PACGOLD

ASX announcement

26 October 2023

QUARTERLY ACTIVITIES REPORT

For the three-month period ending 30 September 2023

Alice River Gold Project, Queensland

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

- First ever drilling within the F1-2 zone intersects 1m @ 41.1g/t Au from 71m (ARDH083), 200m west of the high-grade F1a zone
- The F1-2 zone has a potential strike of >1.4km and represents the western margin of the Alice River Central Target IP geophysics corridor, with the high-grade F1a zone occurring on the eastern margin of the corridor

Southern Target – *Drilling confirms mineralisation on IP anomaly linking two identified structures*[2]

- Broad concealed gold zone intersected within IP anomaly, linking two existing mineralised zones to confirm a combined strike >1.8km on the Southern Target
- High-grade gold also intersected in step-out drilling targeting extensions to existing gold zones with results including:
    - 1m @ 89.1g/t Au and 1.1m @ 10.4g/t Au (STDH007)

Posie – *1.4km high-grade target identified on 30km Alice River fault zone*[3]

- High-grade rock chips define a 1.4km long zone (open) with results up to 46.2g/t Au averaging 4.4g/t Au (65 samples) over the trend – first rock chip sampling undertaken of the Posie prospect
- IP geophysics defines a compelling structural target >2km long x 200m encompassing the exposed veining trend and mostly concealed by shallow sand cover

Regional Targets – *New IP geophysics extends Alice River fault zone a further 4km and underpins district growth potential*[4]

- Four-kilometre extension of the Alice River fault zone defined in latest IP geophysics provides compelling support for the prospective fault zone to extend >30km
- 4,000m drill programme commenced (2,500m RC and 1,500m aircore) to investigate six priority IP geophysical / high-grade gold targets on 8km of strike within the 30km Alice River fault zone

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

- Oversubscribed $3.0 million placement (after costs) to institutional and sophisticated investors
- Cash balance of $4.3M at the end of September 2023

PGO ASX Releases [1]10 July 2023, [2] 11 July 2023, [3] 23 Aug 2023, [4] 22 Sept 2023, [5] 17 Oct 2023

