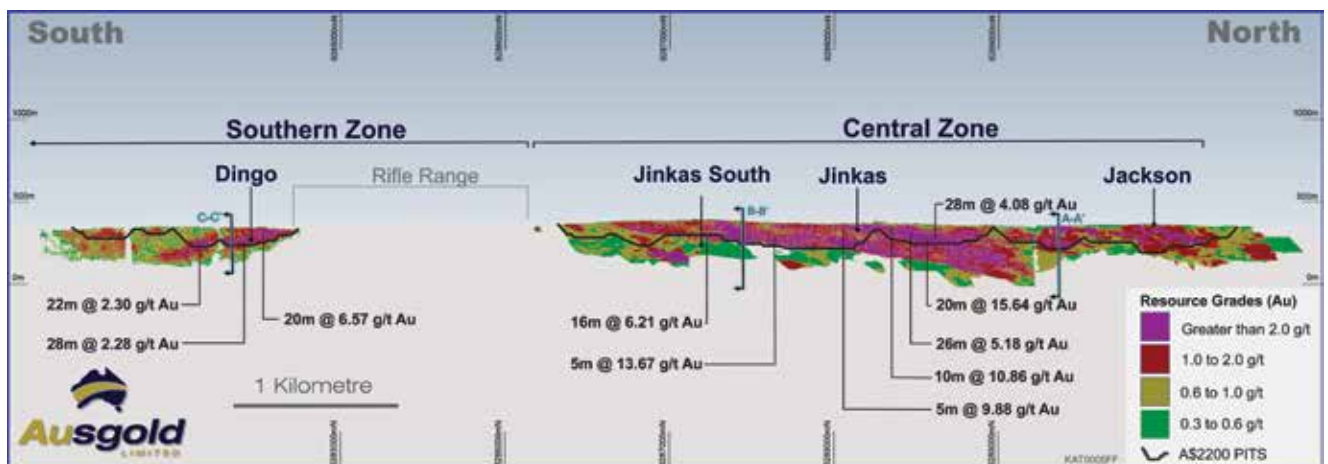


Figure 6 – Long section the May 2022 Resource Update

Resource Upgrade Key Points:

- An increase of **960,000 ounces, 40% increase**, at a **low discovery cost of \$11 per ounce**
- **1.784 Moz in Measured and Indicated categories**, a 75% increase from 2021
- Jinkas – White Dam for a continuous lode with combined Resources of **950Koz**
- **0.54 Mt at 3.01 g/t Au for 52,240 ounces** in Jinkas Underground Resource, reported below 150mRL at a higher 1.8 g/t cut-off grade now shows untested potential at depth
- Addition of over 31,000m of new RC and diamond drilling
- Improved geological modelling and estimation methodology to enable a better estimate for the high-grade (>3.5 g/t Au) proportions of the Jinkas deposit within the Jinkas, Jinkas South and White Dam lodes.
- Mineral Resource is reported at a 0.6 g/t Au cut-off grade for open pit and 1.8 g/t Au cut-off grade for underground Resource.
- Open Pit Resources are reported above 150mRL, to an approximate maximum depth of 220m

This Resource upgrade provides critical mass to the KGP and supports Ausgold's strategy to develop a standalone mining operation focused on the Central Zone. Importantly, it also shows the exploration potential within the Resource areas and regionally to significantly increase the scale of the Katanning Gold Project with targeted exploration.

2022 Mineral Resource Summary

The Mineral Resource estimate for the KGP now reports at **56 Mt @ 1.21 g/t Au for 2.16 million ounces** of contained gold (Table 3)

Table 3 - Summary Gold Resources for the KGP

Resource category	Tonnes Mt	Grade (g/t au)	Contained gold (oz)
Measured	19.0	1.31	800,000
Indicated	26.8	1.14	984,000
Inferred	9.5	1.03	370,000
Total Resource	56.0	1.21	2,160,000

Notes to Table 3:

Resource is reported at a lower cut-off grade of 0.6 g/t Au and above 150m RL (approximately 220m depth), the underground Resource is reported at 1.8 g/t Au beneath 150m RL.

Project Infrastructure

The Katanning Gold Project is located 275km from Perth, 35km from the town of Katanning and close to high-quality infrastructure which supports the near-term development of the project. Project infrastructure includes:

- Granted mining licences
- Grid power
- Sealed roads
- Water
- Town of Katanning 35 kms from site
- Accommodation
- Airstrip

KGP Central Zone

The Central Zone contains the majority of the current **JORC Resource of 2.16 Moz**, identified within a 4.5km strike length (Figures 1 and 2, and Table 3). The Central Zone comprises of the Jinkas/Jinkas South, White Dam and the Jackson lodes.

During the year Ausgold completed a 20,817m multi-rig exploration and Resource drilling campaign which successfully targeted:

- Near-surface high-grade gold mineralisation within the three Central Zone lodes, adding near-surface Resource ounces which will support open-pit mining as part of the Pre-feasibility Study.
- Down -plunge extensions of the high-grade gold mineralisation within the three Central Zone lodes.

Drill targeting was supported by an improved geological model combined with geophysical techniques. Ausgold has refined the exploration targeting methods, including the extensive use of DHEM techniques to detect and locate extensive zones of pyrrhotite-magnetite alteration, which are characteristic of high-grade gold mineralisation. This improved deposit knowledge and exploration targeting method has enabled Ausgold to further expand the KGP Resource.

Results have now been received and reported for all drilling completed at the Central Zone within the year.

Significant near-surface intercepts at Central Zone include:

- 9.2m @ 1.70g/t Au from 99m including 4.0m @ 3.06g/t Au in BSDD038
- 15.4m @ 1.55g/t Au from 125m including 5.0m @ 3.98g/t Au in BSDD038
- 7m @ 1.03g/t Au from 29m in BSRC1259
- 6m @ 4.79g/t Au from 48m including 3m @ 9.08g/t Au in BSRC1285
- 9m @ 1.30g/t Au from 27m in BSRC1304
- 5m @ 3.43g/t Au from 23m in BSRC1334
- 6m @ 1.17g/t Au from 53m and 5m @ 1.37g/t Au from 102m in BSRC1345
- 13m @ 2.62g/t Au from 9m including 3m @ 9.64g/t and 2m @ 3.92 from 52m in BSRC1441
- 10m @ 0.61g/t Au from 94m in BSRC1437
- 4m @ 5.47g/t Au from 42m in BSRC1349
- 9m @ 0.95g/t from 99m including 5m @ 1.35g/t in BSRC1350
- 13m @ 1.04g/t Au from 187m in BSRC1355
- 8m @ 2.04g/t from 8m including 5m @ 2.96g/t from 10m in BSRC1473
- 5m @ 2.98g/t from 31m including 2m @ 6.82g/t from 34m in BSRC1476
- 8m @ 1.83g/t from 31m including 2m @ 6.26g/t from 37m in BSRC1531
- 5m @ 2.59g/t from 36m including 3m @ 3.80g/t from 38m in BSRC1473
- 8m @ 1.50g/t from 92m including 2m @ 4.33g/t from 96m in BSRC1521

The Company is encouraged by the extent of near-surface high-grade gold mineralisation identified within both the Jackson and White Dam lodes, which sit along the footwall of the existing Resource in the Central Zone. The additional oxide mineralisation, combined with the greater continuity of gold mineralisation over this 4.5km of strike length, will support further open-pit mine planning.

Significant down-plunge high-grade intercepts at Central Zone include:

- 6m @ 4.00g/t from 252m Including 4m @ 5.88g/t Au from 252m in BSRC1530
- 3m @ 7.01g/t from 168m Including 1m @ 19.49g/t Au from 170m in BSRC1531
- 4m @ 17.05 g/t from 207m including 2m @ 33.86 g/t Au from 208m in BSRC1535
- 7m @ 6.99g/t from 133m including 2m @ 23.30g/t Au from 133m in BSRC1537

These high-grade results are especially significant as they unlock potential to expand the Resource as both a deep open pit and as a potential underground Resource.

New drilling (20 holes for 1,627 metres) has for the first time, targeted gold mineralisation beneath the historical tails dam which covers a 400m strike length of primary gold mineralisation in the southern portion of the White Dam Lodes. New results demonstrate good continuity and high-grade gold mineralisation within the Jackson and White Dam Lodes near to surface beneath the historical mine infrastructure. Significant intercepts in primary White Dam mineralisation include:

- 8m @ 4.19g/t Au from 53m in 4.0m @ 7.99g/t Au in BSRC1411 (White Dam)
- 4m @ 2.21g/t from 19m in BSRC1356 (Jackson)

The upper portions of these same drill holes have shown the historic tails material contained significant gold grades from surface. This material was included within the May Mineral Resource upgrade. Significant results within the tails material include:

- 10m @ 0.96g/t including 1.0m @ 3.40g/t and 3.0m @ 1.31g/t from 0m in BSRC1379
- 15m @ 0.52g/t from 0m in BSRC1378
- 10m @ 0.57g/t from 0m in BSRC1377
- 15m @ 0.52g/t from 0m in BSRC1378

KGP Southern Zone

The Southern Zone comprises of 227Koz of the 2.16Moz KGP Resource (ASX announcement 25 May 2022). The Southern Zone comprises of Dingo, Lukin and the Rifle Range.

During the year Ausgold completed a 11,418m multi-rig exploration and Resource drilling campaign, which successfully extended the Dingo Resource by 900m, increasing the Resource by 148Koz to 227Koz (53% increase).

Results have now been received and reported for all drilling completed at the Southern Zone within the year.

Dingo

During the year 79 holes for 8,379m were completed at the southern extension of Dingo, over a strike length of 900m. Results from this drilling highlighted the presence of a larger mineralised system which remains open along strike into Lukin.

Significant results were as follows:

- 6m @ 4.5 g/t Au from 32m including 2m @ 12.75 g/t Au in BSRC1168
- 9m @ 2.52 g/t Au from 85m including 5m @ 4.09 g/t Au in BSRC1200
- 10m @ 2.01 g/t Au from 66m in BSRC1226
- 12m @ 1.29 g/t Au from 75m including 5m @ 2.11 g/t Au in BSRC1228
- 11m @ 1.89 g/t Au from 59m including 6m @ 2.98 g/t Au in BSRC1229
- 18m @ 1.23 g/t Au from 83m in BSRC1230
- 10m @ 2.89 g/t Au from 84m including 3m @ 8.35 g/t Au in BSRC1231
- 6m @ 0.91 g/t from 30m in BSRC1319
- 1m @ 8.35 g/t from 77m and 13.0m @ 0.51 g/t from 116m in BSRC1375
- 7m @ 2.04 g/t from 34m including 2.0m @ 6.12 g/t from 37m in BSRC1383
- 1m @ 5.70 g/t from 2m in BSRC1382
- 4m @ 2.51 g/t from 122m including 2.0m @ 4.70 g/t from 123m in BSRC1382

The Company is encouraged by the extent of near-surface gold mineralisation at Dingo, extending over a total of 2,400m in strike length and remaining open south towards the Lukin prospect.

Lukin

Lukin is located directly south of the Dingo Resource and follows the same regional structures that control gold mineralisation (Figure 7). Historical AC drilling has delineated a trend of gold mineralisation (> 0.1 g/t) which extends along the eastern side of a significant gravity high marking a large thrust fault (Figure 7). This thrust fault is a fundamental control on gold mineralisation regionally along the entire strike length of the KGP and across the Southwest Yilgarn Craton.

During the year Ausgold completed a drilling campaign (24holes for 2,071m) in the northern-most portion of Lukin. Primary mineralisation intersected in recent RC drilling suggests the southern KGP represents a significant target which to date has received limited exploration.

Significant results from this year include:

- 3m @ 1.18g/t from 129m in BSRC1148
- 5m @ 0.68g/t from 109m in BSRC1392

Ausgold will complete a systematic drill campaign over a 4km strike length of Lukin in the coming drill season with the aim of delineating a gold Resource at Lukin.

Rifle Range

During the year, 7 holes for 968m were completed at the Rifle Range prospect. Anomalous gold results were intercepted within the same mafic granulite sequence which hosts gold mineralisation within the Central Zone. Ausgold will continue to assess and test these areas of anomalous gold mineralisation.

KGP Northern Zone

The KGP Northern Zone extends for a strike length of 6 kms and includes the Datatine deposit, which contains a gold Resource of 0.67 Mt at 1.20 g/t for 25,890 ounces.

Datatine differs from the more southern portions of the KGP in that the host rocks and mineralisation strike in an easterly direction with a southern dip as opposed to a north-westerly strike with an easterly dip. Drilling delineated the prospective contact between the mafic granulite and the granite footwall a further 600m west. A second parallel mineralised trend to the south remains to be fully tested.

During the year a program of aircore and RC drilling was completed to test extensions to identified mineralisation at Datatine as well as earlier stage targets at Burong and Mutters, results from the drilling are awaited. The drilling was partially funded by a \$150,000 grant from the Western Australian Government under the Exploration Incentive Scheme (EIS).

Drill results from the Northern Zone are awaited.

