
# Annual Report
# 2024

# CONTENTS

# CORPORATE DIRECTORY

## Directors

| | |
|---|---|
| **Evan Cranston** | Non-Executive Chairman |
| **Tolga Kumova** | Non-Executive Director |
| **Mathew O'Hara** | Non-Executive Director |
| **Peter Williams** | Non-Executive Director |

## Chief Executive Officer

**Adam Oehlman**

## Company Secretary

**Oonagh Malone**

## Contact Information

Registered Office & Principal Place of Business
Suite 23, 513 Hay Street
SUBIACO, WA 6008

T: +61 8 6143 6749
E: admin@african-gold.com
W: www.african-gold.com

## Stock Exchange Listing

**Australian Securities Exchange (ASX)**
ASX Code: A1G

## Australian Business Number

ABN 29 624 164 852

## Share Registry

**Automic Registry Services**
Level 5, 126 Phillip Street
Sydney NSW 2000
Phone (within Australia): 1300 288 664
Phone (International): +61 (0)2 9698 5414

## Auditor

**HLB Mann Judd**
Level 4, 130 Stirling Street
PERTH, WA 6000

# DIRECTORS’ REPORT

The Directors of African Gold Ltd (‘African Gold’ or ‘the Company’) present their report on the consolidated entity consisting of the Company and its subsidiaries (‘the Group’), together with the financial statements for the year ended 31 December 2024.

**Directors**
The names and details of the Company's directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

**Non-Executive Chairman**
**Evan Cranston**

Evan Cranston is an experienced mining executive with a background in corporate and mining law. He is the principal of corporate advisory and administration firm Konkera Corporate and has extensive experience in the areas of equity capital markets, corporate finance, structuring, asset acquisition, corporate governance and external stakeholder relations. He holds both a Bachelor of Commerce and Bachelor of Laws from the University of Western Australia.

*Other current directorships:*
Benz Mining Corp (appointed 17 September 2020)
Firebird Metals Limited (appointed 16 March 2021)
Macro Metals Limited (appointed 5 March 2024)
Torque Metals Limited (appointed 28 January 2025)

*Previous directorships (last 3 years):*
Carbine Resources Limited (appointed 23 March 2010; resigned 31 May 2023)
Vital Metals Limited (appointed 22 October 2019; resigned 15 February 2023)

**Managing Director**
**Phillip Gallagher (resigned 15 January 2025)**

Phillip Gallagher has extensive experience in mineral exploration in West Africa having been the co-founder and managing director of ASX-listed Canyon Resources Ltd for 12 years. During his tenure, Canyon Resources completed a successful IPO, undertook numerous gold exploration programs in Burkina Faso and subsequently secured the world class Minim Martap Bauxite Project in Cameroon. Mr Gallagher led and successfully finalised negotiations with the Government of Cameroon to secure the Minim Martap Bauxite Project for Canyon Resources. He has previously held senior commercial and operational roles in both private and public companies.

*Other current directorships:*
Peak Minerals Limited (appointed 15 October 2024)

*Previous directorships (last 3 years):*
Canyon Resources Ltd (appointed 19 October 2009; resigned 11 July 2022)

**Non-Executive Director**
**Tolga Kumova**

Tolga Kumova has 16 years' experience in stockbroking, corporate finance and corporate restructuring, and has specialised in initial public offerings and capital requirements of mining focused companies. He has raised in excess of $500 million for mining ventures, varying from inception stage through to construction and development.

Mr Kumova was a founding shareholder of Syrah Resources in 2010 and served as an Executive Director from May 2013 to October 2016, and as Managing Director from October 2014 to October 2016. During his tenure at Syrah Resources, Mr Kumova led the business from resource stage through to full funding through to development, gaining experience negotiating offtake agreements with numerous globally recognised counterparties.

*Other current directorships:*
Aston Minerals Ltd (appointed 29 May 2017)
Macro Metals Limited (appointed 5 March 2024)

*Previous directorships (last 3 years):* Nil

**Non-Executive Director**
**Mathew O'Hara**

Mathew O'Hara is a Chartered Accountant with extensive experience in corporate finance, accounting and governance and has been employed by, and acted as, non-executive director, company secretary and CFO of several companies in the resources sector. Prior to these roles, Mr O'Hara spent 12 years at an international public practice firm in the Corporate Finance, Advisory and Audit divisions in Melbourne and Perth gaining significant experience with ASX, TSX and AIM listed clients across a diverse range of industries. Mathew is currently Company Secretary for ASX-listed companies Patriot Battery Metals Inc, Pearl Gull Iron Limited and Peak Minerals Limited.

*Other current directorships:*
Benz Mining Corp (appointed 27 April 2020)
Peak Minerals Ltd (appointed 21 June 2021)
Pearl Gull Iron Ltd (appointed 31 March 2023)

*Previous directorships (last 3 years):*
Huntsman Exploration Inc (appointed 20 May 2021; resigned 11 May 2023)

**Non-Executive Director**
**Peter Williams**

Peter Williams was formerly Chief Geophysicist and Manager of Geoscience Technology for WMC Resources. He was one of the founding members of Independence Group Limited and developed high powered 3 component 3D TEM applications that led to the discovery of over 75,000t of nickel at the Victor Long Nickel Mine in Kambalda. Mr Williams has extensive experience in West Africa where he was the vendor of Gryphon Minerals' Banfora Gold Project, was involved in the project generation of Papillion's Mali projects and was a founding director of Ampella Mining Ltd. Mr Williams was a co-founder of the International Resource Sector Intelligence company, Intierra, and was a co-founder of the first dedicated hard rock mineral seismic company in the world, HiSeis.

*Other current directorships:*
Hawk Resources Limited (previously Alderan Resources Limited) (appointed 13 May 2019)
Benz Mining Corp (appointed 17 September 2020)

*Previous directorships (last 3 years):* Nil

**Non-Executive Director**
**Simon Bolster (resigned 15 February 2024)**

Mr Bolster is a geoscientist specialising in regolith, geochemistry and remote sensing. He has over 30 years of experience in the gold industry, and has worked in over 30 countries across 5 continents including 15 countries in Africa. Mr Bolster has worked for major mining companies including Normandy, Anglo American and Newmont where he held the roles of Consulting Geochemist and Global Manager of Remote Sensing and Spectral Geology. During his tenure with Newmont, he received an innovation award for new practical ways of mapping landscapes using 3D remote sensing techniques. He was also head of exploration for the successful Gryphon Resources in West Africa, managing teams that that resulted in new economic discoveries at a number of projects.

Mr Bolster co-founded and is Managing Director of Portable PPB Pty Ltd which is researching and developing techniques to enable gold explorers to discover gold faster and explore smarter.

*Other current directorships:* Nil

*Previous directorships (last 3 years):*
Riversgold Ltd (appointed 24 June 2020; resigned 10 March 2022)



**Interests in the shares and options of the Company**

As at the date of this report, the interests of the Directors in the shares and options of African Gold Ltd were:

| Name | Number of ordinary shares | Number of options over ordinary shares |
|---|---:|---:|
| Evan Cranston | 12,743,747 | - |
| Tolga Kumova | 31,864,719 | - |
| Mathew O'Hara | 7,080,310 | - |
| Peter Williams | 9,608,665 | - |

**Company Secretary**

Oonagh Malone was appointed company secretary on 1 April 2020. Ms Malone is a principal of a corporate advisory firm which provides company secretarial and administrative services. She has over 10 years' experience in administrative and company secretarial roles for listed companies and is a member of the Governance Institute of Australia. She currently acts as company secretary for ASX-listed companies Aston Minerals Limited, Benz Mining Corp, Caprice Resources Ltd, Carbine Resources Ltd, Firebird Metals Ltd, RareX Ltd, and Riversgold Ltd and is a non-executive director of Peak Resources Ltd.

**Dividends paid or recommended**

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

**Principal activities**

The principal activities of the Company consist of exploration and evaluation of mineral resources.

**Risk Management**

The Company takes a proactive approach to risk management. The Board is responsible for ensuring that risks, including emerging risks, and also opportunities, are identified on a timely basis and the Company's objectives and activities are aligned with the risks and opportunities identified by the Board. The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic plan designed to meet stakeholders needs and manage business risk; and
- Implementation of Board approved budgets and Board monitoring of progress against those budgets.

## OPERATING AND FINANCIAL REVIEW

### EXPLORATION ACTIVITIES

The main focus for African Gold in 2024 was to advance the Company's flagship Didievi Gold Project in Cote d'Ivoire, whilst continuing exploration on other projects in the portfolio. Various programs that were completed throughout the year continued to highlight the potential of African Gold's West African projects.


***Figure 1:*** *African Gold project locations in Mali and Cote d'Ivoire*

### Didievi Gold Project, Côte d'Ivoire

On 31 January 2024, the Company announced the results of a composite track lag sampling program on the eastern granite zone of the Didievi Project in Cote d'Ivoire. The objective of the program was to determine whether or not the granite occupying the eastern half of the permit was prospective, as no work had previously been undertaken over the area. Identifying any barren zones would allow the company to comfortably relinquish 25% of the Didievi permit upon renewal, as is required under the Ivorian mining code. The results returned from the lab suggested that the eastern granite zone within the permit is barren for gold as expected, allowing the Company to focus its resources entirely upon the prospective zones and to comfortably relinquish 25% of the permit upon its renewal.

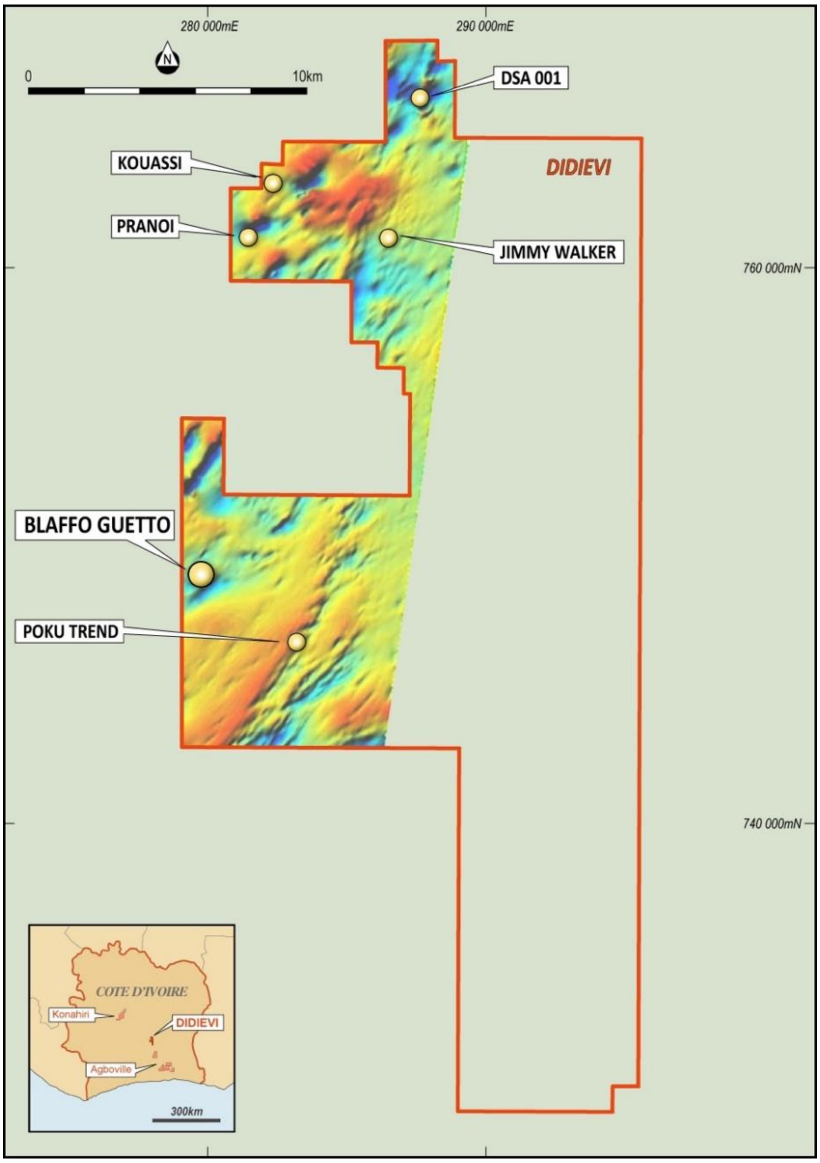



***Figure 2:*** *Location map of prospects on the Didievi Project*



On 30 July 2024, a maiden inferred gold resource at the Blaffo Guetto Prospect within the Didievi Project was announced. The maiden resource is estimated at 4.93Mt for 452,000oz of gold at 2.9 g/t (1.0 g/t Au cut-off). This shallow, high-grade resource is potentially suitable for an open-pit mine and represents just one of several prospective gold zones within the Project.

**Table 1: Didievi Project Maiden Mineral Resource at 1.0 g/t Au cut-off grade**

| Classification | Tonnage (Mt) | Grade Au (g/t) | Contained gold (Au koz) |
|---|---|---|---|
| **Inferred** | 4.93 | 2.9 | 452 |

Subsequently, a diamond drilling program on the Didievi Gold Project was designed to expand and upgrade the recently announced shallow, high grade, maiden inferred resource. The drill program commenced on 28 August 2024.

On 15 October 2024, initial assay results from the diamond drill program were received and returned a spectacular, wide, high-grade intercept of:

- **65.0m at 5.6 g/t gold from 177m (DDD049)**

Additional shallow intercepts from the same drillhole included:

- **9.0m at 1.7 g/t gold from 23m**
- **28.0m at 1.1 g/t gold from 77m**

The deeper 65.0m intercept confirmed that gold mineralization extends beyond the existing resource envelope and remains open at depth. Drillhole DDD049 was designed to test a predicted extension of gold mineralization based on a new geological model, which is hosted within a shear zone and plunges gently in a south-westerly direction.

