

2023 ANNUAL REPORT

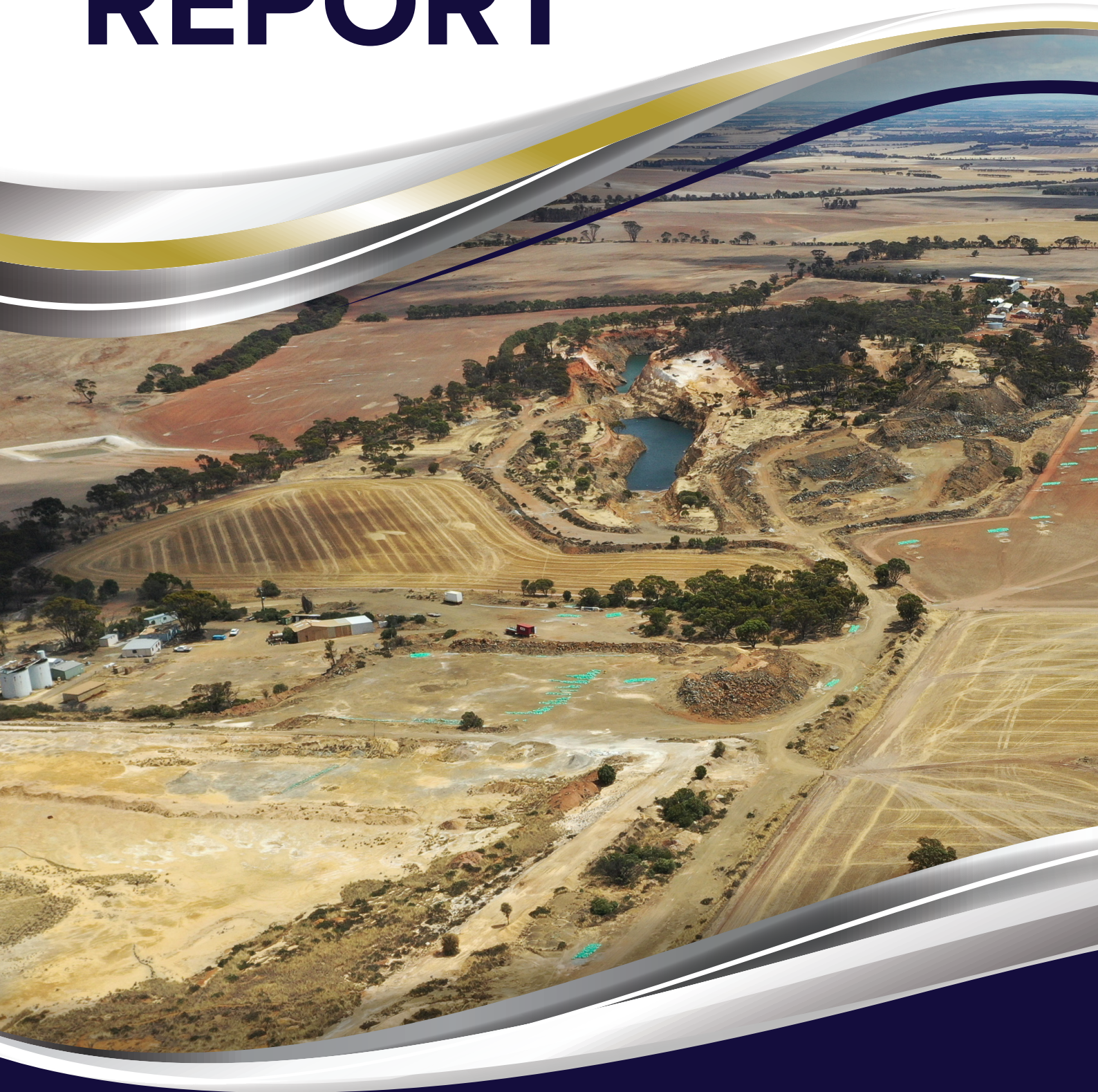


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Corporate Directory

Directors

- Mr Geoffrey Jones**

Non-Executive Chairman
- Dr Matthew Greentree**

Chief Executive Officer and Managing Director
- Mr Denis Rakich**

Executive Director
- Mr Richard Lockwood**

Non-Executive Director

Company Secretary

Mr Denis Rakich

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Australian Business Number

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Managing Director’s Letter

Dear Fellow Shareholders,

I am pleased to report that the past financial year has been a productive period for Ausgold as we progress towards becoming Australia’s next mid-tier gold producer through the development of our flagship 100%-owned Katanning Gold Project (KGP), located in the south-west region of Western Australia.

Following the delivery of a positive Pre-Feasibility Study for a 3 Million tonne per annum (Mtpa) development early in the reporting period, the Company commenced work programs to further de-risk our development pathway for the KGP. Through this process we identified the potential to significantly enhance the KGP economics by expanding the Project’s scale.

The Company completed a Scoping Study in May 2023 for an expanded 5Mtpa mining operation, with the economic results clearly supporting this larger-scale option as the preferred development scenario. Key outcomes from the Scoping Study included:

- An increase in life-of-mine (LOM) production from 1.16Moz to 1.32Moz
- An increase in annual gold production to 155,000 oz over the first 6 years
- An increase in Project revenue from A\$2.669M to A\$3.641M
- An increase in LOM pre-tax free cash flow from A\$746M to A\$1.141M
- An increase in pre-tax Net Present Value (NPVs) from A\$515M to A\$819M
- A reduction in the mining strip ratio from 9.0 to 4.1

Based on the strength of these results, the Company is now well advanced with the completion of a Definitive Feasibility Study (DFS) for the KGP based on the 5Mtpa development scenario with the DFS targeted completion early 2024.

Alongside progressing the KGP DFS, Ausgold has pursued an aggressive exploration program throughout the reporting period. New results from this drilling and sampling change have continued to highlight the exceptional potential of our 5,500km² tenement package surrounding the KGP in the Southwest Yilgarn.

Our drilling programs have continued to return a host of high grade assay results across the three key domains within the Project area, namely: the Central, Southern and Northern Zones. These new results underpin a landmark increase in the Mineral Resource at the KGP as announced in early September to 3.04 million ounces of contained gold. Importantly, 80% of the total contained ounces are now hosted within the higher confidence Measured and Indicated Resource categories, providing a robust foundation from which to complete our DFS.

This upgraded Resource affirms the KGP as the largest free-milling, open cut gold development project in WA with further potential identified which will continue to expand the Project over time.

We are also continuing to explore regional opportunities within our large 5,500km² landholding, with wide-spaced aircore drilling completed over many new sections of the historically under explored Katanning Greenstone Belt which contains at least 2,500km² of mapped greenstone. In addition, given these greenstone belts and our proximity to the world-class Greenbushes Lithium Mine to the west and Mt Caitlin to the east, we commenced work programs to assess the area’s potential for lithium mineralisation.

These exploration programs have already identified a number of targets across the region providing a low-cost opportunity for Ausgold to identify additional value for shareholders, while enabling the Company to focus on the development and production at the KGP.

On the corporate front, we completed a successful \$12 million capital raising in April 2023 which saw strong support from both new and existing investors. The funds will underpin ongoing work programs at the KGP, including Resource drilling and the completion of the DFS.

This funding also enabled the Company to enter into binding agreements to acquire two key freehold properties that cover important parts of the early mine plan and proposed mine infrastructure at the KGP, significantly de-risking the Project development.

We initiated a Board renewal process during the year to prepare for the Company’s transition from exploration towards development and production. This saw highly credentialled mining executive Geoff Jones appointed as Chairman, bringing over 30 years’ experience in project development, construction and mineral processing globally.

Former Chairman Richard Lockwood has moved to Non-Executive Director, and Neil Fearis and Tim Kestell both retired from the Board.

I would like to sincerely thank all my fellow Directors for their valuable advice and input over the year. We expect to make additional appointments to the Board in the coming months, with a focus on operational skillsets.

The Company has made significant achievements building on the exceptional foundations already established at the KGP. Over the past year we have experienced a backdrop of challenging macro-environment conditions. Rising interest rates, a stronger US Dollar, slowing global economic growth and geo-political concerns have dominated headlines, which has had a knock-on effect on investor confidence. Ausgold, like many junior resource companies particularly in the gold space – has not escaped this impact, with our share price not yet reflecting our many achievements.

We’re working hard to continue delivering shareholder value and I’m confident that with the exceptional foundations we have now established at the KGP, this will put us in good stead to deliver growth and value to shareholders.

In closing, I would like to sincerely thank the tight-knit Ausgold team for their hard work and commitment over the course of the year and thank all our shareholders for your continued support.

We’re moving into an exciting period for Ausgold as we move towards construction and development of Western Australia’s largest free milling open pit gold mining operation at the KGP and advance towards our objective of becoming a substantial new Australian gold producer.

Matthew Greentree
Managing Director



Review of Operations FY2023

Highlights:

Katanning Gold Project

- **Inaugural 1.28 million ounce Ore Reserve defined for the 100%-owned Katanning Gold Project (KGP), cementing Katanning’s status as Western Australia’s largest undeveloped free-milling open-cut gold project and confirming Ausgold as Australia’s next mid-tier gold producer.**
- **JORC Mineral Resource increased to 89Mt at 1.06g/t for 3,040,000 ounces of gold, reflecting 17,305m of highly successful RC and diamond drilling completed since April 2022:**

- **15% increase** (400,000oz) in contained ounces over the re-stated MRE included in the 5Mtpa Scoping Study announced on 22 May 2023
- **12% increase** in the Measured and Indicated Resource to **2.42 million ounces**, representing 80% of total contained ounces, providing a strong platform from which to progress the Definitive Feasibility Study
- **13% increase** in overall grade
- **Over 2 million ounces** of gold have been added over the past four years since the discovery of Jinkas South, with best-in-class discovery economics of “**\$11 per Resource ounce**”
- Supports a stand-alone open pit operation, with the majority of the Resource currently reported above 150mRL (220m below surface) and further underground potential identified
- Independent third-party audit by Snowden Optiro endorses KGP Resource

Positive Scoping Study completed for a larger 5Mtpa operation, which will now forms the basis of the Definitive Feasibility Study (DFS). Key outcomes of the Scoping Study included:

- Average gold production of 155,000ozpa over the first six years and 136,000ozpa over the 10-year Scoping Study evaluation period, at average head grade of 1.05g/t Au
- 30% increase in an average annual gold production over the Pre-Feasibility Study (PFS) completed in August 2022
- Lower strip ratio (W:O) of 4.1
- 63% increase in pre-tax Project NPVs to \$819M compared to the PFS and a post-tax IRR of 46%
- 20-month payback period, with an initial 10-year life of mine
- All-in Sustaining Cost (AISC) of \$1,549oz
- Pre-production capital cost of \$297M, including 7% contingency
- Scoping Study based on the same Mineral Resources and Mine Plan as the PFS at a lower cut-off grade of 0.45g/t

- **DFS well advanced on the 3.04Moz KGP, with expected completion early CY2024. The DFS will continue the process of de-risking the Project.**

- Regional targeting has identified several prospective areas for gold mineralisation, with advanced exploration targets including Duggan, Stanley, Nanicup Bridge and Bullock Pool identified as potential future ore sources to supplement the KGP.
- Fourteen high-priority lithium targets have been developed with a sampling program completed across the 5,500km² of tenure at the KGP and additional ground acquired at the Kojonup Project.

Corporate

- Successful A\$12 million capital raising completed in April 2023 to fund resource expansion drilling and regional exploration, complete the DFS and support property acquisitions.
- Board transition process initiated to support the Company’s move towards development and production at the KGP, with Geoff Jones appointed as Chairman, Richard Lockwood moving to Non-Executive Director, and Neil Fearis and Tim Kestell retiring from the Board.

Katanning Gold Project

WESTERN AUSTRALIA (AUC 100%)

Ausgold Limited (ASX: AUC) (Ausgold or the Company) 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 hosts numerous major gold deposits. Ausgold holds over 5,500km² of ground in the historically underexplored and highly prospective southwest portion of the Yilgarn Craton (Figure 1).

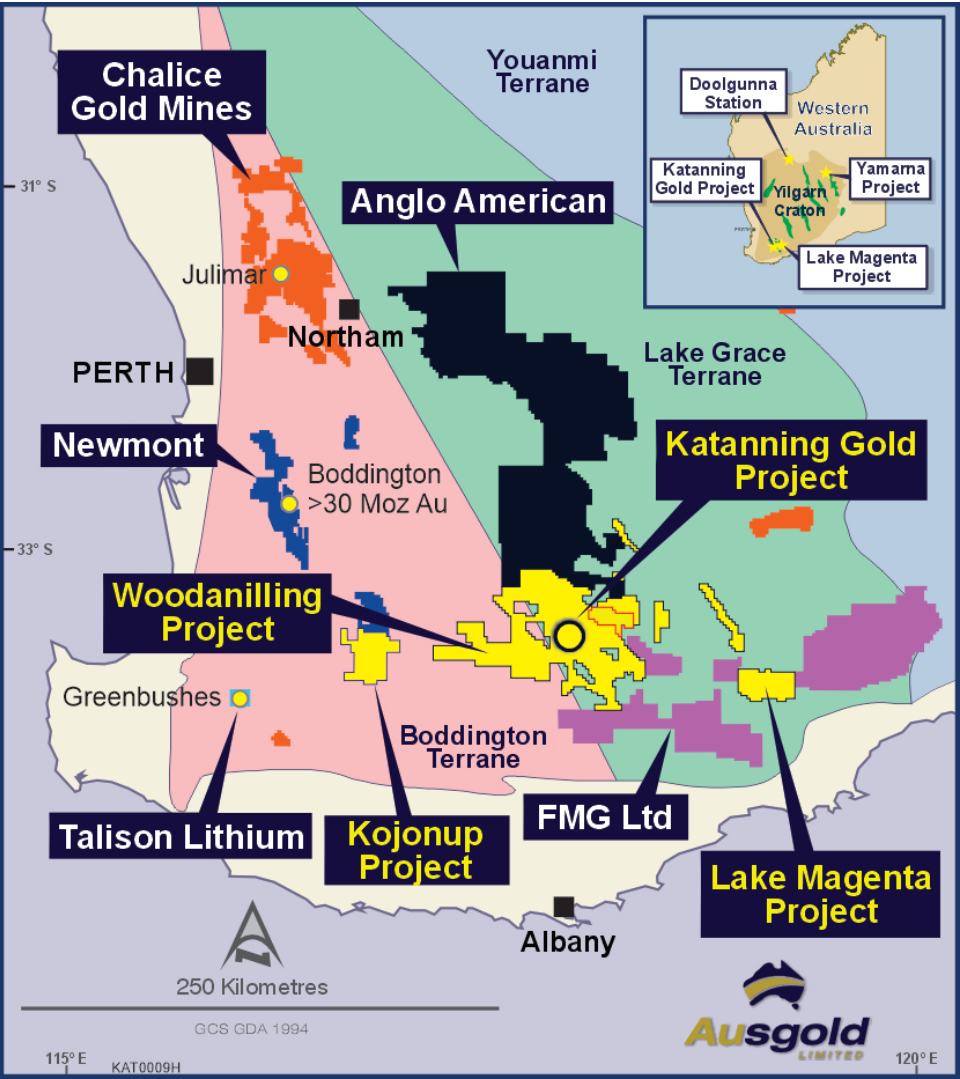


Figure 1 - Ausgold's regional South-West tenure location shown in yellow

The Katanning Gold Project (KGP) lies within the Katanning Greenstone Belt and is located approximately 35km from the township of Katanning, 275km south of Perth. The KGP lies within a major mineralised structural corridor, with exploration to date outlining a 17km trend hosting multi-lode gold mineralisation across three key zones that include the following gold deposits and prospects (Figure 2):