The Definitive Feasibility Study (DFS) with completion due late Q4 CY2023

- **Open pit mine studies are underway** - assessing potential mining scenarios, in particular further optimising open pit designs, schedules, and development strategies
- **Metallurgy** – A 243m diamond drilling program with the purpose of collecting additional composites for metallurgical testwork has been completed. Drill core will be used for comminution and leach testwork over the range of ore types
- **Process Design** - flow sheet optimisation following metallurgical testwork results and analysis; confirmation of mechanical equipment list and electrical load list; cost models; execution strategy
- **Tailings Storage Facility (TSF)** - tailings testwork to confirm chemical and physical properties; optimisation of TSF design; geotechnical site investigation
- **Hydrogeology** - groundwater investigation and modelling to determine pit dewatering and confirm process water supply solution
- **Infrastructure** - confirm connection to grid and investigate optimisation of renewable energy contribution to the power supply; determine bore field location for process water supply; investigate and confirm accommodation for construction and operations; determine site access and internal roads designs
- **Environmental** - additional baseline studies within the Project's disturbance envelope; moving toward completion of the Environmental Review Document
- **Community** – on-going Stakeholder Engagement Programs; establishment of Project Office in Katanning; employment opportunities; community response surveys

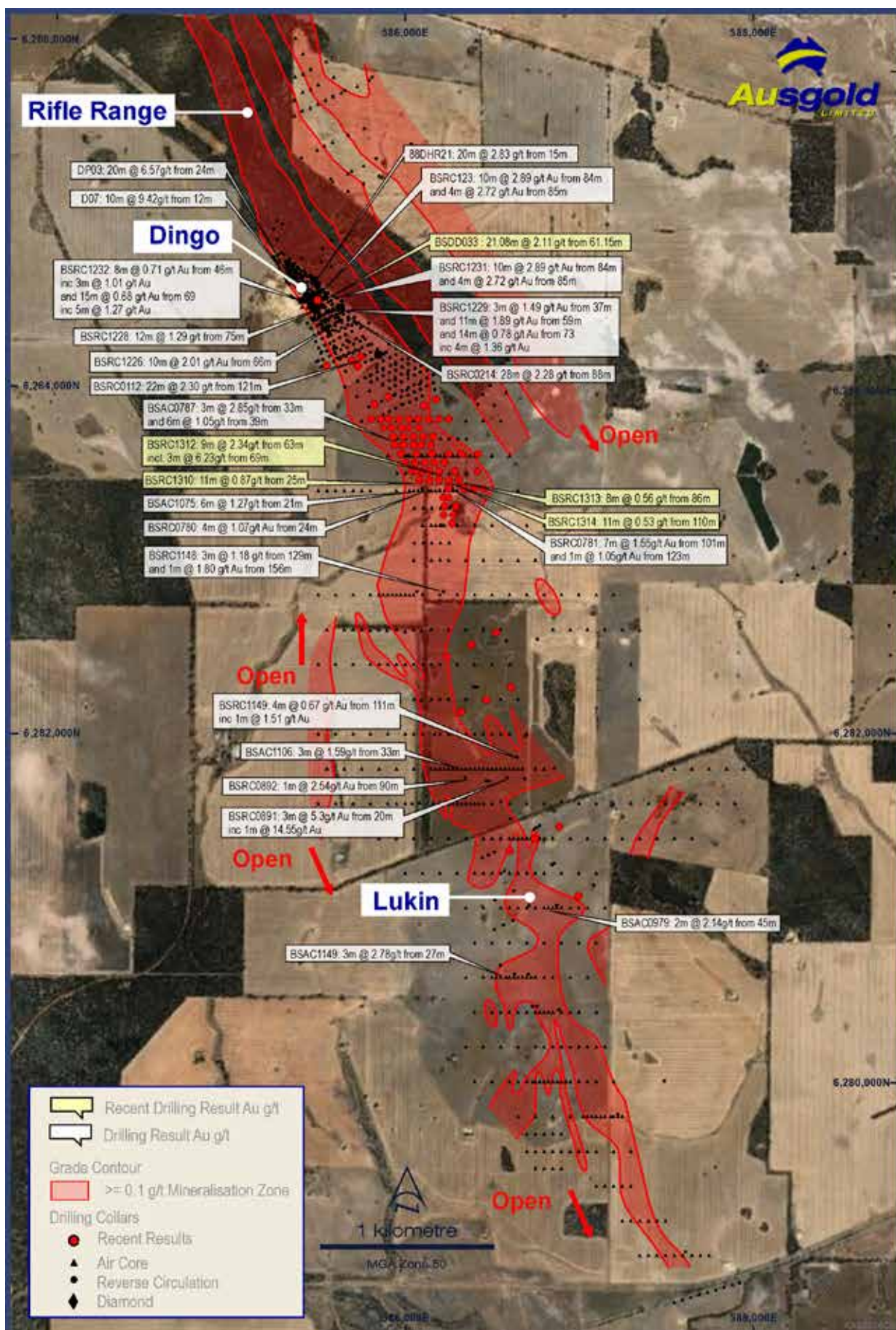


Figure 7 - Drill results Southern Zone KGP

KGP Regional Exploration

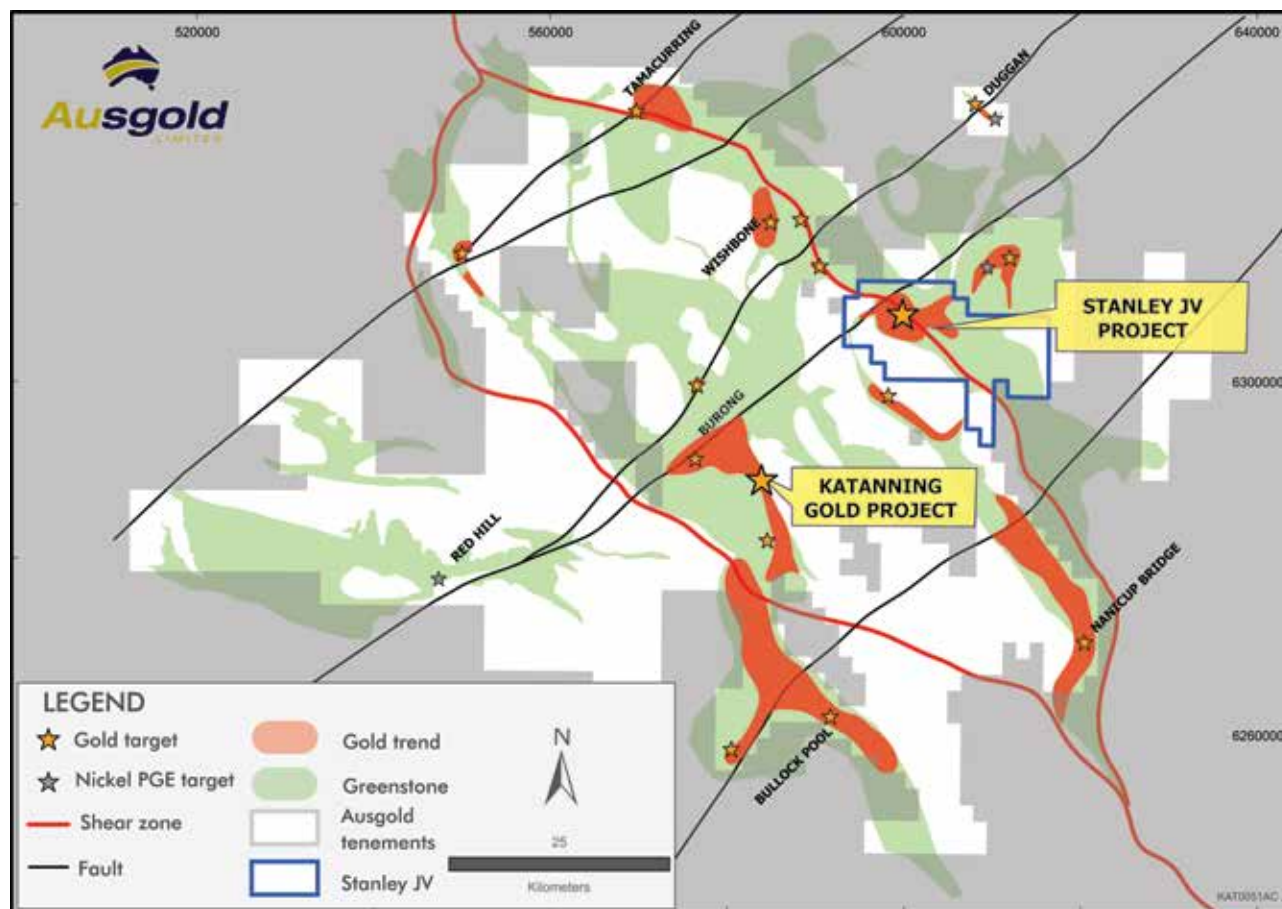


Figure 8 - Regional gold exploration targets within Ausgold's > 5,000 km² tenure

Ausgold holds exploration rights over a landholding of approximately 5,500km² along a significant geological boundary separating the Younanmi and South West Terranes. Faults along this boundary are the same as those that host the gold mineralisation within the KGP. A new geological interpretation of the region based on field mapping has provided a framework under which to conduct exploration. Combined with the significant geochemical database collected by Ausgold and historical data, this has enabled the identification of new regional target areas. Commencing in November 2021 Ausgold tested priority regional targets with surface sampling and drilling, including:

Duggan Prospect

The Duggan gold prospect is located 50km northeast of Ausgold's KGP. A program of 3,540m aircore (AC) and 2,184m of reverse circulation (RC) drilling identified an extensive zone of gold mineralisation (Figure 9), which was designed to follow up on historical exploration which included RC results such as 11m @ 3.40 g/t Au from 24m including 4m @ 7.78 g/t Au from 24m in TP17.

New drilling at Duggan intersected significant gold mineralisation at surface and has identified a further two high grade shoots which extend into fresh rock with strike length of over 430m. Gold mineralisation remains open both along strike and down dip, and significant results include:

- 7m @ 4.05 g/t Au from 19m including 5m @ 5.50 g/t Au from 19m in DUGRC015
- 4m @ 5.48 g/t Au from 72m including 3m @ 7.17 g/t Au from 72m in DUGRC019
- 3m @ 2.29 g/t Au from 111m including 2m @ 3.21 g/t Au from 111m in DUGRC001

Gold mineralisation is associated with a zone of sulphide alteration with extensive pyrite and pyrrhotite within a sequence of gneissic rocks. Drilling has targeted mineralisation dipping 60° towards the northeast and a moderate plunge towards the south (Figure 9). Further exploration drilling is planned with the aim of extending the known footprint of the primary lode along strike, up- and down-dip and down-plunge (Figures 9-11) and to identify and confirm additional stacked lodes south of the primary lode.

The Company is encouraged by the extent of near-surface gold mineralisation intersected in initial drilling at Duggan. Significant potential exists considering gold mineralisation at Duggan remains open along strike, up- and down-dip and down-plunge. Ausgold completed a 1,216m program to follow-up the results from the first phase and are currently awaiting assay results. A downhole EM survey is planned for Duggan with the aim to establish whether extensions to known mineralisation can be targeted effectively using EM methods.

Burong is located along a NE-striking thrust fault, which cross-cuts a NNW-striking thrust fault which controls the Central Zone. Gold mineralisation intersected in drilling has a moderate northerly dip and is closely associated with quartz veining in sulphidic mafic and ultramafic granulites.

New drilling at the Burong prospect confirms the regional potential surrounding the KGP. Burong is located along a regionally significant NNW-striking thrust fault, which also hosts the Datatine deposit 10 km to the east. This new mineralised trend is open along strike and is parallel to a major NE striking regional fault, which extends eastward towards Datatine and is perpendicular to the main KGP structure. Further soil sampling is planned to target gold mineralisation along this newly defined mineralised trend, with AC and RC drilling planned to re-commence in the coming summer months.

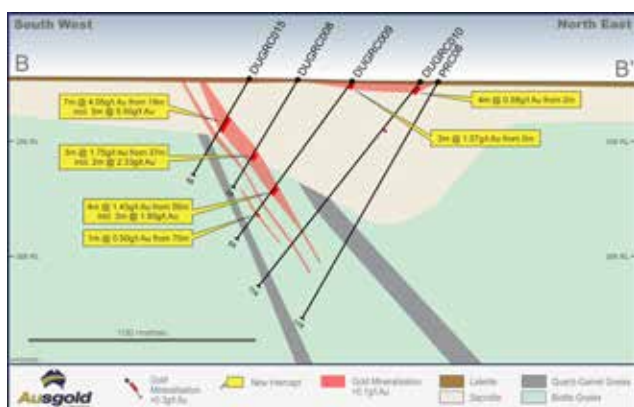


Figure 11 – Duggan Cross Section ‘B-B’

Stanley Gold Project Joint Venture

During the year Ausgold entered into a farm-in agreement with Cygnus Gold Limited to acquire a majority interest in the Stanley Gold Project located 25km northeast of the KGP. Under the agreement Ausgold can earn an 85% interest in the Project by expending \$750,000 over 3 years.

Overview

The Stanley Gold Project comprises a significant landholding of 233 km² with two 100%-owned tenements: E70/5131 and E70/4787 positioned along 24km of highly prospective greenstone belt. The greenstone belt has potential for gold and Ni-PGE mineralisation with abundant mafic to ultramafic rocks located along the intersection of the Kukerin and Pingaring shear zones and cross-structures such as the Burong Fault (Figure 8). The geological setting, coupled with highly anomalous surface geochemistry and the following significant near surface gold intercepts, highlight the prospectivity of the area:

- 8.5m @ 33.00g/t Au from 37.7m inc 2.4m @ 114.62g/t Au in BNDD001
- 8.6m @ 19.27g/t Au from 24.7m inc 5.7m @ 28.60g/t Au in BNDD003
- 7m @ 12.56 g/t from 21m in 09KUAC164
- 16m @ 4.99 g/t from 30m in 09KUAC009
- 9m @ 6.87 g/t from 24m in 09KUAC012
- 27m @ 2.26 g/t from 21m in 09KUAC008
- 15m @ 3.96 g/t from 24m in 08KUAC075
- 9m @ 5.01 g/t from 22m in 09KUAC158
- 3m @ 6.77 g/t from 42m in 09KUAC011
- 8m @ 1.83 g/t from 37m in PRRB119
- 2m @ 5.49 g/t from 81m in STRC0020
- 3m @ 3.26 g/t from 42m in 08KUAC075
- 12m @ 0.63 g/t from 21m in 11KUAC003
- 6m @ 1.25 g/t from 33m in 09KUAC007

Six advanced drill-ready targets, including those adjacent to Ausgold's extensive ground position, have been identified in recently collected geophysics, geochemistry and drilling. With a large, mineralised strike length, the Project demonstrates the potential for large scale discovery in a relatively underexplored region.

Lake Magenta Gold Project

WESTERN AUSTRALIA (AUC 100%)

The Lake Magenta Gold Project is located near the town of Jerramungup in the Southwest Yilgarn Region of Western Australia. The project comprises E70/4991, E70/5044, E70/5188, E70/5285, E70/5688 and E70/5689 covering a total area of 508 km².

