2023 Annual Report

Gold Hydrogen Limited

Year ended 30 June 2023

Corporate directory

Directors

Alexander Downer Non-Executive Chairman
Neil McDonald Managing Director
Katherine Barnet Non-Executive Director
Roger Cressey Executive Director

Company secretary

Karl Schlobohm

Registered office and principal place of business

Level 14
110 Eagle Street
Brisbane QLD 4000

Auditor

BDO Audit Pty Ltd
Level 10
12 Creek Street
Brisbane QLD 4000

Solicitors

Gadens
Level 11
111 Eagle Street
Brisbane QLD 4000

Bankers

National Australia Bank Limited
259 Queen Street
Brisbane QLD 4000

Stock exchange listing

Gold Hydrogen Limited shares are listed on the Australian Securities Exchange (ASX code: GHY)

Website

goldhydrogen.com.au

Corporate Governance Statement

goldhydrogen.com.au/corporate-governance/

Directors' Report

Chairman's letter

Dear Shareholders,

Welcome to Gold Hydrogen's first Annual Report as an ASX-listed company. The Company made its ASX debut in January of this year after successfully raising $20 million from a range of investors, sponsored and fully underwritten by Morgans Corporate Limited.

Since that time, the Company's Board and management have been working hard to progress its exploration for, and discovery of, natural hydrogen in South Australia. Initial exploration efforts have been focussed on the 100% owned and granted Ramsay Project, which encompasses a large area of the Yorke Peninsula, as well as the whole of Kangaroo Island.

Since listing, the Gold Hydrogen team has achieved a number of project-related milestones, and is on target to commence drilling in the next weeks. Some of the highlights on the Ramsay Project include: the re-processing and re-analysis of historical seismic data; the development of a range of sub-surface models; the undertaking of an experimental soil gas survey; and the conduct of a comprehensive airborne gravity-magnetic survey.

In addition, multiple land access agreements have been secured, and a range of stakeholder consultations and engagements have taken place within the Yorke Peninsula community and more widely with the South Australian State Government.

All of these activities leave the Company well placed for the upcoming maiden drill program, which is primarily designed to confirm the existence of natural hydrogen first encountered by historical drilling undertaken by the State of South Australia in the 1920s and 1930s. In this regard, Gold Hydrogen is planning to 'twin' the historical Ramsay Oil Bore 1 drilled in 1931 near Minlaton on the Yorke Peninsula, which encountered natural hydrogen of up to 89% purity on an air-corrected basis.

At the time of writing, plans for the drill program are well advanced, with internationally recognised SLB (formerly Schlumberger) and Savanna Energy Services (Savanna Energy) both contracted to provide drilling and / or technical services. This comes at a time of increasing global interest in the potential for natural hydrogen to provide an affordable access point to low carbon energy. In recent months, the largest natural hydrogen find in Europe has been reported in France, with authorities there calling it a game-changer in the race for decarbonisation, and separately Bill Gates has committed USD90 million to natural hydrogen projects.

In closing, I would like to take this opportunity to once again thank and acknowledge the work undertaken by former Director Luke Titus in researching and generating the Company's project opportunities. I would also like to recognise my fellow Directors and the Company's Executives for their admirable efforts over the past twelve months in progressing Gold Hydrogen's corporate and project-related initiatives, and the diligent management of the Company's capital.

Thanks also to the Company's shareholders, suppliers and stakeholders who have shown faith in us and supported our journey to date. The coming year will be an important one for all of us as we strive to become the first Australian company to prove the commercial production potential of natural hydrogen.

Yours sincerely,

A Downer

The Hon Alexander Downer
Non-Executive Chairman

Directors' report
for the year ended 30 June 2023

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Gold Hydrogen Limited (referred to hereafter as Gold Hydrogen, 'the Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

Directors

The following persons were Directors of Gold Hydrogen Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Alexander Downer - Chair (appointed 1 July 2022)
Neil McDonald
Katherine Barnet (appointed 1 July 2022)
Roger Cressey (appointed 1 July 2022)
John (Luke) Titus (resigned 15 May 2023)

Principal activities

The Group is focused on the discovery and development of natural hydrogen gas in a potentially extensive natural hydrogen province in South Australia. There was no change to the principal activities of the Group during the year.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the Group after providing for income tax amounted to $5,185,783 (30 June 2022: $1,164,815).

Industry and Corporate Overview

Natural hydrogen (known as gold or white hydrogen) is hydrogen gas that occurs naturally, generated by geological processes, and offers significant cost and emissions advantages relative to other means of hydrogen production.

The Group is progressing the exploration of a potentially large scale, naturally occurring hydrogen prospective resource in South Australia. The Group currently holds one granted Petroleum Exploration Licence (PEL 687) that covers approximately 7,820km^2 on the Yorke Peninsula and Kangaroo Island in South Australia. In addition, the Group holds an additional seven (7) applications for natural hydrogen exploration within South Australia which cover a further 67,512km^2. Furthermore, the Group is also the preferred applicant for four (4) gas storage exploration licenses applications (GSELA) covering an area of 8,107km^2 within the Yorke Peninsula portion of PEL 687 in South Australia. These storage licence applications are in addition to the granted exploration licence and application licences. Refer to Figure 1 for the Group's tenure and application footprint.

The Group is planning to confirm historic occurrences of high-purity natural hydrogen, at its flagship Ramsay Project on the granted PEL 687.

Modelling for the Australian Renewable Energy Agency has forecast Australian hydrogen exports could contribute $1.7 billion and 2,800 jobs to the national economy by 2030. Numerous countries, including Australia, have national hydrogen strategies in place. Demand for hydrogen is rapidly increasing as motor vehicle, aircraft and boat manufacturers are in various stages of trials while fuel cells come increasingly into focus.

Directors' Report continued
for the year ended 30 June 2023

Review of operations continued
Industry and Corporate Overview continued

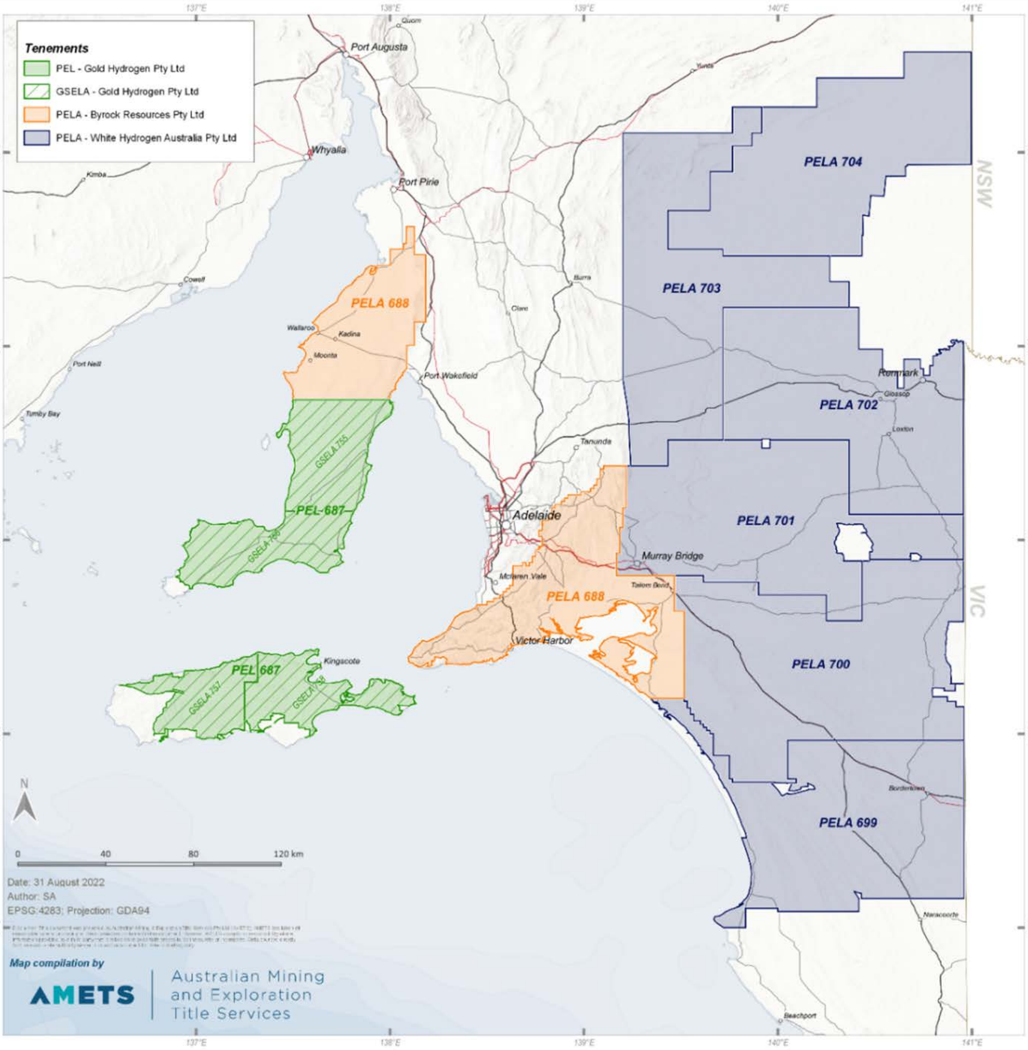

Figure 1 – Gold Hydrogen Group tenement and areas under application located in South Australia

South Australia has been the quickest moving territory in Australia in relation to hydrogen, with plans in place to build its own hydrogen storage and energy plant. To date the focus has largely been on man-made hydrogen, predominantly from wind or solar (known as green hydrogen). But Australia could be sitting on vast quantities of naturally occurring hydrogen gas (known as white or gold hydrogen).

The forecast international demand for hydrogen is in part related to the push from governments and investors to decarbonise industries and economies, together with tougher regulations and national emission reduction targets. These factors are prompting the exploration of alternatives to fossil fuels for power or heat, supporting a more favourable policy for the hydrogen industry.

International demand for hydrogen grew 50% between 2000 and 2020, and in the net zero emissions by 2050 scenario, is forecast to grow from 90 Mt in 2020 to over 200 Mt by 2030 and close to 530 Mt by 2050[1]. Global annual investment in hydrogen and its derivatives is projected to grow to $629 billion by 2050[2].

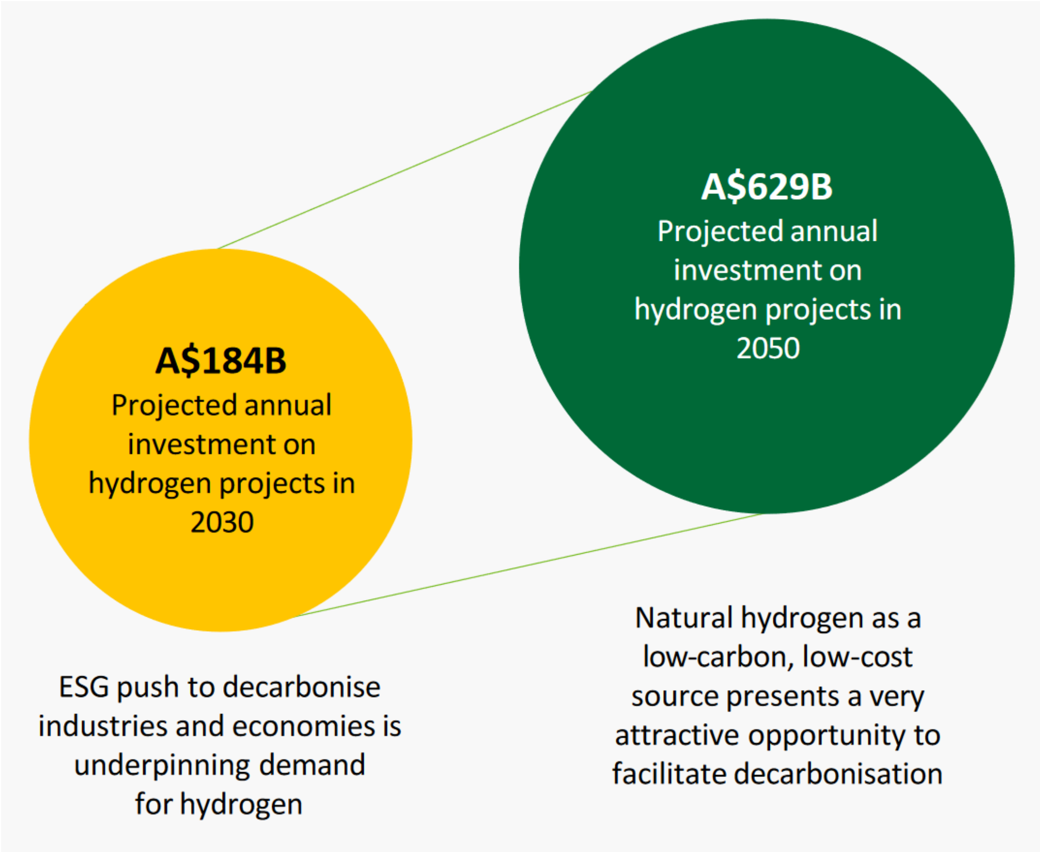

Figure 2 – Forecast global investment in hydrogen projects through to 2050

Also underpinning the forecast international demand for hydrogen is the ESG-driven push to decarbonize industries and economies. In this regard, continual advances in technology for production, storage, transportation and use are helping take hydrogen mainstream. Natural hydrogen in particular, as a low/zero carbon emitting source that can be supplied at a very low price point, presents a very attractive opportunity to facilitate decarbonisation.

Figure 3 – Key trends driving the future growth projects for hydrogen adoption

Directors' Report continued
for the year ended 30 June 2023

Review of operations continued
Corporate and Project Objectives

The Group is aiming to become the leading Australian proponent for the exploration, discovery and development of a natural hydrogen project (or projects) in Australia. The Group's flagship Ramsay Project on the Yorke Peninsula of South Australia covers the areas of historical natural hydrogen occurrences from petroleum scout drilling undertaken in the 1920's and 1930's.

Based on the historical drill data, historical seismic and petroleum well bore data, and further technical study and assessment of various geological features of the Yorke Peninsula (eg. stratigraphy, petrology, etc), the Ramsay Project has an independently estimated Prospective Resource for natural hydrogen with an Unrisked Prospective Best Estimate Resource of 1.3 billion kilograms of potentially recoverable Natural Hydrogen (refer Resources and reserves statement below on page 9 for full disclosure).

The Group's overall project plan follows a typical traditional path for the maturation of an exploration play through the following stages:

1. undertake exploration and appraisal activities to confirm the existence of the resource and demonstrate the commercial viability of the project;
2. project development which involves drilling of production wells and installation of surface facilities for delivery to market;
3. the production of natural hydrogen and sale to various market consumers. Potential options for the monetisation of our hydrogen include onsite electricity generation, pure hydrogen generation and distribution, distribution to local ammonia plants, hydrogen transportation via pipelines or truck, and storage applications.

