



ABN 41 062 284 084

Annual Report 2021

CORPORATE DIRECTORY

DIRECTORS:	Datuk Siak Wei Low Noel Kok Jin Ong Chee Cheong (David) Low
COMPANY SECRETARY:	Ian Gregory
REGISTERED OFFICE:	Level 13, 200 Queen Street Melbourne, VIC 3000 Tel: +61 (3) 8648 6431
AUDITORS:	William Buck Level 20, 181 William Street, Melbourne Victoria 3000
SHARE REGISTRY:	Automic Group Level 2, 267 St Georges Terrace PERTH WA 6000 Tel: 1300 288 664 (within Australia) Int: +61 (2) 96985414

This annual report covers the Group comprising Taiton Resources Limited and its subsidiaries. The functional currency of Taiton Resources Limited and its subsidiaries is Australian Dollars (\$). A description of the Group's operations and of its principal activities is included in the review of operations and activities in the Directors' Report.

CONTENTS

Directors' Report	3
Auditor's Independence Declaration	10
Financial Report:	
Statement of Profit or Loss and Other Comprehensive Income	11
Statement of Financial Position	12
Statement of Cash Flows	13
Statement of Changes in Equity	14
Notes to the Financial Statements	15
Directors' Declaration	25
Independent Auditor's Report	26

DIRECTORS' REPORT

The directors of Taiton Resources Limited ("**Taiton**", "**Parent Entity**" or "**Company**") present their report including the consolidated Annual Financial Report of the Company and its controlled entities ("**Group**") for the year ended 30 June 2021. The Company is a public company limited by shares, incorporated and domiciled in Australia.

DIRECTORS

The names of the directors of the Company in office at any time during or since the end of the financial year and up to the date of this Annual Financial Report are as follows:

Datuk Siak Wei Low (appointed 19 September 2014 and continues in office)
Noel Kok Jin Ong (appointed 2 December 2021 and continues in office)
David Chee Cheong Low (appointed 2 November 2015 and continues in office)
Peter Ng (appointed 1 October 2014 and resigned 2 December 2021)
Daniel Polette (appointed 24 September 2021 and resigned 2 December 2021)
Aik Hong (Eric) Teo (appointed 24 September 2021 and resigned 2 December 2021)

PRINCIPAL ACTIVITIES

The principal activity of the Company is in mineral exploration.

During the financial year, the Company acquired 100% of Lake Barlee Gold Pty Ltd which holds several exploration licenses in Western Australia. The Company had also entered into binding term sheet to acquire several exploration license applications in South Australia as well as applied for additional exploration licenses in South Australia.

OPERATING RESULTS

The operating loss of the Group, after income tax expense, amounted to \$484,099 (2020:loss \$721,656).

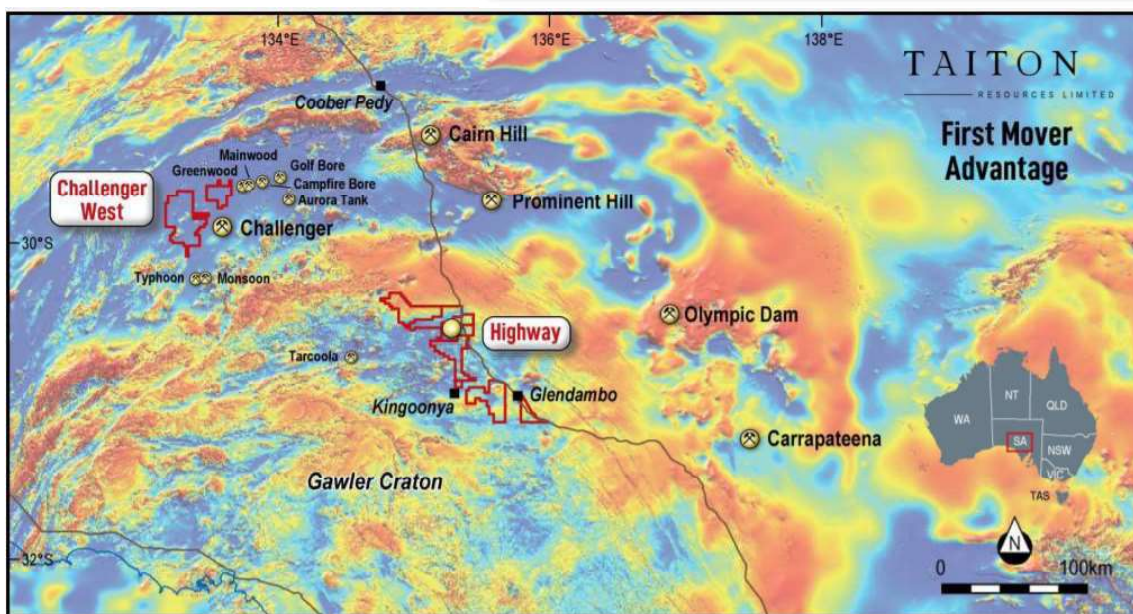
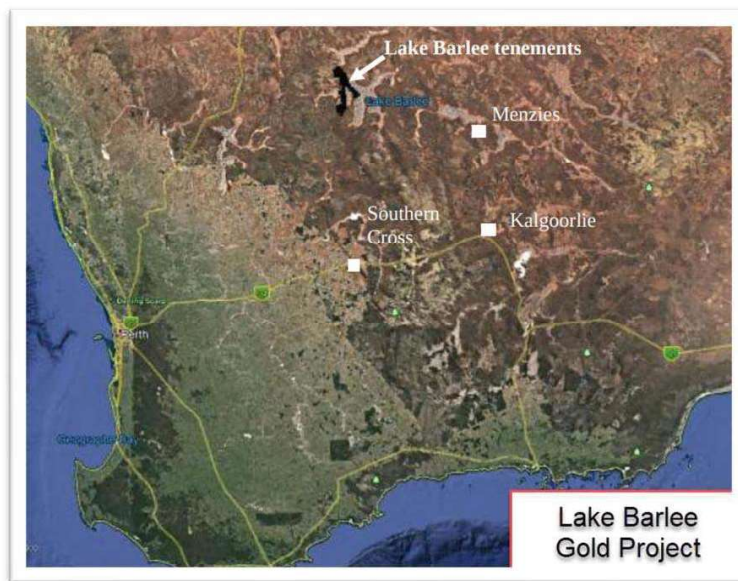
REVIEW OF OPERATIONS

