PACGOLD

Annual Report 2024

For the year ended
30 June 2024

ASX: **PGO**
pacgold.com.au

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CORPORATE DIRECTORY

Directors

C Moises (Non-executive Chair)
M Boyes (Managing Director)
M Pitt (Non-executive Director)
S Goodwin (Non-executive Director)

Company Secretary

S Yeates

Principal Place of Business

Level 38, 71 Eagle Street, Brisbane QLD 4000
+61 7 3778 6728

Registered Office

Level 38, 71 Eagle Street, Brisbane QLD 4000
+61 7 3778 6728

Auditor

BDO Audit Pty Ltd
Level 9, 5 Spring Street, Perth WA 6000

www.bdo.com.au

Solicitors

HWL Ebsworth
Level 19, 480 Queen Street, Brisbane QLD 4000

www.hwlebsworth.com.au

Bankers

Commonwealth Bank of Australia

Share registry

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(within Australia)

Website address

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CHAIRMAN'S LETTER

Dear Fellow Shareholder,

The Board of Directors of Pacgold Limited (ASX: PGO) is pleased to share the 2024 Annual Report.

In what has been a particularly challenging year for junior explorers, and the gold sector as a whole, I am pleased that Pacgold has continued to make considerable advances in our exploration of the Alice River Gold Project and is systematically 'unlocking' the potential of the project to host significant gold resources.

The progress to date at Alice River has been underpinned by the exploration team's application of modern exploration techniques not previously used on the underexplored project area, combined with revised geological interpretations and new exploration model.

We commenced the 2023/24 year with the first ever drilling within the F1-2 zone intersecting 1m @41.1g/t gold from 71m within the Central target. High grade gold intercepts were also recorded within the Southern Target, including 1m at 89.1g/t gold. With a strong focus

on greater regional understanding of the mineralisation, the team has made **significant advances in the structural geological model for gold system** and enhanced understanding of structural controls on high-grade gold zones to enable more predictive targeting. With the capital markets perceived as tight, drilling was limited, and we enter the 2024/25 year with ambitious drilling plans assuming appropriate funding.

We were saddened to accept the resignation of our Managing Director Tony Shreck who has been the driving force for the company since listing (and before). Tony will be missed, his passion for the project and reach across the equity capital markets was very much appreciated

As we plan for another exciting year of activity, I thank you on behalf of my fellow Directors for your ongoing support, and I look forward providing you with updates on further progress.

I also want to extend my gratitude to all our management team and employees for their tireless commitment and exceptional efforts on the Alice River Project.

Yours sincerely

Cathy Moises
Non-Executive Chair

DIRECTORS' REPORT

Your Directors present their report on the Company for the year ended 30 June 2024.

DIRECTORS AND COMPANY SECRETARY

The following persons were Directors of Pacgold Limited during the financial year and up to the date of this report:

Catherine Moises (appointed 11 February 2021)
Matthew Boyes (appointed 1 September 2024)
Michael Pitt (appointed 28 August 2020)
Shane Goodwin (appointed 28 August 2020)
Anthony Schreck (resigned 31 August 2024)

The Company Secretary is Suzanne Yeates. Suzanne was appointed to the position of Company Secretary on 20 September 2021. Suzanne is a Chartered Accountant, Founder and Principal of Outsourced Accounting Solutions Pty Ltd. She holds similar positions with other public and private companies.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year was the exploration of its key asset being the Alice River Gold Project comprising a portfolio of eight mining leases and five exploration permits for minerals tenements in the Alice River region of North Queensland.

DIVIDENDS

The Directors do not recommend the payment of a dividend. No dividend was paid during the year.

REVIEW OF OPERATIONS

Alice River Gold Project – North Queensland

Central Target – *Maiden drilling of the F1-2 zone strikes high-grade gold*[1]

- **Continued expansion of high-grade gold mineralised structures with the discovery of the F1-2 high-grade zone** 200m west of the F1a Zone
    - **First ever drilling within the F1-2 zone intersects 1m @ 41.1g/t Au from 71m**[1]
    - **The F1-2 zone has a potential strike of >1.4km** and represents the western margin of the Alice River Central Target IP geophysics corridor, with the high-grade F1a zone occurring on the eastern margin of the corridor

PGO ASX Releases [1]10 July 2023

- **Significant advances in the structural geological model for the gold system** and enhanced understanding of structural controls on high-grade gold zones to enable more predictive targeting

<u>**Southern Target**</u> – *Step-out drilling significantly expands known gold system along strike and at depth*

- **Broad gold zone intersected within IP anomaly**, linking two existing mineralised zones to confirm a combined strike >1.8km on the Southern Target[2]

- **High-grade gold intersected in step-out drilling** targeting extensions to existing gold zones, with results including[2]:

    - **1m @ 89.1g/t Au** and 1.1m @ 10.4g/t Au

<u>**Regional Exploration**</u> – *Accelerated regional exploration programme defines significant extensions to the Alice River fault zone and new regional structures prospective for high-grade gold*

- **Significant extensions to the Alice River fault zone defined through IP geophysics**[2] and regional rock chip sampling[3] provides compelling support for the prospective fault zone to extend >30km

- **Northern Target** - **First drill hole into a 3km long priority 'structural bend'** in the IP resistivity data **intersects broad low-grade gold (22m @ 0.2g/t Au)** within the Alice River fault zone, completely concealed by shallow cover[6].

- **Posie Prospect** – **Initial wide-spaced drilling** combined with IP geophysics and surface rock sampling **highlights mineralised strike potential >2km** within a fault zone approximately 50m true width and mostly concealed beneath shallow cover

- **Jerry Dodds Prospect** - **Initial wide-spaced reconnaissance drilling** programme completed over 0.5km of strike on the **>2km regional structure has returned shallow gold mineralisation** in all holes, open in all directions

- **Victoria Prospect** - Strongly anomalous pathfinder geochemistry (As ± Sb ± Au) in shallow bedrock drilling defines potential large-scale extensions on the Alice River fault zone in areas with no previous drilling

<u>**Corporate**</u> - *$3.0M placement (after costs) to accelerate district-scale exploration*[5]

- **Oversubscribed $3.0 million placement** (after costs) to institutional and sophisticated investors

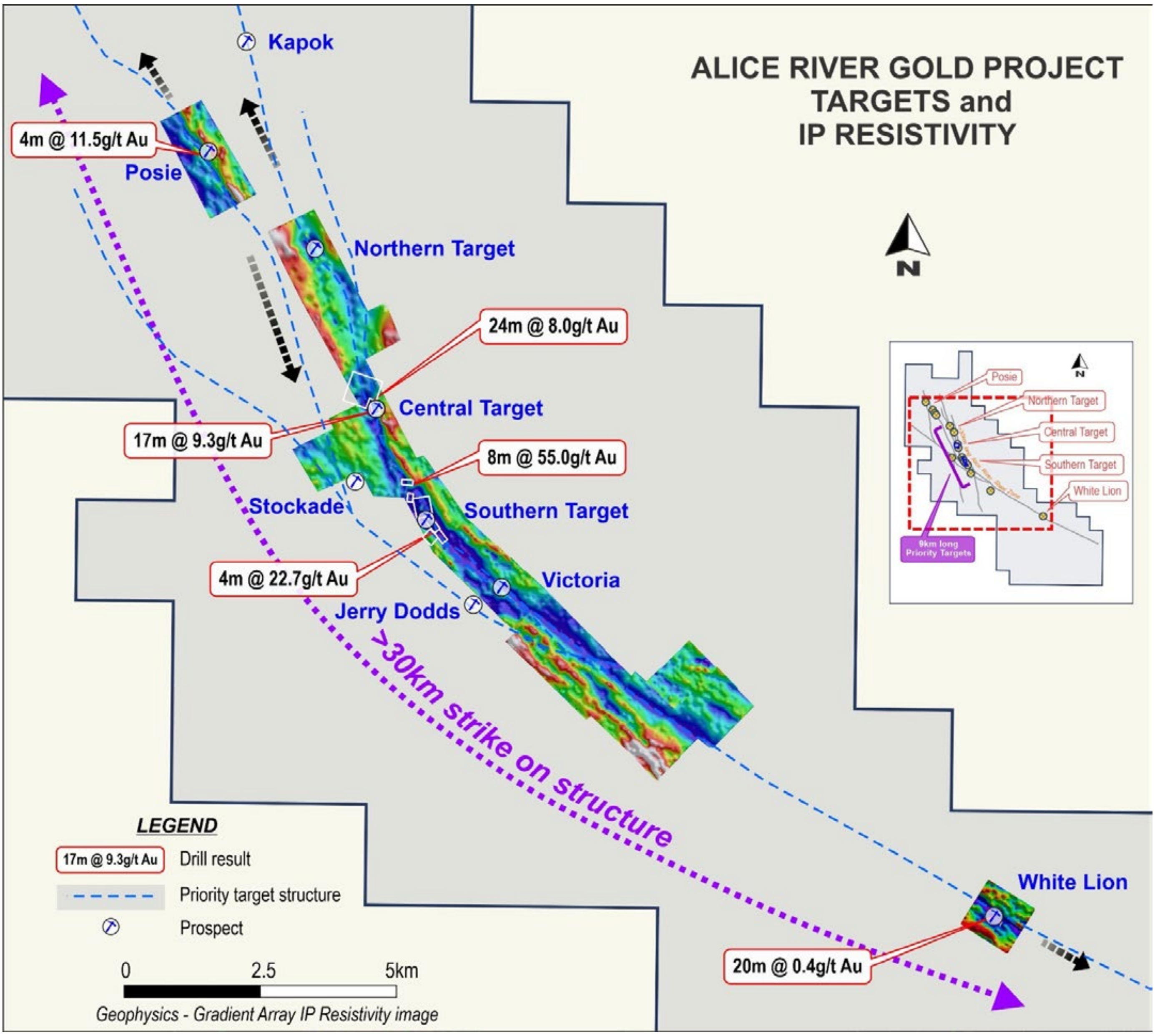

Figure 1: Resistivity IP geophysics highlighting prospective regional structures associated with IP geophysics resistivity lows defining prospective regional structures.

Alice River Gold Project Overview

Pacgold is progressing the Alice River Gold Project (‘**the Project**’), 300km northwest of Cairns, North Queensland. The Project comprises a portfolio of eight mining leases and five exploration permits in a highly prospective and largely underexplored gold terrain.

