Annual Report 2018

ABN 38 116 834 336

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Corporate Directory

DIRECTORS	Mr Mark Hohnen Mr Duncan Craib Mr Evan Cranston Mr Grant Davey Mr Peter Williams	Chairman Managing Director Director Director Director
COMPANY SECRETARY	Ms Oonagh Malone	
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Chairman's Letter

Dear Fellow Shareholders,

I have great pleasure in presenting to you the 2018 Annual Report for Boss Resources covering what has been a hugely productive year for your company in which we completed the 100% acquisition of the Honeymoon Uranium Project in South Australia and have continued our work to de-risk Honeymoon significantly as we strive towards the recommencement of production.

Having entered into an agreement to acquire the outstanding 20% of the Honeymoon Project in December 2017, the acquisition was approved by shareholders at the Company's general meeting in February 2018. On 19 March 2018, we were delighted to announce that the acquisition was complete and that Boss now holds 100% of the Honeymoon Project.

Consolidation of the holding structure provides both flexibility and considerable structural benefits when negotiating offtake agreements and has culminated in the appointment of Tribeca Investment Partners to arrange project finance facilities of up to US$65m to assist in funding the development and restart of operations.

As the uranium industry awaits strengthening of prices, Boss is proactively advancing the definitive feasibility study and positioning the Honeymoon Project to be Australia's next producer. During the year, Boss has continued to de-risk the Honeymoon Project, having optimised field operational knowhow and the application of improved leaching chemistry and uranium recovery on Honeymoon. Boss has implemented a Re-Start Strategy to enable the Company to be ready to execute the programs of work required to restart Honeymoon, assuming a specified uranium price has been achieved.

At the commencement of the year we welcomed renowned international uranium expert Ms Sashi Davies as Strategic Adviser, to strengthen and advance the Company's marketing, pricing and sales strategy. Both myself and Managing Director, Duncan Craib, have previous experience of working with Sashi during our time at Extract Resources and are delighted to bring her into the Boss team. Sashi has over 35 distinguished years of experience with extensive marketing expertise and an in-depth uranium knowledge base, having developed long-lasting relationships with international utilities and off-takers. Based in Europe, Sashi will provide the Company with an important presence in the northern hemisphere, in close proximity to major uranium utilities.

In July 2018, we also welcomed Ms Asha Rao as Geology Manager. Asha's vast experience gained on uranium systems from a wide range of geological terranes will be invaluable as the Company continues its exploration program to delineate and upgrade the current resources at Honeymoon. Asha will manage the significant exploration campaign over the 2,600km^2 under explored uranium tenements to assess opportunities outside the existing resource base.

Not to be tied entirely to the uranium price, Boss has an effective hedged strategy via a significant interest in a developing gold resource on the Golden Hill property, Burkina Faso, subject to an Earn-in Agreement with Teranga Gold Corporation. We are excited to see that Golden Hill is shaping up to be the next mid-tier gold producer in West Africa in one of the most prospective gold belts in the world.

I would like to thank our Managing Director, Duncan Craib, and the team for a great year's effort, and to thank all of our existing and new shareholders for their ongoing support. We look forward to a bright new year ahead where we strive towards the recommencement of production at Honeymoon.

Yours sincerely,

Mark Hohnen
Chairman

Review of Operations

HONEYMOON URANIUM PROJECT, SOUTH AUSTRALIA

The Honeymoon Uranium Project is situated approximately 80km north-west from the town of Broken Hill near the South Australia / New South Wales border. The Project covers 2,600 km^2 of prospective land tenure consisting of one granted Mining Lease, five granted Exploration Licenses, three Retention Leases and two Miscellaneous Purpose Licenses.

HIGHLIGHTS OF HONEYMOON

- Few uranium projects ready to participate in the early stages of a new bull market
- Located in South Australia, the premier Australian uranium jurisdiction
- Fully permitted uranium operation with annual uranium export licence of 3.3M lbs
- Heritage and Native Title mining agreements in place
- JORC Resource of 63.3M lb U_3O_8
- Significant resource expansion upside in excess of 100M lbs
- $170M of established infrastructure - power, roads, airstrip, camp and water - that has history of uranium production and exportation
- Plant under care and maintenance in good condition
- Solvent Exchange (SX) plant can be fast tracked into production in just 9 - 12 months
- Increased production through addition of an Ion Exchange (IX) plant in 24 months
- CAPEX debt mandate for up to US$65M with Tribeca

Honeymoon comprises two main resource areas:

The Eastern Region (EL 6081 and 5621) which hosts the Honeymoon, Brooks Dam and East Kalkaroo Deposits (all on the existing Mining Licence); and

The Western Region (EL 6020, 5623 and 5622) which hosts the Gould's Dam and Billeroo Deposits

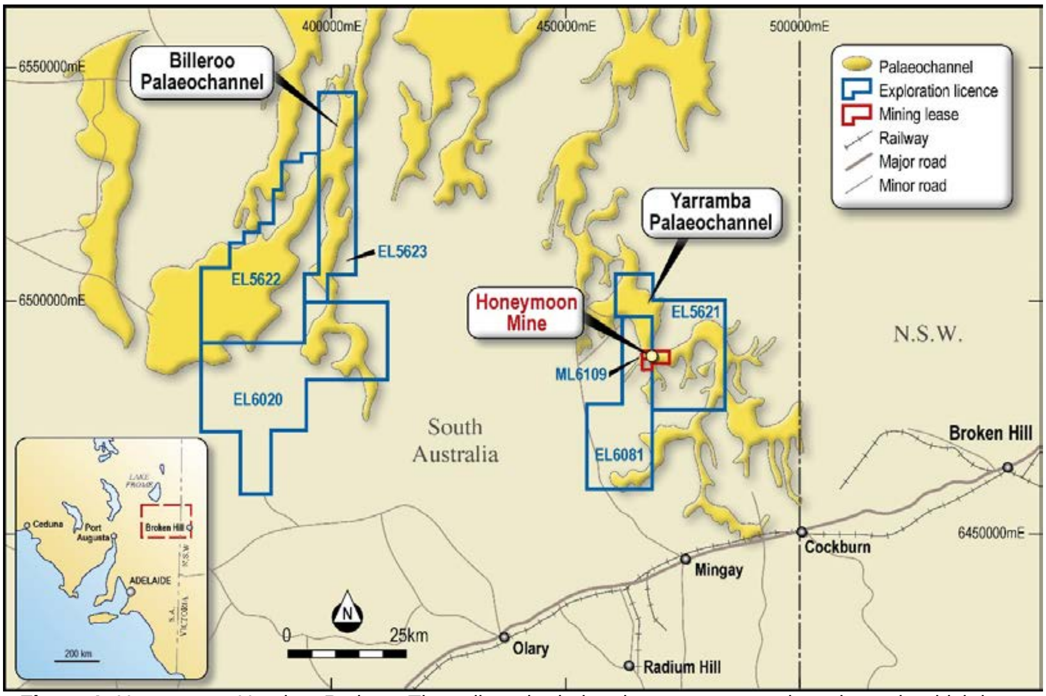


Figure 1: Honeymoon Uranium Project. The yellow shaded regions represent palaeochannels which have potential to host uranium mineralisation and are the focus of exploration efforts.

HONEYMOON RE-START STRATEGY

As announced post period, Phase 1 of the Re-start Strategy is currently underway and the Company anticipates Phase 2 to commence early in 2019 with Phase 3 following later in the year.

On completion of the three-phase strategy, Boss will be in a position to proceed to mine, assuming a specified global uranium price has been achieved to satisfy the targeted IRR and NPV return to maximise shareholder value. Being an ISR mine in combination with IX production, the Honeymoon Uranium Project will operate in the lowest cost quartile of world-wide producers.

The re-start strategy is categorised into three key phases:

Phase 1: The generation of the final input data required for the Definitive Feasibility Study (DFS) including the drilling program to deliver the measured and indicated resource, an optimisation program to deliver further cost savings and/or process improvements and a preliminary execution plan, updated cost estimate and schedule for the re-start of the existing solvent extraction (SX) plant.

Phase 2: The second phase comprises the DFS and permitting updates.

Phase 3: The third phase covers the detailed execution planning, operational readiness inclusive of the SX plant recommissioning plan, in conjunction with the ion exchange plant detailed design.

RE-START PHASE 1

Drilling Program

Phase 1 drilling will be conducted in two parts comprising infill and step-out exploratory drilling.

The infill drilling campaign commenced in July 2018 and is currently running ahead of schedule, with more than half of the planned 200-hole infill program now finished.

Boss's geological team has achieved over 96% mineralisation intersection success rate to date, with the campaign designed to infill existing drill holes based on the expected locations of the uranium roll fronts in the current Mineral Resource area.

The aim of the infill program is to upgrade the existing Mineral Resources by:

- converting the Inferred Resources to Indicated category;
- upgrading a portion of the Indicated Resources to Measured category, with the ultimate purpose of converting Indicated and Measured Resources to Ore Reserves.

The Eastern Region, targeting defined areas of the resource as well as areas extensional to the Brooks Dam and East Kalkaroo Deposits, was specifically chosen for the infill drilling program as it is situated within the existing, fully-permitted Honeymoon Mining Licence and lies within close proximity of the existing processing plant infrastructure at the main Honeymoon Uranium Mine. No further permitting is required to extract resources within this area and, accordingly, the initial wellfield operations will be conducted in this area to supply production during the early years of operation.

On 2 August 2018, the Company announced the results of the 1st tranche of 50 holes (of a 200 mud rotary drill hole program) had returned exceptional results including a single drill result of **grade x thickness (GT) of 70,300m.ppm, of 9.5metres width at a grade of 7,400 ppm pU_3O_8.**

On 27 August 2018, the Company further announced the results of the 2nd tranche of 50 holes, showing a continuation of intersecting uranium mineralisation. Results from both the 1st and 2nd tranches of drilling not only confirm and validate the intercepts reported from the historic drilling, but also prove that mineralisation of significant grade and thickness is continuous along the strike of the deposit, and still remains open on the northern and southern boundaries of the currently delineated Mineral Resource area.

The compiled dataset formed from the collective results of the various tools is creating the most advanced modelling to date for mineral delineation on the Honeymoon Project and will be an invaluable component in optimising the design and development of the final wellfields in the next stage of the DFS. Data gathered from these tools is used in the interpretation and understanding of the deposit-specific geology and mineralisation models

Each rotary mud hole is logged with a suite of downhole geophysical tools consisting of gamma, prompt fission neutron (PFN), nuclear magnetic resonance (NMR), resistivity, induction, neutron porosity, self-potential conductivity, caliper and magnetic deviation.

Additionally, drill chips collected for geological logging are analysed with a handheld XRF (x-ray fluorescence) spectrometer to qualitatively measure sulphide and iron contents within the host sediments. .

In preparation for the subsequent wellfield design, the probing of holes with the NMR tool will provide useful information about the hydrological properties of the measured material, including total porosity, relative pore size distribution and estimated hydraulic conductivity.

Assisting Boss for the infill drilling programs are South Australian geologists (GroundWater Science) and drilling contractors (Watsons Drilling) who have extensive past experience with the Honeymoon deposit. Boss has also enlisted West Australian geophysical contractors (Wireline Services) who have global credentials in uranium and geophysical logging. Boss is using its own PFN tools and natural gamma tools which will enable estimated (p)U_3O_8 grades to be determined directly after drilling.

As part of the Company's QA/QC procedures, an independent expert will be engaged to review both the calibration data and the resulting pU_3O_8 grade data prior to determining the revised Mineral Resource Estimate.

At the conclusion of the infill drilling campaign a revised Wellfield Design Criteria will be applied over the determined Mineral Resource Estimate to determine the optimal size and shape of a practical mineable resource for the Honeymoon Uranium Mine. The design methodology will be based on an Economic Grade Model (or GT model) and on the resource block model, by using first principles to determine the minimum grade x thickness that can be economically mined. A minimum GT of 650m.ppm has been defined for an individual well, which should ensure sufficient pounds under leach to meet the required production target in any period.

The step-out exploratory drilling comprises step-out exploration drilling is designed to define areas of likely extension following up on previously identified zones of high grade uranium mineralisation to the immediate northeast of the East Kalkaroo Deposit. The objective of this phase of drilling is to prove the continuation of the high-grade mineralisation and add to the Inferred Resource category of the current Mineral Resource.

Optimisation Program

Ion Exchange

The piloting of the ion exchange process as part of the highly successful Field Leach Trial plant showed that there may be some opportunity to improve the uranium tenors in the eluate with alternative eluant solutions or elution strategies. A program of testwork is therefore being undertaken to investigate these alternatives to determine if an improved elution process can be identified. This work will be carried out by ANSTO Minerals.

Nano-filtration

The Pre-feasibility Study (PFS) assumed the incorporation of nano-filtration technology on the IX eluate stream. This was to recover the eluate reagent (sodium chloride), but also to increase the uranium tenor in the feed liquor to precipitation circuit. The benefits of this technology were primarily seen as a reduction in reagent consumption and therefore operating costs. The PFS assumed general operating parameters but was not specific to the Honeymoon process therefore a program of testwork has been planned to provide data that can be used to more accurately define performance and costs. The testwork will be carried out by ANSTO Minerals with the engineering and costing by the engineering consultant.

Uranium Precipitation

The PFS considered minimal changes to the existing solvent extraction strip and precipitation circuit but would incorporate a new fluidised bed type reactor for the precipitation of the uranium produced from the IX plant, i.e. there would be two precipitation circuits running in parallel. Investigations have shown that it is possible to combine the SX strip liquors with the IX eluates (post nano-filtration) to produce one feed liquor for the precipitation process. The existing batch circuit should have sufficient capacity for the full stream and as such capital cost savings with regard to the second precipitation circuit can be made.

Alternate Leach Oxidant

One of the major findings from the Field Leach Trial was the importance of oxidant and potentially the costs associated with maintaining a high oxidant concentration in the liquor. It is therefore proposed to undertake an investigation into alternative oxidants for the leaching process. Inception Group has a patented process for in-situ oxidant generation which would be ideal for the Honeymoon deposit and a joint testwork program to pursue this further is being considered.

Trade-off Studies

Ion Exchange Columns

The most significant capital cost items in the expanded plant proposed in the PFS are the Ion Exchange columns. NIMCIX columns were selected as the preferred equipment type due to their reduced resin inventory and higher eluate grades. Other ion exchange columns used in the uranium mining industry may also be applicable to Honeymoon and a trade-off study will be conducted to investigate these alternates.

Yellow Cake Dryer Capacity

A thorough assessment of the drying capacity at Honeymoon is to be undertaken. The current set-up has two batch pin dryers, with a shared vacuum and hot oil system with a design throughput of 880klbs per annum. The PFS assumed that incorporating a new vacuum and hot oil system to allow the two dryers to run independently combined with improved yellow cake filtration characteristics (i.e. reduced moisture content) would allow the increased throughput of 2Mlbs per annum to be achieved. Confirmation of the modifications and upgrades that are possible and whether these will allow the expanded production rate to be achieved will be investigated as part of this study.

