



Annual Report

19

Corporate Directory

ABN

91 148 966 545

Directors

Mr Glenn Whiddon
(Chairman)

Mr Aidan Platel
(Managing Director)

Mr Chris Hansen
(Non-Executive Director)

Company Secretary

Mr James Bahen

Registered office

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Perth WA 6000

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BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco, WA 6008

Stock Exchange

Australian Securities Exchange Limited
ASX Code: AOU

Solicitors

GTP Legal
Level 1, 28 Ord Street
West Perth WA 6005

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Highlights

The Directors of Auroch Minerals Limited (Auroch, Company or the Group) are pleased to present the Annual Report for Financial Year 1st July 2018 to 30th June 2019.

This year was one of consolidation for the Company as it focused on its base-metal projects in South Australia – Arden, Bonaventura and Torrens East – while continuing to evaluate other opportunities.

Under the guidance of Managing Director Mr Aidan Platel, the Company progressed systematically through geological field work to a maiden drilling campaign on the Arden and Bonaventura Projects.

Late in the financial year the Company announced that it had entered into binding agreements with Minotaur Exploration Limited to acquire 100% of the tenements known as the Saints Nickel Project (Saints) and the Leinster Nickel Project (Leinster) in Western Australia. The acquisitions received shareholder approval on 22 August 2019.

The Company completed its acquisition of the Saints and Leinster Nickel projects on 29 August 2019 allowing the Company to immediately commence its maiden drilling programme at Saints.

The Company has a clear strategy for 2019-20, aggressively drilling and exploring for high-grade nickel sulphides on its Western Australian assets, whilst continuing to develop and test targets on its South Australian base-metals tenure.

The Board and Management thank shareholders for your support throughout the 2019 financial year and hope that our progress during the forthcoming year will continue to add value to your investment in Auroch Minerals.

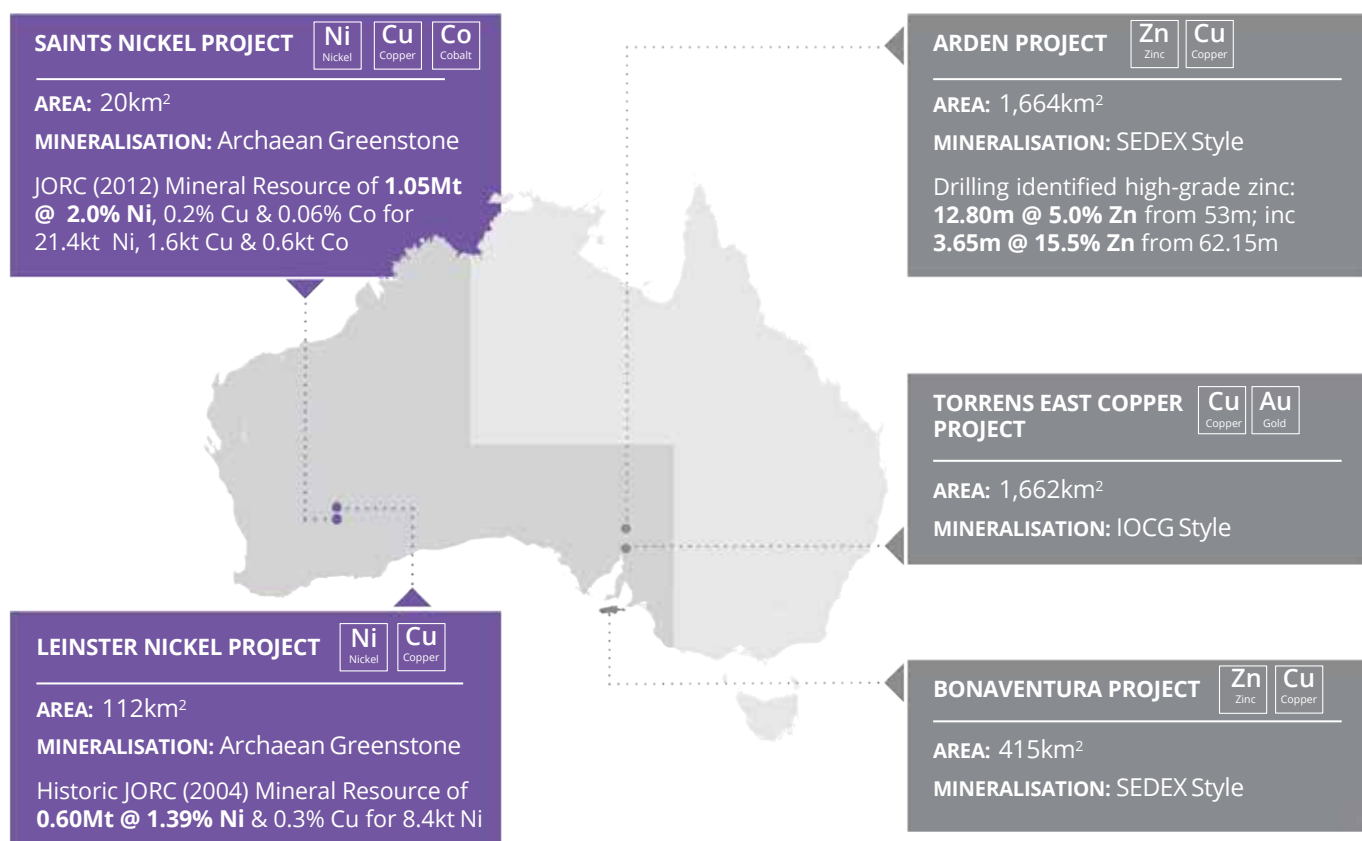


Figure 1 – Auroch's high grade nickel sulphide projects in WA and zinc, copper, gold base-metals projects in South Australia.

COMPANY PROJECTS - WESTERN AUSTRALIA

Auroch entered into a binding agreement with Minotaur Exploration Pty Ltd (ASX:MEP, Minotaur) to acquire 100% of the tenements known as the Saints Nickel Project (Saints) and the Leinster Nickel Project (Leinster). Subsequent to the end of the year a formal Share Sale Agreement was executed by both companies and a General Meeting of Shareholders was held on 22 August 2019 with Shareholders approving the acquisitions.

Auroch's acquisition of the Saints and Leinster projects aims to unlock the latent value of high-grade nickel sulphide assets. Auroch will provide a dedicated management team to aggressively explore the projects, which have historically seen limited nickel exploration over the past 10 years. The combined portfolio of high-grade nickel sulphide assets provides a solid resource base for Auroch to systematically determine resource extensions and to test high-priority targets to emerge as the next significant nickel developer on the ASX.

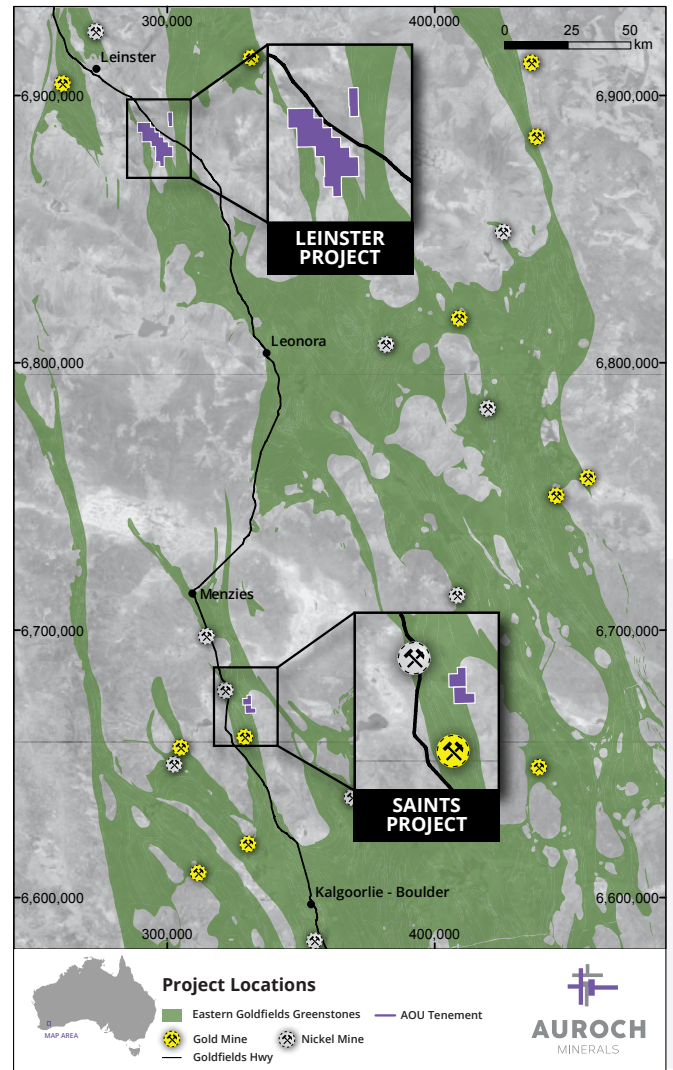


Figure 2 – Location of the Leinster and the Saints Nickel Projects.



Saints Nickel Project

Tenure & Location

The Saints Nickel Project is located approximately 65km northwest of Kalgoorlie and 7km east of the Goldfields Highway (Figure 2). The tenement package comprises two mining leases covering an area of approximately 20km² of prospective Archaean greenstone belt geology within the Eastern Goldfields province of the Yilgarn Craton. The Saints Nickel Project sits in the same sequence of rocks that host the historical Scotia nickel mine, 15km to the south. Scotia produced 30,800 tonnes of contained nickel at 2.2% nickel to 360m deep until closing in July 1977.

Geology

The Saints Nickel Project's tenements encompass a portion of the Archaean Norseman-Wiluna Greenstone Belt of the Kalgoorlie Terrane – Boorara Domain within the Eastern Yilgarn Craton of Western Australia. The tenements are located on the western limb of the Scotia-Kanowna Anticline within the Bardoc Tectonic Zone which occurs along the western margin of the Scotia-Kanowna Batholith. The stratigraphy is upright and dips steeply to the west, consisting of mafic, ultramafic and metasedimentary/metavolcaniclastic/ felsic volcanic units (Trofimovs et al, 2006, Morey et al, 2007).

Mineralisation at Saints occurs in the same host sequence as the Scotia Mine, situated at the base of a lens of a coarse-grained, serpentinised olivine cumulate that is considered typical of the channelised portion of a flow or sill within the lowermost flows of the Highway Ultramafic (Wyche, 1998).

The Saints Nickel Project Mineral Resources

Mining consultant RPM Global developed a maiden JORC 2012 Mineral Resources estimate for the Saints Nickel Project of 1.05Mt @ 2.0% Ni, 0.2% Cu and 0.06% Co for 21,400 tonnes of contained nickel, 1,600 tonnes of contained copper and 600 tonnes of contained cobalt (Table 1). Minotaur reported the resource estimate to the ASX on the 4th May 2017.

The Saints Nickel Project is regarded as an Archaean Kambalda-style, komatiite-hosted, massive nickel sulphide deposit. The deposit occurs within the Menzies-Bardoc tectonic zone in ultramafic units, equivalent to the Highway Ultramafic. Saints contains three main zones of nickel sulphide mineralisation: St Andrews, St Patricks and the Western Contact.

The main sulphide species recognised in all three prospects are pyrrhotite, pentlandite, chalcopyrite and pyrite, with violarite in the transitional weathered zone. Ore grade nickel mineralisation occurs as massive or matrix sulphides in the main ore zones with disseminated or cloud sulphides occurring in the hanging wall position proximal to mineralisation. Mineralisation widths range from 1-2m up to 6m (true width).

Drilling at the deposit extends to a vertical depth of approximately 530m, with mineralisation modelled from surface to a depth of approximately 480m below surface. The estimate was based on good quality air core (AC), reverse circulation (RC) and diamond core (DD) drilling data. Drill-hole spacing is predominantly 40m by 30m in the well-drilled portions of the deposit and broadens to approximately 100m by 80m over the remaining areas.

Mineralisation was constrained by mineralisation envelopes prepared using a nominal 0.5% Ni cut-off grade for disseminated sulphide and a 1.0% Ni cut-off grade for matrix and massive sulphide mineralisation. A minimum down-hole length of 1m was adopted for interpretation.

Notably, at least 97.5% of the resource is fresh primary sulphide mineralisation, to 480m below surface. There appears to be significant geological upside potential evident that would result in the defined resource being enlarged through near-resource exploration and testing of postulated extensions of known stratigraphic sequences, such as the Western Contact "depth fold", which have never been drill-tested.

TABLE 1 – SAINTS (MAY 2017) INFERRED MINERAL RESOURCES ESTIMATE (1.0% NI CUT-OFF)

Type	Tonnage (kt)	Ni (%)	Cu (%)	Co (%)	Ni (t)	Cu (t)	Co (t)
Oxide	2.0	1.00%	0.02%	0.02%			
Transitional	22.0	1.70%	0.10%	0.05%	400.0		
Fresh	1,020.0	2.00%	0.20%	0.06%	21,000.0	1,600.0	600.0
Total	1,020.0	2.00%	0.20%	0.06%	21,400.0	1,600.0	600.0

Refer to ASX announcement 28 May 2019 for further details regards the Saints Nickel Project Mineral Resource.

