Alliance Resources Limited

ABN 38 063 293 336

Annual Financial Report - 30 June 2021

Alliance Resources Limited
Corporate directory
30 June 2021

Directors	Ian J Gandel (Chairman) Kevin J Malaxos (Managing Director) Anthony D Lethlean (Non-executive Director) Stephen F Johnston (Non-executive Director)
Company secretary	Robert P Tolliday
Registered office	Suite 3, 51 - 55 City Road Southbank Victoria 3006 Telephone +61 3 9697 9090 Facsimile +61 3 9697 9091
Share register	Computershare Investor Services GPO Box 2975 Melbourne, VIC 3001 Telephone: 1300 850 505
Auditor	BDO Audit Pty Ltd Collins Square, Tower 4, Level 18 727 Collins Street Melbourne, VIC, 3008
Solicitors	HWL Ebsworth Lawyers Level 8, 447 Collins Street Melbourne VIC 3000
Bankers	Australia and New Zealand Banking Group Limited (ANZ)
Stock exchange listing	Alliance Resources Limited shares are listed on the Australian Securities Exchange (ASX code: AGS)
Website	www.allianceresources.com.au E-mail: info@allianceresources.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'group') consisting of Alliance Resources Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

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

Ian J Gandel (Non-Independent Non-Executive Chairman)
Anthony D Lethlean (Non-Executive Director)
Stephen F Johnston (Non-Executive Director)
Kevin J Malaxos (Managing Director)

Principal activities

The principal activities of the consolidated entity during the year ended 30 June 2021 were exploring its projects in South Australia (Wilcherry Project) and Western Australia for gold and base metals.

Dividends

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

Review of operations

The loss for the consolidated entity after providing for income tax amounted to $1,377,000 (30 June 2020: $1,751,000).

A review of the group's operations and financial position for the financial year and up to the date of this report is included in the annual report and should be read as part of the Directors' Report.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The Boards' strategy for the immediate future is to explore the group's existing projects and continue to progress the Wilcherry Project towards the development stage.

Environmental regulation

Exploration activities at the group's projects in South Australia and Western Australia are conducted in accordance with relevant guidelines appropriate to those jurisdictions.

Occupational Health & Safety

The group has in place policies to cover Induction of New Employees, COVID-19 requirements, Duty of Care, Safety, Environment, Return to Work, Harassment, Fitness for Work and Privacy, and to ensure Quality Assurance and Control of its operations.

The group is committed to providing a safe working environment for employees, contractors and others who may be affected directly or indirectly by its activities, protection of the environment and respect for the indigenous cultures and communities in which it operates.

Information on directors

Name:	Ian Jeffrey Gandel (Appointed a director on 15 October 2003)
Title:	Non-Independent Non-Executive Chairman (Appointed on 23 June 2016)
Qualifications:	LLB, BEc, FCPA, FAICD
Experience and expertise:	Ian Gandel is a mining entrepreneur with extensive experience in retail management and retail property including Gandel Shopping Centres, Priceline Retail Chain and the CEO chain of serviced offices. Ian is a former Director of the Gandel Retail Trust. Ian has been an investor in the mining industry since 1994, is a substantial shareholder of a number of publicly listed Australian companies and is also involved in privately-funded exploration in Western Australia.
Other current directorships:	Ian is Non-executive Chairman of Alkane Resources Ltd ('Alkane') (appointed 1 September 2017 and has been a non-executive director since 24 July 2006). He is also Non-executive Chairman of Australian Strategic Materials Ltd (appointed 18 March 2014).
Former directorships (last 3 years):	N/A
Special responsibilities:	Ian is a member of the Nominations, Remuneration and Audit & Risk Committees (appointed 5 August 2010).
Interests in shares:	149,796,086 as at 30 June 2021 (2020:127,968,073)
Interests in options:	Nil (2020: Nil)

Name:	Anthony (Tony) Dean Lethlean (Appointed a director 15 October 2003)
Title:	Independent Non-Executive Director
Qualifications:	BAppSc (Geology)
Experience and expertise:	Tony Lethlean is a geologist with over 10 years mining experience specialising in underground operations, including Kalgoorlie's Golden Mile (WMC & KCGM) and Bellevue. For over 19 years he has been in banking and stock broking, including the global mining group at CIBC World Markets.
Other current directorships:	Tony is also a non-executive director of Alkane Resources Ltd (appointed 30 May 2002).
Former directorships (last 3 years):	N/A
Special responsibilities:	Tony is the Chairman of the Nominations, Remuneration and Audit & Risk Committees (appointed 5 August 2010).
Interests in shares:	Nil as at 30 June 2021 (2020: Nil)
Interests in options:	Nil (2020: Nil)

Name:	Stephen (Steve) Frederick Johnston
Title:	Non-Executive Director
Qualifications:	BAppSc (App. Geol.), MAusIMM
Experience and expertise:	Steve is a geologist with extensive exploration and mining experience within Australia for commodities including gold, base metals and uranium. He was employed by Alliance since 2003 in varying capacities including as General Manager, Chief Executive Officer and Managing Director. Between 1993 to 2001 Steve held executive roles with ASX listed Croesus Mining NL and Exco Resources NL. Steve is a Corporate Member of the Australasian Institute of Mining and Metallurgy.
Other current directorships:	N/A
Former directorships (last 3 years):	N/A
Special responsibilities:	Steve is a member of the Audit & Risk Committee (appointed 16 April 2020)
Interests in shares:	Nil as at 30 June 2021 (2020: Nil)
Interests in options:	2,000,000 as at 30 June 2021 (2020: 3,000,000)

Name:	Kevin J Malaxos
Title:	Managing Director
Qualifications:	BAppSc (Mining Eng.)
Experience and expertise:	Kevin Malaxos is a mining engineer with over 30 years mining experience within Australia and South Africa for commodities including gold, nickel, base metals and iron ore. Prior to joining Alliance Resources in 2019, he held senior operational and executive roles with various ASX listed explorers and producers and a private mining contracting group. He has worked across both open pit and underground operations, and managed project approvals in several commodities. Kevin is a Member of the Australasian Institute of Mining and Metallurgy.
Other current directorships:	N/A
Former directorships (last 3 years):	Kevin resigned as a non-executive director of Maximus Resources Ltd on 30 November 2020 (appointed a director 13 December 2010)
Interests in shares:	Nil as at 30 June 2021 (2020:Nil)
Interests in options:	7,000,000 as at 30 June 2021 (2020: 7,000,000)

'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.

Company secretary

Robert (Bob) Tolliday is a Chartered Accountant with over 30 years' experience in business including accounting, audit, corporate finance, corporate recovery, treasury, HR, office management and company secretarial. Bob has worked for Gandel Metals Pty Ltd for the past 9 years providing CFO & Company Secretarial Services to a number of listed Mining entities under a management services agreement. Prior to this Bob worked for over 10 years as the Company Secretary / GM Finance & Admin for the Professional Golfers Association of Australia Ltd (PGA), and before that he was a Senior Manager and spent over 13 years working for Chartered Accounting practices KPMG and Pitcher Partners in both Australia and the UK. Bob was also a former director and Company Secretary of Octagonal Resources Ltd.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board		Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Mr I Gandel	11	11	3	3	3	3
Mr T Lethlean	11	11	3	3	3	3
Mr S Johnston	11	11	-	-	3	3
Mr K Malaxos	11	11	-	-	-	-

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

Remuneration report (audited)

The remuneration report, which has been audited, outlines the director and senior management/executives (Key Management Personnel) remuneration arrangements for the consolidated entity for the financial year ended 30 June 2021, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity and company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders and conforms with the market best practice for delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity and company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel. The committee did not engage the services of a remuneration consultant during the year.

The Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity and company.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of growth in share price and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

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

Non-executive director remuneration

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed by the Remuneration Committee. The Remuneration Committee has agreed in the past to the advice of independent remuneration consultants or remuneration publications to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration. Non-executive directors did not receive share options or other incentives during the reporting period.

ASX listing rules require that the aggregate non-executive director remuneration shall be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 20 November 2018, where the shareholders approved an aggregate remuneration of $500,000.

Executive remuneration

The consolidated entity and company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

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

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

Executives can receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional cost to the consolidated entity and adds additional value to the executive.

The short-term incentive ('STI') program is designed to align the targets of the business units with the targets of those executives in charge of meeting those targets. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and exploration management.

The long-term incentives ('LTI') includes long service leave and share-based payments. These include an increase in shareholders' value relative to the entire market and an increase when compared to the consolidated entity's direct competitors. LTI payments are granted to executives based on key performance indicators ('KPI') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and exploration management.

Consolidated entity performance and link to remuneration

The company's remuneration policy seeks to reward staff members for their contribution to achieving significant milestones but there is no direct link between remuneration paid and growth in the company's share price or financial performance.

Voting at the company's 2020 Annual General Meeting ('AGM')

The company received 99.64% of 'for' votes in relation to its remuneration report for the year ended 30 June 2020. The company did not receive any specific feedback at the AGM regarding its remuneration policies.

Details of remuneration

Amounts of remuneration

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

The key management personnel of the consolidated entity consisted of the directors of Alliance Resources Limited and the following person:

- Mr R Tolliday (Chief Financial Officer & Company Secretary)

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Termination benefits	
2021	Cash salary and fees $	Consulting Fees $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Termination payments $	Total $
Non-Executive Directors:								
Mr I Gandel	86,499	-	-	8,217	-	-	-	94,716
Mr T Lethlean	53,272	-	-	5,060	-	-	-	58,332
Mr S Johnston	49,831	-	-	4,627	-	-	-	54,458
Executive Directors:								
Mr K Malaxos	279,000	-	-	25,000	3,219	99,128	-	406,347
Other Key Management Personnel:								
Mr R Tolliday*	-	-	-	-	-	-	-	-
	468,602	-	-	42,904	3,219	99,128	-	613,853

* The Gandel Metals Trust employed Mr Tolliday. The Gandel Metals Trust is an entity associated with Mr I Gandel. Included in the fees paid in terms of The Gandel Metals management service agreement to The Gandel Metals Trust are professional fees of $356,100 for accounting and company secretarial services including services provided by Mr Tolliday. All charges were on commercial terms.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Termination benefits	
2020	Cash salary and fees $	Consulting Fees $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Termination payments $	Total $
Non-Executive Directors:								
Mr I Gandel	85,000	-	-	8,075	-	-	-	93,075
Mr T Lethlean	62,633	-	-	5,950	-	-	-	68,583
Mr S Johnston	28,933	-	-	2,673	-	-	-	31,606
Executive Directors:								
Mr K Malaxos	152,064	-	-	13,819	1,540	158,898	-	326,321
Mr S Johnston (resigned)	107,707	-	-	10,416	(84,889)	1,697	86,609	121,540
Other Key Management Personnel:								
Mr R Tolliday*	-	-	-	-	-	1,200	-	1,200
	436,337	-	-	40,933	(83,349)	161,795	86,609	642,325

* The Gandel Metals Trust employed Mr Tolliday. The Gandel Metals Trust is an entity associated with Mr I Gandel. Included in the fees paid in terms of The Gandel Metals management service agreement to The Gandel Metals Trust are professional fees of $310,200 for accounting and company secretarial services including services provided by Mr Tolliday. All charges were on commercial terms.

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

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2021	2020	2021	2020	2021	2020
Non-Executive Directors:						
Mr I Gandel	100%	100%	-	-	-	-
Mr T Lethlean	100%	100%	-	-	-	-
Mr S Johnston	100%	100%	-	-	-	-
Executive Directors:						
Mr K Malaxos	75%	51%	-	-	25%	49%
Other Key Management Personnel:						
Mr R Tolliday	-	-	-	-	-	100%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Kevin Malaxos
Title:	Managing Director
Agreement commenced:	1 December 2019
Term of agreement:	3 years
Details:	~ Remuneration - $279,000 (excluding Superannuation) this excludes - Benefits of Employment (including Options) and reimbursement of various expenses including parking, memberships & subscriptions and mobile phone charges (capped). ~ Termination – The contract is capable of termination on standard employment terms, which include 6 months' notice (3 months if within the first twelve months of employment) if terminated by the Company (without cause) or by Mr Malaxos. The Board retains the discretion to make a payment in lieu of notice equal to 3 months' salary plus all accrued benefits up to the end of the notice period.

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

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 2021.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
30 November 2016	1 September 2017	31 August 2020	$0.1592	$0.0280
30 November 2016	1 September 2018	31 August 2021	$0.1992	$0.0280
30 November 2016	1 September 2019	31 August 2022	$0.2392	$0.0280
2 April 2017	1 April 2018	31 March 2021	$0.1592	$0.0200
2 April 2017	1 April 2019	31 March 2022	$0.1992	$0.0190
2 April 2017	1 April 2020	31 March 2023	$0.2392	$0.0190
1 December 2019	1 December 2019	30 November 2022	$0.1200	$0.0500
1 December 2019	1 December 2019	30 November 2022	$0.1600	$0.0400
1 December 2019	1 December 2021	30 November 2024	$0.1600	$0.0560
1 December 2019	1 December 2021	30 November 2024	$0.2000	$0.0460
1 December 2019	1 January 2022*	1 January 2025*	$0.2000	$0.0370
1 December 2019	1 July 2022*	1 July 2025*	$0.2000	$0.0440
1 December 2019	1 October 2022*	1 October 2025*	$0.2000	$0.0510

* Note: The vesting date and expiry date for these options are related to non-market conditions and therefore reflect management's best estimate of when the related milestones will be achieved.

Options granted carry no dividend or voting rights.

Executives, staff and approved specialist advisors/contractors who are involved with the business are all entitled to participate in the Employee Share Options Plan (ESOP).

As at 30 June 2021 there were 7,000,000 (2020:7,000,000) unlisted options issued over ordinary shares of Alliance Resources Limited granted to the Managing Director and 3,300,000 (2020:4,850,000) unlisted options granted to Executives, Staff and Contractors.

