



**BARRA RESOURCES LIMITED**

ABN 76 093 396 859

An aerial photograph of a dry, scrubby landscape. The terrain is covered with sparse, low-lying vegetation in shades of green and brown, interspersed with patches of reddish-brown soil. A dirt road or path winds through the area. In the lower center, a small figure of a person is walking. The sky is clear and blue.

**INTERIM  
FINANCIAL REPORT**

31 DECEMBER 2019

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## Directors

*Managing Director and CEO*  
Sean Gregory BSc (Hons) MBA

*Non-Executive Chairman*  
Gary John Berrell BEc (Hons)

*Non-Executive Director*  
Grant Jonathan Mooney BBus CA

*Non-Executive Director*  
Jonathan Alister Young BCom CA F Fin

## Company Secretary

Grant Jonathan Mooney BBus CA

## Registered Office & Principal Place of Business

Ground Floor, 6 Thelma Street  
West Perth, WA 6005  
Phone: +61 8 9481 3911  
Fax: +61 8 9481 3283  
Website: [www.barraresources.com.au](http://www.barraresources.com.au)

## Share Register

Automic Group Pty Ltd  
Perth Office  
Level 2, 267 St Georges Tce  
Perth WA 6005  
Phone: 1300 288 664  
Email: [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)  
Website: [www.automicgroup.com.au](http://www.automicgroup.com.au)

## Auditors

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

## Securities Exchange

The Company's securities are quoted on the Official List of the Australian Securities Exchange Limited (ASX)  
2 The Esplanade  
Perth, WA 6000

## ASX Code

Shares: BAR

# DIRECTORS' REPORT

The Directors present their report together with the financial report on Barra Resources Limited ("Barra" or "the Company") and its subsidiaries ("Group" or "Consolidated Group") for the half year ended 31 December 2019. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

## DIRECTORS

The names and particulars of the Directors of the Company holding office during the financial year and at the date of this report are:

The Directors of the Company during or since the end of the half-year are:

- Gary Berrell
- Grant Mooney
- Jonathan (Jon) Young
- Sean Gregory

The above-named directors held office during and since the end of the half-year, unless otherwise stated.

## OPERATING RESULTS

The loss from ordinary activities of the Company for the half-year ended 31 December 2019 after income tax was \$355,439 (2018: \$527,665).

## REVIEW OF OPERATIONS

The Company undertook the following activities during the half-year ended 31 December 2019.

## CORPORATE

- In October 2019, Barra completed a Share Purchase Plan and concurrent Share Placement raising a total of \$1,152,500 before expenses. A total of 57,625,000 ordinary shares were issued at 2c per share.

## BURBANKS PROJECT (COOLGARDIE, WESTERN AUSTRALIA)

- A maiden shallow oxide Inferred Mineral Resource for the Burbanks North deposit was declared of 20,400 oz at 1.76g/t, increasing the global Burbanks Indicated and Inferred Mineral Resource 16% to 145,700 oz @ 3.7 g/t (refer ASX:BAR announcement 2/8/19).
- A Scoping Study identified a shallow underground mining opportunity at the Burbanks Mining Centre. Recent discoveries at Main Lode and the Birthday Gift Gold Mines emerged as the highest priority areas for potential mining (refer ASX:BAR announcement 23/9/19).
- The Scoping Study was immediately followed up with a 24 hole (3,913m) RC drilling program. Mineralisation was extended immediately down dip and down plunge from stoping areas identified in the Scoping Study. Best results included:
  - BBRC299 – 3m @ 24.69g/t Au from 167m down-hole
  - BBRC303 – 8m @ 4.10g/t Au from 159m down-hole
  - BBRC300 – 2m @ 16.30g/t Au from 173m down-hole
  - BBRC292 – 3m @ 5.38g/t Au from 185m down-hole, and
  - BBRC294 – 4m @ 2.58g/t Au from 168m down-hole
- Drill holes BBRC292-294 were below a hitherto unknown fault which is highly significant and may represent the discovery of a new lode plunging under Burbanks North that will be one of the focuses for further geological modelling and drilling in 2020.
- Barra is continuing to assess the risk and rewards associated with mining opportunities at Burbanks. Any mining would benefit from the substantial regional infrastructure and several nearby toll milling operations.

