XANTIPPE RESOURCES

ABN 56 123 102 974

(Formerly Peninsula Mines Limited)

# ANNUAL REPORT

# FOR THE YEAR ENDED 30 JUNE 2020

## CORPORATE DIRECTORY

### DIRECTORS

| | |
|---|---|
| Mr Phillip Jackson | Chairman |
| Mr Richard Henning | Managing Director |
| Mr Young Yu | Non-Executive Director |
| Mr Gregory Cunnold | Non-Executive Director |

### AUDITOR

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
PERTH WA 6000

**Company Secretary**
Mr Matthew Foy

### REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

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Fax: +61 8 9321 4692
Email: email@xantippe.com.au
Web Site: www.xantippe.com.au

### SHARE REGISTRY

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WEST PERTH WA 6872

### ASX CODE

XTC

## CONTENTS

# Chairman's Report

Dear Fellow Shareholders

Your Company has seen a dramatic change of direction in the past year, and notably has changed its name from Peninsula Mines Ltd to Xantippe Resources Ltd.

The name change reflects a change of direction. Xantippe acquired a company during the course of the year which held a number of options over an extensive array of tenements in the Southern Cross Greenstone Belt, largely between of the towns of Southern Cross and Marvel Loch.

The change in focus from Korea to Western Australia involved the consideration of a number of factors; the main one being that, although the previous focus on the development of high-grade flake graphite deposits and developing relationships with downstream end users had obvious merit, progress in the establishment of a maiden resource was proving difficult. Whilst maintaining ownership of the assets in Korea, the Directors chose to look for an exploration path closer to home and were successful in bidding for the Southern Cross project and raising the capital to acquire thar project.

Moving through the period of due diligence and negotiating the acquisition, with the associated capital raising, in an 8 week period before Christmas was a remarkable feat and we would particularly like to thank the team at Hartleys for their excellent work. Shareholder approval for the transaction in January enabled our maiden drilling programme to commence in March. Based on that, and with a resurgence of interest in gold exploration, the Company raised further capital in June (substantially over-subscribed) and we are now planning further drilling in the highly prospective Southern Cross region.

This year I welcomed the addition to the Board of Mr Gregory Cunnold, as non-executive Director. Mr Danny Noonan departed from the Board after a number of years of dedicated service.

I would like to thank our Korean staff who have worked in difficult times to maintain our asset base in country and I look forward to leading a team that is committed to increasing company value for both long-standing and new shareholders.

Phillip Jackson

Chairman

# REVIEW OF OPERATIONS

During the 2019/20 financial year ("FY 19/20"), Xantippe Resources Limited ("Xantippe" or "the Company") has focussed exploration efforts on its portfolio of exploration assets in Western Australia and Korea.

## Southern Cross Gold Project – Western Australia (100%)

The Southern Cross project is located in the Southern Cross greenstone belt mining region, which has historically produced around 15Moz gold, predominantly from the Marvel Loch and Southern Cross centres, which are in close proximity.

The Southern Cross Project consists of a package of 26 tenements covering a total landholding of approximately 175km$^2$. The tenement package is comprised of 20 prospecting licences and 6 exploration licences with each tenement highly prospective for gold.

The project area is serviced by sealed roads, grid power, scheme water, rail and town amenities. Minjar operates the Marvel Loch plant nearby and Ramelius Resources (ASX: RMS) operates the Edna May facility some 60 km to the west.

Based on historical results, the Company is confident the Southern Cross Project has good potential to yield a Mineral Resource in the medium term which will be attractive to either of two established mills in the vicinity.

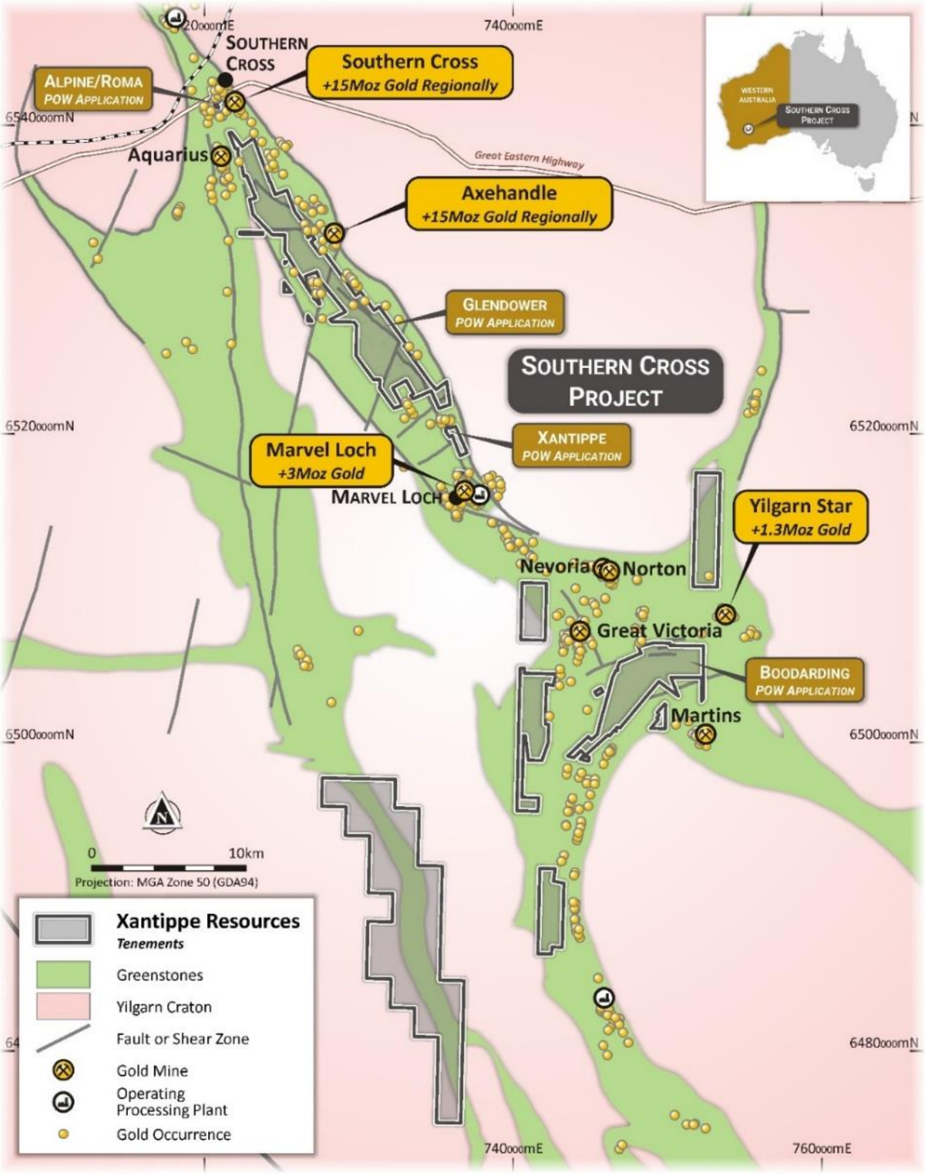


**Figure 1: Xantippe tenements within the Southern Cross Greenstone Belt**

Historical drilling shows wide zones of shallow high-grade gold mineralisation including:

***Glendower Prospect***

- **9m @ 28.41 g/t Au from 33m**, including **3m @ 81.15g/t Au**

***Boodarding Prospect***

- **3m @ 14.8 g/t Au from 94m**, including **1m @ 32.83 g/t Au**
- **3m @ 5.94 g/t Au from 63m**

***Xantippe Prospect***

- **5m @ 10.58 g/t Au from 19m**, including **1m @ 25.18 g/t Au**
- **12m @ 4.94 g/t Au from 38m**, including **1m @ 30.35 g/t Au**

***Alpine/Roma Prospect***

- **5m @ 3.30 g/t Au from 39m**, including **1m @ 12.70 g/t Au**
- **20m @ 1.59 g/t Au from 58m**

*The above results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors. The Competent Person considers these to be indicative of mineralisation and while they were gathered under then current industry standards, they are to be treated with appropriate caution.*

To this end, in February, XTC submitted a Programme of Works to DMIRS to enable a 16-hole drilling campaign centred around the Glendower, Xantippe and Treasury South areas located between the towns of Southern Cross and Marvel Loch.

**Xantippe**

A total of 6 holes for 618m (SXRC009-014) were completed at the Xantippe prospect. Drilling at Xantippe intersected a sequence of intensely sheared and altered mafic rocks (amphibolite) with zones of mineralisation including intersections of massive quartz veining, associated chlorite/sericite alteration and minor sulphides (pyrite/arsenopyrite) indicating that drilling had intersected a mineralised system of note. Several large pegmatites intruded the sequence. Along strike drilling is limited in this area, however mineralisation can be traced between holes over 100m and it remains open along strike.

Better results included (using a 0.5g/t cut off):

- SXRC0012 - 3m @ 2.74 g/t Au (within 8m @ 1.60 g/t)
- SXRC0013 - 3m @ 3.07 g/t Au

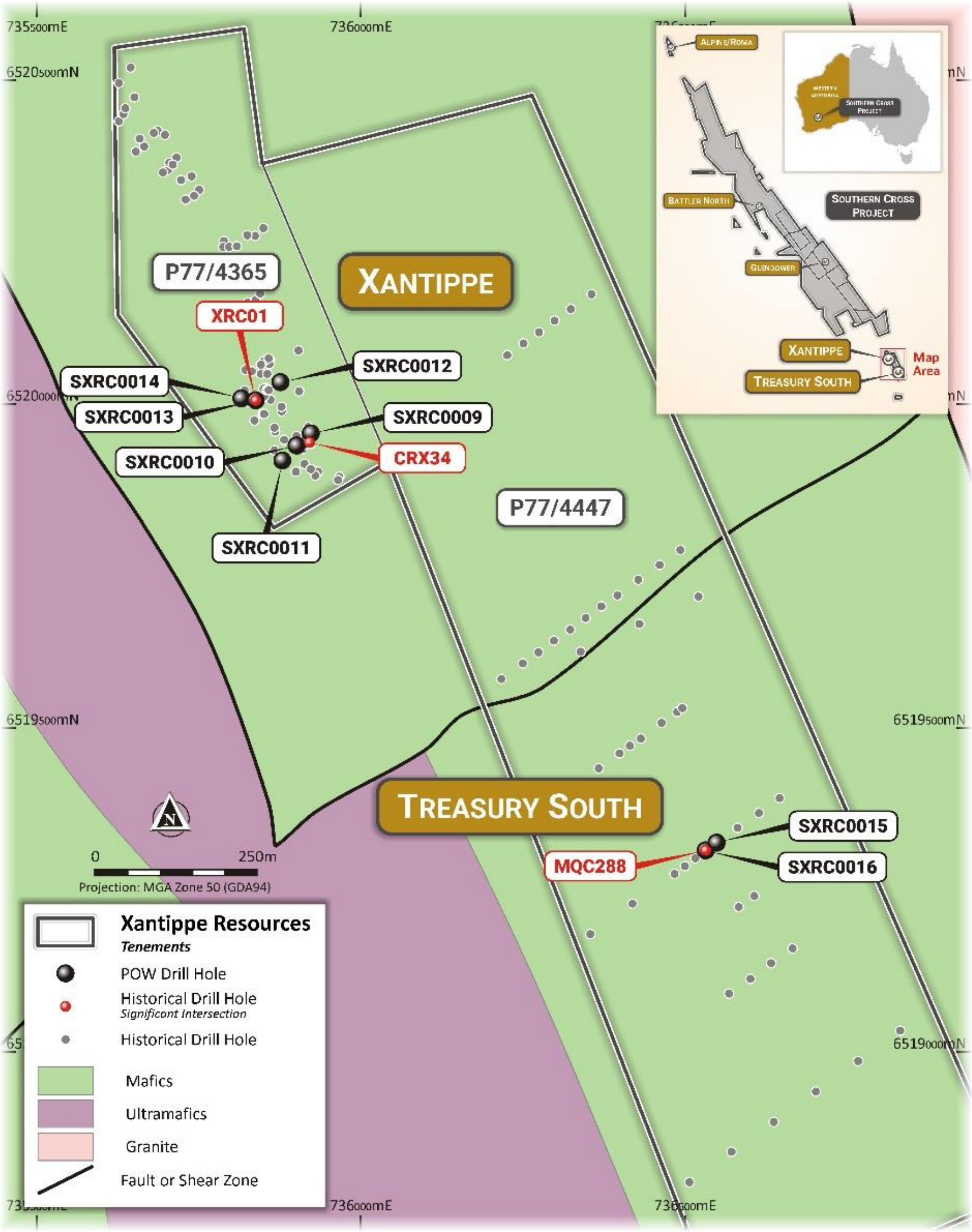


**Figure 2: Drill Hole Location Plan for Xantippe and Treasury South Prospects**

## Glendower

A total of 8 holes for 876m (SXRC001-008) were completed at Glendower. Drilling at Glendower intersected a sequence of largely massive mafic rocks including both amphibolite and basal rock types. Zones of moderate to strong alteration were encountered with mineralisation varying between 4-12m in width including minor sulphides (pyrite and arsenopyrite). There were significant intersections of massive quartz veining and associated chlorite/sericite alteration indicating that drilling had intersected a mineralised system of note. Mineralisation could be traced along strike for over 400m.

Better results included (using a 0.5g/t cut off):

- SXRC0001 - 1m @ 1.23 g/t Au
- SXRC0006 - 5m @ 0.87 g/t Au

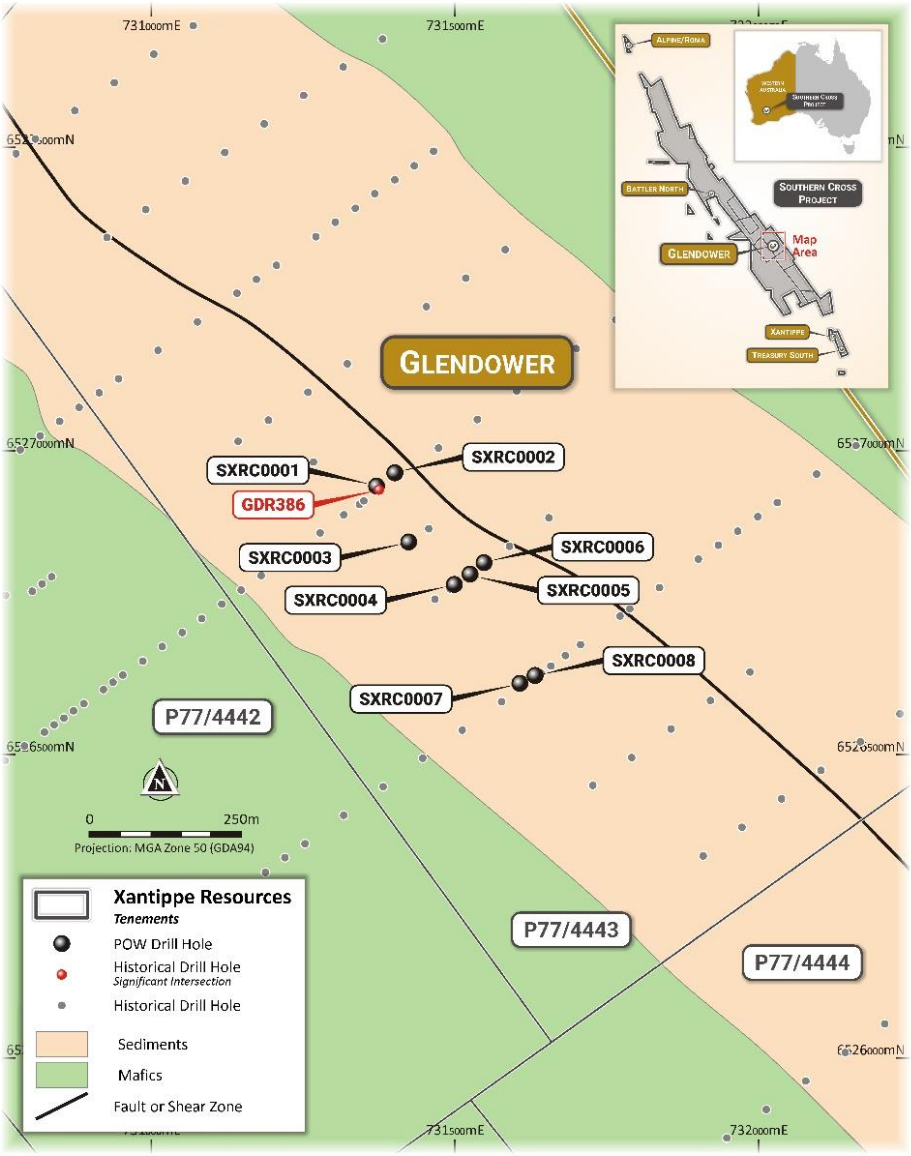


**Figure 3: Drill Hole Location Plan for Glendower Prospect**

### Treasury South

A total of 2 holes for 876m (SXRC015-016) were completed at Treasury South. The geology at Treasury South is less known and the drilling intersected a mafic sequence of fine to medium grained mafics (amphibolite). Several thin zones of pegmatite were also noted in these holes in addition to weak quartz and sulphide mineralisation up to 4m in width. Mineralisation in this area is open at depth.

