NEW WORLD RESOURCES LIMITED

(formerly known as New World Cobalt Limited)

A.B.N. 23 108 456 444

Interim Financial Report

31 December 2019

CONTENTS

CORPORATE INFORMATION

Directors
Richard Hill (Non-Executive Chairman)
Michael Haynes (Managing Director)
Anthony Polglase (Non-Executive Director)

Company Secretary
Ian Cunningham

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Central Park
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Perth WA 6000

ASX Code: NWC

DIRECTORS' REPORT

The Directors of New World Resources Limited **("**New World" or "the Company"**)** submit the financial report of the Group (comprising the Company and its controlled entities) for the half-year ended 31 December 2019. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

DIRECTORS

The names of Directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Richard Hill	Chairman
Michael Haynes	Managing Director
Anthony Polglase	Non-Executive Director – appointed 17 October 2019
Scott Mison	Non-Executive Director – resigned 26 November 2019

PRINCIPAL ACTIVITIES

The principal activities of the entities within the Group during the half-year were exploration for mineral resources.

As at 31 December 2019, the Group had cash and cash equivalents of $2,008,197, a loss for the half-year of $852,829 and a net cash inflow from operating, investing and financing activities of $268,812.

REVIEW OF OPERATIONS

The Company is pleased to provide the following review of operations for the half-year ended 31 December 2019.

During the past six months, while the Company advanced its applications to undertake its initial drilling program at the Tererro Cu-Au-Zn VMS Project in New Mexico, it pursued a complementary opportunity to acquire another high-grade VMS deposit that can be potentially brought back into production in the near-term – the Antler Copper Deposit in Arizona, USA.

Figure 1. Location of New World Resources' Projects.

As a relatively low global cobalt price prevailed throughout the second half of 2019, the Company focused its work and expenditure on its two VMS base-metal projects, with minimal work undertaken at its Colson and Goodsprings cobalt projects in the USA (Figure 1).

Antler Copper Project, Arizona, USA

On 14 January 2020 the Company announced it had entered into an agreement that provides it the right to acquire a 100% interest in the historical high-grade Antler Copper Deposit in northwestern Arizona (Figure 2).

Approximately 70,000t of high-grade ore was mined at Antler between 1916 and 1970 – from surface to 150m depth. The average grade of the ore is reported to have been **2.9% Cu, 6.9% Zn, 1.1% Pb, 31 g/t Ag and 0.3 g/t Au.**

After completion of the most recent mining in 1970, surface and underground drilling delineated a substantial amount of high grade mineralisation immediately below and along strike from the historical workings; ahead of the anticipated re-commencement of production (which never eventuated; see Figure 3).

In 1975, as part of a preliminary feasibility study into the redevelopment of the Antler Deposit, a mineral resource estimate for the Deposit was reported. This comprised:

Table 1. Historical (1975) Mineral Resource estimate for the Antler Deposit.*

Deposit	Tonnes	Cu %	Zn %	Pb %	Ag (g/t)
Antler	4,660,000	1.95	4.13	0.94	35.9

Refer page 15 for Notes to the Historical Resource Estimate for the Antler Deposit

Despite this sizeable resource, mining never resumed.

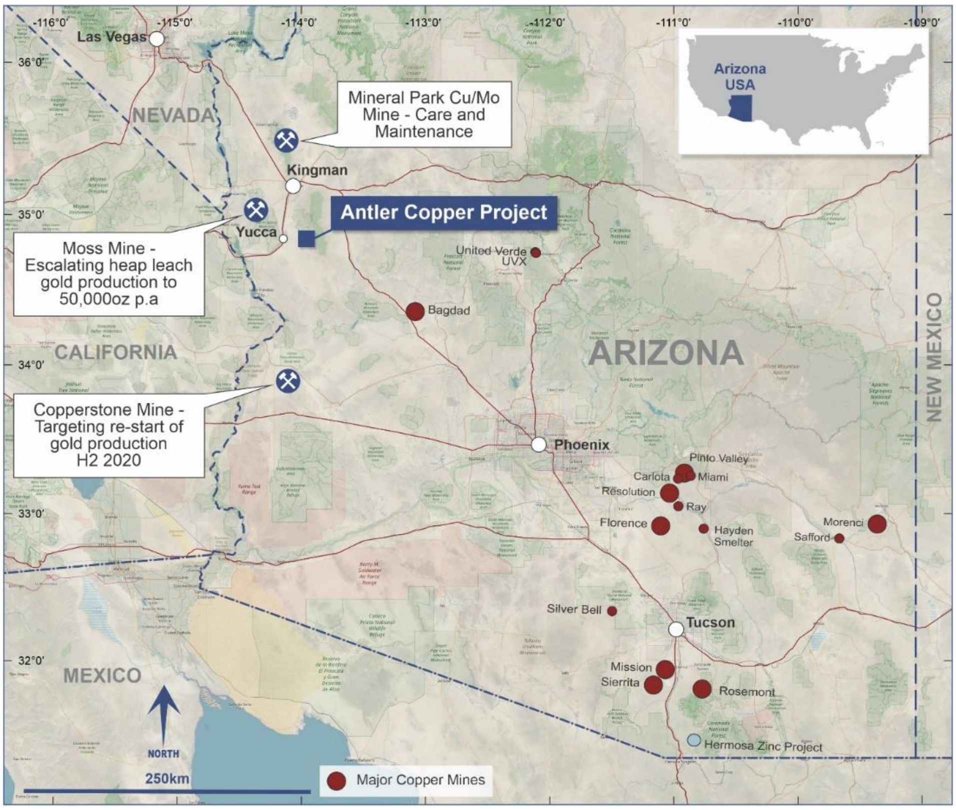

Figure 2. Location of the Antler Copper Project in Arizona, USA.

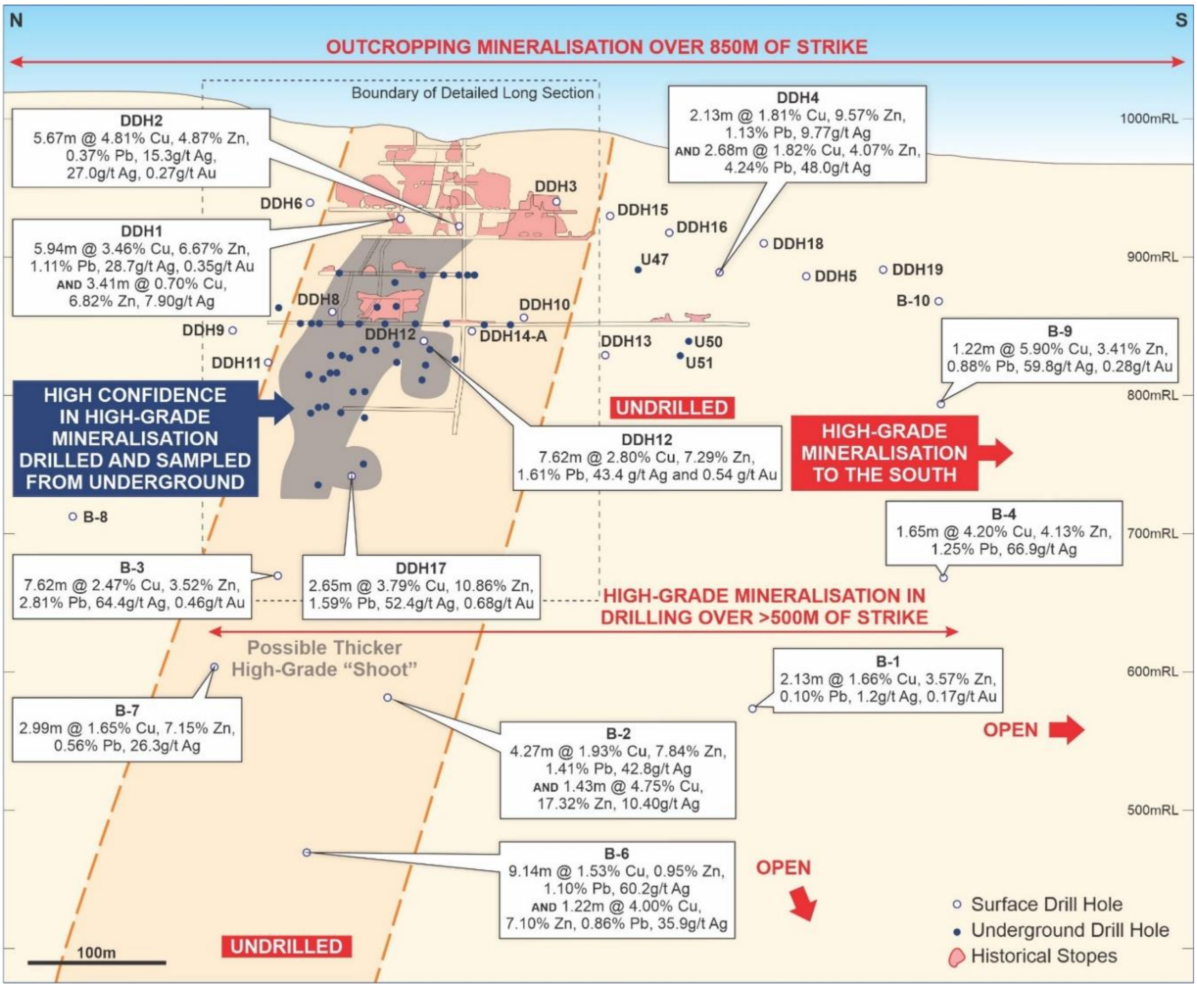

Figure 3. Long Section through the Antler Deposit showing previous drilling and select significant intersections in surface drilling.

Given the Antler Deposit's favourable attributes that include:

- High grades;
- Location in a Tier-1 mining jurisdiction with streamlined permitting protocols;
- Good infrastructure;
- Past production history; and
- Advanced stage of exploration and development

the Company believes there is excellent potential to re-establish a low-OPEX/low-CAPEX mining operation in the near-term.