## PHILLIPS FIND PROJECT (WESTERN AUSTRALIA)

- No significant field work completed during the period.

# DIRECTORS' REPORT

## MT THIRSTY JOINT VENTURE (50% OWNED – NORSEMAN, WESTERN AUSTRALIA)

- Subsequent to the end of the half-year, the Mt Thirsty JV published the Prefeasibility Study for the Mt Thirsty Cobalt Nickel Project located near Norseman in Western Australia.
- Maiden JORC 2012 Probable Ore Reserve of 18.8 Mdt at 0.13% cobalt and 0.54% nickel estimated for the project (refer ASX:BAR announcement 20/02/20)
- Positive economics returned with a pre-tax NPV of A\$44.4M (A\$25.7M post-tax)
- Capital Expenditure of A\$371M including 10% indirects, 9% growth, 4% owner's costs, and 10% contingency
- All in Sustaining Costs of US\$35,400/t contained cobalt
- Cobalt price forecast to rise by all surveyed investment banks as demand for electric vehicle batteries continues to grow and other cobalt supply growth options limited
- The Mt Thirsty Joint Venture (MTJV) has identified the highest value development path to be a farm-in from a large global firm, eager to secure a guaranteed sustainable source of cobalt
- The direct project expenditure for the MTJV now reverts to a minimum while the partnering strategy is pursued as planned
- The MTJV is now re-engaging with several major Australian and international mining, trading and refining firms who have all identified a high quality PFS as their minimum investment criteria

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4 and forms part of this Directors' Report for the half-year ended 31 December 2019.

Signed on 12 March 2020 in accordance with a resolution of the directors made pursuant to Section 306(3) of the Corporations Act 2001.

On behalf of the Directors:



**SEAN GREGORY**  
*Managing Director & CEO*

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# DIRECTORS' REPORT

## COMPETENT PERSONS' STATEMENT

Project and Discipline	JORC Section	Competent Person	Employer	Professional Membership
Coolgardie Gold Projects Geology	Exploration Results and Mineral Resources	Gary Harvey	Barra Resources Ltd	MAIG
Main Lode and Burbanks North Resource Estimation	Mineral Resources	Andrew Bewsher	BM Geological Services Pty Ltd	MAIG
Birthday Gift and Christmas Pit Resource Estimation	Mineral Resources	Richard Buerger	Mining Plus Pty Ltd	MAIG
Mt Thirsty Geology	Exploration Results and Mineral Resources	Michael J Glasson	Tasman Resources Ltd; Consultant to MTJV; holds shares in Conico Ltd	MAIG
Mt Thirsty Resource Estimation	Mineral Resources	David Reid	Golder Associates Pty Ltd	MAusIMM
Mt Thirsty Metallurgy	Exploration Results and Ore Reserves	Peter Nofal	AMEC Foster Wheeler Pty Ltd trading as Wood	FAusIMM
Mt Thirsty Mining	Ore Reserves	Frank Blanchfield	Snowden Mining Industry Consultants Pty Ltd	FAusIMM

*The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves for the Mt Thirsty Cobalt-Nickel Project and Coolgardie Gold Projects is based on and fairly represents information compiled by the Competent Persons listed in the table above. The Competent Persons have sufficient relevant experience to the style of mineralisation and type of deposits under consideration and to the activity for which they are undertaking to qualify as a Competent Person as defined in the JORC Code (2012 Edition). For new information, the Competent Persons consent to the inclusion in the report of the matters based on their information in the form and context in which it appears. Previously announced information is cross referenced to the original announcements. In these cases, the company is not aware of any new information or data that materially affects the information presented and that the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.*

# AUDITOR'S INDEPENDENCE DECLARATION



## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Barra Resources Limited for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia  
12 March 2020

A handwritten signature in blue ink, appearing to read 'M R Ohm', written in a cursive style.