On 29 June 2020, the Board announced that it had entered into a Share and Asset Sale Agreement ("**SASA**") with Tyranna Resources Limited ("**Vendor**" or "**Tyranna**") for the proposed acquisition of all of Tyranna's right, title and interest in all of the issued shares of Half Moon Pty Ltd (ACN 159 579 138) ("**HMP**"), the owner of the majority and controlling joint venture interest in the Western Gawler Craton Joint Venture (WGCJV) and all tenements located around the WGCJV owned 100% by HMP and Trafford Resources Pty Ltd (ACN 112 257 299) ("**Trafford**"), collectively referred to as the "Jumbuck Gold Project" ("**Acquisition**") for \$950,000. HMP and Trafford are wholly owned subsidiaries of Tyranna.

Pursuant to the Deeds of Variations dated 7 August 2020 and 18 October 2020, the purchase consideration for the Jumbuck Project was revised to \$2.25 million. In August 2020, the Company sought and obtained the shareholder's and ASX approval for the delisting of the Company shares on the ASX in order to facilitate ease of variation or completion of the Acquisition. However, on 26 November 2020, the shareholders of Tyranna at a general meeting voted against the selling of the Jumbuck Gold Project to Taiton. The SASA has since been terminated.

DIRECTORS' REPORT

On 2 January 2021, the Company acquired 100% interest in Lake Barlee Gold Pty Ltd ("**Lake Barlee**") for total cash consideration of \$100,000. Lake Barlee holds four large tenements that straddle Lake Barlee, which is located in the Yilgarn about 240 kilometres north of Southern Cross, Western Australia. The tenements consist of 4 adjoining tenements (E77/2700, E77/2715, E57/1158 and E57/1168) which together total about 675 square kilometres.



In June 2021, the Company also entered into a Binding Term Sheet to acquire 2 applications (ELA 2020/00206 and ELA 20021/00013) ("**Highway Project**") for 1,132 square kilometres of exploration tenements in the Gawler Craton, South Australia for \$100,000 cash to be paid upon grant of tenement by the SA Mines Department. In addition, if Taiton undertakes a listing on the ASX within a period of 2 years, Taiton will issue 2 million Taiton shares to the vendor upon listing. If Taiton is not listed within 2 years, Taiton will offer to transfer the tenements back to the vendor for a nominal sum of \$100. In addition to the foregoing project, Taiton has also applied for 1,881 square kilometres of exploration license nearby ("**Challenger West**"), also located in the Gawler Craton, South Australia.

On 15 February 2021, the Company changed its name from Syngas Limited to Taiton Resources Limited.

DIRECTORS' REPORT

CORPORATE

During the year, the Company drew \$1,770,000 from the loan facilities with AsiaPacific Businesslink Sdn Bhd, an entity related to Datuk Siak Wei Low, for the Acquisition and for working capital purposes. A sum of \$1 million was repaid after termination of the Acquisition.

Taiton is financially supported by loans from a Director, Datuk Siak Wei Low and his related entities amounting to \$2,855,606 as at 30 June 2021 (2020: \$1,876,934), refer to note 5(b) for further details. Datuk Siak Wei Low has given a letter of undertaking to the Company to continue to provide sufficient financial assistance to the Company for next 12 months to continue its operations and fulfil its financial obligations. The entity as at 30 June 2021 remains an unlisted disclosing entity.

DIVIDENDS

No dividends have been paid or declared since the start of the financial year. The directors have recommended that no dividend be paid in respect of the year ended 30 June 2021.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year, there were no significant changes to the state of affairs of Taiton other than disclosed above in Review of Operations and Corporate.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Board is in the midst of preparing an application for in-principle advice in connection with its suitability for admission to the official list of the ASX. The Company is also currently engaging with brokers in preparing for the listing exercise .

SIGNIFICANT EVENTS SUBSEQUENT TO BALANCE DATE

In September 2021, the exploration licence application (ELA 2020/00206) measuring 972 square kilometres was granted by the South Australian Mines Department and the said granted tenement (EL6658) has since been transferred to the Company after consent for transfer from the South Australian Mining and Energy Minister was obtained. Accordingly, Taiton completed the acquisition of EL 6658 with the payment of \$50,000 pursuant to the Binding Term Sheet. The acquisition of ELA 2021/00013 for \$50,000 remains outstanding as the application still pending approval from the South Australian Mines Department as with the other 2 exploration license applications made by the Company.