### Phase 2 of exploration programme at Southern Cross

Following the maiden drilling programme, Xantippe commenced Phase 2 of its exploration program at Southern Cross during the June quarter with the objective of defining priority drill targets for the next phase of RC drilling that commenced in August 2020.

A Programme of Works (POW) for the drilling campaign, which will consist of up to 18 reverse circulation (RC) holes for a total ~3,000m to be drilled, has been approved by the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS).

The Phase 2 drilling programme will drill below previously drilled depths at Glendower and Xantippe prospects which have previously generated high-grade gold intersections, and look to expand the known mineralised zones of existing targets at Boodarding and Alpine/Roma prospects including:

- **Boodarding:** LKD391: **3m @14.8 g/t Au** from 94m (inc 1m @ 32.83 g/t Au)
  LKA247: **3m @ 5.94g/t Au** from 63m
- **Alpine/Roma** ALP10 - **5m @ 3.30g/t Au** from 39m (inc 1m @ 12.70g/t Au)
  RDH04 - **20m @ 1.59g/t Au** from 58m

At the **Boodarding** prospect, encouraging RAB and diamond results by previous explorers are supported by new geophysical interpretation of the folded metasediments and ultramafic rocks between the Ghooli and Parker granitic domes. Three holes have been planned here for 450m to test a structural dislocation in the vicinity of the historic drill results.

At the **Alpine/Roma** prospect, two holes have been planned for 300m to test structures associated with, and along strike from the Frasers and Golden Pig mines.

XTC will resume exploration of structures in the **Glendower** and **Xantippe** prospect areas at the centre of its holdings, with the strategy being to target favourable structures and lithology in areas under cover, where sparse historic shallow RAB drilling has returned anomalous results.

No historical exploration has occurred at the Glendower and Xantippe prospects below a depth of 100m.

Six holes for 1,000m are to be drilled at the convergence of a previously untested structural flexure and fault located in the western part of the Glendower group of tenements (P77/4443 and P77/4444).

These will target the lithological structures that host the Axehandle mineralisation further to the north. The structures and lithology have been interpreted from high-resolution magnetic data and are supported by encouraging shallow RAB drill results in the vicinity.

Seven holes are to be drilled in an area between the historic Xantippe and Glendower mines for 1,250m. These holes target a structural flexure in a banded iron formation that is known to host mineralisation at Marvel Loch, to the south.

**Acquisition Doubles Southern Cross Footprint**

Subsequent to the Period on 20 July the Company advised it had entered into an option agreement for the acquisition of 4 additional exploration licences (1 “live” and 3 currently “pending”) providing the Company with access to an additional 98.56km$^2$ of ground at its Southern Cross Gold Project in Western Australia. Further, the Company also lodged amalgamations over “ground available for mining” situated within the footprint of its exploration licences.

The acquisition has increased the XTC footprint within its Southern Cross tenement package to approximately 175km$^2$ and follows the signing of a variation to the binding agreement for the acquisition of a 100% interest in the Southern Cross tenement package (**Agreement**).

The additional tenements have been acquired as they have been identified as hosting many more high priority gold targets, and they are highly complementary to our existing tenements in the Southern Cross Gold Project.

Pursuant to the Agreement announced on 12 December 2019, Xantippe and West Australian Prospectors Pty Ltd have agreed that, subject to payment by Xantippe of an additional option fee of $85,000, the following additional licences are included in the original Agreement’s package of 22 tenements (for a new total of 26 tenements):

| Licence | Status | Region | Approx km$^2$ |
|---|---|---|---|
| E77/2609 | GRANTED | PARKER RANGE | 7.9 |
| E77/2694 | PENDING | NTH YILGARN STAR | 9.66 |
| E77/2695 | PENDING | WEST BURBIDGE | 2.14 |

| | | | |
|---|---|---|---|
| E77/2696 | PENDING | SOUTH WESTONIA BELT | 78.86 |
| AM0581545 | PENDING | CATHERINE MINE | 0.1 |

All other terms of the Agreement remain unchanged.

The XTC tenements now cover around 40km of linear strike of the Southern Cross Greenstone Belt, which has historically produced around 15Moz gold, predominantly from the Marvel Loch and Southern Cross centres, both of which are in operation to varying extents.

The Southern Cross Greenstone Belt is an elongated belt of altered intrusive and meta-sedimentary rocks with a strike length of about 300m. The belt has been metamorphosed to amphibolite and is complexly deformed by multiple phases of folding, shearing and faulting.

High quality government mapping is available for the Southern Cross region in both online and digital format. Regional geological mapping of this province at 1:250,000 scale was carried out by GSWA between 1973 and 1979.

Limited ground exploration activity has been conducted at Southern Cross since 2005.

Gold mineralisation in the belt can be categorised into two distinct styles: shear hosted and vein deposits. Most gold deposits in the Southern Cross Greenstone Belt are located at contacts between different rock types or are controlled by shear zone networks.

## Korea Resources Ltd (100%)

South Korea is one of the world's largest producers of lithium-ion batteries, but obtains downstream graphite products predominately from China. The Korea Graphite Company has identified the opportunity to mine and process graphite to supply to end-users in Korea.

Xantippe holds exploration rights over five graphite projects in Korea through its wholly owned subsidiary Korea Graphite Company Ltd (**KGCL**) (Figure 4). Due to COVID-19 restrictions both in Australia and Korea, there was little exploration activity of any significance in Korea during the second half of the year. A renewal of Yongwon (Eumseong 32-1) tenement was successfully completed as of 30 June 2020. KGCL is able to retain the tenement for the next three years.

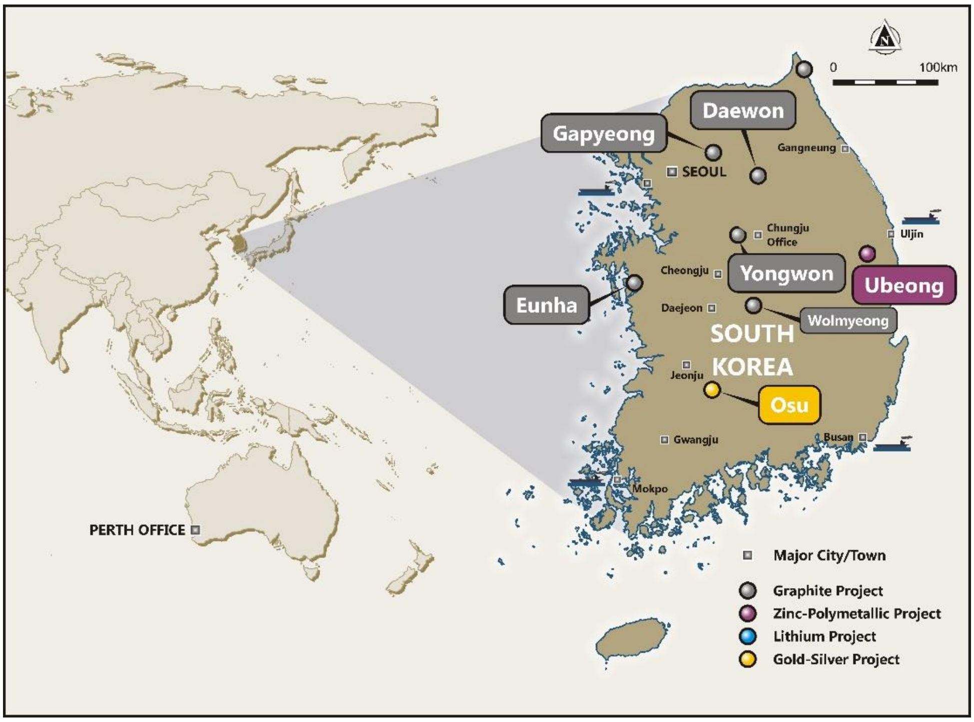


**Figure 4: Xantippe South Korean Project Locations**

**Flake Graphite Projects**

KGCL flake graphite projects, namely Gapyeong, Eunha, Daewon and particularly Yongwon, continued progress on the following basis:

- Each project has flake graphitic units mapped over a strike of more than 1km and approximately 10m wide
- Metallurgical and petrographic analysis confirmed the suitability of the flake graphite for spherical graphite production
- Each has undergone detailed ground electromagnetic (EM) surveys and trenching.

Exploration targets have been defined for the Yongwon and Daewon Projects, with resource diamond drilling having so far been conducted at Gapyeong (Q3, 2019).

**Gapyeong Flake Graphite Project**

Xantippe's Gapyeong Project, located 50km east of Seoul, includes flake-graphite mineralised marble units defined by ground electromagnetic (EM) surveys, surface mapping and sampling, as well as diamond drilling and trenching.

During the period, 3 holes were drilled to test the southern extent of the Gapyeong structure. Drilling on the northern two sections identified two deeper graphitic horizons. These included intercepts of 1.98m (1.8m true width (**TW**)) at 4.1% TGC and 2.95m (2.0m TW) at 9.8 TGC% & 2.55m (1.8m TW) at 5.9% TGC. The drilling confirmed the northerly plunge to the Gapyeong synform with the keel of the main graphite horizon daylighting just south of the southernmost trench.

The drill programme was supported by KORES who provided direct funding towards the cost of the drilling and met approximately 50% of the overall cost of the drill programme. All three holes were extended beyond their original planned depth with a total 397m of drilling completed.

The southernmost hole passed below the keel of the interpreted synform and failed to intersect any graphite mineralisation.

The 2019 drill programme was designed to test the southern extent of the Gapyeong structure and to identify the depth extent of the main synformal fold structure that was previously sampled in the 2018 surface trenching programme.

The graphite mineralisation occurs within a skarnified limestone sequence. In both holes, a number of faults were observed that have disrupted the easterly dipping graphite horizons and have caused a series of fault repeats of the two deeper graphitic horizons.

Graphite mineralisation has now been confirmed by drilling and surface trenching and additional outcrops have recently been identified further to the north. These outcrops lie on the company's adjacent Gapyeong 124-4 tenement where the graphite structure is offset to the east across the southwest-northeast trending Geumdaeri Fault.

**Yongwon Flake Graphite Project**

Drill access arrangements are still under negotiation with further work planned.

**Wolmyeong Graphite Project**

The Wolmyeong amorphous graphite deposit, formerly the largest graphite mine in Korea, has significant potential to supply the Korean steel industry. A more detailed review of the Wolmyeong project and its potential is underway.

**Ubeong Zinc-Lead-Copper Project**

Historically mined, mineralised skarn near the active Keumho Zinc-Lead Mine had seen no systematic, modern exploration prior to Xantippe securing the project. The work has included detailed mapping, ground magnetic surveys, induced polarisation (IP), systematic soil sampling and diamond drilling to define exploration targets.

The compiled results, including historic Korea Mineral Promotion Corporation (KMPC now KORES) drill intercepts of **7.0m (4.0m TW) @ 14.58% Zn, 1.37% Pb and 2.12% Cu** from Ilweol in the Project's south. The high-grade base metal mineralisation is associated with pyrrhotite and these high-grade zones appear as magnetic highs along the northwest-southeast trending locally skarnified Ilweol structure.

Xantippe is presently in negotiation with a number of prospective partners to advance the Ubeong Project. Unfortunately, this has been delayed due to the inability of arranging site visits as a result of CORID-19 restrictions.

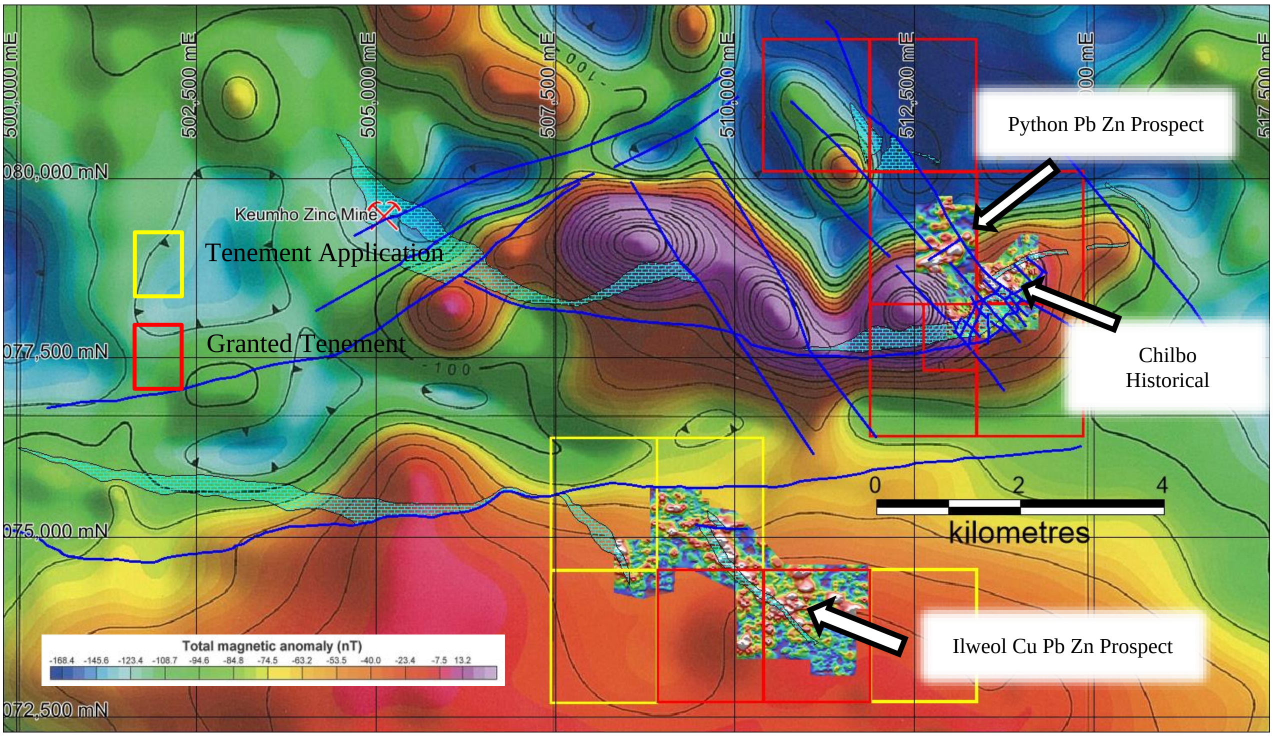


**Figure 5: Ubeong Project TMI detailed ground magnetics imagery over TMI regional aeromagnetics, mapped skarn-limestone and structural geology, tenements, and rock chip and soil sampling**

**Osu Gold Project**

A number of historical underground mines on the flanks of Mount Palgong historically exploited a mineralised zone over 1.2km strike. Xantippe secured the ground and conducted diamond drilling below the historical workings (completed Q4 2018) and trenching across the 30m wide surface expression of mineralised sheet veining. This work has confirmed the continuity of the high-grade gold-silver mineralisation both at surface and at depth.

