NAE

ASX Code: NAE

Annual Report

For the year ended 30 June 2018

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CONTENTS

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Stock Exchange Listing	New Age Exploration Limited shares are listed on the Australian Securities Exchange (ASX code: NAE)

Dear Shareholders,

This has been a busy year with the main focus being the Company's 50%-owned Redmoor tin-tungsten project in Cornwall.

A 20-hole drilling program was successfully completed at the end of 2017 by Cornwall Resources Limited, the joint venture vehicle for the Redmoor project. This drilling resulted in a doubling of the High Grade Inferred Resource, establishing Redmoor as the world's third highest grade new tin–tungsten project. Preliminary studies completed in April 2018 then provided the Company and its joint venture partner, Strategic Minerals Plc, the confidence that the Redmoor project has the potential to deliver attractive returns on investment and to proceed with further drilling in 2018 which is now well underway.

Recent results from the initial 2018 Redmoor Phase 1 drilling holes have been outstanding and have confirmed that the deposit extends significantly to depth and that the grade appears to increase with depth. We have been very encouraged by these initial results from the 2018 Phase 1 program aimed at extending the size and grade of the Redmoor resource. As a result, we, and our JV partner, are now reviewing plans to undertake additional drilling at Redmoor to further expand the size of the high-grade resource and to increase the level of confidence in the resource. This will be required to support the commencement of a PFS for the Redmoor project in 2019. We are now well on the way to demonstrating that the Redmoor tin-tungsten project is not only world-class in terms of grade but also in terms of size. Additionally, there is significant further exploration potential and historic mines in the extensive mineral rights held by Cornwall Resources Limited surrounding the Redmoor project that we are yet to explore.

The outlook for both tin and tungsten is very positive with the price of both metals having risen significantly over the past year. According to a recent study undertaken by Rio Tinto and Massachusetts Institute of Technology, tin has been ranked as the number 1 critical metal for new technology with major uses including: electronics (lead-free solder), Electric Vehicles, robotics and in renewable energy. Tungsten is an essential metal in today's society due to its unique properties and significant supply cutbacks, due to the tightening of environmental regulations in China, which produces around 80% of the worlds tungsten, are resulting in a worldwide shortage of tungsten. We expect this to continue.

We have also continued to progress exploration this year at our Otago South Gold exploration project in New Zealand. The highlight of this program to date has been the identification of a high-grade quartz vein gold target surrounding the historic Otago Pioneer Quartz gold mine. A follow-up soil sampling program has recently been completed over this target and samples are currently being sent to the laboratory for analysis.

The Company is continuing to maintain its 100% holding in the Lochinvar coking coal project which is a low-cost major coking coal asset, strategically located to supply the UK and European steel industry. Investor confidence is returning in coking coal as commodity prices continue to stabilize at attractive prices. We are now refocusing our efforts to find a strategic investor that will enable the project to be advanced.

The Company has maintained a strong focus on health, safety, environment and community in all of its activities and is a crucial part of everything we do.

The Board would like to thank all stakeholders who have supported the Company this year and we look forward to the exciting developments underway with our projects during the year ahead.

Yours faithfully,

Alan Broome AM
Non-executive Chairman

OUR YEAR IN REVIEW

The Company has made significant progress during the year with its major focus being its 50% owned Redmoor Tin-Tungsten Project in Cornwall, UK, operated by Cornwall Resources Limited. The year commenced with the successful 2017 drilling program that resulted in doubling of the Redmoor High Grade Inferred Resource in March 2018. Preliminary studies were then completed providing the Company, and its joint venture partner, Strategic Minerals Plc, the confidence that the Redmoor project has the potential to deliver attractive returns on investment and to proceed with further drilling in 2018 aimed at both increasing the size and grade of the resource and increasing the level of confidence in the resource. The 2018 drilling program is now well underway with the initial two holes from the 2018 Phase 1 program confirming that the deposit extends significantly at depth and that the grade is increasing with depth.

Early stage exploration work has been undertaken at the Otago South Gold exploration project with recent results identifying a high-grade quartz vein gold target surrounding the historic Otago Pioneer Quartz gold mine. A follow-up soil sampling program has recently been completed over this target and samples have been sent to the laboratory for gold analysis. The results will be released when available and will inform the next steps on the project.

The Company is continuing to maintain its 100% holding in the Lochinvar coking coal project which is a low-cost major coking coal asset, strategically located to supply the UK and European steel industry. The Company is refocusing its efforts to find a strategic investor that will enable the project to be advanced.

KEY MILESTONES

Redmoor Tin-Tungsten Project

- Successful completion of 20-hole drilling program in 2017
- High Grade Inferred Mineral Resource estimate of 4.5Mt @ 1.0% SnEq defined
- Encouraging results from a preliminary studies and economic evaluation demonstrating that the project has the potential to deliver attractive returns on investment
- 2018 Phase 1 fully funded drilling program commenced in June 2018, targeting an increase in the tonnage and grade of the Redmoor high grade Inferred Resource.
- Outstanding results received from initial 2 2018 Phase 1 holes, which are the best achieved to date, and almost all higher grade than the current Redmoor high-grade inferred resource (1.0% SnEq). This highlights the potential for increasing grade with depth and for down-dip (depth) extension of the Redmoor resource.

Lochinvar Coking Coal Project

- NAE’s 100% owned Lochinvar Coking Coal Project is a significant strategic asset that could generate further value for shareholders with hard coking coal benchmark prices remaining in the US$175/t to US$225/t range over the past year
- Renewed emphasis on identifying a strategic investor to advance the project aimed at providing an attractive source of coking coal into the European steel market

Otago South Gold Exploration Target

- Identified a high-grade narrow quartz vein hosted gold target surrounding the historic Otago Pioneer Quartz gold mine. Follow up fieldwork recently completed and awaiting analysis

Corporate

- $1.6m two-tranche placement undertaken by CPS Capital to fund the Redmoor tin and tungsten project and working capital requirements
- $1,138,862 cash at 31 August 2018

REDMOOR TIN-TUNGSTEN PROJECT, UK

Background

The Redmoor Project is located between the village of Kelly Bray and the town of Callington in southeast Cornwall, United Kingdom, approximately 25km by road from the city and port of Plymouth, and 40km from the recently commissioned Hemerdon Tungsten mine and processing plant. The area has well-established infrastructure and is located in the world class Cornwall tin–tungsten–copper mineralised district.

Cornwall Resources Limited (CRL), which is 50% owned by NAE, holds a 15-year exploration licence and Option for a Mining Licence with modest annual payments over the Redmoor project.

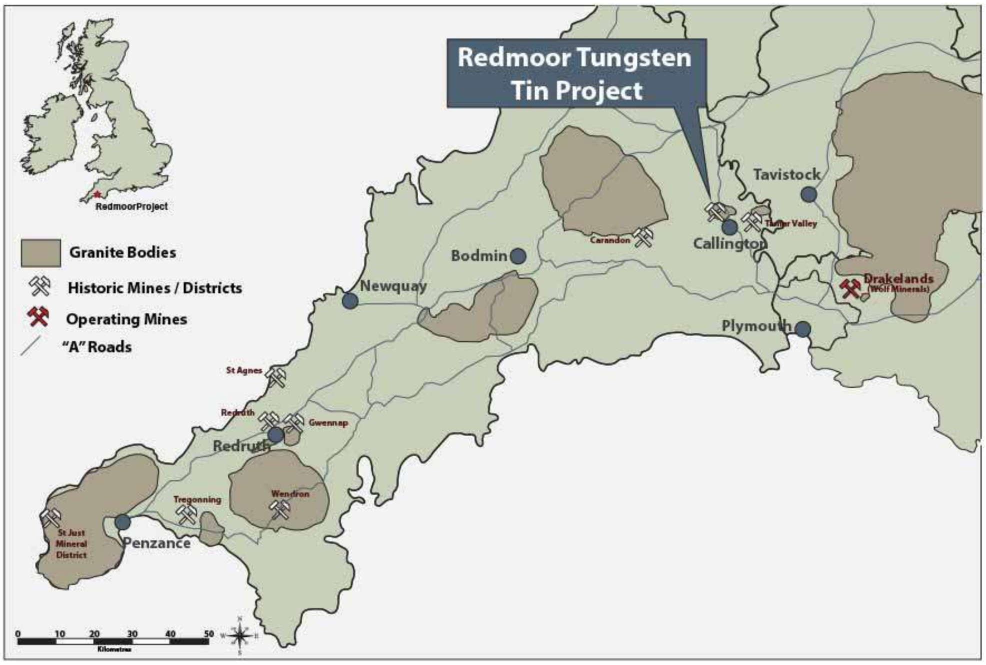

Figure 1 – Redmoor Location

High Grade Inferred Mineral Resource and Exploration Target[1,2]

Following the completion of a 20-hole drilling program by CRL in 2017, an updated High Grade Inferred Mineral Resource of 4.5Mt @1.0% Sn Eq was defined for Redmoor in March by CRL's technical consultants SRK, as shown in Table 1. A High Grade Exploration Target of 4-6 Mt ay 0.9% to 1.3% Sn Eq was also defined for Redmoor as shown in Table 2.

Table 1 - Redmoor 2018 Inferred Mineral Resource Estimate

Description	Tonnage (Mt)	WO_3 %	Sn %	Cu %	SnEq %
High Grade Zones (SVS)	**4.5**	0.37	0.25	0.57	**1.00**

[1] NAE Announcement - Redmoor Resource Update, 20 March 2018

*[2] Equivalent metal calculation notes; Sn(Eq)% = Sn%*1 + WO_3%*1.43 + Cu%*0.40. Commodity price assumptions: WO_3 US$ 33,000/t, Sn US$ 22,000/t, Cu US$ 7,000/t. Recovery assumptions: total WO3 recovery 72%, total Sn recovery 68% & total Cu recovery 85% and payability assumptions of 81%, 90% and 90% respectively*

Table 2 - Redmoor 2018 Exploration Target

Description	Tonnage (Mt)	SnEq%
High Grade Exploration Target	**4-6 Mt**	**0.9 – 1.3**

It should be noted that this Exploration Target estimate is conceptual in nature; there has been insufficient exploration to define a high-grade Mineral Resource in this volume and it is uncertain if further exploration will result in the determination of a Mineral Resource.

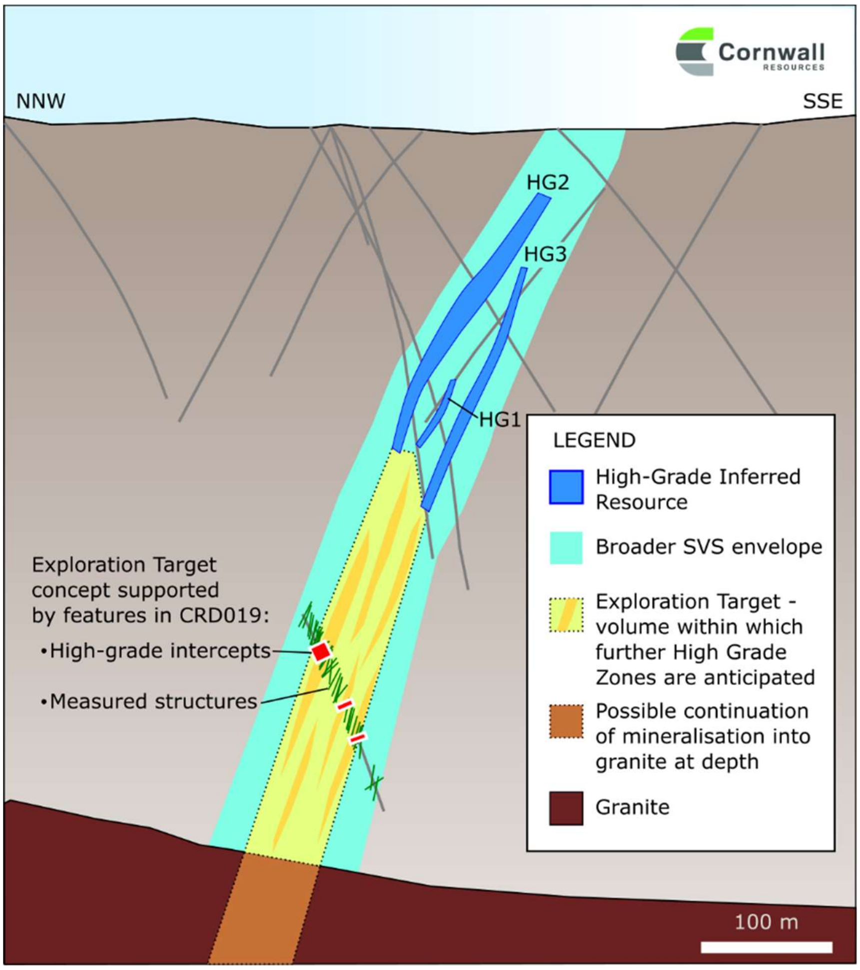

Figure 2 – Cross section showing SVS High Grade Zones, Exploration Target extending below & potential to extend into the granite

Redmoor Inferred Resource Grade Increases with Depth

Drillhole CRD019 has been CRL's best hole to date and contains over 20m true thickness in 3 High Grade Zones between 1.1% and 2.6% SnEq. These intercepts in CRD019 are located ~150m directly below the majority of the inferred resource and 375m to 450m from the surface. This is approximately in the center of the High Grade Exploration Target where the 2018 CRL drilling program is focused.

The High Grade Inferred Resource shows a significant increase in grade (SnEq) with depth from the surface as shown in Figure 3[3].