On 22 October 2021, the shareholders of the Company approved the restructuring of the Company capital structure and outstanding debts via a 10 to 1 share consolidation ("**Share Consolidation**"), waivers of approximately \$1.65 million debts, conversion of \$1.51 million debts into 3.755 million new Company shares and issuance of 13 million new Company share issues. Details of the restructuring of the Company are contained in the Notice of General Meeting issued on 30 September 2021 and available on the Company's website (www.syngas.com.au).

The Share Consolidation was completed on 28 October 2021 and on 21 January 2022, the Company completed the debt waivers and new share issuance and is now preparing to submit an in-principle consultation application to the ASX for the listing of Taiton on the ASX.

The Covid-19 pandemic has created unprecedented uncertainty in the economic activity both domestically and globally. Actual economic events and conditions may be materially different from those estimated by the Group at reporting date. In the event that Covid-19 pandemic impacts are more severe or prolonged than anticipated, this may have further adverse impacts on the Group, which the directors are currently unable to estimate or predict. Other than as disclosed above under Review of Operations and Corporate, no other matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

DIRECTORS' REPORT

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's activities are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for the Group to achieve.

Instances of environmental non-compliance by an operation are identified either by internal compliance audits or inspections by relevant government authorities.

There have been no significant known breaches by the Group during the financial year.

INFORMATION ON DIRECTORS AND EXECUTIVES

DATUK SIAK WEI LOW (AGE 62)

CHAIRMAN

APPOINTED: 19 SEPTEMBER 2014

Experience and Expertise

Datuk Siak Wei Low is the Chief Executive Officer of Sepangar Bay Power Corporation Sdn Bhd, an independent power producer company which owns and operates a 100MW gas-fired power plant in Sabah, Malaysia. He is also President of several companies in Indonesia and Laos which are developing hydro power projects in Northern Sumatera and Laos with a total capacity of 1,680 MW.

Datuk Siak Wei Low is a Fellow of CPA Australia and alumni member of Harvard Business School.

Other Current Directorships

None

Former Directorships in the Last Three Years

None

Special Responsibilities

Non-Executive Chairman

NOEL ONG (AGE 52)

EXECUTIVE DIRECTOR

APPOINTED: 2 DECEMBER 2021

Experience and Expertise

Noel Ong is a geologist with over 30 years of experience in the resource industry. He has extensive mineral exploration and project management experience in the gold, lithium, iron ore (hematite and magnetite), tantalum and the diamond industry. Since 1992, Noel has worked predominantly in the goldfields of Western Australia, Pilbara iron ore fields and the Northern Territory. He has worked with Ashton Mining, Great Central Mines, and held management roles with API Management, Galaxy Resources, Citic Pacific Mining and Silver Lake Resources. Noel is a member of the AusIMM and the Australian Institute of Geoscientists.

Other Current Directorships

None

Former Directorships in the Last Three Years

None

Special Responsibilities

Executive Director

DIRECTORS' REPORT

INFORMATION ON DIRECTORS AND EXECUTIVES (CONTINUED)

CHEE CHEONG (DAVID) LOW (AGE 52)

EXECUTIVE DIRECTOR

APPOINTED: 2 NOVEMBER 2015

Experience and Expertise

David Low is a CPA and was previously an investment banker in Asia for more than 10 years and had advised on various mergers and acquisitions, initial public offerings, fund raising (both debt and equity) and during the Asian Financial Crisis, corporate and debt restructuring

David Low is currently director of JCL Capital Pty Ltd, a boutique corporate advisory house specialising in cross border corporate finance activities and bridging Australia and Asia.

Other Current Directorships

None

Former Directorships in the Last Three Years

Ennox Group Ltd (ASX:EXO)

VIP Gloves Ltd (ASX:VIP)

Special Responsibilities

Executive Director

PETER NG (AGE 56)

NON-EXECUTIVE DIRECTOR

APPOINTED: 1 NOVEMBER 2014 RESIGNED 2 DECEMBER 2021

Experience and Expertise

Mr Ng is a solicitor practising law in Melbourne. Prior to entering legal practise, Mr Ng was an Associate Director of a boutique private equity investment house specialising in managing and raising the public profiles of small and emerging companies in the mining and renewable energy sector.

Mr Ng holds a Bachelor of Economics, a Master of Business Administration, a Master of Laws and a graduate Diploma in Legal Practice.

Other Current Directorships

VIP Gloves Ltd (ASX:VIP)

Former Directorships in the Last Three Years

Nil

Special Responsibilities

Non-Executive Director

DANIEL POLETTE (AGE 53)

NON-EXECUTIVE DIRECTOR

APPOINTED: 24 SEPTEMBER 2021 RESIGNED 2 DECEMBER 2021

Experience and Expertise

Mr Polette has more than 30 years of experience in the mineral resources exploration industry having worked in various roles whereby he was responsible for coordinating on project issues, arranging logistics, sampling, drilling activities, managing all issues related to having an operation, such as accommodations and dealing with the Mines Departments.

