

**SUVO STRATEGIC MINERALS LIMITED**  
(formerly ULTRACHARGE LIMITED)  
**APPENDIX 4E**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2020**

*The following information is given to ASX under listing rule 4.3A.*

**1. Reporting period**

<b>Current Period</b>	<b>12 months ended 30 June 2020</b>
<b>Prior Period</b>	<b>12 months ended 30 June 2019</b>

**2. Results for announcement to the market**

				% Change		
Consolidated Group	Item		USD \$			USD \$
Revenue – excluding interest received	2.1	up	32,201	95	to	34,048
Profit (loss) after tax attributable to members	2.2	up	(4,938,139)	85	to	(888,115)
Net profit (loss) attributable to members	2.3	up	(4,938,139)	85	to	(888,115)
Dividend	2.4	N/A				

**Overview**

During the year the Company ceased conducting research and development activities dedicated to creating leading edge lithium-ion battery technology. The Company entered into agreements to acquire the share capital of two exploration companies and the acquisitions were completed post-year end. During the year the Company was mainly engaged in the completion of these transactions, raising capital via a public offer and re-complying with the ASX Listing Rules.

**Business performance**

During the year the Company announced that Blitz Motors had ceased all testing on the Company's batteries due to technical issues. Consequently, the Company ceased its operations in researching and developing lithium-ion batteries. Losses from discontinued operations amounted to \$202,518 (2019: \$5,104,313), before a write back of foreign exchange gains of \$411,123.

The Company restructured its management and entered into an agreement to acquire the share capital of Watershed Enterprise Solutions Pty Ltd ("Watershed"), holder of exploration licence E70/5001, and the share capital of Mt Marshall Kaolin Pty Ltd ("Mt Marshall"), holder of exploration licence E70/5039. These signalled the Company's diversification into resource exploration and evaluation. Subsequent to the end of the financial year, the Company raised A\$5M in capital to explore and evaluate the projects acquired with a new Board of Directors and management.

**Corporate**

The Company issued 50 million ordinary shares during the year, raising \$100,770 (A\$150,000), of which \$67,180 (A\$100,000) was received in the last financial year. The Company changed its management team and Board of Directors as it moved away from lithium-ion battery research and development, transitioning to resource exploration and evaluation in Western Australia. This was completed with the raising of A\$5 million before costs post year end in July 2020 and the re-compliance with ASX Listing Rules following the completion of the acquisitions of Watershed and Mt Marshall. In addition, the Company changed its name from Ultracharge Limited to Suvo Strategic Mineral Limited

### **COVID-19 Pandemic**

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

### **3. Consolidated Statement of Profit or Loss and Other Comprehensive Income**

Refer to attached financial statements.

### **4. Consolidated Statement of Financial Position**

Refer to attached financial statements.

### **5. Consolidated Statement of Cashflow**

Refer to attached financial statements.

### **6. Dividends Paid or Recommended**

The Directors have not recommended or paid a dividend.

### **7. Details of any Dividend or distribution reinvestment plans**

The Company does not have any distribution reinvestment plans.

### **8. Statement of movements in Retained Earnings**

Refer to attached financial statements.

### **9. Net tangible assets per security**

	<b>30 June 2020</b>	<b>30 June 2019</b>
<b>Number of securities</b>	112,338,245	912,422,286
<b>Net tangible assets per security in cents</b>	0.19	0.12

### **10. Changes in controlled entities**

There have been no changes in other controlled entities during the current year.

### **11. Details of associates and joint venture entities**

The Company does not have any associates or joint venture entities.

### **12. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position**

Refer to attached financial statements.

### **13. Foreign entities disclosures**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

**14. Additional information**

<b><u>Earnings per Share on continuing operations</u></b>	<b>30 June 2020</b>	<b>30 June 2019</b>
Basic (losses) earnings per share in cents	(0.13)	(0.61)
Diluted (losses) earnings per share in cents	(0.13)	(0.61)

**15. After Balance Date Events**

Refer to attached financial statements.

**16. Compliance Statement**

This report should be read in conjunction with the audited Suvo Strategic Minerals Limited financial report for the year ended 30 June 2020, and is lodged with the ASX under listing rule 4.3A.

**SUVO STRATEGIC MINERALS LIMITED**  
(Formerly Ultracharge Limited)

**ABN 97 140 316 463**

**2020 Financial Report**

# Corporate Directory

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## Directors

**Mr Robert Martin** (Executive Chairman)

**Mr Aaron Banks** (Executive Director)

**Mr Leonard Troncone** (Non-Executive Director)

## Company Secretary

Justyn Stedwell

## Registered Office

Suite 103

Level 1, 2 Queen Street

Melbourne VIC 3000

Telephone: (03) 8395 5446

Facsimile: (03) 8678 1747

## Auditors

BDO Audit (WA) Pty Ltd

38 Station Street

Subiaco, WA 6008

Telephone: (08) 6382 4600

## Share Registry

Automic Registry Services Pty Ltd

Level 2

267 St Georges Terrace

West Perth WA 6005

Telephone: 1300 288 664

## Website

[www.suvo.com.au](http://www.suvo.com.au)

## Stock Exchange Listing

The Company is listed on the Australian Stock Exchange (ASX)

## Australian Stock Exchange Code:

SUV

# CONTENTS

<b>Corporate directory</b>	<b>2</b>
<b>Directors' report</b>	<b>4</b>
<b>Audited remuneration report</b>	<b>13</b>
<b>Auditor's independence declaration</b>	<b>18</b>
<b>Consolidated statement of profit or loss and other comprehensive income</b>	<b>19</b>
<b>Consolidated statement of financial position</b>	<b>20</b>
<b>Consolidated statement of changes in equity</b>	<b>21</b>
<b>Consolidated statement of cash flows</b>	<b>22</b>
<b>Notes to the consolidated financial statements</b>	<b>23</b>
<b>Directors' declaration</b>	<b>45</b>
<b>Independent auditors' report</b>	<b>46</b>
<b>ASX additional information</b>	<b>48</b>

These financial statements are the consolidated financial statements of the consolidated entity consisting of Suvo Strategic Minerals Limited and its subsidiaries. The financial statements are presented in US dollar currency.

Suvo Strategic Minerals Limited is a company limited by shares, incorporated and domiciled in Australia.

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of activities on pages 7 – 9.

The financial statements were authorised for issue by the Directors on 31 August 2020. The Directors have the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely and complete. All announcements and financial reports are available on our website: [www.suvo.com.au](http://www.suvo.com.au).

## Directors' report

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Your Directors present their report together with the financial report of Suvo Strategic Minerals Limited ('the Company' or 'Parent Entity' or 'Suvo') and its controlled entities ('the Group' or 'consolidated entity') for the year ended 30 June 2020 and the auditor's report thereon.

### Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

#### Names, qualifications, experience and special responsibilities

##### **Mr Robert Martin – Executive Chairman (Appointed 30 July 2020)**

Mr Martin has over 20 years' experience across the mining services, supply chain and capital market sectors. Before joining the Company's board of directors, he operated a highly successful mining services company which became a leading provider of products and services to the mining industry and operated globally with offices across Australia and internationally. After 7 years of growth on growth revenue, profitability and expansion into multiple countries, Mr Martin's company was acquired by a prominent Perth business for an undisclosed multi-million dollar sum. Mr Martin now runs a family office in Western Australia with a focus on investing and supporting emerging private and public businesses.

Other directorships: PARKD Limited (ASX: PKD)

##### **Mr Aaron Banks – Executive Director (Appointed 30 July 2020)**

Mr Banks is a specialist business consultant with over 20 years' experience in contract negotiations and business development including senior roles in sales, marketing and construction management where he successfully negotiated contracts exceeding \$300 million in value within the housing sector. Since 2015 as Founder, and since 2016 as Managing Director of Australian Silica Pty Ltd, Mr Banks has developed extensive relationships with glass companies and manufacturers of specialty products for LCD screens and photovoltaic systems in the Asian-Pacific Region.

In 2016 Mr Banks discovered what has become one of the largest high-grade silica sand resources in the world. While on the board of Australian Silica, he successfully negotiated the sale of the Mucnea Silica Sand Project to VRX Silica (ASX: VRX) in 2017, which helped re-pivot VRX from a base metals explorer to a silica sand explorer with a market capitalisation as at 20 August 2020 of approximately \$45 million.

Other directorships: None

##### **Mr Leonard Troncone – Non-Executive Director (Appointed 30 July 2020)**

Mr Troncone is a senior finance executive with over 35 years' hands-on experience in the Australian corporate environment, with experience gained in a range of industries including mining, mineral exploration, mine development and oil and gas, diversified engineering, manufacturing and construction, financial services and private investment. Mr Troncone holds a Bachelor of Business degree from Curtin University of Technology (formerly the Western Australian Institute of Technology).

Mr Troncone has been involved with initial public offerings, capital raisings and the arrangement of debt facilities to fund major acquisitions and projects. He has made transformative contributions to newly listed entities including the delivery and creation of strong shareholder wealth in the years post-initial public offer at both United Group Limited and Decmil Group Limited (formerly Paladio Group Limited). Mr Troncone is the CEO, CFO and company secretary of PARKD Limited (ASX: PKD).

Other directorship: None.

**Mr Doron Nevo – Non-Executive Chairman (Resigned 30 November 2019)**

Mr Nevo was president and chief executive officer of KiloLambda Technologies Ltd, an optical nanotechnology company from 2001 until 2019. From 1999 to 2001, Mr Nevo was involved in fundraising activities for Israeli-based start-up companies. From 1996 to 1999, Mr. Nevo served as president and chief executive officer of NKO, Inc., having established NKO in early 1995 as a start-up subsidiary of Clalcom, Ltd. NKO designed and developed a full scale, carrier grade, IP telephony system and established its own IP network. From 1992 to 1996, Mr. Nevo served as president and chief executive officer of Clalcom Ltd having established Clalcom in 1992 as a telecom service provider in Israel. He also served as a director of several publicly traded companies in various markets worldwide.

