

Tribune Resources Limited

ABN 11 009 341 539

Annual Report - 30 June 2019

Tribune Resources Limited

Contents

30 June 2019



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| | |
|----------------------------------|---|
| Directors | Otakar Demis - Non-Executive Chairman Anthony Billis - Executive Director, Managing Director and Chief Executive Officer Gordon Sklenka - Non-Executive Director |
| Company secretaries | Otakar Demis Stephen Buckley |
| Notice of annual general meeting | The annual general meeting of Tribune Resources Limited will be held at: IBIS Styles Hotel 45 Egan Street Kalgoorlie WA 6430 on 27 November 2019 at 9.00am |
| Registered office | Suite G1, 49 Melville Parade South Perth WA 6151 Tel: +61 (8) 9474 2113 Fax: +61 (8) 9367 9386 |
| Principal place of business | Suite G1, 49 Melville Parade South Perth WA 6151 Correspondence address: PO Box 307 West Perth WA 6872 |
| Share register | Advanced Share Registry Services Limited 110 Stirling Highway Nedlands WA 6009 Tel: +61 (8) 9389 8033 Fax: +61 (8) 9262 3723 |
| Auditor | RSM Australia Partners Level 32, Exchange Tower 2 The Esplanade Perth WA 6000 |
| Bankers | Australia and New Zealand Banking Group Limited ('ANZ') 77 St George's Terrace Perth WA 6000 |
| Stock exchange listing | Tribune Resources Limited shares are listed on the Australian Securities Exchange (ASX code: TBR) |
| Website | www.tribune.com.au |
| Corporate Governance Statement | <p>The Company's directors and management are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (3rd Edition) ('Recommendations') to the extent appropriate to the size and nature of the Group's operations.</p> <p>The Company has prepared a Corporate Governance Statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations.</p> <p>The Company's Corporate Governance Statement and policies, approved at the same time as the Annual Report, can be found on the Company's website: http://www.tribune.com.au/Corporate-Governance</p> |

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Tribune Resources Limited (referred to hereafter as the 'Company', 'parent entity' or 'Tribune') and the entities it controlled at the end of, or during, the year ended 30 June 2019.

Directors

The following persons were directors of Tribune Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Otakar Demis - Non-Executive Chairman
 Anthony Billis - Executive Director, Managing Director and Chief Executive Officer
 Gordon Sklenka - Non-Executive Director

Principal activities

The principal activities of the Group during the year were exploration, development and production activities at the Group's East Kundana Joint Venture tenements ('EKJV').

In addition, on 6 December 2018, Tribune announced the acquisition of 100% of the issued capital of Singapore based Prometheus Developments Pte Ltd via the issue of 5.5 million shares in the Company @ a deemed issue price of \$4.50 for a total consideration of \$24.75 million. Prometheus has the right to acquire an 80% economic interest and 40% legal interest in three mining tenements covering the Diwalwal Gold Project.

On 24 July 2019, Tribune announced the Mining Lease Application for the Japa Project in Ghana had been approved. The Mining Lease agreement between the Government of Ghana and Tribune Resources Ghana Limited grants Tribune the exclusive gold mining rights over the delineated area for a term of 11 years.

Dividends

Dividends paid during the financial year were as follows:

| | Consolidated | |
|--|---------------------|-------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Dividend of 20 cents per ordinary share paid to shareholders on 14 September 2018. | 10,000,605 | - |
| Dividend of 10 cents per ordinary share by controlled entity Rand Mining Limited and paid to Rand shareholders on 14 September 2018. | 6,014,848 | - |
| Special dividend of \$3.50 per ordinary share paid to shareholders on 10 October 2018. | 175,010,580 | - |
| Special dividend of \$1.25 per ordinary share by controlled entity Rand Mining Limited and paid to Rand shareholders on 12 October 2018. | 75,185,594 | - |
| | <u>266,211,627</u> | <u>-</u> |

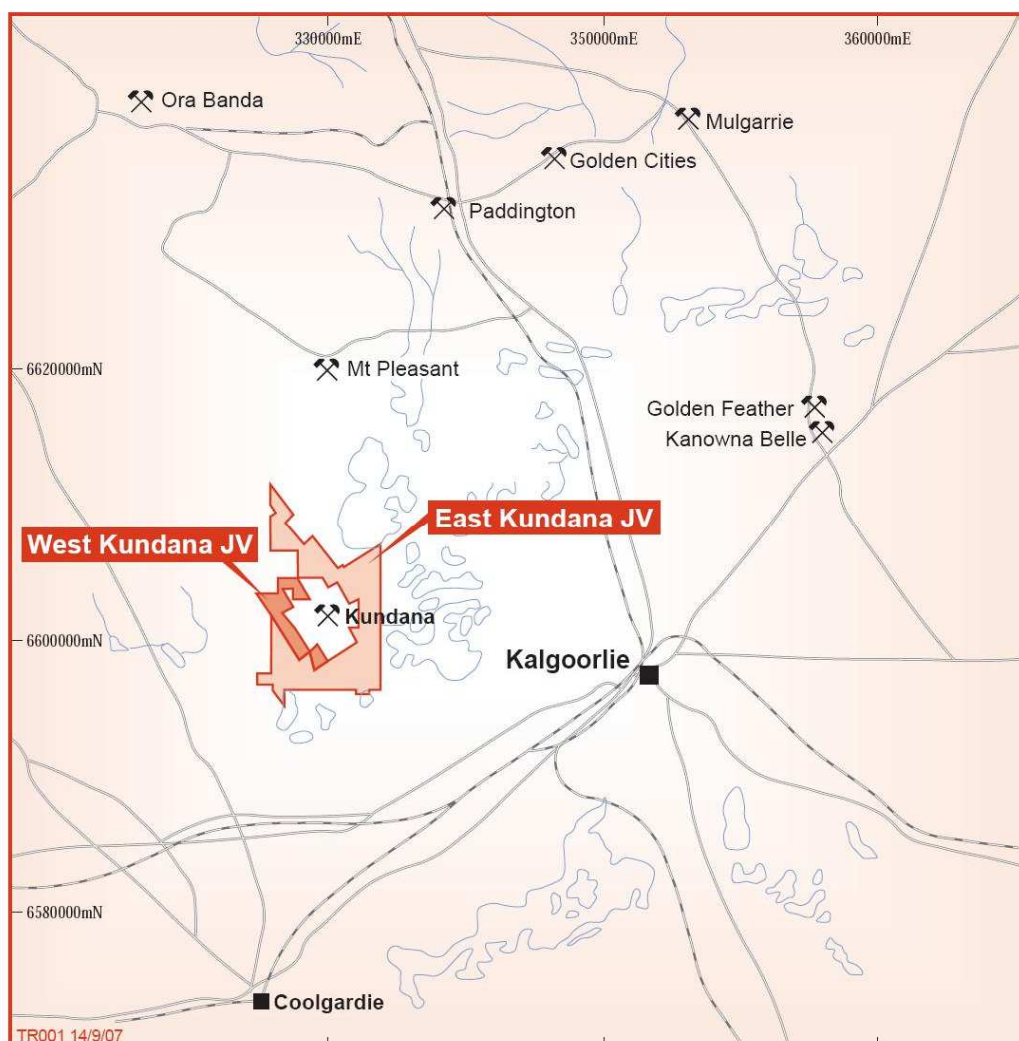
Review of operations

The profit for the Group after providing for income tax and non-controlling interest amounted to \$34,651,424 (30 June 2018: \$42,087,630).

East Kundana Joint Venture

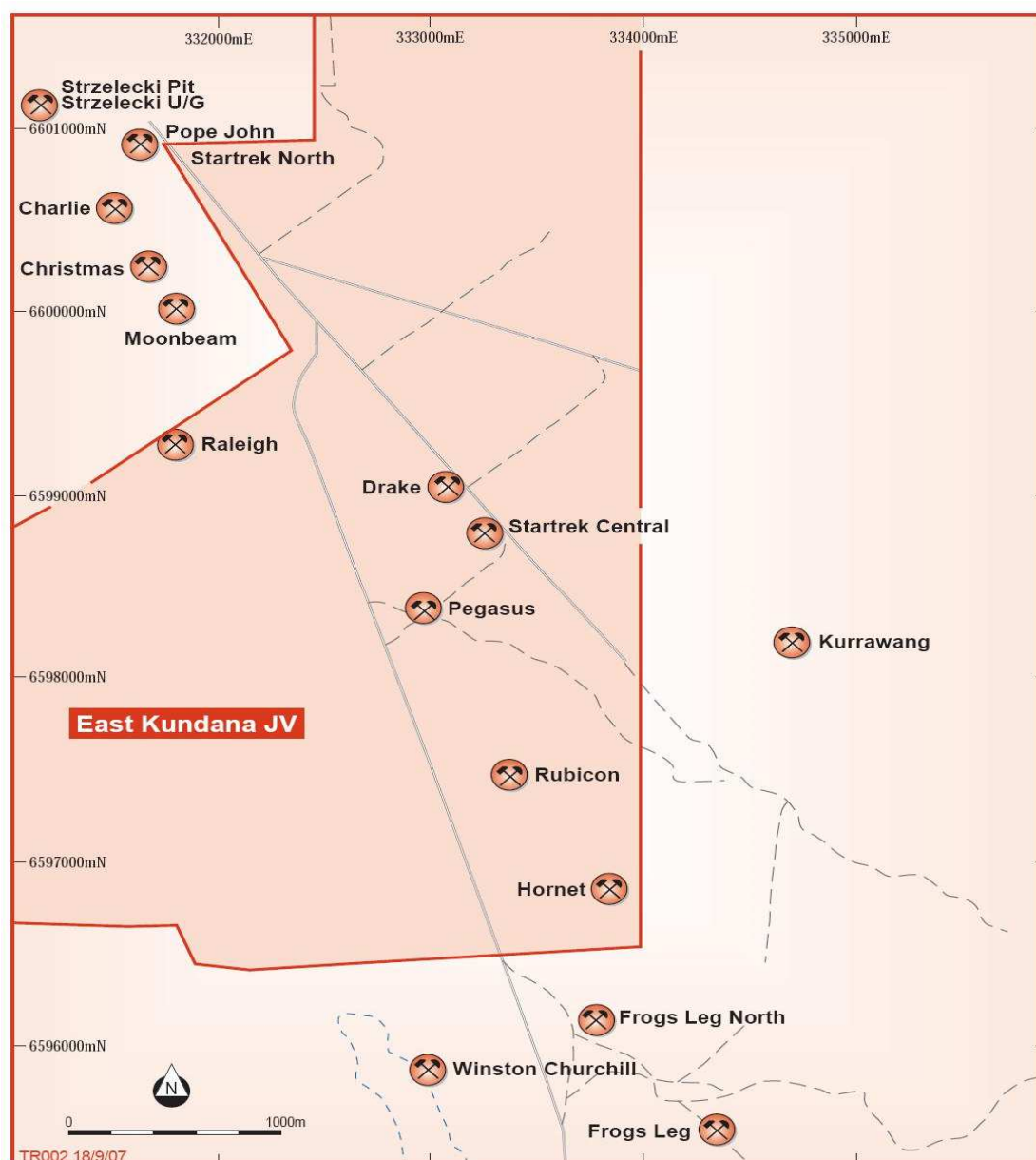
The East Kundana Joint Venture ('EKJV') is located 25km west north west of Kalgoorlie and 47km north east of Coolgardie.

The EKJV is between Rand Mining Limited ('Rand') (12.25%), Tribune Resources Limited ('Tribune') (36.75%) and Gilt-Edged Mining Pty. Ltd. (51%). On 1 March 2014, Gilt-Edged Mining became a wholly owned subsidiary of Northern Star Resources Ltd ('Northern Star').



KUNDANA PROJECT
Location Map

Note: The Joint Venture deposits are located within the red shaded area. Other deposits as indicated on this map do not belong to either Tribune Resources or the Joint Venture.



EAST KUNDANA JOINT VENTURE Deposit Locations

Note: The Joint Venture deposits are located within the red shaded area. Other deposits as indicated on this map do not belong to either Tribune Resources or the Joint Venture.

Mining

Raleigh

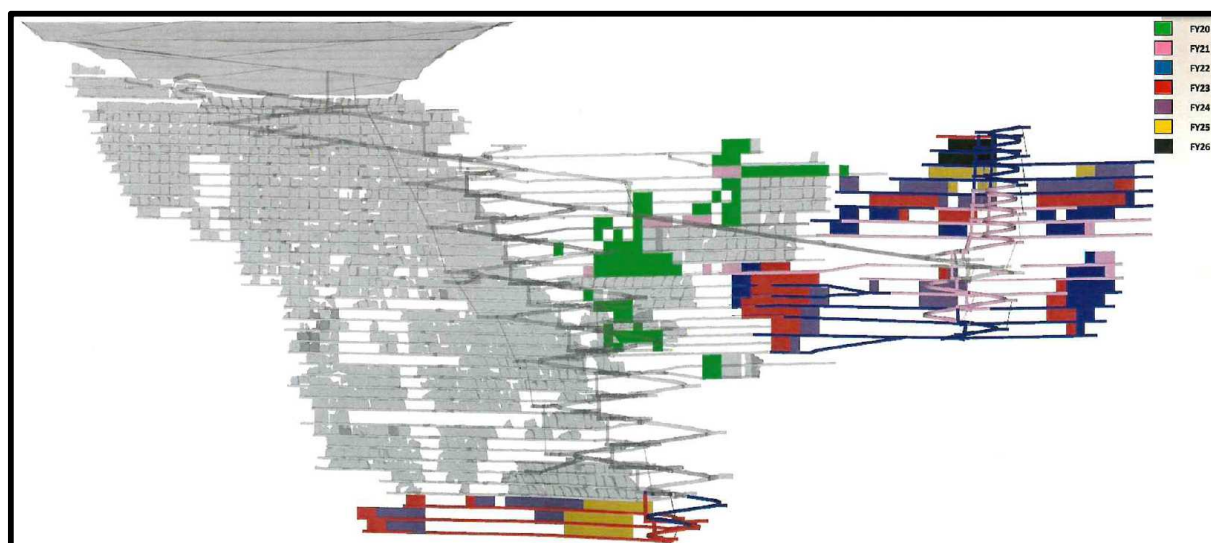
During the year ended 30 June 2019, 260,911 tonnes of ore were extracted from stopes on the 6034-TL, 5966-TL, 6136, 6119, 6031, 5983, 5932 to 5847, 5795 and 5614 levels and from development headings on the 6136, 6119, 6085, 6067, 6034, 5972 and 5795 levels at the Raleigh Underground mine. The grade was 8.74 g/t.

Tribune's entitlement to the ore extracted was 97,842 tonnes, compared to 104,429 tonnes the previous year.

Mine Claimed Production

| <i>Year</i> | <i>Mined (t)</i> | <i>Raleigh Grade (g/t)</i> | <i>Gold (oz)</i> |
|-----------------------|----------------------|------------------------------------|----------------------|
| 06/07 | 239,700 | 16.6 | 127,700 |
| 07/08 | 234,400 | 11.9 | 89,800 |
| 08/09 | 308,512 | 12.6 | 124,962 |
| 09/10 | 339,660 | 13.4 | 146,670 |
| 10/11 | 323,182 | 13.4 | 139,060 |
| 11/12 | 244,799 | 14.8 | 116,921 |
| 12/13 | 179,553 | 14.2 | 81,930 |
| 13/14 | 87,948 | 15.7 | 44,313 |
| 14/15 | 58,362 | 11.5 | 21,706 |
| 15/16 | 155,560 | 9.5 | 47,302 |
| 16/17 | 182,860 | 8.7 | 50,957 |
| 17/18 | 278,478 | 7.7 | 68,822 |
| 18/19 | 260,911 | 8.7 | 73,344 |
| Tribune's entitlement | 97,842 | 8.7 | 27,504 |

The sequence of stoping and mine development in the current LOM plan is shown below, where grey represents all stoping and development completed at 30 June 2019, green expected to be completed by mid-2020, pink expected to be completed by mid-2021, blue expected to be completed by mid-2022, red expected to be completed by mid-2023, purple expected to be completed by mid-2024, orange expected to be completed by mid-2025 and black expected to be completed by mid-2026. The extension of mining beyond mid-2026 depends on the results of the current exploration programme.



Rubicon/Hornet/Pegasus

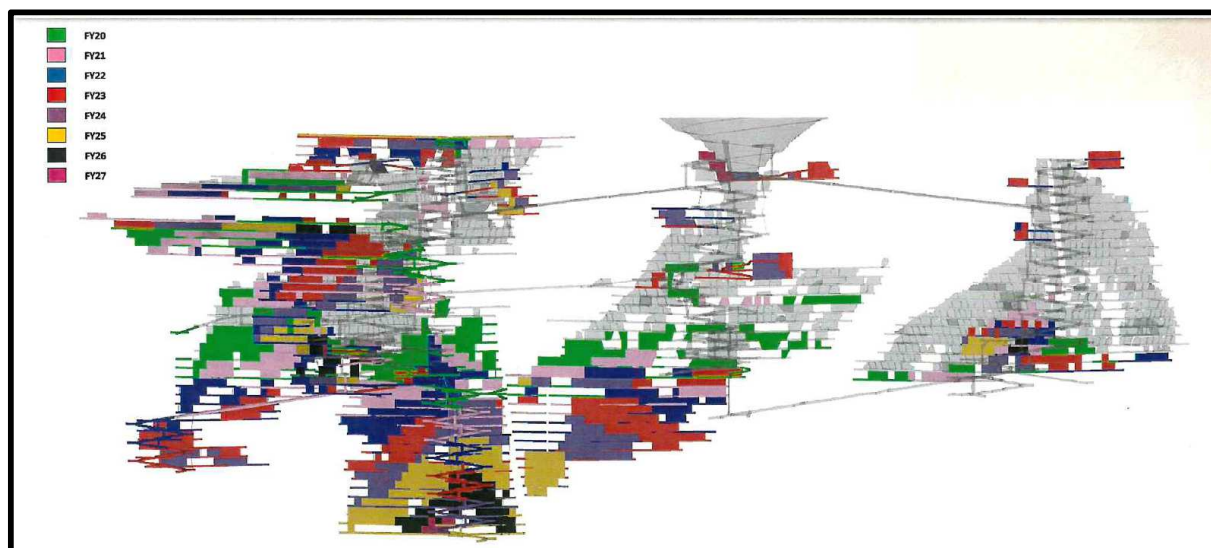
During the year ended 30 June 2019, 1,072,429 tonnes of ore were extracted from stopes on the 5995 to 5795 levels and development headings on the 5835 to 5776 levels of the Rubicon ore body; from stopes on the 5865 to 5765 levels and development headings on the 5745 level of the Hornet ore body and from stopes on the 6250 to 6210, 6150, 6130, 6030 and 5990 to 5810, Hera 5828 and Pode 6200 levels and development headings on the 6270, 6250, 5910 to 5730, Hera 5838 to 5808 and 5758 and Pode 6225, 6200, 6093 to 6043 levels of the Pegasus ore body. The grade was 6.04 g/t.

Tribune's entitlement to the ore extracted was 394,118 tonnes, compared to 366,194 tonnes the previous year.