Previous exploration by Dominion Mining Limited in the early 2000s has outlined a large gold-in-soil anomaly with a strike length of over 17kms which is coincident with a major arcuate structure identified in detailed airborne magnetics and regional gravity. This regional-scale fold, which is interpreted as a control on gold mineralisation, is truncated by the Yandina Shear Zone. This deep-seated structure is known to host several significant gold deposits, including Tampia (Ramelius Resources Limited) and Griffins Find.

Prior drilling has outlined a continuous zone of bedrock mineralisation along the length of the anomaly. Widely spaced drilling has confirmed that gold mineralisation extends at depth. During the year Ausgold completed a ground gravity survey covering a significant portion of the Lake Magenta tenure. The gravity data was processed by a Geophysicist and then supplied to Ausgold Geologists for review to establish exploration targets for the upcoming drill season.

Woodanilling Project

WESTERN AUSTRALIA (AUC 100%)

The Woodanilling Project ("Woodanilling") lies 20km north of Katanning, located 240km southeast of Perth, Western Australia. The project comprises four granted exploration licences and six exploration licence applications for a total area of 1,532 km².

Woodanilling is a layered mafic intrusion complex with extensive past exploration including soil sampling and drilling to test vanadium and PGEs within the project area. The Project includes the Mine Hill (E70/4863), Red Hill (E70/5142), Kalang (E70/5142) and Martling (E70/5142) prospects. Past exploration includes 108 RC and six diamond drill holes which have intersected significant widths of vanadium (V2O5) mineralisation from surface, with thicknesses of up to 60m and multiple zones of mineralisation identified (Figure 12).

In light of the recent Julimar discovery by Chalice Mining Limited, a review of previous work has identified four priority areas of anomalous copper – chrome – gold - PGE (up to 0.04 – 0.07 ppm Pd and 0.03 – 0.05 ppm Pt in 08KTR077).

Significant previous intercepts include:

- 1.95m @ 6.65 g/t Ag and 0.70% Cu, including 0.45m @ 12.2 g/t Ag, 1.37 % Cu and 0.14 g/t Au from 56.05m
- 4m @ 1.8 g/t Ag and 0.11 g/t Au from 0m

During the year, a 2,500 sample auger program was completed and a mapping campaign commenced with the aim of identifying prospective layered mafic intrusive complex at Woodanilling. This work, combined with geophysical datasets will allow for effective planning of exploration programs. Ausgold has also commenced a collaborative research program with Centre of Exploration Targeting (CET) on the significance of the Red Hill intrusion.

Mine Hill copper-silver-gold mineralisation

Ausgold previously drilled diamond hole RHDD001 for 180.6m at Mine Hill, near to historical gold workings which intersected a high-grade zone of copper-silver-gold mineralisation. Mineralisation occurs in two near surface zones with semi-massive sulphides including pyrrhotite, chalcopyrite, pyrite and rare trace molybdenite.

Significant intercepts include:

- 1.95m @ 6.65 g/t Ag and 0.70% Cu, including 0.45m @ 12.2 g/t Ag, 1.37 % Cu and 0.14 g/t Au from 56.05m
- 4m @ 1.8 g/t Ag and 0.11 g/t Au from 0m

High-grade Ag-Cu intercepts occur within a broad zone of lower grade mineralisation which extends for over 34.75m and is associated with disseminated sulphides, including pyrrhotite, pyrite

and molybdenite with elevated values for Cu, Ag, Au, Bi, Ca, Co, Mo, Rh, Ti and Zn. Mineralisation is hosted within a gabbro with the highest grades being along the contact with a granite. Within these gabbros elevated V2O5 and TiO2 was intercepted with 24.1m @ 0.22% V2O5 and 4.23% TiO2 from 131.5m, including 3.3m 0.71% V2O5 and 12.37% TiO2 from 145.8m.

This drilling has demonstrated a new style of mineralisation which may have more regional implications. Ausgold is currently reviewing the recent drill results and ground-based geophysics to develop and prioritise new drill targets.

Regional Ni-PGE targets

Previous drilling by Ausgold (16 holes for 2,581m) has tested three targets identified from anomalous nickel, copper and chromium in surface geochemistry, showing the presence of layered mafic intrusive rocks and elevated PGEs in past drilling. The enrichment of Cr-Ni and Cu in soils was used to identify ultramafic portions of the Woodanilling layered intrusion, which are the likely hosts for potential Ni-PGE mineralisation. A broad zone over 6km of strike length with anomalous Pt-Pd is enriched in Cr, Cu and Mo, with magmatic chalcopyrite and pyrrhotite noted within a coarse-grained gabbroic rock at Red Hill.

Martling

Previous drilling by Ausgold, nine RC holes for 1,117m were drilled to target anomalous Cu, Ni and Cr values in historical auger soils and to test an area with strongly anomalous platinum (up to 45 ppb Pt) and palladium (up to 50 ppb Pd) over 56m down hole in historical drilling (drill hole 08KTR077 – ASX Release 13 December 2018). New RC drill hole RHRC009 has intersected this same zone of enriched PGE-Cu with disseminated sulphides including pyrrhotite and pyrite over a total depth of 73m and elevated Pt (up to 48 ppb) and Pd (up to 62 ppb), Ni, Cr (800-980ppm).

Red Hill

Previous drilling by Ausgold, eight RC holes at the Red Hill (RHRC011 - 16) drilled for 1,335m and one 70.2 m diamond tail (RHR016D). Ausgold's drilling has targeted areas with potential ultramafic rocks, focusing on areas with high Cr values (800-980ppm) identified in historical auger sampling. New drilling intersected biotite-garnet gneiss, gabbro and minor granites with the gneissic unit contained relatively high levels of chromium up to 571 ppm.

Hole RHRC014 diamond tail was drilled from 180 to 250.2m which intersected coarse grained ferro-gabbro. Sulphides were intersected in the diamond tail between 129-135m and at 179.9m, with a 2cm wide sulphide bands which include chalcopyrite and pyrrhotite intersected within a coarse-grained gabbro.

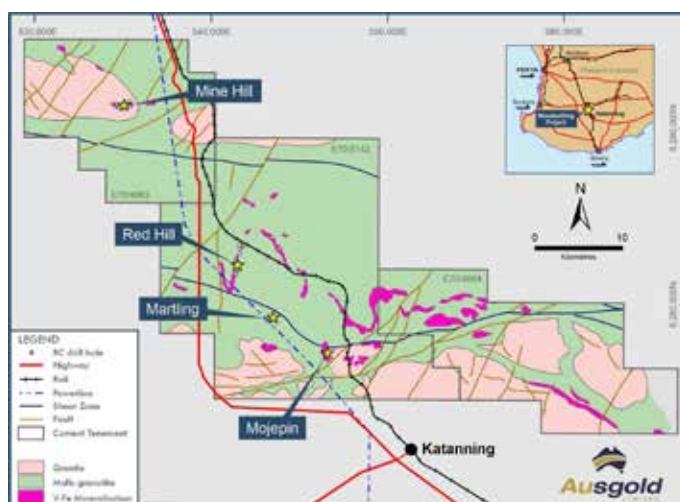


Figure 12 – Geological overview map of the Woodanilling Project

Doolgunna Station

WESTERN AUSTRALIA (AUC 100%)

The Doolgunna Station Project, located 150km north-east of Meekatharra in Western Australia's Bryah Basin comprises E52/3031 covering 176km² and is located approximately 13km to the west and along trend from the DeGrussa copper-gold operations of Sandfire Resources Limited.

The project was the subject of a Farm-in Agreement with AIC Mines Limited ("AIC") (ASX:A1M), who have withdrawn from the agreement subsequent to year end.

At the Hermes North Prospect, AIC reported that a total of 11 holes for 1,123m of RC drilling was completed on 4 lines spaced 600m apart with holes on 300m centres. The aim of the program was to cover a 6km by 2km area proximal to the Neoproterozoic and Archean contact associated with a gold-in-soil anomaly. Drilling intersected several metre thick intervals of mafic within a granite host analogous to the nearby Hermes deposit. Several holes returned sulphide (pyrite-pyrrhotite) values of up to 20% associated with quartz veining, carbonate alteration and major faulting.

Ausgold will review results to date and plan a future work program on the Project.

Yamarna

WESTERN AUSTRALIA (AUC 25%)

The Yamarna Project is the subject of a Joint Venture Agreement with Cosmo Metals Limited (ASX: CMO) ("Cosmo") in which Ausgold has retained a 25% free-carried interest in the Project until a decision to mine. The Project includes the highly prospective Winchester nickel-copper prospect, located 125 km northeast of Laverton in the Goldfields-Esperance Region of Western Australia.

The Project, which is located 40km north along strike from Cosmo's Mt Venn Project, comprises exploration licence E38/2129 located in the northern Mt Venn Greenstone Belt

Cosmo reported that in the coming year it plans a nickel exploration program with a combination of extensional exploration at the Winchester Prospect plus regional reconnaissance on other nearby prospects.

Cracow

QUEENSLAND (AUC 100%)

Ausgold holds exploration licence EPM 17054 covering approximately 202km² in the Cracow region, 375km north-west of Brisbane, Queensland. The tenement covers extensive areas of the Camboon volcanics which host the multi-million ounce Cracow epithermal gold deposit. No significant fieldwork was undertaken on this project during the year, Ausgold is actively seeking a joint partner to fund future exploration.

Competent Person's Statements

The information in this statement that relates to the Mineral Resource estimates is based on work carried out by

Dr Michael Cunningham of Sonny Consulting Services Pty Ltd, Mr Daniel Guibal of Condor Geostats Services and

Dr Matthew Greentree of Ausgold Limited in 2021 and 2022. The information in this statement that relates to the Ore Reserve estimates is based on work carried out by Mr Andrew Hutson of Resolve Mining Solutions in 2022.

Dr Greentree is Managing Director and a shareholder in Ausgold Limited. Dr Greentree takes responsibility for the integrity of the Exploration Results, including sampling, assaying, QA/QC, the preparation of the geological interpretations, and Exploration Targets. Dr Michael Cunningham is an option holder in Ausgold Limited and takes responsibility for the Mineral Resource estimates for the Jackson, Olympia, Dingo and Datatine deposits. Mr Daniel Guibal takes responsibility for the Mineral Resource estimates for the Jinkas and White Dam deposits.

Dr Cunningham, Mr Guibal and Dr Greentree are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking, to qualify as Competent Persons in terms of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition).

Mr Hutson is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking, to qualify as Competent Persons in terms of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition).

The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

Forward-Looking Statements

This announcement includes 'forward-looking statements' as that term is understood the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Ausgold Limited's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding Ausgold Limited's future expectations. Readers can identify forward-looking statements by terminology such as 'aim', 'anticipate', 'assume', 'believe', 'continue', 'could', 'estimate', 'expect', 'forecast', 'intend', 'may', 'plan', 'potential', 'predict', 'project', 'risk', 'should', 'will' or 'would' and other similar expressions.

Risks, uncertainties and other factors may cause Ausgold Limited's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the timeframe and within estimated costs currently planned; variations in global demand and price for commodities; fluctuations in exchange rates between the US dollar and the Australian dollar; the failure of Ausgold Limited's suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements.

The information concerning possible production in this announcement is not intended to be a forecast, but relates to internally generated goals set by the Board of Directors of Ausgold Limited. Ausgold's ability to achieve any targets will be largely determined by its ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary offtake arrangements with reputable third parties. Although Ausgold Limited believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

Environment, Social and Governance (ESG)

ESG Initiatives

Ausgold has a focussed approach to ESG and the establishment of robust frameworks that will position the Company to achieve excellence in ESG performance.

Climate Change Preparedness

Our objective is to improve our climate change preparedness; performance; and public disclosures over time. To achieve this, we are establishing objectives for green-house gas emission reductions, energy efficiencies; and energy diversification.

Community & Social Contribution

The Katanning Gold Project (KGP) will provide more than 300 jobs to the Great Southern region.

Ausgold is committed to ongoing development of our people through graduate, apprenticeship and traineeship opportunities.

We will continue to give back to the community through the procurement of local goods and services and financial and in-kind sponsorships.

	• Responsible consumer of energy and water ✓ • Achieving low emissions production through innovative engineering design ✓ • Exploring energy diversification options ✓ • Strategic approach for long-term financial sustainability ✓ • Introduction of ESG champion into the team ✓ • Committed to a credible and responsible contribution to climate action ✓
	• Our people are talented, resilient and adaptable ✓ • We value and promote diversity, inclusivity, equality and opportunity ✓ • Achieving health, safety and wellbeing excellence ✓ • Providing >300 employment opportunities to the south-west ✓ • Identified influence and interest of key stakeholders ✓ • Strong financial investment and in-kind sponsorship to community ✓ • Provide accurate and timely communication to stakeholders ✓
	• Maximise value to our investors, employees, suppliers and community ✓ • Developed company values and vision statement ✓ • Ethical practices and transparent disclosure embedded into our values ✓ • Commenced alignment with ESG frameworks; and developing goals and targets ✓ • Basis of preparation to disclose how we identify risks and opportunities ✓ • Developed policies, management systems and processes ✓ • Incorporating ESG goals into executive management remuneration incentives ✓

Governance

Ausgold has developed robust management systems, policies and procedures to ensure governance of the Project.

Company Vision and Values

Ausgold has developed a set of company values and a vision to reflect our move from explorer to developer.

Our values are the pillars that underpin how we do business. They are the standards that the Ausgold team hold ourselves, and each other, accountable to.

Our vision outlines Ausgold's pathway to success. We acknowledge the scale of the project; the potential for investors; and the benefits to the community.

Our vision is to become a gold producer focused on unlocking the potential of the Great Southern; delivering value to shareholders; and making a positive contribution to the community.



INTEGRITY

We commit to conducting our business activities in a manner that is transparent and ethical.

We will implement quantified and measurable strategies to evaluate risks and opportunities.



OWNERSHIP

We embrace a safe and respectful culture that empowers our team to deliver results.



COMMUNITY

We provide accurate, purposeful, timely and transparent communication.

We support initiatives and objectives that benefit the local community.



INNOVATION

We consider opportunities to implement technologies that contribute to the economic, environmental or social values of our business.

COVID 19

Ausgold is adhering to the formal guidance provided by State and Federal health authorities by implementing measures to minimise the risk of infection and transmission of the coronavirus. At this stage, the impact on the Company's activities has not been significant and based on their experience to date the Directors expect this to remain the case. The Company will continue to follow the various government policies and advice and, in parallel, will do its utmost to continue its operations in the best and safest way possible without jeopardising the health of its staff and contractors.

