BIRIMIAN

ASX Announcement ASX BGS

29 March 2019

2018 ANNUAL REPORT

Birimian Limited is pleased to release its 2018 Annual Report

Yours faithfully,

Chris Evans
Managing Director
Birimian Limited

About Birimian

Birimian Limited (ASX:BGS) is developing the world class Goulamina Lithium Project in Mali, West Africa. The company released the results of its Pre-Feasibility Study (PFS) on the project to the ASX on 4 July 2018. In March 2019 the company received its' Environmental Permit approval from the Malian Government. Birimian has signed a Letter of Intent (LOI) with Changsha/Minmetals Corporation of China to discuss possibilities in EPC, offtake and funding for the project.

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Birimian Limited
ABN 11 113 931 105

BIRIMIAN

Limited

ACN 113 931 105

Annual Report

31 December 2018

Corporate directory

Current Directors

Dr Alistair Cowden	*Non-executive Chairman*
Mr Chris Evans	Managing Director
Mr Mark Hepburn	*Executive Director*
Mr Noel O'Brien	*Non-executive Director*
Mr Brendan Borg	*Non-executive Director*

Joint Company Secretaries

Mr Eric Hughes
Mr Sebastian Andre

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Chairman's Letter

Fellow Shareholders,

As many of you will be aware I have recently been appointed as Chairman of Birimian Ltd, a position I am delighted and honoured to hold in your Company. Despite 2018 being a year that heralded much change within Birimian, a great deal was still achieved in relation to our Goulamina Lithium Project in Mali and the fundamental attributes that make this a world class lithium project remain constant.

In July 2018 your Company released its maiden Ore Reserve along with an upgraded Mineral Resource, coincidental with the publishing of it's updated Pre Feasibility Study (PFS) report for Goulamina. This was followed up later in the year by the submission of the ESIA Environmental Approval application and the signing of several important agreements with potential offtake and construction partners.

The refresh of the Board and Management that occurred in late 2018 and early 2019 has secured a group of professional Directors for your Company who all have relevant and direct experience that will be of benefit in the coming year as we complete the Definitive Feasibility Study for Goulamina, secure our final permitting and raise the finance required for construction.

In 2019 your Board and management will steady the ship and get on with the business of advancing our world class Goulamina Lithium Project.

I look forward to sharing an exciting future at Birimian with you all.

DR ALISTAIR COWDEN
Chairman

Review of Activities

OVERVIEW

A number of major milestones on the Goulamina Lithium Project were achieved in the second half of 2018, despite some uncertainty created by corporate activity in the last months of the year. A revised Pre-Feasibility Study (PFS) showing outstanding financial results was released in July along with an upgraded Resource and Maiden Ore Reserve, followed by the submission of the Environmental Social Impact Assessment (ESIA) report in November.

Following up on the impressive outcomes from the PFS, the Company then signed two non-binding agreements, with Chinese lithium converter General Lithium, for offtake of product and with the Changsha Research Institute of Materials and Metals (CRIMM), a subsidiary of China Minmetals Corporation, to discuss construction finance and offtake from the Goulamina project.

The year was concluded with a substantial Board refresh and a capital raising which secured $5.25M in funding from sophisticated investors.

With the additional funding secured at the end of the year and the post 31 December award of the Environmental Permit for the project, the Company is now well positioned to further advance the Goulamina Lithium Project to the next stages.

GOULAMINA LITHIUM PROJECT

Updated Pre-Feasibility Study (PFS)

The PFS (*BGS, 04 July 2018*), prepared by Ausenco Services Pty Ltd (**Ausenco**), confirms that Goulamina can be profitably developed as a large scale, low cost, hard rock lithium mine. The recommended development scenario comprises an open cut mining operation and a 2Mtpa mineral concentrating plant. Under this scenario, Goulamina would produce an average of 362,000t of Concentrate, or 53,700t of Lithium Carbonate Equivalent (**LCE**) annually, for the initial mine life of 16 years. Projected C1 costs (Brook Hunt) are A$374/t (US$281/t) of Concentrate produced, generating average annual EBITDA of A$171M (US$128M) and a 49.5% internal rate of return (**IRR**: pre-tax, real).

The PFS followed from an earlier Goulamina pre-feasibility study released in October 2017 (*BGS*, *4 October 2017*). Subsequently, the Company announced that it would undertake further work to produce a revised PFS, with a firm development recommendation, based on improved Project economics.

The PFS demonstrates that a 2Mtpa Project is feasible and can be developed to meet these objectives, as follows:

- a maiden Ore Reserve of 31.2Mt @ 1.56% Li_2O will support a projected initial LOM of 16 years, providing a sound foundation for the commencement of the Project, with substantial Inferred Mineral Resources, which are expected to potentially further extend LOM; and
- C1 operating costs forecast at US$281/t Concentrate, FOB Port of Abidjan, Ivory Coast – among the world's lowest for a hard-rock lithium mine.

The PFS confirms that the recommended development scenario for the Project is a 2Mtpa open cut mining operation using contract mining services. Operational details are included in Table 1 below:

Table 1 Project Operational Summary

Operating Outcomes	PFS
Total Ore Reserve	31.2Mt
Average LOM head grade	1.56% Li_2O
Initial mine operating life	16 Years
Processing capacity	2Mtpa
Average Concentrate production	362,000 tpa
Total Concentrate production (LOM)	5.7Mt
LOM metallurgical recovery (avg.)	70.4%
Waste to ore ratio (avg. LOM)	3.5:1

The financial model, the outcomes of which are detailed in Table 2, is based on revenues derived from sales of a combined Dense Media Separation (**DMS**) and flotation Concentrate. It is assumed that all Concentrate will be 100% payable and priced on a contractual basis with the average real price achieved LOM anticipated to be A$888/t (US$666/t) FOB Abidjan. The figures in Table 2 demonstrate that the Project offers very robust financial returns.

Review of Activities

Table 2: Project Financial Summary

Financial Outcomes	A$ M	US$ M
NPV_{10} (pre-tax)	920	690
NPV_{10} (post-tax)	653	490
Total Net Cashflow Pre-tax (undiscounted)	2,359	1,769
Total Net Cashflow Post-tax	1,760	1,320
Pre-Tax IRR (real)	49.5%	49.5%
Post-Tax IRR (real)	40.1%	40.1%
LOM Project Revenue (real)	5,062	3,796
LOM Operating Costs (real)	2,371	1,778
LOM Project EBITDA (real)	2,691	2,018
EBITDA (LOM avg annual, real)	171	128
Total Project Construction Capex	196	147
Other Capital Costs	25	19
Contingencies (23% of construction capex)	45	33
Concentrate Price (FOB, real)	888/t	666/t
C1 Cash Cost (LOM, real)	374/t	281/t
All-in Sustaining Cost (LOM, real)	425/t	319/t

Summary of Key Findings

- The PFS demonstrates that Goulamina comprises a substantial lithium resource that can be developed as a robust, long-term, low-cost, hard-rock lithium concentrate supplier.
- Average production LOM is forecast to be 362,000 tpa of Concentrate (53,700 tpa LCE).
- Average C1 operating costs are forecast to be US$281/t of Concentrate for LOM.
- Construction capex of A$196M (US$147M) plus contingencies of A$44M (US$33M) and mine development and indirect costs of A$25M (US$19M) for total capex of A$266M (US$199M).
- Project NPV_{10} is forecast to be US$690M and IRR 49.5%, both pre-tax.
- The Project's outstanding economic and technical metrics support a decision to rapidly proceed with a FS and engineering design work.
- Significant opportunities exist to further enhance the already excellent Project economics through process improvement and optimisation and further cost reductions.

Continued exploration work on identified pegmatite zones has the potential to further extend the already very substantial resource base, thereby increasing Project operating life and potentially justifying an expansion of its size. Such expansion is provided for in the process plant design.

Maiden Ore Reserve

In conjunction with the release of the PFS the Company also released a Maiden Ore Reserve statement for the Goulamina Project on 4 July 2018. The Ore Reserve estimate, as shown in Table 3, was prepared by Mr Quinton de Klerk, Director–Mining Engineering at Cube as Competent Person in accordance with the requirements of the JORC Code (2012 edition).

Table 3: Maiden Ore Reserve Statement JORC Code (2012)

Category	Cut-off Li_2O%	Tonnes (M)	Li_2O%	Fe_2O_3%	Li_2O Tonnes
Probable	**0.00%**	**31.2**	**1.56**	**1.03**	**486,000**

Review of Activities

The key PFS elements used to determine the Ore Reserve estimation are shown in Table 3 below.

Table 4: Key Inputs from PFS to Ore Reserve Estimate

Key Input	PFS
LOM metallurgical recovery (avg.)	70.4%
Li_2O concentration	6%
LOM operating cost C1 (avg.)	US$281*
LOM product selling price	US$666/t*

*Per tonne concentrate.

Processing and other costs utilised in the Ore Reserve estimation were as determined by the technical and financial consultants who contributed to the PFS. Ausenco was the lead contractor for the completion of the PFS and report generation. Ausenco also undertook process plant and infrastructure designs and the development of associated capital and operating cost estimates. The mine plan associated with the Ore Reserve assumes a two-stage mining schedule to minimise the initial strip ratio and improve Project economics. The mine plan is not yet fully optimised and further work will be required as part of the FS. The final pit design is depicted in Figure 1 below.

The material assumptions and outcomes from the PFS material to understanding the reported estimates of Ore Reserves were disclosed in the announcement of PFS findings released on 04 July 2018.

An open pit optimisation was completed to form the basis for pit designs and subsequent mining and processing schedules. The mining costs used by Mr Quinton De Klerk to calculate the Ore Reserve estimate were based on LOM costs developed for the PFS.

Figure 1: *Goulamina PFS Proposed Pit Design*

Criteria Used for the Classification of Ore Reserves

In determining the Ore Reserve estimate, only Indicated Resources, as detailed in Table 1 above, were considered and the Ore Reserve is a subset of those Indicated Resources. No Inferred Resources were used for the purposes of Ore Reserve determination and, where they occurred within the pit shell, they were treated as waste material. The classification of the Indicated Resources on which the Ore Reserve is based is addressed further under the heading "Mineral Resource Status" earlier in this announcement.

The pit optimisation was completed using Whittle software based on conventional open pit mining as described above. The model was estimated by Localised Uniform Conditioning methods with an assumption of mining selectivity dimensions of 5mN x 5mE x 5mRL. The Ore Reserve estimate has been classified based on the guidelines specified in the 2012 JORC Code and in the opinion of the Competent Person, the material costs and modifying factors used in the generation of the Ore Reserves are reasonable.

Review of Activities

Upgraded Mineral Resource

Table 5: Mineral Resources JORC Code (2012)

Mineral Resources					
Category	**Domain**	**Tonnes (Mt)**	**Li_2O (%)**	**Li_2O (Mt)**	**Fe_2O_3 (%)**
Indicated	Main	12.2	1.24	0.15	0.96
	West	11.5	1.54	0.18	1.07
	Sangar I	13.8	1.64	0.23	1.03
	Sangar II	6.2	1.47	0.09	1.05
SUB-TOTAL INDICATED		**43.7**	**1.48**	**0.65**	**1.02**
Inferred	Main	3.3	0.91	0.03	1.05
	West	3.7	1.29	0.05	0.92
	Sangar I	10.1	1.53	0.15	1.00
	Sangar II	3.7	1.27	0.05	1.09
	West II	0.5	1.1	0.01	1.3
	Danaya	38.2	1.14	0.45	1.06
SUB-TOTAL INFERRED		**59.5**	**1.21**	**0.74**	**1.05**
TOTAL RESOURCE		**103.2**	**1.34**	**1.39**	**1.04**

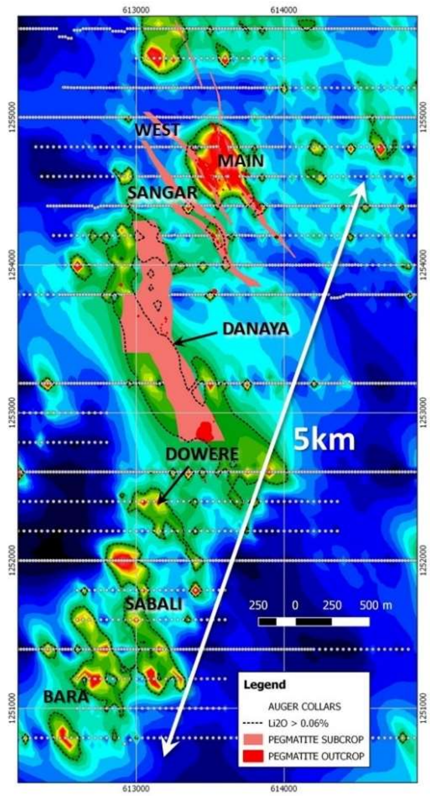
Note: Apparent errors of summation may occur due to rounding.

Resource Definition Drilling

Drilling of the Danaya pegmatites was conducted on sections spaced 100m apart, with holes spaced at 50m intervals along the drill lines. A total of 99 reverse circulation (RC) holes, for 11,274m, was completed, plus three diamond holes with RC pre-collars, for a further 390m.

The drilling program identified multiple separate, near vertically-dipping spodumene-bearing pegmatite intrusions. Twelve of the largest pegmatites at Danaya have been investigated to-date, nine of which form the Danaya Mineral Resource. Considerable potential exists to expand the current resource. Furthermore, it seems likely that at least some of the pegmatites intersect or coalesce with the Sangar I or Sangar II pegmatites at their northern extents (Fig. 1). All pegmatites drilled remain open to the north, south and at depth.

Review of Activities



The depth of weathering at Danaya varies substantially. Several partially-weathered pegmatites outcrop in the central part of the zone, while weathering has been intersected down to a depth of 75m in the northernmost section. Weathered pegmatite was excluded from the resource estimation because metallurgical testwork has yet to be conducted on this material.

ESIA Submission

On 6 November 2018, the Company's wholly-owned subsidiary, Timbuktu Ressources SARL (Timbuktu) formally lodged the Environmental and Social Impact Assessment (ESIA) Report for Goulamina with Mali's Environment Department (Direction Nationale de l'Assainissement et du Contrôle des Pollutions et des Nuisances (DNACPN). The ESIA was prepared by the Company's environmental consultant, Digby Wells Environmental. The Company is now proceeding with further advancement and development of the Project.

On 6 March 2019 the ESIA was approved and an Environmental licence granted to Birimian. This is a major milestone in the project development as it is the first Lithium Project in Mali to have an ESIA approved and is now positioned to be the first spodumene concentrate project in Africa.

Product Marketing & Off take

Discussions continued with potential offtake partners as part of the Company's ongoing examination of options for Project financing and marketing of the Goulamina product. To facilitate these discussions the Company appointed highly experienced lithium specialist, Mr Anand Sheth, as the Company's Strategic Marketing Adviser. Mr Sheth is assisting in ongoing negotiations with potential offtake parties, including the introduction of new participants to the process.

The first Memorandum of Understanding was completed in December 2018 with General Lithium Corp (GLC) for 200,000 tpa of 6% spodumene concentrates ie 55% of Goulamina's planned capacity. GLC is a well-established Chinese chemical converter with decades of experience of producing battery grade lithium carbonate and lithium hydroxide. The Company is in discussions with GLC to progress towards a firm and binding offtake commitment.

In addition to the above, the Company has begun discussions on the Goulamina Lithium Project with the Changsha Research Institute of Mining and Metallurgy ("Changsha").

Changsha was formed in 1955 and is a specialist metallurgical and mining company that has a large research and development capability. Changsha is a division of China Minmetals Corporation which is a state-owned corporation and one of the largest mining houses in China with total assets valued at over AUD $320B located in all parts of the world including Africa.

Birimian was delighted to host the delegation from China that included Changsha Director Professor Chen Wen, Changsha Engineer Mr Xu Liu and International Business Manager Mrs Carey Wu as they outlined the expertise and capabilities of Changsha and the China Minmetals Corporation.

