



**Manas Resources Limited**

ACN 128 042 606

**Annual Report**

**31 December 2020**

***Manas Resources Limited***  
***Corporate Directory***

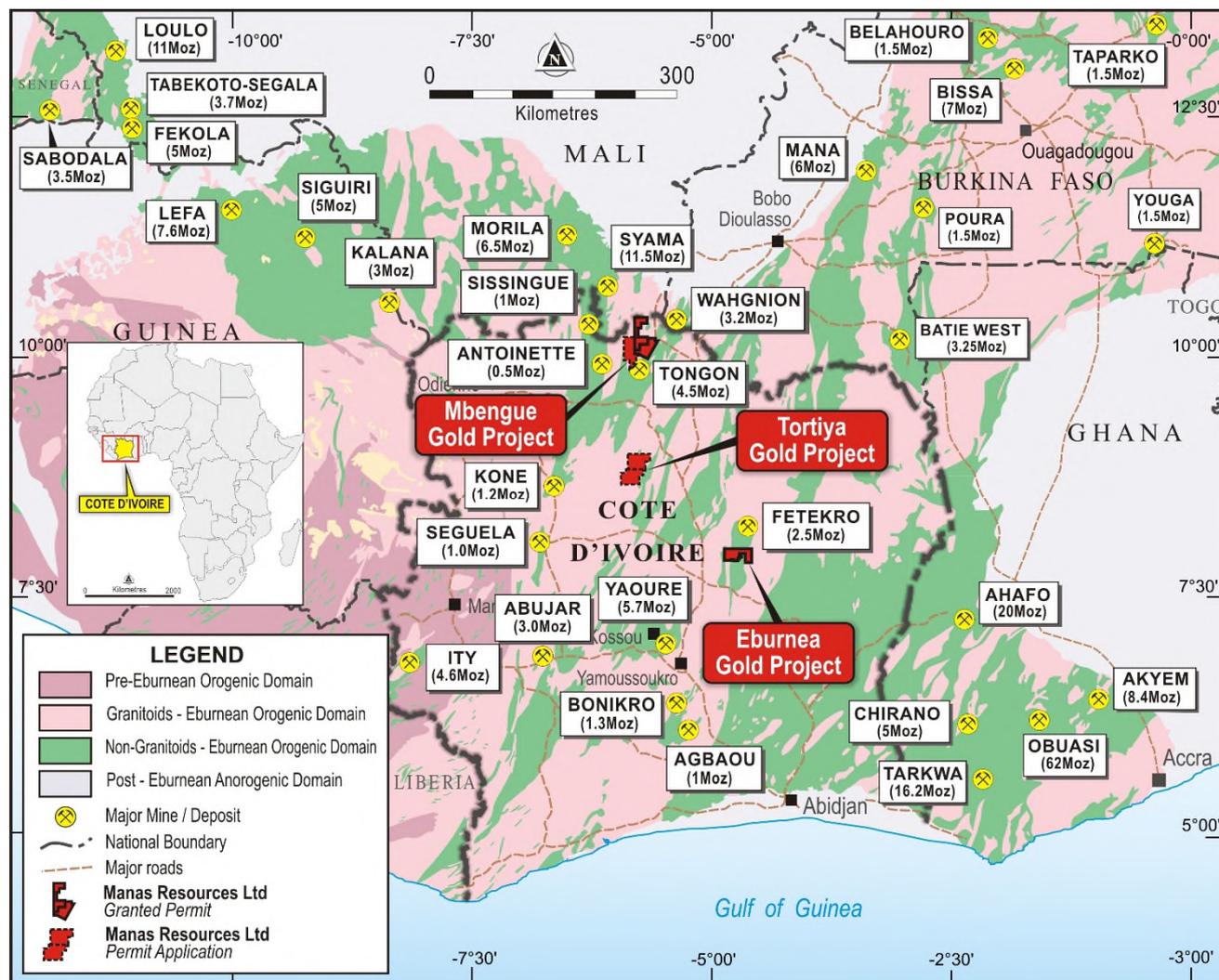
<b>Directors</b>	Alan Campbell Justin Tremain David Kelly	Non-Executive Chairman Managing Director Non-Executive Director
<b>Company Secretary</b>	Susmit Shah	
<b>Registered and Administrative Office</b>	Level 2, Suite 9, 389 Oxford Street Mount Hawthorn, Western Australia 6016  PO Box 281 Mount Hawthorn Western Australia 6915 Telephone: Facsimile: Website: Email:	(61 8) 9380 6062 (61 8) 9380 6761 www.manasresources.com info@manasresources.com
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<b>Share Registry</b>	Automic Pty Ltd Level 2, 267 St Georges Terrace Perth, Western Australia 6000 Telephone:	1300 288 664
<b>Securities Exchange Listing</b>	Australian Securities Exchange	(Code – MSR)

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**REVIEW OF OPERATIONS**

**Review of Operations**

Manas Resources Limited (‘Manas’ or the ‘Company’) has amassed a large exploration package covering an area of over 2,205km<sup>2</sup> of highly prospective Birimian greenstones in central-east and northern Côte d’Ivoire. The ground position comprises the Mbengué Gold Project, Eburnea Gold Project and the Tortiya Gold Project (refer Figure One).



**Figure One | Manas Côte d’Ivoire Project Locations**

Key highlights of activities conducted by Manas during the year ended 31 December 2020 include:

- Completion of an earn-into a 70% joint venture interest with Perseus Mining Limited (‘Perseus’) in the granted exploration permit ‘PR272’ within the Mbengué Gold Project.
- Granting of an additional 100% owned exploration permit adjoining PR272 to expand the granted area of the Mbengué Gold Project to 645km<sup>2</sup>. Project area further expanded with the lodging of an exploration permit application over an additional 395km<sup>2</sup> in joint venture with local Ivorian company (refer Figure Two).
- Regional surface geochemical surveys completed at both the Mbengué Gold Project and the Eburnea Gold Project.
- Several large scale IP surveys completed at Mbengué Gold Project and commencement of an IP survey at the Eburnea Gold Project.

- Two phases of auger drilling for over 10,000 metres at the Mbengué Gold Project.
- Completion of a ~2,200 metre reverse circulation ('RC') drilling program at Mbengué following on from auger and geophysical surveys completed during the year.
- Eburnea permit granted in February 2020 with permit wide, broad spaced soil geochemistry completed which defined several large gold-in-soil anomalies. Manas retains rights to 80% joint venture interest with an option to acquire a further 10% interest for a total interest of 90%.
- Mr Justin Tremain appointed as Managing Director to lead the growth of Manas with support of a technical team with proven gold exploration success in West Africa, led by Mr Elliot Grant.
- Review and evaluation of other advanced exploration projects ongoing.

### **Mbengué Gold Project**

The Mbengué Gold Project is located on the highly prospective Senoufo greenstone belt in northern Côte d'Ivoire and covers a total area of ~1,040km<sup>2</sup> across two granted exploration permits and one exploration permit application (refer Figure Two). Manas has a 70% joint venture interest on the southern granted exploration permit (PR272) that is held by Occidental Gold SARL, a subsidiary of Perseus. Shortly after the end of the year, Manas received confirmation that it had earned its 70% joint venture interest in PR272 and Perseus has elected not to contribute to the next 6 months exploration and will dilute accordingly. The second granted permit that makes up the Mbengué Gold Project is held 100% by Manas. Manas also has an 80% interest in a contiguous exploration permit application. The Mbengué Gold Project is located 6km north of Barrick's Tongon mine (~4.5Moz), ~27km south-east of Terranga Gold Corporation's Wahgnion mine (~2.7Moz), 40km southeast of Perseus' Sissingué mine (~1Moz) and 45km southeast of Resolute Mining Limited's Syama mine (~11.5Moz).

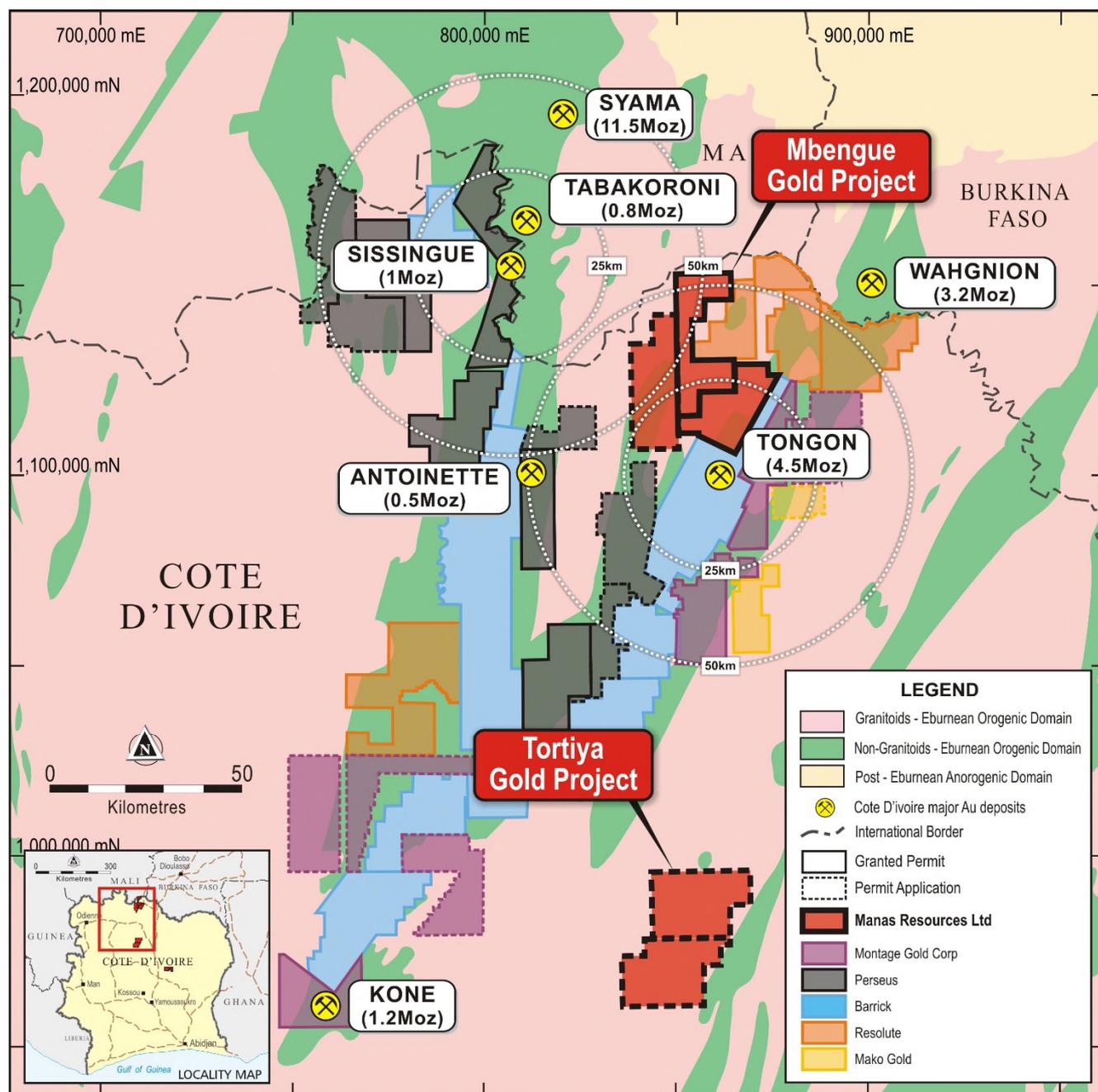


Figure Two | Mbengué and Tortiya Project Location

### Exploration Activities During The Year

#### Geochemical Surveys

A broad spaced, first pass soil sampling survey was undertaken over the recently granted 100% owned northern exploration permit within the Mbengué Gold Project. The survey comprised 1,490 samples on a 500 metre by 500 metre grid, covering the whole of the permit. The survey delineated a number of large gold-in-soil anomalies (refer ASX announcement dated 14 May 2020). Anomalies up to 16 kilometres long with a peak of over 2g/t gold were identified and are associated with large-scale regional shear zones.

#### Geophysical Surveys

Several gradient array Induced Polarisation ('IP') surveys were completed during the year across the Mbengué Gold Project. The IP surveys covered the main geochemical anomalies identified within the Mbengué Gold Project. The surveys successfully defined numerous coincident chargeability-resistivity anomalies across gold-

in-soil anomalies (refer ASX announcements dated 27 February 2020 and 13 July 2020). These coincident IP anomalies were followed up with reconnaissance shallow auger drilling.

### ***Auger Drilling***

During the year, the Company purchased its own auger rig which was utilised throughout the year to undertake reconnaissance style shallow auger drilling across the Mbengué Gold Project.