Director's Report

The Directors present their report together with the financial statements, on the consolidated entity consisting of Ausgold Limited and the entities it controlled for the financial year ended 30 June 2022. Ausgold Limited ("Ausgold" or "the Company") and its controlled entities (collectively known as "the Group" or "consolidated entity") are domiciled in Australia.

Principal Activities

The consolidated entity's principal activities during the financial year were the exploration for gold and other precious and base metals.

Directors and Company Secretary

The Directors and Company Secretary of the Company during or since the end of the financial year are:

Richard Lockwood, Non-Executive Chairman

Non-executive Director since 12 November 2010 and Non-Executive Chairman since 2 September 2012

Experience and expertise	Investment professional with 45 years' experience in mining, funds management and resource investment.
Qualifications	None
Other directorships	None
Special responsibilities	Chairman of the Board Member of Audit and Risk Committee Chairman of Remuneration and Nominations Committee
Interests in securities	Ordinary shares – 62,500,000

Neil Fearis, Non-Executive Director

Since 15 April 2016

Experience and expertise	Corporate lawyer with 40 years' experience in commercial law, M&A, capital raisings and corporate reconstructions with a focus on the mining and resource sectors.
Qualifications	LL.B (Hons) FAICD, F FIN
Other directorships	None
Special responsibilities	Member of the Board Chairman of Audit and Risk Committee Member of Remuneration and Nominations Committee
Interests in securities	Ordinary shares – 13,000,000

Geoffrey Jones, Non-Executive Director
Since 29 July 2016

Experience and expertise	Civil engineer with over 30 years' experience in construction, engineering, mineral processing and project development in Australia and overseas.
Qualifications	BE (Civil), FIEAust, CPEng
Other directorships	Firefly Resources Limited (resigned 10 November 2021) GR Engineering Services Limited Rumble Resources Limited (appointed 5 July 2022)
Special responsibilities	Member of the Board Member of Audit and Risk Committee Member of Remuneration and Nominations Committee
Interests in securities	Ordinary shares – 14,250,000

Timothy Kestell, Non-Executive Director
Appointed 12 August 2021

Experience and expertise	Broker with over 25 years of Capital Markets experience including working for HSBC, Paterson Securities Limited and Euroz Securities Limited.
Qualifications	BCom
Other directorships	Toubani Resources Inc. (appointed 4 May 2022)
Special responsibilities	Member of the Board Member of the Remuneration and Nomination Committee
Interests in securities	Ordinary shares – 100,000,000

Matthew Greentree, Chief Executive Officer and Managing Director
Chief Executive Officer since 10 April 2017 and Managing Director since 19 April 2018

Experience and expertise	Geologist with 20 years' experience in mineral exploration across Australia and overseas. Providing a strong technical focus on the Group's operations and able to draw on experience from working on more than 60 mineral projects.
Qualifications	PhD, BSc Geology (Hons), MAusIMM, MAIG, MAICD
Other directorships	None
Special responsibilities	Member of the Board
Interests in securities	Ordinary shares – 25,500,000

Denis Rakich, Executive Director and Company Secretary
Since 31 January 2013

Experience and expertise	Accountant with 35 years' experience in resource sector, legal, financial and corporate management.
Qualifications	BBus
Other directorships	None
Special responsibilities	Member of the Board
Interests in securities	Ordinary shares – 34,998,681

Directors' Meetings

The number of meetings of the Board of Directors held during the financial year ended 30 June 2022 and the number attended by each director are as follows:

Director	Board of Directors		Nominations and Remuneration Committee		Audit and Risk Committee	
	Held	Attended	Held	Attended	Held	Attended
R Lockwood	5	5	-	-	2	2
N Fearis	5	5	-	-	2	1
G Jones	5	5	-	-	2	1
T Kestell	5	3	-	-	-	-
M Greentree	5	5	-	-	-	-
D Rakich ¹	5	5	-	-	2	2

¹ Mr Rakich is not a member of the Audit and Risk Committee, his attendance at the meetings were by invitation only.

In addition to these meetings, during the year the Directors considered and passed four circular resolutions pursuant to clause 72 of the Company's Constitution.

Dividends

No dividends have been declared or paid since the end of the previous financial year.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Likely Developments and Expected Results of Operations

The Company's objective is to continue to explore for gold at the Katanning Gold Project ("KGP") in Western Australia, with a view to increasing the overall size of the geological resource and to complete a definitive feasibility studies for the future development of the project, whilst at the same time exploring for gold and other metals in other parts of Australia.

Environmental Regulations

The Group's exploration activities are governed by a range of environmental legislation. To the best of the Directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of the applicable environmental legislation and is not aware of any material breach of those requirements during the financial year up to the date of this report.

Review of Operations

Exploration

Information on the Group's operations at its Katanning Gold Project and other projects is set out in the Operations Review on pages 5 – 18 of this report.

Financial

The Group recorded a consolidated loss of \$2,586,374 (2021: \$3,513,319) for the financial year ended 30 June 2022. At 30 June 2022, the Group had \$10,928,555 (2021: \$7,451,103) in cash and cash equivalents.

Convertible Securities

Options

Total options on issue at the date of this report

Grant date	Expiry date	Exercise price	Opening balance	Granted	Exercised	Lapsed	Closing balance
9 Jan 2018	31 Dec 2021	\$0.06	3,700,000	-	-	(3,700,000)	-
23 Mar 2021	1 Apr 2024	\$0.08	7,000,000	-	-	-	7,000,000
19 Mar 2021	1 Apr 2024	\$0.08	3,000,000	-	-	(500,000)	2,500,000
4 May 2021	3 May 2024	\$0.06	16,000,000	-	-	-	16,000,000
5 Jul 2021 ¹	30 Jun 2024	\$0.06	4,000,000	-	-	-	4,000,000
5 Jul 2021 ¹	30 Jun 2024	\$0.08	3,000,000	-	-	-	3,000,000
22 Apr 2022	31 Mar 2025	\$0.06	-	15,000,000	-	-	15,000,000
			36,700,000	15,000,000	-	(4,200,000)	47,500,000

¹ Grant date is the date of employee acceptance which was between July 2021 and September 2021.

Performance Rights

Total ordinary shares which are subject to performance rights at the date of this report

Grant date	Vesting date	Exercise price	Opening balance	Granted	Redeemed	Lapsed	Closing balance
20 Nov 2020	30 Jun 2022	\$0.00	52,000,000	-	(26,000,000)	(26,000,000)	-
1 Feb 2021	30 Jun 2022	\$0.00	6,250,000	-	(3,125,000)	(3,125,000)	-
			58,250,000	-	(29,125,000)	(29,125,000)	-

Events subsequent to reporting date

On 1 August, Ausgold announced that the Prefeasibility Study (PFS) confirms a 1.28 million ounce Maiden Ore Reserve at the Katanning Gold Project and highlights it as one of the largest undeveloped free-milling open cut gold projects in Western Australia with low capital costs and substantial scope to increase the total scale of this project in the near future. The key financial forecasts for the PFS are as follows:

- LOM revenue of \$2.67 billion
- LOM project EBITDA \$981 million
- Pre-production capital requirement of \$225 million includes pre-production operating costs
- Post-tax NPVs of \$364 million
- Internal Rate of Return (IRR) of 40.7% post-tax
- All-In-Sustaining Cost (AISC) \$1,370/oz first six years of production
- Payback period of 1.7 years

No matter or circumstance has arisen as at the date of this report that has significantly affected, or may have significantly affected, the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Indemnification of Directors

Indemnification

The Company has agreed to indemnify the current Directors and Officers of the Company against all liabilities to another person (other than the company or a related body corporate) that may arise from their designated position in the Company, except where the liability arises out of conduct involving a lack of good faith or breach of duty.

The agreement stipulates that the Company will meet, to the maximum extent permitted by law, the amount of any such liabilities, including costs and expenses.

Insurance premiums

The Company paid a premium during the year in respect of a Director and Officer liability insurance policy, insuring the Directors of the Company, the Company Secretary, and all executives of the Company against a liability incurred in that capacity to the extent permitted by the Corporations Act 2001.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

As far as the Directors are aware, no person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for the conduct of all or part of those proceedings.

Corporate Governance

The 2022 Corporate Governance Statement is available on the Company's website at www.ausgoldlimited.com.

Non-Audit Services

During the year, no other services were performed by BDO Audit (WA) Pty Ltd, the Company's auditor.

Details of the amount paid to the auditor and its related practices for other assurance services are set out below:

	2022	2021
Other services – Valuation of performance rights and options	-	1,925
Total	-	1,925

The Board of Directors is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001.

The Auditor's Independence Declaration

The Auditor's Independence Declaration is included on page 33 of the financial report.

Remuneration Report

The Remuneration Report which has been audited is set out on pages 27 to 32 and forms part of the Directors Report.

This report is signed in accordance with a resolution of the Directors.

For and behalf of the Directors



Denis Rakich
Director

Perth, Western Australia

12 September 2022

Remuneration Report

The Directors present this Remuneration Report prepared in accordance with the requirements of the Corporations Act 2001 on the consolidated entity for the financial year ended 30 June 2022. This Remuneration Report forms part of the Directors' Report.

Key Management Personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company. The key management personnel of Ausgold comprise the Directors who are as follows:

- Richard Lockwood (Non-Executive Chairman)
- Neil Fearis (Non-Executive Director)
- Geoffrey Jones (Non-Executive Director)
- Timothy Kestell (Non-Executive Director)
- Matthew Greentree (Chief Executive Officer and Managing Director)
- Denis Rakich (Executive Director and Company Secretary)

Overview

The Board is responsible for determining and reviewing remuneration arrangements for its Directors and executives. The performance of the consolidated entity depends on the quality of its Directors and executives. The remuneration philosophy is to attract, motivate and retain high performing and high quality personnel.

The remuneration framework for the executives comprises a fixed cash component and where applicable, superannuation contributions and the issue of share options, performance rights or other share-based incentives which are intended to provide competitive rewards to attract high calibre executives. Any issuance of share options, performance rights or other share-based incentives to Directors requires the prior approval of shareholders.

The Company remunerates Non-Executive Directors for their time, commitment and responsibilities. The fees paid to Non-Executive Directors are set at levels which reflect both the responsibilities of, and the time commitments required from each Non-Executive Director to discharge his duties and are not linked to the performance of the Company. Non-Executive Directors' fees are set by the Board within the maximum aggregate amount of fees approved by shareholders at a general meeting. The Non-Executive Directors' maximum aggregate cash fee pool is currently \$250,000 per annum.

Options and performance rights are also offered to employees (including Executive and Non-Executive Directors) at the discretion of the Board. Performance criteria are one of the several elements utilised by the Board in assessing the issue of options and performance rights to employees. Length of service with the Company, past and potential contribution of the person to the Group is also considered when awarding options and performance rights to employees. The issuance of options is not linked to the performance of the Company. As an exploration company, the Board does not consider the Company's trading result at year end as one of the performance indicators when determining whether to issue options to employees. There is no Board policy in relation to limiting the recipient exposure to risk in relation to securities.

The table below sets out summary information about the movements in shareholder wealth for the following financial periods:

	2022	2021	2020	2019	2018
Revenue (\$'000)	-	-	-	4	80
Net loss before tax (\$'000)	(2,586)	(3,513)	(1,823)	(1,781)	(1,137)
Net loss after tax (\$'000)	(2,586)	(3,513)	(1,823)	(1,781)	(1,137)
Share price at the start of the year (\$)	\$0.043	\$0.042	\$0.014	\$0.028	\$0.025
Share price at the end of the year (\$)	\$0.046	\$0.043	\$0.042	\$0.014	\$0.028
Dividends (\$)	-	-	-	-	-
Basic loss per share (cents)	(0.15)	(0.26)	(0.19)	(0.26)	(0.22)
Diluted loss per share (cents)	N/A	N/A	N/A	N/A	N/A

Service Agreements

Non-Executive Directors

The Non-Executive Directors' maximum fees payable in aggregate is \$250,000. Set out below is the remuneration paid to Non-Executive Directors during the reporting period:

Name	Role	Commencement date	Fixed annual remuneration
Richard Lockwood	Non-Executive Chairman	12 November 2010	\$50,000
Neil Fearis	Non-Executive Director	15 April 2016	\$40,000
Geoffrey Jones	Non-Executive Director	29 July 2016	\$40,000 plus superannuation
Timothy Kestell	Non-Executive Director	12 August 2021	\$40,000

Executive Directors

Remuneration and other terms of employment for the executives are formalised in service agreements. The principal provisions of the agreements relating to remuneration are set out below:

Name	Role	Commencement date	Fixed annual remuneration including superannuation	Termination notice period
Matthew Greentree	Chief Executive Officer and Managing Director	10 April 2017	\$293,400	6 months
Denis Rakich	Executive Director and Company Secretary	31 January 2013	\$234,000	6 months

Use of Remuneration Consultants

Due to the size of the Company's operations, the Company has not engaged remuneration consultants to review and measure its remuneration policy and strategy. However, the Board reviews remuneration strategy periodically and if required, will engage remuneration consultants in the future to assist with this process.

Voting and Comments Made at The Company's 2021 Annual General Meeting

The Company received 95.44% of votes in favour of its remuneration report for the 2021 financial year at the 2021 AGM. The Company did not receive any specific feedback from shareholders at the annual general meeting or during the financial year regarding its remuneration practices.

Details Of Remuneration

The table below shows the fixed and variable remuneration for key management personnel for the financial year ended 30 June 2022:

2022	Short-term benefits			Long-term benefits	Post-employment benefits	Share-based payments	Total
	Cash salary & fees	Annual leave ¹	Other fees ²	Long service leave ³	Superannuation	Options & rights	
Directors							
R Lockwood	\$50,000	-	\$5,015	-	-	\$34,734	\$89,749
N Fearis	\$40,000	-	\$5,015	-	-	\$26,051	\$71,066
G Jones	\$40,000	-	\$5,015	-	\$4,000	\$26,051	\$75,066
T Kestell	\$32,160	-	\$5,015	-	\$3,216	-	\$40,391
M Greentree	\$267,000	\$12,185	\$5,015	\$4,398	\$26,400	\$86,835	\$401,833
D Rakich	\$213,000	\$12,923	\$5,015	\$3,498	\$21,000	\$52,101	\$307,537
Total	\$642,160	\$25,108	\$30,090	\$7,896	\$54,616	\$225,772	\$985,642

¹ Annual leave relates to movements in annual leave provision during the year and annual leave payment made.

