PURSUIT MINERALS
Limited

ABN: 27 128 806 977

And Controlled Entities

CONSOLIDATED ANNUAL REPORT

For the Year Ended
30 June 2019

DIRECTORS

Peter Wall	Non-Executive Chairman
Jeremy Read	Managing Director
Matthew O'Kane	Non-Executive Director

SECRETARY
Stephen Kelly

REGISTERED AND BUSINESS OFFICE
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Level 2, 267 St Georges Terrace
Perth WA 6000

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

Your Directors submit the financial report of the Consolidated Entity for the year ended 30 June 2019.

DIRECTORS

The following persons were directors of Pursuit Minerals Limited during the year under review and up to the date of this report, unless otherwise stated:

Peter Wall	Non-Executive Director
Jeremy Read	Managing Director (Non-Executive Director from 23 August 2019)
Matthew O'Kane	Non-Executive Director
Ian Wallace	Executive Director (resigned 3 July 2019)

COMPANY SECRETARY

Stephen Kelly

DIRECTORS' QUALIFICATIONS AND EXPERIENCE

The Directors' qualifications and experience are set out below.

Peter Wall B.Laws, B.Comm (Finance), Masters of Applied Finance and Investment with FINSIA
Non-Executive Chairman

Peter Wall is a corporate lawyer and has been a Partner at Steinepreis Paganin (Perth based corporate law firm) since July 2005. Peter Wall graduated from the University of Western Australia in 1998 with a Bachelor of Laws and Bachelor of Commerce (Finance). Peter Wall has also completed a Masters of Applied Finance and Investment with FINSIA.

Peter Wall has a wide range of experience in all forms of commercial and corporate law, with a particular focus on resources (hard rock and oil/gas), equity capital markets and mergers and acquisitions.

During the past three years, Peter Wall held the following directorships in other ASX listed companies:
- Non-Executive Chairman of MMJ Phytotech Ltd (formerly Phytotech Medical Limited) (current);
- Non-Executive Chairman of MyFiziq Limited (current);
- Non-Executive Chairman of Bronson Group Ltd (current);
- Non-Executive Chairman of Transcendence Technologies Limited (formerly GRP Corporation Ltd) (current);
- Non-Executive Chairman of Argent Minerals Limited (current);
- Non-Executive Chairman of Minbos Resources Ltd (current);
- Non-Executive Director of Ookami Limited (resigned January 2018);
- Non-Executive Chairman of Sky and Space Global Ltd (resigned 4 December 2018)
- Non-Executive Chairman of Activistic Limited (resigned 23 April 2018);
- Non-Executive Chairman of Zyber Holdings Limited (resigned 22 January 2018); and
- Non-Executive Chairman of Zinc of Ireland NL (resigned 21 July 2016).

Jeremy Read B.Sc (Hons), MAUSIMM
Managing Director (Non-Executive Director from 23 August 2019)

Jeremy Read is a seasoned minerals resource industry executive, having worked on a broad range of precious and base metals projects in Australia, Africa, North America, India and Scandinavia. Jeremy Read has wide ranging experience from project generation, greenfields, brownfields and project development. He has extensive exploration experience for nickel sulphides, copper and gold. He played critical roles in the discovery of the Kabanga North nickel deposit, in Tanzania, the Cairn Hill magnetite-copper deposit in South Australia and the Boseto Copper deposit in Botswana. He is skilled in developing new technical teams, management of technical/specialist service groups, project generation activities, risk management and multi-commodity mineral exploration. Jeremy spent 11 years working for BHP in Africa and Australia, including several years as the Manager of BHP's Australian Exploration Team. From 2003 Jeremy Read has concentrated on developing junior mineral resource companies, creating and capturing value for shareholders. Jeremy is currently a Non-Executive Director of Metalsearch Limited and was previously the Managing Director of MinQuest Limited (resigned 30 September 2016).

Matthew O'Kane
Non-Executive Director

Mr. O'Kane is currently the CFO of Crater Gold, an ASX listed gold explorer and producer, as well as providing CFO services to a Hong Kong SFC licensed institutional brokerage and asset management firm. He also provides consulting services to minerals and commodities businesses and is a Director of Northern Territories Resources Pty. Ltd, which owns a significant base metal project in Australia, and a Director of Azarga Uranium Corporation, a TSX listed uranium development company. He was the CFO of a large private commodities trading firm in Hong Kong from August 2014 to August 2016 and was the CFO of Celsius Coal Limited from May 2013 to August 2014, an Australian coal mining company listed on the Australian Stock Exchange. Prior to joining Celsius Coal Limited, Mr. O'Kane was the CFO of SouthGobi Resources Limited, a coal production and development company listed on the Toronto Stock Exchange and the Hong Kong Stock Exchange, from July 2011 to November 2012 and the VP Commercial Operations and Investor Relations of SouthGobi Resources Limited from January 2011 to June 2011. From 2006 to January 2011, Mr. O'Kane was the Finance Director and Executive Director of Volvo Car Australia Pty Ltd., a fully owned subsidiary of Volvo Cars Sweden.

KEY MANAGEMENT PERSONNEL

Stephen Kelly
Company Secretary and Chief Financial Officer B.Bus, ACA

Mr Kelly was appointed as the Company Secretary and Chief Financial Officer of the Company on 3 October 2017. He has more than 25 years' international experience in the areas of external and internal audit, risk management and compliance, treasury and corporate finance across a range of industry sectors including mining, infrastructure, property development and banking and finance. Stephen Kelly is currently also Company Secretary of a number of ASX listed entities.

DIRECTORS' INTERESTS IN SHARES AND PERFORMANCE RIGHTS OF THE COMPANY

The relevant interest of each Director in the shares and performance rights issued by the Company at the date of this report is as follows:

	Number of Ordinary Shares		Number of Performance Rights		Number of Options	
Director	**Directly**	**Indirectly**	**Directly**	**Indirectly**	**Directly**	**Indirectly**
Peter Wall	Nil	6,054,053	Nil	6,000,000[1]	Nil	1,351,351
Jeremy Read	1,310,810	Nil	6,000,000[1]	Nil	270,270	Nil
Ian Wallace	Nil	540,540	3,000,000[2]	Nil	Nil	180,180
Matthew O'Kane	540,540	Nil	Nil	Nil	1,180,180	Nil

[1] Consisting of each of 2,000,000 Class A Performance Rights, 2,000,000 Class B Performance Rights and 2,000,000 Class C Performance Rights.
[2] Consisting of each of 1,000,000 Class A Performance Rights, 1,000,000 Class B Performance Rights and 1,000,000 Class C Performance Rights.

MEETINGS OF DIRECTORS

The number of meetings held during the year and the number of meetings attended by each Director was as follows:

	Board	
Director	Number of meetings eligible to attend	Number of meetings attended
Peter Wall	5	5
Jeremy Read	5	5
Ian Wallace	5	5
Matthew O'Kane	5	5

The full Board of the Consolidated Entity performs the functions of the Audit, Remuneration and Nomination Committees.

PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Entity is conducting mineral exploration activities on its tenements located in Queensland, South Australia, Sweden and Finland.

Finland Vanadium Projects

Pursuit holds extensive Mineral Reservations and two Exploration Licences covering the Koitelainen, Karhujupukka and Ala Postojoki Vanadium Projects in northern Finland.

The Koitelainen Project is comprised of two reservations - Koitelainen UC and Koitelainen Vosa - covering 130km^2. The Karhujupukka Project reservation covers 398km^2, within which are two granted Exploration Licences covering 6.5km^2. The Ala Postojoki Project comprises a reservation in Northern Finland covering an area of 50km^2.

Koitelainen Vosa Prospect

During the year, Pursuit received very encouraging results from a Scoping Study of the Koitelainen vanadium project in Finland. The scoping study was based on the Inferred Mineral Resource declared for the Koitelainen project in February 2019[1]. The Resource totals 116.4Mt, at in-situ grade of 0.3% V_2O_5, containing 5.8 million tonnes of magnetite @ 2.3% V_2O_5 (in magnetite concentrate), for 131,000 tonnes of V_2O_5 based on 5.0% Mass Recovery of magnetite concentrate and a cut-off of 0.5% V_2O_5.

Pursuit's Scoping Study of the Koitelainen Project was supported by:

- ALS Metallurgical Services (ALS), who was retained to undertake metallurgical tests of samples with the objective of determining ways to further increase the mass recovery and overall recovery of vanadium into a vanadium magnetite concentrate.

- SRK Consulting (Australasia) Pty Ltd (SRK), who was retained to undertake Order of Magnitude (OoM) study incorporating mine optimisation, scenario assessment, capital and operating cost estimation, techno-economic modelling and sensitivity analysis.

Cautionary Statements regarding Scoping Studies

The Koitelainen and Airijoki Scoping Studies referred to in this Report have been conducted for the purpose of assessing the economics of producing high-grade vanadium magnetite concentrates and then selling those concentrates to global markets. They are preliminary technical and economic studies of the potential viability of the Airijoki and Koitelainen Projects. They are based on low level technical and economic assessments that are not sufficient to support the estimation of ore reserves. Further exploration and evaluation studies are required before Pursuit will be in a position to estimate any ore reserves or to provide any assurance of an economic development. The Scoping Studies are based on the Inferred Mineral Resources for the Airijoki and Koitelainen Projects. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration will result in the determination of Indicated or Measured Mineral Resources in accordance with JORC (2012).

For further information regarding the Scoping Studies, refer to the ASX Announcement dated 8 May 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Metallurgical test work completed to date showed mass recoveries increased significantly by simply increasing the crushing size of the ore to 355 microns from 106 microns. For three holes tested from the Koitelainen Project, the average mass recovery was increased from 5.3% to 8.8%, indicating substantial upside for the Koitelainen Mineral Resource[2].

The Scoping Study focussed on mining vanadium mineralisation hosted in a magnetite gabbro unit from Zones C and D of the Koitelainen Inferred Mineral Resource (Figure One). The Scoping Study confirmed that mining could potentially be based upon bulk mining techniques using standard drill and blast, load, haul and crusher feed, followed by magnetic separation to produce a vanadium magnetite concentrate. Lower grade material would be stockpiled. Waste material would be stockpiled adjacent to the planned open pits and tailings would be contained within a tailings management facility.

[1] *See Pursuit Minerals ASX Announcement 6 February 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed*

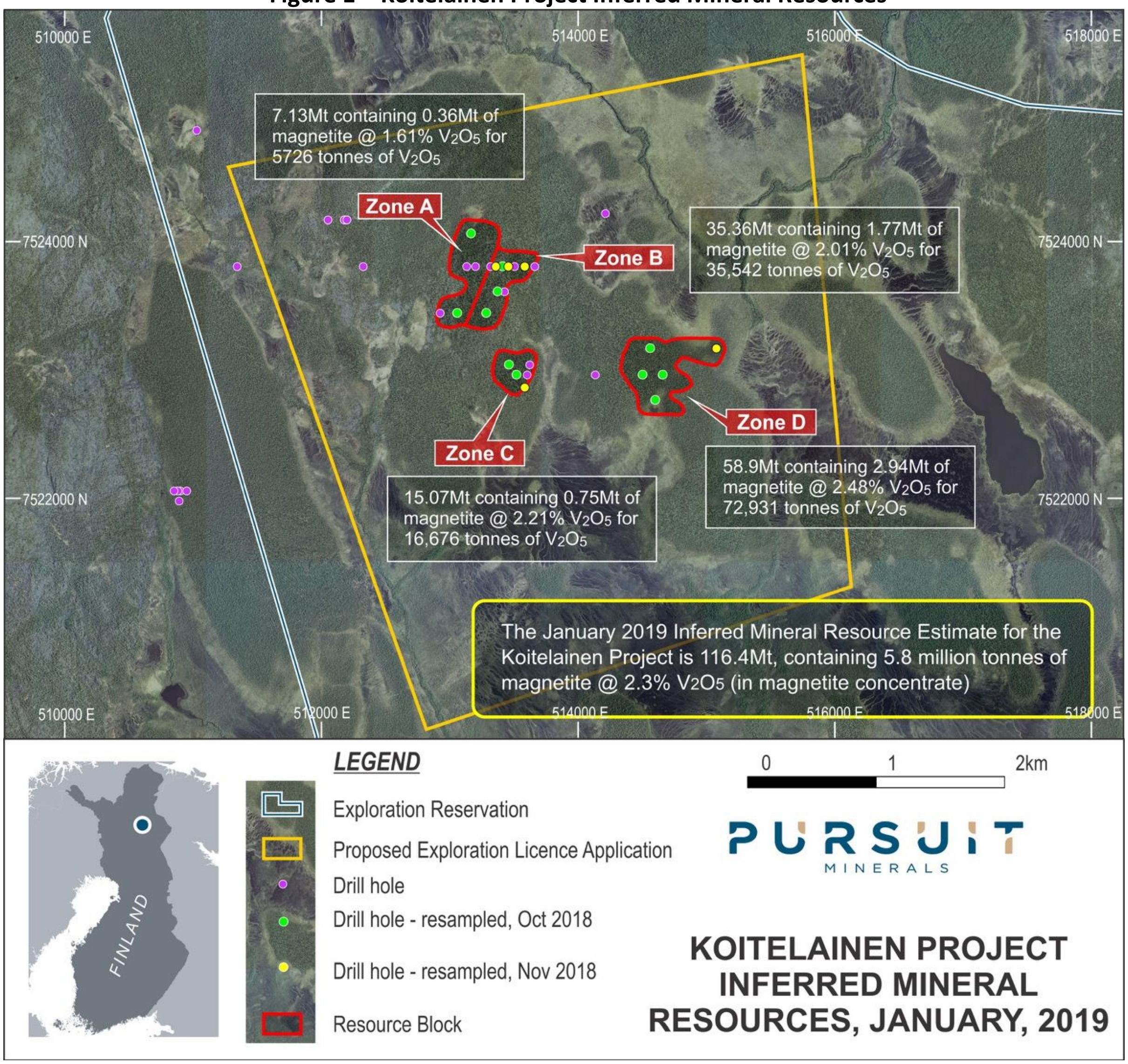
[2] *See Pursuit Minerals ASX Announcement 9 April 2019.The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.*

The Koitelainen Scoping Study was based on following parameters:

Item	Value
Target average grade of vanadium magnetite concentrate	2.5% V_2O_5
Magnetite concentrate mass recovery rate	8%
Royalty	0.15% of revenue to the landowner

The Koitelainen Mineral Resource is secured by the Koitelainen A Reservation, which covers an area of 44km^2 and is valid until 29 March 2020. Only non-ground disturbing work can be conducted on the Koitelainen A Reservation. In October 2018, Pursuit applied for a three-year Exploration Licence to cover the Koitelainen Inferred Mineral Resource. If granted, the Exploration Licence will allow drilling activities to be conducted and the exploration licence will be valid for three years.

