MAKO GOLD LIMITED

A.B.N. 84 606 241 829

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

Drilling on Napié Project – Côte d'Ivoire

MAKO GOLD LIMITED

CORPORATE INFORMATION

DIRECTORS
Mark Elliott (Non-Executive Chairman)
Peter Ledwidge (Managing Director)
Michele Muscillo (Non-Executive Director)

COMPANY SECRETARY
Paul Marshall

AUSTRALIAN BUSINESS NUMBER
ABN 84 606 241 829

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BDO Audit Pty Ltd
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ASX SECURITIES
MKG – Fully paid ordinary shares
MKGO – Listed $0.30 16/4/21 options

Your directors present their report on the consolidated entity consisting of Mako Gold Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2018.

Directors

The directors of the company in office during the half-year and until the date of this report are:

Mark Elliott (Non-Executive Chairman)
Peter Ledwidge (Managing Director)
Michele Muscillo (Non-Executive Director)

Review and Results of Operations and Significant Changes in the State of Affairs

Mako Gold is an exploration company focussed on the discovery of large high-grade gold deposits in highly prospective and under-explored terrains in Côte d'Ivoire, Burkina Faso and other favourable countries in West Africa.

The Company was established in June 2015 and acquired its first project interests in July 2016. The conversion of Mako Gold to a public company was completed in June 2017. Mako raised $700,000 in seed capital from investors in April 2017 and a further $500,000 in December 2017. The Company completed an IPO raising $6,000,000 and listed on the ASX on 16 April 2018. The IPO included a $2,000,000 cornerstone investment by gold miner Resolute Mining Limited and was oversubscribed.

Work in the period to 31 December 2018 was focussed on initial exploration work on the Company projects.

<u>Napié Project - Côte d'Ivoire</u>

Mako Gold's flagship Napié Project is located in north-central Côte d'Ivoire within the Daloa greenstone belt (Figure 1). Mako is earning up to a 75% interest in the Napié Project under a farm-in and joint venture agreement with Occidental Gold SARL, a subsidiary of West African gold miner Perseus Mining Limited (ASX/TSX:PRU).

The Company completed its maiden drilling program on 17 July 2018. The program consisted of 52 RC holes for a total of 4,171m drilled and 6 DD holes for a total of 609m drilled. The maiden drilling program was designed to test high priority targets identified by Mako along a 23km soil/auger anomalies, as well as a separate 2km soil anomaly to the east.

The successful first-pass RC and DD drilling program highlighted the potential for large high-grade gold deposits on the Napié Project. Wide-spaced drilling outlined a 13km long gold corridor including the 5km Tchaga Prospect and 4km Gogbala Prospect. The untested portions of the soil/auger anomalies will be a target for future exploration after the priority Tchaga and Gogbala Prospects have been advanced.

An RC drill program commenced in January 2019 on the Tchaga and Gogbala prospects. The drill program follows the positive results received from the 2018 maiden drilling program which returned wide, high-grade gold intersections. The drilling program was planned following interpretation of IP and ground magnetic geophysical surveys and a structural review of the diamond drill core completed during the reporting period.

The recently completed program included 2,550m of RC drilling in 17 holes to follow up on previously reported gold mineralisation, which included 3.43g/t Au over 25m and 6.98g/t Au over 3.3m at the Tchaga Prospect (Figure 2) and 5.39g/t Au over 12m and 2.67g/t Au over 6m at the Gogbala Prospect (Figure 4). Gold mineralisation is associated with quartz veins within alteration halos of potassium, silica and sericite associated with the regional NNE regional shear direction. The goals of the drilling were to increase the width of the mineralised zones, and to test the extent of the mineralisation along strike at both prospects. The drill holes were completed to an approximate vertical depth of 140m to target shallow, high-grade gold mineralisation.

The results of the drilling on both the Tchaga and Gogbala Prospects were very pleasing with drilling intersecting multiple zones with significant widths and grades of gold mineralisation with individual 1m assays up to 29.89g/t Au (hole NARC066) and separately widths up to 28m at 4.86g/t Au (hole NARC057).

The mineralised strike length at Tchaga Prospect has been confirmed to 500m (Figure 2). Widths of intermittent gold mineralisation on drilling thus far reach up to 115m laterally (Figure 3). The mineralised strike length at Gogbala Prospect has been confirmed to 2km (Figure 4).

The areas drilled to date area cover only a very small part of the 23km long main +40ppb soil/auger anomaly (inset to Figure 2 and Figure 4). Gold mineralisation is open laterally, along strike and at depth on both prospects. The recent drill results increase the confidence in the potential for the Napié Project to host an economic gold deposit along the 23km-long gold geochemical anomaly.