The Company’s focus for the year ending June 2024 was to expand the exploration programme to include several regional prospects additional to the Central and Southern Targets on the 30km long Alice River gold-bearing fault zone (refer Figure 1):

- **Central Target**: Four high-grade gold shoots now identified within granted mining leases on 800m strike and over 500m depth (open at depth and along strike);
- **Southern Target**: Multiple high-grade zones defined by limited shallow drilling extending over 1.8km (open) x 200m depth (open); and
- **Regional**: Initial regional drilling targeting IP geophysics and zones of anomalous rock chip sampling highlights several priority targets along the Alice River fault zone with multiple new parallel structures being defined as the regional IP geophysics and geochemical surveys expand.

Activity during the 12 month period included:

- **Reconnaissance RC drilling** – A total of 25 holes for 2,288m completed on the Central, Southern, and Northern Targets, Posie, Jerry Dodds, and Victoria prospects investigating district-scale targets on the Alice River fault zone and multiple new sub-parallel structures
- Shallow **orientation bedrock (aircore) drilling** – 102 holes for 750m were completed as an orientation bedrock drilling program on the Central Target and the Victoria prospect, confirming the method as an efficient sampling technique to penetrate the shallow cover sediments
- Processing of **IP geophysics** (gradient array) defined a 4km extension of the Alice River fault zone which is completely concealed by shallow cover and not previously drilled
- **Surface rock chip sampling and field mapping** returned a high-grade gold on extension to the Alice River fault zone (Kapok prospect) and surface mineralisation on new sub-parallel structures including Posie and Jerry Dodds prospects
- **Assay results from drilling** completed in the first half of the year returned bonanza gold at the new F1-2 zone within the Central Target and established a link connecting two shallow high-grade mineralised zones at the Southern Target over >1.8km strike
- **$3.0M placement (after costs)** completed to accelerate exploration at the Alice River gold project

Central Target

Drilling on the Central Target (F1a zone) in the past three years has been extremely successful in defining multiple high-grade plunging gold zones over 800m of strike and down to 500m vertical depth which are open along strike and at depth (refer Figure 2 and Figure 3). The high-grade zones all contain visible gold in varying amounts, usually associated with multi-phase quartz breccias.

Significant high-grade drill results from the F1a zone to date include:

- **24.0m @ 8.0g/t Au** (from 168m) incl. **1.9m @ 87.0g/t Au** (ARDH051) [3]
- **14.9m @ 10.3g/t Au** (from 242m) incl. **4.9m @ 21.4g/t Au** (ARDH061) [4]
- **4.0m @ 10.3g/t Au** (from 563m) incl. **1.0m @ 32.8g/t Au** (ARDH050) [3]
- **4.1m @ 7.6g/t Au** (from 265.8m) incl. **1.1m @ 16.0g/t Au** (ARDH072) [5]
- **4m @ 4.9g/t Au** (from 234m) incl. **1m @ 14.4g/t Au** from 237m (ARDH063) [5]

Bonanza-grade gold was intersected on the new F1-2 zone which returned **1m @ 41.1g/t Au** from 71m. The F1-2 zone represents the western margin of the IP geophysics resistivity low corridor which extends over 1.4km (refer Figure 2) and has not been previously drill tested.

This new zone lies 200m west of, and parallel to, the high-grade F1a zone which lies on the eastern margin of the IP resistivity low corridor.

Four shallow bedrock drilling traverses were completed over the Central Target to investigate potential for shallow high-grade gold mineralisation associated with parallel structures west of the F1a zone. The overall target zone defined by the IP geophysics (resistivity low) is 300m wide and dominantly concealed by shallow sediments, and the drilling has defined new shallow priority targets for further drilling follow-up.

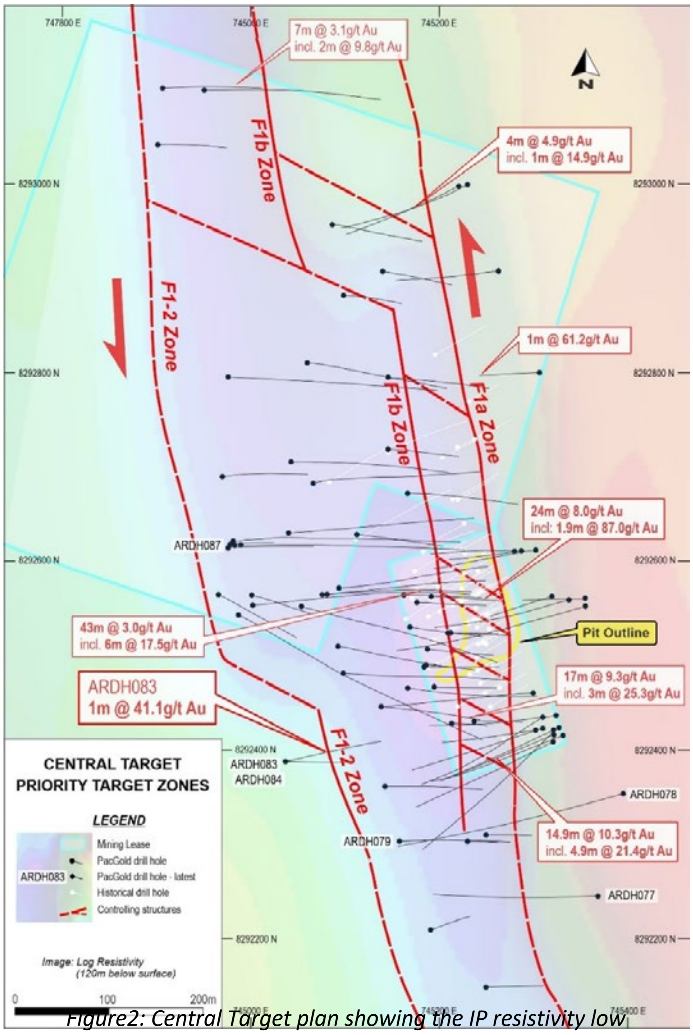

Figure2: Central Target plan showing the IP resistivity low (blue-purple) and F1a and F1-2 zones

PGO ASX Releases [3] 19 Sept 2022, [4] 05 Oct 2022, [5] 21 Nov 2022, [6] 10 July 2023

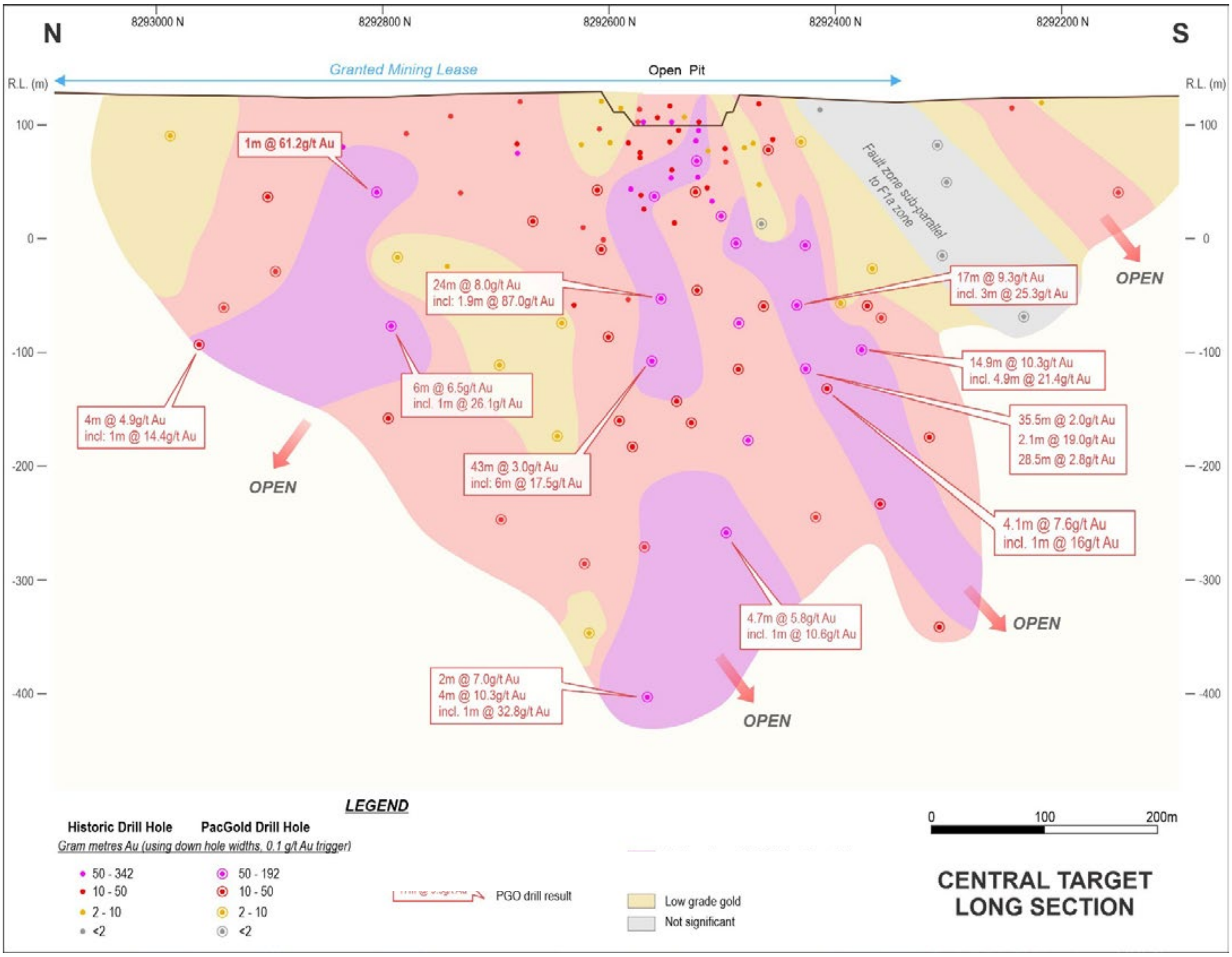

Figure 3: Long section along F1a zone, Central target

Southern Target

Historical shallow drilling over the Southern Target in the 1980s defined a broad gold system extending over 2km along the Alice River fault zone (3km south of the Central Target) with high-grade drilling intersections including **8m @ 55g/t Au**[7]. Exploration completed by Pacgold over the past two years represents the first modern exploration on the Southern Target and highlights a significant opportunity to apply the successful exploration model applied at the Central Target to the Southern Target gold system.