With regard to its flagship Ramsay Project, the Group's short-term commercial and technical objectives are to:

1. validate the occurrences of natural hydrogen encountered in the 1920's and 1930's on the Yorke Peninsula via an initial exploration campaign; and
2. demonstrate that natural hydrogen is present in sufficient volumes to be extracted for commercial use.

In this regard the Group has undertaken a series of preliminary exploration activities and analyses as outlined in Summary of Operational Activities outlined below.

Summary of Operational Activities

Various studies were undertaken during the year to create multiple data sets to enable initial desktop analysis of the Company's Ramsay Project, particularly focused on the Yorke Peninsula. These included:

1. reprocessing existing 2D seismic survey data;
2. static and dynamic geological modelling undertaken in conjunction with Schlumberger;
3. further seismic interpretation undertaken with Total Seismic;
4. core sampling of selected wells for natural hydrogen fluid inclusion lab analysis and rock mechanics experiments undertaken with CSIRO; and
5. an initial experimental soil gas survey, also undertaken with CSIRO.

These studies were designed as a foundation for the Company's ongoing field-based exploration plans, culminating in planning for its maiden exploration drill program, scheduled to be conducted in the last quarter of the 2023 calendar year.

In addition to the above studies, the Company contracted Xcalibur Multiphysics to conduct a comprehensive airborne survey over the whole of the mainland Ramsay Project area as shown in Figure 4. The non-invasive airborne gravity-magnetic-digital terrain geophysical survey acquired ~10,529-line kilometres of data at a 500 metre line spacing.

The technical data produced from the airborne survey will be incorporated in both static and dynamic subsurface models, and will become a strategic tool for high-grading potential areas for possible seismic acquisition, play, lead, and prospect analysis, new drilling, and associated well testing to support maturing the Company's independently assessed Prospective Resource (refer Resources and Reserves Statement section below), advancing the title to a production license, and generating a field development plan.

During the year a number of multi-year land access arrangements were agreed, providing the Group with a range of locations for its maiden drill program, as well as options for subsequent exploration wells. Importantly, land access has been secured at the site of the historic Ramsay Oil Bore 1 near Minlaton on the Yorke Peninsula. This enables the Group to deliver against its objective of 'twinning' the original well, as its initial exploration drilling will be located adjacent to the historic well where occurrences of natural hydrogen were encountered at up to 89% purity on an air-corrected basis.

As a result of the Group's June 2023 tender and procurement processes, drilling and services contracts were awarded to internationally recognised SLB (formerly Schlumberger) and Savanna Energy Services (Savanna Energy).

International Drilling Contractor, Savanna Energy has been engaged to provide drilling services for the Company's first exploration well on the Ramsay Project, which is designed to replicate the results of the historic Ramsay Oil Bore 1. Savanna Energy has extensive international and domestic experience in drilling minimal disturbance conventional and unconventional wells in prime agricultural areas of Queensland.

SLB, who have been involved with the Ramsay Project from inception, will continue to provide their specialist services which include geological services, mud logging and wireline services, as well as cementing services for the well. This builds on the geological support the Group has received from SLB over the past two (2) years. SLB is a world class Oil and Gas service company and will bring their knowledge and experience to the Ramsay Project.

Following the close of the reporting period, the results of Stage 1 of the experimental soil gas survey were delivered by CSIRO. The results indicated selective moderate hydrogen and helium seeps to surface, primarily along suspected geological fault lines bordering the Minlaton area, which is where the Group has located its proposed maiden drill program.

Directors' Report continued
for the year ended 30 June 2023

Review of operations continued
Summary of Operational Activities continued

Figure 4 – Gold Hydrogen Stage 1 airborne geophysical magnetic and gravity survey area located in PEL 687 on the Yorke Peninsula, SA

Summary of Corporate Activities

During the year Gold Hydrogen listed on the Australia Securities Exchange, raising gross proceeds of $20m via the issue of 40 million fully paid ordinary shares at an issue price of 50 cents each in the Initial Public Offering (IPO). The oversubscribed IPO raising was fully underwritten by Morgans Corporate Limited.

As part of the IPO process, on 9 January 2023 the Company settled on a conditional Share Sale Agreement dated 1 September 2022 with Michelle Simonds Pty Ltd (as trustee for the Michelle Simonds Family Trust) and NFM Enterprises Pty Ltd (as trustee for the McDonald Family Trust) for the acquisition of 100% of the shares in Byrock Resources Pty Ltd (Byrock) and White Hydrogen Australia Pty Ltd (WHA). The vendor parties were entities related to current Company Director Neil McDonald, and former Company Director John (Luke) Titus.

Byrock and WHA together hold seven (7) applications in South Australia covering an area in excess of 60,000km^2 for tenure considered to be prospective for natural hydrogen exploration. At the time of the acquisition, neither company had any granted tenure, nor any other form of business activity. Accordingly, the acquisition has been treated by the Group as an "asset acquisition" for accounting purposes. Consideration for the transaction constituted the issue of 4,000,000 Gold Hydrogen shares at the IPO price of 50 cents.

The combined natural hydrogen permit and application area of the Group is approximately 75,332km^2 as represented in Figure 1. Gold Hydrogen is also the preferred applicant for four (4) gas storage exploration licenses applications (GSELA) covering an additional 8,107km^2 within the renewable energy zone of the granted Ramsay Project tenement on the Yorke Peninsula region of South Australia.

The Group's permit areas are characterised by low population densities, cooperative stakeholders and aspects of the natural environment suited to the exploration and development of a future natural hydrogen gas province. The Group places considerable importance on close liaison with traditional owners and all other stakeholders, and this approach has led to the grant of its key Ramsay Project tenement (PEL 687).

On 9 January 2023 Gold Hydrogen issued 16,923,023 fully paid ordinary shares to noteholders in full satisfaction of the $5.5 million face value of the Convertible Notes as part of the IPO process. In relation to the discharge of the Convertible Notes, the Company paid a total of $395,765 in interest to Noteholders, with a further minor amount to be paid to the ATO as withholding tax following the end of the financial year.

On 15 May 2023, John (Luke) Titus resigned as the Chief Operating Officer and as a Director of the Company. On 14 June 2023, the Company announced the appointment of Dr Josh Whitcombe to the position of Chief Operating Officer with effect from 1 July 2023.

Resources and Reserves Statement

Gold Hydrogen's Ramsay Project: Prospective Resources* of Hydrogen in '000 Tonnes – 30 September 2021

PEL	Prospects	SPE-PRMS Sub-class	1U Low Estimate	2U Best Estimate	Mean	3U High Estimate	Pg	Pd	Pc
PEL 687	**All Prospects and Leads**		**207**	**1,313**	**4,187**	**8,820**	**22%**	**48%**	**10%**
Yorke Peninsula									
PEL 687	Ramsay FB	Prospect	124	931	2,712	6,989	22%	50%	11%
PEL 687	Ramsay Lst	Prospect	10	70	191	492	26%	50%	13%
PEL 687	Maitland	Lead	7	26	40	92	17%	35%	6%
Kangaroo Island									
PEL 687	Navigator	Lead	34	152	280	678	19%	40%	8%
PEL 687	Kanmantoo	Prospect	32	134	237	569	25%	40%	10%

* This estimate of Natural Hydrogen Prospective Resources must be read in conjunction with the notes below, and it should be noted that the estimated quantities of Natural Hydrogen that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable Natural Hydrogen.

Directors' Report continued
for the year ended 30 June 2023

Resources and Reserves Statement continued

Notes for Resources and Reserves Statement:

1. This reserves statement presents Gold Hydrogen's Prospective Resources. Gold Hydrogen currently has no Reserves and no Contingent Resources.
2. Estimates are assessed to comply with the ASX Listing Rules for Prospective Resources and SPE-PRMS 2018 with the understanding that naturally occurring hydrogen may be considered a hydrocarbon since it has energy content and can be used stand alone and/or blended with sales gas. "U" implies Prospective Resources.
3. Per ASX Listing Rules 5.28.4 and 5.28.5 estimates are unrisked and aggregated arithmetically by category, hence caution that the aggregate low estimate may be a very conservative estimate and the aggregate high estimate may be a very optimistic estimate due to the portfolio effects of arithmetic summation.
4. Probabilistic methods are used to prepare the estimates. The distribution of the estimates is the "full distribution" and has not been truncated by application of the MEPS (minimum economic pool size concept).
5. The Reference Point is at the wellhead/edge of lease (i.e. wellhead facilities) so the estimates have no deduction for flare, vent or fuel consumed in operations.
6. Pg (Chance of Geologic Discovery), Pd (Chance of Development) and Pc (Chance of Commerciality = Pg x Pd) are calculated as a weight average of the P50's of the H2 ('000 Tonnes) of the prospects.
7. Pg incorporates Play Risk and Prospect Risk.
8. Pd incorporates an assessment across all SPE-PRMS Commerciality Criteria (i.e. not just economics).
9. Information in the table is rounded. Some totals in the tables may not add due to rounding.
10. Gold Hydrogen owns 100% of PEL 687 which has been issued under South Australian legislation.
11. This reserves statement:
    i) is based on, and fairly represents, information and supporting documentation prepared by the qualified petroleum reserves and resources evaluators listed in note 14 below. Details of each qualified petroleum reserves and resources evaluator's employment and professional organisation membership are set out in note 14 below;
    ii) has been approved by Billy Hadi Subrata, who is a qualified petroleum reserves and resources evaluator and whose employment and professional organisation membership details are set out in note 14 of this reserves statement;
    iii) is issued with the prior written consent of Teof Rodrigues & Associates ("TRA" - involving Teof Rodrigues, Paul Strong, and Greg Horton, whose employment and professional organisation membership details are set out in note 14 of this reserves statement) as to the form and context in which the estimated Natural Hydrogen resources and the supporting information are presented.
12. There is no change to information or additional information, since the effective date of 30 September 2021, that Gold Hydrogen and TRA are aware of that would materially change the estimates in this reserves statement.
13. Gold Hydrogen has engaged independent experts TRA to evaluate reserves and resources.
14. Qualified Petroleum Reserves and Resources Evaluators are:

Name	Employer	Professional organisation
Billy Hadi Subrata	Gold Hydrogen	SPE
Teof Rodrigues	Teof Rodrigues & Associates (TRA)	SPE, PESA
Paul Strong	Teof Rodrigues & Associates	GSL, AAPG, PESA
Greg Horton	Teof Rodrigues & Associates	SPE

Footnotes for Review of Operations

1. Frost & Sullivan Report, Gold Hydrogen Replacement Prospectus 29 November 2022.
2. Frost & Sullivan Report, Gold Hydrogen Replacement Prospectus 29 November 2022.

Significant changes in the state of affairs

During the year Gold Hydrogen listed on the Australia Securities Exchange, raising gross proceeds of $20m via the issue of 40 million fully paid ordinary shares at an issue price of 50 cents each in the Initial Public Offering (IPO). The oversubscribed IPO raising was fully underwritten by Morgans Corporate Limited.

As part of the IPO process, Gold Hydrogen settled on a conditional Share Sale Agreement dated 1 September 2022 with Michelle Simonds Pty Ltd (as trustee for the Michelle Simonds Family Trust) and NFM Enterprises Pty Ltd (as trustee for the McDonald Family Trust) for the acquisition of 100% of the shares in Byrock Resources Pty Ltd (Byrock) and White Hydrogen Australia Pty Ltd (WHA). The vendor parties are entities related to current Company Director Neil McDonald and former Company Director John (Luke) Titus.

There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

On 1 July 2023, Dr Josh Whitcombe commenced as the Company's Chief Operating Officer.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

The Group continues its focus on the exploration, evaluation and development of its existing South Australian project footprint with a view to ultimately producing natural hydrogen in commercial quantities from multiple sites.

Environmental regulation

Other than as part of the standard conditions attaching to its Exploration Licences, the Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Climate and sustainability risks and opportunities

The Group's overall governance approach to Climate Change risks and opportunities occurs at Board level, guided by input from executive management. The Group's overall strategy is to be part of the solution to Climate Change, and a decreased reliance on fossil fuels, by focussing on the exploration and development of 'gold' hydrogen as a naturally generated, low-carbon, sustainable and affordable energy source.

During the year, the Board adopted a Sustainability Policy, and has produced its inaugural Sustainability Report which is available as a separate document, released at the same time as this Annual Report. The Group is aiming to measure and report its emissions in the next financial year.

The Group does not consider that it currently has any adverse material exposure to the risks associated with Climate Change. Accordingly, the Group does not consider it necessary to reflect any financial impact associated with Climate Change risks. Conversely, the Group sees a range of opportunities associated with the broad industrial, societal and regulatory changes influenced by Climate Change, which support its strategic objectives and its future business plans.

The Group considers the following matters relevant to this conclusion, as recommended under TCFD (the Taskforce on Climate-related Financial Disclosure) guidelines.

Directors' Report continued
for the year ended 30 June 2023

Climate and sustainability risks and opportunities continued

Climate Change Risks – Transition Risks

Policy and Legal Risks

The Group is not part of the fossil fuel industry. Its primary business objectives are focussed on assisting with the decarbonisation of the Australian and global economies via the use of hydrogen as an alternative and low carbon energy source to fossil fuels. Accordingly, the Group does not consider that it is likely to be subjected to national or international policy actions that will have an adverse impact on its business or project objectives.

Technology Risk

Whilst some elements of downstream technology risk may currently exist for the transportation and delivery of hydrogen across the industry in general, the Group does not consider this will represent a material adverse risk for its business. This is because all of the organisations currently involved in the hydrogen industry are aligned in working towards solutions for the transportation and delivery of hydrogen to various markets, including by pipeline, road, rail and shipping transportation.

Market Risk

The Group's primary business objectives are focussed on assisting with the decarbonisation of the Australian and global economies via the use of natural hydrogen as an alternative and low carbon energy source to fossil fuels. The Group is not part pf the fossil fuel industry. Accordingly, the Group does not consider that it is likely to be subjected to national or international market risk, particularly having regard to the range of independent experts forecasting the future demand for hydrogen and hydrogen-related products and by-products (eg. ammonia, fertiliser, etc) as outlined above on page 5, and in further detail below on page 14.

Furthermore, from a commodity pricing perspective, the Group believes it will have a sustainable cost advantage once in production phase, as illustrated by Figure 5 below.

Types of Hydrogen Production

Naturally occurring Hydrogen offers a significant cost and carbon neutral advantage relative to other hydrogen production (manufacturing) processes.

