

SYMBOL MINING GROUP CONSOLIDATED

Financial Statements For the year ended 30 June 2017

The Consolidated group is made up of the following entities :

Symbol Mining Corporation Pty Ltd ABN 14 154 347 332 (Australia) (“SMC”)

Symbol Base Metals UK Limited (UK) (“SBMUK”) – 100% owned by SMC

Symbol Base Metals Pty Ltd ABN 79 601 336 878 (Australia) – 100% owned by SMC

VERSACI'S

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SYMBOL MINING GROUP CONSOLIDATED

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Directors Report

Your directors present this report on the Symbol Mining group for the **year ended 30 June 2017**.

Directors

The names of the directors in office at any time during or since the end of the year are:

Andrew Vincent Simpson

Barry Colin Bolitho

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Result

The Company incurred a loss for the financial year after providing for income tax which amounted to:

Year ended	Year ended
30 June 2017	30 June 2016
\$	\$
(510,786)	(196,548)

Principal Activities

The principal activities of the company during the course of the year were exploration for mineral commodities. No significant change in the nature of these activities occurred during the year.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

After Balance Date Events

The Company has since entered into an agreement to sell all of the shares in Symbol Mining Corporation Pty Ltd (Proposed Acquisition) to Swala Energy limited ("Swala"). The Proposed Acquisition was approved by the Shareholders of Swala at their company's Annual General Meeting on 22 June 2017.

In order to complete the Proposed Acquisition and fund further exploration on the Projects, Swala is undertaking an offer of Shares to the public under a Prospectus to raise a minimum of \$4,300,000 before costs. The Offer is made subject to the conditions set out in the offer document. The sale is conditional upon the successful completion of the raising noted in the Prospectus.

SYMBOL MINING GROUP CONSOLIDATED

Directors Report

Convertible Notes

It is proposed that, conditional on the completion the Proposed Acquisition, the \$4,332,699 in debt owing by Symbol Mining Corporation Pty Ltd will be converted to 104,750,000 shares in Swala as detailed in the prospectus and supplementary prospectus, and the Company will no longer be required to repay this amount in cash.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

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

Share Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

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Directors Report

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included.

Signed in accordance with a resolution of the Board of Directors:

A handwritten signature in black ink, appearing to read 'Andrew Vincent Simpson', is written over a light gray rectangular background.

Andrew Vincent Simpson

Director

8 November 2017

SYMBOL MINING GROUP CONSOLIDATED

Detailed Profit and Loss Statement For the year ended 30 June 2017

	2017 \$	2016 \$
Income		
Interest received	-	50
Total income	-	50
Expenses		
Accountancy	13,890	8,960
Bank fees & charges	24,776	877
Cleaning & rubbish removal	-	1,677
Consultants fees	77,290	49,772
Computer expenses	2,159	14,377
Electricity	520	2,331
Fees & charges	742	416
Filing Fees	807	804
Foreign Exchange gain	-	(1,098)
General expenses	5,290	996
Insurance	3,264	15,568
Legal fees	13,730	36,487
Printing & Stationary	730	4,021
Rent on land & buildings	3,496	33,010
Repairs & Maintenance	-	1,675
Staff amenities	568	387
Sundry expenses	-	7,210
Superannuation	-	1,673
Telephone	1,375	6,914
Travel & accommodation	24,484	12,384
Wages	337,664	3,426
Total expenses	510,786	201,868
Loss from Ordinary Activities before income tax	(510,786)	(201,868)
Income Tax Expense	-	-
Loss from Ordinary Activities after income tax	(510,786)	(201,868)
Loss for the year is attributable to:		
Owners of Symbol Mining Group	(510,786)	(201,868)
Total comprehensive income for the year	(510,786)	(201,868)

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Statement of Financial Position as at 30 June 2017

