

# **Great Northern Minerals Limited**

ABN 22 000 002 111

## **Consolidated Financial Statements**

For the Half Year Ended 31 December 2019

# Great Northern Minerals Limited

ABN 22 000 002 111

## Consolidated Financial Statements

For the Half Year Ended 31 December 2019

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# Great Northern Minerals Limited

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Consolidated Financial Statements

For the Half Year Ended 31 December 2019

## CORPORATE DIRECTORY

### DIRECTORS

Mr Cameron McLean (CEO & Managing Director)

Mr Gerard King (Non-Executive Chairman)

Mr Simon Peters (Non-Executive Director)

### COMPANY SECRETARY

Mr Aida Tabakovic

### REGISTERED OFFICE

Level 1, 33 Colin Street

WEST PERTH WA 6005

AUSTRALIA

Website: [www.greatnorthernminerals.com.au](http://www.greatnorthernminerals.com.au)

### SHARE REGISTRY

Computershare Investor Services Pty Ltd

Level 11, 172 St Georges Tce

Perth WA 6000

Telephone: 1300 787 272

### AUDITORS

William Buck Audit (WA) Pty Ltd

Level 3, 15 Labouchere Road

South Perth WA 6151

### LEGAL ADVISORS

Nova Legal

Level 2, 50 Kings Park Road

West Perth WA 6005

### STOCK EXCHANGE

Australian Securities Exchange Limited

ASX Code: GNM, GNMOA, GNMOB

# Great Northern Minerals Limited

ABN 22 000 002 111

## Consolidated Financial Statements

### Directors' Report

For the Half Year Ended 31 December 2019

Your directors present their Report on Great Northern Minerals Limited ("the Company" or "GNM") and its subsidiaries ("the Group") for the half year ended 31 December 2019.

### Directors

The names of the directors in office at any time during or since the end of the half year period are:

Mr Gerard King  
Mr Cameron McLean  
Mr Alistair Williams (resigned 5 August 2019)  
Mr Simon Peters

### Company Secretary

Mr David Peterson (resigned 19 August 2019)  
Ms Aida Tabakovic (appointed 19 August 2019)

### Review of operations

The Group's principal businesses are, and during the financial period, were:

- acquisition of former gold producing mines of Camel Creek, Golden Cup and Big Rush in Northern Queensland ("The Golden Ant Project");
- the intent to forfeit the Julia Creek Vanadium Project in North Queensland. The Company is actively seeking Joint Venture partners for the Ashburton Cobalt Project in Western Australia. Both of the Projects are held under the Company's subsidiary, Ion Minerals Pty Ltd;
- continuation to actively engage with prospective suitors to commercialise the innovation of its coal to liquid project to utilise the exclusive (to Australia) license over the patented Oxidative Hydrothermal Dissolution ("OHD") process;
- divesting its mineral exploration Project, with Guyana Strategic Metals Inc. ("GSM") in Guyana (the "Morabisi" project prospective for Lithium and Tantalum); and
- consolidation of its issued capital and re-branding of the Company.

### Operating Results

For the half year ended 31 December 2019 the Group recorded a consolidated loss of \$2,609,345 and generated net cash outflows from operations of \$1,264,761. The expenditure reflected the Group's acquisition of the Golden Ant Project and its sale of Gas Royalty.

### Corporate

- On 5 August 2019, Alistair Williams resigned as a Non-Executive Director;
- On 19 August 2019, David Peterson resigned as Company Secretary;
- On 19 August 2019, Aida Tabakovic appointed as Company Secretary;
- E08/3020 tenement licence was granted during the year, which forms part of Zenith Minerals Limited projects at Ashburton;
- Greenpower's acquisition agreement of Ion Minerals Pty, for the Lincoln Springs project has been terminated. Greenpower will continue to progress its 100% owned Lincoln Springs tenements which lie close to the previously announced Golden Ant Project;

# Great Northern Minerals Limited

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## Consolidated Financial Statements

### Directors' Report

For the Half Year Ended 31 December 2019

### Corporate (continued)

- Following the Company's General Meeting Held on 18 October 2019 and ASIC approval, the Company changed its name to Great Northern Minerals Limited, and its ASX ticker code to GNM, effective from 27 November 2019;
- On 25 November the Company announced that it has signed a Heads of Agreement (HoA) with private exploration company Gold Explorer Pty Ltd to earn an 80% interest in exploration permits EPM 26632 & 26652, located 140 km Northwest of Townsville in Queensland;
- During the period, GNM announced several offers as part of its capital raising announced on 3 September 2019. In total through these offers, a total of \$1,372,863 (net of costs) was raised;
- On 9 March 2020 the Company announced to the Australian Stock Exchange (ASX), that it planned to raise up to \$2,250,000 by way of two tranche placement and a 1:4 Rights Issue to shareholders priced at \$0.06 per share. (Refer to Subsequent Events disclosure).

### Projects

#### Golden Cup

The Golden Cup Project in Northern Queensland was mined as nine open pits between 1988 – 1993 with oxide ore processed via an onsite heap leach operation. A total of 201,081 tonnes of ore was processed with a recovered grade of 2.83g/t Au producing 18,296 ounces of Au. The resource potential at depth and along strike of the high-grade open pits is untested and represents a strong exploration/development target for the Company moving forward.

Golden Cup, along with Camel Creek and Big Rush, is one of three gold mines (Figure 1) acquired by Great Northern Minerals Limited as announced to the ASX on 15 August 2019.



Figure 1: Location of the Company's gold projects in Northern Queensland

In December, GNM announced an interim JORC resource estimate for Golden Cup of 256,000 tonnes at 3.6 g/t Au for approximately 30,000 ounces of contained gold, using a 0.75g/t gold cut-off grade (Table 1). The Golden Cup mineral resource estimate was independently estimated by experienced mine geologist Andrew Beaton of AKB Mining Geology Services Pty Ltd (AKB).

The Golden Cup mineral resource is composed of 3 lodes located beneath three previously mined open pit gold mines (Figure 2 & 3). Lodes 2 and 3 are part of the same mineralised structure but their relationship to Lode 1 has not been established. Exploration next year will seek to determine if these lodes represent an offset of the same structure or 2 parallel zones.

# Great Northern Minerals Limited

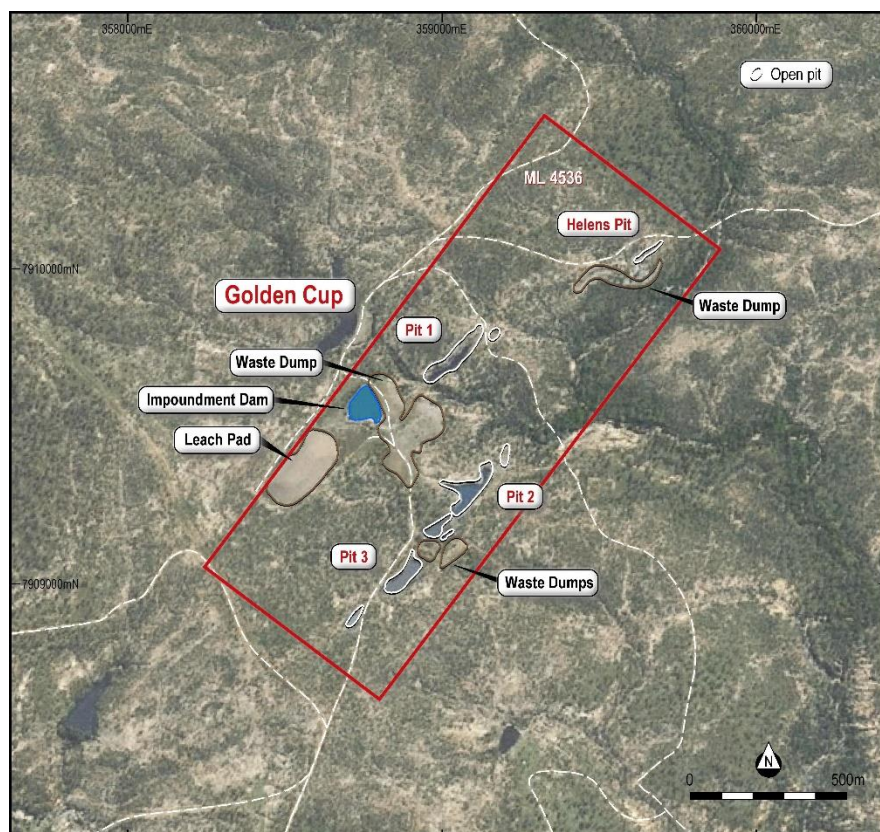
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Directors' Report

