

THIRD QUARTER ACTIVITIES REPORT TO 30 JUNE 2022

HIGHLIGHTS

-  **Abernethy Shear Zone-Kingswood Gold Prospect (E51/1790)**
Assay results from one diamond hole drilled at Kingswood have returned gold mineralisation within the core of the tonalitic intrusion.
-  **Transylvania Gold Prospect (E51/1791)**
One diamond hole was drilled at Transylvania to gain structural and lithological data; electrum/gold was identified within the alteration zone
-  **Government Well Gold-Base Metals Prospect (E51/1609)**
Two reverse circulation holes were drilled at CVI conductor and the second was abandoned on the upper part of the conductor at a depth of 313m; a diamond tail is planned to test the conductor.

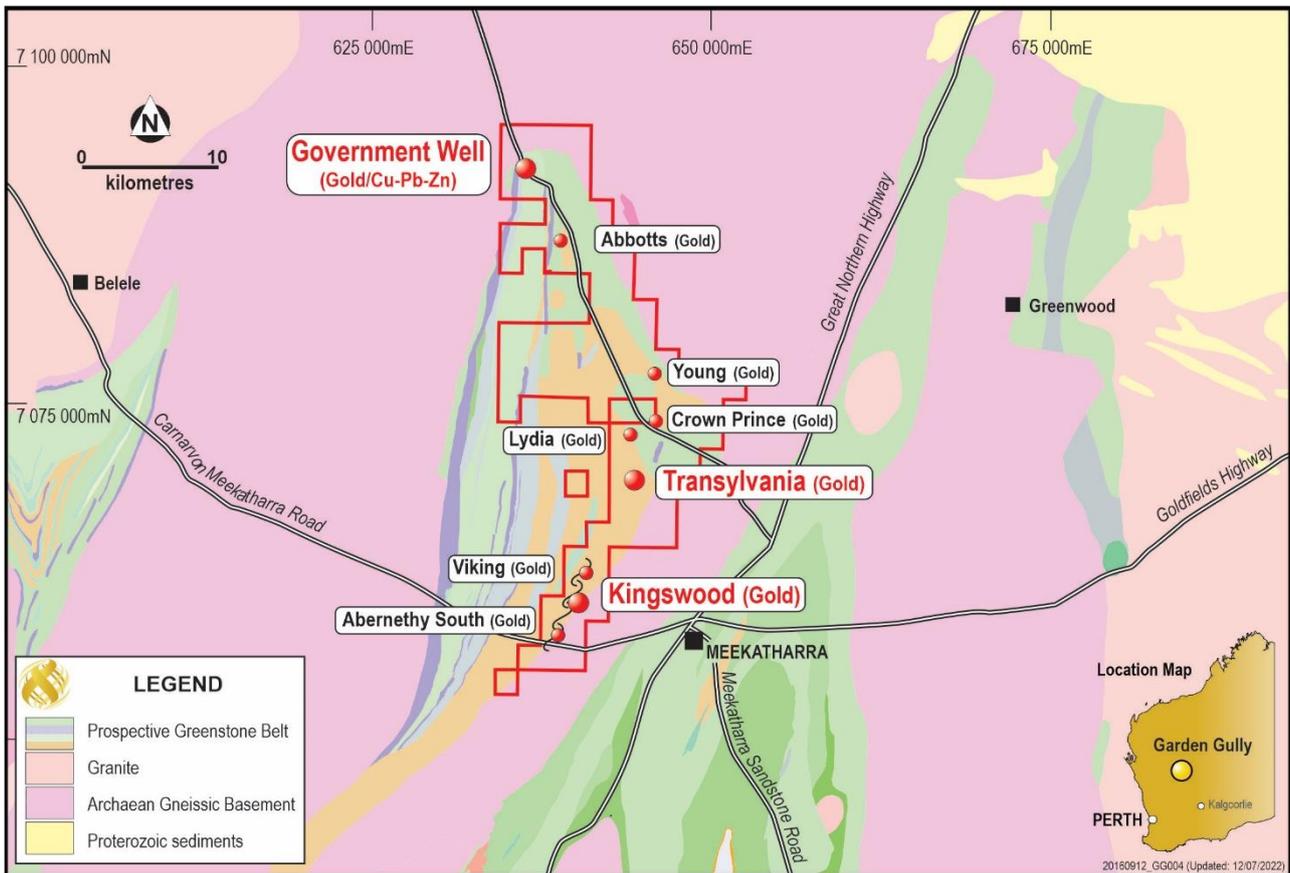


Figure 1: Location of the prospects within the Garden Gully Project

ABBOTTS GREENSTONE BELT PROJECTS, WA (OAU 100%)

During the quarter two diamond holes have been drilled and the assay results have been assessed at both Kingswood and Transylvania gold prospects. The holes details and significant gold intercepts are included in Tables 1 & 2.

One reverse circulation hole was drilled at CVI gold and base metals prospect from Government Well and was abandoned on the upper part of the conductor at the depth of 313m; a diamond tail is planned to fully test the target.

The exciting new gold zone at Abernethy has been drilled (Figure 2) by Ora Gold Limited (Ora Gold) for the first time (17 November 2021). The Kingswood gold prospect is located at the north end of a seven-kilometre long tonalite intrusive associated with shallow gold mineralisation along the Abernethy Shear Zone. No mining has taken place as it is under varying thickness of transported cover and it is only partially tested by previous explorers.

Ora Gold continues to increase the potential for additional resource delineation on its Garden Gully / Abbots Greenstone Belt tenements. Information about the Crown Prince Gold Project and prospects in the Abbots Greenstone Belt / Garden Gully tenements are outlined at the end of this report.

Table 1. Diamond and reverse circulation drill holes details (MGA 2020, Zone 50)

Hole ID	Easting	Northing	RL	Depth	Azimuth	Dip	Lease ID	Prospect
OGGDD438	636715	7093382	499	313	110	-55	E51/1609	CVI-Government Well
OGGDD439	639410	7060110	480	225.4	90	-60	E51/1790	Kingswood
OGGDD440	636721	7093387	485	156.4	270	-54	E51/1791	Transylvania

Abernethy Shear Zone is one of the best-defined mineralised structures in the entire Abbots Greenstone Belt and has the potential to significantly increase gold resources in addition to Crown Prince, Lydia and Transylvania. It has been targeted in the past by various explorers including WMC Resources Ltd., Tantalum Australia NL, Australian Gold Mines, Accent Resources and more recently Doray Minerals Ltd. It is completely concealed by transported cover and was defined by sparse drilling between the Viking prospect to the north-east, and Abernethy South to the south-west over a strike length of more than seven kilometres (Figure 1).

Apart from the Kingswood prospect, many gold occurrences have been previously drilled along the Abernethy Shear Zone and shallow targets include outcropping basement to the east of the Airstrip prospect where the transported cover is very thin. In addition to gold mineralisation, the zone remains prospective for sulphide-related deposits as indicated by the Doray, 2013 electromagnetic survey, which identified many basement conductors that remain untested (Figures 2 and 3).

Kingswood Gold Prospect-Abernethy Shear Zone

Diamond hole OGGDD439 was drilled easterly at the Kingswood gold prospect totalling 225.4m and was aimed to gain structural, lithological and metallogenic information of the tonalitic intrusive emplaced within the Abernethy Shear Zone (Figures 2 and 4). The details of the hole are included in Table 1 and the significant gold, silver and arsenic assays are shown in Table 2. All the assay data on this hole was announced to the market on July 13, 2022. The hole was designed to also test the down dip extension of previous gold mineralisation intersected by air core drill holes. It was drilled from surface with HQ diameter to the depth of 95.4m and reduced to NQ2 to the final depth of 225.4m. The current detailed core logging, systematic hand-held XRF readings and petrological samples show a complex mineralised felsic-intermediate-mafic intrusion within this section of the regional Abernethy Shear Zone which is located within the proximity of the granitic continental margin.

