



Twenty Seven Co. Limited

ABN 48 119 978 013

Annual Report

30 June 2019



Contents

2	Corporate Directory
3	Chairman's Report
4	Chief Executive Officer's Report
5	Operating and Financial Review
7	Exploration Projects
14	Directors' Report
24	Auditor's Independence Declaration
25	Financial Information
56	Directors' Declaration
57	Independent Auditor's Report
61	Additional Information

Corporate Directory

Directors

Robert Scott
Non-Executive Chairman

Mark Burchnall
Non-Executive Director

Timothy Armstrong
Non-Executive Director

Chief Executive Officer

Ian Warland

Chief Financial Officer / Company Secretary

Damien Connor

Registered Office & Administrative Office

Twenty Seven Co. Limited
ABN 48 119 978 013
Ground Floor, 28 Greenhill Road
Wayville, Adelaide
South Australia 5034
Telephone +61 (0)8 8274 2127
enquiries@twentysevenco.com.au

Share Registry

Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide SA 5000
GPO Box 1903
Adelaide SA 5001
Investor Enquiries (within Australia): 1300 556 161
Facsimile +61 8 8236 2305

Auditor

Grant Thornton Audit Pty Ltd
Level 3, 170 Frome Street Adelaide
SA 5000

Banker

National Australia Bank
Level 1, 22 King William Street Adelaide
SA 5000

Australian Securities Exchange

The Company is listed on the Australian Securities Exchange.
ASX code: TSC

Website

www.twentysevenco.com.au

Chairman's Report

Dear Shareholders,

In mid-April 2018 your Board was restructured with Mark Burchnell, Timothy Armstrong and I joining the Board following the resignations of our predecessors Robert Rorrison, Martin Janes and Mark Siford. On behalf of all stakeholders, we thank them for their collective contributions and leadership during their tenure and wish them well for the future.

The new Board's initial focus has been reviewing the macro environment and reconciling how best to optimise the current asset mix to generate maximum value for shareholders. With cobalt having been on a cyclical downturn for the past 12 months, the Board has determined it prudent to broaden the Group's strategic scope to encompass base and precious metals, whilst actively re-aligning the asset mix.

Notably, the re-rating in the gold price over the past 12-months to above US\$1,500/oz has materially enhanced the prospectivity of the Rover Project in Western Australia's goldfields. Within our granted tenure, there is a 12km prospective gold strike along the eastern boundary that the geology team has been focusing its exploration efforts on. Preliminary evidence from rock-chip and soil assay results has highlighted potential for volcanic massive sulphide (VMS) mineralisation at the Creasy II prospect, though further work is required to identify potential drill targets.

Due to the exploration upside potential, earlier this year the Company filed two applications to materially extend the Rover Project's footprint northwest to capture the Maynard Hills and Cook Well greenstone belts. One of those applications, which encompasses the Creasy 1 prospect, has now been granted. Creasy 1 has several shallow economic drill intercepts with up to 1.94 g/t Au and we are currently prioritising this area for drilling in the coming quarter.

Across the Central Yilgarn region, there have been several high-profile gold and VMS discoveries that have generated significant resurgence of interest in the region. As such, we remain highly committed to continue thoroughly exploring the Rover Project and several further field trips are planned over the balance of the calendar year.

In NSW, we are now actively looking for joint venture partners to help develop our Midas and Perseus projects, which are near Broken Hill. However, the Board has taken the difficult decision to rationalise the Northern Territory and South Australian assets, so resources can be focused on the Rover Project as our top priority.

Over the past six months, we have raised \$479,000 (before costs) from two placements to professional and sophisticated investors, comprising a blend of new and current shareholders. Our immediate priority task is to prudently utilise these funds to optimise the exploration outcomes from the Rover Project, which clearly has material upside potential.

On behalf of my fellow Board members, thank you for your support and we look forward to keeping you apprised of progress moving forward.



Robert Scott

Chairman

Perth, 25th September 2019.

Chief Executive Officer's Report

Dear Shareholders,

The 2018/19 financial year marked a clear inflection point on the Group's direction, as we made strategic decisions in response to changing commodity prices and the challenging funding landscape. The year started with a focus on exploration work at Midas near Broken Hill in NSW, which was successful at delineating several compelling iron oxide copper gold (IOCG) targets at the Benco prospect. Specifically, the Benco prospect consists of several narrow quartz iron oxide vein sets that have been mapped within a NE trending corridor ~ 1.6km long by 300m wide. Several anomalous rock-chips are coincident with a NE trending ridge and IP chargeability high, which may represent a significant fault or shear zone within the prospective Thackaringa Group rocks. Management have secured all necessary approvals to drill test the Benco prospect and the Company is now seeking a joint venture partner to fund the next phase of development.

With the gold price continuing to rise through 2019, the new Board undertook a strategic review of the Group's tenement portfolio, which led to an increased focus on the gold and base metal potential of the Rover Project in the West Australian goldfields. The Group subsequently applied for two new tenements at the Rover Project, which will ultimately increase the footprint by 80% to 461km² and provide TSC with an extensive landholding which includes a substantial portion of the Maynard Hills and Cook Well greenstone belts in the highly prospective Yilgarn Craton.

The Rover Project (E57/1057) was granted in late 2018, with on-ground exploration commencing in early March 2019. The commencement of ground exploration at the Rover Project, coupled with an extensive review of previous exploration, cemented management's belief that the Rover areas is strongly prospective for gold and base metals. Furthermore, the geology team believes the Rover Project has potential for several styles of mineralisation including VMS, Archean lode gold and nickel-copper sulphide deposits.

Due to the favourable macro backdrop and recent exploration success by Spectrum Metals (ASX: SPX) and Cobre Pty Ltd, the region is presently undergoing a resurgence in exploration that has precipitated a pegging rush. Notably, Cobre's success at the Perrinvale Project, which is ~20km south of the Rover Project, highlights the potential for VMS mineralisation in the Cook Well greenstone belt.

Looking forward, management expects the 2019/20 financial year to be a pivotal period for the Company as the solid ground work put in at the Rover Project leads to drill testing priority targets. Moreover, the significant growth in the Rover Project area should provide numerous targets in what is shaping up to be a highly prospective exploration project.

Ian Warland

Chief Executive Officer

Adelaide, 25th September 2019

Operating and Financial Review

Strategy

The Group's strategy has evolved from purely focusing on cobalt exploration to base and precious metals.

In addition, the Board has rationalised the underlying asset mix and is now prioritising exploring the Rover Project in the West Australian goldfields, which is prospective for Archean lode gold, VMS and nickel-copper sulphide mineralisation. The Group is now actively seeking joint venture partners to develop its two projects in NSW, Midas and Perseus.

Over the longer-term, the Group will continue to review and assess complementary exploration and later-stage projects on their merits, with the strict criteria they must deliver the potential to generate increased shareholder value.

Summary of financial performance

The net loss of the Group for the 2018/19 financial year was \$1,132,777 (2018: \$353,967) and includes mineral exploration impaired and written off \$580,920 (2018: nil).

During the year ended 30 June 2019, the Group's net cash position decreased by \$54,449 from \$373,172 (1 July 2018) to \$318,723 (30 June 2019) and no debt. During the year, the Group received inflows of \$1,043,330 (net of costs) associated with share placements during the year, which were largely offset by outflows associated with exploration expenditure (\$522,661) and wages, corporate & administration expenditure (\$601,612).

Changes in share capital

Shares

The number of shares on issue increased from 414,561,284 (1 July 2018) to 981,061,284 (30 June 2019) during the year as a result of the successful share placements and the issue of shares related to the Company's acquisition of Nomad Explorations Pty Ltd (now named TSC Exploration Pty Ltd) ("**Nomad**"), which completed on 13 August 2018, and associated transaction fees and performance right conversion.

During the year:

- 220,500,000 shares were issued in respect of share placement;
- 196,000,000 shares were issued as to the vendors of Nomad as part of the consideration for the Company's acquisition of Nomad;
- 120,000,000 shares were issued to the vendors of Nomad following the conversion of 120,000,000 performance rights, issued to them as part of the consideration for the Company's acquisition of Nomad; and
- 30,000,000 shares were issued to a third party in respect of fees associated with the Company's acquisition of Nomad.

Performance Rights

The Company issued a total of 400,000,000 performance rights during the year to the vendors of Nomad as part of the consideration for the Company's acquisition of Nomad. During the year, 120,000,000 of those performance rights converted into an equivalent number of shares following the satisfaction of the conversion event for those performance rights.

At 30 June 2019, the following performance rights remain on issue:

- 140,000,000 Class A performance rights; and
- 140,000,000 Class B performance rights.

Each of the above classes of rights are exercisable on a one for one basis and are subject to satisfaction of particular conversion events.

Refer Note 20 for further details regarding the movement in performance rights during the year.

Unlisted Options

The Company issued a total of 52,000,000 unlisted options during the year. 7,500,000 unlisted options were issued to the Company's Chief Executive Officer, Ian Warland, as part of the company's long-term incentive plan. A further 44,500,000 unlisted options were issued to professional and sophisticated investors who participated in share placements.

Refer Note 20 for further details regarding the movement in unlisted options during the year.

Operating and Financial Review

Corporate

Appointment of Chief Executive Officer

On 26 July 2018, the Company announced the appointment of Ian Warland as its new Chief Executive Officer. Mr Warland is a highly experienced and successful geologist with 25 years' experience in Australia and overseas, including 15 years with Iluka Resources.

Acquisition of Nomad Explorations Pty Ltd

On 13 August 2018, the Company's acquisition of Nomad completed. Refer Note 24 for further details regarding the Nomad acquisition.

Company Name Change

On 30 July 2018, the Company changed its name from UraniumSA Limited to Twenty Seven Co. Limited, and also changed its ASX code from 'USA' to 'TSC' effective 1 August 2018.

Board Changes

Mark Siford was appointed as a non-executive director on 28 August 2018. Alice McCleary resigned as Chairman and director on 28 November 2018.

On 12 April 2019, Robert Scott, Mark Burchnall and Timothy Armstrong were appointed as non-executive directors of the Company, replacing Robert Rorrison, Martin Janes and Mark Siford, who each resigned on 12 April 2019.

Dividends

No dividends were declared or paid during the financial year. No recommendation for payment of dividends has been made to the date of this report.

Principal Activities

The principal activity of the Group during the year was minerals exploration across licenses in Western Australia, New South Wales, Northern Territory and South Australia.

On-ground exploration activities focussed on the Midas Project (EL8732) near Broken Hill in NSW and the Rover Project in WA. At Midas, the Company conducted mapping, geochemistry and geophysics resulting in the identification of several compelling copper, cobalt and gold drill targets at the Benco prospect. At Perseus, the Company's review of previous exploration and available geophysics has identified six high priority iron oxide copper gold (IOCG) targets for testing.

The Rover Project was granted in late 2018, with on-ground activities commencing in March 2019. TSC has since conducted three rounds of reconnaissance mapping and sampling (in March, July and August 2019). This has resulted in the identification of the Creasy 1, Creasy 2 and Creasy 3 gold and copper prospects along a 12km prospective gold zone located on the Maynard Hills greenstone belt.

Strategic Review

With a significant improvement in gold and base metals prices during the year, the Company conducted a strategic review of its tenement portfolio to identify the optimal value-creating opportunities. In addition, several external project opportunities were assessed as part of the process. Following the strategic review, the new Board has decided to focus on the Rover Project in Western Australia which is highly prospective for Archean gold and base metals, while seeking to joint venture the NSW projects. In parallel, the Board will continue to review additional projects which have the potential to further create value for shareholders.

Exploration Projects

Rover Project, Western Australia (tenement E57/1085, E57/1120 and application E57/1134)

The Rover Project is located around 30km east of Sandstone in WA, which is a base metal and gold rich mineral region associated with Archean greenstone belts of the Central Yilgarn Craton. Tenement E57/1085 was granted in late December 2018 and the Group has subsequently applied for two additional tenements (E57/1120 and E57/1134) which increase the Rover Project area by around 80% to 461km². Consequently, the Company now has a sizeable footprint which covers significant portions of the Maynard Hills and Cook Well greenstone belts (Figure 1).

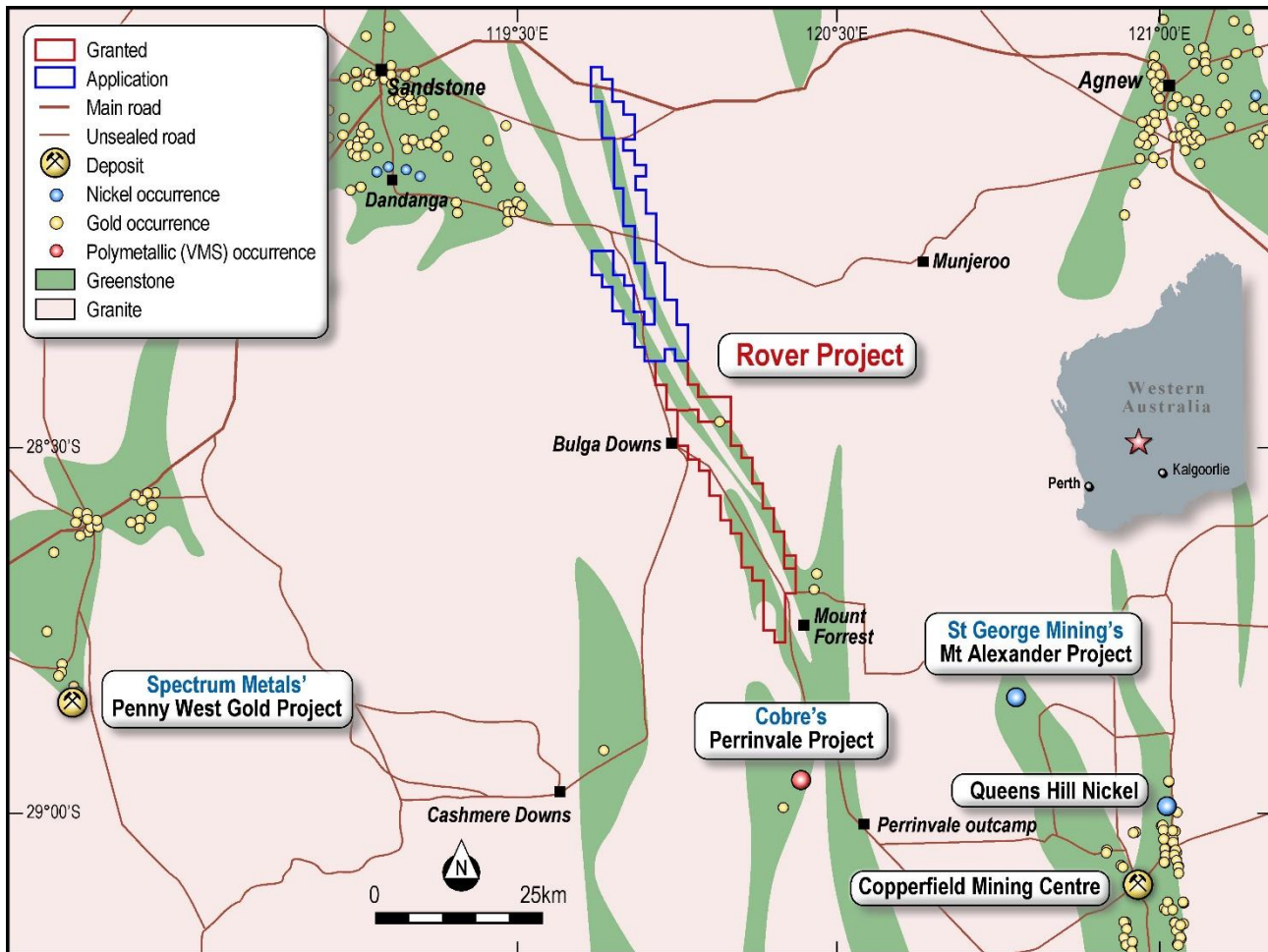


Figure1: Rover Location Map over simplified geology

The Rover Project is located near supportive mining infrastructure, with the Sandstone greenstone belt having produced around 1.3Moz of gold in the past. Notably, Middle Island Resources (ASX: MDI) has a resource of >500,000oz gold and an idle gold processing plant located near Sandstone. The Rover Project is well positioned to take advantage of gold processing facilities that may be restarted within the region in the future.

