

GOLDEN MILE RESOURCES LIMITED

ABN 35 614 538 402

**Financial Report for the Period Ended
30 June 2017**

GOLDEN MILE RESOURCES LIMITED
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GOLDEN MILE RESOURCES LIMITED REVIEW OF OPERATIONS

Golden Mile Resources Limited (ASX: G88) (“Golden Mile” or “Company”) listed on the Australian Securities Exchange (ASX) on 19 June 2017 and immediately commenced exploration on its highly prospective suite of gold and nickel-cobalt projects in Western Australia.

The Company began work on its Quicksilver Nickel-Cobalt Project in the South West Mineral Field as a priority, with the Leonora Gold Projects in the Northeastern Goldfields undergoing a detailed evaluation.

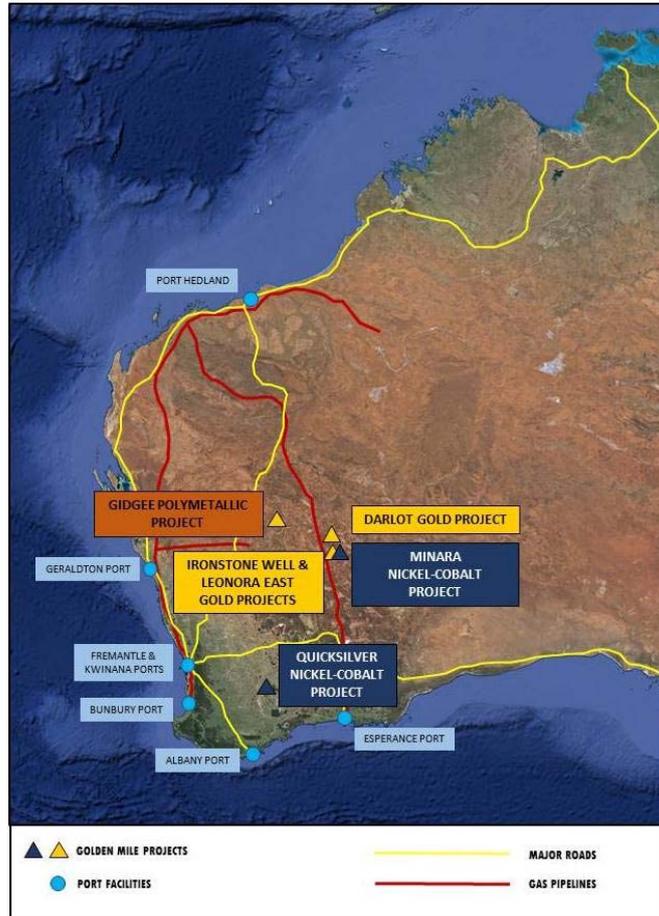


Figure 2 – Golden Mile’s project locations in Western Australia

1. Quicksilver Nickel-Cobalt Project – SW Mineral Field

The Quicksilver Nickel-Cobalt Project is located in the South West Mineral Field of Western Australia. The Project is composed of one granted Exploration Licence (E 70/4641 – 100% Golden Mile) covering 15 kilometres of prospective stratigraphy.

Previous exploration has yielded an extensive nickel-cobalt surface anomaly at Garard Prospect (“Garard’s”) (Figures 2 & 3), which covers over 2,400 metres of strike. This anomaly has yet to be systematically drill tested but has previously returned high-grade (>0.5%) cobalt intercepts in shallow drilling.

**GOLDEN MILE RESOURCES LIMITED
REVIEW OF OPERATIONS**

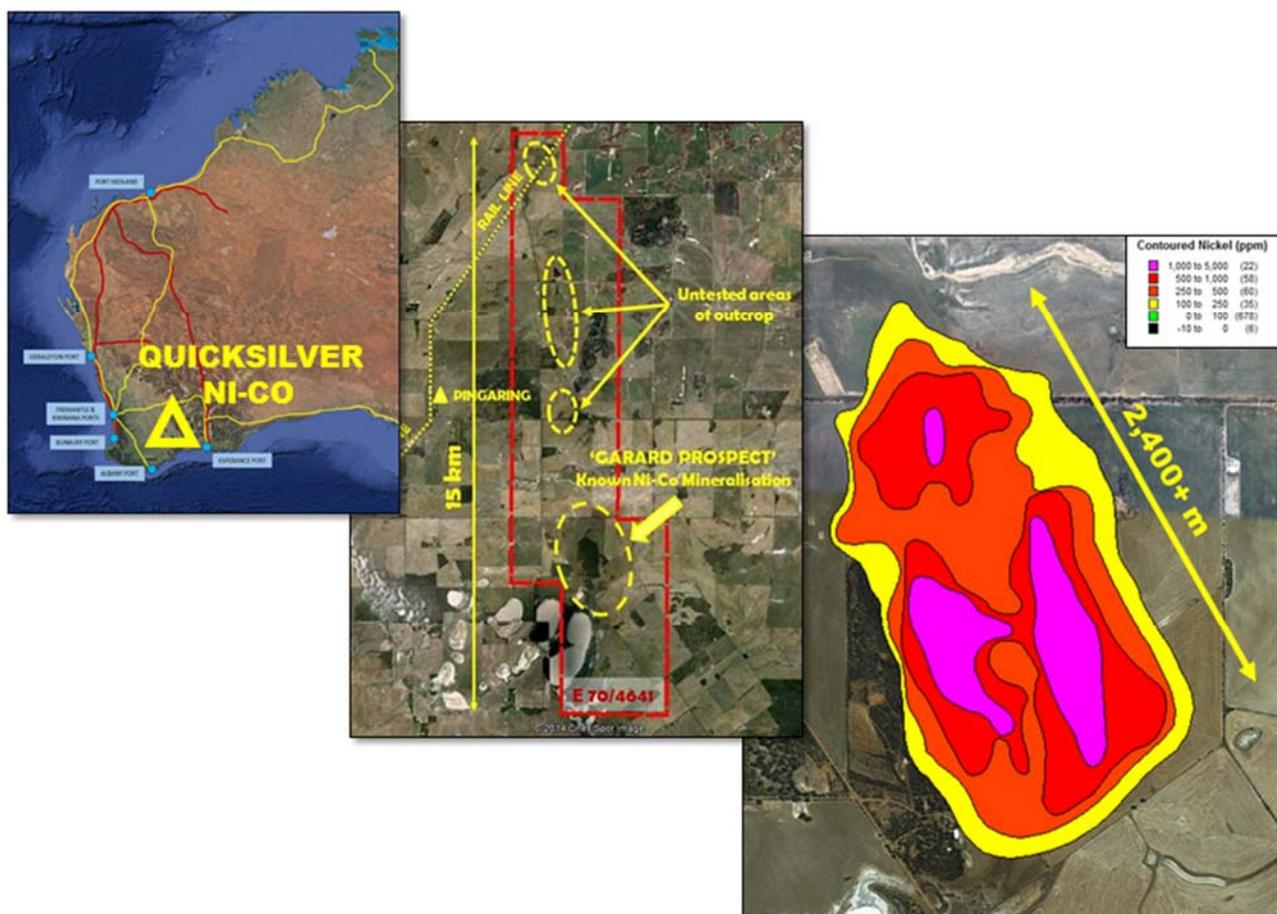


Figure 2 – Quicksilver & prospect locations, with contoured nickel assays at Garard's

A program of extensional soil sampling was completed across the south-western corner of the Garard prospect (Figure 3) in early July 2017.

A total of 45 samples were taken on 200 x 100 metre spacing, with more than a third of those samples returning anomalous nickel (>100 ppm) and/or cobalt (>25 ppm) assays, with peak results in **QSS029 of 305 ppm cobalt and 2,720 ppm nickel**.

The program of sampling and mapping has successfully:

- Extended the recognised nickel-cobalt anomaly by **a further 400 metres** (to 2,400 metres in strike)
- Returned the **highest grades of nickel & cobalt in geochemical sampling** at the prospect
- Defined the contacts and geological host unit at Quicksilver, in particular the western 'footwall' contact
- Identified **two additional target areas** for follow up and extensional surface sampling, namely **'Wyatt's West' and 'Garard South'** anomalies (Figure 3)
- Defined three priority cobalt enriched (>100 ppm) targets within the Garard Prospect for drill testing, including **'Fenceline', 'Ridge Cap' & 'Wyatt's'** (Figure 3)

In addition to the surface sampling at Garard's, geological mapping was undertaken to assist in the interpretation of the surface geochemistry as well as preparation for the upcoming drilling program scheduled for late July.

