



RIVERSGOLD_{LTD}

ABN 64 617 614 598

**Financial Report
For the Half Year Ended 31 December 2022**

Riversgold Ltd
ABN 64 617 614 598

Contents Page

Corporate Directory	3
Directors' Report	4
Auditor's Independence Declaration	6
Interim Financial Statements	
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	7
Condensed Consolidated Statement of Financial Position	8
Condensed Consolidated Statement of Changes in Equity	9
Condensed Consolidated Statement of Cash Flows	10
Notes to the Condensed Consolidated Financial Statements	11
Directors' Declaration	26
Independent Auditor's Review Report	27

Riversgold Ltd
ABN 64 617 614 598

Corporate Directory

Directors

David Lenigas (Executive Chairman)
Simon Andrew (Non-Executive Director)
Ed Mead (Non-Executive Director)

Company Secretary

Oonagh Malone

Chief Executive Officer

Julian Ford

Principal and Registered Office

Suite 23, 513 Hay Street
Subiaco, WA 6008
Telephone (08) 6143 6747
Web www.riversgold.com.au

Auditor

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth, WA, 6000

Share Registry

Automic Registry Services
Level 5, 191 St Georges Terrace
Perth, WA, 6000
Telephone 1300 288 664 (within Australia)
Telephone +61 (2) 9698 5414 (overseas)
Website: www.automicgroup.com.au

Securities Exchange Listing

Australian Securities Exchange (ASX)
Code: RGL
Home office: Perth

Riversgold Ltd
ABN 64 617 614 598

Directors' Report

The Directors present the financial statements of Riversgold Ltd (**Riversgold or the Company**) and the entities it controlled (together, **the Group**) for the half year ended 31 December 2022.

Directors

The following persons were directors of Riversgold Ltd for the specified periods during the half year and up to the date of this report:

David Lenigas	(Executive Chairman)
Simon Andrew	(Non-Executive Director)
Xavier Braud	(Non-Executive Director, resigned 23 November 2022)
Ed Mead	(Non-Executive Director, appointed 21 November 2022)

Company Secretary

Oonagh Malone

Review of Operations

The consolidated loss after income tax for the half year was \$1,414,037 (31 December 2021: \$948,833). At the end of the half year the Group had \$6,539,404 (30 June 2022: \$2,862,101) in cash and at call deposits.

During the half year, Riversgold:

- Focused on the Pilbara Lithium project with deep penetrating ground radar (DPGR) results received and interpreted, a heritage survey, a drill program, and further tenements acquired.
- Issued 14,759,883 shares to acquire the Mt Holland Lithium Project in Western Australia.
- Expanded the Mt Holland Lithium Project by issuing 4,054,054 shares with a cash option fee of \$150,000 to acquire a one year option to acquire an 80% interest in the Lithium, Tantalum Tin, Caesium and Scandium rights in tenement E77/2784 for an exercise price of \$700,000 and the vendor free carried to production. E77/2784 is adjacent to the Mt Holland Lithium Mine.
- Completed soil sampling, geochemical testing and deep penetrating ground radar (DPGR) at the Mt Holland Lithium Project with further exploration licenses granted.
- Continued impairing, but not writing off pending ongoing action, tenements E25/538, E25/539, E25/540 and E28/2580 following the Mining Warden upholding expenditure objections and recommending that the Minister refuse the applications for exemption.
- Renegotiated the Alaskan asset sale to replace the convertible note repayment and the previous 1.5% royalty to be granted to the Company, with a total of \$750,000 receivable. Of this \$750,000 receivable, \$100,000 was received in January 2023, \$325,000 was received in February 2023 and the remaining \$325,000 is due to be received by 20 March 2023.
- Issued a total of 9,800,000 director and employee options with an exercise price of \$0.05 and an expiry date of 9 August 2025, including 2,000,000 options for Director Simon Andrew, 2,000,000 options for CEO Julian Ford and 2,000,000 options for Company Secretary Oonagh Malone.

Riversgold Ltd
ABN 64 617 614 598

Directors' Report

- Issued 10,000,000 options with an exercise price of \$0.054 and an expiry date of 22 December 2025 in consideration for capital raising services.
- Issued 500,000 options with an exercise price of \$0.05 and 2,000,000 performance rights to an employee on 6 October 2022. These options and performance rights lapsed unexercised on 7 March 2023.
- Appointed Non-executive director Edward (Ed) Mead on 21 November 2022 with 2,000,000 options with an exercise price of \$0.05 and an expiry date of 9 August 2025 to be issued, pending shareholder approval.

Significant Changes in the State of Affairs

Other than referred to in this report, there were no significant changes in the state of affairs of the Company during the reporting period.

