Appendix 4E

Full Year Report *Rules 4.3A*

Name of entity

ENEABBA GAS LIMITED

ABN or equivalent company reference

69 107 385 884

Financial year ended ('current period')

30 June 2019

Results for announcement to the market
(All comparisons to year ended 30 June 2018)

	2019	2018	Change %
Revenues from continuing operations**	$176,582	$3,655	Increase 4,731%
Loss from ordinary activities after tax attributable to members*	($151,711)	($1,348,140)	Decrease 89%
Loss for the year attributable to members*	($151,711)	($1,348,140)	Decrease 89%
Dividends (distributions)	Amount per security	Amount per security	
Final dividend/ Interim dividend	None	None	
Previous corresponding period	None	None	
Record date for determining entitlements to the dividend	N/A	N/A	
Net tangible asset backing per ordinary security (cents)	0.04	0.04	

*The change from the prior year result is primarily due to the Company terminating the Domingo transaction and reducing all costs to a minimum as it continues to search for another project.

** The increase in revenue is primarily due to the resolution of the ATO WHT dispute in the Company's favour seeing a refund of previously imposed penalties.

Compliance statement

1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.

2 This report, and the accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed.

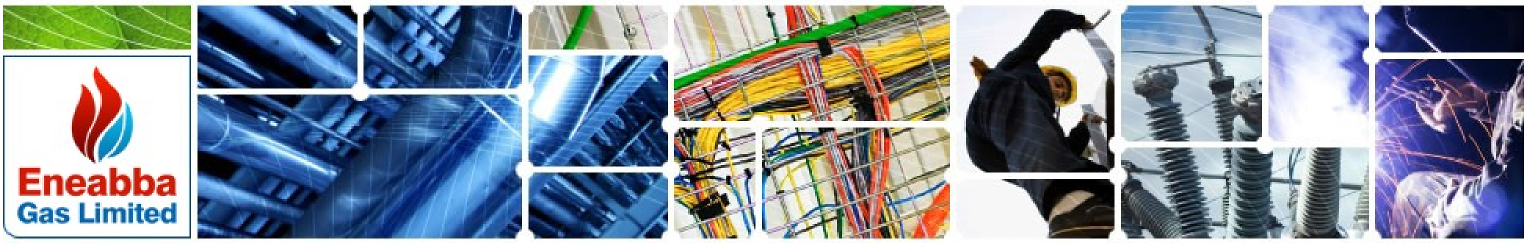
4 This report is based on +accounts to which one of the following applies.

☐	The accounts have been audited.	☐	The accounts have been subject to review.
☑	The accounts are in the process of being audited or subject to review.	☐	The accounts have *not* yet been audited or reviewed.

Gabriel Chiappini

Gabriel Chiappini
Non Executive Director & Company Secretary
31 August 2018

PRELIMINARY FINAL RESULTS
for the year ended 30 June 2019



ENEABBA GAS LIMITED
ABN: 69 107 385 884

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Revenue			
Finance income	4	1,223	3,655
Other income	4	175,359	-
Total revenue		**176,582**	**3,655**
Employee benefits expenses		(119,221)	(190,809)
Other expenses		(231,737)	(520,334)
Share based payments	16	-	(182,762)
Transaction costs		-	(465,801)
Total costs from continuing operations		**(350,958)**	**(1,359,706)**
Loss before income tax expense		**(174,376)**	**(1,356,051)**
Income tax benefit	7	-	-
Loss for the year from continuing operations		**(174,376)**	**(1,356,051)**
Discontinued Operations			
Profit after tax from discontinued operation	21	22,665	7,911
Gain after tax from discontinued operations		**22,665**	**7,911**
Net loss for the year		**(151,711)**	**(1,348,140)**
Other Comprehensive Income		-	-
Total Comprehensive Income/(Loss) for the year		**(151,711)**	**(1,348,140)**
Basic and diluted Profit (Loss) per share from continuing operations – cents per share	6	(0.03)	(0.27)
Basic and diluted Profit (Loss) per share from discontinuing operations - cents per share	6	0.00	0.00