Recent exploration success, which enhances the region's prospectivity, largely explains a resurgence of interest in green-and-brownfields projects. For example, Spectrum Metals' (ASX: SPX) Penny West Gold Project is located ~100km west of the Rover Project, where high grade gold intersections including 9m @ 24g/t gold from 265m were recently announced. Around 20km to the south of the Rover Project, privately owned Cobre Pty Ltd holds the Perrinvale VMS Project, where it recently announced high-grade copper and gold results at the Schwabe prospect. The best recorded intercept was 5m @ 9.8% Cu, 3.2g/t Au, 34g/t Ag & 3.2% Zn from 50m. This discovery highlights the potential for VMS mineralisation at the Rover Project. As a result, the geology team is currently assessing the VMS prospectivity at Rover.

South-east of Rover at St George Mining's (ASX: SGQ) Mt Alexander nickel project where recent drilling continues to intersect high grade nickel, copper and PGE's. Regional aeromagnetic data at Rover Project suggests the presence of east-west trending dykes that may be analogous to those that host significant nickel and copper

Exploration Projects

mineralisation at St George Mining's (ASX: SGQ) Mt Alexander Project. Currently, these interpreted dykes are untested by exploration drilling.

Analysing previous exploration data and aeromagnetic imagery for the Rover Project suggests the greenstone belts are continuous and may extend the full length of the tenement; this delivers a combined greenstone belt strike length of ~140km. The greenstones are largely obscured by shallow regolith units, which has hampered exploration in the past. In August 2019, the Company purchased detailed 50m line spaced aeromagnetic data covering most of the Rover tenure. This information will aid in interpreting the geology, especially under cover sediments. Results from this study are expected in late September 2019 and will be used to fine tune drill planning over VMS and gold targets.

Most of the exploration at the Rover Project in the last 30 years has been directed towards iron ore (magnetite in BIF units) and gold. As such, historic drilling was generally shallow and identified several near-surface gold and base metal anomalies which have had little follow-up exploration.

The Company has completed three reconnaissance trips to the Rover Project between March and August 2019, identifying a number of gold, nickel and copper anomalies to follow-up in the 2019/20 financial year. The Company plans to fast-track exploration at the Rover Project with mapping, geochemistry and geophysics to generate drill targets. The main styles of mineralisation sought are Archean lode gold, VMS and nickel and copper sulphide deposits.

Creasy 1 gold prospect

The Company's newly-granted tenement, E57/1120, secures tenure over the historic Creasy 1 gold prospect where Mindax, in the early 2000's, intersected anomalous shallow gold mineralisation in RC and RAB drilling along a sheared mafic-quartzite contact associated with the Illara fault. Anomalous gold was traced for around 1,400m along strike with six holes intersecting significant gold (> 1g/t) at shallow depths including:

- o 6m @ 1.37g/t Au from 18m (MHC053),
- o 3m @ 1.94 g/t Au from 53m (MHC038),
- o 3m @ 1.41 g/t Au from 51m (MHC061),
- o 3m @ 1.45g/t Au from 3m (MHR016),
- o 3m @ 1.27 g/t Au from 18m (MHC048), and
- o 3m @ 1.26 g/t Au from surface (MHC050).

Significantly, anomalous gold mineralisation is open to the north and south along the Illara fault zone. The geology team has conducted preliminary geochemical sampling in the new tenement area, with rock chip results up to 1.74g/t Au (RVR013) returned from a limonitic quartz vein within quartzite outcrop located 500m north of the nearest historic drill hole (Figure 2). In addition, the team collected a rock chip with 1.16g/t Au in BIF (RVR074) from a location ~800m south of the nearest historic drill hole. These rock chips indicate gold mineralisation extends over a 2.7km zone of the Illara shear zone at Creasy 1. BIF is often obscured by cover, however gold soil anomalism in the area indicates a coherent gold anomaly trending in a north-westerly direction coincident with the shear zone (Figure 2).

Historic drilling focused on a 1.4km portion of this shear zone, leaving areas to the north and south untested. The second priority after initial drill testing over historic drill lines will be follow-up drilling along strike.

South of Creasy 1 along the Illara shear zone the Company has discovered two areas (Creasey 2 and Creasy 3) of coincident copper-gold anomalism in soils associated with mafic rocks (Figure 3). This indicative of VMS mineralisation as seen at Cobre's Perrinvale Project south of Rover. Combined with historic geochemical data, the latest soil sampling program by TSC now provides near complete coverage of a 200m by 50m grid over an 8km strike length from Creasy 1 to the newly named copper-gold "Creasy 3" prospect. In the 2019/20 financial year, the Company will continue to systematically explore the Rover Project, prioritising drill targets in preparation for drill testing.

Exploration Projects

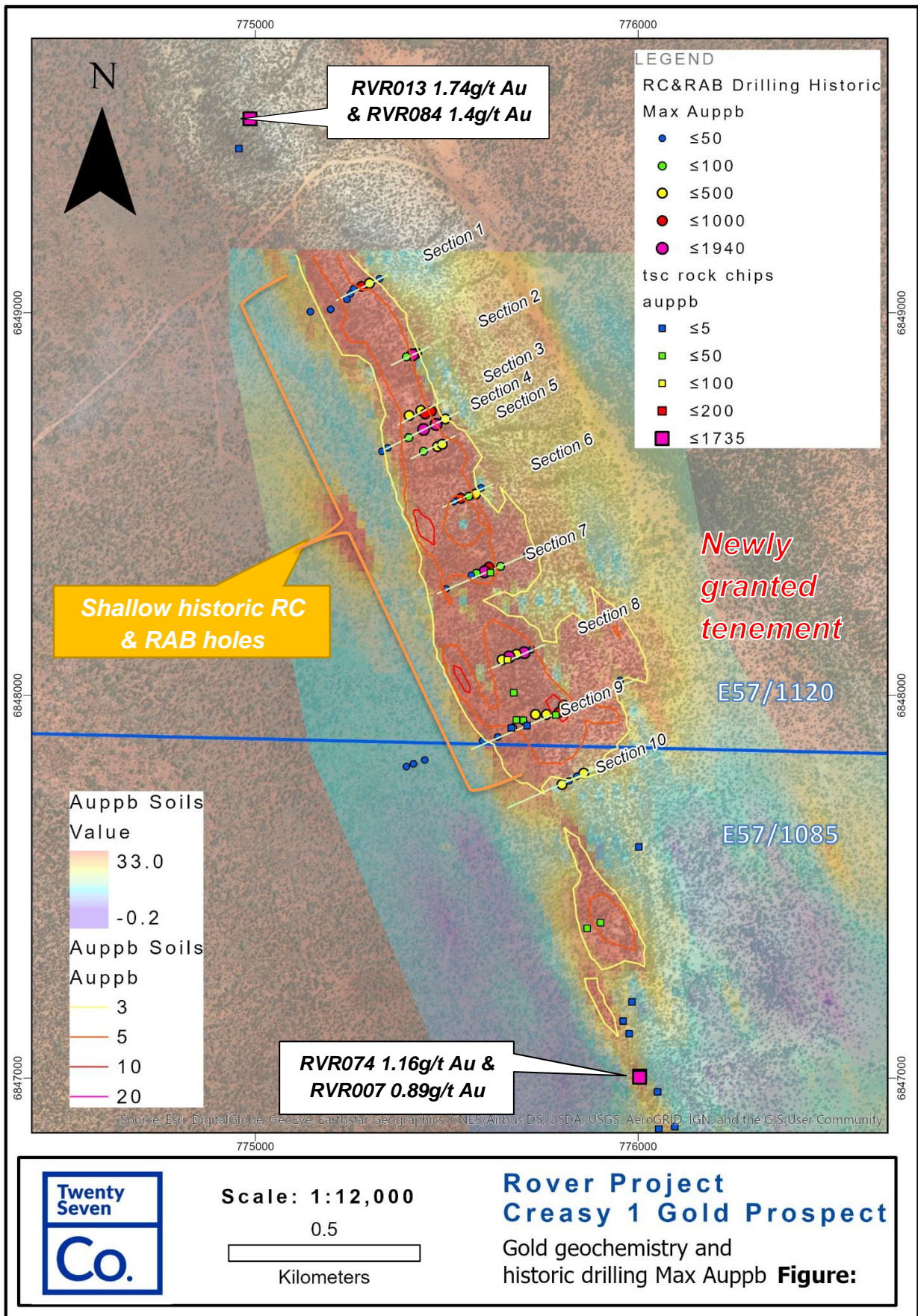


Figure 2: Creasy 1 prospect, historic drilling and soil geochemistry

Exploration Projects

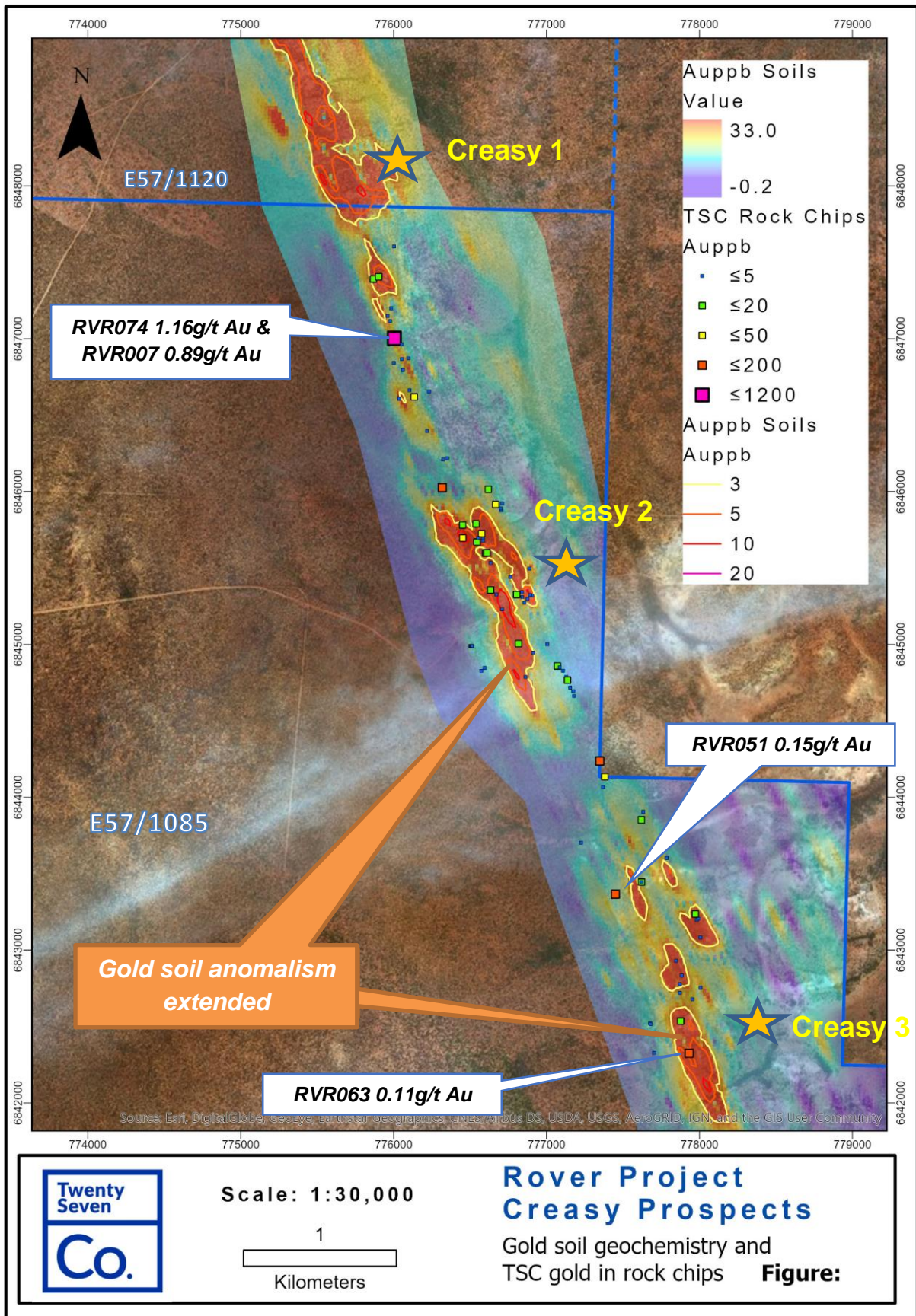


Figure 3: Gold soil geochemistry and TSC gold in rock chips

Exploration Projects

Midas Project NSW (EL 8732)

Midas is located around 40km NE of Broken Hill within the Curnamona Province and is prospective for IOCG in Thackaringa Group rocks (Figure 4). TSC's exploration in 2018/19 generated several compelling drill targets at the Benco IOCG prospect within the Midas Project. Notably, the geology team conducted regional soil sampling, mapping and rock chip sampling which resulted in the identification of several copper anomalies.

The Benco IOCG prospect consists of several narrow quartz iron oxide vein sets that have been mapped within an NE trending corridor ~ 1.6km long by 300m wide. Assayed rock chips have returned up to 4,160ppm Cu, 369ppm Co and 0.3g/t Au. In December 2018, the Company completed an induced polarization (IP) survey over Benco and identified several chargeability anomalies that may indicate mineralisation at depth (Figure 5). The IP was followed up by ground electromagnetic survey (EM) which refined the drill targets. All necessary government approvals have been obtained for drilling at Benco.