² Other fees include the attributable non-cash benefit applied by virtue of the Company's Directors and Officers Liability policy.

³ Long service leave relates to movements in long service leave provision during the year. The table below shows the fixed and variable remuneration for key management personnel for the financial year ended 30 June 2020:

The table below shows the fixed and variable remuneration for key management personnel for the financial year ended 30 June 2021:

2021	Short-term benefits			Long-term benefits	Post-employment benefits	Share-based payments	Total
	Cash salary & fees	Annual leave ¹	Other fees ²	Long service leave ³	Superannuation	Options & rights	
Directors							
R Lockwood	\$50,000	-	\$4,821	-	-	\$220,850	\$275,671
N Fearis	\$40,000	-	\$4,821	-	-	\$155,486	\$200,307
G Jones	\$40,000	-	\$4,821	-	\$3,800	\$155,486	\$204,107
M Greentree	\$267,000	\$28,654	\$4,821	\$8,376	\$25,085	\$527,309	\$861,245
D Rakich	\$213,083	\$19,744	\$4,821	\$12,149	\$19,950	\$329,019	\$598,766
Total	\$610,083	\$48,398	\$24,105	\$20,525	\$48,835	\$1,388,150	\$2,140,096

¹ Annual leave relates to movements in annual leave provision during the year and annual leave payment made.

² Other fees include the attributable non-cash benefit applied by virtue of the Company's Directors and Officers Liability policy.

³ Long service leave relates to movements in long service leave provision during the year.

Details Of Remuneration (cont)

Options and performance rights are offered to key management personnel having regard, among other things, to the length of service with the Group, and the past and potential contribution of the person to the Group. The issuance of the options is not linked to the performance of the Company.

The percentage of fixed remuneration to total remuneration is as follows:

Directors	Fixed remuneration		Performance-based remuneration		% consisting of options & rights	
	2022	2021	2022	2021	2022	2021
R Lockwood	61%	20%	39%	80%	39%	80%
N Fearis	63%	22%	37%	78%	37%	78%
G Jones	65%	24%	35%	76%	35%	76%
T Kestell	100%	-	-	-	-	-
M Greentree	78%	39%	22%	61%	22%	61%
D Rakich	83%	45%	17%	55%	17%	55%

No key management personnel appointed during the period received a payment for agreeing to accept a position with the Group.

Performance Rights

The Performance Rights Plan is used to reward the Directors for their performance and to align their remuneration with the creation of shareholder wealth. The Performance Rights are issued for nil consideration and no consideration will be payable upon the vesting of the Performance Rights. Subject to satisfaction of the vesting conditions, each Performance Right entitles the holder on exercise to be issued one Ausgold share. The plan was approved by the shareholders on 20 November 2020.

The grant date of the Performance Rights was 20 November 2020 and the fair value per right on the grant date was \$0.056.

The vesting conditions for the Performance Rights were as follows:

- Employment at the end of the measurement period (Employment Condition);
- 50% of Performance Rights vest based on a release on the Australian Securities Exchange ("ASX") of a minimum of 1.6 million ounces of Inferred, Indicated and/or Measured Resources, at a minimum of 0.5 grams per tonne of gold reported in accordance with the JORC Code on the Katanning Gold Project tenements; and
- 50% of the Performance Rights vest based on the release on the ASX of a mining Pre-Feasibility Study ("PFS") on the Katanning Gold Project which shows the potential to generate an Internal Rate of Return ("IRR") of greater than 20% using consensus commodity prices and Board approved assumptions.

In order to meet the Employment Condition, the relevant Related Party must be employed by the Company at the end of the measurement period being 30 June 2022.

During the financial year, 26 million Performance Rights issued to the Directors have vested following the achievement of JORC Resource condition. The rights have been exercised by the holders and have been redeemed as shares.

The balance 26 million Performance Rights lapsed on 30 June 2022, as the PFS was not lodged prior to the expiry of the Performance Rights.

Number of Performance Rights holdings of the Company held by key management personnel or their related entities as at 30 June 2022 are as follows:

Grant date	Vesting date	Balance at start of year	Granted during the year	Redeemed as shares	Forfeited		Balance at end of year (unvested)	Maximum value yet to vest*	
		Number	Number	Number	%	Number	%	Number	\$
Directors									
10-Dec-20	30-Jun-22	8,000,000	-	(4,000,000)	50	(4,000,000)	50	-	
R Lockwood		8,000,000	-	(4,000,000)	50	(4,000,000)	50	-	-
10-Dec-20	30-Jun-22	6,000,000	-	(3,000,000)	50	(3,000,000)	50	-	
N Fearis ¹		6,000,000	-	(3,000,000)	50	(3,000,000)	50	-	-
10-Dec-20	30-Jun-22	6,000,000	-	(3,000,000)	50	(3,000,000)	50	-	
G Jones		6,000,000	-	(3,000,000)	50	(3,000,000)	50	-	-
10-Dec-20	30-Jun-22	20,000,000	-	(10,000,000)	50	(10,000,000)	50	-	
M Greentree ²		20,000,000	-	(10,000,000)	50	(10,000,000)	50	-	-
10-Dec-20	30-Jun-22	12,000,000	-	(6,000,000)	50	(6,000,000)	50	-	
D Rakich ³		12,000,000	-	(6,000,000)	50	(6,000,000)	50	-	-
Total rights		52,000,000	-	(26,000,000)		(26,000,000)		-	-

* The maximum value of the deferred shares yet to vest has been determined as the amount of the grant date fair value of the rights yet to be expensed.

¹ Relevant interest held through Pendomer Investments Pty Ltd

² Relevant interest held through M&J Greentree Nominees Pty Ltd

³ Relevant interest held as trustee of the Rakich Retirement Fund

Terms and conditions of the share-based payment arrangement

Grant date	Vesting & exercise date	Expiry Date	Exercise Price	Value per right at grant date	% vested
20 November 2020	30 June 2022	30 June 2022	\$0.00	\$0.056	50%

Directors	2022		2021	
	Performance Rights		Performance Rights	
	Value granted	Value expensed	Value granted	Value expensed
R Lockwood	-	\$34,734	\$448,000	\$189,266
N Fearis	-	\$26,051	\$336,000	\$141,949
G Jones	-	\$26,051	\$336,000	\$141,949
M Greentree	-	\$86,835	\$1,120,000	\$473,165
D Rakich	-	\$52,101	\$672,000	\$283,899
Total	-	\$225,772	\$2,912,000	\$1,230,228

Share Holdings

Number of shares held by the Directors of the Company or their related entities as at 30 June 2022 is set out below:

Name	Opening balance	Acquired	Redeemed from performance rights	Other changes	Closing balance
R Lockwood	56,000,000	-	4,000,000	-	60,000,000
N Fearis ¹	10,000,000	-	3,000,000	-	13,000,000
G Jones ²	9,250,000	2,000,000	3,000,000	-	14,250,000
T Kestell ³	-	1,500,000	-	98,500,000	100,000,000
M Greentree ⁴	15,500,000	-	10,000,000	-	25,500,000
D Rakich ⁵	28,998,681	-	6,000,000	-	34,998,681
Total	119,748,681	3,500,000	26,000,000	-	247,748,681

¹ Relevant interest held through Pendomer Investments Pty Ltd

² Relevant interest held as trustee of The Lee Jones Superannuation Fund

³ Mr Kestell was appointed non-Executive Director on 12 August 2021 and relevant interest held through Old Blood & Guts Pty Ltd and held as trustee of the Kestell Superannuation Fund

⁴ Relevant interest held through M&J Greentree Nominees Pty Ltd

⁵ Relevant interest held as trustee of the Rakich Retirement Fund

Key Management Personnel Transactions With the Company

Elstree Nominees Pty Ltd

Elstree Nominees Pty Ltd ("Elstree") incurs costs on behalf of the Group in regards to office premises and associated facilities. The total costs incurred by Elstree and reimbursed by the Group during the financial year was \$157,607 plus GST (2021: \$168,072).

Mr Denis Rakich is a Director of Elstree and serves as Executive Director and Company Secretary at Ausgold.

There were no monies (2021: Nil) owing to Elstree as at 30 June 2022.

GR Engineering Limited

GR Engineering Limited ("GR Engineering") has been contracted to carry out Prefeasibility Study ("PFS") for Processing on 12 January 2022.

Mr Geoffrey Jones is the Managing Director of GR Engineering and serves as a Non-executive Director at Ausgold.

The total amount charged by GR Engineering during the financial year was \$90,941 of which \$43,694.20 remained owing to GR Engineering as at 30 June 2022. Amounts were due and payable under normal commercial terms.

Loans to Key Management Personnel

No loans have been granted to key management personnel during the financial year ended 30 June 2022.

END OF REMUNERATION REPORT

This report is signed in accordance with a resolution of the Directors.

For and behalf of the Directors



Denis Rakich
Director

Perth, Western Australia

12 September 2022

Auditor's Independence Declaration



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Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF AUSGOLD LIMITED

As lead auditor of Ausgold Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Ausgold Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a light blue horizontal line.

Ashleigh Woodley
Director

BDO Audit (WA) Pty Ltd
12 September 2022

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

1

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue from continuing operations		1,889	1,149
Other Income	8	382,717	380,318
Net movement in financial assets	14	(35,000)	106,500
Impairment exploration expenses	13	(242,989)	(554,675)
Corporate and administration expenses	9	(1,456,352)	(1,122,348)
Share-based payments expenses	20	(531,400)	(1,859,145)
Occupancy expenses		(174,380)	(68,377)
Other expenses		(157,170)	(124,096)
Accounting expenses		(73,169)	(64,094)
Amortisation and depreciation expenses		(139,676)	(160,870)
Finance costs		(17,378)	(16,651)
Legal fees		(143,466)	(31,030)
Loss before income tax		(2,586,374)	(3,513,319)
Income tax benefit/ (expense)	10	-	-
Net loss attributable to members		(2,586,374)	(3,513,319)
Other comprehensive income/ (loss)			
Other comprehensive income/ (loss)		-	-
Total comprehensive income/ (loss) for the year (net of tax)		(2,586,374)	(3,513,319)
Loss per share for the year attributable to the members of Ausgold Limited			
Basic loss per share (cents per share)	22	(0.15)	(0.26)
Diluted loss per share (cents per share)		N/A	N/A

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
Current assets			
Cash and cash equivalents	11	10,928,555	7,451,103
Trade and other receivables		74,856	80,114
Security deposits	12	122,067	94,611
Financial assets at fair value	14	124,250	159,250
Total current assets		11,249,728	7,785,078
Non-current assets			
Property, plant and equipment	15	225,230	220,510
Prepayment for exploration assets	13	-	32,612
Exploration and evaluation expenditure	13	62,361,330	51,681,303
Right-of-use assets	16	135,490	189,349
Total non-current assets		62,722,050	52,123,774
Total assets		73,971,778	59,908,852
LIABILITIES			
Current liabilities			
Trade and other payables	17	600,935	222,452
Lease liabilities	16	42,960	99,418
Provisions	18	280,660	214,903
Total current liabilities		924,555	536,773
Non-current liabilities			
Lease liabilities	16	76,291	96,940
Provisions	18	1,195,236	1,173,969
Total non-current liabilities		1,271,527	1,270,909
Total liabilities		2,196,082	1,807,682
NET ASSETS		71,775,696	58,101,170
EQUITY			
Contributed equity	19	102,348,496	85,708,185
Reserves	20	6,812,391	7,191,802
Accumulated losses	21	(37,385,191)	(34,798,817)
TOTAL EQUITY		71,775,696	58,101,170

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total Equity \$
Balance as at 1 July 2021		85,708,185	(34,798,817)	7,191,802	58,101,170
Loss for the year		-	(2,586,374)	-	(2,586,374)
Other Comprehensive Income		-	-	-	-
Total comprehensive loss for the year		-	(2,586,374)	-	(2,586,374)
Transactions with owners, recorded directly in equity:					
Shares issued		16,600,000	-	-	16,600,000
Share issue costs		(1,585,939)	-	713,939	(872,000)
Options issued		1,500	-	-	1,500
Redeemed performance rights		1,624,750	-	(1,624,750)	-
Share-based payments		-	-	531,400	531,400
Balance as at 30 June 2022		102,348,496	(37,385,191)	6,812,391	71,775,696

	Notes	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total Equity \$
Balance as at 1 July 2020		69,043,641	(31,285,498)	5,612,657	43,370,800
Loss for the year		-	(3,513,319)	-	(3,513,319)
Other Comprehensive Income		-	-	-	-
Total comprehensive loss for the year		-	(3,513,319)	-	(3,513,319)
Transactions with owners, recorded directly in equity:					
Shares issued		17,598,705	-	-	17,598,705
Share issue costs		(1,214,161)	-	-	(1,214,161)
Redeemed performance rights		280,000	-	(280,000)	-
Share-based payments		-	-	1,859,145	1,859,145
Balance as at 30 June 2021		85,708,185	(34,798,817)	7,191,802	58,101,170

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Interest received		1,889	1,149
Payments to suppliers and employees		(1,522,322)	(1,450,250)
Receipts from rebates and claims		382,717	380,318
Net cash flows used in operating activities	23	(1,137,716)	(1,068,783)
Cash flows from investing activities			
Payment for property plant and equipment		(64,666)	(208,697)
Payment for security deposit		(27,456)	-
Payment for investments		-	(10,750)
Payment for exploration expenditure		(10,923,015)	(8,613,013)
Net cash flows used in investing activities		(11,015,137)	(8,832,460)
Cash flows from financing activities			
Repayment of lease obligations		(99,195)	(57,998)
Proceeds from issue of share capital		16,601,500	17,598,705
Transaction costs related to issue of shares		(872,000)	(1,214,163)
Net cash flows generated from financing activities		15,630,305	16,326,544
Net increase in cash and cash equivalents		3,477,452	6,425,301
Cash and cash equivalents at the beginning of the year		7,451,103	1,025,802
Cash and cash equivalents at the end of the year	11	10,928,555	7,451,103

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

1. Reporting Entity

Ausgold Limited ("Ausgold" or "parent entity" or "Company") and its controlled entities (collectively known as "the Group" or "consolidated entity") are domiciled in Australia.

