



TRUSCOTT
MINING CORPORATION LIMITED

ABN: 31 116 420 378

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2019

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

COMPANY DIRECTORY

DIRECTORS

PN Smith – Executive Chairman
MJ Povey – Executive Director
EE Smith – Non-Executive Director

AUDITORS

Walker Wayland WA Audit Pty Ltd
Level 3, 1 Preston Street
Como WA 6152

COMPANY SECRETARY

M J Povey

HOME EXCHANGE

Australian Securities Exchange Ltd
Exchange Plaza
2 The Esplanade
Perth WA 6000

REGISTERED OFFICE

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ASX Code: TRM

SHARE REGISTRY

Automic Pty Ltd

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TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

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Interim Financial Report

DIRECTORS' REPORT

Your directors submit the financial report of the company for the half-year ended 31 December 2019.

Directors

The names of directors who held office during or since the end of the half-year:

Peter Neil Smith – executive chairman

Michael Jarvis Povey – executive director and company secretary

Ewan Edward Smith – non-executive director

Review of Operations

The profit of the company for the half year after providing for income tax amounted to \$53,223.

A review of the operations of the company during the half year has seen an increase in revenue of 32% to \$189,294 (mainly for gain on share-based payments). There has been a turnaround in the after-tax net result from a loss of \$131,262 for the half year to 31 December 2018 to net after tax profit of \$53,223 for the half year to 31 December 2019.

Rights issues

At the company's 2019 AGM on 22 November 2019 the following performance rights issues were approved:

9,000,000 Class I Performance Rights to the executive directors in lieu of directors' fees;

6,300,000 Class J Performance Rights to the executive Directors to recognise sacrifices made by them on behalf of the Company.

No funds were raised from the issue of these rights, but there was a saving in cash outflows as a result of the issue of the Class I Performance Rights amounting to \$144,000.

After balance date event

The company, following a structural analysis of tenement EL31579 in the Tennant Creek Mineral field has surrendered 50% of the tenure. The 26 blocks retained are considered to contain zones of shear that are prospectus for ongoing analysis and exploration.

Summary

Earlier work planning for the next stage of drilling to support the development of the Westminster Gold Project was reviewed and completed. The planned drilling direction and the central corridor along which drilling will be focused have been defined and are supported by a set of planning and drill control sections.

The accumulation of observations and knowledge over an extensive time has resulted in a high level of management planning and technical control available to support the next stage of resource extension drilling.

Regional research is ongoing and is being applied to select additional study areas to further expand Truscott's footprint and to endeavour to enhance the effectiveness of future exploration in the region.

Interim Financial Report

DIRECTORS' REPORT

Status of Exploration & Development Activities

Westminster Project Area (Truscott: MLC511, MA25952, MA26500, MA26588 all 100%)

Project Status:

The Westminster Project area contains a historical mineral resource. There is further potential to define a number of ore bodies within a substantial mineralised zone with over two kilometres of strike length and repetitions of lines of mineralisation.

The structural architecture of the system provides for a large-scale system of mineralisation with a further complete zone of shearing being exhibited 300 metres to the north of the primary target zone for the establishment of mining operations.

Planning has commenced to provide for the establishment of an increased mining operations lease holding, sufficient in size to provide for the area necessary to support mining operations. A natural gas supply pipeline passes through the corner of the extended lease and the Tennant Creek power station is located 500 metres to the south.

Barkly Project Area Truscott: EL31579 – 100%

Project Status:

Fundamental research work continues across the Barkly Project area. With structural observations and fractal analysis providing the basis for selecting zones which are considered to have enhanced mineral potential.

An extensive recognisance program, recording structural elements and rock chip sampling across selected shear zones, is planned for the next half year with moderated fire risk and field conditions.