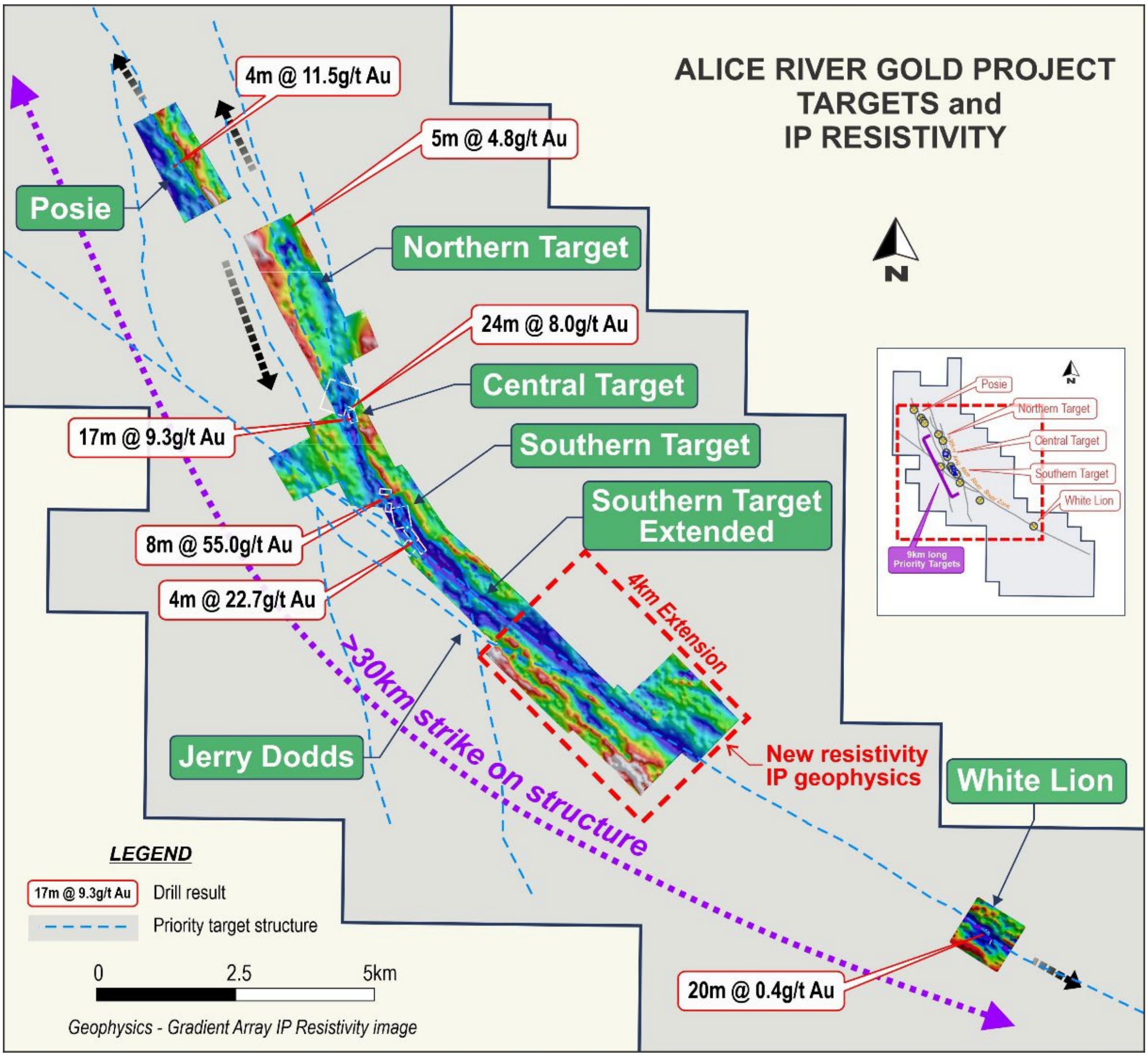


Figure 1: IP geophysics resistivity low (blue and purple colour) defining the 30km long Alice River Fault zone

Pacgold Limited (**ASX: PGO**) (‘**Pacgold**’ or ‘**the Company’**) is pleased to present its Quarterly Activities Report for the three-month period ending 30 September 2023.

Alice River Gold Project Overview

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

The Company’s focus is on several priority targets covering 9km of strike length on the 30km long Alice River gold-bearing fault zone (see Figure 1):

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

Activities during the Quarter included:

- Assay results from drilling returned bonanza gold at the new F1-2 zone within the Central Target and established a link connecting two shallow high-grade mineralised zones at the Southern Target over >1.8km strike
- Surface rock chip sampling and field mapping continued along selected sections of the 30km Alice River fault zone and on newly identified parallel structures including the Posie and Jerry Dodds prospects
- Assay results from Posie rock chip (65 samples) returned high-grade gold over a 1.4km long zone (open)
- IP geophysics (gradient array) survey data defines a 4km extension of the Alice River fault zone
- A 4,000m drill programme commenced in early October (2,500m RC and 1,500m aircore) to investigate six priority IP geophysical / high-grade gold targets on 8km of strike within the 30km Alice River fault zone
- $3.0M placement (after costs) completed to accelerate district-scale exploration at the Alice River gold project

Central Target

Bonanza grade gold was intersected on the new F1-2 zone in drill hole ARDH083, which returned 1m @ 41.1g/t Au from 71m. The F1-2 zone represents the western margin of the IP geophysics resistivity low corridor which extends over 1.4km (refer Figure 2) and has not been previously drill tested.

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

Drilling to date on the F1a zone has defined a large-scale gold system with multiple high-grade gold shoots defined over >800m along strike and extending to greater than 500m depth and still open (Figures 2 and 3). A detailed review of the current results is planned prior to further step-out drilling targeting the extensions of the high-grade gold mineralisation.

