



**ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**



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Corporate Directory

Directors

Simon Andrew (Non-executive Chairman)
Xavier Braud (Executive Director)
Simon Bolster (Non-executive Director)

Company Secretary

Amanda Burgess

Principal Office

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Cottesloe, Western Australia 6011
Telephone (08) 6500 7375
Web www.riversgold.com.au

Registered Office

33 Yilgarn Street
Shenton Park, Western Australia, 6008

Auditor

HLB Mann Judd
Level 4, 130 Stirling Street
Perth, Western Australia, 6000

Share Registry

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth, Western Australia 6000
Telephone (08) 9323 2000

Securities Exchange Listing

ASX Limited.
Exchange Plaza
2 The Esplanade
Perth, Western Australia, 6000

ASX Code: RGL.



Directors' Report

The Directors present their report on Riversgold Limited (the Company) and the entities it controlled (the Group) for the year ended 30 June 2020.

Directors

The names of Directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Simon Andrew - B Science (Chemistry) Hons
Non-executive Chairman – Appointed 28 August 2019

Mr Andrew has over 20 years' experience in financial markets in Asia and Australia. Previously he has held senior management positions at various global investment banks. These roles included leading the equity sales desk for BNP Paribas for the ASEAN region and heading the Refining and Petrochemicals sector research team at Deutsche Bank in Asia. Mr Andrew was a founding director of Emmerson Resources (ASX:ERM).

He was responsible for securing the financing for the purchase of the Tennant Creek assets for Emmerson and arranging the IPO in 2007.

Other Directorships: Lotus Resources Limited (from 1 January 2019 – 26 June 2020)

Xavier Braud MSc, B Science (Hons) MAIG
Executive Director – Appointed 10 June 2020

Mr Braud is an experienced Geologist and mining analyst with over 15 years' experience in a broad range of deposits and commodities. His geological experience spans the whole spectrum of geology from greenfield exploration to resource definition and extension.

For the past three years Mr Braud has been a Resources/Mining Analyst at Patersons Securities Limited and Canaccord Genuity covering small and micro-caps ASX listed resources companies. This role involved researching companies at both technical and financial level.

Other Directorships: nil

Simon Bolster B Science (Geography with Geology 1st Class) Hons
Non-Executive Director – Appointed 24 June 2020

Mr Simon Bolster is a former Senior Manager at Newmont in charge of regolith geochemistry and remote sensing globally. Former Head of Exploration for Gryphon Minerals. More recently, Mr Bolster designed and managed greenfields exploration across West Africa, leading to multi-million-ounce gold discoveries on the Hounde and Loumana greenstone belt in Burkina Faso by Gryphon/Teranga Gold Corp. He is highly experienced in designing and managing geochemical programs in tropical and deeply weathered terrains.

Mr Bolster is regarded as one of the pre-eminent experts in applied regolith exploration geochemistry and has extensive experience exploring for gold in the Eastern Goldfields of WA working for Placer Dome and Normandy Exploration in the 1990-2000s. He was responsible for managing the geotechnical team in support of the drill out and feasibility studies at the 1Moz Mount Monger gold discovery (now a mine operated by Silverlake) adjacent to Riversgold's tenements.

Other Directorships: nil

Directors' Report

Justin Boylson

Executive Director – Appointed 28 August 2019- Resigned 28 August 2020

Mr Boylson is an experienced commodity trader and resource project manager with over 25 years' experience. He has an extensive resource and commodity-based knowledge of Australia, South East and North Asia and their markets. Mr Boylson commenced his career in the international trade and commodity markets after time in the Australian Army. He worked for Brickworks Limited in various senior managerial positions including Regional Export Manager, Project Manager (WA) and Regional Director (Middle East). Mr Boylson joined Sinosteel Australia Pty Ltd in 2006 where he was responsible for the day to day running of the trade desk. In 2008 he joined Tennant Metals as its Western Australia and Bulk Commodity General Manager. Mr Boylson was responsible for several high profile off-take transactions and was also involved in the start-up of several mining and recovery projects in Australia, the USA and Asia. Mr Boylson joined ResCap Investments as a Director in 2014 and remains a Director of Manuka Resources and Mt Boppy Resources.

Other Directorships: Manuka Resources Ltd (from 31 January 2019-17 March 2020)

Michael Davy – Bcom (Acc)

Non-executive Director – Appointed 28 August 2019- Resigned 10 June 2020

Mr Davy is an Australian executive and Accountant with over 16 years' experience across a range of industries. His last major role was Financial Controller of Songa Offshore (listed Norwegian Oil and Gas drilling company acquired by Transocean Ltd [NYSE: RIG] in January 2018), where Michael managed the finance function and team for the Australian operations. Prior to that, Mr Davy worked in London for other large organisations in the finance department. He is currently a director and owner of a number of successful private businesses, which are all run under management.

Other Directorships: Raiden Resources Ltd (from 29 June 2017 – Current)
Jadar Lithium Limited (from 15 February 2018-15 April 2019)

Roderick Webster - FAusIMM FAICD

Non-executive Chairman (Resigned 17 Oct 2019)

Mr Roderick Webster is a mining engineer (University of Sydney) with over 40 years of experience in the resources industry including more than 16 years as CEO of publicly listed companies. He is currently a non-executive Director of Finders Resources Ltd, an ASX listed copper producer with operations in Indonesia. In the last 3 years he has held non-exec directorships with Pembridge Resources Plc (LSX), Coro Mining Corp (TSX) and Weatherly International Plc (AIM).

From 2005 to 2015 Mr Webster was a founding Director and CEO of Weatherly, a company engaged in copper mining and smelting in Namibia. Between 2001 and 2005 Mr Webster was a senior executive with First Quantum Minerals Ltd, a Canadian listed company developing copper mines in Zambia and Mauritania. Mr Webster was also the founding Director and CEO of Western Metals Ltd, a major Australian base metals producer during which time he served on the executive committee of the International Zinc Association.

Aaron Colleran – B.Comm, B.Eng

Independent Non-executive Director – Resigned 28 August 2019

Originally an exploration geologist with commercial tertiary qualifications, Mr Colleran has had a distinguished career in the resources-related finance industry. He has over 20 years' experience in mining finance and corporate advice and has led a range of successful corporate transactions.

Other Directorships: AIC Resources Limited (from 19 April 2019 – Current)

Directors' Report

Amanda Burgess – B.Econs CPA

Company Secretary – Appointed 20 December 2019

Ms Burgess is a finance professional with over 25 years' experience in accounting and company administration. Ms Burgess holds a Bachelor of Economics from the University of Western Australia and is a CPA with the Australian Society of Certified Practising Accountants. Ms Burgess currently holds CFO and Company Secretary positions with other Australian companies.

Kevin Hart – B.Comm, FCA

Company Secretary – Resigned 20 December 2019

Non-executive Director - Resigned 28 August 2019

Mr Hart is a Chartered Accountant with over 30 years' experience in accounting and the management and administration of public listed entities in the mining and exploration industry.

He is currently a partner in an advisory firm, Endeavour Corporate, which specialises in the provision of company secretarial and accounting services to ASX listed entities.

Directors' Interests

As at the date of this report the Directors' interests in shares and unlisted options of the Company are as follows:

Director	Directors' Interests in Ordinary Shares	Directors' Interests in Unlisted Options	Options vested at the reporting date
S Andrew	4,333,333	7,666,665	5,666,665
X Braud	2,272,000	7,135,999	7,135,999
S Bolster	3,350,000	6,000,000	6,000,000

Included in the Directors' interests is Unlisted Options.

Directors' Meetings

The number of meetings of the Company's Directors held during the year ended 30 June 2020, and the number of meetings attended by each Director are as follows:

Director	Board of Directors' Meetings	
	Held	Attended
S Andrew	4	4
X Braud	-	-
S Bolster	-	-
J Boylson	4	4
M Davy	4	4
Kevin Hart	1	1
Aaron Colleran	-	-
R Webster	1	1

Principal Activities

The principal activity of the Group during the financial year consisted of mineral exploration in respects of its gold projects in Australia.

Directors' Report

Results of Operations

The consolidated loss after income tax for the financial year was \$1,661,033 (2019: \$3,856,352).

Review of Activities

Exploration

Exploration activities during the financial year have been primarily focussed on the Group's gold projects in the Eastern Goldfields of Western Australia and South Australia.

In November 2019 RGL announced its intention to become geographically focused within Western Australia approximately 70km's east of Kalgoorlie/Boulder, Western Australia, having identified targets at Queen Lapage, Cutler and Farr-Jones, prospects within the Kurnalpi Project.

A new success based Technical Services Agreement was executed with Quarterback Geological Consultants Pty Ltd (Quarterback) on 24th June 2020. The agreement requires Quarterback to formulate and execute an exploration strategy for RGL's in the Eastern Goldfields and South Australian tenements.

The agreement contemplates a success-based remuneration mechanism whereby Quarterback is remunerated solely based on exploration success. Subject to Shareholder approval, Quarterback received 50 Million performance rights that convert to RGL ordinary shares on a one for one basis on the achievement of the following milestones;

Class	Performance Rights Award	Performance Milestone
Class A	25 million	The Principal announces a JORC inferred resource of 250koz of gold or gold equivalent on the ASX announcements platform on or before 5 years of the date of issue.
Class B	25 million	The Principal announces a JORC inferred resource of 500koz of gold or gold equivalent on the ASX announcements platform on or before 5 years of the date of issue.

The shareholder approval was granted after balance date on 6 August 2020.

As the Company focus was now based in Australia the company looked to divest its interests in Alaska, and on 25 May 2020 the company announcement it had signed a cash and earn-in agreement with Mamba Minerals LLC (Mamba Minerals) for its gold exploration portfolio in southwest Alaska, USA. The agreement is inclusive of Riversgold's 100%-owned state mining claims over the high-grade Gemuk/Luna/Quicksilver gold project.

The agreement, between RGL subsidiary Afranex (Alaska) Limited and Mamba Minerals, grants Mamba Minerals exclusive rights to acquire up to 70% interest in the property via Milestone Payments and earn-in expenditure of up to US\$5 million over three years.

Mamba Minerals' earn-in of the SW Alaskan Gold Project would allow RGL to focus on its Kurnalpi Gold Project in the Eastern Goldfields region of WA and It provides the opportunity for exploration of the Alaskan project via a private North American focused explorer. The JV also provides an opportunistic divestment of risk however maintains the upside of a world-class gold terrain. The transaction takes into consideration RGL's previous work conducted to date.

In RGL's agreement with Mamba Minerals, 'Earn-in Interest' comprises the 'Milestone Interest', the 'First Earn-in Interest' and the 'Second Earn-in Interest' (together, these amount to a 70% interest in the Tenements). If Mamba Minerals fails to pay any of the Milestone Payments by its respective due date or expend the First Earn-in/Second Earn-in Expenditure, Mamba Minerals will be deemed to have withdrawn from the agreement.