Peter N Smith
Executive Chairman

Competent Person's Statement: *The contents of this report, that relate to geology and exploration results, are based on information reviewed by Dr Judith Hanson, who is a consultant engaged by Truscott Mining Corporation Limited and a Member of the Australasian Institute of Mining & Metallurgy. She has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Hanson consents to the inclusion in this presentation of the matters compiled by therein in the form and context in which they appear.*

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DIRECTORS' REPORT

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 31 December 2019.

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



Director

Michael J Povey

Dated this 13th day of March 2020

Auditor's Independence Declaration Under Section 307C of The Corporations Act 2001 to The Directors of Truscott Mining Corporation Limited

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2019 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Walker Wayland WA Audit Pty Ltd

WALKER WAYLAND WA AUDIT PTY LTD

Richard J Gregson

Richard Gregson CA
Director
Level 3, 1 Preston Street, COMO WA 6152

Dated this 13th day of March 2020

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	Note	31.12.2019	31.12.2018
		\$	\$
Revenue	2	189,294	143,833
Expenses			
Consultants		(1,509)	(8,842)
Directors' deferred remuneration		(72,000)	(72,000)
Directors' performance rights		(504)	(889)
Depreciation		(38)	(54)
Superannuation expenses		(622)	(705)
Wages and salaries		(6,545)	(7,425)
Compliance and regulatory expenses		(44,360)	(50,785)
Exploration evaluation and development costs written off		0	(70,923)
Other expenses		(10,493)	(9,476)
Profit (loss) before income tax		53,223	(77,266)
Income tax (expense)/benefit		0	(53,996)
Profit (loss) for the period		53,223	(131,262)
Other comprehensive income			
Other comprehensive income for the year, net of tax		0	0
Total comprehensive profit (loss) for the period		53,223	(131,262)
Profit (loss) attributable to:			
Members of the company		53,223	(131,262)
Total comprehensive profit (loss) attributable to:			
Members of the company		53,223	(131,262)
Earnings per share			
From continuing operations			
Basic profit (loss) per share (cents per share)		0.045	(0.113)
Diluted profit (loss) per share (cents per share)		0.037	(0.096)

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	31.12.2019	30.06.2019
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		49,526	19,438
Trade and other receivables		35,201	109,670
Other assets		7,047	5,084
TOTAL CURRENT ASSETS		91,774	134,192
 NON-CURRENT ASSETS			
Property, plant and equipment		4,929	5,402
Deferred exploration, evaluation and development expenditure	3	6,592,137	6,505,841
TOTAL NON-CURRENT ASSETS		6,597,066	6,511,243
 TOTAL ASSETS		6,688,840	6,645,435
 LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	4	24,949	43,581
TOTAL CURRENT LIABILITIES		24,949	43,581
 NON-CURRENT LIABILITIES			
Trade and other payables	4	911,774	927,894
Deferred tax liabilities		0	0
Loan - director		183,000	142,000
TOTAL NON-CURRENT LIABILITIES		1,094,774	1,069,894
 TOTAL LIABILITIES		1,119,723	1,113,475
 NET ASSETS		5,569,117	5,531,960
 EQUITY			
Issued capital	5	8,683,434	8,683,434
Reserves		137,181	153,247
Accumulated losses		(3,251,498)	(3,304,721)
TOTAL EQUITY		5,569,117	5,531,960

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Issued Capital \$	Accumulated loss \$	Options/ Right Reserves \$	Total \$
Balance at 1.7.2018	8,655,378	(1,632,665)	125,678	7,148,391
Comprehensive income				
Loss for the 6 months	0	(131,262)	0	(131,262)
Other comprehensive income for the 6 months	0	0	0	0
Total comprehensive income for the 6 months	0	(131,262)	0	(131,262)
Transactions with owners, in their capacity as owners, and other transfers				
Shares issued during the 6 months	28,056	0	0	28,056
Rights reserve on issue	0	0	27,570	27,570
Total transactions with owners and other transfers	28,056	0	27,570	55,626
Balance at 31.12.2018	8,683,434	(1,763,927)	153,248	7,072,755
Balance at 1.7.2019	8,683,434	(3,304,721)	153,247	5,531,960
Comprehensive income				
Profit for the 6 months	0	22,253	0	22,253
Class A & B performance rights expired	0	30,970	(30,970)	0
Other comprehensive income for the 6 months	0	0	0	0
Total comprehensive income for the 6 months	0	53,223	(30,970)	22,253
Total transactions with owners and other transfers				
Rights reserve on issue	0	0	14,904	14,904
Total transactions with owners and other transfers	0	0	14,904	14,904
Balance at 31.12.2019	8,683,434	(3,251,498)	137,181	5,569,117

