PVW RESOURCES NL

ABN 29 624 170 074

Annual Financial Report
30 June 2020

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Colin McCavana
Non-Executive Chairman

George Bauk
Director

Aaron Maurer
Director

GENERAL MANAGER

Karl Weber

COMPANY SECRETARY

Simon Storm

PERTH REGISTERED AND PRINCIPAL OFFICE

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Level 4,167 St Georges Tce
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Australia

GROUP AUDITORS

Nexia Perth Audit Services Pty Ltd
Level 3, 88 William Street
Perth WA 6000
Australia

BANKERS

National Australia Bank
1232 Hay Street
West Perth WA 6005
Australia

OPERATIONS REVIEW

1. EXPLORATION

Over the last 12 months PVW Resources has significantly advanced its projects by completing Geophysical interpretations at Leonora, Kalgoorlie and in the Tanami, and adding value though exploration drilling of existing and new targets.

Figure 1: PVW Resources Project Locations.

Tenure changes in the year include:

- addition of 3 Prospecting Licenses in Kalgoorlie;
- addition of 1 Exploration License in Leonora and one Prospecting License;
- granting of 5 Exploration Licenses in the Tanami, and
- the Option Agreements over Kalgoorlie tenement E27/565 and P24/5180 were terminated in June 2020.

At 30 June 2020, PVW Resources NL ("PVW" or "the Company") being the company and its controlled entities ("the Group") operate 29 mining tenements (including 26 granted titles and 3 applications).

Capital raisings during 2019 enabled RC drilling at Jungle Well which resulted in a JORC 2012 Compliant Inferred Mineral Resource.

Jungle Well Deposit
November Inferred Mineral Resource Estimate (0.5g/t Au Cut-off)

Type	Tonnage kt	Au g/t	Au Ounces
LG Stockpile	7	1.3	300
Oxide	210	1.0	6,800
Transitional	309	1.1	10,600
Fresh	208	1.4	9,200
Total	**734**	**1.1**	**26,900**

Note: Due to rounding, numbers presented in the above table may not add up precisely to the totals provided.

Exploration funds were also utilized to complete Aircore drilling programmes at Jungle Well and Brilliant Well. These programmes were significant steps in the exploration process. The Results of the 2019 RC drilling and the 2019 Aircore drilling combined with historic results provide the confidence to undertake further resource drilling and exploration drilling.

Drilling at Brilliant Well Prospect was a success, with highly anomalous gold intersections returned, while testing between existing mineralized structures was carried out on a trend that had not been tested previously.

Results at the north of Brilliant Well Prospect are also a significant step in testing an area with no previous drilling, with positive results in this area opening large target areas.

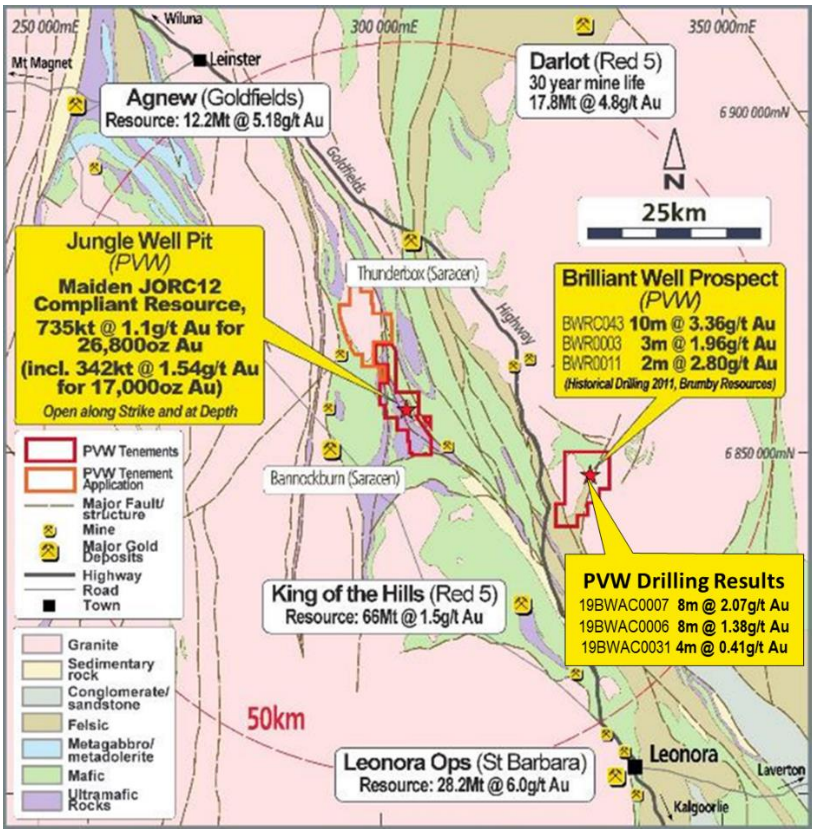

Figure 2: Location of our Leonora Projects and Results

OPERATIONS REVIEW

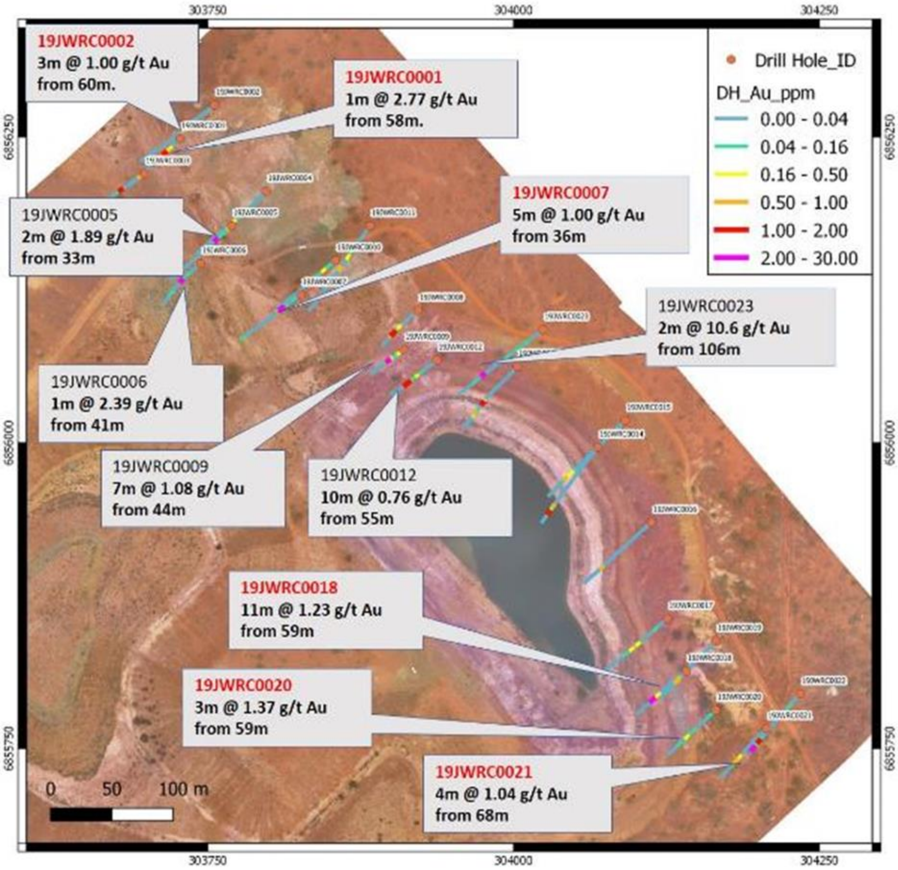

Figure 3: Location of Significant Jungle Well RC Results:

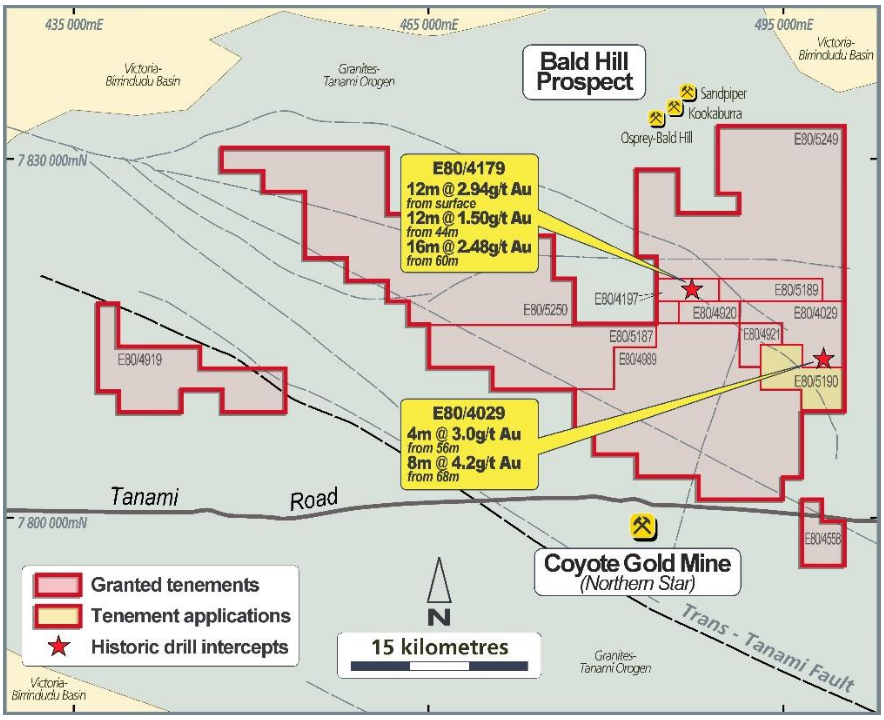

Figure 4: Tanami Project Tenement Locations:

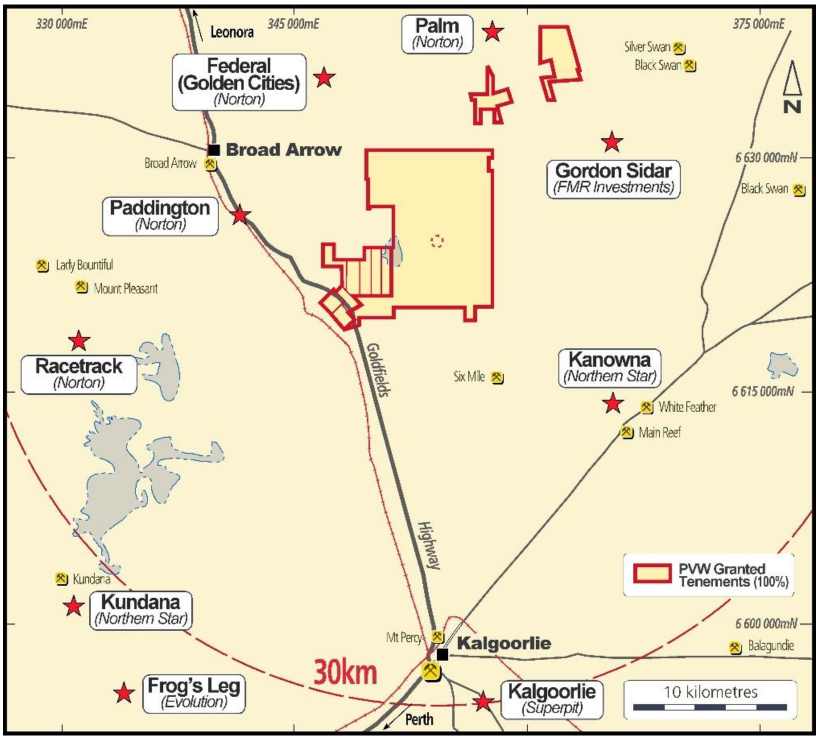

Figure 5: Kalgoorlie Project Tenement Locations:

2. HEAP LEACH PROJECT

During the year the Group progressed a scoping study for a trial heap leach project at Jungle Well, which resulted in the following being completed:

- a heap leach laboratory analysis;
- preparing a mining proposal; and
- obtaining environmental approvals.

This was done within a changing landscape because of COVID-19 issues and therefore based on continually changing guidance from State and Federal Governments.

Design criteria was completed, which was aligned to the initial laboratory test work. Site water balance for different levels of rainfall events, leach pad and pond size were also completed, assisting with a refinement of the earthworks and polyethylene liner costs.

Group representatives spent a week on site collecting further bulk gold ore samples along with 1000L of pit water to complete a 6m high column test over a 3-month period. The results will ensure whether the pad performs over time and we maximise gold metal recovery.

Figure 6: Blending and screening bulk sample from PVW stockpile

DMIRS recommended a small-scale mining proposal for the trial was submitted and then subsequently a full-scale mining proposal could be done. The reason this initial approach was suggested was because no mining was required per se, as the 16kt of 1.34g/t Au was already stockpiled on the surface.

Figure 7: Rehabilitation of the waste dump at Jungle Well

The Board are in the process of evaluating the merits of whether to progress this project and any decision will be subject to funding availability.

3. CORPORATE ACTIVITIES

In order for the Group to continue its primary focus of gold exploration on tenements in the Leonora, Tanami and Kalgoorlie regions of Western Australia additional funds were raised during the financial year through a placement and rights issue raising with the issue of 18,367,016 ordinary shares at 8 cents raising $1,469,361.