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

ENEABBA GAS LIMITED
ABN: 69 107 385 884

STATEMENT OF FINANCIAL POSITION
As at 30 June 2019

	Note	Company 30 June 2019 $	Consolidated 30 June 2018 $
ASSETS			
Current assets			
Cash and cash equivalents	8	234,744	174,222
Trade and other receivables	9	8,162	18,046
Prepayments		8,396	5,032
Assets held for sale	10	-	320,000
Total current assets		**251,302**	**517,300**
TOTAL ASSETS		**251,302**	**517,300**
LIABILITIES			
Current liabilities			
Trade and other payables	12	43,945	297,912
Total current liabilities		**43,945**	**297,912**
TOTAL LIABILITIES		**43,945**	**297,912**
NET ASSETS		**207,357**	**219,388**
EQUITY			
Issued capital	13	12,248,440	12,108,760
Reserves	13	196,910	327,535
Accumulated losses		(12,237,993)	(12,216,907)
TOTAL EQUITY		**207,357**	**219,388**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2019

	Note	Issued Capital	Option Reserve	Accumulated Losses	Total Equity
Consolidated 2018					
Total equity at the beginning of the year		**11,886,845**	**144,773**	**(10,868,767)**	**1,162,851**
Total comprehensive loss for the year		-	-	(1,348,140)	(1,348,140)
Transactions with equity holders:					
Share-based payments	16	225,000	196,910	-	421,910
Share issue costs	13	(3,085)	-	-	(3,085)
Reversal of options unlikely to vest	13	-	(14,148)	-	(14,148)
Total equity at 30 June 2018		**12,108,760**	**327,535**	**(12,216,907)**	**219,388**
Consolidated 2019					
Total equity at the beginning of the year		**12,108,760**	**327,535**	**(12,216,907)**	**219,388**
Total comprehensive loss for the year		-	-	(151,711)	(151,711)
Transactions with equity holders:					
Share-based payments	16	-	-	-	-
Shares issued	13	162,956	-	-	162,956
Share issue costs	13	(23,276)	-	-	(23,276)
Expired options	13	-	(130,625)	130,625	-
Total equity at 30 June 2019		**12,248,440**	**196,910**	**(12,237,993)**	**207,357**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

ENEABBA GAS LIMITED
ABN: 69 107 385 884

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2019

	Note	Consolidated 2019 $	Consolidated 2018 $
Cash flows from operating activities			
Interest received		1,223	3,655
Other income		7,984	7,911
Payments to suppliers and employees		(384,031)	(473,411)
Project due diligence		(29,257)	(240,801)
Net cash (used in) operating activities	14	**(404,081)**	**(702,646)**
Cash flows from investing activities			
Proceeds from sale of land		425,000	-
Costs to sell land		(100,077)	
Net cash provided by investing activities		**324,923**	**-**
Cash flows from financing activities			
Proceeds from share issue		162,956	-
Capital raising costs		(23,276)	(3,084)
Net cash (used in)/ provided by financing activities		**139,680**	**(3,084)**
Net (decrease)/ increase in cash and cash equivalents		60,522	(705,730)
Cash and cash equivalents at the beginning of the year		174,222	879,952
Cash and cash equivalents at the end of the year	8	**234,744**	**174,222**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: REPORTING ENTITY

Eneabba Gas Limited (the "Company") is a listed public company domiciled in Australia. The consolidated financial report of the Company as at and for the year to 30 June 2019 comprises the Company and its subsidiaries (collectively referred to as the "Group").

A description of the nature of the Group's operations and its principal activities is included in the Operating and Financial Review in the Directors' report, which does not form part of this financial report.

NOTE 2: BASIS OF PREPARATION

This General Purpose Financial Report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (including Australian Interpretations) and the *Corporations Act 2001*.

The financial report comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Standards (IFRS).

Eneabba Gas Limited was incorporated in Australia on 12 December 2003 and is a company limited by shares. The financial report is presented in the functional currency of the Group, being Australian Dollars.

These financial statements have been prepared under the historical cost convention, with the exception of current assets held for sale which are measured at fair value less costs to sell.

The significant policies which have been adopted in the preparation of this financial report are detailed below. These accounting policies have been consistently applied to all of the years presented unless otherwise stated.

