WINMAR RESOURCES LIMITED

WINMAR RESOURCES LIMITED
(ABN 80 085 905 997)

ANNUAL REPORT
for the year ended 30 June 2019

Directors

Mr Shannon Green	Executive Chairman
Mr Sufian Ahmad	Non-executive Director
Mr James Myers	Non-executive Director

COMPANY SECRETARY

Ms Shannon Coates

REGISTERED AND PRINCIPAL OFFICE

Suite 5, 62 Ord Street
West Perth WA 6005
Telephone (08) 9322 1587
Facsimile (08) 9322 5230
Website www.winmarresources.com.au

POSTAL ADDRESS

Suite 5, 62 Ord Street
West Perth WA 6005

AUDITORS

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

SHARE REGISTER

Boardroom Pty Limited
Level 12,
225 George Street
Sydney, NSW, 2000
Telephone: 1300 737 760
Facsimile: (02) 9279 0664

Winmar Resources Limited shares are listed on the Australian Securities Exchange (ASX)

ASX Code WFE
ACN 085 905 997
ABN 80 085 905 997
In this report, the following definitions apply:
"**Board**" means the Board of Directors of Winmar Resources Limited
"**Winmar**" or the "Company" means Winmar Resources Limited ABN 80 085 905 997

Your directors submit the financial report of the Company for the year ended 30 June 2019. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows.

Directors

The names and particulars of the directors of the Company in office during or since the end of the year to the date of this report are:

Director	Position	Appointed	Resigned
Shannon Green	Executive Chairman Non-Executive Director	30 March 2020 17 March 2020	
Sufian Ahmad	Non-Executive Director	17 March 2020	
James Myers	Non-Executive Director	30 April 2020	
Richard Lloyd	Non-Executive Director	1 November 2019	30 April 2020
Jason Brewer	Non-Executive Director and Chairman	30 November 2017	30 March 2020
Thomas Durr	Non-Executive Director	14 May 2018	12 February 2020
Michael Fry	Non-Executive Director	14 May 2018	1 November 2019

Mr Shannon Green | Executive Chairman

Appointed on 17 March 2020
Interest in shares: nil
Interest in options: nil

Mr. Green has over 20 years corporate, resource development and mining operations experience, with extensive experience working in Africa and Australia having managed several significant projects from feasibility through construction and into operation and held senior leadership roles with several Australian iron ore and gold mining operations. Shannon is currently the Managing Director of Lindian Resources Ltd an African focused resource company with projects in three African countries. Prior to joining Lindian Resources Ltd, Shannon held the position of General Manager Project Implementation for ASX-listed bauxite developer Canyon Resources (ASX: CAY) where he played an instrumental role in the development of the Minim Martap Bauxite Project in Cameroon, Central Africa.

Mr. Green's professional qualifications include, Qld SSE Mine Managers Certificate, Graduate Diploma Mining Engineering, Diploma of Mining (Surface & underground) and a Diploma of (Finance) and is currently completing an MBA.

Mr Sufian Ahmad | Non-Executive Director

Appointed on 17 March 2020
Interest in shares held: 195,269,922
Indirect interest in shares held: 22,000,000
Interest in options: 25,000,000

Mr Ahmad is the founder of Sixty Two Capital, which specialises in providing corporate advice and capital raising services to emerging Australian companies across a diverse range of industries. Sufian brings significant legal, business and marketing experience to the Board with over 10 years' experience in trading, investing and the provision of corporate advisory services.

Mr Ahmand holds a Masters of Business Administration, a Post-Graduate Diploma in Commercial and Resources Law, Bachelor of Law (Hons) and Diploma in Financial Planning.

Mr James Myers | Non-Executive Director

Appointed on 30 April 2020
Interest in shares: nil
Interest in options: nil

Mr Myers has over 15 years' in equities dealing and corporate advisory experience. Previously the co-founder and Executive Director of iiZen Equites before a corporate exit to Patersons Securities, Mr Myers has held equity advisory roles at Patersons Securities and Ord Minnett Limited and is currently an Associate Director of Corporate at Adelaide based Baker Young Stockbrokers. Mr Myers has extensive small cap experience, most recently working side-by-side with Winmar's Executive Chairman, Mr Shannon Green, in the re-organisation, recapitalisation and marketing of Lindian Resources (ASX:LIN).

Mr Myers is currently a Non-Executive Director of Canadian based AgTech company, RotoGro International.

Mr Richard Lloyd | Non-Executive Director |

Appointed 1 November 2019 | Resigned on 30 April 2020

Mr Lloyd is a qualified Mining Geologist with over 25 years' experience in investment banking and mining geology.

London-based Mr Lloyd, holds a Bsc (Hons) in Mining Geology and A.R.S.M and a M.Sc in Mineral Deposit Appraisal from the Royal School of Mines, Imperial College. Mr Lloyd is a Fellow of the Institute of Materials, Minerals and Mining and a Fellow of the Geological Society.

Mr Lloyd was a Director in the Resources, Energy Infrastructure team at ANZ London having joined from Commerzbank AG. He has also held positions at Dresdner Klienwort, Financial Security Assurance UK Ltd and Standard Bank. Before entering the financial services sector to work with natural resource companies, he began his career as a geologist, having worked on projects in Indonesia, Malaysia, Peru and Zimbabwe, as well as deep level gold mining with Anglogold in South Africa.

Mr Lloyd is currently Chief Executive Officer of London based MINEXIA Limited and is an Independent Non-Executive Director of AIM listed Goldstone Resources (LON:GRL)

Mr Jason Brewer | Non-Executive Director and Chairman |

Resigned on 30 March 2020
M.Eng (Hons) ARSM

Mr Brewer has over 20 years' international experience in international mining, financial and investment banking. He is a qualified mining engineer, obtaining a Master's degree, with Honours, from the Royal School of Mines at Imperial College, London and worked in both underground and open-cast mining operations in the UK, Australia, Canada and Africa. He has extensive experience in delivery of African projects and has significant experience as an ASX company director.

Mr Brewer has worked for a number of major global investment banks, including Dresdner Klienwort Benson, NM Rothschild & Sons (Australia) Limited and Investec Bank (Australia) Limited in London, Sydney and Perth, where he was responsible for structuring and arranging corporate and project financing facilities for mining and exploration companies with a particular focus on projects in Africa.

Mr Brewer is Managing Director of Force Commodities Limited an ASX-listed company (ASX:4CE) with exploration projects in Australia and Democratic Republic of Congo. He is also a Non-executive director of Vector Resources Limited (ASX:VEC), Tao Commodities Limited (ASX:TAO), Baraka Energy & Resources Limited (ASX:BKP) and Metalsearch Limited (ASX: MSE).

Mr Thomas Durr | Non-Executive Director

Resigned on 12 February 2020

Mr Durr is a qualified Mining Engineer with over 30 years' experience of managing major capital projects and leading strategic management initiatives within the international mining and process industries.

Mr Durr has held senior positions at the Chief Executive Officer, Managing Director, Vice President, Project Director, Business Development Director and General Manager levels within owner operator, Top 4 blue-chip consulting and various international EPC and EPCM contracting businesses. His experience has involved major project management roles in the United States, Northern and Central Europe, Asia and Australia. Mr Durr is currently the Managing Director of his own consulting company, Prospice Natural Resources Pty Ltd.

Mr Michael Fry | Non-Executive Director and Company Secretary

Resigned 1 November 2019
Bachelor of Commerce

Mr Fry is an experienced company manager across a broad range of industry sectors. Mr Fry has a background in accounting and corporate advice having worked with KPMG (Perth) where he qualified as a Chartered Accountant, Deloitte Touche Tohmatsu (Melbourne) and boutique corporate advisory practice Troika Securities Ltd (Perth). From 2006 to 2011, Mr Fry was the Chief Financial Officer and Finance Director at Swick Mining Services Limited, a publicly listed drilling services provider contracting to the mining industry in Australia and North America.

Mr Fry is the Company Secretary of Globe Metals & Mining Limited, an ASX-listed company (ASX:GBE) with exploration projects in Africa. He is also Company Secretary and Non-Executive Director of VDM Limited, an ASX listed company (ASX:VMG). He was previously a director of ASX-listed Cougar Metals NL from 13 October 2014 to 14 June 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year ended 30 June 2019 consisted of:

- reviews of the Company's previous technical and financial studies completed on the development of the Hamersley Iron Ore Project;
- maintenance of the Hamersley Iron Ore Project Mining Lease M47/1450, which is located approximately 50 km north-east of Tom Price in the Pilbara region of Western Australia, immediately south of the Solomon project held by Fortescue Metals Group Ltd (ASX: FMG) and north of Rio Tinto's Rail network;
- satisfying ASX's requirements for re-listing to enable the Company to proceed with its planned acquisition of a 51% interest in the Luapula Processing Facility, following ASX deeming the acquisition of the 51% interest in the Luapula Processing Facility to constitute a significant change in nature and scale of the Company's activities and warranting the Company undertaking re-compliance with Chapters 1 and 2 of the ASX listing Rules;

- exploration at the Bloom Lake Project in Gowganda, in north-eastern Ontario following acquisition in January 2018; and

REVIEW OF OPERATIONS

The Hamersley Iron Project is the principal undertaking of the Company, however given the prevailing market conditions in the iron ore sector, the main focus of the Company during the year ended 30 June 2019 was on satisfying ASX's requirements for re-listing to enable the Company to proceed with its planned acquisition of a 51% interest in the Luapula Processing Facility (Facility), refer information with respect to the ASX re-listing and the Facility below.

ASX Re-listing

In July 2018, the Company announced that it had entered into a Heads of Agreement to establish a new 50/50 joint venture to manage and operate the existing Luapula Processing Facility located near the town of Likasi in the Democratic Republic of Congo (refer ASX Announcement 23 July 2018) (Acquisition).

The proposed Acquisition was considered by the Company to have the potential to be transformative as it aimed to become one of the world's leading, publicly listed, primary producers of high-grade cobalt concentrates.

Winmar was advised in 2018 by ASX that on completion, the Acquisition would amount to a significant change in the nature and scale of its activities, and as such the Company would be required to satisfy Listing Rules 11.1.2 and 11.1.3 and obtain approval from its shareholders. The Company's securities have continued to remain in suspension whilst the Company has sought to progress its re-compliance with Chapters 1 and 2 of the ASX Listing Rules and complete the Acquisition.

The Company has over the previous 18 months provided ASX with a number of applications for in-principle advice (Applications) summarising the key terms of the Acquisition, the material arrangements, the associated debt and or equity capital raising and the resultant proposed capital structure. The Company has over this period sought to address various concerns raised by ASX in regards to the Acquisition and Applications submitted.

Despite the considerable time that the Company has spent on the Acquisition, the Board has been of the view that it could adequately address all of the concerns raised by ASX and that it considered the Acquisition to be in the best interests of all shareholders. Accordingly the Company has remained committed to progressing re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

The Company received in late December 2019 a response from ASX in regards to submissions lodged in October 2019 and November 2019.