M R Ohm  
Partner

**hlb.com.au**

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Liability limited by a scheme approved under Professional Standards Legislation.

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME**  
for the half-year ended 31 December 2019

	Note	Half-Year Ended 31 Dec 2019 \$	Half-Year Ended 31 Dec 2018 \$
<b>CONSOLIDATED</b>			
Other income		9,773	25,071
<b>Total Revenue</b>		<b>9,773</b>	<b>25,071</b>
Employee benefits expense		(229,957)	(256,863)
Exploration and evaluation costs written off		(11,876)	(17,320)
Depreciation expense		(6,068)	(9,316)
Consulting expenses		(76,363)	(80,618)
Rental expenses		(31,117)	(37,178)
Administration expenses		(90,883)	(95,386)
Share-based payments	9	(22,278)	(47,055)
Change in fair value of equity investments		125	(9,000)
<b>Total Expenses</b>		<b>(468,417)</b>	<b>(552,736)</b>
<b>Loss before income tax benefit</b>		<b>(458,644)</b>	<b>(527,665)</b>
Income tax benefit		103,205	-
<b>Loss after related income tax benefit</b>		<b>(355,439)</b>	<b>(527,665)</b>
Other comprehensive income, net of tax		-	-
<b>Total comprehensive loss for the period</b>		<b>(355,439)</b>	<b>(527,665)</b>
		Cents	Cents
<b>Loss per share:</b>			
Basic loss per share (cents per share)		(0.06)	(0.10)
Diluted loss per share (cents per share)		(0.06)	(0.10)

The accompanying notes form part of these financial statements.

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2019

	Note	31 Dec 2019	30 June 2019
		\$	\$
<b>CONSOLIDATED</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,179,779	1,450,043
Trade and other receivables	3	32,022	6,493
Other		50,348	28,899
<b>TOTAL CURRENT ASSETS</b>		<b>1,262,149</b>	<b>1,485,435</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	4	195,727	21,800
Rental bond		15,000	15,000
Property, plant and equipment		13,186	14,793
Right of use assets	5	129,179	-
Exploration and evaluation expenditure	6	11,960,044	11,071,253
<b>TOTAL NON-CURRENT ASSETS</b>		<b>12,313,136</b>	<b>11,122,846</b>
<b>TOTAL ASSETS</b>		<b>13,575,285</b>	<b>12,608,281</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		175,396	127,373
Lease liability	7	75,553	-
Provisions		261,045	248,597
<b>TOTAL CURRENT LIABILITIES</b>		<b>511,994</b>	<b>375,970</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liability	7	53,909	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>53,909</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>565,903</b>	<b>375,970</b>
<b>NET ASSETS</b>		<b>13,009,382</b>	<b>12,232,311</b>
<b>EQUITY</b>			
Issued capital	8	56,400,265	55,290,033
Reserves		537,700	802,322
Accumulated losses		(43,928,583)	(43,860,044)
<b>TOTAL EQUITY</b>		<b>13,009,382</b>	<b>12,232,311</b>

The accompanying notes form part of these financial statements.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year ended 31 December 2019