Figure 1 – Koitelainen Project Inferred Mineral Resources



The Koitelainen Reservation A is located within a Natura2000 region. For the Koitelainen Exploration Licence to be granted, a Natura2000 environmental impact assessment had to be completed. This report was submitted to the relevant Finnish government authorities (TUKES and ELY Centre) in April 2019, who have 6 months to review the report and determine any additional environmental requirements upon grant of the Exploration Licence. Pursuit has reviewed the environmental conditions attached to existing Exploration Licences, in close proximity to the Koitelainen Project, and considers that these conditions (namely drilling must be completed during the winter time when the ground is frozen and there is snow on the ground), will not be a major impediment to the continued assessment of the Koitelainen Project. Subsequent to the submittal of the Natura2000 report, Pursuit has provided additional information to ELY Centre regarding the Company's plans for the first drilling program to be undertaken at Koitelainen. Pursuit now awaits the ELY Centre to conclude their assessment of the Koitelainen Natura2000 assessment report prior to 1 October 2019.

Ala Postojoki Project

Pursuit has been granted a Mineral Reservation covering the Ala Postojoki vanadium project in northern Finland. The Reservation covers an area of 50km^2. The project is close to the west of Pursuit's Koitelainen vanadium project. The project contains confirmed vanadium mineralisation associated with a magnetic anomaly 3.5km in strike length. Only two holes have previously been drilled at the Ala Postojoki project, approximately 600m apart (Figure Two), suggesting there is significant potential to expand the known vanadium mineralisation.

Pursuit re-analysed historical drill hole POS-R002 in order to confirm the vanadium mineralisation and obtain modern geochemical assays from the project. Drill hole POS-R002 returned 6.7m @ 0.7% V_2O_5 (whole rock), 0.9% V_2O_5 (magnetite concentrate), at a 65% mass recovery from 12.30, down hole depth.

Karhujupukka Project

The Karhujupukka Project is in north-western Finland, close to the Swedish border and the transport corridor which runs down the western Finland border. Vanadium mineralisation was discovered at Karhujupukka by the Geological Survey of Finland (GTK) in 1988, which led to GTK reporting an historical mineral resource estimate based on 30 drill holes (3453m). The strike length of the mineralisation is over 5km and remains open. The Karhujupukka Project covers 398km^2 and contains a historical mineral resource estimate of 5.2Mt @ 0.24% V (0.43% V_2O_5), 32% Fe, 6.2% Ti and 0.02% Co[4].

The historical mineral resource estimate for the Karhujupukka Project is an historical estimate and is not reported in accordance with the JORC Code. A Competent Person has not done sufficient work to classify the historical estimate as Mineral Resources in accordance with the JORC Code. It is uncertain that following evaluation and/or further valuation work that the historical estimate will be able to be reported as Mineral Resources in accordance with the JORC code.

Pursuit completed a two-hole drill program at Karhujupukka South in February 2019 for 277.2m. Drill hole KAR-19001 tested target 2-L1340 and was drilled to a depth of 144.7m. Drill hole KAR-19002 tested target 2-L1330 and was drilled to a depth of 132.5m. Both targets related to a +350m long electromagnetic conductor which was interpreted to be potentially due to nickel-copper sulphide mineralisation.

Anomalous geochemistry was not returned from either hole KAR-19001 or KAR-19002. In addition, a source for the electromagnetic conductor was not intersected by either drill hole and therefore the nickel-copper target remains unexplained.

Pursuit has been granted two exploration licences within the area of Pursuit's Karhujupukka Reservation covering a total of approximately 6.5km^2.

Figure 2 - Ala Postojoki Project Historical Drill Hole Locations

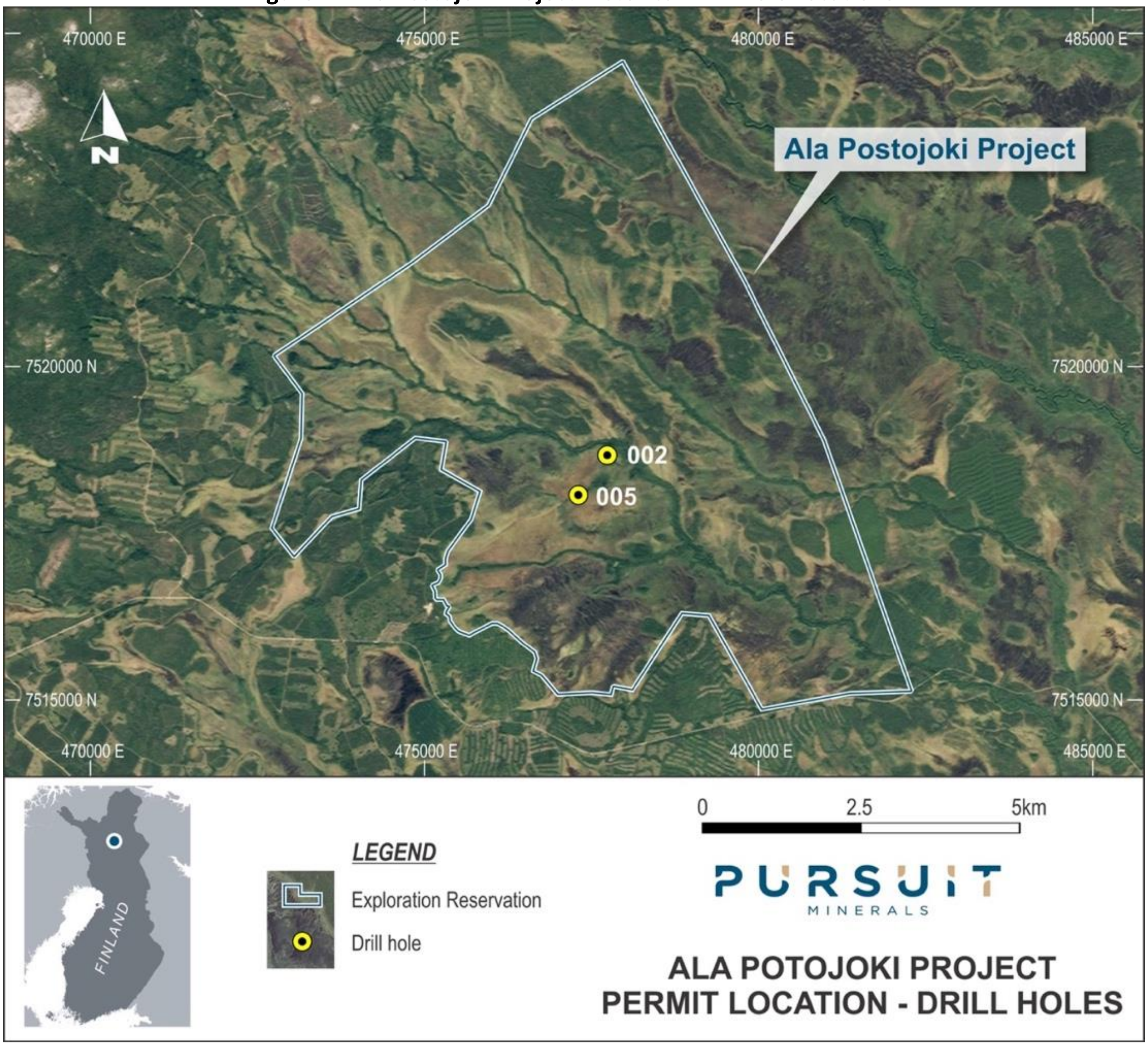
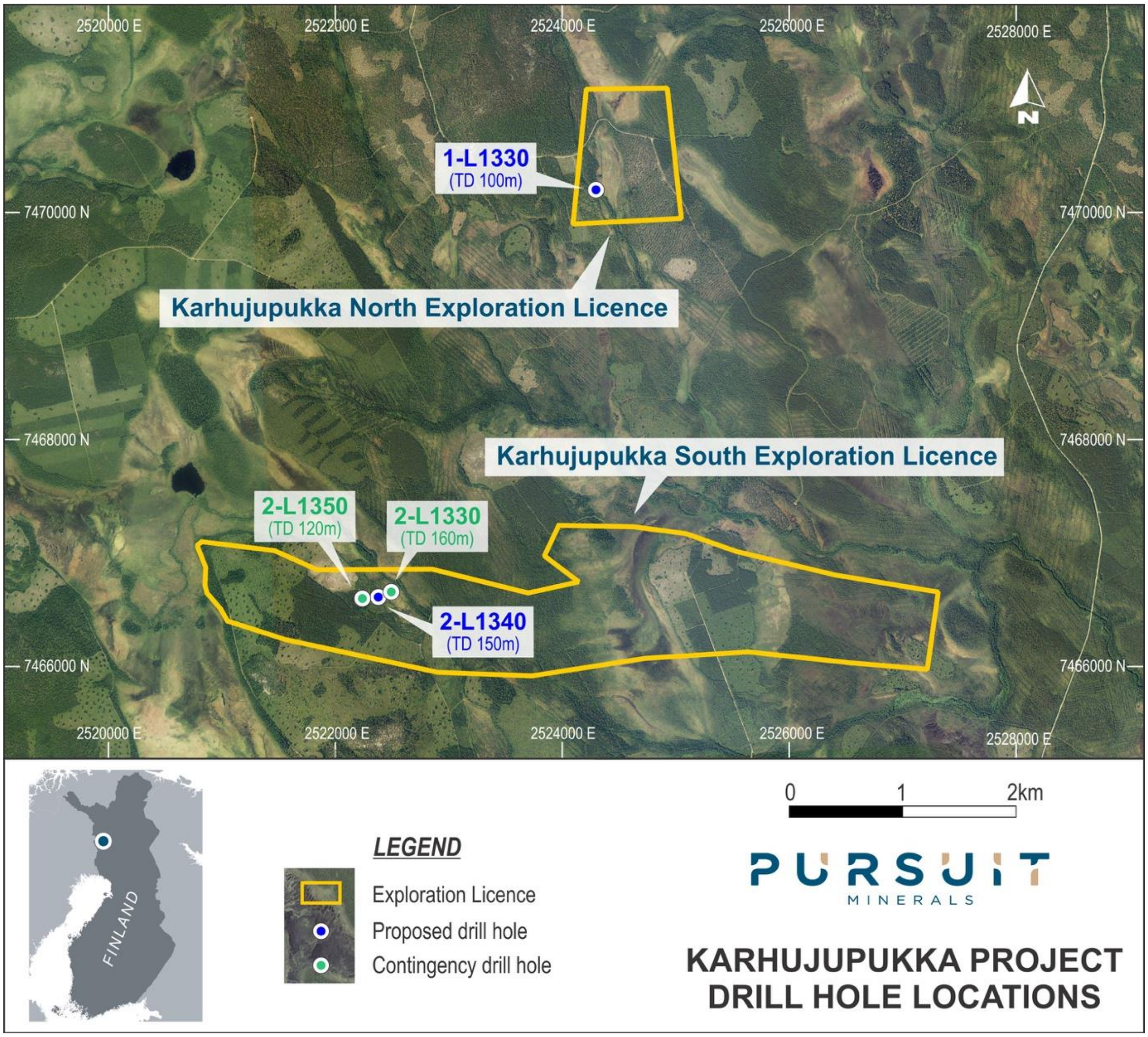


Figure 3 – Karhujupukka South Drill Hole Locations



Sweden Vanadium Projects

Pursuit holds the Airijoki Project in northern Sweden, made up of four Exploration Licences covering a total 32km^2. The Company also holds exploration licences covering four project areas in central Sweden (Sumåssjön, Kramsta, Simesvallen and Storåsen). Mineral Exploration Licences, granted for three years until June 2021, allow the company to undertake exploration activities including geophysical surveys, mapping, sampling and drilling, subject to the relevant County Administration Boards approving work plans.

Airijoki Project

During the period, the Company completed a Scoping Study for the Airijoki Project. The Scoping Study determined that the project has the potential to generate excellent returns from the planned mining project. The conceptual modelling for the Airijoki project assumed four open pits would produce high-grade vanadium magnetite concentrate, which would be transported to Rotterdam for sale to international markets.

The Scoping Study was based on the Inferred Mineral Resource announced for the Airijoki project in March 2019. The Resource consists of four Zones (A to D) and totalled 44.3 million tonnes, at in-situ grade of 0.4% V_2O_5, containing 5.9 million tonnes of magnetite @ 1.7% V_2O_5 (in magnetite concentrate), for 100,800 tonnes of V_2O_5 based on 13.3% mass recovery of magnetite concentrate and a cut-off of 0.7% V[3].

Pursuit's Scoping Study of the Airijoki Project was supported by:

- ALS Metallurgical Services (ALS), who was retained to undertake metallurgical tests of samples with the objective of determining ways to further increase the mass recovery and overall recovery of vanadium into a vanadium magnetite concentrate.
- SRK Consulting (Australasia) Pty Ltd (SRK), who was retained to undertake Order of Magnitude (OoM) study incorporating mine optimisation, scenario assessment, capital and operating cost estimation, techno-economic modelling and sensitivity analysis.

Cautionary Statements regarding Scoping Studies

The Koitelainen and Airijoki Scoping Studies referred to in this Report have been conducted for the purpose of assessing the economics of producing high-grade vanadium magnetite concentrates and then selling those concentrates to global markets. They are preliminary technical and economic studies of the potential viability of the Airijoki and Koitelainen Projects. They are based on low level technical and economic assessments that are not sufficient to support the estimation of ore reserves. Further exploration and evaluation studies are required before Pursuit will be in a position to estimate any ore reserves or to provide any assurance of an economic development. The Scoping Studies are based on the Inferred Mineral Resources for the Airijoki and Koitelainen Projects. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration will result in the determination of Indicated or Measured Mineral Resources in accordance with JORC (2012).

For further information regarding the Scoping Studies, refer to the ASX Announcement dated 8 May 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Lower grade material would be stockpiled. Waste material would be stockpiled adjacent to the planned open pits and tailings would be contained within a tailing management facility.