Mako is planning a follow-up drill program on the Tchaga and Gogbala Prospects prior to the start of the wet season, which usually begins in July. The object of the follow-up drilling will be to extend strike and width directions of known mineralisation as well as testing new targets identified by Mako geologists.

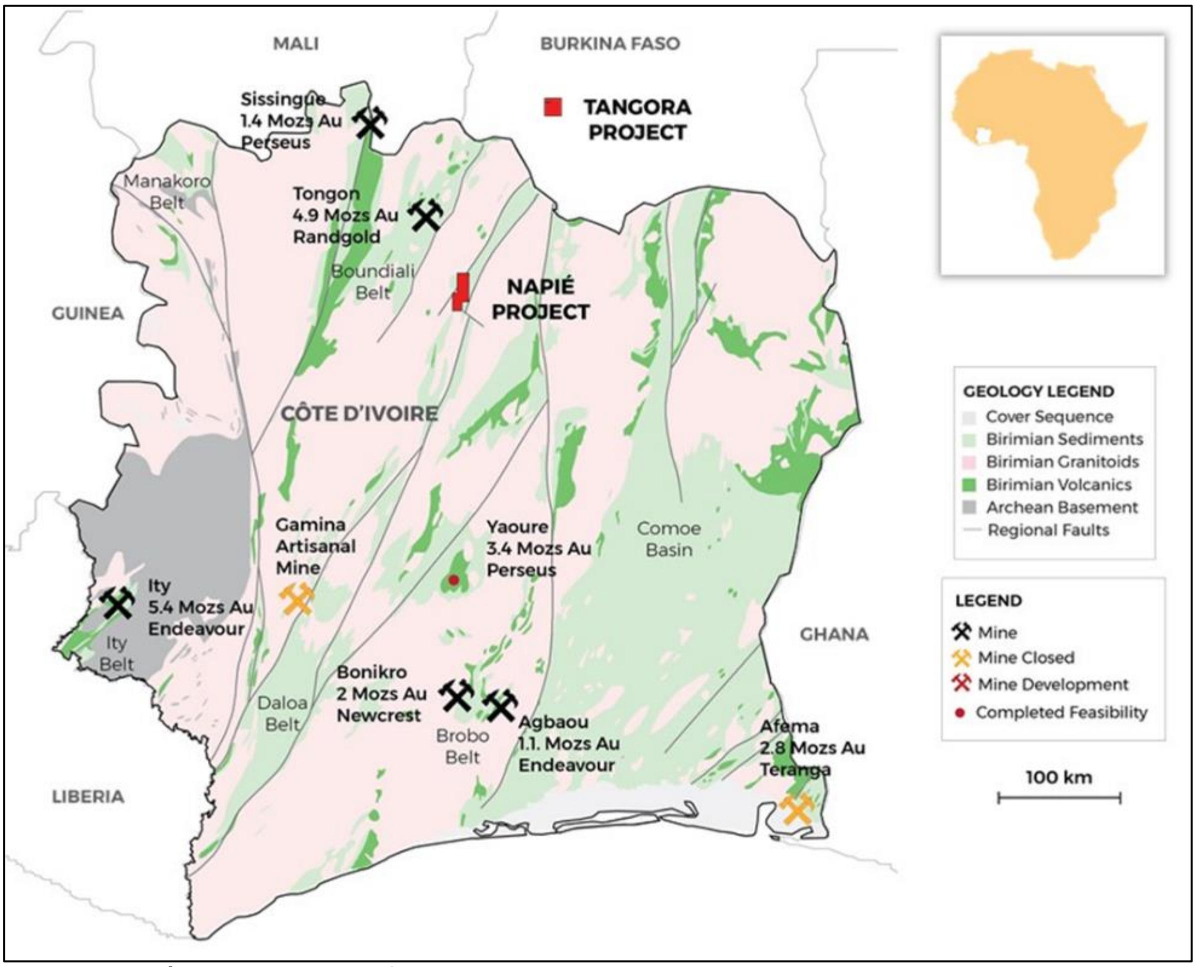

Figure 1: Napié Project location - Cote d'Ivoire

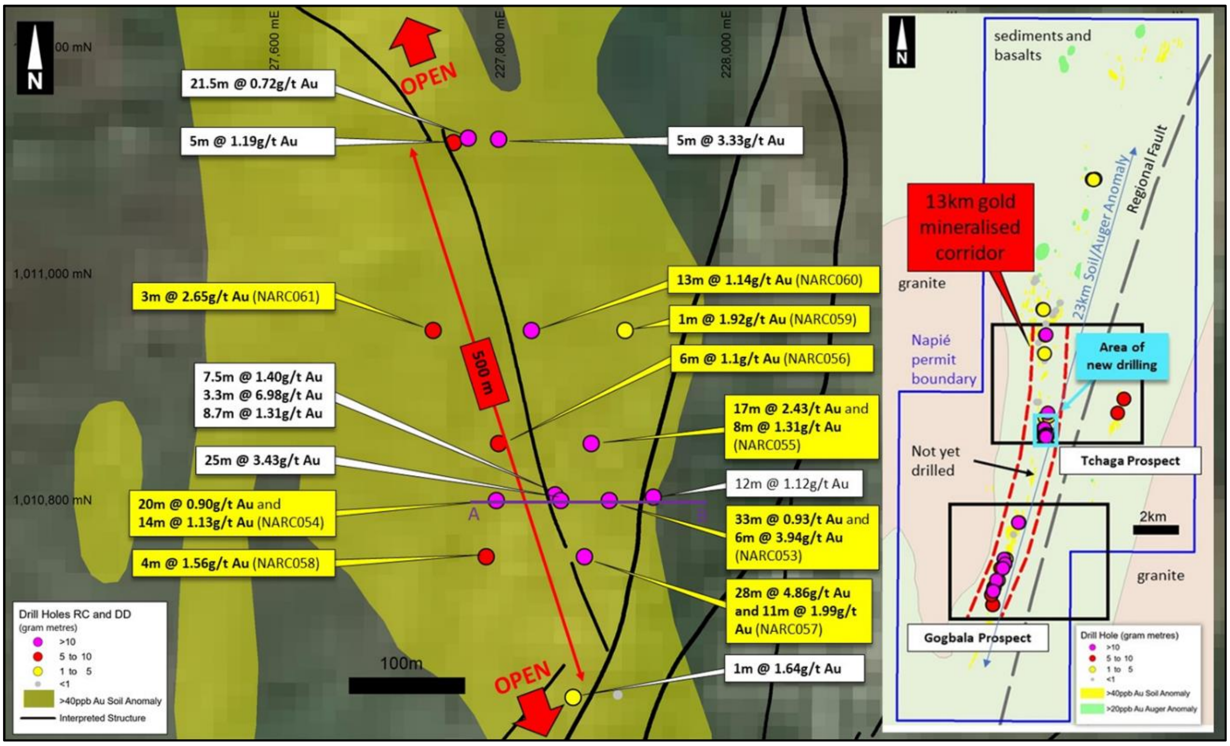

Figure 2: Tchaga Prospect drill results (new results shown in yellow)