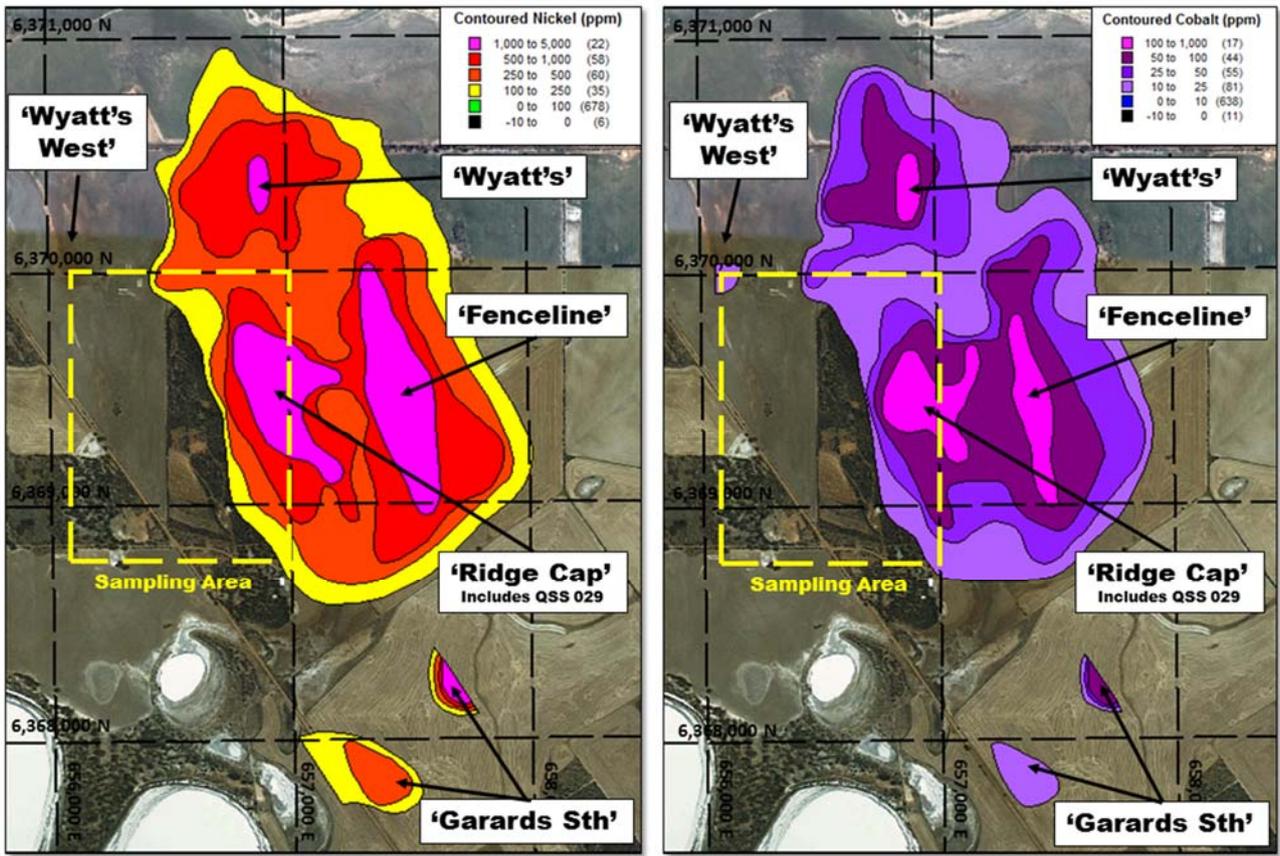


Figure 3 – Garards Prospect, contoured nickel (left) and cobalt (right) geochemistry with anomalies

2. Ironstone Well Gold Project – NE Goldfields

Golden Mile’s Ironstone Well Gold Project is located 6 kilometres to the north-east of Leonora, and was originally composed of six granted prospecting leases (P 37/7951-52, 8484 & 8610-12).

The exploration program at Leonora identified a number of additional targets outside Golden Miles existing tenure over the Project.

Golden Mile has now made applications for **seven additional prospecting leases*** (PLA 37/9047-53), covering more than 10 square kilometres. These applications take in a number of newly identified targets, which include ‘Ironstone North’, ‘Saw Pit’ and ‘Acacia’. These targets lie adjacent to, or along strike from, the Company’s original tenure and prospects at Ironstone Well (Figure 4).

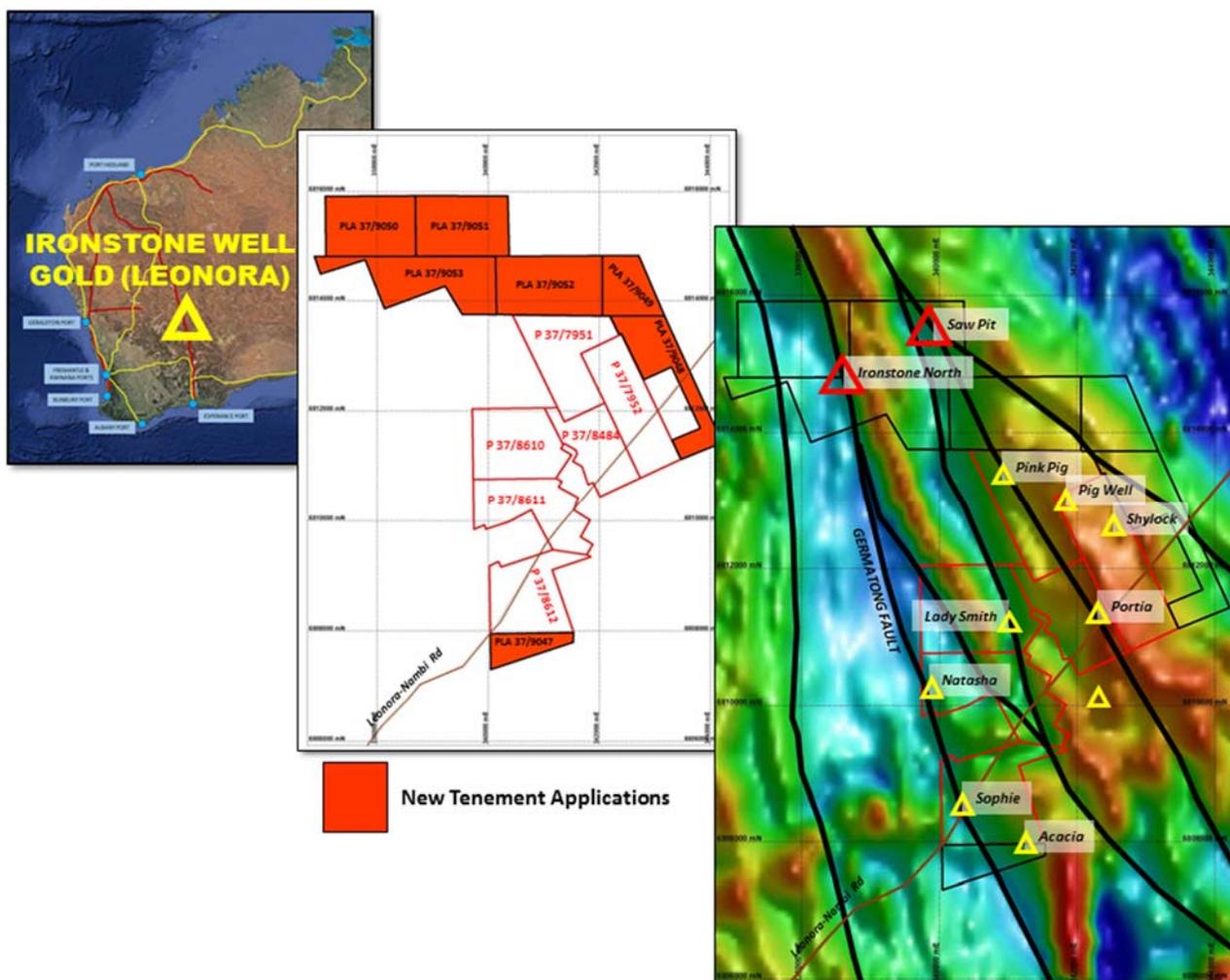


Figure 4 – Left to Right: Project location, Existing & New Tenement Applications and Tenements over magnetic image with regional faults (black) and targets/ prospects (red/ yellow triangles)

3. Work Program 2017-2018

Golden Mile’s exploration program will increase into the 2017-18 financial year, with the company scheduled to undertake several detailed exploration programs across the Company’s projects in Western Australia, including:

- **Quicksilver Nickel-Cobalt** – aircore and RC drilling commencing in late July 2017
- **Ironstone Well Gold** – data compilation & evaluation in preparation for resource drilling at Natasha
- **Leonora East Gold** - data compilation & evaluation as well as assessment of ground positions and potential
- **Darlot Gold Project** – ground assessment prior to exploration commencing over key target areas
- **Gidgee Polymetallic Project** – a detailed assessment of historical exploration and generation of targets for drill testing.

Golden Mile looks forward to updating investors as the Company’s exploration program progresses in the 2017-18 year.

All material exploration results have previously been reported in separate ASX releases. For more information please visit the Company’s website: <https://www.goldenmileresources.com.au/>

GOLDEN MILE RESOURCES LIMITED
REVIEW OF OPERATIONS

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based upon information compiled by Mr Timothy Putt, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Putt is the Managing Director of Golden Mile Resources Ltd, a full time employee and substantial shareholder of the Company.

Mr Putt has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Putt consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

GOLDEN MILE RESOURCES LIMITED DIRECTORS' REPORT

The Directors of Golden Mile Resources Limited (the "Company") submit herewith the Financial Report on the Company for the financial period ended 30 June 2017. The Company was incorporated on 30 August 2016.

To comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Directors

Details of the Directors of the Company in office at any time during or since the end of the financial period and at the date of this report are:

Mr Timothy Putt	Chief Executive Officer and Director (Appointed 1 December 2016)
Experience and qualifications	<p>Mr Putt has been an active member of the resources sector since the early 1990s. His early experience was as a geologist in the Yilgarn Craton of Western Australia. Mr Putt was involved in exploration, open pit and underground mining - primarily within the gold sector but also involved in exploration for nickel, VMS hosted copper-zinc mineralisation and uranium.</p> <p>Mr Putt became increasingly involved in corporate management & project generation from 2005, with his expertise being lent to companies successfully developing projects in Africa, Australia and the Pacific Basin. He has also played a key role in several IPO's and maintains a network of close contacts throughout the global financial sector.</p> <p>Mr Putt is currently also a director of Avenger Projects Ltd, a specialised project generation, acquisition & development company funded through private equity.</p> <p>Mr Putt has sufficient experience, relevant to various types of deposit and styles of mineralisation (including gold, copper, cobalt, nickel, lead, zinc, iron ore, iron sands, vanadium and uranium), to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves.</p> <p>Mr Putt is a Bachelor of Science with Honours (Geology) and is also a Member of the Society of Economic Geologists and the Australian Institute of Geoscientists.</p>
Other Directorships in listed entities:	None
Former Directorships in listed entities in last 3 years:	None
Interests in shares and options:	<p>385,000 fully paid ordinary shares (Including 375,000 shares held by Avenger Projects Ltd, a company that Mr Putt is a director of)</p> <p>500,000 unissued ordinary shares granted as remuneration and vesting upon completion of one year's service.</p> <p>750,000 unissued ordinary share options granted as remuneration and vesting upon completion of one year's service.</p>
Mr Rhoderick Grivas	Non-Executive Chairman (Appointed 30 March 2017)
Experience and qualifications:	<p>Rhoderick Grivas is a geologist with over 25 years of experience in the resource industry, including 16 years of board experience on ASX listed companies. Mr Grivas has held several director and management positions with publicly listed mining and exploration companies, including Managing Director of ASX and TSX listed gold miner Dioro Exploration NL (ASX: DIO), where he oversaw the discovery and development of a gold resource through feasibility to production. Mr Grivas has a strong</p>

GOLDEN MILE RESOURCES LIMITED
DIRECTORS' REPORT

combination of equity market, M&A, commercial, strategic, and executive management capabilities.

Other Directorships in listed entities:

None

Former Directorships in listed entities in last 3 years:

Canyon Resources Limited (appointed 11 December 2009, resigned 20 July 2016), Yojee Limited (appointed 30 April 2010, resigned 30 June 2016)

Interests in Shares and options:

40,000 fully paid ordinary shares
750,000 share options exercisable at \$0.30, expiring 19 June 2020

Mr Phillip Grundy

Non-Executive Director (Appointed 8 December 2016)

Experience and qualifications

Phillip Grundy is a partner at Moray & Agnew Lawyers, specialising in Corporate law and Mergers & Acquisitions.