[3] *NAE Announcement - Redmoor Resource Update, 20 March 2018*

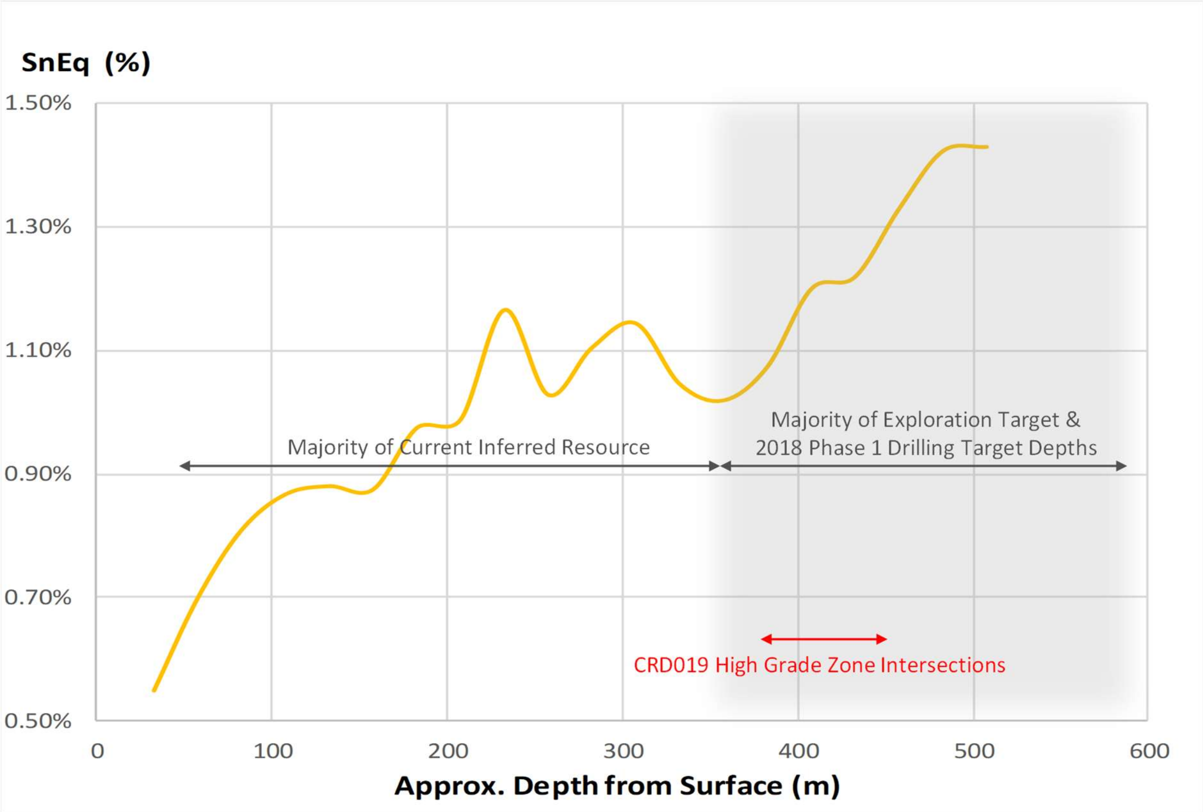

Figure 3 – High Grade Inferred Resource Tin Equivalent Grade vs Depth from Surface

Mining Study

In May, technical consultants, Mining One completed a preliminary mine design, conceptual life-of-mine schedule, and mining capital and operating cost estimates for the Redmoor project[4].

Mining One selected retreat up-hole stoping with paste-fill as a potentially viable mining method. The preliminary mine design includes a decline from surface (portal), with access to the central parts of the resource from which ore drives can be developed in both directions along strike.

The mining study was based on assumptions of 15% dilution with a dilution grade of 0.3% SnEq and a 95% mining recovery, resulting in a near 100% conversion of the inferred resource to preliminary mining inventory. Further studies are required to more accurately define these factors.

[4] *NAE Announcement, 28 May 2018, Positive Redmoor Study Results and re-commencement of drilling*

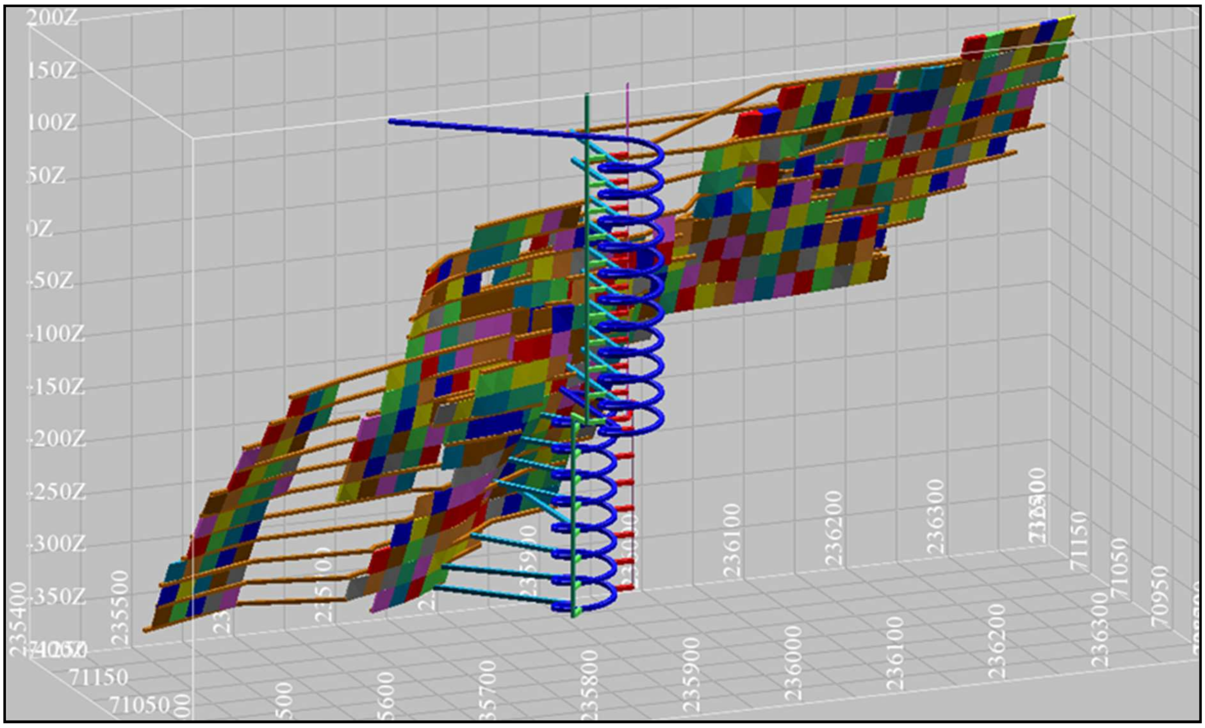

Figure 4 - Isometric view (looking north) of decline and stoping design (Mining One, May 2018)

Processing and Infrastructure Study

In May 2018, UK-based engineers, Fairport Engineering Limited ("Fairport") completed a study of the Redmoor processing plant and mine surface infrastructure[5]. Fairport has recent engineering design and construction management experience, having worked on a similar-scale tungsten processing plant in Spain. The processing plant design was based on a process flowsheet developed by metallurgical consultants Devlure in 2015, using historical metallurgical testwork undertaken on drill core samples at Redmoor which showed Redmoor to be a coarse-grained and relatively simple-to-process ore with high expected recoveries and low processing costs.

The Fairport study included preliminary design of a process plant and related surface infrastructure as well as capital and operating cost estimates.

Economic Evaluation

In May 2018, a high-level economic evaluation of the Redmoor project was completed internally by CRL[6], based on:

- The mining study,
- The processing and surface infrastructure study, and
- Estimates of other project costs made by CRL.

The results of the economic evaluation are encouraging and confirmed that the project is potentially economically attractive, and that further exploration and studies should be undertaken on the project.

While the project is expected to deliver excellent operating margins, the existing Inferred High Grade Resource of 4.5Mt, although providing a positive return, requires to be increased in order to achieve the Joint Venture partners criteria for development investment.

[5] *NAE Announcement, 28 May 2018, Positive Redmoor Study Results and re-commencement of drilling*
[6] *NAE Announcement, 28 May 2018, Positive Redmoor Study Results and re-commencement of drilling*

The results of the economic evaluation also show that, with an in-situ grade of 1.0% SnEq, as per the current inferred resource grade, attractive returns on investment, in excess of the Joint Venture partners criteria for investment, can be achieved. This is subject to the definition of additional resource tonnes and their addition to the mining inventory. CRL believe there is potential for this within the High Grade Exploration Target material and will be aiming to convert a significant portion of this through the 2018 drilling program now underway.

Redmoor 2018 Drilling Program[7]

CRL's shareholders are committed to a phased 2018 Redmoor drilling program of 5,000m to 10,000m in total of which the initial 4,200m (Phase 1) has been funded to date.

Figure 5 – Drilling at Redmoor (22 June 2018)

2018 Phase 1 Drilling Program

The 2018 Phase 1 Drilling Program of 7 holes (4,200m) commenced in June 2018 with the objectives of:

- Extending the Redmoor High Grade Inferred Resource within the broader sheeted vein system (SVS), aimed at converting a significant amount of the 4-6Mt exploration target to an inferred resource.
- Increasing grade of the Redmoor High Grade Inferred Resource. A number in the Phase 1 holes are being drilled well below depth of current inferred resource where grades appear to be higher.

The first 5 of 7 Phase 1 planned holes (CRD021 to CRD025) have now been drilled, all of which have intersected multiple high-grade zones within the SVS. Drilling of the 6th and 7th phase 1 holes (CRD026 and CRD027) is now underway and is expected to be completed in early October 2018.

[7] *NAE announcement 22 August 2018 – Redmoor Tin Tungsten Project Update*

Encouraging Results from Initial 2018 Phase 1 Holes[8]

Multiple high-grade zones were successfully intercepted within the Sheeted Vein System (SVS) in both of the first 2 holes of the Phase 1 program:

- CRD021: 14.21 m @ 1.13% SnEq from 644.63 m, including 1.59 m @ 5.06% SnEq
- CRD021: 7.65 m @ 1.48% SnEq from 670.02 m, including 1.09 m @ 4.84% SnEq
- CRD022: 9.75 m @ 1.01% SnEq from 405.00 m, including 1.50 m @ 3.42% SnEq
- CRD022: 14.10 m @ 1.44% SnEq from 420.35 m, including 2.00 m @ 4.55% SnEq
- CRD022: 10.88 m @ 0.92% SnEq from 483.36 m, including 4.20 m @ 1.89% SnEq

These outstanding results are the best achieved to date at Redmoor, almost all of which are higher grades than the current high-grade inferred resource (1.0% SnEq), highlighting the increasing grade with depth in CRL holes drilled to date at Redmoor.

The above intercepts provide strong evidence of down-dip extensions of the high-grade zones within the SVS (up to 180m below existing intercepts) and also potentially extend this deeper mineralisation along-strike.

Drilling of a 3 further holes (CRD023, CRD024 and CRD025) of the Phase 1 program is now completed and these holes are in the process of being sampled and analysed. Visually, all three holes have intersected multiple zones of tungsten and copper mineralisation of a similar appearance to that in CRD021 and CRD022.

Figure 6 - Well-developed wolframite in SVS quartz vein, drillhole CRD021, 645.08 m

[8] *NAE Release, 20 September 2018 - Outstanding Results from Initial 2018 Redmoor Holes*

Figure 7 - Coarse wolframite in SVS quartz vein, drillhole CRD022, 410.70 m

2018 Phase 2 Drilling Program

Based on the outstanding Phase 1 results to date, CRL's shareholders, NAE and SML, are reviewing plans to undertake additional drilling to further expand the size of the high-grade resource and at increasing the level of confidence of a portion of the resource to an Indicated Mineral Resource classification. These are prerequisites to commencing a Pre-Feasibility Study in 2019.

Community

CRL continues to prioritise maintenance of a close working relationship with the local community and local and County Councils. No complaints were received during the drilling programs and Cornwall Council Mineral Planners and Environmental Health Officers have both confirmed their satisfaction with how CRL implemented their 2017 program. CRL looks forward to continuously building positive relationships as the project develops and would like to thank the local community for their support.

Figure 8 - Drilling underway, with bales successfully used for acoustic mitigation

CRL has also entered into collaboration arrangements with local and regional universities; master's student research projects have been set up at with the Camborne School of Mines and the University of Portsmouth. Another project is in the planning stage with Plymouth University. A recent master's graduate who lives in Kelly Bray was provided with an informal internship during August.

