



TRIGG MINING LIMITED

ABN 26 168 269 752

2019 Annual Report

For the year ended 30 June 2019



CORPORATE DIRECTORY

DIRECTORS

Non-Executive Chairperson	Michael Ralston
Managing Director & CEO	Keren Paterson
Non-Executive Director	William Bent

COMPANY SECRETARY

Ms Karen Logan

PRINCIPAL PLACE OF BUSINESS

Level 3, 216 St Georges Terrace
Perth WA 6000
Telephone: +61 8 9220 2231
Email: info@triggmining.com.au
Web: www.triggmining.com.au

SECURITIES EXCHANGE

ASX Limited
Level 40, Central Park,
152-158 St Georges Terrace
Perth WA 6000

ASX Codes: TMG, TMGO

REGISTERED OFFICE

Level 1, Office F
1139 Hay Street
West Perth WA 6005

SHARE REGISTRY

Automic Registry Services
Level 5, 126 Philip Street
Sydney NSW 2000
Telephone: 1300 288 664 / +61 9698 5414
Email: hello@automic.com.au
Website: www.automic.com.au

AUDITOR

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

BANKER

National Australia Bank
Level 14, 100 St Georges Terrace
Perth WA 6000



CONTENTS

Corporate Directory	2
Review of Activities	4
Directors' Report	9
Auditor's Independence Declaration	26
Financial Statements	27
Directors' Declaration	48
Independent Auditor's Report	49
Shareholder Information	54
Summary of Tenements	58

REVIEW OF ACTIVITIES

Introduction

Trigg Mining Limited (**Trigg Mining** or the **Company**) is built on the guiding principle of building mines communities can be proud of. We're doing this by exploring for the essential potassium mineral fertiliser, sulphate of potash (**SOP**) or potassium sulphate (K_2SO_4) which provides necessary nutrients for agricultural production and human nutrition. SOP is particularly important for chloride sensitive crops such as fruits and vegetables, avocados, berries, coffee, cocoa, flowers and all crops grown under glass. It is also important in arid and acidic soils and is known to improve both drought and frost resistance of crops. Importantly, Australia is reliant on imports of potash fertiliser for our agricultural production and Trigg Mining is looking to address this.

The Company has increased its ownership from 80% to 100% via the acquisition of K2O Minerals Pty Ltd as part of the IPO and listing on the Australian Securities Exchange (**ASX**) on 30 September 2019 through completion of a share sale agreement. As a result of this transaction, Trigg Mining has approximately 2,640 km² granted tenements across two Projects targeting brine hosted SOP mineralisation near Laverton in Western Australia (Figure 1). The Laverton location is situated close to existing infrastructure, including potential energy and transport solutions to domestic and international markets.

During the financial year ended 30 June 2019, the Company's main achievements were:

- the successful grant of Lake Throssell Project tenement;
- the successful grant of the East Laverton Prospect tenements, a part of the Laverton Links Project;
- the successful grant of the Lake Rason extension tenement, a part of the Laverton Links Project;
- the raising of \$0.4 million in seed capital;
- the receipt of Research and Development Incentive, circa \$300,000; and
- the successful raising of \$4.5 million via IPO and subsequent admission to the official list of ASX which is expected to take place on or around 1 October 2019 and the listing of the Company's securities on or around 3 October 2019.

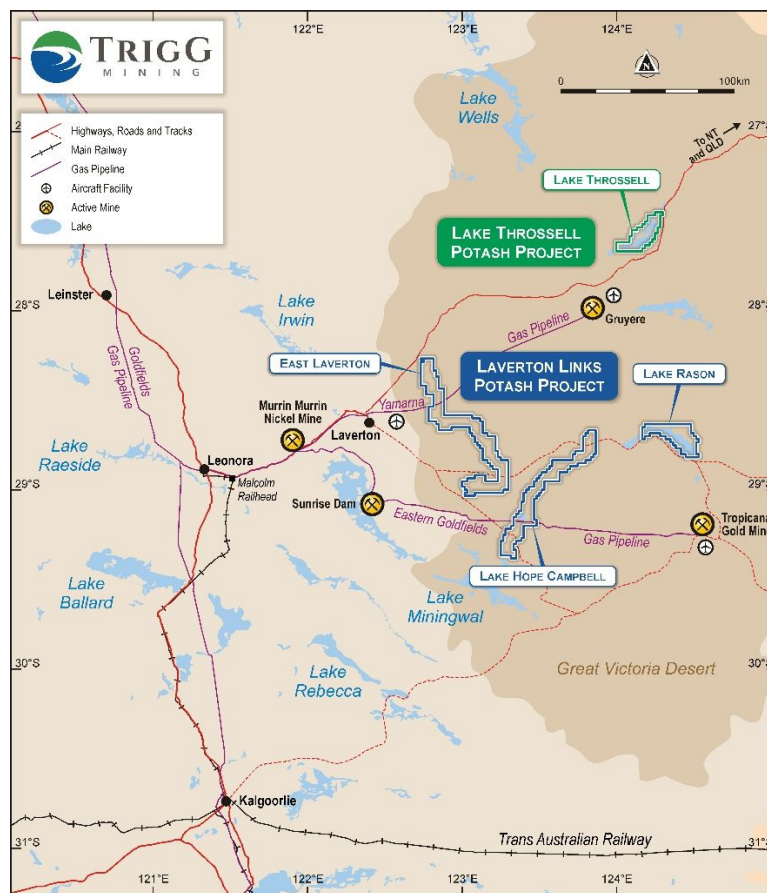


Figure 1: Project locations and existing infrastructure

REVIEW OF ACTIVITIES

The Company's two projects: the Laverton Links Potash Project (made of up three prospects – Lake Rason, Lake Hope Campbell and East Laverton) and the Lake Throssell Potash Project are located within a 35 km to 225 km radius east of Laverton and are nearby the Tropicana and Gruyere gold mines.

The Laverton Links Potash Project is accessible from Laverton via numerous tracks and roads, and from Kalgoorlie via the Tropicana Gold Mine Access Road. The Eastern Goldfields and Yamarna Gas Pipelines pass directly through the Lake Hope Campbell and East Laverton Prospects.

The Lake Throssell Potash Project lies adjacent to the Great Central Road and is 60 km northeast of the Gruyere Gold Mine and the terminus of the Yamarna Gas Pipeline. The Great Central Road is being upgraded by the various State Governments (Western Australia, Northern Territory and Queensland) to provide a reliable trade-route through Central Australia.

The Malcom railhead at Leonora is 105 km from Laverton via a sealed road and provides rail connections to the Ports of Esperance and Fremantle. The total transport distance to Esperance is approximately 950 km for both Projects including approximately 300 km of transport distance via unsealed and sealed road.

The 2,640km² of tenure contains more than 400 km² of playa lakes and 300 km of interpreted palaeochannels where potassium and other minerals are thought to have concentrated in the ancient drainage systems from the dissolution of potassium rich weathered basement rocks. With a high net evaporation environment of approximately 3m per year these systems are highly prospective for brine-hosted sulphate of potash (Figure 2).

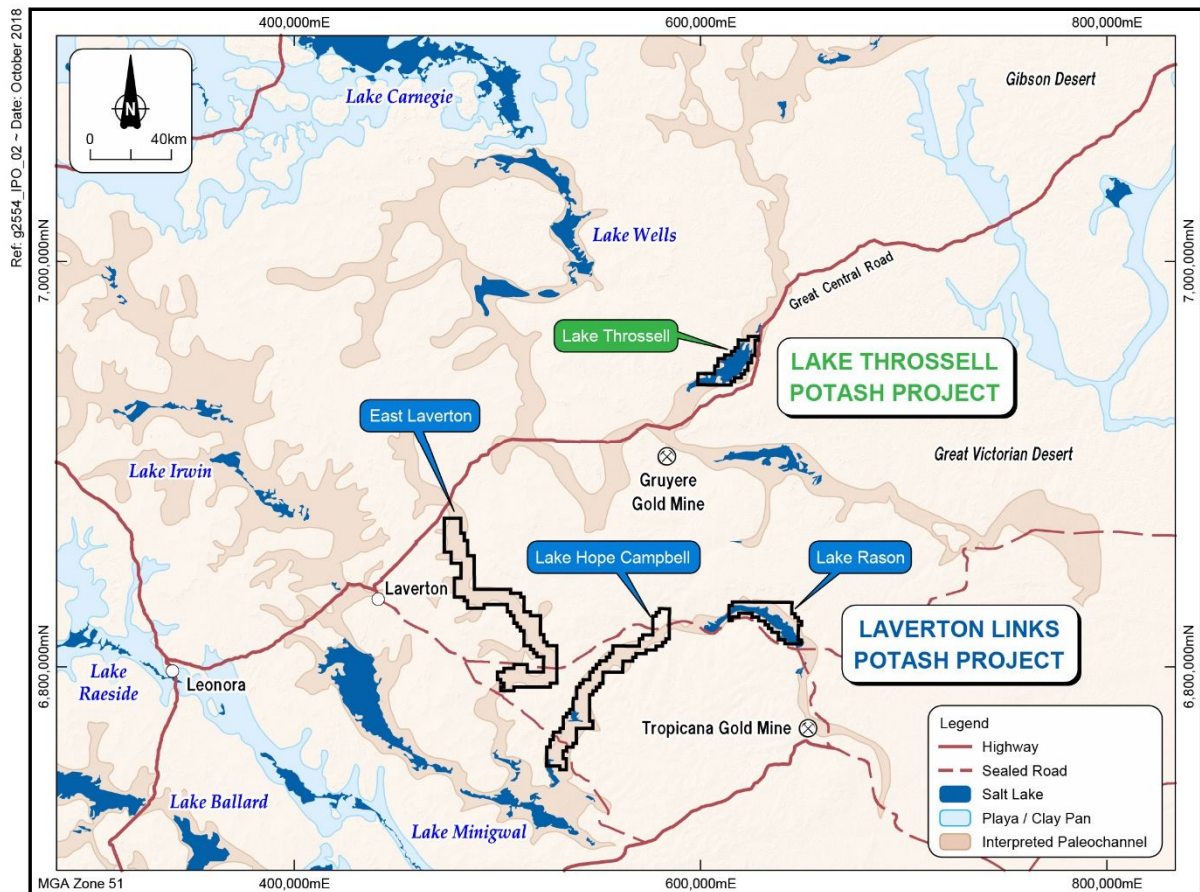


Figure 2: Palaeodrainage systems of the Eastern Goldfields region of Western Australia showing location of the Projects.

REVIEW OF ACTIVITIES

The Projects

Laverton Links Project

The Laverton Links Project is located from 35km to 190km east of Laverton in the Eastern Goldfields and comprises three granted tenements and five applications. The tenements are accessible from Laverton via the Rason Lake Road, Mt Senton Road, great Central Road and the Tropicana Gold Mine Access Road from Kalgoorlie. The Eastern Goldfields and Yamarna Gas Pipelines pass directly through the Lake Hope Campbell and East Laverton Prospects.

Lake Rason Prospect

E38/3089, E38/3298

The Company's exploration activities have focussed on the Laverton Links Project and the Lake Rason Prospect. Exploration at Lake Rason includes geophysical surveys including ground gravity and passive seismic to determine the geometry of the underlying palaeochannel, shallow pit sampling to obtain sample grades of the surface brine water, a 1,050m aircore drilling program and a preliminary in-lab evaporation trial.

This work led the establishment of an Exploration Target for the Lake Rason Prospect of 2.5-9.0 Mt of drainable SOP with a weighted average grade of 4.3-6.3 kg/m³ SOP (Table 1). It should be noted that the Exploration Target is conceptual in nature and there is insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

Table 1: Lake Rason Exploration Target

Unit	Aquifer Volume	Specific Yield (%)		Potentially Drainable Brine (Mm ³)		SOP Grade (kg/m ³)			SOP (Mt)	
	(Mm ³)	Min	Max	Min	Max	-1 δ	\bar{x}	+1 δ	Min	Max
Surficial Aquifer	2,000	8	12	200	300	4.35	5.34	6.33	0.8	1.8
Mixed Aquitard	5,000	2	10	100	500				0.5	3.5
Silcrete Aquifer	300	5	15	20	50				0.1	0.3
Basal Sand Aquifer	1,000	15	25	200	300	2.05	3.72	5.38	0.8	1.9
Saprolite Aquifer	4,000	1	2	40	80				0.1	0.5
Saprock Aquifer	7,000	2	3	100	200				0.3	1.1
									2.5	9.0

The Exploration Target range is derived from:

- Aquifer volume for each hydrostratigraphic unit from Leapfrog® model.
- Min and max specific yield (from estimates, peers and published work).
- Min grade based on 1 standard deviation lower than mean.
- Max grade based on 1 standard deviation above mean.
- Grade statistics calculated for transported material and basement material respectively and based on all hydrostratigraphic units within each type (following review of grade distribution with depth).
- Conversion to SOP based on potassium (K mg/L) x 2.23.

Lake Hope Campbell Prospect

E39/2047, E38/3259

The Lake Hope Campbell Prospect comprises two granted exploration licences located approximately 105 km to 140 m east of Laverton. Shallow pit sampling out across the playa surfaces have resulted in up to 6.7kg/m³ K₂SO₄ (SOP), indicating strong potential for mineralisation of the hypersaline brine in the palaeochannel. Historical Airborne Electromagnetic Surveys indicate very high electromagnetic conductance of the palaeochannel reinforcing the significant prospectivity of these tenements.

East Laverton Prospect

E38/3299 – 3302

The East Laverton Prospect comprises four exploration licence applications and covers approximately 130 km of prospective palaeochannel. The Prospect is located approximately 35 km to 95 km east of Laverton and access may be gained via the Rason Lake Road that connects Laverton to Lake Rason, a further 100 km to the east.

