



AND CONTROLLED ENTITIES
ABN 15 074 728 019

INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

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CORPORATE DIRECTORY

BOARD OF DIRECTORS

Mr Josh Puckridge
Mr Simon Coxhell
Mr Maciej Rosiewicz

Non-Executive Chairman
Non-Executive Director
Non-Executive Director

COMPANY SECRETARY

Mr Quinton Meyers

REGISTERED OFFICE

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Subiaco WA 6008

PRINCIPAL PLACE OF BUSINESS

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Perth WA 6000

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DIRECTORS' REPORT

The Directors of Blaze International Limited (**BLZ**) (**Company**) (**Blaze**) hereby submit the financial report of the Company, and its controlled entities (**Group**) for the six (6) months ended, 31 December 2019 (**Report**) (**Period**). Members of the Company, and potential investors of the Company, should review all announcements made to the Australian Securities Exchange (**ASX**) prior to reading this Report.

DIRECTORS

The names of the Directors in office at any time during, or since the end of the half-year and until the date of this report are:

Mr Josh Puckridge	Non-Executive Chairman
Mr Simon Coxhell	Non-Executive Director
Mr Maciej Rosiewicz	Non-Executive Director

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

COMPANY SECRETARY

Mr Quinton Meyers

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial period was mineral exploration within Australia.

No significant change in the nature of these activities occurred during the financial period.

OPERATING RESULTS

The loss of the Group for the period after income tax amounted to \$346,766 (2018: \$363,905).

REVIEW OF OPERATIONS

Blaze International Limited (**Company**) (**Blaze**) (ASX: **BLZ**) is pleased to present its review of operations for the six (6) months ended 31 December 2019 (**Period**).

Blaze is an exploration company with a current focus on gold exploration in Western Australia.

The Company holds a number of exploration projects in the Murchison District of Western Australia. These include the Thundelarra Project, the Kirkalocka Project and the Leonora Project.

The Thundelarra Project is a single tenement located 50km north east of the Rothsay Gold Project and the Kirkalocka Project is composed of six (6) tenements around the Kirkalocka Gold Mine within the Wydgee-Meekatharra Greenstone Belt.

The Leonora Project consists of eight (8) tenements to the east of the town of Leonora. The general location of the projects are shown in Figure 1.

DIRECTORS' REPORT (CONTINUED)