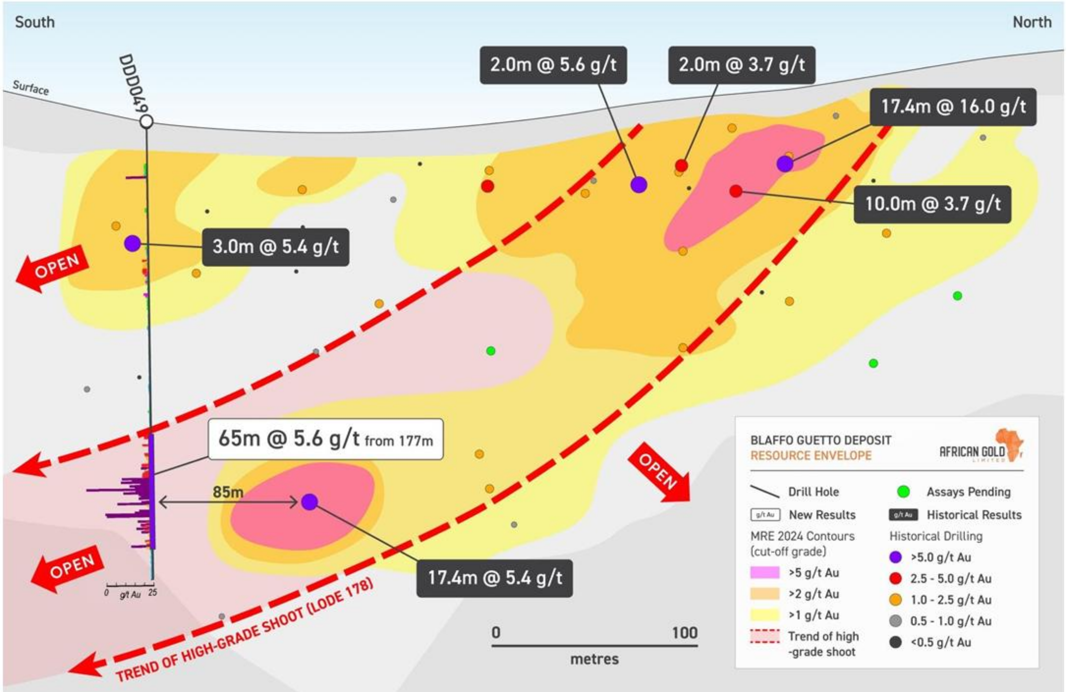



***Figure 3:*** *Long section of lode 178 showing the location of drillhole DDD049, the contours of the Mineral Resource (MRE 2024 data, ASX release dated 30 July 2024) and the interpreted south-westerly plunging high-grade shoot.*



On 20 November 2024 African Gold signed a drill-for-equity agreement with Easy Drilling to support a substantial 10,000-metre diamond drilling program at the Didievi Project. Under this agreement, two diamond drill rigs were mobilised to site.

The drilling program focused on the high-grade zone at Blaffo Guetto, which recently returned an impressive intercept of 65.0m at 5.6 g/t gold. In addition, it aimed to explore highly prospective and underexplored regional targets to further assess the project's potential.

Additional assay results were also received, with key intercepts including:

- 36m at 0.7 g/t gold from 33m, and 4m at 2.6 g/t gold from 203m
- 3m at 3.2 g/t gold from 19m

On January 30th, the first set of results from the 10,000m program was released, showing highly encouraging outcomes. The results reaffirmed the continuity of the high-grade ore zone.

**Key intercepts included:**

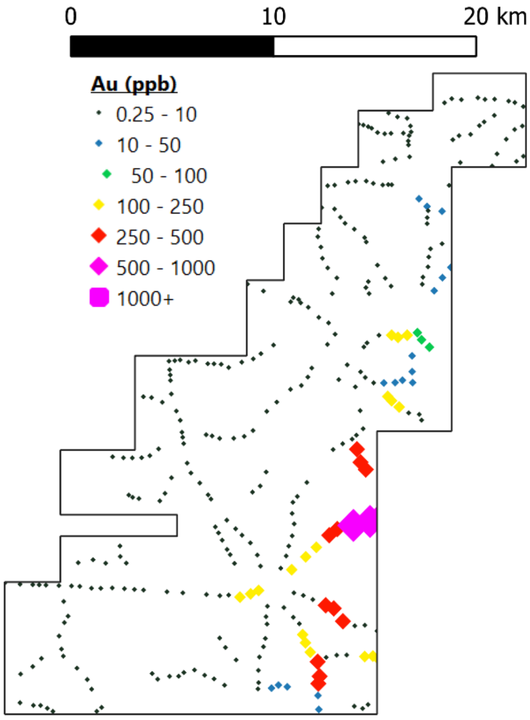
- **155m at 1.1 g/t Au from 105m**, including:
  - 52m at 2.9 g/t Au, with **11m at 11.2 g/t Au from 178m**
- **31.4m at 3.5 g/t Au from 250m**, including:
  - 18m at 5.6 g/t Au from 252m

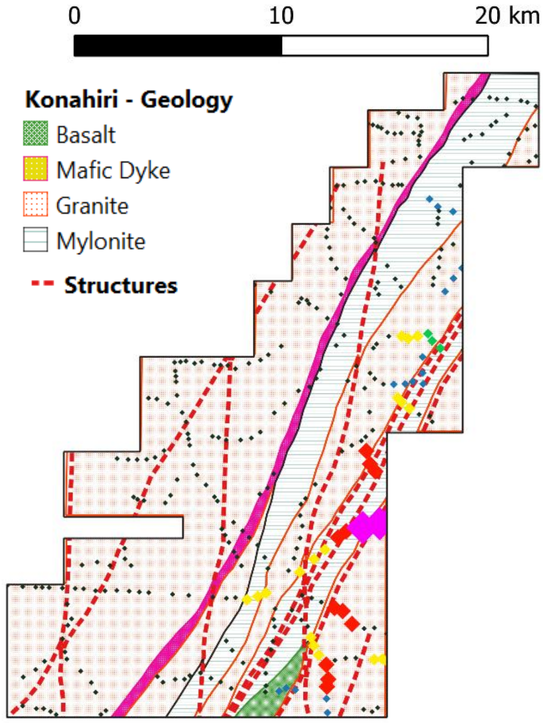
Drilling is ongoing at the Project.

**Konahiri Nord Project, Cote d'Ivoire**

On 31 January 2024, the Company announced the results of a composite track lag sampling program on the Konahiri Nord Project in Cote d'Ivoire that was completed in late 2023.

The results returned from the survey were extremely encouraging, with a 100 ppb+ Au anomaly encountered on the eastern border of the permit over a strike length of 18km. A peak value of 1,188 ppb Au was attained (i.e. 1.18 g/t), and 10 other samples returned over 100ppb (>0.1 g/t). The results were extremely anomalous values considering the nature of the sample media, the fine sieve fraction, sample compositing and assaying by BLEG. The anomalies corresponded very closely with a mapped mylonitic unit and geological structures.




***Figures 4 & 5:*** *Composite track lag sampling assay results (left). Note that all sub-samples have been plotted and attributed with the assay value from the relevant composite sample. The right image shows the assays values overlying mapped geology. Note the strong correlation between the lag anomalies and the mapped structures and mylonitic unit.*



**CORPORATE ACTIVITIES**

**African Gold undertook a rights issue to advance the Didievi Project, Cote d'Ivoire**

On 30 April 2024, African Gold Limited announced that it had undertaken a non-renounceable pro-rata offer of ordinary fully paid shares (**Shares**) at an issue price of $0.02 each to eligible shareholders, on the basis of 3 new Shares for every 5 Shares held on the Record Date (**Entitlement Offer**). Any entitlements not taken up under the Entitlement Offer were included in the Shortfall Offer. The Company intended to issue up to approximately 104,853,811 Shares under the Entitlement Offer and the Shortfall Offer (together, **the Offers**), aiming to raise up to approximately $2,097,076 (before costs).

**Results of Entitlement Offer**

On 23 May 2024, African Gold advised that the 3 for 5 pro rata non-renounceable Entitlement Offer had closed. The Entitlement Offer was well supported by eligible shareholders, who applied for 54,398,833 new fully paid ordinary shares (**New Shares**), raising approximately $1.088 million (before costs), pursuant to their entitlements. The Entitlement Offer shortfall was 45,347,746 shares.

**$1.9 Million raised to drive growth at Didievi Gold Project**

It was announced on 20 August 2024 that the shortfall from the May 2024 Entitlement Offer was placed to raise approximately $800k. Additionally, a placement to sophisticated and institutional investors raised approximately $1.1 million across two tranches. In total, the Company issued 97,170,800 shares at an issue price of $0.02 each, raising approximately $1.9 million (before costs). This was achieved by utilising the remaining shortfall from the May 2024 Entitlement Offer and conducting the two-tranche placement.

**Board and management changes**

On 15 October 2024 , African Gold announced the appointment of experienced mining professional Mr Adam Oehlman as Chief Executive Officer. Mr Oehlman brought a strong commercial and technical background, having held senior roles with Hancock Prospecting, Rio Tinto, Gold Fields, Billabong Gold, and Northern Star.

Mr Phillip Gallagher stepped down as Managing Director on 15 October 2024 but remained available for a three-month period until 15 January 2025 to ensure an orderly transition.

Additionally, Mr Evan Cranston and Mr Tolga Kumova took on a more active role in the corporate and promotional activities of the Company.



## COMPETENT PERSON'S STATEMENT

The information in this financial report that relates to historical exploration results were initially reported by the Company in accordance with Listing Rule 5.7 on 31 January, 30 July and 15 October 2024 . The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The mineral resource estimate referred to in this announcement was reported by the Company in accordance with Listing Rule 5.8 on 30 July 2024. The Company confirms it is not aware of any new information or data that materially affects the mineral resources estimate included in the previous announcement and that all material assumptions and technical parameters underpinning the mineral resource estimate in the previous announcement continue to apply and have not materially changed.

## FORWARD LOOKING STATEMENT

This report may contain certain forward-looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of African Gold Ltd. The forward-looking statements/projections are inherently uncertain and may, therefore, differ materially from results ultimately achieved.

African Gold Ltd does not make any representations and provides no warranties concerning the accuracy of the projections and disclaims any obligation to update or revise any forward looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither African Gold or any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. Accordingly, to the maximum extent permitted by law, none of African Gold Ltd, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortuous, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this presentation or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this presentation.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no changes in the state of affairs of the Group during the year ended 31 December 2024, other than those outlined in the Review of Operations.

## REVIEW OF FINANCIAL PERFORMANCE

### Operating results

The loss of the Company for the year ended 31 December 2024 after providing for income tax amounted to $7,295,879 (2023: $1,809,055).

### Review of financial position

The net assets are $8,522,000 as at 31 December 2024 (2023: $10,304,334). Cash and cash equivalents at balance date amounted to $1,114,492 (2023: $85,159).

## SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have not been any events that have arisen between 31 December 2024 and the date of this report or any other item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to materially affect the operations of the Company, the results of those operations or the state of affairs of the Company, in subsequent financial years, other than:

- Phillip Gallagher resigned as Managing Director on 15 January 2025;
- On 30 January 2025, the Company announced outstanding results from its 10,000m drill program on the Blaffo Guetto deposit; and
- On 25 March 2025, the Company announced a strategic partnership with Montage Gold Corp (TSXV: MAU; OTCQZ: MAUTF) (Montage Gold) the key terms of which are as follows:
    - African Gold will issue 92,377,787 shares at a deemed issue price of A$0.07 per share to Montage Gold in exchange for an equivalent value of Montage Gold shares (2,026,388 shares) at a deemed issue price of C$2.87 per share (based on an exchange rates of USD/CAD 1.43 and USD/AUD 1.59);
    - 12,371,429 shares will be issued to Montage Gold related parties raising A$866,000 (before costs); and
    - African Gold will conduct a non-brokered private placement of 26,318,899 shares at A$0.07 per share, raising approximately A$1,842,323 (before costs).

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company is committed to realising value from the exploration assets acquired.

Running in parallel with the proposed evaluation and exploration of the tenements the Company's ongoing strategy will also include the identification and acquisition of projects that the Board believes will provide fundamental value to shareholders.

## CORPORATE GOVERNANCE

The Directors of African Gold believe that effective corporate governance improves company performance, enhances corporate social responsibility and benefits all stakeholders. Changes and improvements are made in a substance over form manner, which appropriately reflects the changing circumstances of the company as it grows and evolves. Accordingly, the Board has established a number of practices and policies to ensure that these intentions are met and that all shareholders are fully informed about the affairs of the Company.

The Company reviews all of its corporate governance practices and policies on an annual basis to ensure they are appropriate for the Company's current stage of development.

The Company's Corporate Governance Statement is available on its website at www.african-gold.com.

The Company has a corporate governance section on the website which includes details on the Company's governance arrangements and copies of relevant policies and charters.

## ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work. The Directors have considered the National Greenhouse and Energy Reporting Act 2007 ('the NGER Act') and at the current stage of development and based on the locations of the Company's operations, the Directors have determined that the NGER Act will have no effect on the Entity for the current or subsequent financial year.

The Directors will reassess this position as and when the need arises. No environmental breaches have occurred or have been notified by any Government agencies during the year ended 31 December 2024.

**SHARE OPTIONS AND PERFORMANCE RIGHTS**

The Company granted 38,434,160 options (2023: nil) and no performance rights (2023: nil) during the year ended 31 December 2024.

**Shares issued during or since the end of the year as a result of exercise**

During or since the end of the reporting period, the Company did not issue any ordinary shares as a result of the exercise of options.

**Shares under option**

Unissued ordinary shares of the Company under option at the date of this report are:

| Grant date | Expiry date | Exercise price | Number of options |
|---|---|---|---|
| 15/08/22 | 03/02/26 | $0.15 | 2,000,000 |
| 15/08/22 | 03/02/26 | $0.20 | 2,000,000 |
| 25/11/24 | 25/11/27 | $0.065 | 6,000,000 |
| 25/11/24 | 25/11/27 | $0.10 | 11,000,000 |
| 06/12/24 | 06/12/26 | $0.05 | 21,434,160 |

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

**Indemnification and insurance of Directors and Officers**

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The terms of the policy prevent disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

**Directors' meetings**

During the financial year, the following meetings of directors were held.

| DIRECTOR’S NAMES | NUMBER ATTENDED | NUMBER ELIGIBLE TO ATTEND |
|---|---|---|
| Evan Cranston | - | - |
| Phillip Gallagher (resigned 15/1/2025) | - | - |
| Tolga Kumova | - | - |
| Mathew O’Hara | - | - |
| Peter Williams | - | - |
| Simon Bolster (resigned 15/2/2024) | - | - |

The Directors have signed five circular resolutions during the financial year.

The Board has decided there are no efficiencies to be gained from forming separate committees and hence the current Board members carry out the roles that would otherwise be undertaken by a separate committee with each Director excluding themselves from matters in which they have a personal interest.

**Proceedings on behalf of the Company**

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

The Company was not a party to any such proceedings during the year.

**Non-audit services**

No non-audit services were provided by the auditor during the year (2023: nil).

# REMUNERATION REPORT (AUDITED)

## INTRODUCTION

The Directors of African Gold Ltd present the Remuneration Report (**the Report**) for the Company and its controlled entities for the year ended 31 December 2024. This Report forms part of the Directors' Report and has been audited in accordance with section 300A of the *Corporations Act 2001*. The Report details the remuneration arrangements for African Gold Ltd's key management personnel (**KMP**):

- Non-executive directors (**NEDs**)
- Executive directors and senior executives (collectively the executives).

KMP are those persons who, directly or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Company.

The table below outlines the KMP of the Company during the financial year ended 31 December 2024. Unless otherwise indicated, the individuals were KMP for the entire financial year.

| NAME | POSITION | |
|---|---|---|
| Evan Cranston | Non-Executive Chairman | Appointed on 22 March 2018 |
| Phillip Gallagher | Managing Director | Appointed on 15 August 2022;<br>Resigned on 15 January 2025 |
| Tolga Kumova | Non-Executive Director | Appointed on 1 February 2018 |
| Mathew O'Hara | Non-Executive Director | Appointed on 1 April 2020 |
| Peter Williams | Non-Executive Director | Appointed on 23 February 2021 |
| Simon Bolster | Non-Executive Director | Appointed on 23 February 2021;<br>Resigned on 15 February 2024 |
| Oonagh Malone | Company Secretary | Appointed on 1 April 2020 |
| Adam Oehlman | Chief Executive Officer | Appointed on 31 October 2024 |



### Remuneration Governance

The Board has decided there are no efficiencies to be gained from forming a separate remuneration committee and hence the current Board members carry out the roles that would otherwise be undertaken by a remuneration committee with each Director excluding themselves from matters in which they have a personal interest.