The number of options over ordinary shares granted to and vested by directors and other key management personnel during the year ended 30 June 2021 are set out below:

Name	Number of options granted during the year 2021	Number of options granted during the year 2020	Number of options vested during the year 2021	Number of options vested during the year 2020
Mr S Johnston	-	-	-	1,000,000
Mr R Tolliday	-	-	-	250,000
Mr K Malaxos	-	7,000,000	-	2,000,000

* The Terms of the options are as follows:
- The Options were granted for no consideration
- Options granted carry no dividend or voting rights
- The exercise price of the Options was determined by the directors
- Each Option converts to one ordinary share
- The vesting date was the date that the options are able to be exercised

Additional information
The earnings of the consolidated entity for the five years to 30 June 2021 are summarised below:

	2021 $'000	2020 $'000	2019 $'000	2018 $'000	2017 $'000
Revenue and other income	56	69	60	150	375
EBITDA	(1,253)	(1,629)	(1,613)	(1,260)	(1,133)
EBIT	(1,372)	(1,751)	(1,650)	(1,273)	(1,150)

	2021	2020	2019	2018	2017
Share price at financial year end (cents)	15.00	17.50	9.80	9.10	8.80
Basic earnings/(loss) per share (cents per share)	(0.72)	(1.13)	(1.16)	(1.22)	(1.10)

Additional disclosures relating to key management personnel

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

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Mr I Gandel	127,968,073	-	21,828,013	-	149,796,086
	127,968,073	-	21,828,013	-	149,796,086

Option holding
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 of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Mr S Johnston	3,000,000	-	-	(1,000,000)	2,000,000
Mr K Malaxos	7,000,000	-	-	-	7,000,000
Mr R Tolliday	750,000	-	-	(250,000)	500,000
	10,750,000	-	-	(1,250,000)	9,500,000

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Alliance Resources Limited held under option as at 30 June 2021 are as follows:

Grant date	Expiry date	Exercise price	Number under option
30 November 2016	31 August 2021	$0.1992	1,000,000
30 November 2016	31 August 2022	$0.2392	1,000,000
2 April 2017	31 March 2022	$0.1992	550,000
2 April 2017	31 March 2023	$0.2392	550,000
20 June 2019	31 January 2022	$0.1192	50,000
20 June 2019	1 February 2023	$0.1592	50,000
20 June 2019	1 February 2024	$0.1992	50,000
20 June 2019	1 February 2025	$0.2392	50,000
1 December 2019	30 November 2022	$0.1200	1,000,000
1 December 2019	30 November 2022	$0.1600	1,000,000
1 December 2019	30 November 2024	$0.1600	1,000,000
1 December 2019	30 November 2024	$0.2000	1,000,000
1 December 2019	1 January 2025*	$0.2000	1,000,000
1 December 2019	1 July 2025*	$0.2000	1,000,000
1 December 2019	1 October 2025*	$0.2000	1,000,000
			10,300,000

* Note: The vesting date and expiry date for these options are related to non-market conditions and therefore reflect management's best estimate of when the related milestones will be achieved.

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

Indemnity and insurance of officers

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

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

Corporate Governance Statement

In recognising the need for the highest standard of corporate behaviour and accountability, the Directors of Alliance support the principle of good corporate governance. As such, Alliance Resources Limited has adopted the 4th edition of the Corporate Governance Principles and Recommendations which became effective for financial years beginning on or after 1 July 2020. The Company has reviewed its corporate governance practices against the 4th Edition of the ASX Corporate Governance Principles and has reported against these as part of its annual reporting for financial year 2021.

The consolidated entity's annual Corporate Governance Statement has been published and released to ASX separately. The Corporate Governance Statement is available on the Alliance website at http://www.allianceresources.com.au/site/corporate/corporate-governance.

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.

Risk management

The company takes a proactive approach to risk management including monitoring actual performance against budgets and forecast and monitoring investment performance. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the consolidated entity's objectives and activities are aligned with the risks and opportunities identified by the Board.

Proceedings on behalf of the company

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

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 26 to the financial statements.

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

The directors are of the opinion that the services as disclosed in note 26 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former directors of BDO Audit Pty Ltd

There are no officers of the company who are former directors of BDO Audit Pty Ltd.

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 immediately after this Directors' report.

Auditor

BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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

Ian Gandel
Chairman

30 September 2021
Melbourne

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Australia

DECLARATION OF INDEPENDENCE BY WAI AW TO THE DIRECTORS OF ALLIANCE RESOURCES LIMITED

As lead auditor of Alliance Resources Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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

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

Wai Aw
Director

BDO Audit Pty Ltd

Melbourne, 30 September 2021

General information

The financial statements cover Alliance Resources Limited as a consolidated entity consisting of Alliance Resources Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Alliance Resources Limited's functional and presentation currency.

Alliance Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 3, 51-55 City Road
Southbank, VIC, 3006
Tel: +61 3 9697 9090
Fax: +61 3 9697 9091

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2021. The directors have the power to amend and reissue the financial statements.

Alliance Resources Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	Consolidated 2021 $'000	Consolidated 2020 $'000
Revenue	4	6	19
Other income	5	50	50
Expenses			
Depreciation expense	6	(119)	(121)
Expense of share options granted	20	(98)	(171)
Tenement costs abandoned		(13)	(321)
Occupancy expenses		(54)	(23)
Administration expenses		(863)	(683)
Legal expenses		(9)	(191)
Director fees		(208)	(193)
Company secretarial		(64)	(70)
Marketing expenses		-	(46)
Finance costs	6	(5)	(1)
Loss before income tax expense		(1,377)	(1,751)
Income tax expense	7	-	-
Loss after income tax expense for the year attributable to the owners of Alliance Resources Limited	21	(1,377)	(1,751)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Change in fair value of equity instruments at FVOCI	10	239	47
Other comprehensive income for the year, net of tax		239	47
Total comprehensive income for the year attributable to the owners of Alliance Resources Limited		(1,138)	(1,704)
		Cents	**Cents**
Basic loss per share	32	(0.72)	(1.13)
Diluted loss per share	32	(0.72)	(1.13)

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

Alliance Resources Limited
Statement of financial position
As at 30 June 2021

	Note	Consolidated 2021 $'000	Consolidated 2020 $'000
Assets			
Current assets			
Cash and cash equivalents	8	3,306	1,561
Trade and other receivables	9	93	96
Other assets		22	63
Total current assets		3,421	1,720
Non-current assets			
Other receivables		45	15
Financial assets at fair value through other comprehensive income	10	149	341
Property, plant and equipment	11	623	696
Right-of-use assets	12	101	124
Exploration and evaluation	13	15,107	12,562
Total non-current assets		16,025	13,738
Total assets		19,446	15,458
Liabilities			
Current liabilities			
Trade and other payables	14	432	424
Lease liabilities	15	19	19
Employee benefits	16	47	14
Total current liabilities		498	457
Non-current liabilities			
Lease liabilities	17	87	106
Employee benefits	18	75	5
Total non-current liabilities		162	111
Total liabilities		660	568
Net assets		18,786	14,890
Equity			
Contributed equity	19	58,750	53,814
Reserves	20	138	(2,293)
Accumulated losses	21	(40,102)	(36,631)
Total equity		18,786	14,890

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

Alliance Resources Limited
Statement of changes in equity
For the year ended 30 June 2021

Consolidated	Contributed Equity $'000	Accumulated Losses $'000	Reserves $'000	Total equity $'000
Balance at 1 July 2019	51,815	(34,880)	(2,511)	14,424
Loss after income tax expense for the year	-	(1,751)	-	(1,751)
Other comprehensive income for the year, net of tax	-	-	47	47
Total comprehensive income for the year	-	(1,751)	47	(1,704)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 19)	1,999	-	-	1,999
Share-based payments	-	-	171	171
Balance at 30 June 2020	53,814	(36,631)	(2,293)	14,890