Directors' Report

Details of these interests, and the requirements which must be met by Mamba Minerals in order to acquire each interest, are set out below of which the first two instalments have been received:

	Requirement	Deadline	Interest acquired
"Milestone Interest"	Pay to RGL US\$25,000	On execution of Agreement	30%
	Pay to RGL US\$125,000	19 th August 2020	
	Pay to RGL US\$100,000	30 th September 2020	
	Pay to RGL US\$375,000	31 st December 2020	
	Pay to RGL US\$375,000	31 st May 2021	
"First Earn-in Interest"	Expend US\$2,000,000 on Exploration Activities	18 months after execution of Agreement	19%
"Second Earn-in Interest"	Expend an aggregate US\$5,000,000 on Exploration Activities (inclusive of the US\$2,000,000 expended to earn the First Earn-in Interest)	Three years after execution of the Agreement	21%
TOTAL:			70%

Financial Position

At the end of the financial year the Group had \$1,278,101 (2018: \$406,597) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure at 30 June 2020 was \$4,853,257 (30 June 2019: \$4,515,447).

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company during the year.

Directors' Report

Options over Unissued Capital

Unlisted Options

During the financial year, the Company issued 18,000,000 unlisted options to directors as approved by shareholders on 28th November 2019. As at balance date 39,870,000 unissued ordinary shares of the Company are under option as follows:

Number of Options Granted	Exercise Price	Expiry Date
3,000,000 ¹	20 cents	15 May 2022
18,750,000 ¹	20 cents	10 October 2020
120,000 ¹	9 cents	28 February 2023
18,000,000 ²	0.1 cents	4 December 2022

¹ Options have vested at the date of this report.

² 12,000,000 options of the 18,000,000 have vested at the date of this report and 6,000,000 have not vested.

During the reporting period no ordinary shares have been issued on the exercise of options. However, post balance date 2,435,644 options were exercised at \$0.03 receiving \$73,069.

Options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

The holders of unlisted options are not entitled to any voting rights until the options are exercised into ordinary shares.

Issued Capital

Number of Shares on Issue		
	2020	2019
Ordinary fully paid shares	312,775,951	101,181,543

During the financial year the Company issued 211,594,408 shares were issued as per below;

Type	Date	Cents per share	No of Shares
Placement	17/10/2019	0.01	40,000,000
Conversion of Directors' fees	17/10/2019	0.01	10,053,332
Placement	20/11/2019	0.01	66,518,841
Placement	14/2/2020	0.01	29,500,000
Placement	26/5/2020	0.011	65,522,235

After balance date on 12 August 2020 the Company completed Tranche 2 of the placement announced on 19 May 2020 and issued 73,795,057 shares with one free attaching option for every two shares issued, being 69,659,091 options with an exercise price of \$0.03 expiry 12/8/2023.

Directors' Report

Other options issued to Directors on 12 August 2020 were;

	Number and Recipient	Exercise Price
Tranche 1	2,000,000 to Mr Braud (or his nominee)	\$0.049 each
Tranche 2	2,000,000 to Mr Braud (or his nominee)	\$0.057 each
Tranche 3	2,000,000 to Mr Braud (or his nominee)	\$0.076 each
Tranche 4	2,000,000 to Mr Bolster (or his nominee)	\$0.070 each
Tranche 5	2,000,000 to Mr Bolster (or his nominee)	\$0.081 each
Tranche 6	2,000,000 to Mr Bolster (or his nominee)	\$0.108 each

10,000,000 Unlisted options were also issued to Hartleys Limited at the exercise price of \$0.03 and an expiry date of 12 August 2023 in part consideration for the provision of corporate advice and capital raising services over an 18-month period. Approval was granted at the general meeting held on 6 August 2020.

Issue of Performance Rights

Shareholders granted approval for the issue of 50,000,000 performance rights to Quarterback Geological Consultants Pty Ltd ("**Quarterback**") as consideration for geological strategy and consultancy services provided to drive the company's Eastern Goldfields and South Australian exploration programs. The Quarterback Performance Rights will convert into shares on a one for one basis on achievement of the following milestones:

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

There are no unpaid amounts on the shares issued.

Dividends

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year.

Directors' Report

Matters Subsequent to the End of the Financial Year

On 12th August 2020, the Company completed the placement as announced on 19th May 2020 and issued 73,795,057 shares with one free attaching option for every two shares issued, being 69,659,091 options with an exercise price of \$0.03 expiry 12 August 2023. 12,000,000 options were issued to Messrs Xavier Braud and Simon Bolster as per above along with 50,000,000 Performance Rights issued to Quarterback and 10,000,000 unlisted broker options to Hartleys.

Likely Developments and Expected Results of Operations

The Company expects to complete exploration programs at the Kurnalpi gold project in Western Australia. Disclosure of any further information has not been included in this report because, in the reasonable opinion of the Directors to do so would be likely to prejudice the business activities of the Group and is dependent upon the results of the future exploration and evaluation.

Environmental Regulation and Performance

The Group holds various exploration licences and permits to regulate its exploration activities. These licences include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of its exploration activities.

So far as the Directors are aware, all exploration activities have been undertaken in compliance with all relevant environmental regulations.

Remuneration Report (Audited)

Remuneration paid to Directors and Officers of the Company is set by reference to such payments made by other ASX listed companies of a similar size and operating in the mineral exploration industry. In addition, reference is made to the specific skills and experience of the Directors and Officers.

Details of the nature and amount of remuneration of each Director, and other Key Management Personnel if applicable, are disclosed annually in the Company's Annual Report.

Remuneration Committee

The Board has adopted a formal Remuneration Committee Charter which provides a framework for the consideration of remuneration matters.

The Company does not have a separate remuneration committee and as such all remuneration matters are considered by the Board as a whole, with no Member deliberating or considering such matter in respect of their own remuneration.

In the absence of a separate Remuneration Committee, the Board is responsible for:

1. Setting remuneration packages for Executive Directors, Non-executive Directors and other Key Management Personnel; and
2. Implementing employee incentive and equity based plans and making awards pursuant to those plans.

Directors' Report

Remuneration Report (Audited) (continued)

Non-executive Remuneration

The Company's policy is to remunerate Non-executive Directors, at rates comparable to other ASX listed companies in the same industry, for their time, commitment and responsibilities.

Non-executive Remuneration is not linked to the performance of the Company, however to align Directors' interests with shareholders' interests, remuneration may be provided to Non-executive Directors in the form of equity based long term incentives.

1. Fees payable to Non-executive Directors are set within the aggregate amount approved by shareholders at the Company's Annual General Meeting;
2. Non-executive Directors' fees are payable in the form of cash and superannuation benefits;
3. Non-executive superannuation benefits are limited to statutory superannuation entitlements; and
4. Participation in equity based remuneration schemes by Non-executive Directors is subject to consideration and approval by the Company's shareholders.

The maximum Non-executive Directors fees, payable in aggregate are currently set at \$200,000 per annum.

Executive Director and Other Key Management Personnel Remuneration

Executive remuneration consists of base salary, plus other performance incentives to ensure that:

1. Remuneration packages incorporate a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to the Company's circumstances and objectives; and
2. A proportion of remuneration is structured in a manner to link reward to corporate and individual performances.

Executives are offered a competitive level of base salary at market rates (based on comparable ASX listed companies) and are reviewed regularly to ensure market competitiveness. To date the Company has not engaged external remuneration consultants to advise the Board on remuneration matters.

Incentive Plans

The Company provides long term incentives to Directors and Employees pursuant to the Riversgold Incentive Option Plan, which was last approved by shareholders on 28 April 2017.

The Board, acting in remuneration matters:

1. Ensures that incentive plans are designed around appropriate and realistic performance targets and provide rewards when those targets are achieved;
2. Reviews and approves existing incentive plans established for employees; and
3. Approves the administration of the incentive plans, including receiving recommendations for, and the consideration and approval of grants pursuant to such incentive plans.

Directors' Report

Remuneration Report (Audited) (continued)

Engagement of Non-executive Directors

Non-executive Directors conduct their duties under the following terms:

1. A Non-executive Director may resign from his/her position and thus terminate their contract on written notice to the Company; and
2. A Non-executive Director may, following resolution of the Company's shareholders, be removed before the expiration of their period of office (if applicable). Payment is made in lieu of any notice period if termination is initiated by the Company, except where termination is initiated for serious misconduct.

In consideration of the services provided by Mr Simon Andrew as Non-executive Director the Company paid him a fee of \$30,000 per annum. From 1 July 2020, as he was formally appointed as Non- Executive Chairman on 10 June 2020, Mr Andrew will be paid a fee of \$70,000 per annum.

In consideration of the services provided by Mr Simon Bolster as Non-executive Directors, the Company will pay the director a fee of \$30,000 per annum.

In consideration of the services provided by Mr Michael Davy as Non-executive Director to his resignation date of 24 June 2020, the Company paid him a fee of \$30,000 per annum.

Engagement of Non-executive Directors

Non-executive Directors are also entitled to fees for other amounts as the Board determines where they perform special duties or otherwise perform extra services or make special exertions on behalf of the Company.

Engagement of Executive Directors

On 28 August 2019, the Company entered into an executive service agreement with Mr Justin Boylson on the following material terms and conditions:

Mr Boylson received a base salary of \$150,000 per annum plus statutory superannuation for 60% of his time. Shareholder approval was received on 28th November 2019 for granting 6,000,000 options in the Company's incentive scheme based on the achievement of specified objectives and milestones which were set as

	Vesting Conditions
Tranche 1	Subject to 24 months of continuous service as a Director after following grant of the Options.
Tranche 2	Subject to the Company announcing that it has entered into a farm-in agreement with a minimum investment of \$3,000,000 in relation to the Company's non-WA assets.
Tranche 3	Subject to the Company achieving a volume weighted average share price of at least \$0.04 calculated over any 20 day trading period after the issue of the Options.

Either party may terminate the agreement by providing 3 months' notice in writing. Mr Boylson resigned effective 28 August 2020.

Directors' Report

Remuneration Report (Continued)

The Company entered into executive service agreement with Mr Xavier Braud on 10 June 2020 on the following material terms and conditions:

Mr Braud receives a base salary of \$30,000 per annum as a director. The Company also implemented a consulting agreement for additional fees to perform special duties outside the scope of the ordinary duties of a director, this consulting agreement is for a further \$30,000 per annum.

Shareholder approval was received on 6th August 2020 for Mr Braud to receive 6,000,000 options in the Company's incentive scheme with the following conditions;

	Number and recipient	Exercise Price
Tranche 1	2,000,000 to Mr Braud (or his nominee)	\$0.049 each
Tranche 2	2,000,000 to Mr Braud (or his nominee)	\$0.057 each
Tranche 3	2,000,000 to Mr Braud (or his nominee)	\$0.076 each

Short Term Incentive Payments

Each year, the Non-executive Directors set the Key Performance Indicators (KPI's) for Executive Directors. The KPI's are chosen to align the reward of the individual Executives to the strategy and performance of the Company.

