



Annual Financial Report

For the year ended December 31, 2023

RTG MINING INC.
CONTENTS

| | |
|--|----|
| CORPORATE DIRECTORY | 3 |
| DIRECTORS' REPORT | 4 |
| CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME..... | 11 |
| CONSOLIDATED STATEMENT OF FINANCIAL POSITION | 12 |
| CONSOLIDATED STATEMENT OF CHANGES IN EQUITY..... | 13 |
| CONSOLIDATED STATEMENT OF CASH FLOWS..... | 14 |
| NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS..... | 15 |
| DIRECTORS' DECLARATION..... | 48 |
| INDEPENDENT AUDITOR'S REPORT | 49 |
| AUSTRALIAN SECURITIES EXCHANGE ADDITIONAL INFORMATION..... | 53 |

**RTG MINING INC.
CORPORATE DIRECTORY**

| | | |
|--------------------------|---|--|
| Directors | Michael J Carrick Justine A Magee Robert N Scott Phillip C Lockyer Sean M Fieler Kenneth Caruso | Chairman President and Chief Executive Officer Non-Executive Lead Director Non-Executive Director Non-Executive Director Non-Executive Director |
| Company secretary | Ryan R Eadie | |
| Office | <u>Registered</u> Craigmuir Chambers PO Box 71 Road Town Tortola VG1110 British Virgin Islands | <u>Principal</u> Level 1 516 Hay Street Subiaco, Western Australia, 6008 Australia Telephone: +61 8 6489 2900 Facsimile: +61 8 6489 2920 |
| Bankers | Westpac Banking Corporation 130 Rokeby Road Subiaco, Western Australia, 6008 Australia | |
| Auditors | BDO Audit (WA) Pty Ltd Level 9, Mia Yellagonga, Tower 2 5 Spring Street, Perth, 6000 Australia | |
| Share registry | <u>Australian Register</u> Computershare Investor Services Pty Limited Level 11, 172 St Georges Terrace Perth, Western Australia, 6000 Telephone: +61 8 9323 2000 Facsimile: +61 8 9323 2033 | <u>Canadian Register</u> Computershare Investor Services Inc. 8 th Floor, 100 University Avenue Toronto, Ontario, M5J2Y1, Canada Telephone: +1 416 263 9200 Facsimile: +1 888 453 0330 |
| Stock Exchange | <u>Australia</u> Australian Securities Exchange Limited Exchange Code: RTG – Chess Depository Interests (CDI's) | <u>Canada</u> Toronto Stock Exchange Inc. Exchange Code: RTG – Fully paid shares |
| Lawyers | Corrs Chambers Westgarth Level 6, Brookfield Tower 2 123 St Georges Terrace Perth WA 6000 Australia | Blake, Cassels & Graydon LLP 595 Burrard Street Suite 2600, 3 Bentall Centre Vancouver, BC, V7X 1L3, Canada |
| Website | www.rtgmining.com | |

**RTG MINING INC.
DIRECTORS' REPORT**

The Directors of RTG Mining Inc. ("the Company" or "RTG") present their report on the consolidated entity consisting of RTG and the entities it controlled during the year ended December 31, 2023 (the "Consolidated Entity" or "the Group"). The Company's functional and presentation currency is USD (\$).

A description of the Company's operations and its principal activities is included on page 7.

DIRECTORS AND COMPANY SECRETARY

The names, qualifications and experience of the Directors and Company Secretary in office during the period and until the date of this report are as follows:

| Name | Position | Appointment |
|-------------------|---------------------------------------|--------------------|
| Michael J Carrick | Chairman | March 28, 2013 |
| Justine A Magee | President and Chief Executive Officer | March 28, 2013 |
| Robert N Scott | Non-Executive Lead Director | March 28, 2013 |
| Phillip C Lockyer | Non-Executive Director | March 28, 2013 |
| Sean M Fieler | Non-Executive Director | October 12, 2020 |
| Kenneth Caruso | Non-Executive Director | April 7, 2022 |
| | | |
| Ryan R Eadie | Company Secretary | October 2, 2017 |

The names, qualifications, experience and special responsibilities of the Directors are as follows:

**Michael J Carrick (B.Comm B.Acc ACA)
Chairman**

Mr. Carrick joined RTG's Board of Directors in March 2013. Mr. Carrick served as Chief Executive Officer ("CEO") of CGA Mining Limited ("CGA"), until the merger with B2Gold Corp. ("B2Gold") in January 2013. CGA developed the Masbate Gold Mine in the Philippines.

Mr. Carrick was previously Executive Chairman of AGR Limited, the entity which owned and developed the Boroo Gold Project in Mongolia, and before that was CEO of Resolute Mining Limited.

Before entering the mining industry, Mr. Carrick was a senior partner in one of the largest professional services firms.

Other current directorships

Japan Gold Corp. appointed October 2021

**Justine A Magee (B.Comm ACA)
President and Chief Executive Officer**

Ms. Magee was appointed the CEO of the Company in March 2013. Ms. Magee was formerly with Arthur Andersen and a Director of AGR Limited and Director and Chief Financial Officer ("CFO") of CGA (January 2004 to January 2013).

Ms. Magee has extensive experience in the resource sector also having headed the corporate and finance areas for Resolute Mining Limited for 6 years and CGA for 9 years.

Ms. Magee's principal responsibilities are commercial with a focus on the development of the existing asset portfolio and execution of new business opportunities in the resources sector while also managing the key stakeholder relationships.

Other current directorships

Develop Global Limited appointed May 2023

**RTG MINING INC.
DIRECTORS' REPORT**

DIRECTORS AND COMPANY SECRETARY – continued

**Robert N Scott
Non-Executive Lead Director**

Mr. Scott was appointed a Non-Executive Director of the Company in March 2013. He is a Fellow of the Institute of Chartered Accountants in Australia with over 35 years' experience as a corporate advisor. Mr. Scott is a former senior partner of the international accounting firms of KPMG and Arthur Andersen.

Mr. Scott is the Chair of the RTG Risk and Audit and Remuneration and Nomination Committees, and was appointed Non-Executive Lead Director on October 30, 2015.

Former directorships in the last 3 years:

| | |
|-------------------------|--|
| Twenty Seven Co Ltd | appointed 2019 and resigned September 2021 |
| Castillo Copper Limited | appointed 2018 and resigned March 2022 |

**Phillip C Lockyer
Non-Executive Director**

Mr. Lockyer was appointed a Non-Executive Director of the Company in March 2013. He is a Mining Engineer and Metallurgist with more than 40 years' experience in the mining industry, with an emphasis on gold and nickel, in both underground and open pit mining operations. Mr. Lockyer was employed by WMC Resources for 20 years reaching the position of General Manager of Western Australia responsible for that company's gold and nickel divisions.

Mr. Lockyer is a member of the Risk and Audit and Remuneration and Nomination Committees.

Other current directorships:

| | |
|---------------------------------|-------------------------|
| GR Engineering Services Limited | appointed December 2016 |
|---------------------------------|-------------------------|

**Sean M Fieler
Non-Executive Director**

Mr. Fieler was appointed as a Non-Executive Director of the Company on October 12, 2020. He is the Chief Investment Officer ("CIO") and president of Equinox Partners Investment Management, a Connecticut-based money manager. He joined Equinox Partners in 1995 after graduating from Williams College. For the past twenty years, he has built a track record as an investor in precious metals mining and emerging markets equities.

Mr. Fieler is a member of the Risk and Audit and Remuneration and Nomination Committees

**Kenneth Caruso
Non-Executive Director**

Mr Caruso was appointed as a Non-Executive Director of the Company on April 7, 2022. He has over 40 years of legal experience, specialising in both civil and criminal matters, often involving international jurisdictions. Prior to his current position, he was a partner in the New York office of the global law firm, White & Case. Mr Caruso is one of the few lawyers in New York to be recognised for both white collar and commercial work, including in many of the most respected guides to leading lawyers.

**Ryan R Eadie (B.Comm CA AGIA ACIS)
Company Secretary and Chief Financial Officer**

Mr. Eadie is a qualified Chartered Accountant (CA ANZ) with a Bachelor of Commerce from the University of Western Australia and has over 10 years of experience in a range of financial roles with Australian and international companies. Mr. Eadie also holds a Graduate Diploma of Applied Corporate Governance issued by, and is an Associate of, the Governance Institute of Australia.

Mr. Eadie is the Chief Financial Officer of RTG and was appointed Company Secretary in 2017.

**RTG MINING INC.
DIRECTORS' REPORT**

DIRECTORS' INTERESTS

The relevant interest of each Director in the shares, warrants and options over such instruments issued by the companies within the Group and other related bodies corporate, as notified by Directors to the Australian Securities Exchange ("ASX"), at the date of this report is as follows:

| Director | Interest in Securities at the date of this report Shares ¹ |
|------------------------------|--|
| Michael J Carrick | 11,218,469 |
| Justine A Magee | 8,682,480 |
| Robert N Scott | 3,080,770 |
| Phillip C Lockyer | 565,385 |
| Sean M Fieler ^{2,3} | 129,190,351 |
| Kenneth Caruso | - |

- 1 "Shares" means fully paid shares in the capital of the Company.
- 2 Mr Sean Fieler is technically deemed to have a technical relevant interest in the above Securities by virtue of his position as a controlling member of the general partners of the relevant funds (in Equinox Partners) but has confirmed he does not control the decision making with regard to the shareholding and he has no executive role or participation in the decision making of the Company, acting purely as an independent director of RTG.
- 3 Equinox Partners holds a total of 222,592,385 shares in the Company.

CORPORATE INFORMATION

RTG was incorporated on December 27, 2012 and is domiciled in the British Virgin Islands. The Company's registered address is Craigmuir Chambers, PO Box 71, Road Town, Tortola, British Virgin Islands. Its shares are publicly traded on the Australian Stock Exchange ("ASX") and the Toronto Stock Exchange ("TSX").

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

As the Company is a foreign registered company, a remuneration report in compliance with the *Corporations Act 2001* is not required.

CORPORATE GOVERNANCE STATEMENT

RTG's Corporate Governance Statement has been released as a separate document and is located on the Company's website at the following link: www.rtgmining.com

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the financial year ended December 31, 2023 and the number of meetings attended by each Director. There were two committees of Directors in existence during the financial year, these being, the Risk and Audit Committee and Remuneration and Nomination Committee. We refer you to our Corporate Governance Statement for more information.

| Director and Committee Meetings | Directors' Meetings | Risk and Audit* | Remuneration and Nomination* |
|------------------------------------|------------------------|-----------------|---------------------------------|
| Number of meetings held | 3 | 3 | 1 |
| <u>Number of meetings attended</u> | | | |
| Michael J Carrick | 3 | N/A | N/A |
| Justine A Magee | 3 | N/A | N/A |
| Robert N Scott | 3 | 3 | 1 |
| Phillip C Lockyer | 2 | 2 | 1 |
| Sean M Fieler | 3 | 3 | 1 |
| Kenneth Caruso | 3 | N/A | N/A |

- Comprised of a majority of Independent Directors

RTG MINING INC. DIRECTORS' REPORT

Each of the directors attended all meetings they were eligible to attend, except for Phillip Lockyer, who was eligible to attend three directors' meetings and three risk and audit meetings.

PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Entity during the course of the year included the Company's focus on mineral exploration and development through its investment in its Philippines Associates. The Company is primarily focused on progressing the Mabilo Project to start-up having now received a mining permit for the Project, with a view to moving quickly and safely to a producing gold and copper company. Additionally, the Company is progressing new opportunities including a proposal with a landowner led consortium to secure an exploration licence at the high tonnage copper-gold Panguna Project within the Autonomous Region of Bougainville, Papua New Guinea ("PNG"), exploration and development activities of the Company's 90% interest in the Chanach Project in the Kyrgyz Republic, as well as considering a number of new business development opportunities. At the date of this report the Company's main project is the Mabilo Project in the Philippines. There have been no significant changes in the nature of principal activities of the Consolidated Entity during the year other than as disclosed in the "Significant Changes in the State of Affairs" section of the Directors' Report.

