



Zinc of Ireland NL

ABN 23 124 140 889

and its controlled entities

Half year report for the half-year ended

31 December 2018

Company Directory

Board of Directors

Mr Richard Monti	Non-Executive Chairman
Mr Patrick Corr	Executive Director
Mr Thomas Corr	Non-Executive Director
Dr Julian Barnes	Non-Executive Director
Mr Adrian Goldstone	Non-Executive Director

Company Secretary

Mr Keith Bowker

Registered Office and Principal Place of Business

Suite 10, 56 Kings Park Road
West Perth, WA 6005
Tel: +61 8 6269 3300

Postal Address

PO Box 645
West Perth, WA 6872

Auditors

Bentleys Audit and Corporate (WA) Pty Ltd
London House, Level 3,
216 St Georges Terrace
Perth WA 6000

Share Registry

Automic Registry Services
Level 2, 267 St Georges Terrace
Perth WA 6000

Stock Exchange

Australian Securities Exchange
Level 40, Central Park
152- 158 St Georges Terrace
Perth WA 6000

ASX Code

ZMI, ZMICA, ZMIOC

Half year report for the half-year ended 31 December 2018

Contents

Directors' report.....	1
Auditor's independence declaration.....	3
Independent auditor's review report.....	4
Directors' declaration.....	6
Condensed consolidated statement of profit or loss and other comprehensive income	7
Condensed consolidated statement of financial position.....	8
Condensed consolidated statement of changes in equity.....	9
Condensed consolidated statement of cash flows.....	10
Condensed Notes to the consolidated financial statements.....	11

Directors' report

The directors of Zinc of Ireland NL ("Zinc of Ireland" or "the Company") (ASX: ZMI) submit herewith the financial report of Zinc of Ireland and its controlled entities ("the Group") for the half-year ended 31 December 2018. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Names of Directors

The names of directors of the Company during or since the end of the half-year are:

Mr Richard Monti	Non-Executive Chairman
Mr Patrick Corr	Executive Director
Mr Thomas Corr	Non-Executive Director
Dr Julian Barnes	Non-Executive Director (appointed 23 August 2018)
Mr Adrian Goldstone	Non-Executive Director (appointed 25 January 2019)
Mr Peter van der Borgh	Managing Director (resigned 30 November 2018)

The above named directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

Operating and financial review

The loss of the Group for the half-year ended 31 December 2018, after accounting for income tax, amounted to \$140,231. The loss after tax for the Group was \$542,471 for the half year ended 31 December 2017.

During the half-year, Mr Peter van der Borgh resigned as Managing Director and Dr Julian Barnes was appointed as Non-Executive Director. Sean Hasson was also appointed as Exploration Manager. Sean has managed the Company's drilling campaign and other technical activities since his appointment.

The focus of the Company's activities remained on the Kildare Project where drilling was ongoing throughout the half year. The drilling was focused on extending the areas of the existing resource and exploring for new discoveries. Other complementary activities were also commenced during the half year. Activities are ongoing at Kildare as the Company prepares for its 2019 drilling campaign and other technical activities.

As announced on 23 August 2018, the Company completed the farmout of 75% of its Leonora Project to Kingwest Resources Limited (Kingwest) (ASX: KWR), and received the consideration being \$490,000 in cash and one million shares in Kingwest which are subject to escrow until August 2019. The Company also retained the right to receive a payment of \$5 per ounce in a mineral resource grading above 1g/t of gold established at the project in the future. A joint venture is deemed to be formed between the Company and Kingwest on the basis of 25:75 respectively, and whereby the parties will either contribute to the development of the project in proportion to its interest or be diluted.

After the end of the half year, as previously reported in the ASX release dated 29 January 2019, the Company successfully completed a placement to Dundee Resources Limited, a subsidiary of Canadian based Dundee Corporation (TSX: DC.A) (Dundee), raising A\$2.425 million (before costs) at an issue price of \$0.005 per share (representing a 25% premium to the market price of the Company's shares at the time). In connection with the placement, respected mining executive, Mr Adrian Goldstone was appointed as Non-Executive Director of the Company.

The Company also announced that it would undertake a consolidation of capital on the basis of 20 for 1. The Company believes the consolidation will provide the best platform for continued growth, a capital structure that is more in line with the Company's size and a share price level that is more attractive to institutional investors, particularly those based in North America given the exposure the Company is likely to receive there. To this end, shareholder approval will be sought.

Auditor's independence declaration

The auditor's independence declaration is included on page 3 of the half-year report.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'R Monti', with a stylized flourish at the end.