REVIEW OF ACTIVITIES

Lake Throssell Project E38/3065

The Lake Throssell Project is located approximately 200 km northeast of Laverton on the Great Central Road through to Alice Springs and Queensland via the Outback Highway and 60 km northeast of the newly established Gruyere Gold Mine. The Project comprises one tenement application covering 323 km² of predominantly the Lake Throssell playa and underlying palaeochannel.

Analysis of the publicly available¹ ASTER gypsum index image over Lake Throssell (Figure 3) against publicly available competitor sampling results² indicates the presence of strong, contiguous gypsum indices. These are similar in intensity to Salt Lake Potash Ltd's southern Lake Wells area. Although no samples have been taken by Trigg Mining from the Lake Throssell area, the ASTER imagery indicates that a strong gypsum producing brine environment is present.

Trigg Mining proposes pit and auger sampling at Lake Throssell to determine if there is a similar general relationship between the ASTER gypsum index intensity and potential potassium grade.

The Lake Throssell Project is considered underexplored with little exploration work since the 1970s. Geoscience Australia rates Lake Throssell as one of the most prospective lakes for sulphate of potash brine in the region³.

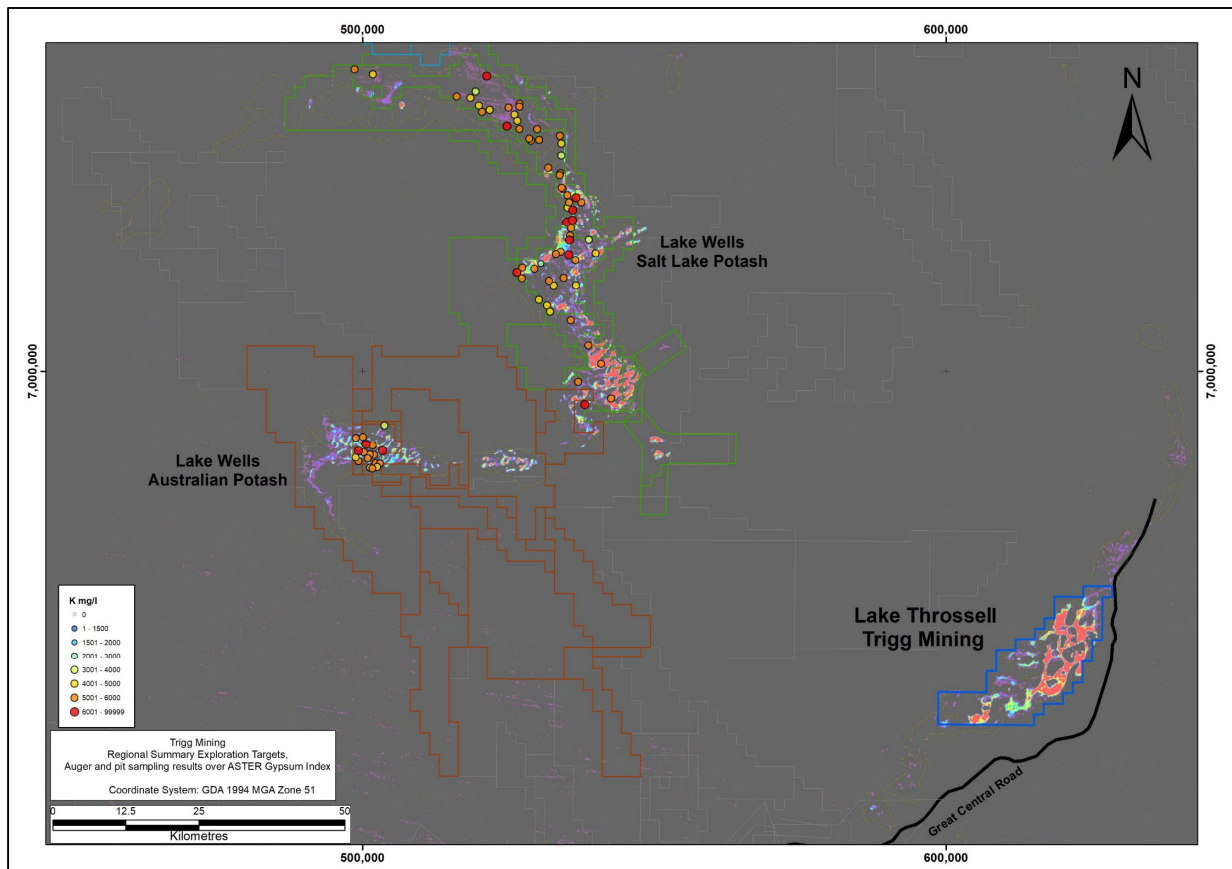


Figure 3: Competitor sampling results against interpreted ASTER gypsum index.

¹ Department of Mines, Industry Regulation and Safety Imagery Web Map service

² ASX Releases, Salt Lake Potash dated 5 April 2015, ASX Release, Australian Potash dated 26 August 2015

³ Mernagh, T.P. (ed.), 2013. A review of Australian salt lakes and assessment of their potential for strategic resources. Record 2013/39. Geoscience Australia: Canberra

REVIEW OF ACTIVITIES

Competent Person's Statement

The information in this report that relates to the Exploration Target at the Lake Rason Prospect is based on information compiled by Mr Duncan Gareth Storey of AQ2 Pty Ltd (AQ2). The reporting is consistent with the guidelines of the JORC Code. Mr Storey is a Director and Consulting Hydrogeologist with AQ2 and has almost 30 years of international experience. He is a Chartered Geologist with, and Fellow of the Geological Society of London (a Recognised Professional Organisation under the JORC Code). Mr Storey has experience in the assessment and development of paleochannel aquifers, including the development of hypersaline brines in Western Australia. His experience and expertise are such that he qualifies as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore reserves". Mr Storey consents to the inclusion of matter related to information for the AQ2 studies in the form and context as it appears in this Report.

DIRECTORS' REPORT

The directors are pleased to present their report together with the financial report of Trigg Mining Limited (**Trigg Mining** or the **Company**) for the year ended 30 June 2019 and the auditor's report thereon.

DIRECTORS

The directors of the Company at any time during or since the end of the financial year are:

Keren Paterson BEng (Mining), MBA (Economics), AdvDip (Corporate Governance), FAusIMM, MAICD
Managing Director & CEO – appointed 26 February 2014

Ms Paterson is an externally recognised mining industry leader with 20 years' international experience spanning the entire mining value chain. Her roles have involved greenfields exploration, feasibility studies, mine development, operations management, debt and equity financing, corporate advisory and mergers & acquisitions.

Prior to founding Trigg Mining, Ms Paterson was founder and managing director of a uranium company that listed on ASX in 2009. She has held corporate roles with Fortescue Metals Group, CopperCo, Energia Minerals and Resource Capital Funds, and operational roles with Mines and Resources Australia (Areva) where she led the feasibility study and was the Mine Manager at Frogs' Leg Gold Mine, MPI Mines, Outokumpu, Goldfields and RGC.

Ms Paterson is a Mining Engineer from the WA School of Mines, holds an MBA in economics and was a Telstra Western Australian Young Business Woman of the Year. She holds a WA First Class Mine Manager Certificate and is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Company Directors.

The Board considers that Ms Paterson is not an independent director.

Michael Ralston BComm
Non-Executive Chairperson – appointed 22 May 2017

Mr Ralston is an experienced mining executive (previously undertaking roles as chairman, managing director and chief financial officer) having worked for four junior ASX-listed resource companies over the last 13 years. In April 2017 he resigned as Managing Director of Balamara Resources having led its development from a start-up in 2011 to a substantial pre-production company, via the acquisition and development of three significant coal projects in southern Poland.

Prior to Balamara, Mr Ralston was CFO of Kangaroo Resources taking the company from a listed shell to a market capitalisation of over A\$600 million over a 2-year period before the company's trade sale to a leading international producer. He has extensive experience in developing several junior resource companies through IPOs and beyond on the ASX, AIM and LSE and he has worked as a senior executive across a broad range of industries in Australia, Africa and the UK over the last 25 years.

Mr Ralston is a former chartered accountant.

The Board considers that Mr Ralston is not an independent director.

William Bent BSc, MBA
Non-Executive Director – appointed 22 May 2017

Mr Bent has 25 years' international experience in resources and corporate advisory. He is a Director of Mainsheet Capital and was the Managing Director of Chalice Gold from 2012 to 2014 where he led the acquisition of exploration and development projects for the company. Prior to Chalice, he was VP Business Development at Mirabela Nickel for 3 years, as part of the operational ramp-up and the refinancing and restructuring team. His advisory experience includes 10 years in strategy and M&A for the mining resources and utility sectors in both Australia and UK.

Mr Bent started his career as a metallurgist for AngloGold in South Africa before moving to Genesis Oil & Gas Consultants as a process engineer, during which time he became a Chartered Engineer with the Institute of Chemical Engineers (UK).

The Board considers that Mr Bent is not an independent director.

DIRECTORS' REPORT

COMPANY SECRETARY

Karen Logan BComm, Grad Dip AppCorpGov, FCIS, FGIA, F Fin, GAICD
 Company Secretary – appointed 14 September 2017

Ms Logan is a Chartered Secretary with extensive compliance, capital raising, merger and acquisition, IPO and backdoor listing experience in a diverse range of industries including technology, media, resources, health care and life science. She has assisted a substantial number of private start-ups and established businesses transition to being publicly-listed companies for over 15 years.

Ms Logan has participated as a mentor of the University of Western Australia's Career Mentor Link program for over 9 years. She is the founder and principal of a consulting firm and company secretary of a number of ASX-listed companies, providing corporate services to those clients.

DIRECTORSHIPS IN OTHER LISTED COMPANIES

Directorships of other listed entities held by directors of the Company during the last 3 years immediately before the end of the financial year are as follows:

Director	Company	Period of directorship	
		From	To
Keren Paterson	Not applicable	-	-
Michael Ralston	Not applicable	-	-
William Bent	Not applicable	-	-

DIRECTORS' MEETING

The number of directors' meetings and the number of meetings attended by each of the directors of the Company during the financial year are:

Director	Held while director	Board Meetings
		Attended
Keren Paterson	7	7
Michael Ralston	7	7
William Bent	7	6

The directors have determined that the Company is not of a sufficient size to merit the establishment of Board committees of the Board and therefore duties ordinarily assigned to committees are carried out by the full Board.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year consisted of exploration and evaluation activities of sulphate of potash projects and raising of capital to supplement its working capital and facilitate the initial public offer (IPO) and ASX listing.

DIVIDENDS

No dividend has been declared or paid by the Company to the date of this report (2018: \$nil).

OPERATING AND FINANCIAL REVIEW

Operating review

Since its incorporation, the Company focused its activities in capital raising and development of interests in exploration projects particularly in the sulphate of potash (SOP) industry. For information regarding operating activities undertaken by the Company during the year, refer to section entitled Review of Activities in this Annual Report.

DIRECTORS' REPORT

Financial review

The Company incurred a loss from ordinary activities of \$1,079,997 after income tax for the financial year (2018: \$3,252,776).

As at 30 June 2019, the Company had a deficiency in net assets of \$139,902 (30 June 2018: net assets of \$157,609), including cash and cash equivalents of \$49,987 (30 June 2018: \$149,654).

During the year, the Company received a research and development tax incentive rebate of \$306,536 in relation to R&D activities carried out in the 2018 financial year, including laboratory evaporation trials of a bulk brine sample.

Subsequent to balance date, the Company secured a short-term loan in the amount of \$250,000 from Michael Ralston, a director of the Company, for purposes of supplementing its working capital. Trigg Mining also successfully completed the IPO, raising \$4,500,000 before costs and is expected to be admitted to the official list of ASX on or around 1 October 2019. Refer to Note 23 to the Financial Statements for further information.

The Board considers it appropriate to prepare this Annual Report on a going concern basis as there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable. These include the Company's ability to modify expenditure outlays, if required. The directors also continue to consider opportunities to source further funding to supplement its existing working capital and fund its ongoing exploration work. Further details are set out in Note 2 to the Financial Statements.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Company during the financial year were as follows:

1. On 20 July 2018, the Company agreed to a variation of the terms of the share purchase agreement with K2O Minerals Pty Ltd (**K2O Minerals**) whereby Trigg Mining will acquire 100% of the issued capital of K2O Minerals by issue of shares in Trigg Mining to shareholders of K2O Minerals.
2. On 30 August 2018, the Company cancelled 10,000,000 options exercisable at \$0.20 per option on or before 13 March 2022 held by directors of Trigg Mining.
3. On 30 August 2018, a total of 1,000,000 performance rights were cancelled and forfeited in accordance with the terms and conditions of the performance rights plan.
4. Pursuant to shareholder approval obtained at an extraordinary general meeting held on 30 August 2018, the Company completed a capital restructure and:
 - (a) cancelled and forfeited 750,000 Shares (on a pre-Consolidation basis) issued to the Managing Director & CEO pursuant to the loan funded plan in accordance with the terms and conditions of the plan;
 - (b) completed a consolidation of capital on the basis of every 5 securities being consolidated into 3 securities (**Consolidation**);
 - (c) completed a buy-back of 6,000,000 Shares (on a post-Consolidation basis) for total cost of \$600; and
 - (d) amended the constitution of Trigg Mining.
5. On 20 November 2018, the Company completed a seed capital raising through the issue of 3,200,000 Shares at \$0.125 per Share to raise \$400,000, before costs.
6. Subject to the completion of the IPO and prior to admission to the ASX, the Company agreed to issue a total of 8,387,500 free attaching options with an exercise price of \$0.20 per option on or before 31 October 2021 (**Quoted Options**) for nil consideration to existing seed capitalists of the Company.
7. On 24 April 2019, the Company lodged a prospectus with the Australian Securities and Investments Commission (**ASIC**) for the initial public offering of its shares (**IPO**) and applied for admission to the official list of the Australian Securities Exchange (**ASX**) in which the Company sought to raise \$4,500,000 at an offer price of \$0.20 per Share.