Performance objectives, which may be financial or non-financial, or a combination of both, are weighted when calculating the maximum short term incentives payable to Executives. At the end of the year, the Non-executive Directors will assess the actual performance of the Executives against the set Performance Objectives. The maximum amount of the Short Term Incentive, or a lesser amount depending on actual performance achieved is paid to the Executives as a cash payment.

No Short-Term incentives are payable to Executives where it is considered that the actual performance has fallen below the minimum requirement.

Shareholding Qualifications

The Directors are not required to hold any shares in Riversgold under the terms of the Company's constitution.

Group Performance

In considering the Company's performance, the Board will provide the following indices in respect of the current financial year and the previous financial period:

	2020	2019	2018	2017
Loss for the period attributable shareholders	\$1,661,033	\$3,856,352	\$7,387,689	\$66,931
Closing share price at 30 June	7.8 cents	2 cents	11 cents	n/a

As an exploration entity the Board does not consider the profit/(loss) attributable to shareholders as one of the performance indicators when implementing Short Term Incentive Payments.

Directors' Report

Remuneration Report (Continued)

In addition to technical exploration success, the Board considers the effective management of safety, environmental and operational matters and successful management and acquisition and consolidation of high quality landholdings, as more appropriate indicators of management performance for respective financial years.

Remuneration Disclosures

During the financial year, the Key Management Personnel of the Company have been identified as:

Mr Simon Andrew	Non-executive Chairman (28 August 2019 – 30 June 2020)
Mr Xavier Braud	Executive Director (10 June 2020 – 30 June 2020)
Mr Simon Bolster	Non-executive Director (24 June 2020 – 30 June 2020)
Mr Justin Boylson	Executive Director (28 August 2019 – 30 June 2020)
Mr Michael Davy	Non-executive Director (28 August 2019 – 10 June 2020)
Mr Rod Webster	Non-executive Chairman (1 July 2019 – 17 October 2019)
Mr Aaron Colleran	Non-executive Director (1 July 2019 – 28 August 2019)
Mr Kevin Hart	Non-executive Director (1 July 2019 – 28 August 2019)

The details of the remuneration of each Director and member of Key Management Personnel of the Company is as follows:

30 June 2020	Short Term Benefits	Post-Employment Benefits	Other Long Term Benefits		
	Base Salary \$	Superannuation Contributions \$	Value of Options ³ \$	Total \$	Proportion Performance Related %
Simon Andrew¹	65,329	-	13,407	78,736	-
Xavier Braud²	3,333	-	413,536	416,869	-
Simon Bolster	583	-	402,883	403,466	
Justin Boylson	124,593	11,875	13,407	149,875	
Michael Davy	25,185		13,407	38,592	
Rod Webster	16,505	-	3,128	19,633	-
Aaron Colleran	21,130	-	-	21,130	-
Kevin Hart	14,600	-	-	14,600	-
Total	271,258	11,875	859,768	1,142,901	

¹ Includes consultancy fees amounting to \$40,000.

² Includes consultancy fees amounting to \$1,667.

³ The Company issued options to the Directors approved by shareholders. The fair value of Options issued as remuneration is calculated using a Black-Scholes Option Pricing model with the fair value allocated to each reporting period to vesting date.

Directors' Report

Remuneration Report (Continued)

Remuneration Disclosures

30 June 2019	Short Term Benefits		Post-Employment Benefits	Other Long Term Benefits	Total	Proportion Performance Related
	Base Salary	Cash Bonus	Superannuation Contributions	Value of Options		
	\$	\$	\$	\$	\$	%
Rod Webster ^{1,2}	106,000	-	-	11,303	117,303	-
Allan Kelly	289,368	25,000	22,167	14,431	350,966	7.1%
Jeff Foster	30,000	-	2,850	14,431	47,281	-
Aaron Colleran ²	17,617	-	633	-	18,250	-
Kevin Hart ²	10,950	-	-	-	10,950	-
Total	453,935	25,000	25,650	40,165	544,750	

Remuneration Disclosures (Continued)

¹ The Company issued options to the Directors in lieu of pre-IPO services provided. The fair value of Options issued as remuneration is calculated using a Black-Scholes Option Pricing model with the fair value allocated to each reporting period to vesting date.

² The Company issued options to the new Directors with various vesting conditions for performance based incentives

Share and Options Granted as Remuneration

There were no ordinary shares granted as remuneration to Directors or Key Management Personnel of the Company during the financial year ended 30 June 2020.

The following Options were granted to Messrs Simon Andrew, Justin Boylson and Michael Davy, as remuneration to Directors or Key Management Personnel of the Company on 28 November 2019:

Related Party	Tranche 1 Options	Tranche 2 Options	Tranche 3 Options	Total
Justin Boylson	2,000,000	2,000,000	2,000,000	6,000,000
Simon Andrew	2,000,000	2,000,000	2,000,000	6,000,000
Michael Davy	2,000,000	2,000,000	2,000,000	6,000,000
Fair Value per option	\$0.0093	\$0.0093	\$0.0090	

Directors' Report

Remuneration Report (Continued)

	Vesting Conditions
Tranche 1	Subject to 24 months of continuous service as a Director after following grant of the Options
Tranche 2	Subject to the Company announcing that it has entered into a farm-in agreement with a minimum investment of \$3,000,000 in relation to the Company's non-WA assets
Tranche 3	Subject to the Company achieving a volume weighted average share price of at least \$0.04 calculated over any 20 day trading period after the issue of the Options.

Once Vested, the related party options will be exercisable at \$0.001 each with a three year expiry from grant date.

The following Options were granted to Messrs Xavier Braud and Simon Bolster on 24 June 2020 upon signing as directors, these options were subject to shareholder approval which was post balance date granted on 6 August 2020 and subsequently issued on 12 August 2020:

	Number and Recipient	Exercise Price	Fair Value per Option
Tranche 1	2,000,000 to Mr Braud (or his nominee)	\$0.049	\$0.0698
Tranche 2	2,000,000 to Mr Braud (or his nominee)	\$0.057	\$0.0692
Tranche 3	2,000,000 to Mr Braud (or his nominee)	\$0.076	\$0.0678
Tranche 4	2,000,000 to Mr Bolster (or his nominee)	\$0.070	\$0.0682
Tranche 5	2,000,000 to Mr Bolster (or his nominee)	\$0.081	\$0.0674
Tranche 6	2,000,000 to Mr Bolster (or his nominee)	\$0.108	\$0.0658

All the options vested immediately, and the related party options will be exercisable at the prices mentioned above with a three year expiry from grant date.

Exercise of Options Granted as Remuneration

During the year, no ordinary shares were issued in respect of the exercise of options previously granted as remuneration to Directors or Key Management Personnel of the Company.

Directors' Report

Remuneration Report (Continued)

Equity instrument disclosures relating to key management personnel

Option holdings

No options have been exercised, or cancelled during or since the end of the financial year ended 30 June 2020.

Key Management Personnel have the following interests in unlisted options over unissued shares of the Company.

2020 Name	Balance at start of the period	Received during the period as remuneration	Other changes during the period	Balance at the end of the period (i)	Vested and exercisable at 30.06.2020
Directors					
Simon Andrew	-	6,000,000	-	6,000,000	4,000,000
Xavier Braud ⁽ⁱⁱ⁾	-	-	-	-	-
Simon Bolster ⁽ⁱⁱ⁾	-	-	-	-	-
Justin Boylson	-	6,000,000	-	6,000,000	4,000,000
Michael Davy	-	6,000,000	-	6,000,000	4,000,000
Rod Webster	1,000,000	-	-	1,000,000	-
Aaron Colleran	-	-	-	-	-
Kevin Hart	62,259	-	-	62,259	-

(i) Balance at the end of the year or when a director ceased to be a director.

(ii) 6,000,000 Options were issued to Messrs Xavier Braud and Simon Bolster each on 13 August 2020 after shareholder approval was granted.

Shareholdings

The number of shares in the Company held during the financial period by key management personnel of the Company, including their related parties are set out below. There were no shares granted during the reporting period as compensation.

2020 Name	Balance at start of the year	Received during the year as remuneration	Other changes during the year	Balance at the end of the year(i)
Directors				
Simon Andrew	-	-	1,000,000 ⁽ⁱⁱ⁾	1,000,000
Xavier Braud	1,151,165 ⁽ⁱⁱⁱ⁾	-	-	1,151,165
Simon Bolster	3,350,000 ^(iv)	-	-	3,350,000
Justin Boylson	-	-	2,000,000 ⁽ⁱⁱ⁾	2,000,000
Michael Davy	-	-	2,000,000 ⁽ⁱⁱ⁾	2,000,000
Rod Webster ⁽ⁱ⁾	1,487,500	-	-	1,487,500
Aaron Colleran	-	-	-	-
Kevin Hart ⁽ⁱ⁾	364,518	-	-	364,518

(i) Balance at the end of the year or when a director ceased to be a director.

(ii) Other changes during the year relates to shares issued as part of a placement in October 2019.

(iii) Initial holding on appointment as a Director on 10 June 2020.

(iv) Initial holding on appointment as a Director on 23 June 2020.

Directors' Report

Remuneration Report (Continued)

Loans made to key management personnel

No loans were made to key personnel, including personally related entities during the financial year.

Loans from key management personnel

No loans were received from key personnel, including personally related entities during the financial year.

Other transactions with key management personnel

During the financial year ended 30 June 2020, the Company incurred \$24,964 for bookkeeping, accounting and company secretarial services provided by Endeavour Corporate Pty Ltd, an entity associated with Mr Kevin Hart. These services provided by Endeavour Corporate were done so at an arm's length basis and on normal commercial terms.

During the year the company issued 10,083,332 shares to settle directors' fees.

There is no outstanding owing to the director related entity as at 30 June 2020 in relation to the provision of these services.

End of Remuneration Report

Officers' Indemnities and Insurance

During the year the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has not provided any insurance for an auditor of the Company.

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 Group, or to intervene in any proceedings to which the Company or Group 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 or Group with leave of the Court under section 237 of the *Corporations Act 2001*.

Non-audit Services

During the financial year HLB Mann Judd the Company's auditor, has not performed any other services in addition to their statutory duties.

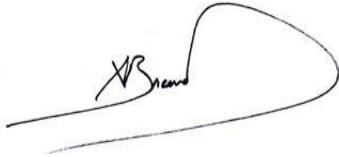
Directors' Report

Auditor's Independence Declaration

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

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

Dated at Perth this 30th day of September 2020.