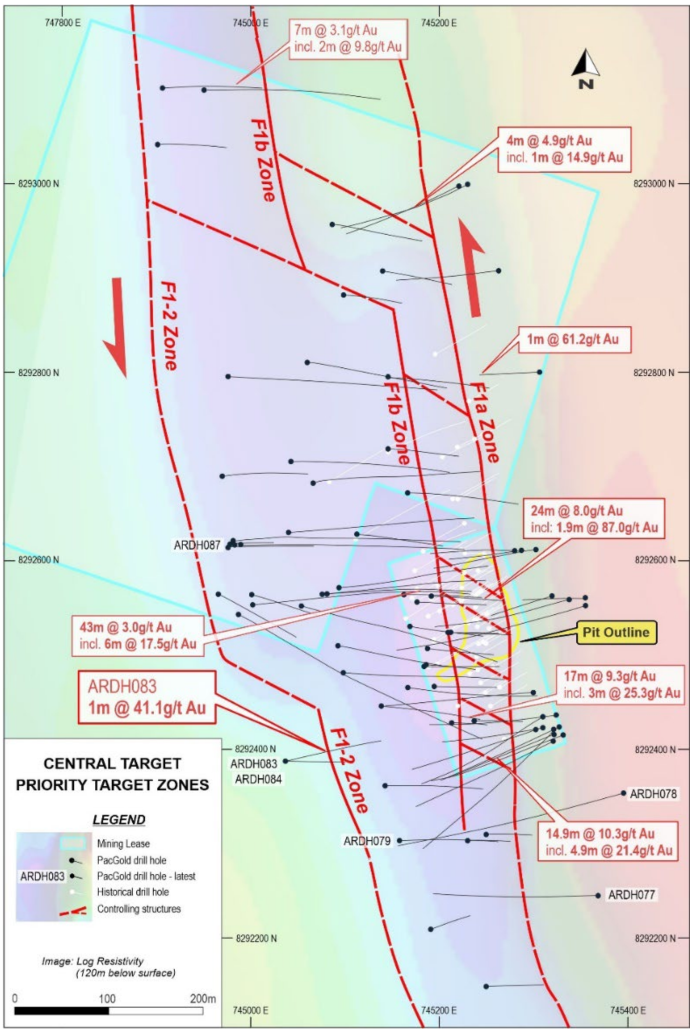


Figure 2: Central Target drill plan showing IP resistivity geophysics corridor and F1a zone on eastern margin and F1-2 zone on the western margin of the resistivity low corridor

Southern Target

Results from eight step-out diamond drill holes demonstrate that the two main outcropping gold systems (north – 'Julie-Anne', and south – 'Peninsula King') are linked beneath a 400m zone of shallow cover sediments, extending the gold system over 1.8km, open along strike to the north and south. Step-out drilling as part of this programme has extended the gold mineralisation to depths of 100m to 250m (open).

Broad gold mineralisation was intersected in STDH006 targeting a >400m long IP geophysical anomaly comprising a resistivity high within a broad resistivity low (main mineralised corridor) concealed by shallow cover sediments (Figure 4). STDH006 intersected an encouraging zone of consistent quartz veining and alteration over an approximate 50m downhole width, which is interpreted to be associated with the IP resistivity high anomaly (Figure 3). The vein and alteration zone observed in the drilling confirms the potential to link the two main Southern Target gold systems (Julie Anne and Peninsula King) defined by previous drilling, as noted on Figure 3. Drilling results included:

- 26.8m @ 0.6g/t Au

The interpretation of the IP resistivity data identifies several additional resistivity highs within the broad resistivity low corridor along strike to the southeast from the Southern Target, extending for more than 2km and forming the 'Southern Extension Zone' which is concealed by shallow cover and has never been drilled (refer Figure 4).

Drilling on the Julie-Anne zone (STDH003 and 005) has extended the gold mineralisation to a depth of 100m below surface (open) supporting down dip continuity of zones below the shallow historical drilling. Both holes intersected strong alteration and mineralised quartz veining like that observed on the Central Target F1a zone and provided encouragement for further drilling to define a large mineralised system. Drilling results from the Julie-Anne zone include:

- 4.9m @ 3.3g/t Au including 1.9m @ 7.7g/t Au (STDH003)

Bonanza grade gold mineralisation was intersected in step-out drilling on the Peninsula King zone targeting the down dip continuity of mineralisation defined by shallow historical drilling. All drill holes intersected strong alteration and mineralised quartz veining in multiple sub-parallel 'lodes', similar to that observed on the Central Target F1a zone. The programme confirmed that the mineralised system is open at depth (>250m below surface) and to the south where recent IP geophysics demonstrates potential for the system to extend >2km along strike below shallow sediment cover with no previous drilling.