Matters Subsequent to the End of the Financial Period

Since the end of the half year:

- On 4 January 2023, Riversgold announced the Mt Weld REE Project Farm-in and Joint Venture agreement to acquire up to a 70% interest in the Mt Weld REE Project on P34/4489 near Laverton in Western Australia. Terms include: \$30,000 deposit paid on 5 January 2023, \$100,000 to be spent by Riversgold within 6 months or payment of the balance of this \$100,000 before withdrawal, sole funding by Riversgold of \$500,000 of exploration to acquire a 50% interest, and election by the counterparty following this 50% acquisition to either proportionally fund the 50%-held project or commence a second 12 month earn-in period for Riversgold to acquire a further 20% interest in the project with \$1,000,000 of further expenditure.
- On 16 January 2023, Riversgold announced the lodgement of 8 further tenement applications at the Pilbara Lithium Project as well as the acquisition of tenement E45/5983 following reimbursement by Riversgold of \$20,000 of expenditure relating to this tenement.
- Riversgold received payments of \$100,000 in January 2023 and \$325,000 in February 2023 under the renegotiated Alaskan asset sale.
- A total of 620,000 share options and 2,000,000 performance rights ceased as disclosed in note 10.

Apart from the above, there has not arisen in the interval between the end of the half-year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on the following page.

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

Dated at Perth this 16th day of March 2023.



David Lenigas
Executive Chairman

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Riversgold Ltd for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
16 March 2023



N G Neill
Partner

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Riversgold Ltd
ABN 64 617 614 598

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half year ended 31 December 2022

	Note	Consolidated	
		31 December 2022 \$	31 December 2021 \$
Continuing operations			
Interest revenue	3	11,292	6
Other income	3	521,097	-
Employee and director expenses	3	(185,440)	(170,348)
Share-based payments expense	10	(552,247)	(468,344)
Corporate expenses		(96,322)	(61,530)
Administration and other expenses	3	(549,501)	(217,641)
Depreciation expense		(4,797)	(23,156)
Exploration costs impaired	7	(544,651)	-
Exploration costs expensed and written off	3	(8,048)	(4,934)
Financing (costs)/ gains	3	(4,845)	584
Loss before income tax		(1,413,462)	(945,363)
Income tax expense		-	-
Loss after tax from continuing operations		(1,413,462)	(945,363)
Loss after tax from discontinued operation	6	(575)	(3,470)
Loss for the half year		(1,414,037)	(948,833)
Other comprehensive income, net of income tax			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(15,593)	43,480
Total comprehensive loss for the period		(1,429,630)	(905,353)
		Cents	Cents
Basic and Diluted loss per share from continuing operations		(0.174)	(0.234)
Basic and Diluted loss per share		(0.174)	(0.235)

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

Riversgold Ltd
ABN 64 617 614 598

Condensed Consolidated Statement of Financial Position
As at 31 December 2022

	Note	Consolidated	
		31 December 2022 \$	30 June 2022 \$
Current assets			
Cash and cash equivalents		6,539,404	2,862,101
Trade and other receivables	4	104,667	15,805
Current financial assets		50,000	-
Other current assets		36,823	20,750
Current financial assets classified in disposal group	5	750,000	532,712
Other assets of disposal group	6	2,231,842	2,194,902
Total current assets		9,712,736	5,626,270
Non-current assets			
Property, plant and equipment		8,230	7,962
Capitalised Exploration and evaluation expenditure	7	6,337,179	4,729,942
Total non-current assets		6,345,409	4,737,904
Total assets		16,058,145	10,364,174
Current liabilities			
Trade and other payables	8	433,524	475,252
Employee leave liabilities		23,645	38,477
Liabilities of disposal group	6	2,469,410	2,199,013
Total current liabilities		2,926,579	2,712,742
Total liabilities		2,926,579	2,712,742
Net assets		13,131,566	7,651,432
Equity			
Issued capital	9	33,842,159	27,711,842
Accumulated losses		(26,219,175)	(24,805,138)
Reserves	11	5,508,582	4,744,728
Total equity		13,131,566	7,651,432

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Riversgold Ltd
ABN 64 617 614 598

Condensed Consolidated Statement of Changes in Equity
For the half year ended 31 December 2022