Other Current Directorships

None

Former Directorships in the Last Three Years

Nil

DIRECTORS' REPORT

INFORMATION ON DIRECTORS AND EXECUTIVES (CONTINUED)

Special Responsibilities

Non-Executive Director

AIK HONG (ERIC) TEO (AGE 54)

NON-EXECUTIVE DIRECTOR

APPOINTED: 24 SEPTEMBER 2021 RESIGNED 2 DECEMBER 2021

Experience and Expertise

Mr Eric Teo has more than 30 years of experience in business development and project management having worked in various companies in the South East Asia Region such as the Salim Group and Wo Kee Hong group in Indonesia. He was also in charge of opening a mining service company in Indonesia and providing Mining Services ranging from project development, planning and design and resource valuation.

Other Current Directorships

None

Former Directorships in the Last Three Years

Nil

Special Responsibilities

Non-Executive Director

IAN GREGORY B.BUS, FGIA, FCIS, F.FIN, MAICD

COMPANY SECRETARY

APPOINTED: 21 MAY 2009

Ian Gregory has over 30 years' experience in the provision of company secretarial and business administration services to listed and unlisted companies. Companies for which Ian has acted as Company Secretary include Iluka Resources Limited, IBJ Australia Bank Limited and the Griffin Coal Mining Group of companies. He currently consults on secretarial and governance matters to a number of listed and unlisted companies. Ian is a past member and Chairman of the Western Australian Branch Council of Governance Institute of Australia (GIA) and has also served on the National Council of GIA.

DIRECTORS' INTERESTS

The directors' interests in the securities of the Company are as follows:

Directors	Balance 30.6.2020	Received as Remuneration	Issued as Consideration	Shares (Sold) Purchased	Balance 30.6.2021
Noel Ong	-	-	-	-	-
David Low	-	-	-	-	-
Datuk Siak Wei Low	11,319,292	-	-	-	11,319,292
Peter Ng	-	-	-	-	-
Daniel Polette	-	-	-	-	-
Eric Teo	-	-	-	-	-
	11,319,292				11,319,292

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

	Number eligible to attend	Number attended	Circular Resolutions passed	Total
Noel Ong	-	-	-	-
David Low	1	1	3	4
Datuk Siak Wei Low	1	1	3	4
Peter Ng	1	1	3	4

COMPENSATION OPTIONS: GRANTED AND VESTED

During the year there were no Options over unissued shares issued by the Company.

ADDITIONAL INFORMATION

Shares Under Option

The Company has no unissued ordinary shares under option at the date of this report.

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. No proceedings have been brought or intervened in on behalf of the Company with leave of the court under section 237 of the *Corporations Act 2001*.

INDEMNIFYING AND INSURING DIRECTORS, OFFICERS OR AUDITOR

Directors' and officers' liability insurance and indemnity insurance premiums paid during or since the end of the financial year for any person who is or has been an officer of the Group totalled \$Nil (2020: \$Nil). The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

The auditor is not indemnified under any circumstance.

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the Corporations Act 2001 section 307C the auditors of the Company, William Buck, have provided a signed Auditor's Independence Declaration to the directors in relation to the year ended 30 June 2021. This declaration has been included on page 9 and forms part of this report.

Signed in accordance with a resolution of the directors.



Datuk Siak Wei Low
Chairman
28 January 2022

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF TAITON RESOURCES LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A handwritten signature in black ink, appearing to read 'N. S. Benbow'.

N. S. Benbow
Director

Melbourne, 28 January 2022

ACCOUNTANTS & ADVISORS

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**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 30 JUNE 2021**

		Group	
	Note	2021 \$	2020 \$
Revenue		63	13
Interest expense		(225,625)	(126,260)
Other expenses	2	(258,537)	(595,409)
LOSS BEFORE INCOME TAX (EXPENSE)/BENEFIT		(484,099)	(721,656)
Income tax (expense)/benefit		-	-
LOSS AFTER INCOME TAX (EXPENSE)/BENEFIT		(484,099)	(721,656)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(484,099)	(721,656)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS			
BASIC AND DILUTED LOSS PER SHARE (CENTS PER SHARE)	3	(0.79)	(1.18)

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

		Group	
	Note	2021 \$	2020 \$
CURRENT ASSETS			
Cash and cash equivalents		584,848	132,708
TOTAL CURRENT ASSETS		584,848	132,708
NON-CURRENT ASSETS			
EXPLORATION AND EVALUATION EXPENDITURE	4	99,710	-
TOTAL NON-CURRENT ASSETS		99,710	-
TOTAL ASSETS		684,558	132,708
CURRENT LIABILITIES			
Trade and other payables	5(a)	933,044	892,720
Borrowings	5(b)	3,050,521	2,054,896
TOTAL CURRENT LIABILITIES		3,983,565	2,947,616
TOTAL LIABILITIES		3,983,565	2,947,616
NET ASSETS		(3,299,007)	(2,814,908)
EQUITY			
Contributed equity	6	35,166,571	35,166,571
Accumulated losses		(38,465,578)	(37,981,479)
TOTAL EQUITY		(3,299,007)	(2,814,908)

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

		Group	
	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers & employees		(218,213)	(332,783)
Interest received		63	13
NET CASH USED IN OPERATING ACTIVITIES	7	(218,150)	(332,770)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tenements (net of cash acquired)	4	(99,710)	-
NET CASH USED IN INVESTING ACTIVITIES		(99,710)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings - Related Party	5(b)	1,770,000	245,000
Proceeds from Borrowings - Third Party		500,000	170,000
Repayment of Borrowings - Related Party	5(b)	(1,000,000)	-
Repayment of Borrowings - Third Party		(500,000)	-
NET CASH FROM FINANCING ACTIVITIES		770,000	415,000
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS HELD		452,140	82,230
Cash and cash equivalents at beginning of year		132,708	50,478
CASH AND CASH EQUIVALENTS AT END OF YEAR		584,848	132,708