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

There was a total of 30,225,000 Shares on issue at 30 June 2019.

DIRECTORS' REPORT

GOVERNANCE

The Board of Directors is responsible for the operational and financial performance of the Company, including its corporate governance. The Company believes that the adoption of good corporate governance adds value for stakeholders and enhances investor confidence.

The Company's corporate governance statement is available on the Company's website, in a section titled "Corporate Governance": <https://www.triggmining.com.au/corporategovernance>.

EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to balance date:

1. On 23 July 2019, the Company secured a short-term loan of \$250,000 from Michael Ralston, a director of the Company, for purposes of supplementing its working capital. The loan was unsecured, interest free (provided it was repaid in full within the term) and repayable by 23 October 2019.
2. On 23 July 2019, the Company lodged a supplementary prospectus with ASIC and ASX extending the closing date of the IPO to 26 August 2019.
3. On 30 September 2019, the Company successfully completed the IPO and issued 22,500,000 Shares and free-attaching 11,250,000 Quoted Options at an issue price of \$0.20 per Share raising \$4,500,000 (before costs).
4. Following successful completion of the IPO, on 30 September 2019, Trigg Mining:
 - (a) issued 5,262,500 Shares and 4,235,626 performance shares to vendors on completion of the acquisition of 100% of the issued capital of K2O Minerals;
 - (b) issued 8,387,500 Quoted Options to existing seed capitalists on the basis of 1 Quoted Option for every 2 Shares held;
 - (c) issued 7,500,000 Quoted Options to lead manager to the IPO for nil consideration.
5. The Company is expected to be admitted to the official list of the ASX on or around 1 October 2019 and official quotation of its Shares and Options on ASX is expected to commence on or around 3 October 2019.

Other than any matters described above, there has not arisen in the interval between the year end and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF ACTIVITIES

The Company will continue to pursue its main objective of exploring and evaluating exploration projects.

More information on these objectives is included in the section entitled Review of Activities in this Annual Report.

Further information about likely developments in the activities of the Company and the expected results of those operations in future financial years have not been included in this report because disclosures of such information would likely result in unreasonable prejudice to the Company.

MATERIAL BUSINESS RISKS

The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, many of the risks are outside the control of the directors and management of the Company and cannot be mitigated. An investment in the Company is not risk free and should be considered speculative.

This section provides a non-exhaustive list of the risks faced by the Company or by investors in the Company. The risks should be considered in connection with forward looking statements in this Annual Report. Actual events may be materially different to those described and may therefore affect the Company in a different way.

DIRECTORS' REPORT

Investors should be aware that the performance of the Company may be affected by these risk factors and the value of its Shares may rise or fall over any given period. None of the directors or any person associated with the Company guarantee the Company's performance.

Business risks

Mitigating actions

Exploration and evaluation

- Geological, exploration and development: The exploration, development and mining of mineral resources is a high risk, high cost exercise with no guarantee of success. These activities take place over an extended period of time and are often subject to increases, often material, in the costs and timing associated with these activities. Factors beyond the control of the Company may result in the Company's failure to find and/ or to be able to economically develop any mineral projects and therefore there is no guarantee as to the financial success of any such activities.
- Exploration Target: An Exploration Target for SOP mineralisation contained in brine water at the Lake Rason Prospect has been reported in accordance with section 17 of the JORC Code (refer to section entitled Review of Activities in this Annual Report).
- Results of studies: There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company. Even if a study confirms the economic viability of the Projects, there can be no guarantee that the project will be successfully financed and brought into production as assumed or within the estimated parameters in the feasibility study once production commences.
- Inability to abstract brine and volume: There is a risk that the Company will be unable to abstract the brine at the rates required to establish a full scale commercially viable operation. This can occur due to low permeability of aquifer material, variability in the mineralisation and continuity of the various aquifer layers. As a result, pumping rates may be lower than expected, or require additional bores and/or trenches. Each bore is likely to have a specific life expectancy and will eventually run dry as the brine is extracted. This life expectancy may be variable and shorter than expected.
- Variability in brine: The brine deposit may be variable due to the geological layering of the hock rock, the location within the palaeodrainage system, inflows of other waters carrying other impurities of fresh water, all of which may affect the brine chemistry across the deposit. Additionally, there is the potential for dilution after rainfall which may cause changes in the brine recovery and this variability may cause different evaporation rates.

The Company plans to undertake systematic and staged exploration and evaluation programs on its Projects, utilising specialist consultants, as required. As further information becomes available through additional field work and analysis, the Exploration Target may change. This may result in alterations to the exploration and evaluation programs. Subject to the results of these exploration and evaluation programs, the Company intends to progressively undertake a number of studies in respect to its Projects, which may include scoping, prefeasibility and feasibility studies. These studies will be completed within parameters designed to determine the economic feasibility of the Projects within certain limits.

DIRECTORS' REPORT

Business risks

Mitigating actions

Human Resources and Occupational Health and Safety

- New operational commodity and lack of experience: The exploration of potash products by way of brine exploration and evaluation is an emerging industry in Australia and there may be a lack of suitably trained professionals to conduct such activities.
- Hazardous activities: The Company's exploration and evaluation activities may be hazardous, with potential to cause illness or injury.

Although composed of a small management team, the Company operates under a strong human resources and employee relations framework, as well as a competitive remuneration structure. Trigg Mining will seek to attract diverse, engaged and suitably qualified employees and consultants, as required.

In addition, the Company is firmly committed to ensuring all work activities are carried out safely with all practical measures taken to remove risks to the health, safety and welfare of workers, contractors, authorised visitors to the Projects and anyone else who may be affected by the Company's activities.

Finance

- Additional funding may be required by the Company in the event exploration costs exceed the Company's estimates, and will be required once those funds are depleted. To effectively implement its plans in the future, to take advantage of opportunities for acquisitions or investments, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur, additional equity or other finance will be required. Depending on the success of its exploration and evaluation activities, further funding may be required to progress the next phases of work programs.

The Board regularly assesses the financial position of the Company and continues to assess all funding alternatives to ensure that Trigg Mining can continue exploration and evaluation activities and progressively undertake studies in respect to the Projects.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means.

ENVIRONMENTAL REGULATION

The Company's exploration and mining activities are governed by a range of environmental legislation and regulations including the *National Greenhouse and Energy Report Act 2007* and *Mining Act 1978*. As the Company is still in the assessment phase of its interests in exploration projects, Trigg Mining is not yet subject to the public reporting requirements of environmental legislation and regulations. To the best of the directors' knowledge, the Company has adequate systems in place to ensure compliance with the requirements of the applicable environmental legislation and is not aware of any breach of those requirements during the financial year and up to the date of the Directors' Report.

OPTIONS

Unissued shares under option

At the date of this report, unissued ordinary shares of the Company under option are:

Class	Expiry Date	Exercise Price	Number of Options
Tranche 1 Unquoted Options	7 January 2023	\$0.25	2,000,000
Tranche 2 Unquoted Options	31 October 2021	\$0.20	3,000,000
Unquoted Options	31 October 2021	\$0.20	8,100,000
Quoted Options	31 October 2021	\$0.20	19,037,500

No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

DIRECTORS' REPORT

Options issued during the year

The following options were issued during the year:

Class	Expiry Date	Exercise Price	Number of Options
Tranche 1 Unquoted Options	7 January 2023	\$0.25	2,000,000
Tranche 2 Unquoted Options	31 October 2021	\$0.20	3,000,000

Refer to Note 22 to the Financial Statements for further details of these options issued during the financial year.

Subsequent to balance date, following successful completion of the IPO, the Company issued a total of 27,137,500 Options. Refer to Note 23 to the Financial Statements for further information.

Options cancelled during the year

The Company cancelled 10,000,000 options held by the directors of Trigg Mining. Refer to Note 22 to the Financial Statements for further information.

DIRECTORS' INTERESTS

The relevant interest of each director in securities issued by the Company at the date of this report is as follows:

Director	Shares	Options	
		Quoted Options	Unquoted Options
Keren Paterson ¹	3,550,000	50,000	5,000,000
Michael Ralston ²	3,475,000	437,500	-
William Bent ³	2,200,000	100,000	-

Note:

- 2,100,000 Shares, 50,000 Quoted Options and 5,000,000 Unquoted Director Options are held indirectly by KP Consulting Group Pty Ltd as trustee for SSB Trust. Ms Paterson is a director of the trustee and a beneficiary of the trust.
- Shares and Quoted Options are held indirectly by Michael Ralston and Sharon Ann Ralston as trustee for the Ralston Family of which Mr Ralston is a beneficiary.
- 2,075,000 Shares are held indirectly by William Bent as trustee for Bent Family Trust of which Mr Bent is a beneficiary and 125,000 Shares and 62,500 Quoted Options are held indirectly by Caninga Capital Pty Ltd as trustee for The Bent Family Super Fund, Mr Bent is a director and shareholder of the trustee and a beneficiary of the trust.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

This Remuneration Report, which forms part of the Directors' Report, outlines the key management personnel remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* (Cth) (the **Corporations Act**) and its regulations. This information has been audited as required by section 308(3C) of the Corporations Act.

The Remuneration Report is structured as follows:

1. Key Management Personnel
2. Remuneration Overview for FY19
3. Remuneration Governance
4. Executive Remuneration Arrangements
 - (a) Remuneration Principles and Strategy
 - (b) Performance Linked Remuneration and Details of Incentives
 - (c) Approach to Setting Remuneration
 - (d) Executive Service Agreements
5. Non-Executive Directors' Remuneration Arrangements
6. Remuneration of Key Management Personnel
7. Additional Statutory Disclosures.

Key management personnel of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether Executive or otherwise) of the Company (as per AASB 124 *Related Party Disclosures*).

For the purposes of this report, the term "Executive" refers to the executive director of the Company.

1. KEY MANAGEMENT PERSONNEL

The following were key management personnel of the Company at any time during the financial year and unless otherwise indicated were key management personnel for the entire financial year:

Executive Director

Ms Keren Paterson, Managing Director & CEO

Non-Executive Directors

Mr Michael Ralston, Non-Executive Chairperson
 Mr William Bent, Non-Executive Director

2. REMUNERATION OVERVIEW FOR FY19

The following provides an overview of Trigg Mining's remuneration framework for Executives and a summary of outcomes for the financial year ended 30 June 2019 (FY19).

Remuneration component	Overview
Fixed remuneration	In FY19, fixed remuneration was increased for the Managing Director & CEO by \$20,000 effective from 1 January 2019. This was done in view of the Company's intention to re-launch the IPO and application for ASX listing during the first quarter of CY19. With effect from admission to ASX, the Managing Director & CEO will receive a further increase in fixed remuneration of \$50,000 to align remuneration with the median level for comparative roles.
Short-term incentives (STI)	The Company has not set any STIs for key management personnel due to the projects currently being in an exploration and evaluation phase.
Long-term incentives (LTI)	In FY19, following the receipt of shareholder approval, the Company issued LTI to the Managing Director & CEO in the form of unquoted options and Loan Shares under the Loan Funded Plan. The Loan Shares have vesting conditions aligned with strategic objectives of the Company.

DIRECTORS' REPORT

Remuneration component	Overview
Total remuneration	In FY19, total remuneration was \$576,856, a decrease of 68% over FY18, reflecting a decrease in LTI awards and equity-based incentives issued to key management personnel during the year (refer to table in section 6 of the Remuneration Report).

3. REMUNERATION GOVERNANCE

Remuneration and Nomination Committee

The Board of Directors, performing the function of the Remuneration and Nomination Committee, is primarily responsible for making decisions and recommendations on the remuneration policy to enable the Company to attract and retain key management personnel who will create value for shareholders, having consideration to the amount considered to be commensurate for a company of its size and level of activity. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

Further information on the Board's role, responsibilities and membership are set out in the Directors' Report and Corporate Governance Statement.

Use of Remuneration Consultants

To ensure the Board is fully informed when making remuneration decisions, it may seek external remuneration advice from time to time on the appropriateness of remuneration packages given trends in comparable companies and in accordance with the strategic and business objectives of the Company. When engaged, remuneration consultants are appointed by, and report directly to, the Board.

During FY19, Trigg Mining has not engaged remuneration consultants to provide independent advice on the remuneration policies and practices of the key management personnel nor sought assistance of an external consultant on the current market for similar roles, level of responsibility and performance of the Board. The Board may consider this in the future should the need arise.

Voting and comments made at the Company's Annual General Meeting

Trigg Mining is expected to be admitted to the official list of the ASX on or around 1 October 2019. The Company will put its first remuneration report to shareholders for adoption at the 2019 annual general meeting.

4. EXECUTIVE REMUNERATION ARRANGEMENTS

Remuneration for Executives is set out in employment agreements.

(a) Remuneration Principles and Strategy

The remuneration structures explained below are competitively set to attract and retain suitably qualified and experienced candidates, reward the achievement of strategic and business objectives and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capability and experience of the key management personnel;
- the key management personnel's ability to control the achievement of strategic objectives;
- the Company's performance, including:
 - stage or phase of its projects; and
 - subsequent to the ASX listing, the growth in share price.

The following table illustrates how the Company's remuneration strategy aligns with strategic direction and links remuneration outcomes to performance.