REVIEW OF OPERATIONS AND RESULTS

Philippines Interests

RTG holds a 40% interest in Mt. Labo Exploration and Development Corporation ("Mt. Labo") which holds the high-grade Copper and Gold Mabilo Project in the Philippines, together with a 2% net smelter royalty over the Mabilo Project. Mt. Labo has secured the Mining Permit, the successful Final Award in the SIAC matter, won the Setting Aside action of Galeo Equipment Corporation ("Galeo") in Singapore and secured an offer of debt finance and offtake agreement for development of Stage 1, the Direct Shipping Operation ("DSO") (yet to be accepted by Mt. Labo).

In May 2023, RTG reached a comprehensive settlement of all outstanding issues with the Philippines based Villar Family controlled SageCapital Partners, Inc ("SageCapital") and TVI Resource Development (Phils.) Inc. ("TVIRD") and a binding Memorandum of Agreement was signed. In July 2023, RTG announced the completion of the long form documentation, and all related litigation has been withdrawn as part of an agreed restructuring of the Mabilo Project. Under the terms of the agreement: RTG will have a 40% interest in Mt. Labo; a 2% net smelter royalty; RTG's loans to Mt. Labo, currently in the order of US\$27 million (A\$40.4 million), will be repaid out of the proceeds of Stage 1, the DSO, subject to customary requirements to address liquidity and ongoing operations of Mt. Labo; funding of the project renegotiated and replaced with a pro-rata funding obligation for the first US\$5 million or 12 months (whichever is the lesser), with SageCapital then responsible to sole fund the next US\$5 million and again, pro-rata thereafter.

With the restructuring of the Mabilo Project now agreed, the initial focus will be to refresh any remaining operational permitting matters, address financing plans and undertake a review of the costings in the 2016 Feasibility Study for Stage 2, together with finalising the acquisition of surface rights, following which, a commitment to development is anticipated to be formalised by the Board of Mt. Labo.

All Central Office permitting for Stage 1, the Direct Shipping Operation has been completed, including a Mineral Production Sharing Agreement (Mining Permit) ("MPSA"), and Environmental Compliance Certificate. The Mines and Geosciences Bureau ("MGB") remains very supportive of the project, having named it as one of the priority projects for the Philippines.

Kyrgyz Republic Interests

RTG holds a majority stake (90%) in the high-grade Chanach Gold and Copper Project ("Chanach Project") in the Kyrgyz Republic. The field work program during the 2023 year highlighted encouraging gold and copper mineralisation along 6.5km of skarns and new structures within Chanach. Exploration activities at Chanach included ground truthing, the collection of soil samples concentrating on the 6.5km strike of newly identified skarns and structures in the central section and eastern end of the tenement. Field work also included the digging of twelve dozer cut trenches across the identified skarn and outcropping of quartz. A detailed magnetic survey was conducted over the entire tenement, with interpretation work continuing into the first quarter of 2025.

**RTG MINING INC.
DIRECTORS' REPORT**

REVIEW OF OPERATIONS AND RESULTS – continued

Bougainville Interests

RTG is the nominated development partner with the joint venture company established by the SMLOLA and Central Exploration Pty Ltd in the Landowner proposal with respect to the redevelopment of the Copper-Gold Panguna Project located in the Central Region of the island of Bougainville, within the Autonomous Region of Bougainville, PNG. RTG owns just under 70% of Central, with additional loans to Central that can be converted to increase our interest. The proposal, being led by the SMLOLA, is a landowner initiative and will be subject to the success or otherwise of the SMLOLA in securing a role in the redevelopment of the mine and the minerals which are owned by the landowners exclusively represented by the SMLOLA.

The members of the SMLOLA are the owners of the customary land which is the subject of the old Panguna open pit mine, and in which the mineral resources of the Panguna mine are located. The SMLOLA was established by the ABG nearly a decade ago to exclusively represent the customary owners of the land at the old Panguna pit. The SMLOLA constitution was prepared by the ABG legal officers representing the ABG Department of Justice and remains unchanged to this day.

The ABG established the SMLOLA as the Landowner Association to represent the Customary Owners of the land contained within the original but now expired Panguna Special Mining Licence - SML (hence the name SMLOLA, and the similarly EL 01), which covers the entire Panguna Open Pit area. This membership is automatic for those persons born into the 7 named villages, which comprise the customary land area within the SML. The other ABG established Panguna Landowner Associations cover different areas and upon which future infrastructure may, or may not be located, but do not include areas of any significant mineral resources. SMLOLA is the only ABG established Landowner Association covering the current mineral resources of Panguna.

There has been significant activity within the Panguna community, with the Mining Department seeking to work with the customary landowners to move towards a re-opening of Panguna to support Independence plans, focussing on unity and aligning the interests of all parties. RTG continues to work with the SMLOLA team and the community to progress meaningful and transparent discussions with the ABG on the redevelopment proposal for Panguna and support local community and social programs, reconciliations and unity programs.

Results

Loss for the year from continuing operations was \$4,442,254 (December 31, 2022: \$6,322,200).

DIVIDENDS

No dividends have been declared, provided for or paid in respect of the financial year ended December 31, 2023 (2022: \$nil).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the year not otherwise disclosed in this report of the financial statements.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company is committed to further developing its current asset base and identifying new mineral exploration and development opportunities to enhance shareholder value.

ANNUAL GENERAL MEETING

In accordance with ASX Listing Rule 3.13.1, the Company advises that it is intending to hold its 2024 Annual General Meeting on Friday, May 24, 2024. The closing date for receipt of nominations from persons wishing to be considered for election as director is April 7, 2024.

**RTG MINING INC.
DIRECTORS' REPORT**

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

No other significant events have occurred subsequent to reporting date that would have a material impact on the consolidated financial statements.

INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company has paid insurance premiums of \$121,158 (2022: \$123,124) in respect of Directors' and Officers' liability contracts, for current and former Directors and Officers, including Directors, Executives and Secretaries of its Company and controlled entities. The insurance premiums relate to:

- Costs and expenses incurred by relevant Officers in defending proceedings, whether civil or criminal, whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its Auditors, BDO Audit (WA) Pty Ltd ("BDO" or "Auditors"), as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify BDO during or since the financial year.

INDEMNIFICATION OF DIRECTORS

The Company has agreed to indemnify the Directors, Executives and Secretary for any breach by the Company for which they may be held personally liable.

ENVIRONMENTAL REGULATION

The Consolidated Entity has a policy of complying with its environmental performance obligations. No material environmental issues have occurred during the year ended December 31, 2023 or up to the date of this report.

AUDITOR'S INDEPENDENCE DECLARATION AND NON-AUDIT SERVICES

Throughout the year, the Auditors performed non-audit services for the Company in addition to their statutory duties. A total of \$335 (December 31, 2022: \$2,037) was paid for these services (refer to note 15 for further details).

| | December 31 2023 US\$ | December 31 2021 US\$ |
|--|--------------------------------------|--------------------------------------|
| <i>Amounts received or due and receivable by BDO Audit (WA) Pty Ltd for:</i> | | |
| • An audit or review of the financial report of the entity and any other entity in the consolidated group. | 65,807 | 43,550 |
| • Other services in relation to the entity and any other entity in the consolidated group | | |
| - Tax compliance | - | - |
| - Other assurance services | 335 | 2,037 |
| | 66,142 | 45,587 |

**RTG MINING INC.
DIRECTORS' REPORT**

The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised. A copy of the auditor's independence declaration is included at page 52 of the financial report and forms part of this report.

This report is made in accordance with a resolution of the Directors on March 26, 2024.

A handwritten signature in black ink, appearing to read 'Justine A Magee', with a large, stylized initial 'J'.

JUSTINE A MAGEE
President and Chief Executive Officer

Perth, March 27, 2024

**RTG MINING INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | | December 31 2023 US\$ | December 31 2022 US\$ |
|---|------|-----------------------------|-----------------------------|
| | Note | | |
| Continuing operations | | | |
| Other income | | 18,916 | 351 |
| Exploration and evaluation expenditure | 4 | (302,545) | (264,728) |
| Business development expenses | 4 | (977,363) | (964,398) |
| Fair value loss on financial asset at fair value through profit or loss | 4 | (323,954) | (660,353) |
| Project expenditure expense | 4 | (419,971) | (431,123) |
| Foreign exchange gain / (loss) | | 113,963 | (642,243) |
| Administrative expenses | 4 | (2,551,300) | (3,359,706) |
| Loss before income tax from continuing operations | | (4,442,254) | (6,322,200) |
| Income tax benefit | 5 | - | - |
| Loss for the year from continuing operations | | (4,442,254) | (6,322,200) |
| Other comprehensive income / (loss) | | | |
| <i>Items that may be reclassified to profit or loss in subsequent periods</i> | | | |
| Exchange differences on translation of foreign operations | | (90,293) | 252,791 |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | |
| Net gain on financial assets at fair value through other comprehensive income | | - | - |
| Total comprehensive loss for the year | | (4,532,547) | (6,069,409) |
| Loss attributable to: | | | |
| Equity holders of the Company | | (4,374,099) | (6,126,621) |
| Non-controlling interest | | (68,155) | (195,579) |
| | | (4,442,254) | (6,322,200) |
| Total comprehensive loss attributable to: | | | |
| Equity holders of the Company | | (4,607,414) | (5,873,830) |
| Non-controlling interest | | 74,867 | (195,579) |
| | | (4,532,547) | (6,069,409) |
| Loss per share attributable to ordinary shareholders | | | |
| Basic and diluted loss per share (cents) | 16 | (0.45) | (0.73) |

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

**RTG MINING INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | | December 31 2023 US\$ | December 31 2022 US\$ |
|--------------------------------------|-------------|-----------------------------|-----------------------------|
| | Note | | |
| Current assets | | | |
| Cash and cash equivalents | 6 | 4,364,940 | 1,947,442 |
| Receivables | 6 | 1,429,446 | 29,498 |
| Other receivables | | 116,963 | 76,023 |
| Prepayments | | 78,391 | 160,446 |
| Total current assets | | 5,989,740 | 2,213,409 |
| Non-current assets | | | |
| Property, plant and equipment | | 156,146 | 169,400 |
| Exploration and evaluation assets | 7 | 2,290,186 | 2,381,208 |
| Right-of-use asset | 8 | 743,944 | 870,955 |
| Total non-current assets | | 3,190,276 | 3,421,563 |
| Total assets | | 9,180,016 | 5,634,972 |
| Current liabilities | | | |
| Trade and other payables | 10 | 592,946 | 559,214 |
| Provisions | 11 | 451,488 | 408,615 |
| Lease liability | 8 | 111,062 | 115,575 |
| Loans and borrowings | 12 | - | 500,000 |
| Total current liabilities | | 1,155,496 | 1,583,404 |
| Non-current liabilities | | | |
| Provisions | 11 | 24,589 | 5,622 |
| Lease liability | 8 | 698,740 | 777,440 |
| Total non-current liabilities | | 723,329 | 783,062 |
| Total liabilities | | 1,878,825 | 2,366,466 |
| Net assets | | 7,301,191 | 3,268,506 |
| Shareholder's equity | | | |
| Issued capital | 13 | 191,984,581 | 183,615,839 |
| Reserves | 13 | 11,745,105 | 11,781,932 |
| Accumulated losses | 13 | (194,928,696) | (190,554,599) |
| Parent shareholder's equity | | 8,800,990 | 4,843,172 |
| Non-controlling interest | 14 | (1,499,799) | (1,574,666) |
| Total shareholder's equity | | 7,301,191 | 3,268,506 |

