



Ausgold
LIMITED

ABN 67 140 164 496

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**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2023**

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CORPORATE DIRECTORY

DIRECTORS

Mr Richard Lockwood
Interim Chairman / Non-Executive Director

Dr Matthew Greentree
Chief Executive Director and Managing Director

Mr Denis Rakich
Executive Director

COMPANY SECRETARY

Mr Denis Rakich

REGISTERED OFFICE

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SECURITIES EXCHANGE

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Perth WA 6000

ASX Code: AUC

AUSTRALIAN BUSINESS NUMBER

ABN 67 140 164 496

SHARE REGISTRY

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Level 5, 191 St Georges Terrace
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Telephone: 1300 288 664

AUDITORS

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5 Spring Street
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Telephone: (08) 6382 4600
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BANKERS

Westpac Banking Corporation
Level 8, 109 St Georges Terrace
Perth WA 6000

SOLICITORS

Gilbert & Tobin
Level 16 Brookfield Place Tower 2
123 St Georges Terrace
Perth WA 6000

Lawton McMaster Legal
Level 9, 40 The Esplanade
Perth WA 6000

DIRECTORS REPORT

The Directors present their report together with the financial statements, on the consolidated entity consisting of Ausgold Limited and the entities it controlled for the half-year ended 31 December 2023. Ausgold Limited (“Ausgold” or “the Company”) and its controlled entities (collectively known as “the Group” or “consolidated entity”) are domiciled in Australia.

PRINCIPAL ACTIVITIES

The consolidated entity’s principal activities during the course of the half-year were the exploration for gold and other precious metals.

DIRECTORS

The names and details of the Company’s Directors in office during the half-year and until the date of this report are as follows:

Name	Period of Directorship
Mr Richard Lockwood	Non-Executive Chairman since 2 September 2012 till 27 February 2023 Non-Executive Director from 28 February 2023 Interim Non-Executive Chairman from 23 October 2023
Dr Matthew Greentree	Chief Executive Officer since 10 April 2017 Managing Director since 19 April 2018
Mr Denis Rakich	Executive Director and Company Secretary since 31 January 2013
Mr Geoffrey Jones	Non-Executive Director since 29 July 2016 till 27 February 2023 Non-Executive Chairman from 28 February 2023, retired 23 October 2023

REVIEW OF OPERATIONS

KATANNING GOLD PROJECT

Western Australia (AUC 100%)

Ausgold continued to advance its 100% owned flagship Katanning Gold Project (KGP or the Project), located 275km from Perth, Western Australia. The KGP is the largest undeveloped free-milling open-cut gold project in Western Australia.

The KGP represents a 17km mineralised trend with significant potential across three key zones, which include the following Resource deposits and prospects (Figure 1):

