

DYNAMIC DRILL AND BLAST HOLDINGS LIMITED

(ACN 640 888 213)

Financial Report

For the period from Incorporation to 31 May 2020

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Company Directory

Directors

Mark Troy Davis
Garret John Dixon
Matthew Leo Freedman
George Henry Miller Garnett

Auditors

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

Company Secretary

James Timothy Bahen

Registered Office

c/- Cooper Partners
Level 15, London House
216 St Georges Terrace
Perth WA 6000

Web Address

www.dynamicdrillandblast.com.au/

Directors' Report

Your Director submits the financial report of Dynamic Drill and Blast Limited (the Company) for the period from incorporation to the period ended 31 May 2020.

1. Directors

The names of the directors who held office during or since the end of the financial period and until the date of this report are as follows. Directors were in office for the entire financial period unless otherwise stated.

Name: Mark Troy Davis (*appointed 13/05/2020*)
 Title: Director
 Experience and expertise: Mark Davis has over 24 years' experience in the mining services sector and has worked with Action Drill & Blast, Ausdrill and was part of the founding management team at Rock on Ground as Operations Manager. Mark was also Managing Director of MTD Drill & Blast Consulting providing specialised blasting expertise to Tier 1 operators.

Special responsibilities: None

Name: Garret John Dixon (*appointed 13/05/2020*)
 Title: Director
 Experience and expertise: Garret is an experienced and accomplished senior executive with extensive experience in the resources, transport and contracting sectors in Australia and overseas. His work in both private and ASX listed companies spans more than three decades. Garret's career since graduation in 1981 includes time with a Federal Government construction department, Executive General Manager for civil construction and contract mining group Henry Walker Eltin Ltd, Managing Director of logistics company Mitchell Corporation, Managing Director & CEO of ASX listed Gindalbie Metals Ltd and Vice President Alcoa & President of Iron Ore Business Development for rail freight operator Aurizon. Until recently, Garret held the position of Executive Vice President Alcoa & President Bauxite where he was responsible for the global bauxite mining business for the NYSE listed Alcoa Corporation. Garret has a Bachelor of Engineering (Hons) and a Master of Business Administration and is a member of the Australian Institute of Company Directors.

Special responsibilities: None

Name: Matthew Leo Freedman (*appointed 13/05/2020*)
 Title: Director
 Experience and expertise: Matthew brings over 13 years of experience in the mining and mining services sector. Matthew's earlier roles include working for Rio Tinto Procurement, WorleyParsons and Emeco. Matthew holds a Bachelor of Business Administration.

Special responsibilities: None

Name: George Henry Miller Garnett (*appointed 13/05/2020*)
 Title: Director
 Experience and expertise: George is an experienced equity capital markets executive, having advised on the formation and execution of numerous transactions in emerging companies. George is currently a Director of Corporate Finance at Canaccord Genuity Australia and holds a Bachelor of Commerce from Curtin University. George was previously a Non-Executive Director of Gunsynd PLC (GUN.LSE).

Special responsibilities: None

2. Company Secretary

The company secretary is James Timothy Bahen.

3. Directors' Meetings

The number of meetings of Directors held during the financial period and the number of meetings attended by each Director was as follows:

Name	Number of meeting eligible to attend	Number of meetings attended
Mark Troy David (i)	-	-
Garret John Dixon (i)	-	-
Matthew Leo Freedman (i)	-	-
George Henry Miller Garnett (i)	-	-

(i) Appointed 13 May 2020

4. Principal Activities

The Company was incorporated on the 13 May 2020 for the primary purpose of acquiring Dynamic Drill and Blast Pty Ltd and seeking to list the business on the ASX.

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

5. Operating and financial review

Overview for the period

Highlights for the period were:

- The Company was incorporated on 13 May 2020 as Dynamic Drill and Blast Holdings Limited;

Shareholder returns

2020

Net loss for the period	\$(3,251)
Net assets	\$(2,945)

No information existed prior to 2020 because the Company was incorporated on 13 May 2020.

Investments for future performance

The Company is pursuing an initial public offering and admission to the Official List of the Australian Securities Exchange of Dynamic Drill and Blast Holdings Limited to raise funding to continue commercialisation of the business.

Review of financial condition

The Company had no cash at bank as at 31 May 2020 and is pursuing an initial public offering and admission to the Official List of the Australian Securities Exchange to secure additional funding.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company to the date of this report, not otherwise disclosed in this report.

6. Dividends

No dividends have been paid or declared since the start of the financial period and the Directors do not recommend the payment of a dividend in respect of the financial period.

7. Significant events after reporting date

Since the report date the following significant events have occurred:

- On 31 January 2020, the World Health Organisation (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. Because of the rapid increase in exposure globally, on 11 March 2020, the WHO classified the COVID-19 outbreak as a pandemic.