The accompanying notes form part of these financial statements.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378**Interim Financial Report****STATEMENT OF CASHFLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	31.12.2019	31.12.2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(75,678)	(86,375)
Research & development tax offset	99,837	87,552
Interest received	7	63
Net cash provided by operating activities	24,166	1,240
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration, evaluation and development expenditure	(41,143)	(57,420)
Refund of security deposit	6,065	0
Net cash used in investing activities	(35,078)	(57,420)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of borrowings	41,000	50,000
Sundry loan	0	(2,263)
Capital raising costs	0	(1,884)
Net cash provided in financing activities	41,000	45,853
Net increase (decrease) in cash held	30,088	(10,327)
Cash and cash equivalents at beginning of period	19,438	50,973
Cash and cash equivalents at end of period	49,526	40,646

The accompanying notes form part of these financial statements.

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 1: BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2019 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Truscott Mining Corporation Ltd. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2019, together with any public announcements made during the half-year.

These interim financial statements were authorised for issue on 13th March, 2020.

Accounting Policies

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2019.

Adoption of new and revised standards

Standards and Interpretations applicable to current interim period

The Company has adopted all new and amended standards and interpretations applicable for the current period. The adoption of these standards and interpretations had no material impact on these financial statements or on the financial position or performance of the Company.

The Company has not elected to early adopt any other new standards or amendments that are issued but not yet effective. If required, comparative financial statements will be adjusted or reclassified to conform to the current period presentation.

Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2019 annual report.

Material Uncertainty Related to Going Concern

For the half year ended 31 December 2019, the company made a profit of \$53,223, and had net cash outflows from operating and investing activities of \$10,912 as disclosed in the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Cash Flows respectively. As a result of the need for continued cash outflows from operating and investing activities the directors have assessed the Company's ability to continue as a going concern and to pay its debts as and when they fall due.

The Company's ability to fund exploration commitments and for use as working capital is dependent upon raising additional capital now and in future years, selling assets, or deriving revenue from existing operations.

The Directors of the Company advise the following initiatives have been taken or are being pursued/considered to raise additional funding:

1. The placement of fully paid shares for \$200,000, before costs is in process. These funds will be used for exploration and working capital;
2. The Company continues to operate a significant research and development program with commensurate rebates and returns on outgoing expenditure of circa \$90,000;
3. The Westminster Gold Project is well advanced and discussions with potential joint venture partners are progressing against a background of substantially increased gold prices;
4. The Directors have deferred payment of over 50% for consulting services and fully deferred payment of Directors fees until the company has the cash resources to pay these in full; and
5. The Directors will continue the practice of loaning funds to the company, and operating from their private offices at no cost to the Company, as required.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 1: BASIS OF PREPARATION (Cont'd)

Material Uncertainty Related to Going Concern (Cont'd)

Accordingly, the Directors have prepared the financial statements on a going concern basis. As such, the financial statements do not include any adjustments as to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

In the event the Company is not able to achieve the above requirements, there is material uncertainty that casts significant doubt on whether the Company will continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in its financial report.

