

LANEWAY RESOURCES LIMITED

A.B.N. 75 003 049 714

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

LANEWAY RESOURCES LIMITED

CORPORATE DIRECTORY	
DIRECTORS Stephen Bizzell (Chairman) Rick Anthon Mark Baker Brad Gordon Peter Wright	AUSTRALIAN BUSINESS NUMBER ABN 75 003 049 714
COMPANY SECRETARY Paul Marshall	STOCK EXCHANGE LISTING Australian Securities Exchange ASX Code: LNY ordinary shares
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SHARE REGISTRY Link Market Services Ltd Level 21 10 Eagle Street Brisbane Qld 4000 Telephone: 1300 554 474	AUDITOR BDO Audit Pty Ltd Level 10, 12 Creek Street Brisbane QLD 4000 Phone: + 61 7 3237 5999
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LANEWAY RESOURCES LIMITED DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Laneway Resources Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2020.

Directors

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

SG Bizzell (Chairman)

RS Anthon (Non-executive Director)

CM Baker (Non-executive Director)

B Gordon (Non-executive Director appointed 13/12/20)

P Wright (Non-executive Director)

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

During the half year, Laneway progressed the 100% owned Agate Creek gold project in North Queensland towards production. A drilling program was completed of 34 RC drillholes for 2,068m in order to confirm the extent of the High Grade Zone at Sherwood which then allowed the completion of the final pit design for the recommencement of mining. The pit design was completed during August 2020 incorporating these latest RC drilling results with Whittle Optimisation shells suggesting the potential for mining 45,000t of oxide ore grading 6.74 g/t Au - a significant upgrade in volume when compared to the previous model.

The potential for further high grade mining beyond the current campaign has also been identified with a Whittle pit optimisation process generating a much larger Open Pit Shell containing 120,000 tonnes at 5.7 g/t Au for 22,000 Oz Au inclusive of the current planned mining. Studies are underway to facilitate the further environmental approvals required before mining of this larger Open Pit Shell could commence. Lodgement of these applications is planned for 2021.

During the period Laneway entered into a Contract Mining Agreement with a subsidiary of MAAS Group Holdings Ltd and a Toll Treatment Agreement with Lorena Gold Mine Pty Ltd for processing of ore at the Lorena Gold Mine CIL processing plant in Cloncurry. Mining commenced during October 2020. By late December approximately 4,800 tonnes of high grade ore had been mined with 4,400t of material trucked from Agate Creek prior to the onset of flooding rains. There is 400t of high grade ore along with a further 7,000 tonnes of lower grade ore (grading approximately 2.5 g/t) remaining on the ROM pad at Agate Creek ready to be transported once mining recommences.

Mining ceased for the scheduled Christmas break in late December, however the planned restart in early January proved impossible due to the impact of Cyclone Imogen and the associated tropical low which resulted in almost 500mm of rain falling on the mine over a 10 day period causing localised flooding.

In addition to the ore mined, over 90,000 BCM of waste has also been removed from the pit, which means a significant portion of waste pre-stripping to expose the remaining ore blocks has already been completed for when mining recommences. A new optimisation of the mine schedule and pit design are currently being undertaken to further optimise this process.

In January 2021 the first ore in this mining campaign began processing at the Lorena Gold Mine CIL plant. To date approximately 2,200 tonnes of this ore has been crushed and fed into the plant with gold recoveries expected to be >90%. Due to ongoing issues with the crushing circuit at the processing plant, a further 2,200t of ore is still yet to be processed.

During and since the end of the reporting period Laneway has also been undertaking exploration activities including a multi-element spectral study to assist in the more accurate targeting of the main mineralized zones at depth (including potential bonanza zones) at Sherwood & Sherwood West, Nottingham and potentially also regional targets. This multi-element spectral study work program, once complete, will assist in selection of drill targets for the 2021 exploration field season. The drilling program will be undertaken following full analysis and interpretation of the results of this program.

The anticipated cash flow from this mining campaign will continue to provide a sound financial platform for the Company to progress its project portfolio including additional exploration and appraisal of the broader Agate Creek Project.

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Planned drilling in New Zealand in the period at the Company's 100% owned gold project was placed on hold due to COVID-19 international travel restrictions. All permits, Landholder agreements and drill pads necessary to undertake a planned drilling program at the highly prospective Jubilee Prospect remain in place. A change of permit conditions has been approved by the New Zealand Petroleum and Minerals department allowing for an extension of time to complete the initial 2,500m of drilling (now due by January 2022) and a further 3,000m by January 2023.

Activities on the Ashford Coking Coal project in the period were focused on progressing environmental and other studies required for the Mining Lease Application together with further work on transport logistics for the pathway to market for coal from the project. An agreement was entered into during the period for the proposed stage sale of the Ashford Coking Coal project to Aus Tin Mining Ltd. Progress was also made towards satisfaction of the conditions precedent to the completion of the proposed staged sale with Stage 1 of the sale expected to be completed before the end of March 2021.



Agate Creek Mine

Results of Operations

<u>Revenue</u>	6 months to 31/12/20
	\$'000
Other income	145
Total income	145
<u>Expenses</u>	
Employment expenses	263
Amortisation of development costs	936
Depreciation	73
Finance costs	129
Unwinding of Convertible Note discount	56
Corporate and Administration expenses	235
Total expenses	1,692
Net Loss for Period	(1,547)

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The company has recorded a net loss of \$1,546,957 for the reporting period as noted above. Mining activities commenced in the final quarter but no gold was processed by the end of the reporting period. Total development costs incurred in relation to the mining activities at Agate Creek of \$5,615,000 have been capitalised on the balance sheet as at 31 December 2020 and are being amortised over the expected life of the mine with an amortisation expense of \$936,000 being recorded in the period to 31 December 2020.

Agate Creek Gold Project

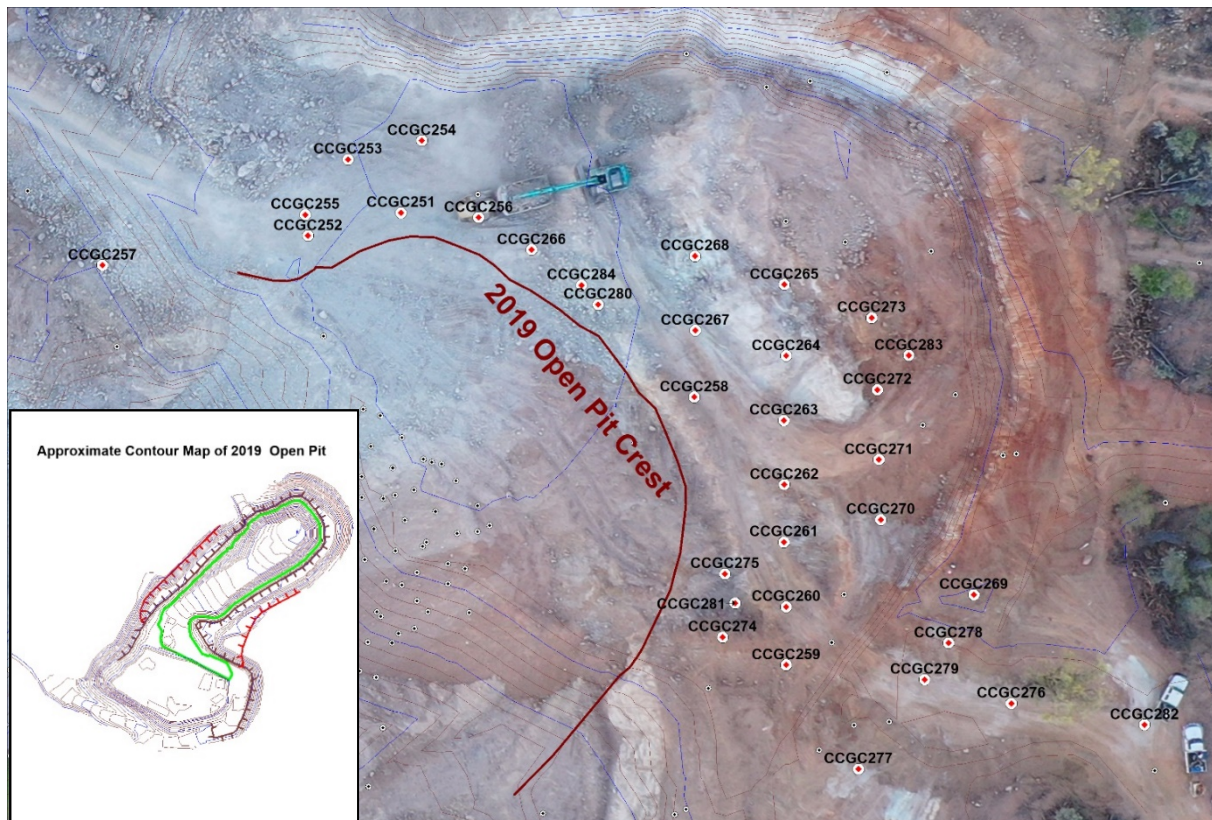
The Agate Creek Gold Project is located approximately 40km south of Forsyth and 60km west of Kidston in North Queensland. The Project covers a total of 647.5 km² and is comprised of the following tenures EPM 17788, EPM 26460, MDL402 & ML 100030. The gold Resource outlined to date has been defined in two principal areas, Sherwood and Sherwood West, which are situated on the north western edge of a Permian caldera measuring 10km by 5km. Numerous other historic mines are within the Etheridge Gold Field which historically produced over 1 million ozs of gold between 1870 and 1914. LANEWAY strategically controls much of the southern end of this Gold Field.

RC Drilling Program

An RC drilling program of 34 holes for 2,068m was completed in the period. The program was focussed on further defining the extent of the high grade zone at Sherwood primarily to assist mine planning for 2020/2021 mining along with longer term targets for future developments.

Sherwood

Drilling results at Sherwood confirmed the high grade mineralisation extended beyond the pit floor remaining after the 2019 mining and has extensions into the walls on both sides of the pit and into the northern high wall area. The drilling program was designed to assist in finalising the pit design and with the intention of increasing the delineation of high-grade ore able to be mined this year to over 30,000t. Full results for Sherwood drill holes were reported in the ASX announcements dated 14th, 27th and 30th July 2020.