Drilling results from the Peninsula King zone include:

- 1m @ 89.1g/t Au (STDH007)
- 1.1m @ 10.4g/t Au (STDH007)
- 1m @ 4.3g/t Au (STDH004)

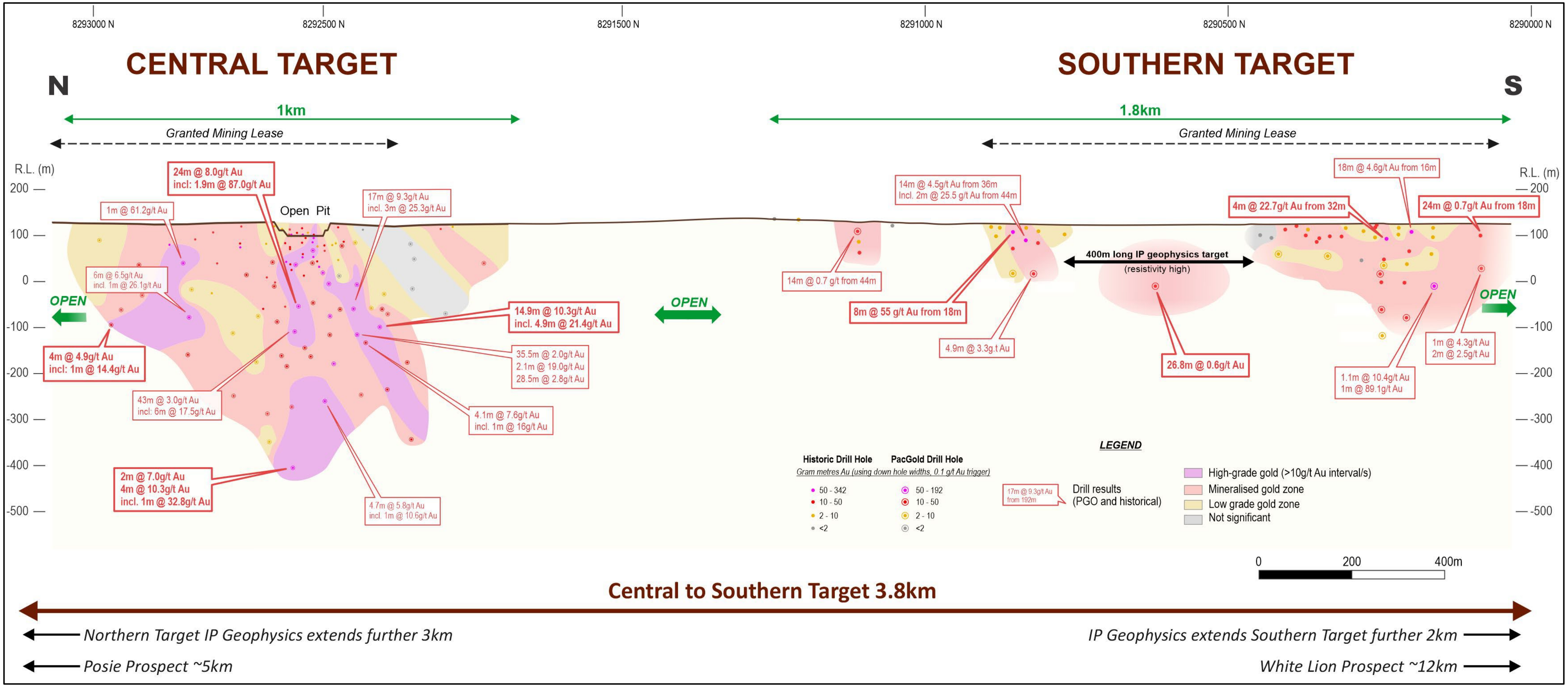


Figure 3: Central to Southern Target long section highlighting over 3.8km of strike (open) demonstrating large-scale gold system