Mr Nevo holds a B.Sc. in Electrical Engineering from the Technion - Israel Institute of Technology and a M.Sc. in Management from Brooklyn Polytechnic.

Mr Nevo presently serves as a director of NASDAQ-listed AudioCodes, Ltd. and Tel Aviv listed Hadasit Bio-Holdings, Ltd.

**Mr Kobi Ben-Shabat – Managing Director (Resigned 30 July 2020)**

Mr Ben-Shabat was educated in Israel's Ruppin Academic Centre in Business and Administration and concluded his tertiary studies with an MBA in Marketing and Information Technology from the University of Manchester in 2000.

After working for various US based technology companies, Mr Ben-Shabat was seconded to Australia where he was instrumental in the growth of the region's IP Surveillance and Security industry. After noticing a market opportunity Mr Ben-Shabat established Open Platform Systems Limited (OPS). OPS swiftly became recognised as the predominant player in its technology space and became a "pain point" for the region's long established tier one providers. Australia's Business Review Weekly magazine recognised OPS in its annual BRW Fastest Growing Companies index for three consecutive years. OPS was acquired by Hills Ltd (ASX listed) in April 2014. Mr Ben-Shabat has extensive experience with sales and senior management with a particular emphasis on emerging markets and technologies.

**Mr Anthony Brown – Non-Executive Director (Appointed 23 September 2019. Resigned 30 July 2020)**

Mr Brown is an entrepreneur who has owned various businesses over his 30 year commercial career. These businesses have provided specialist technology services to government and non-government organisations. During Mr Brown's leadership, two of his organisations were successfully sold to multi-national enterprises, delivered complex large multi-faceted projects, won major awards for product sales and system integrations within Australia and the Asia-Pacific region.

Mr Brown is current director of Scout Security Limited (ASX: SCT)

**Mr Yury Nehushtan – Non-Executive Director (Resigned 10 November 2019)**

Mr Nehushtan is a lawyer and Member of the Israeli Bar Association since November 1991. He is the Managing Partner of Nehushtan, Zafran, Scharf, Jaffe & Co. Law offices, a boutique law firm specialising in commercial litigation and labour law.

Mr Nehushtan gained a Law Degree at the Hebrew University in Jerusalem (1985- 1989) and a Master's Degree in the London School of Economics (1990) with a focus on banking, finance and securities law. He has extensive experience in commercial and corporate law, with a focus on large and complex legal disputes, including corporate, securities, contract and commercial disputes, class actions, arbitrations and alternative dispute resolution.

**Mr John Paitaridis – Non-Executive Director (Resigned 30 July 2020)**

As the managing director of Optus Business, Mr Paitaridis leads Optus' enterprise, business and government organisation. With 25 years' industry experience, he is accountable for all aspects of sales, marketing, products, operations and service delivery. Mr Paitaridis joined Optus Business in 2012, bringing a deep understanding of the telecommunications and ICT needs of enterprise and government customers. Previously, he was an executive at Telstra.

Mr Paitaridis has extensive experience managing businesses in international markets including almost 10 years based in Europe and Asia. A seasoned senior executive, Mr Paitaridis has a strong track record of driving growth in sales, revenue and profitability as well as building high performance teams.



Mr Paitaridis holds a Bachelor of Economics degree and is a graduate member of the Australian Institute of Company Directors. In 2012, he was appointed as a member of the Australian Information Industry Association's (AIIA) board of directors and in 2014 was appointed deputy chair of the AIIA board.

#### Mr David Wheeler – Non-Executive Director (resigned 28 August 2019)

Mr Wheeler has more than 30 years executive management experience, through general management, CEO and managing director roles across a range of companies and industries. He has worked on business projects in the USA, UK, Europe, New Zealand, China, Malaysia, and the Middle East (Iran). David has been a Fellow of the Australian Institute of Company Directors (FAICD) since 1990.

#### Directorships in other listed entities

Directorships of other listed entities held by Directors of the Company during the last 3 years immediately before the end of the year are as follows:

Director	Company	Period of Directorship	
		From	To
Doron Nevo	Audiocodes, Ltd. - Traded on Nasdaq "AUDC"	5 June 2000	Current
	Hadasit Bio-Holdings, Ltd. - Traded on TASE "HBL"	29 July 2018	Current
Kobi Ben-Shabat	Weebee Nano Limited	1 August 2016	30 November 2017
David Wheeler	333D Limited	15 April 2011	16 February 2018
	Antilles Oil and Gas NL	12 February 2016	13 November 2018
	Auscann Group Holdings Limited	18 November 2014	19 January 2017
	Ausmex Mining Group Limited	1 October 2014	1 August 2017
	Avira Oil & Gas NL	3 September 2018	Current
	Castillo Copper Limited	13 August 2015	12 February 2018
	Eneabba Gas Limited	10 October 2017	Current
	Premiere Eastern Energy Limited	24 August 2014	30 April 2017
	Protean Energy Limited	16 May 2017	Current
	Ragnar Metals Limited	4 December 2017	Current
	Thred Ltd	31 August 2017	Current
	Weststar Industrial Limited	12 August 2015	21 November 2016
Anthony Brown	Scout Security Limited	22 August 2017	Current
Robert Martin	PARKD Limited	1 March 2019	Current

#### Directors' Interests

The relevant interests of each Director in the shares and options of the Company at the date of this report are as follows:

	Ordinary Shares	Options over Ordinary Shares	Performance Rights
Robert Martin	15,555,161	10,000,000	12,000,000
Aaron Banks	72,564,516	-	20,000,000
Leonard Troncone	250,000	1,250,000	8,000,000

## Company Secretary

### Mr Justyn Stedwell – Company Secretary

Mr Stedwell was appointed as Company Secretary on 14 May 2019. He has over 11 years' experience as a Company Secretary of ASX listed companies and has completed a Bachelor of Business & Commerce (Management & Economics) at Monash University, a Graduate Diploma of Accounting at Deakin University, a Graduate Diploma in Applied Corporate Governance with Chartered Secretaries Australia and a Graduate Certificate of Applied Finance with Kaplan Professional.

## Remuneration of key management personnel

Information about the remuneration of key management personnel is set out in the Audited Remuneration Report of this Directors' report, on pages 13 to 17. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity.

Other than as disclosed in this report, no shares have been issued for compensation purposes during or since the end of the financial year to any employee of the Company.

## Operating and financial review

### Principal activities

During the year the Company ceased conducting research and development activities dedicated to creating leading edge lithium-ion battery technology. The Company entered into agreements to acquire the share capital of two exploration companies and the acquisitions were completed post-year end. During the year the Company was mainly engaged in the completion of the transactions, raising capital via a public offer and re-complying with the ASX Listing Rules.

### Corporate structure

The Company is a listed public company incorporated and domiciled in Australia. The Company has prepared a consolidated financial report incorporating the entities that it controlled during the financial year. Details regarding the Parent Entity are contained in note 18 to the financial statements.

### Operating results for the year

A summary of the salient operating results for the year ended 30 June 2020 is as follows:

- Operating loss after tax was \$888,115 (FY2019 loss of \$5,826,254).
- Operating losses from continuing operations was \$1,038,286 (2019: loss of \$721,914)
- Net cash outflow from operating activities was \$1,258,657 (FY2019 \$1,762,300).

The table below sets out summary information about the consolidated entity's earnings and movement in shareholder wealth for the three years to 30 June 2020.

		30 June 2020	30 June 2019	30 June 2018
EBITDA <sup>1</sup>	\$	(888,115)	(5,774,254)	(3,201,929)
Net profit/(loss) before tax	\$	(888,115)	(5,826,254)	(3,217,470)
Net profit/(loss) after tax	\$	(888,115)	(5,826,254)	(3,217,470)
Share price at start of year (AUD)	cps	0.025	0.022	0.027
Share price at end of year (AUD)	cps	n/a*	0.025	0.022
Basic earnings per share (cents per share)	cps	(0.10)	(0.61)	(0.45)
Diluted earnings per share (cents per share)	cps	(0.10)	(0.61)	(0.45)
Dividends	cps	-	-	-
Return on Capital	cps	-	(0.44)	(0.26)

Note 1: EBITDA is a non IFRS measure which represents earnings before interest, tax, depreciation and amortisation. This is unaudited.

\*As at 30 June 2020, the Company's shares were on trading halt pending ASX relisting.

	30 June 2020	30 June 2019	30 June 2018
Net profit/(loss) after tax	\$ (888,115)	(5,826,254)	(3,217,470)
Interest	\$ -	-	-
Depreciation	\$ -	51,726	15,541
EBITDA <sup>1</sup>	\$ (888,115)	(5,774,254)	(3,201,929)

## Review of operations

### COVID-19 Pandemic

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

### Business performance

During the year the Company announced that Blitz Motors had ceased all testing on the Company's batteries due to technical issues. Consequently, the Company ceased its operations in researching and developing lithium-ion batteries. Gain from discontinued operations amounted to \$208,605 (2019: Loss of \$5,104,313), before a write back of foreign exchange gains of \$411,123.

The Company restructured its management and entered into an agreement to acquire the share capital of Watershed Enterprise Solutions Pty Ltd ("Watershed"), holder of exploration licence E70/5001, and the share capital of Mt Marshall Kaolin Pty Ltd ("Mt Marshall"), holder of exploration licence E70/5039. These signalled the Company's diversification into resource exploration and evaluation. Subsequent to the end of the financial year, the Company raised A\$5M in capital to explore and evaluate the projects acquired with a new Board of Directors and management.

### Corporate

The Company issued 50 million ordinary shares during the year, raising \$100,770 (A\$150,000), of which \$67,180 (A\$100,000) was received in the last financial year. The Company changed its management team and Board of Directors as it moved away from lithium-ion battery research and development, transitioning to resource exploration and evaluation in Western Australia. This was completed with the raising of approximately A\$5M post year end in July 2020 and the re-compliance with ASX Listing Rules following the completion of the acquisitions of Watershed and Mt Marshall. The Company also changed its name from Ultracharge Limited to Suvo Strategic Minerals Limited.