Xavier Braud
Executive Director

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Riversgold Limited for the year ended 30 June 2020, 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
30 September 2020



D I Buckley
Partner

hlb.com.au

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the financial year ended 30 June 2020

	Note	Consolidated	
		30 June 2020 \$	30 June 2019 \$
Income			
Interest income	5	1,260	7,611
Foreign exchange gain		-	45,528
Other income		28,090	322
Total income		<u>29,350</u>	<u>53,461</u>
Expenses			
Employee and director expenses	5	(1,223,949)	(527,449)
Corporate expenses		(136,414)	(177,255)
Administration and other expenses		(264,681)	(355,528)
Financing costs		(3,760)	(755)
Depreciation expense		(52,618)	(38,085)
Exploration costs expensed and written off	5	(8,961)	(2,810,741)
		<u>(1,690,383)</u>	<u>(3,909,813)</u>
Loss before income tax		(1,661,033)	(3,856,352)
Income tax expense	6	-	-
Loss after tax		(1,661,033)	(3,856,352)
Other comprehensive income, net of income tax		-	-
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		104,058	78,702
Total comprehensive loss for the year		(1,556,975)	(3,777,650)
		Cents	Cents
Basic loss per share	29	<u>(0.85)</u>	<u>(4.38)</u>
Diluted loss per share	29	<u>(0.85)</u>	<u>(4.38)</u>

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

Consolidated Statement of Financial Position
As at 30 June 2020

	Note	Consolidated	
		30 June 2020 \$	30 June 2019 \$
Current assets			
Cash and cash equivalents	7	1,278,101	406,597
Trade and other receivables	8	21,596	6,241
Other current assets	9	6,535	440
Total current assets		1,306,232	413,278
Non-current assets			
Property, plant and equipment	10	55,312	85,502
Right of use Asset	10	33,854	-
Capitalised exploration and evaluation expenditure	11	4,853,257	4,515,447
Total non-current assets		4,942,423	4,600,949
Total assets		6,248,655	5,014,227
Current liabilities			
Trade and other payables	13	293,535	389,261
Employee leave liabilities	14	2,487	2,147
Lease Liabilities	15	20,777	-
Total current liabilities		316,799	391,408
Non-current liabilities			
Interest bearing borrowings	16	-	100,755
Lease Liabilities	15	14,555	-
		14,555	
Total Non-current liabilities		-	100,755
Total liabilities		331,354	492,163
Net assets		5,917,301	4,522,064
Equity			
Issued capital	17	15,716,278	13,625,834
Accumulated losses		(12,972,005)	(11,310,972)
Reserves	19	3,173,028	2,207,202
Total equity		5,917,301	4,522,064

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

Consolidated Statement of Changes in Equity
For the financial year ended 30 June 2020

	Consolidated				Total \$
	Issued capital \$	Accumulated losses \$	Share-based payment reserve \$	Foreign currency translation reserve \$	
At 1 July 2018	12,845,783	(7,454,620)	2,032,489	54,845	7,478,497
Loss for the year	-	(3,856,352)	-	-	(3,856,352)
Foreign currency translation	-	-	-	78,702	78,702
Total comprehensive loss	-	(3,856,352)	-	78,702	(3,777,650)
Transactions with equity holders in their capacity as equity holders:					
Shares issued	821,209	-	-	-	821,209
Share issue costs	(41,158)	-	-	-	(41,158)
Share-based payments:					
Employees/directors	-	-	41,166	-	41,166
Balance at 30 June 2019	13,625,834	(11,310,972)	2,073,655	133,547	4,522,064
At 1 July 2019	13,625,834	(11,310,972)	2,073,655	133,547	4,522,064
Loss for the year	-	(1,661,033)	-	-	(1,661,033)
Foreign currency translation	-	-	-	104,058	104,058
Total comprehensive loss	-	(1,661,033)	-	104,058	(1,556,975)
Transactions with equity holders in their capacity as equity holders:					
Shares issued	2,181,466	-	-	-	2,181,466
Share issue costs	(91,022)	-	-	-	(91,022)
Share-based payments:					
Employees/directors	-	-	861,768	-	861,768
Balance at 30 June 2020	15,716,278	(12,972,005)	2,935,423	237,605	5,917,301

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

Consolidated Statement of Cash Flows
For the financial year ended 30 June 2020

	Note	Consolidated	
		30 June 2020 \$	30 June 2019 \$
Cash flows from operating activities			
Payments to suppliers and employees		(702,813)	(925,792)
Interest received		1,260	9,000
Other Income		12,735	-
Interest paid		(3,760)	-
Net cash used in operating activities	28	(692,578)	(916,792)
Cash flows from investing activities			
Payments for exploration and evaluation		(346,771)	(2,439,403)
Payment for property, plant and equipment		(11,143)	(15,540)
Net cash used in investing activities		(357,914)	(2,454,943)
Cash flows from financing activities			
Proceeds from the issue of shares		2,084,232	821,209
Payments for share issue costs		(94,321)	(37,858)
Proceeds from borrowings		-	100,000
Reduction in finance lease liabilities		35,332	-
Repayment of borrowings		(103,247)	-
Net cash from financing activities		1,921,996	883,351
Net (decrease) / increase in cash held		871,504	(2,488,384)
Cash at the beginning of the financial year		406,597	2,895,471
Effect of exchange rate fluctuations on cash held		-	(490)
Cash at the end of the financial year	7	1,278,101	406,597

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



**Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020**

Note 1 Summary of significant accounting policies

Riversgold Limited ('the Company') is a listed public company domiciled in Australia. The consolidated financial report of the Company for the financial year ended 30 June 2020 comprises the Company and its subsidiaries (together referred to as the 'Group').

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

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar.

The financial report of the Group was authorised for issue in accordance with a resolution of Directors on 30th September 2020.

Going Concern

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

For the year ended 30 June 2020, the Group incurred an operating loss of \$1,661,033 and had net operating cash outflows of \$692,578. The Directors recognise the Group is dependent on capital raises to meet expenditure forecasts. The Directors are of the opinion that the Company is a going concern as it recently completed a capital raising of \$1,532,000 on 12 August 2020 (720,745 received pre balance date from Tranche 1). Funds raised will be used in the upcoming exploration program for the Company's Eastern Goldfields program and general working capital.

The company has \$1,278,101 as at 30 June 2020, along with the completed placement in August 2020 and the impending earn in Alaska funds due to be received during the 2020-21 financial year, the company is funded well to continue its exploration program in 2020-21.

Statement of Compliance

The consolidated financial report of Riversgold Limited complies with Australian Accounting Standards, which include Australian Equivalents to International Financial Reporting Standards (AIFRS), in their entirety. Compliance with AIFRS ensures that the financial report also complies with International Financial Reporting Standards (IFRS) in their entirety.

Adoption of New and Revised Standards

Standards and Interpretations applicable to 30 June 2020

In the financial year ended 30 June 2020, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2019. The following standards were adopted by the Company but did not have a material impact.

**Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020**

Note 1 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Adoption of New and Revised Standards (continued)

AASB 16 Leases:

AASB 16 replaces the AASB 117 Leases standard. AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee effectively treating all leases as finance leases. Most leases (including the lease of business premises which the Company occupies) will be capitalised on the Statement of Financial Position by recognising a 'right-of-use' asset and a lease liability for the present value obligation. This will result in an increase in the recognised assets and liabilities in the statement of financial position as well as a change in expense recognition, with interest and depreciation replacing operating lease expense.

The Company has adopted AASB16 from 1 July 2019 using the modified retrospective method. The Company leases its office under a sub-lease agreement. The terms of the lease are renegotiated on renewal.

Impact of adoption

AASB 16 was adopted from 1 July 2019, however on 1 January 2020 a new lease was signed. The impact of initial recognition as at 1 January 2020 is as follows:

	1 January 2020
Right-of-use assets (AASB 16)	\$45,139
	<u>\$45,139</u>
Lease Liability	(\$19,935)
	<u>(\$25,204)</u>
	<u>(45,139)</u>

The prior year lease commitment related to the lease of a different premise and represented a short-term lease. \$40,271 were expensed to profit and loss on a straight-line basis.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020**

Note 1 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Standards and Interpretations in issue not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the financial year ended 30 June 2020. The Company has reviewed all of the standards and interpretations in issue not yet adopted and has assessed that these will not have a material effect on the Company. The Company does not plan to adopt these standards early.

Reporting basis and conventions

These financial statements have been prepared under the historical cost convention, and on an accrual basis.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group'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 in note 3.

Principles of consolidation

The financial statements of subsidiary companies are included in the consolidated financial statements from the date control commences until the date control ceases. The financial statements of subsidiary companies are prepared for the same reporting period as the parent company, using consistent accounting policies.

Inter-entity balances resulting from transactions with or between controlled entities are eliminated in full on consolidation. Investments in subsidiary companies are accounted for at cost in the individual financial statements of the Company.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 1 Summary of significant accounting policies (continued)

(b) Segment reporting

Operating segments are identified and segment information disclosed, where appropriate, on the basis of internal reports reviewed by the Company's board of directors, being the Group's Chief Operating Decision Maker, as defined by AASB 8.

The revenue recognised in any period is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed, so "point in time" recognition or "over time" as control of the performance obligation is transferred to the customer.

Interest income

Interest income is recognised on a time proportion basis and is recognised as it accrues.

(c) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to the temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary timing differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to those timing differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(d) Leases

Refer to 1(a) for the Group's policy of Leases.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 1 Summary of significant accounting policies (continued)

(e) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets, other than goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(f) Cash and cash equivalents

For cash flow statement presentation purposes, 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.

(g) Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are deducted from the carrying value of the relevant asset.

Amounts receivable from the Australian Tax Office in respect of research and development tax concession claims are recognised in the year in which the claim is lodged with the Australian Tax Office. Amounts receivable are allocated in the financial statements against the corresponding expense or asset in respect of which the research and development concession claim has arisen.

(h) Fair value estimation

The nominal value less estimated credit loss adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(i) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight line and diminishing value methods to allocate their cost, net of residual values, over their estimated useful lives. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(e)). Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 1 Summary of significant accounting policies (continued)

(j) Capitalised 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 exploitation 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.

Farm-in arrangements (in the exploration and evaluation phase)

For exploration and evaluation asset acquisitions (farm-in arrangements) in which the Group has made arrangements to fund a portion of the selling partner's (farmor's) exploration and/or future development expenditures (carried interests), these expenditures are reflected in the financial statements as and when the exploration and development work progresses.

Farm-out arrangements (in the exploration and evaluation phase)

The Group does not record any expenditure made by the farmee on its accounts. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained.

Monies received pursuant to farm-in agreements are treated as a liability on receipt and until such time as the relevant expenditure is incurred.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 1 Summary of significant accounting policies (continued)

(k) Joint ventures and joint operations

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition. Trade and other payables are carried at amortised cost.