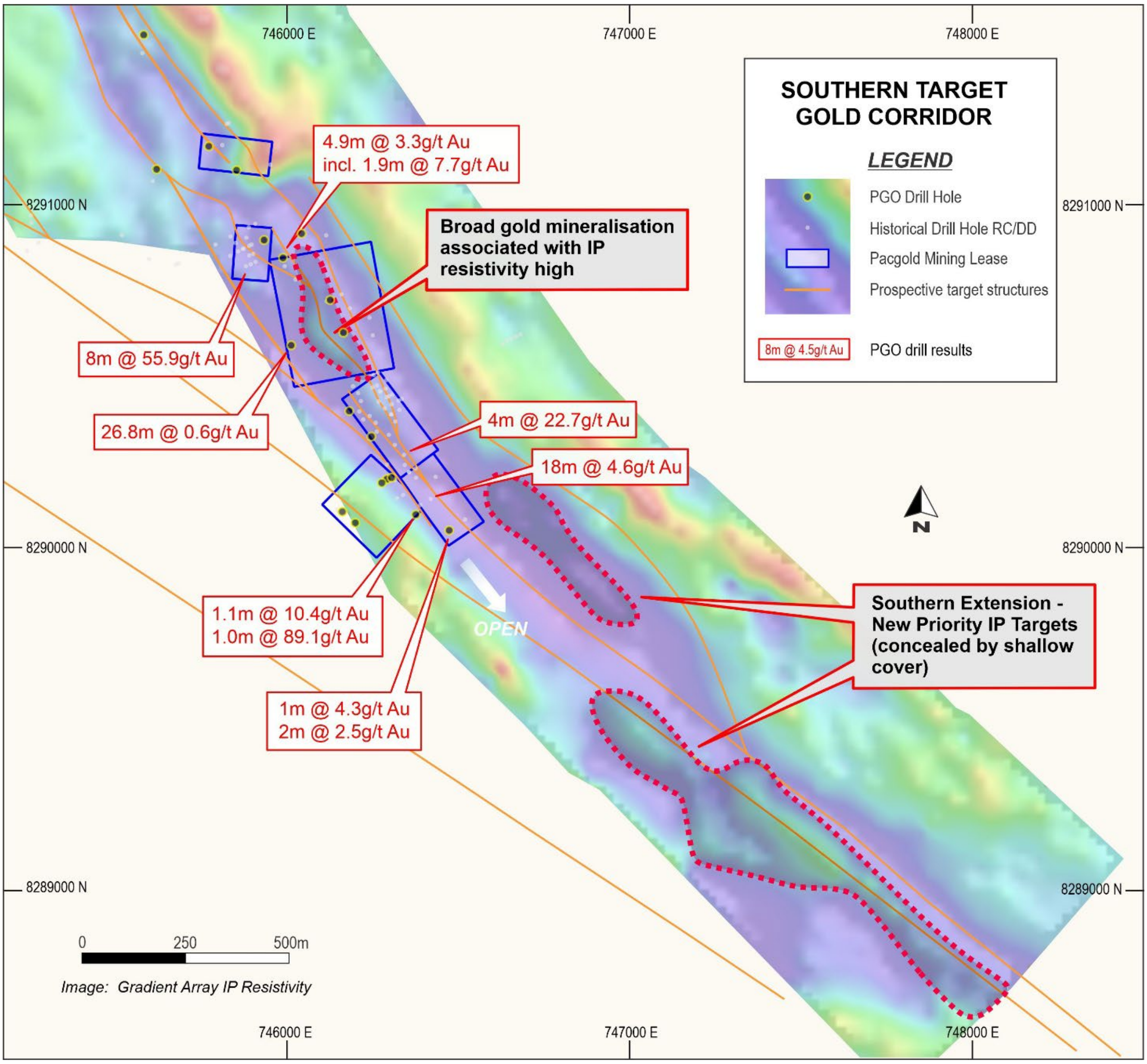


Figure 4: Plan of Southern Target and Southern extension showing latest drilling and IP resistivity anomalies

Posie

A total of 65 samples were collected from a NNW-trending zone of exposed sheeted and stockwork quartz veining on the Posie prospect. Most samples returned high-grade gold results - eight samples returned greater than 10g/t Au with a peak result of 46.2g/t Au, and the average of all 65 rock chip samples collected over 1.4km of strike is 4.4g/t Au. Refer to Figure 5 showing the location of the rock chip samples.

Detailed geological mapping has refined the structural controls on the high-grade gold mineralisation and defines a coherent linear zone of veining exposed as basement 'windows' in the previous mining zones. The veins are hosted in Imooya Granite (as per the Central Target F1a zone) and are interpreted to continue beneath the shallow transported sand cover to the NNW and SSE of the basement exposures. At least two generations of quartz veining were noted in the mapping, and vein types are very similar in nature to those defined by Pacgold on the high-grade F1a zone at the Central Target.