## Risk management

The Directors identify and manage risk and consider the business of exploration and evaluation, and previously research and development, by their nature, contain elements of risk, with no guarantee of success. The success of exploration and evaluation activities is, amongst other things, dependent upon the discovery of economically viable mineral deposits that are capable of being mined, process and sold. In turn, this will be dependant upon:

- Access to adequate capital;
- Regulatory approval of mining and processing operations;
- Securing buyers of end products; and
- Access to appropriately qualified and experienced management, contractors and other personnel.

## Significant changes in the state of affairs

Significant changes in the state of affairs of the Company during the financial year are detailed under Review of Operations.

The Company ceased research and development activities associated with lithium-ion batteries and entered into

contracts to acquire Mt Marshall and Watershed which hold exploration licenses for mineral sands tenements.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or in the financial report.

### Events subsequent to reporting date

In July 2020 the Company completed the buy-back of 3,000,000 ordinary shares from ETV Energy Limited. The shares were issued initially in consideration for a licence of intellectual property granted to the Company in May 2018. The consideration for the shares buy-back was the cancellation of the licence agreement.

On 6 August 2020 the Company was officially reinstated to the ASX board. The re-listing followed the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules. The Company's re-listing was gained as a result of a A\$5M capital raising via a public offer and the completion of the acquisitions of Mt Marshall and Watershed.

Under the public offer the Company issued 250,000,000 ordinary shares at A\$0.02 each, raising A\$5 million before costs.

The Company completed the acquisition of 100% of the share capital of Mt Marshall via the issue of 75,000,000 ordinary shares to the vendors. The Company completed the acquisition of 100% of the share capital of Watershed via the issue of 75,000,000 ordinary shares to the vendors.

In addition, the Company issued the following securities:

- 8,750,000 Mt Marshall loan ordinary shares;
- 7,419,677 ordinary shares to two incoming directors;
- 40,000,000 performance rights to incoming directors;
- 11,250,000 share options to incoming directors;
- 45,616,903 ordinary shares to the lead manager of the public offer; and
- 45,000,000 share options to advisors of the capital raising and acquisition of Mt Marshall and Watershed.

Upon completion of the public offer and re-listing, the existing Board resigned and was replaced by the incoming Board consisting of Robert Martin, Aaron Banks and Leonard Troncone. In addition, the Company changed its name to Suvo Strategic Minerals Limited and its ASX ticker code to "SUV".

Other than disclosed above, there has not been in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

### Likely developments and expected results of operations

Further information about likely developments in the operations of the Group in future years, the expected results of those operations, the strategies of the Group and its prospects for future financial years has not been included in this report.

### Environmental regulation

The Directors are not aware of any environmental law that is not being complied with.

## Dividends

No dividends were paid or declared since the end of the previous financial year. The Directors do not recommend a payment of a dividend in respect of the current financial year.

## Share options

### Unissued shares under option

At the date of this report unissued ordinary shares of the Company under option are:

#### Unlisted options

Expiry date	Description	Exercise price (AUD)	Number of shares
03/09/2022	Unlisted Options	0.08	5,166,670
30/07/2023	Lead Manager Options	0.03	45,616,903
30/07/2023	Director Options	0.03	11,250,000
30/07/2023	Advisor Options	0.03	45,000,000
			<b>107,033,573</b>

These options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

### Shares issued on exercise of options

No ordinary shares have been issued as a result of the exercise of options by the Company, during or since the end of the financial year.

## Performance Rights

### Unissued shares under performance rights

At the date of this report unissued ordinary shares of the Company subject to performance rights are:

Expiry date	Description	Exercise price (AUD)	Number of shares
30/07/2025	Director Performance Rights	-	40,000,000
			<b>40,000,000</b>

These performance rights entitle the holder to convert them into ordinary shares of the Company upon achieving predetermined performance milestones.

### Shares issued on exercise of performance rights

No ordinary shares have been issued as a result of the exercise of performance rights by the Company, during or since the end of the financial year.

## Indemnification and insurance of officers and auditors

The Company has agreed to indemnify the Directors of the Company and the Company Secretary against all liabilities to any other person (other than the Company) that may arise from their position as Directors and Officers of the Company, except where the liability arises out of conduct involving a lack of good faith. This agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Parent Entity has paid premiums during the financial year in respect of a contract insuring the Directors and Officers of the Group in respect of liability resulting from these indemnities. The terms of the insurance arrangements and premiums payable are subject to a confidentiality clause.

To the extent permitted by law, the Parent Entity has agreed to indemnify its auditors, BDO Audit (WA) Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify BDO Audit (WA) Pty Ltd during or since the financial year.

## Directors' meetings

The number of meetings of Directors held during the year (including meetings of committees of Directors) and the number of meetings attended by each Director were as follows:

	Held	Attended	
Doron Nevo	3	3	Resigned 30 November 2019
Kobi Ben-Shabat	5	5	
Yury Nehushtan	3	2	Resigned 10 November 2019
John Paitaridis	5	5	
David Wheeler <sup>1</sup>	1	1	Resigned 28 August 2019
Anthony Brown	4	4	Appointed 23 September 2019

A total of five meetings were held during the year.

## 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.

## Non-audit services

The Company's auditor, BDO Audit (WA) Pty Ltd, was appointed auditor of the Company in May 2018.

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the group are important.

Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out below.

The Board has considered the position, in accordance with advice received from the audit committee and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

Remuneration of the auditor of the entity for:

	2020 \$	2019 \$
The audit and review of the financial report of the Group:		
BDO Audit (WA)		
Amounts paid	26,798	54,160
BDO Audit (Israel)		
Amounts paid	10,740	32,900
	37,538	87,060
Non audit services provided during the year – BDO Corporate Finance (WA) Pty Ltd – Investigating Accountants Report	15,633	-

## Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 18 and forms part of the Directors' Report for the year ended 30 June 2020.

On behalf of the Board of Directors, I take this opportunity to thank all of our staff and consultants for their time and effort over the past 12 months. In addition, I also take this opportunity to thank our shareholders for their continued support and encouragement.

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



Robert Martin  
Executive Chairman  
31 August 2020

# Audited Remuneration Report

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The Remuneration Report sets out information relating to the remuneration of the Company's key management personnel.

Other than the short-term and long-term performance incentives, remuneration is not linked to the performance of the Company.

The Remuneration Report is set out under the following main headings:

- A. Remuneration policies
- B. Details of Directors and Company Executives (Key Management Personnel)
- C. Options and rights over equity instruments granted as compensation

All remuneration is presented in Australian dollars (unless otherwise stated).

## A. Remuneration policies

The Board has adopted a framework for corporate governance, including policies dealing with Board and Executive remuneration. Policies adopted by the Board reflect the relative stage of development of the Company, having regard for the size and structure of the organisation.

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors and Senior Executives. The remuneration packages of Executive Directors provide for a fixed level of remuneration. Other than as noted below Executive remuneration packages do not have guaranteed equity based components or performance based components.

### Fixed remuneration

Fixed remuneration consists of base remuneration (salary or consulting fees) including any FBT charges as well as employer contributions to superannuation funds, where applicable.

Remuneration levels are reviewed annually by the Board of Directors.

### Performance linked remuneration

Long-term incentives can be provided as ordinary shares and options over ordinary shares of the Company. As determined, shareholders in general meeting will be asked to approve specific grants of shares and options to Non-Executive and Executive Directors as a form of remuneration.

### Assessing performance and claw-back of remuneration

The Board is responsible for assessing performance against KPIs and determining the STI and LTI to be paid. To assist in this assessment, the Board receives detailed reports on performance from management which are based on independently verifiable data such as financial measures, market share and data from independently run surveys.

In the event of serious misconduct or a material misstatement in the Group's financial statements, the Board can cancel or defer performance-based remuneration and may also claw back performance-based remuneration paid in previous financial years.

### Consequences of performance on shareholders wealth

In view of the relatively early stage of development of the Company's business, current remuneration policies are not directly linked to company performance.



The table below shows the performance of the Group as measured by loss per share:

		30 June 2020	30 June 2019	30 June 2018
EBITDA <sup>1</sup>	\$	(888,115)	(5,774,254)	(3,201,929)
Net profit/(loss) before tax	\$	(888,115)	(5,826,254)	(3,217,470)
Net profit/(loss) after tax	\$	(888,115)	(5,826,254)	(3,217,470)
Share price at start of year (AUD)	cps	0.025	0.022	0.027
Share price at end of year (AUD)	cps	n/a*	0.025	0.022
Basic earnings per share (cents per share)	cps	(0.10)	(0.61)	(0.45)
Diluted earnings per share (cents per share)	cps	(0.10)	(0.61)	(0.45)
Dividends	cps	-	-	-
Return on Capital	cps	(0.08)	(0.44)	(0.26)

Note 1: EBITDA is a non IFRS measure which represents earnings before interest, tax, depreciation and amortisation. This is unaudited.

\*As at 30 June 2020, the Company's shares were on trading halt pending ASX relisting.

		30 June 2020	30 June 2019	30 June 2018
Net profit/(loss) after tax	\$	(888,115)	(5,826,254)	(3,217,470)
Interest	\$	-	-	-
Depreciation	\$	-	51,726	15,541
EBITDA <sup>1</sup>	\$	(888,115)	(5,774,254)	(3,201,929)

## B. Details of Directors and Company Executives (Key Management Personnel)

### Non-Executive Directors

The Non-Executive Chairman was paid up to AUD\$57,600 (USD: 39,987) and Non-Executive directors were paid up to AUD\$48,000 (USD: 33,673) per annum in fees.

