

GOLD EXPLORATION IN ARIZONA AND NEVADA



Friday 28 January 2022

QUARTERLY ACTIVITIES REPORT

For period ending 31st December 2021

CORPORATE

- Gold 50 appoints Sharmila Watson as Chief Financial Officer commencing October 1st, 2021
- Strong cash position of \$7.83 million as at 31 December 2021

GOLCONDA PROJECT, ARIZONA

- Drone magnetic survey completed in the quarter over the companies recently acquired Golconda claims. The new claims to the southwest, cover the interpreted extension of the regional Sacramento Fault based on geophysical data and the location of small historical gold, silver, zinc, lead and copper mining areas to the northwest. The drone survey represents the **first systematic exploration on these claims ever recorded**
- Work programs completed to prioritise drill targets at Golconda including geological mapping, structural analysis, and surface geochemical sampling. All data has been digitized and high priority exploration targets are being defined **ahead of a maiden exploration program in Q1, 2022**
- Gold 50 strategically added 4 Patented claims to its growing Golconda footprint (Figure 1)
- The gold-silver and silver-lead-zinc veins within the Golconda property are part of a large, zoned mineralised system related to the Mineral Park porphyry copper-molybdenum deposit

TOP GUN / SPITFIRE PROJECTS NEVADA

- Maiden RC drilling campaign at Top Gun to test a 1,150 m long gold anomaly completed in December 2021. Assays pending.
- Drilling to commence at the Spitfire Gold-Silver Project in January 2022. Data from extensive exploration undertaken by Kinross Gold and other explorers prior to 2009 was utilised to define new targets for minimal cost
- Subsequent rock chip sampling conducted by Gold 50 confirms new high grade target areas
- Twenty-one rock chip samples contained more than 10g/t gold and averaged 35g/t gold and 75g/t silver; best sample returned 88.9 g/t gold
- A 3,500 m RC program to begin testing our high priority targets identified by our recent work at Spitfire

Gold 50's Managing Director, Mark Wallace, commented:

"The December quarter has seen a continuation of the cracking pace that was set in the September quarter. Continued claim acquisition, sampling, geophysics, mapping, and the completion of our maiden drilling campaign at Top Gun in Nevada is much to celebrate over this December quarter. We are reaping the rewards of streamlined supporting processes and infrastructure for our Nevada and Arizona Exploration Managers thanks to our newly appointed CFO. This has enabled efficient and effective targeting for our upcoming drilling campaigns. We have an exciting period ahead as we continue drilling in Nevada and commence our maiden drilling campaign at our flagship Golconda project and I look forward to updating our shareholders as the results come through."

GOLCONDA, ARIZONA

Over the last quarter, Gold 50 has completed a drone magnetic survey at our recently acquired Golconda claims. This marked the first systematic exploration at these claims alongside the first work ever conducted within a consolidated Golconda district.

The primary objective of Gold 50's Golconda exploration program is to delineate a near-surface gold-silver deposit amenable to open-pit mining. Such deposits are likely to occur within structurally permissive zones such as fault intersections and fault bends and jogs.

The ores historically mined at the Golconda Project have been confined to narrow, steeply dipping, vein-type deposits. These veins typically occupy strong north-northwest trending faults and fractures cutting through the Precambrian metamorphic complex. The veins host gold-silver mineralisation with variable amounts of zinc, lead, and copper mineralisation in a siliceous gangue.

Prior drilling has not targeted zones where structural geology provides maximum opportunities. Gold 50's field work indicates that structural intersections control the locus of mineralisation. Where cross-structures exist, individual veins are wider and there are multiple unnamed smaller veins stacked up along the cross structure.