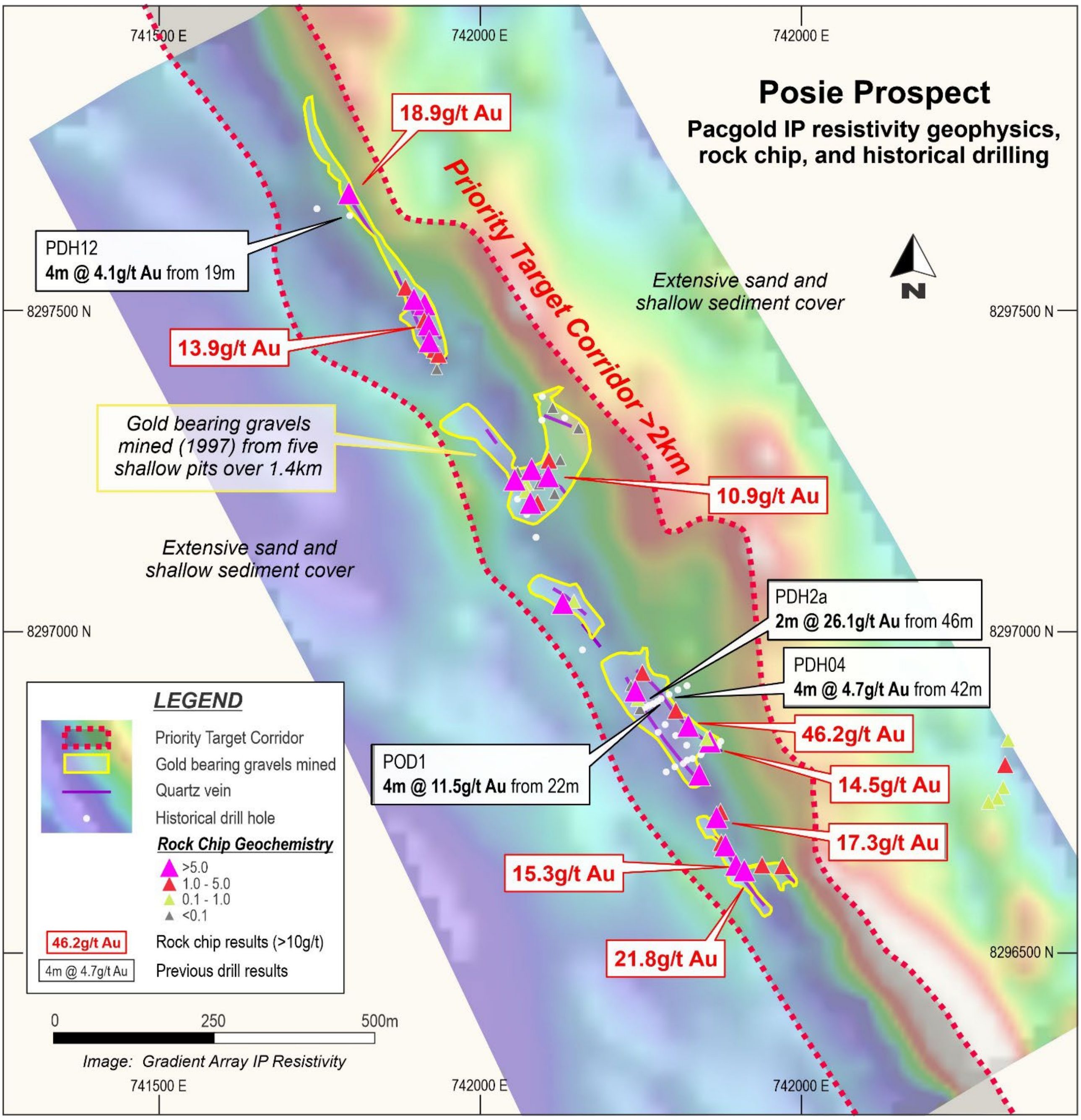


Figure 5: Posie prospect showing recent IP geophysics (resistivity) image and basement rock chip results

Regional Targets

The latest IP geophysics (gradient array IP) continues to define the regionally significant Alice River fault zone as a resistivity low that is concealed beneath shallow cover sediments. At both the Central and Southern Targets the high-grade gold mineralisation is directly associated with the linear resistivity low associated with the fault zone / alteration / veining.