Review of Activities

GOLD PROJECTS

Morila Royalty

In June 2018, Birimian received a total of US$1M from the Société des Mines de Morila SA (**Morila** or the **Morila Joint Venture**) in exercise option fees payable on completion of the transactions between Morila, Birimian and Birimian's wholly-owned subsidiary, Birimian Gold Mali SARL (BGM) for the transfer of mineral property rights over the Viper and N'tiola Areas of Interest in the Company's Massigui gold project. Pursuant to the terms of the two Morila Option Agreements, the Group has surrendered the N'tiola gold deposit located on PR 13/640 and the Viper gold deposit located on PR 14/715 (each an Area of Interest). US$200,000 of the US$1M Birimian received has been paid to Société Hanne General Trading SARL (**Hanne**) which has reserved a 5% interest in PR 14/715 and is separately entitled to a 1% NSR on production from an exploitation permit granted to the Group in respect of the area covered by PR 14/715.

In terms of the agreements, Morila is paying BGM a sliding scale NSR of 4% when the gold price is $1,200/oz or higher and 3% when the gold price is $1,100/oz to $1,199/oz. A technical due diligence visit was paid to Morila in early September 2018 to inspect the treatment of ore from N'tiola, subsequent gold production and to review NSR calculation data. in August 2018 the Company received its first Net Smelter Royalty (NSR) from the sale of gold produced at N'tiola. The payment was for US$280,428 (A$377,122).

During the 6 months to 31 December 2018, royalty payments totalling US$877,345 (A$1,208,542) were received from Morila for gold produced at N'tiola and sold during the June and September Quarters 2018.

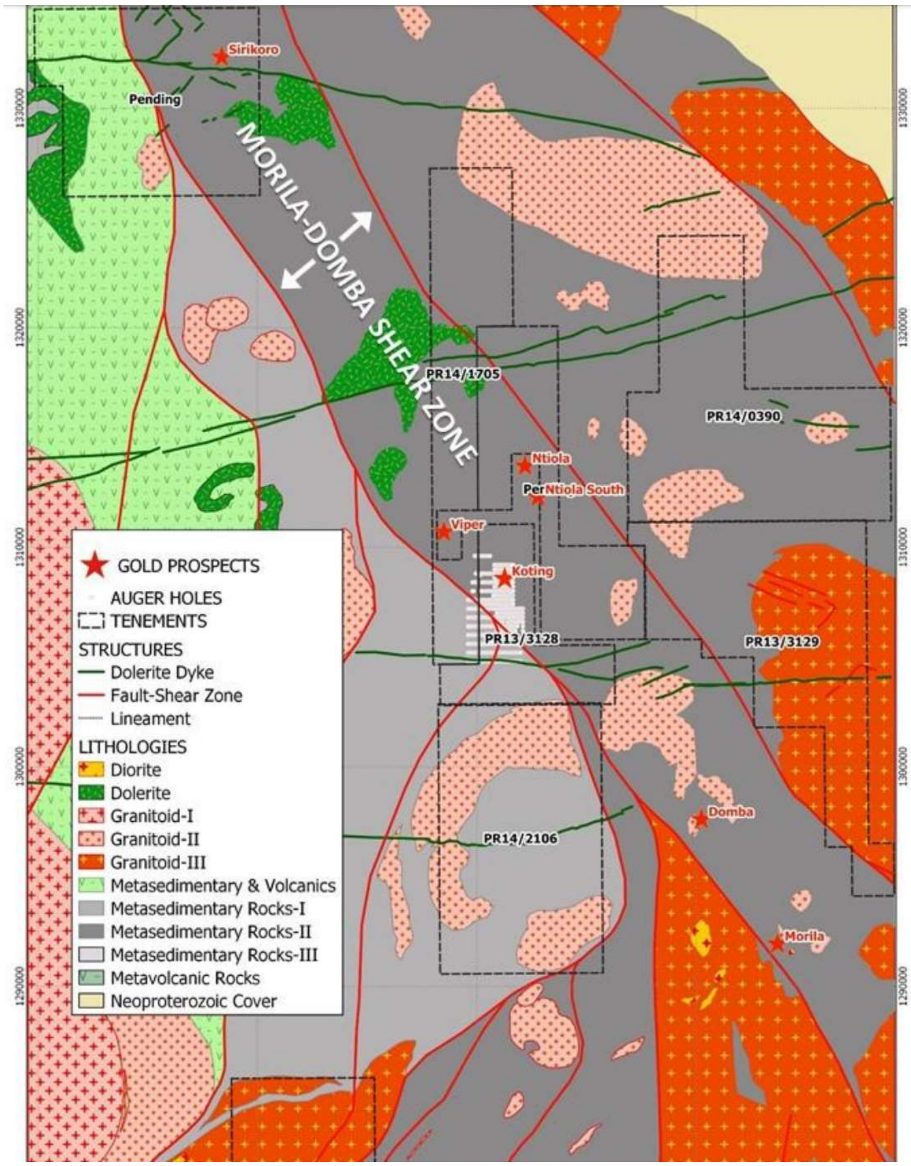
Randgold Resources Limited (Randgold), operator of the Morila Joint Venture reported gold sales of 15,777 oz for the June Quarter, at an average price of US$1,281/oz. and gold sales of 8,262 oz for the September Quarter, at an average price of US$1,206/oz.

Massigui Gold Project (Tenements PR13/3125, 13/3128-9, 14/1705, 14/0390)

Consultant geologist Dr Oliver Kreuzer completed an interpretation of the airborne magnetic survey flown in April 2018. As a result of this analysis, a distinct structural corridor was identified at Massigui, averaging some 5.5km in width and extending obliquely across the Birimian tenements, which regionally appears to be associated with gold deposits and occurrences. The corridor defines an exploration target zone some 20km long within Birimian's Massigui tenements.

Figure 3 shows the new interpretation for the Massigui Gold Project (Massigui) area. A key observation is the presence of two major NW-SE faults, one of which controls the location of the Morila, Domba, Koting, N'tiola and Viper deposits and prospects. These structures define a prospective NW-SE trending corridor, which has been called the Morila-Domba Shear Zone. This zone can be traced as far south as the Syama gold deposit and is clearly a regionally-significant trans-crustal structure, similar to those hosting major gold camps elsewhere in the world.

Review of Activities



Dankassa Gold Project (Tenements PR13/3124,13/3126-27,16/3583)

The magnetic survey revealed that the Dankassa Gold Project (Dankassa) trend, located some 110km south of Bamako, is hosted by a featureless, low susceptibility package of rocks interpreted to be metasediments. Major N-S trending faults are interpreted to the east, which separate metavolcanics rocks from these metasediments. The faults are thought to be part of the trans-crustal Siekorole Shear Zone, which is recognised over at least 200km of strike. The Dankassa gold trend occurs approximately 5km west of this shear zone and parallels it. Recognition of the prospective Siekorole Shear Zone to the east of the Dankassa Trend provides an additional high priority target for further grass-roots exploration.

Permit Status

In December 2018 the Company lodged the necessary paperwork with the Mali Ministry of Mines to relinquish 4 of its exploration permits. These permits were initially of interest due to their gold prospectivity.

The decision to relinquish followed a comprehensive review of the prospectivity of the Company's exploration permits including a full assessment of the results from the auger drilling and magnetic survey mentioned above.

Review of Activities

The Company determined from the review the 4 permits that were relinquished were not sufficiently prospective for gold to warrant further expenditure and it was preferable to focus future activities on the remaining permits which offered a high degree of potential prospectivity.

The 4 permits relinquished were: PR13/638, PR 13/641, PR13/636 & PR 13/671

Applications were also lodged for the second renewal of 3 permits, being;

Finkola (PR 13/640), Diokelebougou (PR 13/639) and Makono (PR 13/637). Aretes for Finkola and Diokelebougou were signed off by the Minister of Mines on 31 December 2018 and the Arete for Makono was signed off on 12 March 2019.

Post 31 December, the application for two lithium exploration permit applications for Mafélé (100 km2) and Nkéméné (95 km2) were not successful and the Company was not awarded these tenements.

All existing tenements in Mali (including Torakoro, which includes the Project) are in good standing.

A summary of permit holdings in Mali at 31 December 2018 is below

Permit Holder	Permit Location	Project	Permit Designation	Permit Number
Birimian Gold Mali SARL	Within “circle” of Bougouni	Massigui	Finkola	PR 13/640
		Massigui	N’tiola	PR 14/715
		Massigui	Diokelebougou	PR 13/639
	Within “circle” of Kati	Dankassa	Makono	PR 13/637
Timbuktu Ressources SARL	Within “circle” of Bougouni	Massigui	Finkola-Sud	PR 13/672
		Goulamina	Torakoro	PR 16/840
	Within “circle” of Kati	Dankassa	Sanankoroni	PR 16/805
Sudquest SARL	Within “circle” of Bougouni	Goulamina	Finkola Nord	Application

CORPORATE

Board Changes

During the last quarter of 2018, the Company announced a series of changes to the composition of the Board. Following the resignation of Mr Greg Walker as Executive Director and Chief Executive Officer, Ms Gillian Swaby as an Executive Director and Mr James McKay as the Chairman, a new Board was appointed.

Several appointments were made by the new Board post 31 December 2018 such that a high quality, appropriately experienced group of Directors occupy key Board positions and are well positioned to advance the Goulamina Lithium Project. Post 31 December the Board now comprises of the following Members:

- Dr Alistair Cowden – Non Executive Chairman
- Mr Chris Evans – Managing Director
- Mr Mark Hepburn – Executive Director – Corporate Development
- Mr Noel O’Brien – Non Executive Director
- Mr Brendan Borg – Non Executive Director

Capital Raising

In December 2018 Birimian completed an equity fund raising through the placement of $5.25M. Of this amount, it was agreed that $306,000 was to be placed to Mr Mark Hepburn and Mr Brendan Borg, directors of the Company. The issue of shares to directors required shareholder approval and a general meeting was called for that purpose on 20 February 2019. Shareholders approved the placement of shares to the two directors.

Directors' report

The Directors present their report for Birimian Limited (**Birimian** or the **Company**) and its subsidiaries (the **Group**) for the twelve months ended 31 December 2018.

1. Directors

Dr A Cowden	Non-executive Chairman *(appointed 18 February 2019)*
Mr C Evans	Managing Director *(appointed 24 January 2019)*
Mr M Hepburn	Executive Director *(appointed 14 November 2018)*
	Interim Chief Executive Officer *(appointed 14 November 2018, ceased 28 February 2019)*
Mr N O'Brien	Non-executive Director
Mr B Borg	Non-executive Director *(appointed 14 November 2018)*
Mr J McKay	Chairman *(resigned 13 November 2018)*
Mr G Walker	Executive Director & Chief Executive Officer *(resigned 13 November 2018)*
Ms G Swaby	Executive Director *(resigned 13 November 2018)*

Qualifications and experience of the Directors in office during the period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Dr Alistair Cowden

Non-executive Chairman (appointed 18 February 2019)

Dr. Cowden has more than 35 years of experience as a mining executive, director and geologist in the mining industry in Australia, Africa, Asia and Europe. He is currently a director of TSX and ASX listed Copper Mountain Corporation. He has founded eight public companies including Altona Mining, of which he was Managing Director. Altona built, operated and sold the Kylylahti copper-gold mine in Finland in 2014 and owned the large Eva Copper project in Queensland prior to its $250 million merger with Copper Mountain in 2018.

Dr. Cowden has been part of the discovery, development and operation of numerous mines in Australia, Africa and Europe and has extensive experience across all aspects of the mining industry including mergers and acquisitions and financing

Dr. Cowden has an Honours degree in Geology from Edinburgh University and a PhD in Geology from the University of London.

Mr Mark Hepburn

Executive Director (appointed 14 November 2018)

Mr Hepburn is a Corporate and Financial Markets Executive with over 28 years' experience in a range of management and board positions for Institutional Stockbroking and Derivatives Trading desks for major Financial Institutions. His career has included roles in Sydney with Deutsche Bank and Macquarie Bank, managing global derivatives distribution sales teams. Mr Hepburn has worked as an Executive Director of a leading Perth stockbroking firm during which time he was involved in numerous fund-raising transactions for ASX listed industrial and resource companies. Mr Hepburn was also Managing Director of his own Corporate Advisory firm which specialised in executing corporate and equity transactions for ASX listed resources companies. His experience also includes working as a corporate executive within mining companies and he has been a member of the Australian Institute of Company Directors since 2008. Mr Hepburn is a non-executive director of Sihayo Gold Limited (ASX: SIH).

Mr Chris Evans

Managing Director (appointed 24 January 2019)

Mr Evans is an experienced project delivery and operational management expert who was most recently the Chief Operating Officer of Altura Mining where he was responsible for all aspects of project development, construction and bringing into operation the Pilgangoora Lithium Mine. During Mr Evans' tenure Altura progressed from exploration to production and export, expanding from a handful of employees to over one hundred as well as utilising a large contracting workforce. Mr Evans was also involved in establishing and maintaining key relationships in relation to project financing and off-take partners.

Mr Evans has a Bachelor of Engineering Degree with Honours and a Master of Engineering Science in Construction Management from the University of New South Wales. He has almost twenty years of demonstrated success in managing teams in diverse localities and projects.

Directors' report

Mr Brendan Borg

Non-executive Director (appointed 14 November 2018)

Mr Borg is a consultant geologist who has specialised in the "battery materials" sector including lithium, graphite and cobalt mineralisation, participating in numerous successful projects, in an investment and/or operational capacity.

Mr Borg has more than 20 years' experience gained working in management, operational and project development roles in the Exploration and Mining industries, with companies including Rio Tinto Iron Ore, Magnis Resources Limited, IronClad Mining Limited, Lithex Resources Limited and Sibelco Australia Limited. Brendan is currently the Managing Director of Celsius Resources Ltd (ASX:CLA) and a Non-Executive Director of Tempus Resources Limited (ASX:TMR). He is also a Director of geological consultancy Borg Geoscience Pty Ltd.

Mr Borg holds a Master of Science in Hydrogeology and Groundwater Management (University of Technology Sydney), a Bachelor of Science in Geology/Environmental Science (Monash University) and is a member of AusIMM and IAH.

Mr Noel O'Brien

Non-executive Director (appointed 1 December 2017)

Mr O'Brien is a metallurgist and lithium processing expert, who is currently a technical adviser to Tawana Resources Limited on its Bald Hill lithium project and Kidman Resources Limited on the Mount Holland lithium project. Previously, Mr O'Brien was a technical consultant to the Galaxy Resources lithium project in Western Australia and the Bikita Minerals lithium project in Zimbabwe.

Mr O'Brien was formerly Managing Director in South Africa for SNC-Lavalin Inc, a leading global engineering and construction group, and was responsible for delivering base metal smelter and refinery projects across Africa. Mr O'Brien has a deep understanding of the lithium market and possesses processing expertise in smelting, gravity separation, flotation, leaching and solvent extraction.

Mr O'Brien holds a Metallurgical Engineering degree (University of Melbourne) and a MBA (Witwatersrand) and is a Fellow of the AusIMM.

Mr James McKay

Chairman (appointed 22 March 2017, resigned 13 November 2018)

Mr McKay has more than 25 years' experience in the establishment and development of a number of large and successful businesses.

Mr McKay is the former chairman of successful coal seam gas explorer Sunshine Gas Limited, having overseen that company's growth to join the ranks of Australia's Top 150 with a market capitalisation over $1 billion prior to its merger with Queensland Gas Company. He is the Chairman and co-founder of Walcot Capital, a private venture business specialising in developing resource projects in Africa and also a shareholder and director of a funeral services group and the past president of the Australasian Cemeteries and Crematoria Association, the industry association for the cemetery and crematorium industry in Australia, New Zealand and the South Pacific.

Mr McKay is currently Chairman of ASX listed Comet Ridge Limited and brings to the board a strong commercial background and sound finance, business management and legal experience. He has strong board skills developed over different industries and board compositions. He holds degrees in both Commerce and Law from the University of Queensland.

He held the position of Executive Chairman of Birimian until 1 December 2017 prior to his transition to a Non-executive Chairman role

Mr Greg Walker

Executive Director/Chief Executive Officer (appointed 30 April 2017, resigned 13 November 2018)

Mr Walker has extensive senior management experience in the resources sector, including industry-government relations, strategic analysis and planning, change management, institutional fundraising and commodity sales. He has worked for more than 35 years in the mining industry, including 18 years with Rio Tinto Limited. Mr Walker has a deep understanding of operating in Africa, having been based in Angola, South Africa, Zambia and Malawi. He has been responsible for government relations in Namibia, Malawi and Niger in West Africa and was founding chairman of the Australia Africa Minerals & Energy Group (AAMEG), the peak body representing Australian companies engaged in development of Africa's resource industry.