For the Half Year Ended 31 December 2019

Golden Cup (continued)



**Figure 2: Site layout at the Golden Cup gold projects**

The historic gold production from the Golden Cup oxide zone was approximately 20,000 ounces and when combined with the current resource this takes the total endowment at Golden Cup to 50,000 ounces of gold which compares favourably with GNM's previous exploration target.

The resource at Golden Cup is open with very little drilling below 50 metres vertically or outside the mineralisation model. It is refractory with preliminary metallurgy, indicating that gold will report to a sulphide concentrate and there are several mills within trucking distance capable of processing this material.

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### Directors' Report

For the Half Year Ended 31 December 2019

### Golden Cup (continued)

	Lodes 2 and 3			Lode 1			Total Golden Cup		
Cut Off Au g/t	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Au Ounces
0	211,011	3.14	21,302	97,407	2.92	9,145	308,418	3.07	30,447
0.25	204,302	3.24	21,282	94,224	3.01	9,118	298,526	3.17	30,400
0.5	187,993	3.49	21,094	90,581	3.12	9,086	278,574	3.37	30,180
0.75	171,333	3.77	20,767	85,171	3.27	8,954	256,504	3.6	29,721
1	159,224	3.99	20,425	83,135	3.33	8,901	242,359	3.76	29,326
1.25	145,586	4.25	19,893	78,423	3.47	8,749	224,009	3.98	28,642
1.5	135,366	4.47	19,454	73,970	3.59	8,538	209,336	4.16	27,992
1.75	126,157	4.68	18,982	66,416	3.82	8,157	192,573	4.38	27,139
2	115,220	4.95	18,337	61,670	3.96	7,852	176,890	4.6	26,188

Table 1: Golden Cup Inferred Gold Resource Table

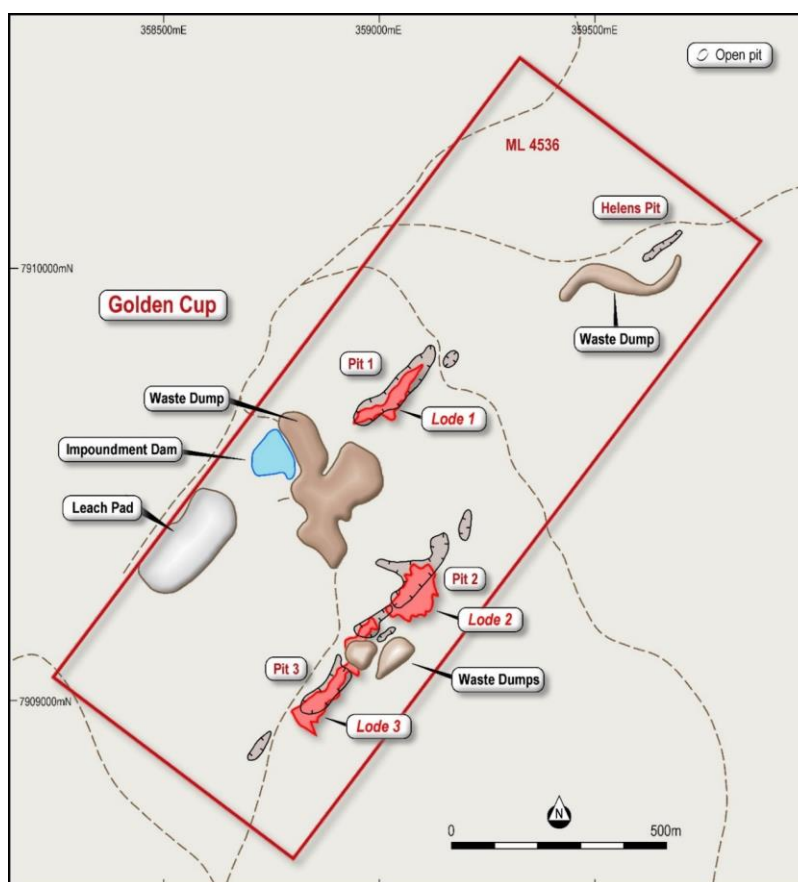


Figure 3: Plan view of the Golden Cup Project with historic pits and Mineral Resource Outlines (Red) projected to surface

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### Directors' Report

For the Half Year Ended 31 December 2019

### Golden Cup (continued)

GNM commenced drilling at Golden Cup with an eight-hole reverse circulation (RC) drilling campaign in November. Drilling aimed to confirm previous results and to test for downdip extensions to known gold mineralisation beneath Open Pits 1, 2 & 3. It also aimed to provide further geological and QAQC data as recommended by AKB.

Drilling at Golden Cup was completed by early December, with eight holes for 639 metres completed by contractor Eagle Drilling NQ Pty Ltd.

The entire length of each drill hole was sampled, either as 1m or composited samples, and 302 samples sent to Intertek Ltd's assay laboratory in Townsville.

GNM reported results from the first two holes of the program in December (Table 2). Hole GCRC074, drilled beneath Open Pit 3, returned an intersection of 7m @ 7.49 g/t Au from 38 - 45 metres downhole. Hole GCRC078, drilled beneath Open Pit 1, returned an intersection of 9m @ 4.72 g/t Au from 35 – 44m downhole.

Remaining results were reported on 20 December 2019, with results including:

- 6m @ 2.9 g/t Au from 39m (hole GCRC075)
- 5m @ 1.93 g/t Au from 33m (hole GCRC076) and
- 6m @ 1.89 g/t Au from 29m & 6m @ 1.37 g/t Au from 42m (hole GCRC077).

The mineralised intercepts correspond to logged intervals of quartz veining and elevated amounts of visual arsenopyrite and pyrite. The assay results received correspond in tenor to nearby drill holes completed by previous holders of the project.

Hole ID	Easting	Northing	Dip	Azimuth	EOH	From	To	Width	Grade (g/t Au)
GCRC074	358856	7908949	-60	315	64	30	31	1	2.57
GCRC074						38	45	7	7.49
GCRC074					including	40	41	1	43.18
GCRC075	358958	7909086	-55	315	71	39	45	6	2.9
GCRC076	359095	7909218	-50	315	83	33	38	5	1.93
GCRC077	359127	7909272	-50	315	65	29	35	6	1.89
GCRC077						42	48	6	1.37
GCRC078	359029	7909663	-60	315	65	35	44	9	4.72
GCRC078					including	41	44	3	11.48
GCRC079	359063	7909627	-60	315	101		No results		>1 g/t Au
GCRC080	359067	7909642	-60	315	89		No results		>1 g/t Au
GCRC081	359090	7909653	-60	315	101		No results		>1 g/t Au

**Table 2: Drill hole assay results, Golden Cup Gold Project (> 1 g/t Au)**

GNM is planning a significant drill program for Golden Cup in 2020 with the aim to rapidly increase the resource.