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

**RTG MINING INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | <i>Issued capital</i> | <i>Asset revaluation reserve</i> | <i>Share based payment reserve</i> | <i>Other capital reserve</i> | <i>Foreign currency translation reserve</i> | <i>Accumulated losses</i> | <i>Non-controlling interest</i> | <i>Total</i> |
|--|-----------------------|----------------------------------|------------------------------------|------------------------------|---|---------------------------|---------------------------------|--------------------|
| <i>Twelve months to December 31, 2023</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> |
| Balance at January 1, 2023 | 183,615,839 | - | 10,314,034 | 30,662 | 1,437,236 | (190,554,597) | (1,574,666) | 3,268,508 |
| Loss for the year | - | - | - | - | - | (4,374,099) | (68,155) | (4,442,254) |
| Currency translation differences | - | - | - | - | (233,315) | - | 143,022 | (90,293) |
| Total comprehensive loss for the year | - | - | - | - | (233,315) | (4,374,099) | 74,867 | (4,532,547) |
| Shares issued during the year | 9,195,354 | - | - | - | - | - | - | 9,195,354 |
| Share issue expenses | (826,612) | - | 196,488 | - | - | - | - | (630,124) |
| Balance at December 31, 2023 | 191,984,581 | - | 10,510,522 | 30,662 | 1,203,921 | (194,928,696) | (1,499,799) | 7,301,191 |
| | | | | | | | | |
| | <i>Issued capital</i> | <i>Asset revaluation reserve</i> | <i>Share based payment reserve</i> | <i>Other capital reserve</i> | <i>Foreign currency translation reserve</i> | <i>Accumulated losses</i> | <i>Non-controlling interest</i> | <i>Total</i> |
| <i>Twelve months to December 31, 2022</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> | <i>US\$</i> |
| Balance at January 1, 2022 | 183,475,169 | - | 10,314,034 | 30,662 | 1,184,445 | (184,427,978) | (1,379,087) | 9,197,245 |
| Loss for the year | - | - | - | - | - | (6,126,621) | (195,579) | (6,322,200) |
| Currency translation differences | - | - | - | - | 252,791 | - | - | 252,791 |
| Total comprehensive loss for the year | - | - | - | - | 252,791 | (6,126,621) | (195,579) | (6,069,409) |
| Shares issued during the year | 142,598 | - | - | - | - | - | - | 142,598 |
| Share issue expenses | (1,928) | - | - | - | - | - | - | (1,928) |
| Balance at December 31, 2022 | 183,615,839 | - | 10,314,034 | 30,662 | 1,437,236 | (190,554,599) | (1,574,666) | 3,268,506 |

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

**RTG MINING INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

CONSOLIDATED STATEMENT OF CASH FLOWS

| | | December 31 | December 31 |
|---|-------------|--------------------|--------------------|
| | | 2023 | 2022 |
| | Note | US\$ | US\$ |
| Operating activities | | | |
| Payments to suppliers and employees | | (3,577,319) | (4,760,308) |
| Interest received | | 1,465 | 86 |
| Other receipts | | - | - |
| Exploration and evaluation expenditure | | (302,545) | (465,755) |
| Net cash flows used in operating activities | 6 | (3,878,399) | (5,225,977) |
| Investing activities | | | |
| Payments for property, plant and equipment | | - | (143,342) |
| Increase to term deposit | | (1,362,379) | - |
| Advances to associate entities | | (323,954) | (660,353) |
| Increase to bank guarantee | | (39,929) | (76,023) |
| Net cash flows used in investing activities | | (1,726,262) | (879,718) |
| Financing activities | | | |
| Repayment of borrowings | 12 | (500,000) | (1,100,000) |
| Proceeds from shares issued | | 9,195,354 | - |
| Share issue expenses | | (630,124) | (415,387) |
| Lease liability payments | | (151,062) | (118,205) |
| Net cash flows used in financing activities | | (7,914,168) | (1,633,592) |
| Net increase / (decrease) in cash and cash equivalents | | 2,309,508 | (7,739,287) |
| Cash and cash equivalents at the beginning of the year | | 1,947,442 | 10,046,355 |
| Net foreign exchange difference | | 107,990 | (359,627) |
| Cash and cash equivalents at end of the financial year | 6 | 4,364,940 | 1,947,442 |

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

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

The consolidated financial report has been prepared as a general purpose financial report which has been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The financial statements were authorised for issue by the directors on March 27, 2024.

Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss which have been measured at fair value. Historical costs are generally based on the fair values of the consideration given in exchange for goods and services.

The financial report is presented in United States Dollars (US\$) unless otherwise noted.

The Company is a for profit entity.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its controlled entities, referred collectively throughout these financial statements as the “Consolidated Entity” or “the Group”, as at December 31, 2023. Transactions between companies within the Consolidated Entity have been eliminated on consolidation. For a description of the Company’s subsidiaries, refer to note 17.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

A change of ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

(i) Significant accounting judgments

The valuation of certain assets held by the Group is dependent upon the estimation of mineral resources and ore reserves. There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately result in the reserves being restated. Such change in reserves could impact on asset carrying values.

(ii) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Non-consolidation of entities

Non-consolidation of entities Mt. Labo Exploration and Development Corporation (“Mt. Labo”), Bunawan Mining Corporation (“Bunawan”), St Ignatius and Oz Metals Exploration and Development Corporation (“Oz Metals”) (referred to as “the Philippines Associates”).

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Significant accounting estimates and assumptions – continued

Under IFRS 10, an investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. Based on this, the Board control and voting rights in the Philippines Associates, RTG has determined that there is an absence of control over the Philippines Associates and that they will be equity accounted in line with IAS 28.

Board control:

The Boards of each of the Philippine's Associates are comprised of five members, with each company Board sharing a maximum of two common Board members with RTG. It follows that the common RTG Board members cannot directly control the Boards of the Philippines Associates.

Voting rights:

RTG, through Sierra Mining Pty Ltd, controls 40% of the shareholdings of Mt. Labo, St Ignatius, Bunawan and Oz Metals, with the remaining 60% of the shareholdings being controlled by external Philippine shareholders. Thus, RTG cannot exercise control over these entities via their shareholding positions.

Based on the above assessment of Board Control and Voting Rights, and in the absence of contractual obligations between RTG and the Philippines Associates, RTG is satisfied that it does not have power over the Philippines Associates and hence does not control the Philippines Associates.

Impairment of plant and equipment

The Group determines whether plant and equipment is impaired at least on an annual basis. This requires an assessment on whether there have been any impairment triggers, and where there have been triggers for impairment, an estimation of the recoverable amount of cash generating units to which the plant and equipment are allocated.

Share based payment transactions

The Group measures the costs of equity-settled transactions with employees and advisors by reference to the fair value of the equity instruments at the date at which they are granted. The Group measures the cost of cash-settled share based payments at fair value at grant date taking into account the terms and conditions upon which the instruments were granted, as discussed in note 21. The term of the loan provided by the Company to purchase the loan funded shares (3.45 years for the loan issued in 2020) was determined by taking into consideration the status of the Company at the time and the expected start date of development and the timing of the recipient's ability to repay loan.

Impairment of non-financial assets

Non-financial assets are reviewed at each reporting date to determine whether there are any indicators that the carrying amount may not be recoverable.

Impairment of capitalised exploration

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively sale, of the underlying mineral exploration properties. The consolidated Group undertakes at least on an annual basis, a comprehensive review for indicators of impairment of those assets. Should an indicator of impairment exist, there is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Significant accounting estimates and assumptions – continued

Carrying value of the investment in the Philippines Associates

The Group assesses whether there is objective evidence that the investment in the Philippines Associates is impaired by reference to the underlying mining projects held by the Philippines Associates. These mining projects include the Mabilo Project, held by Mt. Labo, which is in the development phase, therefore requiring an impairment assessment in accordance with IAS 28 Investment in Associates and Joint Ventures. This assessment requires judgement in analysing possible impacts caused by factors such as the price of gold and copper, operating and capital estimates, ownership relationships and the political risk in which the project operates. The fair value in the current period was assessed to be nil due to the stage of development of the project where management are not yet in a position to determine expected future cash flows from the investment as the term sheet is yet to be finalised and the formal decision to mine has not been made yet.

Fair value of Financial Assets through Profit or Loss

The loans to Philippines Associates do not meet the IFRS 9 criteria for classification at amortised cost as they fail the contractual cashflow characteristics of sole payments of principal and interest ("SPPI"). As a result, the loans will be carried at fair value through profit or loss ("FVTPL"). While management notes significant change in the circumstances of legal proceedings with the Tribunal handing down a Final Award in favour of Mt. Labo, Mt. Labo securing the Mining Permit and positive political changes in the Philippines, a material uncertainty of recoverability still remains to be recognised as the term sheet is yet to be finalised and the formal decision to mine has not been made yet. Due to these inherent uncertainties and risks outlined above, the Board have decided the credit risk is high enough to continue to impair the entirety of the loans to the Philippines Associates as at 31 December 2022.

Impairment of investment in Joint Venture

Where there is objective evidence that the investment in a joint venture should be impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, the asset is written down accordingly. Impairment charges are included in profit or loss.

b) Cash and cash equivalents

Cash and short term deposits in the consolidated statement of financial position include cash at bank and short term deposits with an original maturity of three months or less.

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

c) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Office, plant and equipment – over 1 to 13 years.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

c) Plant and equipment – continued

The assets' residual values, useful lives and amortization methods are reviewed, and adjusted if appropriate, at each financial year.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

De-recognition and disposal

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

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated statement of profit or loss and other comprehensive income in the period the item is derecognised.

d) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is represented in the consolidated statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

e) Employee leave benefits

(i) Wages, salaries, annual leave and sick leave

Provision is made for the Group's liability for employee entitlements arising from services rendered by employees to reporting date. Employee entitlements due to be settled within one year have been measured at their nominal amounts based on remuneration rates which are due to be paid when the liability is settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised 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 valuation method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

f) Income tax

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

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

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

- Except where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profits or taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, Associates and interest in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in the consolidated statement of profit or loss and other comprehensive income. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets relate to the same taxable entity and the same taxation authority.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

g) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (“GST”), except where the amount of GST incurred is not recoverable from the relevant taxation authorities, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the relevant taxation authorities is included as a receivable or payable in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

h) Foreign currency translation

Both the functional currency and presentation currency of the Company is United States dollars (US\$).

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. All differences are taken to the consolidated statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

The functional currency of the Company’s Philippines Associates is the Philippine Peso.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the foreign entities are expressed in United States dollars using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising are recognized as a separate component of equity and as a foreign currency translation adjustment in other comprehensive income (loss) in the consolidated statement of profit or loss and other comprehensive income.

i) Share based payment transactions

The Company provides benefits to Directors, consultants and employees of the Group in the form of share-based payment transactions, whereby eligible recipients render services in exchange for shares or rights over shares (‘equity-settled transactions’).

The cost of equity-settled transactions with Directors and employees is measured by reference to fair value at the date at which they are granted. The fair value is determined using a Black & Scholes model, further details of which are given in note 21.

The Group has in prior years provided limited recourse loans to eligible employees (including some directors), to acquire ordinary shares in RTG (“loan shares”). The loan shares are in substance accounted for as share-based payments with a corresponding increase in equity. The fair value is measured at grant date. The fair value of the loan shares was measured using a Black-Scholes valuation model, taking into account the terms and conditions on which the options were granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of RTG if applicable.

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

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

i) Share based payment transactions - continued

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- (i) The extent to which the vesting period has expired, and
- (ii) The number of awards that, in the opinion of the Directors of the Company, will ultimately vest.

This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except awards where vesting is conditional upon a market performance condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

j) Exploration and evaluation

Exploration and evaluation expenditures are written off as incurred, except for acquisition costs and where an area of interest is established.

Exploration assets acquired from a third party are carried forward provided that either i) the carrying value is expected to be recouped through the successful development and exploitation or sale of an area of interest or ii) exploitation and/or evaluation activities in the area have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, active and significant operations in relation to the area are continuing and the rights of the tenure are current. If capitalised exploration and evaluation costs do not meet either of these tests, they are expensed to profit or loss.

An area of interest is established where a discovery of economically recoverable resource is made. The area of interest will be established as a mineral project. All activity relating to the area of interest is then subsequently capitalised. Where development is anticipated, costs will be carried forward until the decision to develop is made.

Each area of interest is reviewed at least bi-annually to determine whether it is appropriate to continue to carry forward the capitalised costs.