	Natural	**Grey**	**Black/Brown**	**Blue**	**Green**
Energy source	Natural hydrogen	Natural gas	Coal	Natural gas / coal	Renewables / biomass
Environmental impact	Carbon-neutral	High	Very High	Low	Carbon-neutral
No thermal process	✓	✗	✗	✗	✗
Production cost (A$/kg)[1,2]	**$1.00[3]**	$5.60	$6.20-$6.40	$10.20-$10.30	P: $6.40-$25.50 A: $4.70-$23.20
Cost comparable to existing power generation[3]	✓	✗	✗	✗	✗

Today, ~95% of all hydrogen produced is from natural gas

Source: Frost and Sullivan, Sep-2022

1. *P = Polymer electrolyte membrane electrolysis. A = Alkaline Electrolysis.*
2. *For industrial buyers, a hydrogen offtake price of €3 ($4.50) per kg would be required to incentivise hydrogen production over power generation*
3. *Source: Christophe Rigollet[1], Alain Prinzhofer[2,3], Natural Hydrogen: A New Source of Carbon-Free and Renewable Energy That Can Compete With Hydrocarbons, First Break, Volume 40, Issue 10, Oct 2022, p. 78 – 84 DOI: https://doi.org/10.3997/1365-2397.fb2022087; "The Bourakébougou field, in Mali, represents the first natural hydrogen deposit studied both scientifically and industrially. It gives us information on its renewability, on the natural flows involved and therefore on its sustainable exploitation. It is possible to estimate that the cost of operating hydrogen would be less than $1/kg, which is significantly cheaper than any manufactured hydrogen, whether green, grey, or blue. Equivalent work is in progress in other continents, in order to be able to compare our knowledge of this Malian field with other fields in the world, which will make it possible to better ensure the industrial and societal interest of R&D for this new field."*

Figure 5 – Cost comparison for hydrogen types

Reputational Risk

As the Group is focussed on assisting with the development and delivery of naturally generated hydrogen as an alternative and low carbon energy source to fossil fuels, it does not consider itself to be likely to be subjected to adverse corporate reputational risk. Conversely, as part of the new energy economy and as a potential contributor to global and national decarbonisation, the Group believes that its reputation will be positively impacted upon the delivery of successful project outcomes.

The Group is mindful of its role in pioneering the greenfields exploration for natural hydrogen systems in Australia, and will be aiming to ensure that all of its activities are formulated and undertaken in a socially and environmentally responsible, safe and sustainable manner.

Climate Change Risks – Physical Risks

The Group currently has no infrastructure situated at its project site in South Australia, and is therefore not directly impacted by any of the physical risks generally associated with Climate Change (fire, flood, rising temperatures, etc). Furthermore, even when the Group is at the stage of having natural hydrogen gas production facilities, the physical infrastructure footprints will be relatively small and unintrusive.

The Group intends to work with engineers and other industry experts (directly or via partnerships or alliances) to ensure that any infrastructure ultimately constructed (eg. pipework, gas separators, etc) not only minimises its impact on the surrounding environments, but is resilient to the potential physical impacts associated with Climate Change.

Climate Change Opportunities

Resource Efficiency

The Group is focussed on the exploration and development of 'gold' hydrogen as a naturally generated, low-carbon energy source. Accordingly, it is not aiming to 'make' hydrogen via electrolysis, which involves both power and water usage, as well as the construction of significant infrastructure and land usage (eg. for solar panels used in green hydrogen production). Natural hydrogen has already been 'made' (via natural processes such as hydrolysis) and has already been 'stored' underground. The Group is essentially aiming to 'unlock' this existing source of hydrogen via traditional gas drilling and extraction techniques.

Energy Source

The Group is aiming to become a producer and supplier of low carbon energy via the exploration and development of natural hydrogen gas resources, in concert with the global push to decarbonise and ultimately phase out fossil fuel usage. The Group expects demand for this energy source to increase over time, as part of the global push for the reduction of carbon emissions and the decrease in reliance on fossil fuels (see also Markets below).

Products and Services

The Group's overall strategy is to be part of the solution to Climate Change and a decreased reliance on fossil fuels, by focussing on the exploration and development of 'gold' hydrogen as a naturally generated, low-carbon, sustainable and affordable energy source.

Directors' Report continued
for the year ended 30 June 2023

Climate and sustainability risks and opportunities continued

Climate Change Opportunities continued

Markets

As outlined in the Frost & Sullivan Industry Report which was included in the Gold Hydrogen Replacement Prospectus of 29 November 2022:

1. the global demand for hydrogen grew by 50% between 2000 and 2020;
2. in the 'net zero emissions by 2050' scenario, hydrogen is forecast to grow from 90Mt in 2020 to over 200Mt by 2030. This forecast assumes that by 2030, the average global blend of hydrogen with natural gas in gas networks is expected to be 15% of hydrogen in volumetric terms, thus reducing CO2 emissions from gas consumption by around 6%;
3. by 2030, it is assumed that over 15 million hydrogen FCEVs will be on the road globally;
4. by 2050, the forecast for global hydrogen consumption reaches close to 530 Mt. This 2050 estimate assumes that hydrogen-based fuels will provide over 60% of total fuel consumption in shipping by that year.

Resilience

The Group believes that its natural hydrogen and related downstream and by-products will ultimately have the potential to support the resilience of a number of potentially susceptible industries including the steel production, transportation, agriculture and power generation industries.

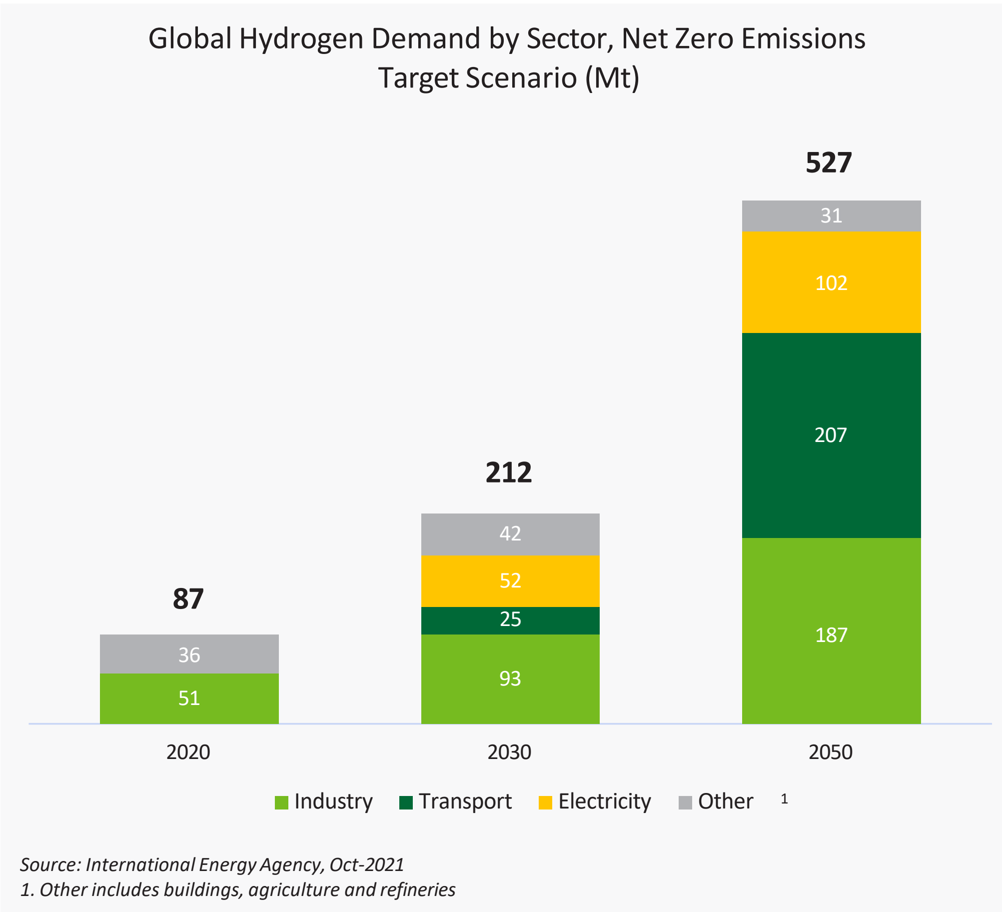

Figure 6 – Forecast global hydrogen demand by sector

Material business risks

A full description of the risks identified by the Group is outlined within Section 5 of the Replacement Prospectus dated 29 November 2022 and available via the Gold Hydrogen website (goldhydrogen.com.au). A summary is presented below.

Exploration and Evaluation Risks

Ultimately, the future value of the Group will depend on its ability to find and develop sufficient resources of natural hydrogen that are economically recoverable. In this regard it should be noted that the Group's operational activities, including exploration, appraisal, development and possible production activities, may be adversely affected by a range of geological, technological and operational factors. Furthermore, there is a risk that the Group may complete its drilling program in accordance with its work plan without any complications, and still not discover natural hydrogen, or not discover it in sufficient quantities for viable commercial operations.

Land Access Risks

Immediate access to the land the subject of the licences in which the Group has an interest cannot always be guaranteed. Furthermore, the Group will be required to seek the consent of the relevant landholder or other person (including government) or groups with an interest in the land the subject of the tenements, and compensation will be required to be paid to such persons to carry out its activities.

Native Title and Cultural Heritage Risks

Australia's Native Title Act recognises certain rights of indigenous Australians over lands where those rights have not been extinguished. These rights, where they exist, have the ability to significantly delay the grant and exploitation of tenements.

Whilst the Group's flagship Ramsay Project sits on PEL 687, which was granted free of Native Title claims, in applying for certain other permits, the Group must observe the provisions of the applicable Native Title legislation. In the event it is determined that Native Title does exist, or a Native Title claim is registered, the Group may need to comply with procedures under the NTA in order to carry out its operations or to be granted any additional tenements.

Resource and Reserve Estimation Risks

Estimating Prospective Resources, Contingent Resources and Reserves is subject to significant assumptions and uncertainties associated with technical data and the interpretation of that data, the application of technology to access and recover the resources, future commodity prices and future development and operating costs, including being able to deal with the unique properties of natural hydrogen in recovery from the subsurface, transporting and processing.

There can be no guarantee that the Group will successfully be able to convert Prospective Resources into Contingent Resources, and if the Group is successfully able to convert Prospective Resources into Contingent Resources, there is no guarantee that the Group will successfully be able to convert Contingent Resources into Reserves. Further, if the Group does convert Contingent Resources into Reserves, there is no guarantee that the Group will be able to produce the volume of natural hydrogen that it estimates as Reserves. Estimates may change significantly or become more uncertain or have changed geologic risk or have changed development risk when new information becomes available throughout the life of a project.

Directors' Report continued
for the year ended 30 June 2023

Material business risks continued

Tenement Risks

PEL 687 (the Ramsay Project) is a granted tenement free of Native Title claims, but the application tenements of the Group are at various stages of the application and grant process, including Native Title negotiations. There can be no assurance that the application tenements that are currently pending will be ultimately granted. There can be no assurance that when an application tenement is granted, it will be granted in its entirety. Additionally, some of the tenement areas applied for may be excluded. The Group is unaware of any circumstances that would prevent the application tenements from being granted, however the consequences of being denied the applications for reasons beyond the control of the Group could be significant.

Future Funding Risks

Until the Group is able to develop a project and generate appropriate cashflow, it is dependent upon being able to obtain future equity or debt funding to support long term exploration, after the expenditure of the net proceeds raised under the January 2023 IPO. The Group is likely to require further equity or debt funding before it can progress to a production stage. There can be no guarantee or assurance that if further funding is required, such funding can be raised on terms acceptable to the Group.

Information on Directors

Name:	**Alexander Downer** (appointed 1 July 2022)
Title:	Chair
Qualifications:	B Arts (Hons in Politics and Economics)
Experience and expertise:	Mr Downer is one of the country's best known politicians and diplomats. The South Australian was leader of the Liberal Party from 1994 to 1995, Minister for Foreign Affairs from 1996 to 2007, and High Commissioner to the United Kingdom from 2014 to 2018. Before politics he was executive director of the Australian Chamber of Commerce. Since departing Canberra and the diplomatic service, he has had a number of board appointments, including the Advisory Board of British strategic intelligence and advisory firm Hakluyt & Company, merchant bankers Cappello Capital Corp, the Adelaide Symphony Orchestra, Huawei in Australia, the board of Lakes Oil and mining company Ironbark Zinc. He remains a columnist for the Australian Financial Review and is Companion of the Order of Australia.
Other current directorships:	Ironbark Zinc Limited (since 1 October 2021) Yellow Cake plc (since 1 June 2018)
Former directorships (last 3 years):	None
Special responsibilities:	Chair Member of the Audit and Risk Management Committee Member of the People, Culture and Resources Committee
Interests in shares:	61,538
Interests in options:	900,000

Name:	**Neil McDonald**
Title:	Managing Director and Chief Executive Officer
Qualifications:	Bachelor of Laws and Arts, GAICD
Experience and expertise:	Mr McDonald has more than 20 years of extensive commercial experience across the energy and minerals sectors in multiple Australian states. He has been involved from greenfield exploration to early development in projects across Queensland, Northern Territory and South Australia. He has worked on and helped commercialise some of Australia's largest exploration projects for private and public companies. As a commercial lawyer, he has a strong legal grounding in commercial and regulatory compliance in the resources industry. Areas of focus in his career have been: acquiring new assets for business growth, monetisation of existing assets, engaging domestic and international investors, new partnerships to maximise commercialisation of assets, developing non-partisan relationships at the highest political levels, both Federal and State. Neil is a graduate of the Australian Institute of Company Directors and has sat on private boards.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Managing Director and Chief Executive Officer
Interests in shares:	38,506,511
Interests in options:	600,000

Name:	**Katherine Barnet** (appointed 1 July 2022)
Title:	Non-Executive Director
Qualifications:	MComm, FCA, AICD
Experience and expertise:	Ms Barnet is a well-regarded financial professional and Chartered Accountant with a 25+ year career in professional services. She is currently a partner at Olvera Advisors, a boutique Sydney-based consultancy. Ms Barnet has worked on some of Australia's largest corporate matters and achieved success in developing, evaluating and understanding complex financial transactions, optimising sustainable growth and increasing value to corporate entities. Her recent corporate expertise has focused on: Renewable energy/ mining; Retail; Property & Construction; SME.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Audit and Risk Management Committee Chair of the People, Culture and Resources Committee
Interests in shares:	118,681
Interests in options:	600,000

Directors' Report continued
for the year ended 30 June 2023

Information on Directors continued

Name:	**Roger Cressey** (appointed 1 July 2022)
Title:	Executive Director
Qualifications:	B Eng (Mechanical)
Experience and expertise:	Mr Cressey has more than 35 years of experience in resource industries, predominantly in gas exploration and production. He has also been involved in minerals processing and materials handling. He has held CEO, COO and other executive roles on upstream and downstream operations across Australia, most recently in Queensland, NT and before that PNG. He has also had senior roles in Indonesia and Uganda.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chief Operating Officer (from 15 May 2023 to 30 June 2023)
Interests in shares:	116,923
Interests in options:	600,000

Name:	**John (Luke) Titus** (resigned 15 May 2023)
Title:	Executive Director and Chief Operating Officer
Qualifications:	BSc (Geology)
Experience and expertise:	Mr Titus has 25 years of relevant international exploration and development experience in industrial rocks and minerals, precious metals, conventional and unconventional hydrocarbons, and associated gases, including hydrogen and helium. His qualifications include a Bachelor of Science from Fort Lewis College, Colorado, USA, and he is an active member of AAPG and SPE. Luke is highly skilled in early-stage undercover exploration using low-impact innovative techniques for data acquisition and analysis. After keeping abreast of international literature on the development of natural (gold) hydrogen in Africa and other continents, it was his research of Australian sites that found the previous accidental discovery of natural hydrogen here, seen as a by-product of other exploration.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chief Operating Officer
Interests in shares:	38,506,511 (as at the date of resignation)
Interests in options:	Nil (600,000 options were cancelled following resignation)

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Karl Schlobohm (B.Comm, B.Econ, M.Tax, CA, FGIA) was appointed Company Secretary on 1 May 2022. Karl is a Chartered Accountant with over 30 years' experience across a wide range of industries and businesses. He has extensive experience with financial accounting, corporate governance, company secretarial duties and board reporting. He is also a Non-Executive Director of the Australian Shareholders' Association.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2023, and the number of meetings attended by each Director were:

	Full Board		Audit and Risk Management Committee		People, Culture and Resources Committee*	
	Attended	Held	Attended	Held	Attended	Held
Alexander Downer	14	14	1	1	-	-
Neil McDonald	14	14	-	-	-	-
John (Luke) Titus (resigned 15 May 2023)	12	12	-	-	-	-
Katherine Barnet	14	14	1	1	-	-
Roger Cressey	14	14	-	-	-	-

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

* Rather than a Remuneration Committee, the Company's Board has formed a People, Culture and Resources Committee, which is responsible for – amongst other things – reviewing and making recommendations to the Board on Director and senior executive remuneration packages and frameworks. The Committee intends to meet at least annually, or at such intervals as required to fulfill its obligations in this regard. The Board has adopted a People, Culture and Resources Committee Charter, which is available on the Company's website under Corporate Governance. The Committee did not meet during the period to 30 June 2023.