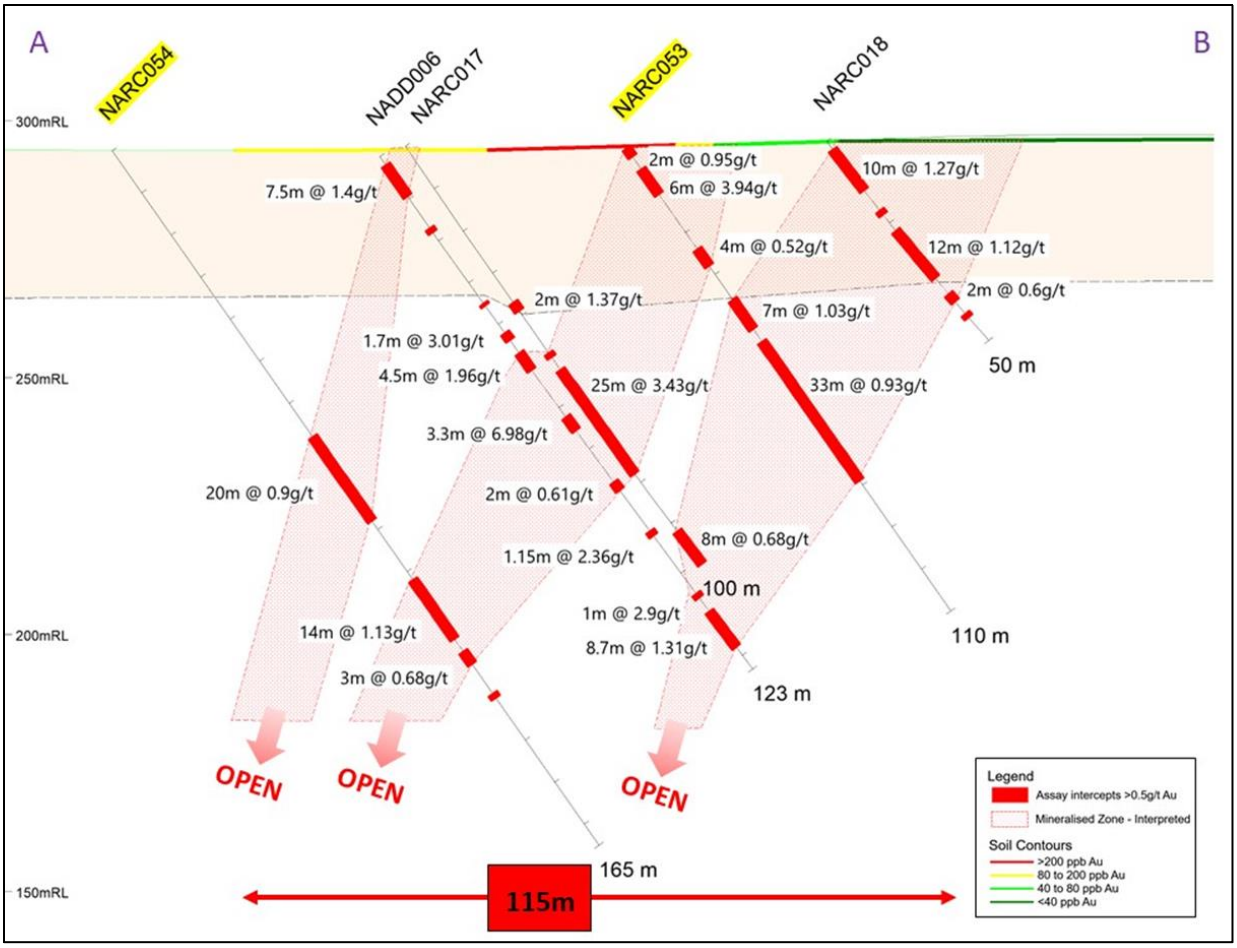

Figure 3: Tchaga Prospect - Cross section looking north (new drill holes shown in yellow)