Financial Position

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

The Group has generated a loss after tax for the year ended 30 June 2019 of $151,711, had a net working capital surplus of $207,357 at 30 June 2019 and experienced net cash outflows from operating activities for the year of $404,080.

As at 30 June 2019, the cash balance of the Group was $234,744. The Directors consider the going concern basis of preparation to be appropriate for the following reasons:

- Confidence in the Group's ability to raise additional funds if required.
- The Group has the ability to meet is current cash outflows.

Should the group not raise additional funds, there is a material uncertainty that may cast significant doubt as to whether the Company will be able to realise its assets and extinguish its liabilities in the normal course of business.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of Consolidation

Subsidiaries

The consolidated financial statements comprise the assets and liabilities of Eneabba Gas at 30 June 2019 and the results of the subsidiaries up to the date they were deregistered being 30 May 2019. A subsidiary is any entity controlled by Eneabba Gas Limited.

Subsidiaries are all those entities over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Principles of Consolidation (continued)

The financial statements of subsidiaries are prepared for the same reporting year end as the Parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

All inter-company balances and transactions, including unrealised profits arising from intra-entity transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Investments in subsidiaries are accounted for at cost in the individual financial statements of Eneabba Gas Limited.

Subsidiaries are consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting year in which Eneabba Gas Limited has control.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

Non-controlling interests are allocated their share of net profit after tax in the statement of profit or loss and other comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the Company.

Losses are attributed to the non-controlling interest even if that results in a deficit balance.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including any goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non-controlling interest.
- Derecognises the cumulative translation differences, recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss.

(b) Segment Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the Board of Directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the Board of Directors.

The group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in the nature of the minerals targeted.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for “all other segments” (refer to Note 19).

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Income Tax

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

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. Exceptions are also made for the recognition of goodwill, investment in associates and interests in joint ventures. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(d) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authorities, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense item as applicable and receivables and payables in the statement of financial position are shown inclusive of GST.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(e) Trade and Other Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to another party with no intention of selling the receivables. They are included in current assets, except for those with maturities greater than 12 months after the balance date which are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method, less any impairment losses.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, securities issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the statement of profit or loss and other comprehensive income, but only after a reassessment of the identification and measurement of the net assets acquired.

(g) Impairment of Non-Financial Assets

Where an indicator of impairment exists, the Group makes a formal estimate of the recoverable amount. Where 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.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets or groups of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of combination.

(h) Share-Based Payments

The Group has provided payment to service providers and related parties in the form of share-based compensation, whereby services are rendered in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined using an appropriate option valuation model for services provided by employees or where the fair value of the shares received cannot be reliably estimated.

For goods and services received where the fair value can be determined reliably the goods and services and the corresponding increase in equity are measured at that fair value.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance date, the entity revises its estimates of the number of options that are expected become exercisable.

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

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(j) Current assets held for sale

Current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

(k) Finance income and expense

Finance income comprises interest income on funds invested, gains on disposal of financial assets and changes in fair value of financial assets held at fair value through profit or loss. Finance expenses comprise changes in the fair value of financial assets held at fair value through profit or loss and impairment losses on financial assets.

Interest income is recognised as it accrues in profit or loss, using the effective interest rate method.

(l) Issued Capital

Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(m) Earnings per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings per share

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

(n) Trade and other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Trade and other payables are stated at amortised cost, using the effective interest method.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Foreign Currency Translation

(i) Functional and presentation currency

Both the functional and presentation currency of Eneabba Gas Limited is the Australian Dollar ($).

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(p) Profit and loss from discontinued operations

A discontinued operation is a component of the entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Profit or loss from discontinued operations, including prior year components of profit or loss, are presented in a single amount in the statement of profit or loss and other comprehensive income. This amount, which comprises the post-tax profit or loss of discontinued operations and the post-tax gain or loss resulting from the measurement and disposal of assets classified as held for sale, is further analysed in Note 21.

The disclosures for discontinued operations in the prior year relate to all operations that have been discontinued by the reporting date for the latest period presented.