Remuneration report (audited)

The Remuneration Report sets out the Group's remuneration strategy for the financial year ended 30 June 2023 and provides detailed information on the remuneration outcomes for the Group's Key Management Personnel (KMP) in accordance with the requirements of the Corporations Act 2001 and its regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Directors' Report continued
for the year ended 30 June 2023

Remuneration report (audited) continued

Principles used to determine the nature and amount of remuneration

The People, Culture & Resources Committee (PCR Committee) is responsible for making remuneration recommendations to the Board for the Group's KMP. In line with its Charter, the PCR Committee is responsible for designing and monitoring the Group's approach to remuneration and incentive arrangements in such a way as to:

1. motivate Directors and other KMP to pursue the long-term growth and success of the Group within an appropriate control framework;
2. align Directors and other KMP with the Group's purpose, values, strategic objectives and risk appetite;
3. demonstrate a clear relationship between key KMP performance and remuneration.

Furthermore, the PCR Committee is required to ensure that:

1. remuneration offered is in accordance with prevailing market conditions, and that exceptional circumstances are taken into consideration;
2. remuneration terms are equated, irrespective of diversity factors;
3. contract provisions reflect market practice; and
4. targets and incentives are based on realistic performance criteria.

In accordance with best practice corporate governance, the structure of non-executive Director and executive Director remuneration is separate.

Non-executive Directors' remuneration

Fees and payments to non-executive Directors reflect the demands and responsibilities of their role. Non-executive Directors' fees and payments are reviewed annually by the People, Culture & Resources Committee (PCR Committee). The PCR Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive Directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive Directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

Alexander Downer – Chair

Mr Downer is paid a fixed remuneration of $100,000 (inclusive of superannuation) via the Group's payroll. In addition, Mr Downer was awarded unlisted options as part of the process leading up to the IPO of Gold Hydrogen, as outlined in further detail elsewhere within this Remuneration Report.

Katherine Barnet – Non-Executive Director

For the financial year ended 30 June 2023, Ms Barnet was contracted via her professional accountancy practice on a fixed remuneration of $50,000 per annum, inclusive of superannuation. From 1 July 2023, Ms Barnet will be paid personally as part of the Group's payroll. In addition, Ms Barnet was awarded unlisted options as part of the process leading up to the IPO of Gold Hydrogen, as outlined in further detail elsewhere within this Remuneration Report.

ASX Listing Rules require the aggregate non-executive Directors' remuneration be determined periodically by a general meeting. The most recent determination was at a shareholders' meeting held on 14 September 2022, where shareholders approved a maximum annual aggregate remuneration of $500,000.

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The Executive KMP remuneration framework comprises:

- base salary, superannuation, and minor non-monetary benefits (primarily D&O cover);
- short-term performance incentives; and
- long term performance incentives.

During the financial year ended 30 June 2023, Executive KMP remuneration was structured according to the relevant employment / contractual agreements and performance measures in place between the Group and the respective party. Each of the Executive KMP arrangements to 30 June 2023 consisted of fixed remuneration, an STI framework in the form of a potential cash or share-based payment, and an LTI framework in the form of a potential cash payment together with an award of unlisted options at various multiples of the Gold Hydrogen IPO share price. In addition, all KMP members were covered under the Company's D&O insurance policy.

Whilst a number of these milestones were achieved during the 2023 financial year, the Non-Executive Directors elected to defer any consideration of awarding Executives with STI and LTI related bonuses until the 2024 financial year, the framework for which is outlined below.

(a) Variable Remuneration – Short Term Annual Incentive Arrangements

The STI component of each Executive KMP remuneration arrangement is an annual, variable, corporate achievement-based bonus (payable in cash or shares) of up to a maximum of 35% of base remuneration, and which is linked to the attainment of specific project-oriented milestones.

The performance milestones are clearly defined and measurable, and are based on achievements that are consistent with the Group's strategic and project objectives, with the goal of enhancing shareholder value. The PCR Committee assesses and approves the Executive KMP's performance against the milestones outlined below, with individual weightings assigned to each milestone.

For the 2024 to 2026 financial years, the STI arrangements for Executive KMP are predominantly framed on the achievement of non-financial but value-accretive project metrics, including:

Directors' Report continued
for the year ended 30 June 2023

Remuneration report (audited) continued

Executive remuneration continued

(a) Variable Remuneration – Short Term Annual Incentive Arrangements continued

Agreed Milestone	FY2024 %	FY2025 %	FY2026 %
Land Access Arrangements to Facilitate Drilling	15	10	10
Regulatory Approvals - Surveys and Drilling	15	5	5
Completion of Scheduled Field-based Activities	10	5	5
Execution of Drilling Campaigns and Well Testing	15	5	5
Reportable Discovery of Hydrogen*	20	15	15
Access to R&D and / or Grant Funding	5	10	10
Executed Commercial Arrangement (JV, Offtake, etc)	-	25	25
Increase in Size of Reportable Prospective Resources*	20	10	10
Maturation of Reportable Resources*	-	15	15
	100	**100**	**100**

* Reportable in accordance with ASX guidelines.

Whilst a number of these milestones were achieved during the 2023 financial year, the Non-Executive Directors elected to defer any consideration of awarding Executive KMP with STI and LTI related bonuses until the 2024 financial year. Accordingly, no STI-related bonus payments were made or awarded to Executive KMP during the period to this report. Furthermore, there were no STI-related bonus payments were made or awarded during the financial year ended 30 June 2022.

(b) Variable Remuneration – Long Term Incentive Arrangements

The LTI arrangements in place for Executive KMP comprises two (2) separate components, being a cash-based payment of a maximum amount of 30% of remuneration on an annual basis, and an award (not intended to be on an annual basis) of unlisted options designed to create sustainable corporate growth as reflected in enhanced value for shareholders.

Unlisted option component

As part of the arrangements leading up to the IPO of Gold Hydrogen, all KMP members, including the Non-Executive Directors, received an award of unlisted options, at varying price points substantially "out of the money" compared with the IPO price of 50 cents per share. Refer to the 'Share-based compensation section' included in the remuneration report for the summary of the terms of the unlisted options.

Cash component

For the 2023 to 2025 financial years, the cash component of the LTI arrangements for Executive KMP is presently framed on the increase in the market capitalisation of the Group, as reflected in the quoted price of Gold Hydrogen's securities on the ASX. The minimum threshold for triggering consideration for the payment of any amount of the available cash component of an LTI is a market capitalisation in excess of $100 million.

More specifically for the cash component, the thresholds and LTI entitlement arrangements for the 2024 to 2026 financial years are scaled as follows:

Market Capitalisation Exceeds $100m	33.3%	of the overall 30% LTI award
Market Capitalisation Exceeds $150m	33.3%	of the overall 30% LTI award
Market Capitalisation Exceeds $200m	33.3%	of the overall 30% LTI award
	100%	

Relationship between the remuneration policy and Group performance

The performance measures for the Group's short-term incentive (STI) arrangements and long-term incentive (LTI) arrangements have been tailored to align with operational objectives which create value for shareholders. The PCR Committee has designed the STI and LTI arrangements to motivate, retain, and reward KMP performance aligned to the Group's operational and strategic objectives.

Use of remuneration consultants

The Group did not engage remuneration consultants to prepare a formal remuneration report during the financial year ended 30 June 2023.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following Directors of Gold Hydrogen Limited:

- Alexander Downer - Non-Executive Chair (appointed 1 July 2022)
- Neil McDonald - Managing Director
- Katherine Barnet - Non-Executive Director (appointed 1 July 2022)
- Roger Cressey - Executive Director (appointed 1 July 2022)
- John (Luke) Titus - Executive Director (resigned 15 May 2023)

And the following person:

- Karl Schlobohm - Company Secretary and Chief Financial Officer

Changes since the end of the reporting period:

On 1 July 2023, Dr Josh Whitcombe commenced as the Company's Chief Operating Officer. Executive Director Roger Cressey acted as COO from 16 May 2023 until 30 June 2023.

Directors' Report continued
for the year ended 30 June 2023

Remuneration report (audited) continued
Details of remuneration continued
Amounts of remuneration continued

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees	Cash bonus	Non-cash and other[c]	Super-annuation	Long service leave	Equity-settled	Termination[d]	Total
2023	$	$	$	$	$	$	$	$
Non-Executive Directors:								
Alexander Downer[a]	90,498	-	14,557	9,502	-	51,306	-	165,863
Katherine Barnet[a]	49,999	-	14,557	-	-	34,204	-	98,760
Executive Directors:								
Neil McDonald	372,291	-	14,557	12,692	-	34,108	-	433,648
John (Luke) Titus[b]	323,825	-	12,717	12,646	-	-	118,108	467,296
Roger Cressey[a] [b]	234,000	-	14,557	-	-	33,820	-	282,377
Other Key Management Personnel:								
Karl Schlobohm	234,000	-	14,557	-	-	34,108	-	282,665
	1,304,613	-	85,502	34,840	-	187,546	118,108	1,730,609

(a) Alexander Downer, Katherine Barnet and Roger Cressey were appointed Directors on 1 July 2022.

(b) John (Luke) Titus resigned as a Director and Chief Operating Officer (COO) on 15 May 2023. Following the resignation of John (Luke) Titus, Roger Cressey was appointed Acting COO for the period to 30 June 2023.

(c) Non-cash and other short term benefits include an allocation of the Company's Directors and Officers insurance premium.

(d) Termination benefits include payments of annual leave balances upon termination.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees	Cash bonus	Non-cash and other[c]	Super-annuation	Long service leave	Equity-settled	Termination[d]	Total
2022	$	$	$	$	$	$	$	$
Executive Directors:								
Neil McDonald	234,000	-	-	-	-	-	-	234,000
John (Luke) Titus	216,000	-	-	-	-	-	-	216,000
Other Key Management Personnel:								
Karl Schlobohm[a]	67,000	-	-	-	-	-	-	67,000
Roger Cressey[b]	45,200	-	-	-	-	-	-	45,200
	562,200	-	-	-	-	-	-	562,200

(a) Karl Schlobohm was appointed Company Secretary and Chief Financial Officer on 1 May 2022.

(b) Roger Cressey was employed as a consultant to the Company and was appointed a Director on 1 July 2022.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2023	2022	2023	2022	2023	2022
Non-Executive Directors:						
Alexander Downer	69%	-	-	-	31%	-
Katherine Barnet	65%	-	-	-	35%	-
Executive Directors:						
Neil McDonald	92%	100%	-	-	8%	-
Roger Cressey	88%	-	-	-	12%	-
John (Luke) Titus	100%	100%	-	-	-	-
Other Key Management Personnel:						
Karl Schlobohm	88%	100%	-	-	12%	-
Roger Cressey	-	100%	-	-	-	-

Directors' Report continued
for the year ended 30 June 2023

Remuneration report (audited) continued

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	**Neil McDonald**
Title:	Managing Director
Agreement commenced:	18 January 2023
Term of agreement:	No fixed term
Details:	The structure of the Managing Director's remuneration is in accordance with his employment agreement dated 20 September 2022, and which took effect from 18 January 2023, following the IPO of Gold Hydrogen. Prior to that time, the services of Mr McDonald were made available under a contractual consultancy arrangement with his company, Resource Insights Pty Ltd, on the same financial terms. Under his employment contract, Mr McDonald is entitled to receive a base salary ($370,000 per annum) plus superannuation ($27,500 per annum) and is also entitled to participate in the Group's STI and LTI arrangements. This remuneration is reviewed annually and there is no guarantee of increases to remuneration. Express provisions in the agreement protect the Group's confidential information and intellectual property and either Mr McDonald or the Group can terminate the agreement by giving three (3) months' notice in writing to the other party. The Group has the right to make payment in lieu of any part of the notice period not served. The Group may summarily terminate the agreement on the grounds of, among other things, serious or persistent breaches of the terms of the agreement, gross or wilful misconduct, or if Mr McDonald is found guilty of any conduct which results in damage to the reputation or the business of the Group.

Name:	**John (Luke) Titus**
Title:	Chief Operating Officer
Agreement commenced:	18 January 2023
Term of agreement:	No fixed term. Resigned on 15 May 2023.
Details:	The structure of the Chief Operating Officer's remuneration was in accordance with his employment agreement dated 20 September 2022, and which took effect from 18 January 2023, following the IPO of Gold Hydrogen. Prior to that time, the services of Mr Titus were made available under a contractual consultancy arrangement with his company, Asteroid Mining Pty Ltd, on the same financial terms. Under his employment contract, Mr Titus was entitled to receive a base salary ($370,000 per annum) plus superannuation ($27,500 per annum) and was also entitled to participate in the Group's STI and LTI arrangements. Express provisions in the agreement protect the Group's confidential information and intellectual property. Mr Titus resigned on 15 May 2023 as a Director and as the Group's Chief Operating Officer, and was paid 3 months' pay in lieu of notice. The LTI related options issued to Mr Titus as part of the process leading up to the IPO of Gold Hydrogen were cancelled on his resignation in accordance with their terms and conditions.