### Big Rush

In November, GNM announced it would commence drilling at the historic Big Rush mine, 200km West of Townsville, after receiving traditional owners' permission for planned activities.

Drilling at Big Rush planned to consist of 1,000m, initially confined to the Central Pit to provide drill data to allow GNM to complete a JORC compliant mineral resource estimate. The Central Pit area represents a small part of the Big Rush mineralised system which extends for 1km both north and south of the Central Pit.



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For the Half Year Ended 31 December 2019

#### Big Rush (continued)

GNM commenced a reverse circulation (RC) drilling program at Big Rush in early December to validate historic drilling information.

RC drilling was completed at Big Rush Project (Figure 1) in December. A total of 8 holes for 1,042 metres were drilled and a total of 794 samples submitted for gold and multi-element analysis

GNM received results from the first two holes of the program in December, which included:

- 5m @ 12.64 g/t Au from 92m (hole BRRC1004)
- 12m @ 1.11 g/t Au from 76m (hole BRRC1005).

The mineralised drill intercepts correspond to logged intervals of quartz veining and elevated amounts of visual arsenopyrite and pyrite. Gold assays were all by Fire Assay and multi-element assays, mainly for alteration studies, results of which were released on January 28, 2020.

Drilling aimed to validate previous drilling results from the project to enable a maiden JORC-compliant resource to be estimated. Future drill programs will also look to target the Northern Pit, Southern Pit and Sergei Pit areas which have not had any drilling completed since 1997.

Exploration drilling in 2020 will assess the Northern and Southern pits, plus the Western anomaly, which combined cover a strike length of approximately 2.5 km where mineralisation has been historically intersected in mostly shallow drilling.

#### New ground acquired

In November, GNM announced it had signed a Heads of Agreement (HoA) with private exploration company Gold Explorer Pty Ltd to earn an 80% interest in exploration permits EPM 26632 & 26652 located 140km northwest of Townsville in Queensland.

The exploration permits surround the Company's Camel Creek and Golden Cup gold projects and adjoin the Company's EPM 27207. The permits contain historically mined open pit gold mines as well as numerous prospective gold targets.

The agreement with Gold Explorer Pty Ltd increases the Company's ground position at Camel Creek – Golden Cup from 81km<sup>2</sup> to 400km<sup>2</sup>.

The area subject to the agreement with Gold Explorer Pty Ltd is considered highly prospective and already contains numerous gold prospects, historic open pit gold mines and high-grade drill intersections that have seen little recent exploration activity. Four separate mineralised gold trends exist within the project area – Golden Ant Trend, Annabelle to Red Ant Trend, Blue Gold Trend and Angiang Trend. Several of the prospects shown on Figure 4 such as Red Gold, Mt Dora, Beatrice, Blue Gold and Spartan were mined in the 1990's and the whole project area has seen little modern exploration since mining activities ceased. Great Northern Minerals Limited is in the process of compiling exploration and mining data from the Joint Venture area to identify priority gold targets for future exploration.

# Great Northern Minerals Limited

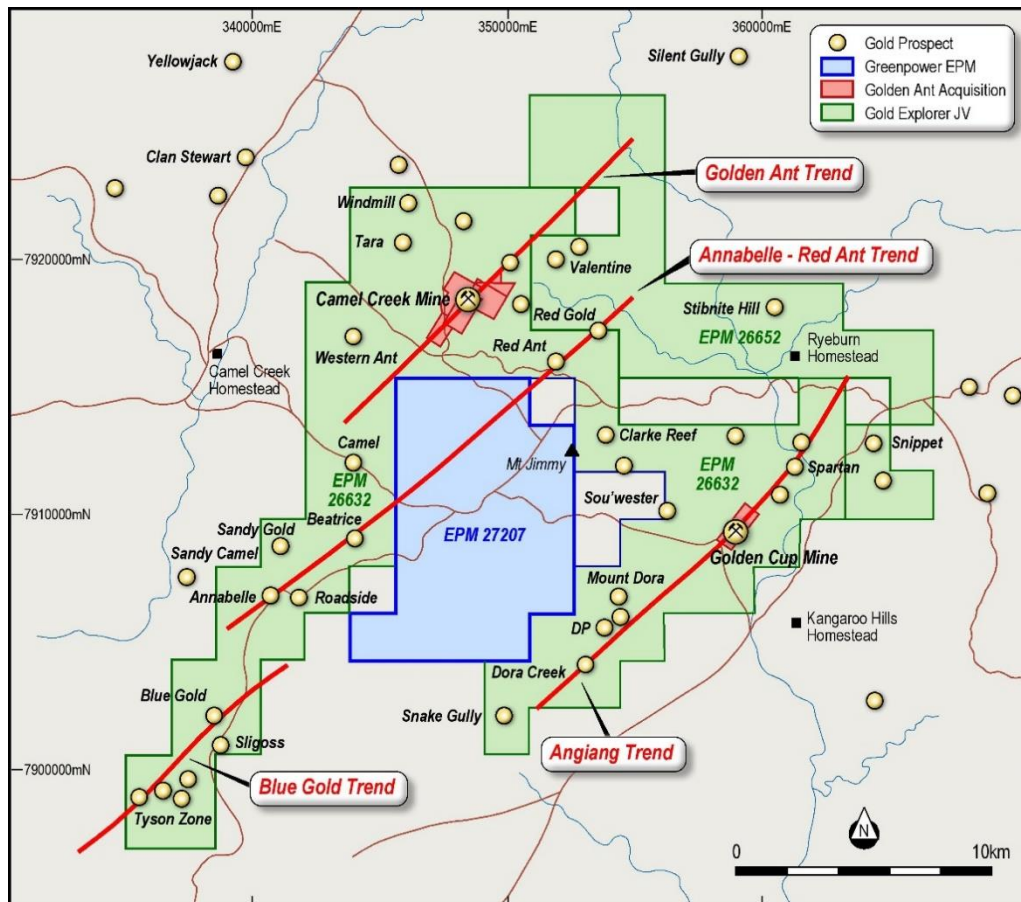
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## Consolidated Financial Statements

### Directors' Report

For the Half Year Ended 31 December 2019

#### New ground acquired (continued)



**Figure 4: Location of new Gold Explorer JV exploration permits complimenting the current Camel Creek and Golden Cup Projects'**

#### Terms of the Heads of Agreement

The terms of the Heads of Agreement to acquire up to an 80% interest in EPM's 26632 & 26652 from Gold Explorer Pty Ltd:

- Repay Gold Explorer Pty Ltd's application fees and associated costs;
- Spend \$1 million on exploration over 3 years to acquire a 51% interest;
- Spend a further \$1 million to earn a further 29% interest (total 80% interest);
- Spend a minimum of \$250,000 before withdrawing from the agreement;
- Gold Explorer Pty Ltd will be free carried through to a Decision to Mine.

In addition to this, in December, GNM announced the grant of two new 100% owned Exploration Permits at the Golden Ant Projects.