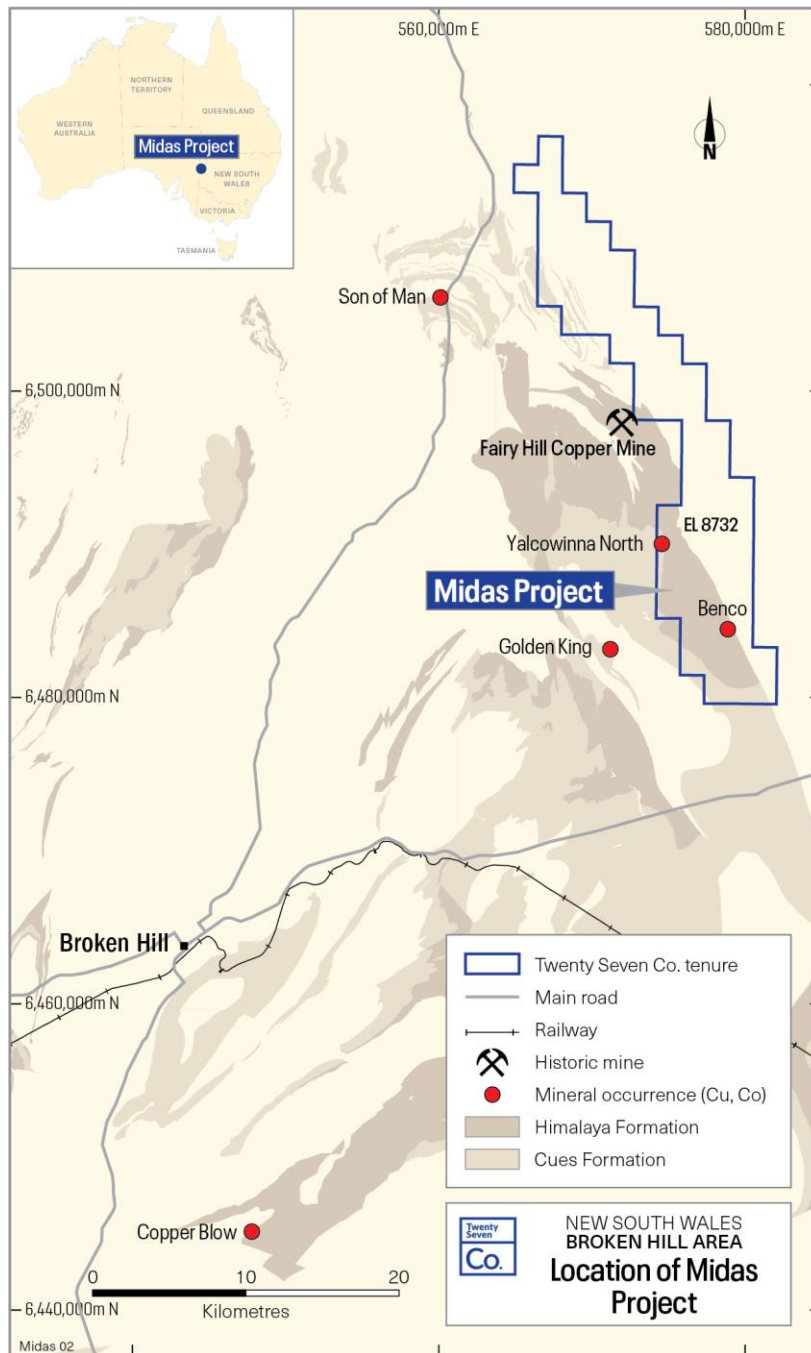


Figure 4: Midas Location Map

Exploration Projects

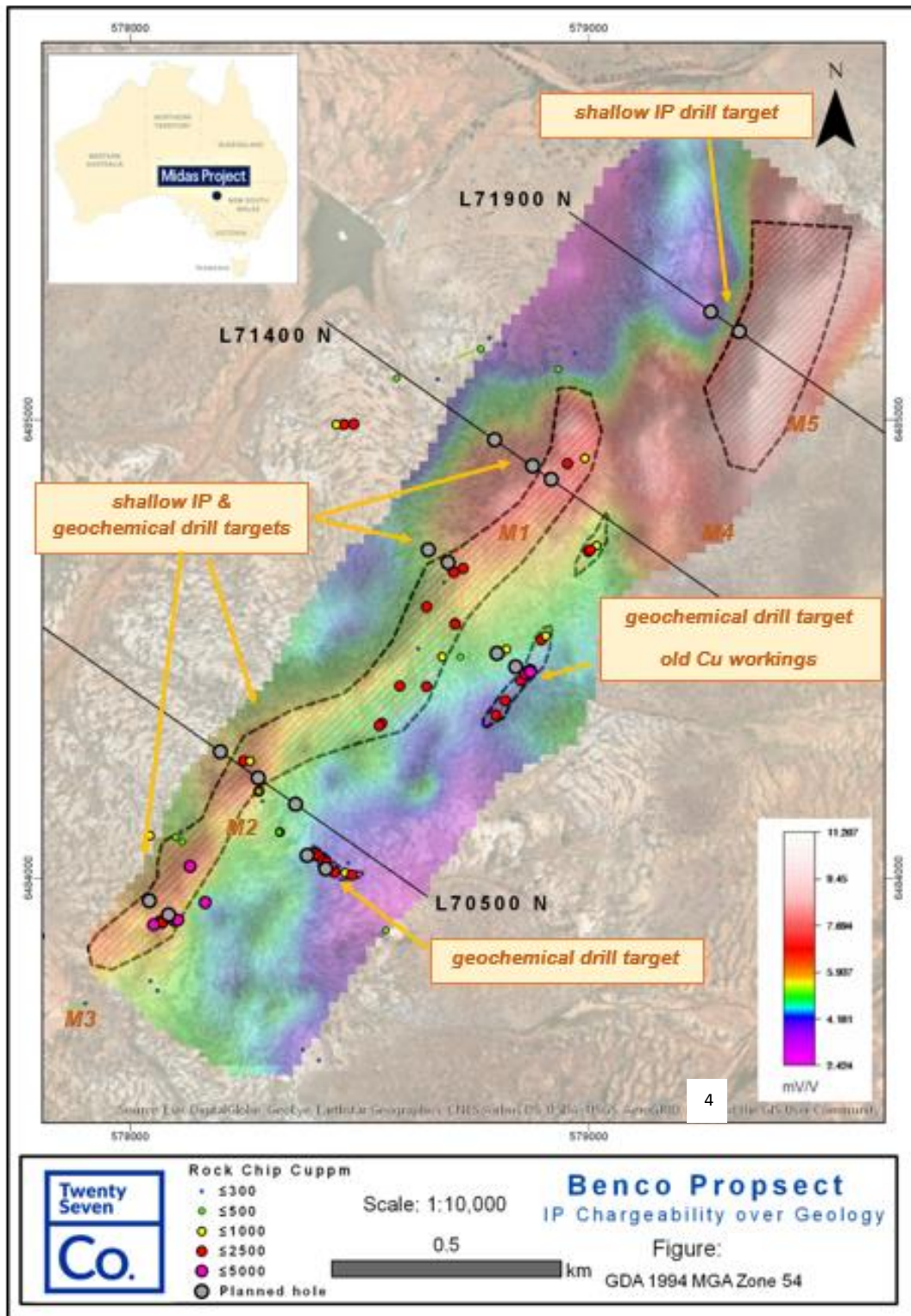


Figure 5: Benco Prospect IP Chargeability and planned drill holes

Exploration Projects

Perseus Project NSW (EL8778)

The Company's 100%-owned Perseus Project (EL8778) is located within the prospective Curnamona Province, NSW, around 30km to the west of Broken Hill (Figure 6). To date, six high priority IOCG targets have been identified for drill testing. The Geological Survey of NSW's November 2018 Mineral Potential Report for the Curnamona ranked 3 of the 6 high priority Perseus targets as highly prospective (10/10).

The Curnamona Province is considered part of the IOCG super province that extends from the Gawler Craton to the Eastern Succession of the Mount Isa terrane (Conor and Preiss 2008). The Curnamona is prospective for several styles of mineralisation with the focus at the Perseus Project for IOCG deposits. Regionally, IOCG mineralisation is known to be associated with the redox boundary at the top of the Thackaringa Group which is mappable in the aeromagnetic data, and extends for around 70km within the Perseus Project. The geology team believes Perseus has potential for a large-scale project with high grade mineralisation located in the redox boundary.

In the 2019/20 NSW financial year, TSC intends to find suitable joint venture partners to develop the two NSW projects, optimally on a free-carried interest basis.

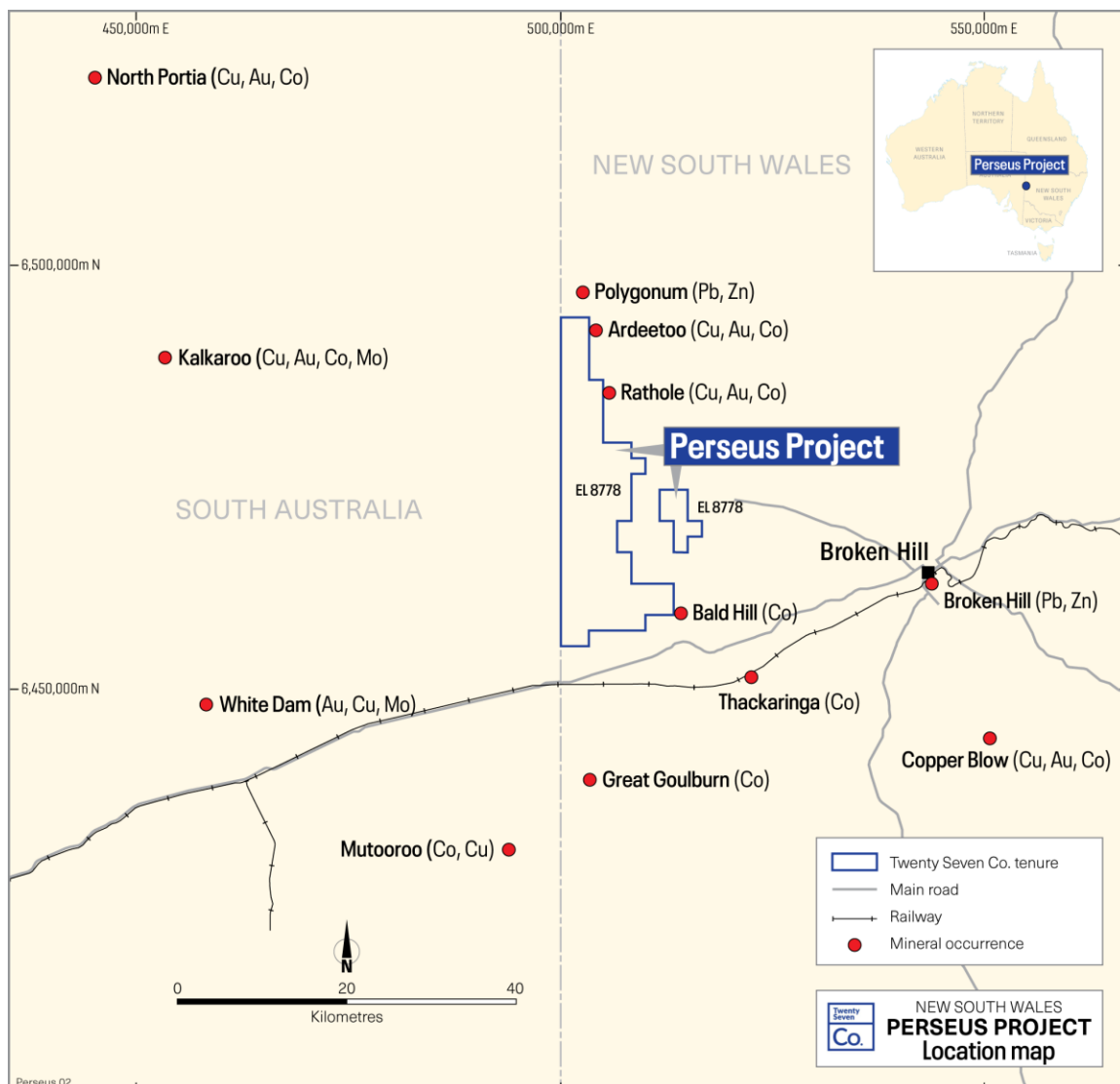


Figure 6: Perseus Location Map

Other Projects

Subsequent to year end, the Company relinquished Pungalina (EL31761) in the Northern Territory and Kalanbi (EL6220) in South Australia.

Given the Company's focus on the Rover Project in Western Australia, the Company is currently looking at divestment opportunities for the remaining two Northern Territory tenements (EL31787 and EL31788).

Directors' Report

Your Directors present this report on Twenty Seven Co. Limited and its consolidated entities (Group) for the financial year ended 30 June 2019.

The Operating and Financial Review (which includes the Chairman's Review) of this Annual Report is incorporated by reference in, and forms part of, this Directors' Report.

Directors

The following directors were in office at any time during or since the end of the financial year:

- Robert Scott – (Non-Executive Chairman) – *appointed 12 April 2019*
- Mark Burchnall – (Non-Executive Director) – *appointed 12 April 2019*
- Timothy Armstrong – (Non-Executive Director) – *appointed 12 April 2019*
- Robert Rorrison – (Non-Executive Director) – *resigned 12 April 2019*
- Martin Janes – (Non-Executive Director) – *resigned 12 April 2019*
- Mark Siford – (Non-Executive Director) – *appointed 28 August 2018 and resigned 12 April 2019*
- Alice McCleary – (Non-Executive Director) – *resigned 28 November 2018*

Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

- Damien Connor

Meetings of Directors

The number of meetings of the Company's Board of Directors and each Board committee held during the year ended 30 June 2019, and the numbers of meetings attended by each Director were as follows:

Director	Board of Directors		Audit & Risk Committee	
	A	B	A	B
R Scott ¹	3	3	-	-
M Burchnall ¹	2	2	-	-
T Armstrong ¹	2	2	-	-
R Rorrison ²	11	11	3	3
M Janes ²	11	11	3	3
M Siford ^{2,3}	8	8	3	3
A McCleary ⁴	6	6	1	1

Where:

Column A is the number of meetings the Director was entitled to attend

Column B is the number of meetings the Director attended

¹ Appointed as a Director and member of the Audit & Risk Committee on 12 April 2019.

² Resigned as a Director and member of the Audit & Risk Committee on 12 April 2019.

³ M Siford was appointed as Director and member of the Audit & Risk Committee on 28 August 2018.

⁴ A McCleary resigned as a Director on 28 November 2018.

Directors have also had additional informal discussions on a regular basis throughout the year.

As at the date of this report, the Group has not formed separate Remuneration or Governance Committees, as these matters are handled by the Board as a whole.

Directors' Report

Information on continuing Directors and Management

Directors

<p>Robert Scott FCA, GAICD, TIA Non-Executive Chairman</p>	<p>Experience: Robert has been on Sandfire Resources' Board since 2010 and has overseen the development and commercialisation of the world-class, high-grade Degruessa Copper-Gold Mine in Western Australia as well as its ongoing exploration commitment. Mr Scott has current Board experience in the mining and energy sectors includes RTG Mining Inc which has advanced copper & gold exploration interests in the Philippines and Bougainville. Previously, Mr Scott served on the Boards of CGA Mining Ltd (a major gold producer in the Philippines) and NASDAQ-listed, Lonestar Resources US Inc which is a Texas-based producer of shale oil. A notable feature of Mr Scott's career is that he has been involved with most of these Groups for many years, facilitating enhanced strategic insight and experience at a global level as the businesses have grown. Mr Scott is a Chartered Accountant with >35 years' experience as a corporate advisor at major accounting firms. He retired as an international partner from Arthur Anderson to pursue Non-Executive Director roles. Mr Scott is a fellow of the Institute of Chartered Accountants, member of the Taxation Institute of Australia and of the Australian Institute of Company Directors.</p> <p>Interest in Shares and Options: 6,000,000 ordinary shares and 15,000,000 unlisted options</p> <p>Special Responsibilities: Non-Executive Chairman. Member, Audit & Risk Committee.</p> <p>Directorships of other ASX Listed entities in the last 3 years: Sandfire Resources NL (ASX: SFR), Castillo Copper Limited (ASX: CCZ), RTG Mining Inc (ASX: RTG), Resimac Group Limited (ASX: RMC) and Lonestar Resources US inc.</p>
<p>Mark Burchnell LLB, BA Non-Executive Director</p>	<p>Experience: Mark is a corporate lawyer with over 20 years' experience in the mining and natural resources industry. He is currently a Director of Perth boutique law firm Murcia Pestell Hillard and previously worked for a number of top-tier Australian law firms including Allens and Clayton Utz. Mark's experience also includes having worked for several years in executive roles with publicly listed exploration and mining companies, both in Australia and the UK, including having held either senior managerial or Board-level roles (variously as a Non-executive, Executive and Managing Director) for companies including Sylvania Platinum (AIM), Nyota Minerals (ASX/AIM), Washington Resources (ASX), Carlton Resources (AIM) and Bezant Resources (AIM).</p> <p>Interest in Shares and Options: 6,000,000 ordinary shares and 15,000,000 unlisted options, held via Storm Enterprises Pty Ltd. Storm is an investment vehicle for the equity Directors of the law firm Murcia Pestell Hillard (MPH), of which Mr Burchnell is one, and it is a condition of MPH's equity Directors consenting to Mr Burchnell holding his position as a Director of the Company that any remuneration to which he becomes entitled, whether in cash or securities, is divided amongst MPH's equity Directors in accordance with their relevant partnership interests in that firm. Mr Burchnell has no capacity to determine the outcome of Storm's financial and operating policies, does not have a relevant interest in securities held by Storm and is not otherwise able to influence the basis on which Storm makes investment decisions.</p> <p>Special Responsibilities: Member, Audit & Risk Committee.</p> <p>Directorships of other ASX Listed entities in the last 3 years: None.</p>
<p>Timothy Armstrong Non-Executive Director</p>	<p>Experience: Tim has spent the past 6 years in finance sector building networks in the equity markets in Australia and abroad, Tim was instrumental in building Stocks Digitals financial public relations business in the UK, building relationships with London corporates, brokers and key advisors. A former professional cricketer that has played in many successful teams including NSW, WA and Australia.</p> <p>Interest in Shares and Options: 6,000,000 ordinary shares and 15,000,000 unlisted options</p> <p>Special Responsibilities: Member, Audit & Risk Committee.</p> <p>Directorships of other ASX Listed entities in the last 3 years: None.</p>