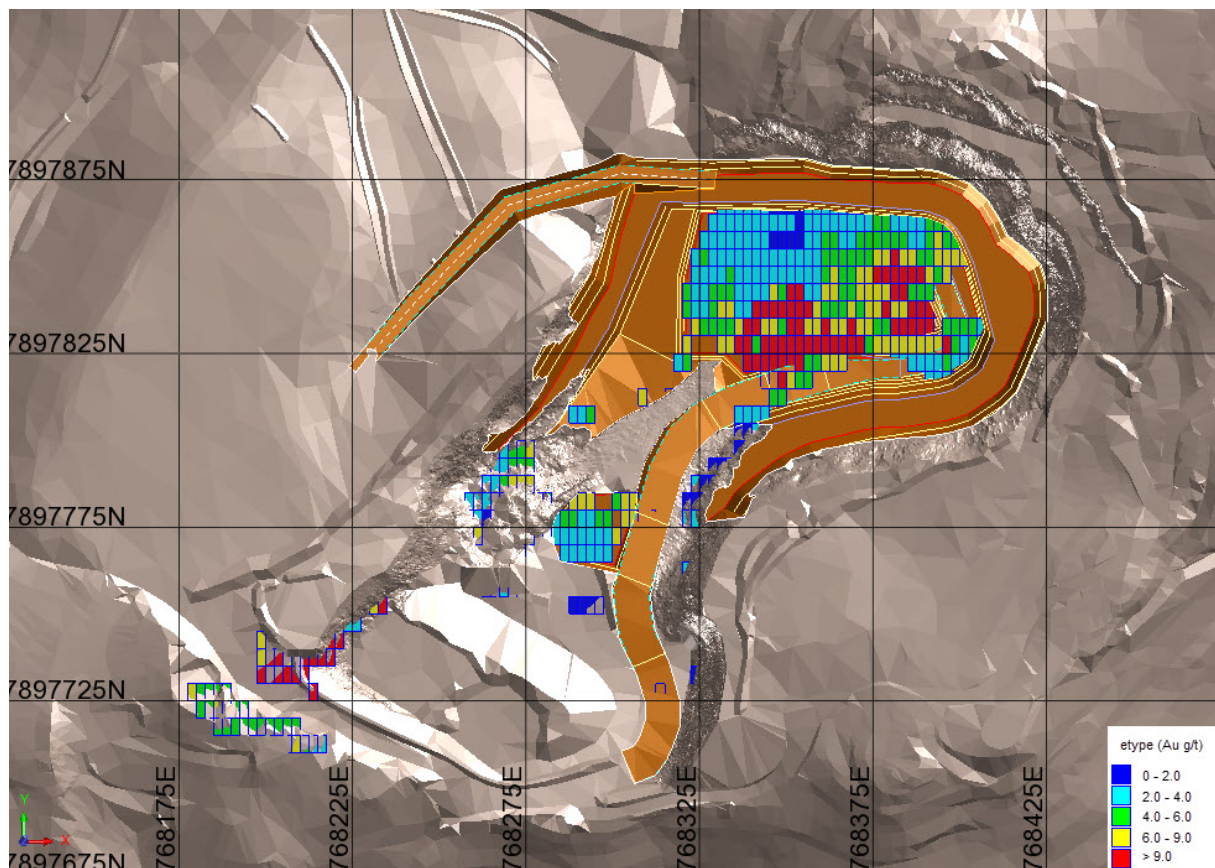


The Sherwood high grade zone (34 holes for 2068m) included the following highlights:

- 6m @ 10.50 g/t Au from 28m including 2m @ 28.73 g/t Au (CCGC258)

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- 2m @ 18.24 g/t Au from 53 (CCGC258)
- 3m @ 8.40 g/t Au from 25m (CCGC264)
- 2m @ 6.23 g/t Au from 53m (CCGC263)
- 2m @ 5.92 g/t Au from 27m (CCGC280)
- 2m @ 20.24 g/t Au from 61m including 1m @ 35.70 g/t Au (CCGC280)
- 3m @ 5.58 g/t Au from 25m (CCGC265)
- 1m @ 48.53 g/t Au from 60m (CCGC265)
- 6m @ 11.40 g/t Au from 49m including 1m @ 60.06 g/t Au (CCGC284)
- 5m @ 5.80 g/t Au from 27m (CCGC261)
- 1m @ 40.64 g/t Au from 36m (CCGC261)
- 7m @ 15.08 g/t Au from 59 m including 1m @ 54.72 g/t Au (CCGC261)
- 2m @ 7.16 g/t Au from 28m (CCGC270)
- 3m @ 5.72 g/t Au from 36m (CCGC270)
- 2m @ 26.91 g/t Au from 76m including 1m @ 51.74 g/t Au from 77m (CCGC270)
- 3m @ 5.69 g/t Au from 46m (CCGC274)
- 3m @ 5.88 g/t Au from 34m (CCGC275)
- 2m @ 9.31 g/t Au from 40m (CCGC276)
- 5m @ 6.16 g/t Au from 63m (CCGC277)
- 2m @ 6.41 g/t Au from 44m (CCGC257)
- 2m @ 4.96 g/t Au from 35m (CCGC260)



Agate Creek Pit Analysis February 2021

Toll Processing Agreement

Laneway executed a Toll Treatment Agreement with Lorena Gold Mine Pty Ltd for the processing of Agate Creek ore at the operational Carbon in Leach (CIL) gold processing plant at Lorena Gold Mine near Cloncurry. Toll Treatment, including crushing, has been set as a fixed price per tonne of ore processed.

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Laneway anticipates the Lorena plant will yield >90% gold recoveries with processing of an initial approximately 2,200 tonnes completed and the balance of ore mined to date is expected to be completed shortly once the crushing circuit is back online. Laneway is also continuing to investigate other processing plant options which may be utilised longer term for the processing of high grade ore from Agate Creek including for the second batch of ore from this current mining campaign.



Lorena Gold Mine CIL Processing Plant

2020 Mining Campaign

The first blast in the current mining campaign took place on 22 October 2020 at the Sherwood pit and since then over 90,000 BCM of waste has been removed from the pit and approximately 4,800 tonnes of high grade ore (grading approximately 6 g/t gold) has been mined with 4,400t transported from Agate Creek prior to road closures caused by flooding from rainfall associated with ex-Tropical Cyclone Imogen. There is 400t of high grade ore still at the mine ROM along with a further 7,000 tonnes of low grade ore also mined and stockpiled. No further ore is planned to be transported from Agate Creek until mining has recommenced.



Mining operations continue to be suspended due to on-going localised flooding and road closures. Once mining is able to recommence, it is expected that a single cut back design will be utilised to extract the remaining ore. Updating of pit designs and scheduling are currently being undertaken to optimise the economic extraction of the remaining approximately 38,000 tonnes of ore planned to be mined in this current campaign. During this mining campaign Laneway plans to extract a total of 43,000t at 6.5g/t gold (~9,000oz gold) from the Sherwood pit.

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Gold Pour

Subsequent to the end of the period, an initial gold pour from the gold recovered through the CIL circuit of the Lorena Gold Mine Carbon in Leach (CIL) processing plant resulted in a 3.2 kg gold doré bar being poured. Gold recovered in the Intensive Leach Reactor (ILR) and Gravity circuits has also been poured for a 4.6 kg gold doré bar with the full reconciliation of gold recovered from Laneway's ore to be completed following the processing of the remaining ore on site.

Approximately 2,200t of the high grade ore parcel has been crushed and processed at the Lorena Gold Mine CIL processing plant to date. The crushing and processing of the balance of Laneway's ore at Lorena has been delayed due to the breakdown of the crushing plant supplied and operated by a third party contractor at the Lorena site. The crushing circuit was not able to be repaired and a replacement unit has been sourced with the restart of crushing and processing of the balance of Laneway's ore expected shortly .

The ore being processed at the Lorena Gold Mine CIL processing plant is being processed at a fixed price per tonne with gold recoveries forecast at >90%.

Current Work Program

Beyond the current mining campaign, the potential for further near term high grade mining has been identified. One of the larger Whittle pit scenarios potentially delivers a significantly larger pit shell containing 120,000 t of high grade material at 5.7 g/t Au for 22,000 Oz Au. Mining of this larger pit shell will require amendments to the currently granted Environmental Authority conditions associated with the current Mining Lease. Background environmental studies are progressing to allow for lodgement of the required environmental authority amendments which are intended to be lodged for approval during 2021.

Broader planning and preliminary works including infrastructure upgrades continued during the period with a view toward the longer-term large-scale development of the project. Monitoring, modelling and procedures have also been implemented to allow for the collection of baseline environmental data and studies. This data will be utilised moving forward as part of the expansion of on-site activities as Laneway continues the development and planning for larger scale mining activities including the potential for on-site processing at the Agate Creek Project.

Given prevailing gold prices it is anticipated more of the current 205,000 t of high grade Mineral Resource at Sherwood may be able to be incorporated into economic pit shells for future mining. Additionally, it is anticipated that further high grade Mineral Resources can be identified through carefully targeted exploration drilling following the high grade zones to depth.

The long-term aim for the Agate Creek mine is for conventional on-site processing of the larger commercial grade Mineral Resource of 471,000 ounces of gold that has been defined. Additional potential toll treatment of high-grade ore will continue to be targeted in the shorter term to provide additional cash flow to fund significant further exploration and development for the company whilst minimising the requirement for equity capital raisings.