Mr Richard Monti

Non-Executive Chairman

12 March 2019

Perth, Western Australia

**Bentleys Audit & Corporate
(WA) Pty Ltd**

London House

Level 3,

216 St Georges Terrace

Perth WA 6000

PO Box 7775

Cloisters Square WA 6850

ABN 33 121 222 802

T +61 8 9226 4500

F +61 8 9226 4300

bentleys.com.au

To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit partner for the review of the financial statements of Zinc of Ireland NL for the period ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully



BENTLEYS
Chartered Accountants



MARK DELAURENTIS CA
Partner

Dated at Perth this 12th day of March 2019

Independent Auditor's Review Report

To the Members of Zinc of Ireland NL

We have reviewed the accompanying financial report of Zinc of Ireland NL ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2018, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled during the period.

Directors Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such 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.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2018 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of the Consolidated Entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independent Auditor's Review Report

To the Members of Zinc of Ireland NL (Continued)



Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Zinc of Ireland NL and Controlled Entities is not in accordance with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2018 and of its performance for the period ended on that date; and
- b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

A handwritten signature in blue ink that reads "Bentleys".

BENTLEYS
Chartered Accountants

A handwritten signature in blue ink that reads "Mark DeLaurentis".

MARK DELAURENTIS CA
Partner

Dated at Perth this 12th day of March 2019

Directors' declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached consolidated financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'R Monti', with a stylized flourish at the end.

Mr Richard Monti

Non-Executive Chairman

12 March 2019

Perth, Western Australia

Condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2018

		Consolidated	
		Half-year ended	
	Note	31 Dec 2018	31 Dec 2017
		\$	\$
Continuing operations			
Interest income		20,604	17,508
Other income		490,000	-
Total revenue and other income	4	510,604	17,508
Administration expenses		(327,956)	(233,970)
Compliance and regulatory expenses		(58,459)	(137,191)
Consultancy expenses		-	(90,398)
Employee benefits expenses		(264,420)	(98,420)
Loss before income tax		(140,231)	(542,471)
Income tax expense		-	-
Loss for the period		(140,231)	(542,471)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Net fair value gain on equity investments designated at FVOCI	4	80,000	-
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		446	(770)
Other comprehensive income for the period, net of income tax		80,446	(770)
Total comprehensive loss for the period		(59,785)	(543,241)
Loss attributable to:			
Owners of Zinc of Ireland NL		(59,785)	(543,241)
Total comprehensive loss attributable to:			
Owners of Zinc of Ireland NL		(59,785)	(543,241)
Loss per share:			
Basic and diluted (cents per share)	8	(0.007)	(0.042)

Condensed notes to the condensed consolidated financial statements are included on pages 11 to 18.

Condensed consolidated statement of financial position as at 31 December 2018

	Note	Consolidated	
		31 Dec 2018 \$	30 Jun 2018 \$
Current assets			
Cash and cash equivalents		2,296,512	2,978,371
Trade and other receivables		360,045	32,783
Other financial assets	4	180,000	100,000
Total current assets		2,836,557	3,111,154
Non-current assets			
Exploration and evaluation expenditure	9	3,579,277	2,585,704
Total non-current assets		3,579,277	2,585,704
Total assets		6,415,834	5,696,858
Current liabilities			
Trade and other payables		99,649	403,213
Total current liabilities		99,649	403,213
Total liabilities		99,649	403,213
Net assets		6,316,185	5,293,645
Equity			
Issued capital	5	10,753,299	9,849,199
Reserves	6	709,857	451,632
Foreign currency translation reserves		(2,200)	(2,646)
Accumulated losses		(5,144,771)	(5,004,540)
Total equity		6,316,185	5,293,645

Condensed notes to the consolidated financial statements are included on pages 11 to 18.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2018