Accordingly, the Company's immediate objective is to undertake confirmatory and in-fill drilling at the Antler Deposit, within areas where considerable historical drilling has demonstrated mineralisation is present, to rapidly delineate high-grade, JORC Code-compliant Indicated Resources that can be evaluated for near-term production.

Headframe at the Antler Copper Mine

Having satisfactorily completed due diligence in early March 2020, the Company immediately commenced implementing systematic work programs at the Project, including:

- An initial 2,500m drilling program, scheduled to commence in mid-March;
- A ground EM survey to delineate extensional drill targets, which is scheduled to commence in late-March;
- Representative samples from the drilling will be used for metallurgical testwork;
- A JORC-Code compliant resource estimate is expected to rapidly follow completion of the drilling program.

The Company is aiming to complete a Pre-Feasibility Study into the re-commencement of mining at the Antler Deposit, with a low OPEX/low-CAPEX operation, by the end of 2020. Subject to the outcomes of that study, it believes it may be able to rapidly advance the Project to production.

<u>Tererro Cu-Au-Zn VMS Project, New Mexico, USA</u>

In April 2019 the Company announced it had:

(i) Entered into agreements that provide it the right to acquire a 100% interest in 20 mining claims, covering 400 acres, over the Jones Hill VMS Deposit in New Mexico, USA; and

(ii) Staked an additional 216 mining claims, covering approximately 4,300 acres, surrounding the Jones Hill Deposit (100% NWC). This area includes numerous historical workings within the same geological sequence that hosts the mineralisation at the Jones Hill Deposit.

These areas, together, comprise the Tererro Cu-Au-Zn VMS Project (see Figure 4).

The Jones Hill Deposit is located 8km south-west of the historical Pecos Mine (also a VMS deposit; see Figure 4). Between 1927 and 1939 approximately 2 million tonnes of ore was mined from the Pecos Deposit at average grades of 13.1% Zn, 4.0% Pb, 0.78% Cu, 116 g/t Ag and 3.63 g/t Au. Mining operations ceased in 1939 due to problems managing water.

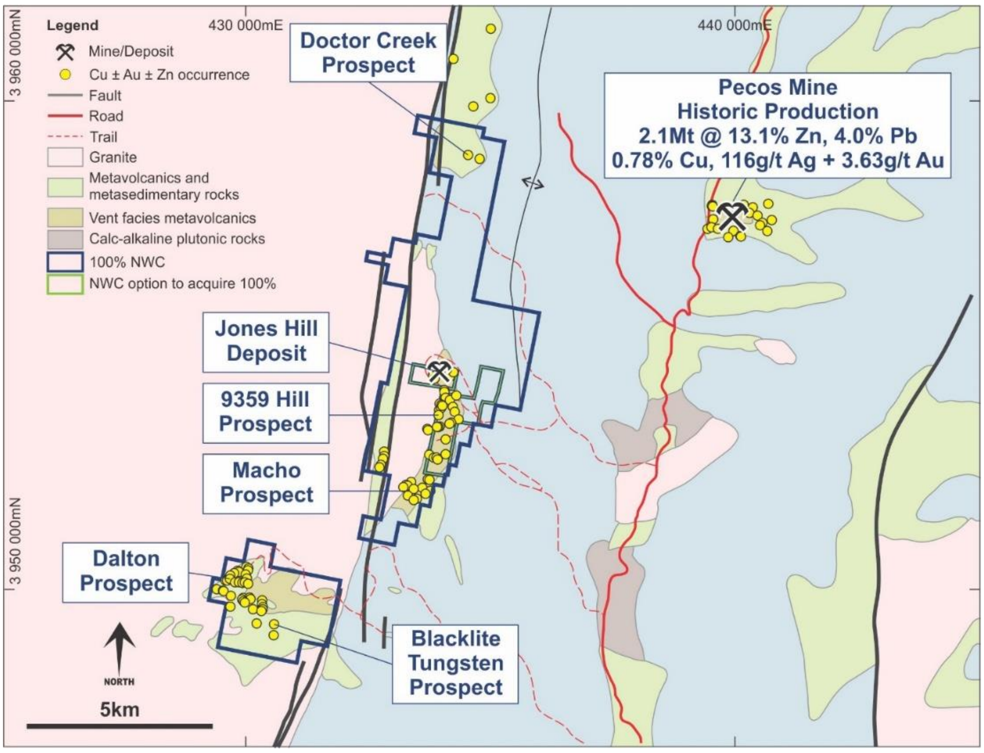

Figure 4. Geology of the Company's Tererro Cu-Au-Zn Project and surrounds, New Mexico, USA.

While mineralisation had been known to be present at the Jones Hill Deposit since the 1800s; with small scale workings active in the 1930s and 1940s; massive sulphide mineralisation was not discovered at the Deposit until 1977 when Conoco Inc. was implementing a concerted exploration program after optioning the Project in 1974.

57 diamond core holes were drilled at the Jones Hill Deposit between 1977 and 1984 (see Figures 5 and 6). Thick mineralisation, which comes to surface, provides the potential for low mining costs, with significant intersections in historical diamond drilling including:

- **94.8m @ 5.24 g/t Au, 0.83% Cu, 0.32% Pb, 0.68% Zn and 24.3 g/t Ag from 203.9m (J25), including:**
  - **5.5m @ 13.10 g/t Au, 1.37% Cu, 0.64% Zn and 24.6 g/t Ag from 210.3m;**
  - **30.6m @ 7.73 g/t Au, 1.13% Cu, 0.47% Pb, 0.72% Zn and 32.7 g/t Ag from 249.8m; and**
  - **8.0m @ 8.73 g/t Au, 1.90% Cu, 0.26% Pb, 0.58% Zn and 43.9 g/t Ag from 286.5m**
- **33.2m @ 2.34 g/t Au, 2.76% Cu, 0.09% Pb, 6.01% Zn and 22.5 g/t Ag from 185.0m (J9)**
- **48.6m @ 2.88 g/t Au, 1.00% Cu, 0.48% Pb, 0.49% Zn and 36.6 g/t Ag from 130.0m (J7), including:**
  - **19.1m @ 3.52 g/t Au, 1.57% Cu, 0.63% Pb, 0.65% Zn and 48.7 g/t Ag from 145.8m**
- **63.4m @ 3.05 g/t Au, 0.40% Cu, 0.21% Pb, 0.18% Zn and 17.2 g/t Ag from 284.4m (J27), including:**
  - **10.8m @ 5.41 g/t Au, 0.27% Cu, 0.57% Pb and 42.3 g/t Ag from 337.0m**
- **36.0m @ 3.69 g/t Au, 1.33% Cu, 0.43% Pb, 0.24% Zn and 36.9 g/t Ag from 152.7m (J10), including:**
  - **24.4m @ 4.34 g/t Au, 1.61% Cu, 0.56% Pb, 0.28% Zn and 48.7 g/t Ag from 152.7m**
- **27.6m @ 2.50 g/t Au, 1.15% Cu, 0.06% Pb, 5.84% Zn and 10.7 g/t Ag from 649.2m (J19)**
- **40.3m @ 0.99 g/t Au, 1.15% Cu, 0.14% Pb, 1.88% Zn and 12.6 g/t Ag from 708.4m (J34), including:**
  - **19.5m @ 1.42 g/t Au, 1.81% Cu, 1.75% Zn and 12.3 g/t Ag from 716.6m**
- **42.1m @ 1.86 g/t Au, 0.71% Cu, 0.17% Pb, 1.26% Zn and 15.6 g/t Ag from 250.5m (J17), including:**
  - **19.8m @ 3.12 g/t Au, 0.49% Cu, 0.31% Pb, 0.57% Zn and 20.2 g/t Ag from 250.5m; and**
  - **19.2m @ 0.77 g/t Au, 0.96% Cu, 2.06% Zn and 12.0 g/t Ag from 271.9m**
- **26.9m @ 3.21 g/t Au, 0.48% Cu, 0.22% Pb, 0.69% Zn and 16.1 g/t Ag from 303.8m (J25)**

- **8.3m @ 7.07 g/t Au, 1.20% Cu, 0.81% Pb, 0.45% Zn and 56.2 g/t Ag from 158.6m (J2); and**
- **7.8m @ 4.88 g/t Au, 2.11% Cu, 0.47% Pb, 0.59% Zn and 35.6 g/t Ag from 100.6m (J1)**
- **34.4m @ 3.11 g/t Au, 1.18% Cu, 0.62% Pb, 0.30% Zn and 48.1 g/t Ag from 170.1m (J52), including:**
  - **2.4m @ 5.96 g/t Au, 2.51% Cu, 0.74% Pb, 0.22% Zn and 76.0 g/t Ag from 170.1m;**
  - **1.8m @ 4.97 g/t Au, 1.92% Cu, 1.02% Pb, 0.12% Zn and 73.8 g/t Ag from 181.1m;**
  - **3.4m @ 4.72 g/t Au, 2.81% Cu, 0.75% Pb, 0.29% Zn and 81.9 g/t Ag from 185.3m; and**
  - **3.0m @ 4.99 g/t Au, 1.51% Cu, 0.76% Pb, 0.32% Zn and 56.2 g/t Ag Au from 198.4m**
- **14.2m @ 6.87 g/t Au, 1.72% Cu, 0.23% Pb, 0.89% Zn and 24.1 g/t Ag from 73.3m (J43), including:**
  - **1.8m @ 9.89 g/t Au, 6.12% Cu, 0.56% Zn and 39.3 g/t Ag from 76.5m; and**
  - **3.2m @ 14.02 g/t Au, 1.45% Cu, 0.56% Pb, 2.73% Zn and 44.5 g/t Ag from 82.1m**
- **19.5m @ 2.26 g/t Au, 1.50% Cu, 0.26% Pb, 2.42% Zn and 27.3 g/t Ag from 145.1m (J53) and**
- **14.9m @ 2.63 g/t Au, 0.93% Cu, 0.44% Pb, 0.30 % Zn and 32.5 g/t Ag from 124.4m (also in J53)**
- **8.8m @ 4.94 g/t Au, 1.24% Cu, 0.83% Pb, 0.21% Zn and 67.1 g/t Ag from 171.0m (J55); and**
- **10.7m @ 5.39 g/t Au, 0.27% Cu, 0.24% Pb, 0.06% Zn and 20.9 g/t Ag from 147.8m (also in J55)**

In 1981, Conoco calculated a Mineral Resource estimate based on the 39 diamond core holes (22,129 m) it had drilled to that time. The resource estimate comprised:

Table 2. Historic (1981) Mineral Resource estimate for the Jones Hill Deposit.