The full impact of the COVID-19 outbreak continues to evolve at the date of this report. The Company is therefore uncertain as to the full impact that the pandemic will have on its financial condition, liquidity, and future results of operations during 2020.

Management is actively monitoring the global situation and its impact on the Company's financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Company is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for the 2020 financial year.

Other than these matter, no matter have arisen since the end of the financial year to the date of this report of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations the Company, the results of those operations, or the state of affairs of the Company in future financial years.

8. Likely developments

The Company is pursuing a listing to continue commercialisation of Dynamic Drill and Blast Holdings Limited business.

9. Environmental legislation

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

10. Directors' interests

As at the date of this report, the interests of the Directors in the Company were:

	Face Value of Convertible Notes	Number of fully paid ordinary shares	Number of Performance Rights
Mark Troy David	-	8,333,333	-
Garret John Dixon	-	-	-
Matthew Leo Freedman	-	8,333,333	-
George Henry Miller Garnett	-	1,387,500	-

11. Share options

No options were issued during the period.

During or since the end of the financial period the Company has not issued any Shares as a result of the exercise of Options.

12. Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the directors and executive officers against all liabilities to another person (other than the Company or related body corporate) that may arise from their position as officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company has also agreed to indemnify the current Directors of its controlled entities for all liabilities to another person (other than the Company or related body corporate) that may arise from their position, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

13. Auditor Independence and Non-Audit Services

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' Report.

14. Non-Audit Services

The directors are of the opinion that the services as disclosed in Note 7 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

15. Proceedings on Behalf of the Company

There are no proceedings on behalf of the Company under section 237 of the Corporations Act 2001 in the financial period or at the date of this report.

Signed in accordance with a resolution of the Directors:



Mr Matthew Leo Freedman

Director

Perth, 24 June 2020

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF DYNAMIC DRILL & BLAST HOLDINGS LIMITED

As lead auditor of Dynamic Drill & Blast Holdings Limited for the period ended 31 May 2020, I declare that, to the best of my knowledge and belief, there have been:

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



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 24 June 2020

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MAY 2020

**1 Month to
31 May 2020**
\$

Revenue	-
Other income	-
Establishment expense	(3,251)
Listing fees	-
Finance costs	-
Profit/ (Loss) before income tax	(3,251)
Income tax expense	-
Profit/ (Loss) for the period	(3,251)
Other comprehensive income / (loss)	
<i>Items that may be reclassified to profit or loss:</i>	
- Nil	-
	-
Total comprehensive Profit/ (Loss) for the period	(3,251)

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2020

	Note	31 May 2020 \$
CURRENT ASSETS		
Cash and cash equivalents	2	-
Total Current Assets		-
NON-CURRENT ASSETS		
Investment in Subsidiary		306
Total Non-Current Assets		306
TOTAL ASSETS		306
LIABILITIES		
Trade and other payables		3,251
TOTAL LIABILITIES		3,251
NET ASSETS		(2,945)
EQUITY		
Issued capital	3	306
Accumulated losses		(3,251)
TOTAL EQUITY		(2,945)

The above statement of financial position should be read in conjunction with the accompanying notes

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MAY 2020

	Note	31 May 2020 \$
Cash flows from Operating Activities		
Payments to suppliers and employees		-
Interest received		-
Net cash (used in) operating activities		-
Cash Flows from Investing Activities		
Loans advanced		-
Net cash (used in) / investing activities		-
Cash Flows from Financing Activities		
Issue of Shares		-
Share Investments		-
Redemption of shares		-
Net cash (used in) / provided by financing activities		-
Net increase in cash held		-
Cash at incorporation		-
Cash at the end of the financial period	2	-

The above statement of financial position should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MAY 2020

	Issued Capital	Accumulated Losses	Share Based Payment Reserve	Total
	\$	\$	\$	\$
Balance at 13 May 2020 (incorporation)	1	-	-	1
Loss for the period	-	(3,251)	-	(3,251)
Total comprehensive loss for the period	-	(3,251)	-	(3,251)
<i>Transactions with owners in their capacity as owners:</i>				
Share redemption	(1)	-	-	(1)
Shares issued	306	-	-	306
Share issue expenses	-	-	-	-
Share based payments	-	-	-	-
Balance at 31 May 2020	306	(3,251)	-	(2,945)

The above statement of changes in equity should be read in conjunction with the accompanying notes

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Dynamic Drill and Blast Holdings Limited (the Company) is an Australian company incorporated on 13 May 2020 as Dynamic Drill and Blast Holdings Limited.

The principal activities of the Company was preparation for an initial public listing of the Australia Limited business.

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

New or amended Accounting Standards and Interpretations adopted

The company has not commenced operations during the financial period. The Company was incorporated on 13 May 2020 to acquire 100% of the issued shares in Dynamic Drill and Blast Pty Ltd. The Company also intends to undertake an initial public offer on the Australian Securities Exchange (ASX). All the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') are not applicable for the current reporting period.

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in paragraph (d).