Petrographic and mineragraphic descriptions of various sections of the core done by Craig Rugless from Pathfinder Exploration Pty. Ltd. show that the tonalitic intrusion both margins of quartz-dioritic composition. It is suggested that the felsic core of the high-level intrusion could be differentiated from the same type of magma. Petrology shows a leuco-tonalite rock for the more competent and brittle core which hosts various quartz veins with sulphidic veinlets consisting of pyrite, sphalerite, pyrrhotite, chalcopyrite, arsenopyrite and grains of electrum-gold (Figure 4 and Table 2).

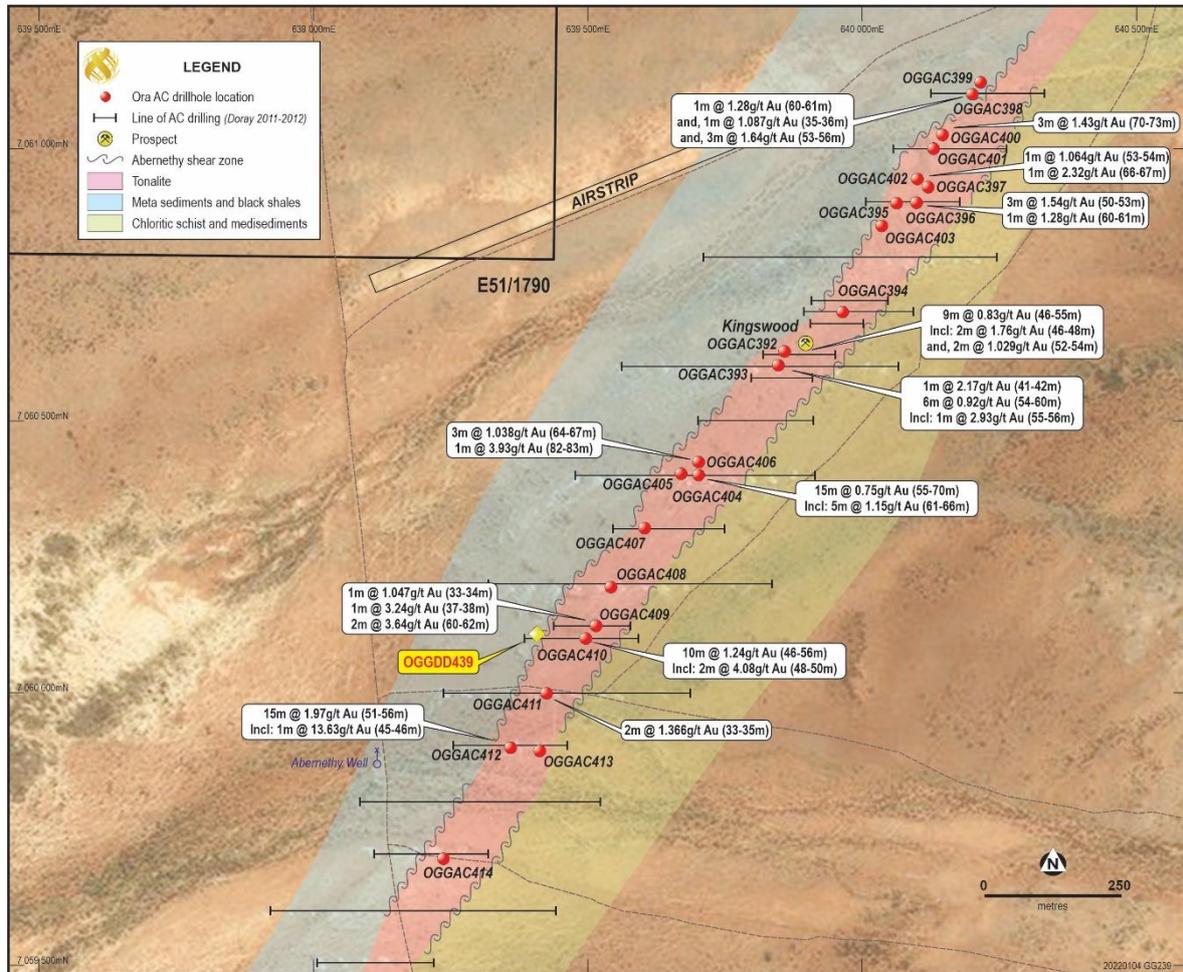


Figure 2: Structural setting, previous air core holes with significant intersections and recent diamond hole drilled at Kingswood prospect

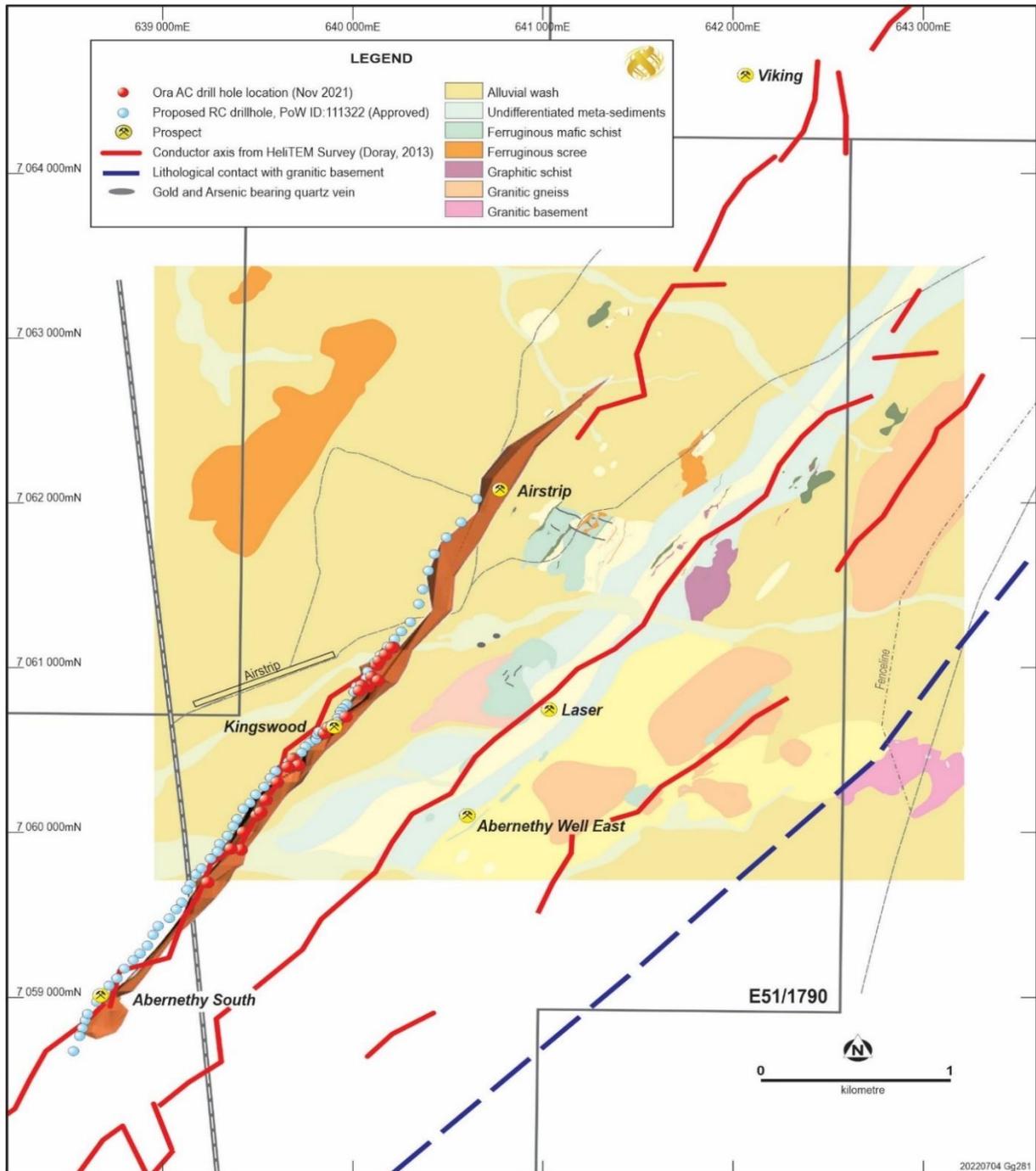


Figure 3: Outcropping geology, modelled tonalite from historical drilling, conductor axes (Heli TEM survey) and proposed further drilling at Abernethy gold prospects