	Consolidated				
	Issued capital \$	Accumulated losses \$	Share based payment reserve \$	Foreign currency translation reserve \$	Total \$
At 1 July 2021	16,940,626	(14,606,156)	3,595,312	(5,455)	5,924,327
Loss for the period	-	(948,833)	-	-	(948,833)
Other comprehensive income	-	-	-	43,480	43,480
Total comprehensive (loss)/ income	-	(948,833)	-	43,480	(905,353)
Transactions with equity holders in their capacity as equity holders:					
Share based payments	-	-	468,344	-	468,344
Balance at 31 December 2021	16,940,626	(15,554,989)	4,063,656	38,025	5,487,318
At 1 July 2022	27,711,842	(24,805,138)	4,706,889	37,839	7,651,432
Loss for the period	-	(1,414,037)	-	-	(1,414,037)
Other comprehensive income	-	-	-	(15,593)	(15,593)
Total comprehensive (loss)/ income	-	(1,414,037)	-	(15,593)	(1,429,630)
Transactions with equity holders in their capacity as equity holders:					
Shares issued	6,090,000	-	-	-	6,090,000
Share issue costs	(649,683)	-	227,200	-	(422,483)
Share-based payments:					
Employees/directors	-	-	552,247	-	552,247
Project acquisition	690,000	-	-	-	690,000
Balance at 31 December 2022	33,842,159	(26,219,175)	5,486,336	22,246	13,131,566

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Riversgold Ltd
ABN 64 617 614 598

Condensed Consolidated Statement of Cash Flows
For the half year ended 31 December 2022

	Note	Consolidated	
		31 December 2022 \$	31 December 2021 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,177,443)	(144,024)
Interest received		11,292	6
Tax incentives received	3	521,097	-
Interest paid		-	(254)
Net cash used in operating activities		(645,054)	(144,272)
Cash flows from investing activities			
Payments for exploration and evaluation		(1,291,779)	(580,106)
Proceeds from disposal of mineral exploration interests	6	-	905,841
Payment for property, plant and equipment		(5,065)	-
Net cash (used in)/ provided by investing activities		(1,296,844)	325,735
Cash flows from financing activities			
Proceeds from the issue of shares	9	6,090,000	-
Payments for share issue costs		(422,483)	-
Payment for current financial assets		(50,000)	-
Reduction in finance lease liabilities		-	(7,277)
Net cash provided by/ (used in) financing activities		5,617,517	(7,277)
Net increase in cash held		3,675,619	174,186
Cash at the beginning of the financial period		2,862,101	294,434
Effect of exchange rate fluctuations on cash held		1,684	846
Cash at the end of the financial period		6,539,404	469,466

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 1 Basis of preparation of half year report

Statement of compliance

The condensed interim consolidated financial statements (the interim financial statements) for Riversgold Ltd ('the Company') and its subsidiaries (together referred to as 'the Group') are general purpose interim financial statements, and have been prepared in accordance with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures that the financial statements comply with International Financial Reporting Standard *IAS 134 Interim Financial Reporting*.

These interim financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial statements. Accordingly, these interim financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2022 and any public announcements made by Riversgold Ltd during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial statements were approved by the Board of Directors on 16th March 2023.

Basis of preparation

The interim financial statements have been prepared on the historical cost basis. Cost is based on the fair values of consideration given in exchange for assets. The Company is a for-profit entity domiciled in Australia and all amounts are presented in Australian dollars.

Accounting policies and methods of computation

The same accounting policies and methods of computation have been followed in these interim financial statements as compared with the most recent annual financial statements, except for the adoption of new Accounting Standards as set out below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

For the purpose of preparing the interim financial statement, the half-year has been treated as a discrete reporting period.

Adoption of new and revised Accounting Standards

Standards and Interpretations applicable to 31 December 2022

In the period ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group.

Standards and interpretations in issue not yet effective

The directors have also reviewed all of the new and revised standards and interpretations in issue not yet effective for the half-year ended 31 December 2022.

As a result of this review, the directors have determined that there will be no material impact of these standards and interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 1 Basis of preparation of half year report (continued)

Going concern

The interim financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the six months ended 31 December 2022, the Group had an operating loss of \$1,414,037 and had net operating cash outflows of \$645,054. The Group has cash of \$6,539,404 as at 31 December 2022 and net current assets of \$6,786,157 at 31 December 2022.

The Directors are of the opinion that the Group is a going concern as the Group expects to have more funds available than expected to be required for committed and required expenditure over the following year, and has the ability to scale back discretionary expenditure pending the timing of future capital raisings.

Significant accounting judgements and key estimates

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

Modification of disposal group

On 30 December 2022, the Group agreed to revise the agreement for the sale of the US subsidiary Afranex (Alaska) Limited, which holds all US assets and related liabilities, along with revision of the convertible note agreement. This was performed with one deed for both the convertible notes and the US assets, with one series of repayments to the Group now being required for disposal of both the convertible notes and the US assets.

This deed replaced both the 1.5% royalty and the requirement for the buyer to repay the convertible notes with the following 3 payments totalling \$750,000:

- \$100,000 payable by 20 January 2023, that was received on 20 January 2023,
- \$325,000 payable by 20 February 2023 that was received later in February 2023, and
- \$325,000 payable by 20 March 2023.