Redmoor Further Exploration Upside

CRL has a large 23km^2 mineral rights area with significant mineral endowment that includes the following:

- Continuation of the SVS HG Zones below and to the west of the HG Inferred Resource and Exploration Target
- Blogster's prospect 1km to the west, and along strike of the SVS – historic mine and significant assay results from 2 shallow holes drilled in 1980 (see Figure 9)
- High-definition ground geophysical survey Feb 2018
- High Grade Lodes including Kelly Bray Lode (CRD011: 0.75 m @ 4.18% SnEq from 367.25 m) and numerous other historic mines / lodes offer additional potential

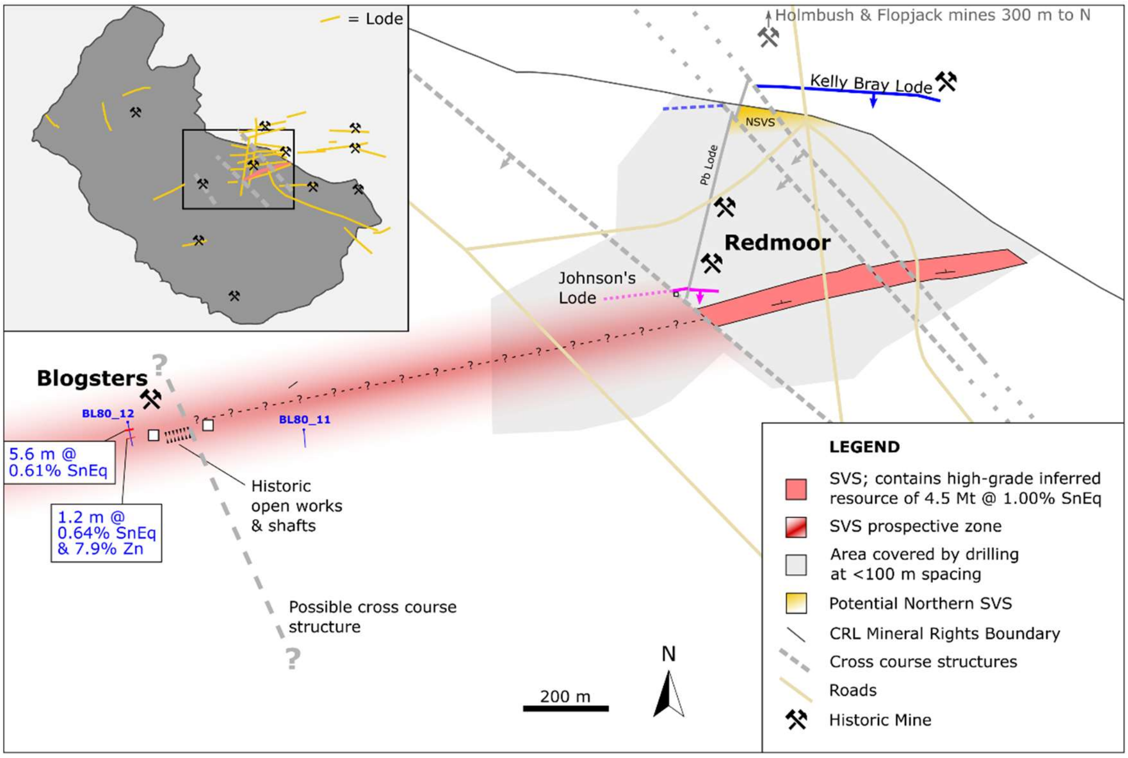

Figure 9 - Redmoor Further Exploration Potential

Benchmarking

The Redmoor High Grade Inferred Resource has been benchmarked against competitor tin and tungsten projects (Figure 10). Redmoor is in the world's top 5 highest grade tin-tungsten projects (SnEq basis) and the world's top 3 new projects on in-situ tin equivalent grade.

The Redmoor Inferred Resource has 45,000 tonnes of contained tin equivalent and the Exploration Target has the potential to increase this to 100,000 tonnes via the 2018 drilling underway, leading to the potential for Redmoor to become a world-class size project.

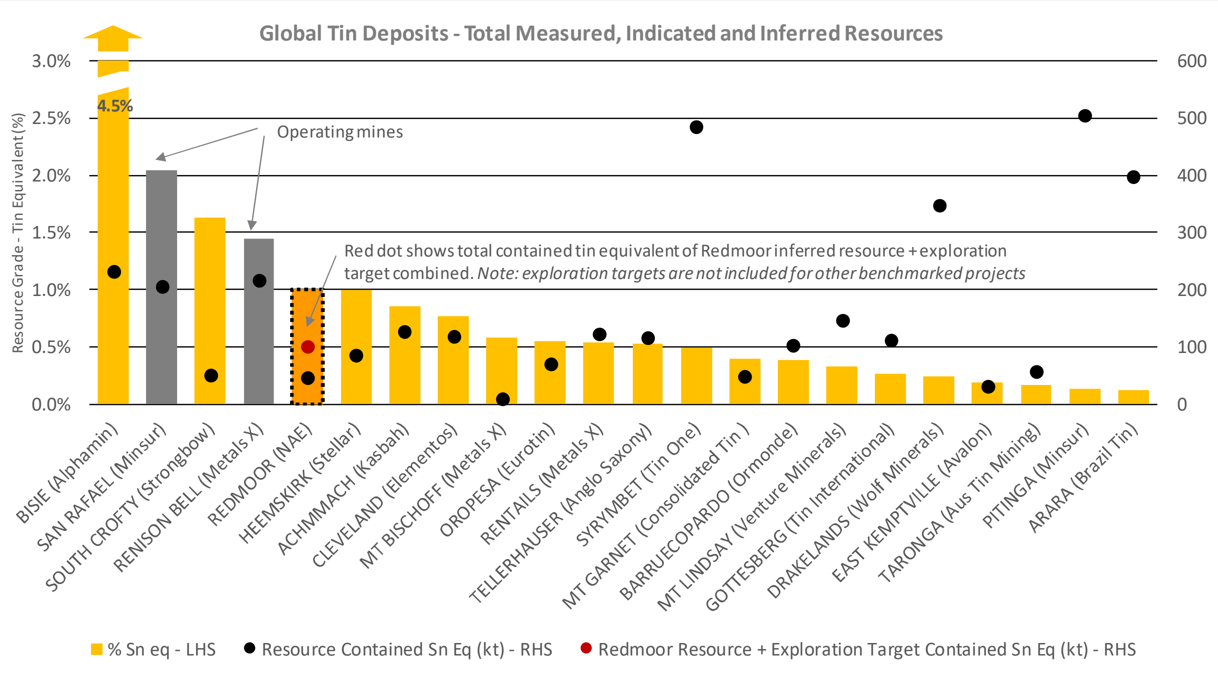

Figure 10 - Benchmarking of the Redmoor Project

Tin Outlook

During 2018, tin prices have ranged from US$19,500/t to US$22,000/t, the highest levels since 2014.

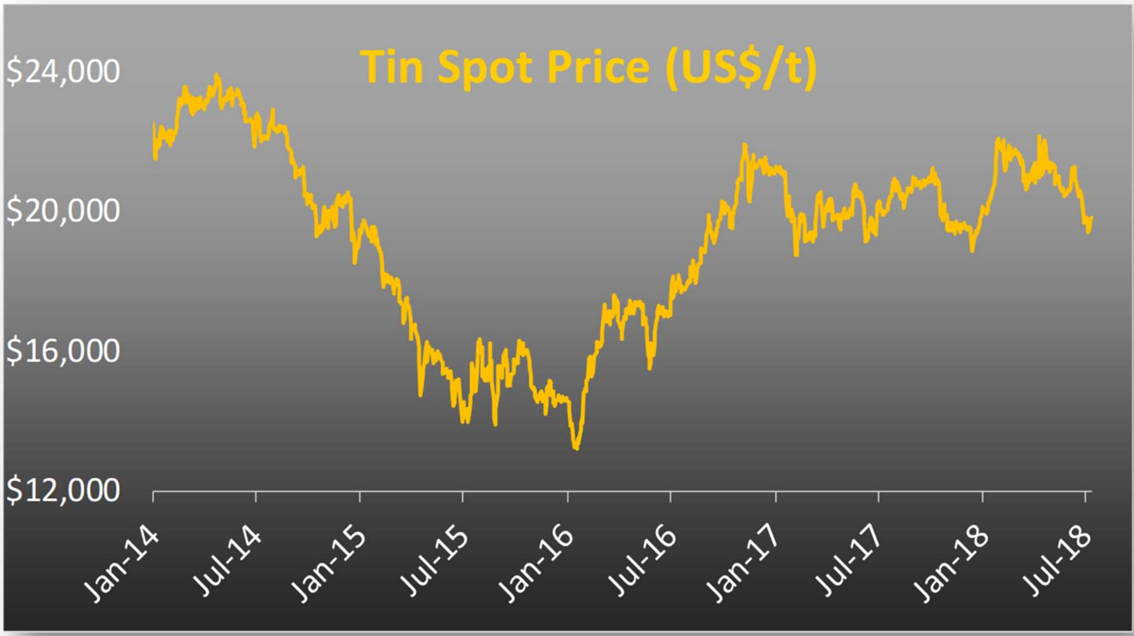

Figure 11 – Tin Price History

Tin is a critical metal for new technology with major uses including:

- Electronics – major use (48% of tin) as lead-free solder
- Electric Vehicles (EV)
- Robotics
- Renewables

According to the International Tin Research Institution (ITRI), "*Tin may be the forgotten Electric Vehicle metal*" (ITRI, Nov 2017). EV's have more electronics and therefore need more tin. Hybrid vehicles also need more sophisticated lead-acid batteries using a greater amount of tin. Next generation tin-based batteries are also under development.

There is also continued demand for conventional uses of tin including lead-acid batteries, tin plating, alloys and chemicals.

There is a global tin supply shortage due to:

- Declining global production (Indonesia environmental crackdowns, Myanmar appears to have peaked)
- Limited new projects
- Production levels below consumption
- LME tin stockpiles are at 20-year lows

Tin prices are expected to continue to rise due to supply shortages and growing demand fuelled by increased usage of tin in new technology.

Tungsten Outlook

The current spot tungsten APT price of ~US$345/Mtu is the highest price since 2014 and a 60% price increase over the last 12 months.

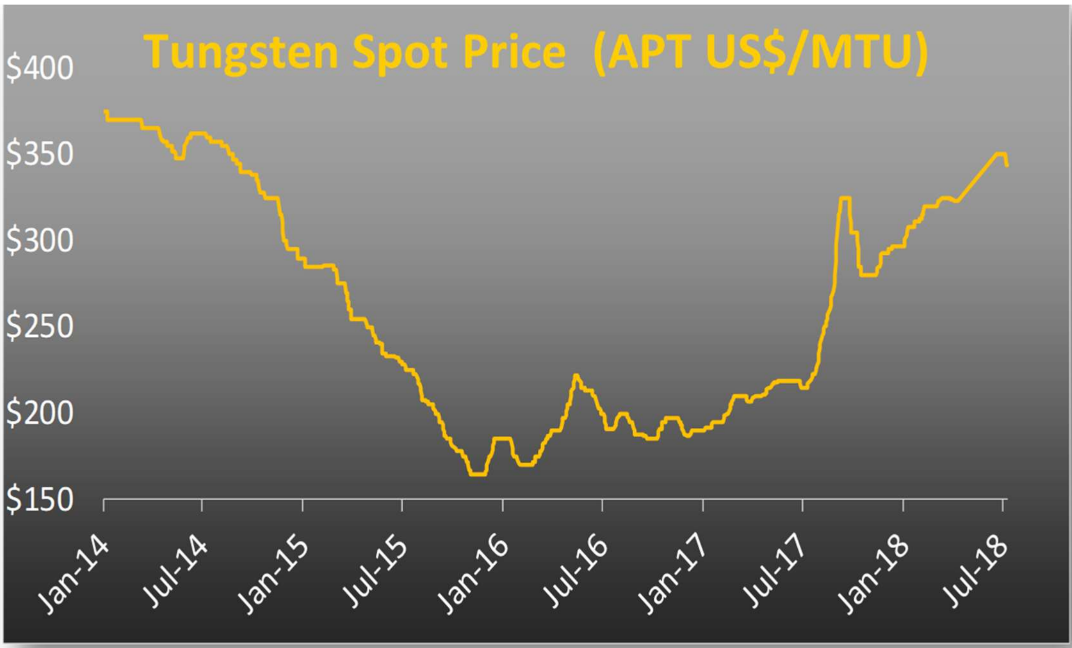

Figure 12 – Tungsten (APT) Price History

Tungsten is an essential metal in today's society due to its unique properties:

- Highest melting temperature of all metals
- Very high density
- Very high hardness

The major uses of tungsten include:

- Cemented carbide used in wear-resistant materials and cutting tools (e.g. drill bits &saw blades)
- Tungsten alloys used in high temperature applications such as aerospace and missile systems
- Light bulbs and car heating elements
- Growing use in electronics such as mobile phone components and heat sinks in CPU's and integrated circuits

China produces ~80% of the world's tungsten. Since 2017 Q4, there have been significant Chinese tungsten supply cutbacks due to Chinese enforcement of environmental regulations. A new series of Chinese environmental inspections over the next 3 years has been announced with the potential to further disrupt tungsten supply. Tungsten has been classified as a critical strategic material by US, Japan & the EU.

LOCHINVAR COKING COAL PROJECT, UK

The Lochinvar Coking Coal Project is located on the Scottish / English border. NAE was granted the initial (northern) Lochinvar exploration licence and conditional underground mining licence in June 2012. In July 2017, the northern Lochinvar licence was renewed for a further 3 years. NAE was granted the southern Lochinvar licence in October 2014 for an initial 5-year term. All the licences are in good standing and are 100% owned by NAE.

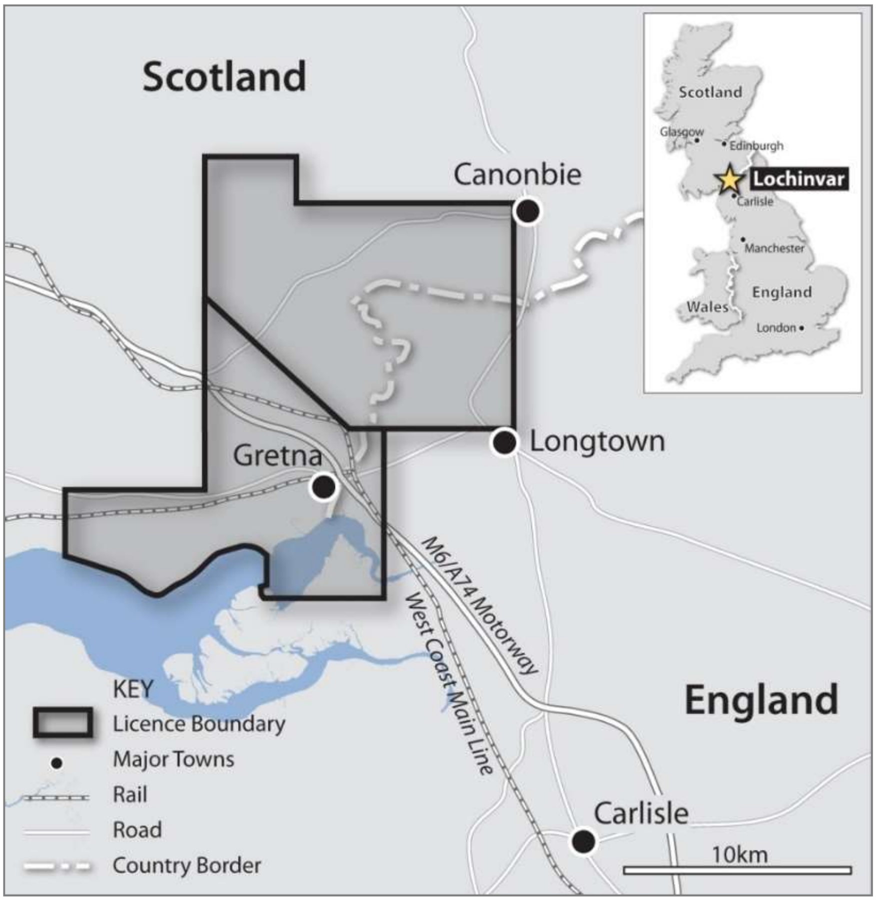

Figure 13 - Location of the Lochinvar Licences

Lochinvar Mineral Resource[9]

Following the completion of the extended Phase 1b drilling program, a revised structural interpretation and updated resource estimate were completed in August 2014. A 49Mt maiden Indicated Resource and 62Mt Inferred Resource was defined for the Nine Foot and Six Foot Seams as shown in Table 3.