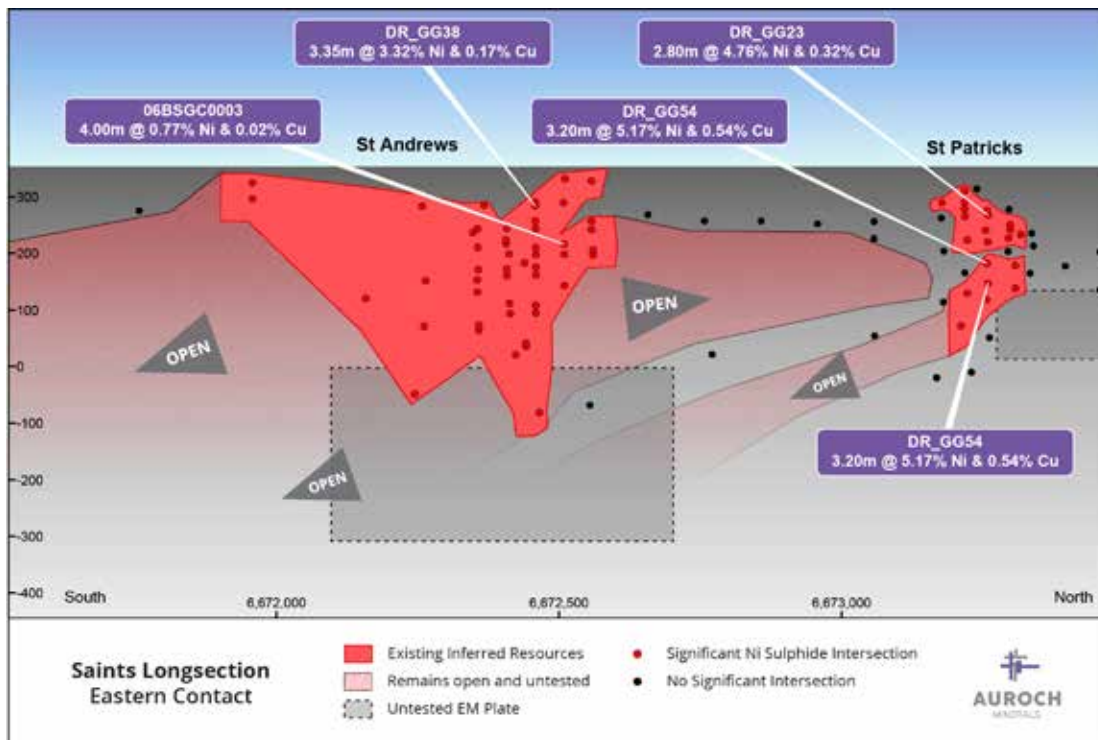


Figure 3 – Long-section of the Eastern Contact of the Saints Nickel Project displaying 1.0% nickel cut-off wireframes (dark red) (looking west). Moderate to strong EM plates that require further drill testing are shown in grey.

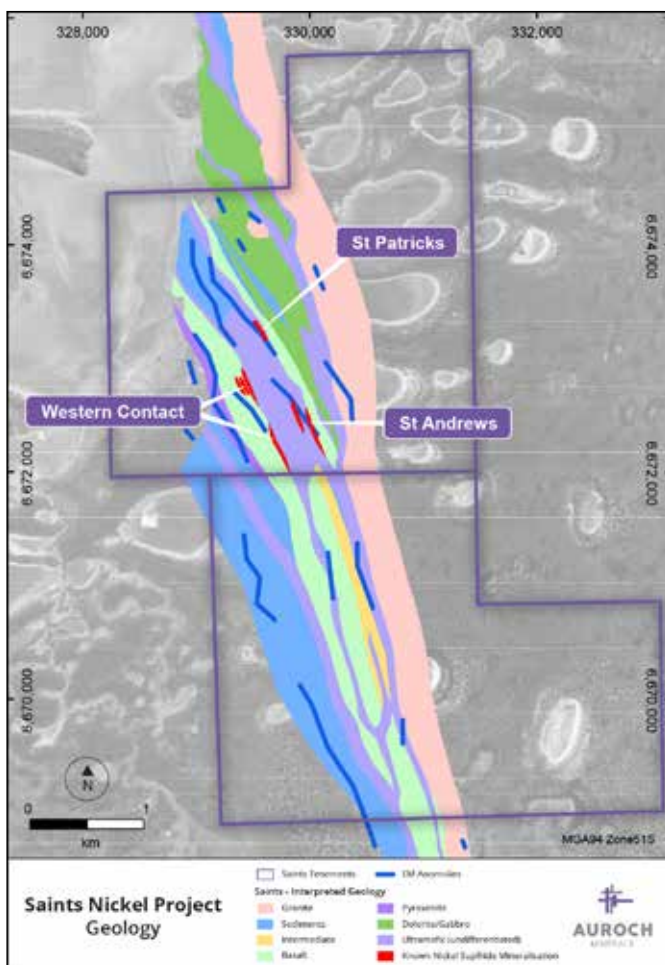


Figure 4 – Saints Nickel Project EM survey area with modelled conductors, drill holes >50m deep and the Saints Ni-Cu-Co mineral resources.

EXPLORATION UPSIDE

Mineralisation at the Saints Nickel Project consists as a series of sub-parallel high-grade sulphide zones developed along eastern and western ultramafic/basalt contacts. Significant potential for resource extensions remains at depth in and around the nose of the postulated fold closure, which is yet to be drill tested and is a priority for Auroch.

The long-section through the Saints Nickel Project shows that St Patricks remains open at depth and St Andrews deposit is open to the south and at depth (Figure 2). There has been limited drilling between St Andrews and St Patricks since the acquisition of the Saints Nickel Project by Minotaur in 2013, with around 500m strike not tested and remaining a high exploration priority for Auroch to follow up.

In late 2014 and 2018 Minotaur completed ground EM surveys aimed at characterising EM responses over the known nickel mineralisation and to identify extensions and/or new lodes. Given the encouraging results of the EM surveys and the lack of drill testing since 2013, Auroch perceives there to be significant potential for high grade nickel sulphide mineralisation extending beyond the current resources estimate.

Leinster Nickel Project

Tenure & Location

The Leinster Nickel Project is located approximately 40km southeast of the township of Leinster and approximately 60km north-northwest of Leonora in the East Murchison Mineral Field of Western Australia. The project area is situated between the Goldfields Highway and the Leonora-Agnew Road and is close to the Eastern Goldfields Gas Pipeline (Figure 2). The project area covers approximately 112km² of prospective Archaean greenstone belt geology within the eastern goldfields of the Yilgarn Craton. Leinster's nickel sulphide deposit resides in a world-class mining domain proximal to established mining and processing infrastructure.

Geology

The project area straddles the Weebo - Mt. Clifford greenstone belt and the Agnew-Wiluna greenstone belt, within the Kalgoorlie Terrane to west and the Kurnalpi Terrane to the East, which are Archaean granite-greenstone terranes that make up part of the Eastern Goldfields province of the Yilgarn Craton. This north-northwest trending belt consists of a folded and thrust stacked sequence of basalts, ultramafics, felsic volcanics and pelitic sediments, intruded by several granitoid plutons. The area is also transected by a splay of the north-northwest trending Perseverance Fault (part of the Keith-Kilkenny lineament) in the centre, and the north striking Mt. McClure shear zone in the east (Blewett and Hitchman, 2006a).

The Horn Mineral Resources

In 2008 Breakaway Resources Ltd (Breakaway), which was acquired by Minotaur in 2013, calculated a JORC 2004 -compliant Inferred Mineral Resources estimate for the Horn deposit of **0.6Mt @ 1.4% Ni and 0.3% Cu for 8,300 tonnes of contained nickel and 1,800 tonnes of contained copper** (Table 2). No further material work has been undertaken at the Horn since 2008.

TABLE 2 – THE HORN 2008 INFERRED MINERAL RESOURCES (0.5% NI CUT-OFF)

Type	Tonnage (kt)	Ni (%)	Cu (%)	Ni (t)	Cu (t)
Fresh	600.0	1.40%	0.30%	8,300.0	1,800.0
Total	600.0	1.40%	0.30%	8,300.0	1,800.0

Refer to ASX announcement 28 May 2019 for further details regarding the Horn Mineral Resources estimate.

Nickel sulphide mineralisation at the Horn deposit occurs within high MgO ultramafic rocks present under basalt footwall stratigraphy in an overturned structural position. Mineralisation plunges gently to southeast and is relatively flat-lying. Massive nickel sulphide consists predominantly of the minerals pyrrhotite-pentlandite-pyrite-violarite. Massive and matrix nickel sulphide mineralisation at the Horn deposit was drilled by Breakaway over a 500m strike length and remains open along strike to the north and south and is up to 15m thick. The nickel mineralisation is coincident with a prominent magnetic ultramafic succession and is located on the southern extremity of the ultramafic unit.

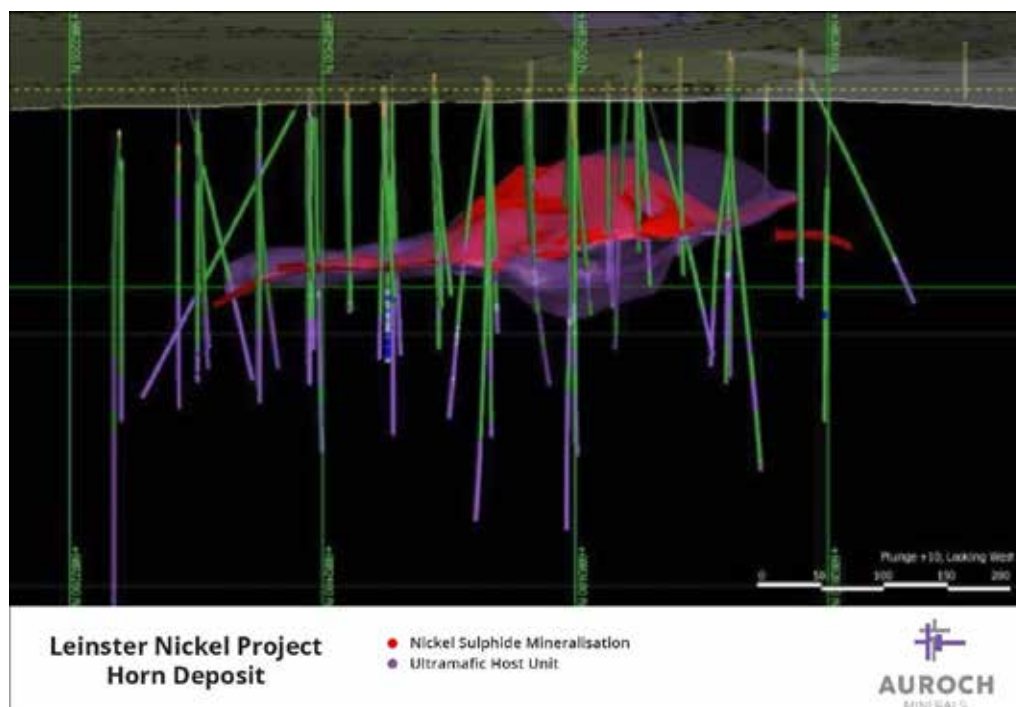


Figure 5 – Leinster Nickel Project - The Horn deposit looking west.

The resource estimate is based on 11 diamond and 1 reverse-circulation (RC) drill-holes carried out on a nominal 50m by 50m spacing. The deposit boundary was defined by a 0.5% Ni cut-off grade, which coincides with the geological boundary of disseminated/matrix sulphides.

Exploration Upside

The Horn deposit has significant proximal and regional exploration potential with numerous untested or partially tested bedrock EM conductors. Auroch will systematically advance exploration, initially targeting resource extensions and high-grade ore plunges prior to examining regional opportunities.

Early nickel exploration at Leinster was undertaken during the 1960's and 1970's, most notably by WMC, Seltrust, Amax and BP Minerals. Some grassroots gold and nickel exploration were undertaken during and since the 1980's primarily by Outokumpu, Dominion, Forrester Resources,

Dalrymple Resources, Miralga Mining and Lionore. A large, comprehensive database of exploration data from this period has been reviewed and highlighted numerous untested to partially tested nickel prospects within the Leinster project area. After conducting an extensive review, Auroch has identified the Valdez Prospect as a high priority near-term regional exploration target.

Valdez Target

The Valdez target is located northeast of the project area on tenement E36/936 and lies along strike from the Waterloo nickel sulphide deposit owned by Saracen Minerals Limited (ASX: SAR). Historic drilling in the area is only shallow, however a drill-hole over the top of the southern edge of the of the anomaly intersected up to 0.5% nickel. The target remains under-tested having only one drill-hole in a 1200m by 450m modelled EM plate, and warrants further work (Figure 6).

