PACGOLD

ASX announcement

18 January 2024

QUARTERLY ACTIVITIES REPORT

For the three-month period ending 31 December 2023

Alice River Gold Project, Queensland

Regional Targets

- **Multiple new regional structures** significantly increase district growth potential
  - **4km extension of the Alice River fault zone** in latest IP geophysics, concealed by shallow cover and with no previous exploration[1]
  - **Surface rock chips up to 47.4g/t Au define a new structure >2km** in strike length hosting the historical Jerry Dodds prospect workings, located 0.6km southwest of and sub-parallel to the high-grade Alice River fault zone[2]
  - **Significant extension of the Alice River fault zone defined 3.8km north of the Northern Target**, with rock chip results to 2.2g/t Au at the Kapok prospect[2]
  - Compelling support that the mineralising potential of the **Alice River fault zones extends >30km**
- **Drilling completed on multiple regional targets – results pending**

Central and Southern Targets

- **Significant advances in the structural geological model for gold system**
  - Consultant review has enhanced understanding of structural controls on high-grade gold zones to enable more predictive targeting of high-grade extensions and identification of new priority targets
- **Drilling completed on strike extensions to Central and Southern Targets – results pending**

Corporate

- **Cash balance $3.2M at the end of December 2023**

PGO ASX Releases [1]17 October 2023, [2] 20 November 2023

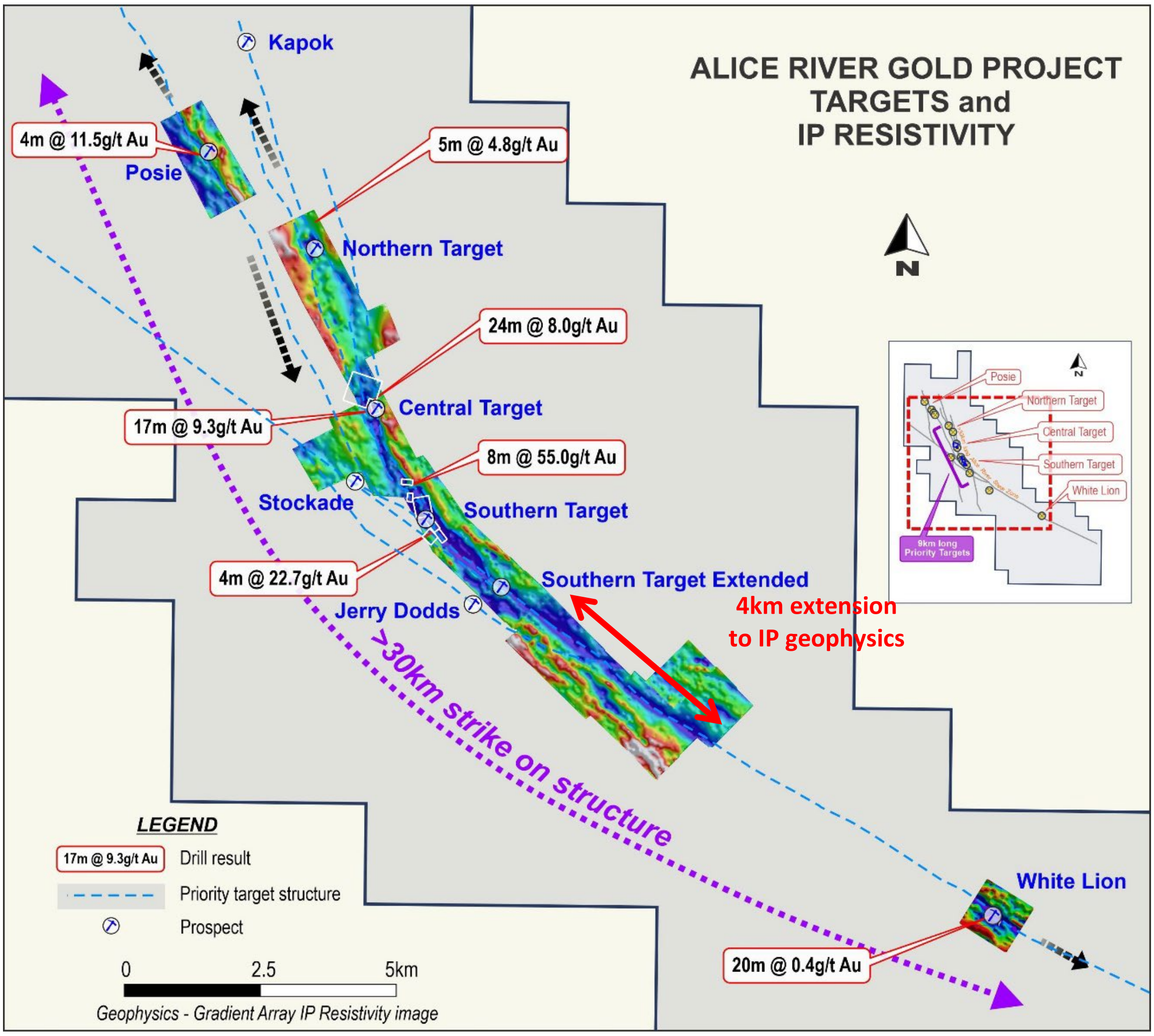

Figure 1: IP geophysics resistivity low (blue and purple colour) defining the 30km long Alice River Fault zone

Pacgold Limited (**ASX: PGO**) (‘**Pacgold**’ or ‘**the Company**’) is pleased to present its Quarterly Activities Report for the three-month period ending 31 December 2023 (**‘Quarter’**).

Alice River Gold Project Overview

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

The Company’s focus in the second half of 2023 was to expand the exploration program to include several regional prospects additional to the Central and Southern Targets on the 30km long Alice River gold-bearing fault zone (refer Figure 1):

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

Activities during the Quarter included:

Exploration during the Quarter focused on an **accelerated regional exploration program** (rock chip, mapping, and IP geophysics) along the Alice River fault zone (>30km) to investigate a number of new areas mainly concealed beneath shallow sediment cover. Results from this program have defined several new priority targets for further exploration and continue to highlight excellent potential for high-grade gold mineralisation along the large-scale structure. Additional significant achievements during the Quarter include the definition of substantial new regional structures located sub-parallel to the Alice River fault zone, with initial rock chip results highlighting high-grade gold potential.