Consolidated

	Issued capital	Reserves	FCTR	Accumulated losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2017	5,857,838	514,819	210	(3,994,864)	2,378,003
Loss for the period	-	-	-	(542,471)	(542,471)
Other comprehensive income, net of income tax	-	-	(770)	-	(770)
Total comprehensive loss for the period	-	-	(770)	(542,471)	(543,241)
Issue of ordinary shares	2,372,797	-	-	-	2,372,797
Share issue costs	(91,833)	-	-	-	(91,833)
Share based payments	-	76,255	-	-	76,255
Transfer to issued capital	160,000	(160,000)	-	-	-
Options cancelled	-	(106,654)	-	106,654	-
Performance rights cancelled	-	(1,357)	-	1,357	-
Balance at 31 December 2017	8,298,802	323,063	(560)	(4,429,324)	4,191,981
Balance at 1 July 2018	9,849,199	451,632	(2,646)	(5,004,540)	5,293,645
Loss for the period	-	-	-	(140,231)	(140,231)
Other comprehensive income, net of income tax	-	80,000	446	-	80,446
Total comprehensive income/(loss) for the period	-	80,000	446	(140,231)	(59,785)
Issue of ordinary shares (refer to note 5)	950,000	-	-	-	950,000
Share issue costs	(45,900)	-	-	-	(45,900)
Share based payments (refer to note 6)	-	178,225	-	-	178,225
Balance at 31 December 2018	10,753,299	709,857	(2,200)	(5,044,835)	6,316,185

Condensed notes to the consolidated financial statements are included on pages 11 to 18.

Condensed consolidated statement of cash flows for the half-year ended 31 December 2018

		Consolidated	
		Half-year ended	
	Note	31 Dec 2018	31 Dec 2017
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(822,879)	(576,090)
Interest received		20,604	17,508
Net cash used in operating activities		(802,275)	(558,582)
Cash flows from investing activities			
Payments for exploration and evaluation		(1,274,130)	(951,634)
Proceeds from sale of interest in tenement	4	490,000	-
Net cash used in investing activities		(784,130)	(951,634)
Cash flows from financing activities			
Proceeds from issues of equity instruments of the Company	5	950,000	2,307,846
Payment for share issue costs		(45,900)	(91,883)
Net cash provided by financing activities		904,100	2,215,963
Net (decrease)/increase in cash and cash equivalents		(682,305)	705,747
Cash and cash equivalents at the beginning of the period		2,978,371	1,350,995
Effects of exchange rate changes		446	-
Cash and cash equivalents at the end of the period		2,296,512	2,056,742

Condensed notes to the consolidated financial statements are included on pages 11 to 18.

Condensed notes to the consolidated financial statements for the half-year ended 31 December 2018

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with annual financial statements of the Company for the year ended 30 June 2018 together with any public announcements made during the following half year.

The half-year financial report was authorised for issue by the directors on 12 March 2018.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Going concern

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

For the year half year ended 31 December 2018, the Group incurred a loss after tax of \$140,231 (2017: \$542,471), and net cash outflows from operating and investing activities of \$1,586,405 (2017: \$1,510,216) and had a net working capital surplus as at 31 December 2018 of \$2,736,908 (30 June 2018: \$2,707,941). As disclosed in Note 10, the Group has \$600,140 in exploration commitments due within the next 12 months.

The directors have prepared a cash flow forecast which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Amendments to Accounting Standards and new Interpretations that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for an accounting period that begins on or after 1 January 2018.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 9 *Financial Instruments* and related amending Standards.
- AASB 15 *Revenue from Contracts with Customers* and related amending Standards.
- AASB 2016-5 *Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions*.

AASB 9 Financial Instruments and related amending Standards

In the current year, the Group has applied AASB 9 *Financial Instruments* (as amended) and the related consequential amendments to other Accounting Standards that are effective for an annual period that begins on or after 1 January 2018. The transition provisions of AASB 9 allow an entity not to restate comparatives however there was no material impact on adoption of the standard.

Additionally, the Group adopted consequential amendments to AASB 7 *Financial Instruments: Disclosures*.

In summary AASB 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities,
- Impairment of financial assets, and
- General hedge accounting.

AASB 15 Revenue from Contracts with Customers and related amending Standards

In the current year, the Group has applied AASB 15 *Revenue from Contracts with Customers* (as amended) which is effective for an annual period that begins on or after 1 January 2018. AASB 15 introduced a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in AASB 15 to deal with specific scenarios.

There was no material impact on adoption of the standard and no adjustment made to current or prior period amounts.

Principles of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the half-year then ended. Where controlled entities have entered (left) the Group, their operating results have been included (excluded) from the date control was obtained (ceased).

Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Consolidated Entity's last annual financial statements for the year ended 30 June 2018.

2. Segment information

The Group operates in one business segment, namely the mineral exploration industry. AASB 8 '*Operating Segments*' states that similar operating segments can be aggregated to form one reportable segment. Also, based on quantitative thresholds included in AASB 8, there is only one reportable segment, namely the mineral exploration industry. However, none of the operating segments currently meet any of the prescribed quantitative thresholds, and as such do not have to be reported separately. The Group has therefore decided to aggregate all its reporting segments into one reportable operating segment.