The annual financial report of the Group for the financial year ended 30 June 2022 was authorised for issue in accordance with a resolution of the Directors on 31 August 2022.

The consolidated entity's principal activities during the financial year were the exploration for gold and other precious metals.

2. Basis of Preparation

The consolidated annual financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and authoritative pronouncements of the Australian Accounting Standards Board (AASB) and complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial report has also been prepared on a historical cost basis except for assets and liabilities which are required to be measured at fair value.

The financial statements were authorised for issue by the Board of Directors on 31 August 2022.

The Group has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

All new, revised or amending Accounting Standards or Interpretations that are not mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

3. Changes in Accounting Policies

The Group has adopted all of the new or amended Accounting Standards, amendments and interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting year.

4. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. However actual outcomes would differ from these estimates if different assumptions were used and different conditions existed.

The Group has identified the following area where significant judgements, estimates and assumptions are required, and where actual results were to differ, may materially affect the financial position or financial results reported in future periods.

4. Significant Accounting Judgments, Estimates And Assumptions (Cont'd)

Exploration And Evaluation Expenditure

Exploration and evaluation expenditure are capitalised to areas of interest and carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Capitalised exploration costs are reviewed each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration cost is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the assets in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Impairment Of Assets

At each reporting date, the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in the statement of profit or loss and other comprehensive income where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Rehabilitation Provision

The Group assesses its rehabilitation provision at each reporting date. Significant judgment is required in determining the provision for rehabilitation as there are many factors that will affect the ultimate liability payable to rehabilitate the existing mine sites, including future disturbances caused by further development, changes in technology and changes in regulations. When these factors change or become known in the future, such differences will impact the mine rehabilitation provision in the period in which the change becomes known. Refer Note 18 for further details.

Share-based Payment Transactions

Share-based payments subject to non-market conditions are determined using a Black-Scholes option pricing model and share-based payments subject to market conditions use a Monte-Carlo pricing method. Both methods take into account the exercise price, the anticipated vesting period of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying option, the expected dividend yield and the risk-free interest rate for the term of the option.

5. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker, which has been identified by the Group as the Board of Directors.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. The Group's sole activity is mineral exploration and resource development wholly with Australia, therefore it has aggregated all operating segments into the one reportable segment being mineral exploration.

The reportable segment is represented by the primary statements forming this financial report

6. Parent Entity Information

The financial statements of the parent entity are set out below:

	Parent Entity 2022 \$	Parent Entity 2021 \$
Current assets	11,117,946	7,680,740
Non-current assets	61,235,508	50,893,139
Total assets	72,353,454	58,573,879
Current liabilities	419,709	271,650
Non-current liabilities	149,880	201,059
Total liabilities	569,589	472,709
NET ASSETS	71,783,865	58,101,170
Contributed equity	109,232,938	92,592,627
Reserves	6,812,390	7,191,802
Accumulated losses	(44,261,463)	(41,683,259)
TOTAL EQUITY	71,783,865	58,101,170
Loss for the year	(2,578,204)	(3,513,319)
Other comprehensive income/(loss)	-	-
Total comprehensive loss for the year	(2,578,204)	(3,513,319)

7. Financial Risk Management

Overview

The overall financial risk management strategy focuses on the unpredictability of the financial markets and seeks to minimise the potential adverse effects on financial performance and protect financial security.

The Group have exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk (including interest rate risk)

This note presents information about the consolidated entity's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk and the management of capital.

Ausgold's risk management framework is supported by the Board, management and the Audit and Risk Committee. The Board is responsible for approving and review the consolidated entity's risk management strategy and policy. Management is responsible for monitoring that appropriate processes and controls are in place effectively and efficiently manage risk. The Audit and Risk Committee is responsible for identifying, monitoring and managing significant business risks faced by consolidated entity and considering the effectiveness of its internal control system. Due to the size of the Company's operations, the Audit and Risk Committee comprises of the full Board.

7. Financial Risk Management (Cont'd)

The consolidated entity holds the following financial instruments:

	2022 \$	2021 \$
Financial assets		
Cash and cash equivalents	10,928,555	7,451,103
Trade and other receivables	74,856	80,114
Security deposits	122,067	94,611
Financial assets at fair value	124,250	159,250
	11,249,728	7,785,078
Financial liabilities		
Trade and other payables	600,935	222,452
Lease liabilities	119,251	196,358
	720,186	418,810

Credit Risk

Credit risk is the risk of financial loss to the consolidated entity if counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash and cash equivalents, deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted.

The consolidated entity does not hold any credit derivatives to offset its credit exposure.

The credit quality of financial assets that are neither past due or impaired will be measured at fair value, with the gains or losses being recognised in profit or loss.

	2022 \$	2021 \$
Trade receivables		
Counterparties without external credit rating		
- Group 1 ¹	196,923	174,725
- Group 2 ²	-	-
	196,923	174,725
Deposits		
AA	10,928,555	7,451,103
	10,928,555	7,451,103

¹ Group 1 – Existing receivables (less than 6 months)

² Group 2 – Existing receivables (more than 6 months) with no defaults in the past.

7. Financial Risk Management (Cont'd)

Credit Risk (Cont'd)

Exposure to credit risk

The carrying amount of the consolidated entity's financial assets represents the maximum credit exposure. The consolidated entity's maximum exposure to credit risk at reporting date was:

	2022 \$	2021 \$
Financial assets		
Cash and cash equivalents	10,928,555	7,451,103
Trade and other receivables	74,856	80,114
Security deposits	122,067	94,611
	11,125,478	7,625,828

Liquidity Risk

Liquidity risk arises from the financial liabilities of the consolidated entity and the consolidated entity's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

The following are the contractual maturities of financial liabilities on an undiscounted basis, including estimated interest payments. Cash flows for liabilities without fixed amount or timing are based on conditions existing at year end.

	2022 \$	2021 \$
Financial liabilities		
Trade and other payables	600,935	222,452
Lease liabilities	119,251	196,358
	720,186	418,810

Ultimate responsibility for liquidity risk management lies with the Board of Directors. The Board has determined an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and regularly monitoring budgeted and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

The amounts disclosed in the table are the actual undiscounted cash flows.

	Less than 6 months	6 to 12 months	Between 1 to 2 years	Total	Carrying amount
Contractual maturity of financial liabilities	\$	\$	\$	\$	\$
Consolidated - 30 June 2022					
Trade and other payables	600,935	-	-	600,935	600,935
Lease liabilities	22,721	20,239	76,291	119,251	119,251
	623,656	20,239	76,291	720,186	720,186
Consolidated - 30 June 2021					
Trade and other payables	222,452	-	-	222,452	222,452
Lease liabilities	45,991	59,797	90,570	196,358	196,358
	268,443	59,797	90,570	418,810	418,810

7. Financial Risk Management (Cont'd)

Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates that will affect the consolidated entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Interest rate risk

The consolidated entity's exposure to interest rate primarily relates to the consolidated entity's cash and cash equivalents. The consolidated entity manages market risk by monitoring levels of exposure to interest rate risk and assessing market forecasts for interest rates.

At reporting date, the interest rate profile of the Group's interest bearing financial instruments was:

	2022 \$	2021 \$
Variable rate financial instruments		
Financial assets	10,928,555	7,451,103
Financial liabilities	119,251	196,358
	11,047,806	7,647,461

The Group manages its interest rate risk by monitoring available interest rates while maintaining an overriding position of security whereby the majority of cash and cash equivalents are held in AA-rated bank accounts. The Group's weighted average effective interest rate is 0.002% (2021: 0.002%).

Capital Risk Management

When managing capital, the Board's objective is to ensure the consolidated entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the consolidated entity.

The Board is constantly adjusting the capital structure to take advantage of favourable costs of capital or high return on assets. As the market is constantly changing, management may issue new shares, sell assets to reduce the Company's liability or consider entering joint venture agreements to further exploration of the tenements.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position although there is no formal policy regarding gearing levels.

There were no changes in the consolidated entity's approach to capital management during the year. The consolidated entity is not subject to any externally imposed capital requirements.

Fair Value Measurements

The fair value of financial assets and liabilities are determined in accordance with generally accepted pricing models based on estimated future cash flow and observable market prices.

8. Other Income

Other income is recognised when the amount can be reliably measured and control of the right to receive income is passed to the Group.

	2022 \$	2021 \$
ATO Cash Boost	-	50,000
EIS Funding	169,964	268,623
Diesel fuel rebate	212,727	61,642
Other income	26	53
	382,717	380,318

9. Corporate and Administration Expenses

	2022 \$	2021 \$
Directors' fees and salaries	696,776	658,918
Listing fees and statutory related costs	140,223	83,524
Investors relations	257,429	167,510
Other corporate and administration costs	361,924	212,396
	1,456,352	1,122,348

10. Income Tax Expense

The income tax expense or benefit (revenue) is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Reconciliation between tax expenses and pre-tax net loss

	2022 \$	2021 \$
Reconciliation between tax expenses and pre-tax net loss		
Loss before income tax	(2,586,374)	(3,513,319)
Income tax benefit calculated at 25% (2021: 26%)	(646,593)	(913,463)
Tax effects on amounts which are not tax deductible	18,834	351,552
Deferred tax assets not brought to account	627,759	561,911
Income tax benefit	-	-
Deferred tax assets not brought to account		
Unused tax losses	86,557,366	73,479,315
Timing differences	(62,090,444)	(51,253,892)
Capital raising cost in equity	1,538,217	1,171,366
Tax at 25% (2021: 25%)	6,501,285	5,849,197

Deferred tax assets and liabilities are recognised for temporary difference, between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when then assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

11. Cash and Cash Equivalents

Cash and cash equivalents include cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity of three months or less that are readily convertible to known amounts of cash.

	2022 \$	2021 \$
Current assets		
Cash at bank and in hand	10,928,555	7,451,103
	10,928,555	7,451,103

Reconciliation To Cash At The End Of The Financial Year

The above figures are reconciled to cash at the end of the financial year as shown on the consolidated statement of cash flows as follows:

	2022 \$	2021 \$
Current assets		
Cash at bank and in hand	10,928,555	7,451,103
Balance as per Consolidated Statement of Cash Flows	10,928,555	7,451,103

Risk Exposure

The consolidated entity's exposure and a sensitivity analysis for financial assets and liabilities are discussed in Note 7. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

12. Security Deposits

Security deposits are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

	2022 \$	2021 \$
Current assets		
Balance at the start of the year	94,611	94,611
Additions/ (Reversals)	27,456	-
	122,067	94,611

13. Exploration and Evaluation Expenditure & Prepayment

Exploration and evaluation expenditure encompasses expenditure incurred in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. These costs are only carried forward to the extent that they are expected to be recouped 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.

Exploration and evaluation expenditure incurred is accumulated for each area of interest and recorded as an asset if:

- the right to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
 - the exploration and evaluation expenditure are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sales; and
 - Exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

For each area of interest, expenditure incurred on the exploration of tenements is capitalised and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition.

13. Exploration and Evaluation Expenditure & Prepayment (Cont'd)

Farm-out arrangements

The Group does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements, but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained. Any cash consideration received directly from the farmee is credited against costs previously capitalised in relation to the whole interest with any excess accounted for by the farmor as a gain on disposal.

Significant Estimates And Judgement

The Directors assesses whether there is any indication of impairment of an area of interest basis, bi-annually. If any such indication exists, the consolidated entity shall estimate the recoverable amount of the assets. For areas of interest that are not considered to have any commercial value, or where exploration rights are no longer current, the capitalised amounts are written off against the provision and any remaining amounts are charged against profit. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

	2022 \$	2021 \$
Non-current assets		
Exploration, evaluation, prepayment and development costs carried forward in respect of areas of interest (net of amounts written off)		
Exploration and evaluation expenditure	62,361,330	51,681,303
Prepayment of exploration assets	-	32,612
	62,361,330	51,713,915
Reconciliation		
Carrying amount at start of year	51,713,915	43,658,649
Exploration expenditure	10,890,404	8,578,691
Prepayment of exploration assets	-	31,250
Expenditure written off	(242,989)	(554,675)
Carrying amount at the end of the year	62,361,330	51,713,915

The ultimate recoupment of exploration and evaluation expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas. The Directors have reviewed the impairment indicators as per AASB 6: Exploration and Evaluation of Mineral Resources and have concluded that due to the relinquishment of certain tenements, there is an impairment of \$242,989 (2021: \$554,675) which resulted in the expenditure being written off at the reporting date.

14. Financial Assets at Fair Value Through Profit or Loss

The Group classifies equity investments that are held for trading as financial assets at fair value through profit or loss. The financial assets consist of ordinary shares which have been valued at fair value and have no fixed maturity date or coupon rate. The value of these financial assets has been determined directly by reference to published price quotations in an active market. Changes in the value of the financial assets are recorded in net loss on financial assets in profit or loss.

	2022 \$	2021 \$
Current assets		
Shares carried at fair value	124,250	159,250
	124,250	159,250

15. Property, Plant And Equipment

Items of property, plant and equipment are initially recorded at cost, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition, and depreciated. Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal.