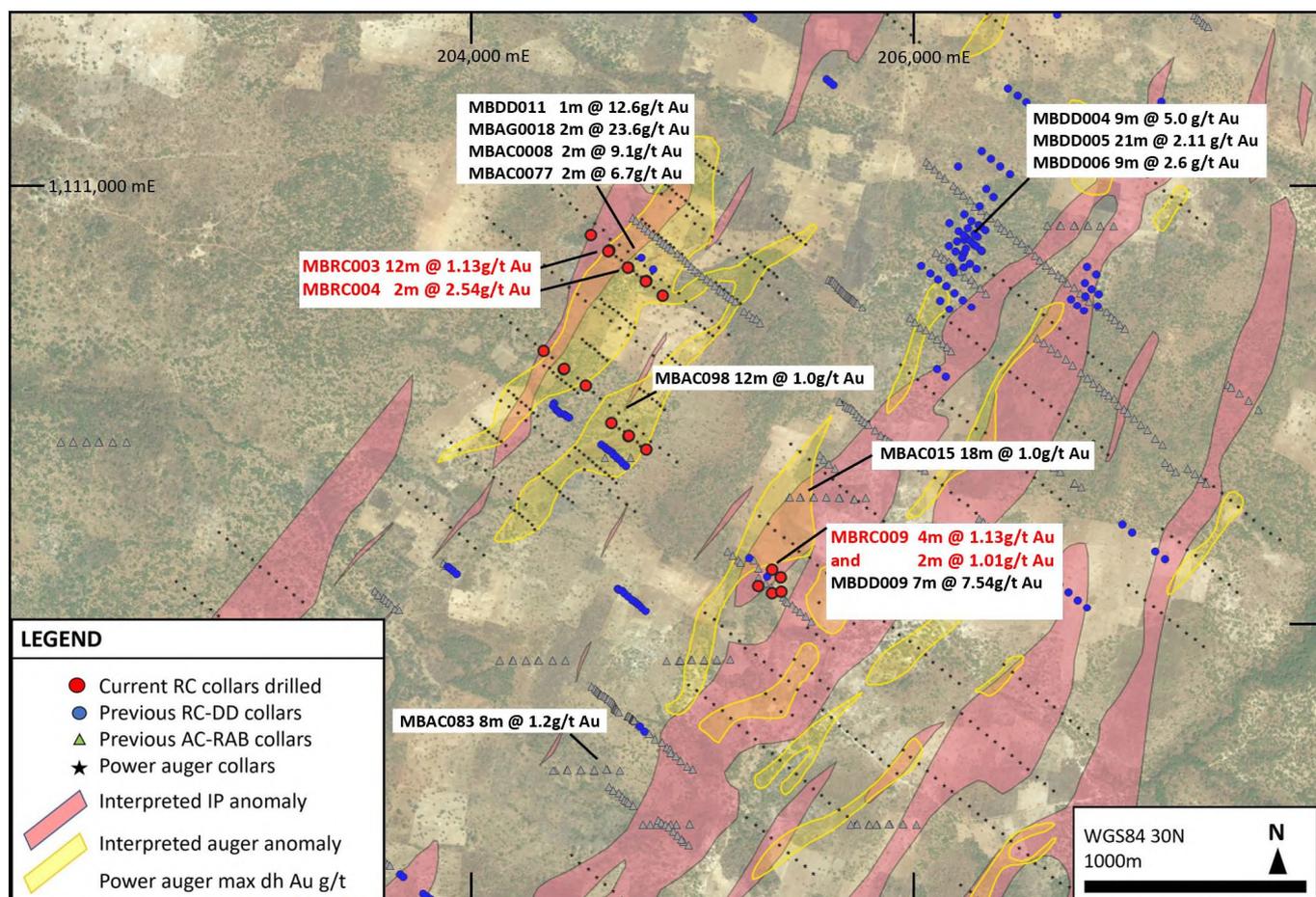
An initial program of 921 holes (for 6,078 metres) was drilled at the Le Vieux, Phew and Madala prospects. This program returned significant gold anomalism, with coincident chargeability/resistivity responses from IP surveys, for ~2 kilometres of strike (refer Figure Three). Auger results included (refer ASX announcements dated 23 April 2020, 24 July 2020 and 6 October 2020); 2m @ 23.6g/t gold, 2m @ 6.7g/t gold, 2m @ 5.7g/t gold, 6m @ 3.4g/t gold, 2m @ 1.9g/t gold and 6m @ 1.2g/t gold.

A second auger program of approximately 4,400 metres was commenced across the 100% owned northern exploration permit that makes up the Mbengué Gold Project. This auger program was following up on previous geochemical and geophysical surveys which identified a 16km long gold-in-soil anomaly with coincident IP geophysical anomalies along an NNE-SSW trending structure. The program was completed shortly after the end of the year and results are pending.

### ***Reverse Circulation ('RC') Drilling***

The Company completed a RC drilling program of 2,207 metres across 21 holes at the Mbengué Gold Project to test the auger drilling results returned at the Le Vieux, Phew and Madala prospects. Twelve holes across two drill hole traverses were completed at Le Vieux, four holes at Phew across one traverse and five holes drilled at Madala (refer Figure Three). Results were received shortly after the year end which returned multiple narrow zones of gold mineralisation and including (refer ASX announcement dated 10 February 2021):

- 12m @ 1.13g/t gold from 70m in MBRC003 (Le Vieux)
- 2m @ 2.25g/t gold from 44m in MBRC004 (Le Vieux)
- 4m @ 1.13g/t gold from 14m in MBRC009 (Madala)

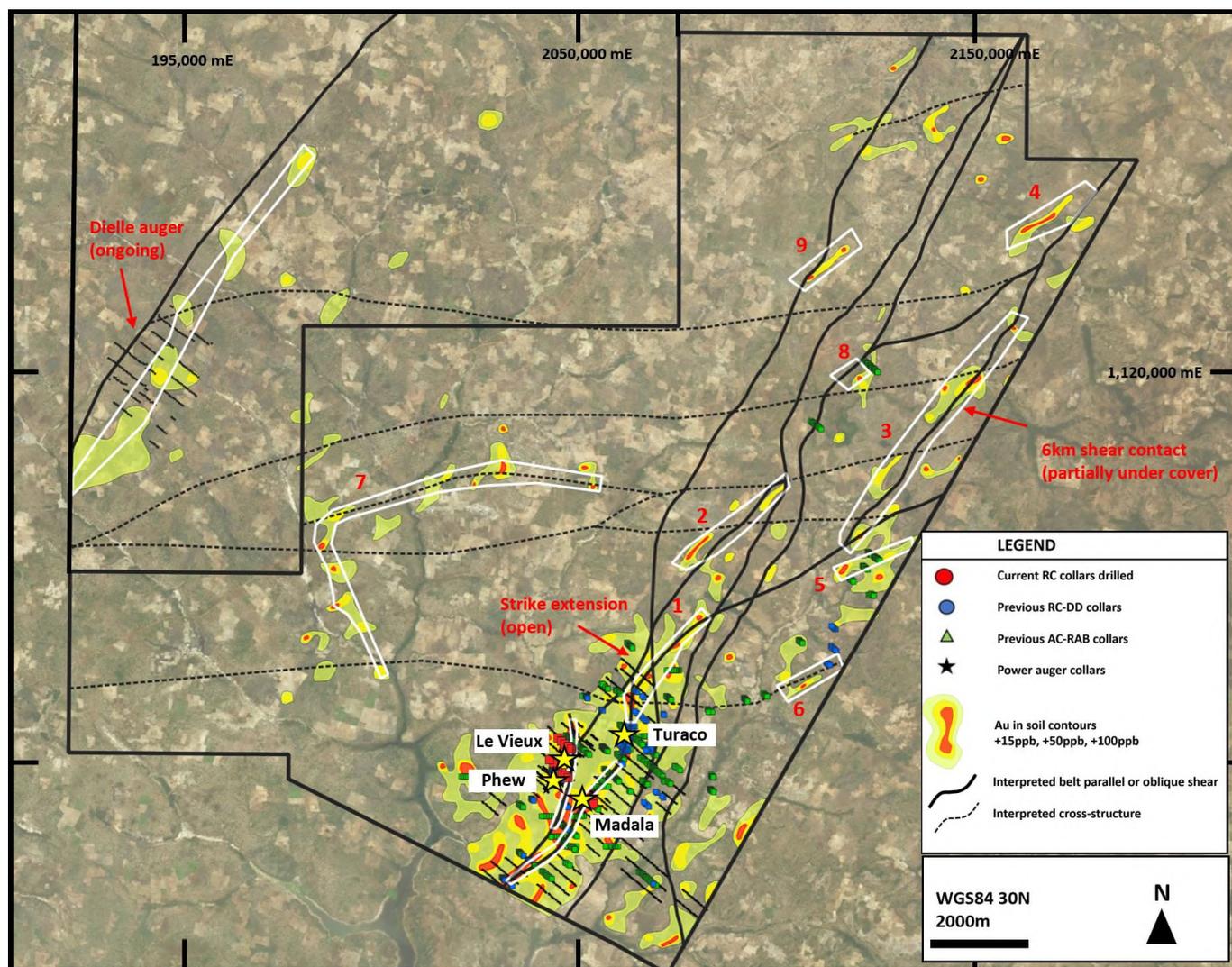


**Figure Three | La Vieux, Phew and Madala Prospects - Drill Hole Collars with Interpreted Auger & IP Anomalies**

### Ongoing Exploration

A review of surface geochemistry at the Mbengué Gold Project, including past soil sampling and auger drilling, has been undertaken by the new exploration team. This review placed surface geochemistry into landscape regolith context and belt scale geological context. As part of this review, the Company revised its auger sampling methodology to better test the in-situ position of surface anomalies. Several untested and/or re-evaluated anomalies have been prioritised for further infill soil sampling and auger drilling which is underway at the time of this report. New areas of focus include (refer Figure Four):

- The sparsely tested north to northeast strike extensions of the Turaco prospect, specifically where geophysically interpreted mafic-ultramafic intrusive plugs are present, being a similar geological host to the high-grade gold mineralisation at Turaco;
- 5-6 kilometres of soil anomalism along a major lithological contact where the response is partially masked by a low lateritic plateau. Aeromagnetic interpretation suggests the geochemical anomaly occurs along reologically contrasting contact of mafic and sediment, which has the potential to host gold mineralisation;
- The previously reported ‘Mbengué shear zone target’ continuing onto the 100% owned adjoining permit where auger drilling is currently ongoing; and
- Intersections of belt scale east-north-east cross-structures with more belt parallel structural features as interpreted from aeromagnetics.



**Figure Four | Untested Prospect at the Mbengué Gold Project – Gold-in-Soils Anomalies with Historical Drilling**

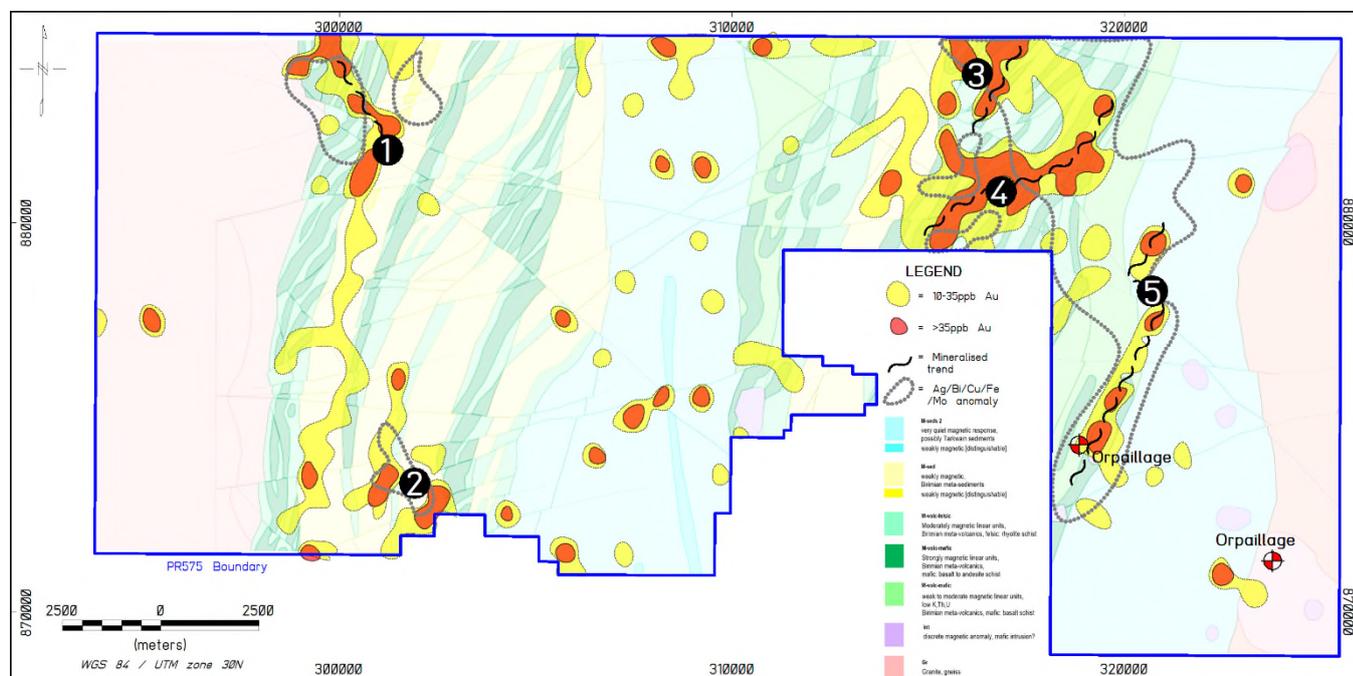
### Eburnea Gold Project

The Eburnea Gold Project comprises a granted exploration permit covering 385km<sup>2</sup> on the Oume-Fetekro greenstone belt of central Côte d’Ivoire, approximately 20km south of the Fetekro project of Endeavour Mining Corporation (refer Figure One). The permit is underlain by Birimian granitoid-greenstone lithologies. Manas has the rights to an 80% interest in the Eburnea Gold Project in joint venture with a local Ivorian group, whereby Manas is responsible for sole funding exploration. Under the Eburnea joint venture, Manas holds the option to acquire a further 10% interest (i.e. 90% interest in total) for US\$1M from the local Ivorian group upon the application for a mining permit.

### Exploration Activities During The Year

During the year, Manas undertook a permit wide, broad spaced soil geochemistry survey over the Eburnea Gold Project area. The survey comprised approximately 1,600 samples on an offset 500m x 500m grid, assay for gold and multi-elements. Several large, untested gold-in-soil anomalies were discovered (refer ASX announcement dated 4 August 2020 and Figure Five). Towards the end of the year, the Company commenced an IP survey covering the main gold-in-soil anomalies to assist with future exploration programs. At the time of this Report, the IP survey was complete, and the data was being interpreted. The Company is planning to undertake infill soil sampling across the main gold anomalies to define auger targets.

The Eburnea Gold Project was originally introduced to Manas by a local Ivorian company, Perex SARL ('Perex'). Manas agreed to grant Perex an option to acquire 50% of Manas' interest in the Eburnea joint venture for no consideration up until 7 March 2021. Subsequent to the year end, Perex confirmed that it was not exercising its option and Manas retains the rights to an 80% interest, with an option to increase that to a 90% interest, in the Eburnea Gold Project.



**Figure Five | Eburnea Gold Project – Soil Geochemistry (Gold-in Soils with Multi Element Anomalies)**

### **Tortiya Gold Project**

During the year, Manas lodged two exploration permit applications for exploration permits covering 781km<sup>2</sup> in central-north Côte d’Ivoire, referred to as the Tortiya Gold Project (refer Figure One). The project area covers a large (>40km strike length) magnetic anomaly defining a crustal-scale sinusoidal shear zone cutting Birimian Supergroup country rocks. The area includes mapped greenstone belts which are interpreted to be more extensive than previously mapped.

#### **Exploration Activities During The Year**

No field work was undertaken at the Tortiya Gold Project during the year as the Company awaits granting of the permit applications. Manas received notification towards the end of the year that the exploration permit applications had been approved by the Interministerial Commission of Mines ('CIM'), being the final step before Ministerial granting.

#### **Board and Management Changes**

Towards the end of the year, the Company announced the appointment of Mr Justin Tremain as Managing Director of the Company, effective 1st December 2020, to lead the growth and strategic direction of the Company. Along with Mr Tremain, the Company appointed a proven technical team with exploration success and in-depth knowledge of gold deposits in West Africa, led by Mr Elliot Grant as Chief Geologist.

#### **Corporate**

As part of the new Board and Management appointments, Manas announced an investment into the Company by the new management team of \$500,000 via an equity placement completed in November 2020.

The Company had a cash position of approximately \$5.3 million at 31 December 2020.

