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RIVERSGOLD_{LTD}

ABN 64 617 614 598

**Financial Report
For the Half Year Ended 31 December 2023**

Riversgold Ltd
ABN 64 617 614 598

Contents Page

Corporate Directory	3
Directors' Report	4
Auditor's Independence Declaration	6
Interim Financial Statements	
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	7
Condensed Consolidated Statement of Financial Position	8
Condensed Consolidated Statement of Changes in Equity	9
Condensed Consolidated Statement of Cash Flows	10
Notes to the Condensed Consolidated Financial Statements	11
Directors' Declaration	23
Independent Auditor's Review Report	24

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Directors

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

Company Secretary

Oonagh Malone

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Auditor

HLB Mann Judd (WA Partnership)
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Securities Exchange Listing

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

Riversgold Ltd
ABN 64 617 614 598

Directors' Report

The Directors present the financial statements of Riversgold Ltd (**Riversgold or the Company**) and the entities it controlled (together, **the Group**) for the half year ended 31 December 2023.

Directors

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

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

Company Secretary

Oonagh Malone

Review of Operations

The consolidated loss after income tax for the half year was \$5,799,207 (31 December 2022: \$1,414,037). At the end of the half year the Group had \$1,026,786 (30 June 2023: \$4,911,034) in cash and at call deposits.

During the half year, Riversgold:

- Completed a geochemical sampling program at the Tambourah Lithium Project with assay results received and further fieldwork commenced.
- Completed drilling at the Mt Holland Lithium Project with assay results achieved, but chose to not exercise the option to acquire this project based on the expected commerciality of the project.
- Completed a RC drilling program at the Mt Weld Lithium Project with assay results achieved.
- Completed a diamond drilling program at the Northern Zone Project, with assay results received and interpreted.
- Signed an agreement with UK based New Generation Minerals Limited (NGM) to sell nickel and cobalt rights to tenements in the Kurnalpi project, with a \$25,000 deposit paid by NGM on 11 August 2023 and, conditional on listing of NGM, NGM to acquire the nickel and cobalt rights in tenement E28/3034 with NGM to issue \$1,000,000 of shares to Riversgold on listing.
- Acquired an option to acquire 100% of the Abigail Lithium Project in Canada via the proposed acquisition of Abigail Lake Pty Ltd. Purchase consideration for the initial 120-day exclusive period was:
 - Payment of \$CAD75,000 by the Company, which was made on 1 September 2023,
 - An exploration program with an exploration cost of approximately \$CAD200,000 that was completed during the half-year, and
 - Either 16,400,000 shares at a deemed issue price of \$0.014 per share, subject to shareholder approval, or a cash payment by the Company of \$CAD200,000. This was satisfied when Riversgold issued 16,400,000 shares on 18 December as part of option fee for Abigail Lake project announced on 31 August 2023

Subject to successful due diligence, the option exercise fee was to be \$CAD75,000, 73,800,000 shares at a deemed issue price of \$0.014 per share, and a 2% net smelter royalty on all minerals mined from the project. However, Riversgold elected to not exercise this option following Riversgold's completion of due diligence.

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Riversgold Ltd
ABN 64 617 614 598

Directors' Report

- Acquired tenement application E47/5069 at the Andover Lithium Project for initial consideration of \$50,000 that was paid on 29 November 2023, and deferred consideration of \$150,000 worth of Riversgold shares, valued at the 10-day VWAP to the issue date and issuable on the earlier of the grant of this tenement, the withdrawal of this tenement application, or 8 months from execution. These deferred consideration shares are still to be issued.
- Pegged further tenement applications at the Andover Lithium Project and commenced exploration work.
- Following shareholder approval, Issued 2,000,000 director options for director Ed Mead, with an exercise price of \$0.05 and an expiry date of 9 August 2025, that were agreed and accounted for in November 2022, subject to shareholder approval with alternative potential remuneration if shareholder approval was not received.