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

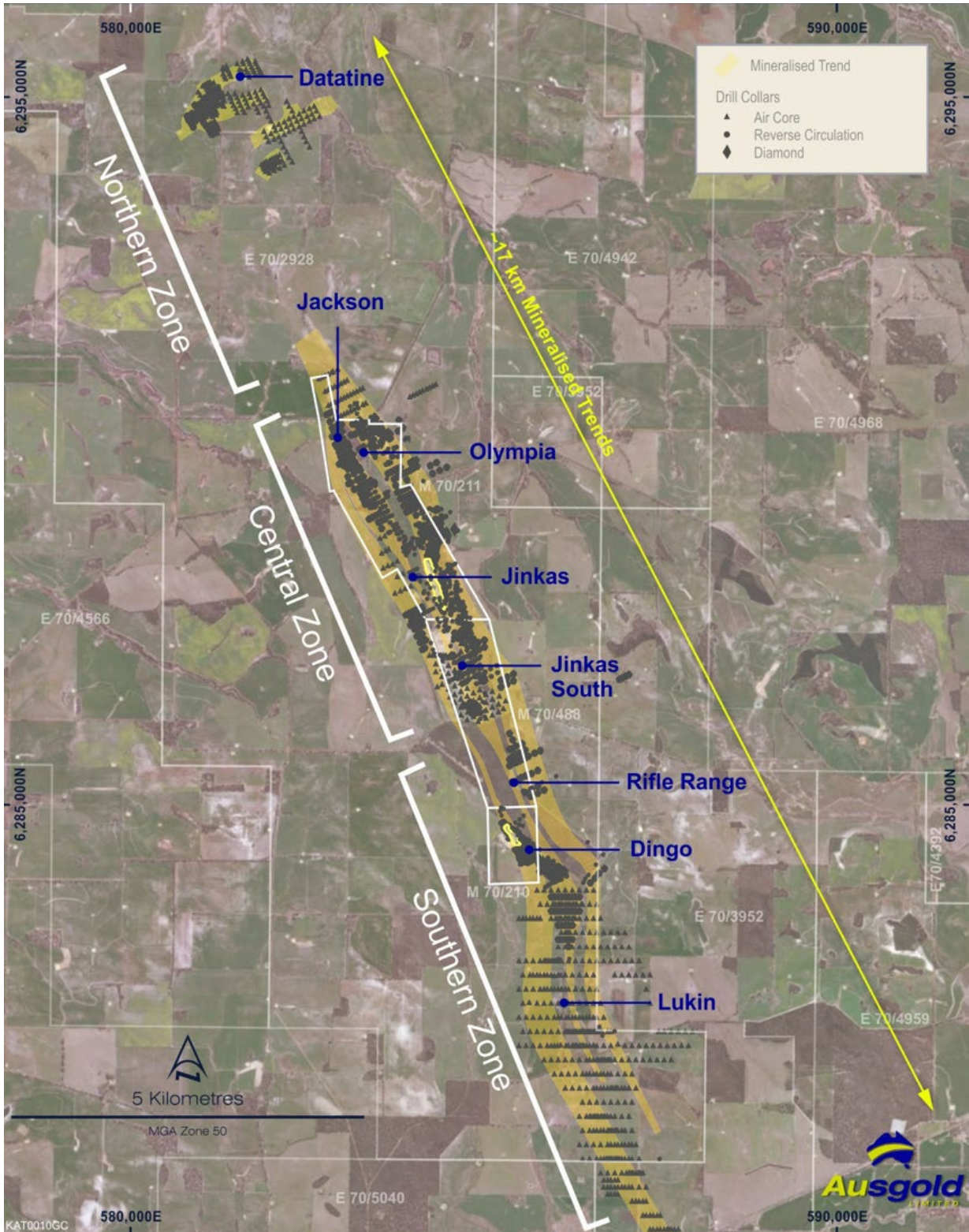
The KGP is comprised of a current JORC 2012 Mineral Resource Estimate (MRE) of 89 Mt at 1.06g/t gold for 3.04 million ounces.

With 80% of contained ounces in the higher confidence Measured and Indicated Resource categories, the updated MRE is being incorporated into the ongoing Definitive Feasibility Study (DFS) for the KGP, supporting Ausgold’s strategy to develop a large-scale, high-margin, long-life standalone gold operation at Katanning, adding considerable momentum to its growth plans.

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REVIEW OF OPERATIONS (CONT'D)

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



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REVIEW OF OPERATIONS (CONT'D)

KGP RESOURCE UPDATE

Ausgold delivered a significantly upgraded JORC 2012 Mineral Resource Estimate (MRE) for the KGP during the September 2023 quarter, comprising 89Mt at 1.06 g/t for 3.04 million ounces, reflecting the significant endowment of the Katanning Gold Project.

The new Resource built on the May 2022 Resource, which was reported in May 2023 at a lower 0.45 g/t Au cut-off grade as part of a Scoping Study to support an expanded 5Mtpa development case.

The Resource update reflected an additional 17,305m of drilling undertaken since April 2022 (Figure 2), as well as further refinements to the geological model across all three zones and enhanced estimation techniques.

With 80% of contained ounces in the higher confidence Measured and Indicated Resource categories (Table 1), the updated MRE is being incorporated into the ongoing Definitive Feasibility Study (DFS) for the KGP, supporting Ausgold's strategy to develop a large-scale, high-margin, long-life standalone gold operation at Katanning, adding considerable momentum to its growth plans.