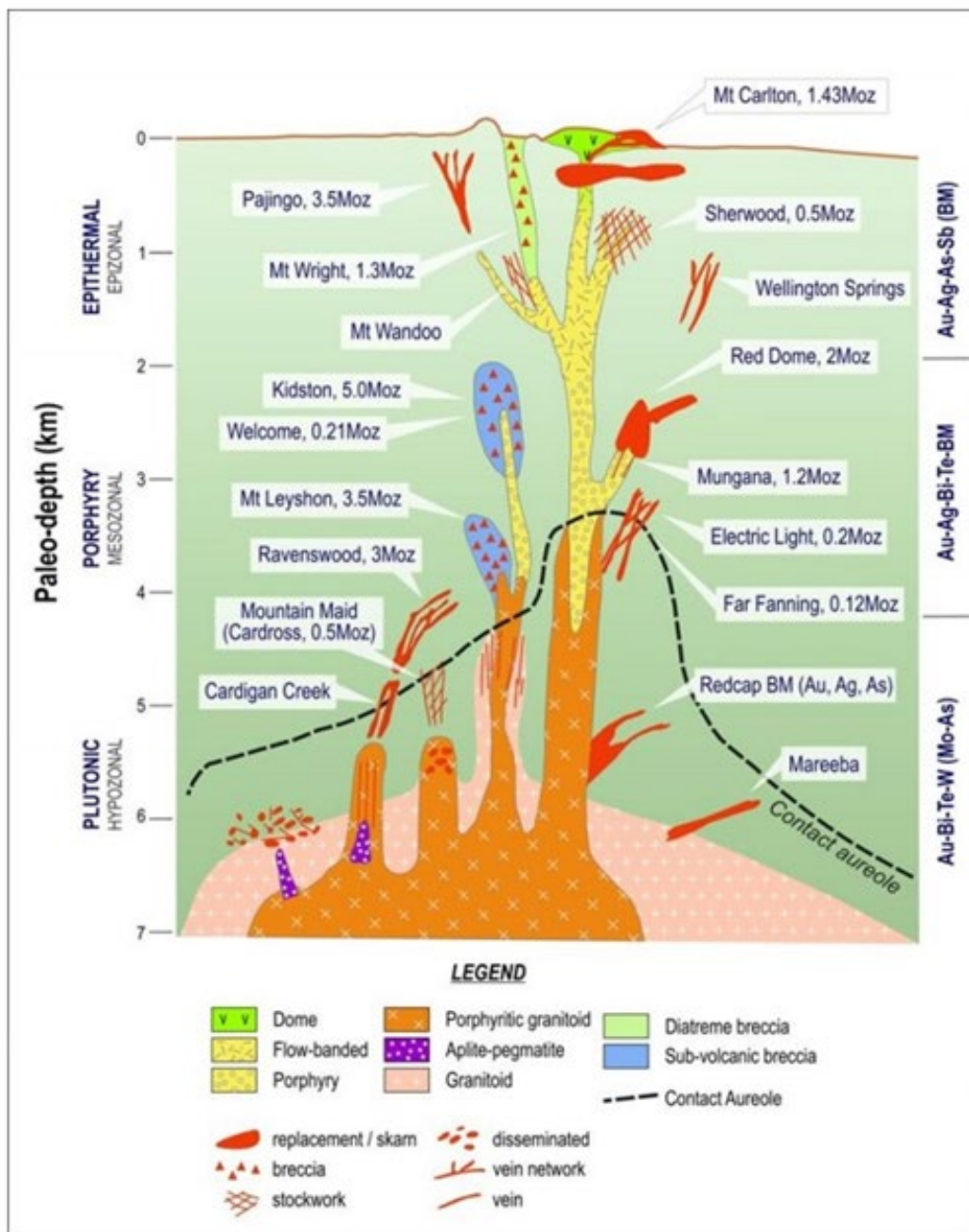
Multi-Element Spectral Study Work Program

In preparation for future drilling programs, Laneway has also been undertaking a multi-element spectral study to assist in the more accurate targeting of the main mineralized zones at depth (including potential bonanza zones) at Sherwood & Sherwood West, Nottingham and potentially also regional targets.

Laneway is utilising the significant historical pulp library stored on site to complete a detailed litho-geochemical & alteration geochemical multi element analysis, along with alteration zonation deposit modelling. Multi-element data is expected to be useful in identifying fluid conduits and metal zonation patterns at Sherwood and regionally.

Multi-element geochemical modelling has successfully determined dimension, genesis, deposit type and vectors to mineralisation within other mineralised systems in other areas throughout Australia.

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CLASSIFICATION SCHEME

AU+BM (NO BI +/-AS, TE)	OROGENIC GRANITE-HOSTED TYPE e.g. Charters Towers
AU BI TE AS SB (+/-BM)	PLUTONIC IRGS TYPE and or mafic intrusion e.g. Ravenswood
AU-BI-BM +/-TE	PORPHYRY AU TYPE and or intermediate intrusion e.g. Mt Leyshon, Mt Wright CU-RICH ZN-RICH PB-RICH
AU BI MO W +/- BM	PORPHYRY AU TYPE with felsic intrusion e.g. Mt Remarkable, Kidston
AU AG TE	LOW SULFIDATION EPITHERMAL VEINS e.g. Pajingo
AU AG AS	EPITHERMAL HOTSPRING DEPOSITS e.g. Wirralie
AU AG TE AS +/- BM	HI-SULFIDATION EPITHERMAL e.g. Mt Carlton

Trace Element Associations with Mineralisation Styles (from Beams and Morrison 2015)

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Laneway's multi-element spectral study involves analysis of existing pulp samples (~50,000) from historical drilling using portable x-ray fluorescence (XRF) and ASD analysis followed by selective four acid multi-element digest to correlate handheld measurements and allow ioGAS modelling of results.

Of the estimated 50,000 historic pulps that are available on site, over 90% have now been accessed, re-ordered and resorted, sample identification number & drill hole number confirmed, giving an accurate 3D co-ordinate of the pulp for future data analysis. These pulp samples once prepared then undergo magnetic susceptibility and conductivity analysis. Approximately 80% of pulps have had this first step completed.

Pulps are then sub sampled to enable analysis by a TerraSpec ASD 4 spectrometer which gives a full-range UV/Vis/NIR/SWIR (350 nm - 2500 nm) spectroradiometers and spectrometers used for material identification and analysis. Multi-element analysis by a Niton Portable XRF is then completed before 1 in 20 of the samples are sent away for 4 acid digest and ICPOES analysis by a NATA accredited laboratory for correlation to the XRF data. pXRF analysis is a time consuming process due to analysis time required by the technique which is creating a slight bottle neck in processing.

It is expected all onsite analysis will be completed by the end of March, which will allow for all new data to be incorporated into existing geological models to generate a more comprehensive 3D fluid pathway model, with the aim of assisting in significantly expanding the current gold inventory of the project. This is expected to allow for more accurate targeting of the main mineralized zones at depth (including potential bonanza zones) at Sherwood & Sherwood West, Nottingham and also potentially also regional targets.

Mineral Resource

An updated Mineral Resource estimate (JORC 2012) was completed in January 2020 on the Agate Creek epithermal gold project in North Queensland that includes all drilling on the project (except the 2020 34 RC drillhole program) and also took into account depletion from all mining during 2019.

Mineral Resource estimates were undertaken for the Sherwood, Sherwood West and Sherwood South deposits and were based upon a total of 710 exploration drill holes and over 1500 sampled blast holes from the 2019 mining campaign. Independent consultants ResEval Pty Ltd were engaged to update the Agate Creek Project Mineral Resource.

A global recoverable Mineral Resource is defined for the Agate Creek Project in Table 1 at a 0.5 g/t Au cut-off suitable for a large open pit operation. Table 3 also shows the recoverable Mineral Resource defined for the Agate Creek Project at a 0.3 g/t Au cut-off grade. No recent updated economic modelling has been undertaken on the project and as such the marginal cut-off grade that would be used for a bulk tonnage operation has not yet been determined, but is anticipated to be in the 0.3 to 0.5 g/t Au range with the current high AUD gold price potentially supporting a lower cut-off grade.

A continuous high-grade Mineral Resource can be interpreted at cut-off of 2 g/t Au for Sherwood and 1 g/t Au for Sherwood West and is reported in Table 2. Table 2 represents a subset of Tables 1 & 3.

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Table 1: Total recoverable Mineral Resource at 0.5 g/t gold cut-off grade

Classification	Sherwood			Sherwood South			Sherwood West			Total		
	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz
Measured	0.015	4.88	2,400									
Indicated	2.45	1.56	123,000				2.18	1.54	108,000	4.63	1.55	231,000
Inferred	1.73	1.15	64,000	0.37	1.16	14,000	1.59	1.14	58,000	3.69	1.15	136,000
Total	4.20	1.40	190,000	0.37	1.16	14,000	3.37	1.37	166,000	8.32	1.37	367,000

Mineral Resources are inclusive of the high-grade Mineral Resource included in Table 2

Table 2: High grade Mineral Resource subsets

Area	Cut-off Au g/t	Measured			Indicated			Inferred			Total		
		kt	Au g/t	Au oz	kt	Au g/t	Au oz	kt	Au g/t	Au oz	kt	Au g/t	Au oz
Sherwood	2.0	15	4.88	2,400	188	5.61	33,800	2	3.05	200	205	5.53	36,400
Sherwood West	1.0				977	1.87	58,800	118	1.72	6,700	1,095	1.86	65,400
Total		15	4.88	2,400	1,165	2.47	92,600	119	1.78	6,800	1,300	2.44	101,800

Grade and Tonnage rounded to 2 decimal places. Ounces calculated after rounding and reported to nearest 100 Oz

Table 3: Total recoverable Mineral Resource at 0.3 g/t gold cut-off grade recoverable Mineral 0.3 g/t gold cut-

Classification	Sherwood			Sherwood South			Sherwood West			Total		
	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz
Measured	0.015	4.88	2,400							0.015	4.88	2,400
Indicated	4.90	1.00	157,000				4.13	1.02	135,000	9.04	1.01	292,000
Inferred	3.06	0.83	82,000	0.51	0.96	16,000	3.19	0.78	80,000	6.76	0.81	177,000
Total	7.98	0.94	241,000	0.51	0.96	16,000	7.32	0.91	215,000	15.79	0.92	471,000

Competent Persons Statements

The information relating to the Mineral Resources at the Agate Creek Project is extracted from the ASX Announcement as follows:

‘Significant High-Grade Resource Increase for Agate Creek’ dated 30 January 2020.

The report is available to view on the Laneway Resources website www.lanewayresources.com.au. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to Exploration Results at Agate Creek is based on information compiled by Mr Scott Hall who is a member of the Australian Institute of Mining and Metallurgy. Mr Hall is a full-time employee of Laneway Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.’ Mr Hall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The company is not aware of any new information or data that materially affects the information included in this report. The mining during 2020 has not materially impacted the resource base at this stage and the resource estimate will be reviewed once the next stage of mining has been completed.