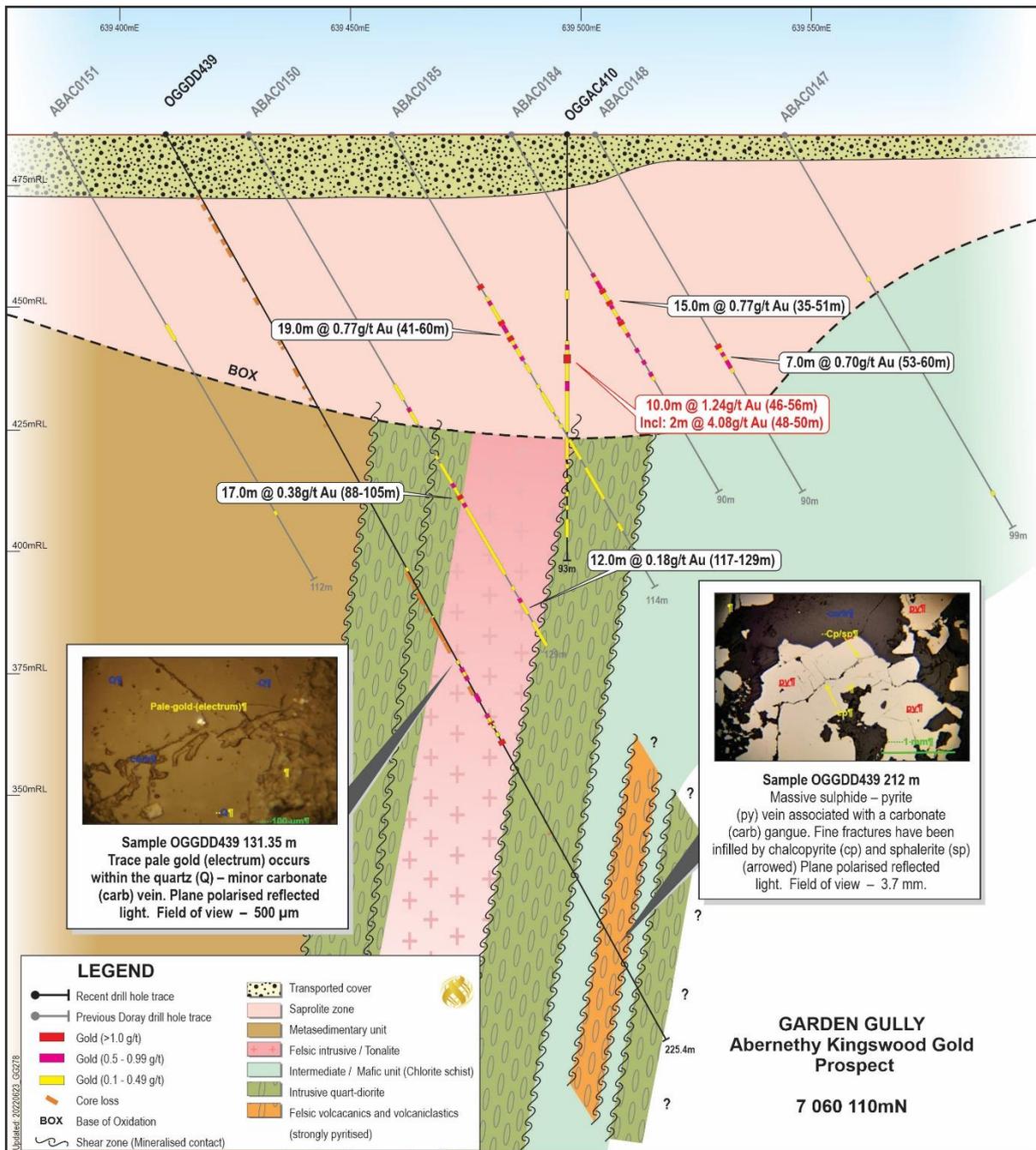


Figure 4. Inferred lithology, structural setting, and assay results from OGGDD439 (Kingswood)

Table 2. Gold, silver and arsenic assays from the recent diamond hole at Kingswood

Hole ID	From(m)	To(m)	Int(m)	Au(g/t)	Ag(g/t)	As(ppm)	Details
OGGDD439	108	109	1	0.118	0.8	728.1	mg
Core Loss							
	111	112	1	0.006	0.54	730.1	
	113	114	1	0.018	14.38	489.1	mg, bi, ser
Core Loss							
	117	117.4	0.4	0.018	5.17	284.7	
Core Loss							
	120	120.4	0.4	0.119	0.83	780.7	mg, po, py
Core Loss							
	126.2	126.4	0.2	0.025	3.59	306.3	py, po, ser
Core Loss							
	129	129.4	0.4	0.01	3.1	128.1	
	129.7	130.7	1	0.01	0.08	81.4	py, po, mg
Core Loss							
	131	131.2	0.2	0.019	0.09	397.5	qbr, py, sph, apy
	131.2	132	0.8	0.13	0.36	1163.5	sv, qbr, py, apy, el
	132	133	1	0.082	0.11	1761	sv, qbr, py, cpy
	133	134	1	0.522	0.34	3301.1	sv, qbr, py, apy
	134	135	1	0.171	0.13	1026.2	qbr, py, po, apy
	135	136	1	0.525	0.25	5063.8	sv, qbr, py, apy
	136	137	1	0.037	X	1313.2	qbr, py, po, apy, sv
	137	137.4	0.4	0.031	X	1349.9	sv, qbr, py, apy
Core Loss							
	139.5	140.5	1	1.09	0.33	5873.4	sv, qbr, py, apy
	140.5	141.4	0.9	0.643	0.2	3288.4	qbr, py, po, sv, apy, sph
	141.7	142.4	0.7	0.011	0.84	64.9	sv, qbr, py, apy
	142.4	142.8	0.4	0.016	0.82	41.5	qbr, py, po, apy, sph
Core Loss							
	143.4	144.4	1	0.009	0.42	47.3	qbr, py, po, apy
	144.4	145.4	1	0.913	0.26	3977.1	sv, qbr, py, po, apy, sph
	145.4	146.4	1	0.326	0.14	3667.2	qbr, py, sv, po, apy
	146.4	146.9	0.5	1.37	0.44	10816	qbr, sv, py, apy
	147.4	148	0.6	0.145	0.21	365.9	sv, qbr, py, apy, sph
	148	149	1	0.089	0.23	1338.5	qbr, py, sv, apy
	149	150	1	0.103	0.23	1696.4	qbr, py, apy
	150	151	1	0.019	0.14	397.2	qbr, py, po, apy
	151	152	1	1.369	2.89	18984	sv, qbr, py, po, apy, sph

qbr-brecciated quartz; sv-sulphidic veinlets(1-2mm); mg-magnetite; py-pyrite; cpy-chalcopyrite; bi-secondary biotite; ser-sericite; po-pyrrhotite; apy-arsenopyrite; sph-sphalerite; el-electrum/gold

Government Well- CVI Conductor (E51/1609-100%)

The CVI conductor at a depth of ~300m is a high priority base metal – gold target. An RC hole (OGGRC436) was drilled in January 2022 but was abandoned at 324m due to excessive deviation and a shortage of drill rods. A further attempt was made in April 2022 by drilling another hole in front of OGGRC436 at a shallower angle from surface (OGGRC438, Figure 5). The upper contact of the conductor was intersected at around 292m, but this hole was abandoned at 313m after the drill string jammed.

Highly anomalous values of arsenic and low gold tenor were returned from the assay data on the lower part of this hole but the deeper part of CVI remains untested (Table 3). A gold target at the footwall of the conductor also remains untested: the best gold intersections from a previous hole (OGGRC253), drilled 100m to the SSW of this section, returned 15m at 0.51g/t Au from 181m, including 3m at 1.05g/t Au from 185m. Previous shallow holes OGGRC241-242 also intersected encouraging gold values on the hangingwall part of the conductor and thin veins of felsic porphyries are present close to this structure towards the north-east. The recent assay results from the lower part of hole OGGRC438 show elevated multi-element geochemistry which could be related to the late-stage more differentiated granites occurring immediately to the north.