Significant Changes in the State of Affairs

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

Matters Subsequent to the End of the Financial Period

Since the end of the half year:

- On 15 January 2024, Riversgold announced that former CEO Julian Ford was to step down from this role, with Executive Chairman David Lenigas becoming both the Executive Chairman and CEO.
- On 31 January 2024, Riversgold announced the lodgement of tenement applications for Western Australian tenements E29/1260 and E08/3682, with the announcement stating that both are considered prospective for uranium.
- On 8 February 2024, Riversgold announced that it had amended the agreement with UK based New Generation Minerals Limited (NGM) to sell nickel and cobalt rights to tenements in the Kurnalpi project, as announced on 4 August 2023, to only involve the sale of nickel and cobalt rights to tenement E28/3034, with NGM to issue \$500,000 of shares to Riversgold on listing of NGM, and conditional on listing of NGM within 12 months, with no refund of the \$25,000 deposit paid by NGM on 11 August 2023 if NGM does not list.
- 2,000,000 shares options and 3,000,000 performance rights ceased as disclosed in note 9b).

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

Auditor's Independence Declaration

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

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

Dated at Perth this 14th day of March 2024.



David Lenigas
Executive Chairman

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Riversgold Ltd for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
14 March 2024



N G Neill
Partner

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Riversgold Ltd
ABN 64 617 614 598

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half year ended 31 December 2023

	Note	Consolidated	
		31 December 2023 \$	31 December 2022 \$
Continuing operations			
Interest revenue	4	19,808	11,292
Other income	4	25,000	521,097
Employee and director expenses	4	(273,489)	(185,440)
Share-based payments expense	9	(245,910)	(552,247)
Corporate expenses		(99,719)	(96,322)
Administration and other expenses	4	(475,593)	(549,501)
Depreciation expense		(6,455)	(4,797)
Exploration costs impaired	6	(2,361,578)	(544,651)
Exploration costs expensed and written off	4	(2,350,309)	(8,048)
Loss in value of current financial assets	5	(33,170)	-
Financing gains/ (costs)	4	2,208	(4,845)
Loss before income tax		(5,799,207)	(1,413,462)
Income tax expense		-	-
Loss after tax from continuing operations		(5,799,207)	(1,413,462)
Loss after tax from discontinued operation		-	(575)
Loss for the half year		(5,799,207)	(1,414,037)
Other comprehensive income, net of income tax			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		-	(15,593)
Total comprehensive loss for the period		(5,799,207)	(1,429,630)
		Cents	Cents
Basic and Diluted loss per share from continuing operations		(0.609)	(0.174)
Basic and Diluted loss per share		(0.609)	(0.174)

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

Riversgold Ltd
ABN 64 617 614 598

Condensed Consolidated Statement of Financial Position
As at 31 December 2023

	Note	Consolidated	
		31 December 2023 \$	30 June 2023 \$
Current assets			
Cash and cash equivalents		1,026,786	4,911,034
Trade and other receivables		91,657	83,654
Current financial assets	5	28,938	-
Other current assets		92,669	20,498
Total current assets		1,240,050	5,015,186
Non-current assets			
Property, plant and equipment		15,477	16,581
Non-current financial assets		20,000	20,000
Capitalised Exploration and evaluation expenditure	6	6,406,727	7,803,694
Total non-current assets		6,442,204	7,840,275
Total assets		7,682,254	12,855,461
Current liabilities			
Trade and other payables	7	517,096	499,497
Employee leave liabilities		20,751	37,860
Total current liabilities		537,847	537,357
Total liabilities		537,847	537,357
Net assets		7,144,407	12,318,104
Equity			
Issued capital	8	34,171,759	33,942,159
Accumulated losses		(33,230,230)	(27,431,023)
Reserves	10	6,202,878	5,806,968
Total equity		7,144,407	12,318,104

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

Riversgold Ltd
ABN 64 617 614 598

Condensed Consolidated Statement of Changes in Equity
For the half year ended 31 December 2023