	Issued Capital	Employee Equity- settled Benefits Reserve	Investment Revaluation Reserve	Accumulated Losses	Total attributable to equity holders of the entity
	\$	\$	\$	\$	\$
<b>CONSOLIDATED</b>					
<b>BALANCE 1 JULY 2018</b>	<b>53,064,211</b>	<b>759,633</b>	<b>9,000</b>	<b>(42,821,611)</b>	<b>11,011,233</b>
Loss for the year	-	-	-	(1,060,733)	(1,060,733)
Move investment revaluation reserve on adoption of AASB 9	-	-	(9,000)	9,000	-
Total comprehensive loss for the year	-	-	<b>(9,000)</b>	<b>(1,051,733)</b>	<b>(1,060,733)</b>
Issue of shares	2,000,000	-	-	-	2,000,000
Share issue costs	(8,678)	-	-	-	(8,678)
Exercise of options	234,500	(34,500)	-	-	200,000
Expiry of options	-	(13,300)	-	13,300	-
Expense options	-	90,489	-	-	90,489
<b>BALANCE 30 JUNE 2019</b>	<b>55,290,033</b>	<b>802,322</b>	<b>-</b>	<b>(43,860,044)</b>	<b>12,232,311</b>
<b>BALANCE 1 JULY 2019</b>	<b>55,290,033</b>	<b>802,322</b>	<b>-</b>	<b>(43,860,044)</b>	<b>12,232,311</b>
Loss for the year	-	-	-	(355,439)	(355,439)
Total comprehensive loss for the year	-	-	-	<b>(355,439)</b>	<b>(355,439)</b>
Issue of shares	1,152,500	-	-	-	1,152,500
Share issue costs	(42,268)	-	-	-	(42,268)
Expense options	-	22,278	-	-	22,278
Expiry of options	-	(286,900)	-	286,900	-
<b>BALANCE 31 DECEMBER 2019</b>	<b>56,400,265</b>	<b>537,700</b>	<b>-</b>	<b>(43,928,583)</b>	<b>13,009,382</b>

The accompanying notes form part of these financial statements.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the half-year ended 31 December 2019

	Half-Year Ended 31 Dec 19	Half-Year Ended 31 Dec 18
	\$	\$
<b>CONSOLIDATED</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(196,125)	(485,782)
Interest received	9,924	14,093
Research and development tax refund	103,205	-
<b>NET CASH FLOWS (USED IN) OPERATING ACTIVITIES</b>	<b>(82,996)</b>	<b>(471,689)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(3,672)	(9,493)
Payments for exploration and evaluation expenditure	(1,043,558)	(733,846)
Payment of leases	(76,568)	-
Proceeds from sale of property plant and equipment	100	-
Proceeds from disposal of tenement	-	5,500
Payments for loans made	(173,802)	-
<b>NET CASH FLOWS (USED IN) INVESTING ACTIVITIES</b>	<b>(1,297,500)</b>	<b>(737,839)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	1,152,500	2,200,000
Share issue costs	(42,268)	(8,678)
<b>NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES</b>	<b>1,110,232</b>	<b>2,191,322</b>
Net increase/(decrease) in cash and cash equivalents	(270,264)	981,794
Cash and cash equivalents at the beginning of the half-year	1,450,043	1,342,256
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR</b>	<b>1,179,779</b>	<b>2,324,050</b>

The accompanying notes form part of these financial statements.

# NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

## NOTE 1: SUMMARY OF ACCOUNTING POLICIES

The significant accounting policies, which have been adopted in the preparation of this financial report, are:

### (a) Going Concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. Notwithstanding the fact that the Group incurred a loss before tax of \$458,644 for the half-year ended 31 December 2019, and a net cash outflow from operating activities amounting to \$82,996 which included a \$103,205 R&D refund, the Directors are of the opinion that the Group is a going concern as the Directors anticipate that an equity raising will be completed in early 2020.

Should this equity raising not be completed, there is a material uncertainty that may cast significant doubt as to whether the Company will be available to realise its assets and extinguish its liabilities in the normal course of business.

### (b) Statement of compliance

These condensed interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year financial statements do not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that these financial statements be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by Barra Resources Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

### (c) Basis of preparation

The interim financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the impact of the new and revised standards effective 1 July 2019 outlined in Note 1(d) below.

### (d) Adoption of new and revised Accounting Standards

In the period ended 31 December 2019, 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 reporting period. Those which have a material impact on the Group are set out below.

#### *Change in accounting policy*

AASB 16 Leases supersedes AASB 117 Leases. The Group has adopted AASB 16 from 1 July 2019 which has resulted in changes in the classification, measurement and recognition of leases. The changes result in almost all leases where the Company is the lessee being recognised on the Statement of Financial Position and removes the former distinction between 'operating' and 'finance' leases. The new standard requires recognition of a right-of-use asset (the leased item) and a financial liability (to pay rentals). The exceptions are short-term leases and leases of low value assets.