Zone	Tonnes	Au (g/t)	Cu %	Pb %	Zn %	Ag (g/t)
Upper	3,649,666	2.74	0.81	0.33	0.62	27.1
Lower	2,134,642	0.62	1.39	0.08	2.89	11.7
Total	**5,784,307**	**1.96**	**1.02**	**0.24**	**1.46**	**21.4**

**Refer page 15 for Notes to the Historical Resource Estimate for the Jones Hill Deposit*

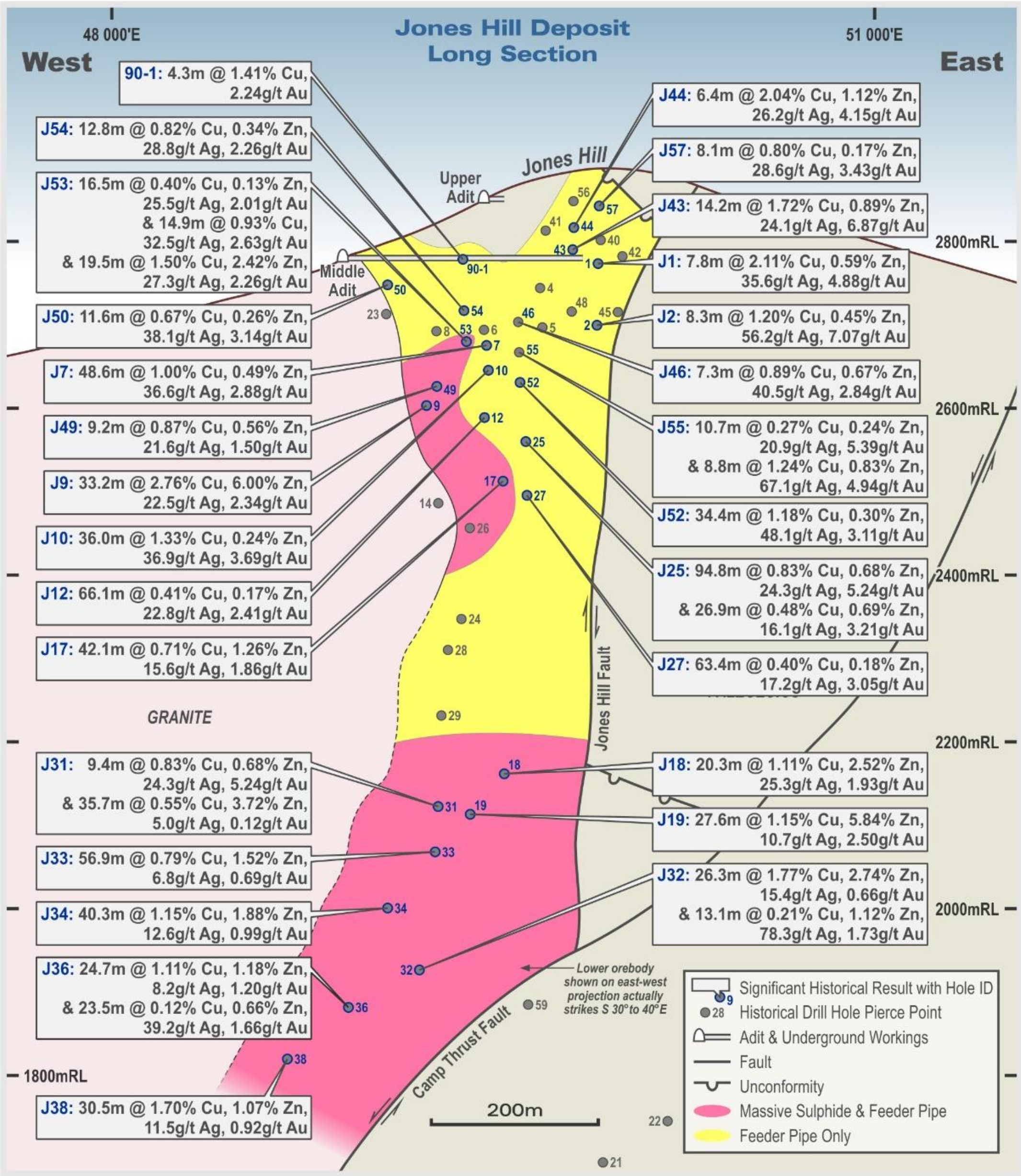

Figure 5. Long section illustrating mineralisation at the Jones Hill Deposit at the Company's Tererro Cu-Au-Zn Project. (Mineralised intervals are down-hole thicknesses and may differ from true thicknesses).

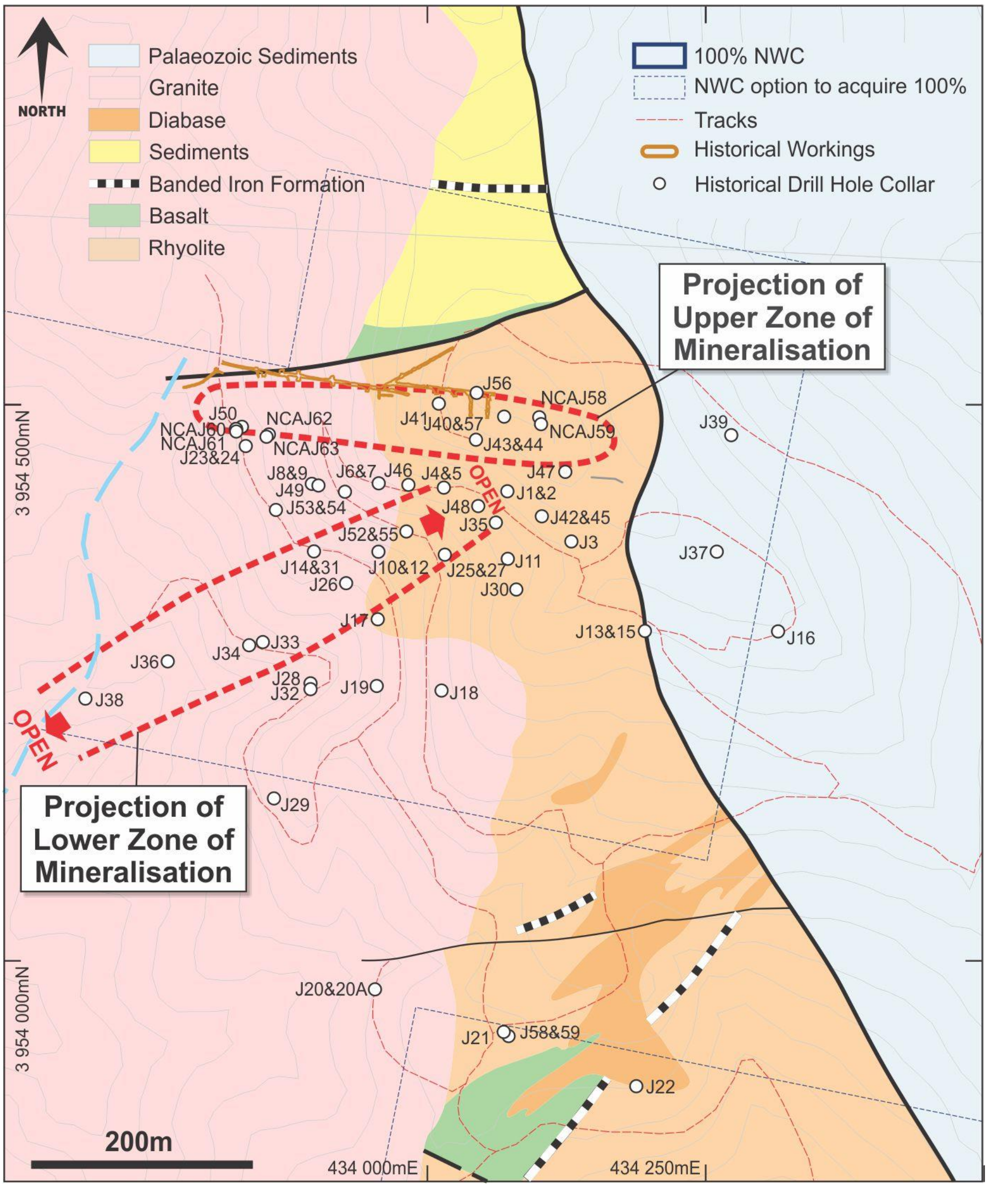

Figure 6. Plan view illustrating the location of mineralisation relative to mapped geology at the Jones Hill Deposit.

Despite mineralisation remaining open along strike in both directions and at depth, and the presence of an abundance of historical workings and mineralised occurrences along strike to the north and south of the Jones Hill Deposit over more than 15km of strike (see Figure 4), very little exploration has been undertaken since 1984.

Because the mineralisation at the Jones Hill Deposit is of the Volcanogenic Massive Sulphide ("VMS") type – and VMS deposits usually occur in clusters, there is considerable potential to expand the resource base at the Project by discovering additional mineralisation along strike from the Jones Hill Deposit. This would likely enhance the economics of developing a mining operation. So the Company is implementing a two-pronged approach to advance the Project, targeting:

(i) Completion of work programs at the Jones Hill Deposit so that mine development can be advanced as quickly as practicable; and

(ii) Aggressively exploring:

a. For the extensions of the Jones Hill Deposit; and
b. To discover additional mineralisation at adjacent prospects.