	Consolidated				
	Issued capital \$	Accumulated losses \$	Share based payment reserve \$	Foreign currency translation reserve \$	Total \$
At 1 July 2022	27,711,842	(24,805,138)	4,706,889	37,839	7,651,432
Loss for the period	-	(1,414,037)	-	-	(1,414,037)
Other comprehensive income	-	-	-	(15,593)	(15,593)
Total comprehensive (loss)/ income	-	(1,414,037)	-	(15,593)	(1,429,630)
Transactions with equity holders in their capacity as equity holders:					
Shares issued	6,090,000	-	-	-	6,090,000
Share issue costs	(649,683)	-	227,200	-	(422,483)
Share-based payments:					
Employees/directors	-	-	552,247	-	552,247
Project acquisition	690,000	-	-	-	690,000
Balance at 31 December 2022	33,842,159	(26,219,175)	5,486,336	22,246	13,131,566
At 1 July 2023	33,942,159	(27,431,023)	5,806,968	-	12,318,104
Loss for the period	-	(5,799,207)	-	-	(5,799,207)
Other comprehensive income	-	-	-	-	-
Total comprehensive (loss)/ income	-	(5,799,207)	-	-	(5,799,207)
Transactions with equity holders in their capacity as equity holders:					
Shares issued	229,600	-	-	-	229,600
Share issue costs	-	-	-	-	-
Share-based payments:					
Employees/directors	-	-	245,910	-	245,910
Project acquisition	-	-	150,000	-	150,000
Balance at 31 December 2023	34,171,759	(33,230,230)	6,202,878	-	7,144,407

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

Riversgold Ltd
ABN 64 617 614 598

Condensed Consolidated Statement of Cash Flows
For the half year ended 31 December 2023

	Note	Consolidated	
		31 December 2023 \$	31 December 2022 \$
Cash flows from operating activities			
Payments to suppliers and employees		(2,109,252)	(1,177,443)
Interest received		19,368	11,292
Tax incentives received	4	-	521,097
Other income		25,000	-
Net cash used in operating activities		(2,064,884)	(645,054)
Cash flows from investing activities			
Payments for exploration and evaluation		(1,754,529)	(1,291,779)
Proceeds from disposal of mineral exploration interests		-	-
Payment for current financial assets	5	(62,108)	-
Payment for property, plant and equipment		(5,351)	(5,065)
Net cash used in investing activities		(1,821,988)	(1,296,844)
Cash flows from financing activities			
Proceeds from the issue of shares		-	6,090,000
Payments for share issue costs		-	(422,483)
Payment for current financial assets		-	(50,000)
Net cash provided by financing activities		-	5,617,517
Net (decrease)/ increase in cash held		(3,886,872)	3,675,619
Cash at the beginning of the financial period		4,911,034	2,862,101
Effect of exchange rate fluctuations on cash held		2,624	1,684
Cash at the end of the financial period		1,026,786	6,539,404

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

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Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

Note 1 Basis of preparation of half year report

Statement of compliance

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

These interim financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial statements. Accordingly, these interim financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2023 and any public announcements made by Riversgold Ltd during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial statements were approved by the Board of Directors on 14th March 2024.

Basis of preparation

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

Accounting policies and methods of computation

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

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

Adoption of new and revised Accounting Standards

Standards and Interpretations applicable to 31 December 2023

In the period ended 31 December 2023, the Directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. As a result of this review, the Directors have determined that new and revised Standards and Interpretations have no material effect on the Group's reported balances.

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates amends various accounting standards and *AASB Practice Statement 2 Making Materiality Judgements*, to remove requirements for disclosure of immaterial accounting policies and clarify treatment of accounting estimates. This has no effect on reported balances but removes immaterial accounting policy disclosures and requires more disclosure for material estimates. This standard is mandatorily effective for the year ending 30 June 2024.