Mine Claimed Production

| Year | Rubicon/Hornet/Pegasus | | |
|-----------------------|------------------------|----------------|----------------|
| | Mined (t) | Grade (g/t) | Gold (oz) |
| 11/12 | 78,229 | 9.6 | 24,103 |
| 12/13 | 266,113 | 10.3 | 88,666 |
| 13/14 | 314,685 | 11.3 | 114,454 |
| 14/15 | 605,988 | 9.5 | 184,302 |
| 15/16 | 761,483 | 7.3 | 178,931 |
| 16/17 | 843,340 | 7.1 | 192,487 |
| 17/18 | 996,445 | 6.2 | 198,276 |
| 18/19 | 1,072,429 | 6.0 | 208,264 |
| Tribune's entitlement | 394,118 | 6.0 | 76,537 |

The sequence of stoping and mine development in the current LOM plan is shown below, where grey represents all stoping and development completed at 30 June 2019, green expected to be completed by mid-2020, pink expected to be completed by mid-2021, blue expected to be completed by mid-2022, red expected to be completed by mid-2023, purple expected to be completed by mid-2024, orange expected to be completed by mid-2025, black expected to be completed by mid-2026 and magenta expected to be completed by mid-2027. The extension of mining beyond mid-2027 depends on the results of the current exploration programme.



Processing

Since January 2013, all EKJV ore has been processed in mainly monthly campaigns at the Kanowna Plant located near Kalgoorlie.

*EKJV Processing at Kanowna
Campaign*

| | <i>From</i> | <i>To</i> | <i>Processing (t)</i> |
|------|-------------------|-------------------|---------------------------|
| KB64 | 20/07/2018 | 30/07/2018 | 52,218 |
| KB65 | 06/08/2018 | 24/08/2018 | 101,172 |
| KB66 | 04/09/2018 | 14/09/2018 | 54,276 |
| GF02 | 27/09/2018 | 15/10/2018 | 50,112 |
| KB67 | 01/10/2018 | 15/10/2018 | 83,267 |
| KB68 | 06/11/2018 | 22/11/2018 | 93,577 |
| GF03 | 16/11/2018 | 09/12/2018 | 56,206 |
| KB69 | 10/12/2018 | 24/12/2018 | 77,467 |
| KB70 | 03/01/2019 | 17/01/2019 | 84,604 |
| KB71 | 01/02/2019 | 12/02/2019 | 58,744 |
| KB72 | 01/03/2019 | 20/03/2019 | 109,717 |
| GF04 | 17/03/2019 | 01/04/2019 | 37,869 |
| KB73 | 11/04/2019 | 23/04/2019 | 71,347 |
| KB74 | 03/05/2019 | 20/05/2019 | 96,525 |
| GF05 | 07/05/2019 | 09/06/2019 | 69,851 |
| KB75 | 10/06/2019 | 20/06/2019 | 62,316 |
| GF06 | 17/06/2019 | 03/07/2019 | 35,332 |
| | 01/07/2018 | 30/06/2019 | *1,194,602 |
| | 01/07/2017 | 30/06/2018 | 899,290 |
| | 01/07/2016 | 30/06/2017 | 1,005,240 |
| | 01/07/2015 | 30/06/2016 | 894,474 |
| | 01/07/2014 | 30/06/2015 | 620,719 |
| | 01/07/2013 | 30/06/2014 | 423,334 |
| | 01/07/2012 | 30/06/2013 | **214,255 |
| | 01/07/2011 | 30/06/2012 | - |

* An additional 144,230 tonnes of Rand and Tribune Group's share of EKJV ore were processed at the Greenfields Plant.

** An additional 65,996 tonnes of Rand and Tribune Group's share of EKJV ore were processed at the Greenfields Plant.

During the year ended 30 June 2019, 119,834.263 ounces of gold and 20,567.901 ounces of silver were credited to the Rand and Tribune Group Bullion Account.

Tribune's share of the gold bullion was 89,875.702 ounces compared to 71,063.579 ounces the previous year.

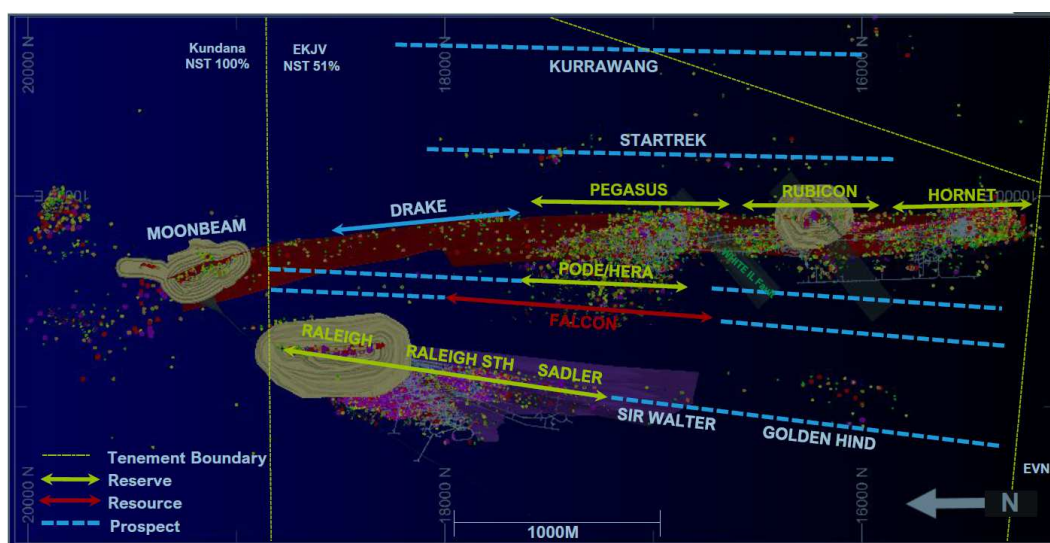
| <i>To</i> | <i>Rand and Tribune Group Bullion From</i> | <i>Gold (oz)</i> | <i>Silver (oz)</i> | <i>Tribune's share Gold (oz)</i> |
|-------------------|--|----------------------|------------------------|--|
| 01/07/2018 | 30/06/2019 | 119,834 | 20,567 | 89,875 |
| 01/07/2017 | 30/06/2018 | 94,751 | 14,690 | 71,063 |
| 01/07/2016 | 30/06/2017 | 109,451 | 20,728 | 82,088 |
| 01/07/2015 | 30/06/2016 | 103,747 | 20,647 | 77,810 |
| 01/07/2014 | 30/06/2015 | 97,420 | 21,027 | 73,065 |
| 01/07/2013 | 30/06/2014 | 79,907 | 18,854 | 59,930 |
| 01/07/2012 | 30/06/2013 | 95,554 | 17,248 | 71,665 |
| 01/07/2011 | 30/06/2012 | 61,864 | 15,841 | 46,398 |
| 01/07/2010 | 30/06/2011 | 64,716 | 8,639 | 48,537 |
| 01/07/2009 | 30/06/2010 | 77,624 | 12,019 | 58,218 |
| 01/07/2008 | 30/06/2009 | 32,478 | 4,649 | 24,358 |
| 01/07/2007 | 30/06/2008 | 59,638 | 8,048 | 44,728 |
| 01/07/2006 | 30/06/2007 | 49,335 | 6,640 | 37,001 |
| 01/07/2005 | 30/06/2006 | 25,599 | 3,951 | 19,199 |

Exploration

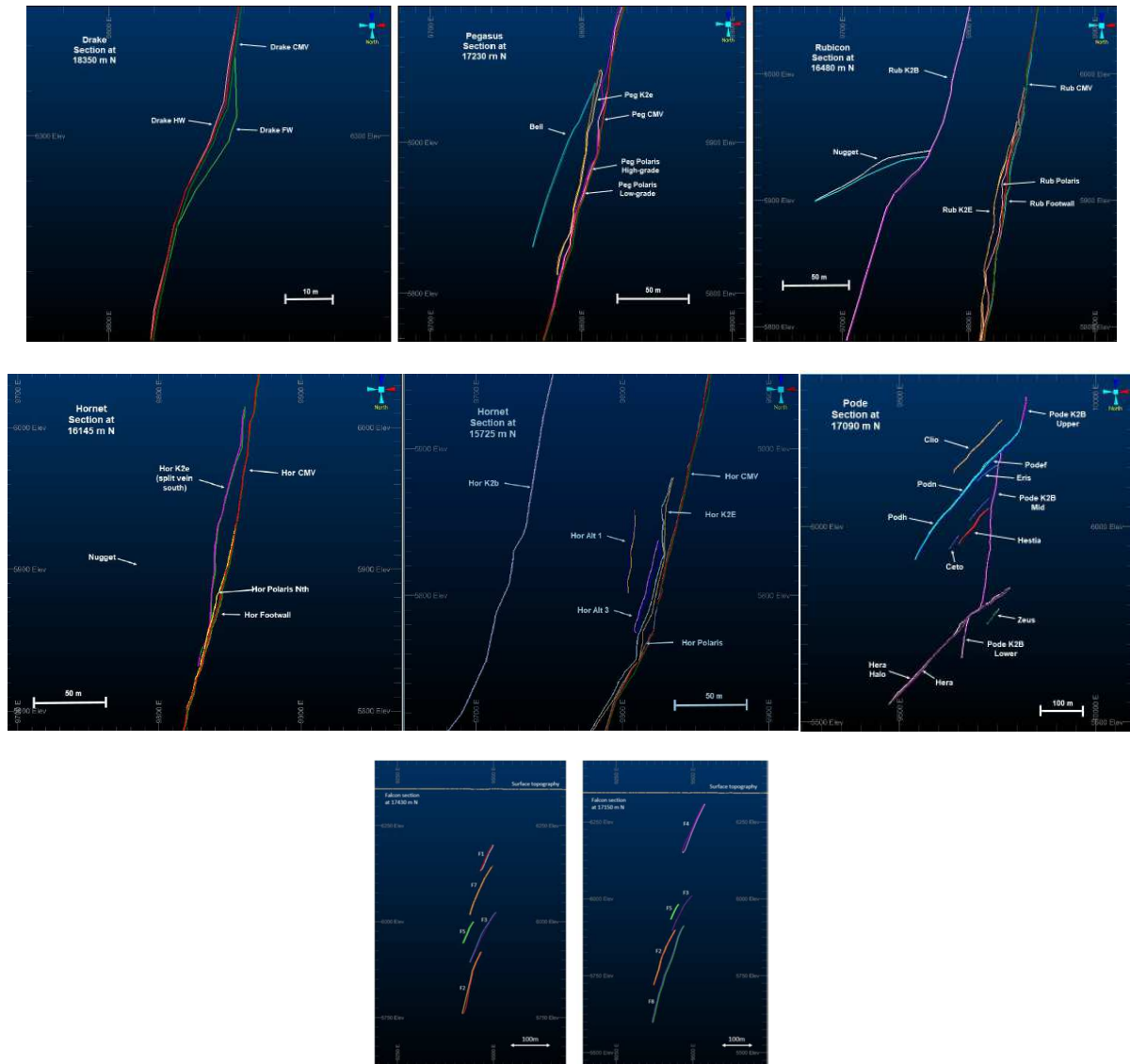
During the year ended 30 June 2019, surface diamond drilling programmes continued across the EKJV leases with a major focus on Raleigh South and Drake prospects. Underground exploration and resource definition diamond drilling programmes continued across the Rubicon-Hornet-Pegasus and Raleigh South mining complexes. The Falcon mineralised corridor has been traced for over 1.5 kilometres and remains open to north and south with extensional and in-fill resource definition drilling underway from both platforms.

Details have been reported in the EKJV Quarterly Exploration Reports released to ASX on 7 November 2018, 30 January 2019, 18 April 2019 and 24 July 2019.

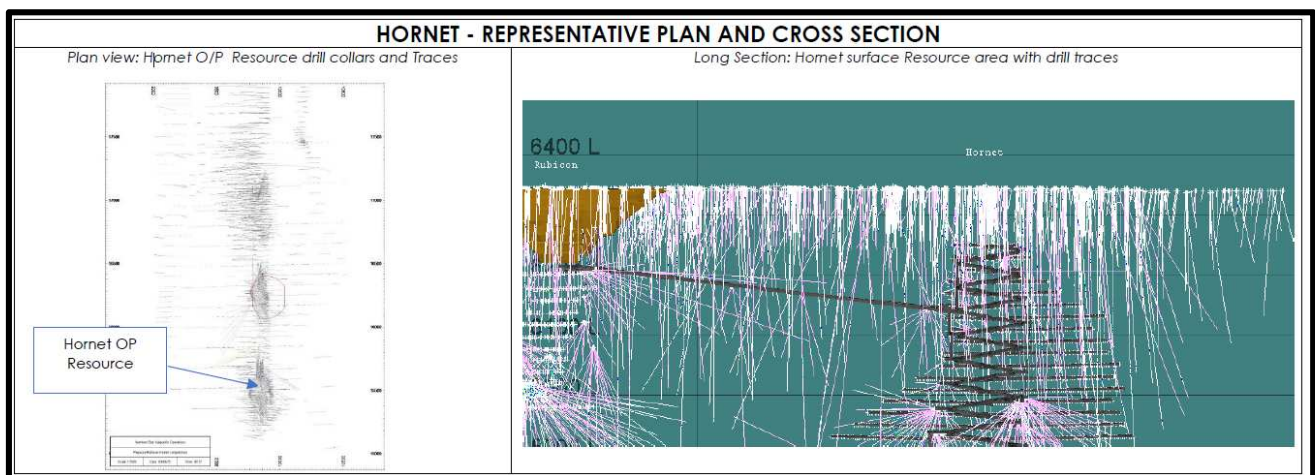
Overview of EKJV Projects



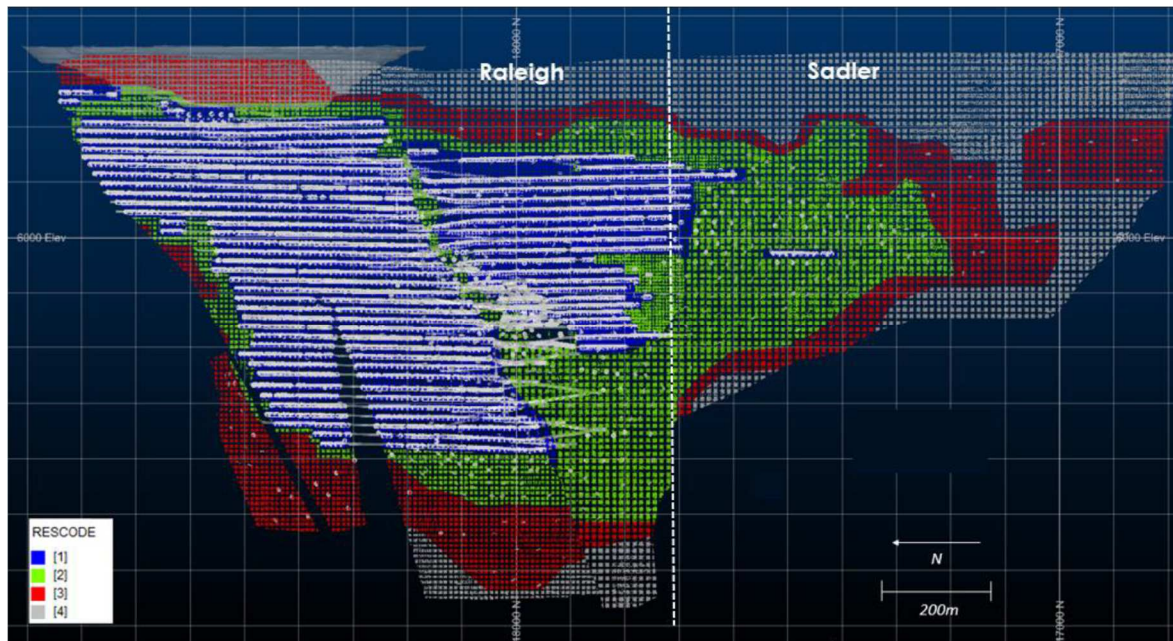
Cross section views of Drake, Pegasus, Rubicon, Hornet x 2, Podge and Falcon x 2 ore lodes



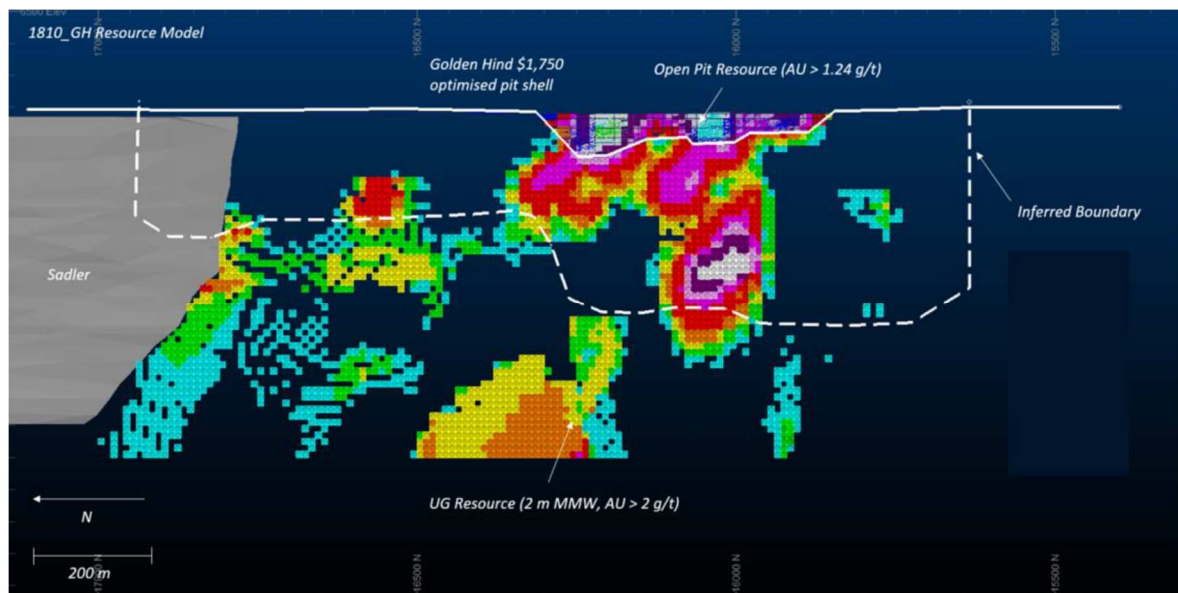
The exploration effort resulted in revised JORC compliant reserve and resource estimates released to ASX on 2 August 2019.