Name:	**Roger Cressey**
Title:	Project and Commercial Director and Acting Chief Operating Officer from 15 May 2023 to 30 June 2023
Agreement commenced:	1 July 2022
Term of agreement:	No fixed term
Details:	The structure of Mr Cressey's remuneration is in accordance with his contractual consultancy arrangement dated 1 July 2022 with his company, RH Cressey Consulting Pty Ltd (RHC contract). Under the RHC contract, RH Cressey Consulting is entitled to receive base remuneration ($234,000 per annum), and is also entitled to participate in the Group's STI and LTI arrangements. Express provisions in the agreement protect the Group's confidential information and intellectual property and either RH Cressey Consulting or the Group can terminate the agreement by giving three (3) months' notice in writing to the other party. The Group has the right to make payment in lieu of any part of the notice period not served. The Group may summarily terminate the agreement on the grounds of, among other things, serious or persistent breaches of the terms of the agreement, gross or wilful misconduct, or if Mr Cressey or RH Cressey Consulting is found guilty of any conduct which results in damage to the reputation or the business of the Group.

Name:	**Karl Schlobohm**
Title:	Chief Financial Officer and Company Secretary
Agreement commenced:	1 July 2022
Term of agreement:	No fixed term
Details:	The structure of Mr Schlobohm's remuneration is in accordance with his non-exclusive contractual consultancy arrangement dated 1 July 2022 with his professional accountancy practice, Millbohm Consulting Group Pty Ltd (Millbohm contract). Under the Millbohm contract, Millbohm Consulting is entitled to receive base remuneration ($234,000 per annum in respect of Mr Schlobohm's CFO / Company Secretarial services), and is also entitled to participate in the Group's STI and LTI arrangements. Express provisions in the agreement protect the Group's confidential information and intellectual property and either Millbohm Consulting or the Group can terminate the agreement by giving three (3) months' notice in writing to the other party. The Group has the right to make payment in lieu of any part of the notice period not served. The Group may summarily terminate the agreement on the grounds of, among other things, serious or persistent breaches of the terms of the agreement, gross or wilful misconduct, or if Mr Schlobohm or Millbohm Consulting is found guilty of any conduct which results in damage to the reputation or the business of the Group.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Directors' Report continued
for the year ended 30 June 2023

Remuneration report (audited) continued

Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2023.

Options

During the year ended 30 June 2023, the Company granted 3,900,000 options to the Directors and senior management as part of their remuneration packages. The options vest in 3 equal tranches as set out in the following table:

	Vesting date	Condition	Exercise price	Expiry date
Tranche 1	1.5 years after the ASX admission date	The market value (based on a 20-day VWAP calculation) for one share on the Company reaching 150% of the listing price	150% of the listing price	3 years after the ASX admission date
Tranche 2	2 years after the ASX admission date	The market value (based on a 20-day VWAP calculation) for one share on the Company reaching 200% of the listing price	200% of the listing price	4 years after the ASX admission date
Tranche 3	3 years after the ASX admission date	The market value (based on a 20-day VWAP calculation) for one share on the Company reaching 350% of the listing price	350% of the listing price	4 years after the ASX admission date

For the purposes of the above, "Market Value", while Gold Hydrogen is admitted to the Official List of ASX, means, as at or on any date of determination, the volume weighted average closing sale price per Share on ASX for the last 20 consecutive days on which Gold Hydrogen's Shares have traded on ASX immediately preceding the date of determination.

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Alexander Downer	300,000	31 October 2022	11 July 2024	11 January 2026	$0.75	$0.1976
Alexander Downer	300,000	31 October 2022	11 January 2025	11 January 2027	$1.00	$0.2010
Alexander Downer	300,000	31 October 2022	11 January 2026	11 January 2027	$1.75	$0.1602
Neil McDonald	200,000	31 October 2022	11 July 2024	11 January 2026	$0.75	$0.1976
Neil McDonald	200,000	31 October 2022	11 January 2025	11 January 2027	$1.00	$0.2010
Neil McDonald	200,000	31 October 2022	11 January 2026	11 January 2027	$1.75	$0.1602
John (Luke) Titus	200,000	31 October 2022	11 July 2024	11 January 2026	$0.75	$0.1976
John (Luke) Titus	200,000	31 October 2022	11 January 2025	11 January 2027	$1.00	$0.2010
John (Luke) Titus	200,000	31 October 2022	11 January 2026	11 January 2027	$1.75	$0.1602
Katherine Barnet	200,000	31 October 2022	11 July 2024	11 January 2026	$0.75	$0.1976
Katherine Barnet	200,000	31 October 2022	11 January 2025	11 January 2027	$1.00	$0.2010
Katherine Barnet	200,000	31 October 2022	11 January 2026	11 January 2027	$1.75	$0.1602
Roger Cressey	200,000	4 November 2022	11 July 2024	11 January 2026	$0.75	$0.1976
Roger Cressey	200,000	4 November 2022	11 January 2025	11 January 2027	$1.00	$0.2010
Roger Cressey	200,000	4 November 2022	11 January 2026	11 January 2027	$1.75	$0.1602
Karl Schlobohm	200,000	1 November 2022	11 July 2024	11 January 2026	$0.75	$0.1976
Karl Schlobohm	200,000	1 November 2022	11 January 2025	11 January 2027	$1.00	$0.2010
Karl Schlobohm	200,000	1 November 2022	11 January 2026	11 January 2027	$1.75	$0.1602

The 600,000 options granted to John (Luke) Titus (valued at $111,760) were cancelled following his resignation on 15 May 2023. There were no options that lapsed or vested during the year.

Additional information

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2023	2022
Net loss for the year ($)	(5,185,783)	(1,164,815)
Total KMP remuneration(a) ($)	2,157,743	562,200
Share price at financial year end (cents)(b)	22.50	-
Basic earnings per share (cents per share)	(4.80)	(1.47)

(a) Includes share-based payment expense for options granted during the period.

(b) The Company's shares first traded on the ASX on 13 January 2023 after the successful completion of its IPO. Accordingly, no share price information has been provided prior to the 2023 financial year.

Directors' Report continued
for the year ended 30 June 2023

Remuneration report (audited) continued

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Share split pre IPO	Disposals pre IPO	Additions pre IPO	Additions on IPO	Balance at the end of being KMP	Balance at the end of the year
Ordinary shares							
Alexander Downer	-	-	-	61,538	-		61,538
Neil McDonald	50	39,538,438	(1,031,977)	-	-		38,506,511
Katherine Barnet	-	-	-	118,681	-		118,681
Roger Cressey	-	-	-	76,923	40,000		116,923
John (Luke) Titus	50	39,538,439	(1,031,978)	-	-	38,506,511	38,506,511
Karl Schlobohm	-	-	-	153,846	-		153,846
	100	79,076,877	(2,063,955)	410,988	40,000	38,506,511	38,957,499

Option holding

	Balance at the start of the year	Granted pre IPO	Exercised post IPO	Expired/ forfeited/other post IPO	Balance at the end of the year
Ordinary shares					
Alexander Downer	-	900,000	-	-	900,000
Neil McDonald	-	600,000	-	-	600,000
Katherine Barnet	-	600,000	-	-	600,000
Roger Cressey	-	600,000	-	-	600,000
John (Luke) Titus*	-	600,000	-	(600,000)	-
Karl Schlobohm	-	600,000	-	-	600,000
	-	3,900,000	-	(600,000)	3,300,000

* John Luke Titus resigned on 15 May 2023 and the 600,000 options granted to him were cancelled.

Other transactions with key management personnel and their related parties

The Company was provided with land access support and integrated approvals by a company jointly controlled by the wife of a former Director (Luke Titus). The contract ended in November 2022 and transactions were made on normal commercial terms and conditions, with personnel charged on an hourly basis at prevailing market rates for professionals in this field.

On 1 September 2022, the Company executed a conditional Share Sale Agreement with Michelle Simonds Pty Ltd (as trustee for the Michelle Simonds Family Trust) and NFM Enterprises Pty Ltd (as trustee for the McDonald Family Trust) for the acquisition of 100% of the shares in Byrock Resources Pty Ltd (Byrock) and White Hydrogen Australia Pty Ltd (WHA) for a total consideration of $2,000,000. The vendor parties are entities related to current Company Director Neil McDonald and former Company Director John (Luke) Titus. On 9 January 2023, the Company completed its purchase of 100% of the shares in Byrock and WHA via the issue of 4,000,000 fully paid ordinary shares to the vendor parties.

In addition to the amounts disclosed above for the services of Karl Schlobohm under the Millbohm contract, a further $49,833 was payable for the year ended 30 June 2023 for the provision of accounting, administrative and IT support services rendered at standard market rates for services of this nature. No amount was paid or payable for the year ended 30 June 2022.

Aggregate amounts of each of the above types of other transactions with key management personnel of Gold Hydrogen Limited:

	Consolidated	
	2023	**2022**
	$	**$**
Payment for goods and services:		
Payment for services from other related party – refer note 25	158,142	-
Other transactions:		
Acquisition of subsidiaries from Director related entities	2,000,000	-

This concludes the remuneration report, which has been audited.

Directors' Report continued
for the year ended 30 June 2023

Shares under option

Unissued ordinary shares of Gold Hydrogen Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
31 October 2022	11 January 2026	$0.75	600,000
31 October 2022	11 January 2027	$1.00	600,000
31 October 2022	11 January 2027	$1.75	600,000
1 November 2022	11 January 2026	$0.75	200,000
1 November 2022	11 January 2027	$1.00	200,000
1 November 2022	11 January 2027	$1.75	200,000
2 November 2022	11 January 2026	$0.75	100,000
2 November 2022	11 January 2027	$1.00	100,000
2 November 2022	11 January 2027	$1.75	100,000
4 November 2022	11 January 2026	$0.75	200,000
4 November 2022	11 January 2027	$1.00	200,000
4 November 2022	11 January 2027	$1.75	200,000
			3,300,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of Gold Hydrogen issued on the exercise of options during the year ended 30 June 2023 and up to the date of this report.

Indemnity and insurance of officers

The Company has indemnified the Directors and executives of the Group for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Group paid a premium in respect of a contract to insure the Directors and executives of the Group against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 23 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 23 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Group who are former partners of BDO Audit Pty Ltd

There are no officers of the Group who are former partners of BDO Audit Pty Ltd.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Auditor

BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

N McDonald

Neil McDonald
Managing Director
30 August 2023

Auditor's independence declaration

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Australia

DECLARATION OF INDEPENDENCE BY R M SWABY TO THE DIRECTORS OF GOLD HYDROGEN LIMITED

As lead auditor of Gold Hydrogen Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Gold Hydrogen Limited and the entities it controlled during the period.

R M Swaby
Director

BDO Audit Pty Ltd

Brisbane, 30 August 2023

Financial Report

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Contents
for the year ended 30 June 2023

General information

The financial statements cover Gold Hydrogen Limited as a Group consisting of Gold Hydrogen Limited and the entities it controlled at the end of, or during, the year ('the Group'). The financial statements are presented in Australian dollars, which is Gold Hydrogen Limited's functional and presentation currency.

Gold Hydrogen converted from a proprietary company to a public company limited by shares on 23 September 2022 and as a consequence changed its name from Gold Hydrogen Pty Limited to Gold Hydrogen Limited.

Gold Hydrogen Limited is incorporated and domiciled in Australia and was admitted to the Official List of ASX Limited on 11 January 2023, with the official quotation of its ordinary fully paid shares commencing on 13 January 2023.

The Group's registered office and principal place of business is:

Level 14
110 Eagle Street
Brisbane
QLD 4000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 August 2023. The Directors have the power to amend and reissue the financial statements.

Statement of profit or loss and other comprehensive income for the year ended 30 June 2023

	Note	Consolidated 2023 $	2022 $
Other income			
Interest income		186,472	-
Expenses			
Consultants		-	(369,499)
Employee benefits expense	4	(1,111,175)	-
Depreciation	4	(54,220)	-
Insurance		(94,323)	-
Legal		(347,116)	(57,055)
Licence fees		-	(17,972)
Public relations		(135,539)	(61,866)
Movement in fair value of convertible note derivative	16	(1,161,559)	(97,907)
Listing fees and share registry expenses		(158,950)	-
Transaction costs in connection with IPO		(30,232)	(35,016)
Travel		(98,984)	(15,567)
Other expenses		(246,284)	(56,321)
Finance costs	4	(1,933,873)	(453,612)
Total expenses		(5,372,255)	(1,164,815)
Loss before income tax expense		(5,185,783)	(1,164,815)
Income tax expense	5	-	-
Loss after income tax expense for the year attributable to the owners of Gold Hydrogen Limited		(5,185,783)	(1,164,815)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Gold Hydrogen Limited		(5,185,783)	(1,164,815)
		Cents	**Cents**
Basic earnings per share	31	(4.80)	(1.47)
Diluted earnings per share	31	(4.80)	(1.47)

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

Statement of financial position
for the year ended 30 June 2023

	Note	Consolidated 2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	6	5,243,380	4,258,507
Trade and other receivables	7	237,172	141,581
Term deposits	8	11,000,000	-
Other	9	4,663	5,123
Total current assets		16,485,215	4,405,211
Non-current assets			
Property, plant and equipment	10	13,471	1,925
Right-of-use assets	11	103,261	-
Exploration and evaluation	12	7,008,048	622,270
Other	9	29,104	31,505
Total non-current assets		7,153,884	655,700
Total assets		23,639,099	5,060,911
Liabilities			
Current liabilities			
Trade and other payables	13	402,048	475,809
Borrowings	14	-	3,979,066
Lease liabilities	15	51,357	-
Derivative financial instruments	16	-	1,799,953
Total current liabilities		453,405	6,254,828
Non-current liabilities			
Lease liabilities	15	57,275	-
Total non-current liabilities		57,275	-
Total liabilities		510,680	6,254,828
Net assets/(liabilities)		23,128,419	(1,193,917)
Equity			
Issued capital	17	29,320,673	100
Reserves	18	187,546	-
Accumulated losses		(6,379,800)	(1,194,017)
Total equity/(deficiency)		23,128,419	(1,193,917)

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

Statement of changes in equity
for the year ended 30 June 2023

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2021	100	-	(29,202)	(29,102)
Loss after income tax expense for the year	-	-	(1,164,815)	(1,164,815)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(1,164,815)	(1,164,815)
Balance at 30 June 2022	100	-	(1,194,017)	(1,193,917)

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2022	100	-	(1,194,017)	(1,193,917)
Loss after income tax expense for the year	-	-	(5,185,783)	(5,185,783)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(5,185,783)	(5,185,783)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 17)	29,320,573	-	-	29,320,573
Share-based payments (note 32)	-	187,546	-	187,546
Balance at 30 June 2023	29,320,673	187,546	(6,379,800)	23,128,419

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

Statement of cash flows
for the year ended 30 June 2023

	Note	Consolidated 2023 $	2022 $
Cash flows from operating activities			
Payments to suppliers and employees		(2,036,680)	(363,817)
Interest received		19,203	-
Interest and other finance costs paid		(412,939)	(84,329)
Net cash used in operating activities	30	(2,430,416)	(448,146)
Cash flows from investing activities			
Payment for purchase of subsidiaries, net of cash acquired		200	-
Payments for term deposits	8	(11,000,000)	-
Payments for property, plant and equipment	10	(14,135)	(1,925)
Payments for exploration and evaluation assets	12	(4,615,754)	(555,165)
Payments for security deposits		-	(31,505)
R&D tax offset refunds	12	229,776	-
Proceeds from release of security deposits		2,401	-
Net cash used in investing activities		(15,397,512)	(588,595)
Cash flows from financing activities			
Proceeds from issue of shares	17	20,000,000	-
Proceeds from convertible notes net of transaction costs	30	-	5,311,829
Repayment of lease liabilities	30	(46,260)	-
Share issue transaction costs	17	(1,140,939)	-
(Repayment of)/proceeds from Director loans - net	30	-	(17,334)
Net cash from financing activities		18,812,801	5,294,495
Net increase in cash and cash equivalents		984,873	4,257,754
Cash and cash equivalents at the beginning of the financial year		4,258,507	753
Cash and cash equivalents at the end of the financial year	6	5,243,380	4,258,507

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

Notes to the financial statements
for the year ended 30 June 2023

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern
For the year ended 30 June 2023, the Group incurred a loss after income tax of $5,185,783 (2022: $1,164,815) and net cash outflows from operating activities of $2,430,416 (2022: $448,146).