Management

<p>Ian Warland <i>BSc (Hons), GradDipAppFin, AssDipEnvCont, MAusIMM</i> Chief Executive Officer</p>	<p>Ian Warland was appointed as the Company's Chief Executive Officer on 26 July 2018.</p> <p>Mr Warland is a highly experienced and successful geologist with 25 years' experience in Australia and overseas. He completed a Bachelor of Applied Science Geology with First Class Honours from the University of Technology Sydney. Mr Warland was joint recipient for Explorer of the Year in 2006 for the discovery of the Jacinth and Ambrosia zircon-rich mineral sand deposits for Iluka Resources Ltd, and subsequently led the team at Iluka which discovered over 20 million tonnes of heavy mineral sands within the Eucla Basin in South Australia. In addition, Mr Warland has worked in open pit & underground mining, explored domestically & internationally for cobalt, copper, gold, uranium, base metals, lithium and industrial minerals.</p>
<p>Damien Connor <i>BCom, CA, GAICD, AGIA</i> Company Secretary/CFO</p>	<p>Damien has been a member of the Institute of Chartered Accountants of Australia since 2002 and has over 20 years finance and accounting experience including 14 years in the mining industry. Damien is a Graduate of the Australian Institute of Company Directors, and has a Graduate Diploma of Applied Corporate Governance with the Governance Institute of Australia. Damien also provides Company Secretary and Chief Financial Officer services to a number of other ASX Listed and unlisted entities.</p>

Significant changes in the state of affairs

As detailed elsewhere in this report, during the reporting period the Company changed its name to Twenty Seven Co. Limited following the Company's acquisition of 100% of the share capital of Nomad Explorations Pty Ltd (now named TSC Exploration Pty Ltd) which completed on 13 August 2018. As a result of the acquisition the Company is now an active explorer for gold, copper and cobalt with tenements in NSW, NT, SA and WA. Refer to Note 24 for further details.

The Directors are not aware of any further significant changes in the state of affairs of the Group occurring during the financial year, other than as disclosed in this Annual Report.

Events since the end of the Financial Year

The following securities were issued on 2 August 2019, following shareholder approval at the Company's Extraordinary General Meeting held on 26 July 2019:

- 15,000,000 unlisted options (Options) were issued to the nominees for each of the Company's Directors Robert Scott, Mark Burchnall and Tim Armstrong (45,000,000 unlisted options in aggregate).
- 6,000,000 fully paid ordinary shares were issued to the nominees for each of the Company's Directors Robert Scott, Mark Burchnall and Tim Armstrong (18,000,000 shares in aggregate), in lieu of cash director fees owing to Robert Scott, Mark Burchnall and Tim Armstrong for their services for the period to 30 June 2019.

On 27 August 2019, the Company announced a share placement to professional and sophisticated investors to raise \$300,000 (before costs) (**Placement**), involving the issue of 75,000,000 fully paid ordinary shares at an issue price of \$0.004 (0.4 cents) per share (**Placement Shares**). Subscribers to the Placement were also issued with one (1) free attaching unlisted option for every one (1) share subscribed for under the Placement, exercisable at 0.7 cents and expiring on 30 June 2022 (**Placement Options**). The Placement Shares and Placement Options were issued on 30 August 2019.

On 4 September 2019, the Company announced a Share Purchase Plan (SPP), providing shareholders who held shares in the Company on 3 September 2019 (Record Date), the opportunity to apply for a maximum of \$30,000 of new fully paid ordinary shares in the Company at an offer price of \$0.004 (0.4 cents) per new share. The SPP offer closed on 24 September 2019. Subject to confirmation of cleared funds, the target of \$500,000 has been provisionally oversubscribed. The Company is extremely encouraged by this level of shareholder support and will shortly make an announcement confirming the total funds raised under the SPP.

Other than the matters noted above there have been no other subsequent events which require disclosure.

Directors' Report

Remuneration Report (audited)

The Directors of Twenty Seven Co. Limited present the Remuneration Report in accordance with the Corporations Act 2001 and the Corporations Regulations 2001.

The Remuneration Report is set out under the following main headings:

- A. Principles used to determine the nature and amounts of remuneration
- B. Details of remuneration
- C. Employment Contracts of Directors and other Key Management Personnel
- D. Share based compensation

A. Principles used to determine the nature and amounts of remuneration

The Board acts as the remuneration committee as a consequence of the size of the Board and the Group. The Board believes that individual salary negotiation is more appropriate than formal remuneration policies and external advice and market comparisons are sought where necessary. The Board recognises that the attraction of high calibre executives is critical to generating shareholder value. The key management personnel of the Company are the Board of Directors and Executive officers.

Note 4 lists the respective names and roles of the Company's key management personnel.

The Board's Policy for determining the nature and amount of remuneration for the Company's key management personnel is as follows:

- All key management personnel are remunerated based on services provided by each person. Key management personnel paid via payroll receive a superannuation guarantee contribution required by the government of 9.50%, and no key management personnel receive any other retirement benefits. The Board annually reviews the packages of Executive Directors and other key management personnel by reference to the Groups performance, individual performance and comparable information from industry sectors and other listed companies on similar industries.
- The Board may exercise discretion in relation to approving increases, incentives, bonuses and options. The policy is designed to attract the highest calibre of key management personnel and reward them for performance that results in long-term growth in shareholder wealth.
- The Company has an Incentive Option Plan (Plan) of which Directors and other key management personnel are eligible and entitled to participate.
- The Board policy is to remunerate non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability.

Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting (currently \$500,000). Fees for non-executive Directors are not linked to the performance of the Company.

However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in employee option plans, which may exist from time to time.

Each member of the executive team has signed a formal contract at the time of their appointment covering a range of matters including duties, rights, responsibilities and any entitlements on termination. The standard contract sets out the specific formal job description.

- The Company has not engaged the services of a remuneration consultant during the year.

Directors' Report

Performance based remuneration

Performance based remuneration is tailored to increase goal congruence between shareholders, Directors and other key management personnel. This is facilitated through the issue of options to encourage the alignment of personal and shareholder interests.

During the reporting period 7,500,000 unlisted options have been issued as performance-based remuneration to the Company's Chief Executive Officer. During the reporting period and as at the date of this report no performance-based options have been exercised or expired.

Voting and comments made at the Company's 2018 Annual General Meeting

The Company received more than 98% of 'yes' votes on its remuneration report for the 2018 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration report.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board has regard to the following in respect of the current financial year and the previous four (4) financial years:

Item	30 June 2019	30 June 2018	30 June 2017	30 June 2016	30 June 2015
Share Price (\$)	\$0.003	\$0.008	\$0.007	\$0.015	\$0.02

Directors' Report

B. Details of Remuneration

Details of the nature and amount of each element of the remuneration of each key management personnel (KMP) of the Company are shown in the table below:

Director and other Key Management Personnel

Employee	Year	Short-Term Benefits		Salary and Fees (unpaid)	Post employment Benefits Superannuation	Termination Benefits	Share Based Payments Unlisted Options	Total	Equity Based Remuneration
		Salary and Fees (paid in cash)	Salary and Fees (settled in shares)						%
Non-Executive Directors									
Robert Scott ¹	2019	-	-	12,000 ⁶	-	-	-	12,000	-
<i>Independent</i>	2018	-	-	-	-	-	-	-	-
Mark Burchnell ^{1,10}	2019	-	-	12,000 ⁶	-	-	-	12,000	-
<i>Independent</i>	2018	-	-	-	-	-	-	-	-
Tim Armstrong ¹	2019	-	-	12,000 ⁶	-	-	-	12,000	-
<i>Independent</i>	2018	-	-	-	-	-	-	-	-
Robert Rorrison ²	2019	33,455	-	-	-	-	-	33,455	-
<i>Independent</i>	2018	-	8,000	16,000 ⁷	-	-	-	24,000	-
Martin Janes ²	2019	33,059	-	-	3,141	-	-	36,200	-
<i>Independent</i>	2018	-	16,000	16,000 ⁷	-	-	-	32,000	-
Mark Siford ³	2019	22,054	-	-	2,095	-	-	24,149	-
<i>Independent</i>	2018	-	-	-	-	-	-	-	-
Alice McCleary ⁴	2019	26,408	-	-	2,508	-	-	28,916	-
<i>Independent</i>	2018	-	22,500	22,500 ⁷	-	-	-	45,000	-
Other Key Management Personnel									
Ian Warland ⁵	2019	164,077	-	3,285 ⁸	15,587	-	24,250 ⁹	207,199	11.7%
<i>Chief Executive Officer</i>	2018	-	-	-	-	-	-	-	-
Damien Connor	2019	111,562	-	17,213 ⁷	-	-	-	128,775	-
<i>Company Secretary/CFO</i>	2018	60,188	-	18,300 ⁷	-	-	-	78,488	-
2019 Total	2019	390,615	-	56,498	23,331	-	24,250	494,694	
2018 Total	2018	60,188	46,500	72,800	-	-	-	179,488	

¹ Mr Scott, Mr Burchnell and Mr Armstrong were each appointed as directors on 12 April 2019.

² Mr Rorrison and Mr Janes resigned as directors on 12 April 2019.

³ Mr Siford was appointed as director on 28 August 2018 and resigned as a director on 12 April 2019.

⁴ Ms McCleary resigned as a director on 28 November 2018.

⁵ Mr Warland was appointed as Chief Executive Officer on 26 July 2018.

⁶ These amounts were unpaid as at 30 June 2019. On 2 August 2019, \$36,000 (in aggregate) was settled by the issue of fully paid ordinary shares (being \$12,000 each owing to Mr Scott, Mr Burchnell and Mr Armstrong) following shareholder approval at the General Meeting held on 26 July 2019. In the case of Mr Burchnell, those shares were issued to Storm Enterprises Pty Ltd. Relevantly for the purposes of the Corporations Act 2001 (Cth), Mr Burchnell does not control Storm, nor does he have a relevant interest in shares held by Storm or the ability to influence any decision by Storm whether or not to dispose of those shares.

⁷ These amounts were settled in cash subsequent to the respective period end.

⁸ This amount remains unpaid as at 30 June 2019 and as at the date of this report.

⁹ In accordance with Accounting Standards, remuneration includes a portion of the notional value of the unlisted options granted during the year. The notional value of options are determined as at the issue date and is progressively allocated over the vesting period. The amount included as remuneration is not indicative of the benefit (if any) that the employee may ultimately realise should the options vest. The notional value of the options as at the issue date has been determined in accordance with the accounting policy detailed at Note 20.

¹⁰ In addition, MPH Lawyers were paid \$3,952 during the year for legal services rendered to the Company (2018: Nil). Mr Burchnell is a Director of MPH Lawyers. The fees were at normal commercial rates.

Directors' Report

C. Employment Contracts of Directors and Other Key Management Personnel

Remuneration and other terms of employment for the Directors and other Key Management Personnel are formalised in either contracts of employment or service agreements. The main provisions of the agreements relating to remuneration are set out below:

Name	Base Salary	Terms of Agreement	Notice Period
Ian Warland <i>Chief Executive Officer</i>	197,100 p.a (inclusive of 9.50% Superannuation)	<p>Contract term: Commenced employment on 26 July 2018 on a 12-month contract term, extendable by the Company for a maximum of a further 4 years.</p> <p>Short-term incentive bonus: Short-term incentive bonus as determined by the Board from time to time. No short-term incentive bonus offered for the year ended 30 June 2019.</p> <p>Long-term incentive bonus: Eligible to participate in any incentive or bonus plans, as may be introduced by the Company from time to time.</p> <p>During the year ended 30 June 2019, Ian was granted 7,500,000 unlisted options pursuant to the Company's Incentive Option Plan. Further details regarding the unlisted options issued to Ian are detailed at Note 20.</p>	Either party may terminate by providing 2 months' notice
Damien Connor <i>Company Secretary and Chief Financial Officer</i>	Variable	Hourly rate contract.	Either party may terminate by providing 3 months' notice

D. Share Based Compensation

Number of Unlisted Options held by Directors and Key Management Personnel as at 30 June

All Options refer to unlisted options over ordinary shares of the Company, which are exercisable on a one-for-one basis under the terms of the agreements. The Group has established an Incentive Option Plan for the benefit of Directors, officers, senior executives and consultants. Under the Incentive Option Plan, the Company, through the Board, may offer Options to eligible persons on such terms that the Board considers appropriate, including any performance or other vesting hurdles that may apply.

During the reporting period and as at the date of this report, there were no ordinary shares issued on the exercise of Options held by key management personnel and no Options that lapsed or expired.

The following Options were issued to key management personnel as Remuneration during the reporting period.

Name	Grant date	Number granted	Exercise Price	Expiry date	Number vested
Ian Warland	20 Nov 2018	2,500,000	\$0.010	31 Dec 2023	2,500,000
Ian Warland	20 Nov 2018	2,500,000	\$0.015	31 Dec 2023	2,500,000
Ian Warland	20 Nov 2018	2,500,000	\$0.020	31 Dec 2023	2,500,000
		7,500,000			7,500,000

Directors' Report

Number of Shares held by Directors and Key Management Personnel as at 30 June

2019 Key Management Personnel	Balance			Balance 30 June 2019
	1 July 2018	Fees settled in shares	Net other changes	
R Scott ¹	-	-	-	-
M Burchnell ¹	-	-	-	-
T Armstrong ¹	-	-	-	-
R Rorrison ²	800,000	-	(800,000)	-
M Janes ²	11,198,225	-	(11,198,225)	-
M Siford ²	-	-	-	-
A McCleary ²	16,425,381	-	(16,425,381)	-
I Warland	-	-	810,994	810,994
D Connor	-	-	-	-
Total	28,423,606	-	(27,612,612)	810,994

¹ Subsequent to 30 June 2019, nominees of Mr Scott, Mr Burchnell, Mr Armstrong each were allotted 6,000,000 fully paid ordinary shares in the Company in respect of director fees owing to them as at 30 June 2019. Shareholder approval was received at the Extraordinary General Meeting held on 26 July 2019.

² Mr Rorrison, Mr Janes, Mr Siford and Ms McCleary were not members of the Key Management Personnel as at the end of the reporting period, following their respective resignations as directors during the period.

Transactions with Key Management Personnel

None, except for the fees disclosed above.