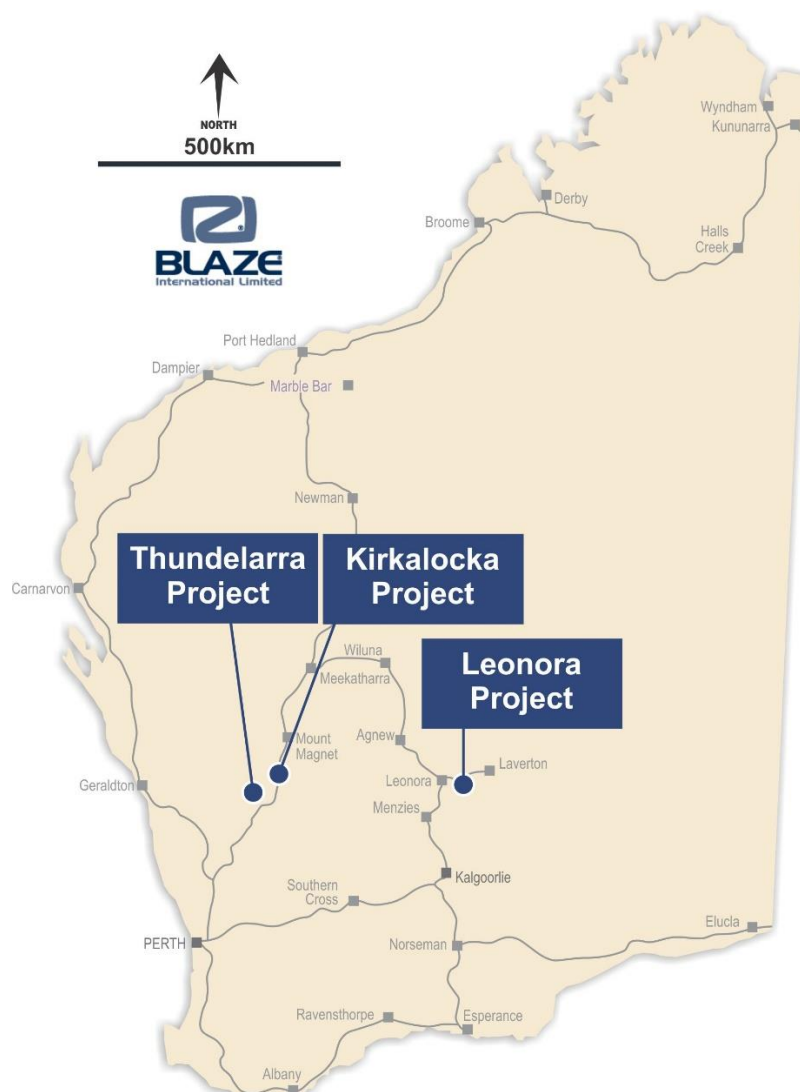


Figure 1. Location of the Kirkalocka, Thundelarra and Leonora Projects

LEONORA

During the period, Blaze completed a reconnaissance aircore drilling program over a number of tenements in its Leonora tenement portfolio. A total of 42 aircore holes for 1,940 metres were drilled targeting a number of previously defined gold in soil anomalies and structurally complex zones with six individual areas tested.

Anomalous results were returned from two holes including:

HOLE	FROM	TO	INTERSECTION
BAC005	52	56	4m @ 1.52 g/t Au
BAC028	20	28	8m @ 0.25 g/t Au

DIRECTORS' REPORT (CONTINUED)

The results in BAC005 are considered particularly encouraging and are located on the southern contact of a magnetic anomaly, logged as a coarser grained mafic rock, interpreted as a dolerite and corresponding to the magnetic contact and increased quartz content.

In general, wide spaced drill lines were completed targeting a combination of anomalous geochemistry (+100 ppb) defined by a previous auger geochemical program and targeting structurally complex fault zones as defined by the regional magnetic.

Angled holes generally located 20-40 metres apart on each section were drilled. Hole depths ranged from 14 to 83 metres highlighting a variable base of oxidation and rock types. Samples were systematically logged with representative 4 metre composite samples collected and submitted to Intertek Testing Services (Australia) Pty Ltd (**Intertek**) for aqua regia digest and analysed for gold by Inductively Coupled Plasma Mass Spectrometry (**ICPMS**). Assay results were merged with the database and interpreted in the light of the geological logs and previous geochemistry.