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

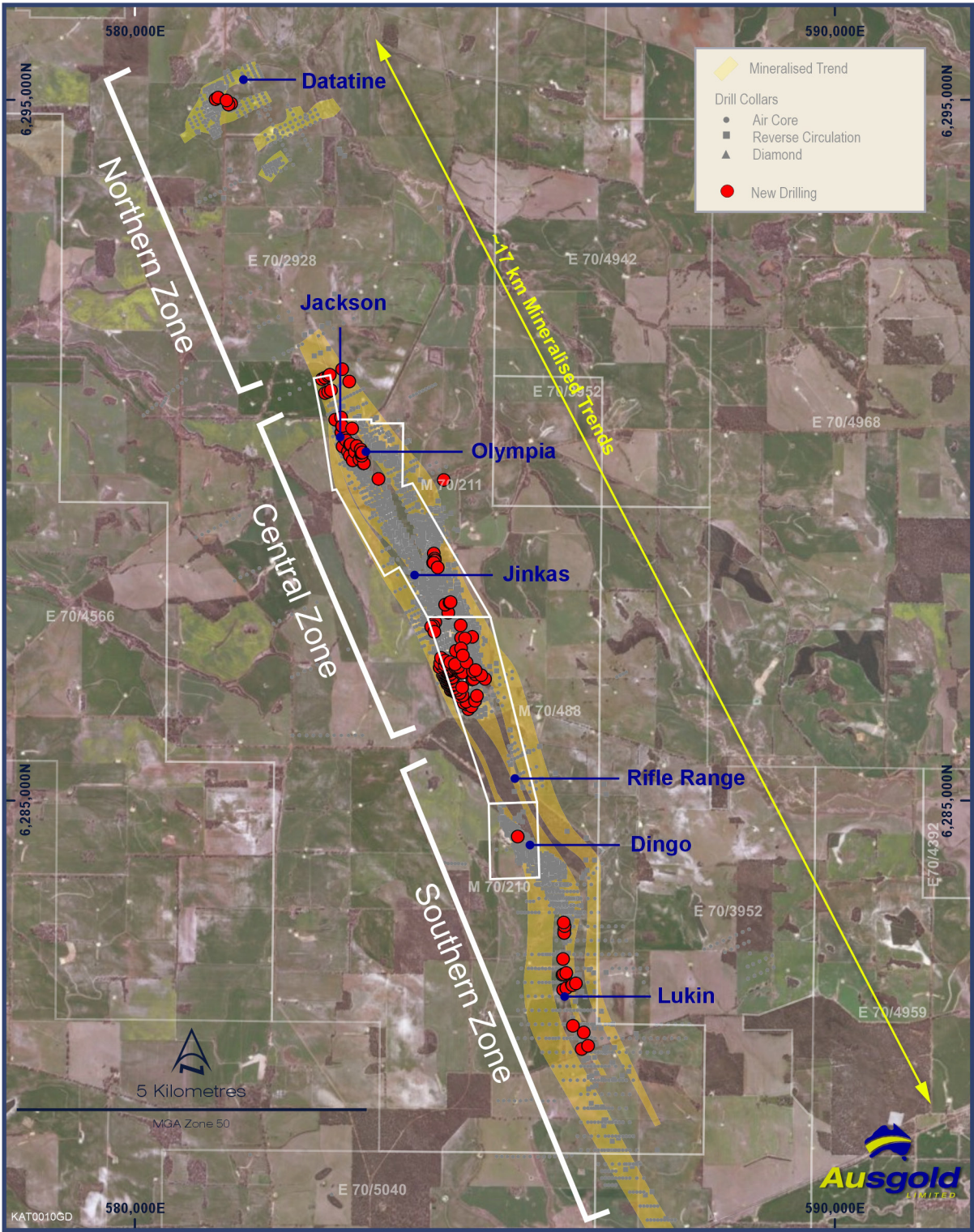


Figure 2 – Map of the 17km Katanning Gold Project, including the Northern, Central, and Southern Zones

KGP Scoping Study

On 22 May 2023, Ausgold announced the results of a scoping level study (the Scoping Study) which demonstrated the potential for a larger scale, 5Mtpa throughput operation at the KGP. This increased throughput delivered average annual production of 136,000oz over a ten-year life of mine (LOM) using the same mine plan determined in the KGP Pre-Feasibility Study (PFS) announced in August 2022 (ASX, 1 August 2022).

The 5Mtpa throughput option from the Scoping Study indicated:

- **LOM revenue of A\$3.64Bn**
- **LOM project EBITDA A\$1.63Bn**
- **LOM pre-tax free cashflow of A\$1.14Bn**
- **LOM post-tax free cashflow of A\$770M**
- **Pre-production capital requirement of A\$297M**
- **Pre-tax NPV₅ of A\$819M**
- **Post-tax NPV₅ of A\$541M**
- **Post-tax internal rate of return (IRR) of 46%**
- **Payback period of 20 months**

The Scoping Study was based on prices and costs updated from the Q3 CY2022 PFS to current:

- **A\$2,750 gold price**
- **A\$2,200 open pit optimisation**
- **25% increase in mining costs**
- **5% increase in capital and other operating costs**

This Scoping Study was undertaken to assess the optionality of the KGP while progressing the DFS. The Study demonstrated the potential for an increased scale and delivered key outcomes including:

- **High gold production and cash flow in the first six years enabling early payback of capital.**
- **Location provides access to supporting infrastructure and a work force.**
- **Large Resource delivers a long mine life and provides opportunities to further optimise production with consideration of different mining scenarios.**
- **The updated 3.04Moz Resource delivered on 4 September 2023 will further expand the mine plan that will underpin the Definitive Feasibility Study (DFS) for the KGP.**

Table 1 Comparison of Key LOM Financial and Physical Metrics

Key Metrics	Pre-feasibility Study 2022	2023 Options Study ²	
Processing Rate	3 Mtpa	3 Mtpa	5 Mtpa
Gold Price Assumption A\$ per Ounce Gold	A\$2,300	A\$2,750	A\$2,750
Life of Mine	11 years after 1.5 years construction	11 years after 1.5 years construction	9.75 years after 1.5 years construction
Ore Tonnes Mined	32 Mt	32 Mt	44 Mt
Stripping Ratio	9.0	9.0	4.1
Average gold grade - LOM	1.25 g/t Au	1.25 g/t Au	1.05 g/t Au
Contained Gold	1.28 Moz	1.28 Moz	1.48 Moz
Cut-off Grade	0.6 g/t Au	0.6 g/t Au	0.45 g/t Au
Average gold production (recovered) - LOM	105 koz	105 koz	136 koz
Recovered Gold	1.16 Moz	1.16 Moz	1.32 Moz
Financial Metrics			
Revenue	A\$2,669M	A\$3,191M	A\$3,641M
All in Sustaining Costs - LOM	A\$1,481 per oz	A\$1,699 per oz	A\$1,549 per oz
Net free cashflow (pre-tax)	A\$746M	A\$1,000M	A\$1,141M
Net free cashflow (post-tax)	A\$540M	A\$719M	A\$770M
EBITDA- Life of Mine	A\$981M	A\$1,248M	A\$1,627M
Payback period (post-tax)	21 Months	19 Months	20 Months
NPV (pre-tax)	A\$515M	A\$702M	A\$819M
NPV (post-tax)	A\$364M	A\$492M	A\$541M
Internal Rate of Return (IRR) post-tax	41%	48%	46%
Capital Expenditure and Closure Costs			
³ Pre-Production Capital and Operating Costs	A\$225M	A\$243M	A\$297M
Sustaining Capital Costs	A\$31M	A\$29M	A\$38M
Closure Costs	A\$8M	A\$11M	A\$13M

¹ Pit shells were optimised using a A\$2,200 gold price.

² Financial analysis based on \$2,750 Au / oz gold price with inflated 5% operating and capital cost inflation and a further 25% inflation on mining costs than what was considered in the 2022 PFS cost (ASX Release, 1 August 2022).

³ Preproduction capital includes a 7% contingency.

Table 2 Life of Mine Mineral Resources and Ore Reserve Inventory

Mineral Resource	Tonnes (Mt)	Grade (g/t Au)	Contained Ounces (oz)
Measured	38.1	1.10	1,352,000
Indicated	31.8	1.04	1,067,000
Inferred	18.9	1.02	620,000
Total	88.9	1.06	3,040,000
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: Resource is reported at a lower cut-off grade of 0.45 g/t Au and above 150m RL (approximately 220m depth), the underground Resource is reported at 1.8 g/t Au beneath 150m RL and historic tails are reported at 0 g/t Au cut-off grade. Resource numbers may not total exactly due to rounding. 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.

Maiden Ore Reserve

As part of the PFS announced on 1 August 2022, Ausgold announced a maiden Ore Reserve for the KGP of 32 million tonnes at 1.25g/t for 1,280,000 ounces of gold.

The Project's underlying Mineral Resource is technically robust, being based on almost 234,137m 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.

Upgraded 2023 JORC Resource Mineral Resource

The upgraded Mineral Resource announced on 4 September 2023, now totals 3.04 million ounces of gold (see Table 2 for details). The upgraded represents a 15% increase in total contained ounces compared with the previous MRE (22 May 2023) and is underpinned by a sustained period of exploration success which has established the KGP as the largest free-milling, open cut gold development project in Western Australia (Figure 3).

The updated KGP MRE was reported in accordance with the 2012 JORC Code and has further expanded the Northern, Central and Southern Zone Resources. Since the previous Resource estimate over 17,305m of reverse circulation (RC) and diamond drilling has been completed in Resource areas (Figure 2) adding a further 400,000 ounces (Figures 4 – 5). Importantly, the new drilling has increased Measured and Indicated Resource categories by a further 264,000 ounces, which now total 2,420,000 ounces and will form the basis of the DFS.

The Central Zone contains the majority of the Resource ounces in the KGP, which comprise of the Jinkas-White Dam, Olympia and Jackson lodes. New drilling into the Resource includes 14,113m of new RC and diamond drilling (Figure 2). The Southern Zone Resource has been updated with an additional 1,924m of new RC and diamond drilling extending the Dingo Resource southward a further 1km along strike into the Lukin area (Figure 4-5). The Datatine deposit in the Northern Zone has been updated with an

additional 1,268m of RC and diamond drilling which has seen a 39% increase in total Resource ounces and grade since the last estimation.

Significant intercepts received since the May 2022 Resource Update include:

- 4m @ 17.05 g/t Au from 207m including 2m @ 33.86 g/t Au from 208m in BSRC1535 (Jinkas)
- 7m @ 6.99g/t Au from 133m including 2m @ 23.30g/t Au from 133m in BSRC1537 (Jinkas)
- 12m @ 3.88g/t Au from 88m including 11m @ 4.19g/t Au from 89m in BSRC1600 (White Dam)
- 3m @ 13.88g/t Au from 39m including 1m @ 40.28g/t Au from 39m BSRC1602 (Jackson)
- 4.2m @ 9.41g/t Au from 218.91m including 2.0m @ 19.20g/t Au from 219.58m in BSRCD1596 (Datatine)
- 16m @ 2.42g/t Au from 23m including 10m @ 3.46g/t Au from 23m in BSRC1559 (White Dam)
- 7.4m @ 4.54g/t Au from 231.6m including 6.0m @ 5.51g/t Au in BSRCD1597 (Datatine)
- 4m @ 7.81g/t Au from 76m including 1m @ 29.70g/t Au from 78m in BSRC1656 (Jackson)
- 2.7m @ 10.73g/t Au from 180.2m including 0.4m @ 63 g/t Au in BSRCD1596 (Datatine)
- 4.8m @ 5.45g/t Au from 49.17m including 3.5m @ 7.48g/t Au from 49.4m in BSDD048 (Jackson)
- 6m @ 4.00g/t Au from 252m including 4m @ 5.88g/t Au from 252m in BSRC1530 (Jinkas)
- 18m @ 1.20g/t Au from 105m including 10m @ 1.69g/t Au from 108m in BSRC1488 (Jinkas)
- 15m @ 1.43g/t Au from 9m including 4m @ 3.96g/t Au from 17m in BSRC1588 (Jackson)

KGP RESOURCE GROWTH

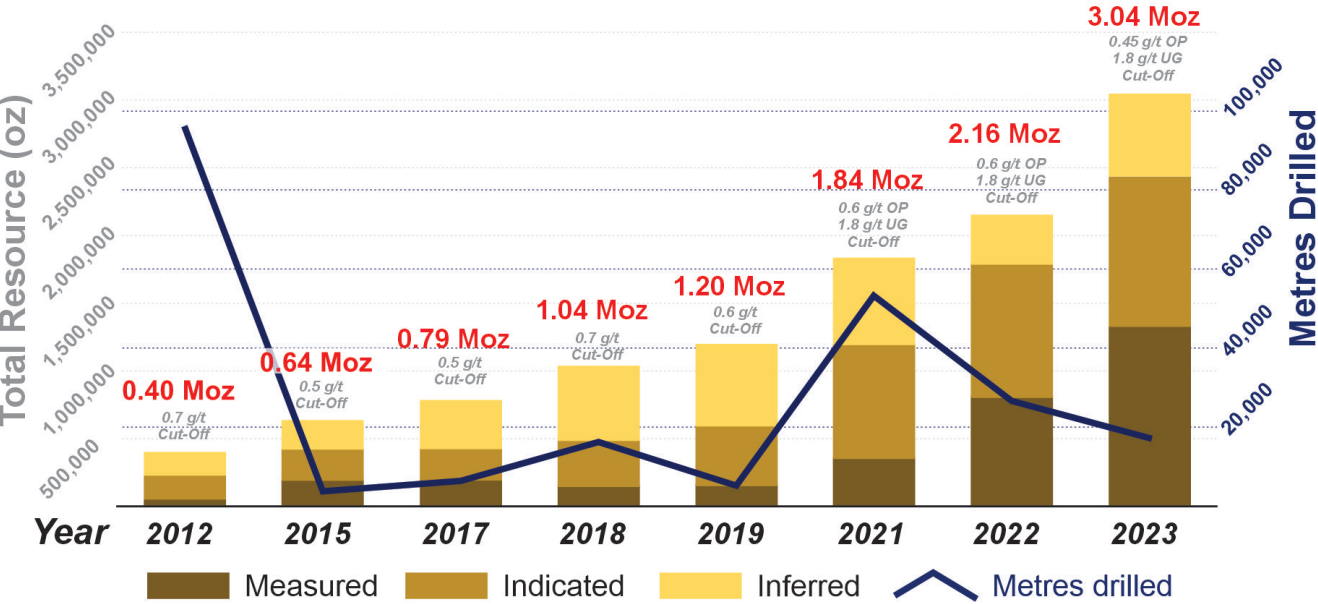


Figure 3 - Katanning Gold Project Resource growth and drilling metres⁴

⁴Refer to ASX Announcements released 19/12/2012, 21/10/2015, 3/08/2017, 26/11/2018, 1/11/2019, 7/12/2021, 25/05/2022