Phillip has acted as a legal advisor to many ASX-listed public companies across a broad range of industry sectors. He has advised several Australian and international companies in relation to ASX-listings, initial public offerings, backdoor listings, capital raisings, corporate takeovers, continuous disclosure requirements, corporate governance, Corporations Act and ASX Listings Rules compliance and general commercial transactions.

In addition, Phillip advises a number of international companies in relation to inbound Australian investment, mergers and acquisitions, capital raisings in the Australian market, and cross-border transactions.

Phillip holds a Masters of Laws (Commercial Law) from Monash University, a Bachelor of Laws (Hons) and Bachelor of Arts from Deakin University.

Other Directorships in listed entities:

Broo Ltd (ASX: BEE)

Former Directorships in listed entities in last 3 years:

None

Interests in shares and options:

25,000 fully paid ordinary shares
166,666 share options exercisable at \$0.30, expiring 19 June 2020

Dr Koon Lip Choo

Non-Executive Director (Appointed 8 December 2016)

Experience and qualifications:

Dr Koon Lip Choo holds a PhD and Doctorate of Business Administration in Investment Psychology, an MBA from the University of California, Los Angeles, and a BSc in Applied Mathematics from the National University of Singapore.

Based in Singapore and Hong Kong, Dr Choo began trading as a retail trader and investor in 2004, then eventually specialising in managing private equity and venture capital investment. Dr Choo established the Forex Asia Academy and Consultancy (in 2008), a Singapore-based educational services provider which was awarded 'The Best Financial Education Project in Asia' by ShowFxAsia Expo 2009. He currently owns more than 10 trading- and investment-related businesses in Singapore, Malaysia, Hong Kong and China.

Other Directorships in listed entities:

I-Global Holdings Ltd (NSX: IGH)

GOLDEN MILE RESOURCES LIMITED
DIRECTORS' REPORT

Former Directorships in listed entities in last 3 years:

None

Interests in shares and options:

7,500,000 fully paid ordinary shares
 2,000,000 unlisted share options exercisable at \$0.30, expiring 19 June 2021

Mr S Bailey

Non-Executive Director (Appointed 30 August 2016, Resigned 8 December 2016)

Mr J Stedwell

Non-Executive Director (Appointed 30 August 2016, Resigned 8 December 2016)

Mr T Yoshiaki

Non-Executive Director (Appointed 30 August 2016, Resigned 20 February 2017)

Company Secretary

Mr J Stedwell

Company Secretary

Experience and qualifications:

Justyn Stedwell is a professional Company Secretary, with over 9 years' experience as a Company Secretary of ASX-listed companies in various industries including biotechnology, agriculture, mining and exploration, information technology and telecommunications.

Justyn's qualifications include a Bachelor of Commerce (Economics and Management) from Monash University, a Graduate Diploma of Accounting at Deakin University and a Graduate Diploma in Applied Corporate Governance at the Governance Institute of Australia.

He is currently Company Secretary at several ASX-listed companies, including Axxis Technology Company (ASX: AYG), Motopia Ltd (ASX: MOT), Rhinomed (ASX: RNO), Imugene Ltd (ASX: IMU), Australian Natural Proteins Ltd (ASX: AYB), Rectifier Technologies Ltd (ASX: RFT), Lanka Graphite Ltd (ASX: LGR), WINHA Commerce And Trade International Ltd (ASX: WQW) and WONHE Multimedia Commerce Ltd (ASX: WMC).

Meeting of Directors

The following table sets out the number of meetings of the Company's Directors during the period ended 30 June 2017 and the number of meetings attended by each Director.

DIRECTOR	BOARD MEETING	
	Held	Attended
Mr Timothy Putt	1	1
Mr Rhoderick Grivas	1	1
Mr Phillip Grundy	1	1
Mr Koon Lip Choo	1	1
Mr Justyn Stedwell	5	5
Mr Stephen Bailey	5	5
Mr Tamura Yoshiacki	5	5

Principal Activities

Golden Mile Resources Ltd was incorporated on 30 August 2016. On 19 June 2017, the Company listed its shares on the ASX via an Initial Public Offering. Consequently, there is no comparative statement of profit or loss and comprehensive income, statement of financial position or statement of cash flows.

The Company owns several resource tenements in Western Australia and are actively exploring the tenements for gold, nickel and cobalt and related resources.

Operating Results and Financial Position

During the period, the Company made a loss \$412,719. The focus during the period was on securing funding for exploration and activities and securing the tenements for exploration.

During the period, the Company raised \$4.5 million from an Initial Public Offering, before issue costs, with 22,500,000 shares issued at 20 cents. In addition, \$600,000 was raised from investors in seed capital with a total of 10,700,000 ordinary shares. Funds will be used to enable the Company to develop its drilling programs as part of its exploration and evaluation process.

Ordinary shares were also issued as part payment for tenements acquired from the Legendre Vendors. Pursuant to an agreement signed the Company acquired rights to tenements in a number of mineral exploration projects, all in Western Australia, in exchange for a cash payment of \$50,000, plus the issue of 3,500,000 ordinary shares and 1,000,000 share options. The Company also acquired the tenements in the Avenger Projects in exchange for \$30,000 and the issue of 375,000 ordinary shares.

As a result of operations, the IPO and its investment in the exploration assets, the Company's net assets are \$4,661,020. Current assets amount to \$4,475,193. Exploration assets amounted to \$575,350. The Company generated \$4,838,728 in cash from capital raising, with cash and cash equivalents closing at \$4,439,575.

Dividends

During the period, the Company did not pay, or propose to pay, any dividends.

Significant Change in State of Affairs

Other than the IPO and acquisition of the tenement assets outlined above in the review of operations, there are no other significant changes during the period.

After Balance Date Events

Other than the matters noted in the review of Operating Results and Financial Position above, the Board is not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Future Developments

The Company's strategic focus remains the development of the exploration assets in Western Australia. The initial focus will be on the Quicksilver Nickel-Cobalt project, as well as the Ironstone Well and Leonora East Gold Projects.

Indemnity and Insurance of Officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith. During the financial period, the Company paid a premium in respect of a contract to insure the directors and officers of the Company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and Insurance of Auditor

The Company has not, during or since the financial period, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial period, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Environmental Regulations

The Company's activities involve exploration activities on WA mining tenements and therefore would be subject to the WA laws and regulations relating to such activities including environmental approvals as may be required from time to time under the *Mining Act 1978*.

Shares under Option or Issued on Exercise of Options

At the date of this report the Company had 7,350,000 shares under option as follows: -

Date of expiry	Exercise price	Number on issue	Number escrowed	Escrow date
24/10/2020	\$0.30	4,000,000	4,000,000	19/06/2019
14/06/2020	\$0.30	1,433,334	1,433,334	19/06/2019
20/04/2020	\$0.30	916,666	916,666	19/06/2019
24/10/2020	\$0.30	1,000,000	1,000,000	24/10/2017

Proceedings on Behalf of the Company

No person has applied for leave of the Court under Section 327 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any proceedings during the period.

REMUNERATION REPORT (AUDITED)

The remuneration report, which has been audited, outlines the Director and executive remuneration arrangements for the Company, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

A. Principles Used to Determine the Nature and Amount of Remuneration

The performance of the Company depends upon the quality of its Directors and Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives. To that end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Focus on creating sustained shareholder value;
- Placing a portion of executive remuneration at risk, dependent upon meeting predetermined performance benchmarks; and
- Differentiation of individual rewards commensurate with contribution to overall results and according to individual accountability, performance and potential.

The Board's policy for determining the nature and amount of remuneration for Key Management Personnel ("KMP") for the Company is based on the following: -

- The remuneration policy is to be developed and approved by the Board after professional advice is sought from independent external consultants (where applicable).
- All executive KMP receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and performance incentives, where appropriate.
- Performance incentives (in the form of a cash bonus) are generally only paid once predetermined key performance indicators (KPIs) have been met.
- Apart from those detailed in this report no other share based/options incentives have been offered to KMP during this reporting financial year.
- The Board, which also serves as the remuneration committee, reviews the remuneration packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors.

All remuneration paid to KMP is valued at the cost to the Company and expensed.

KMP or closely related parties of KMP are prohibited from entering hedge arrangements that would have the effect of limiting the risk exposure relating to their remuneration. In addition, the Board's remuneration policy prohibits Directors and KMP from using the company's shares as collateral in any financial transaction.

Engagement of remuneration consultants

During the period, the Company did not engage any remuneration consultants.

Remuneration Structure

The structure of Non-Executive Director, Executive Director and Senior Manager remuneration is separate and distinct.

Non-Executive Director Remuneration

The Board's policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders.

Each Director receives a fee for being a Director of the Company.

Senior Management and Executive Director Remuneration

The Company aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company to:

- Reward Executives for company, business unit and individual performance against targets set by reference to appropriate benchmarks;
- Align the interests of Executives with those of shareholders;
- Link reward with the strategic goals and performance of the Company;
- Ensure total remuneration is competitive by market standards; and
- Executive remuneration is designed to support the Company's reward philosophies and to underpin the Company's growth strategy. The program comprises the following available components:
 - Fixed remuneration component
 - Variable remuneration component including cash bonuses paid.

Fixed Remuneration

The level of fixed remuneration is set to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. The fixed (primary) remuneration is provided in cash.

Variable Remuneration

The performance of KMP is measured against criteria agreed annually with each Executive. All bonuses and incentives must be linked to predetermined performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

The objective of the Short-Term Incentive ("STI") program is to link the achievement of the Company's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level to provide sufficient incentive to achieve the operational targets and such that the cost to the Company is reasonable.

Actual STI payments granted depend on the extent to which specific operating targets are met. The operational targets consist of a number of Key Performance Indicators (KPIs) covering both financial and non-financial measures of performance.

On an annual basis, the individual performance of each executive is rated and taken into account when determining the amount, if any, of the short-term incentive pool allocated to each executive. The aggregate of annual STI payments available for executives across the Company are usually delivered in the form of a cash bonus.

GOLDEN MILE RESOURCES LIMITED DIRECTORS' REPORT

B. Details of Remuneration

Details of the remuneration of the Directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the Company) are set out in the tables on page 13.

