WOLLONGONG COAL LIMITED

Appendix 4E

Final Report

Company details

Name of entity:	Wollongong Coal Limited
ABN:	28 111 244 896
Reporting period:	For the year ended 31 March 2020
Previous period:	For the year ended 31 March 2019

Results for announcement to the market

	Change	% Change		$ '000
Revenue from ordinary activities	Down	89%	to	7,036
Loss from ordinary activities after tax attributable to members	Down	70%	to	111,990
Net Loss after tax attributable to members	Down	70%	to	111,990
Interim and final dividends per security (Franked at 0%, 2019: 0%)	No change	-	to	-

Since both the mines remained under care and maintenance during the entire financial year, there were no production compared to 343,000 tonnes in the previous financial year ending on 31 March 2019.

The loss for the consolidated entity after providing for income tax amounted to $111,990,000 (2019: $379,230,000) The loss is after a net foreign exchange loss of $86,402,000 (2019: $44,412,000) that mainly relates to the change in the exchange rate between the US dollar and Australian dollar on the consolidated entity's US dollar borrowings. The net current liabilities of $1,089,243,000 (2019: $925,496,000) include borrowings and working capital facilities of $1,064,949,000 (2019: $893,169,000) which have been entirely classified as current liabilities to comply with the Accounting Standards AASB 101 'Presentation of Financial Statements', due to breaches of financial covenants. The expected principal repayment due on borrowings for the year ending 31 March 2021 is $64,232,215.

Dividends

No dividends were declared or paid during the period.

Net tangible assets

	Consolidated Year Ended 31 March 2020 Cents	**Consolidated Year Ended 31 March 2019 Cents**
Net tangible assets per ordinary security	**(7.64)**	**(6.44)**

Control gained over entities
Not applicable.

Loss of control over entities
Not applicable.

Details of associates and joint venture entities
Not applicable.

Foreign entities
Not applicable.

Audit qualification or review
This report is based on financial statements which have been audited.

Attachments

The consolidated financial statements of Wollongong Coal Limited for the year ended 31 March 2020 are attached.

Signed

Milind K Oza
Director
Sydney

Date: 8 May 2020

Wollongong Coal Limited

ABN 28 111 244 896

Annual Report - 31 March 2020

Wollongong Coal Limited

For the Year Ended 31 March 2020

Contents

Director's report
For the Year Ended 31 March 2020

Directors	Mr Milind K.Oza (Executive Chairman) Dr Andrew E. Firek Mr Sanjay Kumar Srivastava Mr Dipen Rughani
Management	Mr Mitchell Jakeman (CEO) Mr Wayne Sly (COO) Mr G Shyamsunder (Group CFO) Mr Anil Kumar Jain (CFO) Mr Sanjay Sharma (Company Secretary) Mr Brian Almeida (Head – HR) Mr Devendra Vyas (Head – Commercial)
Registered office	Lot 31 7 Princes Highway, corner of Bellambi Lane Corrimal, NSW 2518 Ph: +61 (02) 4223 6830 Fx: +61 (02) 4283 7449
Principal place of business	Lot 31 7 Princes Highway, corner of Bellambi Lane Corrimal, NSW 2518
Share register	Boardroom Pty Limited Level 12 225 George Street Sydney, NSW 2000 Ph: 1300 737 760 Fx: 1300 653 459
Auditor	UHY Haines Norton Level 11 1 York Street Sydney, NSW 2000
Bankers/Lenders	State Bank of India Deutsche Bank, London SC Lowy Punjab National Bank, Hong Kong Union Bank Of India, Hong Kong Export Import Bank of India, London Punjab National Bank International Limited, London Canara Bank, London UCO Bank, Hong Kong Bank of Baroda, London Carvel Investors
Stock exchange listing (ASX code: WLC)	Wollongong Coal Limited shares are listed on the Australian Securities Exchange
Website	www.wollongongcoal.com.au

Director's report

For the Year Ended 31 March 2020

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Wollongong Coal Limited (referred to hereafter as the 'company' 'WLC' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 March 2020.

Directors

The following persons were the directors of Wollongong Coal Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Milind K Oza
Dr Andrew E Firek
Mr Sanjay Kumar Srivastava (appointed 7 May 2019)
Mr Dipen Rughani (*appointed on 16 August 2019)*

Mr Devendra Vyas (*resigned 1 April 2019*)
Mr Maurice Anghie (*ceased on 23 July 2019 due to death)*

Principal activities

The principal activities of the consolidated entity during the financial period were:

- Wongawilli Colliery was put on care and maintenance;
- Planning and work continued to seal the portal entries:
- Underground Expansion Project (UEP) for mining at Russell Vale was submitted;
- All responses to submissions received on the proposed UEP were submitted; and
- Russell Vale mine being prepared for mining post UEP approval.

Significant Changes to Activities

The following significant changes in the nature of the principal activities occurred during the financial year:

Efforts to respond to the Coronavirus 19 alerts and advise to personnel were provided in a timely manner. Employees and changes to workplace to keep the business functioning was planned and evolved. No one has contracted the virus and employees and their families are protected as well as possible from the workplace infections.

Wongawilli Colliery was put on care and maintenance with plans to seal the portal entries after recovering essential equipment.

Russell Vale Colliery remains on care and maintenance. The application for UEP was lodged in July 2019 and all response to submissions received on the proposed UEP were submitted by mid-January 2020.

Restructuring of certain secured debts – the Company, its subsidiaries and associated entities has entered into Schemes of Arrangements (Schemes) with certain secured lenders to restructure certain secured debts.

Dividends

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

Review of operations

Since both the mines remained on care and maintenance during the entire financial year, there were no production compared to 343,000 tonnes in the previous financial year ending on 31 March 2019.

Total revenue of the consolidated entity was $7,036,000 (2019: $62,539,000).

The loss for the consolidated entity after providing for income tax amounted to $111,990,000 (2019: $379,230,000) The loss is after a net foreign exchange loss of $86,402,000 (2019: $44,412,000) that mainly relates to the change in the exchange rate between the US dollar and Australian dollar on the consolidated entity's US dollar borrowings. The net current liabilities of $1,089,243,000 (2019: $925,496,000) include borrowings and working capital facilities of $1,064,949,000 (2019: $893,169,000) which have been entirely classified as current liabilities to comply with the Accounting Standards AASB 101 'Presentation of Financial Statements', due to breaches of financial covenants. The expected principal repayment due on borrowings for the year ending 31 March 2021 is $64,232,215.

Director's report

For the Year Ended 31 March 2020

Resource and reserve statement for Wollongong Coal as at 20 May 2019

Introduction

WLC has not, since its annual report for the financial year ended 30 June 2011, provided an updated Resources and Reserve statement which was in compliance with the JORC Code 2012. Accordingly, WLC provides below an updated Resource and Reserve statement in respect of the Russell Vale and Wongawilli Collieries in compliance with the 2012 JORC Code and ASX Listing Rule 5.21.

WLC conducted a detailed review of all available data for the economic coal seams within its Russell Vale and Wongawilli Collieries in August 2017. As part of this detailed review the selected mining section for the coal seams were revised based on economic criteria. As a result of this review there has been an increase in its reportable 2012 JORC Code compliant resources for its Wongawilli Colliery and a reduction of resources for Russell Vale Colliery.

In regards to the Russell Vale colliery, the previously assessed Balgownie seam has been removed due to thin seam thickness, economic criteria and unlikely prospects for extraction. For the Bulli seam, the resource has slightly decreased due to mining attrition. The resource of the Wongawilli seam has increased from 182.8MT to 241.3MT (24.2% increase).

For Wongawilli Colliery, the Bulli seam resource has increased from 36MT to 59MT (39% increase), while the Wongawilli and Tongarra seams show a small increase (2.5% and 8.9% respectively).

The estimation of Reserves is currently under review by WLC in consultation with a mining consulting company. Due to the more rigorous requirements of the 2012 JORC Code the current mine plans for both Russell Vale and Wongawilli Collieries are not of sufficient detail to meet the required standard.

Russell Vale Colliery

For the Russell Vale mine an application for a mining approval modification to continue operations was stalled by the Public Assessment Commission (PAC) and as such all mining ceased at Russell Vale Colliery in early September 2015 with the lapse of its mining approvals. The mine is currently on care and maintenance. A revised modification to the UEP (Underground Expansion Project) has been prepared and submitted to the Department of Planning, Industry and Environment.

Coal Resources

1. Geology

Russell Vale Colliery is located in the Southern Coalfield, which is the southern portion of the Permo-Triassic Sydney Basin and contains the Illawarra Coal Measures of Late Permian Age. Overlying the Illawarra Coal Measures are sandstones, shales and mudstones of the Narrabeen Group, which in turn are overlain by the Hawkesbury Sandstone, a massive quartzose sandstone unit. The Wianamatta Group, stratigraphically above the Hawkesbury Sandstone, is the top most unit in the Southern Coalfield.

Within the Illawarra Coal Measures the Bulli Coal is the uppermost coal member and has been extensively mined at Russell Vale Colliery. The Balgownie Coal, stratigraphically some 9 metres below the Bulli Coal has been mined at Russell Vale by the longwall method in the 1970's and more recently (early 1990's) by bord and pillar operations (Gibson's Colliery). The Bulli to Wongawilli Coal interval averages 27 metres. Although consistent in thickness, averaging 10 metres, the Wongawilli Seam has significant deterioration in quality in its upper section. An economic basal section of 2.4m to 3.1m is targeted for mining.

2. Sampling and Sampling Techniques

Target coal seams are identified by a qualified geologist who will do an initial brief log of the drill core (63mm in diameter) and in most instances will have either the full coal seam or representative sections of the coal seam placed in gas canisters for gas desorption testing. Remaining core is placed in core trays for transportation to the field office where the geologist will measure, log, photograph and sample the cored strata and coal seams that were not placed in gas canisters.

The Bulli and Wongawilli Seams are the target seams during drilling with other intersected coal seams being subject to partial analysis where deemed appropriate. The Bulli Seam is sampled over its full section while a potential basal section of the Wongawilli Seam is selected for analysis. Core recovery is targeted at >95%. A detailed underground strip sample programme for the Wongawilli Seam is used for short term detailed modelling.

Sampling procedure developed by WLC is followed by the field geologist. Borecore treatment procedures also developed by WLC are followed by the analysing laboratory.

Director's report

For the Year Ended 31 March 2020

3. Drilling

All recent drilling has used HQTT core drilling with water / mud circulation. Standard practice is to open hole to approximately 30m above the first target coal seam, the Bulli Seam, and usually finishes below the base of the lower most economic coal seam, the Wongawilli Seam. A 6.0m core barrel is used for almost all coring, with occasionally a 3.0m barrel used for specific requirements. Regional planning has some holes cored to intersect the lower Tongarra Seam for gas testing and coal quality purposes. Historical drilling has involved limited coring of large diameter PQ (100mm) holes to varying depths.

Resource Criteria

All recent drill hole collars are surveyed by registered contract surveyors using GPS and agree with DTM (to < 5m). In the past boreholes have been located by odometer on traverses (1960's) or surveyed using theodolite or EDM (1970's-1980).
Coordinate system used for surveying is Geodetic Datum Australia (GDA94) with collar reduced level to Australian Height Datum (AHD) and grid system using Map Grid Australian Zone 56 (MGA).

Topographic data used was acquired from Airborne Laser Scanning (LiDAR) conducted in 2009 with an accuracy of +/- 0.5m Drill hole spacing for Bulli and Wongawilli Seam Measured Resources is a maximum of 700m apart with Indicated Resources a maximum of 1000m apart. Inferred Resources are estimated from drill hole spacing up to 2000m apart but not more than 1000m past the outermost seam intersection. Geostatistical analysis supports the spacing of the above Point of Observation.

Drill hole locations are dependent on natural landform features such as storage water reservoirs and topographic relief across the entire mining lease. Hole spacing is sufficient to establish coal seam continuity across the mining lease to the relevant Resource estimations undertaken.

Sample compositing is not undertaken for the Bulli Seam but is routinely done so for the Wongawilli Seam.

4. Sampling Methodology

Target coal seam sample pre-treatment involves drop shatter and size adjustment prior to wet tumbling. The coal is then screened at 16.0 mm and 0.5 mm ww and float sunk at relative densities 1.30, 1.35, 1.375, 1.40, 1.425, 1.45, 1.50, 1.60, 1.70, 1.80 and 2.00 with yield and ash determined on each fraction. Tree flotation is carried out on the - 0.5 mm ww fraction. A coking coal composite is prepared and analysed for: - Volatile Matter, Sulphur, Phosphorus, CSN, AA Dilatation, Geisler Plastometer, and Petrographic Analysis. There is also a thermal product which is prepared and analysed. All coal pre-treatment and analysis is processed in NATA approved laboratories.

There is no regular formal Quality Assurance or Quality Control procedure on the exploration data collected. Whilst there is no evidence of there being issues, nor is there any out of compliance issues, it is planned to develop a QA/QC procedure for each piece of exploration data that is collected such that an understanding of the precision and accuracy of the data being collected is developed.

5. Estimation Methodology

Data acquisition undertaken both currently and in the past has involved exploration techniques of surface drilling, a surface Mini-Sosie seismic survey, aeromagnetic surveys, electromagnetic surveys, geophysical logging of surface drill holes and information available from surrounding collieries, both operating and non-operating. All reliable data gathered from these sources has been reviewed as reliable by the Resource Competent Person. Data is entered into an ABB Minescape 5 (windows based, running version 5.12) Geological system where borehole lithology data and quality and washability data is stored in table files in the Minescape module. Interpretations of structure from seismic surveys, surface and underground mapping and underground mining survey data also reside in the Minescape module.

Data has been modelled extensively both in Minescape and AutoCad to validate its accuracy and / or consistency with seam variations either by the Resource Competent Person or under his guidance.

6. Grade Parameters

A minimum thickness of 1.5m and >35% insitu ash has been applied to the Bulli Seam full seam mining section and a portion of the Bulli Seam has been classed as uneconomic under these criteria. The Wongawilli Seam has been modelled using a cut-off of >35% insitu ash and only the basal portion of the seam has an economic mining section. Some areas of both seams were excluded due to geological structures.

7. Mining and Modifying Factors
The Coal Resource estimation is based on the mined product being sold into the global coal market as an unwashed coking coal. No beneficiation plant exists for the washing of the ROM product on site. Previous operations involved superficial screening of the mined product to remove oversize, nominally the +63mm material. The majority of the previous production has been sold to WLC's major shareholder for beneficiation in India where all of the material is utilised either within the coke making industry, power generation or other industrial processes. Long term planning will see the construction of a washing facility off site to produce coking and thermal coals.

8. Resource Reconciliation
For Russell Vale colliery the previously assessed Balgownie seam has been removed due to thin seam thickness, economic criteria and unlikely prospects for extraction. For the Bulli seam the resource has decreased slightly due to mining attrition. The resource of the Wongawilli seam has increased from 182.8MT to 241.3MT (24.2% increase).

8.1 Bulli Seam – Full revision of all the borehole data available on the Bulli Seam was undertaken for the 2017 Resource estimation. Some additional data including stratigraphic logs, geophysical logs and quality data was uncovered for several boreholes. The results of the revision and inclusion of the additional data has resulted in movement of some Inferred resources into the Indicated category. A decrease in Measured Resources and overall decrease in total Resources is due to mining attrition and sterilisation of some remnant pillar areas when mining ceased in the Bulli seam in June 2011.

8.2 Balgownie Seam – Mine planning and economic evaluation undertaken since the 2010 Resource estimation has focused on extraction of the Bulli and Wongawilli seams only. Given the nature of the Balgownie seam (thin section and possible poor clean coal yields due to dilution) and the implication of the impact of seam integrity with extraction of the overlying (Bulli) and underlying (Wongawilli) coal seams it is considered that there is little likely hood of any future mining being undertaken within the Balgownie seam. Because of this the Balgownie seam has been deemed uneconomic to mine and has not been assessed in the 2017 Resource estimation.

8.3 Wongawilli Seam - Full revision of all the borehole data available on the Wongawilli Seam was undertaken for the 2017 Resource estimation. Some additional data including stratigraphic logs, geophysical logs and quality data was uncovered for several boreholes. Also the revision of the mining section to be used was undertaken, not on a single common mining section but one that met the criteria for economic mining. This revision resulted in an increase in the mining height for all of the resource categories, ranging from an increase of 0.35m for Measured to 0.58m and 0.62m for Indicated and Inferred respectively. With this increase in mining height there was also an increase in the insitu density. The results of this revision and inclusion of the additional data has resulted in an increase in the total Resource tonnes of 58.5Mt from the 2010 estimation.

Wongawilli Colliery

Events involving difficult geological conditions and financial issues saw the Wongawilli mine go into care and maintenance in July 2014. The Wongawilli mine recommenced operations in August 2016 under the contractual operation of Delta SBD. Delta used the split and lifts board and pillar method and mined the Wongawilli Seam until going into administration at the end May 2017. Operations at Wongawilli resumed in August 2018 but ceased in March 2019 due to frequent roof falls making operations risker and less economical.

Coal Resources

1. Geology
Wongawilli and Avondale Collieries are located in the Southern Coalfield, which is the southern portion of the Permo-Triassic Sydney Basin and contains the Illawarra Coal Measures of Late Permian Age. Overlying the Illawarra Coal Measures are sandstones, shales and mudstones of the Narrabeen Group, which in turn are overlain by the Hawkesbury Sandstone, a massive quartzose sandstone unit. The Wianamatta Group, stratigraphically above the Hawkesbury Sandstone, is the top most unit in the Southern Coalfield.

Within the Illawarra Coal Measures the Bulli Coal is the uppermost coal member and has been mined to a limited extent at Wongawilli Colliery. The Balgownie Coal, stratigraphically some 8 metres below the Bulli Coal has not been mined due to poor quality and thin coal section. The Bulli to Wongawilli Coal interval averages 27 metres. Although consistent in thickness, averaging about 9 metres, the Wongawilli Seam has significant deterioration in quality in its upper section. An economic basal section of 3.0m to 3.5m is targeted for mining. The Tongarra Seam is not economic in the north of the Wongawilli mining lease. To the south the Tongarra Seam is approximately 26 metres below the Wongawilli Seam and has an economic upper mining section of around 2.3m.

2. Sampling and Sampling Techniques

Target coal seams are identified by a qualified geologist who will do an initial brief log of the drill core (63mm in diameter) and in most instances will have either the full coal seam or representative sections of the coal seam placed in gas canisters for gas desorption testing. Remaining core is placed in core trays for transportation to the field office where the geologist will measure, log, photograph and sample the cored strata and coal seams not placed in gas canisters.

The Bulli, Wongawilli and Tongarra Seams are the target seams during drilling with other intersected coal seams being subject to partial analysis where deemed appropriate. The Bulli Seam is sampled over its full section while a potential basal section of the Wongawilli Seam is selected for analysis. The upper section of the Tongarra Seam is selected for analysis.

Core recovery target is >95%. An underground strip sample programme for the Wongawilli Seam is used for short term detailed modelling.

Sampling procedure developed by WLCL is followed by the field geologist. Borecore treatment procedures also developed by WLC are followed by the analyzing laboratory.

Historical field procedures and laboratory practices have varied over some 70 year life of exploration at the Wongawilli colliery.

3. Drilling

All recent drilling has used HQTT core drilling with water / mud circulation. Standard practice is to open hole to approximately 30m above the first target coal seam, the Bulli Seam, and usually finishes below the base of the lower most economic coal seam, the Tongarra Seam. A 6.0m core barrel is used for almost all coring; with occasionally a 3.0m barrel is used for specific requirements.