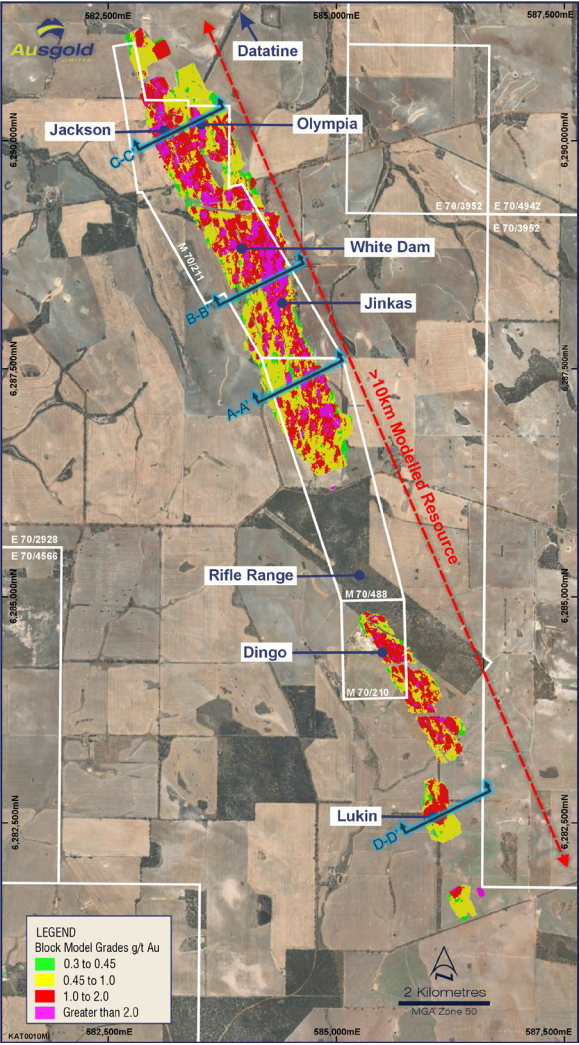


Figure 4 - Plan view of the KGP showing the September 2023 Resource block model

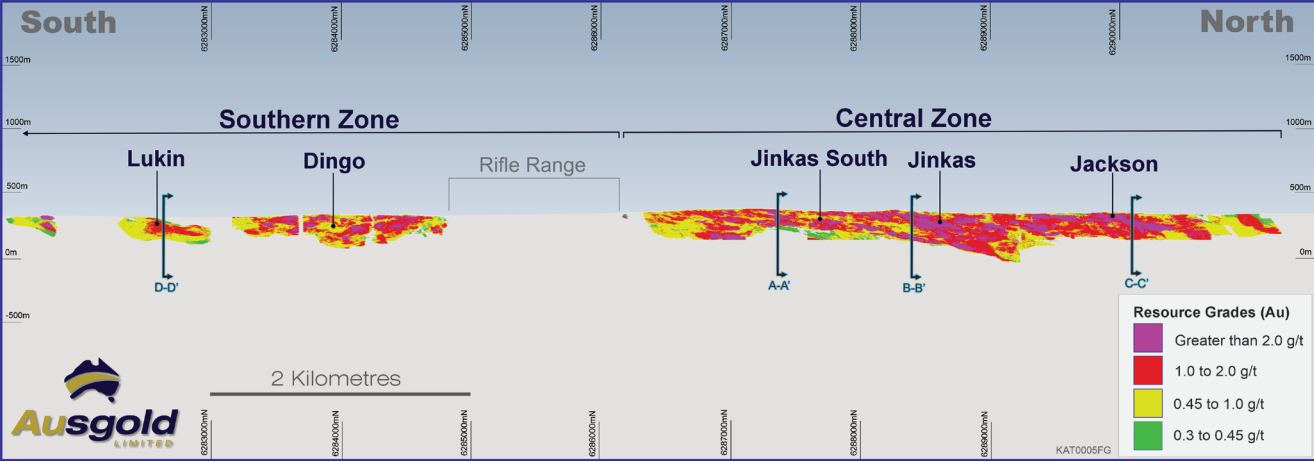


Figure 5 - Long section of view of the KGP Resource, view towards west

Project Infrastructure

The KGP is close to high-quality infrastructure which supports the near-term development of the Project. Project infrastructure includes:

- Granted mining licences
- Sealed roads
- Water
- Town of Katanning 35km from site
- Accommodation
- Airstrip

Definitive Feasibility Study (DFS)
Due Early CY2024

The DFS on the expanded 5Mtpa development scenario is well advanced and due for completion in Q1 CY2024. A Pre-Feasibility Study announced on 1 August 2022 highlighted the KGP as the largest undeveloped free-milling open-cut gold mining project in Western Australia. Lead Engineer, GR Engineering Services Limited (GRES), is engaged on the DFS.

Mining

Mining studies continued to optimise mining and processing schedules. Concurrently, pit, waste and haul road designs are being detailed. Contractor pricing and mining fleet confirmation is ongoing.

Open Pit Geotechnical Assessment

The pit geotechnical assessment has been completed for the DFS, with additional laboratory testwork on core collected during earlier drilling programs, in addition to downhole televiwer surveys and core logging. Numerical analyses and pit wall recommendations were completed during the reporting period.

Metallurgy

The DFS metallurgical testwork is largely complete, with additional work to optimise recovery and finalise reagents consumption underway.

Process Design

Trade-off analyses on the comminution circuit configuration and assessment of the flowsheet against new metallurgical testwork results are in progress. High-level cost estimation of the plant was completed ahead of DFS design work to evaluate throughput options.

Tailings Storage Facility and Surface Water Management

Tailings storage facility designs for the larger 5Mtpa project were completed with additional site investigation. Concept surface water management features have been developed.

Hydrogeology

Groundwater exploration drilling for water supply and pit dewatering has been completed. Production bore installation is scheduled to commence in Q4 2023, followed by test pumping and numerical modelling to determine groundwater yields.

Power Supply

A grid connection and capacity study continued with Western Power; results, including preliminary designs and cost estimates are to be provided. Additional studies for on-site power generation and renewable energy infrastructure continues to be assessed.

Accommodation

Concept designs for accommodation development in Katanning were completed and provided to the Shire for review and comment. Further assessment of long-term accommodation and additional temporary accommodation options during project execution are being evaluated.

Environmental Studies

The mine waste characterisation study was completed in addition to the preliminary noise screening evaluation and Scope 1 and Scope 2 Greenhouse Gas Emissions assessment. Reports on the Spring flora and fauna surveys over the Project area were issued, and ongoing seasonal baseline biological surveys to support the Environmental Impact Assessment are progressing.

Community and Stakeholder Engagement

The Company completed a community consultation research and engagement program for the Social & Economic Impact Assessment (SEIA) of the KGP, leading to the social and economic impact management plan.

Acquisition Of Freehold Properties

Subsequent to the end of the reporting period, Ausgold entered into binding agreements to acquire two farming properties at the KGP. The two properties cover a combined area of 1,026 hectares. One property, located within Mining Lease 70/488, covers an area of 94 hectares and encompasses the southern extent of the Central Zone Resource (the Jinkas, Jinkas South and Jackson deposits) – an area which will be a primary source of ore in the first 18 months of production at the KGP.

The second property, located within Exploration Licences 70/2928 and 70/3952, covers an area of 932 hectares and it is proposed that key mine infrastructure will be located on a part of this property. Ausgold will shortly proceed to lodge applications to convert the exploration tenure over the property to Mining Leases.

The agreements are each on usual terms, with settlement of the acquisitions not subject to any material conditions precedent and the total consideration being \$10.76 million, with \$3.12 million paid on signing of the agreements and the balance to be paid in early April 2024. Ausgold is currently considering traditional and non-dilutive funding alternatives to fund the deferred consideration and land acquisitions as part of the overarching project finance for the development of the KGP.

KGP Central Zone Drilling

The Central Zone contains the majority of the current **JORC Resource of 3.04Moz**, identified over a 5km strike length (Figure 4 and Table 2). The Central Zone comprises the Jinkas/Jinkas South, White Dam and Jackson lodes. Ausgold has completed 100 holes for 9,407m of Resource drilling in the Central Zone (Figure 2) which successfully delineated:

- Near-surface high-grade gold mineralisation within the three Central Zone lodes.
- Down-dip and down-plunge extensions of high-grade mineralisation within the three Central Zone lodes.
- Added to high confidence Measured and Indicated portions of the Resource, particularly the early stages of the open-pit mining operation.

Drilling highlights across the three Central Zone lodes included:

- 12m @ 3.88g/t Au from 88m BSRC1600 (White Dam)
- 3m @ 13.88g/t Au including 1m @ 40.28g/t Au from 39m BSRC1602 (Jackson)
- 16m @ 2.42g/t Au from 23m including 10m @ 3.46g/t Au from 23m in BSRC1559 (White Dam)
- 4m @ 7.81g/t Au from 76m in BSRC1656 (Jackson)
- 4.8m @ 5.45g/t Au from 49.17m including 3.5m @ 7.48g/t Au from 49.4m in BSDD048 (Jackson)
- 15m @ 1.43g/t Au from 9m including 4m @ 3.96g/t Au from 17m in BSRC1588 (Jackson)
- 19m @ 0.83g/t Au including 6m @ 1.25g/t Au from 101m BSRC1601 (White Dam)
- 6m @ 2.58g/t Au from 73m in BSRC1657 (Jackson)
- 7m @ 2.21g/t Au from 99m including 4m @ 3.59g/t Au BSRC1599 from 101m (Jinkas /White Dam)
- 14m @ 1.10g/t Au from 78m including 5m @2.32g/t Au from 81m in BSRC1641 (White Dam)
- 9m @ 1.58g/t Au from 24m including 6m @ 2.21g/t Au from 24m in BSRC1584 (White Dam)
- 4m @ 3.27g/t Au from 45m BSRC1602 (Jackson)
- 10m @ 1.21g/t Au from 19m including 5m @ 1.87g/t Au from 19m in BSRC1637 (Jackson)
- 4.4m @ 2.72g/t Au from 26.12m in BSDD047 (Jackson)
- 10m @ 1.19g/t Au from 68m BSRC1604 (Jackson)
- 10m @ 1.16g/t Au from 96m BSRC1598 (White Dam)
- 7m @ 1.44g/t Au from 108m in BSRC1658 (Jackson)

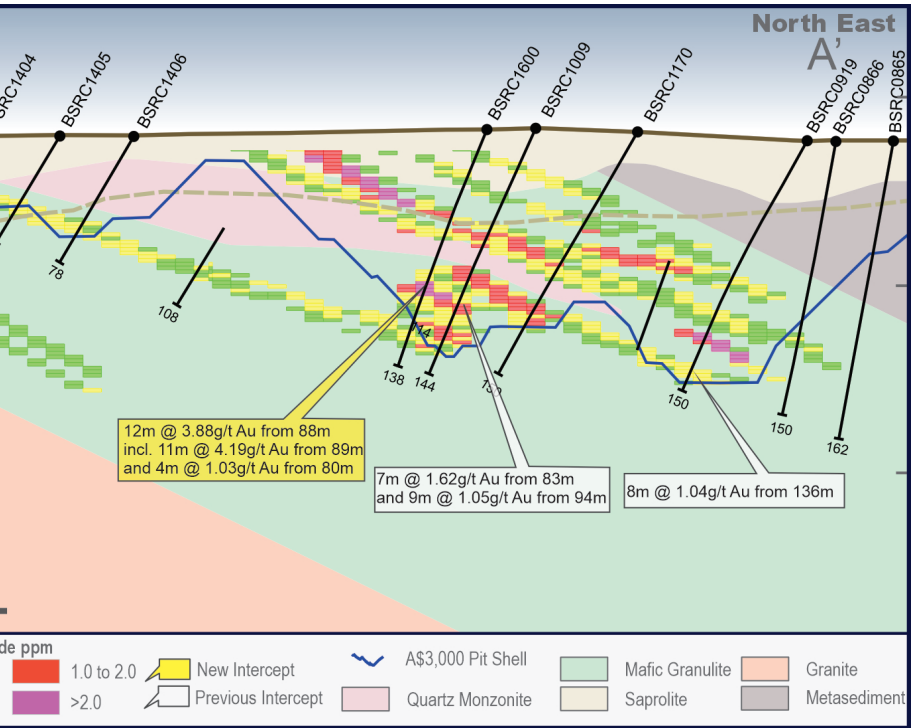


Figure 6 - Cross-section through the Jackson – White Dam – Jinkas Resources (A-A' Figures 4-5)

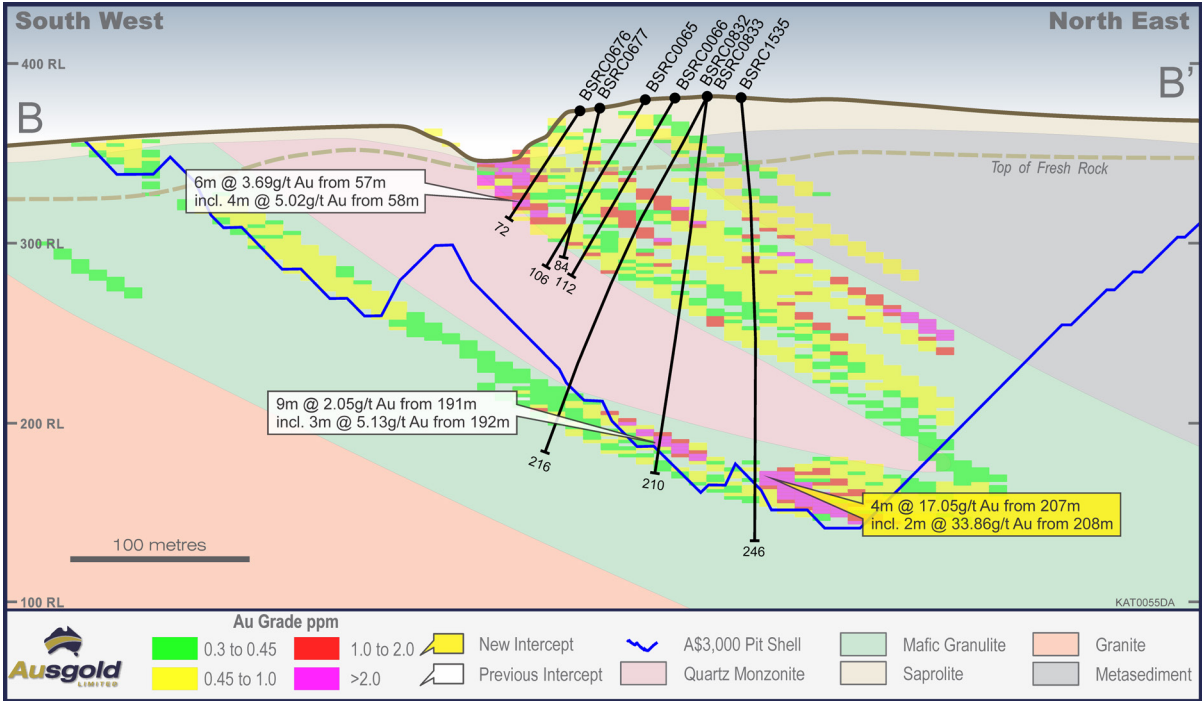


Figure 7 - Cross-section through Jinkas (B-B' Figures 4-5)

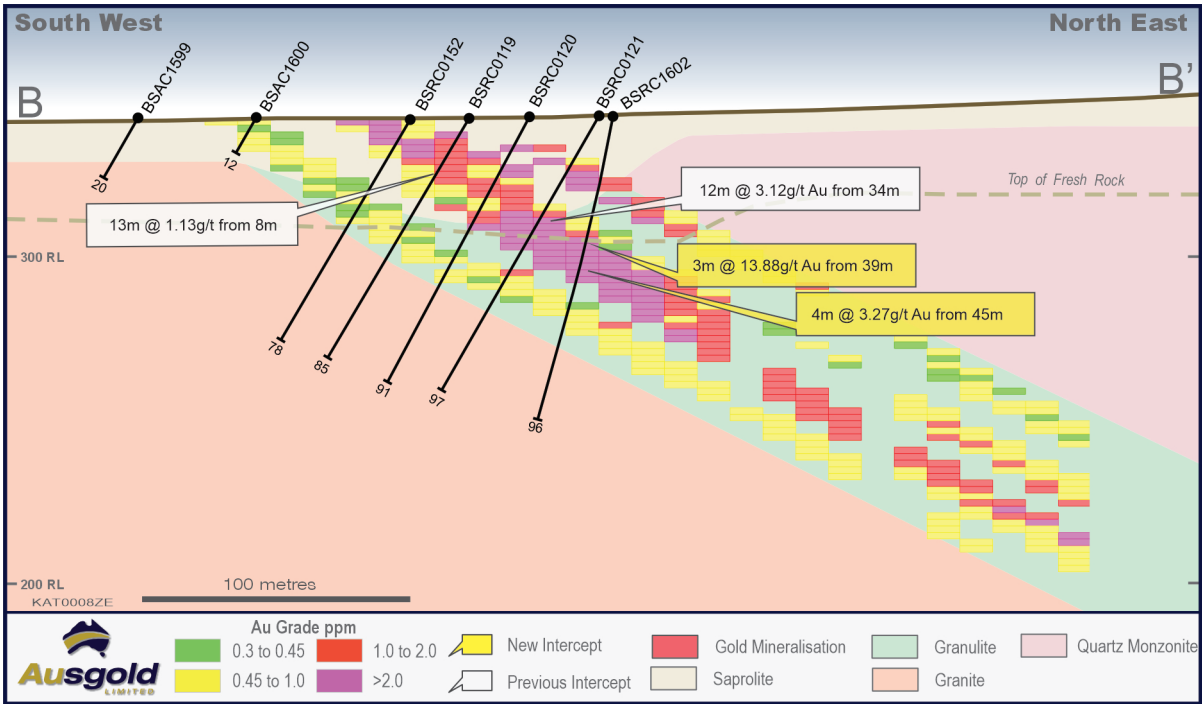


Figure 8 - Cross-section through Jackson (C-C' Figures 4-5)

Drilling during the year yielded exceptional results, showcasing the remarkable and uninterrupted continuity of mineralisation across the Jinkas, White Dam and Jackson lodes and delivering a 10% increase (240,000oz) in Resources within the Central Zone in the September 2023 Resource upgrade.