Very high arsenic values at 313m (1,916ppm) at end of hole in OGGRC438 suggest that the best gold potential is below this depth. Re-entering hole OGGRC436 for a short diamond tail will test the potential at depth of the CVI conductor and the Company may undertake such work depending on rig availability.

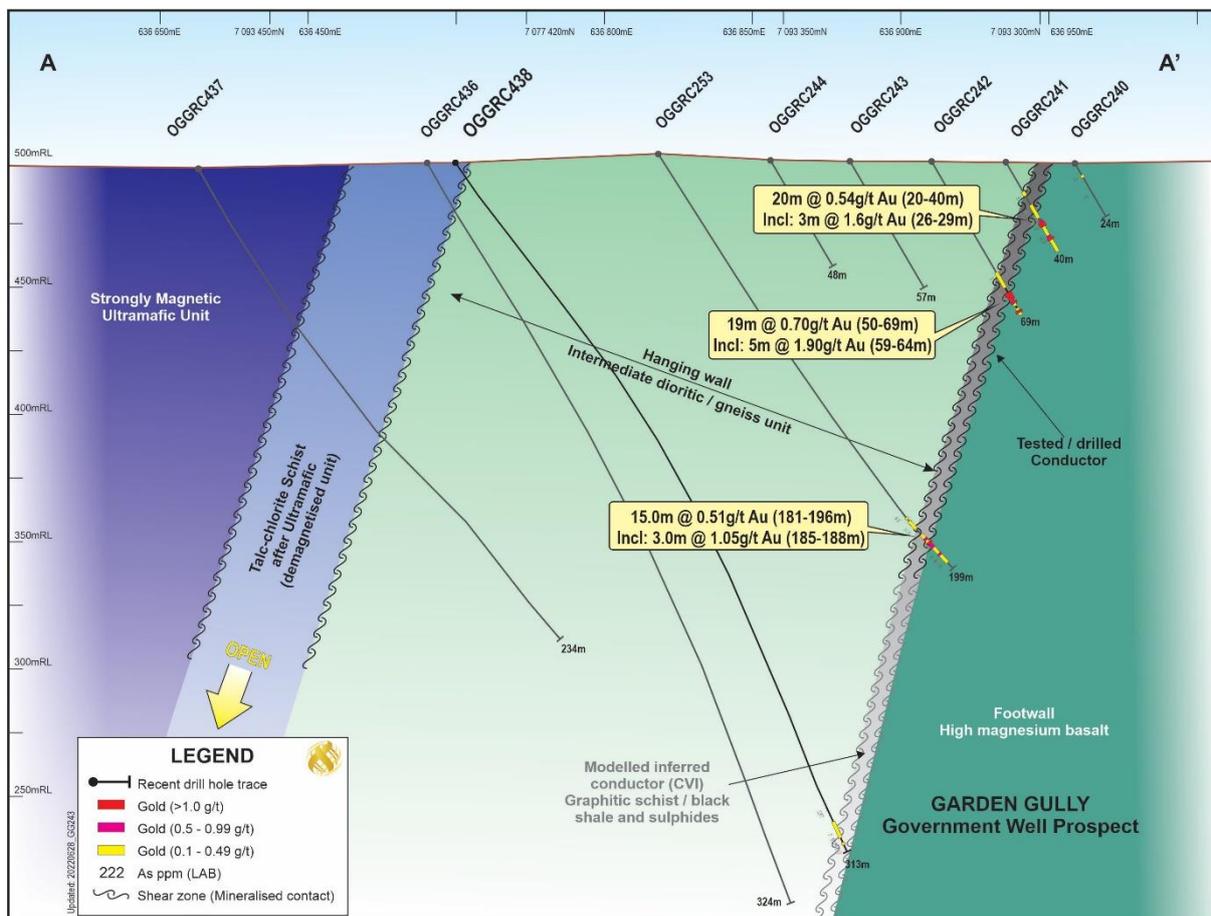


Figure 5. Inferred lithology, structural setting, and RC drill hole traces at CVI conductor

Table 3. Assay results data on the lower part of the abandoned OGGRC438

From	To	Au	Ag	As	Cd	Cr	Cu	Ni	Pb	Sb	Se	Te	W	Zn
290	291	X	X	22.6	0.1	193	20	95	13	0.8	0.5	X	0.7	84
291	292	X	0.1	49.4	0.2	242	74	121	13	0.7	X	X	0.7	103
292	293	X	0.1	34.2	0.1	164	40	84	11	0.5	X	X	0.6	67
293	294	0.05	0.1	67.3	X	218	69	127	6.5	0.9	0.8	X	2.2	94
294	295	0.02	0.3	212.7	1.1	325	78	178	19	3.2	2.4	0.3	2	323
295	296	0.06	1.1	355.7	2.3	268	247	277	69	7.6	8.2	1.2	2.2	852
296	297	0.04	0.7	178.3	0.6	384	185	213	50	6.9	5	0.7	2.4	253
297	298	0.04	0.7	48.6	0.6	375	206	197	44	11	4.8	0.6	2.8	275
298	299	0.11	1.2	6.7	3.2	218	344	318	75	20	9.9	1.2	2.6	1339
299	300	0.05	0.7	6	2	138	222	199	87	42	7.1	0.8	3.5	805
300	301	0.1	1.2	15.9	4.6	245	349	217	75	31	8.6	1	5.7	1874
301	302	0.17	1.6	40.5	3.7	271	541	233	135	81	9.7	1.3	5.3	1526
302	303	0.18	1.9	20.1	8.1	207	718	363	92	41	15	1.5	4.4	3318
303	304	0.26	2.1	9	5.1	141	649	460	390	136	20	2.4	4.4	1966
304	305	0.12	1	118.3	2.2	82	222	125	84	33	5.9	0.9	41	812
305	306	0.16	1.8	18.2	7.7	182	540	290	138	56	13	1.6	5.4	3196
306	307	0.14	0.2	423.8	0.7	26	24	15	18	3.5	0.7	X	158	169
307	308	0.09	0.4	252.9	0.4	43	44	26	29	4.5	1.2	0.2	44	123
308	309	0.06	1	434.8	0.6	65	194	125	62	6	4.9	0.4	22	180
309	310	0.17	0.2	181.2	0.1	18	12	8	18	1.3	X	X	12	53
310	311	0.05	0.9	109.4	0.7	128	157	103	66	15	3.9	0.5	29	168
311	312	0.04	0.5	645.6	0.2	31	27	16	43	5.4	0.8	0.2	620	58
312	313	0.05	0.4	1917	0.6	45	76	34	47	9.1	2.4	0.4	299	202

All assay values are in ppm

Transylvania Gold Project (P51/1791–100%)

One diamond hole (OGGDD440) was drilled westerly from surface on the northern part of the previously defined Transylvania Shear Zone to test the northern extension of this mineralised structure and down-dip gold potential (Figure 6). The hole was drilled with HQ diameter rods until the depth of 95.2m, when the reduction to NQ2 diameter rods was done and continued to the final depth of 156.4m. All hole details are included in Table 1.