4. Resource Criteria

All recent drill hole collars are surveyed by registered contract surveyors using GPS and agree with DTM (to < 5m). In the past boreholes have been located by odometer on traverses (1960's) or surveyed using theodolite or EDM (1970's-1980).

Coordinate system used for surveying is Geodetic Datum Australia (GDA94) with collar reduced level to Australian Height Datum (AHD) and grid system using Map Grid Australian Zone 56 (MGA).

Topographic data used was acquired from Airborne Laser Scanning (LiDAR) conducted in 2009 and 2014 with an accuracy of +/- 0.5m (2009) and +/- 0.25m (2014).

Drill hole spacing for the Bulli and Tongarra Seams' Measured Resources is a maximum of 500m apart with Indicated Resources a maximum of 1000m apart. Inferred Resources are estimated from drill hole spacing up to 2000m apart but not more than 1000m past the outermost seam intersection. For the Wongawilli Seam Measured Resources is a maximum of 800m apart with Indicated Resources a maximum of 1250m apart. Inferred Resources are estimated from drill hole spacing up to 2000m apart but not more than 1000m past the outermost seam intersection. Geostatistical analysis supports the use of the above Point of Observation spacing for the Bulli and Wongawilli seams.

Drill hole locations are dependent on natural landform features such as storage water reservoirs and topographic relief across the entire mining lease. Hole spacing is sufficient to establish coal seam continuity across the mining lease to the relevant resources estimations undertaken.

Sample compositing is not undertaken for the Bulli Seam but is generally done so for the Wongawilli Seam and for the Tongarra Seam.

5. Sampling Methodology

Target coal seam sample pre-treatment involves drop shatter and size adjustment prior to wet tumbling. The coal is then screened at 16.0 mm and 0.5 mm ww and float sunk at relative densities 1.30, 1.35, 1.375, 1.40, 1.425, 1.45, 1.50, 1.60, 1.70, 1.80 and 2.00 with yield and ash determined on each fraction. Tree flotation is carried out on the - 0.5 mm ww fraction. A coking coal composite is prepared and analysed for: - Volatile Matter, Sulphur, Phosphorus, CSN, AA Dilatation, Geisler Plastometer, and Petrographic Analysis. There is also a thermal product which is prepared and analysed. All coal pre-treatment and analysis is processed in NATA approved laboratories.

There is no regular formal Quality Assurance or Quality Control procedure on the exploration data collected. Whilst there is no evidence of there being issues, nor is there any out of compliance issues, it is planned to develop a QA/QC procedure for each piece of exploration data that is collected such that an understanding of the precision and accuracy of the data being collected is developed.

6. Estimation Methodology

Data acquisition undertaken both currently and in the past has involved exploration techniques of surface drilling, 2D surface seismic surveys, aeromagnetic surveys, electromagnetic surveys, geophysical logging of surface drill holes and information available from surrounding collieries, both operating and non-operating. All reliable data gathered from these sources has been reviewed as reliable by the Resource Competent Person. Data is entered into an ABB Minescape 5 (windows based, running version 5.12) Geological system where borehole lithology data and quality and washability data is stored in table files in the Minescape module. Interpretations of structure from seismic surveys, surface and underground mapping and underground mining survey data also reside in the Minescape module.

Data has been modelled extensively both in Minescape and AutoCad to validate its accuracy and / or consistency with seam variations either by the Resource Competent Person or under his guidance.

7. Grade Parameters

Although not evaluated to a pre-feasibility level, the use of thin seam extraction methods in other coal mining operations around the world gives confidence in its application to some of the thinner areas of the Bulli Seam. The estimation of the Bulli seam resource has considered this application of mining techniques and has assessed the Bulli seam as extractable to a thickness of 1.3m. A cut-off of insitu ash content of >35% has also been applied to the Bulli seam. The Wongawilli Seam has been modelled using a cut-off of >35% insitu ash and only the basal portion of the seam has an economic mining section. The Tongarra seam is modelled using both the thickness and insitu ash limits. Generally, where the Tongarra Seam thickness decreases to <1.5m, the insitu ash content tends to increase to >35%. Some areas of all seams were excluded due to geological structures.

8. Mining and Modifying Factors

The Coal Resource estimation is based on the mined product being sold into the global coal market as an unwashed coking coal. No beneficiation plant exists for the washing of the ROM product on site. Current operations involve inline crushing of the mined product to nominally -50mm material. The majority of the previous production has been sold to WLC's major shareholder for beneficiation in India where all of the material is utilised either within the coke making industry, power generation or other industrial processes. Long term planning will see the construction of a washing facility off site to produce coking and thermal coals.

9. Resource Reconciliation

For Wongawilli Colliery the Bulli seam resource has increased from 36MT to 59MT (39% increase) while the Wongawilli and Tongarra seams show small increases (2.5% and 8.9% respectively).

9.1 Bulli Seam – Full revision of all the borehole data available on the Bulli Seam was undertaken for this 2017 Resource estimation. Some additional data including stratigraphic logs and quality data was uncovered for several boreholes. The results of the revision and inclusion of the additional data has resulted in movement of some Inferred resources into the Indicated category. Although not evaluated to a pre-feasibility level the use of thin seam extraction methods in other coal mining operations around the world gives confidence in its application to some of the thinner areas of the Bulli Seam. The estimation of the Bulli seam resource has considered this application of mining techniques and has assessed the Bulli seam as extractable to a thickness of 1.3m. The results of this revision and inclusion of the additional data has resulted in an increase in the total Resource tonnes of 23.0Mt from the 2010 estimation.

Director's report

For the Year Ended 31 March 2020

9.2 **Wongawilli Seam** - Full revision of all the borehole data available on the Wongawilli Seam was undertaken for this 2017 Resource estimation. Some additional data including stratigraphic logs and quality data was uncovered for several boreholes. Also the revision of the mining section to be used was undertaken, not on a single common mining section but one that met the criteria for economic mining. This revision resulted in a small increase in the mining height for all of the resource categories, ranging from 0.10m for Measured to 0.012m and 0.246m for Indicated and Inferred respectively. With this increase in mining height there were also slight changes in the insitu density. The results of this revision and inclusion of the additional data has resulted in a small increase in the total Resource tonnes from the 2010 estimation.

Tongarra Seam – Full revision of all the borehole data available on the Tongarra Seam was undertaken for this 2017 Resource estimation. Some additional data including stratigraphic logs and quality data was uncovered for several boreholes. Also the revision of the mining section to be used was undertaken, not on a single common mining section but one that met the criteria for economic mining. This revision resulted in a small increase in the mining height and also slight changes in the insitu density. The results of this revision and inclusion of the additional data has resulted in an increase in the total Resource tonnes of 10.0Mt from the 2010 estimation.

Wollongong Coal Limited

Director's report
For the Year Ended 31 March 2020

RUSSELL VALE COLLIERY
COAL RESOURCES

as at 20th May 2019			Measured Coal Resource				Indicated Coal Resource				Inferred Coal Resource				Total Coal Resource				As at 30 April 2010 Total Coal Resource			
Deposit (1) (2)	Mining	Coal Type	Mt	%Ash	%VM	%S	Mt	%Ash	%VM	%S	Mt	%Ash	%VM	%S	Mt	%Ash	%VM	%S	Mt	%Ash	%VM	%S
Bulli (3)	UG	Met	10.7	16.1	20.2	0.40	36.4	19.8	20.6	0.38	7.4	20.5	20.8	0.42	54.5	19.2	20.6	0.39	56.5	21.1	21.0	0.36
Balgownie (3)	UG	Met/Th	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	75.6 (4)	21.2	21.3	0.41
Wongawilli (3)	UG	Met/Th	9.8	33.2	18.8	0.54	115.0	33	19.2	0.52	116.5	32.1	19.4	0.55	241.3	33.0	19.2	0.53	182.8	27.8	20.5	0.51

(1) Cut-off grade

Coal Resources - No seam thickness applied to the Bulli Seam as minimum thickness is economic. In-situ ash limit of 35% applied to the Wongawilli seam preferred mining section

(2) Resource tonnages are in-situ moisture basis. Ash is reported as raw, VM and S are reported as cleaned coal on an air-dried basis

(3) Bulli Seam decrease in resource tonnes due to mining attrition

Mine planning and economic evaluation focused on extraction of the Bulli and Wongawilli seams only and there is little likely hood of any future mining of the Balgownie seam Wongawilli Seam increase in Resource tonnes due to a review of the preferred mining section

(4) Balgownie Seam resource was last estimated in 2008

WONGAWILLI COLLIERY
COAL RESOURCES

as at 20th May 2019			Measured Coal Resource				Indicated Coal Resource				Inferred Coal Resource				Total Coal Resource				As at December 2010 Total Coal Resource			
Deposit (1)(2)	Mining Method	Coal Type	Mt	%Ash	%VM	%S	Mt	%Ash	%VM	%S	Mt	%Ash	%VM	%S	Mt	%Ash	%VM	%S	Mt	%Ash	%VM	%S
Bulli (3)	UG	Met	-	-	-	-	19	14.6	20.6	0.38	40	20.8	20.8	0.38	59	18.8	20.7	0.38	36	15.8	21.0	0.36
Wongawilli(3)	UG	Met/Th	41	30.1	21.5	0.40	47	32.2	21.3	0.43	111	36.9	22.1	0.44	199	34.4	21.8	0.43	198	32.7	21.3	0.41
Tongarra(3)	UG	Met/Th	-	-	-	-	4	31.2	22.5	0.52	107	33.7	22.7	0.49	111	33.6	22.7	0.49	103	28.5	22.7	0.51

(1) Cut-off grade Coal Resources — Seam thickness >1.3m applied to the Bulli Seam as minimum thickness. In-situ ash limit of 35% applied to the Wongawilli and Tongarra seam preferred mining section

(2) Resource tonnages are in-situ moisture basis. Ash is reported as raw, VM and S are reported as cleaned coal on an air-dried basis
Bulli Seam increase in resource tonnes due to evaluation of mining thickness and mining method

(3) Wongawilli Seam increase in Resource tonnes due to a review of the preferred mining section
Tongarra Seam increase in Resource tonnes due to a review of the preferred mining section

Director’s report
For the Year Ended 31 March 2020

Governance and Internal Controls
WLC has implemented a risk management program to effectively manage the quality of all Coal Resource estimations and reconciliations. This risk management program involves an assessment of the risks that are involved when estimating Coal Resources and the relevant controls that are in place to ensure that the Coal Resources collected are accurately reported. As part of this, the program actively measures both the possibility of errors and the controls that are in place to mitigate that outcome.

As has been highlighted in this statement, all of the acquired data for WLC’s estimation processes has been modelled extensively in Minescape and AutoCad to validate accuracy and consistency with seam variations. Further, all data gathered from WLC’s exploration techniques have been reviewed as reliable by the Resource Competent Person.

There is currently no formal Quality Assurance or Quality Control procedure in place for sampling data. While there is no evidence of there being any issues with this, nor are there any compliance issues, WLC have introduced plans to develop appropriate Quality Assurance/Quality Control procedures for sampling data.

Statement of Competent Person/s
The estimation of Coal Resources for Wollongong Coal Limited Russell Vale and Wongawilli Collieries, as at 31 March 2019, has been carried out by Competent Person Mr. Barry Clark, who is a member of the Australasian Institute of Mining and Metallurgy (31 years) and is the Geological and Marketing Manager with Wollongong Coal Limited. The information in the above statement that relates to Coal Resources is based on, and fairly represents, information and supporting documentation prepared by the Competent Person.

The estimation of Coal Resources reported are as prescribed by the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 edition, The JORC Code, Clauses 42 to 44) and also using the terminology and the guidelines put forth in the 2014 edition of “Australian Guidelines for the Estimation and Classification of Coal Resources”.

Significant changes in the state of affairs

Wongawilli colliery
The mining operations at Wongawilli colliery were ceased around mid-March 2019 after prohibition notices were issued by the mine inspectors from the Natural Resources and Mining Regulators - Health and Safety pending complete risk assessment and adequate control measures put in place, and accepted by the department/regulators. The areas of concerns included strata roof supports and risk associated with the conveyor systems.

Later in early April 2019, the mining officials while conducting risk assessment discovered another fall on the main belt road. Considering the risk and financial implications, the Company, decided to:

- close and seal-off the Nebo area at Wongawilli colliery after recovering underground mining equipment and transferring them to Russell Vale colliery;
- complete the work with the Regulator as required;
- put the Wongawilli colliery in care and maintenance; and
- continue the planning for the re-entry into the approved areas of Wonga South.

The mine portals to the old mine workings have been secured against entry and the mechanical ventilation and power removed from the workings. All spare items and equipment not to be used have been moved from the site. Planning and work progressed on the sealing of old sections of the mine in consultation with the Regulators. The initial schedule to close the portals in the fourth quarter (Jan-Mar 2020) has been delayed due to certain environmental issues - in particular bats found inhabiting the portal roadways. This has been now been rescheduled to be completed in the first quarter of financial year 20-21 (Apr-Jun 2020). Round the clock security is in place at the eastern mine pit head facility.

Work is also progressing on the evaluation and development program to continue mining operations in the future utilising the North West Mine entries. The Proposed Modification 2 to extent the time limitation on the NW Mains development for a further 5 years has progressed and the application is expected to be submitted to DPIE sometime in the Jul-Sep 2020 quarter.

Surface clean up, scrap metal removal and environmental compliance works are continuing. The management of contaminated soil from the previous Nebo and Wonga shaft incident is continuing with soil sample results showing positive results. Power has been isolated from the catchment facilities. Work continues on the removal of stored substances, site security and the longer-term rehabilitation of the facilities that will be redundant to future requirements in this area.

Director's report
For the Year Ended 31 March 2020

Russell Vale colliery
Russell Vale colliery remains on care and maintenance. The Company continues with the compliance works and preparing for mining to recommence after regulatory approvals.

The UEP for a 5-year extension for mining the Wonga East using first workings Bord and Pillar mining methods with minimal subsidence was lodged with the DPIE on 17 July 2019 and went on public exhibition in week ending 2 August 2019. A total of 271 submissions from individual and organisations were received with 89 submissions in support of Project (33%) and 182 submission objecting to Project (67%). Additionally, 11 submissions received from government Departments and agencies. All responses to those submissions were prepared and submitted to the DPIE by mid-January 2020 and WLC is working with the DPIE on the same. It is anticipated that the DPIE will refer the project to the Independent Planning Commission in the first quarter (Apr-Jun2020).

The modification application proposing modifications (Mod 4) to the project approval regarding Bellambi Gully Creek storm water works was submitted to and is currently being assessed by the DPE. The additional work required have now been completed on the Russell Vale water management design to control some flood events. Upon reaching the final agreement with the DPIE, it is anticipated that the work on the project commencing in late 2020.

The removal of the emplaced material from the Russell Vale Reject Emplacement Area (RVEA) was completed in July 2019 in accordance with the order from DPIE. A RVEA Implementation and Closure Plan has been submitted to the DPIE and Wollongong City Council outlining the final land form and rehabilitation program and schedule. Some further modelling work has been requested by WCC which is in progress.

A five month investigation into the Bulli Seam workings through to No 4 Shaft operations was finalised in March 2020. This has resulted in a discussion with the Regulators that will see the No4 Shaft shut down and secured, Bulli Seam entrances blocked off and eventually power stopped off the main supplier. The beneficial impacts for the business will be improved safety for the mine and people, lower costs to maintain roads and infrastructure over the next 8-10 years and recovery of some equipment to be taken to Russell Vale.

Health and Safety
Efforts to respond to the Coronavirus 19 alerts and advise to personnel were provided in a timely manner. Employees and changes to workplace to keep the business functioning was planned and evolved. No one has contracted the virus and employees and their families are protected as well as possible from the workplace infections.

Wongawilli colliery – there was one notifiable incident related to the stoppage of the Main Ventilation Fan, but nobody was underground at the time or at risk.

Russell Vale colliery – there were two notifiable incidents, where a fitter strained his back and a deputy fell aggravating an old injury. And there was one lost time injury in the quarter, where a workman slipped and fell in the underground workings.

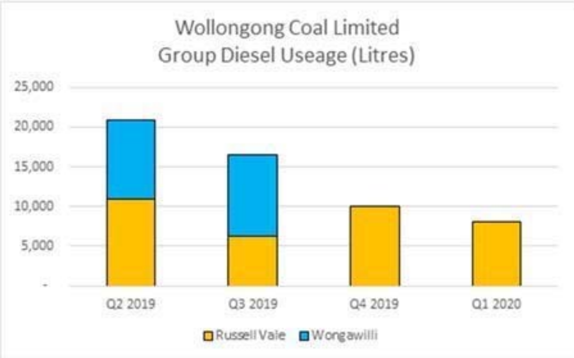
Both mines have reviewed and updated their Health & Safety Management Plans.
Site securities were reviewed and upgraded.
Environment and Community

Community Complaints	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Russell Vale Colliery	1	5	1	1	0	2	1	0	1	2	1	1	16
Wongawilli Colliery	0	0	0	0	0	0	0	0	0	0	1	1	2
Total	1	5	1	1	0	2	1	0	1	2	2	2	18

Environmental Incidents	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
Russell Vale Colliery	0	0	0	0	0	1	0	0	0	0	1	0	2
Wongawilli Colliery	0	0	0	0	0	0	0	0	0	0	1	1	2
Total	0	0	0	0	0	1	0	0	0	0	2	1	4

Director's report

For the Year Ended 31 March 2020



Wongawilli colliery – there were two Category 1 environmental incidents that occurred during the financial year and none of them caused any harm to the environment. The Company received two community complains complaints.

In total four Community Consultative Committee (CCC) Meetings were held during the financial year on 5 June 2019, 4 September 2019, 4 December 2019 and 11 March 2020.

The Independent Compliance Audit was undertaken and completed on 31 January 2020. The compliance with the conditions of consent and environment licenses was reported 79%.

Russell Vale colliery - there were two Category 1 environmental incidents that occurred during the financial year and none of them caused any harm to the environment. The Company received sixteen community complains complaints.

In total four Community Consultative Committee (CCC) Meetings were held during the financial year on 3 June 2019, 19 August 2019, 18 November 2019 and 10 February 2020.

The Independent Compliance Audit was undertaken and completed on 24 January 2020. The compliance with the conditions of consent and environment licenses was reported 92%.

Continuing support from Jindal Steel & Power (Mauritius) Limited

The major shareholder, Jindal Steel and Power (Mauritius) Limited (JSPML) has continued their support and commitment to financially support the Company's immediate and future plans.

JSPML has provided a Cash Advance Facility with an increased limit of $550 million from which the Company has drawn around $449.520mn as on the date of this report. JSPML has also provided a letter confirming financial support for up to 31st January 2022, unless there is an acceleration and demand from of the lenders or creditors at WCL or JSPML.

In addition, as at 31 March 2020, the Company has received a working capital loan for a total amount of $38.421 mn from Jindal Steel and Power (Australia) Pty Ltd (JSPAL), wholly owned subsidiary of JSPML.

JSPAL has also provided a letter of support confirming not to recall aforesaid loan for up to 31st January 2022. The letter further confirms that the inter-company restructured and redrawn loans (Foreign Currency Term Loan) through JSPAL will not be called upon for repayment for up to 31st January 2022 unless there is an acceleration and demand from the lenders in case of any event of default.