### Capital Structure

As at the date of this Report the Company's capital structure is as follows:

#### Quoted Securities

Number	Class	ASX Code
2,760,273,598	Ordinary Fully Paid	MSR

#### Unquoted Securities:

Number	Class
40,000,000	Options exercisable at \$0.0075 expiring 30 Nov 2021
124,000,000	Unvested Performance Rights expiring 30 Nov 2025

#### Competent Person's Statement:

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Elliot Grant, who is a Member of the Australasian Institute of Geoscientists. Mr Grant is a full-time employee of Manas Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Grant consents to the inclusion in this report of the matters based upon his information in the form and context in which it appears.

References may have been made in this announcement to certain past ASX announcements, including references regarding exploration results. For full details, refer to the referenced ASX announcement on the said date. The Company confirms that it is not aware of any new information or data that materially affects the information.



**Interest in securities**

55,555,555	Ordinary shares in Manas Resources Limited
100,000,000	Performance Options with various vesting conditions

**David Kelly**

**Non-Executive Director (Appointed 21/11/2016)**

David Kelly is a geologist and experienced Company Director. He has served in various senior executive roles in the resource sector for the last 30 years including as a geologist, investment banker, and corporate advisor. Mr Kelly is currently the Chief Operating Officer at ASX listed gold miner Resolute Mining Limited, where he is responsible for all aspects of the Company's operations and projects.

*Other current and former directorships in the last 3 years*

Predictive Discovery Limited – appointed 22 January 2016, resigned 18 December 2019

**Interest in securities**

Nil	Ordinary shares in Manas Resources Limited
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**Susmit Shah**

**BSc Econ**

**Company Secretary**

**(Appointed Non-Executive Director 26/5/2017, Resigned 30/11/2020)**

**(Company Secretary 17/10/2007)**

Susmit Shah is an accountant with more than 25 years' experience. Over the past 20 years, Mr Shah has been involved with a diverse range of Australian listed public companies in company secretarial and financial roles. His experience includes negotiation and conduct of mining joint ventures, public flotations and mergers and acquisitions.

**DIRECTORS' MEETINGS**

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the year ended 31 December 2020 are:

<b>Director</b>	<b>Board Meetings</b>	
	<b>Eligible to attend</b>	<b>Attended</b>
Alan Campbell	3	3
Justin Tremain (appointed 1/12/2020)	-	-
David Kelly	3	3
Susmit Shah (resigned 30/11/2020)	3	3

There are no Remuneration or Audit Committees in place. The Board as a whole has assumed their roles. In addition, matters of Board business have been resolved by circular resolutions of Directors, which are a record of decisions made at a number of informal meetings of the Directors held to control, implement and monitor the Company's activities throughout the period.

**PRINCIPAL ACTIVITIES**

The principal activity of the Consolidated Entity during the course of the financial year was acquiring, exploring and developing mineral interests, prospective for precious metals and other mineral deposits.

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## **RESULTS AND DIVIDENDS**

The loss for the year from continuing operations ended 31 December 2020 was \$1,277,696 (31 December 2019 loss from continuing operations of \$681,643). The loss can be attributed to increased exploration activity in Cote D'Ivoire, including the write off of certain exploration expenditure as well as a foreign exchange loss of \$367,760 due to the Australian dollar strengthening against the US dollar. No dividends were paid during the year and the Directors do not recommend payment of a dividend.

## **LOSS PER SHARE**

Basic loss per share for the year ended 31 December 2020 was 0.048 cents (31 December 2019: basic loss per share 0.026 cents).

## **REVIEW OF OPERATIONS**

A review of operations of the Consolidated Entity during the year ended 31 December 2020 is provided in the "Review of Operations" section immediately preceding this Directors' Report.

## **SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

There have not been any significant changes in the state of affairs of the Company and its controlled entities during the financial year, other than an increase in issued capital of \$500,000 as a result of a new issue of shares.

## **EVENTS SUBSEQUENT TO REPORTING DATE**

No matter or circumstance has arisen since the end of the financial year and to the date of this report which significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial year(s).

## **COVID-19**

As a result of the COVID-19 global pandemic, a state of emergency was declared in Côte d'Ivoire on 23 March 2020, which, amongst other matters, severely restricted movement of people within the country. The Manas Group ceased exploration activity on its projects at that time, however exploration activity was resumed after a short hiatus. The Group, its staff and contractors continue to comply with in-country rules and protocol for managing COVID-19.

## **LIKELY DEVELOPMENTS AND EXPECTED RESULTS**

As noted in the "Review of Operations", the Consolidated Entity's focus over the coming period (subject to the comments made above in relation to the COVID-19 pandemic) will be to continue exploration work at its various projects in Côte d'Ivoire. The Group also continues to assess other project opportunities in Côte d'Ivoire and elsewhere.

## **SHARE OPTIONS / PERFORMANCE RIGHTS**

Unissued ordinary shares of the Company under option/performance rights at the date of this report are as follows:

<b>Grant Date</b>	<b>Exercise price of options/performance rights</b>	<b>Expiry date</b>	<b>Number of options/performance rights</b>
16 November 2020	\$0.0001	30 November 2025	124,000,000
23 July 2018	\$0.0075	30 November 2021	40,000,000

Apart from the above, no other share options of Manas Resources Limited were granted to Directors and Key Management Personnel of the Company during or since the end of the financial year as part of their remuneration.

### **REMUNERATION REPORT (Audited)**

This report outlays the remuneration arrangements in place for the Key Management Personnel (as defined under section 300A of the Corporations Act 2001) of Manas Resources Limited.

The following were Key Management Personnel of the Company during or since the end of the financial period.

#### **Directors**

Mr Alan Campbell  
Mr Justin Tremain (appointed 1/12/2020)  
Mr David Kelly  
Mr Susmit Shah (resigned 30/11/2020)

#### **Other Senior Management**

The term 'senior management' is used in this remuneration report to refer to the following persons. Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year:

Justin Tremain	Managing Director / CEO (appointed 1 December 2020)
Chris MacKenzie	Chief Executive Officer (resigned 31 December 2020)

There have been no other changes of Key Management Personnel after the reporting date and up to the date the financial report was authorised for issue.

### **Remuneration Philosophy**

The Board reviews the remuneration packages applicable to the Executive Directors and Non-Executive Directors on an annual basis. The broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and level of performance and that remuneration is competitive in attracting, retaining and motivating people of the highest quality. Independent advice on the appropriateness of remuneration packages is obtained, where necessary.

The Board as a whole is responsible for remuneration matters and no Remuneration Committee meetings were held during the year.

### **Remuneration Structure**

In accordance with best practice corporate governance, the structure of remuneration for Non-Executive Directors and Executive Directors is separate and distinct.

#### **(a) Compensation Arrangements**

##### ***Non-Executive Directors' Remuneration***

#### **Objective**

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

**REMUNERATION REPORT - continued**

**Structure**

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by the shareholders in a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The latest determination was at a general meeting on 27 May 2013 when shareholders approved aggregate remuneration of \$300,000 per year.

Although ASX Corporate Governance guidelines indicate that securities incentives should only be provided to Executive Directors, Manas, in common with a large majority of junior mineral explorers, takes the view that as a Company not earning any operating revenue it is appropriate to conserve cash and attract good quality Non-Executive Directors by offering securities-based compensation. No securities-based compensation was issued to Directors during the year.

The Board reviews the remuneration packages applicable to the Non-Executive Directors on an annual basis. The Board considers fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

*Use of remuneration consultants*

During the financial year ended 31 December 2020, the Company did not engage any remuneration consultants.

*Relationship between remuneration policy and Group performance*

The remuneration policy has been tailored to increase goal congruence between shareholders and Directors and key management personnel. From time to time, this is facilitated through the issue of options and performance rights to encourage the alignment of personal and shareholder interest. The Company believes this policy will be effective in increasing shareholder wealth.

*Performance on shareholder wealth*

In considering the Group's performance and benefits for shareholder wealth, the Board has regarded the following indices in respect of the current and previous four financial years:

	2020	2019	2018	2017	2016
Basic earnings / (loss) per share (cents)	(0.048)	(0.026)	(0.002)	(0.15)	(1.21)
Dividends (cents)	-	-	-	-	-
Net profit / (loss) for the year (\$)	(1,277,696)	(681,643)	(63,608)	(4,063,295)	(23,818,886)
Share price (\$)	0.006	0.002	0.004	0.0045	0.004

The remuneration of the Non-Executive Directors for the financial year ended 31 December 2020 is detailed in Table 1 of this report.

**(b) Details of Remuneration**

Details of the remuneration of the Directors and other Key Management Personnel of the Company are set out in the following table. The Key Management Personnel of the Company are the Directors of Manas Resources Limited as well as the Chief Executive Officer. Detail of the employment contract with the Managing Director is as follows:

<b>Name</b>	<b>Term of Agreement</b>	<b>Base Salary including Statutory Superannuation per annum</b>	<b>Notice</b>
Justin Tremain Managing Director	Ongoing commencing 1 December 2020	\$281,694	6 months' notice by Manas and 3 months' notice by employee

**REMUNERATION REPORT - continued**

**Table 1 - Key Management Personnel Remuneration for the financial year ended 31 December 2020 and 31 December 2019**

		Short-term employee benefits	Post Employment	Equity	Total	Percentage of Remuneration linked to Performance
		Salary/Fees	Superannuation/Retirement Benefits	Value of Options / Rights		%
		\$	\$	\$	\$	%
<b>Directors:</b>						
Alan Campbell						
	<b>2020</b>	<b>36,563</b>	-	-	<b>36,563</b>	-
	2019	45,000	-	-	45,000	-
Justin Tremain <sup>(i)</sup>						
	<b>2020</b>	<b>21,667</b>	<b>1,808</b>	<b>23,128</b>	<b>46,603</b>	<b>50</b>
	2019	-	-	-	-	-
David Kelly						
	<b>2020</b>	<b>22,500</b>	<b>2,138</b>	-	<b>24,638</b>	-
	2019	30,000	2,850	-	32,850	-
Susmit Shah <sup>(ii)</sup>						
	<b>2020</b>	<b>14,583</b>	<b>1,385</b>	-	<b>15,968</b>	-
	2019	20,000	1,900	-	21,900	-
Mark Calderwood <sup>(iii)</sup>						
	<b>2020</b>	-	-	-	-	-
	2019	23,750	-	-	23,750	-
Total, all specified Directors						
	<b>2020</b>	<b>95,313</b>	<b>5,331</b>	<b>23,128</b>	<b>123,772</b>	<b>11</b>
	2019	118,750	4,750	-	123,500	-
<b>Other Key Management Personnel:</b>						
Chief Executive Officer Chris Mackenzie <sup>(iv)</sup>						
	<b>2020</b>	<b>231,250</b>	<b>93,750</b>	<b>30,000</b>	<b>355,000</b>	<b>8</b>
	2019	250,000	-	61,370	311,370	20
<b>Total Key Management Personnel:</b>						
	<b>2020</b>	<b>326,563</b>	<b>99,081</b>	<b>53,128</b>	<b>478,772</b>	<b>11</b>
	2019	368,750	4,750	61,370	434,870	14

(i) Mr Tremain was appointed Managing Director and Chief Executive Officer on 1 December 2020.

(ii) Mr Shah resigned as a Non-executive Director on 30 November 2020. Company secretarial services provided by Mr Shah are charged to the Company by Corporate Consultants Pty Ltd (CCPL), a company in which Mr Shah has a beneficial interest. Total fees of \$115,759 (31 December 2019: \$161,042) were paid or were payable to Corporate Consultants Pty Ltd, for secretarial services as well as the provision of office space, administration and accounting services. There was nil amount (31 December 2019: \$19,668) payable at the balance date.

(iii) Mr Calderwood resigned on 15 October 2019.

(iv) The payment of \$93,750 to Mr MacKenzie represents an amount due in lieu of notice on cessation of employment.

**(c) Share-Based Compensation**

*Non-Plan-Based Payment*

*Share Options*

The Company makes share-based payments to Key Management Personnel from time to time, not under any specific plan. The options are issued for nil consideration and in accordance with the specific guidelines established by the Directors of Manas Resources Limited. The vesting period and maximum term of options granted vary according to the Board's discretion.

Any share-based payments to Directors require the approval of shareholders at a general meeting.

**REMUNERATION REPORT - continued**

No options were granted during the year under a non-plan based payment.

*Plan-Based Payment*

The Company has adopted an Employee Option Plan as well as a Performance Rights Plan in accordance with ASX Listing Rules. There are no cash settlement alternatives under either of these plans. Participation in the plans is at the Board's discretion and no individual has a contractual right to participate in the plans or receive any guaranteed benefit.

During the year, no options were granted under Employee Option Plan.

On 14 August 2020, the Company issued 16,000,000 performance rights to CEO, Chris MacKenzie as part of his remuneration package. These performance rights were issued for nil consideration and are subject to satisfaction of various performance hurdles on or before 31 July 2023. During the year ended 31 December 2020, 6,000,000 performance rights vested and were converted to shares. The remaining 10,000,000 performance rights lapsed upon cessation of Chris MacKenzie's employment.

On 30 November 2020, 124,000,000 performance rights were issued to management of the Company for nil consideration, subject to satisfaction of various performance hurdles on or before 30 November 2025 (refer to Note 15). Of these performance rights, 100,000,000 were issued to incoming Managing Director, Justin Tremain.

No performance rights were granted during the year ended 31 December 2019.

**Incentive Securities Granted as Part of Remuneration**

Details of incentive securities (options over ordinary shares) in the Company affecting remuneration in the previous, current or future reporting dates are as follows:

**Share-Based Compensation**

*Other Key Management Personnel*

Options	Grant date	Date vested & exercisable	Fair-value per security at grant date (\$)	Exercise price per security (\$)	Expiry date	Number of options vested during the financial year ended 31 December 2020
40,000,000	23 July 2018	(i)	0.0028	0.0075	30 November 2021	40,000,000

(i) Issued as part of the remuneration package. These options vested on 30 November 2019.

No options were exercised by Key Management Personnel during the financial year ended 31 December 2020 (31 December 2019: Nil).

**REMUNERATION REPORT - continued**

<b>Performance Rights</b>	<b>Grant date</b>	<b>Date vested &amp; exercisable</b>	<b>Fair-value per right at grant date (\$)</b>	<b>Exercise price per right (\$)</b>	<b>Expiry date</b>	<b>Number of rights vested during the financial year ended 31 December 2020</b>
16,000,000	14 August 2020	(i)	0.007	Nil	31 July 2023	6,000,000
124,000,000	16 November 2020	(ii)	0.0060	0.0001	30 November 2025	Nil

(i) Issued as part of the remuneration package. These performance rights are subject to various performance hurdles.

(ii) Issued as part of the remuneration package, with various vesting and performance conditions.

6,000,000 of the 16,000,000 performance rights vested during the year and were converted to shares (31 December 2019: Nil). The remaining 10,000,000 performance rights lapsed on cessation of Chris MacKenzie's employment effective 31 December 2020.