KGP Southern Zone Drilling

During the year, Ausgold completed 24 holes for 2,472m of Resource drilling in the Southern Zone (Figure 2) which successfully identified significant, shallow gold mineralisation over 1.5km at Lukin, south of Dingo, increasing the strike length of the Southern Zone Resource to 3.5km (from 1.8km).

Drilling highlights within the Southern Zone included 6m @ 2.10g/t Au from 111m including 2m @ 5.67g/t Au from 114m in BSRC1542. New drilling combined with improved geological modelling of the Southern Zone contributed to a 50% increase (145,000oz) in Resources within the Southern Zone.

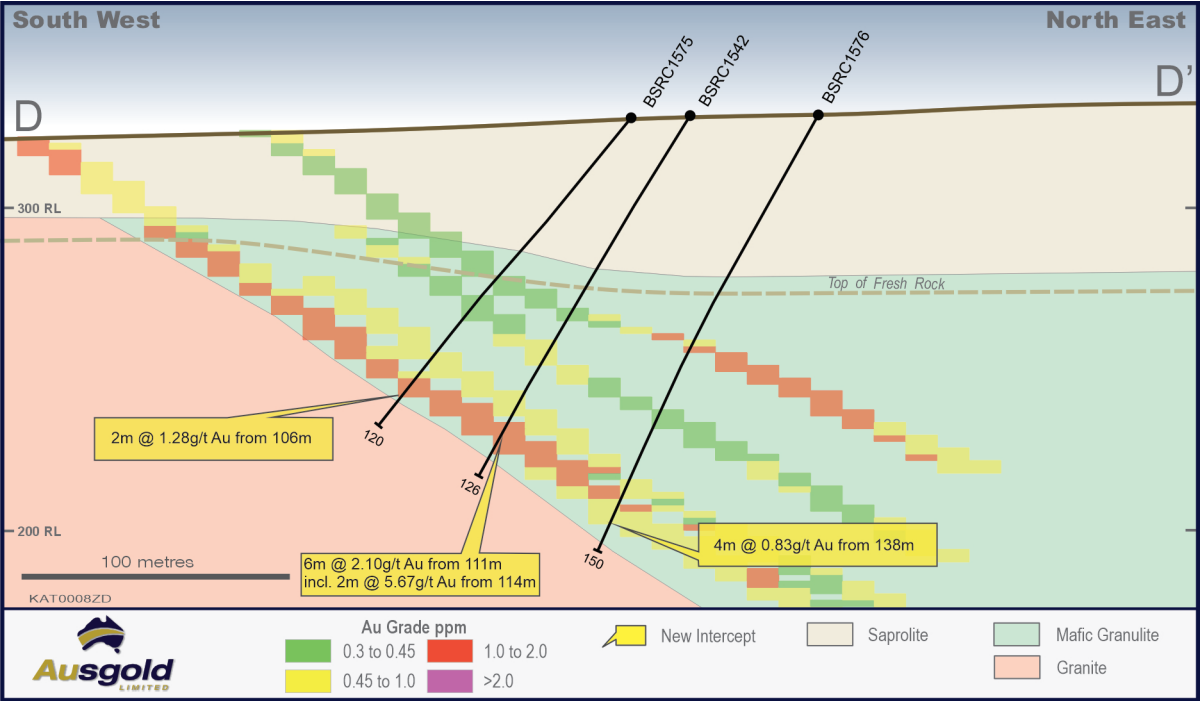


Figure 9- Cross-section through Lukin (D-D' Figure 4-5)

KGP Northern Zone Drilling

The Datatine deposit is located 3.5km north of the Central Zone Resource. Datatine lodes are different to the Central and Southern Zones as they are ENE-striking, due to being re-oriented along a major ENE-striking thrust fault.

During the year, Ausgold completed four holes for 1,080m in the Northern Zone (Figure 2), which successfully targeted high-grade mineralisation at Datatine with coarse visible gold. The new drilling demonstrated gold mineralisation remains open down-plunge and will be a target for future exploration.

High-grade gold mineralisation intercepted in new drilling at Datatine has coarse-grained gold up to 1cm in diameter observed in drilling, with high-grade zones of up to 0.3m @ 99g/t Au (from 219.9m in BSRC1596) within broader zones of mineralisation.

Significant results this year at Datatine included:

- 3.3m @ 11.47g/t Au from 218.9m including 0.3m @ 99.3g/t Au and 0.3m @ 13.2g/t Au in BSRC1596
- 7.4m @ 4.54g/t Au from 231.6m including 6.0m @ 5.51g/t Au from 232.36m in BSRC1597
- 2.7m @ 10.73g/t Au from 180m including 0.4m @ 63 g/t Au in BSRC1596
- 2m @ 1.15g/t Au from 63m in BSRC1566
- 4.7m @ 2.21g/t Au from 255.27m in BSRC1618
- 4.5m @ 2.77g/t Au from 278.49m in BSRC1618

New drilling combined with improved geological modelling of the Northern Zone contributed to a 39% increase (16,000oz) in Resources at Datatine, with the potential to define an Underground Resource looking increasingly viable.

KGP Regional Exploration

Ausgold holds approximately 5,500km² of exploration tenure in the Katanning region which has over 2,500km² of greenstone mapped in this area including the Katanning, Kojonup and the Yandina greenstone belts. Three regionally significant NNW-striking crustal-scale structures traverse the tenure, which include the Corrigin Tectonic zone, which separate the Southwest and Youanmi Terranes. Major ENE-striking structures cross-cut the NNW structure which are a major control on gold mineralisation along these major structures and second order splays.

Ausgold has applied a mineral systems approach to gold exploration, which involves comprehensively analysing the geological, structural, and geochemical factors to understand the entire mineralisation. It is through this process that Ausgold has identified new high-priority targets with the potential of hosting significant new gold deposits which will further contribute to the KGP.

Ausgold regards the Katanning, Kojonup, and Yandina greenstone belts as being the least explored greenstones within the Yilgarn, a fact that is underscored by the absence of any drilling activities across continuous stretches of greenstone which exceed 20 kilometres.

In the past year, Ausgold successfully completed an extensive 25,000 metre regional aircore (AC) drilling program with the primary objective of testing across major geological structures that are recognised as focal zones for gold mineralisation. This comprehensive drilling program returned encouraging results, identifying highly prospective stratigraphy as well as minor gold anomalism.

Geological learnings from the AC campaign will be used to execute a targeted RC drilling campaign into fresh rock to identify hypogene mineralisation scheduled to commence in Q4 CY2023.

Exploration at our advanced exploration targets, encompassing Duggan, the Stanley Gold Project, Nanicup Bridge, and Bullock Pool, revealed near-surface, continuous gold mineralisation. These targets all present opportunities for the future delineation of Mineral Resource Estimates, with the potential to form future satellite ore sources for the KGP.

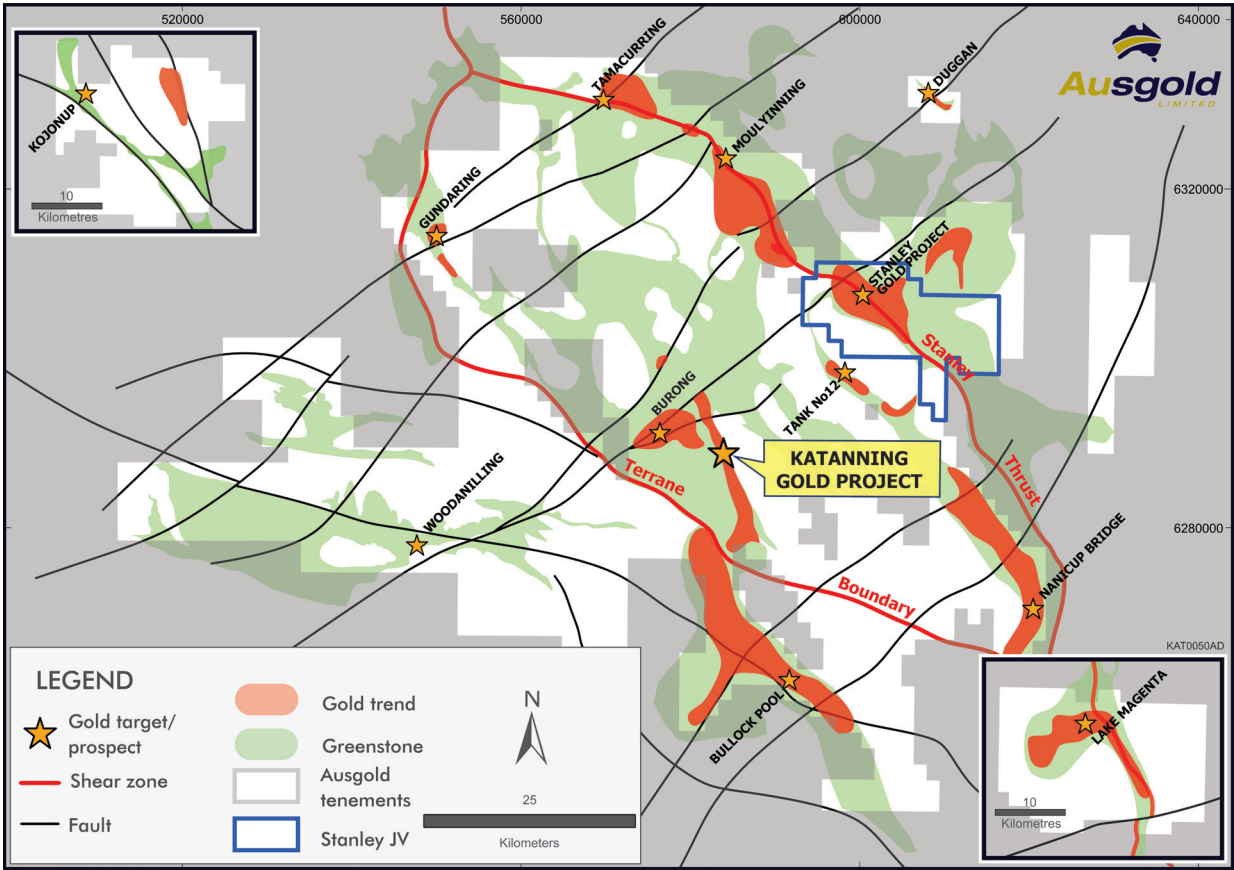


Figure 10 - Regional gold exploration targets within Ausgold's > 5,500km² tenure

Duggan Prospect

WESTERN AUSTRALIA (AUC 100%)

The Duggan prospect is located 50km northeast of the KGP (Figure 10). Results from 1,216m of RC drilling were returned during the year, with significant intercepts including:

- 4m @ 9.30g/t Au from 84m in DUGRC042
- 1m @ 43.20g/t Au from 52m in DUGRC036 (new lode)
- 5m @ 1.15g/t Au from 10m in DUGRC038

This drill program intersected significant gold mineralisation, extending mineralisation of two gold lodes within 100m of surface. Additional high-grade mineralisation of 1m @ 43.20g/t Au from 52m in DUGRC036 was intercepted in a newly discovered lode to the southwest.

Ausgold is encouraged by the extent of near-surface gold mineralisation intersected in initial drilling at Duggan. Significant upside potential exists, with gold mineralisation at Duggan remaining open along strike, up- and down-dip and down-plunge.