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Issued Capital \$	Accumulated Losses \$	Total Equity \$
At 1 JULY 2020	35,166,571	(37,981,479)	(2,814,908)
Loss for the year	-	(484,099)	(484,099)
Total comprehensive loss for the year	-	(484,099)	(484,099)
 At 30 JUNE 2021	 35,166,571	 (38,465,578)	 (3,299,007)
 At 1 JULY 2019	 35,166,571	 (37,259,823)	 (2,093,252)
Loss for the year	-	(721,656)	(721,656)
Total comprehensive loss for the year	-	(721,656)	(721,656)
 At 30 June 2020	 35,166,571	 (37,981,479)	 (2,814,908)

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

NOTE A. BASIS OF PREPARATION OF THE FINANCIAL REPORT

Corporate Information

The Financial Report of Taiton Resources Limited ACN 062 284 084 ("**Parent Entity**" or "**Company**") and its controlled entities ("**Group**") for the year ended 30 June 2021 was authorised for issue in accordance with board of directors resolution dated 28 January 2022.

Taiton Resources Limited is a for-profit company limited by shares incorporated in Australia. The nature of the operations and principal activities of the Group are described in the Directors' Report.

Basis of Preparation of Accounts

The Financial Report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standards ("AASBs") and other authoritative pronouncements adopted by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs and is presented in Australian dollars

Going concern

The Group recorded a consolidated loss of \$484,099 for the year ended 30 June 2021, net cash operating outflows of \$218,150 and has net liabilities of \$3,299,007 as at 30 June 2021. The Group's cash flow forecasts show that it will require additional funding to enable it to meet ongoing expenditure commitments for at least twelve months from the date of signing these financial statements.

The financial report has been prepared on the basis that the Group can continue to meet its commitments as and when they fall due and can therefore continue normal activities, including the settlement of liabilities and the realisation of assets in the ordinary course of business. In arriving at this position, the directors have had regard to the fact that they are actively pursuing further funding initiatives to provide additional working capital, including identification and implementation of projects, potential equity raising and have ongoing support of loan facilities in place (Note 5). Directors have received agreement from related party lenders to waive loan interests due and converted outstanding principal debts into new Company shares and to defer any remaining unconverted debts for 12 months or until such time the cash flow permits and is not to the detriment of other financial obligations and commitment of the Company. The directors consider that the planned minimum expenditure under tenement is not a commitment on the basis that if these expenditures are not achieved, there is a possibility that the regulatory authority that has set out those required expenditures may rescind the right to explore those tenement areas. In the experience of the directors, even if this is to eventuate, the directors consider this possibility to be remote. In any event, the directors intend to fund such commitments from existing loan facilities from its related parties.

The directors believe that at the date of the signing of the financial statements there are reasonable grounds to believe that, having regard to the matters set out above, the Company will be able to raise sufficient funds to meet its obligations as and when they fall due and continue to proceed with the Group's strategic objectives beyond the currently committed expenditure. In addition, commitments have been received from directors confirming ongoing financial support to the Company as and when it is needed, so as to enable the Company to meet its financial commitment as and when they fall due and to carry on business without constrain of operating for a period of no less than 12 months.

Should the directors not achieve the matters set out above or funding support be removed, there is material uncertainty whether the Group 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 amounts stated in the financial report. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

Statement of Compliance

The Financial Report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board.

NOTES TO THE FINANCIAL STATEMENTS

New accounting standards and interpretations

New or amended accounting standards and interpretations adopted

During the year the Company applied all new mandatory Standards and Interpretations as promulgated by the Australian Accounting Standards Board (AASB), including those not yet mandatory but available for early adoption. The only significant impact arising from those Standards and Interpretations was the application of the "significant concentration of assets" test applied by the entity in assessing that the acquisition of the Lake Barlee tenements, although legally in a share sale agreement, were for accounting purposes an asset acquisition.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Taiton Resources Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it 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 over the entity. A list of the subsidiaries is provided in Note 10.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

b. Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

c. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

d. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less.

e. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

NOTES TO THE FINANCIAL STATEMENTS

f. **Borrowing Costs**

Borrowing costs directly attributable to the interest bearing loans facilities/debt taken for tenement acquisition or working capital.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

g. **Borrowings**

Where borrowings feature share conversion clauses that entitle the investor to a variable number of shares, be this through an entitlement to settle interest through the conversion clause or through the terms specified in the conversion clause itself, an embedded derivative is separated from the underlying borrowing host contract only when the conversion clause is activated upon a movement in a market price at initial recognition. Thereafter the embedded derivative is revalued at each subsequent reporting date with changes taken to the profit or loss. The underlying host contract following initial recognition is recognised at amortized cost applying the effective interest rate method.