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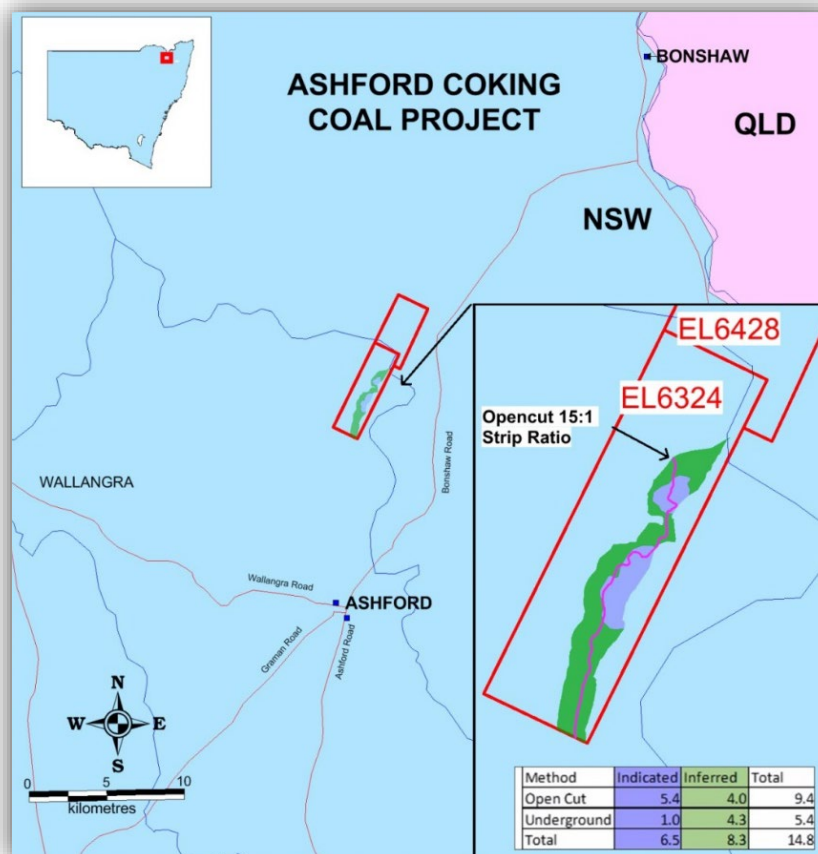
Ashford Coking Coal Project (100% LNY)

During the period, activities on the Ashford project focused on progressing the project towards a Mining Lease Application.

An agreement was entered into in July 2020 with Aus Tin Mining Ltd (Aus Tin) for the staged sale of the Ashford Coking Coal Project for a combination Aus Tin shares, cash and an ongoing royalty interest. The conditions precedent for the sale have been substantially completed and Stage One of the acquisition is expected to complete before the end of March 2021. Further details of the proposed sale are contained below.

Background on the Project Area

The Ashford Coking Coal Project is located approximately 60km north of Inverell (northern NSW). The Project is comprised of EL 6234 & EL 6428 which covers approximately 14 km². The tenures hold part of the Ashford Coal Measures covering the only commercial operation to mine the Ashford Seam the "Ashford Colliery". The Ashford Colliery was operated from 1959 to 1990 and supplied coal to the Ashford Power Station. In 1976 a study was undertaken to ascertain the quality of the Ashford Seam. The study revealed that the Power Station was burning premium quality coking coal.



Ashford Project Resource & Tenure Map

Geology

The Permian aged Ashford coal measures are expressed as a narrow (<10km) 80km long basin stretching from the Queensland border in the north to Inverell in the south. The Ashford coal measures unconformably overlie highly deformed late carboniferous sediments assigned to the Texas Beds. EL6234 overlies part of the outcrop of the Ashford coal measures which dip to the west at 15-35 degrees. The Ashford seam ranges from 0.2m to 24.4m in thickness and makes up the principal resource within EL6234. The western margin of the coal measures is marked by a prominent west over east thrust fault– the Severn Thrust resulting in Carboniferous rocks overlying the Permian sediments

Ashford TOMRA Sorting Testing

Samples have previously been sent to TOMRA Laboratories in Sydney to evaluate the potential for TOMRA XRT (X-Ray Transmission) sorting technology for upgrading the Ashford Coking Coal Run of Mine (ROM) material. The ore sorting on the basis of XRT sensing is well established technology and is low cost and low impact relative to a conventional wash plant. This differentiation by XRT could potentially allow the coking coal at Ashford to be mined and processed through a sorter and direct sold to market without the need for a wash plant. The results generated from this test work demonstrated a significant reduction in the percentage of ash in the Ashford coal sample and will be further investigated as part of the mining studies.

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Infrastructure

Several transport options have been reviewed and assessed as viable at current coking coal prices, including the following:

- Road haulage to North Star (a road haul of approximately 122km); then rail to Port of Brisbane. The Federal Inland Rail project completion date is scheduled for Q3 2023 / Q1 2024.
- Road haulage to Port of Brisbane using covered B doubles. Maximum of 500ktpa.
- Road haulage to Inglewood; then rail to Port of Brisbane.
- Road haulage to Moree; then rail to Port of Newcastle.

Mining Lease Application

A potential mining lease application area is shown in green which covers the resource areas and also sufficient area to allow for mining, waste, processing and access between the resource areas. The grey shaded area is intended to be a Mining Purposes Lease which will allow access between the 2 main resource areas.

Final modifications to the area shown may still be undertaken in line with the recent assessments indicating BSAL was not present, and to ensure the application can undertake the simplest path through the statutory approvals process to grant.

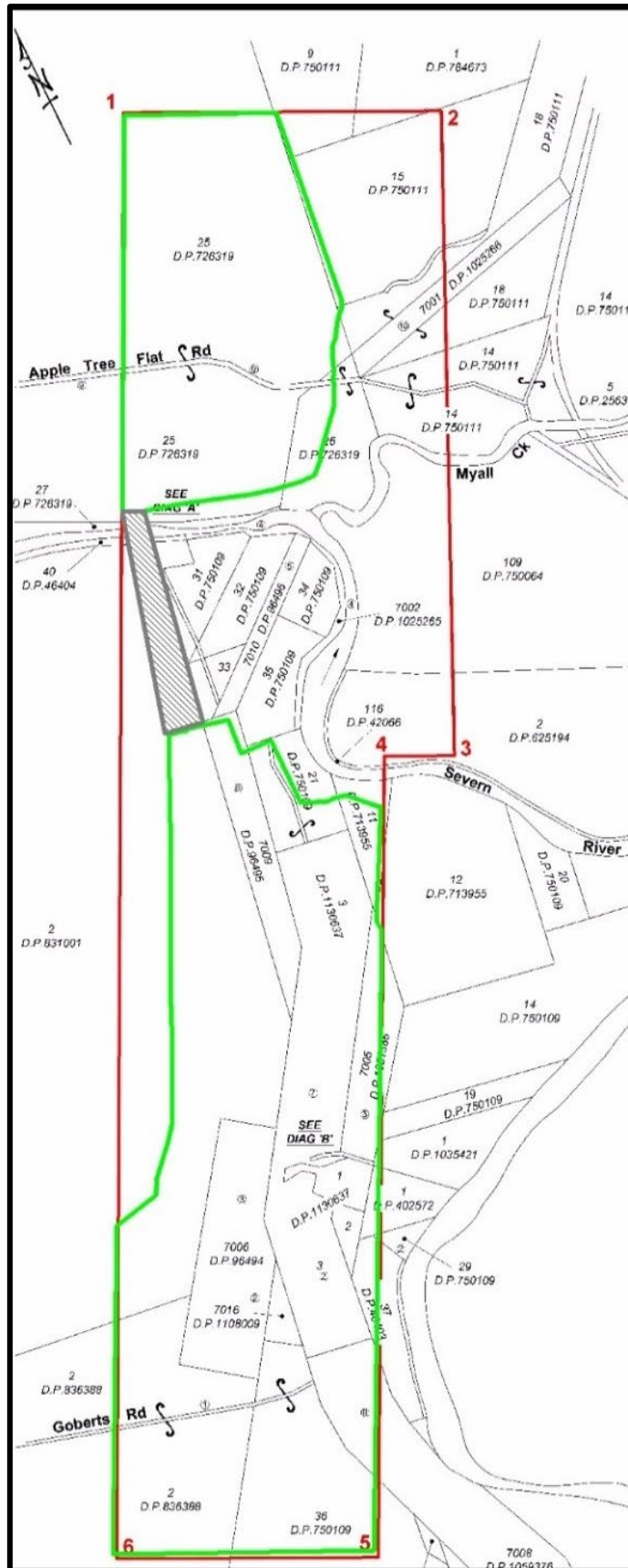


Figure 1 Approximate Planned ML Boundary

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Ashford Resource Estimate

The Ashford Coking Coal Project incorporates the historic Ashford Mine Area (EL 6234 and EL 6428). Total resources within EL6234 are estimated at 14.8 million tonnes of in-situ coal with 6.5 million tonnes classified as Indicated and 8.3 million tonnes as Inferred (refer ASX Announcement of 20 November 2017).

Method	Indicated (Mt)	Inferred (Mt)	Total (Mt)
Open Cut	5.4	4.0	9.4
Underground	1.0	4.3	5.4
Total	6.5	8.3	14.8

The current resource model is viewed as a robust model for future mine designs and feasibility studies. Of the total resource, 9.4 million tonnes are likely to be accessible by conventional open cut methods to a 15:1 vertical waste to in-situ coal tonnes stripping ratio cut off. A further 5.4 million tonnes are expected to be mined via high wall mining methods. These estimates reconciled well with previous studies.

Competent Persons Statement

The information relating to the Mineral Resources at the Ashford Coking Coal Project is extracted from the ASX Announcement as follows:

ASX Announcement titled: 'Ashford Coking Coal Project - Increased Resource' dated 20 November 2017.