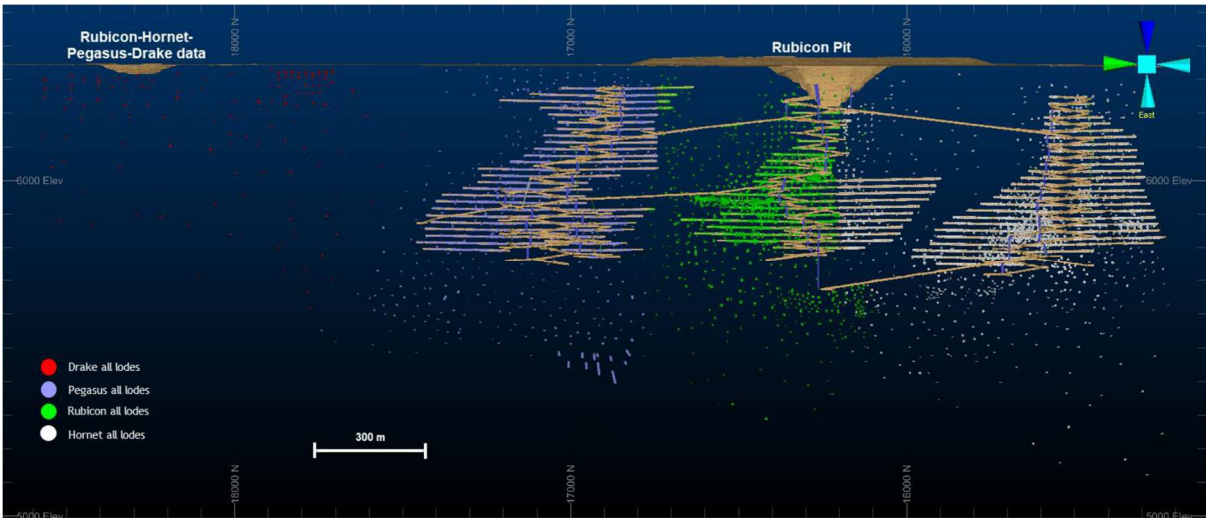
Drill hole intercepts at Raleigh



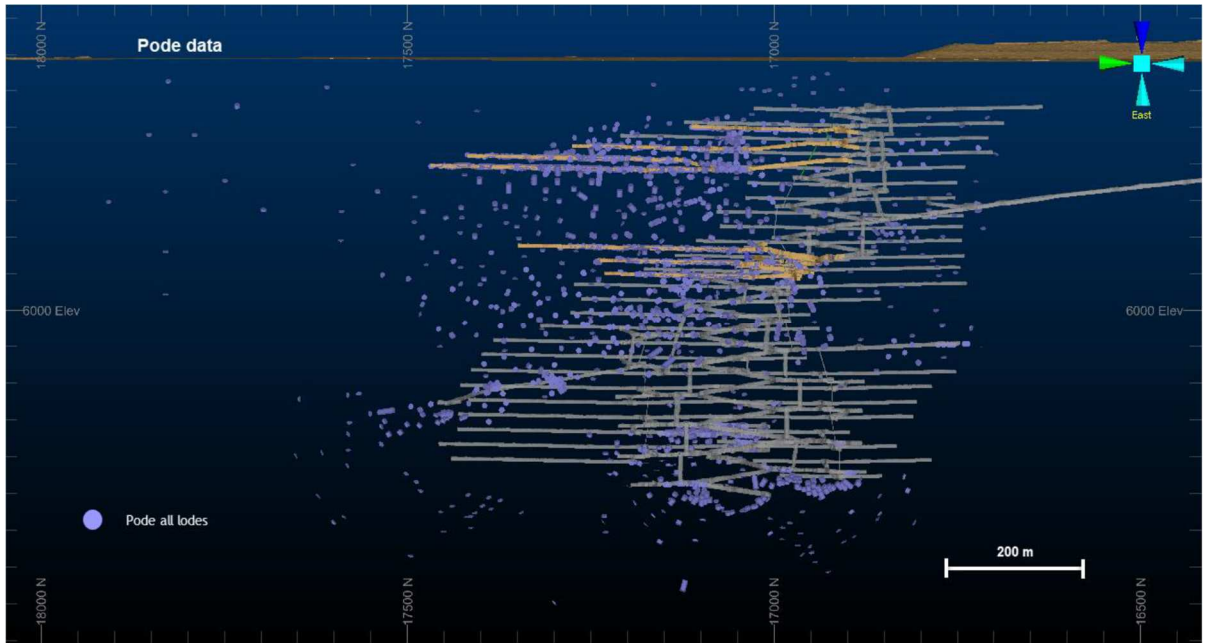
Golden Hind Resource Model



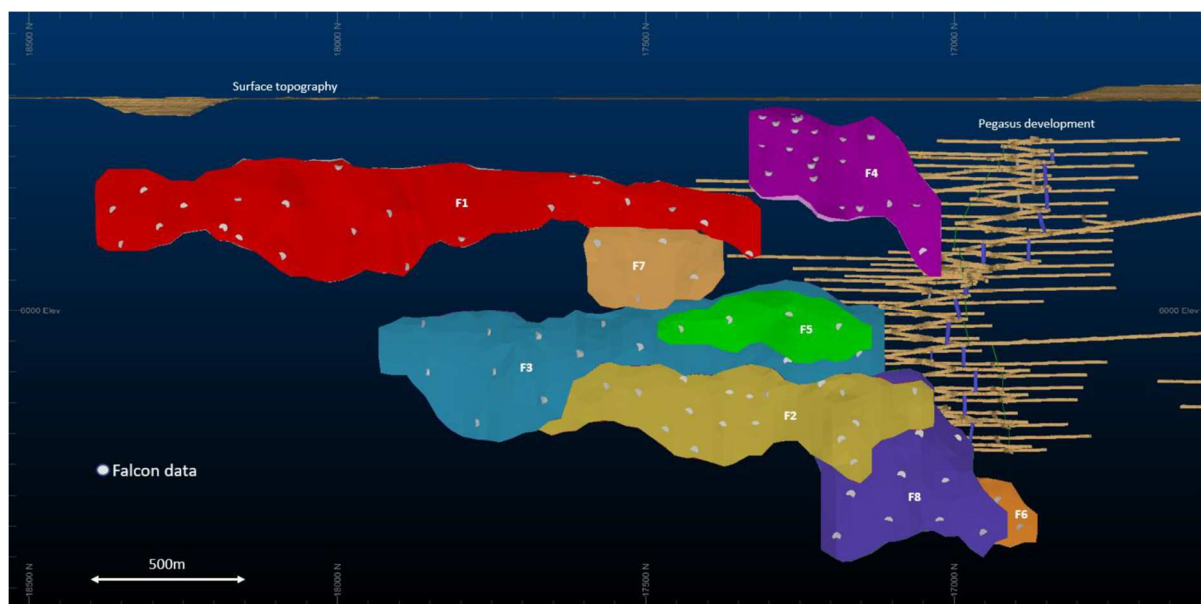
Drill hole intercepts at Pegasus, Rubicon and Hornet



Drill hole intercepts at Podge



Cross section views of Falcon lodes



The major focus of the current drilling programmes will be:

- to bring the Falcon lode to feasibility status;
- to extend the K2 hanging wall lodes to the north of Pegasus; and
- to extend the RHP hanging wall lode Hera.



West Kundana Joint Venture (Tribune's interest 24.5%)

There has been minimal activity as the bulk of the Exploration Budget is committed to approved and proposed EKJV exploration programmes.

Seven Mile Hill (Tribune's interest 50%)

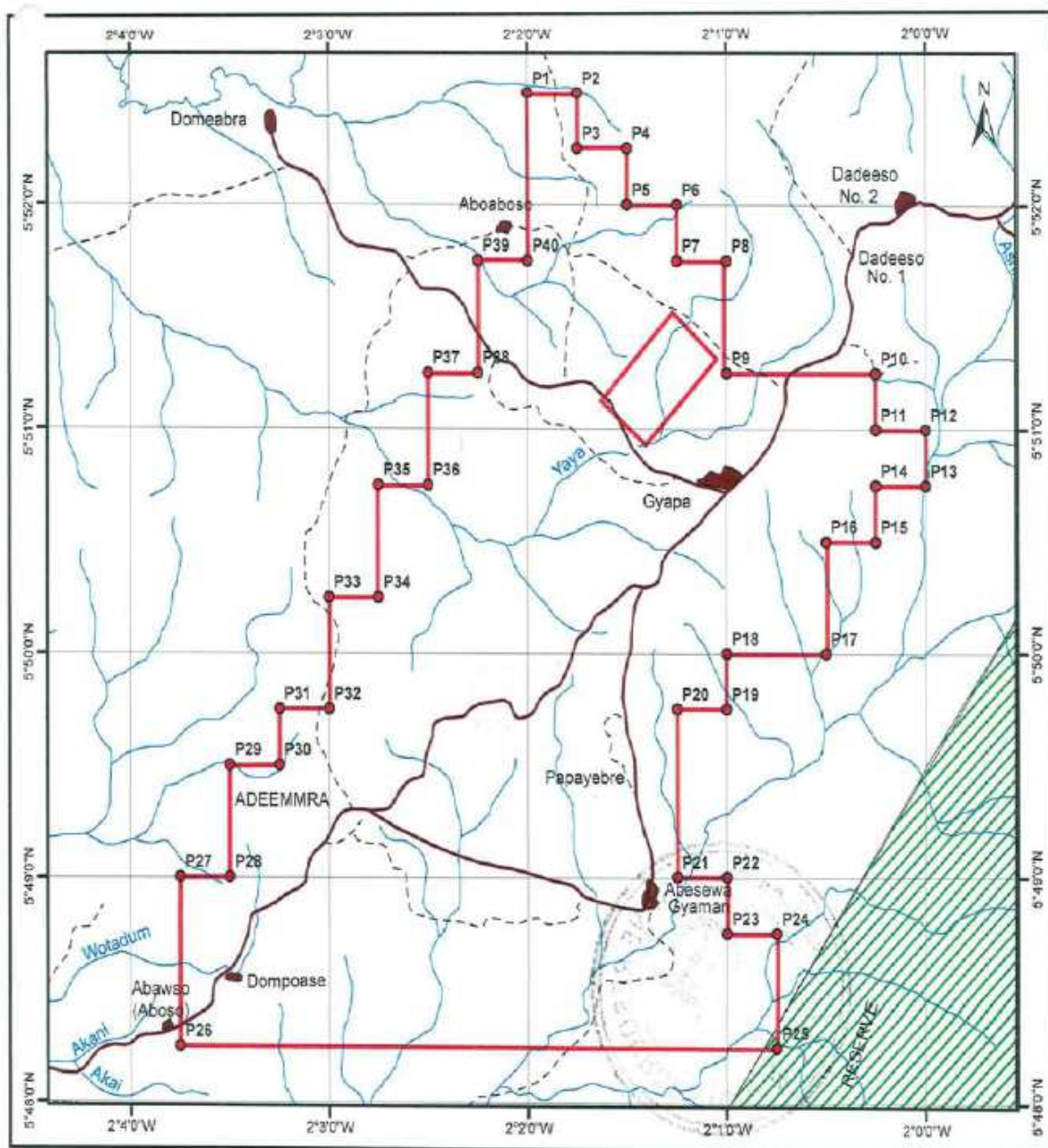
Following the evaluation of past exploration across the project area and further gold target generation work, a campaign of aircore drilling testing conceptual targets commenced in late June and will continue through July and August in addition to a programme of deep reverse circulation drilling at several advanced prospects.

Tribune Resources Ghana Limited (Tribune's interest 100%)

The Japa Gold Project is in the Western Region of Ghana, approximately 110 km South West of Kumasi, 50km South West of Obuasi, 50 km North of Tarkwa and approximately 270 km North West of Accra, capital of Ghana. The project area is centred on Wassa Akropong, the District Capital of Wassa Amenfi East District.

The Group has been exploring the Japa Concession since 2007.

The Mining Lease agreement between the Government of Ghana and Tribune Resources Ghana Limited, announced to the market on 24 July 2019, grants Tribune the exclusive gold mining rights over the delineated area for a term of 11 years.



JAPA GOLD CONCESSION

The lease covers 26.20 km² within the Akropong Belt, an offshoot of the Ashanti Belt developed within the Birimian Supergroup that hosts the most important multi-million ounce Ashanti type lode-gold deposits of West Africa. A 10% net profit interest is held by each of the Ghanaian Government and Edelmet Ltd.

Diwalwal Gold Project (Philippines)

The Diwalwal Gold Project is located approximately 120 km northeast of Davao City on Mindanao Island in the Philippines.

The region is located east of the Philippine fault system in the Southern Pacific Cordillera, which hosts a north striking band of epithermal gold deposits.

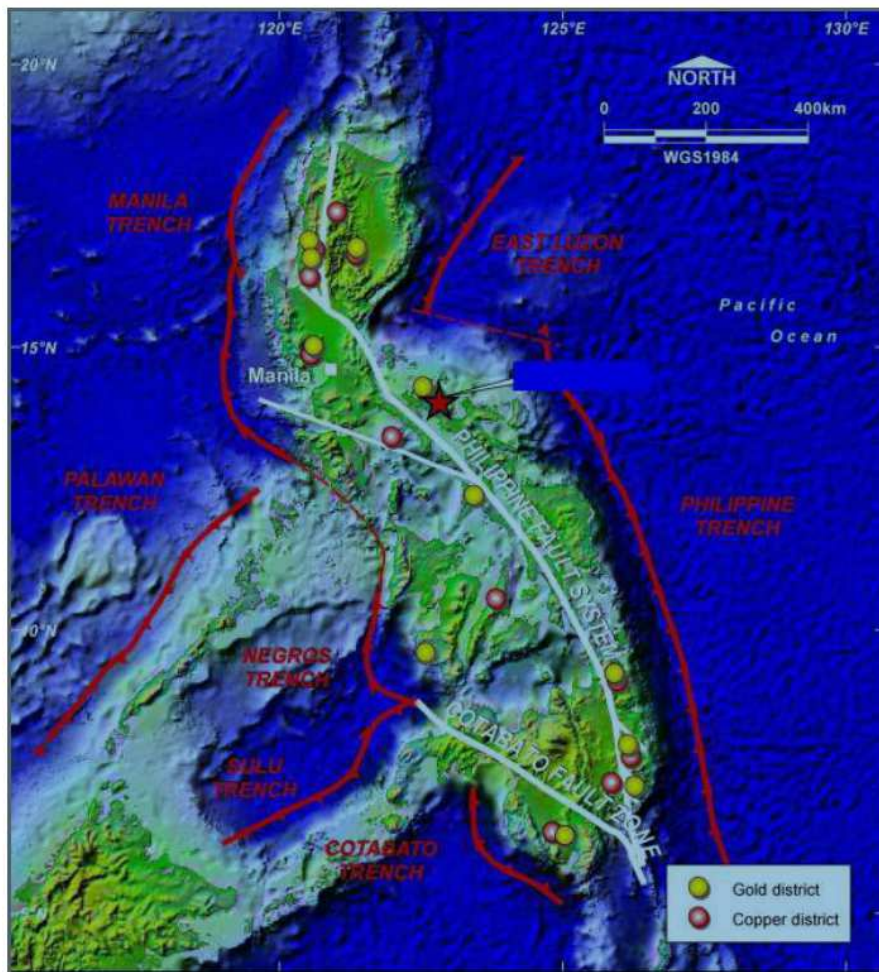
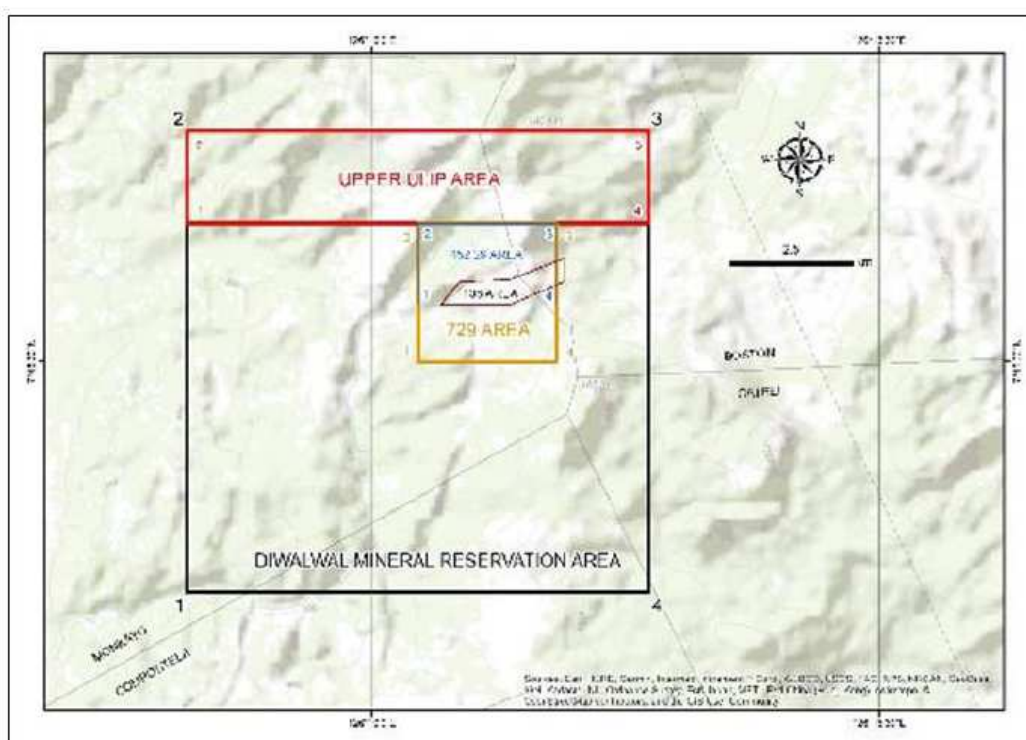


FIGURE 10: Tectonic map of the Philippines archipelago.

The Diwalwal Project area is underlain by Cretaceous to Paleogene volcanics consisting of andesitic to basaltic lavas, pyroclastics and volcanoclastics belonging to the Barcelona Formation and Miocene intrusives of the Cateel Diorite. These are unconformably overlain by a series of younger sediments. The gold mineralisation is classified as low-sulphidation epithermal type. The gold-bearing quartz veins are hosted in extensional fractures interpreted as related to a tectonic collision event which has also produced north trending thrust faults and east to east-northeast trending normal and strike-slip faults.

Tribune acquired Prometheus Developments and its right to acquire an 80% economic and 40% legal interest in three mining tenements covering the Diwalwal Gold Project.

- 1 729 Area, below 600 m Level, with the upper elevation limits of the property formerly defined as the position of the Victory Tunnel (a large adit drive).
- 2 452 Area - a portion of the 729 Area measuring 452.29 ha from 600 m Level up, with the exclusion of a portion measuring 108 ha from 750 m Level and up.
- 3 The Upper Ulip Area, covering 1,620 ha.



Tribune has completed a review and operational planning in order to commence exploration at the project.

Works associated with exploration and resource definition drilling continues:

- Civil works to concrete the access road to the Victory Tunnel 50% completed
- Diamond drilling contract tender completed, awarded to MDGI Philippines Ltd.
- Mining contract for refurbishment of Victory Tunnel out for tender
- Progress made on Community Development Plan and Environmental Management Plan submissions
- Staged recruitment of technical team to manage the works completed
- Project remains on track for the commencement of UG drilling in October 2019.

Resources and Reserves

At 30 June 2019, the EKJV's reported Mineral Resource Estimate (excluding Stockpiles but including other Reserves) is 10.97 million tonnes at 6.1 g/t Au for 2.15 million ounces (details in Table 1) and the EKJV's reported Ore Reserve Estimate (excluding Stockpiles) is 5.80 million tonnes at 5.7g/t Au for 1.06 million ounces (details in Table 2).