Table 1 Mineral Resources and Ore Reserve Inventory

Mineral Resource	Tonnes (Mt)	Grade (g/t Au)	Contained Ounces
Measured	38.1	1.10	1,352,000
Indicated	31.8	1.04	1,067,000
Inferred	18.9	1.02	620,000
Total	88.9	1.06	3,040,000
Ore Reserve	Tonnes (Mt)	Grade (g/t Au)	Contained Ounces
Probable	32.0	1.25	1,280,000
Total	32.0	1.25	1,280,000

Notes: Resource is reported at a lower cut-off grade of 0.45 g/t Au and above 150m RL (approximately 220m depth), the underground Resource is reported at 1.8 g/t Au beneath 150m RL and historic tails are reported at 0 g/t Au cut-off grade. Resource numbers may not total exactly due to rounding. Ore reserves are reported based on a A\$2,200 gold price as a basis for cut-off grade estimations and pit optimisations. Life of mine only includes Central Zone and Dingo Resource areas. The Ore Reserve and LOM only include Measured and Indicated Resource.

The information in this report that relates to the Mineral Resource in Table 1 is based on information announced to the ASX on 4 September 2023. Ausgold confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

For further information regarding the PFS and Maiden Ore Reserve, refer to the Executive Summary Report included in ASX announcement 1 August 2022, as **Appendix 1**. The Ore Reserve was prepared and reported in accordance with the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code, 2012 edition) (the **JORC Code**).

KGP RESOURCE GROWTH

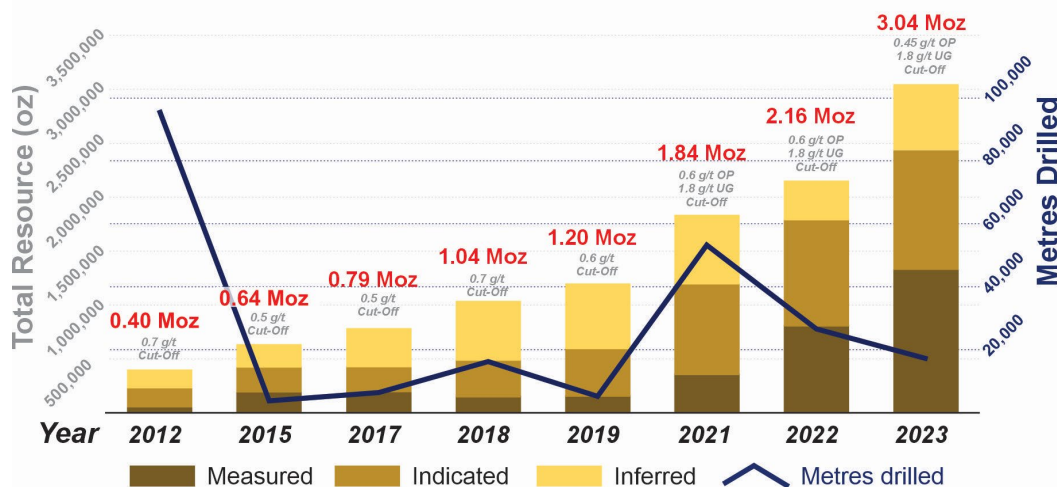


Figure 2 – Katanning Gold Project Resource growth¹

¹Refer to ASX announcements released 19/12/2012, 21/10/2015, 3/8/2017, 26/11/2018, 1/11/2019, 7/12/2021 and 25/05/2022.

REVIEW OF OPERATIONS (CONT'D)

DEFINITIVE FEASIBILITY STUDY

The Definitive Feasibility Study is based on the updated 3.04Moz Mineral Resource announced on 4 September 2023 and encompasses the expanded operational scope targeting long-life gold mine at Katanning.