The report is available to view on the Laneway Resources website www.lanewayresources.com.au. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, and also "Australian Guidelines for the Estimation and Classification of Coal Resources, (2014)". The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Ashford Coal Quality

Ashford seam coal can be classified as a "Medium Volatile Bituminous" coal using the ASTM Classification system. Volatile matter is in the order of 21-24% adb and the reflectance RoMax in the order of 1.15%. The seam has a moderate to high vitrinite content, and low sulphur. The CSN of the coal is moderate in the order of 5 - 6.5. Coal Quality studies investigating the potential coking quality from a raw product found that the seam could qualify as a semi hard coking coal provided the raw ash is not above 10.5%.

Ashford Seam Clean Coal Composite	Units	Basis	Weighted Average 10 holes
Simprep Yield (no dilution)	mass %	ad	72.4
Simprep Ash (no dilution)	mass %	ad	7.4
Proximate Analysis			
IM	mass %	ad	1.1
Ash	mass %	ad	7.3
VM	mass %	ad	23.6
VM	mass %	db	23.8
VM	mass %	daf	25.7
FC	mass %	ad	68.0
Total Sulphur	mass %	ad	0.43
RD		ad	1.35
HGI		ad	77
Basicity Index			0.161
Modified BI			1.56
Total Alkalies	% in ash	db	0.86
Phosphorus	mass %	ad	0.034
CSN			6.5
Gray-King			G4-G6
Mean Max Vitrinite Reflectance	%		1.14
Total Vitrinite	vol %	aa	48.9

LANEWAY RESOURCES LIMITED DIRECTORS' REPORT

Sale of Ashford Coking Coal Project

In July 2020 an agreement was entered into for the staged sale of the Ashford Coking Coal Project to Aus Tin Mining Ltd ("Aus Tin") (ASX : ANW).

Consideration to be received by Laneway to include:

- Laneway being issued an initial 20% shareholding in Aus Tin(which will equate to approximately 2.5 billion Aus Tin shares (ASX:ANW) based on their current issued capital);
- a further \$7m payment (consisting of \$2m cash and a further \$5m in cash or Aus Tin shares issued at a 20% discount) once Aus Tin exercise the stage 2 option; and
- a retained royalty interest for Laneway to be paid \$0.50 per tonne for every tonne of coal produced from the Ashford project. The current Indicated and Inferred Resource at Ashford is 14.8 million tonnes of in-situ coal.

The transaction will allow Laneway to:

- Bring forward realisation of value for the Ashford Project for Laneway shareholders;
- Remain focussed on progressing the Company's gold mining and exploration projects;
- Provide a 'pure play' gold investment profile for investors;
- Obtain funding for the Ashford Coking Coal Project which will enable the project to be progressed in a manner that is not dilutive to the existing issued capital of Laneway;
- Retain considerable exposure to the Ashford Projects' future potential value through both the 20% initial shareholding interest in Aus Tin, the further cash and share consideration to be issued to Laneway upon exercise of the stage 2 option and the retained royalty interest on coal sold from the project; and
- Provide Laneway shareholders with exposure to Aus Tin's other existing projects including the Taronga Tin Project and the Mt Cobalt and Pembroke nickel, copper and cobalt projects.

Under the agreement that Laneway has entered into with Aus Tin, Laneway will sell 100 percent of the Ashford Project in two stages (**the Proposed Transaction**) comprising:

1. **Stage 1** being the purchase by Aus Tin of a 40 percent interest in the wholly-owned subsidiary of Laneway which owns the Ashford Project, in consideration for the issue of 20 percent of the issued share capital of Aus Tin to Laneway together with reimbursement to Laneway of costs incurred on the project since the agreement was entered into; and
2. **Stage 2** being, an option (the **Stage 2 Option**) for Aus Tin to purchase the remaining 60 percent interest in the Ashford Project within three years for A\$7 million (payable as to A\$2 million in cash and \$5 million in shares or cash at the election of Aus Tin), plus an ongoing royalty payable to Laneway of \$0.50 per tonne of coal sold from the Ashford Project. The Stage 2 Option must be exercised before the third anniversary of the date on which the Stage 1 acquisition is completed (the **Stage 1 Completion**).

Shareholder approval for the first stage of the transaction has been obtained from Aus Tin's shareholders as well as Aus Tin satisfying conditions precedent with respect to strengthening their balance sheet with the completion of a capital raising and obtaining shareholder approvals for the conversion of existing debt to equity. It is expected that completion of stage 1 of the acquisition should occur before the end of March 2021.

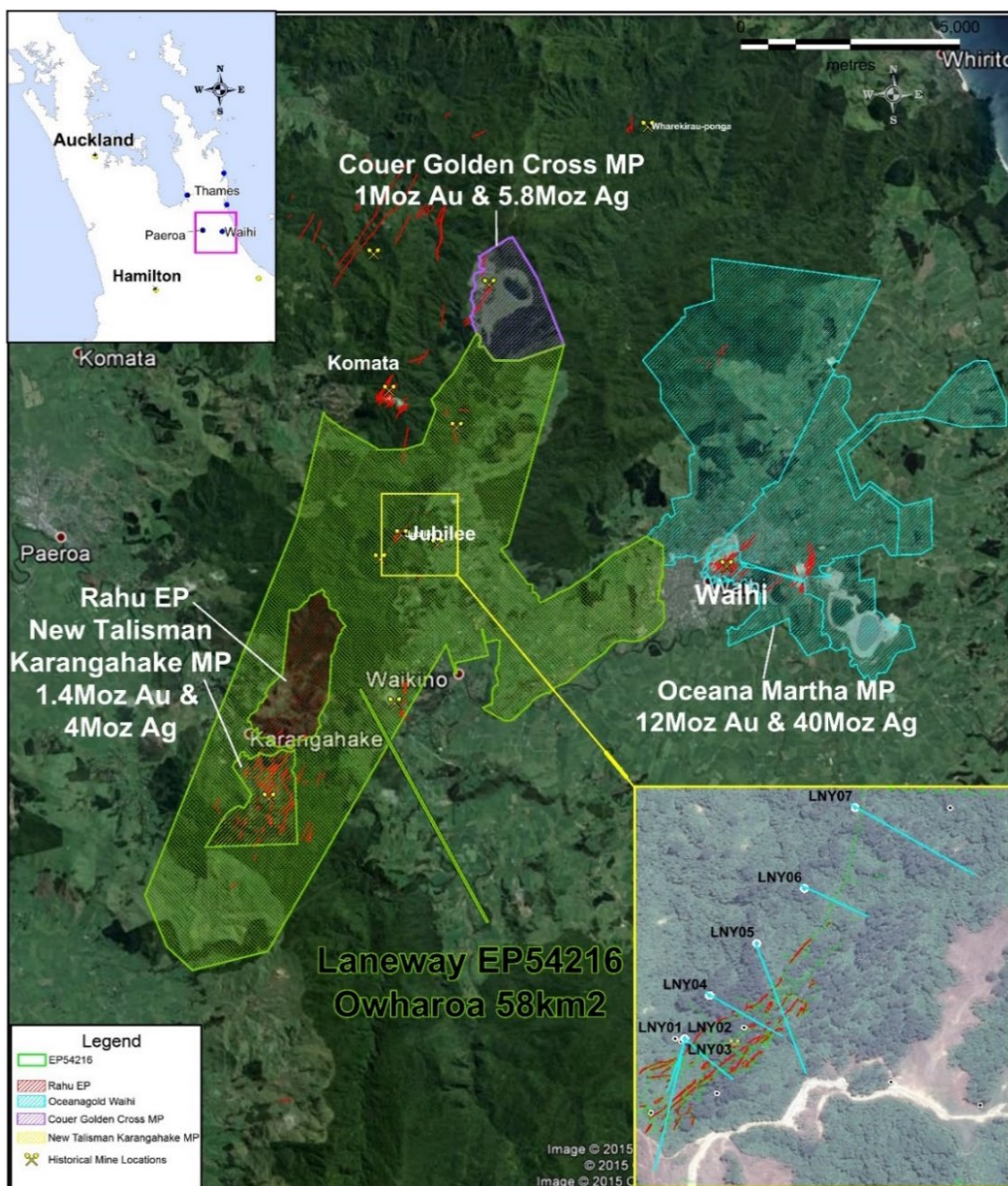
**LANEWAY RESOURCES LIMITED
DIRECTORS' REPORT**

New Zealand Gold Project (100% LNY)

The NZ project area is located on the North Island of New Zealand in the Hauraki goldfield, within the mineralised corridor that is host to the historic Karangahake and Golden Cross gold-silver mines, and adjacent to Oceana Gold's operating Waihi Mine.

The area hosts approximately 50 low-sulphidation epithermal prospects and deposits and has yielded in excess of 45 million ounces of bullion. Workings generally only reached 140m below surface. The Karangahake orebody on the southern end is shown to have up to 700m vertical continuity (unusual in epithermal deposits) and Jubilee is likely the strike extent of the Karangahake system but was only historically mined to 200m and never tested at depth. There remains significant scope for down dip and strike extensions of this mineralisation particularly along a >10 km long prospective corridor.

Mineralisation occurs as discrete low sulphidation high grade epithermal veins, primarily of banded quartz/chalcedony within rhyolites and andesites. Laneway identified a 2m wide zone which originally assayed at 7.8g/t Au but was never followed up in ML018 (drilled in 1987). Within this 2m metre zone Laneway located and re-assayed a 30cm wide vein which returned an assay result of 521g/t Au.