NOTE 2: REVENUE

	31.12.2019	31.12.2018
The following revenue items are relevant in explaining the financial performance for the interim period:	\$	\$
Interest received from other persons	7	63
Research & development tax offset	28,717	61,551
Credit transfer from the Rights Reserve on the expiry of Class A & B performance rights	30,970	0
Gain on remuneration liabilities settled by share based payments	129,600	82,219
	<u>189,294</u>	<u>143,833</u>

Gain on remuneration liability settled by equity based payments:

2019

At the Company's 2019 AGM the shareholders agreed to issue the Executive Directors 9,000,000 Class I Performance rights in lieu of their directors' fees of \$144,000 for the 2018/19 year.

The gain arose due to the difference between the amounts payable and the value of the rights (as independently valued) as issued:

	Amount payable	Fair Value	Gain
	\$	\$	\$
Executive directors	100,800	10,080	90,720
Non-executive director	<u>43,200</u>	<u>4,320</u>	<u>38,880</u>
Totals	<u>144,000</u>	<u>14,400</u>	<u>129,600</u>

2018

At the Company's 2018 AGM the shareholders agreed to issue the Executive Directors 5,929,000 Class G Performance rights in lieu of their directors' fees of \$100,800 for the 2017/18 year and also agreed to issue 1,484,000 fully paid ordinary shares to the Non-Executive Director in lieu of his director's fees of \$25,239 for 2017/18. In addition, at the Company's 2018 AGM the shareholders agreed to issue 512,000 fully paid ordinary shares to a consultant in lieu of fees of \$12,800.

The gain arose due to the difference between the amount of \$138,839 payable to the directors and consultant for their fees and the estimated value of those rights and shares granted of \$56,620.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 3: DEFERRED EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

	\$
Carrying amount at 1 July 2019 – at cost	6,505,841
Deferred exploration, evaluation and development expenditure during the period – at cost	92,361
Refund of security deposit	(6,065)
Carrying amount at 31 December 2019 – at cost	<u>6,592,139</u>

The ultimate recoupment of the above deferred exploration expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest. All of the above expenditure relates to exploration phase.

	31.12.2019	30.06.2019
	\$	\$
NOTE 4: TRADE AND OTHER PAYABLES		
- CURRENT		
Sundry payables and accrued expenses	<u>24,949</u>	<u>43,581</u>
	<u>24,949</u>	<u>43,581</u>
- NON-CURRENT		
Amounts due to related parties:		
Consulting fees	778,496	722,616
Directors' fees	<u>133,278</u>	<u>205,278</u>
	<u>911,774</u>	<u>927,894</u>

The directors have agreed that they will not request payment of the consulting and directors' fees until 31 December 2020, or until the Company has the capacity to pay.

NOTE 5: ISSUED CAPITAL	31.12.2019		30.6.2019	
(i) Issued and paid up capital:				
117,841,544 (30/06/2019: 117,841,544) fully paid ordinary shares	\$8,683,434		\$8,683,434	
	Half-year to 31.12.2019		Year ended 30.6.2019	
(ii) Movements in shares on issue	No. of shares	\$	No. of shares	\$
Opening balance 1 July	117,841,544	8,683,434	115,845,544	8,655,378
Shares issued on 23/11/18 at 1.5 cents to the non-executive director in lieu of director’s fees	0	0	1,484,000	22,260
Shares issued on 23/11/18 at 1.5 cents to a consultant in lieu of fees	0	0	512,000	7,680
	117,841,544	8,683,434	115,845,544	8,655,378
Less costs of shares issued	0	0	0	(1,884)
Closing balance	117,841,544	8,683,434	117,841,544	8,683,434

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 5: ISSUED CAPITAL (Cont'd)

(iii) Holders of ordinary shares have the right to receive dividends as declared and in the event of winding up of the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held and the amount paid up. Shareholders are entitled to one vote per share held either in person or by proxy at a meeting of the company when a poll is called, otherwise each shareholder has one vote on a show of hands.

At the 2019 AGM the shareholders agreed to issue 9,000,000 Class I Performance Rights and 6,300,000 Class J Performance rights to the Directors. These rights do not vest before 1/07/2020 and are subject to milestones being met. These milestones are: a closing price of 2.5 cents for Class I Performance Rights and 7 cents for Class J Performance Rights, on 20 consecutive days when the company's ordinary shares have traded. Both classes of rights expire on 22/11/2023.