UPCOMING WORK - GOLCONDA

Gold 50 is progressing work programs at Golconda including:

- soil geochemical sampling and stream sediment sampling
 - structural mapping of the high priority Bronco Dike and Tub veins to finalize targets for drilling in early 2022
 - complete digitizing of all geological data
 - road preparation for rig access
 - drilling to commence in the current quarter
-

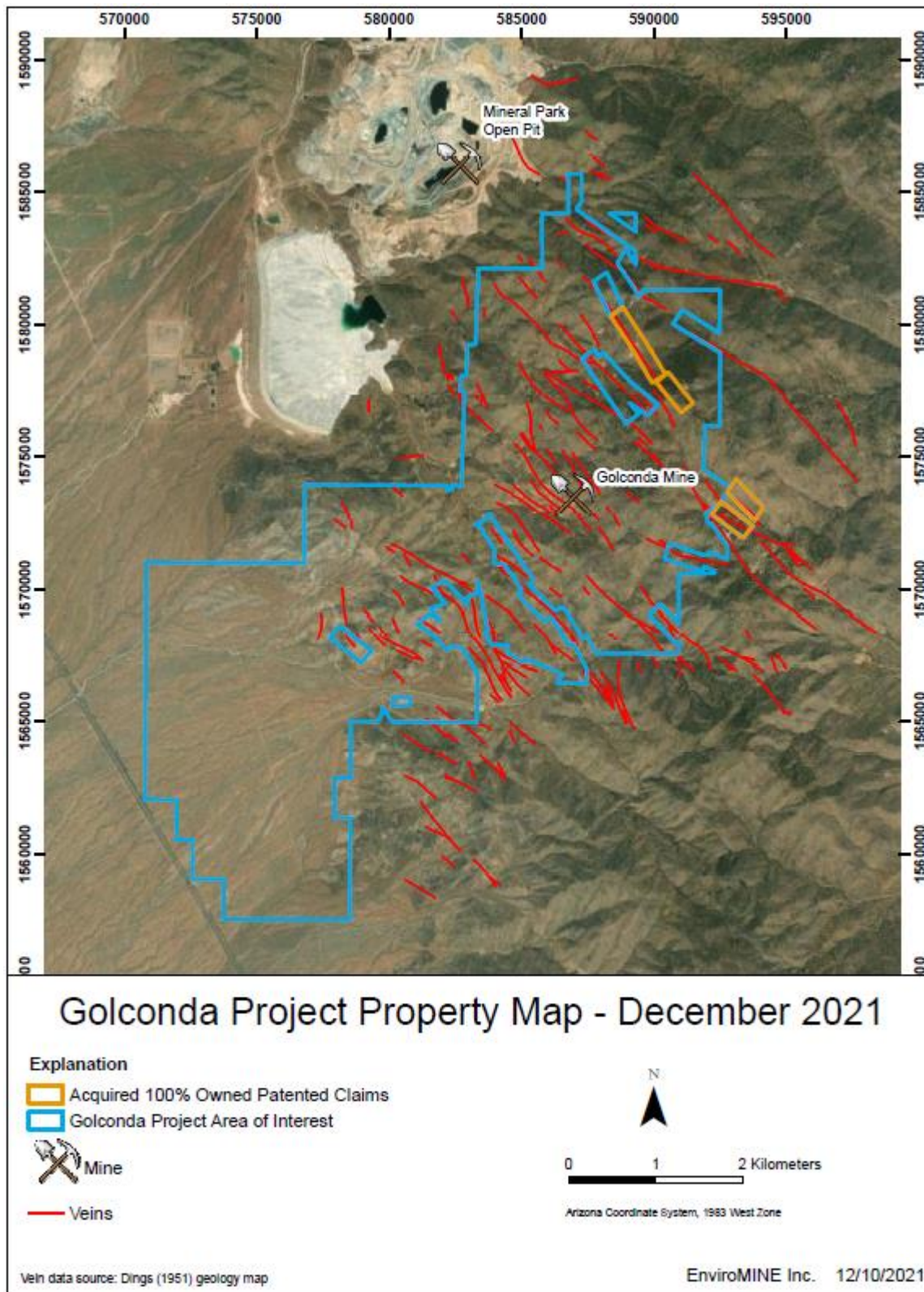


Figure 1: Golconda Project Property Map – December 2021

SPLITFIRE, NEVADA

Throughout the December quarter, there has been significant geological mapping of the Spitfire project ahead of targeting and the commencement of our maiden drilling campaign in January, 2022. In conjunction with data from extensive exploration undertaken by Kinross Gold and other explorers prior to 2009 several new high grade gold targets have been identified at Spitfire, in the Walker Lane Trend.