Re-Start Assessment

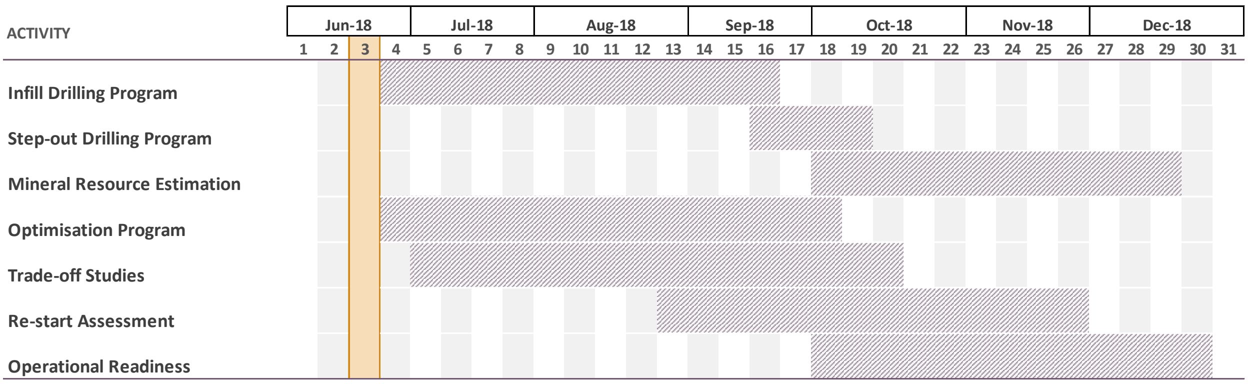
An important component for the Project is the re-start of the existing solvent extraction processing plant at Honeymoon. These facilities have been on care and maintenance since the plant shutdown in 2015 with only critical maintenance activities undertaken. A complete assessment of the current state of the plant is required to determine the refurbishment or replacement costs for valves, piping, pumps, instrumentation etc. An engineering study will be undertaken to determine the scope, timing and updated cost estimate for the re-start scope.

Operational Readiness

Work will be undertaken on developing the first pass of an operational readiness plan which will cover what the Company needs to do at both a corporate and operational level to be ready to execute and re-start operations.

Re-Start Phase 1 Schedule

The drilling program and optimisation / trade-off studies commenced in July 2018. The review of the mineral resource estimate will run off the backend of the drill program, while the preliminary restart and operational readiness programs will overlap with the last stages of the studies.



Estimated dates for the main deliverables are as follows:

- Drilling program to be completed by mid-October
- Mineral Resource Estimate update by mid-December
- Optimisation work programs to be completed by early October
- Trade-off Studies to be completed by early October
- Preliminary Re-Start assessment delivered by beginning December
- Preliminary Operational Readiness plan delivered by beginning December

HONEYMOON SITE VISITS

In June and July 2018, Boss hosted investor site visits to Honeymoon where the Company demonstrated both the established infrastructure at the Project and a detailed explanation of work programs required to bring Honeymoon back into production.

URANIUM MARKET OVERVIEW

Boss remains confident that despite being a buyer's market, there are positive signs of upward price movement in the spot and term markets. Demand is growing especially in China, India and Russia, and emerging nuclear nations such as Saudi Arabia and more reactors restarting in Japan. Even prior to the recent cutback in uranium production in Canada, Kazakhstan and Africa due to unsustainably low prices, industry forecasts showed a need for new uranium production in the early to mid 2020s; cutbacks to world production have brought that deadline forward. To bring existing production back on line and encourage development of new production in time to meet demand prices will have to rise significantly several years prior to when production is needed. There are clear signs that the market is tightening.

Boss has a clear price objective to maximise returns for shareholders and while it is slightly higher than current market expectations, we are well within the range of expected near term price movements. In a favourable uranium market, the Honeymoon mine can respond very quickly to changing market conditions and catch the upside of the market cycle by operating from operating in the lowest cost quartile worldwide. The existing SX plant is currently on care and maintenance and can reach a production level of around 880,000 lbs per year within a 9-month period and, with the addition of the IX plant, ramp up to 2M lbs per year within 24-months then increasing to 3.2M lbs.

With deliveries under long term contracts typically commencing around 18 months to 2 years after the contracts are signed, Boss has the significant advantage of signing term agreements for supply in parallel with taking the decision to move forward with production. This is a particularly beneficial and unique for a new producer as in many instances production may start several years after the decision to produce is taken and market conditions may have changed significantly.

BURKINA FASO GOLD ASSETS

Boss currently holds a 49% interest in joint venture with Teranga Gold Corporation (Teranga) over the Golden Hill and Gourma Gold Projects located in Burkina Faso, West Africa.

Teranga manages the joint venture and is funding all exploration on the projects up to the completion of a DFS and decision to mine. On delivery of the DFS, Teranga's interest in the joint venture will increase to 70% and they retain the rights to acquire an additional 10% in the joint venture for $2.5 million. Upon completion of the DFS but prior to a decision to mine, Boss may elect to convert the remainder of their interest to a 1.5% net smelter return, otherwise Boss shall be free carried to a decision to mine and will then be required to contribute on a pro rata basis.

During the year, Boss made several announcements confirming the developing significant gold resource at Golden Hill, and importantly, the trend of near surface and deeper high-grade intersections continues. Confirmation is further complemented by Teranga's exploration approach of diamond drilling with very close spaced drilling patterns. The solid results, combined with a renewed interest in the West African gold sector, has resulted in Boss being approached regarding the potential divestment of its interest in the joint venture. Boss continues to evaluate opportunities to divest for the best interests of shareholders.

Golden Hill

Golden Hill is emerging as one of the most exciting gold projects in West Africa and continuing high grade gold intercepts further increase confidence that this project may represent Teranga's next multi-asset, mid-tier gold producer in West Africa.

The property consists of three adjacent exploration permits covering 468km^2 located in the southwest Burkina Faso, approximately 200km northeast of Teranga's Banfora gold project. Golden Hill is considered particularly prospective as it is located within the central part of the highly mineralized Houndé Greenstone Belt. This belt hosts a number of high-grade gold discoveries, including the Siou, Yaramoko and Houndé deposits, the latter property being contiguous with Golden Hill. To the south of Golden Hill is another large land position where active exploration programs are well underway. Golden Hill straddles the same stratigraphy and structures that host these deposits.

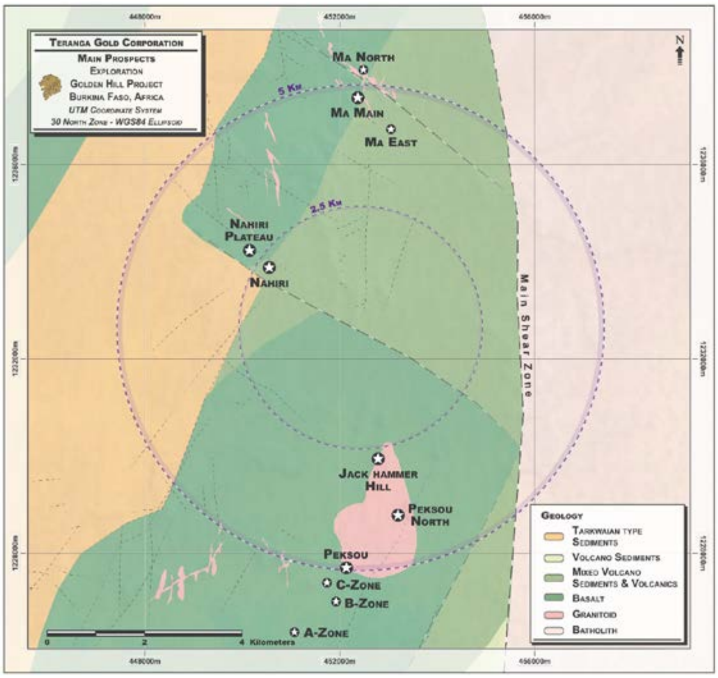


Figure 2: Golden Hill Property – Prospect Location Plan Map.

Teranga committed $8 million in Golden Hill drill programs in 2018 and drilling activity has rapidly advanced. The number of prospects at Golden Hill now stands at nine, a twofold increase from one year ago. Teranga plans to release an initial resource for the project's most advanced prospects by year end. Preliminary metallurgical test work programs are underway and base line environmental studies are planned for later this year.

Teranga has secured $25 million for future advancement of its Golden Hill project to feasibility study.

To date Golden Hill has produced a series of high-grade, near-surface drill results at the first five prospects comprising Ma, Jackhammer Hill, Peksou, C-Zone and Nahiri.

The close proximity of these targets and prospects lends itself to a central mill/multi-deposit operation and all are located approximately 5 kilometres from a central point.

Gourma

The Gourma property consists of six contiguous exploration permits (Diabatou, Tyara, Foutouri, Boutouanou, Tyabo and Kankandi) covering a total area of approximately 1,300km^2 in eastern Burkina Faso. Gourma is located within the Fada N'Gourma Greenstone Belt, 250km east of Ouagadougou and only 80km south-southwest of Niger's largest gold deposit, the Samira Hill gold mine. The property includes approximately 60km of a gold-bearing crustal shear that has received very little modern exploration.

CORPORATE ACTIVITY

On 19 March 2018, the Company announced completion of the acquisition of the remaining 20% of the Honeymoon Uranium Project from Mr Grant Davey (through his controlled entities) in consideration for 300,000,000 new fully paid ordinary shares in the Company. The majority of these shares were subject to voluntary escrow for a period of 12 months. On 9 August 2018, the Company agreed to lift the escrow restrictions to the extent necessary to permit the transfer of shares to Paradice Investment Management Pty Ltd and Tribeca Investment Partners, however the escrow provisions remain in place in respect of the balance of the consideration shares held by Mr Davey.

In March 2018, the Company completed an $8 million capital raise (200 million new ordinary shares at $0.04 per share), with funds to be used to advance the DFS at Honeymoon, including further mineral exploration activities.

At the same time, the Company announced that it had mandated Tribeca Investment Partners to arrange project finance facilities to fund Honeymoon development and restart up to US$65 million.

In August 2017, $3 million (before costs) was raised at a placement of 60 million ordinary shares at an issue price of $0.05 per share. This placement was made to an institutional investor for the payment of a promissory note due to the vendor of the Honeymoon Project, and for general working capital.

Mineral Resource Statement

The following information is provided in accordance with Listing Rule 5.21.

Mineral Resource Estimation Governance Statement

Boss Resources Ltd ensures that the Mineral Resource estimates are subject to appropriate levels of governance and internal controls. The Mineral Resources have been generated by employees and consultants of the Company who are experienced in best practices in modelling and estimation methods and have undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimations. The Mineral Resource estimates follow standard industry methodology using geological interpretation and assay results from samples won through drilling.

Boss reports its Mineral Resources in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code) (2012 Edition). Competent Persons named by the Company qualify as Competent Persons as defined in the JORC Code.

The tables below set out Mineral Resources for 2017 and 2018 for the Honeymoon Uranium Project in South Australia. The Company notes that there is no change between the reporting periods.

Honeymoon Project Mineral Resource at 30 June 2017 and 30 June 2018

Lower cut-off of 250 ppm U_3O_8

Classification	Million tonnes	eU3O8 (ppm)	Contained metal (U_3O_8, K t)	Contained metal (U_3O_8, M lb)
		Jasons Deposit		
Inferred	6.2	790	4.9	10.7
TOTAL	**6.2**	**790**	**4.9**	**10.7**
		Goulds Dam		
Indicated	4.4	650	2.9	6.3
Inferred	17.7	480	8.5	18.7
TOTAL	**22.1**	**510**	**11.3**	**25.0**
		Honeymoon		
Measured	1.7	1720	3.0	6.5
Indicated	1.5	1270	1.9	4.2
Inferred	12.0	640	7.6	16.8
TOTAL	**15.2**	**820**	**12.5**	**27.6**

Competent Person's Statement

The information in this report that relates to Exploration Results for the Honeymoon Project is based on and fairly represents information compiled by Dr M. Abzalov, who is a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM). He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Dr M. Abzalov serves on the Technical Committee of Boss Resources Ltd. Dr M. Abzalov consents to the inclusion in the report of the matters based on their information in the form and context in which it appears. This information was initially reported to the ASX on 15 March 2017, 2 August 2018 and 27 August 2018 and has not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Directors' Report

Your Directors present their report on the Group for the year ended 30 June 2018.

Directors

The names of the Directors in office at any time during or since the end of the year are set out below. Directors were in office for the entire period unless otherwise stated.

Mr Mark Hohnen (Chairman)

Mr Duncan Craib (appointed 1 August 2017)

Dr Marat Abzalov (resigned 1 August 2017)

Mr Evan Cranston

Mr Grant Davey

Mr Peter Williams

Information on Current Directors

Mr Mark Hohnen **Non-Executive Chairman**
Appointed 26 April 2016

Mr Hohnen has been involved in the mineral business since the late 1970s and has had extensive international business experience in a wide range of industries including mining and exploration, property, investment, software and agriculture. He is an experienced director having held a number of directorships in both public and private companies.

Mr. Hohnen was founding Executive Chairman of Kalahari Minerals Plc, a company founded in 2005 to explore for uranium and base metals in Namibia. Kalahari also held a 43% interest in Extract Resources Ltd; which was the subject of a CGN corporate transaction in 2012 valued at US$2.2 billion for its majority shareholding in the world class Husab uranium mine in Namibia, one of the largest mining and processing uranium projects in the world.

Mr Hohnen is a Non-Executive Director of ASX-listed Rift Valley Resources Limited (August 2017 – present). During the three year period to the end of the financial year, Mr Hohnen has held a directorship with Salt Lake Potash Limited (February 2010 – December 2017).

Mr Duncan Craib **Managing Director**
Appointed 1 August 2017

Mr Craib joined the Company on 9 January 2017 as Chief Executive Officer and was Managing Director on 1 August 2017.

Prior to commencing with Boss Resources, Mr Craib served as Finance Director to Swakop Uranium (Pty) Ltd and was heavily involved in the US$2.5 billion development and construction of its world class Husab uranium mine in Namibia. Its principal shareholder, China General Nuclear Power Corporation (CGN), is the largest nuclear power operator in China and largest nuclear power constructor world-wide. Husab is currently being commissioned and once in production will be one of the largest mining and processing uranium projects in the world, mining 150 Mt on an annual basis and generating 15 Mt of ore to produce 15 Mlbs of uranium oxide.

During the three year period to the end of the financial year, Mr Craib held no directorships with ASX listed companies.

Mr Evan Cranston **Non-Executive Director**
Appointed 2 May 2012

Mr Cranston is an experienced mining executive with a background in corporate and mining law. He is the principal of corporate advisory and administration firm Konkera Corporate and has extensive experience in the areas of equity capital markets, corporate finance, structuring, asset acquisition, corporate governance and external stakeholder relations. He holds both a Bachelor of Commerce and Bachelor of Laws from the University of Western Australia.

Mr Cranston is Executive Chairman of New Century Resources Limited (October 2012 to present) and Non-Executive Chairman of Carbine Resources Limited (March 2010 to present). During the three year period to the end of the financial year, Mr Cranston held directorships with ASX listed companies Clancy Exploration Ltd (October 2014 – December 2017), Primary Gold Limited (March 2016 – November 2017) and Cradle Resources Limited (September 2011 – May 2016).