A shallow **orientation aircore drilling** program was completed on wide spaced drill traverses (25m spaced holes along traverses) to investigate a number of sections of the Alice River fault zone concealed by shallow cover sediments. Drilling results are pending.

Reconnaissance RC drilling concentrated on investigating new targets along the Alice River fault zone and on sub-parallel structures. Drilling results are pending.

Processing and interpretation of **IP geophysics (gradient array)** survey data defines a 4km extension of the Alice River fault zone.

Assay results from **regional rock chip sampling and mapping** were received, identifying multiple new regional structures including extensions to the Alice River fault zone and new sub-parallel structures with rock chip results to 47.4g/t Au.

Drill results for aircore and RC drilling are expected in January - February 2024. A total of 102 holes for 750m of aircore drilling and a total of 25 holes for 2,288m of RC drilling were completed.

Aircore / Bedrock Drilling		
Southern Target	9 holes for	44m
Central Target	61 holes for	463m
Southern Target extended (Victoria prospect)	32 holes for	243m
Total Aircore	**102 holes for**	**750m**
RC Drilling		
Central Target	3 holes for	246m
Jerry Dodds prospect	4 holes for	326m
Posie Prospect	9 holes for	762m
Northern Target	2 holes for	216m
Southern Target	1 hole for	108m
Southern Target extended (Victoria prospect)	6 holes for	630m
Total RC	**25 holes for**	**2288m**

Structural and economic geology consultant Dr. Brett Davis completed a detailed field and data review of the drill core and outcrop exposures across the project in December 2023, leading to a number of significant advances of our structural and geological model for the project. These advances will provide greater confidence for step-out drilling, targeting the extensions to high-grade gold mineralisation, and provide greater predictability in the identification of new priority targets at prospect and regional scales.

Central Target

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

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

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

During the Quarter, initial RC drilling was completed on a new vein structure located 120m north-east of the F1a zone. This vein zone is interpreted to represent a faulted offset extension of the F1a zone or a new parallel structure to the east of the F1a zone. Results from this drill hole are pending.

Four aircore drilling traverses were completed on the northern extent of the F1a zone over 400m of strike with holes spaced 25m apart along the traverses to map alteration, veining and pathfinder geochemistry in the bedrock beneath the shallow sediment cover. The average hole depth was 7m and results from drilling are pending.