The response received from ASX was almost identical to the one received in November 2018 and which the Company disclosed in its ASX Announcement dated 3 December 2018.

In ASX's December 2019 response to the Acquisition and Applications submitted by the Company, ASX has once again advised that "there is a significant likelihood that WFE would fail to meet ASX's requirements for admission, were it to proceed with its application" and furthermore that "under Listing Rule 1.19, admission to the official list is in ASX's absolute discretion and ASX may grant or refuse admission without giving any reasons."

ASX further advised that should WFE seek to proceed with an application for admission despite this advice, its application will be formally considered under ASX's admission discretion.

The Board has discussed the response received from ASX with its advisors and has reviewed all available options to it, including but not limited to, re-submission of a further updated Application, a standalone listing of the Luapula Processing Facility on an alternative recognised international stock exchange, an alternative primary listing of the Company and a continued focus by the Company on its existing assets including the Hamersley Iron Project in Western Australia and Bloom Lake Cobalt Project in Canada.

To ensure that the Company is able to address ASX's newly advised policy in respect to "the automatic removal of entities suspended for an unacceptably long period," and specifically in regards to "an entity whose securities have been suspended from quotation for a continuous period of 2 years" the Company believes it is in the best interest of shareholders to focus its operating activities on its existing assets.

The Company does not believe it is in shareholder interests to re-submit an updated Application in respect to the Acquisition.

In regards to the Heads of Agreement to establish a joint venture to manage and operate the Luapula Processing Facility, going forward the Company will not be proceeding with the management and operation of the Luapula Processing Facility.

Bloom Lake Project

In December 2017, Winmar secured, through an agreement with CBLT Inc. (TSXV: CLBT), the Bloom Lake Project consisting of 51 patented claims considered prospective for cobalt mineralisation within the historic high-grade silver-cobalt mining district of Cobalt-Gowganda in north-eastern Ontario, Canada. The Bloom Lake Project is located peripheral to a cluster of former high-grade silver-cobalt mines which operated from 1910 to 1989 and where historic production from this region in the period up to 1969 is reported as having been 60.2 million ounces of silver and 1.3 million pounds of cobalt.

The claims that comprise the Bloom Lake Project are valid to 23 March 2021, during the quarter ended 31 March 2020, the Company renewed the key prospective tenements at Bloom Lake and acquired two additional tenements. A number of the Bloom Lake tenements that were considered less prospective were allowed to lapse. A list of the current claims is shown at page 58 of the annual report.

The project is categorised as an early stage exploration project and contains no reportable resource at this stage.

During the year, the Company undertook its Phase 1 Cobalt Exploration Program which consisted of mapping and sampling of historical trenches, adits, and shafts located on the Bloom Lake Project. In total 33 samples were collected from both bedrock and from loose material proximal to historical trenches, adits, and shafts.

Assay results returned confirm high-grade copper-cobalt mineralization with anomalous gold and nickel. Full assay results were included in the Company's ASX Announcement of 15 August 2018.

Planning is currently being undertaken for the next phase of exploration.

Hamersley Iron Ore Project

Background

The Hamersley Iron Project comprises Mining Lease M47/1450 and is located approximately 50 km north-east of Tom Price in the Pilbara region of Western Australia, immediately south of the Solomon project held by Fortescue Metals Group Ltd (ASX: FMG) and north of Rio Tinto's Rail network.

The Hamersley Iron Ore Project is a Joint Venture (JV) between Winmar Resources (70%) and Cazaly Resources (30%). The JV was formed in October 2010 following Cazaly's discovery of the Winmar Deposit in late 2008.

The current Mineral Resource estimate for the Hamersley Iron Ore Project is set out on page 58 of this annual report.

In October 2013, Winmar announced the results of metallurgical test work provided confidence that the resource can be beneficiated through dry crushing and screening, or through additional de-sliming of the material to further upgrade the product - the test work demonstrated that the CID grade is significantly higher and more consistent than previously reported with simple dry crushing and screening of the RC chip samples producing an average grade of 58.5% FE (59.9% CaFe). The main gangue constituents are silica and alumina which average about 13% in total, with all other impurities low. Composite samples were additionally wet screened and the size fractions assayed to assess the upgrade potential of a de-sliming operation. The Fe grade increased by between 1.4% and 2.4%, and silica and alumina decreased by about 2% for cut sizes of 45 microns and above.

In March 2014, the Company announced the results of the Mine Gate Scoping Study that was completed by SRK Consulting and in July 2014, the Company announced the results of the Transport Infrastructure Study conducted by AECOM Australia Limited.

The Company suspended all active exploration field work on the Project (due to a significant fall in the iron ore price) in 2016.

Work completed during the year ended 30 June 2019

As a result of an improvement in the spot price for iron ore during the second half of the year ended 30 June 2019, the Company took the decision to undertake a thorough review of the Hamersley Iron Ore Project in order to seek out opportunities to realise value for shareholders through its potential development as an iron ore mining operation.

The Company's management completed an initial desk-top review of the Mine Gate Scoping Study and also engaged consultants to commence a desk-top review of the Hamersley Iron Project Mine Gate Scoping Study and Transport Infrastructure Study.

In addition, the Company progressed a technical due diligence review process with a major global iron ore company in respect to a potential joint venture or possible acquisition transaction. This due diligence review process remains ongoing with a number of parties and is being overseen by both the Company's directors and its strategic advisors.

Subsequent to the end of the year, the Company engaged independent geological consultants to update the Mineral Resource Estimate for the Hamersley Iron Ore Project, that was prepared under JORC Code 2004, to be compliant with JORC Code 2012. In addition, the Company has sought proposals from a number of independent mining consultants to update the Mine Gate Scoping Study and Transport Infrastructure Study, given the much improved outlook and market for iron ore.

On 26 November 2019, Cape Lambert Resources Limited lodged an application for forfeiture against M47/1450 alleging non-compliance with the minimum expenditure obligations imposed under the Mining Act 1978 (WA) (Mining Act) for the year ending 2019.

On 20 December 2019, the Company lodged with the Western Australian Department of Mines, Industry Regulation and Safety its annual statutory expenditure report in relation to M47/1450, reporting expenditure in excess of the minimum expenditure obligations and in compliance with the Mining Act. The Company considers the application by Cape Lambert Resources Limited is without merit and the proceedings before the Mining Warden will be defended accordingly.

Management has assessed that impairment indicators are present and have taken a conservative position and fully impaired the asset.

FINANCIAL POSITION

The Company made a loss for the year of $9,391,365 (2018: loss $1,599,316). At balance date, capitalised exploration costs totalled $116,524 (2018: $5,925,326). Cash reserves were $100,586 (2018: $950,100) including restricted cash of $49,985 (2018: $84,000); a decrease of $849,514.

CORPORATE ACTIVITIES

On 26 March 2019, Winmar announced that it had received notice (and requisite payment of $20,000) for the exercise of unlisted options for 20,000,000 fully paid shares.

On 29 November 2018, at the Company's Annual General Meeting, shareholders approved resolutions for the adoption of the remuneration report, re-election of existing directors Brewer, Fry and Durr, issue of director options to Brewer, Fry and Durr, appointment of a new auditor, and replacement of the constitution.

On 20 September 2018, Winmar announced that it had completed the issue of 100,000,000 new shares at an issue price of $0.005 (0.5 cents) raising $500,000 pursuant to a $1.0 million Conditional Placement approved by shareholders at an extraordinary general meeting held on 20 June 2018.

On 13 August 2018, Winmar announced that it had completed the issue of 100,000,000 new shares at an issue price of $0.005 (0.5 cents) raising $500,000 pursuant to a $1.0 million Conditional Placement approved by shareholders at an extraordinary general meeting held on 20 June 2018.

Also on 13 August 2018, Winmar announced that it had completed the issue of 100,000,000 performance rights to Airguide International Pte Limited of Singapore for acting as its Strategic Advisor for previous and future capital raising and transaction support.

On 13 July 2018, Winmar issued 25,000,000 unlisted options with an exercise price of $0.03 (3 cents) and an expiry date of 30 June 2020 to Sixty Two Capital Pty Ltd, the Lead Manager of the March 2018 $2.1m private placement to professional and sophisticated investors, approved by shareholders at an extraordinary general meeting held on 20 June 2018.

EVENTS SUBSEQUENT TO REPORTING DATE

The Company's securities remain suspended from trading on the Australia Stock Exchange pending the re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

On 1 November 2019, Mr Michael Fry resigned as Non-Executive Director and Company Secretary. On the same date Mr Richard Lloyd was appointed Non-Executive Director and Mr Michael Pitcher was appointed Company Secretary.

On 26 November 2019, Cape Lambert Resources Limited lodged an application for forfeiture against the M47/1450 alleging non-compliance with the minimum expenditure obligations imposed under the Mining Act 1978 (WA) (Mining Act) for the year ending 2019.

On 20 December 2019, the Company lodged with the Western Australian Department of Mines, Industry Regulation and Safety its annual statutory expenditure report in relation to M47/1450, reporting expenditure in excess of the minimum expenditure obligations and in compliance with the Mining Act. The Company considers the application by Cape Lambert Resources Limited is without merit and the proceedings before the Mining Warden will be defended accordingly.

On 22 January 2020 the Company announced that the Company will not be proceeding with the Heads of Agreement to establish a joint venture to manage and operate the Luapula Processing Facility.

On 31 January 2020 the Company entered into a Convertible Note Deed with 62 Capital Pty Ltd and Markovic Family Pty Ltd each for $125,000, the purpose of which is to drawdown on the loan to pay existing creditors and general working capital requirements. The principal sum is repayable in 12 months plus accrued interest at the rate of 10% per annum. The Notes may be converted into shares in whole or in part at the discretion of the Company.

On 12 February 2020, Mr Thomas Durr resigned as Non-Executive Director.

On 9 March 2020, the Company secured a total of $80,000 in loan facilities to be re-paid in 12 months at an interest rate of 10% per annum to provide immediate cash to provide working capital requirements to meet its minimum expenditure commitments. This facility is repayable within 12 months and may be convertible to shares at the discretion of the Company.

On 17 March 2020, Mr Shannon Green and Mr Sufian Ahmad were appointed Non-Executive Directors.

On 30 March 2020, Mr Jason Brewer resigned as Non-Executive Director and Chairman. On the same date Non-Executive Director Mr Shannon Green was appointed Executive Chairman.

On 2 April 2020, Mr Michael Pitcher resigned as Chief Financial Officer and Company Secretary. On the same date Ms Shannon Coates was appointed Company Secretary.

On 30 April 2020, Mr Richard Lloyd resigned as Non-Executive Director. On the same date Mr James Myers was appointed Non-Executive Director.

On 29 May 2020, the Company secured a total of $100,000 in loan facilities to be re-paid in 12 months at an interest rate of 10% per annum to provide immediate cash to provide working capital requirements to meet its minimum expenditure commitments. This facility is repayable within 12 months and may be convertible to shares at the discretion of the Company.