Key Management Personnel - Directors and Executives

The key management personnel ("KMP") of the Company consisted of the following Directors and executives:

	Position
Non-Executive Directors	
Rhoderick Grivas	Non-Executive Chairman
Phillip Grundy	Non-Executive Director
Dr Koon Lip Choo	Non-Executive Director
Stephen Bailey	Non-Executive Director
Tamura Yoshiaki	Non-Executive Director
Executive Director	
Timothy Putt	Chief Executive Officer and Director

Other Key Management Personnel

Paul Frawley Exploration Manager

Key Management Personnel – Service Agreements

Employment contracts – Timothy Putt

The key terms of the contract are as follows:

- Position of CEO;
- Salary of \$170,000 per annum, plus pension and other benefits;
- Upon completion of 12 months service Mr Putt shall receive 750,000 share options, which can be exercised at \$0.30 per share, with the option expiring 3 years after the date of issue;
- Upon completion of 12 months service Mr Putt shall receive 500,000 fully paid ordinary shares in the Company;
- Commenced on date Company admitted to the ASX, being 19 June 2017 with no fixed term; and
- Agreement can be terminated in writing by either party or by mutual consent on the provision of 3 months' notice in writing.

Non-Executive Director Service Agreement – Rhoderick Grivas

The key terms of the contract are as follows:

- Position of Non-Executive Chairman;
- Salary of \$50,000 per annum, inclusive of pension and other benefits;
- Mr Grivas shall receive 750,000 share options, which can be exercised at \$0.30 per share, expiring 3 years from the date of issue;
- Commenced on date Company admitted to the ASX, being 19 June 2017 with no fixed term; and
- Agreement can be terminated in writing by either party or by mutual consent.

Non-Executive Director Service Agreement – Phillip Grundy

The key terms of the contract are as follows:

- Position of Non-Executive Director;
- Salary of \$40,000 per annum, inclusive of pension and other benefits;
- Commenced on date Company admitted to the ASX, being 19 June 2017 with no fixed term; and
- Agreement can be terminated in writing by either party or by mutual consent.

Non-Executive Director Service Agreement – Koon Lip Choo

The key terms of the contract are as follows:

- Position of Non-Executive Director;
- Salary of \$40,000 per annum, inclusive of pension and other benefits;
- Commenced on date Company admitted to the ASX, being 19 June 2017 with no fixed term; and
- Agreement can be terminated in writing by either party or by mutual consent.

GOLDEN MILE RESOURCES LIMITED DIRECTORS' REPORT

Consultancy Agreement – Paul Frawley

The key terms of the contract are as follows:

- Position of Exploration Manager;
- Services to include analysing tenements and reporting on them to the Board, analysing prospective mining and exploration acquisitions and reporting to the Board, preparing presentations for the Company on its activities and tenements, assisting with developing, assessing and executing drilling and exploration programs and other associated services.
- Services to be provided and invoiced by Mr Frawley through his consulting company. The agreed rate is \$750 per day;
- Upon completion of 12 months service Mr Frawley shall receive 400,000 share options, which can be exercised at \$0.30 per share, expiring 3 years from the date of issue;
- Commenced on date Company admitted to the ASX, being 19 June 2017 for one year; and
- Agreement can be terminated in writing by either party or by mutual consent with 7 days' notice.

Details of Remuneration for the period ended 30 June 2017

The individual remuneration for key management personnel of the Company during the period was as follows:

	SHORT TERM EMPLOYMENT BENEFITS			POST	EQUITY BASED		TOTAL
	Cash Salary and Fees	Leave provision	Cash Bonus	EMPLOYMENT Superannuation Contributions	Shares	Options	
	\$	\$		\$	\$	\$	\$
Non – Executive Directors							
Rhoderick Grivas (i)	5,834	-	-	-	-	30,300	36,134
Phillip Grundy (i)	4,666	-	-	-	-	6,733	11,399
Koon Lip Choo (i)	4,666	-	-	-	-	-	4,666
Tamura Yoshiaki	3,000	-	-	-	-	-	3,000
Sub-Total	18,166	-	-	-	-	37,033	55,199
Executive Directors							
Tim Putt (ii)	76,100	-	-	-	8,356	5,064	89,520
Sub-Total	76,100	-	-	-	8,356	5,064	89,520
Other KMP							
Paul Frawley (iii)	34,850	-	-	-	-	3,188	38,038
Sub-Total	34,850	-	-	-	-	3,188	38,038
Total	129,116	-	-	-	8,356	45,285	182,757

- (i) Fees for non-executive directors were accrued at 30 June 2017 as the amounts were billed subsequent to the period end. Mr Grundy's fees were paid prior to 30 June.
- (ii) Tim Putt's fees were paid in relation to consulting fees paid prior to Mr Putt's appointment as CEO and after his appointment as a director. All fees were invoiced by Exploration and Mining Information Systems, the consultancy operated by Mr Putt. \$17,500 was capitalised during the period as it related to consulting fees for work completed on the Company's tenements.
- (iii) Mr Frawley invoiced all fees via International Geological and Labour Services.

Bonuses included in remuneration

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration	At risk - STI	At risk – LTI
Non-Executive Directors			
Rhoderick Grivas	16%	-	84%
Phillip Grundy	41%	-	59%
Koon Lip Choo	100%	-	-
Tamura Yoshiaki	100%	-	-
Executive Directors			
Timothy Putt	85%	-	15%
Other KMP			
Paul Frawley	92%	-	8%

**GOLDEN MILE RESOURCES LIMITED
DIRECTORS' REPORT**

C. Share Based Compensation

Details of share based payments to Key Management Personnel are set out below: -

Shares

	Grant Date	Number Granted	Value of shares granted \$	Percentage vested	Percentage of Grant Forfeited
Timothy Putt	1 May 2017	500,000	50,000	16.7%	-

Share Options

Non-Executive Directors	Grant Date	Number Granted	Value of options granted	Number vested	Percentage of Grant Forfeited
Rhoderick Grivas	19 June 2017	750,000	30,300	100%	-
Phillip Grundy	19 June 2017	166,666	6,733	100%	-
Timothy Putt	1 May 2017	750,000	30,300	16.7%	-
Paul Frawley	20 April 2017	400,000	16,160	19.7%	-

No options were exercised or expired during the period.

D. Additional Information

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. The chosen method to achieve this aim is being a performance-based bonus based on KPIs. The Company believes this policy will be effective in increasing shareholder's wealth. The earnings of the Company for the reporting periods to 30 June 2017 are summarised below, along with details that are considered to be factors in shareholder returns:

	30 June 2017
Revenue	1,085
Net profit /(loss) after tax \$	(412,719)
Share price at period end \$	0.18
Net tangible assets per share \$	0.09

E. Additional Information in relation to key management personnel shareholdings

Ordinary shares held in Golden Mile Resources Limited (number) 30 June 2017

	Opening Balance	Founder Shares	Granted as payment of Remuneration (i)	Acquired in IPO and via Seed capital	Other changes (ii)	Balance 30 June 2017
<u>Directors</u>						
Timothy Putt	-	-	500,000	10,000	375,000	885,000
Rhoderick Grivas	-	-	-	40,000	-	40,000
Phillip Grundy	-	-	-	25,000	-	25,000
Koon Lip Choo	-	6,000,000	-	1,500,000	-	7,500,000
	-					
<u>Other KMP</u>						
Paul Frawley	-	-	-	-	-	-
	-	6,000,000	500,000	1,575,000	375,000	8,450,000

(i) Shares granted as payment of remuneration have not yet vested, and will vest one year after grant date

(ii) Shares issued to Avenger Projects Ltd as part of purchase consideration for tenement assets

**GOLDEN MILE RESOURCES LIMITED
DIRECTORS' REPORT**

Share options held in Golden Mile Resources Limited (number) 30 June 2017

	Opening Balance	Founder Options	Granted as payment for Remuneration	Acquired in IPO and via Seed capital	Other changes	Balance 30 June 2017	Vested
Directors							
Timothy Putt	-	-	750,000	-	-	750,000	-
Rhoderick							
Grivas	-	-	750,000	-	-	750,000	750,000
Phillip Grundy	-	-	166,666	-	-	166,666	166,666
Koon Lip Choo	-	2,000,000	-	-	-	2,000,000	2,000,000
Other KMP							
Paul Frawley	-	-	400,000	-	-	400,000	-
	-	2,000,000	2,066,666	-	-	4,066,666	2,916,666

F. LOANS FROM KMP

There are no loans to or from KMP.

G. OTHER TRANSACTIONS WITH KMP

Other than the Key Management Personnel disclosures noted above, the following transactions were completed with related parties during the period: -

	Expenses during period	Assets acquired	IPO related costs	Capital raising commission	Balance outstanding at 30 June
Pointon Partners (i)	48,208	-	20,777	-	-
Moray and Agnew (ii)	1,253	-	52,223	-	1,378
Avenger Projects Limited (iii)	-	67,500	-	-	-
Koon Lip Choo	-	-	-	35,400	-

- (i) Phillip Grundy was a partner at Pointon Partners until 28 February 2017. Pointon Partners provided legal and consulting services related to compliance matters and the preparation of the Company's prospectus for IPO.
- (ii) Phillip Grundy was a partner at Moray and Agnew from 1 March 2017. Pointon Partners provided legal and consulting services related to compliance matters and the preparation of the Company's prospectus for IPO.
- (iii) During the period, the Company acquired tenement assets from Gambit Metals Pty Ltd. Avenger Projects Ltd is parent entity of Gambit Metals Pty Ltd, and Tim Putt is a director of Avenger Projects Ltd. The transaction involved the transfer of \$30,000 and 375,000 ordinary shares in the Company.
- (iv) Mr Choo received a commission for raising investment capital from investors during the period.

This concludes the remuneration report, which has been audited.

Non-Audit Services

During the period HLB Mann Judd, the Company's auditor, has performed certain other services in addition to their statutory duties. The Directors are satisfied that the provision of these non-audit services by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. Details of amounts paid or payable are as follows:

Auditing the financial report	\$ 18,000
Non-audit services	
- Independent Accountants Report and IPO related services	20,930
	38,930

The Directors are of the opinion that the services as disclosed above do not compromise the external auditor's independence for the following reasons:

GOLDEN MILE RESOURCES LIMITED DIRECTORS' REPORT

- All non-audit services have been reviewed and approved by the Board to ensure that they do not impact the integrity and objectivity of the auditor, and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Profession and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing economic risks and rewards.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included at page 17 of the Financial Report.