Three aircore drilling traverses were completed to investigate northern extensions of the new F1-2 zone observed in the IP geophysics and concealed by shallow sediment cover. The F1-2 zone was discovered and reported in Q3 2023 with an initial RC drill hole intersecting **1m @ 41.1 g/t Au** from 71m (ARDH083) [6], and represents a new parallel structure to the west of the F1a zone The aircore drilling traverses were completed across over 400m of strike with holes spaced 25m apart along the traverses to map alteration, veining and pathfinder geochemistry in the bedrock beneath the shallow sediment cover. The average hole depth was 7m and results from drilling are pending.

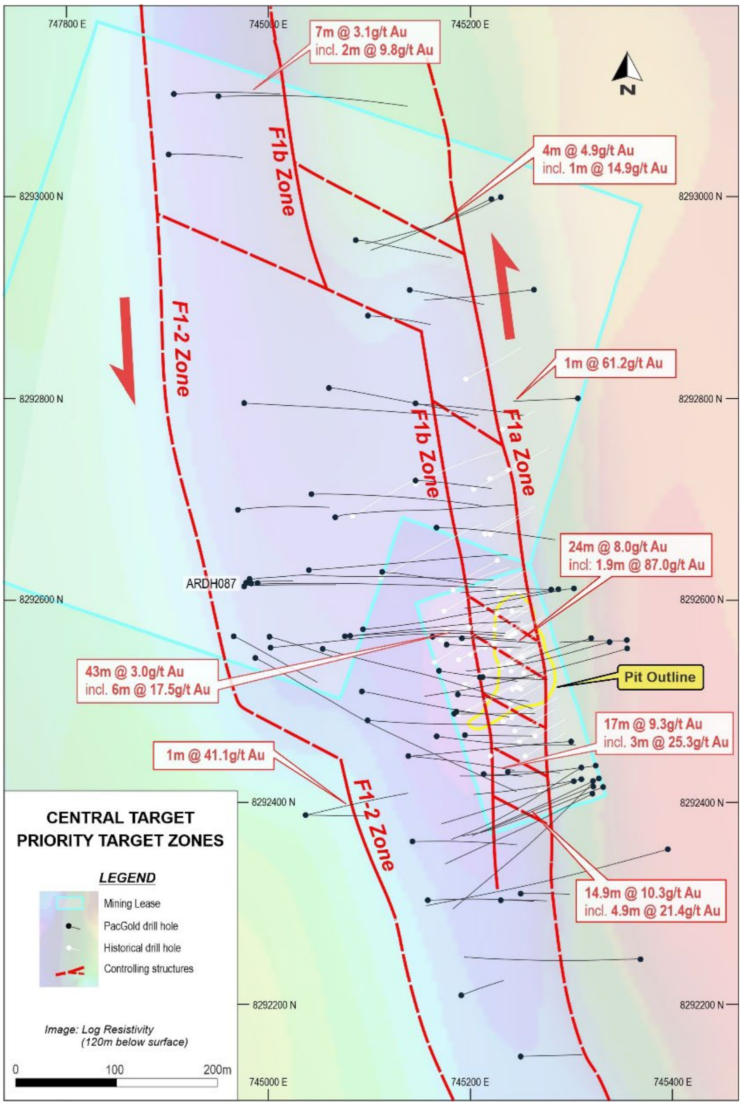

Figure 2: Central Target showing F1a and F1-2 zones on the margins of the IP geophysics resistivity low corridor

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

Southern Target

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

First-pass drilling by Pacgold in Q2 2023 intersected a number of encouraging gold results in several drill holes, including **1m @ 89.1g/t Au** from 84m[8], with the entire gold system open along strike and at depth. The drilling program provided strong encouragement for the definition of a second high-grade gold system on the project, additional to the Central Target (F1a zone).

IP geophysics also completed in 2023 demonstrated the potential for the Southern Target gold system to extend several kilometres along strike to the SE below shallow sediment cover, with no previous drilling undertaken on this zone.

During the Quarter aircore drilling was completed across an IP geophysical target concealed by shallow cover sediments where deeper drilling by Pacgold in Q2 2023 intersected 26.8m @ 0.6g/t Au from 162m in STDH006[8]. Results are pending.

An RC drill hole was completed 70m to the southeast of the Southern Target to investigate the interpreted extension of the outcropping mineralisation where it is interpreted to extend beneath shallow cover sediments. Results from this drilling are pending.