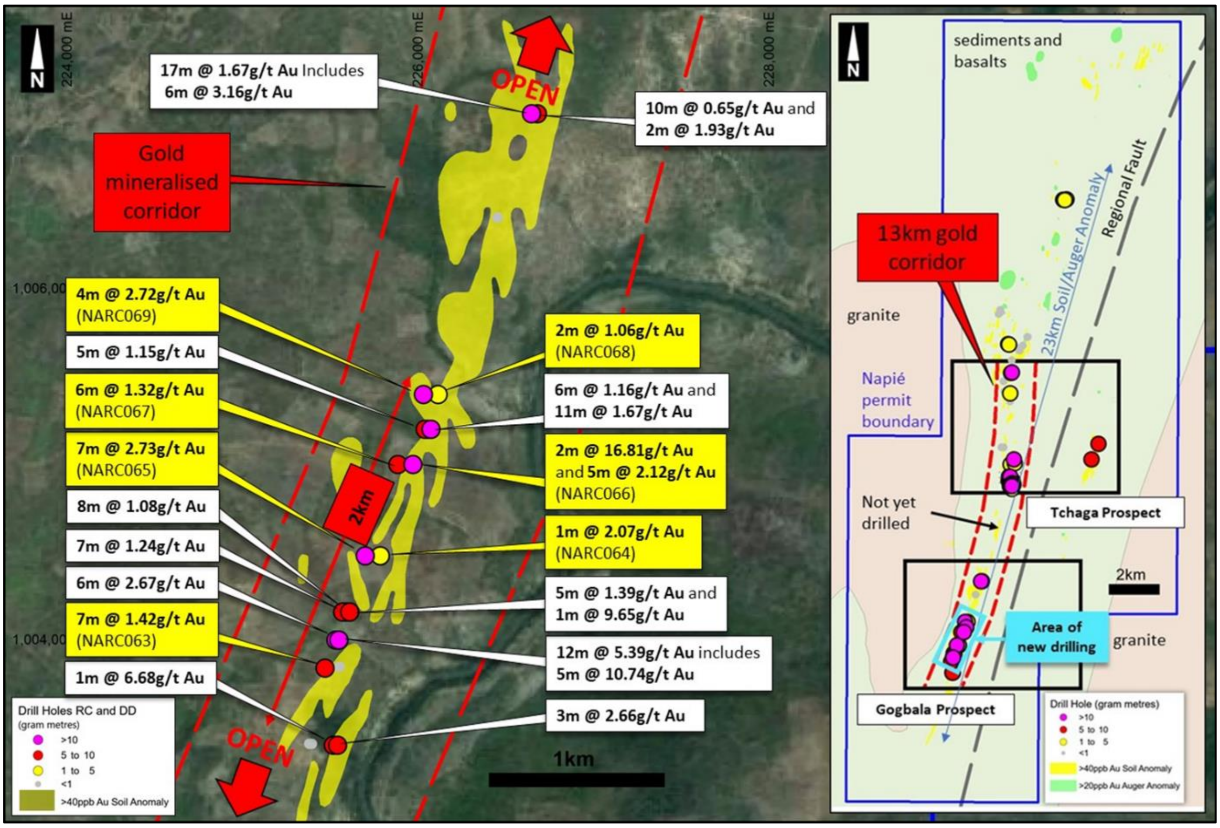

Figure 4: Gogbala Prospect drill results (new results shown in yellow)

Niou project – Burkina Faso

The Niou project is located in central Burkina Faso. The permit is held under a 3-year option agreement with local owners for the right to acquire 100% ownership by Mako Gold.

Mako announced a gold discovery from its RC maiden drilling program subsequent to the reporting period. Drilling intersected multiple zones with significant widths and grades of gold mineralisation with individual 1m assays up to 53.80g/t Au and separately widths up to 24m at 2.73g/t Au. In addition, several drill holes intersected multiple zones of gold mineralisation throughout the entire length of the drill hole, up to 150m long, and ended in mineralisation. The discovery was a result of methodical exploration completed by Mako, including soil geochemical sampling, geological mapping, rock chip mapping and airborne geophysics.

The RC drilling program was designed to test two targets (Target A and B) within a broad (1 to 2km wide) zone of shearing associated with a major regional fault and coincident with a gold soil anomaly along a 7km long strike. Drill hole locations within Targets A and B are shown on in Figure 5 below.

Niou-Target A - Artisanal Gold Mining Target
Target A contains a 2km-long by 1km-wide main gold artisanal mining site (shown in white in Figure 4), where artisanal miners are mining to depths up to 50m suggesting high-grade mineralisation is present in the area. Seven RC drill holes totalling 810m were completed on the artisanal site within Target A. Assay results of Target A are shown on 5. Six of the 7 holes drilled within Target A hosted significant gold intersections with multiple mineralised intervals within each hole.