**Forward looking Statements**

*This report contains certain forward-looking statements. These forward-looking statements are not historical facts but rather are based on Xantippe Resources Ltd current expectations, estimates and projections about the industry in which Xantippe Resources Ltd operates, and beliefs and assumptions regarding Xantippe Resources Ltd future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond* *the control of Xantippe Resources Ltd, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Xantippe Resources Ltd cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Xantippe Resources Ltd only as of the date of this report. The forward-looking statements made in this report relate only to events as of the date on which the statements are made. Xantippe Resources Ltd does not undertake any obligation to report publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this report except as required by law or by any appropriate regulatory authority.*

**Competent Persons Statements**

*The information in this announcement that relates to exploration results at the Southern Cross Gold Project is based upon information compiled by Mr Jeremy Peters, of Burnt Shirt Pty Ltd. Mr Peters is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and Chartered Professional Mining Engineer and Geologist of that organisation and 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 December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Peters consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears. Additionally, Mr Peters confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.*

*The historical exploration results relating to the Southern Cross Project reported in this announcement are based on, and fairly represent, information and supporting documentation prepared by Mr Jeremy Peters, FAusIMM CP (Mining, Geology). Mr Peters is a geologist and mining engineer and is an employee of Burnt Shirt Pty Ltd and has extensive professional experience with the geology of the Western Australian Goldfields. Mr Peters consents to the form and context in which the historical exploration results are presented in this announcement.*

*Mr Peters cautions that these results are historical in nature and may not have been reported in accordance with the JORC Code or its predecessors. Mr Peters is satisfied that these results were collected in accordance with then-current industry standards and while not definitive, are indicative of the tenor and nature of mineralisation present.*

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves in projects in South Korea is based on information compiled by Mr Daniel Noonan, a Member of the Australian Institute of Mining and Metallurgy. Mr Noonan 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, Mineral Resources and Ore Reserves'. Mr Noonan consents to the inclusion in the report of the matters based on this information in the form and context in which it appears. Additionally, Mr Noonan confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report*

# DIRECTORS' REPORT

Xantipppe Resources Ltd (**"the Company" or "Xantippe"**) is a public company incorporated and domiciled in Australia and listed on the Australian Securities Exchange. The registered office of the Company is located at Suite 2, Level 2, 20 Kings Park Road, West Perth, Western Australia.

The Directors of the Company present their report on the group, which comprises Xantippe Resources Limited and its controlled entities, for the year ended 30 June 2020.

## DIRECTORS AND EXECUTIVES

The names and details of the Directors of Xantippe Resources Limited during the financial year and up to the date of this report are:

**Chairman**
**Mr Phillip Sidney Redmond Jackson** BJuris, LLB, MBA, FAICD

Phillip Jackson, the Chairman and a Director of the Company, is a barrister and solicitor with over 25 years legal and international corporate experience, especially in the areas of commercial and contract law, mining law and corporate structuring. He has worked extensively in the Middle East, Asia and the United States of America. In Australia he was formerly a managing legal counsel for a major international mining company, and in private practice specialised in small to medium resource companies. Phillip was managing region legal counsel: Asia Pacific for a leading oil services company for 13 years. He was General Counsel for a major international oil and gas company. Phillip has been Chairman of Aurora Minerals Limited since it listed in June 2004 and Chairman of Predictive Discovery Limited since December 2014. Phillip is also a non-executive director of listed company Scotgold Resources Limited.

**Managing Director**
**Mr Richard Henry Henning** BSc
Graduating from Queens University, Belfast, Richard worked as a geologist in Australia, the UK and Canada before moving into the industry of technology transfer and commercialisation. After a period in venture capital, he joined Extract Resources, a company with uranium assets in Namibia and then Stonehenge Metals as Managing Director and Chairman.

Richard has extensive experience of working in Korea and other parts of Asia, particularly Myanmar where he is Chairman of Burma Mining Corporation.

**Non-Executive Director**
**Mr Young Chan Yu,** B. Bus, MBA, CPA

Young is a professional business adviser with private and public sector experience in finance, consulting, trade, mining, energy resources and international business in both Australia and Korea. Young specialises in international business development, cross cultural communication and stakeholder engagement advice between Australian and Korean organisations.

Young represented both West Australian and Australian governments in Korea as a Regional Director and Trade Commissioner during 2004 and 2012. Young was a National Leader of Korean Services Group at Deloitte Australia for four years from 2015-2019. Young is currently a Chairman of Asia Business Council of WA and a board member of Australia Korea Business Council in WA; Managing Director of MGM O'Connor Corporate Advisory.

**Non-Executive Director** (appointed 5 February 2020)
**Mr Gregory Cunnold** BSc, MAIG

Mr Cunnold is a geologist with over 25 years' experience in the international exploration industry. His expertise extends from project definition and acquisition, through grass roots exploration and delineation, to resource definition and bankable feasibility.

Mr Cunnold holds a Bachelor of Science (Geology) from the University of Western Australia. He is also a member of the Australian Institute of Geoscientists (MAIG) and the Australian Institute of Mining and Metallurgy (AusIMM).

**Non-Executive Director** (resigned 16 October 2019)
**Mr Daniel James Noonan** BSc (Hons) MAusIMM

Danny is a geologist and has extensive experience in the fields of mining and exploration across several jurisdiction including Australia, Korea, Mexico and India. He has performed in operational roles in a range of base metal and gold mines. In addition, Danny has managed drill-outs of large gold and base metal deposits. Danny is currently Xantippe's In Country Manager of the Company's projects in South Korea. Danny has been with the Company since the purchase of the South Korean assets in May 2013.

**Company Secretary**

**Mr Matthew Foy** (Appointed 1 June 2020)
Matthew Foy was appointed company secretary on 1st June 2020. An active member of the WA State Governance Council of the Governance Institute Australia, he has over 13 years of experience working with ASX listed companies.

**Mr Eric Gordon Moore** (Resigned 31 May 2020)
Eric (Ric) Moore was Xantippe's General Manager since its foundation and was appointed as Company Secretary in July 2012. He has held senior managerial positions in a number of resource companies during the past 30 years and prior to joining Xantippe was Company Secretary of a public listed company between 1996 and 2005. Ric is also Company Secretary of Aurora Minerals Limited and Predictive Discovery Limited.

**Mr Bruce David Waddell** (Resigned 31 May 2020)
Bruce Waddell was appointed as additional Company Secretary on 21 August 2017. A member of CPA Australia, he has over 25 years accounting and administration experience in the resources industry. Bruce is also Company Secretary of Aurora Minerals Limited and Predictive Discovery Limited.

## PRINCIPAL ACTIVITIES

The principal activity of the group is exploration in the Southern Cross region of Western Australia and assessing, and if appropriate, acquiring exploration and mine development projects worldwide.

## OPERATING RESULTS

The consolidated loss of the group for the financial year after providing for income tax amounted to $2,803,479 (2019: $1,766,202).

## FINANCIAL POSITION

The net assets of the group at 30 June 2020 were $1,768,330 (2019: $379,063). At year end, the group had $1.8 million net cash (2019: $0.65 million).

## DIVIDENDS

No dividends were paid during the year and the directors do not recommend the payment of a dividend.

## SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Company.

**MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR**

On the 11 August 2020, it was announced that Xantippe issued 30,000,000 options to directors exercisable at 0.4c expiring 11 August 2023.

On the 12 August 2020, it was announced that Xantippe has completed the issue of 55,555,556 ordinary shares at $0.0018 to raise $100,000 subscribed for by the directors (Directors Placement) and; 374,999,998 attaching options exercisable at 0.5c expiring 11 August 2022 (attaching options), were issued to subscribers of the placement of ordinary shares on 12 June 2020 on a 1-for-2 basis.

No matters or circumstances have arisen after the end of the financial year which significantly affected or could significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

**REVIEW OF OPERATIONS**

Refer to the Operations Report commencing on Page 4 of this Report.

## Corporate

**Acquisition of South Cross Gold Project**

On 22 January 2020, at a General Meeting of Shareholders, the Company formalised a binding agreement to acquire the Southern Cross Project.

In consideration for 100% of the issued capital of Slipstream ICP Pty Ltd, the holders of the tenement package, the Company agreed to pay a $25,000 deposit on execution of the Terms Sheet, to issue the Vendors with 769,230,769 new shares in the Company at a deemed issue price of $0.0013 per share, and a $75,000 cash payment on completion.

The announcement on 12 December 2019 included a statement that it had received binding commitments for a placement to raise up to $2.0m to fund the acquisition and initial exploration of the Southern Cross Project. On 18 December 2019 the Company issued 152,530,000 shares at $0.0013 per share (Tranche 1) utilising its capacity under ASX Listing Rule 7.1. On 30 January 2020 the Company issued a further 1,385,931,550 shares at $0.0013 per share (Tranche 2) and 769,230,769 Consideration shares to the Vendors, having been approved by Shareholders at the General Meeting.

At the General Meeting on 22 January 2020, shareholders also approved the change of Company name from Peninsula Mines to Xantippe Resources.

Subsequent to the Period on 20 July the Company advised it had entered into a further option agreement for the acquisition of 4 additional exploration licences (1 "live" and 3 currently "pending") providing the Company with access to an additional 98.56km$^2$ of ground at its Southern Cross Gold Project in Western Australia. Further, the Company also lodged amalgamations over "ground available for mining" situated within the footprint of its exploration licences.

Pursuant to the Agreement announced on 12 December 2019, Xantippe and West Australian Prospectors Pty Ltd have agreed that, subject to payment by Xantippe of an additional option fee of $85,000, the following additional licences are included in the original Agreement's package of 22 tenements (for a new total of 26 tenements):

| Licence | Status | Region | Approx km$^2$ |
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| E77/2609 | GRANTED | PARKER RANGE | 7.9 |
| E77/2694 | PENDING | NTH YILGARN STAR | 9.66 |
| E77/2695 | PENDING | WEST BURBIDGE | 2.14 |
| E77/2696 | PENDING | SOUTH WESTONIA BELT | 78.86 |
| AM0581545 | PENDING | CATHERINE MINE | 0.1 |

**$1.25 Million Placement Completed to Accelerate South Cross Exploration**

During the period Xantippe completed a share placement of $1.25 million (before costs) to support ongoing exploration activities as its Southern Cross Gold Project (**Placement**). Hartleys Limited acted as Lead Manager to the Placement which was significantly over-bid, attracting a number of new investors, as well as being supported by a number of existing Xantippe shareholders.

The Company issued 694,444,440 fully paid ordinary shares in the Company at an issue price of $0.0018 to institutional and sophisticated investors in Australia and overseas, raising approximately $1.25 million (before costs).

The Directors of Xantippe also subscribed for $25,000 each (for a total of $100,000) on the same term as the Placement and approved by shareholders at a meeting on 29 July 2020.

The Placement was completed within the Company's available capacity under ASX Listing Rules pursuant to Listing Rule 7.1 (361,988,000 shares) and 7.1A (332,456,440 shares), with no requirement for shareholder approval. In addition, shareholder approval will be sought to issue investors in the Placement with one (1) attaching option for every two (2) shares subscribed in the Placement, each having an exercise price of $0.005 each and expiry date of 2 years from the date of issue.

**Battery Minerals Resources Merger**

During the period, Xantippe announced the merger of its wholly owned Korean subsidiary, Korea Graphite Company Limited (KGCL), with the Korean subsidiary of Battery Mineral Resources Limited (BMR) to form a new company, 45% XC and 55% BMR owned. The proposed merger would have enabled both companies to maximise their strategic advantage, applying Xantippe's operational expertise to the BMR more advanced project. However, changes to the corporate management of BMR and their subsequent receivership effectively determined the original agreement null and void. Discussions with the new management at BMR continue.

**MEETINGS OF DIRECTORS**

The following table sets out the number of meetings of Directors held during the financial year ended 30 June 2020 and the number of meetings attended by each Director:

| Director | Full Board Meetings | | Meetings by Circular Resolution | |
|---|---|---|---|---|
| | Number Attended | Number Eligible to Attend | Number Attended | Number Eligible to Attend |
| Phillip Jackson | 5 | 5 | 12 | 12 |
| Richard Henning | 5 | 5 | 12 | 12 |
| Danny Noonan[1] | 1 | 1 | - | - |
| Young Yu | 4 | 5 | 12 | 12 |
| Gregory Cunnold [2] | 2 | 2 | 7 | 7 |

1.Resigned 16 October 2019
2. Appointed 5 February 2020

## REMUNERATION REPORT (Audited)

### Board policy

The objective of the Company's remuneration policy for key management personnel is to ensure reward for performance is appropriate for the results delivered. The policy is designed to ensure that the following key criteria for good governance practices are followed:

- Acceptability to shareholders
- Transparency
- Capital management

*Company performance, shareholder wealth and key management personnel remuneration*
The remuneration policy has been tailored to increase goal congruence between shareholders and key management personnel by the issue of options to the key management personnel to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth.

The constitution of the Company provides that the non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by the Company in a general meeting. The Company has entered into separate Consulting Agreements with each of the Directors and pays Directors' fees as additional remuneration to the non-executive Directors.

A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

**REMUNERATION REPORT (audited)** ***(continued)***

**Terms and Conditions of Engagement** (as at the date of this report):

| Name | Role | Associated Company | Date of Agreement | Date last Modified | Current Annual Consulting Fee | Notice Period Required from Company | Notice Period Required from Consultant | Termination Fees Payable |
|---|---|---|---|---|---|---|---|---|
| **Directors** | | | | | | | | |
| Richard Henning | Managing Director | Expertec Pty Ltd | 11 Jan 2019 | 11 Jan 2019 | $236,520 | 3 months | 3 months | $59,130 |
| Phillip Jackson | Chairman | Holihox Pty Ltd | 13 April 2010 | 16 Feb 2018 | $30,000 | 6 months | 6 months | $15,000 |
| Gregory Cunnold(i) | Non-Executive Director | - | 5 Feb 2020 | 5 Feb 2020 | $30,000 | - | - | - |
| Young Yu(ii) | Non-executive Director | JLC Corporation Pty Ltd | 11 Jan 2019 | 11 Jan 2019 | $30,000 | - | - | - |
| **Specified Executives *** | | | | | | | | |
| E Moore(iii) | Company Secretary | | 11 June 2007 | 01 April 2018 | $19,200 | - | - | - |
| B Waddell(iv) | Group Accountant/ Company Secretary | Adelphi Resources Pty Ltd | 28 Mar 2010 | 01 Dec 2018 | $60,000 | 3 months | 3 months | $15,000 |
| Matthew Foy(v) | Company Secretary | FT Corporate Pty Ltd | 20 May 2020 | - | $36,000 | 1 month | 1 month | $3,000 |

(i) The Company entered into a contract with G Cunnold on 5th February 2020, for a term of 12 months from 18 February 2020 to 18 February 2021 for additional consulting services. The contract is for $5,000 per month for the provision of advice in relation to exploration and technical operations as required.
(ii) Young Yu additional consulting services, the agreement expired on the 28 Feb 2020 and was not renewed.
(iii) E Moore resigned as company secretary on the 31 May 2020.
(iv) B Waddell resigned as company secretary on the 31 May 2020.
(v) Matthew Foy was appointed as company secretary on the 1 June 2020.

* Specified executives are not key management personnel as defined by Accounting Standard AASB 124

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

**REMUNERATION REPORT (audited)** ***(continued)***

### (a) Principles used to determine the nature and amount of remuneration

The nature and amount of remuneration paid to key management personnel has been determined by reference to the services provided, prevailing market rates and with the objective of retaining their services.

Key management personnel are not directly remunerated by way of salary. The Company entered into agreements with entities related to key management personnel for the provision of their services to the group. Details of these agreements are set out within the remuneration report which is contained in the directors' report.

### (b) Details of remuneration

The remuneration of the key management personnel, being the Directors, and other specified executives is summarised below.