Table 3 - Lochinvar Indicated and Inferred Resource Summary (August 2014)

Coal Seam (Air Dried Basis)	Indicated Resource (Mt)	Inferred Resource (Mt)	Total Resource (Mt)
Nine Foot Seam	37	49	86
Six Foot Seam	13	13	26
Total	49	62	111

[9] NAE announcement 29 August 2014, Lochinvar Resource Upgrade and Product Quality

Lochinvar Scoping Study Update (2017) [10]

A Scoping Study was completed for the Lochinvar project during 2014 and then updated in March 2017. The March 2017 updated Lochinvar Scoping Study established a base-case $NPV_{9\%}$ for the project, determined to an accuracy of ±40%, of approximately US$410M, an IRR of approximately 27% and a payback period of approximately 4 years**.** The updated Scoping Study results also demonstrate that the Lochinvar Project is robust to changes in Coking Coal price and other key assumptions (break even HCC price is US$100/t). The economic evaluation is based on a US$160/t HCC Benchmark Price / US$150/t Lochinvar Realised Price.

The Scoping Study identified the following base case for the Lochinvar project:

- Underground longwall mine (200m wide longwall face) with drift access to the surface
- Development roadways constructed by 3 continuous miners
- 1.9 Mtpa ROM coal mined underground and conveyed to ROM stockpile on surface
- Coal Processing Plant producing 1.4Mtpa clean saleable coking coal (71% yield) – fed by front end loader (see Figure 14)
- Clean coal conveyed from the Coal Processing Plant to nearby final product stockpiles next to rail siding
- Short rail siding connecting to the West Coast Main Line (WCML)
- Coal loaded from final product stockpiles into rail wagons for direct delivery to UK steel mills or exported to European mills
- Rejects trucked to nearby contoured reject storage area.

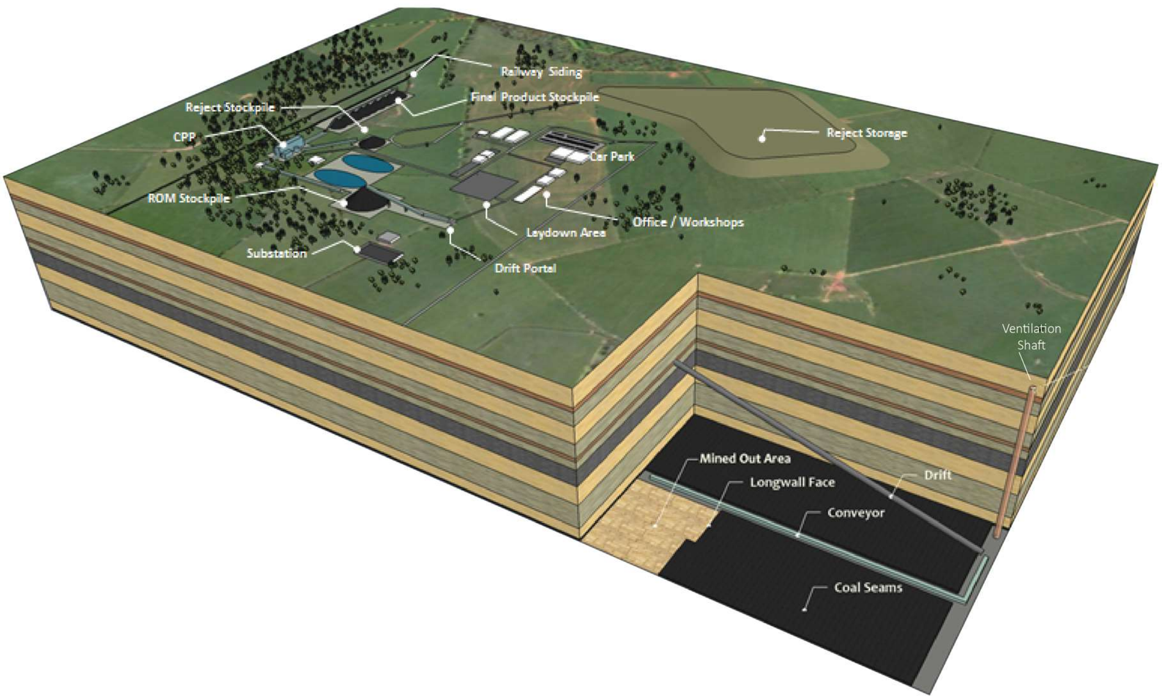

Figure 14 - Schematic Lochinvar Mine ad Surface Layout

The Lochinvar Scoping Study confirmed the potential for a long life underground mining operation producing a low ash, high volatile coking coal to supply domestic UK and European steel mills, with operating costs in the lowest quartile of the global seaborne coking coal cost curve.

[10] *NAE announcement March 2017, Lochinvar Scoping Study Update*

Lochinvar benefits from immediate access to existing rail and port infrastructure (see Figure 15) and locally available utilities required to develop the project.

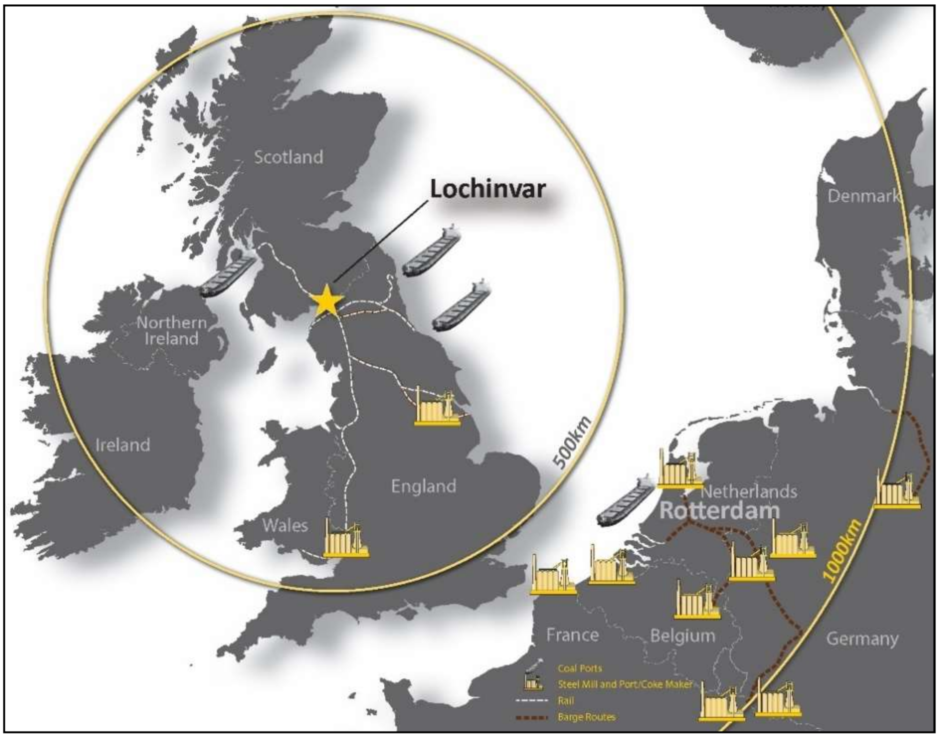

Figure 15 - Lochinvar Location Relative to Potential Markets

These results show the potential for the Lochinvar project to deliver excellent returns on investment with lowest quartile operating costs resulting from short rail transport distances, low labour costs, high coal yield (71%), low royalties, and low taxes.

Lochinvar sits comfortably in the lowest quartile of the 2017 Wood Mackenzie Global Seaborne Coking Coal FOB cost curve. With a total FOB Operating Cost of US$58/t, Lochinvar has the potential to deliver a low-cost, long life operation which is ideally located to supply the European steel industry.

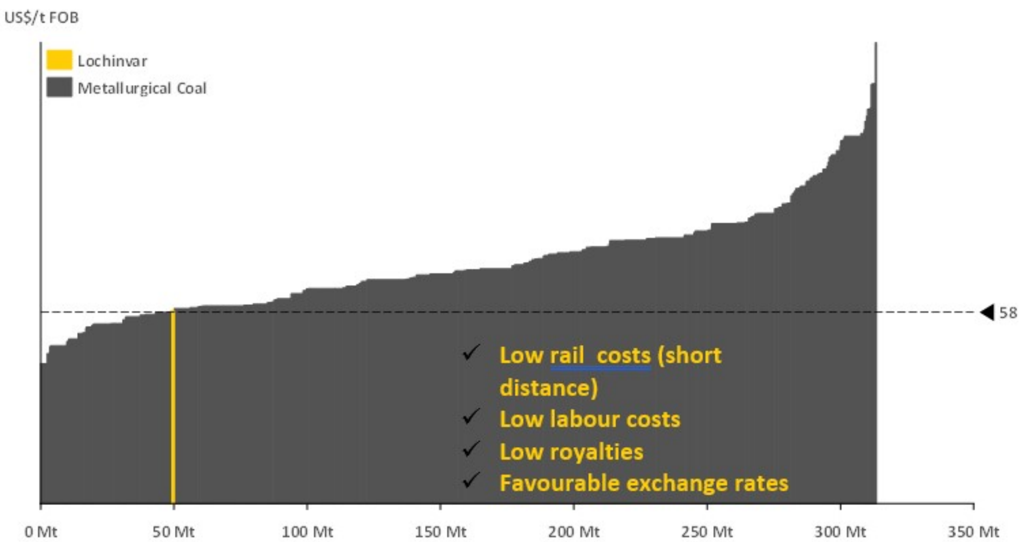

Figure 16 - 2017 Global Seaborne Metallurgical Coal Total Cash Cost Curve (source: Wood Mackenzie)

Coking Coal Price Outlook

Hard coking coal benchmark prices have stabilized in the US$175/t to US$225/t FOB Australia price levels over the past 12 months. This represents a stepped improvement in prices from 2014-2016 cyclical low levels. The average Hard Coking Coal Price over the last 7 years has been ~US$175/t.

Current hard coking coal benchmark prices now well exceed the NAE Directors' view that it is probable that the hard coking coal benchmark price will remain in the range of US$140/t to US$170/t over the medium to long term. A hard coking coal benchmark price of US$160/t was used for the Lochinvar Scoping Study Update compared to current spot price of US$182/t in early September.

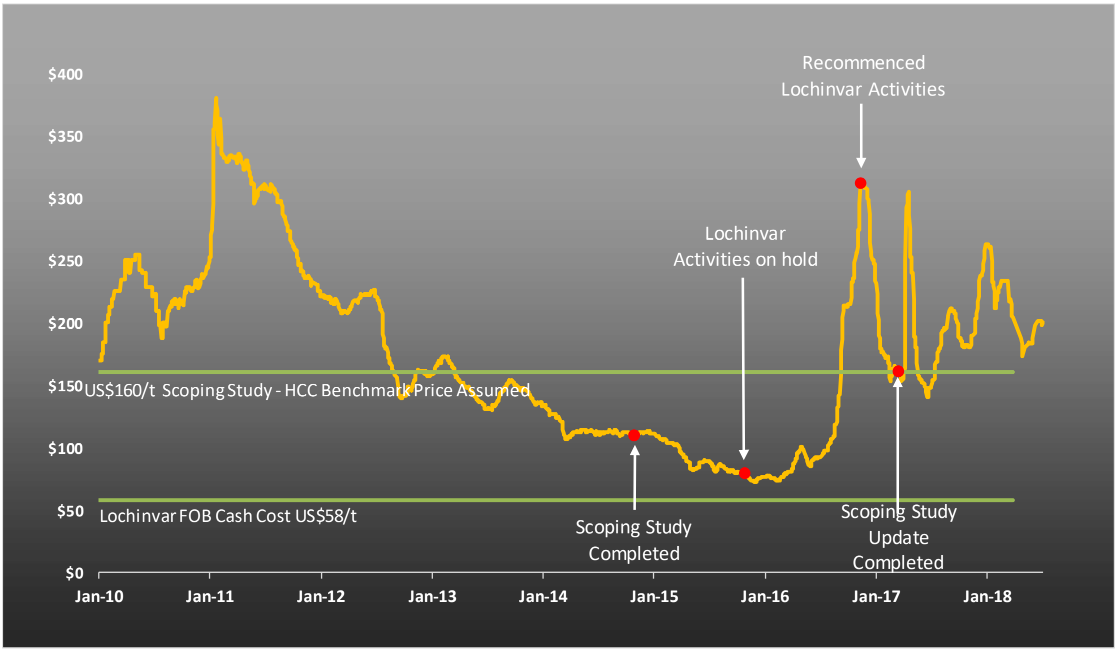

Figure 17 – Hard Coking Coal Price History (US$/t FOB Australia)

Lochinvar Strategic Investor Update

The Company is refocusing its efforts to identify strategic investors that can advance the Lochinvar project.