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

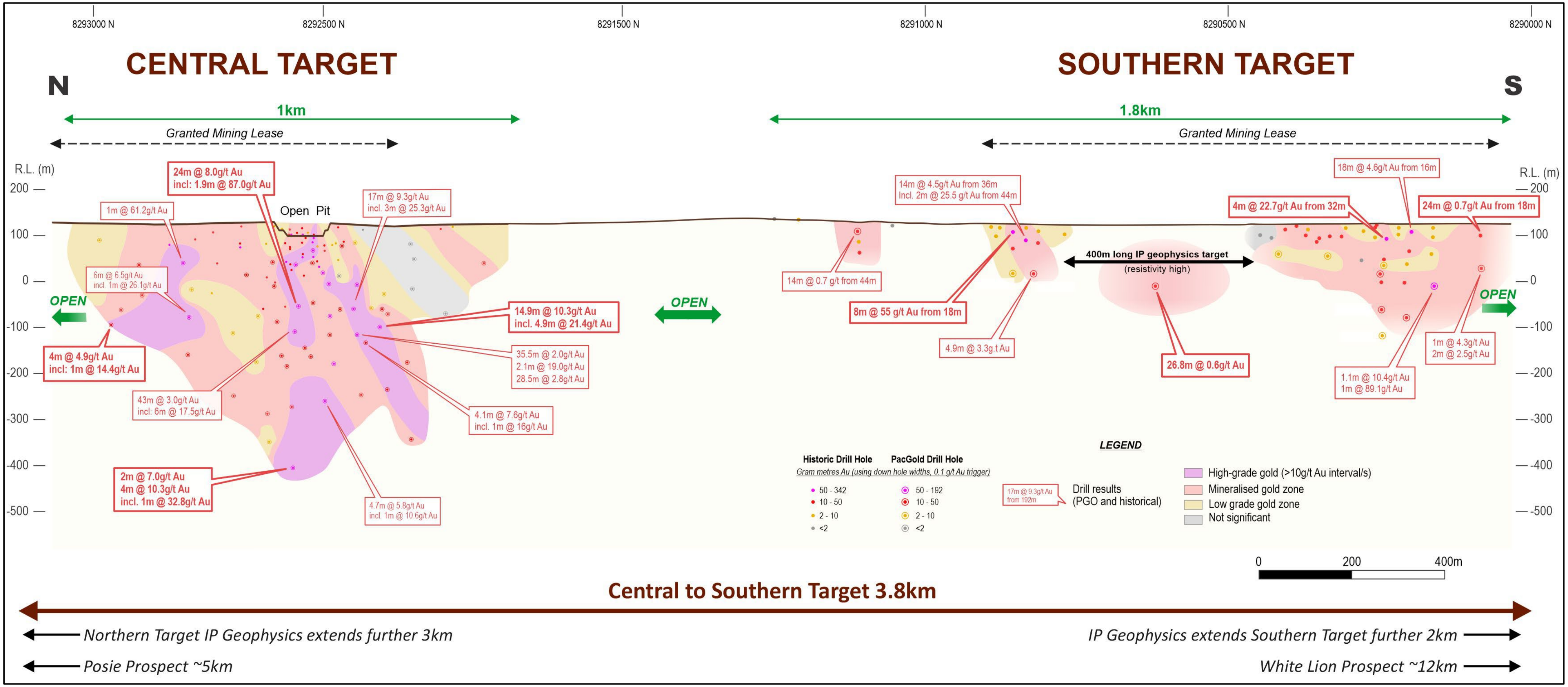

Figure 3: Central to Southern Target long section highlighting over 3.8km of strike (open) demonstrating large-scale gold system

Regional Targets

Exploration by Pacgold during the Quarter has continued to provide strong evidence for the prospective Alice River fault zone to extend >30km with multiple new sub-parallel structures also being defined. Highlights of the regional exploration for the Quarter include:

- Latest **IP geophysics** defines a 4km long extension on the Alice River fault zone to the SE of the Southern Target, concealed by shallow cover with no previous drilling
- **Regional rock chip results and mapping** highlights multiple new regional structures which are sub-parallel to the Alice River fault zone, with rock chips up to 47.4g/t returned (Jerry Dodds prospect)
- Initial **RC drilling** completed on several regional targets (results pending) including:
    - Posie prospect
    - Jerry Dodds prospect
    - Southern Target extended (Victoria prospect)
- **Aircore/bedrock drilling** completed on wide space lines across the interpreted Alice River fault zone defined in the IP geophysics (results pending).