(m) Employee benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future salaries, experience of employee departures and periods of service. Expected future payments are discounted at the corporate bond rate with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Share-based compensation payments are made available to Directors and employees.

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free rate for the term of the option. A discount is applied, where appropriate, to reflect the non-marketability and non-transferability of unlisted options, as the Black-Scholes option pricing model does not incorporate these factors into its valuation.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 1 Summary of significant accounting policies (continued)

(m) Employee benefits (continued)

The fair value of the options granted is adjusted to reflect market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, are credited to share capital.

Upon the cancellation of options on expiry of the exercise period, or lapsing of vesting conditions, the balance of the share-based payments reserve relating to those options is transferred to accumulated losses.

(n) 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.

(o) Earnings per share

(i) Basic earnings per share

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

(ii) 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.

(p) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as a part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flow.

(q) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020**

Note 1 Summary of significant accounting policies (continued)

(r) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification.

Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:

- (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or
- (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 1 Summary of significant accounting policies (continued)

(s) Fair value estimation

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

Investments in equity and debt securities

The fair value of financial assets at fair value through profit or loss is determined by reference to their quoted bid price at the reporting date. The fair value of held to maturity investments is determined for disclosure purposes only. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. An impairment loss is calculated as the difference between the present value of the contractual and expected future cashflows.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 2 Financial risk management

The Group has exposure to a variety of risks arising from its use of financial instruments. This note presents information about the Group's exposure to the specific risks, and the policies and processes for measuring and managing those risks. The Board of Directors has the overall responsibility for the risk management framework and has adopted a Risk Management Policy.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from transactions with customers and investments.

Trade and other receivables

The nature of the business activity of the Group does not result in trading receivables. The receivables that the Group does experience through its normal course of business are short term and the most significant recurring by quantity is receivable from the Australian Taxation Office, the risk of non-recovery of receivables from this source is considered to be negligible.

Cash deposits

The Directors believe any risk associated with the use of predominantly only one bank is addressed through the use of at least an A-rated bank as a primary banker. Except for this matter the Group currently has no significant concentrations of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance resources to finance the Company's current and future operations, and consideration is given to the liquid assets available to the Company before commitment is made to future expenditure or investment.

(c) Market risk

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

Interest rate risk

The Group has significant cash assets which may be susceptible to fluctuations in changes in interest rates. Whilst the Group requires the cash assets to be sufficiently liquid to cover any planned or unforeseen future expenditure, which prevents the cash assets being committed to long term fixed interest arrangements; the Group does mitigate potential interest rate risk by entering into short to medium term fixed interest investments.

Equity risk

The Group has no direct exposure to equity price risk.

Foreign exchange risk

The Group undertakes operations outside of Australia that are denominated in currencies other than Australian Dollars.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 2 Financial risk management (continued)

The Group may, in respect of these operations, be exposed to fluctuations in foreign exchange rates which will have direct impact on the Group's net assets. Movements in foreign exchange may favourably or adversely affect future amounts to be incurred by the Group.

Other than the above, the Group does not have any direct contact with foreign exchange fluctuations other than their effect on the general economy.

Note 3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Accounting for capitalised exploration and evaluation expenditure

The application of the Group's accounting policy for exploration and evaluation expenditure (see note 1(j)) requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

Accounting for share-based payments

The values of amounts recognised in respect of share-based payments have been estimated based on the fair value of the equity instruments granted. Fair values of options issued are estimated by using an appropriate option pricing model. There are many variables and assumptions used as inputs into the models. If any of these assumptions or estimates were to change this could have a significant effect on the amounts recognised. See note 18 for details of inputs into option pricing models in respect of options issued during the reporting period.

Note 4 Segment information

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

The Group's activities encompass mineral exploration and resource development in various international jurisdictions and as such management currently identifies the Groups geographic positions as its operating segments.

The following tables present revenue and profit information and certain asset and liability information regarding business segments for the financial years ended 30 June 2020 and 30 June 2019.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 4 Segment information (continued)

30 June 2020	Australia	Alaska	Cambodia	Consolidated
	\$	\$	\$	\$
Interest income	1,260	-	-	1,260
Other Income	28,090			28,090
Segment income	29,350	-	-	29,350
Segment loss before income tax expense	1,637,570	7,397	16,066	1,661,033
Segment assets	2,751,055	2,191,368	-	4,942,423
Segment liabilities	271,369	45,430	-	316,799
<i>Included within segment loss</i>				
Depreciation	52,618	-	-	52,618
Exploration costs expensed and written off	8,961	-	-	8,961
Employee and director expenses	1,223,947	-	-	1,223,947
Interest expense	2,492	-	-	2,492
<i>Included within segment assets</i>				
Fixed asset expenditure during the period	11,142	-	-	11,142
Exploration incurred during the period	149,140	188,670	-	337,810
<i>Cash flow information</i>				
Net cash outflows from operating activities	(358,701)	(319,811)	(16,066)	(692,578)
Net cash outflows from investing activities	(396,375)	38,461	-	(357,914)
Net cash inflows from financing activities	1,921,996	-	-	1,921,996

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 4 Segment information (continued)

30 June 2019	Australia	Alaska	Cambodia	Consolidated
	\$	\$	\$	\$
Interest income	7,611	-	-	7,611
Segment income	53,461	-	-	53,461
Segment loss before income tax expense	2,071,146	1,777,461	7,745	3,856,352
Segment assets	3,006,012	2,008,205	10	5,014,227
Segment liabilities	254,965	237,198	-	492,163
<i>Included within segment loss</i>				
Depreciation	38,085	-	-	38,085
Exploration costs expensed and written off	1,021,720	1,775,637	-	2,797,357
Employee and director expenses	527,449	-	-	527,449
Interest expense	755	-	-	755
<i>Included within segment assets</i>				
Fixed asset expenditure during the period	15,540	-	-	15,540
Exploration incurred during the period	1,011,318	1,633,588	-	2,644,906
<i>Cash flow information</i>				
Net cash outflows from operating activities	(907,223)	(1,824)	(7,745)	(916,792)
Net cash outflows from investing activities	(1,394,560)	(1,060,383)	-	(2,454,943)
Net cash inflows from financing activities	883,351	-	-	883,351

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

	Consolidated	
	30 June 2020	30 June 2019
	\$	\$
Note 5 Loss for the year		
<i>Loss before income tax includes the following specific income and expenses:</i>		
Income		
Interest income	1,260	7,611
Rental income	3,289	-
ATO Cash Boost	24,500	-
Other Income	300	-
	300	-
Employee Expenses		
Salaries and wages	50,872	558,414
Directors fees	221,232	126,632
Superannuation	17,857	45,379
Annual leave provided for	340	6,696
Equity based remuneration	872,301	41,166
Other employee costs	61,345	14,706
Less: amount allocated to exploration	-	(265,544)
Net employee expenses	1,223,947	527,449
Other Expenses include the following specific expenses:		
Insurance	32,590	35,908
Travel and accommodation	84	42,708
Information technology expenses	15,826	33,678
Occupancy expenses	33,441	48,364
Marketing expenses	11,633	69,036
	93,575	229,694
Exploration costs:		
Unallocated exploration costs	8,961	13,384
Exploration costs written off	-	1,365,717
Impairment expense-exploration costs	-	1,431,640
	8,961	2,810,741

During the 2020 year, options issued to directors vested resulting in share based remuneration of \$859,768 (see remuneration report).

During the 2019 year, capitalised exploration costs relating to the relinquished Kisa claims in Alaska and relinquished Yilgani tenements in Western Australia was written off. The Group has also recognised an impairment on the Alaskan claims and Churchill Dam tenements in the prior year.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

	Consolidated 2020 \$	2019 \$
Note 6 Income tax		
<i>a) Reconciliation of income tax expense to prima facie tax payable</i>		
Profit/(Loss) from continuing operations before income tax expense	(1,661,033)	(3,856,352)
Tax at the Australian rate of 30%	(498,310)	(1,156,906)
Capital raising costs claimed	(53,176)	(47,715)
Non-deductible share-based payment	261,690	12,350
Other non-deductible expenses	2,688	839,207
Net deferred tax asset benefit not brought to account	287,108	353,064
Tax (benefit)/expense	-	-
<i>b) Deferred tax – Balance Sheet</i>		
<i>Assets</i>		
Revenue losses available to offset against future taxable income	980,711	1,770,793
Accrued expenses and leave provisions	16,895	22,581
Deductible equity raising costs	119,744	145,614
	1,117,350	1,938,988
<i>Liabilities</i>		
Capitalised exploration - Australia	(356,192)	(356,192)
Net deferred tax asset not recognised	761,158	1,582,796

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 6 Income tax (continued)

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

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

All unused tax losses were incurred by Australian entities.

	Consolidated 2020 \$	2019 \$
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Note 7 Current assets - Cash and cash equivalents

Cash at bank and on hand	272,102	394,272
Short term deposit ¹	1,005,999	12,325
Total cash and cash equivalents	<u>1,278,101</u>	<u>406,597</u>

¹ Short term deposits are made for varying periods of between 1 and 3 months depending upon the immediate cash requirements of the Group and earn interest at the respective short term interest rates.

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

Cash and cash equivalents per statement of cash flows	<u>1,278,101</u>	<u>406,597</u>
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(b) Cash balances not available for use

Included in cash and cash equivalents above are amounts pledged as guarantees for the following:

Office rental bond	<u>6,095</u>	<u>7,298</u>
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Note 8 Current assets – Trade and other receivables

Trade Debtors	1,809	-
GST receivable	17,287	6,241
Accrued income	2,500	-
	<u>21,596</u>	<u>6,241</u>

Details of fair value and exposure to interest risk are included at note 19.

Note 9 Current assets – Other current assets

Rental Bond	6,095	-
Security bond	440	440
	<u>6,535</u>	<u>440</u>

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

	Consolidated 2020 \$	2019 \$
Note 10 Non-Current assets – Property, plant and equipment		
<u>Leasehold Improvement</u>		
At cost	11,142	-
Accumulated depreciation	(2,457)	-
	<u>8,685</u>	-
<u>Field equipment</u>		
At cost	9,611	9,611
Accumulated depreciation	(7,513)	(4,309)
	<u>2,098</u>	5,302
<u>Office equipment</u>		
At cost	83,835	83,835
Accumulated depreciation	(59,345)	(35,547)
	<u>24,490</u>	48,288
<u>Motor Vehicles</u>		
At cost	47,497	47,497
Accumulated depreciation	(27,459)	(15,585)
	<u>20,038</u>	31,912
<u>Right-to-use Asset</u>		
At cost	45,139	-
Accumulated depreciation	(11,285)	-
	<u>33,854</u>	-
	<u>89,165</u>	-
Reconciliation		
<u>Leasehold Improvements</u>		
Opening net book value	-	-
Additions	11,142	-
Depreciation	(2,457)	-
Closing net book value	<u>8,685</u>	-
<u>Field equipment</u>		
Opening net book value	9,611	7,447
Additions	-	1,030
Depreciation	(7,513)	(3,175)
Closing net book value	<u>2,098</u>	5,302
<u>Office equipment</u>		
Opening net book value	83,835	58,050
Additions	-	14,510
Depreciation	(59,345)	(24,272)
Closing net book value	<u>24,490</u>	48,288
<u>Motor Vehicles</u>		
Opening net book value	47,497	42,550
Additions	-	-
Depreciation	(27,459)	(10,638)
Closing net book value	<u>20,038</u>	31,912
<u>Right-of-Use Asset</u>		
Opening net book value	-	-
Additions	45,139	-
Depreciation	(11,285)	-
Closing net book value	<u>33,854</u>	-

**Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020**

Note 10 Non-Current assets – Property, plant and equipment (continued)

No items of property, plant and equipment have been pledged as security by the Group.