Comparison with the Mineral Resource Statement for the year ended 30 June 2018 shows an increase of approximately 92,000 ounces representing the following variations:

- No change in gold price from A\$1,750/oz
- Revised resource estimation methodology from June 2018
- Revised modifying factors used from June 2018
- Mining depletion at Rubicon, Hornet, Pegasus and Raleigh
- Reflects substantial drilling at Pegasus, Poda, Raleigh South, Falcon
- Maiden resource for Falcon and Golden Hind

| <i>Deposit</i> | <i>Tribune's entitlement</i> | <i>30 June 2019 from Table 1</i> | | | <i>30 June 2018 from the Annual Report 2018</i> | | |
|---|------------------------------|--------------------------------------|-----------------|-----------------|---|-----------------|-----------------|
| | | <i>(kt)</i> | <i>Au (g/t)</i> | <i>Au (koz)</i> | <i>(kt)</i> | <i>Au (g/t)</i> | <i>Au (koz)</i> |
| Raleigh U/G | 37.50% | 1,365 | 9.0 | 396 | 1,242 | 11.4 | 455 |
| Drake U/G | 36.75% | 92 | 3.7 | 11 | 445 | 2.7 | 38 |
| Pegasus U/G | 36.75% | 2,112 | 6.6 | 449 | 3,955 | 6.7 | 846 |
| Pode U/G | 36.75% | 1,823 | 7.0 | 410 | | | |
| Rubicon U/G | 36.75% | 1,481 | 5.3 | 254 | 2,160 | 5.2 | 362 |
| Hornet U/G | 36.75% | 1,580 | 4.9 | 249 | 2,023 | 4.5 | 293 |
| Hornet Pit | 36.75% | 445 | 4.1 | 58 | 684 | 3.0 | 65 |
| Golden Hind U/G | 36.75% | 477 | 5.2 | 79 | - | - | - |
| Falcon U/G | 36.75% | 1,514 | 4.8 | 234 | - | - | - |
| Falcon North U/G | 36.75% | 82 | 4.1 | 11 | - | - | - |
| EKJV Mineral Resources (excluding Stockpiles) | | 10,971 | 6.1 | 2,151 | 10,509 | 6.1 | 2,059 |

Comparison with the Ore Reserve statement for the year ended 30 June 2018 shows an decrease of approximately 177,000 ounces representing the following variations:

- No change to gold price from A\$1,500/oz
- Mining depletion at Rubicon, Hornet, Pegasus and Raleigh
- Revised cut-off grades to reflect current operations
- Increase in Ore Reserves at Pode following conversion of mine exploration success
- Decrease in Ore Reserves at Pegasus, Rubicon, Hornet and Raleigh from depletion and separation of Pode and Pegasus reserve areas.

| <i>Deposit</i> | <i>Tribune's entitlement</i> | <i>30 June 2019 from Table 2</i> | | | <i>30 June 2018 from the Annual Report 2018</i> | | |
|--|------------------------------|--------------------------------------|-----------------|-----------------|---|-----------------|-----------------|
| | | <i>(kt)</i> | <i>Au (g/t)</i> | <i>Au (koz)</i> | <i>(kt)</i> | <i>Au (g/t)</i> | <i>Au (koz)</i> |
| Raleigh U/G | 37.50% | 830 | 7.4 | 197 | 796 | 8.7 | 222 |
| Pegasus U/G | 36.75% | 1,723 | 0.6 | 313 | 3,030 | 6.6 | 644 |
| Pode U/G | 36.75% | 1,532 | 5.8 | 283 | | | |
| Rubicon U/G | 36.75% | 1,126 | 4.8 | 174 | 1,545 | 5.0 | 248 |
| Hornet U/G | 36.75% | 460 | 4.3 | 64 | 614 | 4.7 | 93 |
| Hornet Pit | 36.75% | 134 | 5.8 | 25 | 134 | 5.8 | 25 |
| EKJV Ore Reserves (excluding Stockpiles) | | 5,804 | 5.7 | 1,055 | 6,119 | 6.3 | 1,232 |

Mineral Resource and Ore Reserve Governance and Internal Controls

The Manager of the EKJV prepares the EKJV Mineral Resources and Ore Reserves on an annual basis in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) 2012 Edition. Competent Persons named by the EKJV Manager are Members or Fellows of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists, and qualify as Competent Persons as defined in the JORC Code.

The Company is represented on the EKJV Technical Committee which reviews the Mineral Resource and Ore Reserve estimates and procedures undertaken on no less than a quarterly basis. The Company's Competent Persons and consultants audit internal reviews by the EKJV Manager and external reviews by independent consultants of Mineral Resource and Ore Reserve estimates and procedures. These audits have not identified any material issues.



TABLE 1

| MINERAL RESOURCES including ORE RESERVES at 30 JUNE 2019 (subject to rounding errors) | | | | | | | | | | |
|---|-------------|----------|----------|-----------|----------|----------|----------|----------------|----------|----------|
| | ENTITLEMENT | MEASURED | | INDICATED | | INFERRED | | TOTAL RESOURCE | | |
| EKJV | (%) | (kt) | Au (g/t) | (kt) | Au (g/t) | (kt) | Au (g/t) | (kt) | Au (g/t) | Au (koz) |
| Raleigh Underground | 37.50 | 378 | 11.4 | 652 | 9.0 | 335 | 6.4 | 1,365 | 9.0 | 396 |
| Drake Underground | 36.75 | - | - | 43 | 4.0 | 49 | 3.0 | 92 | 3.7 | 11 |
| Pegasus Underground | 36.75 | 492 | 6.8 | 1,474 | 6.8 | 146 | 4.3 | 2,112 | 6.6 | 449 |
| Pode Underground | 36.75 | 372 | 9.1 | 1,186 | 6.6 | 265 | 5.7 | 1,823 | 7.0 | 410 |
| Rubicon Underground | 36.75 | 468 | 5.3 | 858 | 5.5 | 155 | 4.2 | 1,481 | 5.3 | 254 |
| Hornet Underground | 36.75 | 325 | 5.8 | 1,027 | 4.5 | 228 | 5.5 | 1,580 | 4.9 | 249 |
| Hornet Open Pit | 36.75 | - | - | 234 | 5.6 | 211 | 2.4 | 445 | 4.1 | 58 |
| Golden Hind Underground | 36.75 | - | - | - | - | 477 | 5.2 | 477 | 5.2 | 79 |
| Falcon Underground | 36.75 | - | - | - | - | 1,514 | 4.8 | 1,514 | 4.8 | 234 |
| Falcon North Underground | 36.75 | - | - | - | - | 82 | 4.1 | 82 | 4.1 | 11 |
| EKJV Mineral Resources (excluding Stockpiles) | | 2,035 | 7.6 | 5,474 | 6.3 | 3,462 | 4.9 | 10,971 | 6.1 | 2,151 |
| EKJV Stockpiles - Raleigh Ore | 37.50 | 41 | 4.2 | - | - | - | - | 41 | 4.2 | 6 |
| EKJV Stockpiles - Other Ores | 36.75 | 119 | 3.8 | - | - | - | - | 119 | 3.8 | 14 |
| R&T Stockpiles | 75.00 | 149 | 3.9 | - | - | - | - | 149 | 3.9 | 18 |

| TRIBUNE MINERAL RESOURCES including ORE RESERVES at 30 JUNE 2019 | | | | | | | | | | |
|--|-------------|----------|----------|-----------|----------|----------|----------|----------------|----------|----------|
| MINERAL RESOURCES | ENTITLEMENT | MEASURED | | INDICATED | | INFERRED | | TOTAL RESOURCE | | |
| | (%) | (kt) | Au (g/t) | (kt) | Au (g/t) | (kt) | Au (g/t) | (tk) | Au (g/t) | Au (koz) |
| Tribune | 100.00 | 922 | 6.9 | 2,017 | 6.3 | 1,275 | 4.9 | 4,213 | 6.0 | 814 |



TABLE 2

| EKJV ORE RESERVES at 30 JUNE 2019 (subject to rounding errors) | | | | | | | | |
|--|-------------|--------------|------------|--------------|------------|-------------------|------------|--------------|
| | ENTITLEMENT | PROVED | | PROBABLE | | PROVED + PROBABLE | | |
| EKJV | (%) | (kt) | Au (g/t) | (kt) | Au (g/t) | (kt) | Au (g/t) | Au (koz) |
| Raleigh Underground | 37.50 | 242 | 8.5 | 588 | 6.9 | 830 | 7.4 | 197 |
| Pegasus Underground | 36.75 | 551 | 5.3 | 1,171 | 5.8 | 1,723 | 5.6 | 313 |
| Pode Underground | 36.75 | 361 | 7.7 | 1,171 | 5.1 | 1,532 | 5.8 | 283 |
| Rubicon Underground | 36.75 | 265 | 6.4 | 861 | 4.3 | 1,126 | 4.8 | 174 |
| Hornet Underground | 36.75 | 123 | 5.2 | 337 | 4.0 | 460 | 4.3 | 64 |
| Hornet Open Pit | 36.75 | - | - | 134 | 5.8 | 134 | 5.8 | 25 |
| EKJV Ore Reserves (excluding Stockpiles) | | 1,542 | 6.6 | 4,262 | 5.3 | 5,804 | 5.7 | 1,055 |
| EKJV Stockpiles - Raleigh Ore | 37.50 | 41 | 4.2 | - | - | 41 | 4.2 | 6 |
| EKJV Stockpiles - Other Ores | 36.75 | 119 | 3.8 | - | - | 119 | 3.8 | 14 |
| R&T Stockpiles | 75.00 | 149 | 3.9 | - | - | 149 | 3.9 | 18 |

| TRIBUNE ORE RESERVES at 30 JUNE 2019 | | | | | | | | |
|--------------------------------------|-------------|--------|----------|----------|----------|-------------------|----------|----------|
| ORE RESERVES | ENTITLEMENT | PROVED | | PROBABLE | | PROVED + PROBABLE | | |
| | (%) | (kt) | Au (g/t) | (kt) | Au (g/t) | (kt) | Au (g/t) | Au (koz) |
| Tribune | 100.00 | 740 | 5.9 | 1,571 | 5.3 | 2,310 | 5.5 | 410 |

Notes to tables:

- The gold price used for the Resource calculations was AUD\$1,750/oz.
- The gold price used for the Reserve calculations was AUD\$1,500/oz.
- These tables are based on the NST Memorandum, EKJV Summary Resource and Reserve Report – 30 June 2019, lodged by TBR with ASX on 2 August 2019.
- Raleigh Ore mined from M15/993 is subject to an Ore Division Agreement whereby the Raleigh Ore is divided equally between Gilt Edge Mining and the R&T Group.

Competent Person Statements

The information in the Company's 2019 Annual Report that relates to Mineral Resource and Ore Reserve estimates for the Company's EKJV Project Areas is based on information and supporting documentation prepared by the Competent Persons referred to in the ASX announcement detailed in the footnotes to the Minerals Resources and Ore Reserves Tables (Tables) and fairly represents that information.

The Mineral Resources and Ore Reserves statement as a whole, as well as the information provided by the Competent Persons referred to in the ASX announcement detailed in the footnotes to the Tables, has been approved by Dr John Andrews, a full-time employee of the Company. Dr Andrews is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Andrews consents to the inclusion in the Company's 2019 Annual Report announcement of the matters based on this information in the form and context in which it appears.

Significant changes in the state of affairs

Takeovers Panel

The Group was involved in a Takeovers Panel (Panel) process. On 21 August 2018, the Panel received an application from Tribune shareholder R Hedley Pty Ltd in relation to the affairs of the Group. On 28 August 2018, the Panel made interim orders prohibiting the shareholders of Tribune identified in the Application from disposing, transferring, charging or otherwise dealing with their shares in Tribune. The interim orders remain in effect at the date of this report.

On 14 September 2018, the Panel made a declaration of unacceptable circumstances, finding that there has been inadequate disclosures of substantial holdings in Tribune and that the market had not been properly informed of persons who hold relevant interests in Tribune shares held by the three largest shareholders of Tribune (namely Sierra Gold Limited, Trans Global Capital Limited and Rand Mining Limited), and the associations among those. The cross-holding arrangement between Tribune and Rand Mining Limited was also the subject of the declaration. The declaration was published on 17 September 2018.

On 26 November 2018, under divestment orders by the Takeovers Panel made on 21 November 2018, 12,025,519 Rand shares in Tribune Resources Limited were vested in ASIC and sold during the year for total consideration of \$45,475,896 (net of brokerage and fees). Subsequently, Rand is no longer the registered holder of these shares and has no relevant interest under section 608(1) of the Corporations Act 2001.

Rand continue to hold 1,135,000 Tribune shares which must be sold by 26 January 2020, unless a longer period is approved by the ASX.

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

Matters subsequent to the end of the financial year

On 25 September 2019, the Company lodged the final share buy-back notice for the share buy-back that was last extended on 26 September 2018. No shares were bought back during this period.

Subsequent to the year end, the Company relinquished the following tenements relating to Seven Mile Hill, P15/5182 and P15/5183.

No other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

The Group intends to continue its exploration, development and production activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

Environmental regulation

The Group is subject to and compliant with all aspects of environmental regulation of its exploration and mining activities. The directors are not aware of any environmental law that is not being complied with.

Greenhouse gas and energy data reporting requirements

The Group is subject to the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007.

The Energy Efficiency Opportunities Act 2006 requires the Group to assess its energy usages, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the Group intends to take as a result. Due to this Act, the Group, via its participation in the EKJV has registered with the Department of Resources, Energy and Tourism as a participant entity and reports the results from its assessments.

The National Greenhouse and Energy Reporting Act 2007 require the Group, via its participation in the EKJV, to report its annual greenhouse gas emissions and energy use. The Group has previously implemented systems and processes for the collection and calculation of data.

Information on directors

Name: Otakar Demis
 Title: Non-Executive Chairman and Joint Company Secretary
 Experience and expertise: Otakar is a private investor and businessman with several years' experience as a director of the Company.
 Other current directorships: Non-Executive Chairman and Joint Company Secretary of Rand Mining Limited (ASX: RND)
 Former directorships (last 3 years): None
 Interests in shares: 12,000 ordinary shares held directly

Name: Anthony Billis
 Title: Executive Director and Managing Director
 Experience and expertise: Anthony has over 30 years' experience in gold exploration within the mining industry in Western Australia. He has been involved in the exploration and development of the Kundana project for over 25 years.
 Other current directorships: Executive Director of Rand Mining Limited (ASX: RND)
 Former directorships (last 3 years): None
 Interests in shares: 17,091,136 ordinary shares (17,351 held directly and 17,073,785 held indirectly)

Name: Gordon Sklenka
 Title: Non-Executive Director
 Qualifications: B.Comm
 Experience and expertise: Gordon has worked in Chartered Accounting, Stockbroking and Corporate Advisory in both Perth and Sydney and has in excess of 15 years' experience in corporate finance in the resources and technology industries predominantly focusing on capital raisings, initial public offerings ('IPOs'), acquisitions and project finance.
 Other current directorships: Non-Executive Director of Rand Mining Limited (ASX: RND)
 Former directorships (last 3 years): None
 Interests in shares: None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Company secretaries

Details of Mr Otakar Demis as joint company secretary can be found in the 'Information of directors' section above.

Stephen Buckley (GAICD) is joint company secretary. Stephen has 37 years' experience in financial markets having worked in both Australia and New Zealand. He is the Managing Director of Company Secretary Solutions Pty Ltd, a company specialising in providing company secretarial, corporate governance and corporate advisory services.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2019, and the number of meetings attended by each director were:

| | Full Board Attended | Held |
|-----------|------------------------|------|
| O Demis | 5 | 5 |
| A Billis | 5 | 5 |
| G Sklenka | 5 | 5 |

Held: represents the number of meetings held during the time the director held office.

The function of the Nomination and Remuneration Committee was undertaken by the Full Board.

Remuneration report (audited)

The remuneration report, which has been audited, outlines the director and key management personnel remuneration arrangements for the Group and the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Group and Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms with the market best practice for delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group and Company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group and Company.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive directors and executive directors remuneration are separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may seek the advice of independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market (refer 'use of remuneration consultants' below). There are no termination or retirement benefits for non-executive directors other than statutory superannuation.

ASX listing rules requires that the aggregate non-executive directors remuneration shall be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 30 November 2005, where the shareholders approved an aggregate remuneration of \$320,000 for Tribune Resources Limited and Rand Mining Limited.

Executive remuneration

The Group and Company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- share-based payments; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board, based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Executives can receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and adds additional value for the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the targets of those executives in charge of meeting those targets. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') currently consists of long service leave.

Group performance and link to remuneration

The directors' remuneration levels are not directly dependent upon the Group and Company's performance or any other performance conditions. However, practically, whether shareholders vote for or against an increase in the aggregate director remuneration will depend upon, amongst other things, how the Group and Company have performed.

Use of remuneration consultants

During the financial year ended 30 June 2019, the Company did not engage remuneration consultants, to review its existing remuneration policies and provide recommendations on how to improve both the STI and LTI program.

Voting and comments made at the Company's 2018 Annual General Meeting ('AGM')

At the last AGM 88.52% of the shareholders voted to adopt the remuneration report for the year ended 30 June 2018. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

The key management personnel of the Group consisted of the directors of Tribune Resources Limited and the following person:

- John Andrews - Former Manager of Kalgoorlie Operations (ceased effective 31 October 2018)

Amounts of remuneration

Details of the remuneration of the directors and other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the Group) of Tribune Resources Limited are set out in the following tables.

| | Short-term benefits | | | Post-employment benefits | Long-term benefits | Share-based payments | |
|--|----------------------|-------|---------------|--------------------------|--------------------|----------------------|---------|
| | Cash salary and fees | Bonus | Non-monetary* | Super-annuation | Leave benefits | Equity-settled | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2019 | | | | | | | |
| <i>Non-Executive Directors:</i> | | | | | | | |
| O Demis | 80,000 | - | - | 7,600 | - | - | 87,600 |
| G Sklenka*** | 231,016 | - | - | - | - | - | 231,016 |
| <i>Executive Directors:</i> | | | | | | | |
| A Billis* | 174,981 | - | 183,261 | 25,019 | - | - | 383,261 |
| <i>Other Key Management Personnel:</i> | | | | | | | |
| J Andrews** | 60,570 | - | - | 8,661 | - | - | 69,231 |
| | 546,567 | - | 183,261 | 41,280 | - | - | 771,108 |

* Includes car and housing plus applicable fringe benefits tax payable on benefits

** Remuneration is from 1 July 2018 to date of resignation as key management personnel

*** Directors fees for the period were \$60,000. Mr Sklenka was paid an additional \$171,016 in consulting fees.

| | Short-term benefits | | | Post-employment benefits | Long-term benefits | Share-based payments | |
|--|----------------------|--------|---------------|--------------------------|--------------------|----------------------|-----------|
| | Cash salary and fees | Bonus | Non-monetary* | Super-annuation | Leave benefits | Equity-settled | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2018 | | | | | | | |
| <i>Non-Executive Directors:</i> | | | | | | | |
| O Demis | 80,000 | - | - | 7,600 | - | - | 87,600 |
| G Sklenka | 60,000 | - | - | - | - | - | 60,000 |
| <i>Executive Directors:</i> | | | | | | | |
| A Billis* | 258,869 | 18,866 | 174,345 | 25,019 | - | - | 477,099 |
| <i>Other Key Management Personnel:</i> | | | | | | | |
| L Vaughan** | 161,427 | 18,866 | - | 17,128 | - | - | 197,421 |
| R Berzins | 60,000 | - | - | - | - | - | 60,000 |
| J Andrews | 223,181 | 18,866 | - | 25,019 | - | - | 267,066 |
| | 843,477 | 56,598 | 174,345 | 74,766 | - | - | 1,149,186 |

* Includes car and housing plus applicable fringe benefits tax payable on benefits

** Remuneration is from 1 July 2017 to date of resignation as key management personnel

The proportion of remuneration linked to performance and the fixed proportion are as follows:

| Name | Fixed remuneration | | At risk - STI | | At risk - LTI | |
|--|--------------------|------|---------------|------|---------------|------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| <i>Non-Executive Directors:</i> | | | | | | |
| O Demis | 100% | 100% | - | - | - | - |
| G Sklenka | 100% | 100% | - | - | - | - |
| <i>Executive Directors:</i> | | | | | | |
| A Billis | 100% | 96% | - | 4% | - | - |
| <i>Other Key Management Personnel:</i> | | | | | | |
| L Vaughan | - | 90% | - | 10% | - | - |
| R Berzins | - | 100% | - | - | - | - |
| J Andrews | 100% | 93% | - | 7% | - | - |

There was a cash bonus of \$nil (2018: \$56,598) paid during the financial year ended 30 June 2019 which was paid at the discretion of the Board and was not performance related.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

| | |
|--------------------|---|
| Name: | Anthony Billis |
| Title: | Executive Director, Managing Director and Chief Executive Officer |
| Term of agreement: | Ongoing |
| Details: | Base salary, inclusive of superannuation, for the year ended 30 June 2019 of \$200,000 to be reviewed annually by the Board. During the year Mr Billis received an additional \$183,261 in fringe benefits which was approved by the Board. |
| Name: | John Andrews |
| Title: | Former Manager of Kalgoorlie Operations (ceased effective 31 October 2018) |
| Term of agreement: | Ongoing |
| Details: | Base salary, inclusive of superannuation for the year ended 30 June 2019 of \$69,231 plus motor vehicle benefit through the use of a pooled company car. |

Key management personnel have no entitlement to termination payments in the event of removal for misconduct. There is no provision for any other termination payments.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2019.