The Group retains ownership of both the convertible notes and Afranex (Alaska) Limited until the completion of the above payments, with the Group capable of retaining ownership of Afranex (Alaska) Limited if the above payments are not made. The Group also retains the previously agreed:

- \$USD1,000,000 payable on the definition of an inferred mineral resource of 500,000 oz Au,
- \$USD1,000,000 payable on the definition of an inferred mineral resource of 1,000,000 oz Au, and
- 20% of the excess of any future sale consideration over \$USD1,164,900 if there is a change in control of within 12 months of the new completion date.

These conditional payments are supported by requirements for any purchaser of the project to assume liability for the contingent payments.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 1 Basis of preparation of half year report (continued)

These modifications effectively cause the respective reclassification and classification of the convertible notes and the \$750,000 receivable to the disposal group disclosed in note 6, as required by the recognition criteria for a disposal group outlined in Note 1(v) to the annual financial statements for the year ended 30 June 2022. This is because both the convertible notes and the US assets are now being disposed of in the same transaction. The financial assets held by the disposal group are separately reported in the statement of financial position because these are still required to be measured as financial instruments as disclosed in note 5. This reclassification changes comparative balances for 30 June 2022 and 31 December 2021.

Otherwise, the same judgments, estimates and assumptions were used in preparing the interim financial statements as those used in preparing the financial report for the year ended 30 June 2022, with the exception of valuations of share-based payments. Refer to Note 10 for further details.

Note 2 Segment information

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 activities encompass mineral exploration and resource development in various international jurisdictions and as such management currently identifies the Groups geographic positions as its operating segments.

The following tables present revenue and loss information and certain asset and liability information regarding operating segments for the half year ended 31 December 2022.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 2 Segment information (continued)

6 months ended December 2022

	Australia \$	Discontinued operation (Alaska) \$	Cambodia \$	Consolidated \$
Interest income	11,292	-	-	11,292
Other income	521,097	-	-	521,097
Segment income	532,389	-	-	532,389
Loss from discontinued operation	-	(575)	-	(575)
Segment loss before income tax expense	(1,413,462)	(575)	-	(1,414,037)
Segment assets	13,826,303	2,231,842	-	16,058,145
Segment liabilities	(457,169)	(2,469,410)	-	(2,926,579)

6 months ended December 2021

	Australia \$	Discontinued operation (Alaska) \$	Cambodia \$	Consolidated \$
Interest income	6	-	-	6
Segment income	6	-	-	6
Loss from discontinued operation	-	(3,470)	-	(3,470)
Segment gain/ (loss) before income tax expense	(933,052)	(3,470)	(12,311)	(948,833)
Segment assets	5,933,218	2,083,864	-	8,017,082
Segment liabilities	(435,291)	(2,087,789)	(6,684)	(2,529,764)

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

	Consolidated	
	31 December 2022 \$	31 December 2021 \$

Note 3 Revenue and expenses

Loss before income tax includes the following specific income and expenses:

Interest revenue

Interest income	11,292	6
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Other income

Research and Development tax incentive	521,097	-
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Employee and director expenses

Salaries and wages	(64,792)	(73,462)
Directors' Fees	(111,833)	(65,000)
Superannuation	(5,963)	(7,346)
Other employee costs	(2,852)	(24,540)

Net employee expenses	(185,440)	(170,348)
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Administration and other expenses:

Insurance	(22,157)	(20,604)
Legal fees	(187,136)	(79,574)
Accountancy	(171,702)	(86,196)
Other expenses	(168,506)	(31,267)

	(549,501)	(217,641)
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Exploration costs expensed and written off:

Unallocated exploration costs	(1,265)	(1,545)
Exploration costs written off (see note 7)	(6,783)	(3,389)

	(8,048)	(4,934)
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Financing (costs)/ gains:

Interest expense	-	(242)
Impairment of rental bond receivable	(6,095)	-
Other foreign exchange movements	1,250	826

	(4,845)	584
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	Consolidated	
	31 December 2022 \$	30 June 2022 \$

Note 4 Current assets – Trade and other receivables

GST receivable	104,667	15,755
Trade debtors	-	50

	104,667	15,805
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Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$

Note 5 Current financial assets held in disposal group

Balance at the beginning of the period	532,712	-
Convertible note acquired on 13 December 2021 (see note 6)	-	487,737
Accrued interest receivable on convertible note	22,397	23,591
Foreign exchange movement on convertible note	8,732	21,384
Value of convertible note at variation deed on 30 December 2022 or on 30 June 2022	563,841	532,712
Gain on replacement of convertible note with amount receivable	186,159	-
Balance at the end of the period	750,000	532,712

The Group acquired 350,000 convertible notes in private company Mamba Minerals LLC (Mamba) at \$US1 per convertible note for a total value of \$USD350,000 or \$AUD487,737 on 13 December 2021. These notes:

- Were to be converted to shares in Mamba or redeemed with payment in cash by 13 June 2022. This expiry date was extended to 13 December 2022 in the prior year, before the variation deed disclosed in note 1 was agreed on 30 December 2022.
- Remain outstanding until the completion of the sale of the project, that is intended to occur with the final repayment of the \$750,000 receivable. The notes have nil value at 31 December 2022, despite remaining outstanding until completion, because the value is reflected in the expected payment of the receivable.