**Loans to Directors and Executives**

During the financial year ended 31 December 2020, there were no loans provided to Directors and Executives (31 December 2019: Nil).

**Shareholdings**

The numbers of shares in the Company held during the financial year ended 31 December 2020 and 2019 by Key Management Personnel, including shares held by entities they control, are set out below:

<b>2020</b>	<b>Opening Balance</b>	<b>Received as Remuneration</b>	<b>Other Movements</b>	<b>Balance at appointment/resignation</b>	<b>Closing Balance</b>
<b>Directors</b>					
Alan Campbell	5,000,000	-	-	-	5,000,000
Justin Tremain <sup>1</sup>	-	-	-	55,555,555	55,555,555
David Kelly	-	-	-	-	-
Susmit Shah <sup>2</sup>	3,000,000	-	-	(3,000,000)	-
<b>Other KMP</b>					
Chris MacKenzie <sup>3</sup>	-	-	6,000,000	(6,000,000)	-
<b>2019</b>	<b>Opening Balance</b>	<b>Received as Remuneration</b>	<b>Other Movements</b>	<b>Balance at appointment/resignation</b>	<b>Closing Balance</b>
<b>Directors</b>					
Alan Campbell	5,000,000	-	-	-	5,000,000
David Kelly	-	-	-	-	-
Susmit Shah	3,000,000	-	-	-	3,000,000
Mark Calderwood <sup>4</sup>	56,801,628	-	-	(56,801,628)	-
<b>Other KMP</b>					
Chris MacKenzie <sup>3</sup>	-	-	-	-	-

<sup>1</sup> Mr Tremain was appointed Managing Director on 1 December 2020.

**REMUNERATION REPORT - continued**

<sup>2</sup> Mr Shah resigned as a Non-Executive Director on 30 November 2020.

<sup>3</sup> Mr MacKenzie was appointed Chief Executive Officer on 23 July 2018 and ceased employment effective on 31 December 2020.

<sup>4</sup> Mr Calderwood resigned as a Non-Executive Director on 15 October 2019.

**Other securities holdings**

The number of options and performance rights over ordinary shares in the Company held during year ended 31 December 2020 and 2019 by Key Management Personnel, including securities held by entities they control, are set out below:

2020	Opening Balance	Received as Remuneration	Other Movements (exercise / lapse)	Closing Balance/Balance at resignation
<b>Parent entity Directors</b>				
Alan Campbell	-	-	-	-
Justin Tremain <sup>1</sup>	-	100,000,000	-	100,000,000
David Kelly	-	-	-	-
Susmit Shah <sup>2</sup>	-	-	-	NA
<b>Other KMP</b>				
Chris MacKenzie <sup>3</sup>	40,000,000	16,000,000	(16,000,000)	40,000,000

2019	Opening Balance	Received as Remuneration	Other Movements	Closing Balance
<b>Parent entity Directors</b>				
Alan Campbell	-	-	-	-
David Kelly	-	-	-	-
Susmit Shah	-	-	-	-
Mark Calderwood <sup>4</sup>	-	-	-	NA
<b>Other KMP</b>				
Chris MacKenzie <sup>3</sup>	40,000,000	-	-	40,000,000

<sup>1</sup> Mr Tremain was appointed Managing Director on 1 December 2020.

<sup>2</sup> Mr Shah resigned as a Non-Executive Director on 30 November 2020.

<sup>3</sup> Mr MacKenzie was appointed Chief Executive Officer on 23 July 2018 and ceased employment effective on 31 December 2020.

<sup>4</sup> Mr Calderwood resigned as a Non-Executive Director on 15 October 2019.

There were no performance rights issued or on issue as at year ended 31 December 2019.

**End of Remuneration Report**

**INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS**

The Company's Constitution requires it to indemnify Directors and officers against liabilities incurred to third parties and against costs and expenses incurred in defending civil or criminal proceedings, except in certain circumstances. The Directors and officers of the Company have been insured against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law. The insurance premium for the policy period September 2020 to September 2021 amounting to \$10,155 (ex. GST) relates to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever the outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

**ENVIRONMENTAL REGULATIONS**

The Consolidated Entity's operations are subject to Cote d'Ivoire environmental laws, regulations and permit conditions while conducting exploration activities at the gold projects in Cote d'Ivoire. There have been no known breaches of environmental laws or permit conditions during this period.

**NON-AUDIT SERVICES**

There have been no non-audit services provided by the Company's auditor during the year.

**PROCEEDINGS ON BEHALF OF THE COMPANY**

No person has applied for leave of court to bring proceedings on behalf of the Company or 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 any part of those proceedings.

**AUDITOR'S INDEPENDENCE DECLARATION**

The Company's auditor, HLB Mann Judd (WA Partnership), has provided the Board of Directors with an independence declaration in accordance with section 307C of the Corporations Act 2001.

The independence declaration is provided on the following page and forms part of this Directors' Report.

Signed in accordance with a resolution of Directors.



Justin Tremain  
Managing Director  
Perth, 30 March 2021

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Manas Resources Limited for the year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia  
30 March 2021



**M R Ohm**  
**Partner**

**hlb.com.au**

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

	Notes	Consolidated	
		2020 \$	2019 \$
Other income	2	<b>34,656</b>	57,690
		<b>34,656</b>	57,690
Foreign exchange (loss) / gain		<b>(367,760)</b>	52,514
Employee benefits expense		<b>(330,557)</b>	(195,982)
Share-based payments	13a	<b>(58,679)</b>	(61,370)
Depreciation and amortisation expense	9	<b>(56,190)</b>	(22,024)
Exploration expenditure written off	10	<b>(180,845)</b>	(154,393)
Occupancy expenses		<b>(25,252)</b>	(33,335)
Travel expenses		<b>(14,259)</b>	(63,724)
Corporate and administration expenses		<b>(276,835)</b>	(258,757)
Other expenses		<b>(1,975)</b>	(2,262)
Loss before income tax		<b>(1,277,696)</b>	(681,643)
<b>Income tax benefit</b>	5	-	-
<b>Loss for the year from continuing operations</b>		<b>(1,277,696)</b>	(681,643)
<b>Loss for the year</b>		<b>(1,277,696)</b>	(681,643)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange gains/(losses) arising on translation of foreign operations		<b>(65,024)</b>	(42,298)
<b>Total comprehensive loss for the year, net of tax</b>		<b>(1,342,720)</b>	(723,941)
Loss per Share			
Basic loss per share (cents per share)	4	<b>(0.048)</b>	(0.026)
Diluted loss per share (cents per share)	4	<b>(0.048)</b>	(0.026)

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

	Notes	Consolidated	
		2020	2019
		\$	\$
<b>Current Assets</b>			
Cash and cash equivalents	17	5,328,722	7,217,081
Other receivables	7	17,339	13,546
<b>Total Current Assets</b>		<b>5,346,061</b>	<b>7,230,627</b>
<b>Non-Current Assets</b>			
Other assets	8	20,000	65,342
Property, plant and equipment	9	205,938	30,993
Exploration and evaluation expenditure	10	2,874,002	1,654,195
<b>Total Non-Current Assets</b>		<b>3,099,940</b>	<b>1,750,530</b>
<b>Total Assets</b>		<b>8,446,001</b>	<b>8,981,157</b>
<b>Current Liabilities</b>			
Trade and other payables	11	360,626	107,384
<b>Total Current Liabilities</b>		<b>360,626</b>	<b>107,384</b>
<b>Total Liabilities</b>		<b>360,626</b>	<b>107,384</b>
<b>Net Assets</b>		<b>8,085,375</b>	<b>8,873,773</b>
<b>Equity</b>			
Issued capital	12	53,609,222	53,083,579
Reserves	13	3,965,800	4,002,145
Accumulated losses	14	(49,489,647)	(48,211,951)
<b>Total Equity</b>		<b>8,085,375</b>	<b>8,873,773</b>

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

**Manas Resources Limited**  
**Consolidated Statement of Changes in Equity**

**31 December 2020**

	Issued Capital	Share-Based Payment Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
<b>Balance at 1 January 2019</b>	53,083,579	3,985,174	(2,101)	(47,530,308)	9,536,344
Loss attributable to members of the parent entity	-	-	-	(681,643)	(681,643)
Exchange differences arising on translation of foreign operations	-	-	(42,298)	-	(42,298)
<b>Total comprehensive loss for the year</b>	-	-	(42,298)	(681,643)	(723,941)
Recognition of share-based payments	-	61,370	-	-	61,370
<b>Balance at 31 December 2019</b>	<b>53,083,579</b>	<b>4,046,544</b>	<b>(44,399)</b>	<b>(48,211,951)</b>	<b>8,873,773</b>
<b>Balance at 1 January 2020</b>	53,083,579	4,046,544	(44,399)	(48,211,951)	8,873,773
Loss attributable to members of the parent entity	-	-	-	(1,277,696)	(1,277,696)
Exchange differences arising on translation of foreign operations	-	-	(65,024)	-	(65,024)
<b>Total comprehensive loss for the year</b>	-	-	(65,024)	(1,277,696)	(1,342,720)
Share issue	500,000	-	-	-	500,000
Share issue cost	(4,357)	-	-	-	(4,357)
Conversion of performance rights	30,000	(30,000)	-	-	-
Recognition of share-based payments	-	58,679	-	-	58,679
<b>Balance at 31 December 2020</b>	<b>53,609,222</b>	<b>4,075,223</b>	<b>(109,423)</b>	<b>(49,489,647)</b>	<b>8,085,375</b>

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

	Notes	Consolidated	
		2020 \$	2019 \$
<b>Cash Flows from Operating Activities</b>			
Interest received		17,696	40,710
Payments to suppliers and employees		(442,054)	(633,094)
Government grant		20,000	-
<b>Net cash (outflow) from Operating Activities</b>	17	<b>(404,358)</b>	<b>(592,384)</b>
<b>Cash Flows from Investing Activities</b>			
Payment for purchase of plant and equipment		(203,646)	-
Payment for exploration and evaluation expenditure		(1,306,437)	(1,132,571)
Proceeds from project relinquishment		-	82,896
<b>Net cash (outflow) from Investing Activities</b>		<b>(1,510,083)</b>	<b>(1,049,675)</b>
<b>Cash Flows from Financing Activities</b>			
Proceeds from share issues		500,000	-
Payment of share issue costs		(4,357)	-
<b>Net cash inflow from Financing Activities</b>		<b>495,643</b>	<b>-</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>		<b>(1,418,798)</b>	<b>(1,642,059)</b>
Cash and cash equivalents at the beginning of the year		7,217,081	8,832,843
Net foreign exchange differences		(469,561)	26,297
<b>Cash and Cash Equivalents at the end of the year</b>	17	<b>5,328,722</b>	<b>7,217,081</b>

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

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements are for the Consolidated Entity (or “Group”) consisting of Manas Resources Limited and its subsidiaries. For the purpose of preparing the consolidated financial statements, the Group is a for-profit entity.

### **Basis of preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Corporations Act 2001 and other requirements of the law and Australian equivalents to International Financial Reporting Standards (AIFRS). The financial report has been prepared on a historical cost basis, except where otherwise stated.

The financial report is presented in Australian dollars.

The Company is a listed public company, incorporated and domiciled in Australia that has operated during the year in Australia and Cote D’Ivoire. The Group’s principal activities are evaluation and exploration of mineral interests, prospective for precious metals and other mineral deposits.

### *Going Concern*

The financial report has been prepared on a going concern basis. At balance date, the Group had a working capital surplus of \$4,985,435. The board of the Group considers that, based on its assessment of cash flows, it is appropriate to prepare the financial statements on a going concern basis.

### **Adoption of new and revised standards**

#### *Standards and Interpretations adopted with no effect on the financial statements*

For the year ended 31 December 2020, the Group has reviewed all of the new and revised Standards and Interpretations issued by AASB that are relevant to the Group and effective for the current reporting period.

#### *Standards and Interpretations on issue not yet adopted*

The Directors have also reviewed all Standards and Interpretations that have been issued but are not yet effective for the year ended 31 December 2020. As a result of this review, the Directors have determined that there is no impact, material or otherwise, of the new and revised standards and interpretations on the Group’s business and, therefore, no change necessary to Group accounting policies.

### **Statement of compliance with IFRS**

The financial report was authorised for issue on 30 March 2021. It complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

### **Basis of consolidation**

#### *(i) Subsidiaries*

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Manas Resources Limited (“Company” or “parent entity”) as at 31 December 2020 and the results of all subsidiaries for the twelve months then ended or the period in which those subsidiaries were controlled. Manas Resources Limited and its subsidiaries together are referred to in this financial report as the “Group” or the “Consolidated Entity”.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies 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 Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Manas Resources Limited.

### *(ii) Changes in ownership interests*

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Manas Resources Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

### **Significant accounting judgements, estimates and assumptions**

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### *Exploration and evaluation expenditure*

The Board of Directors determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. The Directors' decision is made after considering the likelihood of finding commercially viable reserves.

### *Share-based payment expense*

The Group measures the cost of equity-settled transactions with employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined using a Black-Scholes model, using the assumptions detailed in Note 15.

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

### **Interest income recognition**

Interest income is recognised in the statement of comprehensive income as it accrues, using the effective interest method.

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### **Trade and other receivables**

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. A provision for expected credit loss is made when collection of the full amount is no longer expected. Bad debts are written off when identified.

### **Foreign currency transactions and balances**

The functional and presentation currency of Manas Resources Limited is Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date. All exchange differences in the financial report are taken to the statement of comprehensive income with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of a net investment, at which time they are recognised in the statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value was determined.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity is recognised in the statement of comprehensive income.

### **Taxes**

#### ***Income tax***

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

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

by the law. The carrying amount of deferred tax assets is reviewed at each balance date and only recognised to the extent that sufficient future assessable income is expected to be obtained.

At the reporting date, the Directors have not made a decision to elect to be taxed as a single entity.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

### ***Goods and Services Tax (GST)***

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST or GST equivalent incurred is not recoverable from the Australian Tax Office or overseas tax authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

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

### **Property, plant and equipment**

Items of plant and equipment are carried at cost less accumulated depreciation and impairment losses (see accounting policy “Impairment”).

#### ***Plant and equipment***

Plant and equipment acquired is initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

#### ***Depreciation***

All assets have limited useful lives and are depreciated using the straight line method over their estimated useful lives commencing from the time the asset is held ready for use.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. The estimated useful lives used in the calculation of depreciation for plant and equipment for the current and corresponding period is three years.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

### **Exploration and evaluation expenditure**

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Group’s rights of tenure to that area of interest are current and

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

either the costs are expected to be recouped through the successful development and commercial exploitation of the area of interest or where exploration activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations, in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of the right to explore, studies, exploration drilling, sampling and associated activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Accumulated costs in relation to an abandoned area are written off in full to the statement of profit or loss and other comprehensive income in the year in which the decision to abandon the area is made.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment, accounting policy).