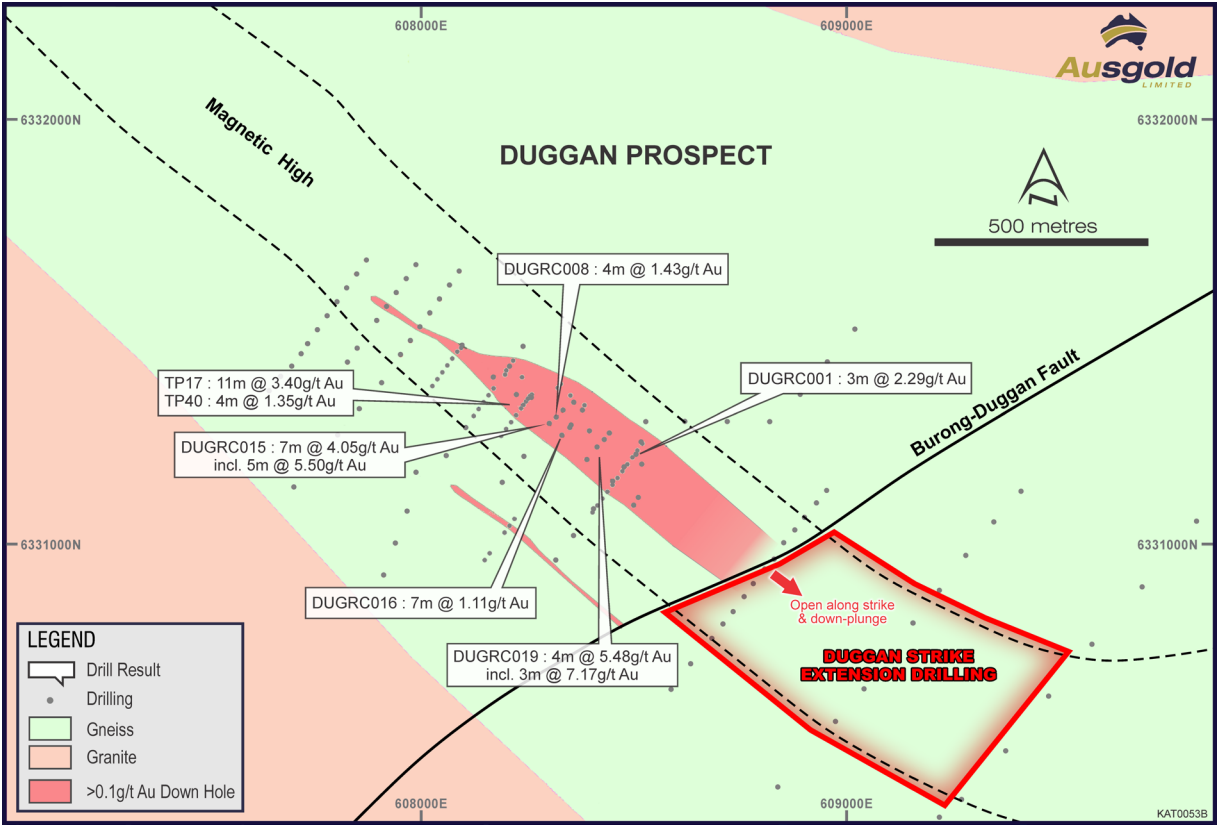


Figure 11 – Prospect scale plan map of the Duggan Prospect

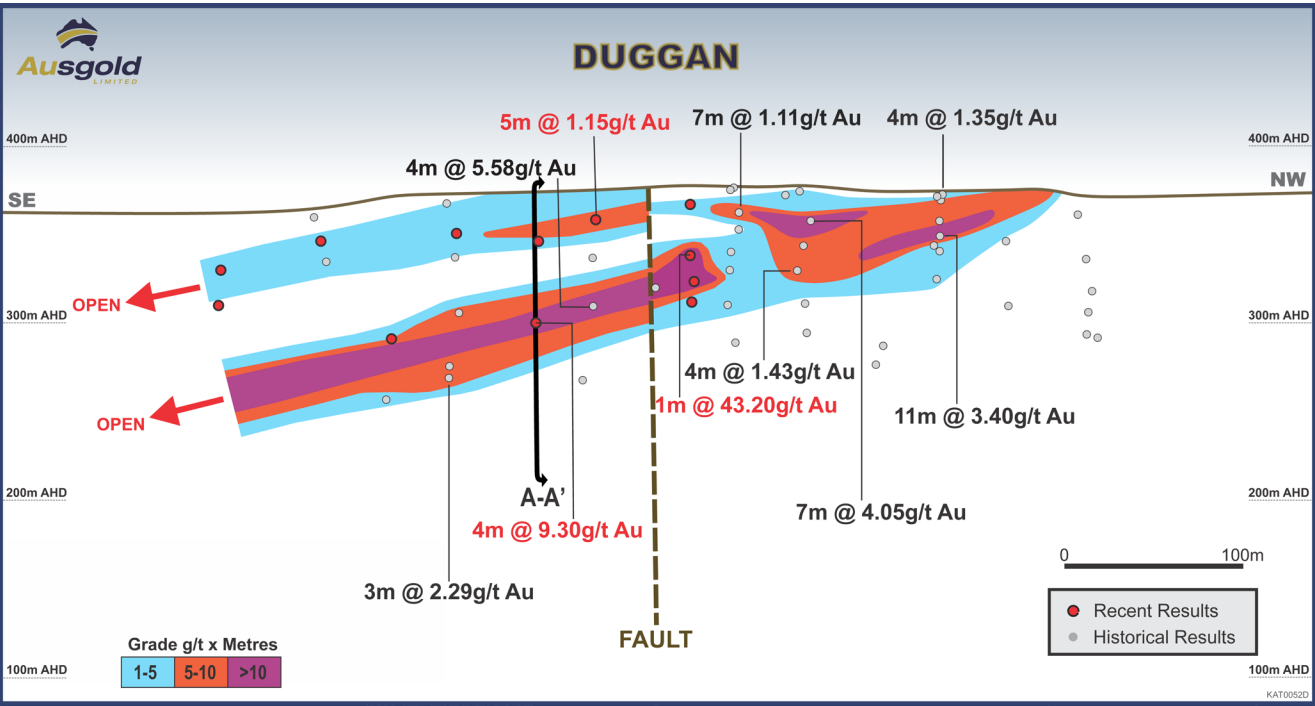


Figure 12 – Long section of Duggan

Stanley Gold Project Joint Venture

In April 2022, Ausgold entered into a farm-in agreement with Cygnus Gold Limited to acquire a majority interest in the Stanley Gold Project (SGP) located 25km northeast of the KGP. Under the agreement, Ausgold can earn an 85% interest in the project by expending \$750,000 over three years.

The Stanley Gold Project comprises two tenements, E70/5131 and E70/4787 (both 100%-owned by Cygnus Gold) covering 233km², positioned along 24km of highly prospective greenstone belt that contains the same geological sequence that hosts the KGP. The greenstone belt has potential for gold mineralisation with abundant mafic to ultramafic rocks located along the intersection of the Kukerin and Pingarning shear zones and cross-structures such as the Burong Fault (Figure 10). 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

During the year, Ausgold advanced land access negotiations across the SGP. An RC and DD drilling program was completed during the year testing the Brays and Stanley Hill targets. Drilling

intersected mafic granulites synonymous with the host unit of the KGP. The SGP will be the major focus of regional exploration, with an RC drilling campaign planned to intersect hypogene gold mineralisation scheduled to commence in Q4 CY2023.

Lithium Exploration

Ausgold have engaged geological consultants, RSC Consulting Pty Ltd to develop lithium and Rare Earth Element (REE) exploration targets. Seven priority targets were identified across Ausgold's 5,500km² tenement package using existing surface geochemistry. Subsequently a regional stream sediment sampling campaign comprising of 600 samples across the entirety of the tenement package was completed with results from this campaign identifying 14 lithium target areas.

Kojonup Project

Western Australia (AUC 100%)

The 100% owned Kojonup Project (**Kojonup**) is comprised of four exploration tenements covering a total area of 475km². The tenements cover a northwest striking greenstone which is bound by major northwest-trending faults, including the Darkan Fault which continues to the Boddington Gold Mine 80km to the northwest. The northwest-trending faults have broad zones of coincident gold and multi-element geochemical anomalism (Figure 13).

Considering Kojonup's location is only 60km east of the world-class Greenbushes Lithium Mine, the primary focus of exploration is for its lithium potential. During the reporting period, a stream sampling campaign and geological mapping campaign was completed. This work provided an assessment of the lithium and gold potential to aid ongoing targeting.

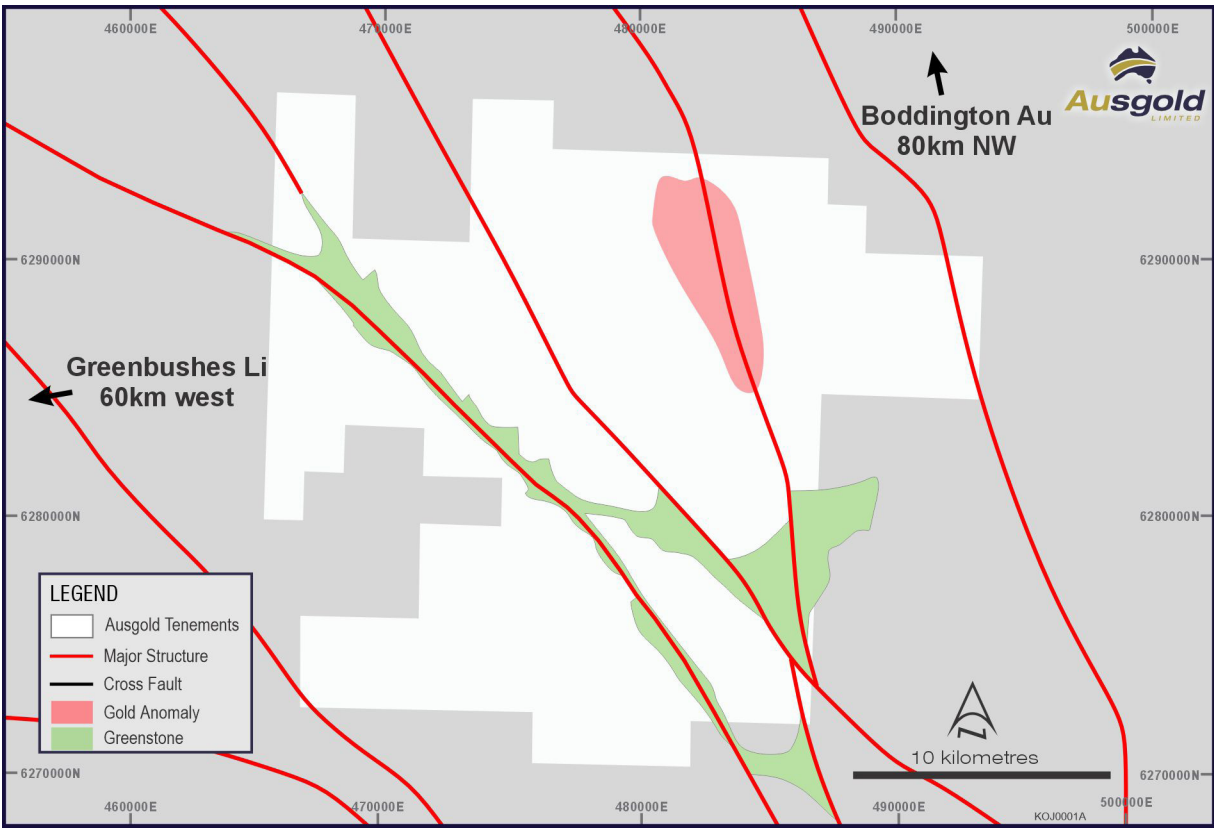


Figure 13 – Geological map of the Kojonup Project

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 508km².

Previous exploration by Dominion Mining in the early 2000s outlined a large gold-in-soil anomaly with a strike length of over 17km, 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, a deep-seated structure known to host several significant gold deposits, including Tampia (Ramelius Resources) and Griffins Find.

Ausgold conducted surface mapping and re-logging of historical diamond holes and identified 16 pegmatite intrusions coincident with anomalous lithium-in-laterites. A first pass AC drilling program was completed during the year over prospective areas on the western portion of Lake Magenta.

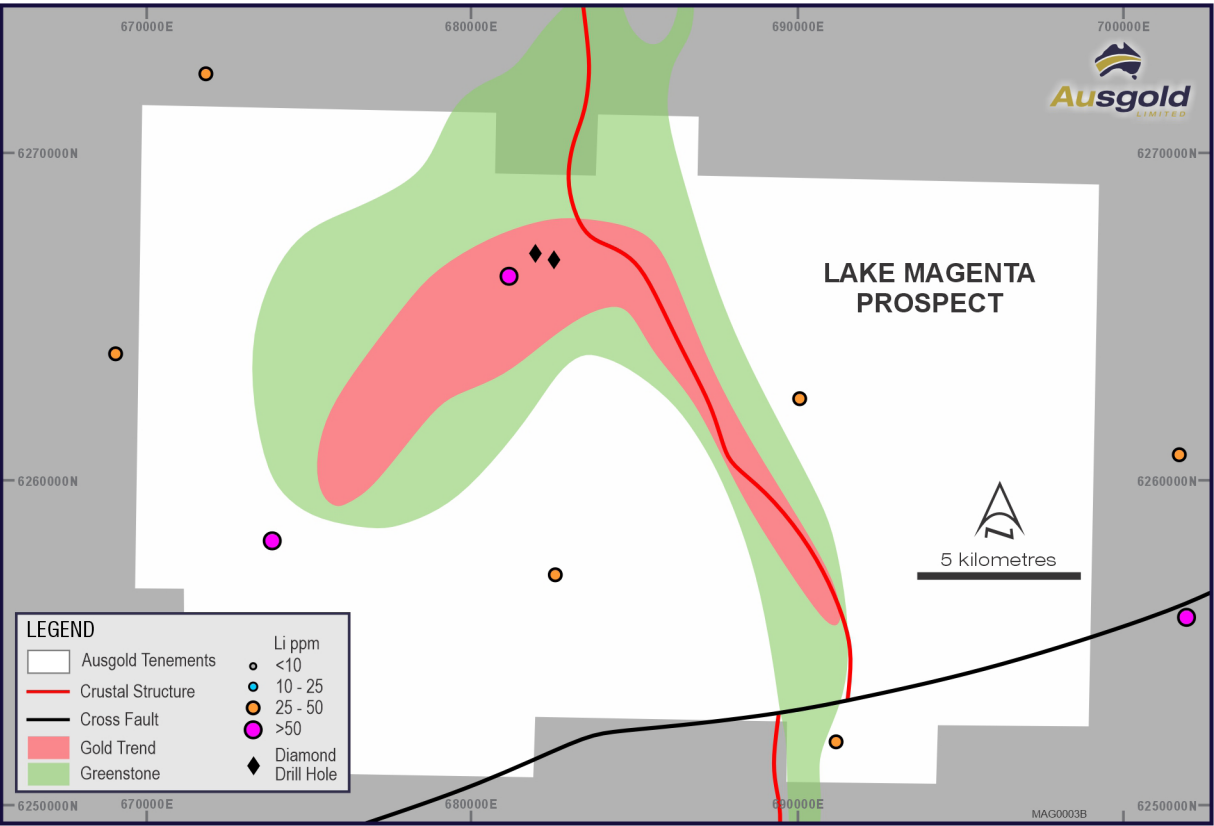


Figure 14 – Geological map of the Lake Magenta Project

Woodanilling Project

Western Australia (AUC 100%)

The Woodanilling Project lies 20km north of the town of Katanning and covers a total area of 1,300km².

Woodanilling is a layered mafic intrusion complex with extensive past exploration, including soil sampling and drilling, to test vanadium and Platinum Group Elements (PGEs) within the project area. Woodanilling includes the Mine Hill (E70/4863), Red Hill (E70/5142), and Martling (E70/5142) prospects.

At Red Hill, previous exploration includes RC and DD drilling which intersected significant widths of vanadium (V2O5) mineralisation from surface. In light of the recent Julimar discovery by Chalice Mining in the same Southwest Terrane of the Yilgarn Craton, Ausgold has conducted a review of the mafic to ultramafic intrusives which host the vanadium mineralisation at Red Hill.

At Mine Hill, Ausgold drilling in previous years intersected a high-grade zone of copper-silver-gold mineralisation with an intercept of 1.95m @ 6.65g/t Ag and 0.70% Cu, including 0.45m @ 12.2g/t Ag, 1.37% Cu and 0.14g/t Au from 56.05m.

During the year, a Masters project was completed over the Woodanilling Project, which focused on mapping and understanding the nickel and PGE mineralisation potential of the mafic to ultramafic intrusives across the project. Ausgold progressed land access negotiations over gold targets across Woodanilling.

As part of the Company's lithium exploration strategy, several new lithium targets have been identified within the area. Numerous generations of pegmatite intrusions have been mapped across the Red Hill area and further work is underway to assess the lithium potential.

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. No significant fieldwork was undertaken on this project during the year. Ausgold is actively seeking a joint partner to fund future exploration.

Yamarna

Western Australia (AUC 100%)

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 125km 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.

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 Persons' 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, 2022 and 2023. 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 Approach

We recognise that both investors and communities seek exemplary ESG performance by Ausgold. We are defining a roadmap and for delivering on our ESG priorities motivated by our values of integrity, ownership, community, and innovation. We have developed ESG guiding principles to measure our performance under an approach set out below:

Ausgold is committed to producing gold in a socially and environmentally responsible manner. Our vision is to unlock the resources potential of the Great Southern Region of Western Australia in a way that delivers positive social, environmental and economic outcomes for our stakeholders. This vision and commitment is reinforced by our core values:

Integrity: Ausgold is dedicated to conducting its activities in a manner that is transparent and ethical. We will set, measure, report on and review objectives and targets that will drive continuous improvement in environmental, social and governance performance.

People: Ausgold embraces a safe and respectful culture that empowers our workforce to deliver excellence.

Community: Ausgold strives to provide accurate, purposeful, timely and transparent communication to its communities of interest, and to support initiatives that benefit local communities.

Innovation: Ausgold actively seeks opportunities to continuously improve our environmental, social and governance performance, including through the implementation of new technologies and processes.

Community Engagement

As part of Ausgold’s commitment to be open, responsive, and factual about the KGP, we commenced consultation activities with the local community including residents, landholders, and business operators. These activities aim to both provide information and collect feedback to support our decisions as the project progresses.

In March, we held two information sessions in Katanning to explain plans for the mine and answer questions. Prominent topics were economic contribution, land use, project timing and probability, environmental considerations, water resources, heritage, and small business. We agreed to specific priority activities:

- Survey community views about the Project
- Assess social and economic impacts from the Project
- Publish maps of current and planned Project operations.

The exchange of information helped us identify how to provide further updates in the most relevant and accessible way.

In May, 130 people across at least nine localities responded to a Community Survey on the possible benefits and concerns about the project.

- ‘Jobs’ and ‘Town prosperity’ were the two most prominent benefits of the Project reported in the survey.
- ‘Housing,’ ‘Environment’ and ‘Economic impact’ were the three most prominent concerns about the Project reported in the survey.
- Respondents sought more information about ‘Jobs,’ ‘Environment’ and ‘Timeframes’ of the Project.