Lead Engineer, GR Engineering Services Limited is continuing to develop the process design and infrastructure layout elements of the DFS in line with the overall Project Development timeline outlined below:

Project Development Timeline

Key Milestone	Q1 CY 2024	Q2 CY 2024	Q3 CY 2024	Q4 CY 2024	1H CY 2025
Definitive Feasibility Studies					
Permitting & Approvals					
Project Financing and FID					

Key completed and upcoming workstreams being undertaken as part of the DFS are summarised below:

Open Pit Mining

Open pit mining optimisation studies and strategic analysis are being undertaken, based on the current Mineral Resource, to provide updated inputs for open pit mining inventory and mining schedules. The development of an updated cost model, supported by contractor pricing and mining fleet confirmation, is progressing. Cube Consulting has been engaged to undertake strategic analysis of mining and processing schedules. Concurrently, pit, waste and haul road designs are being finalised.

Pit Geotechnical Assessment

The geotechnical assessment for open pit mining is now completed.

Metallurgy

The Metallurgical assessment has been completed and incorporated into the process design.

Process Design

The comminution modelling is complete, and GR Engineering has updated the design criteria for the DFS crushing and grinding circuits and an optimised mill arrangement. Plant and infrastructure layouts with cost estimation are progressing in line with pit optimisation studies. Operational cost factors relating to power supply have been updated to reflect current supplier proposals.

Tailings Storage Facility and Surface Water Management

Knight Piesold have completed the tailings physical and geochemical test work. A series of Tailings Storage Facility (TSF) layouts have been assessed to ensure minimal impact to existing landforms. The TSF wall designs are being developed with site investigation underway and geotechnical assessments to be completed in Q2 2024.

Concept surface water management features have been developed.

Hydrogeology

Groundwater exploration drilling for water supply and pit dewatering was completed in Q2 2023. DWIR Part V permitting to enable water extraction is underway. Production bore installation is scheduled to commence Q2 2024, followed by test pumping and numerical modelling to determine groundwater yields.

Power Supply

Energy requirements determined by GR Engineering's plant design have been assessed with potential supply by grid connection from Western Power. An alternate study based on on-site energy infrastructure is being assessed with studies for both thermal and renewable energy supply has been completed. Proposals for on-site power and LNG supply contracts have been received to support the costings that underpin the DFS.

Data collection for both wind and solar resources is currently underway with further site investigations planned to determine the site layout.

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REVIEW OF OPERATIONS (CONT'D)

DEFINITIVE FEASIBILITY STUDY(CONT'D)

Accommodation

Ausgold has held discussions with the local councils and businesses to assess the availability of accommodation in the region. Several potential development sites for accommodation have been identified within Katanning and these sites are being further investigated with concept accommodation designs underway.

Engagement with various stakeholders in the local community and businesses is planned to refine the potential development locations, construction methodology options and capital investment strategies. These discussions will also establish the potential integration of workers' accommodation for other local business and organisations.

Ausgold has commenced work to identify potential partnerships and government grants applicable to the proposed accommodation development.

Project Access

On 14 September 2023, Ausgold announced that it has entered into binding agreements to acquire two farming properties at the KGP. The two properties cover a combined area of 1,026 hectares.

One property, located within Mining Lease 70/488, covers an area of 94 hectares and encompasses the southern extent of the Central Zone Resource (the Jinkas, Jinkas South and Jackson deposits) – an area which will be a primary source of ore in the first 18 months of production at the KGP.

The agreements are each on usual terms, with settlement of the acquisitions not subject to any material conditions precedent and the total consideration being \$10.76 million, with \$3.12 million paid on signing of the agreements and the balance to be paid in early April 2024. The vendors are not related parties of the Company.

Funding

Ausgold has continued its working relationship with Argonaut PCF ("Argonaut") by signing a new agreement to appoint Argonaut as the Company's corporate advisor. Argonaut, a specialist natural resources investment bank is providing Ausgold with wide-ranging corporate and financial advice as the Company reviews financing alternatives to enable the ultimate development of the Katanning Gold Project. As part of this mandate, Ausgold has received numerous offers from financiers and is currently considering traditional and non-dilutive funding alternatives to fund the deferred consideration and land acquisitions as part of the overarching finance for the development of the KGP.

Approvals update

Tenure

Mining lease applications (M70/1426 and M70/1427) over the proposed project area to support development infrastructure for the broader KGP were submitted in Q1 CY 2024.