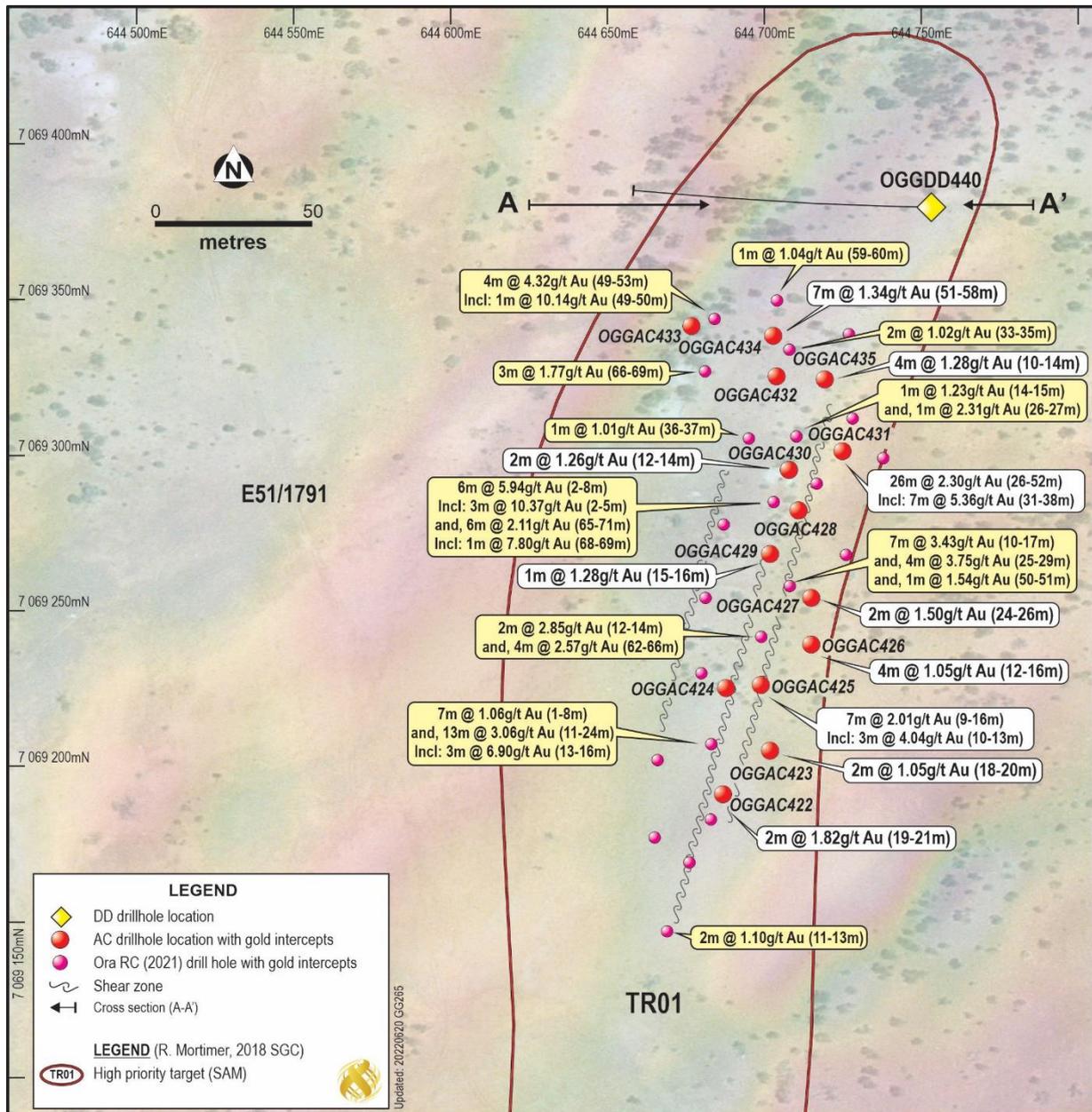


Figure 6: Structural setting and the significant intersections from 2021 reverse circulation holes and the location of the current OGGDD440 at the Transylvania gold prospect

Previous gold intercepts are hosted within a well-defined shear zone located between two mafic units. Mineralized shoots, with a dominant south-westerly plunge, are present within this 25-30m wide deformational zone called Transylvania Shear Zone.

Petrographic description of mineralized core at 90.1m shows the presence of gold (electrum) and skeletal magnetite grains within the mineralized matrix of the strongly

deformed/tectonized dolerite with silica-carbonate-sericite alteration (Figure 7). Elevated arsenic values have returned over the intersected alteration zone, but no gold values are associated with it (Table 4).

Table 4. Gold, silver and arsenic values from the core of the OGGDD440

Hole ID	From(m)	To(m)	Int(m)	Au(ppm)	Ag(ppm)	As(ppm)
OGGDD440	15.6	16.6	1	0.012	0.83	189
(Transylvania)	28.6	29.6	1	X	0.2	356
	33.6	34.6	1	0.024	0.17	235.2
	38	39	1	0.009	0.17	221.6
	82	83	1	0.013	0.15	163.9
	83	84	1	0.026	0.06	145.4
	84	85	1	0.013	0.06	155.6
	85	86	1	0.011	0.07	188.1
	86	87	1	0.007	0.08	324.2
	87	88	1	0.006	0.08	339.7
	88	89	1	X	0.14	227.7
	89	90	1	X	0.06	301.7
	90	91	1	X	X	200.1
	91	92	1	X	X	172.7
	92	93	1	0.018	0.07	377.9
	93	94	1	0.005	X	103.1
	94	95	1	0.011	0.29	131.6
	95	96	1	X	X	61.1
	96	97	1	0.048	X	221.5

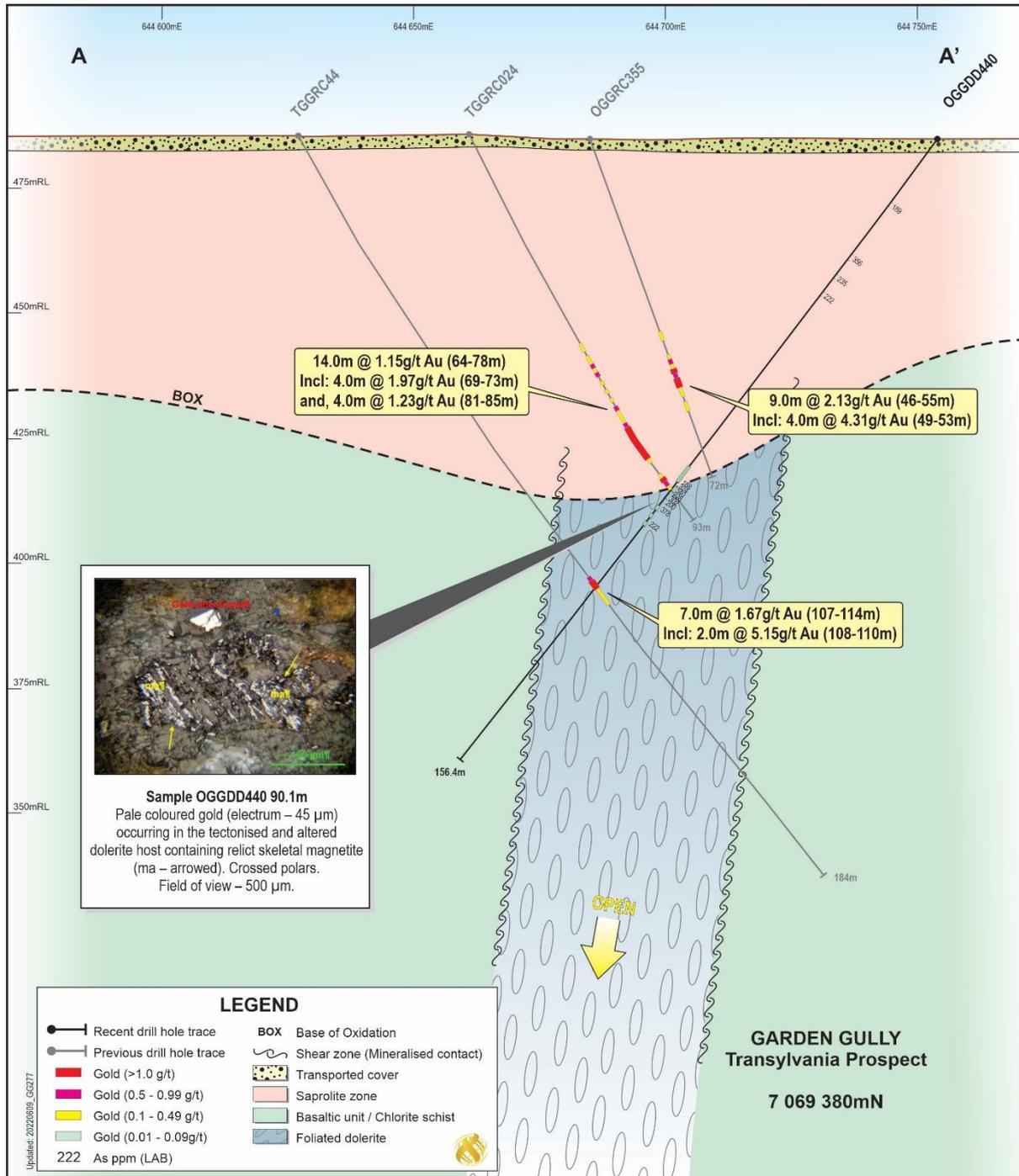


Figure 7. Inferred lithology, structural setting and assay results from OGGDD440 (Transylvania)

RED BORE TENEMENT (M52/597, OAU 15% fci)

Ora Gold holds a 15% free carried interest in the Red Bore tenement managed by Sandfire Resources Limited, which operates the adjacent DeGrussa Mine.