Subsequent rock chip sampling, conducted by Gold 50 found new high grade target areas. There were twenty-one rock chip samples containing more than 10g/t gold and averaged 35g/t gold and 75g/t silver, with the best sample returning 88.9 g/t gold.

In turn, the results from the data analysis and exploration work contributed to a low cost fast-tracking of the Project to drilling stage.

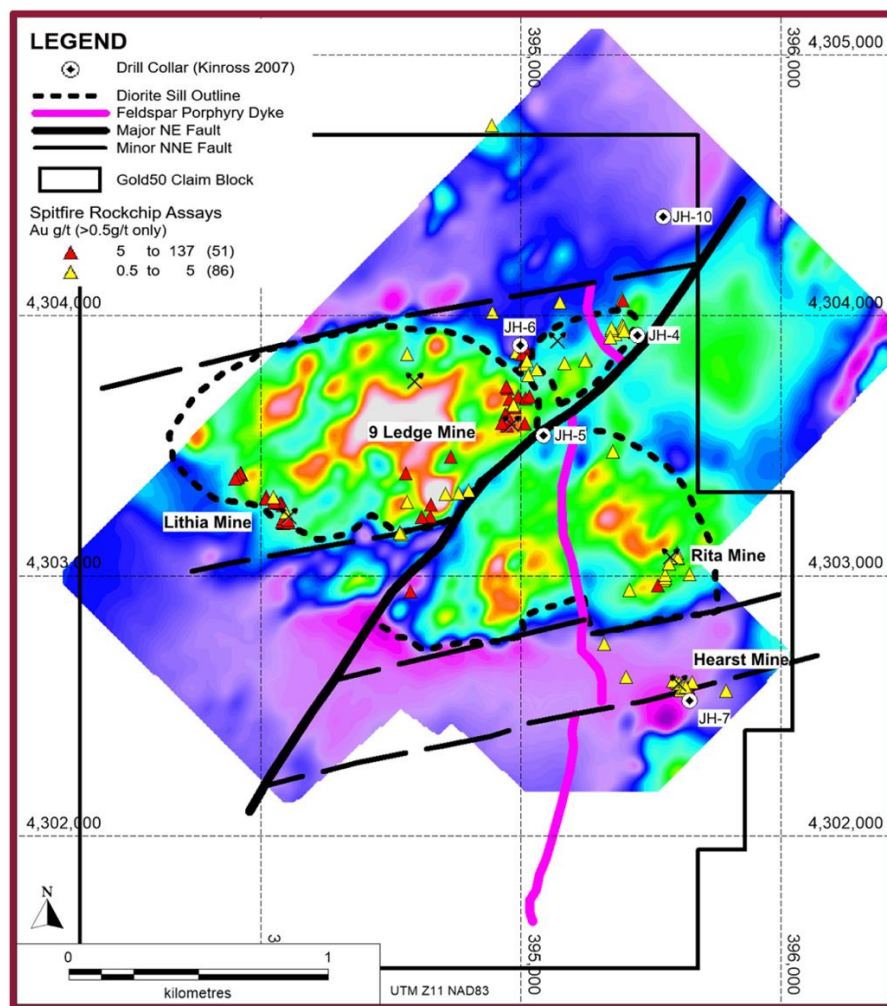


Figure 2- Residual reduced to the pole ("RTP") ground magnetics with interpreted fault structures and rock-chip samples collected > 0.5g/t gold.

While the main exposures are at Lithia and 9 Ledge, there are veins of the same character exposed intermittently in the intervening area which is largely covered by scree. There is 1.2 km of strike length between Lithia and 9 Ledge that has not been tested by drilling. This one area has potential for a large body of mineralisation if drilling defines continuity of gold mineralisation in these stacked quartz veins across this untested area.

Prior to June 2021, Gold 50 collected 74 rock chip samples from Spitfire. Sampling has indicated that a very high percentage of these quartz veins at Spitfire contain high grade gold:

- Thirty eight of these samples contained more than 1g/t gold and averaged 23.2g/t gold and 38.3g/t silver.
- Twenty one of the samples contained more than 10g/t gold and averaged 35g/t gold and 75g/t silver.