Consolidated	Contributed Equity $'000	Accumulated Losses $'000	Reserves $'000	Total equity $'000
Balance at 1 July 2020	53,814	(36,631)	(2,293)	14,890
Loss after income tax expense for the year	-	(1,377)	-	(1,377)
Other comprehensive income for the year, net of tax	-	-	239	239
Total comprehensive income for the year	-	(1,377)	239	(1,138)
Transactions with owners in their capacity as owners:				
Share-based payments	-	-	98	98
Transfer on disposal of shares	-	(2,094)	2,094	-
Contributions of equity, net of transaction costs (note 19)	4,936	-	-	4,936
Balance at 30 June 2021	58,750	(40,102)	138	18,786

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

Alliance Resources Limited
Statement of cash flows
For the year ended 30 June 2021

	Note	Consolidated 2021 $'000	2020 $'000
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(1,043)	(1,105)
Receipts from customers (inclusive of GST)		1	1
		(1,042)	(1,104)
Cashflow Boost		50	50
Interest received		5	19
Interest and other finance costs paid		(5)	-
Net cash used in operating activities	31	(992)	(1,035)
Cash flows from investing activities			
Payments for property, plant and equipment	11	(23)	-
Payments for exploration and evaluation	13	(2,558)	(3,073)
Payments for security deposits		(30)	-
Proceeds from disposal of investments		431	-
Net cash used in investing activities		(2,180)	(3,073)
Cash flows from financing activities			
Proceeds from issue of shares	19	5,051	2,060
Share issue transaction costs	19	(115)	(61)
Repayment of lease liabilities	15	(19)	(23)
Net cash from financing activities		4,917	1,976
Net increase/(decrease) in cash and cash equivalents		1,745	(2,132)
Cash and cash equivalents at the beginning of the financial year		1,561	3,693
Cash and cash equivalents at the end of the financial year	8	3,306	1,561

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

Note 1. Significant accounting policies

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

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, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Going Concern
For the year ended 30 June 2021, the consolidated entity made a loss after taxation of $1,377,000 and had net cash outfows from operating activities of $992,000 and net cash outflows from investing activities of $2,180,000.

Nothwithstanding the above observations, the consolidated entity's directors have prepared the financial statements on a going concern basis, which contemplates the continuity of normal business activity, the realisation of assets and the settlement of liabilities through the normal course of business for the following reasons:

- At 30 June 2021, the consolidated entity reported cash and cash equivalents of $3,306,000.
- The consolidated entity has prepared a twelve-month cash flow budget which include additional cash outflows for exploration activity, which can be deferred in part if there are delays in raising capital or insufficient capital is raised to fund forecast expenditure.
- The consolidated entity has a history of successfully raising funds. The consolidated entity has the ability to raise further capital without shareholder approval under ASX Listing Rules 7.1 and 7.1A.
- The major shareholder entities associated with Mr Gandel, namely Gandel Metals Pty Ltd ('GM') and Abbotsleigh Pty Limited (Abbotsleigh) who now own 72.01% of the company, have committed to participate in any capital raisings for the next 12 months, or if necessary, provide loan funds, thus providing the company with a solid platform to have sufficient capital to continue as a going concern.

Historical cost convention

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

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 29.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Alliance Resources Limited ('company' or 'parent entity' or 'Alliance' as at 30 June 2021 and the results of all subsidiaries for the year then ended. Alliance Resources Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity' or 'group'.

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

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

Note 1. Significant accounting policies (continued)

Current and non-current classification

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars (apparent differences may occur due to rounding), or in certain cases, the nearest dollar.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

There are no other standards that are yet effective and that would be expected to have a material impact on the consolidated entity in its current or future reporting periods and on foreseeable future transactions.

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

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus Disease 2019 ('COVID-19' or 'the virus') pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the mining products, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the COVID-19 pandemic.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Share-based payment transactions

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

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

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

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Rehabilitation provision
A provision has not been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity operates in the mineral exploration and mining industry in Australia.

The consolidated entity has adopted AASB 8 Operating Segments whereby segment information is presented using a 'management approach'. Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The consolidated entity operates predominately in one geographical location. The consolidated entity does not have any operating segments with discrete financial information. The consolidated entity does not have any customers, and all the consolidated entity's assets and liabilities are located within Australia.

The Board of Directors review internal management reports on a monthly basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cashflows. As a result no reconciliation is required because the information as presented is what is used by the Board of Directors to make strategic decisions including assessing performance and in determining the allocation of resources.

Accounting policy for operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Board / Managing Director who are the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 4. Revenue

	Consolidated 2021 $'000	Consolidated 2020 $'000
Other revenue	1	-
Interest	5	19
Revenue	6	19

Accounting policy for revenue recognition

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Note 5. Other income

Government assistance - Covid19

As part of its response to COVID-19, the Australian Government, in March 2020, announced various stimulus measures to ease the burden experienced by businesses as a result of the economic fallout from the coronavirus lockdown and social distancing measures.

The initial 'Boosting Cash Flow for Employers' measure provided a tax-free 'payment' to eligible SMEs with aggregated annual turnover of less than $50 million if they employed people between 1 January 2020 and 30 June 2020. An additional cash flow boost was available as Alliance met the eligibility requirements and Alliance received payments totalling $50,000 for the year ended 30 June 2021.

	Consolidated 2021 $'000	Consolidated 2020 $'000
Cashflow Boost	50	50

Note 6. Expenses

	Consolidated 2021 $'000	Consolidated 2020 $'000
Loss before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	96	98
Right-of-use Assets	23	23
Total depreciation	119	121
Finance costs		
Interest and finance charges paid/payable on lease liabilities	5	1
Superannuation expense		
Defined contribution superannuation expense	77	50
Employee benefits expense excluding superannuation		
Employee benefits expense excluding superannuation	730	374

Note 7. Income tax benefit/expense

The income tax expense or benefit for the period is the tax payable/receivable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied 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 interests in subsidiaries, associates or 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 at 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.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Tax Consolidation

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

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Note 7. Income tax benefit/expense (continued)

	Consolidated	
	2021	**2020**
	$'000	**$'000**
The components of Income tax expense / (benefit) comprise:		
Current tax		
Current income tax charge / (benefit)	(1,074)	(1,307)
Adjustments in respect of previous years	(14)	(250)
Deferred tax		
Relating to origination and reversal of temporary differences	729	873
DTA/DTL adjustment due to tax rate change	471	-
Deferred tax assets not brought to account	(112)	684
Income tax expense / (benefit)	-	-
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Loss before income tax expense	(1,377)	(1,751)
Tax at the statutory tax rate of 26% (2020: 27.5%)	(358)	(481)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payment expense	26	46
Other income not included in assessable income	(13)	-
Other non-deductible expenses	-	1
	(345)	(434)
Adjustments in respect of prior years	(14)	(250)
DTA/DTL adjustment due to tax rate change	471	-
Deferred tax assets not brought to account	(112)	684
Income tax expense / (benefit)	-	-

	Consolidated	
	2021	**2020**
	$'000	**$'000**
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	45,682	41,497
Potential tax benefit	11,877	11,412

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 7. Income tax benefit/expense (continued)

	Consolidated	
	2021 $'000	2020 $'000
Deferred tax assets and liabilities not recognised		
Deferred tax liabilities comprises:		
Exploration and evaluation	(3,220)	(2,851)
Right of use asset	(26)	(34)
DTL due change in tax rate	157	-
Total deferred tax liabilities	(3,089)	(2,885)
Deferred tax assets comprises:		
Provisions and accruals	55	20
Equity raising costs	66	65
Lease Liability	28	34
Tax losses	11,877	11,412
DTA due change in tax rate	(629)	-
Total deferred tax assets	11,397	11,531

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

Note 8. Current assets - cash and cash equivalents

	Consolidated	
	2021 $'000	2020 $'000
Cash at bank	3,231	1,486
Cash on deposit	75	75
	3,306	1,561

Accounting policy for cash and cash equivalents
Cash and cash equivalents includes 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.