As the Group has substantial exploration commitments budgeted for the coming and future years, its ability to continue as a going concern is principally dependent upon raising additional equity or debt financing, or securing other forms of finance (eg. from farm-ins, offtake arrangements, etc), as and when necessary to meet the levels of expenditure required for the Group to continue to progress the exploration properties in which it has an interest and to meet its working capital requirements.

The Directors have concluded that the going concern basis of preparation of the financial statements is appropriate and any uncertainty regarding going concern is mitigated by the following:

- at 30 June 2023 the Group has net current assets of $16,031,810 and total net assets of $23,128,419;
- the Group has sufficient cash or cash equivalents to execute on its exploration plans and meet its tenement-related expenditure requirements for a minimum of 12 months;
- the Group has the ability to vary its future exploration plans and continue to maintain its currently granted tenement in good standing;
- the Group has the ability to raise capital from existing and / or new investors in the form of equity, debt or other means (e.g. farm-in, offtake arrangements, or other commercial arrangements).

Based on the above, the Directors are of the opinion that at the date of signature of the financial report there are reasonable and supportable grounds to believe that the Group will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of this financial report and has accordingly prepared the financial report on a going concern basis.

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

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
Except for derivative financial instruments, the financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 26.

Note 1. Significant accounting policies (continued)

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Gold Hydrogen Limited ('Company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Gold Hydrogen Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Government grants
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, amounts are deducted from the cost of the related asset. The Group receives grants in relation to Research and Development expenditure. These amounts are deducted from the exploration and expenditure on tenements capitalised during the year.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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

Derivative financial instruments
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are classified as current or non-current depending on the expected period of realisation.

Notes to the financial statements continued
for the year ended 30 June 2023

Note 1. Significant accounting policies (continued)

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

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

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

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

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

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

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

Note 1. Significant accounting policies (continued)

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2023. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Exploration & evaluation assets
The Group will perform regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2023, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for impairment as noted in Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources*.

Note 3. Operating segments

Identification of reportable operating segments
The Group has identified its operating segments based on the internal reports that are reviewed and used by the Group's Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group is managed primarily on a geographic basis that is the location of the respective areas of interest (tenements) in Australia. Operating segments are determined on the basis of financial information reported to the Board which is at the Group level.

The Company does not have any products/services it derives revenue from.

Management identifies the Group as having only one operating segment, being the exploration and development of its PEL tenements in South Australia. All significant operating decisions are based upon analysis of the Group as one segment. The financial results from the segment are equivalent to the financial statements of the Group as a whole.

Accounting policy for operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Notes to the financial statements continued
for the year ended 30 June 2023

Note 4. Expenses

	Consolidated 2023 $	2022 $
Loss before income tax includes the following specific expenses:		
Aggregate employee benefits expense		
Defined contribution superannuation expense	35,117	-
Equity-settled share-based payments	187,546	-
Other employee benefits expenses	1,440,988	-
	1,663,651	-
Less		
Employee costs capitalised to exploration and evaluation	(552,476)	-
Employee benefits expense	1,111,175	-
Depreciation		
Computer equipment	2,589	-
Office lease right-of-use assets	51,631	-
Total depreciation	54,220	-
Finance costs		
Amortisation of finance costs on convertible notes	1,575,181	-
Interest and finance charges paid/payable on convertible notes	348,986	453,612
Interest and finance charges paid/payable on lease liabilities	7,168	-
Other interest and finance charges	2,538	-
Finance costs expensed	1,933,873	453,612

Note 5. Income tax

	Consolidated 2023 $	Consolidated 2022 $
Income tax expense		
Current tax	-	-
Deferred tax - origination and reversal of temporary differences	-	-
Aggregate income tax expense	-	-
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(5,185,783)	(1,164,815)
Tax at the statutory tax rate of 30% (2022: 25%)	(1,555,735)	(291,204)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible interest in respect of convertible notes	104,784	13,562
Entertainment	1,416	-
Superannuation Guarantee Charge	83	-
Trademark registration related expenses	2,412	-
Share based payments	56,264	-
Movement in fair value (financial liabilities and derivative liabilities)	821,022	-
	(569,754)	(277,642)
Current year tax losses not recognised	569,754	277,642
Income tax expense	-	-

Deferred tax

	Opening balance $	Net charged to profit or loss $	Net charged to equity $	Closing balance $
30 June 2023				
Recognised deferred tax assets				
Deductible temporary differences	148,643	1,347,847	-	1,496,490
Recognised deferred tax liabilities				
Assessable temporary differences	(148,643)	(1,347,847)	-	(1,496,490)
Net deferred tax recognised	-	-	-	-

Notes to the financial statements continued
for the year ended 30 June 2023

Note 5. Income tax (continued)

	Opening balance $	Net charged to profit or loss $	Net charged to equity $	Closing balance $
30 June 2022				
Recognised deferred tax assets				
Deductible temporary differences	-	148,643	-	148,643
Recognised deferred tax liabilities				
Assessable temporary differences	-	(148,643)	-	(148,643)
Net deferred tax recognised	-	-	-	-

	Consolidated 2023 $	Consolidated 2022 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Unrecognised tax losses	969,156	109,241
Unrecognised temporary differences	37,953	206,604
Net deferred tax assets not recognised	1,007,109	315,845

Accounting policy for income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Note 6. Cash and cash equivalents

	Consolidated 2023 $	Consolidated 2022 $
Current assets		
Cash on hand	300	100
Cash at bank	5,243,080	4,258,407
	5,243,380	4,258,507

Accounting policy for cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 7. Trade and other receivables

	Consolidated 2023 $	Consolidated 2022 $
Current assets		
Interest receivable	167,269	-
GST receivable	69,903	141,581
	237,172	141,581

Accounting policy for trade and other receivables
Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 8. Term deposits

	Consolidated 2023 $	Consolidated 2022 $
Current assets		
Term deposits	11,000,000	-

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours' notice with no loss of interest. At 30 June 2023, the Company had two term deposits of $4,000,000 and $7,000,000 respectively that have maturities of 4 months and 12 months respectively from the date of acquisition.

Notes to the financial statements continued
for the year ended 30 June 2023

Note 9. Other

	Consolidated 2023 $	Consolidated 2022 $
Current assets		
Prepayments	4,663	4,875
Other current assets	-	248
	4,663	5,123
Non-current assets		
Security deposits	29,104	31,505
	33,767	36,628

Note 10. Property, plant and equipment

	Consolidated 2023 $	Consolidated 2022 $
Non-current assets		
Computer equipment - at cost	16,060	1,925
Less: Accumulated depreciation	(2,589)	-
	13,471	1,925

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Computer equipment $
Balance at 1 July 2021	-
Additions	1,925
Balance at 30 June 2022	1,925
Additions	14,135
Depreciation expense	(2,589)
Balance at 30 June 2023	13,471

Accounting policy for property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Computer equipment	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Note 10. Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 11. Right-of-use assets

	Consolidated	
	2023	**2022**
	$	**$**
Non-current assets		
Office lease - right-of-use	154,892	-
Less: Accumulated depreciation	(51,631)	-
	103,261	-

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Office lease $
Balance at 1 July 2021	-
Balance at 30 June 2022	-
Additions	154,892
Depreciation expense	(51,631)
Balance at 30 June 2023	103,261

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

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

Right-of-use assets that meet the definition of investment property are measured at fair value where the Group has adopted a fair value measurement basis for investment property assets.

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

Notes to the financial statements continued
for the year ended 30 June 2023

Note 12. Exploration and evaluation

	Consolidated 2023 $	Consolidated 2022 $
Non-current assets		
Exploration and evaluation - at cost	7,008,048	622,270

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration and evaluation $
Balance at 1 July 2021	12,121
Additions	610,149
Balance at 30 June 2022	622,270
Additions	4,615,754
Asset acquisitions (note 27)	1,999,800
Research and development tax offset refund*	(229,776)
Balance at 30 June 2023	7,008,048

* The Group lodged an R&D Tax Incentive application with AusIndustry in respect of work performed on the Ramsay Project during the year ended 30 June 2022. A refund of $229,776 was received.

Accounting policy for exploration and evaluation assets
Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure (including employee costs) but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest.

These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

A regular review will be undertaken on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. A provision is raised against exploration and evaluation assets where the directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

The Group performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of exploration and drilling results performed to reporting date.

Note 13. Trade and other payables

	Consolidated	
	2023	2022
	$	$
Current liabilities		
Trade payables	130,619	306,913
Accrued expenses	271,429	168,896
	402,048	475,809

Refer to note 20 for further information on financial instruments.

Accounting policy for trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 14. Borrowings

	Consolidated	
	2023	2022
	$	$
Current liabilities		
Convertible notes	-	3,979,066

Refer to note 20 for further information on financial instruments.

Convertible notes
On 31 May 2022, the Group issued convertible notes for $5,500,000. The following were the key terms of the facility:

- The notes matured on 31 May 2023 and the Group, at its option, could have either converted the notes into shares in the Group (which it did as part of the IPO process) or have redeemed the notes.
- Interest was payable at a rate of 12% per annum and could have been accrued or paid in cash at the election of the Group.
- In the event of an IPO or Group sale that occurs before the expiry of 6 months from the issue date, the notes would convert into ordinary shares in the Group at an issue price that was the lesser of:
  (i) 75% of the price at which the shares are issued or transferred under the IPO/Group sale; or
  (ii) the Pricing Cap.
- In the event of an IPO or Group sale that occurred after 6 months from the issue date, the notes would convert into ordinary shares in the Group at an issue price that is the lesser of:
  (i) 65% of the price at which the shares are issued or transferred under the IPO/Company sale; or
  (ii) the Pricing Cap.
- The *Pricing Cap* was calculated by dividing $50 million by the aggregate value of the Group (as determined by the Group in consultation with the Lead Manager), and then multiplying that result by:
  (i) for conversion on an IPO, the price at which the Shares are issued or transferred under the IPO;
  (ii) for conversion on a Group sale, the price paid per share; or
  (iii) for conversion on the maturity date, the value of a share in the Group (as determined by the Group in consultation with the Lead Manager).
- In the event of an early conversion, the number of shares to be issued in the Group would be calculated by multiplying the number of notes to be converted by the face value of a note and by a factor of 1.35.
- The notes could have been fully or partially converted by the Group at any time prior on or before the date that is 30 days prior to the maturity date.
- During the term of the notes, either the Group or the noteholders could have requested that the notes be redeemed. The notes could only be redeemed if the receiving party consented to the redemption.
- The notes were unsecured.

Notes to the financial statements continued
for the year ended 30 June 2023

Note 14. Borrowings (continued)

	Consolidated 2023 $	Consolidated 2022 $
Opening balance	3,979,066	-
Notes issued at inception	-	5,500,000
Transaction costs*	-	(188,171)
Derivative instrument - conversion feature (note 16)**		(1,702,046)
Accrued interest	-	55,000
Amortised finance costs	1,575,181	314,283
Interest paid	(54,247)	-
Notes converted into ordinary shares (note 17)	(5,500,000)	-
Closing balance	-	3,979,066

* Transaction costs were apportioned between the borrowings and the derivative instrument. Costs attributable to the derivative interest were expensed through profit and loss immediately.

** The derivative instrument was measured at fair value using inputs that are not based on observable market data.

Refer to note 21 for further information.

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised as a derivative liability. The carrying amount of the conversion option is remeasured in subsequent years, with changes taken to profit or loss. The corresponding interest on convertible notes is expensed to profit or loss.

Note 15. Lease liabilities

	Consolidated 2023 $	Consolidated 2022 $
Current liabilities		
Lease liability - land and buildings	51,357	-
Non-current liabilities		
Lease liability - land and buildings	57,275	-
	108,632	-

On 1 July 2022, the Company entered into a 3-year lease for office premises. The lease rental for the first year is $79,375 on a gross basis, or $53,181 after the application of incentives. Up until nine months prior to the expiry of the term of the lease, the Company has the option to extend the lease for a further term of one year.

Refer to note 20 for further information on financial instruments.

Note 15. Lease liabilities (continued)

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

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

Note 16. Derivative financial instruments

	Consolidated 2023 $	Consolidated 2022 $
Current liabilities		
Conversion feature - convertible notes	-	1,799,953

	Consolidated 2023 $	Consolidated 2022 $
Opening balance	1,799,953	-
Convertible notes - derivative instrument conversion feature	-	1,702,046
Fair value movement	1,161,559	97,907
Notes converted into ordinary shares (note 17)	(2,961,512)	-
Closing balance	-	1,799,953

The conversion option amount represents the additional value provided to convertible note holders (refer to note 14) compared to the same corporate bond that would have no feature to convert the notes into shares in Gold Hydrogen Limited at the end or during the term of the notes. For accounting purposes such a conversion feature is accounted for separately from the convertible notes as a derivative financial instrument and is carried at fair value.

Refer to note 20 for further information on financial instruments.

Refer to note 21 for further information on fair value measurement.