### Director and Executive disclosures

Other than the Directors, no other person is concerned in, or takes part in, the management of the Company or has authority and responsibility for planning, directing and controlling the activities of the entity. As such, during the financial year, the Company did not have any person, other than Directors, that would meet the definition of "Key Management Personnel" for the purposes of AASB124 or "Company Executive or Relevant Company Executive" for the purposes of section 300A of the Corporations Act 2001 ("Act"). Directors and Key Management Personnel during the reporting year:

Doron Nevo	Non-Executive Chairman (Resigned 30 November 2019)
Kobi Ben-Shabat	Managing Director (Resigned 30 July 2020)
Yury Nehushtan	Non-Executive Director (Resigned 10 November 2019)
John Paitaridis	Non-Executive Director (Resigned 30 July 2020)
David Wheeler	Non-Executive Director (Resigned 28 August 2019)
Anthony Brown	Non-Executive Director (Appointed 23 September 2019. Resigned 30 July 2020)

### Details of Contractual provisions for Key Management Personnel

#### Executive Directors Remuneration

Executive Name	Remuneration
Mr Kobi Ben-Shabat	<ul style="list-style-type: none"> <li>Executive salary of USD\$270,000 per annum;</li> <li>Transportation reimbursements of USD\$30,000 per annum;</li> <li>Reimbursement of reasonable business expenses incurred in the ordinary course of the business in accordance with the Group's reimbursement policies; and</li> <li>Services were terminated on 30 July 2020.</li> </ul>

#### Non-executive Director remuneration

The Non-Executive Directors, Mr David Wheeler, Mr Yury Nehushtan, Mr Doron Nevo, Mr John Paitaridis and Mr Anthony Brown were paid a consulting fee on a monthly basis. Their services may be terminated by either party at any time.

The aggregate remuneration for non-executive directors has been set at an amount not to exceed AUD\$350,000 per annum at the 2016 Annual General Meeting. This amount may only be increased with the approval of Shareholders at

### Loans to Directors and Executives

There were no loans to directors and executives during the financial year ending 30 June 2020.

### Dividends to Directors and Executives

There were no dividends to directors and executives during the financial year ending 30 June 2020.

### Return of Capital to Directors and Executives

There was no return of capital to directors and executives during the financial year ending 30 June 2020.

### Other transactions with Key Management Personnel

Values in this section are expressed in USD.

Reblaze Singapore Pte Ltd, a related party of Mr Kobi Ben-Shabat, Managing Director, charged director fees and provided re-compliance and associated services to the Group during the prior period on normal commercial terms and conditions. The aggregate amount recognised during the year relating to the agreement was \$191,899 (30 June 2019: \$207,000), \$3,469 of which was outstanding at 30 June 2020 (30 June 2019: \$13,000). Mr Ben-Shabat resigned on 30 July 2020.

Pathways Corporate Pty Ltd, a company of which Mr David Wheeler is a Director, charged director fees of \$3,577 (2019: \$28,392). \$Nil (2019: \$Nil) was outstanding at year end. David Wheeler resigned on 28 August 2019.

JPINTL Services Pty Ltd, a company of which Mr John Paitaridis is a Directors, charged director fees of \$27,929 (2019: \$25,381). \$4,120 (2019: \$Nil) was outstanding at year end. Mr Paitaridis resigned on 30 July 2020.

Jarvis Brown Pty Ltd, a company of which Anthony Brown is a director, charged director fees \$21,494. At 30 June 2020 \$1,373 was outstanding. Mr Brown was appointed a director on 23 September 2019 and resigned on 30 July 2020.

There were no other transactions with Key Management Personnel during the financial year ending 30 June 2020 other than those disclosed above.

Key Management Personnel	Salary & fees USD	Short term			Post-employment		Share based	Payments		Proportion of remuneration performance related %	
		Cash bonus USD	Other monetary benefits USD	Non-monetary benefits USD	Super-annuation USD	Other USD	Shares USD	Performance Rights USD	Total USD		
Kobi Ben-Shabat (Managing Director)											
2020	191,899	-	-	-	-	-	-	-	191,899	-	
2019	177,000	-	30,000	-	-	-	-	15,432	222,432	6.9	
Doron Nevo <sup>1</sup> (Non-Executive Chairman)											
2020	25,804	-	-	-	-	-	-	-	25,804	-	
2019	30,457	-	-	-	-	-	-	4,409	34,866	12.6	
Yury Nehushtan <sup>2</sup> (Non-Executive Director)											
2020	-	-	-	-	-	-	-	-	-	-	
2019	25,381	-	-	-	-	-	-	4,409	29,790	14.8	
John Paitaridis <sup>5</sup> (Non-Executive Director)											
2020	27,929	-	-	-	-	-	-	-	27,929	-	
2019	25,381	-	-	-	-	-	-	7,936	33,317	23.8	
David Wheeler <sup>3, 5</sup>											
2020	3,577	-	-	-	-	-	-	-	3,577	-	
2019	28,392	-	-	-	-	-	-	-	28,392	-	
Anthony Brown <sup>4, 5</sup>											
2020	21,494	-	-	-	-	-	-	-	21,494	-	
2019	-	-	-	-	-	-	-	-	-	-	
Total Compensation											
2020	270,703	-	-	-	-	-	-	-	270,703	-	
2019	286,611	-	30,000	-	-	-	-	32,186	348,797	9.2	

Note:

- 1) Doron Nevo resigned on 30 November 2019.
- 2) Yury Nehushtan resigned on 10 November 2019.
- 3) David Wheeler resigned 28 August 2019.
- 4) Anthony Brown was appointed 20 September 2019.
- 5) The Non-Executive Directors were paid their monthly consulting fee in AUD.
- 6) The table above has been translated using the average monthly AUD:USD exchange rate.

## C. Options and rights over equity instruments granted as compensation

No performance rights were issued to key management personnel as incentive awards during the year.

### Modification of terms of equity-settled share-based payment transactions

No terms of equity-settled share-based payment transactions (including options and rights granted as compensation to a key management person) have been altered or modified by the issuing entity during the reporting period.

### Exercise of options granted as compensation

During the period there were no shares issued as a consequence of the exercise of options previously granted as remuneration.

### Options and rights over equity instruments

The movement during the reporting period in the number of options over ordinary shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

Directors	Held at 1 July 2019	Granted	Lapsed	Other Changes <sup>1</sup>	Held at 30 June 2020	Vested during the year	Vested and exercisable at 30 June 2020
Kobi Ben-Shabat	-	-	-	-	-	-	-
Yury Nehushtan	-	-	-	-	-	-	-
Doron Nevo	-	-	-	-	-	-	-
John Paitiaridis	-	-	-	-	-	-	-
David Wheeler	2,000,000	-	-	(2,000,000)	-	-	-

(1) David Wheeler resigned 28 August 2019.

### Movements in performance rights

There were no performance rights on issue during the current or prior year.

### Movements in shares

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

2020

Directors	Held at 1 July 2019	Acquired	Disposed	Share consolidation	Other Changes	Held at 30 June 2020	Nominally held at 30 June 2020
Kobi Ben-Shabat	55,441,481	-	-	(49,897,331)	666,666	7,210,816	7,210,816
Yury Nehushtan <sup>1</sup>	13,405,981	-	-	-	(13,405,981)	-	-
Doron Nevo <sup>2</sup>	5,937,500	-	-	-	(5,937,500)	-	-
John Paitiaridis	9,000,000	-	-	(8,100,000)	-	900,000	900,000
David Wheeler <sup>3</sup>	1,750,000	-	-	-	(1,750,000)	-	-
Anthony Brown <sup>4</sup>	-	-	-	(2,475,000)	2,750,000	275,000	275,000

(1) Yury Nehushtan resigned 10 November 2019

(2) Doron Nevo resigned 30 November 2019

(3) David Wheeler resigned 28 August 2019.

(4) Anthony Brown was appointed 20 September 2019.

### Voting of shareholders at last year's annual general meeting

The Company received 94.4% of "yes" votes on its remuneration report for the 2019 financial year. The Group did not receive any specific feedback at the AGM or throughout the year on its remuneration practices

End of audited Remuneration Report.

DECLARATION OF INDEPENDENCE DEAN JUST TO THE DIRECTORS OF SUVO STRATEGIC MINERALS LIMITED

As lead auditor of Suvo Strategic Minerals Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Suvo Strategic Minerals Limited and the entities it controlled during the period.



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 31 August 2020

## Financial statements

### Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2020

		Consolidated	
	Note	2020 \$	2019 \$
Other income	2	30,155	881
Revenue	2	3,260	1,182
General and administrative expenses		(385,050)	(268,011)
Corporate expenses	3	(490,635)	(378,424)
Sales and marketing expenses		(6,942)	(20,651)
Other expenses		(39,429)	(21,060)
Option expense	23	(208,079)	-
Share based payments	14	-	(35,858)
<b>Loss before income tax from continuing operations</b>		<b>(1,096,720)</b>	<b>(721,914)</b>
Income tax benefit	4	-	-
<b>Loss after income tax from continuing operations</b>		<b>(1,096,720)</b>	<b>(721,941)</b>
Gain / (Loss) from discontinued operations	7	208,605	(5,104,313)
<b>Net loss</b>		<b>(888,115)</b>	<b>(5,826,254)</b>
Other comprehensive income, net of tax			
Foreign currency		73,919	(95,169)
Foreign currency reclassified to profit or loss		(411,123)	-
<b>Total comprehensive loss</b>		<b>(337,204)</b>	<b>(5,921,423)</b>
Loss attributable to members of Suvo Strategic Minerals Limited		(888,115)	(5,826,254)
<b>Total comprehensive loss attributable to members of Suvo Strategic Minerals Limited</b>		<b>(1,225,319)</b>	<b>(5,921,423)</b>
Basic and diluted gain/(loss) per share:			
From continuing operations (cents per share)	6	(0.13)	(0.08)
From discontinued operations (cents per share)	6	0.03	(0.53)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

## Consolidated statement of financial position

as at 30 June 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8	240,027	1,411,618
Trade and other receivables	9	63,058	88,803
Financial assets held at fair value	10	17,947	14,925
<b>TOTAL CURRENT ASSETS</b>		<b>321,032</b>	<b>1,515,347</b>
<b>TOTAL ASSETS</b>		<b>321,032</b>	<b>1,515,347</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	104,545	104,158
Other creditors	11	-	70,153
<b>TOTAL CURRENT LIABILITIES</b>		<b>104,545</b>	<b>174,311</b>
<b>TOTAL LIABILITIES</b>		<b>104,545</b>	<b>174,311</b>
<b>NET ASSETS</b>		<b>216,487</b>	<b>1,341,036</b>
<b>EQUITY</b>			
Issued capital	12	12,904,230	12,803,460
Reserves	13	2,234,107	2,532,896
Accumulated losses		(14,921,850)	(13,995,320)
<b>TOTAL EQUITY</b>		<b>216,487</b>	<b>1,341,036</b>