Foreign Currency Term Loans

The Company with JSPAL had been in negotiation with certain secured lenders (Lenders) in connection with the amendment of certain indebtedness and/or other obligations ("Transaction") under the following facility agreements:

- the US$69,000,000 (with an option to increase the facility by US$561,000,000) facility agreement originally dated 6 August 2015 (and as amended and/or restated from time to time) between, amongst others, JSPAL and the financial institutions named therein as lenders; and

- the US$98,690,000 facility agreement originally dated 24 December 2015 (and as amended and/or restated from time to time) between, amongst others, JSPAL and the financial institutions named therein as lenders,

(together, the "Facilities").

On 14 February 2020, the NSW Supreme Court approved the proposed creditor Schemes of Arrangement (Schemes) between the Company and JSAPL and Lenders under the Facilities. A total payment of US $17.35 million was made reducing the secured debt from US $370.15 million to US$ 352.80 million. Also the remaining balance of US $10.42 million was fully repaid under the MCB Facility.

The Schemes were terminated automatically on 29 March 2020 due to certain Pre-Settlement Date Conditions Precedent were not satisfied or waived by that time. However, on 29 April 2020, the NSW Supreme Court granted the relief sought by the Company and JSPAL and made orders that the Conditions Precedent Satisfaction Long Stop Date in the Schemes be extended to 1 April 2020; and the Settlement Long Stop Date in the Schemes be extended to the date that is 7 days after the entry by the Court of the Court's orders made in respect of Application, namely 6 May 2020. The extensions ordered operate retrospectively from the time the orders approving the Schemes on 14 February 2020 were made.

Appointment and resignation of Director

Mr Devendra Vyas, non-executive director of the Company and its subsidiaries as a nominee of JSPML has resigned effectively from 1 April 2019.

Mr Sanjay Kumar Srivastava has been appointed as a non-executive director of the Company and its subsidiaries as a nominee of JSPML effectively from 7 May 2019.

Mr Maurice Anghie ceased to be an independent non-executive director due to death on 23 July 2019.

Mr Dipen Rughani has been appointed as an Independent non-executive director effectively from 16 August 2019.

Appointment of Group Chief Financial Officer

Mr G Shyamsunder has been appointed as the group chief financial officer of the Company effectively from 30 October 2019.
MBA (Sydney); FCPA (Aus); FCMA (UK); AICPA; FAIM (Aus)

Mr Shyamsunder stems from Global CFO, Interim CEO and Business President level exposure. He has over 25 years of experience covering Steel, Private Equity and Telco industries across Australia, India, USA and South East Asia working for listed Global MNC and Fortune500 organisations. He has led M&A activities internationally and involved in start-up to IPO readiness, joint ventures and greenfield development. He has successfully turned around troubled entities as their Interim CEO and Business President. His experience portfolio also covers dealing in capital markets, Enterprise Risk Management (ERM), cross border taxation and large-scale ERP (SAP) implementation.

He was adjudged Winner of the CFO Award in 2016 sponsored by Finance Monthly.

Prior to joining Wollongong Coal Ltd, he was holding senior finance and business leadership positions in BlueScope Steel for over 13 years in their Australian and international businesses and most recently as CFO for a TPG Private Equity backed start up Telco entity in Myanmar.

He has previously been Director of BlueScope Steel Building Solutions (Aus); Director of BlueScope Steel India Private Ltd; Chairman of the Audit Committee TataBlueScope Lysaght Lanka Ltd; and Member of the Audit & Risk Committee TataBlueScope Steel (India).

Director's report
For the Year Ended 31 March 2020

Determination under section 713(6) of the Corporations Act

The Company's securities trading on the Australian Securities Exchange (ASX) remain suspended since 13 December 2018 over concerns raised by the Australian Securities and Investments Commissions (ASIC) in relation to fair value estimates for Russell Vale colliery and Wongawilli colliery provided in the Company's annual financial report for the year ended 31 March 2018.

On 11 March 2019 ASIC made a determination under section 713(6) of the Corporations Act precluding the Company from using a short form "special content prospectus" until 11 March 2020 over those concerns that remained unresolved. WLC lodged its annual report for FY 2018-19 with the ASX on 24 July 2019. On 22 August 2019, WLC was informed that ASIC was not continuing its enquiries. To date, the securities trading on the ASX remain suspended.

Possible Litigation

The consolidated entity had received a claim for payment in total for $4,048,000 that remains in dispute. Further, the consolidated entity had claim for a much larger amount. There is no further development in this matter in last 12 months. Due to legal and commercial sensitivity, no further information could be disclosed at the time of this report.

Update on litigations and legal matters

- On 7 April 2020, the Fair Work Commission dismissed Wollongong Coal's application under section 225 of the Fair Work Act 2009 (Cth) to terminate the NRE No 1 Colliery Workplace Agreement 2011. The application was made on 7 June 2018 to the Fair Work Commission to terminate the enterprise agreement after the Russell Vale Colliery was placed in care and maintenance in September 2015, and after the Company ceased to employ employees covered by the enterprise agreement from that time. The Company has lodged the notice of appeal lodged with the Fair Work Commission.

- On 13 March 2020, the Supreme Court of New South Wales delivered judgment in Wollongong Coal's proceedings against Gujarat NRE Properties, Arun Kumar Jagatramka and his wife Mona Jagatramka. The proceedings relate to a residential property (at 64 Cliff Road, Wollongong) acquired by the company in 2008 when Mr Jagatramka was a director and the Executive Chairman of Wollongong Coal and Mrs Jagatramka was one of the directors.

The Court found that Mr and Mrs Jagatramka, as directors of the company, breached their duties to act for a proper purpose and to avoid a conflict of interest and that they failed to disclose their real interest was to use the property as their personal residence. The Court gave judgment in favour of Wollongong Coal and against Mr and Mrs Jagatramka in the sum of $12,081,742.99. The Court has also ordered Mr and Mrs Jagatramka to pay the company's costs of the proceedings. The likelihood of recovering the judgment sum is unclear at this stage. Mr and Mrs Jagatramka have served a notice of intention to appeal.

Mr Jagatramka's cross claim against the two directors and secretary (together, cross defendants) was dismissed with an order that Mr Jagatramka should pay the costs of the cross defendants.

- On 5 March 2020, the Supreme Court of New South Wales dismissed an action by PCL (Shipping) Pte Ltd action to recover freight charges of up to US $3.2 million it alleged were owed by Wollongong Coal. The freight charges date back to 2013 when Wollongong Coal was a subsidiary of Gujarat NRE Coke Limited and part of Gujarat NRE Group. The dispute concerned the Illawarra Fortune, a ship that Gujarat NRE Coke Limited chartered from PCL for a shipment of coal from Port Kembla. The Court is yet to determine the issue of costs. PCL has served a notice of intention to appeal.

- On 15 November 2019, the High Court of Australia refused Gujarat NRE India's application for special leave to appeal with costs. The application sought to overturn the Court of Appeal of the Supreme Court of New South Wales's judgment dated 11 June 2019, which had dismissed Gujarat NRE India's claim under an indemnity in the sum of $15,106,397.48. The dismissal of the application brings to an end to the substantive aspects of the litigation brought by GNI.

- On November 2016, the Company entered into a binding heads of agreement (HoA) with Bellpac to settle the proceedings initiated by Bellpac in the Supreme Court of New South Wales alleging that conversion of 160 Bonds were not within the redemption rights of the bond agreement and sought, among other things, damages in the amount of over $9 million (inclusive of interest). The Company was to pay Bellpac a settlement sum of $6,300,000 (Settlement Sum) and Bellpac is to return to the Company or its nominee 2,472,063,690 shares in WCL, or otherwise consent to the cancellation of the Shares on receipt of the Settlement Sum.

The Sunset Date has been extended by agreement between WLC and Bellpac on a number of occasions. As per the last agreed HoA on 26 September 2019, the Sunset Date was extended to 10 December 2020 for the Company to obtain shareholder approval to acquire and cancel the 2,472,063,680 ordinary shares that Bellpac holds in the Company (Bellpac Shares) and to pay Bellpac the amount of $6,300,000 plus interest at 3% per annum calculated from 2 October 2017 until the final date of payment and additional interest at 2% per annum calculated from 1 August 2019 on amount not in the lawyers' trust account (i.e. $3,300,000) in return for Bellpac releasing it from the claims made against the Company in the Proceeding and for the Proceeding to be discontinued. WCL has deposited $3 million in total in its lawyers' trust account. Accordingly, the proceedings were adjourned until 30 April 2020.

In early December 2019, WLC advised Bellpac that due to the critical stage of negotiations with lenders it could not proceed with the shareholder meeting at that time. The restructuring process was critical to WLC's future. The parties are currently in without prejudice discussions. The proceedings have been adjourned for two weeks (up to 14 May 2020) for parties to agree on revised terms of agreement to settle these proceedings.

Investigation and Notices from the DPE Resources Regulators

The Department of Planning and Environment's Resources Regulator had commenced an investigation into whether Wollongong Coal Ltd has complied with its duties under the Work Health and Safety Act 2011. The investigation related to matters that led to the issue of prohibition notices and the stop work order following an inspection of the Wongawilli Colliery on 13 March 2019. WLC cooperated with the Resources Regulator in thier investigation. The Company has received a letter dated 22 October 2019 from the Resources Regulators informing that the investigation has been concluded.

The Resources Regulators had also issued a notice under section 248B of the Mining Act 1992, seeking information and records in relation to Wollongong Coal's financial capacity to comply with its obligations under the Mining Act. The requests for information related to the disclosures made to the Australian Stock Exchange on 25 February 2019 (Loan facility restructured), 14 March 2019 (ASIC determination s 713(6)), and 19 March 2019 (Negotiations re Debt Restructuring). Wollongong Coal has responded to the notices as required under the Mining Act.

There were no other significant changes in the state of affairs of the consolidated entity during the financial period.

Director's report
For the Year Ended 31 March 2020

Matters subsequent to the end of the financial year restructure of debt with secured lender

1. The Company with JSAPL had been in negotiation with certain secured lenders (Lenders) in connection with the amendmentof certain indebtedness and/or other obligations ("Transaction") under the following facility agreements:

- the US$69,000,000 (with an option to increase the facility by US$561,000,000) facility agreement originally dated 6 August 2015 (and as amended and/or restated from time to time) between, amongst others, JSPAL and the financial institutions named therein as lenders; and

- the US$98,690,000 facility agreement originally dated 24 December 2015 (and as amended and/or restated from time to time) between, amongst others, JSPAL and the financial institutions named therein as lenders,

(together, the "Facilities").

On 14 February 2020, the NSW Supreme Court approved the proposed creditor Schemes of Arrangement (Schemes) between the Company and JSAPL and Lenders under the Facilities. A total payment of US $17.35 million was made reducing the secured debt from US $370.15 million to US$ 352.80 million. Also the remaining balance of US $10.42 million was under the MCB Facility.

The Schemes were terminated automatically on 29 March 2020 due to certain Pre-Settlement Date Conditions Precedent were not satisfied or waived by that time. However, on 29 April 2020, the NSW Supreme Court granted the relief sought by the Company and JSPAL and made orders that the CP Satisfaction Long Stop Date in the Schemes be extended to 1 April 2020; and the Settlement Long Stop Date in the Schemes be extended to the date that is 7 days after the entry by the Court of the Court's orders made in respect of Application, namely 6 May 2020. The extensions ordered operate retrospectively from the time the orders approving the Schemes on 14 February 2020 were made.

2. On 11 March 2020, the World Health Organisation (WHO) declared the outbreak of Covid-19 to be a global pandemic. The wide spread of the Covid-19 since the beginning of 2020 is a fluid and challenging situation facing all industries. The extent of COVID-19's effect on the Group's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on the Group's business. However, if the pandemic continues to evolve into a severe worldwide health crisis, the disease could have a material adverse effect on the Group's business, results of operations, financial condition and cash flows.

Apart from the above, there are no other matters or circumstances that have arisen since 31 March 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Likely developments and expected results have been included throughout this report where relevant.

Information on directors

Name:	Mr Milind K Oza
Title:	Executive Chairman
Qualifications:	Bachelor degree in business and an LLB degree in law from South Gujarat University, India. Mr Oza also holds a Masters in International Management studies from the University of Texas and a Master of Science in Management Information Systems from the University of Texas, Dallas, USA.
Experience and expertise:	Mr Oza has more than 30 years of experience and has held senior positions in various organisations. He worked with Canadian telecom major Nortel Networks for 14 years including as a Director of International Marketing. He worked two years with Booz Allen Hamilton in McLean Virginia.

	Prior to this he successfully managed his own business in the hospitality industry in the USA. He was President, Global Ventures, Jindal Steel and Power Limited (JSPL) before joining Wollongong Coal. He remains the Chairman of Jindal Power Senegal SAU, which has signed a power purchase agreement for building a 350 MW coal-based power generation plant in Senegal.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Executive Management Committee; Member of Nomination and Remuneration Committee
Interests in shares:	799,999 direct and 625,000 indirect
Interests in options:	None
Contractual rights to shares:	None
Name:	Dr Andrew E. Firek
Title:	Non-ExecutiveDirector
Qualifications:	M.Sc, Ph D, FAusIMM, FAIE
Experience and expertise: commissioning	Dr Firek has been involved in mining and mineral processing for over 25 years. His experience includes managing process development, construction, and operations of coal, base and precious metals plants in Europe, Africa and Australia. He was a United Nations expert in fossil fuels exploration, mineral processing and energy generation. Dr Firek is also familiar with downstream processing of oil and gas that helps in evaluating feasibility of fuel resources. Dr Firek was a Group Leader at the CSIRO, Division of Fossil Fuels in Sydney and was engaged in developing technologies to produce liquid fuels from coal. He was Project Director at Memtec Ltd, following which he joined Pancontinental Mining Ltd where he was Research and Development Manager involved in substantial mineral resources projects including base and precious metals, uranium and the development and commissioning of a $220 million magnesia production facility near Rockhampton in Queensland. Dr Firek was a director of mineral residue processing group Hydromet Technologies Ltd. He was a founding director in three ASX listed companies and managed coal, iron ore, base and precious metals exploration, feasibility studies and financial negotiations for projects in Australia, South America, China (Inner Mongolia) and Indonesia
Former directorships (last 3 years):	
Special responsibilities:	Member of the Audit & Risk Committee and Nomination & Remuneration Committee
Interests in shares:	548,523 direct and 659,000 indirect
Interests in options:	None
Contractual rights to shares:	None
Name:	Mr Sanjay Kumar Srivastava
Title:	Non-Executive Director
Qualifications:	Masters in Science & Technology in Applied Geology and PG Diploma in Supply Chain Management

Director's report
For the Year Ended 31 March 2020

Experience and expertise:	Mr Srivastava has more than 25 years of experience in Coal and Mineral business while working for the largest Steel and Aluminium companies of India in various functional roles. His experience includes Business Development, Raw Material Procurement for Steel & Aluminium Industry, Exploration and Development of Greenfield Mining Projects in India and South East Asia. He has been involved in acquisition of medium to large size coal & Nickel ore assets in Indonesia. Mr Srivastava is also experienced in Business Development in Oil & Gas & Power Projects in Indonesia. He is currently working as Business Head of Indonesian Business of Jindal Steel & Power Limited.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Committee
Interests in shares:	None
Interests in options:	None
Contractual rights to shares:	None
Name:	Mr Dipen Rughani
Title:	Non-Executive Director
Experience and expertise:	Dipen is a leading authority on trade and investment within the Australia- India corridor. With over 25 years' experience working with the public and private sector at the highest level, including numerous highly successful senior executive roles, Dipen is founder and CEO of Newland Global Group, a corporate advisory firm simplifying and strengthening business between Australia and India. His forte and focus has been on International Trade & Investment with exposure in Renewable Energy, Education, Consumer Goods (FMCG), Pharmaceuticals, Agriculture, Mining & Resources, Real Estate, Infrastructure and Sport. Dipen is a former National Chairman of the Australia India Business Council (AIBC), he served two terms from 2012 to 2016. Prior to this between 2010 and mid 2012 Dipen was President of the AIBC NSW chapter. Dipen currently sits on the Advisory Panel member for the Australia India Institute (AII) and the Advisory Board for Federation of Indian Chambers of Commerce & Industry FICCI in Australia. Dipen is also the President and Trustee of the Anoopam Mission Australia Ltd, a charity which supports handicapped children, educating underprivileged women and provides free medical assistance to over 130 villages in India.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Audit and Risk Committee; Member of Nomination and Risk Committee
Interests in shares:	None
Interests in options:	None
Contractual rights to shares:	None

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

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

Company secretary
Mr Sharma is a Management Graduate from the University of Canberra with over 1 8 years of experience in business management. He has held various senior positions in two other companies before joining Wollongong Coal Limited as a Company Secretary in 2004. He is also Company Secretary in other group companies in Australia. He is currently looking after Secretarial and Legal compliance of the group in particular Wollongong Coal Limited, which is listed on the Australian Securities Exchange (ASX). Mr Sharma has been associated with the Wollongong Coal Limited since its inception and was fully involved in the Company’s successful initial public offering (IPO) and listing on the ASX.

He is actively involved in investors and other stakeholders’ relations and also handling legal matters for the Company.

Meetings of directors
During the year, the board of directors only had 12 board meetings. The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 March 2019, and the number of meetings attended by each director were:

	Full Board		Audit Committee	
	Attended	Held	Attended	Held
Mr Milind k Oza	12	10	-	-
Dr Andrew E. Firek	12	12	2	2
Mr Sanjay Kumar Srivastava	11	9	1	1
Mr Dipen Rughani	8	7	1	1

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

No meeting was held by the Remuneration Committee during the year.

Remuneration report (audited)

The remuneration report, which has been audited, outlines the key management personnel ('KMP') remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

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

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

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Remuneration Committee is responsible for determining and reviewing remuneration arrangements for directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value

Alignment to program participants'interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards
- attracts and retains high caliber executives

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-executive directors' remuneration
The Board collectively reviews the appropriate criteria for Board membership. The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The level of remuneration for non- executive directors is also considered with regard to practices of other public companies to ensure that fees and payments to non-executive directors are appropriate and in-line with the market. At present the fees payable to directors are fixed and not performance based i.e. not based on company's revenue or profit etc. The fees and payments to non-executive directors are reviewed annually. Non-executive directors are allowed to invest in the shares in the company and hold options.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The last determination was at the Annual General Meeting held on 24 July 2010, where the shareholders approved an aggregate remuneration of $1,000,000.

Executive remuneration
The consolidated entity aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable. Remunerations for executive directors are determined by the Board upon review and recommendation from the Remuneration Committee. The Remuneration Committee may also appoint an independent adviser to assist them in analysing and determining adequate pay-structure for an executive and recommending the same to the Board for final consideration and approval.

The executive remuneration and reward framework has the following components:

- base pay and non-monetary benefits
- short-term performance incentives
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits are reviewed annually, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the consolidated entity and provides additional value to the executive. Some executives receive a company vehicle or travel allowances as part of their remuneration.

Short-term incentives (STI): During the financial year, there were no performance based incentives paid. All remuneration was fixed and based on factors such as experience, time and responsibilities. The CEO has a performance based component in his remuneration package

Long-term incentives ('LTI'): Except for long service leave and existing options issued in prior years, there were no other LTI. No shares or options were issued to any executive during the financial year.