Exploration Permit EPM27207 covering 75km<sup>2</sup> was granted on 10 December 2019 and Exploration Permit EPM27283 covering 301km<sup>2</sup> was granted on 11 December 2019, taking the Company's Golden Ant Projects area to 695km<sup>2</sup>.

EPM27207 is considered prospective for further gold occurrences and historic exploration data is currently being compiled over the area. The permit area is owned 100% by the Company and was granted for an initial period of five years.

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For the Half Year Ended 31 December 2019

## New ground acquired (continued)

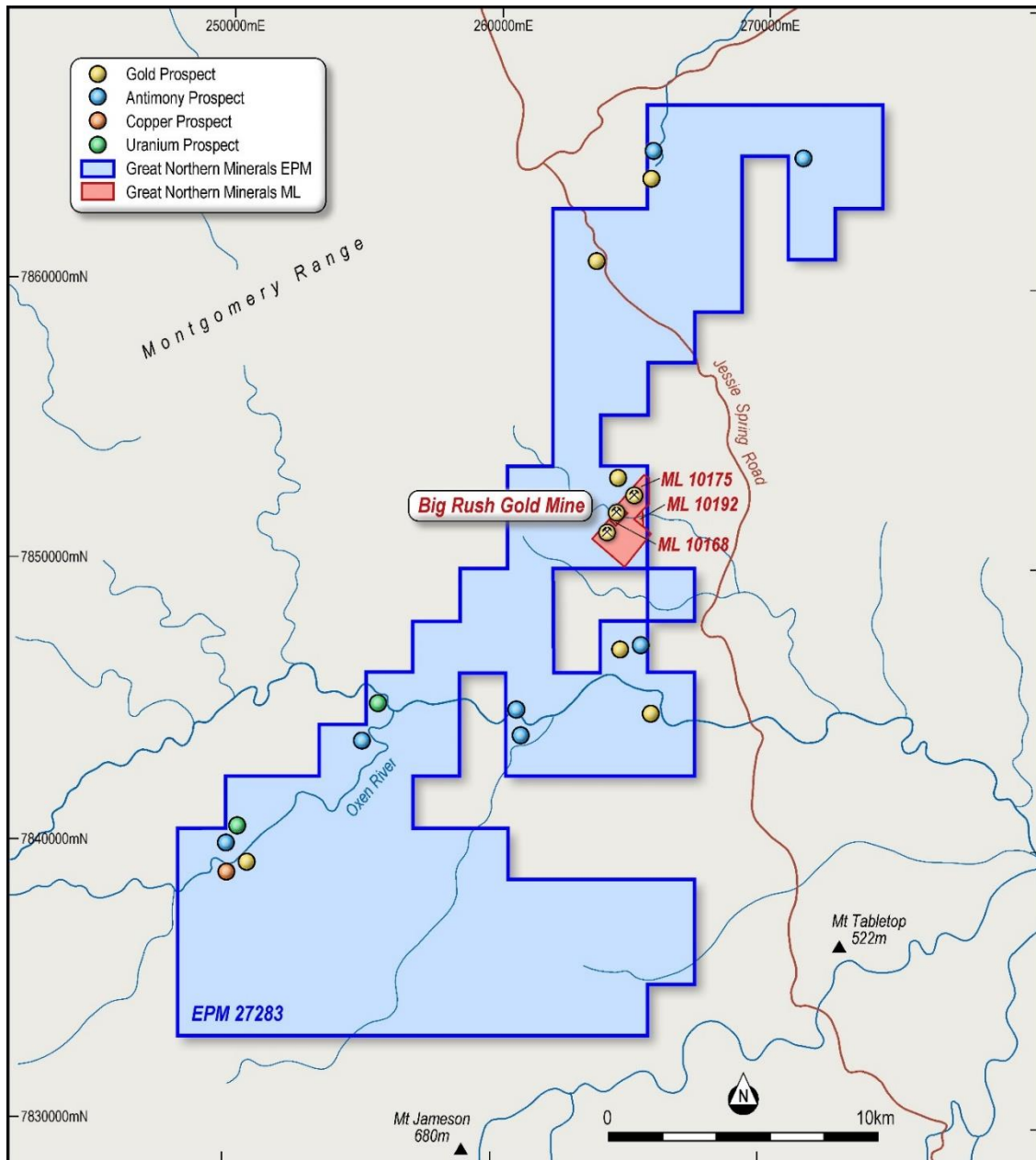


Figure 5: Location of recently granted Exploration permit, EPM 27283, in the Big Rush area

### Heap Leach pads

During the quarter, GNM reported results from sampling of heap leach dumps at the Company's Golden Ant Projects, including Camel Creek (1.2 million tonnes), Golden Cup (300,000 tonnes) and Big Rush (1 million tonnes). These heaps returned assay results of 11.35 g/t Au, 4.43 g/t Au, 3.69 g/t Au and 3.59 g/t Au.

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For the Half Year Ended 31 December 2019

#### New ground acquired (continued)

Leach Dump Location	Sample ID	Easting	Northing	Map Grid	Au g/t
Big Rush	BRLPR001	264958	7851930	GDA94 Zone 55	2.04
Big Rush	BRLPR002	264870	7851813	GDA94 Zone 55	0.81
Big Rush	BRLPR003	264875	7851818	GDA94 Zone 55	0.2
Big Rush	BRLPR004	265000	7851757	GDA94 Zone 55	0.16
Big Rush	BRLPR005	265053	7852009	GDA94 Zone 55	0.48
Big Rush	BRLPR006	265058	7852014	GDA94 Zone 55	0.2
Golden Cup	GCLPR001	358580	7909440	GDA94 Zone 55	3.59
Golden Cup	GCLPR002	358586	7909446	GDA94 Zone 55	0.92
Golden Cup	GCLPR003	358589	7909449	GDA94 Zone 55	4.43
Golden Cup	GCLPR004	358525	7909329	GDA94 Zone 55	11.35
Camel Creek	CCLPR001	347826	7918085	GDA94 Zone 55	1.43
Camel Creek	CCLPR002	347957	7918350	GDA94 Zone 55	3.69
Camel Creek	CCLPR003	347911	7918336	GDA94 Zone 55	0.59
Camel Creek	CCLPR004	347835	7918367	GDA94 Zone 55	0.39
Camel Creek	CCLPR005	347794	7918423	GDA94 Zone 55	1.45

Fifteen grab samples were taken from the heap leach dumps at Big Rush (6 samples), Camel Creek (5 samples) and Golden Cup (4 samples; Table 3). Thirteen grab samples were hand-picked quartz vein material taken from the surface of the heap leach dumps while two samples (BRLPR003 & BRLPR006 from Big Rush) were non-selective samples which included siltstone and shale fragments as well as quartz vein material. The grab samples taken ranged between 2 – 3 kg and were analysed at ALS Laboratories in Townsville by Fire Assay.

The three heap leach dumps formed part of open pit gold mining operations in the late 1980s to mid-1990s with gold recovered from the heap leach dumps by cyanidation of oxide ore. The Golden Cup and Camel Creek heap leach dumps consist of uncrushed oxide ore material whilst the Big Rush heap leach dump material was crushed prior to being stacked on the heap. The heap leach dump contains approximately 2.5 million tonnes of material combined. The grab samples were taken as a first pass measure to assess if any gold remained in the heap leach dumps. These grab sample assay results are considered encouraging and the Company is now considering options to effectively test the gold grades throughout the heap leach dumps which will likely involve a close-spaced reverse circulation drilling program. The Company is also investigating ore sorting technologies.