On 2 June 2020, the Company announced that application for an extension of time from automatic de-listing has not been granted and consequently, the Company will be automatically de-listed from ASX on Monday, 8 June 2020. The Board remains motivated to re-apply for quotation of the Company's securities on the ASX as soon as possible and is continuing to progress potential opportunities to facilitate this.

There have been no other transactions or events of a material and unusual nature likely, in the opinion of the Directors of the Company, to significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

INTEREST IN MINING TENEMENTS AS AT 30 JUNE 2019

Project	Lease	Commodity	Locality	Interest
Bloom Lake	Refer table Page 58	Co-Cu	Gowganda, Canada	100%
Hamersley (1)	M47/1450	Iron Ore	Western Australia	70%

(1) Winmar's interest in the Hamersley Iron Ore Project is by way of an unincorporated joint venture with Lockett Fe Pty Ltd, a subsidiary of Cazaly Resources Ltd.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than those items outlined in the Review of Operations, there were no other significant changes in the Company's state of affairs.

LIKELY DEVELOPMENTS AND ANNOUNCEMENTS

Any other information on the Company's business strategies and its prospects for future years have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company.

DIVIDENDS

No dividends were paid or declared by the Company to members since the end of the previous financial year and the Directors do not recommend the payment of a dividend at this time.

SHARES UNDER OPTION

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Option Plan	Grant date	Expiry date	Exercise Price	Number
Lead Arranger's Unlisted Options	9 July 2018	30 June 2020	$0.03	25,000,000

No option holder has the right under the options to participate in any other share issue of the Company or any other entity.

MEETINGS OF DIRECTORS

Due to the size of the Company, the Board of Directors performs the role of the Audit Committee.

The number of meetings held during the year and the number of meetings attended by each Director whilst in office are:

Director	Directors' meetings	
	Held while in office	Attended
Jason Brewer	2	2
Thomas Durr	2	2
Michael Fry	2	2
Richard Lloyd	-	-

INDEMNIFICATION AND INSURANCE OF OFFICERS

During the year the Company paid premiums in respect of a contract insuring all the directors and officers of the Company against liabilities incurred by the directors and officers that may arise from their position as directors or officers of the Company.

In accordance with normal commercial practice, the disclosure of the total amount of premiums under and the nature of the liabilities covered by the insurance contract is prohibited by a confidentiality clause in the contract.

Except for the above, the Company has not indemnified or made an agreement to indemnify any person who is or has been an officer or auditor of the Company against liabilities incurred as an officer or auditor of the Company.

COMPANY SECRETARY

Michael Pitcher was appointed as Company Secretary on 1 November 2019 replacing Michael Fry who resigned on the same date. Mr Pitcher Resigned on 2 April 2020 and is replaced by Ms Shannon Coates.

AUDITOR'S INDEPENDENCE AND NON-AUDIT SERVICES

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 forms part of the Directors' Report and is included on page 17.

Details of amounts paid or payable to the auditor for non-audit services provided during the year are outlined in Note 19 to the financial statements. The directors are satisfied that the provision of non-audit services during the year is compatible with the general standard of independence imposed by the Corporations Act 2001.

ENVIRONMENTAL REGULATION

The Company's operations are subject to environmental regulation in relation to the discharge of hazardous waste and materials arising from any exploration activities. The Directors are of the opinion that sufficient procedures and reporting processes have been established to enable the Company to meet any environmental responsibilities in the year ended 30 June 2019.

CORPORATE GOVERNANCE

Winmar and its Board are committed to achieving and maintaining best practice in corporate governance, consistent with our sectors of operations and the size and maturity of the Company. Throughout FY19, Winmar's corporate governance arrangements were consistent with the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council (ASX Principles).

Winmar's 2019 Corporate Governance Statement is available at:
https://www.winmarresources.com.au/corporate-governance.

The Corporate Governance Statement outlines details in relation to Winmar's values, its Board, risk management framework and financial reporting, diversity and inclusion, key corporate governance policies and shareholder engagement. Winmar's website also contains copies of Winmar's Board and Committee Charters and key policies and documents referred to in the Corporate Governance Statement.

REMUNERATION REPORT

This report sets out remuneration information for the Company's non-executive and executive directors and other key management personnel of the Company. The non-executive and executive directors disclosed in this report are those previously identified in the Directors' Report.

Directors' fees

The Board determines the remuneration of non-executive directors from time to time.

Non-executive directors' fees are determined within an aggregate fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $300,000 per annum (excluding share-based payments and superannuation) and was approved by shareholders at the general meeting held on 24 December 2010.

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors do not receive performance-based pay. Independent advice on the appropriateness of remuneration packages is obtained should the Board consider it necessary.

Non-Executive Director Service Contracts

On appointment to the Board all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The term of appointment of all non-executive directors is subject to re-nomination and re-election at Annual General Meetings and non-executive directors are expected to serve a minimum of one term of three years. There is no notice period required by non-executive directors and non-executive directors are not entitled to annual or long service leave benefits.

Details of remuneration

Detail of remuneration of the directors and other key management personnel is set out below:

30 June 2019	Short Term Employment Benefits	Long Term Employment Benefits	Post Employment Benefits	Termination Benefits	Share Based Payments	Total	Value of options as proportion of remuneration
	Salary & Fees	Entitlements	Super-annuation	Salary	Options		
KMP	$	$	$	$	$	$	%
Jason Brewer	60,000	-	-	-	-	60,000	0%
Thomas Durr	84,600	-	-	-	-	84,600	0%
Michael Fry (1)	90,000	-	-	-	-	90,000	0%
Total Remuneration	234,600	-	-	-	-	234,600	0%

(1) Michael Fry resigned on 1 November 2019 as a Non-Executive Director

As a result of the Company's securities remaining suspended from trading on the Australia Stock Exchange pending the re-compliance with Chapters 1 and 2 of the ASX Listing Rules, the Board elected to accrue their employment benefits and not take any cash payments, effective from the middle of the 2nd quarter of the year ending 30 June 2019.

At the Annual General Meeting of Shareholders, held on 29 April 2018, Shareholders approved the issue of 20,000,000 Director Options to Mr Brewer and 10,000,000 Director Options to each of Mr Michael Fry and Mr Thomas Durr. The Director Options were to be exercisable at $0.024 (Exercise Price) on or before 31 July 2020. The Directors elected to forfeit these Director Options as a result of the Company's securities remaining suspended from trading on the Australia Securities Exchange.

30 June 2018	Short Term Employment Benefits	Long Term Employment Benefits	Post Employment Benefits	Termination Benefits	Share Based Payments	Total	Value of options as proportion of remuneration
	Salary & Fees	Entitlements	Super-annuation	Salary	Options		
KMP	$	$	$	$	$	$	%
Jason Brewer (1)	35,000	-	-	-	-	35,000	0%
Thomas Durr (2)	14,000	-	-	-	-	14,000	0%
Michael Fry (3)	9,500	-	-	-	-	9,500	0%
Alex Alexander (4)	41,667	-	3,958	-	-	45,625	0%
Noel Halgreen (5)	44,166	-	3,721	10,000	-	57,887	0%
Rod Sainty (5)	170,500	-	16,198	183,501	-	370,199	0%
Andrew Bray (5)	108,667	-	10,323	45,618	-	164,608	0%
Total Remuneration	423,500	-	34,200	239,119	-	696,819	0%

(1) Jason Brewer was appointed on 30 November 2017 in the position of Non-Executive Director and Chairman
(2) Thomas Durr was appointed on 14 May 2018 as a Non-Executive Director
(3) Michael Fry was appointed on 14 May 2018 as a Non-Executive Director
(4) Alex Alexander resigned on 28 November 2017
(5) Noel Halgreen, Rod Sainty and Andrew Bray all resigned on 14 May 2018

Remuneration

Includes payment for their services as directors directly or through director related entities.

Equity Instruments Held

The movement during the reporting period in the number of ordinary shares in Winmar Resources Limited held directly, indirectly or beneficially, by each key management personnel, including their related parties, is as follows:

Shares	Held at start of the year or date of appointment	Granted as compensation	Received on exercise of options	Purchases	Held at end of the year or date of resignation
	No.	No.	No.	No.	No.
KMP					
Jason Brewer	-	-	-	-	-
Thomas Durr	-	-	-	-	-
Michael Fry	3,098,000	-	-	-	3,098,000

Share based compensation

No shares or options over ordinary shares in the Company were provided as remuneration to directors or other key management personnel of the Company. Note that at the Annual General Meeting of Shareholders, held on 29 April 2018, Shareholders approved the issue of 20,000,000 Director Options to Mr Brewer and 10,000,000 Director Options to each of Mr Fry and Mr Thomas Durr. The Director Options were to be exercisable at $0.024 (Exercise Price) on or before 31 July 2020. The Directors elected forfeit these Director Options as a result of the Company's securities remaining suspended from trading on the Australia Stock Exchange.

No options over ordinary shares were held by directors or other key management personnel at any time during the financial year.

Trading Policy

The Company has a trading policy which prohibits its personnel and associates of personnel to deal in the company's securities during closed periods. These closed periods are:

(a) within the period of 5 days prior to the release of annual, half yearly or quarterly results;
(b) within the period of 5 days prior to the Annual General Meeting; and
(c) if there is in existence price sensitive information that has not been disclosed because of an ASX Listing Rule exception.

Personnel can deal in the Company's securities outside of any closed period in the following circumstances:

(a) they have satisfied themselves that they are not in possession of any Price Sensitive information that is not generally available to the public; and
(b) they have contacted the Chairman or in his absence, the Managing/Executive Director and notified them of their intention to do so and the Chairman or Managing/Executive Director indicates that there is no impediment to them doing so.

Where the Chairman wishes to deal in securities, he must contact the Managing/Executive Director, or in his absence, the Company Secretary and notify them of their intention to do so and the Managing/Executive Director or Company Secretary must indicate whether there is no impediment to them doing so.

The requirement to provide notice of an intention to trade in the Company's Securities does not apply to the acquisition of securities through Director, officer or employee share or option plans.

However, the requirement does apply to the trading of the securities once they have been acquired or issued under the plans

- End of Remuneration Report -

This report is made in accordance with a resolution of the Board of Directors.