Mr Grant Davey **Non-Executive Director**
Appointed 12 January 2016

Mr Davey is a mining engineer with over 25 years of senior management and operational experience in the construction and operation of mines in Africa, Australia, South America and Russia. He was previously responsible for the Vaal Reefs South Uranium plant between 2005 and 2008 when it produced up to 6 million pounds of uranium per year and was one of the largest uranium producers in the southern hemisphere at the time.

Mr Davey is a Non-Executive Director of Graphex Mining Limited (March 2016 – present), Cradle Resources Limited (April 2013 – November 2015, July 2017 - present), Matador Mining Limited (July 2018 – present) and Superior Lake Resources Limited (February 2018 – present).

Mr Peter Williams **Non-executive Director**
Appointed 20 August 2013

Mr Williams was formerly Chief Geophysicist and Manager of Geoscience Technology for WMC Resources. He was one of the founding members of Independence Group Limited and developed high powered 3 component 3D TEM applications that lead to the discovery of over 75,000t of nickel at the Victor Long Nickel Mine in Kambalda. Mr Williams also has extensive experience in West Africa where he was the vendor of the Banfora Gold Project, was involved in the project generation of Papillion's Mali projects. He was a co-founder of the International Resource Sector Intelligence company, Intierra and was a co-founder of the first dedicated hard rock mineral seismic company in the world, HiSeis.

Mr Williams is a Non-Executive Director of Superior Lake Resources Limited (February 2018 – present).

Ms Oonagh Malone **Company Secretary**
Appointed 30 November 2012

Ms Malone is a principal of a corporate advisory firm which provides company secretarial and administrative services. She has over 9 years' experience in administrative support roles for listed exploration companies and is a member of the Governance Institute of Australia. She is currently company secretary to ASX-listed companies Bunji Corporation Limited, Carbine Resources Limited, Clancy Exploration Ltd, Hawkstone Mining Limited, Matador Mining Limited and New Century Resources Limited.

Ms Malone is a Non-Executive Director of Hawkstone Mining Limited (February 2015 – present) and Carbine Resources Limited (March 2018 – present).

Meetings of Directors

During the financial year, 6 meetings of Directors were held and 6 circular resolutions signed. Attendances by each Director during the year were as follows:

	Number of meetings eligible to attend	Number of meetings attended
Dr Marat Abzalov	-	-
Mr Duncan Craib	6	6
Mr Evan Cranston	6	6
Mr Grant Davey	6	6
Mr Mark Hohnen	6	6
Mr Peter Williams	6	3

Dividends Paid or Recommended

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

Principal Activities

During the period the Group continued its focus on assessing the Honeymoon Uranium Project's near-term production with substantial exploration upside in underexplored tenements in South Australia, and its gold interests in Burkina Faso (in joint venture with Teranga Gold Corporation).

Operating Results

The loss of the Group for the year ended 30 June 2018 after providing for income tax amounted to $4,685,079 (2017: loss of $6,055,627).

Financial Position

The net assets of the Group are $16,902,764 as at 30 June 2018 (2017: $11,578,724).

Significant Changes in State of Affairs

- On 27 July 2017, Ms Sashi Davies was appointed Strategic and Marketing Adviser to advance the Company's marketing, pricing and sales strategy.
- On 1 August 2017, Mr Duncan Craib was appointed Managing Director and Dr Marat Abzalov resigned from the Board of Directors.
- On 11 August 2017, the Company issued 60,000,000 ordinary shares at $0.05 per share to raise $3,000,000 before costs in a sophisticated investor placement.
- On 19 March 2018, following shareholder resolution, the Company issued 300,000,000 shares at a deemed issued price of $0.042 per share to acquire the remaining 20% vendor interest in the Honeymoon Uranium Project.
- On 4 April 2018, the Company issued 200,000,000 ordinary shares at $0.04 per share to raise $8,000,000 before costs in a sophisticated investor placement.

Matters subsequent to end of financial year

On 19 March 2018, the Company announced completion of the acquisition of the remaining 20% of the Honeymoon Uranium Project from Mr Grant Davey (through his controlled Wattle entities) in consideration for 300,000,000 new fully paid ordinary shares in the Company. The majority of these shares were subject to voluntary escrow for a period of 12 months. On 9 August 2018, the Company agreed to lift the escrow restrictions to the extent necessary to permit the transfer of shares to Paradice Investment Management Pty Ltd and Tribeca Investment Partners, however the escrow provisions remain in place in respect of the balance of the consideration shares held by Mr Davey.

On 27 August 2018, the Company issued 10,000,000 ordinary shares on exercise of 10,000,000 share options with an exercise price of $0.02 per share.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the Directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Future Developments, Prospects and Business Strategies

Disclosure of further information regarding likely developments in the operations of the Group in future financial periods and the expected results of those operations is likely to result in unreasonable prejudice of those operations, or that state of affairs of the Group in future financial periods.

Environmental Issues

The Group is aware of its environmental obligations with regards to its exploration and development activities and ensures that it complies with all regulations at all times.

Options

At the date of this report there the following 55,500,000 unquoted share options and no quoted options on issue.

Recipient	Grant date	Vesting date	Number of options	Exercise price	Expiry date
Carbine Resources Limited (ASX: CRB)	1/09/2015	1/09/2015	10,000,000	$0.02	31/08/2018
Mr Duncan Craib	9/01/2017	9/01/2017	10,000,000	$0.065	9/01/2020
Mr Duncan Craib	9/01/2017	9/01/2017	10,000,000	$0.08	9/01/2020
Mr Duncan Craib	9/01/2017	9/01/2017	10,000,000	$0.095	9/01/2020
Ms Oonagh Malone	19/03/2018	19/03/2018	1,000,000	$0.065	19/03/2021
Ms Oonagh Malone	19/03/2018	19/03/2018	1,000,000	$0.080	19/03/2021
Ms Oonagh Malone	19/03/2018	19/03/2018	1,000,000	$0.095	19/03/2021
Other staff	19/03/2018	19/03/2018	2,500,000	$0.065	19/03/2021
Other staff	19/03/2018	19/03/2018	5,000,000	$0.080	19/03/2021
Other staff	19/03/2018	19/03/2018	5,000,000	$0.095	19/03/2021

During the year no unquoted options expired or were exercised.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of these proceedings.

The Group was not a party to any such proceedings during the year.

Indemnifying Officers or Auditor

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by them in their capacity as Officer, or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The Company has agreed to pay a premium for Directors and Officers Insurance.

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 24 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2018, as required under section 307C of the Corporations Act 2001, has been received and is included within the financial report.

Officers of the company who are former partners of RSM Australia Partners

There are no officers of the company who are former partners of RSM Australia.

Auditor

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

REMUNERATION REPORT - AUDITED

Remuneration Policy

In determining competitive remuneration rates, the Board seeks independent advice on local and international trends among comparative companies and industry generally.

Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

Performance-based Remuneration

The Board recognises that Boss Resources Limited operates in a global environment. To prosper in this environment it we must attract, motivate and retain key executive staff.

The principles supporting the remuneration policy are that:

- reward reflects the competitive global market in which the Group operates;
- rewards to executives are linked to creating value for shareholders;
- remuneration arrangements are equitable and facilitate the development of senior management across the Group; and
- where appropriate, senior managers receive a component of their remuneration in equity to align their interests with those of the shareholders.
- long term incentives are used to ensure that remuneration of key management personnel reflects the Group's financial performance, with particular emphasis on the Group's earnings and the consequence of the Group's performance on shareholder wealth.

REMUNERATION REPORT – AUDITED (continued)

Additional Information for Consideration of Shareholder Wealth

This table summarises the earnings of the Group and other factors that are considered to affect shareholder wealth for the five years to 30 June 2018.

	2018	2017	2016	2015	2014
Loss after income tax attributable to shareholders ($)	(4,685,079)	(6,055,627)	(2,675,940)	(1,101,779)	(2,125,287)
Share price at financial year end ($)	0.073	0.048	0.041	0.0184	0.026
Movement in share price for the year ($)	0.025	0.007	0.0226	(0.076)	0.02
Total dividends declared (cents per share)	-	-	-	-	-
Returns of capital (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.39)	(0.64)	(0.36)	(0.20)	(0.44)

Market Comparisons

Consistent with attracting and retaining talented executives, the Board endorses the use of incentive and bonus payments. The Board continues to seek external advice to ensure reasonableness in remuneration scale and structure, and to compare the Group's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the Board to reward key employees when they deliver consistently high performance.

Board Remuneration

The Board determines actual payments to Directors and reviews their remuneration annually based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of directors. A review of Directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

Directors' Fees

Executive

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders.

The Board ensures that executive reward satisfies the following key criteria for good reward corporate governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

REMUNERATION REPORT – AUDITED (continued)

Directors' Fees (continued)

Executive (continued)

The Group has structured an executive framework that is market competitive and complementary to the reward strategy for the organisation.

The Board's policy for determining the nature and amount of remuneration for Board members and executives of the Group is as follows:

- The remuneration policy, setting the terms and conditions for executive directors and executives, was developed and approved by the Board. All executives receive a fee, part of which may be taken as superannuation, and from time to time, options. Options issued to Directors are subject to approval by Shareholders. The Board reviews executive packages regularly by reference to the Group's performance, executives' performance and comparable information from industry sectors and other listed companies in similar industries. The Board may in its discretion establish a performance based bonus system to provide reward in addition to the base salary level to the executives on such terms as the Board may determine.
- Salaried executive directors and specified executives are allocated superannuation guarantee contributions as required by law, and do not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.
- All remuneration paid to directors and specified executives is valued at the cost to the Company and expensed. Options are valued using either the ASX trading price (for listed options issued) or the Black-Scholes methodology (for unlisted options issued).

Voting and comments made at the Company's 2017 Annual General Meeting (AGM)

At the 2017 AGM, 99.5% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2017. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Service Agreements

A summary of service agreements with Executives effective during the year is set out below:

Executive	Term of Agreement	Base salary per annum including any superannuation* (Non-performance based)	Termination Conditions	Proportion of elements of remuneration related to performance
Dr Marat Abzalov	No specified term	$120,000	1 month notice period	25%
Mr Duncan Craib*	No specified term	$300,000	3 month notice period	9%

* Base salary quoted is the position as at 30 June 2018; salaries are reviewed annually.

Managing Director, Mr Duncan Craib, commenced employment as Chief Executive Officer on 9 January 2017 and was subsequently appointed Managing Director on 1 August 2017. The terms of his remuneration during the year are as follows:

- A base salary of $250,000pa inclusive of statutory superannuation. This increased to $300,000pa from 1 April 2018.
- A Performance bonus of $32,850 (including superannuation) was paid to Mr Craib in February 2018 at the discretion of the Board.

REMUNERATION REPORT – AUDITED (continued)

- Unquoted Options under the Employee Share Option Plan were issued on 9 January 2017 with an expiry date of 3 years following issue and exercisable as follows:
  - 10,000,000 options exercisable at $0.065 each;
  - 10,000,000 options exercisable at $0.080 each; and
  - 10,000,000 options exercisable at $0.095 each.
- A termination period of 3 months.

Dr Abzalov resigned as a Director on 1 August 2018 and consequently ceased being a Key Management Person on that date. He remained employed under his previous service agreement until 31 December 2017. Since then he has been engaged as a consultant with a total of $16,000 in consulting fees invoiced to 30 June 2018. On 19 March 2018 he was issued 2,500,000 options exercisable at $0.080 each and 2,500,000 options exercisable at $0.095 each, and forfeited 6,666,666 performance rights.

Non-Executive Remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors. The maximum aggregate remuneration approved for non-executive directors is currently $300,000.

It is recognised that non-executive director remuneration is ideally structured to exclude equity based remuneration. However, whilst the Company remains small and the full Board, including the Non-Executive Directors, are included in the operations of the Company more intimately than may be the case with larger companies, the Non-Executive Directors are entitled to participate in equity based remuneration schemes.

An annual fee of $100,000, plus compulsory superannuation, is payable to Mr Hohnen for his services. 18,000,000 Performance Rights were approved by shareholders on 16 August 2016 and issued to him on 25 August 2016. On 2 June 2017, upon completion of 12 months service with the Company 2,000,000 Performance Rights were vested and converted to ordinary shares. The remaining Performance Rights expire 5 years from their issue date on 25 August 2021, and each will vest and convert into one ordinary share with no further consideration on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 2 Performance Rights	Completion of 24 months service with the Company. On 27 April 2018 2,000,000 shares were issued after these Performance Rights vested and were converted.	2,000,000
Tranche 3 Performance Rights	Facilitation and completion of a capital raising by the Company for an amount not less than $5 million.	3,000,000
Tranche 4 Performance Rights	When the closing price of the Company's shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,000,000
Tranche 5 Performance Rights	ASX announcement confirming the successful raise of the capital expenditure required for the expanded plant construction as contemplated by a Board approved definitive feasibility study.	8,000,000

These Performance Rights were valued at their issue dates at $1,038,000. An expense of $183,215 was recognised during 2018 (2017: $452,187) as these Performance Rights are expensed over expected vesting periods.

All Directors are entitled to have their indemnity insurance paid by the Company.

REMUNERATION REPORT – AUDITED (continued)

Bonus or Profit Participation Plan

Performance incentives may be offered to executive directors and senior management of the Group through the operation of a bonus or profit participation plan at the ultimate discretion of the Board.

Details of Remuneration for Year Ended 30 June 2018

The key management personnel of the group consist of all Directors and the company secretary.

	Short-term benefits			Post-employment benefits	Share-based payments	
	Salary, Fees and Commissions	Short term bonus	Non-cash Benefits	Super-annuation Contribution	Equity settled options/ shares	Total
	$	$	$	$	$	$
Key Management Person						
Dr Marat Abzalov *	9132	-	-	868	3,386	13,386
Mr Duncan Craib **	260,862	30,000	-	27,707	-	318,569
Mr Evan Cranston	50,000	-	-	-	-	50,000
Mr Grant Davey	50,000	-	-	-	-	50,000
Mr Mark Hohnen	109,500	-	-	-	183,215	292,715
Ms Oonagh Malone	36,000	-	-	-	35,120	71,120
Mr Peter Williams	50,000	-	-	-	115,873	165,873
	565,494	30,000	-	28,575	337,594	961,663

* Dr Marat Abzalov resigned as a non-executive director and ceased being key management personnel on 1 August 2017. Only his remuneration to 1 August 2017 is included here.
** Mr Duncan Craib was appointed as Managing Director on 1 August 2017

Details of Remuneration for Year Ended 30 June 2017

	Short-term benefits			Post-employment benefits	Share-based payments	
	Salary, Fees and Commissions	Short term bonus	Non-cash Benefits	Super-annuation Contribution	Equity settled options/ shares	Total
	$	$	$	$	$	$
Key Management Personnel						
Dr Marat Abzalov	109,589	-	-	10,411	81,005	201,005
Mr Duncan Craib	118,804	-	-	10,455	930,500	1,059,759
Mr Evan Cranston	50,000	-	-	-	-	50,000
Mr Grant Davey	217,500	-	-	-	-	217,500
Mr Mark Hohnen	109,500	-	-	-	452,187	561,687
Ms Oonagh Malone	36,000	-	-	-	-	36,000
Mr Peter Williams	49,997	-	-	-	225,900	275,897
	691,390	-	-	20,866	1,689,592	2,401,848

REMUNERATION REPORT – AUDITED (continued)

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk – Short Term Incentive		At risk – Long Term incentive	
	2018	2017	2018	2017	2018	2017
Key Management Personnel						
Dr Marat Abzalov	75%	60%	-	-	25%	40%
Mr Duncan Craib	91%	12%	9%	-	-	88%
Mr Evan Cranston	100%	100%	-	-	-	-
Mr Grant Davey	100%	100%	-	-	-	-
Mr Mark Hohnen	37%	19%	-	-	63%	81%
Ms Oonagh Malone	51%	100%	-	-	49%	-
Mr Peter Williams	30%	18%	-	-	70%	82%
	62%	30%	3%	-	35%	70%

Cash bonuses may be payable to the Managing Director. The amount of any such cash bonus is considered by the Remuneration Committee based on based on achievement of various performance criteria, then brought to the Board for approval, while the Managing Director is absent. The $30,000 cash bonus was paid on 28 February 2018 following Board resolution and achievement of service and performance criteria, along with $2,850 of associated superannuation. There was no alternation of the terms of this cash bonus. This cash bonus was fully paid and vested during 2018, with no proportion forfeited or related to future years. None of this cash bonus will be payable in future years.

