Bastion Minerals Limited

ABN 19 147 948 883

Reissued Annual Report - 31 December 2019

Bastion Minerals Limited
Contents
31 December 2019

Reissued Directors' report	2
Auditor's independence declaration	7
Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12
Directors' declaration	31
Independent auditor's report to the members of Bastion Minerals Limited	32

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Bastion Minerals Limited (referred to hereafter as the 'company' or 'parent entity')(formerly known as Comet Exploration Limited) and the entities it controlled at the end of, or during, the year ended 31 December 2019.

Directors
The following persons were directors of Bastion Minerals Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ralph Nicholas Stagg - Chairman
Alan Ross Landles (appointed on 7 February 2020)
David Joseph Nolan (appointed on 30 March 2020)
Dr Andrew Stewart (appointed on 8 June 2020)
Patrick Anthony Treasure (deceased on 13 January 2020)
Arno De Villiers De Vos (resigned on 30 March 2020)

Principal activities
The principal activities of the consolidated entity is mining exploration and evaluation in Chile.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $944,024 (31 December 2018: $631,003).

In prior year, the consolidated entity changed its financial year from 30 June to 31 December. The financial statements have been prepared for the year ended 31 December 2019, while the comparative accounting period is for the 18 months ended 31 December 2018, therefore the results are not directly comparable.

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
The World Health Organisation declared the outbreak of COVID-19 a pandemic in March 2020. However, the impact of the pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The financial statements have been prepared based upon conditions existing at 31 December 2019 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed at the end of the reporting period. As the outbreak of COVID-19 occurred after 31 December 2019, its impact is considered an event that is indicative of conditions that arose after the reporting period and accordingly, no adjustments have been made to financial statements as at December 31, 2019 for the impacts of COVID-19.

Karton Liability Agreement and Deed of Settlement and Release

On 18 March 2020, Bastion Minerals Limited ('Bastion') entered into a Liability Agreement with Karton Investments Pty Limited ('Karton') under which it was agreed that a total liability owing at 31 December 2019 to Karton of $148,500 would be extinguished in full by the following payments:

- 827,387 common shares in Altiplano Metals Inc. (Karton APN Shares); and
- 928,125 fully paid ordinary shares in the share capital of Bastion at $0.08 per share (Karton Bastion Shares).

On 29 April 2020, Bastion entered into a Deed of Settlement and Release with Karton under which it was agreed that, within one month of the date of execution, Bastion would issue the Karton Bastion Shares and procure the transfer of the Karton APN Shares to Karton or its nominee. It was further agreed that upon execution the liability owed to Karton was satisfied in full and Bastion and Karton released each other from any other claims or entitlements.

Subsequent to year end, the Karton APN Shares have been transferred, and the Karton Bastion Shares have been issued, to Treasure Brothers Pty Ltd, a nominee of Karton.

APN Deed of Amendment

On 21 August 2020, Altiplano Metals Inc. ('APN'), Altiplano Minerals Chile SPA, Bastion and Sociedad Contractual Minera Comet Exploration Chile entered into a Revised Deed of Amendment to amend a Share Purchase Agreement entered into by the parties on or about 8 May 2018 under which Bastion owned a net profits interest royalty ('NPI') from APN. Under the Deed the parties agreed that the NPI may be paid in full by APN making the following payments to and APN transferring the following shares to entity nominated by Bastion:

- an initial $50,000 in lawful money of Canada, paid by 20 April 2020 (Initial Payment);
- a further $50,000 in lawful money of Canada, paid by no later than 2 October 2020;
- a further $100,000 in lawful money of Canada paid by no later than 1 April 2021; and
- transferring 500,000 Bastion ordinary shares held by APN to an entity nominated by Bastion.

The Initial Payment and Second Payment have been made to Bastion.

Malema Loan Deed

On 12 June 2020, Bastion Minerals Limited entered into a Loan Deed with Malema Pty Limited ('Malema') under which it was agreed that a total liability owing to Malema at Agreement date of $1,845,799 would be paid in full by the following payments:

- 5,482,613 common shares in APN (APN Payment Shares);
- 3,550,747 fully paid ordinary shares in the share capital of Bastion at $0.10 per share (Bastion Payment Shares);
- CAD150,000 in royalty payments to be received by Bastion from APN; and
- following commencement of production of its projects in Chile, payment of 15% of all monies received from the sale of mining ore by Bastion at any of the projects.

The APN Payment Shares have been transferred to Malema and the Bastion Payment Shares have been issued to Malema.

On 10 November 2020, Bastion Minerals Limited entered into a Deed of Amendment with Malema to vary the deed clause in the previous Loan Deed signed on 12 June 2020 regarding interest to be paid in the following manner:

- on 1 May 2021 interest of $40,260 will be payable (comprising all interest accrued from 1 August 2020 to 30 April 2021);
- 15th of the following months thereafter.

Saruca Option Agreement

On July 8 2020, SCM Constelación (wholly owned subsidiary of Bastion) entered into a Purchase Option Agreement with Raúl Tapia y Compañía Limitada to acquire the mining tenement “Saruca uno al treinta” located in Chile (**Tenement**). The option to acquire the Tenement can be exercised on or before 2 August 2021 by Bastion paying a total USD665,000.

Capital raising and Share consolidations

On 28 September 2020 Bastion consolidated its share capital on a 2 for 1 basis from 73,001,737 shares to 36,500,874 shares.

On 17 November 2020 Bastion completed a capital raising of $1,162,500 from sophisticated investors through the issue of 23,250,000 shares at $0.05 per share.

On 14 December 2020 Bastion consolidated its share capital on a 2 for 1 basis from 83,756,135 shares to 41,878,076 shares.

