CULPEO MINERALS

ABN 72 627 735 531

General Purpose Financial Report
for the year ended 30 June 2020

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CORPORATE DIRECTORY

Culpeo Minerals Limited is an Australian public company focused on the acquisition, exploration and development of commercially significant resource projects in Chile, with a focus on gold.

The Company was incorporated in Western Australia on 25 July 2018. Current relevant information is as follows:

DIRECTORS
Mr Geoffrey McNamara
(Non-Executive Chairman)

Mr Zeffron Reeves
(Non-Executive Director)

Mr Maxwell Tuesley
(Non-Executive Director)

COMPANY SECRETARY
Ms Shannon Coates

REGISTERED OFFICE
Suite 5
62 Ord Street
WEST PERTH WA 6005

AUDITORS
RSM Australia Partners
Level 32 Exchange Tower
2 The Esplanade
PERTH WA 6000

The Directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the "consolidated entity" or "the group") consisting of Culpeo Minerals Limited (referred to hereafter as the "Company", "Culpeo" or "parent entity") and the entities it controlled at the end of, or during, the financial year ended 30 June 2020.

Directors
The following persons were Directors of Culpeo Minerals Limited during the whole of the financial year and up to the date of this report:

Geoffrey McNamara – Non-Executive Chairman
Zeffron Reeves – Non-Executive Director
Maxwell Tuesley – Non-Executive Director *(appointed 28 October 2020)*

Principal activities
The principal activities of the Company and its subsidiaries are the acquisition, exploration and development of commercially significant copper resource projects in Chile.

Dividends
No dividends were paid or declared since the start of the financial year. No recommendations for payment of dividends has been made.

Review of operations
Culpeo's strategy is to establish a portfolio of high-grade copper projects targeting proven district scale underexplored mineralised systems, focused on delineating open pittable copper resources.

During the year restricted access to capital resulted in the decision to terminate the option agreement over the Caldera Copper Project in Region III of Chile.

Several other prospective projects were reviewed during the year which have the potential to meet the Company's selection criteria. As at year end the Company held no other interests in any properties.

Information on Directors

Geoffrey McNamara Non-Executive Chairman
BSc (Applied Geology), AusIMM, FINSIA, AICD
Mr McNamara is a geologist with over 25 years' of international resource sector experience as a geologist, project manager and fund manager. Previously he worked in Private Equity (FUM USD800 million) and as a Director of Societe General's Mining Finance Team in New York. Operational roles include Project Manager, Senior Mine Geologist and Mine Geologist for Ivanhoe Mines, Lion Ore International and Western Mining Corporation. Mr McNamara holds a Bachelors degree in Geology, a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australasia (FINSIA). He is a member of the Australian Institute of Company Directors (AICD) and the Australasian Institute of Mining and Metallurgy (AusIMM).

Zeffron Reeves Non-Executive Director
BSc (Hons) (Applied Geology), MBA, MAIG
Mr Reeves is a Geologist with over 20 years of experience in the resources sector working on resource projects from Greenfield's exploration, discovery, definition & feasibility, construction, production to closure. Currently Co-Founder & Managing Director of Tesoro Resources Limited which discovered the El Zorro gold project in Chile. He has also previously been Managing Director of ASX listed Metallum Ltd & held senior management positions with Cleveland Mining Ltd and Ashburton Minerals Ltd, developing projects in Australia, Chile & Brazil. Zeffron has a Bachelor of Applied Geology (Honours), a Masters of Business Administration from Curtin University & is a member of the Australia Institute of Geoscientists

Maxwell Tuesley Non-Executive Director (appointed 28 October 2020)
BSc (Hons) (Econ Geol), AusIMM
Mr Tuesley is a highly experienced project manager and has spent over 25 years in grassroots, advanced mineral exploration and mine production, predominantly in gold, copper and base metals. He has worked in the Australia, Philippines, PNG, Laos, Mongolia and Sudan, including senior management positions at Glencore, B2Gold and Metals Exploration.

Mr. Tuesley holds an Honour's degree in Economic Geology from James Cook University in Australia and is a member of the Australian Institute of Mining and Metallurgy AusIMM).