Furthermore, in efforts to preserve cash, the Non-executive Directors and the Company Secretary were issued 1,482,667 shares in July 19 (issue price 7.5 cents) in lieu of fees relating to the 2019 financial year. The Managing Director was issued shares with respect to $35,000 of his salary.

On 27 August 2020, the Group issued 3,630,278 ordinary shares in settlement of outstanding fees payable with respect to the 2020 financial year to Directors and the Company Secretary (issue price 6 cents). The Managing Director was issued shares with respect to $55,417 of his salary.

During the 2021 financial year, the Board have resolved it necessary to continue conserving cash and therefore the Directors and Company Secretary will again be issued shares in lieu of cash (issue price 6 cents) as follows:

- Directors – Mr Colin McCavana $2,500 per month, Mr George Bauk $5,000 per month and Mr Aaron Maurer $2,000 per month, and
- Company Secretary – Mr Simon Storm $3,700 per month.

The health and well-being of our employees remained and continues to remain of the utmost importance to PVW during the COVID-19 pandemic

In light of Government restrictions on the movements of personnel and the volatility of capital markets, PVW implemented a work program where all non-essential spending across the Company was deferred. The Managing Director, Mr Aaron Maurer stepped down from his role into a Non-Executive Director capacity, with the Exploration Manager, Mr Karl Weber, assuming the role as General Manager on 15 April 2020.

OPERATIONS REVIEW

During the year the Company has looked at numerous shell companies in an effort to seek an ASX listing and improve financial prospects by way of providing access to the capital markets. In turn such a corporate move would provide greater liquidity to our shareholders.

As announced on 14 September 2020 the Company entered into a binding term sheet with Thred Limited (ASX:THD):

- to complete a takeover of PVW by THD in accordance with Chapter 6D of the Corporations Act or a scheme of arrangement under Pt 5.1 of the Corporations Act; subject to satisfaction of various conditions precedent, including obtaining all necessary shareholder approvals;

- THD would issue 151,515,152 THD Shares (on a post-Consolidation basis) to the PVW shareholders to acquire all of the securities in PVW; and

- THD would undertake a public offer to raise $2.5 million for the combined group.

The process to complete the transaction is underway at the date of signing of the 30 June 2020 financial statements, as THD will need to complete a Chapter 1 and 2 compliance listing on the ASX, which will include preparation and lodgement of a prospectus.

Shareholders will be advised in due course of the processes required to complete the proposed transaction.

COMPETENT PERSON STATEMENTS

The information in this document that relates to the exploration results and exploration targets is based on information compiled by Mr Karl Weber, a professional geologist with over 25 years' experience in minerals geology including senior management, consulting, exploration, resource estimation, and development. Karl Weber completed a Bachelor of Science with Honours at the Curtin University in 1994; is a Member of the Australian Institute of Geoscientists (Member No. 6422) and thus holds the relevant qualifications and professional association membership required by the ASX, JORC and VALMIN to qualify as a Competent Person as defined in the JORC Code. Mr Weber is a full time employee of the Group. Mr Weber has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves'. Mr Weber consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The Mineral Resource has been compiled under the supervision of Mr. Shaun Searle who is a director of Ashmore Advisory Pty Ltd and a Registered Member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.

All Mineral Resources figures reported in the table above represent estimates at November 2019. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

The Board of Directors (Board) of PVW Resources NL (PVW or the Company) present their report together with the consolidated financial report of PVW Resources NL being the Company and its controlled entities (the Group), for the year ended 30 June 2020 and the auditor's report thereon.

1. DIRECTORS

The Directors of the Group at any time during the period and up to the date of this report and their terms of office are as follows:

George Bauk - MBA, BBus, GAICD, FCPA
Appointed 8th February 2019

George is an experienced company director with over 14 years' experience as a listed company director in Australia with the resources industry in both production and exploration with assets in Western Australia, Australia and internationally. He is an experienced executive, with 30 years' experience in the resources industry. He holds a Bachelor of Business (Accounting and Finance) from Edith Cowan University, is a Fellow of the CPA and has an MBA from the University of New England. George has held global operational and corporate roles with WMC Resources and Western Metals. He has a strong background in strategic management, business planning, building teams, finance and capital/debt raising, and experience with a variety of commodities in particular rare earths, gold and industrial minerals. During his time as Managing Director of Northern Minerals, he led its rapid development from a greenfields heavy rare earth explorer to one of a few global producers of high value dysprosium outside of China. George is a passionate member of the WA resources industry having previously held a number of senior governing positions with the Chamber of Minerals and Energy including Vice President.

Current directorships in listed entities
Non-executive Chairman – Lithium Australia NL
Managing Director – Northern Minerals Limited (resigned 05 June 2020)
Non-Executive Director – BlackEarth Minerals Ltd
Non-executive Chairman – Gascoyne Resources Limited

Colin McCavana - AusIMM
Appointed 1 February 2018

Colin has over 35 years' experience in the exploration and mining sector and has extensive experience in corporate management, capital raising, financing, exploration, project development, construction and operation. He has been directly involved in the listing of 5 public companies and has been responsible for the development and operation of 5 gold projects.

He has had extensive involvement in gold exploration, both in Australia and overseas, and was responsible for the successful development and operation of three carbon in pulp and heap leach gold projects in Western Australia.

Current directorships in listed entities
Chairman - Northern Minerals Ltd
Chairman – Reward Minerals Ltd

Aaron Maurer – B.Eng (Mining) MCF
Appointed 10th September 2018

Aaron has over 20 years operational experience as a senior-level business executive with domestic an international multi-commodity mining experience. Aaron was previously the Operations Manager – Mining at Mineral Resources Ltd where he worked for just under two years. Aaron holds a Bachelor of Engineering (Mining) from the University of New South Wales and a Masters of Corporate Finance through Kaplan Professional. In addition to these tertiary qualifications, Aaron has also completed several mining and operational statutory competencies. Aaron is skilled at achieving safety, production and financial targets by developing committed and capable teams of professionals through the consistent application of strategic and operational values-based leadership.

2. COMPANY SECRETARY

Simon Storm - BCom, BCompt (Hons) FGIA, CA
Appointed 10 September 2018

Simon is a Chartered Accountant with more than 30 years of Australian and international experience in the accounting profession and commerce. He commenced his career with Deloitte Haskins & Sells in Africa then London before joining Price Waterhouse in Perth. During the past 18 years he has held various senior finance and company secretarial roles with listed and unlisted entities in the resources, agribusiness, banking, construction, telecommunications, property development and funds management industries. He is currently Company Secretary of ASX listed company, Empire Resources Ltd and retired from BlackEarth Minerals NL in September 2020, and acts as CFO and Company Secretary for two other unlisted companies. He was a non-executive Director and Company Secretary of West African Resources Ltd until his retirement from that Company in May 2020.