Performance Rights

On 28 November 2014, shareholders approved the issue of 30,000,000 Performance Rights to Mr Williams and 9,999,999 Performance Rights to Dr Abzalov. These Performance Rights were issued on 17 November 2015, and due to expire 5 years from their issue date on 17 November 2020. On meeting vesting conditions, the Performance Rights will each convert into one ordinary share with no further consideration.

The Board considers that the Performance Rights are a cost effective and efficient reward for the Company to make to appropriately incentivise the continued performance of the management, and are consistent with the strategic goals and targets of the Company.

The Performance Rights issued to Mr Williams will vest on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	When the closing price of the Company's shares on ASX is at $0.075 for 20 consecutive ASX trading days.	10,000,000
Tranche 2 Performance Rights	Announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000
Tranche 3 Performance Rights	Announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000

REMUNERATION REPORT – AUDITED (continued)

Shares issued as part of remuneration

No shares were issued to key management personnel during the financial year as part of remuneration.

Options Issued as Part of Remuneration

3,000,000 Options were issued to Ms Oonagh Malone as remuneration during the year. These Options were granted with nil additional consideration and no vesting conditions on 19 March 2018. These Options fully vested on 19 March 2018, and had the following parameters:

Key Management Personnel	Grant date	Number granted	Exercise price ($)	Value per option ($)	Value of options granted ($)	Vesting date	Expiry date
Ms Oonagh Malone	19/03/2018	1,000,000	0.065	0.0333	13,800	19/03/2018	19/03/2021
Ms Oonagh Malone	19/03/2018	1,000,000	0.080	0.0309	11,530	19/03/2018	19/03/2021
Ms Oonagh Malone	19/03/2018	1,000,000	0.095	0.0288	9,790	19/03/2018	19/03/2021

Details of all Options held by key management personnel of the Group, at the date of this report are shown below.

Key Management Personnel	Grant date	Number granted	Value of options granted ($)	Vesting date	Expiry date	Vested %
Mr Duncan Craib	9/01/2017	10,000,000	333,200	9/01/2017	9/01/2020	100
Mr Duncan Craib	9/01/2017	10,000,000	308,900	9/01/2017	9/01/2020	100
Mr Duncan Craib	9/01/2017	10,000,000	288,400	9/01/2017	9/01/2020	100
Ms Oonagh Malone	19/03/2018	1,000,000	13,800	19/03/2018	19/03/2021	100
Ms Oonagh Malone	19/03/2018	1,000,000	11,530	19/03/2018	19/03/2021	100
Ms Oonagh Malone	19/03/2018	1,000,000	9,790	19/03/2018	19/03/2021	100

No options issued to key management personnel were exercised or lapsed during the financial year.

Additional Disclosures Relating to Key Management Personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

2018 Ordinary Shares	Balance at the start of the year	Received as part of remuneration	Performance Rights vested	Options Exercised	Net changes other	Balance at the end of the year
Dr Marat Abzalov *	3,058,698	-	-	-	-	3,058,698
Mr Duncan Craib **	2,500,000	-	-	-	-	2,500,000
Mr Evan Cranston	6,666,667	-	-	-	-	6,666,667
Mr Grant Davey	11,483,333	-	-	-	300,000,000	311,483,333
Mr Mark Hohnen	18,666,667	-	2,000,000	-	-	20,666,667
Ms Oonagh Malone	30,000	-	-	-	-	30,000
Mr Peter Williams	32,505,979	-	-	-	-	32,505,979
	74,911,344	-	2,000,000	-	300,000,000	376,911,344

* Dr Marat Abzalov resigned as a non-executive director on 1 August 2017
** Mr Duncan Craib was appointed as Managing Director on 1 August 2017

REMUNERATION REPORT – AUDITED (continued)

Option holding

The number of Options held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2018 **Options over ordinary shares**	**Balance at the start of the year**	**Granted**	**Exercised**	**Expired/ forfeited/ other**	**Balance at the end of the year**
Dr Marat Abzalov *	-	5,000,000	-	-	5,000,000
Mr Duncan Craib **	30,000,000	-	-	-	30,000,000
Mr Evan Cranston	-	-	-	-	-
Mr Grant Davey	-	-	-	-	-
Mr Mark Hohnen	-	-	-	-	-
Ms Oonagh Malone	-	3,000,000	-	-	3,000,000
Mr Peter Williams	-	-	-	-	-
	30,000,000	8,000,000	-	-	38,000,000

Performance Rights

The number of Performance Rights held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2018 **Performance Rights over ordinary shares**	**Balance at the start of the year**	**Granted**	**Converted**	**Expired/ forfeited/ other**	**Balance at the end of the year**
Dr Marat Abzalov	9,999,999	-	-	6,666,666	3,333,333
Mr Duncan Craib	-	-	-	-	-
Mr Evan Cranston	-	-	-	-	-
Mr Grant Davey	-	-	-	-	-
Mr Mark Hohnen	16,000,000	-	2,000,000	-	14,000,000
Ms Oonagh Malone	-	-	-	-	-
Mr Peter Williams	30,000,000	-	-	-	30,000,000
	55,999,999	-	2,000,000	6,666,666	47,333,333

* Dr Marat Abzalov resigned as a non-executive director on 1 August 2017
** Mr Duncan Craib was appointed as Managing Director on 1 August 2017

REMUNERATION REPORT – AUDITED (continued)

Other Transactions with Key Management Personnel and Their Related Parties

Evan Cranston is a director of Konkera Corporate. Konkera Corporate received $120,000 during the year for the provision of administration, bookkeeping and accounting services. At 30 June 2018, the Group had no creditor balances payable to Konkera Corporate.

Wattle Mining Pty Ltd (Wattle) was controlled by Grant Davey before the acquisition of Wattle for 300,000,000 shares, as approved by shareholders at a meeting held on 28 February 2018, and as described in note 19b to the financial statements. These shares have been valued at $0.042 each for a total value of $12,600,000.

All transactions with related parties have been entered into on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

[END OF AUDITED REMUNERATION REPORT]

Signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the Corporations Act

Mark Hohnen
Chairman
DATED at PERTH this 25th day of September 2018

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Boss Resources Limited for the year ended 30 June 2018, 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

TUTU PHONG
Partner

Perth, WA
Dated: 25 September 2018

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RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Statement of Comprehensive Income

For the Year Ended 30 June 2018

	Note	Consolidated 2018 $	2017 $
Revenue	2	258,721	163,106
Other income	2	871,468	-
Employees and consultants	2	(1,102,578)	(2,355,477)
Professional and service fees	2	(839,149)	(272,490)
Financing charges	2	(259,683)	(224,476)
Exploration and evaluation expenditure	9	(3,803,888)	(3,904,856)
Gain on/(impairment of) financial assets		20,853	(28,093)
Gain on disposal of plant and equipment		8,517	-
Other expenses	2	(514,216)	(266,217)
Loss before income tax expense		(5,359,955)	(6,888,503)
Income tax expense	3	-	-
Loss after income tax expense		(5,359,955)	(6,888,503)
Attributable to non-controlling interests		(674,876)	(832,876)
Attributable to members of Boss Resources Limited		(4,685,079)	(6,055,627)
Other comprehensive income:		-	-
Items that may be reclassified subsequently to operating result:		-	-
Total other comprehensive income for the year, net of tax		-	-
Total comprehensive (loss) for the year		(5,359,955)	(6,888,503)
Attributable to non-controlling interests		(674,876)	(832,876)
Attributable to members of Boss Resources Limited		(4,685,079)	(6,055,627)
Loss per share attributable to members of Boss Resources Limited			
Basic and diluted (loss) per share (cents per share)	18	(0.39)	(0.64)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2018

	Note	Consolidated 2018 $	2017 $
CURRENT ASSETS			
Cash and cash equivalents	4	6,961,345	4,876,784
Trade and other receivables	5	184,207	216,433
Other assets	6	8,431	-
Total Current Assets		7,153,983	5,093,217
NON-CURRENT ASSETS			
Plant and equipment	7	278,524	421,839
Other financial assets	8	8,999,087	9,095,459
Exploration and evaluation expenditure	9	13,496,388	13,337,810
Total Non-Current Assets		22,773,999	22,855,108
TOTAL ASSETS		29,927,982	27,948,325
CURRENT LIABILITIES			
Trade and other payables	10	488,583	1,015,059
Employee benefits		32,261	8,746
Borrowings	11	-	3,000,000
Total Current Liabilities		520,844	4,023,805
NON-CURRENT LIABILITIES			
Borrowings	11	4,000,000	4,000,000
Provisions	12	8,504,374	8,345,796
Total Non-Current Liabilities		12,504,374	12,345,796
TOTAL LIABILITIES		13,025,218	16,369,601
NET ASSETS		16,902,764	11,578,724
EQUITY			
Issued capital	13	79,081,215	56,209,988
Reserves	14	9,312,312	8,899,544
Accumulated losses	15	(71,490,763)	(52,484,360)
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		16,902,764	12,625,172
Non-controlling interest	16	-	(1,046,448)
TOTAL EQUITY		16,902,764	11,578,724

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2018

Consolidated	Issued Capital	Accumulated Losses	Option Reserve	Non-controlling Interest	Total
	$	$	$	$	$
Balance at 1 July 2017	56,209,988	(52,484,360)	8,899,544	(1,046,448)	11,578,724
Loss for the year after income tax	-	(4,685,079)	-	(674,876)	(5,359,955)
Other comprehensive (loss) for the year, net of tax	-	-	-	-	-
Total comprehensive (loss) for the year	-	(4,685,079)	-	(674,876)	(5,359,955)
Shares issued during the year	11,000,005	-	-	-	11,000,005
Capital raising costs	(728,778)	-	-	-	(728,778)
Share based payments	-	-	412,768	-	412,768
Acquisition of non-controlling interest	12,600,000	(14,321,324)	-	1,721,324	-
Balance at 30 June 2018	79,081,215	(71,490,763)	9,312,312	-	16,902,764
Balance at 1 July 2016	49,138,898	(46,428,733)	7,209,952	(213,572)	9,706,545
Loss for the year after income tax	-	(6,055,627)	-	(832,876)	(6,888,503)
Other comprehensive (loss) for the year, net of tax	-	-	-	-	-
Total comprehensive (loss) for the year	-	(6,055,627)	-	(832,876)	(6,888,503)
Shares issued during the year	7,446,869	-	-	-	7,446,869
Capital raising costs	(375,779)	-	-	-	(375,779)
Share based payments	-	-	1,689,592	-	1,689,592
Balance at 30 June 2017	56,209,988	(52,484,360)	8,899,544	(1,046,448)	11,578,724

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2018

	Note	Consolidated 2018 $	2017 $
		Inflows/ (Outflows)	
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,774,781)	(826,126)
Expenditure on mining interests		(4,545,679)	(3,915,114)
Finance costs		-	(9)
Interest received		179,785	151,660
R&D tax rebate received		871,468	-
Net cash (used in) operating activities	17	(5,269,207)	(4,589,589)
Cash Flows from Investing Activities			
Purchase of plant and equipment		(30,344)	(62,088)
Proceeds on disposal of plant and equipment		30,586	-
Other – security bonds		100,000	(162,300)
Net cash provided by/(used in) investing activities		100,242	(224,388)
Cash Flows from Financing Activities			
Repayment of promissory note		(3,000,000)	-
Proceeds from issue of share capital (net)		10,271,227	7,071,089
Net cash provided by financing activities		7,271,227	7,071,089
Net increase in cash and cash equivalents		2,102,262	2,257,112
Cash and cash equivalents at beginning of the financial year		4,876,784	2,619,672
Exchange differences on cash and cash equivalents		(17,701)	-
Cash and cash equivalents at the end of the financial year	4	6,961,345	4,876,784

The accompanying notes form part of these financial statements

Notes to the Financial Statements
For the Year Ended 30 June 2018

These consolidated financial statements and notes represent those of Boss Resources Limited (the 'Company' or 'parent entity') and Controlled Entities (the "Group" or "consolidated entity"). Boss Resources Limited is a listed public company incorporated and domiciled in Australia.

The separate financial statements of the parent entity, Boss Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*. Supplementary information about the parent entity is disclosed in note 27.

The financial statements were authorised for issue on 25th September 2018 by the Directors of the Company.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS).

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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 within Note 1.

New and Amended Accounting Policies adopted by the Group

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2018. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018. The adoption of this standard would have no effect on the balances of the Group, as presented in this financial report, as no financial instruments held by the Group would be recognised or measured differently under this standard. Future effects of the implementation of this standard will mostly depend on the form of any hedging by the Group.

AASB 15 Revenue from Contracts with Customers
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 July 2018. The adoption of this standard would have no effect on the balances of the Group, as presented in this financial report, as no revenue or potential revenue of the Group would be recognised or measured differently under this standard. Future effects of the implementation of this standard will depend on the wording of relevant contracts.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted (continued)

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Group will adopt this standard from 1 July 2019. The adoption of this standard from 1 July 2017 would have led to recognition of a right-of-use asset for the current office lease, along with recognition of an associated lease liability, but this would only have been recognised to the extent that the office lease is for fixed locations and not charges for operating a serviced office. Future effects of the implementation of this standard will depend on details in future agreements.

Accounting policies

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

Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Boss 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 controlled entities is contained in Note 19.

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.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Principles of consolidation (continued)

When the consolidated entity changes the proportion of ownership of a non-controlling interest, including the acquisition of a minority interest as occurred in March 2018, the difference between the fair value of the consideration paid or received and the adjustment to the balance of the non-controlling interest, is recognised in equity as an adjustment to retained earnings. Such an adjustment to retained earnings does not meet definitions of profit and loss, or other comprehensive income, so is not disclosed in the Statement of Comprehensive Income. Consideration paid or received for a non-controlling interest is valued as at the transaction date, not as at an earlier authorisation or contract date, because it does not meet the definition of a share based payment.

Operating Segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

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 current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve 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 twelve months after the reporting period. All other assets are classified as non-current.

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

Deferred tax assets and liabilities are always classified as non-current.

Cash and Cash Equivalents

Cash on hand and in banks and short term deposits are stated at nominal value. For the purpose of the consolidated statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 90 days, net of outstanding bank overdrafts.

