WESTERN GOLD RESOURCES LIMITED

Annual Report

2023

ABN
54 139 627 446

DIRECTORS
Mr Gary Lyons
Non-executive Chairman
Dr Warren Thorne
Managing Director
Mr Patrick Burke
Non-executive Director
Mr Teck Siong Wong
Non-executive Director

COMPANY SECRETARY
Mr Sonu Cheema

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS
Level 4, 46 Colin Street, West Perth WA 6005

SHARE REGISTRY
Automic Group
Level 5/191 St Georges Terrace
Perth WA 6000

AUDITORS
Stantons International Audit and Consulting Pty Ltd
Level 2, 40 Kings Park Road
West Perth WA 6005

COMPANY INFORMATION
Incorporated in Western Australia, 24 September 2009

SECURITIES EXCHANGE LISTING
The securities of Western Gold Resources are listed on the Australian Securities Exchange (ASX:WGR)

Contents

Review of Operations

This year has seen WGR continue to deliver on its greenfield exploration strategy, and developing of a pathway to production with the following key work completed:

- drilling at the North Kingfisher and Topknot prospects.
- MLEM survey of two nickel prospects.
- Discovery of a strong Au-As soil anomaly on the western margin of the Joyner Find Shear zone.
- Optimization of pit designs and mining schedule to reflect current gold process.
- Metallurgical test work by Perth-based BHM Process Consultants to determine the amenability of the orebodies to heap leaching which is potentially a lower cost / higher profit operation is ongoing.
- WGR has also expanded its portfolio of projects by submitting an exploration licence application for the high-prospective REE Boothy project in line with the Company's strategy of acquiring and exploring high-quality REE projects.

Gold Duke Project

Drilling

<u>North Kingfisher</u>

Thirty-six RC drillholes for 2280m were drilled to test interpreted intrusive and fault splays of the Brilliant and Joyners Shear Zones. This drilling was co-funded by a WA Government EIS drilling grant of $118,500 (see ASX announcement 28th October 2021). Drilling intersected Archaean greenstone of the Joyners Find Greenstone below 20-60m of Proterozoic Finlayson Member (Figure 1) which deepens to the north and to the east. Archean rocks intersected consisting of gabbroic, ultramafic, and mafic schists with several rhyodacite intrusions (see ASX announcement 29th March 2023).

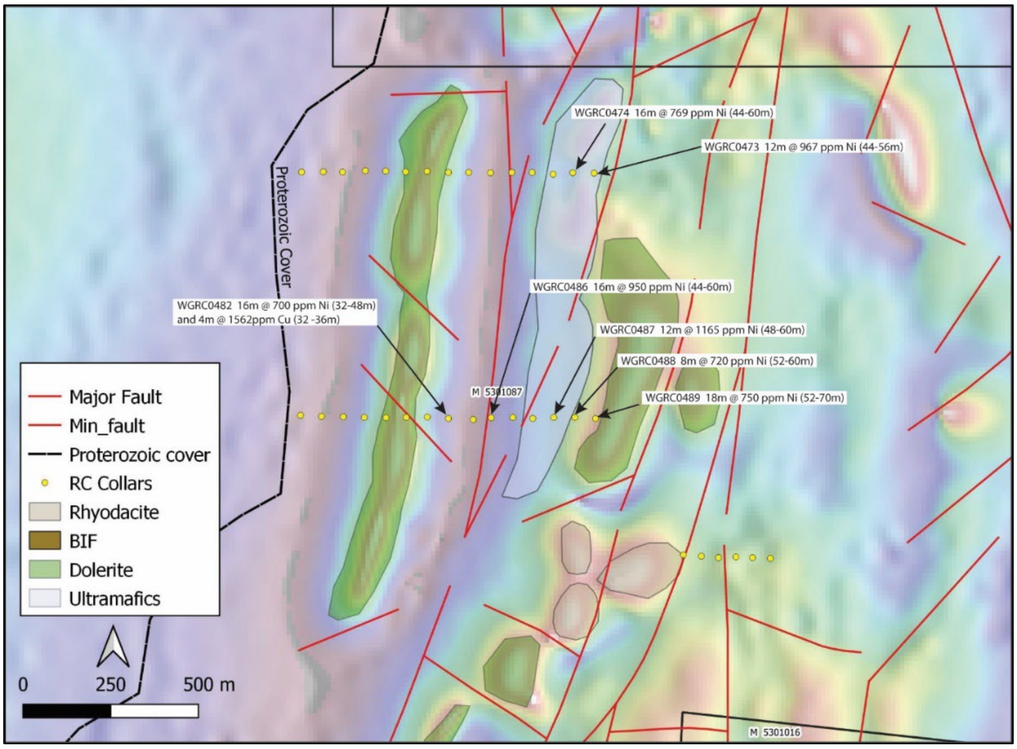

Figure 1. Kingfisher North prospect displaying drill results with geological and structural interpretation on TMI (1VD)

Significant intercepts include:

- 16m @ 700 ppm Ni from 32m including 4m @ 1562 ppm Cu from 32m (WGRC0482)
- 16m @ 871 ppm Ni from 44m (WGRC0473)
- 12m @ 1165 ppm Ni from 48m (WGRC0487)
- 16m @ 950 ppm Ni from 44m (WGRC0486)
- 12m @ 750ppm Ni from 52m (WGRC0489)

Drill hole WGRC0482 intercepted a coarse-grained gabbroic unit at the end of hole while the surrounding drill holes were typically finer grained. It is interpreted from this that the drill holes with anomalous nickel and copper may represent a separate intrusive unit within a complex series of units making up the larger overall intrusion. Lithology observations indicated a distinct zonation as to more ultramafic rocks from west to east with drill holes WGRC0486 to WGRC0489 intercepted a fine-grained ultramafic unit with elevated Ni. This ultramafic unit is approximately 200m wide and is intersected in both regional traverses (Figure 1). The results from lithological drilling and RC assay results strongly support the interpretation that the Kingfisher North is a layered mafic intrusion with high prospectivity for Ni and Cu mineralisation.

Top Knot

The Top Knot prospect is located on the Joyner Find Shear Zone (JFSZ) and contains numerous shallow historic shafts hosted within a package of intercalated ultramafic and chert rocks. The drilling tested co-incident targets previously generated from a SubAudio Magnetics (SAM) survey (see ASX announcement 11 November 2021) and soil geochemistry (see ASX announcement 17 February 2022). A total of 27 holes for 1230m are completed to target the intersection of NNE-trending faults and the JFSZ, interpreted to control mineralisation at the Top Knot prospect.

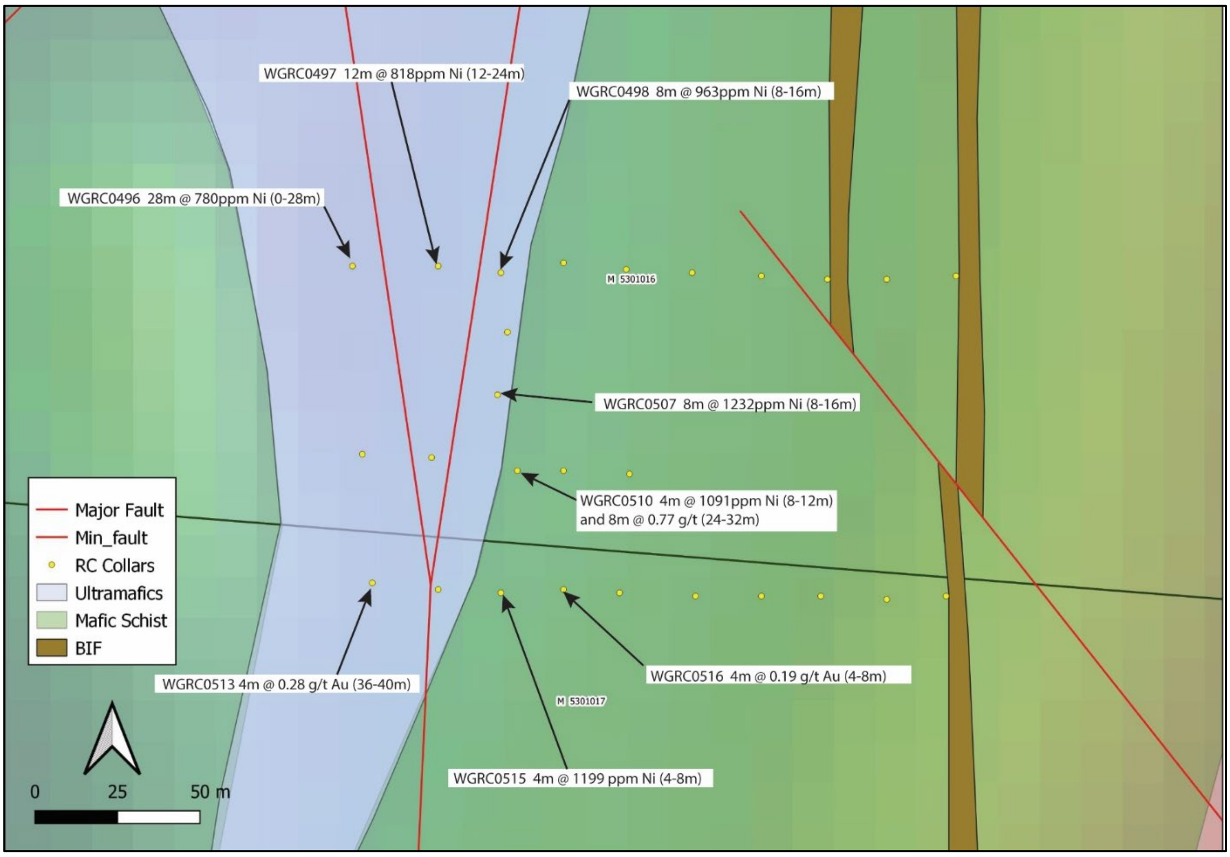

Figure 2. Topknot prospect displaying drill results with geological and structural interpretation on TMI (1VD)

Significant intercepts include:

- 8m @ 1232ppm Ni from 8m (WGRC0507)
- 4m @ 1091ppm Ni from 8m and 8m @ 0.78 g/t Au from 24m (E.O.H; WGRC0510)
- 16m @ 787ppm Ni from 20m and 4m @ 0.28 g/t Au from 36m (E.O.H; WGRC0513)
- 4m @ 1199 ppm Ni from 4m

At Topknot (Figure 2), drilling has returned encouraging results along the ultramafic-mafic contact. This first pass drilling program along a northerly section of the JFSZ confirms the potential for a gold discovery within the target corridor defined by the SAM survey. Approvals are in place to test northerly and southern extensions to these results.