On 20 January 2021 Bastion completed a capital raising of $700,000 from sophisticated investors through the issue 7,000,000 shares at $0.10 per share.

Name change

On 24 September 2020, Bastion Minerals Limited was renamed from Comet Exploration Limited.

Directors Placement of Ordinary Share

As part of the Capital Raising completed on 17 November 2020 entities associated with Mr. David Nolan, Mr. Andrew

Stewart and Mr. Ross Landles each subscribed for 7,175,087 shares at $0.05 per share. Bastion has provided an interest bearing loan of $358,755 to each of those Directors to fund the subscription of those shares.

Directors' options

On 19 January 2020, Bastion issued 2,000,000 options to entities associated with each of Mr. David Nolan, Mr. Andrew Stewart and Mr. Ross Landles for services as directors. These options are subject to certain restrictions on both the exercise and vesting thereof. Each option gives the Option holder the right to subscribe for one fully paid ordinary share in Bastion Minerals Limited at a price of 25 cents per share and expire 3 years from issue date.

No other matter or circumstance has arisen since 31 December 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The consolidated entity is subject to and compliant with all aspects of environmental regulation of its exploration and mining activities in Chile. During the financial year no active exploration fieldwork took place on the consolidated entity's tenements.

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

Information on directors

Name:	Ralph Nicholas Stagg
Title:	Non-Executive Chairman
Qualifications:	BSc MSc DIC FAusIMM MIMMM CEng
Experience and expertise:	Mr Stagg is a Geologist with more than forty years' experience in economic geology including project generation, exploration planning, managerial experience in listed and unlisted exploration, mining and engineering companies, and preparation of ore reserve estimations, valuations, experts' reports and technical studies in Australasia, Africa and the Middle East. Mr Stagg has served on the boards of ASX listed companies for more than twenty years, including Broken Hill Prospecting Ltd, Citadel Resource Group, Celamin Ltd Heritage Gold NZ Ltd and Sirocco Resources NL. During the last 10 years Mr Stagg was a co-Founder of Citadel Resource Group (based in Saudi Arabia) and Celamin Ltd in North Africa. Citadel Resource Group was taken over by Equinox.
Special responsibilities:	Chairman
Name:	Alan Ross Landles
Title:	Non-Executive Director
Qualifications:	GradDipAppFin, CFP
Experience and expertise:	Mr Landles has more than 20 years' experience in leading high-performing banking teams across 9 countries and successfully developed and maintained C-suite relationships throughout Asia, Australia and the USA. Mr Landles held senior leadership roles, Director and Managing Director titles, over a 15 year period, with global financial institutions Rothschild Bank AG, Credit Suisse AG, UBS AG and Macquarie Bank Ltd.
Special responsibilities:	None
Name:	David Joseph Nolan
Title:	Non-Executive Director and Company Secretary
Qualifications:	LL.B (Hon), BA Bond University
Experience and expertise:	Mr Nolan has more than 10 years' experience as a Chairman, Non-Executive Director and Company Secretary to ASX listed and private companies responsible for legal, regulatory, governance and equity and debt financings. Mr Nolan has over 22 years' experience as a corporate lawyer. He was previously a partner at a number of leading Sydney law firms advising on corporate finance, mergers and acquisitions, fund raisings, stock exchange listings, restructuring and regulatory and governance. He is currently a Non-Executive Director of Camilla Australia, a leading Australian retailer, and Property Connect Holdings Limited (ASX:PCH) and has held Board positions with

	a number of companies in the resources sector.
Special responsibilities:	Company Secretary and Legal Counsel

Name:	Dr Andrew Stewart
Title:	Non-Executive Director
Qualifications:	BSc, PhD, MAIG, MSEG, MAICD
Experience and expertise:	Dr Stewart is an exploration geologist with over 20 years' experience in mineral exploration, primarily focused on project generation, project evaluation and exploration strategy development throughout Asia and Eastern Europe. Dr Stewart has expertise in porphyry copper-gold and epithermal gold deposits but has worked across a diverse range of commodities. He holds a BSc (Hons) from Macquarie University and a PhD from the Centre of Ore Deposits and Exploration Studies at the University of Tasmania. During his time at Ivanhoe Mines and Vale, he held various technical and management positions in Mongolia and Indonesia and has been involved in several greenfields discoveries. After providing technical and program management for Vale in Indonesia and Mongolia, Dr Stewart is currently Chief Executive Officer of Xanadu Mines.
Special responsibilities:	None

Name:	Patrick Anthony 'Tony' Treasure
Title:	CEO and Executive Director (until January 2020)
Qualifications:	BSc (Hons), MAusIMM, MAICD
Experience and expertise:	Tony Treasure is a geologist by profession who has been actively involved in the resource and metal recovery industry for over 35 years, holding senior executive positions with a number of publicly listed companies in the process metallurgy and mining fields. Mr Treasure has extensive experience in corporate management, technology development, project evaluation and development. He was a founding Director Of Bastion Minerals Limited with the late Harry Floyd and the primary architect of the Company's business plan. Tony Treasure was the Managing Director of Metals Finance Ltd and a non-executive director of Bass Metals Limited (ASX: BSM).
Special responsibilities:	None

Name:	Arno De Villiers De Vos (resigned on 30 March 2020)
Title:	Non-Executive Director
Qualifications:	B Com., B Com (Hons), B Compt. (Hons), CA, CPA, PMP.
Experience and expertise:	Arno has been director, Chief Financial Officer, compliance manager and company secretary for 3 listed companies and numerous private companies. He is a Chartered Accountant with over 20 years of experience in accounting, audit, corporate finance, treasury and company secretarial. For 14 years, he was Chief Financial Officer of a property industry related company. Arno has served as a director for more than 34 private companies. Employed for a period of 5 years by Deloittes, Arno also worked with numerous listed entities. Arno is a member of the Chartered Accountants Australia and New Zealand (CA ANZ), member of Chartered Public Accountants Australia (CPA), member of the Australian Institute of Company Directors, affiliate of Chartered Secretaries Australia (CSA), Registered Project Management Professional with the Project Management Institute and member of the Australian Institute of Project Management (AIPM) and Registered with the Australian Office of Fair Trading as Principal Real Estate Agent and Property Developer.
Special responsibilities:	None

Company secretary
David Joseph Nolan was appointed as Director and Company secretary on 30 March 2020. Refer to 'information on directors' for his details.