No field work was done during the quarter.

KELLER CREEK NICKEL AND GRAPHITE PROJECT (E80/4834, OAU 20% fci)

Ora Gold holds a 20% free-carried interest in the Keller Creek tenement through to a decision to mine. Panoramic Resources Limited, which operates the Savannah Nickel Mine adjacent to the tenement, holds 80% in Keller Creek and manages exploration on the tenement.

A baseline environmental study was commenced though no exploration work was done during the quarter.

EXPLORATION ACTIVITIES

Ora Gold's exploration and evaluation activities during the quarter totalling \$393,000 predominately related to:

- Diamond drilling and interpretation of assay results at the Kingswood Gold Prospect;
- Diamond drilling and interpretation of assay results at the Transylvania Gold Prospect;
- Reverse circulation drilling and interpretation of assay results at the CVI conductor-Government Well;
- Surface geochemistry assaying and data integration for further targeting;

PRODUCTION AND DEVELOPMENT

None of Ora Gold's projects are at a production or development stage and consequently there were no activities during the quarter relating to production or development.

SCHEDULE OF TENEMENTS

Project / Tenement		Interest at Start of Quarter	Interest at End of Quarter	Acquired During the Quarter	Disposed During the Quarter	Joint Venture Partner/Farm-in Party
Western Australia						
Keller Creek	E80/4834	20% fci	20% fci	-	-	Panoramic (PAN)
Red Bore	M52/597	15% fci	15% fci	-	-	Sandfire Resources (SFR)
Garden Gully Project						
Crown Prince	P51/3009	100%	100%	-	-	-
Government Well	E51/1609	100%	100%	-	-	-
Young/Lydia	E51/1661	100%	100%	-	-	-
Abbotts	E51/1708	100%	100%	-	-	-
Cervantes	E51/1721	100%	100%	-	-	-
Young	E51/1737	100%	100%	-	-	-
Abbotts	E51/1757	100%	100%	-	-	-
Abernethy	E51/1790	100%	100%	-	-	-
Abernethy	E51/1791	100%	100%	-	-	-
Abbotts	M51/390	100%	100%	-	-	-
Crescent	M51/567	100%	100%	-	-	-
Crown Prince	M51/886	100%	100%	-	-	-
Lydia	M51/889	100%	100%	-	-	-

ABOUT ORA GOLD LIMITED

Ora Gold's wholly-owned tenements cover the prospective area of the Abbotts Greenstone Belt (Figure 1) and comprise 4 granted Mining Leases, 1 granted Prospecting Licence and 8 granted Exploration Licences covering about 288 square kilometres.

The strategy for the advanced gold projects – Abbotts, Crown Prince and Lydia and base metal prospects at Government Well, is to pursue early gold production while increasing resources and exploring for large gold and base metal deposits.

ABOUT CROWN PRINCE GOLD PROJECT (M51/886)

The Crown Prince deposit is located about 18 kilometres north-west of Meekatharra in Western Australia on the Mt Clere Road (Figure 1). A Mineral Resource update and positive scoping study have been completed.

Historical production was 29,400 tonnes for 20,178oz at a recovered grade of 21.7g/t Au to a depth of 90 metres. The unmined supergene halo and other zones provide a Mineral Resource Estimate (Table 1) for the Crown Prince deposit (21 October 2019).

TABLE 1. Crown Prince 2019 Mineral Resource Estimate

Indicated Resource			Inferred Resource			Total Resource		
Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au
218,000	4.3	30,000	261,000	3.1	26,000	479,000	3.6	56,000

Figures are rounded to reflect relative uncertainty of the estimates

The estimate is only to a depth of 270m and used block modelling with Ordinary Kriging interpolation, a block cut-off grade of 1.2g/t Au and top cut of 30g/t Au. It is a combination of Indicated and Inferred Resources to 100m depth and Inferred Resources for deeper mineralisation. Further drilling and development of deeper high-grade mineralisation (cf. deepest hole TGGRCDD110 of 8m at 22.3g/t Au from 259m) and newly identified parallel zones may increase the Mineral Resource estimate.

An oxide open pit design was the basis for the positive scoping study as summarised in Table 2, with details available in the 11 December 2019 announcement of the study results.

TABLE 2. Crown Prince Gold Project Scoping Study Estimates*

Production Target	177,472 tonnes
Grade	4.14g/t Au
Stripping Ratio (tonnes)	10.1
Gold Recovery	95%
Gold Produced (97% Indicated Resource)	22,444 ounces
Pre-development (including mobilisation)	\$1.4M
Operating Cash Cost	\$891/ounce
All-In-Sustaining-Cost per ounce	\$1,006/ounce
Gold Price	\$2,000/ounce
Net distributable surplus before tax (+/-30%)	\$21.1M

* OAU confirms that all material assumptions underpinning the production target and forecast financial information derived from it as reported 11 December 2019 continue to apply and have not materially changed, except the Gold Price which has increased to about \$2,500/ounce.

The scoping study pre-tax financial forecast is the 100% site surplus after direct costs of pre-development, mine establishment, operating, sustaining capital and mine closure and the payment of state and private royalties. The estimate basis is of a small mine and a large offsite processing plant and does not include any cost or revenue sharing arrangement with a processing party. Ora Gold has sufficient accrued tax losses to offset all income tax liabilities for the proposed project.

Following the Mineral Resource estimate for Crown Prince (21 October 2019) and the release of positive Scoping Study results (11 December 2019), Ora Gold has advanced discussions for off-site treatment of the proposed oxide open pit and the approvals required for the Crown Prince Mining Lease.

OTHER GARDEN GULLY AREA TARGETS AND PROSPECTS

Several other gold occurrences and untested geological and geophysical targets south of the main Garden Gully drainage form the **Lydia-Eclipse Lineament** shown in Figure 8.

Eclipse prospect has been fossicked by various prospectors and tested with shallow drilling by St Barbara and rock chip sampling. The presence of complex structural deformation within talc-chlorite schists indicates good gold potential and similarities with other prospects along the lineament.

Crown Prince South is a prominent gold-arsenic anomaly approximately 200m south of the Crown Prince main shaft, where Ora Gold previously intersected gold mineralisation at various depths around an interpreted south-westerly plunging shoot and additional drilling is planned.

Drilling is also planned to follow up the **Government Well** base metal and gold mineralisation and at other partially explored prospects in Ora Gold’s Abbots Greenstone Belt tenement holdings.