Depreciation is provided on plant and equipment. Items of property, plant and equipment are depreciated using the diminishing value method over their estimated useful lives to the consolidated entity. The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each of the statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The useful economic life for each class of depreciable asset is:

Vehicles	3 – 5 years
Furniture, fittings and equipment	3 – 5 years

	2022 \$	2021 \$
Non-current assets		
Balance at the start of the year, net of accumulated depreciation	220,510	58,423
Additions	64,667	208,696
Depreciation charge	(59,947)	(46,609)
Balance at the end of the year, net of accumulated depreciation	225,230	220,510

	2022 \$	2021 \$
Non-current assets		
Cost	975,503	910,836
Accumulated depreciation	(750,273)	(690,326)
Net carrying amount	225,230	220,510

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income. When the re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

16. Right-Of-Use Asset And Lease Liability

	2022 \$	2021 \$
Right-of-use assets		
<i>Property - office lease</i>		
Opening balance	10,119	70,827
Amortisation	(10,119)	(60,708)
Closing balance	-	10,119
<i>Motor vehicles</i>		
Opening balance	132,953	22,308
Addition	25,870	137,521
Amortisation	(42,978)	(26,876)
Closing balance	115,845	132,953
<i>Hire purchase assets</i>		
Opening balance	46,277	72,953
Amortisation	(26,632)	(26,676)
Closing balance	19,645	46,277
Total right-of-use assets as at 30 June 2022	135,490	189,349
Lease liability		
<i>Property - office lease</i>		
Opening balance	10,823	73,416
Lease payments	(10,823)	(62,593)
Closing balance	-	10,823
<i>Motor vehicles</i>		
Opening balance	134,912	22,534
Addition	25,870	137,521
Lease payments	(41,531)	(25,143)
Closing balance	119,251	134,912
<i>Hire purchase assets</i>	-	50,623
Total lease liability as at 30 June 2022	119,251	196,358
Lease liability		
Current	42,960	99,418
Non-current	76,291	96,940
	119,251	196,358
Amounts recognised in the consolidated statement of profit or loss		
Amortisation of right-of-use asset	79,729	114,261
	79,729	114,261

17. Trade And Other Payables

Trade payables represent liabilities for goods or services received prior to the end of the reporting date which are unpaid. Trade accounts payable are normally settled within 60 days. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from reporting date.

	2022 \$	2021 \$
Current liabilities		
Trade creditors	424,715	144,122
Other creditors	176,220	78,330
	600,935	222,452

18. Provisions

Provisions are recognised when the consolidated entity has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

	2022 \$	2021 \$
Current liabilities		
Provision for employee benefits	280,660	214,903
	280,660	214,903
Non-current liabilities		
Provision for employee benefits	52,869	31,602
Provision for rehabilitation	1,142,367	1,142,367
	1,195,236	1,173,969

Employee Benefits

(i) Short-Term Obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other Long-Term Obligations

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national Government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

18. Provisions (Cont'd)

Provision For Rehabilitation

Rehabilitation costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with the requirements of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology.

Rehabilitation costs are recognised in full at present value as a non-current liability. An equivalent amount is capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to its present location.

Any changes in the estimates for the costs or other assumptions against the cost of relevant assets are accounted for on a prospective basis. In determining the costs of site restoration there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation.

Significant estimates and judgements

The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates (4.4% (2021: 1.73%)), and changes in discount rates (0.2% (2021: 0.2%)). These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for mine rehabilitation. As a result, there could be significant adjustments to the provisions established which would affect future financial result. The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

19. Contributed Equity

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

	2022 \$	2021 \$
Equity		
Balance at the start of the year	85,708,185	69,043,641
Shares issued for capital raising purposes ¹	16,600,000	17,598,705
Less share issue costs	(1,585,939)	(1,214,161)
Options issued for capital raising purposes	1,500	-
Performance rights redeemed as shares	1,624,750	280,000
	102,348,496	85,708,185

¹ The Company allotted the following shares to fund the Company's continued exploration and working capital:

- 28 March 2022, Ausgold completed a tranche 1 placement of 345m shares at \$0.04

- 2 May 2022, Ausgold completed a tranche 2 placement of 70m shares at \$0.04

Movement In Share Capital During The Year

	2022 Number of shares	2021 Number of shares
Movement in share capital		
Balance at the start of the year	1,585,349,541	1,106,199,541
Shares issued for capital raising purposes	415,000,000	444,150,000
Redeemed from performance rights	29,125,000	35,000,000
	2,029,474,541	1,585,349,541

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up to the shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

19. Contributed Equity (Cont'd)

Movement In Options During The Year

	2022 Number of options	2021 Number of options
Movement in options		
Balance at the start of the year	36,700,000	29,700,000
Options issued ¹	15,000,000	33,000,000
Options cancelled	(500,000)	-
Options lapsed	(3,700,000)	(26,000,000)
	47,500,000	36,700,000

¹ During the financial year, the Company issued the following options:

On 22 April 2022, Ausgold issued 15m options exercisable at \$0.06 per option to Argonaut Securities Pty Ltd and Euroz Hartley's Securities Ltd as Co-lead managers.

Movement In Performance Rights During The Year

	2022 Number of performance rights	2021 Number of performance rights
Movement in performance rights		
Balance at the start of the year	58,250,000	35,000,000
Performance rights issued	-	58,250,000
Performance rights redeemed as shares	(29,125,000)	(35,000,000)
Performance rights lapsed	(29,125,000)	-
	-	58,250,000

20. Share-Based Payments

Share-based compensation benefits are provided to employees and consultants of Ausgold Limited.

The fair value is measured at grant date and recognised over the period during which the holder become unconditionally entitled to the options/rights. The fair value of options/rights is determined by management using a Black Scholes option pricing model and the fair value of rights are estimated using a Monte Carlo simulation.

In valuing the equity-settled transactions, performance conditions are taken into account.

The cost of equity-settled transactions is recognised, together with corresponding increase in equity, over the period in which the vesting conditions are fulfilled.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, an increase in Resources). Non-market vesting conditions are included in assumptions about the number of options/rights that are expected to vest. At each reporting date, the entity revises its estimate of the number of options/rights that are expected to vest. The employee benefit expense recognised each period takes into account the most recent estimate.

The market value of shares issued to employees for no cash consideration is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares. This reserve is used to record the value of equity settled share-based payments provided to employees and directors as part of their remuneration.

20. Share-Based Payments (Cont'd)

	2022 \$	2021 \$
Reserves		
Balance at the start of the year	7,191,802	5,612,657
Movement in share-based payment reserves	(379,411)	1,579,145
	6,812,391	7,191,802

Performance Rights Plan for Directors

Performance Rights plans are used to reward the Directors for their performance and to align their remuneration with the creation of shareholder wealth. The Performance Rights are issued for nil consideration and no consideration will be payable upon the vesting of the Performance Rights. Each Performance Right entitles the holder to be issued with one Ausgold share.

The aggregate numbers of Performance Rights holdings of the Company held directly, indirectly or beneficially by Directors are as follows:

Directors	Opening Balance Number	Granted Number	Redeemed as Shares Number	Lapsed Number	Closing Balance Number
R Lockwood	8,000,000	-	(4,000,000)	(4,000,000)	-
N Fearis	6,000,000	-	(3,000,000)	(3,000,000)	-
G Jones	6,000,000	-	(3,000,000)	(3,000,000)	-
M Greentree	20,000,000	-	(10,000,000)	(10,000,000)	-
D Rakich	12,000,000	-	(6,000,000)	(6,000,000)	-
Total	52,000,000	-	(26,000,000)	(26,000,000)	-

The vesting conditions for the Performance Rights granted to the Directors on 20 November 2020 are as follows:

- Holder's continued service with the Company until the time of vesting;
- 50% of Performance Rights vest based on a release on the Australian Securities Exchange ("ASX") of a minimum of 1.6 million ounces of Inferred, Indicated and/or Measured Resources, at a minimum lower cut-off grade of 0.5 grams per tonne of gold reported in accordance with the JORC Code on the Katanning Gold Project tenements; and
- 50% of the Performance Rights vest based on the release on the ASX of a mining Pre-Feasibility Study ("PFS") on the Katanning Gold Project which shows the potential to generate an Internal Rate of Return ("IRR") of greater than 20% using consensus commodity prices and Board approved assumptions.

As the rights have non-market based vesting conditions, they can be exercised at any time up to expiry date. The fair value per right of \$0.056 reflects the market value of the underlying ordinary share at grant date.

In December 2021, Ausgold advised the market that it has expanded its Inferred, Indicated and/or Measured Resources to 1.84 million ounces, at a minimum lower cut-off grade of 0.6 grams per tonne of gold reported in accordance with the JORC Code on the Katanning Gold Project. The announcement triggers one of the vesting conditions for the Performance Rights, resulting in the redemption of 26m Shares by the Directors.

As the PFS on the Katanning Gold Project was not lodged before the expiration date of the Performance Rights, the balance 26 million Performance Rights lapsed.

Performance Rights Plan for Staff

During the financial year ended 30 June 2022, 3.125 million Performance Rights which were issued on 1 February 2021 have vested following achievement of JORC Resource condition. The rights have been exercised by the holders and have been redeemed as shares.

The balance 3.125 million Performance Rights lapsed on 30 June 2022, as the PFS was not lodged prior to the expiration date of the Performance Rights.

20. Share-Based Payments (Cont'd)

Share-based payment recognised

A share-based payment expense of \$531,400 (2021: \$1,859,146) was recorded for the financial year ended 30 June 2022 as follows:

	2022 \$	2021 \$
35,000,000 Performance Rights issued to Directors on 8 November 2019	-	157,922
52,000,000 Performance Rights issued to Directors on 20 November 2020	1,264,785	1,230,228
6,250,000 Performance Rights issued to staff on 1 February 2021	180,241	97,835
7,000,000 Options issued to IRX Pty Ltd on 23 March 2021	55,192	14,970
3,000,000 Options issued to staff on 19 March 2021	58,592	6,190
16,000,000 Options issued to Blue Ocean Equity Pty Ltd on 4 May 2021	-	352,000
3,000,000 Options issued to staff on 30 June 2021	46,711	-
4,000,000 Options issued to staff on 30 June 2021	74,218	-
26,000,000 Performance Rights issued to Directors on 20 November - lapsed	(1,039,013)	-
3,125,000 Performance Rights issued to staff on 1 February 2021 - lapsed	(109,326)	-
	531,400	1,859,145

The fair value of options at grant date is independently determined using an appropriate option valuation methodology that takes into account the exercise price. The options were issued for nil consideration. The volatility is calculated based upon the share price performance of the Company since listing on the ASX.

Set out below are summaries of the options and performance rights issued and not exercised for the financial years ended 30 June 2022:

Options:

Grant date/ agreement date	Expiry date	Exercise price	Opening balance (Number)	Granted (Number)	Exercised (Number)	Lapsed (Number)	Closing balance (Number)	Vested (Number)
9-Jan-18	31-Dec-21	\$0.06	3,700,000	-	-	(3,700,000)	-	-
23-Mar-21	1-Mar-24	\$0.08	7,000,000	-	-	-	7,000,000	7,000,000
19-Mar-21	1-Mar-24	\$0.08	3,000,000	-	-	(500,000)	2,500,000	2,500,000
4-May-21	3-May-24	\$0.06	16,000,000	-	-	-	16,000,000	16,000,000
30-Jun-21	30-Jun-24	\$0.08	3,000,000	-	-	-	3,000,000	3,000,000
30-Jun-21	30-Jun-24	\$0.06	4,000,000	-	-	-	4,000,000	4,000,000
22-Apr-22	31-Mar-25	\$0.06	-	15,000,000	-	-	15,000,000	15,000,000
Total			36,700,000	15,000,000	-	(4,200,000)	47,500,000	47,500,000
Weighted average exercise price			\$0.07				\$0.07	\$0.07

The market weighted average exercise price of Ausgold Limited options during the 2022 financial year was \$0.07 (2021: \$0.07). The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.14 years (2021: 2.52 years).

Performance Rights:

Grant date/ agreement date	Expiry date	Exercise price	Opening balance (Number)	Granted (Number)	Exercised (Number)	Lapsed (Number)	Closing balance (Number)	Vested (Number)
20-Nov-20	30-Jun-20	\$0.00	52,000,000	-	(26,000,000)	(26,000,000)	-	-
1-Feb-21	30-Jun-22	\$0.00	6,250,000	-	(3,125,000)	(3,125,000)	-	-
Total			58,250,000	-	(29,125,000)	(29,125,000)	-	-

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was nil (2021: 1 year).

21. Accumulated Losses

	2022 \$	2021 \$
Equity		
Accumulated losses at the start of year	(34,798,817)	(31,285,498)
Loss after income tax attributable to owners	(2,586,374)	(3,513,319)
	(37,385,191)	(34,798,817)

22. Loss Per Share

Basic earnings or loss per share are calculated by dividing the net profit or loss attributable to members of the parent entity for the reporting period by the weighted average number of ordinary shares of Ausgold Limited.

Diluted earnings or loss per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

	2022 cents per share	2021 cents per share
From continuing operations		
Basic loss per share	(0.15)	(0.26)
Diluted loss per share	N/A	N/A

The calculation of basic loss per share at 30 June 2022 was based on the loss attributable to ordinary shareholders of \$2,586,374 (2021: \$3,513,319) and a weighted average number of ordinary shares outstanding during the year of 1,713,467,364 (2021: 1,331,214,473).

Earnings used in calculating loss per share

	2022 \$	2021 \$
For basic and diluted loss per share		
Loss after income tax for the year	(2,586,374)	(3,513,319)

Weighted average number of shares used as denominator

	2022	2021
Weighted Average Number of Ordinary Shares (WANOS)		
Weighted average number of ordinary shares	1,713,467,364	1,331,214,473

Diluted loss per share must be calculated where potential ordinary shares on issue are dilutive. As the ordinary shares on issue would decrease the loss per share in the current period, they are not considered dilutive and not shown.

23. Cash Flows From Operating Activities Reconciliation

(a) Reconciliation of cash flow from operating activities with the loss from continuing operations after income tax:

	2022 \$	2021 \$
Loss after income tax for the year	(2,586,374)	(3,513,319)
Adjustments for:		
Depreciation and amortisation expenses	139,676	160,870
Share-based payment expenses	531,400	1,859,145
impairment exploration expenses	242,989	554,675
Fair value adjustment to financial assets at fair value	35,000	(106,500)
Decrease/(Increase) in trade and other receivables	37,870	(90,348)
Increase/(Decrease) in trade and other payables	374,699	(59,419)
Increase/(Decrease) in provisions	87,024	126,113
Net cash flows used in operating activities	(1,137,716)	(1,068,783)

The total cash outflows from operating and investing activities for the 2022 financial year was \$12,152,853 (2021: \$9,091,243).