Table 1 lists all of these samples which assayed greater than 5g/t gold.

Northing	Easting	Au (ppm)	Ag (ppm)	As (ppm)	Bi (ppm)	Cu (ppm)	Hg (ppm)	Mo (ppm)	Pb (ppm)	Te (ppm)	Zn (ppm)
4,303,271	394,083	88.9	92.6	4010	0.8	2280	59.8	57.7	> 10000	16.6	6190
4,303,683	395,017	63.2	60.1	303	0.8	> 10000	20.5	1100	6920	5.5	> 10000
4,303,577	394,947	63.2	51.0	1350	13.5	843	1.51	138	4650	0.6	203
4,303,814	395,011	61.7	> 100	6160	5.0	3770	2.96	201	> 10000	10.8	3150
4,303,207	394,082	58.8	74.1	561	1.4	669	5.27	80.5	> 10000	8.8	834
4,303,388	393,925	43.6	43.3	516	550.0	6420	83	18.9	333	10.3	36
4,303,720	394,948	42.0	34.9	1090	2.4	700	1.87	76.6	2680	1.1	596
4,303,654	394,966	41.1	38.8	430	1.1	1110	14.7	290	3010	1.1	1380
4,303,205	394,106	36.1	84.6	2260	1.6	722	6.87	43.3	> 10000	19.6	1600
4,303,220	394,086	34.5	7.2	745	1.9	409	1.7	4.71	1590	0.7	1010
4,303,221	394,121	31.6	18.8	4550	2.8	832	3.38	8.51	2750	1.7	1450
4,303,279	394,077	30.8	17.2	5710	3.0	1610	14.1	243	> 10000	13.0	> 10000
4,303,611	394,946	28.4	8.2	254	0.2	1720	1.37	5.69	804	0.1	649
4,303,229	394,651	27.9	11.0	1560	1.1	987	3.58	86.6	903	2.5	654
4,303,211	394,091	25.9	29.6	2030	0.2	1290	4.01	30.1	7490	0.9	3080
4,303,814	395,008	24.7	33.3	667	2.4	3310	7.46	32.4	5820	1.7	> 10000
4,303,622	394,942	21.9	27.0	944	0.3	2490	17	74.6	1050	0.4	1530
4,303,304	394,020	20.0	23.1	2560	0.3	691	35.1	75.2	6560	3.1	770
4,303,650	394,976	19.3	27.2	517	0.3	248	8.38	17.9	310	0.2	199
4,303,612	394,945	19.2	27.2	480	3.2	1990	2.99	8.62	2260	0.8	1420
4,303,205	394,087	17.7	31.9	3110	2.1	829	2.53	935	> 10000	1.1	2250
4,303,202	394,085	15.5	42.3	961	0.4	993	8.33	20.4	5580	10.9	1710
4,303,586	394,938	15.5	23.4	945	2.9	401	0.6	85.3	6710	1.6	188
4,303,872	395,013	14.3	> 100	357	132.0	7850	6.51	26.6	> 10000	14.1	> 10000
4,303,067	395,603	11.7	55.9	1220	25.7	4690	12.1	21.8	61.5	5.0	< 2
4,303,226	394,617	8.5	9.2	1350	0.6	303	3.52	113	1370	1.2	617
4,303,279	394,074	7.8	24.0	955	1.0	693	16.4	40.3	6010	7.3	940
4,303,690	394,991	6.8	1.3	662	0.2	121	< 0.01	14.3	135	0.2	< 2
4,303,168	394,534	6.6	> 100	27.2	9.5	> 10000	0.17	34.1	107	5.8	294
4,302,570	395,644	5.3	63.0	2330	5.4	7860	0.02	38.6	52.4	2.6	681

Table 1 - Rock chip samples assaying > 5g/t gold collected by Gold 50 prior to June 2021.

In addition to these intrusion-related vein targets, there is also potential for gold-copper bearing skarns and structurally controlled gold-copper mineralisation at Spitfire.