Director's report
For the Year Ended 31 March 2020

Consolidated entity performance and link to remuneration
Remuneration is not directly linked to the performance of the consolidated entity except for the CEO having a performance based component in his remuneration package.

Use of remuneration consultants
During the financial year ended 31 March 2020 the consolidated entity did not engage remuneration consultants, to review its existing remuneration policies and provide recommendations on how to improve both the STI and LTI programs.

Voting and comments made at the company's 2019 Annual General Meeting (AGM)
At the 2019 AGM, 99.97% of the votes received supported the adoption of the remuneration report for the year ended 31 March 2019. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

Details of the remuneration of the directors and other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity) of Wollongong Coal Limited are set out in the following tables.

The key management personnel of the consolidated entity consisted of the directors of Wollongong Coal Limited and the following persons:

Mr Milind K Oza – Executive Chairman
Dr Andrew Firek – Director
Mr Maurice Anghie – Director (ceased 23 July 2019)
Mr Sanjay Kumar Srivastava
Mr Dipen Rughani

Mr Mitchell Jakeman – Chief Executive Officer (*appointed 4 February 2019)*
Mr Wayne Sly – Chief Operating Officer
Mr G Shyamsunder – Group Chief Financial Officer
Mr Anil Jain – Chief Financial Officer
Mr Brian Almeida – Head - HR and Administration
Mr Sanjay Sharma – Company Secretary
Mr Devendra Vyas – AVP & Head – Commercial

	Short-term employee benefits			**Post-employment benefits**	**Long-term benefits**		**Share-based payments**	
Consolidated 2020	**Cash salary and fees $**	**Cash bonus $**	**Non-monetary benefits $**	**Super-annuation Inc Salary Sacrifice $**	**Long service leave $**	**Termination benefits $**	**Options $**	**Total $**
Milind K Oza	36,511	-	1,647	3,469	730	-	-	42,358
Andrew Firek	50,000	-	-	4,750	-	-	-	54,750
Maurice Anghie	12,500	-	-	1,188	-	-	-	13,688
Mitchell Jakeman	350,000	-	-	33,250	7,000	-	-	390,250
Gunaratnam Shyamsunder	117,917			11,202	2,358			131,477
Wayne Sly	300,000	-	6,918	28,500	6,000	-	-	341,418
Anil Jain	173,516	-	7,011	16,484	3,470	-	-	200,481
Brian Almeida	151,621	-	-	14,404	3,032	-	-	169,058

Director’s report

For the Year Ended 31 March 2020

Sanjay Sharma	242,375	-	-	23,026	4,848	-	-	270,248
Devendra Vyas[2]	-	-	-	-	-	-	-	-
Dipen Rughani	40,000			3,800				43,800
Total	**1,474,441**		**15,576**	**140,072**	**27,439**			**1,657,528**

Consolidated 2019	Short-term employee benefits			Post-employment benefits	Long-term benefits		Share-based payments	Total $
	Cash salary and fees $	Cash bonus $	Non-monetary benefits $	Super-annuation Inc Salary Sacrifice $	Long service leave $	Termination benefits $	Options $	
Milind K Oza	474,661	-	35,375	32,500	12,816	-	-	555,352
Andrew Firek	50,000	-	-	4,750	-	-	-	54,750
Maurice Anghie	50,000	-	-	4,750	-	-	-	54,750
Mitchell Jakeman[1]	64,725	-	-	5,413	1,539	-	-	71,677
Wayne Sly	293,365	-	6,918	27,870	7,921	-	-	336,073
Anil Jain	173,516	-	7,011	16,484	4685	-	-	201,696
Brian Almeida[1]	151,621	-	-	12,270	4,094	-	-	167,986
Sanjay Sharma	233,000	-	-	22,135	6,291	-	-	261,426.00
Devendra Vyas[2]	-	-	-	-	-	-	-	-
Total	**1,490,889**		**49,304**	**126,172**	**37,345**			**1,703,711**

1. *appointed during the year*
2. *is remunerated by Jindal Steel and Power (Australia) Pty Ltd, part of Jindal Group*

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

	Fixed remuneration		At risk – STI		At risk - LTI	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Milind K Oza	100%	100%	0%	0%	0%	0%
Andrew Firek	100%	100%	0%	0%	0%	0%
Dipen Rughani*	100%	100%	0%	0%	0%	0%
Sanjay Kumar Srivastava*	n/a	n/a	n/a	n/a	n/a	n/a
Mitchell Jakeman	85%	n/a	15%	n/a	0%	n/a
Gunaratnam Shyamsunder*	84%	n/a	16%	n/a	0%	n/a
Wayne Sly	100%	100%	0%	0%	0%	0%
Anil Jain	100%	100%	0%	0%	0%	0%
Sanjay Sharma	100%	100%	0%	0%	0%	0%
Devendra Vyas n/a	n/a	n/a	n/a	n/a	n/a	n/a

**appointed during the year*

Service agreements

Mr Sharma is currently on casual contract that can be terminated with three working days’ notice in writing by either party.

Director's report
For the Year Ended 31 March 2020

All other key management personnel are employed on standard employment terms. Either party may terminate their contract by giving one month notice in writing.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 31 March 2020.

Options
There are no options affecting remuneration of directors and other key management personnel in this financial year or future reporting years.

There were no options over ordinary shares granted to directors and other key management personnel as part of compensation during the year ended 31 March 2020.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as Remuneration	Additions	Disposals /Others	Balance at the end of the year
Ordinary shares					
Andrew Firek	1,207,523	-	-	-	1,207,523
Maurice Anghie	685,000	-	-	-	685,000
Milind K Oza	1,424,999	-	-	-	1,424,999
Sanjay Sharma	291,677	-	-	-	291,677
Anil Jain	1,655,968	-	-	-	1,655,968
	5,265,167				**5,265,167**

Option holding
No director or key management personnel of the consolidated entity hold any options in the Company.

This concludes the remuneration report, which has been audited.

Shares under option

Each option mentioned below when exercised will be converted into one fully paid ordinary share. At the date of this report, the total numbers of options on issue are:

Grant date	Expiry date	Exercise Price	Number of Options
05/02/2009	31/12/2020	$0.50	200,000
29/12/2010	31/12/2020	$0.65	20,000
29/12/2010	31/12/2020	$0.65	20,000
			240,000

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

Shares issued on the exercise of options
There were no ordinary shares of Wollongong Coal Limited issued on the exercise of options during the year ended 31 March 2020 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Director's report
For the Year Ended 31 March 2020

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

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

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

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 27 to the financial statements.

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

The directors are of the opinion that the services as disclosed in note 27 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

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

Rounding of amounts
The parent company has applied the relief available to it under ASIC Corporation (Rounding in Financial/ Directors Reports) Instrument 2016/191. Accordingly, amount in financial statements have been rounded off to the nearest $1,000.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor
UHY Haines Norton has been appointed as auditor in accordance with section 327 of the Corporations Act 2001.

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

Milind K Oza
Executive Chairman

CORPORATE GOVERNANCE STATEMENT

Wollongong Coal Limited and its subsidiary companies ("**WLC**"), through its Board and executives, recognises the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with WLC. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

ASX Corporate Governance Principles and Recommendations

Reporting against the 8 Principles, we advise as follows:

Principle 1: Lay solid foundations for management and oversight

1.1 A listed entity should disclose:

(a) the respective roles and responsibilities of the board and management

(b) those matters expressly reserved to the board and those delegated to management.

The primary responsibilities of WLC's board include:

(i) the establishment of long-term goals of the company and strategic plans to achieve those goals;

(ii) the review and adoption of the annual business plan for the financial performance of the company and monitoring the results regularly;

(iii) the appointment of the key executives;

(iv) ensuring that the company has implemented adequate systems of internal control together with appropriate monitoring of compliance activities; and

(v) the approval of the annual and half-yearly statutory accounts and reports.

The board meets on a regular basis to review the performance of the company against its goals both financial and non-financial. In normal circumstances, prior to the scheduled board meeting, each board member is provided with a formal board package containing appropriate management and financial reports.

The responsibilities of senior management including the Chief Executive Officer are contained in letters of appointment and job descriptions given to each appointee on appointment and updated annually or as required.

The primary responsibilities of senior management are:

(i) Achieve WLC's objectives as established by the Board from time to time;

(ii) Operate the business within the cost budget set by the Board;

(iii) Assess new business opportunities of potential benefit to the Company;

(iv) Ensure appropriate risk management practices and policies are in place;

(v) Ensure that WLC's appointees work with an appropriate Code of Conduct and Ethics; and

(vi) Ensure that WLC appointees are supported, developed and rewarded to the appropriate professional standards.

1.2 A listed entity should:

a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and

b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

The board of WLC undertakes appropriate checks prior to appointing a person, or putting a person forward to shareholders as a candidate for election as a director. These include checks as to the person's character, experience, education, criminal record and bankruptcy history.

Director's report
For the Year Ended 31 March 2020

Information about a candidate standing for election or re-election as a director will be provided to shareholders to enable them to make an informed decision on whether or not to elect or re-elect the candidate. This information may include:

- biographical details, including relevant qualifications, experience and skills;
- details of other material directorships;
- a statement regarding whether the director qualifies as independent;
- any material adverse information or potential conflicts of interest, position or association;
- the term of office currently served (for directors standing for re-election); and
- a statement whether the board supports the election or re-election of the candidate.

1.3 *A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.*

All executive directors and senior executives of WLC have a written agreement with the Company setting out the terms of their appointment.

1.4 *The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.*

The Company Secretary of WLC is accountable to the board on all governance matters and reports directly to the Executive Chairman as the representative of the board.

The Company Secretary is appointed and dismissed by the board.

The Company Secretary's advice and services are available to all directors.

1.5 *A listed entity should:*

a) *have a diversity policy which includes requirement for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;*

b) *disclose that policy or a summary of it; and*

c) *disclose at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:*

1. *the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purpose); or*

2. *if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators" as defined in and published under that Act.*

The Company has an established policy in relation to gender diversity. This policy is managed and monitored by the Remuneration Committee.

The Company will disclose at the end of each reporting period the respective proportions of men and women on the board and in senior executive positions. The Company has four directors at present, none of which are women.

1.6 A listed entity should:

a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and

b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The Board undertakes an annual performance evaluation of itself that:

- compares the performance of the Board with the requirements of its Charter; and
- effects any improvements to the Board Charter deemed necessary or desirable.

The WLC board has four board members, who are in regular contact with each other as they deal with matters relating to WLC's business. The board uses a personal evaluation process to review the performance of directors, and at appropriate times the Executive Chairman takes the opportunity to discuss Board performance with individual directors and to give them his own personal assessment. The Chairman also welcomes advice from Directors relating to his own personal performance. The Remuneration Committee determines whether any external advice or training is required.

1.7 A listed entity should:

a) have and disclose a process for periodically evaluating the performance of its senior executives; and

b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The performance of all senior executives and appointees is reviewed once a year. The performance of the Chief Executive Officer is reviewed by the Board on an annual basis, and the performance of other senior executives is reviewed by the Chief Executive Officer, in conjunction with the board's Remuneration and Nominations Committee. They are assessed against personal and Company Key Performance Indicators established from time to time as appropriate for WLC.

The WLC Corporate Governance Charter is available on the WLC web site, and includes sections that provide a board charter. The WLC board reviews its charter when it considers changes are required.

Principle 2: Structure the board to add value

2.1 The board of a listed entity should:

(1) have a nomination committee which;

(2) has at least three members, a majority of whom are independent directors; and

(3) is chaired by an independent director; and disclose

(4) the charter of the committee

(5) the members of the committee; and

(6) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meeting; or

(7) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

The nomination committee is comprised of three Directors – Dr. Firek, Mr Rughani and Mr Oza. Two directors are non-executive and independent.

The Nomination and Remuneration Committee Charter is available on the Company's website - www.wollongongcoal.com.au.

Director's report
For the Year Ended 31 March 2020

New directors are selected after consultation of all board members and their appointment voted on by the board. Each year, in addition to any board members appointed to fill casual vacancies during the year, one third of directors retire by rotation and are subject to re-election by shareholders at the Annual General Meeting.

The number of times the committee meets is disclosed in the annual report.

2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its memberships.

During the 2020 financial year, the WLC board conducted a governance skills review regarding the skills, knowledge and experience of the current board. The skills matrix is set out in the table below.

.	Executive Chairman Chair of the board; Chair of executive management committee; Member of Nomination and Remuneration Committee	Non-executive Director Member of audit and risk committee; member of nomination and remuneration committee	Non-executive Director Chair of audit and risk committee; Member of nomination and remuneration committee	Non-Executive director Member of Audit and risk Committee; member of the nomination and remuneration committee
Skills and Experience	Business management; MIS; international marketing; Strategy development and implementation; Stakeholder relationship, Global experience	Mining and mineral processing experience. Process development, construction and commissioning of coal operations Financial reporting	Financial reporting; Corporate finance and Internal financial controls; Financial analysis skills, compliance and governance skills. Stakeholder relationship;	Coal and Mineral experience; Business development; Business management; Global experience

The WLC board has determined that any addition to board membership must be independent of shareholders and management and ideally from a strong financial background.

2.3 A listed entity should disclose:

a) the names of the directors considered by the board to be independent directors;

b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the Principles but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and

c) the length of service of each director.

Dr. Andrew Firek, non-executive director, is considered to be independent, and has served as a director since 18 December 2006.

Dr. Dipen Rughani, non-executive director, is considered to be independent, and has served as a director since 16 August 2019.

Mr Milind K Oza, is the Executive Chairman and nominee director of Jindal Group and is therefore not considered to be independent. Mr Oza has served as a director since 05 December 2016.

Mr Sanjay Kumar Srivastava, is a non-executive nominee director of Jindal Group and is therefore not considered to be independent. Mr Srivastava has been appointed as a director on 7 May 2019.

2.4 *A majority of the board of a listed entity should be independent directors.*

The current board structure does not comply with this recommendation. There are two independent directors and two non-independent directors.

2.5 *The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.*

Mr Milind K Oza, the executive chairman, is a nominee of Jindal Group. This was not in compliance with CGC's Recommendations 2.5. However, he is not the CEO and WLC complies with this recommendation.

2.6 *A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.*

WLC has a program for induction of new directors. Directors are active in undertaking professional development opportunities for the purpose of development and maintenance of their skills. Such activities are reported as part of the board's governance skills review, which also assists in identifying areas requiring further development. However, no development activity was requested or reported by any director in the financial year.

Principle 3: Act ethically and responsibly

3.1 *A listed entity should:*

(a) have a code of conduct for its directors, senior executives and employees; and

(b) disclose that code or a summary of it.

WLC's policies contain a formal code of conduct that applies to all directors and employees, who are expected to maintain a high standard of conduct and work performance, and observe standards of equity and fairness in dealing with others. The detailed policies and procedures encapsulate the company's ethical standards. The code of conduct is contained in the WLC Corporate Governance Charter, see www.wollongongcoal.com.au.

Principle 4: Safeguard integrity in corporate reporting

4.1 *the board of a listed entity should:*

(1) *have an audit committee which*

(2) *has at least three members, all of who are non-executive directors and a majority of whom are independent directors; and*

(3) *is chaired by an independent director, who is not a chair of the board, and disclose:*

(4) *the charter of the committee;*

(5) *the relevant qualifications of the members of the committee; and*

(6) *in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or*

(7) *if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.*

The Audit committee is comprised of three non-executive directors and two of them are independent. It is chaired by an independent director.

The company has adopted an Audit Committee charter. It is publicly available on the WLC website.

The Audit Committee met 2 times during the course of the year. Mr D Rughani, the Chair has over 25 years' experience working with the public and private sector at the highest level, including numerous highly successful senior executive roles. Dr Andrew Firek has held senior positions in various companies possessing substantial mineral processing and mining experience. Mr Srivastava has more than 25 years of experience in Coal and Mineral business while working for the largest Steel and Aluminium companies of India in various functional roles.

The Audit Committee provides a forum for the effective communication between the board and external auditors. The committee reviews:

- The annual and half-year financial reports and accounts prior to their approval by the board;
- The effectiveness of management information systems and systems of internal control; and
- The efficiency and effectiveness of the external audit functions.

The committee meets with and receives reports from the external auditors concerning any matters that arise in connection with the performance of their role, including the adequacy of internal controls.

4.2 *The board of a listed entity should, before it approves the entity's financial statements for a financial period, received from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.*

Declarations regarding the financial statements are received from the senior management including CEO and CFO. The board received such declarations for the half year and annual reports for 2020.

4.3 *A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.*

WLC's auditor attends the Company's AGM to answer questions from security holders relevant to the audit.

Principle 5: Make timely and balanced disclosure

5.1 *a listed entity should:*

(a) *have a written policy for complying with is continuous disclosure obligations under the Listing Rules; and*

(b) *disclose that policy or a summary of it.*

WLC recognises that timely and balanced disclosure of all material information concerning the Company must be made on a continuous basis so as to ensure that the market is informed of all material events and developments as they arise. WLC's Continuous Disclosure Policy is available on the Governance page of the Company's website: www.wollongongcoal.com.au.

Principle 6: Respect the rights of securityholders

6.1 *A listed entity should provide information about itself and its governance to investors via its website.*

WLC's website includes a Governance page, which includes a copy of this Corporate Governance Statement and various governance policies.

6.2 *A listed entity should design and implement and investor relations program to facilitate effective two-way communication with investors.*

The Company's Shareholder Communication Policy, which is available on the Governance page of its website, summarises the Company's communication program, including regular reporting, email alerts, active participation at the Company's AGM and encouragement of shareholder communications.

6.3 *A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.*

Notices of the Annual General Meeting, together with accompanying information such as the explanatory memorandum, are sent to shareholders, either by mail or email, depending on the shareholder's election, and are also placed on the Company's website. Shareholders are encouraged to attend the Annual General Meeting and to ask questions.

6.4 *A listed entity should give security holders the option to receive communications from, and send communication to, the entity and its security registry electronically.*

Shareholders has an option to elect to receive communications from the Company's share Registrar, Boardroom Pty Limited, by email.

Principle 7: Recognise and manage risk

7.1 The board of a listed entity should:

(1) *have a risk committee to oversee risk which:*

(2) *has at least three members, a majority of who are independent directors; and*

(3) *is chaired by an independent director; and disclose*

(4) *the charter of the committee;*

(5) *the members of the committee; and*

(6) *as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;*

or

(7) *if it does not have a risk committee, disclose that fact and the processes it employs for overseeing the entity's risk management framework.*

The board has determined that while it is comprised of only four members the board as a whole will perform the tasks and functions generally assumed by a risk committee.

The Company has established policies for the oversight and management of material business risks. The Company's Risk Management Policy is available on the Governance page of its website: www.wollongongcoal.com.au. This document sets out the Company's policy and processes for risk management and the roles and responsibilities of the board, executives and employees.

WLC has incorporated risk management into its decision making and business planning processes so that risks are identified, analysed, ranked and appropriate risk controls and risk management plans are put into place to manage and reduce the identified risks.

The risk identification and management system is reviewed annually by senior management and the board and policies and practices upgraded where issues are identified that require attention. Reviews of specific items are undertaken by senior management where issues are identified and immediate action is required.

Risk is a standing item on the agenda of board meetings, for reporting against identified material business risks.

7.2 The board or a committee of the board should:

(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and

(b) disclose in relation to each reporting period, whether such a review has taken place.

WLC's risk policy is reviewed by the Board annually to coincide with the preparation and lodgment of the Company's Annual Report.