The revenue and results of this segment are those of the Group as a whole and are set out in the consolidated statement of profit or loss and other comprehensive income. The segment assets and liabilities are those of the Group and set out in the consolidated statement of financial position.

3. Dividends

No dividends were paid or declared for the half-year ended 31 December 2018 and the directors have not recommended the payment of a dividend.

4. Revenue and other income

	31 Dec 2018 \$	31 Dec 2017 \$
Revenue from continuing operations		
Interest income	20,604	17,508
Proceeds from the sale of interest in tenements ¹	490,000	-
	510,604	17,508

¹ On the 22 August 2018, the Company's subsidiary Messina Resources Limited completed a farm-out of 75% of its non-core Leonora Gold Project with Roman Kings Limited and Kingswest Resources Limited. The Company received consideration of \$490,000 in cash during the period. This is in addition to the one million fully paid ordinary shares the Company received in Roman Kings Pty Ltd in prior periods as consideration for the Stage 1 Interest. The fully paid ordinary shares in Roman Kings Pty Ltd were converted on a 1:1 basis to fully paid ordinary shares in Kingswest Resources Limited (ASX:KWR) pursuant to a Share Purchase Deed.

As at 31 December 2018, the Company holds one million fully paid ordinary shares in Kingswest Resources Limited valued at \$180,000. As at 30 June 2018, the Company held one million fully paid ordinary shares valued at \$100,000 being \$0.10 each in Roman Kings Pty Ltd (ACN 610 839 346) an Australian private company.

The net fair value gain of \$80,000 on equity investments is designated at Fair Value Other Comprehensive Income (refer note 6).

5. Issued capital

	31 Dec 2018 \$	30 Jun 2018 \$
Fully paid ordinary shares	10,753,299	9,849,199

Fully paid ordinary shares	31 Dec 2018		30 Jun 2018	
	No.	\$	No.	\$
Balance at beginning of period	1,755,695,208	9,849,199	914,132,532	5,857,838
Share placement (i)	190,000,000	950,000		
Issue of shares (ii)			20,000,000	160,000
Issue of shares (iii)			4,000,000	40,000
Issue of shares (iv)			86,692,822	433,464
Shortfall issue (v)			226,018,022	1,130,090
Share placement (vi)			153,848,644	769,243
Issue of shares (vii)			3,188	48
Share placement (viii)			351,000,000	1,755,000
Share issue costs		(45,900)		(296,484)
	1,945,695,208	10,753,299	1,755,695,208	9,849,199

- (i) Issue of fully paid ordinary shares on 11 July 2018 at \$0.005 pursuant to a Placement.
(ii) Issue of fully paid ordinary shares on 19 July 2017 in conversion of Class A Performance Rights.
(iii) Issue of fully paid ordinary shares on 19 July 2017 at a deemed issue price of \$0.01 to a creditor of the Company for non-cash consideration for corporate advisory services.
(iv) Issue of fully paid ordinary shares at \$0.005 on 14 August 2017 pursuant to a Prospectus lodged with ASX on 19 July 2017.
(v) Issue of fully paid ordinary shares on 24 August 2017 at \$0.005 pursuant to a shortfall under the Right Issue.
(vi) Issue of fully paid ordinary shares on 24 August 2017 at \$0.005 pursuant to a Placement.
(vii) Issue of fully paid ordinary shares on 25 January 2018 due to exercising quoted 21/07/2021 options.
(viii) Issue of fully paid ordinary shares on 24 May 2018 at \$0.005 pursuant to Placement to sophisticated investors.

6. Reserves

	31 Dec 2018 \$	30 Jun 2018 \$
Balance at beginning of the period	451,632	514,819
Net fair value gain on equity investments designated at FVOCI	80,000	-
Share based payment reserve (i)	178,225	(63,187)
Carrying value at end of the period	709,857	451,632

- (i) This represents the value of options (listed and unlisted) issued to advisors and the value of Performance Rights (expensed over their vesting dates) issued to directors during the period ended 31 December 2018 and the year ended 30 June 2018.

7. Options

The following option arrangements were in existence at the reporting date:

Option series	Number	Grant date	Grant date fair value \$	Exercise price \$	Expiry date	Vesting date
ZMIAA	129,800,000	Various	-	0.02	30 Apr 2020	Vested
ZMIAA	326,333,333	Various	-	0.04	21 Jul 2021	Vested
ZMIAA	7,000,000	25 Nov 2016	0.0072	0.06	30 Sept 2021	Vested
ZMIOC	1,057,556,300	Various	-	0.015	21 Jul 2021	Vested
OPT06	15,000,000	9 July 18	0.0026	0.015	11 Jul 2021	Vested
OPT07	15,000,000	9 July 18	0.0029	0.02	11 Jul 2021	Vested
OPT08	50,000,000	11 July 18	0.002	0.015	11 Jul 2020	Vested

7.1 Options issued during the half-year

The following options were issued during the half-year ended 31 December 2018.