Meetings of directors
There were no meetings of directors held during the year ended 31 December 2019.

Shares under option
There were no unissued ordinary shares of Bastion Minerals Limited under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of Bastion Minerals Limited issued on the exercise of options during the year ended 31

December 2019 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors of the company for costs incurred, in their capacity as a director, for which they may be held personally responsible, except where there is a lack of good faith.

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

Indemnity and insurance of auditor
To the extent permitted by law, the company has agreed to indemnify its auditors, Ernst & Young, as part of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount), other than a loss arising from Ernst & Young's negligent, wrongful or wilful acts or omissions. No payment has been made to indemnify Ernst & Young during the financial year ended 31 December 2019 and up to the date of this report.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

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 immediately after this directors' report.

Auditor
Ernst & Young was appointed as auditors during the year and continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors

Ross Landles
Director

David Nolan
Director

27 January 2021

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of Bastion Minerals Limited

As lead auditor for the audit of the financial report of Bastion Minerals Limited for the financial year ended 31 December 2019, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of the financial report of Bastion Minerals Limited and the entities it controlled during the financial year.

Ernst & Young

Scott Nichols
Partner
Sydney
27 January 2021

Bastion Minerals Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2019

	Note	Consolidated Year ended 31 Dec 2019 $	Restated 18 months ended 31 Dec 2018 $
Other income	5	213,988	837,282
Interest revenue calculated using the effective interest method		68	1,017
Expenses			
Consultancy fees expense		(17,631)	(439,130)
Loss on revaluation of financial assets	10	(673,883)	(407,432)
Legal and professional fees expense		(101,248)	(201,749)
Marketing and promotion expense		(92,400)	(46,200)
Travel and accommodation expense		(65,798)	(43,833)
Administration expense		(35,354)	(13,005)
Finance costs	6	(171,765)	(317,953)
Loss before income tax expense		(944,024)	(631,003)
Income tax expense	7	-	-
Loss after income tax expense for the year attributable to the owners of Bastion Minerals Limited		(944,024)	(631,003)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(88,994)	131,363
Other comprehensive income for the year, net of tax		(88,994)	131,363
Total comprehensive income for the year attributable to the owners of Bastion Minerals Limited		(1,033,018)	(499,640)

Refer to note 4 for detailed information on Restatement of comparatives.

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

Bastion Minerals Limited
Statement of financial position
As at 31 December 2019

	Note	Consolidated 2019	Restated 2018
Assets		$	$
Current Assets			
Cash and cash equivalents	8	78,769	29,815
Trade and other receivables	9	33,520	32,027
Prepayments		67,090	14,009
Total Current Assets		179,379	75,851
Non-Current Assets			
Financial assets at fair value through profit or loss	10	448,545	1,122,428
Exploration and evaluation assets	11	1,209,901	1,162,495
Total Non-Current Assets		1,658,446	2,284,923
Total Assets		1,837,825	2,360,774
Liabilities			
Current Liabilities			
Trade and other payables	12	209,549	242,605
Borrowings	13	1,979,590	1,299,571
Derivative financial instruments	16	-	136,894
Total Current Liabilities		2,189,139	1,679,070
Total Liabilities		2,189,139	1,679,070
Net Assets		(351,314)	681,704
Equity			
Issued capital	14	4,337,883	4,337,883
Reserves		42,369	131,363
Accumulated losses		(4,731,566)	(3,787,542)
Total Equity		(351,314)	681,704

Refer to note 4 for detailed information on Restatement of comparatives.

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

Bastion Minerals Limited
Statement of changes in equity
For the year ended 31 December 2019

	Issued Capital	Retained Earnings (Accumulated Losses)	Foreign Currency Reserve	Total
	$	$	$	$
Consolidated Group				
Balance at 1 July 2017	3,890,341	(1,421,088)	-	2,469,253
Adjustment for correction of error (Note 4)	-	(137,028)	-	(137,028)
Adjustment for correction of error - impairment of assets (Note 4)	-	(1,598,423)	-	(1,598,423)
Balance at 1 July 2017 - restated	3,890,341	(3,156,539)	-	733,802
Loss after income tax expense for the period	-	(631,003)	-	(631,003)
Other comprehensive income for the period	-	-	131,363	131,363
Total comprehensive income for the period	-	(631,003)	131,363	(499,640)
Contributions of equity, net of transaction costs (Note 14)	447,542	-	-	447,542
Balance at 31 December 2018 – restated	4,337,883	(3,787,542)	131,363	681,704

Refer to note 4 for detailed information on Restatement of comparatives

	Issued Capital	Retained Earnings (Accumulated Losses)	Foreign Currency Reserve	Total
Balance at 1 January 2019	4,337,883	(3,787,542)	131,363	681,704
Loss after income tax expense for the period	-	(944,024)	-	(944,024)
Other comprehensive income for the period	-	-	(88,994)	(88,994)
Total comprehensive income for the period	-	(944,024)	(88,994)	(1,033,018)
Balance at 31 December 2019	4,337,883	(4,731,566)	42,369	(351,314)