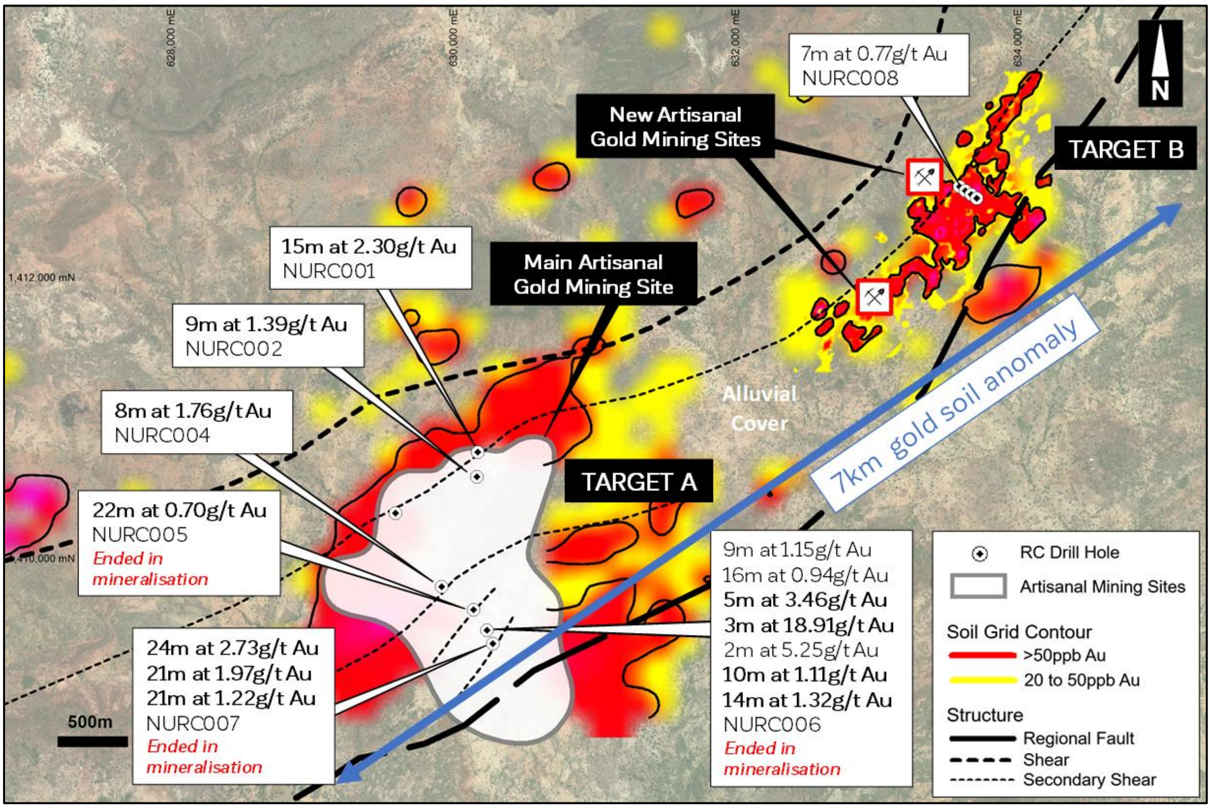

Figure 5: Niou Project -Targets with drill hole locations and results on gold soil geochemical anomaly

<u>**Tangora Project – Burkina Faso**</u>

The Tangora project is located in southwestern Burkina Faso and was also held under a 3 year option agreement with local owners for the right to acquire 100% ownership by Mako Gold. No work was completed on the project during the reporting period. Subsequent to the end of the reporting period the company made the decision not to continue with the project to allow Mako to focus on the more advanced Napié and Niou projects. As a result all of the previously capitalised expenditure on the Tangora project, totalling $554,260, has been expensed in the period.

Competent Persons Statement

The information in this Annual Report that relates to Exploration Results and Mineral Resources is based on information compiled and/or reviewed by Mrs Ann Ledwidge B.Sc.(Hon.) Geol., MBA, who is a Member of The Australasian Institute of Mining and Metallurgy. Mrs Ledwidge is a full-time employee and a substantial shareholder of the Company. Mrs Ledwidge has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mrs Ledwidge consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Auditor Independence Declaration under Section 307C of the Corporations Act 2001

The Auditor's Independence Declaration is attached and forms part of the Directors' Report for the half-year ended 31 December 2018.

Signed in accordance with a resolution of the Directors.

M Elliott

Mark Elliott
Director

Brisbane, 14 March 2019

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

As lead auditor for the review of Mako Gold Limited for the half-year ended 31 December 2018, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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

R M Swaby
Director

BDO Audit Pty Ltd

Brisbane, 14 March 2019

MAKO GOLD LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Note	31 December 2018 $	31 December 2017 $
Interest income		7,252	553
IPO costs		-	(121,039)
Exploration write down		(554,260)	-
Employment costs		(117,000)	(52,000)
Other expenses		(149,199)	(91,190)
Loss before tax		(813,207)	(263,676)
Income tax expense		-	-
Loss for the period		(813,207)	(263,676)
Foreign currency translation differences on foreign operations		29,651	11,612
Other comprehensive income		29,651	11,612
Total comprehensive income for the half-year		(783,556)	(252,064)
Total comprehensive income for the half year is attributable to: **Owners of Mako Gold Limited**		(783,556)	(252,064)
Basic loss per share (cents per share)	4	(1.29)	(0.59)
Diluted loss per share (cents per share)	4	(1.29)	(0.59)

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

MAKO GOLD LIMITED

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	31 December 2018 $	30 June 2018 $
Current Assets			
Cash and cash equivalents		2,389,770	4,479,038
Short term investment		42,900	-
Trade and other receivables		16,487	69,383
Other current assets		19,723	71,532
Total Current Assets		2,468,880	4,619,953
Non-Current Assets			
Exploration and evaluation assets	6	3,010,170	2,202,209
Total Non-Current Assets		3,010,170	2,202,209
Total Assets		5,479,050	6,822,162
Current Liabilities			
Trade and other payables	7	313,035	871,019
Provisions		52,086	60,533
Total Current Liabilities		365,121	931,552
Total Liabilities		365,121	931,552
Net Assets		5,113,929	5,890,610
Equity			
Issued capital	2	6,556,961	6,556,961
Reserves		133,217	96,690
Accumulated losses		(1,576,249)	(763,042)
Total Equity		5,113,929	5,890,610