Step-out drilling by Pacgold during 12 months to the end of June 2024 intersected a number of encouraging gold results in several drill holes, including **1m @ 89.1g/t Au**[8], with the entire gold mineralisation extending to depth of 100m to 250m below surface and open along strike and at depth. The drilling programme provided strong encouragement for the definition of a second high-grade gold system on the project, additional to the Central Target (F1a zone).

Broad gold mineralisation (26.8m @ 0.6g/t Au) was intersected in drilling associated with a >400m long IP geophysical anomaly concealed by shallow cover sediments confirming the potential to link the two main Southern Target gold systems (Julie Anne and Peninsula King). Refer to Figure 4.

PGO ASX Releases [7] PGO Prospectus 6 July 2021,[8] ASX PGO release 11 July 2023,

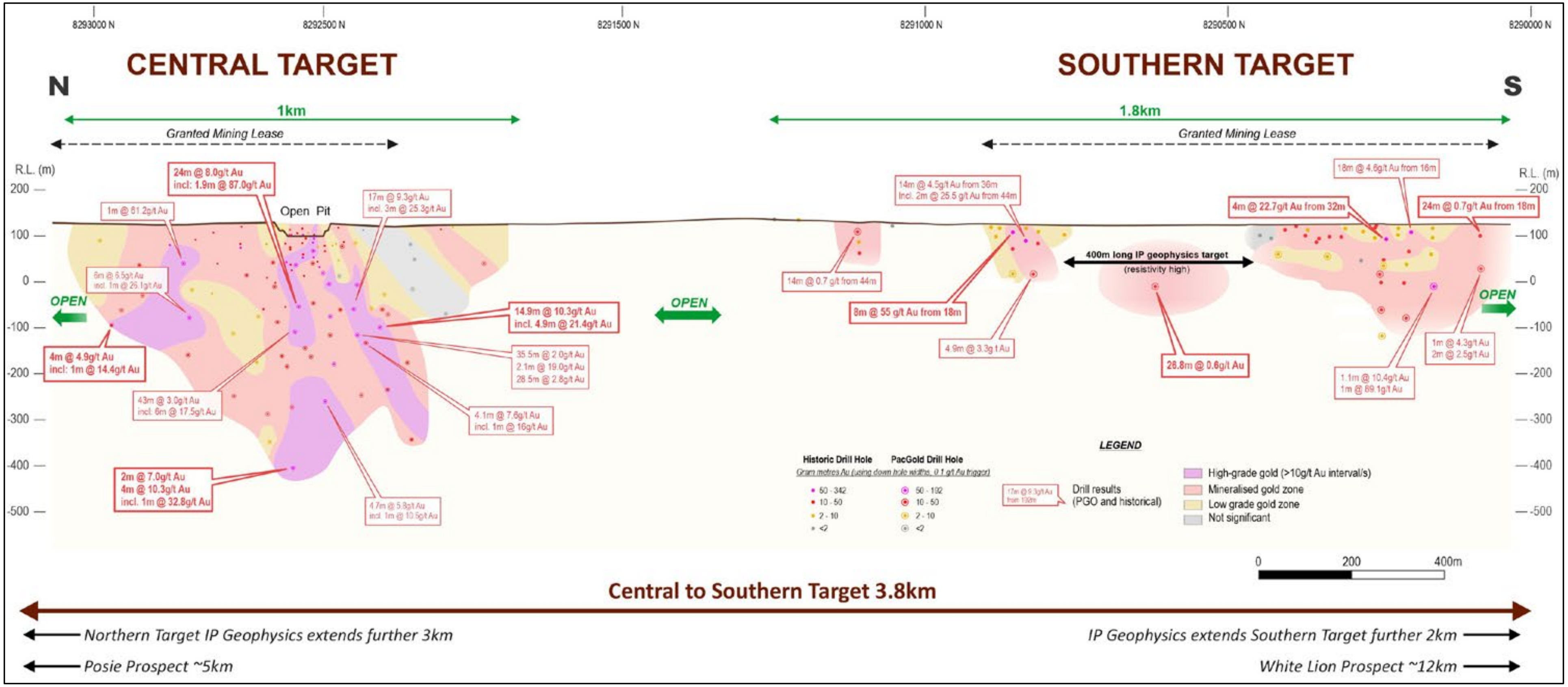

Figure 4: Central to Southern Target long section highlighting over 3.8km of strike (open) demonstrating large-scale gold system

Regional Targets

District-scale exploration during the 12-month period ending June 2024 provided strong evidence for the prospective Alice River fault zone to extend >30km with multiple new sub-parallel, gold mineralised structures also being defined (refer Figure 1). Highlights of the regional exploration for the half year include:

- **Alice River fault zone**
  - **IP geophysics defined a 4km long extension** on the Alice River fault zone to the southeast of the Southern Target[9].
  - First-pass bedrock sampling (aircore drilling) completed at the **Victoria prospect** covering a 1km strike extension southeast of the Southern Target with results confirming strong pathfinder geochemistry (Au-As-Sb) associated with the Alice River fault zone as observed in IP geophysics beneath the shallow cover[10].
  - Wide-spaced reconnaissance RC drilling targeting the Alice River fault zone at the **Northern Target** (3km north of the Central Target) was completed with results released post half year end returning broad gold mineralisation[10].
  - Reconnaissance rock chip sampling returned results up to 2.2g/t Au from the **Kapok prospect** located 3.8km north of the Northern Target provide potential for significant extension on the Alice River fault zone[11].
- **New mineralised structures sub-parallel to Alice River fault zone**
  - **Posie prospect**
    - High-grade rock chips defined a 1.4km long zone (open) with results up to 46.2g/t Au averaging 4.4g/t Au (65 samples) in exposed quartz veining over the zone – first rock chip sampling undertaken of the Posie prospect[12]
    - IP geophysics defined a compelling structural target >2km long x 200m encompassing the exposed veining trend and mostly concealed by shallow sand cover
    - Initial RC drilling programme completed (9 holes for 762m) with results intersecting strong gold mineralisation within the Posie structural zone[13]
  - **Jerry Dodds prospect**
    - Surface rock chips up to 47.4g/t Au defined a new structure >2km in strike length hosting the historical Jerry Dodds prospect workings, located 0.6km southwest of and sub-parallel to the high-grade Alice River fault zone
    - Initial wide-spaced reconnaissance drilling programme completed (4 holes for 326m) over 0.5km of strike on the >2km regional structure with results returning shallow gold mineralisation in all holes[13]

PGO ASX Releases [9] 17 October 2023,[10] 13 February 2024,[11] 20 November 2023, [12] 28 August 2023, [13] 8 February 2023

Tenement Status

Licence No.	Area	Status	Grant date / Application	Expiry date	Registered holder
EPM28287	100 s/b	Application	04-02-2022(A)		Company (100%)
EPM28288	100 s/b	Application	04-02-2022(A)		Company (100%)
EPM 14313	10 s/b	Granted	13-07-2005	12-07-2029	Company (100%)
EPM 15359	15 s/b	Granted	24-05-2007	23-05-2025	Company (100%)
EPM 15360	8 s/b	Granted	23-08-2007	22-08-2025	Company (100%)
EPM 16301	4 s/b	Granted	14-10-2021	13-10-2026	Company (100%)
EPM 26266	75 s/b	Granted	08-05-2017	07-05-2027	Company (100%)
ML 2901	2.88 ha	Granted	29-04-1982	30-04-2024*	Company (100%)
ML 2902	2.88 ha	Granted	29-04-1982	30-04-2024*	Company (100%)
ML 2907	2.058 ha	Granted	03-06-1982	30-06-2024*	Company (100%)
ML 2908	4.034 ha	Granted	03-06-1982	30-06-2024*	Company (100%)
ML 2957	1.6 ha	Granted	07-03-1985	31-03-2027	Company (100%)
ML 2958	11.43 ha	Granted	10-04-1986	30-06-2024*	Company (100%)
ML 3010	29.52 ha	Granted	25-01-1990	30-06-2024*	Company (100%)
ML 3011	4.4 ha	Granted	01-10-1987	30-06-2024*	Company (100%)

**ML renewals lodged*

MATERIAL BUSINESS RISKS

Future capital requirements

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until its Project, or future projects, are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities. The Company believes its available cash, including the capital raise completed in September 2023, should be adequate to fund its business development activities, exploration program and other Company objectives in the short term.

In order to successfully develop the Project and for production to commence, the Company will require further financing in the future. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities, including resulting in the Tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

Title risks

Interests in exploration and mining tenements in Queensland are evidenced by the granting of licences, leases, permits or authorities.

Each of the Company’s Tenements has been granted for a specific term and carries rental, annual expenditure and reporting commitments, as well as other conditions imposed under the relevant regulation applying in Queensland. The Company could face penalties, lose title to or its interest in the Tenements, or any other tenements that may be acquired by the Company in the future, if such conditions are not met or if insufficient funds are available to meet expenditure commitments.

The Company’s Tenements allow it to carry out particular authorised activities to determine the existence, quality, and quantity of minerals on, in, or under land through various methods.

Exploration and development risks

Mineral exploration and development are high- risk undertakings. There can be no assurance that exploration and development will result in the discovery of further mineral deposits. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration and development activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to the Project and obtaining all required approvals for its activities. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of the Project, a reduction in the cash reserves of the Company and possible relinquishment of part or all of the Project.

Operating risk

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Tenement interests. Unless and until the Company is able to realise value from its Project, it is likely to incur ongoing operating losses.

Resource estimation risk

At present the Project does not host a mineral resource or reserve estimate. Whilst the Company intends to undertake exploration activities with the aim of defining a resource, no assurances can be given that the exploration will result in the determination of a resource. Even if a resource is identified, no assurance can be provided that this can be economically extracted. The calculation and interpretation of resource estimates are by their nature expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly through additional fieldwork or when new information or techniques become available. This may result in alterations to development and mining plans, which may in turn adversely affect the Company's operations.