The Board considers and recommends compensation arrangements for the Chairman, Directors and senior executives; remuneration policies and practices; retirement and termination policies and practices; Company share schemes and other incentive schemes; Company superannuation arrangements and remuneration arrangements for members of the Board.

The Board obtains professional advice where necessary to ensure that the Company attracts and retains talented and motivated directors, executives and employees who can enhance Company performance through their contributions and leadership.

### Remuneration Framework

The Board recognises that the Company's performance and ultimate success in project delivery depend very much on its ability to attract and retain highly skilled, qualified and motivated people in an increasingly competitive remuneration market. At the same time, remuneration practices must be transparent to shareholders and be fair and competitive, taking into account the nature and size of the organisation and its current stage of development.

The approach to remuneration has been structured with the following objectives:

- To attract and retain a highly skilled executive team at the current stage in the Company's project development and who are motivated and rewarded for successfully delivering the short and long-term objectives of the Company, including successful project delivery;

- To link remuneration with performance, based on long-term objectives and shareholder return, as well as critical short-term objectives which are aligned with the Company's business strategy;
- To set clear goals and reward performance for successful project development in a way which is sustainable, including in respect of health and safety, environment and community-based objectives;
- To be fair and competitive against the market;
- To preserve cash where necessary for exploration, by having the flexibility to attract, reward or remunerate executives with an appropriate mix of equity-based incentives;
- To reward individual performance and Company performance thus promoting a balance of individual performance and teamwork across the executive management team and the organisation; and
- To have flexibility in the mix of remuneration, including offering a balance of conservative long-term incentive instruments such as options to ensure executives are rewarded for their efforts, but also share in the upside of the Company's growth and are not adversely affected by tax consequences.

The remuneration framework provides a mix of fixed and variable "at risk" remuneration and a blend of short and long-term incentives.

The remuneration for executives has three components:

- Fixed remuneration, inclusive of superannuation and allowances;
- Short Term Incentives (**STI**) under a performance-based cash bonus incentive plan; and
- Long Term Incentives (**LTI**) through participation in the Company's shareholder approved equity incentive plans.

These three components comprise each executive's total annual remuneration.

**EXECUTIVE DIRECTOR REMUNERATION**

Fixed Remuneration

All executives receive a fixed base cash salary and other associated benefits. All executives also receive a superannuation guarantee contribution required by Australian legislation which was 11.5% at 31 December 2024. No executives receive any other retirement benefits.

Fixed remuneration of executives will be set by the Board each year and is based on market relativity and individual performance. In setting fixed remuneration for executives, individual performance, skills, expertise and experience are also taken into account to determine where the executive's remuneration should sit within the market range. Where appropriate, external remuneration consultants will be engaged to assist the Board to ensure that fixed remuneration is set to be consistent with market practices for similar roles.

Fixed remuneration for executives will be reviewed annually to ensure each executive's remuneration remains fair and competitive. However, there is no guarantee that fixed remuneration will be increased in any service contracts for executives.

Short Term Incentives

Executive directors and other executives are eligible to earn short-term cash bonuses upon achievement of significant performance-based outcomes aligned with the Company's strategic objectives at that time. These performance-based outcomes are considered to be an appropriate link between executive remuneration and the potential for the creation of shareholder wealth. No short-term incentives were paid during the year.

Long Term Incentives

The objective of the LTI plan is to reward executives and directors in a manner which aligns this element of remuneration with the creation of shareholder wealth. As such LTIs are made to executives and directors who are able to influence the generation of shareholder wealth and thus have an impact on the Company's performance.

The Company prohibits directors or executives from entering into arrangements to protect the value of any African Gold shares, options or performance rights that the director or executive has become entitled to as part of his/her remuneration package. This includes entering into contracts to hedge their exposure.

The following table sets out the number of share options granted to KMP during the current and previous years:

| | Options | | Performance Rights | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Evan Cranston | - | - | - | - |
| Phillip Gallagher[1] | - | - | - | - |
| Tolga Kumova | - | - | - | - |
| Mathew O'Hara | - | - | - | - |
| Peter Williams | - | - | - | - |
| Simon Bolster[2] | - | - | - | - |
| Oonagh Malone | - | - | - | - |
| Adam Oehlman[3] | 12,000,000 | - | - | - |

[1] Resigned 15 January 2025.
[2] Resigned 15 February 2024.
[3] Appointed 31 October 2024.

**Non-Executive Remuneration**

Non-executive directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are determined in accordance with the rules set out in the Company's Constitution and the Corporations Act at the time of the director's retirement or termination. Non-executive directors' remuneration may include an incentive portion consisting of bonuses and/or options, as considered appropriate by the Board, which is subject to shareholder approval in accordance with the ASX Listing Rules.

The aggregate remuneration, and the manner in which it is apportioned amongst non-executive directors, is reviewed annually. The Board considers the amount of director fees being paid by comparable companies with similar responsibilities and levels of experience of the non-executive directors when undertaking the annual review process.

The current maximum amount of non-executive directors' fees payable is fixed at $300,000 in total, for each 12-month period commencing 1 January each year, until varied by ordinary resolution of shareholders.

**Use of remuneration advisors**

During the year ended 31 December 2024, the Board did not engage the services of remuneration consultants.

**Voting and comments made at the company's last Annual General Meeting**

African Gold received 95.4% of the votes in favour of its Remuneration Report for the year ended 31 December 2023. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

**Consequences of Performance on Shareholder Wealth**

In considering the Company's performance and benefits for shareholder wealth, the Board has regard to the following indices in respect of the current and previous financial years:

| | 2024<br>$ | 2023<br>$ | 2022<br>$ | 2021<br>$ | 2020<br>$ |
|---|---|---|---|---|---|
| Revenue | 9,252 | 6,768 | 2,072 | 194 | 86,754 |
| Net loss | 7,295,879 | 1,809,055 | 2,008,009 | 2,532,015 | 715,139 |
| Share price at end of year | $0.055 | $0.027 | $0.083 | $0.185 | $0.23 |
| Basic loss per share | 2.84 cents | 1.08 cents | 1.64 cents | 2.69 cents | 1.20 cents |
| Diluted loss per share | 2.84 cents | 1.08 cents | 1.64 cents | 2.69 cents | 1.20 cents |

The Company commenced trading on the ASX on 14 February 2019 with an initial public offering price of $0.20 per share.

**Agreement with Managing Director**

The Company has entered into an executive services agreement (**MD Agreement**) with Mr Phillip Gallagher pursuant to which he is engaged as a full-time employee of the Company and serves the Company as Managing Director responsible for planning, co-ordinating and implementing the Company's exploration programs in Africa with planning input from other senior exploration and executive staff, and subject to the overall control and direction of the Board.

The remuneration payable to Mr Gallagher for the services is $220,000 per annum exclusive of statutory superannuation.

The MD Agreement commenced on 15 August 2022 and terminated when Mr Gallagher resigned effective 15 January 2025.

**Agreement with Chief Executive Officer**

The Company has entered into an executive services agreement (**CEO Agreement**) with Mr Adam Oehlman pursuant to which he is engaged as a full-time employee of the Company and serves the Company as Chief Executive Officer responsible for planning, co-ordinating and implementing the Company's exploration programs in Africa with planning input from other senior exploration and executive staff, and subject to the overall control and direction of the Board.

The remuneration payable to Mr Oehlman for the services is $230,000 per annum exclusive of statutory superannuation.

The CEO Agreement commenced on 31 October 2024 and is for an indefinite term, continuing until terminated in accordance with the CEO Agreement. Mr Oehlman has a notice period of 3 months.

**Company secretarial agreement**

The Company has an agreement with Malone Corporate Services Pty Ltd for the provision of company secretarial services to the Company (**Malone Corporate Agreement**). The Malone Corporate Agreement commenced on 1 April 2020 and will continue until terminated by mutual agreement or either party on 90 days' written notice. The Company will pay Malone Corporate Services fees of $4,000 per month (plus GST). The Malone Corporate Agreement contains additional provisions considered standard for agreements of this nature.

**STATUTORY AND SHARE-BASED REPORTING**

**Director and KMP Remuneration**

Details of the nature and amount of each major element of remuneration of each KMP of African Gold during the year are:

| KMP | Year | Short term benefits<br>Salary, fees and annual leave<br>$ | Post employment benefits<br>Superannuation benefits<br>$ | Other long-term benefits<br>Long service leave provision movement<br>$ | Share-based payment (non-cash)<br>Options and fair value adjustment on shares issued<br>$ | Total<br>$ | Performance based % of remuneration |
|---|---|---|---|---|---|---|---|
| Evan Cranston<br>*Non-Executive Chairman* | **2024** | **65,700** | **-** | **-** | **445,813** | **511,513** | **87%** |
| | 2023 | 65,700 | - | - | - | 65,700 | 0% |
| Phillip Gallagher[1]<br>*Managing Director* | **2024** | **238,965** | **24,750** | **1,057** | **12,158** | **276,930** | **4%** |
| | 2023 | 238,796 | 23,650 | 1,458 | 10,464[4] | 274,368 | 4% |
| Tolga Kumova<br>*Non-Executive Director* | **2024** | **52,560** | **-** | **-** | **37,045** | **89,605** | **41%** |
| | 2023 | 52,560 | - | - | - | 52,560 | 0% |
| Mathew O'Hara<br>*Non-Executive Director* | **2024** | **43,146** | **4,854** | **-** | **32,822** | **80,822** | **41%** |
| | 2023 | 43,341 | 4,659 | - | - | 48,000 | 0% |
| Peter Williams<br>*Non-Executive Director* | **2024** | **44,000** | **-** | **-** | **35,083** | **79,083** | **44%** |
| | 2023 | 44,000 | - | - | - | 44,000 | 0% |
| Simon Bolster[2]<br>*Non-Executive Director* | **2024** | **5,557** | **-** | **-** | **6,890** | **12,447** | **55%** |
| | 2023 | 43,996 | - | - | - | 43,996 | 0% |
| Oonagh Malone<br>*Company Secretary* | **2024** | **48,000** | **-** | **-** | **10,000** | **58,000** | **17%** |
| | 2023 | 48,000 | - | - | - | 48,000 | 0% |
| Adam Oehlman[3]<br>*Chief Executive Officer* | **2024** | **42,580** | **4,510** | **-** | **272,400** | **319,490** | **85%** |
| | 2023 | - | - | - | - | - | 0% |
| **Total KMP remuneration** | **2024** | **540,508** | **34,114** | **1,057** | **852,211** | **1,427,890** | **60%** |
| | 2023 | 536,393 | 28,309 | 1,458 | 10,464 | 576,624 | 2% |

[1] Resigned 15 January 2025.

[2] Resigned 15 February 2024.

[3] Appointed 31 October 2024.

[4] Options deemed to be granted on 15 August 2022 at commencement of Mr Gallagher's employment although not formally issued until shareholder approval obtained at the general meeting held on 3 February 2023. The options were revalued at 3 February 2023 resulting in the additional share based payment of $10,464 during the year ended 31 December 2023. Refer Note 13.2 for valuation assumptions.

**Director and KMP Remuneration Movements in Options**

The movement during the reporting period in the number of options in African Gold held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

| | Held at 1 January 2024 | Granted as Compensation | Options exercised | Lapsed/ forfeited | Resulting from any other change | Held at 31 December 2024 or date of resignation | Vested and exercisable at 31 December 2024 |
|---|---|---|---|---|---|---|---|
| Evan Cranston | 2,500,000 | - | - | (2,500,000) | - | - | - |
| Phillip Gallagher[1] | 4,000,000 | - | - | - | | 4,000,000 | 4,000,000 |
| Tolga Kumova | 2,500,000 | - | - | (2,500,000) | - | - | - |
| Mathew O'Hara | 2,000,000 | - | - | (2,000,000) | - | - | - |
| Peter Williams | 2,000,000 | - | - | (2,000,000) | - | - | - |
| Simon Bolster[2] | 2,000,000 | - | - | - | - | 2,000,000 | 2,000,000 |
| Oonagh Malone | 2,000,000 | - | - | (2,000,000) | - | - | - |
| Adam Oehlman[3] | - | 12,000,000 | - | - | - | 12,000,000 | 12,000,000 |
| **Total** | **17,000,000** | **12,000,000** | **-** | **(11,000,000)** | **-** | **18,000,000** | **18,000,000** |

[1] Resigned 15 January 2025.
[2] Resigned 15 February 2024.
[3] Appointed 31 October 2024.

**Director and KMP Remuneration Movements in Performance Rights**

There were no performance rights held by KMP during the reporting period.

**Shareholdings of KMP**

Shares held in African Gold Ltd (number):

| | Held at 1 January 2024 or date of appointment | Acquired | Disposal | Held at 31 December 2024 or date of resignation |
|---|---|---|---|---|
| Evan Cranston | 3,904 | 12,739,843 | - | 12,743,747 |
| Phillip Gallagher[1] | 112,000 | 2,498,866 | - | 2,610,866 |
| Tolga Kumova | 15,284,823 | 16,579,896 | - | 31,864,719 |
| Mathew O'Hara | 322,504 | 6,757,806 | - | 7,080,310 |
| Peter Williams | 1,620,001 | 7,988,664 | - | 9,608,665 |
| Simon Bolster[2] | 900,002 | - | - | 900,002 |
| Oonagh Malone | 360,001 | 2,216,001 | - | 2,576,002 |
| Adam Oehlman[3] | - | - | - | - |
| **Total** | **18,603,235** | **48,781,076** | **-** | **67,384,311** |

[1] Resigned 15 January 2025.
[2] Resigned 15 February 2024.
[3] Appointed 31 October 2024.