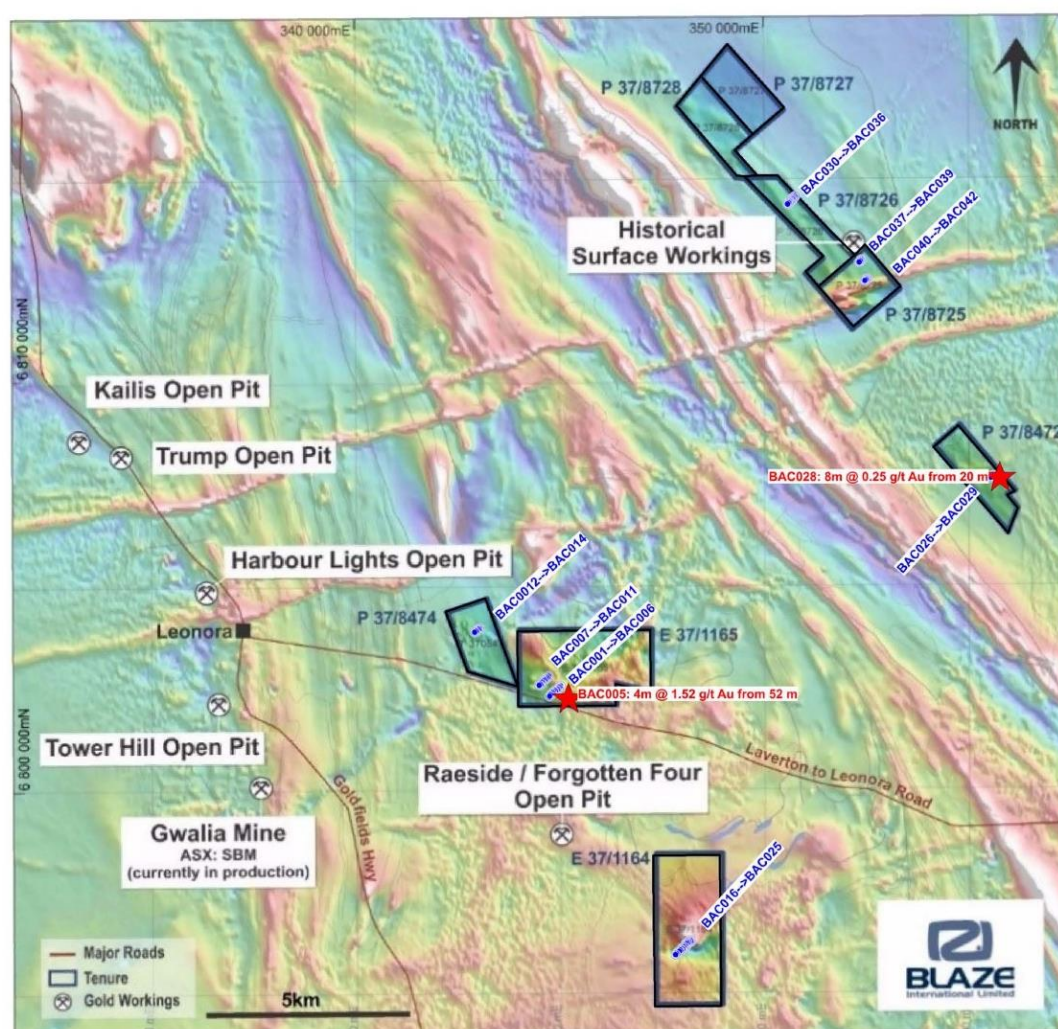


Figure 2. Drill Hole Location Plan: BAC001→BAC042
Leonora Project, Tenements, Hole Collars on Magneics (FVD)

DIRECTORS' REPORT (CONTINUED)

Kirkalocka

During the period, Blaze commenced its exploration over portions of its Kirkalocka tenements, where previous work and interpretation had defined a number of target areas considered prospective for gold mineralisation. A total of 986 auger samples and an additional 329 soil samples were collected on a nominal 200m × 100m staggered grid pattern over a number of areas within the Blaze Kirkalocka tenement portfolio.

Samples were sent to Intertek/Genalysis for low level gold analysis and multielement analysis via aqua regia digest followed by ICP MS.

The soil sampling (329 samples) was conducted in the northern portion of the Blaze Kirkalocka tenement area, where mapping had documented largely outcropping and subcropping basement rocks and soil sampling was considered amenable to test the areas targeted. The aim of the program was to test for mineralisation greenstone units along strike and adjacent to the historical April Fools workings.

All results have now been interpreted in the light of the calibre of the gold grades and the geological setting of the individual project areas. A number of plus 20 ppb gold anomalies have been defined by the work, which will now be further examined to define future gold targets for possible drill testing. See Figures 3 and 4.