Metallurgy

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

(i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;

(ii) developing an economic process route to produce a metal and/or concentrate; and

(iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

Environmental risks

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company’s activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company’s intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

Grant, tenure and forfeiture of licences

The ability of the Company to carry out successful exploration and mining activities will depend on the ability to maintain or obtain tenure to mining titles. The maintenance or issue of any such titles must be in accordance with the laws of the relevant jurisdiction and in particular, the relevant mining legislation. Conditions imposed by such legislation must also be complied with. No guarantee can be given that tenures will be maintained or granted, or if they are maintained or granted, that the Company will be in a position to comply with all conditions that are imposed or that they will not be planted by third parties.

Although the Company has investigated title to all of its Tenements, the Company cannot give any assurance that title to such Tenements will not be challenged or impugned. The Tenements may be subject to prior unregistered agreements or transfers or title may be affected by undetected defects or native title claims.

Further, the Company's Tenements will be subject to applications for renewal (as the case may be). The renewal or grant of the term of each Tenement is usually at the discretion of the relevant government authority. If a Tenement is not renewed, the Company may suffer significant damage through loss of the opportunity to develop and carry out exploration on that Tenement.

Native title

Certain Tenements which the Company has an interest in or will in the future acquire such an interest in, currently or may relate to areas over which legitimate common law native title rights of Aboriginal Australians exist or is claimed to exist.

In respect of areas where native title exists or is claimed, the ability of the Company to gain access to its Tenements (through obtaining consent of any relevant landowner), or to be granted the necessary tenure to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

Further to this, it is possible that an Indigenous Land Use Agreement (ILUA) may be registered against one or more of the Tenements in which the Company has an interest. The terms and conditions of any such ILUA may be unfavourable for, or restrictive against, the Company. The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will likely require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

In addition, determined native title holders may seek compensation under the Native Title Act for the impact of the grant of mining tenements affecting native title rights and interests after the commencement of the Racial Discrimination Act 1975 (Cth).

Heritage risk

EPM 26266 and ML 2901 overlap recorded cultural heritage site points. In addition to those identified sites, there remains a risk that other Aboriginal sites may exist on the land the subject of the Tenements. The existence of such sites may preclude or limit mining activities in certain areas of the Tenements.

Land access risk

Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities outside of the Tenements.

Gold price and demand volatility and exchange rate risks

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The price of gold and base metals fluctuate and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines in the market values of gold, and other minerals could cause the development of, and eventually the commercial production from, the Company's Project and the Company's other properties to be rendered uneconomic.

Climate change

There are a number of climate-related factors that may affect the Company's business. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water, scarcity, temperature extremes, frosts, earthquakes and pestilences) may have an adverse effect on the Company's ability to access the Project and therefore the Company's ability to carry out services.

Changes in policy, technological innovation and consumer or investor preferences could adversely impact the Company's business strategy, particularly in the event of a transition (which may occur in unpredictable ways) to a lower-carbon economy.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the financial year the Company:

(a) Raised $3,257,526 through the issue of 17,144,875 fully paid ordinary shares at $0.19 per share, with 8,572,459 free attaching options exercisable at $0.30 and expiring 30 September 2026, through a placement to institutional and sophisticated investors. 394,735 of these shares were issued to KMP (52,631 ordinary shares and 26,316 options to Cathy Moises, 105,263 ordinary shares and 52,632 options to Tony Schreck, 105,263 ordinary shares and 52,632 options to Michael Pitt and, 52,631 ordinary shares and 26,316 options to Shane Goodwin).

(b) Entered into an Underwriting Agreement under which 3,000,000 broker options were issued to the lead manager of the capital raising, exercisable at $0.30 and expiring 30 September 2026.

(c) Issued 150,000 ordinary shares on the vesting of performance rights held by non-KMP employees.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Company plans to continue to explore and develop its mining leases and exploration permits.

EVENTS AFTER REPORTING YEAR

Since the end of the financial year Tony Schreck has resigned as Managing Director & CEO, and Matthew Boyes has been appointed as Managing Director & CEO. Mr Boyes remuneration consists of a base salary of $325,000 (excluding superannuation), a short term incentive of 500,000 performance rights vesting on the achievement of service and performance hurdles, and equity based compensation of 4,000,000 performance rights vesting on the achievement of performance hurdles.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

ENVIRONMENTAL REGULATION

The Company’s operations are subject to environmental and other regulations. The Company engages appropriately experienced contractors and consultants to advise on and ensure compliance with environmental regulations in respect of its exploration activities. The Company monitors compliance with relevant legislation on a continuous basis and the Directors are not aware of any compliance breaches up to the date of this report.

INFORMATION ON DIRECTORS

Catherine Moises *Non-Executive Chair*	
Experience and expertise	Ms Cathy Moises has extensive knowledge and experience within the resource industry, having held senior roles for a number of the most prominent stockbroking firms within Australia including McIntosh (now Merrill Lynch), County Securities (now Citigroup), Evans and Partners, where she was a partner, and most recently worked as Head of Research for Patersons Securities (now Cannacord Genuity). Ms Moises holds a Bachelor of Science (Honours) with a major in Geology from Melbourne University, and a Diploma of Finance and Investment from the Securities Institute of Australia.
Other current Directorships	Non-Executive Director - Arafura Resources Limited (ASX:ARU) Non-Executive Director - Australian Potash Limited (ASX:APC) Non-Executive Director - WA Kaolin Limited (ASX:WAK) Non-Executive Director - Podium Minerals Limited (ASX:POD)
Former listed Directorships in the last 3 years	Non-Executive Director – Pearl Gull Iron Limited (ASX: PLG)(ceased 2022). Non-Executive Director – Eastern Metals Limited (ASX:EMS) (ceased 2022).
Special responsibilities	Chair
Interests in shares and options	709,377 ordinary shares 926,316 options

Matthew Boyes *Managing Director – Commenced 1 September 2024*	
Experience and expertise	Mr Boyes is an experienced Geologist and Managing Director, with over twenty-five years' international experience encompassing company management, mine geology, mine development, capital markets and business development.
Other current Directorships	None.
Former listed Directorships in the last 3 years	Managing Director of Solis Minerals Limited (ceased 30 August 2024)
Special responsibilities	Managing Director
Interests in shares and options	525,000 ordinary shares

Michael Pitt *Non-Executive Director*	
Experience and expertise	Mr Pitt is currently Vice President Business Development for Sibanye-Stillwater. He played an instrumental role in the study, refurbishment and restart of the Century operations from care and maintenance to global top 10 zinc producer in less than three years. Mr Pitt has experience in financing private resource companies and public company capital raising and debt negotiations. He has held previous roles in Business Development with New Century Resources (ASX: NCZ), BHP (ASX:BHP) in strategic planning and Clean TeQ (ASX:CLQ) in both project delivery and business development. Mr Pitt has an MBA, Bachelor of Chemical Engineering and Science and a Diploma of Project Management.
Other current Directorships	None.
Former listed Directorships in the last 3 years	None.
Special responsibilities	None.
Interests in shares and options	2,018,755 ordinary shares 952,632 options

Shane Goodwin *Non-Executive Director*	
Experience and expertise	Mr Goodwin has 10 years' experience in Mining Corporate Affairs and External Relations for New Century Resources Limited (ASX:NCZ) (New Century), MMG Limited (ASX:MMG) and Barrick Gold Corporation (TSX:ABX). Mr Goodwin strives to improve relationships with traditional owners at Century Mine, and achieved an agreement to develop a previously unavailable ore body which had unresolved cultural heritage negotiations. Mr Goodwin received the Australian Mining Award for Community Interaction for partnership with Waanyi-Downer Joint Venture at Century Mine and is a board member of the Aboriginal Development Benefits Trust, providing economic development opportunities to traditional owners in Gulf of Carpentaria.
Other current directorships	None.
Former listed directorships in the last 3 years	None.
Special responsibilities	None.
Interests in shares and options	1,352,631 ordinary shares 1,226,316 options

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors and of each board committee held during the year ended 30 June 2024, and the number of meetings attended by each Director were:

	Full meetings of Directors	
	A	**B**
C Moises	10	10
T Schreck	10	10
M Pitt	10	10
S Goodwin	10	10

A = Number of meetings attended
B = Number of meetings held during the time the director held office or was a member of the committee during the year

REMUNERATION REPORT (AUDITED)

The Directors present the Pacgold Limited 2024 Remuneration Report, outlining key aspects of our remuneration policy and framework, and remuneration awarded this year.

The report is structured as follows:

(a) Key management personnel (KMP) covered in this report

(b) Remuneration policy and link to performance

(c) Elements of remuneration

(d) Link between remuneration and performance

(e) Remuneration expenses for executive KMP

(f) Contractual arrangements for executive KMP

(g) Non-executive Director arrangements

(h) Additional statutory information

(a) Key management personnel covered in this report

Non-Executive and Executive Directors
C Moises (Non-Executive Chairman)
T Schreck (Managing Director)
M Pitt (Non-Executive Director)
S Goodwin (Non-Executive Director)

Other key management personnel

Name	*Position*
Suzanne Yeates	Chief Financial Officer and Company Secretary

Changes since the end of the reporting year

Since the end of the financial year Tony Schreck has resigned as Managing Director and Matthew Boyes was appointed Managing Director, effective 1 September 2024.

REMUNERATION REPORT (AUDITED) (CONTINUED)

(b) Remuneration policy and link to performance

The role of a remuneration committee is performed by the full Board of Directors. The board reviews and determines the remuneration policy and structure annually to ensure it remains aligned to business needs, and conforms with our remuneration principles. In particular, the board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Company to attract and retain key talent;
- aligned to the Company's strategic and business objectives and the creation of shareholder value;
- transparent and easily understood, and
- align with shareholder interests and are acceptable to shareholders.

Element	*Purpose*	*Performance metrics*	*Potential value*	*Changes for FY 2024*
Fixed remuneration (FR)	Provide competitive market salary including superannuation and non-monetary benefits	Nil	Positioned at median market rate	No change.
LTI	Alignment to long-term shareholder value	Nil	Variable subject to share price.	No change.

Long term incentives are assessed periodically and are designed to promote long-term stability in shareholder returns.

(c) Elements of remuneration
(i) Fixed annual remuneration (FR)
Executives receive their fixed remuneration as cash. FR is reviewed annually and is benchmarked against market data for comparable roles in companies in a similar industry and with similar market capitalisation. The board has the flexibility to take into account capability, experience, value to the organisation and performance of the individual. The Company has not engaged an external remuneration consultant during FY2024.