	2017 \$	2016 \$
Current Assets		
Cash Assets		
Cash At Bank	4,871	6,634
Tawny Bank Account	2,597	2,597
	<hr/> 7,468	<hr/> 9,231
Receivables		
Loan: BridgeCo Partners P/L	3,328	3,328
Input tax credits	9,411	2,320
Prepayments/Advances	26,000	4,143
	<hr/> 38,739	<hr/> 9,791
Total Current Assets	46,207	19,022
Non-Current Assets		
Other		
Preliminary expenses	880	880
Other	-	-
Project Exploration & development expenses	4,482,714	4,069,922
	<hr/> 4,483,594	<hr/> 4,070,802
Total Non-Current Assets	4,483,594	4,070,802
Total Assets	<hr/> 4,529,801	<hr/> 4,089,824

SYMBOL MINING GROUP CONSOLIDATED

Statement of Financial Position as at 30 June 2017

	2017 \$	2016 \$
Current Liabilities		
Trade Creditors	64,242	1,367
Accrued Payroll	337,664	-
Total Current Liabilities	401,906	1,367
Non-Current Liabilities		
Financial Liabilities		
Unsecured:		
Loans Andrew Simpson	42,711	161,999
Loans Barry Bolitho	81,777	171,999
Convertible notes – US\$ denominated	4,208,211	3,738,266
	4,332,699	4,072,264
Total Non-Current Liabilities	4,332,699	4,072,264
Total Liabilities	4,734,605	4,073,631
Net Assets/(Liabilities)	(204,804)	16,193
Equity		
Issued Capital		
Shares Fully Paid \$1.00	2	2
Shares Fully Paid to 0.001	163,570	163,570
Sharers Fully Paid 0.02568	550,000	250,000
Capital Raising Costs	(1,750)	(1,750)
Foreign Exchange reserve	(4,892)	5,320
Retained profits / (accumulated losses)	(911,734)	(395,629)
Equity attributable to the owners of Symbol Mining Group	(204,804)	16,193
Non-controlling interest	-	-
Total Equity	(204,804)	16,193

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Statement of Changes in Equity for the year ended 30 June 2017

Consolidated	Attributable to owners			Total
	Contributed equity	Reserves	Accumulated losses	
Balance at 1 July 2015	411,822	-	(199,081)	212,741
Loss for the period	-	-	(201,868)	(201,868)
Foreign Exchange	-	5,320	-	5,320
Balance at 30 June 2016	411,822	5,320	(400,949)	16,193
Transactions with owners in their capacity as owners:				
Transfer of reserves	-	-	-	-
Balance at 30 June 2016	411,822	5,320	(400,949)	16,193
Balance at 1 July 2016	411,822	5,320	(400,949)	16,193
Equity contribution – debt conversion	300,000	-	-	300,000
Loss for the period	-	-	(510,786)	(510,786)
Foreign Exchange Reserve	-	(10,212)	-	(10,212)
Balance at 30 June 2017	711,822	(4,892)	(911,735)	(204,805)
Transactions with owners in their capacity as owners:				
Transfer of reserves	-	-	-	-
Balance at 30 June 2017	711,822	(4,892)	(911,735)	(204,805)

SYMBOL MINING GROUP CONSOLIDATED

Statement of Cashflows for the year to 30 June 2017

	2017 \$	2016 \$
Cash flows from operating activities		
Payments to suppliers and employees (incl GST)	(120,175)	(189,011)
Interest received	-	50
Net cash (outflow) from operating activities	(120,175)	(188,961)
 Cash flows from investing activities		
Payment for exploration & development	(400,190)	(3,551,535)
Net cash (outflow) from investing activities	(400,190)	(3,551,535)
 Cash flows from financing activities		
Loan proceeds from related party	72,602	7,102
Loan proceeds to related party	-	-
Proceeds from the issue of Convertible notes	470,000	3,738,266
Proceeds from the issue of Convertible notes	(24,000)	-
Net cash inflow from financing activities	518,602	3,745,368
 Cash and cash equivalents at the beginning of the financial period	9,231	4,359
Net Increase/(decrease) in cash and cash	(1,763)	4,872
Cash and cash equivalents at end of the period	7,468	9,231

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Notes to the Financial Statements For the year ended 30 June 2017

Note 1: Summary of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of the members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

Working Capital Deficiency

As at 30 June 2017, the Group has a working capital deficiency of \$355,699 and a net asset deficiency of \$204,804. In addition, the Group has incurred a loss for the year of \$510,786.