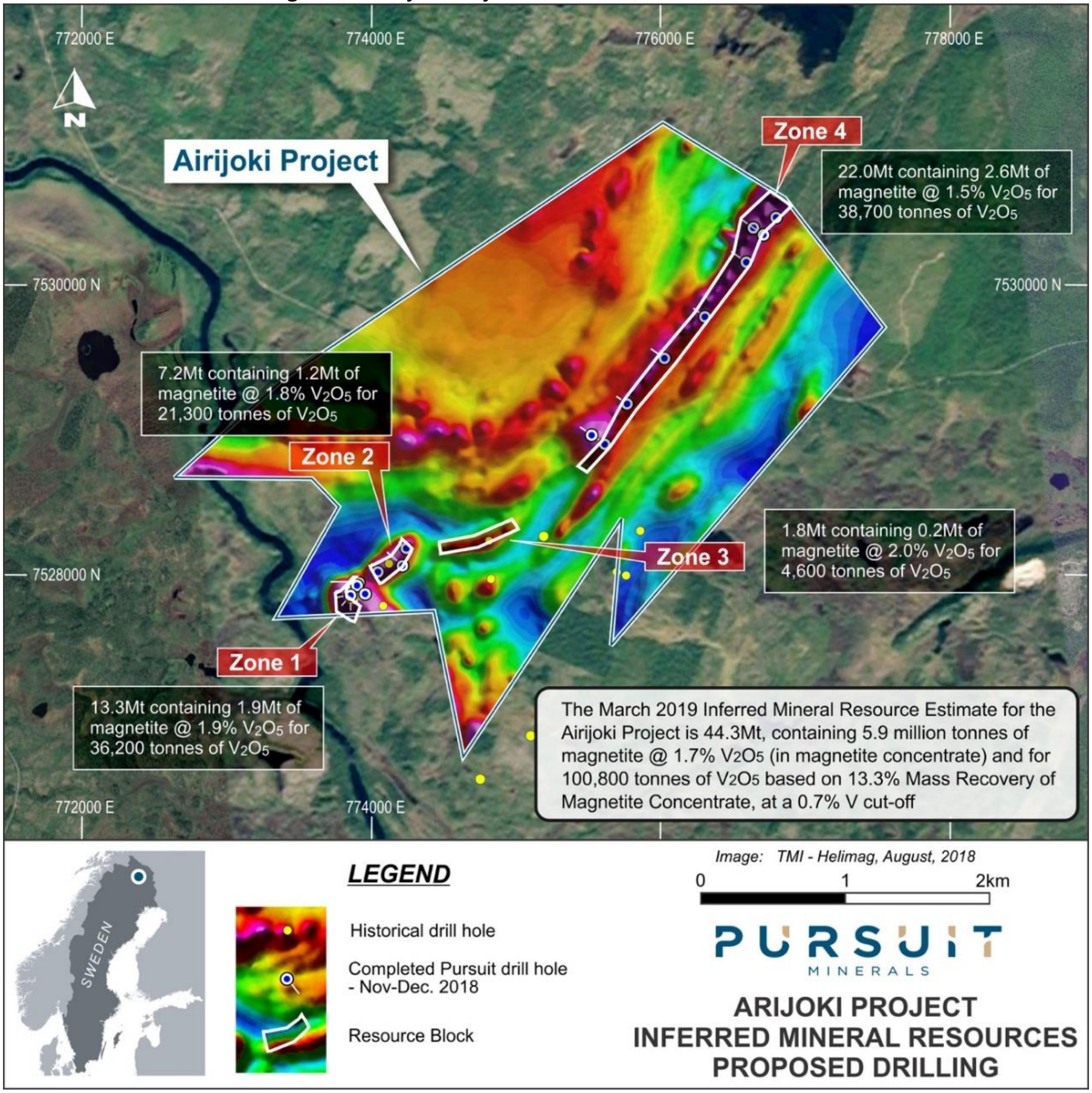
Pre-production capital costs were estimated by benchmarking the Airijoki project against similar projects globally from SRK's database of recent project work.

The Airijoki Scoping Study was based on following parameters:

Item	Value
Target average grade of vanadium magnetite concentrate	1.6% V_2O_5
Magnetite concentrate mass recovery rate	21%
Royalty	0.15% of revenue to the landowner, 0.05% of revenue to the government

[3] *See Pursuit Minerals ASX Announcement 8 March 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.*

Figure 4 – Airijoki Project Inferred Mineral Resources



On 21 May 2019, the Company announced that further metallurgical test work had achieved significant increases in vanadium recovery rates and delivered further improvements in potential economic returns at the high grade Airijoki project in northern Sweden[4]. The improvements were achieved through metallurgical test work conducted on three holes from Airijoki, which focussed on methods to increase the mass recovery of the vanadium magnetite concentrate and lift the overall recovery of vanadium.

[4] *See Pursuit Minerals ASX Announcement 21 May 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcements*

The metallurgical test work was able to increase the average mass recovery to 22% from an initial 13.3% - an overall increase of 65%. The average recovery of vanadium into a vanadium magnetite concentrate is in excess of 70%.

These substantial improvements were achieved through use of Low Intensity Magnetic Separation (LIMS) and using a coarser 355-micron grind size, instead of the previous 106-micron grind size, and without the need for additional WHIMS processing.

The Airijoki Inferred Mineral Resources are contained within Exploration Licence Airijoki Nr 100 which is valid until 20 June 2021 and can be renewed for a further three years.

Kullberget-Storasen Project

The Kullberget - Storasen magnetic anomaly is 6km long and is divided into a western section (Kullberget) and an eastern section (Storasen). At Kullberget, outcropping vanadium mineralisation returned values of 20%Fe and 0.9% V_2O_5 in historical samples. At Storasen, historical rock samples from a minor trial mine returned values of 12-20% Fe and 0.11-0.2% V_2O_5.[5]

A low level heli-magnetic survey and rock chip sampling program was conducted at the Kullberget project during the September 2018 quarter which identified two prominent, intense magnetic anomalies associated with outcropping vanadium mineralisation.[6]

Simesvallen Project

Pursuit has re-examined two historical drill holes from the Simesvallen Project (Figure 6) in central Sweden which previously returned encouraging widths and grades of vanadium mineralisation[7].
Historical drill hole SIM82003 returned a highly encouraging result of;

- 24m @ 0.4% V_2O_5 (whole rock), 1.63% V_2O_5 (magnetite concentrate) from 22m, including;
- 9m @ 0.43% V_2O_5 (whole rock), 1.90% V_2O_5 (magnetite concentrate) from 37m

Historical drill hole SIM82001 also delivered an encouraging intersection of;

- 10.9m @ 0.4% V_2O_5 (whole rock), 1.63% V_2O_5 (magnetite concentrate) from 39m; and
- 7m @ 0.24% V_2O_5 (whole rock), 1.55% V_2O_5 (magnetite concentrate) from 23m

Drill holes SIM82001 and SIM82003 intersect the source of a large, high amplitude aeromagnetic anomaly, directly associated with the vanadium mineralisation, which is approximately 1.5km in strike length. The highest-grade vanadium mineralisation was intersected in hole SIM82003 with the mineralisation being open to the east.

The widths and grades of the vanadium mineralisation intersected at Simesvallen are similar to the Northeast Magnetic Zone on the Airijoki Project in northern Sweden.

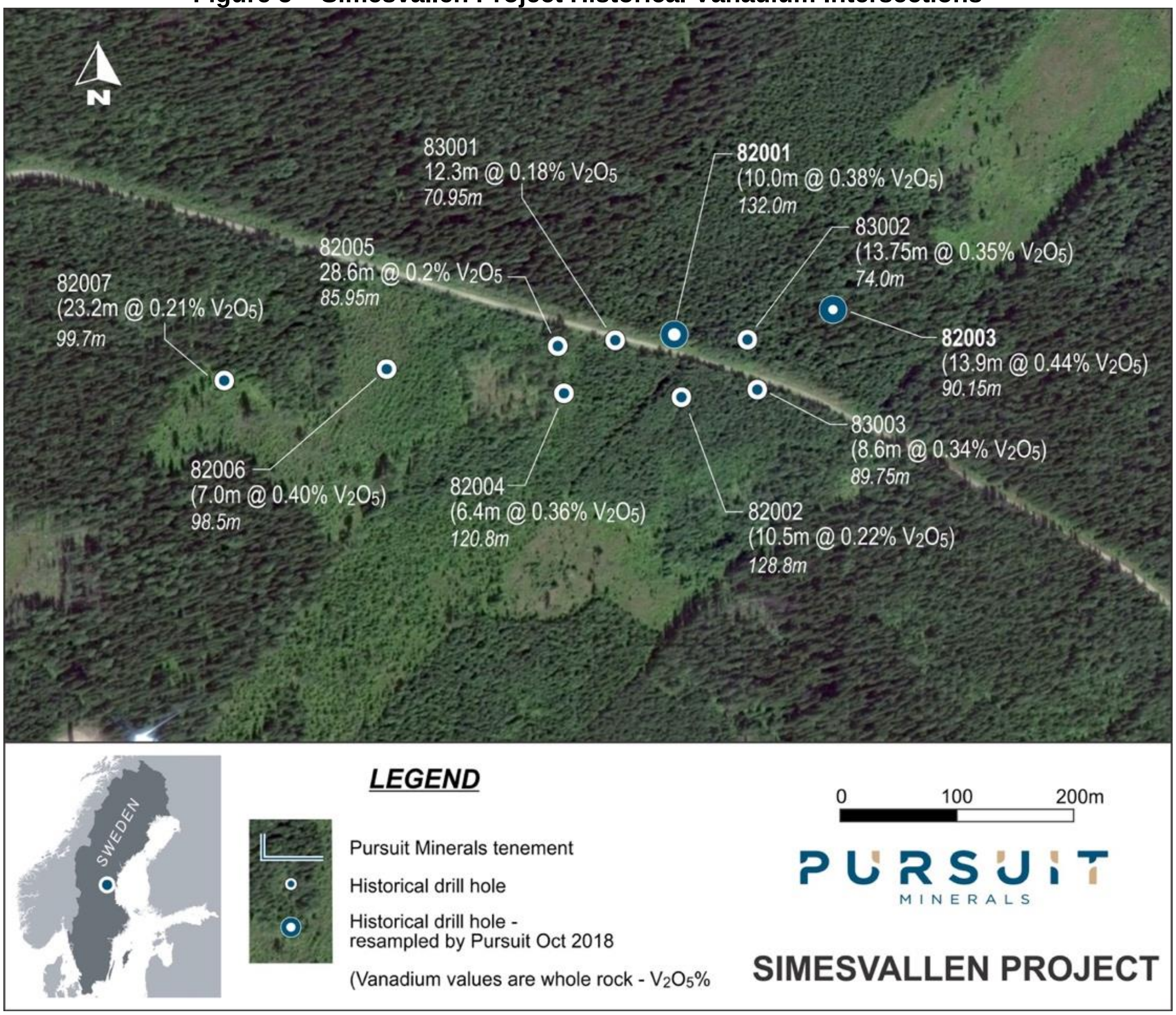
[5] Refer ASX Announcement dated 3 September 2018
[6] Refer ASX Announcement dated 2 October 2018
[7] Refer ASX Announcement dated 29 October 2018
The Company is not aware of any new information or data that materially affects the information contained in the above referenced announcements.

In order to further investigate the potential of the Simesvallen vanadium mineralisation to deliver a JORC compliant Mineral Resource, Pursuit commenced compiling and analysing the historical vanadium drill intersections from all ten historical drill holes at Simesvallen. It is expected the results of this analysis will be reported in the September Quarter.

Sumåssjön Project

The Sumåssjön project area contains vanadium mineral occurrences and areas of historic mining activity. Seven historical drill holes have been previously drilled intersecting vanadium mineralisation over a strike length of 200m.

Figure 5 – Simesvallen Project Historical Vanadium Intersections



Kramsta Project

An historical Exploration Target of 10-12Mt @ 0.1-0.25% V, 3-5 % Ti and 15-25% Fe has been estimated at the Kramsta Project.[8]

[8] *Refer ASX Announcement dated 12 April 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement as it relates to the referenced tenements.*

Pursuit's initial objective at the Kramsta Project will be to estimate a Mineral Resource in accordance with JORC (2012) and to ascertain the size of the mineralisation.

Queensland Zinc Exploration Projects

Paperbark Project

The Paperbark Project is located approximately 215km north-northwest of Mount Isa and 25km south-east of the Century Mine in north-west Queensland. It occurs within the Lawn Hill Platform of the Western Succession of the Mt Isa Province.

The project consists of one exploration permit, EPM 14309, covering an area of approximately 70km^2. Exploration by previous companies focused on the JB Zone, where a Mineral Resource of 10.4Mt @ 2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off grade and classified as Inferred in accordance with the JORC Code (2012) has been defined. Drilling conducted by Pursuit Minerals in 2017 and 2018 has focussed on understanding the potential to expand the existing Mineral Resource at the JB Zone, the potential of the newly discovered zinc system at the JE Zone and determining the probability that the JB and JE Zones are part of one large zinc system.

A five-hole diamond drilling campaign was completed at Paperbark prior to 30 June 2018, for a total of 1,377m with final assay results being released in July 2018.

Results suggest that the JB and JE Zones may form part of one larger mineral system. Consequently, the potential to extend the JB Zone Mineral Resource is significant.

One of the four holes, drill hole PB07-18, intersected a 91m down hole interval of zinc and lead mineralisation from 122m, with zinc+lead values up to 5.05% recorded. The hole is 90m south-east of the current eastern limit of the JB Mineral Resource.

For full results from the drilling campaign, please refer to the following ASX releases:

- July 18, 2018. *Drilling Significantly Extends JB Zone Zinc-Lead Mineralisation on the Paperbark Project*
- June 12, 2018. *JE Zone on the Paperbark Project Confirmed as a Major New Area of Zinc-Lead Mineralisation*
- June 4, 2018. *Follow Up Drilling Highlights Potential to Further Extend the JB Zone Zinc Mineral Resource on the Paperbark Project*

Bluebush Project

The Bluebush Project is located approximately 280km north-northwest of Mount Isa and 72km northeast of the Century Mine in northwest Queensland and occurs within the Lawn Hill Platform of the Western Succession of the Mt. Isa Province.

The historical Exploration Target reported for the Kramsta Project is conceptual in nature and there has been insufficient exploration work completed to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

The project consists of two exploration permits (EPM's 8454 and 8937) covering an area of approximately 214km^2. Previous drilling has intersected zinc mineralisation over an area of 120km^2 making Bluebush one of the largest areas of zinc mineralisation in Australia.

A drill program of four holes for 1669m was completed in the half-year. Drilling intersected broad intervals of zinc-lead sulphide mineralisation. For full results, see ASX announcement of September 25, 2018 entitled "*49-89m thick Zinc-Lead mineralised intersections at Bluebush*".

South Australia Lithium Brine Projects

On 6th September 2018, the Company was granted three Exploration Licences, covering a combined area of 1831km^2, in central and northern South Australia. The exploration targets are brines enriched in lithium associated with the large salt lakes in this region of South Australia.

No work was undertaken on these tenements during the period .

Coober Pedy Project

The Coober Pedy tenements expired during the period and were not renewed.

REVIEW OF RESULTS

The loss after tax for the year ended 30 June 2019 was $7,343,997 (2018: $3,510,282 loss).
The significant items affecting the loss after tax were:

a) Impairment of exploration and evaluation expenditure amounting to $6,190,187 relating to the Paperbark and Bluebush projects (2018: $463,712 relating principally to the Coober Pedy Project).
b) Administrative and other expenses totalling $1,352,443 (2018: $779,280) representing a significant increase compared to the prior year due to a full year of operations in the current year and an increased level of corporate and other activity following the acquisition of the Scandinavian vanadium projects in the last quarter of the 2018 financial year.
c) These expenses were partially offset by a $323,207 writeback of previously expensed share-based payments expense during the current financial year (2018: share based payments expenses of $2,175,500).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the period the following changes in the state of affairs of the Company occurred:

a) On 9 November 2018, the Company Issued, as approved by the Company's shareholders, 2,842,000 share options to corporate broker PAC Partners in consideration for services provided in connection with the provision of corporate broking and advisory services on the following terms:

    - 1,992,000 options with an exercise price of $0.20 and an expiry date of 28 February 2021. The options and any shares issued on exercise of the options are subject to voluntary escrow until 23 August 2019; and

- 850,000 options with an exercise price of $0.25 and an expiry date of 14 August 2021. The options will vest on the Company's share price achieving a 30-day VWAP of $0.30 on or before 23 August 2019 and are subject to voluntary escrow until 23 August 2019.

b) Issued, as approved by the Company's shareholders, 2,000,000 incentive options to Directors and employees under the Incentive Options Plan. The options have an exercise price of $0.049 and an expiry date of 6 February 2021.

c) Issued 54,054,055 Shares through a placement to sophisticated and exempt investors on 9 November 2018 at an issue price of $0.037 per share raising $2,000,000 before costs. Subscribers of the Placement Shares also received 1 free attaching option for every 3 Placement Shares acquired. The options have an exercise price of $0.10 and an expiry date of 30 October 2021

d) Granted 12,012,012 Options with an exercise price of $0.10 and an expiry date of 30 October 2021 to PAC Partners for services provided as Lead Manager of the November 9, 2018 Placement.

e) On 9 January 2019, the Company issued the following equity securities:

- 7,297,294 fully paid ordinary shares to Directors at an issue price of $0.037 per share.
- 32,462,436 listed options exercisable at $0.10 expiring on or before 31 October 2021 which were issued to the placees in the equity raising completed on 9 November 2018.

f) On 11 February 2019, the Company issued 35,705,466 fully paid ordinary shares at an issue price of $0.47 per share to raise approximately $1.68 million before costs to fund the completion of scoping studies at the Koitelainen and Airijoki tenements.

g) On 26 April 2019 the Company issued, as approved by Shareholders, the following options:

- 17,852,726 options issued as 1 free attaching option for every 2 shares subscribed for by sophisticated and exempt investors pursuant to the placement completed on 11 February 2019; and
- 5,950,911 options issued to PAC Partners as part payment for broking and corporate services provided to the Company.