These notes were valued at \$USD366,985 or \$AUD532,712 on 30 June 2022, calculated with an AUD:USD FX rate of 0.6889 and no value ascribed to the conversion feature. On 30 December 2022, when the notes were replaced by the \$AUD750,000 receivable as disclosed in note 1, the notes were valued at \$USD382,002 or \$AUD563,841, calculated with an AUD:USD FX rate of 0.6705 and no value ascribed to the conversion feature. The increase in value from 30 June 2022 to 30 December 2022 of \$AUD31,129 is due to interest receivable recognised of \$AUD22,397 before a foreign exchange gain of \$AUD8,732.

The replacement of the royalty and the \$563,841 worth of notes with the \$750,000 receivable on 30 December has led to a gain of \$186,159 because the royalty previous had nil book value.

The combined gain on financial assets in the disposal group of \$217,288, being the \$31,129 gain on the convertible notes, plus the \$186,159 gain on replacement of the notes with the \$750,000 receivable, is included in the loss after tax from discontinued operations as disclosed in note 6. In the comparative period to 31 December 2021, a \$3,470 loss was due to interest receivable recognised of \$1,907 before a foreign exchange loss of \$5,377.

No allowance is made for credit risk because this receivable is secured against the Afranex project for which the counterparty had already paid \$USD 1,164,900 or \$AUD1,582,646 at the exchange rates at payment dates in prior years, and \$425,000 of the \$750,000 is already received since 31 December 2022.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 6 Sale of Alaskan interests and recognition of disposal group

As disclosed in note 3 of the 30 June 2022 financial report, the Group has recognised a disposal group for the Alaskan assets that are being sold with the sale of US subsidiary Afranex (Alaska) Limited. At 30 June 2022, the assets of the disposal group previously consisted solely of capitalised mineral exploration interests. However, as disclosed in note 1, the variation deed combined repayment of the outstanding convertible notes with the sale of the Alaskan assets, which caused the reclassification of the convertible note and the classification of the \$750,000 receivable to the disposal group. This reclassification changes comparative balances for 30 June 2022 and 31 December 2021.

There have been no movements in the value of the capitalised mineral exploration interests held by the disposal group during either the half year or during 2022, other than revaluation in the functional currency of the subsidiary, USD.

The liabilities of the disposal group consist of funds received to date for the potential sale, and outstanding financial instruments that would be derecognised if the Group were to terminate the sale without cause. These liabilities are valued at the transaction amounts and translated at the 31 December 2022 and 30 June 2022 exchange rates because the functional currency of the subsidiary is USD.

Foreign currently translation movements are not separately recognised for the disposal group until the disposal group is derecognised on loss of control.

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
<i>Financial position of disposal group</i>		
Assets		
Current financial assets (see note 5)	750,000	532,712
Capitalised mineral exploration interests	2,231,842	2,194,902
Total Assets	2,981,842	2,727,614
Liabilities		
Funds of \$USD500,000 received in advance for the sale in 2020 and 2021	665,070	665,070
Funds of \$USD664,900 received in Group's bank accounts during 2022	905,841	905,841
Value of \$USD350,000 in convertible notes on issue date of 13 December 2021	-	487,737
Foreign exchange revaluation in 2022	140,365	140,365
Foreign exchange revaluation in 2023	8,134	-
Amount receivable in consideration for sale	750,000	-
Total Liabilities	2,469,410	2,199,013
NET ASSETS	512,432	528,601

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 6 Sale of Alaskan interests and recognition of disposal group (continued)

	Consolidated	
	31 December 2022	31 December 2021
	\$	\$
<i>Financial performance</i>		
Gain/ (loss) on financial assets (see note 5)	217,288	(3,470)
Increase in liabilities of disposal group, as calculated in relevant functional currency	(217,863)	-
Loss after income tax	(575)	(3,470)
<i>Cash flow information</i>		
Net cash outflows from operating activities	-	-
Net cash inflows from investing activities	-	905,841
Net cash flows from financing activities	-	-
Total cash inflows/ (outflows)	-	905,841