(q) Significant Accounting Estimates and Assumptions

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year end are:

(i) Recoverability of potential deferred tax assets

The Group recognises deferred income tax assets in respect of tax losses to the extent that it is probable that the future utilisation of these losses is considered probable. Assessing the future utilisation of these losses requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, this could result in significant changes to the deferred income tax assets recognised, which would in turn impact the financial results.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(ii) Share-based payment transactions

The Group measures the cost of equity-settled transactions with management and other parties by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by the Board of Directors using either the Binomial or the Black-Scholes valuation methods, taking into account the terms and conditions upon which the equity instruments were granted. The assumptions in relation to the valuation of the equity instruments are detailed in the notes in periods when such equity instruments are issued. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting year end but may impact expenses and equity.

(iii) Fair value less costs to sell of current assets held for sale

The Group measures non-current assets held for sale at fair value less costs to sell (refer to Note 10). The fair value is determined by the Board of Directors using independent valuation and sales information provided to the Company.

(r) Comparative Information

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

(s) Parent Entity Information

The financial statements for the parent entity, Eneabba Gas Limited, disclosed in Note 20 have been prepared on the same basis as the consolidated financial statements.

(t) Adoption of New and Revised Accounting Standards

In the year ended 30 June 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting year, most notably AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customers*. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to Group accounting policies.

(u) New Accounting Standards for Application in Future Years

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2019. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to Group accounting policies.

The Directors have reviewed *AASB 16 Leases* and based on the preliminary review, do not expect the application of these standards to have a material impact on the Group's business, based on current operations.

NOTE 4: REVENUE AND OTHER INCOME

	Consolidated	
	2019	**2018**
	$	**$**
Finance income		
Interest income	1,223	3,655
Total finance income	**1,223**	**3,655**

	Consolidated	
	2019	**2018**
Other income	**$**	**$**
Reversal of withholding tax penalty [1]	175,359	-
Total other income	**175,359**	**-**

(1) On 31 January 2019, The Company received formal confirmation from the Australian Taxation Office (ATO) that they had withdrawn a penalty of $175,359 in respect of an unfranked dividend in specie distribution paid by the Company to shareholders where no tax file number was quoted by certain shareholders. The ATO concluded they are satisfied the Company took reasonable care and therefore remitted the penalty to nil.

NOTE 5: SIGNIFICANT PROFIT / (LOSS) ITEMS

	Consolidated	
	2019	**2018**
	$	**$**
Profit / loss before income tax is determined after crediting (charging) the following items**:**		
Share based payments – Directors and consultants	-	(182,762)
Share based payments – Transaction costs	-	(225,000)
Transaction costs	-	(240,801)
Withholding tax penalty	175,359	(173,056)
Total	**175,359**	**(821,619)**

NOTE 6: EARNINGS (LOSS) PER SHARE

	Consolidated	
	2019	**2018**
	$	**$**
Basic and diluted (loss) per share – cents – continuing operations	(0.03)	(0.27)
(Loss) used in the calculation of basic and diluted loss per share – continuing operations	(174,376)	(1,356,051)
Basic and diluted earnings per share – cents – discontinued operations	-	-
Profit used in the calculation of basic and diluted earnings per share – discontinued operations	22,665	7,911
Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted loss per share – continued and discontinued operations	533,235,029	506,792,099

Options outstanding during the year have not been taken into account in the calculation of the weighted average number of ordinary shares as they are considered anti-dilutive.

NOTE 7: INCOME TAX

	Consolidated	
	2019	**2018**
	$	**$**
(Loss) / profit before tax	(151,711)	(1,348,140)
Tax at the statutory rate of 27.5% (2017: 30%):	(41,721)	(370,739)
Add: Permanent non-deductible differences	(39,545)	237,593
Current year temporary differences not recognised	(18,221)	-
Effect of tax losses and tax offsets not recognised as deferred tax assets	99,487	(266,254)
Income tax benefit recognised in profit or loss	**-**	**-**

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated	
	2019	**2018**
	$	**$**
Tax losses	2,538,968	2,437,892

The tax losses do not expire under current tax legislation and have been disclosed on a tax effected basis.

Deferred tax assets have not been recognised in respect of these items because, pending commercial operations, it is not yet probable that future taxable profit will be available against which the Group can utilise these benefits.