Mr Walker is not currently a director of any other companies, nor has been a director of a company in the past three years.

Ms Gillian Swaby

Executive Director (appointed 27 April 2017, resigned 13 November 2018)

Ms Swaby has been involved in financial and corporate services in mining and other sectors for listed entities, as Director, Company Secretary and CFO, for over 30 years. This includes broad based international experience with extensive African experience in bringing assets into production. She has served on the Board of Australia-Africa Minerals & Energy Group (AAMEG) and sits on the Western Australian Division Council of the Australian Institute of Company Directors (AICD). She is a recognised corporate governance specialist and was a finalist in the ASX listed companies' category in the inaugural national Corporate Governance Awards.

Directors' report

Ms Swaby is currently a director of ASX listed companies Deep Yellow Ltd and Comet Ridge Limited. She holds a Bachelor of Business in Accounting and is a Fellow of each of the AICD, the Governance Institute of Australia and Institute of Chartered Secretaries.

2. Company secretary

The following people held the position of Company Secretary through to the date of this report:

Mr Eric Hughes (appointed 8 March 2019)

Mr Hughes has more than 20 years' experience in senior finance executive roles with ASX-listed resource companies. He has a proven track record of structuring, evaluating, financing, developing and operating resource projects in Australia, Turkey, South Africa and Finland. Mr Hughes also brings experience in the negotiation and execution of major financial and corporate transactions. Mr Hughes holds a Bachelor of Business – Business Law from Curtin University, is a CPA and a registered tax agent. He has previously held executive director and non-executive director roles in ASX-listed resource companies.

Mr Sebastian Andre (appointed 21 November 2018)

Mr Andre is a Chartered Secretary with 8 years of experience as an adviser at ASX where he facilitated the listing of 35 entities and personally advised over 300 listed companies. Mr Andre specialises in providing corporate compliance, governance and administrative advice to companies and their boards. Mr Andre holds a Bachelor of Commerce in Accounting from Curtin University and is a member of the Governance Institute of Australia.

Mr Mark Pitts (appointed 24 September 2018, resigned 20 November 2018)

Mr Pitts is a Chartered Accountant with more than 30 years' experience in business administration, statutory reporting and corporate compliance. He is a partner in the advisory firm Endeavour Corporate, where he provides company secretarial, accounting, finance and compliance services to publicly-listed companies in the resources sector. Mr Pitts is a registered Company Auditor. He holds a Bachelor of Business from Curtin University and is a Fellow of Chartered Accountants Australia and New Zealand.

Mr Noel McAuliffe (appointed 23 April 2018, 24 September 2018)

Mr McAuliffe is a CPA and MBA with extensive mining industry experience in Africa, including Burkina Faso in West Africa. He is proficient in French. In addition to project start-up and operational experience in Africa, Mr McAuliffe has extensive capability in developing funding strategies, financial analysis & planning, government relations and managed a project from exploration to production in Burkina Faso on schedule and within budget. Mr McAuliffe is also experienced in statutory compliance matters in West Africa, including the OHADA accounting system.

Mr Nicholas (Nick) Longmire (resigned 23 April 2018)

Mr Longmire has over 25 years' experience in accounting and finance, including 20 years in the mining and exploration industry. Mr Longmire holds a Bachelor of Commerce from Murdoch University and is an associate of the Institute of Chartered Accountants in Australia and New Zealand.

Mr Longmire has worked in a variety of accounting and commercial roles with companies such as Newmont Australia and WMC Resources Ltd and was most recently Chief Financial Officer and Company Secretary of Sarama Resources Ltd, whose interests are in West Africa.

3. Interests in the securities of the Company

As at the date of this report, the interests of the Directors in the securities of the Company were:

Director[#]	Ordinary Shares No.	Unlisted Options No.
A. Cowden	1,000,000	-
C. Evans	110,000	-
M. Hepburn	600,000	2,000,000
N. O'Brien	-	-
B Borg	8,400,000	-

[#] Includes only directors appointed as at the date of this report

4. Dividends paid or recommended

There were no dividends paid or recommended during the financial year ended 31 December 2018.

Directors' report

5. Significant Changes in the state of affairs

During the year ended 31 December 2018:

- Contributed equity increased by $6,548,855 from $46,900,065 to $53,448,920 as the result of the exercise of options and placement of shares. Details in the changes of contributed equity are disclosed in note 12a of the financial statements.
- The Company assigned mineral rights over the N'tiola gold deposit located on PR 13/640 and the Viper gold deposit located on PR 14/715 to Société des Mines de Morila SA (**Morila** or the **Morila Joint Venture**) and received US$1,000,000 (A$1,303,951), out of which a settlement payment of US$200,000 (A$262,985) was made to Société Hanne General Trading SARL (**Hanne**). This represented a net receipt by the Company of $1,040,966. The Company also received royalties from gold produced from the Ntiola deposit totaling $1,208,543. Details of the assignment are disclosed in note 8 of the financial statements.

6. Operating and financial review

6.1. Nature of Operations and Principal Activities

During the year the principal activity was mineral exploration and appraisal in Mali, West Africa.

6.2. Operations Review

A detailed Review of Activities of the Group's operations is set out in the report on page 2.

6.3. Financial Review

The comparative figures presented in this report are the 31 December 2017 Annual Report, which was a six-month annual report due to a change in financial year. Accordingly, changes from the comparative period have been affected by the differing length of reporting period.

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. A DFS has been commenced and a number of key areas are being targeted for completion by the third quarter of 2019 to form the basis of Project design. The main focus will be to improve resource categorisation allowing increases to Ore Reserves and to improve confidence levels in the Mineral Resources and Ore Reserves. The Company will also seek to improve LiO2 recovery from the 70% achieved in the PFS. Spodumene concentrate quality will also be targeted. Further studies will be initiated to improve confidence in the water resources available. Also, the company will seek to obtain all necessary permitting and secure offtake and financing in parallel with the DFS. The Group incurred a loss for the year of $4,067,681 (6 months to Dec 2017: $36,511 profit).

The net assets of the Group have increased from 31 December 2017 by $2,452,793 to $25,740,323 at 31 December 2018 (2017: $23,287,530).

As at 31 December 2018, the Group's cash and cash equivalents decreased from 31 December 2017 by $7,275,916 to $5,242,186 at 31 December 2018 (2017: $12,518,102) and had working capital of $6,055,615 (2017: $11,546,977 working capital), as noted in note 1a.iii Statement of significant accounting policies: Going Concern on page 29.

6.4. Events Subsequent to Reporting Date

On 8 January 2019, the Company completed settlement of a placement raising $605,400 and issuing 3,561,176 shares.

On 20 February 2019, shareholders approved the placement to Directors of 1,800,000 shares at $0.17, raising $306,000. Additionally, shareholders approved the issue of 4,000,000 options, exercisable at $0.40 expiring 3 years from the date of vesting, to Mr Mark Hepburn. The number of options was subsequently reduced to 2,000,000 when he ceased to be CEO.

On 7 March 2019 the Company announced that it had received the signed Environmental Permit for the Goulamina Lithium Project.

Board appointments:

- On 24 January 2019, the Company announced the appointment of Mr Chris Evans as Managing Director, effective 3 February 2019;
- On 18 February 2019, the Company announced the appointment of Dr Alistair Cowden as Non-executive Chairman.

There are no other significant after balance date events that are not covered in this Directors' Report.

Directors' report

6.5. Future Developments, Prospects and Business Strategies

The focus of future work will concentrate on advancing the Goulamina lithium deposit towards a Definitive Feasibility Study. Exploration efforts will also continue on the Group's gold and lithium permit areas in Mali.

6.6. Environmental Regulations

The Group holds various permits issued by the relevant authorities that regulate its exploration activities in Mali. These permits include requirements, limitations and prohibitions on exploration activities in the interest of environmental protection. The holder of such permits must therefore adhere to the various conditions which regulate environment rehabilitation of areas disturbed during the course of the Group's exploration activities.

There have been no known breaches of the Group's permit conditions or any environmental regulations to which it is subject.

7. Meetings of directors and committees

In addition to regular Board discussions, the number of meetings of Directors held during the year and the number of meetings attended by each Director were as follows.

	DIRECTORS' MEETINGS		REMUNERATION AND NOMINATION COMMITTEE		FINANCE AND OPERATIONS COMMITTEE		AUDIT COMMITTEE	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
A. Cowden	Nil	N/A						
C. Evans	Nil	N/A						
M. Hepburn	4	4						
N. O'Brien	16	16						
B Borg	4	4						
J. McKay	12	12						
G. Walker	12	12						
G. Swaby	12	12						

At the date of this report, the Audit, Nomination, and Finance and Operations Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.

8. Indemnifying officers or auditor

8.1. Indemnification

The Company has made agreements indemnifying all the Directors and officers of the Company against all losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of a Group Company to the extent permitted by the Corporation Act 2001. The indemnification specifically excludes wilful acts of negligence. The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company, including officers of the Company's controlled entities. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

9. Options

9.1. The details of the options on issue at the date of this report are as follows:

Class of Security	Number as at 31 December 2018	Number as at the Date of the Report
Unlisted options with an exercise price of $0.45 and an expiry date of 19/10/2019.	7,500,000	7,500,000
Unlisted options with an exercise price of $0.40 and an expiry date of 20/02/2022[a]	2,000,000	2,000,000
	9,500,000	9,500,000

a. 2,000,000 options issued on 19 March 2019 pursuant to shareholder approval on 20 February 2019

Directors' report

9.2. Option Movements over the year ended 31 December 2018

Exercise Price Expiry Date	31.6c 01/12/18	33.6c 30/06/18	45c 19/10/19	40c 20/02/22
Opening Balance	4,500,000	4,000,000	7,500,000	
Issued during the year	-	-		2,000,000
Exercised	(1,500,000)	(4,000,000)	-	-
Lapsed/Expired/Cancelled	(3,000,000)	-	-	-
Closing Balance	-	-	7,500,000	2,000,000

10. Non-audit services

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 satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board to ensure 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 APES 110 Code of Ethics for Professional Accountants.

During the year, PricewaterhouseCoopers, the Company's auditor, provides taxation compliance services, in addition to their statutory audits. Non-audit fees amounted to $135,540 (2017: $69,923). Details of remuneration paid to the auditor can be found within the financial statements at Note 23 Auditor's Remuneration on page 57.

11. Proceedings on behalf of company

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

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

12. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 31 December 2018 has been received and can be found on page 24 of the annual report.

13. Remuneration report (audited)

This report outlines the remuneration arrangements in place for Key Management Personnel (KMP) of Birimian Limited in accordance with the requirements of the Corporation Act 2001 and its Regulations. For the purpose of this report, KMP are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the Parent entity.

13.1. Key management personnel (**KMP)**

KMP have authority and responsibility for planning, directing and controlling the activities of the Group. KMP comprise the directors of the Company and key executive personnel:

- Dr A Cowden — Non-executive Chairman *(appointed 18 February 2019)*
- Mr C Evans — Managing Director *(appointed 24 January 2019)*
- Mr Eric Hughes — Chief Financial Officer *(appointed 26 February 2019)*
- Mr M Hepburn — Executive Director *(appointed 14 November 2018)*
  Chief Executive Officer *(appointed 14 November 2018, ceased 28 February 2019)*
- Mr N O'Brien — Non-Executive Director
- Mr B Borg — Non-Executive Director *(appointed 14 November 2018)*
- Mr J McKay — Chairman *(resigned 13 November 2018)*
- Mr G Walker — Executive Director & Chief Executive Officer *(resigned 13 November 2018)*
- Ms G Swaby — Executive Director *(resigned 13 November 2018)*

13. Remuneration report (audited)

13.2. Principles used to determine the nature and amount of remuneration

The Board is responsible for determining and reviewing compensation arrangements for the Directors and management. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. Any non-cash rewards and incentives will be linked to vesting criteria that reflect the Company's strategy. As the Company progresses to expand its executive team, short-term and long-term incentives will be linked to both personal and Company performance, as considered appropriate at the time.

As part of its Corporate Governance Policies and Procedures, the Board has adopted a formal Remuneration Committee Charter. Due to the current size of the Company and number of Directors, the Board has elected not to create a separate Remuneration Committee but has instead decided to undertake the function of the Committee as a full Board under the guidance of the formal charter. The Company has a policy prohibiting executives and directors from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity-based remuneration scheme.

The Board determines appropriate levels of performance rewards as and when they consider rewards are warranted.

No remuneration consultants have been used in the current year or prior periods however reference has been made to published remuneration reports to assess and review appropriate levels of remuneration.

13.3. Directors and KMP remuneration

Details of the remuneration of the Directors and KMP of the Group (as defined in AASB 124 Related Party Disclosures) are set out in the following table.

2018 – Group											
Group KMP	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total	Performance
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other		Equity / Perf. Rights	Options		
	$	$	$	$	$	$	$	$	$	$	%
Mr M Hepburn(1)	49,100	-	-	-	-	-	-	-	100,000	149,100	nil
Mr N O'Brien(2)	74,201	-	-	-	7,049	-	-	-	-	81,250	nil
Mr B Borg(3)	8,831	-	-	-	-	-	-	-	-	8,831	nil
Dr A Cowden(5)	-	-	-	-	-	-	-	-	-	-	nil
Mr C Evans(5)	-	-	-	-	-	-	-	-	-	-	nil
Mr E Hughes(5)	-	-	-	-	-	-	-	-	-	-	nil
Mr J McKay(7)	87,012	-	-	-	8,266	-	-	-	171,373	266,651	nil
Mr G Walker(4)	379,125	-	-	-	-	-	34,500	-	171,373	584,998	nil
Ms G Swaby(6)	299,000	-	-	-	-	-	-	-	171,373	470,373	nil
	897,269	-	-	-	15,315	-	34,500	-	614,119	1,561,203	

(1) Greyhawk Pty Ltd of which Mr Hepburn is a director, was paid $49,100 since his appointment and granted options valued at $100,000.

(2) Mr O'Brien, a Non-Executive Director, has agreed remuneration is $75,000 per annum including superannuation contributions required by law (currently 9.5%).

(3) Mr Borg commenced as a director effective 14 November 2018. His agreed remuneration is $67,500 per annum plus GST.

(4) Greg Walker Consulting, of which Mr Walker is principal, was paid $379,125 during the 12-month period plus a termination payment in January 2019 equal to one months' notice in accordance with his contract.

(5) Dr Cowden and Messrs Evans and Hughes were appointed subsequent to year end and accordingly received no remuneration for the period.

(6) Strategic Consultants Pty Ltd, a company of which Ms Swaby is a director, was paid $299,000 during the 12-month period.

(7) Mr McKay transferred from an Executive Chairman to a Non-executive Chairman effective 1 December 2017 and ceased upon resignation on 13 November 2018. His agreed Non-executive Chairman's fee is $100,000 per annum including superannuation contributions required by law (currently 9.5%).

Directors' report

13. Remuneration report (audited)

2017 – Group											
Group KMP	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total	Performance
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other		Equity	Options[6]		
	$	$	$	$	$	$	$	$	$	$	%
Mr J McKay[1][3]	88,771	-	-	-	792	-	-	-	81,127	170,690	48
Ms G Swaby[5]	190,000	-	-	-	-	-	-	-	81,127	271,127	30
Mr G Walker[4]	213,750	-	-	-	-	-	-	-	81,127	294,877	27
Mr N O'Brien[2]	6,250	-	-	-	594	-	-	-	-	6,844	nil
	498,771	-	-	-	1,386	-	-	-	243,381	743,538	

(1) Mr McKay transferred from an Executive Chairman to a Non-executive Chairman effective 1 December 2017. His agreed Non-executive Chairman's fee is $100,000 per annum including superannuation contributions required by law (currently 9.5%)

(2) Mr O'Brien commenced as a director effective 1 December 2017. His agreed remuneration is $75,000 per annum including superannuation contributions required by law (currently 9.5%)

(3) Mr McKay's consulting fees were paid to Waterford Pacific Pty Ltd, a company of which Mr McKay is a director. Waterford Pacific Pty Ltd was paid $80,438 during the six-month period.

(4) Greg Walker Consulting, of which Mr Walker is principal, was paid $213,750 during the six-month period.