Where the conversion clause does not meet the definition of a derivative as the underlying share price is not quoted on an active market, both the conversion clause and underlying borrowing instrument are measured together at their fair value less transaction costs at initial recognition and thereafter at amortised cost.

h. **Exploration and Evaluation Assets**

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

Impairment of exploration and evaluation costs

The consolidated entity assesses impairment of exploration and evaluation costs at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. There were no indicators for impairment on the Group's areas of interest during the financial year.

i. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

j. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

k. **Key estimates**

In the process of applying the Group's accounting policies, management has made judgements, estimates and assumptions that affect the reported amounts in the financial statements. The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. directors consider there to be no material key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period.

NOTE C. SUMMARY OF CRITICAL ACCOUNTING POLICIES

a. **Borrowings**

The directors have determined that variable share conversion clauses featured in borrowing instruments do not meet the accounting definition of a derivative as the shares of the Company are not quoted on an exchange. Accordingly, variable conversion clause is measured together with the underlying principal host contract.

b. **Deferred tax assets not recognized**

The Company has potential deferred tax assets arising from both timing differences and carry-forward losses. Presently the directors have not recognised any of these potential deferred tax assets due to uncertainty as to when the Company will earn assessable tax income to which it will be able to apply those potential tax assets.

NOTES TO THE FINANCIAL STATEMENTS

	2021 \$	Group 2020 \$
NOTE 2. OTHER EXPENSES		
OTHER EXPENSES		
Listed company costs	25,241	56,637
Jumbuck Project fee written off	-	75,000
Legal & Professional Fees	37,002	237,959
Employment expenses:		
Fees, wages and salaries	128,000	161,333
Superannuation	2,776	694
Other	65,518	63,786
TOTAL OTHER EXPENSES	258,537	595,409

NOTE 3. LOSS PER SHARE

Loss from continuing operations used in the calculation of basic and diluted loss per share	(484,099)	(721,656)
Loss used in the calculation of basic and diluted loss per share	(484,099)	(721,656)
Weighted average number of ordinary shares outstanding during The year used in the calculation of basic and diluted loss per share	61,019,028	61,019,028

As the Group accrued losses for the year, no potential dilutive impact from shares potentially issuable has been taken into account in calculating the diluted earnings per share, as a such a calculation would be anti-dilutive.

NOTE 4. EXPLORATION AND EVALUATION EXPENDITURE

Carrying amount at the beginning of the year	-	-
Addition/(Reduction):		
Acquisition of Lake Barlee ^(a)	97,964	-
Acquisition of Highway and Challenger West Projects ^(b)	1,746	-
TOTAL	99,710	-

- (a) The acquisition of Lake Barlee was completed on 2 January 2021 with total cash payment of \$100,000 (before GST recovered and cash in hand of \$2,036).
- (b) On 5 June 2021, the Company entered into Binding Term Sheet to acquire 2 Exploration License Applications (ELA 2020/00206 & ELA 2021/00013) in South Australia for total cash consideration of \$100,000 and 2 million shares if Taiton is listed on the ASX within 2 years. In addition, Taiton also applied for 2 Exploration License Applications (ELA 2021/00060 & ELA 2021/00061) in South Australia.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5(a).TRADE AND OTHER PAYABLES (CURRENT)

		2021 \$	Group 2020 \$
Creditors and accrued expenses	(a)	933,044	892,720
AT THE END OF THE FINANCIAL YEAR		933,044	892,720

- (a) Includes accrued directors' fees totalling \$840,334 (2020: \$744,334).
The Company has received confirmation from its directors to waive and forgive the payment of the above director's fees.

NOTE 5(b).BORROWINGS

Loan from Third Party	194,915	177,962
Loan from Director and Director related entity	2,855,606	1,876,934
AT THE END OF THE FINANCIAL YEAR	3,050,521	2,054,896

These borrowings are unsecured, interest bearing with fixed interest terms between 9.25% to 10.25% per annum, payable at maturity and with no equity conversion clauses.

The Third Party lender has signed a Deed with the Company and have waived all interests due on the loan and converted the principal of \$170,000 into 425,000 new shares in the Company subsequent to the financial year.

Loan facilities from Director and Director related entities are as follows :-

Loan	Lender	Maturity	Facility Limit \$	30 June 2020 Principal Owing \$	Principal Owing \$	30 June 2021 Accumulated Interest \$	Total \$
A	Datuk Siak Wei Low	12-31-2021	700,000	700,000	700,000	478,464	1,178,464
B	AsiaPacific Businesslink Sdn Bhd	12-31-2021	350,000	350,000	350,000	174,832	524,832
C	AsiaPacific Businesslink Sdn Bhd	12-31-2021	400,000	270,000	290,000	36,980	326,980
D	AsiaPacific Businesslink Sdn Bhd	12-31-2022	1,300,000	-	-	33,705	33,705
E	AsiaPacific Businesslink Sdn Bhd	12-31-2022	1,200,000	-	750,000	41,625	791,625
			3,950,000	1,320,000	2,090,000	765,606	2,855,606

The above Director and Director related entity lenders have signed a Deed with the Company and have waived all the interests in the above loans A - D and have converted the principal sum of \$1.34 million into 3.35 million new shares in the Company subsequent to year end.

The above Director related entity has also agreed for the further drawdown of loan D & E for working capital purposes of the Company and confirmed that neither loan shall be called for 12 months unless there is sufficient free cash flow available to the Company over and above what is required to settle ongoing financial obligations as and when they fall due. If the Company is subsequently listed on the ASX, the principal amount owing then will be converted into new Taiton shares at listing and interest to be repaid from proceeds from the ASX listing.