(iv) The Company does not have any options on issue.

(v) Performance rights on issue

<u>Class</u>	<u>Vested</u>	<u>Expiry</u>	<u>Number</u>	<u>Milestone met</u>
C	Yes	27/10/2020	3,700,000	No
D	Yes	27/10/2020	2,600,000	No
E	Yes	02/11/2021	3,850,000	No
F	Yes	02/11/2021	3,850,000	No
G	Yes	23/11/2022	5,929,000	No
H	Yes	23/11/2022	5,929,000	No
I	No	22/11/2023	9,000,000	No
J	No	22/11/2023	6,300,000	No

NOTE 6: SEGMENT INFORMATION

The company operated solely in Australia in mineral exploration for the whole of the period.

NOTE 7: CONTINGENT ASSETS AND LIABILITIES

The Directors are not aware of any contingent assets and liabilities as at the date of this report.

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

The Company has surrendered 50% of tenure holding for tenement EL31579 in the Tennant Creek mineral field, and will retain 26 blocks. Other than this surrender the directors are not aware of any matter or circumstance since 31 December 2019 that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in subsequent financial years.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 9: COMMITMENTS

Operating lease commitments

The Company does not have any operating leases.

Capital expenditure commitments

Estimated commitments for which no provisions were included in the financial statements are as follows:

Exploration Expenditure Commitments

The company has obligations to perform minimum annual exploration work totalling \$203,000 on its properties.

NOTE 10: RELATED PARTY DISCLOSURES

Transactions with related parties:

Peter N Smith is a director of Resource Investments & Consulting Pty Ltd (RIC) which provided mine engineering and geological services totalling \$78,000 (net of GST) during the 6 months ended 31/12/2019 (6 months ended 31/12/2018 \$93,600). Of the \$78,000, by agreement, the Company has deferred payment of \$46,800 until the Company has the capacity to pay. The total amount deferred by RIC at 31/12/2019 is \$707,724, net of GST.

Michael J Povey is the principal of an accounting practice which provided accounting and company secretarial services totalling \$13,600 (net of GST) during the 6 months ended 31/12/2019 (6 months ended 31/12/2018 \$21,600). Of the \$13,600, by agreement, the Company has deferred payment of \$4,000 until the Company has the capacity to pay. The total amount deferred by Mr Povey at 31/12/2019 is \$116,840, net of GST.

RIC has loaned to the Company \$183,000. The loan has no fixed term, no required repayments, and is interest free. RIC has agreed that no repayments are required until the Company has the capacity to pay.

TRUSCOTT MINING CORPORATION LIMITED ABN 31 116 420 378

Interim Financial Report

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 13 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b. giving a true and fair view of the company's financial position as at 31 December 2019 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director



Michael J Povey

Dated this 13th day of March 2020

**Independent Auditor's Review Report
To the Members of Truscott Mining Corporation Limited**

REPORT ON THE HALF-YEAR FINANCIAL REPORT

We have reviewed the accompanying half-year financial report of Truscott Mining Corporation Limited ("the Company"), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of Truscott Mining Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Truscott Mining Corporation Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Truscott Mining Corporation Limited is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

Material Uncertainty Regarding Going Concern

Without modifying our opinion, we draw attention to the following matter. As a result of the matters disclosed in Note 1) "Going Concern" of the financial report, there are material uncertainties that cast significant doubt whether the group can continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report. The ability of the Company to continue as a going concern is dependent upon its ability to generate additional funding through further capital raising and or the successful exploration of its tenements.

Walker Wayland WA Audit Pty Ltd

WALKER WAYLAND WA AUDIT PTY LTD

Richard J Gregson

Richard Gregson CA

Director

Level 3, 1 Preston Street, COMO WA 6152

Dated this 13th day of March 2020.