Environmental Studies

Final reports for seasonal flora and fauna studies are expected in Q1 2024 and will be incorporated into the Assessment on Referral Information (ARI) to be submitted to the Environmental Protection Agency (EPA). Coordination of reporting and preparation of the ARI is being completed by Talis Consultants.

Spring flora and fauna surveys over the Project area and other baseline biological surveys including subterranean fauna surveys have been completed which will contribute to the environmental impact assessment.

Mine waste characterisation study has been completed in addition to preliminary noise and visual impact assessments. Regional aerial photography and LIDAR surveys across the project area have been undertaken to provide updated topographical data for the mine and infrastructure impact studies. A traffic management study for the mine and surrounding area will be undertaken as details of the project infrastructure layout are refined.

Community and Stakeholder Engagement

Community consultation is ongoing as part of the social and economic impact assessment (SEIA) for the KGP. Ausgold has joined the Katanning Regional Business Group to promote stakeholder engagement and identify local businesses that may be involved in the project development and operations.

Ausgold intends to build upon this survey to substantiate the stakeholder engagement program which will form part of the approvals process.

FINANCIAL

The Group recorded a consolidated loss of \$1,508,528 for the half-year ended 31 December 2023 (December 2022: \$2,944,955). At 31 December 2023, the Group had \$2,837,700 in cash and cash equivalents (June 2023: \$9,412,384).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration is included on page 10 of this financial report.

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

For and on behalf of the Directors

A handwritten signature in black ink, appearing to read "Denis Rakich".

Denis Rakich
Director

Perth, Western Australia
14 March 2024

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AUDITOR'S INDEPENDENCE DECLARATION



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

As lead auditor of Ausgold Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

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

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



Ashleigh Woodley
Director

BDO Audit (WA) Pty Ltd
Perth
14 March 2024

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Dec 2023 \$	Dec 2022 \$
Revenue from continuing operations		125,844	28,708
Other income		38,355	64,915
Net movement in financial assets		(12,250)	35,000
Impairment exploration expenses		(86,053)	(983,790)
Corporate and administration expenses		(1,015,467)	(1,045,314)
Share-based payments expenses	7	(122,448)	(516,988)
Occupancy refund / (expenses)		35,064	(31,987)
Other expenses		(86,850)	(77,132)
Accounting expenses		(112,322)	(153,301)
Amortisation and depreciation expenses		(187,725)	(121,438)
Finance costs		(31,858)	(22,684)
Legal fees		(52,818)	(120,944)
Loss before income tax		(1,508,528)	(2,944,955)
Income tax benefit / (expense)		-	-
Net loss attributable to members		(1,508,528)	(2,944,955)
Other comprehensive income / (loss)			
Other comprehensive income / (loss)		-	-
Total comprehensive income / (loss) for the period (net of tax)		(1,508,528)	(2,944,955)
Loss per share for the period attributable to the members of Ausgold Limited			
Basic and diluted loss per share (cents per share)		(0.07)	(0.15)

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

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	Dec 2023 \$	Jun 2023 \$
ASSETS			
Current assets			
Cash and cash equivalents		2,837,700	9,412,384
Trade and other receivables		109,687	173,684
Security deposit		151,425	151,425
Financial assets at fair value		113,750	126,000
Total current assets		3,212,562	9,863,493
Non-current assets			
Prepayment	4	2,500,000	-
Property, plant and equipment		786,540	806,662
Exploration and evaluation expenditure	5	72,644,791	69,874,018
Right-of-use assets		826,111	1,002,121
Total non-current assets		76,757,442	71,682,801
Total assets		79,970,004	81,546,294
LIABILITIES			
Current liabilities			
Trade and other payables		302,880	392,325
Lease liabilities		292,453	290,265
Provisions		369,584	328,430
Total current liabilities		964,917	1,011,020
Non-current liabilities			
Lease liabilities		576,290	733,347
Provisions		1,221,957	1,209,007
Total non-current liabilities		1,798,247	1,942,354
Total liabilities		2,763,164	2,953,374
NET ASSETS		77,206,840	78,592,920
EQUITY			
Contributed equity	6	113,690,511	113,690,511
Reserves	7	7,637,005	7,514,557
Accumulated losses		(44,120,676)	(42,612,148)
TOTAL EQUITY		77,206,840	78,592,920