To achieve this, the Company is using a combination of surface geochemistry and ground geophysics to define the highest priority targets in advance of drilling. During the second half of 2019 the Company delineated extensive soil anomalism over the project area. Subsequent CSAMT surveying delineated strong, proximal conductive anomalies that appear to be intimately associated with known mineralisation; these may reflect sizeable extensions of that mineralisation (see Figures 7 and 8).

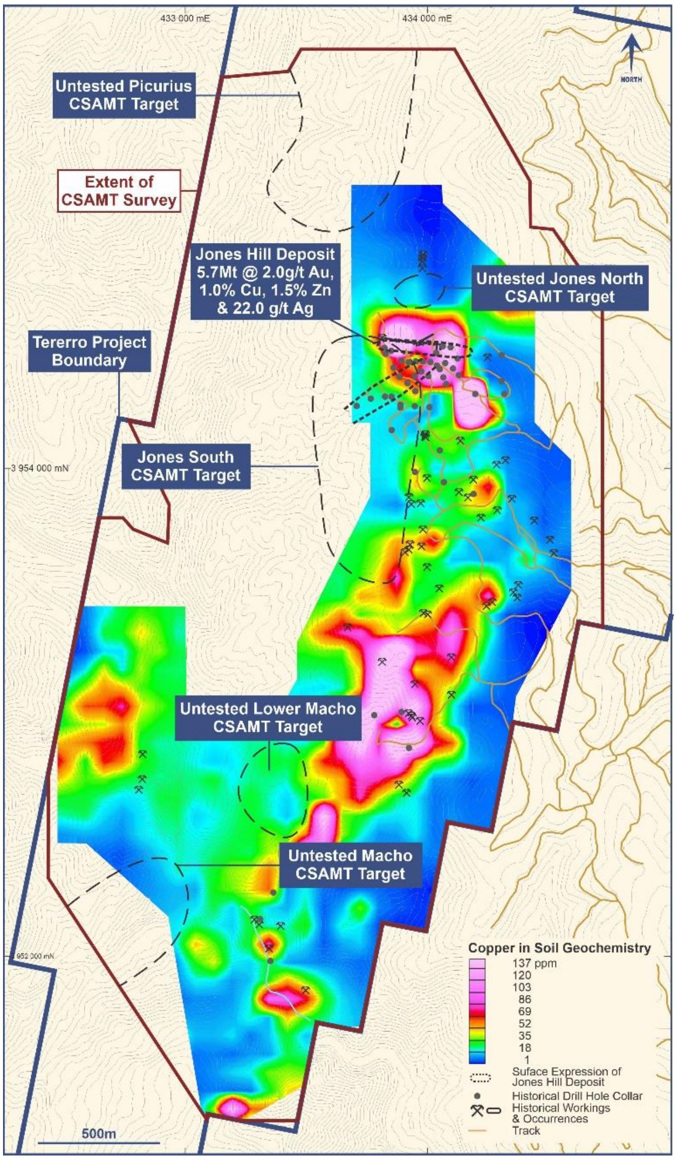

Figure 7. Plan view showing the location of CSAMT targets relative to copper-in-soil anomalism at the Tererro VMS Project.

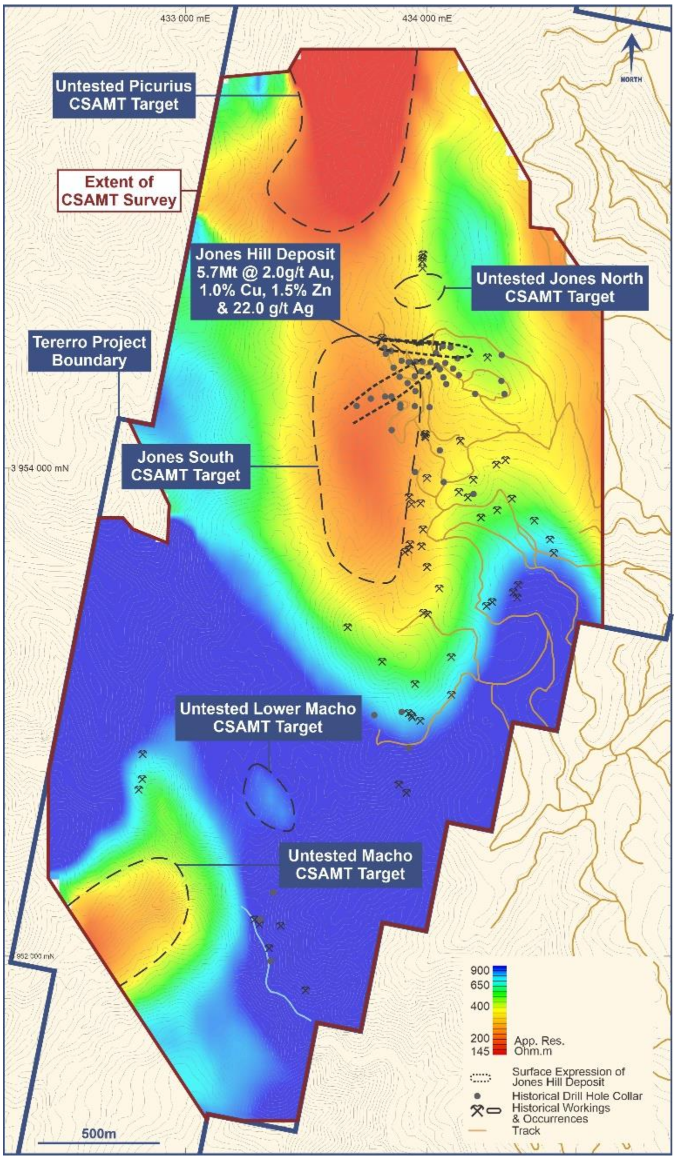

Figure 8. Plan view showing location of CSAMT targets relative to the 2100m RL depth slice of the CSAMT data at the Tererro VMS Project.

Applications have been submitted for permits required to commence a maiden drilling program at the Tererro VMS Project. The Company continues to work with regulators to advance these permit applications.

The initial applications are seeking permission to drill at and around the Jones Hill Deposit, utilising existing roads and historical drill pads in order to minimise disturbance.

Colson Cobalt-Copper Project, Idaho, USA

New World holds a 100% interest in the historical high-grade Salmon Canyon Cobalt-Copper Deposit – one of the most advanced prospects within the Idaho Cobalt Belt – the most endowed high-grade cobalt district in the western world (Figure 9).

The deposit and surrounding area is heavily underexplored, with virtually all previous exploration focused on the Deposit itself; and the last significant work undertaken in the 1970s.

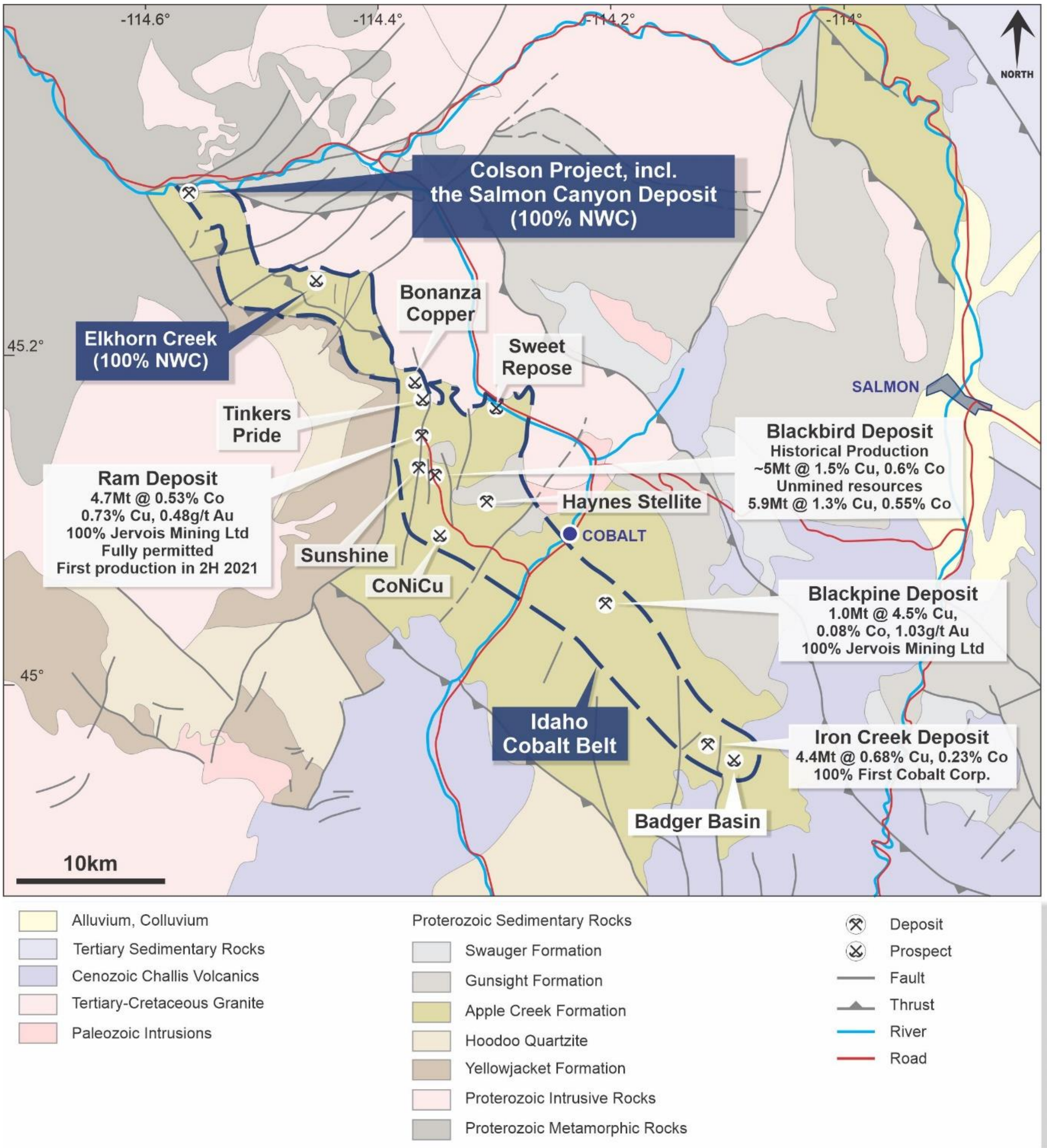

Figure 9. Geology of the Idaho Cobalt Belt, USA.