END OF AUDITED REMUNERATION REPORT

Unissued Shares Under Option

The following table details unissued ordinary shares in the Company under Option at the date of this report:

Grant date	Option Type	Number of Shares Under Option	Exercise Price	Expiry date	Number vested and exercisable
20 Nov 2018	Unlisted	2,500,000	\$0.010	31 Dec 2023	2,500,000
20 Nov 2018	Unlisted	2,500,000	\$0.015	31 Dec 2023	2,500,000
20 Nov 2018	Unlisted	2,500,000	\$0.020	31 Dec 2023	2,500,000
28 May 2019	Unlisted	44,500,000	\$0.007	30 Jun 2022	44,500,000
2 Aug 2019	Unlisted	15,000,000	\$0.007	30 Jun 2022	15,000,000
2 Aug 2019	Unlisted	15,000,000	\$0.007	30 Jun 2022	15,000,000
2 Aug 2019	Unlisted	15,000,000	\$0.007	30 Jun 2022	15,000,000
27 Aug 2019	Unlisted	75,000,000	\$0.007	30 Jun 2022	75,000,000
		172,000,000			172,000,000

All Options are unlisted and exercisable into fully paid ordinary shares in the Company on a one for one basis.

Unlisted Options Issued

During the financial year the following Options were issued:

- On 20 November 2018, 7,500,000 Options were issued to the Company's Chief Executive Officer, Ian Warland, under the Company's Option Incentive Plan. The Options were issued at no cost to Ian and are exercisable into fully paid ordinary shares on a one for one basis.
- Pursuant to a share placement announced on 24 May 2019, 44,500,000 Options were issued to placement participants on 28 May 2019. Each share placement participant was issued one free attaching unlisted option for every two shares subscribed for under the share placement. The Options were issued at no cost to the holder and are exercisable into fully paid ordinary shares on a one for one basis.

Directors' Report

Subsequent to the end of the financial year the following Options were issued:

- On 2 August 2019, 15,000,000 Options were issued to the respective nominees for each of the Company's Directors Robert Scott, Mark Burchnall and Tim Armstrong (45,000,000 Options in aggregate), following shareholder approval at the Company's Extraordinary General Meeting held on 26 July 2019. In the case of Mr Burchnall, those Options were issued to Storm Enterprises Pty Ltd. Mr Burchnall does not control Storm and is not able to influence any decision by Storm to exercise Options held by it.
- Pursuant to a share placement announced on 27 August 2019, 75,000,000 Options were issued to placement participants on 30 August 2019. Each share placement participant was issued one free attaching unlisted option for every two shares subscribed for under the share placement. The Options were issued at no cost to the holder are exercisable into fully paid ordinary shares on a one for one basis

Unlisted Options Exercised

No Options were exercised during or subsequent to the end of the financial year and as at the date of this report.

Unlisted Options Lapsed/Expired

No Options lapsed or expired during the financial year. Subsequent to the end of the financial year and as at the date of this report, the following Options expired:

- 35,000,000 Options, previously issued to Placement participants expired unexercised. The Options had an exercise price of \$0.012 each and expiry date of 22 August 2019.

Refer to Note 14 for further details regarding movement in Options during the reporting period.

Performance Rights (Rights)

The following table details Rights that remain outstanding as at the date of this report:

Grant date	Type	Granted	Exercise Price	Expiry date	Number of shares subject to remaining Rights
13 Aug 2018	Unlisted	140,000,000	Nil	13 Aug 2021	140,000,000
13 Aug 2018	Unlisted	140,000,000	Nil	13 Aug 2023	140,000,000
		280,000,000	-		280,000,000

All Rights are unlisted and convertible into fully paid ordinary shares in the Company on a one for one basis.

During the financial year the following Rights were issued as part of the consideration for the Company's acquisition of 100% of the share capital of Nomad:

- 140,000,000 Class A Rights;
- 140,000,000 Class B Rights; and
- 120,000,000 Class C Rights.

Each of the above Rights were issued at no cost to the holder and are subject to meeting certain conversion events. On 13 August 2018 the conversion event was satisfied for the 120,000,000 Class C Rights, and those rights were converted into fully paid ordinary shares in the Company on a one for one basis, at no cost to the holder.

Refer to Note 14 for further details regarding movement in Rights during the reporting period

Health & Safety (WH&S)

The Group's corporate objective is to ensure that we maintain a safe and productive work environment. During the year ending 30 June 2019 there were no incidents on our work sites (2018: none).

Corporate Governance

The Board recognises the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations – 3rd Edition" (ASX Recommendations). The Board monitors and reviews its existing and required policies, charters and procedures with a view to attaining compliance with the ASX Recommendations to the extent deemed appropriate for the size of the Company and the status of its projects and activities.

The Company's Corporate Governance Statement provides a summary of the Company's ongoing corporate governance. It is supported by a number of policies and procedures, code of conduct and formal charters, all of which are located in the Corporate Governance section of the Company's website:

<https://www.twentysevenco.com.au/about-us/>

Directors' Report

Non-Audit Services

The Board of Directors is satisfied that the provision of the non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor, and
- nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board

Details of amounts paid to the auditors of the Company and its related practices for audit and non-audit services provided during the reporting period are set out in Note 5 to the financial statements.

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is included on page 24 of this Financial Report and forms part of this Directors' report.

Indemnifying Officers or Auditor

During the reporting period, the Company has paid premiums to insure all Officers of the Group.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of the information to gain advantage for themselves or someone else to cause detriment to the Group.

Proceedings on Behalf of the Group

No person has applied to the Court for leave to bring proceedings on behalf of the Group or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

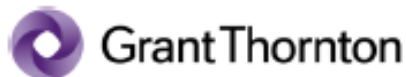
Signed in accordance with a resolution of the Board of Directors.



Robert Scott
Chairman
Perth

Dated this 25th day of September 2019

Auditor's Independence Declaration



Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000

Correspondence to:
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Auditor's Independence Declaration

To the Directors of Twenty Seven Co. Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Twenty Seven Co. Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton.

Grant Thornton Audit Pty Ltd
Chartered Accountants

B K Wundersitz
Partner – Audit & Assurance

Adelaide, 25 September 2019

Grant Thornton Audit Pty Ltd ACN 130 913 594
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Financial Information

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2019

	Notes	Consolidated Group	
		2019 \$	2018 \$
Income	2	38,944	25,371
Depreciation and amortisation expense		(2,654)	(201)
Employee benefits expense		(355,453)	(160,643)
Occupancy expense		(40,603)	(25,357)
ASX listing and registry expense		(69,358)	(47,998)
Impairment of exploration assets	11	(580,920)	-
Exploration expenditure expensed		(5,131)	(5,959)
Other corporate expenses from ordinary activities		(117,602)	(139,180)
Loss before income tax		(1,132,777)	(353,967)
Income tax benefit	3	-	-
Loss for year		(1,132,777)	(353,967)
Loss attributable to members of the parent entity		(1,132,777)	(353,967)
Other comprehensive income		-	-
Total comprehensive income contributable to the members of the parent entity		(1,132,777)	(353,967)
Earnings per Share		<i>Cents</i>	<i>Cents</i>
Basic and diluted loss per share	6	(0.1)	(0.1)

The accompanying notes form part of the financial statements

Statement of Financial Position as at 30 June 2019

		Consolidated Group	
		2019	2018
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	318,723	373,172
Trade and other receivables	8	30,282	14,442
Other current assets	9	9,482	152,470
TOTAL CURRENT ASSETS		358,487	540,084
NON-CURRENT ASSETS			
Property, plant and equipment		11,710	464
Exploration and evaluation assets	11	3,505,774	413,476
TOTAL NON-CURRENT ASSETS		3,517,484	413,940
TOTAL ASSETS		3,875,971	954,024
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	97,506	145,389
Employee entitlements	13	3,552	540
TOTAL CURRENT LIABILITIES		101,058	145,929
NON-CURRENT LIABILITIES			
Employee entitlements	13	469	2,955
TOTAL NON-CURRENT LIABILITIES		469	2,955
TOTAL LIABILITIES		101,527	148,884
NET ASSETS		3,774,444	805,140
EQUITY			
Issued capital	14	16,740,774	13,275,443
Reserves	15	636,750	-
Retained losses		(13,603,080)	(12,470,303)
TOTAL EQUITY		3,774,444	805,140

The accompanying notes form part of the financial statements.

Statement of Change in Equity for the year ended 30 June 2019

	Issued Capital \$	Share Based Payments Reserve \$	Retained Losses \$	Total \$
Consolidated Group				
Balance at 30 June 2017	12,822,068	-	(12,116,336)	705,732
Transactions with owners				
Shares issued during the year (net of costs)	453,375	-	-	453,375
Transactions with owners	13,275,443	-	(12,116,336)	1,159,107
Total loss for year	-	-	(353,967)	(353,967)
Total other comprehensive income	-	-	-	-
Balance at 30 June 2018	13,275,443	-	(12,470,303)	805,140
Transactions with owners				
Shares issued during the year (net of costs)	2,625,331	-	-	2,625,331
Shares issued during the year (vested performance rights)	840,000	-	-	840,000
Fair value of unlisted options issued to employees during the year	-	24,250	-	24,250
Fair value of performance rights issued during the year (relates to Nomad Acquisition)	-	612,500	-	1,452,500
Transactions with owners	16,740,774	636,750	(12,470,303)	4,907,221
Total loss for year	-	-	(1,132,777)	(1,132,777)
Total other comprehensive income	-	-	-	-
Balance at 30 June 2019	16,740,774	636,750	(13,603,080)	3,774,444

The accompanying notes form part of the financial statements

Statement of Cash Flows for the year ended 30 June 2019

		Consolidated Group	
		2019	2018
		\$	\$
Notes			
CASH FLOWS FROM OPERATING ACTIVITIES			
	Receipts received from serviced office space	31,186	26,498
	Payments to suppliers and employees	(601,612)	(330,067)
	Interest received	7,538	4,429
	NET CASH (USED IN) OPERATING ACTIVITIES	(562,888)	(299,140)
18			
CASH FLOWS FROM INVESTING ACTIVITIES			
	Payments for exploration expenditure	(522,661)	(34,217)
	Payments for property, plant and equipment	(12,230)	-
	Deposit paid for investment in unlisted company	-	(50,000)
	NET CASH (USED IN) INVESTING ACTIVITIES	(534,891)	(84,217)
CASH FLOWS FROM FINANCING ACTIVITIES			
	Proceeds from the issue of shares	1,098,500	280,000
	Payments for the costs of raising capital	(55,170)	(15,625)
	Repayment of borrowings	-	-
	NET CASH PROVIDED BY FINANCING ACTIVITIES	1,043,330	264,375
	Net (decrease) / increase in cash held	(54,449)	(118,982)
	Cash at the beginning of the financial year	373,172	492,154
	Cash at the end of the financial year	318,723	373,172
7			

The accompanying notes form part of the financial statements

Note 1 - Statement of Significant Accounting Policies

The financial report includes the consolidated financial statements and notes of Twenty Seven Co. Limited and controlled entities ('Consolidated Group' or 'Group').

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Twenty Seven Co. Limited is a for profit entity for the purposes of preparing the financial statements. The financial report has been presented in Australian dollars.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a) Principles of Consolidation

The parent entity controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

A list of controlled entities is contained in Note 10 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered/(left) the Consolidated Group during the year, their operating results have been included/(excluded) from the date control was obtained/(ceased).

All inter-Group balances and transactions between entities in the Consolidated Group, including any recognised profits or losses, have been eliminated on consolidation.

Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with those adopted by the parent entity.

b) Income Tax

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense/(income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset recognised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Note 1 - Statement of Significant Accounting Policies continued

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

Twenty Seven Co. Limited and its wholly-owned Australian subsidiaries have formed an income tax Consolidated Group under tax consolidation legislation. The Group notified the Australian Tax Office that it had formed an income tax Consolidated Group to apply from 1 July 2006. The tax Consolidated Group has entered a tax funding arrangement whereby each company in the Group contributed to the income tax payable by the Group in proportion to their contribution to the Group's taxable income. Differences between the amounts of net tax assets and liabilities recognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

c) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable 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 that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit 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.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the consolidated entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Note 1 - Statement of Significant Accounting Policies continued

e) Financial Instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Note 1 - Statement of Significant Accounting Policies continued

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Note 1 - Statement of Significant Accounting Policies continued

f) Impairment of Non-financial Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Profit or Loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g) Interests in Joint Arrangements

The Consolidated Group's share of assets, liabilities, revenue and expenses of joint operations are included in the appropriate items of the consolidated financial statements.

h) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled wholly within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for these benefits. Those cashflows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cashflows.

i) Share-based payments

The Group has an Employee Share Option Plan. The bonus element over the exercise price of the employee's services rendered in exchange for the grant of shares and options is recognised as an expense in the Statement of Profit or Loss and Comprehensive Income. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares or the option granted.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 20.

With the exception of the cost associated with the acquisition of Nomad Explorations Pty Ltd during the period whereby the value of the performance rights issued as consideration was capitalised to the exploration assets that were acquired (refer Note 24), the cost is ordinarily recognised in employee benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

j) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

k) Cash and Cash Equivalent

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

Note 1 - Statement of Significant Accounting Policies continued

l) Revenue

The Group generates revenue from services fees charged for the rental of office space. This revenue is recognised over time as the services are provided. Rental income from operating leases is recognised on a straight-line basis over the lease term. Interest income is reported on an accruals basis using the effective interest method. All revenue is stated net of the amount of goods and services tax (GST).

m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the year in which they are incurred.

n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

o) Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

p) Comparative Figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation of the current financial year.

q) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Group.

Key estimates

Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Impairment was recognised in respect of exploration and evaluation assets for the year ended 30 June 2019. Impairment recognised for the year ended 30 June 2019 and prior year ended 30 June 2018 related to relinquishment of the tenement(s) to which expenditure had been previously capitalised.

Exploration and evaluation

The Group's policy for exploration and evaluation is discussed at Note 1(c).

Share Based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or performance right, volatility and dividend yield and making assumptions about them. The Group initially measures the cost of cash-settled transactions using either a Black Scholes model (for share options) or a binomial and/or Monte-Carlo simulation model (for performance rights) to determine the fair value of the liability incurred.

Note 1 - Statement of Significant Accounting Policies continued

For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. For the measurement of the fair value of equity-settled transactions at the grant date, the Group uses a Black Scholes model for share options, and a binomial and/or Monte-Carlo simulation model for performance rights. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 20.

Asset Acquisition

The Company has determined that the acquisition of controlling interests in Nomad Exploration Pty Ltd are not deemed business acquisitions. The transactions have been accounted for as asset acquisitions. In assessing the requirements of AASB 3 Business Combinations, the Consolidated Entity has determined that the assets acquired do not constitute a business.

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition are included in the capitalised cost of the asset.

r) Adoption of New and Revised Accounting Standards

During the current year the Group adopted all of the new and revised Australia Accounting Standards and Interpretations applicable to its operations which became mandatory.

New standards adopted as at 1 July 2018

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and several revenue-related Interpretations. The new Standard has been applied as at 1 July 2018. Given the entity is a Junior Explorer and does not have any material revenue streams the introduction of the new standard does not have a significant impact on the timing or amount of revenue recognized by the Group during the reporting period and therefore has been applied using the modified approach and no prior period restatements were required.

Revenue arises mainly from the commercial rent and interest.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

The Group enters into transactions involving a range of the Group's products and services. In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

From the review of the impact of AASB 15, no restatement to the prior year comparatives was required as a result of the introduction of AASB 15.

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139's 'Financial Instruments: Recognition and Measurement' requirements. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

Note 1 - Statement of Significant Accounting Policies continued

The Group has adopted AASB 9 as at 1 July 2018, the Group elected not to restate prior periods as the Group does not hold any material financial instruments.