(b) Going concern

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

As disclosed in the financial statements, the Company has not commenced trading and incurred a loss before income tax of \$3,251 and had no cash flows from operating activities for the Period Ended 31 May 2020. As at that date, the Company had net current assets of \$(3,251).

Prior to reporting date, on 31 January 2020, the World Health Organisation (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. Because of the rapid increase in exposure globally, on 11 March 2020, the WHO classified the COVID-19 outbreaks as a pandemic. These events are having a significant impact and recovery from the COVID-19 is unknown but it may have an impact on the Company's activities and potentially impact on being able to raise capital in an uncertain market.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION TO 31 May 2020 Dynamic Drill and Blast Holdings Limited

In context of this operating environment, the ability of the Company to continue as a going concern is depending on securing additional funding through debt or equity to continue to fund its operational activities. These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that there are reasonable grounds to believe that the Company will continue as a going concern, after consideration of the following factors:

- The company is pursuing an initial public offering to the Official List of the Australian Securities Exchange to raise funding to continue commercialisation of the business.
- In accordance with the Corporations Act 2001, the Company has plans to raise further working capital through the issue of equity during the financial year end 30 June 2021; and
- The Company continues to keep costs at a minimum in order to conserve cash reserves for the financial period ended 31 May 2020.

Accordingly, the Directors believe that the Company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements or raise additional capital through equity or debts raisings and that the financial reports does not include any adjustments relating to the recoverability and classification or recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern and meet its debts as and when they become due and payable. The directors plan to continue the Company's operations on the basis s outlined above and believe there will be sufficient funds for the Company to meet its obligations and liabilities for at least twelve months from the date of this report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Company is not able to continue as a going concern.

(c) Application of new and revised Accounting Standards

New, revised or amending Accounting Standards and Interpretations adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

(d) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION TO 31 May 2020 Dynamic Drill and Blast Holdings Limited

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(e) Trade and other payables

These amounts represent liabilities for services provided to the entity prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(f) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(g) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(h) Segment Reporting

The Company has yet to commence trading. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial results of the Company as a whole.

(i) Comparative Figures

There were no comparatives as the Company was incorporated in May 2020.

NOTES TO THE FINANCIAL STATEMENTS**FOR THE PERIOD FROM INCORPORATION TO 31 May 2020** Dynamic Drill and Blast Holdings Limited**31 May 2020**

\$

2. CASH AND CASH EQUIVALENTS

Cash at bank

-

-

31 May 2020

\$

3. ISSUED CAPITAL

Paid up capital – ordinary shares

306

Capital raising costs

-

306

(a) Ordinary shares**Number of
shares****\$****31 May 2020 movements in issued capital:**

Balance at inception

1

1

Share redemption

(1)

(1)

Shares issued

25,000,000

306

Share issue expenses

-

-

Balance at 31 May 2020

25,000,000

306

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote. The Company does not have authorised capital or par value in respect of its shares.

4. RELATED PARTIES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) The Company's related parties are as follows:**(i) Key management personnel ('KMP'):**

Any persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company are considered key management personnel.

(ii) Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION TO 31 May 2020 Dynamic Drill and Blast Holdings Limited

- (iii) There were no transactions or balances with KMP or Other related parties during the Period Ended 31 May 2020.

5. CONTROLLED ENTITIES

Controlled Entity	2020	Class	State of Incorporation	Investment at cost
Dynamic Drill & Blast Pty Ltd	100%	Ord	WA	306

The date of acquisition of the controlled entity was on 26 May 2020.

6. COMMITMENTS

The Company did not have any contractual commitments to capital expenditure not recognised as liabilities at 31 May 2020.

7. AUDITORS' REMUNERATION

Amounts received or due and receivable by the auditors for:

- Auditing or reviewing the financial report	-
- Other services	-
	<hr/>
	<hr/>

8. EVENTS AFTER THE REPORTING DATE

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial periods. The Directors note that the Company has plans to raise further working capital through the issue of equity during the financial year end 30 June 2020.

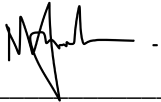
DIRECTORS' DECLARATION

In the directors' opinion:

- The attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes comply the International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- The attached financial statements and notes give a true and fair view of the entity's financial position as at 31 May 2020 and of its performance for the financial period ended on this date; and
- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Matthew Leo Freedman
Director

24 June 2020

INDEPENDENT AUDITOR'S REPORT

To the members of Dynamic Drill and Blast Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Dynamic Drill and Blast Holdings Limited (the Company), which comprises the statement of financial position as at 31 May 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Dynamic Drill and Blast Holdings Limited, is in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Company's financial position as at 31 May 2019 and of its financial performance for the period ended on that date; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

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

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

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors report, 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

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

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

A handwritten signature in dark ink, appearing to read 'Dean Just', is written over a faint, larger 'BDO' logo.

Dean Just

Director

Perth, 24 June 2020