Note 9. Current assets - trade and other receivables

	Consolidated	
	2021 $'000	2020 $'000
Trade receivables	12	-
Other receivables	1	1
	13	1
Accrued revenue	-	1
GST receivable	80	94
	93	96

Note 9. Current assets - trade and other receivables (continued)

Accounting policy for trade and other receivables

Classification as receivables

Receivables are recognised initially at fair value and then subsequently measured at amortised costs, less provision for expected credit losses.

In determining the recoverability of a trade or other receivable using the expected credit loss model, the group performs a risk analysis considering the type and age of the outstanding receivables, the creditworthiness of the counterparty, contract provisions, letter of credit and timing of payment.

Fair value of receivables

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

Impairment and risk exposure

Information about the impairment of receivables, their credit quality and the group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 23.

Accounting policy for 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 arising 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 amount of GST recoverable from, or payable to, the tax authority.

Note 10. Non-current assets - financial assets at fair value through other comprehensive income

	Consolidated	
	2021	**2020**
	$'000	**$'000**
Ordinary shares - listed securities	1,461	3,984
Revaluation of investments to fair value	(1,312)	(3,643)
	149	341

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	341	294
Disposals - Tyranna Resources Ltd	(431)	-
Movement in fair value	239	47
Closing fair value	149	341

Note 10. Non-current assets - financial assets at fair value through other comprehensive income (continued)

Refer to note 24 for further information on fair value measurement.

Note: The ordinary shares are listed equity securities in SciDev Ltd (ASX Code: SDV) (formerly known as Intec Limited), Tyranna Resources Ltd (ASX Code: TYX) and Centennial Mining Ltd (ASX Code: CTL) (formerly known as A1 Consolidated Gold Limited).

The SDV shares were acquired on sale of investment in Encore Pty Ltd on 23 October 2006.

The CTL shares were obtained on the delisting of Octagonal Resources Ltd ("Octagonal") on 23 February 2016, at which time Alliance received CTL shares and cash as consideration for the disposal of its Octagonal shares, and also obtained pursuant to a rights issue in August 2016. On 21 March 2019 Administrators were appointed to CTL and the company subsequently entered into a Deed of Company Arrangement (DOCA) on 17 May 2019. A provision was created in financial year 2019 which wrote the investment down to $Nil and in January 2021, the DOCA was wholly effectuated with the Deed Administrators advising that the CTL shares are worthless.

The TYX shares were purchased in September and October 2016 via on-market purchases and also an off-market purchase. During the year, approximately 60 million shares have been sold leaving a small investment in TYX remaining.

Shares in TYX and SDV are valued by reference to the quoted market price at the close of business on balance date and are classified as financial assets at fair value through other comprehensive income.

Accounting policy for financial assets at fair value through other comprehensive income

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Equity instruments
The consolidated entity subsequently measures all equity investments at fair value. Where management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the company's right to receive payments is established.

Note 11. Non-current assets - property, plant and equipment

	Consolidated 2021 $'000	Consolidated 2020 $'000
Plant and equipment - at cost	940	917
Less: Accumulated depreciation	(317)	(221)
	623	696

Consolidated	Plant & Equipment $'000
Balance at 30 June 2019	794
Depreciation expense	(98)
Balance at 30 June 2020	696
Additions	23
Depreciation expense	(96)
Balance at 30 June 2021	623

Accounting policy for property, plant and equipment

All classes of property, plant and equipment are stated at cost less accumulated depreciation and any impairment write-downs. Depreciation is calculated on either a prime cost basis or a reducing balance basis to write off the net cost of each item of property, plant and equipment over its expected useful life to the consolidated entity. Estimates of remaining useful lives are made on a regular basis for all assets.

Note 12. Non-current assets - right-of-use assets

	Consolidated 2021 $'000	Consolidated 2020 $'000
Property lease - right-of-use	147	147
Less: Accumulated depreciation	(46)	(23)
	101	124

There were no additions to the right-of-use asset during the year ended 30 June 2021.

Accounting policy for right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Note 12. Non-current assets - right-of-use assets (continued)

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 13. Non-current assets - exploration and evaluation

	Consolidated	
	2021 $'000	**2020 $'000**
Exploration and evaluation costs carried forward - WA	205	91
Exploration and evaluation costs carried forward - Wilcherry Project	14,902	12,471
	15,107	12,562

Consolidated	Exploration $'000
Balance at 30 June 2019	9,810
Expenditure during the year	3,073
Tenement costs abandoned	(321)
Balance at 30 June 2020	12,562
Expenditure during the year	2,558
Tenement costs abandoned	(13)
Balance at 30 June 2021	15,107

Notes:
The recoverability of the carry forward amounts of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest.

The Wilcherry Project area is located within the southern part of the Gawler Craton in the northern Eyre Peninsula and currently comprises seven exploration licences covering approximately 1,000 km^2.

Accounting policy for exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Note 14. Current liabilities - trade and other payables

	Consolidated	
	2021 $'000	2020 $'000
Trade payables	312	327
Accrued expenses	94	84
PAYG payable	26	13
	432	424

Refer to note 23 for further information on financial instruments.

Accounting policy for trade and other payables

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

Note 15. Current liabilities - lease liabilities

	Consolidated	
	2021 $'000	2020 $'000
Lease liability - Land Lease Liability	19	19

Refer to note 23 for further information on financial instruments.

Note 16. Current liabilities - employee benefits

	Consolidated	
	2021 $'000	2020 $'000
Annual leave	47	14

Accounting policy for employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Defined contribution superannuation expense

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

Note 17. Non-current liabilities - lease liabilities

	Consolidated	
	2021 $'000	2020 $'000
Lease liability - Land Lease Liability	87	106

Refer to note 23 for further information on financial instruments.

Accounting policy for lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 18. Non-current liabilities - employee benefits

	Consolidated	
	2021 $'000	2020 $'000
Long service leave	75	5

Accounting policy for other long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 19. Equity - contributed equity

	Consolidated			
	2021 Shares	2020 Shares	2021 $'000	2020 $'000
Ordinary shares - fully paid	208,017,134	178,300,080	58,750	53,814

On 7 December 2020, Alliance announced a non-renounceable rights issue ('Entitlement Offer') entitling shareholders to subscribe for one new share for every six shares held on the record date of 10 December 2020 at an issue price of $0.17 per share. The Entitlement Offer closed on 27 January 2021 resulting in 29,717,054 new shares (approx. 91.35% take up of the rights offer) being issued with Alliance receiving $5,051,623 minus costs.