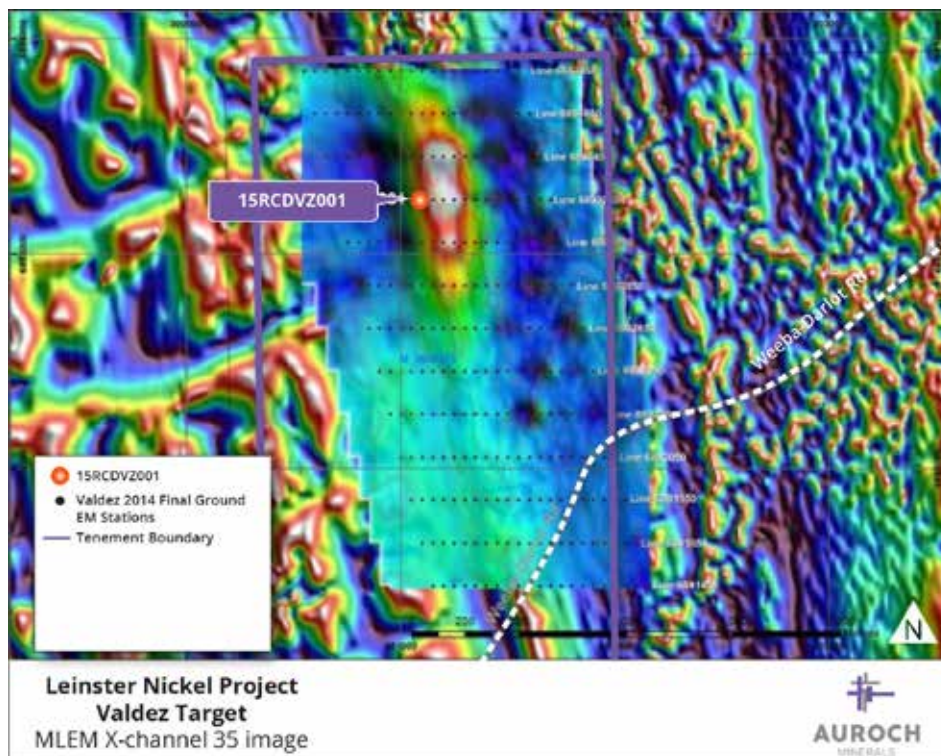


Figure 6 – MLEM X-channel 35 image for the Valdez Target.

COMPANY PROJECTS – SOUTH AUSTRALIA

Auroch's Arden, Bonaventura and Torrens East Copper Projects cover ~3,700km² of the Adelaide Geosyncline (Arden and Bonaventura) and Stuart Shelf (Torrens East Copper) in South Australia.

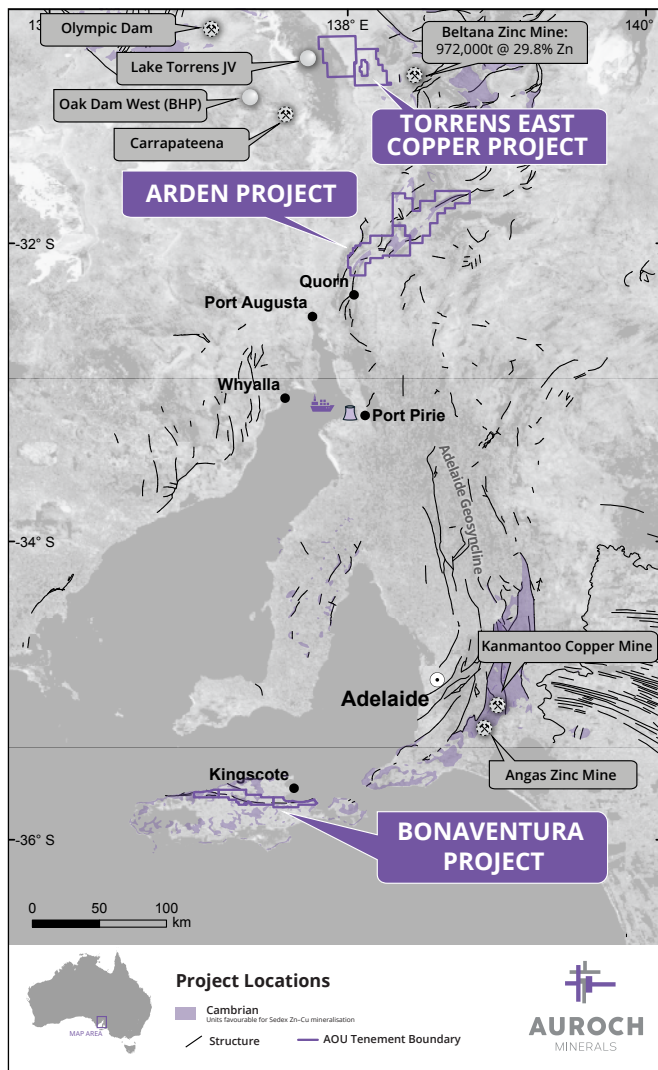


Figure 7 – Location of Auroch's Arden, Bonaventura and Torrens East projects in South Australia

Arden Project

Tenure & Location

Located some 3.5 hours' drive north from Adelaide, the Arden Project (Figure 7) boasts a large relatively-unexplored area of 1,664km² considered highly-prospective for sedimentary-exhalative (SEDEX) mineralisation, as well as high-grade zinc silicate mineralisation. Results from initial exploration at the Ragless Range, Kanyaka and Radford Creek prospects suggest the project has good potential for hosting large-scale zinc and/or copper mineralisation.

The project is located in the Adelaide Geosyncline region of South Australia, which is host to numerous large base-metal deposits including the Beltana zinc deposit, the Angas zinc deposit and the Kanmantoo copper deposit. A railway to local ports passes just to the south of the tenement with access to Port Pirie. Strong infrastructure is available with good telecommunications and grid power.

Arden Ground Gravity Survey

During May 2019 the Company completed a detailed ground-gravity survey at its Arden Project. The survey successfully delineated an intense gravity anomaly extending over 2km at the Ragless Range prospect. The anomaly may be indicative of thickened mineralised horizons of the high-grade zinc mineral smithsonite that was identified in drill-hole **RRDD007**, which has a very high density and hence contrasts greatly with the relatively low-density sedimentary host rocks of the area.

Southern Geoscience Consultants (SGC) completed 2D and 3D modelling of the processed gravity survey data. The resulting model shows a significant thickening of very dense layers in the hinge zone of the Ragless Range syncline. These thickened dense horizons are the likely cause of the strong gravity anomaly which extends over 2km NNE-SSW along the fold hinge and remains open to the NNE. The horizons of very dense material may represent high-grade zinc minerals smithsonite (ZnCO₃) and/or willemite (Zn₂SiO₄), as intersected in drill-hole **RRDD007** (3.65m @ 15.47% Zn from within 12.80m @ 4.96% Zn from 53.00m downhole¹) and which comprise other known high-grade zinc deposits in the region (e.g. the Beltana Zinc Mine: 972kt at 29.8% Zn²). This model is supported by the surface zinc anomalies mapped by portable XRF (pXRF) surface sampling³, which extend along both limbs of the Ragless Range syncline where the mineralised zinc horizons are interpreted to approach the surface (see Figure 8). The thickened zone along the fold hinge is a compelling drill target that the Company will test with the next phase of drilling at Arden.

¹ ASX Announcement - INFILL SAMPLING EXTENDS MINERALISATION AT RAGLESS RANGE - ARDEN ZN PROJECT

<https://www.investi.com.au/api/announcements/aou/408f546e-9fa.pdf>

² Department of State Development's "South Australia's Major Operating/Approved Mines – Resource Estimates and Production Statistics" 19/02/2018

³ ASX Announcement - GROUND GRAVITY SURVEY COMMENCES AT ARDEN

<https://www.asx.com.au/asxpdf/20190508/pdf/444y58fx5lv01.pdf>

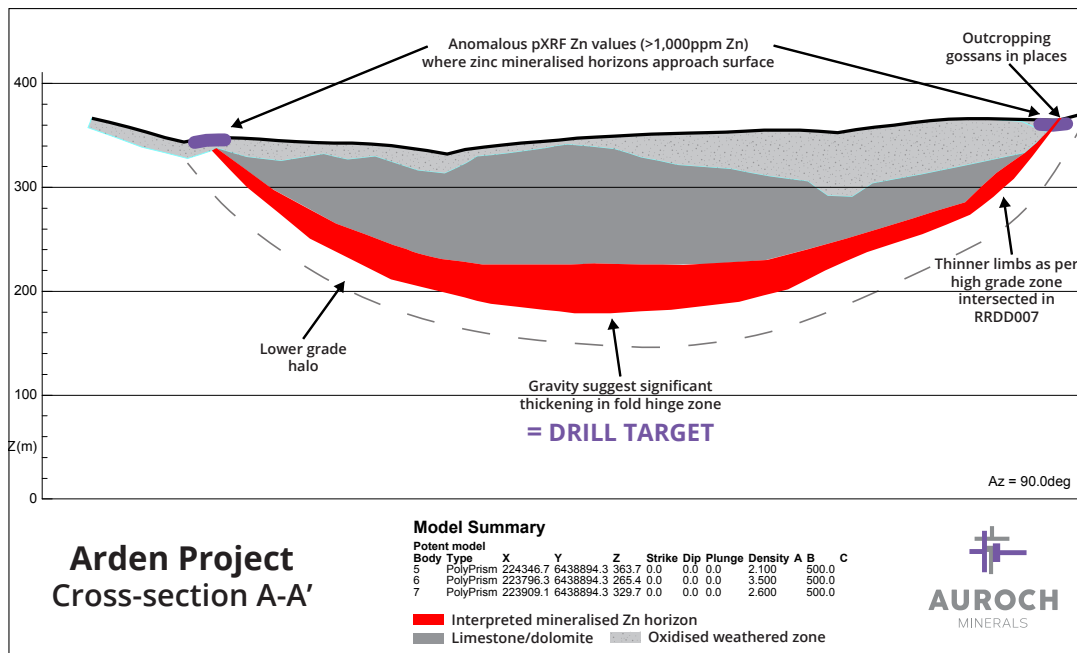


Figure 8 - Modelled cross-section 6438900mN showing the mineralised zone intersected in drill-hole RRDD007, interpreted to be significantly thickened in the fold hinge zone as suggested by the gravity survey results (see Appendix B for data).

Atlas Geophysics Pty Ltd (**Atlas**) completed the gravity survey at Arden. The survey was completed on a very close spacing of 15m between stations in order to be able to define dense mineralised horizons as little as 3m thick. The line-spacing was 125m and was aimed at following-up the anomalous zinc pXRF readings. Table 3 summaries the details of the gravity survey.

TABLE 3 - SUMMARY OF THE GROUND GRAVITY SURVEY COMPLETED BY ATLAS AT THE ARDEN PROJECT

CONTRACTOR	Atlas Geophysics
GRAVITY METER	CG-5 #41189
GPS RECEIVERS	CHC Nav i70
STATION SPACING	15m
LINE SPACING	125m (200m at the Radford Creek Target)
SURVEY DATES	8 th – 16 th May 2019
TOTAL NUMBER OF STATIONS READ	879 stations, including 33 repeat readings
TOTAL LINE KILOMETERS	12km

Target Area Definition – Ragless Range

Scanning electron microscope (SEM) work on samples from the very high-grade interval from drill-hole **RRDD007 (3.65m @ 15.47% Zn from 62.15m)** identified the zinc mineral smithsonite (ZnCO_3). This zinc ore mineral has a very high specific gravity (S.G. > 4.0), which contrasts greatly to the less-dense sedimentary host rocks and hence can be identified by gravity surveys if present in sufficient quantities.

Perilya Limited's Flinders Project, which includes the high-grade Beltana Zinc Mine (**972kt at 29.8% zinc⁴**), contains both smithsonite and willemite (Zn_2SiO_4) zinc mineralisation and is hosted in the same geological units that are present at Arden, thus drawing immediate comparisons. At the Flinders Project, Perilya successfully defined high-grade zinc horizons using high-resolution ground gravity surveys over target areas delineated by surface zinc anomalies defined by pXRF readings.

The Company has built up a large geological database at Arden by systematically mapping and collecting closely-spaced pXRF surface geochemistry data at each of the key prospect areas of the project. At the Ragless Range prospect, the data delineated two highly-anomalous areas over 1,000ppm Zn^5 that follow the prospective geological formation over several kilometres of strike. Importantly the two anomalous areas are on both limbs of the mapped syncline in close proximity to RRDD007 and may represent possible extensions to the high-grade zinc mineralisation intersected in that drill-hole. Due to the strong geological similarities with the Flinders Project, the highly-anomalous surface geochemistry and the proximity to the high-grade zinc mineralisation encountered in drill-hole RRDD007, these areas were considered priority for the completed ground-gravity survey.

⁴ Dept of State Development's "South Australia's Major Operating/Approved Mines – Resource Estimates and Production Statistics" 19/02/2018

⁵ Zinc values were taken with a pXRF machine and hence are semi-quantitative, intended to be used as an exploration tool only

Bonaventura Project

Tenure & Location

The Bonaventura Project comprises two large exploration licences (415km²) in the northern part of Kangaroo Island and covers highly prospective geology and historic mines along 55km of strike of the regional scale Cygnet-Snelling Fault. Thus far the Company has identified and undertaken exploration on four high-priority base and precious-metal prospects at Bonaventura: Dewrang, Vinco, Grainger and Kohinoor.

Historical Activity

The Bonaventura Project contains several historic zinc, lead, copper, gold and silver artisanal mines that were worked at various times up to the 1920's. Soil-sampling over the Bonaventura Project area identified strong zinc anomalism following the strike of the regional Cygnet-Snelling Fault.

Reconnaissance mapping and rock-chip sampling completed by the Company confirmed extremely high-grade zinc mineralisation near historic artisanal workings at the Grainger Prospect. The Dewrang Prospect's IP survey interpretation identified two-highly chargeable anomalies at approximately 200m depth over a strike length of over 400m. The anomalies indicated the potential for the presence of base-metal sulphides, and hence made Dewrang a high-priority area for drill-testing.

In addition to the base-metal prospects, the Kohinoor Prospect was considered highly-prospective for gold mineralisation, with very high-grade historic composite samples taken from the first level of the main historic workings.