7.3 A listed entity should disclose:

(a) If it has an internal audit function, how the function is structured and what role it performs; or

(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

The board has determined that, consistent with the size of the Company and its activities, an internal audit function is not currently appropriate. As noted regarding recommendations 7.1 and 7.2 above and regarding Principle 4 above, the board has adopted a Risk Management Policy and processes appropriate to the size of WLC to manage the company's material business risks and to ensure regular reporting to the board on whether those risks are being managed effectively in accordance with the controls that are in place.

7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if it does, how it manages or intends to manage those risks.

Director’s report
For the Year Ended 31 March 2020

The board has reviewed the Company’s exposure to economic, environmental and social sustainability risks and determined that, given the nature of its activities and the fact that the Company is reliant on support and funds from it major shareholders or other investors, this represents a material economic risk. The Company’s financial position is monitored on a regularbasis.

Principle8:Remuneratefairly andresponsibly

8.1 The board of a listed entity should:

(1) *have aremunerationcommitteewhich:*

(2) *has at least three members, a majority of whom are independentdirectors; and*

(3) is chaired by an independent director , and disclose

(4) *thecharterofthecommittee*

(5) *The members of the committee; and*

(6) *As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;*

or

(7) *if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remunerationisappropriateandnotexcessive.*

WLC has a remuneration committee of three members - two are independent directors and one executive director. The committee comprises Dr. Firek, Mr Rughani and Mr Oza.

WLC considers that the structure of its Nomination and Remuneration Committee is appropriate for the company. The Nomination and Remuneration Committee is chaired by the independent director, Dr. Firek.

Senior executives’ remuneration packages are reviewed by reference to WLC’s performance, the executive director’s or senior executive’s performance, as well as comparable information from industry sectors and other listed companies in similar industries, which is obtained from external remuneration sources. This ensures that base remuneration is set to reflect the market for a comparable role. However, no such review was undertaken in the financial year.

8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

The remuneration details of non-executive directors, executive directors and senior management are set out in the Remuneration Report that forms part of the Directors’ report.

There are no schemes for retirement benefits, other than statutory superannuation for non-executive directors.

8.3 A listed entity which has an equity-based remuneration scheme should:

8.3.1 have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and

8.3.2 disclose that policy or a summary or it.

The Company’s Security Trading Policy, a copy of which is available on the Governance page of the Company’s website www.wollongongcoal.com.au, sets out restrictions on participation by staff in hedging arrangements over the Company’s securities issued pursuant to any share scheme, performance right’s plan or option plan.

Inparticular:

- Staff are prohibited from in hedging arrangements over unvested securities; and

Director's report

For the Year Ended 31 March 2020

- Vested securities may only be hedged once they are exercised into shareholdings and only under the followingconditions:
  - the details of the hedge are fully disclosed to the Chairman and the Company Secretary (and to ASX and in the Annual Report, as appropriate);
  - the hedge transaction is treated as a dealing in securities and the restrictions and requirements of the Securities Trading Policy are satisfied; and

Director ....
Milind K Oza

Dated: 8 May 2020

UHY Haines Norton
Corporate Finance Pty Limited

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Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

To the Directors of Wollongong Coal Limited

As auditor for the audit of Wollongong Coal Limited for the year ended 31 March 2020, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the 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.

This declaration is in respect of Wollongong Coal Limited and the entities it controlled during the year.

M.D. Nicholaeff
Partner
Sydney
8th May 2020

UHY Haines Norton

UHY Haines Norton
Chartered Accountants

Wollongong Coal Limited

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 March 2020

	Note	2020 000's $	2019 000's $
Revenue	4	**7,036**	62,539
Other income	4	**1,544**	119
Changes in inventories of finished goods and work in progress		**(3,017)**	(4,764)
Raw materials and consumables used		**(2,498)**	(8,165)
Employee benefits expense		**(11,879)**	(16,383)
Depreciation and amortisation expense		**(17,791)**	(143,154)
Reversal/(impairment) on asset	6	**60,755**	(144,537)
Other operating expenses		**(22,042)**	(46,725)
Foreign exchange losses		**(86,402)**	(44,412)
Finance income	5	**221**	286
Finance costs	5	**(37,917)**	(34,034)
Loss before income tax		**(111,990)**	(379,230)
Income tax expense		**-**	-
Loss for the year		**(111,990)**	(379,230)
Other comprehensive income, net of income tax			
Items that will be reclassified to profit or loss when specific conditions are met			
Fair value movements on investments held at FVOCI		**(60)**	(90)
Other comprehensive income for the year, net of tax		**(60)**	(90)
Total comprehensive loss for the year		**(112,050)**	(379,320)
Loss attributable to:			
Members of the parent entity		**(111,990)**	(379,230)
Total comprehensive loss attributable to:			
Members of the parent entity		**(112,050)**	(379,320)
Earnings per share			
From continuing operations:			
Basic earnings per share (cents)		**(1.20)**	(4.05)
Diluted earnings per share (cents)		**(1.20)**	(4.05)

The accompanying notes form part of these financial statements.

Wollongong Coal Limited

Statement of Financial Position
As At 31 March 2020

	Note	2020 000's $	2019 000's $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	**6,728**	6,981
Trade and other receivables	9	**135**	735
Inventories	10	**2,942**	6,885
Other financial assets	12	**7,229**	-
Other assets	16	**6,058**	16,729
Non-current assets held for sale	11	**-**	11,913
TOTAL CURRENT ASSETS		**23,092**	43,243
NON-CURRENT ASSETS			
Other financial assets	12	**9,722**	17,196
Property, plant and equipment	13	**396,730**	343,967
Intangible assets	14	**28,233**	28,233
Other assets	16	**7,322**	2,566
TOTAL NON-CURRENT ASSETS		**442,007**	391,962
TOTAL ASSETS		**465,099**	435,205
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	**4,560**	17,742
Borrowings	18	**1,064,949**	893,169
Short-term provisions	19	**9,754**	20,651
Other liabilities	20	**33,072**	37,177
TOTAL CURRENT LIABILITIES		**1,112,335**	968,739
NON-CURRENT LIABILITIES			
Long-term provisions	19	**40,198**	41,850
TOTAL NON-CURRENT LIABILITIES		**40,198**	41,850
TOTAL LIABILITIES		**1,152,533**	1,010,589
NET LIABILITIES		**(687,434)**	(575,384)
EQUITY			
Issued capital	21	**913,690**	913,690
Reserves		**(8,166)**	(6,377)
Retained earnings		**(1,592,958)**	(1,482,697)
TOTAL EQUITY		**(687,434)**	(575,384)

The accompanying notes form part of these financial statements.

Wollongong Coal Limited

Statement of Changes in Equity

For the Year Ended 31 March 2020

2020

	Ordinary Shares 000's $	Retained Earnings 000's $	Option Reserve 000's $	Share Repurchase Reserve 000's $	Assets-Available-For-Sale Reserve 000's $	FVOCI reserve 000's $	Total 000's $
Balance at 1 April 2019	913,690	(1,482,697)	1,833	(6,300)	-	(1,910)	(575,384)
Loss attributable to members of the parent entity	-	(111,990)	-	-	-	-	(111,990)
Other comprehensive income for the year, net of tax	-	-	-	-	-	(60)	(60)
Transactions with owners in their capacity as owners							
Reallocation of expired employee options	-	1,729	(1,729)	-	-	-	-
Balance at 31 March 2020	913,690	(1,592,958)	104	(6,300)	-	(1,970)	(687,434)

The accompanying notes form part of these financial statements.

Wollongong Coal Limited

Statement of Changes in Equity

For the Year Ended 31 March 2020

2019

	Ordinary Shares 000's $	Retained Earnings 000's $	Option Reserve 000's $	Share Repurchase Reserve 000's $	Assets-Available-For-Sale Reserve 000's $	FVOCI reserve 000's $	Total 000's $
Balance at 1 April 2018	913,690	(1,103,467)	1,752	(6,300)	(1,820)	-	(196,145)
Loss attributable to members of the parent entity	-	(379,230)	-	-	1,820	(1,820)	(379,230)
Total other comprehensive loss for the year	-	-	-	-	-	(90)	(90)
Transactions with owners in their capacity as owners							
Share based payment transactions	-	-	81	-	-	-	81
Balance at 31 March 2019	913,690	(1,482,697)	1,833	(6,300)	-	(1,910)	(575,384)

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 31 March 2020

	Note	2020 000's $	2019 000's $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**4,096**	61,980
Payments to suppliers and employees		**(61,412)**	(89,728)
Interest received		**221**	286
Interest paid		**(40,764)**	(48,202)
Net cash used in operating activities	32	**(97,859)**	(75,664)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		**5,491**	77
Purchase of property, plant and equipment		**(3,330)**	(4,329)
Purchase of financial assets		**246**	(2,015)
Net cash used in investing activities		**2,407**	(6,267)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		**133,201**	110,532
Repayment of borrowings		**(38,127)**	(27,432)
Net cash provided by financing activities		**95,074**	83,100
Effects of exchange rate changes on cash and cash equivalents		**125**	64
Net increase/(decrease) in cash and cash equivalents held		**(253)**	1,233
Cash and cash equivalents at beginning of year		**6,981**	5,748
Cash and cash equivalents at end of financial year	8	**6,728**	6,981

The accompanying notes form part of these financial statements.

The financial report covers Wollongong Coal Limited ('the Company' or 'Parent') and its controlled entities ('the consolidated entity' or 'the Group'). Wollongong Coal Limited is a for profit listed public company limited by shares, incorporated and domiciled in Australia.

Its registered office and principal place of business is:

Lot 31
7 Princes Highway, corner of Bellambi Lane
Corrimal, NSW 2518

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

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 8th May 2020.

Comparatives are consistent with prior years, unless otherwise stated.

The Group is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001.*

These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for financial assets held at fair value through other comprehensive income.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

2 Summary of Significant Accounting Policies

(a) Basis for consolidation

The consolidated financial statements include the assets and liabilities of all subsidiaries of Wollongong Coal Limited ('company' or 'parent entity') as at 31 March 2020 and the results of all subsidiaries for the year then ended. Wollongong Coal Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

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

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

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

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 35.

Operating segments

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

Management have determined that the Group operates in a single segment.

(b) Going concern

The consolidated entity reports a net loss of $111,990,000 for the financial year ended 31 March 2020 compared to a net loss of $379,230,000 for the previous corresponding financial year. The loss is after a net foreign exchange loss of $86,402,000 (2019: loss of $44,412,000).

Net current liabilities of $1,089,243,000 (2019: $925,496,000) includes borrowings and working capital facilities of $1,064,949,000 (2019: $893,169,000) which have been classified as current liabilities to comply with the Australian Accounting Standards AASB 101 'Presentation of Financial Statements', due to a breach of the financial covenants. The expected principal repayment due on borrowings for the year ending 31 March 2021 is $64,232,215, subject to negotiations in relation to the existing facilities.

2 Summary of Significant Accounting Policies

(b) Going concern

The current adverse performance of the consolidated entity was mainly due to:

- No production from the Russell Vale Colliery, which has been in care and maintenance since 2015; and

- Low production at the Wongawilli Colliery, which has been put into care and maintenance in April 2019.

Nevertheless, the directors consider the consolidated entity to be a going concern on the basis of the following:

Financial support from Jindal Steel & Power (Mauritius) Limited ("JSPML")

Since taking over the majority stake and management control in October 2013, the Jindal Group has funded and supported the consolidated entity. To date, the consolidated has received in excess of $342.15 million by way of equity and $472.751 million as loans from JSPML.

Wollongong Coal Limited received a financial support letter from JSPML stating that the loan amount due to JSPML by Wollongong Coal Limited and its controlled entities as at 31 March 2020 will not be called upon for repayment for a period of up to 31 January 2022 unless JSPML is at default under the relevant facility agreement. Further, JSPML confirm to continue to transfer funds at its discretion to Wollongong Coal Limited until 31 January 2022 for the purposes of enabling it to pay its debts as and when they fall due (including those debts currently recorded past due). JSPML also confirmed that it would not request repayment of any transferred funds that would jeopardise Wollongong Coal Limited’s ability to pay its debts as and when they fall due.

On 6th April 2020, JSPML has agreed to increase working capital facility from $440 million to $550 million. As of the date of this report, the unused facility is $100.5 million.

The consolidated entity has also received a short-term loan repayable on demand for a total amount of $38 million as at 31 March, 2020 from Jindal Steel and Power (Australia) Pty Ltd (JSPAL), a wholly-owned subsidiary of JSPML.

The consolidated entity has received a support letter from JSPAL to not recall any of the loan provided for the period of up to 31 January 2022 unless there is an acceleration and demand from the Lenders in case of any event of default.

The consolidate entity also received other loans provided by JSPAL and has received a support letter that these loans will not be called upon for repayment for the period up to 31 January, 2022.

As at the date of this report, both JSPML and JSPAL confirm that there has been no such event of default under their respective relevant facility agreement which could result in acceleration or recall of debt from any lender.

Settlement of legal claims

The consolidated entity has successfully defended and/or resolved several legal claims. Please refer to section ‘Update on Legal matters and Litigations’ of the directors’ report for details.

Deferment / Rescheduled of secured debts

On 14 February 2020, the NSW Supreme Court approved the proposed creditor Schemes of Arrangement (Schemes) between the consolidated entity, JSAPL and Lenders under the Facilities. A total payment of US $17.35 million was made reducing the secured debt from US $370.15 million to

2 Summary of Significant Accounting Policies

(b) Going concern

US$ 352.80 million. Also, the remaining balance of US $10.42 million was settled under the MCB Facility.

The Schemes were terminated automatically on 29 March 2020 due to certain Pre-Settlement Date Conditions Precedent were not satisfied or waived by that time. However, on 29 April 2020, the NSW Supreme Court granted the relief sought by the consolidated entity and JSPAL and made orders that the CP Satisfaction Long Stop Date in the Schemes be extended to 1 April 2020; and the Settlement Long Stop Date in the Schemes be extended to the date that is 7 days after the entry by the Court of the Court's orders made in respect of Application, namely 6 May 2020. The extensions ordered operate retrospectively from the time the orders approving the Schemes on 14 February 2020 were made.

The successful reinstatement of the Schemes have favorable impact on the consolidated entity's financial affairs. The favorable terms include delayed repayments and overall reduction in outstanding Principal payments, subject to the consolidated entity meeting its post settlement date conditions. The details of the post settlement date conditions are currently being finalized as at the date of this report.

Operations at Russell Vale Colliery

The consolidated entity has progressed well in the process of obtaining necessary mining approvals and commencement of the mining operations at Russell Vale colliery. The Department of Industry and Planning (DPIE) is finalizing their recommendation report to Independent Planning Council (IPC) and likely to refer it to IPC during May 2020. The consolidated entity remains confident in obtaining the approvals as it has changed its mining plan from longwall to board and pillar, which is zero or low impact mining method that addresses major environmental concerns including subsidence and impacts on water bodies.

The Directors truly believe that with all measures put in place, as detailed above, and the continuous support of JSPML and JSPAL, the consolidated entity would be able to put its liquidity troubles behind it and move to the more productive aspect of running a profitable business in future.

The Directors consider the consolidated entity to be a going concern and will be able to meet its debts and obligations as they fall due. Notwithstanding the above, if one or more of the planned measures do not eventuate or are not resolved in the consolidated entity's favour, then in the opinion of the directors, there will be significant uncertainty regarding the ability of the consolidated entity to continue as a going concern and pay its debts and obligations as and when they become due and payable.

If the consolidated entity is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business at amounts different from those stated in the financial statements.

No adjustments have been made to the financial statements relating to the recoverability and classification of the recorded asset amounts or the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

(c) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant

2 Summary of Significant Accounting Policies

(c) Income Tax

taxation authority.

Wollongong Coal Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(d) Leases

The Group adopted AASB 16 on 1 April 2019. The Group’s leases are either with terms of 12 months or less or contain a lease of low value. The Group applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

2 Summary of Significant Accounting Policies

(e) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer

2. Identify the performance obligations

3. Determine the transaction price

4. Allocate the transaction price to the performance obligations

5. Recognise revenue as and when control of the performance obligations is transferred

2 Summary of Significant Accounting Policies

(e) Revenue and other income

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Group are:

Product sales

Revenue from sales of goods to customers is recognised when control of the goods has transferred, being the point in time when 1) the goods have been shipped to the customer and 2) the customer has full discretion over the subsequent distribution of the goods and the price at which the goods are sold. Based on the terms of the contract, at the time the goods are shipped, the customer is deemed to have accepted the products and therefore assumes any related inventory risk (e.g. obsolescence or other loss).

Revenue is only recognised where it is highly probable that a significant reversal of revenue will not occur.

The Group's payment terms are 30 days from the invoice date and accordingly there is no financing element to the Group's sales.

On delivery of the goods to the customer (i.e. when they are shipped), the Group recognises a receivable as this represents the point in time at which the Group's right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Rent

For routine or recurring contracts where the services provided are substantially the same, for example rental services, which are transferred with the same pattern of consumption over time and whose consideration consists of a recurring fixed amount over the term of the contract (e.g. monthly or annual payment), in such a way that the customer receives and consumes the benefits of the services as the Group provides them, the revenue recognition model is based on the time elapsed output method.

Under this method, revenue is recognised on a straight line basis over the term of the contract and costs are recognised on an accrual basis.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue

Other revenues are recognised as and when control of the performance obligations are transferred to the customer.

2 Summary of Significant Accounting Policies

(f) Current and non-current distinction

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

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

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

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

(g) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

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

(h) Cash and cash equivalents

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

(i) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(j) Inventories

Inventories of coal are physically measured or stated at the lower of cost and net realisable value.

2 Summary of Significant Accounting Policies

(j) Inventories

Coal stocks comprises direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity. Costs are assigned to inventories using the weighted average basis.

Stores cost comprises average cost of purchase price and associated charges.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale.

(k) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items and costs incurred in bringing assets into use. Costs of dismantling and site rehabilitation are also capitalised, if the recognition criteria is met. Subsequent expenditure is capitalised when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Mine development

Mine development assets include costs for activities undertaken to gain access to mineral reserves. Typically, this includes sinking shafts, permanent excavations, building transport infrastructure and roadways.

Mine development assets also includes costs transferred from exploration and evaluation assets once technical feasibility and commercial viability of an area of interest are demonstrable. After transfer, all subsequent mine development expenditures is similarly capitalised, to the extent that commercial viability conditions continued to be satisfied.

Depreciation

Depreciation and amortisation is charged to the consolidated statement of profit or loss and other comprehensive income on a straight line basis at the rates indicated below. Depreciation commences on assets when it is deemed they are capable of operating in the manner intended by management.

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually. Any changes are accounted for prospectively.

The estimated useful lives/depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Useful life/ depreciation rate
Buildings	20 -40 years on a straight line basis
Plant and equipment	3 - 10 years on a straight line basis
Mine development	units of production
Mining leases	units of production

Mine development and mining lease assets are depreciated on the basis of total mineable reserves, and resources likely to be converted to reserves, at each mine location.

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

2 Summary of Significant Accounting Policies

(k) Property, plant and equipment

are taken to profit or loss.

(l) Exploration and licenses

Exploration, evaluation and development 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 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. As the asset is not available for use it is not depreciated or amortised.

Costs that do not meet these criteria are expensed. 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.

(m) Assets held for sale

Assets are classified as held for sale and measured at the lower of carrying amount and fair value less costs to sell, where the carrying amount will be recovered principally through sale as opposed to continued use. No depreciation or amortisation is charged against assets classified as held for sale.

