

ALCAM GOLD PTY LTD

ACN 617 614 598

SPECIAL PURPOSE FINANCIAL REPORT

FROM 24 FEBRUARY 2017 TO 30 APRIL 2017

ALCAM GOLD PTY LTD
Suite 8, 7 The Esplanade
Mount Pleasant

DIRECTORS' REPORT

The Directors present their report together with the financial report of Alcam Gold Pty Ltd, formerly Alcam Gold Pty Ltd ("**Company**" or "**Alcam Gold**") for the interim period from 24 February 2017 (the date of the Company's registration) to 30 April 2017 (Period) and the auditor's report thereon.

DIRECTORS

The names of Directors in office at any time during or since the end of the Period are:

Mr Roderick Webster	Non Executive Chairman – appointed 24 April 2017
Mr Allan Kelly	Managing Director – appointed 24 February 2017
Mr Jeffrey Foster	Non Executive Director – appointed 24 April 2017

COMPANY SECRETARY

Mr Kevin Hart

PRINCIPAL ACTIVITIES

The principal activity of the Company during the course of the Period was the undertaking of operations in preparation for a proposed application for listing on the ASX.

OPERATING RESULTS

The net loss of the Company for the Period after income tax was \$34,511.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the directors there are no significant changes in the state of affairs of the Company that occurred during the Period other than the following:

- During the Period the Company entered into an Implementation Agreement with Afranex Gold Limited (Afranex) and Cambodia Gold Pty Ltd (Cambodia Gold). Pursuant to the terms of the Implementation Agreement the Company will seek to acquire the assets of Afranex and Cambodia Gold and apply for quotation on the Australian Securities Exchange (ASX).

The Company incurred costs of \$166,478 (US\$120,000) on behalf of Afranex by providing payment to exercise the option for Afranex to acquire certain exploration permits in Alaska.

- During the Period the Company resolved, and made an application with the Australian Securities and Investments Commission (ASIC) to convert from a proprietary company limited by shares to a public company limited by shares, to enable it to pursue the proposed quotation on ASX. In addition the Company made an application with ASIC to change its name from Alcam Gold Pty Ltd to Riversgold Limited.
- During the Period the Company received a total of \$425,000 in subscriptions and loans in respect of seed capital raising. The shares have not been issued as at 30 April 2017.
- During the Period the Company resolved to issue a total of 3,000,000 options to directors of the Company, exercisable at 20 cents each and expiring 5 years from the date of issue, and subject to a vesting period of 24 months from the date of quotation of the Company's shares (Options). In addition the Company resolved to issue 87,500 and 50,000 ordinary fully paid shares (Shares) to Mr Rod Webster and Mr Jeff Foster respectively in lieu of payment of director fees until admission to the Official List of the ASX. None of the Options or Shares had been issued to directors of the Company as at 30 April 2017.

DIRECTORS' REPORT

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Other than the following, there has not arisen in the interval between the end of the Period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years:

- On 15 May 2017 the Company issued 5,000,000 ordinary fully paid shares at 5 cents per share to seed investors of the Company;
- On 15 May 2017 the Company completed the issue of 137,500 ordinary fully paid shares and 3,000,000 options exercisable at 20 cents each and expiring after 5 years to directors of the Company.

LIKELY DEVELOPMENTS

The Company intends to pursue admission to the Official List of the ASX and the acquisition of the Afranex and Cambodia Gold exploration assets. In addition, pursuant to the Implementation Agreement the Company intends to acquire certain other exploration assets in Australia.

Subsequent to the proposed quotation on ASX the Company intends to undertake exploration and feasibility activities on its exploration assets.

DIVIDENDS PAID OR RECOMMENDED

No amount has been paid or declared by way of dividend by the Company during the period. The Directors do not recommend the payment of a dividend.

DIRECTORS' BENEFITS

During the period, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors) because of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is member, or with a company in which the Director has a substantial interest.

DIRECTORS' REPORT

INFORMATION ON DIRECTORS AND OFFICERS

Roderick Webster - FAusIMM FAICD
(Non Executive Chairman)

Rod Webster is a mining engineer with over 40 years of experience in the resources industry including more than 20 years in managing director or CEO positions.