Foreign Currency Translation

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company.

Foreign currency transactions are translated into the functional currency of the parent company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Group's financial statements, all assets, liabilities and transactions of group entities with a functional currency other than AUD (the Group's presentation currency) are translated into AUD upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign Currency Translation (continued)

On consolidation, assets and liabilities have been translated into AUD at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into AUD at the closing rate.

Income Tax

The income tax expense or revenue for the year is the tax payable on the current year’s taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary difference at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probably that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the difference will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

Depreciation

The depreciable amount of all plant and is depreciated on a straight line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	16.67% - 40%.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement profit or loss and other comprehensive income.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and Development Expenditure

For each area of interest, expenditure incurred in the exploration for, and evaluation of, mineral resources are either expensed as incurred or capitalised and recognised as an exploration and evaluation asset.

Exploration, evaluation and development expenditure capitalised 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 in the year in which the decision to abandon the area is made.

Where permits for capitalised areas of interest are not held directly by the Group, the Group has enforceable current rights to the capitalised areas of interest.

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. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Leases

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor are changes as expenses in the periods in which they are incurred.

Trade and Other Payables

Trade payables and other accounts are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

Trade and Other Receivables

Trade account receivable, amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest less, where applicable, any unearned income and provision for doubtful accounts.

Revenue

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Research and development tax offset revenue is recognised when it is received or when the right to receive payment is established. Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised using the effective interest rate methods, which, for floating rate financial assets, is the rate inherent in the instrument.

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

Goods and Services Tax

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

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of any asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash generating units).

Share-Based Payment Transactions

The Company provides benefits to key management personnel of the Group in the form of share-based payments, whereby the key management personnel render services in exchange for shares or rights over shares (equity settled transactions). The Company does not provide cash settled share based payments.

The cost of equity settled transactions with key management personnel are measured by reference to the fair value of the equity instruments at the date at which they are granted.

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

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised for the period.

No cumulative expense is recognised for awards that ultimately do not vest (in respect of non-market vesting conditions).

Comparative figures

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

Provisions

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

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Boss Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Provision for restoration

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount may be capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location. The capitalised cost is amortised over the life of the project and the provision is accredited periodically as the discounting of the liability unwinds. The unwinding of the discount is recorded as interest expense. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs are determined on the basis that restoration will be completed within one year of abandoning a site.

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. Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Critical Accounting 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 year are discussed below.

Capitalised Exploration and Evaluation Expenditure

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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Critical Accounting Estimates and Assumptions (continued)

Share based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Restoration provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision. For 2018, management’s best estimate of the present value of future rehabilitation costs for the Honeymoon project was reduced following information provided by the South Australian government regarding the rehabilitation bond required.

	Consolidated 2018 $	Consolidated 2017 $
NOTE 2: SIGNIFICANT INCOMES AND EXPENDITURES		
Revenue		
Interest revenue	258,721	163,106
	258,721	**163,106**
Other income		
R&D tax rebate received during the year that does not meet the definition of an income tax benefit	871,468	-
	871,468	**-**
Employees and consultants		
Superannuation	(27,908)	(21,625)
Share based payments expense	(412,768)	(1,689,592)
Other employee and consultant charges	(661,902)	(644,260)
	(1,102,578)	**(2,355,477)**
Financing charges		
Bank fees including guarantee fees	(154,541)	(154,467)
Interest on promissory notes	(105,142)	(70,000)
Other interest expense	-	(9)
	(259,683)	**(224,476)**
Professional and service fees		
Tax accounting	(113,705)	(3,648)
Legal fees	(140,822)	(65,556)
Audit fees	(38,500)	(34,265)
Travel and accommodation	(88,783)	(49,092)
Regulatory fees	(54,963)	(44,362)
Office rent	(82,671)	(60,000)
Other professional and service fees	(319,705)	(15,567)
	(839,149)	**(272,490)**
Other expenses		
Depreciation	(121,519)	(106,809)
Stamp duty	(209,770)	-
Other expenses	(182,927)	(119,408)
	(514,216)	**(226,217)**

	Consolidated 2018 $	Consolidated 2017 $

NOTE 3: INCOME TAX EXPENSE

a. Income tax expense

	2018 $	2017 $
Current tax	-	-
Deferred tax	-	-
Under/(over) provision in respect of prior years	-	-
	-	**-**

b. Numerical reconciliation of income tax benefit to prima facie tax payable

	2018 $	2017 $
Loss from continuing operations before income tax expense	(5,359,955)	(6,888,503)
Tax at the Australian tax rate of 27.5% (2017: 27.5%)	(1,473,988)	(1,894,338)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share based payments	113,511	464,638
(Reversal of impairment)/ impairment of assets	(5,735)	7,726
Other non-deductible expenses and non-assessable income	(338,456)	(68,097)
Income tax benefit not recognised	1,704,668	1,490,071
Income tax expense	**-**	**-**

c. Unrecognised deferred tax assets – tax losses

	2018 $	2017 $
Unused tax losses for which no deferred tax asset has been recognised	114,799,008	109,662,888
Potential tax benefit at the Australian tax rate of 27.5% (2017: 27.5%)	**31,569,727**	**30,157,294**

The Group is estimated to have Australian tax losses for which no deferred tax asset is recognised of $114,799,008 (2017: $109,662,888). This includes tax losses of Boss Uranium Pty Ltd of $94,646,396 (2017: $93,508,616) based on the expected availability of these tax losses for the Group. A specialist tax adviser is to be engaged to assess the tax consolidation of the Group now that the previous non-controlling interest as described in note 19b has been acquired.

d. Unrecognised temporary differences

Unrecognised deferred tax asset at 30 June relates to the following:

	2018 $	2017 $
Accumulated impairment of assets	9,280,130	7,920,734
Capital raising costs recognised directly in equity	298,759	113,240
Other unrecognised temporary differences	(4,913)	(75,775)
	9,573,976	**7,958,199**

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

(1) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realised;

(2) the Group continues to comply with the conditions for deductibility imposed by tax legislation; and

(3) no changes in tax legislation adversely affect the entity in realising the benefit from the deductions for the temporary differences.

No franking credits are available.

	Consolidated 2018 $	Consolidated 2017 $
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank	361,345	386,784
Term deposit	6,600,000	4,490,000
	6,961,345	**4,876,784**
NOTE 5: TRADE AND OTHER RECEIVABLES		
Trade receivables	184,207	347,923
Less provision for doubtful debts	-	(131,490)
	184,207	**216,433**

Receivables are non-interest bearing and generally repayable within 30 days. During the financial year ended 30 June 2017 the Group fully impaired an amount of $131,490 that was receivable for sales of fuel that was acquired as part of the Honeymoon acquisition.

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

	2018 $	2017 $
NOTE 6: OTHER ASSETS		
Prepaid expenses	8,431	-
	8,431	**-**
NOTE 7: PLANT AND EQUIPMENT		
Cost	585,395	612,982
Accumulated depreciation	(306,871)	(191,143)
	278,524	**421,839**
Movements in Carrying Amounts:		
Carrying amount at beginning of the year	421,839	420,903
Additions	-	107,745
Discount on plant purchased in prior year	(15,314)	-
Disposals	(6,482)	-
Depreciation expense	(121,519)	(106,809)
Carrying amount at end of the year	**278,524**	**421,839**
NOTE 8: OTHER FINANCIAL ASSETS		
Held to maturity financial assets - Security bonds	8,951,680	9,053,319
Available for sale financial assets	47,407	42,140
	8,999,087	9,095,459
Listed investments, at fair value		
- Shares in listed corporations	**47,407**	**42,140**
Movement in available for sale financial assets		
Opening fair value	42,140	70,233
Gain/ (decline) in value	5,267	(28,093)
Closing fair value	**47,407**	**42,140**

	Consolidated 2018 $	2017 $
NOTE 8: OTHER FINANCIAL ASSETS (continued)		
Movement in held to maturity financial assets- Security bonds		
Opening value	9,053,319	8,890,966
Foreign exchange movement	-	53
New security bonds	-	162,300
Security bond refunded	(100,000)	-
Security bonds impaired	(1,639)	-
Closing value	**8,951,680**	**9,053,319**

Available for sale financial assets comprise investment in the ordinary issued capital of an ASX listed entity. There are no fixed returns or fixed maturity dates attached to this investment. Movements in the value of available for sale financial assets are recognised in profit or loss with no asset revaluation reserve.

Security bonds are term deposits held as security and deposits held by service providers. The term deposits are held by Australian banks with at least 'A' credit rankings.

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE

	2018 $	2017 $
Balance at the beginning of the year	13,337,810	13,834,394
Exploration expenditure incurred	3,803,888	3,904,856
Increase/ (reduction) in associated restoration provision (note 12)	158,578	(496,584)
Exploration expenditure expensed	(3,803,888)	(3,904,856)
Balance at the end of the year	**13,496,388**	**13,337,810**

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest, at amounts at least equal to book value.

NOTE 10: TRADE AND OTHER PAYABLES

	2018 $	2017 $
Trade payables	151,815	750,418
Accrued expenditure	104,091	137,287
Interest payable on promissory notes	232,677	127,354
	488,583	**1,015,059**

All payables are on industry standard payment terms.

	Consolidated 2018 $	2017 $
NOTE 11: BORROWINGS		
Current borrowings		
Promissory notes	-	3,000,000
	-	**3,000,000**
Non-current borrowings		
Promissory notes	4,000,000	4,000,000
	4,000,000	**4,000,000**

During the financial year ended 30 June 2016, two promissory notes were issued by the Company, for $3,000,000 and $4,000,000, to the vendor of the Honeymoon Project on behalf of Boss Energy Pty Ltd (Boss Energy) to enable Boss Energy to partially repay loans owning to the vendor of the Honeymoon Project. The $3,000,000 promissory note was repaid during the year. Repayment of the remaining $4,000,000 promissory note is due on the earliest of: any change in control of the Company; any sale of the Honeymoon Project; or at the longstop date of 30 November 2019.

At 30 June 2018, the face value of the $4,000,000 promissory note is recognised as a non-current borrowing and the accrued interest payable of $232,677 (2017: $127,354) is included in the balance of current trade and other payables. Interest on these promissory notes accrues daily on the principal, at interest rates equal to the bank interest rates paid on performance bonds over the Honeymoon Project.

The promissory notes are secured by a charge in favour of the noteholder over all current and future assets of the Company, other than assets based in Sweden, Norway and Finland.

The vendor can transfer these notes, on the consent of the Company, which consent must not be unreasonably withheld.

NOTE 12: NON-CURRENT PROVISIONS

	2018 $	2017 $
Restoration provision	8,504,374	8,345,796
	8,504,374	**8,345,796**
Movement in restoration provision		
Opening carrying amount at the start of the period	8,345,796	8,842,380
Increase/ (reduction) in restoration provision (note 9)	158,578	(496,584)
Closing carrying amount at the end of the period	**8,504,374**	**8,345,796**

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location.

	Consolidated 2018 $	2017 $
NOTE 13: ISSUED CAPITAL		
a. Issued Capital - fully paid ordinary shares	**79,081,215**	**56,209,988**

2018

Ordinary Shares	**Number**	**$**
Balance at 1 July 2017	1,012,402,908	56,209,988
Share issue – 11 August 2017 at $0.05 per share	60,000,000	3,000,000
Share issue – 31 August 2017 at $0.05 per share	100	5
Share issue – 19 March at $0.042 per share (note 19b)	300,000,000	12,600,000
Share issue – 4 April 2018 at $0.04 per share	200,000,000	8,000,000
Share issue – 27 April 2018 on vesting of Performance Rights (note 25)	2,000,000	-
Share issue costs	-	(728,778)
Balance at 30 June 2018	**1,574,403,008**	**79,081,215**

2017

Ordinary Shares	**Number**	**$**
Balance at 1 July 2016	886,008,969	49,138,898
Share issue – 25 August 2016 at $0.03 per share	16,666,667	500,000
Share issue – 30 January 2017 at $0.065 per share	104,615,385	6,800,000
Share issue – 2 June 2017 at $0.076515 per share	286,923	21,954
Share issue – 2 June 2017 at $0.080181 per share	217,007	17,400
Share issue – 2 June 2017 at $0.04 per share	2,500,000	100,000
Share issue – 2 June 2017 on vesting of Performance Rights (note 25)	2,000,000	-
Share issue – 30 June 2017 at $0.069614 per share	107,957	7,515
Share issue costs	-	(375,779)
Balance at 30 June 2017	**1,012,402,908**	**56,209,988**

Ordinary shareholders participate in dividends and the proceeds in winding up of the parent entity in proportion to the shares held.

b. Capital Risk Management

When managing capital, management's objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The Company does not have a defined share buy-back plan. No dividends were paid or declared in the years ending 2018 and 2017. The Group is not subject to any externally imposed capital requirements.

	Consolidated 2018 $	Consolidated 2017 $
NOTE 14: RESERVES		
Options reserve	9,312,312	8,899,544
	9,312,312	**8,899,544**

Options reserve	**Number of Options**	**$**
2018		
Balance at 1 July 2017	40,000,000	8,899,544
Options issued to non-Directors that vested immediately	15,500,000	176,220
Recognition of Performance Rights over vesting period	-	318,559
Reversal of amounts previously recognised for Performance Rights with performance based vesting conditions that were cancelled with nil value, before vesting.	-	(82,011)
Balance at 30 June 2018	**55,500,000**	**9,312,312**

	Number of Options	**$**
2017		
Balance at 1 July 2016	10,000,000	7,209,952
Options issued to Chief Executive officer that vested immediately	30,000,000	930,500
Recognition of Performance Rights over vesting period	-	759,092
Balance at 30 June 2017	**40,000,000**	**8,899,544**

The options reserve represents the charge for outstanding options and Performance Rights which have met all conditions precedent to vest, but which have not been exercised.

	Consolidated 2018 $	Consolidated 2017 $
NOTE 15: ACCUMULATED LOSSES		
Accumulated losses at the beginning of the year	(52,484,360)	(46,428,733)
Loss after income tax expense for the year that is attributable to members of Boss Resources Limited	(4,685,079)	(6,055,627)
Acquisition of balance of non-controlling interest (note 19b)	(14,321,324)	-
Accumulated losses at the end of the year	**(71,490,763)**	**(52,484,360)**
NOTE 16: NON-CONTROLLING INTEREST		
Non-controlling interest at the beginning of the year	(1,046,448)	(213,572)
Loss of subsidiary attributable to non-controlling interest	(674,876)	(832,876)
Acquisition of balance of non-controlling interest (note 19b)	1,721,324	-
Non-controlling interest at the end of the year	**-**	**(1,046,448)**

NOTE 17: CASHFLOW INFORMATION

a. Reconciliation of net cash used in operating activities with loss after income tax

For the purpose of the statement of cash flows, cash includes cash on hand and at bank and deposits. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:

	Consolidated	
	2018 $	2017 $
Cash at bank and on hand	**6,961,345**	**4,876,784**
Reconciliation of loss after related income tax to net cash used in operating activities:		
Operating loss	(5,359,955)	(6,888,503)
Adjustments for:		
Depreciation	121,519	106,809
Reversal of impaired receivables	(15,586)	-
(Gain on)/ impairment of investment	(20,853)	28,093
Exchange differences	30,360	(52)
Share based payments	412,768	1,689,592
Gain on disposal of fixed assets	(8,517)	-
Net changes in working capital:		
Provisions	23,515	8,746
Payables	(476,253)	568,204
Receivables	32,226	(131,530)
Other assets	(8,431)	29,052
Net cash used in operating activities	**5,269,207**	**(4,589,589)**

b. Non-cash Financing and Investing Activities

A total of 611,887 shares with a total value of $46,870 were issued to GR Engineering Services Limited during 2017 in payment for services associated with the pre-feasibility study. A total of 300,000,000 shares with a total value of $12,600,000 were issued for the acquisition of Wattle Mining Pty Ltd; refer to note 19b for further details.