**Share-based compensation (non-cash)**

*Options*

The following options were granted during the year ended 31 December 2024:

| | KMP Options #1 | KMP Options #2 |
|---|---|---|
| Underlying value of the security | $0.047 | $0.047 |
| Exercise price | $0.065 | $0.10 |
| Grant date | 14/10/2024 | 14/10/2024 |
| Expiry date | 25/11/2027 | 25/11/2027 |
| Life of Options in years | 3.1 | 3.1 |
| Volatility | 90.33% | 90.33% |
| Risk free rate | 3.80% | 3.80% |
| Number of Options | 6,000,000 | 6,000,000 |
| Valuation per Option | $0.0249 | $0.0205 |
| Valuation | $149,400 | $123,000 |
| Total consideration paid by option | - | - |
| **Valuation less consideration paid** | **$149,400** | **$123,000** |

The KMP Options were issued to the following Key Management Personnel for nil consideration and vested immediately. There were no performance conditions for these options as the Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and this option issue seeks to align the efforts of the KMP in seeking to achieve growth of the share price and in the creation of shareholder value. In addition, the Board also believes that incentivising with KMP Options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these KMP Options to continue to attract and maintain highly experienced and qualified KMP in a competitive market.

| Key management personnel | Option series | Grant date | No. of options | Value per option | Total fair value of options issued | No. of options vested |
|---|---|---|---|---|---|---|
| Adam Oehlman | KMP Options #1 | 14/10/2024 | 6,000,000 | $0.0249 | $149,400 | 6,000,000 |
| Adam Oehlman | KMP Options #2 | 14/10/2024 | 6,000,000 | $0.0205 | $123,000 | 6,000,000 |
| **Total** | | | **12,000,000** | | **$272,400** | **12,000,000** |

There were no options granted during the year ended 31 December 2023, however, the following options were issued on 3 February 2023 but deemed to be granted on 15 August 2022:

| | Director Options #1 | Director Options #2 |
|---|---|---|
| Underlying value of the security | $0.09 | $0.09 |
| Exercise price | $0.15 | $0.20 |
| Deemed grant date | 15/08/2022 | 15/08/2022 |
| Valuation date | 03/02/2023 | 03/02/2023 |
| Issue date | 03/02/2023 | 03/02/2023 |
| Expiry date | 03/02/2026 | 03/02/2026 |
| Life of Options in years | 3.0 | 3.0 |
| Volatility | 94.16% | 94.16% |
| Risk free rate | 3.1% | 3.1% |
| Number of Options | 2,000,000 | 2,000,000 |
| Valuation per Option | $0.0447 | $0.0391 |
| Valuation | $89,404 | $78,246 |
| Total consideration paid by option | - | - |
| Valuation less consideration paid | **$89,404** | **$78,246** |
| Less: Fair value brought to account | $83,225 | $73,961 |
| **Fair value adjustment brought to** | **$6,179** | **$4,285** |

The Director Options were issued to Phillip Gallagher for nil consideration. The Director Options were deemed to be granted on 15 August 2022 at commencement of Mr Gallagher's employment although not formally issued, and therefore did not vest, until shareholder approval was obtained at the general meeting held on 3 February 2023. There were no performance conditions for these options as the Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and this option issue seeks to align the efforts of the Director in seeking to achieve growth of the share price and in the creation of shareholder value. In addition, the Board also believes that incentivising with Director Options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Directors Options to continue to attract and maintain highly experienced and qualified Directors in a competitive market.

| Director | Option series | Grant date | No. of options | Value per option | Total fair value of options issued | No. of options vested |
|---|---|---|---|---|---|---|
| Phillip Gallagher | Director Options #1 | 15/08/2022 | 2,000,000 | $0.0447 | $89,404 | - |
| Phillip Gallagher | Director Options #1 | 15/08/2022 | 2,000,000 | $0.0391 | $78,246 | - |
| **Total** | | | **4,000,000** | | **$167,650** | **-** |

*Performance rights*

There were no performance rights in existence at any time during the year ended 31 December 2024 (2023: nil).

**Loans to key management personnel**

There were no loans to key management personnel of the Company, including their personally related parties, as at 31 December 2024 (2023: nil).

**Other transactions and balances with KMP and their related parties**

The following transactions were undertaken with key management personnel during the year ended 31 December 2024. Only amounts paid to a KMP or their related entities in addition to remuneration disclosed in the Director and KMP Remuneration table in the remuneration report is shown below.

| Entity | Services provided | 2024<br>$ | 2023<br>$ |
|---|---|---|---|
| Konkera Corporate<br>(related party of Evan Cranston) | Accounting, drafting, recoupment of portion of geological software licence and administrative services | 126,613 | 121,409 |
| Konkera Exploration Pty Ltd<br>(related party of Evan Cranston) | Geological services | 108,000 | - |
| Kingslane Pty Ltd<br>(related party of Evan Cranston) | Serviced office lease | 48,000 | 48,000 |
| Evan Cranston | Unsecured loan to the Company (refer Note 11) | 50,000 | 50,000 |
| Portable PPB Pty Ltd<br>(related party of Peter Williams and Simon Bolster) | Supply of detectORE equipment and consumables and reimbursement of freight charges | 1,414 | 83,334 |
| Peter Williams | Unsecured loan to the Company (refer Note 11) | 50,000 | 50,000 |
| Mathew O'Hara | Unsecured loan to the Company (refer Note 11) | 55,000 | 50,000 |
| Tolga Kumova | Unsecured loan to the Company (refer Note 11) | 100,000 | - |

During the year, Directors and KMP (or their nominees) were issued shares in the Company to settle liabilities, as show in the table below. The amounts shown are the book values of the liabilities and the fair value adjustment of the shares issued, based on the closing price on the date of issue, are disclosed in the Director and KMP Remuneration table in the remuneration report.

| Director/KMP | Details of liabilities settled via share issues | 2024<br>$ | 2023<br>$ |
|---|---|---|---|
| Evan Cranston | 12,737,500 shares issued at a deemed price of $0.02 per shares (fair value based on closing price on date of issue of 22/11/24 of $0.055) to settle the following: | | |
| | - Unpaid invoices for director fees and services by Konkera Corporate | 154,750 | - |
| | - Director loan (2024 and 2023) | 100,000 | - |
| Tolga Kumova | 7,409,000 shares issued at a deemed price of $0.02 per shares (fair value based on closing price on date of issue of 12/8/24 of $0.025) to settle the following: | | |
| | - Unpaid invoices for director fee | 48,180 | - |
| | - Director loan (2024) | 100,000 | - |
| Phillip Gallagher | 2,431,666 shares issued at a deemed price of $0.02 per shares (fair value based on closing price on date of issue of 12/8/24 of $0.025) to settle unpaid net salary amounts | 48,633 | - |
| Mathew O'Hara | 6,564,302 shares issued at a deemed price of $0.02 per shares (fair value based on closing price on date of issue of 12/8/24 of $0.025) to settle the following: | | |
| | - Unpaid net director fees | 26,286 | - |
| | - Director loan (2024 and 2023) | 105,000 | - |
| Peter Williams | 7,016,663 shares issued at a deemed price of $0.02 per shares (fair value based on closing price on date of issue of 12/8/24 of $0.025) to settle the following: | | |
| | - Unpaid invoices for director fees | 40,333 | - |
| | - Director loan (2024 and 2023) | 100,000 | - |
| Simon Bolster | 1,378,046 shares issued at a deemed price of $0.02 per shares (fair value based on closing price on date of issue of 12/8/24 of $0.025) to settle unpaid invoices for director fees | 27,560 | |
| Oonagh Malone | 2,000,000 shares issued at a deemed price of $0.02 per shares (fair value based on closing price on date of issue of 12/8/24 of $0.025) to settle unpaid invoices for company secretary fees | 40,000 | - |

The difference between the value of shares issued on issue date and the amount of liability settled is included in the share-based payment expense in the remuneration report.

There were no other transactions and balances with key management personnel of the Company, including their personally related parties, as at 31 December 2024.

## END OF REMUNERATION REPORT

**Auditor's independence declaration**

The lead auditor's independence declaration for the year ended 31 December 2024 has been received and is attached to this Directors' Report.

Signed in accordance with a resolution of the Board of Directors.

**Mr Evan Cranston**
Non-Executive Chairman
Perth, WA - dated 28th March 2025

HLB MANN JUDD
ADVISORY AND ACCOUNTING

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the consolidated financial report of African Gold Ltd for the year ended 31 December 2024, 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 audit; and

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

**Perth, Western Australia**
**28 March 2025**

**D I Buckley**
**Partner**

hlb.com.au

**HLB Mann Judd ABN 22 193 232 714**
A Western Australian Partnership
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
**T:** +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

| | Notes | 31 December 2024 $ | 31 December 2023 $ |
|---|---|---|---|
| Accounting and audit | | (169,042) | (168,065) |
| Consultants and contractors | | (106,119) | (63,011) |
| Depreciation and amortisation | | (14,656) | (11,778) |
| Employee benefits expense | | (365,973) | (364,570) |
| Exploration and evaluation costs | | (1,421,559) | (958,307) |
| Listing and compliance | | (75,422) | (48,281) |
| Net foreign exchange (loss)/gain | | (17,253) | 3,216 |
| Office rental and outgoings | | (48,000) | (48,000) |
| Share-based payments | 13.1 | (1,192,078) | (10,464) |
| Travel and accommodation | | (41,948) | (50,837) |
| Other expenses | | (149,798) | (95,726) |
| Impairment of exploration and evaluation expenditure | 7 | (3,703,283) | - |
| **Loss from operating activities** | | **(7,305,131)** | **(1,815,823)** |
| Finance income | | 9,252 | 6,768 |
| **Loss before income tax** | | **(7,295,879)** | **(1,809,055)** |
| Income tax expense | 20 | - | - |
| **Loss for the year after tax from continuing operations** | | **(7,295,879)** | **(1,809,055)** |
| Other comprehensive income | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Foreign currency translation differences – foreign operations | | 174,992 | 189,950 |
| **Other comprehensive income for the year, net of tax** | | **174,992** | **189,950** |
| **Total comprehensive loss for the year** | | **(7,120,887)** | **(1,619,105)** |

| **Loss per share attributable to equity holders of the Company:** | **Notes** | | |
|---|---|---|---|
| Loss per share: | | | |
| Basic and Diluted loss per share (cents per share) | 17 | (2.84) | (1.08) |

*The above should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

| | Notes | 31 December 2024 $ | 31 December 2023 $ |
|---|---|---|---|
| **Assets** | | | |
| Current | | | |
| Cash and cash equivalents | 4 | 1,114,492 | 85,159 |
| Trade and other receivables | 6 | 64,566 | 21,078 |
| Prepayments | 6 | 53,484 | 5,765 |
| Other current assets | 6 | 30,000 | 30,000 |
| **Total current assets** | | **1,262,542** | **142,002** |
| | | | |
| **Non-current** | | | |
| Exploration and evaluation expenditure | 7 | 7,835,901 | 11,064,803 |
| Property, plant and equipment | 8 | 47,641 | 60,613 |
| **Total non-current assets** | | **7,883,542** | **11,125,416** |
| **Total assets** | | **9,146,084** | **11,267,418** |
| | | | |
| **Liabilities** | | | |
| **Current** | | | |
| Trade and other payables | 9 | 577,951 | 770,131 |
| Provisions | 10 | 46,133 | 42,953 |
| Loans and borrowings | 11 | - | 150,000 |
| **Total current liabilities** | | **624,084** | **963,084** |
| **Total liabilities** | | **624,084** | **963,084** |
| **Net assets** | | **8,522,000** | **10,304,334** |
| | | | |
| **Equity** | | | |
| Share capital | 12 | 15,029,459 | 11,035,219 |
| Reserves | 13 | 1,810,262 | 8,619,540 |
| Accumulated losses | | (8,317,721) | (9,350,425) |
| **Total equity** | | **8,522,000** | **10,304,334** |

*The above should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

| | Notes | Share capital<br>$ | Share-based payments reserve<br>$ | Foreign currency translation reserve<br>$ | Accumulated losses<br>$ | Total equity<br>$ |
|---|---|---|---|---|---|---|
| **At 1 January 2023** | | **10,200,149** | **8,485,769** | **(66,643)** | **(7,541,370)** | **11,077,905** |
| Loss for the year | | - | - | - | (1,809,055) | (1,809,055) |
| Other comprehensive income | 13 | - | - | 189,950 | - | 189,950 |
| Total comprehensive loss | | **-** | **-** | **189,950** | **(1,809,055)** | **(1,619,105)** |
| Issue of share capital | 12 | 684,838 | - | - | - | 684,838 |
| Issue of share capital - acquisition of tenement | 12 | 192,308 | - | - | - | 192,308 |
| Share issue transaction costs | 12 | (42,076) | - | - | - | (42,076) |
| Share-based payments expense | 13 | - | 10,464 | - | - | 10,464 |
| **Balance at 31 December 2023** | | **11,035,219** | **8,496,233** | **123,307** | **(9,350,425)** | **10,304,334** |
| **At 1 January 2024** | | **11,035,219** | **8,496,233** | **123,307** | **(9,350,425)** | **10,304,334** |
| Loss for the year | | - | - | - | (7,295,879) | (7,295,879) |
| Other comprehensive income | 13 | - | - | 174,992 | - | 174,992 |
| Total comprehensive loss | | **-** | **-** | **174,992** | **(7,295,879)** | **(7,120,887)** |
| Issue of share capital | 12 | 3,232,603 | - | - | - | 3,232,603 |
| Issue of share capital - acquisition of tenement | 12 | 201,471 | - | - | - | 201,471 |
| Issue of share capital – settlement of liabilities | 12 | 906,210 | - | - | - | 906,210 |
| Proceeds from issue of options | | - | 214 | - | - | 214 |
| Share issue transaction costs – options issued | 12 | (760,699) | 760,699 | - | - | - |
| Share issue transaction costs | 12 | (194,023) | - | - | - | (194,023) |
| Share-based payments expense | 13 | 608,678 | 583,400 | - | - | 1,192,078 |
| Expired options transferred to accumulated losses | 13 | - | (8,328,583) | - | 8,328,583 | - |
| **Balance at 31 December 2024** | | **15,029,459** | **1,511,963** | **298,299** | **(8,317,721)** | **8,522,000** |

*The above should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

| | Notes | 31 December 2024 $ | 31 December 2023 $ |
|---|---|---|---|
| **Operating activities** | | | |
| Payment to suppliers and employees | | (886,516) | (507,328) |
| Interest received | | 9,148 | 5,926 |
| **Net cash used in operating activities** | 5 | **(877,368)** | **(501,402)** |
| | | | |
| **Investing activities** | | | |
| Payment for the acquisition of mining tenements | | (12,604) | - |
| Payment for exploration expenditure | | (1,349,811) | (1,592,934) |
| Payments for property, plant and equipment | | - | (72,616) |
| **Net cash used in investing activities** | | **(1,362,415)** | **(1,665,550)** |
| | | | |
| **Financing activities** | | | |
| Proceeds from share issues | 12 | 3,205,408 | 684,838 |
| Issue of options | | 214 | - |
| Share issue transaction costs | | (194,023) | (28,374) |
| Proceeds from borrowings | 11 | 255,000 | 150,000 |
| **Net cash provided by financing activities** | | **3,266,599** | **806,464** |
| **Net increase/(decrease) in cash and cash equivalents** | | **1,026,816** | **(1,360,488)** |
| Effect of movements in exchange rates on cash held | | 2,517 | 661 |
| Cash and cash equivalents, at 1 January | | 85,159 | 1,444,986 |
| **Cash and cash equivalents, at 31 December** | 4 | **1,114,492** | **85,159** |

*The above should be read in conjunction with the accompanying notes.*

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



## 1 Corporate information

African Gold Ltd (**African Gold** or **the Company**) and its subsidiaries (collectively, **the Group**) is a for-profit entity for the purpose of preparing the financial statements. Principal activities include exploration and evaluation of mineral resources and pursuing various investment opportunities in the resources sector designed to add shareholder value by acquiring, exploring, evaluating and exploiting mineral resource project opportunities in Africa.

African Gold is incorporated and domiciled in Australia whose shares are publicly traded and listed on the 14 February 2019 on Australian Securities Exchange (ASX: A1G). The address of its registered office and its principal place of business Suite 23, 513 Hay Street, Subiaco WA 6008.