Standards and interpretations in issue not yet effective

The directors have also reviewed all the new and revised standards and interpretations in issue and not yet effective for the half-year ended 31 December 2023.

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

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Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

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

Going concern

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

For the six months ended 31 December 2023, the Group had an operating loss of \$5,799,207 and had net operating cash outflows of \$2,064,884. The Group has cash of \$1,026,786 as at 31 December 2023 and net current assets of \$702,203 at 31 December 2023.

The ability of the Group to continue as a going concern depends on future successful capital raisings, successful exploration and exploitation of the Group's tenements, and/or sale of non-core assets.

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

Should the Group not raise further funds as required or reduce expenditure to meet funds available, there exists a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, in which case it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

Note 2 Significant accounting judgements and key estimates

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. Although disclosures are not required for immaterial judgements and estimates, transactions and balances may be qualitatively material.

Financial assets and Financial liabilities

Trade and other receivables and Trade and other payables are valued at face values of amounts receivable and payable with no variations for potential defaults or other potential differences between amounts recognised and payments received or paid. Trade receivables and trade payables are non-interest bearing, unsecured and generally on 30-days term.

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

Impairment and derecognition of capitalised mineral exploration interests

The directors have reviewed all tenements and tenement applications held at the end of the half-year, and impaired or derecognised tenements as appropriate. All tenements and tenement applications that have been surrendered or lapsed since the end of the half-year have been derecognised. Planted tenements have remained impaired pending resolution of appeals from the Warden's court. The distinction between derecognition and other impairment is that there is considered no possibility that losses on derecognition could be reversed.

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Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

Note 2 Significant accounting judgements and key estimates (continued)

Treatment of non-refundable deposit received for potential sale of nickel and cobalt rights

The \$25,000 non-refundable deposit received for the potential sale of nickel and cobalt rights over tenement E28/3034 has been recognised as other income, and not offset against the capitalised mineral exploration interest, because this deposit is non-refundable and because the Group has had no previous exploration focus on nickel or cobalt for this tenement.

Equity-settled share-based payment with cash alternative from prior year

2,000,000 share options were agreed to be issued to Director Edward (Ed) Mead in the prior year, subject to shareholder approval, with his appointment agreement including alternative remuneration of equivalent value if shareholder approval is not achieved. Consequently, these options constituted a share-based payment that was granted at his commencement date of 21 November 2022 and fully expensed during the prior year. The exercise price of \$0.05, the expiry date of 9 August 2025, and the lack of deferred vesting were all determined in the prior year. These options were issued on 7 December 2023 following shareholder approval on 30 November 2023. This share-based payment is treated as an equity-settled share-based payment, not a cash-settled share-based payment, because it was considered unlikely that shareholders would not approve the issue of the options. Consequently, there has been no adjustment to the amount recognised for this share-based payment in the half-year, with this share-based payment fully recognised in the prior year.

The Group acquired tenement application E47/5069 with payment of \$50,000 on 29 November 2023 and deferred consideration of \$150,000 worth of Riversgold shares at issue price equal to 10-day VWAP to the date of issue. These deferred consideration shares are issuable on the earlier of the grant of this tenement, withdrawal of the tenement application or 8 months from execution. These deferred consideration shares have not yet been issued. As there is no choice available in the contract for settlement of the deferred consideration in cash, the deferred consideration is recognised and measured as a share-based payment and not as a financial instrument. As the arm's length value of the deferred consideration is explicitly \$150,000 in the acquisition agreement, this share-based payment is reasonably valued at \$150,000 with no need for separate valuation or re-valuation of the deferred consideration shares.