Exploration

Nickel Exploration

WGR completed a ground-based Moving Loop Electromagnetic (MLEM) survey to delineate drilling targets associated with 2 nickel-platinum-palladium soil anomalies (Figure 3; Big Z's and Duran's) identified by the soil sampling program within the Joyners Find Greenstone Belt at WGR's Gold Duke project (see ASX 11th July 2022).

Twenty lines of Ground based Moving Loop Electromagnetic survey (MLEM) were completed with the MLEM survey looking to define EM conductors that could represent concealed nickel sulfides. The survey was interpreted by Southern Geoscience and no conductors were identified.

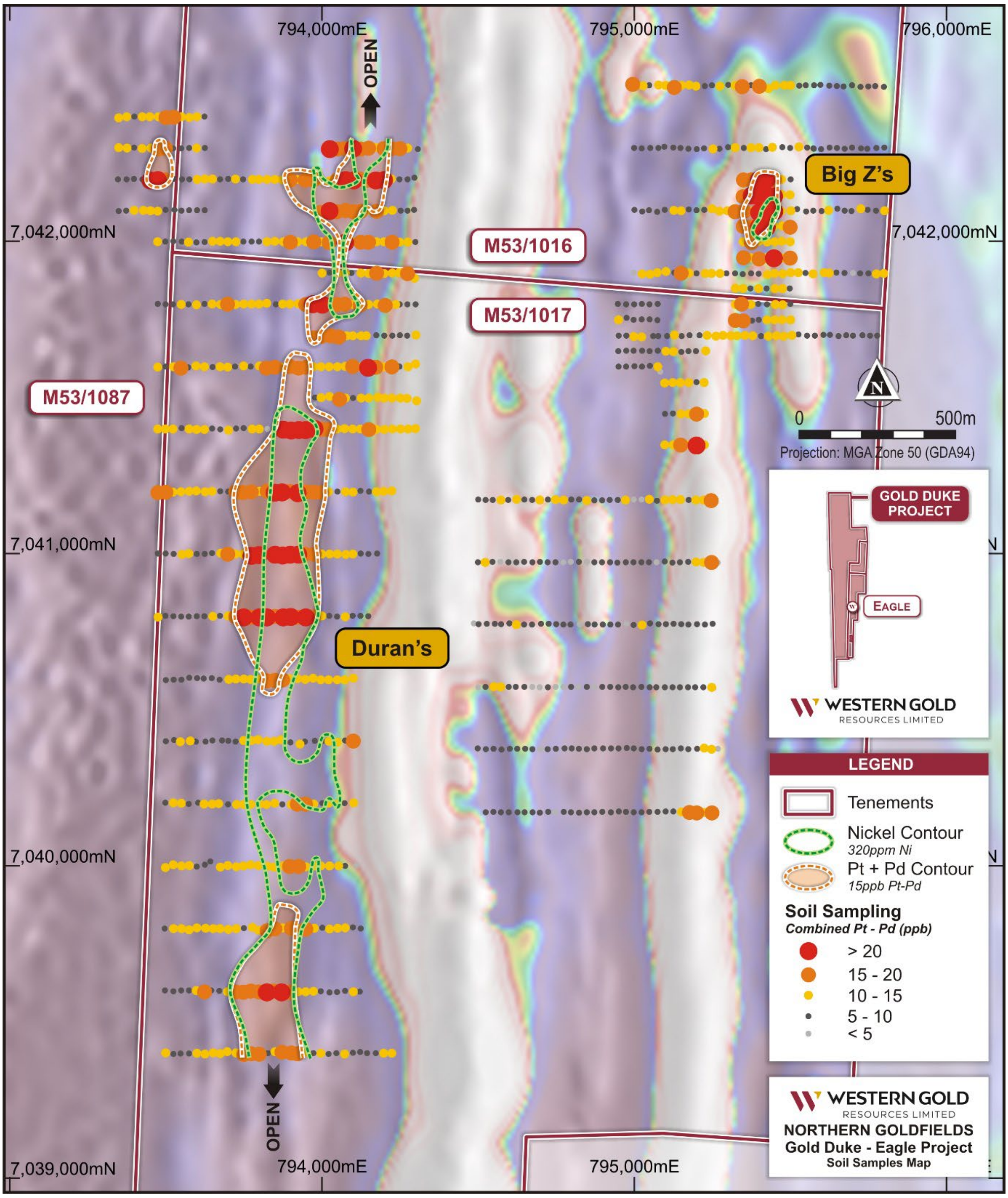

Figure 3. UFF+ soil geochemistry Ni-Pt Pd anomalies over TMI image

Soil Sampling

WGR completed 1624 UFF+ soil samples over the Prince Ivan project area with samples spaced 25m apart on lines 200m apart (Figure 4: 25m x 200m). Samples were analysed using the UltraFine+ method (LabWest Minerals Analysis Pty Ltd, Malaga, WA) to fully assess the soil properties and relationships (to the geochemistry) to improve the chances of future discovery. The soil sampling program is part of WGR's industry partnership with the CSIRO 'UltraFine+ research project. The project calls upon CSIRO's world-leading expertise to analyse the soil sample geochemical assay data and provide new data analytics and targeting for mineral exploration (see ASX announcement 11th May 2023).

The 1600m north to northeast trending UFF+ gold anomaly feature parallels the northerly trending stratigraphy (Figure 4). The 1600m gold anomaly is outlined by the 8ppb contour with peak value of 21ppb and associated As anomaly defined by 20ppb As with a peak of 69ppb. Field work has confirmed the anomaly is hosted predominantly within a sub-cropping package of shale, minor siltstone, sandstone, and thin BIF layers.

WGR plans to follow up prospective geochemical anomalies at the Prince Ivan Prospect with extensional UFF soil sampling to the south. Geological mapping will be conducted to further refine areas.

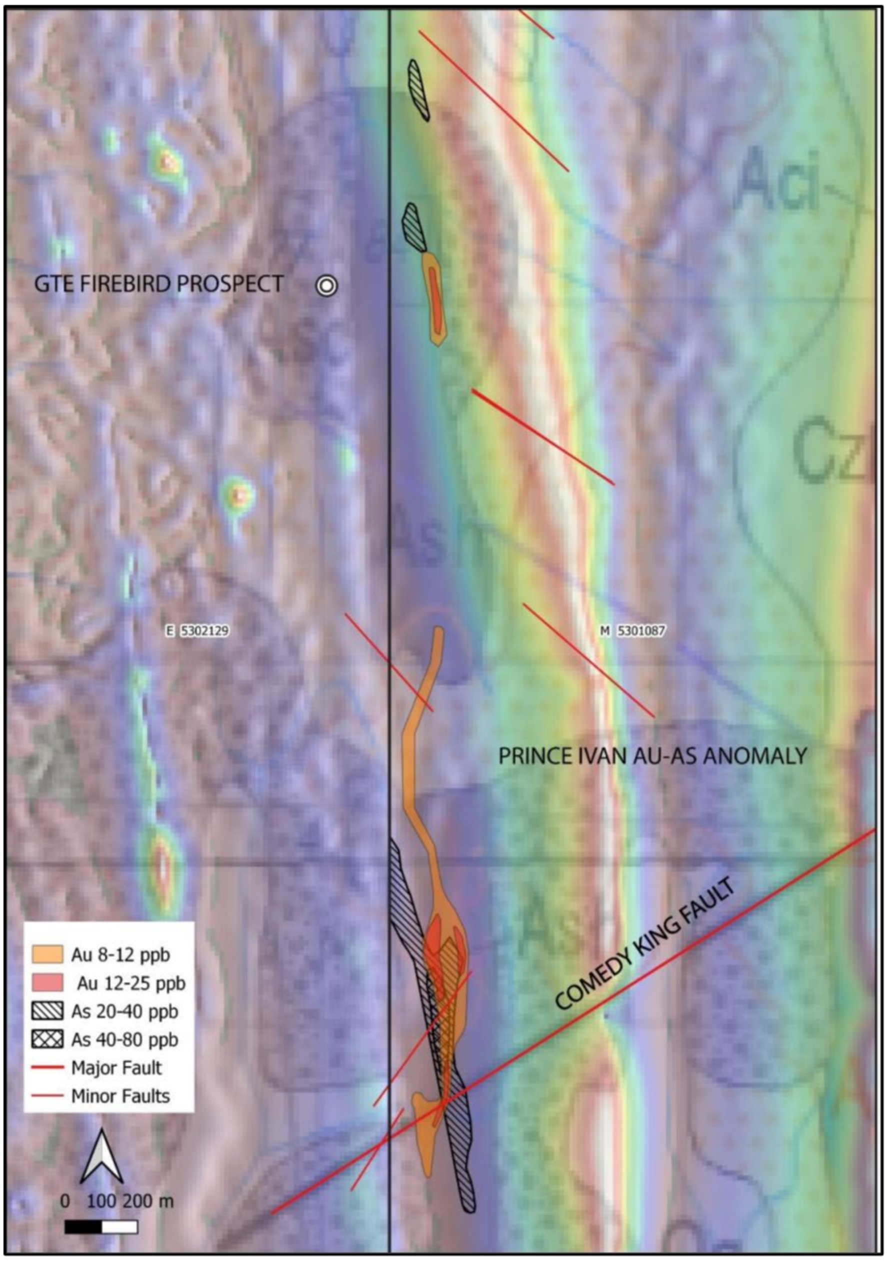

Figure 4. Prince Ivan Au-As anomaly displaying Au and As contours on TMI and 1:250,000 Geology. Location of GTE's Firebird prospect shown.

Development

WGR has engaged Perth-based BHM Process Consultants to determine the amenability of the orebodies to heap leaching which is potentially a lower cost / higher profit operation. Based on recommendations a metallurgical test work program began in March 2023. The Company will continue to update the market on the programs progress (see ASX announcement 13th March 2023)

Boothby Project

WGR lodged Exploration License application ELA33449, referred to as the 'Boothby REE project", located within the highly REE-endowed Reynolds Range of the Paleoproterozoic Aileron Province (Figure 5). This new exploration licence application covers 32km^2 of highly prospective geology 60km northwest of the world-class Nolan's REE-P-U-Th deposit (see ASX announcement 8th May 2023).