Classification as “held for sale” occurs when: management has committed to a plan for immediate sale; the sale is expected to occur within one year from the date of classification; and active marketing of the asset has commenced. Such assets are classified as current assets.

Impairment losses are recognised for any initial or subsequent write-down of an asset classified as held for sale to fair value less costs to sell. Any reversal of impairment recognised on classification as held for sale or prior to such classification is recognised as a gain in profit or loss in the period in which it occurs.

(n) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Group classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

2 Summary of Significant Accounting Policies

(n) Financial instruments

Financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Group has a number of strategic investments in listed and unlisted entities over which are they do not have significant influence nor control. The Group has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments.)

The Group does not hold financial assets at FVTPL.

2 Summary of Significant Accounting Policies

(n) Financial instruments

Financial assets

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 90 days past due has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

2 Summary of Significant Accounting Policies

(n) Financial instruments

Financial assets

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables, bank and other loans and finance lease liabilities.

(o) Borrowing

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(p) Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

2 Summary of Significant Accounting Policies

(q) Fair value measurement

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

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

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

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

(r) Employee benefits

Wages and salaries and annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and sick leave are recognised in respect of services provided by employees up to the reporting date and measured based on expected date of settlement. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

The liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for wages and salaries, and annual leave expected to be settled more than 12 months of the reporting date, and long service leave is recognised and measured as the present value of expected future payments to be made using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

2 Summary of Significant Accounting Policies

(r) Employee benefits

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services.

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

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

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

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

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

(s) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30-60 days of recognition.

(t) Earnings per share

Basic earnings per share is calculated by dividing the profit/loss attributable to owners of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2 Summary of Significant Accounting Policies

(u) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

(v) Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

(w) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 31 March 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

(x) New standards

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 March 2020. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

3 Critical Accounting Estimates and Judgments

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

Notes to the Financial Statements

For the Year Ended 31 March 2020

3 Critical Accounting Estimates and Judgments

Impairment and reversal of impairment of non-financial assets

The consolidated entity assesses impairment and any reversal of impairment of non-financial assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment or reversal of impairment. If an impairment trigger or indicator of reversal exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. Where fair value less costs of disposal is used, the valuation takes into consideration what a market participant would do to obtain the highest and best use of the asset. An estimate is made of the potential costs of disposal.

Provision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors' financial position. The consolidated entity has impaired the receivables with its former parent entity, Gujarat NRE Coke Limited and other associated entities based on management's assessment that the receivable is no longer recoverable.

Mine closure and rehabilitation provision estimates

Provision is made for the anticipated costs of future site restoration. The provision includes estimated future costs relating to the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site. The calculation of rehabilitation and closure provisions (and corresponding capitalised closure cost assets where necessary) rely on estimates of cost required to rehabilitate and restore disturbed areas of land to their original condition and discounting factors. These estimates are regularly reviewed and adjusted in order to ensure that most up to date data is used to calculate these balances. The closure and rehabilitation provision is disclosed in note 19.

Determination of coal reserves and resources

The consolidated entity estimates its coal reserves and resources based on information compiled by competent persons as defined in the Australian code for reporting the coal mineral resources and ore reserves of December 2012 (JORC CODE). Reserves determined in this way are used in the calculation of depreciation, amortisation and impairment charges, the assessment of mine lives and for forecasting the time for payment of close down and restoration costs.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Binomial model taking into accounts the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Contingent liabilities

The consolidated entity from time to time may incur obligations arising from litigation or various types of legal and regulatory matters in the normal course of business. At the reporting date, the consolidated entity assesses these matters based on current information and makes judgements concerning their potential outcome, giving due

3 Critical Accounting Estimates and Judgments

consideration to the nature of the claim, the amount and nature of any damages sought, and the probability of success. Such judgements are made with the understanding that the outcome of any litigation, investigation, or other legal proceeding is inherently uncertain. The consolidated entity discloses contingent liabilities for matters where the probability of any outflow in settlement was greater than remote (refer to note 30). In the event the disclosure of information in relation to a contingent liability can be expected to prejudice seriously the position of the consolidated entity in a dispute, accounting standards allow the consolidated entity not to disclose such information and it is the consolidated entity's policy that such information is not to be disclosed in this note.

4 Revenue and Other Income

	2020 000's $	2019 000's $
Revenue		
- Sales to external customers	**7,036**	62,539
	7,036	62,539

	2020 000's $	2019 000's $
Revenue by geographic location		
India	**4,344**	52,770
Vietnam	**2,692**	9,769
Domestic	**-**	9,769
Total Revenue	**7,036**	72,308

	2020 000's $	2019 000's $
Revenue by product		
Thermal	**2,692**	658
Metallurgical	**4,344**	61,881
Total Revenue	**7,036**	62,539

	2020 000's $	2019 000's $
Other Income		
- rental income	**365**	14
- other income	**200**	28
- net gain on disposal of property, plant and equipment	**979**	77
	1,544	119

Notes to the Financial Statements

For the Year Ended 31 March 2020

5 Finance Income and Expenses

Finance income

	2020 000's $	2019 000's $
- Interest income	**221**	286
Total finance income	**221**	286

Finance expenses

	2020 000's $	2019 000's $
Unwinding of discounts on provisions	**1,629**	1,441
Interest and financing costs	**36,288**	32,593
Total finance expenses	**37,917**	34,034

Notes to the Financial Statements

For the Year Ended 31 March 2020

6 Impairment of assets

The Group reviews the carrying value of the assets of each Cash Generating Unit ("CGU") at each balance date. Accordingly, the Group has performed an impairment assessment of its Cash Generating Units being Russell Vale Colliery and Wongawilli Colliery. As both of these CGUs have previously been impaired, the assessment also considered the potential for any reversal of impairment recorded in prior periods. Based on this assessment, impairment reversals have been recognised during the reporting period for both CGUs.

(a) An impairment reversal occurred during the reporting period (PY: Impairment loss).

The asset class and impairment amount are shown below:

	Asset Class	31 March 2020 Amount of Impairment reversal 000' $	31 March 2019 Amount of impairment loss 000's $
Recognised in the statement of profit or loss and other comprehensive income			
Property, plant and equipment	Mine development	51,789	(128,551)
Property, plant and equipment	Mine leases	8,966	(14,718)
		60,755	(143,269)

(b) Specific impairment reversal (PY: impairment loss) disclosures - for cash-generating units

Description of the cash-generating unit (CGU)	31 March 2020 Amount of impairment reversal 000's $	Events or circumstances leading to the impairment	Reason and description of any change in CGU since prior year	Recoverable amount of CGU 000's $	Method of estimation
Russell Vale Colliery	47,948	Re-estimation of fair value of CGU	No change	271,260	Fair value less costs of disposal
Wongawilli Colliery	12,807	Re-estimation of fair value of CGU	No change	126,720	Fair value less costs of disposal
	60,755				

Description of the cash-generating unit (CGU)	31 March 2019 Amount of impairment loss 000's $	Events or circumstances leading to the impairment	Reason and description of any change in CGU since prior year	Recoverable amount of CGU 000's $	Method of estimation
Russell Vale Colliery	(143,269)	Re-estimation of fair value of CGU	No change	204,930	Fair value less costs of disposal
Wongawilli Colliery	-	Not applicable	No change	135,630	Fair value less costs of disposal
	(143,269)				

6 Impairment of assets

Specific impairment reversal (PY: impairment loss) disclosures - for cash-generating units

Cash-generating units where recoverable amount has been determined using fair value less costs of disposal

Cash-generating unit	Level of fair value hierarchy	Description of valuation techniques (for Level 2 and Level 3 measurements)
Russell Vale Colliery	3	Discounted cash flow
Wongawilli Colliery	3	Discounted cash flow

Key Assumptions

In it's determination of fair value, management has adopted a number of assumptions. Those assumptions which the cash generating unit's recoverable amount is most sensitive are classified as key assumptions and are disclosed below. It applies to both identified cash generating units unless otherwise stated.

Key assumption	Basis for determining value(s) assigned to key assumption
Discount rate of 9.5% (2019: 9.5%)	Determined primarily based on external sources of information with the exception of additional project level risk, incorporated as an alpha risk factor.
Long term coking coal price of US$141 / T real dollars (2019:US$132 / T real dollars)	Determined based on publicly available long term pricing forecasts.
Pricing discount to benchmark, 29.5% (Wongawilli Colliery),23.5% (Russell Vale Colliery) ((2019: 29.5% (Wongavilli Colliery), 22.2% (Russell Vale Colliery))	Determined in accordance with management's past experience, except for improvements relating the installation of an on-site washing plant and variances in the expected grade of mineable seams. Management believes these improvements are reasonably achievable.
Long term foreign exchange rate (AUD/USD) of $0.70 (2019:$0.71)	Consistent with external sources of information.
Average operating cost of production per tonne (2020 real dollars),$81(Wongawilli Colliery), $97 (Russell Vale Colliery). ((2019: real dollars) $74 (Wongawilli Colliery), $98 (Russell Vale Colliery))	Determined in accordance with management's mine production plan. Values assigned reflect past experience, except for efficiency improvements expected to be realised as production is scaled up over time. Management believes these improvements are reasonably achievable.
Mine life of 30 years for Wongwilli and 27 years for Russell Vale	Determined in accordance with management's mine production plan.
Total run-of-mine (ROM) production over the expected mine life, 59.41 MT (Wongawilli Colliery), 61.54 MT (Russell Vale Colliery) ((2019: 56.90 MT (Wongawilli Colliery), 66.39 MT (Russell Vale Colliery))	Determined in accordance with management's mine production plan. Management's plan is based on resources and reserves information gained from drilling and production activities.
Additional discount for marketability and risk, 30% (Wongawilli Colliery), 20% (Russell Vale Colliery) ((2019:30% (Wongawilli Colliery), 20% (Russell Vale Colliery))	Determined in accordance with management's estimate of the discount which would be applied to the fair value of each cash generating unit by a market participant, taking into account the significant uncertainities associated with measured resources and regulatory approvals.
Obtaining relevant regulatory approvals as required	Management has determined that the receipt of regulatory approval is likely based on past experience and communications received from the regulator to date.

6 Impairment of assets

As the future cash flows associated with each cash generating unit are dependent on forward prices and production rates, it is not possible to disclose a growth rate used to extrapolate cash flow projections. Relevant pricing and production data are disclosed above.

Management has determined the value (or values) of key assumptions based on the external sources of information, wherever possible.

There has been no change in the valuation technique applied to calculate the fair value less cost of disposal for the two identified cash generating units from the prior year.

Sensitivity

The Group have made estimates and assumptions in respect of impairment testing of cash generating units. Management believes that reasonably possible changes in some assumptions and estimates could lead to cash generating unit's carrying value exceeding its recoverable amount. These, and the amounts by which each CGU's recoverable amount exceeds the carrying value of its assets (as applicable) are stated below:

	Russell Vale Colliery '000	Wongawilli Colliery '000
Carrying amount before impairment reversal (000's)	223,312	113,914
Recoverable amount (000's)	271,260	126,720
Impairment reversal	47,948	12,807

Russell Vale Colliery

After the recognition of a further impairment reversal of $47,948,000 in the current year, the carrying amount of the Russell Vale Colliery CGU is now in line with the current recoverable value of its assets. Any future events that result in adverse changes to the forecast cash flows used in the impairment assessment would accordingly result in impairment. Accordingly, the below table displays the impairment charge that would result from reasonably possible changes to key assumptions.

Key assumption	Current value	Reasonably possible change	Impact of change
Discount rate	9.5%	Increase by 1% to 10.5%	Impairment of $37 million
Long term coking coal price per tonne	US$141 (2019 real dollars)	Decrease by 10% to US$127 (2019 real dollars)	Impairment of $85 million
Long term foreign exchange rate (AUD/USD)	A$1.00=US$0.70	Increase by 10% to A$1.00=US$0.77	Impairment of $108 million
Operating cost of production per tonne	$97	Increase by 10% to $107	Impairment of $90 million

Wongawilli Colliery

After the recognition of a further impairment reversal of $12,807,000 in the current year, the carrying amount of the Wongawilli Colliery CGU is now in line with the current recoverable value of its assets. Any future events that result in adverse changes to the forecast cash flows used in the impairment assessment would accordingly result in impairment. Accordingly, the below table displays the impairment charge that would result from reasonably possible changes to key assumptions.

Key assumption	Current value	Reasonably possible change	Impact of change
Discount rate	9.5%	Increase by 1% to 10.5%	Impairment of $16 million

6 Impairment of assets

Long term coking coal price per tonne	US$141 (2019 real dollars)	Decrease by 10% to US$127 (2019 real dollars)	Impairment of $49 million
Long term foreign exchange rate (AUD/USD)	A$1.00=US$0.70	Increase by 10% to A$1.00=US$0.77	Impairment of $60 million
Operating cost of production per tonne	$91	Increase by 10% to $100	Impairment of $51 million

Only key assumptions that management have considered reasonably subject to change have been considered in the above assessments.

7 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

	2020 000's $	2019 000's $
Profit/(loss)	**(111,990)**	(379,230)
Tax	**30.00 %**	30.00 %
	(33,597)	(113,769)
Add:		
Tax offect of:		
- non-deductible items	**7,365**	4,125
- Tax losses not eligible for recognition	**26,533**	109,644
Weighted average effective tax rate	**- %**	- %

Notes to the Financial Statements

For the Year Ended 31 March 2020

8 Cash and cash equivalents

	2020 000's $	2019 000's $
Cash at bank and in hand	**6,728**	6,981
	6,728	6,981

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2020 000's $	2019 000's $
Cash and cash equivalents	**294**	1,840
Cash on deposit	**6,434**	5,141
Balance as per statement of cash flows	**6,728**	6,981

Cash balances includes $6,433,950 (2019: $6,147,000) held as security against the Group's borrowings.

Notes to the Financial Statements
For the Year Ended 31 March 2020

9 Trade and other receivables

		2020 000's $	2019 000's $
CURRENT			
Trade receivables		**38,307**	38,306
Provision for impairment	(a)	**(38,307)**	(38,128)
		-	178
GST receivable		**135**	557
Total current trade and other receivables		**135**	735

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

(a) Impairment of receivables

Effective 1 April 2018, the Group adopted expected credit losses model prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 31 March 2020 is determined as follows, the expected credit losses incorporate forward looking information.

31 March 2020	Current	< 30 days overdue	< 90 days overdue	> 365 days overdue	Total
Expected loss rate (%)	-	-	-	**100.00**	**100.00**
Gross carrying amount ($)	-	-	-	**38,307**	**38,307**
ECL provision	-	-	-	**(38,307)**	**(38,307)**

31 March 2019	Current	< 30 days overdue	< 90 days overdue	> 90 days overdue	Total
Expected loss rate (%)	-	-	-	100.00	100.00
Gross carrying amount ($)	-	-	-	38,306	38,306
ECL provision	-	-	-	(38,128)	(38,128)

Reconciliation of changes in the provision for impairment of receivables is as follows:

	2020 000's $	2019 000's $
Balance at beginning of the year (calculated in accordance with AASB 139)	**(38,128)**	(37,982)
Additional impairment loss recognised	**(179)**	(146)
Amounts written off as uncollectible		
Balance at end of the year	**(38,307)**	(38,128)

Notes to the Financial Statements
For the Year Ended 31 March 2020

9 Trade and other receivables

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group has recognised a loss allowance of 100.00% against all receivables greater than 90 days because historical experience has indicated that these receivables are generally not recoverable.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings or when the trade receivables are over 2 years past due, whichever occurs first.

(b) Collateral held as security

The Group does not hold any collateral over any receivables balances.

10 Inventories

	2020 000's $	2019 000's $
CURRENT		
Finished goods	**123**	3,645
Stores and Consumables	**2,819**	3,240
	2,942	6,885

Write downs of inventories to net realisable value during the year were $ NIL (2019: $ 372,864).

11 Non-current assets held for sale

	2020 000's $	2019 000's $
Non-current assets held for sale		
Assets held for sale	**-**	11,913

The parcel of freehold land previously designated as held for sale was reclassified in September 2019 to land within property, plant and equipment, as it no longer meets the recognition requirements of assets held for sale.

12 Financial assets

	2020 000's $	2019 000's $
CURRENT		
Debt securities - at amortised cost	**7,229**	-
Total Current Other financial Assets	**7,229**	-

	2020 000's $	2019 000's $
NON-CURRENT		
Debt securities - at amortised cost	**9,572**	16,986
Equity securities - at fair value through Other Comprehensive Income (i)	**150**	210
Total	**9,722**	17,196

(i) Equity securities designated as at FVOCI

At 1 April 2018, the Company designated the investments shown below as equity securities as at FVOCI because these equity securities represent investments that the Company intends to hold for the long-term for strategic purpose.

	Fair value as at 31 March 2020	Fair value as at 31 March 2019
Shree Minerals	**30,000**	90,000
Port Kembla Coal Terminal	**120,000**	120,000

	Dividend income recognised during the year 2020	Dividend income recognised during the year 2019
Shree Minerals	**-**	-
Port Kembla Coal Terminal	**-**	-

No strategic investment were disposed of during 2019-20, and there were no transfers of any cumulative gains or loss within equity relating to these investments.

Notes to the Financial Statements
For the Year Ended 31 March 2020

13 Property, plant and equipment

	2020 000's $	2019 000's $
LAND AND BUILDINGS		
Freehold land		
At cost	**43,202**	31,288
Leasehold land		
At cost	**486**	486
Total Land	**43,688**	31,774
Land and buildings		
At cost	**2,480**	2,480
Accumulated depreciation	**(665)**	(574)
Total buildings	**1,815**	1,906
Total land and buildings	**45,503**	33,680
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	**18,921**	18,646
Plant and equipment		
At cost	**216,245**	236,780
Accumulated depreciation	**(159,246)**	(162,796)
Total plant and equipment	**56,999**	73,984
Mine development		
At cost	**744,252**	747,548
Accumulated depreciation	**(228,373)**	(228,564)
Accumulated impairment losses	**(283,733)**	(335,522)
Total Mine development	**232,146**	183,462
Mining leases		
At cost	**77,145**	77,145
Accumulated depreciation	**(5,092)**	(5,092)
Accumulated impairment losses	**(28,892)**	(37,858)
Total Mining leases	**43,161**	34,195
Total property, plant and equipment	**396,730**	343,967

Notes to the Financial Statements

For the Year Ended 31 March 2020

13 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings	Land	Mining leases	Plant and Equipment	Mine development	Capital works in progress	Total
	000's	000's	000's	000's	000's	000's	000's
	$	$	$	$	$	$	$
Year ended 31 March 2020							
Balance at the beginning of the year	1,906	31,774	34,195	73,984	183,462	18,646	343,967
Additions	-	-	-	46	-	3,330	3,376
Disposals	-	-	-	(2,195)	(3,296)	-	(5,491)
Transfers	-	-	-	3,055	-	(3,055)	-
Transfers from asset held for sale	-	11,914	-	-	-	-	11,914
Depreciation expense	(91)	-	-	(17,891)	191	-	(17,791)
Impairment reversal	-	-	8,966	-	51,789	-	60,755
Balance at the end of the year	1,815	43,688	43,161	56,999	232,146	18,921	396,730

13 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

	Buildings 000's $	Land 000's $	Mining leases 000's $	Plant and Equipment 000's $	Mine development 000's $	Capital works in progress 000's $	Total 000's $
Year ended 31 March 2019							
Balance at the beginning of the year restated	1,997	32,503	50,984	92,886	434,357	15,547	628,274
Additions	-	-	-	1,671	-	2,600	4,271
Transfers	-	(810)	-	26	-	784	-
Depreciation expense	(91)	81	(2,071)	(20,599)	(120,474)	-	(143,154)
Impairment loss	-	-	(14,718)	-	(128,551)	(285)	(143,554)
Other changes	-	-	-	-	(1,870)	-	(1,870)
Balance at the end of the year	1,906	31,774	34,195	73,984	183,462	18,646	343,967

14 Intangible Assets

	2020 000's $	2019 000's $
Goodwill		
At cost	**299,963**	299,963
Accumulated impairment losses	**(271,730)**	(271,730)
Net carrying value	**28,233**	28,233

(a) Movements in carrying amounts of intangible assets

	Goodwill 000's $	Total 000's $
Year ended 31 March 2020		
Balance at the beginning of the year	**28,233**	**28,233**
Closing value at 31 March 2020	**28,233**	**28,233**

	Goodwill 000's $	Total 000's $
Year ended 31 March 2019		
Balance at the beginning of the year	28,233	28,233
Closing value at 31 March 2019	28,233	28,233

Recoverable amount testing for goodwill and indefinite life intangibles

For the purpose of impairment testing, goodwill and indefinite life intangibles are allocated to cash-generating units as below. Further detail on impairment testing is provided at note 6.