(5) Strategic Consultants Pty Ltd, a company of which Ms Swaby is a director, was paid $190,000 during the six-month period.

(6) The terms and conditions of each grant of options or performance rights affecting remuneration in the current or a future reporting period are as follows:

Grant Date	Vesting Date	Expiry Date	Exercise Price	Value per Option at Grant Date	Vesting Status
6/10/2017	Options vest upon completion of various milestones (refer below)	19/10/2019	$0.45	$0.101	Vested
13/12/2018	Options vest on the latter of completion of an equity placement by 31 March 2019 or shareholder approval	20/02/2022	$0.40	$0.05	Vested

The options issued to Directors on 6 October 2017 were aligned to Company performance in respect of the Goulamina Project by virtue of the following vesting conditions - achieving a mineral resource of 70 million tonnes, completing a DFS or the granting of an exploitation licence.

13.4. Service Agreements

KMP remuneration is stipulated in consulting services agreements between the Company and the KMP related entities. A summary of the key terms of the agreements are outlined below:

a. Mr Mark Hepburn - Executive Director/Chief Executive Officer:

Pursuant to an agreement dated 13 December 2018, the Company entered into a consulting agreement with Greyhawk Pty Ltd for the provision of Executive Director and Chief Executive Officer services on the following terms:

- a retainer of $33,000 (plus GST) per month and 4,000,000 options exercisable at $0.40 expiring 3 years from the date of vesting, vesting on the following terms:
  - 2,000,000 options on the latter of completion of an equity placement by 31 March 2019 or obtaining shareholder approval. These were granted on 20 February 2019 and issued 18 March 2019;
  - 500,000 options 1 month after the Board resolves to commence work on the preparation of a definitive feasibility study (DFS) (lapsed as employment as CEO ceased);
  - 1,500,000 options upon completion of a DFS (lapsed as employment as CEO ceased).
- The term is for two years from the commencement date and may be terminated by either party at any time:
  - in the case of the Company, by giving three months' notice;
  - in the case of Greyhawk, by giving one month's notice;

The role of Chief Executive Officer was terminated by mutual agreement on 28 February 2019.

Directors' report

13. Remuneration report (audited)

b. Mr Brendan Borg commenced as a Non-executive Director on 14 December 2018 on the following terms:
   - agreed remuneration of $67,500 per annum including superannuation contributions required by law (currently 9.5%).
   - terminable at will by either party.

c. Mr G Walker - Executive Director/Chief Executive Officer

   Pursuant to an agreement dated 18 May 2017, Greg Walker Consulting has been contracted to provide the services of Mr Walker on the following terms:
   - the amount of $1,500 per day, such amount to be reviewed annually; and
   - the engagement is terminable on one month's notice from either party.

   This agreement was terminated upon resignation on 13 November 2018.

d. Ms G Swaby - Executive Director

   Pursuant to an agreement dated 18 May 2017, Strategic Consultants Pty Ltd has been contracted to provide the services of Ms Swaby on the following terms:
   - $2,000 per day; and
   - terminable at will by either party.

   This agreement was terminated upon resignation on 13 November 2018.

e. Mr J McKay – Non-executive Chairman

   Mr McKay transferred from Executive Chairman to Non-executive Chairman on 01 December 2017 on the following terms:
   - fee of $100,000 per annum including superannuation contributions required by law (currently 9.5%).
   - terminable at will by either party.

   This agreement was terminated upon resignation on 13 November 2018

f. Mr N O'Brien – Non-executive Director

   Mr O'Brien commenced as a Non-executive Director on 01 December 2017 on the following terms:
   - agreed remuneration of $75,000 per annum including superannuation contributions required by law (currently 9.5%).
   - terminable at will by either party.

g. Subsequent to 31 December 2018, the Company appointed Mr Chris Evans as Managing Director. Mr Evans' remuneration and incentives Executive Service Agreement will be subject to a shareholder vote and any necessary regulatory approvals. The ESA includes the following terms:
   - Mr Evans will be entitled to a salary of $350,000 per annum plus statutory superannuation. This will be subject to annual review.
   - Incentive Options - Subject to shareholder approval, Mr Evans will be granted options to acquire fully paid ordinary shares as follows:
     - 1,000,000 Options each with an exercise price of $0.40 and expiry date 3 years from the date of grant;
     - 1,000,000 Options each with an exercise price of $0.55 and expiry date 4 years from the date of grant; and
     - 1,000,000 Options each with an exercise price of $1.00 and expiry date 5 years from the date of grant.

     Each Incentive Option will vest upon the first to occur of:
     - the date that is 12 months after the Commencement Date for the Tranche 1 Incentive Options, 24 months after the Commencement Date for the Tranche 2 Incentive Options and 36 months after the Commencement Date for the Tranche 3 Incentive Options subject to Mr Evans continuing to be employed by the Company on that date;
     - a defined change of control event occurring, including under a takeover bid as well as merger or scheme of arrangement (Change of Control Event); and
     - the termination or cessation of Mr Evans' employment as a result of total and permanent disablement, mental illness, terminal illness or death, or redundancy, as determined by the board of directors.

     Any Incentive Option that has not vested before the expiry date will lapse immediately on that date
   - Performance Rights - Subject to shareholder approval, Mr Evans will be granted:

Directors' report

13. Remuneration report (audited)

- 1,000,000 Performance Rights subject to satisfaction of the vesting conditions and with an expiry date 24 months after the date of grant; and
- 1,000,000 Performance Rights subject to satisfaction of the vesting conditions and with an expiry date 30 months after the date of grant; and
- 2,000,000 Performance Rights subject to satisfaction of the vesting conditions and with an expiry date of 48 months after the date of grant.

The vesting conditions relating to the Performance Rights are as follows:

- Each Tranche 1 Performance Right will vest upon the first to occur of: (i) the Company obtaining a credit approved term sheet and committed equity to fund the construction and commissioning of the Company's Goulamina project, including working capital and cost overruns; (ii) a Change of Control Event; and (iii) a Good Leaver Termination Event.
- Each Tranche 2 Performance Right will vest upon the first to occur of: (i) Commencement of construction of the Company's Goulamina project (excluding advanced works or the purchase of long lead time items); (ii) a Change of Control Event; and (iii) a Good Leaver Termination Event; and
- Each Tranche 3 Performance Right will vest upon the first to occur of: (i) the first commercial shipment of ore produced at the Company's Goulamina project after commissioning and construction of the plant at that project; (ii) a Change of Control Event; and (iii) a Good Leaver Termination Event.

Any Performance Right that has not vested before the expiry date will lapse immediately on that date.

- Remuneration Shares - Subject to shareholder approval, Mr Evans will be granted:
  - 100,000 fully paid ordinary shares in the Company on 1 July 2019;
  - 175,000 fully paid ordinary shares in the Company on 1 July 2020; and
  - 225,000 fully paid ordinary shares in the Company on 1 July 2021.
- The Company may terminate Mr Evans' employment at any time on 6 months' notice, of which at least 3 months must be paid in lieu. Mr Evans may terminate his employment with the Company at any time on 3 months' notice or, at the Company's election, 3 months fixed remuneration package in lieu of notice. The Company can terminate the agreement immediately for cause by giving written notice.

h. Subsequent to 31 December 2018, the Company appointed Dr Alistair Cowden as a non-executive director and Chairman of the Board of the Company on the following terms:

- fee of $90,000 per annum (plus any superannuation contributions required by law) (currently 9.5%).
- terminable at will by either party.

i. Subsequent to 31 December 2018, the Company employed Mr Eric Hughes as Chief Financial Officer and Company Secretary. Mr Hughes' Employment Contract includes the following terms:

- total annual remuneration package will be $270,000 plus superannuation up to the maximum superannuation contribution, and in accordance with the *Superannuation Guarantee (Administration) Act 1992* (Cth).
- Upon successful completion of the probationary period he will be paid a non-discretionary payment of $20,000.
- Share Rights - Subject to obtaining all shareholder and Board approvals as deemed necessary by the Company in its sole discretion, including under sections 208 of the Corporations Act and Listing Rules 10.11 and 10.19 of the ASX Listing Rules, the Company will issue Mr Hughes with 500,000 remuneration shares when the first of the below events occur:
  - the anniversary of 2 years of continuous service with the Company; or
  - a change of control event (corporate); or
  - a change of control in major asset (whereby the Company sells the Goulamina Project).
- The Company may terminate Mr Hughes' employment at any time on 6 months' notice, of which at least 3 months must be paid in lieu. Mr Hughes may terminate his employment with the Company at any time on 3 months' notice.

Directors' report

13. Remuneration report (audited)

13.5. KMP equity holdings

a. The number of shares in the Company held during the year 31 December 2018 held by each KMP of Birimian Limited, including their related parties, is set out below

2018 – Group *Group KMP*	Balance at start of year No.	Received during the year as compensation No.	Received during the year on the exercise of options o.	Other changes during the year No.	Balance at date of resignation No.	Balance at end of year No.
Mr M Hepburn	-	-	-	-	-	-
Mr N O'Brien	-	-	-	-	-	-
Mr B Borg[(1)]	6,900,000	-	-	-	-	6,900,000
Dr A Cowden[(2)]	-	-	-	-	-	-
Mr C Evans[(2)]	-	-	-	-	-	-
Mr E Hughes[(2)]	-	-	-	-	-	-
Mr J McKay	105,000	-	-	-	105,000	-
Mr G Walker	-	-	-	-	-	-
Ms G Swaby	-	-	-	-	-	-
	7,005,000	-	-	-	105,000	6,900,000

(1) In respect to Mr Borg, "Balance at start of the year" represents shares held directly and indirectly by Mr Borg at the date of his appointment, 15 November 2018.

(2) Dr Cowden and Messrs Evans and Hughes were appointed subsequent to year end and accordingly no balances are reported for period.

2017 – Group *Group KMP*	Balance at start of year No.	Received during the year as compensation No.	Received during the year on the exercise of options No.	Other changes during the year No.	Balance at date of resignation No.	Balance at end of year No.
Mr J McKay	105,000	-	-	-	-	105,000
Ms G Swaby	-	-	-	-	-	-
Mr G Walker	-	-	-	-	-	-
Mr N O'Brien	-	-	-	-	-	-
	105,000	-	-	-	-	105,000

b. The numbers of options in the Company held during the year 31 December 2018 by each KMP of Birimian Limited, including their related parties, are set out below

2018 – Group *Group KMP*	Balance at start of year No.	Granted as Remuneration during the year No.	Exercised during the year No.	Other changes during the year No.	Balance at date of resignation No.	Balance at end of year No.	Vested and Exercisable No.	Not Vested No.
Mr M Hepburn	-	2,000,000	-	-	-	2,000,000	2,000,000	-
Mr N O'Brien	-	-	-	-	-	-	-	-
Mr B Borg[0]	1,500,000	-	-	(1,500,000)	-	-	-	-
Dr A Cowden[(2)]	-	-	-	-	-	-	-	-
Mr C Evans[(2)]	-	-	-	-	-	-	-	-
Mr E Hughes[(2)]	-	-	-	-	-	-	-	-
Mr J McKay	2,500,000	-	-	-	2,500,000	-	2,500,000	-
Mr G Walker	2,500,000	-	-	-	2,500,000	-	2,500,000	-
Ms G Swaby	2,500,000	-	-	-	2,500,000	-	2,500,000	-
	9,000,000	2,000,000	-	(1,500,000)	7,500,000	2,000,000	9,500,000	-

Directors' report

13. Remuneration report (audited)

(1) In respect to Mr Borg, "Balance at start of the year" represents options held directly and indirectly by Mr Borg at the date of his appointment, 15 November 2018. "Other changes during the year" represent the expiration of options held.

(2) Dr Cowden and Messrs Evans and Hughes were appointed subsequent to year end and accordingly no balances are reported for period.

2017 – Group *Group KMP*	Balance at start of year No.	Granted as Remuneration during the year No.	Exercised during the year No.	Other changes during the year No.	Balance at date of resignation No.	Balance at end of year No.	Vested and Exercisable No.	Not Vested No.
Mr J McKay	-	2,500,000	-	-	-	2,500,000	-	2,500,000
Ms G Swaby	-	2,500,000	-	-	-	2,500,000	-	2,500,000
Mr G Walker	-	2,500,000	-	-	-	2,500,000	-	2,500,000
Mr N O'Brien	-	-	-	-	-	-	-	-
	-	7,500,000	-	-	-	7,500,000	-	7,500,000

c. There were no performance rights in the Company issued, held or vested during the year ended 31 December 2018 by any KMP of Birimian Limited, including their related parties

13.6. Other Equity-related KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above relating to options, rights and shareholdings.

13.7. KMP Loans

There are no loans to or from KMP as at 31 December 2018.

13.8. Other transactions with KMP and or their Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

- Greyhawk Pty Ltd of which Mr M Hepburn is a director, was paid $49,100 since his appointment (six-month period to December 2017: $Nil) and of that amount $31,500 (31 December 2017: $Nil) was outstanding at year end.
- Borg Geoscience Pty Ltd of which Mr B Borg is a director was paid $8,831 during the year (six-month period to December 2017: $Nil) and of that amount $8,831 (31 December 2017: $Nil) was outstanding at year end.
- Greg Walker Consulting, of which Mr G Walker is principal, was paid $413,625 during the year (six-month period to December 2017: $213,750) and of that amount $34,500 (31 December 2017: $Nil) was outstanding at year end.
- Strategic Consultants Pty Ltd, a company of which Ms G Swaby is a director, was paid $299,000 during the year (six-month period to December 2017: $190,000) and of that amount $Nil (31 December 2017: $Nil) was outstanding at year end.
- Waterford Pacific Pty Ltd, a company of which Mr J McKay is a director, was paid $Nil during the year (six-month period to December 2017: $80,438) and of that amount $Nil (31 December 2017: $nil) was outstanding at year end.
- There were no other related party transactions for the year ended 31 December 2018 (six-month period 31 December 2017: Nil).

There have been no other transactions in addition to those described in the tables.

On 29 May 2018, the Company held its Annual General Meeting of Shareholders. As required by the Corporations Act, a resolution that the Remuneration Report be adopted was put to the shareholders. A vote adopting the Remuneration Report was received.

END OF REMUNERATION REPORT

Directors' report

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001* (Cth).

CHRIS EVANS
Managing Director

Dated this Friday, 29 March 2019

Competent Person's Declaration

The information in this announcement that relates to exploration results and the Exploration Target is based on information compiled by or under the supervision of Dr Andrew Wilde. Dr Wilde is the chief geologist of Birimian Limited, a fellow and registered professional geoscientist of the Australian Institute of Geoscientists and fellow of the society of economic geologists. Dr Wilde has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results. Dr A Wilde consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Corporate governance statement

The Board of Birimian has responsibility for corporate governance for the Company and its subsidiaries (the **Group**) and has implemented policies, procedures and systems of control with the intent of providing a strong framework and practical means for ensuring good governance outcomes which meet the expectations of all stakeholders.

The Corporate Governance Statement, dated 31 December 2017 and approved by the Board on 27 March 2018, sets out the key features of the corporate governance practices of the Group.

In establishing the framework for corporate governance, the Company has referred to the 3rd Edition of the ASX Corporate Governance Council's Principles and Recommendations (**Principles and Recommendations**). The Board has implemented policies and practices which they believe will focus their attention and that of their Executives on accountability, risk management and ethical conduct. The Board will continue to review its policies and practices to ensure they reflect any changes within the Group and accepted principles of good corporate governance practice.

The Company has followed each recommendation in the Principles and Recommendations (**recommendation**) where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements in its Corporate Governance Statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation, the Board has explained it reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

The Corporate Governance Statement is available on our website http://birimian.com/ASXAnnouncements.html along with the ASX Appendix 4G http://birimian.com/ASXAnnouncements.html, which is a checklist cross-referencing the Principles and Recommendations to disclosures in this statement and copies and charters, principles and policies referred to in this statement.

Auditor's Independence Declaration

As lead auditor for the audit of Birimian Limited for the year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Birimian Limited and the entities it controlled during the period.