Historic stream sediment sampling programs included seven samples located within the tenement application EL33449 (Figure 6), with one sample having full REE analysis and six others with partial REE analysis. The one sample with full REE analysis contains a TREO of 2.20% demonstrating the potential of the project to host a high-grade TREO deposit. The REE- mineralisation sample exhibits a Nd/Pr ratio of approximately 4:1, comparable to the nearby Nolans deposit.

WGR considers the application for Boothby is in line with the Company's strategy of acquiring and exploring high-quality REE projects.

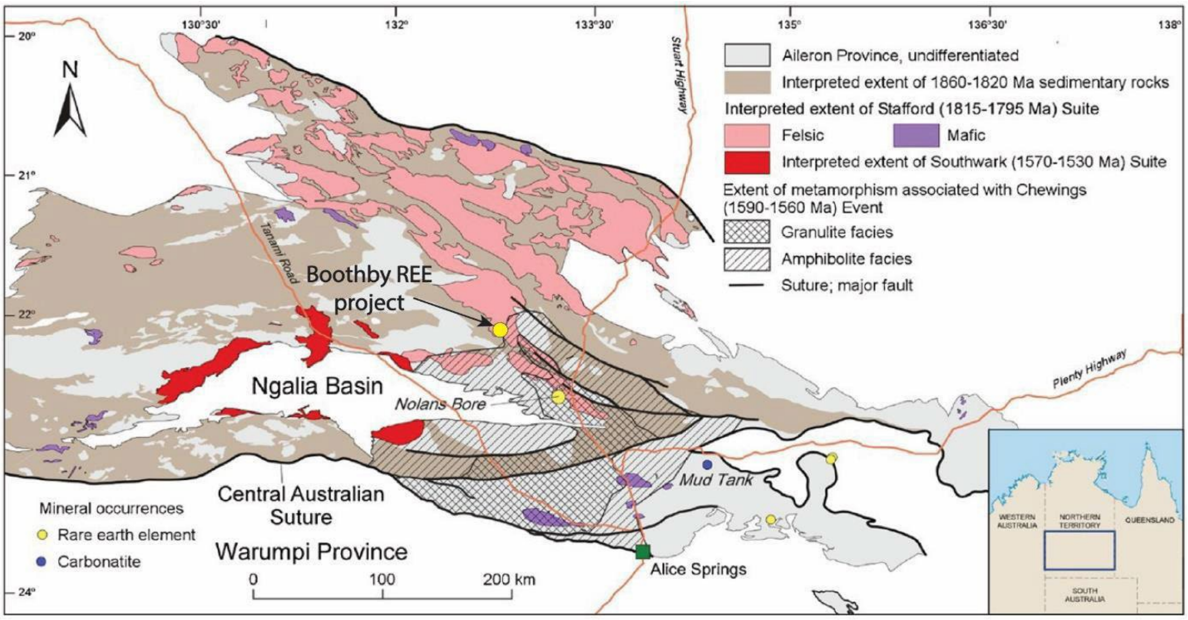

Figure 5. Location of Boothby REE project and geology of the Aileron Province

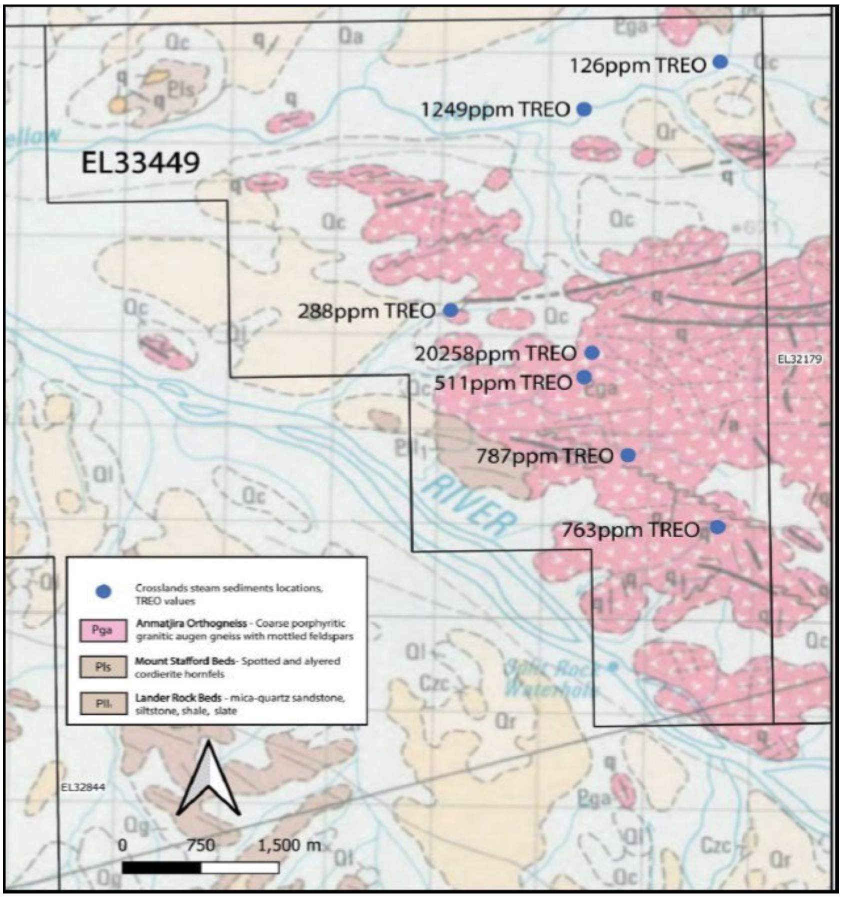

Figure 6. Boothby prospect displaying Crossland sample locations and TREO results (ppm)on local geology (NT Reynolds Range Region 1:100 000 Sheet)

Competent Person's Statement

Competent Person's Statement

The information in this report which relates to Exploration Results is based on information compiled by Dr Warren Thorne, he is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a full-time employee of the company. Dr Thorne who is an option-holder, has sufficient experience which is relevant to the style of mineralisation and type 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, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Dr Thorne consents to inclusion in the report the matters based on this information in the form and context in which it appears.

Where the Company refers to previous Exploration Results and to the Mineral Resource estimate included in its recently announced Prospectus dated 18 May 2021 and in previous announcements, it notes that the relevant JORC 2012 disclosures are included in the Prospectus and those previous announcements and it confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all information in relation to the Exploration Results and material assumptions and technical parameters underpinning the Mineral Resource estimate within those announcements continues to apply and has not materially changed.

Annual Mineral Resource Statement

As of 30 June 2022

The Company's Mineral Resource Statement has been compiled in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2012) and Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31. The Company has no Ore Reserve estimates.

The Company governs its activities in accordance with industry best-practice. The resource reports and supporting data were subjected to internal analysis and peer-review before release.

Mineral Resources

During the financial year, the Company undertook a review of its existing Mineral Resources for the purposes of meeting the listing requirements of ASX. In April 2021 Optiro, having been engaged by the Company, prepared a maiden JORC 2012 MRE of 4,570,000 tonnes at 2.0 g/t Au for 293,000 oz Au.

JORC Status	Year	Prospect	Classification	Tonnes	Grade (g/t Au)	Ounces
JORC 2012 at 0.5 g/t cut-off	2019	Golden Monarch	Measured	30,000	3.0	3,000
			Indicated	380,000	2.1	26,000
			Inferred	390,000	2.1	26,000
			Subtotal	**800,000**	**2.2**	**55,000**
		Eagle	Indicated	110,000	2.8	10,000
			Inferred	680,000	1.6	35,000
			Subtotal	**790,000**	**1.8**	**45,000**
		Emu	Inferred	600,000	2.2	42,000
		Joyners Find	Inferred	90,000	2.6	7,000
	2021	Bottom Camp	Inferred	640,000	1.6	33,000
		Bowerbird	Inferred	230,000	2.4	17,000
		Brilliant	Inferred	210,000	3.1	21,000
		Bronzewing	Inferred	110,000	2.7	9,000
		Comedy King	Inferred	260,000	1.5	12,000
		Gold Hawk	Inferred	150,000	1.5	7,000
		Gold King	Inferred	580,000	1.9	36,000
		Wren	Inferred	110,000	2.4	8,000
	Total JORC 2012		**Measured**	**30,000**	**3.0**	**3,000**
			Indicated	**490,000**	**2.3**	**36,000**
			Inferred	**4,050,000**	**2.0**	**254,000**
			Combined	**4,570,000**	**2.0**	**293,000**

Table 1 Gold Duke Project – JORC 2012 Mineral Resource Estimate

Review of Material Changes

The Company's JORC 2012 compliant Mineral Resource estimate (MRE) is unchanged from the MRE published in the 2021 Annual Mineral Resource Statement.

Directors' Report

The Directors present their report on the Group, comprising Western Gold Resources Limited (referred to in these financial statements as "the Company" or "WGR") and its wholly owned subsidiary (the "Group"), together with the financial report for the year ended 30 June 2023 and the audit report thereon.

1 DIRECTORS

The names and details of the Company's directors in office during the financial year or since the end of the financial year are set out below.

Unless otherwise indicated, all Directors held their position as a Director throughout the entire year and up to the date of this report.

GARY LYONS

Non-Executive Chairman

Mr Lyons is a successful and well-respected Perth based businessman; being a shareholder and the Managing Director of the Heiniger Group's Australasian operations for the last 33 years.

Mr Lyons is also Chairman of GWR Group Ltd and is a member of both the GWR Audit & Risk Management Committee and the GWR Remuneration Committee. Mr Lyons is also Chairman of ASX listed Tungsten Mining NL and E-Metals Limited.

WARREN THORNE

Managing Director

Mr Thorne is a geologist with over 20 years' experience mainly associated with gold, iron ore, copper and manganese within Western Australia, Queensland, Brazil and West Africa.

Mr Thorne has extensive experience in all stages of regional and near-mine exploration project management, from conceptual targeting and ground acquisition through to resource definition drilling programs and open cut mining geology.

Mr Thorne has held senior exploration and project management roles with a variety of major Australian and international companies including Mineral Resources Ltd, Rio Tinto Iron Ore, Hancock Prospecting.

PATRICK BURKE

Non-Executive Director

Mr. Burke has extensive legal and corporate advisory experience and over the last 17 years has acted as a Director for a large number of ASX companies, as well as NASDAQ and AIM listed companies.

Mr Burke's legal expertise is in corporate, commercial and securities law in particular, capital raisings, mergers and acquisitions and IPOs. His corporate advisory experience includes identification and assessment of acquisition targets, strategic advice, deal structuring and pricing, funding, due diligence and execution.