OTAGO SOUTHERN SHEAR ZONE GOLD EXPLORATION PROJECT, NZ

Two prospecting permits over the Otago South Gold Project covering a total area of 876 km^2 were granted to NAE on 17 October 2016. During 2017, an initial exploration program was completed over these permits. The program targeted shear hosted gold mineralisation in the south of the Otago Schist belt where recent research has identified the possibility of a 'mirror image' of the geology present in the north of the schist belt some 60km away which hosts the (>10Moz Au) Macraes gold mine.

An initial exploration program comprising 877 soil samples and 246 rock chip samples was completed in early 2016; however, the results did not identify any significant anomalous levels of arsenic (a pathfinder mineral for gold) for follow up exploration. Due to the results to date and to increased annual permit fees, NAE relinquished in July 2017 approximately 75% of the total area of both permits. The retained areas contain the most promising ground containing a number of historic gold workings and are the closest to known local alluvial gold deposits, e.g. Gabriel's Gully (>0.5Moz Au).

Mapping work was undertaken during December and January by Dr MacKenzie targeting the Otago Pioneer Quartz (OPQ) historic mining area near Lake Mahinerangi on the Mahinerangi prospecting permit area retained. Records indicate that the OPQ reef was mined over 100 years ago averaging 2m wide over a strike length of at least 1,200m and yielding an average of around 13 grams per tonne Au. Exploration around the OPQ mine area by Macraes Mining Company between 1991 and 1997 further demonstrated As and Au soil anomalies over a distance of approximately 1km strike length.

In February 2018, a soil sampling program was undertaken comprising 6 lines and 73 soil samples targeting along strike extensions of the OPQ reef with soil samples analyzed using a portable XRF instrument. A further 2 sample lines were conducted on possibly similar strike targets in the far south of the permit. Selected samples were sent to the laboratory for Au analysis with results showing anomalous gold values at various distances along possible southeast and northwest strike extensions of the OPQ Reef. In particular, two samples collected by man-portable percussion core drilling into the weathered schist through deep loess cover recorded gold values of 1.4ppm and 0.6ppm. These two samples are approximately 700m southeast and along strike of the OPQ anomaly as previously defined by Macraes Mining Company.

A follow-up soil sampling program using a man portable drill has recently been completed over the OPQ gold target and samples are currently being sent to the laboratory for gold analysis. The results will be released when available and will inform the next steps on the project.

A stream sediment sampling program was also undertaken in February on the Teviot permit near Beaumont. A total of 8 samples were collected and analyzed for gold in panned concentrate. Several of the stream sample results showed anomalous levels of gold.

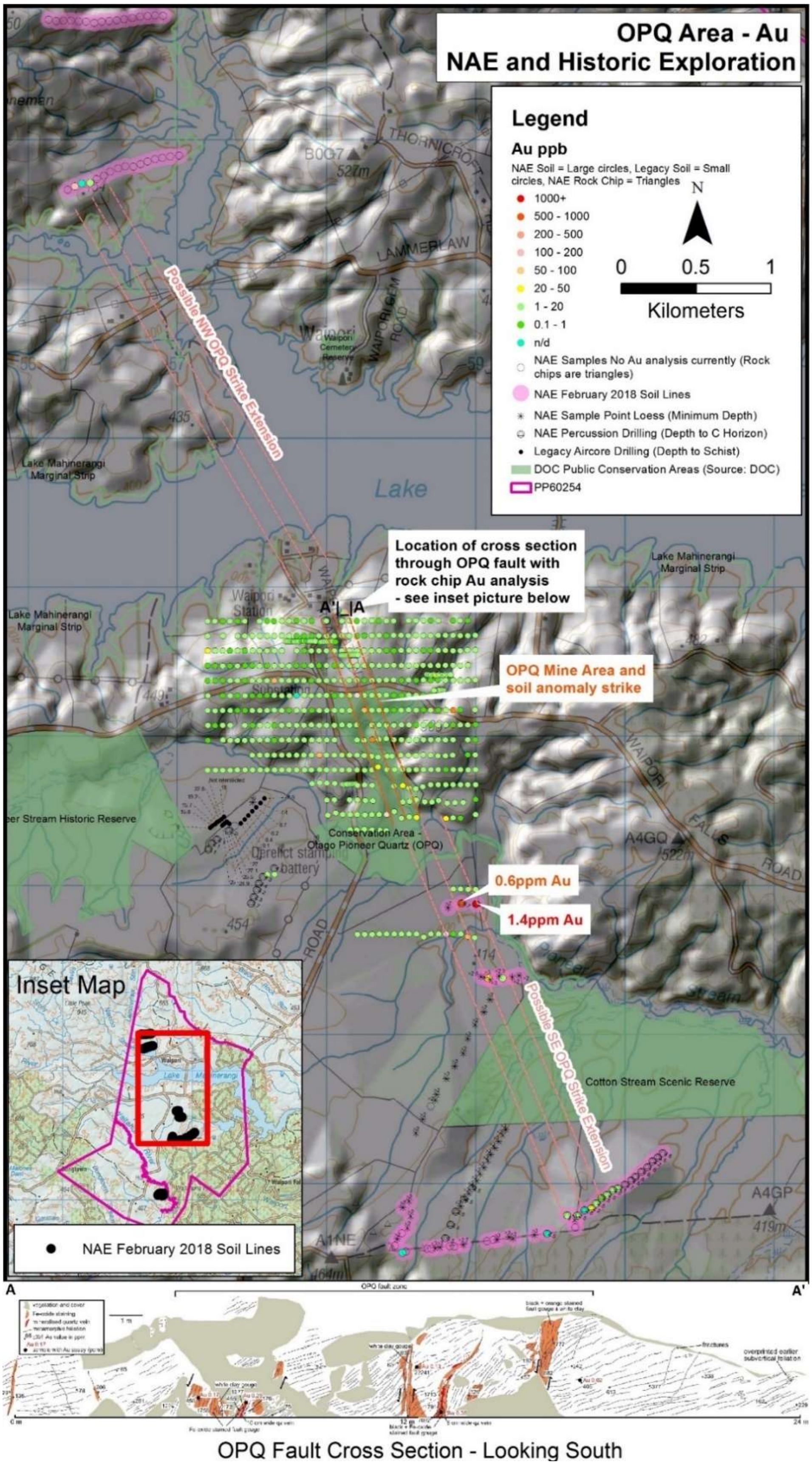

Figure 18 - Map showing Soil Au Results around OPQ Reef area (Historic Macraes and NAE 2018 Sampling)

CORPORATE

$1.6m Placement

In June 2018, a $1.6m, two-tranche placement, led by CPS Capital, was announced to fund the Redmoor project and NAE working capital requirements.

- Tranche 1 of the placement was completed in June 2018 raising $728,000 via the issue of 112,000,000 shares issued at 0.65 cents per share.
- Tranche 2 of the placement was completed in July 2018, following shareholder approval, raising a further $872,000 via the issue of 134,153,846 shares at 0.65 cents per share.
- CPS Capital were issued 14,769,231 shares for payment of their broker fee for the Placement, being 6% of the total funds raised. CPS has elected to take its brokers fee in full by way of the issue of shares at a deemed issue price of 0.65 cents per share.

The Company's Placement capacity was refreshed at an EGM held in July 2018.

Additional Investment in Cornwall Joint Venture

NAE has continued to fund its 50% share in Cornwall Resources Limited via placement of shares amounting to £278,007 during the financial year. Subsequent to year-end, NAE funded a further £332,000 of the £664,000 Redmoor 2018 Phase 1 Drilling Program, with NAE's JV partner, Strategic Minerals Plc, also having funded its 50% share.

The Directors present their report, together with the consolidated financial statements of the Group comprising of New Age Exploration Limited (the Company) and its subsidiaries, for the financial year ended 30 June 2017 and the auditor's report thereon.

Directors

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

Mr A Broome AM (Non-Executive Chairman)
Mr G Fietz (Managing Director)
Mr M Amundsen (Non-Executive Director)

Company Secretary

Mr A Wing (B.Bus, CPA) was the company secretary of the Company during the whole of the financial year and up to the date of this report. Mr Wing is CPA qualified. He practised in the audit and corporate divisions of a chartered accounting firm before working with a number of public companies listed on the Australian Securities Exchange as a corporate/accounting consultant and company secretary.

Meetings of directors

The number of meetings of the Company's Board of Directors and of each Board committee held during the year ended 30 June 2018, and the number of meetings attended by each director were:

	Full Board		Audit Committee	
	Held	**Attended**	**Held**	**Attended**
Mr A Broome AM	8	8	2	2
Mr G Fietz	8	8	2	2
Mr M J Amundsen	8	8	2	2

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

Information on directors as at 30 June 2018

Name:	**Mr Alan Broome AM (I.Eng, F.AusIMM, FAICD, FICME, MInstD (NZ))**
Title:	Non-Executive Director and Chairman
Experience and expertise:	Mr Broome is a metallurgist with over 40 years' experience in mining and metals. A well-known figure in the Australian mining industry, Alan has extensive board experience, both as a director and chairman, of a number of listed and unlisted mining and mining technology companies. Over the past 20 years, Alan has had in-depth experience in coal mining, mining technology, equipment, services and research sectors, both in Australia and abroad.
Other current directorships:	Strategic Minerals plc (Chairman) – August 2015 to date
Former directorships (in the last 3 years):	Nil
Special responsibilities:	Chairman of the Board
Interests in shares:	475,000 ordinary shares
Interests in options:	Nil
First appointed to the Board:	18 February 2013

Name:	**Mr Gary Fietz (BSc (Hons), AusIMM)**
Title:	Managing Director
Experience and expertise:	Mr Fietz holds a degree in geology and is a senior resources industry executive with over 30 years' experience in all aspects of exploration, business development and project evaluation. His extensive international experience includes 21 years with BHP Billiton, primarily working in the iron ore business group. Mr Fietz has also worked on coal, base metals and gold projects. He held the position of Project Director, West Africa for BHP Billiton Iron Ore where he was responsible for the direction of exploration programs and project development of an advanced tier one project within the region. He was also the Vice President, Iron Ore Business Development with responsibility for assessing global iron ore business development opportunities for BHP Billiton.
Other current directorships:	Nil
Former directorships (in the last 3 years):	Nil
Special responsibilities:	Managing Director
Interests in shares:	445,000 ordinary shares
Interests in options:	Nil
First appointed to the Board:	6 May 2010

Name:	**Mr Michael John Amundsen (FAICD, M.AusIMM)**
Title:	Non-Executive Director
Experience and expertise:	Mr Mike Amundsen provides corporate advisory services and has had over 30 years' experience in the global resource sector. Mr Amundsen was previously CEO and Managing Director at FerrAus Limited, a company listed on the ASX. Prior to that, Mr Amundsen held senior business roles at BHP Billiton Carbon Steels Materials Group, including coking coal and iron ore businesses. During his 28 years with BHP Billiton, Mr Amundsen held numerous positions in business development, finance, planning and strategy. While at BHP Billiton, Mr Amundsen spent 7 years on the Board of the Brazillian iron ore producer Samarco (a 50:50 joint venture between Vale and BHP Billiton).
Other current directorships:	Nil
Former directorships (in the last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	450,000 ordinary shares
Interests in options:	Nil
First appointed to the Board:	9 February 2012

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

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

Principal activities

During the financial year, the Group made significant progress with advancing its Redmoor Tin-Tungsten project and its Otago South Gold project.

The Company's major focus this year has been the Redmoor Tin-Tungsten Project in Cornwall, UK operated by Cornwall Resources Limited (CRL), which is 50% owned by NAE. The year commenced with the successful 2017 drilling program that resulted in doubling of the Redmoor High Grade Inferred Resource in March 2018. A preliminary economic evaluation of the project including mining, processing, and infrastructure studies was then completed providing the Company and its joint venture partner, Strategic Minerals Plc, the confidence that the Redmoor project has the potential to deliver attractive returns on investment and to proceed with further drilling in 2018 aimed at both increasing the size and grade of the resource and increasing the level of confidence in the resource. The 2018 drilling program is now well underway with the initial two holes from the 2018 Phase 1 program confirming that the deposit extends significantly at depth and that the grade is increasing with depth.

Early stage exploration work has been undertaken during the year at the Otago South Gold exploration project with recent results identifying a high-grade quartz vein target surrounding the historic Otago Pioneer Quartz Mine.

The Company is continuing to maintain its 100% holding in the Lochinvar coking coal project which is a low-cost major coking coal asset, strategically located to supply the UK and European steel industry. Investor confidence is returning in coking coal as commodity prices continue to stabilize at attractive prices. Efforts are being refocused on identifying a strategic investor that will enable the project to be advanced.

Dividends

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

Review of operations

The profit for the Group after providing for income tax and non-controlling interests amounted to $960,492 (2017: profit of $689,623).

In the previous year, the Group's interest over Cornwall Resources Ltd ("CRL", previously NAE Resources UK Ltd) declined to 50% resulting in a loss of control. CRL was deconsolidated from the group and a gain of $1.43 million was recorded from the deconsolidation. In the current year, the impairment loss on the Lochinvar exploration asset from prior years of $1,707,536 was reversed.

Additional information on the Company's operations is included in the detailed Activities Report preceding this Directors' report.

Significant changes in the state of affairs

During the year, the Company invested in additional shares in Cornwall Resources Ltd to retain its 50% interest in the Redmoor Project, with the other 50% also being retained by joint venture partner Strategic Minerals Plc ("SML").

Contributed equity increased by $728,000 as a result of the issue of 112,000,000 shares at an issue price of $0.0065 (0.65 cents) per share. This represented Tranche 1 of a two-tranche arrangement to raise a total $1,600,000 from sophisticated investors, led by CPS Capital, as announced on 19 June 2018.