Company Secretary

Shannon Coates
LLB, BJuris, AGIA, ACIS, GAICD
Ms Coates is a qualified lawyer with over 20 years' experience in corporate law and compliance. Ms Coates is currently non-executive director of ASX listed companies Bellevue Gold Limited and Vmoto Limited and company secretary to a number of public unlisted and ASX listed companies. Ms Coates has significant experience in a wide range of corporate and commercial matters, including strategy, remuneration, mergers and acquisitions, debt and equity capital markets, risk management and compliance, regulation and corporate governance, both in Australia and internationally. Ms Coates holds a Bachelor of Laws from Murdoch University, is a Chartered Secretary and a graduate of the AICD's Company Directors course. She is a past recipient of the West Australian Women in Mining scholarship and was selected for the AICD Chairman's Mentoring Program.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2020 were:

	Board meetings	
	Attended	**Eligible to attend**
Geoffrey McNamara	4	4
Zeffron Reeves	4	4
Max Tuesley[1]	-	-

1. Appointed 28 October 2020

The full Board currently undertakes all audit and remuneration functions.

Shares

As at the date of this report, there are 72,287,360 fully paid ordinary shares on issue.

Options

At the date of this report, there are nil unissued ordinary shares of Culpeo Minerals Limited under option.

During the year ended 30 June 2020, nil shares were issued upon the exercise of options.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year
On 4 September 2020, the Company completed a Placement issuing 31,000,000 fully paid ordinary shares at $0.025 per shares raising $775,000 before costs.

On 8 September 2020, the Company's wholly owned subsidiary, Culpeo Mining Chile SpA was successful in their bid acquiring 50% of the total issued capital of Las Petacas SpA, registered owner of the Petacas Copper Project in Chile, for the consideration of US$300,000.

On 12 October 2020, the Company completed a Placement issuing 1,240,000 fully paid ordinary shares at $0.025 per share raising $31,000 before costs.

On 28 October 2020, Mr Maxwell Tuesley was appointed as Non-Executive Director of the Company.

On 5 November 2020, the Company issued 8,000,000 fully paid ordinary shares at $0.025 per share in lieu of salaries and fees.

On 5 November 2020, the Company entered into a Binding Heads of Agreement to acquire 100% of the issued shares in Atacama Holdings Pty Ltd, an entity registered in Australia, owner of 100% of the issued shares in Metallum Chile Ltda, a company registered in Chile and the holder of Minera Panga SpA mineral concession located in the Atacama region of Chile for the consideration of 5,000,000 fully paid ordinary shares in the Company payable at settlement, which were subsequently issued on 12 November 2020.

On 30 November 2020, the Company issued 7,047,360 fully paid ordinary shares upon the conversion of loans from Tanamera Resources Pte Ltd, an entity associated with Geoffrey McNamara, and Walz Super Pty Ltd.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

Other than as discussed above, no other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Future developments, prospects and business strategies
The consolidated entity intends to continue with the advancement of exploration at its current projects located in Chile and seek out further exploration, acquisition and development gold projects in Chile.

Environmental regulation
The consolidated entity is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work. The Directors of the consolidated entity are not aware of any breach of environmental regulations for the year under review.

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

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

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

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Auditors
RSM Australia Partners continues in office in accordance with section 327 of the *Corporations Act 2001*.

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

On behalf of the Directors

Geoffrey McNamara
Non-Executive Chairman
28 January 2021

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Culpeo Minerals Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 28 January 2021

TUTU PHONG
Partner

Culpeo Minerals Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2020

	Consolidated	
	Year ended 30 June 2020 $	**25 July 2018 to 30 June 2019 $**
Corporate and compliance expenses	(49,153)	(48,543)
Insurance expenses	(11,246)	(16,634)
Employee related expenses	(60,000)	(66,041)
Exploration expenses	-	(16,742)
Impairment of exploration assets	-	(621,553)
Impairment of assets	(1,829)	(1,009)
Interest and finance expenses	(30,299)	(12,080)
Consultancy expenses	(6,994)	(13,828)
Other expenses	(2,896)	(7,823)
Loss before income tax	**(162,417)**	**(804,253)**
Income tax expense	**-**	**-**
Loss after tax	**(162,417)**	**(804,253)**
Other comprehensive (loss)		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	(683)	(5,504)
Other comprehensive (loss) for the year/period, net of tax	(683)	(5,504)
Total comprehensive loss for the year/period	**(163,100)**	**(809,757)**