Superannuation is included in FR for executives.

(ii) Short term incentives
No short-term incentive plans were in place and no bonuses were paid for FY 2024.

(iii) Long-term incentives
Executive KMP participate, at the board's discretion, in the Long-term Incentive Program ("LTIP") comprising one off grants of options. Incentives are awarded at the discretion of the Board.

Options
No options were granted to Key Management Personnel during FY 2024.

During the prior financial year, 2,650,000 options were issued to Key Management Personnel (‘KMP’) (1,200,000 to Tony Schreck, 600,000 to Shane Goodwin, 300,000 to each of Cathy Moises and Michael Pitt, and 250,000 to Suzanne Yeates). All options are exercisable at $0.75 each and expire on 30 April 2025. 50% of the options vested on 30 April 2023, with the remaining 50% vesting on 30 April 2024. There are no performance conditions for the options to vest. The intrinsic value of the options when exercised is directly linked to the share price.

Refer to note 19 for further details on valuation of options.

Refer to the tables on page 34 of this report for details of options on issue affecting remuneration.

(d) Link between remuneration and performance
During the year, the Company has generated losses from its principal activity being exploration of the Alice River Gold Project. The Company aims to align its executive remuneration to its strategic and business objectives and the creation of shareholder wealth. However, as the Company is still growing, the company’s financial performance is not necessarily consistent with the measures used in determining variable amounts of remuneration to be awarded to KMP’s. As a consequence, there may not always be a direct correlation between the group’s key performance measures, including the advancement of exploration at the Alice River Gold Project, and the variable remuneration awarded.

Given the nature of the Company’s activities and the consequential operating results, no dividends have been paid. There have been no returns of capital in the current or previous financial periods.

(e) Remuneration expenses for KMP
The following table shows details of the remuneration expense recognised for the Company’s key management personnel for the current and previous financial year measured in accordance with the requirements of the accounting standards. No KMP received any non-monetary benefits during the current or previous financial year.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Name	Year	Fixed remuneration			Variable remuneration		Total	Performance related remuneration %
		Director fee	Contractor fees	Post-employment benefits	Options	Shares		
Executive Directors								
T Schreck[1]	**2024**	-	330,000	-	45,080	-	375,080	12%
	2023	-	330,000	-	110,920	-	440,920	25%
Other key management personnel								
S Yeates[2]	**2024**		84,000	-	10,731	-	94,731	11%
	2023	-	84,000	-	31,769	-	115,769	27%
Non-Executive Directors								
C Moises	**2024**	36,000	-	3,960	11,270	-	51,230	22%
	2023	36,000	-	3,780	27,730	-	67,510	41%
M Pitt	**2024**	36,000	-	3,960	11,270	-	51,230	22%
	2023	36,000	-	3,780	27,730	-	67,510	41%
S Goodwin[3]	**2024**	36,000	100,000	3,960	22,540	-	162,500	14%
	2023	36,000	64,000	3,780	55,460	-	159,240	35%
Total KMP remuneration expensed	***2024***	*108,000*	*514,000*	*11,880*	*100,891*	-	*734,771*	*14%*
	2023	*108,000*	*478,000*	*11,340*	*253,609*	-	*850,949*	*30%*

[1] Contractor services agreement commenced 1 January 2021. T Schreck is engaged through Goldfind Exploration Pty Ltd, a related party of T Schreck.
[2] Contractor services agreement commenced 1 March 2021. S Yeates is engaged through Outsourced Accounting Solutions Pty Ltd, a related party of S Yeates.
[3] Contractor services agreement commenced 1 November 2022. S Goodwin is engaged through SLGC Pty Ltd, a related party of S Goodwin

(f) Contractual arrangements with executive KMPs

Component	Managing Director description	Chief Financial Officer and Company Secretary description
Fixed remuneration	$27,500 per month	$7,000/month
Contract duration	Ongoing	Ongoing
Notice by the individual / company	3 months	1 month

The contracts do not provide for any early termination payments.

(g) Non-Executive Director arrangements

The fees for the Non-Executive Chair are $36,000 per annum excluding superannuation. Other Non-Executive Directors receive $36,000 per annum excluding superannuation. Fees are reviewed annually by the board taking into account comparable roles.

The maximum annual aggregate Non-Executive Directors' fee pool limit is $500,000 and is set out in the Constitution.

All Non-Executive Directors enter into a service agreement with the company in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration relevant to the office of Director.

(h) Additional statutory information

(i) Performance based remuneration granted and forfeited during the year

The table below shows for each KMP the value of options that were granted, exercised and forfeited during FY 2024. The number of options and percentages vested / forfeited for each grant are disclosed in section (iii) below.

	2024 *LTI Options*		***2023*** *LTI Options*	
	*Value granted** *$*	*Value exercised*** *$*	*Value granted** *$*	*Value exercised*** *$*
2023				
C Moises	-	-	39,000	-
T Schreck	-	-	156,000	-
M Pitt	-	-	39,000	-
S Goodwin	-	-	78,000	-
S Yeates	-	-	42,500	-
C Garde	-	-	-	-

* The value at grant date calculated in accordance with AASB 2 *Share-based Payment* of options granted during the year as part of remuneration

** The value at the exercise date of options that were granted as part of remuneration and were exercised during the year has been determined as the intrinsic value of the options at that date.

(ii) Terms and conditions of the share-based payment arrangements

Options

The terms and conditions of each grant of options affecting remuneration in the current and future reporting periods are as follows:

Grant date	Number	Expiry date	Exercise price	Value per option at grant date	% vested
06/09/2022	250,000	30/04/2025	$0.75	$0.17	100%
21/11/2022	2,400,000	30/04/2025	$0.75	$0.13	100%

The number of options over ordinary shares in the Company provided as remuneration to key management personnel is shown in the table below. The options carry no dividend or voting rights. When exercised, each option is convertible into one ordinary share of Pacgold Limited.

(iii) Reconciliation of options and ordinary shares held by KMP

Shareholdings – Ordinary Shares

Name	Balance at the start of the year	Shares acquired	Shares disposed	Other	Balance at the end of the year
2024					
C Moises	656,746	52,631	-	-	709,377
T Schreck	860,000	105,263	-	-	965,263
M Pitt	1,944,742	105,263	-	(31,250)[1]	2,018,755
S Goodwin	1,300,000	52,631	-	-	1,352,631
S Yeates	80,000	-	-	-	80,000

[1]Shareholding of a related party of M Pitt that is not controlled or influenced by M Pitt.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Options

The table below shows a reconciliation of options held by each KMP from the beginning to the end of FY2024.

2024 Name & Grant dates	Balance at the start of the year		Granted as compensation	Vested		Other changes[1]	Balance at the end of the year	
	Unvested	Vested		Number	%		Vested and exercisable	Unvested
C Moises	150,000	750,000	-	150,000	17%	26,316	900,000	-
T Schreck	600,000	1,500,000	-	600,000	29%	52,632	2,100,000	-
M Pitt	150,000	750,000	-	150,000	17%	52,632	900,000	-
S Goodwin	300,000	900,000	-	300,000	25%	26,316	1,200,000	-
S Yeates	125,000	125,000	-	125,000	50%	-	250,000	-

[1] Free attaching options issued with Placement Shares following Shareholder approval at the 2023 Annual General Meeting.

REMUNERATION REPORT (AUDITED) (CONTINUED)

(iv) Other transactions with key management personnel
There were no other transactions with KMP during the financial year.

(v) Voting of shareholders at last year's annual general meeting
Pacgold Limited received more than 75% of "yes" votes on its Remuneration Report for the 2023 financial year. The Company did not receive any other specific feedback at the AGM or throughout the period on its remuneration practices.

There have been no other transactions with key management personnel.

End of remuneration report (audited).

SHARES UNDER OPTION

Unissued ordinary shares
Unissued ordinary shares of Pacgold Limited under option at the date of this report are as follows (2023: 11,440,000):

Date options granted	Expiry date	Issue price of Shares	Number under option
25/05/2021	05/07/2025	$0.36	2,050,000
25/05/2021	05/07/2027	$0.42	2,050,000
21/11/2022	28/04/2025	$0.945	1,000,000
21/11/2022	16/05/2025	$0.945	1,000,000
6/09/2022	30/04/2025	$0.75	500,000
21/11/2022	30/04/2025	$0.75	3,400,000
20/11/2023	30/09/2026	$0.30	11,572,459
TOTAL			**21,572,459**

There were no performance rights on issue at the date of this report.

No performance right or option holder have any right to participate in any other share issue of the Company or any other entity.

No performance rights or options have been granted since the end of the financial year.

INSURANCE OF OFFICERS AND INDEMNITIES

(a) Insurance of officers
Since the end of the financial year, Pacgold Limited paid a premium of $49,455 to insure the Directors and Officers of the Company.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

(b) Indemnity of auditors
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor’s expertise and experience with the Company and/or the Company are important.

Details of the amounts paid or payable to the auditor (BDO Audit Pty Ltd) for audit and non-audit services provided during the year are set out in note 6 Remuneration of auditors. The BDO entity performing the audit of the group transitioned from BDO Audit (WA) Pty Ltd to BDO Audit Pty Ltd on 29 May 2024. The disclosures include amounts received or due and receivable by BDO Audit (WA) Pty Ltd, BDO Audit Pty Ltd and their respective related entities.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

During the year, the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2024	2023
	$	$
Other assurance services		
BDO Pty Ltd		
Taxation Services	9,850	6,500
Total remuneration for non-audit services	9,850	6,500

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 39.

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

C Moises
Chair

25 September 2024

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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF PACGOLD LIMITED

As lead auditor of Pacgold Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

Jarrad Prue

Director

BDO Audit Pty Ltd

Perth

25 September 2024

CORPORATE GOVERNANCE STATEMENT

Pacgold Limited and the board are committed to achieving and demonstrating the highest standards of corporate governance. Pacgold Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2024 corporate governance statement is dated as at 30 June 2024 and reflects the corporate governance practices in place throughout the 2024 financial year. The 2024 corporate governance statement was approved by the board on 25 September 2024. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at https://pacgold.com.au/about-us/corporate-governance .

PACGOLD LIMITED
ACN 636 421 782

Annual financial report – 30 June 2024

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These financial statements are for Pacgold Limited.
The financial statements are presented in the Australian currency.
Pacgold Limited is a Company limited by shares; incorporated and domiciled in Australia.