During the December 2018 quarter, the Company announced that it had completed drilling at its Bonaventura Project with best intersections from its Grainger Target including:

8.90m @ 2.12% Zn and 0.51% Pb from 180.60m, including 1.00m @ 4.53% Zn and 0.97% Pb from 186.70m

No significant work was announced from the Bonaventura Project during the June 2019 half. The Company intends to progress interesting targets at the Grainger prospect via a structural study based on field mapping and the drill core, as well as geophysical properties test work of the zinc mineralisation observed to identify which geophysical survey tools may provide further drill targets.

Torrens East Copper Project

Tenure & Location

The Torrens East Copper Project comprises one Exploration Licence (EL 6331) and one Exploration Application (ELA 00159) covering a combined area of 1,622km² and is considered highly-prospective for IOCG (Iron Oxide – Copper – Gold) mineralisation.

The large tenements are situated adjacent to the Torrens JV (70% Aeris Resources Ltd; 30% Argonaut Resources NL) and cover a portion of the same large gravity anomaly. The ELAs are also approximately 50km from BHP's 2018 drilling in the Olympic Dam copper-gold province, host to the world-class Olympic Dam (BHP Group Ltd) and Carrapateena (Oz Minerals Ltd) IOCG deposits. BHP's significant drill results at the Oak Dam West prospect announced in November 2018 included :

425.7m @ 3.04% Cu and 0.59g/t Au, including 180m @ 6.07% Cu and 0.92g/t Au

406m @ 0.66% Cu and 0.35g/t Au

124.5m @ 0.52% Cu and 0.48g/t Au

77m @ 2.11% Cu and 0.54g/t Au

Regional Geology and IOCG Mineralisation

The Torrens East Copper Project lies within the Olympic Dam copper-gold province of the Eastern Gawler Craton of central South Australia. More specifically, the project is located within the Torrens IOCG Hinge Zone, which is defined by the distribution of known early-Mesoproterozoic mineralisation and alteration, with the structural framework playing an important role in the formation of large IOCG systems. The project area is overlain by between 700m and 1,200m of consolidated sedimentary rocks of Mesoproterozoic age and younger, which post-date the IOCG mineralisation.

Other Projects

Namibian Exploration Prospecting Licence Applications

The Company advised that the tenement applications over prospective lithium ground which comprised the Karibib Project lapsed, and hence the Company no longer holds any interests in Namibia.

INTEREST IN MINING TENEMENTS - AUSTRALIA

TENEMENT	TENEMENT ID	STATUS	INTEREST AT BEGINNING OF THE YEAR	INTEREST ACQUIRED OR DISPOSED	INTEREST AT END OF THE YEAR
Arden	EL 5821	Granted	90%	-	90%
Arden North	EL 6217	Granted	-	-	100%
Bonaventura	EL 5973	Granted	100%	-	100%
Bonaventura Extension	EL 6252	Granted	-	-	100%
Torrens East Copper Project	ELA 00159	Pending	-	-	-
Torrens East Copper Project	EL 6331	Granted	-	-	100%
Saints ¹	M29/245	Granted	-	100%	100%
Saints ¹	M29/246	Granted	-	100%	100%
Leinster ¹	E36/899	Granted	-	100%	100%
Valdez ¹	E36/936	Granted	-	100%	100%

¹ Late in the financial year the Company announced that it had entered into binding agreements with Minotaur Exploration Limited to acquire 100% of the tenements known as the Saints Nickel Project (Saints) and the Leinster Nickel Project (Leinster) in Western Australia. The acquisitions received shareholder approval on 22 August 2019.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Aidan Platel and represents an accurate representation of the available data. Mr Platel (Member of the Australian Institute of Mining and Metallurgy) is the Company's Chief Geological Officer and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ('JORC Code 2012'). Mr Platel consents to the disclosure of this information in this report in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Auroch Minerals Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Auroch Minerals Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

CORPORATE

Non-Renounceable Pro Rata Offer

On 20 June 2018 the Company announced it had lodged a Prospectus with the Australian Securities & Investment Commission¹¹ to raise up to approximately \$658,350 (before costs) through a non-renounceable, pro rata offer of options, each exercisable at \$0.10 on or before 30 November 2021 (New Options), at an issue price of \$0.02 per New Option to eligible shareholders on the basis of one (1) New Option for every three (3) Shares held on the record date (Offer).

The offer closed on 10 July 2019 and Company received acceptances for 11,646,717 for New Options exercisable at \$0.10 on or before 30 November 2021, under the offer from Eligible Shareholders raising total funds of \$232,934 before costs. The 21,270,881 New Options shortfall was placed by the Underwriter raising further funds of \$425,417 before costs .

DIRECTORS

The names of Directors who held office during or since the end of the period:

Mr Glenn Whiddon

Mr Aidan Platel (appointed 4 September 2019)

Mr Chris Hansen (appointed 4 September 2019)

Mr Ryan Gaffney (resigned 4 September 2019)

Mr Adam Santa Maria (resigned 4 September 2019)

INFORMATION ON DIRECTORS

Information on Directors as at the date of this report is as follows:

Mr Glenn Whiddon

Executive Chairman

Mr Whiddon has an extensive background in equity capital markets, banking and corporate advisory with specific focus on natural resources, enabling project origination and financing. He has a significant contact network throughout the world which has led to the development of a number of projects. Glenn holds an economics degree and has extensive corporate and management experience. He has global banking experience with The Bank of New York in Australia, Europe and Russia.

Mr Whiddon is currently a director of Calima Energy Ltd and Hear Me Out Limited.

In the past 3 years Mr Whiddon has been a director of Doriemus Plc, Fraser Range Metals Group Ltd and Statesman Resources Ltd.

Equity interests: 9,634,627 ordinary shares, 3,461,540 unlisted options exercisable at \$0.10 on or before 30 November 2021 and 1,500,000 performance rights.

Glenn Whiddon has no relevant equity interest in the following: 8,009,651 ordinary shares and 2,669,882 options exercisable at \$0.10 on or before 30 November 2021 These are held by MIMO Strategies Pty Ltd or 6466 Investments Pty Ltd. Jane Whiddon is the controller of these entities. They have only been included for good corporate governance purposes only.

¹¹ 20/06/2018 ASX Announcement – Non-renounceable Pro Rata Offer
<https://www.asx.com.au/asxpdf/20180620/pdf/43vxdtkcyptrb.pdf>

Mr Aidan Platel

Managing Director - (Appointed 4 September 2019)

Mr Platel is a geologist with close to 20 years' experience in the minerals industry, in both mining and exploration roles across a wide range of commodities. Recently, Mr Platel has worked as an independent strategic consultant focusing on project evaluation, prior to which he spent 12 years in South America in mining and exploration. He has a proven track record of exploration success having discovered and developed several major deposits including the world-class Santa Rita Nickel deposit (>1Mt contained Ni metal).

Mr Platel is currently a director of Fraser Range Metals Group Limited. In the past three years, Mr Platel has not held any directorships in the last three years.

Equity interests in the Company: 1,075,000 ordinary shares, 1,000,000 performance rights and 1,191,650 unlisted options exercisable at \$0.10 on or before 30 November 2021.

Mr Chris Hansen

Non-Executive Director - (Appointed 4 September 2019)

Mr Hansen is a multidisciplinary global metals and mining professional with formal qualifications in geology and mineral economics. Having initially focussed on building a solid technical foundation with industry majors such as Barrick Gold and Fortescue Metals Group, Chris later joined Appian Capital Advisory widely recognised as a leading mining focused private equity fund where he refined his investment skills, market knowledge and strong industry relationships.

Mr Hansen is not currently a director of any other listed company and has not held any directorships in the last three years.

Equity interests in the Company: Nil

Mr Ryan Gaffney

Non-Executive Director - (resigned 4 September 2019)

Mr Gaffney holds a BSBA in Finance and Economics from the Daniels College of Business, University of Denver, Colorado. Ryan, based in London, UK, currently runs an independent advisory and consulting business focused on Mergers and Acquisitions advisory and fundraising for small and medium-cap companies. He was previously a Managing Director with Canaccord Genuity in London, where he focused on providing natural resources clients with mergers and acquisitions, financing, and advisory services from 2002 to 2015.

Mr Gaffney is not currently a director of any other listed company and has not held any directorships in the last three years.

Equity interests in the Company: 500,000 ordinary shares and 500,000 performance rights.

Mr Adam Santa Maria

Non-Executive Director - (resigned 4 September 2019)

Mr Adam Santa Maria was appointed to the Board as a Non-Executive Director on June 5 2018 Mr Santa Maria is an experienced corporate finance and public company executive and co-founder of Discovery Capital Partners, an emerging boutique investment house and advisory firm focused on identifying and developing potential tier 1 assets and businesses and which has led or advised on over \$100 million in transactions since its inception in 2017. Both as a practicing lawyer and investment banker, he has advised many of Australia's leading and emerging companies on a number of significant corporate and commercial transactions throughout all stages of their development. Mr Santa Maria has particular expertise in corporate and commercial law and transaction execution, focusing on equity capital markets, corporate governance and M&A.

Mr Santa Maria is currently a Chairman of Acacia Coal Limited. In the past three years, Mr Santa Maria has not held any directorships.

Equity interests in the Company: 1,500,000 ordinary shares.

DIRECTORS MEETING

There were no formal Directors' meetings held during the period. The Directors' conducted formal business via circulating resolution.

REMUNERATION REPORT (Audited)

The Remuneration Report is set out under the following main headings:

- Remuneration policy
- Details of remuneration
- Share-based compensation
- Equity instrument disclosures relating to Key Management Personnel
- Loans to Key Management Personnel
- Other transactions with Key Management Personnel
- Service agreements

The information provided in this remuneration report has been audited as required by section 308 (3C) of the Corporations Act 2001.

This report details the nature and amount of remuneration for each Director of Auroch Minerals Limited and key management personnel of the group. Those who are considered key management personnel of the group during the period are as follows:

1. Glenn Whiddon (Chairman)
2. Mr Aidan Platel (Managing Director – Appointed 4 September 2019)
3. Mr Chris Hansen (Non-Executive Director – Appointed 4 September 2019)
4. Ryan Gaffney (Non-Executive Director – Resigned 4 September 2019)
5. Adam Santa Maria (Non-Executive Director – Resigned 4 September 2019)
6. James Bahen (Company Secretary and Financial Controller)

Remuneration policy

The remuneration policy of Auroch has been designed to align director and management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific long-term incentives, based on key performance areas affecting the Group's financial results. Key performance areas of the Group include cash flow, share price, exploration results and development of cash-generating business activities. The Board of Directors (the Board) of Auroch believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best management and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

Voting and comments made at the company's 2018 Annual General Meeting

At the 2018 Annual General Meeting the Company remuneration report was passed by the requisite majority of shareholders (100% by a show of hands).

Remuneration Governance

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

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed and approved by the Board. All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and the ability to receive options and performance-based incentives. The remuneration committee, composed of the full Board, reviews executive packages annually by reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

Executives are also entitled to participate in the employee share and option arrangements.

The employees of the Group receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits.

All remuneration paid to Directors and executives is valued at the cost to the Group and expensed. Options (if applicable) given to Directors and Key Management Personnel are valued using an appropriate option pricing methodology. The Board policy is to remunerate non-executive Directors at the lower end of market rates for comparable companies for time, commitment, and responsibilities. The remuneration committee determines payments to the non-executive Directors and reviews their remuneration annually based on market practice, duties, and accountability. Independent external advice is sought when required. Fees for non-executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Group. The maximum aggregate amount of fees that can be paid to non-executive Directors was approved by shareholders at a General Meeting held on 11 February 2011. The maximum amount of fees payable to non-executive directors is \$250,000 per annum.

The Board expects that the remuneration structure implemented will result in the company being able to attract and retain the best executives to run the Company. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the Board as part of the review of executive remuneration. All bonuses, options and incentives must be linked to predetermined performance criteria. The Board can exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria. During the Period no performance-based incentives, options or bonuses were granted to any director or executive. As such, no pre-determined performance criteria have been outlined for the existing Board.

During the year the company did not seek the advice of remuneration consultants.

Company performance, shareholder wealth and director and executive remuneration

The following table shows gross revenue, profits/losses and share price of the Group at the end of the current and previous financial years since incorporation. There is no link between company performance and remuneration given the current nature of the Company's operations.

	30 June 2019 \$	30 June 2018 \$	30 June 2017 \$	30 June 2016 \$
Revenue from continuing operations (interest only)	25,095	115,189	242,275	1,178
Net profit/(loss)	(1,387,644)	(3,679,893)	(1,919,686)	2,510,541
Share price	\$0.05	\$0.08	\$0.145	\$0.13

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. This will be achieved via offering performance incentives based on key performance indicators.

**Details of remuneration
2019**

	Short-term benefits	Post- employment benefits	Share-based Payment				
Name	Cash Salary and Fees	Super- annuation	Equity	Options	Total	% perf. based	% Equity based
Glenn Whiddon	114,400	-	143,715	-	258,116	-	56%
Aidan Platel ¹	200,000	19,000	95,810	-	314,810	-	30%
Chris Hansen ²	-	-	-	-	-	-	-
Ryan Gaffney ³	35,000	-	47,905	-	82,905	-	58%
Adam Santa Maria ⁴	36,000	-	-	-	36,000	-	-
Other							
James Bahen	70,000	6,650	47,905	-	124,555	-	38%
Total	455,400	25,650	335,335	-	816,385	-	-

(1) Aidan Platel was CEO during the year then was appointed Managing Director on 4 September 2019.

(2) Chris Hansen was appointed Non-Executive Director on 4 September 2019.

(3) Ryan Gaffney resigned on 4 September 2019.

(4) Adam Santa Maria resigned on 4 September 2019.