Tax Consolidation

Eneabba Gas Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the Tax Consolidation Regime. Each entity in the group recognises its own current and deferred tax liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The current tax liability of each group entity is then subsequently assumed by the parent entity.

NOTE 8: CASH AND CASH EQUIVALENTS

	Company 2019 $	Consolidated 2018 $
Reconciliation to Statement of Financial Position		
Cash at bank	234,744	174,222
Total cash and cash equivalents [1]	**234,744**	**174,222**

[1] Cash at bank is subject to floating interest rates at an effective interest rate of 1.49% (2018: 1.36%).

NOTE 9: TRADE AND OTHER RECEIVABLES

	Company 2019 $	Consolidated 2018 $
Current		
Other receivables [1]	8,162	18,046
Total trade and other receivables (net of GST)	**8,162**	**18,046**

[1] Other receivables are non-trade receivables, are non-interest bearing and have an average term of 3 months.

NOTE 10: CURRENT ASSETS HELD FOR SALE

	Consolidated	
	2019 $	2018 $
Opening balance:	320,000	320,000
Asset disposed [1]	(320,000)	-
Transfer from property, plant & equipment	-	-
Total current assets held for sale	**-**	**320,000**

[1] On 24 September 2018, the Company announced that it had completed the sale of its Dongara Freehold land in the Shire of Irwin. The sale price for the property was $425,000. Net proceeds to Eneabba were subject to an 18% fee payable to the lessee Giovi Group for early termination of their lease covering the property. Allowing for estate agent fees, Giovi Group lease termination and settlement agent fees, Eneabba received approximately $325,000.

NOTE 11: CONTINGENT ASSETS & LIABILITIES

The Directors are not aware of any contingent assets or liabilities that may arise from the Group's operations as at 30 June 2019.

NOTE 12: TRADE AND OTHER PAYABLES

	Company 2019 $	Consolidated 2018 $
Trade payables [1]	28,945	297,912
Accruals	15,000	-
	43,945	**297,912**

[1] Trade payables are non-interest bearing and are normally settled on 30-day terms

NOTE 13: ISSUED CAPITAL & RESERVES

CONSOLIDATED 2019	No.	$
(a) Issued and Paid Up Capital		
Fully paid ordinary shares	**578,450,784**	**12,248,440**
(b) Movements in fully paid shares on issue		
Balance as at 1 July 2018	524,132,187	12,108,760
Issue of shares	54,318,597	162,956
Issue costs	-	(23,276)
Balance as at 30 June 2019	578,450,784	12,248,440
(c) Option Reserve		
Balance as at 1 July 2018	60,000,000	327,535
Share based payment	-	-
Expiry of options	(18,000,000)	(130,625)
Balance as at 30 June 2019	42,000,000	196,910

CONSOLIDATED 2018	No.	$
(a) Issued and Paid Up Capital		
Fully paid ordinary shares	**524,132,187**	**12,108,760**
(b) Movements in fully paid shares on issue		
Balance as at 1 July 2017	501,632,187	11,886,845
Issue of shares	22,500,000	225,000
Issue costs	-	(3,085)
Balance as at 30 June 2018	**524,132,187**	**12,108,760**
(c) Option Reserve		
Balance as at 1 July 2017	18,000,000	144,773
Share based payment	42,000,000	196,910
Reversal of options unlikely to vest	-	(14,148)
Balance as at 30 June 2018	**60,000,000**	**327,535**

As at the year end the Company had a total of 42,000,000 unissued ordinary shares on which options are outstanding with a weighted average exercise price of 1.30 cents (2018: 60,000,000 unissued ordinary shares on which options are outstanding with a weighted average exercise price of 2.30 cents). The remaining contractual life of all share options outstanding at the end of the year is 1.47 years (2018: 1.84 years). No options were exercised during the current year. 18,000,000 options expired on 16 November 2018 and the remaining 42,000,000 options are due to expire on 18 December 2020.

Nature and purpose of reserves

Option reserve

The option reserve is used to recognise the fair value of all options on issue but not yet exercised.

No options were issued during the year ended 30 June 2019 (2018: 42,000,000).