Auditor

HLB Mann Judd continues in accordance with section 327 of the *Corporations Act 2001*. There are no officers of the Company who are former audit partners of HLB Mann Judd.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors support the principles of Corporate Governance. The Company continued to follow best practice recommendations as set out by the ASX Corporate Governance Council. Where the Company has not followed best practice for any recommendation, explanation is given in the Corporate Governance Statement. The Company's Corporate Governance statement is available on the Company's website at <https://www.goldenmileresources.com.au/>.

Signed in accordance with a resolution of the Directors made pursuant to s.298 (2) of the *Corporations Act 2001*.

On behalf of the Directors



Mr R Grivas
Non-Executive Chairman
28 September 2017

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Golden Mile Resources Limited for the period ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



HLB Mann Judd
Chartered Accountants

Melbourne
28 September 2017



Jude Lau
Partner

HLB Mann Judd (VIC Partnership)

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Liability limited by a scheme approved under Professional Standards Legislation

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 30 AUGUST TO 30 JUNE 2017

	Note	\$
Continuing operations		
Interest income		1,085
Exploration expenditure		(79,673)
Cost of tenement relinquished		(4,712)
General and administrative expenses		(34,280)
Corporate expenses		(275,338)
Other expenses		(19,801)
Loss before income tax	7	<u>(412,719)</u>
Income tax expense	8	-
Net Loss for the period		<u><u>(412,719)</u></u>
Other Comprehensive income/(loss)		
Other comprehensive loss net of tax		<u>-</u>
Total comprehensive loss		<u>(412,719)</u>
Net loss for the period is attributable to:		
Non-controlling interest		-
Owners of Golden Mile Resources Limited		<u><u>(412,719)</u></u>
Total comprehensive loss for the period is attributable to:		
Non-controlling interest		-
Owners of Golden Mile Resources Limited		<u><u>(412,719)</u></u>
Basic loss per share (cents per share)	13	(1.74)
Diluted loss per share (cents per share)	13	(1.74)

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	\$
Current Assets		
Cash and cash equivalents	3(a)	4,439,575
Trade and other receivables		29,669
Prepayment		5,949
Total Current Assets		<u>4,475,193</u>
Non-Current Assets		
Exploration and evaluation assets	2	<u>575,350</u>
Total Non-Current Assets		<u>575,350</u>
Total Assets		<u>5,050,543</u>
Current Liabilities		
Trade and other payables	4	<u>389,523</u>
Total current liabilities		<u>389,523</u>
Total Liabilities		<u>389,523</u>
Net Assets		<u>4,661,020</u>
Equity		
Issued capital	5	4,910,592
Accumulated losses		(412,719)
Reserves	6	<u>163,147</u>
Total Equity		<u>4,661,020</u>

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2017

		Issued capital	Reserves	Accumulated losses	Total
		\$	\$	\$	\$
At 30 August 2016		-	-	-	-
Loss for the period		-	-	(412,719)	(412,719)
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		-	-	(412,719)	(412,719)
Transactions with owners in their capacity as owners:					
Issue of share options, net of costs	5	4,910,592	-	-	4,910,592
Share based payments	6	-	163,147	-	163,147
As at 30 June 2017		4,910,592	163,147	(412,719)	4,661,020

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 30 AUGUST 2016 TO 30 JUNE 2017

	Note	\$
Cash flows from operating activities		
Receipts from customers		-
Payments to suppliers and employees		(317,958)
Interest received		1,085
Net cash used in operating activities	3(d)	<u>(316,873)</u>
Cash flows from investing activities		
Exploration and evaluation expenditure		<u>(82,280)</u>
Net cash used in investing activities		<u>(82,280)</u>
Cash flows from financing activities		
Proceeds from issue of shares		5,099,982
Cost of issuing shares		<u>(261,254)</u>
Net cash provided by financing activities		<u>4,838,728</u>
Net increase in cash held		4,439,575
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	3(a)	<u>4,439,575</u>

The above statement should be read in conjunction with the accompanying notes.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

1. BASIS OF PREPARATION

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the *Corporations Act 2001*, as appropriate for profit oriented entities.

The financial statements cover the Company for the period from 30 August 2016 to 30 June 2017. The Company is a company limited by shares, incorporated and domiciled in Australia.

Except for the Statement of Cash Flows, the financial statements have been prepared on the accruals basis.

The financial statements were authorised for issue by the Directors on 28 September 2017.

The Company's principle activities are the exploration for and evaluation gold and other related resources in Western Australia.

(a) Basis of Preparation of the Financial Statements

Compliance with IFRS

The financial statements comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical Cost Convention

The financial statements have been prepared under the historical cost convention, modified where appropriate by the measurement of fair value of selected non-current assets. All amounts are presented in Australian dollars unless otherwise noted.

(b) Comparatives

The Company was incorporated on 30 August 2016 and, therefore, there is no comparative period.

2. EXPLORATION AND EVALUATION ASSETS

(a) Reconciliation of movements during period	\$
Costs carried forward in respect of areas of interest at cost	-
Exploration assets acquired during the period (a)	553,846
Exploration and evaluation expenditure capitalised during the period	26,216
Cost of Tenement relinquished	(4,712)
	<u>575,350</u>
Costs carried forward in respect of areas of interest	<u>575,350</u>

(b) Acquisition of tenements

The Company acquired rights to tenements in several projects during the period as follows: -

Project	Shares		Options		Cash	Total cost
	No.	\$	No.	\$		
<i>Northeastern Goldfields Projects</i>						
Leonora East (Northern Section)	1,090,000	109,000	500,000	25,800	19,000	153,800
Leonora East (Southern section)	1,000,000	100,000	100,000	5,160	25,000	130,160
Darlot	10,000	1,000	-	-	6,000	7,000
Ironstone Well	300,000	30,000	101,000	5,212	-	35,212
Minara	500,000	50,000	199,000	10,268	-	60,268
<i>Regional Western Australia Projects</i>						
Gidgee	600,000	60,000	100,000	5,160	-	65,160
Quicksilver	375,000	37,500	-	-	30,000	67,500
	<u>3,875,000</u>	<u>387,500</u>		<u>51,600</u>	<u>80,000</u>	
	0		1,000,000			519,100
Stamp Duty and Transfer costs						34,746
						<u>553,846</u>

(c) Significant Accounting Policies

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recouped through the successful development of the area or sale, or where exploration and evaluation activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Accumulated costs in relation to an abandoned area are written off in full against profit/(loss) in the period in which the decision to abandon the area is made. In addition, a provision is raised against exploration and evaluation expenditure where the directors are of the opinion that the carried forward cost may not be recoverable. Any such provision is charged against the results for the period.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Expenditure is not carried forward in respect of any area of interest/mineral resource unless the Company's rights of tenure to that area of interest are current.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of the relevant stage. Provisions are made for the estimated costs of restoration relating to areas disturbed during the mines operation up to reporting date but not yet rehabilitated. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with relevant clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on a discounted basis.

Any changes in the estimates of the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that any restoration will be completed within one year of abandoning the site.

(d) Critical Judgements

The ultimate recoupment of capitalised expenditure in relation to each area of interest is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas the results of which are still uncertain.

(e) Critical accounting estimates

As noted above the Company issued shares and options to the vendors for the tenements acquired. In acquiring the tenements, the company issued 3.875 million ordinary shares at \$0.10 each and 1 million share options, valued at \$0.0516 per share option. The shares and options were issued pre-IPO, and the share price was consistent with share issues made by the Company for cash. The share options were valued using the binomial method. This involved estimating the following variables volatility of the Company's share price and risk-free rate of interest. Changes in these estimates would result in a change in the valuation of the options, and cost of the assets.

(f) Commitments for expenditure

To maintain current rights of tenure to the exploration tenements, the Company is required to meet the minimum expenditure requirements of the Department of Mining. Minimum expenditure commitments may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided in the accounts. The Company has committed to spend a total of \$1,639,250 over the periods of the granted permit areas in respect of these exploration programs. Expenditure commitment is for the term of the permit renewal. The total commitment in relation to the permits is as follows: -

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

	\$
Expenditure commitments within 1 year	473,120
Expenditure commitments 2 – 5 years	1,166,400
Expenditure commitments over 5 years	-
	<u>1,639,520</u>

3. CASH AND CASH EQUIVALENTS

	\$
(a) Cash and cash equivalents	
Cash at bank	4,426,589
Trust account	12,986
	<u>4,439,575</u>

(b) Significant Accounting Policies

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts.

(c) Financial Instrument Risk Management

The Company manages its exposure to key financial risks relating to cash and cash equivalents in accordance with its financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets whilst protecting future financial security.

The main risks arising from cash and cash equivalents is interest rate risk. The Directors manage risk by monitoring levels of exposure to interest rate and consider cash requirements in relation to ongoing cash flow budgets.

Interest Rate Risk

Exposure to interest rate risk arises on financial instruments whereby a future change in interest rates will affect future cash flows of variable rate financial instruments. At 30 June 2017, the Company had variable rate deposits of \$4,400,376 earning interest of 0.60% per annum. The risk attached to the interest income for the period ended 30 June 2017 was not significant. Subsequent to the period end the Company has invested in a \$3 million term deposit over 3 months to improve the Company's return on its cash deposits.

Credit Risk

The Company banks with Westpac, and considers the bank's credit worthiness appropriate to mitigate credit risk associated to the bank deposits. Westpac's credit rating is AA-. Credit risk is managed by the Board in accordance with its policy. Such policy requires that surplus funds are deposited with a financial institution with a credit rating of at least AA-.

Fair value

The fair value of the cash balances approximates fair value due to the short term nature of the deposits.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

(d) Reconciliation of operating cash flows to operating result	\$
Operating loss after income tax:	(412,719)
Share based payments	53,641
Exploration assets written off	4,712
Change in net operating assets and liabilities:	
Movement in receivables	(29,669)
Movement in prepayments	(5,949)
Movement in trade and other payables relating to operating expenditure	73,111
Net cash inflow/(outflow) from operating activities	<u>(316,873)</u>

4. TRADE AND OTHER PAYABLES

Trade payables	\$ 27,444
Accruals	362,079
	<u>389,523</u>

(a) Significant Accounting Policies

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial period that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

(b) Financial Instrument Risk Management

The main risks arising from trade and other payables is liquidity risk. The Directors manage risk by monitoring levels of obligations arising from liabilities and commitments and consider cash requirements in relation to ongoing cash flow budgets.

Liquidity Risk

All payables are current and payable within 30 days. Accordingly, management has ensured that the Company has sufficient cash resources to meet the liabilities as and when they are due.