The Consolidated Balance Sheet should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Note	31 December 2018 $	31 December 2017 $
Cash Flows from Operating Activities			
Cash payments in the course of operations		(132,453)	(158,729)
Interest received		7,252	553
Net cash used in operating activities		(125,201)	(158,176)
Cash Flows from Investing Activities			
Deposits refunded		49,756	
Payments for exploration & evaluation		(2,000,574)	(295,781)
Net cash used in investing activities		(1,950,818)	(295,781)
Cash Flows from Financing Activities			
Proceeds from issue of shares		-	500,000
Loans (repaid)		-	(33,311)
Net cash flows provided by financing activities		-	466,689
Net increase/(decrease) in cash held		(2,076,019)	12,732
FX Reserve		29,651	11,611
Cash at the beginning of the period		4,479,038	434,477
Cash at the end of the period		2,432,670	458,820

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

MAKO GOLD LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

	Issued Capital	Foreign Currency Reserve	Share Option Reserve	Accumulated Losses	Total
	$	$	$	$	$
Balance at 1 July 2017	739,100	(6,446)	-	(89,278)	643,376
Loss after income tax	-	-	-	(263,676)	(263,676)
Foreign currency translation differences of foreign operations	-	11,612	-	-	11,612
Total comprehensive income	-	11,612	-	(263,676)	(252,064)
Transactions with owners in their capacity with owners					
Issue of shares re share placement	500,000	-	-	-	500,000
Total transactions with owners	500,000	-	-	-	500,000
Balance at 31 December 2017	**1,239,100**	**5,166**	**-**	**(352,954)**	**891,312**
Balance at 1 July 2018	6,556,961	1,868	94,823	(763,042)	5,890,610
Loss for the period	-	-	-	(813,207)	(813,206)
Foreign currency translation differences of foreign operations	-	29,651	-	-	29,651
Total comprehensive income	-	29,651	-	(813,207)	(783,556)
Transactions with owners in their capacity with owners					
Share based payments	-	-	6,875	-	6,875
Total transactions with owners	-	-	6,875	-	6,875
Balance at 31 December 2018	**6,556,961**	**31,519**	**101,698**	**(1,576,249)**	**5,113,929**

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

This general purpose financial report for the interim half-year reporting period ended 31 December 2018 has been prepared in accordance with Australian Accounting Standard AASB134: Interim Financial Reporting and the Corporations Act 2001.

The interim report does not include all notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by Mako Gold Limited during the interim reporting period.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period. New and revised standards have been issued by the AASB during the half-year; however there are no material changes to the policies that affect measurement of the results or financial position of the consolidated entity.

Fair Values
The fair values of cash and cash equivalents, trade and other receivables, security deposits, interest bearing loans and borrowings and trade and other payables approximate their carrying value due to their shot term nature

Key judgements – exploration & evaluation assets
The consolidated entity 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 drilling results performed to balance date.

The Directors have assessed that for the exploration and evaluation assets recognised at 31 December 2018, 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”.

New accounting policies:
A number of new or amended standards became application for the current reporting period however there were no retrospective or current period adjustments resulting from adopting the following standards:

- AASB 9 *Financial Instruments*, and
- AASB 15 *Revenue from Contracts with Customers*

Impact of standards issued but not yet applied by the entity
AASB 16 Leases
AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are include mining and exploration leases, short term leases and low value assets.

The accounting for lessors will not significantly change.

The standard is mandatory for first interim periods within annual reporting periods beginning on or after 1 January 2019. The group does not intend to adopt the standard before its effective date.

As the consolidated entity does not have any leases covered by the standard there will be no impact of the financial statements from applying the new standard.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

Going Concern

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

As disclosed in the financial statements, the Company achieved a net loss of $813,207 (and net operating cash outflows of $2,076,019 for the half-year ended 31 December 2018. As at 31 December 2018 the Company had a total cash balance of $2,432,670.

The ability of the Company to continue as a going concern is principally dependent upon the following conditions:

- the ability of the Group to successfully raise capital, as and when necessary; and
- the ability to complete successful development and commercialisation of its projects in West Africa.

These conditions give rise to material uncertainty which may cast significant doubt over the group's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the Company's proven history of successfully raising funds including its initial public offering completed on 16 April 2018.