The Company has leased an office in January 2020. This lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The company classifies its right-of-use assets in a consistent manner to its property plant and equipment. The lease is for a term of two years with an option for a further 4 years.

	Consolidated	
	2020	2019
	\$	\$

Note 11 Capitalised exploration and evaluation expenditure

	Note		
Balance at the beginning of the year		4,515,447	4,667,898
Exploration expenditure incurred (including movement in USD/AUD exchange rates)		337,810	2,644,906
Capitalised costs written off during the financial year	5	-	(1,365,717)
Impairment of exploration costs	5	-	(1,431,640)
Balance at the end of the year		4,853,257	4,515,447

The Group has recognised an impairment in previously capitalised exploration costs in respect of the Alaskan claims, West Australian and South Australian tenements (Refer note 5).

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

Note 12 Interests in joint ventures and farm-in arrangements

a) Joint Venture Agreements – Joint Operations

Joint venture agreements may be entered into with third parties.

Assets employed by these joint ventures and the Group's expenditure in respect of them is brought to account initially as capitalised exploration and evaluation expenditure until a formal joint venture agreement is entered into. Thereafter, investment in joint ventures is recorded distinctly from capitalised exploration costs incurred on the company's 100% owned projects. The Group was not part to joint arrangements during the year.

b) Farm-in Arrangements

The Group was party to the following farm-in arrangements during the financial year ended 30 June 2020:

Alloy Joint Venture – Earning In

The Company has entered into an agreement with Alloy Resources Limited ("Alloy") whereby the Company can earn up to an 85% interest in two granted Exploration Licences adjacent to its highly prospective Queen Lapage and Acra South targets in Western Australia.

**Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020**

Note 12 Interests in joint ventures and farm-in arrangements (continued)

b) Farm-in Arrangements (continued)

Significant terms of the farm-in arrangement as follows:

- The Company will pay Alloy \$30,000 cash as reimbursement for previous expenditure on the tenements.
- The Company must meet the minimum statutory expenditure of \$114,000 for the first year before withdrawing from the agreement.
- The Company can earn an initial 70% interest in the tenements by meeting statutory minimum expenditure requirements \$114,000pa for 3 years, including the first year.
- Upon the Company earning 70%, Alloy can elect to contribute pro-rata to further exploration or revert to a 15% free-carried interest to completion of a Definitive Feasibility Study (“DFS”), whereby the Company will have earned an 85% interest in the tenements.
- Upon completion of the DFS, Alloy will have an opportunity to contribute pro-rata to further exploration/development or revert to a 1.5% Net Smelter Royalty.
- The Company will manage exploration on the tenements.

Mamba Minerals Alaska Joint Venture – Earning In

The Company has signed a cash and earn-in agreement with Mamba Minerals LLC (Mamba Minerals) for its gold exploration portfolio in southwest Alaska, USA. The agreement is inclusive of Riversgold’s 100%-owned state mining claims over the high-grade Gemuk/Luna/Quicksilver gold project.

Significant terms of the farm-in arrangement as follows:

	Requirement	Deadline	Interest acquired
“Milestone Interest”	Pay to RGL US\$25,000	On execution of Agreement	30%
	Pay to RGL US\$125,000	19 th August 2020	
	Pay to RGL US\$100,000	30 th September 2020	
	Pay to RGL US\$375,000	31 st December 2020	
	Pay to RGL US\$375,000	31 st May 2021	
“First Earn-in Interest”	Expend US\$2,000,000 on Exploration Activities	18 months after execution of Agreement	19%
“Second Earn-in Interest”	Expend an aggregate US\$5,000,000 on Exploration Activities (inclusive of the US\$2,000,000 expended to earn the First Earn-in Interest)	Three years after execution of the Agreement	21%
TOTAL:			<u>70%</u>

**Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020**

	Consolidated	
	2020	2019
	\$	\$

Note 13 Current liabilities – Trade and other payables

Trade payables	103,538	314,984
Accrued expenses	18,500	72,782
Employment related payables	1,941	1,154
Other payables	169,556	341
	293,535	389,261

Liabilities are not secured over the assets of the Group. Details of fair value and exposure to interest risk are included at note 20.

	Consolidated	
	2020	2019
	\$	\$

Note 14 Current liabilities - Employee leave liabilities

Annual leave liability	2,487	2,147
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Note 15 Lease Liabilities

Current Liability	20,777	-
Non-Current Liability	14,555	-
Closing Balance	35,332	-

Changes in liabilities arising from financing activities:

Opening initial recognition	45,139	-
Interest	(1,269)	-
Principal	(8,538)	-
Closing Balance	35,332	-

Note 16 Non-current liabilities – Interest bearing borrowings

	Interest Rate %	Repayment Date	2020 \$	2019 \$
Convertible Notes	5%	7 November 2020	-	100,755

Convertible notes issued on 7 May 2019 to Greenwich Group Pty Ltd (“Greenwich”). Each convertible note will be convertible into Shares at the higher of \$0.022 per share or 80% of the 5 trading day volume weighted average price of the Company’s shares on ASX calculated at the date that the Conversion Notice is given to the Company. The Company repaid the convertible note on 23 December 2019.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 16 Non-current liabilities – Interest bearing borrowings (continued)

Changes in liabilities arising from financing activities:

	Convertible Notes	
	2020	2019
	\$	\$
Balance at the start of the financial year	100,755	-
Proceeds from drawdown of convertible note	-	100,000
Interest accrued	2,492	755
Repayment of Note	(103,247)	
Balance at the end of the financial year	-	100,755

Note 17 Issued capital

a) Ordinary shares

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

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value. There is no limit to the authorised share capital of the Company.

	Issue price	30 June 2020		30 June 2019	
		Number	\$	Number	\$
<i>b) Share capital</i>					
Issued share capital		312,775,951	15,716,278	101,181,543	13,625,834
<i>c) Share movements during the year</i>					
Balance at the start of the period		101,181,543	13,625,834	83,214,935	12,845,783
Shares issued under a Share Placement	\$0.075	-	-	6,670,000	500,250
Shares issued under a share Purchase Plan	\$0.075	-	-	1,366,664	102,500
Shares issued under a Share Placement	\$0.022	-	-	9,929,944	218,459
Shares issued under a Share Placement	\$0.01	40,000,000	400,000	-	-
Shares issued on conversion of directors fees	\$0.01	10,053,332	100,533	-	-
Shares issued under a Share Placement	\$0.01	66,518,841	665,188	-	-
Shares issued under a Share Placement	\$0.001	29,500,000	295,000	-	-
Shares issued under a Share Placement	\$0.075	65,522,235	720,745	-	-
Less share issue costs		-	(91,022)	-	(41,158)
Balance at the end of the financial year		312,775,951	15,716,278	101,181,543	13,625,834

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 18 Options and share-based payments

The establishment of the Riversgold Limited Incentive Option Plan (“the Plan”) was approved by shareholders of the Company on 28 April 2017. All eligible Directors, executive officers and employees of Riversgold Limited who have been continuously employed by the Company are eligible to participate in the Plan.

The Plan allows the Company to issue free options to eligible persons. The options can be granted free of charge and are exercisable at a fixed price in accordance with the Plan.

a) Options issued during the period

During the financial year the Company issued 18,000,000 options over unissued shares pursuant to the employee incentive plan. The options have an exercise price of \$0.001 cents per option and expire on 4 December 2022.

	Vesting Conditions
Tranche 1 6,000,000	Subject to 24 months of continuous service as a Director after following grant of the Options
Tranche 2 6,000,000	Subject to the Company announcing that it has entered into a farm-in agreement with a minimum investment of \$3,000,000 in relation to the Company’s non-WA assets
Tranche 3 6,000,000	Subject to the Company achieving a volume weighted average share price of at least \$0.04 calculated over any 20 day trading period after the issue of the Options.

b) Options exercised during the period

During the financial year the Company issued no shares on the exercise of options (2019: Nil).

c) Options cancelled during the period

During the financial year 450,000 options lapsed on termination of employment and no options were cancelled on expiry of exercise period.

d) Options on issue at the balance date

The number of options outstanding over unissued ordinary shares at 30 June 2020 is 39,870,000 (2019: 22,320,000). The terms of these options are as follows:

Date Granted	Number	Exercise price	Escrowed Until	Expiry date
15 May 2017	3,000,000	20 cents	10 October 2019	15 May 2022
3 Jul 2017	4,195,987	20 cents	21 July 2018	10 October 2020
3 Jul 2017	804,013	20 cents	10 October 2019	10 October 2020
26 Sep 2017	13,750,000	20 cents	26 September 2018	10 October 2020
1 Mar 2019	120,000	9 cents	-	28 February 2023
28 Nov 2019	18,000,000	0.1 cents	-	4 December 2022
Total	39,870,000			

**Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020**

Note 18 Options and share-based payments (continued)

e) Subsequent to the balance date

The following options were granted subsequent to the balance date and to the date of signing this report;

- One free attaching option for every two placement shares issued resulted in 69,659,091 options being granted on 13 August 2020. The options have an exercise price of 3cnet and a 3yr expiry.
- 12,000,000 options have been issued to directors after shareholder approval was given on 6 August 2020 and have an expiry date of 12 August 2023. The below table details the options granted:

	Number and Recipient	Exercise Price
Tranche 1	2,000,000 to Mr Braud (or his nominee)	\$0.049 each
Tranche 2	2,000,000 to Mr Braud (or his nominee)	\$0.057 each
Tranche 3	2,000,000 to Mr Braud (or his nominee)	\$0.076 each
Tranche 4	2,000,000 to Mr Bolster (or his nominee)	\$0.070 each
Tranche 5	2,000,000 to Mr Bolster (or his nominee)	\$0.081 each
Tranche 6	2,000,000 to Mr Bolster (or his nominee)	\$0.108 each

2,435,644 options have been exercised at \$0.03 post balance date to the date of signing this report.

f) Basis and assumptions used in the valuation of options.