Executive Chairman | Shannon Green
5 June 2020

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

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

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia	**B G McVeigh**
5 June 2020	**Partner**

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2019 $	2018 $
Continuing Operations			
Other income	3	2,897	2,620
Compliance and regulatory expenses		(92,121)	(174,842)
Consulting and professional fees	3	(573,035)	(331,901)
Employee benefits expense	3	(156,000)	(624,778)
Impairment of exploration assets	9	(5,869,303)	(127,386)
Impairment of other receivables	7	(1,404,858)	(234,004)
Impairment of prepayments	8	(694,515)	-
Share based payments	15	(141,193)	-
Other expenses		(351,424)	(115,945)
Results from operating activities		(9,279,552)	(1,606,236)
Finance income		11,226	7,560
Finance expense		(123,039)	(640)
Net finance income		(111,813)	6,920
Loss for the year before income tax		(9,391,365)	(1,599,316)
Income tax expense	4	-	-
Loss for the year from continuing operations attributable to members of the Company		(9,391,365)	(1,599,316)
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to members of the Company		(9,391,365)	(1,599,316)
Loss per share			
Basic loss per share (cents per share)	24	(0.36)	(0.08)
Diluted loss per share (cents per share)	24	(0.36)	(0.08)

The above statement of comprehensive income is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	2019 $	2018 $
Assets			
Current assets			
Cash and cash equivalents	5	50,601	866,100
Restricted cash and cash equivalents	6	49,985	84,000
Trade and other receivables	7	110,375	113,112
Total current assets		210,961	1,063,212
Non-current assets			
Environmental Bond		-	13,460
Prepayments	8	-	714,515
Exploration and evaluation	9	116,524	5,925,326
Total non-current assets		116,524	6,653,301
Total assets		327,485	7,716,513
Liabilities			
Current liabilities			
Trade and other payables	11	328,681	272,272
Borrowings	13	871,546	-
Employee entitlements	12	-	86,811
Total current liabilities		1,200,227	359,083
Net (liabilities) / assets		(872,742)	7,357,430
Equity			
Issued capital	14	45,899,027	45,005,027
Reserves		267,193	-
Accumulated losses		(47,038,962)	(37,647,597)
Total (deficiency) / equity		(872,742)	7,357,430

The above statement of financial position is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2019 $	2018 $
Cash flows from operating activities			
Other receipts		-	136,120
Payments to suppliers and employees		(1,256,691)	(1,099,550)
GST Received		72,803	71,282
Interest received		11,226	7,560
Interest paid		(1,493)	(640)
Net cash flows used in operating activities	23	(1,174,155)	(885,228)
Cash flows from investing activities			
Purchase for exploration and evaluation		(53,788)	(430,781)
Purchase of tenements		-	(70,000)
Payments to Winmar Resources Congo SAU	7	(714,146)	-
Prepaid investments in DRC associated company		-	(661,054)
Net cash flows used in investing activities		(767,934)	(1,161,835)
Cash flows from financing activities			
Proceeds from issue of shares		1,020,000	2,678,490
Receipt of funds for shares yet to be issued	11	978,000	-
Refund of proceeds received for future capital raisings	11	(978,000)	-
Proceeds from borrowings		750,000	-
Loss of control over funds in trust	7	(677,425)	-
Share issuing costs		-	(159,825)
Net cash flows from financing activities		1,092,575	2,518,665
Net (decrease)/increase in cash and cash equivalents		(849,514)	471,602
Cash and cash equivalents at beginning of period		950,100	478,498
Cash and cash equivalents at end of period	5	100,586	950,100

The above statement of cash flows is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital $	Share based payment reserve $	Accumulated losses $	Issued Capital $
Balance at 1 July 2018	45,005,027	-	(37,647,597)	7,357,430
Comprehensive loss for the year	-	-	(9,391,365)	(9,391,365)
Total comprehensive loss for the year	-	-	(9,391,365)	(9,391,365)
Transactions with owners in their capacity as owners				
Shares issued during the period	1,020,000	-	-	1,020,000
Performance rights	-	141,193	-	141,193
Share options	-	126,000	-	126,000
Capital Raising Costs	(126,000)	-	-	(126,000)
Balance at 30 June 2019	45,899,027	267,193	(47,038,962)	(872,742)
Balance at 1 July 2017	42,436,362	-	(36,048,281)	6,388,081
Comprehensive loss for the year	-	-	(1,599,316)	(1,599,316)
Total comprehensive loss for the year	-	-	(1,599,316)	(1,599,316)
Transactions with owners in their capacity as owners				
Shares issued during the period	2,728,490	-	-	2,728,490
Capital Raising Costs	(159,825)	-	-	(159,825)
Balance at 30 June 2018	45,005,027	-	(37,647,597)	7,357,430

The above statement of changes in equity is to be read in conjunction with the accompanying notes.

1. CORPORATE INFORMATION

Winmar Resources Limited ("Winmar" or the "Company") is a company domiciled in Australia. The address of the Company's registered office is Suite 5, 62 Ord Street, West Perth, Western Australia.

The company is a for-profit entity and is primarily involved in identifying and investing in mineral exploration assets and conducting exploration activities on those assets.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements are general-purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB").

The financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

2.1. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability to its power to affect its returns.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

2.2. Basis of Preparation

The financial report has been prepared on a historical cost basis.

The financial report is presented in Australian dollars. The Company's functional currency is Australian dollars.

The principal accounting policies and methods of computation adopted in the preparation of this financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.3. Going Concern Basis

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Company incurred an operating loss for the year of $9,391,365 (2018: loss $1,599,316) and incurred net cash outflows before financing activities of $1,942,089 (2018: outflows of $2,047,063). Cash and cash equivalents as at 30 June 2019 were $100,586 (2018: $950,100), including restricted cash of $49,985 (2018: $84,000).

The new Board has also been progressing opportunities that would enable a re-listing of the Company's securities on the Australian Securities Exchange (ASX) prior to the automatic delisting deadline for the Company (as a long term suspended entity) of 7 June 2020. Significant progress has been made in this regard and the Company recently applied to the ASX for an extension of time from de-listing. The ASX have considered the Company's request for an extension to the de-listing deadline of 7 June 2020 and have confirmed that it will not grant the requested extension.

Consequently, the Company will be automatically de-listed from ASX on Monday, 8 June 2020.

The Board remains motivated to re-apply for quotation of the Company's securities on the ASX as soon as possible and is continuing to progress potential opportunities to facilitate this.

Whilst the directors are confident of the Company's ability to raise capital as and when required, there is no guarantee of the success of any future capital raising activities. Accordingly, there is material uncertainty that may cast significant doubt as to whether the company will be able to raise sufficient capital to enable it to continue to meet its minimum expenditure commitments and to meet ongoing corporate operating costs, and therefore whether the Company will be able to continue as a going concern and be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

On 29 May 2020, the Company entered into loan facilities totalling $100,000 to provide for working capital requirements and to meet minimum expenditure commitments. Amounts borrowed under the facilities are to be repaid in 12 months or 10 days following re-instatement to trading of the Lender onto the Australian Securities Exchange. Interest is accrued at a rate of 10% per annum and is capitalised monthly.

2.4. Changes in Accounting Policies

The Company has consistently applied the accounting policies set out in Note 2 to all periods presented in these financial statements. No new policies have been adopted during the financial year, other than the adoption of AASB 9 Financial Instruments and AASB 15 Revenue from Contracts with Customers as set out in Note 2.20.

2.5. Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Consolidated Entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Consolidated Entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

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

Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Consolidated Entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

The Consolidated Entity has the following financial instruments:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Consolidated Entity neither transfers nor retains substantially all the risks or rewards of ownership and continues to control the transferred asset, the Consolidated Entity recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Consolidated Entity retains substantially all the risk and rewards to ownership of a transferred financial asset, the Consolidated Entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2.6. Finance income and expense

Finance income consists of interest income on funds invested (including available-for-sale financial assets). Interest income is recognised as it accrues in profit or loss.
Finance costs comprise interest expense on borrowings and impairment losses recognised on financial assets.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest rate method.

2.7. Trade and other Receivables

Trade and other receivables are recognised for the major business activities as follows:

- All trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. Trade debtors are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.
- Income receivable on financing and investment activities is accrued in accordance with the terms and conditions of the underlying financial instrument.
- Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where there is some doubt over collection.

The Consolidated Entity measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade and other receivables are estimated with reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current and the forecast direction of conditions at the reporting date.

The Consolidated Entity writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery; for example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

2.8. Revenue Recognition

Revenue is recognised on the delivery of performance obligations and an assessment of when control is transferred to the customer, at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

- Interest revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.
- Management fee revenue is recognised at the fair value of fees received or receivable and are calculated based on actual costs incurred net of duties and taxes paid.

2.9. Income Taxes

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.
Deferred tax assets are recognised for all differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction.
Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

2.10. Exploration and Evaluation Expenditure

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward where rights to tenure of the area of interest are current and;

- It is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or
- Exploration and evaluation activities are continuing in an area of interest but at balance date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Where the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised "mine properties in development". Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Exploration and evaluation assets are reviewed at each reporting date for indicators of impairment and are tested for impairment where such indicators exist. If testing performed indicates that the carrying value might not be recoverable the asset is written down to its recoverable amount. Any such impairment is recognised in profit or loss for the year.

Accumulated costs in relation to an abandoned area are written off to profit or loss in the period in which the decision to abandon the area in made.

An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

2.11. Cash and Cash Equivalents

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

2.12. Foreign Currency

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical costs in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

2.13. Earnings per Share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares.

Basic Earnings per Share

Basic earnings per share is determined by dividing the net result attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted Earnings per Share

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

2.14. Employee Benefits

Accumulation Superannuation Funds

Obligations for contributions to accumulation superannuation funds are recognised as an expense in profit or loss when they are due.

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

Long-Term Benefits
Liabilities for long service leave not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting date.

2.15. Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to year-end and which are unpaid. These amounts are unsecured and usually have 30 - 60 day payment terms.

2.16. Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

2.17. Interests in Joint Operations

A joint arrangement in which the company has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation.

The company's share of the assets, liabilities, revenue and expenses of jointly controlled operations has been included in the appropriate line items of the financial statements. Details of the Company's interests are provided in Note 18.

Where the company contributes assets to the joint operation or if the company purchases assets from the joint operation, only the portion of the gain or loss that is not attributable to the company's share of the joint operation shall be recognised. The company recognises the full amount of any loss when the contribution results in a reduction in the net realisable value of current assets or an impairment loss.

2.18. Contributed Equity

Ordinary shares are classified as equity.

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

2.19. Fair Value

Fair values may be used for financial asset and liability measurement as well as for disclosures.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

2.20. Adoption of New and Revised Accounting Standards

A number of new or amended standards became applicable for the current reporting period and the Group has changed its accounting policies as a result of the adoption of the following standards:

- AASB 9 Financial Instruments; and
- AASB 15 Revenue from Contracts with Customers.

The impact of the adoption of these standards and the new accounting policies are disclosed as follows.

AASB 9 Financial Instruments – Impact of Adoption

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

The adoption of AASB 9 from 1 July 2018 did not give rise to any material transitional adjustments, but has changed the Group's accounting policies in relation to the adoption of AASB 9's new expected credit loss model. Under AASB 9, the Group was required to revise the impairment methodology used in the calculation of its provision for doubtful debts to the expected credit loss model.

Impairment

From 1 July 2018 the group assesses on a forward looking basis the expected credit losses (ECLs) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For long term receivables, the ECL is based on either the 12-month or lifetime ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. When there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. In all cases, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payment are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

There is no material impact to net assets on adoption of this new standard in the current or comparative financial years.