No salaries, fees, commissions, bonuses, superannuation or other form of remuneration were paid or payable to key management personnel during the year other than fees, shares and options paid to companies associated with the directors, in terms of consulting agreements, as follows:

| 2020 | Short-term Benefits | | Long Term Benefits | | Other Benefits | Total | Represented by Equity |
|---|---|---|---|---|---|---|---|
| | Fees Paid to Associated Entity | Salary | Equity | Super | | | |
| | $ | $ | $ | $ | $ | $ | % |
| **Directors** | | | | | | | |
| R Henning | 236,520 | - | - | - | - | 236,520 | - |
| P Jackson | 30,000 | - | - | - | - | 30,000 | - |
| D Noonan(i) | 15,844 | - | - | - | - | 15,844 | - |
| G Cunnold(ii) (vi) | - | 31,255 | - | 2,969 | - | 34,224 | - |
| Y Yu (v) | 70,000 | - | - | - | - | 70,000 | - |
| **Specified Executives*** | | | | | | | |
| E Moore(iii) (iv) | 10,715 | - | - | - | - | 10,715 | - |
| B Waddell(iv) | 60,000 | - | - | - | - | 60,000 | - |
| | **423,079** | **31,255** | **-** | **2,969** | **-** | **457,303** | |

(i) Resigned 16 October 2019
(ii) Appointed 5 February 2020
(iii) E Moore was paid under a contract jointly with Aurora Minerals Limited and Xantippe Resources Limited
(iv) Resigned 31 May 2020
(v) Young Yu was paid non-executive directors fees of $30,000 and consultancy fee of $40,000
(vi) Gregory Cunnold was paid non-executive directors fees of $11,100 exclusive of super and a consultancy fee of 20,155 exclusive of super

* Specified executives are not key management personnel as defined by Accounting Standard AASB 124

## REMUNERATION REPORT (audited) *(continued)*

| 2019 | Short-term Benefits | | Long Term Benefits | | Other Benefits | Total | Represented by Equity |
|---|---|---|---|---|---|---|---|
| | Fees Paid to Associated Entity | Salary | Equity (i) | Super | | | |
| | $ | $ | $ | $ | $ | $ | % |
| **Directors** | | | | | | | |
| R Henning(ii) | 109,359 | - | 12,270 | - | - | 121,629 | 10.1 |
| P Jackson | 30,000 | - | - | - | - | 30,000 | - |
| D Noonan | 186,443 | - | 15,035 | - | - | 201,478 | 7.5 |
| Y Yu(ii) | 13,951 | - | 33,920 | - | - | 47,871 | 70.9 |
| J Dugdale(iii) | 194,022 | - | 15,035 | - | - | 209,057 | 7.2 |
| M Pyle(iii) | 2,500 | 14,509 | - | 1,378 | - | 18,387 | - |
| **Specified Executives*** | | | | | | | |
| E Moore(iv) | 23,768 | - | - | 2,258 | - | 26,026 | - |
| B Waddell | 50,000 | - | 5,011 | - | - | 55,011 | 9.1 |
| | **610,043** | **14,509** | **81,271** | **3,636** | **-** | **709,459** | |

(i) Long Term Benefits – Equity includes options granted and vested during the year and includes $20,000 consulting fees to Y Yu, which are to be compensated with shares, unissued at the date of this report
(ii) Appointed 14 January 2019
(iii) Resigned 14 January 2019
(iv) E Moore is paid under a contract jointly with Aurora Minerals Limited and Xantippe Resources Limited
* Specified executives are not key management personnel as defined by Accounting Standard AASB 124

The Company has not entered into any agreements to remunerate consultants on the basis of performance.

### (c) Shares issued as remuneration

No shares were issued as remuneration during the period to the key management personnel or specified executives. As Director Young Yu had accrued $20,000 in consulting services for the Financial year 2019 and this was issued in September 2019.

### (d) Compensation options

**Options granted as compensation**

There were no options granted to Directors and Specified Executives in the year ended 30 June 2020.

## REMUNERATION REPORT (audited) *(continued)*

### (e) Additional disclosures relating to key management personnel

#### (i) Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel, including their personally related parties, is set out below:

| | Opening Balance | Purchased | Sold | Converted from Options | Net Change Other (i) | Closing Balance |
|---|---|---|---|---|---|---|
| **2020** | | | | | | |
| **Directors** | | | | | | |
| R Henning | 10,000,000 | 19,230,800 | - | - | - | 29,230,800 |
| P Jackson | 14,818,677 | - | - | - | - | 14,818,677 |
| D Noonan (iv) | 18,500,000 | - | - | - | (18,500,000) | - |
| G Cunnold (i) (ii) | - | - | - | - | 384,615,384 | 384,615,384 |
| Y Yu | 20,000,000 | 13,230,800 | - | - | - | 33,230,800 |
| **Specified Executives*** | | | | | | |
| E Moore (iii) | 3,163,378 | - | - | - | (3,163,378) | - |
| B Waddell (iii) | 3,200,000 | - | - | - | (3,200,000) | - |

(i) Shares held at date of appointment/resignation

(ii) Appointed on the 5 February 2020

(iii) Resigned on 31 May 2020
(iv) Resigned 16 October 2019

* Specified executives are not key management personnel as defined by Accounting Standard AASB 124

#### (ii) Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel, including their personally related parties, is set out below:

| | Opening Balance | Received as Remuneration | Purchased | Options Expired | Net Change Other (i) | Closing Balance |
|---|---|---|---|---|---|---|
| **2020** | | | | | | |
| **Directors** | | | | | | |
| R Henning | 9,000,000 | - | - | - | - | 9,000,000 |
| P Jackson | 3,166,666 | - | - | (750,000) | - | 2,416,666 |
| D Noonan (ii) | 16,200,000 | | | (3,000,000) | (13,200,000) | - |
| G Cunnold (iv) | - | - | - | - | - | - |
| Y Yu | 9,000,000 | - | - | - | - | 9,000,000 |
| **Specified Executives*** | | | | | | |
| E Moore (iii) | 1,200,000 | - | - | (600,000) | (600,000) | - |
| B Waddell (iii) | 4,200,000 | - | - | (1,600,000) | (2,600,000) | - |

(i) Net Change Other – Options held at date of resignation.
(ii) Resigned 16 October 2019
(iii) Resigned 31 May 2020
(iv) Appointed on the 5 February 2020

* Specified executives are not key management personnel as defined by Accounting Standard AASB 124

## REMUNERATION REPORT (audited) *(continued)*

**(iii) Other transactions with key management personnel and their related parties**

Aurora Minerals Limited, a company of which P Jackson is a director provided office facilities and overheads to Xantippe to the value of $55,307 (2019: $34,833) by means of a Facilities agreement. At 30 June 2020, Trade creditors of $25,720 (2019: $20,347) includes facilities charges.

Mr E Moore Provides company secretarial and administrative services to Xantippe under a contract that is jointly with Xantippe and former associate Aurora Minerals Limited. Mr Moore was paid a total of $28,660 by Aurora, of which $10,715 was allocated and charged to Xantippe.

Mr Young Yu provided consulting services to Xantippe from July to February 2020 for an amount of $40,000. The agreement expired in February 2020 and was not renewed.

Mr Gregory Cunnold provided consulting services under an agreement entered on 18 February 2020. The total paid as consulting fees for this Financial year is $20,155 exclusive of super.

**Additional information**

The table below shows the performance of the Company as measured by earnings and share price:

| | 2020 $ | 2019 $ | 2018 $ | 2017 $ | 2016 $ |
|---|---|---|---|---|---|
| Total comprehensive loss for the year | (2,803,479) | (1,766,202) | (2,633,311) | (2,477,080) | (1,044,794) |
| Basic and diluted loss per share | (0.0014) | (0.0021) | (0.0042) | (0.0050) | (0.0036) |
| Share price at 30 June | 0.002 | 0.002 | 0.008 | 0.023 | 0.027 |

**END OF REMUNERATION REPORT (AUDITED) **

## PARTICULARS OF DIRECTORS' INTERESTS IN SHARES IN THE COMPANY

The relevant interest of each Director in the share capital of the Company at the date of this report is as follows:

| | Ordinary Shares Fully Paid | | Unlisted Options | |
|---|---|---|---|---|
| | Direct | Indirect | Direct | Indirect |
| R Henning | 43,119,689 | - | 29,944,445 | - |
| P Jackson | 28,707,566 | - | 14,944,445 | - |
| Y Yu | 47,119,689 | - | 23,944,445 | - |
| G Cunnold | 398,504,723 | - | 6,944,445 | - |

## SHARE OPTIONS

Options to take up ordinary fully paid shares in the Company at the date of this report are as follows:

| Number of Options | Listed/Unlisted | Grant Date | Exercise Price | Expiry Date |
|---|---|---|---|---|
| 16,000,000 | Unlisted | 09 Nov 18 | $0.015 | 09 Nov 20 |
| 3,000,000 | Unlisted | 29 Nov 16 | $0.0834 | 29 Nov 20 |
| 6,300,000 | Unlisted | 29 Nov 16 | $0.0568 | 29 Nov 20 |
| 17,000,000 | Unlisted | 09 Nov 18 | $0.024 | 09 Nov 21 |
| 3,000,000 | Unlisted | 13 June 19 | $0.007 | 13 June 21 |
| 3,000,000 | Unlisted | 13 June 19 | $0.01 | 13 June 22 |
| 3,000,000 | Unlisted | 13 June 19 | $0.015 | 13 June 23 |
| 3,000,000 | Unlisted | 13 June 19 | $0.00545 | 13 June 21 |
| 3,000,000 | Unlisted | 13 June 19 | $0.00778 | 13 June 22 |
| 3,000,000 | Unlisted | 13 June 19 | $0.01167 | 13 June 23 |
| 100,000,000 | Unlisted | 22 Jan 20 | $0.0026 | 30 Jan 23 |
| 30,000,000 | Unlisted | 29 July 20 | $0.004 | 11 Aug 23 |
| 374,999,998 | Unlisted | 29 July 20 | $0.005 | 11 Aug 22 |

- 100,000,000 advisor options expiring on 30 January 2023, were granted on 22 January 2020 to Hartleys Limited.
- 30,000,000 options expiring on 11 August 2023 were granted on 29 July 2020 to directors.
- 374,999,998 options expiring on 11 August 2022 were granted on 29 July 2020 to the subscribers of the placement of ordinary shares on 12 June 2020 on a 1-for-2 basis.

The names of all persons who currently hold options are entered in the register kept by the Company pursuant to section 170 of the Corporations Act (2001). Inspection of the register and of the documents kept pursuant to subsection 170 (3) may be made free of charge.

Options do not entitle their holders to participate in entitlement offers of new shares in the Company unless the holders first exercise their options. No person entitled to exercise any option above has or had, by virtue of the option, a right to participate in any share issue of any other body corporate.

## AUDIT COMMITTEE

The Company is not of a size nor are its financial affairs of such complexity to justify a separate audit committee of the board of directors. Matters that might properly be dealt with by such a committee are the subject of scrutiny at full board meetings.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The group intends to continue its exploration, development and production activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

## ENVIRONMENTAL REGULATIONS

In Western Australia the mining leases, exploration licences and prospecting licences granted to the group pursuant to the Mining Act (1978) (WA) are granted subject to various conditions which include standard environmental requirements. The group's policy is to adhere to these conditions and the Directors are not aware of any contraventions of these requirements.

In South Korea the Mining Rights granted to the Company's wholly owned subsidiaries Suyeon Mining Co. Ltd. And Korea Graphite Co. Ltd. pursuant to the Mining Industry Act and the Mining Industry Act Enforcement Decree are granted subject to various conditions which include environmental requirements. The group's policy is to adhere to these conditions and the Directors are not aware of any material contraventions of these requirements.

## PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

## INSURANCE OF OFFICERS

The Company paid a premium in respect of a contract insuring directors and officers of the Company. The contract prohibits disclosure of the nature of the liabilities insured and the amount of the premium.

## INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

## NON-AUDIT SERVICES

The Company’s external auditor, RSM Australia Partners, did not provide any non-audit services to the Company during the year ended 30 June 2020.

## AUDITOR’S INDEPENDENCE DECLARATION

A copy of the lead auditor’s independence declaration as required by Section 307c of the Corporations Act 2001 is included within the Financial Report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

Signed in accordance with a resolution of Directors:

Richard Henning
**DIRECTOR**
Perth, 1 September 2020

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 30 JUNE 2020*

| | Note | Consolidated 2020 $ | 2019 $ |
|---|---|---|---|
| Other income | 3 | 101,446 | 488,730 |
| Administration expenses | 4 | (833,310) | (974,222) |
| Exploration and evaluation expenditure | 10 | (2,072,199) | (1,277,459) |
| **Loss before tax** | | (2,804,063) | (1,762,951) |
| Income tax expense | 5 | - | - |
| **Net loss for the year** | | (2,804,063) | (1,762,951) |
| **Other comprehensive income** | | | |
| *Item that may be reclassified subsequently to operating result* | | | |
| Foreign currency translation | | 584 | (3,251) |
| **Total comprehensive loss for the year** | | (2,803,479) | (1,766,202) |
| Basic loss per share (cents per share) | 26 | (0.14) | (0.21) |
| Diluted loss per share (cents per share) | 26 | (0.14) | (0.21) |

The accompanying notes form part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

*AS AT 30 JUNE 2020*

| | Note | Consolidated 2020 $ | 2019 $ |
|---|---|---|---|
| **Current Assets** | | | |
| Cash and cash equivalents | 6 | 1,817,640 | 649,953 |
| Other receivables | 7 | 109,139 | 62,773 |
| Other current assets | 8 | 8,818 | 8,333 |
| Total current assets | | 1,935,597 | 721,059 |
| **Non-Current Assets** | | | |
| Plant and equipment | 9 | 40,079 | 59,392 |
| Exploration and evaluation expenditure | 10 | - | - |
| Total non-current assets | | 40,079 | 59,392 |
| Total assets | | 1,975,676 | 780,451 |
| **Current Liabilities** | | | |
| Trade and other payables | 12 | 144,721 | 271,276 |
| Employee benefits | 13 | 62,625 | 130,112 |
| Total current liabilities | | 207,346 | 401,388 |
| Total liabilities | | 207,346 | 401,388 |
| **Net Assets** | | 1,768,330 | 379,063 |
| **Equity** | | | |
| Issued capital | 14 | 26,514,582 | 22,480,836 |
| Reserves | 15 | 5,133,186 | 4,973,602 |
| Accumulated losses | | (29,879,438) | (27,075,375) |
| **Total Equity** | | 1,768,330 | 379,063 |

The accompanying notes form part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

*FOR THE YEAR ENDED 30 JUNE 2020*

| | Issued Capital | Accumulated Losses | Foreign Currency Translation Reserve | Share Based Payments Reserve | Total |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| **CONSOLIDATED** | | | | | |
| **At 1 July 2018** | 20,926,504 | (25,312,424) | (681) | 4,867,730 | 481,129 |
| Loss for the year | - | (1,762,951) | - | - | (1,762,951) |
| Other comprehensive income | - | - | (3,251) | - | (3,251) |
| Total comprehensive loss for the year | - | (1,762,951) | (3,251) | - | (1,766,202) |
| Transactions with owners in their capacity as owners: | | | | | |
| Share based payments | - | - | - | 79,738 | 79,738 |
| Share based payments made for share capital costs | - | - | - | 30,066 | 30,066 |
| Issue of share capital | 1,689,276 | - | - | - | 1,689,276 |
| Transaction costs | (134,944) | - | - | - | (134,944) |
| **At 30 June 2019** | 22,480,836 | (27,075,375) | (3,932) | 4,977,534 | 379,063 |
| **At 1 July 2019** | 22,480,836 | (27,075,375) | (3,932) | 4,977,534 | 379,063 |
| Loss for the year | - | (2,804,063) | - | - | (2,804,063) |
| Other comprehensive income | - | - | 584 | - | 584 |
| Total comprehensive loss for the year | - | (2,804,063) | 584 | - | (2,803,479) |
| Transactions with owners in their capacity as owners: | | | | | |
| Share based payments | 1,020,000 | - | - | - | 1,020,000 |
| Issue of options | - | - | - | 159,000 | 159,000 |
| Issue of share capital | 3,249,995 | - | - | - | 3,249,995 |
| Transaction costs | (236,249) | - | - | - | (236,249) |
| **At 30 June 2020** | 26,514,582 | (29,879,438) | (3,348) | 5,136,534 | 1,768,330 |

The accompanying notes form part of these financial statements.