DIVIDENDS

No dividends were paid during the year and no recommendation is made as to payment of dividends.

EVENTS SUBSEQUENT TO REPORTING DATE

Except for the matters noted below, there are no matters or circumstances have arisen since the end of the period which will significantly affect, or may significantly affect, the state of affairs or operations of the reporting entity in future financial periods:

- Mr Ian Wallace resigned as an Executive Director of the Company on 3 July 2019;

- On 3 July 2019 the Company announced that it had received subscriptions for approximately 89 million fully paid ordinary shares at a price of A$0.01 per share to raise $0.89 million before costs via a two-tranche placement. Tranche 1 comprising 44,500,000 shares to raise $445,000 before costs was completed on 10 July 2019. The completion of Tranche 2 which also comprises the issue of 44,500,000 shares at $0.01 per share is subject to shareholder approval which is being sought at a general meeting of shareholders to be held on 2 October 2019.

- On 8 July 2019 the Company announced a 1 for 3 Non-Renounceable Entitlement Offer at an issue price of $0.01. The Entitlement Offer closed on 9 August 2019 with acceptances received for 5,689,518 shares to raise $56,895.18.

- On 23 August 2019 the Company announced that it had entered in an agreement with Mr Jeremy Read to provide consultancy services to the Company following the expiry of Mr Read's appointment as the Company's Managing Director. In addition to providing consultancy services, Mr Read will continue to serve on the Company's Board of Directors as a Non-Executive Director.

- On 5 August 2019, the Company issued 8,000,000 fully paid ordinary shares pursuant to the exercise of 8,000,000 Class A Performance Shares.

- On 17 September 2019, the Company issued 68,652,925 fully paid ordinary shares at $0.01 per share to raise $686,529 before costs pursuant to the Shortfall Offer which accompanied the Entitlement Offer dated 8 July 2019.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

On 27 June 2019, the Company announced that it had implemented a management restructure and cost reduction program pending the return of more favourable market conditions. The cost reduction program included, but was not limited to, the following elements:

- The Company was not proceeding with a proposed dual listing of the Company's shares on the Standard Segment of the Main Market of the London Stock Exchange;
- All non-essential exploration expenditure has been deferred;
- The contract of Mr Jeremy Read, the Company's Managing Director will not be renewed on its expiry on 23 August 2019.
- The Company would embark on a program of cost reduction strategies including the redundancy of non-essential personnel, a reduction in office occupancy costs and termination of all non-essential services and consultancy contracts.

The Company is continuing discussions with potential strategic partners who have the capability to provide technical and financial resources to progress the Airijoki and Koitelainen Projects through their next stages of development.

The Company is also considering acquisition and joint venture opportunities in relation to other resource projects.

PERFORMANCE RIGHTS

The following Performance Rights were on issue during the period:

Class A # Performance Rights	Class B # Performance Rights	Class C # Performance Rights
8,000,000	8,000,000	8,000,000

As at the date of this report, the performance milestone for Class A has been met and the Performance Rights have been exercised and converted into ordinary shares.

Performance milestones for the unvested Class B and Class C are set out as follows:

Class B	Zinc mineralisation of greater than 10m thickness with zinc equivalent grade of 10% or higher is intersected on the Bluebush Project within 24 months after the Reinstatement Date, or, a positive Scoping Study is completed and the Board resolves to commence a Pre-Feasibility Study on the Paperbark Project within 24 months after the Reinstatement Date, or, the volume weighted average price of Shares as traded on ASX over 20 consecutive trading days is not less than $0.40 within 24 months after the Reinstatement Date. The Class B Performance Shares expired on 23 August 2019 as the vesting conditions were not satisfied.
Class C	A Mineral Resource is delineated on any Project of equal to or greater than 450,000t of contained zinc equivalent metal within 36 months after the Reinstatement Date, or, the volume weighted average price of Shares as traded on ASX over 20 consecutive trading days is not less than $0.50 within 36 months after the Reinstatement Date.

SHARE OPTIONS

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Grant Date	Vest Date	Expiry Date	Exercise price of options	Number under options
8/01/2019	8/01/2019	31/10/2021	$0.10	32,462,436
26/04/2019	26/04/2019	31/10/2021	$0.10	23,803,637
9/11/2018	Unvested	28/02/2021	$0.20	1,992,000
9/11/2018	9/11/2018	06/11/2021	$0.049	2,000,000
9/11/2018	Unvested	14/08/2021	$0.25	850,000
14/8/2017	14/08/2017	28/02/2021	$0.20	1,500,000
14/8/2017	14/08/2017	14/08/2021	$0.20	15,000,000
				77,608,073

SHARES ISSUED AS A RESULT OF THE EXERCISE OF OPTIONS

No shares were issued during the financial year as a result of the exercise of options.

ENVIRONMENTAL REGULATION

The Company was not subject to any significant environmental regulation under a law of the Commonwealth of a State or Territory of Australia.

SCHEDULE OF TENEMENTS

As at 30 June 2019 the Group had interests in the following mineral exploration licences:

Project	Tenement	Location	Area (km^2)	Expiry Date
Paperbark	EPM 14309	Queensland	75	12/9/22
Bluebush	EPM 8937	Queensland	144	6/9/19
Bluebush	EPM 8454	Queensland	70	11/11/19
Karhujupukka	Karhujupukka	Finland	398.76	29/3/20
Koitelainen	Koitelainen A	Finland	44.42	29/3/20
Koitelainen	Koitelainen B	Finland	86.18	29/3/20
Simesvallen	Simesvallen nr 100	Sweden	63.00	20/6/21
Kullberget	Kullberget nr 100	Sweden	81.40	20/6/21
Kramsta	Kramsta nr 100	Sweden	15.50	20/6/21
Sumåssjön	Sumåsjön nr 1	Sweden	37.31	21/6/21
Airijoki	Airijoki nr 100	Sweden	3.60	27/6/21

AUDITOR'S DECLARATION OF INDEPENDENCE

The auditor's independence declaration for the year ended 30 June 2019 has been received and is included within the financial statements.

REMUNERATION REPORT

Introduction

The Directors present the Remuneration Report for the Consolidated Entity for the year ended 30 June 2019. This Remuneration Report forms part of the Directors' Report in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this report, Key Management Personnel ("KMP") of the Consolidated Entity are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Consolidated Entity, directly or indirectly, including any director (whether executive or otherwise) of the Parent Entity.

Remuneration Policy

The remuneration policy of the Company has been designed to align KMP objectives with Shareholders' interests and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Consolidated Entity's financial results. The Board believes that the remuneration policy is appropriate and effective in its ability to attract and retain the best KMP to run and manage the Consolidated Entity, as well as create goal congruence between Directors, Executives and Shareholders.

The table below shows for the current financial year and previous four financial years the total remuneration cost of the key management personnel, earnings per ordinary share (EPS), dividends paid or declared, and the closing price of ordinary shares on ASX at year end.

	Total Remuneration $	EPS (Cents)	Dividends (Cents)	Share Price (Cents)
2019	416,565	(5.51)	-	1.0
2018	2,228,398	(5.02)	-	8.8
2017	252,884	(4.09)	-	n/a#
2016	89,209	0.42	-	n/a#
2015	2,220,991	(171.18)	-	n/a#

The Company's shares were suspended from trading on the ASX from 22 May 2015 to 23 August 2017.

Given the stage of the Company's development and the fact that it does not currently have any revenue producing operations, the Board does not consider EPS or dividends paid or declared to be meaningful measures for assessing executive performance.

Executive Directors and Key Management Personnel

The Board's policy for determining the nature and amount of remuneration for Executive Directors and Key Management Personnel of the Consolidated Entity was in place for the financial year ended 30 June 2019.

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process.

The Board's policy is to remunerate Executive Directors and Key Management Personnel based on market practices, duties and accountability. Independent external advice is sought when required.

Non-Executive Directors

The total maximum remuneration of non-executive Directors is determined by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by Shareholders at the Annual General Meeting ("AGM"). The maximum aggregate amount of fees payable is currently $750,000.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The fees paid to Non-Executive Directors are reviewed annually.

Use of Remuneration Consultants

To ensure the Board acting in its capacity as the Remuneration Committee is fully informed when making remuneration decisions, it may seek external remuneration advice. The Board did not engage external remuneration advice in 2019.

Remuneration Report Approval at FY2018 AGM

The remuneration report for the year ended 30 June 2018 was put to shareholders and approved at the Company's 2018 AGM held on 24 October 2018. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Share Trading and Margin Loans by Directors and Executives

Directors, executives and employees are prohibited from:

(i) Short term trading: trading in securities (or an interest in securities) on a short-term trading basis other than when a director, employee or executive exercises employee options or performance rights to acquire shares at the specified exercise price. Short-term trading includes buying and selling securities within a 3-month period, and entering into other short-term dealings (e.g. forward contracts).

(ii) Hedging unvested awards: trading in securities which operate to limit the economic risk of an employee's holdings of unvested securities granted under an employee incentive plan; or
(iii) Short positions: trading in securities which enable an employee to profit from or limit the economic risk of a decrease in the market price of shares.

KMP may not include their securities in a margin loan portfolio or otherwise trade in securities pursuant to a margin lending arrangement without first obtaining the consent of the Chairman. Such dealing would include:

(i) Entering into a margin lending arrangement in respect of securities;
(ii) Transferring securities into an existing margin loan account; and
(iii) Selling securities to satisfy a call pursuant to a margin loan except where they have no control over such sale.

The Company may, at its discretion, make any consent granted in accordance with the above paragraph conditional upon such terms and conditions as the Company sees fit (for example, regarding the circumstances in which the securities may be sold to satisfy a margin call).

Key management personnel

The following persons were key management personnel of the Group during the financial year (unless noted otherwise the persons listed were key management personnel for the whole of the financial year):

Name	***Position Held***
Peter Wall	Non-Executive Director
Matthew O'Kane	Non-Executive Director (appointed 1 May 2018)
Jeremy Read	Managing Director (appointed 14 August 2017)
Ian Wallace	Executive Director (appointed 14 August 2017)
Stephen Kelly	Chief Financial Officer and Company Secretary (appointed 3 October 2017)

Details of Remuneration

Compensation paid, payable or provided by the Group or on behalf of the Group, to key management personnel is set out below. Key management personnel include all Directors of the Group and certain executives who, in the opinion of the Board and Managing Director, have authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly.

		Fixed			STI	LTI		Proportion of Remuneration		
	Year	Salary fees and leave $	Consultancy fees $	Super-annuation[9] $	Incentive Payments $	Fair value of Performance Rights (equity settled) $	Total $	Fixed %	STI %	LTI %
Peter Wall	2019	60,000	-	-	-	(100,000)	(40,000)	100	-	-
	2018	60,000	-	-	-	500,000	560,000	42	-	58
Adam Blumenthal (resigned 1 May 2018)	2019	-	-	-	-	-	-	-	-	-
	2018	50,000	-	-	-	500,000	550,000	38	-	62
Matthew O'Kane (appointed 1 May 2018)	2019	60,000	-	-	-	23,881	83,881	71	-	29
	2018	10,000	-	-	-	-	10,000	100	-	-
Total Non-Executive Directors	2019	120,000	-	-	-	(76,119)	43,881			
	2018	120,000	-	-	-	1,000,000	1,120,000			
Jeremy Read (appointed 14 August 2017)	2019	240,000	-	22,800	-	(100,000)	162,800	100	-	-
	2018	205,539	-	19,526		500,000	725,065	64	-	36
Ian Wallace (appointed 14 August 2017)	2019	62,027	47,250	5,893	-	(50,000)	65,170	100	-	-
	2018	31,385	-	2,982		250,000	284,367	46	-	54
Total Executive Directors	2019	302,027	47,250	28,693	-	(150,000)	227,970			
	2018	236,924	-	22,508	-	750,000	1,009,432			
Elizabeth Hunt (resigned 3 October 2017)	2019	-	-	-	-	-	-	-	-	-
	2018	-	40,816	-	-	-	40,816	100	-	-
Stephen Kelly (appointed 3 October 2017)	2019	120,833	-	-	-	23,881	144,714	84	-	16
	2018	-	58,150	-	-	-	58,150	100	-	-
Total KMP	2019	120,833	-	-	-	23,881	144,714			
	2018	-	98,966	-	-	-	98,966			
TOTAL REMUNERATION	2019	542,860	47,250	28,693	-	(202,238)	416,565			
	2018	356,924	98,966	22,508	-	1,750,000	2,228,398			

Service Agreements

The Company has entered into executive services agreements with key management personnel.

Jeremy Read

- Position: Managing Director.
- Commencement Date: 23 August 2017.
- Term: 23 August 2019 (at which point the parties may mutually agree to extend the agreement for an additional 12 months), unless validly terminated prior.

[9] *Includes superannuation payment in Australia and any voluntary fee sacrifice to superannuation.*

- Notice period: The Company must give 6 months' notice to terminate the agreement other than for cause. The executive must give 3 months' notice to terminate the agreement.
- Salary: $240,000 per annum (plus superannuation), inclusive of director's fees.
- Bonuses: The Company may, at any time during the Term, pay to Mr Read a performance-based bonus of an additional $30,000, subject to Mr Read achieving certain milestones as agreed between him and the Company. In determining the milestones, the Board shall take into consideration the key performance indicators of the executive and the Company, as the Company may set from time to time, and any other matter that it deems appropriate.
- Performance Rights: Following the Commencement Date, in accordance with Shareholder approval, the Company issued to Mr Read 6,000,000 Performance Rights (equally across the three classes).
- Expenses: The Company will reimburse Mr Read for all reasonable expenses incurred by him in the performance of his duties in connection with the Company. The agreement otherwise contains leave entitlements, termination and confidentiality provisions and general provisions considered standard for an agreement of this nature.