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

Culpeo Minerals Limited
Consolidated Statement of Financial Position
As at 30 June 2020

		Consolidated	
		As at 30 June 2020 $	**As at 30 June 2019 $**
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	16	10,222	671
Trade and other receivables	3	2,217	21,081
TOTAL CURRENT ASSETS		**12,439**	**21,752**
TOTAL ASSETS		***12,439***	***21,752***
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4a	265,831	195,511
Borrowings	4b	348,132	264,665
TOTAL CURRENT LIABILITIES		**613,963**	**460,176**
TOTAL LIABILITIES		***613,963***	***460,176***
NET LIABILITIES		**(601,524)**	**(438,424)**
EQUITY			
Issued capital	5	371,333	371,333
Reserves	6	(6,187)	(5,504)
Accumulated losses		(966,670)	(804,253)
TOTAL EQUITY		**(601,524)**	**(438,424)**

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

Culpeo Minerals Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2020

CONSOLIDATED	Issued Capital $	Accumulated Losses $	Reserves $	Total Equity $
Balance at 1 July 2019	371,333	(804,253)	(5,504)	(438,424)
Loss for the year	-	(162,417)	-	(162,417)
Exchange differences arising on translation of foreign currency	-	-	(683)	(683)
Total comprehensive loss for the year	-	(162,417)	(683)	(163,100)
Balance at 30 June 2020	**371,333**	**(966,670)**	**(6,187)**	**(601,524)**

CONSOLIDATED	Issued Capital $	Accumulated Losses $	Reserves $	Total Equity $
Balance at incorporation, 25 July 2018	371,333	-	-	371,333
Loss for the period	-	(804,253)	-	(804,253)
Exchange differences arising on translation of foreign currency	-	-	(5,504)	(5,504)
Total comprehensive loss for the period	-	(804,253)	(5,504)	(809,757)
Balance at 30 June 2019	**371,333**	**(804,253)**	**(5,504)**	**(438,424)**

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

Culpeo Minerals Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2020

	Note	Year ended to 30 June 2020 $	25 July 2018 to 30 June 2019 $
Cash flows from operating activities			
Payments to suppliers and employees		(43,971)	(59,391)
Payments for exploration and evaluation		-	(6,242)
Net cash flows used in operating activities	16	**(43,971)**	**(65,633)**
Cash flows from investing activities			
Payments for exploration and evaluation		-	(558,021)
Net cash flows used in investing activities		**-**	**(558,021)**
Cash flows from financing activities			
Proceeds from share issue at incorporation		-	371,333
Proceeds from borrowings		53,522	252,992
Net cash flows from financing activities		**53,522**	**624,325**
Net increase in cash and cash equivalents		9,551	671
Cash and cash equivalents at beginning of the financial year/period		671	-
Cash and cash equivalents at end of the financial year/period		**10,222**	**671**

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

Note 1. Significant accounting policies

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

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

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

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

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

Going concern
The financial statements have been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of $162,417 and had net cash outflows from operating activities of $43,971 for the year ended 30 June 2020. As at that date, the consolidated entity had net current liabilities and net liabilities of $601,524.

These factors indicate a material uncertainty which may cast significant doubt as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern, after consideration of the following factor:

1. The Directors are confident the consolidated entity has the ability to raise further funds through capital raisings as and when required to satisfy its operational expenditure commitments.

Going concern (continued)
Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Culpeo Minerals Limited ("Company" or "parent entity") as at 30 June 2020 and the results of all subsidiaries for the year ended 30 June 2020. Culpeo Minerals Limited and its subsidiaries together are referred to in these financial statements as the "consolidated entity".