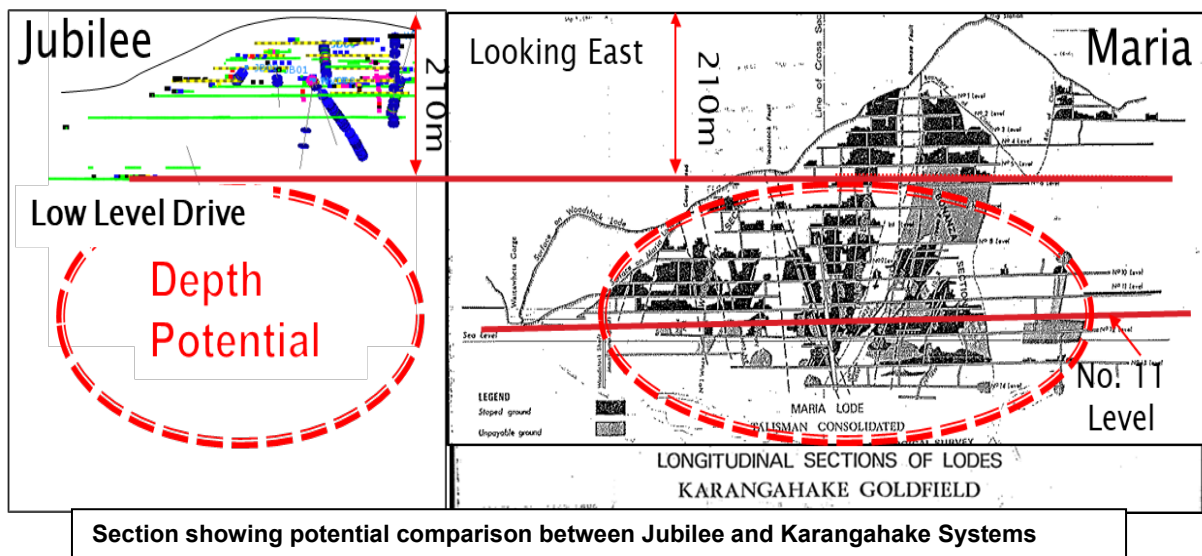
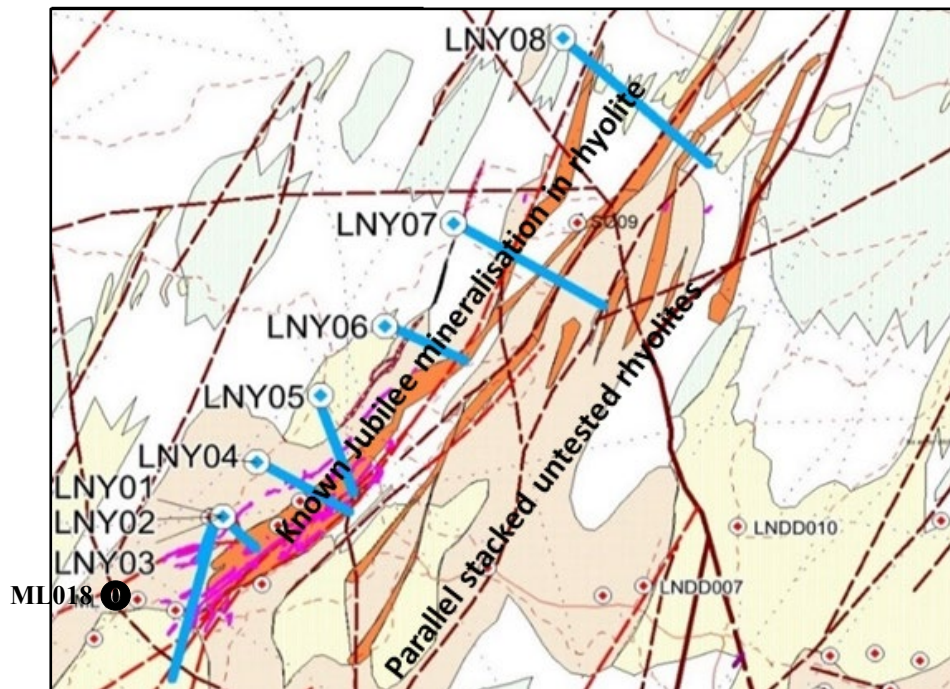
LANEWAY RESOURCES LIMITED DIRECTORS' REPORT

Forward Exploration and Drilling - NZ

Drilling continues to be on hold until COVID19 travel restrictions to NZ are relaxed and a clear logistical pathway for access to the site for Laneway personnel, drilling equipment and contractors has been established following the end of the quarantine restrictions. Planning is well advanced for the drilling to be undertaken once travel restrictions allow. A Change of Conditions was approved by the New Zealand Petroleum & Minerals department in 2020 to allow an extension of time to complete the initial 2500m of drilling (now due prior to January 2022) followed by a further 3000m of drilling by January 2023.

There are still several drill ready target areas within the project area. The most exciting of these areas is the 500m long Jubilee trend, which was historically mined around the turn of last century. Historical reports also state quartz veining was up to 32 feet wide mined in the lower levels 200m below surface.

The Jubilee area has had less than 10 holes drilled into the area shown below with only 2 of these holes deeper than 200m and as such retains significant potential, particularly when compared to the Maria vein within the Karangahake Mine System which sits 7km directly along trend from Jubilee. There are 8 drill ready targets (LNY01-08) at the Jubilee Prospect targeting both along strike and down dip extensions of known mineralisation and new targets. All land access agreements, permitting and drill pads are now in place to allow drilling of these targets.



Section showing potential comparison between Jubilee and Karangahake Systems

LANEWAY RESOURCES LIMITED DIRECTORS' REPORT

Appointment of Director

During the period, Mr Bradley Gordon was appointed as a non-executive director of the Company.


Brad is a seasoned mining executive with over 30 years of experience in the gold mining industry, during which time he has successfully led and grown the value of large mining operations around the world. He was from 2013 until December 2017 the CEO of Acacia Mining Plc, a London Stock Exchange listed gold mining company with mines and exploration projects across Africa. He led an impressive turnaround of that company through rejuvenation and re-engineering of its assets, corporate structures and culture and oversaw an increase in the market capitalisation of Acacia from £450 million to £2.5 billion.

Brad was previously also the CEO of Intrepid Mines from 2008 to 2013, a TSX and ASX listed precious metals exploration and development company with primary operations in Indonesia. During his time as CEO of Intrepid the market capitalisation grew from A\$120 million to a peak of A\$1.4 billion. Prior to his time at Intrepid, Brad was the CEO of Emperor Mines, with gold mines in Fiji and Papua New Guinea and at the time was the third largest gold producer listed on the ASX. Before that, he held a series of progressively senior positions with Placer Dome including as Managing Director of their Papua New Guinea operations with responsibility for the Porgera and Misima gold mines.

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

The Auditor's Independence Declaration is attached and forms part of the Directors' Report for the half-year ended 31 December 2020.

Signed in accordance with a resolution of the Directors.



Stephen G Bizzell
Director
Brisbane 16 March 2021

**LANEWAY RESOURCES LIMITED
AUDITOR'S INDEPENDENCE DECLARATION**



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GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY K L COLYER TO THE DIRECTORS OF LANEWAY RESOURCES LIMITED

As lead auditor for the review of Laneway Resources Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Laneway Resources Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'K L Colyer', with a stylized flourish at the end.

K L Colyer
Director

BDO Audit Pty Ltd

Brisbane, 16 March 2021

LANEWAY RESOURCES LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

	Note	31 December 2020 \$	31 December 2019 \$
Revenue from Contracts with Customers		-	19,142,645
Other income	2	145,388	18,956
Production expenses		-	(13,558,002)
Net Royalties expense	2	-	(398,883)
Provision for doubtful debt		-	(1,825,000)
Depreciation and amortisation expenses	2	(1,008,647)	(483,940)
Finance costs	2	(129,160)	(149,425)
Unwinding of Convertible Note Discount	2	(56,285)	(60,187)
Employment costs		(262,957)	(264,007)
Other expenses		(235,296)	(197,917)
Profit/(Loss) before income tax		(1,546,957)	2,224,240
Income tax expense		-	-
Profit/(Loss) for the period		(1,546,957)	2,224,240
Other comprehensive income		-	-
Total comprehensive income for the half-year attributable to owners of Laneway Resources Ltd		(1,546,957)	2,224,240
Basic earnings/(loss) per share (cents per share)	6	(0.041)	0.06
Diluted earnings/(loss) per share (cents per share)	6	(0.041)	0.059

The Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

LANEWAY RESOURCES LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	31 December 2020 \$	30 June 2020 \$
Current Assets			
Cash and cash equivalents	4	133,066	593,996
Trade and other receivables	9	398,683	1,885,363
Inventory	8(iii)	1,688,000	-
Financial assets		2,883	3,516
Other current assets		122,128	39,381
Total Current Assets		<u>2,344,760</u>	<u>2,522,256</u>
Non-Current Assets			
Trade and other receivables		178,632	178,632
Property, plant and equipment	7	623,521	596,856
Exploration, evaluation and development assets	8	15,048,920	14,032,810
Total Non-Current Assets		<u>15,851,073</u>	<u>14,808,298</u>
Total Assets		<u>18,195,833</u>	<u>17,330,553</u>
Current Liabilities			
Trade and other payables	10	3,876,358	1,538,755
Borrowings	11	1,618,715	1,822,430
Provisions		165,697	147,349
Total Current Liabilities		<u>5,660,770</u>	<u>3,508,533</u>
Non-Current Liabilities			
Provisions		205,650	205,650
Total Non-Current Liabilities		<u>205,650</u>	<u>205,650</u>
Total Liabilities		<u>5,866,420</u>	<u>3,714,183</u>
Net Assets		<u>12,329,413</u>	<u>13,616,370</u>
Equity			
Issued capital	3	128,804,819	128,544,819
Convertible note equity reserve		344,125	344,125
Accumulated losses		(116,819,531)	(115,272,574)
Total Equity		<u>12,329,413</u>	<u>13,616,370</u>

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

LANEWAY RESOURCES LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Note	31 December 2020 \$	31 December 2019 \$
Cash Flows from Operating Activities			
Cash receipts in the course of operations		100	4,780,738
Cash payments in the course of operations		(447,438)	(1,246,472)
Government receipts re COVID		121,400	-
Interest received		50,018	-
Finance costs		(148,352)	(156,584)
Royalties Paid		-	(1,579,352)
Royalties Receipt		-	601,505
Net cash from/(used) in operating activities		<u>(424,273)</u>	<u>2,399,835</u>
Cash Flows from Investing Activities			
Payments for plant and equipment		(51,431)	(183,603)
Payments for exploration & evaluation		(281,026)	(648,285)
Payments for project development		(1,324,182)	(240,645)
Loans (advanced)/repaid		1,619,982	(750,000)
Net cash used in investing activities		<u>(36,567)</u>	<u>(1,822,534)</u>
Cash Flows from Financing Activities			
Proceeds from issue of shares		-	-
Security issue expense		-	-
Loans received		-	-
Loans (repaid)		-	-
Net cash flows provided by financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		(460,930)	577,302
Cash at the beginning of the period		593,996	2,648,743
Cash at the end of the period	4	<u>133,066</u>	<u>3,226,045</u>