Ben Gargett
Partner
PricewaterhouseCoopers

Perth
29 March 2019

Consolidated statement of profit or loss and other comprehensive income

for the year ended 31 December 2018

	Note	12 months to 31 December 2018 $	6 months to 31 December 2017 $
Continuing operations			
Interest income		52,567	62,406
Gain on financial assets at fair value through profit and loss		537,328	-
		589,895	62,406
Corporate and Other Expenses		(2,371,172)	(1,266,303)
Depreciation		(38,092)	(426)
Employee salaries and other employment related costs		(681,687)	(181,228)
Exploration expenditure written off	8	(837,656)	-
Finance costs		(2,408)	-
Foreign exchange loss		(58,709)	(13,354)
Penalties and interest reversal	11a	-	1,678,797
Share-based payments	14	(614,119)	(243,381)
(Loss) / profit before tax		(4,013,948)	36,511
Income tax benefit / (expense)	3	(53,733)	-
Net (loss) / profit for the period		(4,067,681)	36,511
Other comprehensive income, net of income tax			
■ Items that will not be reclassified subsequently to profit or loss		-	-
■ Items that may be reclassified subsequently to profit or loss:		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income attributable to members of the parent entity		(4,067,681)	36,511
Earnings per share:		¢	¢
Basic (loss) / profit loss per share (cents per share)	2	(1.75)	0.02
Diluted profit per share (cents per share)	2	(1.75)	0.02

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated statement of financial position
as at 31 December 2018

	Note	2018 $	2017 $
Current assets			
Cash and cash equivalents	4	5,242,186	12,518,102
Trade and other receivables	5	3,164,221	-
Other current assets	6a	174,986	103,158
Total current assets		8,581,393	12,621,260
Non-current assets			
Property, plant, and equipment	7	650,283	59,206
Deferred exploration and evaluation expenditure	8	19,034,425	11,681,347
Total non-current assets		19,684,708	11,740,553
Total assets		28,266,101	24,361,813
Current liabilities			
Trade and other payables	10	2,472,045	1,074,283
Current tax liabilities	3d	53,733	-
Total current liabilities		2,525,778	1,074,283
Total liabilities		2,525,778	1,074,283
Net assets		25,740,323	23,287,530
Equity			
Issued capital	12a	53,448,920	46,900,065
Reserves	13	5,469,605	5,497,986
Accumulated losses		(33,178,202)	(29,110,521)
Total equity		25,740,323	23,287,530

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year ended 31 December 2018

	Note	Issued Capital $	Accumulated Losses $	Foreign Exchange Translation Reserve $	Share-based Payment Reserve $	Total $
Balance at 1 July 2017		35,096,681	(29,147,032)	1,284,862	4,201,243	11,435,754
Loss for the year			36,511	-	-	36,511
Other comprehensive income for the year		-		-	-	-
Total comprehensive income for the year		-	36,511	-	-	36,511
Transaction with owners, directly in equity						
Shares issued during the year	12a	12,597,899	-	-	(231,500)	12,366,399
Transaction costs	12a	(794,515)	-	-	-	(794,515)
Options issued during the year		-	-		243,381	243,381
Options expired during the year		-	-	-	-	-
Balance at 31 December 2017		46,900,065	(29,110,521)	1,284,862	4,213,124	23,287,530
Balance at 1 January 2018		46,900,065	(29,110,521)	1,284,862	4,213,124	23,287,530
Loss for the year			(4,067,681)	-	-	(4,067,681)
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	(4,067,681)	-	-	(4,067,681)
Transaction with owners, directly in equity						
Shares issued during the year	12a	4,350,000	-	-	-	4,350,000
Transaction costs	12a	(261,645)	-	-	-	(261,645)
Options issued during the year	14a	-	-	-	614,119	614,119
Options exercised during the year	12a	2,460,500	-	-	(642,500)	1,818,000
Balance at 31 December 2018		53,448,920	(33,178,202)	1,284,862	4,184,743	25,740,323

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the year ended 31 December 2018

	Note	12 months to 31 December 2018 $	6 months to 31 December 2017 $
Cash flows from operating activities			
Payments to suppliers and employees		(2,942,257)	(1,512,104)
Interest received		52,567	62,406
Net cash from operating activities	4c.i	(2,889,690)	(1,449,698)
Cash flows from investing activities			
Royalty income received	5	1,208,543	-
Expenditure on exploration and evaluation		(12,493,948)	(3,286,643)
Purchase of property, plant, and equipment		(710,333)	(23,480)
Proceeds from assignment of mineral rights	5, 8c	1,303,951	-
Payment of costs associated with assignment of mineral rights	8c	(262,985)	-
Payments to tax authorities for WHT and VAT		-	(408,406)
Net cash used in investing activities		(10,954,772)	(3,718,529)
Cash flows from financing activities			
Proceeds from issue of shares		4,869,601	12,038,100
Proceeds from exercise of options		1,818,800	328,299
Transaction costs on issue of shares		(122,565)	(722,286)
Net cash provided by financing activities		6,565,836	11,644,113
Net decrease in cash held		(7,278,626)	6,475,886
Cash and cash equivalents at the beginning of the period		12,518,102	6,039,851
Change in foreign currency held		2,710	2,365
Cash and cash equivalents at the end of the period	4a	5,242,186	12,518,102

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

These are the consolidated financial statements and notes of Birimian Limited (**Birimian** or **the Company**) and controlled entities (collectively **the Group**). Birimian is a company limited by shares, domiciled and incorporated in Australia.

The separate financial statements of Birimian, as the parent entity, have not been presented with this financial report as permitted by the *Corporations Act 2001* (Cth).

The financial statements were authorised for issue on 29 March 2019 by the directors of the Company.

The nature of the operations and principal activities of the Group are described in the Director's report.

a. Basis of preparation

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

i. Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (**AASBs**) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

ii. Historical cost convention

The financial statements have been prepared under the historical cost convention, except for financial instruments and share based payments, which have been measured at fair value.

iii. Going Concern

The financial statements have been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business. activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. A DFS has been commenced and a number of key areas are being targeted for completion by the third quarter of 2019 to form the basis of Project design. The main focus will be to improve resource categorisation allowing increases to Ore Reserves and to improve confidence levels in the Mineral Resources and Ore Reserves. The Company will also seek to improve LiO2 recovery from the 70% achieved in the PFS. Spodumene concentrate quality will also be targeted. Further studies will be initiated to improve confidence in the water resources available. Also, the company will seek to obtain all necessary permitting and secure offtake and financing in parallel with the DFS.

The Group will continue will look at funding alternatives in order to fund development activities as required.

iv. Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1t.

v. Comparative figures

In the prior reporting period, the company changed its financial year end from 30 June to 31 December. The current period figures relate to 12 months from 1 January 2018 to 31 December 2018, whereas (as a result of the change in financial year end), the comparative period relates to the 6 months ended 31 December 2017.

The comparative amounts disclosed in the financial report and related notes are not comparable as the lengths of the periods differ by 6 months.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

The Company has changed its financial year end from 30 June to 31 December, which enables the Company to align its financial reporting period with its subsidiaries in Mali. This change means the financial report of the Company is transitional from 1 July 2017 to 31 December 2017. The comparatives in the various financial statements are therefore for a six-month period ended 31 December 2017 versus a twelve-month period ended 30 June 2017.

Where required by AASBs comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

b. Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 January 2017 but determined that their application to the financial statements is either not relevant or not material.

i. New and amended standards adopted by the group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2018:

- AASB 9 Financial Instruments;
- AASB 15 Revenue from Contracts with Customers;
- AASB 2016-5 Amendments to Australian Accounting Standards - Classification and Measurement of Share-based Payment Transactions;
- Interpretation 22 Foreign Currency Transactions and Advance Consideration.

The group also elected to adopt the following amendments early:

- AASB 2018-1 Amendments to Australian Accounting Standards - Annual Improvements 2015- 2017 Cycle.

The Group had to change its accounting policies and; however due to the nature of the Group, no retrospective adjustments following the adoption of AASB 9 and AASB 15 were required. The other amendments listed also above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

c. Principles of consolidation

The Group financial statements consolidate those of the Company and all of its subsidiaries. The Company controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the activities of the subsidiary.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

d. Foreign currency transactions and balances

i. Functional and presentation currency

Items included in the financial statements of each entity within the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of Birimian Limited and Birimian Gold Pty Ltd is Australian dollars. The functional currency of the overseas subsidiaries is Australian dollars.

Effective July 1, 2017, the functional currency of the overseas subsidiaries changed from US Dollars to Australian Dollars. The change in functional currency better reflects the profile of expenditure with regard to the study activity being undertaken and funding sources for the overseas subsidiaries.

The financial report is presented in Australian dollars.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

ii. Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit or Loss.

iii. Group companies and foreign operations

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recorded in a reserve in equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the consolidated statement of profit or loss and other comprehensive income, as part of the gain or loss on sale where applicable.

e. Taxation

i. Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date in the countries where the Group's subsidiaries operate and generate taxable income.

Deferred income tax is provided for on all temporary differences at balance date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. No deferred income tax will be recognised from the initial recognition of goodwill or of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. No deferred income tax will be recognised in respect of temporary differences associated with investments in subsidiaries if the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the near future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the consolidated statement of profit and loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance date and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

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

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Authorities. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the tax authorities is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which is receivable from or payable to the tax authorities, are disclosed as operating cash flows.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

f. Fair Value

i. Fair value hierarchy

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

At balance date the Group does not have financial assets or financial liabilities subject to these criteria and carrying values are assumed to approximate fair values.

g. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less cost of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or categories of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in the consolidated statement of profit or loss and other comprehensive income unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

h. Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as current liabilities in the Statement of Financial Position. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as described above, net of outstanding bank overdrafts.

i. Trade and Other Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for doubtful debts. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. The accounting policy for impairment of trade receivables is explained in note 1j.iv.

They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

j. Investments and other financial assets

i. Classification

From 1 January 2018, the group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The group reclassifies debt investments when and only when its business model for managing those assets changes.

ii. Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

iii. Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(1) *Debt instruments*

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- *Amortised cost*: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- *FVOCI*: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- *FVPL*: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

(2) *Equity instruments*

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

iv. Impairment

From 1 January 2018, the group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

k. Exploration and evaluation expenditure

Exploration and evaluation expenditure represents exploration assets and are capitalised in respect of each identifiable area of interest. These costs are carried forward where right of tenure to the area of interest is current and to the extent that costs are expected to be recouped through the sale or successful development and exploitation of the area of interest, or where exploration and evaluation activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence of economically recoverable reserves, active and significant operations in, or in relation to, the area of interest are continuing.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period in which the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs are written off to the extent that they are not considered to be recoverable in the future.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration assets to mine properties and development.

l. Property, Plant, and equipment

i. Recognition and measurement

Land and buildings are measured at fair value less accumulated depreciation on buildings and less any impairment losses recognised after the date of the revaluation.

Items of plant and equipment are measured on the cost basis and carried at cost less accumulated depreciation (see below) and impairment losses (see accounting policy 1g Impairment of non-financial assets).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads. Cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Where considered material, the carrying amount of property, 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 not been discounted to their present values in determining recoverable amounts.

Where parts of an item of property, plant, and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

ii. Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. Any costs of the day-to-day servicing of plant and equipment are recognised in the income statement as an expense as incurred.

iii. Depreciation

Depreciation is charged to the income statement on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation rates and methods are reviewed annually for appropriateness and are based upon expected useful lives. The expected useful lives for the current and comparative period are:

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

	2018 Years	2017 Years
■ Furniture, fittings and equipment	3.0	3.0
■ Leasehold improvements	3.0	N/A
■ Machinery and vehicles	5.0	5.0

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. 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.

iv. Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

m. Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

n. Trade and other payables

Liabilities for trade creditors and other amounts are measured at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received that are unpaid, whether or not billed to the Group.

o. Share 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. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

p. Employee benefits

i. Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

ii. Other long-term benefits

The Group's obligation in respect of long-term employee benefits other than defined benefit plans, such as long service leave, is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the Reserve Bank of Australia's cash rate at the report date that have maturity dates approximating the terms of the Company's obligations. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

iii. Retirement benefit obligations: Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

iv. Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of: (a) the date when the Group can no longer withdraw the offer for termination benefits; and (b) when the Group recognises costs for restructuring pursuant to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the costs include termination benefits. In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

v. Equity-settled compensation

The Group operates an employee share ownership plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The total amount to be expensed is determined by reference to the fair value of the instrument granted including any market performance conditions (e.g. the entity's share price), excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time). The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The corresponding amount is recorded to the share-based payments reserve. The fair value of performance rights/options is determined using management's best estimates and observable market date and model inputs and the Black-Scholes pricing model. The number of performance rights and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

q. 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. Where 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 asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

r. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the Group are classified as finance leases.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised in the income statement on a straight-line basis over the term of the lease.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

s. Revenue and other income

i. Revenue from contracts with customers

Revenue from contracts with customers is recognised when a customer obtains control of the promised asset and the Group satisfies its performance obligations under the contract. Revenue is allocated to each performance obligation. The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for the transferring of promised good.

ii. Royalty income

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

iii. Finance Income

Interest income is recognised as the interest accrues (using the effective interest method) to the net carrying amount of the financial asset.

t. Critical Accounting Estimates and Judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

The Group has capitalised expenditure on tenements during the period, some of which were in the process of being renewed.

There is no information at balance date and up to the date of this report which would result in an impairment trigger due to potential loss of tenements. The Directors are confident all tenements and renewals will be granted to the Group.

Pursuant to the terms of the two Morila Option Agreements, the Group has surrendered the N'tiola gold deposit located on PR 13/640 and the Viper gold deposit located on PR 14/715 (each an Area of Interest). Subject to certain conditions, Société de Mines de Morila SA (Morila) has paid US$500,000 in relation to each Area of Interest and is paying Birimian a net smelter return (NSR) royalty of up to 4% for gold produced from the Areas of Interest. Of this amount US$200,000 has been paid to Hanne General Trading SARL which has reserved a 5% interest in PR 14/715 and is separately entitled to a 1% NSR on production from an exploitation permit granted to the Group in respect of the area covered by PR 14/715.

ii. Key estimates – Royalty Receivable

Pursuant to the terms of the Morila Option Agreements over N'tiola and Viper gold deposits, Morila, has commenced mining operations on the N'tiola and Viper deposits. As a result the Company has received aNSR royalty of up to 4% for gold produced from N'tiola during the year and is also entitled to receive a NSR royalty of up to 4% for gold produced from the Viper gold deposit, depending on the prevailing gold price, of which Hanne General Trading SARL is entitled to receive a 1% royalty. Refer to Note 8 for an explanation of the judgements, estimates and assumptions that underpin the valuation of the Morila Royalty Receivable.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 1 Statement of significant accounting policies

iii. Key estimates – Share-based payments

The Group recognises the grant date fair value of share-based payment awards granted to employees and directors as a share-based payment expense, with a corresponding increase in share-based payments reserve, over the period in which the employees and directors become unconditionally entitled to the award. The fair value of share-based payments is measured using a Black Scholes option valuation model (Black Scholes). Measurement inputs include the Company's share price on grant date, exercise price of the award, historic volatility, weighted average expected life of the award, expected dividends, the risk-free interest rate and if applicable market performance conditions. Service and non-market performance conditions attached to the awards are not taken into account in determining fair value.

The amount recognised as an expense is adjusted each reporting period to reflect the number of awards which the related service and non-market vesting conditions are expected to be met which is a significant judgement, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

u. Changes in accounting policies

This note explains the impact of the adoption of AASB 9 Financial Instruments and AASB 15 Revenue from Contracts with Customers on the Group's financial statements.

i. AASB 9 *Financial Instruments and associated Amending Standards (applicable for annual reporting period commencing 1 January 2018)).*

Due the nature of the Group, AASB 9 was adopted without restating comparative information. No reclassifications or adjustments arising from the new impairment rules were required. AASB 9 replaces the provisions of AASB 139 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of AASB 9 Financial Instruments from 1 January 2018 resulted in changes in accounting policies, however, as noted above, no adjustments to the amounts recognised in the financial statements have been required. Refer to note 1j for updated accounting policy as a result of the adoption of *AASB 9 Financial Instruments.*

ii. AASB 15 *Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018).*

The group has adopted AASB 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies; however due to the Group being in the exploration phase no revenue is earned and no adjustments to the amounts recognised in the financial statements have been required. Refer to note 1s for updated accounting policy note as a result of the adoption of *AASB 15 Revenue from contracts with customers.*

v. New Accounting Standards and Interpretations not yet mandatory or early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting periods and have not been early adopted by the group. The Group's assessment of the impact of these new standards and interpretations is set out below.

i. AASB 16: *Leases (mandatory for annual reporting periods commencing on or after 1 January 2019).*

AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of $195,892. Therefore, the Group does not expect the impact of AASB 16 to be material.