The financial statements were approved and authorised for issue by the Board of Directors on 28th March 2025.

## 2 Basis of presentation and statement of compliance

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. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Board (IASB).

The financial report has been prepared on a historical cost basis.

The financial report is presented in Australian Dollars, being the functional currency of the Company.

## 3 Going Concern

At 31 December 2024, the Group had cash and cash equivalents of $1,114,492 (2023: $85,159). The Group incurred a net loss of $7,295,879 (2023: $1,809,055) and had cash outflows from operating and investing activities of $2,239,783 (2023: $2,166,952) during the year ended 31 December 2024.

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

The ability of the Group to continue as a going concern is dependent upon the future successful raising of the necessary funding through equity and/or debt and the successful exploitation of the Group's tenements. In the event that further funding is not available, the Group may not be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

These conditions indicate a material uncertainty that may cast significant doubt about the Group'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 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 Company not be able to continue as a going concern.

The Directors are, however, confident that further funding will be obtained to meet the Group's objectives. In addition, the Directors have considered the minimum expenditure requirements necessary in order to maintain tenements in good standing and to meet the committed expenditures for the 12 month period from the date of this report and consider the going concern basis of preparation as appropriate.

**4 Cash and cash equivalents**

| Cash and cash equivalents | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Cash in hand and at bank | 1,114,492 | 85,159 |
| **Total** | **1,114,492** | **85,159** |

**5 Reconciliation of net loss after tax to net cash flows from operations**

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Loss for the year | (7,295,879) | (1,809,055) |
| Non-cash items: | | |
| Share-based payments | 1,192,078 | 10,464 |
| Depreciation and amortisation | 14,656 | 11,778 |
| Exploration expenditure expensed (investing for cash flow purposes) | 1,421,559 | 958,307 |
| Impairment of exploration and evaluation expenditure | 3,703,283 | - |
| Foreign exchange gain/(loss) | - | 44 |
| Net changes in working capital: | | |
| Change in trade and other receivables | (10,751) | 21,612 |
| Change in prepayments | (47,719) | (1,401) |
| Change in employee benefits provisions | 3,060 | 30,859 |
| Change in trade and other payables | 142,345 | 275,990 |
| **Net cash used in operating activities** | **(877,368)** | **(501,402)** |

**6 Trade, other receivables, prepayments and other current assets**

| Trade and other receivables | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Other receivables | 64,566 | 21,078 |
| **Total** | **64,566** | **21,078** |

| Prepayments | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Other prepayments | 53,484 | 5,765 |
| **Total** | **53,484** | **5,765** |

| Other current assets | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Security deposit | 30,000 | 30,000 |
| **Total** | **30,000** | **30,000** |

## 7 Exploration and evaluation expenditure

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Opening balance as at 1 January | 11,064,803 | 10,133,556 |
| Acquisition of Kouroufaba Gold Project | 201,470(1) | 192,308(2) |
| Amount capitalised during the year | 87,828 | 543,629 |
| Impairment(2) | (3,703,283) | - |
| Foreign exchange movement | 185,083 | 195,310 |
| **Closing balance as at 31 December** | **7,835,901** | **11,064,803** |

(1) During the year-ended 31 December 2021, the Company entered into an option agreement to acquire 80% of the Kouroufaba Gold Project for consideration that was recorded in that period. Since the acquisition date, the following additional acquisition payments have been made:

i) On 22 February 2022, the Group paid a total of $150,000 to the vendors of the Kouroufaba Project being the first annual payment as required under the option agreement.

ii) On 23 February 2023, the Group issued shares with a deemed value of $200,000 to the vendors of the Kouroufaba Project being the second annual payment as required under the option agreement. The fair value of these shares based on the closing price on the issue date was $192,308.

iii) On 29 April 2024, the Group issued shares with a deemed value of $200,000 to the vendors of the Kouroufaba Project being the third annual payment as required under the option agreement. The fair value of these shares based on the closing price on the issue date was $201,470.

(2) During the period, capitalised acquisition and exploration costs in relation to the Group's projects in Mali were fully impaired due to ongoing delays regarding tenement licence renewals.

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.

## 8 Property, plant and equipment

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Opening carrying amount | 60,613 | - |
| Additions | - | 72,347 |
| Less: Depreciation | (14,656) | (11,778) |
| Foreign exchange movement | 1,684 | 44 |
| **Closing carrying amount** | **47,641** | **60,613** |

## 9 Trade and other payables

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Trade payables | 174,721 | 538,143 |
| Other payables and accruals | 403,230[1] | 231,988 |
| **Total** | **577,951** | **770,131** |

[1]Includes $83,301 acquisition costs for the Falémé Gold Project and $64,478 acquisition costs for the Kofi Ouest Permit.

**10 Provisions**

| | 2024<br>$ | 2023<br>$ |
|---|---:|---:|
| Provision for annual leave | 43,618 | 41,495 |
| Provision for long service leave | 2,515 | 1,458 |
| **Total** | **46,133** | **42,953** |

**11 Loans and borrowings**

| | 2024<br>$ | 2023<br>$ |
|---|---:|---:|
| Loans – unsecured | - | 150,000 |
| **Total** | **-** | **150,000** |

During the period, unsecured loans to the Company totalling $255,000 were received from Directors Evan Cranston ($50,000), Mathew O'Hara ($55,000), Peter Williams ($50,000) and Tolga Kumova ($100,000), resulting in a total balance of loan funds received of $405,000. The terms of the loans are as follows:

(a) interest free;
(b) unsecured; and
(c) no fixed term.

During the period, the total $405,000 of loans from directors were settled via the issue of shares by African Gold Ltd to the Directors at a deemed price of $0.02 per share (Refer Note 21).

**12 Share capital**

| Ordinary Shares | No. of Shares | $ |
|---|---|---|
| Share capital at 1 January 2023 | 153,477,696 | 10,200,149 |
| Fair value of shares issued for 2nd Kouroufaba annual payment ($0.09 per share) | 2,136,752 | 192,308 |
| Short-fall shares issued from non-renounceable rights issue at $0.05 per share | 13,696,763 | 684,838 |
| Less cost of share issues | - | (42,076) |
| **At 31 December 2023** | **169,311,211** | **11,035,219** |
| Fair value of shares issued for 3rd Kouroufaba annual payment ($0.037 per share) | 5,445,140 | 201,471 |
| Shares issued from non-renounceable rights issue at $0.02 per share | 54,398,833 | 1,087,976 |
| Shortfall shares issued from non-renounceable rights issue at $0.02 per share | 10,060,527 | 201,211 |
| Shares issued to directors/KMPs in lieu of fees and loans (deemed value of $0.02 per share and total fair value of $0.025 per share)[1] | 32,573,009 | 814,325 |
| Shortfall shares issued from non-renounceable rights issue at $0.02 per share | 40,350,000 | 807,000 |
| Placement at $0.02 per share | 46,820,800 | 936,416 |
| Shares issued to director in lieu of fees and loans (deemed value of $0.02 per share and total fair value of $0.055 per share)[1] | 12,737,500 | 700,563 |
| Conditional placement at $0.02 per share | 10,000,000 | 200,000 |
| Less cost of share issues | - | (954,722) |
| **At 31 December 2024** | **381,697,020** | **15,029,459** |

The share capital of the Company consists only of fully paid ordinary shares. The shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting.

[1] The amounts reconcile to the consolidated statement of changes in equity through the following amounts:
- Issue of share capital – settlement of liabilities: $906,210; and
- Share-based payments expense: $608,678.

**13 Reserves**

The following table shows the movements in reserves during the year:

| | Share-based payments reserve $ | Foreign currency translation reserve $ | Total reserves $ |
|---|---|---|---|
| Balance at 1 January 2023 | 8,485,769 | (66,643) | 8,419,126 |
| Foreign currency translation differences | - | 189,950 | 189,950 |
| **Total comprehensive loss** | **-** | **189,950** | **189,950** |
| Transactions with owners in their capacity as owners: | | | |
| Share-based payment transactions | 10,464 | - | 10,464 |
| **Balance at 31 December 2023** | **8,496,233** | **123,307** | **8,619,540** |
| | | | |
| Balance at 1 January 2024 | 8,496,233 | 123,307 | 8,619,540 |
| Foreign currency translation differences | - | 174,992 | 174,992 |
| **Total comprehensive loss** | **-** | **174,992** | **174,992** |
| Transactions with owners in their capacity as owners: | | | |
| Proceeds from option issued | 214 | - | 214 |
| Share-based payment transactions | 583,400 | - | 583,400 |
| Transfer expired options to accumulated losses | (8,328,583) | - | (8,328,583) |
| Options issued to brokers for share issue costs | 760,699 | - | 760,699 |
| **Balance at 31 December 2024** | **1,511,963** | **298,299** | **1,810,262** |

*Share-based payments reserve*
The share-based payment reserve arises on the recognition of share-based payments through the issue or proposed issue of options or performance shares. These share-based payments may be expensed as a share-based payment expense, recognised as a capital raising cost, or capitalised.

*Foreign currency translation reserve*
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Australian dollars) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the full disposal of the foreign operation.

**13.1 Share-based payments**

**Year ended 31 December 2024:**

During the year ended 31 December 2024, the Company made the following share-based payments:

1. The following amounts totalling $1,192,078 have been expensed to the Statement of Profit or Loss and Other Comprehensive Income:
   a. Issued 12,000,000 unlisted options to Adam Oehlman, Chief Executive Officer, with a total fair value of $272,400 (refer Note 13.2).
   b. Issued 5,000,000 unlisted options to a consultant of the Company with a total fair value of $311,000 (refer Note 13.2).
   c. Issued 39,537,177 shares to Directors and KMPs which resulted in a total fair value adjustment of $579,811 (refer Note 13.3).
   d. Issued 5,773,332.00 shares to a consultant of the Company which resulted in a total fair value adjustment of $28,867 (refer Note 13.3).
2. Issued 21,434,160 unlisted options to brokers, with a total fair value of $760,913. The brokers paid total consideration for the options of $214 and the balance of the valuation being $760,699 has been accounted for in equity as share issue costs (refer Note 13.2).

**Year ended 31 December 2023:**

During the year ended 31 December 2023, the Company made the following share-based payments:

1. The 4,000,000 unlisted options granted to Phillip Gallagher, Managing Director, on 15 August 2022 were issued on 3 February 2023 following shareholder approval. As the options had been deemed to be granted on 15 August 2022 at the commencement of Mr Gallagher's employment, they had been brought to account at 31 December 2022 at a fair value of $157,186. The valuation of the options was updated based on the issue date of 3 February 2023 resulting in an updated fair value of $167,650. Accordingly, an additional $10,464 has been recognised as a share-based payments for the year ended 31 December 2023 (refer Note 13.2).

**Set out below is a summary of unlisted options and performance rights outstanding at 31 December 2024:**

| | Vested | Unvested | Grant Date | Expiry date | Exercise price $ | Fair value per unit $ | Total fair value $ |
|---|---|---|---|---|---|---|---|
| Unlisted options | 2,000,000 (3) | - | 15/08/22 | 03/02/26 | 0.15 | 0.0447 (1) | 89,404 |
| Unlisted options | 2,000,000 (3) | - | 15/08/22 | 03/02/26 | 0.20 | 0.0391 (1) | 78,246 |
| Unlisted options | 6,000,000 | - | 14/10/24 | 25/11/27 | 0.065 | 0.0249 | 149,400 |
| Unlisted options | 6,000,000 | - | 14/10/24 | 25/11/27 | 0.10 | 0.0205 | 123,000 |
| Unlisted options | 5,000,000 | - | 15/10/24 | 25/11/27 | 0.10 | 0.0622 | 311,000 |
| Unlisted options | 21,434,160 | - | 06/12/24 | 06/12/26 | 0.05 | 0.0355 | 760,913 |

**Set out below is a summary of unlisted options and performance rights outstanding at 31 December 2023:**

| | Vested | Unvested | Grant Date | Expiry date | Exercise price $ | Fair value per unit $ | Total fair value $ |
|---|---|---|---|---|---|---|---|
| Unlisted options | 5,000,000 | - | 22/02/21 | 22/02/24 | 0.20 | 0.1415 (1) | 707,500 |
| Unlisted options | 6,000,000 | - | 31/08/21 | 31/08/24 | 0.30 | 0.1187 (1) | 712,200 |
| Unlisted options | 2,000,000 | - | 31/08/21 | 31/08/24 | 0.30 | 0.0981 (1) | 196,200 |
| Unlisted options | 2,000,000 (2) | - | 15/08/22 | 03/02/26 | 0.15 | 0.0447 (1) | 89,404 |
| Unlisted options | 2,000,000 (2) | - | 15/08/22 | 03/02/26 | 0.20 | 0.0391 (1) | 78,246 |

(1) Valuation was determined using a Black Sholes pricing model.

(2) Options deemed to be granted on 15 August 2022 at commencement of Mr Gallagher's employment although not formally issued until shareholder approval obtained at the general meeting held on 3 February 2023.

**13.2 Share options and performance rights issued**

**Share options**

The Company has determined the fair value of its options awarded using the Black Scholes pricing model.