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

## Consolidated statement of changes in equity

for the year ended 30 June 2020

	Note	Issued Capital \$	Accumulated Losses \$	Foreign Exchange Reserve	Share Based Payments Reserve \$	Total \$
<b>Balance at 30 June 2018</b>		<b>12,548,100</b>	<b>(8,169,066)</b>	<b>18,339</b>	<b>2,547,351</b>	<b>6,944,724</b>
Loss attributable to members of the entity		-	(5,826,254)	-	-	(5,826,254)
Other comprehensive income		-	-	(95,169)	-	(95,169)
<b>Total comprehensive loss for the period</b>		<b>-</b>	<b>(5,826,254)</b>	<b>(95,169)</b>	<b>-</b>	<b>(5,921,423)</b>
<b>Transactions with owners in their capacity as owners</b>						
Issue of share capital	12a	281,877	-	-	-	281,877
Share based payments - performance rights issued	14	-	-	-	35,858	35,858
Cost of capital	12a	(26,517)	-	-	26,517	-
<b>Balance at 30 June 2019</b>		<b>12,803,460</b>	<b>(13,995,320)</b>	<b>(76,830)</b>	<b>2,609,726</b>	<b>1,341,036</b>
Loss attributable to members of the entity		-	(888,115)	-	-	(888,115)
Other comprehensive income		-	-	(337,204)	-	(337,204)
<b>Total comprehensive loss for the period</b>		<b>-</b>	<b>(888,115)</b>	<b>(337,204)</b>	<b>-</b>	<b>1,225,319)</b>
Transfer from reserves to accumulated losses		-	(38,415)	-	38,415	-
<b>Transactions with owners in their capacity as owners</b>						
Issue of share capital	12a	100,770	-	-	-	100,770
<b>Balance at 30 June 2020</b>		<b>12,904,230</b>	<b>(14,921,850)</b>	<b>(414,034)</b>	<b>2,648,141</b>	<b>216,487</b>

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



## Consolidated statement of cash flows

for the year ended 30 June 2020

	Note	2020 \$	Consolidated 2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(1,022,737)	(1,047,961)
Research and development		(47,510)	(798,333)
Interest received	2	32	881
Return of security deposit		19,637	-
Option fee paid		(208,079)	-
Receipts from Customers		-	83,113
<b>Net cash utilised in operating activities</b>	16	<b>(1,258,657)</b>	<b>(1,762,300)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of intangible assets		-	665,000
Purchase of plant and equipment		-	(26,000)
Proceeds from sale of plant and equipment		-	188,523
<b>Net cash (used in)/from investing activities</b>		<b>-</b>	<b>827,523</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		33,590	281,876
Payment of share issue costs		-	-
<b>Net cash from financing activities</b>		<b>33,590</b>	<b>281,876</b>
<b>Net (decrease)/increase in cash and cash equivalents held</b>		<b>(1,225,067)</b>	<b>(652,901)</b>
Cash and cash equivalents at beginning of financial year		<b>1,411,618</b>	<b>2,159,687</b>
Net foreign exchange differences		53,476	(95,168)
<b>Cash and cash equivalents at end of financial year</b>	8	<b>240,027</b>	<b>1,411,618</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

## Notes to the consolidated financial statements for the year ended 30 June 2020

### Note 1: Statement of significant accounting policies

The following is a summary of the significant accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The financial report covers the consolidated entity of Suvo Strategic Minerals Limited (formerly Ultracharge Limited) ("the legal Parent") and its subsidiary ("the Group"). Suvo Strategic Minerals Limited (ASX: SUV) is a listed public company, incorporated and domiciled in Australia.

#### Reporting basis and conventions

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Company is a for-profit entity for the purpose of preparing the financial statements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

In the year ended 30 June 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. Those which have a material impact on the Group are set out below.

The financial report has been prepared on an accruals basis and is based on historical costs.

All amounts presented are in US dollars. The Group's functional currency was historically US dollars. All assets at 30 June 2020 are held in Australia and in subsequent reports performance will be reported in Australian dollars.

The financial report was authorised for issue by the Directors on 31 August 2020.

#### Basis of Preparation

#### Accounting policies

##### a. Adoption of new and revised accounting standards

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

##### AASB 16 Leases

AASB 16 replaces AASB 117 *Leases*. AASB 16 removes the classification of leases as either operating leases or finance leases-for the lessee – effectively treating all leases as finance leases.

The Company has no leases that are impacted by the adoption of AASB 16 and therefore there is no impact on the financial report.

##### Interpretation 23 Uncertainty over Income Tax Treatments

This Interpretation clarifies how to apply the recognition and measurement requirements in AASB 112 when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability applying the requirements in AASB 112 based on taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined applying this Interpretation.

There are no income tax matters of an uncertain nature that impact the financial statements of the Company.

## Note 1: Statement of significant accounting policies (cont'd)

### a. Adoption of new and revised accounting standards

#### AASB 2019-1 Amendments to Australian Accounting Standards:

Annual Improvements 2015-2018 Cycle [AASB 3, AASB 11, AASB 112 & AASB 123]

The following improvements were finalised in December 2018:

- AASB 3 - clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages.
- AASB 11 - clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.
- AASB 112 - clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.
- AASB 123 - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

The amendments to these Accounting Standards have no impact on the financial statements of the Company.

#### *Standards and Interpretations in issue not yet adopted*

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the year ended 30 June 2020. Those which may have a material impact on the Group are set out below.

### b. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

## Note 1: Statement of significant accounting policies (cont'd)

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests
- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investments retained
- Recognises any surplus or deficit in profit and loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

### c. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Interest income is brought to account on an accruals basis using the effective interest rate method and, if not received at the end of the reporting period, is reflected in the statement of financial position as a receivable

### d. Foreign Currency Translation

#### Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional and presentation currency of Suvo Strategic Minerals Limited is United States dollars.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency 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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

#### Group entities

The results and financial position of all the Company entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to foreign currency translation reserve.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the statement of profit or loss and other comprehensive income, as part of the gain or loss on sale where applicable.

## Note 1: Statement of significant accounting policies (cont'd)

### e. Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, deferred tax assets and liabilities are not recognized where the timing of the reversal of temporary differences can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

### f. Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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

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

## Note 1: Statement of significant accounting policies (cont'd)

### g. Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks with original maturities of three months or less.

### h. Financial Instruments

#### **Initial recognition and measurement**

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

#### **Classification and subsequent measurement**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

##### **(i) Loans and receivables**

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

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

##### **(ii) 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.

##### **(iii) Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the Statement of profit or loss through the amortisation process and when the financial liability is derecognised.

#### **Derivative instruments**

The Group does not trade or hold derivatives.

#### **Financial guarantees**

The Group has no material financial guarantees.

#### **Impairment**

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

## Note 1: Statement of significant accounting policies (cont'd)

### **Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flow expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### i. Impairment of non-financial assets

At each reporting date, the Group reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

#### j. Intangible Assets

Separately acquired intangible assets are measured on initial recognition at cost including directly attributable costs. Intangible assets acquired in a business combination are measured on initial recognition at fair value at the acquisition date.

Intangible assets with a finite useful life are amortized over their useful life and reviewed for impairment whenever there is an indication that the asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at each year end.

Intangible assets with indefinite useful lives are not systematically amortized and are tested for impairment annually or whenever there is an indication that the intangible asset may be impaired. The useful life of these assets is reviewed annually to determine whether their indefinite life assessment continues to be supportable. If the events and circumstances do not continue to support the assessment, the change in the useful life assessment from indefinite to finite is accounted for prospectively as a change in accounting estimate and on that date the asset is tested for impairment. As of 30 June 2020, the Group has recorded intangible assets amounting to \$Nil.

## Note 1: Statement of significant accounting policies (cont'd)

### k. Property, plant and equipment

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

#### Plant and equipment

Plant and equipment is measured on the cost basis.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

#### Depreciation

The depreciable amount of all fixed assets is depreciated on a reducing balance basis over their useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets for 2020 and 2019 are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	5-10%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's 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 the consolidated statement of comprehensive income.

### l. Contributed equity

Ordinary shares are classified as equity. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

### m. Share based payments

#### Share-based payments

Employees (including senior executives) of the Group received remuneration in the form of share-based payments, whereby employees receive equity instruments as consideration for services rendered (equity-settled transactions).

#### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit or loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.



## Note 1: Statement of significant accounting policies (cont'd)

### n. Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

### o. Critical accounting estimates and judgments

The Directors make estimates and judgments in preparing the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

#### Key estimates:

##### Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on the fair value less cost of disposal. The company reviews intangible assets for impairment once a year or more frequently if events or changes in circumstances indicate that there is impairment. An impairment loss is recognised if the recoverable amount of the cash-generating unit to which goodwill has been allocated is lower than the carrying value of the cash generating unit.

The Directors make estimates and judgments in preparing the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

##### Share based payments

Share-based payments are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

### n. Critical accounting estimates and judgments (continued)

##### Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

##### Judgements:

In the process of applying the Group's accounting policies, management has made a number of judgements. However, other than in the application of estimates noted above, no judgements are critical to the carrying value of any assets or liabilities at 30 June 2020 or the results for the year.