The Group has adopted AASB 16 using the modified retrospective approach under which the reclassifications and the adjustments arising from the new leasing rules are recognised in the opening Condensed Statement of Financial Position on 1 July 2019. Under this approach, there is no initial impact on accumulated losses, and comparatives have not been restated.

# NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

## **NOTE 1: SUMMARY OF ACCOUNTING POLICIES (continued)** **(d) Adoption of new and revised Accounting Standards (continued)**

The impact on the financial performance and position of the Group from the adoption of this Accounting Standard is detailed in Note 7.

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

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2019. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

### **(e) Significant accounting judgements and key estimates**

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2019.

## **NOTE 2: SEGMENT REPORTING**

Operating segments are identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The chief operating decision maker of Barra Resources Limited reviews internal reports prepared as financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period, the Group operated predominately in one business and geographical segment being the minerals exploration sector in Western Australia. Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the financial statements.

## **NOTE 3: RECEIVABLES**

	Half-Year 31 Dec 2019	Year ended 30 June 2019
	\$	\$
Trade debtors	9,532	-
Other debtors	22,490	6,493
<b>Total current trade and other receivables</b>	<b>32,022</b>	<b>6,493</b>

## **NOTE 4: FINANCIAL ASSETS**

Mining tenement bond	21,000	21,000
Equity investments	925	800
Loans receivable <sup>(1)</sup>	173,802	800
<b>Total financial assets</b>	<b>195,727</b>	<b>21,800</b>

<sup>(1)</sup> To facilitate the completion of the final stage of the Mt Thirsty Project Pre-Feasibility Study, Barra Resources Ltd entered into a loan agreement on 28 October 2019 under which Barra will lend Meteore Metals Pty Ltd (subsidiary of Conico Ltd and JV partner) up to \$500,000 or further amount as agreed, for a term of 3 years. \$173,802 had been loaned to 31 December 2019.

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED  
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

**NOTE 5: RIGHT OF USE ASSETS**

	Premises \$	Equipment \$	Total \$
Cost	146,448	6,790	153,238
Accumulated depreciation	(22,936)	(1,123)	(24,059)
<b>Total right of use assets</b>	<b>123,512</b>	<b>5,667</b>	<b>129,179</b>

AASB 16 has been adopted during the period, refer Note 1 for details.

**Reconciliation**

	Premises \$	Equipment \$	Total \$
Balance on initial application	146,448	6,790	153,238
Depreciation expense	(22,936)	(1,123)	(24,059)
<b>Closing balance 31 December 2019</b>	<b>123,512</b>	<b>5,667</b>	<b>129,179</b>

**NOTE 6: EXPLORATION AND EVALUATION EXPENDITURE**

**Mineral exploration and evaluation expenditure costs carried forward**

	Half-Year 31 Dec 2019 \$	Year ended 30 June 2019 \$
Opening balance	11,071,253	8,699,075
Less: expenditure written off <sup>1</sup>	-	(64,067)
Add: expenditure for the period	888,791	1,244,848
<b>Total exploration and evaluation expenditure</b>	<b>11,960,044</b>	<b>11,071,253</b>

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

<sup>1</sup> Relates to expenditure on tenements where rights to tenure is no longer current.

# NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

## NOTE 7: LEASE LIABILITY

The company first adopted AASB 16 Leases in this half year. The leases that have been accounted for are as follows:

	Premises \$	Equipment \$	Total \$
Current Liabilities	73,225	2,328	75,553
Non-Current Liabilities	50,288	3,621	53,909
<b>Total Leased Assets</b>	<b>123,513</b>	<b>5,949</b>	<b>129,462</b>

AASB 16 has been adopted during the period, refer Note 1 for details.