(b) Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- acquisition of right-of-use assets – Note 16

24. Auditor's Remuneration

The following fees were paid or payable for services provided by the auditor of the consolidated entity:

	2022 \$	2021 \$
Auditors of the Group - BDO and related network firms		
Audit and review of the financial statements		
- Group	70,976	67,380
- Attendance at AGM	-	550
Total audit and review of financial statements	70,976	67,930
Non-audit services		
- Valuation of performance rights for purpose of meeting	-	1,925
Total non-audit services	-	1,925

25. Commitments

Remuneration commitments

Names and position held of key management personnel remuneration have been included in the Remuneration Report, which forms part of the Directors' Report.

26. Related Party Disclosure

Subsidiary

Subsidiaries are entities controlled by the consolidated entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The financial statements of the subsidiary are prepared for the same reporting period as the Company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit or losses resulting from inter-entity transactions have been eliminated in full.

The investment in subsidiary held by Ausgold is accounted for at cost in the separate financial statements of the company less any impairment charges. The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities assumed at the date of the acquisition.

The consolidated financial statements include the financial statements of Ausgold and its subsidiary as below:

		2022		2021	
Name	Country of incorporation	Equity interest		Equity interest	
		%		%	
Parent entity					
Ausgold Limited	Australia		-		-
Directly controlled by Ausgold Limited					
Ausgold Exploration Pty Ltd	Australia	100	100		
Magenta Resources Pty Ltd ¹	Australia	100	-		

¹ Magenta Resources Pty Ltd was incorporated on 23rd July 2021

Loans made by Ausgold Limited to its wholly owned subsidiary Ausgold Exploration Pty Ltd are made to meet required expenditure, the loans are payable on demand and are not interest bearing.

Key Management Personnel

Disclosures relating to key management personnel are included in Note 27.

Elstree Nominees Pty Ltd

Elstree Nominees Pty Ltd ("Elstree") incurs costs on behalf of the Group in regards to office premises and associated facilities. The total costs incurred by Elstree and reimbursed by the Group during the financial year was \$157,607 plus GST (2021: \$168,072).

Mr Denis Rakich is a Director of Elstree and serves as Executive Director and Company Secretary at Ausgold.

There were no monies (2021: Nil) owing to Elstree as at 30 June 2022.

GR Engineering Limited

GR Engineering Limited ("GR Engineering") has been contracted to carry out Prefeasibility Study ("PFS") for Processing on 12 January 2022. Mr Geoffrey Jones is the Managing Director of GR Engineering and serves as a Non-executive Director at Ausgold. The total amount charged by GR Engineering during the financial year was \$90,941 of which \$43,694.20 remained owing to GR Engineering as at 30 June 2022. Amounts were due and payable under normal commercial terms.

Transactions With Other Related Parties

Transactions with other related parties are on normal commercial terms and conditions which are no more favourable to those parties than those available to other parties unless otherwise stated.

27. Key Management Personnel

Key management personnel remuneration

	2022 \$	2021 \$
Short-term employment benefits	697,358	682,586
Post employment benefits	54,616	48,835
Long-term employment benefits	7,896	20,525
Share-based payments	225,772	1,388,150
	985,642	2,140,096

Detailed remuneration disclosures are set out in the Remuneration Report, which forms part of the Directors' Report.

Key management personnel received compensation in the form of short-term employee benefits, post-employment benefits and share-based payment awards.

No executive is entitled to any termination payments apart from the remuneration payable up and including the date of termination and all payments due by way of accrued leave.

Loans to key management personnel

No loans have been granted to key management personnel during the current financial year.

Other Key Management Personnel Transactions With The Company

There were no other key management personnel transactions with the Company other than the fees paid to Elstree Nominees Pty Ltd and GR Engineering Limited. Details of these fees can be found in Note 26.

28. Contingent Liabilities

The Group did not have any contingent assets or liabilities as at 30 June 2022.

29. Events Subsequent To Reporting Date

On 1 August, Ausgold announced that the Prefeasibility Study (PFS) confirms a 1.28 million ounce Maiden Ore Reserve at the Katanning Gold Project and highlights it as one of the largest undeveloped free-milling open cut gold projects in Western Australia with low capital costs and substantial scope to increase the total scale of this project in the near future. The key financial forecasts for the PFS are as follows:

- LOM revenue of \$2.67 billion
- LOM project EBITDA \$981 million
- Pre-production capital requirement of \$225 million includes pre-production operating costs
- Post-tax NPVs of \$364 million
- Internal Rate of Return (IRR) of 40.7% post-tax
- All-In-Sustaining Cost (AISC) \$1,370/oz first six years of production
- Payback period of 1.7 years

Other than the above, no matter or circumstance has arisen as at the date of this report that has significantly affected, or may have significantly affected, the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

No other matters have arisen since the end of the reporting period which may affect the state of affairs of the Group.

Directors' Declaration

In the Directors' opinion,

1. 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. the attached consolidated financial statements and notes are in accordance with the Corporations Act 2001, including:
 - a. complying with Accounting Standards, the Corporations Regulations 2001, International Reporting Standards as issued by the International Accounting Standards Board and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the consolidated entity's position as at 30 June 2022 and its performance for the financial year ended that date; and
3. the Directors have been given the declaration as required under s295A of the Corporations Act 2001.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the Corporations Act 2001.

For and on behalf of the Directors



Denis Rakich
Director

Perth, Western Australia

12 September 2022

Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

To the members of Ausgold Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Ausgold Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, 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 year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 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 Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

¹
BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying Value of Exploration and Evaluation Expenditure

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
As disclosed in Note 13, the carrying value of the exploration and evaluation asset represents a significant asset of the Group. The Group's accounting policies and significant judgements applied to capitalised exploration and evaluation expenditure are detailed in notes 4 and 13 of the financial report. In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> ('AASB 6'), the recoverability of exploration and evaluation expenditure requires significant judgement by management in determining whether there are any facts and circumstances that exist to suggest the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition criteria of AASB 6; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Notes 4 and 13 to the Financial Report.



Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2022 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 27 to 32 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Ausgold, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a faint, stylized 'BDO' logo.

Ashleigh Woodley

Director

Perth, 12 September 2022

Shareholder Information

The shareholder information set out below was applicable as at 14 August 2022.

Distribution of Equity Securities

Analysis of numbers of ordinary shareholders by size of holding:

Spread of Holdings	Number of Holders	Number of Shares
NIL Holding	0	0
1 - 1,000	125	31,909
1,001 - 5,000	94	263,907
5,001 - 10,000	173	1,555,540
10,001 - 100,000	1,387	57,509,685
Over 100,000	1,036	1,970,113,500
TOTAL ON REGISTER	2,815	2,029,474,541

440 shareholders held less than a marketable parcel (<\$500) or ordinary shares

Twenty Largest Shareholders

The names of the twenty largest holders of quoted shares are:

Holder Name	Holding
CITICORP NOMINEES PTY LIMITED	428,066,400
OLD BLOOD AND GUTS PTY LTD	96,000,000
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	92,336,220
BNP PARIBAS NOMS PTY LTD <DRP>	65,238,353
MR RICHARD ARTHUR LOCKWOOD	62,500,000
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	38,264,126
TREASURY SERVICES GROUP PTY LTD <NERO RESOURCES FUND A/C>	37,000,000
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	36,723,999
ALL STATES FINANCE PTY LIMITED	35,666,666
DENIS RAKICH	33,998,681
PRECISION OPPORTUNITIES FUND LTD <INVESTMENT A/C>	25,000,000
M&J GREENTREE NOMINEES PTY LTD <M&J GREENTREE FAMILY A/C>	23,950,000
BERNE NO 132 NOMINEES PTY LTD <152417 A/C>	19,020,953
NATIONAL NOMINEES LIMITED	17,499,189
MOLATE PTY LIMITED <ALLAN HAIN RETIRE FUND A/C>	16,964,100
TREVOR PAVEY PTY LTD <PAVEY FAMILY A/C>	16,824,431
BATTERBURY HOLDINGS PTY LTD	16,080,000
DOUGLAS FINANCIAL CONSULTANTS PTY LTD	16,000,000
BOND STREET CUSTODIANS LIMITED <TRYLAN - D83486 A/C>	15,600,000
PENDOMER INVESTMENTS PTY LTD <LAW SETTLEMENTS FUND A/C>	13,000,000
Total	1,105,733,118

Voting Rights

All fully paid ordinary shares carry one vote per share.

Substantial holders

The Company has received the following notices of substantial shareholding:

Shareholders	Relevant interest per notice received Number of shares
Dundee Resources Limited	253,750,000
Jupiter Investment Management Ltd	125,000,000

Options on Issue

Option Details	Expiry Dates	Number of Options
Unlisted options exercisable at \$0.08 per share	01-Mar-24	9,500,000
Unlisted options exercisable at \$0.06 per share	03-May-24	16,000,000
Unlisted options exercisable at \$0.08 per share	30-Jun-24	4,000,000
Unlisted options exercisable at \$0.06 per share	30-Jun-24	3,000,000
Unlisted options exercisable at \$0.06 per share	31-Mar-25	15,000,000
Total		47,500,000

Schedule of Mineral Tenement Interests

Summary of mining and exploration tenements as at 30 June 2022

State	Tenement	Tenement status	Grant date	Project	Interest %
Western Australia Tenements					
WA	E38/2129	Granted	13 October 2008	Yamarna	25%
WA	E52/3031	Granted	4 February 2014	Doolgunna	100%
WA	E70/3952	Granted	18 January 2011	Katanning Regional	100%
WA	E70/4392	Granted	25 March 2013	Katanning Regional	100%
WA	E70/4566	Granted	12 August 2014	Katanning Regional	100%
WA	E70/4604	Granted	13 January 2015	Katanning Regional	100%
WA	E70/4605	Granted	13 January 2015	Katanning Regional	100%
WA	E70/4682	Granted	28 July 2015	Katanning Regional	100%
WA	E70/4728	Granted	8 January 2016	Katanning Regional	100%
WA	E70/4855	Granted	29 November 2016	Katanning Regional	100%
WA	E70/4865	Granted	10 January 2017	Katanning Regional	100%
WA	E70/4866	Granted	10 January 2017	Katanning Regional	100%
WA	E70/4896	Granted	9 March 2017	Katanning Regional	100%
WA	E70/4908	Granted	3 May 2017	Katanning Regional	100%
WA	E70/4942	Granted	21 August 2017	Katanning Regional	100%
WA	E70/4947	Granted	6 November 2017	Katanning Regional	100%
WA	E70/4958	Granted	18 April 2018	Katanning Regional	100%
WA	E70/4959	Granted	11 April 2018	Katanning Regional	100%
WA	E70/4968	Granted	4 January 2018	Katanning Regional	100%
WA	E70/5040	Granted	14 June 2018	Katanning Regional	100%
WA	E70/5042	Granted	14 June 2018	Katanning Regional	100%
WA	E70/5134	Granted	4th May 2018	Katanning Regional	100%
WA	E70/5043	Granted	14 June 2018	Katanning Regional	100%
WA	E70/5692	Granted	22 April 2021	Katanning Regional	100%
WA	E70/5850	Granted	7 September 2021	Katanning Regional	100%
WA	E70/5885	Granted	8 November 2021	Katanning Regional	100%
WA	E70/5922	Granted	19 November 2021	Katanning Regional	100%
WA	E70/5923	Granted	19 November 2021	Katanning Regional	100%
WA	E70/5924	Granted	19 November 2021	Katanning Regional	100%
WA	E70/5925	Granted	19 November 2021	Katanning Regional	100%
WA	E70/5926	Granted	19 November 2021	Katanning Regional	100%
WA	E70/5927	Granted	19 November 2021	Katanning Regional	100%
WA	E70/5928	Granted	19 November 2021	Katanning Regional	100%
WA	E70/5929	Granted	19 November 2021	Katanning Regional	100%
WA	E70/5930	Granted	19 November 2021	Katanning Regional	100%

Schedule of Mineral Tenement Interests (cont'd)

State	Tenement	Tenement status	Grant date	Project	Interest %
Western Australia Tenements					
WA	E70/5931	Granted	19 November 2021	Katanning Regional	100%
WA	E70/6030	Granted	5 April 2022	Katanning Regional	100%
WA	G70/84	Granted	13 June 1989	Katanning Gold Project	100%
WA	G70/85	Granted	13 June 1989	Katanning Gold Project	100%
WA	L70/13	Granted	24 May 1989	Katanning Gold Project	100%
WA	L70/32	Granted	11 December 1995	Katanning Gold Project	100%
WA	L70/33	Granted	11 December 1995	Katanning Gold Project	100%
WA	E70/2928	Granted	26 November 2008	Katanning Gold Project	100%
WA	M70/210	Granted	28 March 1985	Katanning Gold Project	100%
WA	M70/211	Granted	28 March 1985	Katanning Gold Project	100%
WA	M70/488	Granted	19 April 1994	Katanning Gold Project	100%
WA	E70/4991	Granted	31 January 2018	Lake Magenta	100%
WA	E70/5044	Granted	14 June 2018	Lake Magenta	100%
WA	E70/5188	Granted	12 February 2019	Lake Magenta	100%
WA	E70/5285	Granted	29 October 2019	Lake Magenta	100%
WA	E70/5688	Granted	27 April 2021	Lake Magenta	100%
WA	E70/5689	Granted	27 April 2021	Lake Magenta	100%
WA	E70/5131	Granted	26 October 2018	Stanley JV	-
WA	E70/4787	Granted	1 July 2016	Stanley JV	-
WA	E70/4863	Granted	10 January 2017	Woodanilling	100%
WA	E70/4864	Granted	10 January 2017	Woodanilling	100%
WA	E70/5142	Granted	7 April 2019	Woodanilling	100%
WA	E70/5223	Granted	5 July 2019	Woodanilling	100%
WA	E70/5643	Granted	29 April 2021	Woodanilling	100%
WA	E70/5644	Granted	29 April 2021	Woodanilling	100%
WA	E70/5655	Granted	29 April 2021	Woodanilling	100%
WA	E70/5656	Granted	5 May 2021	Woodanilling	100%
WA	E70/5681	Granted	27 April 2021	Woodanilling	100%
WA	E70/5770	Granted	15 July 2021	Woodanilling	100%
Queensland Tenement					
QLD	EPM17054	Granted	26 November 2010	Cracow	100%

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