The presentation from the information sessions and survey results are published on the dedicated ‘Community’ page of the Ausgold website at (<https://ausgoldlimited.com/projects/katanning-gold-project/community/>)

In June, consultation commenced for a Social and Economic Impact Assessment. Sixty (60) community members provided insights about potential social impacts of the Project and recommendations to mitigate impacts and enhance benefits. The consultation spanned farming landholders, educational institutions, essential service providers, local businesses, environmental organisations, Aboriginal residents, community organisations, cultural clubs, and local government. The Assessment work will continue in the next reporting period.

Stakeholder Accountability

We have supplemented existing management systems, policies, and procedures with a process for managing community queries and feedback, including a system to record contact with stakeholders and setting response time limits. Community members, media representatives and investors can access dedicated email and mobile channels and access information at the ‘Community’ webpage on Ausgold’s website and social media, including Facebook.

Next Steps

Framing our ESG performance and accountability in alignment with a relevant framework is an important step in our roadmap. Consultation and data collection for a Cultural Heritage Management Plan, Environmental Impact Assessment (EIA) and Social Economic Impact Assessment (SEIA) will be key inputs to our future ESG performance monitoring and reporting. We will set up other community engagement tools, such as an ESG Community Reference Group, together with ongoing updates through electronic and digital channels during the next reporting period. We will maintain our ongoing and open communication with community.

Director’s Report

The Directors present their report together with the financial statements, on the consolidated entity consisting of Ausgold Limited and the entities controlled for the financial year ended 30 June 2023. 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:

Geoffrey Jones, Non-Executive Chairman Non-Executive Director from 29 July 2016 to 26 February 2023 and Non-Executive Chairman since 27 February 2023	
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	Rumble Resources Limited (appointed 5 July 2022)
	Global Lithium Resources Limited (appointed 9 August 2023)
Special responsibilities	GR Engineering Services Limited (resigned 27 January 2023)
	Member of the Board
	Member of Audit and Risk Committee
Interests in securities	Member of Remuneration and Nominations Committee
	Ordinary shares – 14,250,000

Richard Lockwood, Non-Executive Director Non-Executive Chairman from 2 September 2012 to 26 February 2023 and Non-Executive Director since 27 February 2023	
Experience and expertise	Investment professional with over 40 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 – 68,000,000

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 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 – 26,000,000

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 – 37,948,681

Neil Fearis, Non-Executive Director Since 15 April 2016, Resigned 25 February 2023	
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
Interests in securities	Ordinary shares – 13,000,000

Timothy Kestell, Non-Executive Director Appointed 12 August 2021, Resigned 28 June 2023	
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
Interests in securities	Ordinary shares – 100,000,000

Directors’ Meetings

The number of meetings of the Board of Directors held during the financial year ended 30 June 2023 and the number attended by each director are as follows:

Board of Directors			Nominations and Remuneration Committee		Audit and Risk Committee	
Director	Held	Attended	Held	Attended	Held	Attended
R Lockwood	9	8	-	-	1	1
N Fearis	9	5	-	-	1	1
G Jones	9	9	-	-	1	1
T Kestell	9	9	-	-	-	-
M Greentree	9	9	-	-	-	-
D Rakich ¹	9	9	-	-	1	1

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 commence 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.

Material Business Risks

The Group considers the following to be key material business risks:

Additional requirements for capital

The Company’s capital requirements depend on numerous factors. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

Risk of failure in exploration, development or production

Payment of compensation is ordinarily necessary to acquire participating interests. Also, surveying and exploratory drilling expenses (exploration expenses) become necessary at the time of exploration activities for the purpose of discovering resources. When resources are discovered, it is necessary further invest in substantial development expenses.

There is, however, no guarantee of discovering resources on a scale that makes development and production feasible. The probability of such discoveries is considerably low despite various technological advances in recent years, and even when resources are discovered the scale of resource does not necessarily make commercial production feasible. For this reason, the Group conservatively recognizes expenses related to exploration investment in our consolidated financial statements.

To increase recoverable resources, the Group plans to always take an interest in promising properties and plans to continue exploration investment. Although exploration and development (including the acquisition of interests) are necessary to secure the resources essential to the Group’s future sustainable business development, each type of investment involves technological and economic risks, and failed exploration or development could have an adverse effect on the results of the Group’s operations.

Environmental

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company’s activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company’s intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company’s ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company’s operations more expensive.

Climate risk

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

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 - 19 of this report.

Financial

The Group recorded a consolidated loss of \$5,226,957 (2022: \$2,586,374) for the financial year ended 30 June 2023. At 30 June 2023, the Group had \$9,412,384 (2022: \$10,928,555) 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
23 Mar 2021	1 Mar 2024	\$0.08	7,000,000	-	-	-	7,000,000
19 Mar 2021	1 Mar 2024	\$0.08	2,500,000	-	-	-	2,500,000
4 May 2021	3 May 2024	\$0.06	16,000,000	-	-	-	16,000,000
5 Jul 2021	30 Jun 2024	\$0.06	4,000,000	-	-	-	4,000,000
5 Jul 2021	30 Jun 2024	\$0.08	3,000,000	-	-	-	3,000,000
22 Apr 2022	31 Mar 2025	\$0.06	15,000,000	20,000,000	-	-	35,000,000
27 Feb 2023	31 Dec 2025	\$0.08	-	500,000	-	-	500,000
			47,500,000	20,500,000	-	-	68,000,000

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
14 Oct 2022	31 Oct 2024	\$0.00	-	32,200,000	-	-	32,200,000
			-	32,200,000	-	-	32,200,000

Events Subsequent To Reporting Date

Ausgold Limited issued 8,000,000 performance rights to employees on 8 September 2023, as part of their remuneration arrangements. Each performance right is an entitlement to receive one fully paid share in Ausgold Limited provided the relevant vesting conditions are satisfied. The performance rights have the same terms and conditions as those performance rights issued to directors (refer to Note 18).

On 14 September 2023, Ausgold announced that it has entered into binding agreements to acquire two farming properties. The properties are located within Mining Lease 70/488, and Exploration Leases 70/2928 and 70/3952. The agreements are each on usual terms, with settlement of the acquisitions not subject to any material conditions precedent and the total consideration being \$10.76 million, with \$3.12 million paid on signing of the agreements and the balance to be paid in early April 2024. Ausgold is currently considering traditional and non-dilutive funding alternatives to fund the deferred consideration and land acquisitions as part of the overarching project finance for the development of the Katanning Gold Project.

No other 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.

The Auditor’s Independence Declaration

The Auditor’s Independence Declaration is included on page 32 of the financial report.

Remuneration Report

The Remuneration Report which has been audited is set out on pages 26 to 31 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

27 September 2023

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 2023. 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) – resigned on 25 February 2023
- Geoffrey Jones (Non-Executive Director)
- Timothy Kestell (Non-Executive Director) – resigned 28 June 2023
- 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:

	2023	2022	2021	2020	2019
	\$	\$	\$	\$	\$
Revenue	49,524	1,889	1,149	611	4,002
Net loss before tax	(5,226,957)	(2,586,374)	(3,513,319)	(1,823,335)	(1,781,417)
Net loss after tax	(5,226,957)	(2,586,374)	(3,513,319)	(1,823,335)	(1,781,417)
Share price at the start of the year	\$0.046	\$0.043	\$0.042	\$0.014	\$0.028
Share price at the end of the year	\$0.046	\$0.046	\$0.043	\$0.042	\$0.014
Dividends	-	-	-	-	-
Basic loss per share (cents)	(0.25)	(0.15)	(0.26)	(0.19)	(0.26)
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 to 24 February 2023	\$50,000
Richard Lockwood	Non-Executive Director	25 February 2023	\$40,000
Neil Fearis	Non-Executive Director	15 April 2016 to 25 February 2023	\$40,000
Geoffrey Jones	Non-Executive Director	29 July 2016 to 24 February 2023	\$40,000 plus superannuation
Geoffrey Jones	Non-Executive Chairman	25 February 2023	\$50,000
Timothy Kestell	Non-Executive Director	12 August 2021 to 28 June 2023	\$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	\$350,064	6 months
Denis Rakich	Executive Director and Company Secretary	31 January 2013	\$278,460	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 2022 Annual General Meeting

The Company received 94.79% of votes in favour of its remuneration report for the 2022 financial year at the 2022 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 2023:

2023	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	\$46,548	-	\$5,475	-	-	\$29,711	\$81,734
N Fearis ⁴	\$26,310	-	\$3,595	-	-	\$45,250	\$75,155
G Jones	\$41,812	-	\$5,475	-	\$4,390	\$14,855	\$66,532
T Kestell ⁵	\$36,199	-	\$5,445	-	\$3,801	-	\$45,445
M Greentree	\$319,800	\$7,196	\$5,475	\$2,617	\$33,264	\$78,437	\$446,789
D Rakich	\$274,385	\$3,797	\$5,475	\$2,081	\$28,495	\$53,480	\$367,713
Total	\$745,054	\$10,993	\$30,940	\$4,698	\$69,950	\$221,733	\$1,083,368

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.

⁴ Mr Neil Fearis resigned on 25 February 2023

⁵ Mr Kestell resigned on 28 June 2023

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.

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	
	2023	2022	2023	2022	2023	2022
R Lockwood	64%	61%	36%	39%	36%	39%
N Fearis	40%	63%	60%	37%	60%	37%
G Jones	78%	65%	22%	35%	22%	35%
T Kestell	100%	100%	-	-	-	-
M Greentree	82%	78%	18%	22%	18%	22%
D Rakich	85%	83%	15%	17%	15%	17%

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.

During the financial year, 32.2 million Related Party Performance Rights were issued to the directors as a partial reward for the excellent work of the Company's board in delivering the Katanning Gold Project's Maiden Ore Reserve only a month later than the original deadline. The issue was approved by shareholders on 14 October 2022.

The grant date of the Related Party Performance Rights was 14 October 2022 and the share price on the grant date is \$0.044. The vesting date and the expiry date of the rights is on 31 October 2024. Vesting conditions are that the holder is employed by, or be a director of, the Company at the time of vesting and upon Ausgold shares trading at a 20 VWAP of \$0.12 at any time during the period to 31 October 2024.

The fair value per right of \$0.0181 is determined by using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model (the combination of the two models to be referred to as the "Parisian Barrier1 Model").

The Hoadley's Parisian Model was first used to generate an implied barrier price that factors in the number of consecutive calendar days for which the underlying asset price must remain above or below the barrier. The implied barrier price is then input into the Hoadley's Barrier 1 Model to calculate the value of the performance rights.

The key inputs for the Parisian Barrier1 Model are as follows:

Share price at grant date, 14 October 2022	A\$0.044
Expiry date	31 October 2024
Term	2.05 years from grant date to expiry date
Share price target	20-day VWAP of at least A\$0.12
Implied barrier price	Approximately A\$0.1539 (calculated from Hoadley's Parisian Model based on the respective share price targets of the Performance Rights and the equivalent of 28 calendar days based on the '20-day VWAP' requirement)
Performance measurement and time vesting periods	2.05 years from grant date to 31 October 2024 as stated in the terms and conditions of the Performance Rights
Volatility	Approximately 72% (estimated based on Hoadley's GARCH long-run forecast and Exponentially Weighted Average volatility models using the Company's share price data over the relevant historical period)
Risk free rate	3.3038% per annum (continuously compounded rate based on the interpolated discrete two-year and three-year Australian Government bond yields at 14 October 2022)
Dividend yield	Nil

Number of Performance Rights holdings of the Company held by key management personnel or their related entities as at 30 June 2023 are as follows:

Grant date	Vesting date	Balance at start of year	Granted during the year	Redeemed as shares	Forfeited	Balance at resignation	Balance at end of year	Maximum value yet to vest*
		Number	Number	Number	Number	Number	Number	\$
Directors								
3-Nov-22	31-Oct-24	-	5,000,000	-	-	-	5,000,000	60,789
R Lockwood		-	5,000,000	-	-	-	5,000,000	60,789
3-Nov-22	31-Oct-24	-	2,500,000	-	-	2,500,000	-	-
N Fearis ¹		-	2,500,000	-	-	2,500,000	-	-
3-Nov-22	31-Oct-24	-	2,500,000	-	-	-	2,500,000	30,395
G Jones ²		-	2,500,000	-	-	-	2,500,000	30,395
3-Nov-22	31-Oct-24	-	13,200,000	-	-	-	13,200,000	160,483
M Greentree ²		-	13,200,000	-	-	-	13,200,000	160,483
3-Nov-22	31-Oct-24	-	9,000,000	-	-	-	9,000,000	109,420
D Rakich ⁴		-	9,000,000	-	-	-	9,000,000	109,420
Total rights		-	32,200,000	-	-	2,500,000	29,700,000	361,087

¹ Mr Fearis was a non-Executive Director from 15 April 2016 to 25 February 2023 and relevant interest held through Pendomer Investments Pty Ltd

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

³ Relevant interests held through M&J Greentree Nominees Pty Ltd

⁴ Relevant interests 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
14 October 2022	31 October 2024	31 October 2024	\$0.00	\$0.0181	0%

Directors	2023		2022	
	Performance Rights		Performance Rights	
	Value granted	Value expensed	Value granted	Value expensed
R Lockwood	\$90,500	\$29,711	-	\$34,734
N Fearis	\$45,250	\$45,250	-	\$26,051
G Jones	\$45,250	\$14,855	-	\$26,051
M Greentree	\$238,920	\$78,437	-	\$86,835
D Rakich	\$162,900	\$53,480	-	\$52,101
Total	\$582,820	\$221,733	-	\$225,772

Share Holdings

Number of shares held by the Directors of the Company or their related entities as at 30 June 2023 is set out below:

Name	Opening balance	Acquired	Other changes	Balance at resignation	Closing balance
R Lockwood	60,000,000	8,000,000	-	-	68,000,000
N Fearis ¹	13,000,000	-	-	13,000,000	-
G Jones ²	14,250,000	-	-	-	14,250,000
T Kestell ³	100,000,000	-	-	100,000,000	-
M Greentree ⁴	25,500,000	500,000	-	-	26,000,000
D Rakich ⁵	34,998,681	3,250,000	(300,000)	-	37,948,681
Total	247,748,681	11,750,000	(300,000)	113,000,000	146,198,681

¹ Mr Fearis was a non-Executive Director from 15 April 2016 to 25 February 2023 and relevant interest held through Pendomer Investments Pty Ltd

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

³ Mr Kestell was a non-Executive Director from 12 August 2021 to 28 June 2023 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 and indirect interest through spouse holdings in the name of Francesca Rakich and the Mathilde Rakich Account

Key Management Personnel Transactions With The Company

GR Engineering Limited

GR Engineering Limited (“GR Engineering”) has been contracted to carry out Definitive Feasibility Study (“DFS”) for Processing on 17 October 2022.

Mr Geoffrey Jones was an Executive Director of GR Engineering till 27 January 2023 and serves as a Non-executive Director at Ausgold.

The total amount charged by GR Engineering during the financial year when Mr Jones was still a director at GR Engineering was \$22,935. 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 2023.

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

27 September 2023

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 2023, 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.



Ashleigh Woodley

Director

BDO Audit (WA) Pty Ltd

Perth

27 September 2023

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.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue from continuing operations		49,524	1,889
Other Income	8	293,388	382,717
Net movement in financial assets		1,750	(35,000)
Impairment exploration expenses	12	(1,762,651)	(242,989)
Corporate and administration expenses	9	(1,937,875)	(1,456,352)
Share-based payments expenses	18	(702,166)	(531,400)
Occupancy expenses		(41,115)	(174,380)
Other expenses		(176,707)	(157,170)
Accounting expenses		(115,316)	(73,169)
Consultants - Advisory		(250,000)	-
Amortisation and depreciation expenses		(307,037)	(139,676)
Finance costs		(51,272)	(17,378)
Research & Development		(63,255)	-
Legal fees		(164,225)	(143,466)
Loss before income tax		(5,226,957)	(2,586,374)
Income tax benefit/ (expense)	10	-	-
Net loss attributable to members		(5,226,957)	(2,586,374)
Other comprehensive income/ (loss)			
Other comprehensive income/ (loss)		-	-
Total comprehensive income/ (loss) for the year (net of tax)		(5,226,957)	(2,586,374)
Loss per share for the year attributable to the members of Ausgold Limited			
Basic loss per share (cents per share)	20	(0.25)	(0.15)
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.