**Details of remuneration
2018**

	Short-term benefits	Post- employment benefits	Share-based Payment				
Name	Cash Salary and Fees	Super- annuation	Equity	Options	Total	% perf. based	% Equity based
Glenn Whiddon	159,200	-	146,439	-	305,639	-	48%
Ryan Gaffney	60,000	-	48,813	-	108,813	-	45%
Adam Santa Maria ¹	3,000	-	-	-	3,000	-	-
David Lenigas ²	62,000	-	48,813	-	110,813	-	44%
Other							
Aidan Platel ³	16,667	1,583	97,626	-	115,876	-	84%
Andrew Tunks ⁴	121,857	-	-	-	121,857	-	-
James Bahen	62,029	5,893	48,813	-	116,734	-	42%
Total	484,753	7,476	390,504	-	882,733	-	-

(1) Adam Santa Maria was appointed on 5 June 2018.

(2) David Lenigas resigned 5 June 2018.

(3) Aidan Platel appointed 1 June 2018.

(4) Andrew Tunks resigned 15 December 2017

Share-based compensation

The Auroch Minerals Limited Employee Share Plan (the “Plan”) is used to reward Directors and employees for their performance and to align their remuneration with the creation of shareholder wealth. Approved by Shareholders 4 April 2013 the Plan is designed to provide long-term incentives to deliver long-term shareholder returns. Participation in the Plan is at the discretion of the Board and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

During the Period no shares were issued under the Plan.

Shares

There were no shares issued to Directors or employees by the Group under the Plan during the year (2018: Nil), refer to the above table for details of share-based payments to Directors and employees not under the Plan.

Options

There were no options issued to Directors or employees by the Group (2018: Nil) under the Plan during the year.

Performance Rights

The Plan is open to any eligible persons who are full-time or permanent part time employees of the Company, or a related body corporate which includes directors, the company secretary and officers or other such persons as the Board determines to be eligible to receive grants of Performance Rights under the Plan. Subject to the satisfaction of the vesting conditions given to eligible participants, each Performance Right vest to one Share.

The Performance Rights are issued for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights. Vesting conditions, if any, are determined by the Board from time to time and set out in individual offers for the grant of Performance Rights. Shares issued upon vesting may be freely transferred subject to compliance with the Group’s securities trading rules.

No Performance Rights were granted in the year ended 30 June 2019. 1,750,000 performance rights vested during the year. The fair value per performance right on issue is \$0.1.

The Performance Rights granted in the year to 30 June 2018 will vest as follows: 25% will vest immediately on the date of grant 25% will vest every six months thereafter, provided that on the relevant vesting date the holder remains employed by, or contracted to provide services to, the Company.

The Performance Rights will vest immediately on a change of control of The Company.

Equity Instrument Disclosures Relating to Key Management Personnel

(i) Options provided as remuneration and shares issued on any exercise of such options

There were no options provided as remuneration and shares issued on any exercise of such options issued during the period.

(ii) Option holdings

At the end of the period, the Director's option holdings are as follows:

2019	Balance at the start of the period	Received during the period	Other changes during the period	Balance at the end of the period
Options				
Directors				
Glenn Whiddon ¹	4,668,147	-	(1,206,607)	3,461,540
Aidan Platel ²	-	-	1,191,650	1,191,650
Chris Hansen ³	-	-	-	-
Ryan Gaffney ⁴	-	-	-	-
Adam Santa Maria ⁵	-	-	-	-
Employees				
James Bahen ⁶	-	-	509,003	509,003
Total	4,668,147	-	494,046	5,162,193

- (1) During the year Glenn Whiddon acquired 3,461,540 options in the pro rata offer and had 4,668,147 options expire during the year.
 (2) Aidan Platel was CEO during the year then was appointed Managing Director on 4 September 2019. During the year Aidan Platel acquired 1,191,650 options in the pro rata offer.
 (3) Chris Hansen was appointed Non-Executive Director on 4 September 2019.
 (4) Ryan Gaffney resigned on 4 September 2019.
 (5) Adam Santa Maria resigned on 4 September 2019.
 (6) During the year James Bahen acquired 509,003 options in the pro rata offer.

(iii) Share holdings

Aggregate numbers of shares of the Group held directly, indirectly or beneficially by Directors or key management personnel of the Group at the date of this report:

2019	Balance at the start of the period	Received during the period	Other changes during the period	Balance at the end of the period
Fully Paid Shares				
Directors				
Glenn Whiddon	9,634,627	-	-	9,634,627
Aidan Platel ¹	575,000	-	500,000	1,075,000
Chris Hansen ²	-	-	-	-
Ryan Gaffney ³	250,000	-	250,000	500,000
Adam Santa Maria ⁴	1,500,000	-	-	1,500,000
Employees				
James Bahen	350,000	-	250,000	600,000
Total	12,309,627	-	1,000,000	13,309,627

- (1) Aidan Platel was CEO during the year then was appointed Managing Director on 4 September 2019.
 (2) Chris Hansen was appointed Non-Executive Director on 4 September 2019.
 (3) Ryan Gaffney resigned on 4 September 2019.
 (4) Adam Santa Maria resigned on 4 September 2019.

(iii) Performance Rights Holdings

Aggregate numbers of Performance Rights holdings of the Group held directly, indirectly or beneficially by Directors or key management personnel of the Group at the date of this report:

2019	Balance at the start of the period	Received during the period	Converted/vested during the period	Balance at the end of the period
Performance Rights				
Directors				
Glenn Whiddon	2,250,000	-	(750,000)	1,500,000
Aidan Platel ¹	1,500,000	-	(500,000)	1,000,000
Chris Hansen ²	-	-	-	-
Ryan Gaffney ³	750,000	-	(250,000)	500,000
Adam Santa Maria ⁴	-	-	-	-
Employees				
James Bahen	750,000	-	(250,000)	500,000
Total	5,250,000	-	(1,750,000)	3,500,000

(1) Aidan Platel was CEO during the year then was appointed Managing Director on 4 September 2019.

(2) Chris Hansen was appointed Non-Executive Director on 4 September 2019.

(3) Ryan Gaffney resigned on 4 September 2019.

(4) Adam Santa Maria resigned on 4 September 2019.

Loans to Key Management Personnel

There were no loans to key management personnel during the year.

Other transactions with Key Management Personnel

Adam Santa Maria is a director of Discovery Capital Partners Pty Ltd. During the period ended 30 June 2019 the Company was providing corporate advisory services to Auroch Minerals Limited. Payments to Discovery Capital Partners Pty Ltd during the relevant period total \$90,000, (2018: \$65,000). The amounts owed to Discovery Capital Partners Pty as at 30 June 2019 was nil (2018: \$nil).

Glenn Whiddon is a related party of 6466 Investments Pty Ltd. During the period ended 30 June 2018 the Company paid \$7,958 (2018: 132,715) to 6466 Investments Pty Ltd for the reimbursement of costs in relation due diligence costs associated with project identification.

Service Agreements

Mr Adan Platel has a consultancy agreement with the Company whereby Mr Platel provides services in his capacity as Chief Executive Officer. The consulting agreement commenced on 1 June 2018 for an indefinite term at \$200,000 per annum. The Company or Mr Platel may terminate the agreement by giving two months' notice, or by the Company making two months' payment in lieu of notice.

Mr James Bahen has an executive employment agreement with the Company whereby Mr Bahen provides services in his capacity as Company Secretary and Financial Controller. The agreement commenced on 10 April 2017 for an indefinite term at \$70,000 per annum. The Company or Mr Bahen may terminate the agreement by giving three months' notice, or by the Company making one months' payment in lieu of notice.

End of Audited Remuneration Report

OPERATING RESULTS

The net loss after providing for income tax amounted to \$1,387,644 (2018: loss \$3,679,893).

PRINCIPAL ACTIVITY

The principal activity of the Group is mineral exploration and development.

DIVIDENDS

There were no dividends paid or recommended during the financial year ended 30 June 2019 (2018: Nil).

FINANCIAL POSITION

The net assets of the Group at 30 June 2019 are \$5,050,974 (2018: \$5,523,331).

ENVIRONMENTAL REGULATIONS

In the normal course of business, there are no environmental regulations or requirements that the Group is subject to.

Greenhouse gas and energy data reporting requirements

The Company is not required to report under the Energy Efficiencies Opportunity Act 2006 or the National Greenhouse and Energy Efficient Reporting Act 2007 (the Acts).

INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. During the period the Group paid \$34,478 in premiums for Directors and Officer Insurance.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purposes of taking responsibility on behalf of the Group for all or part of those proceedings.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There has been no other significant changes in the state of affairs of the Group during the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

In the opinion of the Directors, disclosure of any further information on likely developments in operations and expected results would be prejudicial to the interests of the Group, the consolidated entity and shareholders.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Placement

On 1 August 2019 the company announced it has received firm commitments for a placement of 9,000,000 shares at \$0.07 per share to raise a total of A\$630,000 (before costs).

The placement received strong interest from sophisticated or professional investors, reflecting investor confidence in Auroch. Golden Triangle Pty Ltd was Lead Manager to the placement received a fee of 6% on all funds raised and 3,000,000 unlisted options each exercisable at \$0.10 and expiring on 30 November 2021 for providing these services. The shares and options were issued on 5 August 2019 and were issued within the Company's placement capacity under ASX Listing Rule 7.1.

The issue price of \$0.07 per share under the placement represents a 6.2% discount to the Company's 15-day Weighted Average Volume price (VWAP).

Proceeds from the placement will be used to fund a drilling campaign on the Saints Nickel Project, exploration activities on the Leinster Nickel Project and for the Company's general working capital requirements.

General Meeting to Approve the Acquisition of the Saints and Leinster Nickel Project

On 22 August 2019 the company held a General Meeting to approve the acquisitions of the Saints and Leinster Nickel Projects. The Company advises that all resolutions put to shareholders at the General Meeting were carried on a show of hands.

Appointment of Managing Director and Board Change

On 4 September 2019, the company announced that Mr. Aidan Platel accepted the position of Managing Director of the Company. Simultaneous to this appointment, Mr. Chris Hansen joined the Board as a Non-Executive Director, replacing Mr. Adam Santa Maria who stepped down as planned.

NON AUDIT SERVICES

During the financial period the following fees were paid or payable for services provided by the auditor:

	2019	2018
	\$	\$
BDO Corporate Tax (WA) Pty Ltd, tax compliance	17,240	8,415
BDO Corporate Finance (WA) Pty Ltd, option valuation	-	733
	<u>17,240</u>	<u>9,148</u>

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group and/or the group are important.


The board of directors has considered the position and is satisfied that the provision of the 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 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 of directors to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the independence declaration by the lead auditor under section 307C of the Corporations Act 2001 is included on page 24 of this financial report.

This report is signed in accordance with a resolution of the Board of Directors.



Glenn Whiddon
DIRECTOR

Dated this 20th day of September 2019

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF AUROCH MINERALS LIMITED

As lead auditor of Auroch Minerals Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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



Dean Just
Director

BDO Audit (WA) Pty Ltd
Perth, 20 September 2019

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue	3	25,095	115,189
Gain/(Loss) on disposal of non-current asset		(14,342)	4,926
Amounts recovered from previously impaired debt		73,153	183,017
Less Expenses:			
Accounting fees		(35,000)	(39,648)
Audit fees		(9,944)	(40,500)
Advertising and marketing		(66,779)	(13,763)
Consulting fees		(218,600)	(397,288)
Directors expense		(94,000)	(85,000)
Employee benefits expense		(295,650)	(208,028)
Corporate and regulatory fees		(12,274)	(11,278)
Impairment of financial assets	8	-	(1,437,647)
Impairment of capitalised expenditure		-	(55,518)
Legal costs		(57,112)	(102,298)
Rent		(34,833)	(28,200)
Share based payment expense		(335,462)	(390,505)
Travel & accommodation		(25,161)	(46,791)
Finance costs		(1,181)	-
Foreign exchange gain/(loss)		31,196	51,326
Other expenses		(450,308)	(1,177,886)
(Loss) before income tax		(1,387,644)	(3,679,893)
Income tax expense	5	-	-
(Loss) after income tax		(1,387,644)	(3,679,893)
Profit from sale of discontinued operations		-	-
Profit/(Loss) for the year		(1,387,644)	(3,679,893)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Other comprehensive income			
<i>Items that have been reclassified to the profit or loss</i>			
Exchange differences on disposal of controlled entities		-	-
<i>Items that may be reclassified to the profit or loss</i>			
Exchange difference on translation of foreign operations		-	-
Other comprehensive income/(loss) for the year net of tax		-	-
Total comprehensive income/(loss) for the year attributable to the owners of Auroch Minerals Limited		(1,387,644)	(3,679,893)
Basic loss per share (cents per share) from continuing operations	6	(1.39)	(4.14)

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

AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	1,733,184	4,530,142
Trade and other receivables	8	35,728	45,981
Total Current Assets		1,768,912	4,576,123
Non-current Assets			
Property, plant and equipment	9	496	15,278
Mineral exploration and evaluation expenditure	10	3,408,056	1,005,718
Total Non-current Assets		3,408,552	1,020,996
TOTAL ASSETS		5,177,464	5,597,119
LIABILITIES			
Current Liabilities			
Trade and other payables	11	126,490	152,187
Total Current Liabilities		126,490	152,187
TOTAL LIABILITIES		126,490	152,187
NET ASSETS		5,050,974	5,444,931
EQUITY			
Contributed equity	12	11,831,619	11,656,620
Reserves	13	1,458,656	639,969
Accumulated losses	14	(8,239,302)	(6,851,658)
TOTAL EQUITY		5,050,974	5,444,931