Mr Burke is also Non-Executive Chairman of Province Resources Limited, Lycaon Resources Limited and Torque Metals Limited, and a Non-Executive Director of Triton Minerals Limited. In the last 3 years, Mr Burke was Chairman of Mandrake Resources Limited (resigned on 11 April 2023) and Meteoric Resources NL (resigned 24 March 2022).

TECK SIONG WONG

Non-Executive Director

Mr Wong is a Malaysian based businessman with considerable international experience having worked in Hong Kong, the United Kingdom and in Malaysia and Indonesia after graduating with a Bachelor of Business degree from Swinburne University (Melbourne).

Mr Wong is involved with the iron ore mining industry in Indonesia. He was previously involved in the sales and export of steel related products and was a director of a retail chain business in the United Kingdom, previously known as JW Carpenter Ltd. Mr Wong was working in the OEM plastic manufacturing industry in Hong Kong prior to taking up a position in the steel industry in Malaysia.

Mr Wong is a director of GWR Group Ltd and is also an executive director of ASX listed Tungsten Mining NL and non-executive director of eMetals Limited.

2 COMPANY SECRETARY

SONU CHEEMA (appointed 3 February 2023)

Mr Cheema is an Accountant and Company Secretary who has worked for mineral exploration companies with interests in Australia and abroad. He is a Partner in the corporate advisory firm Cicero Group (recently merged with Nexia Perth) providing company secretarial support along with corporate and compliance advice to a number of ASX listed public companies.

MARK PITTS (resigned 3 February 2023)

Mr Pitts is a Fellow of Chartered Accountants Australia and New Zealand and a graduate member of the Australian Institute of Company Directors. He has more than 30 years' experience in statutory reporting and business administration. Mr Pitts has been directly involved with and consulted to a number of public companies holding senior financial management positions. He is a director of the corporate advisory firm Endeavour Corporate providing company secretarial support, corporate and compliance advice to a number of ASX listed public companies.

3 DIVIDENDS

No dividends have been paid or declared by the Company since the incorporation of the Company.

4 PRINCIPAL ACTIVITIES

The principal activity of the Group during the course of the financial year was the exploration and evaluation of mineral resources.

5 OPERATING AND FINANCIAL REVIEW

GROUP OVERVIEW

During the financial year, the Group's operations have been focused on the exploration of its Wiluna West Gold Projects and Gold Duke Project. During the financial year, the Company issued 11,372,911 fully paid ordinary shares by way of share placement at an issue price of $0.045 per share to raise $511,781 before costs.

BOARD & MANAGEMENT CHANGES

During the year, there have been no changes to the Board of Directors, nor senior management.

OPERATING RESULTS FOR THE YEAR

The net loss of the Group for the year ended 30 June 2023 was $1,904,653 (2022: $4,008,155). This result includes exploration and evaluation expenditures of $1,277,299 (2022: $3,464,770).

FINANCIAL POSITION

The Company's net assets at the end of the year totalled $1,030,103 (2022: $2,459,517).

POSITION AND PRINCIPAL RISKS

The Group's business strategy is subject to numerous risks, some outside the Board's and management's control. These risks can be specific to the Group, generic to the industry and generic to the stock market as a whole. The key risks, expressed in summary form, affecting the Group and its future performance include but are not limited to:

- capital requirement and ability to attract future funding to finance the acquisition and exploitation of mining;
- change in commodity prices and market conditions;
- the impact of rising interest rates and inflationary impact;
- geological and technical risk posed to exploration and commercial exploitation success;
- environmental and occupational health and safety risks;
- government policy changes;
- retention of key staff.

This is not an exhaustive list of risks faced by the Group. There are other risks generic to the stock market and the world economy as a whole and other risks generic to the extraction industry, all of which can impact on the Group. The management of risks is integrated into the development of the Company's strategic and business plans and is reviewed and monitored regularly by the Board. Further details on how the Group monitors, manages and mitigates these risks are included as part of the Audit and Risk Committee Report contained within the Corporate Governance Report.

6 SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 21 August 2023, the Company announced that it has entered into a conditional agreement to acquire Euro Future Metals Pty Ltd (EFM), which holds exploration permit applications over three high grade prospects in Sweden. The Acquisition is conditional upon:

- Legal, financial and technical due diligence by WGR on EFM and the Projects;
- WGR obtaining all requisite shareholder and regulatory approvals for the Acquisition;
- Grant of the three permit applications; and
- Completion of the below Capital Raising.

WGR has received firm commitments for a raising of $1.5m @ $0.035 per share. The raising shall be conducted in two tranches. Under Tranche 1, WGR issued 8,971,838 shares raising $314,014 (before costs) on 28 August 2023. The Tranche 1 raising issue price of $0.035 per share represents a discount of 18% to the 15-day VWAP of $0.0413 per share and a 14% discount to WGR's last close price of $0.04 per share on 16 August 2023.

Under Tranche 2, WGR shall issue 33,885,307 shares to raise $1,185,986. Tranche 2 is subject to shareholder approval. The Company has issued a Notice of Meeting for a shareholder meeting to be held on 9 October 2023 seeking shareholder approval for Tranche 2 along with all other aspects of the Acquisition requiring shareholder approval. GTT Ventures Pty Ltd (GTT) are the Lead Manager to the capital raising. WGR shall pay GTT a capital raising fee of 6% + GST on all funds raised.

WGR shall acquire EFM in consideration for:

- a cash payment of $75,000;
- the issue of 17,250,000 shares;
- the issue of 8,500,000 performance rights each convertible into 1 share on the achievement, within 2 years of grant, of an Exploration Target (as defined in JORC 2012) of, or greater than:
  - 30-60Mt at 0.8-1.2% total rare earths oxides in relation to the area the subject of the permits; or
  - 30-60Mt at 5-10% total graphite content in relation to the area the subject of the permits; and
- the issue of 8,500,000 performance rights each convertible into 1 share on the achievement, within 2 years of grant, of a drill intersection on one of the permits of at least 15 meters @ 10% total graphite content or 15 meters @ 0.5% total rare earth oxides.

There have been no other matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group, in future financial years.

7 LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group expects to continue exploration of its exploration projects.

8 ENVIRONMENTAL REGULATION

The exploration activities of the Group are subject to environmental regulations imposed by various regulatory authorities, particularly those relating to ground disturbance and the protection of rare and endangered flora and fauna. The Group has complied with all material environmental requirements up to the date of this report. The directors believe that the Group has adequate systems in place for the management of its environmental responsibilities and are not aware of any breaches of the regulations during the period covered by this report.

9 INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

As at the date of this report, the interests of key management personnel in the shares and unlisted share options of the Company were:

Directors	Ordinary shares	Share Options
	Number	Number
Directors		
G Lyons	715,851	2,500,000
W Thorne	-	2,500,000
P Burke	-	2,500,000
T S Wong	2,613,851	2,500,000

10 OPTIONS

As at the date of this report, the Company has the following ordinary shares under option:

	Exercise price	Expiry date	Unlisted options outstanding	Vested and exercisable
	$		Number	Number
Unlisted director options	$0.25	1 July 2024	10,000,000	10,000,000
Unlisted broker options	$0.25	28 February 2024	3,000,000	3,000,0000
Total options on issue			**13,000,000**	**13,000,000**

11 INDEMNIFICATION AND INSURANCE OF DIRECTORS AND AUDITORS

The Group has paid premiums to insure the Directors against liabilities incurred in the conduct of the business of the Group and has provided right of access to Group records. In accordance with common commercial practice, the insurance policy prohibits disclosure of the amount of the premium and the nature of the liability insured against.

12 REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2022 outlines the director and executive remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel ('KMP') who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report the term 'executive' encompasses executive directors and senior executives of the Parent and the Group.

12.1 DETAILS OF KEY MANAGEMENT PERSONNEL

Non-executive directors

G Lyons	Chairman
P Burke	Director
TS Wong	Director

Executive directors

W Thorne	Managing Director

Other executives

M Pitts	Company Secretary (resigned 3 February 2023)

12.2 REMUNERATION PHILOSOPHY

The performance of the Group depends upon the quality of its key personnel. To prosper, the Group must attract, motivate and retain high skilled directors and executives. Due to the nature of the Group's business activities the overall level of compensation does not focus on the earnings of the Company.

To this end, the Group embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre personnel; and
- link rewards to shareholder value.

12.3 REMUNERATION STRUCTURE

In accordance with best practice corporate governance, the structure of executive and non-executive director remuneration is separate and distinct.

12.4 NON-EXECUTIVE DIRECTOR REMUNERATION

Objective:

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure:

The Constitution and the ASX listing rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting of shareholders.

Non-executive directors, excluding consulting fees are remunerated by way of fees and statutory superannuation. The fees for non-executive directors were previously set by the board at $400,000 in aggregate.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Non-executive directors are remunerated by way of fees and statutory superannuation but no other retirement benefits. Non-executive directors are also reimbursed for all reasonable travelling, accommodation and other expenses incurred as a consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors.

Non-executive directors are also paid consulting fees related to their participation in Executive Committee meetings and the provision of other services.

Non-executive directors participate in share option plans. No such securities were issued during the year.

No remuneration consultants were engaged for the reporting years ended 30 June 2023 and 30 June 2022.

The remuneration of non-executive directors for the reporting years ended 30 June 2023 and 30 June 2022 is detailed in Tables 1 and 2 of this Remuneration Report.

12.5 EXECUTIVE REMUNERATION

Objective:

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group so as to:

- align the interests of executives with those of shareholders; and
- ensure total remuneration is competitive by market standards.

Structure:

In determining the level and make up of executive remuneration, the Board may engage external consultants as needed to provide independent advice. No remuneration consultants were engaged during the year.

Remuneration consists of the following key elements:

- Fixed remuneration; and
- Variable remuneration comprising Short ('STI') and Long ('LTI') term incentives.

Directors and executives participate in share option plans. No such securities were issued during the year.

The proportion of fixed remuneration and variable remuneration of Directors and executives for the reporting years ended 30 June 2023 and 30 June 2022 is detailed in Tables 1 and 2 of this Remuneration Report.

12.6 FIXED REMUNERATION

Objective:
The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Fixed remuneration is reviewed annually by the Board and the process consists of individual performance, relative comparative remuneration in the market and, where appropriate, external advice.

Structure:
Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group. Presently, executives fixed remuneration comprises only payment of salary and statutory superannuation.

The fixed remuneration component of Directors and executives for the years ended 30 June 2023 and 30 June 2022 is detailed in Tables 1 and 2 of this Remuneration Report.