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

Bastion Minerals Limited
Statement of cash flows
For the year ended 31 December 2019

	Note	Consolidated Year ended 31 Dec 2019 $	Restated 18 months ended 31 Dec 2018 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(182,244)	(477,849)
Interest received		68	1,017
Other revenue		7,705	-
Net cash used in operating activities		(174,471)	(476,832)
Cash flows from investing activities			
Payments for exploration and evaluation	11	(132,419)	-
Net cash used in investing activities		(132,419)	-
Cash flows from financing activities			
Proceeds from issue of shares	14	-	87,500
Proceeds from borrowings from related parties		355,965	-
Net cash from financing activities		355,965	87,500
Net increase/(decrease) in cash and cash equivalents		49,075	(389,332)
Cash and cash equivalents at the beginning of the financial year		27,770	417,102
Cash and cash equivalents at the end of the financial year	8	76,845	27,770

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

Note 1. General information

The financial statements cover Bastion Minerals Limited as a consolidated entity consisting of Bastion Minerals Limited ('company' or 'parent entity') and the entities it controlled at the end of, or during, the year (together are referred to in these financial statements as the 'consolidated entity'). The financial statements are presented in Australian dollars, which is Bastion Minerals Limited's functional and presentation currency.

Bastion Minerals Limited is an unlisted public company limited by shares.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 August 2020. The directors have the power to amend and reissue the financial statements. The financial statements for the year ended 31 December 2019 were reissued, see Note 4 for further disclosure on the reason for withdrawal of previously issued financial statements and re-issuance of these financial statements.

Note 2. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

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

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 16 Leases
The consolidated entity has adopted AASB 16 from 1 January 2019, using the modified transitional approach not to restate comparatives. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of adoption
There was no impact on adoption of AASB16 by the consolidated entity as it did not hold any lease agreements on transition date (1 January 2019) or during the financial year.

Basis of preparation

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

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through profit or loss and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Note 2. Significant accounting policies (continued)

Change of financial year end
In the prior year, the consolidated entity changed its financial year from 30 June to 31 December. The financial statements have been prepared for the year ended 31 December 2019, while the comparative accounting period is for the 18 months ended 31 December 2018, therefore the results are not directly comparable.

Going concern
The financial statements of the consolidated entity have been prepared on a going concern basis, which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business.

During the year ended 31 December 2019, the consolidated entity incurred a loss after tax of $944,024 (18 months period ended 31 December 2018: $631,003) and held net assets of -$351,341 (Dec 2018: $681,702). At 31 December 2019, the consolidated entity had cash and cash equivalents of $78,769 (2018: $29,815). The consolidated entity has prepared cashflow forecasts as at 31 December 2019 to determine the appropriateness of the going concern assumption.

The key assumptions underlying these forecasts are as follows:

- Compliance with all of the new and amended loan agreements entered into after the end of the reporting period, as disclosed in note 21;
- Continued support from directors and/or deferral of directors' and management fees;
- Management continuing to maintain costs in line with available resources; and
- The Group has a history of successfully obtaining funding as required through various sources, including completion of a capital raising of $1,162,500 on 17 November 2020 and a capital raising of $700,000 on 20 January 2021, both were from sophisticated investors

In relation to the new and amended loan agreements, the total outstanding liability to Karton and Malema of $2,126,166 as at 31 December 2019 has been settled post year end. Refer to note 21 for further information. The inability to complete the other key assumptions outlined above would have a material impact on the anticipated trading results and cash flows, which gives rise to a material uncertainty that may cast significant doubt upon the consolidated entity's ability to continue as a going concern. In this event the consolidated entity may not be able to realise its assets and settle its liabilities in the normal course of operation and at the amounts stated in the financial statements. The Directors are confident of realising these objectives and accordingly they believe the going concern assumption is appropriate to the consolidated entity.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 19.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Bastion Minerals Limited as at 31 December 2019 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

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

Note 2. Significant accounting policies (continued)

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

Foreign currency translation
The financial statements are presented in Australian dollars ($), which is Bastion Minerals Limited's functional and presentation currency. The functional currency of the subsidiary is the Chilean peso (‘CLP’).

Foreign currency transactions
Foreign currency transactions are translated into the entity’s 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 financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

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

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

Revenue recognition
The consolidated entity recognises revenue as follows:

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

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

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

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

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

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

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

Note 2. Significant accounting policies (continued)

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

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

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

Derivative financial instruments
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are classified as current or non-current depending on the expected period of realisation.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

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

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Note 2. Significant accounting policies (continued)

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the period in which the decision is made.

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

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

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

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The components of the convertible notes and embedded derivative that exhibits characteristics of a liability are recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The corresponding interest on convertible notes is expensed to profit or loss.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

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

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

Note 2. Significant accounting policies (continued)

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

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

Issued capital
Ordinary shares are classified as equity.

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

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

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

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

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

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

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

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

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Note 2. Significant accounting policies (continued)

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

Note 3. Critical accounting judgements, estimates and assumptions

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

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Valuation of embedded derivative on the convertible notes
The fair value of the embedded derivative conversion feature was determined using a Black-Scholes option pricing model. The inputs used were based on observable market data where possible, otherwise judgement was required in determining appropriate entity specific estimates.

Note 4. Restatement of comparatives and Reissuance of Financial Statement

Restatement of comparatives

Correction of error
During the course of the 2019 financial year management undertook a detailed review of the convertible notes issued in 2016 and determined that there was a derivative component due to the conversion option to issue a variable number of shares which should have been accounted for separately as an embedded derivative liability (i.e. the conversion option was not closely related to the host debt, so it needed to be accounted for separately). As such, the notes comprised of two components being the host debt and an embedded derivative for the conversion feature.