Ian Wallace

- Position: Executive Director
- Commencement Date: 23 August 2017.
- Term: 23 August 2019 (at which point the parties may mutually agree to extend the agreement for an additional 12 months), unless validly terminated prior.
- Notice period: The Company must give 1 months' notice to terminate the agreement other than for cause. The executive must give 1 months' notice to terminate the agreement.
- Salary: Mr Wallace will receive director's fees of $3,000 per month (plus superannuation) and is also engaged as a consultant to the Company on a part-time basis (for a minimum average of two days per month with additional days subject to prior Board approval) at a rate of $750 per day.
- Performance Rights: Following the Commencement Date, in accordance with Shareholder approval, the Company issued to Mr Wallace 3,000,000 Performance Rights (equally across the three classes).
- Expenses: The Company will reimburse Mr Wallace for all reasonable expenses incurred by him in the performance of his duties in connection with the Company.

Stephen Kelly

The Company has entered into a Consultancy Agreement with KCG Advisors Pty Ltd pursuant to which Mr Kelly is engaged to provide Chief Financial Officer and Company Secretarial services to the Company effective from 3 October 2018. The key terms of the Agreement are:

- KCG Advisors Pty Ltd to receive $225 per hour, exclusive of GST, for services provided by Mr Kelly.
- Unless otherwise agreed between the parties, a monthly cap of $10,000), exclusive of GST, will apply to payments to KCG Advisors Pty Ltd; and
- The Agreement may be terminated by either party at any time on the giving of not less than one month's notice in writing.

Share Based Compensation

The following options were held by directors or key management personnel during the year ended 30 June 2019.

	Balance at 30 June 2018	Grant Date	Granted as Remuneration	Fair Value of Options at Grant Date	Exercised or (lapsed)	Other	Balance at 30 June 2019
Non-Executive Directors							
Peter Wall	-	-	-	-	-	1,351,351	**1,351,351**
Matthew O'Kane	-	24 October 2018	1,000,000	$23,881	-	180,180	**1,180,180**
Total Non-Executive Directors	**-**	**-**	**1,000,000**	**$23,881**	**-**	**1,531,531**	**2,531,531**
Executive Directors							
Jeremy Read	**-**	**-**	-	-	-	270,270	**270,270**
Ian Wallace	-	**-**	-	-	-	180,180	**180,180**
Total Executive Directors	**-**	**-**	**-**	**-**	**-**	**450,450**	**450,450**
KMP							
Stephen Kelly	-	9 November 2018	1,000,000	$23,881	-	1,000,000	**2,000,000**
Total KMP	-	-	**1,000,000**	**$23,881**	**-**	**1,000,000**	**2,000,000**
Total							
Total	**-**	**-**	**2,000,000**	**$47,662**	**-**	**2,981,981**	**4,981,981**

During the year the following Performance Rights were held directors and key management personnel:

	Balance at 30 June 2018	Grant Date	Granted as Remuneration	Fair Value of Performance Rights at Grant Date	Exercised or (lapsed)	Other	Balance at 30 June 2019
Non-Executive Directors							
Peter Wall	6,000,000	-	-	-	-	**-**	**6,000,000**
Total Non-Executive Directors	**6,000,000**	**-**	**-**	-	-	**-**	**6,000,000**
Executive Directors							
Jeremy Read	6,000,000	-	-	-	-	**-**	**6,000,000**
Ian Wallace	3,000,000	-	-	-	-	**-**	**3,000,000**
Total Executive Directors	**9,000,000**	**-**	**-**	**-**	**-**	**-**	**9,000,000**
KMP							
Total	**15,000,000**	**-**	**-**	**-**	**-**	**-**	**15,000,000**

Share holdings of Key Management Personnel

The number of shares in the Company held during the financial year by key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation (2018: nil).

	Balance at 30 June 2018	Acquisitions during the year	Disposals during the year	Balance at 30 June 2019
Non-Executive Directors				
Peter Wall	-	6,054,053	-	**6,054,053**
Matthew O'Kane		540,540	-	**540,540**
Total Non-Executive Directors	**-**	**6,594,593**	**-**	**6,594,593**
Executive Directors	-			
Jeremy Read	-	1,310,180	-	1,310,180
Ian Wallace	-	540,540	-	540,540
Total Executive Directors	**-**	**1,850,720**	**-**	**1,850,720**
KMP	-			
Stephen Kelly	-	805,000	-	**805,000**
Total KMP	**-**	**805,000**	**-**	**805,000**
Total				
Total		**9,250,313**	**-**	**9,250,313**

<u>Loans to key management personnel</u>
There were no loans to key management personnel at any time during the financial year.

<u>Other transactions with Key Management Personnel</u>

i. During the prior year, the Company repaid a $30,000 loan to Peter Wall which had been made to assist with working capital purposes.
ii. Steinepreis Paganin, a company of which the Director, Mr Peter Wall is a Partner, was paid or due to be paid an aggregate amount of $97,538 (2018: $62,281) for legal services rendered.
iii. In the prior year, Everblu Capital, a company of which the Director, Mr Adam Blumenthal is a Director was paid an aggregate amount of $445,300 for services rendered in relation to the Capital Raising. In addition, Everblu Capital was issued 15,000,000 unlisted options in consideration for broking services provided to the Company.
iv. Prior to entering the executive services agreement, Mr Jeremy Read was paid $13,687 for consulting fees during the Company's re-listing and capital raising.
v. Mr Ian Wallace was paid $62,027 for resource development consulting services (2018: $31,500).

- End of Audited Remuneration Report -

Insurance of officers
To the extent permitted by law, the Company has indemnified (fully insured) each director and the secretary of the Company. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings (that may be brought) against the officers in their capacity as officers of the Company or a related body, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities

Proceedings on behalf of the Group
The Group is not aware that any 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 in which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the court under section 237 of the Corporations Act 2001.

Non-audit Services
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. No non-audit assignments were engaged with the auditor during the year (2018: none)

Details of the amounts paid or payable to the auditor, Bentleys (WA) Pty Ltd for audit services provided during the year are set out in note 8 to the financial report.

Auditor's Independence Declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to this report.

Auditor
Bentleys Audit & Corporate (WA) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

Rounding of amounts in accordance with ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2017/191
The amounts in the Directors' report and in the financial report have been rounded to the nearest dollar.

This report is made in accordance with a resolution of directors.

Peter Wall
Chairman

27 September 2019

Bentleys
THINKING AHEAD

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To The Board of Directors

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

As lead audit Partner for the audit of the financial statements of Pursuit Minerals Limited for the financial year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

Bentleys

BENTLEYS
Chartered Accountants

DOUG BELL CA
Partner

Dated at Perth this 27th day of September 2019

	Note	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
Other income	3	**20,190**	26,702
Administrative and other expenses	4	**(1,352,443)**	(779,280)
Business development costs	5	**(131,115)**	(145,850)
Impairment of exploration and evaluation expenditure	12	**(6,190,187)**	(463,712)
Depreciation		**(9,829)**	(2,158)
Share based payments	17	**323,207**	(2,175,500)
Finance income / (expense)	6	**(3,820)**	29,516
Loss before tax		**(7,343,997)**	(3,510,282)
Income tax benefit/(expense)	7	**-**	-
Net loss for the year from operations		**(7,343,997)**	(3,510,282)
Other comprehensive income		**-**	-
Items that may be reclassified subsequently to profit or loss		**-**	-
Exchange differences on translation of foreign operations		**(157,448)**	(2,748)
Total comprehensive loss for the year		**(7,501,445)**	(3,513,030)
Loss attributable to:			
Owners of the parent		**(7,343,997)**	(3,510,282)
		(7,343,997)	(3,510,282)
Total comprehensive loss attributable to:			
Owners of the parent		**(7,501,445)**	(3,513,030)
		(7,501,445)	(3,513,030)
Basic and diluted (loss) per share (cents)	9	**(5.51)**	(5.86)

The accompanying notes form part of these financial statements.

	Note	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
ASSETS			
Current Assets			
Cash and cash equivalents	10	**530,674**	2,624,043
Trade and other receivables	11	**113,473**	127,976
Prepayments		**48,034**	100,981
Total Current Assets		**692,181**	2,853,000
Non-Current Assets			
Exploration and evaluation assets	12	**3,087,240**	5,747,334
Plant and equipment	13	**35,431**	15,736
Total Non-Current Assets		**3,122,671**	5,763,070
Total Assets		**3,814,852**	8,616,070
LIABILITIES			
Current Liabilities			
Trade and other payables	14	**368,585**	1,018,413
Total Current Liabilities		**368,585**	1,018,413
Total Liabilities		**368,585**	1,018,413
Net Assets		**3,446,267**	7,597,657
EQUITY			
Contributed equity	16	**59,861,941**	56,470,686
Share based payments reserve	17	**7,316,474**	7,357,674
Foreign currency translation reserve		**(160,196)**	(2,748)
Accumulated losses	18	**(63,571,952)**	(56,227,955)
Total Equity		**3,446,267**	7,597,657

The accompanying notes form part of these financial statements.

Consolidated Entity	Contributed Equity $	Share Based Payment Reserve $	Foreign currency translation reserve $	Accumulated Losses $	Total $
Balance at 1 July 2018	**56,470,686**	**7,357,674**	**(2,748)**	**(56,227,955)**	**7,597,657**
(Loss) for the year	-	-	-	(7,343,997)	(7,343,997)
Other comprehensive income	-	-	(157,448)	-	(157,448)
Total comprehensive loss for the year	-	-	(157,448)	(7,343,997)	(7,501,445)
Transactions with owners in their capacity as owners:					
Shares issued during the year	3,948,157	-	-	-	3,948,157
Share issue expenses	(556,902)	-	-	-	(556,902)
Options and performance rights issued	-	(41,200)	-	-	(41,200)
Balance at 30 June 2019	**59,861,941**	**7,316,474**	**(160,196)**	**(63,571,952)**	**3,446,267**
Balance at 1 July 2017	**48,843,110**	**3,202,174**	**-**	**(52,717,673)**	**(672,389)**
(Loss) for the year	-	-	-	(3,510,282)	(3,510,282)
Other comprehensive income	-	-	(2,748)	-	(2,748)
Total comprehensive loss for the year	-	-	(2,748)	(3,510,282)	(3,513,030)
Transactions with owners in their capacity as owners:					
Shares issued during the year	10,761,750	-		-	10,761,750
Reduction in shares applied for but not issued	(561,000)	-		-	(561,000)
Share issue expenses	(2,573,174)	-		-	(2,573,174)
Options and performance rights issued	-	4,155,500		-	4,155,500
Balance at 30 June 2018	**56,470,686**	**7,357,674**	**(2,748)**	**(56,227,955)**	**7,597,657**

The accompanying notes form part of these financial statements.

	Note	Consolidated 30 June 2019 $ Inflows/ (Outflows)	Consolidated 30 June 2018 $ Inflows/ (Outflows)
Cash flows from operating activities			
Rental income received		**19,309**	20,782
Payments to suppliers and employees		**(1,485,381)**	(1,583,974)
Interest paid		**(3,820)**	(1,440)
Interest received		**881**	5,920
Net cash used in operating activities	20(b)	**(1,469,011)**	(1,558,712)
Cash flows from investing activities			
Payments for plant and equipment		**(29,524)**	(14,462)
Payment for exploration and evaluation assets		**(4,268,096)**	(2,554,665)
Net cash used in investing activities		**(4,297,620)**	(2,569,127)
Cash flows from financing activities			
Proceeds from share issues		**3,948,160**	7,049,005
Costs of issuing equity		**(274,898)**	(871,232)
Proceeds from borrowings		**-**	180,000
Repayment of borrowings		**-**	(180,000)
Net cash provided from financing activities		**3,673,262**	6,177,773
Net increase in cash held		**(2,093,369)**	2,049,934
Cash and cash equivalents at beginning of the period		**2,624,043**	577,272
Foreign exchange difference on cash and cash equivalents		-	(3,163)
Cash and cash equivalents at end of the period	20(a)	**530,674**	2,624,043
Non-cash financing and investing activities	20(c)	**281,827**	5,131,745

The accompanying notes form part of these financial statements.

1. *Corporate information*

This annual report covers Pursuit Minerals Limited (formerly Burrabulla Corporation Limited, the “Company”), a company incorporated in Australia, and the entities it controlled at the end of, or during, the year ended 30 June 2019 (the “Consolidated Entity”). The presentation currency of the Consolidated Entity is Australian Dollars (“$”). A description of the Consolidated Entity’s operations is included in the review and results of operations in the Directors’ report. The Directors’ report is not part of the financial statements. The Company is an Australian incorporated public company limited by shares whose shares are traded under the ASX code “PUR”.

2. *Accounting policies*

<u>Statement of compliance</u>

These financial statements are general purpose financial statements that have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with the other requirements of the law. Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards ('IFRS').

The financial standards were authorised for issue by the Directors on 27 September 2019.

<u>Basis of preparation</u>

The consolidated general purpose financial statements have been prepared on the basis of historical cost, except for certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB2 and measurements that have some similarities to fair value but are not fair value such as value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3

based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that that the entity can access at the measurement date.

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

Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Going Concern

As at 30 June 2019 the Consolidated Entity had cash reserves of $530,674, net working capital of $323,596 and net assets of $3,446,267. The company generated negative cash flows from operating and investing activities of $5,766,631 for the year ended 30 June 2019.

The ability of the Consolidated Entity to continue as a going concern is principally dependent upon the following: ·

- the successful exploration and subsequent exploitation of the Consolidated Entity's tenements; and
- the ability of the Company to raise additional funding in the future to fund those exploration and exploitation programs. ·

These conditions give rise to material uncertainty which may cast significant doubt over the Consolidated Entity's ability to continue as a going concern.

On 3 July 2019, the Company announced that it had received firm acceptances from sophisticated investors for approximately 89 million fully paid ordinary shares at a price of A$0.01 per share to raise $0.89 million before costs via a two-tranche placement of fully paid ordinary shares (refer note 24). The first tranche of the placement completed on 10 July 2019. The second tranche is subject to shareholder approval at a general meeting of shareholders to held on 2 October 2019. The Company also announced on 3 July 2019 that it will undertake a non-renounceable pro-rata entitlement offer to raise up to an additional $0.74 million (before costs), whereby eligible shareholders will be offered the opportunity to acquire one (1) new fully paid ordinary share in Pursuit for every three (3) fully paid ordinary shares in Pursuit held as at 12 July 2019 at an issue price of $0.01 per share. Subsequent to year end the Company raised the maximum amount of $0.74 million under the Entitlement Offer and associated Shortfall Offer (refer note 24).

Whilst the Company expended $3,405,455 the Directors note that the Company's committed expenditure for the twelve month period from the date of these financial statements is significantly less than this amount taking into consideration the following matters:

- on 27 June 2019 the Company announced that it had implemented a management restructure and cost reduction program ("Cost Reduction Program") with the objective of significantly reducing the Company's running costs pending the return of more favourable market conditions for the financing of the Company's highly prospective portfolio of Scandinavian vanadium projects;

- approximately $672,473 of the expenditure incurred in the year ended 30 June 2019 represented exploration expenditure incurred on its Australian exploration tenements. As set out in note 12 to these financial statements the Company does not intend to undertake any significant further exploration activities on these tenements and at 30 June 2019 had impaired all the capitalised exploration expenditure on those tenements; and

- as disclosed in note 22 the Company has minimum expenditure requirements of $14,118 for the next twelve months.

Based on the placement and Entitlement Offer announced on 3 July 2019, the success of previous capital raisings combined with the potential to attract farm-in partners for projects and / or the potential sale of the current portfolio of exploration assets held, the Directors have prepared the financial statements on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

Taking into consideration the above matters, the Directors are confident of securing funds as and when necessary to meet the Consolidated Entity's obligations as and when they fall due.

Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Consolidated Entity be unable to continue as a going concern.

a) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by the Company at the end of the reporting period. A controlled entity is any entity over which the Company has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries more than half of the voting power of the entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered. The Company and its controlled entities together are referred to as the Consolidated Entity. The effects of all transactions between entities in the Consolidated Entity are eliminated in full. Where control of an entity is obtained during a financial year, its results are included in the consolidated income statement from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the year during which control existed. The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

b) Significant management judgement in applying accounting policies and estimate uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results. Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expense is provided below.

Exploration and evaluation expenditure

The application of the Consolidated Entity's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of a Joint Ore Reserves Committee (JORC) resource is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

Information regarding the Company's capitalised exploration and evaluation expenditure is presented in Note 12. As at 30 June 2019 the Company the value of capitalised exploration and evaluation expenditure of $3,087,240 (2018: $5,747,334) after provisions for impairment during the year ended 30 June 2019 amounting to $6,190,187 (2018:$463,712).

Share based payments
The Group measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Fair value is calculated using the Black Scholes valuation model, taking into account

the terms and conditions upon which the options were granted. The assumptions used in these valuation models are set out in note 17.

Where the vesting of share-based payments contains performance based and market-based milestones, in estimating the number and fair value of the equity instruments issued, the Group assesses the probability of the milestones being met, and therefore the probability of the instruments vesting. Management applies judgement to arrive at the probabilities that are applied to these instruments. These estimates will be adjusted over time to reflect actual performance and management's best estimates of the conditions being met.

Acquisition of the Teck assets

On 21 August 2017 the Company completed the acquisition of 100% interests in three highly prospective base metals projects owned by Teck Australia Pty Ltd (Teck) (the Acquisition). The Company issued 13,008,723 fully paid ordinary shares in the Company to Teck in part consideration under the Acquisition. The acquisition also included the issue of lender options (in consideration for the conversion of a loan outstanding for an amount of $150,000); performance rights (issued to directors and consultants as part of agreed remuneration in relation to the transaction); and broker options (issued to the brokers).

In determining the fair value of these options and performance shares issued management has applied judgement. Assumptions and estimates used in the recognition of these transactions has been disclosed in note 17.

Deferred tax assets

No members of the Group have generated taxable income in the financial year and as such the Group continues to carry forward tax losses that give rise to deferred tax assets. Given that the Group's projects remain in early exploration stages, it is unlikely that the Group will generate taxable income in the foreseeable future in the absence of asset sales.

Taking account of the above, the deferred tax assets have not been recognised in the financial statements as management does not believe that the members of the Group satisfy the criteria set out in paragraph 35 of AASB 112 that the Group is yet to earn taxable income.

c) Changes in accounting policies

There have been no changes to the accounting policies during the year other than for accounting standards and interpretations which were adopted for the first time. These are detailed below.

d) New accounting standards and interpretations

New, revised or amending accounting standards and interpretations adopted

The Group applied AASB 15 and AASB 9 for the first time. The adoption of these accounting standards did not have a material impact on the consolidated financial statements of the Group. Several other amendments and interpretations apply for the first time in the consolidated financial statements for the year ended 30 June 2019, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
3. *Other income*		
Interest income	**881**	5,920
Rental income	**19,309**	20,782
	20,190	26,702

Rental income represents income received from the partial sub-letting of office premises leased by the Company.

Accounting policy

Revenue is recognised and measured at the fair value of consideration received or receivable to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
4. *Administrative and other expenses*		
Accounting fees	**126,344**	54,418
Auditors' remuneration	**38,308**	40,358
Consulting fees	**245,240**	137,828
Directors and Key Management Personnel remuneration	**435,812**	322,425
Rent	**65,011**	42,897
Legal fees	**171,033**	78,279
Travel and accommodation	**94,058**	3,298
Other administrative expenses	**176,637**	99,777
	1,352,443	779,280

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
5. *Business Development Costs*		
Business development costs	**131,115**	145,850

Business development costs in the year ended 30 June 2019 comprised expenditure incurred in relation to a proposed listing of the Company's shares on the London Standard Market. The Company announced on 27 June 2019 that the Board had determined not to proceed with the London listing.

Business Development costs in the year ended 30 June 2018 comprised expenditure incurred for preliminary assessment of potential mineral resources, including an internal cost allocation for management's fees.

6. *Finance Costs*

Interest expense/(income)	**3,820**	(29,516)

Finance costs in the prior year includes a reversal of prior year over accrual of $30,956.

7. *Income tax benefit/(expense)*

(a) Income tax benefit		
Current tax	**-**	-
Deferred tax	**-**	-
	-	-
(b) Deferred income tax/(revenue)		
Deferred income tax/(revenue) included in tax expense comprises:		
(Increase)/decrease in deferred tax assets	**-**	-
Increase/(decrease) in deferred tax liabilities	**-**	-
	-	-
(c) Reconciliation of income tax expense to prima facie income tax		
Loss before income tax from continuing operations	**(7,343,997)**	(3,510,282)
Tax at the Australian tax rate of 30% (2018: 27.5%)	**(2,203,199)**	(965,327)
Increase / (decrease) in income tax due to tax effect of:		
Different tax rates in other jurisdictions	**25,799**	973
Deductible capital raising costs	**(74,863)**	(59,563)
Non-deductible share-based payments expense	**(96,962)**	598,263
Non-deductible exploration expenditure	**780,524**	-
Other non-deductible expenses	**255,961**	-
Movement in unrecognised temporary differences	**890,459**	425,654
	-	-

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
(d) Deferred tax assets / liabilities comprise		
Accruals	**18,937**	6,531
Unrealised foreign exchange gains	**-**	-
Capitalised exploration and evaluation expenditure	**-**	(801,892)
Prepayments	**(760)**	(1,689)
Tax losses available for offset against future taxable income	**5,528,441**	5,190,840
Net deferred tax assets not recognised	**5,546,618**	4,393,790
(e) Unrecognised deferred tax assets		
Deferred tax assets have not been recognised in respect of the following items:		
- Temporary differences and tax losses at 30% (2018: 27.5%)	**5,546,618**	4,393,790

Accounting policy

Income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets and liabilities are recognised for all taxable temporary differences:

- Except for the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred income tax to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Goods and services and sales tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of the asset or as part of an item of expense; or

- For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
8. *Auditor's remuneration*		
Audit and review of the financial report:		
Bentleys	**38,308**	33,828
Ernst & Young	**-**	6,530
	38,308	40,358

9. *Earnings/(loss) per share*

The following reflects the earnings/(loss) and number of shares used in the calculation of the basic and diluted earnings/(loss) per share.

Basic earnings/(loss) per share (cents per share)	**(5.51)**	(5.86)
Diluted earnings/(loss) per share (cents per share)	**(5.51)**	(5.86)
Net profit/(loss) attributable to ordinary shareholders ($)	**(7,343,997)**	(3,510,282)
	Shares	**Shares**
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings/(loss) per share	**132,934,904**	59,916,971

The weighted average number of ordinary shares outstanding during the period and for all periods presented has been adjusted for the share consolidation which occurred on 4 July 2017.

Options issued during the period have not been included in the determination of diluted earnings per share as they are not 'in the money' at reporting date and therefore are not considered to be potential ordinary shares.

Accounting policy

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), dividend by the weighted average number of ordinary shares, adjusted for any bonus element. The diluted earnings per share is calculated as net profit or loss attributable to members of the parent dividend by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element. The weighted average number of shares was based on the consolidated weighted average number of shares in the reporting period. The net profit or loss attributable to members of the parent is adjusted for:

- Costs of servicing equity (other than dividends) and preference share dividends;
- The after-tax effect if dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenue or expenses during the period that would result from the dilution of potential ordinary shares.

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $

10. *Cash and cash equivalents*

Cash at bank	**530,674**	2,624,043
	530,674	2,624,043

Accounting policy
Cash and cash equivalents include cash on hand and in the bank, and other short-term deposits with an original maturity of three months or less. Bank overdrafts are shown separately in current liabilities on the Statement of Financial Position. For the purposes of the Statement of Cash Flows, cash and cash equivalents as defined above, net of outstanding bank overdrafts.

11. *Trade and other receivables*

Goods and services tax receivable	**48,396**	97,420
Other receivables	**65,077**	30,556
	113,473	127,976

Other receivables include deposits paid for office bonds.

12. *Exploration and evaluation assets*

Balance at beginning of year	**5,747,334**	100,000
Acquisition cost	**-**	2,851,745
Exploration expenditure during the period	**3,405,455**	3,259,301
Impact of foreign exchange rates	**124,638**	-
Impairment	**(6,190,187)**	(463,712)
Balance at end of year	**3,087,240**	5,747,334

The ultimate recoupment of capitalised exploration and evaluation costs is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

During the period the Company impaired, in full, the capitalised exploration and evaluation expenditure relating to its Australian tenements following the Company's decision not to undertake further exploration work on its Australian tenements in the current economic environment and based on the results of the exploration activity undertaken by the Company.

Project	2019 $	2018 $
Paperbark Project	3,076,283	4,628
Blue Bush Project	3,088,515	-
Coober Pedy Project	2,010	459.084
South Australian lithium projects	23,379	-
	6,190,187	**463,712**

During the prior year the Consolidated Entity completed the acquisition of 100% interests in three base metal projects from Teck Australia Pty Ltd. The consideration paid by the Consolidated Entity was as follows:

- $100,000 paid on signing of the acquisition agreement (paid pre-30 June 2018);
- $250,000 paid on completion of the acquisition; and
- 13,008,723 shares issued to Teck at an issue price of $0.20 per share for a total value of $2,601,745.

Accounting policy

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. A regular review for impairment is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

13. *Plant and equipment*

	Office Equipment $	Computer Software	Plant and Equipment $	Total $
Carrying value at 30 June 2017	3,432	-	-	3,432
Additions	9,162	-	5,300	14,462
Depreciation	(1,894)	-	(264)	(2,158)
Carrying value at 30 June 2018	10,700	-	5,036	15,736
Additions	**-**	**29,524**	**-**	**29,524**
Depreciation	**(2,128)**	**(6,694)**	**(1,007)**	**(9,829)**
Carrying value at 30 June 2019	**8,572**	**22,830**	**4,029**	**35,431**

Accounting policy

Property, plant and equipment are recorded at historical cost less accumulated depreciation and any impairment. The carrying value of assets is reviewed for impairment at the reporting date. An asset is immediately written down to its recoverable amount if the carrying value of the asset exceeds its estimated recoverable amount. The depreciation rates per annum for each class of fixed asset are as follows:

Plant and equipment:	between 10% - 12%
Office equipment	between 10% - 20%
Computer software	between 25% -33%

Subsequent expenditure relating to an item of property, plant and equipment, that has already been recognised, is added to the carrying amount of the asset if the recognition criteria are met. All assets are depreciated over their anticipated useful lives up to their residual values using a straight-line depreciation basis. These useful lives are determined on the day of capitalisation and are re-assessed annually by Management.

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
14. *Trade and other payables*		
Sundry creditors and accruals	**86,299**	28,796
Trade creditors	**282,286**	989,617
	368,585	1,018,413

Accounting policy

Trade and other payables amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of the date of the invoice.

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
15. *Interest bearing loans and borrowings - current*		
Balance at beginning of year	**-**	550,000
Proceeds from loans	**-**	180,000
Repayment of loans	**-**	(730,000)
Balance at end of year	**-**	-

The following transactions occurred during the year ended 30 June 2018:

1. In accordance with the conditions precedent for the convertible loans, on 21 August 2017 the $550,000 loans were repaid through the issue of shares and options. The loans converted at $0.10 per share as follows:
   - 1,500,000 Shares and 1,500,000 options to purchase Shares (Options) to the Lender in consideration for the conversion of a loan outstanding for an amount of $150,000;
   - 4,000,000 Shares to seed capital investors in consideration for the conversion of a loan outstanding for an amount of $400,000.
2. An interest-bearing loan of $150,000 was made to the Company on 19 July 2017 and was repaid by the Company on 22 August 2017.
3. The Company repaid a $30,000 non-interest bearing loan on 22 August 2017.

Accounting policy

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognised in the income statement when the liabilities are de-recognised, as well as through the amortisation process. At the General Meeting of shareholders on 30 June 2017, approval was received to convert these loans into equity, upon the completion of the acquisition.

	Consolidated 30 June 2019 $		Consolidated 30 June 2018 $	
16. *Contributed equity*	**No.**	**$**	No.	$
Balance at beginning of year	**81,470,513**	**56,470,686**	489,000,300	48,843,110
Share consolidation (i)	**-**	**-**	(472,138,555)	-
Share issue pursuant to Prospectus	**-**	**-**	30,000,000	6,000,000
Share issue to repay convertible loans (refer note 15)	**-**	**-**	5,500,000	550,000
Share issue as partial consideration for acquisition of mineral tenements (refer note 12)	**-**	**-**	13,008,723	2,601,745
Share issue pursuant to Private Placements	**97,056,815**	**3,948,157**	16,100,045	1,610,005
Shares applied for but unissued	**-**	**-**	-	(561,000)
Share issue costs	**-**	**(556,902)**	-	(2,573,174)
Balance at end of year	**178,527,328**	**59,861,941**	81,470,513	56,470,686

(i) The Company consolidated its issued capital on the basis of every 29 Shares or Options being consolidated into 1 Share or Option on July 4th 2017. The consolidation had no monetary impact.

Ordinary shares

Ordinary shares have no par value and have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on the shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Capital management

Management managed the capital of the Consolidated Entity in order to maintain a capital structure that ensured the lowest cost of capital available to the Consolidated Entity. Management's objective is to ensure the Consolidated Entity continues as a going concern as well as to maintain optimal returns to shareholders.

Options on issue	**Consolidated 30 June 2019 No.**	Consolidated 30 June 2018 No.
Balance at beginning of year	**16,530,670**	889,450
Consolidation	**-**	(858,780)
Options issued (refer also note 17(ii))	**61,108,073**	16,500,000
Options cancelled	**(30,670)**	-
Balance at end of year	**77,608,073**	16,530,670

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
17. *Share based payment reserve*		
Share based payment reserve	**7,316,474**	7,357,674

The Share based payment reserve is used to record the fair value of share-based payments made by the Company.

Accounting Policy

The fair value of share-based payment transactions is determined at grant date using an option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of equity instruments granted to directors and key management personnel as share-based compensation benefits is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted, which includes any market performance conditions but excludes the impact of any service and non-market performance vesting conditions and the impact of any non-vesting conditions.

Non-market vesting conditions are included in assumptions about the number of equity instruments 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 equity instruments that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
Options issued to Directors and Management Consultants (i)	**47,762**	-
Options issued to lender (Finance costs) (i)	**-**	175,500
Options issued to Brokers to equity issue (i)	**311,038**	1,980,000
Performance rights issued to Directors and Management Consultants in prior financial year (ii)	**(400,000)**	2,000,000
Total share-based payments for the year	**(41,200)**	4,155,500
Share based payments recognised as capital raising costs (refer note 16)	**(281,827)**	(1,980,000)
Share-based payments expense	**$(323,027)**	2,175,500

i. **Options issued during the current financial year**

On 9 November 2018 the Consolidated Entity issued 2,000,000 to key management personnel under the Incentive Options Plan. The options have an exercise price of $0.049 and an expiry date of 6 February 2021.