12.7 VARIABLE REMUNERATION — SHORT TERM INCENTIVE (STI)

Objective:
The objective of the STI program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the executive to achieve the operational targets and such that the cost to the Group is reasonable in the circumstances.

Structure:
Actual STI payments granted to each executive depend on the Board's assessment of the individual's performance and the performance of their business unit. The aggregate of annual STI payments available for executives across the Group is subject to the approval of the Board.

12.8 VARIABLE REMUNERATION — LONG TERM INCENTIVE (LTI)

Objective:
The objective of the LTI program is to reward executives in a manner that aligns remuneration with the creation of shareholder wealth. As such, LTI grants are made to executives who are able to influence the generation of shareholder wealth and thus have an impact on the Group's performance.

Structure:
LTI grants to executives may be delivered in the form of share options or performance rights.

10,000,000 options exercisable at $0.25 on or before 1 July 2024 were issued to the directors during the year ended 30 June 2021.

No options were granted during the current year.

12.9 EMPLOYMENT CONTRACTS

The details of agreements are provided below.

Warren Thorne

Mr Thorne is the Managing Director and his remuneration, excluding share-based payments, annual and long service leave allowances, is $240,000 (2022: $240,000), plus superannuation contributions. Pursuant with his employment agreement, either the Company or Mr Thorne may terminate with three months' notice in writing to the other party.

The agreement with Mr Thorne also includes provision for bonus payments upon the satisfaction of certain key performance indicators as follows:

- $250,000 payable upon delineation by the Company of a JORC Resource of at least 500,000 oz at a minimum grade of 2 g/t at the Wiluna West Gold Project; and
- $250,000 payable upon commercial gold production by the Company from the Wiluna West Gold Project.

Both of these bonuses are payable in shares, of which the number is to be determined by reference to the volume-weighted average price of the entity's securities on the ASX for the five trading days prior to the announcement of the event giving rise to the bonus.

TABLE 1 – REMUNERATION TABLE FOR THE YEAR ENDED 30 JUNE 2023

Details of the nature and amount of each major element of the remuneration of each director of the Company and other key management personnel of the Group are:

Year Ended 30 June 2023	Primary			Post-employment	Equity Compensation			
Directors	Salary & fees $	Consulting fees $	Other short-term benefits $	Superannuation benefits $	Options and Rights $	Total $	Proportion of remuneration performance related %	Value of options and rights as proportion of remuneration %
Executive								
W Thorne	240,000	-	-	25,200	-	265,200	-	-
Non-executive								
G Lyons	42,000	-	-	4,410	-	46,410	-	-
P Burke	42,000	-	-	4,410	-	46,410	-	-
T S Wong	42,000	-	-	4,410	-	46,410	-	-
Total - Directors	366,000	-	-	38,430	-	404,430	-	-
Other Key Management Personnel								
M Pitts*	44,475	-	-	-	-	44,475	-	-
Total – all key management personnel	410,475	-	-	38,430	-	448,905	-	-

* resigned 3 February 2023

TABLE 2 – REMUNERATION TABLE FOR THE YEAR ENDED 30 JUNE 2022

Details of the nature and amount of each major element of the remuneration of each director of the Company and other key management personnel of the Group are:

Year Ended 30 June 2022	Primary			Post-employment	Equity Compensation			
Directors	Salary & fees $	Consulting fees $	Other short-term benefits $	Superannuation benefits $	Options and Rights $	Total $	Proportion of remuneration performance related %	Value of options and rights as proportion of remuneration %
Executive								
W Thorne	240,000	-	18,456	23,568	-	282,024	-	-
Non-executive								
G Lyons	35,000	-	-	3,500	-	38,500	-	-
P Burke	38,500	-	-	-	-	38,500	-	-
T S Wong	38,500	-	-	-	-	38,500	-	-
Total - Directors	352,000	-	18,456	27,068	-	397,524	-	-
Other Key Management Personnel								
M Pitts	61,000	-	-	-	-	61,000	-	-
Total – all key management personnel	413,000	-	18,456	27,068	-	458,524	-	-

12.10 EQUITY INSTRUMENTS

SHAREHOLDINGS OF KEY MANAGEMENT PERSONNEL

Details of Shares held in the Company at reporting date (number).

	Balance at beginning of year	Paid as Remuneration	On exercise of options	Other net changes[1]	Balance at end of year
Directors					
G Lyons	715,851	-	-	-	715,851
W Thorne	-	-	-	-	-
P Burke	-	-	-	-	-
T S Wong	2,613,851	-	-	-	2,613,851
Total	3,329,702	-	-	-	3,329,702

1 – Represents the number of shares granted to each individual through the in-specie distribution from GWR Group Limited.

OPTION HOLDINGS FOR KEY MANAGEMENT PERSONNEL

Details of vesting profiles of the options granted as remuneration to Key Management Personnel of the Company are detailed below (number).

	Balance at beginning of year or on appointment	Granted as compensation during the year	Exercised during the year	Other changes during the year	Balance at end of year or on ceasing office	Exercisable at the end of the year
Directors						
G Lyons	2,500,000	-	-	-	2,500,000	2,500,000
W Thorne	2,500,000	-	-	-	2,500,000	2,500,000
P Burke	2,500,000	-	-	-	2,500,000	2,500,000
T S Wong	2,500,000	-	-	-	2,500,000	2,500,000
Total	10,000,000	-	-	-	10,000,000	10,000,000

OPTIONS GRANTED TO KEY MANAGEMENT PERSONNEL

No options were granted to Key Management Personnel during the current year. The 10,000,000 options granted during the previous year vested upon the Company's admission to the official list of the Australian Securities Exchange in July 2021.

DETAILS OF OPTIONS OVER EQUITY INSTRUMENTS GRANTED AS COMPENSATION

There were no options granted as compensation held at reporting date by Key Management Personnel (2022: 10,000,000 options), as noted above.

SHARES ISSUED ON EXERCISE OF OPTIONS

No shares were issued to Key Management Personnel upon exercise of options during the year (2022: nil).

SHARES PAID AS REMUNERATION

No shares were issued to Key Management Personnel as remuneration during the year (2022: nil).

END OF REMUNERATION REPORT

13 PROCEEDINGS ON BEHALF OF THE COMPANY

During and since the end of the financial year, the Group nor its directors are not party to any proceedings.

14 NON -AUDIT SERVICES

There were no non-audit services provided to the Company during the year ended 30 June 2023.

15 AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 19 and forms part of the Directors Report for the year ended 30 June 2023.

Signed at Perth this 22nd day of September 2023 in accordance with a resolution of the directors made pursuant to s298(2) of the Corporations Act 2001.

Gary Lyons
Chairman

Stantons

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22 September 2023

The Directors
Western Gold Resources Limited
Level 4,
46 Colin Street,
West Perth, WA 6005

Dear Directors

RE: WESTERN GOLD RESOURCES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Western Gold Resources Limited.

As Audit Director for the audit of the financial statements of Western Gold Resources Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Martin Michalik

Martin Michalik
Director

Consolidated Statement of Profit or Loss & Other Comprehensive Income

For the year ended 30 June 2023

	Note	For the year ended 30 June 2023 $	2022 $
Revenue			
Interest income		2,638	-
Gain on forgiveness of loan	11	-	36,679
Expenses			
Personnel expenses	4	(288,766)	(255,736)
Corporate compliance expenses	4	(204,930)	(231,382)
Consulting expenses		(66,280)	(41,930)
Occupancy expenses		(29,600)	(23,917)
Exploration expenditure	8	(1,277,299)	(3,464,770)
Depreciation expense		(1,776)	(1,820)
Finance expenses		-	(397)
Other expenses		(38,640)	(24,882)
Total Expenses	4	(1,907,291)	(4,044,834)
Loss before income tax		(1,904,653)	(4,008,155)
Income tax expense	20	-	-
Loss for the year		(1,904,653)	(4,008,155)
Other comprehensive income		-	-
Total comprehensive loss for the year		(1,904,653)	(4,008,155)
Basic and diluted loss per share (cents per share)	16	(2.25)	(5.76)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2023

	Note	30 June 2023 $	30 June 2022 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	658,710	2,132,627
Trade and other receivables	7	70,575	222,768
Total Non-Current Assets		729,285	2,355,395
Non-Current Assets			
Exploration and evaluation expenditure	8	549,000	549,000
Property, plant & equipment		13,758	15,534
Total Non-Current Assets		562,758	564,534
TOTAL ASSETS		1,292,043	2,919,929
LIABILITIES			
Current Liabilities			
Trade and other payables	9	200,457	421,087
Employee leave liabilities	10	22,685	19,437
Loan from GWR Group Limited	11	-	-
Total Current Liabilities		223,142	440,524
Non-Current Liabilities			
Rehabilitation provision	12	38,798	19,888
Total Non-Current Liabilities		38,798	19,888
TOTAL LIABILITIES		261,940	460,412
NET ASSETS		1,030,103	2,459,517
EQUITY			
Issued capital	13	17,035,567	16,560,328
Reserves	14	1,282,000	1,282,000
Accumulated losses		(17,287,464)	(15,382,811)
TOTAL EQUITY		1,030,103	2,459,517

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2023

	Note	For the year ended 30 June 2023 $	2022 $
Cash flows from operating activities			
Payments to suppliers and employees		(468,696)	(695,072)
Payments for exploration and evaluation		(1,483,098)	(3,464,770)
Interest received		2,638	-
Net cash flows used in operating activities	6	(1,949,156)	(4,159,842)
Cash flows from investing activities			
Purchase of property, plant & equipment		-	(12,883)
Net cash flows used in investing activities		-	(12,883)
Cash flows from financing activities			
Proceeds from the issue of shares		511,781	7,000,000
Payment of share issue costs		(36,542)	(298,956)
Repayment of loan to GWR Group Limited	11	-	(426,945)
Net cash flows provided by financing activities		475,239	6,274,099
Net (decrease)/increase in cash and cash equivalents		(1,473,917)	2,101,374
Cash and cash equivalents at beginning of year		2,132,627	31,253
Cash and cash equivalents at end of the year	6	658,710	2,132,627

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity

For the year ended 30 June 2023

	Issued Capital $	Reserves $	Accumulated Losses $	Total Equity $
At 1 July 2021	**10,400,000**	**1,000,000**	**(11,374,656)**	**25,344**
Loss for the year	-	-	(4,008,155)	(4,008,155)
Other comprehensive income	-	-	-	-
Total comprehensive loss	**-**	**-**	**(4,008,155)**	**(4,008,155)**
Issue of shares	7,213,200	-	-	7,213,200
Share based payments – share issue costs	(282,000)	282,000	-	-
Other share issue costs	(770,872)	-	-	(770,872)
At 30 June 2022	**16,560,328**	**1,282,000**	**(15,382,811)**	**2,459,517**
Loss for the year	-	-	(1,904,653)	(1,904,653)
Other comprehensive loss	-	-	-	-
Total comprehensive loss	**-**	**-**	(1,904,653)	**(1,904,653)**
Issue of shares	511,781	-	-	511,781
Other share issue costs	(36,542)	-	-	(36,542)
At 30 June 2023	**17,035,567**	**1,282,000**	**(17,287,464)**	**1,030,103**

The accompanying notes form part of these financial statements

Notes to the Consolidated Financial Statements

1 CORPORATE INFORMATION

Western Gold Resources Limited (formerly Western Gold Resources Pty Ltd) (the "Company") is a company domiciled in Australia. The Company's registered office is Level 4, 46 Colin Street, West Perth WA 6005.