Note 17. Issued capital

	Consolidated 2023 Shares	Consolidated 2022 Shares	Consolidated 2023 $	Consolidated 2022 $
Ordinary shares - fully paid	140,000,000	100	29,320,673	100

Notes to the financial statements continued
for the year ended 30 June 2023

Note 17. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2021	100		100
Balance	30 June 2022	100		100
Share split (790,769.77 for 1)	7 November 2022	79,076,877		-
Shares issued as consideration for the acquisition of White Hydrogen Australia and Byrock Resources (note 27)	9 January 2023	4,000,000	$0.50	2,000,000
Conversion of convertible notes (notes 14, 16)	9 January 2023	16,923,023	$0.50	8,461,512
Initial Public Offering	9 January 2023	40,000,000	$0.50	20,000,000
Transaction costs arising on share issues, net of tax		-		(1,140,939)
Balance	30 June 2023	140,000,000		29,320,673

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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

Initial Public Offering
On 11 January 2023, the company was admitted to the Official List of ASX Limited and the official quotation of the company's ordinary fully paid shares commenced on 13 January 2023. The company raised $20,000,000 pursuant to the offer under the prospectus dated 29 November 2022, by the issue and transfer of 40,000,000 shares at an offer price of $0.50 per share. The total cash costs associated with the IPO totalled $1,206,187 (excluding GST), with those costs directly attributable to the issue of new shares in relation to the IPO being $1,140,939. These costs are offset against contributed equity. The remaining costs of the IPO of $65,248, which are not directly attributable to the issue of new shares were expensed in the 2022 and 2023 financial years.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. In addition, the Group monitors capital on the basis of its working capital position (i.e. liquidity risk). The net working capital of the Group at 30 June 2023 was $16,031,810 (2022 net deficit: $1,849,617).

There are no externally imposed capital requirements.

The capital risk management policy remains unchanged from the 2022 Annual Report.

Note 17. Issued capital (continued)

Accounting policy for issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 18. Reserves

	Consolidated	
	2023	**2022**
	$	**$**
Share-based payments reserve	187,546	-

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Share based payments $
Balance at 1 July 2021	-
Balance at 30 June 2022	-
Share based payments	187,546
Balance at 30 June 2023	187,546

Note 19. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 20. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's financial instruments consist mainly of deposits with banks, receivables, convertible notes and payables.

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The overall objective of the Board is to set polices that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

Notes to the financial statements continued
for the year ended 30 June 2023

Note 20. Financial instruments (continued)

Market risk

Foreign currency risk
The Group is not exposed to any significant foreign currency risk.

Price risk
The Group is not exposed to any significant price risk.

Interest rate risk
The Group's interest rate risk arises principally from cash and cash equivalents, and from borrowings. The objective of interest rate risk management is to manage and control interest rate risk exposures within acceptable parameters while optimising the return. The Group does not have any significant exposure to interest rate risk.

Credit risk
Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group. The Group's objective is to minimise the risk of loss from credit risk exposure.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk is reviewed regularly by the Board. It arises from exposure to receivables as well as through deposits with financial institutions.

The Group's credit risk arises from cash and cash equivalents with banks and financial institutions, and from outstanding receivables. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The Group's only outstanding receivables at 30 June 2023 was an amount due from the Australian Tax Office and interest accrued on term deposits.

Liquidity risk
Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2023	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade and other payables	402,048	-	-	-	402,048
Interest-bearing - fixed rate					
Lease liability	55,959	58,835	-	-	114,794
Total non-derivatives	458,007	58,835	-	-	516,842

Note 20. Financial instruments (continued)

Consolidated - 2022	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade and other payables	475,809	-	-	-	475,809
Interest-bearing - fixed rate					
Convertible notes	6,160,000	-	-	-	6,160,000
Total non-derivatives	6,635,809	-	-	-	6,635,809

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 21. Fair value measurement

Fair value hierarchy
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Liabilities				
Derivative instruments - conversion feature of convertible notes	-	-	1,799,953	1,799,953
Total liabilities	-	-	1,799,953	1,799,953

There were no transfers between levels during the financial year.

In December 2022, Gold Hydrogen closed its Initial Public Offer, which provided an observable value for the company's shares at the IPO offer price. As a result, the derivative liability, convertible into ordinary shares of the Company, was settled during the year ended 30 June 2023.

Valuation techniques for fair value measurements categorised within level 2 and level 3
- Derivative instruments - conversion feature of convertible notes
The fair value of the conversion feature of the convertible notes is estimated using present value techniques, by discounting the probability-weighted estimated future cash outflows.

Notes to the financial statements continued
for the year ended 30 June 2023

Note 21. Fair value measurement (continued)

Level 3 assets and liabilities
Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

Consolidated	Derivative instruments $
Balance at 1 July 2021	-
Additions	(1,702,046)
Losses recognised in profit or loss	(97,907)
Balance at 30 June 2022	(1,799,953)
Losses recognised in profit or loss	(1,161,559)
Settlement of level 3 liability- notes converted into ordinary shares (refer to note 16)	2,961,512
Balance at 30 June 2023	-

The total losses in profit or loss related to level 3 financial instruments amounted to $1,161,559 (2022: $97,907).

Unobservable inputs and sensitivity of the level 3 financial instruments
Changing the risk-adjusted discount rate to reflect reasonably possible alternative assumptions would not significantly change the fair value of the derivative instrument.

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

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

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

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

Note 22. Key management personnel disclosures

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated 2023 $	Consolidated 2022 $
Short-term employee benefits	1,390,115	562,200
Post-employment benefits	34,840	-
Termination benefits	118,108	-
Share-based payments	187,546	-
	1,730,609	562,200

Other transactions with key management personnel and their related parties
The Company was provided with land access support and integrated approvals by a company jointly controlled by the wife of a former Director (Luke Titus). The contract ended in November 2022 and transactions were made on normal commercial terms and conditions, with personnel charged on an hourly basis at prevailing market rates for professionals in this field.

On 1 September 2022, the Company executed a conditional Share Sale Agreement with Michelle Simonds Pty Ltd (as trustee for the Michelle Simonds Family Trust) and NFM Enterprises Pty Ltd (as trustee for the McDonald Family Trust) for the acquisition of 100% of the shares in Byrock Resources Pty Ltd (Byrock) and White Hydrogen Australia Pty Ltd (WHA) for a total consideration of $2,000,000. The vendor parties are entities related to current Company Director Neil McDonald and former Company Director John (Luke) Titus. On 9 January 2023, the Company completed its purchase of 100% of the shares in Byrock and WHA via the issue of 4,000,000 fully paid ordinary shares to the vendor parties.

In addition to the amounts disclosed above for the services of Karl Schlobohm under the Millbohm contract, a further $49,833 was payable for the year ended 30 June 2023 for the provision of accounting, administrative and IT support services rendered, at standard market rates for services of this nature. No amount was paid or payable for the year ended 30 June 2022.

Refer to the remuneration report commencing on page 19 for further detail.

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the Company:

	Consolidated 2023 $	Consolidated 2022 $
Audit services - BDO Audit Pty Ltd		
Audit or review of the financial statements	57,000	17,000
Other services - BDO Audit Pty Ltd		
Due diligence services - Independent Limited Assurance Report	25,300	-
	82,300	17,000

Notes to the financial statements continued
for the year ended 30 June 2023

Note 24. Commitments

	Consolidated	
	2023	2022
	$	$
Future exploration commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	1,910,125	960,000
One to five years	15,059,177	11,065,000
	16,969,302	12,025,000

The amounts above include commitments for application areas that are expected to be granted but have not yet been granted. Additionally, the Group has obligations to undertake certain desktop studies and field-based activities in relation to granted exploration areas. These have been budgeted by the Group in line with the applications lodged for the tenement areas, and which are expected to be fulfilled in the normal course of operations of the Group.

Note 25. Related party transactions

Parent entity
Gold Hydrogen Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 28.

Key management personnel
Disclosures relating to key management personnel are set out in note 22 and the remuneration report included in the Directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2023	2022
	$	$
Payment for goods and services:		
Payment for services from other related party*	158,142	-
Other transactions:		
Acquisition of subsidiaries from Director related entities**	2,000,000	-

Note 25. Related party transactions (continued)

* The Company was provided with land access support and integrated approvals by a company jointly controlled by the wife of a former Director (John (Luke) Titus). The contract ended in November 2022 and transactions were made on normal commercial terms and conditions, with personnel charged on an hourly basis at prevailing market rates for professionals in this field.

Whilst not a related party as defined by the *Corporations Act*, CFO / Company Secretary Karl Schlobohm is deemed to be a related party for the purposes of this report under AASB 124. Accordingly, the amount disclosed above includes $49,833 payable for the year ended 30 June 2023 for the provision of accounting, administrative and IT support services rendered (under the contract between the Group and Millbohm Consulting), at standard market rates for services of this nature. There was no amount paid or payable for the year ended 30 June 2022.

** On 9 January 2023, Gold Hydrogen Limited acquired 100% of the ordinary shares of Byrock Resources Pty Ltd and White Hydrogen Australia Pty Ltd for a total consideration of $2,000,000 from entities related to current Company Director Neil McDonald and former Company Director John (Luke) Titus (refer note 27).

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2023	**2022**
	$	**$**
Director loans		
Opening balance	-	17,334
Advances	-	248,285
Repayments	-	(265,619)
Closing balance	-	-

The Director loans were unsecured, interest free and had no fixed repayment terms.

Note 26. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2023	**2022**
	$	**$**
Loss after income tax	(5,183,860)	(1,164,815)
Total comprehensive income	(5,183,860)	(1,164,815)

Notes to the financial statements continued
for the year ended 30 June 2023

Note 26. Parent entity information (continued)

Statement of financial position

	Parent	
	2023 $	2022 $
Total current assets	16,485,000	4,405,211
Total assets	23,641,022	5,060,911
Total current liabilities	453,405	6,254,828
Total liabilities	510,680	6,254,828
Net assets/(liabilities)	23,130,342	(1,193,917)
Equity		
Issued capital	29,320,673	100
Share-based payments reserve	187,546	-
Accumulated losses	(6,377,877)	(1,194,017)
Total equity/(deficiency)	23,130,342	(1,193,917)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2023 and 30 June 2022.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2023 and 30 June 2022.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2023 and 30 June 2022.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 27. Asset acquisitions

On 1 September 2022, the Company executed a conditional Share Sale Agreement with Michelle Simonds Pty Ltd (as trustee for the Michelle Simonds Family Trust) and NFM Enterprises Pty Ltd (as trustee for the McDonald Family Trust) for the acquisition of 100% of the shares in Byrock Resources Pty Ltd (Byrock) and White Hydrogen Australia Pty Ltd (WHA) for a total consideration of $2,000,000. The vendor parties are entities related to current Company Director Neil McDonald and former Company Director John (Luke) Titus. On 9 January 2023, the Company completed its purchase of 100% of the shares in Byrock and WHA via the issue of 4,000,000 fully paid ordinary shares to the vendor parties. The only material assets held by WH are its interests in PELAs 699, 700, 701, 702, 703, and 704, and the only material asset held by Byrock is its interest in PELA 688.

With reference to AASB 3 *Business combinations*, it has been determined that the acquisitions were not business combinations and have been accounted for as asset acquisitions. The cost of the acquisitions, including the consideration paid, transaction costs, and liabilities assumed, have been allocated to the following asset categories:

	2023 **$**
Cash	200
Exploration and evaluation (note 12)	1,999,800
	2,000,000

Note 28. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

		Ownership interest	
Name	**Principal place of business / Country of incorporation**	**2023** **%**	**2022** **%**
Byrock Resources Pty Ltd	Australia	100%	-
White Hydrogen Australia Pty Ltd	Australia	100%	-

Note 29. Events after the reporting period

On 1 July 2023, Dr Josh Whitcombe commenced as the Company's Chief Operating Officer. Executive Director Roger Cressey acted as COO from 16 May 2023 until 30 June 2023.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Notes to the financial statements continued
for the year ended 30 June 2023

Note 30. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2023 $	Consolidated 2022 $
Loss after income tax expense for the year	(5,185,783)	(1,164,815)
Adjustments for:		
Depreciation and amortisation	54,220	-
Share-based payments	187,546	-
Interest paid on accrued convertible note interest	(54,247)	-
Movement in fair value of convertible note derivative	1,161,559	97,907
Finance costs - non-cash	1,575,181	369,283
Change in operating assets and liabilities:		
Increase in trade and other receivables	(95,591)	(139,318)
Decrease/(increase) in prepayments	212	(4,875)
Decrease/(increase) in other operating assets	248	(248)
Increase/(decrease) in trade and other payables	(73,761)	393,920
Net cash used in operating activities	(2,430,416)	(448,146)

Non-cash investing and financing activities

	Consolidated 2023 $	Consolidated 2022 $
Shares issued on conversion of convertible notes	8,461,512	-

Note 30. Cash flow information (continued)

Changes in liabilities arising from financing activities

Consolidated	Lease liabilities $	Convertible notes $	Derivative instruments - convertible notes $	Loans due to Directors $	Total $
Balance at 1 July 2021	-	-	-	17,334	17,334
Net cash from/(used in) financing activities	-	5,311,829	-	(17,334)	5,294,495
Bifurcation of derivative instrument	-	(1,702,046)	1,702,046	-	-
Finance costs	-	369,283	-	-	369,283
Movement in fair value of convertible note derivative	-	-	97,907	-	97,907
Balance at 30 June 2022	-	3,979,066	1,799,953	-	5,779,019
Acquisition of leases	154,892	-	-	-	154,892
Net cash used in financing activities	(46,260)	-	-	-	(46,260)
Finance costs	-	1,575,181	-	-	1,575,181
Movement in fair value of convertible note derivative	-	-	1,161,559	-	1,161,559
Notes converted into ordinary shares	-	(5,500,000)	(2,961,512)	-	(8,461,512)
Payment of accrued interest disclosed under operating activities	-	(54,247)	-	-	(54,247)
Balance at 30 June 2023	108,632	-	-	-	108,632

Note 31. Earnings per share

	Consolidated 2023 $	**Consolidated 2022 $**
Loss after income tax attributable to the owners of Gold Hydrogen Limited	(5,185,783)	(1,164,815)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	107,952,820	79,076,977
Weighted average number of ordinary shares used in calculating diluted earnings per share	107,952,820	79,076,977
	Cents	**Cents**
Basic earnings per share	(4.80)	(1.47)
Diluted earnings per share	(4.80)	(1.47)

At 30 June 2023, the Company had 3,300,000 options on issue that are not included in the determination of diluted earnings per share as they are considered to be anti-dilutive.

Share split and impact on weighted average number of shares
On 7 November 2022, the Company completed a share split at the ratio of 790,769.77 fully paid ordinary shares for 1 fully paid ordinary share (refer note 17). The weighted average number of ordinary shares for 30 June 2022 has been adjusted for the effect of the share split, in accordance with AASB 133 *Earnings per share*.