DIRECTORS' REPORT

Remuneration component	Vehicle	Purpose	Link to performance
Fixed remuneration	Fixed remuneration consists of base remuneration as well as statutory superannuation and other benefits including professional membership fees and professional development obligations, and the Company pays fringe benefits tax on these benefits, where applicable.	To provide competitive fixed remuneration for key executives determined by the scope of their position and the knowledge, skill and experience required to perform the role.	Company and individual performance are considered during the annual remuneration review.
STI	Not applicable	The Company does not currently propose to award STI to incentivise key management personnel due to the projects currently being in an exploration and evaluation phase.	Not applicable
LTI	Awards are made in the form of options over ordinary shares or as an 'at risk' bonus provided in the form of performance rights or loan shares in the Company. Performance rights do not attract dividends or voting rights.	Acts as a tool for retention of the executive and encourages the executive to take a long-term view of the Company's performance.	Vesting conditions and performance measures may be set by the Board for each award.

(b) Performance Linked Remuneration and Details of Incentives

Short-term incentives

Trigg Mining has not set any short-term incentives (**STI**) for key management personnel.

Long-term incentives

Long-term incentives (**LTI**) may be provided to key management personnel in the form of options, Loan Shares pursuant to the Company's Loan Funded Plan or in the form of rights pursuant to the Performance Rights Plan which may be subject to vesting conditions set by the Board. LTI are considered to assist in the motivation and retention of key employees and promote continuity of employment and provide additional incentive to recipients to increase shareholder wealth. LTI are designed to align the interests of eligible employees more closely with the interests of shareholders by providing an opportunity for eligible employees to receive an equity interest in the Company.

The Company has a policy that prohibits key management personnel of the Company from entering into transactions that operate or are intended to operate to limit the economic risk or are designed or intended to hedge exposure to unvested Company securities. This includes entering into arrangements to hedge or transfer their exposure to LTI granted as part of their remuneration package.

The tables in Sections 6 and 7 of this Remuneration Report provide details of the options over ordinary shares and Loan Shares granted, vested and lapsed/forfeited by key management personnel during the year.

Refer to Note 22 to the Financial Statements for further details of the Loan Funded Plan.

(c) Approach to Setting Remuneration

In FY19, the executive remuneration framework consisted of fixed remuneration and LTI awards as set out above. The Company aims to reward the Executive with a level and mix of remuneration appropriate to their position, responsibilities and performance within the Company and aligned with market practice.

Remuneration levels are considered annually through a remuneration review that considers the performance of the Company and the individual, relevant market movements and trends and the broader economic environment.

(d) Executive Service Agreements

Remuneration and other terms of employment for the Managing Director & CEO are formalised in an Executive Service Agreement. The agreement provides for STI and LTI awards and other benefits. The remuneration will be reviewed annually by the Board.

DIRECTORS' REPORT

Executive Service Agreement for FY19

A summary of the key contractual provisions of the Executive Service Agreement for the Executive as at 30 June 2019 is set out below:

Name and job title	Duration of contract	Base salary ¹	Notice period	Termination benefit ²	Treatment of LTI on termination
Keren Paterson, Managing Director & CEO	Ongoing contract (commenced 1 August 2017)	\$200,000	1 month (Executive or Company)	6 months' salary	Entitled to receive any LTI payments that have been granted but which have not vested as at the termination date.

Executive Service Agreement for FY20

A summary of the key contractual provisions of the Executive Service Agreement for the Executive which commenced during the financial year ending 30 June 2020 is set out below:

Name and job title	Duration of contract	Base salary ¹	Notice period	Termination benefit ³	Treatment of LTI on termination
Keren Paterson, Managing Director & CEO	Ongoing contract ³	\$250,000	3 months (Executive or Company)	12 months' salary	Entitled to receive any LTI payments that have been granted but which have not vested as at the termination date.

Notes:

1. Excludes statutory superannuation.
2. Subject to provisions of the Corporations Act.
3. Commenced on the date of admission of the Company to the official list of ASX.

The Executive Service Agreement otherwise contains terms and conditions considered standard for an agreement of this nature.

5. NON-EXECUTIVE DIRECTOR REMUNERATION ARRANGEMENTS

(a) Remuneration Policy

In accordance with best practice corporate governance, the structure of Non-Executive Directors' remuneration is clearly distinguished from that of the Executive.

The total maximum remuneration of Non-Executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. The current aggregate Non-Executive Director fee pool has been set at \$500,000 per annum which was last voted upon by shareholders at the general meeting held on 19 February 2018.

In addition, a Non-Executive Director may be paid fees or other amounts (subject to any necessary shareholder approval, non-cash performance incentives such as options) as the Board determines where a Non-Executive Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Non-Executive Director. Directors are also entitled to be paid reasonable travel, accommodation and other expenses incurred by them as a result of carrying out their duties as Non-Executive Directors.

Non-Executive Directors do not receive any retirement benefits, nor do they (generally) receive any performance related compensation. During FY18, the Non-Executive Directors received equity-based incentives in the form of options which were subsequently cancelled in FY19. Refer to section 7(a)(ii) of the Remuneration Report for further information.

(b) Level of Non-Executive Directors' Fees

The level of Non-Executive Directors' fees as at 30 June 2019 were as follows:

Name	Non-Executive Directors' fees ¹
Michael Ralston	\$60,000 per annum
William Bent	\$30,000 per annum

Notes:

1. Excludes statutory superannuation.

DIRECTORS' REPORT

The level of Non-Executive Directors' fees is proposed to remain unchanged for FY20.

(c) Non-Executive Directors Appointment Letters

The Company has entered into letters of appointment with each of the Non-Executive Directors. Ongoing appointment as a non-executive director is subject to the provisions of the Constitution of the Company relating to retirement by rotation and re-election of directors and the Corporations Act. The letter summarises the Board policies and terms, including remuneration, relevant to the office of director.

6. REMUNERATION OF KEY MANAGEMENT PERSONNEL

(a) Remuneration for FY19

	Short-Term Employment Benefits		Post-Employment benefits	Share-based payments (accounting valuation) ¹		Total	Performance related %
	Base salary and fees	Other non-monetary benefits	Superannuation	LTI benefits accrued ² (Loan Shares)	LTI benefits and equity incentives vested ³ (Options)		
2019 ⁴	\$	\$	\$	\$	\$	\$	
Non-Executive Directors							
Mr M Ralston	-	-	-	-	-	-	-
Mr W Bent	-	-	-	-	-	-	-
Total Non-Executive Directors	-	-	-	-	-	-	
Executive Director							
Ms K Paterson	165,000	1,095	15,675	51,542	343,545	576,856	68%
Total KMP	165,000	1,095	15,675	51,542	343,545	576,856	

(b) Remuneration for FY18

	Short-Term Employment Benefits		Post-Employment benefits	Share-based payments (accounting valuation) ¹		Total	Performance related %
	Base salary and fees	Other non-monetary benefits	Superannuation	LTI benefits vested (Loan Shares) ²	Equity incentives vested (Options) ³		
2018 ⁴	\$	\$	\$	\$	\$	\$	
Non-Executive Directors							
M Ralston	50,000	-	4,750	-	420,000	474,750	88%
W Bent	25,000	-	2,375	-	280,000	307,375	91%
Total Non-Executive Directors	75,000	-	7,838	-	700,000	790,338	
Executive Director							
K Paterson	160,000	1,954	15,200	135,000	700,000	1,012,154	82%
Total KMP	235,000	1,954	22,325	135,000	1,400,000	1,794,279	

Notes:

- Where a vesting condition is not achieved or an equity incentive is cancelled after the end of a reporting period, the reserve is reversed to accumulated losses.
- Loan Shares are expensed over the two-year vesting period from the date of grant and expensed in full upon achievement of the vesting condition.
- During FY18, each of the directors received equity-based incentives in the form of options which were subsequently cancelled in FY19. Refer to section 7(a)(ii) of the Remuneration Report for further information.
- The directors agreed to forgiveness of unpaid directors' fees and salaries and statutory superannuation as follows:
 - Non-Executive Directors: period from June 2018 to June 2019
 - Executive Director: period from June to November 2018.

DIRECTORS' REPORT

7. ADDITIONAL STATUTORY DISCLOSURES

(a) Share-Based Compensation

(i) Loan Shares

The table below discloses the number of Loan Shares granted to the Managing Director & CEO as LTI-based remuneration during FY19 and FY18, as well as the number of Loan Shares that vested or lapsed/forfeited during the year. Refer to Note 22 to the Financial Statements for details supporting grant date valuations disclosed in the table below.

KMP	Year granted	Number granted	Grant date value per share	Consolidated number ¹	Vested number	Vested %	Lapsed %	Year in which may vest	Maximum value yet to vest
K Paterson	FY19	1,000,000	\$0.1734	N/A	-	-	-	FY22	\$121,847
	FY18	1,500,000 ¹	\$0.1800	(300,000)	450,000 ¹	50%	50%	N/A	-

Notes:

- As part of the capital restructure described in the Directors' Report of the Annual Report, the Loan Shares granted and vested in FY18 were consolidated from 750,000 vested Loan Shares in to 450,000 vested Loan Shares.

The total value of Loan Shares awarded to the Managing Director & CEO for FY19 was \$173,389 (FY18: \$135,000).

The table below discloses the issue price and vesting conditions attaching to the Loan Shares granted to the Managing Director & CEO as LTI-based remuneration during FY19 and FY18.

Issue date	Number of Loan Shares	Issue Price	Vesting Conditions	Date Vested
22 Mar 2018	750,000 ¹	\$0.08	Reporting of an Exploration Target by a Competent Person at the Lake Rason Prospect	13 Mar 2018
22 Mar 2018	750,000	\$0.08	Admission of the Company to the official list of ASX on or before 30 June 2018	Lapsed
7 Jan 2019 ²	1,000,000	\$0.125	Completion of a Scoping Study (as defined in the JORC Code (2012 Edition)) relating to one or more of Exploration Licences E38/3089, E39/2047 and E38/3259 granted under the Mining Act 1978 (WA), Exploration Licence applications E38/3065, E38/3298, E38/3299, E38/3300, E38/3301 and E38/3302 under the <i>Mining Act 1978</i> (WA), and any grant, extension, renewal, conversion of substitution of any of the foregoing, by the date falling two years from the date of the Company's admission to the official list of the ASX.	-

Notes:

- As part of the capital restructure described in the Directors' Report of the Annual Report, the Loan Shares granted and vested in FY18 were consolidated from 750,000 vested Loan Shares in to 450,000 vested Loan Shares.
- Grant date for the purpose of determining the value on per share was 2 November 2018.

Refer to Note 22 to the Financial Statements for further details of the Loan Funded Plan.

(ii) Options

The table below discloses the number of options granted to key management personnel as equity incentives during FY19 and FY18, as well as the number of options that were cancelled during the year. Refer to Note 22 to the Financial Statements for details supporting grant date valuations disclosed in the table below.

KMP	Year granted	Number granted	Grant date value per option	Vested number	Vested %	Cancelled number ²	Cancelled %	Year in which expire	Maximum value yet to vest
K Paterson	FY19	3,000,000	\$0.0663	3,000,000	100%	N/A	-	FY22	-
	FY19	2,000,000	\$0.0723	2,000,000	100%	N/A	-	FY24	-
	FY18	5,000,000 ¹	\$0.1400	5,000,000	100%	(5,000,000)	100%	N/A	-
M Ralston	FY19	-	-	-	-	-	-	-	-
	FY18	3,000,000 ¹	\$0.1400	3,000,000	100%	(3,000,000)	100%	N/A	-
W Bent	FY19	-	-	-	-	-	-	-	-
	FY18	2,000,000 ¹	\$0.1400	2,000,000	100%	(2,000,000)	100%	N/A	-

DIRECTORS' REPORT

Notes:

- On 13 March 2018, following receipt of shareholder approval, the Company issued 10,000,000 options exercisable at \$0.20 each on or before 13 March 2022 to directors of Trigg Mining.
- On 30 August 2018, as part of the capital restructure described in the Directors' Report of the Annual Report, the Company cancelled the 10,000,000 options.

The total value of options awarded to key management personnel for FY19 was \$343,545 (FY18: \$1,400,000).

(b) Key Management Personnel Equity Holdings

Fully paid ordinary shares

The number of ordinary fully paid shares in the Company held directly and indirectly by key management personnel, and any movements during the year are set out below:

Director	Held at 1 Jul 2018	Held at date of appointment	Purchases/ (Sales)	Granted as remuneration	Other changes ¹	Held at date of resignation	Held at 30 Jun 2019
K Paterson	6,500,000	N/A	-	1,000,000	(4,050,000)	N/A	3,450,000 ^{2 3}
M Ralston	6,500,000	N/A	-	-	(3,900,000)	N/A	2,600,000 ⁴
W Bent	5,000,000	N/A	-	-	(3,000,000)	N/A	2,000,000 ⁵
Director	Held at 1 Jul 2017	Held at date of appointment	Purchases/ (Sales)	Granted as remuneration	Other changes	Held at date of resignation	Held at 30 Jun 2018
K Paterson	5,000,000	N/A	-	1,500,000	-	N/A	6,500,000
M Ralston	6,500,000	N/A	-	-	-	N/A	6,500,000
W Bent	5,000,000	N/A	-	-	-	N/A	5,000,000

Notes:

- As part of the capital restructure described in the Directors' Report of the Annual Report, the Company completed a consolidation of capital and share buy-back.
- 2,000,000 Shares are held indirectly by KP Consulting Group Pty Ltd as trustee for SSB Trust. Ms Paterson is a director and beneficiary of the trust.
- 1,450,000 Shares held by Ms Paterson were issued as Loan Shares pursuant to the Company's Loan Funded Plan.
- 2,600,000 Shares are held indirectly by Michael Ralston and Sharon Ann Ralston as trustee for the Ralston Family Trust, of which Mr Ralston is a beneficiary.
- 2,000,000 Shares are held indirectly by Mainsheet Capital WA Pty Ltd as trustee for William Bent as trustee for Bent Family Trust, of which Mr Bent is a beneficiary.