The above consolidated 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

	Contributed Equity	Accumulated Losses	Option Reserve	Share Based Payments Reserve	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2018	11,656,620	(6,851,658)	230,117	409,852	5,444,931
Profit/Loss for year	-	(1,387,644)	-	-	(1,387,644)
Exchange difference on foreign operations	-	-	-	-	-
Total comprehensive loss for year	-	(1,387,644)	-	-	(1,387,644)
Transactions with owners in their capacity as owners:					
Issue of shares	-	-	-	-	-
Issue of Options	-	-	658,352	-	658,352
Conversion of Performance Rights	175,000	-	-	(175,000)	-
Share based payment expense	-	-	-	335,335	335,335
Balance at 30 June 2019	11,831,620	(8,239,302)	888,469	570,187	5,050,974
Balance at 1 July 2017	10,467,539	(3,171,765)	230,117	194,347	7,720,238
Profit/Loss for year	-	(3,679,893)	-	-	(3,679,893)
Exchange difference on foreign operations	-	-	-	-	-
Total comprehensive loss for year	-	(3,679,893)	-	-	(3,679,893)
Transactions with owners in their capacity as owners:					
Issue of shares	1,189,081	-	-	-	1,189,081
Share based payment expense	-	-	-	215,505	215,505
Balance at 30 June 2018	11,656,620	(6,851,658)	230,117	409,852	5,444,931
Balance at 1 July 2017	10,467,539	(3,171,765)	230,117	194,347	7,720,238

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,090,957)	(2,102,286)
Interest received		24,677	21,491
Interest paid		-	(1)
Net cash (outflow) from operating activities	15	(1,066,280)	(2,080,796)
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayment of borrowing		73,153	168,286
Proceeds from Sale of plant, equipment and prospects		4,926	-
Payments for exploration expenditure		(2,496,982)	(106,439)
Proceeds from sale of prospects		-	1,557,009
Net cash inflow from investing activities		(2,418,904)	1,618,856
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and options		658,352	102,280
Net cash inflow from financing activities		658,352	102,280
Net increase/(decrease) in cash and cash equivalents		(2,826,832)	(359,660)
Foreign exchange movement on cash and cash equivalents		29,875	98,966
Cash and cash equivalents at the beginning of the year		4,530,142	4,790,836
NET CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	1,733,184	4,530,142

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In order to assist in the understanding of the accounts, the following summary explains the material accounting policies that have been adopted in the preparation of the accounts.

(a) Basis of Preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001*. The Company is a for-profit entity for the purpose of preparing these financial statements.

Compliance with IFRS

The financial statements of the company also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)

Historical cost convention

These financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Early adoption of new standards

The Group has elected not to early adopt any new standards issued not yet effective. Refer to note 1 (t) for an assessment of the impact of these standards to the Group.

(b) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 9 Financial Instruments

The consolidated entity has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

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AASB 15 Revenue from Contracts with Customers

The consolidated entity has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

Impact of adoption

None of the new Standards and amendments to Standards that are mandatory for the first time for the financial year beginning 1 July 2018 affected any of the amounts recognised in the current period or any prior period and is not likely to affect future periods. Additionally, they did not significantly affect the Group's accounting policies or any of the disclosures.

(c) Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Auroch Minerals Limited as at 30 June 2019 and the results of all subsidiaries for the year then ended. Auroch Minerals Limited and its subsidiaries together are referred to in this financial report as the group or the consolidated entity.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint arrangements

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position.

(d) Impairment of 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 costs to sell 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 groups of assets and the asset's values 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 those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a revaluation decrease).

As 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 the impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at the re-valued 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.

(e) Share Based Payment Transactions

Under AASB 2 Share Based Payments, the Group must recognise the fair value of shares and options granted to directors, employees and consultants as remuneration as an expense on a pro-rata basis over the vesting period in the Statement of Profit or Loss and Other Comprehensive Income with a corresponding adjustment to equity.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. 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. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. No revision to original estimates is made in respect of options issued with market based conditions.

The Group provides benefits to employees (including directors) of the Group in the form of share based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The cost of these equity-settled transactions with employees (including directors) is measured by reference to fair value at the date they are granted. The fair value is determined using an appropriate option pricing model. In relation to the valuation of the share-based payments, these are valued using an appropriate option valuation method. Once a valuation is obtained management use an assessment as to the probability of meeting non-market based conditions. Market conditions are vested over the period in which management assess it will take for these conditions to be satisfied.

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(f) Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker ("CODM"), which has been identified by the Group as the Managing Director and other members of the Board of directors.

(g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of trade receivables and payables are assumed to approximately their fair value due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(h) Income Tax and Other Taxes

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities. Adjustments to current income tax are made to take into account any change in tax rates between the Company and its subsidiaries.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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 foreign operations where the Group 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.

Auroch Minerals Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) Exploration and Evaluation Expenditure

The Group's policy with respect to exploration and evaluation expenditure is to use the area of interest method. Under this method exploration and evaluation expenditure is carried forward on the following basis:

- i. Each area of interest is considered separately when deciding whether, and to what extent, to carry forward or write off exploration and evaluation costs; and
- ii. Exploration and evaluation expenditure related to an area of interest is carried forward provided that rights to tenure of the area of interest are current and that one of the following conditions is met:
 - such evaluation costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale; or
 - exploration and/or evaluation 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 and active and significant operations in relation to the area are continuing.

Exploration and evaluation costs accumulated in respect of each particular area of interest include only net direct expenditure.

(j) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank accounts, money market investments readily convertible to cash within two working days, and bank bills but net of outstanding bank overdrafts.

(k) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

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Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(l) Earnings Per Share

(i) Basic Earnings Per Share

Basic earnings per share is determined by dividing the operating loss attributable to the equity holder of the Company after income tax 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 determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will arise from the exercise of options outstanding during the year.

(m) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Interest income is recognised as it accrues using the effective interest method.

(n) Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

(o) Trade and Other Payables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

(p) Borrowings Cost

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

(q) Goods and Service Tax (GST)

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

- Where the GST incurred on the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivable and payable are stated with the amount of GST included.

The amount of GST recoverable from the taxation authority is included as part of the receivables in the Statement of financial position. The amount of GST payable to the taxation authority is included as part of the payables in the Statement of financial position.

Cash flows are included in 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.

(r) Contributed Equity

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

(s) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Group companies

The results and financial position of foreign operations (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 cumulative effect 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 in other comprehensive income.

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 recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment

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are repaid, a proportionate share of such exchange difference is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

No dividends were paid or proposed during the year.

(t) Parent entity information

The financial information for the parent entity, disclosed in Note 27 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries are accounted for at cost in the financial statements. Dividends received from associates are recognised in the parent entity's profit or loss when its right to receive the dividend is established.

(u) Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial report, a number of Standards and Interpretations including those Standards and Interpretations issued by the IASB/IFRIC, where an Australian equivalent has not been made by the AASB, were in issue but not yet effective for which the Entity has considered it unlikely for there to be a material impact on the financial statements.

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date:	Impact on Initial Application
AASB 16	Leases	<p>AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases into its statement of financial position in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right-of-use asset in its statement of financial position for most leases.</p> <p>There are some optional exemptions for leases with a period of 12 months or less and for low value leases.</p> <p>Lessor accounting remains largely unchanged from AASB 117.</p>	Effective for periods beginning on or after 1 July 2019	The consolidated entity will adopt this standard from 1 July 2019 but the impact of its adoption is not expected to be material.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these Financial Statements the Group has been required to make certain estimates and assumptions concerning future occurrences. There is an inherent risk that the resulting accounting estimates will not equate exactly with actual events and results.

(a) Significant accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Capitalisation of exploration and evaluation expenditure

The Group has capitalised exploration and evaluation expenditure on the basis either that this is expected to be recouped through future successful development (or alternatively sale) of the Areas of Interest concerned or on the basis that it is not yet possible to assess whether it will be recouped. Refer to note 10 for further details.

Receivables

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance account (provision for impairment of trade receivables) is used when there is objective

evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the allowance is recognised as impairment in the statement of profit or loss and other comprehensive income.

(b) Significant accounting estimates and assumptions

The carrying amount 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 period are:

Impairment of 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 that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model. Should the assumptions used in these calculations differ, the amounts recognised could significantly change. Details of estimates used can be found in Note 20.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)**Asset Acquisition**

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset. Assets acquired during the period were exploration expenditure.

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3. REVENUE	2019 \$	2018 \$
From continuing operations		
Interest received	25,095	115,189
Total	25,095	115,189

4. EXPENSES	2019 \$	2018 \$
Profit/Loss includes the following specific expenses:		
Consultants and advisory fees	218,600	397,288
Advertising and marketing	66,779	13,763
Share registry costs	12,991	12,991
Depreciation	439	5,164

5. TAXATION	2019 \$	2018 \$
The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-

The prima facie tax payable/(benefit) on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:

Profit/(Loss) before income tax	(1,387,644)	(3,679,893)
Profit/(Loss) before income tax from discontinued operations		
Prima facie tax benefit on loss from continuing activities before income tax at 27.5% (2018: 27.5%)	(416,293)	(1,011,971)
Add/(subtract) tax effect of:		
Expenditure not deductible	101,015	680,559
Other		
Deferred tax assets relating to tax losses not recognised	315,278	331,412
Total income tax expense	-	-

The franking account balance at year end was \$nil.

Deferred tax assets and liabilities not recognised relate to the following:

Deferred tax assets		
Tax losses	3,091,240	1,916,580
Other temporary differences	(646,022)	(2,765)
Capital loss	-	-
Exploration expenditure	-	-
Net deferred tax assets	2,445,218	1,913,815

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6. PROFIT/LOSS PER SHARE

	2019	2018
	\$	\$
(a) Profit/(loss) per share		
Profit/(loss) attributable to the ordinary equity holders of the Group	(1,435,549)	(3,679,893)
(b) Reconciliations of profit/loss used in calculated loss per share		
Basic and diluted profit/loss per share	(1.39)	(4.14)
Diluted profit/loss per share	(1.39)	(4.14)
(c) Weighted average number of shares used as a denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	99,681,425	88,815,357

7. CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Deposits at call	1,046,332	1,025,121
Cash at bank	686,852	3,505,021
	<u>1,733,184</u>	<u>4,530,142</u>

The Group's exposure to interest rate risk is discussed in Note 17.

Financial Guarantees

The Group has provided no financial guarantees.

8. TRADE AND OTHER RECEIVABLES

	2019	2018
	\$	\$
Prepayments	1,693	1,135
Other receivables	34,035	44,847
	<u>35,728</u>	<u>45,981</u>

Ageing of receivables past due or impaired

The Group's exposure to credit risk is discussed in Note 17.

9. PROPERTY PLANT AND EQUIPMENT

	2019	2018
	\$	\$
Office Equipment	1,320	1,320
Less Accumulated Depreciation on Office Equipment	(824)	(494)
Vehicles	-	21,648
Less Accumulated Depreciation on Vehicles	-	(7,197)
Balance at the end of the year	<u>496</u>	<u>15,278</u>

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10. EXPLORATION AND EVALUATION EXPENDITURE

	2019	2018
	\$	\$
Balance at beginning of the year	1,005,718	37,106
Exploration expenditure incurred	2,402,338	1,024,130
Exploration expenditure written off	-	(55,518)
Balance at the end of the year	<u>3,408,056</u>	<u>1,005,718</u>

The balance carried forward represents projects in the exploration and evaluation phase. Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

11. TRADE AND OTHER PAYABLES

	2019	2018
	\$	\$
Trade payables	82,325	117,687
Accruals	44,165	34,500
	<u>126,490</u>	<u>152,187</u>

All current liabilities are expected to be settled within 12 months as they are generally due on 30-60 day terms. The Group's exposure to credit risk is discussed in Note 17.

12. CONTRIBUTED EQUITY**(a) Share Capital**

	2019	2018	2019	2018
	Shares	Shares	\$	\$
Fully paid	100,503,540	98,753,540	11,831,619	11,656,620
	<u>100,503,540</u>	<u>98,753,540</u>	<u>11,831,619</u>	<u>11,656,620</u>

(b) Movements in ordinary shares (including equity raising costs)**2019**

Date	Details	Number of shares	Issue price	2019 \$
01/07/18	Balance at 01 July	98,753,540		11,656,020
19/12/18	Conversion of performance rights	1,750,000	\$0.10	175,000
30/06/19	Balance at 30 June	<u>100,503,540</u>		<u>12,543,163</u>

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12. CONTRIBUTED EQUITY (continued)
2018

Date	Details	Number of shares	Issue price	2018 \$
01/07/17	Balance at 01 July	85,817,552		10,467,539
17/10/17	Exercise of options	129,286	\$0.08	10,343
24/10/17	Exercise of options	1,149,220	\$0.08	91,938
06/04/18	Issue of shares for acquisition of Arden Project and Bonaventura Project	8,300,000	\$0.09	763,600
06/04/18	Issue of shares to advisors of the acquisition of Arden Project and Bonaventura Project	1,500,000	\$0.09	138,000
06/04/18	Issue of shares in lieu of consultants' fees	51,000	\$0.10	5,100
18/05/18	Issue of shares in lieu of consultants' fees	56,483	\$0.09	5,100
18/06/18	Conversion of Performance Rights	1,750,000	\$0.10	175,000
30/06/18	Balance at 30 June	<u>98,753,540</u>		<u>11,656,020</u>

(d) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of 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.