Statement of Profit or Loss and other comprehensive income for the year ended 30 June 2024

	Notes	2024	2023 $
Continuing operations			
Other income	2	33,968	47,615
Administrative and other expenses		(296,978)	(433,292)
Director and executive remuneration		(427,005)	(285,840)
Financing costs		(30,294)	(24,440)
Legal fees		(33,961)	(62,963)
Share based payments expense	19	(118,630)	(555,370)
Loss before income tax expense		(872,900)	(1,314,290)
Income tax benefit	4	-	-
Loss after income tax expense		(872,900)	(1,314,290)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(872,900)	(1,314,290)
		Cents	**Cents**
Earnings per share for loss from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share	7	(1.2)	(2.0)
Diluted earnings per share	7	(1.2)	(2.0)

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

Statement of Financial Position
as at 30 June 2024

	Notes	2024 $	2023 $
ASSETS			
Current assets			
Cash and cash equivalents	8	1,994,048	2,514,758
Other receivables	9	44,355	222,231
Total current assets		2,038,403	2,736,989
Non-current assets			
Exploration and evaluation assets	10	16,453,400	13,603,701
Plant and equipment	11	42,889	61,075
Other assets	12	702,553	702,553
Total non-current assets		17,198,842	14,367,329
Total assets		19,237,245	17,104,318
LIABILITIES			
Current liabilities			
Trade and other payables	13	354,310	554,671
Total current liabilities		354,310	554,671
Non-current liabilities			
Provisions	14	781,128	726,579
Total non-current liabilities		781,128	726,579
Total liabilities		1,135,438	1,281,250
Net assets		18,101,807	15,823,068
EQUITY			
Contributed equity	15	19,663,912	16,890,103
Reserves	16	2,588,850	2,211,020
Accumulated losses		(4,150,955)	(3,278,055)
Total equity		18,101,807	15,823,068

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

Statement of changes in equity
For the year ended 30 June 2024

	Contributed equity $	Accumulated losses $	Share based payments reserve	Total $
Balance at 1 July 2022	16,890,103	(1,963,765)	1,655,650	16,581,988
Loss for the year	-	(1,314,290)	-	(1,314,290)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	(1,314,290)	-	(1,314,290)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	-	-	-	-
Share based payments	-	-	555,370	555,370
Balance as at 30 June 2023	16,890,103	(3,278,055)	2,211,020	15,823,068
Loss for the year	-	(872,900)	-	(872,900)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	(872,900)	-	(872,900)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	2,773,809	-	-	2,773,809
Share based payments	-	-	377,830	377,830
Balance as at 30 June 2024	19,663,912	(4,150,955)	2,588,850	18,101,807

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

Statement of cash flows
For the year ended 30 June 2024

	Notes	2024 $	2023 $
Cash flows from operating activities			
Payments to suppliers and employees (GST inclusive)		(1,012,759)	(1,574,301)
Goods and Services Tax refunds received		310,361	762,568
Interest received		33,968	47,615
Net cash outflow from operating activities	18	(668,430)	(764,118)
Cash flows from investing activities			
Payments for exploration assets		(2,880,141)	(7,731,572)
Payments for plant and equipment		(5,149)	(2,725)
Net cash outflow from investing activities		(2,885,290)	(7,734,297)
Cash flows from financing activities			
Proceeds from share issue		3,257,527	-
Payment of share issue costs		(224,517)	-
Net cash inflow from financing activities		3,033,010	-
Net (decrease)/increase in cash and cash equivalents		(520,710)	(8,498,415)
Cash and cash equivalents at the beginning of the year		2,514,758	11,013,173
Cash and cash equivalents at the end of the year	8	1,994,048	2,514,758

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

Notes to the financial statements for the year ended 30 June 2024

Note 1 Summary of material accounting policies

Basis of preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001,* Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards and Interpretations as issued by the International Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs.

The financial statements were authorised for issue by the Directors on 25 September 2024. The Directors have the power to amend and reissue the financial statements.

Going Concern

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

As disclosed in the financial report, the Company achieved a net loss of $872,900 and net operating cash outflows of $668,430 for the year ended 30 June 2024. As at 30 June 2024, the Company had cash of $1,994,048 and a net current asset position of $1,684,093.

The ability of the Company to continue as a going concern is principally dependent upon the following conditions:

- the ability of the Company to successfully raise capital, as and when necessary; and
- the ability to complete successful development and commercialisation of its projects.

These conditions give rise to material uncertainty which may cast significant doubt over the Company’s ability to continue as a going concern.

The Directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- the proven track record of capital raising, including the recent placement that raised $3.2M in September 2023; and
- the Directors believe there is sufficient cash available for the company to continue operating until it can raise sufficient further capital to fund its ongoing activities.

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

Note 1 Summary of material accounting policies (continued)

a. Income tax

The income tax expense or benefit for the year is the tax payable on that year's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior years, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

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

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

b. Income recognition

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other income

Other income is recognised when it is received or when the right to receive payment is established.

Notes to the financial statements for the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

c. Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

d. Current and non-current classification

Assets and liabilities are presented in the balance sheet based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the balance sheet.

Notes to the financial statements for the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

f. Exploration and evaluation assets

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

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

A provision is raised against exploration and evaluation assets where the Directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

g. Provisions

Provision for rehabilitation is recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Notes to the financial statements for the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

h. Issued capital

Ordinary shares are classified as equity and are recognised when subscriptions for equity become non-refundable.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

i. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Pacgold Limited, 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 financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

j. Share-based payments

Equity-settled share-based compensation benefits are provided to key management personnel and contractors. Equity-settled transactions are awards of shares or options that are provided in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is determined using the Black Scholes method that takes into account the exercise price, the term of the performance right, the impact of dilution, the share price at grant date and expect price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the performance right.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 1 Summary of material accounting policies (continued)

j. Share-based payments (continued)

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

k. New and Amended Accounting Policies Adopted by the Company

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There has been no material impact on the financial statements by their adoption.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

l. Critical accounting estimates and judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Company intends to 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.

Notes to the financial statements for the year ended 30 June 2024

Note 1 Summary of material accounting policies (continued)

l. Critical accounting estimates and judgements (continued)

In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mineral interest. Factors that could impact the future commercial production at the project include the level of reserves and resources, future technology changes which could impact the cost of production, 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 written off in the period in which this determination is made.

Provision for restoration and rehabilitation

A provision for rehabilitation is recognised when there is a present obligation as a result of development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning sites, removing facilities and restoring affected areas.

The provision for future rehabilitation costs is the best estimate of the present value (including an appropriate discount rate relevant to the time value of money plus any risk premium associated with the liability) of the expenditure required to settle the restoration obligation at the reporting date. Future rehabilitation costs are reviewed annually and any changes in the estimate are reflected in the present value of the rehabilitation provision.

The initial estimate of the rehabilitation provision is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision for rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

Share based payment transactions

The Company measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions, including share price volatility, interest rates and vesting periods would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact the profit or loss and equity.

Notes to the financial statements for the year ended 30 June 2024

Note 2 Other income

	2024	2023
	$	$
Other income		
Interest received from unrelated parties	33,968	47,615
Total other income	33,968	47,615

Note 3 Loss for the year

Loss before income tax includes the following specific expenses:

	2024	2023
	$	$
Finance costs		
Provisions: Unwinding of discount (Note 14)	30,294	24,440
Share-based compensation expense (Note 19)	118,630	555,370
Depreciation expense	23,336	21,292

Notes to the financial statements for the year ended 30 June 2024

Note 4 Income tax expense

This note provides an analysis of the Company's income tax expense, shows what amounts are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax position.

	2024 **$**	2023 $
(a) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit/(loss) before income tax expense	(872,900)	(1,314,290)
Tax at the Australian tax rate of 30% (2023: 30%)	(261,870)	(394,287)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Share based payments	35,589	166,611
- Other	9,088	7,332
Adjustment to deferred tax assets and liabilities for tax losses and temporary differences not recognised	217,193	220,344
Income tax expense / (benefit)	-	-
(b) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	4,363,543	3,304,743
Potential tax benefit @ 30% (2023: 30%)	1,309,063	991,423

Notes to the financial statements for the year ended 30 June 2024

Note 4 Income tax expense (continued)

	2024 $	2023 $
(c) Deferred tax assets		
The balance comprises temporary differences attributable to:		
Accrued expenses	6,127	10,823
Business capital costs	244,289	280,466
Rehabilitation provision	234,339	-
Tax losses	5,760,328	4,578,685
Total deferred tax assets	6,245,083	4,869,974
Set-off of deferred tax liabilities pursuant to set-off provisions	(4,936,020)	(3,878,551)
Deferred tax assets not recognised	(1,309,063)	(991,423)
Net deferred tax assets	-	-
(d) Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
Exploration and evaluation assets	4,726,184	3,878,551
Rehabilitation asset	209,836	-
Total deferred tax liabilities	4,936,020	3,878,551
Set-off of deferred tax liabilities pursuant to set-off provisions	(4,936,020)	(3,878,551)
Net deferred tax liabilities	-	-

Unused losses which have not been recognised as an asset, will only be obtained if:

(i) the Company derives future assessable income of a nature and of an amount sufficient to enable the losses to be realised;

(ii) the Company continues to comply with the conditions for deductibility imposed by the law; and

(iii) no changes in tax legislation adversely affect the Company in realising the losses.

Note 5 Key Management Personnel Compensation

The totals of remuneration paid to KMP of the Company during the year are as follows:

	2024	2023
	$	$
Short-term employee benefits	622,000	586,000
Post-employment benefits	11,880	11,340
Share-based compensation	100,891	253,609
Total KMP compensation	734,771	850,949

Short-term employee benefits
These amounts include fees and benefits paid to the non-executive Directors as well as all salary, paid leave benefits and fringe benefits paid to Executive Directors and employees.

Post-employment benefits
These amounts are the current-year's superannuation contributions made during the year.

Share-based payments
These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes as measured by the fair value of the options, performance rights and shares granted on grant date.

Further information in relation to KMP remuneration can be found in the Remuneration Report and Note 19.