## STATEMENT OF CASH FLOWS

*FOR THE YEAR ENDED 30 JUNE 2020*

| | Note | Consolidated 2020 $ | 2019 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Other payments to suppliers and employees | | (840,822) | (961,656) |
| Payments for exploration expenditure | | (888,719) | (981,758) |
| Other income | | 30,347 | 37,902 |
| Interest received | | 34,410 | 4,031 |
| Net cash (outflow) from operating activities | 25 | (1,664,784) | (1,901,481) |
| **Cash flows from investing activities** | | | |
| Proceeds from sale of permits | | - | 446,925 |
| Proceeds from sale of plant and equipment | | - | 1,468 |
| Payment for mining assets acquisition | | (181,277) | - |
| Payments for purchase of plant and equipment | | - | (6,663) |
| Net cash (outflow) / inflow from investing activities | | (181,277) | 441,730 |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | | 3,035,494 | 1,623,820 |
| Payment for share issue costs | | (21,746) | (99,509) |
| Net cash inflow from financing activities | | 3,013,748 | 1,524,311 |
| **Net increase in cash and cash equivalents** | | 1,167,687 | 64,560 |
| **Cash at the beginning of the financial year** | | 649,953 | 585,393 |
| **Cash at the end of the financial year** | 6 | 1,817,640 | 649,953 |

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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 years presented, unless otherwise stated.

**New, revised or amending Accounting Standards and Interpretations adopted**

The consolidated entity 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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

**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 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.

*Historical cost convention*
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, 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 note 1(x).

**Parent entity information**
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 21.

## SIGNIFICANT ACCOUNTING POLICIES

### (a) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Xantippe Resources Limited at the end of the reporting period. Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Principles of consolidation (Continued)

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

### (b) Taxation

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### (c) Taxation (Continued)

*Tax consolidation*
The Company (the 'head entity') and its wholly-owned Australian resident entities have formed a tax-consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

### (d) Segment reporting

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

### (e) Exploration, evaluation and development expenditure

Exploration and evaluation are written off as incurred. The consolidated entity's policy is that such costs will only be carried forward when development of the area indicates that recoupment will occur or where activities in the area have reached an advanced stage which permits reasonable assessment of the existence of economically recoverable reserves.

Exploration, evaluation and development costs comprise acquisition costs, direct exploration and evaluation costs and an appropriate portion of related overhead expenditure but do not include general overhead expenditure which has no direct connection with a particular area of interest. Revenue received from the sale or disposal of product, materials or services during the exploration and evaluation phase of operation is offset against expenditure in respect of the area of interest concerned.

### (f) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### (g) Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the relevant taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expenses.

Receivables and payables in the statement of financial position are shown inclusive of GST. 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 presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating activities. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

### (h) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset or liability is recognised in profit or loss.

Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### (h) Business combinations (continued)

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

### (i) Revenue recognition

*Interest income*
Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

*Other revenue*
Other revenue is recognised when it is received or when the right to receive payment is established.

All revenue is stated net amount of goods and services tax (GST).

### (j) Comparatives

Where required by accounting standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

### (k) Earnings per share

*Basic earnings per share*
Basic earnings per share is determined by dividing the operating profit after income tax by the weighted average number of ordinary shares outstanding 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.

### (l) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### (m) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, 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. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

### (n) Issued capital

Issued and paid up capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

### (o) Equity based payments

The group provides benefits to its directors, consultants and contractors in the form of share-based payments, whereby directors, consultants and contractors render services in exchange for options to acquire shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions is measured by reference to the fair value to the group of the equity instruments at the date at which they were granted. The fair value is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised as an expense, together with a corresponding increase in equity, on a straight-line basis, over the period in which the vesting and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant directors and employees become fully entitled to the options (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to profit or loss reflects:

- the grant date fair value of the options;
- the current best estimate of the number of options that will ultimately vest, taking into account such factors as the likelihood of personnel turnover during the vesting period and the likelihood of vesting conditions being met, based on best available information at balance date; and the extent to which the vesting period has expired.

The charge to profit or loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding entry to equity.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of the modification.

If an equity-settled award is cancelled, it is treated as if it has vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### (p) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation is calculated on a straight-line basis so as to write off the net cost of each fixed asset over its effective life.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

The depreciation rates used for each class of depreciable assets are:

| Class of Fixed Asset | Depreciation Rate |
|---|---|
| Plant and Equipment | 7.5% - 33.33% |

### (q) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### (r) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

### (s) Employee benefits

*Short-term employee benefits*
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be 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.

### (t) Right-of-use assets

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

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

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### (u) Lease liabilities

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

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

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### (v) Investments and other financial assets

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, it's carrying value is written off.

*Financial assets at fair value through profit or loss*
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

*Financial assets at fair value through other comprehensive income*
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

*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.

### (w) Trade and other receivables

Trade receivables, which generally have 30-90-day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the group will not be able to collect the debts. Bad debts are written off when identified.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

### (x) Critical accounting estimates and judgments

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.

*Share-based payment transactions*
The consolidated entity 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 using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

### (y) Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

### (z) Foreign currency transactions

The financial statements are presented in Australian dollars, which is the company’s functional and presentation currency.

*Foreign currency transactions*
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

*Foreign operations*
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

## NOTE 2: FINANCIAL RISK MANAGEMENT

The group, in its normal course of business, is exposed to financial risks comprising market risk (essentially interest rate risk), credit risk and liquidity risk.

The directors have overall responsibility for the group's management of these risks and seek to minimise these risks through on-going monitoring and review of the adequacy of the risk management framework in relation to the risks encountered by the group.

**Market risk**
The group's market risk exposure is to the Australian money market interest rates in respect of its cash assets. The risk is managed by monitoring the interest rate yield curve out to 90 days to ensure a balance is maintained between the liquidity of its cash assets and interest rate return.

The weighted average rate of interest earned by the group on its cash assets during the year was 0.16% (2019: 0.68%).

The table below summarises the sensitivity of the group's cash assets to interest rate risk. The group has no interest rate risk associated with any of its other financial assets or liabilities.

| **Financial Assets** | **Effect of decrease or increase of interest rate on profit and equity of the Group** | | | |
|---|---|---|---|---|
| | **-1%** | | **+1%** | |
| | **Profit** | **Equity** | **Profit** | **Equity** |
| **CONSOLIDATED** | **$** | **$** | **$** | **$** |
| **30 June 2020** | | | | |
| Total (decrease)/ increase | (6,687) | (6,687) | 6,687 | 6,6687 |
| **30 June 2019** | | | | |
| Total (decrease)/ increase | (5,754) | (5,754) | 5,754 | 5,754 |

**Liquidity risk**
The group has no significant exposure to liquidity risk as the group's only debt is that associated with trade creditors in respect of which the group's policy is to ensure payment within 30 days. The group manages its liquidity by monitoring forecast cash flows.

**Credit risk**
The group's only exposure to credit risk arises from its cash deposits at the bank. The group manages this minimal exposure by ensuring its funds are deposited only with major banks with high security ratings.

**Exposure to credit risk**

| | **Consolidated** | |
|---|---|---|
| | **2020** | **2019** |
| | **$** | **$** |
| Other receivables | 109,139 | 62,773 |
| Cash and cash equivalents | 1,817,640 | 649,953 |

**Fair value estimates**
The carrying amount of the group's financial assets and liabilities approximates fair value due to their short-term maturity.

**Capital management risk**
The group's objective in managing capital is to safeguard its ability to continue as a going concern, so that it can continue to explore for minerals with the ultimate objective of providing returns for shareholders whilst maintaining an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may issue new shares, sell assets, or farm out joint venture interests in its projects.

## NOTE 3: OTHER INCOME

| | Consolidated 2020 $ | Consolidated 2019 $ |
|---|---|---|
| Interest income | 34,410 | 3,902 |
| Profit on sale of mining permits | - | 446,925 |
| Other income | 67,036 | 37,903 |
| | 101,446 | 488,730 |

## NOTE 4: ADMINISTRATION EXPENSES

| | Consolidated 2020 $ | Consolidated 2019 $ |
|---|---|---|
| Loss before income tax expense includes the following specific expenses: | | |
| Depreciation | 19,317 | 20,214 |
| Less: allocated to exploration | (18,400) | (18,990) |
| | 917 | 1,224 |
| Consulting and labour hire | 498,490 | 471,924 |
| Salaries and wages | 53,119 | 86,680 |
| Facility charges | 37,908 | 34,833 |
| Insurance and legal | 43,437 | 62,637 |
| Share based compensation | - | 79,738 |
| Rent and outgoings | - | 16,093 |
| Short-term lease payments | 10,591 | - |
| Superannuation expenses | 2,969 | 9,642 |
| ASX, ASIC and related fees | 53,336 | 46,857 |
| Other expenses | 132,543 | 164,594 |
| | 833,310 | 974,222 |

## NOTE 5: INCOME TAX

**(a) Income tax expense/benefit**

| | 2020 | 2019 |
|---|---|---|
| The components of income tax expense/benefit comprise: | | |
| Current tax | - | - |
| Deferred tax | - | - |
| | - | - |

**(b) Reconciliation of income tax expense/(benefit) to prima facie tax payable on accounting profit/(loss)**

| | 2020 | 2019 |
|---|---|---|
| Operating (loss) before income tax | (2,804,063) | (1,762,951) |
| Prima facie tax payable at Australian rate of 27.5% (2019: 27.5%) | 771,117 | 484,812 |
| Adjusted for tax effect of the following amounts: | | |
| Tax effect of different tax rate of foreign subsidiaries | (12,849) | (32,063) |
| Taxable/non-deductible items | (105,410) | (225,196) |
| Non-taxable/deductible items | 53,278 | 36,970 |
| (Over)/Under-provision in prior year | (23,559) | (21,849) |
| Income tax benefit not brought to account | (682,577) | (242,674) |
| Income tax expense | - | - |

## NOTE 5: INCOME TAX (continued)

| | Consolidated 2020 $ | Consolidated 2019 $ |
|---|---|---|
| **(c) Deferred tax assets and liabilities not brought to account** | | |
| The directors estimate that the potential future income tax benefits carried forward but not brought to account at year end at the Australian corporate tax rate of 27.5% (2019: 27.5%) are made up as follows: | | |
| Carry forward tax losses | 4,877,637 | 4,534,254 |
| Deductible temporary differences | 352,404 | 13,369 |
| Taxable temporary differences | - | (159) |
| | 5,230,041 | 4,547,464 |

These benefits will only be obtained if:

(i) the group derives future assessable income of a nature and of an amount sufficient to enable the benefits from the deductions for the losses to be realised,

(ii) the group continues to comply with the conditions for deductibility imposed by tax legislation, and

(iii) no changes in tax legislation adversely affect the group in realising the benefit from the deduction for the losses.

## NOTE 6: CASH AND CASH EQUIVALENTS

| | Consolidated 2020 $ | Consolidated 2019 $ |
|---|---|---|
| Cash at bank | 1,817,640 | 649,953 |
| | 1,817,640 | 649,953 |
| *Reconciliation to cash and cash equivalents at the end of the financial year* | | |
| The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows: | | |
| Balances as above | 1,817,640 | 649,953 |
| Balance as per statement of cash flows | 1,817,640 | 649,953 |

## NOTE 7: OTHER RECEIVABLES

| | | |
|---|---|---|
| Interest receivable | - | 578 |
| GST receivable | 62,459 | 24,795 |
| Others | 46,680 | 37,400 |
| | 109,139 | 62,773 |

## NOTE 8: OTHER CURRENT ASSETS

| | | |
|---|---|---|
| Prepayments | 8,818 | 8,333 |
| | 8,818 | 8,333 |

**NOTE 9: PLANT AND EQUIPMENT**

| | | |
|---|---|---|
| Field equipment – at cost | 119,462 | 119,462 |
| Accumulated depreciation | (91,377) | (75,127) |
| | 28,085 | 44,335 |
| Motor vehicles and mobile equipment – at cost | 32,839 | 32,839 |
| Accumulated depreciation | (20,845) | (17,782) |
| | 11,994 | 15,057 |
| Total plant and equipment | 40,079 | 59,392 |

A reconciliation of the carrying amounts of each class of plant and equipment at the beginning of the current financial year is set out below:

| | **Field equipment** | **Vehicles & mobile plant** | **Total** |
|---|---|---|---|
| | **$** | **$** | **$** |
| **CONSOLIDATED** | | | |
| Carrying amount at 1 July 2018 | 56,283 | 18,119 | 74,402 |
| Acquisitions during the year | 6,663 | - | 6,663 |
| Disposals during the year | (1,460) | - | (1,460) |
| Depreciation expense | (17,151) | (3,062) | (20,213) |
| Carrying amount at 30 June 2019 | 44,335 | 15,057 | 59,392 |
| Carrying amount at 1 July 2019 | 44,335 | 15,057 | 59,392 |
| Acquisitions during the year | - | - | - |
| Disposals during the year | - | - | - |
| Depreciation expense | (16,251) | (3,062) | (19,313) |
| Carrying amount at 30 June 2020 | 28,084 | 11,995 | 40,079 |

**NOTE 10: EXPLORATION AND EVALUATION EXPENDITURE**

| | **Consolidated** | |
|---|---|---|
| | **2020** | **2019** |
| | **$** | **$** |
| Balance at beginning of period | - | - |
| Exploration and evaluation costs incurred* | 2,072,199 | 1,277,459 |
| Exploration and evaluation costs written off | (2,072,199) | (1,277,459) |
| Balance at end of year | - | - |

*includes $1,340,277 shares, options and cash consideration paid for the acquisition of the Southern Cross Project.

## NOTE 11: CONTROLLED ENTITIES

| | Country of Incorporation | Percentage Owned 2020 | 2019 |
|---|---|---|---|
| **Parent Entity:** | | | |
| Xantippe Resources Limited | Australia | - | - |
| **Subsidiaries of Xantippe Resources Ltd:** | | | |
| Dawn Metals Pty Ltd | Australia | 100% | 100% |
| Korean Resources Pty Ltd | Australia | 100% | 100% |
| Suyeon Mining Company Limited | South Korea | 100% | 100% |
| Korea Graphite Company Limited | South Korea | 100% | 100% |
| Xantippe SX Pty Ltd | Australia | 100% | - |

The group's registered office is located at Suite 2, Level 2, 20 Kings Park Road, West Perth, Western Australia.

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1.

| | Consolidated 2020 $ | 2019 $ |
|---|---|---|
| **NOTE 12: CURRENT TRADE AND OTHER PAYABLES** | | |
| Accruals and other creditors | 144,721 | 271,276 |
| | 144,721 | 271,276 |

## NOTE 13: EMPLOYEE BENEFITS

| | | |
|---|---|---|
| Employee benefits | 62,625 | 130,112 |
| | 62,625 | 130,112 |

*Amounts not expected to be settled within the next 12 months*
The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

## NOTE 14: ISSUED CAPITAL

| | | |
|---|---|---|
| 4,019,008,846 (2019: 1,012,872,087) fully paid ordinary shares | 26,514,582 | 22,480,836 |

Ordinary shares have no par value. There is no limit to the authorised share capital of the Company.

**Rights attaching to ordinary shares**

Ordinary shares entitle the holder to participate in dividends and in the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and upon a poll each share is entitled to one vote.