The options issued during the current reporting period were valued using the Black-Scholes option valuation methodology.

Date granted	Number of options granted	Exercise price (cents)	Expiry date	Risk free interest rate used	Volatility applied	Value of Options
28 Nov 2019	18,000,000	0.1	4 Dec 2022	0.92%	119%	\$165,720
30 June 2020	2,000,000	4.9	30 June 2023	0.26%	173%	139,687
30 June 2020	2,000,000	5.7	30 June 2023	0.26%	173%	138,329
30 June 2020	2,000,000	7.6	30 June 2023	0.26%	173%	135,519
30 June 2020	2,000,000	7.0	30 June 2023	0.26%	173%	136,353
30 June 2020	2,000,000	8.1	30 June 2023	0.26%	173%	134,856
30 June 2020	2,000,000	10.8	30 June 2023	0.26%	173%	131,674

Historical volatility has been used as the basis for determining expected share price volatility.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 18 Options and share-based payments (continued)

g) Reconciliation of movement of options over unissued shares during the period including weighted average exercise price (WAEP)

	2020		2019	
	No.	WAEP (cents)	No.	WAEP (cents)
Options outstanding at the start of the period	22,320,000	19.94	22,200,000	20.0
Options granted during the period	18,000,000	0.01	370,000	9.0
Options exercised during the period	-	-	-	-
Options cancelled and expired unexercised during the period	(450,000)	20.0	(250,000)	9.0
Options outstanding at the end of the period	39,870,000	10.94	22,320,000	19.94

h) Weighted average contractual life

The weighted average remaining contractual life for un-exercised options is 16 months (2019: 18 months).

	Consolidated			
	2020		2019	
	Foreign exchange translation reserve (i) \$	Share-based payment reserve (ii) \$	Foreign exchange translation reserve \$	Share-based payment reserve \$
Balance at the beginning of the year/period	133,547	2,073,655	54,845	2,032,489
Movement in foreign translation reserve in respect of exchange rate	104,058	-	78,702	-
Movement in share-based payment reserve in respect of options issued	-	861,768	-	41,166
Balance at the end of the year/period	237,605	2,935,423	133,547	2,073,655

Note 19 Reserves

Balance at the beginning of the year/period	133,547	2,073,655	54,845	2,032,489
Movement in foreign translation reserve in respect of exchange rate	104,058	-	78,702	-
Movement in share-based payment reserve in respect of options issued	-	861,768	-	41,166
Balance at the end of the year/period	237,605	2,935,423	133,547	2,073,655

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

(ii) The share-based payment reserve is used to recognise the fair value of options issued and vested but not exercised.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 20 Financial instruments

Credit risk

The Directors do not consider that the Group's financial assets are subject to anything more than a negligible level of credit risk, and as such no disclosures are made, note 2(a).

Impairment losses

The Directors do not consider that any of the Group's financial assets are subject to impairment at the reporting date. No impairment expense or reversal of impairment charge has occurred during the reporting period.

Interest rate risk

At the reporting date the interest profile of the Group's interest-bearing financial instruments was:

	Carrying amount (\$)	
	2020	2019
Fixed rate instruments		
Financial assets	<u>1,005,999</u>	<u>12,325</u>
Variable rate instruments		
Financial assets	<u>272,102</u>	<u>394,272</u>

At Balance date the Group is not materially exposed to interest rate risk.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements, note 2(b):

Consolidated	Carrying amount	Contractual cash flows	< 6 months	6-12 months	1-2 years	2-5 years	> 5 years
	\$	\$	\$	\$	\$	\$	\$
2020							
Trade & other payables	293,535	293,535	293,535	-	-	-	-
Lease Liability	35,854	35,854	11,076	11,261	14,798	-	-
	329,389	329,389	304,611	11,261	14,798	-	-
2019							
Trade & other payables	389,261	389,261	389,261	-	-	-	-
Convertible notes	100,755	107,593	-	-	107,593	-	-
	490,016	496,854	389,261	-	107,593	-	-

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

	Consolidated			
	2020		2019	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Cash and cash equivalents	1,278,101	1,278,101	406,597	406,597
Trade other receivables	21,596	21,596	6,241	6,241
Trade and other payables	(293,535)	(293,535)	(389,261)	(389,261)
Convertible notes	-	-	(100,755)	(100,755)
Lease Liability	35,854	35,854	-	-
	1,042,016	1,042,016	(77,178)	(77,178)

The Group's policy for recognition of fair values is disclosed at note 1(t).

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 21 Dividends

No dividends were paid or proposed during the financial year ended 30 June 2020.

The Company has no franking credits available as at 30 June 2020.

Note 22 Key management personnel disclosures

(a) Directors and key management personnel

The following persons were directors of Riversgold Limited during the financial year:

- (i) Chairman – non-executive*
Simon Andrew (appointed 28 August 2019)
- (ii) Executive director*
Xavier Braud, Executive Director (appointed 10 June 2020)
- (iii) Non-executive director*
Simon Bolster (appointed 23 June 2020)
- (iv) Executive director*
Justin Boylson (appointed 28 August 2019-resigned 28 August 2020)
- (v) Non-executive director*
Michael Davy (appointed 28 August 2019 - resigned 10 June 2020)
- (vi) Chairman Non-executive*
Rod Webster (resigned 17 Oct 2020)
- (vii) Non-executive director*
Aaron Colleran (resigned 28 August 2019)
- (viii) Non-executive director*
Kevin Hart (resigned 28 August 2019)

There were no other persons employed by or contracted to the Company during the financial year, having responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly.

(b) Key management personnel compensation

A summary of total compensation paid to key management personnel during the year is as follows:

	2020	2019
	\$	\$
Total short-term employment benefits	271,258	478,935
Total share-based payments ¹	859,768	40,165
Total post-employment benefits	11,875	25,650
	1,142,901	544,750

¹ The fair value of options issued to Directors as remuneration is included in the financial statements over the periods that they vest.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 23 Remuneration of auditors

	2020	2019
	\$	\$
Audit and review of the Company's financial statements	28,187	26,730
Total	28,187	26,730

Note 24 Contingencies

(i) Contingent liabilities

There were no material contingent liabilities not provided for in the financial statements of the Group as at 30 June 2020 other than:

Native Title and Aboriginal Heritage

Native title claims have been made with respect to areas which include tenements in which the Group has an interest pursuant to various share sale and asset acquisition agreements.

The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Group has an interest.

(ii) Contingent assets

There were no material contingent assets as at 30 June 2020.

Note 25 Commitments

(a) Exploration

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

As at balance date, total exploration expenditure commitments on tenements held by the Group have not been provided for in the financial statements. Commitments for the following twelve month period amount to approximately \$889,760 (2019: \$1,247,000).

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 25 Commitments (continued)

(b) Contractual Commitment

There are no material contractual commitments as at 30 June 2020 and 30 June 2019 not otherwise disclosed in the Financial Statements.

Note 26 Related party transactions

a) Subsidiaries

Subsidiary Company	Country of Incorporation	Parent	Ownership Interest	
			30 June 2020	30 June 2019
Riversgold (Australia) Pty Ltd	Australia	Riversgold Ltd	100%	100%
Cambodia Gold Pty Ltd	Australia	Riversgold Ltd	100%	100%
Afranex Gold Pty Ltd ¹	Australia	Riversgold Ltd	100%	100%
Afranex (Alaska) Limited	USA	Afranex Gold Pty Ltd	100%	100%
North Fork Resources Pty Ltd	Australia	Afranex Gold Pty Ltd	100%	100%

The ultimate controlling party of the group is Riversgold Ltd.

b) Loans to controlled entities

The following amounts are payable to the parent company, Riversgold Ltd, at the reporting date. These amounts are eliminated on consolidation.

	30 June 2020 \$	30 June 2019 \$
Riversgold (Australia) Pty Ltd	3,683,609	3,534,469
Afranex Gold Pty Ltd	2,627,379	2,346,029
Cambodia Gold Pty Ltd	305,441	289,386

c) Transactions with Directors

Transactions with Directors, as directors of the Company, during the year are disclosed at Note 21 – Key Management Personnel.

During the financial year ended 30 June 2020, the Company incurred \$24,964 for bookkeeping, accounting and company secretarial services provided by Endeavour Corporate Pty Ltd, an entity associated with Mr Kevin Hart. These services provided by Endeavour Corporate were done so at an arm's length basis and on normal commercial terms.

During the year the company issued 10,083,332 shares to settle directors' fees.

There are no other related party transactions, other than those already disclosed elsewhere in this financial report.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 27 Events occurring after the balance sheet date

A General meeting of shareholders was held on 6th August 2020 to approve the Capital raising announcement on 19th May 2020. After gaining Shareholder approval the company completed Tranche 2 of the placement on 12 August 2020 and issued 73,795,057 shares with one free attaching option for every two shares issued, being 69,659,091 options with an exercise price of \$0.03 expiry 13/8/2023.

Other options issued to Directors on 12 August 2020 were:

	Number and Recipient	Exercise Price
Tranche 1	2,000,000 to Mr Braud (or his nominee)	\$0.049 each
Tranche 2	2,000,000 to Mr Braud (or his nominee)	\$0.057 each
Tranche 3	2,000,000 to Mr Braud (or his nominee)	\$0.076 each
Tranche 4	2,000,000 to Mr Bolster (or his nominee)	\$0.070 each
Tranche 5	2,000,000 to Mr Bolster (or his nominee)	\$0.081 each
Tranche 6	2,000,000 to Mr Bolster (or his nominee)	\$0.108 each

10,000,000 Unlisted options were also issued to Hartleys Limited at the exercise price of \$0.03 and an expiry date of 12 August 2023 in part consideration for the provision of corporate advice and capital raising services over an 18-month period. Approval was granted at the general meeting held on 6 August 2020.