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Consolidated Statement of Financial Position

AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	11	9,412,384	10,928,555
Trade and other receivables		173,684	74,856
Security deposits		151,425	122,067
Financial assets at fair value		126,000	124,250
Total current assets		9,863,493	11,249,728
Non-current assets			
Property, plant and equipment	13	806,662	225,230
Exploration and evaluation expenditure	12	69,874,018	62,361,330
Right-of-use assets	14	1,002,121	135,490
Total non-current assets		71,682,801	62,722,050
Total assets		81,546,294	73,971,778
LIABILITIES			
Current liabilities			
Trade and other payables	15	392,325	600,935
Lease liabilities	14	290,265	42,960
Provisions	16	328,430	280,660
Total current liabilities		1,011,020	924,555
Non-current liabilities			
Lease liabilities	14	733,347	76,291
Provisions	16	1,209,007	1,195,236
Total non-current liabilities		1,942,354	1,271,527
Total liabilities		2,953,374	2,196,082
NET ASSETS		78,592,920	71,775,696
EQUITY			
Contributed equity	17	113,690,511	102,348,496
Reserves	18	7,514,557	6,812,391
Accumulated losses	19	(42,612,148)	(37,385,191)
TOTAL EQUITY		78,592,920	71,775,696

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 2023

	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total Equity \$
Notes				
Balance as at 1 July 2022	102,348,496	(37,385,191)	6,812,391	71,775,696
Loss for the year	-	(5,226,957)	-	(5,226,957)
Other Comprehensive Income	-	-	-	-
Total comprehensive loss for the year	-	(5,226,957)	-	(5,226,957)
Transactions with owners, recorded directly in equity:				
Shares issued	12,000,000	-	-	12,000,000
Share issue costs	(659,985)	-	-	(659,985)
Options issued	2,000	-	-	2,000
Redeemed performance rights	-	-	-	-
Share-based payments	-	-	702,166	702,166
Balance as at 30 June 2023	113,690,511	(42,612,148)	7,514,557	78,592,920

	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total Equity \$
Notes				
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

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Interest received		49,524	1,889
Payments to suppliers and employees		(2,585,235)	(1,522,322)
Receipts from rebates and claims		293,388	382,717
Net cash flows used in operating activities	21	(2,242,323)	(1,137,716)
Cash flows from investing activities			
Payment for property plant and equipment		(637,874)	(64,666)
Payment for security deposit		(56,815)	(27,456)
Payment for exploration expenditure		(9,871,928)	(10,923,015)
Net cash flows used in investing activities		(10,566,617)	(11,015,137)
Cash flows from financing activities			
Repayment of lease obligations		(49,247)	(99,195)
Proceeds from issue of share capital		12,002,000	16,601,500
Transaction costs related to issue of shares		(659,984)	(872,000)
Net cash flows generated from financing activities		11,292,769	15,630,305
Net increase in cash and cash equivalents		(1,516,171)	3,477,452
Cash and cash equivalents at the beginning of the year		10,928,555	7,451,103
Cash and cash equivalents at the end of the year	11	9,412,384	10,928,555

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2023

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 2023 was authorised for issue in accordance with a resolution of the Directors on 27 September 2023.

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 27 September 2023.

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.

Going Concern

As disclosed in the financial statements, the Company incurred a loss of \$5,226,957 (2022: \$2,586,374) and had net cash outflows from operating and investing activities of \$2,242,323 (2022: \$1,137,716) and \$10,566,617 (2022: \$11,015,137) respectively for the year ended 30 June 2023. As at that date, the Company had net assets of \$78,592,920.

The ability of the entity to continue as a going concern is dependent on the Company successfully raising capital in the near future to fund the operations in relation to the Definitive Feasibility Study. This condition indicates a material uncertainty that may cast a significant doubt about the entity’s ability to continue as a going concern and, therefore, that it may be unable to realise its assets to discharge its liabilities in the normal course of business. The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Directors have assessed the likely cash flow for the 12-month period from the date of signing this report and its impact on the Group and believe there will be sufficient funds to meet the Group’s working capital requirements as at the date of this report.
- The Directors believe that in the event needed, the level of expenditure can be managed.

Should the Company not be able to continue as a going concern, it may be required to realise assets and discharge liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

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 Judgements, 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.

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 judgement 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 16 for further details.

Share-based payment transactions

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Fair values are determined using appropriate valuation techniques that take into account various inputs that represent the best estimates available at the time of performing the calculation but are subject to variability and may be materially different if hindsight was to be used. Details of share-based payments can be found in Note 18.

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 2023	Parent Entity 2022
Current assets	9,556,977	11,117,946
Non-current assets	70,581,612	61,235,508
Total assets	80,138,589	72,353,454
Current liabilities	475,972	419,709
Non-current liabilities	1,069,697	149,880
Total liabilities	1,545,669	569,589
NET ASSETS	78,592,920	71,783,865
Contributed equity	120,572,953	109,232,938
Reserves	7,516,557	6,812,390
Accumulated losses	(49,496,590)	(44,261,463)
TOTAL EQUITY	78,592,920	71,783,865
Loss for the year	5,235,128	(2,578,204)
Other comprehensive income/(loss)	-	-
Total comprehensive loss for the year	5,235,128	(2,578,204)

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:

	2023 \$	2022 \$
Financial assets		
Cash and cash equivalents	9,412,384	10,928,555
Trade and other receivables	173,684	74,856
Security deposits	151,425	122,067
Financial assets at fair value	126,000	124,250
	9,863,493	11,249,728
Financial liabilities		
Trade and other payables	392,325	600,935
Lease liabilities	1,023,612	119,251
	1,415,937	720,186

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.

	2023 \$	2022 \$
Trade receivables		
Counterparties without external credit rating		
- Group 1 ¹	325,109	196,923
	325,109	196,923
Deposits		
AA	9,412,384	10,928,555
	9,412,384	10,928,555

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

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:

	2023 \$	2022 \$
Financial assets		
Cash and cash equivalents	9,412,384	10,928,555
Trade and other receivables	173,684	74,856
Security deposits	151,425	122,067
	9,737,493	11,125,478

7. Financial Risk Management (Cont'd)

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.

	2023 \$	2022 \$
Financial liabilities		
Trade and other payables	392,325	600,935
Lease liabilities	1,023,612	119,251
	1,415,937	720,186

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 - 12 months	Between 1 to 3 years	Total	Carrying amount
Contractual maturity of financial liabilities	\$	\$	\$	\$	\$
Consolidated - 30 June 2023					
Trade and other payables	392,325	-	-	392,325	392,325
Lease liabilities	142,077	148,188	733,347	1,023,612	1,023,612
	534,402	148,188	733,347	1,415,937	1,415,937

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

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 consolidate 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:

	2023 \$	2022 \$
Variable rate financial instruments		
Financial assets	9,412,384	10,928,555
Financial liabilities	1,023,612	119,251
	10,435,996	11,047,806

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 0.05% (2022: 0.002%).

7. Financial Risk Management (Cont’d)

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.

	2023	2022
	\$	\$
EIS Funding	100,316	169,964
Diesel fuel rebate	192,958	212,727
Other income	114	26
	293,388	382,717

9. Corporate And Administration Expenses

	2023	2022
	\$	\$
Directors' fees and salaries	815,003	696,776
Listing fees and statutory related costs	135,068	140,223
Investors relations	357,755	257,429
Other corporate and administration costs	630,049	361,924
	1,937,875	1,456,352

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

	2023	2022
	\$	\$
Reconciliation between tax expenses and pre-tax net loss		
Loss before income tax	(5,226,957)	(2,586,374)
Income tax benefit calculated at 25% (2022: 25%)	(1,306,739)	(646,593)
Tax effects on amounts which are not tax deductible	171,753	18,834
Deferred tax assets not brought to account	1,134,986	627,759
Income tax benefit	-	-
Deferred tax assets not brought to account		
Unused tax losses	99,069,253	86,557,366
Timing differences	(69,114,971)	(62,090,444)
Capital raising cost in equity	1,582,622	1,538,217
Tax at 25% (2022: 25%)	7,884,226	6,501,285

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.

	2023	2022
	\$	\$
Current assets		
Cash at bank and in hand	9,412,384	10,928,555
	9,412,384	10,928,555

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:

	2023	2022
	\$	\$
Current assets		
Cash at bank and in hand	9,412,384	10,928,555
	9,412,384	10,928,555

11. Cash And Cash Equivalents (Cont’d)

Risk Exposure

The consolidated entity’s exposure 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.

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.

	2023 \$	2022 \$
Current assets		
Balance at the start of the year	122,067	94,611
Additions/ (Reversals)	29,358	27,456
	151,425	122,067

12. Exploration And Evaluation Expenditure

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.

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.

12. Exploration And Evaluation Expenditure (Cont’d)

	2023 \$	2022 \$
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	69,874,018	62,361,330
	69,874,018	62,361,330
Reconciliation		
Carrying amount at start of year	62,361,330	51,713,915
Exploration expenditure	9,275,339	10,890,404
Expenditure written off	(1,762,651)	(242,989)
Carrying amount at the end of the year	69,874,018	62,361,330

The ultimate recoupment of exploration and evaluation expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas. As Ausgold will be concentrating on the Katanning Gold Project, the Company will not be planning further exploration on the Cracow, Doolgunna Station and Yamarna projects, so all the capitalised costs for the projects totalling \$529,995 were written off. Ausgold is also actively seeking Joint Venture partners for the Cracow and Doolgunna projects. The Directors have also 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 additional impairment of \$1,232,656, resulting in a total impairment expenditure write off at the reporting date of \$1,761,651 (2022: \$242,989).

13. 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

	2023 \$	2022 \$
Non-current assets		
Balance at the start of the year, net of accumulated depreciation	225,230	220,510
Additions	637,874	64,667
Depreciation charge	(56,442)	(59,947)
Balance at the end of the period, net of accumulated depreciation	806,662	225,230

	2023 \$	2022 \$
Non-current assets		
Cost	1,613,377	975,503
Accumulated depreciation	(806,715)	(750,273)
Net carrying amount	806,662	225,230

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.

14. Right-Of-Use Asset And Lease Liability

	2023 \$	2022 \$
Right-of-use assets		
<i>Property - office lease</i>		
Opening balance	-	10,119
Addition	1,033,042	-
Amortisation	(193,695)	(10,119)
Closing balance	839,347	-
<i>Motor vehicles</i>		
Opening balance	115,845	132,953
Addition	84,184	25,870
Amortisation	(46,402)	(42,978)
Closing balance	153,627	115,845
<i>Hire purchase assets</i>		
Opening balance	19,645	46,277
Amortisation	(10,498)	(26,632)
Closing balance	9,147	19,645
Total right-of-use assets as at 30 June 2023	1,002,121	135,490
<i>Lease liability</i>		
<i>Property - office lease</i>		
Opening balance	-	10,823
Addition	1,033,041	-
Lease payments	(168,149)	(10,823)
Closing balance	864,892	-
<i>Motor vehicles</i>		
Opening balance	119,251	134,912
Addition	84,183	25,870
Lease payments	(44,714)	(41,531)
Closing balance	158,720	119,251
Total lease liability as at 30 June 2023	1,023,612	119,251
Lease liability		
Current	290,265	42,960
Non-current	733,347	76,291
	1,023,612	119,251
Amounts recognised in the consolidated statement of profit or loss		
Amortisation of right-of-use asset	250,595	79,729
	250,595	79,729

15. 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.

	2023 \$	2022 \$
Current liabilities		
Trade creditors	160,181	424,715
Other creditors	232,144	176,220
	392,325	600,935

16. 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.

	2023 \$	2022 \$
Current liabilities		
Provision for employee benefits	328,430	280,660
	328,430	280,660
Non-current liabilities		
Provision for employee benefits	66,640	52,869
Provision for rehabilitation	1,142,367	1,142,367
	1,209,007	1,195,236

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.

16. 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 7% (2022: 4.4%), and changes in discount rates 1% (2022: 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.

17. 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.

	2023 \$	2022 \$
Equity		
Balance at the start of the year	102,348,496	85,708,185
Shares issued for capital raising purposes ¹	12,000,000	16,600,000
Less share issue costs	(659,985)	(1,585,939)
Options issued for capital raising purposes	2,000	1,500
Performance rights redeemed as shares	-	1,624,750
	113,690,511	102,348,496

¹ The Company allotted the following shares to fund the Company's continued exploration and working capital:
- 5 April 2023, Ausgold completed placement of 266.67m shares at \$0.045

Movement In Share Capital During The Year

	2023 Number of shares	2022 Number of shares
Movement in share capital		
Balance at the start of the year	2,029,474,541	1,585,349,541
Shares issued for capital raising purposes	266,666,667	415,000,000
Redeemed from performance rights	-	29,125,000
	2,296,141,208	2,029,474,541

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.

17. Contributed Equity (Cont'd)

Movement In Options During The Year

	2023 Number of options	2022 Number of options
Movement in options		
Balance at the start of the year	47,500,000	36,700,000
Options issued ¹	20,500,000	15,000,000
Options cancelled	-	(500,000)
Options lapsed	-	(3,700,000)
	68,000,000	47,500,000

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

- On 11 November 2022, Ausgold issued 20m options exercisable at \$0.06 per option to Argonaut PCF Limited pursuant to a Mandate to act as Finance Advisor Agreement.

- On 27 February 2023, 500,000 options exercisable at \$0.08 per option was issued to an employee as part of the remuneration package.

Movement In Performance Rights During The Year

	2023 Number of performance rights	2022 Number of performance rights
Movement in performance rights		
Balance at the start of the year	-	58,250,000
Performance rights issued ¹	35,200,000	-
Performance rights redeemed as shares	-	(29,125,000)
Performance rights lapsed	-	(29,125,000)
	35,200,000	-

¹ During the financial year, the Company issued the following performance rights:

- On 14 October 2022, the shareholders approved the issue of 32.2 million Related Party Performance Rights to be issued to Directors.

- On 27 February 2023, 3 million Performance Rights were issued to an employee as part of the employee's remuneration package.

18. 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 is determined by management using a Black Scholes option pricing model and the fair value of rights are determined by using a combination of Hoadley's Barrier1 model and Hoadley's Parisian model (the combination of the two models to be referred to as the "Parisian Barrier1 model").

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.

18. Share-Based Payments (Cont'd)

	2023 \$	2022 \$
Reserves		
Balance at the start of the year	6,812,391	7,191,802
Movement in share-based payment reserves	702,166	(379,411)
	7,514,557	6,812,391

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	Balance at Resignation Number	Closing Balance Number
R Lockwood	-	5,000,000	-	-	5,000,000
N Fearis	-	2,500,000	-	2,500,000	-
G Jones	-	2,500,000	-	-	2,500,000
M Greentree	-	13,200,000	-	-	13,200,000
D Rakich	-	9,000,000	-	-	9,000,000
Total	-	32,200,000	-	2,500,000	29,700,000

The grant date of the Related Party Performance Rights was 14 October 2022 and the share price on the grant date is \$0.044. The vesting date and the expiry date of the rights is on 31 October 2024. Vesting conditions are that the holder is employed by, or be a director of, the Company at the time of vesting and upon Ausgold shares trading at a 20 VWAP of \$0.12 at any time during the period to 31 October 2024.

The fair value per right of \$0.0181 is determined by using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model (the combination of the two models to be referred to as the "Parisian Barrier1 Model").

The Hoadley's Parisian Model was first used to generate an implied barrier price that factors in the number of consecutive calendar days for which the underlying asset price must remain above or below the barrier. The implied barrier price is then input into the Hoadley's Barrier1 Model to calculate the value of the performance rights.