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total Equity \$
Balance as at 1 July 2023		113,690,511	(42,612,148)	7,514,557	78,592,920
Loss for the period		-	(1,508,528)	-	(1,508,528)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the period		-	(1,508,528)	-	(1,508,528)
Transactions with owners, recorded directly in equity					
Shares issued		-	-	-	-
Share issued costs		-	-	-	-
Share-based payments		-	-	122,448	122,448
Balance as at 31 December 2023		113,690,511	(44,120,676)	7,637,005	77,206,840

	Note	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total Equity \$
Balance as at 1 July 2022		102,348,496	(37,385,191)	6,812,391	71,775,696
Loss for the period		-	(2,944,955)	-	(2,944,955)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the period		-	(2,944,955)	-	(2,944,955)
Transactions with owners, recorded directly in equity					
Shares issued		-	-	-	-
Share issued costs		-	-	-	-
Options issued		2,000	-	-	2,000
Share-based payments		-	-	516,988	516,988
Balance as at 31 December 2022		102,350,496	(40,330,146)	7,329,379	69,349,729

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Dec 2023 \$	Dec 2022 \$
Cash flows from operating activities			
Interest received		125,844	28,708
Payments to suppliers and employees		(1,355,444)	(1,300,168)
Receipts from rebates and claims		35,712	64,802
Net cash flows used in operating activities		(1,193,888)	(1,206,658)
Cash flows from investing activities			
Payment for property, plant and equipment		(2,498,014)	(9,877)
Payment for security deposit		-	(56,815)
Payment for exploration expenditure		(2,856,826)	(3,137,010)
Net cash flows used in investing activities		(5,354,840)	(3,203,702)
Cash flows from financing activities			
Repayment of lease obligations		(25,956)	(24,819)
Proceeds from issue of share capital		-	2,000
Net cash flows used in financing activities		(25,956)	(22,819)
Net decrease in cash and cash equivalents		(6,574,684)	(4,433,179)
Cash and cash equivalents at the beginning of the period		9,412,384	10,928,555
Cash and cash equivalents at the end of the period		2,837,700	6,495,376

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. REPORTING ENTITY

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

The interim condensed consolidated financial statements of the Group for the half-year ended 31 December 2023 was authorised for issue in accordance with a resolution of the Directors on 14 March 2024.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial statements for the half-year ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

These financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Significant accounting policies

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

The accounting policies, judgements, estimates and assumptions adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed on the preparation of the Group’s annual financial statements for the year ended 30 June 2023, except as disclosed below.

Changes in accounting policies

The Group has adopted all of the new or amended accounting standards and interpretations issued by the Australian Accounting Standards Board (“AASB”) that are mandatory for the current reporting period.

Any new or amended accounting standards or interpretations that are not yet mandatory have not been early adopted.

Going concern

As disclosed in the financial statements, the Company incurred a loss of \$1,508,528 (2022: \$2,944,955) and had net cash outflows from operating and investing activities of \$1,193,888 (2022: \$1,206,658) and \$5,354,840 (2022: \$3,203,702) respectively for the period ended 31 December 2023. As at that date, the Company had net current assets of \$2,247,645.

The ability of the entity to continue as a going concern is dependent on the Company successfully raising capital and or obtaining finance in the near future to fund the operations in relation to the Definitive Feasibility Study and to finalise the acquisition of properties, refer Note 8. This condition indicates a material uncertainty that may cast a significant doubt about the entity’s ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statement have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SEGMENT REPORTING

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

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

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

4. PREPAYMENTS

	Dec 2023 \$	Jun 2023 \$
Non-current assets		
Initial payment on property	2,500,000	-
	2,500,000	-

In September 2023, Ausgold entered into a binding agreement to acquire the Smith Road, Badgebup property at a purchase price of \$9.5 million, of which \$2.5 million was remitted as the initial payment. Final settlement on the properties is due early April 2024.