Funds raised through the Entitlement Offer are to be applied to drilling, feasibility study work, offer expenses and working capital.

Note 19. Equity - contributed equity (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance		178,300,080		53,814
Balance	30 June 2020	178,300,080		53,814
Non-renounceable entitlement offer	3 February 2021	29,661,888	$0.1700	5,042
Ineligible shareholders	3 February 2021	55,166	$0.1650	9
Costs associated with the capital raising	3 February 2021	-	$0.0000	(115)
Balance	30 June 2021	208,017,134		58,750

Ordinary shares

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

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

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital are 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.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment.

The consolidated entity is not subject to any financing arrangement covenants.

The capital risk management policy remains unchanged from the 30 June 2020 Annual Report.

Accounting policy for issued capital

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.

Note 20. Equity - reserves

	Consolidated 2021 $'000	Consolidated 2020 $'000
FVOCI reserve	(283)	(2,616)
Share-based payments reserve	421	323
	138	(2,293)

FVOCI reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Share-based payments reserve* $'000	FVOCI reserve** $'000	Total $'000
Balance at 1 July 2019	152	(2,663)	(2,511)
Revaluation - gross	-	47	47
Cost of share options issued	171	-	171
Balance at 30 June 2020	323	(2,616)	(2,293)
Revaluation - gross	-	239	239
Cost of share options issued	98	-	98
Transfer to accumulated losses - investment in CTL shares	-	299	299
Transfer to accumulated losses - investment in TYX shares	-	1,795	1,795
Balance at 30 June 2021	421	(283)	138

* The Share-based payments reserve is used to recognise the fair value of options issued to directors and employees.
** The FVOCI reserve is used to recognise the increase and decrease in fair value of the equity investments.

Note 21. Equity - accumulated losses

	Consolidated 2021 $'000	Consolidated 2020 $'000
Accumulated losses at the beginning of the financial year	(36,631)	(34,880)
Loss after income tax expense for the year	(1,377)	(1,751)
Transfer from FVOCI reserve	(2,094)	-
Accumulated losses at the end of the financial year	(40,102)	(36,631)

Note 22. Equity - dividends

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

Note 23. Financial Instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity 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 senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the group's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the group's functional currency.

The group currently operates in Australia only, thus at present it has minimal foreign exchange exposure. The group will potentially have greater exposure in the future as most commodities that the group explores for, are traded in US Dollars.

Interest rate risk

Interest rate risk is the risk that the group's financial position will be adversely affected by movements in interest rates. Interest rate risk on short term deposits is not considered to be a material risk due to the short term nature of these financial instruments.

At 30 June 2021 the group had the following cash instruments exposed to interest rate risk - Cash and cash equivalents totalling $3,305,836 (2020: $1,561,120).

The sensitivity of the fair value of financial instruments held at balance date, following a movement in interest rates, with all other variables held constant. A 1% interest rate change sensitivity is based on reasonably possible changes over a financial year. The post-tax profit or loss and effect on equity assuming a 1% interest rate change is $33,058 (2020: $15,611).

Note 23. Financial Instruments (continued)

As at the reporting date, the consolidated entity had the following variable rate items outstanding:

Consolidated	2021 Weighted average interest rate %	2021 Balance $'000	2020 Weighted average interest rate %	2020 Balance $'000
Cash and cash equivalents	0.20%	3,306	1.22%	1,561
Net exposure to cash flow interest rate risk		3,306		1,561

Price risk

The group is exposed to equity securities price risk. This arises from investments at fair value through other comprehensive income. The listed investments are traded on the ASX.

The following table sets out the carrying amount of the consolidated entity’s equity securities price risk. Also included is the effect on profit or loss after tax and equity if these prices at that date had been 25 basis points higher or lower with all other variables held constant as a sensitivity analysis.

Given the current volatility in both Australian and international stock markets a sensitivity of 25% has been selected and is considered reasonable.

	Impact of basis points increase		Impact of basis points decrease	
Consolidated - 2021	**Basis points change -%**	**Effect on equity**	**Basis points change - %**	**Effect on equity**
Financial assets - SDV	25	20,278	(25)	(20,278)
Financial assets - TYX	25	16,971	(25)	(16,971)
		37,249		(37,249)

	Impact of basis points increase		Impact of basis points decrease	
Consolidated - 2020	**Basis points change -%**	**Effect on equity**	**Basis points change - %**	**Effect on equity**
Financial assets - SDV	25	13,837	(25)	(13,837)
Financial assets - TYX	25	71,394	(25)	(71,394)
		85,231		(85,231)

Credit Risk

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

In determining the recoverability of a trade or other receivable using the expected credit loss model, the group performs a risk analysis considering the type and age of the outstanding receivables, the creditworthiness of the counterparty, contract provisions, letter of credit and timing of payment.

Note 23. Financial Instruments (continued)

Liquidity risk

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

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

Financing arrangements

No financing facilities are currently in place.

Hedging

No hedging is currently in place.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2021	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	312	-	-	-	312
Accrued expenses	-	94	-	-	-	94
PAYG Payable	-	26	-	-	-	26
Interest-bearing - variable						
Lease liability	-	19	20	67	-	106
Total non-derivatives		451	20	67	-	538

Consolidated - 2020	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	327	-	-	-	327
Accrued expenses	-	84	-	-	-	84
PAYG Payable	-	13	-	-	-	13
Interest-bearing - variable						
Lease liability	-	19	19	64	23	125
Total non-derivatives		443	19	64	23	549

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 23. Financial Instruments (continued)

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

Note 24. Fair Value Measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2021	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Ordinary shares	149	-	-	149
Total assets	149	-	-	149

Consolidated - 2020	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Ordinary shares	341	-	-	341
Total assets	341	-	-	341

There were no transfers between levels during the financial year.

Accounting policy for fair value measurement

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

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

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

Note 25. Key Management Personnel Disclosures

Directors
The following persons were directors of Alliance Resources Limited during the financial year:

Chairman - Non-executive and Non-independent
Mr I Gandel
Executive Director
Mr K Malaxos
Non-executive Director
Mr T Lethlean
Mr S Johnston

Other key management personnel
The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Position	Name
Managing Director	Mr K Malaxos
Chief Financial Officer & Company Secretary	Mr R Tolliday

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2021	**2020**
	$	**$**
Short-term employee benefits	468,602	436,337
Post-employment benefits	42,904	40,933
Long-term benefits	3,219	(83,349)
Termination benefits	-	86,609
Share-based payments	99,128	161,795
	613,853	642,325

The following transactions occurred with key management personnel and their related parties:

	Consolidated	
	2021	**2020**
	$'000	**$'000**
Payment for goods and services:		
Transactions with Gandel Metals Pty Ltd (an entity associated with director, Ian Gandel):		
Financial & Company Secretarial support services	356,100	310,200
Office & Administration costs	111,928	65,689
Geological services	106,110	229,550
Gandel Metals Pty Ltd total	574,138	605,439

Note 26. Remuneration of Auditors

During the financial year the following fees were paid or payable for services provided by BDO:

	Consolidated	
	2021	**2020**
	$	**$**
Audit services - BDO Audit Pty Ltd		
Audit or review of the financial statements	65,688	50,957
Other services - BDO Services Pty Ltd		
Preparation of the tax return	9,080	13,000
	9,080	13,000
	74,768	63,957

Note 27. Commitments

	Consolidated	
	2021	**2020**
	$'000	**$'000**
Exploration commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	1,427	1,716
One to five years	957	2,046
	2,384	3,762

Exploration commitments - The consolidated entity must meet tenement expenditure commitments to maintain them until they expire, are otherwise disposed of, or are renegotiated. Exploration licenses have been granted for between 1 and 5 years for all states that the group operates in.