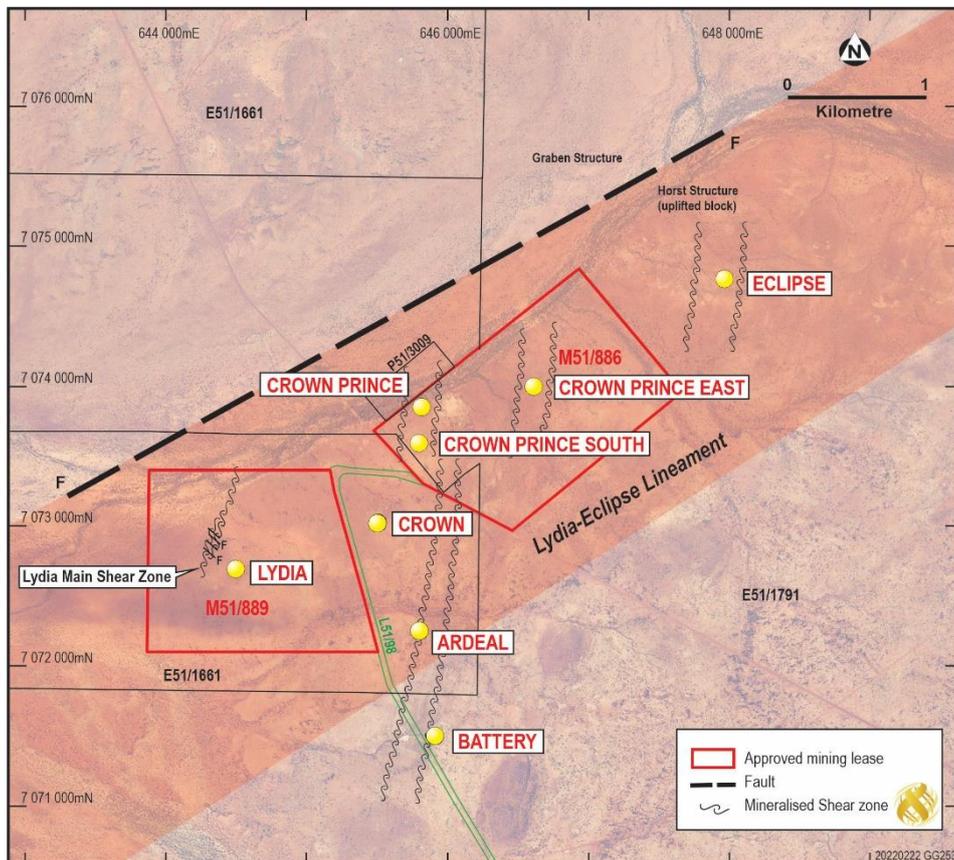


Figure 8. Gold prospects and untested targets over the Lydia-Eclipse Lineament

This report has been authorised for release to the market by the Board.

For Further Information Contact:

Philip Bruce
 Director
 0412 409 555

Competent Person Statement – Ora Gold information

The details contained in this report that pertain to Exploration Results, Mineral Resources or Ore Reserves, are based upon, and fairly represent, information and supporting documentation compiled by Mr Costica Vieru, a Member of the Australian Institute of Geoscientists and a full-time employee of the Company. Mr Vieru has sufficient experience which is relevant to the style(s) of mineralisation and type(s) of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr Vieru consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

Competent Person Statement – Crown Prince Gold Project

The details contained in this report that pertain to Crown Prince Exploration Results, Mineral Resources or Ore Reserves are based upon, and fairly represent, information and supporting documentation compiled by Mr Philip Mattinson, Mr Costica Vieru, Mr Philip Bruce and Mr Brian Fitzpatrick. Mr Mattinson and Mr Vieru are Members of the Australian Institute of Geoscientists. Mr Mattinson is a consultant to the Company, Mr Vieru is a full-time employee of the Company and Mr Bruce is a Fellow of the Australasian Institute of Mining and Metallurgy and a Director of the Company. Mr Fitzpatrick is a Principal Geologist with Cube Consulting Pty Ltd and a Member of the Australasian Institute of Mining and Metallurgy, who has undertaken check validation and geo/statistical assessment of the data, then block modelled and estimated the tonnage and grade of the mineralisation, which was assessed by Mr Vieru and Mr Bruce for appropriate cut-off grade and to confirm resource categorisation. The Competent Persons have sufficient experience which is relevant to the style(s) of mineralisation and type(s) of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). All consent to the inclusion in this report of the matters based upon their input into the information in the form and context in which it appears.

ORA GOLD LIMITED	ASX Code: OAU
Quoted Shares:	984.2M
Unquoted Options	62.6M

REGISTERED OFFICE **Level 2, 47 Stirling Hwy, Nedlands, WA 6009**

PO Box 333, Nedlands, WA 6909

Tel: +61 8 9389 6927

www.ora.gold

info@ora.gold

---oo0oo---

Appendix 1: JORC Table 1 Checklist of Assessment and Reporting Criteria

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1m samples from which 3 kg was pulverised to produce a 30g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Both diamond drilling (DD) and reverse circulation drilling (RC) was undertaken in this programme to obtain samples for geological logging and assaying. Cores were examined visually and logged by the geologist. Where selected, core was sampled at intervals dictated by the geology observed, with core marked up and cut into half and quarter core for duplicates using a large diamond blade saw. Any visual observation of alteration or of mineralisation was noted on the drill logs. Where considered appropriate, intervals were tested by hand-held XRF to assist in identifying zones to be sampled for laboratory analysis. No duplicates and standards were submitted during this drilling program. The Delta XRF Analyser is calibrated before each session and is serviced according to the manufacturer’s (Olympus) recommended schedule. The presence or absence of mineralisation is initially determined visually by the site geologist, based on experience and expertise in evaluating the styles of mineralisation being sought.
Drilling techniques	<p>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</p>	<ul style="list-style-type: none"> Diamond holes have been drilled at HQ size (63.5mm diameter) and NQ2 size (50.6mm diameter) by a truck mounted KWL 1500 rig with automated break outs using triple tube coring to maximise core recovery. All support equipment is all-wheel drive. Core was oriented using HQ and NQ tools and a REFLEX Ori device was used. Downhole surveys were done using a SPRINTIQ Gyro device.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Recovered core is inspected visually and recovery is recorded on blocks after each run. Triple tube coring on HQ used to maximise core recovery. Diamond drilling samples are half- or quarter-cored using a large diamond blade core saw. Poor recovery has been observed on several intervals due to difficult ground conditions and consistency of a rocks intersected. Relationship between sample recovery and grade was difficult to be estimated.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Core was logged visually by experienced and competent geologists. Each interval of core was photographed and recorded prior to sampling and assay. Qualitative parameters include lithology, alteration, structure; quantitative include vein percentage; mineralisation (sulphide / visible gold) percentage; structural orientation. The entire length of each drillhole is logged and evaluated.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Core was sawn with an Almonte automatic core saw. Half core was taken for samples. No duplicates were taken on this diamond hole.