Upon approval for the development of an area of interest, accumulated expenditure for the area of interest is transferred to capitalised development expenditure.

k) Trade and other payables

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

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

l) Contributed equity

Shares are classified as equity and are recognised at the fair value of the consideration received by the Company. 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.

m) Impairment of non-financial assets

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

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the consolidated statement of profit or loss and other comprehensive income.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

After such a reversal the depreciation charge is adjusted in future periods to allocate the assets revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

n) Trade and other receivables

Trade receivables generally have 30 day terms. They are recognised at either fair value (either through other comprehensive income or profit or loss), or at amortised cost (with any expected credit losses taken into account).

A loss allowance is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

o) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed as incurred.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

p) Revenue recognition

Revenue will be recognised to depict the transfer of promised goods to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods. The following specific recognition criteria must also be met before revenue is recognised:

Interest revenue

Revenue is recognised as the interest accrues using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the parent entity and Board of Directors.

r) Earnings per share

(i) Basic earnings/(loss) per share:

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Company, excluding any costs of servicing equity other than shares, by the weighted average number of shares outstanding during the year, adjusted for bonus elements in 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 shares and the weighted average number of additional shares that would have been outstanding assuming the conversion of all dilutive potential shares.

s) Parent entity financial information

The financial information for the parent entity, RTG Mining Inc., disclosed in note 18, has been prepared on the same basis as the consolidated financial statements, except for investments in subsidiaries which are accounted for at cost in the financial statements of RTG Mining Inc.

t) Financial Assets

Financial assets are recognised when a Group entity becomes a party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Classification and measurement

Except for certain trade receivables the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Under IFRS 9 financial assets are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent "solely payments of principal and interest" on the principal amount outstanding (the "SPPI criterion").

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

t) Financial Assets - continued

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The loan does not meet the IFRS 9 criteria for classification at amortised cost as it fails the contractual cash flow characteristics of sole payments of principal and interest (“SPPI”). As a result, the loan receivable from the Philippines Associates is classified as a financial asset at fair value through profit and loss, with a fair value loss being recognised.

Investments

The investments in equity instruments are classified as fair value through other comprehensive income (“FVOCI”) and are non-derivatives that are either designated in this category or not classified in any of the other categories. Investments are designated as FVOCI if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Equity instruments at FVOCI do not recycle gains or losses to profit or loss on derecognition. This category only includes equity instruments which are not held-for-trading and which the Group has irrevocably elected to so classify upon initial recognition or transition. Equity instruments at FVOCI are not subject to an impairment assessment under IFRS 9. For this category there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group’s right to receive payment is established. The Group has irrevocably elected to classify all of its quoted equity instruments as equity instruments at FVOCI.

When securities classified as FVOCI are sold, the accumulated fair value adjustments recognised in other comprehensive income are not reclassified to profit or loss as gains and losses on sale of available-for-sale financial assets. FVOCI financial assets are subsequently carried at fair value. Changes in value of non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

Details of how the fair value of financial instruments is determined are disclosed in note 20.

u) Investment in Philippines Associates

The Group’s investment in its Philippines Associates is accounted for using the equity method of accounting in the consolidated financial statements. The Philippines Associates are entities over which the Group has significant influence and that are neither subsidiaries nor joint ventures.

Under the equity method, the investment in the Philippines Associates is carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group’s share of net assets of the Philippines Associates. Cost includes equity contributions. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group’s net investment in the Philippines Associates. Impairment exists when the carrying value of the investment in Associates exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Any impairment loss is recognised as an impairment expense in the profit or loss.

The Group’s share of its Philippines Associates’ post-acquisition profits or losses is recognised in the consolidated statement of profit or loss and other comprehensive income, and its share of post-acquisition movements in reserves along with currency movements on translation of the Philippines Associates is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from Associates are recognised in the parent entity’s statement of profit or loss and other comprehensive income, while in the consolidated financial statements they reduce the carrying amount of the investment.

When the Group’s share of losses in the Philippines Associates equals or exceeds its interest in the Philippines Associates, including any unsecured long-term receivables and loans, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the Philippines Associate.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

v) Fair value

Fair values may be used for financial asset and liability measurement as well as for sundry disclosures.

Fair value is 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. It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the Group.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The fair value measurement of a non-financial asset takes into account the market participant's ability to generate economic benefits by using the asset at its highest and best use or by selling it to another market participant that would use the asset at its highest and best use.

In measuring fair value, the group uses valuation techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

For assets and liabilities for which fair value is measured or disclosed in the financial statements, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purposes of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair value is 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, regardless of whether that price is directly observable or estimated using another valuation technique in estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing an asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IFRS 2 or value in use in IAS 36.

w) Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

w) Current versus non-current classification – continued

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purposes of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

x) Accounting policy choice for non-controlling entities

The Group recognises non-controlling interest in an acquired entity either at a fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. The decision is made on an acquisition-by-acquisition basis.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

y) Going concern

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

As disclosed in the financial statements, the Group incurred a loss of \$4,442,254 and as at December 31, 2023, the Group had a working capital surplus of \$4,834,244.

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Directors believe that there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities;
- Commitments will not be entered into that require additional funding prior to that funding being obtained; and
- The Group has the ability to reduce its expenditure to conserve cash.

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

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

z) Leases

The Group assesses at the start of a contract whether or not it contains a lease, by deciding if the contract provides the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group currently uses a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use underlying assets.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrance of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

i) Right-of-use assets

The Group recognises right-of-use assets at the start of the lease and are measured at costs, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2. CHANGES IN ACCOUNTING POLICIES

There were no changes in accounting policies during the year.

3. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

New, revised or amending Accounting Standards and Interpretations adopted

There were no new, revised or amending accounting standards adopted by the Group during the year.

New Accounting Standards and Interpretations not yet mandatory or early adopted

There were no Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, that were early adopted by the Group for the annual reporting period ended December 31, 2023.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

4. EXPENSES

| | December 31 2023 US\$ | December 31 2022 US\$ |
|---|--------------------------------------|--------------------------------------|
| Exploration and evaluation expenditure | | |
| Exploration and evaluation expenditure | 302,545 | 264,728 |
| | 302,545 | 264,728 |
| Business development expenses | | |
| Conferences | 16,195 | 1,972 |
| Employee and director fees | 469,641 | 477,292 |
| Project analysis | 7,528 | 356 |
| Travel expenses | 265,438 | 41,343 |
| Legal fees | 111,336 | 336,388 |
| Consultants' fees | 107,021 | 104,300 |
| Other expenses | 204 | 2,747 |
| | 977,363 | 964,398 |
| Administrative expenses | | |
| Accounting, tax services and audit fees | 96,838 | 70,165 |
| Computer support fees | 17,742 | 12,861 |
| Consultants' fees | 406,964 | 325,291 |
| Depreciation expenses | 34,268 | 106,724 |
| Employee and directors' fees | 1,160,674 | 1,130,682 |
| Insurance expenses | 146,366 | 153,872 |
| Legal expenses | 67,649 | 996,158 |
| Listing and shareholder reporting costs | 105,566 | 109,636 |
| Occupancy expenses | 28,818 | 111,686 |
| Amortisation | 132,157 | 90,052 |
| Travel expenses | 64,426 | 61,280 |
| Finance costs | 99,384 | 82,760 |
| Other expenses | 190,448 | 108,539 |
| | 2,551,300 | 3,359,706 |

| | December 31 2023 US\$ | December 31 2022 US\$ |
|--|--------------------------------------|--------------------------------------|
| Fair value loss on financial asset at fair value through profit or loss | | |
| Fair value loss on advances to Philippines Associates | 323,954 | 660,353 |
| | 323,954 | 660,353 |

(i) Advances to Philippines Associates have been classified as a financial asset at fair value through profit or loss. Refer to note 9 for further information.

Project expenditure expenses

| | | |
|--------------------------------------|----------------|----------------|
| Project expenditure in joint venture | 419,971 | 431,123 |
| | 419,971 | 431,123 |

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

5. INCOME TAX

The Company is incorporated and holds its registered office in the British Virgin Islands, but is an Australian resident for tax purposes due to the location of its central management and control. The major components of income tax benefit are:

| | December 31 2023 US\$ | December 31 2022 US\$ |
|---|--------------------------------------|--------------------------------------|
| (a) Income tax expense | | |
| Current Income tax expense / (benefit) | - | - |
| Adjustments in respect of current income tax of previous years | - | - |
| <i>Deferred Income tax</i> | | |
| Relating to the origination and reversal of temporary differences | 89,543 | 171,982 |
| Adjustments in respect of deferred income tax of previous years | 680,459 | (399,461) |
| Gain not recognised for income tax purposes | - | - |
| Change in tax rate | (1,055,242) | - |
| Deferred tax assets not brought to account | 285,240 | 227,478 |
| Income tax expense reported in the statement of profit or loss and other comprehensive income | - | - |
| (b) Reconciliation of tax expense and accounting loss before income tax | | |
| Accounting loss before income tax | (4,442,254) | (6,322,200) |
| At the domestic income tax rate of 30% (Australia) (2022: 25%) | (1,332,676) | (1,580,550) |
| Expenditure not allowable for income tax purposes | 1,047,436 | 1,353,072 |
| Other non-assessable income | - | - |
| Adjustments in respect of current income tax of previous years | - | - |
| Deferred tax assets not brought to account | 285,240 | 227,478 |
| Income tax expense reported in the statement of profit or loss and other comprehensive income | - | - |
| (c) Deferred income tax | | |
| Deferred income tax relates to the following: | | |
| <i>Deferred tax assets</i> | | |
| Accruals | 79,667 | 53,165 |
| Provision for doubtful debts | 22,490 | 18,746 |
| Tax losses available to offset against future taxable income | 5,746,460 | 5,588,465 |
| Lease liabilities | 242,941 | 223,254 |
| Black hole expenditure | 256,159 | 143,241 |
| Borrowing costs | 1,800 | 2,250 |
| Deferred tax assets not brought to account | (6,125,270) | (5,276,210) |
| | 224,246 | 752,911 |
| <i>Deferred tax liabilities</i> | | |
| Accrued interest income | - | 533,830 |
| Right of Use Assets | 223,183 | 217,739 |
| Prepayments | 1,063 | 1,342 |
| | 224,246 | 752,911 |

The tax losses have not been recognised as their realisation is not considered probable at this stage. The recovery of any tax losses is dependent upon compliance with relevant tax authorities and regulations.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

6. CASH AND CASH EQUIVALENTS

| | December 31 | December 31 |
|--------------|--------------------|--------------------|
| | 2023 | 2022 |
| | US\$ | US\$ |
| | <hr/> | <hr/> |
| Cash on hand | 8 | 8 |
| Cash at bank | (i) 4,364,932 | 1,947,434 |
| | 4,364,940 | 1,947,442 |
| | <hr/> <hr/> | <hr/> <hr/> |

(i) Cash at bank earns interest at floating rates based on daily bank deposit rates.

Cash at bank does not include a term deposit of \$1.3M which is classified in receivables.

For further information on financial risk management refer to note 20.

Cash flows from operating activities reconciliation

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

| | | |
|--|--------------------|--------------------|
| Net loss after related income tax | (4,442,254) | (6,322,200) |
| <i>Adjustment for non-cash income and expense items:</i> | | |
| Depreciation | 34,268 | 106,724 |
| Amortisation | 132,157 | 90,052 |
| Project expenditure expense | 419,971 | 431,123 |
| Fair value loss on financial asset at FVTPL | 323,954 | 660,353 |
| Unrealised foreign exchange gains | (129,090) | 651,535 |
| NCI accounting | (267,357) | 195,579 |
| <i>Changes in assets and liabilities:</i> | | |
| Increase in receivables | (230,920) | (56,978) |
| (Increase) / decrease in prepayments | (82,057) | (7,160) |
| Increase / (decrease) in payables | 362,929 | (975,005) |
| Net cash outflow from operating activities | (3,878,399) | (5,225,977) |
| | <hr/> <hr/> | <hr/> <hr/> |

7. EXPLORATION AND EVALUATION ASSETS

| | | |
|------------------------|------------------|------------------|
| Opening balance | 2,381,208 | 2,406,412 |
| Foreign exchange loss | (91,022) | (25,204) |
| | 2,290,186 | 2,381,208 |
| | <hr/> <hr/> | <hr/> <hr/> |

(i) Exploration and evaluation expenditure after acquisition has been expensed to the statement of profit or loss and other comprehensive income.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

8. RIGHT-OF-USE ASSET AND LEASE LIABILITY

Amounts recognised in the consolidated statement of financial position

| | December 31 2023 US\$ | December 31 2022 US\$ |
|-------------------------------------|--------------------------------------|--------------------------------------|
| Right-of-use asset | | |
| <i>Property – head office lease</i> | | |
| Opening balance | 870,955 | 47,858 |
| Lease remeasurement | 5,146 | 913,149 |
| Amortisation | (132,157) | (90,052) |
| Closing balance | 743,944 | 870,955 |
| Lease liability | | |
| Opening balance | 893,015 | 71,836 |
| Lease remeasurement | 5,146 | 913,149 |
| Lease payments | (151,062) | (91,970) |
| Accretion of interest | 49,260 | |
| Foreign currency translation | 13,443 | |
| Closing balance | 809,802 | 893,015 |
| Current Lease liability | 111,062 | 115,575 |
| Non-current Lease liability | 698,740 | 777,440 |
| Total Lease liability | 809,802 | 893,015 |

The total cash outflow for the lease in the twelve months to December 31, 2023 was \$151,062. On January 1, 2023, the Company held one lease, for the head office based in Subiaco. The lease term is six years and the incremental borrowing rate used is 6.52%.

9. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

Advances to Philippines Associates

| | | |
|------------------------------------|-----------|-----------|
| Opening balance | - | - |
| Advances to Philippines Associates | 323,954 | 660,353 |
| Fair value loss | (323,954) | (660,353) |
| | - | - |

While management notes significant change in the circumstances of legal proceedings with the Tribunal handing down a Final Award in favour of Mt. Labo, Mt. Labo securing the Mining Permit and positive political changes in the Philippines, a material uncertainty of recoverability still remains to be recognised as the term sheet is yet to be finalised and the formal decision to mine has not been made yet. Due to these inherent uncertainties and risks outlined above, the Board have decided to continue to recognise a full impairment over the loans to the Philippines Associates as at 31 December 2023. Refer to note 1 for further information.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

10. TRADE AND OTHER PAYABLES

Current liabilities

| | | | |
|------------------|-----|----------------|----------------|
| Trade creditors | (i) | 522,643 | 559,214 |
| Accrued expenses | | 70,303 | - |
| | | 592,946 | 559,214 |

(i) Trade payables are non-interest bearing and are normally settled on 30 to 60 day terms. There are no amounts that are expected to be settled greater than 12 months. Refer to note 20 for further information on trade and other payables.

11. PROVISIONS

| | December 31 2023 US\$ | December 31 2022 US\$ |
|--------------------------------|--------------------------------------|--------------------------------------|
| Current liabilities | | |
| Employee entitlements | 451,488 | 408,615 |
| | 451,488 | 408,615 |
| Non-current liabilities | | |
| Employee entitlements | 24,589 | 5,622 |
| | 24,589 | 5,622 |
| Total provisions | 476,077 | 414,237 |

Employee entitlements

Refer note 1(e) for the relevant accounting policy applied in the measurement of this provision.

12. LOANS AND BORROWINGS

| | December 31 2023 US\$ | December 31 2022 US\$ |
|-----------------|--------------------------------------|--------------------------------------|
| Opening balance | 500,000 | 1,500,000 |
| Loan repayment | (500,000) | (1,000,000) |
| Closing balance | - | 500,000 |

The loan was an interest-bearing unsecured facility. Refer to note 20 for further information on loans and borrowings.

13. ISSUED CAPITAL AND RESERVES

(a) Issued and paid up share capital

| | December 31 2023 Number | December 31 2022 Number | December 31 2023 US\$ | December 31 2022 US\$ |
|-----------------------------------|--|-------------------------------|--------------------------------------|-----------------------------|
| Issued and paid up capital | 1,128,651,665 | 838,721,455 | 191,984,581 | 183,615,839 |

Fully paid shares carry one vote per share and the right to dividends. The Company is authorised to issue an unlimited number of shares of no par value of a single class.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

13. ISSUED CAPITAL AND RESERVES – continued

Movements in contributed equity during the year were as follows:

| | <u>Number</u> | <u>US\$</u> |
|--|-----------------------------|---------------------------|
| Opening balance at January 1, 2023 | 838,721,455 | 183,615,839 |
| Shares issued | 289,930,210 | 9,195,354 |
| Shares issue costs | - | (826,612) |
| Total shares on issue at December 31, 2023 | <u>1,128,651,665</u> | <u>191,984,581</u> |
| Opening balance at January 1, 2022 | 836,554,789 | 183,475,169 |
| Shares issues | 2,166,666 | 142,598 |
| Shares issue costs | - | (1,928) |
| Total shares on issue at December 31, 2022 | <u>838,721,455</u> | <u>183,615,839</u> |

Fully paid shares carry one vote per share and the right to dividends. The Company is authorised to issue an unlimited number of shares of no par value of a single class.

(b) Reserves

Movements in reserves during the year were as follows:

| | <u>December 31 2023 US\$</u> | <u>December 31 2022 US\$</u> |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Share based payment reserve | 10,510,522 | 10,314,034 |
| Foreign currency translation reserve | 1,203,921 | 1,437,236 |
| Other reserves | 30,662 | 30,662 |
| | <u>11,745,105</u> | <u>11,781,932</u> |

Movements in options during the year were as follows:

| | <u>Number</u> |
|---|---------------------------|
| Opening balance at January 1, 2023 | 25,349,772 |
| Granted during the period | 208,286,828 |
| Total options on issue at December 31, 2023 | <u>233,636,600</u> |

The Company issued two free attaching unlisted options for every three Securities issued pursuant to the Placement, exercisable at A\$0.075 with a 12 month expiry from the date of issue.

Nature and purpose of reserves

Share based payment reserve

The share based payment reserve is used to record the value of share based payments provided to employees, including Key Management Personnel and Directors as part of remuneration. The notional value attributed to the shares issued under the Loan Share Plan is included in this reserve as accounting standards deem the non-recourse loan to contain an embedded option (refer to note 21).

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

13. ISSUED CAPITAL AND RESERVES – continued

Foreign currency translation reserve (“FCTR”)

Exchange differences arising on translation of the controlled entity and the Company’s share of Associates FCTR are recorded in other comprehensive income as described in note 9 and accumulated in a reserve within equity. The cumulative amount is reclassified to profit of loss when the net investment is disposed of.

(c) Accumulated losses

| | December 31 2023 US\$ | December 31 2022 US\$ |
|--|--------------------------------------|--------------------------------------|
| Balance at the beginning of the financial year | (190,554,599) | (184,427,978) |
| Loss attributable to equity holders of the Company | (4,374,099) | (6,126,621) |
| Balance at the end of the financial year | <u>(194,928,696)</u> | <u>(190,554,599)</u> |

(i) Gain on disposal on financial assets at fair value through other comprehensive income.

(d) Dividends

No dividends were paid or proposed during or since the end of the financial year.

Refer to note 20 for information on capital risk management.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

14. NON-CONTROLLING INTEREST

The effect on the equity attributable to the Company during the year is as follows:

| | December 31 2023 US\$ | December 31 2022 US\$ |
|---|--------------------------------------|--------------------------------------|
| Opening non-controlling interests | (1,574,666) | (1,379,087) |
| Gain / (loss) attributable to non-controlling interests | (68,155) | (195,579) |
| Foreign currency translation differences | 143,022 | |
| | (1,499,799) | (1,574,666) |

On October 23, 2019 the Group acquired PB Partners (Malaysia) Pte Ltd ("PB"), a non-listed company with a 90% direct interest in Chanach LLC ("Chanach").

On July 18, 2018 the Group acquired A2V Mining Inc. ("A2V"), a non-listed company with a direct interest in Central Exploration Pty Ltd ("Central").

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Consolidated Entity. The amounts disclosed for each subsidiary are before inter-company eliminations.

| Statement of financial position | Chanach LLC | | Central Exploration Pty Ltd | |
|---|----------------------|----------------------|------------------------------------|----------------------|
| | 2023 US\$ | 2022 US\$ | 2023 US\$ | 2022 US\$ |
| Current assets | 133,781 | 78,782 | 26,535 | 249 |
| Current liabilities | (266,847) | (54,944) | (4,837,412) | (4,387,210) |
| Current net assets | (133,066) | 23,838 | (4,810,877) | (4,386,961) |
| Non-current assets | 2,311,990 | 1,927,345 | 13,637 | 28,644 |
| Non-current liabilities | (2,209,533) | (1,728,332) | - | - |
| Non-current net assets | 102,457 | 199,013 | 13,637 | 28,644 |
| Net assets | (30,609) | 222,851 | (4,797,240) | (4,358,317) |
| Accumulated NCI | (3,061) | (20,268) | (1,496,739) | (1,554,398) |
| | | | | |
| Statement of financial performance | Chanach LLC | | Central Exploration Pty Ltd | |
| | 2023 US\$ | 2022 US\$ | 2023 US\$ | 2022 US\$ |
| Revenue | - | - | - | - |
| Loss for the period | (685,411) | (563,819) | (435,004) | (446,143) |
| Exchange differences on translation of foreign operations | (26,584) | - | (3,919) | - |
| Total comprehensive income | (711,995) | (563,819) | (438,923) | (446,143) |
| | | | | |
| Loss allocated to NCI | (68,541) | (56,382) | 386 | (139,197) |

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

14. NON-CONTROLLING INTEREST – continued

| Statement of cash flows | Chanach LLC | | Central Exploration Pty Ltd | |
|--|-------------|-----------|-----------------------------|-----------|
| | 2023 | 2022 | 2023 | 2022 |
| | US\$ | US\$ | US\$ | US\$ |
| Cash flow used in operating activities | (616,605) | (481,158) | (419,971) | (431,123) |
| Cash flow from investing activities | - | - | - | - |
| Cash flow from financing activities | 605,851 | 605,430 | 435,143 | 436,646 |
| Net increase/(decrease) in cash and cash equivalents | (10,754) | 124,272 | 15,172 | 5,523 |

15. AUDITOR'S REMUNERATION

| | December 31 2023 US\$ | December 31 2022 US\$ |
|--|-----------------------------|-----------------------------|
| <i>The Auditor of the Company is BDO Audit (WA) Pty Ltd.</i> | | |
| <i>Amounts received or due and receivable by BDO Audit (WA) Pty Ltd for:</i> | | |
| An audit or review of the financial report of the entity and any other entity in the consolidated group. | 65,807 | 43,550 |
| Other services in relation to the entity and any other entity in the consolidated group | | |
| Tax compliance | - | - |
| Other assurance services | 335 | 2,037 |
| | 66,142 | 45,587 |

16. LOSS PER SHARE

The following reflects the income and share data used in the basic and diluted loss per share calculation:

| (a) Loss used in calculating earnings per share | December 31 2023 US\$ | December 31 2022 US\$ |
|---|-----------------------------|-----------------------------|
| Loss attributable to ordinary equity holders of the parent | | |
| - Continuing operations | (4,374,099) | (6,126,621) |
| Loss attributable to ordinary equity holders of the parent | (4,374,099) | (6,126,621) |
| | | |
| (b) Weighted average number of shares | Number of shares | Number of shares |
| Weighted average number of shares used in calculating basic loss per share | 961,896,677 | 838,353,419 |
| Effect of dilutive options | - | - |
| Weighted average number of shares used in calculating diluted loss per share | 961,896,677 | 838,353,419 |
| | | |
| Loss per share attributable to ordinary shareholders | | |
| Basic and diluted loss per share (cents) | (0.45) | (0.73) |

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

17. RELATED PARTY DISCLOSURE

The Consolidated Entity consists of RTG and its subsidiaries and joint ventures listed in the following table:

| Name of Entity | Country of Incorporation | Equity Interest (%) | Equity Interest (%) |
|--------------------------------|--------------------------|---------------------|---------------------|
| | | December 31 2023 | December 31 2022 |
| Controlled Entities | | | |
| Sierra Mining Pty Ltd | Australia | 100 | 100 |
| SRM Gold Limited | British Virgin Islands | 100 | 100 |
| Sierra Philippines Pty Ltd | Australia | 100 | 100 |
| Ratel Group Limited | British Virgin Islands | 100 | 100 |
| A2V Mining Inc. | British Virgin Islands | 100 | 100 |
| Central Exploration Pty Ltd | Australia | 69 | 69 |
| Origold Mining Limited | British Virgin Islands | 100 | 100 |
| Origold PNG Limited | Papua New Guinea | 100 | 100 |
| Areca Mining Limited | British Virgin Islands | 100 | 100 |
| PB Partners (Malaysia) Pte Ltd | Malaysia | 100 | 100 |
| Chanach LLC | Kyrgyz Republic | 90 | 90 |

(a) Controlling Entity

The ultimate controlling entity of the wholly owned group is RTG Mining Inc.