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

LANEWAY RESOURCES LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Issued Capital \$	Convertible Note Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2019	128,322,999	344,125	(116,936,080)	11,731,044
Profit for the period	-	-	2,224,240	2,224,240
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	2,224,240	2,224,240
Transactions with owners in their capacity with owners				
Issue of shares re note conversion	131,820	-	-	131,820
Issue of shares re employee bonus	90,000	-	-	90,000
Total transactions with owners	221,820	-	-	221,820
Balance at 31 December 2019	128,544,819	344,125	(114,711,840)	14,177,104
Balance at 1 July 2020	128,544,819	344,125	(115,272,574)	13,616,370
Loss for the period	-	-	(1,546,957)	(1,546,957)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(1,546,957)	(1,546,957)
Transactions with owners in their capacity with owners				
Issue of shares re note conversion – note 3	260,000	-	-	260,000
Total transactions with owners	260,000	-	-	260,000
Balance at 31 December 2020	128,804,819	344,125	(116,819,531)	12,329,413

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

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

This general purpose financial report for the interim half-year reporting period ended 31 December 2020 has been prepared in accordance with Australian Accounting Standard AASB134: Interim Financial Reporting and the Corporations Act 2001.

The interim report does not include all notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by Laneway Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies and methods of computation applied by the Consolidated Entity in the consolidated interim financial report are the same as those applied by the Consolidated Entity in its consolidated financial report as at and for the year ended 30 June 2020, except as noted below.

Inventory

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimate selling price in the ordinary course of business, less the estimate costs of completion.

The cost of ore inventories is determined using a direct costing basis. Costs include blasting, overburden removal, mining, processing, labour, transport and other costs which are directly related to mining activities at site.

New or amended accounting standards

New or amended accounting standards became applicable for the current reporting period. The adoption of these standards did not have an impact on the consolidated entity's accounting policies and did not require retrospective adjustments.

Fair Values

The fair values of cash and cash equivalents, trade and other receivables, security deposits, interest bearing loans and borrowings and trade and other payables approximate their carrying value.

Critical accounting estimates and judgements

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

Key judgements – exploration & evaluation assets

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

The Directors have assessed that for the exploration and evaluation assets recognised at 31 December 2020, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for impairment as noted in Accounting Standard AASB 6 "Exploration for and Evaluation of Mineral Resources".

Key judgements – capitalisation and impairment assessment of development costs

Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generating potential of the project.

Laneway holds a Mining Licence for its high grade near surface gold project at Agate Creek. During the reporting period Mining and Processing Agreements were entered into that enabled mining operations to commence and previously capitalised exploration costs on Agate Creek was transferred from exploration expenditure to development expenditure and formed part of the pool of expenditures to be amortised.

LANEWAY RESOURCES LIMITED

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS (cont)

Going concern basis for accounting

The consolidated entity has a net deficiency of current assets as at 31 December 2020 of \$3,316,010 (30 June 2020: \$986,278) and has incurred losses of \$1,546,957 for the half-year period to 31 December 2020 (2019 profit: \$2,224,240). These conditions give rise to a material uncertainty which may cast significant doubt about the ability of the consolidated entity to continue as a going concern.

The ability of the consolidated entity to continue as a going concern is principally dependent upon one or more of the following:

- Continuation of debt funding. The Chairman has confirmed that he will continue to support the company until such time as it starts to receive the proceeds from the mining campaign that commenced in the period or has raised sufficient further funds either by way of a capital raising, a sale of an interest in a project or by way of a corporate transaction;
- The loan facility agreement with Bizzell Nominees Pty Ltd, an entity associated with the Chairman, has an expiry date of 30 June 2022. Since 31 December 2020, the company has drawn down approximately \$900,000 of this \$3 million facility to pay some of its creditors;
- Proceeds from any future capital raisings by the company;
- Successful completion of the Agate Creek mining campaign that commenced in November 2020 and will continue in the period after the current wet season;
- The realisation of funds from the sale of exploration and development assets held. As at the date of this report the directors are unable to confirm the success or otherwise of the asset sale process; and
- The recovery of funds owed to the company from its 2019 mining campaign by Maroon Gold. As at the date of this report the directors are unable to confirm the success or otherwise of the recovery process.

As a result of the items noted above the directors believe the going concern basis of preparation is appropriate, and accordingly have prepared the financial report on this basis. The going concern basis presumes that funds will be available to finance future operations and that the realisation of assets and liabilities will occur in the normal course of business.

2. REVENUES AND EXPENSES

Profit/(Loss) from ordinary activities before income tax includes the following specific items:

Other income

	Half-year Ended 31 December 2020 \$	Consolidated Entity Half-year Ended December 2019 \$
Interest income	37,738	3,856
Government grants - COVID	107,550	-
Sundry	100	15,100
	<u>145,388</u>	<u>18,956</u>

Mineral royalty expenses

Payable on mineral production	-	1,328,642
Recoverable under Agate Creek Tribute Agreement	-	(601,515)
Net royalty expense	<u>-</u>	<u>398,883</u>

Provision for doubtful debt	-	1,825,000
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Depreciation and Amortisation

Plant and equipment	72,647	20,870
Amortisation of Agate Creek development costs	936,000	463,070
Unwinding of Convertible Note discount – equity portion	56,285	60,187

Finance costs

Interest on Convertible Notes	129,160	149,425
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LANEWAY RESOURCES LIMITED

3. ISSUED CAPITAL

Ordinary Shares	Half-year Ended Dec 2020		Year Ended June 2020	
	No. of shares	\$	No. of shares	\$
Ordinary shares fully paid				
Beginning of the financial period	3,720,065,933	128,544,819	3,680,065,933	128,322,999
Increases				
- Issue of employee bonus shares (1)	-	-	10,000,000	90,000
- Conversion of Convertible Notes (2)	55,000,000	260,000	30,000,000	131,820
	<u>3,775,065,933</u>	<u>128,804,819</u>	<u>3,720,065,933</u>	<u>128,544,819</u>

(1) Issue of employee bonus shares at 0.9 cents per share

(2) Conversion of \$0.005 June 2021 Convertible Notes

Convertible Notes

At the start of the period there were 390,000,000 unlisted \$0.005 June 2021 convertible notes on issue. During the half year 55,000,000 notes were converted into fully paid ordinary shares resulting in a total of 335,000,000 notes being on issue at 31 December 2020. Each note is convertible, at the holder's election, into one fully paid ordinary share on or before 30 June 2021.

4. RECONCILIATION OF CASH

Cash and cash equivalents at the end of the half-year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

	31 December 2020	Consolidated 30 June 2020	31 December 2019
	\$	\$	\$
Cash and cash equivalents	133,066	593,996	3,226,045
	<u>133,066</u>	<u>593,996</u>	<u>3,226,045</u>

Non cash transactions

During the period a total of 55,000,000 \$0.005 June 2021 Convertible Notes were converted into 55,000,000 fully paid ordinary shares.

5. SEGMENT INFORMATION

Reportable Segments

The principal geographical areas of operation of the Consolidated Entity are as follows:

- Australia
- New Zealand

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

Segment Revenues and Results

The following is an analysis of the Consolidated Entity's revenue and results by reportable operating segment for the periods under review.

	New Zealand	Australia	Consolidated
	\$	\$	\$
31-Dec-20			
Revenue:			
Revenue from outside the Consolidated Entity	-	-	-
Other unallocated income	-	145,388	145,388
Total Revenue	-	145,388	145,388
 Segment result	-	(1,546,957)	(1,546,957)
Income tax	-	-	-
Net Loss	-	(1,546,957)	(1,546,957)

LANEWAY RESOURCES LIMITED

5. SEGMENT INFORMATION (cont)

	New Zealand	Australia	Consolidated
31-Dec-20			
Assets:			
Segment assets	1,103,797	16,436,185	17,539,982
Unallocated corporate assets	-	-	655,851
Consolidated Total Assets	1,103,797	16,436,185	18,195,833
	New Zealand	Australia	Consolidated
31-Dec-19	\$	\$	\$
Revenue:			
Revenue from outside the Consolidated Entity	-	19,161,601	19,161,601
Other unallocated income	-	-	-
Total Revenue	-	19,161,601	19,161,601
Segment result	-	2,224,240	2,224,240
Income tax	-	-	-
Net Profit	-	2,224,240	2,224,240
31-Dec-19			
Assets:			
Segment assets	1,056,348	12,020,114	13,076,462
Unallocated corporate assets	-	-	4,304,924
Consolidated Total Assets	1,056,348	12,020,114	17,381,386

6. EARNINGS PER SHARE

	Half-year Ended 31 December 2020 \$	Consolidated Entity Half-year Ended 31 December 2019 \$
Earnings/(Loss) per share		
Basic earnings/(loss) per share (cents per share)	(0.041)	0.059
Diluted earnings/(loss) per share (cents per share)*	(0.041)	0.06
The following reflects the income and share data used in the calculations of basic and diluted earnings/(loss) per share:		
Profit/(loss) from continuing operations	(1,546,957)	2,224,240
Earnings used in calculating basic earnings per share	(1,546,957)	2,224,240
Profit/(loss) from continuing operations	-	2,224,240
Interest expense in relation to dilutive convertible notes*	-	207,578
Earnings used in calculating diluted earnings per share	-	2,431,818
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share	3,768,897,455	3,713,109,411
Effect of dilutive securities*	-	390,000,000
Adjusted weighted average number of ordinary shares used in calculating dilutive earnings per share	-	4,103,109,411

*As the company has made a loss for the reporting period the basic loss per share will be the same as the diluted loss per share as any potential shares are antidilutive.