Options issued during the year ended 31 December 2024 alongside the key inputs utilised in the pricing model, including the Company's risk-free borrowing rate and volatility of the Company's shares.

| | KMP Options #1 | KMP Options #2 | Consultant Options | Broker Options |
|---|---|---|---|---|
| Underlying value of the security | $0.047 | $0.047 | $0.095 | $0.057 |
| Exercise price | $0.065 | $0.10 | $0.10 | $0.05 |
| Grant date | 14/10/2024 | 14/10/2024 | 15/10/2024 | 6/12/2024 |
| Expiry date | 25/11/2027 | 25/11/2027 | 25/11/2027 | 6/12/2026 |
| Life of Options in years | 3.1 | 3.1 | 3.1 | 2.0 |
| Volatility | 90.33% | 90.33% | 104.30% | 114.27% |
| Risk free rate | 3.80% | 3.80% | 3.79% | 3.81% |
| Number of Options | 6,000,000 | 6,000,000 | 5,000,000 | 21,434,160 |
| Valuation per Option | $0.0249 | $0.0205 | $0.0622 | $0.0355 |
| Valuation | $149,400 | $123,000 | $311,000 | $760,913 |
| Total consideration paid by option holders | - | - | - | $214 |
| **Valuation less consideration paid** | **$149,400** | **$123,000** | **$311,000** | **$760,699** |

The options were issued as follows:

| | Option series | Grant date | No. of options | Value per option | Total fair value of options issued | No. of options vested |
|---|---|---|---|---|---|---|
| Adam Oehlman | KMP Options #1 | 25/11/2024 | 6,000,000 | $0.0249 | $149,400 | 6,000,000 |
| Adam Oehlman | KMP Options #2 | 25/11/2024 | 6,000,000 | $0.0205 | $123,000 | 6,000,000 |
| Consultant | Consultant Options | 25/11/2024 | 5,000,000 | $0.0622 | $311,000 | 5,000,000 |
| Brokers | Broker Options | 6/12/2024 | 21,434,160 | $0.0355 | $760,913 | 21,434,160 |
| **Total** | | | **38,434,160** | | **$1,344,313** | **38,434,160** |
| Less: Consideration paid | | | | | $214 | |
| **Fair value share-based payment brought to account 31/12/24** | | | | | **$1,344,099** | |

**13.2 Share options and performance rights issued (continued)**

There were no options granted during the year ended 31 December 2023, however, the following options were issued on 3 February 2023 but deemed to be granted on 15 August 2022 to Phillip Gallagher, Managing Director, alongside the key inputs utilised in the pricing model, including the Company's risk-free borrowing rate and volatility of the Company's shares.

| | Director Options #1 | Director Options #2 |
|---|---|---|
| Underlying value of the security | $0.09 | $0.09 |
| Exercise price | $0.15 | $0.20 |
| Deemed grant date | 15/08/2022 | 15/08/2022 |
| Valuation date | 03/02/2023 | 03/02/2023 |
| Issue date | 03/02/2023 | 03/02/2023 |
| Expiry date | 03/02/2026 | 03/02/2026 |
| Life of Options in years | 3.0 | 3.0 |
| Volatility | 94.16% | 94.16% |
| Risk free rate | 3.1% | 3.1% |
| Number of Options | 2,000,000 | 2,000,000 |
| Valuation per Option | $0.0447 | $0.0391 |
| Valuation | $89,404 | $78,246 |
| Total consideration paid by option holders | - | - |
| Valuation less consideration paid | $89,404 | $78,246 |
| Less: Fair value brought to account 31/12/22 | $83,225 | $73,961 |
| **Fair value adjustment brought to account 31/12/23** | **$6,179** | **$4,285** |

The Director Options were issued to the following Director for nil consideration:

| Director | Option series | Grant date | No. of options | Value per option | Total fair value of options issued | No. of options vested |
|---|---|---|---|---|---|---|
| Phillip Gallagher | Director Options #1 | 15/08/2022 | 2,000,000 | $0.0447 | $89,404 | 2,000,000 |
| Phillip Gallagher | Director Options #1 | 15/08/2022 | 2,000,000 | $0.0391 | $78,246 | 2,000,000 |
| **Total** | | | **4,000,000** | | **$167,650** | **4,000,000** |
| Less: Fair value brought to account 31/12/22 | | | | | $157,186 | |
| **Fair value adjustment brought to account 31/12/23** | | | | | **$10,464** | |

The Director Options were deemed to be granted on 15 August 2022 at commencement of Mr Gallagher's employment although not formally issued, and therefore did not vest, until shareholder approval obtained at the general meeting held on 3 February 2023.

**13.2 Share options and performance rights issued (continued)**

Movement in options during the year:

| Expiry date | Exercise price | On issue at 1 January 2024 | Granted | Exercised | Lapsed/ forfeited | On issue at 31 December 2024 | Vested and exercisable at 31 December 2024 |
|---|---|---|---|---|---|---|---|
| 22/02/2024 | $0.20 | 5,000,000 | - | - | (5,000,000) | - | - |
| 31/08/2024 | $0.30 | 8,000,000 | - | - | (8,000,000) | - | - |
| 03/02/2026 | $0.15 | 2,000,000 | - | - | - | 2,000,000 | 2,000,000 |
| 03/02/2026 | $0.20 | 2,000,000 | - | - | - | 2,000,000 | 2,000,000 |
| 25/11/2027 | $0.065 | - | 6,000,000 | - | - | 6,000,000 | 6,000,000 |
| 25/11/2027 | $0.10 | - | 11,000,000 | - | - | 11,000,000 | 11,000,000 |
| 06/12/2026 | $0.050 | - | 21,434,160 | - | - | 21,434,160 | 21,434,160 |
| **Total** | | **17,000,000** | **38,434,160** | **-** | **(13,000,000)** | **42,434,160** | **42,434,160** |

The weighted average remaining contractual life of the options on issue is 2.24 years (2023: 0.85 years).

The range of the exercise prices of the options on issue is $0.05 - $0.20 (2023: $0.15 - $0.30). The weighted average exercise price of options on issue is $0.0769 (2023: $0.2412).

The weighted average fair value of the options granted as share-based payments during the year was $0.035 per option (2023: nil).

**Performance rights**

There were no performance rights issued during the year ended 31 December 2024 (2023: nil).

There were no performance rights in existence at any time during the year ended 31 December 2024 (2023: nil).

**13.3 Fair value adjustments on shares issued to settle liabilities**

During the 2023 and 2024 years, Directors, KMPs and consultants agreed to defer payment of invoices for services to preserve the Company's cash. In addition, the Directors advanced loans to the Company (refer Note 11). As approved by the shareholders of the Company at General Meetings on 12 July 2024 and 22 October 2024, the liabilities were settled as follows:

| | Book value of liabilities settled | Issue date | Shares issued at deemed value of $0.02 per share | Closing share price on issue date | Fair value of shares issued | Fair value adjustment brought to account as share based payment |
|---|---|---|---|---|---|---|
| **Directors** | | | | | | |
| Evan Cranston | $254,750 | 22/11/2024 | 12,737,500 | $0.055 | $700,563 | $445,813 |
| Tolga Kumova | $148,180 | 12/08/2024 | 7,409,000 | $0.025 | $185,225 | $37,045 |
| Phillip Gallagher | $48,633 | 12/08/2024 | 2,431,666 | $0.025 | $60,791 | $12,158 |
| Mathew O'Hara | $131,286 | 12/08/2024 | 6,564,302 | $0.025 | $164,108 | $32,822 |
| Peter Williams | $140,333 | 12/08/2024 | 7,016,663 | $0.025 | $175,416 | $35,083 |
| Simon Bolster | $27,561 | 12/08/2024 | 1,378,046 | $0.025 | $34,451 | $6,890 |
| **KMP** | | | | | | |
| Oonagh Malone | $40,000 | 12/08/2024 | 2,000,000 | $0.025 | $50,000 | $10,000 |
| **Total Directors/KMP** | **$790,743** | | **39,537,177** | | **$1,370,554** | **$579,811** |
| **Consultant** | | | | | | |
| Mohamed Niare | $115,467 | 12/08/2024 | 5,773,332 | $0.025 | $144,334 | $28,867 |
| **Total** | **$906,210** | | **45,310,509** | | **$1,514,888** | **$608,678** |

**14 Operating segment**

The Group reports two segments for the year ended 31 December 2024 (2023: 2):

- Exploration and evaluation of Minerals in Cote d'Ivoire
- Exploration and evaluation of Minerals in Mali

These are the geographical areas, the results are which reported to the chief operating decision maker, being the Managing Director for the purposes of assessing performance and determining the allocation of resources. The geographical non-current assets below are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

| | Mali<br>$ | Cote d'Ivoire<br>$ | Total<br>$ |
|---|---|---|---|
| **Year ended 31 December 2024** | | | |
| Segment results - Loss after income tax | (3,932,586) | (1,200,268) | (5,132,854) |
| Unallocated losses after income tax | | | (2,163,025) |
| Loss after income tax | | | **(7,295,879)** |
| **Other Information:** | | | |
| Movement in non-current assets | (3,628,121) | 386,247 | (3,241,874) |
| Unallocated | | | - |
| Total additions to non-current assets | | | **(3,241,874)** |
| **As at 31 December 2024** | | | |
| *Segment assets* | 22,762 | 7,945,385 | 7,968,147 |
| Unallocated assets | | | 1,177,937 |
| **Total assets** | | | **9,146,084** |
| *Segment liabilities* | (164,435) | (154,701) | (319,136) |
| Unallocated liabilities | | | (304,948) |
| **Total liabilities** | | | **(624,084)** |

| | Mali<br>$ | Cote d'Ivoire<br>$ | Total<br>$ |
|---|---|---|---|
| **Year ended 31 December 2023** | | | |
| Segment results - Loss after income tax | (572,070) | (387,458) | (959,528) |
| Unallocated losses after income tax | | | (849,527) |
| Loss after income tax | | | **(1,809,055)** |
| **Other Information:** | | | |
| Movement in non-current assets | 195,628 | 796,232 | 991,860 |
| Unallocated | | | - |
| Total additions to non-current assets | | | **991,860** |
| **As at 31 December 2023** | | | |
| *Segment assets* | 3,697,323 | 7,507,057 | 11,204,380 |
| Unallocated assets | | | 63,038 |
| **Total assets** | | | **11,267,418** |
| *Segment liabilities* | (163,072) | (9,281) | (172,353) |
| Unallocated liabilities | | | (790,731) |
| **Total liabilities** | | | **(963,084)** |

## 15 Controlled entities

Entities forming part of the African Gold Ltd consolidated group are as follows:

| | Country of incorporation | Percentage Owned % | |
|---|---|---|---|
| | | 2024 | 2023 |
| Abra Resources Pty Ltd | Australia | 100 | 100 |
| Tanzanian Nickel Pty Ltd | Australia | 100 | 100 |
| Golden Ivoire SARL | Cote d'Ivoire | 100 | 100 |
| African Gold Mali SARL | Mali | 100 | 100 |
| Eureka Gold SARL | Mali | 100 | 100 |
| Catalyst Resources SARL | Mali | 100 | 100 |
| Millerite Tanzania Limited | Tanzania | 100 | 100 |



## 16 Risk Management Framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's principal financial instruments comprise cash. The Company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken.

### 16.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables.

The Company holds the majority of its cash and cash equivalents with banks and financial institution counterparties with acceptable credit ratings. As part of managing its credit risk on cash and cash equivalents, the majority of funds are held in Australian banks, which have a higher credit rating amongst the banks and financial institution counterparties.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the end of the reporting period was as follows:

| Financial assets | Note | Carrying amount 2024 $ | Carrying amount 2023 $ |
|---|---|---|---|
| Cash and cash equivalents | 4 | 1,114,492 | 85,159 |
| Trade and other receivables | 6 | 64,566 | 21,078 |

None of the Company's trade and other receivables are past due as at 31 December 2024 (2023: Nil).

**16.2 Liquidity Risk**

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Company manages liquidity risk by monitoring forecast cash flows, only investing surplus cash with major financial institutions; and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The Board meets on a regular basis to analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the Company in managing its cash flows. Financial liabilities are expected to be settled within 12 months.

| 2024 | Note | Carrying amount $ | Contractual cash flows $ | 6 months or less $ |
|---|---|---|---|---|
| Trade payables | 9 | 174,721 | 174,721 | 174,721 |
| 2023 | | | | |
| Trade payables | 9 | 538,143 | 538,143 | 538,143 |
| Loans and borrowings | 11 | 150,000 | - | - |

Risks associated with market risk, credit risk and liquidity risk are not considered material with respect to the above items.

**16.3 Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**(a) Currency Risk**

The Group is exposed to currency risk on purchases that are denominated in a currency other than the respective functional currencies of the Group entities, being AUD and CFA. The currencies in which these transactions are primarily denominated are AUD, CFA, EUR and USD.

The Group's investments in its Mali and Ivory Coast subsidiaries are denominated in CFA and are not hedged as those currency positions are considered to be long term in nature.

There is no material currency risk at balance date. Cash and cash equivalents are kept to a minimum as required by the entities.

**(b) Interest Rate Risk**

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's cash. Cash includes funds held in cheque accounts during the year, which earned variable interest at rates ranging between 1.15% and 1.25% (2023: 0.95% and 1.35%) depending on the bank account type and account balances these amounts are not considered material.

Loans or borrowings of the Company consist of interest-free loans from directors of nil (2023: $150,000) (refer Note 11).

**16.4 Fair Value**

The carrying amount of financial assets and financial liabilities not valued at fair value on a recurring basis approximates their fair value at balance date.

**17 Loss per share**

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Net loss attributable to ordinary equity holders of the Company | (7,295,879) | (1,809,055) |
| Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted loss per share | 256,607,254 | 166,968,718 |
| Loss per share (cents per share) | (2.84) | (1.08) |

Both the basic and diluted loss per share is calculated using the loss attributable to shareholders of the Company as the numerator (i.e. no adjustments to losses were necessary in 2024).

42,434,160 (2023: 17,000,000) potential ordinary shares (options) have not been included in determining the diluted loss per share as they are not considered to be dilutive due to the loss position of the Company for year ended 31 December 2024.

**18 Auditor remuneration**

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Audit and review of financial statements | | |
| Auditors – HLB Mann Judd | 50,328 | 45,302 |
| **Total auditor's remuneration** | **50,328** | **45,302** |

**19 Contingent liabilities**

Kouroufaba Gold Project

To exercise the Earn-in Option in relation to the Kouroufaba Gold Project, the Company must either:

a. Subject to future Shareholder approvals, issue Shares with the value of $200,000 to the Seller (or its nominee) on each 12 month anniversary of the Initial Payment Date, based on a deemed issue price per Share equal to the 30 Day VWAP prior to the Shareholder meeting (Annual Acquisition Shares). The maximum number of Annual Acquisition Share tranches that must be made under the Terms Sheet is five, however, the number may be lower if the Company satisfies the Expenditure Requirement prior to the end of the fifth anniversary of the Initial Payment; or

b. Pay $150,000 cash (on a pro-rata basis) in lieu of the issue of Annual Acquisition Shares.

The decision to issue the Annual Acquisition Shares or make the cash payment is contingent on the results from exploration activities to be undertaken on the project area. The Group made its first annual payment of $150,000 (cash) on 22nd February 2022, the second annual payment of $200,000 (shares) on 23rd February 2023 and the third annual payment of $200,000 (shares) on 29th April 2024. The fourth annual payment of $200,000 (shares) was approved by shareholders on 21st February 2025 and the issue of the shares will occur in due course.

The Company has also agreed to pay a net smelter return royalty of up to 2% of the production from the Kouroufaba Project to the relevant royalty holder in respect of the relevant Tenement.

**20 Income tax expense**

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of African Gold Ltd at 30% (2023: 30%) and the reported tax expense in profit or loss are as follows:

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| Accounting profit before tax | (7,295,879) | (1,809,055) |
| *Income Tax Expense to Accounting Profit* | | |
| Domestic tax rate for African Gold Ltd | (2,188,764) | (542,717) |
| Expenditure not allowed for income tax purposes | | |
| Share-based payments | 357,623 | 3,139 |
| Non-deductible items including foreign expenditure | 131,894 | 95,381 |
| Impairment of exploration and evaluation expenditure | 1,110,985 | - |
| Other | 60,455 | (35,162) |
| Deferred Tax Asset not brought to account | (16,869) | 12,065 |
| Deferred Tax Asset losses not brought to account | 604,689 | 447,922 |
| Difference of effective foreign income tax rates | (60,013) | 19,372 |
| **Income tax expense (benefit)** | **-** | **-** |
| | | |
| Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following: | | |
| Unrecognised deferred tax asset losses - Australia | 1,055,086 | 856,448 |
| Unrecognised deferred tax asset losses – Foreign | 1,062,635 | 699,778 |
| Unrecognised deferred tax asset temporary differences | 87,175 | 27,784 |
| Unrecognised deferred tax liability | (2,109) | - |
| | **2,202,787** | **1,584,010** |

The deferred tax benefit of tax losses not brought to account will only be obtained if:

- The Group derives future assessable income of a nature and an amount sufficient to enable the benefit from the tax losses to be realised;
- The Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- No changes in tax legislation adversely affect the Group realising the benefit from the deduction of the losses.