The key inputs for the Parisian Barrier1 Model are as follows:

Share price at grant date, 14 October 2022	A\$0.044
Expiry date	31 October 2024
Term	2.05 years from grant date to expiry date
Share price target	20-day VWAP of at least A\$0.12
Implied barrier price	Approximately A\$0.1539 (calculated from Hoadley's Parisian Model based on the respective share price targets of the Performance Rights and the equivalent of 28 calendar days based on the '20-day VWAP' requirement)
Performance measurement and time vesting periods	2.05 years from grant date to 31 October 2024 as stated in the terms and conditions of the Performance Rights
Volatility	Approximately 72% (estimated based on Hoadley's GARCH long-run forecast and Exponentially Weighted Average volatility models using the Company's share price data over the relevant historical period)
Risk free rate	3.3038% per annum (continuously compounded rate based on the interpolated discrete two-year and three-year Australian Government bond yields at 14 October 2022)
Dividend yield	Nil

18. Share-Based Payments (Cont'd)

Share-based payment recognised

A share-based payment expense of \$702,166 (2022: \$531,400) was recorded for the financial year ended 30 June 2023 as follows:

	2023 \$	2022 \$
52,000,000 Performance Rights issued to Directors on 20 November 2020	-	1,264,785
6,250,000 Performance Rights issued to staff on 1 February 2021	-	180,241
7,000,000 Options issued to IRX Pty Ltd on 23 March 2021	-	55,192
3,000,000 Options issued to staff on 19 March 2021	-	58,592
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)
20,000,000 Options issued to Argonaut PCF Limited on 11 November 2022	470,555	-
32,200,000 Performance Rights issued to Directors on 14 October 2022	221,732	-
500,000 Options issued to staff on 27 February 2023	9,879	-
	702,166	531,400

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 2023:

Options:

Grant date/ agreement date	Expiry date	Exercise price	Opening balance (Number)	Granted (Number)	Exercised (Number)	Lapsed (Number)	Closing balance (Number)	Vested (Number)
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	2,500,000	-	-	-	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
11-Nov-22	31-Mar-25	\$0.06	-	20,000,000	-	-	20,000,000	20,000,000
27-Feb-23	31-Dec-25	\$0.08	-	500,000	-	-	500,000	500,000
Total			47,500,000	20,500,000	-	-	68,000,000	68,000,000
Weighted average exercise price			\$0.07				\$0.06	\$0.06

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.32 years (2022: 2.14 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)
14-Oct-22	31-Oct-24	\$0.00	-	32,200,000	-	-	32,200,000	-
27-Feb-23	31-Dec-24	\$0.00	-	3,000,000	-	-	3,000,000	-
Total			-	35,200,000	-	-	35,200,000	-

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1.34 years (2022: nil).

19. Accumulated Losses

	2023 \$	2022 \$
Equity		
Accumulated losses at the start of year	(37,385,191)	(34,798,817)
Loss after income tax attributable to owners	(5,226,957)	(2,586,374)
	(42,612,148)	(37,385,191)

20. 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.

	2023 cents per share	2021 cents per share
From continuing operations		
Basic loss per share	(0.25)	(0.15)
Diluted loss per share	N/A	N/A

The calculation of basic loss per share at 30 June 2023 was based on the loss attributable to ordinary shareholders of \$5,226,957 (2022: \$2,586,374) and a weighted average number of ordinary shares outstanding during the year of 2,083,537,522 (2022: 1,713,467,364).

Earnings used in calculating loss per share

	2023 \$	2022 \$
For basic and diluted loss per share		
Loss after income tax for the year	(5,226,957)	(2,586,374)

Weighted average number of shares used as denominator

	2023 \$	2022 \$
Weighted Average Number of Ordinary Shares (WANOS)		
Weighted average number of ordinary shares	2,083,537,522	1,713,467,364

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.

21. Cash Flows From Operating Activities Reconciliation

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

	2023 \$	2022 \$
Loss after income tax for the year	(5,226,957)	(2,586,374)
Adjustments for:		
Depreciation and amortisation expenses	307,037	139,676
Share-based payment expenses	702,166	531,400
impairment exploration epenses	1,762,651	242,989
Fair value adjustment to financial assets at fair value	(1,750)	35,000
Decrease/(Increase) in trace and other receivables	(98,828)	37,870
Increase/(Decrease) in trade and other payables	251,817	374,699
Increase/(Decrease) in provisions	61,541	87,024
Net cash flows used in operating activities	(2,242,323)	(1,137,716)

The total cash outflows from operating and investing activities for the 2023 financial year was \$12,808,940 (2022: \$12,152,853).

(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 14

22. Auditor’s Remuneration

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

	2023 \$	2022 \$
Auditors of the Group - BDO and related network firms		
Audit and review of the financial statements		
- Group	82,191	70,976
Total audit and review of financial statements	82,191	70,976
Non-audit services		
- DMIRS Form 5 Tenement Expenditure Audit	3,000	-
Total non-audit services	3,000	-

23. 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.

Exploration commitments

Ausgold holds 70 exploration/mining leases under the Mining Act 1978 (WA), which provides the Company to prospect for minerals within the claim area for 12 months. As a condition of the grant of each tenement lease, there is a prescribed amount of annual expenditure which the tenement holder is required to exploit. The total annual expenditure for the tenement leases held as at 30 June 2023 totaled \$4,023,400.

24. 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:

		2023 Equity interest %	2022 Equity interest %
Name	Country of incorporation		
Parent entity			
Ausgold Limited	Australia	-	-
Directly controlled by Ausgold Limited			
Ausgold Exploration Pty Ltd	Australia	100	100
Magenta Resources Pty Ltd ¹	Australia	100	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 25.

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 was an Executive Director of GR Engineering till 27 January 2023 and serves as a Non-executive Director at Ausgold.

The total amount charged by GR Engineering during the financial year when Mr Jones was still a director at GR Engineering was \$22,935. Amounts were due and payable under normal commercial terms.

All transactions with 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.

25. Key Management Personnel

Key management personnel remuneration

	2023 \$	2022 \$
Short-term employment benefits	786,987	697,358
Post employment benefits	69,950	54,616
Long-term employment benefits	4,698	7,896
Share-based payments	221,733	225,772
	1,086,368	985,642

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 GR Engineering Limited. Details of these fees can be found in Note 24.

26. Contingent Liabilities

The Group did not have any contingent assets or liabilities as at 30 June 2023.

27. Events Subsequent To Reporting Date

Ausgold Limited issued 8,000,000 performance rights to employees on 8 September 2023, as part of their remuneration arrangements. Each performance right is an entitlement to receive one fully paid share in Ausgold Limited provided the relevant vesting conditions are satisfied. The performance rights have the same terms and conditions as those performance rights issued to directors (refer to Note 18).

On 14 September 2023, Ausgold announced that it has entered into binding agreements to acquire two farming properties. The properties are located within Mining Lease 70/488, and Exploration Leases 70/2928 and 70/3952. The agreements are each on usual terms, with settlement of the acquisitions not subject to any material conditions precedent and the total consideration being \$10.76 million, with \$3.12 million paid on signing of the agreements and the balance to be paid in early April 2024. Ausgold is currently considering traditional and non-dilutive funding alternatives to fund the deferred consideration and land acquisitions as part of the overarching project finance for the development of the Katanning Gold Project.

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 2023 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

27 September 2023

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 2023, 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 2023 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.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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.

Independent Auditor's Report



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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying Value of Exploration and Evaluation Expenditure

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 12, 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 12 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 12 to the Financial Report.

Independent Auditor's 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 2023, 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.

Independent Auditor's Report



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 26 to 31 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Ausgold Limited, for the year ended 30 June 2023, 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

Ashleigh Woodley
Director

Perth
27 September 2023

Shareholder Information

The shareholder information set out below was applicable as at 18 September 2023.

Distribution of equity securities

Analysis of numbers of ordinary shareholders by size of holding:

Category of Holding	Number of Holders	Number of Shares
1 - 1,000	127	30,131
1,001 - 5,000	91	255,176
5,001 - 10,000	175	1,595,697
10,001 - 100,000	1,561	64,910,129
100,001 and over	1,139	2,229,350,075
Total	3,093	2,296,141,208

633 shareholders held less than a marketable parcel (<\$500) of ordinary shares.

Twenty largest shareholders

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

Shareholders	Number of shares
CITICORP NOMINEES PTY LIMITED	572,324,470
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	99,110,592
BNP PARIBAS NOMS PTY LTD <DRP>	77,495,107
MR RICHARD ARTHUR LOCKWOOD	68,000,000
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	53,333,168
OLD BLOOD AND GUTS PTY LTD	49,447,294
TREASURY SERVICES GROUP PTY LTD <NERO RESOURCES FUND A/C>	39,116,533
ALL STATES FINANCE PTY LIMITED	35,666,666
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	35,406,060
DENIS RAKICH	33,548,681
M&J GREENTREE NOMINEES PTY LTD <M&J GREENTREE FAMILY A/C>	23,950,000
BELL POTTER NOMINEES LTD <BB NOMINEES A/C>	20,750,000
PRECISION OPPORTUNITIES FUND LTD <INVESTMENT A/C>	20,000,000
BERNE NO 132 NOMINEES PTY LTD <152417 A/C>	19,020,953
TREVOR PAVEY PTY LTD <PAVEY FAMILY A/C>	17,618,204
DOUGLAS FINANCIAL CONSULTANTS PTY LTD	17,000,000
MOLATE PTY LIMITED <ALLAN HAIN RETIRE FUND A/C>	16,964,100
BATTERBURY HOLDINGS PTY LTD	16,080,000
BOND STREET CUSTODIANS LIMITED <TRYLAN - D83486 A/C>	15,600,000
PENDOMER INVESTMENTS PTY LTD <LAW SETTLEMENTS FUND A/C>	14,000,000
Total	1,244,431,828

Voting rights

All fully paid ordinary shares carry one vote per share.

Substantial holders

The Company received the following notices of substantial shareholding:

Substantial holders	Relevant interest per notice received Number of shares
Dundee Resources Limited	287,091,962
Jupiter Investment Management Ltd	219,000,000

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 \$0.063 per share	03-May-24	16,000,000
Unlisted options exercisable at \$0.08 per share	30-Jun-24	3,000,000
Unlisted options exercisable at \$0.06 per share	30-Jun-24	4,000,000
Unlisted options exercisable at \$0.06 per share	31-Mar-25	35,000,000
Unlisted options exercisable at \$0.08 per share	31-Mar-25	500,000
Total		68,000,000

Performance Rights on issue

Performance Rights	Expiry Dates	Number of Rights
Performance Rights granted 14 October 2022	31-Oct-24	32,200,000
Performance Rights granted 14 October 2022	31-Oct-25	8,000,000
Total		40,200,000

Schedule Of Mineral Tenement Interests

State	Tenement	Tenement status	Grant date	Project	Interest %
Western Australia Tenements					
WA	E38/2129	Granted	13-Oct-08	Yamarna	25
WA	E52/3031	Granted	4-Feb-14	Doolgunna	100
WA	E70/3952	Granted	18-Jan-11	Katanning Regional	100
WA	E70/4392	Granted	25-Mar-13	Katanning Regional	100
WA	E70/4566	Granted	12-Aug-14	Katanning Regional	100
WA	E70/4604	Granted	13-Jan-15	Katanning Regional	100
WA	E70/4605	Granted	13-Jan-15	Katanning Regional	100
WA	E70/4682	Granted	28-Jul-15	Katanning Regional	100
WA	E70/4728	Granted	8-Jan-16	Katanning Regional	100
WA	E70/4855	Granted	29-Nov-16	Katanning Regional	100
WA	E70/4865	Granted	10-Jan-17	Katanning Regional	100
WA	E70/4866	Granted	10-Jan-17	Katanning Regional	100
WA	E70/4896	Granted	9-Mar-17	Katanning Regional	100
WA	E70/4907	Granted	11-Apr-17	Katanning Regional	100
WA	E70/4908	Granted	3-May-17	Katanning Regional	100
WA	E70/4942	Granted	21-Aug-17	Katanning Regional	100
WA	E70/4947	Granted	6-Nov-17	Katanning Regional	100
WA	E70/4958	Granted	18-Apr-18	Katanning Regional	100
WA	E70/4959	Granted	11-Apr-18	Katanning Regional	100
WA	E70/4968	Granted	4-Jan-18	Katanning Regional	100
WA	E70/5040	Granted	14-Jun-18	Katanning Regional	100
WA	E70/5042	Granted	14-Jun-18	Katanning Regional	100
WA	E70/5043	Granted	14-Jun-18	Katanning Regional	100
WA	E70/5692	Granted	22-Apr-21	Katanning Regional	100
WA	E70/5850	Granted	7-Sep-21	Katanning Regional	100
WA	E70/5885	Granted	8-Nov-21	Katanning Regional	100
WA	E70/5922	Granted	19-Nov-21	Katanning Regional	100
WA	E70/5923	Granted	19-Nov-21	Katanning Regional	100
WA	E70/5924	Granted	19-Nov-21	Katanning Regional	100
WA	E70/5925	Grabted	19-Nov-21	Katanning Regional	100
WA	E70/5926	Granted	19-Nov-21	Katanning Regional	100
WA	E70/5927	Granted	19-Nov-21	Katanning Regional	100
WA	E70/5928	Granted	19-Nov-21	Katanning Regional	100
WA	E70/5929	Granted	19-Nov-21	Katanning Regional	100
WA	E70/5930	Granted	19-Nov-21	Katanning Regional	100
WA	E70/5931	Granted	19-Nov-21	Katanning Regional	100
WA	E70/6030	Granted	5-Apr-22	Katanning Regional	100

State	Tenement	Tenement status	Grant date	Project	Interest %
Western Australia Tenements					
WA	E70/6058	Granted	9-Aug-22	Katanning Regional	100
WA	E70/6311	Granted	20-Dec-22	Katanning Regional	100
WA	G70/84	Granted	13-Jun-89	Katanning Gold Project	100
WA	G70/85	Granted	13-Jun-89	Katanning Gold Project	100
WA	L70/13	Granted	24-May-89	Katanning Gold Project	100
WA	L70/32	Granted	11-Dec-95	Katanning Gold Project	100
WA	L70/33	Granted	11-Dec-95	Katanning Gold Project	100
WA	E70/2928	Granted	26-Nov-08	Woodanilling	100
WA	M70/210	Granted	28-Mar-85	Katanning Gold Project	100%
WA	M70/211	Granted	28-Mar-85	Katanning Gold Project	100%
WA	M70/488	Granted	19-Apr-94	Katanning Gold Project	100%
WA	E70/4991	Granted	31-Jan-18	Lake Magenta	100%
WA	E70/5044	Granted	14-Jun-18	Lake Magenta	100%
WA	E70/5188	Granted	12-Feb-19	Lake Magenta	100%
WA	E70/5285	Granted	29-Oct-19	Lake Magenta	100%
WA	E70/5688	Granted	27-Apr-21	Lake Magenta	100%
WA	E70/5689	Granted	27-Apr-21	Lake Magenta	100%
WA	E70/6378	Granted	7-Mar-23	Lake Magenta	100%
WA	E70/5131	Granted	26-Oct-18	Stanley Farm-In	-
WA	E70/4787	Granted	1-Jul-16	Stanley Farm-in	-
WA	E70/4863	Granted	10-Jan-17	Woodanilling	100%
WA	E70/4864	Granted	10-Jan-17	Woodanilling	100%
WA	E70/5142	Granted	7-Apr-19	Woodanilling	100%
WA	E70/5223	Granted	5-Jul-19	Woodanilling	100%
WA	E70/5643	Granted	29-Apr-21	Woodanilling	100%
WA	E70/5644	Granted	29-Apr-21	Woodanilling	100%
WA	E70/5681	Granted	27-Apr-21	Woodanilling	100%
WA	E70/5770	Granted	15-Jul-21	Woodanilling	100%
WA	E70/5655	Granted	29-Apr-21	Kojonup	100%
WA	E70/5656	Granted	5-May-21	Kojonup	100%
WA	E70/6377	Granted	7-Mar-23	Kojonup	100%
WA	E70/6491	Application	-	Kojonup	100%
Queensland Tenement					
QLD	EPM17054	Granted	26-Nov-10	CRACOW	100

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