AASB 15 Revenue from Contract with Customers – Impact of Adoption
The Group has adopted AASB 15 from 1 July 2018 which has no material impact to the amounts recognised in the financial statements.

Standards and Interpretations in issue not yet adopted
The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2019.

AASB 16 Leases
If a lessee has significant operating leases outstanding at the date of initial application, right-of-use assets will be recognised for the amount of the unamortised portion of the useful life, and lease liabilities will be recognised at the present value of the outstanding lease payments.

This will increase EBITDA as operating leases that were previously expensed will be amortised as a right-of-use asset, and an interest expense on the lease liability. However, there will be an overall reduction in net profit before tax in the early years of a lease because the amortisation and interest charges will exceed the current straight-line expense incurred under the existing standard. This trend will reverse in the later years.

There will be no change to the accounting treatment for short-term leases less than 12 months and leases of low value items, which will continue to be expensed on a straight-line basis.

The Company has considered this standard and identified there will be minimal impact on the financial statements.

2.21. Use of Estimates and Judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key estimates and assumption that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 8 – Exploration and evaluation
The Company's policy for exploration and evaluation is discussed in Note 2.10. The application of this policy requires management to make certain assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sale or exploration, then the relevant capitalised amount will be written off through the profit or loss. The carrying amount of exploration and evaluation is disclosed in Note 9.

Note 14 – Share based payments
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Hybrid ESO model, using the assumptions detailed in Note 14.

3. REVENUE AND EXPENSES

	2019 $	2018 $
Other income		
Management fees	2,897	2,620
Total other income	2,897	2,620

	2019 $	2018 $
Loss before income tax includes the following specific expenses:		
Consulting and professional fees		
Company secretarial fees	57,800	22,775
Legal fees	87,955	129,231
Other	427,280	179,895
Total consulting and professional fees	573,035	331,901
Employee benefits expense		
Directors salaries and fees	156,000	425,333
Other salaries	-	140,974
Contributions to accumulation superannuation funds	-	34,200
Provision for employee entitlements	-	24,271
Total employee benefits expense	156,000	624,778

4. INCOME TAX

	2019 $	2018 $
Numerical reconciliation between aggregate tax expense recognised in the income statement and the tax expense calculated in the statutory income tax return		
Accounting loss before tax	(9,391,365)	(1,599,316)
Total accounting loss before tax	(9,391,365)	(1,599,316)

	2019 $	2018 $
Prima facie income tax expense @ 30.0% (2018: 27.5%)	(2,817,410)	(439,812)
Tax effect of:		
Non-deductible entertainment		35
Other non-deductible expenditure	-	99,382
Deductible capitalised exploration costs	(18,151)	(258,847)
Section 40-880 deduction	(57,370)	(35,443)
Losses and other deferred tax balances not recognised during the period	2,892,931	634,685
Aggregate income tax expense	-	-

Tax Losses		
Unused revenue losses for which no deferred tax asset has been recognised	18,873,185	16,718,091
Unused capital losses for which no deferred tax asset has been recognised	96,153	96,153
Total accounting loss before tax	18,969,338	16,814,244
Prima facie income tax benefit @ 30.0% (2018: 27.5%)	5,690,801	4,623,917
Dividend Franking Account		
30% franking credits available to members of the Company for dividends in subsequent financial years	8,117,604	8,117,604

5. CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash at bank and in hand	50,601	866,100
Cash and cash equivalents	50,601	866,100

Reconciliation to cash flow statement		
For the purposes of the cash flow statement, cash and cash equivalents comprise the following at 30 June:		
Cash at bank and in hand	50,601	183,221
Restricted cash (refer note 6)	49,985	84,000
Cash held in trust (1)	-	682,879
Cash for reconciliation of cash flow statement	100,586	950,100

During the year ended 30 June 2018, an amount of US$500,000 (equivalent AUD$677,425) was transferred to the Company's DRC lawyer - Pelesa & Associates Law Firm, to be held in trust for the future acquisition of mining licenses located in the DRC Copperbelt. These amounts have been transferred through to trade and other receivables and an impairment has been raised (refer note 7).

6. RESTRICTED CASH

	2019 $	2018 $
Restricted cash at bank and in hand	49,985	84,000
Restricted cash and cash equivalents	**49,985**	**84,000**

Restricted cash relates to funds received for an intended capital raising. The funds are required to be returned to the investor in the event that the proposed capital raising does not progress or fails to meet minimum subscription, or in the event that the investor requests for the funds to be returned prior to shares being issued.

7. TRADE AND OTHER RECEIVABLES

	2019 $	2018 $
Current		
Other receivables	1,499,315	100,020
GST receivables	5,668	13,092
Impairment of trade and other receivables (1)	(1,394,608)	-
Total current trade and other receivables	110,375	113,112
Allowance for impairment loss		
Balance at 1 July 2018	-	-
Charge for the year	1,404,858	234,004
Utilised	(10,250)	(234,004)
Balance at 30 June 2019	1,394,608	-

As referred to in Note 5 above, an amount of US$500,000 (equivalent AUD$677,425) was transferred to the Company's DRC lawyer - Pelesa & Associates Law Firm, to be held in trust for the future acquisition of mining licenses located in the DRC Copperbelt. In addition, the company transferred $USD505,660 (equivalent AUD$714,146) to its Winmar Resources Congo SAU bank account in October of 2018.

On 22 January 2020 the company announced that the Company will not be proceeding with the Heads of Agreement to establish a joint venture to manage and operate the Luapula Processing Facility.

While the Company seeks to have the advanced funds repaid there is uncertainty around the recoverability of the advance, as such the company has impaired the total amounts advanced to the DRC of USD$1,005,660 (AUD$1,391,571) representing the bulk of the impairment expense for the year ended 30 June 2019.

8. PREPAYMENTS

	2019 $	2018 $
Cobalt Project DRC - Acquisition costs	694,515	694,515
Impairment of Cobalt Project DRC - Acquisition costs	(694,515)	-
Calcite Lake and United Reef Canada project	-	20,000
Total prepayments	-	714,515

Cobalt Project DRC
Pursuant to a Heads of Agreement with African Holding Investment Company Limited (AHIC), to establish a new 50/50 joint venture to operate the existing Luapula Processing Facility located near the town of Likasi in the Democratic Republic of Congo (DRC), Winmar paid an initial amount of US$500,000 (AUD$661,054) pursuant to the terms of acquisition (Luapula Acquisition).

On 22 January 2020 the company announced that the Company will not be proceeding with the Heads of Agreement to establish a joint venture to manage and operate the Luapula Processing Facility.

While the Company seeks to have any advanced payments repaid there is uncertainty around the recoverability of these payments. The costs incurred by the Company that were recognised as a prepayment were fully impaired in the financial year ended 30 June 2019.

9. EXPLORATION AND EVALUATION

	2019 $	2018 $
Hamersley Iron Ore Project		
Exploration and evaluation phases - at cost	9,773,448	9,726,559
Provision for impairment	(9,773,448)	(3,915,731)
Net carrying amount Hamersley Iron Ore Project	-	5,810,828
Lomero Project		
Exploration and evaluation phases - at cost	1,041,745	1,041,745
Provision for impairment	(1,041,745)	(1,041,745)
Net carrying amount Lomero Project	-	-

	2019 $	2018 $
Bloom Lake Copper-Cobalt Project		
Acquisition cost	-	100,000
Exploration and evaluation phases - at cost	116,524	14,498
Provision for impairment	-	-
Net carrying amount Bloom Lake Copper-Cobalt Project	116,524	114,498
Net carrying amount exploration and evaluation phases	116,524	5,925,326

Reconciliation of carrying amounts		
Balance at 1 July	5,925,326	5,762,823
Exploration expenditure capitalised during the period	60,501	289,889
Provision for impairment during the period	(5,869,303)	(127,386)
Balance at 30 June	116,524	5,925,326

The recoupment of cost carried forward in relation to areas of interest in the explanation and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective areas.

Hamersley Iron Ore Project

The Company considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment.

Effective as at 30 June 2018, the Company reviewed the carrying value of the Hamersley Iron Ore Project and, based upon an independent valuation report received, determined that no further impairment was required. Since that time, the iron ore price has improved and the volume of iron ore being exported from Australia has continued to rise indicating that the outlook for iron ore is strengthening and favourable.

Despite the improved outlook, the recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas,

On 26 November 2019, Cape Lambert Resources Limited lodged an application for forfeiture against the M47/1450 alleging non-compliance with the minimum expenditure obligations imposed under the Mining Act 1978 (WA) (Mining Act) for the year ending 2019.

On 20 December 2019, the Company lodged with the Western Australian Department of Mines, Industry Regulation and Safety its annual statutory expenditure report in relation to M47/1450, reporting expenditure in excess of the minimum expenditure obligations and in compliance with the Mining Act. The Company considers the application by Cape Lambert Resources Limited is without merit and the proceedings before the Mining Warden will be defended accordingly.

The Company has determined that impairment indicators are present and have taken a conservative position and fully impaired the asset.

10. ASSET ACQUISITION

Acquisition of the Bloom Lake Copper-Cobalt Project, Canada

On 19 January 2018, the Company completed an agreement with CBLT Inc. (CBLT) to acquire the Bloom Lake Copper-Cobalt mining claims which is within the high-grade silver-cobalt mining district of Cobalt-Gowganda in eastern Ontario, Canada. Under the terms of the agreement Winmar made an initial cash payment of $15,000 followed by the balance of $35,000 cash payment plus an issue of 16,666,667 shares in Winmar at a price of $0.003 ($50,000). The acquisition was completed through the following:

	2019	2018
	$	$
Purchase consideration		
Cash payments	-	50,000
Equity consideration (16,666,667 shares @ 0.3 cents)	-	50,000
Total consideration	-	100,000
Net assets acquired		
Exploration and evaluation	-	100,000
Total net assets acquired	-	100,000

11. TRADE AND OTHER PAYABLES

	2019	2018
	$	$
Trade creditors and accruals	274,104	171,783
Restricted cash – future capital raising (1)	49,985	84,000
Other creditors	4,592	16,489
Total trade and other payables	328,681	272,272

(1) Restricted cash – relates to funds received for an intended capital raising. The funds are required to be returned to the investor in the event that the proposed capital raising does not progress or fails to meet minimum subscription, or in the event that the investor requests for the funds to be returned prior to shares being issued. On 5 March 2019, the capital raising was terminated and an amount of $978,000 from a total liability of $1,027,985, has been returned to the investors.