The Group acquired an option to acquire 100% of the Abigail Lithium Project in Canada via the proposed acquisition of Abigail Lake Pty Ltd. Purchase consideration for the initial 120-day exclusive period and option was:

- Payment of \$85,905 (\$CAD75,000) by the Company, which was made on 1 September 2023,
- An exploration program with an exploration cost of approximately \$CAD200,000 that was completed during the half-year, and
- Either 16,400,000 shares at a deemed issue price of \$0.014 per share, subject to shareholder approval, or a cash payment by the Company of \$CAD200,000. This was satisfied when Riversgold issued 16,400,000 shares on 18 December as part of option fee for the Abigail Lake project as announced on 31 August 2023

However, Riversgold elected to not exercise this option following Riversgold's completion of due diligence. The 16,400,000 shares issued on 18 December 2023 have been valued at \$0.014 per share being the value agreed in the arm's length contract with no rebuttal of the presumption that this was the agreed value for this element of the consideration, so consequently creating no need to separately value the shares issued. This option fee and all expenditure on the Abigail Lithium Project have been fully expensed as disclosed in note 4, with no initial asset recognition, following the election to not exercise the option.

Otherwise, the same judgments, estimates and assumptions were used in preparing the interim financial statements as those used in preparing the financial report for the year ended 30 June 2023. Refer to Note 9 for further details.

Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

Note 3 Segment information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics.

The Group's activities encompass mineral exploration and resource development in various international jurisdictions and as such management previously identified the Group's geographic positions as its operating segments. However, the expenditure on the Abigail Lithium Project in Canada was solely made by the parent and the Group has no foreign subsidiaries during the current half-year, so all transactions and balance have been allocated to the Australian segment for the current half-year.

The following tables present revenue and loss information and certain asset and liability information regarding operating segments for the half year ended 31 December 2023.

6 months ended December 2023

	Australia \$	Discontinued operation (Alaska) \$	Consolidated \$
Interest income	19,808	-	19,808
Other income	25,000	-	25,000
Segment income	44,808	-	44,808
Loss from discontinued operation	-	-	-
Segment loss before income tax expense	(5,799,207)	-	(5,799,207)
Segment assets	7,682,254	-	7,682,254
Segment liabilities	(537,847)	-	(537,847)

6 months ended December 2022

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

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Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

	Consolidated	
	31 December 2023 \$	31 December 2022 \$

Note 4 Revenue and expenses

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

Interest revenue

Interest income	19,808	11,292
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Other income

Non-refundable deposit for sale of exploration rights (see note 2)	25,000	-
Research and Development tax incentive	-	521,097
	25,000	521,097

Employee and director expenses

Salaries and wages	(98,731)	(64,792)
Directors' Fees	(164,203)	(111,833)
Superannuation	(6,875)	(5,963)
Other employee costs	(3,680)	(2,852)
	(273,489)	(185,440)

Administration and other expenses:

Insurance	(25,159)	(22,157)
Legal fees	(190,989)	(187,136)
Accountancy	(106,649)	(171,702)
Other expenses	(152,796)	(168,506)
	(475,593)	(549,501)

Exploration costs expensed and written off:

Unallocated exploration costs	(12,141)	(1,265)
Cash paid for Abigail Lithium Project option	(85,905)	-
Shares issued for Abigail Lithium Project option (see note 8a)	(229,600)	-
Evaluation of Abigail Lithium Project	(262,077)	-
Exploration costs derecognised (see note 6)	(1,760,586)	(6,783)
	(2,350,309)	(8,048)

Financing gains/ (costs):

Impairment of rental bond receivable	-	(6,095)
Other foreign exchange movements	2,208	1,250
	2,208	(4,845)

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Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$

Note 5 Current financial assets

Acquisition of shares in listed company	62,108	-
Decrease in value of current financial assets	(33,170)	-
	28,938	-

During the half-year, the Group purchased 1,378,011 shares in an ASX listed company for a total purchase cost of \$62,109 and average purchase cost of \$0.0451 per share. These shares were valued at \$0.021 each at the end of the half-year for a decrease in value of \$33,170. This decrease in value is expensed through profit and loss. These shares are tier 1 financial assets as they are valued based on quoted prices on a securities exchange. There have been no movements between tiers of financial instrument during the half-year.