Options

The number of options in the Company held directly and indirectly by key management personnel, and any movements during the year are set out below:

Director	Held as at 1 Jul 2018	Held at date of appointment	Purchases/ (Sales)	Granted as remuneration	Other changes ²	Held at date of resignation	Held at 30 Jun 2019
K Paterson	5,000,000	-	-	5,000,000	(5,000,000)	N/A	5,000,000 ¹
M Ralston	3,000,000	-	-	-	(3,000,000)	N/A	-
W Bent	2,000,000	-	-	-	(2,000,000)	N/A	-
Director	Held as at 1 Jul 2017	Held at date of appointment	Purchases/ (Sales)	Granted as remuneration ²	Other changes	Held at date of resignation	Held at 30 Jun 2018
K Paterson	-	-	-	5,000,000	-	N/A	5,000,000
M Ralston	-	-	-	3,000,000	-	N/A	3,000,000
W Bent	-	-	-	2,000,000	-	N/A	2,000,000

Notes:

- 5,000,000 are held indirectly by KP Consulting Group Pty Ltd as trustee for SSB Trust. Ms Paterson is a director and beneficiary of the trust.
- During FY18, each of the directors received equity-based incentives in the form of options which were subsequently cancelled in FY19. Refer to section 7(a)(ii) of the Remuneration Report for further information.

(c) Other Key Management Personnel Transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The related party transactions with key management personnel are set out below.

DIRECTORS' REPORT

Transaction		Transactions value year ended 30 June		Balance outstanding as at 30 June	
		2019	2018	2019	2018
Michael Ralston ¹	Loan agreement	-	100,000	-	-
William Bent ²	Sub-lease agreement	13,100	10,430	1,300	-

Notes:

1. The Company borrowed \$100,000 from Mr Ralston for the purposes of funding its working capital. The loan was unsecured and interest free. Refer to Note 12 for further details of the loan.
2. The Company sub-leases its office space from Mainsheet Capital WA Pty Ltd, a company associated with Mr Bent. The terms of the sub-lease are based on market rates, and amounts are payable on normal commercial terms.

The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

There were no other key management personnel transactions during the 2019 or 2018 financial years.

(d) Loans to Key Management Personnel

Loans have been advanced to the Managing Director & CEO, following receipt of shareholder approval, to provide financial assistance for the acquisition of Loan Shares under the Company's Loan Funded Plan. The loans are on an interest (and fee) free basis with a mortgage given to the Company over the Loan Shares (and to which the limited recourse applies). The loans each have a 7-year term and must be repaid in full prior to any disposal of the relevant Loan Shares.

The Company obtained shareholder approval for the purposes of sections 259B and 260A of the Corporations Act to provide the loans to Managing Director & CEO and take security over the Loan Shares issued under the Loan Funded Plan at the shareholder meetings held on 19 February 2018 and on 30 August 2018.

Details of loans made to the Managing Director & CEO are set out below:

KMP	Year advanced	Date of loan	Loan value advanced	Loan value repaid	Loan balance at 30 June	Number of Loan Shares	Repayment Date
K Paterson	FY18	13 Mar 2018	\$120,000	\$60,000 ¹	\$60,000	450,000	13 Mar 2025
	FY19	13 Dec 2018	\$125,000	-	\$125,000	1,000,000	13 Dec 2025

Notes:

1. On 30 August 2018, as part of the capital restructure described in the Directors' Report of the Annual Report, the Company cancelled and forfeited 750,000 Loan Shares issued to the Managing Director & CEO pursuant to the Loan Funded Plan in accordance with the terms and conditions of the plan. The loan of \$60,000 was repaid upon cancellation of the Loan Shares.

These loans do not appear in the accounts of the Company as the funds were used by the Managing Director & CEO to purchase Loan Shares pursuant the Loan Funded Plan. Refer to Note 22 to the Financial Statements for further information on the Loan Funded Plan and Loan Shares.

This concludes the Remuneration Report, which has been audited.

DIRECTORS' REPORT

INDEMNIFICATION OF OFFICERS AND AUDITORS

Indemnification

The Company has agreed to indemnify the current directors and company secretary of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors and company secretary of the Company, except where the liability arises out of conduct involving a lack of good faith.

The agreement stipulates that the Company will meet to the maximum extent permitted by law, the full amount of any such liabilities, including costs and expenses.

Insurance premiums

The Company paid a premium, during the year, in respect of a director and officer insurance policy, insuring the directors of the Company, the company secretary, and executive officers of the Company against any liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act. The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses' insurance contracts as such disclosure is prohibited under the terms of the contract.

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the Company.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 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 purposes of taking responsibility on behalf of the Company for all or part of those proceedings.

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

NON-AUDIT SERVICES

The following non-audit services were provided by BDO Corporate (WA) Pty Ltd and BDO Corporate Finance (WA) Pty Ltd. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

BDO Corporate (WA) Pty Ltd and BDO Corporate Finance (WA) Pty Ltd received or are due to receive the following amounts for the provision of non-audit services:

	2019 \$	2018 \$
Other services		
BDO Corporate Tax (WA) Pty Ltd		
- tax compliance and related services	18,840	11,876
BDO Corporate Finance (WA) Pty Ltd		
- investigating accountant's report for inclusion in prospectus	13,060	10,200

OFFICERS OF THE COMPANY WHO ARE FORMER AUDIT PARTNERS OF BDO AUDIT (WA) PTY LTD

There are no officers of the Company who are former audit partners of BDO Audit (WA) Pty Ltd.

AUDITOR'S INDEPENDENCE DECLARATION

Pursuant to section 307C of the Corporations Act, the auditor's independence declaration is set out on page 26 and forms part of this Directors' Report for the year.



DIRECTORS' REPORT

Signed in accordance with a resolution of the directors.

A handwritten signature in blue ink, appearing to read "K. Paterson", with a small dot at the end.

Keren Paterson
Managing Director & CEO

30 September 2019

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF TRIGG MINING LIMITED

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

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

This declaration is in respect of Trigg Mining Limited.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd
Perth, 30 September 2019

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

	Notes	2019 \$	2018 \$
Finance income		4,220	9,891
Research & Development tax rebate		306,536	-
Corporate and administrative expenses	7	(802,908)	(2,228,637)
Exploration and evaluation expenses		(404,372)	(743,457)
Other expenses		(183,473)	(290,573)
Loss from ordinary activities before income tax		(1,079,997)	(3,252,776)
Income tax	6	-	-
Net loss from ordinary activities for the year		(1,079,997)	(3,252,776)
Basic and diluted loss per share (cents) (restated)	18	(3.62)	(12.59)

This Statement of Profit and Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.



STATEMENT OF FINANCIAL POSITION
as at 30 June 2019

	Notes	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	8	49,987	149,654
Trade and other receivables	9	25,323	117,902
Other financial assets	10	-	12,657
Total Current Assets		75,310	280,213
TOTAL ASSETS		75,310	280,213
CURRENT LIABILITIES			
Trade and other payables	11	185,178	108,196
Employee benefits provision	13	30,034	14,408
Total Current Liabilities		215,212	122,604
TOTAL LIABILITIES		215,212	122,604
NET ASSETS/ (DEFICIENCY IN NET ASSETS)		(139,902)	157,609
EQUITY			
Issued capital	14	2,168,437	1,781,037
Reserves	15	530,086	1,631,000
Accumulated losses	16	(2,838,425)	(3,254,428)
TOTAL EQUITY/ (DEFICIENCY IN EQUITY)		(139,902)	157,609

This Statement of Financial Position is to be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
for the year ended 30 June 2019

	Notes	2019	2018
		\$	\$
Cash flows from operating activities			
Interest received		14,148	9,854
Payments to suppliers and employees		(807,751)	(1,634,442)
Proceeds from R&D tax incentive rebate		306,536	
Net cash used in operating activities	21	<u>(487,067)</u>	<u>(1,624,588)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		-	(6,795)
Net cash used in investing activities		<u>-</u>	<u>(6,795)</u>
Cash flows from financing activities			
Proceeds from the issue of share capital (net)		388,000	1,778,537
Payment for share buy-back		(600)	-
Proceeds from borrowings		-	100,000
Repayment of borrowings		-	(100,000)
Net cash provided by financing activities		<u>387,400</u>	<u>1,778,537</u>
Net increase/(decrease) in cash held		(99,667)	147,154
Cash and cash equivalents at the beginning of the year		149,654	2,500
Cash and cash equivalents at the end of the year	8	<u>49,987</u>	<u>149,654</u>

This Statement of Cash Flows is to be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
 for the year ended 30 June 2019

	Issued Capital	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2017	2,500	-	(1,652)	848
Loss for the year	-	-	(3,252,776)	(3,252,776)
Issue of share capital	2,210,000	-	-	2,210,000
Share issue costs	(431,463)	-	-	(431,463)
Share-based payments	-	1,631,000	-	1,631,000
At 30 June 2018	1,781,037	1,631,000	(3,254,428)	157,609
Balance at 1 July 2018	1,781,037	1,631,000	(3,254,428)	157,609
Loss for the year	-	-	(1,079,997)	(1,079,997)
Issue of share capital	400,000	-	-	400,000
Share issue costs	(12,000)	-	-	(12,000)
Shares bought back	(600)	-	-	(600)
Share-based payments	-	395,086	-	395,086
Transfer from reserves	-	(1,496,000)	1,496,000	-
At 30 June 2019	2,168,437	530,086	(2,838,425)	(139,902)

This Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The financial report of Trigg Mining Limited (**Trigg Mining** or the **Company**) for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of the directors on 30 September 2019. Trigg Mining is a public company limited by shares incorporated and domiciled in Australia whose securities are expected to be traded on the Australian Stock Exchange from 3 October 2019.

The nature of the operations and principal activities of the Company are described in the Review of Activities.

2. BASIS OF PREPARATION

Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Basis of measurement

The financial report has been prepared on a historical cost basis. The financial report is presented in Australian dollars and all values rounded to their nearest dollar unless otherwise stated.

The financial statements provide comparative information in respect of the previous period.

Compliance with International Financial Reporting Standards (IFRS)

The financial report also complies with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board.

Going Concern

The going concern concept relates to the assessment of the Company's ability to continue its operations (and pay its debts when they fall due) for the next 12 months from the date when the directors sign the annual report without the need to raise money from issuing shares or increasing the current level of its borrowings. The annual financial report has been prepared on a going concern basis. Refer to note 23 for details of the IPO including the raising of \$4,500,000 before costs.

For the year ended 30 June 2019, the Company recorded a loss of \$1,079,997 (2018: \$3,252,776), had net cash outflows from operating activities of \$487,067 (2018: \$1,624,588) and had a net asset deficiency of \$139,902. These conditions indicate a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors have made an assessment of whether it is reasonable to assume that the Company will be able to continue its normal operations based on the following factors and judgements:

- the Company raised \$400,000 via a seed capital raising during the year; and
- subsequent to year end, the Company:
 - was able to secure a loan from a director of \$250,000 (which will be repaid); and
 - raised \$4,500,000, before costs, following the successful completion of the IPO.

The directors have prepared a cash flow forecast, which indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report.

Should the Company not be able to continue as a going concern, it may be required to realise assets and discharge liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

3. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the material accounting policies adopted by the Company in the preparation of the Report. The accounting policies have been consistently applied, unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

(a) Income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- (a) except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (b) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement. The Company has unused tax losses. However, no deferred tax balances have been recognised, as it is considered that asset recognition criteria have not been met at this time

(b) Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity 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, and bank overdrafts.

(c) 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 provision for impairment.

(d) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the financial period. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

(e) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective interest method. Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash asset transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

NOTES TO THE FINANCIAL STATEMENTS

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

(f) Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of GST.

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(g) Goods and Services Tax (GST)

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or payables in the balance sheet.

(h) Exploration and evaluation expenditure

Exploration and evaluation costs, comprising net direct costs (including the costs of acquiring licences) and an appropriate portion of related overhead expenditure directly attributable to the exploration property, relating to current areas of interest.

Expenditure on exploration and evaluation activities in relation to areas of interest which have not yet reached a stage which permits reasonable assessment of the existence or otherwise of economically recoverable reserves are expensed as incurred in accordance with the Company's policy on accounting for exploration and evaluation expenditure.

(i) Issued capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

(j) Share-based payments transactions

The Company provides benefits to employees (including directors) of the Company in the form of share options and limited recourse loan shares. The features of the loan shares are in substance accounted like an option. The fair value of options and loan shares granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employee becomes unconditionally entitled to the options. The fair value of the options and loan shares granted is measured using Black-Scholes valuation model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight-line basis over the period from grant date to the date on which the relevant employees become fully entitled to the award ("vesting date"). The amount recognised as an expense is adjusted to reflect the actual number that vest.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(k) Tax incentives

The Company may be entitled to claim special tax deductions for investments in qualifying expenditure (e.g. Research and Development Tax Incentive Scheme in Australia). The Company accounts for such allowances on the same basis as the relevant expenditure. If the expenditure is expensed in the income statement, the tax incentive will be recorded in the profit or loss. If the expenditure is capitalised to an asset, the tax incentive will reduce the carrying value of the asset.

NOTES TO THE FINANCIAL STATEMENTS

(l) Accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information. The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Valuation of share-based payment transactions

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model taking into account the terms and conditions upon which the instruments were granted.