(e) Capital risk management

The Group's objective when managing working capital is to safeguard the ability to continue as a going concern, so that it can continue to provide returns for the shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the return of capital to shareholders, issue new shares or sell assets to reduce debt. The Group defines capital as cash and cash equivalents plus equity.

The Board of Directors monitors capital on an ad-hoc basis. No formal targets are in place for return on capital, or gearing ratios, as the Group has not derived any income from their mineral exploration and currently has no debt facilities in place.

13. RESERVES
(a) Reserves

	2019 \$	2018 \$
Share-based payments reserve	570,187	409,852
Options reserve	888,469	230,117
	<u>1,458,656</u>	<u>639,969</u>

FOR THE YEAR ENDED 30 JUNE 2019

13. RESERVES (continued)

	2019	2018
	\$	\$
Share-based payments reserve		
Balance 1 July	409,852	194,347
Share based payments	160,335	215,505
Balance 30 June	570,187	409,852
	2019	2018
	\$	\$
Option reserve		
Balance 1 July	230,117	230,117
Options issued	658,352	-
Balance 30 June	888,469	230,117

Nature and purpose of reserves

(i) Share-based payments reserve

The share-based payments reserve is used to recognise:

- The fair value of options issued to employees and consultants but not exercised
- The fair value of shares issues to employees

(ii) Option reserve

The Share Option Reserve contains amounts received on the issue of options over unissued capital of the company.

14. ACCUMULATED LOSSES

	2019	2018
	\$	\$
Accumulated losses at the beginning of the period	(6,851,659)	(3,171,765)
Net profit/loss attributable to members of the Group	(1,387,644)	(3,679,893)
Accumulated losses at the end of the financial year	(8,239,302)	(6,851,658)

15. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2019	2018
	\$	\$
Profit/Loss for the year	(1,435,549)	(3,679,893)
Gain on disposal of non-current asset	14,342	(4,926)
Gain on settlement	(73,153)	(183,017)
Depreciation and amortisation	439	5,164
Non-cash employee benefits expense – share-based payments	383,367	390,505
Impairment of capitalised expenditure	-	55,518
Impairment of financial assets	-	1,437,647
Project evaluation	93,152	-
Foreign exchange loss	(31,196)	(51,326)
(Increase)/decrease in trade debtors and other receivables	10,253	3,917
Increase/(decrease) in trade creditors and other payables	(27,934)	(54,383)
Net cash outflow from operating activities	(1,066,280)	(2,080,796)

FOR THE YEAR ENDED 30 JUNE 2019

16. REMUNERATION OF AUDITORS

Amounts received or due and receivable by the auditors for:	2019 \$	2018 \$
Audit services:		
BDO Audit (WA) Pty Ltd Audit and review of financial reports under the Corporations Act 2001	35,344	39,403
Non-audit services	17,240	9,148
	<u>52,584</u>	<u>48,551</u>

17. FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from their use of financial instruments:

- a) credit risk
- b) liquidity risk
- c) market risk

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

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and for the Group arises principally from cash and cash equivalents and receivables.

All cash balances are held with recognised institutions limiting the exposure to credit risk. There are no formal credit approval processes in place.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2019 \$	2018 \$
Cash and cash equivalents	1,733,184	4,530,142
Receivables	1,693	45,981
	<u>1,734,877</u>	<u>4,576,122</u>

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about default rates.

Financial assets that are neither past due and not impaired are as follows:

FOR THE YEAR ENDED 30 JUNE 2019

17. FINANCIAL RISK MANAGEMENT (continued)

	2019	2018
Cash and cash equivalents	\$	\$
AA S&P rating	1,733,184	4,530,142
	<u>1,733,184</u>	<u>4,530,142</u>

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows. The Group anticipates a need to raise additional capital in the next 12 months to meet forecasted operational activities. The decision on how the Group will raise future capital will depend on market conditions existing at that time.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The Group has no access to credit standby facilities or arrangements for further funding or borrowings in place. The financial liabilities the Group had at reporting date were trade payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months \$	6-12 months \$	1-2 years \$	2-5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount (assets)/ liabilities \$
As at 30 June 2019							
Trade and other payables	126,490	-	-	-	-	126,490	126,490

	Less than 6 months \$	6-12 months \$	1-2 years \$	2-5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount (assets)/ liabilities \$
As at 30 June 2018							
Trade and other payables	152,187	-	-	-	-	152,187	152,187

FOR THE YEAR ENDED 30 JUNE 2019

17. FINANCIAL RISK MANAGEMENT (continued)

(c) 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.

(i) Currency risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group did not have any formal policies in place regarding currency risk during the year as it was not considered significant. This will be monitored as appropriate going forward and introduced as necessary.

The groups exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollar, was as follows:

	2019 USD \$	2018 USD \$
Cash and cash equivalents	-	1,597,220
Deferred consideration	-	-
Trade and other receivables	-	-
Trade and other payables	-	-

Sensitivity analysis

	2019 Foreign exchange risk		2018 Foreign exchange risk	
	+ 1%	- 1%	+ 1%	-1%
Cash and cash equivalents	-	-	15,972	(15,972)
	-	-	15,972	(15,972)

(ii) Cashflow and interest rate risk

The Group's only interest rate risk arises from cash and cash equivalents held. Term deposits and current accounts held with variable interest rates expose the Group to cash flow interest rate risk. The Group does not consider this risk to be material and has therefore not undertaken any further analysis of risk exposure for 2019.

(d) Fair values

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The Fair value of financial instruments that are not traded in an active market (for example investments in unlisted subsidiaries) is determined using valuation techniques.

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

FOR THE YEAR ENDED 30 JUNE 2019

17. FINANCIAL RISK MANAGEMENT (continued)

The carrying amounts are estimated to approximate fair values of financial assets and financial liabilities as follows:

	2019 \$	2018 \$
Financial Assets		
Cash and cash equivalents	1,733,184	4,530,142
Trade and other receivables	35,728	45,981
Total Financial Assets	1,768,912	4,576,123
Financial Liabilities		
Trade and other payables	126,490	152,187
Total Financial Liabilities	126,490	152,187

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash/financial liabilities and loans

The carrying amount is fair value due to the liquid nature of these assets.

Receivables/payables

Due to the short-term nature of these financial rights and obligations, their carrying amounts are estimated to represent their fair values.

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to their short-term nature, the carrying amount of the current receivables and current payables is assumed to approximate their fair value.

Refer to note 18 for further details.

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The carrying values of financial assets and liabilities of the Group approximate their fair values. Fair values of financial assets and liabilities have been determined for measurement and / or disclosure purposes.

Fair value hierarchy

The Group classifies assets and liabilities carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in determining that value. The following table analyses financial instruments carried at fair value by the valuation method. The different levels in the hierarchy have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Due to their short-term nature, the carrying values of all of the Group's financial assets and liabilities is assumed to be their fair value. That is, there are no financial assets or financial liabilities measured using the fair value hierarchy.

19. SEGMENT INFORMATION

Identification of reportable operating segments

The Group is organised into one operating segment, being exploration in Australia. This is based on the internal reports that are being reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM) in assessing performance and in determining the allocation of resources. As a result, the operating segment information is as disclosed in the statements and notes to the financial statements throughout the report.

Geographical information

All non-current assets are based in Australia.

20. SHARE BASED PAYMENT TRANSACTIONS

Share Based Payments

Options

There have been no options issued to current directors and executives as part of their remuneration.

The unlisted option reserve records items recognised on valuation of director, employee and contractor share options as well as share options issued during the course of a business combination. Information relating to the details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out in note 12.

Employee Share Plan

The Auroch Minerals Limited Employee Share Plan is used to reward Directors and employees for their performance and to align their remuneration with the creation of shareholder wealth. There are no performance requirements to be met before exercise can take place. The Plan is designed to provide long-term incentives to deliver long-term shareholder returns. Participation in the Plan is at the discretion of the Board and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Share based payments transactions are recognised at fair value in accordance with AASB 2. The adoption of AASB 2 is equity-neutral for equity-settled transactions.

Numbers of Employee Shares were issued this year is nil (2018: nil).

Performance Rights Plan

The Auroch Minerals Limited Performance Rights Plan is used to reward Directors and employees for their performance and to align their remuneration with the creation of shareholder wealth. There are no performance requirements to be met before exercise can take place. The Plan is designed to provide long-term incentives to deliver long-term shareholder returns. Participation in the Plan is at the discretion of the Board and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Each performance right converts into one ordinary share of Auroch Minerals Limited on vesting. No amounts are paid or are payable by the recipient on receipt of the performance right. The performance rights carry neither rights of dividends nor voting rights. The performance rights will vest as follows: 25% will vest immediately on the date of grant 25% will vest every six months thereafter, provided that on the relevant vesting date the holder remains employed by, or contracted to provide services to, the Company.

FOR THE YEAR ENDED 30 JUNE 2019

20. SHARE BASED PAYMENT TRANSACTIONS (continued)

The following table illustrates the number of, and movements in, performance rights issued during the period:

	30 June 2019	30 June 2019	30 June 2018	30 June 2018
	Number	\$	Number	\$
Balance at beginning of the financial year	6,250,000	625,000	-	-
Granted during the period	-	-	8,000,000	800,000
Cancelled during the period	-	-	-	-
Expired during the period	-	-	-	-
Converted during the period	(1,750,000)	(175,000)	(1,750,000)	(175,000)
Outstanding at the end of the period	4,500,000	450,000	6,250,000	625,000

Performance Shares

The following table issued as a result of acquiring the South Australian projects illustrates the number of, and movements in, performance shares issued during the period:

	30 June 2019	30 June 2018
	Number	Number
Balance at beginning of the financial year	12,000,000	-
Granted during the period – Class A	-	6,400,000
Granted during the period – Class B	-	2,300,000
Granted during the period – Class C	-	2,300,000
Granted during the period – Class D	-	1,000,000
Cancelled during the period	-	-
Expired during the period	-	-
Converted during the period	-	-
Outstanding at the end of the period	12,000,000	12,000,000

Each performance share converts into one ordinary share of Auroch Minerals Limited on vesting. No amounts are paid or are payable by the recipient on receipt of the performance share. The performance shares carry neither rights of dividends nor voting rights. The Performance Shares will convert into Shares on a one for one basis on the satisfaction of the following performance milestones.

Class	Performance Milestone
Class A	Publication of a JORC 2010 Indicated Resource for the Arden Zinc Project of at least 3Mt @ greater than 10% ZnEq with a cutoff grade of at least 3% ZnEq.
Class B	Publication of a JORC 2012 Indicted Resource for the Bonaventura Zinc Project of at least 2Mt @ greater than 10% ZnEq, with a cutoff grade of at least 5% ZnEq.
Class C	Publication of a JORC 2012 Indicated Resource for the Bonaventura Zinc Project of at least 5Mt @ greater than 10% ZnEq, with a cutoff grade of at least 5% ZnEq.
Class D	Class D Performance Shares will convert into Shares on a one for one basis on the satisfaction of any one of the Class A, Class B or Class C milestones shares are achieved.

FOR THE YEAR ENDED 30 JUNE 2019

20. SHARE BASED PAYMENT TRANSACTIONS (continued)

The fair value of the performance shares is illustrated in the following table.

	Class A	Class B	Class C	Class D
Valuation per Performance Share (\$)	0.105	0.105	0.105	0.105
Management's assessment of the probability of vesting	5%	5%	5%	5%
Number of Performance Shares	6,400,000	2,300,000	2,300,000	1,000,000

As the probability of any of the performance milestone conditions being met is only 5%, a value of nil to the Performance shares have been ascribed for the inclusion at 30 June 2019. Refer to acquisition of asset note 26.

	Expensed to the Profit or Loss	Recognised in Capitalised
Expenses arising from Share based Payments		
Performance rights issued under performance rights plan	335,335	-
	335,335	-

21. DIVIDENDS

There were no dividends paid or declared by the Group during the year (2018: Nil).

22. EVENTS OCCURRING AFTER REPORTING DATE

Placement

On 1 August 2019 the company announced it has received firm commitments for a placement of 9,000,000 shares at \$0.07 per share to raise a total of A\$630,000 (before costs).

The placement received strong interest from sophisticated or professional investors, reflecting investor confidence in Auroch. Golden Triangle Pty Ltd was Lead Manager to the placement received a fee of 6% on all funds raised and 3,000,000 unlisted options each exercisable at \$0.10 and expiring on 30 November 2021 for providing these services. The shares and options were issued on 5 August 2019 and were issued within the Company's placement capacity under ASX Listing Rule 7.1.

The issue price of \$0.07 per share under the placement represents a 6.2% discount to the Company's 15-day Weighted Average Volume price (VWAP).

Proceeds from the placement will be used to fund a drilling campaign on the Saints Nickel Project, exploration activities on the Leinster Nickel Project and for the Company's general working capital requirements.

General Meeting to Approve the Acquisition of the Saints and Leinster Nickel Project

On 22 August 2019 the company held a General Meeting to approve the acquisitions of the Saints and Leinster Nickel Projects. The Company advises that all resolutions put to shareholders at the General Meeting were carried on a show of hands.

Appointment of Managing Director and Board Change

On 4 September 2019, the company announced that Mr. Aidan Platel accepted the position of Managing Director of the Company. Simultaneous to this appointment, Mr. Chris Hansen joined the Board as a Non-Executive Director, replacing Mr. Adam Santa Maria who stepped down as planned.

23. CONTINGENCIES**Contingent Liabilities**

The Group had no other material contingent assets or liabilities at 30 June 2019.