NOTE 18: LOSS PER SHARE

The loss and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	Consolidated	
	2018 $	2017 $
Loss for the year attributable to members of the Company	**(4,685,079)**	**(6,055,627)**
	Number	**Number**
Weighted average number of shares outstanding during the year used in calculations of basic and diluted loss per share	**1,198,178,333**	**943,781,663**

NOTE 19: DETAILS OF CONTROLLED ENTITIES

a. Information about Principal Subsidiaries

	Country of Incorporation	Percentage Owned %	
		2018	**2017**
Parent Entity:			
Boss Resources Limited	Australia		
Subsidiaries of Boss Resources Limited:			
Wattle Mining Pty Ltd*	Australia	100	-
Boss Energy Pty Ltd**	Australia	100	80
Boss Uranium Pty Ltd***	Australia	100	80
Askia Gold Pty Ltd****	Australia	49	49
Boss Minerals Pty Ltd****	Australia	49	49
Boss Resources Sweden Pty Ltd*****	Australia	100	100
Subsidiary of Askia Gold Pty Ltd:			
Boss Gold SARL (formerly Askia Gold SARL)****	Burkina Faso	49	49
Subsidiary of Boss Minerals Pty Ltd:			
Boss Minerals SARL****	Burkina Faso	49	49

* Wattle Mining Pty Ltd was acquired from entities controlled by Director Mr Grant Davey on 19 March 2018. Wattle holds 20% of the shares in Boss Energy Pty Ltd.

**Boss Energy Pty Ltd (Boss Energy) was incorporated on 27 August 2015 as the holding company for Boss Uranium Pty Ltd and the Honeymoon Project. 80% of the shares in Boss Energy are held by the parent Entity. The remaining 20% of shares in Boss Energy were held by Wattle Mining Pty Ltd (Wattle). Under the Shareholders Agreement, Boss Energy was controlled by the Company and Wattle's shareholding was free carried until completion of a Bankable Feasibility Study (BFS) and Decision to Mine, whereupon the Company could buy out Wattle's shareholding at fair market value. On 28 February 2018 the Company acquired 100% of the shares in Wattle and therefore 100% shares in Boss Energy.

*** Boss Uranium Pty Ltd, (Boss Uranium) (formerly Uranium One Australia Pty Ltd) was acquired on Completion of the Honeymoon acquisition on 30 November 2015. All shares in Boss Uranium are held directly by Boss Energy.

**** During 2016, the Group lost control of Askia Gold Pty Ltd, Boss Minerals Pty Ltd, Boss Gold SARL and Boss Minerals SARL pursuant to the farm out agreement detailed in note 30.

***** Boss Resources Sweden Pty Ltd has been 100% owned and controlled by Boss Resources Ltd since its incorporation in August 2014.

There have been no other movements in percentage ownership or costs of controlled entities during 2018.

b. Acquisition of Non-controlling Interests

On 19 March 2018, following shareholder approval on 28 February 2018, the Company issued 300,000,000 shares for the acquisition of Wattle. These shares have been valued at $0.042 each, being the fair value on 19 March 2018 based on the closing share price on the ASX, for a total value of $12,600,000 as disclosed in note 13a. This value of $12,600,000 plus the recognised minority interest proportion of accumulated losses at transaction date of $1,721,324 totals $14,321,324, which is recognised in accumulated losses.

NOTE 19: DETAILS OF CONTROLLED ENTITIES (continued)

c. Summarised Financial Information of Subsidiaries with Material Non-controlling Interests

Set out below is the summarised financial information for Boss Uranium as it had a non-controlling interest that is material to the group. The summarised financial information for 2018 is only presented to 19 March 2018, when the Group acquired complete ownership of Boss Uranium and the non-controlling interest ceased.

	Boss Uranium	Boss Uranium
Summarised statement of financial position	**19 March 2018**	**2017**
	$	**$**
Current assets	120,740	24,996
Non-current assets	17,528,402	17,685,591
Total assets	17,649,142	17,710,587
Current liabilities	175,869,744	172,556,810
Non-current liabilities	8,345,796	8,345,796
Total liabilities	184,215,540	180,902,606
Net Liabilities	**(166,566,398)**	**(163,192,019)**

The non-current assets of Boss Uranium included a secured deposit of $8,345,796 that was security against a non-current reclamation liability of $8,345,796. This non-current reclamation liability restricted the Group's ability to access the secured deposit for the purpose of meeting other liabilities of the Group. The current liabilities of Boss Uranium included an intra-group loan balance owing to the Company of $175,851,584 (2017: $172,501,248). This intra-group loan balance is unsecured and at call, so considered current despite the nature of operations.

Summarised statement of comprehensive income	**19 March 2018**	**2017**
Revenue	-	-
Loss before income tax	(3,374,379)	(4,164,380)
Income tax expense	-	-
Loss after income tax expense	(3,374,379)	(4,164,380)
Other comprehensive income	-	-
Total comprehensive income	**(3,374,379)**	**(4,164,380)**

Summarised statement of cashflows		
Net cash used in operating activities	(3,364,981)	(4,161,193)
Net cash provided by investing activities	115,314	-
Net cash from financing activities	3,290,157	4,164,380
Cash and Cash Equivalents at beginning of the reporting period	24,504	21,317
Cash and Cash Equivalents at end of the reporting period	**64,994**	**24,504**

Other financial information		
Balance of non-controlling at the start of the reporting period	(1,046,448)	(213,572)
Loss attributable to non-controlling interest	(674,876)	(832,876)
De-recognition of non-controlling interest on acquisition of remaining	1,721,324	**-**
Accumulated non-controlling interest at the end of the reporting period	**-**	**(1,046,448)**

NOTE 20: KEY MANAGEMENT PERSONNEL

Compensation of key management personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel For the Year Ended 30 June 2018.

	Consolidated	
	2018	2017
	$	$
Short term employment benefit	595,494	691,390
Other benefits	28,575	20,866
Share based payments	337,594	1,689,592
	961,663	**2,401,848**

NOTE 21: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The contingent liabilities of the Group to the vendor of the Honeymoon Uranium Project, Uranium One Inc, are:

- $2 million payable in cash and/or shares upon either 90 days of continuous production of uranium or by 30 November 2020, whichever is the later.
- 10% of positive annual net operating cash flow in the production of uranium, provided the aggregate of all such yearly payments does not exceed $3 million in total.

The contingent assets of the Group are:

- Boss Uranium has agreed to potentially sell up to 1.3 million pounds of uranium oxide (U_3O_8) to a United States customer, calculated as at least 20% of each prior quarter's production up to a total of 250,000 pounds per year. The price is to be determined based on future market prices.
- The Group holds a 49% interest in joint venture with Teranga Gold Corporation (Teranga) over the Golden Hill and Gourma Gold Projects located in Burkina Faso, West Africa. Teranga manages the joint venture and is funding all exploration on the projects up to the completion of a definitive feasibility study (DFS) and decision to mine. On delivery of the DFS, Teranga's interest in the joint venture will increase to 70% and they retain the rights to acquire an additional 10% in the joint venture for $2.5 million. Upon completion of the DFS but prior to a decision to mine, the Group may elect to convert the remainder of their interest to a 1.5% net smelter return, otherwise the Group shall be free carried to a decision to mine and will then be required to contribute on a pro rata basis.

NOTE 22: COMMITMENTS

The Group has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group. These commitments have not been provided for in the financial statements. Due to the nature of the Group's operations in exploring and evaluating areas of interest, expenditure may be reduced by seeking exemption from individual commitments, by relinquishment of tenure or any new joint venture arrangements. Expenditure may be increased when new tenements are granted or joint venture agreements amended. The minimum expenditure commitments on the tenements are:

	Consolidated	
	2018	**2017**
	$	**$**
Exploration expenditure		
Less than 12 months	904,000	360,000
12 months to 5 years	217,068	-
	1,121,068	**360,000**
Administration Services		
Less than 12 months	60,000	60,000
12 months to 5 years	-	-
	60,000	**60,000**
Lease commitment		
Less than 12 months	120,694	24,000
12 months to 5 years	155,272	-
	275,966	**24,000**

Of the lease commitments, sublessors will reimburse the group $84,694 (less than 12 months) and $155,272 (12 months to 5 years).

Executive services commitment		
Less than 12 months	150,578	72,500
12 months to 5 years	-	-
	150,578	**72,500**

NOTE 23: SEGMENT REPORTING

The Group has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Group's operations in 2018 were managed in Australia and involved exploration of its mineral interests. During the year, assets were located in Australia (Uranium) and Burkina Faso (Gold). Segment assets are allocated to countries based on where the assets are located.

GOLD

The Group has farmed out tenements considered prospective for gold. No income has been derived from the recovery of gold during the year (2017: Nil).

URANIUM

The Group conducted exploration and feasibility studies upon tenements considered prospective for uranium. No income was derived from the recovery of uranium during the year (2017: Nil).

SEGMENT INFORMATION

The segment information provided to the Board of Directors for the reportable segments for the year ended 30 June 2018 and 30 June 2017 are as follows:

Consolidated	**Gold**	**Uranium**	**Corporate**	**Total**
2018	**$**	**$**	**$**	**$**
Revenue				
Other revenues from external customers	-	-	-	-
Total segment revenue	-	-	-	-
Segment result	-	(3,946,086)	(1,413,869)	(5,359,955)
Interest revenue	-	185,227	73,494	258,721
Depreciation	-	(116,509)	(5,010)	(121,519)
Assets and Liabilities				
Segment assets				
Exploration and evaluation expenditure	5,000,000	8,496,388	-	13,496,388
Plant and equipment	-	267,096	11,428	278,524
Cash and cash equivalents	-	20,731	6,940,614	6,961,345
Other assets	-	-	8,431	8,431
Trade and other receivables	-	67,447	116,760	184,207
Other financial assets	-	8,842,380	156,707	8,999,087
Total assets as per Statement of Financial Position	5,000,000	17,694,042	7,233,940	29,927,982
Segment liabilities				
Trade and other payables	-	(63,674)	(424,909)	(488,583)
Employee benefits	-	-	(32,261)	(32,261)
Non-current borrowings	-	(4,000,000)	-	(4,000,000)
Non-current provisions	-	(8,504,374)	-	(8,504,374)
Total liabilities as per Statement of Financial Position	-	(12,568,048)	(457,170)	(13,025,218)

NOTE 23: SEGMENT REPORTING (continued)

Consolidated	Gold	Uranium	Corporate	Total
2017	**$**	**$**	**$**	**$**
Revenue				
Other revenues from external customers	-	-	-	-
Total segment revenue	-	-	-	-
Segment result		(4,094,381)	(2,794,122)	(6,888,503)
Interest revenue	-	88,319	74,787	163,106
Depreciation	-	(93,056)	(13,753)	(106,809)
Assets and Liabilities				
Segment assets				
Exploration expenditure	5,000,000	8,337,810	-	13,337,810
Plant and equipment	-	405,401	16,438	421,839
Cash and cash equivalents	-	24,504	4,852,280	4,876,784
Trade and other receivables	-	-	216,433	216,433
Financial assets	-	8,942,380	153,079	9,095,459
Total assets as per Statement of Financial Position	5,000,000	17,710,095	5,238,230	27,948,325
Segment liabilities				
Trade and other payables	-	55,562	959,497	1,015,059
Provisions	-	-	8,746	8,746
Current borrowings	-	3,000,000	-	3,000,000
Non-current borrowings	-	4,000,000	-	4,000,000
Non-current provisions	-	8,345,796	-	8,345,796
Total liabilities as per Statement of Financial Position	-	15,401,358	968,243	16,369,601

	Consolidated	
	2018	**2017**
	$	**$**

NOTE 24: AUDITORS' REMUNERATION

The auditor of Boss Resources Limited is RSM Australia Partners.

Amounts, received or due and receivable by RSM Australia Partners for:	2018 $	2017 $
- Auditing or review services	38,500	34,265
- R&D Tax Incentive services	11,520	15,941

NOTE 25: SHARE-BASED PAYMENTS

a. Value of share based payments in the financial statements

	2018 $	2017 $
Share based payments for employees (reversed)/ expensed	412,768	1,689,592
Cost of acquisition of exploration project expensed	-	-
	412,768	1,689,592

NOTE 25: SHARE-BASED PAYMENTS (continued)

Set out below are the summaries of options and Performance Rights granted as share based payments:

Options - 2018

Grant Date	Expiry Date	Exer-cise Price	Balance 01/07/17	Granted during the year	Exercised during the year	Expired or Change due to Resigning	Balance 30/06/18	Number vested and exer-cisable
1/09/15	31/08/18	0.020	10,000,000	-	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.065	10,000,000	-	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.080	10,000,000	-	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.095	10,000,000	-	-	-	10,000,000	10,000,000
19/03/18	19/03/20	0.065	-	3,500,000	-	-	3,500,000	3,500,000
19/03/18	19/03/20	0.080	-	6,000,000	-	-	6,000,000	6,000,000
19/03/18	19/03/20	0.095	-	6,000,000	-	-	6,000,000	6,000,000
			40,000,000	15,500,000	-	-	55,500,000	55,500,000
Weighted average exercise price			$0.065	$0.0824	-	-	$0.0699	$0.0699

Options - 2017

Grant Date	Expiry Date	Exer-cise Price	Balance 01/07/16	Granted during the year	Exercised during the year	Expired or Change due to Resigning	Balance 30/06/17	Number vested and exer-cisable
1/09/15	31/08/18	0.020	10,000,000	-	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.065	-	10,000,000	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.080	-	10,000,000	-	-	10,000,000	10,000,000
9/01/17	9/01/20	0.095	-	10,000,000	-	-	10,000,000	10,000,000
			10,000,000	30,000,000	-	-	40,000,000	40,000,000
Weighted average exercise price			$0.02	$0.08	-	-	$0.065	$0.065

Performance Rights - 2018

Grant Date	Expiry Date	Exer-cise Price	Balance 01/07/17	Granted during the year	Vested during the year	Cancelled and replaced with Options	Balance 30/06/18	Number vested and exer-cisable
17/11/15	17/11/20	0.00	39,999,999	-	-	6,666,666	33,333,333	-
16/08/16	25/08/21	0.00	16,000,000	-	2,000,000	-	14,000,000	-
			55,999,999		2,000,000	6,666,666	47,333,333	-
Weighted average exercise price			$0.00	$0.00	$0.00	$0.00	$0.00	-

Performance Rights - 2017

Grant Date	Expiry Date	Exer-cise Price	Balance 01/07/16	Granted during the year	Vested during the year	Change due to Resigning	Balance 30/06/17	Number vested and exer-cisable
17/11/15	17/11/20	0.00	39,999,999	-	-	-	39,999,999	-
16/08/16	25/08/21	0.00	-	18,000,000	2,000,000	-	16,000,000	-
9/01/17	9/01/22	0.00	-	2,500,000	-	2,500,000	-	-
			39,999,999	20,500,000	2,000,000	2,500,000	55,999,999	-
Weighted average exercise price			$0.00	$0.00	$0.00	$0.00	$0.00	-

NOTE 25: SHARE-BASED PAYMENTS (continued)

On 17 November 2015, 30,000,000 Performance Rights were issued to Mr Williams and 9,999,999 Performance Rights were issued to Dr Abzalov. These Performance Rights were to expire 5 years from their issue date on 17 November 2020. On meeting vesting conditions, Performance Rights will each convert into one ordinary share with no further consideration.