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

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

Foreign currency translation
The financial statements are presented in Australian dollars, which is Culpeo Minerals Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

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

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

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

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

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

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

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

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

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

Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the consolidated statement of financial position.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

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

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

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

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

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

Other financial assets (continued)
Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

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

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

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

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

Exploration and evaluation expenditure
Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the period in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

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.

Goods and Services Tax ("GST") and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

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

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits
Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Comparatives
The consolidated entity's current accounting period is the year ended 30 June 2020 and its comparative accounting period is from 25 July 2018 (date of incorporation) to 30 June 2019. Therefore, the results are not directly comparable.

Adoption of new and revised standards
Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the consolidated entity and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the consolidated entity and, therefore, no material change is necessary to the consolidated entity's accounting policies.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:
AASB 16 Leases
AASB 16 Leases supersedes AASB 117 Leases. The consolidated entity has adopted AASB 16 from 1 July 2019 which results in changes in the classification, measurement and recognition of leases. The changes remove the distinction between 'operating and 'finance' leases. The new standard requires

recognition of a right-of-use asset (the leased item) and a financial liability (to pay rentals). The exceptions are short-term leases and leases of low value assets.

Adoption of new and revised standards (continued)
Changes in accounting policies on initial application of Accounting Standards (continued)

The consolidated entity has adopted AASB 16 using the modified retrospective approach under which the reclassifications and the adjustments arising from the new leasing rules are recognised in the opening Statement of Financial Position on 1 July 2019. Under this approach, there is no initial impact on retained earnings, and comparatives have not been restated.

From 1 July 2019, the consolidated entity recognises a right-of-use asset and a corresponding liability at the date which the lease asset is available for use by the consolidated entity (i.e. commencement date). Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a consistent period rate of interest on the remaining balance of the liability for each period.

Where leases have a term of less than 12 months or relate to low value assets, the consolidated entity has applied the optional exemptions to not capitalise these leases and instead account for the lease expense on a straight-line basis over the lease term.

Impact on adoption of AASB 16
The adoption of AASB 16 has not resulted in any changes in respect of all operating leases, as there is no existing lease agreement for the year ended 30 June 2020.

The net impact on retained earnings on 1 July 2019 was $nil.

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Standards and Interpretations in issue not yet adopted
The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the year ended 30 June 2020. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted by the consolidated entity and, therefore, no change is necessary to consolidated entity accounting policies.

Note 2. Critical accounting judgements, estimates and assumptions

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

Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that the activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

	30 June 2020 $	30 June 2019 $
Note 3. Trade and other receivables		
GST	64	2,327
Prepayments	48	12,041
Other receivables	2,105	6,713
	2,217	21,081

	30 June 2020 $	30 June 2019 $

Note 4. Current liabilities

a. Trade and other payables

	30 June 2020 $	30 June 2019 $
Trade payables	125,379	125,059
Other payables	140,452	70,452
	265,831	195,511

b. Borrowings

	30 June 2020 $	30 June 2019 $
Loan - Tanamera Resources Pte Ltd	293,735	264,665
Loan – Walz Super	54,397	-
	348,132	264,665

On 4 November 2018, the Company entered into a Loan Agreement with Tanamera Resources Pte Ltd ("Tanamera"), an entity, in which Mr McNamara is a director, by which Tanamera would make available up to A$500,000 by way of an unsecured loan for a period of 12 months and interest accrued at a rate of 10% per annum on total outstanding principal. Interest expense for the year of $25,547 (2019: $11,673) has been included in profit or loss for the year.

On 15 August 2019, the Company entered into a Loan Agreement with Walz Super Pty Ltd ("Walz"), by which Walz would make available up to A$50,000 by way of an unsecured loan for a period of 12 months and interest accrued at a rate of 10% per annum on total outstanding principal. Interest expense for the period of $4,397 has been included in profit or loss for the year.