IP Geophysics Programme

This latest IP geophysical survey data[9] (gradient array IP) collected in 2023 continued to define the regionally significant Alice River fault zone as a resistivity low that is concealed beneath shallow cover sediments to the southeast of the high-grade Southern Target. At both the Central and Southern Targets the high-grade gold mineralisation is directly associated with the linear resistivity low, related to alteration and quartz veining hosted by the fault zone.

Refer to Figure 1 showing the latest 4km extension of the Alice River fault zone. The total IP geophysics (gradient array IP) coverage is now over ~50% of the >30km fault.

Jerry Dodds Prospect

The Jerry Dodds prospect represents a new zone of gold mineralisation in outcropping fault-hosted quartz veining in a structure sub-parallel to the Alice River fault zone, located 400m southwest of the Southern target extension (refer Figure 1). The interpreted 2km long structure has been defined by mapping of limited outcrops of quartz veining and breccia, which host small sporadic 1900s-era prospector workings.

Rock chip sampling of the vein exposures during the Quarter has confirmed strongly anomalous gold mineralisation along the entire 2km of exposed veining with a peak of 47.4g/t Au and other notable results including 24.7g/t Au, 13.2g/t Au and 6.1g/t Au.

Four RC holes were completed during the Quarter on four sections along 500m strike of the outcropping mineralisation, with results pending.

PGO ASX Releases [9]17 October 2023 [10] 20 November 2023

Posie Prospect

The Posie Prospect is located 5km to the NNW of the Central Target, with outcropping quartz veining hosted by an interpreted 2.5km long structure parallel to and west of the Alice River fault zone.

Initial exploration by Pacgold in Q3 2023 returned numerous gold-mineralised rock chip samples up to 46.2g/t Au from a 1.4km long target zone (defined by IP geophysics). This program represents the first exploration in over 26 years at Posie, when shallow mining of gold-bearing surficial gravels in the 1990's exposed the basement quartz veins[11].

During the Quarter a program of nine RC holes was completed for 762m at Posie, on sections spaced 200m apart over 1km of strike. Results are pending.

Southern Target extended (Victoria Prospect)

IP geophysics completed in 2023 highlighted a broad linear resistivity low corridor defining the prospective Alice River fault zone extending over 6.2km southeast from the Southern Target and completely concealed by shallow cover sediments (refer Figure 1).

During the Quarter a program of wide-spaced RC drilling (6 holes for 630m) was completed on 1.3km of strike on the Alice River fault zone, southeast of the Southern Target to test a number of IP targets.

In addition, two 800m-spaced aircore drilling traverses (25m spaced holes along traverses) were completed to map depth of cover, basement alteration and veining in the bedrock, and collect samples for geochemical assays. The average hole depth was 8m.

Results are pending for the RC and aircore drilling programs.

Stockade Prospect

The Stockade Prospect is located on a regional WNW-trending 'cross' structure 600m to the west of the Southern Target MLs. The prospect is defined by relatively widespread, sporadic outcropping quartz veining and associated alteration in several shallow historical mining pits over an interpreted strike length of 0.6km. During the Quarter rock chip sampling returned several anomalous rock chip results with a peak value of 1.5g/t Au, with anomalous associated pathfinder elements. Refer Figure 1.

Kapok Prospect

The Kapok Prospect is located on the interpreted northern extension of the Alice River fault zone approximately 3.8km north of the Northern Target. Rock chip samples from rare outcrops (dominantly sand covered) returned results up 2.2g/t Au. No previous exploration is recorded in this area and no existing IP geophysics survey coverage. Refer Figure 1.

Next Steps

Results from the 2023 drilling programs are expected to be received and released in the coming weeks.

Planning for the 2024 field season is underway and field work will recommence when site access is reestablished after the North Queensland wet season has finished late in the current Quarter. The field program will follow up the recent results from the regional sampling and drilling program (once received),

PGO ASX Releases [11]28 August 2023

and further evaluation of the Central and Southern Targets will be also undertaken to incorporate the structural review undertaken in December 2023.

Tenement Status

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

Payments to Related Parties

A total of $132,000 was paid to directors and their associates for salaries, director fees and superannuation during the Quarter ended 31 December 2023.