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

w. Company details

The registered office of the Company is Unit 18, Spectrum Building, 100 Railway Road, Subiaco WA 6008. The telephone number is +61 (0)8 6149 6100.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 2 Earnings per share (EPS)	**Note**	12 months to 31 December 2018 $	6 months to 31 December 2017 $
a. **Reconciliation of earnings to profit or loss**			
(Loss) / profit for the period		(4,067,681)	36,511
(Loss) / profit used in the calculation of basic and diluted EPS		(4,067,681)	36,511

		12 months to 31 December 2018 No.	6 months to 31 December 2017 No.
b. **Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS**		232,395,999	200,247,825
Weighted average number of dilutive equity instruments outstanding	2e	N/A	7,582,951
c. **Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS**		232,395,999	200,247,825

		12 months to 31 December 2017 ¢	6 months to 31 December 2016 ¢
d. **Earnings per share**			
Basic EPS (cents per share)	2e	(1.75)	0.02
Diluted EPS (cents per share)	2e	(1.75)	0.02

e. As at 31 December 2018 the Group has 9,500,000 unissued shares under options (31 December 2017: 16,000,000) and nil performance shares on issue (31 December 2017: nil). The Group does not report diluted earnings per share on losses generated by the Group. During the year ended 31 December 2018 the Group's unissued shares under option and partly-paid shares were anti-dilutive.

Notes to the consolidated financial statements
for the year ended 31 December 2018

Note 3 Income tax	Note	12 months to 31 December 2018 $	6 months to 31 December 2017 $
a. **Reconciliation of income tax expense to prima facie tax payable**			
The prima facie tax (benefit) / payable on (loss) / profit from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Accounting (loss) / profit before tax		(4,013,948)	36,511
Prima facie tax on operating loss at 30.0% (2017: 27.5%)		1,204,184	(10,041)
Add / (Less) tax effect of:			
■ Other assessable income		(161,199)	(98,490)
■ Other non-deductible (income)/expense		184,236	(503,639)
■ Tax losses utilised/(not recognised)		(1,173,488)	612,170
Income tax expense attributable to operating loss		53,733	-
		%	%
b. The applicable weighted average effective tax rates attributable to operating profit are as follows		(1.34)	-
c. Balance of franking account at year end of the parent		nil	nil
d. **Current tax liabilities**		**$**	**$**
Provision for income tax – Mali		53,733	-
		53,733	-
e. **Deferred tax assets unrecognised**		**$**	**$**
■ Exploration and evaluation expenditure		-	-
■ Accruals		327,146	198,904
■ Other		(195,084)	(19,783)
■ Section 40-880 costs		262,759	277,961
■ Net deferred tax asset not brought into account		(394,821)	(457,082)
Net deferred tax assets		-	-

f. **Tax losses and deductible temporary differences**

Total carried forward tax losses of $9,868,803 at 31 December 2018 (31 December 2017: $8,695,315) are available for offset against future assessable income The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits thereof.

g. **Tax consolidation**

Birimian has not formed a tax consolidation group and there is no tax sharing agreement.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 4 Cash and cash equivalents	2018 $	2017 $
a. **Current**		
Cash at bank and in hand[1]	5,129,696	12,518,102
Cash on deposit	112,490	-
	5,242,186	12,518,102

[1] *Includes $520,400 share proceeds received in advance (Note 10 Trade and other payables)*

b. The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 16 Financial risk management.

c. **Cash Flow Information**	12 months to 31 December 2018 $	6 months to 31 December 2017 $
i. **Reconciliation of cash flow from operations to (loss)/profit after income tax**		
(Loss) / profit after income tax	(4,067,681)	36,511
Cash flows excluded from loss attributable to operating activities		
Non-cash flows in (loss)/profit from ordinary activities:		
■ Depreciation and amortisation	38,092	426
■ Exploration expenditure written off	837,656	-
■ Net share-based payments expensed	614,119	243,381
■ Foreign exchange loss	58,709	13,354
■ Penalties and interest (reversal)/expense	-	(1,678,797)
■ Fair value increase in royalty receivable	(602,319)	-
■ Fair value increase in royalty payable	64,991	-
■ Write-off of plant and equipment	19,219	-
Changes in assets and liabilities:		
■ Decrease/(increase) in other assets	(71,828)	10,658
■ Increase/(decrease) in trade and other payables	165,619	(75,231)
■ Increase/(decrease) in taxes	53,733	-
Cash flow from operations	(2,889,690)	(1,449,698)

ii. **Non-cash investing and financing activities**

During the year ended 31 December 2018, non-cash investing and financing activities were as follows:

- Assignment of mineral rights - note 8;
- Cost of assignment of mineral rights - note 8;
- Write-off of fixed assets - note 7
- Capitalisation of depreciation into exploration and evaluation - note 7
- 2,000,000 unlisted options were issued to key management personnel with an exercise price of $0.40 and an expiry date of 20 February 2022.

During the six-month period ended 31 December 2017, non-cash investing and financing activities were as follows:

- 7,500,000 unlisted options were issued to key management personnel with an exercise price of $0.45 and an expiry date of 19 October 2019.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 5 Trade and other receivables	**Note**	**2018 $**	**2017 $**
a. **Current**			
Royalty receivable			
■ Initial receivable balance		3,770,445	-
■ Royalties payments received		(1,208,543)	-
■ Change in fair value estimate		602,319	-
Balance year end		3,164,221	-

b. The Group's exposure to credit rate risk is disclosed in Note 16 Financial risk management.

Note 6 Other assets	**Note**	**2018 $**	**2017 $**
a. **Current**			
GST receivable		124,534	79,508
Prepaid expenses		49,717	12,729
Other receivables		735	10,921
	6b	174,986	103,158

b. Other receivables, prepaid expenses and goods and services tax are non-interest bearing and generally receivable on 30-day terms. They are neither past due nor impaired. The amount is fully collectible. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

Note 7 Plant, and equipment	**Note**	**2018 $**	**2017 $**
Furniture, fittings and equipment		205,020	25,256
Accumulated depreciation and impairment		(27,582)	(561)
		177,438	24,695
Leasehold improvements		187,157	-
Accumulated amortisation		(15,567)	-
		171,590	-
Machinery and vehicles		393,073	68,879
Accumulated depreciation		(91,818)	(34,368)
		301,255	34,511
Total plant and equipment		650,283	59,206

a. **Movements in Carrying Amounts**

	Furniture, fittings and equipment $	Leasehold improvements $	Machinery and vehicles $	Total $
Carrying amount at the beginning of the period	24,695	-	34,511	59,206
Additions	199,544	187,157	324,194	710,895
Disposals / write-offs	(19,219)	-	-	(19,219)
Depreciation expense capitalise to exploration	(5,057)	-	(57,450)	(62,507)
Depreciation expense	(22,525)	(15,567)	-	(38,092)
Carrying amount at the end of year	177,438	171,590	301,255	650,283

Notes to the consolidated financial statements
for the year ended 31 December 2018

Note 8 Deferred exploration and evaluation expenditure	Note	2018 $	2017 $
a. **Non-current:**			
Exploration at cost:			
Carrying amount at beginning of the period/year		11,681,347	8,467,090
Exploration expenditure during the period/year		12,588,666	3,214,257
Option Agreement payment received	8c	(1,303,951)	-
Option Agreement payment made	8c	262,985	-
Disposal of tenements in exchange for NSR royalty (refer below)	8c	(3,770,455)	-
Hanne 1% NSR royalty entitlement	8c	413,489	-
Expenditure written off		(837,656)	-
Balance at the end of the financial year		19,034,425	11,681,347

b. The Directors' assessment of the carrying amount for the Group's exploration and development expenditure was after consideration of prevailing market conditions; previous expenditure for exploration work carried out on the tenements; and the potential for mineralisation based on the Group's independent geological reports. The recoverability of the carrying amount of the deferred exploration and evaluation expenditure is dependent on successful development and commercial exploitation, or alternatively the sale, of the respective areas of interest.

c. Subsequent to the exercise of its options by Société des Mines de Morila SA (**Morila** or the **Morila Joint Venture**) as announced to the ASX on 7 June 2018, which resulted in the assignment of mineral rights over the N'tiola gold deposit located on PR 13/640 and the Viper gold deposit located on PR 14/715, the Company received US$1,000,000 (A$1,303,951), out of which a settlement payment of US$200,000 (A$262,985) was made to Société Hanne General Trading SARL (Hanne). This represents a net receipt of A$1,040,966.

Pursuant to the terms of the Morila Option Agreements over N'tiola and Viper gold deposits, Morila commenced mining operations at the N'tiola deposit. This entitled the Company to receive an NSR royalty of up to 4% on gold produced from both N'tiola and Viper gold deposits depending on the prevailing gold price. It is anticipated that payments in respect of the NSR royalty, will continue to be made during the coming six months.

The Level 3[1] fair value estimate of the NSR royalty attributable to the mining of N'tiola and Viper gold deposits by Morila (Note 5) is calculated at A$3,770,445, before payment to Hanne of its 1% NSR royalty entitlement. In estimating the fair value of the revenue receivable attributable to the NSR royalty on initial recognition, the Company has taken into account the following key assumptions contained in the N'tiola and Viper Feasibility Studies:

- Gold ounces recovered from mined tonnes;
- Gold spot price of US$1,250/ oz;
- US forward foreign exchange curve;
- Birimian Sliding NSR Royalty[2];
- Hanne's 1% NSR royalty entitlement on production from Viper[3]; and
- deductions allowed to Morila in respect of marketing, sales and transport costs.

(1) If one or more of the significant inputs are not based on observable market data, the instrument is defined as Level 3.

(2) Pursuant to the options agreements the Company's wholly owned subsidiary, Birimian Gold Mali SARL (BGM), has entered into with Morila over the N'tiola and Viper gold deposits; Morila would pay BGM a sliding scale NSR royalty of 4% when the gold price is US$1200 / oz or higher, 3% when gold price is US$1100 / oz to US$1199 / oz and 2% when gold price is below US$1100 / oz.

(3) Hanne is entitled to a 1% NSR royalty, which would be paid by BGM out of the NSR royalty it receives from Morila in respect of gold production from the Viper deposit only. See also Note 10.

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Note 9 Interest in subsidiaries

a. **Information about principal subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1c. Details of subsidiary companies are as follows:

	Country of Incorporation	Principal Activities	Percentage Owned 2018	Percentage Owned 2017
■ Birimian Gold (Mali) Pty Limited (formerly Birimian Pty Limited)	Australia	Ordinary	100.0	100.0
■ Birimian Gold Mali SARL	Mali	Ordinary	100.0	100.0
■ Birimian Gold Liberia Inc	Liberia	Ordinary	100.0	100.0
■ Sudquest SARL	Mali	Ordinary	100.0	100.0
■ Timbuktu Ressources SARL	Mali	Ordinary	100.0	100.0

Note 10 Trade and other payables		2018 $	2017 $
Current			
Unsecured			
Trade payables		265,575	350,997
Accruals		1,207,590	723,286
Hanne 1% NSR royalty entitlement	10b	478,480	-
Share proceeds received in advance		520,400	-
	10a	2,472,045	1,074,283

a. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value. Refer to Note 21 for disclosures of amounts outstanding to related parties.

b. Refer to Note 8c for a detailed explanation of this obligation.

Note 11 Provisions	Note	2018 $	2017 $
Current			
Tax obligations and penalties	11a	-	-
		-	-

a. During the six-month period to 31 December 2017, the Group settled the outstanding VAT and withholding tax liabilities owed to the Malian tax authorities for the years up to and including 31 December 2016. At 30 June 2017, the Group had estimated that amount owing would be $455,815. The final amount paid to the Malian tax authorities was $408,406.

On 13 February 2018, the Australian Taxation Office waived all penalties on various matters of non-compliance which were voluntarily disclosed in the prior year and totalled $1,678,797 in the 30 June 2017 financial statements. Accordingly, the provision relating to this potential liability was derecognised at balance date with a corresponding credit through the consolidated statement of profit and loss and other comprehensive income.

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Note 12 Issued capital	Note	2018 No.	2017 No.	2018 $	2017 $
Fully paid ordinary shares at no par value		259,148,940	228,060,704	53,448,920	46,900,065

a. **Ordinary shares**	12 months to 31 December 2018 No.	6 months to 31 December 2017 No.	12 months to 31 December 2018 $	6 months to 31 December 2017 $
At the beginning of the period	228,060,704	194,431,493	46,900,065	35,096,681
Shares issued during the period:				
■ Issuances and placements	25,588,236	31,679,211	4,350,000	12,038,169
■ Exercise of options and vesting of performance rights	5,500,000	1,950,000	2,460,500	559,730
Transaction costs relating to share issues	-	-	(261,645)	(794,515)
At reporting date	259,148,940	228,060,704	53,448,920	46,900,065

b. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

c. **Performance rights**	12 months to 31 December 2018 No.	6 months to 31 December 2017 No.
At beginning of the period	-	-
■ Issued during the year	-	300,000
■ Expired performance shares	-	-
■ Rights converted	-	(300,000)
At reporting date	-	-

d. **Options**	12 months to 31 December 2018 No.	6 months to 31 December 2017 No.
At beginning of the period	16,000,000	10,150,000
■ Options issued during the year	2,000,000	7,500,000
■ Expired Options	(3,000,000)	-
■ Options exercised	(5,500,000)	(1,650,000)
At reporting date	9,500,000	16,000,000

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 12 Issued capital (cont.)

e. **Capital Management**

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings.

The working capital position of the Group was as follows:

	Note	2018 $	2017 $
Cash and cash equivalents	4	5,242,186	12,518,102
Trade and other receivables	5	3,164,221	-
Other current assets	6	174,986	103,158
Trade and other payables	10	(2,472,045)	(1,074,283)
Current tax liabilities	3d	(53,733)	-
Current provisions	11	-	-
Working capital position		6,055,615	11,546,977

Note 13 Reserves

		2018 $	2017 $
Foreign currency translation reserve	13a	1,284,862	1,284,862
Share-based payment reserve	13b	4,184,743	4,213,124
		5,469,605	5,497,986

a. **Foreign currency translation reserve**

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

b. **Share-based payment reserve**

The share-based payment reserve records the value of options and performance rights issued the Company to its employees or consultants.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 14 Share-based payments	31 December 2018 $	31 December 2017 $
a. **Share-based payments:**		
▪ Recognised as Share-based payment expense	614,119	243,381
Gross share-based payments	614,119	243,381

b. **Movement in share-based payment arrangements during the period: Options**

31 December 2018 – Options

Grant Date	Share price on grant date $	Balance at start of the period No.	Granted during the period No.	Exercised during the period No.	Expired or Consolidated during the period No.	Balance at end of the period No.	Exercisable at end of the period No.
30/06/2016[i]	$0.287	4,000,000	-	(4,000,000)	-	-	-
02/12/2016[ii]	$0.340	4,500,000	-	(1,500,000)	(3,000,000)	-	-
6/10/2017[iii]	$0.310	7,500,000		-	-	7,500,000	7,500,000
15/12/2018[iv]	$0.160	-	2,000,000	-	-	2,000,000	2,000,000
		16,000,000	2,000,000	(5,500,000)	(3,000,000)	9,500,000	9,500,000

	Start of the period	End of the period	All Exercisable
Weighted average exercise price ($)	0.32	0.439	0.439
Weighted remaining contractual life (years)	2.07	1.25	1.25

31 December 2017 – Options

Grant Date	Share price on grant date $	Balance at start of the period No.	Granted during the period No.	Exercised during the period No.	Expired or Consolidated during the period No.	Balance at end of the period No.	Exercisable at end of the period No.
11/12/2013[v]	$0.016	1,450,000	-	(1,450,000)	-	-	-
30/06/2016[i]	$0.287	4,000,000	-	-	-	4,000,000	4,000,000
02/12/2016[vi]	$0.340	100,000		(100,000)	-	-	-
02/12/2016[vi]	$0.340	100,000		(100,000)	-	-	-
02/12/2016[ii]	$0.340	4,500,000	-	-	-	4,500,000	4,500,000
6/10/2017[iii]	$0.310	-	7,500,000	-	-	7,500,000	7,500,000
		10,150,000	7,500,000	(1,650,000)	-	16,000,000	16,000,000

	Start of the period	End of the period	All Exercisable
Weighted average exercise price ($)	0.30	0.32	0.32
Weighted remaining contractual life (years)	0.46	2.07	2.07

i. 100% vested on 30 June 2016, expired on 30 June 2018, exercise price is $0.336, fair value on grant date was $0.108.

ii. 100% vested on 2 December 2016, expired on 1 December 2018, exercise price is $0.316.