Since securing the rights to the Salmon Canyon Deposit, New World has been implementing a multi-pronged exploration and development program comprising:

(i) Drilling to test for the immediate extensions of the Salmon Canyon Deposit;
(ii) Systematic soil sampling to identify potential extensions of the mineralised system;
(iii) Strategic expansion of the project area – so the project area now comprises a 100% interest in approximately 6,000 acres that cover more than 6km of prospective strike; and
(iv) Ground geophysics surveying over the most prospective parts of the project area to fast track identification of thicker and/or higher grade areas of mineralisation.

Several very strong anomalies were delineated in a second phase of IP surveying completed in late 2018, including:

(i) A 750m x 750m anomaly that partially coincides with the Long Tom Soil Anomaly (see Figures 10 and 11). The strongest portion of the source of this "Long Tom IP Anomaly" is modelled to lie within about 250m of surface (see Figure 12; shallowest around 5,019,800N); and

(ii) A shallower, smaller, strong "Shallow Long Tom IP Anomaly" that coincides with the strongest surface geochemistry assays (1,095 ppm Co and 724 ppm Co). This anomaly is modelled to lie within about 100m of surface and may be a shallow extension of the deeper Long Tom IP Anomaly (see Figures 10-12).

Both these anomalies will be targeted during the Company's next drilling program.

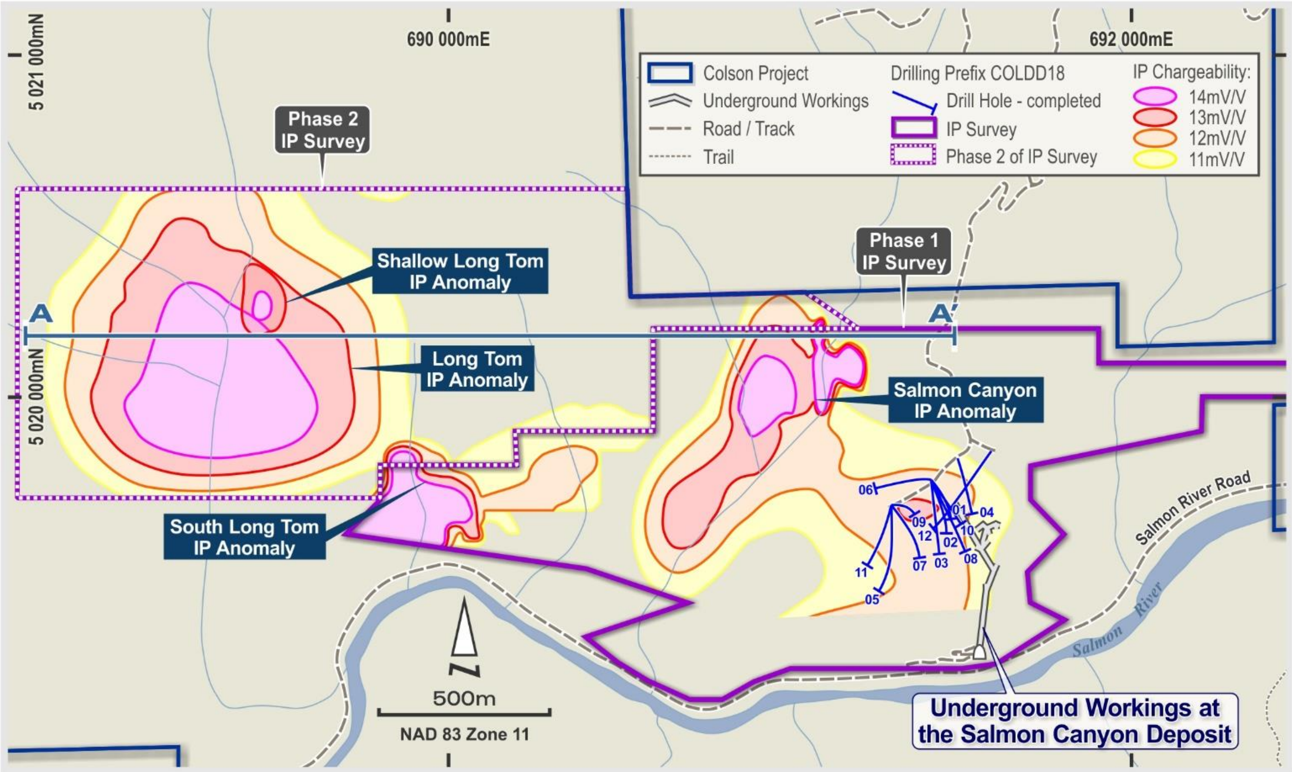

Figure 10. IP anomalies at the Colson Cobalt-Copper Project, relative to the historical underground workings at the Salmon Canyon Deposit and the traces of diamond core holes drilled during 2018 (illustrating the location of Cross Section 5,020,200N presented in Figure 12).

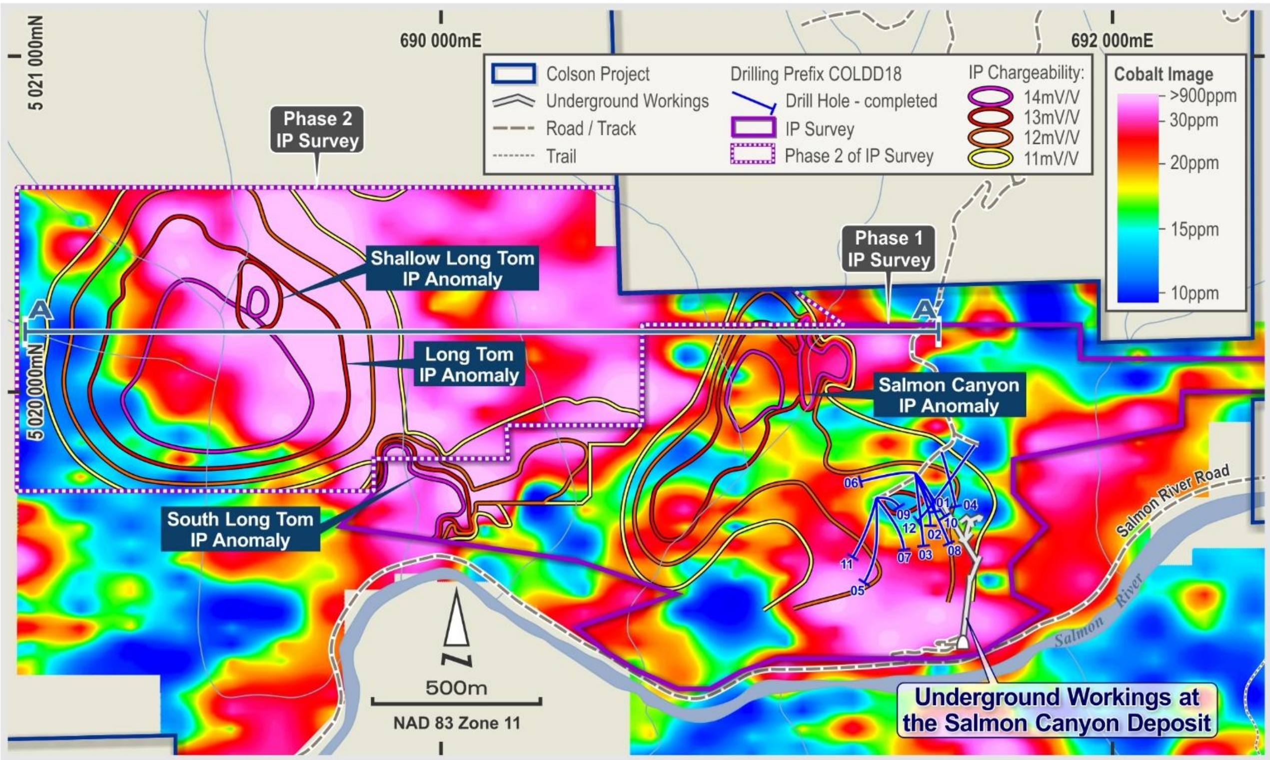

Figure 11. IP anomalies at the Colson Cobalt-Copper Project, relative to cobalt in soil geochemistry anomalism (illustrating the location of Cross Section 5,020,200N presented in Figure 12).