The financial report of the Group comprising Western Gold Resources Limited and its wholly owned subsidiary for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 22 September 2023.

Western Gold Resources Limited is a for profit company limited by shares incorporated in Australia. The Company's principal activity is exploration and extraction of mineral resources.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The 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 other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for held for sale investments, which have been measured at fair value. The financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

(b) Going Concern

At 30 June 2023 the Group had net assets of $1,030,103 (30 June 2022: $2,459,517) and cash and cash equivalents of $658,710 (2022: $2,132,627). The Group incurred a loss after tax for the year of $1,904,653 (2022: $4,008,155). The Group recorded cash outflows from operating activities of $1,949,156 (2022: $4,159,842).

During the financial year, the Company raised $511,781 before costs in a share placement. On 21 August 2023, the Company announced a $1.5million capital raising and that it has entered into a conditional agreement to acquire Euro Future Metals Pty Ltd, which holds exploration permit applications over three high grade prospects in Sweden. The capital raising will help the Group to meet its planned and budgeted exploration expenditure as well as regular corporate overheads. However, should the above planned activities to raise capital not be successful, there exists a material uncertainty surrounding the Group's ability to continue as a going concern and, therefore, realise its assets and dispose of its liabilities in the ordinary course of business and at the amounts stated in the financial report.

Notwithstanding the above, the Directors are of the opinion that the Group can carry on operations for the foreseeable future, and that it will be able to realise its assets and discharge its liabilities in the normal course of business. If necessary, the Group has the capacity to delay or cancel expenditures that are considered discretionary in naturing, including administrative costs and exploration expenditure that is not contractually binding. Should the Group not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

(c) New accounting standards and interpretations

In the year ended 30 June 2023, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments

The Entity adopted AASB 2020-3 which makes some small amendments to a number of standards including the following: AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2021-7a: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

AASB 2020-7a makes various editorial corrections to a number of standards effective for reporting periods beginning on or after 1 January 2022. The adoption of the amendment did not have a material impact on the financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) New accounting standards and interpretations (continued)

New and Amended Accounting Policies Not Yet Adopted by the Entity

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024 along with the adoption of AASB 2022-6. The amendment is not expected to have a material impact on the financial statements once adopted.

AASB 2022-6: Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

AASB 2022-6 amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. It also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

The amendment amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. These amendments arise from the issuance by the IASB of the following International Financial Reporting Standards: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8).

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendment amends the initial recognition exemption in AASB 112: Income Taxes such that it is not applicable to leases and decommissioning obligations – transactions for which companies recognise both an asset and liability and that give rise to equal taxable and deductible temporary differences.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

AASB 2021-7b & c: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

AASB 2021-7b makes various editorial corrections to AASB 17 Insurance Contracts which applies to annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

AASB 2021-7c defers the mandatory effective date (application date) of amendments to AASB 10 and AASB 128 that were originally made in AASB 2014-10: Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2025 instead of 1 January 2018.

The Group plans on adopting the amendments for the reporting periods ending 30 June 2024 and 30 June 2026. The impact of initial application is not yet known.

AASB 2022-7: Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

AASB 2022-7 makes editorial corrections to the following standards: AASB 7, AASB 116, AASB 124, AASB 128, AASB 134 and AASB as well as to AASB Practice Statement 2. It also formally repeals superseded and redundant Australian Account Standards as set out in Schedules 1 and 2 to the Standard.

The Group plans on adopting the amendments for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group (its subsidiaries). The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit or losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the group and cease to be consolidated from the date on which control is transferred out of the group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the group controls another entity.

Unrealised gains or transactions between the group and its associates are eliminated to the extent of the group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group. When the group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss.

(e) Exploration, evaluation and development expenditure

Exploration and evaluation costs are expensed in the period they are incurred apart from mineral acquisition costs, which are capitalised and carried forward where right to 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 reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned or the directors decide that it is not commercial, any accumulated mineral acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and capitalised costs written off to the extent it is deemed that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(f) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash- generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Impairment of non-financial assets (continued)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Plant and equipment

Plant and equipment assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on reducing balance basis over the estimated useful life of the asset, namely office equipment and field equipment at 11.25% to 15%.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period the item is derecognised.

(h) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(i) Employee entitlements

Wages, salaries, annual leave, and long service leave

Liabilities for wages and salaries are recognised and are measured as an amount unpaid at the reporting date at current pay rates in respect of employee's services up to that date.

Superannuation

The Group contributes to defined contribution superannuation funds for its employees. The cost of these contributions is expensed as incurred. A liability in respect of superannuation at the current superannuation guarantee rate has been accrued at the reporting date.

(j) Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Income Tax (continued)

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities related to the same taxable entity and the same taxation authority.

(k) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Provisions (continued)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(m) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transactions costs, except for those carried "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement

Financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- The contractual cash flow characteristics of the financial assets; and
- The entities business model for managing the financial asset.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Financial instruments (continued)

Financial assets at fair value through other comprehensive income

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss. All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(n) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements. The Group determines and presents operating segments based on the information internally provided to the Board. During the years ended 30 June 2023 and 30 June 2022, the Group operated within 1 reportable and geographical segment, being mineral exploration in Western Australia.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Earnings/Loss per share

Basic earnings/loss per share is calculated as net profit/loss attributable to members of the Group, adjusted to exclude any costs of servicing equity divided by the weighted average number of ordinary shares.
Diluted earnings/loss per share is calculated as net profit/loss attributable to members of the Group, adjusted for:

- Costs of servicing equity.
- The after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses.
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares.

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting estimates and assumptions:

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year are:

Exploration and evaluation expenditure

Determining the recoverability of exploration and evaluation expenditure capitalised in accordance with the Group's accounting policy (refer note 2(e)), requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. Critical to this assessment is estimates and assumptions as to ore reserves, the timing of expected cash flows, exchange rates, commodity prices and future capital requirements. Changes in these estimates and assumptions as new information about the presence or recoverability of an ore reserve becomes available, may impact the assessment of the recoverable amount of exploration and evaluation assets. If, after having capitalised the expenditure under accounting policy 2(e), a judgement is made that recovery of the expenditure is unlikely, an impairment loss is recorded in the statement of profit or loss and other comprehensive income in accordance with accounting policy 2(f).

As at 30 June 2023, capitalised exploration and evaluation totalled $549,000 (2022: $549,000).

Deferred taxation

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, base level of future taxable profits together with future tax planning strategies.

4 EXPENSES

	30 June 2023 $	30 June 2022 $
(a) Expenses incurred during the year include		
Salaries, wages and directors' fees	268,107	237,697
Superannuation	15,787	15,284
Other employment expenses	4,872	2,755
Insurance	2,043	59,935
Company secretarial	64,475	55,000
Share registry, ASX and ASIC fees	46,150	44,731
Accounting and Audit	74,239	53,295
Other corporate compliance expenses	18,023	18,421
Consulting expenses	66,280	41,930
Occupancy expenses	29,600	23,917
GST write off	24,912	-
Exploration expenses	1,277,299	3,464,770
Depreciation expense	1,776	1,820
Finance expenses	-	397
IT expenses	9,247	6,815
Other expenses	4,481	18,067
Total expenses	1,907,291	4,044,834

5 DIVIDENDS PAID AND PROPOSED

No dividends have been paid or proposed (2022: $Nil).

6 CASH AND CASH EQUIVALENTS

	30 June 2023 $	30 June 2022 $
Cash at bank and in hand	658,710	2,132,627
	658,710	2,132,627
Reconciliation from the net loss after tax to the net cash flows from operations:		
Net loss	(1,904,653)	(4,008,155)
Adjustments for:		
Forgiveness of loan	-	(36,679)
Depreciation	1,776	1,820
Changes in assets and liabilities relating to operating activities:		
Decrease/(Increase) in trade and other receivables	152,193	(222,768)
(Decrease)/Increase in trade and other payables	(220,630)	86,503
Increase in provisions	22,158	19,437
Net cash used in operating activities	(1,949,156)	(4,159,842)

7 Trade and Other Receivables

	30 June 2023 $	30 June 2022 $
GST refundable	50,540	163,191
Other receivables	20,035	59,577
	70,575	222,768

Receivables are non-interest bearing and generally 30-day terms and trading terms are being followed by debtors. An allowance for expected credit losses is recognised when there is objective evidence that it is impaired. No allowance for expected credit losses is required. At the reporting date there were no trade and other receivables that were past due or impaired.

8 Exploration and Evaluation Expenditure

	30 June 2023 $	30 June 2022 $
Reconciliation:		
Balance at the beginning of the year	549,000	549,000
Balance at the end of the year	549,000	549,000

During the year, the Group incurred $1,277,299 (2021: $3,464,770) of exploration and evaluation expenditure which, in accordance with the accounting policy described in Note 2(e) was expensed as incurred.

The ultimate recovery of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas of interest at an amount greater than or equal to carrying value.