The derivative liability must be fair valued on initial recognition, and at each reporting date with any movement in fair value charged/credited directly to profit or loss. The value of the derivative liability for the conversion feature on initial recognition in 2016 was $380,274. This value was calculated using a Black-Scholes pricing model.

The debt of $228,726 received on issue of the notes is recognised as a liability on initial recognition. The difference between the initial value of the net debt and the liability on settlement of $609,000, being $380,274 is to be charged to profit or loss over the term of the notes (3 March 2016 to 28 August 2019), using the effective interest method.

The error has been corrected by restating prior financial statement line items as follows:

Note 4. Restatement of comparatives (continued)

- reclassification in the statement of financial position (31 December 2018) from the conversion note payable to derivative liability of $136,894;
- recognise the net impact in the opening retained earnings (01 July 2017) from interest expense and gain from the fair value movement of the derivative of $137,028; and
- recognise the net impact in profit or loss (31 December 2018) from interest expense ($210,564) and gain from the fair value movement of the derivative (profit of $134,300) of $76,264.

In addition to the correction of error explained above regarding the convertible note there is a net impact in profit or loss (31 December 2018) from unrecord liabilities of $96,665, relating to the following;

- under accrual of Karton liabilities of $37,500 (increase consultancy fees expense);
- unrecord liabilities for legal fees of $3,718 (increase legal and professional fees expense);
- incorrect recognition of expenses of $69,389 ($46,200 increases marketing and promotion expense and $23,189 increases travel and accommodation expense);
- bank difference between bank statement and bank accounts of -$13,942 (decrease administration expense); and
- an adjustment to opening accumulated losses of $10,000 has also been recognised to correct an overstatement in issued capital.

Reclassification
During the course of the 2019 financial year management undertook a detailed review on the translation of the subsidiary SCM Comet Constelación as at 31 December 2018 and corrected the exchange rate to translate and recognise the foreign currency reserve which was previously presented in accumulated losses. The foreign currency reserve resulted in $81,416 and insignificant differences in each other line item in the statement of financial position.

The financial statement extracts below show the line items impacted for the error and reclassification described above.

Reissuance of financial statements

Impairment of asset
On 18 November 2020, the Company completed a detailed assessment of the Exploration and Evaluation Assets held in SCM Comet Constelación and concluded the carrying value to be CLP 568,890,289. The assessment was unable to be completed prior to the issuance of the 31 December 2019 financial report dated 31 August 2020 due to COVID-19 restrictions imposed in Chile at that time resulting in limited access to books and records. Given the assessed carrying value is materially less than the amounts initially recorded, the Company has restated the impacted accounts and re-issued the 31 December 2019 financial report. The impairment of $1,558,422 (CLP 737,129,509) has been recognised against Exploration and Evaluation Assets (previously stated at CLP1,306,019,798) held by SCM Comet Constelación as at 1 July 2017, as the capitalised costs were incurred prior to this date and did not meet the recognition criteria of the Group's accounting policy..

Further assessment was conducted on the remaining balance of Exploration and Evaluation Assets ($40,000) held in the Australian parent entity, Bastion Minerals Limited. As a result, the full amount has been impaired as it did not meet the recognition criteria of the Group's accounting policy.

The total impact of the above is an impairment loss of $1,598,422 which has been recognised against the 1 July 2017 opening Retained Earnings.

Correction of error
As a result of the above reassessment on Exploration and Evaluation Asset, an additional error was identified in the trade payable balance as at 31 December 2019. The amount of $69,389 was incorrectly booked to trade payables account and should have been recognised in profit or loss for the year ending 31 December 2019.

The trade payable is adjusted to $209,549 in the re-issued financial statement from $278,938 which was disclosed in the previously issued financial statements. Correspondingly, Other income is adjusted to $213,988 in the re-issued financial statements from $144,599 which was disclosed in the previously issued financial statements.

Note 4. Restatement of comparatives (continued)

Statement of profit or loss and other comprehensive income

	Consolidated		
Extract	18 months ended 31 Dec 2018 $ Reported	$ Adjustment	18 months ended 31 Dec 2018 $ Restated
Other income	702,982	134,300	837,282
Expenses			
Consultancy fees expense	(401,630)	(37,500)	(439,130)
Legal and professional fees expense	(198,031)	(3,718)	(201,749)
Marketing and promotion expense	-	(46,200)	(46,200)
Travel and accommodation expense	(20,644)	(23,189)	(43,833)
Administration expense	(26,947)	13,942	(13,005)
Finance costs	(107,389)	(210,564)	(317,953)
Loss before income tax expense	(458,074)	(172,929)	(631,003)
Income tax expense	-	-	-
Loss after income tax expense for the year attributable to the owners of Bastion Minerals Limited	(458,074)	(172,929)	(631,003)
Other comprehensive income			
Foreign currency translation	-	131,363	131,363
Other comprehensive income for the year, net of tax	-	131,363	131,363
Total comprehensive income for the year attributable to the owners of Bastion Minerals Limited	(458,074)	(41,566)	(499,640)

Note 4. Restatement of comparatives (continued)

Statement of financial position at the end of the earliest comparative period

	Consolidated		
	2018		2018
	$	$	$
Extract	**Reported**	**Adjustment**	**Restated**
Assets			
Current assets			
Cash and cash equivalents	15,711	14,104	29,815
Trade and other receivables	31,418	609	32,027
Prepayments	13,618	391	14,009
Total current assets	60,747	15,104	75,851
Non-current assets			
Exploration and evaluation assets	2,714,249	(1,551,754)	1,162,495
Total non-current assets	3,836,677	(1,551,754)	2,284,923
Total assets	3,897,424	(1,536,650)	2,360,774
Liabilities			
Current liabilities			
Trade and other payables	133,296	109,309	242,605
Borrowings	1,221,128	78,443	1,299,571
Derivative financial instruments	-	136,894	136,894
Total current liabilities	1,354,424	324,646	1,679,070
Total liabilities	1,354,424	324,646	1,679,070
Net assets	2,543,000	(1,861,296)	681,704
Equity			
Issued capital	4,347,883	(10,000)	4,337,883
Foreign currency reserve	-	131,363	131,363
Accumulated losses	(1,804,883)	(1,982,659)	(3,787,542)
Total equity	2,543,000	(1,861,296)	681,704