### p. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Suvo Strategic Minerals Limited.

Note 1: Statement of significant accounting policies (cont'd)

q. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to members of Suvo Strategic Minerals Limited, by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share

Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Note 2: Revenue and Other Income

	Note	Consolidated	
		2020 \$	2019 \$
Other revenue		3,260	1,182
Interest income		32	881
Foreign exchange gains		30,123	-
		<u>33,415</u>	<u>2,063</u>

Note 3: Corporate and Legal Expenses

	Consolidated	
	2020 \$	2019 \$
Stock exchange fees	73,876	39,127
Company secretarial cost	25,590	27,889
Legal fees	226,216	130,303
Consultants	31,256	111,971
Corporate advisory fees	72,791	29,031
Other corporate expenses	60,906	40,103
	<u>490,635</u>	<u>378,424</u>

Note 4: Income tax

	Consolidated	
	2020 \$	2019 \$
<b>a. Income tax benefit</b>		
Loss from continuing operations	(1,038,286)	(721,941)
Prima facie tax benefit on the loss from ordinary activities before income tax at <b>27.5%</b> (2019: <b>27.5%</b> ) differs from the income tax provided in the financial statements as follows:		
Tax benefit at 27.5%	(285,5229)	(198,534)
Add tax effect of:		
Tax losses and temporary differences not recognised	285,529	198,534
Income tax benefit attributable to operating loss	-	-
<b>b. Unrecognised deferred tax assets</b>		
Deferred tax assets have not been recognised In respect of the following item:		
<i>Deferred tax assets</i>		
Unused tax losses	273,531	190,134
Deductible temporary differences	11,998	8,400
Net unrecognised tax balances	285,529	198,534

<sup>1</sup>Tax disclosures relate to the parent entity as the group is not tax consolidated

The deductible tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

Note 5: Auditor's remuneration

	Entity	
	2020 \$	2019 \$
Remuneration of the auditor (BDO WA) of the entity for:		
The audit and review of the financial report of the Group		
- Current year	26,798	54,160
Remuneration of the auditor (BDO Israel) of the entity for:		
The audit and review of the financial report of the Group		
- Current year	10,740	32,900
	37,538	87,060
Non audit services provided during the year - BDO Corporate Finance (WA) Pty Ltd – Investigating Accountants Report	15,633	-

Note 6: Earnings per share

	Entity	
	2020	2019
	\$	\$

**Basic Loss per Share**

a. Basic loss per

Loss from continuing operations attributable to ordinary shareholders	(1,038,286)	(721,941)
Loss per share from continuing operations	<b>(0.10)</b>	<b>(0.08)</b>
	No.	No.

b. Weighted average number of ordinary shares

outstanding during the year used in calculating basic EPS

825,808,455 948,426,738

**Diluted Loss per Share**

a. Basic loss per share

Loss from continuing operations attributable to ordinary shareholders	(1,038,286)	(721,941)
Loss per share from continuing operations	<b>(0.10)</b>	<b>(0.08)</b>
	No.	No.

b. Weighted average number of ordinary shares

outstanding during the year used in calculating diluted EPS

825,808,455 948,426,738

Performance Rights on issue

Performance rights were issued to key management personnel as incentive awards. Holders of performance rights do not have any voting or dividend rights in relation to the performance rights.

As at the date of this report, there are no performance rights on issue.

No options have been granted since the end of the financial year.

## Note 7 Discontinued Operations

During the year the Group discontinued operations of conducting research and development of lithium-ion battery technology in Israel. The Israeli business ceased operations on 31 December 2019. During the year the discontinued operations profit or loss was as follows:

	Consolidated	
	2020 \$	2019 \$
Other income	634	662,511
		-
General and administrative expenses	(69,448)	(363,640)
Sales and marketing expenses	(253)	(45,093)
Research and development	(142,901)	(792,437)
Other expenses	9,450	-
Impairment loss on intangible assets	-	(4,534,937)
Loss on disposal of Property plant and equipment	-	(30,717)
Foreign exchange gain transferred from reserves	411,123	-
<b>Loss before income tax from discontinued operations</b>	<b>208,605</b>	<b>(5,104,313)</b>
Income tax expense	-	-
<b>Loss after tax from discontinued operations</b>	<b>208,605</b>	<b>(5,104,313)</b>

<b>Earnings/(loss) per share (cents per share)</b>	<b>0.03</b>	<b>(0.53)</b>
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Net cash flows from discontinued operations

	31 December 2019 \$	30 June 2019 \$
Net cash flows from operating activities	(187,480)	(429,132)
Net cash flows from investing activities	-	(25,222)
Net cash flows from financing activities	-	-
	(187,480)	(454,354)

## Note 8: Cash and cash equivalents

	Consolidated	
	2020 \$	2019 \$
<b>CURRENT</b>		
Cash at bank	240,027	1,411,618

Note 9: Trade and other receivables

	Consolidated	
	2020 \$	2019 \$
CURRENT		
Accounts receivable	-	60,457
Other assets	63,058	28,346
	63,058	88,803

Note 10: Financial assets held at fair value

	Consolidated	
	2020 \$	2019 \$
Opening balance	14,925	-
Received as consideration for intangible asset sale	-	13,723
Changes in fair value	3,022	1,202
Closing balance	17,947	14,925

On 7 May 2019, the Company sold a reactor to Dotz Nano Ltd (ASX: DTZ) for cash and 283,672 DTZ shares. The shares have been valued at their fair value.

Note 11: Trade and other payables

	Consolidated	
	2020 \$	2019 \$
CURRENT		
Trade payables	60,848	73,612
Accrued expenses	43,697	30,546
Unissued capital	-	70,153
	104,545	174,311

Note 12: Issued capital

	Consolidated	
	2020 \$	2019 \$
123,338,245 (2019: 1,073,380,619) fully paid ordinary shares	12,904,230	12,803,460

### Movement in Issued Capital

	2020 No.	2020 \$.	2019 No.	2019 \$
<b>a. Ordinary shares</b>				
At the beginning of reporting period	1,073,380,619	12,803,460	912,422,286	12,548,100
Shares issued during the year				
– Shares issued to sophisticated investors	50,000,000	100,770	133,333,333	281,877
– Share consolidation (1 for 10) <sup>1</sup>	(1,000,042,374)	-	-	-
– Shares to be issued to CEO as part of bonus	-	-	7,000,000	
– Shares to be issued to consultants	-	-	5,000,000	
– Shares to be issued as reimbursement	-	-	2,500,000	
– Conversion of performance rights	-	-	13,125,000	
– Less Share issue costs	-	-	-	(26,517)
At reporting date	123,338,245	12,904,230	1,073,380,619	12,803,460

<sup>1</sup> During the year the Company consolidated its share capital by issuing 1 new share in exchange for 10 old shares. Some holdings were rounded.

### Terms and Conditions of Issued Capital

#### Ordinary Shares

Ordinary shares have the right to receive dividends as declared by the board and, in the event of winding up the Group, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle the holder to one vote either in person or by proxy at a meeting of the Company.

On 6 March the Company completed a 1 for 10 share consolidation, issuing 1 ordinary share in exchange for every 10 held before the share consolidation.

### Note 13: Reserves

#### a) Share based payment reserve

The share based payments reserve records items recognised as expenses on share based payments.

	Consolidated	
	2020 \$	2019 \$
Balance at beginning of period	2,609,726	2,547,351
Shares issued as part of share issue costs	-	26,517
Transferred to reserves from accumulated losses	38,415	-
Performance Rights granted 2 December 2016	-	35,858
Balance as at end of period	2,648,141	2,609,726

## Note 13: Reserves (cont'd)

### b) Foreign currency translation reserve

	Consolidated	
	2020	2019
	\$	\$

#### Foreign currency translation reserve

Balance 1 July	(76,830)	18,339
Currency translation differences arising during the year	73,919	(95,169)
Written off to profit or loss	(411,123)	-
Balance 30 June	(414,034)	(76,830)

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

## Note 14: Share based payment

### Performance Rights on issue

No performance rights were on issue during the year.

### Options on issue

The following reconciles the outstanding share options at the beginning and year end of the financial year:

	2020 No.	2019 No.
At the beginning of reporting period	185,000,000	174,000,000
Granted during the period	-	15,000,000
Issued during the year	36,666,666	-
Exercised during the period	-	-
Share consolidation	(136,499,999)	-
Expired during the period	(80,000,000)	(4,000,000)
<b>Balance at the end of the period</b>	<b>5,166,667</b>	<b>185,000,000</b>
<b>Exercisable at the end of the period</b>	<b>5,166,667</b>	<b>185,000,000</b>

### Options

Each of the options entitles the holder to one fully paid ordinary share in the Group. The terms of the options on issue are:

Grant Date	Expiry date	Exercise price AUD \$	Balance at start of the period Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Vested/ Exercisable at end of the year Number
2 Dec 16	2 Dec 19	0.0625	20,000,000	-	-	(20,000,000)	-	-
2 Dec 16	2 Dec 19	0.05	50,000,000	-	-	(50,000,000)	-	-
22 Dec 17	30 Jun 20*	0.5	5,000,000	-	-	(5,000,000)	-	-
18 May 18	30 Jun 20*	0.5	5,000,000	-	-	(5,000,000)	-	-
10 May 19	3 Sept 22*	0.08	1,500,000	-	-	-	1,500,000	1,500,000
10 May 19	3 Sept 22*	0.08	3,666,667	-	-	-	3,666,667	3,666,667

\* Option numbers and exercise prices have been adjusted to reflect consolidated numbers at 1 for 10



## Note 14: Share based payment (cont'd)

### Options issued

On 14 August 2019, the Company received Shareholder approval to issue 15,000,000 unlisted options for services provided relating to the May 2019 Capital Raising. The unlisted options were issued for nil consideration, the total expense recognised for the options to be issued was \$26,517 is recognised in equity as a share issue cost in the 2019 financial year.

Equity instrument	2020 \$	2019 \$
Shares to be issued to CEO as part of bonus	-	-
Shares to be issued to consultants	-	-
Shares to be issued as reimbursement	-	-
Options to issued as part of share issue costs	-	26,517
Performance Rights granted 2 December 2018	-	35,858
Total share based payment expense recognized for the year	-	62,375

## Note 15: Contingent Liabilities & Commitments

### Commitments

The Group had no commitments as at 30 June 2020 (2019: \$279,743).