(m) Adoption of new and revised accounting standards and interpretations

Standards and Interpretations applicable to 30 June 2019

The directors have reviewed and determined that there is no material impact of other new and revised Standards and Interpretations that apply for the first time for financial year ended 30 June 2019 on the financial statements of the Company.

The Company adopted AASB 9 Financial Instruments with a date of initial application of 1 July 2018. The adoption of AASB 9 did not give rise to any material transitional adjustments. The accounting policy applicable from 1 July 2018 is set out below:

AASB 9 Financial Instruments replaces the provisions of AASB 139 Financial Instruments: Recognition and Measurement that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

- Classification and measurement

The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Under AASB 9 financial assets are subsequently measured at fair value through profit or loss (**FVPL**), amortised cost, or fair value through other comprehensive income (**FVOCI**). The classification is based on two criteria: the Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (**SPPI criterion**).

The new classification and measurement of the Company's financial assets are, as follows:

- Debt instruments at amortised cost, for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the 'SPPI criterion'. This category includes the Company's other receivables.

On transition to AASB 9 the assessment of the Company's business models was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

- Impairment

From 1 July 2018, the Company assesses on a forward-looking basis the expected credit losses (**ECL**) associated with its debt instruments carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For debt financial assets, the ECL is based on either the 12-month or lifetime ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. When there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations on issue not yet adopted for the year ended 30 June 2019. As a result of this review, the directors have determined that there is no material impact of the Standards and Interpretations on issue not yet adopted on the Company and, therefore, no change is necessary to the Company's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

The following standards, amendments to standards and interpretations have been identified as those which may impact the Company in the period of initial application. They have not been applied in preparing this financial report:

(i) AASB 16 Leases

This standard is effective for periods beginning on or after 1 January 2019 and is available for early adoption. Under this standard the lessees will no longer be required to classify leases as either operating or finance leases. Lessees will recognise all leases in the statement of financial position (subject to limited exemptions) in a similar manner to existing finance leases. The requirements for lessor accounting have been carried forward from AASB 117 Leases largely unchanged. The Company will adopt this standard and the amendments from 1 July 2019. As the company does not hold significant leases within the business and the company has assessed the impact of this standard to be immaterial to the Company's balance sheet.

4. RISK MANAGEMENT

The Company's risk management framework is supported by the Board and management. The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Management is responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk. The Board, performing the duties ordinarily assigned to the Audit and Risk Committees, is responsible for identifying, monitoring and managing significant business risks faced by the Company and considering the effectiveness of its internal control system. Management reports to the Board.

The Company has exposure to the following risks from their use of financial assets:

- Market risk
- Credit risk
- Liquidity risk.

Financial risk management objectives

The overall financial risk management strategy focuses on the unpredictability of the equity markets and seeks to minimise the potential adverse effects due to movements in financial liabilities or assets. The Company holds the following financial instruments as at 30 June:

	2019 \$	2018 \$
Financial assets		
Cash and cash equivalents	49,987	149,654
Trade and other receivables	25,323	117,902
	75,310	267,556
Financial liabilities		
Trade and other payables	185,178	108,196

Market risk

Market risk is the risk that changes in market prices, such as interest rates and commodity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return. There were no changes in the Company's market risk management policies from previous years.

Interest rate risk

The Company's exposure to interest rates primarily relates to the Company's cash and cash equivalents. The Company manages market risk by monitoring levels of exposure to interest rate risk and assessing market forecasts for interest rates.

	2019 \$	2018 \$
<i>Variable rate instruments</i>		
Cash at bank	24,987	124,654
<i>Fixed rate instruments</i>		
Bank term deposits	25,000	25,000
	49,987	149,654

Cash flow sensitivity analysis for variable rate instruments

NOTES TO THE FINANCIAL STATEMENTS

Based on cash balances held at variable rates as at 30 June 2019, a change of 50 basis points in interest rates would have increased or decreased the Company's loss by \$21 (2018: \$25 at 25 basis points). The Board assessed a 50-basis point movement as being reasonably possible based on recent RBA and press reports, whereby a movement of this magnitude is possible over the next 12 months. This analysis assumes that all other variables remain constant.

Other market price risk

The Company is involved in the exploration and development of mining tenements for minerals. Should the Company successfully progress to production, revenues associated with mineral sales, and the ability to raise funds through equity and debt, will have some dependence upon commodity prices

The Company operates within Australia and all transactions during the financial year are denominated in Australian dollars. The Company is not exposed to foreign currency risk at the end of the reporting period.

Capital

The capital of the Company consists of issued capital (Shares) and borrowings. The Board aims to maintain a capital structure that ensures the lowest cost of capital available to the entity at the time when funds are obtained. The Board will assess the options available to the Company to issue more Shares while taking into account the effect on current shareholder ownership percentages (dilution) or alternatively assess the ability of the Company to access debt (borrowings) where the cost associated of borrowing these funds (interest) is not considered excessive.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position although there is no formal policy regarding gearing levels as the Company is not yet in production.

Liquidity

Liquidity risk arises from the debts (financial liabilities being creditors and other payables) of the Company and the Company's subsequent ability to meet these obligations to repay its debts (financial liabilities) as and when they fall due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Board has determined an appropriate liquidity risk management framework for the administration of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves and monitoring actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and debts (liabilities). There were no changes in the Company's liquidity risk management policies from previous years.

	Carrying amount	Contractual cash flows	Less than 1 year	2-5 years	>5 years
30 June 2019					
Trade and other payables	185,178	185,178	185,178	-	-
Total	185,178	185,178	185,178	-	-
30 June 2018					
Trade and other payables	108,196	108,196	108,196	-	-
Total	108,196	108,196	108,196	-	-

Fair value of financial instruments

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes. The Board considers that the carrying amounts of current financial assets and financial liabilities recorded in the financial statements approximate their fair values due to their short-term maturity.

Credit

The major current asset of the Company is its cash at bank. The assessment of the credit risk based on a rating agency review of the financial institution is set out below:

	2019 \$	2018 \$
<u><i>Credit risk</i></u>		
A-1+	49,987	149,654

NOTES TO THE FINANCIAL STATEMENTS

The equivalent S&P rating of the financial assets represents that rating of the counterparty with whom the financial asset is held rather than the rating of the financial asset itself.

Interest rate risk

The Company is currently not exposed to material interest rate movements given the low interest rate returns on offer in the market for funds on deposit.

5. AUDITOR'S REMUNERATION

	2019	2018
	\$	\$
(a) Audit services		
BDO Audit (WA) Pty Ltd		
- audit and review of financial reports	25,800	31,508
(b) Other services		
BDO Corporate Tax (WA) Pty Ltd		
- tax compliance and related services	18,840	11,876
BDO Corporate Finance (WA) Pty Ltd		
- investigating accountant's report for inclusion in prospectus	13,060	10,200

NOTES TO THE FINANCIAL STATEMENTS

6. TAXATION

(a) Income tax expense	-	-
(b) Numerical reconciliation between income tax expense and pre-tax net loss		
Loss before income tax expense	(1,079,997)	(3,252,776)
Income tax benefit calculated at 30% (2018: 27.5%)	(323,999)	(894,513)
Tax effect of:		
Amounts which are not tax deductible	26,792	1,324
Changes in unrecognised temporary differences not brought to account	297,207	893,189
Income tax expense	-	-
(c) Deferred tax assets/(liabilities) not brought to account		
Tax losses	443,757	2,430,753
Timing differences	40,768	61,064
Capital raising costs	217,317	65,761
Total deferred tax balances not brought to account	701,842	2,557,576

The tax benefits of the above deferred tax assets will only be obtained if:

- (a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- (b) the Company continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in income tax legislation adversely affect the Company in utilising the benefits.

The above deferred tax liabilities have not been recognised as they have given rise to the carry forward revenue losses for which the deferred tax asset has not been recognised.

NOTES TO THE FINANCIAL STATEMENTS

7. EXPENSES	2019 \$	2018 \$
Corporate and administrative expenses		
Accounting, audit, company secretarial and tax fees	96,745	115,558
Insurance costs	44,008	16,435
Legal fees	29,432	29,833
Marketing and public relations expenses	106,179	44,890
Operating lease expenses	14,487	15,030
Personnel expenses	97,386	350,699
Share based payments expense	395,086	1,631,000
Other expenses	19,585	25,192
Total corporate and administrative expenses	802,908	2,228,637
8. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	24,987	124,654
Term deposit	25,000	25,000
	49,987	149,654
9. TRADE AND OTHER RECEIVABLES		
Sundry debtors	25,323	117,902
10. OTHER FINANCIAL ASSETS		
Prepaid insurance	-	12,657
11. TRADE AND OTHER PAYABLES		
Trade payables	63,484	25,198
Other creditors and accruals ¹	121,694	82,998
	185,178	108,196
12. BORROWINGS		
Loan from Director	-	-
Reconciliation		
Opening balance	-	-
Amount borrowed	-	100,000
Amount repaid	-	(100,000)
Closing balance	-	-

Terms of the Borrowings

In July 2017, the Company entered into a loan agreement with Non-Executive Chairperson, Mr Michael Ralston, for the purposes of supplementing its working capital. The loan was repayable within 3 months and advanced on an interest free basis provided it was repaid in full within the term of the loan. The loan was repaid in full in August 2017.

Security

The Loan from Director was unsecured.

NOTES TO THE FINANCIAL STATEMENTS

13. EMPLOYEE BENEFITS OBLIGATION	2019 \$	2018 \$
Annual leave - current	30,034	14,408
Reconciliation		
Balance brought forward	14,408	-
Movement during the year	15,626	14,408
Balance carried forward	30,034	14,408

14. ISSUED CAPITAL

30,225,000 (2018: 54,125,000) fully paid ordinary shares	2,168,437	1,781,037
	Number of Shares	\$
Opening balance 1 July 2017	25,000,000	2,500
Shares issued on 25 July 2017	4,187,500	335,000
Shares issued on 8 September 2017	4,687,500	375,000
Shares issued on 1 November 2017	750,000	60,000
Shares issued on 21 December 2017	13,000,000	1,040,000
Shares issued on 21 December 2017	5,000,000	400,000
Shares issued on 22 March 2018 under Loan Funded Plan	1,500,000	-
Less: Transaction costs arising on share issue	-	(431,463)
Balance at 30 June 2018	54,125,000	1,781,037
Shares cancelled on 30 August 2018 pursuant to forfeiture under Loan Funded Plan	(750,000)	-
Shares cancelled on 19 September 2018 pursuant to selective buy-back	(6,000,000)	(600)
Shares cancelled on 4 September 2018 pursuant to 3 for 5 consolidation of capital	(21,350,000)	-
Shares issued on 20 November 2018	3,200,000	400,000
Shares issued on 7 January 2019 under Loan Funded Plan	1,000,000	-
Less: Transaction costs arising on share issue		(12,000)
Balance at 30 June 2019	30,225,000	2,168,437

Refer to Note 22 for further details of the shares issued and cancelled under the Loan Funded Plan (share based payments).

Ordinary shares entitle the holder to participate in dividends and the proceeds from winding up of the Company in proportion to the number and amounts paid on the shares held.

Options

At 30 June 2019, unissued ordinary shares of the Company under option are:

Class	Expiry Date	Exercise Price	Number of Options
Unquoted Tranche 1 options	7 January 2023	\$0.25	2,000,000
Unquoted Tranche 2 options	31 October 2021	\$0.20	3,000,000

During the year, the Company granted the following options over unissued ordinary shares:

Class	Expiry Date	Exercise Price	Grant Date	Number of Options
Unquoted Tranche 1 options	7 January 2023	\$0.25	7 January 2019	2,000,000
Unquoted Tranche 2 options	31 October 2021	\$0.20	7 January 2019	3,000,000

Refer to Note 22 for further details of these options granted to the Managing Director & CEO (share-based payments).

NOTES TO THE FINANCIAL STATEMENTS

The following options were cancelled during the financial year as part of the capital restructure described in the Directors' Report of the Annual Report:

Class	Grant Date	Expiry Date	Exercise Price	Number cancelled
Director Options	13 March 2019	13 March 2022	\$0.20	10,000,000

Performance rights

On 30 August 2018, the following performance rights were cancelled and forfeited in accordance with the terms and conditions of the performance rights plan:

Class	Grant date	Date Vested	Expiration date	Number issued
A	23 February 2018	13 March 2018	23 February 2025	500,000
B	23 February 2018	Not applicable	23 February 2025	500,000

At 30 June 2019, there were no performance rights on issue.

	2019 \$	2018 \$
15. RESERVES		
Share based payments reserve	530,086	1,631,000
Reconciliation		
Balance at beginning of the year	1,631,000	-
Share based payments during the year	395,086	1,631,000
Transfer to accumulated losses (options cancelled)	(1,496,000)	-
Balance at end of the year	530,086	1,631,000

Share-based payments reserve

This reserve is used to record the value of equity-settled share-based payments provided to employees and directors as part of their remuneration. Refer to Note 22 for further details of share-based payments.

16. ACCUMULATED LOSSES		
Accumulated losses at the beginning of the year	(3,254,428)	(1,652)
Transfer from reserves	1,496,000	-
Loss for the year	(1,079,997)	(3,252,776)
Accumulated losses at the end of the year	(2,838,425)	(3,254,428)

17. COMMITMENTS AND CONTINGENCIES

Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements, the Company is required to meet the minimum expenditure requirements specified by the State Government. These obligations may vary over time, depending on the Company's exploration program and priorities, and are also subject to variations by negotiation, joint venturing and relinquishing some of the tenements.