### **Impairment**

The carrying amount of the Group's assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. Where such an indication exists, a formal assessment of recoverable amount is then made and where this is in excess of carrying amount, the asset is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset or cash generating unit. In estimating value in use, a pre-tax discount rate is used which reflects current market assessments of the time value of money and the risks specific to the asset. Any resulting impairment loss is recognised immediately in the statement of comprehensive income.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the asset(s) does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### **Provisions**

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

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

**Employee benefits**

*Wages, salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the (undiscounted) amounts expected to be paid when the liabilities are settled.

Contributions are made by the Group to superannuation funds as stipulated by statutory requirements and are charged as expenses when incurred.

**Share-based payments**

*Equity-settled transactions*

The Group provides benefits to employees, consultants and contractors 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 an Employee Option Plan in place to provide these benefits to employees, consultants and contractors.

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 using a Black-Scholes, Trinomial or Binomial model, further details of which are given in Note 15.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company (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 reporting date until vesting date reflects:

- (i) the extent to which the vesting period has expired; and
- (ii) the Company'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 statement of profit or loss and other comprehensive income 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, as 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.

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.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

Share-based payment transactions with parties other than employees and contractors are measured by reference to the fair value of the goods or services rendered at the date on which the Company obtains the goods or the counterparty renders services.

**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.

**Earnings per share**

Basic earnings per share are determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends), by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share are determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and any expenses associated with dividends and interest of dilutive potential ordinary shares, by the weighted average number of ordinary shares (both issued and potentially dilutive) adjusted for any bonus element.

**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 Manas Resources Limited.

**2. OTHER INCOME**

	<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Interest income	<b>14,656</b>	57,690
Government grant – Cashflow boost	<b>20,000</b>	-
	<b>34,656</b>	<b>57,690</b>

**3. AUDITOR'S REMUNERATION**

Audit services:

- Auditors of the Company – HLB Mann Judd	<b>27,300</b>	26,500
	<b>27,300</b>	<b>26,500</b>

**4. LOSS PER SHARE**

	<b>2020</b>	<b>2019</b>
Basic loss per share (cents per share)	<b>(0.048)</b>	(0.026)
Loss for the year (\$)	<b>(1,277,696)</b>	(681,643)
Basic loss per share from continuing operations (cents per share)	<b>(0.048)</b>	(0.026)
Diluted loss per share from continuing operations (cents per share)	<b>(0.048)</b>	(0.026)
Weighted average number of ordinary shares used in the calculation of basic loss per share	<b>2,655,321,565</b>	2,643,162,488

**5. INCOME TAX EXPENSE**

**Consolidated**

The major components of tax benefit are:

	<b>2020</b>	2019
	\$	\$
The prima facie income tax benefit on pre-tax accounting result from operations reconciles to the income tax expense in the financial statements as follows:		
Accounting loss before tax from continuing operations	<b>(1,277,696)</b>	(681,643)
Income tax (benefit) calculated at 30% (2019: 27.5%)	<b>(383,309)</b>	(187,452)
Non-deductible expenses	<b>17,645</b>	17,147
Other deferred tax assets and tax liabilities not recognised	<b>365,664</b>	170,305
Income tax benefit reported in the statement of comprehensive income	<u>-</u>	<u>-</u>

**(b) Unrecognised deferred tax balances**

The following deferred tax assets and liabilities have not been brought to account:

Deferred tax assets comprise:

Losses available for offset against future taxable income – revenue	<b>3,171,161</b>	2,759,026
Losses available for offset against future taxable income – capital	<b>11,668,463</b>	10,575,251
Other deferred tax assets / (liabilities)	<b>64,623</b>	127,768
	<u><b>14,904,247</b></u>	<u>13,462,045</u>

**(c) Income tax expense recognised directly in equity**

	<b>2020</b>	2019
	\$	\$
Share issue costs	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits thereof.

Deferred tax liabilities have not been recognised in respect of these taxable temporary differences as the entity is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

**6. SEGMENT INFORMATION**

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board considers the business from both a product and a geographic perspective and has identified one reportable segment.

**(a) Description of segments**

During the financial year the Group considers that it has only operated in one segment, being the continued exploration and evaluation of mineral interests in Cote D'Ivoire.

**(b) Segment information provided to the Board**

The segment information provided to the Board for the reportable segments:

**2020**

<b>Consolidated</b>	<b>Cote D'Ivoire</b>	<b>Corporate and Unallocated</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Results</b>			
Segment result	(299,439)	(978,257)	(1,277,696)
Interest income	-	14,656	14,656
Employee benefits expense	-	(330,557)	(330,557)
Share-based payments	-	(58,679)	(58,679)
Depreciation	(33,699)	(22,491)	(56,190)
Occupancy	-	(25,252)	(25,252)
Corporate, administrative and other	(84,895)	(191,940)	(276,835)
Exploration expenditure written off	(180,845)	-	(180,845)
<b>Segment Assets</b>			
Exploration and evaluation expenditure	2,874,002	-	2,874,002
Other segment assets	196,385	5,375,614	5,571,999
	3,070,387	5,375,614	8,446,001
<b>Segment Liabilities</b>			
Trade and other payables	150,654	209,972	360,626

**6. SEGMENT INFORMATION – continued**

**2019**

<b>Consolidated</b>	<b>Cote D'Ivoire</b>	<b>Corporate and Unallocated</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Results</b>			
Segment result	(143,124)	(538,519)	(681,643)
Interest income	13,941	43,749	57,690
Employee benefits expense	-	(195,982)	(195,982)
Share-based payments	-	(61,370)	(61,370)
Depreciation	-	(22,024)	(22,024)
Occupancy	-	(33,335)	(33,335)
Corporate, administrative and other	(2,672)	(269,557)	(272,229)
Exploration expenditure written off	(154,393)	-	(154,393)
<b>Segment Assets</b>			
Exploration and evaluation expenditure	1,654,195	-	1,654,195
Other segment assets	150,441	7,176,521	7,326,962
	1,804,636	7,176,521	8,981,157
<b>Segment Liabilities</b>			
Trade and other payables	67,709	39,675	107,384
	67,709	39,675	107,384
<b>Others</b>			
Additions to non-current assets, excluding financial instruments and deferred tax assets	1,033,224	-	1,033,224
	1,033,224	-	1,033,224

**7. OTHER RECEIVABLES**

	<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Other receivable	5,045	3,036
Prepayments and advances	12,294	10,510
	17,339	13,546

**8. OTHER ASSETS**

	<b>Consolidated</b>	
	<b>2020</b>	2019
	<b>\$</b>	\$
Security deposit <sup>(1)</sup>	<b>20,000</b>	20,000
Other deposit <sup>(2)</sup>	-	45,342
	<b>20,000</b>	<b>65,342</b>

(1) Security deposit held with bank for a corporate credit card facility.

(2) Other deposit relates to payment for interest in an entity which has an application for a permit in relation to the Bouake North project in Cote D'Ivoire. During the year ended 31 December 2020, the permit was granted and the deposit recognised as an acquisition cost in exploration and evaluation expenditure.

**9. PROPERTY, PLANT AND EQUIPMENT**

*Plant and equipment*

	<b>Consolidated</b>	
	<b>2020</b>	2019
	<b>\$</b>	\$
At cost	<b>302,858</b>	73,833
Less accumulated depreciation	<b>(96,920)</b>	(42,840)
	<b>205,938</b>	<b>30,993</b>

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

**Reconciliation:**

	<b>Consolidated</b>	
	<b>2020</b>	2019
	<b>\$</b>	\$
Balance at the beginning of the year	<b>30,993</b>	53,017
Additions	<b>231,085</b>	-
Disposal	<b>(2,061)</b>	-
Depreciation expense	<b>(56,190)</b>	(22,024)
Foreign exchange movement	<b>2,111</b>	-
Carrying amount at the end of the year	<b>205,938</b>	<b>30,993</b>

**10. EXPLORATION AND EVALUATION EXPENDITURE**

	<b>Consolidated</b>	
	<b>2020</b>	2019
	<b>\$</b>	\$
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost		
Balance at beginning of the year	<b>1,654,195</b>	775,364
Expenditure incurred during the year	<b>1,447,921</b>	1,033,224
Expenditure written off <sup>1</sup>	<b>(180,845)</b>	(154,393)
Foreign exchange movement	<b>(47,269)</b>	-
	<b>2,874,002</b>	<b>1,654,195</b>

1. Exploration expenditure on an area of interest where tenure was not granted at year end were written off to P&L. The recoupment of cost carried forward in relation to “areas of interest” in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

**11. TRADE AND OTHER PAYABLES**

<b>Current</b>	<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Trade payables	<b>327,555</b>	8,489
Other accruals	<b>33,071</b>	98,895
	<b>360,626</b>	107,384

There are no amounts included within these balances that are not expected to be settled within the next 12 months. The average credit terms for services received by the Company are 30 days from invoice date and are non-interest bearing.

**12. ISSUED CAPITAL**

	<b>Consolidated</b>		<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>	<b>\$</b>	<b>\$</b>
<b>(a) Issued and paid-up share capital</b>				
Ordinary shares, fully paid	<b>2,760,273,598</b>	2,643,162,488	<b>53,609,222</b>	53,083,579
<b>(b) Movements in ordinary shares</b>				
Balance at beginning of the year	<b>2,643,162,488</b>	2,643,162,488	<b>53,083,579</b>	53,083,579
Placement issue at \$0.0045 on 24 Nov 20	<b>111,111,110</b>	-	<b>500,000</b>	-
Conversion of performance rights	<b>6,000,000</b>	-	<b>30,000</b>	-
Less: share issue cost	-	-	<b>(4,357)</b>	-
Balance at end of the year	<b>2,760,273,598</b>	2,643,162,488	<b>53,609,222</b>	53,083,579

**(c) Movements in options**

	<b>Grant date</b>	<b>Exercise price</b>	<b>Expiry date</b>	<b>Opening balance</b>	<b>New issues</b>	<b>Exercised/ Vested/ cancelled/ lapsed</b>	<b>Balance at end of year</b>	<b>Vested/ exercisable at end of year</b>
		<b>\$</b>		<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>2020</b>								
Unlisted options	12 Aug 2016	\$0.005	30 Jun 2020	30,000,000	-	(30,000,000)	-	-
Unlisted options	23 Jul 2018	\$0.0075	30 Nov 2021	40,000,000	-	-	40,000,000	40,000,000
				<b>70,000,000</b>	<b>-</b>	<b>(30,000,000)</b>	<b>40,000,000</b>	<b>40,000,000</b>
<b>2019</b>								
Unlisted options	12 Aug 2016	\$0.005	30 Jun 2020	30,000,000	-	-	30,000,000	30,000,000
Unlisted options	23 Jul 2018	\$0.0075	30 Nov 2021	40,000,000	-	-	40,000,000	40,000,000
				<b>70,000,000</b>	<b>-</b>	<b>-</b>	<b>70,000,000</b>	<b>70,000,000</b>

**12. ISSUED CAPITAL - continued**

**(d) Movements in performance rights**

	<b>Grant date</b>	<b>Exercise price</b>	<b>Expiry date</b>	<b>Opening balance</b>	<b>New issues</b>	<b>Vested and converted</b>	<b>Lapsed/ Forfeited</b>	<b>Balance at end of year</b>
		<b>\$</b>		<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
<b>2020</b>								
Performance rights	14 Aug 2020	Nil	31 Jul 2023	-	16,000,000	(6,000,000)	(10,000,000)	-
Performance rights	16 Nov 2020	0.0001	30 Nov 2025	-	124,000,000	-	-	124,000,000
				-	140,000,000	(6,000,000)	(10,000,000)	124,000,000

**13. RESERVES**

	<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Share-based payment reserve (a)	<b>4,075,223</b>	4,046,544
Foreign currency translation reserve (b)	<b>(109,423)</b>	(44,399)
	<b>3,965,800</b>	4,002,145

**(a) Share-based payment reserve**

Opening balance	<b>4,046,544</b>	3,985,174
Share based payment expense	<b>58,679</b>	61,370
Conversion to shares	<b>(30,000)</b>	-
Closing balance 31 December	<b>4,075,223</b>	4,046,544

The share-based payment reserve is used to record the value of share-based payments provided by the issue of options and performance rights. Refer to Note 15 for further details.

	<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>(b) Foreign currency translation reserve</b>		
Opening balance	<b>(44,399)</b>	(2,101)
Currency translation differences arising during the year	<b>(65,024)</b>	(42,298)
Closing balance 31 December	<b>(109,423)</b>	(44,399)

The foreign currency translation reserve is used to record exchange differences from the translation of the financial statements of foreign operations.

**14. ACCUMULATED LOSSES**

	<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Accumulated losses at the beginning of the year	<b>(48,211,951)</b>	(47,530,308)
Loss from continuing operations	<b>(1,277,696)</b>	(681,643)
Accumulated losses at the end of the year	<b>(49,489,647)</b>	(48,211,951)

**15. SHARE-BASED PAYMENTS**

*Securities Incentive Plans*

The Company has adopted the Manas Resources Limited Employee Option Plan as well as the Manas Resources Limited Performance Rights Plan ("Plans"). The Plans were adopted following shareholder approval and are required to be renewed by shareholder approval every three years. The Plans are designed to provide incentives, assist in the recruitment, reward and retention of employees and provide opportunities for employees (both present and future) to participate directly in the equity of the Company. The Plans generally allow the Company to set the terms and conditions of each grant, subject to compliance with the overall framework of the Plans, ASX Listing Rules and any other applicable regulations.

*Non-plan-based payments*

The Company also makes share-based payments to Directors, consultants and/or service providers from time to time, not under any specific plan.

The expense recognised in the Statement of Profit or Loss and Other Comprehensive Income in relation to share-based payments is \$58,679 (31 December 2019: \$61,370), relating to performance rights and options.

The following tables illustrates the number and weighted average exercise prices of and movements in share options and performance rights issued during the year under the Plans:

<b>Options</b>	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>Number</b>	<b>Weighted</b>	<b>Number</b>	<b>Weighted</b>
		<b>average</b>		<b>average</b>
		<b>exercise price</b>		<b>exercise price</b>
Outstanding at the beginning of the year	<b>70,000,000</b>	<b>\$0.006</b>	70,000,000	\$0.006
Forfeited during the year	<b>(30,000,000)</b>	<b>\$0.006</b>	-	-
Outstanding at the end of the year	<b>40,000,000</b>	<b>\$0.002</b>	70,000,000	\$0.006
Exercisable at the end of the year	<b>40,000,000</b>	<b>\$0.006</b>	-	

30,000,000 options expired on 30 June 2020.

During the year ended 31 December 2020 and 2019, no options were exercised.