Recognition and derecognition

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

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at FVTOCI

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses. Currently the Group only holds financial assets at amortised cost.

Financial assets at amortised cost

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of 'hold to collect' contractual cash flows are accounted for at amortised cost using the effective interest method. The Group's trade and most other receivables fall into this category of financial instruments as well as bonds that were previously classified as held-to-maturity under AASB 139.

Impairment of financial assets

AASB 9's new forward-looking impairment model applies to Group's investments at amortised cost and debt instruments at FVTOCI. The application of the new impairment model depends on whether there has been a significant increase in credit risk.

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Group's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

The adoption of AASB 9 have not material impacted the expected recoverability of financial assets and accordingly no adjustment or restatement was required to be recognised by the Group.

Note 1 - Statement of Significant Accounting Policies continued

AASB Interpretation 22 Foreign Currency Transactions and Advance Considerations

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Group's consolidated financial statements.

AASB 2017-1 Amendments to Australian Accounting Standards – Annual Improvements 2014-2016 Cycle and Other Amendments

AASB 128 Investments in Associates and Joint Ventures

The amendments clarify that an entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss. If an entity that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, then it may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent. These amendments do not have any impact on the Group's consolidated financial statements.

AASB 1 First-time Adoption of International Financial Reporting Standards

Short-term exemptions in paragraphs E3–E7 of AASB 1 were deleted because they have now served their intended purpose. These amendments do not have any impact on the Group's consolidated financial statements.

AASB 2016-5 Amendments to Australian Accounting Standards - Classification and Measurement of Share-based Payment Transactions

The AASB issued amendments to AASB 2 Share-based Payment that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The Group's accounting policy for cash-settled share-based payments is consistent with the approach clarified in the amendments. In addition, the Group has no share-based payment transaction with net settlement features for withholding tax obligations and had not made any modifications to the terms and conditions of its share-based payment transaction. Therefore, these amendments do not have any impact on the Group's consolidated financial statements.

AASB 2016-6 Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts

The amendments address concerns arising from implementing the new financial instruments standard, AASB 9, before implementing AASB 17 Insurance Contracts, which replaces AASB 4. The amendments introduce two options for entities issuing insurance contracts: a temporary exemption from applying AASB 9 and an overlay approach. These amendments are not relevant to the Group.

Accounting standards issued but not yet effective and not been adopted early by the Group

Australian Accounting Standards and Interpretations that are issued, but are not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new standards and interpretations, if applicable, when they become effective:

AASB 16 was issued in January 2016 and it replaces AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation-115 Operating Leases-Incentives and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under AASB 117. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Note 1 - Statement of Significant Accounting Policies continued

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset

Lessor accounting under AASB 16 is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases

AASB 16, which is effective for annual periods beginning on or after 1 January 2019, requires lessees and lessors to make more extensive disclosures than under AASB 117.

The Group plans to adopt AASB 16 using the modified retrospective approach. The Group will elect to apply the standard to contracts that were previously identified as leases applying AASB 117 and AASB Interpretation 4. The Group will therefore not apply the standard to contracts that were not previously identified as containing a lease applying AASB 117 and AASB Interpretation 4

The Group will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value. All Group leases are short-term leases, therefore no right of use assets exist and will not be recognised upon application of AASB 16.

AASB 17 Insurance Contracts

In July 2017, the AASB issued AASB 17 Insurance Contracts (AASB 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, AASB 17 will replace AASB 4 Insurance Contracts, AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts. AASB 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of AASB 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. The core of AASB 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

AASB 17 is effective for reporting periods beginning on or after 1 January 2021, with comparative figures required. Early application is permitted, provided the entity also applies AASB 9 and AASB 15 on or before the date it first applies AASB 17. This standard is not applicable to the Group.

AASB Interpretation 23 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of AASB 112 and does not apply to taxes or levies outside the scope of AASB 112, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. The interpretation is effective for annual reporting periods beginning on or after 1 January 2019, but certain transition reliefs are available. The Group will apply the interpretation from its effective date, however it is not expected to have a material impact on the Group.

AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments address the conflict between AASB 10 and AASB 128 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in AASB 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB and AASB have deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively. The Group will apply these amendments when they become effective.

Note 1 - Statement of Significant Accounting Policies continued

AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle

These improvements include:

• **AASB 3 Business Combinations**

The amendments clarify that, when an entity obtains control of a business that is a joint operation, it applies the requirements for a business combination achieved in stages, including remeasuring previously held interests in the assets and liabilities of the joint operation at fair value. In doing so, the acquirer remeasures its entire previously held interest in the joint operation.

An entity applies those amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2019, with early application permitted. These amendments will apply on future business combinations of the Group.

• **AASB 11 Joint Arrangements**

A party that participates in, but does not have joint control of, a joint operation might obtain joint control of the joint operation in which the activity of the joint operation constitutes a business as defined in AASB 3. The amendments clarify that the previously held interests in that joint operation are not remeasured.

An entity applies those amendments to transactions in which it obtains joint control on or after the beginning of the first annual reporting period beginning on or after 1 January 2019, with early application permitted. These amendments are currently not applicable to the Group but may apply to future transactions.

• **AASB 112 Income Taxes**

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019, with early application permitted. When an entity first applies those amendments, it applies them to the income tax consequences of dividends recognised on or after the beginning of the earliest comparative period. Since the Group's current practice is in line with these amendments, the Group does not expect any effect on its consolidated financial statements.

• **AASB 123 Borrowing Costs**

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 January 2019, with early application permitted. Since the Group's current practice is in line with these amendments, the Group does not expect any effect on its consolidated financial statements.

s) Going Concern

This financial report has been prepared on the basis of going concern.

The Group incurred a net loss of \$1,132,777 (2018: loss of \$353,967) and operations were funded by a cash outlay from operating and investing activities of \$1,097,779 (2018: outlay of \$383,357). The cash flow projections of the Group indicate that it will require additional capital for continued operations.

The Group's ability to continue as a going concern is contingent on obtaining additional capital through either an equity capital raise, asset sale or a combination of both. If additional capital is not obtained, then going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the half-year financial report.

The financial report was authorised for issue on 25th September 2019 by the Board of Directors.

	Consolidated Group	
	2019 \$	2018 \$
Note 2 - Income		
- Serviced office space ¹	31,397	20,942
- Interest received	7,547	4,429
Total Revenue	38,944	25,371
¹ Serviced office space represent amounts received from non-related parties.		
All income is derived from sources within Australia that are recognised at a particular point in time.		
Note 3 - Income Tax Benefit		
a) The components of income tax benefit comprise:		
Current tax	-	-
b) The prima facie tax on loss from before income tax is reconciled to the income tax as follows: 27.5% (2018: 27.5%):		
Net Loss	(1,132,777)	(353,967)
Prima facie tax benefit on loss from before income tax at 27.5%	(311,514)	(97,341)
Add/(less):		
Tax effect of:		
- Capital Gain on demerger	-	-
- Non-allowable items	-	-
	(311,514)	(97,341)
Tax effect of temporary differences not brought to account as they do not meet the recognition criteria	311,514	97,341
Income Tax attributable to operating loss	-	-
c) Unused tax losses for which no deferred tax asset has been recognised	6,074,346	5,924,141

Note 4 - Key Management Personnel Compensation

a) Names and positions held of consolidated entity Key Management Personnel (KMP) in office at any time during the financial year are:

Robert Scott (Non-executive Director)	<i>appointed 12 April 2019</i>
Mark Burchnall (Non-executive Director)	<i>appointed 12 April 2019</i>
Timothy Armstrong (Non-executive Director)	<i>appointed 12 April 2019</i>
Robert Rorrison (Non-executive Director)	<i>resigned 12 April 2019</i>
Martin Janes (Non-executive Director)	<i>resigned 12 April 2019</i>
Mark Siford (Non-executive Director)	<i>appointed 28 August 2018 and resigned 12 April 2019</i>
Alice McCleary (Non-executive Director)	<i>resigned 28 November 2018</i>
Ian Warland (Chief Executive Officer)	<i>appointed 26 July 2018</i>
Damien Connor (Chief Financial Officer & Company Secretary)	

b) Key Management Personnel Compensation

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key KMP for the year ended 30 June 2019.

The total remuneration paid to KMP of the Group during the year is as follows:

	2019	2018
	\$	\$
Short term benefits ¹	447,113	179,488
Post-employment benefits	23,331	-
Share - based payments	24,250	-
	494,694	179,488

¹ Included is an amount of \$56,498 that remained unpaid at 30 June 2019 (30 June 2018: \$72,800)

Note 5 - Auditors' Remuneration

Remuneration of the auditor for:

- auditing or review of the financial report
- taxation services provided by the practice of the auditor

Consolidated Group	
2019	2018
\$	\$
30,250	28,500
4,000	4,000
34,250	32,500

Note 6 - Earnings Per Share (EPS)

Reconciliation of earnings to Loss

Loss for year used to calculate basic EPS

(1,132,777)	(353,967)
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a) Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted EPS

Number	Number
849,447,585	360,595,491

b) In accordance with AASB 133 "Earnings per Share" as potential ordinary shares may only result in a situation where their conversion results in decrease on profit per share or increase in loss per share, no dilutive effect has been taken into account.

Notes to the Financial Statements for the year ended 30 June 2019

	Consolidated Group	
	2019 \$	2018 \$
Note 7 - Cash and Cash Equivalents		
Short-term deposits	15,235	-
Cash at bank and on hand	303,488	373,172
	318,723	373,172
<p>The effective interest rate on short term bank deposit at 30 June 2019 is 2.0% p.a. The deposit has a maturity of 90 days.</p> <p>The Group's exposure to interest rate risk is summarised at Note 22.</p>		
Note 8 - Trade and Other Receivables		
GST receivable	8,710	13,534
Trade receivables and other receivables ¹	21,563	908
Accrued interest	9	-
	30,282	14,442
<p>¹ Includes \$20,000 relating to exploration tenement guarantee bonds.</p> <p>Trade receivables are non-interest bearing and are generally on terms of 30-90 days.</p>		
Note 9 - Other Current Assets		
Deposit paid for investment in unlisted company ¹	-	148,000
Prepayments	9,482	4,470
	9,482	152,470

¹ Refer Note 24.

Note 10 - Investments in Controlled Entities

	Country of Incorporation	Percentage Owned (%)	
		2019	2018
Parent Entity			
Twenty Seven Co. Limited ¹	Australia		
Subsidiaries of Twenty Seven Co. Limited			
TSC Exploration Pty Ltd ²	Australia	100	-
Fatjack Pty Ltd	Australia	100	100
Boston Minerals Pty Ltd	Australia	100	100

¹ On 30 July 2018, the Company changed its name from UraniumSA Limited to Twenty Seven Co. Limited, and also changed its ASX code from 'USA' to 'TSC' effective 1 August 2018.

² On 13 August 2018, the Company completed the acquisition of 100% of the shares in Nomad Explorations Pty Ltd. On 25 September 2018, Nomad Explorations Pty Ltd's name was changed to TSC Exploration Pty Ltd.

Consolidated Group

	2019 \$	2018 \$
Note 11 - Exploration and Evaluation Assets		
Costs carried forward in respect of areas of interest in:		
Exploration and evaluation phases at cost	3,505,774	413,476
	3,505,774	413,476
a) Movements in carrying amounts:		
Exploration and evaluation		
Balance at the beginning of the year	413,476	385,218
Amounts capitalised to other assets during the year	8,414	28,258
Amounts capitalised to acquired assets during the year	3,664,804	-
Impairment expense	(580,920)	-
Balance 30 June	3,505,774	413,476
During the year no equipment depreciation was included in amounts capitalised as exploration and evaluation costs (2018: Nil).		
A summary by tenement is included at Note 16.		
Note 12 - Trade and Other Payables		
Trade payables ¹	30,724	62,176
Other payables and accruals ²	66,782	83,213
	97,506	145,389
Note 13 – Employee Entitlements		
Current - employee entitlements	3,552	540
Non-Current - employee entitlements	469	2,955
Total employee entitlements	4,021	3,495

¹ Includes \$18,934 owing to D. Connor, Company Secretary and CFO, in respect of services for May and June 2019. These amounts were settled in cash in July 2019 (30 June 2018: \$20,130 outstanding was settled in cash in July 2018)

² Includes \$36,000 owing to directors of the Company in respect of directors' fees payable to 30 June 2019. On 2 August 2019, this amount was settled by the issue of fully paid ordinary shares (being \$12,000 each owing to directors Mr Scott, Mr Burchnall and Mr Armstrong) to their respective nominees following shareholder approval at the General Meeting held on 26 July 2019. (30 June 2018: \$54,500 outstanding and settled in cash in July 2018).

Notes to the Financial Statements for the year ended 30 June 2019

Note 14 - Issued Capital

30 June 2019

a) Issued and paid up capital

Fully paid ordinary shares

		Consolidated Group	
		Number of Shares	30 June 2019 \$
Fully paid ordinary shares		981,061,284	16,740,774
Movements in fully paid ordinary shares			
Balance as at 1 July 2018		414,561,284	13,275,443
Shares issued - Placement (2 Aug 2018) – see Note 24		131,500,000	867,850
Shares issued - Nomad shareholders (2 Aug 2018) – see Note 24		16,000,000	112,000
Shares issued - Advisor (2 Aug 2018) – see Note 24		30,000,000	210,000
Shares issued - Nomad shareholders (13 Aug 2018) – see Note 24		180,000,000	1,260,000
Shares issued - Nomad shareholders (13 Aug 2018) – see Note 24		120,000,000	840,000
Shares issued - Placement (28 May 2019)		89,000,000	175,481
Balance as at 30 June 2019		981,061,284	16,740,774

30 June 2018

b) Issued and paid up capital

Fully paid ordinary shares

		Number of Shares	30 June 2018 \$
Fully paid ordinary shares		414,561,284	13,275,443
Movements in fully paid ordinary shares			
Balance as at 1 July 2017		349,554,141	12,822,068
Shares issued - Director fees (3 July 2017)		6,357,143	44,500
Shares issued - Director fees (9 January 2018)		4,650,000	46,500
Shares issued - Placement (14 June 2018) – net of costs		40,000,000	264,375
Shares issued - Nomad shareholders (14 June 2018) – see note 24		14,000,000	98,000
Balance as at 30 June 2018		414,561,284	13,275,443

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

c) Options on Issue

Details of the share options outstanding as at the end of the year are set out below:

Grant Date	Options	Expiry Date	Exercise Price	30 June 2019	30 June 2018
22 Feb 2017	Placement	22 Aug 2019	\$0.012	35,000,000	35,000,000
20 Nov 2018	ESOP	31 Dec 2023	\$0.01	2,500,000	-
20 Nov 2018	ESOP	31 Dec 2023	\$0.015	2,500,000	-
20 Nov 2018	ESOP	31 Dec 2023	\$0.02	2,500,000	-
28 May 2019	Placement	30 Jun 2022	\$0.007	44,500,000	-
				87,000,000	35,000,000

All Options are unlisted and are exercisable into fully paid ordinary shares in the Company on a one for one basis.

Notes to the Financial Statements for the year ended 30 June 2019

Note 14 - Issued Capital continued

On 20 November 2018, 7,500,000 Options were issued to the Company's Chief Executive Officer, Ian Warland, under the Company's Option Incentive Plan. The Options were issued at no cost to Ian and are exercisable into fully paid ordinary shares on a one for one basis.

On 28 May 2019, 44,500,000 Options were issued to placement participants. Each share placement participant was issued one free attaching option for every two shares subscribed for under the share placement. The Options were issued at no cost to the holder are exercisable into fully paid ordinary shares on a one for one basis.