3. MEETINGS OF DIRECTORS

The following table sets out the number of director meetings (including circular resolutions and meetings of the Board of Directors of PVW Resources NL held during the financial period and which each Director was eligible to attend, and the number of meetings attended by each Director (while they were a Director).

	Directors' Meetings	
Director	Meetings attended	Meetings held whilst a Director
Aaron Maurer	7	7
George Bauk	7	7
Colin McCavana	7	7

Due to the nature and composition of the board, Circular Resolutions were used during the period to approve a number of resolutions and items.

4. PRINCIPAL ACTIVITIES

During the period the principal activities of the Group consisted of mineral exploration and evaluation of properties in the Tanami, Leonora and Kalgoorlie regions in Western Australia.

5. REVIEW AND RESULTS OF OPERATIONS

Review of Operations

Refer page 1 for details.

Results of Operations
The loss after tax for the consolidated entity was $1,716,121 (2019: $2,330,784).

Revenue
Interest received was $2,596 (2019: $4,884).
Australian Government assistance received for Covid19 was $100,000 (2019: $Nil)

Expenses
For the year ended 30 June 2020, the Group incurred exploration costs of $1,256,905 which is less than 2019 ($1,540,338), mainly due to the acquisition of tenements being less at $330,000 (2019: $415,000), exploration contractor costs being lower at $94,142 (2019: $407,648) and the rehabilitation provision allocation being lower at $56,040 (2019:$250,000). These decreases were offset by an increase in drilling expenditure of $245,451 (2019: $54,542) and other tenement related expenditures of $188,337 (2019: $109,671).

Other expenditure decreased to $152,669 (2019: $421,135) mainly as a result of decreased costs incurred in preparing for the initial public offering, preparation of a prospectus and marketing.

Employee benefits expense increased to $351,743 (2019: 264,348) as a consequence of the increase to the former Managing Director's salary, $70,000 of which was settled through the issue of shares. In addition, the share-based payment expense of $55,351 (2019: $107,657) related to the allocation of a non-cash charge brought to account for the 2019 issue of performance rights to the Directors.

Operating cash flows
Cash outflows from operating activities were lower, $1,471,044 (2019: $1,567,686), partially due to the benefit of the Australian Government cash flow boost received of $47,248 and IPO related costs incurred in the prior year. This was offset by an increase in exploration work.

Investing cash flows
Cash outflows from investing activities were $1,108 (2019: $6,999) due mainly to the acquisition of equipment.

Financing cash flows
Cash inflows from financing activities were $1,469,361 (2019: $1,188,000) due to share placements.

Statement of financial position
Current assets
Current assets increased by 11% to $350,060 (2019: $314,016) mainly due to the Australian Government assistance receivable.

Non-current assets
There was no significant change in non-current assets.
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Current liabilities
Current liabilities increased by 30% to $261,409 (2019: $201,060) due to an increase in the accrual for Directors' fees being for the full year (2019: 5 months), which were settled through a share issue subsequent to year end.

Non-current liabilities
Non-current liabilities increased to $300,000 (2019: $250,000) due to increasing the rehabilitation provision for Jungle Well.

Significant Changes in State of Affairs

In the opinion of the Directors there were no other significant changes in the state of affairs of the Group other than as discussed elsewhere in this Report.

6. SUBSEQUENT EVENTS

On 27 August 2020, the Company issued 3,630,278 ordinary shares in settlement of outstanding fees payable to Directors and the Company Secretary (issue price 6 cents).

On 14 September 2020 the Company advised shareholders that it had entered into a binding term sheet with Thred Limited (ASX:THD):
- to complete a takeover of PVW by THD in accordance with Chapter 6D of the Corporations Act or a scheme of arrangement under Pt 5.1 of the Corporations Act; subject to satisfaction of various conditions precedent, including obtaining all necessary shareholder approvals;
- THD would issue 151,515,152 THD Shares (on a post-Consolidation basis) to the PVW shareholders to acquire all of the securities in PVW; and
- THD would undertake a public offer to raise $2.5 million, before costs, for the combined group

Other than this, there has not been any matter or circumstance not otherwise dealt with in the financial report that has significantly affected or may significantly affect the Group in future financial periods.

7. ENVIRONMENTAL ISSUES

The Groups' operations are subject to environmental regulation under Australian and relevant foreign legislation.

PVW Resources NL aims to ensure the appropriate standards of environmental sustainability and care is achieved, and in doing so will continuously ensure compliance with all environmental regulations.

8. REMUNERATION

The following tables disclose the remuneration of the Directors of the Group.

2020 Directors	Salary $	Directors Fees $	Post Employment Superannuation $	Share Based Payment Performance Rights $	Total $	% performance based
Aaron Maurer[1,2,3]	244,639	10,000	14,651	31,975	301,265	11%
George Bauk[2]	-	48,000	-	11,688	59,688	20%
Colin McCavana[2]	-	60,000	-	11,688	71,688	16%
	244,639	118,000	14,651	55,351	432,641	13%

[1] $55,417 salary settled through the issue of ordinary shares on 27 August 2020

[2] Directors Fees settled through the issue of ordinary shares on 27 August 2020

[3] Resigned as Managing Director on 15 April 2020 but remained a Non-Executive Director on the Board

2019 Directors	Salary $	Directors Fees $	Post Employment Superannuation $	Share Based Payment Performance Rights $	Total $	% performance based
Aaron Maurer[1]	155,629	-	11,460	21,753	188,842	12%
George Bauk[2]	-	24,000	-	7,952	31,952	25%
Colin McCavana[2]	-	30,000	-	7,952	37,952	21%
Mark Scolaro	-	-	-	35,000	35,000	100%
Michael Griffiths	-	-	-	35,000	35,000	100%
	155,629	54,000	11,460	107,657	328,746	33%

[1] $35,000 settled through the issue of ordinary shares on 30 July 2019

[2] Directors Fees settled through the issue of ordinary shares on 30 July 2019

9. DIRECTORS' SHAREHOLDING

During the financial year ending 30 June 2020 the Directors' interest in shares and performance rights* was as follows:

2020 Shareholdings of Key Management Personnel

Directors	Balance at beginning of year	Shares issued in lieu of fees	Received on exercise of options	Shares acquired	Balance at end of year
Aaron Maurer	2,000,000	466,667	-	246,666	2,713,333
George Bauk	5,000,000	320,000	-	532,000	5,852,000
Colin McCavana	5,000,000	400,000	-	600,000	6,000,000
	12,000,000	1,186,667	-	1,378,666	14,565,333

2020 Performance rights holdings of Key Management Personnel

Directors	Balance at beginning of year	Granted as remuneration	Exercised	Net change other	Balance at end of year	Vested and exercisable at 30 June 2020
Aaron Maurer [1,2,3]	2,000,000	-	-	-	2,000,000	-
George Bauk [2,3]	700,000	-	-	-	700,000	-
Colin McCavana [2,3]	700,000	-	-	-	700,000	-
	3,400,000	-	-	-	3,400,000	-