Note 6 Auditor's Remuneration

	2024	2023
	$	$
Remuneration of the auditor for:		
- Auditing or reviewing the financial report	37,497	40,550
Remuneration for non-audit services		
- Tax compliance services	9,850	6,500
	47,347	47,050

Notes to the financial statements for the year ended 30 June 2024

Note 7 Earnings per share

	2024	2023
	Cents	Cents
(a) Basic earnings per share		
Total basic earnings per share attributable to the ordinary equity holders of the Company	(1.2)	(2.0)
(b) Diluted earnings per share		
Total diluted earnings per share attributable to the ordinary equity holders of the Company	(1.2)	(2.0)

(c) Reconciliations of earnings used in calculating earnings per share

	2024	2023
	$	$
Basic earnings per share		
Profit / (loss) attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	(872,900)	(1,314,290)
Diluted earnings per share		
Profit / (loss) attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share	(872,900)	(1,314,290)

(d) Weighted average number of shares used as the denominator

	2024	2023
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	71,256,461	66,850,565

(e) Information concerning the classification of securities

Options

Options on issue during the year are not included in the calculation of diluted earnings per share because they are antidilutive for the year ended 30 June 2024. These options could potentially dilute basic earnings per share in the future. Details relating to options are set out in note 19.

Notes to the financial statements for the year ended 30 June 2024

Note 8 Cash and cash equivalents

	2024	2023
	$	$
Cash at bank and on hand	1,994,048	2,514,758
	1,994,048	2,514,758

Note 9 Other receivables

	2024	2023
	$	$
Prepayments	27,811	176,748
Other receivables	16,544	45,483
Total current other receivables	44,355	222,231

Note 10 Exploration and evaluation assets

	2024	2023
	$	$
Exploration and evaluation assets – at cost	16,453,400	13,603,701

The capitalised exploration and evaluation assets carried forward above have been determined as follows:

Balance at the beginning of the year	13,603,701	5,759,687
Expenditure incurred during the year	2,825,444	7,783,083
Rehabilitation asset	24,255	60,931
Balance at the end of the year	16,453,400	13,603,701

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2024, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this, the Directors have had regard to the facts and circumstances that indicate a need for an impairment as noted in Accounting Standard AASB *6 Exploration for and Evaluation of Mineral Resources.*

Notes to the financial statements for the year ended 30 June 2024

Note 11 Plant and equipment

	Plant and equipment $
Year ended 30 June 2023	
Opening net book amount	79,643
Additions	2,724
Disposals	-
Depreciation charge	(21,292)
Closing net book amount	61,075
At 30 June 2023	
Cost	91,707
Accumulated depreciation	(30,632)
Net book amount	61,075
Year ended 30 June 2024	
Opening net book amount	61,075
Additions	5,149
Disposals	-
Depreciation charge	(23,335)
Closing net book amount	42,889
At 30 June 2024	
Cost	96,856
Accumulated depreciation	(53,967)
Net book amount	42,889

Notes to the financial statements for the year ended 30 June 2024

Note 12 Other assets

	2024 $	2023 $
Security deposits	702,553	702,553
	702,553	702,553

Note 13 Trade and other payables

	2024 $	2023 $
Unsecured liabilities:		
Trade payables	320,775	481,853
Sundry payables and accrued expenses	33,535	72,818
	354,310	554,671

Note 14 Provisions

	2024 $	2023 $
Provision for rehabilitation	781,128	726,579
Reconciliation of carrying amount:		
Opening balance	726,579	641,208
Additions (refer to note 10)	24,255	60,931
Unwinding of discount (refer to note 3)	30,294	24,440
	781,128	726,579

Rehabilitation provision

The rehabilitation provision relates to the Alice River MLs (located in North Queensland). Pacgold Limited is liable to pay 100% of rehabilitation costs for the lease.

The liability associated with the provision has been present valued in accordance with the Company's accounting policy.

Notes to the financial statements for the year 30 June 2024

Note 15 Contributed equity

	30 June 2024 Shares	30 June 2023 Shares	30 June 2024 $	30 June 2023 $
(a) Share capital				
Fully paid ordinary shares	84,145,440	66,850,565	19,663,912	16,890,103

(b) Ordinary share capital

Date	Details	Note	Number of Shares	Issue Price	$
1 July 2022	Balance		66,850,565		16,890,103
30 June 2023	Balance		66,850,565		16,890,103
Aug 2023	Exercise of performance rights	(c)	150,000	-	-
Sept/Nov 2023	Placement shares	(d)	17,144,875	$0.19	3,257,526
	Share issue costs	(e)	-		(483,717)
			84,145,440		19,663,912

(c) Exercise of performance rights

During the half year period ended 31 December 2023, 150,000 ordinary shares were issued to non-KMP employees on the exercise of vested performance rights.

(d) Placement shares

During the financial year, 17,144,875 fully paid ordinary shares at $0.19 per share, with 8,572,459 free attaching options exercisable at $0.30 and expiring 30 September 2026, through a placement to institutional and sophisticated investors. 394,735 of these shares were issued to KMP (52,631 ordinary shares and 26,316 options to Cathy Moises, 105,263 ordinary shares and 52,632 options to Tony Schreck, 105,263 ordinary shares and 52,632 options to Michael Pitt and, 52,631 ordinary shares and 26,316 options to Shane Goodwin).

(e) Share issue costs

Share issue costs consists of cash costs of $221,279 and the fair value of options issued to the Lead Managers of the Company during the financial year, as set out below, being $259,200.

The options, 3,000,000 in total, were granted to the Lead Manager on 20 November 2023. The options are exercisable at $0.30 each and expire on 30 September 2026. The options have no voting or dividend rights and are not transferable.

The fair value of the services cannot be determined therefore the fair value has been calculated using a Black-Scholes option pricing model applying the inputs below. The fair value of these options at grant date was $259,200.

Number of options	3,000,000
Exercise price	$0.30
Grant date	20/11/2023
Expiry date	30/09/2026
Volatility	75%
Dividend yield	0%
Risk-free interest rate	4.134%
Weighted average fair value at grant date	$0.0864

(f) Capital Management

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

The capital structure of the Company includes equity attributable to equity holders, comprising issued capital, reserves and accumulated losses. In order to maintain or adjust the capital structure, the Company may issue new shares, sell assets to reduce debt or adjust the level of activities undertaken by the Company.

The Company monitors capital on the basis of cash flow requirements for operational, and exploration and evaluation expenditure. The Company will use capital market issues and joint venture participant funding contributions to satisfy anticipated funding requirements.

The Company has no externally imposed capital requirements.

Note 16 Reserves

	2024	2023
	$	$
Share-based payment reserve	2,588,850	2,211,020
Movements:		
Opening balance	2,211,020	1,655,650
Share based payments	377,830	555,370
Closing balance	2,588,850	2,211,020

The share-based payment reserve records items recognised as expenses on valuation of director, employee and contractor options (including non-KMP).

Note 17 Operating segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating Decision Makers) in assessing performance and determining the allocation of resources. The Company is managed primarily on an operational basis. Operating segments are determined on the basis of financial information reported to the Board.

Management currently identifies the Company as having only one operating segment, being Gold Exploration in Australia. All significant operating decisions are based upon analysis of the Company as one segment. The financial results from the segment are equivalent to the financial statements of the Company as a whole.

Note 18 Cash flow information

(a) Reconciliation of profit / (loss) after income tax to net cash inflow from operating activities

	2024	2023
	$	$
Profit / (loss) for the year	(872,900)	(1,314,290)
Borrowing costs	30,294	24,440
Depreciation	23,336	21,292
Share based payments	118,630	555,370
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	14,246	28,639
Increase in trade creditors and other payables	17,964	(79,569)
Net cash inflow (outflow) from operating activities	(668,430)	(764,118)

Notes to the financial statements for the year ended 30 June 2024

Note 18 Cash flow information (continued)

(b) Non-cash financing and investing activities

There were no non-cash financing and investing activities during FY 2024.

(c) **Changes in liabilities arising from financing activities**

The Company does not have any debt on its balance sheet and therefore no net debt reconciliation has been provided.

Note 19 Share-based payments

Options

A summary of movements of all options issued is as follows:

	Number	Weighted Average Exercise Price
Options outstanding as at 1 July 2023	**5,540,000**	**$0.37**
Granted	3,900,000	$0.75
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2023	**11,440,000**	**$0.60**
Options exercisable as at 30 June 2023	**9,490,000**	**$0.57**
Granted	11,572,459	$0.30
Exercised	-	-
Expired	(1,440,000)	$0.31
Options outstanding as at 30 June 2024	**21,572,459**	**$0.46**
Options exercisable as at 30 June 2024	**21,572,459**	**$0.46**

The weighted average remaining contractual life of options outstanding at year end was 1.8 years.

Refer to note 15 for details regarding options granted in the current year.

3,900,000 options issued during the prior year. 2,650,000 of these were issued to KMP (1,200,000 to Tony Schreck, 600,000 to Shane Goodwin, 300,000 to each of Cathy Moises and Michael Pitt, and 250,000 to Suzanne Yeates). The remaining 1,250,000 were issued to non-KMP employees and contractors. All options are exercisable at $0.75 each and expire on 30 April 2025. 50% of the options vested on 30 April 2023, with the remaining 50% vesting on 30 April 2024.

Note 19 Share-based payments (continued)

Performance Rights

A summary of movements of all performance rights issued is as follows:

	Number on issue	Number Vested
Performance rights outstanding as at 1 July 2023	**150,000**	**-**
Granted	-	-
Vested	-	150,000
Exercised	(150,000)	(150,000)
Performance rights outstanding as at 30 June 2024	**-**	**-**

150,000 performance rights were granted to non-KMP employees vested and were exercised during the financial year.

Note 20 Events after the reporting date

Since the end of the financial year Tony Schreck has resigned as Managing Director & CEO, and Matthew Boyes has been appointed as Managing Director & CEO. Mr Boyes remuneration consists of a base salary of $325,000 (excluding superannuation), a short term incentive of 500,000 performance rights vesting on the achievement of service and performance hurdles, and equity based compensation of 4,000,000 performance rights vesting on the achievement of performance hurdles.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Notes to the financial statements for the year ended 30 June 2024

Note 21 Related party transactions
Related Parties

The company's main related parties are as follows:

a. **Ultimate parent entity**

The company does not have an ultimate parent entity.

b. **Key management personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 5.

c. **Other related parties**

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

d. **Transactions with related parties**

During the prior year 2,400,000 options were issued to Directors (300,000 options to each of Cathy Moises and Michael Pitt; 600,000 options to Shane Goodwin; and 1,200,000 options to Tony Schreck). All options are exercisable at $0.75 each and expire on 30 April 2025. 50% of the options vested on 30 April 2023, with the remaining 50% vested on 30 April 2024.