Subsequent to year end, 35,000,000 Options previously issued to share placement participants on 22 February 2017, expired unexercised.

Furthermore, on 2 August 2019, 15,000,000 Options were issued to the nominees for each of the Company's Directors Robert Scott, Mark Burchnall and Tim Armstrong (45,000,000 Options in aggregate), following shareholder approval at the Company's Extraordinary General Meeting held on 26 July 2019.

d) Performance Rights

Details of the performance rights outstanding as at the end of the year are set out below:

Grant Date	Rights	Granted	Expiry Date	Vested and converted into shares	30 June 2019	30 June 2018
13 Aug 2018	Class A	140,000,000	13 Aug 2021	-	140,000,000	-
13 Aug 2018	Class B	140,000,000	13 Aug 2023	-	140,000,000	-
13 Aug 2018	Class C	120,000,000	27 Jul 2019	120,000,000	-	-
					280,000,000	-

All performance rights are unlisted and are convertible into fully paid ordinary shares in the Company on a one for one basis.

On 13 August 2018, a total of 400,000,000 Performance Rights (Rights) were granted to Nomad shareholders, at no cost, as part consideration for the Nomad Acquisition. The Rights are subject to customary vesting periods and conversion events, and are detailed at Note 20.

On 13 August 2019, 120,000,000 Class C Rights vested and were converted into fully paid ordinary shares in the Company on a one for one basis, following the satisfaction of the conversion event for Class C Rights.

The Rights were granted in accordance with the Share Sale and Purchase Agreement (SSPA) for the Company's acquisition of Nomad and approved by Shareholders at the Extraordinary General Meeting (EGM) held on 27 July 2018.

e) Capital Management

The Group has no externally imposed capital requirements.

Note 15 - Reserves

Consolidated Group

	2019	2018
	\$	\$
Share based payment reserve	636,500	-

The share based payments reserve records items recognised as either an expense or capital asset upon valuation of options or performance rights.

During the year ended 30 June 2019 an amount of \$612,500 was capitalised to exploration assets acquired as part of the Company's acquisition of Nomad Explorations Pty Ltd.

An amount of \$24,500 was expensed to the statement of profit or loss and other comprehensive income for the year ended 30 June 2019, in respect of unlisted options that were issued to the Company's Chief Executive Officer during the year.

Refer Note 20 for further details regarding the valuation of performance rights and options issued during the year ended 30 June 2019.

Notes to the Financial Statements for the year ended 30 June 2019

			Consolidated Group	
			2019	2018
			\$	\$
Note 16 - Tenements				
The Group's interest in tenements are as follows:				
Project	Tenement	Commodity	Carrying value \$	Carrying value \$
Western Australia				
Rover ^{1,2}	EL 8732	Gold/Nickel/Copper/Cobalt	151,156	
New South Wales				
Midas ¹	EL 8778	Gold / Copper / Cobalt	1,638,800	
Perseus ^{1,2}	EL 31761	Gold / Copper / Cobalt	1,407,233	
Northern Territory				
Pungalina ^{1,2,4}	EL 31787	Cobalt/Copper	-	
Calvert ^{1,2}	EL 31788	Cobalt/Copper	157,018	
Peartree ^{1,2}	EL 6220	Cobalt/Copper	151,567	
South Australia				
Kalanbi ⁴	EL 5858	Cobalt / Base Metals	-	12,345
Muckanippie ³	EL 5865	Base Metals	-	376,449
Whymlet ³	EL 6066	Base Metals / Uranium	-	13,749
Sheoak Hill ³	EL 6067	Base Metals / Uranium	-	7,217
Lock ³	E57/1085	Base Metals / Uranium	-	3,716
Carrying value of exploration assets			3,505,774	413,476

¹ These tenement interests were acquired by the Company following completion of the Company's acquisition of Nomad Explorations Pty Ltd on 13 August 2018.

² Granted during the year.

³ Relinquished during the year.

⁴ Relinquished subsequent to year ended 30 June 2019.

All tenements are within South Australia. All tenements are held 100% by the Group.

See Note 24 for details of the tenements acquired during the reporting period as part of the Company's acquisition of 100% of the shares of Nomad, that completed on 13 August 2018.

	Consolidated Group	
	2019 \$	2018 \$
Note 17 – Expenditure Commitments and Contingencies		
a) Expenditure Commitments		
Capital commitments relating to tenements		
The Group is required to meet minimum expenditure requirements of various Australian Government bodies. These obligations are subject to re-negotiation, may be farmed out or may be relinquished and have not been provided for in the financial statements.		
Exploration expenditure commitments		
- Expenditure commitment - < 1 year	220,000	390,000
- Expenditure commitment – 1 to 5 years	470,000	-
- Expenditure commitment – > 5 years	50,000	
	740,000	390,000

Operating Lease commitments

There are no operating leases not provided for in the financial statements.

Expenditure commitments

The Group had no lease commitments at 30 June 2019 (30 June 2018: Nil)

b) Contingencies

The Group did not have any contingent liabilities as at 30 June 2019 (2018: None).

The Group has minimum expenditure commitments on exploration licences as per the terms of the exploration licences. Unexpended commitment for a particular year can be deferred or rolled over to subsequent years of the licence term

Note 18 - Segment Information

The Directors have considered the requirements of AASB 8 - Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources have concluded at this time there are no separately identifiable segments.

	Consolidated Group	
	2019	2018
	\$	\$
Note 19 - Cash Flow Information		
Reconciliation of cash flows from operations with Loss after income tax		
Loss after income tax	(1,132,777)	(353,967)
Non cash flows in loss;		
- Depreciation expense (net of capitalisation)	2,654	201
- Exploration expenditure expensed	5,131	5,959
- Exploration impairment expense	580,920	-
- Share based payments expense	24,250	-
Changes in assets and liabilities;		
- Increase in trade and other receivables	(851)	(3,654)
- (Decrease) / Increase in trade and other payables	(42,741)	51,570
- Increase in provisions	526	751
Net cash used in operating activities	(562,888)	(299,140)

Note 20 - Share-based Payments

a) Unlisted Options

	Consolidated Group	
	2019	2018
	Number of Unlisted Options	Number of Unlisted Options
Balance at the beginning of the period	-	-
Granted during the period	7,500,000	-
Vested during the period	-	-
Forfeited/cancelled during the period	-	-
Balance at the end of the period	7,500,000	-

On 20 November 2018, 7,500,000 unlisted share options (Options) were granted, at no cost, to the Company's Chief Executive Officer, Ian Warland, under the Company's Incentive Option Plan. All options vested immediately upon issue. The details of the Options issued were as follows:

Grant Date	Number of Options	Exercise Price	Expiry Date
20 November 2018	2,500,000	\$0.010	31 December 2023
20 November 2018	2,500,000	\$0.015	31 December 2023
20 November 2018	2,500,000	\$0.020	31 December 2023

The fair value of the Options issued was calculated by using a Black-Scholes option pricing model. The fair value of the Options was estimated on the date of the grant using the following assumptions:

Share price at date of grant (\$)	0.005
Historic volatility (%)	106.7
Risk free interest rate (%)	2.34
Expected life of option (days)	1,867

Notes to the Financial Statements for the year ended 30 June 2019

Note 20 - Share-based Payment continued

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.

The life of the Options is based on the historical exercise patterns, which may not eventuate in the future.

An amount of \$24,250 has been included in the Statement of Profit or Loss and Other Comprehensive Income under Employee benefits expense for the year ended 30 June 2019 (30 June 2018: Nil)

No Options have been exercised during the year ended 30 June 2019 (30 June 2018: Nil).

The Options outstanding at 30 June 2019 have a weighted average exercisable price of \$0.015 and a weighted average remaining contractual life of 4.5 years.

Subsequent to year end, 15,000,000 Options were issued to the nominees for each of the Company's Directors Robert Scott, Mark Burchnall and Tim Armstrong (45,000,000 Options in aggregate), following shareholder approval at the Company's Extraordinary General Meeting held on 26 July 2019.

b) Performance Rights

	Consolidated Group	
	2019	2018
	Number of Performance Rights	Number of Performance Rights
Balance at the beginning of the period	-	-
Granted during the period	400,000,000	-
Converted during the period	(120,000,000)	-
Forfeited/cancelled during the period	-	-
Balance at the end of the period	280,000,000	-

On 13 August 2018, a total of 400,000,000 Performance Rights (Rights) were granted to Nomad shareholders, at no cost, as part consideration for the Nomad Acquisition. The Rights were granted in accordance with the Share Sale and Purchase Agreement (SSPA) for the Company's acquisition of Nomad and approved by Shareholders at the Extraordinary General Meeting (EGM) held on 27 July 2018.

The 400,000,000 Rights granted, consisted of:

Class	Issue Date	No. of Rights	Vesting Period	Expiry Date	Conversion Event
Class A	13 Aug 2018	140,000,000	18 months from date of issue	13 Aug 2021	The Company announcing to the ASX a drill intercept on any of the tenements currently owned by Nomad ("Nomad Tenements") of at least 7m @500ppm cobalt in at least two drill holes at least 100m apart.
Class B	13 Aug 2018	140,000,000	18 months from date of issue	13 Aug 2023	The Company announcing to the ASX a mineral resource in either the inferred, indicated or measured category (reported in accordance with the JORC Code, 2012 Edition), on any of the Nomad Tenements of at least 10Mt at 750ppm cobalt with a 500ppm cut-off.
Class C	13 Aug 2018	120,000,000	None	27 Jul 2019	The granting of an exploration licence to Nomad in respect of ELA5652 (Perseus) in New South Wales.

Note 20 - Share-based Payments continued

Valuation of Rights

Class C Performance Rights

On 13 August 2018, the Company announced that the conversion event in respect of the Class C Rights (being the granting of Perseus EL8778 as announced on 26 July 2018) had been satisfied and that it had issued 120,000,000 Shares to Nomad shareholders following the conversion of the Class C Rights.

Given the Class C Rights were issued on 13 August 2018 and converted into an equivalent number of fully paid ordinary shares on the same day, the fair value of these Rights was calculated based on the closing share price on the date of issue. The closing share price on 13 August 2018 was \$0.007 per share.

The fair value of the 120,000,000 Class C Rights was \$840,000, and has been capitalised against the exploration assets acquired as part of the acquisition of Nomad.

Class A and Class B Performance Rights

A binomial valuation method was used to determine the fair value of the Class A and Class B Rights.

The fair value of the 280,000,000 Class A and Class B Rights was \$612,500, and has been capitalised against the exploration assets acquired as part of the acquisition of Nomad.

The fair value of the Class A and Class B Rights was estimated on the issue date using the following assumptions:

	<u>Class A</u>	<u>Class B</u>
Share price at date of grant (\$)	0.007	0.007
Historic volatility (%)	65	58
Risk free interest rate (%)	2.04	2.33
Vesting period (years)	1.5	1.5
Expected life (years)	3	5

The valuation considered various probabilities associated with each of the respective conversion events being realised prior to expiry of the Rights.

No Class A or Class B Rights have been converted into fully paid ordinary shares during the period, or as at the date of this report.

A total fair value of \$1,452,500 in respect of the 400,000,000 Rights issued has been capitalised against the exploration assets acquired as part of the acquisition of Nomad.

No amount has been included in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2019.

Note 21 - Related Party Transactions

a) Subsidiaries

Interests in subsidiaries are disclosed in Note 10.

b) Key Management Personnel

Disclosures relating to Key Management Personnel are set out in Note 4 and the Remuneration Report. Amounts that remain outstanding to Key Management Personnel at year end are also disclosed in Note 12.

c) Other transactions with related parties

MPH Lawyers were paid \$3,952 (excl. GST) during the year for legal services rendered to the Company (2018: Nil). Mr Burchnall is a Director of MPH Lawyers. The fees were at normal commercial rates.

M Janes was a director of Samphire Uranium Limited (Samphire) at the reporting date, and was also a Director of Twenty Seven Co. Limited (Twenty Seven Co.) until his resignation on 12 April 2019.

Samphire shares a corporate office with Twenty Seven Co. on a month to month basis, with Twenty Seven Co. being the head lessee. Twenty Seven Co. invoices Samphire for its share of rent, outgoings and other administration charges. During the reporting period the Company invoiced \$22,124 (excl. GST) to Samphire for these services (2018: \$20,091). There are no other transactions with related parties at year end.

Note 22 - Financial Risk Management

a) Financial Risk Management Policies

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payables. The Group does not currently undertake hedging of any kind and is not directly exposed to currency risk.

The Group does not have a formally established treasury function. The Board meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The main risk the Group is exposed to through its financial instruments is interest rate risk. The Group holds the following financial instruments:

	Weighted Average Effective Interest Rate		Interest Bearing		Non-Interest Bearing		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets								
Cash at bank	1.45	1.38	303,488	373,172	-	-	303,488	373,172
Deposits	2.00	-	15,235	-	-	-	15,235	-
Trade and other receivables	-	-	-	-	30,282	14,442	30,282	14,442
Total Financial Assets			318,723	373,172	30,282	14,442	349,005	387,614
Financial Liabilities								
Trade and other payables	-	-	-	-	(97,506)	(145,389)	(97,506)	(145,389)
Total Financial Liabilities			-	-	(97,506)	(145,389)	(97,506)	(145,389)
Total Net Financial Assets			318,723	373,172	(67,224)	(130,947)	251,499	242,225

Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and non- interest bearing monetary financial assets and financial liabilities of the Group approximate their carrying value.

Note 22 - Financial Risk Management continued

The net fair value of other monetary financial assets and financial liabilities is based on discounting future cash flows by the current interest rates for assets and liabilities with similar risk profiles. The balances are not materially different from those disclosed in the Statement of Financial Position of the Group.

b) Interest Rate Risk & Sensitivity Analysis

Interest Rate Risk

Interest rate risk is managed with a mixture of fixed and floating rate cash deposits. It is the policy of the Group to keep surplus cash in higher yielding deposits.

Sensitivity Analysis- Interest Rates

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks. The assessment of the impact of interest rate sensitivity for 30 June 2019 is minor given the low cash balance at year end. Any impacts would be in relation to deposit yields on cash investments.

c) Credit Risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions, and represents the potential financial loss if counterparties fail to perform as contracted.

The Group has no significant concentrations of credit risk and cash term deposits are limited to high credit quality financial institutions.

The carrying amount of the Group's financial assets represents the maximum credit exposure. Refer to the table above within Note 22 (a) for weighted average interest rates and floating and fixed interest financial instruments.

d) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and close out market positions.

The Board of Directors are ultimately responsible for Group's liquidity risk management. Liquidity risk is managed by maintaining adequate reserves and investing surplus cash only in major financial institutions.

At the end of the reporting period the Group held cash and at call deposits of \$318,723 (2018: \$373,172) and no debt (2018: Nil).

Note 23 - Events After the Reporting Date

The following securities were issued on 2 August 2019, following shareholder approval at the Company's Extraordinary General Meeting held on 26 July 2019:

- 15,000,000 unlisted options (Options) were issued to the nominees for each of the Company's Directors Robert Scott, Mark Burchnall and Tim Armstrong (45,000,000 unlisted options in aggregate).
- 6,000,000 fully paid ordinary shares were issued to the nominees for each of the Company's Directors Robert Scott, Mark Burchnall and Tim Armstrong (18,000,000 shares in aggregate), in lieu of cash director fees owing to Robert Scott, Mark Burchnall and Tim Armstrong for their services for the period to 30 June 2019.

In Mr Burchnall's case, the relevant Options and shares were issued to Storm Enterprises Pty Ltd, an investment vehicle for the equity Directors of MPH Lawyers. For the purposes of the *Corporations Act 2001* (Cth), Mr Burchnall neither controls Storm, nor does he have a relevant interest in shares held by Storm.