He is currently Chairman of Pembridge Resources Plc (AIM) and a director of CORO Mining Corp (CSX) and Weatherly International Plc (AIM). From 2005 to 2015 Rod was founding director and CEO of Weatherly which at various stages operated four copper mines and a smelter in Namibia. Between 2001 and 2005 he was a senior executive with First Quantum Minerals, developing copper mines in Zambia and Mauritania. Prior to this he was a founding director and CEO of Western Metals and also held management positions with Homestake Gold (1988-1993) and BHP Minerals (1980-1988).

He is a fellow of both the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors and has previously served on the executive committee of the International Zinc Association

Allan Kelly - BSc(Hons), Grad Cert Bus, FAAG MAIG
(Managing Director)

Allan Kelly is a geologist with over 25 years' experience in mineral exploration, project development and gold production throughout Australia and the Americas.

In 2009, Allan founded Doray Minerals Ltd (ASX), which was the most successful IPO of 2010 following the discovery of the high-grade Wilber Lode gold deposit in the Murchison Region of Western Australia.

Under Allan's management, Doray moved from discovery to production at Andy Well within 3.5 years and then funded-permitted, constructed and commissioned the Deflector Gold-Copper Project within 14 months of completing the takeover of Mutiny Gold Ltd in 2014.

In 2014, Allan was awarded the AMEC "Prospector Award", along with co-founder Heath Hellewell, for the discovery of the Wilber Lode and Andy Well deposits.

Allan is a Fellow and Former Councillor of the Association of Applied Geochemistry (AAG), a Member of the Australian Institute of Geoscientists (AIG) and a Non-Executive Director of Alloy Resources Ltd (ASX).

Allan also has management experience in the tourism, hospitality and brewing industry and is a Member of the Institute of Brewing and Distilling (IBD).

Jeffrey Foster - MAusIMM
(Non Executive Director)

Jeff is a geologist with over thirty years' international experience in mineral exploration and project development.

He has a track record of innovation and delivery in both industry and academe having been an Associate Professor at CODES, the ARC Centre of Excellence in Ore Deposit Studies at the University of Tasmania, and a founding Director and Executive Director with the multi – award winning Sirius Resources, a highly successful ASX200 listed company.

At Sirius he worked with teams to substantially de-risk the Nova-Bollinger project, develop corporate opportunities and raise capital resulting in industry leading total shareholder returns.

Since graduating with a Masters Degree in Mining and Mineral Exploration, from Leicester University, Jeff has more than 30 years of industry experience with S2 Resources, Sirius Resources NL, GeoDiscovery, BHP - New Business Development, Western Mining Corporation - Exploration Division and Kambalda Nickel Operations.

This experience base encompasses exploration, discovery, development, opportunity recognition, financial evaluation and research in many parts of the world including; Canada, USA, Brazil, Chile, UK, Norway, Finland, Sweden, China, India, Russia, South Africa, Namibia, Botswana and Australia.

Jeff is an Adjunct Professor at the University of Tasmania, a Member of the Australasian Institute of Mining and Metallurgy.

DIRECTORS' REPORT

INFORMATION ON DIRECTORS AND OFFICERS (CONTINUED)

Kevin Hart – B.Com, FCA
(Secretary)

Kevin Hart has over 25 years experience in accounting and the management and administration of public listed entities in the mining and exploration industry including 7 years experience within the audit division of an international accounting firm in both Perth and San Francisco.

Kevin holds a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants.

Directors' Interests

The relevant interests of Directors either directly or through entities controlled by the Directors in the share capital of the Company as at the date of this report are:

Ordinary Shares

Director	Opening Balance	Net Change	Closing Balance
Rod Webster	-	1,200,000	1,200,000
Allan Kelly	-	2,000,010	2,000,010
Jeff Foster	-	1,550,000	1,550,000

Loans to Directors and Executives

There were no loans entered into with Directors or executives during the period under review. Related party transactions with Directors and executives are set out in Note 14 to the financial report.

MEETINGS OF DIRECTORS

During the period, no formal meetings of directors were held.