Corporate

Cash balance of $3.2M at the end of December 2023.

This announcement is approved by the Pacgold Limited Board of Directors.

For more information:

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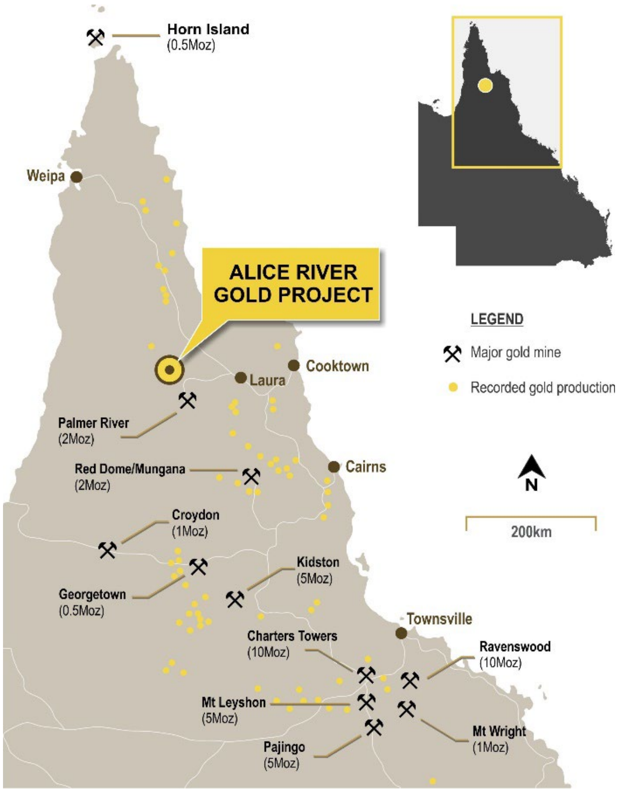
About Pacgold Limited:

Pacgold is an ASX-listed minerals exploration company (ASX: PGO) focussed on the Alice River Gold Project situated at the northern end of the Northeast Queensland Mineral Province. This gold-rich Province contains several multi-million-oz gold deposits including Pajingo, Mt Leyshon, Kidston, and Ravenswood.

Pacgold has a 100% interest in the Alice River Gold Project, covering an historical high-grade goldfield and open-pit mine with eight mining leases and five exploration permits over an area spanning 377km.

Since establishment in 2021, Pacgold has completed more than 27,000m of drilling which has confirmed district-scale opportunity.



Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on, and fairly represents, information compiled or reviewed by Mr Geoff Lowe, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Lowe is the Company's Exploration Manager and holds shares and options in the Company. Mr Lowe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lowe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PACGOLD LIMITED

ABN	Quarter ended ("current quarter")
30 636 421 782	**31 DECEMBER 2023**

	Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**			
1.1	Receipts from customers		-	-
1.2	Payments for			
	(a)	exploration & evaluation (if expensed)	-	-
	(b)	development	-	-
	(c)	production	-	-
	(d)	staff costs	-	-
	(e)	administration and corporate costs	(162)	(361)
1.3	Dividends received (see note 3)		-	-
1.4	Interest received		10	17
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Government grants and tax incentives		-	-
1.8	Other (provide details if material):		-	-
1.9	**Net cash from / (used in) operating activities**		**(152)**	**(344)**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire:			
	(a)	entities	-	-
	(b)	tenements	-	-
	(c)	property, plant and equipment	(5)	(5)
	(d)	exploration & evaluation (if capitalised)	(1,006)	(1,988)
	(e)	investments	-	-
	(f)	other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(1,011)**	**(1,993)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	75	3,258
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(23)	(221)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**52**	**3,037**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,324	2,513
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(152)	(344)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,011)	(1,993)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	52	3,037

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**3,213**	**3,213**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	3,213	4,324
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	3,213	4,324

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	132
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Payments to related parties includes $82,500 of consulting fees paid to Goldfind Exploration Pty Ltd, an entity associated with director Anthony Schreck, and $20,000 of consulting fees paid to SLGC Pty Ltd, an entity associated with director Shane Goodwin. The balance is non-executive director fees and superannuation.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

Not applicable

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	152
8.2	Capitalised exploration & evaluation (Item 2.1(d))	1,006
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	1,158
8.4	Cash and cash equivalents at quarter end (Item 4.6)	3,213
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	3,213
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	2.8

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 18 January 2024

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.