Note 22 Contingent liabilities

(i) Deferred consideration

The Company entered into a Sale and Purchase Agreement with Tinpitch Pty Ltd ("SPA") to acquire the Alice River Gold Tenements. Under the SPA the following milestone payments are payable as follows:

Milestone payments		Milestone conditions
Milestone 1 Payment	$300,000	Definition of a JORC code compliance resource category of indicated or better of 500,000 troy ounces or more of gold or 500,000 troy ounces or more of gold is mined from within the tenements.
Milestone 2 Payment	$750,000	Definition of a JORC code compliance resource category of indicated or better of 750,000 troy ounces or more of gold or 750,000 troy ounces or more of gold is mined from within the tenements.
Milestone 3 Payment	$1,200,000	Definition of a JORC code compliance resource category of indicated or better of 1,000,000 troy ounces or more of gold or 1,000,000 troy ounces or more of gold is mined from within the tenements.
Total	**$2,250,000**	

As the milestone conditions are not probable of being met as at the reporting date, the deferred consideration has not been brought to account.

(ii) Royalty Deed

The Company entered into a royalty deed (Royalty Deed) with RoyaltyOne Pty Ltd (RoyaltyOne) dated 20 November 2019 pursuant to which the Company agreed to pay a royalty to RoyaltyOne equal to 2% of the net smelter return for each quarter on and from the date of the deed in consideration for RoyaltyOne entering into a deed poll in which RoyaltyOne guaranteed the payment obligations of the Company to Tinpitch Pty Ltd in relation to the acquisition of the Alice River Project.

Mr Patrick Walta, a related party and promoter of the Company, is the sole director of RoyaltyOne.

Notes to the financial statements for the year ended 30 June 2024

Note 23 Commitments

Exploration commitments

So as to maintain current rights to tenure of various exploration tenements, the Company will be required to outlay amounts in respect of tenement exploration expenditure commitments. These outlays, which arise in relation to granted tenements are noted above. The outlays may be varied from time to time, subject to approval of the relevant government departments, and may be relieved if a tenement is relinquished.

As at 30 June 2024 the company had the following minimum expenditure commitments on its tenements.

	Consolidated	
	2024	2023
	$	$
Exploration commitments:		
Within one year	290,000	-
Between 1-5 years	730,000	-
	1,020,000	-

Contractual commitments

As at 30 June 2024 the company had no expenditure contracted for at the end of the reporting period that was not recognised as liabilities.

Note 24 Financial risk management

The Company's financial instruments consist mainly of deposits with banks, security deposits and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial instruments* as detailed in the accounting policies to these financial statements, are as follows:

	2024	2023
	$	$
Financial assets		
Cash and cash equivalents	1,994,048	2,514,758
Trade and other receivables	44,355	222,231
Other assets – security deposits	702,553	702,553
Total financial assets	2,740,956	3,439,542
Financial liabilities		
Trade and other payables	354,310	554,671
Total financial liabilities	354,310	554,671

The Board has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

Note 24 Financial risk management (continued)

Credit risk

Credit risk is managed on a Company basis. Credit risk arises primarily from cash and cash equivalents and deposits with banks and financial institutions. For bank and financial institutions, only independently rated parties with a minimum rating of 'AA' are accepted. The Company currently banks with Westpac Banking Corporation.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet obligations when due.

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows. No finance facilities were available to the Company at the end of the reporting period.

All financial assets and financial liabilities mature within one year, with the exception of security deposits.

Market risk

Market risk is the risk that the change in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

The Company is not exposed to market risks other than interest rate risk.

Cash flow and fair value interest rate risk

As the Company has interest-bearing cash assets, the Company's income and operating cash flows are exposed to changes in market interest rates. The Company manages its exposure to changes in interest rates by using fixed term deposits.

At 30 June 2024, if interest rates had changed by -/+ 100 basis points from the year-end rates with all other variables held constant, post-tax profit / (loss) for the year would have been $19,940 (2023: $25,148) lower/higher, as a result of higher/lower interest income from cash and cash equivalents (based on the year end cash balance which is not representative of the position throughout the year).

Fair Value

The carrying value of all financial assets and financial liabilities approximate their fair value, due to their short-term nature.

Consolidated Entity Disclosure Statement

Pacgold Limited has no controlled entities and, therefore, is not required by the Australian Accounting Standards to prepare consolidated financial statements. As a result, section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

Directors' declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 33 to 62 are in accordance with the *Corporations Act 2001,* including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date, and

(iii) the consolidated entity disclosure statement is true and correct, and

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

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Executive Chairman and Chief Financial Officer required by section 295A of the *Corporations Act 2001.*

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

C Moises
Chair
Brisbane, 25 September 2024

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INDEPENDENT AUDITOR'S REPORT

To the members of Pacgold Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Pacgold Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

(i) Giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

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

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore the company may be unable to realise its assets and discharge its liabilities in the normal course of business. 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. 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.

Carrying Value of Exploration and Evaluation Expenditure

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 1(f) and 10 of the financial report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Company. Refer to Note 1(f) of the financial report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources* ("AASB 6"), the recoverability of exploration and evaluation expenditure requires significant judgement by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the exploration and evaluation expenditure held by Pacgold and assessing whether the rights to tenure of the Alice River Gold Project remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Company's exploration budgets, ASX announcements and directors' minutes; • Considering whether any areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; and • Assessing the adequacy of the related disclosures in Note 1(f) and 10 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information contained in the Company's annual report for the year ended 30 June 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 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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 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:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the company 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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 21 to 28 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Pacgold Limited, for the year ended 30 June 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.

BDO Audit Pty Ltd

BDO

J Prue

Jarrad Prue

Director

Perth, 25 September 2024

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 5 September 2024.

A Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Class of equity security	
	Ordinary shares	Options
1 - 1,000	76	1
1,001 – 5,000	236	-
5,001 – 10,000	146	4
10,001 – 100,000	435	80
100,001 and over	124	18
	1,017	103

There were 345 holders of less than a marketable parcel of ordinary shares.

B Equity security holders

Twenty largest quoted ordinary shares security holders

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

Name	Ordinary shares	
	Number held	% of issued shares
Citicorp Nominees Pty Limited	9,682,659	11.51
Equity Trustees Limited <Lowell Resources Fund A/C>	5,228,667	6.21
Certane CT Pty Ltd <Argonaut Global Gold FD A/C>	3,237,457	3.85
JP Morgan Nominees Australia Pty Limited	2,464,805	2.93
Mr Michael Robert Pitt and Mrs Rachel Elizabeth Pitt <RGR Family Superfund A/C>	2,018,755	2.40
Curious Commodities Pty Ltd <Curious Commodities Trad A/C>	1,920,326	2.28
John Carr	1,469,375	1.75
Mr Richard Keith Hacker + Mrs Susan Corlette Hacker	1,423,380	1.69
Cleland Projects Pty Ltd <CT A/C>	1,375,688	1.63
Shane Goodwin	1,352,631	1.61
Kingslane Pty Ltd <Cranston Super Fund A/C>	1,300,000	1.54
Kufara Endeavours Pty Ltd <Harris Family A/C>	1,300,000	1.54
HSBC Custody Nominees (Australia) Limited	1,261,711	1.50
Mr Patrick Christopher Andrew Walta <FJB & Associates A/C>	1,216,442	1.45
Kirsten Louise Bailey + Matthew Russell Bailey <Bailey Super Fund A/C>	1,160,836	1.38
DXB Holdings Pty Ltd	1,093,599	1.30
Justin Walta	1,080,000	1.28
Penstock Advisory Pty Ltd	1,000,000	1.19
Super Spinifex Pty Ltd <The Steve White S/Fund A/C>	883,334	1.05
Anthony William Schreck	860,000	1.02
Top 20 Holders of Ordinary fully paid shares	**41,329,665**	**49.12**

Twenty largest quoted options security holders

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

Name	Options	
	Number held	% of issued options
Argonaut Investments Pty Ltd	2,312,500	19.98
Curious Commodities Pty Ltd <Curious Commodities Trad A/C>	921,053	7.96
Certane CT Pty Ltd <Argonaut Global Gold FD A/C>	657,895	5.69
Equity Trustees Limited <Lowell Resources Fund A/C>	526,316	4.55
Zenix Nominees Pty Ltd	500,000	4.32
Certane CT Pty Ltd <BC2>	395,551	3.42
UBS Nominees Pty Ltd	382,074	3.30
Yarraandoo Pty Ltd <Yarraandoo Super Fund A/C>	368,421	3.18
Replay Holdings Pty Ltd <Sunset Superannuation A/C>	328,948	2.84
Mr Christopher William Chalwell + Mr Ian Wayne Wilson <Chalwell Pension Fund A/C>	328,947	2.84
Citicorp Nominees Pty Limited	295,696	2.56
HSBC Custody Nominees (Australia) Limited	280,803	2.43
Argonaut Partners Pty Limited	263,158	2.27
J P Morgan Nominees Australia Pty Limited	225,638	1.95
Tegar Pty Ltd <Healy Family A/C>	187,500	1.62
Jetosea Pty Ltd	135,000	1.17
Perth Select Seafoods Pty Ltd	105,263	0.91
Mr John Campbell Smyth + Dr Ann Hogarth <Smyth Super Fund A/C>	105,263	0.91
Scythe Investments Pty Ltd <Hacker Family No2 A/C>	100,000	0.86
Niharu Pty Ltd	98,684	0.85
Top 20 Holders of Options over ordinary shares	**8,518,710**	**73.61**

Unquoted equity securities

	Number on issue	**Number of holders**
Share options	10,000,000	12

Holders of more than 20% of unquoted options on issue.

	Number held	**% of total on issue**
Tony Schreck	2,100,000	21.00%

C Substantial holders

Substantial holders in the company are set out below:

	Number held	**Percentage**
Equity Trustees Limited <Lowell Resources Fund A/C>	5,228,667	6.21%

D Voting rights

The voting rights attaching to each class of equity securities are set out below:

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

(b) Share options: No voting rights

END OF SHAREHOLDER INFORMATION

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