Issue of Performance Rights

Shareholders granted approval for the issue of 50,000,000 performance rights to Quarterback Geological Consultants Pty Ltd ("**Quarterback**") as consideration for geological strategy and consultancy services provided to drive the company's Eastern Goldfields and South Australian exploration programs. The Quarterback Performance Rights will convert into shares on a one for one basis on achievement of the following milestones:

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

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

**Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020**

	Consolidated	
	2020	2019
	\$	\$

Note 28 Reconciliation of loss after tax to net cash inflow from operating activities

Loss from ordinary activities after income tax	(1,661,033)	(3,856,352)
<i>Adjustment for non-cash items:</i>		
Impairment of exploration	-	2,797,357
Exploration expensed	8,961	13,384
Share-based payments expense	861,768	41,166
Depreciation	52,618	38,085
Non cash share issue	100,533	-
Net foreign exchange differences	104,058	(45,528)
Loss on deconsolidation	-	-
<i>Movement in assets and liabilities:</i>		
(Increase)/decrease in receivables	(8,481)	16,656
Increase/(decrease) in payables	(151,342)	90,279
Increase/(decrease) in employee leave liabilities	340	13,986
Net cash outflow from operating activities	(692,578)	(916,792)

Non-cash investment and financing activities

During the year 10,083,332 shares were issued to settle directors' fees

Note 29 Loss per share

	Consolidated	
	2020	2019
<i>a) Basic loss per share</i>	Cents	Cents
Loss attributable to ordinary equity holders of the Company	(0.85)	(4.38)
<i>b) Diluted loss per share</i>		
Loss attributable to ordinary equity holders of the Company	(0.85)	(4.38)
<i>c) Loss used in calculation of basic and diluted loss per share</i>		
Consolidated loss after tax from continuing operations	\$ (1,661,033)	\$ (3,856,352)
<i>d) Weighted average number of shares used as the denominator</i>	No.	No.
Weighted average number of shares used as the denominator in calculating basic and dilutive loss per share	194,743,785	88,096,681

At 30 June 2020 the Company has on issue 39,870,000 unlisted options over ordinary shares that are not considered to be dilutive.

Notes to the Consolidated Financial Statements
For the financial year ended 30 June 2020

Note 30 Parent entity information

	Company	
	2020	2019
	\$	\$
<i>Financial position</i>		
Assets		
Cash	1,276,343	407,898
Other current assets	25,631	-
Non-current assets – investments in subsidiaries	4,640,028	4,369,130
Non-current assets – other	89,166	-
Total Assets	<u>6,031,068</u>	<u>4,777,028</u>
Liabilities		
Current liabilities	99,312	154,209
Non-current liabilities	14,555	100,755
Total Liabilities	<u>113,867</u>	<u>254,964</u>
NET ASSETS	<u><u>5,917,301</u></u>	<u><u>4,522,064</u></u>
Equity		
Issued Capital	15,885,834	13,625,834
Reserves	2,935,423	2,073,655
Foreign Currency Reserve	1,233	-
Accumulated losses	(12,905,189)	(11,177,425)
TOTAL EQUITY	<u><u>5,917,301</u></u>	<u><u>4,522,064</u></u>
<i>Financial performance</i>		
Loss for the period	1,787,764	3,735,634
Other comprehensive income	-	-
Total comprehensive loss	<u><u>1,787,764</u></u>	<u><u>3,735,634</u></u>

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

No guarantees have been entered into by the parent entity in relation to the debts of its subsidiary companies.

Contingent liabilities

For full details of contingencies see Note 24.

Commitments

For full details of commitments see Note 25.

Riversgold Limited
ABN 64 617 614 598

Directors' Declaration

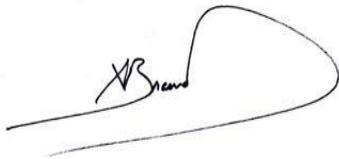
In the opinion of the Directors of Riversgold Limited ("the Company")

- (a) the accompanying financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) give a true and fair view of the financial position as at 30 June 2020 and of the performance for the period ended on that date of the Group.
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
- (c) the financial statements comply with International Financial Reporting Standards as set out in Note 1.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2020.

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

Signed at Perth this 30th day of September 2020.

A handwritten signature in black ink, appearing to read 'X Braud', with a large, sweeping flourish extending to the right.

Xavier Braud
Executive Director

INDEPENDENT AUDITOR'S REPORT

To the members of Riversgold Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Riversgold Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, 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 Group is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. We have determined the matter described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
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Carrying amount of exploration and evaluation expenditure	
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Note 11 of the financial report	
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<p>The carrying amount of exploration and evaluation expenditure as at 30 June 2020 is \$4,853,257.</p>	<p>Our procedures included but were not limited to the following:</p>
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<p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Group capitalises all exploration and evaluation expenditure, including acquisition costs and subsequently applies the cost model after recognition.</p>	<ul style="list-style-type: none"> • We obtained an understanding of the key processes associated with management’s review of the carrying values of each area of interest;
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<p>Our audit focussed on the Group’s assessment of the carrying amount of the capitalised exploration and evaluation asset, as this is one of the most significant assets of the Group.</p>	<ul style="list-style-type: none"> • We considered the Directors’ assessment of potential indicators of impairment;
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<p>We planned our work to address the audit risk that the capitalised expenditure may no longer meet the recognition criteria of the standard. In addition, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of the exploration and evaluation asset may exceed its recoverable amount.</p>	<ul style="list-style-type: none"> • We obtained evidence that the Group has current rights to tenure of its areas of interest; • We discussed with management the nature of planned ongoing activities; • We substantiated a sample of expenditure by agreeing to supporting documentation; and • We examined the disclosures made in the financial report.
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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 Group’s annual report for the year ended 30 June 2020, 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 in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the 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 Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

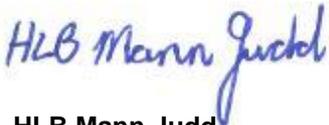
Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Riversgold Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

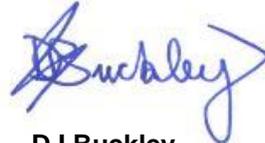
Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
30 September 2020



D I Buckley
Partner

Riversgold Limited
ABN 64 617 614 598

ASX ADDITIONAL INFORMATION

Additional information required by Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 13 September 2020.

(a) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are:

Rank	Name	Units	% Units
1	SISU INTERNATIONAL PTY LTD	32,918,047	8.46
2	EAGLEHAWK INVESTMENTS PTY LTD	28,150,000	7.24
3	EAGLEHAWK INVESTMENTS PTY LTD	21,000,000	5.40
4	EVOLUTION MINING LIMITED	15,700,000	4.04
5	KINGSLANE PTY LTD <CRANSTON SUPER A/C>	15,302,201	3.93
6	CITYMIST HOLDINGS PTY LTD	15,000,000	3.86
7	ESM LIMITED	9,000,000	2.31
8	JAYANDEM PTY LTD	8,984,778	2.31
9	TORR FAMILY PTY LTD <TORR A/C>	6,000,000	1.54
10	MONEX BOOM SECURITIES (HK) LTD <CLIENTS ACCOUNT>	5,750,000	1.48
11	REDLAND PLAINS PTY LTD <BRIAN BERNARD RODAN S/F A/C>	5,480,199	1.41
12	RECONDO PTY LTD <J & M BOYLSON FAMILY A/C>	5,333,334	1.37
13	DAVY CORP PTY LTD <DAVY INVESTMENT A/C>	5,333,333	1.37
14	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	5,158,273	1.33
15	INVESTAR HOLDINGS PTY LTD <WEBSTER SUPER FUND A/C>	5,000,000	1.29
15	ROMFAL SIFAT PTY LTD <THE FIZMAIL FAMILY A/C>	5,000,000	1.29
15	ST BARNABAS INVESTMENTS PTY LTD <THE MELVISTA FAMILY A/C>	5,000,000	1.29
18	CLARIDEN CAPITAL PTY LTD	4,589,110	1.18
19	KENDALI PTY LTD	4,439,929	1.14
20	BLU BONE PTY LTD <THE SHARE TRADING A/C>	4,100,000	1.05
Totals: Top 20 holders of ORDINARY FULLY PAID (Total)		207,239,204	53.27
Total Remaining Holders Balance		181,768,338	46.73

Riversgold Limited
ABN 64 617 614 598

ASX ADDITIONAL INFORMATION

(b) Distribution of equity security holders

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

Range	Total holders	Units	% Units
1 - 1,000	19	1,307	0.00
1,001 - 5,000	17	60,504	0.02
5,001 - 10,000	199	1,763,388	0.45
10,001 - 100,000	679	28,919,810	7.43
100,001 Over	315	358,262,533	92.10
Total	1,229	389,007,542	100.00

(c) Substantial Shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

Name	Number of Shares	%
SISU INTERNATIONAL PTY LTD	32,918,047	8.46
EVOLUTION MINING LIMITED	15,000,000	4.02

(a) Restricted Securities

There are no restricted securities as at 14 September 2020

(b) Unmarketable Parcels

There were 105 holders of less than a marketable parcel of ordinary shares.

(c) Voting Rights

The voting rights attaching to ordinary shares are:

On a show of hands, every member present in person or by proxy shall have one vote, and upon a poll, each share shall have one vote.

Options do not carry any voting rights.

(d) On Market Buy Back

There is no current on market buy-back.

Riversgold Limited
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ASX ADDITIONAL INFORMATION

(e) Interest in Mining Tenements

Tenement schedule as at 14 September 20 .

SA LIVE TENEMENTS									
Tenement	Status	Project	Holder 1	Holder shares	Holder 2	Holder Shares	Current Area	Grant Date	Application Date
EL 5890	LIVE	CHURCHILL DAM	RIAU	100			107	15/11/16	1/01/90
EL 6313	LIVE	CHURCHILL DAM	RIAU	100			47	20/02/19	1/01/90

WA LIVE TENEMENTS									
Tenement	Status	Project	Holder 1	Holder shares	Holder 2	Holder Shares	Current Area	Grant Date	Application Date
E25/0538	LIVE	QUEEN LAPAGE	SERD	20	RIAU	80	41	21/09/16	11/01/16
E25/0539	LIVE	JAWS	SERD	20	RIAU	80	70	4/05/18	11/01/16
E25/0540	LIVE	VENETIAN	SERD	20	RIAU	80	10	21/09/16	11/01/16
E25/0541	LIVE	FARR-JONES	SERD	20	RIAU	80	38	27/04/18	11/01/16
E25/0550	LIVE	CUTLER	RIAU	100			5	16/11/16	12/04/16
E25/0583	LIVE	NEAR RANDELL DAM	RIAU	100			4	12/03/20	3/01/19
E28/2580	LIVE	QUEEN LAPAGE	SERD	20	RIAU	80	54	21/09/16	11/01/16
E28/2599	LIVE	ALLOY JV	ALLO	100			67	5/10/16	17/03/16
E28/2665	LIVE	ALLOY JV	ALLO	100			47	8/09/17	25/11/16

WA LIVE TENEMENTS									
Tenement	Status	Project	Holder 1	Holder Shares	Holder 2	Holder Shares	Current Area	Grant Date	Application Date
E25/0573	PENDING	RANDALLS	RIAU	100			18		23/02/18
E25/0582	PENDING	BARE HILL	RIAU	100			3		19/12/18
P25/2610	PENDING	SEABROOK HILLS	RIAU	100			139		20/12/18
P25/2611	PENDING	SEABROOK HILLS	RIAU	100			141		20/12/18
P25/2612	PENDING	SEABROOK HILLS	RIAU	100			139		20/12/18
E28/3034	PENDING	HAMPTON	RIAU	100			37		23/07/2020
E28/3060	PENDING	HAMPTON HILL	RIAU	100			6		21/09/2020