Option series	Number	Exercise price	Expiry date	Purpose of Grant
ZMIOC ¹	190,000,000	\$0.015	21 Jul 2021	Issued pursuant to a placement
ZMIOC ¹	351,000,000	\$0.015	21 Jul 2021	Issued pursuant to a placement
OPT06	15,000,000	\$0.015	11 Jul 2021	Issue of Class A unlisted director options
OPT07	15,000,000	\$0.02	11 Jul 2021	Issue of Class B unlisted director options
OPT08 ²	50,000,000	\$0.015	11 Jul 2020	Issue to brokers and corporate advisors

1 These were free attaching options issued pursuant to a placement.

2 These were fair valued using the black-scholes option pricing model and were accrued for at 30 June 2018 in relation to a placement completed in May 2018.

8. Loss per share

	31 Dec 2018 cents per share	31 Dec 2017 cents per share
Basic and diluted loss per share (cents per share)	(0.007)	(0.042)

8.1 Basic and diluted loss per share

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

	31 Dec 2018 \$	31 Dec 2017 \$
Loss for the period attributable to owners of the Company	(140,231)	(542,471)

	31 Dec 2018 No.	31 Dec 2017 No.
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	1,935,369,121	1,278,258,229

9. Exploration and evaluation expenditure

	31 Dec 2018 \$	30 Jun 2018 \$
Balance at beginning of the period	2,585,704	1,042,274
Expenditure incurred during the period	993,573	1,543,430
	3,579,277	2,585,704

10. Commitments for expenditure***Exploration expenditure***

	31 Dec 2018	30 Jun 2018
	\$	\$
Not longer than one (1) year	600,140	378,439
Two (2) to five (5) years	1,508,460	1,466,452
	2,108,600	1,844,891

If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the consolidated statement of financial position may require review to determine the appropriateness of carrying value. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations. Where commitments are denominated in foreign currencies, the amounts have been converted to Australian dollars based on the exchange rates prevailing as at 31 December 2018.

11. Contingent liabilities and contingent assets

There has been no significant change in contingent liabilities and/or contingent assets since the last annual report. Please refer to the 30 June 2018 annual financial report.

12. Key management personnel

Remuneration policies of key management personnel are disclosed in the 2018 annual financial report. During the period under review, there were a number of changes to key management personnel.

On 23 August 2018, Dr Julian Barnes was appointed as Non-Executive Director.

On 30 November 2018, Mr Peter van der Borgh resigned as Managing Director. Following his resignation 2,650,000 performance rights were terminated.

Mr Richard Monti received \$7,700 (inclusive of GST) per month for his services as Non-Executive Chairman. Effective from 1 March 2019, Mr Richard Monti will receive \$5,500 (inclusive of GST) per month. Mr Patrick Corr receives an annual salary of \$160,000 plus superannuation for his services as Executive Director. Dr Julian Barnes and Mr Thomas Corr received \$4,167 per month and \$6,000 per month respectively for their services as Non-Executive Directors. Effective from 1 March 2019, Mr Thomas Corr will receive \$3,000 per month. Mr Keith Bowker's company secretarial and corporate advisory services are provided by KBH Corporate Pty Ltd which receives \$5,500 (inclusive of GST) per month.

13. Subsequent events

There has not been any other matter or circumstance that has arisen since the end of the half-year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Other than:

On 29 January 2019, the Company successfully completed a Placement to Dundee Resources Limited raising \$2,425,000 (before costs) by the issue of 485,000,000 fully paid ordinary shares at \$0.005 per share. In connection with the Placement a 6% cash fee is payable to Goodman & Company, Investment Counsel Inc and in addition, the Company has agreed to issue Goodman & Company, Investment Counsel Inc approximately 30,000,000 unlisted broker options, exercisable at \$0.01 and expiring 2 years from the date of issue, subject to obtaining shareholder approval at an upcoming general meeting of the Company.

On 25 January 2019, the Company appointed Adrian Goldstone as Non-Executive Director. Mr Goldstone will receive \$3,000 per month for his services as a Non-Executive Director.