The outstanding Performance Rights issued to Mr Williams will vest on meeting the following performance conditions before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	When the closing price of the Company's shares on ASX is at $0.075 for 20 consecutive ASX trading days.	10,000,000
Tranche 2 Performance Rights	Announcement by the Company of a discovery of 75,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000
Tranche 3 Performance Rights	Announcement by the Company of a discovery of 125,000t of contained Ni at 2% (or equivalent) or mineralisation of equivalent in ground value which the Company decides to mine in relation to a project.	10,000,000

The outstanding Performance Rights issued to Dr Abzalov will vest on meeting the following performance condition before the expiry date:

Tranche	Milestone	Number
Tranche 1 Performance Rights	When the closing price of the Company's Shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,333,333

Dr Abzalov's Tranche 2 and Tranche 3 Performance Rights were cancelled on 19 March 2018, and replaced with share options. These Performance Rights were valued at their issue dates at $855,800 for Mr Williams and $284,333 for Dr Abzalov for a total value of $1,140,133. Expenses of $115,873 for Mr Williams and $19,471 for Dr Abzalov have been recognised during 2018 (2017: $225,900 and $81,005 respectively) as these Performance Rights are expensed over the expected vesting periods, before $82,011 was reversed on the cancellation of Dr Abzalov's Tranche 2 and Tranche 3 Performance Rights before meeting the milestones.

NOTE 25: SHARE-BASED PAYMENTS (continued)

On 25 August 2016, 18,000,000 Performance Rights were issued to Mr Hohnen. The outstanding Performance Rights issued to Mr Hohnen will vest on meeting the following performance condition before the expiry date:

Tranche	Milestone	Number
Tranche 3 Performance Rights	Facilitation and completion of a capital raising by the Company for an amount not less than $5 million.	3,000,000
Tranche 4 Performance Rights	When the closing price of the Company's shares on ASX is at $0.085 for 20 consecutive ASX trading days.	3,000,000
Tranche 5 Performance Rights	ASX announcement confirming the successful raise of the capital expenditure required for the expanded plant construction as contemplated by a Board approved definitive feasibility study.	8,000,000

In addition to the above outstanding Performance Rights, Mr Hohnen's 2,000,000 Tranche 1 Performance Rights vested and converted to shares on 2 June 2017 after completion of 12 months of service. Mr Hohnen's 2,000,000 Tranche 2 Performance Rights vested and converted to shares on 27 April 2018 after completion of 24 months of service.

These Performance Rights were valued at their issue dates at $1,038,000. An expense of $183,215 has been recognised during 2018 (2017: $452,187) as these Performance Rights are expensed over expected vesting periods.

On 9 January 2017, 2,500,000 Performance Rights were granted and issued to a consultant who was not Key Management Personnel. These Performance Rights were to vest on meeting various performance conditions before the expiry date, but expired on 16 June 2017 because the consultant ceased providing services before any vesting conditions were met. These Performance Rights were valued at their issue dates at $140,188.

Performance Rights were valued at the closing share price on the grant date, less discounts to reflect the effects of any market based vesting conditions as detailed in this table. The expected vesting period for each Performance Right for performance based vesting conditions is the period until expiry of the performance right.

Recipient	Tranche	Grant date	Expiry date	Number of Performance Rights outstanding at 30 June 2018	Share price at grant date ($)	Discount applied to share price at grant date to reflect market based vesting condition	Value per Performance Right ($)
Mr Williams	1	17/11/15	17/11/20	10,000,000	0.029	4.89%	0.02758
Mr Williams	2	17/11/15	17/11/20	10,000,000	0.029	-	0.02900
Mr Williams	3	17/11/15	17/11/20	10,000,000	0.029	-	0.02900
Dr Abzalov	1	17/11/15	17/11/20	3,333,333	0.029	5.85%	0.02730
Mr Hohnen	2	16/08/16	16/08/21	2,000,000	0.058	-	0.05800
Mr Hohnen	3	16/08/16	16/08/21	3,000,000	0.058	-	0.05800
Mr Hohnen	4	16/08/16	16/08/21	3,000,000	0.058	3.44%	0.05600
Mr Hohnen	5	16/08/16	16/08/21	8,000,000	0.058	-	0.05800

NOTE 25: SHARE-BASED PAYMENTS (continued)

Fair values of share options are determined using the Black-Scholes model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	19/03/2018	19/03/2018	19/03/2018
Expiry date	19/03/2021	19/03/2021	19/03/2021
Dividend yield (%)	-	-	-
Expected volatility (%)	66%	66%	66%
Risk-free interest rate (%)	2.065%	2.065%	2.065%
Expected life of options (years)	3.00	3.00	3.00
Underlying share price ($)	0.042	0.042	0.042
Option exercise price ($)	$0.065	$0.08	$0.095
Value of option ($)	0.0138	0.0115	0.0098
Number of options issued	3,500,000	6,000,000	6,000,000

Grant date	1/09/15	9/01/17	9/01/17	9/01/17
Expiry date	31/08/18	9/01/20	9/01/20	9/01/20
Dividend yield (%)	-	-	-	-
Expected volatility (%)	115%	97%	97%	97%
Risk-free interest rate (%)	1.76%	1.98%	1.98%	1.98%
Expected life of options (years)	3.00	3.00	3.00	3.00
Underlying share price ($)	0.022	0.057	0.057	0.057
Option exercise price ($)	$0.02	0.065	0.08	0.095
Value of option ($)	0.01549	0.0333	0.0309	0.0288
Number of options issued	10,000,000	10,000,000	10,000,000	10,000,000

b. Weighted average remaining contractual life

The weighted average remaining contractual life of share-based payment options outstanding as at 30 June 2018 was 1.6 years (2017: 2.2 years). The weighted average remaining contractual life of Performance Rights that were outstanding as at 30 June 2018 was 2.6 years (2017: 3.6 years).

c. Weighted average fair value

The weighted average fair value of options outstanding as at 30 June 2018 was $0.023 (2017: $0.027). The weighted average fair value of Performance Rights outstanding as at 30 June 2018 was $0.038 (2017: $0.037)

NOTE 26: FINANCIAL INSTRUMENTS

Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, available for sale financial assets, trade and other receivables and trade and other payables.

The Group manages its exposure to key financial risks, including interest rate, liquidity and credit risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate risk and assessments of market forecasts for interest rates. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

NOTE 26: FINANCIAL INSTRUMENTS (continued)

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 1 to the financial statements.

The totals of each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated 2018 $	Consolidated 2017 $
Financial Assets			
Cash and cash equivalents	4	6,961,345	4,876,784
Trade and other receivables	5	184,207	216,433
Other assets	8	8,951,680	9,053,319
Available-for-sale financial assets at fair value			
- listed investments	8	47,407	42,140
Total Financial Assets		**16,144,639**	**14,188,676**
Financial Liabilities			
Financial liabilities at amortised cost			
- trade and other payables	10	488,583	1,015,059
Current borrowings	11	-	3,000,000
Non-current borrowings	11	4,000,000	4,000,000
Total Financial Liabilities		**4,488,583**	**8,015,059**

Risk exposures and responses

i. *Interest Rate Risk*

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2018	Floating Interest Rate $	Fixed Interest Rate 1 Year or Less $	Fixed Interest Rate 1 to 5 Years $	Non-Interest Bearing $	Total $	Weighted Effective Interest Rate
Financial Assets						
Cash	313,049	6,600,000	-	48,296	6,691,345	2.46%
Trade and other receivables	-	-	-	184,207	184,207	NA
Other financial assets	-	8,951,680	-	47,407	8,999,087	2.41%
Total Financial Assets	**313,049**	**15,551,680**	**-**	**279,910**	**16,144,639**	**2.40%**
Financial Liabilities						
Trade and other payables	8,492	-	-	479,641	488,583	0.00%
Non-current borrowings	-	-	4,000,000	-	4,000,000	2.42%
Total Financial Liabilities	**8,492**	**-**	**4,000,000**	**479,641**	**4,488,583**	**2.16%**

NOTE 26: FINANCIAL INSTRUMENTS (continued)

2017	Floating Interest Rate	Fixed Interest Rate 1 Year or Less	Fixed Interest Rate 1 to 5 Years	Non-Interest Bearing	Total	Weighted Effective Interest Rate
	$	$	$	$	$	
Financial Assets						
Cash	326,784	4,550,000	-	-	4,876,784	2.16%
Trade and other receivables	-	-	-	216,433	216,433	NA
Other financial assets	-	8,951,680	-	143,779	9,095,459	1.00%
Total Financial Assets	**326,784**	**13,501,680**	**-**	**360,212**	**14,188,676**	**1.38%**
Financial Liabilities						
Trade and other payables	14,204	-	-	1,000,855	1,015,059	0.22%
Current borrowings	-	3,000,000	-	-	3,000,000	1.00%
Non-current borrowings	-	-	4,000,000	-	4,000,000	1.00%
Total Financial Liabilities	**14,204**	**3,000,000**	**4,000,000**	**1,000,855**	**8,015,059**	**0.90%**

ii. *Sensitivity Analysis*

As at 30 June 2018, if interest rates had changed by -/+75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Group would have been $88,918 lower/higher (2017 - $51,107 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

iii. *Liquidity Risk*

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate access to funds are maintained.

iv. *Credit Risk*

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2018	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets:				
Available-for-sale financial assets:				
Listed investments	47,407	-	-	47,407
2017				
Financial assets:				
Available-for-sale financial assets:				
Listed investments	42,140	-	-	42,140

NOTE 26: FINANCIAL INSTRUMENTS (continued)

Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the last trade price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

NOTE 27: PARENT ENTITY DISCLOSURES

	2018	2017
Statement of Financial Position	**$**	**$**
Assets		
Current assets	7,065,804	5,068,221
Non-current assets	36,387,372	19,710,987
Total assets	**43,453,176**	**24,779,208**
Liabilities		
Current liabilities	457,170	3,968,243
Non-current liabilities	4,000,000	4,000,000
Total liabilities	**4,457,170**	**7,968,243**
Equity		
Issued capital	79,081,215	56,209,988
Reserves	9,312,312	8,899,544
Accumulated losses	(49,397,521)	(48,298,567)
Total equity	**38,996,006**	**16,810,965**
Statement of Comprehensive income		
Loss for the year	(1,098,954)	(2,724,121)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(1,098,954)**	**(2,724,121)**

Guarantees

Boss Resources Limited has not entered into any guarantees in the current or previous financial year in relation to the debts of its subsidiaries.

Other Commitments and Contingencies

Boss Resources Limited has no commitments to acquire property, plant and equipment and has no contingent liabilities other than those already disclosed in the notes to the financial statements.

NOTE 28: RELATED PARTY TRANSACTIONS

Transactions with key management personnel

Evan Cranston is a director of Konkera Corporate. Konkera Corporate received $120,000 (2017: $120,000) during the year for the provision of administration, bookkeeping and accounting services. At 30 June 2018 and 30 June 2017, the Group had no creditor balances payable to Konkera Corporate.

Wattle Mining Pty Ltd (Wattle) was controlled by Grant Davey before the acquisition of Wattle described in note 19b.

The acquisition of Wattle superseded a previous agreement whereby Wattle's shareholding in Boss Energy Pty Ltd was free carried until completion of a Bankable Feasibility Study for the Honeymoon Project (BFS) and Decision to Mine.

All transactions with related parties have been entered into on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 29: EVENTS SUBSEQUENT TO BALANCE DATE

On 19 March 2018, the Company announced completion of the acquisition of the remaining 20% of the Honeymoon Uranium Project from Mr Grant Davey (through his controlled Wattle entities) in consideration for 300,000,000 new fully paid ordinary shares in the Company. The majority of these shares were subject to voluntary escrow for a period of 12 months. On 9 August 2018, the Company agreed to lift the escrow restrictions to the extent necessary to permit the transfer of shares to Paradice Investment Management Pty Ltd and Tribeca Investment Partners, however the escrow provisions remain in place in respect of the balance of the consideration shares held by Mr Davey.

On 27 August 2018, the Company issued 10,000,000 ordinary shares on exercise of 10,000,000 share options with an exercise price of $0.02 per share.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Directors' Declaration

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 comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; 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.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

Mark Hohnen
Chairman

DATED at PERTH this 25th day of September 2018

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOSS RESOURCES LIMITED

Opinion

We have audited the financial report of Boss Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 30 June 2018, 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 2018 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.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed this matter
Capitalised exploration and evaluation expenditure Refer to Note 9 in the financial statements	
The Group has capitalised exploration and evaluation expenditure with a carrying value of $13,496,388 at the reporting date. We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the assets including: • Determination of whether the exploration and evaluation expenditure can be associated with finding specific mineral resources and the basis on which that expenditure is allocated to an area of interest; and • Assessing whether any indicators of impairment are present at the reporting date.	Our audit procedures in relation to the carrying value of exploration and evaluation expenditure included: • Ensuring that the right to tenure of the area of interest is current; • Agreeing a sample of additions to supporting documentation and ensuring the amounts are capital in nature and relate to the area of interest; • Enquiring with management and reviewing budgets to test that the Group will incur substantive expenditure for each area of interest in the future; • Assessing and evaluating management's assessment that no indicators of impairment existed at the reporting date; and • Through discussions with the management and review of the Board Minutes, ASX announcements and other relevant documentation, assessing management's determination that exploration activities have not yet progressed to the stage where the existence or otherwise of economically recoverable reserves may be determined.
Share-based payments Refer to Note 25 in the financial statements	
In March 2018, 15,500,000 options were issued to key management personnel and consultants of the Group. Management has performed the valuation of the options granted in this reporting period using the Black-Scholes Model, since the Group was unable to reliably measure the fair value of the services received. We considered the valuation of these options to be a significant risk area as it involved management's judgement in determining various inputs used in the Black-Scholes Model.	Our audit procedures in relation to the issue of these options included: • Reviewing the inputs in the Black-Scholes Model, which included assessing the volatility rate applied and the risk-free interest rate used; • Performing a recalculation of the option valuation; • Reviewing of Board Minutes and ASX announcements for the approval in relation to the granting of the options; and • Reviewing the relevant disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018 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 Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the 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: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Boss Resources Limited, for the year ended 30 June 2018, complies with section 300A of the Corporations Act 2001.

Responsibilities

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

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 25 September 2018

Corporate Governance

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition). The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines.

Unless disclosed below, all the principles and recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2018.

Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report and their term of office are detailed in the Director's Report.