Note 7 Capitalised exploration and acquisition costs

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
Balance at the beginning of the period	4,729,942	4,678,755
Purchase of Pilbara Lithium Project	-	3,000,000
Stamp duty on acquisition of Pilbara Lithium Project	-	148,415
Purchase of additional tenement at Pilbara Lithium	40,000	-
Purchase of Mt Holland Lithium Project	800,000	-
Exploration expenditure incurred	1,318,671	580,122
Capitalised costs impaired during the period	(544,651)	(3,672,692)
Capitalised costs written off during the period	(6,783)	(4,659)
Balance at the end of the period	6,337,179	4,729,942

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas. The capitalised costs impaired during the current half-year include both further expenditure on previously impaired tenements and the impairment of a tenement that is expected to be relinquished.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 8 Current liabilities – Trade and other payables

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
Trade and other payables	205,818	264,220
Stamp duty payable on Pilbara Lithium Project acquisition	148,415	148,415
Accrued expenses	48,122	29,331
Payment owed for Pilbara Lithium acquisition	-	22,500
Employment related payables	31,169	10,786
	433,524	475,252

Note 9 Issued capital

a) Ordinary shares

The Company is a public company limited by shares. The Company was incorporated in Perth, Western Australia. The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them.

	Issue price	Half year to		Year to	
		31 December 2022		30 June 2022	
		Number	\$	Number	\$
<i>b) Share capital</i>					
Issued share capital		945,467,714	33,842,159	756,429,999	27,711,842
<i>c) Share movements during the year</i>					
Balance at the start of the period		756,429,999	27,711,842	404,042,196	16,940,626
Issue of shares on exercise of options	\$0.03	-	-	51,857,648	1,555,729
Issue of shares on exercise of options	\$0.001	-	-	10,000,000	10,000
Shares issued under Share Placement	\$0.017	-	-	69,117,646	1,175,000
Shares issued under Rights issue	\$0.017	-	-	44,941,921	764,013
Shares issued in part consideration for Pilbara Lithium Project	\$0.037	-	-	17,647,059	652,941
Shares issued for milestone payment for Pilbara Lithium Project	\$0.042	-	-	158,823,529	6,670,588
Issue of shares in consideration for Mt Holland Lithium Project	\$0.034	14,705,883	500,000	-	-
Issue of shares in part consideration for option to acquire tenement	\$0.037	4,054,054	150,000	-	-
Issue of shares in consideration for tenement	\$0.036	1,111,111	40,000	-	-
Shares issued under Share Placement	\$0.036	169,166,667	6,090,000	-	-
Less share issue costs		-	(649,683)	-	(57,055)
Balance at the end of the period		945,467,714	33,842,159	756,429,999	27,711,842

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 10 Options and share based payments

A net total of \$552,247 (31 December 2021: \$468,344) was recognised and expensed during the half-year for the following share-based payments:

- \$39,200 for the Options granted and agreed to be issued, pending shareholder approval, to Mr Mead as described in note 10a).
- \$37,600 for the Options granted and issued to Mr Andrew as described in note 10a).
- A total of \$138,450 for 7,800,000 Employee options issued and granted to non-directors as described in note 10a). These included 2,000,000 options granted to Mr Ford with a value of \$35,500.
- \$11,050 for 500,000 further Employee options granted to an employee on 16 September 2022.
- \$312,041 for expensing of Quarterback performance rights over the expected vesting period as described in note 10d).
- \$13,906 for expensing of Employee performance rights over the expected vesting period as described in note 10d).

A further \$227,200 (31 December 2021: nil) was recognised as a capital raising cost during the half-year for the stockbroker options described in note 10a). A total of \$779,447, being \$552,247 of expensed share-based payments and \$227,200 of capital raising costs were recognised in the share-based payment reserve.

a) Options granted during the period

- 2,000,000 share options were agreed to be issued to new Director Edward (Ed) Mead, subject to shareholder approval, with his appointment agreement including alternative remuneration of equivalent value if shareholder approval is not achieved. Consequently, these constitute a share based payment that was granted at his commencement date of 21 November 2022. These options are to have an exercise price of \$0.05 and are to expire on 9 August 2025 with no deferred vesting.
- 2,000,000 share options were granted with shareholder approval to Director Simon Andrew on 28 November 2022. These options have an exercise price of \$0.05 and are to expire on 9 August 2025 with no deferred vesting.
- 7,800,000 share options were issued and granted to employees on 9 August 2022 with an exercise price of \$0.05, expiry date of 9 August 2025, and no deferred vesting.
- 500,000 share options were granted to an employee on 16 September 2022 with an exercise price of \$0.055, expiry date of 9 August 2025, and no deferred vesting. Although these options lapsed on 7 March 2023, these options are still recognised as these vested at the grant date.
- 10,000,000 share options expiring 22 December 2025 with an exercise price of \$0.054 were issued to a stockbroker for capital raising services on 22 December 2022. These are valued and recognised as at the commencement of trading on 18 November 2022 based on the timing of services rendered.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 10 Options and share based payments (continued)

These share based payments are all valued with the Black-Scholes formula, using the following parameters, with no expected dividends, no discounts for other factors, and no market based vesting conditions or deferred vesting.