Vesting Conditions:
[1] 12 months continuous employment after IPO and a market capitalisation of 25% greater than at listing
[2] A project with a minimum of 3 significant drilling intersections of at least 5m@ 10 g/t or equivalent up to 25m@ 2
[3] A JORC compliant resource of at least 500,000 ounces with a minimum grade of 2 g/t

The relevant interest of each Director in the shares and performance rights* issued by the Company at the date of this report is as follows:

Director	Number of Ordinary Shares		Number of Performance Rights	
	Direct	Indirect	Direct	Indirect
Aaron Maurer	-	3,803,611	-	2,000,000
George Bauk	-	6,652,000	-	700,000
Colin McCavana	-	7,000,000	-	700,000

* – in the event of the THD transaction (referred to in (6) above in this Directors Report) becoming unconditional, the holders of the performance rights have agreed to relinquish their entitlement to these rights and they will be cancelled.

10. AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires the Group's auditors to provide the Directors with a written Independence Declaration in relation to their audit of the financial report for the year ended 30 June 2020. This written Auditor's Independence Declaration is attached to the Independent Auditor's Report to the members and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors made pursuant to s298(2) of the Corporations Act 2001.

Dated at Perth this 25th day of September 2020.

George Bauk
Director

CONSOLIDATED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2020

	Note	Consolidated 2020 $	Consolidated 2019 $
Continuing Operations			
Interest income		**2,596**	4,884
Australian Government Assistance		**100,000**	-
Employee benefits expense		**(351,743)**	(264,348)
Interest expense		**(158)**	(1,029)
Depreciation expense		**(1,762)**	(860)
Finance costs		**(129)**	(301)
Share-based payment expense	**20**	**(55,351)**	(107,657)
Exploration expense	**3**	**(1,256,905)**	(1,540,338)
Other expenses	**3**	**(152,669)**	(421,135)
Loss before income tax		**(1,716,121)**	(2,330,784)
Income tax benefit	**4**	**-**	-
Net loss for the year		**(1,716,121)**	(2,330,784)
Other comprehensive income, net of tax			
Items that may be reclassified to profit or loss			
Exchange differences on translating operation in foreign currencies		**-**	**-**
Items that will not be reclassified to profit or loss			
Available -for-sale investments disposed of, net of tax		**-**	**-**
Other comprehensive income for the year, net of		**-**	-
Total comprehensive loss for the year		**(1,716,121)**	(2,330,784)
Basic and diluted loss per share (cents per share)	**5**	**(2.23)**	(4.22)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Note	Consolidated 2020 $	Consolidated 2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	**7**	**285,797**	288,588
Trade and other receivables	**8**	**64,263**	25,428
Total Current Assets		**350,060**	314,016
NON-CURRENT ASSETS			
Plant and equipment	**9**	**7,714**	8,368
Total Non-Current Assets		**7,714**	8,368
TOTAL ASSETS		**357,774**	322,384
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	**10**	**253,399**	182,305
Provisions	**11**	**8,010**	18,755
Total Current Liabilities		**261,409**	201,060
NON-CURRENT LIABILITIES			
Provisions	**11**	**300,000**	250,000
Total Non-Current Liabilities		**300,000**	250,000
TOTAL LIABILITIES		**561,409**	451,060
NET (LIABILITIES) / ASSETS		**(203,635)**	(128,676)
EQUITY			
Issued capital	**12**	**3,776,911**	2,191,100
Reserves	**13**	**163,008**	107,657
Accumulated losses		**(4,143,554)**	(2,427,433)
TOTAL (DEFICIENCY) / EQUITY		**(203,635)**	(128,676)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	Consolidated 2020 $	Consolidated 2019 $
Cash Flows from Operating Activities			
Australian Government assistance		**47,248**	-
Payments to suppliers and employees		**(315,922)**	(507,151)
Exploration and evaluation expenditure		**(872,679)**	(751,089)
Purchase of tenements		**(332,000)**	(313,000)
Interest received		**2,596**	4,884
Finance costs		**(287)**	(1,330)
Net cash outflow from operating activities	**7**	**(1,471,044)**	(1,567,686)
Cash Flows from Investing Activities			
Purchase of plant and equipment		**(1,108)**	(6,999)
Net cash outflow from investing activities		**(1,108)**	(6,999)
Cash Flows from Financing Activities			
Proceeds from issue of shares		**1,469,361**	1,188,000
Net cash inflow from financing activities		**1,469,361**	1,188,000
Net (decrease) / increase in cash held		**(2,791)**	(386,685)
Cash at the beginning of the year		**288,588**	675,273
Cash at the end of the year	**7**	**285,797**	288,588

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	Consolidated			
	Issued Capital $	Accumulated Losses $	Share-based payment reserve $	Total $
Balance at 1 July 2018	763,100	(96,649)	-	666,451
Loss for the year	-	(2,330,784)		(2,330,784)
Total comprehensive income for the year	-	(2,330,784)	-	(2,330,784)
Shares issued during the year	1,428,000	-	-	1,428,000
Share based payment	-	-	107,657	107,657
Balance at 30 June 2019	2,191,100	(2,427,433)	107,657	(128,676)
Balance at 1 July 2019	**2,191,100**	**(2,427,433)**	**107,657**	**(128,676)**
Loss for the year	**-**	**(1,716,121)**	**-**	**(1,716,121)**
Total comprehensive income for the year	**-**	**(1,716,121)**	**-**	**(1,716,121)**
Shares issued during the year	**1,585,811**	**-**	**-**	**1,585,811**
Share based payment	**-**	**-**	**55,351**	**55,351**
Balance at 30 June 2020	**3,776,911**	**(4,143,554)**	**163,008**	**(203,635)**

The accompanying notes form part of these financial statements.

1. CORPORATE INFORMATION

The financial report of PVW Resources NL for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of the Directors on 25 September 2020.

PVW Resources NL is a no liability company incorporated in Australia whose shares are not publicly traded.

The nature of the operation and principal activities of the Group are described in the Directors' report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and applicable Australian Accounting Standards.

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

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

Going Concern Basis of Preparation

The Group recorded a net post-tax loss of $1,716,121 (2019: $2,330,784) and reported a working capital surplus of $88,651 (2019: $112,956). As disclosed in the Statement of Cash Flows, the Group recorded cash outflows from operating activities $1,471,044 (2019: $1,567,686), cash outflows from investing activities of $1,108 (2019: $6,999) and cash inflows from financing activities of $1,469,361 (2019: $1,188,000).