Note 5. Other income

	Consolidated	
	Year ended 31 Dec 2019	18 months ended 31 Dec 2018
	$	$
Joint venture recovery	-	54,633
Joint venture distribution	-	262,682
Profit on sale of subsidiary (Sociedad Contractual Minera Comet Exploration Chile)	-	350,057
Fair value gain on derivative	136,894	134,300
Foreign exchange gain	-	35,610
Other	77,094	-
Other income	213,988	837,282

Note 6. Finance costs

	Consolidated	
	Year ended 31 Dec 2019	18 months ended 31 Dec 2018
	$	$
Loss before income tax includes the following specific expenses:		
Finance costs		
Interest and finance charges paid/payable on borrowings - convertible note	91,149	277,110
Interest and finance charges paid/payable on borrowings - related party loan	80,616	40,843
Finance costs expensed	171,765	317,953

Note 7. Income tax expense

	Consolidated	
	Year ended 31 Dec 2019	18 months ended 31 Dec 2018
	$	$
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(944,024)	(631,003)
Tax at the statutory tax rate of 30%	(283,207)	(189,301)
Current year losses not recognised	283,207	189,301
Income tax expense	-	-

	Consolidated	
	Year ended 31 Dec 2019	18 months ended 31 Dec 2018
	$	$
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	4,471,411	3,457,999
Potential tax benefit @ 30%	1,229,638	950,950

The above potential tax benefit for tax losses has not been recognised in the statement of financial position.

Note 8. Cash and cash equivalents

	Consolidated 2019 $	Consolidated 2018 $
Current assets		
Cash at bank	78,769	29,815

Reconciliation to cash and cash equivalents at the end of the financial year
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	2019 $	2018 $
Balances as above	78,769	29,815
Bank overdraft (note 13)	(1,924)	(2,045)
Balance as per statement of cash flows	76,845	27,770

Note 9. Trade and other receivables

	Consolidated 2019 $	Consolidated 2018 $
Current assets		
Other receivables	20,542	21,836
GST receivable	12,978	10,191
	33,520	32,027

Note 10. Financial assets at fair value through profit or loss

	Consolidated 2019 $	Consolidated 2018 $
Non-current assets		
Listed ordinary shares - held at fair value through profit or loss (shares in Altiplano Metals Inc. TSXV: APN)	448,545	1,122,428

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

	2019 $	2018 $
Opening carrying amount	1,122,428	-
Additions	-	1,529,860
Revaluation decrements	(673,883)	(407,432)
Closing carrying amount	448,545	1,122,428

Note 11. Exploration and evaluation assets

	Consolidated 2019 $	Consolidated 2018 $
Non-current assets		
Exploration and evaluation assets	1,209,901	1,162,495

Note 11. Exploration and evaluation assets (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Exploration and evaluation assets $
Consolidated	
Balance at 1 July 2017 restated	1,112,548
Exchange differences	49,947
Balance at 31 December 2018 restated	1,162,495
Additions *	132,419
Exchange differences	85,013
Balance at 31 December 2019	1,209,901

* Additions during the year are related to Saruca exploration tenement option and annual exploration tenement fees paid for other projects.

Note 12. Trade and other payables

	Consolidated 2019 $	Consolidated 2018 $
Current liabilities		
Trade payables	209,549	242,605

Note 13. Borrowings

	Consolidated 2019 $	Consolidated 2018 $
Current liabilities		
Bank overdraft	1,924	2,045
Convertible note payable	609,000	585,401
Related party loan	948,364	440,000
Related party loan - interest payable	264,442	172,128
Convertible note - interest payable	155,860	99,997
	1,979,590	1,299,571

The convertible notes are unsecured and have a three year term, with the first maturity date for the first tranche being 3 March 2019 and the final tranche maturity date being 28 August 2019. Interest is calculated at the Reserve Bank of Australia ('RBA') cash rate plus 5%, payable six-monthly in arrears. The notes convert to shares at 10 cents per share or at 80% of the last issue price, whichever is the greater. On initial recognition, there was a derivative liability recognised for the conversion feature (see note 4 for more information). The conversion feature expired in August 2019, but the principal amount and interest payable is still outstanding as at the reporting date.

Refer to note 4 - restatement of comparatives for further details regards the accounting treatment of the convertible notes.

The unsecured related party loan accrues interest at RBA cash rate plus 5%, payable six-monthly in arrears, and has no set repayment date.

Note 13. Borrowings (continued)

Subsequent to year end, the company has entered into a number of agreements in relation to the settlement of the above liabilities. Refer to note 21 - events after reporting date for further details.