2019								
Granted	Terms & Conditions							
#	Grant Date	Fair Value at Grant Date	Exercise Price per Option	Expiry Date	First Exercise Date	Last Exercise Date	Vested Yes/ No	%
42,000,000*	19-Dec-17	$0.00	$0.013	18-Dec-20	19-Dec-17	18-Dec-20	Yes	100%

2018								
Granted	Terms & Conditions							
#	Grant Date	Fair Value at Grant Date	Exercise Price per Option	Expiry Date	First Exercise Date	Last Exercise Date	Vested Yes/ No	%
42,000,000*	19-Dec-17	$0.00	$0.01	18-Dec-20	19-Dec-17	18-Dec-20	Yes	100%
7,000,000	10-Nov-15	$0.01	$0.05	16-Nov-18	10-Nov-15	16-Nov-18	Yes	100%
2,000,000	10-Nov-15	$0.01	$0.05	16-Nov-18	Milestone	16-Nov-18	No	42%
7,000,000	10-Nov-15	$0.01	$0.07	16-Nov-18	16-Sep-16	16-Nov-18	Yes	100%
2,000,000	10-Nov-15	$0.01	$0.07	16-Nov-18	Milestone	16-Nov-18	No	42%

*22,000,000 options were issued to Directors

There are no voting rights attached, the options are not transferable, and they may be exercised at any time until 18 December 2020, if they have vested successfully and are not subject to an escrow period.

NOTE 14: OPERATING CASH FLOW INFORMATION

	Consolidated 2019 $	Consolidated 2018 $
Reconciliation of Loss for the Year to Net Cash Flows (used in) Operations		
Profit (Loss) for the year	(151,711)	(1,348,140)
Adjustments for:		
Share based payments	-	182,762
Transaction costs	-	225,000
Profit on sale of land	(14,681)	-
Changes in assets and liabilities:		
(Increase) / decrease in trade and other receivables	9,884	3,579
(Increase) / decrease in prepayments	(3,364)	137
Increase / (decrease) in trade and other payables	(244,209)	241,174
Net cash flows (used in) operations	**(404,081)**	**(702,646)**

NOTE 15: RELATED PARTY INFORMATION

a) Parent and ultimate controlling party

The parent entity and ultimate controlling party is Eneabba Gas Limited. The consolidated financial statements comprise the assets and liabilities of Eneabba Gas at 30 June 2019 and the results of the subsidiaries up to the date they were deregistered being 30 May 2019.

Name	**Country of Incorporation**	**% Equity Interest 2019**	**% Equity Interest 2018**
Eneabba Energy Pty Ltd (1)	Australia	n/a	100%
Eneabba Mining Pty Ltd (1)	Australia	n/a	100%

(1) Deregistered 30 May 2019.

b) Key Management Personnel compensation

Information on remuneration of all Directors and Key Management Personnel is contained in the Remuneration Report within the Directors' Report. Please refer to the Directors' Report for Key Management Personnel remuneration information.

The aggregated compensation paid to Directors and Key Management Personnel of the Group is as follows:

	Consolidated	
	2019	**2018**
	$	**$**
Short term employee benefits	115,751	187,732
Post-employment benefits	3,470	-
Share based payments	-	103,144
Total	**119,221**	**290,876**

c) Loans to and from related parties

Terms and Conditions of loans
Loans between entities in the wholly owned Group are not interest bearing, unsecured and are payable upon reasonable notice having regard to the financial stability of the Company.

d) Other related party transactions

Transactions with other related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Laurus Corporate Services, a company of which Mr Gabriel Chiappini is a Director, provided company secretarial services during the year. A mandate between Eneabba Gas Limited and Laurus Corporate Services was agreed for a fee for $2,000, plus GST, per month, commencing on 22 September 2016.

A summary of the total fees paid and payable to related parties for the year ended 30 June 2019 is as follows:

	Consolidated	
	2019	**2018**
	$	**$**
Company Secretarial services	24,000	20,200
Accounting and Book keeping services	-	29,500
Total	**24,000**	**49,700**

A summary of amounts payable to related parties at 30 June 2019 is as follows:

	Company	**Consolidated**
	2019	**2018**
	$	**$**
Pathways Corporate Pty Ltd [1]	3,333	3,333
Laurus Corporate Service Pty Ltd [2]	5,333	5,333
Barnaby Egerton- Warburton	3,333	28,064
Total	**11,999**	**36,730**

Note 1: David Wheeler is a shareholder and Director of Pathways Corporate Pty Ltd
Note 2: Gabriel Chiappini is a shareholder and Director of Laurus Corporate Services Pty Ltd

NOTE 16: SHARE BASED PAYMENTS

Share-based payment transactions
The Group has an ownership-based compensation scheme for executives and senior employees. In accordance with the terms of the plan, as approved by shareholders at a previous annual general meeting, executives and senior employees may be granted options to purchase ordinary shares.