Additional information

The earnings of the Group for the five years to 30 June 2019 are summarised below:

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------|-------------|-------------|-------------|-------------|------------|
| | \$ | \$ | \$ | \$ | \$ |
| Sales revenue | 364,248,049 | 179,690,800 | 136,238,700 | 117,680,175 | 87,540,679 |
| EBITDA | 155,490,176 | 95,640,396 | 79,775,760 | 74,614,105 | 49,803,942 |
| EBIT | 135,000,505 | 79,691,440 | 63,824,925 | 57,882,049 | 20,009,035 |
| Profit after income tax | 72,264,057 | 54,424,492 | 43,688,873 | 39,233,490 | 11,091,653 |

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|--------|-------|-------|-------|---------|
| Share price at financial year end (\$) | 5.45 | 6.35 | 7.28 | 7.52 | 3.99 |
| Total dividends declared (cents per share) | 505.00 | - | 20.00 | - | - |
| Basic earnings per share (cents per share) | 65.23 | 84.17 | 68.93 | 61.40 | 14.00 |
| Diluted earnings per share (cents per share) | 65.23 | 84.17 | 68.93 | 61.40 | 14.00 |
| Share buy-back (\$) | - | - | - | - | 558,534 |

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

| | Balance at the start of the year | Received as part of remuneration | Additions | Disposals/ other | Balance at the end of the year |
|------------------------|----------------------------------|----------------------------------|-----------|------------------|--------------------------------|
| <i>Ordinary shares</i> | | | | | |
| O Demis | 12,000 | - | - | - | 12,000 |
| A Billis* | 17,091,136 | - | - | - | 17,091,136 |
| | <u>17,103,136</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>17,103,136</u> |

* Balance at start of year is after correcting disclosure notice issued on 27 December 2018.

Loans to key management personnel and their related parties

There were no loans to or from key management personnel and their related parties at the current reporting date.

Other transactions with key management personnel and their related parties

The following transactions occurred with related parties:

| | Consolidated 2019 \$ |
|--|-------------------------------------|
| Payment for other expenses: | |
| Payment of royalties to Lake Grace Exploration Pty Ltd via the East Kundana Joint Venture* | 121,851 |
| Payment for consulting fees to Lake Grace Exploration Pty Ltd* | 19,852 |
| Payment for executive accommodation fees to Lake Grace Exploration Pty Ltd* | 81,000 |
| Reimbursement of operating expenses to Iron Resources Liberia Ltd* | 473,410 |

* An entity in which Anthony Billis is a director

All transactions were made on normal commercial terms and conditions and at market rates.

This concludes the remuneration report, which has been audited.

Indemnity and insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against liabilities that may arise from an officers' position with the exception of insolvency, conduct involving a wilful breach in relation to the Company, or a contravention of section 182 or 183 of the Corporations Act 2001, an entity that is involved in any joint venture or, partnership or enterprise carried on in common with the Company, outside directorships, any outside entity or non-profit outside entity or any vehicle or entity established to conduct such joint venture partnership or enterprise. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

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

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 34 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 34 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of RSM Australia Partners

There are no officers of the Company who are former partners of RSM Australia Partners.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Anthony Billis
Director

30 September 2019
Perth

RSM Australia Partners

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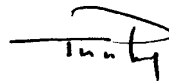
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Tribune Resources Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 30 September 2019

Tribune Resources Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019



| | Note | Consolidated 2019 \$ | 2018 \$ |
|--|-------------|-------------------------------------|--------------------|
| Revenue | 5 | 364,677,724 | 179,928,524 |
| Share of losses of associates accounted for using the equity method | | (647,299) | - |
| Other income | 6 | (183,706) | 59,290 |
| Interest revenue calculated using the effective interest method | | 182,255 | 86,687 |
| Gain on revaluation of equity instruments at fair value through profit or loss | 13 | - | 488,665 |
| Expenses | | | |
| Changes in inventories | | (62,834,352) | 14,988,580 |
| Employee benefits expense | | (1,963,800) | (1,469,597) |
| Management fees | | (1,947,029) | (1,920,563) |
| Depreciation and amortisation expense | 7 | (20,489,671) | (15,948,956) |
| Impairment of assets | 7 | (2,253,260) | (128,667) |
| Administration expenses | | (6,953,092) | - |
| Exploration and evaluation expense | | (32,569,281) | (3,693,930) |
| Mining expenses | | (66,972,288) | (65,253,517) |
| Processing expenses | | (27,322,660) | (18,392,035) |
| Royalty expenses | | (5,419,387) | (4,124,415) |
| Foreign currency losses | | (121,394) | (83,984) |
| Other expenses | | - | (4,757,955) |
| Finance costs | 7 | (284,343) | (175,083) |
| Profit before income tax expense | | 134,898,417 | 79,603,044 |
| Income tax expense | 8 | (62,634,360) | (25,178,552) |
| Profit after income tax expense for the year | | 72,264,057 | 54,424,492 |
| Other comprehensive income | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | |
| Loss on revaluation of land and buildings, net of tax | | (97,797) | - |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | |
| Foreign currency translation | | (209,855) | (101,751) |
| Other comprehensive income for the year, net of tax | | (307,652) | (101,751) |
| Total comprehensive income for the year | | 71,956,405 | 54,322,741 |
| Profit for the year is attributable to: | | | |
| Non-controlling interest | | 37,612,633 | 12,336,862 |
| Owners of Tribune Resources Limited | 28 | 34,651,424 | 42,087,630 |
| | | 72,264,057 | 54,424,492 |
| Total comprehensive income for the year is attributable to: | | | |
| Non-controlling interest | | 37,567,440 | 12,321,918 |
| Owners of Tribune Resources Limited | | 34,388,965 | 42,000,823 |
| | | 71,956,405 | 54,322,741 |

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

Tribune Resources Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019



| | Note | Consolidated | |
|----------------------------|-------------|---------------------|--------------|
| | | 2019 | 2018 |
| | | \$ | \$ |
| | | Cents | Cents |
| Basic earnings per share | 43 | 65.23 | 84.17 |
| Diluted earnings per share | 43 | 65.23 | 84.17 |

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

Tribune Resources Limited
Statement of financial position
As at 30 June 2019



| | Note | Consolidated 2019 \$ | 2018 \$ |
|--|-------------|-------------------------------------|---------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 9 | 59,159,401 | 13,163,405 |
| Trade and other receivables | 10 | 5,388,616 | 2,263,384 |
| Inventories | 11 | 140,310,215 | 203,144,569 |
| Total current assets | | <u>204,858,232</u> | <u>218,571,358</u> |
| Non-current assets | | | |
| Financial assets at fair value through profit or loss | 13 | 395,486 | 2,159,756 |
| Property, plant and equipment | 14 | 55,952,730 | 49,998,448 |
| Exploration and evaluation | 15 | 4,836,259 | 4,167,497 |
| Mine development | 16 | 44,128,064 | 37,770,155 |
| Deferred tax | 17 | 7,362,261 | 6,826,347 |
| Total non-current assets | | <u>112,674,800</u> | <u>100,922,203</u> |
| Total assets | | <u>317,533,032</u> | <u>319,493,561</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 18 | 19,127,919 | 20,092,763 |
| Borrowings | 19 | 3,649,621 | 2,995,793 |
| Income tax | 20 | 36,796,507 | 1,231,006 |
| Provisions | 21 | 111,974 | 9,804 |
| Total current liabilities | | <u>59,686,021</u> | <u>24,329,366</u> |
| Non-current liabilities | | | |
| Borrowings | 22 | 2,033,656 | 3,291,417 |
| Deferred tax | 23 | 10,835,635 | 7,830,058 |
| Provisions | 24 | 1,093,183 | 976,413 |
| Total non-current liabilities | | <u>13,962,474</u> | <u>12,097,888</u> |
| Total liabilities | | <u>73,648,495</u> | <u>36,427,254</u> |
| Net assets | | <u><u>243,884,537</u></u> | <u><u>283,066,307</u></u> |
| Equity | | | |
| Contributed equity | 25 | 73,080,910 | 11,059,778 |
| Treasury shares | 26 | (2,270,000) | (10,749,765) |
| Reserves | 27 | (742,321) | 3,248,643 |
| Retained profits | 28 | 121,607,621 | 223,509,035 |
| Equity attributable to the owners of Tribune Resources Limited | | <u>191,676,210</u> | <u>227,067,691</u> |
| Non-controlling interest | 29 | 52,208,327 | 55,998,616 |
| Total equity | | <u><u>243,884,537</u></u> | <u><u>283,066,307</u></u> |

The above statement of financial position should be read in conjunction with the accompanying notes

Tribune Resources Limited
Statement of changes in equity
For the year ended 30 June 2019



| Consolidated | Contributed equity \$ | Treasury shares \$ | Reserves \$ | Retained profits \$ | Non-controlling interest \$ | Total equity \$ |
|---|----------------------------------|-------------------------------|------------------------|--------------------------------|--|----------------------------|
| Balance at 1 July 2017 | 11,059,778 | (10,749,765) | 3,534,350 | 175,660,010 | 43,949,398 | 223,453,771 |
| Profit after income tax expense for the year | - | - | - | 42,087,630 | 12,336,862 | 54,424,492 |
| Other comprehensive income for the year, net of tax | - | - | (86,807) | - | (14,944) | (101,751) |
| Total comprehensive income for the year | - | - | (86,807) | 42,087,630 | 12,321,918 | 54,322,741 |
| <i>Transactions with owners in their capacity as owners:</i> | | | | | | |
| Dividends received | - | - | - | 5,289,795 | - | 5,289,795 |
| Transfers | - | - | - | 272,700 | (272,700) | - |
| Transfers to retained earnings on early adoption of AASB 9 (refer note 2) | - | - | (198,900) | 198,900 | - | - |
| Balance at 30 June 2018 | <u>11,059,778</u> | <u>(10,749,765)</u> | <u>3,248,643</u> | <u>223,509,035</u> | <u>55,998,616</u> | <u>283,066,307</u> |
| Consolidated | Contributed equity \$ | Treasury shares \$ | Reserves \$ | Retained profits \$ | Non-controlling interest \$ | Total equity \$ |
| Balance at 1 July 2018 | 11,059,778 | (10,749,765) | 3,248,643 | 223,509,035 | 55,998,616 | 283,066,307 |
| Adjustment for correction of error in Rand Mining Limited | - | - | (3,728,505) | - | 3,728,505 | - |
| Balance at 1 July 2018 - restated | 11,059,778 | (10,749,765) | (479,862) | 223,509,035 | 59,727,121 | 283,066,307 |
| Profit after income tax expense for the year | - | - | - | 34,651,424 | 37,612,633 | 72,264,057 |
| Other comprehensive income for the year, net of tax | - | - | (262,459) | - | (45,193) | (307,652) |
| Total comprehensive income for the year | - | - | (262,459) | 34,651,424 | 37,567,440 | 71,956,405 |
| <i>Transactions with owners in their capacity as owners:</i> | | | | | | |
| Contributions of equity, net of transaction costs (note 25) | 25,025,000 | - | - | - | - | 25,025,000 |
| Proceeds of sale of Tribune shares by Rand | 45,475,897 | - | - | - | - | 45,475,897 |
| Sale of Tribune shares by Rand | (8,479,765) | 8,479,765 | - | - | - | - |
| Transfers | - | - | - | (235,576) | 235,576 | - |
| Dividends received | - | - | - | 84,572,555 | - | 84,572,555 |
| Dividends paid (note 30) | - | - | - | (220,889,817) | (45,321,810) | (266,211,627) |
| Balance at 30 June 2019 | <u>73,080,910</u> | <u>(2,270,000)</u> | <u>(742,321)</u> | <u>121,607,621</u> | <u>52,208,327</u> | <u>243,884,537</u> |

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

Tribune Resources Limited
Statement of cash flows
For the year ended 30 June 2019



| | Note | Consolidated 2019 \$ | 2018 \$ |
|--|-------------|-------------------------------------|--------------------|
| Cash flows from operating activities | | | |
| Receipts from customers (inclusive of GST) | | 364,769,724 | 179,888,991 |
| Payments to suppliers and employees (inclusive of GST) | | (112,854,814) | (99,158,022) |
| | | 251,914,910 | 80,730,969 |
| Interest received | | 114,416 | 41,811 |
| Interest and other finance costs paid | | (293,398) | (175,083) |
| Income taxes paid | | (24,093,629) | (27,335,676) |
| Net cash from operating activities | 42 | 227,642,299 | 53,262,021 |
| Cash flows from investing activities | | | |
| Payments for investments | | - | (1,100,000) |
| Payments for property, plant and equipment | | (11,782,677) | (12,542,376) |
| Payments for exploration and evaluation | | (8,547,409) | (4,655,310) |
| Payments for mine development | | (18,426,636) | (21,817,641) |
| Proceeds from disposal of property, plant and equipment | | 233,239 | 59,289 |
| Net cash used in investing activities | | (38,523,483) | (40,056,038) |
| Cash flows from financing activities | | | |
| Repayment of borrowings | | (3,932,700) | (2,688,804) |
| Loans to other entities | | - | (106,231) |
| Net dividends paid | | (181,639,072) | (10,725,672) |
| Proceeds from share sale | | 42,448,952 | - |
| Net cash used in financing activities | | (143,122,820) | (13,520,707) |
| Net increase/(decrease) in cash and cash equivalents | | 45,995,996 | (314,724) |
| Cash and cash equivalents at the beginning of the financial year | | 13,163,405 | 13,480,123 |
| Effects of exchange rate changes on cash and cash equivalents | | - | (1,994) |
| Cash and cash equivalents at the end of the financial year | 9 | 59,159,401 | 13,163,405 |

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

Note 1. General information

The financial statements cover Tribune Resources Limited as a Group consisting of Tribune Resources Limited ('Company', 'parent entity' or 'Tribune') and the entities it controlled at the end of, or during, the year (referred to in these financial statements as the 'Group'). The financial statements are presented in Australian dollars, which is Tribune Resources Limited's functional and presentation currency.

Tribune Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite G1, 49 Melville Parade
South Perth WA 6151

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2019. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year ended 30 June 2019.

Other than AASB 9 'Financial Instruments' which was early adopted in the prior financial year, no other new or amended Australian Accounting Standards and Interpretations that are issued, but not yet effective, have been early adopted.

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

AASB 15 Revenue from Contracts with Customers

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

The Group adopted this standard from 1 July 2018 and there was no material impact on the transaction date, 1 July 2018, and balances recognised in the financial statements as a result of this adoption.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Note 2. Significant accounting policies (continued)

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 38.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Tribune Resources Limited as at 30 June 2019 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Tribune Resources Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

Note 2. Significant accounting policies (continued)

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of gold

Sale of gold revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Note 2. Significant accounting policies (continued)

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

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

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

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Inventories are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Cost is determined on the following basis:

- gold on hand is valued on an average total production cost method;
- ore stockpiles are valued at the average cost of mining and stockpiling the ore, including haulage; and
- a proportion of related depreciation and amortisation charge is included in the cost of inventory.

Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Note 2. Significant accounting policies (continued)

Other entities

Interest in entities that do not meet the classification as a joint venture or joint operations but has similar characteristics to a joint operation are recognised by the Group by bringing to account its share of the entity's assets, liabilities, revenues and expenses under the relevant accounting standards for those assets, liabilities, revenues and expenses.

Investments and other financial assets

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

Financial assets at fair value through other comprehensive income

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

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Assets held at fair value through profit and loss ('FVTPL')

Listed shares held by the Group that are traded in an active market are measured at (FVTPL).

The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices. Gains and losses arising from changes in fair value are recognised in profit and loss. Dividends are recognised in profit or loss when the Group's right to receive the dividends is established.

Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every three years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

| | |
|----------------------------|-----------------|
| Buildings | 14 - 24 years |
| Plant and equipment | 2.5 - 6.7 years |
| Motor vehicles | 5 years |
| Mining plant and equipment | 10 years |

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 2. Significant accounting policies (continued)

Mining plant and equipment and construction work in progress

Mining plant and equipment and construction work in progress is carried at cost which includes acquisition, transportation, installation, and commissioning costs. Costs also include present value of decommissioning costs and finance charges capitalised during the construction period where such expenditure is financed by borrowings. Costs are not depreciated until such time as the asset has been completed ready for use.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Intangible assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Exploration and evaluation

Exploration and evaluation expenditures are typically expensed, unless it can be demonstrated that the related expenditures will generate a future economic benefit, in which case these costs are capitalised.

Examples of common exploration and evaluation activities include, but are not limited to:

Exploration activities which primarily consist of expenditures relating to drilling programs and include, but are not limited to:

- Researching and analysing existing exploration data;
- Conducting geological mapping studies; and
- Exploratory drilling and sampling including:
 - Taking core samples for analysis (assay work);
 - Sinking exploratory shafts;
 - Opening shallow pits; and
 - Drilling to determine volume and grade of deposits in an area known to contain mineral resources, or for the purpose of converting mineral resources into proven and probable reserves.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount the asset exceeds its recoverable amount. Where the carrying amount is assessed as exceeding recoverable amount, the excess is recognised as an impairment expense in the profit or loss.

Note 2. Significant accounting policies (continued)

Mine development assets

Capitalised mine development costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mining development also includes costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of mine development is computed by the units of production basis over the estimated proved and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. The percentage is reviewed annually. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

Restoration costs expected to be incurred are provided for as part of development phase that give rise to the need for restoration.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Site rehabilitation

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land, is recognised when the land is contaminated.