Recipient	Measurement date	Expiry date	Exercise Price	Number of Options	Share Price at measurement date	volatility	interest rate	value per Option	Value of tranche
Mr Mead	21/11/2022	9/08/2025	\$0.05	2,000,000	\$0.036	101%	3.18%	\$0.01960	\$39,200
Mr Andrew	28/11/2022	9/08/2025	\$0.05	2,000,000	\$0.035	101%	3.18%	\$0.01880	\$37,600
Employees	9/08/2022	9/08/2025	\$0.05	7,800,000	\$0.033	98%	2.96%	\$0.01775	\$138,450
Employee	16/09/2022	6/10/2025	\$0.055	500,000	\$0.038	103%	2.96%	\$0.02210	\$11,050
Stockbroker	18/11/2011	22/12/2025	\$0.054	10,000,000	\$0.039	101%	3.20%	\$0.02272	\$227,200

b) Options exercised and on issue

No options were exercised, lapsed, expired or became un-exercisable during the half year

The following options lapsed, expired or became un-exercisable after the end of the half-year:

- 500,000 options with an exercise price of \$0.055 and former expiry date of 6 October 2025 ceased on 7 March 2023.
- 120,000 options with an exercise price of \$0.09 and expiry date of 28 February 2023 ceased on 28 February 2023.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 10 Options and share based payments (continued)

c) Options outstanding at balance date

The number of options outstanding over unissued ordinary shares at 30 June 2022 is 77,501,144 (30 June 2022: 57,201,144). The terms of these options are as follows:

Measurement date or issue date	Number	Exercise price	Expiry date
1 March 2019	120,000	9 cents	28 February 2023
12 August 2020	15,081,144	3 cents	12 August 2023
12 August 2020	2,000,000	4.9 cents	12 August 2023
12 August 2020	2,000,000	5.7 cents	12 August 2023
12 August 2020	2,000,000	7.6 cents	12 August 2023
12 August 2020	2,000,000	7 cents	12 August 2023
12 August 2020	2,000,000	8.1 cents	12 August 2023
12 August 2020	2,000,000	10.8 cents	12 August 2023
5 February 2021	1,000,000	8 cents	5 February 2024
8 March 2021	3,000,000	8.1 cents	12 August 2023
7 July 2021	2,000,000	4.8 cents	7 July 2024
7 July 2021	2,000,000	5.5 cents	7 July 2024
7 July 2021	2,000,000	7.4 cents	7 July 2024
10 March 2022	20,000,000	5.0 cents	30 May 2025
28 November 2022	2,000,000	5.0 cents	9 August 2025
9 August 2022	7,800,000	5.0 cents	9 August 2025
16 September 2022	500,000	5.5 cents	6 October 2026
18 November 2022	10,000,000	5.4 cents	22 December 2025
Total	77,501,144		

d) Performance rights

Quarterback Performance Rights

Shareholders granted approval on 6 August 2020 for the issue of 50,000,000 performance rights to Quarterback Geological Consultants Pty Ltd ("**Quarterback**") as consideration for services to be provided. The Quarterback Performance Rights will convert into shares on achievement of the following milestones, or lapse if performance milestones are not met within 5 years of the commencement date:

Class	Performance Rights Award	Performance Milestone
Class A	25,000,000	The Company makes an announcement, resulting from Quarterback's performance of the identifying Services, of a JORC inferred resource of 250koz of gold or gold equivalent, in relation to a Qualifying Project, on the ASX announcements platform on or before the Expiry Date
Class B	25,000,000	The Company makes an announcement, resulting from Quarterback's performance of the identifying Services, of a JORC inferred resource of 500koz of gold or gold equivalent, in relation to a Qualifying Project, on the ASX announcements platform on or before the Expiry Date

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 10 Options and share based payments (continued)

These performance rights were valued at the grant date share price of \$0.06 each for a total value of \$3,000,000. The value of these performance rights is being expensed over the expected vesting period from 13 August 2020 to 17 June 2025 with \$312,041 (31 December 2021: \$312,041) recognised as an expense during the half year.