The independent Director of the Company is Mr Mark Hohnen.

When determining the independent status of a Director the Board used the Guidelines detailed in the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations.

Diversity Policy

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of our people.

Our policy is to recruit and manage on the basis of qualification for the position and performance, regardless of gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability. It is essential that the Company employs the appropriate person for each job and that each person strives for a high level of performance.

The Company's strategies are to:

1. recruit and manage on the basis of an individual's competence, qualification and performance;
2. create a culture that embraces diversity and that rewards people to act in accordance with this policy;
3. appreciate and respect the unique aspects that individual brings to the workplace;
4. foster an inclusive and supportive culture to enable people to develop to their full potential;
5. identify factors to be taken into account in the employee selection process to ensure we have the right person for the right job;
6. take action to prevent and stop discrimination, bullying and harassment; and
7. recognise that employees at all levels of the Company may have domestic responsibilities.

The Board is accountable for ensuring this policy is effectively implemented. Each employee has a responsibility to ensure that these objectives are achieved.

Compliance with ASX Recommendations

Recommendation		Boss Resources Limited Current Practice
1.1	A listed entity should disclose: (a) The respective roles and responsibilities of its board and management; and (b) Those matters expressly reserved to the board and those delegated to management.	The Company's Board Charter sets out the roles and responsibilities of the Board and Management. It is available for review at www.bossresources.com.au.
1.2	A listed entity should: (a) Undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) Provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	The Company has implemented a policy of undertaking police and bankruptcy checks on all directors before appointment or putting to shareholders for election. The Company provides all relevant information on all directors in its annual report and on its website.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their employment.	The Company requires that a detailed letter of appointment or employment contract is agreed with each director and employee prior to the commencement of duties.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	The Company's organisation chart reflects the position of the Company Secretary within the Company structure.
1.5	A listed entity should: (a) Have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) Disclose that policy or a summary of it; and (c) Disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either: i. The respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or ii. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	The Company has adopted a formal Diversity Policy, a summary of which is provided above. As at 30 June 2018: • The Board comprised five members, all of whom were male. • The senior executives comprised nine people, seven of whom were male and two female. • The whole organisation comprises thirteen people, nine of whom are male and four female.
1.6	A listed entity should: (a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	The Board Performance Evaluation Policy is available at www.bossresources.com.au. During the reporting period, the Board collectively assessed their respective roles and contributions to the Company and determined they were appropriate.

1.7	A listed entity should: (a) Have and disclose a process for periodically evaluating the performance of its senior executives; and (b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	The Board constantly assesses the performance of the Managing Director, the Company Secretary and other key management personnel during the course of the year.
2.1	The board of a listed entity should: (a) Have a nomination committee which: i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director; and disclose: iii. the charter of the committee; iv. the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period, and the individual attendances of the members at those meetings; or (b) If it does not have a nomination committee, disclose the fact and the processes it employs to address board succession issues and to ensure the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	The Board consider that given the current size of the Board and the Company, this function is efficiently achieved with full Board participation and by the Remuneration Committee. Accordingly, the Board has not established a separate nomination committee. The Board has adopted a Nomination Committee Charter by which it abides. The charter is available at the Company's website www.bossresources.com.au
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	The Board Charter which is available at www.bossresources.com.au incorporates a set of skills and abilities that are desirable for the composition of the Board. The Board is satisfied that it currently possesses an appropriate mix of desired skills in the areas of geology, exploration, mining, commerce, the uranium industry and finance to act effectively.
2.3	A listed entity should disclose: (a) The names of the directors considered by the board to be independent directors; (b) If a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) The length of service of each director.	The Company considers that Mark Hohnen is the only independent director on the Board due to the other directors acting, or having acted, in an executive capacity in the last three years. The Company discloses the length of service for each director in the Director's Report of its annual report.
2.4	A majority of the board of a listed entity should be independent directors.	As there is only one independent director on the Board, the Company does not comply with this recommendation. However, the Directors are of the opinion that each Director will act in the best interests of the Company and shareholders.

2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	The Company complies with this recommendation.
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their roles as directors effectively.	The Company has an induction program for all new directors to appropriately familiarise them with the policies and procedures of the Company. The Company encourages and facilitates all Directors to develop their skills, including with the provision of in-house seminars to maintain compliance in areas such as risk and disclosure.
3.1	A listed entity should: (a) Have a code of conduct for its directors, senior executives and employees; and (b) Disclose that code or a summary of it.	The Company's Code of Conduct is available at www.bossresources.com.au.
4.1	The board of a listed entity should: (a) Have an audit committee which: i. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and ii. is chaired by an independent director, who is not the chair of the board; and disclose: iii. the charter of the committee; iv. the relevant qualifications and experience of the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period, and the individual attendances of the members at those meetings; or (b) If it does not have an audit committee, disclose the fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	The Company has an Audit Committee which is not chaired by the chair of the Board, however, due to the chair having previously been employed as an executive of the Company, cannot be deemed to be independent. The Directors require that management report regularly on all financial and commercial aspects of the Company to ensure that they are familiar with all aspects of corporate reporting and believe this to mitigate the risk of not having an independent committee. The Board has adopted a formal policy regarding the appointment, removal and rotation of the Company's external auditor and audit partner.
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal controls which is operating effectively.	The Board receives a section 295A declaration from the equivalent of the CEO and CFO for each quarterly, half yearly and full year report in advance of approval of these reports.
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	The Company's auditor is required to attend the Company's AGM and is available to answer questions relevant to the audit.

5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	The Board has adopted a formal Continuous Disclosure Policy to ensure compliance with the ASX Listing Rules. The Policy is available at www.bossresources.com.au.
6.1	A listed entity should provide information about itself and its governance to investors via its website.	The Company complies with this recommendation and all relevant information can be found at www.bossresources.com.au.
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	The Company has developed a Shareholder Communications Strategy to ensure all relevant information is identified and reported accordingly.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	The Company encourages all shareholders to attend General Meetings of the Company via its notices of meeting, and in the event they cannot attend, to participate by recording their votes. The Company has implemented an online voting system to further encourage participation by shareholders.
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	The Company and its share registry actively encourage electronic communication. All new shareholders are issued with a letter encouraging the registration of electronic contact methods.
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director; and disclose: iii. the charter of the committee; iv. the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings: or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	The Board has a Compliance Committee to undertake the risk management role. The Directors require that management report regularly on all financial and commercial aspects of the Company to ensure that they are familiar with all aspects of corporate reporting and believe this to mitigate the risk of not having an independent committee.
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	The Board reviews its risk management strategy annually.

7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	The Company is not of the size or scale to warrant the cost of an internal audit function. This function is undertaken by the Board as a whole via the regular and consistent reporting in all risk areas.
7.4	A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	The Company does not currently have any material exposure to any economic, environmental and social sustainability risks.
8.1	The board of a listed entity should: (a) have a remuneration committee which: i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director; and disclose: iii. the charter of the committee; iv. the members of the committee; and v. as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	The Board has a Remuneration Committee which is not chaired by the chair of the Company, however, due to the chair having previously been employed as an executive of the Company, cannot be deemed to be independent. The Board considers industry peers when evaluating the remuneration for all directors and executives. The Board is cognisant of the fact that it wishes to attract and retain the best people, and considers strategies other than monetary to balance the need for the best people and the financial position of the Company.
8.2	A listed entity should separately disclose its policies and practises regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	The Company discloses is policies on remuneration in the Remuneration Report set out in its annual report.
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	The Company recognises that Directors, executives and employees may hold securities in the Company and that most investors are encouraged by these holdings. The Company's Securities Trading Policy (available at www.bossresources.com.au) explains and reinforces the Corporations Act 2001 requirements relating to insider trading. The Policy applies to all Directors, executives, employees and consultants and their associates and closely related parties. The Company has a Performance Rights Plan and an Employee Share Option Plan, both of which have been approved by shareholders. Performance rights have been offered to key personnel under the plan.

Additional Information

Class of Shares and Voting Rights

The voting rights attached to the Fully Paid Ordinary Shares of the Company are:

a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

Options do not carry any voting rights.

Distribution of Shareholders (as at 20 September 2018)

Spread of Holdings	Number of Holders
1-1,000	79
1,001-5,000	42
5,001 - 10,000	414
10,001 -100,000	1,193
Over 100,001	802
Total	**2,493**

There are 203 holders of unmarketable parcels comprising a total of 706,739 ordinary shares.

There are currently 136,000,000 shares subject to voluntary escrow.

There is no current on-market buy back taking place.

Company Secretary
Oonagh Malone

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Telephone: (08) 6143 6730

Share Registry
Automic Registry Services
Level 3 50 Holt Street
Surry Hills NSW 2010
Ph: (02) 9698 5414

Substantial Shareholders (as per notices lodged with the ASX)

Name	Number of Shares	%
Grant Davey	175,583,333	11.20
Paradice Investment Management Pty Ltd	155,411,727	9.87
Tribeca Investment Partners Pty Ltd	132,126,196	8.39

Twenty Largest Shareholders (as at 20 September 2018)

	Name	Number of Shares	%
1	National Nominees Limited	164,930,727	10.41
2	Davey Holdings (Aus) Pty Ltd <Burnaford A/C>	110,065,000	6.95
3	Citicorp Nominees Pty Limited	85,420,130	5.39
4	Mr Antonius Joseph Smit	83,000,000	5.24
5	UBS Nominees Pty Ltd	73,410,595	4.63
6	J P Morgan Nominees Australia Limited	50,272,280	3.17
7	Mr James David Taylor	35,425,843	2.24
8	Kingslane Pty Ltd <Cranston Superannuation A/C>	33,061,837	2.09
9	The Purple Bougainvillea Pty Ltd <Williams Family Super A/C>	32,505,979	2.05
10	National Nominees Limited	31,000,000	1.96
11	Davey Management (Aus) Pty Ltd <Davey Super Fund A/C>	25,935,000	1.64
12	Davey Holdings (Aus) Pty Ltd <Burnaford A/C>	24,435,000	1.54
13	BNP Paribas Noms Pty Ltd <DRP>	18,822,080	1.19
14	Vynben Pty Ltd <Mark Hohnen Super Fund A/C>	16,666,667	1.05
15	CS Fourth Nominees Pty Limited <HSBC Cust Nom Au Ltd 11 A/C>	15,892,991	1.00
16	Epic Feast Pty Ltd <Superannuation A/C>	15,833,333	1.00
17	TR Nominees Pty Ltd	15,100,000	0.95
18	Davey Holdings (Aus) Pty Ltd <Burnaford A/C>	12,898,333	0.81
19	Kobia Holdings Pty Ltd <The Kobia A/C>	12,500,000	0.79
20	Ossart Holdings Pty Ltd <The OT Family A/C>	12,250,000	0.77
	TOTAL	**869,425,795**	54.87

Unquoted Securities (as at 20 September 2018)

Class	Number
Performance rights vesting on trading price of $0.075 for 20 consecutive days expiring 17 November 2020	10,000,000
Performance rights vesting on trading price of $0.085 for 20 consecutive days expiring 17 November 2020	3,333,333
Performance rights vesting on discovery of 75,000t of contained Ni at 2% (or equivalent) or equivalent Cu or PGE mineralisation which the Company decides to mine expiring 17 November 2020	10,000,000
Performance rights vesting on discovery of 12,000t of contained Ni at 2% (or equivalent) or equivalent Cu or PGE mineralisation which the Company decides to mine expiring 17 November 2020	10,000,000
Performance rights vesting on trading price of $0.085 for 20 consecutive days expiring 16 August 2021	3,000,000
Performance rights vesting on facilitation and completion of a capital raising for an amount not less than $5 million expiring 16 August 2021	3,000,000
Performance rights vesting on ASX announcement confirming the successful raise of the capital required for the extended plant construction as contemplated by a Board approved definitive feasibility study expiring 16 August 2021	8,000,000
Options exercisable at $0.065 each on or before 9 January 2020	10,000,000
Options exercisable at $0.080 each on or before 9 January 2020	10,000,000
Options exercisable at $0.095 each on or before 9 January 2020	10,000,000
Options exercisable at $0.065 each on or before 19 March 2021	3,500,000
Options exercisable at $0.080 each on or before 19 March 2021	6,000,000
Options exercisable at $0.095 each on or before 19 March 2021	6,000,000

Unquoted Securities >20% Holders (as at 20 September 2018)

Class	Holder	Number	Percentage
Performance rights vesting on trading price of $0.075 for 20 consecutive days expiring 17 November 2020	Peter Williams	10,000,000	100%
Performance rights vesting on trading price of $0.085 for 20 consecutive days expiring 17 November 2020	Marat Abzalov	3,333,333	100%
Performance rights vesting on discovery of 75,000t of contained Ni at 2% (or equivalent) or equivalent Cu or PGE mineralisation which the Company decides to mine expiring 17 November 2020	Peter Williams	10,000,000	100%
Performance rights vesting on discovery of 12,000t of contained Ni at 2% (or equivalent) or equivalent Cu or PGE mineralisation which the Company decides to mine expiring 17 November 2020	Peter Williams	10,000,000	100%
Performance rights vesting on trading price of $0.085 for 20 consecutive days expiring 16 August 2021	Mark Hohnen	3,000,000	100%
Performance rights vesting on facilitation and completion of a capital raising for an amount not less than $5 million expiring 16 August 2021	Mark Hohnen	3,000,000	100%
Performance rights vesting on ASX announcement confirming the successful raise of the capital required for the extended plant construction as contemplated by a Board approved definitive feasibility study expiring 16 August 2021	Mark Hohnen	8,000,000	100%
Options exercisable at $0.065 each on or before 9 January 2020	Duncan Craib	10,000,000	100%
Options exercisable at $0.080 each on or before 9 January 2020	Duncan Craib	10,000,000	100%
Options exercisable at $0.095 each on or before 9 January 2020	Duncan Craib	10,000,000	100%
Options exercisable at $0.065 each on or before 19 March 2021	Sashi Davies	2,500,000	71%
	Oonagh Malone	1,000,000	29%
Options exercisable at $0.080 each on or before 19 March 2021	Sashi Davies	2,500,000	42%
	Marat Abzalov	2,500,000	42%
Options exercisable at $0.095 each on or before 19 March 2021	Sashi Davies	2,500,000	42%
	Marat Abzalov	2,500,000	42%

Schedule of Mining Tenements

Tenement Name	Location	Licence Number	Interest
Yarramba	South Australia	EL5621	100%
South Eagle	South Australia	EL6081	100%
Goulds Dam	South Australia	EL5623	100%
Katchiwilleroo	South Australia	EL5622	100%
Ethiudna	South Australia	EL6020	100%
Goulds Dam	South Australia	RL83-85	100%
Honeymoon Mine	South Australia	ML6109	100%
Boutouanou	Burkina Faso	2011/11/410	49%
Diabatou	Burkina Faso	2011/11/409	49%
Tyara	Burkina Faso	2011/11-159	49%
Foutouri	Burkina Faso	2011/11-160	49%
Baniri	Burkina Faso	2009/09-060	49%
Intiedougou	Burkina Faso	2009/09-061	49%
Mougue	Burkina Faso	2009/09-062	49%
Kankandi	Burkina Faso	10/142/MCE	49%
Tyabo	Burkina Faso	10/144/MCE	49%