### Contingent liabilities

All contingent liabilities under the terms of the ETV Energy Pty Ltd IP purchase agreement have lapsed with the termination of the R&D operations.

The Group has no contingent assets or liabilities at 30 June 2020.

## Note 16: Cash Flow Information

	Consolidated	
	2020 \$	2019 \$
<b>a. Reconciliation of cash flows used in operations with loss after income tax</b>		
Loss after income tax	(888,115)	(5,826,254)
Non-cash flows in loss		
Depreciation and impairment of fixed assets	-	4,534,937
Share based payments	-	35,858
Profit on sale of intangible assets	-	(580,580)
Loss on sale of plant and equipment	-	30,717
Unrealised foreign exchange gains	(411,123)	-
Changes in assets and liabilities:		
(Increase)decrease in receivables	25,714	150,478
(Increase)decrease in other assets	(3,260)	14,925
Increase (decrease) in trade and other payables	(14,869)	(190,964)
Increase (decrease) in accrued expenses	32,996	68,583
Net cash used in operating activities	(1,258,657)	(1,762,300)

## Note 16: Cash Flow Information

There was no non-cash transactions in investing or financing activities during the year.

## Note 17: Related parties transactions

### a) Parent entity

The parent entity within the Group is Suvo Strategic Minerals Limited.

### b) Subsidiary

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

Name	Country of Incorporation	Class of shares	Holding	
			2020 %	2019 %
Far North Minerals Pty Ltd <sup>1</sup>	Australia	Ordinary	100%	100%
Ultracharge Ltd <sup>2</sup>	Israel	Ordinary	100%	100%

Note 1: The subsidiary is currently dormant.

Note 2: During the year Ultracharge Ltd was deregistered.

### c) Key management personnel

Compensation of key management personnel	Entity	
	2020 \$	2019 \$
Short-term employee benefits	270,703	316,611
Post-employment benefits	-	-
Other benefits	-	-
Share based payments	-	32,186
Total compensation	270,703	348,797

Detailed remuneration disclosures are provided in the Remuneration Report on pages 13 to 17.

### Other transactions with key management personnel

Reblaze Singapore Pte Ltd, a related party of Mr Kobi Ben-Shabat, Managing Director, charged the Group director fees and CEO bonus and provided re-compliance and associated services to the Group during the prior period on normal commercial terms and conditions. The aggregate amount recognised during the year relating to the agreement was \$191,899 (30 June 2019: \$207,000), \$3,469 of which was outstanding at 30 June 2020 (30 June 2019: \$13,000).

Pathways Corporate Pty Ltd, a company of which Mr David Wheeler is a Director, charged the Group director fees of \$3,577 (2019: \$28,392). \$Nil (2019: \$Nil) was outstanding at year end. David Wheeler resigned 28 August 2019.

JPINTL Services Pty Ltd, a company of which Mr John Paitaridis is a Directors, charged the Group director fees of \$27,929 (2019: \$25,381). \$4,120 (2019: \$Nil) was outstanding at year end.

Jarvis Brown Pty Ltd, a company of which Anthony Brown is a Director, charged the Group director fees of \$21,494 of which \$1,373 was outstanding at 30 June 2020.

There were no other transactions with Key Management Personnel during the financial year ending 30 June 2020 other than those disclosed above.

### d) Dividends

No dividends were received from the subsidiaries in the 2020 or 2019 financial year.

## Note 18: Parent entity information

The individual financial statements for the parent entity show the following aggregate amounts. The information presented has been prepared using accounting policies as disclosed in Note 1.

	2020 \$	2019 \$
<b>Financial Position</b>		
Current assets	321,031	589,341
Total assets	321,031	1,459,133
Current liabilities	104,545	115,731
Total liabilities	104,545	115,731
<b>Shareholder's equity</b>		
Issued capital	13,931,946	13,831,176
Reserves	2,234,109	2,366,532
Accumulated losses	(15,949,569)	(14,854,306)
	216,486	1,343,402
<b>Financial Performance</b>		
Loss for the year	(1,092,263)	(4,595,448)
Total comprehensive loss	(1,095,263)	(4,595,448)

### Contingencies of the Parent Entity

There are no contingent liabilities involving the parent entity (2019: Nil).

### Guarantees of the Parent Entity

There are no guarantees involving the parent entity (2019: Nil).

### Contractual commitments of the Parent Entity

As noted in Note 15 the parent entity has no commitments at 30 June 2020 (2019: 221,633)

## Note 19: Financial instruments

### Financial risk management

The Group's financial instruments consist mainly of deposits with banks, investments and accounts payable.

The main risks the Group is exposed to through its financial instruments is interest rate risk and credit risk.

#### a) Interest rate risk

From time to time the Group has significant interest bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. The interest rate risk arises on the rise and fall of interest rates. The Group's income and operating cash flows are not expected to be materially exposed to changes in market interest rates in the future and the exposure to interest rates is limited to the cash and cash equivalents balances.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is below:

Note 19: Financial instruments (cont'd)

	Floating Interest Rate	Non- interest bearing	2020	Floating Interest Rate	Non- interest bearing	2019
	US\$	US\$	Total US\$	US\$	US\$	Total US\$
<b>Financial assets</b>						
- <i>Within one year</i>						
Cash and cash equivalents	240,027	-	240,027	1,411,618	-	1,411,618
Other receivables	-	63,058	63,058	-	88,803	88,803
Financial assets held at fair value	-	17,947	17,947	-	14,925	14,925
<b>Total financial assets</b>	<b>240,027</b>	<b>81,005</b>	<b>321,032</b>	<b>1,411,618</b>	<b>103,728</b>	<b>1,515,346</b>
Weighted average interest rate	0.00	-	-	0.00	-	-
<b>Financial Liabilities</b>						
- <i>Within one year</i>						
Trade and other Payables	-	104,545	104,545	-	104,158	104,158
Other liabilities	-	-	-	-	70,153	70,153
<b>Total financial liabilities</b>	<b>-</b>	<b>104,545</b>	<b>104,545</b>	<b>-</b>	<b>174,311</b>	<b>174,311</b>
Weighted average interest rate	n/a	-	-	n/a	-	-
<b>Net financial assets</b>	<b>240,027</b>	<b>(23,540)</b>	<b>216,487</b>	<b>1,411,618</b>	<b>(70,583)</b>	<b>1,341,037</b>

b) Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's consolidated statement of profit or loss and other comprehensive income to a reasonably possible change in interest rates, with all other variables constant.

Change in Basis Points	Effect on Post Tax Loss (\$) Increase/(Decrease)	
	2020	2019
Increase 100 basis points	2,040	14,117
Decrease 100 basis points	(2,040)	(14,117)

A sensitivity of 100 basis points has been used as this is considered reasonable given the current level of both short term and long term Australian Dollar interest rates. This would represent two to four movements by the Reserve Bank of Australia.

c) Foreign currency risk

The currency risk is the risk that the value of financial instruments will fluctuate due to change in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's functional currency. The company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar (the functional currency), the New Israeli Shekel, the Australian Dollar and the Singapore Dollar.

Note 19: Financial instruments (cont'd)

The Company's policy is not to enter into any currency hedging transactions.

Cash and cash equivalents	2020		2019	
	Foreign Currency	USD Equivalent	Foreign Currency	USD Equivalent
New Israeli Shekels	-	-	3,190,565	894,557
Australian Dollar	83,881	57,684	737,021	517,041

d) Foreign currency sensitivity

The sensitivity analyses below detail the Group's sensitivity to an increase/decrease in New Israeli Shekels and the Australian dollar against the United States dollar. The sensitivity analysis includes only outstanding foreign currency denominated monetary items, including external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower and adjusts their translation balance date for a 100 basis point change in foreign currency rates.

At balance date, if foreign exchange rates had been 100 basis point higher or lower and all other variables were held constant, the Group's:

Change in Basis Points	Effect on Post Tax Loss (\$)	
	Increase/(Decrease)	
	2020	2019
Increase 100 basis points	577	14,117
Decrease 100 basis points	(577)	(14,117)

The Group's sensitivity to foreign exchange has reduced from the prior year

e) Credit risk

The most significant concentration of credit risk is in relation to cash and cash equivalents, with the maximum exposure being the carrying value per the consolidated statement of financial position.

The group minimises its credit risk by using financial institutions with a credit rating of AAA.

f) Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained.

Trade and other payables are payable within 30 days.

g) Price risk

The Group is not exposed to any material commodity price risk.

h) Capital management

The Group's policy is to maintain a strong and flexible capital base to provide investor, creditor and market confidence to sustain future development of the business. The Group monitors the statement of financial position strength and flexibility using cash flow forecast analysis and detailed budgeting processes.

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

Neither the Group nor any of its subsidiaries are subject to externally imposed capital requirements.

i) Fair value

Due to the short term nature of financial assets and liabilities their carrying amounts approximate fair value.

## Note 20: Company details

The registered office of the Company and principal place of business is:

Suvo Strategic Minerals Limited  
Suite 103  
Level 1, 2 Queen Street  
Melbourne, VIC 3000

## Note 21: Segment reporting

The Group consists of one segment operating predominately as an administration and corporate entity in Australia.

## Note 22: Events occurring after the reporting period

In July 2020 the Company completed the buy-back of 3,000,000 ordinary shares from ETV Energy Limited. The shares were issued initially in consideration for a licence of intellectual property granted to the Company in May 2018. The consideration for the share buy-back was the cancellation of the licence agreement.

On 6 August 2020 the Company was officially reinstated to the ASX board. The re-listing followed the Company's re-compliance with Chapters 1 and 2 of the ASX Listing Rules. The Company's re-listing was approved on the back of a capital raising via a public offer of A\$5 million and the completion of the acquisitions of Mt Marshall Kaolin Pty Ltd ("Mt Marshall") and Watershed Enterprise Solutions Pty Ltd ("Watershed"). Details of the acquisition are outlined in note 23.

Under the public offer the Company issued 250,000,000 ordinary shares at A\$0.02 each, raising A\$5,000,000 before costs.