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

This latest IP geophysical survey data, combined with early 2023 IP geophysical data (Southern Target extended), highlights a 6km extension of the Alice River fault zone beneath shallow cover to the southeast of the high-grade Southern Target.

Next Steps

Drilling recommenced on the project in early October with a 4,000m drill programme underway (2,500m RC and 1,500m aircore) to investigate six priority IP geophysical / high-grade gold targets on 8km of strike within the 30km Alice River fault zone. The targets include Posie, Northern Target, Central Target (F1-2 zone), Jerry Dodds, Southern Target and Southern Target extended.

Expected updates for Q4 2023 include:

- Regional rock chip sampling results from multiple prospects along the 30km long Alice River fault zone; and
- Drilling updates and results.

Tenement Status

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

Payments to Related Parties

A total of $136,000 was paid to directors and their associates for salaries, director fees and superannuation during the Quarter ended 30 September 2023.

Corporate

Oversubscribed $3.0 million placement (after costs) to accelerate district-scale exploration was completed through the issue of new shares to institutional and sophisticated investors at $0.19 per share.

Cash balance of $4.3M at the end of September 2023.

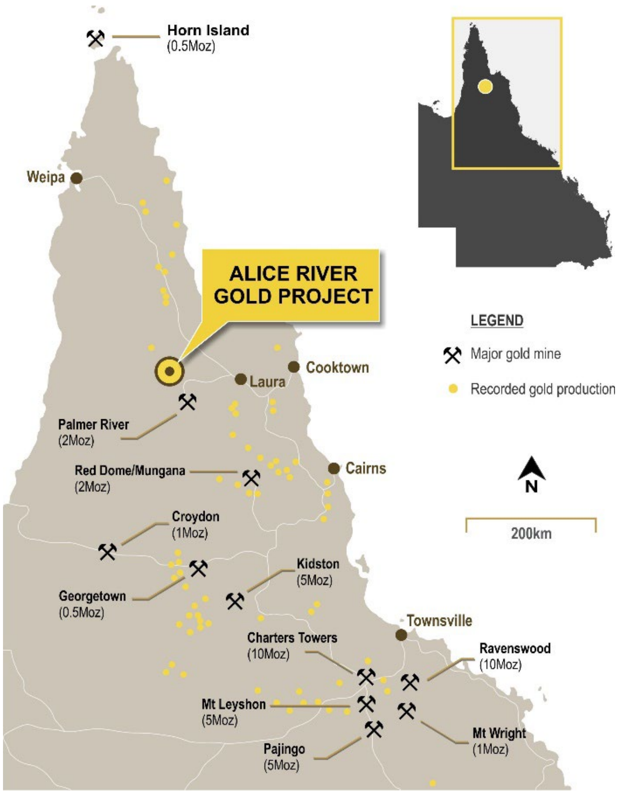
This announcement is approved by the Pacgold Limited Board of Directors.

For more information:

Tony Schreck
Managing Director
tschreck@pacgold.com.au
+61 (0) 419 683 196

Shane Goodwin
Director
sgoodwin@pacgold.com.au
+61 (0) 434 039 106

About Pacgold Limited:



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

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

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

Competent Persons Statement

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

Appendix 5B

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

Name of entity

PACGOLD LIMITED

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

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(199)	(199)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	7	7
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material):	-	-
1.9	**Net cash from / (used in) operating activities**	**(192)**	**(192)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(982)	(982)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(982)**	**(982)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,183	3,183
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(198)	(198)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**2,985**	**2,985**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,513	2,513
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(192)	(192)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(982)	(982)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,985	2,985

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**4,324**	**4,324**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	4,324	2,513
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	4,324	2,513

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	136
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

Payments to related parties includes $82,500 of consulting fees paid to Goldfind Exploration Pty Ltd, an entity associated with director Anthony Schreck, and $24,000 of consulting fees paid to SLGC Pty Ltd, an entity associated with director Shane Goodwin. The balance is non-executive director fees and superannuation.

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

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

Not applicable

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	192
8.2	Capitalised exploration & evaluation (Item 2.1(d))	982
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	1,174
8.4	Cash and cash equivalents at quarter end (Item 4.6)	4,324
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	4,324
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	3.68

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

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

   Answer: N/A

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

   Answer: N/A

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

   Answer: N/A

Compliance statement

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

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

Date: 26 October 2023

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.