INDEMNIFYING OFFICERS OR AUDITORS

The Company has not, during or since the financial period, in respect of any person who is or has been an officer or the auditor of the Company or of a related body corporate:

- indemnified or made any relative agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer or auditor for the costs or expenses to defend legal proceedings.

PROCEEDINGS ON BEHALF OF COMPANY

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

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

DIRECTORS' REPORT

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Signed in accordance with a resolution of the Directors:



A Kelly
Managing Director
Perth, WA
Dated this 29th day of May 2017

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Alcam Gold Pty Ltd for the period ended 30 April 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
29 May 2017



D I Buckley
Partner

ALCAM GOLD PTY LTD
ACN 617 614 598

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

	Note	Period from 24 February 2017 to 30 April 2017 \$
<hr/>		
Expenses		
Directors retainers and fees		14,875
Occupancy		2,885
Administration and other expenses		<u>16,751</u>
Total expenses		<u>34,511</u>
Loss before income tax		34,511
Income tax expense	2	<u>-</u>
Net loss for the period after income tax		34,511
Other comprehensive income		<u>-</u>
Total comprehensive loss for the period		<u><u>34,511</u></u>

The accompanying notes form part of this financial statement.

ALCAM GOLD PTY LTD
ACN 617 614 598

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2017

	Note	30 April 2017 \$
Current assets		
Cash and cash equivalents	3	198,822
Trade and other receivables	4	96,714
Total current assets		295,536
Non-current assets		
Loans receivable	5	166,478
Total non-current assets		166,478
Total assets		462,014
Current liabilities		
Trade and other payables	6	71,515
Loans repayable	7	235,000
Unissued share funds	7	190,000
Total current liabilities		496,515
Total liabilities		496,515
Net Liabilities		(34,501)
Equity		
Issued capital	8	10
Accumulated losses	9	(34,511)
Total Equity		(34,501)

The accompanying notes form part of this financial statement.

ALCAM GOLD PTY LTD
ACN 617 614 598

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

	Issued capital	Accumulated losses	Total
	\$	\$	\$
At 24 February 2017	-	-	-
Comprehensive loss for the period	-	(34,511)	(34,511)
Transactions with owners:			
Shares issued	10	-	10
Capital raising costs	-	-	-
At 30 April 2017	10	(34,511)	(34,501)

The accompanying notes form part of this financial statement.

ALCAM GOLD PTY LTD
ACN 617 614 598

STATEMENT OF CHANGES IN CASHFLOWS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

	Note	Period from 24 February 2017 to 30 April 2017 \$
Cash flows from operating activities		
Payments to suppliers and employees		(13,851)
Net cash flows used in operating activities	10	(13,851)
Cash flows from investing activities		
Loans to related entities		(166,478)
Net cash flows used in investing activities		(166,478)
Cash flows from financing activities		
Proceeds received for shares not yet issued		190,010
Proceeds from loans		235,000
Payments for share issue and initial public offer costs		(45,859)
Net cash flows from financing activities		379,151
Net increase in cash assets		198,822
Cash at the beginning of the period	3	-
Cash at the end of the period	3	198,822

The accompanying notes form part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

1. Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the directors. The directors have determined that the Company is not a reporting entity, as there are no users dependent on general purpose financial statements.

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards – AIFRS) applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Compliance with AIFRS ensures that the financial report complies with International Financial Reporting Standards.

The financial report is presented in Australian dollars.

The financial report of the Company was authorised for issue in accordance with a resolution of Directors on 29th May 2017.

Following is a summary of material accounting policies adopted by the company in the preparation of the financial report. The policies have been consistently applied, unless otherwise stated.

(a) Income tax

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

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

Deferred income tax liabilities are recognised for all taxable temporary differences except:

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

1. Statement of Significant Accounting Policies (Continued)

(a) Income tax (continued)

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

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(b) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recoverable from or payable to the ATO are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

1. Statement of Significant Accounting Policies (Continued)

(c) Impairment of tangible and intangible assets other than goodwill

The company assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimate used to determine the assets recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in previous years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such reversal the depreciation charge is adjusted in future periods to allocate the assets revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(d) Impairment of financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

1. Statement of Significant Accounting Policies (Continued)

(e) Exploration and evaluation expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:

- (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

- (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(f) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefit will flow to the Company. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

i. Sale of goods

Revenue from sale of goods is recognised when the risks and rewards of the ownership of goods are transferred to the customer. This occurs upon delivery of the goods.

ii. Services

Revenue from a contract to provide services is recognised as and when the service is provided. Amounts billed in advance are recorded as a current liability until such time as the service is performed.