12. EMPLOYMENT PROVISIONS

	2019 $	2018 $
Current		
Annual leave entitlement	-	59,849
Long service leave entitlement	-	26,962
Total current provisions	-	86,811

	Balance 1 July 2018 $	Arising during the year $	Utilised during the year $	Balance $
2019				
Annual leave entitlement	59,849	-	(59,849)	-
Long service leave entitlement	26,962	-	(26,962)	-
Total employee provisions	86,811	-	(86,811)	-
2018				
Annual leave entitlement	45,257	21,770	(7,178)	59,849
Long service leave entitlement	17,283	9,679	-	26,962
Total employee provisions	62,540	31,449	(7,178)	86,811

13. BORROWINGS

	Shareholder Loans $
Opening balance at 1 July 2018	-
New funding	750,000
Capitalised Interest	54,046
Borrowing costs expensed	67,500
Closing balance	871,546
Current borrowings	871,546

On 18 October 2018, Winmar entered into loan facility agreements arranged by SixtyTwo Capital Pty Ltd with four investors for an aggregate amount of $750,000. The loans bear interest at a rate of 10% p.a. and a facility fee of 20% from the total loan payable directly to the investors. The loan is repayable

in full within 10 days following re-instatement to trading of the Company on the ASX and may be repaid in shares at the discretion of the Company.

Funds advances under the loans were to be applied to meet due diligence costs associated with the acquisition of the Luapula Processing Facility and costs associated with obtaining permits, authorisations and approvals for the Company to operate and to secure contractual ore feed supply agreements.

14. CONTRIBUTED EQUITY

		2019 No. shares	2018 No shares	2019 $	2018 $
Share capital					
Ordinary shares fully paid		2,642,951,276	2,422,951,276	45,899,027	45,005,027
Opening balance at 1 July		2,422,951,276	1,455,072,461	45,005,027	42,436,362
Placement of ordinary shares at 0.08 cents per share	9/10/2017	-	68,750,000	-	55,000
Placement of ordinary shares at 0.1 cents per share	9/10/2017	-	45,000,000	-	45,000
Ordinary shares issued under the rights offer at 0.1 cents per share	30/10/2017	-	89,317,226	-	89,317
Ordinary shares issued under the rights offer shortfall at 0.1 cents per share	10/11/2017	-	302,888,000	-	302,888
Options exercised	22/12/2017	-	20,000,000	-	60,000
Placement of ordinary shares at 0.3 cents per share	22/01/2018	-	16,666,667	-	50,000
Placement of ordinary shares at 0.5 cents per share	25/03/2018	-	425,256,922	-	2,126,285
Placement of ordinary shares at 0.5 cents per share	13/08/2018	200,000,000	-	1,000,000	-
Options exercised	26/03/2019	20,000,000	-	20,000	-
Share issue costs		-	-	(126,000)	(159,825)
Closing balance at 30 June		2,642,951,276	2,422,951,276	45,899,027	45,005,027

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held.

No dividends were paid or declared by the Company to members since the end of the previous financial year and the Directors do not recommend the payment of a dividend at this time.

At shareholders' meetings each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

15. SHARE BASED PAYMENTS

	2019 $	2018 $
Options		
Options over ordinary shares	25,000,000	20,000,000
Balance as at 1 July	20,000,000	20,000,000
Options issued	25,000,000	-
Options exercised	(20,000,000)	-
Balance as at 30 June	25,000,000	20,000,000

Each option entitles the holder, when exercised, to one ordinary share, and are exercisable wholly or in part as follows:

	Grant date	Expiry date	Exercise Price	Number
Lead Arranger's Unlisted Options	20 September 2018	30 June 2020	$0.03	25,000,000

There were no performance or service conditions or vesting requirements attached to the above options.

Fair Value of Options Issued

On 20 September 2018, 25,000,000 options were issued to Sixty Two Capital Pty Ltd in its capacity of Lead Arranger to the March 2018 capital raising following approval for issue at the Company's General Meeting held on 20 June 2018. The options have an exercise price of $0.03 each (i.e 3 cents each) and expire on 30 June 2020.

The assessed fair value of the options was determined using a Hybrid ESO option pricing model, taking into account the exercise price, term of option, the share price at grant date, and expected price volatility of the underlying share, expected dividend yield and the risk-free interest rate of the term of the option. The options will only vest if the Company's 5-day VWAP share price exceeds $0.04 per share.

The fair value of the options is recognised over the vesting period of the options. An amount of $126,000 is recognised in the Consolidated Statement of Changes in Equity for the year ending 30 June 2019.

The inputs to the model were:

Dividend Yield	-
Expected volatility (%)	90
Risk-Free interest rate (%)	1.89
Expected life of option (years)	2.03
Discount (%)	30
Option exercise price ($)	0.03
Grant Date	20 June 2018
Share price at grant date ($)	0.024
Value of option (cents)	0.0101
Number issued	25,000,000
Total value of options issued ($)	252,500

Fair Value of Performance Rights Issued

On 13 August 2018, 100,000,000 Performance Rights were issued to Airguide International Pte Ltd (Airguide) pursuant to an agreement for Airguide to act as Winmar's strategic adviser to facilitate and support Winmar with entering into commercial agreements, including resource agreements and capital raising. The arrangement was approved at the Company's General Meeting held on 20 June 2018.

The Performance Rights were issued at nil cost and are subject to a vesting condition, as follows:

(1) (Tranche 1) 20,000,000 Performance Rights to be issued in the event that the Fully Diluted Market Capitalisation (defined in the glossary below) of the Company is equal or higher than AUD$30,000,000 for a minimum of 10 consecutive trading days;

(2) (Tranche 2) 30,000,000 Performance Rights to be issued in the event that the Fully Diluted Market Capitalisation (defined in the glossary below) of the Company is equal or higher than AUD$60,000,000 for a minimum of 10 consecutive trading days;

(3) (Tranche 3) 50,000,000 Performance Rights to be issued in the event that the Fully Diluted Market Capitalisation (defined in the glossary below) of the Company is equal or higher than AUD$100,000,000 for a minimum of 10 consecutive trading days;

The assessed fair value of the Performance Rights was determined based on the probability of each of the vesting conditions being met, as follows:

Tranche 1 Performance Rights	
Number	20,000,000
Probability (%)	100%
Value per Right	2.4 cents
Total Value	$480,000
Charge in year	$120,164

Tranche 2 Performance Rights	
Number	30,000,000
Probability (%)	10%
Value per Right	2.4 cents
Total Value	$72,000
Charge in year	$18,025

Tranche 3 Performance Rights	
Number	50,000,000
Probability (%)	1%
Value per Right	2.4 cents
Total Value	$12,000
Charge in year	$3,004

Total of Performance Rights	
Number	100,000,000
Total Value	$564,000
Charge in year	$141,193

16. ACCUMULATED LOSSES

	2019 $	2018 $
Accumulated Losses	(47,038,962)	(37,647,597)
Accumulated losses at 1 July	(37,647,597)	(36,048,281)
Net (loss) attributable to members	(9,391,365	(1,599,316)
Balance at 30 June	(47,038,962)	(37,647,597)

17. SEGMENT INFORMATION

The entity has four operating segments; Australia (Hamersley Iron Project), Spain (Lomero Project), Canada (Bloom Lake, Calcite Lake and United Reef Projects) and Democratic Republic of Congo (Cobalt Project DRC). The entities are managed primarily on the basis of geographical area of interest. Each geographical area has different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis. The Board of Directors (the chief operating decision maker) reviews internal reports of each operating segment at least quarterly.

Information related to each operating segments is set out below.

	Australia	Spain	Canada	DRC	Total
	$	$	$	$	$
2019					
Revenue					
External revenue	-	-	-	-	-
Total segment revenue	-	-	-	-	-
Results					
Impairment	(5,871,004)	-	-	(2,097,672)	(7,968,676)
Segment results before tax	(5,871,004)	-	-	(2,097,672)	(7,968,676)
Reconciliation of segment results before tax to net loss after tax					
Amounts not included in segment result:					
Compliance and regulatory expenses					(92,121)
Consulting and professional fees					(573,035)
Employee benefits expense					(156,000)
Share based payments					(141,193)
Other expenses					(351,424)
Finance income					11,226
Finance expense					(123,039)
Other income					2,897
Segment results before tax					(9,391,365)
Total assets	210,961	-	116,524	-	327,485
Total liabilities	1,200,227	-	-	-	1,200,227
Other disclosures					
Exploration and evaluation	-	-	116,524	-	116,524

	Australia	Spain	Canada	DRC	Total
	$	$	$	$	$
2018					
Revenue					
External revenue	-	-	-	-	-
Total segment revenue	-	-	-	-	-
Results					
Impairment	-	(361,390)	-	-	(361,390)
Segment results before tax	-	(361,390)	-	-	(361,390)

	Australia	Spain	Canada	DRC	Total
	$	$	$	$	$
Reconciliation of segment results before tax to net loss after tax					
Amounts not included in segment result:					
Compliance and regulatory expenses					(174,842)
Consulting and professional fees					(331,901)
Employee benefits expense					(624,778)
Other expenses					(115,945)
Finance income					7,560
Finance expense					(640)
Other income					2,620
Segment results before tax					(1,599,316)
Total assets	6,210,075	-	134,498	1,371,940	7,716,513
Total liabilities	359,083	-	-	-	359,083
Other disclosures					
Exploration and evaluation	5,810,828	-	114,498	-	5,925,326

18. JOINT OPERATIONS

Winmar Resources Limited holds a 70% interest in the Winmar Exploration joint venture, an unincorporated joint venture with Lockett Fe Pty Ltd, a wholly owned subsidiary of Cazaly Resources Limited (ASX:CAZ). The principal activity is the exploration for iron ore at the Hamersley Iron Project. Winmar has earned its 70% in the project through meeting prior exploration expenditure requirements and continues to act as Manager of the project.

On 26 November 2019, Cape Lambert Resources Limited lodged an application for forfeiture against the M47/1450 alleging non-compliance with the minimum expenditure obligations imposed under the Mining Act 1978 (WA) (Mining Act) for the year ending 2019.

On 20 December 2019, the Company lodged with the Western Australian Department of Mines, Industry Regulation and Safety its annual statutory expenditure report in relation to M47/1450, reporting expenditure in excess of the minimum expenditure obligations and in compliance with the Mining Act. The Company considers the application by Cape Lambert Resources Limited is without merit and the proceedings before the Mining Warden will be defended accordingly.

Management has assessed that impairment indicators are present and have taken a conservative position and fully impaired the asset.

The company's interests in the joint operations are included in the statement of financial position, in accordance with the accounting policy described in Note 2.16, under the following classifications:

	2019	2018
	$	$
Current assets		
Cash and cash equivalents	298	185
Trade and other receivables	71,764	71,240
Total current assets	72,062	71,425
Non-current assets		
Exploration and evaluation	-	539,838
Total non-current assets	-	539,838
Share of total assets of joint venture	72,062	611,263

19. REMUNERATION OF AUDITORS

	2019	2018
	$	$
Amount received or receivable by HLB Mann Judd for:		
Audit and review of financial statements	46,423	45,000
Other services	-	9,370
Amount received or receivable by KPMG for:		
Audit and review of financial statements	-	15,799
Total auditor's remuneration	46,423	70,169

20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In late May 2020 a request for payment arising under a historical consulting contract was submitted by Airguide Corporate Advice and Consulting a company based in Singapore. The Company has not established a liability exists in respect of the performance of the contract and at this point it is not practical to estimate the potential effect of this claim, legal advice obtained indicates that it is not probable that a significant liability will arise, it is anticipated that any liability will be significantly less than the request for payment of USD$693,000 submitted.