NOTE 6. CONTRIBUTED EQUITY	2021 \$	2020 \$
61,144,123 (2020: 61,144,123) fully paid ordinary shares	35,166,571	35,166,571

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7. CASH FLOW INFORMATION

	Group	
	2021 \$	2020 \$
RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH LOSS AFTER INCOME TAX		
Loss after tax	(484,099)	(721,656)
<i>Non-cash flows in loss</i>		
Loan interest accrued	225,625	126,260
<i>Changes in assets and liabilities</i>		
Decrease/(increase) in trade and other receivables	-	-
Increase/(decrease) in trade and other payables	40,324	262,626
NET CASH USED IN OPERATING ACTIVITIES	(218,150)	(332,770)

NOTE 8. TRANSACTIONS AND BALANCES RELATING TO KEY MANAGEMENT PERSONNEL AND RELATED PARTIES

The names and positions of key management personnel of the Company and of the Group who have held office during the financial year are:

Directors

Datuk Siak Wei Low (appointed 19 September 2014 and continues in office)

Chee Cheong (David) Low (appointed on 2 November 2015 and continues in office)

Peter Ng (appointed 1 October 2014 and resigned on 2 December 2021)

A) COMPENSATION OF KEY MANAGEMENT PERSONNEL

	2021 \$	2020 \$
COMPENSATION BY CATEGORY		
Short term	180,000	173,333
Post employment #	2,776	694
Share based payments	-	-
TOTAL	182,776	174,027

superannuation contributions accrued

B) LOANS TO/FROM KEY MANAGEMENT PERSONNEL AND RELATED PARTIES

There were no loan made to any key management personnel or related parties during the year ended 30 June 2021 (2020: Nil). The Company drew a total of \$1,770,000 from loan facilities from director-related party during the year ended 30 June 2021 (2020: \$415,000) for the Acquisition and for working capital purposes but the sum of \$1 million after termination of the Acquisition. There are fees and loans owing to key management personnel and related parties are as follows :-

	2021 \$	2020 \$
Directors' fee accrued (Note 5a)	840,344	744,334
Directors' related entity loan (Note 5b)	2,855,606	1,876,934
TOTAL	3,695,950	2,621,268

The directors of the Company have signed Deeds forgiving the above fees due after the financial year end.

C) OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND RELATED PARTIES

There were no other transactions with key management personnel and their related entities during the year ended 30 June 2021 other than the following:-

- (a) Interest accrued on loans owing to Datuk Siak Wei Low and his related entity amounted to \$208,672 (2020: \$118,298). No interests were paid. Datuk Siak Wei Low and his related entity have signed Deeds and waived interests due on the loan facilities and converted principal sum into new Company shares as set out in Note 5b.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9. SEGMENT INFORMATION

During the financial years ended 30 June 2021 and 30 June 2020, the Group was engaged in mineral exploration and operated in Australia.

Management monitors the operating results of its projects separately for the purposes of making decisions about resource allocation and performance assessment.

NOTE 10. INVESTMENTS IN CONTROLLED ENTITIES

Taiton Resources Limited is the parent and ultimate parent company of Lake Barlee Gold Pty Ltd, a company incorporated in Western Australia which holds several exploration licenses in Western Australia. Taiton acquired 100% interest in Lake Barlee Gold Pty Ltd on 2 January 2021. Syngas Energy Pty Ltd, a non-controlled wholly-owned subsidiary company was deregistered on 13 January 2019.

NOTE 11. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, trade and other payables, borrowings.

Financial Risk Management Policies

The Board of Directors monitors the Group's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to liquidity risk and interest rate risk.

The Board's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of the use of credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are liquidity risk and market risk consisting of interest rate risk. There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

a. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- obtaining financial support undertaking from Lender for continued support of the Company;
- converting debts into equity;
- managing credit risk related to financial assets; and
- only investing surplus cash with major financial institutions;

As at year end, financial liabilities had contractual maturities extending not beyond 60 days (2020: 60 days)

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11. FINANCIAL RISK MANAGEMENT (CONTINUED)

b. Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The financial instruments that primarily expose the Group to interest rate risk are borrowings.

Interest rate risk can be managed using a mix of fixed and floating rate debt. At 30 June 2021, 100% of group debt is on fixed rate. Current borrowings interest rates are fixed between 9.25% to 10.25% per annum (Note 5b).

As interest rates are fixed for borrowings, there was no material exposure to changes in interest rates as at year end (2020: nil):

Cash flow sensitivity analysis for variable rate instruments

A change of 50 basis points in interest rates at reporting date would have increased/(decreased) the Group's equity and profit or loss by \$2,924 (2020: \$663). The Board assessed a 50 basis point movement as being reasonably possible based on short term historical movements. This analysis assumes that all other variables remain constant

FAIR VALUES

The aggregate net fair value of the Group's financial assets and financial liabilities approximates their carrying amounts in the financial statements. Cash assets are carried at amounts approximating fair value because of their short term nature to maturity. Payables are carried at amounts approximating fair value. Financial assets held for trading are restated to fair value at year end.

NOTE 12. EVENTS SUBSEQUENT TO BALANCE DATE

In September 2021, the exploration licence application (ELA 2020/00206) measuring 972 square kilometres was granted by South Australian Mines Department (EL6658) and the said tenement has since been transferred to Taiton after consent from the South Australian Mining and Energy Minister was obtained. Accordingly, Taiton completed the acquisition of EL 6658 with the payment of \$50,000 pursuant to the Binding Term Sheet. The acquisition of ELA 2021/00013 for \$50,000 remains outstanding as the application still pending approval from the South Australian Mines Department as with the other 2 exploration license applications made by the Company.