The above foreign unrecognised deferred tax asset losses excludes potential tax losses in relation to capitalised exploration and evaluation expenditure which will only be confirmed on engagement with the relevant tax authorities, when the need arises.

**21 Related parties**

Names and positions of key management personnel in office at any time during the financial year:

| Name | Position |
| --- | --- |
| Evan Cranston | Non-Executive Chairman |
| Phillip Gallagher | Managing Director (resigned 15 January 2025) |
| Tolga Kumova | Non-Executive Director |
| Mathew O'Hara | Non-Executive Director |
| Peter Williams | Non-Executive Director |
| Simon Bolster | Non-Executive Director (resigned 15 February 2024) |
| Oonagh Malone | Company Secretary |

The following table provides a summary of the nature and amount of the elements of key management personnel remuneration for the year.

| | 2024<br>$ | 2023<br>$ |
| --- | --- | --- |
| Short term benefits | 540,508 | 536,393 |
| Long-term employee benefits (movement in long service leave entitlements) | 1,057 | 1,458 |
| Post-employment benefits | 34,114 | 28,309 |
| Share-based payments (non-cash) | 852,211 | 10,464 |
| **Total** | **1,427,890** | **576,624** |

**Transactions with related parties**

The following transactions were undertaken with key management personnel during the year ended 31 December 2024.

| Entity | Services provided | 2024<br>$ | 2023<br>$ |
| --- | --- | --- | --- |
| Konkera Corporate<br>(related party of Evan Cranston) | Accounting, drafting, recoupment of portion of geological software licence and administrative services | 126,613 | 121,409 |
| Konkera Exploration Pty Ltd<br>(related party of Evan Cranston) | Geological services | 108,000 | - |
| Kingslane Pty Ltd<br>(related party of Evan Cranston) | Serviced office lease | 48,000 | 48,000 |
| Evan Cranston | Unsecured loan to the Company (refer Note 11) | 50,000 | 50,000 |
| Portable PPB Pty Ltd<br>(related party of Peter Williams and Simon Bolster) | Supply of detectORE equipment and consumables and reimbursement of freight charges | 1,414 | 83,334 |
| Peter Williams | Unsecured loan to the Company (refer Note 11) | 50,000 | 50,000 |
| Mathew O'Hara | Unsecured loan to the Company (refer Note 11) | 55,000 | 50,000 |
| Tolga Kumova | Unsecured loan to the Company (refer Note 11) | 100,000 | - |

**21 Related parties (continued)**

During the year, Directors and KMP (or their nominees) were issued shares in the Company to settle liabilities, as shown in the table below. The amounts shown are the book values of the liabilities and the fair value adjustment of the shares issued, based on the closing price on the date of issue, are disclosed in the Director and KMP Remuneration table in the remuneration report (refer Note 13.3).

| Director/KMP | Details of liabilities settled via share issues | 2024<br>$ | 2023<br>$ |
|---|---|---|---|
| Evan Cranston | 12,737,500 shares issued at a deemed price of $0.02 per share (fair value based on closing price on date of issue of 22/11/24 of $0.055 per share) to settle the following:<br>- Unpaid invoices for director fees and services by Konkera Corporate<br>- Director loan (2024 and 2023) | <br><br><br>154,750<br>100,000 | <br><br><br>-<br>- |
| Tolga Kumova | 7,409,000 shares issued at a deemed price of $0.02 per share (fair value based on closing price on date of issue of 12/8/24 of $0.025 per share) to settle the following:<br>- Unpaid invoices for director fees<br>- Director loan (2024) | <br><br>48,180<br>100,000 | <br><br>-<br>- |
| Phillip Gallagher | 2,431,666 shares issued at a deemed price of $0.02 per share (fair value based on closing price on date of issue of 12/8/24 of $0.025 per share) to settle unpaid net salary amounts | 48,633 | - |
| Mathew O'Hara | 6,564,302 shares issued at a deemed price of $0.02 per share (fair value based on closing price on date of issue of 12/8/24 of $0.025 per share) to settle the following:<br>- Unpaid net director fees<br>- Director loan (2024 and 2023) | <br><br>26,286<br>105,000 | <br><br>-<br>- |
| Peter Williams | 7,016,663 shares issued at a deemed price of $0.02 per share (fair value based on closing price on date of issue of 12/8/24 of $0.025 per share) to settle the following:<br>- Unpaid invoices for director fees<br>- Director loan (2024 and 2023) | <br><br>40,333<br>100,000 | <br><br>-<br>- |
| Simon Bolster | 1,378,046 shares issued at a deemed price of $0.02 per share (fair value based on closing price on date of issue of 12/8/24 of $0.025 per share) to settle unpaid invoices for director fees | 27,560 | |
| Oonagh Malone | 2,000,000 shares issued at a deemed price of $0.02 per share (fair value based on closing price on date of issue of 12/8/24 of $0.025 per share) to settle unpaid invoices for company secretary fees | 40,000 | - |

The difference between the value of shares issued on issue date and the amount of liability settled is included with the share-based payment expense in the remuneration report.

There were no other transactions and balances with key management personnel of the Company, including their personally related parties, as at 31 December 2024.

The serviced office agreement does not create a lease under *AASB 16 Leases* because it does not specify or effectively enable fixed office locations.

### 22 Abra Resources acquisition - contingent consideration

On 15th November 2019, African Gold completed the acquisition of Abra Resources Pty Ltd (**Abra**). The terms of the purchase were released on 5 September 2019 and the contingent consideration shares and milestones are as shown below. As at 31 December 2024, no contingent consideration shares had been issued and tranches 1, 2 and 3 have now lapsed.. No contingent consideration has been recognised as a liability or included in the cost of the asset.

i. Tranche 1: ASX announcement by African Gold of:
   1. a JORC 2012 compliant Inferred, Indicated or Measured Resource with a minimum grade of 1.5g/t for a total of at least 500,000oz of gold located within the projects; or
   2. an announcement by the Company of the commercial production of gold from any of the projects, within 3 years of completion – number of contingent consideration shares 2,500,000;

ii. Tranche 2: ASX announcement by African Gold of:
   1. a JORC 2012 compliant Inferred, Indicated or Measured Resource with a minimum grade of 1.5g/t for a total of at least 1,000,000oz of gold located within the projects; or
   2. an announcement by the Company of the commercial production of gold from any of the projects, within 4 years of completion – number of contingent consideration shares 5,000,000;

iii. Tranche 3: ASX announcement by African Gold of:
   1. a JORC 2012 compliant Inferred, Indicated or Measured Resource with a minimum grade of 1.5g/t for a total of at least 2,000,000oz of gold located within the projects; or
   2. an announcement by the Company of the commercial production of gold from any of the projects, within 5 years of completion – number of contingent consideration shares 5,000,000; and

iv. A deferred cash payment of $1,000,000 is payable if the contingent consideration shares under tranche 3 have not been issued and African Gold makes an ASX announcement of a JORC 2012 compliant Inferred, Indicated or Measured Resource with a minimum grade of 1.5g/t for a total of at least 2,000,000oz of gold located within the projects, provided such announcement is made after the date which is five years following completion but prior to the date which is seven years following completion.

**23 Parent entity disclosure**

The following information relates to the parent entity, African Gold Ltd, as at and for the year ended 31 December 2024.

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| **Loss for the year** | (7,120,887) | (1,619,105) |
| Other comprehensive income | - | - |
| **Total Comprehensive loss for the year** | **(7,120,887)** | **(1,619,105)** |
| Financial Position of parent entity at year end: | | |
| Current assets | 1,177,938 | 63,037 |
| Non-current assets | 7,796,789 | 11,178,969 |
| **Total assets** | **8,974,727** | **11,242,006** |
| Current liabilities | 452,727 | 937,672 |
| **Total liabilities** | **452,727** | **937,672** |
| Total equity of the parent entity comprising of: | | |
| Contributed equity | 15,029,459 | 11,035,219 |
| Share-based payment reserve | 1,511,963 | 8,496,233 |
| Accumulated losses | (8,019,422) | (9,227,118) |
| **Total equity** | **8,522,000** | **10,304,334** |

**24 Post-reporting date events**

There have not been any events that have arisen between 31 December 2024 and the date of this report or any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to materially affect the operations of the Company, the results of those operations or the state of affairs of the Company, in subsequent financial years, other than:

- Phillip Gallagher resigned as Managing Director on 15 January 2025;
- On 30 January 2025, the Company announced outstanding results from its 10,000m drill program on the Blaffo Guetto deposit; and
- On 25 March 2025, the Company announced a strategic partnership with Montage Gold Corp (TSXV: MAU; OTCQZ: MAUTF) (Montage Gold) the key terms of which are as follows:
    - African Gold will issue 92,377,787 shares at a deemed issue price of A$0.07 per share to Montage Gold in exchange for an equivalent value of Montage Gold shares (2,026,388 shares) at a deemed issue price of C$2.87 per share (based on an exchange rates of USD/CAD 1.43 and USD/AUD 1.59);
    - 12,371,429 shares will be issued to Montage Gold related parties raising A$866,000 (before costs); and
    - African Gold will conduct a non-brokered private placement of 26,318,899 shares at A$0.07 per share, raising approximately A$1,842,323 (before costs).

**25 Commitments**

The Group is required to meet minimum expenditure commitments in relation to its tenements and keep them in good standing. The exploration commitments shown below are the Group's estimated exploration expenditure on its tenements based on proposed work programs submitted to the government mining departments in Mali and Ivory Coast as at the date of this report. The commitments below exceed the minimum expenditure to keep the tenements in good standing.

A total expense of $48,000 (2023: $48,000) was recognised during the period under a serviced office agreement. The serviced office agreement does not lead to the recognition of any right-of-use asset or associated lease liability because the serviced office agreement does not specify or effectively require an identified asset.

| | 2024<br>$ | 2023<br>$ |
|---|---|---|
| **Exploration commitments** | | |
| Due within 1 year | 535,746 | 2,068,943 |
| Due greater than 1 year and less than 5 | 1,469 | 519,179 |
| **Serviced office commitment** | | |
| Due within 1 year | 48,000 | 48,000 |
| Due greater than 1 year and less than 5 | - | - |
| **Total** | **585,215** | **2,636,122** |

**26 Summary of material accounting policies**

**26.1 Parent entity information**

In accordance with *the Corporations Act 2001*, these financial statements present the results of the Group only, and information about the parent entity is disclosed in Note 23.

**26.2 Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2024. Subsidiaries are entities that are controlled by the Company. Control is achieved when the Company is exposed to, or has rights to, variable returns from its involvement with its subsidiaries and has the ability to affect those returns through its capacity to direct the activities of its subsidiaries.

Specifically, the Group controls a subsidiary if, and only if, the Group has:

- power over the subsidiary (i.e., existing rights that give it the current ability to direct the relevant activities of the subsidiary)
- exposure, or rights, to variable returns from its involvement with the subsidiary
- the ability to use its power over the subsidiary to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of a subsidiary, the Group considers all relevant facts and circumstances in assessing whether it has power over a subsidiary, including:

- the contractual arrangement(s) with the other vote holders of the subsidiary
- rights arising from other contractual arrangements
- the Group's voting rights and potential voting rights

The consolidated entity re-assesses whether or not it controls an entity if facts and circumstances indicate that there is a change to the elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated financial statements from the date the consolidated entity gains control until the date the consolidated entity ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries align to their accounting policies with the Group. All consolidated entity assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

**26.3 Interest Income**

Interest revenue is brought to account on an accruals basis using the effective interest rate method and, if not received at the end of the reporting period, is reflected in the statement of financial position as a receivable.

**26.4 Trade and Other Payables**

These amounts represent liabilities for amounts owing at the end of the reporting period. The amounts are unsecured and are usually paid within 30 days of recognition.

Trade and other payables are initially recognised at fair value less transaction costs and subsequently carried at amortised cost.

**26.5 Income taxes**

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (‘ATO’) and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company’s forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full. Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

**26.6 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**26.7 Equity**

Share capital is recognised at the fair value of the consideration received. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

**26.8 Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

**26.9 Exploration and evaluation expenditure**

Exploration and evaluation expenditure incurred is either capitalised and accumulated in respect of each identifiable area of interest or expensed on an area by area of interest basis. The capitalised costs are only carried forward to the extent that they are valid exploration and evaluation expenditure in area of interests that have current tenement licenses belonging to the company and expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable resources and further work is intended to be performed. Accumulated costs in relation to an abandoned area will be written off in full against the profit and loss in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward capitalised costs in relation to that area of interest.

**26.10 Property, plant and equipment**

All classes of equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis over the estimated useful life of the specific asset as follows:

| Asset | 2024 | 2023 |
|---|---|---|
| Equipment | 3-10 years | 3-10 years |

Depreciation is not charged on plant until production commences.

**Impairment**

The carrying values of property, plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying values of an asset or cash generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

The recoverable amount of equipment is the greater of fair value less costs of disposal and value in use. 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.

**Derecognition**

Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

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 Statement of Profit or Loss and Other Comprehensive Income in the period the item is derecognised.

**26.11 Provisions**

Provisions are recognised when the Company 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. Where the Company 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 statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

**26.12 Share-based payment transactions**

The Company may provide benefits to individuals acting as, and providing services similar to employees (including Directors) of the Company in the form of share-based payment transactions, whereby individuals render services in exchange for shares, options or rights over shares ('equity settled transactions').

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. In valuing equity settled transactions, no account is taken of any performance conditions, other than conditions linked to the value of the shares of the Company ('market conditions').

The cost of the equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at the balance date. No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at the grant date. Grants of such nature may also include implicit or explicit service conditions.

**26.13 Employee entitlements**

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of wages and salaries, annual leave and other benefits due to be settled within twelve months of the reporting date are measured at rates which are expected to be paid when the liability is settled.

All other employee entitlement liabilities are measured at the present value of estimated payments to be made in respect of services rendered up to reporting date.

Contributions for other post-employment benefits to defined contribution plans are recognised in comprehensive income as incurred during the period in which employees render the related service.

**26.14 Operating expenses**

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

**26.15 Financial instruments**

**i) Financial assets**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Other receivables**

Other receivables, which generally have 30 day terms, are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method, less an allowance for any estimated shortfall in receipt. An estimate of any shortfall in receipt is made when there is an expectation of a loss. Bad debts are written off when identified.

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under AASB 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

**Financial assets at amortised cost (debt instruments)**

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- 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 Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include trade and other receivables.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

Expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss will be recognised through an allowance. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For other debt financial assets (i.e. cash on deposit at bank). The ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However. When there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**ii) Financial liabilities**

**Trade and other payables**

Liabilities for creditors and other amounts are carried at amortised cost, which is the present value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity. The carrying period is dictated by market conditions but is generally less than 45 days.

**Initial recognition and measurement**

The Group's financial liabilities are classified, at initial recognition, as subsequently measured at amortised cost, at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value.

The Group's financial liabilities include trade and other payables and loans.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

The Group's financial liabilities are subsequently measured at amortised cost.