After consideration of these financial conditions, the Directors have assessed the following matters in relation to the adoption of the going concern basis of accounting by the Group:

- the Group's history of raising capital to date, the Directors are confident of the Group's ability to raise additional funds as and when they are required;
- Application and sourcing of funding from available government grants;
- The Group has the ability, if required, to undertake mergers, acquisitions or restructuring activity or to wholly or in part, dispose of interests in mineral exploration assets; and
- Subsequent to year end the Group announced on 14 September 2020 that it had entered into a binding term sheet with Thred Limited (ASX:THD):
  - to complete a takeover of PVW by THD in accordance with Chapter 6D of the Corporations Act or a scheme of arrangement under Pt 5.1 of the Corporations Act; subject to satisfaction of various conditions precedent, including obtaining all necessary shareholder approvals;
  - THD would issue 151,515,152 THD Shares (on a post-consolidation basis) to the PVW shareholders to acquire all of the securities in PVW; and
  - THD would undertake a public offer to raise $2.5 million for the combined group

Based on the above, the Directors believe it is appropriate to prepare the financial report on a going concern basis. Should the Company be unsuccessful in securing additional finance, there is a material uncertainty which may cast significant doubt whether the entity will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

AASB 16 Leases
The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of adoption
There is no impact from adoption of AASB 16 on the financial statements of the Group.

(B) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and acquisition costs are expensed in the year they are incurred. Development costs are capitalised. Development expenditure is recognised at cost less accumulated amortisation and any impairment losses. Exploration and evaluation expenditure is classified as development expenditure once the technical feasibility and commercial viability of extracting the related mineral resource is demonstrable. Where commercial production in an area of interest has commenced, the associated costs together with any forecast future capital expenditure necessary to develop proved and probable reserves are amortised over the estimated economic life of the mine on a units-of-production basis.

Changes in factors such as estimates of proved and probable reserves that affect unit-of-production calculations are dealt with on a prospective basis.

(C) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Cost includes expenditure that is directly attributable to the acquisition of the asset.
Depreciation is calculated on a diminishing value basis based on the estimated useful life of the asset as follows:

Motor Vehicles	10 years
Computer Equipment	4 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued used of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit and loss in the period the item is derecognised.

(D) Borrowing costs

Borrowing costs are recognised as an expense when incurred, unless they relate to qualifying assets.

(E) Investments

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

Gains and losses are recognised in income when the investments are derecognised or impaired.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(F) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(G) Income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
  in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.
Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit and loss.

(H) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST and similar taxes except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) Financial risk management objectives and policies

The Group's principal financial instruments comprise receivables, payables, and cash. There was no exposure to interest rate and foreign current risk in the current period,

(J) Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(K) Employee Entitlements

Salaries, wages and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within twelve months of the reporting date are recognised in other creditors in respect to employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(L) Equity settled transactions

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

There is currently one plan in place to provide these benefits:

- the Employee Performance Rights and Option Plan, which provides benefits to Directors and senior executives.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Cox, Ross and Rubinstein Binomials model, further details of which are given in Note 20. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of PVW Resources NL (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of loss per share (see Note 5).

The Group expenses equity-settled share-based payments such as share and option issues after ascribing a fair value to the shares and/or options issued. The fair value of option and share plan issues of option and share plan shares are recognised as an expense together with a corresponding increase in the share based payments reserve or the share option reserve in equity over the vesting period. The proceeds received net of any directly attributable transaction costs are credited to share capital when options are exercised.

(M) Trade and other receivables

All trade receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for doubtful debts is raised where some doubt as to collection exists.

(N) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(O) 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.

(P) Revenue Recognition

Amounts disclosed as revenue are net of duties and taxes paid. Revenue is recognised as follows:

(i) Interest

Interest earned is recognised as and when it is receivable, including interest which is accrued and is readily convertible to cash within two working days. Accrued interest is recorded as part of other debtors.

(ii) Sundry income

Sundry income is recognised as and when it is receivable. Income receivable, but not received at balance date, is recorded as part of other debtors.

(Q) Critical accounting estimates and judgements

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Key Estimates

- Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

- Share-based payment transactions

The Group 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 using the Black and Scholes model, using the assumptions detailed in Note 20.

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using the Black and Scholes model taking into account the terms and conditions upon which the instruments were granted, as discussed in Note 20.

This fair value is expensed over the period until vesting with recognition of a corresponding liability. The liability is re-measured to fair value at each balance date up to and including the settlement date with changes in fair value recognised in profit or loss.

- Provision for restoration and rehabilitation

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning sites, removing facilities and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the balance date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each balance date.

The initial estimate of the restoration and rehabilitation provision is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

(R) Adoption of new and revised standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for annual reporting periods beginning on or after 1 July 2019. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations of the Group and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adapted

The Directors have also reviewed all new Standards and Interpretation that have been issued but are not yet effective for the year ended 30 June 2020. As a result of this review the Directors have determined that there is no expected impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change necessary to Group accounting policies.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(S) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Empire Resources Limited.

The Group operates only in one business and geographical segment being predominantly in the area of mineral exploration and exploitation in Western Australia. The Group considers its business operations in mineral exploration and exploitation to be its primary reporting function.

(T) Loss per share

Basic loss per share is calculated as net loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted loss per share is calculated as net loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(U) Parent Entity Financial Information

The financial information for the parent entity, PVW Resources NL disclosed in Note 21 has been prepared on the same basis as the Group.

3. EXPENSES

	Consolidated	
	2020 $	2019 $
The loss from ordinary activities before income tax has been determined after:		
Personnel	**198,536**	154,930
Tenement purchase	**330,000**	415,000
Rehabilitation	**56,040**	250,000
General contractors	**94,142**	407,648
Drilling	**245,451**	54,542
Tenement rent, rates and other	**144,399**	148,547
Other	**188,337**	109,671
Exploration expense	**1,256,905**	1,540,338
Accounting Services	**72,660**	95,406
Prospectus preparation costs	**1,517**	116,193
Marketing	**8,431**	104,561
Other	**70,061**	104,975
Other expenses	**152,669**	421,135

4. INCOME TAX

A reconciliation of income tax expense applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the period ended 30 June 2020 is as follows:

	Consolidated	
	2020 $	2019 $
Loss before income tax expense from continuing operations	**(1,716,121)**	(2,330,784)
Income tax benefit at 30% (2019:27.5%)	**514,836**	640,966
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
- share based payment	**(16,605)**	29,606
- Australian government assistance	**30,000**	-
	528,231	670,572
Future tax benefit not recognised	**(528,231)**	(670,572)
Income tax expense	-	-

Unrecognised deferred tax balances

The Group does not currently recognise any deferred tax asset arising from its accumulated losses. The Directors estimate that the potential deferred tax assets at 30% not brought to account attributable to tax losses carried forward at the reporting date is approximately $1,245,204 (2019: $664,050).