<b>Performance Rights</b>	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Outstanding at the beginning of the year	-	-
Granted during the year	<b>140,000,000</b>	-
Converted during the year	<b>(6,000,000)</b>	-
Lapsed during the year	<b>(10,000,000)</b>	-
Outstanding at the end of the year	<b>124,000,000</b>	-
Vested at the end of the year	-	-

## **15. SHARE-BASED PAYMENTS - continued**

The following table lists the inputs to the model used for the financial period ended 31 December 2020.

	<b>Performance Rights</b>	<b>Performance Rights</b>
Number	<b>16,000,000</b>	<b>124,000,000</b>
Volatility	<b>100%</b>	<b>100%</b>
Risk-free interest rate	<b>1.5%</b>	<b>1.0%</b>
Expected life of option	<b>2.96 years</b>	<b>5 years</b>
Exercise price	<b>Nil</b>	<b>\$0.0001</b>
Share price at grant date	<b>\$0.005</b>	<b>\$0.006</b>

During the year ended 31 December 2020, 16,000,000 performance rights were issued to Chief Executive Officer, Chris MacKenzie. 6,000,000 performance rights were converted into shares. The remaining 10,000,000 performance rights lapsed on cessation of employment.

During the year ended 31 December 2020, 124,000,000 performance rights were issued to management of the Company, of which 100,000,000 performance rights were issued to Managing Director, Justin Tremain for nil consideration and subject to satisfaction of various performance hurdles.

There were no performance rights issued in 2019.

## **16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**

The activities of the Group expose it to a variety of financial risks, including market risk, credit risk and liquidity risks. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the business. The Group employs 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 and ageing analysis for credit risk.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

### **(a) Market risk**

#### **(i) Foreign exchange risk**

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. At 31 December 2020, the Group held \$200,000 in US dollar bank balances. At 31 December 2020, had the Australian dollar strengthened/weakened by 10% against the US dollar with all other variables held constant, the profit/(loss) for the year would have been \$26,328 lower (December 2019: \$651,342) / \$32,179 higher (31 December 2019: \$796,084).

The Group has not entered into any general or specific contracts to hedge against gains and losses that may arise from exchange rate fluctuations.

#### **(ii) Interest rate risk**

The Group may be exposed to interest rate risk through financial assets and liabilities. The risk is measured using sensitivity analysis and cash flow forecasting.

**16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS – continued**

At 31 December 2020, if interest rates had increased/decreased by 100 basis points from the weighted average effective rate for the year, with other variables constant, the (loss)/profit for the year would have been \$5,364 lower (December 2019: \$79,921)/\$5,364 higher (December 2019: \$79,921).

None of the financial assets and financial liabilities are readily traded on organised markets in standardised form. The carrying amounts of financial assets and financial liabilities are materially in line with their fair values.

The following table summarises interest rate risk for the Group, together with effective interest rates as at balance date.

2020	Weighted average effective interest rate	Floating interest rate	Fixed interest rate maturing in:		Non-interest Bearing	Total
			1 year or less	Over 1 year		
		\$	\$	\$	\$	\$
<b>Financial Assets</b>						
Cash and cash equivalents	0.23%	5,038,773	-	-	289,949	5,328,722
Other receivables	1.50%	-	20,000	-	5,045	25,045
<b>Total Financial Assets</b>		<b>5,038,773</b>	<b>20,000</b>	<b>-</b>	<b>294,994</b>	<b>5,353,767</b>
<b>Financial Liabilities</b>						
Trade and other payables		-	-	-	360,626	360,626
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>360,626</b>	<b>360,626</b>

2019	Weighted average effective interest rate	Floating interest rate	Fixed interest rate maturing in:		Non-interest Bearing	Total
			1 year or less	Over 1 year		
		\$	\$	\$	\$	\$
<b>Financial Assets</b>						
Cash and cash equivalents	0.55%	7,111,975	-	-	105,106	7,217,081
Other receivables	1.50%	-	20,000	-	48,382	68,382
<b>Total Financial Assets</b>		<b>7,111,975</b>	<b>20,000</b>	<b>-</b>	<b>153,488</b>	<b>7,285,463</b>
<b>Financial Liabilities</b>						
Trade and other payables		-	-	-	107,384	107,384
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>107,384</b>	<b>107,384</b>

**(iii) Commodity price risk**

As Manas is exploring primarily for gold, it will be exposed to the risks of fluctuation in gold prices. The risk is measured using sensitivity analysis and cash flow forecasting. Gold is primarily priced in US dollars in an active worldwide market in which prices respond to daily changes in quantities offered and sought. Newly mined gold is only one source of supply; investment and disinvestment can be important elements of supply and demand. Prices fluctuate widely in response to changing levels of supply and demand but, in the long run, prices are related to the marginal cost of supply.

**16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS - continued**

**(b) Credit risk exposures**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and financial instruments.

As the Group is exclusively involved in exploration rather than trading there is currently very little credit risk. For banks and financial institutions, only reputable institutions with sound financial positions are dealt with.

**(c) Liquidity and capital risk**

The Group's total capital is defined as the shareholders' net equity plus any net debt. The objective when managing the Group's capital is to safeguard the business as a going concern, to maximise returns to shareholders and to maintain an optimal capital structure in order to reduce the cost of capital.

The Group does not have a target debt/equity ratio, but has a policy of maintaining a flexible financing structure so as to be able to take advantage of investment opportunities when they arise. There are no externally imposed capital requirements. Whilst the Group is in an exploration phase, it is unlikely to operate with debt capital, although this may change as projects become more advanced.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The risk is measured using sensitivity analysis and cash flow forecasting. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring its forecasted and actual cash flows.

If the Group anticipates a need to raise additional capital in the next 12 months to meet forecast operational activities, then the decision on how the Group will raise future capital will depend on market conditions existing at that time.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

**(d) Fair value estimation**

The Directors consider that the carrying amount of financial assets and financial liabilities, as recorded in the financial statements, represent or approximate their respective fair values. The Group's financial assets and liabilities are measured at amortised cost. Therefore, the disclosures required by *AASB13: Fair Value Measurement*, of the fair value measurement hierarchy have not been made.

**17. CASH AND CASH EQUIVALENTS**

	<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and on hand (i)	<b>5,328,722</b>	7,217,081
	<b>5,328,722</b>	7,217,081

(i) Cash at bank earns interest at floating rates based on daily bank deposit notes.

**17. CASH AND CASH EQUIVALENTS - continued**

**(a) Statement of Cash Flows**

***Reconciliation of the loss after income tax from ordinary activities to the net cash used in operating activities***

Loss from ordinary activities after income tax	<b>(1,277,696)</b>	(681,643)
Add back non-cash items:		
Depreciation	<b>56,190</b>	22,024
Share-based payment expense	<b>58,679</b>	61,370
Exploration expenditure written off	<b>180,845</b>	154,393
Foreign exchange loss/(gain)	<b>367,760</b>	(52,514)
Net cash (outflow) from operating activities before change in assets and liabilities	<b>(614,222)</b>	(391,342)
Change in assets and liabilities:		
Decrease in operating receivables	<b>41,550</b>	29,068
Increase / (decrease) in operating payables	<b>168,314</b>	(125,082)
<b>Net cash (outflow) from operating activities</b>	<b>(404,358)</b>	(592,384)

**18. KEY MANAGEMENT PERSONNEL DISCLOSURES**

The following were Key Management Personnel of the Company at any time during the reporting period and unless otherwise indicated were Key Management Personnel for the entire year:

**Other Key Management Personnel**

Mr Justin Tremain – Managing Director (appointed 1 December 2020)

Mr Chris MacKenzie – Chief Executive Officer (resigned on 31 December 2020)

**Non-Executive Directors**

Mr Alan Campbell

Mr David Kelly

Mr Susmit Shah (resigned 30 November 2020)

The Key Management Personnel compensation included in 'employee benefits expense' and share based payments are as follows:

	<b>Consolidated</b>	
	<b>2020</b>	2019
	\$	\$
Short-term employee benefits	<b>326,563</b>	368,750
Post-employment benefits	<b>5,331</b>	4,750
Termination payment	<b>93,750</b>	-
Share-based payments	<b>53,128</b>	61,370
	<b>478,772</b>	434,870

***Individual Directors and executives compensation disclosures***

Information regarding individual Directors and executives compensation and some equity instruments disclosures as permitted by Schedule 5B to the Corporations Regulations 2001 is provided in the Remuneration Report section of the Directors' Report. Apart from the details disclosed in this note, no Director has entered into a material contract with the Company or the Group since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year-end.

**18. KEY MANAGEMENT PERSONNEL DISCLOSURES - continued**

***Loans to Key Management Personnel and their related parties***

There were no loans outstanding at the reporting date to Key Management Personnel and their related parties.

***Other transactions with Key Management Personnel***

A number of key management persons, or their related parties, held positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

- The company secretarial services are provided by Mr Susmit Shah and charged to the Company by Corporate Consultants Pty Ltd (CCPL), a company in which Mr Shah has a beneficial interest. Total fees of \$115,759 (December 2019: \$161,042) were paid or were payable to CCPL for provision of secretarial services, as well as office space, administration and accounting services. There was no outstanding amount payable at balance date.

**19. SUBSIDIARIES**

***(a) Particulars in relation to subsidiaries***

Name of Subsidiary	Place of Incorporation	Group's Interest	Group's Interest	Class of Shares
		31 December 2020	31 December 2019	
<b>Parent Entity</b>		%	%	
Manas Resources Limited	Australia	-	-	-
<b>Subsidiaries</b>				
TTFB Pty Ltd	Australia	100	100	Ord
LVG Holdings Pty Ltd	Australia	100	100	Ord
Manas Côte d'Ivoire SARL	Côte d'Ivoire	100	100	Ord

***(b) Terms and conditions of loans to related parties***

Loan advances made to subsidiaries noted in the table above. These loans are interest free, unsecured and repayable only when the borrower's cash flow permits. The recoverability of these loans is dependent upon the successful development and exploitation of the areas of interest currently being explored by the parent's subsidiary entities.

***(c) Risk exposure***

Information about the Group's and the parent entity's exposure to credit risk, foreign exchange and interest rate risk is provided in Note 16.

**20. RELATED PARTY TRANSACTIONS**

***(a) Key Management Personnel***

Disclosures relating to Key Management Personnel are set out in Note 18.

***(b) Other Related Party Transactions***

No related party transactions other than those outlined in Note 18.

***(c) Subsidiaries***

***Wholly-Owned Group***

**20. RELATED PARTY TRANSACTIONS - continued**

The parent entity will incur exploration expenditure on behalf of the subsidiaries. Investments in wholly-owned controlled entities are disclosed in Note 19.

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

**21. PARENT ENTITY DISCLOSURES**

	2020	2019
	\$	\$
<b><i>Financial Position</i></b>		
<b>Assets</b>		
Current assets	5,314,554	7,125,527
Non-current assets <sup>(i)</sup>	2,980,793	1,787,923
<b>Total assets</b>	<b>8,295,347</b>	<b>8,913,450</b>
<b>Liabilities</b>		
Current liabilities	209,972	39,677
<b>Total liabilities</b>	<b>209,972</b>	<b>39,677</b>
<b>Net Assets</b>	<b>8,085,375</b>	<b>8,873,773</b>
<b>Equity</b>		
Issued capital	53,609,222	53,083,579
Accumulated losses	(49,599,070)	(48,256,350)
Share-based payments reserves	4,075,223	4,046,544
<b>Total equity</b>	<b>8,085,375</b>	<b>8,873,773</b>
<b><i>Financial performance</i></b>		
(Loss) for the year	(1,342,720)	(726,609)
<b>Total comprehensive (loss) for the year</b>	<b>(1,342,720)</b>	<b>(726,609)</b>

(i) The recoupment of the parent entity's investments and loans to its subsidiaries is dependent upon the successful development and commercial exploitation or sale of the underlying exploration assets.

***Contingent liabilities of the parent entity***

The parent entity did not have any contingent liabilities as at 31 December 2020 or 31 December 2019.

The Company does not have any lease commitments.

**22. COMMITMENTS**

**(a) Exploration expenditure commitments**

In January 2018, the Company entered into an earn-in and joint venture agreement with Eburnea Gold Resources sarl (Eburnea) to acquire the rights to earn an interest of up to 80% in the Bouaké North Gold Project in Côte d'Ivoire (refer ASX announcements dated 23 January and 29 May 2018) as a result of which the Company will be subject to various minimum expenditure outlays as noted below:

***Bouaké North***

Manas is required to make payments of US\$25,000 to Eburnea in each of 2021, 2022 and 2023 and US\$75,000 in 2024.

## **22. COMMITMENTS - continued**

Under the terms of its agreement with Eburnea, Manas is also required to sole fund minimum exploration expenditure on the permit as follows (amounts noted below are cumulative):

- Before the end of Year 1 (February 2021): FCFA 62,000,000;
- Before the end of Year 2 (February 2022): FCFA 155,000,000;
- Before the end of Year 3 (February 2023): FCFA 309,000,000; and
- Before the end of Year 4 (February 2024): FCFA 615,000,000.

### ***Mbengué Project:***

In May 2018, the Company entered into an earn-in agreement with Perseus Mining Limited (“Perseus”) to acquire 70% of the Mbengué Gold Project in Northern Cote D’Ivoire, West Africa by sole funding a total of US\$2,000,000 exploration expenditure in stages over a 3 years period. By 31 December 2020, the Company had exceeded the US\$2m exploration expenditure earn-in requirement and therefore, at year-end, has no further contractual expenditure commitments.

## **23. EVENTS OCCURRING AFTER THE REPORTING DATE**

No matter or circumstance has arisen since the end of the financial year and to the date of this report which significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial year(s).

**DIRECTORS' DECLARATION**

In the opinion of the Directors of Manas Resources Limited (the 'Company'):

- a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:
  - i. giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the year then ended; and
  - ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements;
- b. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 31 December 2020.

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



**Justin Tremain**  
**Managing Director**

Dated at Perth, 30 March 2021

**INDEPENDENT AUDITOR’S REPORT**

To the members of Manas Resources Limited

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report of Manas Resources Limited (“the Company”) and its controlled entities (“the Group”), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

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

- a) giving a true and fair view of the Group’s financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

*Basis for opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants* (“the Code”) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

*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. We have determined the matter described below to be the key audit matter to be communicated in our report.