## NOTE 14: ISSUED CAPITAL (continued)

### (a) Movements in ordinary share capital

| 2020 Fully Paid Shares | Share Number | Issue Date | Issue Price $ | Share Capital $ |
|---|---|---|---|---|
| At the beginning of the period | 1,012,872,087 | - | - | 22,480,836 |
| Issue shares in lieu of consultancy fees | 4,000,000 | 30 Sept 2019 | $0.005 | 20,000 |
| Placement | 11,538,500 | 11 Dec 2019 | $0.0013 | 15,006 |
| Placement | 15,400,000 | 11 Dec 2019 | $0.0013 | 20,020 |
| Placement | 3,846,200 | 16 Dec 2019 | $0.0013 | 5,000 |
| Placement | 114,045,300 | 17 Dec 2019 | $0.0013 | 148,259 |
| Placement | 7,700,000 | 17 Dec 2019 | $0.0013 | 10,000 |
| Placement – Tranche 2 | 1,385,931,550 | 21 Jan 2020 | $0.0013 | 1,801,710 |
| Share issued for Southern Cross Project | 769,230,769 | 30 Jan 2020 | $0.0013 | 1,000,000 |
| Capital Raising | 694,444,440 | 11 June 2020 | $0.0018 | 1,250,000 |
| Costs of share issue | - | - | - | (236,249) |
| At reporting date | 4,019,008,846 | - | - | 26,514,582 |

| 2019 Fully Paid Shares | Share Number | Issue Date | Issue Price $ | Share Capital $ |
|---|---|---|---|---|
| At the beginning of the period | 706,326,100 | - | - | 20,926,504 |
| Placement | 36,150,000 | 04 Sept 2018 | $0.006 | 216,900 |
| Placement | 55,703,333 | 11 Sept 2018 | $0.006 | 334,220 |
| Share purchase plan | 45,049,998 | 19 Oct 2018 | $0.006 | 270,300 |
| Placement | 8,809,323 | 06 Nov 2018 | $0.006 | 52,856 |
| Placement | 10,833,333 | 16 Nov 2018 | $0.006 | 65,000 |
| Placement | 130,000,000 | 10 May 2019 | $0.005 | 650,000 |
| Placement | 20,000,000 | 27 Jun 2019 | $0.005 | 100,000 |
| Costs of share placements | - | - | - | (88,508) |
| Costs of share purchase plan | - | - | - | (46,436) |
| At reporting date | 1,012,872,087 | - | - | 22,480,836 |

*Capital risk management*

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

**NOTE 14: ISSUED CAPITAL (continued)**

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2020 Annual Report.

| | Consolidated | |
|---|---|---|
| | **2020** | **2019** |
| **NOTE 15: RESERVES** | **$** | **$** |
| Option reserve [(a)] | 4,973,602 | 4,977,534 |
| Issue of Options to Hartleys | 159,000 | - |
| Foreign currency translation reserve [(b)] | 584 | (3,932) |
| | 5,133,186 | 4,973,602 |

(a) The option reserve records items recognised as expenses on valuation of share options.

| | **Number** | **$** |
|---|---|---|
| **2020** | | |
| Balance at 1 July 2019 | 192,997,994 | 4,977,534 |
| Forfeited/cancelled during the year | (132,697,994) | - |
| Granted during the period | 100,000,000 | 159,000 |
| Exercised during the period | - | - |
| Balance at 30 June 2020 | 160,300,000 | 5,136,534 |
| | | |
| **2019** | | |
| Balance at 1 July 2018 | 152,700,002 | 4,867,730 |
| Forfeited/cancelled during the year | (105,975,002) | - |
| Granted during the period | 146,272,994 | 109,804 |
| Exercised during the period | - | - |
| Balance at 30 June 2019 | 192,997,994 | 4,977,534 |

Options to take up fully paid ordinary fully paid shares in the Company at 30 June 2020 are as follows:

| Number of Options | Listed/Unlisted | Grant Date | Exercise Price | Expiry Date |
|---|---|---|---|---|
| 6,300,000 | Unlisted | 29 Nov 16 | $0.0568 | 29 Nov 20 |
| 3,000,000 | Unlisted | 29 Nov 16 | $0.0834 | 29 Nov 20 |
| 16,000,000 | Unlisted | 09 Nov 18 | $0.015 | 09 Nov 20 |
| 17,000,000 | Unlisted | 09 Nov 18 | $0.024 | 09 Nov 21 |
| 3,000,000 | Unlisted | 13 June 19 | $0.007 | 13 June 21 |
| 3,000,000 | Unlisted | 13 June 19 | $0.01 | 13 June 22 |
| 3,000,000 | Unlisted | 13 June 19 | $0.015 | 13 June 23 |
| 3,000,000 | Unlisted | 13 June 19 | $0.00545 | 13 June 21 |
| 3,000,000 | Unlisted | 13 June 19 | $0.00778 | 13 June 22 |
| 3,000,000 | Unlisted | 13 June 19 | $0.01167 | 13 June 23 |
| 100,000,000 | Unlisted | 30 Jan 2020 | $0.0026 | 30 Jan 23 |
| 160,300,000 | | | | |

## NOTE 15: RESERVES *(continued)*

(b) The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

| | $ |
|---|---|
| **2020** | |
| Balance at 1 July 2019 | (3,932) |
| Foreign currency translation | 584 |
| Balance at 30 June 2020 | (3,348) |
| | |
| **2019** | |
| Balance at 1 July 2018 | (681) |
| Foreign currency translation | (3,251) |
| Balance at 30 June 2019 | (3,932) |

## NOTE 16: SHARE BASED PAYMENTS

Each option entitles the holder to take up one fully paid ordinary share in the Company at any time up to and including the expiry date. Upon exercise of an option, the resulting ordinary share has the same rights as other ordinary shares. Options do not entitle their holders to receive dividends, participate in entitlement issues or vote at general meetings of shareholders.

Total expenses arising from share-based payment transactions recognised during the period were as follows:

| | Consolidated | |
|---|---|---|
| | **2020** **$** | **2019** **$** |
| Options issued to directors and consultants | - | 79,738 |
| Consulting fees for capital raising | - | 30,066 |
| Shares issued to directors in lieu of consulting fees | 20,000 | - |
| Issue of shares for acquisition of the Southern Cross Project | 1,000,000 | - |
| Options issued in relation to acquisition of the Southern Cross Project | 159,000 | - |
| | 1,179,000 | 109,804 |

### (a) Movements in options granted

| | Weighted average exercise price 2020 | Number of options 2020 | Weighted average exercise price 2019 | Number of options 2019 |
|---|---|---|---|---|
| Outstanding at 1 July | $0.0186 | 192,997,994 | $0.0265 | 152,700,002 |
| Forfeited/cancelled during the period | $0.0164 | (132,697,994) | $0.0210 | (105,975,002) |
| Granted during the period | $0.0026 | 100,000,000 | $0.0121 | 146,272,994 |
| Exercised during the period | - | - | - | - |
| Outstanding at 30 June (1) | $0.0105 | 160,300,000 | $0.0186 | 192,997,994 |
| Exercisable at 30 June | $0.0105 | 160,300,000 | $0.0186 | 192,997,994 |

(1) The weighted average life of the outstanding options is 743 days or 2.04years (2019: 445 days or 1.22 years)

## NOTE 16: SHARE BASED PAYMENTS *(continued)*

### (b) Fair value

The fair value of any options granted as compensation are estimated at the date of grant using the Black-Scholes valuation model.

The following table sets out the assumptions made in determining the fair value of the options granted during the year ended 30 June 2020.

| Date Granted | Number Granted | Expected Volatility | Risk free Interest Rate | Weighted Ave. Life of Options | Exercise Price | Share Price at Grant Date | Fair Value of Option | Vesting Date |
|---|---|---|---|---|---|---|---|---|
| | | % | % | Years | Cents | Cents | Cents | |
| 30 Jan 2020[(1)] | 100,000,000 | 100 | 0.72 | 2.6 | 0.0026 | 0.003 | 0.00159 | 30 Jan 2020 |

(1) Unlisted options issued to brokers associated with the acquisition of the Southern Cross Project.

The following table sets out the assumptions made in determining the fair value of the options granted during the year ended 30 June 2019.

| Date Granted | Number Granted | Expected Volatility | Risk free Interest Rate | Weighted Ave. Life of Options | Exercise Price | Share Price at Grant Date | Fair Value of Option | Vesting Date |
|---|---|---|---|---|---|---|---|---|
| | | % | % | Years | Cents | Cents | Cents | |
| 09 Nov 2018 | 17,000,000 | 92.00 | 2.08 | 1.5 | 1.0 | 0.6 | 0.172 | 09 Nov 18 |
| 09 Nov 2018 | 16,000,000 | 92.00 | 2.08 | 2 | 1.5 | 0.6 | 0.158 | 09 Nov 18 |
| 09 Nov 2018 | 17,000,000 | 92.00 | 2.16 | 3 | 2.4 | 0.6 | 0.171 | 09 Nov 18 |
| 13 Jun 2019 | 3,000,000 | 92.00 | 1.01 | 2 | 0.007 | 0.4 | 0.131 | 13 Jun 19 |
| 13 Jun 2019 | 3,000,000 | 92.00 | 0.99 | 3 | 0.01 | 0.4 | 0.138 | 13 Jun 19 |
| 13 Jun 2019 | 3,000,000 | 92.00 | 1.07 | 4 | 0.015 | 0.4 | 0.14 | 13 Jun 19 |
| 13 Jun 2019 | 3,000,000 | 92.00 | 1.01 | 2 | 0.00545 | 0.4 | 0.153 | 13 Jun 19 |
| 13 Jun 2019 | 3,000,000 | 92.00 | 0.99 | 3 | 0.0778 | 0.4 | 0.156 | 13 Jun 19 |
| 13 Jun 2019 | 3,000,000 | 92.00 | 1.07 | 4 | 0.01167 | 0.4 | 0.155 | 13 Jun 19 |

(2) Listed options issued to brokers associated with a share placement concluded in October 2018 and directors and consultants. A further 78,272,994 listed options were issued to participants in the placement and the share purchase plan concluded during the same period.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur.
The expected volatility is based on the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

## NOTE 16: SHARE BASED PAYMENTS *(continued)*

### (c) Terms and conditions for each grant of options

In the year ended 30 June 2020, the Company issued options to parties facilitating the acquisition of the Southern Cross Project.

| 2020 | Number Granted | Grant Date | Value of Option at Grant Date | Exercise Price | Expiry Date |
|---|---|---|---|---|---|
| Third Party | 100,000,000 | 22 Jan 2020 | $0.0030 | $0.0026 | 22 Jan 2023 |
| | 100,000,000 | | | | |

In the year ended 30 June 2019, the Company issued options to directors, key consultants and employees and to a broker facilitating a share placement, following shareholder approval at the AGM in November 2018 and at a general meeting in June 2019.

| 2019 | Number Granted | Grant Date | Value of Option at Grant Date | Exercise Price | Expiry Date |
|---|---|---|---|---|---|
| **Directors** | | | | | |
| Mr J Dugdale | 3,000,000 | 09 Nov 2018 | $0.00172 | $0.0100 | 30 Apr 2020 |
| | 3,000,000 | 09 Nov 2018 | $0.00158 | $0.0150 | 09 Nov 2020 |
| | 3,000,000 | 09 Nov 2018 | $0.00171 | $0.0240 | 09 Nov 2021 |
| Mr D Noonan | 3,000,000 | 09 Nov 2018 | $0.00172 | $0.0100 | 30 Apr 2020 |
| | 3,000,000 | 09 Nov 2018 | $0.00158 | $0.0150 | 09 Nov 2020 |
| | 3,000,000 | 09 Nov 2018 | $0.00171 | $0.0240 | 09 Nov 2021 |
| Mr R Henning | 3,000,000 | 13 June 2019 | $0.00131 | $0.0070 | 13 Jun 2021 |
| | 3,000,000 | 13 June 2019 | $0.00138 | $0.0100 | 13 Jun 2022 |
| | 3,000,000 | 13 June 2019 | $0.00140 | $0.0150 | 13 Jun 2023 |
| Mr Y Yu | 3,000,000 | 13 June 2019 | $0.00153 | $0.00545 | 13 Jun 2021 |
| | 3,000,000 | 13 June 2019 | $0.00156 | $0.00778 | 13 Jun 2022 |
| | 3,000,000 | 13 June 2019 | $0.00155 | $0.01167 | 13 Jun 2023 |
| **Specified Executives** | | | | | |
| Mr B Waddell | 1,000,000 | 09 Nov 2018 | $0.00172 | $0.0100 | 30 Apr 2020 |
| | 1,000,000 | 09 Nov 2018 | $0.00158 | $0.0150 | 09 Nov 2020 |
| | 1,000,000 | 09 Nov 2018 | $0.00171 | $0.0240 | 09 Nov 2021 |
| **Others** | | | | | |
| Zenix Nominees Pty Ltd | 5,000,000 | 09 Nov 2018 | $0.00172 | $0.0100 | 30 Apr 2020 |
| | 6,000,000 | 09 Nov 2018 | $0.00158 | $0.0150 | 09 Nov 2020 |
| | 7,000,000 | 09 Nov 2018 | $0.00171 | $0.0240 | 09 Nov 2021 |
| Others | 5,000,000 | 09 Nov 2018 | $0.00172 | $0.0100 | 30 Apr 2020 |
| | 3,000,000 | 09 Nov 2018 | $0.00158 | $0.0150 | 09 Nov 2020 |
| | 3,000,000 | 09 Nov 2018 | $0.00171 | $0.0240 | 09 Nov 2021 |
| | 68,000,000 | | | | |

### (d) Shares issued as consideration

During the year ended 30 June 2020, the Company issued 769,230,769 shares to acquire the Southern Cross project and 4,000,000 shares to director in lieu of services provided.

| 2020 | Number Granted | Expense | Grant Date | Assigned value of share at grant date (cents) | Share price at date of grant (cents) |
|---|---|---|---|---|---|
| Mr Y YU | 4,000,000 | $20,000 | 30 Sept 2019 | 0.005 | 0.002 |
| Third Party | 769,230,769 | $1,000,000 | 30 Jan 2020 | 0.0013 | 0.002 |
| | 773,230,769 | $1,020,000 | | | |

## NOTE 16: SHARE BASED PAYMENTS *(continued)*

During the year ended 30 June 2019, the Company issued 10,909,323 shares to suppliers in lieu of services provided.

| 2019 | Number Granted | Expense | Grant Date | Assigned value of share at grant date (cents) | Share price at date of grant (cents) |
|---|---|---|---|---|---|
| **Others** | | | | | |
| CPS Capital Investments Pty Ltd | 5,000,000 | $30,000 | 04 Sept 18 | 0.60 | 0.70 |
| Mr T A Murrell | 5,909,323 | $35,456 | 06 Nov 18 | 0.60 | 0.50 |
| | 10,909,323 | $65,456 | | | |

## NOTE 17: KEY MANAGEMENT PERSONNEL COMPENSATION

### (a) Names and positions of key management personnel

The names and positions of persons who were key management personnel of Xantippe at any time during the financial year are as follows:

**Key management personnel**

| | |
|---|---|
| P S R Jackson | Chairman |
| R H Henning | Managing Director |
| Y C Yu | Non-Executive Director |
| D J Noonan | Non-Executive Director |
| G Cunnold | Non-Executive Director |

**Key management personnel remuneration**

| | Consolidated | |
|---|---|---|
| | 2020 | 2019 |
| | $ | $ |
| Short-term personnel benefits | 383,619 | 550,784 |
| Share based payments | - | 76,259 |
| Other long-term benefits | 2,969 | 1,378 |
| | 386,588 | 628,421 |

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the group's key management personnel for the year ended 30 June 2020.

## NOTE 18: REMUNERATION OF AUDITORS

| | Consolidated | |
|---|---|---|
| | 2020 | 2019 |
| | $ | $ |
| Audit and review services | 30,000 | 30,000 |
| | 30,000 | 30,000 |

## NOTE 19: CONTINGENCIES

**Contingent liabilities**

There were no contingent liabilities for termination benefits under service agreements with Directors or executives at 30 June 2020 (2019: nil).

The Directors are not aware of any other contingent liabilities at 30 June 2020 (2019: nil).

## NOTE 20: COMMITMENTS FOR EXPENDITURE

**Mineral tenements**

In order to maintain the mineral tenements in which the group is involved, the group is committed to fulfil the minimum annual expenditure conditions under which the tenements are granted. The minimum estimated expenditure requirements in accordance with the requirements of the Western Australian Department of Mines and Petroleum are:

| | Consolidated | |
|---|---|---|
| | **2020** | **2019** |
| | **$** | **$** |
| **Exploration commitments** | | |
| Within 1 year | 161,140 | - |

These requirements are expected to be fulfilled in the normal course of operations and may be varied from time to time subject to approval by the grantor of titles. The estimated expenditure represents potential expenditure which may be avoided by relinquishment of tenure. Exploration expenditure commitments beyond twelve months cannot be reliably determined.