Each employee share option converts into one ordinary share of Eneabba Gas Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is calculated in accordance with the performance-based formula approved by shareholders at a previous annual general meeting and is subject to approval by the remuneration committee. The formula rewards executives and senior employees to the extent of the consolidated entity's and the individual's achievement judged against both qualitative and quantitative criteria from the following financial and customer service measures:

- Improvement in share price
- Improvement in net profit
- Improvement in return to shareholders
- Reduction in warranty claims
- Results of client satisfaction surveys
- Reduction in rate of staff turnover

Director and Employee Options
No options were granted or issued during the June 2019 financial year (2018: 22,000,000).

Consultant Options
No options were granted or issued during the June 2019 financial year (2018: 20,000,000).

Reconciliation of options on issued over the financial period:

Exercise price	Expiry	Vesting conditions	1-Jul-18	Issued during the year	Exercised during the year	Forfeited during the year	30-Jun-19	Vested and exercisable at 30 June 2019
$0.05	16-Nov-18	On issue	7,000,000	-	-	(7,000,000)	-	
$0.05	16-Nov-18	Various milestones	2,000,000	-	-	(2,000,000)	-	
$0.07	16-Nov-18	On issue	7,000,000	-	-	(7,000,000)	-	
$0.07	16-Nov-18	Various milestones	2,000,000	-	-	(2,000,000)	-	
$0.013	18-Dec-20	On issue	42,000,000	-	-	-	42,000,000	Yes
Total			**60,000,000**	-	-	(18,000,000)	(42,000,000)	

NOTE 17: AUDITOR'S REMUNERATION

	Consolidated	
	2019	**2018**
	$	**$**
Amounts payable to auditor of the Group		
Audit and review services - payable to HLB Mann Judd	28,050	41,500
Non-audit services	-	-
	28,050	**41,500**

NOTE 18: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks that include market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the Managing Director under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as mitigating foreign exchange and interest rate and credit risks.

a) Market Risk

Foreign Currency Risk
The Company is not directly exposed to any foreign currency risk.

Price risk
The Company is not directly exposed to any price risk.

b) Credit Risk

The Group has no significant concentrations of credit risk.

c) Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained for the coming months. Upcoming capital needs and the timing of raisings are assessed by the Board at each meeting of Directors.

The maturity of the Group's payables is disclosed in Note 12.

d) Cash flow and Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result in changes in market interest rates and the effective weighted average interest rates on classes of financial assets is disclosed in Note 8. Only cash is affected by interest rate risk as cash is the Group's only financial asset exposed to fluctuating interest rates.

In accordance with AASB 7 the following sensitivity analysis has been performed for the Company's interest rate risk:

30 June 2019:

Consolidated Risk Variable	**Sensitivity***	**Effect On: Profit/Loss $**	**Effect On: Equity $**
Interest Rate	+ 1.00%	12	12
	- 1.00%	(12)	(12)

* It is considered that 100 basis points is a 'reasonably possible' estimate of potential variations in the interest rate.

30 June 2018:

Consolidated Risk Variable	**Sensitivity***	**Effect On: Profit/Loss $**	**Effect On: Equity $**
Interest Rate	+ 1.00%	37	37
	- 1.00%	(37)	(37)

* It is considered that 100 basis points is a 'reasonably possible' estimate of potential variations in the interest rate.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's capital includes ordinary share capital and convertible performance shares, supported by financial assets.

There were no changes in the Group's approach to capital management during the year. Neither the Company nor the Group are subject to externally imposed capital requirements.

e) Fair value

The fair values of all financial assets and liabilities of the Group approximate their carrying values.