(b) Other transactions with related parties

Transactions with related parties

Transactions with related parties consist of companies with Directors and Officers in common and companies owned in whole or in part by Executives and Directors as follows for the twelve months ended December 31, 2022:

| Name | Nature of transactions |
|--------------------------------------|------------------------|
| Coverley Management Services Pty Ltd | Consulting as Director |

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

17. RELATED PARTY DISCLOSURE – continued

The Company paid the following fees in the normal course of operation in connection with companies owned by Directors.

| | December 31 2023 US\$ | December 31 2022 US\$ |
|---------------|--------------------------------------|--------------------------------------|
| Director fees | - | 19,247 |
| | - | 19,247 |

During the year ended December 31, 2023 the Group entered into transactions with related parties:

- Loans of \$1,056,040 were advanced to subsidiaries from short term inter-company accounts, and
- Loans of \$323,954 were advanced on to the Philippines Associates of the Company.
- The total cumulative advances (excluding interest) were \$31,746,384 at December 31, 2023 and \$31,422,430 at December 31, 2022.

These transactions were undertaken on the following terms and conditions:

- Loans are repayable at call.
- Loans and advances to Mt. Labo shall be paid and settled pro rata out of the operating cash flow of Mt. Labo arising from the commercial operations of the Mabilo Project's DSO proceeds.

(c) Key Management Personnel compensation

| | | |
|---|----------------|----------------|
| Short term employee benefits | 778,161 | 743,903 |
| Post-employment benefits – super | 79,531 | 69,670 |
| Long term benefits – AL | 33,671 | 14,703 |
| Long term benefits – share based payments | - | - |
| | 891,363 | 828,276 |

18. PARENT ENTITY INFORMATION

| | December 31 2023 US\$ | December 31 2022 US\$ |
|--|--------------------------------------|--------------------------------------|
| Information relating to RTG: | | |
| Current assets | 5,763,740 | 2,132,993 |
| Total assets | 7,960,792 | 3,956,564 |
| Current liabilities | (1,191,437) | (2,399,150) |
| Total liabilities | (2,319,199) | (2,899,150) |
| Issued capital | 191,984,581 | 183,615,839 |
| Share option reserve | 10,510,522 | 10,314,033 |
| Accumulated losses | (196,853,510) | (192,872,459) |
| Total shareholders' equity | 5,641,593 | 1,057,414 |
| Loss of the parent entity | (3,981,051) | (5,671,680) |
| Total comprehensive loss of the parent entity | (3,981,051) | (5,671,680) |

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

19. COMMITMENTS AND CONTINGENCIES

(a) Contingencies

As at December 31, 2023, the Group recognised the following contingencies:

Associate

Investment in Philippines Associates

On August 21, 2020, the Tribunal handed down a favourable Final Award to Mt. Labo in the international arbitration against Galeo in the Singapore International Arbitration Centre (“SIAC”). Mt. Labo prevailed on all matters considered important including a determination that the Joint Venture Agreement (“JVA”) with Galeo was validly terminated, the compromise agreement was validly rescinded, Galeo is not entitled to any shares in Mt. Labo, Galeo was not a co-permittee of the Mt. Labo Exploration Permit and Galeo is not the operator of the project. The Tribunal ordered Galeo to pay damages of approximately US\$18.6M (plus interest at 6% from various dates) and legal costs, including the Tribunal’s fees of approximately S\$7.45M. Interest payable is currently in excess of US\$7.9M on top of the damages and costs awards, which have given rise to a contingent asset.

On November 22, 2021 RTG announced Galeo’s application to set aside the Final Award had been dismissed. The enforcement proceedings in the Philippines can now proceed as the matter is finalised. During the year, Mt. Labo lodged, with the Philippine Courts, a Petition for Enforcement of the SIAC Final Award, which includes the damages award in the order of A\$47 million including interest.

One of the matters Galeo referred to the SIAC for determination was compliance with the Nationality Rules: it was litigated extensively at the SIAC, with the Final Award rejecting Galeo’s complaints and holding that Mt. Labo and its directors had not breached Philippine Law, including RTG representatives. We understand Galeo has again sought to pursue this matter in the Philippines Courts, notwithstanding the SIAC Final Award finding against them. Counsel’s advice is that there is no proper or lawful basis for the allegations.

The Company is not aware of any other contingent liabilities at December 31, 2023.

Subsidiary

Central Exploration Pty Ltd

In 2018, the Group acquired A2V Mining Inc. (“A2V”), a non-listed company with a direct interest in Central Exploration Pty Ltd (“Central”). Through the conversion of loan funding into shares in Central, the Group’s total interest in Central increased to 69%. The acquisition gave rise to a contingent liability of \$1,333,257 relating to Duncan Mining Pty Ltd’s (a related entity of Central) acquisition of URM (South Pacific) Pty Ltd. Repayment of the liability is dependent on the development of Central’s Bougainville interests. Given the current status of the project, repayment of the liability is not considered probable. At reporting date, the value of the liability increased to \$2,247,594 (December 31, 2022: \$2,087,341), however repayment is still not considered probable. This is not a liability of the Company but Central and is not guaranteed by RTG.

20. FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise cash and cash equivalents, receivables, borrowings and payables. The Company currently has in place an active program of financial forecasting and budgeting both at a corporate and project level to manage both the application of funds and planning for future financial needs to ensure that any shortfall in funds is adequately covered by cash reserves or planned new sources being either debt or equity based on the then most cost effective weighted average cost of capital.

Financial risk management is carried out by management and the Board of Directors of the ultimate parent company (the "Board") under policies approved by the Board. The Board also provides regular guidance for overall risk management, including guidance on specific areas, such as mitigating foreign exchange, interest rate and credit risk.

The Group does not enter into financial instruments, including derivative financial instruments, for trade or speculative purposes.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including the setting of limits for trading in derivatives, credit limits and future cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Group's maximum exposures to credit risk at the reporting date in relation to each financial asset is the carrying amounts of those assets as indicated in the consolidated statement of financial position.

Receivable balances are monitored on an ongoing basis and to the extent that recovery is deemed to be uncertain the Company raises a provision or impairs the asset against expected recovery. The credit quality of financial assets that are neither past due nor impaired are assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

The Group monitors cash and cash equivalents credit risk through holding its cash through banks and financial institutions with a minimum Standard and Poors credit rating of 'A' or greater. The credit risk associated with cash and cash equivalents is considered negligible by the Group. The Group does not hold collateral as security. The Group does not have any receivables past due or impaired.

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 risk is to ensure, as far as possible, that it will maintain sufficient cash or credit terms with its suppliers to meet the operating requirements of the business and invest excess funds in highly liquid short term cash deposits. Maintaining surplus working capital in highly liquid short term deposits allows the Group to meet its primary objectives by being able to fund new development and acquisition opportunities at short notice.

The responsibility for liquidity risk rests with the Board of Directors. The Group's liquidity needs can likely be met through cash on hand, short and long-term borrowings subject to the current forecast operating parameters being met.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

20. FINANCIAL RISK MANAGEMENT – continued

The contractual maturities of the Group's financial liabilities are as follows:

| | December 31 2023 US\$ | December 31 2022 US\$ |
|--|--------------------------------------|--------------------------------------|
| Due within one month or on demand | | |
| Trade and other payables | 592,946 | 559,214 |
| Borrowings | - | 500,000 |
| | 592,946 | 1,059,214 |

The Group's liquidity needs can likely be met through existing cash on hand, subject to the current forecast operating parameters being met.

Market rate risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's policy is to manage its exposure to interest rate risk by holding cash in short-term fixed rate deposits and variable rate deposits. The Group's exposure to interest rate risk on post-tax profit or loss arises from higher or lower interest income from cash and cash equivalents. The Group constantly analyses its interest rate exposure. Consideration is given to potential renewals of existing positions, alternative financing and the mix of fixed and variable interest rates.

At reporting date, the Group's maximum exposure to interest rate risk is as follows:

| | December 31 2023 US\$ | December 31 2022 US\$ |
|--|--------------------------------------|--------------------------------------|
| Interest-bearing financial assets | | |
| Cash at bank | 4,364,940 | 1,947,442 |
| Receivables | 1,429,446 | - |
| Financial asset at amortised cost | - | - |
| | 5,794,386 | 1,947,442 |

The Group's cash at bank, receivables and financial assets at amortised cost had a weighted average floating interest rate at December 31, 2023 of 1.2723% (December 31, 2022: 0.0484%)

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

20. FINANCIAL RISK MANAGEMENT – continued

| | December 31 2023 US\$ | December 31 2022 US\$ |
|---|--------------------------------------|--------------------------------------|
| Interest-bearing financial liabilities | | |
| Borrowings | - | 500,000 |
| | - | 500,000 |

The Group's borrowings had a set interest rate at December 31, 2022 of 7%. The US\$0.5M loan plus interest was paid in its entirety in July 2023.

Interest rate risk sensitivity

If interest rates were to move up by 1% with all other variables held constant, the pre-tax impact on the Group's profit as well as total equity would be a movement of \$15,795 (December 31, 2022: \$2,150), a 1% decrease would be a movement of \$(14,057) (December, 31 2022: \$979).

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to foreign currency risk throughout the year primarily exists as the functional currency of the Company is US Dollars and net assets of the Controlled Entity are held predominantly in Australian Dollars, with negligible exposure to the Kyrgyzstani Som and Canadian Dollars.

The Group reduces its risk of exposure to the currencies listed above by holding financial instruments, principally cash and cash equivalents, creating a natural hedge.

At the reporting date, the Groups exposure to financial instruments in foreign currencies was:

| | December 31 2023 US\$ | December 31 2022 US\$ |
|------------------------------|--------------------------------------|--------------------------------------|
| Financial Assets | | |
| Cash and cash equivalents | 3,517,890 | 1,800,917 |
| Trade and other receivables | 1,546,408 | 29,498 |
| | 5,064,298 | 1,830,415 |
| Financial Liabilities | | |
| Trade and other payables | 552,984 | 503,476 |
| Lease liability | 809,802 | 893,015 |
| | 1,362,786 | 1,396,491 |
| Net exposure | 6,427,084 | 3,226,906 |

Foreign currency risk sensitivity

The following table summarises the sensitivity of financial instruments held at reporting date to movement in the exchange rate of the USD to the AUD with all other variables held constant. The impact on the Group's profit or loss before tax is due to changes in the fair value of monetary assets and liabilities.

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

20. FINANCIAL RISK MANAGEMENT – continued

| | Change in AUD rate | Impact on profit or loss before tax and equity US\$ |
|------|--------------------|--|
| 2023 | +10% | 449,756 |
| | -10% | (549,702) |
| 2022 | +10% | 162,114 |
| | -10% | (198,139) |

Fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values, determined in accordance with the accounting policies disclosed in note 1. All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, is described as follows:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Recognised fair value measurements

The Group currently measures the loans at fair value, using level 3.

Fair value of other financial instruments not measured at fair value

The carrying amounts of trade receivables, payables and borrowings are assumed to approximate their fair values due to their short term nature.

Capital risk management

The Group's total capital is defined as equity attributable to equity holders of the parent and cash and cash equivalents amounted to \$196,349,521 at December 31, 2023 (December 31, 2022: \$185,563,281).

The Group's capital management objectives are to safeguard the business as a going concern, to maintain a capital base sufficient to maintain future exploration and development of its projects. Management may issue more shares or repay debts in order to maintain the optimal capital structure.