**iii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**26.16 Foreign currency transactions and balances**

**Transactions and balances**

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the date of the transaction and foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction and non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss component of the statement of profit or loss and other comprehensive income, except where they are deferred in equity as a qualifying cash flow or net investment hedge.

**Subsidiaries**

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the exchange rate prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. Exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

**26.17 Significant Estimates and Judgments**

The Group has applied the following estimates and judgments pertaining to the financial report:

*Share options*

(i) Volatility of share price and risk-free rate

For the purposes of the Black Scholes or other appropriate models used in Note 13, the Company has estimated the volatility of its share price based on other companies considered to be comparable, being junior exploration companies listed on the ASX and with African gold assets.

*Performance rights*

For performance rights, the Group makes a judgment around whether performance conditions, linked to exploration and evaluation activities, are more than probable to be met at which point the value of the rights are recognised either in full or over any service period. This judgment is made based on management's knowledge of the performance condition and how the Group is tracking based on exploration and evaluation activities as at the report date and with reference to subsequent events.

*Exploration and evaluation*

The application of the Group's accounting policy requires judgement in determining whether it is likely that future economic benefits are likely either from future exploitation or where activities have not yet reached a stage which permits a reasonable assessment of the existence of reserves.

**26.18 Loss per share**

Earnings per share

(ii) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(iii) Diluted loss per share

Diluted loss per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

**26.19 Capital management**

When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Group. Management is constantly adjusting the capital structure to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Management considers that the total equity of the Group (contributed equity, reserves and retained earnings) is what it manages as capital.

**26.20 New and amended accounting standards**

The Directors have reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are relevant to the Group's operations and effective for annual reporting periods commencing on or after 1 January 2024.

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to accounting policies.

**New and amended accounting standards and interpretations issued but not yet effective**

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these financial statements. The Group has not elected to adopt any new Accounting Standards or Interpretations prior to their applicable date of implementation.

There are no standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

**26.21 Critical accounting estimates, judgements and assumptions**

*(i) Impairment of exploration and evaluation assets*

Exploration and evaluation costs have been capitalised for granted tenements on the basis that the Group may commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, where projects have reached the advanced evaluation phase, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be impaired in the period in which this determination is made. During the period, capitalised acquisition and exploration costs in relation to the Group's projects in Mali totalling $3,703,283 were fully impaired due to ongoing delays regarding tenement licence renewals.

# CONSOLIDATED ENTITY DISCLOSURE STATEMENT

**Basis of preparation**

This consolidated entity disclosure statement has been prepared in accordance with the s295(3A)(a) of the Corporations Act 2001 and includes the required information for African Gold Limited and the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

**Tax residency**

S295(3A)(vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency may involve judgement as there are different interpretations that could be adopted and which could give rise to different conclusions regarding residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

*Australian tax residency*
Current legislation and judicial precent has been applied, including having regard to the Tax Commissioners public guidance.

*Foreign tax residency*
Where appropriate, independent tax advisers have been engaged to assist in the determination of tax residency to ensure applicable foreign tax legislation has been complied with.

**Trusts and partnerships**

Australian tax law generally does not contain residency tests for trusts and partnerships and these entities are typically taxed on a flow-through basis. Additional disclosures regarding the tax status of trusts and partnerships have been included where relevant.

| Name of entity | Type of entity | Trustee, partner, or participant in JV | % share capital | Country of incorporation | Australian resident or foreign resident | Foreign jurisdiction(s) of foreign residents |
|---|---|---|---|---|---|---|
| African Gold Ltd | Body corporate | N/A | N/A | Australia | Australian | N/A |
| Abra Resources Pty Ltd | Body corporate | N/A | 100 | Australia | Australian | N/A |
| Tanzanian Nickel Pty Ltd | Body corporate | N/A | 100 | Australia | Australian | N/A |
| Golden Ivoire SARL | Body corporate | N/A | 100 | Cote d'Ivoire | Foreign | Cote d'Ivoire |
| African Gold Mali SARL | Body corporate | N/A | 100 | Mali | Foreign | Mali |
| Eureka Gold SARL | Body corporate | N/A | 100 | Mali | Foreign | Mali |
| Catalyst Resources SARL | Body corporate | N/A | 100 | Mali | Foreign | Mali |
| Millerite Tanzania Limited | Body corporate | N/A | 100 | Tanzania | Foreign | Tanzania |

# DIRECTORS’ DECLARATION

In accordance with a resolution of the Directors of African Gold Ltd, I state that, in the opinion of the Directors:

(a) the consolidated financial statements and accompanying notes for the year ended 31 December 2024 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 2024 and of its performance for the year ended on that date; and

(ii) complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001;

(b) the financial statements and notes also comply with the International Financial Reporting Standards as disclosed in Note 2;

(c) the consolidated entity disclosure statement is true and correct;

(d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(e) 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 31 December 2024.

On behalf of the Board,

**Mr Evan Cranston**
Non-Executive Chairman
Dated the 28th March 2025

**INDEPENDENT AUDITOR'S REPORT**
To the Members of African Gold Ltd

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report of African Gold Ltd ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the 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 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.

*Material Uncertainty Related to Going Concern*

We draw attention to Note 3 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 opinion is not modified in respect of this matter.

*Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**hlb.com.au**

**HLB Mann Judd ABN 22 193 232 714**
A Western Australian Partnership
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
**T:** +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter | How our audit addressed the key audit matter |
|---|---|
| **Carrying amount of exploration and evaluation expenditure**<br>Refer to Note 7 | |
| The Group has capitalised exploration and evaluation expenditure of $7,835,901 as at 31 December 2024.<br><br>Our audit procedures determined that the carrying value of exploration and evaluation expenditure was a key audit matter as it was an area which required the most communication with those charged with governance and was determined to be of key importance to the users of the financial statements. | Our procedures included but were not limited to the following:<br>– We obtained an understanding of the key processes associated with management's review of the carrying value of exploration and evaluation expenditure;<br>– We obtained evidence that the Group has current rights to tenure of its areas of interest;<br>– We substantiated a sample of additions to exploration expenditure during the year;<br>– We enquired with management regarding ongoing exploration and evaluation activities planned, and reviewed ASX announcements and minutes of Directors' meetings to ensure that the Company had not decided to discontinue exploration and evaluation at its areas of interest; and<br>– We examined the disclosure made in the financial statements. |

*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 31 December 2024, 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 conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

(b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

(b) the consolidated entity disclosure statement that is true and correct 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 have 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 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 the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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.

– 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 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.

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, actions taken to eliminate threats or safeguards applied.

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 the 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 within the Directors' Report for the year ended 31 December 2024.

In our opinion, the Remuneration Report of African Gold Ltd for the year ended 31 December 2024 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.

HLB Mann Judd

**HLB Mann Judd**
**Chartered Accountants**

**Perth, Western Australia**
**28 March 2025**

D Buckley

**D I Buckley**
**Partner**

# ADDITIONAL SHAREHOLDER INFORMATION

In accordance with ASX Listing Rule 4.10, the following information is provided as at 25 March 2025.

## TOP 20 HOLDERS OF ORDINARY SHARES (Ungrouped)

| RANK | NAME | UNITS | % OF ISSUED CAPITAL |
|---|---|---|---|
| 1 | BNP Paribas Noms Pty Ltd | 27,823,267 | 7.29% |
| 2 | Kitara Investments Pty Ltd <Kumova Family A/C> | 25,889,004 | 6.78% |
| 3 | BNP Paribas Nominees Pty Ltd <Clearstream> | 23,724,728 | 6.22% |
| 4 | Mr Phillip Richard Perry & Mrs Tetyana Perry <Doneska Super Fund A/C> | 16,500,000 | 4.32% |
| 5 | Mr Mohamed Niare | 14,681,246 | 3.85% |
| 6 | Evolution Capital Advisors Pty Ltd | 14,200,000 | 3.72% |
| 7 | BNP Paribas Nominees Pty Ltd <IB Au Noms Retailclient> | 13,697,082 | 3.59% |
| 8 | Konkera Holdings Pty Ltd | 12,737,500 | 3.34% |
| 9 | Kingslane Pty Ltd <Cranston Super Pension A/C> | 11,550,002 | 3.03% |
| 10 | Mr Stanislas De Stabenrath | 10,101,447 | 2.65% |
| 11 | Citicorp Nominees Pty Limited | 9,792,218 | 2.57% |
| 12 | Torr Family Pty Ltd <Torr A/C> | 9,608,665 | 2.52% |
| 13 | HSBC Custody Nominees (Australia) Limited | 8,738,799 | 2.29% |
| 14 | USB Nominees Pty Ltd | 7,257,976 | 1.90% |
| 15 | Mrs Phillipa Lee O’Hara <Ohara Investment A/C> | 7,038,306 | 1.84% |
| 16 | Equity Trustees Limited <Lowell Resources Fund A/C> | 6,726,242 | 1.76% |
| 17 | Multiple Resources Pty Ltd | 5,830,000 | 1.53% |
| 18 | Kitara Investments Pty Ltd <Kumova Family A/C> | 5,807,711 | 1.52% |
| 19 | Orange Mining Pty Ltd | 5,000,000 | 1.31% |
| 20 | Redstar Resources Limited | 4,455,000 | 1.17% |
| Total: Top 20 Holders of Ordinary Fully Paid Shares | | **241,159,193** | **63.18%** |
| Total Remaining Holders Balance | | 140,537827 | 36.82% |

## UNMARKETABLE PARCELS

There were 114 shareholders with less than a marketable parcel of shares for 232,204 shares, based on the closing price of $0.105.

# ADDITIONAL SHAREHOLDER INFORMATION

## RANGE OF SHARES

| RANGE | TOTAL HOLDERS | UNITS | % OF ISSUED CAPITAL |
|---|---|---|---|
| 1 – 1,000 | 38 | 7,562 | 0.00% |
| 1,001 - 5,000 | 86 | 274,442 | 0.07% |
| 5,001 - 10,000 | 99 | 793,582 | 0.21% |
| 10,001 - 100,000 | 276 | 11,407,226 | 2.99% |
| 100,001 Over | 215 | 369,214,208 | 96.73% |
| **Total** | **714** | **381,697,020** | **100.00%** |

## SUBSTANTIAL HOLDERS

| HOLDER | CURRENT HOLDING | % OF ISSUED CAPITAL |
|---|---|---|
| Tolga Kumova | 31,864,719 | 8.35% |

## UNQUOTED SECURITIES

| CLASS | NUMBER |
|---|---|
| Unquoted options exercisable at $0.15 each on or before 3 February 2026 | 2,000,000 |
| Unquoted options exercisable at $0.20 each on or before 3 February 2026 | 2,000,000 |
| Unquoted options exercisable at $0.065 each on or before 25 November 2027 | 6,000,000 |
| Unquoted options exercisable at $0.10 each on or before 25 November 2027 | 11,000,000 |
| Unquoted options exercisable at $0.05 each on or before 6 December 2026 | 21,434,160 |

## HOLDERS OF AT LEAST 20% OF AN UNQUOTED SECURITY CLASS

| CLASS | HOLDER | % HOLDING |
|---|---|---|
| Unquoted options exercisable at $0.15 each on or before 3 February 2026 | Fremantle Enterprises Pty Ltd | 100.00% |
| Unquoted options exercisable at $0.20 each on or before 3 February 2026 | Fremantle Enterprises Pty Ltd | 100.00% |
| Unquoted options exercisable at $0.065 each on or before 25 November 2027 | Mr Adam Oehlman | 100.00% |
| Unquoted options exercisable at $0.10 each on or before 25 November 2027 | Mr Adam Oehlman<br>Mr Marat Abzalov & Mrs Svetlana Abzalov | 54.55%<br>45.45% |
| Unquoted options exercisable at $0.05 each on or before 6 December 2026 | Zenix Nominees Pty Ltd | 90.67% |

# ADDITIONAL SHAREHOLDER INFORMATION

## VOTING RIGHTS / RESTRICTED SECURITIES / ON-MARKET BUY BACK

In accordance with the Company's constitution, on a show of hands every member presenting person or by proxy or attorney or duly appointed representative has one vote. On a poll, every member present or by proxy or attorney or duly authorised representative has one vote for every fully paid share held.

The Company has no restricted securities.

There is currently no on-market buy back taking place.

## COMPANY SECRETARY

Ms Oonagh Malone

## REGISTERED OFFICE

Suite 23, 513 Hay Street, Subiaco, WA 6008
T: +61 8 6143 6749

## SHARE REGISTRY

**Automic Registry Services**

Level 5, 126 Phillip Street

Sydney NSW 2000

Phone (within Australia): 1300 288 664

Phone (International): +61 (0)2 9698 5414

# ADDITIONAL SHAREHOLDER INFORMATION

## MINERAL TENEMENTS

| TENEMENT NAME | LOCATION | % OF OWNERSHIP |
|---|---|---|
| Agboville | Côte d'Ivoire | 100% |
| Sikensi | Côte d'Ivoire | 100% |
| Azaguie | Côte d'Ivoire | Pending, 100% |
| Gomon | Côte d'Ivoire | Pending, 100% |
| Sitakili | Mali | 100% |
| Walia | Mali | 95% |
| Samanafoulou | Mali | 100% |
| N'Golokasso | Mali | 100% |
| Yatia Sud | Mali | 100% |
| Bourdala | Mali | Up to 90% (subject to earn in agreement); ability for 100% |
| BouBou | Mali | Up to 90% (subject to earn in agreement); ability for 100% |
| Kofi Ouest | Mali | 100% |
| Didievi | Côte d'Ivoire | Up to 80% (subject to earn in agreement) |
| Konahiri North | Côte d'Ivoire | Up to 80% (subject to earn in agreement) |
| Konahiri South | Côte d'Ivoire | Pending; up to 80% (subject to earn in agreement) |
| Koyekro | Côte d'Ivoire | Pending; up to 80% (subject to earn in agreement) |

The following information is provided in accordance with Listing Rule 5.21 and as at 31 December 2024.

## Mineral Resource Estimation Governance Statement

African Gold Limited ensures that the Mineral Resource Estimate is subject to appropriate levels of governance and internal controls. The Mineral Resource Estimate has been generated by an independent external consultant, Dr Marat Abzalov, who is experienced in best practices in modelling and estimation methods. Dr Abzalov has also undertaken a review of the quality and suitability of the underlying information used to generate the resource estimations. The Mineral Resource Estimate follows standard industry methodology using geological interpretation and assay results from samples won through drilling.

African Gold Limited reports its Mineral Resource Estimate in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code) (2012 Edition). Competent Persons named by the Company qualify as Competent Persons as defined in the JORC Code.

## Mineral Resource for Didievi Project, Cote d'Ivoire

The table below sets out the Company's maiden Mineral Resource Estimate as at 31 December 2024 (estimated in July 2024) for the Didievi Project, Cote d'Ivoire. As this is the maiden Mineral Resource Estimate, there is no comparative for the prior year.

**Table 1: Didievi Project Maiden Mineral Resource at 1.0 g/t Au cut-off grade**

| Classification | Tonnage (Mt) | Grade Au (g/t) | Contained gold (Au oz) |
|---|---|---|---|
| Inferred | 4.93 | 2.9 | 452,000 |


AFRICANGOLD