Note 6 Capitalised exploration and acquisition costs

		Consolidated	
		31 December 2023	30 June 2023
		\$	\$
	Note		
Balance at the beginning of the period		7,803,694	4,729,942
Shares consideration for additional Pilbara Lithium project tenement		-	40,000
Share consideration for Mt Holland Lithium Project		-	500,000
Share consideration for option to acquire lithium rights to E77/2784		-	150,000
Cash consideration for option to acquire lithium rights to E77/2784		-	150,000
Cash consideration for Mt Weld farm in		-	30,000
Cash consideration for Kurnalpi restructure		-	200,000
Share consideration for Kurnalpi restructure		-	100,000
Cash consideration for Andover project		50,000	-
Deferred share consideration for Andover project	9	150,000	-
Cash consideration for other farm ins		-	50,000
Exploration expenditure incurred		2,525,197	2,784,687
Kurnalpi restructure consideration impaired		-	(852,277)
Other capitalised costs impaired during the period		(2,361,578)	(68,563)
Capitalised costs derecognised during the period	4	(1,760,586)	(10,095)
Balance at the end of the period		6,406,727	7,803,694

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

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ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

Note 7 Current liabilities – Trade and other payables

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Trade and other payables	294,768	197,430
Stamp duty payable on Pilbara Lithium Project acquisition	148,415	148,415
Accrued expenses	53,783	135,291
Other payables	20,130	18,361
	517,096	499,497

Note 8 Issued capital

a) Ordinary shares

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

	Issue price	Half year to		Year to	
		31 December 2023		30 June 2023	
		Number	\$	Number	\$
<i>b) Share capital</i>					
Issued share capital		967,661,457	34,171,759	951,261,457	33,942,159
<i>c) Share movements during the period</i>					
Balance at the start of the period		951,261,457	33,942,159	756,429,999	27,711,842
Issue of shares in consideration for Mt Holland Lithium Project	\$0.034	-	-	14,705,883	500,000
Issue of shares in part consideration for option to acquire tenement	\$0.037	-	-	4,054,054	150,000
Issue of shares in consideration for tenement	\$0.036	-	-	1,111,111	40,000
Shares issued under Share Placement	\$0.036	-	-	169,166,667	6,090,000
Issue of shares in part consideration for Kurnalpi restructure	\$0.017	-	-	5,793,743	100,000
Issue of shares for option fee for Abigail Lithium Project	\$0.014	16,400,000	229,600	-	-
Less share issue costs		-	-	-	(649,683)
Balance at the end of the period		967,661,457	34,171,759	951,261,457	33,942,159

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Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

Note 9 Options and share based payments

A net total of \$245,910 (31 December 2022: \$552,247) was recognised and expensed during the half-year for the following share-based payments:

- No amount (31 December 2022: \$39,200) was recognised during the half-year for the 2,000,000 options issued to Mr Mead on 7 December 2023 following shareholder approval on 30 November 2023. These options were fully expensed in 2023 when they were granted and agreed to be issued, pending shareholder approval, to Mr Mead as described in note 9a).
- \$312,040 for expensing of Quarterback performance rights over the expected vesting period as described in note 9d).
- (\$66,130) of previously expensed amounts for unvested performance rights for a terminated employee was reversed as described in note 9d).

A further \$150,000 was recognised in capitalised exploration and evaluation expenditure, for the deferred consideration shares for acquisition of tenement application E47/5069 as described in note 2.

a) Options issued during the period

- The 2,000,000 share options issued to Director Edward (Ed) Mead on 7 December 2023 were granted on his commencement date of 21 November 2022 because his employment agreement included alternative remuneration of equivalent value if shareholder approval was not achieved. Consequently, these options were valued at 21 November 2022 and recognised in the comparative half-year. These options have an exercise price of \$0.05 and expire on 9 August 2025 with no deferred vesting and no change in terms of the options between 21 November 2022 and 7 December 2023. These options were valued with the Black-Scholes formula in the prior year, using the following parameters, with no expected dividends, no discounts for other factors, and no market based vesting conditions or deferred vesting.