	Carrying amount of goodwill 000's $	Carrying amount of indefinite life intangibles allocated 000's $	Carrying amount of CGU 000's $	Recoverable amount of CGU 000's $
Description of the cash-generating unit (CGU)	-	-	-	-
Wongawilli Colliery	28,233	-	113,914	126,720

Description of the cash-generating unit (CGU)	**Method of estimation**
Wongawilli Coilliery	Fair value less costs of disposal

15 Franking Credits

Franking account

	2020 000's $	2019 000's $
The franking credits available for subsequent financial years at a tax rate of 30%	-	-

The above available balance is based on the dividend franking account at year-end adjusted for:

(a) Franking credits that will arise from the payment of the current tax liabilities;

(b) Franking debits that will arise from the payment of dividends recognised as a liability at the year end;

(c) Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The ability to use the franking credits is dependent upon the Company's future ability to declare dividends.

16 Other assets

	2020 000's $	2019 000's $
CURRENT		
Advances to suppliers	**1,177**	4,067
Prepayments	**1,057**	1,261
Security deposits (a)	**3,824**	11,401
	6,058	16,729
NON-CURRENT		
Prepayments	**-**	282
Security deposits (a)	**7,322**	2,284
	7,322	2,566

(a) Security deposits

Security deposits are primarily in respect of the Group's rehabilitation obligations relating to its two Collieries as well as in respect of various legal judgements which required the Group to make deposits to its legal representatives trust account.

17 Trade and Other Payables

	Note	2020 000's $	2019 000's $
Current			
Trade payables		**2,454**	15,642
Sundry payables and accrued expenses		**1,936**	1,665
Other payables		**170**	435
		4,560	17,742

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

18 Borrowings

	2020 000's $	2019 000's $
CURRENT		
Unsecured liabilities:		
JSPML working capital loan (principal)	**433,575**	289,156
JSPML working capital loan (accrued interest)	**23,231**	23,231
JSPAL working capital loan	**38,376**	24,270
	495,182	336,657
Secured liabilities:		
JSPAL term loan (principal)	**571,335**	531,514
JSPAL term loan (accrued interest)	**1,313**	4,968
Bank loan - secured (principal)	**-**	23,511
Loan - secured (capitalised costs)	**(2,881)**	(3,481)
	569,767	556,512
Total current borrowings	**1,064,949**	893,169

Refer to note 24 for further information on the Group's financial risk management.

The consolidated entity has classified all bank borrowings (including the JSPAL term loan) as current in accordance with AASB 101 'Presentation of Financial Statements', due to financial covenants breaches.

The JSPAL term loan is secured by a senior charge on all present and after-acquired property of Wollongong Coal Limited, excluding raw materials, stocks, inventory and accounts receivable on account of sale and purchase of goods made and services rendered in the normal course of trade or any other assets of a similar nature.

Notes to the Financial Statements
For the Year Ended 31 March 2020

18 Borrowings

(a) Unrestricted access was available at the reporting date to the following lines of credit:

	2020 000's $	2019 000's $
Total facilities		
Bank loans	**-**	29,396
JSPAL term loan facility*	**949,256**	846,977
JSPML working capital facility**	**440,000**	300,000
JSPAL working capital facility	**50,000**	24,270
Bank guarantee facility	**46,500**	56,100
	1,485,756	1,256,743
Used at the reporting date		
Bank loans	**-**	23,511
JSPAL term loan facility*	**571,335**	536,482
JSPML working capital facility**	**433,575**	289,156
JSPAL working capital facility	**38,376**	24,270
Bank guarantee facility	**46,500**	46,645
	1,089,786	920,064
Unused at the reporting date		
Bank loans	**-**	5,885
JSPAL term loan facility*	**377,921**	310,495
JSPML working capital facility**	**6,425**	10,844
JSPAL working capital facility	**11,624**	-
Bank guarantee facility	**-**	9,455
	395,970	336,679

*JSPAL - Jindal Steel and Power (Australia) Pty Limited, is an associated company.

**JSPML - Jindal Steel and Power (Mauritius) Limited, is a major shareholder.

On 6 August 2015, the consolidated entity entered into a US$630 million facility with JSPAL. Total drawdown to date was USD 396,634mn. As per the Terms & Conditions of the facility agreement, the loan is repayable in 26 unequal quarterly instalments to start from 30 June 2018. The consolidated enity has repayed USD 54,835mn by 31 March 2020. The consolidated entity as at the date of this financial report is in negotiation with the lenders for the restructuring of the debt. The interest rate is LIBOR plus 3% for the Axis facility and LIBOR plus 7.26% for the SBI facility.

To continue to assist the consolidated entity with its cash flow, the intermediate parent entity JSPML provided a $440 million working facility. The amount withdrawn is repayable on demand.

The consolidated entity also holds a working capital facility with its associated entity, JSPAL. Amounts withdrawn under this facility are repayable on demand.

The unused facility is subject to meeting strict conditions and further funding is subject to meeting these conditions.

19 Provisions

	2020 000's $	2019 000's $
CURRENT		
Restructuring	-	2,395
Legal proceedings	6,818	15,689
Employee benefits	2,936	2,567
	9,754	20,651

	2020 000's $	2019 000's $
NON-CURRENT		
Mine restoration	40,198	41,850

Movements in provisions

Movements in provisions are set out below:

	Mine restoration 000's $	Legal proceedings 000's $	Employee benefits 000's $	Restructuring 000's $
Opening balance at 1 April 2019	41,850	15,689	2,567	2,395
Unwinding of discount	1,629	-	369	-
Provisions used/reversed	(3,281)	(8,871)	-	(2,395)
Balance at 31 March 2020	40,198	6,818	2,936	-

Provision for Mine restoration

The provision represents the value of estimated costs required to rehabilitate and restore disturbed areas of land to their original condition (for Russell Vale Colliery and Wongawilli Colliery) in accordance with their environmental and legal obligations following the completion of mining activities. The calculation is based on a third-party estimate of costs expected to be incurred following the conclusion of mining activities discounted to present value at 3.08% - 3.20% (2019: 3.92 - 4.08%). Given the nature of this provision, there is a high degree of uncertainity about the timing and amount of future cash outflows.

Provision for Legal Proceedings

These provisions represent the value of estimated costs required to settle various unfavourable legal cases. These matters are expected to be settled within 12 months of the financial reporting date and consequently the provisions have been classified as current.

Notes to the Financial Statements

For the Year Ended 31 March 2020

20 Other Liabilities

	2020 000's $	2019 000's $
CURRENT		
Advances from customers/contract liabilities	**33,072**	37,177
	33,072	37,177

Customer advances are repayable if the Group fails to meet agreed delivery schedules. Some customer advance payments attract default interest charges in the event delivery schedules are not met.

21 Issued Capital

	2020 000's $	2019 000's $
9,366,977,256 (2019: 9,366,977,256) Ordinary shares	**913,690**	913,690

(a) Ordinary shares

There is no movement in ordinary share capital.

Ordinary shares

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

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

Dividends

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

(b) Capital Management

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt.

There has been no change to capital risk management policies during the year.

The Company manages its capital structure and makes funding decisions based on the prevailing economic environment and has a number of tools available to manage capital risk. These include maintaining a diversified debt portfolio, the ability to adjust the size and timing of dividends paid to shareholders and the issue of new shares.

The Board monitors a range of financial metrics including return on capital employed and gearing ratios. A key objective of the Company's capital risk management is to maintain compliance with the covenants attached to the Company's debts. Throughout the year, the Company has not complied with these covenants.

Notes to the Financial Statements

For the Year Ended 31 March 2020

22 Earnings per Share

(a) Reconciliation of earnings to profit or loss from continuing operations

	2020 000's $	2019 000's $
Loss from continuing operations	**(111,990)**	(379,230)
Earnings used to calculate earnings per share (EPS)	**(111,990)**	(379,230)

(b) Earnings used to calculate overall earnings per share

	2020 000's $	2019 000's $
Earnings used to calculate overall earnings per share	**(111,990)**	(379,230)

(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2020 No.	2019 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	**9,366,977,256**	9,366,977,256
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	**9,366,977,256**	9,366,977,256

(d) Anti-dilutive options on issue are not reflected in the above dilutive EPS calculation

	2020 000's No.	2019 000's No.
Anti-dilutive options on issue	**240**	1,600

23 Commitments

(a) Capital expenditure commitments

	2020 000's $	2019 000's $
Committed at the reporting date but not recognised as liabilities, payable:		
- not later than one year	**239**	1,866

24 Financial Risk Management

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ("the Board"). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units.

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of the Group's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The day-to-day risk management is carried out by the Group's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

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

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

Financing arrangements

Unused borrowing facilities at the reporting date:

	2020 000's $	2019 000's $
Bank loans	**-**	5,885
JSPAL term loan facility	**377,921**	310,495
JSPML working capital facility	**6,425**	10,844
JSPAL working capital facility	**11,624**	-
Bank guarantee facility	**-**	9,455
Total	**395,970**	336,679

24 Financial Risk Management

The table below reflects the undiscounted contractual maturity analysis for financial liabilities.

Financial liability maturity analysis - Non-derivative

	Weighted average Interest rate		Within 1 Year		1 to 5 Years		Over 5 Years		Total	
			2020	2019	2020	2019	2020	2019	2020	2019
	2020	2019	000's	000's	000's	000's	000's	000's	000's	000's
	%	%	$	$	$	$	$	$	$	$
Financial liabilities due for payment										
Trade and other payables	-	-	**4,560**	17,742	-	-	-	-	**4,560**	17,742
Bank loan	-	5.66	-	23,511	-	-	-	-	-	23,511
JSPAL term loan facility	**5.63**	5.85	**572,648**	536,482	-	-	-	-	**572,648**	536,482
JSPML working capital facility	-	-	**456,806**	312,387	-	-	-	-	**456,806**	312,387
JSPAL working capital facility	-	-	**38,376**	24,270	-	-	-	-	**38,376**	24,270
Total contractual outflows			**1,072,390**	914,392	-	-	-	-	**1,072,390**	**914,392**

The timing of expected outflows is expected to be materially different from contracted cashflows.

24 Financial Risk Management

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The following table details the Group's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

			Past due but not impaired (days overdue)				
	Gross amount	**Past due and impaired**	**< 30**	**31-60**	**61-90**	**> 90**	**Within initial trade terms**
	000's	**000's**	**000's**	**000's**	**000's**	**000's**	**000's**
	$	**$**	**$**	**$**	**$**	**$**	**$**
2020							
Trade receivables	**38,307**	**38,307**	**-**	**-**	**-**	**-**	**-**
Other receivables	**135**	**-**	**-**	**-**	**-**	**-**	**135**
Total	**38,442**	**38,307**	**-**	**-**	**-**	**-**	**135**
2019							
Trade receivables	38,306	38,128	-	-	-	-	178
Other receivables	557	-	-	-	-	-	557
Total	38,863	38,128	-	-	-	-	735

The Group does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

Other financial assets held at amortised cost

Other financial assets at amortised cost include debt securities.

No loss allowance was recorded against these securities in the current or prior year.

24 Financial Risk Management

The ageing analysis of receivables is as follows:

	2020 000's $	2019 000's $
0-30 days	**135**	735
91+ days (considered impaired)	**38,307**	38,128
	38,442	38,863

(i) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

Exposures to currency exchange rates arise from the Group's overseas sales and borrowings, which are primarily denominated in US dollars.

The Group manages its foreign exchange risks by holding its borrowings in the same currency in which it generates its revenues.

Foreign currency denominated financial assets and liabilities, translated into Australian Dollars at the closing rate, are as follows,

	AUD 000's $
2020	
Nominal amounts	
Financial assets	**1,007**
Financial liabilities	**(572,648)**
Short-term exposure	**(571,641)**
2019	
Nominal amounts	
Financial assets	849
Financial liabilities	(559,993)
Short-term exposure	(559,144)

The following table illustrates the sensitivity of the net result for the year and equity in regards to the Group's financial assets and financial liabilities and the US Dollar – Australian Dollar exchange rate. There have been no changes in the assumptions calculating this sensitivity from prior years.

It assumes a +/- 13% change of the Australian Dollar / US Dollar exchange rate for the year ended 31 March 2020 (31 March 2019: 8%). These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months.

The year end rate is 0.62 US Dollar - Australian Dollar (31 March 2019: 0.71).

The sensitivity analysis is based on the foreign currency financial instruments held at the reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

24 Financial Risk Management

If the Australian Dollar had strengthened and weakened against the US Dollar by 13% (31 March 2019: 8%) then this would have had the following impact:

	2020 000's $		2019 000's $	
USD	**+13%**	**-13%**	**+8%**	**-8%**
Net results	**44,211**	**(44,211)**	39,108	(39,108)
Equity	**42,343**	**(42,343)**	41,418	(41,418)

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to foreign currency risk.

(ii) Interest rate risk

The Group is exposed to interest rate risk as funds are borrowed at floating rates.

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting date, the Group is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

	2020 000's $	2019 000's $
Floating rate instruments		
Borrowings	**572,648**	559,993

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +1.00% and -1.00% (2019: +1.00%/-1.00%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions and economist reports.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

	2020 000's $		2019 000's $	
	+1.00%	**-1.00%**	**+1.00%**	**-1.00%**
Net results	**(5,726)**	**5,726**	(5,600)	5,600
Equity	**(5,726)**	**5,726**	(5,600)	5,600

24 Financial Risk Management

(iii) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being fair value through other comprehensive revenue or fair value through profit and loss.

Such risk is managed through diversification of investments across industries and geographic locations.

The group is also exposed to commodity price risk. The Group's major commodity price exposure is to the price of coal. The Group has not chosen to hedge against movements in coal prices.

25 Tax assets and liabilities

(a) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following:

	2020 000's $	2019 000's $
Tax losses	**329,479**	232,995

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therein.

26 Key Management Personnel Remuneration

Key management personnel remuneration included within employee expenses for the year is shown below:

	2020 000's $	2019 000's $
Short-term employee benefits	**1,474**	1,491
Long-term benefits	**27**	38
Post-employment benefits	**140**	126
Other	**16**	49
	1,657	1,704

27 Auditors' Remuneration

	2020	2019
	$	$
Remuneration of the auditor (UHY Haines Norton)		
- auditing and review of the financial statement	**113,000**	111,915
- other assurance services	**17,600**	17,533
- tax compliance services	**10,500**	25,467
Total	**141,100**	154,915

28 Interests in Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

	Principal place of business / Country of Incorporation	Ownership interest (%) 2020	Ownership interest (%) 2019
Subsidiaries:			
Oceania Coal Resources NL	Australia	**100**	100
Wongawilli Coal Pty. Ltd	Australia	**100**	100
Southbulli Holdings Pty Ltd	Australia	**100**	100
Enviro Waste Gas Services Pty Ltd	Australia	**100**	100

29 Fair Value Measurement

- Financial assets
  - Listed Shares
  - Unlisted Shares

29 Fair Value Measurement

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the consolidated entity:

	Level 1	Level 2	Level 3	Total
31 March 2020	**$**	**$**	**$**	**$**
Financial assets				
Listed Shares	**30**	**-**	**-**	**30**
Unlisted Shares	**-**	**-**	**120**	**120**

	Level 1	Level 2	Level 3	Total
31 March 2019	**$**	**$**	**$**	**$**
Financial assets				
Listed Shares	90	-	-	90
Unlisted Shares	-	-	120	120

There were no transfers between levels during the financial year.

The fair value of the consolidated entity's investment in unlisted shares is classified under level 3 in the fair value measurement hierarchy. The consolidated entity's holding in unlisted shares is minor and any reasonably possible change in assumptions would not have a material impact on the consolidated entity's financial statements.

The carrying values of the financial assets and liabilities recorded in the financial statements approximate their respective net fair values, determined in accordance with the accounting policies disclosed in note 3.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.

30 Contingent Liabilities and Contingent Asset

Contingent Liabilities

- The consolidated entity has received claims for payment in total for $4,048,000 that is in dispute. Further, the consolidated entity has given notice of claims for a larger amount, which the consolidated entity considers should be offset against the claims made against it. The consolidated entity is continuing to seek legal advice in relation to these matters. Due to legal and commercial sensitivity, no further information could be disclosed at the time of this report.

- On 5 March 2020, the Supreme Court of New South Wales dismissed an action by PCL (Shipping) Pte Ltd action to recover freight charges of up to US $3.2 million it alleged were owed by Wollongong Coal. The freight charges date back to 2013 when Wollongong Coal was a subsidiary of Gujarat NRE Coke Limited and part of Gujarat NRE Group. The dispute concerned the Illawarra Fortune, a ship that Gujarat NRE Coke Limited chartered from PCL for a shipment of coal from Port Kembla. The Court is yet to determine the issue of costs. PCL has served a notice of intention to appeal.

- On 15 November 2019, the High Court of Australia refused Gujarat NRE India's application for special leave to appeal with costs. The application sought to overturn the Court of Appeal of the Supreme Court of New South Wales's judgment dated 11 June 2019, which had dismissed Gujarat NRE India's claim under an indemnity in the sum of $15,106,397.48. The dismissal of the application brings to an end to the substantive aspects of the litigation brought by GNI.

- On November 2016, the Company entered into a binding heads of agreement (HoA) with Bellpac to settle the proceedings initiated by Bellpac in the Supreme Court of New South Wales alleging that conversion of 160 Bonds were not within the redemption rights of the bond agreement and sought, among other things, damages in the amount of over $9 million (inclusive of interest). The Company was to pay Bellpac a settlement sum of $6,300,000 (Settlement Sum) and Bellpac is to return to the Company or its nominee 2,472,063,690 shares in WCL, or otherwise consent to the cancellation of the Shares on receipt of the Settlement Sum.