#### Subsequent Events

- On 29 January 2020, the Company's 1,000,000 unlisted options exercisable at \$0.025 on or before 23 January 2020, expired unexercised;
- On 7 February 2020, the Company announced a maiden JORC-compliant mineral resource estimate for the Central Lode at the Big Rush Gold Mine in North Queensland. A gold mineral resource of 558,322 tonnes at 2.62 g/t Au for 47,006 ounces for GNM resource now to total 77,000 ounces;
- On 21 February 2020, the Company announced that it has entered into a Deed of Surrender and Release with GCC Methane Pty Ltd of its 1.5% wellhead gas royalty to be derived from gas sales from WA Exploration Permit EP447 for surrender consideration in the amount of \$125,000 (exclusive of GST). Both parties have agreed to terminate the Royalty Deed and to fully release each other from all claims, obligations and undertakings arising under the Royalty Deed;

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### Directors' Report

For the Half Year Ended 31 December 2019

#### Subsequent Events (Continued)

- On 9 March 2020 the Company announced to the Australian Stock Exchange (ASX), that it planned to raise up to \$2,250,000 by way of two tranche placement and a 1:4 Rights Issue to shareholders priced at \$0.06 per share. The Company will be funded subject completion of Tranche 1 Placement, Rights Issue and Tranche 2 Placement which is subject to shareholder approval, to continue drilling at the Camel Creek, Golden Cup and Big Rush project, with drilling expected to commence in April 2020 (weather permitting);
- Further to the above, Mr Gerard King the current Non-Executive Chairman will retire from the Board at the end of the March 2020. The Company would like to thank Mr King for his outstanding service to the Company during his tenure;
- Mr King will be replaced by Mr Kim Robinson, who has over fifty (50) years' experience in minerals explorations and mining industries. Mr. Robinson will bring a great deal of knowledge to the Board, he has been involved in several successful mining ventures over his long career;
- Mr Simon Coxhell will also be joining the Board at the beginning of April 2020, as a Technical Director. Mr Coxhell is a geologist with over thirty-four years of diverse experience encompassing all aspects of resource development, metallurgical considerations and mining. He along with Mr. Robinson will be both great assets to the Board and the Company;
- On 10 March 2020, the Company advised the grant of total of 21,000,000 Listed Directors Options to Messers McLean, Robinson, Coxhell and Peters with the purpose being a performance linked incentive component in the remuneration package (being for nil consideration) for the Board of Directors and to motivate and reward performance in their respective roles as Directors. The issue of Directors' Options is subject to a Shareholder approval with the meeting date yet to be determined; and
- On 13 March 2020, the Company issued 86,733,959 placement shares raising \$520,404 (before costs).

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Company that occurred subsequent to the period under review not otherwise disclosed in this report or in the financial report.

#### Disclosure Statement

It is recommended that this report is read in conjunction with the annual report for the year ended 30 June 2019 and considered together with any public announcements made by the Company during the half-year ended 31 December 2019 and to the date of this report in accordance with the continuous disclosure requirements of the Australian Securities Exchange ("ASX") Listing Rules.

# Great Northern Minerals Limited

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**Directors' Report**  
**For the Half Year Ended 31 December 2019**

### Auditors Independence Declaration

A copy of the Auditors Independence Declaration by the lead auditor as required under section 307C of the *Corporations Act 2001* is included on page 13 to this half year report.

Signed in accordance with a resolution of the Board of Directors:



Director: .....

Mr G.A. King  
Dated this 13 March 2020

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE  
CORPORATIONS ACT 2001 TO THE DIRECTORS OF GREAT NORTHERN MINERALS  
LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2019 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

**William Buck Audit (WA) Pty Ltd**  
ABN 67 125 012 124



Robin Judd  
Director

Dated this 13<sup>th</sup> day of March 2020

**ACCOUNTANTS & ADVISORS**

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# Great Northern Minerals Limited

ABN 22 000 002 111

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2019

	31 December 2019 \$	31 December 2018 \$
Other Income	3,007	12,562
Administrative expenses	(622,455)	(904,450)
Depreciation and amortisation	(33,502)	(6,257)
Occupancy costs	-	(47,522)
Exploration and tenement costs	(879,262)	(488,230)
Impairment of receivables	(129,000)	-
Impairment of exploration and evaluation assets	(948,133)	-
Fair value change in equity instruments	-	(13,333)
Write down in net assets of associates	-	(416,002)
<b>Net loss before tax</b>	<b>(2,609,345)</b>	<b>(1,863,232)</b>
Income tax (expense)/benefit	-	-
<b>Net loss for the half year after tax</b>	<b>(2,609,345)</b>	<b>(1,863,232)</b>

### Other Comprehensive Income

*Items that will not be subsequently recognised in profit or loss*

Other income	-	-
Other Comprehensive Income for the half year, net of tax	-	-
<b>Total comprehensive loss for the half year</b>	<b>(2,609,345)</b>	<b>(1,863,232)</b>

### Loss for the period is attributable to:

Owners of the Parent	(2,009,258)	(1,641,324)
Non-controlling interest	(600,087)	(221,908)
	<b>(2,609,345)</b>	<b>(1,863,232)</b>

### Total comprehensive loss for the half year attributable to Owners of Great Northern Minerals Limited

**(2,009,258) (1,641,324)**

### Attributable to owners of Great Northern Minerals Limited:

Basic loss per share (cents per share)	11	(1.18)	(0.12)
Diluted loss per share (cents per share)	11	(1.18)	(0.12)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.



# Great Northern Minerals Limited

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## Consolidated Statement of Financial Position

As At 31 December 2019

	Note	31 December 2019 \$	30 June 2019 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	245,379	222,277
Trade and other receivables		154,059	503,429
<b>Total current assets</b>		<b>399,438</b>	<b>725,706</b>
<b>Non-current assets</b>			
Plant and equipment		106,302	123,930
Right of Use asset	12	111,100	-
Intangible assets		1,391	2,774
Exploration and evaluation assets	8	559,576	948,133
<b>Total non-current assets</b>		<b>778,369</b>	<b>1,074,837</b>
<b>TOTAL ASSETS</b>		<b>1,177,807</b>	<b>1,800,543</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		820,774	470,817
Lease liability	12	26,034	-
Provision		150,000	-
<b>Total current liabilities</b>		<b>996,808</b>	<b>470,817</b>
<b>Non-current liabilities</b>			
Lease liability		87,748	-
<b>Total non-current liabilities</b>		<b>87,748</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>1,084,556</b>	<b>470,817</b>
<b>NET ASSETS</b>		<b>93,251</b>	<b>1,329,726</b>
<b>EQUITY</b>			
Contributed Equity	10	76,555,720	75,182,850
Reserves		349,212	349,212
Accumulated losses		(75,609,785)	(73,600,527)
Equity attributable to owners of the Parent Entity		1,295,147	1,931,535
Non-controlling interest		(1,201,896)	(601,809)
<b>TOTAL EQUITY</b>		<b>93,251</b>	<b>1,329,726</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

# Great Northern Minerals Limited

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## Consolidated Statement of Changes in Equity