## NOTE 21: PARENT ENTITY DISCLOSURES

**(a) Financial Position**

| | **2020** | **2019** |
|---|---|---|
| | **$** | **$** |
| **Assets** | | |
| Current assets | 2,531,888 | 615,412 |
| Non-current assets | 25,178 | 39,436 |
| Total assets | 2,557,066 | 654,848 |
| **Liabilities** | | |
| Current liabilities | 139,829 | 275,785 |
| Total liabilities | 139,829 | 275,785 |
| **Equity** | | |
| Issued capital | 26,514,582 | 22,480,834 |
| Reserves | 5,136,534 | 4,977,535 |
| Retained earnings | (29,233,879) | (27,079,306) |
| Total equity | 2,417,237 | 379,063 |

**(b) Financial Performance**

| | | |
|---|---|---|
| Loss for the year | (2,154,572) | (1,766,201) |
| Other comprehensive income | - | - |
| Total comprehensive loss for the year | (2,154,572) | (1,766,201) |

**(c) Guarantees entered into by the parent entity in relation to the debts of its subsidiary**

Xantippe Resources Limited has not entered into any guarantees in relation to the debts of its subsidiary.

**(d) Contingent liabilities of the parent**

The parent entity did not have any contingent liabilities as at 30 June 2020 (30 June 2019: nil).

**(e) Contractual commitments for the acquisition of property, plant or equipment**

As at 30 June 2020 (30 June 2019: nil), the parent entity did not have any contractual commitments for the acquisition of property, plant or equipment.

## NOTE 22: RELATED PARTIES

### (a) Remuneration and retirement benefits

Information on remuneration of Directors for the financial year is disclosed in Note 16 and in the remuneration report in the directors' report.

### (b) Other transactions of Directors and Director-related entities

Aurora Minerals Limited, a company of which P Jackson is a director provided office facilities and overheads to Xantippe to the value of $55,307 (2019: $34,833) by means of a Facilities agreement. At 30 June 2020, Trade creditors of $25,720 (2019: $20,347) includes facilities charges.

Mr E Moore Provides company secretarial and administrative services to Xantippe under a contract that is jointly with Xantippe and former associate Aurora Minerals Limited. Mr Moore was paid a total of $28,660 by Aurora, of which $10,715 was allocated and Charged to Xantippe.

Mr Gregory Cunnold provides consultancy services to Xantippe at an agreed fee of $7,500 per month. The agreement was entered into on the 18 February 2020. Mr Gregory Cunnold was paid $20,155 exclusive of super for the financial year ended 30 June 2020.

Mr Young Yu was paid $40,000 as consultancy fees for the financial year and the agreement ended in February 2020.

### (c) Transactions of Directors and Director-related entities concerning shares and share options

Details of transactions of Directors and Director-related entities concerning shares and share options are set out in the remuneration report in the directors' report.

## NOTE 23: EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR

On the 11 August 2020, it was announced that Xantippe issued 30,000,000 options to directors exercisable at 0.4c expiring 11 August 2023.

On the 12 August 2020, it was announced that Xantippe has completed the issue of 55,555,556 ordinary shares at $0.0018 to raise $100,000 subscribed for by the directors (Directors Placement) and; 374,999,998 attaching options exercisable at 0.5c expiring 11 August 2022 (attaching options), were issued to subscribers of the placement of ordinary shares on 12 June 2020 on a 1-for-2 basis.

No other matters or circumstances have arisen after the end of the financial year that has significantly affected, or may significantly affect, the operations of the group, the results of those operations, or the state of affairs of the group in future financial periods.

## NOTE 24: SEGMENT INFORMATION

The group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The group operates as two segments, which are mineral exploration and evaluation within Australia and South Korea.

The group is domiciled in Australia. Segment revenues are allocated based on the country in which the customer is located. Segment assets are allocation to countries based on where the assets are located.

No operating revenue was derived during the year (2019: nil).

| | Australia $ | South Korea $ | Consolidated $ |
|---|---|---|---|
| **Year Ended 30 June 2020** | | | |
| Sales to external customers | - | - | - |
| Gain on sale of mining tenements | - | - | - |
| Other revenue/income | 48,315 | 53,131 | 101,446 |
| Total segment revenue | 48,315 | 53,131 | 101,446 |
| Segment result from continuing operations before tax | (2,479,027) | (324,452) | (2,803,479) |
| **As at 30 June 2020** | | | |
| Segment assets | 1,914,568 | 61,108 | 1,975,676 |
| Total assets of the consolidated entity | | | 1,975,676 |
| Segment liabilities | 139,829 | 67,517 | 207,346 |
| Total liabilities of the consolidated entity | | | 207,346 |

| | Australia $ | South Korea $ | Consolidated $ |
|---|---|---|---|
| **Year Ended 30 June 2019** | | | |
| Sales to external customers | - | - | - |
| Gain on sale of mining tenements | - | 446,925 | 446,925 |
| Other revenue/income | 38,354 | 3,451 | 41,805 |
| Total segment revenue | 38,354 | 450,376 | 488,730 |
| Segment result from continuing operations before tax | (1,186,976) | (579,226) | (1,766,202) |
| **As at 30 June 2019** | | | |
| Segment assets | 713,424 | 67,027 | 780,451 |
| Total assets of the consolidated entity | | | 780,451 |
| Segment liabilities | 283,203 | 118,185 | 401,388 |
| Total liabilities of the consolidated entity | | | 401,388 |

## NOTE 25: STATEMENT OF CASH FLOWS

### (a) Reconciliation of loss after income tax to net cash flow from operating activities

| | Consolidated 2020 $ | Consolidated 2019 $ |
|---|---|---|
| Operating loss after income tax | (2,804,063) | (1,762,951) |
| Adjustment for investing activities: | | |
| (Profit) on disposal of mining permits | - | (446,925) |
| Payment for mining assets acquisitions | 181,277 | - |
| Non cash flow in loss: | | |
| Share based payment - options | 159,000 | 79,738 |
| Depreciation expense | 19,313 | 20,213 |
| Payment for services via issue of shares | 1,020,000 | 65,456 |
| Gain on foreign exchange | 584 | (3,251) |
| Movement in assets and liabilities: | | |
| Other current assets | - | 2,749 |
| Other receivables | (40,225) | (7,518) |
| Employee benefits | (67,650) | 35,165 |
| Payables | (133,030) | 115,843 |
| Net cash outflow from operating activities | (1,664,784) | (1,901,481) |

### (b) Credit standby arrangements

The Company has no credit standby arrangements.

### (c) Non-cash investing and financing activities

| | Consolidated 2020 $ | Consolidated 2019 $ |
|---|---|---|
| Shares issued as consideration for acquisition of the Southern Cross Project | 1,000,000 | - |
| Options issued to broker for acquisition of the Southern Cross Project | 159,000 | - |
| | 1,159,000 | - |

## NOTE 26: EARNINGS PER SHARE

| | Consolidated 2020 $ | Consolidated 2019 $ |
|---|---|---|
| Reconciliation of loss | | |
| Loss used in calculating earnings per share – basic and diluted | (2,804,063) | (1,762,951) |
| Net loss for the reporting period | (2,804,063) | (1,762,951) |
| Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted earnings per share | 842,958,672 | 842,584,336 |
| Basic earnings per share (cents per share) | (0.14) | (0.21) |
| Diluted earnings per share (cents per share) | (0.14) | (0.21) |

## DIRECTORS' DECLARATION

The directors of the company declare that the financial statements and notes are in accordance with the *Corporations Act 2001,* the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

a. comply with Australian Accounting Standards, which as stated in Note 1, constitutes explicit and unreserved compliance with International Financial Reporting Standards; and

b. give a true and fair view of the consolidated entity's financial position as at 30 June 2020 and of its performance for the year ended on that date;

In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made by the directors in accordance with sections of 295A of the Corporations Act 2001.

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

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

Richard Henning
**DIRECTOR**
Perth, 1 September 2020

**RSM Australia Partners**

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# INDEPENDENT AUDITOR'S REPORT
# TO THE MEMBERS OF
# XANTIPPE RESOURCES LIMITED

## Opinion

We have audited the financial report of Xantippe Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, 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:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; 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 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 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.

## 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.

| Key Audit Matter | How our audit addressed this matter |
|---|---|
| ***Exploration and evaluation expenditure***<br>Refer to statement of profit or loss and other comprehensive income | |
| The Group has incurred a significant amount of exploration and evaluation expenditure of $2,072,199 for the year ended 30 June 2020. This expenditure relates to predominantly to exploration activities on its Korean tenements and the acquisition of the Southern Cross tenements.<br><br>Exploration and evaluation expenditure was considered a key audit matter because:<br><br>• it is the most significant expense in profit or loss;<br>• shares were issued as consideration for the Southern Cross project acquisition; and<br>• the inherent risk in incurring expenditure in a foreign country. | Our audit procedures included:<br><br>• Obtaining a listing of tenements held by the Group and testing ownership on a sample basis;<br>• Agreeing expenditure on a sample basis to supporting documentation; and<br>• Reviewing the fair value of shares issued in consideration paid for the acquisition of Southern Cross tenements. |

## Other Information

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 2020, but does not include the financial report and the 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 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 at: https://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

**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 2020.

In our opinion, the Remuneration Report of Xantippe Resources Limited, for the year ended 30 June 2020, 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.

RSM

RSM AUSTRALIA PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 1 September 2020

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## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Xantippe Resources Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

RSM

RSM AUSTRALIA PARTNERS

Perth, WA
Dated: 1 September 2020

TUTU PHONG
Partner

# SHAREHOLDER INFORMATION

The shareholder information set out below was applicable at 14 August 2020

**1. Number and Distribution of Equity Securities**

**The number and class of all securities on issue:**

| SECURITY CLASS | Number |
|---|---|
| Fully paid ordinary shares | 4,074,564,402 |
| | |
| Options ex 1.5¢ expiring 9 November 2020 | 16,000,000 |
| Options ex 5.68¢ expiring 29 November 2020 | 6,300,000 |
| Options ex 8.34¢ expiring 29 November 2020 | 3,000,000 |
| Options ex 2.4¢ expiring 9 November 2021 | 17,000,000 |
| Options ex 0.7¢ expiring 13 June 2021 | 3,000,000 |
| Options ex 1.0¢ expiring 13 June 2022 | 3,000,000 |
| Options ex 1.5¢ expiring 13 June 2023 | 3,000,000 |
| Options ex 0.545¢ expiring 13 June 2021 | 3,000,000 |
| Options ex 0.778¢ expiring 13 June 2022 | 3,000,000 |
| Options ex 1.167¢ expiring 13 June 2023 | 3,000,000 |
| Options ex 0.4¢ expiring 11 August 2023 | 30,000,000 |
| Options ex 0.5¢ expiring 11 August 2022 | 374,999,998 |
| Options ex 0.26¢ expiring 30 January 2023 | 100,000,000 |

**Distribution of Ordinary Shares**

| Size of Holding | Number of Holders | Shares Held |
|---|---|---|
| 1-1,000 | 34 | 7,903 |
| 1,001-5,000 | 66 | 229,360 |
| 5,001-10,000 | 57 | 442,108 |
| 10,001-100,000 | 320 | 16,357,724 |
| 100,001 and over | 829 | 4,001,971,751 |
| Total | **1,306** | **4,019,008,846** |

There are 550 shareholders who hold less than a marketable parcel of 166,667 shares.

**2. Substantial Shareholders**

| Name | Number of Shares | % |
|---|---|---|
| Mr Gregory Cunnold & Ms Lara Groves <Stratford A/C> | 384,615,384 | 9.57 |
| Slipstream Resources Investments Pty Ltd <Slipstream Capital A/C> | 318,073,003 | 7.91 |

**3. Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting every shareholder or class of shareholder present in person or by proxy, attorney or representative has one vote on a show of hands and, on a poll, one vote for each fully paid share which that member holds or represents.

## SHAREHOLDER INFORMATION (Continued)

### 4. Securities Subject to Escrow

No securities are currently subject to any escrow provisions.

### 5. Unquoted Equity Security Holders with Greater than 20% of an Individual Class

As at 14 August 2020 the following class of unquoted securities had holders with greater than 20% of that class on issue.

| **Options ex 1.5¢ expiring 9 November 2020** | | **Number of securities** | **%** |
|---|---|---|---|
| 1. | ZENIX NOMINEES PTY LTD | 6,000,000 | 50.00 |
| 2. | MR LAWRENCE JONATHON DUGDALE + DR ALLISON LORRAINE DUGDALE <DUGDALE SUPER FUND A/C> | 3,000,000 | 25.00 |
| 3. | MR JAMES DANIEL NOONAN | 3,000,000 | 25.00 |
| **Options ex 2.4¢ expiring 29 November 2020** | | **Number of securities** | **%** |
| 1. | MR LAWRENCE JONATHON DUGDALE & DR ALLISON LORRAINE DUGDALE <DUGDALE SUPER FUND A/C> | 3,000,000 | 100% |
| **Options ex 2.4¢ expiring 9 November 2021** | | **Number of securities** | **%** |
| 1. | GUN HYUNG RYU | 2,000,000 | 50.00 |
| 2. | MR BRUCE DAVID WADDELL | 1,000,000 | 25.00 |
| **Options ex 0.7¢ expiring 13 June 2021** | | **Number of securities** | **%** |
| 1. | MR RICHARD HENNING <RATHMORE S/F A/C> | 3,000,000 | 100.00 |
| **Options ex 1.0¢ expiring 13 June 2022** | | **Number of securities** | **%** |
| 1. | MR RICHARD HENNING <RATHMORE S/F A/C> | 3,000,000 | 100.00 |
| **Options ex 1.5¢ expiring 13 June 2023** | | **Number of securities** | **%** |
| 1. | MR RICHARD HENNING <RATHMORE S/F A/C> | 3,000,000 | 100.00 |
| **Options ex 0.545¢ expiring 13 June 2021** | | **Number of securities** | **%** |
| 1. | JLC CORPORATION PTY LTD <YU FAMILY A/C> | 3,000,000 | 100.00 |
| **Options ex 0.778¢ expiring 13 June 2022** | | **Number of securities** | **%** |
| 1. | JLC CORPORATION PTY LTD <YU FAMILY A/C> | 3,000,000 | 100.00 |
| **Options ex 1.167¢ expiring 13 June 2023** | | **Number of securities** | **%** |
| 1. | JLC CORPORATION PTY LTD <YU FAMILY A/C> | 3,000,000 | 100.00 |
| **Options ex 1.167¢ expiring 13 June 2023** | | **Number of securities** | **%** |
| 1. | JLC CORPORATION PTY LTD <YU FAMILY A/C> | 3,000,000 | 100.00 |
| **Options ex 0.4¢ expiring 11 August 2023** | | **Number of securities** | **%** |

| | | | |
|---|---|---|---|
| 1. | MR RICHARD HENNING <RATHMORE S/F A/C> | 14,000,000 | 47.00 |
| 2. | JLC CORPORATION PTY LTD | 8,000,000 | 27.00 |
| 3. | HOLIHOX PTY LTD <PSR SUPERANNUATION A/C> | 8,000,000 | 27.00 |
| **Options ex 0.5¢ expiring 11 August 2022** | | **Number of securities** | **%** |
| 1. | DEUTSCHE BALATON AKTIENGESELLSCHAFT | 83,333,350 | 22.00 |
| **Options ex 0.26¢ expiring 30 January 2023** | | **Number of securities** | **%** |
| 1. | ZENIX NOMINEES PTY LTD | 95,000,000 | 95.00 |

## 6. On-market Buy-Back

Currently there is no on-market buy-back of the Company's securities.