Commitments

The Group has the following material commitments at 30 June 2019.

Arden Project

The group has the following obligation in respect of non-cancellable exploration work program over the Arden project

- Later than one year but not more than five years: \$450,000

Bonaventura Project:

The group has the following obligation in respect of non-cancellable exploration work program over the Bonaventura project

- Later than one year but not more than five years: \$210,000

Torrens Project

The group has the following obligation in respect of non-cancellable exploration work program over the Torrens project

- Later than one year but not more than five years: \$250,000

24. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name of entity	Country of Incorporation	Class of shares	Note	Equity holding 2019	Equity holding 2018
Auroch Exploration Pty Ltd ¹	Australia	Ordinary		100%	100%
Auroch Europe Pty Ltd ²	Australia	Ordinary		100%	100%
Auroch Exploration (UK) Ltd ³	United Kingdom	Ordinary		100%	100%
Auroch Minerals (Namibia) (Pty) Limited ⁴	Namibia	Ordinary		100%	100%
Auroch Exploration (Namibia) (Pty) Ltd ⁵	Namibia	Ordinary		95%	95%
Auroch Namibia Exploration One (Pty) Ltd ⁶	Namibia	Ordinary		100%	100%
Auroch Namibia Exploration Number Two (Pty) Ltd ⁷	Namibia	Ordinary		100%	100%
SA Cobalt Pty Ltd ⁸	Australia	Ordinary		100%	100%
Zinc Mining Pty Ltd ⁹	Australia	Ordinary		100%	100%

¹ Holding company for Auroch Exploration (UK) Ltd

² Dormant subsidiary

³ Holding Company for Auroch Minerals (Namibia) (Pty) Limited

⁴ Holding Company for Auroch Exploration (Namibia) (Pty) Ltd, Auroch Namibia Exploration One (Pty) Ltd and Auroch Namibia Exploration Number Two (Pty) Ltd

FOR THE YEAR ENDED 30 JUNE 2019

24. SUBSIDIARIES (continued)

⁵ Dormant subsidiary

⁶ Dormant subsidiary

⁷ Dormant subsidiary

⁸ Holding company for Arden Project

⁹ Holding company for Bonaventura Project.

25. RELATED PARTY TRANSACTIONS

(a) Parent entities

The parent entity within the Group is Auroch Minerals Limited. The ultimate parent entity and ultimate controlling party is Auroch Minerals Limited (incorporated in Australia) which at 30 June 2019 owns 100% of the issued ordinary shares of the above subsidiaries.

(b) Subsidiaries

Interests in subsidiaries are set out in note 24.

(c) Key management personnel

(i) Key Management Personnel Compensation

	2019	2018
	\$	\$
Short-term employee benefits	455,400	484,753
Post-employment benefits	25,650	7,476
Share-based payments	335,335	390,504
	<u>816,385</u>	<u>882,733</u>

(ii) Other transactions with Key Management Personnel

Adam Santa Maria is a director of Discovery Capital Partners Pty Ltd. During the period ended 30 June 2019 the Company was providing corporate advisory services to Auroch Minerals Limited. Payments to Discovery Capital Partners Pty Ltd during the relevant period total \$90,000, (2018: \$65,000). The amounts owed to Discovery Capital Partners Pty as at 30 June 2019 was nil (2018: \$nil).

Glenn Whiddon is a related party of 6466 Investments Pty Ltd. During the period ended 30 June 2018 the Company paid \$7,958 (2018: 132,715) to 6466 Investments Pty Ltd for the reimbursement of costs in relation due diligence costs associated with project identification.

(d) Outstanding balances arising from sales/purchases of goods and services

There are no an outstanding balance arising from services provided by related party companies.

FOR THE YEAR ENDED 30 JUNE 2019

26. ACQUISITION OF ASSETS

Following a Meeting of shareholders in April 2018, approval was obtained for the Company to acquire the following projects:

- 90% of the tenement known as the Arden Zinc Project in South Australia (by way of a tenement sale agreement);
- 100% of the tenement known as the Bonaventura Zinc Project in South Australia (by way of a share sale agreement to acquire the company which owned the project being Zinc Mining Pty Ltd (ZMPL).

Consideration for the acquisitions was paid to the original owners of the Projects involved the following (note no shares were issued to any of the Directors or their associates in respect to the acquisition):

- 8,300,000 shares in the company valued at \$763,600 (refer to section (k) of Additional Information of this Annual Report for who the ordinary shares were issued too);
- 6,400,000 class A performance shares which vest on publication of a JORC (2012) Indicated Resource for the Arden Zinc Project of at least 3Mt @ greater than 10% ZnEq with a cut-off grade of at least 3% ZnEq (refer to Additional Information section of this Annual Report for who the performance shares were issued too);
- 2,300,000 class B performance shares which vest on publication of a JORC (2012) Indicated Resource for the Bonaventura Zinc Project of at least 2Mt @ greater than 10% ZnEq, with a cut-off grade of at least 5% ZnEq (refer to Additional Information section of this Annual Report for who the performance shares were issued too); and
- 2,300,000 class C performance shares which vest on publication of a JORC (2012) Indicated Resource for the Bonaventura Zinc Project of at least 5Mt @ greater than 10% ZnEq, with a cut-off grade of at least 5% ZnEq (refer to Additional Information section of this Annual Report for who the performance shares were issued too).

Acquisition costs

- In addition to above, Auroch issued 1,500,000 ordinary shares valued at \$138,000 to the party (Discovery Capital Partners Pty Ltd) that introduced the acquisitions as well as 1,000,000 class D performance shares which vest if any of the above performance milestones applicable to the class A, class B and class C performance shares are achieved.

Purchase consideration comprises:

	\$
8,300,000 shares	763,600
Performance shares (i)	-
<i>Acquisition costs</i>	
1,500,000 shares	138,000
Performance shares (i)	-
Net assets acquired (exploration expenditure)	<u>901,600</u>

- (i) No value has been assigned to the performance shares due to the Director's estimate that as at the reporting date, the probability of achieving the performance conditions was considered remote.

FOR THE YEAR ENDED 30 JUNE 2019

27. PARENT ENTITY INFORMATION

The following details information related to the parent entity, Auroch Minerals Limited, at 30 June 2019. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2019	2018
	\$	\$
Current Assets	1,768,912	2,978,874
Non-Current Assets	3,408,552	1,020,997
TOTAL ASSETS	5,177,464	3,999,871
Current Liabilities	5,757,906	4,026,965
Non-Current Liabilities	-	-
TOTAL LIABILITIES	5,757,906	4,026,965
	2019	2018
	\$	\$
Contributed equity	11,831,619	11,656,619
Reserves	1,506,561	639,969
Accumulated losses	(13,792,132)	(12,323,682)
TOTAL EQUITY	(453,952)	(27,094)
Loss for the year	(1,468,450)	(3,757,545)
Other Comprehensive loss for the year	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(1,468,450)	(3,757,545)

At reporting date, the parent entity has nil guarantees and contingent liabilities (2018: Nil).

28. DISCONTINUED OPERATIONS

No operations were discontinued during the 2019 year (2018: nil) however the company advises the following:

Karibib Project

The Company advised that the tenement applications over prospective lithium ground which comprised of the Karibib Project lapsed.

FOR THE YEAR ENDED 30 JUNE 2019

AUROCH MINERALS LIMITED
ACN 119 267 391

DECLARATION BY DIRECTORS

The directors of the Group declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
 - a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b) give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the consolidated Group.
2. In the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
3. The remuneration disclosures included in the directors' report (as part of the audited Remuneration Report), for the year ended 30 June 2019, comply with section 300A of the Corporations Act 2001.
4. The Group has included in the notes to the financial statements and explicit an unreserved statement of compliance with International Financial Reporting Standards.
5. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

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:



Glenn Whiddon
Chairman
Perth, Western Australia
20 September 2019

INDEPENDENT AUDITOR'S REPORT

To the members of Auroch Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Auroch Minerals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key audit matters

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

Carrying value of Exploration and Evaluation Asset

Key audit matter	How the matter was addressed in our audit
<p>The carrying value of the capitalised exploration and evaluation asset as at 30 June 2019 is disclosed in Note 10 of the financial report.</p> <p>As the carrying value of the Exploration and Evaluation Asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular:</p> <ul style="list-style-type: none"> • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. <p>As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 10 to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the 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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 21 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Auroch Minerals Limited, for the year ended 30 June 2019, 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.

BDO Audit (WA) Pty Ltd



Dean Just

Director

Perth, 20 September 2019

The following additional information is required by the ASX in respect of listed public companies.

Information as at 12 September 2019

(a) Distribution of Shareholders

Category (size of holding)	Number Ordinary
1 - 1,000	22
1,001 - 5,000	67
5,001 - 10,000	101
10,001 – 100,000	358
100,001 and above	140
Total	688

(b) The number of shareholdings held in less than marketable parcels is 90.

(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.

(d) 20 Largest Shareholders

Position	Holder Name	Holding	% IC
1	MINOTAUR RESOURCES INVESTMENTS PTY LTD	18,333,333	13.95%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	13,309,466	10.13%
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	7,593,373	5.78%
4	6466 INVESTMENTS PTY LTD	5,807,778	4.42%
5	RESOURCE HOLDINGS PTY LTD	3,605,000	2.74%
6	CITICORP NOMINEES PTY LIMITED	3,245,047	2.47%
7	MR MATTHEW JOEL NORTON & MRS ROSELYNN FAY NORTON<NORTON FAMILY SUPER A/C>	2,600,000	1.98%
8	MR JAY HUGHES & MRS LINDA HUGHES<INKESE SUPER A/C>	2,231,366	1.70%
9	CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	2,000,000	1.52%
10	HORIZON INVESTMENT SERVICES PTY LTD <THE HORIZON INVESTMENT A/C>	1,833,333	1.40%
11	MIMO STRATEGIES PTY LTD <MIMO A/C>	1,823,830	1.39%
12	MR AIDAN PLATEL	1,575,000	1.20%
13	GETMEOUTOFHERE PTY LTD <SINKING SHIP SUPER FUND A/C>	1,574,976	1.20%
14	DISCOVERY SERVICES PTY LTD <DISCOVERY CAPT INV UNIT A/C>	1,500,000	1.14%
14	PROMETHEUS CORPORATION PTY LTD <PAY IT FWD FOUNDATION A/C>	1,500,000	1.14%
15	KOBIA HOLDINGS PTY LTD	1,400,000	1.07%
16	RAINMAKER HOLDINGS (WA) PTY LTD <THE MACRI INVESTMENT A/C>	1,340,000	1.02%
17	MR PETER STIRLING SMITH & MRS DENISE PHYLLIS SMITH <MONTARA SUPER FUND A/C>	1,308,333	1.00%
18	MR MATTHEW JOEL NORTON & MRS ROSELYNN FAY NORTON <NORTON FAMILY SUPER A/C>	1,300,000	0.99%
19	MIMO STRATEGIES PTY LTD <MIMO A/C>	1,288,076	0.98%
20	BROWN BRICKS PTY LTD <HM A/C>	1,277,227	0.97%
	Total	76,446,138	58.17%
	Total issued capital - selected security class(es)	131,420,206	100.00%

ADDITIONAL INFORMATION

(e) Substantial Shareholders (i.e. shareholders who hold 5% or more of the issued capital):

Name	Number of Shares Held	Percentage
Minotaur Resources Investments Pty Ltd	18,333,333	13.95%
HSBC Custody Nominees (Australia) Limited	13,309,466	10.13%
JP Morgan Nominees Australia Pty Limited	7,593,373	5.78%

(f) The name of the Company Secretary is Mr James Bahen.

(g) The address of the principal registered office is Unit 6, 296 Rokeby Road, Subiaco WA 6008 Telephone (08) 6555 2950.

(h) Registers of securities are held at Automic Register Services, Level 2, 267 St Georges Terrace, Perth WA 6000.

(i) Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on the Australian Securities Exchange Ltd.

(j) Unquoted Securities

Number	Terms
35,917,598	Options exercisable at \$0.10 on or before 30 November 2021
6,400,000	Class A Performance Shares
2,300,000	Class B Performance Shares
2,300,000	Class C Performance Shares
1,000,000	Class D Performance Shares
4,500,000	Performance Rights

(k) Unquoted Equity Securities Holders with Greater than 20% of an Individual Class

Class A Performance Shares

Percentage Held	Name	Number of Securities held
100%	Resource Holdings Pty Ltd	6,400,000

Class B Performance Shares

Percentage Held	Name	Number of Securities held
25%	Mr Martin Bennett	1,035,000
25%	Resource Holdings Pty Ltd	1,035,000
25%	Celery Pty Ltd	115,000
25%	SBV Capital Pty Ltd	115,000

Class C Performance Shares

Percentage Held	Name	Number of Securities held
25%	Mr Martin Bennett	1,035,000
25%	Resource Holdings Pty Ltd	1,035,000
25%	Celery Pty Ltd	115,000
25%	SBV Capital Pty Ltd	115,000

Class D Performance Shares

Percentage Held	Name	Number of Securities held
100%	Discovery Services Pty Ltd <Discovery Capt Inv Unit A/C>	1,000,000

Performance Rights

Percentage Held	Name	Number of Securities held
33%	Glenn Whiddon	1,500,000
22%	Mr Aidan Platel	1,000,000
22%	David Lenigas	1,000,000

(I) Corporate Governance Statement

The Company's Corporate Governance Statement is available on the Company's website at:

<http://www.aurochminerals.com/about-us/corporate-governance/>



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