Employee Performance Rights

The Company granted 3,000,000 performance rights to an employee on 5 February 2021. The Employee Performance Rights will convert into shares on a one for one basis on achievement of the following milestones, or lapse if performance milestones are not met by the expiry dates:

Class	Performance Rights Award	Performance Milestone
Class A	1,500,000	Announcement of a JORC inferred resource of 250koz Au or equivalent on or before the Expiry Date of 5 February 2026
Class B	1,500,000	Announcement of a JORC inferred resource of 500koz Au or equivalent on or before the Expiry Date of 5 February 2026

These performance rights were valued at \$0.046 each for a total value of \$138,000. The value of these performance rights is being expensed over the expected vesting period from 5 February 2021 to 5 February 2026 with \$13,906 (31 December 2021: \$13,906) recognised as an expense during the half year.

1,000,000 additional Class A Performance rights and 1,000,000 additional class B Performance rights were granted to an employee on 16 September 2022. These performance rights were valued at \$0.038 each for a total value of \$76,000. No amount has been recognised for these additional performance rights over the vesting period because these additional performance rights lapsed without vesting on 7 March 2023.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

	Consolidated			
	31 December 2022		30 June 2022	
	Foreign exchange translation reserve ¹ \$	Share based payment reserve ² \$	Foreign exchange translation reserve \$	Share based payment reserve \$

Note 11 Reserves

Balance at the beginning of the period	37,839	4,706,889	(5,455)	3,595,312
<i>Movements during the period:</i>				
Movement in foreign translation reserve in respect of exchange rate	(15,593)	-	43,294	-
Movement in share-based payment reserve in respect of options issued	-	453,500	-	464,997
Movement in share-based payment reserve in respect of performance rights issued	-	325,947	-	646,580
Balance at the end of the period	<u>22,246</u>	<u>5,486,336</u>	<u>37,839</u>	<u>4,706,889</u>

¹The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

²The share-based payment reserve is used to recognise the fair value of share-based payments. See Note 10 for further information on share-based payments.

Note 12 Dividends

No dividends were paid or proposed during the period.

The Company has no franking credits available as at 31 December 2022.

Note 13 Contingent Liabilities and Contingent Assets

During the half year, the Mining Warden upheld objections to expenditure objections and recommended that the Minister refuse applications for expenditure exemption for tenements E25/538, E25/539, E25/540 and E28/2580. The Warden granted the Company leave to appeal their decision to the Minister. The Company has appealed this decision to the Minister. These tenements were fully impaired for a total impairment of \$3,672,692 as disclosed in note 12 of the 30 June 2022 financial report. These tenements remain impaired, not written off, with further impairment for expenditure to 31 December 2022, because this matter is not finalised. If these tenements are not forfeited then the Group may be required to pay fines to keep the tenements up to a total of \$120,000.

There has been no material change in other contingent liabilities or contingent assets noted in the annual report for the year ended 30 June 2022.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2022

Note 14 Events occurring after the balance date

Since the end of the half year:

- On 4 January 2023, Riversgold announced the Mt Weld REE Project Farm-in and Joint Venture agreement to acquire up to a 70% interest in the Mt Weld REE Project on P34/4489 near Laverton in Western Australia. Terms include: \$30,000 deposit paid on 5 January 2023, \$100,000 to be spent by Riversgold within 6 months or payment of the balance of this \$100,000 before withdrawal, sole funding by Riversgold of \$500,000 of exploration to acquire a 50% interest, and election by the counterparty following this 50% acquisition to either proportionally fund the 50%-held project or commence a second 12 month earn-in period for Riversgold to acquire a further 20% interest in the project with \$1,000,000 of further expenditure.
- On 16 January 2023, Riversgold announced the lodgement of 8 further tenement applications at the Pilbara Lithium Project as well as the acquisition of tenement E45/5983 following reimbursement by Riversgold of \$20,000 of expenditure relating to this tenement.
- Riversgold received payments of \$100,000 in January 2023 and \$325,000 in February 2023 under the renegotiated Alaskan asset sale.
- A total of 620,000 share options and 2,000,000 performance rights ceased as disclosed in note 10.

Apart from the above, there has not arisen in the interval between the end of the half-year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Note 15: Financial Instruments

The Directors consider that the carrying value of the financial assets and liabilities as recognised in the financial statements approximate their fair values.

Riversgold Ltd
ABN 64 617 614 598

Directors' Declaration

In the opinion of the Directors of Riversgold Ltd (**the Company**)

- (a) the attached interim financial statements and notes thereto are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements; and
 - (ii) giving a true and fair view of the financial position as at 31 December 2022 and of the performance for the half-year ended on that date of the Group.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

Signed at Perth this 16th day of March 2023.



David Lenigas
Executive Chairman

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Riversgold Ltd

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Riversgold Ltd ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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

- (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

Responsibility of the directors for the financial report

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

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

Independence

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



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
16 March 2023



N G Neill
Partner