The Group does not have a target debt/equity ratio, but maintains a flexible financing structure so as to be able to take advantage of new investment opportunities that may arise. The Group monitors its capital risk management through annual cash flow projections and monthly reporting against budget.

RTG MINING INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

21. SHARE BASED PAYMENTS

Loan funded share plan

Shares issued pursuant to the Plan are for services rendered to date by eligible employees and Directors and, going forward, for services rendered by existing and any new eligible employees and Directors. The purpose of the Plan is to motivate and retain employees, attract quality employees to the Group, create commonality of purpose between the employees and the Group, create wealth for shareholders by motivating the employees, and enable the employees to share the rewards of the success of the Group.

Where the Company offers to issue incentive shares to a Director or employee, the Company may offer to provide the recipient with a limited recourse, interest free loan to be used for the purposes of subscribing for the shares in the Company. The Company's recourse to repayment of the loans is limited to the lesser of:

- a) The original loan to the participant less any repayments made; or
- b) The market value of the shares as at the date of repayment of the loan.

Loan Funded Share Plan Shares issued at December 31, 2023

| December 31, 2023 | Opening balance January 1, 2023 | Acquired | Movement | Closing balance December 31, 2023 |
|--------------------------|--|-----------------|-----------------|--|
| Directors | | | | |
| Mr Michael Carrick | 5,300,000 | - | - | 5,300,000 |
| Ms Justine Magee | 5,300,000 | - | - | 5,300,000 |
| Mr Robert Scott | 50,000 | - | - | 50,000 |
| Mr Philip Lockyer | 50,000 | - | - | 50,000 |
| Mr David Cruse | 50,000 | - | - | 50,000 |
| Executives | | | | |
| Mr Mark Turner | 3,250,000 | - | - | 3,250,000 |
| Other employees | 8,250,000 | - | - | 8,250,000 |

Loan Funded Share Plan Shares issued at 31 December 2022

| December 31, 2022 | Opening balance January 1, 2022 | Acquired | Movement | Closing balance December 31, 2022 |
|--------------------------|--|-----------------|-----------------|--|
| Directors | | | | |
| Mr Michael Carrick | 5,300,000 | - | - | 5,300,000 |
| Ms Justine Magee | 5,300,000 | - | - | 5,300,000 |
| Mr Robert Scott | 50,000 | - | - | 50,000 |
| Mr Philip Lockyer | 50,000 | - | - | 50,000 |
| Mr David Cruse | 50,000 | - | - | 50,000 |
| Executives | | | | |
| Mr Mark Turner | 3,250,000 | - | - | 3,250,000 |
| Other employees | 8,250,000 | - | - | 8,250,000 |

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

22. SEGMENT REPORTING NOTE

The Company's operations are segmented on a regional basis and are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments has been defined as the Chief Executive Officer.

The Company operates in a single segment, being mineral exploration and development.

The following is the geographical locations of the Company's assets:

December 31, 2023

| Operating segment | Philippines | Australia | Kyrgyz | Other | Consolidated total |
|--|-------------|-------------|-----------|-------|--------------------|
| | 2023 | 2023 | 2023 | 2023 | 2023 |
| Revenue | US\$ | US\$ | US\$ | US\$ | US\$ |
| Interest income | - | 18,916 | - | - | 18,916 |
| Total revenue | | | | | 18,916 |
| Results | | | | | |
| Segment loss before tax | (269,209) | (3,486,251) | (686,794) | - | (4,442,254) |
| Revenue | - | 18,916 | - | - | 18,916 |
| Administrative expenses | - | (2,235,856) | (315,444) | - | (2,551,300) |
| Foreign exchange | 54,744 | 128,024 | (68,805) | - | 113,963 |
| Impairment expense | - | (419,971) | - | - | (419,971) |
| Fair value loss on financial assets through profit or loss | (323,954) | - | - | - | (323,954) |
| Other expenses | - | (977,363) | (302,545) | - | (1,279,908) |
| Segment loss before income tax from continuing operations | | | | | (4,442,254) |

December 31, 2023

| Operating segment | Philippines | Australia | Kyrgyz | Other | Consolidated total |
|----------------------------|-------------|-------------|-----------|-------|--------------------|
| | 2023 | 2023 | 2023 | 2023 | 2023 |
| | US\$ | US\$ | US\$ | US\$ | US\$ |
| Segment assets | | | | | |
| Total assets | - | 6,734,245 | 2,445,771 | - | 9,180,016 |
| Segment liabilities | | | | | |
| Total liabilities | - | (1,573,989) | (304,833) | - | (1,878,822) |

RTG MINING INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

22. SEGMENT REPORTING NOTE – continued

December 31, 2022

| Operating segment | Philippines | Australia | Kyrgyz | Other | Consolidated total |
|--|-------------|-------------|-----------|-------|--------------------|
| | 2022 | 2022 | 2022 | 2022 | 2022 |
| Revenue | US\$ | US\$ | US\$ | US\$ | US\$ |
| Interest income | - | 351 | - | - | 351 |
| Total revenue | | | | | 351 |
| Results | | | | | |
| Segment loss before tax | (638,240) | (5,118,940) | (565,020) | - | (6,322,200) |
| Revenue | - | 351 | - | - | 351 |
| Administrative expenses | - | (3,142,074) | (217,632) | - | (3,359,706) |
| Foreign exchange | 22,112 | (581,695) | (82,660) | - | (642,243) |
| Impairment expense | - | (431,123) | - | - | (431,123) |
| Fair value loss on financial assets through profit or loss | (660,353) | - | - | - | (660,353) |
| Other expenses | - | (964,398) | (264,728) | - | (1,229,126) |
| Segment loss before income tax from continuing operations | | | | | (6,322,200) |

December 31, 2022

| Operating segment | Philippines | Australia | Kyrgyz | Other | Consolidated total |
|----------------------------|-------------|-------------|-----------|-------|--------------------|
| | 2022 | 2022 | 2022 | 2022 | 2022 |
| Segment assets | US\$ | US\$ | US\$ | US\$ | US\$ |
| Total assets | - | 3,170,311 | 2,464,661 | - | 5,634,972 |
| Segment liabilities | | | | | |
| Total liabilities | - | (2,151,530) | (214,936) | - | (2,366,466) |

23. EVENTS AFTER REPORTING DATE

No other significant events have occurred subsequent to reporting date that would have a material impact on the consolidated financial statements.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of the Company, I state that in the opinion of the Directors:

- (a) the financial statements and notes of the Consolidated Entity:
 - (i) give a true and fair view of the Consolidated Entity's financial position as at December 31, 2023 and of its performance for the twelve month period ended December 31, 2023; and
 - (ii) comply with International Accounting Standards and other mandatory professional reporting standards; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board.

A handwritten signature in black ink, appearing to read 'Justine A Magee', with a large loop at the start and a horizontal line extending to the right.

JUSTINE A MAGEE
President and Chief Executive Officer

Perth, March 27, 2024



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of RTG Mining Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of RTG Mining Inc. (the Entity) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, 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 report, including a summary of significant accounting policies and the declaration by those charged with governance.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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.

Recoverability of Exploration and Evaluation Asset

| <i>Key audit matter</i> | <i>How the matter was addressed in our audit</i> |
|--|---|
| <p>As at 31 December 2023, we note the carrying value of exploration and expenditure asset is significant to the financial statements.</p> <p>As a result, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with International Financial Reporting Standards (“IFRS 6”) <i>Exploration and Evaluation of Mineral Resources</i>. In particular:</p> <ul style="list-style-type: none"> • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditure qualify for recognition; and • Whether facts and circumstances indicate that the exploration and evaluation assets should best tested for impairment. | <p>Our audit procedures in respect of this are included but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the assets of interest held by the Group and assessing whether the rights to tenure of those areas of interest remain current at balance date; • Considering the status of ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group’s exploration budgets, ASX announcements and director’s minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts of circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosure of the Financial Report. |

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor’s report is information included in the annual report for the year ended 31 December 2023, 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 on the other information obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of management and those charged with governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

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

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

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Dean Just', written over a faint, light blue BDO logo watermark.

Dean Just

Director

Perth, 27 March 2024

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF RTG MINING INC.

As lead auditor for RTG Mining Inc. for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

- No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of RTG Mining Inc. and the entities it controlled during the period.



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth

27 March 2024

AUSTRALIAN SECURITIES EXCHANGE ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report. The additional information was applicable as at March 22, 2024.

DISTRIBUTION OF ALL SECURITY HOLDERS

Analysis of numbers of Shareholders by size of holding:

| | Category | Number of shareholders | |
|--------|-----------------|-------------------------------|-----------|
| 1 | - | 99 | 5 |
| 100 | - | 999 | - |
| 1,000 | - | 4,999 | 2 |
| 5,000 | - | 9,999 | 5 |
| 10,000 | and over | | 2 |
| | | | 14 |

There are 5 shareholders holding less than a marketable parcel of shares.

SUBSTANTIAL SHAREHOLDERS

There are four substantial shareholders as defined under the Corporations Act 2001.

| Name | Number of equity securities | Power % |
|-------------------------------------|------------------------------------|----------------|
| Equinox Partners | 222,592,385 | 19.72% |
| Marston Limited | 206,159,812 | 18.27% |
| Franklin Resources Inc. | 122,491,232 | 10.85% |
| Carpe Diem Asset Management Pty Ltd | 106,620,831 | 9.45% |

VOTING RIGHTS

The voting rights attached to each class of equity security are as follows:

SHARES

Each share is entitled to one vote when a poll is called otherwise each member present at a meeting or by proxy has one vote on a show of hands.

CHESS DEPOSITARY NOMINEE (CDI) HOLDERS

A CDI represents a beneficial interest in an underlying Share. CDIs rank equally in all respects with existing Shares in RTG Mining Inc.; however, there are certain differences between CDIs and Common Shares (in particular in relation to voting and how other rights are exercised).

OPTIONS

These securities have no voting rights.

The Company has used its cash in a way consistent with its business objectives.

TOP 20 SHARE HOLDERS

| Rank | Name | Shares | % of Units |
|------|--|----------------------|------------|
| 1. | CHESS DEPOSITARY NOMINEES PTY LIMITED | 1,085,134,503 | 96.14 |
| 2. | CDS & CO | 43,371,431 | 3.84 |
| 3. | JUSTINE ALEXANDRIA MAGEE | 45,404 | 0.00 |
| 4. | FERBER HOLDINGS PTY LTD THE SCOTT SUPER FUND A/C C/ GOODING PARTNERS | 30,770 | 0.00 |
| 5. | GUNDYCO TR SALIM SHARIFF | 30,000 | 0.00 |
| 6. | EXCHANGES CONTROL FOR CLASS M01 | 21,246 | 0.00 |
| 7. | CASTLE SPRINGS PTY LTD | 13,889 | 0.00 |
| 8. | EMILY KATE PINNIGER + PHILIP JAMES RICHARDSON JT TEN | 3,000 | 0.00 |
| 9. | HANNAH CLAIRE HUDSON | 1,389 | 0.00 |
| 10. | JULIENNE PAULA DADLEY BULL | 10 | 0.00 |
| 11. | EXCHANGES CONTROL FOR CLASS C01 | 8 | 0.00 |
| 12. | RTG MINING INC <EMPLOYEE SHARE PLAN A/C> | 5 | 0.00 |
| 13. | RTG MINING INC <EMPLOYEE SHARE PLAN A/C> | 5 | 0.00 |
| 14. | RTG MINING INC <EMPLOYEE SHARE PLAN A/C> | 5 | 0.00 |
| | Total Top Holders Balance | 1,128,651,665 | 100 |
| | Total Number of Shares on Issue | 1,128,651,665 | 100 |