The losses have not been brought to account because the Directors do not believe it is appropriate to regard realisation of those deferred tax assets as being probable. The benefit of these deferred tax assets will only be obtained if:

1) The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realized;
2) The Group continues to comply with the conditions of deductibility imposed by tax legislation; and
3) No change in tax legislation adversely affect the Group is realizing the benefit from the deductions for the temporary difference.

5. LOSS PER SHARE

Basic loss per share amounts are calculated by dividing net loss for the period attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period.

The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

	Consolidated	
	2020 Cents	2019 Cents
Basic and diluted loss per share (cents per share)	**(2.23)**	(4.22)
Loss used in the calculation of basic EPS ($)	**(1,716,121)**	(2,330,784)
Weighted average number of shares outstanding during the year used in calculations of basic loss per share	**76,842,777**	55,253,918

6. DIVIDENDS PAID AND PROPOSED

No dividends have been paid or proposed.

7. CASH AND CASH EQUIVALENTS

	Consolidated	
	2020 $	2019 $
Cash at bank	**285,797**	288,588
	285,797	288,588

The fair value of cash and cash equivalents is equal to its carrying value.

Reconciliation of cash flow from operations with loss after income tax

	Consolidated	
	2020 $	2019 $
Loss after income tax	**(1,716,121)**	(2,330,784)
Depreciation	**1,762**	860
Share based payments expense	**55,351**	107,657
Shares issued in lieu of services	**116,450**	125,000
	(1,542,558)	(2,097,267)
Changes in assets and liabilities, net of the effects of purchase of subsidiaries:		
(Increase)/decrease in trade and other receivables	**(52,752)**	-
Increase in trade and other payables	**74,266**	279,581
Increase in provisions	**50,000**	250,000
Net cash outflow from operating activities	**(1,471,044)**	(1,567,686)

8. TRADE AND OTHER RECEIVABLES

	Consolidated	
	2020 $	2019 $
Current		
GST receivables	**11,511**	25,428
Other receivables	**52,752**	**-**
	64,263	25,428

	Consolidated	
	2020 $	2019 $
Aging of past due but not impaired		
30-60 days	**-**	**-**
60-90 days	**11,511**	25,428
90-120 days	**-**	-
Total	**11,511**	25,428

Other receivables are cash flows due from Australian Government Assistance.

9. PLANT AND EQUIPMENT

	Consolidated	
	2020 $	2019 $
Computer Equipment		
Cost	**6,248**	5,140
Accumulated depreciation	**(2,216)**	(863)
	4,032	4,277
Motor Vehicles		
Cost	**4,091**	4,091
Accumulated depreciation	**(409)**	-
	3,682	4,091
Total Plant and Equipment	**7,714**	8,368

Movements in the carrying amounts of each class of plant & equipment at the beginning and end of the current financial period are set out below:

	Consolidated	
	2020 $	2019 $
Computer Equipment		
Balance at the beginning of year	**4,277**	2,229
Additions	**1,108**	2,908
Depreciation expense	**(1,353)**	(860)
Carrying amount at the end of the year	**4,032**	4,277
Motor Vehicles		
Balance at the beginning of year	**4,091**	-
Additions	**-**	4,091
Depreciation expense	**(409)**	-
Carrying amount at the end of the year	**3,682**	4,091
Total Plant and Equipment	**7,714**	8,368

10. TRADE AND OTHER PAYABLES

	Consolidated	
	2020 $	2019 $
Trade and other payables	**74,782**	86,105
Accruals	**178,617**	96,200
	253,399	182,305

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

11. PROVISIONS

	Consolidated	
	2020 $	2019 $
Annual leave provision	**8,010**	18,755
	8,010	18,755

	Consolidated	
	2020 $	2019 $
Provision for rehabilitation	**300,000**	250,000
	300,000	250,000

The provision for rehabilitation relates to the estimated cost of rehabilitation work to be carried out in relation to the Jungle Well tenement.

12. ISSUED CAPITAL

	Consolidated	
	2020 $	2019 $
80,162,183 (30 June 2019: 60,260,000) fully paid ordinary shares	**3,776,911**	2,191,100

	Consolidated	
	2020 No.	2019 No.
(i) Ordinary shares - number		
At 1 July	**60,260,000**	36,500,000
Share placement - 2,000,000 on 5 July 2018	**-**	2,000,000
Share placement - 5,000,000 on 17 August 2018	**-**	5,000,000
Share placement - 2,000,000 on 17 August 2018	**-**	2,000,000
Share placement - 4,500,000 on 20 August 2018	**-**	4,500,000
Share placement - 10,260,000 on 30 October 2018	**-**	10,260,000
Shares issued in lieu of fees - 1,482,667 on 30 July 2019	**1,482,667**	-
Shares issued in settlement of payable - 52,500 on 30 July 2019	**52,500**	-
Share placement - 9,375,000 shares on 12 August 2019	**9,375,000**	-
Rights issue - 2,774,666 shares on 25 September 2019	**2,774,666**	-
Share placement - 6,217,350 shares on 25 September 2019	**6,217,350**	-
Balance at 30 June	**80,162,183**	60,260,000

12. ISSUED CAPITAL CONTINUED

	Consolidated	
	2020 $	2019 $
(ii) Ordinary shares – value		
At 1 July	**2,191,100**	763,100
Share placement - 2,000,000 on 5 July 2018 at 2.5 cents	**-**	50,000
Share placement - 5,000,000 on 17 August 2018 at 2.5 cents	**-**	125,000
Share placement - 2,000,000 on 17 August 2018 at 0.1 cent	**-**	2,000
Share placement - 4,500,000 on 20 August 2018 at 5 cents	**-**	225,000
Share placement - 10,260,000 on 30 October 2018 at 10 cents	**-**	1,026,000
Shares issued in lieu of fees - 1,482,667 on 30 July 2019 at 7.5 cents	**111,200**	-
Shares issued in settlement of payable - 52,500 on 30 July 2019 at 10 cents	**5,250**	-
Share placement - 9,375,000 shares on 12 August 2019 at 8 cents	**750,000**	-
Rights issue of 2,774,666 shares on 25 September 2019 at 8 cents	**221,973**	-
Share placement - 6,217,350 shares on 25 September 2019 at 8 cents	**497,388**	-
Less share issue costs	**-**	-
Balance at 30 June	**3,776,911**	2,191,100

Capital Risk Management

The Group manages its capital to ensure it will be able to continue as a going concern. The capital structure of the Group consists of cash.