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

2. ISSUED CAPITAL

Ordinary Shares	**Half-year Ended Dec 2018**		**Year Ended June 2018**	
	Nos of shares	**$**	**Nos of shares**	**$**
Ordinary shares fully paid				
Beginning of the financial period	63,250,100	6,556,961	44,000,100	739,100
Increases				
- Placement of shares to subscribers (1)	-	-	5,000,000	500,000
- Issue of shares to IPO sponsoring broker (2)	-	-	450,000	90,000
- Issue of IPO shares (3)	-	-	30,000,000	6,000,000
- Selective cancellation of shares (4)	-	-	(16,200,000)	(3)
- Costs of share issues (5)	-	-	-	(772,136)
End of financial period	63,250,100	6,556,961	63,250,100	6,556,961

(1) Subscriptions for shares at $0.10 per share

(2) Issue of 75,000 shares on lodgement of IPO prospectus and 375,000 on ASX listing at $0.20 per share

(3) Issue of 30,000,000 shares at $0.20 per share in relation to IPO of the company

(4) Cancellation of 16,200,000 shares held by founding shareholders for a total of $3 following approval at EGM

(5) Costs of $14,070 re placement of shares and $758,066 in relation to IPO.

Share Options

Details of options issued, exercised and expired during the financial period are set out below:

Each option is convertible into one fully paid ordinary share on or before the expiry date

		Movements				
Expiry Date	**Exercise Price**	**1-Jul-18**	**Issued**	**Exercised**	**Expired**	**31-Dec-18**
Listed 16/04/2021	$0.30	14,999,983	-	-	-	14,999,983
Unlisted 26/04/2021	$0.30	2,500,000	-			2,500,000
Unlisted 30/04/2021	$0.30	500,000	500,000			1,000,000
		17,999,983	500,000	-	-	18,499,983

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

3. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent assets or liabilities.

4. LOSS PER SHARE

	Consolidated Entity	
	31 December 2018	**31 December 2017**
	$	**$**
Loss per share		
Basic and diluted loss per share (cents per share)	(1.29)	(0.59)
The following reflects the income and share data used in the calculations of basic and diluted loss per share:		
Loss for the period used in calculating basic and diluted loss per share	(813,207)	(263,676)
Weighted average no. of ordinary shares on issue	63,250,100	44,706,622

5. SEGMENT INFORMATION

Reportable Segments

During the financial year the company had exploration activities in West Africa (Burkina Faso and Cote D'Ivoire) while its head office was located in Australia.

The principal geographical areas of operation of the Consolidated Entity are as follows:
- Australia
- West Africa (Burkina Faso and Cote D'Ivoire)

Operating segments are identified on the basis of internal reports that are regularly reviewed by the executive team in order to allocate resources to the segment and assess its performance. The group only has 1 reportable segment.

6. EXPLORATION AND EVALUATION ASSETS

	Consolidated Entity	
	Half-year Ended 31 December 2018	**Year Ended 30 June 2018**
	$	**$**
Exploration costs carried forward in respect of areas of interest		
- Exploration phase	3,010,170	2,202,209
Reconciliation		
Exploration expenditure capitalised		
- Opening balance	2,202,209	332,737
- Net Current period/year expenditure	1,362,221	1,869,472
- Written off during the period/year	(554,260)	-
Carried forward	3,010,170	2,202,209

Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation of areas of interest, and the sale of minerals or the sale of the respective areas of interest.

The Company has made a decision not to proceed with any further with its option over the Tangora project in Burkina Faso. As a result all of the previously capitalised expenditures in relation to the project have been written off as at 31 December 2018.

7. TRADE AND OTHER PAYABLES

	Consolidated Entity	
	Half-year Ended 31 December 2018 $	Year Ended 30 June 2018 $
Trade creditors	229,517	309,153
Other payables and accruals	83,518	561,866
	313,035	871,019

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of cash flows, includes short-term deposits and cash as follows:.

	Consolidated Entity	
	Half-year Ended 31 December 2018 $	Year Ended 30 June 2018 $
Cash	2,389,770	4,479,038
Short-term deposits	42,900	-
	2,432,670	4,479,038

Directors' Declaration

In the Directors' opinion:

(a) the attached financial statements and notes as set out on pages 9 to 16 are in accordance with the Corporations Act 2001 and*:*

   (i) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

   (ii) give a true and fair view of the Consolidated Entity's financial position as at 31 December 2018 and of its performance for the half year ended on that date; and

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

This declaration is made in accordance with a resolution of the board of directors.

On behalf of the directors

Mark Elliott
Director

Brisbane
14 March 2019

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Mako Gold Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Mako Gold Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated balance sheet as at 31 December 2018, 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 half-year then ended, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2018 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of matter – Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2018 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001,* which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO Audit Pty Ltd

BDO

R M Swaby
Director

Brisbane, 14 March 2019