LANEWAY RESOURCES LIMITED

7. PROPERTY, PLANT AND EQUIPMENT

	Mine site Assets \$	Motor Vehicles \$	Consolidated Entity Plant & Equip \$	Total \$
Period ended 31 December 2020				
At 1 July 2020 net of accumulated depreciation	394,177	154,248	48,430	596,856
Additions	62,651	9,200	27,460	99,311
Depreciation charge for the period	(46,482)	(18,322)	(7,843)	(72,647)
At 31 Dec 2020, net of accumulated depreciation	410,347	145,126	68,048	623,521
At 1 July 2020				
Cost	427,794	224,960	58,457	711,210
Accumulated depreciation	(33,616)	(70,711)	(10,026)	(114,354)
Net carrying amount	394,177	154,248	48,430	596,856
At 31 Dec 2020				
Cost	490,445	234,160	85,917	810,522
Accumulated depreciation	(80,098)	(89,034)	(17,869)	(187,001)
Net carrying amount	410,347	145,126	68,048	623,521

8. EXPLORATION, EVALUATION AND DEVELOPMENT ASSETS

	Consolidated Entity Half-year Ended 31 December 2020 \$	Year Ended 30 June 2020 \$
Exploration and development costs carried forward in respect of areas of interest		
Areas of production		
- Opening balance	3,927,042	2,304,908
- Accumulated amortisation	(936,000)	(1,157,674)
	2,991,042	1,147,234
Areas not in production		
- Exploration phase	12,057,878	12,885,576
	15,048,920	14,032,810
Reconciliation		
Exploration expenditure capitalised ⁽ⁱ⁾		
- Opening balance	12,885,576	11,647,759
- Net Current period/year expenditure	210,630	1,237,817
- Transferred to development expenditure	(1,038,328)	-
Carried forward	12,057,878	12,885,576
Development expenditure capitalised ⁽ⁱⁱ⁾		
- Opening balance	1,147,234	463,069
- Net Current period/year expenditure	3,429,480	1,147,234
- Transferred to inventory at balance date ⁽ⁱⁱⁱ⁾	(1,688,000)	-
- Transferred from exploration expenditure	1,038,328	-
- Amortisation	(936,000)	(463,069)
Carried forward	2,991,042	1,147,234

(i) Exploration Assets - Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation of areas of interest, and the sale of minerals or the sale of the respective areas of interest.

(ii) Development Assets - Recoverability of the carrying amount of development assets is dependent on the successful completion of development activities, or alternatively, sale of the respective areas of interest.

(iii) Inventory - Amounts have been transferred to inventory at balance date that relate to overburden in advance material extracted through the pre-stripping process and includes blasting activities.

LANEWAY RESOURCES LIMITED

9. TRADE AND OTHER RECEIVABLES (CURRENT)

	Half-year Ended 31 December 2020 \$	Consolidated Entity Year Ended 30 June 2020 \$
Trade receivables	1,874,173	1,874,173
Less provision for doubtful debt ²	(1,825,000)	(1,825,000)
	49,173	49,173
Loan extended ¹	45,018	1,677,279
Other receivables	304,493	158,911
	398,683	1,885,363

¹ The short-term loan facility was fully repaid to the Company on 6 January 2021. Interest receivable by the Company on the funds advanced was at the rate of 8% per annum. The loan was advanced to BAM Opportunities Fund Pty Ltd to enable the Company to generate a return in excess of current cash deposit rates on surplus cash held and was secured by a first ranking fixed and floating charge over the assets of the borrower.

² A provision of \$1,825k had been made in the prior period for the amount still owing by Maroon Gold in relation to the Tribute mining agreement. Whilst progress has been made with respect to a proposed restructuring and acquisition of Maroon Gold, which could see Laneway recover all of this amount owing, at this time the provision for its non-recovery has been retained.

10. TRADE AND OTHER PAYABLES (CURRENT)

	Half-year Ended 31 December 2020 \$	Consolidated Entity Year Ended 30 June 2020 \$
Trade creditors	3,350,444	792,441
Other payables and accruals	525,914	746,314
	3,876,358	1,538,755

Trade creditors has increased since 30 June due to costs incurred in relation to mining and stripping costs at the Agate Creek mine.

11. BORROWINGS

	Half-year Ended 31 December 2020 \$	Consolidated Entity Year Ended 30 June 2020 \$
Current		
Convertible Notes - June 2021	1,618,715	1,822,430

June 2021 \$0.005 convertible notes:

Number Issued: 420,000,000 at \$0.005 per note

Number Converted: 30,000,000 notes were converted in the 2020 financial year and 55,000,000 in the 2021 financial year.

Interest Rate: The convertible notes bear interest at 15%. The effective interest rate is 22% per annum.

Interest Payments: Interest paid half yearly in arrears and the interest may be paid in certain circumstances at Laneway's election by the issue of further Convertible Notes.

Conversion: Each Convertible Note can be converted into one fully paid Laneway share

Maturity Date: 30 June 2021

Security: The Convertible Notes have equal ranking security proportionally with the Bizzell Nominees Facility.

Liability: The liability component of \$1,618,715 (30 June 2020 - \$1,822,430) is reflected in financial liabilities while the equity component of \$344,125 of the issued June 2021 Convertible Notes is reflected in the convertible note reserve.

LANEWAY RESOURCES LIMITED

11. BORROWINGS (cont)

	Half-year Ended 31 December 2020 \$	Consolidated Entity Year Ended 30 June 2020 \$
The convertible notes are presented in the statement of financial position as follows:		
Original Face value of notes issued	2,100,000	2,100,000
Value of equity component	(344,125)	(344,125)
Original value of liability recognised	1,755,875	1,755,875
<i>Cumulative impact:</i>		
Unwinding of equity component – interest expense	254,660	198,375
Notes converted equity component	(391,820)	(131,820)
Convertible note liability at balance date	1,618,715	1,822,430

12. SALE OF ASHFORD COAL PROJECT

In July 2020 Laneway announced that it had signed a binding term sheet agreement for the proposed staged sale of the Ashford Coking Coal Project to Aus Tin Mining Ltd. As at the date of this report the transaction had not reached completion although most of the conditions precedent to enable completion of Stage 1 of the transaction have now been satisfied. As at 31 December 2020 the carrying value of the Ashford project was \$1,031,241.

Consideration to be received for the sale will include:

- Laneway being issued a 20% shareholding in Aus Tin;
- a further \$7m payment (consisting of \$2m cash and a further \$5m in cash or Aus Tin shares issued at a 20% discount); and
- a retained royalty interest for Laneway to be paid \$0.50 per tonne for every tonne of coal produced from the Ashford project.

Proposed Transaction

The binding term sheet with Aus Tin to sell 100 percent of the Ashford Project in two stages (the Proposed Transaction) comprises:

1. Stage 1 being the purchase by Aus Tin Mining of a 40 percent interest in the wholly-owned subsidiary of Laneway which owns the Ashford Project, in consideration for the issue of 20 percent of the share capital of Aus Tin Mining to Laneway. Based upon the current issued capital of Aus Tin, Laneway expects to receive approximately 2.5 billion Aus Tin (ASX:ANW) shares with respect to the sale of the initial interest in the project. ; and
2. Stage 2 being, an option (the Stage 2 Option) for Aus Tin to purchase the remaining 60 percent interest in the Ashford Project within three years for A\$7 million (payable as to A\$2 million in cash and \$5 million in shares or cash at the election of Aus Tin), plus an ongoing royalty payable to Laneway of \$0.50 per tonne of coal sold from the Ashford Project. The Stage 2 Option must be exercised before the third anniversary of the date on which the Stage 1 acquisition is completed (the Stage 1 Completion).

Stage 1

Completion of Stage 1 of the Proposed Transaction is subject to a number of conditions, most of which have been satisfied with the remaining conditions including:

1. both parties being fully satisfied with the results of its legal, financial and technical due diligence;
2. the entry into formal transaction documentation; and
3. any necessary regulatory approvals.

As and from the Stage 1 Completion, Laneway will be entitled to nominate two directors to the board of Aus Tin.

LANEWAY RESOURCES LIMITED

12. SALE OF ASHFORD COAL PROJECT (cont)

Additionally, as from the Stage 1 Completion until such time as:

1. an additional \$1m of capital is raised by Aus Tin (either through cash subscriptions or debt conversion) (the Non-Lind Cap Raising); and
2. \$1m worth of Aus Tin's Lind Facility is converted into equity in Aus Tin or repaid (separate and in addition to the Non-Lind Cap Raising),

Aus Tin will issue to Laneway (subject to the satisfaction of any necessary approvals), such additional shares, up to a maximum of 500m shares, as is necessary from time to time to ensure that Laneway holds 20% of the issued share capital of Aus Tin.

Stage 2

Stage 2 of the Proposed Transaction is subject to a number of conditions including:

1. the granting of any shareholder or third-party approval required; and
2. the expiry or termination of Aus Tin's Lind Facility.

Where these conditions have not been satisfied by the third anniversary of the Stage 1 Completion, then Laneway may require Aus Tin to sell the Stage 1 Interest back to Laneway for an amount equal to the aggregate of:

1. the value of the consideration paid for the Stage 1 (the Stage 1 Consideration);
2. the value of all amounts expended by the Company in the development of the Ashford Project since the completion of Stage 1 (the Expenditure); and
3. an amount equal to 30% of the aggregate of the Stage 1 Consideration and the Expenditure.

As and from the completion of the acquisition of Stage 2, Laneway will be entitled to nominate the majority of directors to the board of Aus Tin.

13. CONTINGENT ASSETS AND LIABILITIES

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

14. SUBSEQUENT EVENTS

No matter or circumstance has arisen since 31 December 2020, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in financial period subsequent to 31 December 2020.

LANEWAY RESOURCES LIMITED


Directors' Declaration

In the Directors' opinion:

- (a) the attached financial statements and notes as set out on pages 20 to 31 are in accordance with the Corporations Act 2001 and:
 - (i) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the Consolidated Entity's financial position as at 31 December 2020 and of its performance for the half year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



Stephen G Bizzell
Director

Brisbane
16 March 2021

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Laneway Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Laneway Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

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



Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

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

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'K L Colyer', is written over a faint, stylized 'BDO' logo.

K L Colyer
Director

Brisbane, 16 March 2021