At balance date, total exploration expenditure commitments of the Company which have not been provided for in the financial statements are estimated at \$744,400 for the subsequent 12 months. These obligations are expected to be fulfilled in the normal course of operations. Commitments beyond 30 June 2019 are dependent on whether existing rights of tenure are renewed or new rights of tenure are acquired.

NOTES TO THE FINANCIAL STATEMENTS

Equity commitments

Farm-In Agreement

Pursuant to a Farm-In Agreement dated 12 July 2017 (as amended on 20 July 2018), the vendors of K2O Minerals are entitled to receive two tranches of Vendor Performance Shares immediately prior to the Company listing on ASX. The Vendor Performance Shares will convert into Shares upon satisfaction of the following Milestones:

- (i) **(Milestone 1):** 2,117,813 Vendor Performance Shares will convert into Shares **(Milestone 1 Vendor Performance Shares)** upon completion of a Scoping Study (as defined in the JORC Code (2012 Edition)) **(JORC Code)** relating to one or more of the Tenements by the date falling two years from the date of the Company's admission to the official list of the ASX, which demonstrates at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified; and
- (ii) **(Milestone 2):** 4,235,626 Vendor Performance Shares less the number of Vendor Performance Shares (if any) previously converted under item (i) above will convert into Shares **(Milestone 2 Vendor Performance Shares)** upon completion, by the date falling three years from the date of the Company's admission to the official list of the ASX, of:
 - (a) a Pre-Feasibility Study (as defined in the JORC Code) relating to one or more of the Tenements, which demonstrates that all or part of the related Mineral Resources (as defined in the JORC Code) may be converted into an Ore Reserve (as defined in the JORC Code) at the time of reporting; or
 - (b) a Feasibility Study (as defined in the JORC Code) relating to one or more of the Tenements, which demonstrates that extraction is reasonably justified (economically mineable) at the time of reporting.

For the purposes of these Milestones, "Tenements" means Exploration Licences E38/3089, E39/2047 and E38/3259 granted under the Mining Act 1978 (WA), Exploration Licence applications E38/3065, E38/3298, E38/3299, E38/3300, E38/3301 and E38/3302 under the Mining Act 1978 (WA), and any grant, extension, renewal, conversion or substitution of any of the foregoing.

Subsequent to balance date, following successful completion of the IPO, the Company issued 4,235,626 Vendor Performance Shares to the vendors of K2O Minerals. Refer to Note 23 to the Financial Statements for further information.

New Options to Seed Capital Investors

Subject to the completion of the IPO and prior to admission to the ASX, the Company agreed to issue a total of 8,387,500 free attaching quoted options with an exercise price of \$0.20 each on or before 31 October 2021 for nil consideration to certain existing shareholders of the Company.

Subsequent to balance date, following successful completion of the IPO, the Company issued these options to the seed capital investors. Refer to Note 23 to the Financial Statements for further information.

The Company has no other no commitments or contingent liabilities as at 30 June 2019.

18. LOSS PER SHARE

Basic and dilutive loss per share

The calculation of basic loss per share at 30 June 2019 was based on the loss attributable to ordinary shareholders of \$1,079,997 (2018: \$3,252,776) and a weighted average number of ordinary shares have been retrospectively adjusted as if the share consolidation took place at earliest period presented of 29,847,527 shares (2018: 25,838,428) calculated as follows:

	2019	2018
	\$	\$
Loss attributable to ordinary shareholders		
Net loss for the year	(1,079,997)	(3,252,776)

NOTES TO THE FINANCIAL STATEMENTS

18. LOSS PER SHARE (continued)

	Number 2019	Number 2018
Weighted average number of ordinary shares		
Balance at beginning of year	32,475,000	15,000,000
Effect of shares issued on 25 July 2017	-	2,346,841
Effect of shares issued on 8 September 2017	-	2,279,361
Effect of shares issued on 1 November 2017	-	297,940
Effect of shares issued on 21 December 2017	-	5,667,033
Effect of shares issued on 22 March 2018	-	247,253
Effect of shares cancelled on 30 August 2018	(375,824)	-
Effect of consolidation of capital on 4 September 2018	-	-
Effect of selective buy-back on 19 September 2018	(4,681,319)	-
Effect of shares issued on 20 November 2018	1,951,648	-
Effect of shares issued on 7 January 2019	478,022	-
	29,847,527	25,838,428

19. SEGMENT INFORMATION

30 June 2019	Mineral Exploration \$	Corporate Administration \$	Company \$
Segment Revenue	306,536	4,220	310,757
Significant expenses within the loss			
Share based payment expense	-	(395,086)	(395,086)
Exploration and evaluation expenses	(418,005)	-	(418,05)
Segment net operating profit/(loss) after tax	(418,005)	(661,992)	(1,079,997)
30 June 2018			
Segment Revenue	-	9,891	9,891
Significant expenses within the loss			
Depreciation and amortisation	-	(6,795)	(6,795)
Share based payment expense	-	(1,631,000)	(1,631,000)
Exploration and evaluation expenses	(743,457)	-	-
Segment net operating profit/(loss) after tax	(743,457)	(2,509,319)	(3,252,776)
Segment assets			
At 30 June 2019	-	75,310	75,310
At 30 June 2018	-	280,213	280,213
Segment liabilities			
At 30 June 2019	-	(15,212)	(215,212)
At 30 June 2018	-	(122,604)	(122,604)

NOTES TO THE FINANCIAL STATEMENTS

20.	RELATED PARTY DISCLOSURES	2019 \$	2018 \$
	(a) Key management personnel compensation		
	Short-term employee benefits	166,095	236,954
	Post-employment benefits	15,675	22,325
	Share-based payments	395,086	1,535,000
		576,856	1,794,279

Note: The directors agreed to forgiveness of unpaid directors' fees and salaries and statutory superannuation as follows:

- (a) Non-Executive Directors: period from June 2018 to June 2019
- (b) Executive Director: period from June to November 2018.

Detailed remuneration disclosures are provided in the Remuneration Report on pages 16 to 23.

(b) Other key management personnel transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The related party transactions with key management personnel are set out below.

Transaction	Transactions value year ended 30 June		Balance outstanding as at 30 June	
	2019	2018	2019	2018
Michael Ralston ¹ Loan agreement	-	100,000	-	-
William Bent ² Sub-lease agreement	13,100	10,430	1,300	-

Notes:

- The Company borrowed \$100,000 from Mr Ralston for the purposes of funding its working capital. The loan was unsecured and interest free. Refer to Note 12 for further details of the loan.
- The Company sub-leases its office space from Mainsheet Capital WA Pty Ltd, a company associated with Mr Bent. The terms of the sub-lease are based on market rates, and amounts are payable on normal commercial terms.

The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

There were no other key management personnel transactions during the 2019 or 2018 financial years.

(c) Loans to key management personnel

Loans have been advanced to Keren Paterson, Managing Director & CEO, following receipt of shareholder approval, to provide financial assistance for the acquisition of Loan Shares under the Company's Loan Funded Plan. The loans are on an interest (and fee) free basis with a mortgage given to the Company over the Loan Shares (and to which the limited recourse applies). The loans each have a 7-year term and must be repaid in full prior to any disposal of the relevant Loan Shares.

The Company obtained shareholder approval for the purposes of sections 259B and 260A of the Corporations Act to provide the loans to Managing Director & CEO and take security over the Loan Shares under the Loan Funded Plan at the shareholder meetings held on 19 February 2018 and on 30 August 2018.

Details of loans made to the Managing Director & CEO are set out below:

Related party	Year advanced	Date of loan	Loan value advanced	Loan value repaid	Loan balance at 30 June	Number of Loan Shares	Repayment Date
K Paterson	FY18	13 Mar 2018	\$120,000	\$60,000 ¹	\$60,000	450,000	13 Mar 2025
	FY19	13 Dec 2018	\$125,000	-	\$125,000	1,000,000	13 Dec 2025

NOTES TO THE FINANCIAL STATEMENTS

Notes:

- On 30 August 2018, as part of the capital restructure described in the Directors' Report of the Annual Report, the Company cancelled and forfeited 750,000 Loan Shares issued to the Managing Director & CEO pursuant to the Loan Funded Plan in accordance with the terms and conditions of the plan. The loan of \$60,000 was repaid upon cancellation of the Loan Shares.

These loans do not appear in the accounts of the Company as the funds were used by the Managing Director & CEO to purchase Loan Shares pursuant the Loan Funded Plan. Refer to Note 22 to the Financial Statements for further information on the Loan Funded Plan and Loan Shares.

21. RECONCILIATION OF CASH FLOWS USED IN OPERATING ACTIVITIES

	2019 \$	2018 \$
Cash flows from operating activities		
Loss for the year	(1,219,609)	(3,252,776)
Adjustments for:		
Depreciation	-	6,795
Share based payments expense	395,086	1,631,000
Operating loss before changes in working capital and provisions	(824,523)	(1,614,981)
Change in trade and other receivables	92,579	(117,902)
Change in prepayments	12,657	(12,657)
Change in trade and other payables	216,594	106,544
Change in provisions	15,626	14,408
Net cash used in operating activities	(487,067)	(1,624,588)

Details of options granted to the Managing Director & CEO for no cash consideration are disclosed in Note 22.

22. SHARE BASED PAYMENTS

(a) Loan Funded Plan

The purpose of the Company's loan funded plan is to provide incentives to motivate and maintain existing employees (**Eligible Employee**) and to attract quality new employees (**Loan Funded Plan**). The benefit to shareholders is derived from the proposition that by retaining and attracting high quality, motivated employees, the Company will maximise its output. The Loan Funded Plan was last voted upon by shareholders at the general meeting held on 19 February 2018.

Terms of the Loan Funded Plan

The material terms of the Loan Funded Plan are summarised below:

- The Loan Funded Plan provides the Board with the discretion to invite Eligible Employees to apply for a loan to fund the acquisition of Shares (**Loan Shares**);
- The maximum amount of any loan must not exceed the subscription price of the Loan Shares;
- The loan must only be used towards the subscription price for Loan Shares;
- The loan will be for 7 years or such shorter period as agreed by the Company;
- The loan is an interest free and limited recourse loan;
- The Company will have a lien over the Loan Shares while any part of the loan remains unpaid and may take any available actions to it to prevent the transfer of the Loan Shares. Eligible Employees must not otherwise sell, transfer, encumber or otherwise deal with the Loan Shares unless permitted under the Loan Funded Plan or by the Board;
- The Loan Shares will be forfeited if the loan is not repaid when due if Eligible Employees cease to be an employee or become bankrupt. The Company can then buy-back the Loan Shares at the lesser of

NOTES TO THE FINANCIAL STATEMENTS

the aggregate market price for the Loan Shares as at the date of the buy-back or a value equal to the outstanding balance of the loan amount. Any forfeited Shares which are bought back by the Company will be cancelled;

8. Eligible Employees have no right to any proceeds from the buyback of any Loan Shares and any remaining amount of the loan will be forgiven;
9. The Board may vary the Loan Funded Plan; and
10. The Loan Funded Plan is separate to and does not in any way form part of, vary or otherwise affect the rights and obligations of an employee under the terms of that person's employment or arrangement.

Loans pursuant to Loan Funded Plan

As part of the Loan Funded Plan, the Company will take security over the Loan Shares to secure the repayment of the loan. The Corporations Act restricts a company from taking security over its own shares (section 259B) and financially assisting a person to acquire shares in the company (section 260A) without shareholder approval.

Details of loans made to the Managing Director & CEO to provide financial assistance for the acquisition of Loan Shares under the Company's Loan Funded Plan are set out in Note 20(c) to the Financial Statements.

Loan Shares issued under Loan Funded Plan

The following table shows the Loan Shares issued during the financial year:

	Number of Loan Shares 2019	Number of Loan Shares 2018
As at 1 July	1,500,000	-
Granted during the year	1,000,000	1,500,000
Forfeited during the year	(750,000)	-
Consolidated during the year	(300,000)	-
As at 30 June	1,450,000	1,500,000

Refer to Section 7(a) of the Remuneration Report for details of vesting conditions attaching to the Loan Shares as well as the number of Loan Shares that vested during the year.

Fair value of Loan Shares issued under Loan Funded Plan

The fair value of the Loan Shares was calculated at the date of grant using a Black-Scholes valuation model. The following table gives the assumptions made in determining the fair value of Loan Shares on the date of grant:

Grant date	Life of the Loan Shares	Fair value per Loan Share	Number of Loan Shares granted	Value of Loan Shares	Underlying Share price	Estimated volatility	Risk free interest rate	Dividend yield
22 Mar 2018	7 years	\$0.1800	1,500,000	\$270,000	\$0.20	100%	2.68%	Nil
27 Nov 2018	7 years	\$0.1734	1,000,000	\$173,389	\$0.20	100%	2.32%	Nil

Loan Shares are expensed over the two-year vesting period from the date of grant and expensed in full upon achievement of the vesting condition.

The loans made to the Managing Director & CEO to purchase the Loan Shares is secured only over those Loan Shares, and in substance represents the grant of share options. The loan proceeds are returned to the Company in exchange for the Loan Shares and hence these loans do not appear in the accounts of the Company. At maturity of the loan the Managing Director & CEO can choose to surrender the Loan Shares or repay the loan equivalent to paying the exercise price of the notional share option. This arrangement gives rise to a share based payment determined in accordance with *AASB 2 Share based payments*.