The amount of the provision for future restoration costs is capitalised and is depreciated in accordance with the property, plant and equipment policy. The unwinding of the effect of discounting on the provision is recognised as a finance cost.

Note 2. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high-quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Contributed capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Tribune Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Note 2. Significant accounting policies (continued)

Diluted earnings per share

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

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Except for AASB 9 as noted above, other Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2019. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

The Group will adopt this standard from 1 July 2019. Information on the undiscounted amount of the Group's operating lease commitments under AASB 117, the current leasing standard, is disclosed in note 36. The Group is considering the available options for transition. To date, work has focused on the identification of the provisions of the standard which will most impact the Group and the next phase is a detailed review of the contracts and the financial reporting impact of AASB 16.

The impact at 1 July 2019, on the basis that the right-of-use assets are measured or transition at the amount of lease liability on adoption, would be to recognise a right-of-use asset of \$198,168 and a lease liability of \$198,168.

Note 2. Significant accounting policies (continued)

New Conceptual Framework for Financial Reporting

A revised Conceptual Framework for Financial Reporting has been issued by the AASB and is applicable for annual reporting periods beginning on or after 1 January 2020. This release impacts for-profit private sector entities that have public accountability that are required by legislation to comply with Australian Accounting Standards and other for-profit entities that voluntarily elect to apply the Conceptual Framework. Phase 2 of the framework is yet to be released which will impact for-profit private sector entities. The application of new definition and recognition criteria as well as new guidance on measurement will result in amendments to several accounting standards. The issue of AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework, also applicable from 1 January 2020, includes such amendments. Where the Group has relied on the conceptual framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under Australian Accounting Standards, the Group may need to revisit such policies. The Group will apply the revised conceptual framework from 1 July 2020 and is yet to assess its impact.

Other standards and interpretations

The directors have also reviewed all other new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2019. As a result of this review the directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change is necessary to Group accounting policies. These accounting policies are consistent with Australian Accounting Standards and with International Reporting Standards.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Carrying value of mine development assets

Mine development assets are amortised using the unit of production ('UOP') method where the mine operating plan calls for production from well-defined mineral reserves.

The calculation of UOP rate of amortisation could be impacted to the extent that actual production in the future is different from the current forecast production based on proved and probable mineral reserves. This would generally result to the extent that there are significant changes in any of the factors or assumptions used in estimating mineral reserves. These factors could include:

- Change in proved and probable reserves;
- The grade of mineral reserves may vary significantly from time to time;
- Differences between actual commodity prices and commodity prices assumption;
- Unforeseen operational issues at mine site;
- Changes in capital, operating, mining, processing and reclamation costs, discount rates; and
- Changes in mineral reserves could similarly impact the useful lives of the assets depreciated on a straight line basis, where those lives are limited to the life of the mine.

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared for future cash flows the mining assets. Expected future cash flows used to determine the value-in-use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as spot gold prices, discount rates, estimates of costs to produce reserves and future capital expenditure. In the opinion of the directors, there are no indicators of impairment at the reporting date.

Note 4. Operating segments

Identification of reportable operating segments

The Group is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

Types of products and services

The principal products and services of this operating segment are the mining and exploration operations in Australia, including the East Kundana and West Kundana Joint Ventures with Northern Star Resources Ltd, and West Africa.

Major customers

During the year ended 30 June 2019 approximately 100% (2018: 100%) of the Group's external revenue was derived from sales to one customer.

Operating segment information

As noted above, the Board only considers one segment to be a reportable segment for its reporting purposes. As such, the reportable information the CODM reviews is detailed throughout the financial statements.

Note 5. Revenue

| | Consolidated | |
|--|---------------------------|---------------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| <i>Revenue from contracts with customers</i> | | |
| Sales of gold | 364,248,049 | 179,690,800 |
| <i>Other revenue</i> | | |
| Rent | 15,267 | 154,215 |
| Other revenue | 414,408 | 83,509 |
| | <u>429,675</u> | <u>237,724</u> |
| Revenue | <u><u>364,677,724</u></u> | <u><u>179,928,524</u></u> |

Disaggregation of revenue

All sales of gold were made in Australia and recognised as point in time revenue.

Note 6. Other income

| | Consolidated | |
|--|-------------------------|----------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Net (loss)/gain on disposal of property, plant and equipment | <u><u>(183,706)</u></u> | <u><u>59,290</u></u> |

Note 7. Expenses

| | Consolidated | |
|--|---------------------|-------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Profit before income tax includes the following specific expenses: | | |
| <i>Depreciation</i> | | |
| Buildings | 357,590 | 373,469 |
| Plant and equipment | 48,780 | 61,006 |
| Motor vehicles | 52,046 | 53,729 |
| Mining plant and equipment | 7,962,530 | 5,977,094 |
| Total depreciation | 8,420,946 | 6,465,298 |
| <i>Amortisation</i> | | |
| Mine development | 12,068,725 | 9,483,658 |
| Total depreciation and amortisation | 20,489,671 | 15,948,956 |
| <i>Impairment</i> | | |
| Trade and other receivables | 488,990 | 128,667 |
| Financial assets | 1,764,270 | - |
| Total impairment | 2,253,260 | 128,667 |
| <i>Finance costs</i> | | |
| Interest and finance charges paid/payable | 284,343 | 175,083 |
| <i>Rental expense relating to operating leases</i> | | |
| Minimum lease payments | 103,574 | 201,859 |
| <i>Superannuation expense</i> | | |
| Defined contribution superannuation expense | 97,869 | 85,544 |

Note 8. Income tax expense

| | Consolidated | |
|--|---------------------|-------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| <i>Income tax expense</i> | | |
| Current tax | 60,933,717 | 22,934,654 |
| Deferred tax - origination and reversal of temporary differences | 2,469,663 | 1,627,637 |
| Current tax relating to prior periods | (769,020) | 616,261 |
| | <u>62,634,360</u> | <u>25,178,552</u> |
| Aggregate income tax expense | | |
| Deferred tax included in income tax expense comprises: | | |
| Increase in deferred tax assets (note 17) | (535,914) | (334,945) |
| Increase in deferred tax liabilities (note 23) | 3,005,577 | 1,962,582 |
| | <u>2,469,663</u> | <u>1,627,637</u> |
| Deferred tax - origination and reversal of temporary differences | | |
| | <u>2,469,663</u> | <u>1,627,637</u> |
| <i>Numerical reconciliation of income tax expense and tax at the statutory rate</i> | | |
| Profit before income tax expense | 134,898,417 | 79,603,044 |
| Tax at the statutory tax rate of 30% | 40,469,525 | 23,880,913 |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Non-deductible items | 6,377,552 | 1,357,290 |
| Tax effect of other non-assessable amounts in calculating taxable income | 348,009 | (128,764) |
| Tax offset - franking credit | 12,870,457 | (254,736) |
| | <u>60,065,543</u> | <u>24,854,703</u> |
| Adjustment recognised for prior periods | (96,679) | 183,863 |
| Tax benefit not brought to account | 1,917,403 | 160,681 |
| Difference in foreign tax rate | 748,093 | (20,695) |
| | <u>62,634,360</u> | <u>25,178,552</u> |
| Income tax expense | | |
| | <u>62,634,360</u> | <u>25,178,552</u> |
| | Consolidated | |
| | 2019 | 2018 |
| | \$ | \$ |
| <i>Tax losses not recognised</i> | | |
| Unused tax losses for which no deferred tax asset has been recognised | 9,029,079 | 7,259,852 |
| Potential tax benefit at statutory tax rates | 3,028,063 | 2,529,661 |

At 30 June 2019, the Company had a potential deferred tax asset of GHC ₵29,018,377 (AUD \$8,086,881) (2018: GHC ₵24,524,964 (AUD \$7,034,103)). The above potential tax benefit for tax losses have not been recognised in the statement of financial position.

Note 9. Current assets - cash and cash equivalents

| | Consolidated | |
|-----------------|---------------------|-------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Cash on hand | 23,620 | 26,888 |
| Cash at bank | 59,085,781 | 13,096,517 |
| Cash on deposit | 50,000 | 40,000 |
| | <u>59,159,401</u> | <u>13,163,405</u> |

Cash at bank bears fixed interest at 1.25% (2018: 1.92%) and cash on hand is non-interest bearing.

Cash on deposit bears floating interest rates of 1.61% (2018: 2.12%). These deposits have an average maturity of 180 days.

Note 10. Current assets - trade and other receivables

| | Consolidated | |
|--|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Trade receivables | 431,971 | 400,016 |
| Less: Allowance for expected credit losses | (430,928) | (400,016) |
| | <u>1,043</u> | <u>-</u> |
| Other receivables | 5,282,623 | 1,794,224 |
| Goods and services tax receivable | - | 469,160 |
| Prepayments | 104,950 | - |
| | <u>5,388,616</u> | <u>2,263,384</u> |

Allowance for expected credit losses

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

| | Expected credit loss rate | | Carrying amount | | Allowance for expected credit losses | |
|-----------------------|----------------------------------|-------------|------------------------|----------------|---|----------------|
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Consolidated | % | % | \$ | \$ | \$ | \$ |
| Not overdue | - | - | 1,043 | - | - | - |
| 0 to 3 months overdue | 100% | 100% | 430,928 | 400,016 | 430,928 | 400,016 |
| | | | <u>431,971</u> | <u>400,016</u> | <u>430,928</u> | <u>400,016</u> |

Movements in the allowance for expected credit losses are as follows:

| | Consolidated | |
|----------------------------------|---------------------|----------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Opening balance | 400,016 | 271,349 |
| Additional provisions recognised | 30,912 | 128,667 |
| Closing balance | <u>430,928</u> | <u>400,016</u> |

Note 11. Current assets - inventories

| | Consolidated | |
|-----------------|---------------------|--------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Ore stockpiles | 27,958,059 | 29,707,504 |
| Gold in transit | 4,038,975 | 1,781,838 |
| Gold on hand | 102,965,848 | 167,206,358 |
| Silver on hand | 3,462,110 | 2,953,168 |
| Consumables | 1,885,223 | 1,495,701 |
| | <u>140,310,215</u> | <u>203,144,569</u> |

Note 12. Non-current assets - investments accounted for using the equity method

During the year the Group held an investment in associate at a cost of \$647,299. The associate has losses at 30 June 2019 greater than the investment amount. Given the losses were greater than the investment, under AASB 128 the Group's investment has been reduced to zero.

| | Consolidated | |
|---|---------------------|-------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Investment in associate - Paraiso Consolidated Mining Corporation | - | - |
| <i>Reconciliation</i> | | |
| Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below: | | |
| Opening carrying amount | - | - |
| Additions | 647,299 | - |
| Loss after income tax | (647,299) | - |
| Closing carrying amount | - | - |

Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the Group are set out below:

| Name | Principal place of business / Country of incorporation | Ownership interest | |
|---|---|---------------------------|-------------|
| | | 2019 | 2018 |
| | | % | % |
| Paraiso Consolidated Mining Corporation | Philippines | 40.00% | - |

Note 12. Non-current assets - investments accounted for using the equity method (continued)

Summarised financial information

| | 2019 \$ |
|--|---------------------------|
| <i>Summarised statement of financial position</i> | |
| Current assets | 5,179 |
| Non-current assets | 2,948 |
| Total assets | <u>8,127</u> |
| Current liabilities | 41,995 |
| Non-current liabilities | 6,507,448 |
| Total liabilities | <u>6,549,443</u> |
| Net liabilities | <u><u>(6,541,316)</u></u> |
| <i>Summarised statement of profit or loss and other comprehensive income</i> | |
| Revenue | - |
| Expenses | (6,969,219) |
| Loss before income tax | (6,969,219) |
| Income tax expense | (190,511) |
| Loss after income tax | (7,159,730) |
| Other comprehensive income | - |
| Total comprehensive income | <u><u>(7,159,730)</u></u> |

Note 13. Non-current assets - financial assets at fair value through profit or loss

| | Consolidated 2019 \$ | 2018 \$ |
|---|---|--------------------------|
| Listed securities - at fair value through profit or loss | <u>395,486</u> | <u>2,159,756</u> |
| <i>Reconciliation</i> | | |
| Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below: | | |
| Opening carrying amount | 2,159,756 | - |
| Transfer from available-for-sale financial assets on early adoption of AASB 9 | - | 571,091 |
| Additions | - | 1,100,000 |
| Gain on revaluation to profit or loss | - | 488,665 |
| Impairment of assets | (1,764,270) | - |
| Closing carrying amount | <u>395,486</u> | <u>2,159,756</u> |

Note 14. Non-current assets - property, plant and equipment

| | Consolidated | |
|---|--------------------------|--------------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Land and buildings - at independent valuation | 6,076,509 | 6,720,340 |
| Less: Accumulated depreciation | (404,464) | (371,529) |
| | <u>5,672,045</u> | <u>6,348,811</u> |
| Plant and equipment - at cost | 1,486,414 | 1,370,014 |
| Less: Accumulated depreciation | (453,959) | (452,182) |
| | <u>1,032,455</u> | <u>917,832</u> |
| Motor vehicles - at cost | 799,703 | 738,565 |
| Less: Accumulated depreciation | (695,304) | (667,211) |
| | <u>104,399</u> | <u>71,354</u> |
| Mining plant and equipment - at cost | 87,287,508 | 74,700,187 |
| Less: Accumulated depreciation | (38,434,588) | (34,172,936) |
| | <u>48,852,920</u> | <u>40,527,251</u> |
| Construction work in progress - at cost | 290,911 | 2,133,200 |
| | <u><u>55,952,730</u></u> | <u><u>49,998,448</u></u> |

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| Consolidated | Land and buildings \$ | Plant and equipment \$ | Motor vehicles \$ | Mining plant and equipment \$ | Construction WIP \$ | Total \$ |
|--|-----------------------------|------------------------------|-------------------------|--|---------------------------|--------------------------|
| Balance at 1 July 2017 | 6,819,005 | 618,162 | 126,386 | 26,836,897 | 2,363,841 | 36,764,291 |
| Additions | - | 361,805 | - | 4,663,700 | 13,143,948 | 18,169,453 |
| Disposals | - | (505) | - | - | - | (505) |
| Exchange differences | (96,725) | (624) | (1,303) | (2,062) | - | (100,714) |
| Transfers from exploration and evaluation | - | - | - | 1,631,221 | - | 1,631,221 |
| Transfers in/(out) | - | - | - | 13,374,589 | (13,374,589) | - |
| Depreciation expense | (373,469) | (61,006) | (53,729) | (5,977,094) | - | (6,465,298) |
| Balance at 30 June 2018 | 6,348,811 | 917,832 | 71,354 | 40,527,251 | 2,133,200 | 49,998,448 |
| Additions | - | 165,225 | 85,253 | 4,854,374 | 7,036,152 | 12,141,004 |
| Disposals | - | - | - | (412,887) | - | (412,887) |
| Revaluations | (139,710) | - | - | - | - | (139,710) |
| Exchange differences | (179,466) | (1,822) | (162) | (2,169) | - | (183,619) |
| Transfers from exploration and evaluation | - | - | - | 2,970,440 | - | 2,970,440 |
| Transfers in/(out) | - | - | - | 8,878,441 | (8,878,441) | - |
| Depreciation expense | (357,590) | (48,780) | (52,046) | (7,962,530) | - | (8,420,946) |
| Balance at 30 June 2019 | <u><u>5,672,045</u></u> | <u><u>1,032,455</u></u> | <u><u>104,399</u></u> | <u><u>48,852,920</u></u> | <u><u>290,911</u></u> | <u><u>55,952,730</u></u> |

Construction work in progress related to Rubicon/Hornet and Pegasus mines.

Note 14. Non-current assets - property, plant and equipment (continued)

Included in mining plant and equipment is \$29,379,560 (2018: \$21,544,745) of resource extension relating to drilling expenditure on Raleigh, Rubicon/Hornet and Pegasus.

Valuations of land and buildings

The basis of the valuation of land and buildings is fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition. The land and buildings in Australia were last revalued on 9 October 2018 based on independent assessments by a member of the Australian Property Institute. The land and buildings in Ghana were last revalued on 22 May 2017 based on independent assessments by a member of the Ghana Institute of Surveyors. The land and buildings in Thailand were last revalued on 24 November 2018 based on independent assessments by members of the Thai Valuers Association.

Refer to note 32 for further information on fair value measurement.

Property, plant and equipment secured under finance leases

Refer to note 36 for further information on property, plant and equipment secured under finance leases.

Note 15. Non-current assets - exploration and evaluation

| | Consolidated | |
|--------------------------------------|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Exploration and evaluation - at cost | <u>4,836,259</u> | <u>4,167,497</u> |

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| Consolidated | Exploration and evaluation \$ |
|--|--|
| Balance at 1 July 2017 | 3,017,513 |
| Additions | 6,475,135 |
| Transferred to mining plant and equipment | (1,631,221) |
| Transferred to exploration and evaluation expenses | <u>(3,693,930)</u> |
| Balance at 30 June 2018 | 4,167,497 |
| Additions | 11,325,273 |
| Additions through asset acquisition (note 39) | 24,883,210 |
| Transferred to exploration and evaluation expenses | (32,569,281) |
| Transferred to mining plant and equipment | <u>(2,970,440)</u> |
| Balance at 30 June 2019 | <u>4,836,259</u> |

Current year exploration focused on underground drilling from Hornet-Rubicon-Pegasus ('RHP') and Raleigh which continued to expand the resources associated with these mines which is feeding current mining.

Impairment

At each reporting date the Group undertakes an assessment of the carrying amount of its exploration and evaluation assets. During the year the Group identified indicators of impairment on certain exploration and evaluation assets under AASB 6 'Exploration for and Evaluation of Mineral Resources'. As a result of this review, an impairment loss of \$32,569,281 (2018: \$3,693,930) has been recognised in profit or loss in relation to areas of interest where no future exploration and evaluation activities are expected.

Note 16. Non-current assets - mine development

| | Consolidated | |
|--------------------------------|---------------------|-------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Mine development - at cost | 200,154,455 | 181,727,820 |
| Less: Accumulated amortisation | (156,026,391) | (143,957,665) |
| | <u>44,128,064</u> | <u>37,770,155</u> |

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| Consolidated | Mine development \$ |
|-------------------------|---------------------------|
| Balance at 1 July 2017 | 25,436,171 |
| Additions | 21,817,642 |
| Amortisation expense | (9,483,658) |
| Balance at 30 June 2018 | 37,770,155 |
| Additions | 18,426,634 |
| Amortisation expense | (12,068,725) |
| Balance at 30 June 2019 | <u>44,128,064</u> |

Mine development relates to Raleigh underground development, Rubicon development and Pegasus development.