<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • Fire assay is a total digest technique and is considered appropriate for gold. Other elements were assayed using ICP-MS after 4 acid digest. • Handheld XRF equipment, where used, is an Olympus Delta XRF Analyser Ora Gold Limited follows the manufacturer’s recommended calibration protocols and usage practices. Magnetic susceptibility measurements are taken on each 1m interval downhole • Lab using random pulp duplicates and certified reference material standards. • Accuracy and precision levels have been determined to be satisfactory after analysis of these QA/QC samples.
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • All sampling is routinely inspected by senior geological staff. Significant intersections are inspected by senior geological staff. • The program included no twin holes. • Data is collected and recorded initially on hand-written logs with summary data subsequently transcribed in the field to electronic files that are then copied to head office. • No adjustment to assay data has been needed.
<p>Location of data points</p>	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Collar locations were located and recorded using hand-held GPS (Garmin 60Cx model) with typical accuracy of ±3m. Down-hole surveys every 5m in DD hole, using a Reflex EZ-track tool or Champ gyro as applicable. • The grid system applicable to the area is Australian Geodetic Grid GDA94, Zone 50. • Topographic control is based on standard industry practice of using the GPS readings. Local topography is essentially flat across the project at RL 480m. Detailed altimetry (and thus the reporting of RLs for each drill collar) is not warranted.
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Drill hole collars were located and oriented so as to deliver maximum relevant geological information to allow the geological model being tested to be assessed effectively. • This is still early-stage exploration and is not sufficiently advanced for this to be applicable. • Samples taken on a 1m basis, unless otherwise specified.
<p>Orientation of data in relation to geological structure</p>	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • Current drilling aims to ascertain the details of the complex structural regime hosting the mineralisation. To date there is still insufficient data to confirm true widths, consistent orientation of lithologies, relationships between lithologies, and the nature, orientation and movement direction on controlling structures and faulting. The drilling programmes continue to generate geological data to develop an understanding of these parameters. • Data collected so far presents no suggestion that any sampling bias has been introduced.
<p>Sample security</p>	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • When all relevant intervals have been sampled, the samples are collected and transported by Company personnel to secure locked storage in Perth before delivery by Company personnel to the laboratory for assay.
<p>Audits or reviews</p>	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • Internal reviews are carried out regularly as a matter of policy. All assay results are considered representative for the sampled intervals, but due to a significant loss of core on various sections, no fair assessment on the entire mineralised potential can be done and RC drilling is recommended for further drilling programs.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> • The Garden Gully project comprises one granted prospecting licence, P51/3009, eight granted exploration licence E51/1661, E51/1737, E51/1609, E51/1708, E51/1757, E51/1790, E51/1791, E51/1721 four mining leases M51/390, M51/567, M51/886 and M51/889, totalling approximately 288 square kilometres. Ora Gold Limited holds a 100% interest in each lease. The project is partially located in the Yoothapina pastoral lease, 15km north-west of Meekatharra, in the Murchison of WA. • The licences are in good standing and there are no known impediments to obtaining a licence to operate.
Exploration done by other parties	<ul style="list-style-type: none"> • Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> • Workings at Garden Gully began with the Crown Gold Mine (1895 – 1901: 264 tonnes at 1.99 oz/t (~56 g/t) Au average). The Kyarra Mine followed (1909 – 1917): 18,790 oz gold from quartz veins in “strongly sheared, decomposed, sericite rich country rock”. Over the northern part of Sabbath area (currently Transylvania), Matlock and Kestral Mining have conducted exploration including three RAB drilling lines between 1989-1991. Best intersections included 6m at 3.54g/t from 10m in GGR-19 (Wamex a29334) and 8m at 2.1g/t Au from 12m in GGR-32 (Wamex a33351). Abernethy Shear Zone was intensely explored by Western Mining Corporation, Tantalum Australia NL, Accent Resources and more recently by Doray Minerals Ltd. starting from early 1990’s (Wamex a 041275, a069958, a084025, a093068, a097544, a39471, a45387, a59788 and a83010).
Geology	<ul style="list-style-type: none"> • Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> • The Garden Gully project comprises now most of the Abbots Greenstone Belt and consists of Archaean rocks of the Greensleeves Formation (Formerly Gabanintha); a bimodal succession of komatiitic volcanic mafics and ultramafics overlain by felsic volcanics and volcanoclastic sediments, black shales and siltstones and interlayered with mafic to ultramafic sills. Regional synclinal succession trending N-NE with a northern fold closure postdating E-W synform, further transected by NE trending shear zones, linearity with the NE trend of the Abernethy Shear, which is a proven regional influence on structurally controlled gold emplacement in Abbots and Meekatharra Greenstone Belts and in the Meekatharra Granite and associated dykes. • The project is blanketed by broad alluvial flats, occasional lateritic duricrust and drainage channels braiding into the Garden Gully drainage system. Bedrock exposures are limited to areas of dolerite, typically massive and unaltered. Small basalt and metasediment outcrops exist, with some exposures of gossanous outcrops and quartz vein scree. • Gold bearing quartz reefs, veins and lodes occur almost exclusively as siliceous impregnations into zones within the Kyarra Schist Series, schistose derivatives of dolerites, gabbros and tuffs, typically occurring close to axial planes of folds and within anastomosing ductile shear zones.
Drill hole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all material drill holes: <ul style="list-style-type: none"> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length. 	<ul style="list-style-type: none"> • All relevant drill hole details are presented in Table 1. • The principal geologic conclusion of the work reported from this programme at the Transylvania and Kingswood gold prospects confirms the presence of bulk gold mineralisation in what are interpreted to be the more competent core of the tonalite emplaced within the Abernethy Shear Zone or tectonised dolerite; mineralisation is considered structurally controlled and is associated with sulphides consisting of pyrite, sphalerite, pyrrhotite, chalcopyrite and arsenopyrite offers a very

	<ul style="list-style-type: none"> If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<p>positive outlook for deep potential for the prospect which is to be further tested in follow-up drilling.</p>
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. cutting of high grades) and cut-off grades are usually material and should be stated. Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> The significant drill intercepts are displayed in Figures 4, 5 and 7. All the recent assay data is included in Tables 2, 3 and 4. No assay grades have been cut. Arithmetic weighted averages are used. For example, 144.4m to 146.9m in OGGDD439 is reported as 2.5m at 0.769g/t Au. This comprised 3 samples, calculated as follows: $[(1*0.913) + (1*0.326) + (0.5*1.37)] = [1.924/2.5] = 0.769\text{g/t Au}$. No metal equivalent values are used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Insufficient geological data have yet been collected to allow the geometry of the mineralisation to be interpreted. True widths are unknown and insufficient information is available yet to permit interpretation of geometry. Reported intercepts are downhole intercepts and are noted as such.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to, a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Relevant location maps and figures are included in the body of this announcement (Figures 2-7). Based on the historical and recent drill data information, one cross section has been drawn with enough confidence to display the structural and lithological and metallogenic setting.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> This announcement includes the results of all Au assays for two diamond holes drilled at the Kingswood and Transylvania gold prospects and one RC hole from Government Well gold and base metals prospect. The reporting is comprehensive and thus by definition balanced. It represents early results of a larger programme to investigate the potential for economic mineralisation at Garden Gully.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including, but not limited to: geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density; groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> This announcement includes qualitative data relating to interpretations and potential significance of geological observations made during the programme. As additional relevant information becomes available it will be reported and announced to provide context to current and planned programmes.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Additional RC and DD drilling is planned to commence along the Abernethy Shear Zone between the Abernethy South and Airstrip prospects aiming to define the potential for gold mineralisation related to the felsic intrusive/tonalitic rocks and their contact with the adjacent lithologies. A diamond tail will be undertaken at CVI conductor to fully test the potential of this large target at depth.

Appendix 5B

Mining exploration entity quarterly cash flow report

Name of entity

ORA GOLD LIMITED

ABN

74 950 465 654

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(147)	(396)
(e) administration and corporate costs	(121)	(345)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (data sales)	29	29
1.9 Net cash from / (used in) operating activities	(239)	(712)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(393)	(919)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	2	2
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	12	12
2.6	Net cash from / (used in) investing activities	(379)	(905)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,403
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	300	310
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (share issue costs)	-	(80)
3.10	Net cash from / (used in) financing activities	300	1,633

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	591	257
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(239)	(712)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(379)	(905)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	300	1,633

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	273	273

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	273	591
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	273	591

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	4,000	3,700
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	4,000	3,700
7.5 Unused financing facilities available at quarter end		300
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
The details in relation to the secured loan facility provided to the Company are as follows:		
Date of Facility: 17 May 2019		
Lender: Ioma Pty Ltd, an entity associated with a director of the Company, Mr Philip Crabb		
Security: Security have been given over the Company's assets		
Facility Amount \$4,000,000		
Interest Rate: 7% per annum paid annually		
Maturity Date: 17 May 2023		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(239)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(393)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(632)
8.4 Cash and cash equivalents at quarter end (item 4.6)	273
8.5 Unused finance facilities available at quarter end (item 7.5)	300
8.6 Total available funding (item 8.4 + item 8.5)	573
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.91
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: The Company expects to continue negative operating cashflows as it continues exploration and resources development activities to build the value of its mineral assets. As a junior mineral exploration company, the Company does not have any mining operations at this point in time to generate positive cash flow.	

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

The Company continually assesses its funding requirements. The Company has the capacity under Listing Rules 7.1 and 7.1A. to raise additional working capital to fund its operations, and also has the ability to conduct a share purchase plan and or a pro-rata issue for the purpose of raising further funding. The Company has a history of raising funds as and when required.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

The Company is confident that it will be able to raise additional funds required to advance disclosed work programs. As such, the Company expects to be able to continue its operations and meet its business objectives, and believes its financial condition is adequate to warrant the continued quotation of its securities on ASX for the purpose of Listing Rule 12.2.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 July 2022

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.