NOTES TO THE FINANCIAL STATEMENTS

(b) Options

The following table shows the options issued during the financial year:

	2019		2018	
	Weighted average exercise price	Number of Options	Weighted average exercise price	Number of Options
As at 1 July	-	10,000,000	-	-
Issued during the year	\$0.22	5,000,000	\$0.20	10,000,000
Cancelled during the year	\$0.20	(10,000,000)	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
As at 30 June	\$0.22	5,000,000	\$0.20	10,000,000
Exercisable at 30 June	\$0.22	5,000,000	\$0.20	10,000,000

All options vested immediately. There are no voting or dividend rights attaching to the options.

Fair value of options issued

The fair value of the options was calculated at the date of grant using a Black-Scholes valuation model and fully expensed in the reporting period. The following table gives the assumptions made in determining the fair value of options on the date of grant:

Grant date	Expiry Date	Fair value per option	Exercise price	Price of shares on grant date	Estimated volatility	Risk free interest rate	Dividend yield
27 Nov 2018	7 Jan 2023	\$0.0723	\$0.25	\$0.125	100%	1.86%	Nil
27 Nov 2018	31 Oct 2021	\$0.0663	\$0.20	\$0.125	100%	1.78%	Nil

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

Options cancelled

The following options issued during the previous financial year were cancelled during the financial year as part of the capital restructure described in the Directors' Report of the Annual Report:

Class	Grant Date	Expiry Date	Exercise Price	Number cancelled
Director Options	13 March 2019	13 March 2022	\$0.20	10,000,000

Options on issue

Options outstanding at the end of the financial year have the following expiry dates and exercise prices:

Class	Expiry Date	Exercise Price	Number of Options
Unquoted Tranche 1 options	7 January 2023	\$0.25	2,000,000
Unquoted Tranche 2 options	31 October 2021	\$0.20	3,000,000

(c) Performance rights

The following performance rights issued during the previous financial year were cancelled and forfeited during the financial year in accordance with the terms and conditions of the performance rights plan:

Class	Grant date	Date Vested	Expiration date	Number issued
A	23 February 2018	13 March 2018	23 February 2025	500,000
B	23 February 2018	Not applicable	23 February 2025	500,000

At 30 June 2019, there were no performance rights on issue.

NOTES TO THE FINANCIAL STATEMENTS

(d) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year as part of corporate and administrative expense were as follows:

	2019 \$	2018 \$
Options to directors	343,545	1,400,000
Loan Shares issued to the Managing Director & CEO under Loan Funded Plan	51,542	135,000
Performance rights issued to employees under performance rights plan	-	96,000
	395,087	1,631,000

Upon cancellation of the 10,000,000 Director Options and 1,000,000 performance rights on 30 August 2018, the expense of \$1,496,000 recorded in the 2018 financial year was transferred to accumulated losses during the 2019 financial year.

23. EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to balance date:

1. The Company secured a short-term loan in the amount of \$250,000 from Michael Ralston, a director of the Company, for purposes of supplementing its working capital. The loan is repayable within 3 months and interest free provided it is repaid in full within the term.
2. On 30 September 2019, the Company successfully completed an IPO and issued 22,500,000 Shares and 11,250,000 free-attaching Quoted Options at an issue price of \$0.20 per Share raising \$4,500,000 (before costs).
3. Following successful completion of the IPO, on 30 September 2019, Trigg Mining:
 - (a) issued 5,262,500 Shares and 4,235,626 performance shares to vendors on completion of the acquisition of 100% of the issued capital of K2O Minerals;
 - (b) issued 8,387,500 Options to existing seed capitalists on the basis of 1 Option for every 2 Shares held;
 - (c) issued 7,500,000 Options to lead manager to the IPO for nil consideration.
4. The Company is expected to be admitted to the official list of the ASX on or around 1 October 2019 and official quotation of its Shares and Option on ASX is expected to commence on or around 3 October 2019.

The financial effect of the above transactions has not been brought to account in the financial statements for the year.



DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Trigg Mining Limited, I state that:

1. In the opinion of the directors of Trigg Mining Limited:
 - (a) the financial statements and notes of the Company for the financial year ended 30 June 2019 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
 - (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2;
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made by the Managing Director & CEO and Non-Executive Chairperson in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2019.

On behalf of the Board:

A handwritten signature in blue ink, appearing to read "K. Paterson", followed by a small blue dot.

Keren Paterson
Managing Director & CEO

30 September 2019

INDEPENDENT AUDITOR'S REPORT

To the members of Trigg Mining Limited

Report on the Audit of the Financial Report

Opinion

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

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

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

Basis for opinion

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

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

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

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

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

In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Accounting for Share Based Payment

Key audit matter	How the matter was addressed in our audit
<p>As disclosed in Note 14 and Note 22, during the year the Company issued shares under loan funded plan and incentive options to the directors.</p> <p>Refer to Note 14 and Note 22 of the financial report for a description of the accounting policy and significant estimates and judgements applied to these transaction.</p> <p>Due to the complex judgemental estimates used in determining the valuation of the share based payment, we consider the accounting for the share based payment expense to be a key audit matter.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Reviewing board minutes to ensure all the new equity instruments granted, lapsed and cancelled during the year have been accounted for; • Reviewing relevant supporting documentation to obtain an understanding of the contractual nature and terms and conditions of the share-based payment arrangement; • Holding discussions with management to understand the share based payment arrangements in place; • Reviewing management's determination of the fair value of the share-based payments granted, considering the appropriateness of the valuation models used, assessing the valuation inputs using our internal specialists where required; • Assessing management's determination of achieving vesting condition and the allocation of the share-based payment expense over management's expected vesting period; and • Assessing the adequacy of the related disclosures Note 14 and Note 22 of the Financial Report.

Other information

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

Our opinion on the financial report does not cover the other information and 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

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

http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 23 of the directors' report for the year ended 30 June 2019.

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



Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO
J Prue

Jarrad Prue

Director

Perth, 30 September 2019

SHAREHOLDER INFORMATION

Details of shares as at 30 September 2019

Capital structure

Securities	Number
Fully paid ordinary shares	57,987,500
Options exercisable at \$0.20 each and expiring on 31 October 2021	27,137,500
Options exercisable at \$0.20 each and expiring on 31 October 2021	3,000,000
Options exercisable at \$0.25 each and expiring on 7 January 2023	2,000,000
Performance shares	4,235,626

Top holders

The 20 largest registered holders of fully paid ordinary shares as at 30 September 2019 were:

Fully paid ordinary shares

Name	No. of Shares	%
1. SUSETTA HOLDINGS PTY LTD <WHEELER FAMILY A/C>	2,736,500	4.72
2. MICHAEL RALSTON & SHARON ANN RALSTON <RALSTON FAMILY A/C>	2,600,000	4.48
3. DR JULIAN RODNEY STEPHENS <ONE WAY A/C>	2,105,000	3.63
4. KP CONSULTING GROUP PTY LTD <SSB A/C>	2,100,000	3.62
5. WILLIAM BENT <BENT FAMILY A/C>	2,075,000	3.58
6. PENTIN PTY LTD	2,000,000	3.45
7. MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED <REGAL EMERGING COMP FUND II>	1,600,000	2.76
8. MR WILLIAM PATRICK HARKIN	1,500,000	2.59
9. KEREN PATERSON	1,450,000	2.50
10. MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,290,000	2.22
11. MR KENNETH WILLIAM VIDLER	1,250,000	2.16
12. ELISABETH JANE D'SYLVA	1,250,000	2.16
13. SILVERFOX HOLDINGS PTY LTD <SILVERFOX FAMILY A/C>	1,250,000	2.16
14. AMIT GUPTA	1,125,000	1.94
15. CPS CAPITAL NO 3 PTY LTD	1,036,500	1.79
16. MR CAMERON PEARCE	1,000,000	1.72
17. VINEETA PARSHOTAM BATHIJA DAKSH KUMAR	1,000,000	1.72
18. CITYSCAPE ASSET PTY LTD <CITYSCAPE FAMILY A/C>	1,000,000	1.72
19. EQUITY CAPITAL AUST PTY LTD	875,000	1.51
20. CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	845,000	1.46
	30,088,000	51.89

SHAREHOLDER INFORMATION

The 20 largest registered holders of each class of quoted options exercisable at \$0.20 each on or before 31 October 2021 as at 30 September 2019 were:

Quoted options

	Name	No. of Options	%
1.	CELTIC CAPITAL PTY LTD <INCOME A/C>	1,505,000	5.55
2.	CPS CAPITAL NO 3 PTY LTD	1,418,250	5.23
3.	PROPEL HOLDINGS PTY LTD	1,165,000	4.29
4.	PENTIN PTY LTD	1,000,000	3.68
5.	EMPIRE CAPITAL PARTNERS PTY LTD	1,000,000	3.68
6.	SIMON NOMINEES PTY LTD <HS MAJTELES SUPER FUND A/C>	975,000	3.59
7.	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED <REGAL EMERGING COMP FUND II>	800,000	2.95
8.	MR WILLIAM PATRICK HARKIN	750,000	2.76
9.	VINEETA PARSHOTAM BATHIJA DAKSH KUMAR	733,333	2.70
10.	SANDTON CAPITAL PTY LTD	693,750	2.56
11.	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	645,000	2.38
12.	MR KENNETH WILLIAM VIDLER	625,000	2.30
13.	ELISABETH JANE D'SYLVA	625,000	2.30
14.	ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>	595,000	2.19
15.	AMIT GUPTA	562,500	2.07
16.	MR CAMERON PEARCE	500,000	1.84
17.	EQUITY CAPITAL AUST PTY LTD	437,500	1.61
18.	CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	422,500	1.56
19.	POWER INVEST PTY LTD <POWER FAMILY SUPER FUND>	400,000	1.47
20.	FORTIFY ADVISORY PTY LTD	385,000	1.42
		15,237,833	56.13

Distribution schedule

A distribution schedule of each class of equity security as at 30 September 2019

Fully paid ordinary shares
2021

Options exercisable at \$0.20 each on or before 31 October

Range	Holders	Units	%	Range	Holders	Units	%
1 - 1,000	-	-	-	1 - 1,000	-	-	-
1,001 - 5,000	-	-	-	1,001 - 5,000	124	620,000	2.28
5,001 - 10,000	124	1,240,000	2.14	5,001 - 10,000	42	319,250	1.18
10,001 - 100,000	146	5,835,000	10.06	10,001 - 100,000	135	4,874,500	17.96
100,001 - Over	92	50,912,500	87.80	100,001 - Over	52	21,323,750	78.58
Total	362	57,987,500	100.00	Total	353	27,137,500	100.00

Substantial shareholders

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are set out below:

Substantial shareholder	Number of Shares
Keren Paterson	3,550,000
Michael John Ralston and Sharon Ann Ralston <Ralston Family Trust>	3,475,000

SHAREHOLDER INFORMATION

Restricted securities

Fully paid ordinary shares

Number	Escrow Period
1,200,000	Restricted securities until 20 November 2019
17,787,500	24 months from the date of official quotation of the securities of the Company

Options exercisable at \$0.20 each on or before 31 October 2021

Number	Escrow Period
600,000	Restricted securities until 30 September 2020
7,500,000	24 months from the date of official quotation of the securities of the Company

Options exercisable at \$0.20 each on or before 31 October 2021 (Tranche 2 Director Options)

Number	Escrow Period
3,000,000	24 months from the date of official quotation of the securities of the Company

Options exercisable at \$0.25 each on or before 7 January 2023 (Tranche 1 Director Options)

Number	Escrow Period
2,000,000	24 months from the date of official quotation of the securities of the Company

Performance shares

Number	Escrow Period
4,235,626	24 months from the date of official quotation of the securities of the Company

Unquoted securities

Performance shares

The holders of the performance shares as at 30 September 2019 were:

Name	Number
Susetta Holdings Pty Ltd <Wheeler Family Trust>	2,736,500
Dr Julian Rodney Stephens <One Way Trust>	2,105,000
Collin Davy <Bush Rat A/C>	338,850

Options

Class	Expiry Date	Exercise Price	Number of Options	Number of holders
Tranche 2 Director Options	31 October 2021	\$0.20	3,000,000	1
Tranche 1 Director Options	7 January 2023	\$0.25	2,000,000	1

The holder of the Director Options set out above was KP Consulting Group Pty Ltd <SSB Trust>.

SHAREHOLDER INFORMATION

Unmarketable parcels

Holdings less than a marketable parcel of ordinary shares (being 2,500 as at 30 September 2019):

Holders	Units
Nil	Nil

Voting Rights

The voting rights attaching to ordinary shares are:

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Options do not carry any voting rights.

Performance shares do not carry any voting rights.

On-Market Buy Back

There is no current on-market buy-back.

ASX Admission Statement

During the financial year the Company applied its cash in a way that is consistent with its business objectives.

SUMMARY OF TENEMENTS

Summary of Tenements

(at 30 June 2019)

Prospect	Tenement	Area (Block)	Area (km ²)	Location	Status	Registered Holder	Trigg Mining Equity Interest
Laverton Links Potash Project							
Lake Rason	E 38/3089	105	316	WA	Live	K2O Minerals Pty Ltd	100%
	E 38/3298	25	75	WA	Live	K2O Minerals Pty Ltd	100%
East Laverton	E 38/3299	68	202	WA	Live	K2O Minerals Pty Ltd	100%
	E 38/3300	67	202	WA	Live	K2O Minerals Pty Ltd	100%
	E 38/3301	64	193	WA	Live	K2O Minerals Pty Ltd	100%
	E 38/3302	172	517	WA	Live	K2O Minerals Pty Ltd	100%
Lake Hope Campbell	E 39/2047	200	600	WA	Live	K2O Minerals Pty Ltd	100%
	E 38/3259	71	214	WA	Live	K2O Minerals Pty Ltd	100%
Lake Throssell Potash Project							
Lake Throssell	E 38/3065	106	322	WA	Live	K2O Minerals Pty Ltd	100%