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Note 14 Share-based payments (cont.)

iii. These options are subject to the vesting conditions outlined below, expire on 19 October 2019 and have an exercise price of $0.45, fair value on grant date was $0.101 per option as per table below:

Non-market performance condition	Expected number of options to vest	Vesting Status
The Options will be exercisable at any time after the following: (a) the Company has demonstrated a Mineral Resource (inferred or greater) of at least 70Mt within the Goulamina Lithium Project; (b) completion by the Company of a DFS on the Goulamina Lithium Project; (c) the granting of an exploitation licence for the Goulamina Lithium Project; or (d) a Change of Control Event.	7,500,000	Vested

iv. Pursuant to an agreement dated 13 December 2018, the Company entered into a consulting agreement with Greyhawk Pty Ltd for the provision of Executive Director and Chief Executive Officer which included the issue of 4,000,000 options exercisable at $0.40 expiring 3 years from the date of vesting, vesting on the following terms:

(a) 2,000,000 options on the latter of completion of an equity placement by 31 March 2019 or obtaining shareholder approval;

(b) 500,000 options 1 month after the Board resolves to commence work on the preparation of a definitive feasibility study (DFS) (since lapsed as employment as CEO ceased);

(c) 1,500,000 options upon completion of a DFS (since lapsed as employment as CEO ceased).

v. 100% vested on 11 December 2013, expire on 12 December 2017, exercise price is $0.021, fair value on grant date was $0.013.

vi. These options are subject to the vesting conditions in the table outlined below and have an exercise price of $0.104 and expire on 1 December 2021, fair value on grant date was $0.21.

Class of options	Non-market performance condition	Expected number of options to vest	Vesting Status
A	Vest and convert to one share upon the Group declaring a resource of 250,000 tonnes or more of Li2O at a JORC inferred or higher level at its Goulamina Project (milestone 1)	200,000	Vested on 14 March 2017
B	Vest and convert to one share upon completing and publishing a scoping study that confirms the Goulamina Project has the potential to be a profitable project based on the known resource and at the prevailing relevant prices at the time (milestone 2)	200,000	Vested on 31 January 2017
C	Vest and convert to one share upon completing and publishing a further study towards development (pre-feasibility or higher) further supporting the scoping study confirmations that the Goulamina Project has the potential to be a profitable project based on the known resource and at the prevailing relevant prices at the time (milestone 3)	200,000	Vested on 4 October 2017

c. **Fair value of options granted during the period**

Other model inputs for options granted during the 12-month period ended 31 December 2018 included.

i. expected life of options of 3 years;
ii. expected volatility of 81%, based on the history of the Company's share price for the expected life of the options;
iii. expected dividend yield of Nil; and
iv. a risk-free interest rate of 1.928%.

Other model inputs for options granted during the six-month period ended 31 December 2017 included.

v. expected life of options of 2 years;
vi. expected volatility of 77%, based on the history of the Company's share price for the expected life of the options;
vii. expected dividend yield of Nil; and
viii. a risk-free interest rate of 1.92%.

Notes to the consolidated financial statements
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Note 14 Share-based payments (cont.)

d. **Movement in share-based payment arrangements during the period: Performance Right**

31 December 2018 – Performance Rights

Nil

31 December 2017 – Performance Rights

Grant Date	Share price on grant date $	Fair Value at Grant Date $	Balance at start of the period No.	Granted during the period No.	Converted during the period No.	Expired or Consolidated during the period No.	Balance at end of the period No.	Convertible at end of the period No.
02/12/2016[i]	$0.340	$0.340	300,000	-	(300,000)	-	-	-
			-	-	-	-	-	-

i. These performance rights are subject to the vesting conditions outlined in table below and expire on 1 December 2021.

Class of options	Non-market performance condition	Expected number of options to vest	Vesting Status
A	Vest and convert to one share upon the Group declaring a resource of 250,000 tonnes or more of Li2O at a JORC inferred or higher level at its Goulamina Project (milestone 1).	300,000	Vested on 14 March 2017
B	Vest and convert to one share upon completing and publishing a scoping study that confirms the Goulamina Project has the potential to be a profitable project based on the known resource and at the prevailing relevant prices at the time (milestone 2).	300,000	Vested on 31 January 2017
C	Vest and convert to one share upon completing and publishing a further study towards development (pre-feasibility or higher) further supporting the scoping study confirmations that the Goulamina Project has the potential to be a profitable project based on the known resource and at the prevailing relevant prices at the time (milestone 3).	300,000	Vested on 4 October 2017

Note 15 Operating segments

a. **Identification of reportable segments**

The Group has one operating segment which involves exploration for gold and lithium in West Africa. All of the Group's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole. The Group operates in Australia and West Africa. The following table shows the assets and liabilities of the Group by geographic region:

	2018 $	2017 $
b. **Assets by geographical region**		
The location of segment assets by geographical location of the assets is disclosed below:		
Australia	5,625,344	12,592,892
West Africa	22,640,757	11,767,838
Total assets	28,266,101	24,360,730
c. **Liabilities by geographical region**		
The location of segment liabilities by geographical location of the liabilities is disclosed below:		
Australia	1,390,273	504,173
West Africa	964,666	570,112
Total liabilities	2,354,939	1,074,285

Notes to the consolidated financial statements

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Note 16 Financial risk management

a. **Financial Risk Management Policies**

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts payable and receivable.

The Group does not speculate in the trading of derivative instruments.

A summary of the Group's financial assets and liabilities is shown below:

	Floating Interest Rate	Fixed Interest Rate	Non-interest Bearing	2018 Total	Floating Interest Rate	Fixed Interest Rate	Non-interest Bearing	2017 Total
	$	$	$	$	$	$	$	$
Financial Assets								
☐ Cash and cash equivalents	5,242,186	-	-	5,242,186	12,518,102	-	-	12,518,102
☐ Trade and other receivables	-	-	3,164,221	3,164,221	-	-	-	-
Total Financial Assets	5,242,186	-	3,164,221	8,406,407	12,518,102	-	-	12,518,102
Financial Liabilities								
Financial liabilities at amortised cost								
☐ Trade and other payables	-	-	2,472,045	2,472,045	-	-	1,074,283	1,074,283
Total Financial Liabilities	-	-	2,472,045	2,472,045	-	-	1,074,283	1,074,283
Net Financial (Liabilities) / Assets	5,242,186	-	692,176	5,934,362	12,518,102	-	(1,074,283)	11,443,819

b. **Specific Financial Risk Exposures and Management**

Exposure to interest rate, liquidity and credit risk arises in the normal course of the Group's business. The Group does not hold or issue derivative financial instruments. The Group uses different methods as discussed below to manage risks that arise from financial instruments. The objective is to support the delivery of the financial targets while protecting future financial security.

i. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 16 Financial risk management (cont.)

- *Credit risk exposures*

The maximum exposure to credit risk is that to its alliance partners and that is limited to 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.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, where ever possible.

- *Impairment losses*

The ageing of the Group's trade and other receivables at reporting date was as follows:

	Gross 2018 $	Impaired 2018 $	Net 2018 $	Past due but not impaired 2018 $
Other receivables (Royalties)				
Not past due	3,164,221	-	3,164,221	-
Total	3,164,221	-	3,164,221	-

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business and investing excess funds in highly liquid short-term investments. The responsibility for liquidity risk management rests with the Board of Directors.

Alternatives for sourcing the Group's future capital needs include our cash position and the issue of equity instruments. These alternatives are evaluated to determine the optimal mix of capital resources for the Group's capital needs. The Group expects that, absent a material adverse change in a combination of our sources of liquidity, present levels of liquidity will be adequate to meet its expected capital needs.

- *Contractual Maturities*

The following are the contractual maturities of financial assets and liabilities of the Group:

	Within 1 Year		Greater Than 1 Year		Total	
	2018 $	2017 $	2018 $	2017 $	2018 $	2017 $
Financial liabilities due for payment						
Trade and other payables	2,472,045	1,074,283	-	-	2,472,045	1,074,283
Total contractual outflows	2,472,045	1,074,283	-	-	2,472,045	1,074,283
Financial assets						
Cash and cash equivalents	5,242,186	12,518,102	-	-	5,242,186	12,518,102
Trade and other receivables	3,164,221	-	-	-	3,164,221	-
Total anticipated inflows	8,406,407	12,518,102	-	-	8,406,407	12,518,102
Net (outflow)/inflow on financial instruments	5,934,362	11,443,819	-	-	5,934,362	11,443,819

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Notes to the consolidated financial statements

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Note 16 Financial risk management (cont.)

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, commodity prices and interest rates. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

(1) ***Interest rate risk***

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The Group's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash and term deposits. The Group manages the risk by investing in short term deposits with maturities of less than one year.

The Company and the Group's exposures to interest rate in financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(2) ***Foreign exchange risk***

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Financial assets in overseas Group companies are not generally material in the contact of financial instruments entered into by the Group as a whole, as they generally relate to funds advanced to fund short term exploration and administration activities of the overseas operations. Once the funds are expended, they are no longer classified as financial assets. Advancing of funds to overseas operations on a need's basis, is an effective method for the management of currency risk. The Group's investments in overseas subsidiaries are not hedged as they are considered to be long term in nature.

The Group has both a royalty receivable and the Hanne 1% NSR royalty entitlement which are subject to fluctuations in foreign currencies (namely United States dollar (**USD**)) may impact on the Group's financial results.

iv. Sensitivity Analyses

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance sheet date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

(1) ***Interest rates***	Profit $	Equity $
Year ended 31 December 2018		
±100 basis points change in interest rates	± 52,422	± 52,422
6 months ended 31 December 2017		
±50 basis points change in interest rates	± 62,591	± 62,591

(2) ***Foreign exchange***	Profit $	Equity $
Year ended 31 December 2018		
±10% of Australian dollar strengthening/weakening against the USD	± 268,574	± 268,574
6 months ended 31 December 2017		
±10% of Australian dollar strengthening/weakening against the USD	± nil	± nil

(3) ***Commodity price - Gold***	Profit $	Equity $
Year ended 31 December 2018		
±1% change in gold price	± 26,857	± 26,857
6 months ended 31 December 2017		
±1% change in gold price	± nil	± nil

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 16 Financial risk management (cont.)

v. Net Fair Values

(1) ***Fair value estimation***

The fair values of financial assets and financial liabilities are presented in the table in Note 16a and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments whose carrying value is equivalent to fair value due to their nature include:

- Cash and cash equivalents;
- Trade and other receivables; and
- Trade and other payables.

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

(2) ***Fair value hierarchy***

The following tables detail the Group's assets, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, as disclosed in note 1f.i.

2018	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Royalty receivable	-	-	3,164,221	3,164,221
Total	-	-	3,164,221	3,164,221
Liabilities				
Royalty payable			478,480	478,480
Total	-	-	478,480	478,480

2017 - Nil

(3) ***Valuation inputs***

In estimating the fair value of the royalty receivable, the Company has taken into account the following key assumptions contained in the N'tiola and Viper Feasibility Studies:

- Gold ounces recovered from mined tonnes;
- Gold spot price of US$1,296/ oz;
- US forward foreign exchange curve;
- Birimian Sliding NSR Royalty[2];
- Hanne's 1% NSR royalty entitlement on production from Viper[3]; and
- deductions allowed to Morila in respect of marketing, sales and transport costs.

(1) If one or more of the significant inputs are not based on observable market data, the instrument is defined as Level 3.

(2) Pursuant to the options agreements the Company's wholly owned subsidiary, Birimian Gold Mali SARL (BGM), has entered into with Morila over the N'tiola and Viper gold deposits; Morila would pay BGM a sliding scale NSR royalty of 4% when the gold price is US$1200 / oz or higher, 3% when gold price is US$1100 / oz to US$1199 / oz and 2% when gold price is below US$1100 / oz.

(3) Hanne is entitled to a 1% NSR royalty, which would be paid by BGM out of the NSR royalty it receives from Morila in respect of gold production from the Viper deposit only. See also Note 10.

Notes to the consolidated financial statements
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Note 17 Commitments

a. **Operating lease commitments - Australia**

The Group has a 3-year lease for an office in Perth. The future minimum rental payments under non-cancellable tenancy agreements are $208,145.

Future minimum rentals payable under non-cancellable operating leases as at 31 December 2018 are as follows:

	2018 $	2017 $
Within one year	86,644	-
After one year but not more than five years	121,501	-
After five years	-	-
Total	208,145	-

b. **Operating lease commitments – Mali**

The Group is committed to lease payments in respect of its premises in Mali. The lease agreements are executed for 12 months and may be terminated by giving 3 months or less written notice thereafter. Minimum commitments are estimated as follows.

	2018 $	2017 $
Within one year	17,309	-
After one year but not more than five years	-	-
Later than five years	-	-
Total minimum lease payments	17,309	-

c. **Exploration commitments**

The Group is planning exploration work on its exploration tenements in order to retain the rights of tenure. These obligations will be met, subject to availability of funds and can be reduced by selective relinquishment of exploration tenure or application for expenditure exemptions. The Group is in the process of making formal applications for expenditure exemptions in respect of its tenements. Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is very difficult to forecast the nature and amount of future expenditure. During 2018 four tenements were relinquished.

Mali	2018 $	2017 $
Within one year	1,160,579	409,958
After one year but not more than five years	28,779	-
Later than five years	-	-
	1,189,358	409,958

d. **Expenditure commitments**

The Group is committed to expenditure in respect to consultancy agreements in force as at 31 December 2018.

	2018 $	2017 $
Within one year	614,584	-
After one year but not more than five years	134,603	-
Later than five years	-	-
	749,187	-

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 18 Events subsequent to reporting date

a. On 8 January 2019, the Company completed settlement of a placement raising $605,400 and issuing 3,561,176 shares.

b. On 20 February 2019, shareholders approved the placement to Directors of 1,800,000 shares at $0.17, raising $306,000. Additionally, shareholders approved the issue of 4,000,000 options, exercisable at $0.40 expiring 3 years from the date of vesting, to Mr Mark Hepburn. The number of options was subsequently reduced to 2,000,000 when he ceased to be CEO.

c. On 7 March 2019 the Company announced that it had received the signed Environmental Permit for the Goulamina Lithium Project.

d. Board appointments:
   i. On 24 January 2019, the Company announced the appointment of Mr Chris Evans as Managing Director, effective 3 February 2019;
   ii. On 18 February 2019, the Company announced the appointment of Dr Alistair Cowden as Non-executive Chairman.

Note 19 Contingent liabilities

Through its wholly-owned Australian subsidiary, Birimian Gold (Mali) Pty Ltd, the Group holds 100 per cent equity in three subsidiary companies incorporated in Mali, viz. Birimian Gold Mali SARL (BGM), Timbuktu Ressources SARL and Sudquest SARL. The Group holds seven exploration permits, two of which are lithium-focused and five cover gold prospects, in three discrete projects: the Goulamina Project and the Massigui and Dankassa Gold Projects.

Pursuant to each Establishment Convention entered into by a Birimian Mali subsidiary, as a holder of an exploration permit, and the State of Mali under the provisions of Mali's 2012 Mining Code, it has been agreed that a "Founder's Fee" (the Fee) is payable to the State of Mali represented by the Direction Nationale de la Géologie et des Mines (Department of Geology and Mines) (DNGM). Although agreed to by the holder of an exploration permit, the Fee is payable by the exploitation company that must be formed in Mali to take a transfer of the exploitation (mining) permit once granted to the holder of the exploration permit. The establishment of an exploitation company to hold the exploitation permit is a requirement of article 65 of the 2012 Mining Code.