For the Half Year Ended 31 December 2019

31 December 2019

	Note	Ordinary Shares \$	Option Reserve \$	Accumulated Losses \$	Attributable to Owners of Parent \$	Non-controlling Interest \$	Total \$
Balance at 1 July 2019		75,182,850	349,212	(74,202,336)	1,931,535	(601,809)	1,329,726
Loss for the half year		-	-	(2,609,345)	(2,009,258)	(600,087)	(2,609,345)
<b>Total comprehensive loss for the half year</b>		-	-	<b>(2,609,345)</b>	<b>(2,009,258)</b>	<b>(600,087)</b>	<b>(2,609,345)</b>
<i>Transaction with owners, recorded directly in equity</i>							
Shares issued for acquisition of Golden Ant Project	8	50,000	-	-	50,000	-	50,000
Shares issued during the year (net of costs)		1,322,870	-	-	1,322,870	-	1,322,870
<b>Balance as at 31 December 2019</b>		<b>76,555,720</b>	<b>349,212</b>	<b>(76,811,681)</b>	<b>1,295,147</b>	<b>(1,201,896)</b>	<b>93,251</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# Great Northern Minerals Limited

ABN 22 000 002 111

## Consolidated Statement of Changes in Equity

For the Half Year Ended 31 December 2019

31 December 2018

	Note	Ordinary Shares \$	Option Reserve \$	Financial Assets Reserve \$	Accumulated Losses \$	Attributable to Owners of Parent \$	Non- controlling Interest \$	Total \$
Balance at 1 July 2018		74,126,524	716,857	14,666	(71,531,833)	3,326,214	-	3,326,214
New accounting standard adjustment to opening balance		-	-	(14,666)	14,666	-	-	-
<b>Restated at 1 July 2018</b>		74,126,524	716,857	-	(71,517,167)	3,326,214	-	3,326,214
Loss for the half year		-	-	-	(1,863,232)	(1,641,324)	(221,908)	(1,863,232)
<b>Total comprehensive income for the half year</b>		-	-	-	<b>(1,863,232)</b>	<b>(1,641,324)</b>	<b>(221,908)</b>	<b>(1,863,232)</b>
<i>Transaction with owners, recorded directly in equity</i>								
Shares issued during the year to Ion Minerals Pty Ltd (net of costs)		538,606	-	-	-	538,606	-	538,606
<b>Balance as at 31 December 2018</b>		<b>74,665,130</b>	<b>716,857</b>	<b>-</b>	<b>(73,380,399)</b>	<b>2,223,496</b>	<b>(221,908)</b>	<b>2,001,588</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# Great Northern Minerals Limited

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## Consolidated Statement of Cash Flows

For the Half Year Ended 31 December 2019

	Note	31 December 2019 \$	31 December 2018 \$
<b>Cash generated from operating activities:</b>			
Payments to suppliers and employees		(1,511,503)	(1,571,382)
Interest received		907	12,562
Research and development refund		223,835	281,754
Proceeds from royalty		22,000	-
<b>Net cash outflow in operating activities</b>		<b>(1,264,761)</b>	<b>(1,277,066)</b>
<b>Cash flows from investing activities:</b>			
Acquisition of exploration assets		(65,000)	(1,157,460)
Acquisition of property, plant and equipment		-	(131,108)
Other – Cash on acquisition of subsidiary		-	210,021
<b>Net cash outflow from investing activities</b>		<b>(65,000)</b>	<b>(1,078,547)</b>
<b>Cash flows from financing activities:</b>			
Proceeds from the issues of shares		1,574,910	-
Transaction costs		(222,047)	(66,963)
Proceeds from borrowings		8,000	-
Repayment of borrowings		(8,000)	-
<b>Net cash inflow from financing activities</b>		<b>1,352,863</b>	<b>(66,963)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>23,102</b>	<b>(2,422,576)</b>
Cash and cash equivalents at beginning of period		222,277	3,421,578
<b>Cash and cash equivalents at end of period</b>	7	<b>245,379</b>	<b>999,002</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Great Northern Minerals Limited

ABN 22 000 002 111

## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

### 1 Summary of Accounting Policies

#### (a) Basis of Preparation

These general purpose financial statements for the half year reporting period ended 31 December 2019 have been prepared in accordance with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34: *Interim Financial Reporting*.

These half year financial statements do not include all the notes of the type normally included in the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements. Accordingly, these half year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2019 and any public announcements made by Great Northern Minerals Limited during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the Australian Securities Exchange Listing Rules.

The same accounting policies and methods of computation have been followed in these half year financial statements as compared with the most recent annual financial statements; except for the adoption of the following new and revised accounting standards.

#### (b) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are yet not mandatory have not been early adopted.

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

##### *AASB 16 Leases*

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

# Great Northern Minerals Limited

ABN 22 000 002 111

## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

### (b) New or amended Accounting Standards and Interpretations adopted (continued)

#### *Impact of adoption*

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. Below is a reconciliation of total operating lease commitments as at 30 June 2019, as disclosed in the annual financial statements for the year ended 30 June 2019, and the lease liabilities recognised on 1 July 2019.

	1 July 2019 \$
Operating lease commitments as at 30 June 2019 (AASB 117)	-
Additional operating lease	143,208
Operating lease commitments discount based on the weighted average incremental borrowing rate of 5.4% (AASB 16)	(17,617)
Lease Liabilities as at 1 July 2019 (AASB 16)	<u>125,591</u>

#### **Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected to recognise a right-of-use asset and the corresponding lease liability. The right-of-use asset will be depreciated on a straight-line basis over the unexpired period of the lease. The asset will be subjected to impairment or adjusted for any remeasurement of lease liabilities.

#### **Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

# Great Northern Minerals Limited

ABN 22 000 002 111

## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

### (c) Revenue recognition

The consolidated entity recognises revenue as follows:

#### *Interest*

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

## 2 Going Concern (continued)

For the period ended 31 December 2019 the Group recorded a consolidated loss of \$2,609,345 (31 Dec 2018: \$1,863,232) and generated net cash outflows from operations of \$1,264,761. The net outflows are accounted for by a capital raising undertaken during period, along with the receipt of research and development refund linked to the Company's 95% investment in Greengrowth Energy Pty Ltd. These material inflows were offset by continuing expenditure on exploration in areas of interest as determined by the Directors.

The directors have assessed the Group's operating and research costs along with future commitments for tenement exploration costs in order to establish the future funding requirements for the Group.

Based on this assessment there are indications that it may not have sufficient working capital to realise its assets and extinguish its liabilities in the normal course of business.

As at 31 December 2019 the group has cash of \$245,379. The Group anticipates performing a capital raising during the first half of 2020 to enable it to fund further exploration of its tenements. Should the Company be unable to raise the required funding, there is a material uncertainty that may cast significant doubt on whether the Company will be able to continue as a going concern and therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amount stated in the financial report. The Directors are also confident with the extension of trading terms with some of Company's trade creditors and settling the debts as and when they fall due. Subsequent to the period end, the Directors successfully negotiated extended terms which have already been achieved and extended until end of March 2020.

On 21 February 2020, the Company announced that it has entered into a Deed of Surrender and Release with GCC Methane Pty Ltd of its 1.5% wellhead gas royalty to be derived from gas sales from WA Exploration Permit EP447 for surrender consideration in the amount of \$137,500 (inclusive of GST) which has subsequently been received.