## Reconciliation

	Premises \$	Equipment \$	Total \$
Balance on initial application	146,448	6,790	153,238
Principal repayments	(22,935)	(841)	(23,776)
<b>Closing balance 31 December 2019</b>	<b>123,513</b>	<b>5,949</b>	<b>129,462</b>

## NOTE 8: ISSUED CAPITAL

	30 June 2019 No of shares	30 June 2019 \$
Opening balance 1 July 2018	473,747,883	53,064,211
Placement of shares 10 September 2018	57,142,857	2,000,000
Placement of shares 8 November 2018	8,000,000	234,500
Share issue costs	-	(8,678)
<b>Closing balance 30 June 2019</b>	<b>538,890,740</b>	<b>55,290,033</b>
Opening balance 1 July 2019	537,890,740	55,290,033
Share purchase plan 31 October 2019	47,725,000	954,500
Placement of shares (SPP shortfall) 31 October 2019	9,900,000	198,000
Share issue costs	-	(42,268)
<b>Closing balance 31 December 2019</b>	<b>596,515,740</b>	<b>56,400,265</b>

**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED  
FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

**NOTE 9: SHARE-BASED PAYMENTS**

No options were issued during the half year. Using the Black & Scholes options valuation and methodology, the fair value of the options issued were calculated. The following inputs were used for options:

During the period \$22,278 was recognised in relation to the options as noted below:

Input	Director Options @ \$0.08	Director Options @ \$0.09	Director Options @ \$0.10	Director Options @ \$0.03	Employee Options @ \$0.08	Employee Options @ \$0.09	Employee Options @ \$0.10
Share price	\$0.056	\$0.056	\$0.056	\$0.02	\$0.053	\$0.053	\$0.053
Grant date	16-Nov-17	16-Nov-17	16-Nov-17	01-Nov-19	30-Nov-17	30-Nov-17	30-Nov-17
Expected volatility	75%	75%	75%	75%	75%	75%	75%
Expiry date	16-Nov-20						
Risk free interest rate	1.5%	1.5%	1.5%	0.75%	1.5%	1.5%	1.5%
Value per option	\$0.0226	\$0.0210	\$0.0195	\$0.0166	\$0.0205	\$0.0189	\$0.0176
Number of options	7,000,000	7,000,000	3,000,000	6,000,000	1,000,000	1,000,000	1,000,000
Value of options	\$158,200	\$147,000	\$58,500	\$117,000	\$20,500	\$18,900	\$17,600
Expensed in half-year to 31/12/19	-	-	-	\$22,278	-	-	-
Total Expensed to 31/12/19	\$158,200	\$147,000	\$58,500	\$117,000	\$20,500	\$18,900	\$17,600

**NOTE 10: FINANCIAL INSTRUMENTS**

The Company has financial investments in listed securities (level 1) which are measured at fair value at the end of the reporting period. These are valued with reference to the closing market price at balance date.

In relation to other financial assets and liabilities held at balance date, the Directors consider the carrying value recognised in the financial statements approximate their fair value.

**NOTE 11: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There have been no changes in contingent liabilities or contingent assets since the most recent annual report.

**NOTE 12: SUBSEQUENT EVENTS**

On 20 February 2020, the Mt Thirsty JV published the Prefeasibility Study for the Mt Thirsty Cobalt Nickel Project. Other than this no significant events have occurred subsequent to the reporting date.

# DIRECTOR'S DECLARATION

In the opinion of the directors of Barra Resources Limited ("the Company"):

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
  - a) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year then ended.
  - c) the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the Corporations Act 2001 for the half-year ended 31 December 2019.

On behalf of the Directors



**SEAN GREGORY**

**Managing Director**

Dated in Perth this 12<sup>th</sup> day of March 2020

# INDEPENDENT AUDITOR'S REVIEW REPORT



## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Barra Resources Limited

### Report on the Condensed Interim Financial Report

#### *Conclusion*

We have reviewed the accompanying interim financial report of Barra Resources Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2019, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Barra Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Material uncertainty related to going concern*

We draw attention to Note 1(a) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### *Directors' responsibility for the interim financial report*

The directors of the company are responsible for the preparation of the interim 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 interim 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 interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group'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 the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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

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# INDEPENDENT AUDITOR'S REVIEW REPORT



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*.

*HLB Mann Judd*

**HLB Mann Judd  
Chartered Accountants**

**Perth, Western Australia  
12 March 2020**

A handwritten signature in blue ink, appearing to read 'M R Ohm'.

**M R Ohm  
Partner**



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