All revenue is stated net of the amount of goods and services tax.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

1. Statement of Significant Accounting Policies (Continued)

(g) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(h) Trade and other receivables

Trade receivables, which generally have 30–90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

(i) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Company prior to the end of the financial period that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

(j) Issued capital

Ordinary shares are classified as equity. 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.

(k) Critical accounting estimates and judgements

The preparation of financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Accounting for capitalised mineral exploration and evaluation expenditure

The Company's accounting policy is stated at 1(e). A regular review is undertaken of each area of interest to determine the reasonableness of the continuing carrying forward of costs in relation to that area of interest.

ALCAM GOLD PTY LTD
ACN 617 614 598

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

Period from
24 February 2017
to 30 April 2017
\$

2. Income Tax

Loss from ordinary activities before income tax	<u>(34,511)</u>
Prima facie income tax at 30% on the loss from ordinary activities	(10,353)
Income tax benefit not brought to account	<u>10,353</u>
Income tax benefit attributable to operating loss	<u>-</u>

30 April 2017
\$

3. Cash and cash equivalents

Cash at bank	<u>198,822</u>
--------------	----------------

4. Trade and other receivables

Prepaid IPO expenses	95,807
GST refundable	<u>907</u>
	<u>96,714</u>

5. Loans receivable

In March 2017 the Company advanced US\$120,000 (A\$166,478) to Afranex Gold Limited in relation to the Implementation Agreement between the Company, Afranex Gold Limited and Cambodia Gold Pty Ltd. The loan is non-interest bearing and repayable at call. The directors do not intend to call for repayment within the next 12 months.

6. Trade and other payables

Sundry payables	60
Accrued directors' fees ¹	6,875
Accrued expenses	<u>64,580</u>
	<u>71,515</u>

¹ Fees accrued in respect of services provided by non-executive directors for the period up to the proposed listing on the ASX. The liability was settled by the issue of 137,500 ordinary fully paid shares at 5 cents per share on 15 May 2017.

ALCAM GOLD PTY LTD
ACN 617 614 598

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

7. Unissued share funds and loans in lieu of share issues

During the period the Company received \$190,000 in respect of seed capital raising from unrelated entities.

As at 30 April 2017 the seed raising shares had not been issued and as such the funds received as at that date have been classified as liabilities.

In addition the Company received loans advanced by the directors of the Company amounting to \$235,000. The amounts advanced are non-interest bearing and repayable on call, and are convertible into seed shares at 5 cents per share at the discretion of the Company.

The \$235,000 in convertible loans advanced by the directors of the Company was converted into shares at 5 cents per share on 15 May 2017.

8. Issued capital

Ordinary shares

- a) The company is a proprietary limited company. The company is incorporated in Australia on 24 February 2017.

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

	No.	\$
b) Issued share capital	10	10
<hr/>		
c) Movement in shares and issued capital:		
Balance at the beginning of the period (on incorporation)	10	10
Shares issued during the period	-	-
Balance at the end of the period	10	10
	<hr/>	<hr/>

ALCAM GOLD PTY LTD
ACN 617 614 598

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

	Period from 24 February 2017 to 30 April 2017 \$
9. Accumulated losses	
Accumulated losses at the beginning of the period	-
Net loss for the period	(34,511)
Accumulated losses at the end of the period	<u>(34,511)</u>
10. Net cash outflow from operating activities	
<i>Reconciliation of loss after income tax to net cash outflow from operating activities</i>	
Loss after income tax	(34,511)
<u>Changes in operating assets and liabilities:</u>	
Decrease in receivables	(50,855)
Increase in payables	71,515
Net cash used in operating activities	<u>(13,851)</u>

12. Segment Reporting

The Company has adopted AASB 8 Operating Segments which requires operating segments to be identified on the basis of internal reports about components of the Company that are reviewed by the chief operating decision maker, being the Board of Alcam Gold Pty Ltd, in order to allocate resources to the segment and assess its performance.