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

Matters subsequent to the end of the financial year

In August 2018, the Company raised $872,000 via the issue of 134,153,846 shares at 0.65 cents per share. This completed Tranche 2 of the total $1.6 million placement. The Company also issued 14,769,231 shares to CPS Capital at the 0.65 cents per share (6% of the total funds raised) as payment of their broker fee. CPS elected to take its brokers fee in full by way of the issue of these shares.

In July 2018, NAE funded a further £332,000 of the £664,000 Redmoor 2018 Phase 1 Drilling Program.

No other matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

<u>Redmoor Tin-Tungsten Project</u>

Based on the outstanding Phase 1 results to date, CRL's shareholders, NAE and SML, are currently reviewing plans to undertake additional drilling to further expand the size of the high-grade resource and at increasing the level of confidence of a portion of the resource to an Indicated Mineral Resource classification. These are prerequisites to commencing a Pre-Feasibility Study in 2019.

<u>Otago South Gold Exploration Project</u>

A follow-up soil sampling program using a man portable drill has recently been completed over the high-grade quartz vein target surrounding the historic Otago Pioneer Quartz Mine on NAE's prospecting permits in Otago, New Zealand. Samples have been sent to the laboratory for gold analysis. The results will be released when available and will inform the next steps on the project.

Lochinvar Coking Coal Project
The Company will continue to maintain its 100% holding in the Lochinvar coking coal project which is a low-cost major coking coal asset, strategically located to supply the UK and European steel industry. Efforts are being refocused to identify a strategic investor that will enable the project to be advanced.

Environmental regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia as at this date.

The Group's exploration activities in the United Kingdom and New Zealand are subject to environmental regulations in those countries. The Board maintains responsibility that the Group is in compliance with all relevant environmental legislation and maintains a high standard of environmental care. During the year, there were no known breaches of tenement conditions, and no such breaches have been notified by any government agencies.

Remuneration report (audited)

The remuneration report, which has been audited, outlines the director and other key management personnel 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:

- A - Principles used to determine the nature and amount of remuneration
- B - Details of remuneration
- C - Service agreements
- D - Share-based compensation
- E - Additional information

A Principles used to determine the nature and amount of remuneration

Remuneration Policy

The Board practice for determining the nature and amount of remuneration of directors and other key management personnel is agreed by the Board of Directors as a whole. The Board obtains professional advice where necessary to ensure that the Group attracts and retains talented and motivated Directors and employees who can enhance Group performance through their contributions and leadership.

Remuneration consists of a fixed remuneration, performance-based bonuses and long term share options as considered appropriate. The Board believes that options are an effective remuneration tool which preserves the cash reserves of the Group whilst providing valuable remuneration.

Executive Director Remuneration

Due to the limited size of the Group and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. In determining the level and make-up of the Executive Director remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience.

Remuneration is periodically compared to relevant external market conditions. This is done based on surveys of peer companies' Managing Director remuneration and also taking into account the increase in consumer price index. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

No external consultant was engaged during the year for the purpose of remuneration review.

Non-Executive Director Remuneration

Non-executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act at the time of the Directors retirement or termination. Non-Executive Directors remuneration may include an incentive portion consisting of bonuses and/or options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with the ASX Listing Rules.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers the amount of Director fees being paid by comparable companies with similar responsibilities and the experience of the Non-Executive Directors when undertaking the annual review process.

The Group determines the maximum amount for remuneration, including thresholds for share-based remuneration, for Directors by resolution. At the Annual General Meeting held on 28 November 2012, shareholders approved $300,000 as the annual maximum amount of remuneration that may be allocated to all Non-Executive Directors. Further details regarding components of Director and executive remuneration are provided in the following tables.

Group performance, shareholder wealth and director and other key management personnel remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and other key management personnel through successfully achieving its primary objectives. During exploration project development phase, these objectives are not linked to earnings. Instead, the successful discovery or acquisition of mineral resources and progress with project development are the primary means of value creation and thus, are the primary objectives of the Company. The achievement of this aim has been through the issue of options to Directors to encourage the alignment of personal and shareholder interests. The recipients of the options are responsible for growing the Group and increasing shareholder value. If they achieve this goal, the value of the options granted to them will also increase. Therefore, the options provide an incentive to the recipients to remain with the Group and to continue to work to enhance the Group's value.

B Details of remuneration

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 major activities) of the Group are set out in the following tables.

	Short-term benefits		**Post-employment benefits**			**Performance**
	Salary/Fees (2)	**Bonus**	**Superannuation**	**Options**	**Total**	**Related**
2018	**$**	**$**	**$**	**$**	**$**	**%**
Non-Executive Directors:						
Mr A Broome AM	60,000	-	-	-	60,000	-
Mr M Amundsen	37,500	-	-	-	37,500	-
Executive Director						
Mr G Fietz (1)	270,177	-	25,000	-	295,177	-
Company Secretary:						
Mr A M Wing	35,004	-	-	-	35,004	-
	402,681	-	25,000		427,681	-
2017	**$**	**$**	**$**	**$**	**$**	**%**
Non-Executive Directors:						
Mr A Broome AM	46,667	-	-	-	46,667	-
Mr M Amundsen	25,900	-	-	-	25,900	-
Executive Director						
Mr G Fietz (1)	242,157	-	22,828	-	264,985	-
Company Secretary:						
Mr A M Wing	25,067	-	-	-	25,067	-
	339,791	-	22,828		362,619	-

(1) Gary Fietz's wife was also paid $5,081 (2017: $28,558) for administrative and investor relations support services. Refer to Note 19 of the financial statements.
(2) Includes any salary sacrifice superannuation

C Service agreements

NAE has an Executive Service Agreement (ESA) with its Managing Director, Mr Gary Fietz, which commenced on 11 March 2010. The agreement stipulates an annual remuneration of $290,000 plus superannuation of $30,000 per annum. The ESA allows for Mr Fietz to receive a one-off cash bonus equivalent to one year's annual remuneration upon the Group successfully completing the acquisition of a Material Project. The Group may terminate the ESA without cause at any time by the payment of 6 months annual remuneration.

Pursuant to the terms of the ESA, the Board approved on 26 November 2012 the payment of a $100,000 performance bonus to Mr Fietz reflecting the substantive progress in a primary project in Lochinvar. The amount paid will be deducted from any future one-off cash bonus equivalent to one year's salary per the ESA with Mr Fietz.

From 1 March 2017, Mr Fietz's annual remuneration was adjusted to $270,000 plus $25,000 superannuation.

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

D Share-based compensation

Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2018.

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

2018	**Balance at the start of the year**	**Received as part of remuneration**	**Additions**	**Disposals/ Other**	**Balance at the end of the year**
Ordinary shares					
Alan Broome AM	475,000	-	-	-	475,000
Gary Fietz	445,000	-	-	-	445,000
Michael Amundsen	450,000	-	-	-	450,000
Adrien Wing	750,000	-	9,150,000	-	9,900,000
	2,120,000	-	9,150,000	-	11,270,000
2017					
Ordinary shares					
Alan Broome AM	475,000	-	-	-	475,000
Gary Fietz	445,000	-	-	-	445,000
Michael Amundsen	450,000	-	-	-	450,000
Adrien Wing	750,000	-	-	-	750,000
	2,120,000	-	-	-	2,120,000

Options

There were no options issued to Directors or other key management personnel as part of compensation during the year ended 30 June 2018.

Options holdings

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

2018	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/other	Balance at the end of the year	Vested and exercisable
Options over ordinary shares						
Alan Broome AM	-	-	-	-	-	-
Adrien Wing	-	-	-	-	-	-
Gary Fietz	-	-	-	-	-	-
Michael Amundsen	-	-	-	-	-	-
	-	-	-	-	-	-
2017						
Options over ordinary shares						
Alan Broome AM	-	-	-	-	-	-
Adrien Wing	-	-	-	-	-	-
Gary Fietz	-	-	-	-	-	-
Michael Amundsen	-	-	-	-	-	-
	-	-	-	-	-	-

E Additional information

The earnings of the Group for the five years to 30 June 2018 are summarised below:

	2014 $	2015 $	2016 $ *restated	2017 $	2018 $
Income	97,155	23,014	944,794	1,746,521	1,776,869
Net profit/(loss) before tax	(4,052,230)	(3,074,884)	547,997	689,623	960,492
Net profit/(loss) after tax	(4,052,230)	(3,074,884)	547,997	689,623	960,492

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

	2014	2015	2016 *restated	2017	2018
Share price at start of year ($)	0.027	0.018	0.004	0.009	0.010
Share price at end of year ($)	0.018	0.004	0.009	0.010	0.006
Basic earnings/(loss) per share (cents per share)	(1.42)	(0.98)	0.17	0.17	0.21
Diluted earnings/(loss) per share (cents per share)	(1.42)	(0.98)	0.17	0.17	0.21

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of the Company under option at the date.

Shares issued on the exercise of options

No shares of the Company were issued during the year ended 30 June 2018 on the exercise of options granted.

Indemnity and insurance of officers

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

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

Indemnity and insurance of auditor

The Company has not, during or since 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 Group

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 Group for all or part of those proceedings.

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.

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

On behalf of the directors

G. C. Fietz

Gary Fietz
Managing Director

21 September 2018
Melbourne

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of New Age Exploration Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Dated: 21 September 2018
Melbourne, Victoria

	Note	Consolidated 30 June 2018 $	Consolidated 30 June 2017 $
Income			
Gain on deconsolidation of subsidiary		-	1,430,205
Reversal of impairment on exploration assets		1,707,536	166,518
Other income	4	69,333	149,798
		1,776,869	1,746,521
Expenses			
Corporate expenses		(187,394)	(208,498)
Occupancy expenses		(25,631)	(23,529)
Employee benefits expenses	5	(473,083)	(424,338)
Exploration and evaluation expenses	10	-	(53,556)
Administrative expenses		(76,500)	(89,783)
Legal expenses		(23,725)	(13,584)
Travel and accommodation		(31,202)	(26,547)
Share in net gain/(loss) of joint venture		1,158	(62,229)
Loss on foreign currency movement		-	(139,155)
Write off of receivables		-	(15,679)
		816,377	1,056,898
Profit before income tax expense		960,492	689,623
Income tax expense	6	-	-
Profit after income tax expense		960,492	689,623
Other comprehensive income/(loss) for the year			
Items that may be reclassified subsequently to profit or loss			
- Exchange differences on translation of foreign operations		298,330	(214,491)
Other comprehensive income/(loss) for the year net of tax		298,330	(214,491)
Total comprehensive income/(loss) for the year		1,258,822	475,132
Profit for the year attributable to:			
Owners of New Age Exploration Limited		960,492	689,623
		960,492	689,623
Total comprehensive income/(loss) for the year attributable to:			
Owners of New Age Exploration Limited		1,258,822	475,132
		1,258,822	475,132
Earnings per share from continuing operations attributable to the owners of New Age Exploration Limited			
		Cents	**Cents**
Basic earnings per share	21	0.21	0.17
Diluted earnings per share	21	0.21	0.17

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

	Note	Consolidated 30 June 2018	Consolidated 30 June 2017
		$	$
Current assets			
Cash and cash equivalents	7	1,053,352	1,724,318
Trade and other receivables	8	33,210	32,704
Prepayments		19,808	3,088
Other financial assets	11	25,000	25,000
Total current assets		1,131,370	1,785,110
Non–current assets			
Plant and equipment		3,425	-
Investment in joint venture	9	2,160,217	1,674,749
Exploration and evaluation assets	10	6,777,775	4,603,750
Total non-current assets		8,941,417	6,278,499
Total assets		10,072,787	8,063,609
Current liabilities			
Trade and other payables		114,788	106,638
Provisions	12	34,847	20,641
Total current liabilities		149,635	127,279
Total liabilities		149,635	127,279
Net assets		9,923,152	7,936,330
Equity			
Equity attributable to members of the parent:			
Contributed equity	13	26,220,788	25,492,788
Reserves	14	717,751	419,421
Accumulated losses		(17,015,387)	(17,975,879)
Total parent entity interest		9,923,152	7,936,330
Total equity		9,923,152	7,936,330

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

Consolidated	Attributable to owners of New Age Exploration Limited				
	Contributed Equity $	Reserves $	Accumulated Losses $	Non- Controlling Interests $	Total $
At 1 July 2017	25,492,788	419,421	(17,975,879)	-	7,936,330
Profit for the year	-	-	960,492	-	960,492
Other comprehensive income	-	298,330	-	-	298,330
Total comprehensive income for the period	-	298,330	960,492	-	1,258,822
Transactions with owners in their capacity as owners:					
Issue of shares	728,000	-	-	-	728,000
As at 30 June 2018	26,220,788	717,751	(17,015,387)	-	9,923,152

At 1 July 2016	23,641,688	648,612	(18,890,370)	31,853	5,431,783
Profit for the year	-	-	620,982	-	620,982
Reclassification from other comprehensive income taken to profit and loss	-	(68,641)	68,641	-	-
Other comprehensive income	-	(145,850)	-	-	(145,850)
Total comprehensive loss for the period	-	(214,491)	689,623	-	475,132
Transactions with owners in their capacity as owners:					
Issue of shares	1,951,667	-	-	-	1,951,667
Expiry of options	-	(14,700)	14,700	-	-
Issue costs	(100,567)	-	-	-	(100,567)
Deconsolidation of Cornwall Resources Ltd (Note 19)	-	-	210,168	(31,853)	178,315
As at 30 June 2017	25,492,788	419,421	(17,975,879)	-	7,936,330

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

	Note	Consolidated 30 June 2018 $	Consolidated 30 June 2017 $
Cash flows from operating activities			
Payments to suppliers and employees		(829,935)	(783,562)
Other receipts		79,361	-
Interest received		10,577	11,385
Net cash flows used in operating activities	20	(739,997)	(772,177)
Cash flows from investing activities			
Payments for other financial assets		(484,310)	(77,410)
Proceeds from sale of other financial assets		-	170,010
Research and development credit received		-	908,643
Payments for exploration and evaluation assets		(192,018)	(302,862)
Proceeds from disposal of interest in controlled entity		-	227,937
Cash outflow resulting from the deconsolidation of subsidiary		-	(79,060)
Net cash flows provided by/(used in) investing activities		(676,328)	847,258
Cash flows from financing activities			
Proceeds from issue of shares		728,000	1,707,000
Share issue costs		-	(100,567)
Payments for loan		-	(109,758)
Net cash flows provided by financing activities		728,000	1,496,675
Net increase/(decrease) in cash and cash equivalents held		(688,325)	1,571,756
Cash and cash equivalents at beginning of the year		1,724,318	199,231
Effects of foreign exchange rate changes on cash		17,359	(46,669)
Cash and cash equivalents at the end of the year	7	1,053,352	1,724,318

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

General information

The consolidated financial report of New Age Exploration Limited as at and for the year ended 30 June 2017 comprises the Company and its subsidiaries (together referred to as the "Group").