Note 5. Issued capital

	30 June 2020 $	30 June 2019 $
20,000,000 (2019: 20,000,000) fully paid ordinary shares on issue	371,333	371,333

	30 June 2019 #	30 June 2019 $
Movement in ordinary shares on issue		
Shares on issue at incorporation	20,000,000	371,333
Balance at 30 June 2019	**20,000,000**	**371,333**

	30 June 2020 #	30 June 2020 $
Movement in ordinary shares on issue		
Balance at 1 July 2019	20,000,000	371,333
Balance at 30 June 2020	**20,000,000**	**371,333**

Note 5. Issued capital (continued)

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

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

Note 6. Reserves

	30 June 2020 $	30 June 2019 $
Opening balance	(5,504)	-
Foreign currency translation	(683)	(5,504)
Balance at end of the year	(6,187)	(5,504)

Note 7. Commitments for expenditure

The Company has nil committed expenditure at 30 June 2020 (2019: nil).

	30 June 2020 $	30 June 2019 $
Note 8. Income tax		
(a) The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the statement of profit or loss and other comprehensive income	-	-
(b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Loss before income tax expense	(162,417)	(804,253)
Prima facie tax benefit on loss before income tax at 30% (2019: 30%)	**(48,725)**	**(241,276)**
Tax effect of:		
Changes in unrecognised temporary differences	6,298	(912)
Tax losses not recognised	42,427	242,188
Income tax expense/(benefit)	**-**	**-**
(c) Deferred tax assets not brought to account are:		
Accruals	5,400	2,700
Prepayment	(14)	(3,612)
Tax losses	284,615	242,188
Total deferred tax assets not brought to account	**290,001**	**241,276**

The tax benefits of the above deferred tax assets will only be obtained if:

a) the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;

b) the consolidated entity continues to comply with the conditions for deductibility imposed by law; and

c) no changes in income tax legislation adversely affect the consolidated entity in utilising the benefits.

Note 9. Key Management Personnel Disclosures

Details of key management personnel:

The following persons were key management personnel of Culpeo Minerals Limited during the 30 June 2020 financial year and 30 June 2019 financial period:

Geoffrey McNamara – Non-Executive Chairman
Zeffron Reeves – Non-Executive Director
Peter Donkin – Non-Executive Director *(resigned 22 May 2019)*

Note 9. Key Management Personnel Disclosures (continued)

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

	2020 $	2019 $
Short-term benefits	60,000	81,041
Post-employment benefits	-	-
Share-based payments	-	-
	60,000	**81,041**

Note 10. Related Party Disclosures

Key Management Personnel and transactions with other related parties
Disclosures relating to Key Management Personnel are set out in Note 9.

a) Transactions with Key Management Personnel and their related parties

	2020 $	2019 $
The following transactions occurred with related parties:		
Zeffron Reeves (i)	-	17,661
	-	**17,661**

(i)For consulting services.

b) Outstanding balances arising from sales/purchases of goods and services, transactions

The following payments are owed to/ (receivable from) related parties:

Zeffron Reeves (ii)		
- consulting fees	17,661	17,661
- director fees	58,089	28,089
Geoffrey McNamara – director fees	58,089	28,089
Peter Donkin* – director fees	24,863	24,863
	158,702	**98,702**

* Resigned 22 May 2019

c) Loans to Key Management Personnel and their related parties

The following loans are owed to/ (receivable from) related parties:

Tanamera Resources Pte Ltd	293,735	264,665
	293,735	**264,665**

On 4 November 2018, the Company entered into a Loan Agreement with Tanamera Resources Pte Ltd ("Tanamera"), an entity, in which Mr McNamara is a director, by which Tanamera would make available up to A$500,000 by way of an unsecured loan for a period of 12 months and interest accrued at a rate of 10% per annum on total outstanding principal. Interest expense for the year of $25,547 (2019: $11,673) has been included in profit or loss for the year.

Note 11. Financial Risk Management Objectives and Policies

The main risks arising from the consolidated entity's financial instruments are market risk, currency risk and interest rate risk.

This note presents information about the consolidated entity'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 has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

The consolidated entity's principal financial instruments comprise cash and short term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the consolidated entity. The consolidated entity also has other financial instruments such as trade debtors and creditors which arise directly from its operations.

(a) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the consolidated entity's income or the value of its holdings of financial instruments.

The consolidated entity is exposed to movements in market interest rates on short term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The risk is minimal to the consolidated entity.