On 22 October 2021, the shareholders of the Company approved the restructuring of the Company capital structure and outstanding debts via a 10 to 1 share consolidation ("**Share Consolidation**"), waivers of approximately \$1.65 million debts, conversion of \$1.51 million debts into 3.755 million new Company shares and issuance of 13 million new Company share issues. Details of the restructuring of the Company are contained in the Notice of General Meeting issued on 30 September 2021 and available on the Company's website (www.syngas.com.au).

The Share Consolidation was completed on 28 October 2021 and on 21 January 2022, the Company completed the debt waivers and new shares issuance and is now preparing to submit an in-principle consultation application to the ASX for the listing of Taiton on the ASX.

The Covid-19 pandemic has created unprecedented uncertainty in the economic activity both domestically and globally. Actual economic events and conditions may be materially different from those estimated by the Group at reporting date. In the event that Covid-19 pandemic impacts are more severe or prolonged than anticipated, this may have further adverse impacts on the Group, which the directors are currently unable to estimate or predict. Other than as disclosed above under Review of Operations and Corporate, no other matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

There are no events subsequent to the financial year ended 30 June 2021 other than disclosed in this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13. CONTINGENT LIABILITIES

There are no contingent liabilities at 30 June 2021 (2020: Nil) other than disclosed in Note 12 relating to the payment of remain \$50,000 for the ELA 20021/00013 and issuance of 2 million Taiton shares upon listing on the ASX under the Binding Term Sheet.

As at 30 June 2021, the minimum expenditure due under the tenements held by the Group are as follows:.

	<1 year	1 - 5 year	> 5 yrs[#]
	\$	\$	\$
Minimum expenditure due	223,000	892,000	-

[#] - tenement leases expire within then next 5 years

The directors consider that the planned minimum expenditure under tenement is not a commitment on the basis that if these expenditures are not achieved, there is a possibility that the regulatory authority that has set out those required expenditures may rescind the right to explore those tenement areas. In the experience of the directors, even if this is to eventuate, the directors consider this possibility to be remote.

NOTE 14. PARENT COMPANY DISCLOSURES

	Group	
Financial position	2021	2020
	\$	\$
Assets		
Current assets	584,848	132,708
Non-current assets	99,710	-
Total assets	684,558	132,708
Liabilities		
Current liabilities	3,983,565	2,947,616
Non-current liabilities	-	-
Total liabilities	3,983,565	2,947,616
Equity		
Issued capital	35,166,571	35,166,571
Retained earnings	(38,465,578)	(37,981,479)
Total equity	(3,299,007)	(2,814,908)
Financial performance		
	Year ended	Year ended
	30 June 2021	30 June 2020
	\$	\$
Loss for the year	(484,099)	(721,656)
Other comprehensive loss	-	-
Total comprehensive loss	(484,099)	(721,656)

The Company has not provided guarantees in relation to the debts of its subsidiaries.

NOTE 15. REMUNERATION OF AUDITOR

During the year the following fees were paid or payable for services provided by the auditor of the Company and Group:

	2021	2020
	\$	\$
Audit or review of financial reports	7,500	22,505
Non-audit services – tax compliance	5,750	5,750
Total remuneration	13,250	28,255

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Taiton Resources Limited ACN 062 284 084 ("Company"), I state that:

1) In the opinion of the directors:

(a) The financial statements, notes and the additional disclosures included in the Directors' Report designated as audited, of the Group are in accordance with the Corporations Act 2001, including:

(i) Complying with Accounting Standards and the Corporations Regulations 2001; and

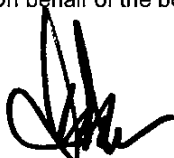
(ii) Giving a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Group;

(b) Subject to achievement of the matters set out in Note 1 to the Financial Report, there are reasonable grounds to believe that the Company 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 30 June 2021.

On behalf of the board of directors.



Datuk Siak Wei Low
Chairman
28 January 2022

Taiton Resources Limited

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Taiton Resources Limited (the Company) and the entities it controlled throughout the year (together, the Group), which comprises the consolidated statement of financial position as at 30 June 2021, 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 other explanatory information, and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the 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.

Material Uncertainty Related to Going Concern

We draw attention to Note A in the financial report, which indicates that the Group incurred a net loss of \$484,009 during the year ended 30 June 2021 and, as of that date, the Group's current liabilities exceeded its current assets by \$3,299,007.

ACCOUNTANTS & ADVISORS

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As stated in Note A, these events or conditions, along with other matters as set forth in Note A, 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 Matter

The financial report of Taiton Resources Limited (formerly Syngas Limited), for the year ended 30 June 2020, was audited by another auditor who expressed an unmodified opinion with a material uncertainty in relation to going concern on that report on 11 December 2020.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

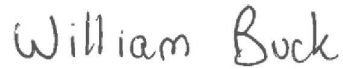
Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our independent auditor's report.

A handwritten signature in dark ink that reads 'William Buck'.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A handwritten signature in dark ink that appears to read 'N. S. Benbow'.

N. S. Benbow
Director

Melbourne, 28 January 2022