<b>Key Audit Matter</b>	<b>How our audit addressed the key audit matter</b>
<p><b>Carrying value of exploration assets</b> Refer to Note 10</p> <p>Our audit focussed on the Group’s assessment of the carrying amount of the capitalised exploration and evaluation asset, as this is one of the most significant assets of the Group.</p> <p>We planned our work to address the audit risk that</p>	<p>Our procedures included but where not limited to the following:</p> <ul style="list-style-type: none"> <li>- We obtained an understanding of the key processes associated with management’s review of the carrying value of each area of interest;</li> </ul>

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Key Audit Matter	How our audit addressed the key audit matter
<p><b>Carrying value of exploration assets</b> Refer to Note 10</p> <p>the capitalised expenditure may no longer meet the recognition criteria of the standard. In addition, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of the exploration and evaluation asset may exceed its recoverable amount.</p>	<ul style="list-style-type: none"> <li>- We considered the Directors' assessment of potential indicators of impairment;</li> <li>- We obtained evidence that the Group has current rights to tenure of its areas of interest;</li> <li>- We enquired with management, reviewed ASX announcements and reviewed minutes of Director's meetings to ensure that the Group had not resolved to discontinue exploration and evaluation at any of its areas of interest; and</li> <li>- We examined the disclosures made in the financial report.</li> </ul>

*Information other than the financial report and auditor's report thereon*

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2020, but does not include the financial report and our auditor's report thereon.

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

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

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

*Responsibilities of the directors for the financial report*

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

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

*Auditor's responsibilities for the audit of the financial report*

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **Report on the Remuneration Report**

#### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included within the directors' report for the year ended 31 December 2020.

In our opinion, the Remuneration Report of Manas Resources Limited for the year ended 31 December 2020 complies with section 300A of the *Corporations Act 2001*.

*Responsibilities*

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

*HLB Mann Judd*

**HLB Mann Judd  
Chartered Accountants**

**Perth, Western Australia  
30 March 2021**



**M R Ohm  
Partner**

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors of Manas Resources Limited is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of Manas Resources Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. The Company's governance approach aims to achieve exploration, development and financial success while meeting stakeholders' expectations of sound corporate governance practices by proactively determining and adopting the most appropriate corporate governance arrangements.

The Company has adopted appropriate systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. To the extent they are applicable and given its size and circumstances the Company has adopted the Eight Essential Corporate Governance Principles and Recommendations ("Recommendations"), as published by ASX Corporate Governance Council ("CGC").

The Company's directors are fully cognisant of the Corporate Governance Principles and Recommendations published by CGC and have adopted those recommendations where they are appropriate to the Company's circumstances. However, a number of those principles and recommendations are directed towards listed companies considerably larger than Manas Resources Limited, whose circumstances and requirements accordingly differ markedly from the Company's. For example, the nature of the Company's operations and the size of its staff mean that a number of the Board committees and other governance structures recommended by the CGC are not only unnecessary in Manas's case, but the effort and expense required to establish and maintain them would, in the directors' view, be an unjustified diversion of shareholders' funds.

As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance structures will be given further consideration.

ASX Listing Rule 4.10.3 requires ASX listed companies to report on the extent to which they have followed the ASX Corporate Governance Principles and Recommendations ("ASX Principles") released by the ASX Corporate Governance Council ("CGC"). The ASX Principles require the board to consider carefully the development and adoption of appropriate corporate governance policies and practices founded on the ASX Principles. A description of the Company's main corporate governance practices is set out below. All these practices, unless otherwise stated, were in place for the entire financial year ended 31 December 2020. They comply with the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.<sup>1</sup>

The Company's website at [www.manasresources.com](http://www.manasresources.com) contains a corporate governance section that includes copies of the Company's corporate governance policies.

- |              |  |
|--------------|--|
| Principle 1. | Lay solid foundations for management and oversight             |
| Principle 2. | Structure the board to add value                               |
| Principle 3. | Instil a culture of acting lawfully, ethically and responsibly |
| Principle 4. | Safeguard the integrity of corporate reports                   |
| Principle 5. | Make timely and balanced disclosure                            |
| Principle 6. | Respect the rights of security holders                         |
| Principle 7. | Recognise and manage risk                                      |
| Principle 8. | Remunerate fairly and responsibly                              |

<sup>1</sup>The 4<sup>th</sup> Edition of ASX Corporate Governance Council's Corporate Governance Principles and Recommendations took effect for the Company's financial year commencing 1 January 2020 and has been adopted as appropriate from that date.

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**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (continued)**

**Principle 1: Lay solid foundations for management and oversight**

**Recommendation 1.1:**

*Companies should disclose the respective roles and responsibilities of its board and management and those matters expressly reserved to the Board and those delegated to management and disclose those functions.*

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of the senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

The Board is responsible for:

- Determining the vision and objectives of the Company;
- Overseeing and fostering an appropriate culture for the Company that is directly aligned to its values, strategies and objectives;
- Reviewing and approving the Company's financial position, systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- Identifying all areas where written board policy is required, detailing the policies, and overseeing the implementation and monitoring of compliance;
- Formulating short term and long term strategies to enable the Company to achieve its objectives, and ensuring adequate resources are available to meet strategic objectives;
- Approving and monitoring the progress of major expenditure and acquisitions and divestments;
- Approving the annual budgets, and ensuring these are aligned with the Company's strategic objectives;
- Being responsible for the Company's senior management and personnel including appointing and, where appropriate, removing the Chairman;
- Ratifying the appointment, and where appropriate, the removal of the Executive Directors and the Company Secretary;
- Evaluating the performance of the senior management team and determining their remuneration;
- Delegating appropriate powers to senior management to ensure the effective day-to-day management of the business and monitoring the exercise of these powers;
- Ensuring that policies and procedures are in place consistent with the Company's objectives, and that the Company and its officers act legally, ethically and responsibly in all matters; and
- Ensuring corporate accountability to the shareholders primarily through adopting an effective shareholder communications strategy.

The responsibility for the day to day operation and administration of the Group is delegated by the Board to the Chief Executive Officer [CEO] who in turn delegates specific responsibilities to the senior management team. The Board ensures that this team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the CEO and the senior management team. These delegations are reviewed as appropriate.

The Board Charter is available on the Company's website under the Corporate Governance section.

The CEO is responsible for the attainment of the Company's goals and vision for the future, in accordance with the strategies, policies, programs and performance requirements approved by the Board.

The CEO's (or as delegated to Senior Executives) specific responsibilities include:

- responsibility for the achievement of corporate goals and objectives
- development of short, medium and long-term corporate strategies and planning to achieve the Company's vision and overall business objectives
- implementing and monitoring strategy and reporting/ presenting to the Board on current and future initiatives
- advising the Board regarding the most effective organisational structure and oversee its implementation

**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)**

- assessment of business opportunities of potential benefit to the Company
- encouraging staff commitment
- establishing and maintaining effective and positive relationships with Board members, shareholders, the investment community and other government and business liaisons
- undertaking the role of key Company spokesperson
- recommending policies to the Board in relation to a range of organisational issues including delegations of authority, consultancies and performance incentives
- ensuring statutory, legal and regulatory compliance and compliance with corporate policies and standards
- ensuring appropriate risk management practices and policies are in place
- selecting and appointing staff; and
- ensuring there is an appropriate staff appraisal system in place in the Company.

This statement of matters reserved for the Board and areas of delegated authority to the CEO and senior executives is contained in the Board Charter posted on the Company's website.

**Recommendation 1.2:**

*Companies should undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director and provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.*

The Company undertakes checks on any person who is being considered as a director. These checks may include character, experience, education and financial history and background.

All security holder releases will contain material information about any candidate to enable an informed decision to be made on whether or not to elect or re-elect a director.

**Recommendation 1.3:**

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

Letters of appointment are in place for all non-executive directors and employment contracts are in place for the Chief Executive Officer and other senior executives.

**Recommendation 1.4:**

*The Company Secretary should be accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.*

The Company Secretary has a direct reporting line to the Board, through the Chair.

**Recommendation 1.5:**

*The Company should establish a policy concerning diversity and disclose the policy or summary of the policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them.*

The Company recognises that a talented and diverse workforce is a key competitive advantage. The Company is committed to developing a workplace that promotes diversity. The Company's policy is to recruit and manage on the basis of competence and performance regardless of age, nationality, race, gender, religious beliefs, sexuality, physical ability or cultural background. The Company has not yet formalised this policy into a written document. It is the Board's intention to formalise the policy at a time when the size of the Company and its activities warrants such a structure.

During 2020, the Manas Group had two full time and full time equivalent staff. There are no women on the Board.

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**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)**

**Recommendation 1.6:**

*The Company should have and disclose a process for periodically evaluating the performance of the Board, its committees and individual directors and whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

Due to the size of the Board and the nature of its business, it has not been deemed necessary to institute a formal documented performance review program of individuals. The Chairman conducted an informal review during the financial year whereby the performance of the Board as a whole and the individual contributions of each director were discussed. The Board considers that at this stage of the Company's development an informal process is appropriate.

**Recommendation 1.7:**

*The Company should have and disclose a process for periodically evaluating the performance of senior executives and whether a performance evaluation was undertaken in the reporting period in accordance with that process.*

The Board undertakes a review of the senior executives' performance, at least annually, including setting the goals for the coming year and reviewing the achievement of these goals.

Performance has been measured to date by the efficiency and effectiveness of the enhancement of the Company's mineral interest portfolio, the designing and implementation of the exploration and development programme and the securing of ongoing funding so as to continue its exploration and development activities. This performance evaluation is not based on specific financial indicators such as earnings or dividends as the Company is at the exploration / pre-development stage and during this period is expected to incur operating losses.

Due to the size of the Company and the nature of its business, it has not been deemed necessary to institute a formal documented performance review program of senior executives. The Chairman conducted an informal review process whereby he discussed with senior executives the approach toward meeting the short and long term objectives of the Company. The Board considers that at this stage of the Company's development an informal process is appropriate.

**Principle 2: Structure the Board to add value**

**Recommendation 2.1:**

*The Board should establish a Nomination Committee of which the majority should be independent directors (including the Chair).*

The Company does not have a nomination committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards. In particular, the full Board considers those matters that would usually be the responsibility of a nomination committee. The Board considers that no efficiencies or other benefits would be gained by establishing a separate nomination committee.

Directors are appointed under the terms of the Company's constitution. Appointments to the Board are based upon merit and against criteria that serves to maintain an appropriate balance of skills, expertise, and experience of the board. The categories considered necessary for this purpose are a blend of accounting and finance, business, technical and administration skills. Casual appointments must stand for election at the next annual general meeting of the Company.

Retirement and rotation of Directors are governed by the Corporations Act 2001 and the Constitution of the Company. All Directors, with the exception of the Managing Director (if appointed), serve for a period of three years before they are requested to retire and if eligible offer themselves for re-election.

**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)**

**Recommendation 2.2:**

*The Company should have and disclose a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.*

The Board composition for the reporting period has been as follows:

Non-executive Chairman – Alan Campbell, a geologist and an experienced mining executive was appointed a director on 1 November 2018;

CEO – Chris MacKenzie was appointed on 19 July 2018 and resigned on 31 December 2020;

Managing Director/CEO – Justin Tremain appointed on 1 December 2020

Non-executive director – David Kelly, a geologist and experienced company director, was appointed on 21 November; and

Non-executive director – Susmit Shah, an accountant and experienced company director, was appointed on 26 May 2017 and resigned on 30 November 2020.

	Non-executive Directors
Strategy and leadership <ul style="list-style-type: none"> <li>• Business leadership</li> <li>• Strategic planning</li> <li>• Stakeholder engagement</li> <li>• Public listed company experience</li> <li>• Non-executive experience</li> <li>• Executive experience</li> <li>• Global economic conditions and mineral markets</li> </ul>	X
Mining Industry – Technical and General <ul style="list-style-type: none"> <li>• Exploration</li> <li>• Mine development</li> <li>• Mining</li> <li>• African experience</li> </ul>	X
Finance and Accounting <ul style="list-style-type: none"> <li>• Corporate finance, capital markets, M&amp;A</li> <li>• Accounting and Audit</li> <li>• Treasury and hedging</li> <li>• Taxation</li> </ul>	X
Other <ul style="list-style-type: none"> <li>• Legal and compliance</li> <li>• Governance and Risk management</li> <li>• Human resources and industrial relations</li> </ul>	X

The Board will look to supplement its skills set as and when circumstances change, for example the commencement of development leading to mineral production at its mineral projects at which time mining engineering and production skills may be required as part of the mix.

Each director has the right of access to all relevant company information and to the Company’s employees and, subject to prior consultation with the Chairperson, may seek independent professional advice from a suitably qualified adviser at the Company’s expense. The director must consult with an advisor suitably qualified in the relevant field and obtain the Chairperson’s approval of the fee payable for the advice before proceeding with the consultation. A copy of the advice received by the director is made available to all other members of the board.

**Recommendation 2.3:**

*The Company should disclose the names of the directors considered to be independent directors and length of service of each director.*

**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)**

The names, experience and responsibilities of Directors of the Company in office at the date of this statement are set out in the Directors' Report (including names of the directors considered to be independent directors and length of service of each director). Details of independent directors and length of service of each director are noted below.

<b>Director</b>	<b>Office held</b>	<b>Independent</b>
Alan Campbell (appointed 1/11/2018)	Non-executive Chairman	Yes
David Kelly (appointed 21/11/2016)	Non-executive director	No
Justin Tremain (appointed 1/12/2020)	Managing director	No

**Recommendation 2.4:**

*A majority of the Board of the Company should be independent directors.*

In assessing whether a director is classified as independent, the Board considers the independence criteria set out in the ASX Corporate Governance Council Recommendation 2.1 and other facts, information and circumstances deemed by the Board to be relevant. Using the ASX Best Practice Recommendations on the assessment of the independence of Directors, the Board considers that only one of the Directors holding office during the reporting period can be considered to be independent and therefore the Company does not currently have a majority of independent directors. The Company considers that each of the directors possesses the skills and experience suitable for building the Company and that although the Company does not currently have a majority of independent directors, the current composition of the Board is appropriate for the Company's current size and operations.

The Board takes the responsibilities of best practice in corporate governance seriously. It is the Board's intention to review its composition on a continual basis as the Company expands its activities and greater demands and skills amongst Directors become necessary.

**Recommendation 2.5:**

*The Chair of the Board should be an independent director and should not be the CEO of the Company.*

The Chairman, Mr Alan Campbell, is considered the "lead" Director and utilises his experience, skills and leadership abilities to facilitate the governance processes. Mr Campbell is an independent director.

**Recommendation 2.6:**

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

The Board Charter provides for induction and professional development for the Board. The Company Secretary is tasked with coordinating the induction process for new directors. Such a process has not been formalised at this stage. In general terms, directors appointed to the Board in the past and more recently have pre-existing skills and experience as public company directors and a formal induction process is not considered a priority.

All directors are expected to maintain the skills required to discharge their duties as a director. The directors are all experienced directors who serve or have served on numerous public company boards and as such develop themselves professionally on a continuous basis. Members of the executive team brief the Board on relevant industry, financial, accounting, legal, compliance, governance and other developments.

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**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)**

**Principle 3: Instil a culture of acting lawfully, ethically and responsibly**

**Recommendation 3.1, 3.2, 3.3 and 3.4:**

The Company has developed a Code of Conduct (the Code) which has been endorsed by the Board and applies to all employees, Directors and officers. The Code may be amended from time to time as necessary to ensure it reflects the practices necessary to maintain confidence in the Company's integrity and to take into account legal obligations and reasonable expectations of the Company's stakeholders. The Code outlines the responsibility and accountability of Company personnel to report and investigate reports of unethical practices. A copy of the Code is available on the Company's website.