NOTE 19: SEGMENT REPORTING

Segment Reporting

The Group conducts operations in three operating segments, energy and electricity generation, petroleum exploration and mineral exploration, and one geographic segment, Australia.

2019	**Discontinued Operations $**	**Unallocated $**	**Consolidated $**
Segment income			
Interest received	-	1,223	1,223
Other income	-	175,359	175,359
Total income	-	176,582	176,582

Segment expenses			
Employee benefits expenses	-	(119,221)	(119,221)
Other expenses	-	(231,737)	(231,737)
Profit/(Loss) before income tax	22,665	(174,376)	(151,711)

2019	**Discontinued Operations** $	**Unallocated** $	**Consolidated** $
Discontinued operations			
Gain on sale of property	14,681	-	14,681
Lease of land	7,984	-	7,984
Segment assets and liabilities			
Current assets	-	251,302	251,302
Current liabilities	-	(43,945)	(43,945)
Net assets	-	207,358	207,358

2018	**Discontinued Operations** **$**	**Unallocated** **$**	**Consolidated** **$**
Segment income			
Finance income	-	3,655	3,655
Other income	7,911	-	7,911
Total income	7,911	11,566	11,566
Segment expenses			
Net other costs	-	(1,176,944)	(1,176,944)
Share- based payment	-	(182,762)	(182,762)
Gain/(Loss) before income tax	7,911	(1,356,051)	(1,348,140)
Segment assets and liabilities			
Current assets	320,000	197,300	517,300
Current liabilities	-	(297,912)	(297,912)
Net assets	320,000	(100,612)	219,388

NOTE 20: PARENT ENTITY DISCLOSURES

As at 30 June 2019, and throughout the year then ended, the parent company of the Group was Eneabba Gas Limited.

	Company **2019** **$**	**Company** **2018** **$**
Result of the parent entity		
Gain (Loss) for the year	(151,711)	1,028,140
Other comprehensive income	-	-
Total comprehensive (loss) for the year	(151,711)	1,028,140
Financial position of the parent entity at year end		
Current assets	251,302	499,253
Total assets	251,302	499,253

Current liabilities	43,945	279,865
Total liabilities	43,945	279,865
Net Assets	207,357	219,388
Total equity of the parent entity comprising of:		
Share capital	12,248,440	12,108,760
Option reserve	196,910	327,535
Accumulated losses	(12,237,993)	(12,216,907)
Total equity	207,357	219,388

Parent Entity Contingencies

The Directors are not aware of any contingent liabilities that may arise from the Company's operations as at 30 June 2019.

NOTE 21: DISCONTINUED OPERATIONS

On 24 September 2018, Group announced that it had completed the sale of land disposing of its Dongara Freehold land in the Shire of Irwin. The property was owned by Eneabba Energy Pty Ltd, a 100% owned subsidiary of Eneabba Gas Ltd.

The sale price for the property was $425,000. Net proceeds to Eneabba were subject to an 18% fee payable to the lessee Giovi Group for early termination of their lease covering the property. Allowing for estate agent fees, Giovi Group lease termination and settlement agent fees, Eneabba received approximately $325,000.

On the 30 May 2019 Eneabba Energy Pty Ltd and Eneabba Mining Pty Ltd were deregistered.

Items of profit or loss relating to the discontinued operation are summarised as follows:

	2019 **$**	**2018** **$**
Proceeds from the sale of land	425,000	-
Transaction costs	(90,319)	-
Carrying value of land	(320,000)	-
Gain from sale of land	**14,681**	**-**
Lease of land	7,984	7,911
Gain from discontinued operations before tax	**22,665**	**7,911**

Prior to disposal, the land and improvements with a fair value, less costs to sell, of $320,000 was classified as held for sale.

The carrying amounts of assets and liabilities in these discontinued operations are summarised as follows:

	2019 **$**	**2018** **$**
Current Assets:		
Current assets held for sale	-	320,000
Assets classified as discontinued operations	-	320,000
Current liabilities:		
Trade and other payables	-	-
Liabilities classified as discontinued operations	-	-

NOTE 22: SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial period which have significantly affected or may significantly affect the operations, results or state of affairs of the group in future financial periods which have not been disclosed publicly at the date of this report.