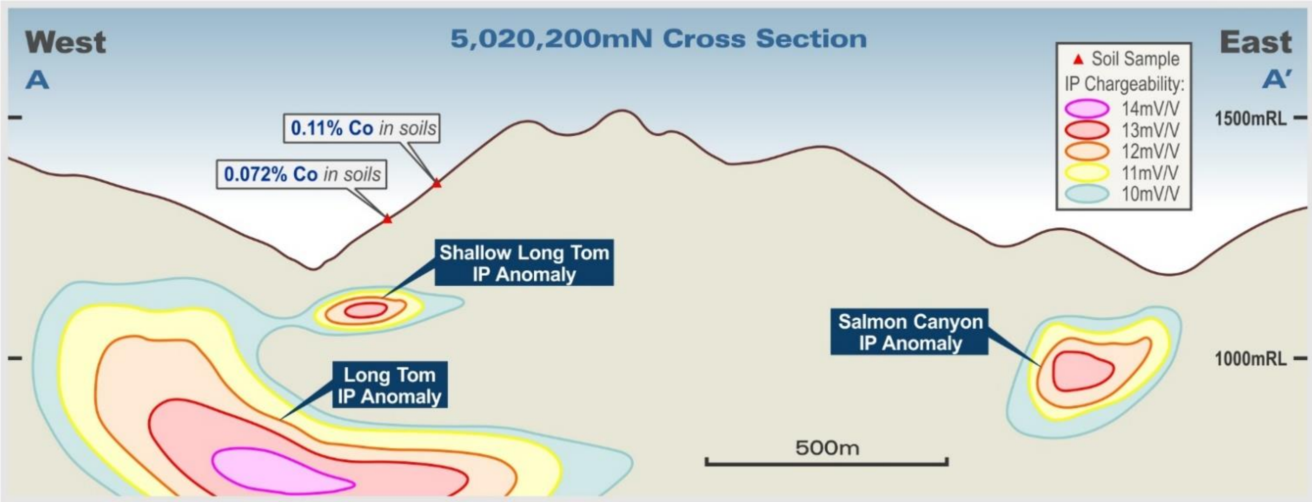

Figure 12. Cross-section 5,020,200N showing the Long Tom, Shallow Long Tom and Salmon Canyon IP anomalies at the Colson Cobalt-Copper Project.

Data collected during the second phase of IP surveying also confirmed and refined the location of the undrilled Salmon Canyon IP Anomaly (see Figures 10-12). This is a very strong IP anomaly located in a very prospective position – immediately along strike from the Salmon Canyon Deposit. It will also be targeted during the Company's next drilling program.

In mid-2019 the Company received permit approvals to undertake a second-phase drilling program, which will allow drill-testing the strong IP anomalies and the Long Tom soil geochemistry. Drilling will be implemented when the global cobalt price improves.

The Goodsprings Copper-Cobalt Project, Nevada, USA

The Goodsprings Copper-Cobalt Project is located in southern Nevada and currently comprises:

(i) a 100% interest in 227 Federal mining claims, covering approximately 4,500 acres, that encompass and include several historic copper-cobalt deposits as well as extensions of the geological sequences that host those and other copper-cobalt deposits; and

(ii) the rights to explore and develop a privately-owned 120 acre parcel of land that includes and encompasses the high-grade Columbia Copper-Cobalt Mine ("Columbia Mine").

Historic records indicate that shallow mining was undertaken intermittently at the Columbia Mine between 1880 and 1928. Ore was mined predominantly from two inclined shafts located approximately 250 metres apart. These shafts were developed to around 30 metres depth, with stopes up to 6 metres high. The average grade of the mined ore was 12.8% copper. During 1921, 3 parcels of cobalt ore were mined and sold – with individual ore parcels grading 29.18% Co, 13.42% Co and 5.13% Co (weighing 249kg, 1,720kg and 2,190 kg respectively). Historic workings at the Columbia mine extend over more than 500 metres of strike.

The Company's Project area also includes workings at the historical Blue Jay Mine, where, in 1922, more than 0.5 tonnes of ore that contained (on average) 6.37% cobalt were recovered from a waste dump.

Production of high-grade cobalt ore is recorded at several other historical mines within the Goodsprings District, all of which were mined previously with copper as the primary target.

The Company has completed systematic soil sampling over the majority of the project area. Extensive cobalt and copper anomalism is evident across the project (See Figure 13). Sixteen coincident cobalt-copper anomalies were ranked "high-priority" targets for further work.

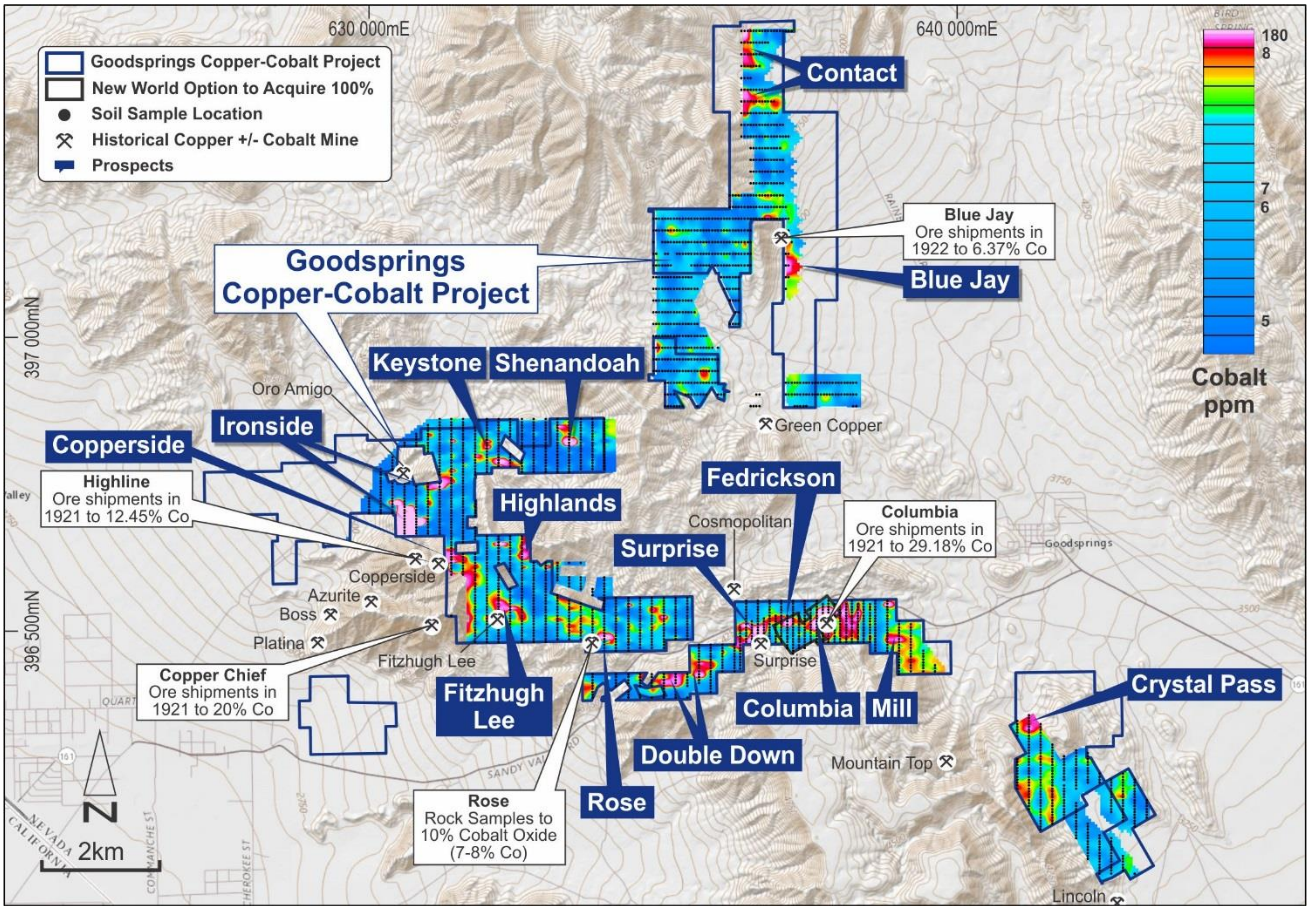

Figure 13. Cobalt-in-soil geochemistry and high-priority targets at the Goodsprings Copper-Cobalt Project.

Further work is planned when the cobalt price improves.

EVENTS SUBSEQUENT TO REPORTING DATE

On 14 January 2020, the Company announced that it had secured the right to acquire a 100% interest in the high-grade Antler Copper Deposit ("the Antler Deposit") in the mining-friendly state of Arizona, USA. The Company then announced on 9 March 2020 that it has satisfactorily completed due diligence on the Antler Deposit, allowing it to commence its inaugural field programs.

On 31 January 2020 the Company announced amendments to the remuneration arrangements of the Company's Managing Director, Mr Michael Haynes.

Apart from the above events there are no matters or circumstances that have arisen since the balance date which significantly affects or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Stantons International Audit and Consulting Pty Ltd, 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 17 and forms part of this directors' report for the half-year ended 31 December 2019.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.

Richard Hill

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Richard Hill
Chairman

13 March 2020

Additional Disclosure

Qualified and Competent Person

The information in this report that relates to exploration results and the historic resource estimate is based, and fairly reflects, information compiled by Mr Patrick Siglin, who is the Company's Exploration Manager. Mr Siglin is a Registered Member of the Society for Mining, Metallurgy and Exploration. Mr Siglin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results and Mineral Resources (JORC Code). Mr Siglin consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Previously Reported Results

There is information in this report relating to exploration results which were previously announced on 7 February, 22 March, 6 April, 23 May, 30 July, 5 September, 19 September and 20 December 2018; 23 January, 9 April, 17 June, 31 July, 25 September and 18 November 2019; 14 January and 9 March 2020. Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

Notes to Historical Mineral Resource Estimate for the Antler Deposit:

1. *Readers are referred to the Company's initial market release dated 14 January 2020 which provides supporting information on the historical resource estimate.*
2. *The Company confirms that the supporting information disclosed in the initial market announcement continue to apply and has not materially changed.*
3. *Readers are cautioned that that this estimate is a "historical estimate" under ASX Listing Rule 5.12 and is not reported in accordance with the JORC Code.*
4. *A Competent Person has not yet undertaken sufficient work to classify the historic estimate as mineral resources or ore reserves in accordance with the JORC Code.*
5. *It is uncertain that, following evaluation and/or further exploration work, it will be possible to report this historical estimate as mineral resources or ore reserves in accordance with the JORC Code.*

Notes to Historical Mineral Resource Estimate for the Jones Hill Deposit:

1. *Readers are referred to the Company's initial market release dated 9 April 2019 which provides supporting information on the historical resource estimate.*
2. *The Company confirms that the supporting information disclosed in the initial market announcement continue to apply and has not materially changed.*
3. *Readers are cautioned that that this estimate is a "historical estimate" under ASX Listing Rule 5.12 and is not reported in accordance with the JORC Code.*
4. *A Competent Person has not yet undertaken sufficient work to classify the historic estimate as mineral resources or ore reserves in accordance with the JORC Code.*
5. *It is uncertain that, following evaluation and/or further exploration work, it will be possible to report this historical estimate as mineral resources or ore reserves in accordance with the JORC Code.*

Forward Looking Statements

Any forward-looking information contained in this report is made as of the date of this report. Except as required under applicable securities legislation, New World does not intend, and does not assume any obligation, to update this forward-looking information.