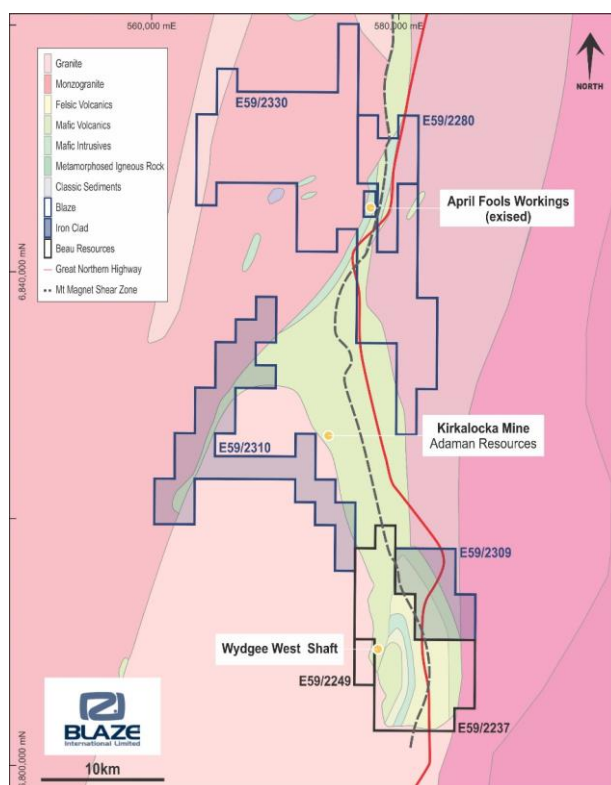


Figure 3. Blaze's Kirkalocka Tenure

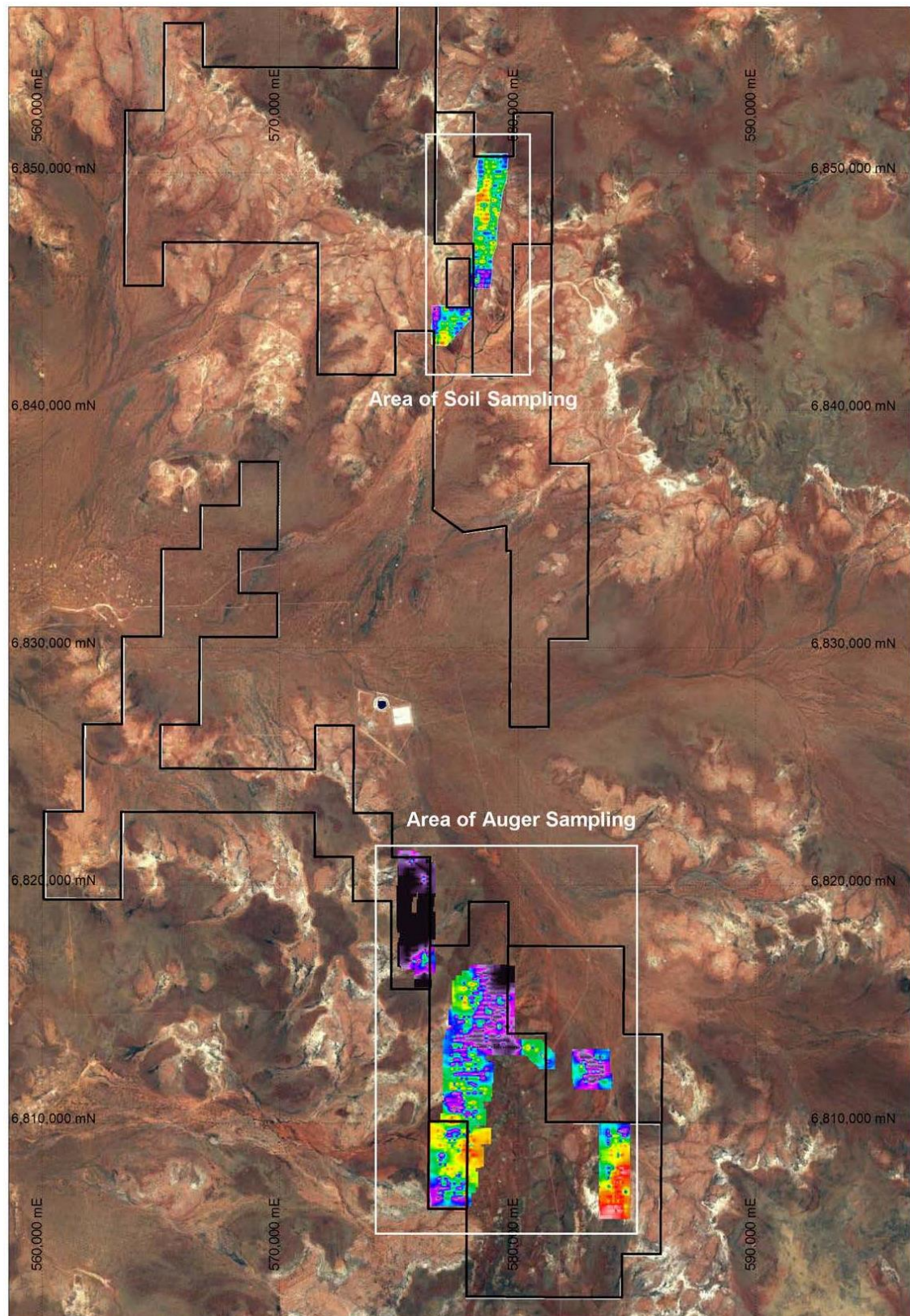


Figure 4. Areas of Soil and Auger Sampling Kirkalocka tenure

DIRECTORS' REPORT (CONTINUED)

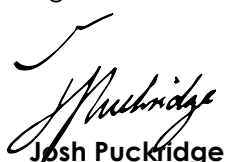
CORPORATE UPDATE

During the period, the Company completed the placement of all remaining shortfall securities from the entitlement issue, being 28,063,024 options exercisable at \$0.05 per option on or before 31 March 2022.

AUDITOR'S DECLARATION OF INDEPENDENCE

Section 307C of the *Corporations Act 2001* requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 9 and forms part of this Directors' Report for the half-year ended 31 December 2019.

Signed in accordance with a resolution of the Directors.



Josh Puckridge

Non-Executive Chairman

Dated this 12th day of March 2020

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Blaze International Limited for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
12 March 2020



M R Ohm
Partner

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Blaze International Limited (the 'Company'):
 - a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:
 - i. giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year then ended; and
 - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - c. the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the *Corporations Act 2001* for the half-year ended 31 December 2019.

This declaration is signed in accordance with a resolution of the board of Directors.



Josh Puckridge
Non-Executive Chairman

Dated this 12th day of March 2020