Note 14. Issued capital

	Consolidated			
	2019 Shares	2018 Shares	2019 $	2018 $
Ordinary shares - fully paid	68,522,865	68,522,865	4,337,883	4,337,883

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2017	64,047,445		3,890,341
Shares issued (a)	21 February 2018	3,500,420	$0.10	350,042
Shares issued (b)	29 June 2018	500,000	$0.10	50,000
Shares issued (c)	29 June 2018	25,000	$0.10	2,500
Shares issued (d)	21 December 2018	350,000	$0.10	35,000
Shares issued (e)	21 December 2018	100,000	$0.10	10,000
Balance	31 December 2018	68,522,865		4,337,883
Balance	31 December 2019	68,522,865		4,337,883

(a) 3,500,420 shares issued (2,167,420 shares to subscribers at $0.10 per share and 1,333,000 shares issued to Faveo Capital Ltd in lieu of cash commission);
(b) 500,000 shares issued to APN at $0.10 for $50,000 under terms of Demerger Agreement described in the Company's Annual Report for the period 1 July 2017 to 31 December 2018;
(c) 25,000 shares issued to Murray Pinfold at $0.10 for $2,500;
(d) 350,000 shares issued to Reneagle Pty Ltd at $0.10 for $35,000; and
(e) 100,000 shares issued at $0.10 to Nigel Maund for consulting geological fees in lieu of $10,000.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

On 18 June 2018, shareholders agreed to increase the capital of Sociedad Contractual Minera Comet Exploration Chile ('Comet Chile') from CLP 1,000,000 to CLP 2,800,236,931 through the issue of a further 1,000 shares valued at CLP 2,799,236,931. Bastion Minerals Limited purchased the 1,000 shares for consideration of CLP 2,799,236,931 ($5,565,083), by forgiving the loan to Comet Chile.

In May 2018, Comet Chile was sold to Altiplano Metals Inc. (Canadian listed company) for consideration of 7,500,000 shares in Altiplano Metals Inc. with a value at the transaction date of $1,529,860 and the right to receive 10% of net profits from operations on the Fraellon and Maria Luisa projects, up to a limit of C$1.5 million.

The remainder of the exploration projects to the value of $2,754,390 were transferred to the newly established subsidiary company SCM Comet Constelación for which Bastion Minerals Limited owns 99.99% of the share capital.

Note 15. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 16. Fair value measurement

Fair value hierarchy
The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2019	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Financial assets at fair value through profit or loss	448,545	-	-	448,545
Total assets	448,545	-	-	448,545

Consolidated - 2018	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Financial assets at fair value through profit or loss	1,122,428	-	-	1,122,428
Total assets	1,122,428	-	-	1,122,428
Liabilities				
Derivative financial instruments	-	136,894	-	136,894
Total liabilities	-	136,894	-	136,894

The fair value of the embedded derivative conversion feature was determined using a Black-Scholes option pricing model. The inputs used were based on observable market data where possible, otherwise judgement was required in determining appropriate entity specific estimates.

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of all other financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Note 17. Contingent liabilities

The consolidated entity had no contingent liabilities as at 31 December 2019 and 31 December 2018.

Note 18. Related party transactions

Subsidiaries
Interests in subsidiaries are set out in note 20.

Note 18. Related party transactions (continued)

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	Year ended 31 Dec 2019	18 months ended 31 Dec 2018
	$	$
Payment for other expenses:		
Interest payable to other related party on borrowings	171,765	317,953
Consulting fees paid to other related party *	-	270,000

* The company paid Karton Investments Pty Ltd consultancy fees during the period. Patrick Anthony Treasure was a director of this company. There was no payment done through consultant fees or any KMP benefit directly during the financial year however there was a settlement after the reporting period. Refer to note 21 - events after reporting period for further details.

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2019	2018
	$	$
Current payables:		
Trade payables to other related parties	148,500	37,500

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2019	2018
	$	$
Current borrowings:		
Convertible note payable (Malema Pty Limited) *	609,000	585,401
Loan from other related party loan (Malema Pty Limited) *	948,364	440,000
Interest payable to other related party loan from borrowing (Malema Pty Limited) *	264,442	172,128
Interest payable to other related party loan from convertible note (Malema Pty Limited) *	155,860	99,997

* Refer to note 13 - Borrowings for further details.

Note 19. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	Year ended 31 Dec 2019	18 months ended 31 Dec 2018
	$	$
Loss after income tax	(2,478,521)	(549,587)
Total comprehensive income	(2,478,521)	(549,587)

Note 19. Parent entity information (continued)

Statement of financial position

	Parent 2019 $	Parent 2018 $
Total current assets	77,050	20,262
Total assets	1,774,852	3,869,250
Total current liabilities	2,126,166	1,679,070
Total liabilities	2,126,166	1,679,070
Equity		
Issued capital	4,337,883	4,337,883
Accumulated losses	(4,689,197)	(2,147,703)
Total equity	(351,314)	2,190,180

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2019 and 31 December 2018.

Contingent liabilities
The parent entity had no contingent liabilities as at 31 December 2019 and 31 December 2018.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 31 December 2019 and 31 December 2018.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Impairment of assets
The parent entity undertook a review of the value of Exploration and evaluation assets and decided to impair the opening balance of $40,000 to nil.

Note 20. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2019 %	Ownership interest 2018 %
SCM Comet Constelación	Chile	99.99%	99.99%

Note 21. Events after the reporting period

The World Health Organisation declared the outbreak of COVID-19 a pandemic in March 2020. However, the impact of the pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Note 21. Events after the reporting period (continued)

The financial statements have been prepared based upon conditions existing at December 31, 2019 and considering those events occurring subsequent to that date, that provide evidence of conditions that existed at the end of the reporting period. As the outbreak of COVID-19 occurred after 31 December 2019, its impact is considered an event that is indicative of conditions that arose after the reporting period and accordingly, no adjustments have been made to financial statements as at December 31, 2019 for the impacts of COVID-19.

Karton Liability Agreement and Deed of Settlement and Release

On 18 March 2020, Bastion Minerals Limited ('Bastion') entered into a Liability Agreement with Karton Investments Pty Limited ('Karton') under which it was agreed that a total liability owing at 31 December 2019 to Karton of $148,500 would be paid in full by the following payments:

- 827,387 common shares in Altiplano Metals Inc. (Karton APN Shares); and
- 928,125 fully paid ordinary shares in the share capital of Bastion at $0.08 per share (Karton Bastion Shares).