During the financial year the Company issued the following options as partial consideration for corporate advisory and brokerage services provided to the Company:

a. On 9 November 2018 the Company issued the following options:

- 1,992,000 options with an exercise price of $0.20 and an expiry date of 28 February 2021; and
- 850,000 options with an exercise price of $0.25 and an expiry date of 14 August 2021.

b. On 21 December 2018, the shareholders approved a further issue of 12,012,012 options to the brokers in consideration for services provided to the Company in relation to the November share placement. The options were issued with an exercise price of $0.10 and an expiry date of 30 October 2021.

c. On 26 April 2019, the shareholders approved a further issue of 5,950,911 listed options to the brokers in consideration for services provided to the Company in relation to the November share placement. The options are listed options and were issued with an exercise price of $0.10 and an expiry date of 30 October 2021.

The fair value of the options at grant date has been estimated using the Black Scholes valuation model, taking into account the terms and conditions upon which the options were granted. The following assumptions were used:

	Issued to Key Management Personnel	Options issued for Corporate Advisory and Broking services		
Grant date	9 November 2021	9 November 2021	9 November 2021	21 December 2021
Share price	$0.037	$0.037	$0.037	$0.037
Exercise Price	$0.049	$0.20	$0.25	$0.10
Expiry date	31/10/2021	28/2/2021	14/8/2021	30/10/2021
Adjusted exercise price (Parisien barrier)	N/a	N/a	$0.45	N/a
Volatility	115%	115%	115%	115%
Risk free rate	2.16%	3.22%	2.16%	2.02%
Fair value per option	$0.023881	$0.010996	$0.008385	$0.021
Number of options	2,000,000	1,992,000	850,000	12,012,012
Total fair value	**$47,762**	**$21,904**	**$7,127**	**$252,252**

On 26 April 2019 the Company issued 5,905,011 listed options which were valued at $0.005 per option being the quoted market price of the listed options on the date on which they were issued.

ii. <u>Performance rights issued to Directors and Management Consultants in prior financial year</u>

On 14 August 2017 the Consolidated Entity issued 24,000,000 Performance Rights to directors and consultants as part of agreed remuneration, across three classes of rights - Class A, Class B, and Class C, on the following terms and conditions:

a. Each Performance Right entitles the holder to subscribe for one fully paid ordinary share in the capital of Burrabulla Corporation Limited upon satisfaction of the Milestone and issue of the Conversion Notice by the Holder;
b. Each Performance Right is issued subject to the rules of the Company's Performance Rights Plan;
c. The Performance Rights carry no dividend or voting rights;
d. The Performance Rights carry no rights to return of capital.

Each Performance Right in the relevant class will be able to be converted into one share by a holder upon satisfaction of certain performance based and market-based milestones.

The Directors have assessed at balance date the likelihood of these milestones being met within the vesting period. This estimate of performance rights expected to ultimately vest will be adjusted over time to reflect actual performance and management's best estimates of the conditions being met. A grant date fair value of $0.20 per performance share has been attributable to the instruments being the Initial Public Offer price of the Company's shares.

Class	Milestone	Probability 2018	Probability 2019	Fair Value at time of grant	Change in fair value in year ended 30 June 2019
Class A	The Class A Performance Rights vested in the year ended 30 June 2019.	100%	100%	$1,600,000	$-
Class B	Zinc mineralisation of greater than 10m thickness with zinc equivalent grade of 10% or higher is intersected on the Bluebush Project within 24 months after the Reinstatement Date, or, a positive Scoping Study is completed and the board of directors of the Company resolves to commence a Pre-Feasibility Study on the Paperbark Project within 24 months after the Reinstatement Date, or, the volume weighted average price of Shares as traded on ASX over 20 consecutive trading days is not less than $0.40 within 24 months after the Reinstatement Date.	20%	0%	$320,000	($320,000)
Class C	A Mineral Resource is delineated on any Project of equal to or greater than 450,000t of contained zinc equivalent metal within 36 months after the Reinstatement Date, or, the volume weighted average price of Shares as traded on ASX over 20 consecutive trading days is not less than $0.50 within 36 months after the Reinstatement Date.	5%	0%	$80,000	($80,000)

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
18. *Accumulated losses*		
Balance at 1 July	**(56,227,955)**	(52,717,673)
Loss after tax attributable to the equity holders of the parent entity during the year	**(7,343,997)**	(3,510,282)
Balance at 30 June	**(63,571,952)**	(56,227,955)

19. *Operating segments*

Accounting policy

Operating segments are identified based on the internal reports that are regularly reviewed by the Board of Director's, the entities' Chief Operating Decision Maker, for the purpose of allocating resources and assessing performance. The adoption of this "management approach" has resulted in the identification of reportable segments.

Financial information presented to the Board of Directors is reported by these projects. Items of income and expenditure and assets and liabilities that are not allocated to the exploration projects are allocated to the Corporate segment

The following tables present revenue and profit information for the Group's operating segments for the year ended 30 June 2019 and 2018, respectively.

(i) Segment performance

2019	**Australian Projects** $	**Finnish Projects** $	**Swedish Projects** $	**Corporate** $	**Total** $
Total segment revenue	-	-	-	20,190	**20,190**
Segment expenditure	(672,473)	(946,791)	(1,910,829)	(1,174,000)	**(4,704,093)**
Segment result	(672,473)	(946,791)	(1,910,829)	(1,153,810)	**(4,683,903)**

Reconciliation of segment result to Group loss before tax:	
- Capitalised expenditure	3,530,095
- Impairment of Exploration and Evaluation expenditure	(6,190,187)
Net loss before tax	**(7,343,997)**

2018	Australian Projects $	Finnish Projects $	Swedish Projects $	Corporate $	Total $
Total segment revenue	-	-	-	26,702	**26,702**
Segment expenditure	(5,981,427)	(77,913)	(151,706)	(3,073,272)	**(9,284,318)**
Segment result	(5,981,427)	(77,913)	(151,706)	(3,046,570)	**(9,257,616)**

Reconciliation of segment result to Group loss before tax:	
- Capitalised expenditure	6,211,046
- Impairment of Exploration and Evaluation expenditure	(463,712)
Net loss before tax	**(3,510,282)**

(ii) Segment assets

The following tables present assets information for the Group's operating segments for the year ended 30 June 2019 and 2017, respectively.

The following table shows assets by geographical segment.

	Australia $	Sweden $	Finland $	Total $
30 June 2019				
Segment assets	**727,612**	**2,062,535**	**1,024,705**	**3,814,852**
30 June 2018				
Segment assets	8,386,451	151,706	77,913	**8,616,070**

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
20. *Cash flow information*		
a) Cash and cash equivalents		
Cash at bank and on hand	**530,674**	2,624,043
b) Reconciliation of cashflows from operating activities		
Profit/(loss) before tax	**(7,343,997)**	(3,510,282)
Unrealised foreign exchange gains/(losses)	**-**	-
Impairment of exploration and evaluation expenditure	**6,190,187**	463,712
Depreciation	**9,829**	2,158
Share based payments	**(323,207)**	2,175,500
Accrued interest expense	**-**	(30,956)
Change in trade & other receivables	**(14,503)**	(83,876)
Change in prepayments	**(52,947)**	(90,278)

Change in trade & other payables	**65,627**	(484,690)
Net cash used in operating activities	**(1,469,011)**	(1,558,712)

c) Non-cash investing and financing activities

Acquisition of Teck Australia projects by means of share issue (note 16)	**-**	2,601,745
Repayment of convertible loan by means of share issue (note 15)	**-**	550,000
Capital raising costs paid by means of share options (note 17)	**281,827**	1,980,000

21. *Parent company information*

	30 June 2019 $	30 June 2018 $
Current assets	581,367	2,653,863
Non-current assets	3,094,794	5,874,481
Total assets	**3,676,161**	**8,528,344**
Current liabilities	229,894	329,607
Total liabilities	**229,894**	**329,607**
Net Assets	**3,446,267**	**8,198,737**
Contributed equity	63,974,427	60,583,172
Accumulated losses	(67,844,634)	(59,742,109)
Share based payments reserve	7,316,474	7,357,674
Total shareholders' equity	**3,446,267**	**8,198,737**
Profit/(loss) of the parent entity	**(8,077,110)**	**(2,988,221)**
Total comprehensive profit/(loss) of the parent entity	**(8,077,110)**	**(2,988,221)**

22. *Commitments and contingencies*

Pursuant to the terms of the agreement for the acquisition of the exploration tenements from Teck, the Group will be required to meet the minimum spend requirement and royalty obligations.

(a) Operating expenditure commitments

Commitments for minimum payments under office rental agreements to which the Group is a party are:

Less than one year	**14,118**	52,731
Later than one year but not later than five years	**-**	14,118
	14,118	66,849

(b) Exploration expenditure commitments

Commitments for minimum exploration expenditure required to retain tenure on the Group's exploration tenements are:

	30 June 2019 $	30 June 2018 $
Later than one year but not later than five years	-	1,051,000

23. *Related party transactions*

Subsidiaries

		% of Equity Interest	
Subsidiary	**Country of Incorporation**	**30 June 2019**	**30 June 2018**
NorthernX Pty Ltd	Australia	**100%**	100l%
NorthernX Finland Oy	Finland	**100%**	100%
NorthernX Scandinavia AB	Sweden	**100%**	100%

Key Management Personnel Compensation

	Consolidated 30 June 2019 $	Consolidated 30 June 2018 $
Short-term benefits	**590,110**	455,890
Post-employment benefits	**28,693**	22,508
Share based payments	**(202,238)**	1,750,000
Total shareholders' equity	**416,565**	2,228,398

During the period the Group had the following dealings with related parties.

(a) Mr Peter Wall

Mr Wall is a Non-Executive Director of the Company. He is also a partner at Steinepreis Paganin a Perth based corporate law firm that provides legal services to the Company on commercial terms.

The following payments/transactions occurred during the year:

Director fees	$60,000 for services provided in the year ended 30 June 2019 (2018: $85,000).
Other	Steinepreis Paganin was paid or due to be paid an aggregate amount of $97,538 for legal services rendered during the year (2018: $62,281).
Performance Rights	In the prior period, Mr Wall received 6,000,000 performance rights (2,000,000 Class A, 2,000,000 Class B, 2,000,000 Class C). Refer note 17 for detail.

(b) Mr Jeremy Read

Mr Read is the Managing Director if the Company. Prior to this appointment on 14 August 2017 he provided consulting services during the Company's re-listing and capital raising.

The following payments/transactions occurred during the year:

Director fees	$262,800 for services provided in the year ended 30 June 2019 (2018: $225,065). In the prior year, Mr Jeremy Read was paid $13,687 for consulting fees during the Company's re-listing and capital raising.
Performance Rights	In the prior period, Mr Read received 6,000,000 performance rights (2,000,000 Class A, 2,000,000 Class B, 2,000,000 Class C). Refer note 17 for detail.

(c) Mr Ian Wallace

Ian Wallace is an Executive Director of the Company who also provides resource development consulting services.

The following payments/transactions occurred during the year:

Director fees	$47,250 for services provided in the year ended 30 June 2019 (2018: $34,366)
Other	$62,027 for resource development consulting services (2018: $31,500)
Performance Rights	In the prior period, Mr Wallace received 3,000,000 performance rights (1,000,000 Class A, 1,000,000 Class B, 1,000,000 Class C). Refer note 17 for detail.

(d) Mr Adam Blumenthal

Adam Blumenthal, a Non-Executive Director of the Company until his resignation on 1 May 2018, is also a Director of Everblu Capital, who acted as corporate advisor to the Company.

No amounts were paid to Mr Blumenthal in the year ended 30 June 2019. The following payments/transactions occurred with Mr Blumenthal and his related parties during the year ended 30 June 2018:

Director fees	$50,000 for services provided in the 1 May 2018 when Mr Blumenthal resigned.
Performance Rights	Mr Blumenthal received 6,000,000 performance rights (2,000,000 Class A, 2,000,000 Class B, 2,000,000 Class C). Refer note 17 for detail.
Other	Everblu Capital was paid an aggregate amount of $455,300 for services rendered in relation to the Capital Raising. In addition, Everblu Capital was issued 15,000,000 unlisted options in consideration for broking services provided to the Company. Refer note 17 for detail.

24. *Events after the end of the reporting period*

Except for the matters noted below, there are no matters or circumstances have arisen since the end of the period which will significantly affect, or may significantly affect, the state of affairs or operations of the reporting entity in future financial periods:

- Mr Ian Wallace resigned as an Executive Director of the Company on 3 July 2019;

- On 3 July 2019 the Company announced that it had received subscriptions for approximately 89 million fully paid ordinary shares at a price of A$0.01 per share to raise $0.89 million before costs via a two-tranche placement. Tranche 1 comprising 44,500,000 shares to raise $445,000 before costs was completed on 10 July 2019. The completion of Tranche 2 which also comprises the issue of 44,500,000 shares at $0.01 per share is subject to shareholder approval which is being sought at a general meeting of shareholders to be held on 2 October 2019.

- On 8 July 2019 the Company announced a 1 for 3 Non-Renounceable Entitlement Offer at an issue price of $0.01. The Entitlement Offer closed on 9 August 2019 with acceptances received for 5,689,518 shares to raise $56,895.18.

- On 23 August 2019 the Company announced that it had entered in an agreement with Mr Jeremy Read to provide consultancy services to the Company following the expiry of Mr Read's appointment as the Company's Managing Director. In addition to providing consultancy services, Mr Read will continue to serve on the Company's Board of Directors as a Non-Executive Director.

- On 5 August 2019, the Company issued 8,000,000 fully paid ordinary shares pursuant to the exercise of 8,000,000 Class A Performance Shares.

- On 17 September 2019, the Company issued 68,652,925 fully paid ordinary shares at $0.01 per share to raise $686,529 before costs pursuant to the Shortfall Offer which accompanied the Entitlement Offer dated 8 July 2019.

25. *Financial risk management*

The Consolidated Entity's overall financial risk management strategy is to ensure that the Consolidated Entity is able to fund its business operations and expansion plans. Exposure to credit risk, liquidity risk, foreign currency risk, interest rate risk and commodity price risk arises in the normal course of the Consolidated Entity's business. The Consolidated Entity's risk management strategy is set by and performed in the close co-operation with the Board and focuses on actively securing the Consolidated Entity's short to medium-term cash flows by limiting credit risk of customers, regular review of its working capital and minimising the exposure to financial markets. The Consolidated Entity does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Consolidated Entity is exposed are described below.

<u>Financial Assets and Liabilities</u>
The financial assets and liabilities for financial years 2018 and 2017 are reflected at amortised cost, and are not fair valued through the Statement of comprehensive income. The Directors consider that the carrying amounts of the financial assets and liabilities approximate their fair values.