Other than the matters noted above, there have been no other subsequent events which require disclosure.

On 27 August 2019, the Company announced a share placement to professional and sophisticated investors to raise \$300,000 (before costs) (**Placement**), involving the issue of 75,000,000 fully paid ordinary shares at an issue price of \$0.004 (0.4 cents) per share (**Placement Shares**). Subscribers to the Placement were also issued with one (1) free attaching unlisted option for every one (1) share subscribed for under the Placement, exercisable at 0.7 cents and expiring on 30 June 2022 (**Placement Options**). The Placement Shares and Placement Options were issued on 30 August 2019.

On 4 September 2019, the Company announced a Share Purchase Plan (SPP), providing shareholders who held shares in the Company on 3 September 2019 (Record Date), the opportunity to apply for a maximum of \$30,000 of new fully paid ordinary shares in the Company at an offer price of \$0.004 (0.4 cents) per new share. The SPP offer closed on 24 September 2019. Subject to confirmation of cleared funds, the target of \$500,000 has been provisionally oversubscribed. The Company is extremely encouraged by this level of shareholder support and will shortly make an announcement confirming the total funds raised under the SPP.

Note 24 – Acquisition of Nomad Explorations Pty Ltd

Nomad Acquisition

On 13 June 2018, the Company announced that it had entered into a Share Sale and Purchase Agreement to acquire 100% of the issued capital of Nomad (Nomad Acquisition). In accordance with the Share Sale and Purchase Agreement, as consideration, the Company agreed to pay the following to Nomad shareholders:

Tranche 1 Consideration

- a) Pay a non-refundable deposit of \$50,000
- b) 14,000,000 Shares (deposit Shares)

Tranche 2 Consideration

- c) Issue 16,000,000 Shares (deposit Shares);
- d) Issue 180,000,000 Shares (consideration Shares);
- e) Issue 140,000,000 Class A Performance Rights
- f) Issue 140,000,000 Class B Performance Rights
- g) Issue 120,000,000 Class C Performance Rights

Royalty

- h) Grant a 1.5% net smelter return royalty with respect to all minerals produced and sold from the project areas;

Tranche 1 Consideration as detailed above was paid to Nomad shareholders on 13 June 2018. The 14,000,000 Shares (detailed at b) above) were issued at a deemed issue price of \$0.007 per share.

On 27 July 2018, an EGM was held, where shareholders approved various resolutions relating to the completion of the Nomad acquisition and associated capital raising.

On 2 August 2018, the Company issued 16,000,000 shares (detailed at c) above) to Nomad shareholders following the receipt of shareholder approval at the EGM. The 16,000,000 Shares were issued at a deemed issue price of \$0.007 per share.

On 13 August 2018, the Company announced that all conditions precedent for the acquisition of Nomad, pursuant to the Share Sale and Purchase Agreement, had been satisfied and that the final Tranche 2 Consideration had been paid to the shareholders of Nomad, being:

- 180,000,000 Shares at a deemed issue price of \$0.007 per share.
- 140,000,000 Class A Performance Rights
- 140,000,000 Class B Performance Rights
- 120,000,000 Class C Performance Rights

The respective conversion events and detailed terms that govern the Class A, Class B and Class C Performance Rights were detailed in the EGM Notice of Meeting (ASX Release dated 25 June 2018).

On 13 August 2018, the Company also announced that the conversion event in respect of the Class C Performance Rights (being the granting of Perseus EL8778 as announced on 26 July 2018) had been satisfied and that it had issued 120,000,000 Shares to Nomad shareholders following the conversion of the Class C Performance Rights. The Shares were issued for nil consideration upon conversion.

Note 24 – Acquisition of Nomad Explorations Pty Ltd continued

Nomad Tenement Interests Acquired

The tenement interests acquired by the Company following completion of the acquisition of Nomad on 13 August 2018 are as follows:

Location	Project	Tenement	Commodity
New South Wales	Midas	EL 8732	Cobalt/Copper/Gold
New South Wales	Perseus	EL 8778	Cobalt/Copper/Gold
Northern Territory	Pungalina	EL 31761	Cobalt/Copper
Northern Territory	Calvert	EL 31787	Cobalt/Copper
Northern Territory	Peartree	EL 31788	Cobalt/Copper
Western Australia	Rover	E57/1085	Nickel/Copper/Cobalt/Gold

During the period, the total cost of acquisition, being \$3,188,272 has been capitalised against the exploration assets detailed above, with the transaction constituting an asset acquisition. These acquisition costs include the fair value of the consideration paid to Nomad shareholders and the fair value of other costs directly related to the acquisition of Nomad.

Capital Raising

On 2 May 2018, the Company announced that Taylor Collison had successfully received commitments from professional and sophisticated investors to raise approximately \$1,200,000 at \$0.007 (before costs) by way of a two-tranche placement (Placement).

The Placement was undertaken pursuant to a mandate for the asset introduction and placement of equity, between the Company and Taylor Collison, and was a condition precedent to the Sale & Purchase Agreement for the acquisition of Nomad. Funds raised from the Placement are being used to fund exploration of the new tenements acquired as part of the Nomad acquisition, fund exploration on the Company's existing tenements and for general working capital purposes.

On 14 June 2018, the Company issued 40,000,000 Shares to professional and sophisticated investors at an issue price of \$0.007 to raise \$280,000 (before costs), pursuant to Tranche 1 of the Placement.

On 2 August 2018, the Company issued 131,500,000 Shares to professional and sophisticated investors at an issue price of \$0.007 to raise \$920,500 (before costs), pursuant to Tranche 2 of the Placement. The Tranche 2 Placement was approved by shareholders at the EGM.

On 2 August 2018, the Company issued 30,000,000 Shares at a deemed issue price of \$0.007 per share, to Taylor Collison Limited (or their nominee), as consideration for their services provided to the Company in relation to the Nomad Acquisition.

Change of Company Name

On 30 July 2018, the Company announced that it had changed its name from UraniumSA Limited (ASX: USA) to Twenty Seven Co. Limited. The Company commenced trading under the new ASX code of 'TSC' from 1 August 2018.

	Parent Entity	
	2019	2018
	\$	\$
Note 25 – Twenty Seven Co. Limited Parent Company Information		
Parent Entity		
Assets		
Current assets	335,011	539,990
Non-current assets		
- Loans to subsidiaries	3,524,615	413,568
- Investments in subsidiaries	2	2
- Other non-current assets	11,709	464
Total Assets	3,871,337	954,024
Liabilities		
Current liabilities	96,424	145,929
Non-current liabilities	469	2,955
Total Liabilities	96,893	148,884
Net Assets	3,774,444	805,140
Equity		
Issued capital	16,740,774	13,275,443
Share options reserve	636,750	-
Retained losses	(13,603,079)	(12,470,303)
Total Equity	3,774,444	805,140
Financial performance		
Loss for the year	(1,132,777)	(353,967)
Other comprehensive income	-	-
Total comprehensive income	(1,132,777)	(353,967)

Guarantees in relation to the debts of subsidiaries

Twenty Seven Co. Limited has not entered into a deed of cross guarantee with its wholly-owned subsidiaries TSC Exploration Pty Ltd, Fatjack Pty Ltd and Boston Minerals Pty Ltd.

Contingent Liabilities

Twenty Seven Co. Limited did not have any contingent liabilities as at 30 June 2019 or 30 June 2018.

Contractual Commitments

Lease expenditure commitments

There are no contractual capital commitments for the acquisition of property, plant or equipment at the date of signing this report.

Directors' Declaration

The Directors of the Group declare that:

- 1 the Financial Statements and Notes as set out on pages 25 to 55 are in accordance with the *Corporations Act 2001* and:
 - a) comply with Australian Accounting Standards and International Financial Reporting Standards as disclosed in Note 1; and
 - b) give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Group;
- 2 the Chief Executive Officer and the Chief Financial Officer have each declared that:
 - a) the financial records of the Group for the year ended have been properly maintained in accordance with section 286 of the Corporations Act 2001;
 - b) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c) the financial statements and notes give a true and fair view;
- 3 in the Directors' opinion there are reasonable grounds to believe that the Group 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.



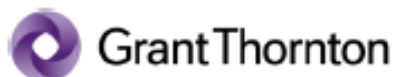
Robert Scott

Chairman

Perth

Dated this 25th day of September 2019

Independent Auditor's Report



Grant Thornton Audit Pty Ltd
Grant Thornton House
Level 3, 170 Frome Street
Adelaide SA 5000

Correspondence to:
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Independent Auditor's Report

To the Members of Twenty Seven Co. Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Twenty Seven Co. Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, 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:

- a giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the year ended on that date; and
- b 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 auditor independence requirements of 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

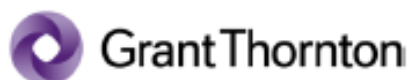
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Independent Auditor's Report



Material uncertainty related to going concern

We draw attention to Note 25 in the financial statements, which indicates that the Group incurred a net loss of \$1,132,776 and a cash outflow from operating and investing activities of \$1,097,779 during the year ended 30 June 2019 and as of that date, the Group's cash balance was \$318,723. As stated in Note 25, these events or conditions along with other matters as set forth in Note 25, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

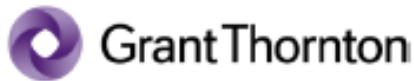
Key audit matters

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.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Exploration and evaluation assets - Note 1 (c), (p) & 11	
<p>At 30 June 2019, the carrying value of exploration and evaluation assets was \$3,505,774.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.</p> <p>The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.</p> <p>This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none">• obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger;• reviewing management's area of interest considerations against AASB 6;• conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including:<ul style="list-style-type: none">– obtaining and assessing supporting document such as exploration license and third party confirmation;– enquiry of management regarding their intentions and strategy to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure;– assessing the cash flow forecast models and the ability to fund any planned future exploration and evaluation activity;– understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;• assessing the accuracy of impairment recorded for the year as it pertained to exploration interests;• evaluating the competence, capabilities and objectivity of the management expert in the evaluation of potential impairment triggers; and• reviewing the appropriateness of the related financial statement disclosures.

Independent Auditor's Report



Key audit matter

How our audit addressed the key audit matter

Asset acquisition – Nomad Exploration – Notes 1(a) & 24

On 13 August 2018, Twenty Seven Co. Limited acquired 100% of the issued capital of Nomad Exploration Pty Ltd (Nomad).

There are a number of risks associated with the accounting for asset acquisitions which include:

- incorrect determination of the purchase consideration;
- accounting estimates and judgements that do not appear reasonable;
- determination of the fair value of assets and liabilities acquired; and
- presentation and disclosure of the asset acquisition.

This area is a key audit matter due to the significant judgement involved in determining the treatment of the transaction and the estimates with the performance rights valuation calculation.

Our procedures included, amongst others:

- Obtained the Share Sale and Purchase Agreement in relation to the acquisition, to identify the purchase consideration and details of the asset and liabilities acquired as part of the transaction to determine whether the acquisition accounting is appropriate;
- Conducted a detailed review of the information detailing the identification and valuation of the assets and liabilities, and related purchase consideration in forming the purchase price allocation;
- reviewing the estimates and judgements along with the relevant inputs into the performance rights valuation calculation;
- evaluating the competence, capabilities, and objectivity of management's experts in the evaluation of probabilities and satisfaction of performance obligations;
- reviewing accounting policies to confirm consistency in between the businesses on consolidation; and
- assessing the adequacy of the Group's disclosures within the financial statements.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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.

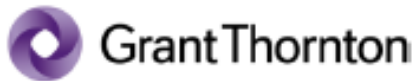
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.

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

Independent Auditor's Report



Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.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 the Directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Twenty Seven Co. Limited, for the year ended 30 June 2019 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.

Grant Thornton.

Grant Thornton Audit Pty Ltd
Chartered Accountants

A handwritten signature in blue ink, appearing to read "B K Wundersitz", written over a faint circular watermark.

B K Wundersitz
Partner – Audit & Assurance

Adelaide, 25 September 2019

Additional Information

Compiled as at 2 September 2019

Distribution of equity securities

Number of security holders by size of holding:

Range	Fully Paid Ordinary Shares	Unlisted Options	Performance Rights
1 - 1,000	104	-	-
1,001 - 5,000	317	-	-
5,001 - 10,000	243	-	-
10,001 - 100,000	637	-	-
100,001 - 9,999,999,999	436	35	20
Total	1,737	35	20

Minimum \$500.00 parcel at \$0.0050 per unit. There were 1,256 shareholdings of less than a marketable parcel of shares.

Twenty largest holders of each class of quoted equity security

Ordinary Shares

Rank	Name	Units	% Issued Capital
1	STRAT PLAN PTY LTD <DISC-STRAT PLAN A/C>	120,421,649	11.20
2	BBD CUSTODIANS PTY LTD <THE BBD ACCOUNT>	60,000,000	5.58
3	RED MARLIN PTY LTD <THE RED MARLIN A/C>	60,000,000	5.58
4	J MOODY NOMINEES PTY LTD <THE MOODY SUPER FUND A/C>	31,350,000	2.92
5	MR COLIN BENJAMIN BURWOOD	25,000,000	2.33
6	CLARA SERVICES PTY LTD <MAN S CHENG SUPER FUND A/C>	24,978,278	2.32
7	JD SQUARED INVESTMENTS PTY LTD <JD SQUARED INVESTMENTS A/C>	20,401,181	1.90
8	MR LINDSAY MURRAY CARTHEW <LMCFT A/C>	18,910,287	1.76
9	MR BEDE LANCE RAMAH	18,000,000	1.67
10	MR FLOYD BARRY AQUINO	17,479,888	1.63
11	VASSAGO PTY LTD <ASTON A/C>	16,913,630	1.57
12	MS ALICE MCCLEARY + MR BRIAN JOHN MCCLEARY <ALICE MCCLEARY S/F A/C>	16,425,381	1.53
13	BEIRNE TRADING PTY LTD	15,115,000	1.41
14	MR FRANCIS LYNN SWEENEY	13,742,152	1.28
15	MR LUKE WILLIAM WRIGHT RIDHALGH	12,571,429	1.17
16	MR ALEXANDER LEGGAT	12,313,581	1.15
17	GRASMERE NOMINEES PTY LTD	12,250,000	1.14
18	MR DAVID VIGOLO <VIGOLO FAMILY A/C>	12,000,000	1.12
19	BTD INVESTMENTS PTY LTD	10,500,000	0.98
20	M & K KORKIDAS PTY LTD <M&K KORKIDAS P/L S/FUND A/C>	10,342,997	0.96
TOTAL		528,715,453	49.18

Substantial Shareholders

The name of the substantial shareholder in the Group, the number of equity securities to which the substantial shareholder and their associates have a relevant interest, as disclosed in substantial holding notices and other notices given to the Group:

Shareholder	Number of Ordinary Shares Held	% of Ordinary Shares Held
STRAT PLAN PTY LTD <DISC-STRAT PLAN A/C>	120,421,649	11.20
BBD CUSTODIANS PTY LTD <THE BBD ACCOUNT>	60,000,000	5.58
RED MARLIN PTY LTD <THE RED MARLIN A/C>	60,000,000	5.58

Voting Rights

a) Fully paid ordinary shares

On a show of hands, every person qualified to vote, whether as a member or proxy or attorney or representative, shall have one vote. Upon a poll, every member shall have one vote for each share held.

b) Unlisted options and unlisted performance rights

No voting rights.

Corporate Governance Statement

For the Year Ended 30 June 2019

The Corporate Governance Statement for the Group is located in the Corporate Governance section of the Company's website at: <https://www.twentysevenco.com.au/about-us/>

Twenty
Seven

Co.