9 Trade and Other Payables

	30 June 2023 $	30 June 2022 $
Trade payables and accruals	200,457	421,087
	200,457	421,087

10 Employee Leave Liabilities

	30 June 2023 $	30 June 2022 $
Annual leave liabilities	22,685	19,437
	22,685	19,437

11 LOAN FROM GWR GROUP LIMITED

	30 June 2023 $	30 June 2022 $
Reconciliation:		
Balance at the beginning of the year	-	463,624
Loan balance repaid	-	(426,945)
Increase in loan owing due to costs paid by ultimate parent	-	-
Loan balance forgiven	-	(36,679)
Balance at the end of the year	-	-

12 REHABILITATION PROVISIONS

	30 June 2023 $	30 June 2022 $
Rehabilitation provision – Wiluna West Gold exploration activities	38,798	19,888
	38,798	19,888

13 ISSUED CAPITAL

	30 June 2023 $	30 June 2023 No. of shares	30 June 2022 $	30 June 2022 No. of shares
Ordinary Shares:				
Issued and fully paid	17,035,567	92,747,911	16,560,328	81,375,000
Movement in ordinary shares on issue:				
At 1 July	16,560,328	81,375,000	10,400,000	36,125,000
Issue of shares for cash – seed capital (a)	-	-	213,200	10,250,000
Issue of shares for cash – initial public offering (b)	-	-	7,000,000	35,000,000
Share placement (c)	511,781	11,372,911	-	-
Options issued as share issue costs	-	-	(282,000)	-
Other share issue costs paid	(36,542)	-	(770,872)	-
At 30 June	17,035,567	92,747,911	16,560,328	81,375,000

(a) The funds for these seed capital ordinary shares were received during the year ended 30 June 2021, and were recognised as liabilities until the issue of the shares during the current half-year on 16 July 2021. These shares were issued at an average price of $0.0208 per share.

(b) Initial Public Offering of shares was completed at $0.20 per share on 16 July 2021.

(c) Share Placement was completed at $0.045 per share on 13 March 2023. The

shares do not have a par value.

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

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13 ISSUED CAPITAL (CONT'D)

Capital risk management
The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Company may adjust the amount of any dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

14 RESERVES

	30 June 2023 $	30 June 2022 $
Share based payments reserve	1,282,000	1,282,000
	1,282,000	1,282,000
Movements:		
Balance at 1 July	1,282,000	1,000,000
Options issued to brokers as share issue costs	-	282,000
Balance at 30 June	1,282,000	1,282,000

(a) Summary of options

The following table illustrates the number and weighted average exercise prices (WAEPs) of, and movements in, share options on issue throughout the year:

	For the year ended 30 June			
	2023		2022	
	No.	WAEP	No.	WAEP
Outstanding at 1 July	13,000,000	$0.25	10,000,000	$0.25
Granted during the year	-	-	3,000,000	$0.25
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
At 30 June	13,000,000	$0.25	13,000,000	$0.25
Exercisable at 30 June	13,000,000	$0.25	13,000,000	$0.25

The following table illustrates the number of options and those that have vested and are exercisable at the year-end:

	Number outstanding	Number vested and exercisable	Exercise price	Expiry date	Remaining contractual life
Unlisted options					
Unlisted director options	10,000,000	10,000,000	$0.25	1 July 2024	1.00 years
Unlisted broker options	3,000,000	3,000,000	$0.25	28 Feb 2024	0.67 years

15 SHARE BASED PAYMENTS

	For the year ended 30 June 2023 $	2022 $
Unlisted options issued to brokers	-	282,000
Total share-based payments	-	282,000

(a) The value of these options has been expensed against the costs of raising capital, as they relate directly to the capital raising mandate between the Company and Lead Managers of the Initial Public Offering of the entities securities.

There have been no options issued during the financial year.

16 EARNINGS PER SHARE

	30 June 2023 $	30 June 2022 $
Loss used in calculating basic and diluted loss per share	(1,904,653)	(4,008,155)
	No.	No.
Weighted average number of ordinary shares used in calculating basic loss per share	84,780,624	69,591,740
	Cents	Cents
Basic and diluted loss per share	(2.25)	(5.76)

All potential ordinary shares were considered anti-dilutive.

17 AUDITORS' REMUNERATION

	30 June 2023 $	30 June 2022 $
The auditor of the Company is Stantons International		
Amounts received or due and receivable for:		
• Audit and review of financial reports	33,369	29,365
	33,369	29,365

18 Related Parties

Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group 30 June 2023	30 June 2022
Wiluna West Gold Pty Ltd	Mineral Exploration	Australia	100%	100%

Western Gold Resources Limited is the head entity of the Group.

Other Transactions with Related Parties

During the current year, amounts totalling $44,475 were paid to Endeavour Corporate Pty Ltd, a Company Associated with Mr Mark Pitts, for accounting and administration services (2022: $10,106). Mark Pitts resigned on 3 February 2023.

19 Key Management Personnel Disclosures

	For the year ended 30 June 2023 $	2022 $
Compensation of Key Management Personnel		
Short term benefits	410,475	431,456
Post-employment benefits	38,430	27,068
	448,905	458,524

20 Income Taxes

	For the year ended 30 June 2023 $	2022 $
A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the company's effective income tax rate is as follows:		
Accounting loss before income tax	(1,904,653)	(4,008,155)
At the statutory income tax rate of 25% (2022: 25%)	(476,163)	(1,002,039)
Non-assessable income	-	(9,170)
Effect of temporary differences that would be recognised directly in equity	(9,136)	(263,218)
Adjustments to previous years' tax	(199,637)	-
Tax loss and temporary differences not brought to account as a deferred tax asset	684,936	1,274,427
Income tax expense / (benefit)	-	-
Weighted average rate of tax	-	-
Recognised in the statement of profit or loss and other comprehensive income:		
Current tax expense / (benefit)	-	-
Deferred tax expense / (benefit)	-	-
Total income tax expense / (benefit)	-	-

20 INCOME TAXES(CONT'D)

	Note	For the year ended 30 June 2023 $	2022 $
Unrecognised deferred tax assets and liabilities as at 30 June comprise:			
Unrecognised deferred tax assets			
Exploration assets		173,457	-
Trade and other payables		4,000	3,750
Provisions		9,700	4,972
Employee benefits		6,197	4,859
Unused tax losses		1,600,770	1,050,271
Other future deductions		165,240	210,575
		1,959,364	1,274,427
Set-off of deferred tax liabilities		-	-
Net unrecognised deferred tax asset		1,959,364	1,274,427

Net deferred tax assets have not been recognised because it is not yet probable that future taxable profit will be available against which the Group can utilise the benefits.

21 COMMITMENTS

In order to maintain current rights of tenure to mining tenements, the Group has discretionary minimum annual tenement expenditure requirements and lease rentals of $665,747 (2022: $546,725). This discretionary expenditure is capable of being varied from time to time in order to maintain these rights of tenure to mining tenements.

22 FINANCIAL INSTRUMENTS FINANCIAL

RISK MANAGEMENT POLICIES

The Group's financial instruments consists solely of accounts payable.
Derivatives are not used by the Group for hedging purposes. The Group does not speculate in the trading of derivative instruments.

TREASURY RISK MANAGEMENT

The Group's Board of Directors meet on when required to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to minimise potential adverse effects on financial performance. Risk Management initiatives are addressed by the Board when required.

FINANCIAL RISK EXPOSURES AND MANAGEMENT

The main risks the Group is exposed to through its financial instruments is liquidity risk and interest rate risk.

LIQUIDITY RISK

The Group manages liquidity risk by monitoring forecast cash flows.

INTEREST RATE RISK

The Group's exposure to market interest rates relates primarily to the Group's interest-bearing cash and cash equivalents. Trade and other receivables disclosed in note 7 and Trade and other payables disclosed in note 9 are non- interest bearing. The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt. The Group regularly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing and the mix of fixed and variable interest rates.

22 Financial Instruments (Cont'd)

Net fair values of financial assets and liabilities

Assets and liabilities included in the Statement of Financial Position are carried at amounts that approximate their fair values. Please refer to Note 2 for the methods and assumptions adopted in determining net fair values for investments. The follow table details the Group's contractual maturities of its financial assets and liabilities:

		Maturity		
	Carrying Amount $	Less than 1 year $	1 to 5 years $	More than 5 years $
Year ended 30 June 2023				
Cash and cash equivalents	658,710	658,710	-	-
Trade and other receivables	70,575	70,575	-	-
Total Financial Assets	729,285	729,285	-	-
Trade and other payables	200,457	200,457	-	-
Total Financial Liabilities	200,457	200,457	-	-
Year ended 30 June 2022				
Cash and cash equivalents	2,132,627	2,132,627	-	-
Trade and other receivables	222,768	222,768	-	-
Total Financial Assets	2,355,395	2,355,395	-	-
Trade and other payables	421,087	421,087	-	-
Total Financial Liabilities	421,087	421,087	-	-

Sensitivity Analysis

Liquidity Risk

The Company has performed sensitivity analysis relating to its exposure to liquidity risk at balance date and has determined that increases and decreases are not material to the Company.

Interest rate risk

The Company has performed sensitivity analysis relating to its exposure to interest rate risk at balance date and has determined that increases and decreases are not material to the Company.

23 Parent Entity Disclosures

Financial Position

	30 June 2023 $	30 June 2022 $
Assets		
Current assets	729,285	2,558,222
Non-current assets	562,758	361,707
Total Assets	1,292,043	2,919,929
Liabilities		
Current liabilities	223,142	440,524
Non-current liabilities	38,798	19,888
Total Liabilities	261,940	460,412
Net Assets	1,030,103	2,459,517

23 Parent Entity Disclosures (Cont'd)

	30 June 2023 $	30 June 2022 $
Equity		
Issued capital	17,035,567	16,560,328
Reserves	1,282,000	1,282,000
Accumulated losses	(17,287,464)	(15,382,811)
Total Equity	1,030,103	2,459,517

Financial Performance

	Note	For the year ended 30 June 2023 $	2022 $
Loss for the year		(1,904,653)	(2,777,582)
Other Comprehensive Income		-	-
Total Comprehensive Loss		(1,904,653)	(2,777,582)

Contingencies

The Parent Entity had no contingencies at 30 June 2023 (2022: Nil).

Guarantees

The Company has not entered into any guarantees in relation to the debts of its subsidiaries.

24 Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The Group identifies its operating segments based on the internal reports that are reviewed and used by the executive management team (chief operating decision makers) in assessing performance and determining the allocation of resources.

The operations and assets of Western Gold Resources Limited and its controlled entities are primarily employed in exploration and evaluation activities relating to minerals in Australia. The decision to allocate the resources to individual projects is predominantly based on available cash reserve, technical data and the expectation of future metal price. Accordingly, the Group has identified only one reportable segment, being mineral exploration activities undertaken in Australia. The financial information presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position is the same as that presented to the chief operating decision maker.

25 SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 21 August 2023, the Company announced that it has entered into a conditional agreement to acquire Euro Future Metals Pty Ltd (EFM), which holds exploration permit applications over three high grade prospects in Sweden. The Acquisition is conditional upon:

- Legal, financial and technical due diligence by WGR on EFM and the Projects;
- WGR obtaining all requisite shareholder and regulatory approvals for the Acquisition;
- Grant of the three permit applications; and
- Completion of the below Capital Raising.