The financial report is presented in Australian dollars, which is New Age Exploration Limited's functional and presentation currency.

New Age Exploration Limited is a listed for-profit public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 3
480 Collins Street
Melbourne VIC 3000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report.

The financial report was authorised for issue, in accordance with a resolution of directors, on the date of the signing of the Directors' declaration.

Note 1 Significant accounting policies

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

New, revised or amending Accounting Standards and Interpretations adopted

In the year ended 30 June 2018, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. There has been no material impact on the Group.

New Accounting Standards and Interpretations not yet mandatory or early adopted

At the reporting date, the accounting standards issued but not yet effective that may impact the consolidated group in the future are listed below.

Standard/Interpretation	Effective for annual reporting periods beginning on or after
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018
AASB 15 'Revenue from Contracts with Customers'	1 January 2018
AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128	1 January 2018
AASB 16 'Leases'	1 January 2019
AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions	1 January 2018
Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018

The Group has determined the eventual effect of the above standards, amendments to standards and interpretations at this stage to be immaterial.

Note 1 Significant accounting policies (cont'd)

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared on an accruals basis under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

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

Principles of Consolidation

The consolidated financial statements are those of the consolidated entity, comprising the company (the 'parent entity') and its controlled entities (the 'Group'). Details of the controlled entities are contained in Note 18.

Control is achieved when the Company:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Financial statements for controlled entities are prepared for the same reporting period as the parent entity, using consistent accounting policies. Controlled entities are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Changes in the Group's ownership interests in existing subsidiaries
Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139 *Financial Instruments: Recognition and Measurement*, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Note 1 Significant accounting policies (cont'd)

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as disposal group held for sale, in which case it is accounted for in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of AASB 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities. When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Note 1 Significant accounting policies (cont'd)

Foreign Currency

Functional and Presentation Currency
The financial statements of each group entity are measured using its functional currency, which is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, as this is the parent entity's functional and presentation currency.

Transactions and Balances
Transactions in foreign currencies of entities within the consolidated entity are translated into functional currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of financial year.

Resulting exchange differences arising on settlement or re-statement are recognized as revenues and expenses for the financial year.

Group Companies
The financial statements of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period where this rate approximates the rate at the date of the transaction; and
- All resulting exchange differences are recognized as a separate component of equity.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve as a separate component of equity in the statement of financial position.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest Revenue
Interest revenue is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Note 1 Significant accounting policies (cont'd)

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses and under and over provision in prior periods, where applicable.
Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

Cash and cash equivalents

Cash and cash equivalents include 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.

Trade and other receivables

Trade and other receivables are recognised at amortised cost, less any allowance for impairment.

Other Financial Assets

Recognition and initial measurement

Financial assets and liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Consolidated Entity commits itself to either the purchase or sale of the asset.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit and loss, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or at cost. Where available quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. They are measured and held at amortised cost.

De-recognition

Regular purchases and sales of financial assets are recognised or derecognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit and loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Note 1 Significant accounting policies (cont'd)

Plant and Equipment

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

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over its expected useful life as follows:
Plant and equipment: 3-5 years

Residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the reporting date.

An item of 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 are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Exploration and Evaluation Assets

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and:
It is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or
Exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off or impaired.

Impairment
The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that its carrying amount may exceed its recoverable amount.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in the profit and loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Trade and other payables

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

Note 1 Significant accounting policies (cont'd)

Employee benefits

Wages and salaries, annual leave and sick leave
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

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

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

The 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.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying the Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

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

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

Contributed equity

Ordinary shares are classified as equity.

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

Convertible loan

The fair value of the liability portion of a convertible loan is determined using a market interest rate for an equivalent non-convertible loan. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the loan. The remainder of the proceeds is allocated to the conversion option.

Note 1 Significant accounting policies (cont'd)

Earnings per share

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

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

Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

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

Note 2 Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenues and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which 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 within the next financial year are discussed below.

Exploration and evaluation
Exploration and evaluation expenditure is capitalised if the activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure is not recoverable and should be written off, profits and net assets will be reduced in the period in which this determination is made.

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether economically recoverable minerals are proven and whether the consolidated entity decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that would impact the future recoverability include the level of reserves and resources, future technological changes (which would impact the cost of mining), future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Note 3 Operating segments

The Group operated predominately as an explorer with the view to identify attractive mineral deposits of sufficient grade and size to provide sustainable returns to shareholders.

The directors do not believe that there are any reportable segments that meet the requirements of Accounting Standard AASB 8 *Segment Reporting*, on the basis that the chief operating decision maker, being the Board of Directors, review geological results and other qualitative measures as a basis for decision making. Financial results are reviewed on a consolidated group basis.

Geographic information

	2018 $	2017 $
Non-current assets		
Australia	3,425	-
United Kingdom	8,785,632	6,174,749
New Zealand	152,360	103,750
	8,941,417	6,278,499

Non-current assets for this purpose consist of plant and equipment, exploration and evaluation assets and investments in joint ventures accounted for using the equity method.

Note 4 Other income

	Consolidated 2018 $	Consolidated 2017 $
Interest from financial assets measured at amortised cost	10,089	12,226
Management fees to related entities	59,244	67,357
Other income	-	70,215
	69,333	149,798

Note 5 Expenses

	Note	Consolidated 2018 $	Consolidated 2017 $
Profit before income tax includes the following expenses:			
Employee Benefits			
Wages and salaries – key management		231,804	242,157
Wages and salaries – others		61,857	55,810
Directors and company secretary fees		134,199	100,997
Superannuation expense (defined contribution)		30,571	27,838
Accrual/(Reversal of accrual) for employee benefits and taxes		14,652	(2,464)
		473,083	424,338
Depreciation		1,507	-

Note 6 Income tax expense

	Consolidated 2018 $	Consolidated 2017 $
(a) Components of Tax expense		
Current tax expense/(benefit)	(53,811)	(238,884)
Deferred tax expense	53,811	238,884
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit/(loss) before income tax expense	960,492	689,623
Tax at the Australian tax rate of 27.5% (2017: 30%)	264,135	206,886
Non-assessable items	(324,470)	(469,048)
Non-deductible items	6,524	23,278
	(53,811)	(238,884)
Current year tax losses not recognised	53,811	238,884
Income tax expense	-	-

Deferred tax assets not recognised

Deferred tax assets not recognised comprises temporary differences attributable to:		
Tax losses	3,004,535	2,905,255
Temporary differences	37,988	42,292
Total deferred tax assets not recognised	3,042,523	2,947,547

The above potential tax benefit has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:
(i) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
(ii) the Group continues to comply with the conditions for deductibility imposed by law; and
(iii) no change in tax legislation adversely affects the Group in realising the benefits from deducting the losses.

Note 7 Current assets - cash and cash equivalents

	Consolidated 2018 $	Consolidated 2017 $
Cash at bank	841,726	1,011,408
Short-term deposits	211,626	712,910
	1,053,352	1,724,318

Note 8 Current assets - trade and other receivables

	Consolidated 2018 $	Consolidated 2017 $
Trade receivables – related party (i)	17,321	11,484
Interest receivable	142	892
GST and VAT receivable	7,848	11,535
Other receivables	7,898	8,793
	33,209	32,704

Due to the short term nature of the receivables, their carrying value is assumed to approximate their fair value. Given the nature of the receivables as detailed, exposure to credit risk is not considered material.

(i) These are receivables from Cornwall Resources Ltd, a wholly-owned subsidiary until its deconsolidation in February 2017 (see Note 18). NAE holds 50% interest in this entity as at reporting date.

Note 9 Non-current assets – investment in joint ventures and associates

	Consolidated 2018 $	Consolidated 2017 $
Investment in joint venture - Cornwall Resources Ltd	2,160,218	1,674,749

NAE holds a 50% equity interest in Cornwall Resources Ltd, a UK-based company which was previously wholly-owned by NAE until its deconsolidation from the Group accounts in February 2017. Based on the contractual arrangements, NAE has joint control and, as a result, this investment is accounted for using the equity method.

Summarised financial information for equity accounted joint ventures and associates
The following table includes, in aggregate, NAE's share of profit and OCI of joint ventures and associates:

	Consolidated 2018 $	Consolidated 2017 $
Share of:		
Profit/(loss) from continuing operations	1,158	(62,229)
Other comprehensive income	-	-
	1,158	(62,229)

Note 10 Non-current assets - exploration and evaluation assets

	Consolidated 2018 $	Consolidated 2017 $
Exploration and evaluation assets	6,777,775	4,603,750

Reconciliations
Reconciliations of the written down values are set out below:

	Exploration and evaluation $
Balance at 1 July 2016	4,763,400
Additions	310,192
Movement from deconsolidation of controlled entity	(347,108)
Reversal of impairment loss	166,518
Effect of foreign currency movements	(289,252)
Balance at 30 June 2017	4,603,750
Additions	190,766
Reversal of impairment loss	1,707,536
Effect of foreign currency movements	275,723
Balance at 30 June 2018	6,777,775

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the continuation of the Group's rights to tenure of the interests, results of future exploration and successful development or alternatively, sale of the respective areas of interest.

Note 11 Current assets - other financial assets

	Consolidated 2018 $	Consolidated 2017 $
Term deposits held until maturity	25,000	25,000

Note 12 Current liabilities – provisions

	Consolidated 2018 $	Consolidated 2017 $
Employee benefits	34,847	20,641

Note 13 Equity - contributed

	Consolidated 2018 Number	Consolidated 2017 Number	Consolidated 2018 $	Consolidated 2017 $
Ordinary shares – fully paid	562,857,333	450,857,333	26,220,788	25,492,788

Movements in Ordinary Share Capital

	No. of Shares	Issue Price	$
Balance 1 July 2016	343,498,083		23,641,688
Issue of shares – funding facility	15,700,000	$0.015	235,500
Issue of shares	21,533,336	$0.015	323,000
Issue of shares	69,200,000	$0.020	1,384,000
Issue of shares – funding facility	925,914	$0.0099	9,167
Issue costs	-		(100,566)
Balance 30 June 2017	450,857,333		25,492,788
Issue of shares	112,000,000	$0.0065	728,000
Balance 30 June 2018	562,857,333		26,220,788

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

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.

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

In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt.

Funding facility
In the financial year ended 30 June 2017, 16,625,914 shares were issued to the Company's largest shareholder, Resource Capital Fund V L.P ("RCF") as full repayment of an unsecured loan and the related interest. The Company had entered into a binding agreement with RCF to raise up to a total of US$600,000 in funding for the Company. Under the funding facility, the Company can call for RCF to subscribe for ordinary NAE shares at an issue price of 1.5 cents per share during the 19 months beginning May 2015. The funding facility also included an unsecured loan which NAE elected to avail of. This funding facility has terminated and the Company has no outstanding loans to RCF or to any other party.

Options
Refer to Note 23 for detailed disclosures of options on issue.

Note 14 Equity - reserves

	Consolidated 2018 $	Consolidated 2017 $
Share-based payments reserve (a)	-	-
Foreign exchange reserve (b)	717,751	419,421
	717,751	419,421

(a) Share-based payments reserve

The share-based payment reserve is used to recognise the fair value of options issued as consideration for services provided to the Group.

Movements in reserve	**Number**	**$**
Balance 1 July 2016	1,050,000	14,700
Expiry of options – transfer to accumulated losses	(1,050,000)	(14,700)
Balance 30 June 2017	-	-
Balance 30 June 2018	-	-

(b) Foreign exchange reserve

The foreign exchange reserve is used to record exchange differences arising on translation of foreign controlled subsidiaries with functional currency different from the Groups' presentation currency.

	Consolidated 2018 $	Consolidated 2017 $
Movements in reserve		
Balance at beginning of the year	419,421	633,912
Foreign currency translation differences for foreign operations	298,330	145,850
Effect of deconsolidation – reclassification to profit or loss	-	(68,641)
Balance at end of the year	717,751	419,421

Note 15 Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Group'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 Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the Board. The policies employed to mitigate risk include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. The Board identifies risk and evaluates the effectiveness of its responses.

Note 15 Financial instruments (cont'd)

Market risk

Interest rate risk
The Group's main exposure to interest rate risk is in relation to deposits held.

As at the reporting date, the Group had the following variable rate cash balances.

	Consolidated 2018 $	Consolidated 2017 $
Cash and cash equivalents	1,053,352	1,724,318
Other financial assets	25,000	25,000

An increase/decrease in interest rate of 1 percent would have a favourable/adverse effect on loss before tax of $10,534 per annum (2017: $17,240). The percentage change relates to the expected volatility of interest rates using market data and analysts forecasts.

Credit risk
Credit risk is managed on a Group basis. Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has minimal exposure to credit risk as its only receivables relate to security deposits, interest receivable, and GST refunds due. Deposits are held with reputable banking financial institutions.

Foreign Currency Risk
As a result of operations in the United Kingdom and New Zealand, the Group's Statement of Financial Position can be affected significantly by movements in the British Pound (GBP)/ Australian Dollar (AUD) exchange rate as well as the New Zealand Dollar (NZD)/AUD exchange rate. The Group does not have a formal policy or strategy implemented to mitigate the effects of its foreign currency exposure. As the majority of the Group's operations occur within subsidiaries located in foreign countries, foreign currency risk is considered to be an inherent risk of the Group.