The Fee is defined as a fixed amount payable in USD to the State of Mali in each relevant applicable Establishment Convention and is payable in the event of the grant of an exploitation permit in respect of all or part of the area of the exploitation permit. The calculation of this Fee is by reference to the area of the exploration permit. The Fee is intended to compensate the State of Mali for previous geological work it has undertaken over the area subject to the exploration permit.

Under the Establishment Conventions with respect to the Finkola and N'tiola permits, BGM agreed to Fees of USD$300,800 and USD$192,512 ($427,747 and $273,758 respectively in Australian dollars), (31 December 2017: $385,394 and $250,487 respectively in Australian dollars) which is contingent on the application and granting of exploitation (mining) permits. It is not clear whether, as a result of the Group's historical transactions with Morila, there will be any liability to pay a Fee to the DNGM as a consequence of the Areas of Interest being included within an enlarged exploitation permit held by Morila. Certainly, Morila has no direct liability to the State of Mali as a consequence of the Establishment Conventions which BGM entered into. There is a possibility that the State of Mali may, in the circumstances, request a payment of the Fee from BGM, notwithstanding there is a doubt over the legal basis for doing so. This uncertainty stems from the legal requirements for the payment of Fees being contained in the Establishment Conventions that are binding on BGM and not Morila and the fact that both the Establishment Code and the 2012 Mining Code are silent on the manner in which the liability, if any, for the Fee is to be dealt with where there are transaction similar to those described in the option agreements entered into between the Group and Morila.

On 27 October 2016, Timbuktu Resources SARL announced it was undertaking a scoping study on the Torakoro permit, which has been subsequently followed by a pre-feasibility study *(BGS 31 January 2017),* which gives rise to a contingent liability totalling USD$300,800 ($427,747 in Australian dollars) (31 December 2017: $385,394 in Australian dollars) as a result of the Fee.

In addition to the amounts outlined above, as a result of the Group acquiring the Goulamina Lithium Project in March 2016 by making payments totalling USD$40,000 ($53,331 in Australian dollars), the vendor is entitled to receive a final payment of USD$200,000 ($284,406 in Australian dollars) should the project reach commercial production (31 December 2017: USD$200,000, $256,246 in Australian dollars).

Notes to the consolidated financial statements

for the year ended 31 December 2018

Note 20 Key Management Personnel compensation (KMP)

The names and positions of KMP are as follows:

- Dr A Cowden — Non-executive Chairman *(appointed 18 February 2019)*
- Mr C Evans — Managing Director *(appointed 24 January 2019)*
- Mr Eric Hughes — Chief Financial Officer *(appointed 26 February 2019)*
- Mr M Hepburn — Chief Executive Officer *(appointed 14 November 2018)*
- Mr N O'Brien — Non-Executive Director
- Mr B Borg — Non-Executive Director *(appointed 14 November 2018)*
- Mr J McKay — Chairman *(resigned 13 November 2018)*
- Mr G Walker — Executive Director & Chief Executive Officer *(resigned 13 November 2018)*
- Ms G Swaby — Executive Director *(resigned 13 November 2018)*

Information regarding individual directors and executives' compensation and some equity instruments disclosures as required by the Corporations Regulations 2M.3.03 is provided in the Remuneration report table on page 16.

	12 months to 31 December 2018 $	6 months to 31 December 2017 $
Short-term employee benefits	897,269	498,771
Post-employment benefits	15,315	1,386
Share-based payments	614,119	243,381
Other long-term benefits	-	-
Termination benefits	34,500	-
Total	1,561,203	743,538

Note 21 Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

- Greyhawk Pty Ltd of which Mr M Hepburn is a director, was paid $49,100 since his appointment (six-month period to December 2017: $Nil) and of that amount $31,500 (31 December 2017: $Nil) was outstanding at the year end.
- Borg Geoscience Pty Ltd of which Mr B Borg is a director was paid $8,831 during the year (six-month period to December 2017: $Nil) and of that amount $8,831 (31 December 2017: $Nil) was outstanding at the year end.
- Greg Walker Consulting, of which Mr G Walker is principal, was paid $413,625 during the year (six-month period to December 2017: $213,750) and of that amount $34,500 (31 December 2017: $Nil) was outstanding at period end.
- Strategic Consultants Pty Ltd, a company of which Ms G Swaby is a director, was paid $299,000 during the year (six-month period to December 2017: $190,000) and of that amount $Nil (31 December 2017: $Nil) was outstanding at the year end.
- Waterford Pacific Pty Ltd, a company of which Mr J McKay is a director, was paid $Nil during the year (six-month period to December 2017: $80,438) and of that amount $Nil (31 December 2017: $nil) was outstanding at the year end.
- There were no other related party transactions for the year ended 31 December 2018 (six-month period 31 December 2017: Nil).

Notes to the consolidated financial statements
for the year ended 31 December 2018

Note 22 Parent entity disclosures

Birimian Limited is the ultimate Australian parent entity and ultimate parent of the Group.

Birimian Limited did not enter into any trading transactions with any related party during the year.

a. **Financial Position of Birimian Limited**	2018 $	2017 $
Current assets	5,291,792	12,552,203
Non-current assets	23,812,832	11,094,653
Total assets	29,104,624	23,646,856
Current liabilities	1,507,375	504,173
Non-current liabilities	-	-
Total liabilities	1,507,375	504,173
Net assets	27,597,249	23,142,683
Equity		
Issued capital	53,448,920	46,900,065
Share-based payment reserve	5,469,605	4,213,125
Accumulated losses	(31,321,276)	(27,970,507)
Total equity	27,597,249	23,142,683

b. **Financial performance of Birimian Limited**	12 months to 31 December 2018 $	6 months to 31 December 2017 $
Profit / (loss) for the year	(3,350,769)	(232,581)
Other comprehensive income	-	-
Total comprehensive income	(3,350,769)	(232,581)

c. **Guarantees**

There are no guarantees entered into by Birimian Limited for the debts of its subsidiaries as at 31 December 2018 (31 December 2017: none).

d. **Contractual commitments**

The parent company has capital commitments at 31 December 2018 of $nil (31 December 2017: $nil). The parent company other commitments are disclosed in Note 17 Commitments.

e. **Contingent liabilities**

There are no guarantees entered into by Birimian Limited for the debts of its subsidiaries as at 31 December 2018 (31 December 2017: none).

Note 23 Auditor's remuneration

	12 months to 31 December 2018 $	6 months to 31 December 2017 $
Remuneration of the auditor for:		
■ Auditing or reviewing the financial reports:		
□ PricewaterhouseCoopers Australia (*Australia*)	64,432	62,646
■ Taxation services provided by PricewaterhouseCoopers Australia (*Australia*)	135,540	69,923
	199,972	132,569

Directors' declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 25 to 57, are in accordance with the *Corporations Act 2001* (Cth) and:

   (a) comply with Accounting Standards;

   (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in Note 1 to the financial statements; and

   (c) give a true and fair view of the financial position as at 31 December and of the performance for the year ended on that date of the Group.

   (d) the Directors have been given the declarations required by s.295A of the *Corporations Act 2001* (Cth);

2. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

CHRIS EVANS
Managing Director
Dated this Friday, 29 March 2019

Independent auditor's report

To the members of Birimian Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Birimian Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 31 December 2018
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration.

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

Independence

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.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

The Group is a lithium and gold explorer with a number of exploration licences in Mali.

Materiality

- For the purpose of our audit we used overall Group materiality of $280,000, which represents approximately 1% of the Group's total assets.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose Group total assets, because in our view, it is the benchmark against which the performance of the Group is most commonly measured whilst in the exploration phase.
- We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.

Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- The accounting processes are structured around a group finance function at the Group's head office in Perth. We have performed our audit procedures primarily at the Group's Perth office.

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 for the current period. The key audit 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. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Board of Directors.

Key audit matter	*How our audit addressed the key audit matter*
Impairment assessment for capitalised exploration and evaluation assets *(Refer to note 8)* As at 31 December 2018, the Group had capitalised exploration and evaluation assets of $19,034,425. Judgement was required by the Group to assess whether there were indicators of impairment of the capitalised exploration and evaluation assets due to the need to make estimates about future events and circumstances, such as whether the mineral resources may be economically viable to mine in the future. This was a key audit matter because of the size of the balance and the risk of impairment should the Group relinquish certain exploration or mining licences as it continues to assess future viability.	We performed the following procedures, amongst others: • Evaluated the Group's assessment that there had been no indicators of impairment for its capitalised exploration and evaluation assets, including inquiries with management and the directors to develop an understanding of the current status and future intentions for the Group's project. • Tested whether the Group retained right of tenure for its exploration licence areas by obtaining licence status records maintained by the relevant government authority in Mali. • Considered the consistency of information provided with internal and external reports prepared in relation to exploration licence areas and management's assessment of the likely prospectivity of material licence areas. • Considered the consistency of information provided with other available information, such as ASX releases made by the Company about the results of the exploration drilling campaign and other project development activities. • Tested a sample of current year expenditure on exploration licence areas to source documents; and • Obtained plans for future expenditure and compared these to contractual minimum licence expenditure requirements. Where right of tenure was no longer current or had been allowed to lapse, we tested whether the costs associated with the licence had been appropriately written off.

Key audit matter	*How our audit addressed the key audit matter*
Availability of funding for further exploration and development activities *(Refer to note 1a)* The Group is in the exploration and evaluation phase and therefore does not generate revenue from its operations and relies on funding from its shareholders or other sources to continue as a going concern. These funds are used to meet expenditure requirements to maintain the good standing of the Group's tenements, progress project feasibility studies, and to cover corporate overheads. In determining the appropriateness of their going concern basis of preparation of the financial report, the Group made a number of judgements, including expenditure required to progress the Group's projects, expected receipts from funding activities, and Morila royalty receipts and the minimum corporate overhead expenditure required to continue operations. Assessing the appropriateness of the Group's basis of preparation for the financial report was a key audit matter due to its importance to the financial report and the level of judgement involved in forecasting future cash flows.	In considering the appropriateness of the going concern assumption used in preparing the financial report, we: • Evaluated the appropriateness of the Group's assessment of its ability to continue as a going concern, including whether the period covered is at least 12 months from the date of the financial report and that relevant information of which we are aware from the audit was included. • Inquired of management and the directors whether they were aware of any events or conditions, including beyond the period of assessment that may cast significant doubt on the Group's ability to continue as a going concern. • Agreed the cash receipts from the capital placements undertaken during the year to the relevant bank statements. • Compared the key underlying data and assumptions in the Group's cash flow forecast to internal reporting and historical cash outflows. • Developed an understanding of the key forecast expenditure items, including the amounts that are contractually committed and required to be paid to maintain the good standing of the Group's tenements. • Evaluated the adequacy of the disclosures made in the financial report, including the basis for the directors' conclusion that the Group is a going concern in light of the requirements of Australian Accounting Standards.
Valuation of royalty receivable *(Refer to note 5 and 8c)* As at 31 December 2018, the Group recognised a Royalty receivable in respect of the transfer of mineral property rights to Société des Mines de Morila SA ("Morila") of $3,164,221.	We performed the following procedures, amongst others, to evaluate the Group's measurement of the Royalty receivable: • Obtained the Morila Option Agreement and compared the key terms in the agreement to the inputs and assumptions embedded in the Group's fair value model for the Royalty receivable.

Key audit matter	*How our audit addressed the key audit matter*
Judgement and estimation were required to be made by the Group in respect of the fair value of the Royalty receivable. The significant judgements and estimates included: • the forecast forward gold price; • foreign exchange rate; and • estimated ounces of gold resources in the deposits that will be mined. This was a key audit matter because of the size of the balance and the significant judgement made by the Group in determining the fair value of the Royalty receivable.	• Assessed the key inputs used in the model by comparing the key inputs such as forward gold price and foreign exchange to current economic forecasts. • Agreed the estimated ounces of gold resources in the deposits to internally sourced data. • Agreed a sample of royalty receipts to bank statements. • Tested the mathematical accuracy of the model used to value the receivable. • Tested the mathematical accuracy of the calculation of the royalty payable to Hanne General Trading SARL.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2018, but does not include the financial report and our 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 16 to 21 of the directors' report for the year ended 31 December 2018.

In our opinion, the remuneration report of Birimian Limited for the year ended 31 December 2018 complies with section 300A of the *Corporations Act 2001.*

Responsibilities

The directors of the Company 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.

PricewaterhouseCoopers

PricewaterhouseCoopers

Ben Gargett
Partner

Perth
29 March 2019

Additional Information for Listed Public Companies

The following additional information is required by the Australian Securities Exchange in respect of listed public companies.

1 Capital as at 18 March 2019.

a. Ordinary share capital

264,510,116 ordinary fully paid shares held by 2,869 shareholders.

b. Unlisted Options over Unissued Shares

Number of Options	Exercise Price $	Expiry Date
7,500,000	0.45	19 October 2019
2,000,000	0.40	20 February 2022
9,500,000		

c. Voting Rights

The voting rights attached to each class of equity security are as follows:

- **Ordinary shares**: Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- **Unlisted Options**: Options do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the options are exercised or performance shares convert and subsequently registered as ordinary shares.

d. Substantial Shareholders as at 18 March 2019.

There are no substantial shareholders in the Company as at this date.

e. Distribution of Shareholders as at 18 March 2019.

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	337	156,705	0.06
1,001 – 5,000	684	1,927,072	0.73
5,001 – 10,000	419	3,359,015	1.27
10,001 – 100,000	1,028	39,168,074	14.81
100,001 – and over	401	219,899,250	83.13
	2,869	**264,510,116**	**100.00**

f. Unmarketable Parcels as at 18 March 2019

As at 18 March 2019 there were 763 shareholders who held less than a marketable parcel of shares holding 3,030 shares.

g. On-Market Buy-Back

There is no current on-market buy-back.

h. Restricted Securities

The Company has no restricted securities

Additional Information for Listed Public Companies

i. 20 Largest Shareholders — Ordinary Shares as at as at 16 March 2018

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	The Gas Super Fund Pty Ltd <The Gas Super Fund A/C>	12,405,429	4.69
2.	CS Third Nominees Pty Limited <HSBC Cust Nom AU Ltd 13 A/C>	10,213,442	3.86
3.	Citicorp Nominees Pty Limited	8,665,300	3.28
4.	Mr Phillip Richard Perry	5,812,000	2.20
5.	Morgan Stanley Australia Securities (Nominee) Pty Limited <No 1 Account>	5,533,427	2.09
6.	J P Morgan Nominees Australia Pty Limited	5,334,796	2.02
7.	Borg Geoscience Pty Ltd	4,500,000	1.70
8.	Mr Phillip Richard Perry & Mrs Tetyana Perry <Doneska Super Fund A/C>	4,433,202	1.68
9.	BNP Paribas Nominees Pty Ltd <IB AUNoms Retailclient DRP>	3,873,058	1.46
10.	Mr Brendan James Borg & Mrs Erin Belinda Borg <Borg Family Super A/C>	3,700,000	1.40
11.	Mem Pty Ltd <Mem Staff Super Fund A/C>	3,620,000	1.37
12.	Mr Andrew Hutton Christie	2,760,888	1.04
13.	Mem Pty Ltd <Mem Family A/C>	2,619,000	0.99
14.	Mr Andrew Preston Taylor	2,600,000	0.98
15.	Power Industries Pty Ltd <Power Property A/C>	2,500,000	0.95
16.	Andolin Holdings Pty Ltd <F & Dcorrigan S/F A/C>	2,440,000	0.92
17.	Day Livin Pty Ltd	2,340,980	0.89
18.	Focus Management Services (Nsw) Pty Ltd <P J Loh & Sons SF A/C>	2,063,042	0.78
19.	Mr Rajan Andithevar Pandian & Ms Chitradevi Veeranathevar Andy <Apracaa Family S/F A/C>	2,030,483	0.77
20.	Mr Ming Yiu Ko	2,010,000	0.76
	TOTAL	**89,455,047**	**33.83**

2 The Joint Company Secretaries are Eric Hughes and Sebastian Andre

3 **Principal registered office**

As disclosed in Note 1w Company details on page 38 of this Annual Report.

4 **Registers of securities**

As disclosed in the Corporate directory on page i of this Annual Report.

5 **Stock exchange listing**

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited, As disclosed in the Corporate directory on page i of this Annual Report.

6 **Use of funds**

The Company has used its funds in accordance with its initial business objectives.

BIRIMIAN