WGR has received firm commitments for a raising of $1.5m @ $0.035 per share. The raising shall be conducted in two tranches. Under Tranche 1, WGR issued 8,971,838 shares, raising $314,014 (before costs) on 28 August 2023. The Tranche 1 raising issue price of $0.035 per share represents a discount of 18% to the 15-day VWAP of $0.0413 per share and a 14% discount to WGR's last close price of $0.04 per share on 16 August 2023.

Under Tranche 2, WGR shall issue 33,885,307 shares to raise $1,185,986. Tranche 2 is subject to shareholder approval. The Company has issued a Notice of Meeting for a shareholder meeting to be held on 9 October 2023 seeking shareholder approval for Tranche 2 along with all other aspects of the Acquisition requiring shareholder approval. GTT Ventures Pty Ltd (GTT) are the Lead Manager to the capital raising. WGR shall pay GTT a capital raising fee of 6% + GST on all funds raised.

WGR shall acquire EFM in consideration for:

- a cash payment of $75,000;
- the issue of 17,250,000 shares;
- the issue of 8,500,000 performance rights each convertible into 1 share on the achievement, within 2 years of grant, of an Exploration Target (as defined in JORC 2012) of, or greater than:
  - 30-60Mt at 0.8-1.2% total rare earths oxides in relation to the area the subject of the permits; or
  - 30-60Mt at 5-10% total graphite content in relation to the area the subject of the permits; and
- the issue of 8,500,000 performance rights each convertible into 1 share on the achievement, within 2 years of grant, of a drill intersection on one of the permits of at least 15 meters @ 10% total graphite content or 15 meters @ 0.5% total rare earth oxides.

There have been no other matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group, in future financial years.

Directors' Declaration

In the opinion of the Directors of Western Gold Resources Limited ('the Company'):

1. In the opinion of the directors:

   (a) The financial statements and notes of Western Gold Resources Limited for the financial year ended 30 June 2023 are 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 performance for the year then ended; and

      (ii) Complying with Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001.

   (b) Subject to matters described in Note 2(b), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2023.

Signed in accordance with a resolution of directors.

Gary Lyons
Chairman
22 September 2023

Stantons

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
WESTERN GOLD RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Western Gold Resources 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 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 statements, 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 then ended; 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 Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 report.

Material Uncertainty Relating to Going Concern

Without modifying our opinion expressed above, attention is drawn to the following matter:

As referred to in Note 2(b) to the financial statements, the financial statements have been prepared on a going concern basis. At 30 June 2023 the Group had cash and cash equivalents totalling $658,710, net assets of $1,030,103 and has incurred a loss before tax for the period of $1,904,653. The consolidated entity's ability to continue operations is dependent upon the future successful raising of necessary funding through equity or borrowings, successful exploitation of the consolidated entity's capitalised exploration assets and/or sale of core assets. This indicates that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern.

**

Key Audit Matters

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be Key Audit Matter to be communicated in our report.

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.

Key Audit Matters	How the matter was addressed in the audit
Carrying Value of Exploration and Evaluation Assets As at 30 June 2023, Exploration and Evaluation Assets totalled $549,000 (refer to Note 8 of the financial report). The carrying value of exploration and evaluation assets is a key audit matter due to: • The significance of the expenditure capitalised representing 42.5% of total assets; • The necessity to assess management's application of the requirements of the accounting standard Exploration for and Evaluation of Mineral Resources ("AASB 6"), in light of any indicators of impairment that may be present; and • The assessment of significant judgements made by management in relation to the capitalised exploration and evaluation expenditure.	Inter alia, our audit procedures included the following: i. Assessing the Group's right to tenure over exploration assets by corroborating the ownership of the relevant licences for mineral resources to government registries and relevant third-party documentation; ii. Reviewing the directors' assessment of the carrying value of the capitalised exploration and evaluation costs, ensuring the veracity of the data presented and assessing management's consideration of potential impairment indicators, commodity prices and the stage of the Group's projects also against AASB 6; iii. Evaluation of Group documents for consistency with the intentions for continuing exploration and evaluation activities in areas of interest and corroborated in discussions with management. The documents we evaluated included: ▪ Circular resolutions of the board; and ▪ Announcements made by the Group to the Australian Securities Exchange; and iv. Consideration of the requirements of accounting standard AASB 6 and reviewed the financial statements to ensure appropriate disclosures are made.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon.

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

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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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 17 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Western Gold Resources 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.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik

Martin Michalik
Director

West Perth, Western Australia
22 September 2023

Tenement Schedule

Western Gold Resources Limited has an interest in the tenements summarised in table below through its wholly owned subsidiary Wiluna West Gold Pty Ltd.

The Tenements are all granted mining tenements within their first 21 year term and are held by GWR Group Limited.

Tenement	Status	Holder	Nature of interest	Percentage Held
Exp/Mining Licences				
M53/971-I	Granted	GWR Group Limited 100%	Subject to Deed of Co-operation with GWR [1]	0%
M53/972-I	Granted	GWR Group Limited 100%	" "	0%
M53/1016-I	Granted	GWR Group Limited 100%	" "	0%
M53/1017-I	Granted	GWR Group Limited 100%	" "	0%
M53/1018-I	Granted	GWR Group Limited 100%	" "	0%
M53/1087-I	Granted	GWR Group Limited 100%	" "	0%
M53/1096 I	Granted	GWR Group Limited 100%	" "	0%
E53/2202	Granted	Wiluna West Gold Pty Ltd 100%	Wholly owned subsidiary of WGR	100%
E53/2240	Granted	Wiluna West Gold Pty Ltd 100%	Wholly owned subsidiary of WGR	100%
Miscellaneous Licences				
L53/115, L53/146, L53/147- 148, L53/177-179 and L53/190	Granted	GWR Group Limited 100%	Wholly owned subsidiary of WGR	0%

[1] Wiluna West Gold Pty Ltd (a wholly owned subsidiary of the Company), has entered into a Deed of Co-operation with GWR Group Limited which provides for the co-ordination of their respective activities within the Wiluna West Iron Project and Gold Duke Project areas. The Company has been granted full, free and exclusive rights to exercise the mineral rights to all minerals other than iron ore in the tenement area.

The Company has assumed all obligations under a Gold Royalty Deed in relation to a royalty on gold recovered from the land the subject of M 53/1016- 1, M 53/1017-1 and M 53/1018-1, payable to George Francis Lee (Lee) and David Jones Roberts (Roberts), the original vendors of these tenements.

ASX Additional Information

Pursuant to the Listing Requirements of the Australian Securities Exchange, the shareholder information set out below was applicable as at 5 September 2023.

The total number of shares on issue is 101,719,749.

Each fully paid ordinary share entitles the holder to one vote at general meetings of shareholders and is entitled to dividends when declared.

A. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of shareholders by size of holding:

Ordinary Fully Paid Shares

Distribution	Number of shareholders	Securities held	% of issued capital
1 – 1,000	207	21,726	0.02%
1,001 – 5,000	151	509,895	0.50%
5,001 – 10,000	142	1,060,746	1.04%
10,001 – 100,000	229	7,525,224	7.40%
More than 100,000	107	92,602,158	91.04%
Totals	836	101,719,749	100.00%

There are 116 shareholders holding less than a marketable parcel of ordinary shares given a share value of $0.032 per share.

B. TWENTY LARGEST SHAREHOLDERS

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

	Ordinary Shares - Quoted	
Shareholder Name	**Number of shares**	**% of Shares**
CITICORP NOMINEES PTY LIMITED	26,942,059	26.49%
INCOR HOLDINGS LIMITED	10,619,337	10.44%
SYRACUSE CAPITAL PTY LTD <THE ROCCO TASSONE S/F A/C>	4,321,185	4.25%
MS MELISSA TASSONE	3,370,673	3.31%
MS BARBARA SEIW-HWA HENG	3,263,753	3.21%
ANTELLE HOLDING LIMITED	3,204,793	3.15%
TRIBECA NOMINEES PTY LTD	2,744,808	2.70%
BLUEBAY INVESTMENTS GROUP CORPORATION LTD	2,613,851	2.57%
ALISSA BELLA PTY LTD <THE C&A TASSONE SUPER A/C>	2,173,592	2.14%
REYNAUD INTERNATIONAL LIMITED	2,000,000	1.97%
HUNAN VALIN STEEL CO LTD	1,718,050	1.69%
MURDOCH CAPITAL PTY LTD <GLOVAC SUPERFUND A/C>	1,529,578	1.50%
BNP PARIBAS NOMS PTY LTD UOB KH PL AC <DRP>	1,241,866	1.22%
MR SEAN GERARD O'DONOHOE	1,057,692	1.04%
MR MANUSHA RATNAYAKE	989,253	0.97%
MR DAMIAN LOUIS CULLURA <THE D L CULLURA FAMILY A/C>	846,677	0.83%
DATUK CHIN AN LAU	783,939	0.77%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	750,966	0.74%
MR GARY LYONS & MS TATJANA CUSMANO <LYONS SUPER FUND A/C>	715,851	0.70%
MR MICHAEL REGINALD WILSON	669,058	0.66%
l	**71,556,981**	**70.35%**

C. SUBSTANTIAL SHAREHOLDERS

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

	Issued Ordinary Shares	
Holder of Relevant Interest	Number of shares	% of shares
CITICORP NOMINEES PTY LIMITED	26,942,059	26.49%
INCOR HOLDINGS LIMITED	10,619,337	10.44%

D. UNQUOTED SECURITIES

Options over Unissued Shares

Description	Exercise Price	Expiry Date	Number of Holders	Number of Options
Director Options	25 cents	1 July 2024	4	10,000,000
Broker Options	25 cents	28 February 2024	4	3,000,000
				13,000,000

E. VOTING RIGHTS

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll, each share will have one vote.

There are no voting rights in respect of options or performance rights over unissued shares.

F. RESTRICTED SECURITIES

There are no ordinary fully paid shares on issue which are subject to escrow agreements.

There are also 13,000,000 unlisted options on issue that are subject to escrow agreements and are restricted until 23 July 2023.

G. ON MARKET BUY BACK

There is no current on market buy back.

H. USE OF FUNDS

Pursuant to the requirements of ASX Listing Rule 4.10.19 the Company has used funds raised from its Initial Public Offer (IPO) in a manner that is consistent with the prospectus and objectives outlined in the IPO document.


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