Note 28. Related Party Transactions

Parent entity
Alliance Resources Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 30.

Key management personnel
Disclosures relating to key management personnel are set out in note 25 and the remuneration report included in the directors' report.

Note 29. Parent Entity Information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2021 $'000	**2020 $'000**
Loss after income tax	(1,228)	(1,291)
Total comprehensive income	(1,228)	(1,291)

	Parent	
	2021 $'000	**2020 $'000**
Total current assets	2,653	1,633
Total assets	19,524	15,066
Total current liabilities	45	188
Total liabilities	206	195
Equity		
Contributed equity	58,750	53,814
FVOCI reserve	(283)	(2,616)
Share-based payments reserve	421	323
Accumulated losses	(40,450)	(36,650)
	18,438	14,871

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021 other than Alliance (NSW) Pty Ltd for which a deed of cross guarantee exists. Alliance (NSW) Pty Ltd does not trade, has no material amounts going through the profit and loss and has trade creditors at 30 June 2021 of $Nil (2020: $267).

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2021 (2020: $Nil).

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment at as 30 June 2021 (2020: $Nil).

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 30. Interest In Subsidiaries

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

Name	Principal place of business / Country of incorporation	Ownership interest 2021 %	2020 %
Alliance (NSW) Pty Ltd	Australia	100%	100%
Alliance Resources (WA) Pty Ltd	Australia	100%	100%
Alliance (Eyre) Pty Ltd	Australia	100%	100%
Alliance (Chile) Pty Ltd	Australia	100%	100%

Note 31. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2021 $'000	2020 $'000
Loss after income tax expense for the year	(1,377)	(1,751)
Adjustments for:		
Depreciation Plant and equipment	96	98
Depreciation right of use assets	23	23
Share-based payments	98	171
Tenement costs abandoned	13	321
Change in operating assets and liabilities:		
Decrease in trade and other receivables	2	57
Decrease/(increase) in other assets	41	(41)
Increase/(decrease) in trade and other payables	(2)	126
Increase/(decrease) in employee benefits	103	(73)
Increase in accruals	11	34
Net cash used in operating activities	(992)	(1,035)

Note 32. Loss per share

	Consolidated 2021 $'000	2020 $'000
Loss after income tax attributable to the owners of Alliance Resources Limited	(1,377)	(1,751)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic loss per share	190,308,745	155,535,712
Weighted average number of ordinary shares used in calculating diluted loss per share	190,308,745	155,535,712
	Cents	**Cents**
Basic loss per share	(0.72)	(1.13)
Diluted loss per share	(0.72)	(1.13)

Note 32. Loss per share (continued)

Accounting policy for loss per share

Basic loss per share
Basic loss per share is calculated by dividing the loss attributable to the owners of Alliance Resources 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 loss per share
Diluted loss per share adjusts the figures used in the determination of basic loss 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. As the company has incurred a loss per AASB133 Earnings Per Share no adjustments have been made regarding the granted options as a reduction of the loss would be anti-dilutive.

Note 33. Share-Based Payments

An Employee Share Option Plan (ESOP) has been established by the company and approved by shareholders at a general meeting, whereby the company may, at the discretion of the Remuneration Committees, 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 Remuneration Committee.

Set out below are summaries of options granted under the plan:

2021

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
30/11/2016	31/08/2020	$0.1592	1,000,000	-	-	(1,000,000)	-
30/11/2016	31/08/2021	$0.1992	1,000,000	-	-	-	1,000,000
30/11/2016	31/08/2022	$0.2392	1,000,000	-	-	-	1,000,000
02/04/2017	31/03/2020	$0.1192	-	-	-	-	-
02/04/2017	31/03/2021	$0.1592	550,000	-	-	(550,000)	-
02/04/2017	31/03/2022	$0.1992	550,000	-	-	-	550,000
02/04/2017	31/03/2023	$0.2392	550,000	-	-	-	550,000
20/06/2019	31/01/2022	$0.1192	50,000	-	-	-	50,000
20/06/2019	31/01/2023	$0.1592	50,000	-	-	-	50,000
20/06/2019	31/01/2024	$0.1992	50,000	-	-	-	50,000
20/06/2019	31/01/2025	$0.2392	50,000	-	-	-	50,000
01/12/2019	30/11/2022	$0.1200	1,000,000	-	-	-	1,000,000
01/12/2019	30/11/2022	$0.1600	1,000,000	-	-	-	1,000,000
01/12/2019	30/11/2024	$0.1600	1,000,000	-	-	-	1,000,000
01/12/2019	30/11/2024	$0.2000	1,000,000	-	-	-	1,000,000
01/12/2019	01/07/2024	$0.2000	1,000,000	-	-	-	1,000,000
01/12/2019	01/10/2024	$0.2000	1,000,000	-	-	-	1,000,000
01/12/2019	01/07/2025	$0.2000	1,000,000	-	-	-	1,000,000
			11,850,000	-	-	(1,550,000)	10,300,000

Note 33. Share-Based Payments (continued)

2020

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
30/11/2016	31/08/2019	$0.1192	1,000,000	-	(1,000,000)	-	-
30/11/2016	31/08/2020	$0.1592	1,000,000	-	-	-	1,000,000
30/11/2016	31/08/2021	$0.1992	1,000,000	-	-	-	1,000,000
30/11/2016	31/08/2022	$0.2392	1,000,000	-	-	-	1,000,000
02/04/2017	31/03/2020	$0.1192	550,000	-	-	(550,000)	-
02/04/2017	31/03/2021	$0.1592	550,000	-	-	-	550,000
02/04/2017	31/03/2022	$0.1992	550,000	-	-	-	550,000
02/04/2017	31/03/2023	$0.2392	550,000	-	-	-	550,000
20/06/2019	31/01/2022	$0.1192	50,000	-	-	-	50,000
20/06/2019	31/01/2023	$0.1592	50,000	-	-	-	50,000
20/06/2019	31/01/2024	$0.1992	50,000	-	-	-	50,000
20/06/2019	31/01/2025	$0.2392	50,000	-	-	-	50,000
01/12/2019	30/11/2022	$0.1200	-	1,000,000	-	-	1,000,000
01/12/2019	30/11/2022	$0.1600	-	1,000,000	-	-	1,000,000
01/12/2019	30/11/2024	$0.1600	-	1,000,000	-	-	1,000,000
01/12/2019	30/11/2024	$0.2000	-	1,000,000	-	-	1,000,000
01/12/2019	01/07/2024	$0.2000	-	1,000,000	-	-	1,000,000
01/12/2019	01/10/2024	$0.2000	-	1,000,000	-	-	1,000,000
01/12/2019	01/07/2025	$0.2000	-	1,000,000	-	-	1,000,000
			6,400,000	7,000,000	(1,000,000)	(550,000)	11,850,000