Notwithstanding the above, the directors consider it appropriate to prepare the financial statements on a going concern basis based on the following:

- (i) The Company has since entered into an agreement to sell all of the shares in Symbol Mining Corporation Pty Ltd (Proposed Acquisition) to Swala Energy limited ("Swala"). The Proposed Acquisition was approved by the Shareholders of Swala at their company's Annual General Meeting on 22 June 2017.
- (ii) In order to complete the Proposed Acquisition and fund further exploration on the Symbol Projects, Swala is undertaking an offer of Shares to the public under a Prospectus to raise a minimum of \$4,300,000 before costs. The Offer is made subject to the conditions set out in the offer document. The sale is conditional upon the successful completion of the raising noted in the Prospectus. Once the fund raising is complete and the offer closed, Swala will apply for its shares to recommence trading on the Australian Securities Exchange, and
- (iii) Convertible Notes

It is proposed that, conditional on the completion the Proposed Acquisition, the \$4,332,699 in debt owing by Symbol Mining Corporation Pty Ltd will be converted to 104,750,000 shares in Swala as detailed in the prospectus and supplementary prospectus, and the Company will no longer be required to repay this amount in cash.

Should the Proposed acquisition not complete and the Directors not be able to secure alternative funding, there is significant uncertainty as to whether the Group would be able to meet its financial obligations as and when they fall due and thus continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts or classification of liabilities that might be necessary should the Group not continue as a going concern.

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Notes to the Financial Statements For the year ended 30 June 2017

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

(a) Intangibles

Exploration and development

Exploration and development costs related to an area of interest are expensed as incurred except where they may be carried forward as an item in the consolidated balance sheet where the rights of tenure of an area are current and one of the following conditions is met:

- the costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
- exploration and/or evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Capitalised costs include costs directly related to exploration and evaluation activities in the relevant area of interest. General and administrative costs are allocated to an exploration or evaluation asset only to the extent that those costs can be related directly to operational activities in the area of interest to which the asset relates.

Capitalised exploration and evaluation expenditure is written off where the above conditions are no longer satisfied.

All capitalised exploration and evaluation expenditure is assessed for impairment if facts and circumstances indicate that an impairment may exist. Exploration and evaluation assets are also tested for impairment once commercial reserves are found, before the assets are transferred to development properties.

Goodwill.

Goodwill is measured as the excess of the consideration transferred for the non-controlling interest in an entity and the acquisition-date fair value of any previous equity interest in the entity over the fair value of the Group's share of the net identifiable assets acquired. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

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Notes to the Financial Statements For the year ended 30 June 2017

(c) Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax (GST).

(d) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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Directors Declaration For the year ended 30 June 2017

The directors have determined that the Group is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, present fairly the company's financial position as at 30 June 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors are responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

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



Andrew Vincent Simpson

Director

8 November 2017

SYMBOL MINING GROUP CONSOLIDATED

Compilation Report to SYMBOL MINING GROUP CONSOLIDATED

We have compiled the accompanying special purpose financial statements of SYMBOL MINING GROUP CONSOLIDATED, which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Position as at 30 June 2017, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial report has been prepared is set out in Note 1. The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The Responsibility of the Directors of SYMBOL MINING GROUP CONSOLIDATED

The directors of SYMBOL MINING GROUP CONSOLIDATED are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors of SYMBOL MINING GROUP CONSOLIDATED, we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the directors of SYMBOL MINING GROUP CONSOLIDATED who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.



VERSACI'S
Level 1, 60 Guthrie St
OSBORNE PARK WA

8 November, 2017

SYMBOL MINING GROUP CONSOLIDATED

Independent Auditor's Report

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of SYMBOL MINING GROUP CONSOLIDATED (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and cash flow statement 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 SYMBOL MINING GROUP CONSOLIDATED is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, 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 company 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a 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 company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

SYMBOL MINING GROUP CONSOLIDATED

Independent Auditor's Report

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.

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

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

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

Signed on 8 November, 2017:



Carmelo Campagna, Registered Auditor Number 13782

C. Campagna & Assoc

256 Fitzgerald St, Perth WA 6000