13. RESERVES

	Consolidated	
	2020 $	2019 $
Share based payment reserve		
At 1 July	**107,657**	-
Issue of 500,000 Performance rights on 24 October 2018	**6,929**	4,714
Issue of 4,300,000 Performance rights on 24 October 2018	**48,422**	102,943
Balance at 30 June	**163,008**	107,657

14. RELATED PARTY DISCLOSURE

The consolidated financial statements include the financial statements of PVW Resources NL and the subsidiaries listed in the following table:

Related party		Country of Incorporation	% Equity Interest	Investment
			%	$
Consolidated				
Associate:				
PVW Tanami Pty Ltd	**2020**	**Australia**	**100**	**1**
	2019		100	1
PVW Leonora Pty Ltd	**2020**	**Australia**	**100**	**1**
	2019		100	1
PVW Kalgoorlie Pty Ltd	**2020**	**Australia**	**100**	**1**
	2019		100	1

The Company finances the operations of PVW Tanami Pty Ltd, PVW Leonora Pty Ltd and PVW Kalgoorlie Pty Ltd and thus these companies have unsecured borrowings from the Company that are interest free and at call. The ability for these controlled entities to repay debts due to the company (and other parties) will be dependent on the commercialisation of the mining assets owned by the subsidiaries.

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year:

	Consolidated	
	2020 $	2019 $
Other transactions with Directors		
The Director, Mr Bauk was Managing Director (resigned 5 June 2020) and the Director, Mr McCavana is Chairman of Northern Minerals Limited, which has provided office space to the company on normal commercial terms.	**2,400**	-
The Director, Mr Bauk is the Non-executive Chariman of Lithium Australia NL which has provided office space to the company on normal commercial terms.	**8,426**	9,928
	10,826	9,928

15. KEY MANAGEMENT PERSONNEL TRANSACTIONS WITH THE GROUP

Please refer to the Directors Report for details of shareholding and performance right holding of key management personnel.

16. EVENTS AFTER THE BALANCE SHEET DATE

On 27 August 2020, the Company issued 3,630,278 ordinary shares in settlement of outstanding fees payable to Directors and the Company Secretary (issue price 6 cents).

On 14 September 2020 the Company advised shareholders that it had entered into a binding term sheet with Thred Limited (ASX:THD):

- to complete a takeover of PVW by THD in accordance with Chapter 6D of the Corporations Act or a scheme of arrangement under Pt 5.1 of the Corporations Act; subject to satisfaction of various conditions precedent, including obtaining all necessary shareholder approvals;
- THD would issue 151,515,152 THD Shares (on a post-Consolidation basis) to the PVW shareholders to acquire all of the securities in PVW; and
- THD would undertake a public offer to raise $2.5 million for the combined group.

Other than this, there has not been any matter or circumstance not otherwise dealt with in the financial report that has significantly affected or may significantly affect the Group in future financial periods.

17. AUDITORS REMUNERATION

	Consolidated	
	2020 $	2019 $
Amounts received or due and receivable by Nexia Australia for:		
Audit or review of the financial reports of the Company	**5,200**	5,200
Tax Compliance	**2,500**	-

18. CONTINGENCIES

In the opinion of the directors there were no contingent liabilities at the date of the report.

19. COMMITMENTS

	Consolidated	
	2020 $	2019 $
(i) Expenditure commitments contracted for:		
Exploration Tenements		
In order to maintain current rights of tenure to exploration tenements, the Company is required to outlay rentals and to meet the minimum expenditure requirements. These obligations are not provided for in the financial statements and are payable:		
- not later than 12 months	**878,438**	502,552
- between 12 months and 5 years	**1,200,704**	626,126
- greater than 5 years	**238,290**	288,330
	2,317,432	1,417,008

20. SHARE BASED PAYMENTS

	Consolidated	
	2020 $	2019 $
Share based payments	**55,351**	107,657

The following shares based payment arrangements were in place during the current and prior year. The fair value of the performance rights granted is estimated as at the grant date using the Cox, Ross and Rubinstein Binomial Option Pricing model taking into account the vesting conditions upon which the rights were granted.

	Number under Option	Grant Date	Expiry date	Exercise Price	Fair value at grant date	Dividend yield	Expected volatility	Risk free interest rate
Director Performance rights	500,000	24-Oct-18	23-Oct-21	$0.25	$0.04	0%	94%	2.06%
Director Performance rights	4,300,000	24-Oct-18	23-Oct-21	$0.25	$0.10	0%	N/A	N/A

21. PARENT ENTITY

The individual financial statements for the parent entity show the following aggregate amounts:

	Parent Entity	
	2020 $	2019 $
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	**285,797**	288,588
Trade and other receivables	**64,263**	25,428
Total Current Assets	**350,060**	314,016
NON-CURRENT ASSETS		
Plant and equipment	**7,714**	8,368
Total Non-Current Assets	**7,714**	8,368
TOTAL ASSETS	**357,774**	322,384
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	**253,399**	182,305
Provisions	**8,010**	18,755
Total Current Liabilities	**261,409**	201,060
NON-CURRENT LIABILITIES		
Provisions	**300,000**	250,000
Total Non-Current Liabilities	**300,000**	250,000
TOTAL LIABILITIES	**561,409**	451,060
NET ASSETS	**(203,635)**	(128,676)
EQUITY		
Issued capital	**3,776,911**	2,191,100
Reserves	**163,008**	107,657
Accumulated losses	**(4,143,554)**	(2,427,433)
TOTAL EQUITY	**(203,635)**	(128,676)
Loss before income tax	**(1,716,121)**	(2,330,784)
Income tax benefit	**-**	-
Net loss for the year	**(1,716,121)**	(2,330,784)

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of PVW Resources NL, I state that:

In the opinion of the Directors:

(a) the financial statements and notes are in accordance with the Corporations Act 2001, including:
   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2020 and of their performance for the period ended on that date; and
   (ii) complying with Accounting Standards, Corporations Regulations 2001, and other mandatory professional reporting requirements; and

(b) the financial report also complies with Australian Accounting Standards as disclosed in note 2(A).

(c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Dated at Perth this 25th day of September 2020.

On behalf of the Board

George Bauk
Director

Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, in relation to the audit of PVW Resources NL for the financial year ended 30 June 2020, there have been:

(i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

NPAS

Nexia Perth Audit Services Pty Ltd

M. Janse van Nieuwenhuizen
Director

Perth
25 September 2020

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Independent Auditor's Report to the Board of PVW Resources NL

Report on the financial report

Opinion

We have audited the financial report of PVW Resources NL (the Company and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the entity 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* (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 Group, 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.

Material uncertainty related to going concern

Without modifying our opinion, we draw attention to Note 2 to the financial report, which indicates that the Group will require further funding in the next twelve months from the date of this report to fund its planned exploration and evaluation projects and operating costs. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

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 2020, but does not include the financial report and the auditor's report thereon.

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

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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 the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

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

Auditor's responsibility 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 Australian Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

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

NPAS

Nexia Perth Audit Services Pty Ltd

M. Janse Van Nieuwenhuizen
Director

Perth
25 September 2020