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Blaze International Limited

Report on the Condensed Interim Financial Report

Conclusion

We have reviewed the accompanying interim financial report of Blaze International Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2019, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Blaze International Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation of the interim 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 interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
12 March 2020



M R Ohm
Partner

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half-year ended 31 December 2019

		Half-year ended 31 Dec 2019 \$	Half-year ended 31 Dec 2018 \$
Note			
	Continuing operations		
	Interest income	50	1,086
	Accounting and audit fees	(21,957)	(22,509)
	Administration expenses	(5,989)	(60,000)
	Corporate compliance costs	(53,140)	(34,582)
	Consultants fees	(142,885)	(120,095)
	Depreciation	(3,782)	(7,810)
	Director fees, salaries and superannuation	(64,279)	(51,000)
	Exploration expenditure expensed	(1,380)	-
	Legal fees	(9,655)	6,159
	Other expenses from ordinary activities	(36,505)	(15,027)
	Fair value loss on equity investments	-	(60,127)
	Loss on sale of equity investments	(7,244)	-
	Loss before income tax expense	(346,766)	(363,905)
	Income tax (benefit)/expense	-	-
	Loss for the period from continuing operations	(346,766)	(363,905)
	Other comprehensive income	-	-
	Total comprehensive loss for the period	(346,766)	(363,905)
	Earnings/(loss) per share		
	Basic loss per share (cents per share)	3 (0.17)	(0.18)
	Diluted loss per share (cents per share)	3 (0.17)	(0.18)