(b) Currency Risk

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the consolidated entity. The consolidated entity deposits are denominated in Australian dollars. Currently, there are no foreign exchange programs in place. Based upon the above, the impact of reasonably possible changes in foreign exchange rates for the consolidated entity is not material.

(c) Interest Rate Risk

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts might not reconcile to the statement of financial position.

30 June 2020	Weighted Average Effective Interest Rate %	Less than 1 month $	1 to 3 months $	3 months to 1 year $	1 to 5 years $	Total $
FINANCIAL ASSETS						
Non-interest bearing		12,327	-	-	-	12,327
		12,327	-	-	-	12,327
FINANCIAL LIABILITIES						
Non-interest bearing		(265,831)	-	-	-	(265,831)
Borrowings	10%	-	(54,397)	(293,735)	-	(348,132)
NET FINANCIAL LIABILITIES		**(253,504)**	**(54,397)**	**(293,735)**	**-**	**(601,636)**

Note 11. Financial Risk Management Objectives and Policies (continued)

30 June 2019	Weighted Average Effective Interest Rate %	Less than 1 month $	1 to 3 months $	3 months to 1 year $	1 to 5 years $	Total $
FINANCIAL ASSETS						
Non-interest bearing		7,384	-	-	-	7,384
		7,384	-	-	-	7,384
FINANCIAL LIABILITIES						
Non-interest bearing		(195,511)	-	-	-	(195,511)
Borrowings	10%	-	-	(264,665)	-	(264,665)
NET FINANCIAL LIABILITIES		**(188,127)**	**-**	**(264,665)**	**-**	**(452,792)**

Net fair value of financial assets and liabilities

The carrying amount of cash and cash equivalents approximates fair value because of their short-term maturity.

(d) Interest Rate Sensitivity Analysis
At 30 June 2020, the effect on loss and equity as a result of changes in the interest rate, with all other variable remaining constant would have an immaterial effect.

(e) Credit Risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The consolidated entity operates in the mining exploration sector; it therefore does not supply products and have trade receivables and is not exposed to credit risk in relation to trade receivables. The consolidated entity does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics.

The consolidated entity's maximum exposure to credit risk at each balance date in relation to each class of recognised financial assets is the carrying amount, net of any allowance for doubtful debts, of those assets as indicated in the statement of financial position. The maximum credit risk exposure of the consolidated entity at 30 June 2020 is nil (2019: nil).

(f) Liquidity Risk
Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity'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 consolidated entity's reputation.

The consolidated entity manages liquidity risk by monitoring forecast cash flows on a rolling monthly basis and entering into supply contracts which can be cancelled within a short timeframe. The consolidated entity does not have any significant liquidity risk as the consolidated entity does not have any collateral debts.

Note 11. Financial Risk Management Objectives and Policies (continued)

(g) Capital Management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the consolidated entity's activities, being mineral exploration, it does not have ready access to credit facilities and therefore is not subject to any externally imposed capital requirements, with the primary sources of project funding to date being raising funds from equity markets. Accordingly, the objective of the consolidated entity's capital risk management is to balance the current working capital position against the requirements to meet progressing exploration and evaluation work, project related costs and corporate overheads. Going forward, operations budget and cashflow forecasts are monitored to ensure sufficient funding to meet expenditure.

The directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair value.

Note 12. Contingent assets

All purchases in Chile are subject to the payment of the Impuesto al Valor Agregado ("IVA") which is a Value Added Tax. Culpeo Minerals Limited is entitled to claim back the IVA tax it has paid on all Chilean purchases. As at 30 June 2020, the IVA tax receivable is approximately $2,588 (2019: $1,009). The contingent asset has not been recognised as a receivable at 30 June 2020 as receipt of the amount is dependent upon the Company meeting the IVA refund conditions stipulated by the relevant taxation authorities in Chile.

Note 13. Contingent liabilities

There are no contingent liabilities as at 30 June 2020 (2019: nil).