Recipient	Measurement date	Expiry date	Exercise Price	Number of Options	Share Price at measurement date	volatility	interest rate	value per Option	Value of tranche
Mr Mead	21/11/2022	9/08/2025	\$0.05	2,000,000	\$0.036	101%	3.18%	\$0.01960	\$39,200

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Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

Note 9 Options and share based payments (continued)

b) Options exercised and on issue

On 12 August 2023, the following options ceased due to expiry without exercise or conversion.

Date Granted or issued	Number	Exercise price	Expiry date
12 August 2020	15,081,144	3 cents	12 August 2023
12 August 2020	2,000,000	4.9 cents	12 August 2023
12 August 2020	2,000,000	5.7 cents	12 August 2023
12 August 2020	2,000,000	7.6 cents	12 August 2023
12 August 2020	2,000,000	7 cents	12 August 2023
12 August 2020	2,000,000	8.1 cents	12 August 2023
12 August 2020	2,000,000	10.8 cents	12 August 2023
8 March 2021	3,000,000	8.1 cents	12 August 2023

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

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

- 1,000,000 options with an exercise price of \$0.05 and expiry date of 9 August 2025 ceased on 2 February 2024.
- 1,000,000 options with an exercise price of \$0.08 and expiry date of 5 February 2024 ceased on 2 February 2024.
- 3,000,000 unvested performance rights as disclosed in note 9d) ceased on 2 February 2024 after the cessation of an employee's employment.

c) Options outstanding at balance date

The number of options outstanding over unissued ordinary shares at 31 December 2023 is 48,800,000 (30 June 2023: 76,881,144). The terms of these options are as follows:

Measurement date or issue date	Number	Exercise price	Expiry date
5 February 2021	1,000,000	8 cents	5 February 2024
7 July 2021	2,000,000	4.8 cents	7 July 2024
7 July 2021	2,000,000	5.5 cents	7 July 2024
7 July 2021	2,000,000	7.4 cents	7 July 2024
10 March 2022	20,000,000	5.0 cents	30 May 2025
28 November 2022	2,000,000	5.0 cents	9 August 2025
9 August 2022	7,800,000	5.0 cents	9 August 2025
18 November 2022	10,000,000	5.4 cents	22 December 2025
21 November 2022*	2,000,000	5.0 cents	9 August 2025
Total	48,800,000		

* These options were granted and agreed to be issued, with potential alternative consideration, on 21 November 2022, but issued on 7 December 2023 as described in note 9a).

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Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

Note 9 Options and share based payments (continued)

d) Performance rights

Quarterback Performance Rights

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

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

These performance rights were valued at the grant date share price of \$0.06 each for a total value of \$3,000,000. The value of these performance rights is being expensed over the expected vesting period from 13 August 2020 to 17 June 2025 with \$312,040 (31 December 2022: \$312,041) recognised as an expense during the half year.

Employee Performance Rights

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

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

These performance rights were valued at \$0.046 each for a total value of \$138,000. The value of these performance rights was being expensed over the expected vesting period from 5 February 2021 to 5 February 2026. However, these options ceased without vesting after the end of the half-year, after the cessation of an employee’s employment, so the full previously recognised amount of \$66,130 was reversed during the half-year (31 December 2022: \$13,906 recognised as expense).

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Riversgold Ltd
ABN 64 617 614 598

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

	Consolidated			
	31 December 2023		30 June 2023	
	Foreign exchange translation reserve ¹ \$	Share based payment reserve ² \$	Foreign exchange translation reserve \$	Share based payment reserve \$

Note 10 Reserves

Balance at the beginning of the period	-	5,806,968	37,839	4,706,889
<i>Movements during the period:</i>				
Movement in foreign translation reserve in respect of exchange rate	-	-	6,366	-
Recognition of final balance of foreign translation reserve on disposal of subsidiaries in profit or loss	-	-	(44,205)	-
Movement in share-based payment reserve in respect of options	-	-	-	453,500
Movement in share-based payment reserve in respect of performance rights	-	245,910	-	646,579
Movement in share-based payment reserve in respect of deferred consideration shares recognised in capitalised exploration and evaluation expenditure	-	150,000	-	-
Balance at the end of the period	-	6,202,878	-	5,806,968

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

²The share-based payment reserve is used to recognise the fair value of share-based payments. See Note 9 for further information on share-based payments.