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2019

	Note	31 Dec 2019 \$	30 Jun 2019 \$
Current assets			
Cash and cash equivalents		1,528,209	2,284,085
Trade and other receivables		59,395	37,029
Other financial assets		-	81,200
Total current assets		1,587,604	2,402,314
Non-current assets			
Plant and equipment		12,655	16,437
Deferred exploration and evaluation expenditure	4	3,660,809	3,372,187
Total non-current assets		3,673,464	3,388,624
Total assets		5,261,068	5,790,938
Liabilities			
Current liabilities			
Trade and other payables		88,065	60,112
Current tax liability		-	208,430
Total current liabilities		88,065	268,542
Total liabilities		88,065	268,542
Net assets		5,173,003	5,522,396
Equity			
Issued capital	6	41,811,464	41,823,329
Reserves		2,705,182	2,695,944
Accumulated losses		(39,343,643)	(38,996,877)
Total equity		5,173,003	5,522,396

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year ended 31 December 2019

	Issued Capital \$	Option Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2018	41,766,347	2,497,432	(38,286,304)	5,977,475
Loss for the period	-	-	(363,905)	(363,905)
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive loss for the period	-	-	(363,905)	(363,905)
Shares issued during the period	-	-	-	-
Issue costs	-	-	-	-
Balance at 31 December 2018	41,766,347	2,497,432	(38,650,209)	5,613,570
Balance at 1 July 2019	41,823,329	2,695,944	(38,996,877)	5,522,396
Loss for the period	-	-	(346,766)	(346,766)
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive loss for the period	-	-	(346,766)	(346,766)
Options issued during the period	-	9,238	-	9,238
Issue costs	(11,865)	-	-	(11,865)
Balance at 31 December 2019	41,811,464	2,705,182	(39,343,643)	5,173,003

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the half-year ended 31 December 2019

	Half-year ended 31 Dec 2019 \$	Half-year ended 31 Dec 2018 \$
Cash flows from operating activities		
Payments to suppliers and employees	(330,175)	(295,725)
Interest received	50	1,086
Income tax paid	(208,459)	
Net cash used in operating activities	(538,584)	(294,639)
Cash flows from investing activities		
Payments for exploration and evaluation	(288,622)	(103,509)
Proceeds from sale of financial asset	73,956	-
Net cash used in investing activities	(214,666)	(103,509)
Cash flows from financing activities		
Proceeds from issue of securities	9,239	-
Payment for issue costs	(11,865)	-
Net cash used in financing activities	(2,626)	-
Net (decrease) in cash and cash equivalents	(755,876)	(398,148)
Cash and cash equivalents at the beginning of the half year	2,284,085	3,159,087
Cash and cash equivalents at the end of the half-year	1,528,209	2,760,939

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2019

1. BASIS OF PREPARATION

1.1. BASIS OF PREPARATION

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by Blaze International Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The interim report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim financial report, the half-year has been treated as a discrete reporting period.

1.2. STATEMENT OF COMPLIANCE

The interim financial statements were authorised for issue on 12 March 2020.

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

1.3. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the impact (if any) of the new and revised standards effective 1 July 2019 as outlined in section 1.5. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2019

1.4. SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY ESTIMATES

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2019.

1.5. NEW AND REVISED ACCOUNTING STANDARDS

1.5.1. NEW STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE HALF YEAR ENDED 31 DECEMBER 2019

In the period ended 31 December 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

The Group does not have any lease arrangements in place at balance date or at 1 July 2019.

1.5.2. STANDARDS AND INTERPRETATIONS IN ISSUE NOT YET ADOPTED

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2019. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

1.6. GOING CONCERN

The interim financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

2. SEGMENT REPORTING

The Group has adopted AASB 8 'Operating Segments' which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker (considered to be Board of Directors) in order to allocate resources to the segment and assess its performance. The chief operating decision maker of the Group reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports.

During the period, the Group operated predominantly in one segment being the mineral exploration sector in Western Australia. Accordingly, under the 'management approach' outlined above only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements.

CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2019

3. LOSS PER SHARE

3.1. BASIC AND DILUTED LOSS PER SHARE

From continuing operations

Basic loss per share (cents per share)
Diluted loss per share (cents per share)

CONSOLIDATED	
AS AT 31 DEC 2019 No.	AS AT 31 DEC 2018 No.
(0.17)	(0.18)
(0.17)	(0.18)

3.2. EARNINGS

Loss from continued operations used in the calculation of basic earnings per share

CONSOLIDATED	
AS AT 31 DEC 2019 \$	AS AT 31 DEC 2018 \$
(346,766)	(363,905)

3.3. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

The weighted average number of shares used in the calculation of basic loss per share is as follows:

Weighted average number of ordinary shares for the purpose of basic loss per share

CONSOLIDATED	
AS AT 31 DEC 2019 \$	AS AT 31 DEC 2018 \$
210,000,000	207,286,596

4. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Expenditure brought forward
Expenditure incurred during the period
Share consideration for Leonora Project
Expenditure written off during period
Expenditure carried forward

CONSOLIDATED	
HALF-YEAR ENDED 31 DEC 2019 \$	YEAR ENDED 30 JUN 2019 \$
3,372,187	2,804,995
288,622	510,211
-	56,981
-	-
3,660,809	3,372,187

The ultimate recoupment of the mining tenements, exploration and evaluation expenditure carried forward is dependent upon the successful development and commercial exploitation and/or sale of the relevant areas of interest, at amounts at least equal to book value.

CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2019

5. OTHER FINANCIAL ASSETS

CONSOLIDATED	
AS AT 31 DEC 2019 \$	AS AT 30 JUN 2019 \$
Listed shares at fair value through profit and loss	- 81,200

This balance represents the Company's shareholding in Black Dragon Gold Corporate (ASX: **BDG**). The shares were disposed of during the half-year for proceeds of \$73,956.

6. ISSUED CAPITAL

CONSOLIDATED	
AS AT 31 DEC 2019 \$	AS AT 30 JUN 2019 \$
210,000,000 fully paid ordinary shares (30 June 2019: 210,000,000)	41,811,464 41,823,329

6.1. FULLY PAID ORDINARY SHARES

	CONSOLIDATED			
	AS AT 31 DEC 2019		AS AT 30 JUN 2019	
	No.	\$	No.	\$
Balance at beginning of year	210,000,000	41,823,329	207,286,596	41,766,347
Shares issued on 21 May 2019	-	-	2,713,404	56,982
Issue costs	-	(11,865)	-	-
Balance at end of period	210,000,000	41,811,464	210,000,000	41,823,329

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares participate in the proceeds on winding up of the Company in proportion to the number of shares held.

7. FINANCIAL INSTRUMENTS

7.1. FAIR VALUE MEASUREMENT

This note provides information about how the Group determines fair value of various financial assets and financial liabilities.

CONDENSED CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the half-year ended 31 December 2019

7.2. MEASURED AT FAIR VALUE ON RECURRING BASIS

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observe ability of significant inputs to the measurement, as follows:

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

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

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

The following tables shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at 31 December 2019 and 30 June 2019.

	AS AT 31 DEC 2019 FAIR VALUE \$	AS AT 30 JUN 2019 FAIR VALUE \$	FAIR VALUE HIERARCHY	VALUATION TECHNIQUE
31 December 2019				
Equity investments designated at FVTPL	-	81,200	Level 1	Quoted market prices in an active markets

7.3. TRANSFERS

There have been no transfers between the levels of the fair value hierarchy during the six months to 31 December 2019 and year ended 30 June 2019.

7.4. NOT MEASURED AT FAIR VALUE (BUT FAIR VALUE DISCLOSURES ARE REQUIRED)

The Group has a number of financial instruments which are not measured at fair value in the statement of financial position.

The Directors consider that the carrying amounts of current receivables and current payables are considered to be a reasonable approximation their fair values.

8. CONTINGENCIES

There were no contingent liabilities or contingent assets as at 31 December 2019.

9. EVENTS AFTER BALANCE DATE

There have been no material events after balance date.