On 29 April 2020, Bastion entered into a Deed of Settlement and Release with Karton under which it was agreed that, within one month of the date of execution, Bastion would issue the Karton Bastion Shares and procure the transfer of the Karton APN Shares to Karton or its nominee. It was further agreed that upon execution the liability owed to Karton was satisfied in full and Bastion and Karton released each other from any other claims or entitlements.

Subsequent to year end, the Karton APN Shares have been transferred, and the Karton Bastion Shares have been issued, to Treasure Brothers Pty Ltd, a nominee of Karton.

APN Deed of Amendment

On 21 August 2020, Altiplano Metals Inc. ('APN'), Altiplano Minerals Chile SPA, Bastion and Sociedad Contractual Minera Comet Exploration Chile entered into a Revised Deed of Amendment to amend a Share Purchase Agreement entered into by the parties on or about 8 May 2018 under which Bastion owned a net profits interest royalty ('NPI') from APN. Under the Deed the parties agreed that the NPI may be paid in full by APN making the following payments to and APN transferring the following shares to entity nominated by Bastion:

- an initial $50,000 in lawful money of Canada, paid by 20 April 2020 (Initial Payment);
- a further $50,000 in lawful money of Canada, paid by no later than 2 October 2020 (Second Payment);
- a further $100,000 in lawful money of Canada paid by no later than 1 April 2021; and
- transferring 500,000 Bastion ordinary shares held by APN to an entity nominated by Bastion.

The Initial Payment and Second Payment have been made to Bastion.

Malema Loan Deed

On 12 June 2020, Bastion Minerals Limited entered into a Loan Deed with Malema Pty Limited ('Malema') under which it was agreed that a total liability owing to Malema at Agreement date of $1,845,799 would be paid in full by the following payments:

- 5,482,613 common shares in APN (APN Payment Shares);
- 3,550,747 fully paid ordinary shares in the share capital of Bastion at $0.10 per share (Bastion Payment Shares);
- CAD150,000 in royalty payments to be received by Bastion from APN; and
- following commencement of production of its projects in Chile, payment of 15% of all monies received from the sale of mining ore by Bastion at any of the projects.

The APN Payment Shares have been transferred to Malema and the Bastion Payment Shares have been issued to Malema.

On 10 November 2020, Bastion Minerals Limited entered into a Deed of Amendment with Malema to vary the deed clause in the previous Loan Deed signed on 12 June 2020 regarding interest to be paid in the following manner:

- on 1 May 2021 interest of $40,260 will be payable (comprising all interest accrued from 1 August 2020 to 30 April 2021);
- 15th of the following months thereafter.

Note 21. Events after the reporting period (continued)

Saruca Option Agreement

On July 8 2020, SCM Constelación (wholly owned subsidiary of Bastion) entered into a Purchase Option Agreement with Raúl Tapia y Compañía Limitada to acquire the mining tenement "Saruca uno al treinta" located in Chile (**Tenement**). The option to acquire the Tenement can be exercised on or before 2 August 2021 by B paying a total USD665,000.

Capital raising and Share consolidations

On 28 September 2020 Bastion consolidated its share capital on a 2 for 1 basis from 73,001,737 shares to 36,500,874 shares.

On 17 November 2020 Bastion completed a capital raising of $1,162,500 from sophisticated investors through the issue of 23,250,000 shares at $0.05 per share.

On 14 December 2020 Bastion consolidated its share capital on a 2 for 1 basis from 83,756,135 shares to 41,878,076 shares.

On 20 January 2021 Bastion completed a capital raising of $700,000 from sophisticated investors through the issue 7,000,000 shares at $0.10 per share.

Name change

On 24 September 2020, Bastion Minerals Limited was renamed from Comet Exploration Limited.

Directors Placement of Ordinary Share

As part of the Capital Raising completed on 17 November 2020 entities associated with Mr. David Nolan, Mr. Andrew Stewart and Mr. Ross Landles each subscribed for 7,175,087 shares at $0.05 per share. Bastion has provided an interest bearing loan of $358,755 to each of those Directors to fund the subscription of those shares.

Directors' options

On 19 January 2020, Bastion issued 2,000,000 options to entities associated with each of Mr. David Nolan, Mr. Andrew Stewart and Mr. Ross Landles for services as directors. These options are subject to certain restrictions on both the exercise and vesting thereof. Each option gives the Option holder the right to subscribe for one fully paid ordinary share in Bastion Minerals Limited at a price of 25 cents per share and expire 3 years from issue date.

No other matter or circumstance has arisen since 31 December 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years

Bastion Minerals Limited
Directors' declaration
31 December 2019

.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

Ross Landles
Director

David Nolan
Director

27 January 2021

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent Auditor's Report to the Members of Bastion Minerals Limited

Opinion

We have audited the financial report of Bastion Minerals Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2019 and of its consolidated financial performance for the year ended on that date; and

b) Complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001.

Basis for opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which describes the principal conditions that raise doubts about the entity's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter: Subsequent Events – Impact of the Coronavirus (COVID-19) Outbreak

We draw attention to Note 21 of the financial report which notes the World Health Organisation's declaration of the outbreak of COVID-19 as a global pandemic subsequent to 31 December 2019 and how this has been considered by the Directors in the preparation of the financial report. As set out in Note 21, no adjustments have been made to the financial statements as at 31 December 2019 for the impacts of COVID-19. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Building a better
working world

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst + Young

Ernst & Young

Scott Nichols

Scott Nichols
Partner
Sydney
27 January 2021