5. ISSUED CAPITAL

(a) Reconciliation of issued capital	Number of shares	\$
Ordinary shares – fully paid (no par value)	<u>51,825,001</u>	4,910,592
	Shares issued	Price \$
At 30 August 2016	-	-
Founder shares	12,000,001	-
Seed capital round 1	2,500,000	50,000
Seed capital round 2	5,400,000	270,000
Seed capital round 3	2,800,000	280,000
Acquisition of exploration and evaluation assets (f)	3,875,000	387,500
Lead manager shares (f)	2,750,000	275,000
Initial Public Offering	22,500,000	4,500,000
Cost of issuing equity	-	(851,908)
As at 30 June 2017	<u>51,825,001</u>	<u>4,910,592</u>

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

(b) Significant Accounting Policies

Issued capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received. Ordinary share capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

(c) Terms and conditions of issued capital

Ordinary shares

Fully paid ordinary shares carry one vote per share and carry rights to dividends.

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll.

At 30 June 2017, there were no partly paid shares outstanding. Ordinary shares have no par value. The Company does not have a limit on number of shares authorised.

Share options

Share options do not entitle the holder to participate in dividends and the proceeds on winding up of the Company. The holder is not entitled to vote at General Meetings. During the period 4,000,000 unlisted share options were issued to founders and a further 3,350,000 unlisted share options were issued and at 30 June 2017 there were 7,350,000 share options outstanding.

(d) Escrow

At 30 June 2017, there were 9,250,00 ordinary shares in voluntary escrow until 24 October 2017, 600,000 ordinary shares were in voluntary escrow until 20 April 2018 and 16,475,000 ordinary shares were in voluntary escrow until 19 June 2019.

In addition, there were 6,350,000 share options in escrow until 19 June 2019 and 1,000,000 share options in escrow until 24 October 2017.

(e) Capital Management

The Company considers its capital to comprise its ordinary share capital and accumulated losses.

In managing its capital, the Company's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through capital growth. To achieve this objective, the Company seeks to maintain a gearing ratio that balances risks and returns at an acceptable level and to maintain a sufficient funding base to enable the Company to meet its working capital and strategic investment needs. During the exploration and evaluation phase of operations the Company does not anticipate utilising any loan funding and will rely upon capital raisings.

(f) Share based payments

During the period, the Company entered into several agreements that included the issue of Company shares in settlement of the Company's obligations. The agreements entered into were as follows: -

	Shares granted/ issued	Price \$	\$
Acquisition of exploration and evaluation assets (i)	3,500,000	0.10	350,000
Acquisition of exploration and evaluation assets (ii)	375,000	0.10	37,500
Lead manager shares (iii)	2,750,000	0.10	275,000
Key Management Personnel (iv)	500,000	0.10	50,000
	<u>7,125,000</u>		<u>712,500</u>

- (i) Pursuant the Legendre Tenement Sale Agreement and the Deed of Assignment with Sageland Pty Ltd the Company issued 3,500,000 ordinary shares to the Legendre vendors and Sageland Pty Ltd as part payment in exchange for exploration tenements in Western Australia. The shares issued were valued at \$0.10.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

- (ii) Pursuant to the Gambit Tenement Sale Agreement, 375,000 ordinary shares were issued to the parent entity of Gambit Metals Pty Ltd as part payment in exchange for exploration tenements in Western Australia. The shares issued were valued at \$0.10.
- (iii) The Company issued 2,750,000 shares to the Lead Manager and its nominees on completion of the IPO, in accordance with the service agreement dated 18 April 2017.
- (iv) Per Tim Putt's employment agreement 500,000 ordinary shares are to be issued upon the first anniversary of the contract. The shares were valued at \$0.10 per share and are expensed over the vesting period.

6. RESERVES

	\$
Share based payment reserve	163,147
<i>Movement in reserve</i>	
Acquisition of exploration and evaluation assets	(b)(i) 51,600
Key Management Personnel payments - shares	(b)(ii) 8,356
Key Management Personnel payments – options	(b)(iii) 45,285
Lead Manager payments	(b)(iv) 57,906
	163,147

(a) Nature and Purpose of Reserves

Share based payment reserve

The reserve is used to record the value of equity instruments issued to employees and directors as part of their remuneration, and other parties as part of compensation for their services.

(b) Share based payments

During the period, the Company entered into several agreements that included the issue of Company share options in settlement of the Company's obligations. The details of the payments were as follows:

- (i) Acquisition of exploration assets
Pursuant the Legendre Tenement Sale Agreement the Company issued 1,000,000 share options to the Legendre vendors as part payment in exchange for exploration tenements in Western Australia. The share options were valued at \$0.0516 using the binomial model.
- (ii) Key Management Personnel payments – shares
Per Tim Putt's employment agreement 500,000 ordinary shares are to be issued upon the 1st anniversary of the contract. The shares were valued at \$0.10 per share and are expensed over the vesting period.
- (iii) Key Management Personnel payments – options
Pursuant to Tim Putt's employment contract 750,000 share options are to be issued upon the first anniversary of the contract. The share options were valued at \$0.0404 per share option using a binomial model, and expensed over the vesting period.
Pursuant to Paul Frawley's service contract 400,000 share options are to be issued on the first anniversary of the contract. The share options were valued at \$0.0404 per share option using a binomial model, and expensed over the vesting period.
Pursuant to Rhoderick Grivas' executive agreement, 750,000 share options were issued during the period. The share options were valued at \$0.0404 per share option using a binomial model, and vested immediately.
Phill Grundy was issued with 166,666 share options during the period. The share options were valued at \$0.0404 per share option using a binomial model, and vested immediately.
- (iv) Lead Manager payments
The Company issued 1,433,334 share options to the Lead Manager and its nominees on completion of the IPO, in accordance with the service agreement dated 18 April 2017.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

Movements in share options during the period

Input	Tenement options	Key Management Personnel Share options	Lead manager Share options
Opening balance	-	-	-
Granted during the period	1,000,000	4,066,666	1,433,334
Forfeited during the period	-	-	-
Exercised during the period	-	-	-
Expired during the period	-	-	-
Outstanding at 30 June 2017	<u>1,000,000</u>	<u>4,066,666</u>	<u>1,433,334</u>
<i>Exercisable at 30 June 2017</i>	1,000,000	2,916,666	1,433,334

Weighted average exercise price of share options at 30 June 2017 is \$0.30, and the weighted average expiration period is 1,163 days.

Option valuation inputs

Input	Tenement options	Key Management Personnel Share options (i)	Key Management Personnel Share options (ii)	Lead manager Share options
Grant date		24/10/2016	1/5/2017	18/4/2017
Expiry date	24/10/2020	20/4/2020	20/4/2020	14/6/2020
Share price at grant date	0.10	0.00	0.10	0.10
Exercise price \$	0.30	0.30	0.30	0.30
Risk free rate	1.560%	1.560%	1.560%	1.560%
Volatility	100%	0%	100%	100%
Fair value at grant date \$/option	0.0516	0.000	0.0404	0.0404

(i) *Koon Lip Choo was issued options by the Company prior to the issue of seed capital and the raising of funds.*

(ii) *Share options were issued to Key Management Personnel upon appointment as part of their engagement agreements.*

(c) Significant Accounting Policies - share based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the period.

7. ITEMS INCLUDED IN PROFIT AND LOSS

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

(a) Interest Income

Significant Accounting Policies

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

(b) Operating expenses

Significant Accounting Policies

Operating expenses are recognised in profit or loss upon utilisation or at the date of their origin.

(c) Items included in profit or loss

Included in profit or loss are the following specific items: -

	\$
<i>Share based payments expense</i>	\$
Directors' fees	50,453
Consultant's fees	3,188
	<u>53,641</u>

There were no payroll expenses during the period.

Exploration expenses

During the period exploration and evaluation expenses incurred were written off to profit or loss where rights to tenure of all tenements were not fully secured. Title to all tenements was completed subsequent to the Company IPO and before the Balance date.

8. INCOME TAX EXPENSE

(a) Income tax expense

	\$
Current tax expense	-
Deferred tax movements	-
	<u>-</u>

(b) Reconciliation of income tax expense to prima facie tax on accounting loss

Loss before income tax expense	<u>(412,719)</u>
Tax expense at Australian tax rate of 27.5%	(113,498)
Tax effect of amounts which are not deductible in calculating taxable income	
- Share based payments	<u>14,751</u>
	(98,747)
Losses not recognised	101,007
Deferred taxes not recognised	<u>(2,260)</u>
Income Tax Expense	<u>-</u>

(c) Tax Losses

Unused tax losses for which no deferred tax asset has been recognised	<u>367,298</u>
Potential tax benefit at 27.5%	<u>101,007</u>

The benefit of these losses has not been brought to account at 30 June 2017 because the directors do not believe it is appropriate to regard realisation of the deferred tax asset as being probable at 30 June 2017. These tax losses are also subject to final determination by the Taxation authorities when the Company derives taxable income. The benefits will only be realised if:

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

- (a) The Company derives future assessable income of a nature and of an amount sufficient to enable the benefit of the deduction for the losses to be realised;
- (b) The Company and its subsidiaries continue to comply with the conditions for the deductibility imposed by law; and
- (c) No changes in the tax legislation adversely affect the Company and its subsidiaries in realising the benefit of the losses.

Australian tax losses are subject to further review by the Company to determine if they satisfy the necessary legislative requirements under the Income Tax legislation for the carry forward and recoupment of tax losses.

(d) Significant Accounting Policies

Current income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

A balance sheet approach is adopted under which deferred tax assets and liabilities are recognised for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred tax asset or liability is recognised if it arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting or taxable profit or loss.

Deferred tax assets are recognised for temporary differences and unused tax losses only when it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

9. RELATED PARTY DISCLOSURES

(a) Key Management Personnel Compensation

The aggregate compensation of the key management personnel of the Company is set out below:

	2017 \$
Short term employment benefits (i)	129,116
Post-employment benefits	-
Share based payments	53,641
	<u>182,757</u>

- (i) Fees of \$17,500 were capitalised into exploration expenditure during the period, as the fees were paid out in relation to consulting work completed on tenements.

Refer to the Remuneration Report in the Director's Report for detailed compensation disclosures on key management personnel.

(b) Director related entities

During the period, the Company entered into the following arrangements and transactions with entities related to directors: -

- The Company acquired tenement assets from Gambit Metals Pty Ltd, a company whose parent entity is Avenger Projects Ltd. Timothy Putt is a director of Avenger Projects Ltd. The terms of the acquisition involved payment of \$30,000 and the issue of 375,000 ordinary shares in the Company. Details are contained in note 6.