There are no contingent assets at the reporting date.

21. COMMITMENTS

In order to maintain the company's tenements in good standing with the Western Australian Department of Mines, Industry Regulation and Safety, the company will be required to incur exploration expenditure under the terms of each licence. It is likely that the granting of new licences and changes in terms of each licence will change the expenditure commitment from time to time.

	2019 $	2018 $
Exploration tenements		
Within one year	86,580	86,580
One year or later but no later than 5 years	346,319	346,319
More than 5 years	983,689	1,070,268
Total exploration tenements payable	1,416,588	1,503,167

Capital expenditure commitments

At the date of this report there are no commitments for capital expenditure.

22. RELATED PARTIES

	2019 $	2018 $
Key management personnel		
The key management personnel compensation comprised:		
Short term employment benefits	234,600	662,619
Long term employment benefits	-	-
Post-employment benefits	-	34,200
Total key management personnel remuneration	234,600	696,819

Mr Jason Brewer is the principal of JC Trust. The Company and JC Trust has an agreement that fees for director related services for Mr Brewer are paid to JC Trust.
Mr Michael Fry is the principal of M&A Fry Family Trust. The Company and M&A Fry Family Trust has an agreement that fees for director related services for Mr Fry are paid to M&A Fry Family Trust.

Mr Thomas Durr is the principal of MSI Global Business Solutions Pty Ltd. The Company and MSI Global Business Solutions Pty Ltd has an agreement that fees for director related services for Mr Durr are paid to MSI Global Business Solutions Pty Ltd.

Other transactions with Key Management Personnel

The terms and conditions of any transactions with Directors and their related parties were no more favourable than those available, or might reasonably be expected to be available, on similar transactions to non-related parties on an arms-length basis.

23. CASHFLOW RECONCILIATION

	2019 $	2018 $
Loss from continuing operations	(9,391,365)	(1,599,316)
Non-cash items:		
Impairment of exploration assets	5,869,303	127,386
Impairment of other receivables	1,404,858	234,004
Impairment of investment	694,515	-
Share based payments	141,193	-
Accrued borrowing costs	67,500	-
Capitalised interest	54,046	-
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	16,196	138,586
Increase in trade and other creditors	56,411	189,841
(Decrease)/Increase in employee entitlements	(86,811)	24,271
Net cash flows used in operating activities	(1,174,155)	(885,228)

24. LOSS PER SHARE

	2019 $	2018 $
Loss used in calculating loss per share		
Net loss from continuing operations attributable to ordinary equity holders of the parent	(9,391,365)	(1,599,316)
Net loss attributable to ordinary equity holders of the parent for basic earnings	(9,391,365)	(1,599,316)

	Number	Number
Weighted average number of shares		
Weighted average number of ordinary shares for basic and diluted earnings per share	2,601,964,975	1,922,666,713

At 30 June 2019 25,000,000 options (2018: 20,000,000) were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

25. FINANCIAL INSTRUMENTS

Financial Risk Management

The Company's financial instruments consist of deposits with banks, trade receivables and payables. Derivative financial instruments are not currently used by the Company.

The Board, effectively acting as an audit committee, monitors and reviews the effectiveness of the Company's control environment in the areas of operational risk, legal/regulatory compliance and financial risk and reporting.

The Company's activities expose it to interest rate risk, credit risk and liquidity risk and foreign exchange risk.

Interest Rate Risk

The Company has no borrowings and hence there is no exposure to interest rate risk associated with debt. Interest bearing assets are all short-term liquid assets (refer Note 5) and the only interest rate risk is the effect on interest income by movements in the interest rate. There is no material interest rate risk.

Liquidity Risk

The Company manages liquidity risk by maintaining cash reserves and having limited borrowings or debt.

All trade and other payables (refer Note 11) are expected to be paid within 30 to 60 day payment terms.

Credit Risk

The Company's credit risk primarily arises from cash and deposits with Australian Authorised Deposit Taking Institutions (ADIs) and GST refundable from the ATO (refer Note 7). The maximum credit risk exposure of financial assets of the Company which have been recognised on the statement of financial position is the carrying amount, net of any provision for doubtful debts. There is no collateral or security held for those assets at balance date. There are no financial assets that are past due or impaired.

Capital Risk Management

The Company's objective in managing capital (consisting of total equity) is to provide shareholders with capital growth over the medium to long term and, over time, the provision of a return to shareholders through the payment of a fully franked dividend.

The Board recognises that, in order to continue its corporate strategy of becoming a significant mining company, in the future new equity issuances or scrip based acquisitions are highly likely to be a part of its capital management strategy.

Foreign Currency Risk

The Company's foreign currency risk primarily arises from its interest in the Bloom Lake Copper-Cobalt Project in Canada and the Cobalt Project in the DRC. The Company is exposed to foreign currency risk to the extent that there is a mismatch between the currencies in which purchases are denominated and the functional currency of the Company. The functional currency of the Company is Australian dollars and the currency of transactions in relation to the Bloom Lake Copper-Cobalt Project is primarily in Canadian dollars and in relation to the Cobalt Project in the DRC is primarily in US dollars. The risk arises from the fluctuation in spot exchange rates between the Australian dollar and the Canadian dollar and US dollar. The Company does not undertake any hedging activities in relation to foreign currency risk.

The following table summarises the Company's exposure to foreign currency risk in Australian Dollars:

	2019 $	2018 $
Foreign currency risks		
Trade and other receivables - Euro	-	162,184
Trade and other payables - Euro	-	(75,517)
Total foreign currency risks	-	86,667

Net Fair Value of Financial Assets and Liabilities

The carrying amount of the Company's financial assets and financial liabilities in the financial statements approximates their fair values as at balance date as they are all short term in nature.

26. INTEREST IN SUBSIDIARIES

The consolidated financial statements include the financial statements of Winmar Resources Limited and its subsidiaries listed in the following table.

Subsidiary	Country of Incorporation	% of interest 2019	2018
Ontario Inc	Argentina	100	100
Winmar Mining Exploration Joint Venture	Australia	70	70

27. EVENTS SUBSEQUENT TO REPORTING DATE

The Company's securities remain suspended from trading on the Australia Stock Exchange pending the re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

On 1 November 2019, Mr Michael Fry resigned as Non-Executive Director and Company Secretary. On the same date Mr Richard Lloyd was appointed Non-Executive Director and Mr Michael Pitcher was appointed Company Secretary.

On 26 November 2019, Cape Lambert Resources Limited lodged an application for forfeiture against the M47/1450 alleging non-compliance with the minimum expenditure obligations imposed under the Mining Act 1978 (WA) (Mining Act) for the year ending 2019.

On 20 December 2019, the Company lodged with the Western Australian Department of Mines, Industry Regulation and Safety its annual statutory expenditure report in relation to M47/1450, reporting expenditure in excess of the minimum expenditure obligations and in compliance with the Mining Act. The Company considers the application by Cape Lambert Resources Limited is without merit and the proceedings before the Mining Warden will be defended accordingly.

On 22 January 2020 the Company announced that the Company will not be proceeding with the Heads of Agreement to establish a joint venture to manage and operate the Luapula Processing Facility.

On 31 January 2020 the Company entered into a Convertible Note Deed with 62 Capital Pty Ltd and Markovic Family Pty Ltd each for $125,000, the purpose of which is to drawdown on the loan to pay existing creditors and general working capital requirements. The principal sum is repayable in 12 months plus accrued interest at the rate of 10% per annum. The Notes may be converted into shares in whole or in part at the discretion of the Company.

On 12 February 2020, Mr Thomas Durr resigned as Non-Executive Director.

On 9 March 2020, the Company secured a total of $80,000 in loan facilities to be re-paid in 12 months at an interest rate of 10% per annum to provide immediate cash to provide working capital requirements to meet its minimum expenditure commitments. This facility is repayable within 12 months and may be convertible to shares at the discretion of the Company.

On 17 March 2020, Mr Shannon Green and Mr Sufian Ahmad were appointed Non-Executive Directors.

On 30 March 2020, Mr Jason Brewer resigned as Non-Executive Director and Chairman. On the same date Non-Executive Director Mr Shannon Green was appointed Executive Chairman.

On 2 April 2020, Mr Michael Pitcher resigned as Chief Financial Officer and Company Secretary. On the same date Ms Shannon Coates was appointed Company Secretary.

On 30 April 2020, Mr Richard Lloyd resigned as Non-Executive Director. On the same date Mr James Myers was appointed Non-Executive Director.

On 29 May 2020, the Company secured a total of $100,000 in loan facilities to be re-paid in 12 months at an interest rate of 10% per annum to provide immediate cash to provide working capital requirements to meet its minimum expenditure commitments. This facility is repayable within 12 months and may be convertible to shares at the discretion of the Company.

On 2 June 2020, the Company announced that application for an extension of time from automatic de-listing has not been granted and consequently, the Company will be automatically de-listed from ASX on Monday, 8 June 2020. The Board remains motivated to re-apply for quotation of the Company's securities on the ASX as soon as possible and is continuing to progress potential opportunities to facilitate this.

There have been no other transactions or events of a material and unusual nature likely, in the opinion of the Directors of the Company, to significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

In accordance with a resolution of the directors of Winmar Resources Limited, I state that:

(1) In the opinion of the directors:

(a) the financial statements and notes set out on pages 18 to 49 and the Directors' Report are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(2) The Directors draw attention to Note 2 to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

(3) The Directors have been given the declarations by the chief executive officer and chief financial officer for the year ended 30 June 2019 required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors.

Executive Chairman | Shannon Green
5 June 2020

INDEPENDENT AUDITOR'S REPORT
To the members of Winmar Resources Limited

Report on the Audit of the Financial Report

Opinion

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

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

a) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Carrying amount of exploration and evaluation expenditure Note 9 of the financial report	
In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources, the Group capitalises all exploration and evaluation expenditure, including acquisition costs and subsequently applies the capitalisation model after recognition. Our audit focussed on the Group's assessment of the carrying amount of the capitalised exploration and evaluation asset, as this is one of the most significant assets of the Group.	Our procedures included but were not limited to the following: • We obtained an understanding of the key processes associated with management's review of the carrying values of each area of interest; • We obtained evidence that the Group has current rights to tenure of its areas of interest; • We examined the exploration budget for the year ending 30 June 2020 and discussed with management the nature of planned ongoing activities; • We enquired with management, reviewed ASX announcements and reviewed minutes of Directors' meetings to ensure that the Group had not resolved to discontinue exploration and evaluation at any of its areas of interest; • We considered the Directors' assessment of potential indicators of impairment and then verified subsequent impairment adjustments made by the Directors and • We examined the disclosures made in the financial report.