## 7. Twenty Largest Shareholders as at 14 August 2020

| | Shareholder | No. of Shares | % |
|---|---|---|---|
| 1 | MR GREGORY ROLLAND CUNNOLD + MS LARA CHERYL GROVES <STRATFORD A/C> | 384,615,384 | 9.57 |
| 2 | SLIPSTREAM RESOURCES INVESTMENTS PTY LTD <SLIPSTREAM CAPITAL A/C> | 318,073,003 | 7.91 |
| 3 | AURORA MINERALS LIMITED | 171,295,270 | 4.26 |
| 4 | DEUTSCHE BALATON AKTIENGESELLSCHAFT | 166,666,700 | 4.15 |
| 5 | PERTH SELECT SEAFOODS PTY LTD | 150,000,000 | 3.73 |
| 6 | BLUEDALE PTY LTD <COMB SUPER FUND A/C> | 130,000,000 | 3.23 |
| 7 | CEN PTY LTD | 127,000,000 | 3.16 |
| 8 | TWO TOPS PTY LTD | 120,000,000 | 2.99 |
| 9 | ACN 157 889 104 PTY LTD <JAGUAR SHARE TRADING A/C> | 85,000,000 | 2.11 |
| 10 | JEMAYA PTY LTD <THE FEATHERBY FAMILY A/C> | 73,875,000 | 1.84 |
| 11 | LIGHTNING JACK PTY LTD <INDIGO FAMILY A/C> | 66,542,382 | 1.66 |
| 12 | BAYTOWN HOLDINGS PTY LTD <BAYTOWN INVESTMENT A/C> | 65,000,000 | 1.62 |
| 13 | TRADE HOLDINGS PTY LTD <K H & R M ALLISTER S/F A/C> | 60,000,000 | 1.49 |
| 14 | SOUTHERN CROSS CAPITAL PTY LTD | 53,000,000 | 1.32 |
| 15 | MULLOWAY PTY LTD <JOHN HARTLEY POYNTON FM A/C> | 50,000,000 | 1.24 |
| 16 | TARNEY HOLDINGS PTY LTD <DP & FL WADDELL FAMILY A/C> | 50,000,000 | 1.24 |
| 17 | MR GEOFFREY DONALD COULTAS <THE COULTAS FAMILY A/C> | 45,000,000 | 1.12 |
| 18 | MR IAN MICHAEL PATERSON PARKER + MRS CATRIONA SYLVIA PARKER <IMPP A/C> | 36,000,000 | 0.90 |
| 19 | ACERIVER PTY LTD | 33,500,000 | 0.83 |
| 20 | DIXTRU PTY LIMITED | 30,888,888 | 0.77 |
| | Total top 20 shareholders | 2,216,456,627 | 55.15 |
| | Total remaining shareholders | 1,802,552,219 | 44.85 |
| | **Total Issued Shares** | **4,019,008,846** | **100.00** |

## 8. Corporate Governance Statement

The 2020 Corporate Governance statement of Xantippe Resources Limited is available on the Company's website at: https://xantippe.com.au/the-company/corporate-governance/

# MINERAL TENEMENT INFORMATION
**(as at 14 August 2020)**

| Project | Name | Status | Grant Date | Expiry Date | Current Area | Approx Area Ha |
|---|---|---|---|---|---|---|
| Duketon EL | E77/2367 | Live | 5-Jul-17 | 4-Jul-22 | 23 BL | 6440 |
| Caudin EL | E77/2584 | Live | 16-Dec-19 | 15-Dec-24 | 22 BL | 6160 |
| | E77/2609 | Live | 30-Mar-20 | 29-Mar-25 | 3 BL | 840 |
| Kelly Star | E77/2694 | Pending | | | 4 BL | 1120 |
| Burbidge | E77/2695 | Pending | | | 2 BL | 560 |
| Northonopine | E77/2696 | Pending | | | 27 BL | 7560 |
| Xantippe | P77/4365 | Live | 1-Dec-16 | 30-Nov-20 | 19 HA | 19 |
| Roma / Alpine | P77/4366 | Live | 1-Dec-16 | 30-Nov-20 | 38 HA | 38 |
| Mt Caudin | P77/4413 | Live | 24-Aug-17 | 23-Aug-21 | 188 HA | 188 |
| Mt Caudin | P77/4414 | Live | 24-Aug-17 | 23-Aug-21 | 152 HA | 152 |
| Mt Caudin | P77/4415 | Live | 24-Aug-17 | 23-Aug-21 | 199 HA | 199 |
| Mt Caudin | P77/4416 | Live | 24-Aug-17 | 23-Aug-21 | 123 HA | 123 |
| Marvel Loch North | P77/4433 | Live | 15-Sep-17 | 14-Sep-21 | 9 HA | 9 |
| Toomey Wedge | P77/4434 | Live | 15-Sep-17 | 14-Sep-21 | 2 HA | 2 |
| Kenny West | P77/4435 | Live | 15-Sep-17 | 14-Sep-21 | 10 HA | 10 |
| Kenny West Wedge | P77/4436 | Live | 6-Oct-17 | 5-Oct-21 | 28 HA | 28 |
| | P77/4439 | Live | 26-Sep-17 | 25-Sep-21 | 110 HA | 110 |
| Mt Caudin | P77/4440 | Live | 26-Sep-17 | 25-Sep-21 | 160 HA | 160 |
| Glendower | P77/4441 | Live | 1-Feb-18 | 31-Jan-22 | 189 HA | 189 |
| Glendower | P77/4442 | Live | 26-Sep-17 | 25-Sep-21 | 141 HA | 141 |
| Glendower | P77/4443 | Live | 1-Feb-18 | 31-Jan-22 | 200 HA | 200 |
| Glendower | P77/4444 | Live | 26-Sep-17 | 25-Sep-21 | 140 HA | 140 |
| Glendower | P77/4445 | Live | 26-Sep-17 | 25-Sep-21 | 194 HA | 194 |
| Glendower | P77/4446 | Live | 26-Sep-17 | 25-Sep-21 | 200 HA | 200 |
| Xantippe East | P77/4447 | Live | 26-Sep-17 | 25-Sep-21 | 87 HA | 87 |
| Glendower | P77/4465 | Live | 15-Jan-19 | 14-Jan-23 | 137 HA | 137 |
| Glendower | P77/4466 | Live | 26-Sep-17 | 25-Sep-21 | 96 HA | 96 |

# MINERAL TENEMENT INFORMATION

**(as at 14 August 2020)**

**SMCL –** subsidiary Suyeon Mining Company Limited

## SOUTH KOREA

**KGCL** – subsidiary Korea Graphite Company Limited

| Deposit | Mine Land Ledger No. | Mining Right No. | XTC Holding % | *Grant/Application Date | Title Expiry | Notes |
|---|---|---|---|---|---|---|
| **Granted Tenements** | | | | | | |
| Daewon | Yangdeokwon50-2 | 200917 | 100% | 24-July-2017 | 12-Sep-24 | SMCL was granted the title on 13 Sep 2017. On 18 June 2018 the Company transferred the title to KGCL. The Company has up to 6 years to complete the minimum exploration requirements and define a Mineral Resource** at the Daewon Project. |
| Eunha | Hongseong106-2 | 201098 | 100% | 30-Nov-2018 | 30-Nov-2025 | SMCL was granted an Exploration Right over this block on the 10 October 2018 and completed the final steps on the tenement registration process on 30 November 2018. The Company is in the process of transferring the tenement to KGCL. |
| Eunha | Hongseong97-4 | 201101 | 100% | 11-Dec-2018 | 10-Dec-2025 | SMCL was granted an Exploration Right over this block on the 10 October 2018 and completed the final steps on the tenement registration process on 30 November 2018. The Company is in the process of transferring the tenement to KGCL. |
| Eunha | Hongseong107-1 | 201010 | 100% | 15-May-2018 | 14-May-25 | SMCL was granted an Exploration Right over this block on the 15 May 2018. On the 18 June 2018 the Company transferred the tenement to KGCL. The Company lodged a Prospecting Plan on 30 May 2018 and has until 29 May 2021 to lodge a drilling report confirming that the Company has completed at least 50% of the required prospecting works. The Company can then be granted a further 3 years to complete the minimum required drilling work and define a Mineral Resource**. |
| Eunha | Hongseong107-2 | 201010 | 100% | 15-May-2018 | 14-May-25 | SMCL was granted an Exploration Right over this block on the 15 May 2018. On the 18 June 2018 the Company transferred the tenement to KGCL. The Company lodged a Prospecting Plan on 30 May 2018 and has until 29 May 2021 to lodge a drilling report confirming that at least 50% of the required prospecting works were complete. The Company can then be granted a further 3 years to complete the minimum required drilling work and define a Mineral Resource**. |
| Gapyeong | Gapyeong 125-3 | 201038 | 100% | 26-July-2018 | 25-July-2025 | SMCL was granted an Exploration Right over this block on the 26 July 2018. On the 5 September 2018 the Company transferred the tenement to KGCL. The Company has to lodge a Prospecting Plan by 25 July 2019. The Company will then have 3 years to lodge a drilling report confirming that at least 50% of the required prospecting works were completed in order to be granted a further 3 years**. |

| Deposit | Mine Land Ledger No. | Mining Right No. | XTC Holding % | *Grant/Application Date | Title Expiry | Notes |
|---|---|---|---|---|---|---|
| Gapyeong | Gapyeong 124-4 | 201099 | 100% | 25-November-2018 | 30-Nov-2025 | SMCL was granted an Exploration Right over this block on the 1 October 2018 and completed the final steps on the tenement registration process on 25 November 2018. The Company is in the process of transferring the tenement to KGCL. |
| Ilweol | Dogyedong 72 | 200954 | 100% | 24-November-2017 | 23-November-2024 | SMCL was granted an Exploration Right over this block on the 24 November 2017. The Company has until 23 November 2018 to file a Prospecting Plan with the Local Government Office for the grant of a 6-year period for exploration over the title block. |
| Ilweol | Dogyedong 82 | 200998 | 100% | 16-March-2018 | 15-March-2025 | SMCL was granted an Exploration Right over this block on the 16 March 2018. The Company has until 15 March 2019 to file a Prospecting Plan with the Local Government Office for the grant of a 6-year period for exploration over the title block. |
| Ilweol | Dogyedong 81 | 201233 | 100% | 03-Feb-2020 | 03-Feb 2027 | SMCL has 1 year from the date tax paid to file a Prospecting Plan with the Local Government Office for the grant of a 6 year period for exploration over the title block. |
| Palgong & Baegun | Osu 23 | 200471 | 100% | 17-Dec-14 | 14-Dec-21 | Granted to SMCL on the 17 December 2014. Exploring Plan lodged with the Ministry of Trade Industry and Economics 15 December 2015. SMCL has until 5th December 2018 to complete 50% of proposed drilling work and file a report to obtain a 3-year extension of the title. |
| Ubeong | Hyeondong 59 | 200861 | 100% | 26-April-2017 | 25-April-24 | SMCL was granted the title on 26 April 2017. The Company has filed a prospecting plan and must complete 50% of the required exploration works by 7 March 2021 to apply for a further 3-year extension. |
| Ubeong | Hyeondong 60 | 200862 | 100% | 26-April-2017 | 25-April-24 | SMCL was granted the title on 26 April 2017. The Company has filed a prospecting plan and must complete 50% of the required exploration works by 7 March 2021 to apply for a further 3-year extension. |
| Ubeong | Hyeondong 69 | 200863 | 100% | 26-April-2017 | 25-April-24 | SMCL was granted the title on 26 April 2017. The Company has filed a prospecting plan and must complete 50% of the required exploration works by 7 March 2021 to apply for a further 3-year extension. |
| Ubeong | Hyeondong 70 | 200940 | 100% | 25-August-2017 | 24-Aug-24 | SMCL was notified of the Ministry's intention to grant an Exploration Right over this block for Zn, Pb & Ag exploration on the 25 August 2017. The Company has filed a prospecting plan and must complete 50% of the required exploration works by 11 August 2021 to apply for a further 3-year extension. |
| Ubeong | Hyeondong 70-1 | 200969 | 100% | 30-December-2017 | 29-Dec-2024 | The Company filed a Prospecting Plan on 29 Dec 2018. The company will have up to 6 years to complete the required mineral exploration work and define a Limestone Mineral Resource over this sub-block. |

| Deposit | Mine Land Ledger No. | Mining Right No. | XTC Holding % | *Grant/Application Date | Title Expiry | Notes |
|---|---|---|---|---|---|---|
| Ubeong | Hyeondong 68 | 201052 | 100% | 7-August-2018 | 6-Aug-2025 | SMCL has until 6 August 2019 to file a Prospecting Plan. The company will then have up to 6 years to complete the required mineral exploration work and define a Limestone Mineral Resource over this sub-block. |
| Ubeong | Hyeondong 78 | 200941 | 100% | 25-August-2017 | 24-Aug-2024 | SMCL was notified of the Ministry's intention to grant an Exploration Right over this block for Zn, Pb & Ag exploration on the 25 August 2017. The Company has filed a prospecting plan and must complete 50% of the required exploration works by 11 August 2021 to apply for a further 3-year extension. |
| Wolmyeong | Cheongsan 69-2 | 200812 | 100% | 20-Dec-17 | 19-Dec-2023 | SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. On the 18 June 2018 the Company transferred the tenement to KGCL. The Company successfully filed a prospecting report on 8 December 2017. The Company must complete 50% of the required exploration works by 7 December 2020 to apply for a further 3-year extension. |
| Wolmyeong | Cheongsan 69-4 | 200812 | 100% | 20-Dec-17 | 19-Dec-23 | SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. On the 18 June 2018 the Company transferred the tenement to KGCL. The Company successfully filed a prospecting report on 8 December 2017. The Company must complete 50% of the required exploration works by 7 December 2020 to apply for a further 3-year extension. |
| Wolmyeong | Cheongsan 79-2 | 200813 | 100% | 20-Dec-17 | 19-Dec-23 | SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. On the 18 June 2018 the Company transferred the tenement to KGCL. The Company successfully filed a prospecting report on 8 December 2017. The Company must complete 50% of the required exploration works by 7 December 2020 in order to apply for a further 3-year extension. |
| Wolmyeong | Cheongsan 79-4 | 200813 | 100% | 20-Dec-17 | 19-Dec-23 | SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. On the 18 June 2018 the Company transferred the tenement to KGCL. The Company successfully filed a prospecting report on 8 December 2017. The Company must complete 50% of the required exploration works by 7 December 2020 in order to apply for a further 3-year extension. |
| Wolmyeong | Cheongsan 89-1 | 200814 | 100% | 20-Dec-17 | 19-Dec-23 | SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. On the 18 June 2018 the Company transferred the tenement to KGCL. The Company filed a prospecting report on 8 December 2017. The Company must complete 50% of the required exploration works by 7 December 2020 to apply for a further 3-year extension. |
| Yongwon | Eumseong 32-1 | 200811 | 100% | 20-Dec-17 | 19-Dec-23 | SMCL was granted an Exploration Right over this sub-block for graphite exploration on 20 December 2016. On the 18 June 2018 the Company transferred the tenement to |

| Deposit | Mine Land Ledger No. | Mining Right No. | XTC Holding % | *Grant/Application Date | Title Expiry | Notes |
|---|---|---|---|---|---|---|
| | | | | | | KGCL. The Company filed a prospecting report on 27 September 2017. The Company must complete 50% of the required exploration works by 26 September 2020 in order to apply for a further 3-year extension. |
| **Tenement Applications** | | | | | | |
| Daewon | Yangdeokwon 50-1 | 00530 | 100% | | | Mineral Deposit Survey (MDS) has been submitted and an MRO field inspection should take place in October 2019. |
| Gapyeong | Gapyeong 125 | 01335 | 100% | 21-Jun-19 | 20- Dec-19 | KGCL must lodge Mineral Deposit Survey (MDS) prior to expiry date to extend the tenement life up to additional 7 years |
| Goseon North | Seobyeok 60 | 01330 | 100% | 21-Jun-19 | 20- Dec-19 | SMCL must Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend |
| Goseong | Ganseong 23 | 01334 | 100% | 21-Jun-19 | 20- Dec-19 | KGCL must lodge Mineral Deposit Survey (MDS) prior to expiry date to extend the tenement life up to additional 7 years |
| Goseong | Ganseong 33 | 01336 | 100% | 21-Jun-19 | 20- Dec-19 | KGCL must lodge Mineral Deposit Survey (MDS) prior to expiry date to extend the tenement life up to additional 7 years |
| Ilweol | Dogyedong 62 | 01331 | 100% | 21-Jun-19 | 20- Dec-19 | SMCL must Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend |
| Ilweol | Dogyedong 81 | 4197 | 100% | | | Mineral Deposit Survey (MDS) has been submitted and an MRO field inspection should take place in October 2019. |
| Ilweol | Dogyedong 91 | 01332 | 100% | 21-Jun-19 | 20- Dec-19 | SMCL must Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend |
| Ilweol | Dogyedong 92 | 01333 | 100% | 21-Jun-19 | 20- Dec-19 | SMCL must Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend |

*For all tenement applications, SMCL or KGCL must lodge a Mineral Deposit Survey (MDS) prior to the expiry date to facilitate the grant of an exploration permit for up to 7 years.
** The Mineral Resource required under the terms of the Korean Mineral Law need not be JORC compliant.

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