GOLDEN MILE RESOURCES LIMITED
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FOR THE PERIOD ENDED 30 JUNE 2017

- The Company engaged Pointon Partners in providing legal services during the period. Until 28 February 2017, Phillip Grundy was a partner of Pointon Partners. During that period, the Company incurred expenses of \$48,208 for legal services and \$20,777 for IPO related services.
- Subsequently, from 1 March 2017 Phillip Grundy was a partner of Moray & Agnew, a legal firm that provided legal services to the Company. Legal expenses of \$1,253 were incurred during the period for general legal services and \$52,223 for IPO related services. \$1,378 was unpaid at the period end.
- Commission was paid to Koon Lip Choo in relation to the final round of capital raising in relation to the IPO for \$35,400.
- Included in trade and other payables are the following amounts payable to: -

	\$
Goodheart Pty Ltd (i)	6,680
Exploration and Mining Information Systems (ii)	29,050
(i) Rhoderick Grivas is a director of Goodheart Pty Ltd and his director's fees are paid through that entity	
(ii) Timothy Putt's fees were paid through Exploration and Mining Information Systems during the period.	

10. REMUNERATION OF AUDITORS

Remuneration for audit and review of the financial reports of the Company:

	2017
	\$
Auditors of the Company:	
Auditing the financial report (a)	18,000
Non-audit services (b)	20,930
	38,930

- (a) HLB Mann Judd ("HLB") are the auditors of Golden Mile Resources Limited.
- (b) It is the Company's policy to engage HLB on assignments additional to their statutory audit duties where HLB's expertise and experience with the Company are important. During the period, the Company engaged HLB in providing services in relation to preparation of the Company's prospectus for the IPO.

11. COMMITMENTS FOR EXPENDITURE

(a) Capital Commitments

Other than the exploration commitments set out in note 2(e) the Company has no other capital commitments.

(b) Finance Lease

There are no commitments relating to finance leases.

(c) Operating leases

The Company has entered a rental lease for the period of 1 year, until 30 June 2018. Rent is set at \$1,150 per month and a car park space of \$499 per month, providing a commitment for one year of \$19,788.

(d) Significant Accounting policies

Operating lease payments are charged to the statement of profit or loss and other comprehensive income in the periods in which they are incurred, as this represents the pattern of the benefits derived from the leased assets.

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

12. SEGMENT INFORMATION

The Company has adopted AASB 8 *Operating Segments* whereby segment information is presented using a 'management approach'. Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The principal business and geographical segment of the Company is mineral exploration within Western Australia.

The Board of Directors review internal management reports at regular intervals that are consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board of Directors to make strategic decisions including assessing performance and in determining allocation of resources.

13. LOSS PER SHARE

	2017 CENTS
Basic loss per share	1.74
Diluted loss per share	1.74
	\$
Net loss from continuing operations attributable to the owners of Golden Mile Resources Ltd used in calculation of basic and diluted earnings per share.	(412,719)
	Number
Basic	
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic loss per share	23,762,183
Diluted	
Weighted average number of ordinary shares and convertible redeemable cumulative preference shares outstanding and performance rights during the period used in the calculation of basic loss per share	23,762,183

14. DIVIDENDS

No dividends were proposed or paid during the period.

15. EVENTS OCCURRING AFTER REPORTING DATE

The Board is not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operation of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

16. CONTINGENT LIABILITIES

There are no other matters which the Company considers would result in a contingent liability as at the date of this report.

17. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

Classification

The Company classifies its financial instruments based on the purpose for which the instruments were acquired. Management determines the classification of its financial instruments at the time of initial recognition. The Company's principal financial instruments comprise receivables, payables, cash and short term deposits.

At the reporting date, the Company's financial instruments were classified within the following categories.

GOLDEN MILE RESOURCES LIMITED
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Cash and cash equivalents

See note 3.

Financial Liabilities

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances and loans from or other amounts due to Director-related entities.

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principle payments and amortisation.

Financial Risk Management

The Company manages its exposure to key financial risks, including interest rate and currency risk in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets whilst protecting future financial security.

The main risks arising from the Company's financial instruments are interest rate risk, foreign currency risk, price risk, credit risk and liquidity risk. The Company uses different methods to measure and manage different types of risk to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Aging analyses and monitoring of specific credit allowances are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board of Directors ('the Board'). The Board reviews and agrees policies for managing each of the risks identified below, including any hedging cover of foreign currency, interest rate risk, credit allowances, and future cash flow forecast projections.

The carrying amounts and net fair values of the Company's financial assets and liabilities at balance date are:

	CARRYING AMOUNT	FAIR VALUE
	\$	\$
Financial Assets		
Cash and cash equivalents	4,439,575	4,439,575
Trade and other receivables	29,669	29,669
Non-Traded Financial Assets	<u>4,469,244</u>	<u>4,469,244</u>
Financial Liabilities at amortised cost		
Trade and other payables	575,350	575,350
Non-Traded Financial Liabilities	<u>575,350</u>	<u>575,350</u>

Risk Exposures and Responses

Interest Rate Risk

Exposure to interest rate risk arises on financial instruments whereby a future change in interest rates will affect future cash flows or the fair value of the fixed rate financial instruments. The Company is also exposed to earnings volatility on floating rate instruments. At balance date, the Company's exposure to interest rate risk was wholly related to cash and cash equivalents, and is discussed in note 3.

Interest rate risk is managed by monitoring the level of floating rate which the Group is able to secure. It is the policy of the Group to keep the majority of its cash in accounts with floating interest rates.

Sensitivity Analysis

During the current period the interest received was \$1,085. The directors do not consider this material to the result or the overall financial statements and have not carried out a sensitivity analysis.

Foreign Exchange Risk

The Company is not exposed to foreign exchange risk.

Liquidity Risk

Liquidity Risk is the risk that the Company, although balance sheet solvent, cannot meet or generate sufficient cash resources to meet its payment obligations in full as they fall due, or can only do so at materially disadvantageous terms. The Company's liquidity risk relates to its trade and other payables. All payables are due within 3 months of the period end.

The Board manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Credit Risk

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents and trade and other receivables. The Company's exposure to credit risk arises from potential default of the counter party, with maximum exposure equal to the carrying amount of these instruments. Exposure at balance date in relation to cash and cash equivalents is discussed in note 3. Exposure in relation to trade and other payables is not considered significant as the bulk of the balance is GST and the counter-party is the Australian Tax Office.

Fair Value

The Company does not carry any of its financial assets at fair value after initial recognition. All financial assets and liabilities are held to approximate fair value due to their nature.

18. APPLICABLE ACCOUNTING STANDARDS

(a) *New, Revised or Amending Accounting Standards and Interpretations Adopted*

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for the period.

(b) *New, Revised or Amending Accounting Standards and Interpretations Not Yet Adopted*

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not yet mandatory for 30 June 2017 reporting period and have not been early adopted by the Company. The major accounting standards that have not been early adopted for the period ended 30 June 2017, but will be applicable to the Company in future reporting years, are detailed below. Apart from these standards, the Company has considered other accounting standards that will be applicable in future years, however they have been considered insignificant to the Company.

- AASB 9 '*Financial Instruments*' includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the project to replace AASB 139 '*Financial Instruments: Recognition and Measurement*', which becomes mandatory for the Company's 31 December 2018 financial statements. The Company does not expect the adoption of the new Standard to have a material impact on its classification and measurement of the financial assets and liabilities, its hedging arrangements or its results on adoption of the new impairment model. The Company has decided not to early adopt AASB 9.
- AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 '*Revenue*', IAS 11 '*Construction Contracts*', and IFRIC 13 '*Customer Loyalty Programmes*'. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Company has decided not to early adopt AASB 15 the Company has yet to generate any revenue and is unlikely to generate revenue in the next year.
- AASB 16 '*Leases*' introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. This standard becomes mandatory for the Company's

GOLDEN MILE RESOURCES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2017

31 December 2019 financial statements. The Company has decided not to early adopt AASB 16, this is in line with the requirement to adopt AASB 15 at the same time. Once adopted, the structure of cash flows and the presentation of the balance sheet and income statement will change, although as the Company has limited lease arrangements there will be no material change in the results or net assets of the Company.

GOLDEN MILE RESOURCES LIMITED
DIRECTORS' DECLARATION

1. In the opinion of the Directors of Golden Mile Resources Limited (the "Company"):
 - (a) The financial report of the Company is in accordance with the *Corporations Act 2001*, including:
 - i. Giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the period ended on that date; and
 - ii. Complying with the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
2. The financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board, as described in Note 1(a) to the financial statements; and
3. This declaration has been made after receiving the declarations required by section 295A of the *Corporations Act 2001* from the Chief Executive Officer for the financial period ended 30 June 2017.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*. This declaration is made in accordance with a resolution of the Directors.



Non-Executive Chairman

28 September 2017
Melbourne

Independent Auditor's Report to the Members of Golden Mile Resources Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Golden Mile Resources Limited ("the Company") which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- a) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the period then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

HLB Mann Judd (VIC Partnership)

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Key Audit Matter	How our audit addressed the key audit matter
<p>Exploration and evaluation asset Refer to Note 2 to the Financial Report</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Company capitalised acquisition costs of rights to explore and applies the cost model after recognition.</p> <p>Our audit focussed on the Company's assessment of acquisition costs and the carrying amount of the capitalised exploration and evaluation asset, because this is one of the significant assets of the Company. There is a risk that the acquisition cost is inaccurate and the capitalised expenditure does not meet the recognition criteria of the standard. In addition, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Testing the acquisition costs to areas of interest by evaluating the tenement sale agreements for consistency to the capitalisation requirements of the Company's accounting policies and the requirements of AASB 6; • We obtained an understanding of the key processes associated with management's review of the exploration and evaluation asset carrying values; • We considered the Directors' assessment of potential indicators of impairment; • We obtained evidence that the Company has current rights to tenure of its area of interest; • We examined the exploration budget for 2018 and discussed with management the nature of planned ongoing activities; • We enquired with management, reviewed ASX announcements and minutes of Directors' meetings to ensure that the company had not decided to discontinue exploration and evaluation at its area of interest: and • We examined the disclosures made in the financial report.

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the period ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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 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 judgement and maintain professional scepticism throughout the audit. We also:

- 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 15 of the directors' report for the period ended 30 June 2017.

In our opinion, the Remuneration Report of Golden Mile Resources Limited for the period ended 30 June 2017 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in blue ink, appearing to read 'HLB Mann Judd'.

HLB Mann Judd
Chartered Accountants

Melbourne
28 September 2017

A handwritten signature in blue ink, appearing to read 'Jude Lau'.