The Company completed the acquisition of 100% of the share capital of Mt Marshall with the issue of 75,000,000 ordinary shares to the vendors. The Company completed the acquisition of 100% of the share capital of Watershed with the issue of 75,000,000 ordinary shares to the vendors.

In addition, the Company issued the following securities:

- 8,750,000 Mt Marshall loan shares;
- 7,419,677 ordinary shares to two incoming directors;
- 40,000,000 performance rights;
- 11,250,000 share options to incoming directors;
- 45,616,903 ordinary shares to the Lead Manager of the public offer; and
- 45,000,000 share options to Advisors.

Upon completion of the public offer and re-listing, the existing Board resigned and was replaced by the incoming Board of Directors consisting of Robert Martin, Aaron Banks and Leonard Troncone. In addition, the Company changed its name to Suvo Strategic Minerals Limited and its ASX ticker code to "SUV".

Other than disclosed above, there has not been in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

## Note 23: Acquisition of Mt Marshall and Watershed

During the year the Company entered into arrangements to acquire two companies that own mineral sands resource projects in Western Australia:

- 100% of the issued share capital in Watershed Enterprise Solutions Pty Ltd which holds exploration licence E70/5001. The total consideration included payment of A\$50,000 for the option to purchase the share capital and a further payment A\$100,000 to exercise that option. At 30 June 2020 the Company had paid both the option fee and exercise fee. Completion took place on the transfer of 75,000,000 fully paid ordinary shares in the Company to the shareholders of Watershed Enterprise Solutions Pty Ltd on 30 July 2020.
- 100% of the issued share capital in Mt Marshall Kaolin Pty Ltd which holds exploration licence E70/5039. The total consideration included payment of A\$50,000 for the option to purchase the share capital and a further payment of A\$100,000 to exercise that option. At 30 June 2020 the Company had paid both the option fee and exercise fee. Completion took place on the transfer of 75,000,000 fully paid ordinary shares in the Company to the shareholders of Mt Marshall Kaolin Pty Ltd on 30 July 2020.
- Settlement occurred on 30 July 2020. At the date of acquisition, the fair value of the assets of the companies acquired were assessed as follows:

Acquisition of Watershed and Mt Marshall	Watershed	Mt Marshall
	AUD	AUD
Cash and cash equivalents	113,193	91,987
Other current assets	-	23,932
Non-current assets	7,919	
Current liabilities	(30,512)	(18,324)
Exploration asset	1,259,400	1,252,405
<b>Net assets acquired</b>	<b>1,350,000</b>	<b>1,350,000</b>
<b>Consideration</b>		
Cash	-	-
Shares issued on completion 150,000,000 ordinary shares @\$0.02	1,500,000	1,500,000
Cost of issuing shares	(150,000)	(150,000)
	<b>1,350,000</b>	<b>1,350,000</b>

The figures above are based on draft financial figures from Watershed and Mt Marshall, and final valuation will be determined during the next financial year.

During the year the Company paid option fees totalling A\$300,000 (US\$208,079)

# Directors' declaration

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The directors of the company declare that:

1. in the directors' opinion, the financial statements and accompanying notes set out on pages 23 to 44 are in accordance with the *Corporations Act 2001* and:
  - a. comply with Accounting Standards and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - b. give a true and fair view of the group's financial position as at 30 June 2020 and of its performance for the year ended on that date;
2. note 1 confirms that the financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
3. 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;
4. the remuneration disclosures included in pages 13 to 17 of the directors' report (as part of the audited Remuneration Report), for the year ended 30 June 2020, comply with section 300A of the *Corporations Act 2001*; and
5. the directors have been given the declarations by the Chief Executive Officer (or equivalent) and Chief Financial Officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**Robert Martin**  
Executive Chairman  
Dated: 31 August 2020



## INDEPENDENT AUDITOR'S REPORT

To the members of Suvo Strategic Minerals Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Suvo Strategic Minerals 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 report, 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 ended on that date; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (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.

## Accounting for Discontinued Operations

Key audit matter	How the matter was addressed in our audit
<p>As disclosed in Note 7 to the financial report, during the year the Group discontinued its Israel technology operations by deregistering its wholly-owned Israel subsidiary, Ultracharge Ltd, and subsequent to year-end this subsidiary was liquidated.</p> <p>Australian Accounting Standards require the gain or loss on the discontinued operation to be determined and discontinued operations to be disclosed separately from continuing operations.</p> <p>Due to the allocation between continued and discontinued operations and the significance of the transaction to the Group's financial position and performance during the year, we have identified this as a key audit matter.</p>	<p>Our audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Evaluating the client's conclusions on the classification of the subsidiary as a discontinued operation and the results of the subsidiary as discontinued operations;</li> <li>• Verifying the company status to the Israel registrar of companies;</li> <li>• Agreeing the carrying value of assets and liabilities of the discontinued operation to financial information of the subsidiary;</li> <li>• Re-performing the calculation of the gain / loss on discontinued operations;</li> <li>• Assessing the adequacy of the related disclosures in Note 7 to the financial report.</li> </ul>

### Other information

The directors are responsible for the other information. The other information comprises the information 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 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 has no realistic alternative but to do so

#### Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.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 in pages 13 to 18 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Suvo Strategic Minerals 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.

BDO Audit (WA) Pty Ltd



Dean Just

Director

Perth, 31 August 2020

## ADDITIONAL INFORMATION – AS AT 24 AUGUST 2020

### (a) Distribution schedule and number of holders of equity securities

	1 1,000	– 1,001 5,000	– 5,001 10,000	– 10,001 100,000	– 100,001 and over	Total
Fully Paid Ordinary Shares	134	643	283	660	396	2,116
Options – 8c expiry 04/09/2022	-	-	-	-	6	6
Options – 3c expiry 30/07/2023 Escrowed 24 Months	-	-	-	-	10	10
Performance Rights expiry 30/07/2025	-	-	-	-	3	3

The number of holders holding less than a marketable parcel of fully paid ordinary shares as at 24 August 2020 is 941 for a total of 3,129,298 shares.

### (b) 20 largest holders of quoted equity securities

The names of the twenty largest holders of fully paid ordinary shares (ASX code: SUV) as at 24 August 2020 are:

RANK	NAME	NUMBER	PERCENTAGE
1	AARON PETER BANKS <BANKS FAMILY A/C>	72,564,516	13.81% <sup>1</sup>
2	ROBERT KINGSLEY FITZGERALD <THE RFK A/C>	22,000,000	4.19%
3	RATDOG PTY LTD	15,000,000	2.85%
4	MR CHRISTOPHER JAMES WEED & MRS JANET ELIZABETH BROCKMAN <BROCKMAN WEED FAMILY A/C>	12,725,000	2.42%
5	MR ORI ACKERMAN	12,416,667	2.36%
6	PLEASANT BANKS (WA) PTY LTD <MARTIN SUPER FUND A/C>	11,500,000	2.19%
7	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	11,187,176	2.13%
8	SSELKROW PTY LTD	9,900,000	1.88%
9	CITICORP NOMINEES PTY LIMITED	8,625,696	1.64%
10	SANDTON CAPITAL PTY LTD <SANDTON FAMILY A/C>	7,500,000	1.43%
11	BEARAY PTY LIMITED <BRIAN CLAYTON S/F A/C>	7,500,000	1.43%
12	CHRISTOPHER JAMES WEED & JANET ELIZABETH BROCKMAN <BROCKMAN WEED FAMILY A/C>	6,820,000	1.30%
13	MALAHIDE MANAGEMENT PTY LTD	5,125,000	0.98%
14	PRIMERO GROUP LIMITED <PRIMERO GROUP>	5,000,000	0.95%
15	PROPEL HOLDINGS PTY LTD	5,000,000	0.95%
16	ISRING INVESTMENTS PTE LTD	5,000,000	0.95%
17	MR REBLAZE SINGAPORE PTE LTD	5,000,000	0.95%
18	MR ANANDA KATHIRAVELU	4,875,000	0.93%
19	MR YEHUDA COHEN	4,820,862	0.92%
20	SANDTON CAPITAL PTY LTD	4,423,456	0.84%
		<b>236,983,373</b>	<b>45.10%</b>

**(c) Restricted securities**

Securities subject to ASX imposed restrictions on trading are set out below:

	NUMBER RESTRICTED	RESTRICTED UNTIL
Ordinary shares	63,800,000	30/07/21
Ordinary shares	93,619,677	30/07/22
Options – 3c expiry 30/07/23	101,866,903	30/07/22
Performance rights – expiry 30/07/25	40,000,000	30/07/22

**(d) Substantial shareholders**

As at the date of this report the Company has one substantial shareholder.

	ORDINARY SHARES	
	NUMBER HELD	% OF TOTAL ISSUED SHARES
AARON PETER BANKS <BANKS FAMILY A/C>	77,564,516	13.81%

**(e) Voting Rights**

Each fully paid ordinary share carries rights of one vote per share.

**(f) Unquoted Securities**

The number of unquoted securities on issue:

Unquoted Securities	Number on Issue	Exercise Price	Expiry Date
Unquoted Options <sup>1</sup>	5,166,670	8c	04/09/2022
Unquoted Options <sup>2</sup>	101,866,903	3c	30/07/2023
Unquoted Performance Rights <sup>3</sup>	40,000,000	-	30/07/2025

Persons holding more than 20% of a given class of unquoted securities as at 22 August 2020:

<sup>1</sup>. 50% held by Armada Capital & Equities Pty Ltd and 35% held by Celtic Capital Pty Ltd <The Celtic Capital A/C> <sup>2</sup>. 48% held by Armada Capital & Equities Pty Ltd and 33.6% held by Celtic Capital Pty Ltd <The Celtic Capital A/C> <sup>3</sup>. 39% held by Armada Capital & Equities Pty.

**(g) On-Market Buy-Back**

There is no current on-market buyback in place.

**(h) ASX Listing Rule 4.10.19**

The Company has used its cash and assets in a form readily convertible to cash that it had at the time of listing of the Company's securities to quotation in a way consistent with its business objectives