On 9 March 2020 the Company announced to the Australian Stock Exchange (ASX), that it planned to raise up to \$2,250,000 by way of two tranche placement and a 1:4 Rights Issue to shareholders priced at \$0.06 per share. Under the Placement, the Company will raise up to \$1,600,403 (before costs) and issue a total of 266,733,833 new Shares to sophisticated and professional investors at \$0.006 per share, together with one (1) free attaching Listed Option for every two (2) Shares subscribed, exercisable at \$0.01 each on or before 1 November 2022. For the second tranche, the Company intends to conduct a pro-rata non-renounceable Rights Issue to raise up to \$650,505 (before costs) on the basis of one (1) new Share for every four (4) existing Shares held with free-attaching Options on the same terms and conditions as the Placement Options. The Company will seek shareholder approval for the issuance of the second tranche of the Placement and the free attaching Placement Options for both tranches via a General Meeting of the shareholders to be held in April 2020. Subject to obtaining approval, the Company will be funded to continue drilling at the Camel Creek, Golden Cup and Big Rush project, with drilling expected to commence in April 2020 (weather permitting).

# Great Northern Minerals Limited

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## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

### 2 Going Concern

Tranche 1 proceeds of \$520,404 (before costs) have been received on 13 March 2020.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

### 3 Contingent Liabilities and Assets

There have been changes in contingent liabilities or contingent assets since the end of the previous annual reporting period, 30 June 2019.

The Group had contingent liabilities at 30 June 2019 in respect of:

#### (i) Guarantees

The Group has provided bank guarantees in favour of the Minister of Energy and Resources with respect to security deposits and in favour of Minister of Energy and Resources Victoria with respect to a contract performance at 31 December 2019. The total of these guarantees at 31 December 2019 was \$32,322 (30 June 2019: \$161,887) with a financial institution. The Group anticipates that the remaining term deposits over securities should be released shortly.

On 15 August 2019, Great Northern Minerals announced that it had exercised the Option Agreement with Q-Generate Pty Ltd to acquire the former gold producing mines of Camel Creek, Golden Cup and Big Rush ("The Golden Ant Project") in Northern Queensland. Upon estimation of JORC compliant Measured Mineral Resource of at least 100,000 ounces of gold at the Golden Ant Project (see Note 8) and;

- either 12 months after the grant of Environmental Access in respect of the licences; or
- 24 months after the settlement

Great Northern Minerals Limited will need to pay \$1,500,000 in cash or GNM shares to Q-Generate Pty Ltd or its nominee.

### 4 Exploration and Evaluation Assets

Exploration and evaluation expenditure is generally written off in the year it is incurred, except for acquisition costs which are carried forward where right to tenure of the area of interest (i.e. tenement) is current and is expected to be recouped through sale or successful development and exploitation of the area of interest, or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to the area of interest. The carrying value of any capitalised expenditure is assessed by the Directors each year to determine if any provision should be made for the impairment of the carrying value. The appropriateness of the Group's ability to recover these capitalised costs has been assessed at year end and the Directors are satisfied that the value is recoverable.

The carrying value of exploration and evaluation expenditure assets are assessed for impairment at an overall level whenever facts and circumstances suggest that the carrying amount of the assets may exceed recoverable amount. An impairment exists when the carrying amount of the assets exceed the estimated recoverable amount. The assets are then written down to their recoverable amount. Any impairment losses are recognised in the income statement.



# Great Northern Minerals Limited

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## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

### 5 Impairment of Assets

At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, the recoverable amount is determined, and impairment losses are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income where the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where it is not possible to estimate the recoverable amount for an individual asset, recoverable amount is determined for the cash generating unit to which the asset belongs.

### 6 Planned project expenditure

	31 December 2019	30 June 2019
<b>Planned project expenditure</b>	<b>\$</b>	<b>\$</b>
Exploration Permits	1,851,279	855,297
<b>Total</b>	<b>1,851,279</b>	<b>855,297</b>

	31 December 2019	30 June 2019
<b>Planned project expenditure</b>	<b>\$</b>	<b>\$</b>
- not later than 12 months	372,158	115,831
- between 12 months and 5 years	1,269,949	739,466
- more than five years	209,172	-
<b>Total</b>	<b>1,851,279</b>	<b>855,297</b>

The amounts detailed above is the minimum expenditure required to maintain ownership of the current tenements held. Any planned exploration expenditure may be cancelled if a tenement is surrendered.

### 7 Cash and Cash Equivalents

	31 December 2019	30 June 2019
<b>Cash and Cash Equivalents:</b>	<b>\$</b>	<b>\$</b>
Cash at bank	183,003	60,390
Short term deposits	62,376	161,887
<b>Total</b>	<b>245,379</b>	<b>222,277</b>

As at 31 December 2019 there is a restriction on available cash of \$32,322. The Group has a number of short term deposits held as a security for various Victorian exploration licenses on released tenements. The Group anticipates that the securities should be released shortly.

# Great Northern Minerals Limited

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## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

### 8 Exploration and Evaluation Assets

#### Movements in Exploration and Evaluation Assets

	Exploration permits \$	Total \$
<b>Year ended 31 December 2019</b>		
Opening balance as at 1 July 2019	948,133	948,133
Exploration Expenditure*	559,576	559,576
Impairment of Tenements**	(948,133)	(948,133)
<b>Balance at 31 December 2019</b>	<b>559,576</b>	<b>559,576</b>

\* On 15 August 2019, Great Northern Minerals announced that it had exercised the Option Agreement with Q-Generate Pty Ltd to acquire the former gold producing mines of Camel Creek, Golden Cup and Big Rush ("The Golden Ant Project") in Northern Queensland. Management have accounted for this transaction as an acquisition of assets and not as a business combination since, at the date of acquisition, the Golden Ant Project did not have the processes and outputs expected of an operating business. The Consideration for the acquisition comprised of:

- ♦ Upfront Consideration consisting to be paid at settlement, of \$20,000 for the grant of Exclusive Option fee, \$50,000 cash payment and \$50,000 worth of fully paid ordinary shares in GNM (formerly GPP) to be issued to the owner (or its nominee, on behalf of the vendors), the issue price of which will be calculated on the basis of a 30 day VWAP prior to the date of the Options Exercise Notice is issued (with a minimum floor price of \$0.003 per share);
- ♦ Deferred Consideration to be paid post settlement and subject to achievement of Milestones as follows:
  - \$50,000 in cash and \$100,000 in GNM shares to be issued upon estimation of JORC compliant Measured Mineral Resource of at least 100,000 ounces of gold at the Project; and
  - \$1,500,000 in cash or GNM shares (subject to shareholder approval) upon estimation of JORC compliant Measured Mineral Resource of at least 100,000 ounces of gold at the Project and either 12 months after the grant of Environmental Access in respect of the licences or 24 months after the settlement.

\*\* On 23 October 2018, Great Northern Minerals Limited (formerly Greenpower Energy Limited) completed Phase 1 of Ion Minerals Pty Ltd acquisition. The initial acquisition was 40%, with the option to earn in a further 30% through a Phase 2 Earn-in and the remaining 30% in Phase 3 Earn-In. On 30 October 2019, the Company made an announcement to the Australian Stock Exchange (ASX), that it will discontinue involvement in the project to focus on other core assets. As a result an impairment loss of \$948,133 in relation to this asset has been recognised for the half year ended 31 December 2019.

### 9 Segment Reporting

The Group operates predominantly in one business and geographical segment being Exploration activities throughout Australia.

The Group via a heads of agreement was funding exploration in Guyana undertaken by Great Northern Minerals exploration partner and operator Guyana Strategic Minerals Inc.