At 30 June, the Group had the following exposure to GBP and NZD foreign currency that is not designated as cash flow hedges:

	Assets		Liabilities		Net Exposure	
	2018 $	2017 $	2018 $	2017 $	2018 $	2017 $
GBP	65,647	593,893	(4,960)	-	60,687	593,893
NZD	-	-	-	(13,658)	-	(13,658)

Note 16 Remuneration of auditors

During the financial year, the following audit fees were paid or payable:

	Consolidated 2018 $	Consolidated 2017 $
Audit and review of the financial reports		
RSM Australia Partners	37,560	34,030

Note 17 Commitments for expenditure

	Consolidated 2018 $	Consolidated 2017 $
Operating lease commitments as at the reporting date but not recognised as liabilities for its office premises:		
Not later than 1 year	20,178	25,488
Later than 1 year but not later than five years	-	20,178
	20,178	45,666

The Group pays minimal annual licence and lease fees related to its Lochinvar and Otago tenements. These payments are discretionary; however, the Company intends to make these payments and maintain the licences in good standing.

Note 18 Related party disclosures

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

	Consolidated 2018 $	Consolidated 2017 $
Short-term employee benefits	402,681	339,791
Post-employment benefits	25,000	22,828
	427,681	362,619

Controlled entities

Name of entity	Country of incorporation	Class of shares	Equity holding % 2018	Equity holding % 2017
Cornwall Resources Ltd (1)	United Kingdom	Ordinary	50	50
Lochinvar Coal Limited	United Kingdom	Ordinary	100	100

(1) This entity was formerly NAE Resources (UK) Ltd.
In February 2017, Strategic Minerals Plc (SML) had acquired a total 50% interest and NAE deconsolidated CRL as loss of control has occurred. Mr Alan Broome is a director of SML.

Additional disclosure of financial information in respect to the non-controlling interests in the controlled entities is not considered necessary based on materiality levels.

Deconsolidation

Cornwall Resources Ltd (“CRL”), formerly NAE Resources (UK) Ltd, was previously a wholly-owned subsidiary of NAE and formed part of the consolidated group. On 1 February 2017, Strategic Minerals Plc (SML), which owned 16.45% interest in CRL, acquired an additional 33.55% interest for a 50% total interest, obtaining a level of control that is equal to that of NAE. Because of this transaction, CRL was deconsolidated in 2017 since control was lost. CRL is a related party following deconsolidation since NAE continues to have the ability to significantly influence (but not control) its management and operating policies. NAE’s consolidated financial statements reflect the investment in CRL using the equity method of accounting. A deconsolidation gain or loss represents the difference between consolidated net assets immediately prior to losing control of the partnership and net assets immediately thereafter, with the remaining equity investment in the partnership measured at fair value on the date of the change in control. The gain of $1,430,205 appears on the Statement of Profit or Loss for 2017 as a gain from deconsolidation.

Note 18 Related party disclosures (cont'd)

Transactions with related parties

	Consolidated 2018 $	Consolidated 2017 $
Services provided to/(from) the Group made on normal commercial terms and conditions and at market rates:		
Gary Fietz's wife, for administrative and investor relations support services	5,081	28,558
Cornwall Resources Ltd, for management fees, hire of vehicle and reimbursement of expenses (1)	64,403	76,732

(1) Cornwall Resources Ltd was a wholly-owned subsidiary of NAE until the disposal of 50% ownership on 1 February 2017.

Receivable from and payable to related parties

On 29 February 2016, NAE received A$352,672 convertible loan proceeds from its funding facility in place with its largest shareholder, Resource Capital Funds V L.P ("RCF"). This unsecured convertible loan represented the remaining undrawn portion of US$252,498 of the US$600,000 funding facility agreement entered into with RCF in May 2015. The loan was fully repaid in 2017.

At 30 June 2018, the consolidated entity had trade receivables from CRL of $17,321 (2017: $11,484 and loan receivable of $15,465).

Other transactions

NAE's Chairman of the Board, Mr Alan Broome, is also Chairman of the Board for Strategic Minerals plc ("SML"). SML and NAE each own 50% interest in the joint venture over Cornwall Resources Ltd.

Note 19 Events occurring after the reporting date

In August 2018, the Company raised $872,000 via the issue of 134,153,846 shares at 0.65 cents per share. This completed Tranche 2 of the total $1.6 million placement. The Company also issued 14,769,231 shares to CPS Capital at the 0.65 cents per share (6% of the total funds raised) as payment of their broker fee. CPS elected to take its brokers fee in full by way of the issue of these shares.

In July 2018, NAE funded a further £332,000 of the £664,000 Redmoor 2018 Phase 1 Drilling Program.

No other matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

Note 20 Reconciliation of profit after income tax to net cash used in operating activities

	Consolidated 2018 $	Consolidated 2017 $
Profit after income tax expense for the year	960,492	689,623
Adjustments for:		
Depreciation and amortisation	1,507	-
Unrealised foreign exchange (gains)/losses	1,568	139,889
Write off of exploration assets	-	53,556
Gain on deconsolidation of controlled entity	-	(1,430,279)
Write off of receivables	-	15,679
Interest expense	-	4,588
Reversal of impairment on exploration asset	(1,707,536)	(166,518)
Transfers from other comprehensive income	-	(62,025)
Share in net (income)/loss of joint venture	(2,535)	62,229
Gain on sale of other financial assets	-	(3,189)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(506)	31,697
(Increase)/decrease in prepayments	(16,720)	10,890
Increase/(decrease) in trade and other payables	8,150	(113,620)
Increase/(decrease) in employee benefits	14,206	(4,698)
Net cash used in operating activities	(739,997)	(772,178)

Note 21 Earnings per share

	Consolidated 2018 $	Consolidated 2017 $
Profit/(Loss) after income tax attributable to the owners of New Age Exploration Limited	961,869	689,623

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	452,391,580	402,217,706
Weighted average number of ordinary shares used in calculating diluted earnings per share	452,391,580	402,217,706

	Cents	Cents
Basic earnings/(loss) per share	0.21	0.17
Diluted earnings/(loss) per share	0.21	0.17

The company has no options on issue that can affect the calculation of diluted EPS.

Note 22 Parent entity information

	2017	2016
	$	$
Financial position		
Current assets	1,065,722	1,191,243
Non–current assets	8,913,167	5,891,908
Total assets	9,978,889	7,083,151
Current liabilities	144,675	127,279
Convertible loan	-	-
Total liabilities	144,675	127,279
Net assets	9,834,214	6,955,872
Contributed equity	26,220,788	25,492,788
Reserves	-	-
Accumulated losses	(16,386,574)	(18,536,916)
Total equity	9,834,214	6,955,872
Financial performance		
Profit/(Loss) for the year	2,150,342	642,588
Comprehensive profit/(loss) for the year	2,150,342	642,588

The parent entity, New Age Exploration Limited, has not entered into any guarantees in respect to its controlled entities.

Capital Commitments
There are no commitments for the acquisition of plant and equipment contracted for at the reporting date.

Finance Leases
There are no commitments in relation to finance leases.

Note 23 Share-based payments

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

No options were on issue as at 30 June 2018.

No share-based payment arrangements occurred during the current financial year.

Note 25 Contingent Liabilities

In June 2016, NAE's majority owned subsidiary, NAE Aurora JV Cesar SAS (liquidated in the commercial registry of the Chamber of Commerce of Bogotá on 17 December 2015), received notice from the mining authority in Colombia for unpaid exploration licence payments. No legal proceeding has been filed and based on legal advice, management believes that any payment on this matter is unlikely. No liability has been recorded in the statement of financial position for this contingency.

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the Group's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the Directors

Gary Fietz
Managing Director

21 September 2018
Melbourne

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of New Age Exploration Limited

Opinion

We have audited the financial report of New Age Exploration Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the 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 30 June 2018 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (Continued.)

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed this matter</th></tr>
<tr><td colspan="2">Exploration and evaluation assets
Refer to Note 10 in the financial statements</td></tr>
<tr><td>The Group has capitalised exploration expenditure with a carrying value of $6,777,775, after reversal during the year of impairment losses recognised in previous financial years. We determined this to be a key audit matter due to the fact that this asset represents more than 67% of the total assets of the Group, and due to the significant management judgment involved in assessing the carrying value in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources, including:
Determination of whether expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest.
Assessing whether any indicators of impairment are present, and if so, the judgments applied to determine and quantify any impairment loss. In doing so, based on an assessment of observable indicators, management determined that the asset's value has increased significantly during the year and supports a reversal of prior year impairment.
Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed.</td><td>Our audit procedures in relation to the carrying value of exploration and evaluation assets included:
An examination of the observable indications that the asset's value has significantly increased during the year.
Agreeing a sample of the additions to Exploration and evaluation assets during the financial year to supporting documentation, and ensuring that the capitalised amounts were in line with the Group's accounting policy and capital in nature; and
Discussions with management and a review of the Group's ASX announcements and other relevant documentation, to assess management's determination that exploration activities have not yet progressed to the point where the existence or otherwise of an economically recoverable mineral resource may be determined.</td></tr>
</table>

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 30 June 2018; but does not include the financial report and the auditor's report thereon.

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

Other Information (Continued.)

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 have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf.
This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of New Age Exploration Limited for the year ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.

Report on the Remuneration Report (continued)

Opinion on the Remuneration Report (continued)

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.

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Dated: 21 September 2018
Melbourne, Victoria

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in the annual report are set out below. The information was applicable as at 18 September 2018.

1. Shareholdings – Ordinary Shares

a. Distribution of Shareholders

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

	Number of holders
1 to 1,000	364
1,001 to 5,000	44
5,001 to 10,000	86
10,001 to 100,000	267
100,001 and over	362
	1,123
Holdings less than a marketable parcel	699

b. Substantial Shareholders

Substantial holders in the Group are set out below.

	Number held	% of total shares issued
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED *(Resource Capital Fund V L.P)*	146,759,029	20.62%
KAIROS MINERALS LIMITED	61,538,462	8.65%
MR CHEE SIEW YAW	40,816,667	5.73%

c. Voting rights

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

Ordinary shares

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

d. Restricted Securities

There are no restricted securities at 18 September 2018.

1. Shareholdings – Ordinary Shares (cont'd)

e. Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below.

	Number held	% of total shares issued
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED *(Resource Capital Fund V L.P)*	146,759,029	20.62
KAIROS MINERALS LIMITED	61,538,462	8.65
MR CHEE SIEW YAW	40,816,667	5.73
NORTHERN STAR NOMINEES PTY LTD	21,999,998	3.09
LTJ INVESTMENTS PTY LTD	17,777,692	2.50
BODIE INVESTMENTS PTY LTD	15,000,000	2.11
ALITIME NOMINEES PTY LTD	14,588,462	2.05
CORPORATE PROPERTY SERVICES PTY LTD	11,833,333	1.66
PAND JR PTY LTD	9,889,283	1.39
MR KIERAN LINLEY KING-RANDELL	9,684,987	1.36
CALAMA HOLDINGS PTY LTD	9,500,000	1.33
E & E HALL PTY LTD	9,000,000	1.26
J K DEMARIA PTY LTD	8,000,000	1.12
MR DAVID CHARLES NEESHAM & MRS PAMELA CHRISTINE NEESHAM	8,000,000	1.12
CYPRUS INVESTMENTS PTY LTD	8,000,000	1.12
TYRANNA RESOURCES LIMITED	7,692,308	1.08
BNP PARIBAS NOMINEES PTY LTD	7,534,731	1.06
ANGKOR IMPERIAL RESOURCES PTY LTD	6,500,000	0.91
AUKERA CAPITAL PTY LTD	6,000,000	0.84
MR JOHN MCGREGOR SKINNER	5,739,563	0.81
MR MATTHEW JOHN TURNER & MR JOHN ANTHONY TURNER	4,686,400	0.66
FIRST INVESTMENT PARTNERS PTY LTD	4,654,816	0.65
	435,195,731	61.14

2. Unquoted Securities

a. Distribution of Option Holders

	options
1 to 1,000	-
1,001 to 5,000	-
5,001 to 10,000	-
10,001 to 100,000	-
100,001 and over	-
Total holders	-

b. Voting rights

Holders of options have no voting rights.

3. Other

a. The name of the Company Secretary is Adrien Wing.
b. The principal registered address in Australia is Level 3, 480 Collins Street, Melbourne Victoria 3000.
c. Registers of securities are held at the following address: Link Market Services, Level 4, Central Park, 152 St Georges Terrace, Perth WA 6000.
d. Stock Exchange Listing: Quotation has been granted for all ordinary shares on all Member Exchanges of the ASX Limited

Corporate Governance: A copy of the Company's Corporate Governance Statement is available on the Company's website at http://www.nae.net.au.

List of Exploration Licences Held by the NAE Group and its Associated Entities

Licence No.	Project	Country	Area (km^2)	Licence Type	NAE Group % Interest
CA11/EXP/0515/N	Lochinvar	United Kingdom	67.5	Exploration Licence	100%
CA11/UND/0176/N	Lochinvar	United Kingdom	67.5	Conditional Underground Licence and Option Agreement	100%
CA11/EXP/0545/N	Lochinvar South	United Kingdom	51.0	Exploration Licence	100%
CA11/UND/0182/N	Lochinvar South	United Kingdom	51.0	Conditional Underground Licence and Option Agreement	100%
CL132803	Redmoor	United Kingdom	23.0	Mineral Rights	50% [a]
MPP60254	Otago South Gold – Mahinerangi	New Zealand	154	Prospecting Permit	100%
MPP60255	Otago South Gold – Teviot	New Zealand	66	Prospecting Permit	100%

(a) The Mineral Rights for Title CL132803 is currently being re-registered with the Land Registry for England and Wales.