  The Sunset Date has been extended by agreement between WLC and Bellpac on a number of occasions. As per the last agreed HoA on 26 September 2019, the Sunset Date was extended to 10 December 2020 for the Company to obtain shareholder approval to acquire and cancel the 2,472,063,680 ordinary shares that Bellpac holds in the Company (Bellpac Shares) and to pay Bellpac the amount of $6,300,000 plus interest at 3% per annum calculated from 2 October 2017 until the final date of payment and additional interest at 2% per annum calculated from 1 August 2019 on amount not in the lawyers' trust account (i.e. $3,300,000) in return for Bellpac releasing it from the claims made against the Company in the Proceeding and for the Proceeding to be discontinued. WCL has deposited $3 million in total in its lawyers' trust account. Accordingly, the proceedings were adjourned until 30 April 2020.

  In early December 2019, WLC advised Bellpac that due to the critical stage of negotiations with lenders it could not proceed with the shareholder meeting at that time. The restructuring process was critical to WLC's future. The parties are currently in without prejudice discussions. The proceedings have been adjourned for two weeks (up to 14 May 2020) for parties to agree on revised terms of agreement to settle these proceedings.

- On 9 April 2020, WLC and its subsidiary (Wongawilli Coal Pty Ltd) have received statement of claims from the administrator of CAS Mine Services Pty Ltd for a total amount of $258,468. WLC and WCPL have 28 days from the date of service to file a defence and are presently giving consideration to the claims. The WLC Group intend to defend these proceedings if they are not settled in the meantime.

30 Contingent liabilities

	2020 000's $	2019 000's $
Contingent Liabilities		
Bank Guarantees		
Rehabilitation provisions	**45,657**	45,657
Other	**1,290**	1,197
Cash and Security Deposits		
Rehabilitation provisions	**6,551**	1,859
Security for borrowings	**6,434**	6,147
Other		
Legal	**4,048**	7,218
	63,980	62,078

Contingent Asset

- The Company is seeking a refund on approximately $2,737,000 in royalties paid in respect of historical coal sales, which were subsequently written off as bad debts. The Company believes that these amounts should be refundable under the relevant legislation, however the amounts do not meet the recognition criteria for assets under Australian Accounting Standards.
- On 13 March 2020, the Supreme Court of New South Wales delivered judgment in Wollongong Coal's proceedings against Gujarat NRE Properties, Arun Kumar Jagatramka and his wife Mona Jagatramka. The proceedings relate to a residential property (at 64 Cliff Road, Wollongong) acquired by the company in 2008 when Mr Jagatramka was a director and the Executive Chairman of Wollongong Coal and Mrs Jagatramka was one of the directors.

  The Court found that Mr and Mrs Jagatramka, as directors of the company, breached their duties to act for a proper purpose and to avoid a conflict of interest and that they failed to disclose their real interest was to use the property as their personal residence. The Court gave judgment in favour of Wollongong Coal and against Mr and Mrs Jagatramka in the sum of $12,081,742.99. The Court has also ordered Mr and Mrs Jagatramka to pay the company's costs of the proceedings. The likelihood of recovering the judgment sum is unclear at this stage. Mr and Mrs Jagatramka have served a notice of intention to appeal.

31 Related Parties

Parent entity

Wollongong Coal Limited is the parent in Australia. The intermediate parent entity is Jindal Steel & Power (Mauritius) Limited ('JSPML'), a company registered in Mauritius. The ultimate parent entity is Jindal Steel & Power Limited ('JSPL), a company registered in India.

Subsidiaries

Interest in subsidiaries are set out in note 28.

Key management personnel

Disclosures relating to key management personnel remuneration are set out in note 26 and the remuneration report.

Receivables from and payable to related parties

The following balance are outstanding at the reporting date in relation to transactions with related parties:

31 Related Parties

(a) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	Purchases	Sales	Other	Balance outstanding as at 31 March 2020 Owed to the company	Owed by the company	Provision for bad debts	Bad debts expenses
	000's	000's	000's	000's	000's	000's	000's
	$	$	$	$	$	$	$
Parent (JSPML)							
Advances against future sales	-	-	-	-	7,449	-	-
Borrowings	-	-	-	-	456,806	-	-
Associates (JSPAL, JPL)							
Borrowings	-	-	-	-	611,024	-	-
Interest expense	-	-	32,248	-	-	-	-

	Purchases	Sales	Other	Balance outstanding as at March 2019 Owed to the company	Owed by the company	Provision for bad debts	Bad debts expenses
	000's	000's	000's	000's	000's	000's	000's
	$	$	$	$	$	$	$
Parent (JSPML)							
Advances against future sales	-	-	6,711	-	312,387	-	-
Associates (JSPAL, JPL)							
Sales of goods	-	13,955	-	-	-	-	-
Borrowings	-	-	-	-	506,752	-	-
Interest expense	-	-	31,401	-	-	-	-
Ultimate parent entity (JSPL)							
Sales of goods	-	7,348	-	-	-	-	-

Working capital facilities (borrowings) with JSPML and JSPAL are interest free and repayable on demand.

31 Related Parties

(b) Loans to/from related parties

	Opening balance 000's $	Closing balance 000's $	Interest not charged 000's $	Interest payable 000's $	Impairment 000's $
Loans - working capital from parent entity (JSPML)					
2020	**312,387**	**456,806**	**-**	**-**	**-**
2019	201,861	312,387	-	-	-
Loans - working capital from associate entity (JSPAL)					
2020	**24,270**	**38,376**	**-**	**-**	**-**
2019	21,466	24,270	-	-	-
Loans - Term loan facility (JSPAL)					
2020	**531,514**	**571,335**	**-**	**1,313**	**-**
2019	515,902	531,514	-	4,968	-

Loans have been received from the Group's parent entity and an associate entity. Repayment terms are set for each loan as follows:

- The JSPML and JSPAL working capital facilities are unsecured, interest free, and repayable on demand in cash
- The JSPAL term loan facility is secured, is repayable in 26 unequal quarterly installments starting from 30 June 2018 and attracts interest at LIBOR plus 3%

Further information regarding related party borrowings is presented in note 18.

32 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2020 000's $	2019 000's $
Profit for the year	**(111,990)**	(379,230)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	**17,791**	143,154
- impairment of assets	**(60,755)**	144,537
- net gain on disposal of property, plant and equipment	**(979)**	(65)
- unrealised foreign exchange (gains) / losses	**80,360**	42,796
- unwinding of discount on provisions	**807**	1,441
- share options expensed	**(60)**	81
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**600**	356
- (increase)/decrease in other assets	**5,916**	(13,441)
- (increase)/decrease in inventories	**3,943**	5,161
- increase/(decrease) in other liabilities	**(4,105)**	(957)
- increase/(decrease) in trade and other payables	**(16,836)**	(29,555)
- increase/(decrease) in provisions	**(12,551)**	10,058
Cashflows from operations	**(97,859)**	(75,664)

32 Cash Flow Information

(b) Changes in liabilities arising from financing activities

	2019	Cash flows	Non-cash changes Acquisition	Foreign exchange movement	Fair value changes	Other non-cash movement	2020
	000's	000's	000's	000's	000's	000's	000's
	$	$	$	$	$	$	$
Short term borrowings	**893,169**	**91,420**	**-**	**80,360**	**-**	**-**	**1,064,949**

	2018	Cash flows	Non-cash changes Acquisition	Foreign exchange movement	Fair value changes	Other non-cash movement	2019
	000's	000's	000's	000's	000's	000's	000's
	$	$	$	$	$	$	$
Short term borrowings	782,883	67,490	-	42,796	-	-	893,169

33 Share-based Payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Board, grant options over the ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance by the Board.

A summary of the Company options issued is as follows:

2020 Grant Date	Expiry Date	Exercise price	Start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year
05 February 2009	31 December 2019	0.50	400,000	-	-	(200,000)	200,000
05 February 2009	31 December 2020	0.50	400,000	-	-	(400,000)	-
03 February 2010	31 December 2019	0.65	120,000	-	-	(120,000)	-
03 February 2010	31 December 2020	0.65	120,000	-	-	(120,000)	-
29 December 2010	31 December 2019	0.65	280,000	-	-	(280,000)	-
29 December 2010	31 December 2020	0.65	280,000	-	-	(240,000)	40,000

The weighted average remaining contractual life of options outstanding at year end was 0.75 years (2019: 0.75). The weighted average exercise price of outstanding shares at the end of the reporting period was $0.27 (2019: $0.58)

34 Events Occurring After the Reporting Date

Restructure of debt with secured lender

The Company with JSAPL had been in negotiation with certain secured lenders (Lenders) in connection with the amendment of certain indebtedness and/or other obligations ("Transaction") under the following facility agreements:

- the US$69,000,000 (with an option to increase the facility by US$561,000,000) facility agreement originally dated 6 August 2015 (and as amended and/or restated from time to time) between, amongst others, JSPAL and the financial institutions named therein as lenders; and
- the US$98,690,000 facility agreement originally dated 24 December 2015 (and as amended and/or restated from time to time) between, amongst others, JSPAL and the financial institutions named therein as lenders,

(together, the "Facilities").

On 14 February 2020, the NSW Supreme Court approved the proposed creditor Schemes of Arrangement (Schemes) between the Company and JSAPL and Lenders under the Facilities. A total payment of US $17.35 million was made reducing the secured debt from US $370.15 million to US$ 352.80 million. Also the remaining balance of US $10.42 million was under the MCB Facility.

The Schemes were terminated automatically on 29 March 2020 due to certain Pre-Settlement Date Conditions Precedent were not satisfied or waived by that time. However, on 29 April 2020, the NSW Supreme Court granted the relief sought by the Company and JSPAL and made orders that the CP Satisfaction Long Stop Date in the Schemes be extended to 1 April 2020; and the Settlement Long Stop Date in the Schemes be extended to the date that is 7 days after the entry by the Court of the Court's orders made in respect of Application, namely 6 May 2020. The extensions ordered operate retrospectively from the time the orders approving the Schemes on 14 February 2020 were made.

COVID 19

On 11 March 2020, the World Health Organisation (WHO) declared the outbreak of Covid-19 to be a global pandemic. The wide spread of the Covid-19 since the beginning of 2020 is a fluid and challenging situation facing all industries. The extent of COVID-19's effect on the Group's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on the Group's business. However, if the pandemic continues to evolve into a severe worldwide health crisis, the disease could have a material adverse effect on the Group's business, results of operations, financial condition and cash flows.

Apart from the above, there are no other matters or circumstances that have arisen since 31 March 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

35 Parent entity

The following information has been extracted from the books and records of the parent, Wollongong Coal Limited and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Wollongong Coal Limited has been prepared on the same basis as the consolidated financial statements except as disclosed below.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of the parent entity. Dividends received from associates are recognised in the parent entity profit or loss, rather than being deducted from the carrying amount of these investments.

35 Parent entity

Tax consolidation legislation

Wollongong Coal Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group.

Each entity in the tax consolidated group accounts for their own current and deferred tax amounts. These tax amounts are measured using the 'stand-alone taxpayer' approach to allocation.

Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the parent entity.

The tax consolidated group has entered into a tax funding agreement whereby each entity within the group contributes 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 derecognised and the net amounts recognised pursuant to the funding agreement are recognised as either a contribution by, or distribution to the head entity.

	2020 000's $	2019 000's $
Statement of Financial Position		
Assets		
Current assets	**349,537**	359,083
Non-current assets	**320,897**	266,095
Total Assets	**670,434**	625,178
Liabilities		
Current liabilities	**(899,125)**	761,494
Non-current liabilities	**(56,024)**	59,330
Total Liabilities	**(955,149)**	820,824
Equity		
Issued capital	**907,494**	909,223
Retained earnings	**(1,086,247)**	(826,787)
Total Equity	**(178,753)**	82,436
Statement of Profit or Loss and Other Comprehensive Income		
Total (loss) for the year	**(105,961)**	(278,081)
Total comprehensive (loss)	**(105,961)**	(278,081)

36 Statutory Information

The registered office and principal place of business of the company is:

Lot 31
7 Princes Highway, corner of Bellambi Lane
Corrimal NSW 2518

Wollongong Coal Limited

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the year ended 31 March 2020 are in accordance with the *Corporations Act 2001* and:

    a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

    b. give a true and fair view of the financial position and performance of the consolidated group;

2. the Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A that:

    a. the financial records of the Company for the financial year 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 for the financial year give a true and fair view.

3. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become subject to, by virtue of the deed.

This declaration is made in accordance with a resolution of the Board of Directors.

Director ....
Milind K Oza

Dated 8 May 2020

UHY Haines Norton
Corporate Finance Pty Limited

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INDEPENDENT AUDITOR'S REPORT

To the Members of Wollongong Coal Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Wollongong Coal Limited (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 31 March 2020, 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, 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:

i. giving a true and fair view of the Group's financial position as at 31 March 2020 and of its financial performance for the year then ended; and
ii. Complying with Australian Accounting Standards and the *Corporations Regulations 2001.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 (b) of the financial report, which indicates that the Group incurred a net loss of $111,990,000 during the financial year ended 31 March 2020 and, as of that date the Group's current liabilities exceeded its current assets by $1,089,243,000. These events or conditions, along with other matters as set forth in Note 2 (b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our 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 year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but 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 that matters described below to be the key audit matters to be communicated in our report.

1. Asset Valuation

Refer to Note 6 - Impairment of assets of the financial report. As at 31 March 2020, the Group's Statement of Financial Position included property, plant and equipment (PPE) of $397 million ($336 million (before impairment reversal)) and intangible assets of $28 million, which have been tested for impairment in the current year. An impairment reversal of $61 million to PPE was recorded as a result of this impairment testing.

Why a key audit matter	How our audit addressed the risk
We focused on this area because of: ▪ The significance of this asset to the Group's consolidated statement of financial position. PPE and intangible assets together comprise approximately 91% of total assets; ▪ The inherent uncertainty and subjectivity associated with impairment testing due to the significant level of judgement involved in estimating future cash flows, discount rates, commodity prices and other forward looking assumptions; and ▪ The high degree of sensitivity of asset valuations to certain assumptions.	Our audit procedures included, amongst others: ▪ We assessed whether management's determination of the Group's Cash-Generating Units ("CGUs") was appropriate; ▪ We examined the Independent Valuation Report obtained by the Group to determine if the valuation supported the asset carrying values; ▪ We assessed the competency of the valuer, which included considering their experience and qualifications in assessing similar types of assets; • We assessed the reasonability of the valuation methodology adopted by the independent valuer; • We assessed the reasonability of key valuation assumptions and estimates used by the valuer to determine the recoverable amount of non-current assets by comparing key assumptions, including commodity prices, discount rates and foreign exchange rates to publicly available data for the

	comparable entities or market consensus forecasts; ▪ We reviewed the mathematical accuracy of the valuer's cash flow model on a sample basis and agreed relevant data to supporting information; and ▪ We assessed the adequacy of the Group's disclosures in relation to the carrying value of non-current assets to test compliance with the requirements of the accounting standards.

2. Legal Risks

Refer to Notes 19 & 30 of the financial report. The Group had outstanding legal provisions of $6,818,000 as at 31 March 2020 and contingent liabilities as disclosed in the financial report.

Why a key audit matter	How our audit addressed the risk
We focused on this area because of: ▪ The Group faces significant regulatory and legal uncertainties in its operations; and ▪ The anticipated cash outflows arising from legal issues are significant.	Our audit procedures included, amongst others: ▪ We reviewed minutes of the Group's board meetings and ASX announcements to identify legal matters involving the Group; ▪ We held discussions with senior management to obtain their assessment of existing and potential legal matters; ▪ We reviewed actual legal expenses incurred during the year with a view to identify any undisclosed legal matters; ▪ We obtained independent confirmation from the Group's legal counsels of the outstanding matters and likely future cash flows; and ▪ We reviewed the accounting treatment to test compliance with the requirements of the accounting standards AASB 137: Provisions, contingent liabilities and contingent assets.

3. Classification of Financial Liabilities

Refer to Note 18 of the financial report. The Group has in total $1,065 million of debt as at 31 March 2020. The debt is classified as current owing to financial covenant breaches.

Why a key audit matter	How our audit addressed the risk
We focused on this area because of: ▪ The significance of the balance; and ▪ The potential impact on the timing of future repayments required, and the implications for the Group's ability to continue as a going concern.	Our audit procedures included, amongst others: ▪ We obtained confirmation of the loan balances from the Group's lenders as at 31 March 2020; ▪ We assessed whether the Group had an unconditional right to defer payment of such borrowings for more than 12 months from the balance sheet date; and ▪ We assessed the disclosures in the Financial Report against the requirements of the accounting standards based on our understanding of the borrowings from our testing.

Other Information

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 31 March 2020, 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 accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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 ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 21 to 25 of the Directors' report for the year ended 31 March 2020.

In our opinion, the Remuneration Report of Wollongong Coal Limited, for the year ended 31 March 2020, 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.

UHY Haines Norton

M. D. Nicholaeff
Partner
Signed at Sydney
8th May 2020

UHY Haines Norton
Chartered Accountants

ASX Additional Information

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 04 May 2020.

Substantial shareholders

The number of substantial shareholders and their associates are set out below:

Shareholders	Number of shares
Jindal Steel & Power (Mauritius) Limited	5,656,244,574
Bellpac Pty Limited	2,472,063,680
HSBC Custody Nominees	816,836,506

Voting rights

Ordinary Shares

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

Options

No voting rights.

Distribution of equity security holders

	Ordinary shares	
Holding	Shares	Options
1 - 1,000	118,657	-
1,001 - 5,000	1,368,788	-
5,001 - 10,000	2,278,611	-
10,001 - 100,000	16,540,789	40,000
100,000 and over	9,346,910,411	200,000

There were 1,342 holders of less than a marketable parcel of ordinary shares.

Top Optionholders

	Options	
	Number held	% of issued options
Mr James Cram	200,000	83.34%
Kelly Jane Hazelwood	20,000	8.33%
Paul Sciberras	20,000	8.33%

Unissued equity securities

Options issued 240,000

Twenty largest shareholder	Ordinary shares	
	Number held	% of issued shares
Jindal Steel & Power (Mauritius) Limited	5,656,244,574	60.38%
Bellpac Pty Limited	2,472,063,680	26.39%
HSBC Custody Nominees (Australia) Limited <Euroclear Bank SA NV A/C>	816,836,506	8.72%
J P Morgan Nominees Australia	151,311,502	1.62%
Invia Custodian Pty Limited <Black A/C>	40,659,828	0.43%
Slick Solutions Pty Ltd <Slick Super Fund A/C>	33,900,000	0.36%
Bengal Coal Pty Ltd	33,426,588	0.36%
Citicorp Nominees Pty Limited	24,220,072	0.26%
Gujarat NRE India Pty Ltd	20,000,000	0.21%
Happy Mining Pty Ltd	9,982,571	0.11%
BNP Paribas Nominees Pty Ltd <Ib Au Noms Retailclient Drp>	9,980,515	0.11%
HSBC Custody Nominees (Australia) Limited	7,039,760	0.08%
Mr Kok San Lim	6,043,013	0.06%
Girdharilal Jagatramka & Tanvee Jagatramka & Kavita Jagatramka	5,206,000	0.06%
Ms Tanvee Jagatramka	5,195,566	0.06%
Mrs Mona Jagatramka	3,223,991	0.03%
C/- BRI Ferrier (NSW) Pty Ltd	2,604,957	0.03%
Mr Arun Kumar Jagatramka & Mrs Mona Jagatramka	2,240,001	0.02%
Sevlon Pty Ltd <Hanlon Ent P/L Super A/C>	1,875,000	0.02%
Mrs Swati Pareek	1,750,000	0.02%

Securities exchange

The Company is listed on the Australian Securities Exchange.