Note 14. Interest in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policies described in note 1:

Name	Country of incorporation	Ownership %	
		2020	**2019**
Culpeo Mining Chile SpA	Chile	100	100

Note 15. Parent Entity Disclosures

	As at 30 June 2020 $	As at 30 June 2019 $
(a) Financial position		
Assets		
Current assets	3,584	8,003
Total Assets	**3,584**	**8,003**
Liabilities		
Current liabilities	596,363	412,547
Total Liabilities	**596,363**	**412,547**
Equity		
Issued capital	371,333	371,333
Accumulated losses	(964,112)	(775,877)
Total Equity	**(592,779)**	**(404,544)**

	Year ended 30 June 2020 $	25 July 2018 to 30 June 2019 $
(b) Financial performance		
Loss for the year/period	(188,235)	(775,877)
Other comprehensive income	-	-
Total comprehensive loss	**(188,235)**	**(775,877)**

(c) Contingent liabilities
As at 30 June 2020 (2019: nil), the Company had no contingent liabilities.

(d) Contractual Commitments
As at 30 June 2020 (2019: nil), the Company had no contractual commitments.

(e) Guarantees entered into by parent entity
As at 30 June 2020 and 2019, the Company had not entered into any guarantees.

The financial information for the parent entity, Culpeo Minerals Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below.

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

Note 16. Cash flow information

Reconciliation of net loss after tax to the net cash outflows from operations:

	30 June 2020 $	25 July 2018 to 30 June 2019 $
Net loss	**(162,417)**	**(804,253)**
Non-cash items		
Impairment of VAT receivable	1,829	1,009
Interest expense	29,944	11,673
Other expense	-	3,116
Impairment of exploration assets	-	621,553
Exchange difference	(2,511)	(73,161)
Changes in assets and liabilities		
Receivables and other assets	18,864	(21,081)
Payables and accruals	70,320	195,511
Net cash flows used in operating activities	**(43,971)**	**(65,633)**
Reconciliation of cash:		
Cash balances	10,222	671
	10,222	**671**

Note 17. Remuneration of auditors

During the financial period, the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

Audit services	9,000	9,000
	9,000	9,000

Note 18. Events after reporting period

On 4 September 2020, the Company completed a Placement issuing 31,000,000 fully paid ordinary shares at $0.025 per shares raising $775,000 before costs.

On 8 September 2020, the Company's wholly owned subsidiary, Culpeo Mining Chile SpA was successful in their bid acquiring 50% of the total issued capital of Las Petacas SpA, registered owner of the Petacas Copper Project in Chile, for the consideration of US$300,000.

On 12 October 2020, the Company completed a Placement issuing 1,240,000 fully paid ordinary shares at $0.025 per share raising $31,000 before costs.

On 28 October 2020, Mr Maxwell Tuesley was appointed as Non-Executive Director of the Company.

On 5 November 2020, the Company issued 8,000,000 fully paid ordinary shares at $0.025 per share in lieu of salaries and fees.

On 5 November 2020, the Company entered into a Binding Heads of Agreement to acquire 100% of the issued shares in Atacama Holdings Pty Ltd, an entity registered in Australia, owner of 100% of the issued shares in Metallum Chile Ltda, a company registered in Chile and the holder of Minera Panga SpA mineral concession located in the Atacama region of Chile for the consideration of 5,000,000 fully paid ordinary shares in the Company payable at settlement, which were subsequently issued on 12 November 2020.

On 30 November 2020, the Company issued 7,047,360 fully paid ordinary shares upon the conversion of loans from Tanamera Resources Pte Ltd, an entity associated with Geoffrey McNamara, and Walz Super Pty Ltd.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

Other than as discussed above, no other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2020 and of its performance for the financial year ended 30 June 2020;
- the attached financial statements and notes comply with International Financial Reporting Standards; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors

Geoffrey McNamara
Non-Executive Chairman
28 January 2021

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CULPEO MINERALS LIMITED

Opinion

We have audited the financial report of Culpeo Minerals Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 30 June 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:

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

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

Basis for Opinion

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

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1, which indicates that the Group incurred a loss of $162,417 and had net cash outflows from operating activities of $43,971 for the year ended 30 June 2020. As at that date, the Group had net current liabilities and net liabilities of $601,524. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the corporate directory and directors' report, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 29 January 2021