Notes to the financial statements continued
for the year ended 30 June 2023

Note 31. Earnings per share (continued)

Accounting policy for earnings per share

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

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 32. Share-based payments

During the year ended 30 June 2023, the Company granted 3,900,000 options to the Directors and senior management as part of their remuneration packages. The options vest in 3 equal tranches as set out in the following table:

	Vesting date	Condition	Exercise price	Expiry date
Tranche 1	1.5 years after the ASX admission date	The market value (based on a 20-day VWAP calculation) for one share on the Company reaching 150% of the listing price	150% of the listing price	3 years after the ASX admission date
Tranche 2	2 years after the ASX admission date	The market value (based on a 20-day VWAP calculation) for one share on the Company reaching 200% of the listing price	200% of the listing price	4 years after the ASX admission date
Tranche 3	3 years after the ASX admission date	The market value (based on a 20-day VWAP calculation) for one share on the Company reaching 350% of the listing price	350% of the listing price	4 years after the ASX admission date

Vesting occurs when the Condition outlined above is satisfied on a one-time basis before the Vesting Date (i.e. it is not required to be sustained between satisfaction and exercise or expiry). Options will expire on the Vesting Date if the Condition is not satisfied. Upon termination of employment, unvested options expire immediately and vested options may be exercised up to 90 days after employment, after which they expire.

Note 32. Share-based payments (continued)

Set out below are summaries of options granted:

2023

Grant date	Tranche	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
31/10/2022	Tranche 1	11/01/2026	$0.75	-	600,000	-	-	600,000
31/10/2022	Tranche 2	11/01/2027	$1.00	-	600,000	-	-	600,000
31/10/2022	Tranche 3	11/01/2027	$1.75	-	600,000	-	-	600,000
01/11/2022	Tranche 1	11/01/2026	$0.75	-	200,000	-	-	200,000
01/11/2022	Tranche 2	11/01/2027	$1.00	-	200,000	-	-	200,000
01/11/2022	Tranche 3	11/01/2027	$1.75	-	200,000	-	-	200,000
02/11/2022	Tranche 1	11/01/2026	$0.75	-	300,000	-	(200,000)	100,000
02/11/2022	Tranche 2	11/01/2027	$1.00	-	300,000	-	(200,000)	100,000
02/11/2022	Tranche 3	11/01/2027	$1.75	-	300,000	-	(200,000)	100,000
04/11/2022	Tranche 1	11/01/2026	$0.75	-	200,000	-	-	200,000
04/11/2022	Tranche 2	11/01/2027	$1.00	-	200,000	-	-	200,000
04/11/2022	Tranche 3	11/01/2027	$1.75	-	200,000	-	-	200,000
				-	3,900,000	-	(600,000)	3,300,000
Weighted average exercise price				$0.00	$1.17	$0.00	$1.17	$1.17

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.2 years.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Tranche	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate
1	11/01/2026	$0.50	$0.75	85.00%	-	3.14%
2	11/01/2027	$0.50	$1.00	85.00%	-	3.20%
3	11/01/2027	$0.50	$1.75	85.00%	-	3.20%

For the purposes of AASB 2 *Share-based Payment*, the fair value of the options was independently determined using Monte Carlo simulation methodology, which utilises the binomial option pricing model.

An expense of $187,546 has been recognised in the profit or loss for the year (as part of employee benefits), which recognises the fair value of the unlisted options amortised for the financial year ended 30 June 2023.

Accounting policy for share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

Notes to the financial statements continued
for the year ended 30 June 2023

Note 32. Share-based payments (continued)

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Directors' declaration
30 June 2023

In the Directors' opinion:

- the attached financial statements and notes that are set out on pages 38 to 70, and the remuneration report set out on pages 19 to 25 in the Directors' Report, comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

N McDonald

Neil McDonald
Managing Director

30 August 2023

Independent auditor's report

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INDEPENDENT AUDITOR'S REPORT

To the members of Gold Hydrogen Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gold Hydrogen Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 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 directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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.

Carrying value of exploration and evaluation assets

Key audit matter	*How the matter was addressed in our audit*
The Entity carries exploration and evaluation assets in accordance with the Entity's accounting policy for exploration and evaluation assets as set out in Note 12. The recoverability of exploration and evaluation assets is a key audit matter due to the significance of the total balance as a proportion of total assets and the level of procedures undertaken to evaluate management's application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources ('AASB 6') in light of any indicators of impairment that may be present.	Our procedures included: • Obtaining evidence that the Entity has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining supporting documentation such as licence agreements and also considering whether the Entity maintains the tenements in good standing. • Making enquiries of management with respect to the status of ongoing exploration programs in the respective areas of interest. • Enquiring of management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Entity had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Independent auditor's report continued

BDO

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

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 (http://www.auasb.gov.au/Home.aspx) at:

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 31 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Gold Hydrogen Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

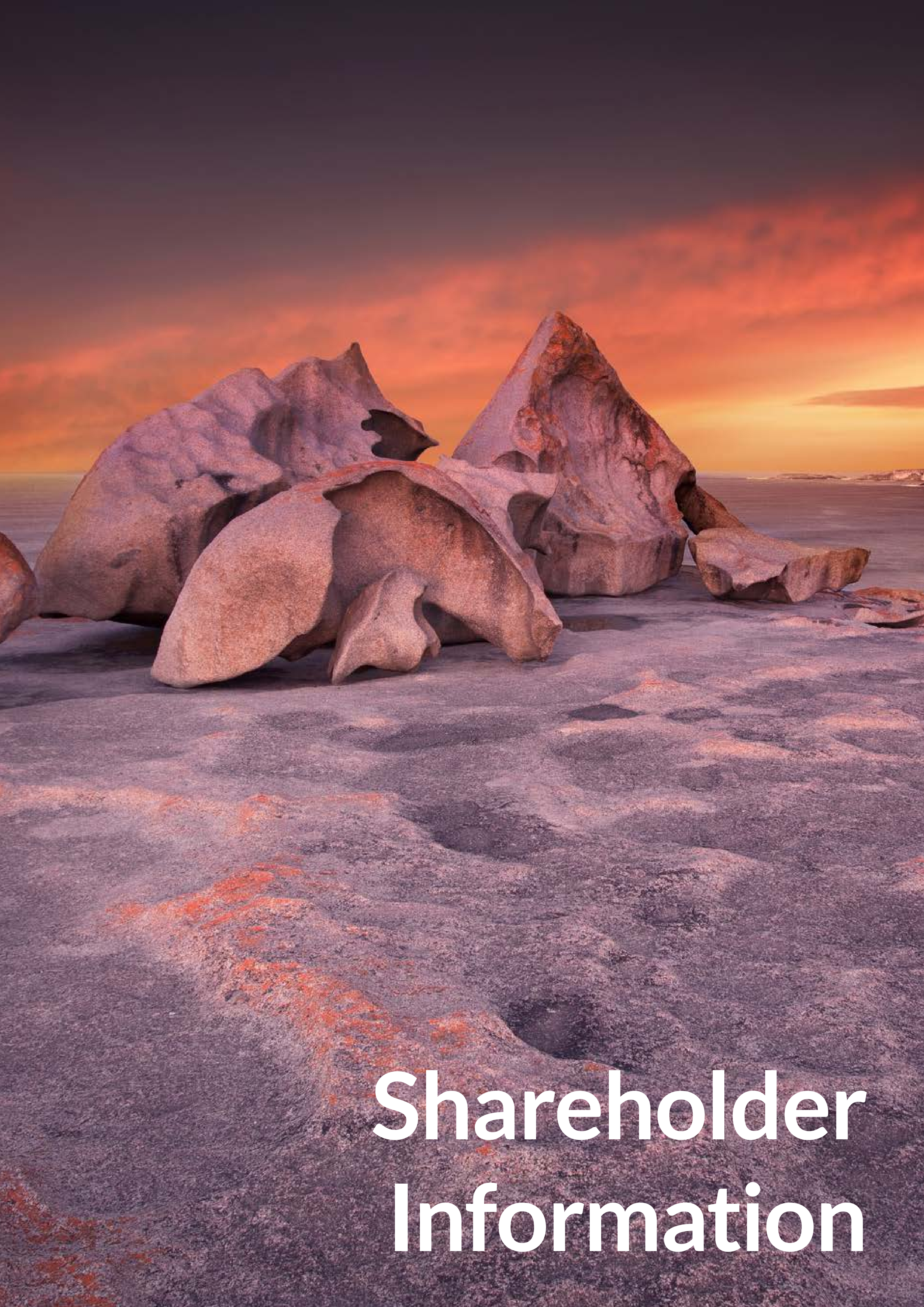
The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian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

BDO Audit Pty Ltd

BDO

R M Swaby
Director

Brisbane, 30 August 2023



Shareholder Information

Shareholder information
for the year ended 30 June 2023

The shareholder information set out below was applicable as at 28 August 2023.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Ordinary shares escrowed to 13 January 2025	
	Number of holders	% of total shares in class	Number of holders	% of total shares in class
1 to 1,000	140	57.75	-	-
1,001 to 5,000	570	34.19	-	-
5,001 to 10,000	327	5.00	-	-
10,001 to 100,000	549	2.85	24	1.62
100,001 and over	75	0.21	15	98.38
	1,661	100.00	39	100.00
Holding less than a marketable parcel	297	17.88	N/A	-

	Options expiring 11 January 2026 exercisable at $0.75		Options expiring 11 January 2027 exercisable at $1.00		Options expiring 11 January 2027 exercisable at $1.75	
	Number of holders	% of total options in class	Number of holders	% of total options in class	Number of holders	% of total options in class
1 to 1,000	-	-	-	-	-	-
1,001 to 5,000	-	-	-	-	-	-
5,001 to 10,000	-	-	-	-	-	-
10,001 to 100,000	4	36.36	4	36.36	4	36.36
100,001 and over	3	63.64	3	63.64	3	63.64
	7	100.00	7	100.00	7	100.00
Holding less than a marketable parcel	N/A	-	N/A	-	N/A	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities (i.e. excluding escrowed securities) are listed below:

		Ordinary shares		
		Number held	% of total shares in class	% of total shares issued
1	INTERCONTINENTAL PTY LIMITED	8,545,000	15.01	6.10
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,275,953	12.78	5.20
3	WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	1,700,000	2.99	1.21
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <A/C 2>	1,659,046	2.91	1.19
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,442,445	2.53	1.03
6	MR ROBERT GILBERT JOHNS	387,000	0.68	0.28
7	FZIC PTY LTD <MCMAHON FAMILY A/C>	369,230	0.65	0.26
8	CITICORP NOMINEES PTY LIMITED	361,395	0.63	0.26
9	A GARRONE PTY LTD <A GARRONE SUPERFUND A/C>	314,286	0.55	0.22
10	UURO PTY LTD	300,000	0.53	0.21
10	MR BENJAMIN SKUBRIS	300,000	0.53	0.21
11	TB & EK NOMINEES PTY LTD <CROMMELIN FAMILY SUPER A/C>	280,769	0.49	0.20
12	LACHLAN MCLEAN & DENISE MCLEAN & SAMUELMCLEAN <LACH & DENISE SUPER A/C>	276,923	0.49	0.20
12	PAUL ALEXANDER ELKINGTON	276,923	0.49	0.20
13	MR PAUL MCCARTHY & MRS TANIA MCCARTHY <MCCARTHY SUPER FUND A/C>	275,000	0.48	0.20
14	MR EDWARD MALOUF	261,537	0.46	0.19
15	MR BRIAN GERARD SHEAHAN <SHEAHAN FAMILY ACCOUNT>	250,090	0.44	0.18
16	MGD STRATEGIC ACQUISITIONS PTY LTD <MGD STRATEGIC ACQUISITIONS A/C>	246,153	0.43	0.18
17	MR VILNIS SKUBRIS & MRS HELEN LYNETTE SKUBRIS <SKUBRIS SUPER FUND NO 2 A/C>	238,461	0.42	0.17
18	SEALION SUPERANNUATION FUND PTY LTD <SEALION SUPER FUND A/C>	235,717	0.41	0.17
19	PEJAY PTY LIMITED	230,769	0.41	0.16
20	JETMAIN PTY LTD	215,384	0.38	0.15
20	LUCIDA INVESTMENTS PTY LTD	215,384	0.38	0.15
	Total	**25,657,465**	**45.07**	**18.32**
	Balance of register	**31,265,558**	**54.93**	**81.68**
	Grand total	**56,923,023**	**100.00**	**100.00**

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
NFM ENTERPRISES PTY LTD <MCDONALD FAMILY A/C>*	38,506,511	27.50
MICHELLE SIMONDS PTY LTD <MICHELLE SIMONDS FAMILY A/C>*	38,506,511	27.50

** Shares are escrowed until 11 January 2025*

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

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

There are no other classes of equity securities.

Shareholder information continued
for the year ended 30 June 2023

Tenements

Permit/ Project Name	Gold Hydrogen Interest	Applicant	Geologic Area & Basin	Size (km^2)	Term	Grant Date	Application Date	Expiry Date	Status	Act
PEL 687 Ramsay	100%	Gold Hydrogen Limited	Stansbury Basin & Kanmantoo Trough	7820	5-years	22/07/21	-	21/07/26	Granted	PGEA 2000
PEL(A) 688 Kanmantoo	100%	Byrock Resources Pty Ltd	Stansbury Basin & Kanmantoo Trough	9962	5-years	-	12/05/21	-	Pending	PGEA 2000
PEL(A) 699 Robe	100%	White Hydrogen Australia Pty Ltd	Padthaway Ridge-Kanmantoo Platform & Otway Basin	9624	5-years	-	19/07/21	-	Pending	PGEA 2000
PEL(A) 700 Padthaway	100%	White Hydrogen Australia Pty Ltd	Padthaway Ridge-Kanmantoo Platform & Troubridge Basin Basin	9748	5-years	-	19/07/21	-	Pending	PGEA 2000
PEL(A) 701 Troubridge	100%	White Hydrogen Australia Pty Ltd	Kanmantoo Platform & Troubridge Basin	9750	5-years	-	19/07/21	-	Pending	PGEA 2000
PEL(A) 702 Renmark	100%	White Hydrogen Australia Pty Ltd	Kanmantoo Platform & Renmark Trough	9563	5-years	-	19/07/21	-	Pending	PGEA 2000
PEL(A) 703 Boucat	100%	White Hydrogen Australia Pty Ltd	Kanmantoo Platform & Renmark Trough	9015	5-years	-	3/08/22	-	Pending	PGEA 2000
PEL(A) 704 Baratta	100%	White Hydrogen Australia Pty Ltd	Kanmantoo Platform & Renmark Trough	9850	5-years	-	19/07/21	-	Pending	PGEA 2000
GSEL(A) 755 Maitland	100%	Gold Hydrogen Limited	Stansbury Basin	2470	5-years	-	28/04/22	-	Pending	PGEA 2000
GSEL(A) 756 Yorketown	100%	Gold Hydrogen Limited	Stansbury Basin	2272	5-years	-	28/04/22	-	Pending	PGEA 2000
GSEL(A) 757 Binders	100%	Gold Hydrogen Limited	Kanmantoo Trough	1780	5-years	-	28/04/22	-	Pending	PGEA 2000
GSEL(A) 758 Penneshaw	100%	Gold Hydrogen Limited	Kanmantoo Trough	1585	5-years	-	28/04/22	-	Pending	PGEA 2000

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Gold Hydrogen

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