Specific Financial Risk Exposures and Management

The main risks the Consolidated Entity is exposed to through its financial instruments are credit risk, liquidity risk and market risk, including in interest rates, foreign currency, commodity and equity prices.

a) Credit risk

Credit risk arises from the financial assets of the Consolidated Entity, which comprise cash and cash equivalents and trade and other receivables. Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contractual obligations that could lead to a financial loss to the Consolidated Entity. Credit risk is managed through the maintenance of credit assessment and monitoring procedures and it is the Consolidated Entity's policy that all customers who wish to trade on credit terms and subject to credit verification procedures. The Consolidated Entity only trades with recognised, credit-worthy third parties and such collateral is not requested nor is it the Consolidated Entity's policy to securitise its trade and other receivables. In addition, receivable balances are monitored on an on-going basis with the result that the Consolidated Entity's exposure to bad debts is not significant. A provision for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Doubtful debts are written off to the income statement. To date the Consolidated Entity has not been required to write off any significant debts.

Set out below is an ageing analysis on the Consolidated Entity's total receivables:

	Total $	0-30 days $	31-60 days $	61-90 days $	91-120 days $	Over 120 days $
Total receivables 30 June 2019	**113,473**	**99,203**	**-**	**-**	**-**	**14,270**
Total receivables 30 June 2018	127,976	98,420	-	-	-	29,556

b) Liquidity Risk

Liquidity risk is the risk that there will be inadequate funds available to meet financial commitments as they fall due. The Consolidated Entity recognises the on-going requirements to have committed funds in place to cover both existing business cash flows and provide reasonable headroom for cyclical debt fluctuations and capital expenditure programs. The key funding objective is to ensure the availability of flexible and competitively priced funding from alternative sources to meet the Consolidated Entity's current and future requirements. The Consolidated Entity utilises a detailed cash flow model to manage its liquidity risk. This analysis shows that available sources of funds are expected to be sufficient over the lookout period. The Consolidated Entity attempts to accurately project the sources and uses of funds which provide an effective framework for decision making and budgeting. The table below summarises the maturity profile of the Company's contractual cash flow financial liabilities based on contractual undiscounted repayment obligations. Repayments, which are subject to notice, are treated as if notice were to be given immediately.

Consolidated	30 days $	1-3 months $	3-12 months $	1 to 5 years $	Total $
As at 30 June 2019					
Trade and other payables	282,286	-	-	-	282,286
Total liabilities	**282,286**	**-**	**-**	**-**	**282,286**
As at 30 June 2018					
Trade and other payables	994,663	23,750	-	-	1,018,413
Total liabilities	**994,663**	**23,750**	**-**	**-**	**1,018,413**

c) Foreign Currency Risk

Since the acquisition of the Scandinavian entities, the Company has incurred financial liabilities denominated in foreign currencies that are different to the functional currency of the respective Consolidated Entities during the current year (2018: Nil).

The Group's policy is to convert its local currency to the foreign currency at the time of the transaction. Foreign exchange risk arises from future commercial transactions and recognised financial liabilities denominated in a currency that is not the Group's functional currency (which is the Australian dollar).

The Group manages foreign exchange risk on an as-needs basis. The risk is measured using sensitivity analysis and cash-flow forecasting. The Group's exposure to foreign currency risk, expressed in Australian dollars at the reporting date, was as follows:

Consolidated	EUR Denominated Balances	SEK Denominated Balances	GBP Denominated Balances	Total $
	AUD	AUD	AUD	AUD
As at 30 June 2019				
Cash and cash equivalents	30,650	12,470	-	43,120
Trade and other receivables	12,830	1,441	-	14,271
Total assets	**43,480**	**13,911**	**-**	**57,391**
Trade and other payables	25,061	62,490	56,219	143,770
Net Exposure	**18,419**	**(48,579)**	**(56,219)**	**(86,379)**

Consolidated	USD Denominated Balances	EUR Denominated Balances	SEK Denominated Balances	Total $
	AUD	AUD	AUD	AUD
As at 30 June 2018				
Trade and other receivables	-	-	-	-
Total assets	**-**	**-**	**-**	**-**
Trade and other payables	70,187	41,044	46,780	158,011
Net Exposure	**(70,187)**	**(41,044)**	**(46,780)**	**(158,011)**

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. A negative number in the table represents a decrease in the operating profit before tax and reduction in equity where the Australian dollar strengthens against the relevant currency. For a 10% strengthening of the Australian dollar against the relevant currency, there would be a comparable impact on the loss or equity, and the balances below would be positive.

Impact on pre-tax profit	30 June 2019 $	30 June 2018 $
Profit / (loss) before tax and equity – 10% increase	8,638	15,801
Profit / (loss) before tax and equity – 10% decrease	(8,638)	(15,801)

d) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Consolidated Entity is not exposed to interest rate movement through borrowings. The following table sets out the variable interest bearing and fixed interest bearing financial instruments of the Consolidated Entity:

	Variable interest $	Fixed interest $
2019		
Financial assets		
Cash and cash equivalents	530,674	-
Total	**530,674**	**-**
2018		
Financial assets		
Cash and cash equivalents	2,624,043	-
Total	**2,624,043**	**-**

The following table illustrates the estimated sensitivity to a 1% increase and decrease to interest rate movements.

Impact on pre-tax profit	30 June 2019 $	30 June 2018 $
Interest rates + 1%	**5,307**	26,240
Interest rates – 1%	**(5,307)**	(26,240)

Accounting policy

Financial assets

Initial recognition and measurement

Financial assets are categorised as financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments, available for sale financial assets or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Consolidated Entity determines the categorisation of its financial asserts as initial recognition. Categorisation is re-evaluated at each financial year end. When financial assets are recognised initially, they are measured at fair value plus transaction costs, except where the instrument is classified as “at fair value through profit or loss”, in which case transaction costs are expensed to profit and loss immediately.

Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently re-measured at amortised cost. Loans and receivables are included in current assets, except for those which are not expected to mature in twelve months after the end of the period (all other loans and receivables are included as non-current assets).

De-recognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets is de-recognised when:

- The rights to receive cash flows from the asset have expired; or

- The Consolidated Entity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
    - The Consolidated Entity has transferred substantially all the risks and rewards of the asset, or
    - The Consolidated Entity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Consolidated Entity assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or in principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Consolidated Entity first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for the financial assets that are not individually significant. If the Consolidated Entity determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment. If there is objective evidence that an impairment loss has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows excluding assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment. If there is objective evidence that an impairment loss has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

The interest income is recorded as part of finance income in the income statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Consolidated Entity. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance sots in the income statement. The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

Financial liabilities

Initial recognition

Financial liabilities within the scope of AASB139 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as heading instruments in an effective hedge, as appropriate. The Consolidated Entity determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognised initially at fair value and in the case of loans and borrowings, directly attributable transaction costs. The Consolidated Entity's financial liabilities include trade and other payables, bank overdraft, loans and borrowings and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

i. At fair value through profit and loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Consolidated Entity that are not designated as hedging instruments in hedge relationships as defined by AASB 39. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the income statement. The Consolidated Entity has not designated any financial liabilities upon initial recognition as at fair value through profit or loss. Options granted that are not part of a continuing share-based payment relationship (i.e. there is no ongoing provision of goods and/or services and are denominated in a currency other than the entity's functional currency) are accounted for as derivative liabilities in accordance with AASB 139: *"Financial Instruments: Recognition and Measurement"* and IFRIC guidelines. Such options are recorded on the balance sheet at fair value with movements in fair value of the derivative liability, during the period and cumulatively, is not attributable to changes in the credit risk of that liability. In addition, contractual arrangements whereby the Company agrees to issue a variable number of shares are accounted for as a liability. To the extent that these contractual arrangements meet the definition of a derivative, the value of the contractual arrangement is recorded on the balance sheet at fair value with movements in fair value being recorded in the income statement.

ii. Loans and borrowings

All loans and borrowings are initially recognised at the fair value of the considerations received less directly attributable transaction cost. After initial recognition loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are de-recognised as well as through the effective interest rate method amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such as an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 28 to 58, are in accordance with the Corporations Act 2001 and:

    a. Comply with Accounting Standards;
    b. Are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in Note 2 to the financial statements; and
    c. 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 Company and consolidated Group.

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

The Chief Executive Officer and Chief Financial Officer have each declared that:

a. The financial records of the Company for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;
b. The financial statements and notes for the financial year comply with the Accounting Standards; and
c. The financial statements and notes for the financial year give a true and fair view.

This declaration is made in accordance with a resolution of the Board of Directors.

Peter Wall
Chairman

27 September 2019

Bentleys
THINKING AHEAD

Independent Auditor's Report

To the Members of Pursuit Minerals Limited

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Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Pursuit Minerals Limited ("the Consolidated Entity") and its subsidiaries ("the Consolidated Entity"), 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 statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a. the Consolidated Entity financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Consolidated Entity incurred net cash outflows from operating and investments activities of $5,766,631 during the year ended 30 June 2019. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
Exploration and evaluation assets	
As disclosed in note 12 to the financial statements, as at 30 June 2019, the Consolidated Entity's exploration and evaluation assets were carried at $3,087,240 following an impairment loss of $6,190,187. The recognition and recoverability of the exploration and evaluation expenditure was considered a key audit matter due to: – The carrying value represents a significant asset of the Consolidated Entity, we considered it necessary to assess whether facts and circumstances existed to suggest the carrying amount of this asset may exceed the recoverable amount; and – Determining whether impairment indicators exist involves significant judgement by management.	Our audit procedures included but were not limited to: – Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 *Exploration and Evaluation of Mineral Resources* ("AASB 6"). This involved analysing the tenements in which the Consolidated Entity holds an interest and the exploration programs planned for those tenements. – For each area of interest, we assessed the Consolidated Entity's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable – Testing the exploration costs for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6; – By testing the status of the tenure and planned future activities, reading board minutes and enquiries with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the exploration expenditure: – The licenses for the rights to explore expiring in the near future or are not expected to be renewed;

Key audit matter	How our audit addressed the key audit matter
	– Substantive expenditure for further exploration in the area of interest is not budgeted or planned; – Decision or intent to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
	– Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale. We also assessed the appropriateness of the related disclosures in note 12 to the financial statements.

Other Information

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

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

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

If, based on the work we have performed, 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 Consolidated Entity 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 Note 2, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability 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 Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019. The directors of the Consolidated Entity are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Auditor's Opinion

In our opinion, the Remuneration Report of the Consolidated Entity, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Bentleys

BENTLEYS
Chartered Accountants

DOUG BELL CA
Partner

Dated at Perth this 27th day of September 2019

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 20 September 2019.

A. Distribution of securities

Analysis of the number of equity securities by size of holding:

Holding	Fully paid ordinary shares Number of holders	Listed options @$0.10 expiring 31 October 2021 Number of holders
1 to 1,000	577	-
1,001 to 5,000	104	-
5,001 to 10,000	117	-
10,001 to 100,000	398	10
100,001 and over	284	70
	1,480	**80**

There were 1,020 holders of less than a marketable parcel of listed shares.

B. Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest holders of fully paid ordinary shares are listed below:

Name	Units	% of Units
Suburban Holdings Pty Ltd	17,950,000	5.87
Sunset Capital Management Pty Ltd	17,051,960	5.58
HSBC Custody Nominees (Australia) Limited	14,358,142	4.70
Atlantic Capital Group P/L	10,868,625	3.56
UBS Nominees Pty Ltd	10,000,000	3.27
Mr Dean Robert Tait	6,172,265	2.02
Scintilla Strategic Investments Limited	6,000,000	1.96
Rivington Investments Pty Ltd	5,000,000	1.64
Golden Dawn Limited	5,000,000	1.64
Champagne Capital Pty Ltd	4,672,265	1.53
Mr James Michael Scott	4,000,000	1.31
Chifley Portfolios Pty Ltd	3,750,000	1.23
Pheakes Pty Ltd	3,351,351	1.10
McNeil Nominees Pty Ltd	3,152,269	1.03
Riverview Corporation Pty Ltd	3,000,000	0.98
BNP Paribas Nominees	2,942,306	0.96
Mr Peter Christopher Wall and Mrs Tanya Lee Wall	2,702,702	0.89
Citicorp Nominees Pty Ltd	2,492,886	0.82
Mr Wade Kent Landon	2,335,528	0.76
	152,785,434	**50.03**

The names of the twenty largest holders of listed options with an exercise price of $0.10 and expiry of 31 October 2021 are listed below:

Name	Options	% of total
Shape Wealth Pty Ltd	5,963,801	10.60
Valas Investments Pty Ltd	4,490,731	7.98
Mr Bin Liu	3,876,648	6.89
M & K Korkidas Pty Ltd	3,805,319	6.76
Pac Partners Securities Pty Ltd	3,592,585	6.39
Mr Md Akram Uddin	2,824,671	5.02
Ms Shakilah Paikan	2,500,000	4.44
VBASS Pty Ltd	1,300,000	2.31
Mr Vladimir Bass	1,299,999	2.31
Equity Trustees Limited	1,231,167	2.19
Mr Edward Vladimir Bass &Mr Mark Bass	1,000,000	1.78
Mrs Leeanne Carolyn Kelly	1,000,000	1.78
Mr Peter Christopher Wall & Mrs Tanya-Lee Wall	900,901	1.60
Emerging Equities Pty Ltd	898,145	1.60
Mrs Brooke Lauren Picken	898,145	1.60
Scintilla Strategic Investments Limited	888,441	1.58
Mr Jodet Durak	850,000	1.51
BNP Paribas Nominees Pty Ltd	825,378	1.47
Mr John Donald Fleay	750,000	1.33
Mr Craig Russell Stranger	714,109	1.27
The Gas Super Fund Pty Ltd	691,489	1.23
HSBC Custody Nominees (Australia) Limited - A/C 2	691,489	1.23
ADKSK Superfund Pty Ltd	657,657	1.17
	41,650,675	**74.02**

Unquoted equity securities

Security	Number on issue	Number of holders	Holders of more than 20%
Unlisted options with an exercise price of $0.20 expiring 28 February 2020	1,500,000	1	Capital Global Opportunities Master Fund
Unlisted options with an exercise price of $0.25 expiring 28 August 2021	15,000,000	1	Tacts on Kent Pty Ltd – 6,000,000 Zenix Nominees Pty Ltd – 4,000,000 Horatio Street Pty Ltd –3,000,000
Performance Rights (Class C)	8,000,000	5	Peter Wall, Jeremy Read and Adam Blumenthal each hold 2,000,000 rights.
Unlisted options with an exercise price of $0.20 expiring 28 February 2021	1,992,000	1	PAC Partners Securities Pty Ltd
Unlisted options with an exercise price of $0.049 expiring 6 November 2021	2,000,000	2	Matthew O'Kane and Stephen Kelly each hold 1,000,000 options.
Unlisted options with an exercise price of $0.25 expiring 14 August 2021	850,000	1	PAC Partners Securities Pty Ltd

Unquoted equity securities represent options or rights to acquire ordinary shares. Each option or right entitles the holder to acquire one ordinary share.

C. Substantial shareholders

Substantial shareholders of the Company's quoted equity securities are set out below:

Shareholder	Number of listed shares held
Teck Australia Pty Ltd	13,290,479
Suburban Holdings Pty Ltd	14,450,000

D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

(a) Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Options

No voting rights.

(c) Performance rights

No voting rights.

E. Use of funds

The Group has used the cash and assets in a form readily convertible into cash at the time of its re-listing on the ASX on 23 August 2017 in a manner that is consistent with its business objectives.