Note 17. Non-current assets - deferred tax

| | Consolidated | |
|--|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| <i>Deferred tax asset comprises temporary differences attributable to:</i> | | |
| Amounts recognised in profit or loss: | | |
| Property, plant and equipment | 196,931 | 106,049 |
| Rehabilitation provisions | 81,989 | 73,231 |
| Capitalised mine development costs | 6,732,010 | 6,366,248 |
| Blackhole expenditure | 18,952 | 3,590 |
| Capital losses | 2,250 | 9,519 |
| Sundry accruals and provisions | 330,129 | 267,710 |
| Deferred tax asset | <u>7,362,261</u> | <u>6,826,347</u> |
| <i>Movements:</i> | | |
| Opening balance | 6,826,347 | 6,491,402 |
| Credited to profit or loss (note 8) | 535,914 | 334,945 |
| Closing balance | <u>7,362,261</u> | <u>6,826,347</u> |

Note 18. Current liabilities - trade and other payables

| | Consolidated | |
|------------------|---------------------|-------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Trade payables | 18,232,362 | 18,927,400 |
| Accrued expenses | 895,557 | 1,165,363 |
| | <u>19,127,919</u> | <u>20,092,763</u> |

Refer to note 31 for further information on financial instruments.

Note 19. Current liabilities - borrowings

| | Consolidated | |
|-----------------|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Lease liability | <u>3,649,621</u> | <u>2,995,793</u> |

Refer to note 31 for further information on financial instruments.

Note 20. Current liabilities - income tax

| | Consolidated | |
|--------------------------|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Provision for income tax | <u>36,796,507</u> | <u>1,231,006</u> |

Note 21. Current liabilities - provisions

| | Consolidated | |
|-------------------|---------------------|--------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Employee benefits | <u>111,974</u> | <u>9,804</u> |

Note 22. Non-current liabilities - borrowings

| | Consolidated | |
|-----------------|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Lease liability | <u>2,033,656</u> | <u>3,291,417</u> |

Refer to note 31 for further information on financial instruments.

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

| | Consolidated | |
|-----------------|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Lease liability | <u>5,683,277</u> | <u>6,287,210</u> |

Note 22. Non-current liabilities - borrowings (continued)

Assets pledged as security

The lease liabilities are effectively secured as the rights to the leased assets, recognised in the statement of financial position, revert to the lessor in the event of default.

Note 23. Non-current liabilities - deferred tax

| | Consolidated | |
|--|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| <i>Deferred tax liability comprises temporary differences attributable to:</i> | | |
| Amounts recognised in profit or loss: | | |
| Capitalised exploration | 10,263,316 | 7,716,673 |
| Consumables | 414,290 | - |
| Provisions | 14,949 | 111,301 |
| Other | 143,080 | 2,084 |
| Deferred tax liability | <u>10,835,635</u> | <u>7,830,058</u> |
| <i>Movements:</i> | | |
| Opening balance | 7,830,058 | 5,867,476 |
| Charged to profit or loss (note 8) | <u>3,005,577</u> | <u>1,962,582</u> |
| Closing balance | <u>10,835,635</u> | <u>7,830,058</u> |

Note 24. Non-current liabilities - provisions

| | Consolidated | |
|----------------|---------------------|----------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Rehabilitation | <u>1,093,183</u> | <u>976,413</u> |

Rehabilitation

The provision for rehabilitation covers the following East Kundana joint venture ('EKJV') tenements - M16/309, M15/993, L16/28, L16/38, L16/39, L16/40, L16/54 and L16/69.

The provision for rehabilitation also covers the following key long-lived assets:

- Raleigh: Pit, Raleigh Paleo channel WRD, ROM pad and backfill plant;
- Pope John Pit;
- White Foil - Moonbeam discharge pipeline; and
- Kurrawang Pipeline Corridor.

During the financial year, EKJV management reassessed the rehabilitation cost estimate, noting no significant adjustments to the underlying cost estimate applied at 30 June 2019.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

| Consolidated - 2019 | Rehabilitation |
|--|-----------------------|
| | \$ |
| Carrying amount at the start of the year | 976,413 |
| Impact of revision to expected cash flows (net of accretion) | <u>116,770</u> |
| Carrying amount at the end of the year | <u>1,093,183</u> |

Note 25. Equity - contributed equity

| | 2019 Shares | Consolidated 2018 Shares | 2019 \$ | 2018 \$ |
|------------------------------|------------------------|---|--------------------|--------------------|
| Ordinary shares - fully paid | <u>55,503,023</u> | <u>50,003,023</u> | <u>73,080,910</u> | <u>11,059,778</u> |

Movements in ordinary share capital

| Details | Date | Shares | Issue price | \$ |
|---|--------------|-------------------|--------------------|--------------------|
| Balance | 1 July 2017 | <u>50,003,023</u> | | <u>11,059,778</u> |
| Balance | 30 June 2018 | 50,003,023 | | 11,059,778 |
| Acquisition of Prometheus Developments | | 5,500,000 | \$4.55 | 25,025,000 |
| Proceeds from sale of Tribune shares by Rand Mining Limited | | | | 45,475,897 |
| Sale of 12,025,519 Tribune shares by Rand Mining Limited | | | | <u>(8,479,765)</u> |
| Balance | 30 June 2019 | <u>55,503,023</u> | | <u>73,080,910</u> |

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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.

Options

The Company has no options on issue.

Share buy-back

On 25 September 2019, the Company lodged the final share buy-back notice for the share buy-back that was expended on 26 September 2018. No shares were bought back during this period.

Subject to the requirements of the Corporations Act 2001, the Company intends to undertake a buy-back of ordinary shares from shareholders who hold less than marketable parcels after its closure of the on-market buy-back.

Capital risk management

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

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 30 June 2018 Annual Report.

Note 26. Equity - treasury shares

| | Consolidated | Consolidated |
|-----------------|---------------------|---------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Treasury shares | <u>(2,270,000)</u> | <u>(10,749,765)</u> |

Treasury shares represent re-acquired equity instruments on the acquisition of Rand Mining Limited in 2010. No additional treasury shares were acquired during the financial year. 12,025,519 shares were sold in the year with cost value of \$8,479,765.

Note 27. Equity - reserves

| | Consolidated | Consolidated |
|--------------------------------------|---------------------|---------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Revaluation surplus reserve | 4,181,830 | 4,265,260 |
| Foreign currency reserve | (1,755,770) | (1,576,735) |
| Change in ownership interest reserve | <u>(3,168,381)</u> | <u>560,118</u> |
| | <u>(742,321)</u> | <u>3,248,643</u> |

Revaluation surplus reserve

The reserve is used to recognise increments and decrements in the fair value of land and buildings, excluding investment properties.

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Changes in ownership interest reserve

This reserve is used to recognise the change in the share of the non-controlling interest.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

| Consolidated | Revaluation surplus \$ | Available- for-sale \$ | Foreign currency \$ | Change in ownership interest \$ | Total \$ |
|--|------------------------------|------------------------------|---------------------------|--|------------------|
| Balance at 1 July 2017 | 4,265,260 | 198,900 | (1,489,928) | 560,118 | 3,534,350 |
| Foreign currency translation | - | - | (86,807) | - | (86,807) |
| Transferred to retained earnings on early adoption of AASB 9 | - | (198,900) | - | - | (198,900) |
| Balance at 30 June 2018 | 4,265,260 | - | (1,576,735) | 560,118 | 3,248,643 |
| Revaluation - gross | (83,424) | - | - | - | (83,424) |
| Foreign currency translation | - | - | (179,035) | - | (179,035) |
| Adjustment for correction of error in Rand Mining Limited | - | - | - | (3,728,505) | (3,728,505) |
| Balance at 30 June 2019 | <u>4,181,836</u> | <u>-</u> | <u>(1,755,770)</u> | <u>(3,168,387)</u> | <u>(742,321)</u> |

Note 28. Equity - retained profits

| | Consolidated | Consolidated |
|---|---------------------|---------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Retained profits at the beginning of the financial year | 223,509,035 | 175,660,010 |
| Profit after income tax expense for the year | 34,651,424 | 42,087,630 |
| Dividends paid (note 30) | (220,889,817) | - |
| Transfer from available-for-sale reserve | - | 198,900 |
| Transfers | (235,576) | 272,700 |
| Dividends received | 84,572,555 | 5,289,795 |
| | <u>121,607,621</u> | <u>223,509,035</u> |
| Retained profits at the end of the financial year | <u>121,607,621</u> | <u>223,509,035</u> |

Note 29. Equity - non-controlling interest

| | Consolidated | Consolidated |
|--------------------|---------------------|---------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Contributed equity | 9,317,815 | 9,317,815 |
| Reserves | 4,007,380 | 324,068 |
| Retained profits | 38,883,132 | 46,356,733 |
| | <u>52,208,327</u> | <u>55,998,616</u> |

Note 30. Equity - dividends

Dividends paid during the financial year were as follows:

| | Consolidated | Consolidated |
|--|---------------------|---------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Dividend of 20 cents per ordinary share paid to shareholders on 14 September 2018. | 10,000,605 | - |
| Dividend of 10 cents per ordinary share by controlled entity Rand Mining Limited and paid to Rand shareholders on 14 September 2018. | 6,014,848 | - |
| Special dividend of \$3.50 per ordinary share paid to shareholders on 10 October 2018. | 175,010,580 | - |
| Special dividend of \$1.25 per ordinary share by controlled entity Rand Mining Limited and paid to Rand shareholders on 12 October 2018. | 75,185,594 | - |
| | <u>266,211,627</u> | <u>-</u> |

Franking credits

| | Consolidated | Consolidated |
|--|---------------------|---------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Franking credits available for subsequent financial years based on a tax rate of 30% | <u>72,300,486</u> | <u>121,883,308</u> |

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Note 31. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The average exchange rates and reporting date exchange rates applied were as follows:

| | Average exchange rates | | Reporting date exchange rates | |
|---------------------------|-------------------------------|-------------|--------------------------------------|-------------|
| | 2019 | 2018 | 2019 | 2018 |
| Australian dollars | | | | |
| Ghanaian New Cedi | 0.2787 | 0.2868 | 0.2611 | 0.2836 |

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

| | Assets | | Liabilities | |
|---------------------|---------------|-------------|--------------------|-------------|
| | 2019 | 2018 | 2019 | 2018 |
| Consolidated | \$ | \$ | \$ | \$ |
| Ghanaian New Cedi | 2,276,374 | 2,637,653 | 43,395 | 87,212 |

The Group had net assets denominated in foreign currencies of \$2,232,979 (assets \$2,276,374 less liabilities \$43,395) as at 30 June 2019 (2018: \$2,550,441 (assets \$2,637,653 less liabilities \$87,212)).

Had the Australian dollar weakened by 60%/strengthened by 60% (2018: weakened by 60%/strengthened by 60%) against this foreign currency with all other variables held constant, the Group's profit before tax for the year would have been as follows:

| | | AUD strengthened | | | AUD weakened | |
|----------------------------|-----------------|------------------------------------|-------------------------|-----------------|------------------------------------|-------------------------|
| | | Effect on profit before tax | Effect on equity | | Effect on profit before tax | Effect on equity |
| Consolidated - 2019 | % change | | | % change | | |
| Ghanaian New Cedi | 60% | 1,339,787 | 1,339,787 | 60% | (1,339,787) | (1,339,787) |

Note 31. Financial instruments (continued)

| Consolidated - 2018 | % change | AUD strengthened | | % change | AUD weakened | |
|---------------------|----------|-----------------------------------|---------------------|----------|-----------------------------------|---------------------|
| | | Effect on profit before tax | Effect on equity | | Effect on profit before tax | Effect on equity |
| Ghanaian New Cedi | 60% | <u>1,530,265</u> | <u>1,530,265</u> | 60% | <u>(1,530,265)</u> | <u>(1,530,265)</u> |

The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last year and the spot rate at each reporting date. The actual foreign exchange loss for the year ended 30 June 2019 was \$121,394 (2018: \$83,984).

Price risk

The Group is exposed to equity securities price risks and bullion price risk. This arises from investments held by the Group and classified in the statement of financial position as financial assets at fair value through profit or loss and bullion held as inventory.

The policy of the Group is to sell gold at the spot price and has not entered into any hedging contracts. The Group's revenues were exposed to fluctuation in the price of gold. If the average selling price of gold of \$1,807.10 (2018: \$1,690.50) for the financial year had increased/decreased by 10% the change in the profit before income tax for the Group would have been an increase /decrease of \$39,665,808 (2018: \$18,366,786).

Interest rate risk

The Group is not exposed to any significant interest rate risk.

The Group's main interest rate risk arises from cash equivalents and loans with variable interest rates.

As at the reporting date, the Group had the following amounts outstanding:

| Consolidated | 2019 | | 2018 | |
|--|---|-------------------|---|-------------------|
| | Weighted average interest rate % | Balance \$ | Weighted average interest rate % | Balance \$ |
| Cash at bank | 1.25% | 59,085,781 | 1.92% | 13,096,517 |
| Deposits at call | 1.61% | <u>50,000</u> | 2.12% | <u>40,000</u> |
| Net exposure to cash flow interest rate risk | | <u>59,135,781</u> | | <u>13,136,517</u> |

An official increase/decrease in interest rates of 100 basis points (2018: 100 basis points) would have a favourable/adverse effect on profit before tax of \$591,358 (2018: favourable/adverse effect \$131,634) per annum. The basis point change is based on the expected volatility of interest rates using market data and analysts forecasts.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Note 31. Financial instruments (continued)

The Group has a credit risk exposure with the carrying amount of trade receivables. For some receivables the Group obtains agreements which can be called upon if the counterparty is in default under the terms of the agreement. The credit rating of cash required to obtain credit is AA.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

| | Weighted average interest rate % | 1 year or less \$ | Between 1 and 2 years \$ | Between 2 and 5 years \$ | Over 5 years \$ | Remaining contractual maturities \$ |
|--------------------------------------|---|----------------------|--------------------------------|--------------------------------|--------------------|--|
| Consolidated - 2019 | | | | | | |
| Non-derivatives | | | | | | |
| <i>Non-interest bearing</i> | | | | | | |
| Trade payables | - | 18,232,362 | - | - | - | 18,232,362 |
| <i>Interest-bearing - fixed rate</i> | | | | | | |
| Lease liability | 4.37% | 3,808,130 | 2,067,676 | - | - | 5,875,806 |
| Total non-derivatives | | <u>22,040,492</u> | <u>2,067,676</u> | <u>-</u> | <u>-</u> | <u>24,108,168</u> |
| | Weighted average interest rate % | 1 year or less \$ | Between 1 and 2 years \$ | Between 2 and 5 years \$ | Over 5 years \$ | Remaining contractual maturities \$ |
| Consolidated - 2018 | | | | | | |
| Non-derivatives | | | | | | |
| <i>Non-interest bearing</i> | | | | | | |
| Trade payables | - | 18,927,400 | - | - | - | 18,927,400 |
| <i>Interest-bearing - fixed rate</i> | | | | | | |
| Lease liability | 1.97% | 3,209,762 | 3,504,588 | - | - | 6,714,350 |
| Total non-derivatives | | <u>22,137,162</u> | <u>3,504,588</u> | <u>-</u> | <u>-</u> | <u>25,641,750</u> |

Note 32. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

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

Level 3: Unobservable inputs for the asset or liability

| | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|----------------------------|---------------|---------------|---------------|-------------|
| Consolidated - 2019 | | | | |
| <i>Assets</i> | | | | |
| Listed securities - equity | 395,486 | - | - | 395,486 |
| Land and buildings | - | - | 5,672,045 | 5,672,045 |
| Total assets | 395,486 | - | 5,672,045 | 6,067,531 |
| | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
| Consolidated - 2018 | | | | |
| <i>Assets</i> | | | | |
| Listed securities - equity | 2,159,756 | - | - | 2,159,756 |
| Land and buildings | - | - | 6,348,811 | 6,348,811 |
| Total assets | 2,159,756 | - | 6,348,811 | 8,508,567 |

There were no transfers between levels during the financial year.

Valuation techniques for fair value measurements categorised within level 2 and level 3

The land and buildings in Australia were last revalued on 9 October 2018 based on independent assessments by a member of the Australian Property Institute. The land and buildings in Ghana were last revalued on 22 May 2017 based on independent assessments by a member of the Ghana Institute of Surveyors. The land and buildings in Thailand were last revalued on 24 November 2018 based on independent assessments by members of the Thai Valuers Association. Fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

| Consolidated | Land and buildings \$ |
|---|-----------------------------|
| Balance at 1 July 2017 | 6,819,005 |
| Exchange differences | (96,725) |
| Depreciation | (373,469) |
| Balance at 30 June 2018 | 6,348,811 |
| Losses recognised in other comprehensive income | (139,710) |
| Exchange differences | (179,466) |
| Depreciation | (357,590) |
| Balance at 30 June 2019 | 5,672,045 |

Note 33. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

| | Consolidated | |
|------------------------------|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Short-term employee benefits | 729,828 | 1,074,420 |
| Post-employment benefits | 41,280 | 74,766 |
| | <u>771,108</u> | <u>1,149,186</u> |

Note 34. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company, its network firms and unrelated firms:

| | Consolidated | |
|---|---------------------|----------------|
| | 2019 | 2018 |
| | \$ | \$ |
| <i>Audit services - RSM Australia Partners</i> | | |
| Audit or review of the financial statements | <u>134,000</u> | <u>114,000</u> |
| <i>Other services - RSM Australia Partners</i> | | |
| Tax compliance services | <u>72,219</u> | <u>66,759</u> |
| | <u>206,219</u> | <u>180,759</u> |
| <i>Other services - unrelated firms</i> | | |
| IFRS accounting services | 64,100 | - |
| Audit or review of the financial statements - SCG Audits | 30,218 | 11,040 |
| Audit or review of the financial statements - Grant Thornton | 99,640 | 90,750 |
| Audit or review of the financial statements (EKJV) - Deloitte | 21,216 | 16,856 |
| Tax compliance services - Grant Thornton | 22,869 | 25,516 |
| Tax compliance services - SGC Ghana | 27,024 | 2,790 |
| Tax compliance services - PwC Ghana | - | 89,825 |
| | <u>265,067</u> | <u>236,777</u> |

Note 35. Contingent liabilities

Native title claims have been made with respect to areas which include tenements in which the Group has interests. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects.

Following the Takeovers Panel declaration published by announcement dated 17 September 2018, Tribune Resources Limited may be liable to pay a penalty in relation to a contravention of section 259D of the Corporations Act 2001. Australian Securities and Investments Commission ('ASIC') has commenced an investigation and issued notices to the Company requiring production of certain documents, which have been complied with. No further action has been taken by ASIC at the date of this report. The Group is presently unable to reliably estimate when (if at all) a contravention may be alleged, the amount of any penalty or when the penalty is likely to be payable. Accordingly, no provision has been made.

Note 36. Commitments

| | Consolidated | |
|---|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| <i>Capital commitments</i> | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| Property, plant and equipment | 9,380,618 | 3,381,611 |
| Payments under the Pacominco Investment Agreement | 13,526,480 | - |
| <i>Lease commitments - operating</i> | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| Within one year | 983,384 | 991,703 |
| One to five years | 3,266,396 | 3,678,141 |
| | <u>4,249,780</u> | <u>4,669,844</u> |
| <i>Lease commitments - finance</i> | | |
| Committed at the reporting date and recognised as liabilities, payable: | | |
| Within one year | 3,808,130 | 3,209,762 |
| One to five years | 2,067,676 | 3,504,588 |
| Total commitment | 5,875,806 | 6,714,350 |
| Less: Future finance charges | (192,529) | (427,140) |
| Net commitment recognised as liabilities | <u>5,683,277</u> | <u>6,287,210</u> |
| Representing: | | |
| Lease liability - current (note 19) | 3,649,621 | 2,995,793 |
| Lease liability - non-current (note 22) | 2,033,656 | 3,291,417 |
| | <u>5,683,277</u> | <u>6,287,210</u> |

Capital commitments relate to mining capital expenditure commitments relating to the East Kundana joint venture.