Jude Lau
Partner

**GOLDEN MILE RESOURCES LIMITED
SHAREHOLDER INFORMATION**

The shareholder information set out below was applicable as at 27 September 2017.

A. Distribution of Equity Securities – Ordinary Shares

Analysis of numbers of equity security holders by size of holding:

SPREAD OF HOLDINGS	NUMBER OF HOLDERS	NUMBER OF UNITS	% OF TOTAL ISSUED CAPITAL
1 - 1,000	7	1,554	0.00%
1,001 - 5,000	13	53,797	0.10%
5,001 - 10,000	63	598,939	1.16%
10,001 - 100,000	239	11,519,627	22.23%
100,001 and over	56	39,651,084	76.51%
TOTAL	378	51,825,001	100.00%

Based on the price per security, number of holders with an unmarketable holding: 8, with total 4,554, amounting to 0.01% of Issued Capital.

B. Distribution of Equity Securities – Share options

Analysis of numbers of equity security holders by size of holding:

SPREAD OF HOLDINGS	NUMBER OF HOLDERS	NUMBER OF UNITS	% OF TOTAL SHARE OPTIONS
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	-	-	-
10,001 - 100,000	12	613,334	8.34%
100,001 and over	7	6,736,666	91.66%
TOTAL	19	7,350,000	100.00%

C. Equity Security Holders – Ordinary Shares

Twenty largest quoted equity security holders. The names of the twenty largest holders of quoted equity securities are listed below:

NAME	ORDINARY SHARES NUMBER HELD	% OF ISSUED SHARES
Choo Koon Lip	7,500,000	14.47%
International Energy Equity Limited	6,000,000	11.58%
Peak Asset Management Pty Ltd <Peak Asset Management A/C>	1,640,000	3.16%
Harbinger Ville Limited	1,500,000	2.89%
Lee Quee Chiow	1,500,000	2.89%
Peter Leslie Cannavo	1,375,000	2.65%
Bruce Robert Legendre	1,250,000	2.41%
Nemex Pty Ltd	1,200,000	2.32%
CJC & GC Pty Ltd <CJC & GC FAMILY A/C>	1,003,561	1.94%
BNP Paribas Nominees <IB AU NOMS RETAIL CLIENT DRP>	916,367	1.77%
Green Mountain Investments Ltd	900,000	1.74%
HSBC Custody Nominees (Australia) Limited	830,000	1.60%

GOLDEN MILE RESOURCES LIMITED
SHAREHOLDER INFORMATION

Suburban Holdings Pty <SUBURBAN SUPERFUNDS A/C>	775,000	1.50%
Rogue Investments Pty Ltd	750,000	1.45%
Yeo Boon Chye	660,000	1.27%
Lee Wei Hao	650,000	1.25%
Mr Wei Hao Lee	650,000	1.25%
Citicorp Nominees Pty Ltd	606,750	1.17%
Chua Jun Xiong	600,000	1.16%
Australian Share Nominees Pty Ltd <AUSTRALASIAN HOLDINGS A/C>	525,000	1.01%

As at 27 September 2017, the 20 largest shareholders held ordinary shares representing 60.55% of the issued share capital.

D. Equity Security Holders – Share options

Largest quoted equity security holders.

The names of the largest holders of quoted equity securities are listed below:

NAME	SHARE OPTIONS NUMBER HELD	% OF ISSUED SHARE OPTIONS
Choo Koon Lip	2,000,000	27.21%
International Energy Equity Limited	2,000,000	27.21%
Peak Asset Management Pty Ltd <Peak Asset Management A/C>	970,000	13.20%
Rhoderick Gordon John Grivas	750,000	10.20%
Bruce Robert Legendre	550,000	7.48%
Nemex Pty Ltd	300,000	4.08%
Phillip James Grundy	166,666	2.27%
A & J Tannous Nominees Pty Ltd	100,000	1.36%
Ross Frederick Crew	100,000	1.36%
Aussie Networks Pty Ltd	50,000	0.68%
Strachan Corporate Pty Ltd	50,000	0.68%
WCAB Pty Ltd	50,000	0.68%
ABN IR Pty Ltd	50,000	0.68%
Shed Connect Pty Ltd	50,000	0.68%
News Arena Pty Ltd	50,000	0.68%
Alfred Frederick Andrei	50,000	0.68%
Mark Lous Lazzari	30,000	0.41%
Mohammed Faisal Mahboob	16,667	0.23%
Richard Edmund Rouse	16,667	0.23%

As at 27 September 2017, there were 19 share option holders.

Substantial Shareholders

Substantial holders in the Company are set out below:

NAME	ORDINARY SHARES NUMBER HELD	% OF ISSUED SHARES
Choo Koon Lip	7,500,000	14.47%
International Energy Equity Limited	6,000,000	11.58%

**GOLDEN MILE RESOURCES LIMITED
SHAREHOLDER INFORMATION**

NAME	SHARE OPTIONS NUMBER HELD	% OF ISSUED SHARES
Choo Koon Lip	2,000,000	27.21%
International Energy Equity Limited	2,000,000	27.21%
Rhoderick Gordon John Grivas	970,000	13.20%
Bruce Robert Legendre	750,000	10.20%

E. Voting Rights

The voting rights attached to equity securities are set out below:

Fully paid ordinary shares carry one vote per share and carry rights to dividends. On a show of hands every shareholder present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share options do not entitle the holder to vote at General Meetings.

F. Use of Cash

Cash and assets readily convertible to cash held by the Company at the time of admission to the Australian Stock Exchange are being used in a way consistent with its business objectives as set out in the listing prospectus.

G. Retriected Securities

At the date of this report, the following securities were placed in escrow voluntarily by the holders: -

TYPE OF SECURITY	NUMBER OF SECURITIES	END OF ESCROW PERIOD
ORDINARY SHARES	9,250,000	24 OCTOBER 2017
ORDINARY SHARES	600,000	20 APRIL 2018
ORDINARY SHARES	16,475,000	19 JUNE 2019
SHARE OPTIONS	1,000,000	24 OCTOBER 2017
SHARE OPTIONS	6,350,000	19 JUNE 2019

GOLDEN MILE RESOURCES LIMITED
SCHEDULE OF TENEMENTS

For the period ended 30 June 2017

PROJECT	TENEMENT	STATUS/GRANT DATE	EXPIRY DATE	% OWNERSHIP	SUBSEQUENT EVENTS
Ironstone Well	P37/8484	23/01/2015		100%	None
	P37/8610	20/04/2016	19/04/2020	100%	None
	P37/8611	20/04/2016	19/04/2020	100%	None
	P37/8612	20/04/2016	19/04/2020	100%	None
	P37/9047	Application		100%	None
	P37/9048	Application		100%	None
	P37/9049	Application		100%	None
	P37/9050	Application		100%	None
	P37/9051	Application		100%	None
	P37/9052	Application		100%	None
	P37/9053	Application		100%	None
	Leonora East	P37/7878	12/04/2011	11/04/2019	100%
P37/8223		21/03/2013	20/03/2021	100%	None
P37/8298		16/12/2013	15/12/2017	100%	None
P37/8299		16/12/2013	15/12/2017	100%	None
P37/8300		16/12/2013	15/12/2017	100%	None
P37/8301		15/08/2013	14/08/2017	100%	None
P37/8302		15/08/2013	14/08/2017	100%	None
P37/8303		15/08/2013	14/08/2017	100%	None
P37/8304		15/08/2013	14/08/2017	100%	None
P37/8305		16/12/2013	15/12/2017	100%	None
P37/8768		07/04/2017	06/04/2021	100%	None
P37/8769		06/04/2017	05/04/2017	100%	None
P37/8770		06/04/2017	05/04/2017	100%	None
P37/9054		Application		100%	None
P37/9055		Application		100%	None
P37/9056		Application		100%	None
P37/9057		Application		100%	None
P37/9058		Application		100%	None
P37/9059		Application		100%	None
Gidgee Project		E57/1039	19/07/2017		100%
	E57/1040-I	19/07/2017		100%	None
Kaikoura project	E37/1215	26/08/2015	25/08/2020	100%	None
	P37/8756	13/03/2017	12/03/2021	100%	None
	P37/8757	13/03/2017	12/03/2021	100%	None
Quicksilver Project	E70/4641	7/10/2014	6/10/2019	100%	None
Leonora North	E37/1225	01/12/2015	30/11/2020	100%	None
	P37/8285	16/04/2013	15/04/2021	100%	None
	P37/8286	16/04/2013	15/04/2021	100%	None
	P37/8287	16/04/2013	15/04/2021	100%	None
	P37/8288	16/04/2013	15/04/2021	100%	None
	P37/8762	06/04/2017	05/04/2021	100%	None
	P37/8763	06/04/2017	05/04/2021	100%	None

GOLDEN MILE RESOURCES LIMITED
SCHEDULE OF TENEMENTS

P37/8764	06/04/2017	05/04/2021	100%	None
P37/8765	06/04/2017	05/04/2021	100%	None
P37/8766	06/04/2017	05/04/2021	100%	None
P37/8767	06/04/2017	05/04/2021	100%	None

Board of Directors

Mr Timothy Putt (Executive Director)
Mr Rhoderick Grivas (Non-Executive Chairman)
Mr Phillip Grundy (Non-Executive Director)
Dr Koon Lip Choo (Non-Executive Director)

Company Secretary

Mr Justyn Stedwell

Registered Office

1B/205 – 207 Johnston Street
Fitzroy, VIC 3065 AUSTRALIA
Phone: (03) 9041 6663

Principal Place of Business

1B/205 – 207 Johnston Street
Fitzroy, VIC 3065 AUSTRALIA

Share Registry

Automic Registry Services
Level 3, 30 Holt Street
Surry Hills, NSW 2012, AUSTRALIA
Telephone: 1300 288 664 (local) +61 2 9698 5414 (international)

Auditor

HLB Mann Judd
Level 9, 575 Bourke Street
Melbourne VICTORIA 3000 AUSTRALIA

Independent Geologist

SRK Consulting (Australasia) Pty Ltd
Level 1, 10 Richardson Street
West Perth, WA 6005, AUSTRALIA

Solicitors to the Company

Moray & Agnew Lawyers
Level 6, 505 Little Collins Street
Melbourne, VIC 3000, AUSTRALIA

Independent solicitor reporting on tenements

Kings Park Corporate Solicitors
Level 2, 45 Richardson Street
West Perth, WA 6005, AUSTRALIA

Stock Exchange Listing

Golden Mile Resources Limited shares are listed on the Australian Securities Exchange, code G88.