Stantons International Audit and Consulting Pty Ltd
trading as
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Chartered Accountants and Consultants

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13 March 2020

Board of Directors
New World Resources Limited
1 / 100 Railway Road,
SUBIACO, WA 6008

Dear Sirs

RE: NEW WORLD RESOURCES LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of New World Resources Limited.

As Audit Director for the review of the financial statements of New World Resources Limited for the period ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Samir Tirodkar
Director

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Note	Consolidated 31 December 2019 $	31 December 2018 $
Continuing operations			
Other income		1,202	2,127
Administration		(141,233)	(137,137)
Exploration costs written off	2	(10,000)	(179,515)
Directors' costs		(207,917)	(81,084)
Share based payment expense		(247,996)	(806,883)
Other expenses		(246,885)	(297,505)
Loss before income tax		**(852,829)**	**(1,499,997)**
Income tax benefit		-	-
Net loss for the period from continuing operations		**(852,829)**	**(1,499,997)**
Discontinued operations			
Loss from discontinued operation	10	-	(7,693)
Net loss for the period		**(852,829)**	**(1,507,690)**
Other comprehensive income:			
Items that will not be subsequently reclassified to profit or loss			
Changes in fair value of financial assets	12	(28,000)	-
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(28,077)	237,416
Other comprehensive loss for the period		**(56,077)**	**237,416**
Total comprehensive loss for the period		**(908,906)**	**(1,270,274)**
Basic and diluted loss per share from continuing operations (cents per share)		**(0.10)**	**(0.30)**
Basic and diluted profit per share from discontinued operation (cents per share)		**N/A**	**(0.002)**
Basic and diluted loss per share from continuing and discontinued operation (cents per share)		**(0.10)**	**(0.25)**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

		Consolidated	
	Notes	31 December 2019 $	30 June 2019 $
Assets			
Current Assets			
Cash and cash equivalents		2,008,197	1,739,385
Trade and other receivables		94,411	186,264
Total Current Assets		**2,102,608**	**1,925,649**
Non-Current Assets			
Financial assets	12	112,000	140,000
Deferred exploration and evaluation expenditure	2	15,405,743	14,419,158
Total Non-Current Assets		**15,517,743**	**14,559,158**
Total Assets		**17,620,351**	**16,484,807**
Liabilities			
Current Liabilities			
Trade and other payables		135,406	226,872
Total Current Liabilities		**135,406**	**226,872**
Net Assets		**17,484,945**	**16,257,935**
Equity			
Issued capital	3	84,608,359	82,960,305
Reserves		12,115,742	11,683,957
Accumulated losses		(79,239,156)	(78,386,327)
Total Equity		**17,484,945**	**16,257,935**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Issued Capital	Accumulated Losses	Option Reserve	Share-based Payment Reserve	Performance Rights Reserve	Fair Value Reserve	Foreign Exchange Reserve	Total Equity
	$	$	$	$			$	$
Balance at 1 July 2018	**75,805,015**	**(70,745,420)**	**8,378,799**	**2,479,560**	**1,640,000**	**-**	**96,605**	**17,654,559**
Loss for the period	-	(1,507,690)	-	-	-	-	-	(1,507,690)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	237,416	237,416
Total comprehensive loss for the period	**-**	**(1,507,690)**	**-**	**-**	**-**	**-**	**237,416**	**(1,270,274)**
Options issued during the half-year	-	-	-	46,883	-	-	-	46,883
Perf. rights converted to shares during the half-year	-	-	-	-	(1,640,000)	-	-	(1,640,000)
Shares issued during the half-year	5,074,214	-	-	-	-	-	-	5,074,214
Share issue costs during the half -year	(120,203)	-	-	-	-	-	-	(120,203)
Balance at 31 December 2018	**80,759,026**	**(72,253,110)**	**8,378,799**	**2,526,443**	**-**	**-**	**334,021**	**19,745,179**
Balance at 1 July 2019	**82,960,305**	**(78,386,327)**	**8,378,799**	**2,772,170**	**-**	**(46,667)**	**579,655**	**16,257,935**
Loss for the period	-	(852,829)	-	-	-	-	-	(852,829)
Changes in fair value of financial assets – fair value OCI	-	-	-	-	-	(28,000)	-	(28,000)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(28,077)	(28,077)
Total comprehensive loss for the period	**-**	**(852,829)**	**-**	**-**	**-**	**(28,000)**	**(28,077)**	**(908,906)**
Options issued during the half-year	-	-	-	519,567	-	-	-	519,567
Options lapsed during the half-year	-	-	-	(31,705)	-	-	-	(31,705)
Perf. rights converted to shares during the half-year	-	-	-	-	-	-	-	-
Shares issued during the half-year	2,024,888	-	-	-	-	-	-	2,024,888
Share issue costs during the half -year	(376,834)	-	-	-	-	-	-	(376,834)
Balance at 31 December 2019	**84,608,359**	**(79,239,156)**	**8,378,799**	**3,260,032**	**-**	**(74,667)**	**551,578**	**17,484,945**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Notes	Consolidated 31 December 2019 $	Consolidated 31 December 2018 $
		Inflows/(Outflows)	
Cash flows from operating activities			
Payments to suppliers and employees		(637,116)	(209,308)
Interest received		1,202	2,127
Net cash (used) in operating activities		(635,914)	(207,181)
Cash flows from investing activities			
Security bond refund		60,580	-
Payments for exploration and evaluation expenditure		(1,018,884)	(3,266,602)
Net cash (used) in investing activities		(958,304)	(3,266,602)
Cash flows from financing activities			
Transaction costs of issue of shares		(136,970)	(120,203)
Proceeds from exercise of options		-	2,172,034
Proceeds from issue of shares		2,000,000	-
Net cash generated from financing activities		1,863,030	2,051,831
Net increase/(decrease) in cash held		268,812	(1,421,952)
Cash and cash equivalents at the beginning of the period		1,739,385	2,468,135
Cash and cash equivalents at the end of the period		2,008,197	1,046,183

The accompanying notes form part of these financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

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 half-year 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 New World 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 accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as noted in the note on adoption of new and revised accounting standards. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements were authorised for issue on 13 March 2020.

Basis of preparation

The interim financial statements have been prepared on a historical cost basis, except Financial Assets at 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 report, the half-year has been treated as a discrete reporting period.

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.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2019.

Going concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of New World's assets and the discharge of its liabilities in the normal course of business.

As at 31 December 2019, the Group had cash and cash equivalents of $2,008,197, a loss for the half-year of $852,829 and a net cash inflow from operating, investing and financing activities of $268,812.

The Group's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments. The Directors consider the basis of going concern to be appropriate for the following reasonsy:

- the quality of the Group's exploration assets and underlying prospects to raise additional equity capital;
- the discretionary nature of a significant proportion of the Group's planned exploration spend; and
- the potential to farm-down or dispose of its mineral interests.

Accordingly, the Directors believe that New World Resources will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2019 ("HY2020"), the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the operations of the group and effective for annual reporting periods beginning on or after 1 January 2019.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2019. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to Group accounting policies.

Changes in Accounting Policies

AASB 16 Leases – Accounting Policies applied from 1 July 2019

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. leases with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on the index of the rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options;
- lease payments under extension profits, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of options to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and initial direct costs. The subsequent measurement of the right-of-use asset is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the costs of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Group does not currently have any leases that would require recognition of a right-of-use asset in the current reporting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 2: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	Six months to 31 December 2019	Year to 30 June 2019
Costs carried forward in respect of areas of interest in the following phases:	$	$
Exploration and evaluation phase – at cost		
Balance at beginning of period	14,419,158	15,401,460
Expenditure incurred	983,932	3,910,813
	15,403,090	19,312,273
Expenditure written off (i)	(10,000)	(1,488,440)
Provision for impairment (ii)	-	(4,064,077)
Net exchange differences on translation	12,653	659,402
Total deferred exploration and evaluation expenditure	15,405,743	14,419,158

(i) During the year ended 30 June 2019, exploration expenditure of $1,488,440 for Badger Basin, Hazelton, Grapevine, Iron Dyke, Kimberley and Fraser Range Projects had been included in expenditure written off.

During HY2020, exploration expenditure of $10,000 for Kimberley Project has been included in expenditure written off.

(ii) During HY2019, an impairment assessment on the acquisition of Liaz Pty Ltd ("Liaz Acquisition") resulted in a provision for impairment of $4,064,077 for the year ended 30 June 2019.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

NOTE 3: ISSUED CAPITAL

	Consolidated	
	31 December 2019 $	30 June 2019 $
Issued capital	88,371,899	86,347,011
Share issue costs	(3,763,540)	(3,386,706)
	84,608,359	82,960,305

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 3: ISSUED CAPITAL (continued)

	Six months to 31 December 2019 No.	Year to 30 June 2019 No.	Six months to 31 December 2019 $	Year to 30 June 2019 $
Movements in ordinary shares on issue (prior to share issue costs)				
At the beginning of the period	772,123,925	456,024,105	86,347,011	78,715,117
Shares issued on exercise of options (i)	-	43,440,683	-	2,172,034
Shares issued in consideration for Salmon Canyon (ii)	-	30,287,157	-	763,704
Shares issued in consideration for Badger Basin (iii)	-	1,371,213	-	70,093
Shares issued in relation to West Kimberley (iv)	408,396	394,477	10,000	20,000
Conversion of performance rights (v)	-	20,000,000	-	2,400,000
Shares issued pursuant to rights issue	-	220,606,290	-	2,206,063
Shares issued pursuant to placement	100,000,000	-	2,000,000	-
Shares issued in consideration for Colombia Mine (vi)	655,119	-	14,888	-
At the end of the period	873,187,440	772,123,925	88,371,899	86,347,011

(i) The Company issued 43,440,683 Shares in July and August 2018 in relation to the exercise of options.