Operating lease commitments includes contracted amounts for mining tenement leases. In order to maintain current rights of tenure to mining tenements, the Group will be required to outlay the above funds in respect of tenement lease rentals and to meet minimum expenditure requirements of the Western Australian Mines Department. These obligations are expected to be fulfilled in the normal course of operations.

Finance lease commitments include contracted amounts for East Kundana joint venture underground mining equipment secured under finance leases expiring within 18 to 24 months. Under the terms of the leases, the Group has the option to acquire the leased assets for predetermined residual values on the expiry of the leases.

Note 37. Related party transactions

Parent entity

Tribune Resources Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 40.

Associates

Interests in associates are set out in note 12.

Joint operations

Interests in joint operations are set out in note 41.

Key management personnel

Disclosures relating to key management personnel are set out in note 33 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

| | Consolidated | |
|--|---------------------|-------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Payment for other expenses: | | |
| Payment of royalties to Lake Grace Exploration Pty Ltd* via the East Kundana Joint Venture | 121,861 | 97,700 |
| Payment for consulting fees to Lake Grace Exploration Pty Ltd* | 19,852 | - |
| Payment for executive accommodation fees to Lake Grace Exploration Pty Ltd* | 81,000 | 54,000 |
| Option fee paid to Resource Capital Limited to extend the existing Option Agreement relating to Rand Mining Limited's option to acquire Iron Resources Limited from Resource Capital Limited. The fee was paid by Rand Mining Limited to Resource Capital Limited* | - | 6,416 |
| Reimbursement of operating expenses to Iron Resources Liberia Ltd* | 473,410 | - |

* An entity in which Anthony Billis is a director

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Amounts to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 38. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

| | Parent | |
|----------------------------|---------------|-------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Profit after income tax | 128,371,640 | 44,606,287 |
| Total comprehensive income | 128,371,640 | 44,606,287 |

Statement of financial position

| | Parent | |
|---------------------------|---------------|-------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Total current assets | 116,332,284 | 170,742,050 |
| Total assets | 242,138,856 | 254,331,664 |
| Total current liabilities | 36,897,809 | 18,956,593 |
| Total liabilities | 47,369,306 | 27,947,567 |
| Equity | | |
| Contributed equity | 36,084,780 | 11,059,780 |
| Retained profits | 158,684,770 | 215,324,317 |
| Total equity | 194,769,550 | 226,384,097 |

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2019 and 30 June 2018.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2019 and 30 June 2018 other than what is disclosed in note 35.

Capital commitments

| | Parent | |
|---|---------------|-------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| Property, plant and equipment, as budgeted in the EKJV life of mine and payable in the next 5 years | 7,035,464 | 2,536,208 |

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 39. Acquisition of subsidiary

Prometheus Developments Pte Ltd

On 6 December 2018, Tribune Resources Limited acquired 100% of the issued capital of Singapore based Prometheus Developments Pte Ltd ('Prometheus') for a total consideration transferred of \$25,025,000. This is a mining development company and it was acquired as Prometheus has the right to acquire an 80% economic interest and 40% legal interest in three mining tenements covering the Diwalwal Gold Project ('Project'). The acquisition was assessed as an asset acquisition rather than business combination.

The deemed consideration was the issue of 5,500,000 shares with a deemed value of \$25,025,000.

On initial recognition, the fair value of shares issued has been determined by reference to the share price at date of acquisition of \$4.55 per share.

Details of the acquisition are as follows:

| | Fair value \$ |
|--|--------------------------|
| Cash and cash equivalents | 21,478 |
| Trade and other receivables | 47,497 |
| Investment | 647,299 |
| Plant and equipment | 4,259 |
| Trade payables | <u>(578,743)</u> |
| Net assets acquired | 141,790 |
| Exploration and evaluation expense | <u>24,883,210</u> |
| Acquisition-date fair value of the total consideration transferred | <u><u>25,025,000</u></u> |
| Representing: | |
| Tribune Resources Limited shares issued to vendor | <u><u>25,025,000</u></u> |
| Cash used to acquire business, net of cash acquired: | |
| Acquisition-date fair value of the total consideration transferred | 25,025,000 |
| Less: cash and cash equivalents | (21,478) |
| Less: shares issued by Company as part of consideration | <u>(25,025,000)</u> |
| Net cash received | <u><u>(21,478)</u></u> |

Note 40. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

| Name | Principal place of business / Country of incorporation | Ownership interest | |
|-----------------------------------|---|---------------------------|-------------------|
| | | 2019 % | 2018 % |
| Tribune Resources (Ghana) Limited | Ghana | 100.00% | 100.00% |
| Mount Manning Resources Pty Ltd** | Australia | 100.00% | 100.00% |
| Melville Parade Pty Ltd | Australia | 100.00% | 100.00% |
| Prometheus Developments Pte Ltd | Singapore | 100.00% | - |
| Rand Mining Limited | Australia | 44.19% | 44.19% |
| Rand Exploration N.L.* | Australia | 44.19% | 44.19% |

* 100% owned subsidiary of Rand Mining Limited

** 50% owned subsidiary of Rand Mining Limited

Note 40. Interests in subsidiaries (continued)

Summarised financial information

Summarised financial information of the subsidiary with non-controlling interests that are material to the Group are set out below:

| | Rand Mining Limited | |
|--|----------------------------|--------------|
| | 2019 | 2018 |
| | \$ | \$ |
| <i>Summarised statement of financial position</i> | | |
| Current assets | 94,454,355 | 48,218,550 |
| Non-current assets | 26,451,328 | 82,135,557 |
| Total assets | 120,905,683 | 130,354,107 |
| Current liabilities | 22,728,597 | 5,859,307 |
| Non-current liabilities | 4,638,458 | 17,484,624 |
| Total liabilities | 27,367,055 | 23,343,931 |
| Net assets | 93,538,628 | 107,010,176 |
| <i>Summarised statement of profit or loss and other comprehensive income</i> | | |
| Revenue | 123,521,963 | 56,413,672 |
| Expenses | (47,228,327) | (25,716,260) |
| Profit before income tax expense | 76,293,636 | 30,697,412 |
| Income tax expense | (8,905,276) | (8,594,177) |
| Profit after income tax expense | 67,388,360 | 22,103,235 |
| Other comprehensive income | 340,534 | (422,159) |
| Total comprehensive income | 67,728,894 | 21,681,076 |
| <i>Statement of cash flows</i> | | |
| Net cash from operating activities | 47,738,209 | 12,778,849 |
| Net cash from/(used in) investing activities | 82,832,719 | (7,711,992) |
| Net cash used in financing activities | (82,183,617) | (6,687,050) |
| Net increase/(decrease) in cash and cash equivalents | 48,387,311 | (1,620,193) |
| <i>Other financial information</i> | | |
| Profit attributable to non-controlling interests | 37,612,633 | 12,336,862 |

Note 41. Interests in joint operations

The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications. Information relating to joint operations that are material to the Group are set out below:

| Name | Principal place of business / Country of incorporation | Ownership interest | |
|----------------------------|---|---------------------------|-------------|
| | | 2019 | 2018 |
| | | % | % |
| East Kundana Joint Venture | Australia | 49.00% | 49.00% |

Note 42. Cash flow information

Reconciliation of profit after income tax to net cash from operating activities

| | Consolidated | |
|--|---------------------|-------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Profit after income tax expense for the year | 72,264,057 | 54,424,492 |
| Adjustments for: | | |
| Depreciation and amortisation | 20,489,671 | 15,948,956 |
| Net gain on disposal of property, plant and equipment | - | (59,290) |
| Share of loss - associates | 647,299 | - |
| Unwinding of interest | 25,679 | - |
| Other non-cash items | (703,804) | - |
| Sale of financial assets impairments | 488,990 | - |
| Gain on revaluation of equity instruments at fair value through profit or loss | - | (488,665) |
| Impairment of receivables | 30,915 | 128,667 |
| Impairment of financial assets | 1,764,270 | - |
| Impairment of exploration and evaluation | 32,569,281 | 3,693,930 |
| Foreign exchange differences | 121,394 | (209,560) |
| Change in operating assets and liabilities: | | |
| Increase in trade and other receivables | (62,297) | (309,896) |
| Decrease/(increase) in inventories | 62,834,354 | (14,988,580) |
| Increase in deferred tax assets | (535,914) | (334,945) |
| Decrease in trade and other payables | (964,844) | (2,633,877) |
| Increase/(decrease) in provision for income tax | 35,565,501 | (3,784,758) |
| Increase in deferred tax liabilities | 3,005,577 | 1,962,582 |
| Increase/(decrease) in other provisions | 102,170 | (87,035) |
| Net cash from operating activities | <u>227,642,299</u> | <u>53,262,021</u> |

Non-cash investing and financing activities

| | Consolidated | |
|---|---------------------|------------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Acquisition of plant and equipment by means of finance leases | 3,328,768 | 7,258,301 |
| Shares issued on acquisition of subsidiary | 25,025,000 | - |
| | <u>28,353,768</u> | <u>7,258,301</u> |

Note 42. Cash flow information (continued)

Changes in liabilities arising from financing activities

| | Lease liability \$ |
|--|-----------------------|
| Consolidated | |
| Balance at 1 July 2017 | 1,717,713 |
| Net cash used in financing activities | (2,688,804) |
| Acquisition of assets by means of finance leases | 7,258,301 |
| Balance at 30 June 2018 | 6,287,210 |
| Net cash used in financing activities | (3,932,700) |
| Acquisition of assets by means of finance leases | 3,328,768 |
| Balance at 30 June 2019 | 5,683,278 |

Note 43. Earnings per share

| | Consolidated | |
|---|---------------------|---------------|
| | 2019 | 2018 |
| | \$ | \$ |
| Profit after income tax | 72,264,057 | 54,424,492 |
| Non-controlling interest | (37,612,633) | (12,336,862) |
| Profit after income tax attributable to the owners of Tribune Resources Limited | 34,651,424 | 42,087,630 |
| | Number | Number |
| Weighted average number of ordinary shares used in calculating basic earnings per share | 53,122,201 | 50,003,023 |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 53,122,201 | 50,003,023 |
| | Cents | Cents |
| Basic earnings per share | 65.23 | 84.17 |
| Diluted earnings per share | 65.23 | 84.17 |

Note 44. Events after the reporting period

On 25 September 2019, the Company lodged the final share buy-back notice for the share buy-back that was last extended on 26 September 2018. No shares were bought back during this period.

Subsequent to the year end, the Company relinquished the following tenements relating to Seven Mile Hill, P15/5182 and P15/5183.

No other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- 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 directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in blue ink, appearing to read 'Anthony Billis', with a large, stylized loop at the end.

Anthony Billis
Director

30 September 2019
Perth

RSM Australia Partners

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TRIBUNE RESOURCES LIMITED**

Opinion

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

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

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

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

| Key Audit Matter | How our audit addressed this matter |
|---|---|
| Mine Development Assets Refer to Note 16 in the financial statements | |
| <p>The Group has mine development assets with a carrying value of \$44,128,064 as at 30 June 2019.</p> <p>This is considered a key audit matter due to the significant judgments made by management to determine the appropriate carrying value at the reporting date. The significant judgements were:</p> <ul style="list-style-type: none"> • Application of the units of production method in determining the amortisation charge for the year. This included determining the appropriate ore reserve estimate and the cost allocation attributable to each mine development asset; and • Assessing whether any impairment indicators existed at the reporting date in relation to the mine development assets. | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Reviewing management's amortisation models and agreeing key inputs to supporting information. This included an assessment of the work performed by management's expert in respect of the ore reserve estimate, including the competency and objectivity of the expert; • Testing the mathematical accuracy of the rates applied; • Assessing the reasonableness of allocation of costs between operating and capital in nature based on the underlying activities; and • Critically assessing and evaluating management's assessment that no indicators of impairment existed at the reporting date. |
| Acquisition of subsidiary Refer to Note 39 in the financial statements | |
| <p>During the year, the Group acquired 100% interest of Prometheus Developments Pte Ltd (Prometheus) for a purchase consideration of \$25,025,000.</p> <p>The accounting for this acquisition is considered to be a key audit matter because it involved the exercise of judgment in relation to:</p> <ul style="list-style-type: none"> • Determining whether the transaction is a business combination or an asset acquisition, based on whether the definition of a business in AASB 3 <i>Business Combinations</i> was met; • Determining the fair value of the consideration paid; and • Determining the acquisition date. | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Reviewing the share sale agreement to understand key terms and conditions; • Evaluating the management determination that the acquisition did not meet the definition of a business within AASB 3 <i>Business Combinations</i> and therefore was an asset acquisition as opposed to a business combination; • Evaluating the assumptions and methodology in management's determination of the fair value assets and liabilities acquired; • Assessing management's determination of the fair value of consideration paid; and • Assessing the appropriateness of the disclosures in the financial report. |

Other Information

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

Our opinion on the financial report does not cover the other information and 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 Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2019.

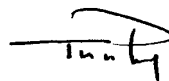
In our opinion, the Remuneration Report of Tribune Resources Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 30 September 2019

The shareholder information set out below was applicable as at 23 September 2019.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

| | Number of holders of ordinary shares |
|---------------------------------------|---|
| 1 to 1,000 | 306 |
| 1,001 to 5,000 | 276 |
| 5,001 to 10,000 | 90 |
| 10,001 to 100,000 | 100 |
| 100,001 and over | 34 |
| | <hr/> |
| | 806 |
| | <hr/> |
| Holding less than a marketable parcel | 63 |
| | <hr/> |

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

| | Ordinary shares % of total shares issued | |
|---|---|-------|
| | Number held | |
| Evolution Mining Limited | 11,045,101 | 19.90 |
| Trans Global Capital Ltd | 8,454,000 | 15.23 |
| Sierra Gold Ltd | 8,020,000 | 14.45 |
| HSBC Custody Nominees (Australia) Limited | 6,441,922 | 11.61 |
| Prometheus Minerals Limited | 5,336,000 | 9.61 |
| JP Morgan Nominees Australia Pty Limited | 2,301,226 | 4.15 |
| Marford Group Pty Ltd | 2,149,339 | 3.87 |
| Rand Mining Limited | 1,135,000 | 2.04 |
| Raypoint Pty Ltd | 850,000 | 1.53 |
| Spectrok Pty Ltd | 576,866 | 1.04 |
| Value Nominees Pty Ltd | 550,000 | 0.99 |
| R Hedley Pty Ltd | 308,000 | 0.55 |
| Mr Shane Colin Mardon | 302,137 | 0.54 |
| Mrs Jasmine Frances Green | 300,000 | 0.54 |
| Daly SF Pty Ltd | 280,000 | 0.50 |
| Mr John Francis Wynne | 278,569 | 0.50 |
| BNP Paribas Nominees Pty Ltd | 268,282 | 0.48 |
| Mr Mark David Delroy | 233,859 | 0.42 |
| Echo pastoral Co Pty Ltd | 228,373 | 0.41 |
| Ms Phanatchakorn Wichaikul | 224,000 | 0.40 |
| | 49,282,674 | 88.76 |

Unquoted equity securities

There are no unquoted equity securities.

Substantial holders

The names of the substantial shareholders disclosed in the Company as substantial shareholders at 23 September 2019 are:

| | Ordinary shares | |
|--|------------------------|---------------------------------|
| | Number held | % of total shares issued |
| Anton Billis and related parties | 17,091,136 | 30.79 |
| Sierra Gold Pty Ltd | 17,091,136 | 30.79 |
| Evolution Mining Limited | 11,045,101 | 19.90 |
| Trans Global Capital Limited | 8,454,000 | 15.23 |
| HSBC Custody Nominees (Australia) Limited | 6,441,922 | 11.61 |
| Ms Ping Chen (and General Energy International Holdings Limited) | 6,156,773 | 11.09 |
| Keynes Capital Global Limited and Mr Xinqian Yi | 6,156,773 | 11.09 |
| General Energy International Holdings Limited and Ms Ping Chen | 6,156,773 | 11.09 |
| Prometheus Minerals Limited | 5,500,000 | 9.91 |

On-market buy-back

There is currently no on-market buy-back program.

Voting rights

The voting rights attached to ordinary shares are set out below:

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.

There are no other classes of equity securities.

Tenements

| Description | Tenement number | Interest owned* % |
|-------------------------------------|------------------------|------------------------------|
| <i>Western Australia, Australia</i> | | |
| Kundana | M15/1413 | 49.00 |
| Kundana | M15/993 | 49.00 |
| Kundana | M16/181 | 49.00 |
| Kundana | M16/182 | 49.00 |
| Kundana | M16/308 | 49.00 |
| Kundana | M16/309 | 49.00 |
| Kundana | M16/325 | 49.00 |
| Kundana | M16/326 | 49.00 |
| Kundana | M16/421 | 49.00 |
| Kundana | M16/924 | 49.00 |
| Kundana | M16/428 | 49.00 |
| West Kundana | M16/213 | 24.50 |
| West Kundana | M16/214 | 24.50 |
| West Kundana | M16/218 | 24.50 |
| West Kundana | M16/310 | 24.50 |
| Seven Mile Hill | M26/563 | 100.00 |
| Seven Mile Hill | M15/1233 | 100.00 |
| Seven Mile Hill | M15/1234 | 100.00 |
| Seven Mile Hill | M15/1291 | 100.00 |
| Seven Mile Hill | M15/1388 | 100.00 |
| Seven Mile Hill | M15/1394 | 100.00 |
| Seven Mile Hill | M15/1409 | 100.00 |
| Seven Mile Hill | M15/1743 | 100.00 |
| Mt Celia | P15/6370 | 100.00 |
| West Kimberly | E04/2548 | 100.00 |
| Red Lake 1*** | P15/6398 | 100.00 |
| Red Lake 2*** | P15/6399 | 100.00 |
| Red Lake 3*** | P15/6400 | 100.00 |
| Blue Dam*** | P15/6401 | 100.00 |
| Yikari*** | P26/4476 | 100.00 |
| Yikari*** | P26/4477 | 100.00 |
| <i>Ghana, West Africa</i> | | |
| Japa Concession. | | 100.00 |
| <i>Mindanao, Philippines</i> | | |
| Diwalwal Gold Project | 729 Area** | 40.00 |
| Diwalwal Gold Project | 452 Area** | 40.00 |
| Diwalwal Gold Project | Upper Ulip Area** | 40.00 |

* Includes Rand Mining Ltd's, Rand Exploration NL's and Prometheus Developments Pte Ltd where applicable.

** Prometheus has entered an Investment Agreement with Paraiso Consolidated Mining Corporation ('Pacomenco') and a Joint Venture agreement with JB Management Mining Corporation ('JB Management' or 'JBMMC'). These agreements allow Prometheus to acquire an 80% economic interest and 40% legal interest in three mining tenements covering the Diwalwal Gold Project. Through the JB Management Joint Venture Agreement, Tribune Resources Ltd (via its 100% owned subsidiary Prometheus Developments Pte Ltd) is earning a 40% legal interest and 80% economic interest in the 452 Area. To date Prometheus Developments is yet to earn any legal or economic interest in this JV as the JV company is yet to be incorporated.

*** Under application.