*Securities Trading Policy*

Trading in Company securities is regulated by the Corporations Act and the ASX Listing Rules. The Board makes all Directors, officers and employees aware on appointment that it is prohibited to trade in the Company's securities whilst that Director, officer or employee is in the possession of price sensitive information.

Manas has adopted a policy that Directors, employees, advisers and consultants (Applicable Persons) and their related parties (spouses, de facto spouses, parents and children) (Related Persons) are aware of legal restrictions in dealing in Company securities while in possession of unpublished price sensitive information.

Under this policy Applicable Persons and Related Persons should:

- not engage in short-term trading of Manas securities
- not deal in Manas securities while in possession of Inside Information
- in certain circumstances, notify the Company Secretary of any intended transactions involving Manas securities; and
- ensure any of their buying or selling of Manas securities occurs outside of Closed Periods unless prior written clearance is obtained in accordance with this policy.

Securities interests of Directors and other key management personnel are disclosed in Annual Reports. Securities interests of Directors are also reported to the ASX as and when changes take place.

*Anti-bribery and Corruption Compliance*

Manas recognises that Directors, officers, employees and third parties operating outside of Australia have a special responsibility to know and obey laws and regulations of countries where they operate and to conduct themselves in accordance with local business practices.

Manas recognises that laws, regulations, business practices and customs vary throughout the world and that in certain cases these may vary from those in Australia in the different jurisdictions in which Manas and its subsidiaries operate. Notwithstanding, in particular, the Manas Group and its Directors, officers, employees and third parties must comply with all applicable laws relating to foreign corrupt practices, including the relevant laws within Australia and the jurisdictions in which it carries out its exploration activities.

Manas provides Anti-Bribery and Corruption Compliance training to all employees and consultants.

**Principle 4: Safeguard Integrity in Financial reporting**

**Recommendation 4.1**

*The Board should have an Audit Committee.*

The Company does not have an Audit committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to

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**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)**

ensure that it adheres to appropriate ethical standards. In particular, the full Board considers those matters that would usually be the responsibility of an Audit committee. The Board considers that no efficiencies or other benefits would be gained by establishing a separate Audit committee. The Company's stage of development and a focus on reducing corporate and overhead costs means that it is not in a position to comply with the CGC guidelines in this respect.

The Company requires external auditors to demonstrate quality and independence. The performance of the external auditor is reviewed and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs.

The audit engagement partner from auditors, HLB Mann Judd is subject to rotation rules under the Corporations Act.

**Recommendation 4.2**

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

The Chief Executive Officer and the Company Secretary, acting in the capacity of CFO, have declared in writing to the Board that the Company's financial statements for the year ended 31 December 2020 present a true and fair view, in all material aspects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards, that this is founded on a sound system of risk management and internal compliance and control and that the Company's risk management and internal compliance and control system is operating efficiently and effectively. This representation is made by the Chief Executive Officer and the Company Secretary prior to the Director's approval of the release of the annual and half yearly accounts. This representation is made after enquiry of, and representation by, appropriate levels of management.

**Recommendation 4.3**

*The Company should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by its external auditor.*

The Board reviews all periodic reports and seeks professional assistance and advice where required to ensure the integrity of those reports. No additional disclosures are made separately on these reports.

**Principle 5 – Make timely and balanced disclosure**

**Recommendation 5.1:**

*Companies should have a written policy for complying with its continuous disclosure obligations under the Listing Rules.*

The Company has not developed a formal ASX Listing Rules Disclosure Strategy. The Company's directors have a long history of involvement with public listed companies and are familiar with disclosure requirements of the ASX listing rules and the Corporations Act.

The Company has in place informal procedures, including discussion about disclosure matters at all formal and informal Board and management meetings, which it believes are sufficient for ensuring compliance with ASX Listing Rule disclosure requirements and accountability for compliance. The Board has nominated the Chairman and the company secretary as being responsible for all matters relating to disclosure.

**Recommendation 5.2:**

*Companies should ensure that its Board receives all material market announcements promptly after they have been made.*

The Company Secretary is in charge of releasing all market announcements and providing the Board with copies of that announcement promptly after it has been released to the market.

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**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)**

**Recommendation 5.3:**

*Companies that give a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcement Platform ahead of the presentation.*

As a general practice, the Company releases all new and substantive investor presentations on the ASX Market Announcement Platform.

**Principle 6 – Respect the rights of security holders**

**Recommendation 6.1:**

*Companies should provide information about itself and its governance to investors via its website.*

The Company is committed to maintaining a Company website with general information about the Company and its operations, information about governance and information specifically targeted at keeping the Company's shareholders informed about the Company. In particular, where appropriate, after confirmation of receipt by the ASX, the following are posted to the Company's website:

- relevant announcements made to the market via the ASX;
- notices of meetings;
- investment updates;
- company presentations and media releases;
- copies of press releases and announcements for (at least) the preceding three years; and
- copies of annual, half-yearly and quarterly reports including financial statements for (at least) the preceding three years.

**Recommendations 6.2 and 6.3:**

*Companies should design and implement an investor relations program to facilitate two-way communication with investors.*

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

The Non-Executive Chairman and the CEO make themselves available to meet shareholders and regularly respond to enquiries made via telephone or email. The CEO also completes periodic investor presentations to facilitate engagement with investors and other financial market participants. From time to time other directors and nominated senior management will also engage with shareholders and investors generally.

The Board encourages full participation of shareholders at the Annual General Meeting. In preparing for general meetings of the Company, the Company drafts the notice of meeting and related explanatory information so that shareholders are provided with all of the information that is relevant to shareholders in making decisions on matters to be voted on by them at the meeting. The Company allows shareholders a reasonable opportunity to ask questions of the Board of Directors and to otherwise participate in the meeting. The external auditor of the Company is asked to attend each annual general meeting and to be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report. Important issues are presented to the shareholders as single resolutions. The shareholders are also responsible for voting on the appointment of Directors.

**Recommendation 6.4:**

*Companies should ensure all substantive resolutions at a meeting of security holders be decided by a poll rather than a show of hands.*

Effective from the 2020 Annual General Meeting held in May 2020, all resolutions are decided by poll and not by show of hands. In 2020, due to the pandemic, the Company held its AGM as a fully virtual meeting. With the use of technology, shareholders were offered the opportunity to virtually participate at the AGM, ask questions and vote on the resolutions.

**Recommendation 6.5:**

*Companies should give security holders the option to receive and send communications electronically.*

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## STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)

The Company encourages its shareholders to communicate electronically through the share registrar. The contact details of the registrar can be found on our website.

### **Principle 7 – Recognise and manage risk**

#### **Recommendation 7.1:**

*The Board should have a committee or committees to oversee risk.*

The Company is not currently of a size to require the formation of committees to oversee risk. The full Board has the responsibility for the risk management, compliance and internal controls systems of the Company.

Senior management is responsible for designing, implementing and reporting on the adequacy of the Company's risk management and internal control system. The Company's risk management policy is designed to provide the framework to identify, assess, monitor and manage the risks associated with the Company's business. The Company adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Company's risk profile. The risks involved in a resources sector company and the specific uncertainties for the Company continue to be regularly monitored. All proposals reviewed by the Board include a consideration of the issues and risks of the proposal.

#### **Recommendation 7.2:**

*The Board should review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and disclose whether such a review has taken place.*

The Board considers risks and discusses risk management at each Board meeting. Review of the risk management framework is an on-going process rather than an annual formal review. The Company's main areas of risk include:

- capital requirement and future funding;
- geological and technical risk posed to exploration and commercial exploitation success;
- sovereign risk, change in government policy, change in mining and fiscal legislation;
- prevention of access by reason of inability to obtain regulatory or landowner / local community consents or approvals, or loss of social licence;
- retention of key staff;
- change in metal market conditions;
- adverse weather events; and
- mineral title tenure and renewal risks.

#### **Recommendation 7.3:**

*The Company should disclose if it has an internal audit function.*

The Company does not have an internal audit function. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the formation of an internal audit function at this time. The Board as a whole regularly evaluates and improves the effectiveness of its risk management (refer above) and internal control processes.

#### **Recommendation 7.4:**

*The Company should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.*

The Company is of the view that it has adequately disclosed the nature of its operations and relevant information on exposure to economic, environmental and social sustainability risks. Other than general risks associated with the mineral exploration industry, the Company does not currently have material exposure to environmental and social sustainability risks.

### **Principle 8 – Remunerate fairly and responsibly**

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**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)**

**Recommendation 8.1:**

*The Board should have a Remuneration Committee.*

The Company does not have a remuneration committee

The Board as a whole addresses the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards. In particular, the full Board has been considering those matters that would usually be the responsibility of a remuneration committee.

**Recommendation 8.2:**

*Companies should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.*

The Company provides disclosure of all Directors and executives remuneration in its annual report.

The remuneration policy of the Company has been designed to align directors' objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the company. Directors' remuneration is approved by resolutions of the Board. The Board's policy for determining the nature and amount of remuneration for Board members is as follows:

*Non-Executive Directors*

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. Payments to the Non-Executive Directors are reviewed annually, based on market practice, duties and accountability. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company. Non-Executive Directors are entitled to receive incentive options or securities (subject to shareholder approval) as it is considered an appropriate method of providing sufficient reward whilst maintaining cash reserves. There is no scheme to provide retirement benefits, other than statutory superannuation, to Non-Executive Directors.

*Executives*

The senior executives of the Company during the reporting period were the Chief Executive Officer and the Company Secretary. The Company is committed to remunerating its senior executives in a manner that is market-competitive and consistent with best practice as well as supporting the interests of shareholders. Consequently, the remuneration of senior executives may be comprised of the following:

- fixed salary that is determined from a review of the market and reflects core performance requirements and expectations;
- a performance bonus designed to reward actual achievement by the individual of performance objectives and for materially improved Company performance;
- participation in any option or securities incentive scheme with thresholds approved by shareholders;
- statutory superannuation.

By remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration, the Company aims to align the interests of senior executives with those of shareholders and increase performance. The value of shares and incentive securities granted to senior executives is calculated using the Black-Scholes pricing models as described in the Financial Statements.

The objective behind using this remuneration structure is to drive improved performance and thereby increase shareholder value as well as aligning the interests of executives and shareholders.

**STATEMENT OF CORPORATE GOVERNANCE PRACTICES (Continued)**

The Board may use its discretion with respect to the payment of bonuses, incentive share options and other incentive payments (none were paid or declared payable during the reporting period).

For details of remuneration paid to Directors and officers for the financial year please refer to the Remuneration Report forming part of the Directors' Report and the Financial Statements generally.

**Recommendation 8.3:**

*A Company which has an equity based remuneration scheme should have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme and disclose that policy or summary of it.*

The Company has equity-based remuneration schemes which are affected by this recommendation. Recipients of equity-based remuneration (eg. incentives options or performance rights) both within the terms of the Employee Option Plan / Performance Rights Plan and outside any specific plan are not permitted to enter into any transactions that would limit the economic risk of options or other invested entitlements.

The shareholder information set out below was applicable as at 22 March 2021.

**Substantial Shareholders**

Holdings of substantial shareholders as advised to the Company are set out below.

**Name of Holder**

Resolute Mining Limited	682,484,709
Philip Reese	147,016,380

**Distribution of Holders of Equity Securities**

<b>Size of Holding</b>	<b>Total Holders</b>	<b>Total Percentage (%)</b>
1 to 1,000	33	-
1,001 to 5,000	8	-
5,001 to 10,000	8	-
10,001 to 100,000	120	0.31
100,001 and over	844	99.69
	<u>1,013</u>	<u>100</u>

The number of shareholdings comprising less than a marketable parcel was 126.

**Voting Rights**

The voting rights attaching to ordinary shares are governed by the Constitution. On a show of hands every person present who is a member or representative of a member shall have one vote and on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held. None of the options has any voting rights.

**Twenty Largest Shareholders**

	<b>Number of Shares</b>	<b>% Held</b>
Resolute (Treasury) Pty Ltd	523,899,835	18.98
Philip Reese	189,546,166	6.87
BNP Paribas Nominees Pty Ltd	136,815,403	4.96
Resolute (Treasury) Pty Ltd	79,294,874	2.87
Resolute Mining Limited	79,290,000	2.87
Perseus Mining Limited	62,683,837	2.27
Mr Nicholas James Lambos	44,503,333	1.61
Citicorp Nominees Pty Limited	39,946,244	1.45
Mr Justin Albert Tremain & Mrs Sasha Tara Tremain	33,333,333	1.21
ESM Limited	30,000,000	1.09
Stormclassic Pty Ltd	27,967,055	1.01
Well Forever Pty Ltd	25,125,000	0.91
HSBC Custody Nominees (Australia) Limited	23,169,835	0.84
Mr Justin Albert Tremain	22,222,222	0.81
Correze Pty Ltd	22,222,222	0.81
Mr Thomas Reese	22,000,000	0.80
Mr Stephen Michael Lambos	20,583,333	0.75
Pulner Pty Ltd	20,000,000	0.72
Jetosea Pty Limited	19,717,732	0.71
Colmarg Pty Ltd	15,058,056	0.55
	<u>1,437,378,480</u>	<u>52.09%</u>

**Mineral Interests of the Manas Group as at 22 March 2021**

<b>Project</b>	<b>Location</b>	<b>Tenement No</b>	<b>Area</b>	<b>Interest</b>
Mbengue Project	Gold	Cote d'Ivoire	Exploration Permit PR272	298km <sup>2</sup> 70% <sup>1</sup>
			Exploration Permit PR857	347km <sup>2</sup> 100%
			Application 0876	395km <sup>2</sup> 80% <sup>2</sup>
Eburnea Project	Gold	Cote d'Ivoire	Exploration Permit PR575	385km <sup>2</sup> 80% <sup>3</sup>
Tortiya Project	Gold	Cote d'Ivoire	Application 0363	399km <sup>2</sup> 100%
			Application 0854	<u>381km<sup>2</sup></u> 100%
			2,206km <sup>2</sup>	

- 1 Earn-In & Joint Venture Agreement with Occidental Gold SARL which allows for Manas to earn a 70% interest through earn-in expenditure of US\$2 million, which amount has been expended by Manas.
- 2 Application is in the name of Manas Cote d'Ivoire SARL. Under an agreement, Manas is required to provide a 20% interest in the granted permit to a local Ivorian company.
- 3 Held in the name of local Ivorian company, Eburnea Gold Resources SARL. Manas holds an 80% interest in the permit with the right to acquire a further 10% interest for a payment of US\$1 million (i.e. 90% interest) upon application for a mining permit (refer ASX announcement 23 January 2018).