Note 11 Dividends

No dividends were paid or proposed during the period.

The Company has no franking credits available as at 31 December 2023.

Note 12 Contingent Liabilities and Contingent Assets

During the prior year, the Mining Warden upheld objections to expenditure exemptions and recommended that the Minister refuse applications for expenditure exemption for tenements E25/538, E25/539, E25/540 and E28/2580. The Warden granted the Company leave to appeal their decision to the Minister. The Company has appealed this decision to the Minister. These tenements have been fully impaired with a total impairment to date of \$4,656,942 (30 June 2023: \$4,593,532). These tenements remain impaired, not derecognised, with further impairment for expenditure to 31 December 2023 of \$63,410 (30 June 2023: \$920,840), because this matter is not finalised. If these tenements are not forfeited then the Group may be required to pay fines and costs to keep the tenements up to an estimated total of \$120,000.

There has been no material change in other contingent liabilities or contingent assets noted in the annual report for the year ended 30 June 2023.

Notes to the Condensed Consolidated Financial Statements
For the half year ended 31 December 2023

Note 13 Commitments

(a) Exploration

The Group has certain obligations to perform minimum exploration work on mineral leases held. These obligations may be varied as a result of renegotiations of the terms of the exploration licences or their relinquishment. The minimum exploration obligations are less than the normal level of exploration expected to be undertaken by the Group.

As at balance date, total exploration expenditure commitments on tenements held by the Group have not been provided for in the financial statements. Commitments for the following twelve-month period amount to approximately \$168,538 (30 June 2023: \$530,092), including \$61,240 (30 June 2023: \$288,589) for live unimpaired tenements and \$107,298 (30 June 2023: \$241,503) for tenements that have been fully impaired as disclosed in note 12.

(b) Contractual Commitment

There are no new material contractual commitments for the half-year other than the deferred consideration shares disclosed in note 9.

Note 14 Events occurring after the balance date

Since the end of the half year:

- On 15 January 2024, Riversgold announced that former CEO Julian Ford was to step down from this role, with Executive Chairman David Lenigas becoming both the Executive Chairman and CEO.
- On 31 January 2024, Riversgold announced the lodgement of tenement applications for Western Australian tenements E29/1260 and E08/3682, with the announcement stating that both are considered prospective for uranium.
- On 8 February 2024, Riversgold announced that it had amended the agreement with UK based New Generation Minerals Limited (NGM) to sell nickel and cobalt rights to tenements in the Kurnalpi project, as announced on 4 August 2023, to only involve the sale of nickel and cobalt rights to tenement E28/3034, with NGM to issue \$500,000 of shares to Riversgold on listing of NGM, and conditional on listing of NGM within 12 months, with no refund of the \$25,000 deposit paid by NGM on 11 August 2023 if NGM does not list.
- 2,000,000 shares options and 3,000,000 performance rights ceased as disclosed in note 9b).

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

Riversgold Ltd
ABN 64 617 614 598

Directors' Declaration

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

- (a) the attached interim financial statements and notes thereto are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements; and
 - (ii) giving a true and fair view of the financial position as at 31 December 2023 and of the performance for the half-year ended on that date of the Group.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Signed at Perth this 14th day of March 2024.



David Lenigas
Executive Chairman

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Riversgold Ltd

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Riversgold Ltd ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

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

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

Basis for Conclusion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

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Auditor's Responsibility for the Review of the Financial Report

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

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

Independence

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



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
14 March 2024



N G Neill
Partner

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