UPCOMING WORK - NEVADA

Gold 50 is progressing work programs in Nevada in the current quarter including:

- Assays pending from recent RC drilling at Top Gun
 - Spitfire maiden 3,500 m RC drilling program to commence in the current quarter
 - soil and stream sediment sampling at Caisson and Broken Hills
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PAYMENTS TO RELATED PARTIES

During the quarter \$66,000 was paid to the Managing Director as a salary and \$30,000 was paid as directors fees for Q1 FY2022.

FINANCIAL

As of 31 December 2021, the Company had \$7.83 million in cash.

A summary of the Company's exploration activities and expenditure for the quarter is provided below. Full details regarding the Company's cash movements during the quarter can be found in the Company's Appendix 5B.

Exploration	594,618
Lease Payments & Permitting	229,263
Other	90,572
Patented Claims	<u>75,200</u>
Total Exploration and Evaluation Spend	989,653

There were no substantive mining production or development activities during the quarter

This announcement has been approved for release by the Board of Gold 50.

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APPENDIX 1 - ADDITIONAL ASX LISTING RULE DISCLOSURE

Pursuant to ASX Listing Rule 5.3.4, the Company provides its actual expenditure on the individual items in the two year "use of funds" statement in its IPO Prospectus since the date of its admission to ASX's Official List (being 6 August 2021) against the estimated expenditure on those items.

	Estimated Expenditure (2 years)	FY2022 YTD Expenditure Post Admission
Exploration - Total	6,271,000	913,807
Project Payments & claim fees	1,008,000	268,378
General administration and working capital	3,052,470	450,586
Estimated expenses of the offer*	911,428	573,122
Total	11,242,898	2,205,893

*Expenses have been incurred prior to ASX admission and will be fully paid within Q3 FY2022



Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information from the ground magnetic survey compiled by Wade Johnston, a Competent Person who is a Certified Professional Geologist licensed by AIPG. Wade Johnston is a consultant to Gold 50 who 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'. Mr Johnston consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to previous mining and/or exploration work is based on information included in the Company's Prospectus dated 21 May 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included within the Prospectus dated 21 May 2021.



ABOUT GOLD 50

Gold 50 (ASX: G50) is a precious metals exploration company focussed on discovery in Arizona and Nevada, USA.

Gold 50's strategic intent is to rapidly define and progress exploration targets, leveraging the Company's board and management's track record of discovery in the Southwest USA.

Gold 50's flagship asset is the Golconda Project in the Wallapai Mining District of Arizona, where the Company has consolidated a historical mining district adjacent to a major copper-molybdenum porphyry deposit and known for its extensive mineralised veins containing unusually high precious metals grades. Gold 50 is also exploring a portfolio of high-quality gold projects - Spitfire, Caisson, Broken Hills and Top Gun - in the Walker Lane Trend of Nevada, a prolific yet relatively under-explored region that stands out for its exceptional high gold grades and growing reserves.

Gold 50 listed on the Australian Securities Exchange on 6 August 2021 and has a strongly supported register of institutional and mining investors.

Appendix 5B

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

Name of entity

Gold 50 Limited

ABN

18 645 022 233

Quarter ended ("current quarter")

1 October – 31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (5 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(136)	(204)
	(e) administration and corporate costs	(118)	(526)
1.3	Dividends received (see note 3)		
1.4	Interest received		
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	(254)	(730)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(1)	(1)
	(d) exploration & evaluation	(990)	(1,183)
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (5 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)		1
2.6	Net cash from / (used in) investing activities	(991)	(1,183)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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	(64)	(292)
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	(64)	(292)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,135	10,009
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(254)	(730)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(991)	(1,183)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(64)	(292)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (5 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	5	27
4.6	Cash and cash equivalents at end of period	7,831	7,831

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,806	5,110
5.2	Call deposits	4,025	4,025
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)	7,831	9,135

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	96
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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

7.	Financing facilities <i>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.</i>	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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(254)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(990)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,244)
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,831
8.5	Unused finance facilities available at quarter end (item 7.5)	
8.6	Total available funding (item 8.4 + item 8.5)	7,831
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	6
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	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		
8.8.2	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		

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

8.8.3 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

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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: 28/1/2022

Authorised by: Mark Wallace (Managing Director)
(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.