Set out below are the options exercisable at the end of the financial year:

Exercisable date	Expiry date		2021 Number	2020 Number
01/09/2017	31/08/2020		-	1,000,000
01/04/2018	31/03/2021		-	550,000
01/09/2018	31/08/2021		1,000,000	1,000,000
01/04/2019	31/03/2022		550,000	550,000
20/06/2019	31/01/2022		50,000	50,000
19/08/2019	31/01/2025	*	50,000	50,000
19/08/2019	31/03/2023	*	550,000	550,000
19/08/2019	31/01/2023	*	50,000	50,000
19/08/2019	31/01/2024	*	50,000	50,000
19/08/2019	31/08/2022	*	1,000,000	1,000,000
01/12/2019	30/11/2022		2,000,000	2,000,000
			5,300,000	6,850,000

* On 19 August 2019 a take-over offer was launched resulting in all existing non-vested options at that time immediately vesting per the ESOP terms and conditions.

Set out below are the valuation model inputs used to determine the fair value at grant date of options granted:

Note 33. Share-Based Payments (continued)

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility %	Dividend yield	Risk-free interest rate %	Fair value at grant date
01/12/2019	30/11/2022	$0.11	$0.12	71%	-	0.645%	$50,000
01/12/2019	30/11/2022	$0.11	$0.16	71%	-	0.645%	$40,000
01/12/2019	30/11/2024	$0.11	$0.16	71%	-	0.730%	$56,000
01/12/2019	30/11/2024	$0.11	$0.20	71%	-	0.730%	$46,000
01/12/2019	01/07/2025	$0.11	$0.20	71%	-	0.695%	$37,000
01/12/2019	01/07/2025	$0.11	$0.20	71%	-	0.730%	$44,000
01/12/2019	01/10/2025	$0.11	$0.20	71%	-	0.765%	$51,000

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

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or 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 consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

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

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

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

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

Note 34. Contingent Liabilities

The group had no contingent liabilities as at 30 June 2021 (2020:$Nil)

Note 35. Events after the reporting period

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Alliance Resources Limited
Directors' declaration
30 June 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2021 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)(a) of the Corporations Act 2001.

On behalf of the directors

Ian Gandel
Chairman

30 September 2021
Melbourne

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INDEPENDENT AUDITOR'S REPORT

To the members of Alliance Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Alliance Resources Limited (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, 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 2021 and of its financial performance for the year ended on that date; 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to 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.

EXPLORATION AND EVALUATION COSTS

Key audit matter	*How the matter was addressed in our audit*
The Group has incurred significant exploration and evaluation expenditures which have been capitalised. As the carrying value of exploration and evaluation expenditures represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount. *AASB 6 Exploration for and Evaluation of Mineral Resources* contains detailed requirements with respect to both the initial recognition of such assets and ongoing requirements to continue to carry forward the assets. Note 13 to the financial statements contains the accounting policy and disclosures in relation to exploration and evaluation expenditures. The accounting of exploration and evaluation expenditures is also considered a key accounting judgement area as disclosed in note 2 to the financial statements.	Our audit procedures included, amongst others: • Obtaining evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditures by performing independent searches; • Confirming whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future; • Agreeing a sample of the additions to capitalised exploration expenditures during the year to supporting documentation, and ensuring that the amounts were permissible and capitalised correctly; net of any funding received; • Reviewing the directors' assessment of the carrying value of the exploration and evaluation expenditures, ensuring that management have considered the effect of potential impairment indicators, , its capacity to meet its future exploration expenditure commitments and the release of any unfavourable results based on the current stage of the Group's project; and • Reviewing public (ASX) announcements and minutes of directors' meetings to ensure that the Group had not decided to discontinue activities in any of its areas of interest.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Chairman's address, review of operations and tenement schedule reports, which are expected to be made available to us after that date.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

When we read the Chairman's address, review of operations and tenement schedule reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.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 on pages 5 to 10 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Alliance Resources Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Wai Aw
Director

Melbourne, 30 September 2021

Alliance Resources Limited
Shareholder information
30 June 2021

The shareholder information set out below was applicable as at 27 September 2021.

Ordinary shares
208,017,134 fully paid ordinary shares are held by 827 shareholders.

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

	Number of holders of ordinary shares	Number of holders of options over ordinary shares
1 to 1,000	165	-
1,001 to 5,000	144	-
5,001 to 10,000	208	-
10,001 to 100,000	255	-
100,001 and over	55	6
	827	6
Holding less than a marketable parcel	231	-

Alliance Resources Limited
Shareholder information
30 June 2021

Equity security holders

Twenty largest quoted equity security holders

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

Name	Ordinary shares Number held	Ordinary shares % of total shares issued
ABBOTSLEIGH PTY LTD / GANDEL METALS PTY LTD / IAN GANDEL	149,796,086	72.01
ONE FUND SERVICES LTD (SANDON CAPITAL ACTIVIST A/C)	11,943,403	5.74
ONE MANAGED INVT FUNDS LTD(SANDON CAPITAL INV LTD A/C)	9,961,775	4.79
DEBUSCEY PTY LTD	8,393,265	4.03
MR AVINASH LAKHAN (ARYAN FIRST A/C)	2,558,832	1.23
PDL BALLAH PTY LTD(PDL BALLAH TRUST A/C)	2,514,461	1.21
MR PETER LEMMEN (CRENTIN P/L A/C)	1,187,813	0.57
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	927,276	0.45
MR WARREN ANDREW MCDONALD	800,000	0.38
MR PETER LEMMEN+MRS SUZANNE LEMMEN (SOPLAX SUPERFUND A/C)	729,411	0.35
MR YURI ALEXANDER ZYLEWICZ	560,000	0.27
BARLOO INVESTMENTS PTY LTD	529,960	0.25
MR JOZE VUKOVICH + MRS SHARON ELIZABETH ANN VUKOVICH (THE BANJA S/F A/C)	452,388	0.22
MELBOURNE HOMEWARES PTY LTD(E A FRGMC VIC P/L EBP A/C)	362,667	0.17
MRS SHARON ELIZABETH ANN VUKOVICH	356,601	0.17
ALFRET PTY LTD	352,769	0.17
PROVIDENCE GOLD AND MINERALS PTY LTD (SUPER FUND A/C)	352,535	0.17
MR LEONARD GEORGE GOULDING + MRS DIANNE KATHLEEN GOULDING (JALD SUPERANNUATION A/C)	314,029	0.15
ORIENT HOLDINGS FIJI PTY LTD (RAM FAMILY A/C)	313,049	0.15
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	310,570	0.15
	192,716,890	92.63

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares Number held	Ordinary shares % of total shares issued
Abbotsleigh Proprietary Limited / Gandel Metals Pty Ltd / Ian Gandel	149,796,086	72.01
Sandon Capital Pty Ltd	21,905,178	10.53

Voting rights

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

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.

There are no other classes of equity securities.