(ii) The Company issued (a) 9,962,449 Shares in August 2018; and (b) a further 20,324,708 Shares in January 2019, in relation to the acquisition of the Salmon Canyon Deposit.

(iii) The Company issued 1,371,213 Shares in October 2018 in relation to the acquisition of the Badger Basin Project.

(iv) The Company issued (a) 394,477 Shares in October 2018; and (b) 408,396 Shares in August 2019 in relation to the acquisition of the West Kimberley Project.

(v) The Company issued 20,000,000 Shares in November 2018 in relation to the conversion of performance rights.

(vi) The Company issued 655,119 Shares in October 2019 in relation to the acquisition of the Colombia Mine.

Performance Shares	Six months to 31 December 2019 No.	Year to 30 June 2019 No.
Movements in performance shares on issue		
At the beginning of the period	-	1,133,333
Cancellation of performance shares	-	(1,133,333)
At end of period	-	-

The performance shares were forfeited during the 2019 financial year and subsequently cancelled on 30 November 2018, following receipt of requisite shareholder approval.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 4: SEGMENT REPORTING

During the financial year ended 30 June 2019, the Group ceased active involvement in its Western Australian projects as well as disposing of its remaining exploration assets in Ireland. Accordingly, the the Group's exploration and evaluation activities are now focussed solely on its projects in North America.

NOTE 5: OPTION AND SHARE-BASED PAYMENTS RESERVE

	Consolidated	
	31 December 2019 $	30 June 2019 $
Option Reserve	8,378,799	8,378,799
Share-Based Payments Reserve	3,260,032	2,772,170

	Six months to 31 December 2019 No.	Year to 30 June 2019 No.
Movements in number of options over ordinary shares on issue		
At the beginning of the period	48,883,334	56,574,557
Issue of employee options (i)	17,500,000	750,000
Issue of director options (ii)	27,000,000	-
Issue of underwriter options (iii)	-	35,000,000
Issue of placement options (iv)	25,000,000	-
Issue of broker options (v)	40,000,000	-
Lapse of options	(1,950,000)	-
Options exercised	-	(43,440,683)
Rounding of options exercised	-	(540)
At end of period	156,433,334	48,883,334

(i) The Company issued options to (a) the exploration manager – 750,000 options were issued on 25 January 2019; and (b) senior management and consultants – 17,500,000 options were issued on 29 November 2019.

(ii) The Company issued options to the directors – 27,000,000 options were issued on 29 November 2019.

(iii) The Company issued options to the underwriter of the rights issue – 35,000,000 options were issued on 27 May 2019.

(iv) The Company issued options to participants in the placement – 25,000,000 options were issued on 4 October 2019.

(v) The Company issued options to the brokers to the placement – 40,000,000 options were issued on 29 November 2019.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 5: OPTION AND SHARE-BASED PAYMENTS RESERVE (continued)

The fair value of the equity settled share options granted during the prior period is estimated as at the date of grant using the Black and Scholes option valuation method taking into account the terms and conditions upon which the options were granted as follows:

The following share options were issued during the period in relation to the provision of services to the Company:

- 27,000,000 unlisted director options were issued at 4 cents exercisable on or before 28 November 2022.
- 17,500,000 unlisted employee options were issued at 4 cents exercisable on or before 28 November 2022.
- 25,000,000 unlisted placement options were issued at 4 cents exercisable on or before 27 September 2022.
- 40,000,000 unlisted broker options were issued at 4 cents exercisable on or before 27 September 2022.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The options were valued using the Black and Scholes option valuation method with the following inputs:

- Expected volatility 100%
- Risk free interest rate 0.65%

All other inputs relate to the Company's share price at the date of grant and the expiry date of the options.

NOTE 6: PERFORMANCE RIGHTS

	Consolidated	
	Six months to 31 December 2019 $	Year to 30 June 2019 $
At beginning of period	-	1,640,000
Issued during the period	-	760,000
Director performance rights converted to shares	-	(2,400,000)
At end of period	-	-

	No.	No.
Movements in options over ordinary shares on issue		
At start of period	-	20,000,000
Director performance rights lapsed(i)	-	-
Director performance rights issued(ii)	-	-
Director performance rights converted to shares	-	(20,000,000)
At end of period	-	-

(i) In November 2017, 20,000,000 performance rights were issued to the Company's Non-Executive Chairman and Managing Director as part of their remuneration package ("the Performance Rights"). The Performance Rights were to vest over a 12-month period and were subject to these directors remaining employed by the Company. The Performance Rights were valued at the Company's share price on the date of issue and are being brought to account over the vesting period.

(ii) In November 2018, 20,000,000 Shares were issued in the Company on the conversion of the Performance Rights. On conversion, the fair value was transferred to issued capital.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 7: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 8: FINANCIAL INSTRUMENTS

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair value.

NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE

On 14 January 2020, the Company announced that it had secured the right to acquire a 100% interest in the Antler Copper Deposit (“the Antler Deposit”) in the mining-friendly state of Arizona, USA. The Company then announced on 9 March 2020 that it has satisfactorily completed due diligence on the Antler Deposit, allowing it to commence its inaugural field programs.

On 31 January 2020 the Company announced amendments to the remuneration arrangements of the Company’s Managing Director, Mr Michael Haynes.

Apart from the above events there are no matters or circumstances that have arisen since the balance date which significantly affects or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 10: DISCONTINUED OPERATIONS

The prior period comparative of $7,693 relates to the following:

On 7 March 2018, the Company relinquished its tenements at the Fraser Range Project, and as a result, the investment and exploration costs to balance date (total of $4,598,966) were included in loss from discontinued operations in the consolidated statement of profit or loss and comprehensive income in the year to 30 June 2019. Loss in the comparative period was $7,693.

There were no discontinued operations in the current period.

Loss from discontinued operations comprises the following:

	Six months to 31 December 2019 $	Six months to 31 December 2018 $
Exploration expenditure impaired:		
- Fraser Range	-	7,693
	-	7,693

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 11: COMMITMENTS

Jones Hill Deposit

The Company has entered into option agreements with two unrelated parties (Vendors), each of which hold 10 Federal mining claims over and around the Jones Hill VMS Deposit (Jones Hill Deposit), which forms part of the larger Tererro VMS Project. The agreements provide the Company with a five-year option to acquire a 100% interest in the Jones Hill Deposit. Remaining commitments related to the Jones Hill Deposit at reporting date but not recognised as liabilities, include the following:

- The Company has until 16 June 2024 to conduct further exploration and to evaluate the development of a mining operation.
- On each annual anniversary of the completion of due diligence, which occurred on 16 June 2019, the Company is required to pay each party US$25,000 to extend its option for a further 12 months;
- To exercise its option to acquire a 100% interest in the mining claims, the Company is required to pay each Vendor US$500,000 (total US$1,000,000). This option can be exercised at any time during the five-year option period. Title in the mining claims will be transferred to the Company at the time this payment is made;
- On commencement of commercial production, the Company is required to pay each Vendor US$1,000,000 (total US$2,000,000); and
- 24 months after commencement of commercial production, the Company is required to pay each Vendor US$1,000,000 (total US$2,000,000).

The Company's US subsidiaries also own other US mining claims which require annual renewal payments by 1 September each year. Failure to make a renewal payment would result in the forfeiture of the underlying claim. There are no additional minimum expenditure obligations in relation to these mining claims.

NOTE 12: FINANCIAL ASSET

The Financial Asset consists of investments in an ASX listed Company. The Fair Value has been determined by reference to the published price on the ASX. At the reporting date, the Company held 1,333,333 Ordinary Shares in Buxton Resources Limited. The resulting change in the Fair Value loss of $28,000 (30 June 2019: loss of $46,667) has been recognised in Other Comprehensive Income.

	Consolidated	
	Six months to 31 December 2019	Year to 30 June 2019
	$	$
At beginning of year	140,000	-
Additions	-	186,667
Changes in fair value	(28,000)	(46,667)
At end of year	112,000	140,000

DIRECTORS' DECLARATION

In the opinion of the Directors of New World Cobalt Limited:

1. The attached condensed financial statements and notes thereto are in accordance with the Corporations Act 2001 including:

    a. complying with Accounting Standard *AASB 134: Interim Financial Reporting* and other mandatory professional reporting requirements; and

    b. 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

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

Richard Hill

Chairman

13 March 2020

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
NEW WORLD RESOURCES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of New World Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for New World Resources Limited ("the consolidated entity"). The consolidated entity comprises both New World Resources Limited ("the Company") and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of New World Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity'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 New World Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year 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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of New World Resources Limited on 13 March 2020.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of New World Resources Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity'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 Standards AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter - Carrying Value of Deferred Exploration and Evaluation Expenditure

We draw attention in Note 2 to the interim financial report which summarises the deferred exploration and evaluation expenditure. The consolidated entity had deferred exploration and evaluation expenditure of $15,405,743 as at 31 December 2019. The recoverability of the consolidated entity's carrying value of deferred exploration and evaluation expenditure is dependent on the successful commercial exploitation of the assets and/or sale of the assets to generate sufficient funds to at least that of their carrying values. In the event that the consolidated entity is not successful in commercial exploitation and/or sale of these assets, the realisable value of the consolidated entity's assets may be significantly less than their current carrying values.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
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Stantons International Audit and Consulting Pty Ltd

Samir Tirodkar
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West Perth, Western Australia
13 March 2020