The Board of Alcam Gold Pty Ltd reviews internal reports prepared as financial statements and strategic decisions of the Company are determined upon analysis of these internal reports.

During the period the Company operated predominantly in one business and one geographical segment being in pre-initial public offer operations in Australia. Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

13. Commitments and contingencies

Upon successful completion of the Implementation Agreement and admission to the Official List of the ASX, the Company will acquire Afranex Gold Limited and Cambodia Gold Pty Ltd which have respective liabilities to creditors of A\$286,667 and US\$170,000.

There were no other commitments or contingencies as at 30 April 2017.

14. Related party transactions

Transactions with related parties

During the Period the Company entered into an Implementation Agreement with Afranex Gold Limited (Afranex), an entity of which Mr Allan Kelly is also a director.

The Company incurred costs of \$166,478 (US\$120,000) on behalf of Afranex by providing payment to exercise the option for Afranex to acquire certain exploration permits in Alaska.

Directors – equity based transactions

During the Period the Company resolved to issue a total of 3,000,000 options to directors of the Company, exercisable at 20 cents each and expiring 5 years from the date of issue, and subject to a vesting period of 24 months from the date of quotation of the Company's shares (Options), as follows:

Director	Number of Options
Rod Webster	1,000,000
Allan Kelly	1,000,000
Jeff Foster	1,000,000

In addition the Company resolved to issue 87,500 and 50,000 ordinary fully paid shares (Shares) to Mr Rod Webster and Mr Jeff Foster respectively in lieu of payment of director fees until admission to the Official List of the ASX.

The Options or Shares referred to above were issued to directors of the Company as at 15 May 2017.

Loans from directors

During the period directors advanced loans to the Company to fund pre IPO expenditure, as follows:

Director	Loans advanced
Rod Webster	\$60,000
Allan Kelly	\$100,000
Jeff Foster	\$75,000

The amounts advanced are non-interest bearing and repayable on call, and are convertible into seed shares at 5 cents per share at the discretion of the Company.

The \$235,000 in convertible loans advanced by the directors of the Company was converted into shares at 5 cents per share on 15 May 2017.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 24 FEBRUARY 2017 TO 30 APRIL 2017

15. Events subsequent to the end of the Period

Other than the following, there has not arisen in the interval between the end of the Period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years:

- On 15 May 2017 the Company issued 5,000,000 ordinary fully paid shares at 5 cents per share to seed investors of the Company;
- On 15 May 2017 the Company completed the issue of 137,500 ordinary fully paid shares and 3,000,000 options exercisable at 20 cents each and expiring after 5 years to directors of the Company.

**ALCAM GOLD PTY LTD
ACN 617 614 598**

DIRECTORS' DECLARATION

As detailed in Note 1 to the financial report, the Company is not a reporting entity because in the Directors' opinion there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs.

The financial report is therefore a "Special Purpose Financial Report" that has been prepared solely to meet the Corporations Act 2001 requirements to prepare financial reports.

In the opinion of the directors of Alcam Gold Pty Ltd (the "Company"):

- a. The financial statements, notes and the additional disclosures present fairly the Company's financial position as at 30 April 2017 and its performance for the period from 24 February 2017 to 30 April 2017 in accordance with the accounting policies described in Note 1 to the financial statements; 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.

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



A Kelly
Managing Director

Perth, WA
Dated this 29th day of May 2017

INDEPENDENT AUDITOR'S REPORT

To the members of Alcam Gold Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Alcam Gold Pty Ltd ("the Company") which comprises the statement of financial position as at 30 April 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- a) giving a true and fair view of the Company's financial position as at 30 April 2017 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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.

Emphasis of matter – basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director's financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the period ended 30 April 2017, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the 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 have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



HLB Mann Judd
Chartered Accountants



D I Buckley
Partner

Perth, Western Australia
29 May 2017