# Great Northern Minerals Limited

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## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

### 10 Issued Capital

	31 December 2019		30 June 2019	
	No	\$	No	\$
<b>Ordinary shares</b>				
- Opening balance 1 July	1,943,207,165	75,182,850	1,455,370,361	74,126,524
- 1:10 issued capital consolidation	(2,072,020,981)	-	-	-
- Shares issued during the period	474,082,985	1,544,910	377,836,804	660,102
- Shares issued for acquisition of Golden Ant Project	1,666,666	50,000	-	-
- Shares issued for acquisition of Ion Minerals Pty Ltd	-	-	110,000,000	550,000
- Cost of listing shares	-	(222,040)	-	(153,776)
<b>Closing Balance</b>	<b>346,935,835</b>	<b>76,555,720</b>	<b>1,943,207,165</b>	<b>75,182,850</b>

### 11 Earnings Per Share

Both the basic and diluted earnings per share have been calculated using the loss attributable to shareholders of the Parent as the numerator, i.e. no adjustments to loss were necessary during the six months period to 31 December 2019 and 31 December 2018.

The weighted average number of shares for the purpose of the calculation of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	31 December 2019	31 December 2018
Weighted average number shares used in basis earnings per share	170,208,191	1,496,620,361
<b>Total</b>	<b>170,208,191</b>	<b>1,496,620,361</b>

346,935,835 (six months ended 31 December 2018: 325,287,500) of potential ordinary shares have not been consider in calculating diluted EPS as they are anti-dilutive.

# Great Northern Minerals Limited

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## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

### 12 Right-of-use asset

	31 December 2019	30 June 2019
	\$	\$
Right-of-use asset	125,591	-
Accumulated depreciation	(14,491)	-
<b>Total</b>	<b>111,100</b>	<b>-</b>

	31 December 2019	30 June 2019
	\$	\$
Lease liability – current	26,034	-
Lease liability – non current	87,748	-
<b>Total</b>	<b>113,782</b>	<b>-</b>

The Company entered into a rental lease for their office premises in September 2018. The term of the lease is five years, with the option to extend for another three years. The value of the right-of-use asset was calculated based on the particulars of the lease. Variables which were taken into account include the lease term, rent per annum, clauses for rent increases, rent abatements, and the option to extend (the option to extend was not taken into account, as the Company has not made a firm decision on this matter). The right-of-use asset will be depreciated over the lease term, the depreciation expense and lease liability will be expensed. In subsequent reporting periods, the right-of-use asset will be revalued to reflect the remaining life of the lease.

### 14 Interest in Controlled Entities

			Percentage Owned 31 December 2019	Percentage Owned 30 June 2019
	Principal Activity	Country of incorporation		
<b>Subsidiaries of parent entity:</b>				
Greenpower Group Ltd	Investment	Australia	100	100
Greenpower Gold Pty Ltd	Investment	Australia	100	100
Northern Exploration Pty Ltd	Exploration NT	Australia	100	100
Sawells Pty Ltd	Coal Exploration VIC	Australia	100	100
Greengrowth Energy Pty Ltd	Non-trading	Australia	95	95
Greenpower Chemicals Pty Ltd	Non-trading	Australia	100	100
Greenpower Guyana Pty Ltd	Investment	Australia	100	100
Ion Minerals Pty Ltd	Exploration	Australia	40	40

# Great Northern Minerals Limited

ABN 22 000 002 111

## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

### 15 Subsequent Events

- On 29 January 2020, the Company's 1,000,000 unlisted options exercisable at \$0.025 on or before 23 January 2020, expired unexercised;
- On 7 February 2020, the Company announced a maiden JORC-compliant mineral resource estimate for the Central Lode at the Big Rush Gold Mine in North Queensland. A gold mineral resource of 558,322 tonnes at 2.62 g/t Au for 47,006 ounces for GNM resource now to total 77,000 ounces;
- On 21 February 2020, the Company announced that it has entered into a Deed of Surrender and Release with GCC Methane Pty Ltd of its 1.5% wellhead gas royalty to be derived from gas sales from WA Exploration Permit EP447 for surrender consideration in the amount of \$125,000 (exclusive of GST). Both parties have agreed to terminate the Royalty Deed and to fully release each other from all claims, obligations and undertakings arising under the Royalty Deed;
- On 9 March 2020 the Company announced to the Australian Stock Exchange (ASX), that it planned to raise up to \$2,250,000 by way of two tranche placement and a 1:4 Rights Issue to shareholders priced at \$0.06 per share. The Company will be funded subject completion of Tranche 1 Placement, Rights Issue and Tranche 2 Placement which is subject to shareholder approval, to continue drilling at the Camel Creek, Golden Cup and Big Rush project, with drilling expected to commence in April 2020 (weather permitting);
- Further to the above, Mr Gerard King the current Non-Executive Chairman will retire from the Board at the end of the March 2020. The Company would like to thank Mr King for his outstanding service to the Company during his tenure;
- Mr King will be replaced by Mr Kim Robinson, who has over fifty (50) years' experience in minerals explorations and mining industries. Mr. Robinson will bring a great deal of knowledge to the Board, he has been involved in several successful mining ventures over his long career;
- Mr Simon Coxhell will also be joining the Board at the beginning of April 2020, as a Technical Director. Mr Coxhell is a geologist with over thirty-four years of diverse experience encompassing all aspects of resource development, metallurgical considerations and mining. He along with Mr. Robinson will be both great assets to the Board and the Company.
- On 10 March 2020, the Company advised the grant of total of 21,000,000 Listed Directors Options to Messers McLean, Robinson, Coxhell and Peters with the purpose being a performance linked incentive component in the remuneration package (being for nil consideration) for the Board of Directors and to motivate and reward performance in their respective roles as Directors. The issue of Directors' Options is subject to a Shareholder approval with the meeting date yet to be determine;.
- On 13 March 2020, the Company issued 86,733,959 placement shares raising \$520,404 (before costs).

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Company that occurred subsequent to the period under review not otherwise disclosed in this report or in the financial report.

# Great Northern Minerals Limited

ABN 22 000 002 111

## Notes to the consolidated financial statements

For the Half Year Ended 31 December 2019

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 14 to 27 are in accordance with the *Corporations Act 2001* and:
  - (a) give a true and fair view of the financial position of the consolidated entity as at 31 December 2019 and of its performance as represented by the results of its operations and cash flows for the half year ended on that date; and
  - (b) comply with Accounting Standard AASB 134: *Interim Financial Reporting*, *Corporations Regulations 2001* and other mandatory professional reporting requirements; 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.



Director .....  
Mr G.A. King

Dated 13 March 2020

## Great Northern Minerals Limited

### Independent auditor's review report to members

## Report on the Review of the Half-Year Financial Report

### Conclusion

We have reviewed the accompanying half-year financial report of Great Northern Minerals Limited (the company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity) on pages 14 to 28, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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 Great Northern Minerals Limited on pages 14 to 28 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 Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the half-year financial report, which indicates that the consolidated entity incurred a consolidated loss of \$2,609,345 and a net operating cash outflow of \$1,264,761 during the half-year ended 31 December 2019. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

### Responsibilities of the Directors for the Half-Year Financial Report

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

### Auditor's Responsibilities for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review.

#### ACCOUNTANTS & ADVISORS

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## Independent auditor's review report to members (cont.)

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 Great Northern Minerals 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.

### Independence

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

**William Buck**

**William Buck Audit (WA) Pty Ltd**

ABN 67 125 012 124



**Robin Judd**

Director

Dated this 13<sup>th</sup> day of March 2020