Information other than the financial report and auditor's report thereon

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

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

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

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

Responsibilities

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
5 June 2020

B G McVeigh
Partner

Additional information required by ASX Listing Rules and not shown elsewhere in the report is set out below. The information is current as of 3 June 2020.

1. CORPORATE GOVERNANCE

The Company's Corporate Governance Statement is available on the corporate governance page on the Company's website at https://www.winmarresources.com.au/corporate-governance

2. SUBSTANTIAL SHAREHOLDERS

The number of shares held by substantial shareholders and their associates who have provided the Company with substantial shareholder notices are set out below:

Name of substantial shareholder	Number of shares	Percentage (%)
Mr Sufian Ahmad	195,269,922	8.1%
Mr Bilal Ahmad	201,750,000	8.35%

3. VOTING RIGHTS

The relevant conditions about voting rights attaching to each share are set out in Articles 17.1 and 17.2 of the Constitution as follows:

17.1 Voting at general meetings

Subject to this constitution and to any special rights or restrictions imposed on or attaching to any shares or classes of shares by the Directors:

- *(a) on a show of hands, each Member Present who holds one or more Voting Shares is entitled to one vote at meetings of Members; and*
- *(b) on a poll, every Member has one vote for each fully paid share held and, if at any time there is on issue any share which has not been fully paid up, that share confer only the proportion of one vote which the sum paid up (excluding any amount credited as paid up) on that share bears to the total issue price of that share.*

17.2 Rights of holders of Restricted Securities

In the event of a breach of the Listing Rules relating to Restricted Securities, or a breach of a restriction agreement entered into by the Company under the Listing Rules in relation to Securities which are classified under the Listing Rules or by ASX as Restricted Securities, the Member holding those Restricted Securities ceases to be entitled to vote in respect of those Restricted Securities for so long as the breach subsists.

Options do not carry any voting rights.

4. NON-MARKETABLE PARCELS

As at 3 June 2020, based on the Company's closing share price of $0.024 when suspended on 7 June 2018, a marketable parcel comprised 20,833 fully paid ordinary shares. There were 1,155 holders holding less than a marketable parcel of shares, for a total of 3,241,724 fully paid ordinary shares.

5. DISTRIBUTION OF EQUITY SECURITIES

Analysis of number of shares, option and performance rights holders by size of holding:

Fully paid ordinary shares Range			Number of holders	Number of shares
1	-	1,000	725	125,516
1,001	-	5,000	229	491,630
5,001	-	10,000	87	699,688
10,001	-	100,000	888	47,896,606
100,001		and over	1,355	2,573,737,836
			3,284	2,642,951,276

Lead Arranger's Unlisted Options expiring 30 June 2020 exercisable at 3 cents Range			Number of holders	Number of options
1	-	1,000	-	-
1,001	-	5,000	-	-
5,001	-	10,000	-	-
10,001	-	100,000	-	-
100,001		and over	1*	25,000,000
			1	25,000,000

*Held by Sixty Two Capital Pty Ltd

Performance Rights Range			Number of holders	Number of options
1	-	1,000	-	-
1,001	-	5,000	-	-
5,001	-	10,000	-	-
10,001	-	100,000	-	-
100,001		and over	1*	100,000,000
			1	**100,000,000**

*Held by Airguide Internationale Pte Ltd. Performance Rights issued to convert at the issued party's election into fully paid ordinary shares subject to the following vesting condition being achieved the event that the Fully Diluted Market Capitalisation of the Company is equal to or higher to the following:

(a) AUD$30,000,000.00 for a minimum of 10 consecutive trading days (20,000,000 Performance Rights); and
(b) AUD$60,000,000.00 for a minimum of 10 consecutive trading days (30,000,000 Performance Rights); and
(c) AUD$100,000,000.00 for a minimum of 10 consecutive trading days (50,000,000 Performance Rights).

6. TWENTY LARGEST SHAREHOLDERS

The twenty largest holders of ordinary fully paid shares at 3 June 2020 are set out below:

Name	Number of ordinary shares held	% of issued shares
MR SUFIAN AHMAD	195,269,922	7.39%
MR BILAL AHMAD	156,250,000	5.91%
BNP PARIPAS NOMINEES PTY LTD	115,108,478	4.36%
MR SHANE REEVES	109,189,000	4.13%
AIRGUIDE INTERNATIONAL PTE LTD	100,000,000	3.78%
MR MICHAEL LANGFORD	100,000,000	3.78%
CITICORP NOMINEES PTY LIMITED	68,385,666	2.59%

Name	Number of ordinary shares held	% of issued shares
CORBEAUX INVESTMENTS PTY LTD <KC SUPERANUATION FUND A/C>	47,417,176	1.79%
BAB SUPER FUND PTY LTD <BAB SUPER FUND A/C>	45,500,000	1.72%
MARKOVIC FAMILY NO 2 PTY LTD	39,642,260	1.50%
MR BIN LIU	39,000,000	1.48%
CORBEAUX INVESTMENTS PTY LTD	33,323,488	1.26%
DR EVAN SHELLSHEAR	27,870,000	1.05%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	24,669,613	0.93%
FANGDA IRON AND STEEL (ASIA) CORPORATION LIMITED	21,500,000	0.81%
MR KELVIN CORBETT	20,121,590	0.76%
MR PETER SOOS	20,000,001	0.76%
SIXTY TWO CAPITAL PTY LTD	20,000,000	0.76%
MR PAUL GERARD CAMPBELL	19,355,222	0.73%
JP MORGAN NOMINEES AUSTRALIA PTY LIMITED	18,920,751	0.72%
	1,221,523,167	46.21%

7. RESTRICTED SECURITIES

The Company has no restricted securities on issue.

8. ON-MARKET BUY-BACK

There is no current on-market buy-back.

9. INTERESTS IN TENEMENTS

Location	Tenement Reference	Nature of Interest	% Held
Western Australia	M47/1450	Granted	70%
Canada, Bloom Lake	221266	Granted	100%
	221267		
	229223		
	243759,		
	251792		
	251793		
	251794		
	287807		
	308044		
	325202		
	336173		
	582713		
	582714		

During the March 2020 quarter, the Company acquired 582713 and 582714, while the following Bloom Lake tenements previously held by the Company lapsed:

104745, 127877, 127878, 127996, 139341, 148437, 155882, 171868, 172508, 174025, 174026, 174664, 175693, 185034, 191344, 191345, 191346, 192000, 220645, 220646, 220647, 228597, 228598, 228599, 240761, 248051, 248708, 263279, 270531, 287182, 287806, 287808, 295314, 295940, 307414, 307415, 308045, 308046, 325074, 335540

10. ANNUAL MINERAL RESOURCE STATEMENT

During the 2019 financial year, the Company's Mineral Resources for its Hamersley Iron Project, comprising Mining Lease M47/1450, were reported in accordance with the now superseded Australasian Code for Reporting of Mineral Resources and Ore Reserves (2004) (JORC Code 2004) as follows:

Table A: Total Mineral Resource Inventory as at 30 June 2019.

	Tonnes Mt	Fe %	SiO_2 %	Al_2O_3 %	P %	LOI %	Calcined Fe %
DID Inferred#	24.3	46.4	24.8	5.2	0.03	2.5	47.6
CID Indicated*	42.6	55.2	10.9	5.5	0.04	3.6	57.3
CID Inferred*	276.3	55.2	9.7	4.4	0.04	6.3	58.9
Total	343.2	54.5	10.9	4.6	0.04	5.7	57.9

Note: Tonnage figures have been rounded and as a result may not add up to the totals quoted.
DID reported at a 40% Fe Cut-off grade.
* CID reported at a 52% Fe Cut-off grade.

There was no change to the Mineral Resource during the 2019 financial year, or from when first reported to ASX on 22 May 2013.

The Company subsequently reviewed its Mineral Resources and updated these in accordance with the JORC Code 2012. The results of the Mineral Resource review were announced to ASX on 24 January 2020, and were consistent with the Mineral Resource as previously reported under JORC Code 2004.

Estimation Governance Statement
The Company ensures that all Mineral Resource estimations are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management. Mineral Resource estimates are prepared by qualified independent Competent Persons. If there is a material change in the estimate of a Mineral Resource, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Person and released to ASX.

Going forward, the Company will report its Mineral Resources on an annual basis in accordance with JORC Code 2012.

Runge Pinnock Minarco Ltd (RPM) were commissioned by WFE in May 2013 to estimate the Mineral Resources using the now superseded Australasian Code for Reporting of Mineral Resources and Ore Reserves (2004) by the Joint Ore Reserves Committee (JORC).

Al Maynard & Associates (AM&A) reviewed the RPM May 2013 Mineral Resource estimate in January 2020 and the resource modelling and reporting was found to be compliant with the current JORC Code (2012) except that the reporting of the QAQC for the drilling, sampling and assaying did not fully meet the JORC Code (2012) requirements. AM&A obtained all the relevant QAQC data and reports then carried out a thorough statistical study of this data and found that the drilling and sampling procedures met the standards required by the JORC Code (2012). AM&A then modelled the resource independently using the same drilling data but using different software and modelling method as a check of the Runge estimate and came up with very similar tonnes and grades as Runge, well within reasonable limits. AM&A therefore accepted the Runge resource estimate, and along with the AM&A reporting of the QAQC for the drilling, sampling and assaying, reported the resource estimate in accordance with the JORC Code (2012).

There has been no further drilling or any other factors that would affect the reported Mineral Resource since the May 2013 RPM report.

The current Mineral Resource estimate is summarised below in Table B.

Table B: Total Mineral Resource Inventory as at 20 January 2020.

	Tonnes Mt	Fe %	SiO_2 %	Al_2O_3 %	P %	LOI %	Calcined Fe %
DID Inferred#	24.3	46.4	24.8	5.2	0.03	2.5	47.6
CID Indicated*	42.6	55.2	10.9	5.5	0.04	3.6	57.3
CID Inferred*	276.3	55.2	9.7	4.4	0.04	6.3	58.9
Total	343.2	54.5	10.9	4.6	0.04	5.7	57.9

Note: Tonnage figures have been rounded and as a result may not add up to the totals quoted.
DID reported at a 40% Fe Cut-off grade.
* *CID reported at a 52% Fe Cut-off grade.*

The Company released this update on the ASX on 24 January 2020. There have been no changes since the date of this announcement to the date of this report.

The Company is not aware of any new information or data that materially affects the information included in this Annual Mineral Resource Statement with regard to Mineral Resources and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Competent Person's Statement
The information in this report which relates to Mineral Resources for the Hamersley Iron Project is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG") and independent consultant to the Company. Mr Maynard is the Director and principal geologist of Al Maynard & Associates Pty Ltd and has over 40 continuous years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Maynard consents to inclusion in the report of the matters based on this information in the form and context in which it appears, and to this Annual Mineral Resource Statement as a whole.