5. EXPLORATION AND EVALUATION EXPENDITURE

	Dec 2023 \$	Jun 2023 \$
Non-current assets		
Exploration, evaluation, prepayment and development costs carried forward in respect of areas of interest (net of amounts written off)		
Exploration and evaluation expenditure	72,644,791	69,874,018
	72,644,791	69,874,018

	Dec 2023 \$	Jun 2023 \$
Reconciliation		
Carrying amount at start of year	69,874,018	62,361,330
Exploration expenditure	2,856,826	9,275,339
Expenditure written off	(86,053)	(1,762,651)
Carrying amount at the end of the period	72,644,791	69,874,018

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. CONTRIBUTED EQUITY

	Dec 2023 \$	Jun 2023 \$
Equity		
Balance at the start of the period	113,690,511	102,348,496
Shares issued for capital raising purposes	-	12,000,000
Less share issue costs	-	(659,985)
Options issued for capital raising purposes	-	2,000
	113,690,511	113,690,511

	Dec 2023 Number of shares	Jun 2023 Number of shares
Movement in share capital		
Balance at the start of the period	2,296,141,208	2,029,474,541
Shares issued for capital raising purposes	-	266,666,667
	2,296,141,208	2,296,141,208

	Dec 2023 Number of options	Jun 2023 Number of options
Movement in options		
Balance at the start of the period	68,000,000	47,500,000
Options issued	-	20,500,000
	68,000,000	68,000,000

	Dec 2023 Number of performance rights	Jun 2023 Number of performance rights
Movement in performance rights		
Balance at the start of the period	35,200,000	-
Performance rights lapsed	(5,500,000)	-
Performance rights issued	8,000,000	35,200,000
	37,700,000	35,200,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. RESERVES

Share-based compensation benefits are provided to employees of Ausgold Limited. The fair value is measured at grant date and recognised over the period during which the holder become unconditionally entitled to the options/rights. The fair value of options is determined by management using a Black Scholes option pricing model and the fair value of rights is determined by using a combination of Hoadley's Barrier1 model and Hoadley's Parisian model (the combination of the two models to be referred to as the "Parisian Barrier1 model").

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

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

Non-market conditions are included in assumptions about the number of rights that are expected to vest. At each reporting date, the entity revises its estimates of the number of rights that are expected to vest.

	Dec 2023 \$	Jun 2023 \$
Reserves		
Balance at the start of the period	7,514,557	6,812,391
Movement in share-based payment	122,448	702,166
	7,637,005	7,514,557

Share-based payment recognised

A share-based payment expense of \$122,448 (December 2022: \$516,988) was recorded for the half-year ended 31 December 2023 as follows:

	Dec 2023 \$	Dec 2022 \$
32,200,000 performance rights issued to Directors on 3 November 2022	109,577	46,433
20,000,000 options issued to Argonaut PCF Limited on 11 November 2022	-	470,555
8,000,000 performance rights issued to staff on 11 August 2023	12,871	-
	122,448	516,988

8. COMMITMENTS

In September 2023, Ausgold entered into binding agreements to acquire two farming properties covering a combined area of 1,026 hectares. The agreements are each on usual terms, with settlement of the acquisitions not subject to any material conditions precedent. Final settlements on the properties totalling \$7,640,000 are due early April 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. RELATED PARTY DISCLOSURE

Subsidiaries

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

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

There were no material changes to the related party transactions of the Group during the half-year ended 31 December 2023.

10. EVENTS SUBSEQUENT TO REPORTING DATE

As at March 2024, the Company has received a number of term sheets for traditional and non-dilutive financing alternatives to provide working capital to settle the acquisition of freehold properties and complete the Katanning Gold Project Definitive Feasibility Study scheduled for completion late June 2024.

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

DIRECTORS' DECLARATION

In the Directors' opinion,

- (a) the financial statements and notes of Ausgold Limited for the half-year ended 31 December 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 31 December 2023 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the Company and Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the Corporations Act 2001.

For and on behalf of the Directors



Denis Rakich
Director

Perth, Western Australia
14 March 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ausgold Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Ausgold Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

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

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Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

BDO Audit (WA) Pty Ltd



Ashleigh Woodley
Director

Perth, 14 March 2024

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