TOP 20 QUOTED CHESS DEPOSITARY NOMINEE (CDI) HOLDERS

| Rank | Name | Units | % Units |
|------|---|----------------------|---------------|
| 1. | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 207,658,813 | 19.14 |
| 2. | BNP PARIBAS NOMS PTY LTD | 180,241,655 | 16.61 |
| 3. | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C> | 128,752,181 | 11.87 |
| 4. | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 118,655,658 | 10.93 |
| 5. | CITICORP NOMINEES PTY LIMITED | 107,966,205 | 9.95 |
| 6. | CARPE DIEM ASSET MANAGEMENT PTY LTD <LOWE FAMILY A/C> | 89,239,160 | 8.22 |
| 7. | RTG MINING INC <EMPLOYEE SHARE 2 A/C> | 21,000,000 | 1.94 |
| 8. | CARPE DIEM ASSET MANAGEMENT PTY LTD <LOWE FAMILY A/C> | 14,866,987 | 1.37 |
| 9. | ARREDO PTY LTD | 12,484,170 | 1.15 |
| 10. | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT> | 9,693,861 | 0.89 |
| 11. | MRS VICKI GAYE PLAYER + MR SCOTT JAMES PLAYER <V G PLAYER SUPER FUND A/C> | 8,626,689 | 0.79 |
| 12. | PALM BEACH NOMINEES PTY LIMITED | 6,453,805 | 0.59 |
| 13. | JAMPLAT PTY LTD | 6,100,000 | 0.56 |
| 14. | MR MARK STUART SAVAGE <MARK SAVAGE REVOCABLE A/C> | 6,072,874 | 0.56 |
| 15. | DUREG PTY LTD <CARRICK SUPER FUND A/C> | 5,690,735 | 0.52 |
| 16. | J E INTERNATIONAL PTY LTD | 4,850,000 | 0.45 |
| 17. | R2 CAPITAL PTY LTD | 4,000,000 | 0.37 |
| 18. | MR BENJAMIN PHILLIPE GRENIER | 3,775,000 | 0.35 |
| 19. | NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C> | 3,446,501 | 0.32 |
| 20. | DYNAMIC FUND PTY LTD <DYNAMIC SUPERFUND A/C> | 3,337,076 | 0.31 |
| | Total 20 Top Holders Balance | 942,911,370 | 86.89 |
| | Total Remaining Holders Balance | 142,223,133 | 13.11 |
| | Total Chess Depositary Nominee (CDI) Holders | 1,085,134,503 | 100.00 |

DISTRIBUTION OF ALL CDI HOLDERS

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

| Category | | Number of shareholders | |
|----------|----------|------------------------|-----|
| 1 | - | 1,000 | 60 |
| 1,001 | - | 5,000 | 138 |
| 5,001 | - | 10,000 | 97 |
| 10,001 | - | 100,000 | 329 |
| 100,001 | and over | | 233 |
| | | 857 | |

There are 426 CDI holders holding less than a marketable parcel of shares.

SCHEDULE OF INTERESTS AND LOCATION OF TENEMENTS

| Tenement reference | Location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|--|-------------|---|----------------------------------|----------------------------|
| Licence 6771 AP | Kyrgyzstan | <i>Chanach Project</i> | 90% | 90% |
| Consolidated MPSA-MLC-MRD-459- (Renewal)-Amended I includes: <i>Parcel 1 -MPSA No. MLC-MRD-459 (renewal)</i> <i>Parcel 2 – formerly EP-014-2013-V</i> <i>Parcel 3 – formerly EXPA-000188-V</i> <i>Parcels 4/5 – formerly EXPA-000209-V</i> | Philippines | <i>Mabilo Project and Nalesbitan Project</i> | 40% | 40% |
| APSA-002-V) | Philippines | <i>Nalesbitan Project</i> | 40% | 40% |
| EP-019-2021-V (formerly EXPA-000231-V) | Philippines | <i>Mabilo Project</i> | 40% | 40% |
| Exploration Permit Application (“EXPA”) 118-XI | Philippines | RTG’s interest is held through its interest in its associate entity Bunawan Mining Corporation. | 40% | 40% |
| APSA-003-XIII | Philippines | | 40% | 40% |
| EXPA-037A-XIII | Philippines | | 40% | 40% |
| EP 033-14-XIII | Philippines | RTG’s interest is held through its interest in its associate entity Bunawan Mining Corporation. (EP 033-14-XIII is subject to 2 nd renewal and EP-001-06-XI is an approved 1st renewal EP) | 40% | 40% |
| EP-001-06-XI | Philippines | | 40% | 40% |
| EP-01-10-XI | Philippines | RTG’s interest is held through its interest in its associate entity Oz | 40% | 40% |
| EP-02-10-XI | Philippines | | 40% | 40% |

| | | | | |
|-------------|-------------|--|-----|-----|
| EXPA-123-XI | Philippines | Metals Exploration & Development Corporation. (Both EP-02-10-XI and EP-01-10-XI are subject to 2 nd renewal) | 40% | 40% |
|-------------|-------------|--|-----|-----|

MINERAL RESOURCES AND RESERVES STATEMENT

Summary of Resources

The Company's Resources as at December 31, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015, reported in accordance with the 2012 Edition of the JORC Code, are as follows:

| Classification | Weathering | Million Tonnes | Cu % | Au g/t | Ag g/t | Fe % | Contained Au ('000s Oz) | Contained Cu ('000s t) | Contained Fe ('000s t) |
|------------------|----------------------------|----------------|------------|------------|------------|-------------|-------------------------|------------------------|------------------------|
| Indicated | Oxide + Supergene | 0.78 | 4.1 | 2.7 | 9.7 | 41.2 | 67.1 | 32.1 | 320.8 |
| Indicated | Fresh | 8.08 | 1.7 | 2.0 | 9.8 | 46.0 | 510.5 | 137.7 | 3,713.7 |
| Indicated | Total All Materials | 8.86 | 1.9 | 2.0 | 9.8 | 45.6 | 577.6 | 169.8 | 4,034.5 |
| Inferred | Oxide + Supergene | 0.05 | 7.8 | 2.3 | 9.6 | 26.0 | 3.5 | 3.7 | 12.3 |
| Inferred | Fresh | 3.86 | 1.4 | 1.5 | 9.1 | 29.1 | 181.5 | 53.3 | 1,121.8 |
| Inferred | Total All Materials | 3.91 | 1.5 | 1.5 | 9.1 | 29.0 | 184.9 | 57.0 | 1,134.1 |

Note: The Mineral Resource was estimated within constraining wireframe solids based on the mineralised geological units. The Mineral Resource is quoted from all classified blocks above a lower cut-off grade 0.3 g/t Au within these wireframe solids. Differences may occur due to rounding

Annual Review of Resources

In 2015, the Company reported its updated Resource estimate for the Mabilo Project located in the Philippines (refer ASX announcement dated 5 November 2015). Since this time, there has been no change to the Resource reported for the Mabilo Project.

Summary of Reserves

The Company's Reserves as at December 31, 2023, reported in accordance with the 2012 Edition of the JORC Code, are as follows:

| Ore | | | | | | | Waste | Strip Ratio |
|---------------------------|-------------|--------------|-------------|-------------|-------------|-------------|--------|-------------|
| Class | Type | Mt | Fe % | Au g/t | Cu % | Ag g/t | Mt | |
| Probable | Gold Cap | 0.351 | 40.1 | 3.11 | 0.38 | 3.26 | 77.713 | 10.0 |
| | Supergene | 0.104 | 36.5 | 2.20 | 20.7 | 11.9 | | |
| | Oxide Skarn | 0.182 | 43.6 | 2.52 | 4.17 | 19.9 | | |
| | Fresh | 7.155 | 45.9 | 1.97 | 1.70 | 8.73 | | |
| Total Probable Ore | | 7.792 | 45.5 | 2.04 | 1.95 | 8.79 | | |

The November 2015 Resource estimation provided by CSA Global Pty Ltd classified the Resource for the Mabilo Project as Indication and Inferred. Only Indicated Mineral Resources as defined in NI 43-101 were used to establish the Probable Mineral Reserves. No Reserves were categorised as proven.

Mineral Resources are quoted within specific pit designs based on indicated resources only and take into consideration the mining, processing, metallurgical, economic and infrastructure modifying factors.

Governance of Resources and Reserves

The Company engages external consultants and competent persons (as determined pursuant to the JORC Code) to prepare and calculate estimates of its Resources and Reserves. Management and the Board review these estimates and underlying assumptions for reasonableness and accuracy. The results of the Resource and Reserve estimates are then reported in accordance with the requirements of the JORC Code and other applicable rules (including ASX Listing Rules).

Where material changes occur during the year to a project, including project size, title, exploration results or other technical information, then previous Resource and Reserve estimates and market disclosures are reviewed for completeness.

The Company reviews its Resources and Reserves as at 31 December each year. Where a material change has occurred in the assumptions or data used in previously reported Resource and Reserves, then where possible a revised Resource or Reserve estimate will be prepared as part of the annual review process. However, there are circumstances where this may not be possible (e.g. an ongoing drilling programme), in which case a revised Mineral Resource or Reserve estimate will be prepared and reported as soon as practicable.

Competent Person Statement

The information in this release that relates to Exploration Results and Mineral Resource Estimates of the Chanach Project is based upon information compiled, reviewed and approved by Elizabeth Haren who is a Qualified Person under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) and a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ who is a Member and Chartered Professional of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Elizabeth Haren is employed by Haren Consulting Pty Ltd and is a consultant to RTG. Elizabeth Haren has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person and a Qualified Person for the purposes of NI 43-101. Elizabeth Haren consents to the inclusion in the release of the matters based on her information in the form and the context in which it appears.

The information in this release that relates to Exploration Targets of the Chanach Project is based upon information compiled, reviewed and approved by Greg Hall who is a Qualified Person under NI 43-101 and a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ who is a Member and Chartered Professional of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Greg Hall is employed by Golden Phoenix International Pty Ltd and is a consultant to RTG. Greg Hall has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person and a Qualified Person for the purposes of NI 43-101. Greg Hall consents to the inclusion in the release of the matters based on his information in the form and the context in which it appears.

The information in this release that relates to exploration results at the Mabilo Project is based upon information prepared by or under the supervision of Robert Ayres BSc (Hons), who is a Qualified Person and a Competent Person. Mr Ayres is a member of the Australian Institute of Geoscientists. Mr Ayres has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken, 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” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mr. Ayres has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr. Ayres consents to the inclusion in the release of the matters based on his information in the form and the context in which it appears.

The information in this release that relates to Mineral Resources is based on information prepared by or under the supervision of Mr Aaron Green, who is a Qualified Person and Competent Person. Mr Green is a Member of the Australian Institute of Geoscientists and is employed by CSA Global Pty Ltd, an independent consulting company. Mr Green has sufficient experience that 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” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mr. Green has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr Green consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Mineral Reserves and Mining is based on information prepared by or under the supervision of Mr Carel Moormann, who is a Qualified Person and Competent Person. Mr Moormann is a Fellow of the AusIMM and is employed by Orelogy Consulting, an independent consulting company. Mr Moormann has sufficient experience that is relevant to the 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" and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr Moormann has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr Moormann consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Metallurgy and Processing is based on information prepared by or under the supervision of David Gordon, who is a Qualified Person and Competent Person. David Gordon is a Member of the Australasian Institute of Mining and Metallurgy and is employed by Lycopodium Minerals Pty Ltd, an independent consulting company. David Gordon has sufficient experience that is relevant to the type of process 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" and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). David Gordon has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. David Gordon consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to areas outside of exploration results, Mineral Resources, Mineral Reserves and Metallurgy and Processing is based on information prepared by or under the supervision of Mark Turner, who is a Qualified Person and Competent Person. Mark Turner is a Fellow of the Australasian Institute of Mining and Metallurgy and is employed by RTG Mining Inc, the Company. Mark Turner has sufficient experience that is relevant to the information 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" and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mark Turner has verified the data disclosed in this release. Mark Turner consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release based on historic and public information on the Panguna Project has been compiled and reviewed by Mark Turner, who is a Qualified Person and Competent Person. Mark Turner is a Fellow of the Australasian Institute of Mining and Metallurgy and is employed by RTG Mining Inc, the Company. Mark Turner has sufficient experience that is relevant to the information 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" and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mark Turner consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

For the ASX Feasibility Study announcement including JORC tables Section 1 to 4 please refer to the RTG Mining website (www.rtgmining.com) and on the ASX, under announcements (www.asx.com.au).