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INDIORE LIMITED

(formerly NSL Consolidated Limited)

ACN 057 140 922

Annual Report

for the year ended
30 June 2018

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CORPORATE DIRECTORY

Directors	J Muir *Non-Executive Chairman (resigned 31 August 2018)* P I Richards B. Comm *Non-Executive Director (resigned 31 August 2018)* *Non-Executive Chairman (appointed 31 August 2018)* C F Goode MBA *Managing Director / CEO (resigned 31 August 2018)* *P Linford* *Non-Executive Director* R J Betros *Non-Executive Director (appointed 19 April 2018)* N Senapati *Non-Executive Director (appointed 28 September 2018)*
Company Secretary	S P Henbury T Lee (*appointed Joint Company Secretary18 May 2108*)
Registered Office	c/- Armada Accountants & Advisors 18 Sangiorgio Court Osborne Park WA 6017 Telephone: (08) 6165 4000 Facsimile: (08) 6165 4067
Corporate Office	Suite 2, Level 1 14-16 Rowland Street SUBIACO WA 6005 Telephone: (08) 6165 4120 Facsimile: (08) 6165 4067
Web Site Address	www.indiore.com
Share Registry	Security Transfer Registrars 770 Canning Highway Applecross WA 6153 Telephone: (08) 9315 2333 Facsimile: (08) 9315 2233
Auditors	BDO Audit (WA) Pty Ltd 38 Station Street Subiaco WA 6008
Solicitors to the Company	Steinepreis Paganin Lawyers and Consultants Level 4, The Read Buildings 16 Milligan Street PERTH WA 6000
Stock Exchange Listing	IndiOre Limited's shares and options listed on the Australian Securities Exchange and Frankfurt Stock Exchange Australian Securities Exchange Share Code: IOR Frankfurt Stock Exchange Code: 2NC

CHAIRMAN'S LETTER

Dear Shareholders,

I am pleased to be presenting you with the IndiOre Ltd Annual Report for the financial year ended 30 June 2018 ("FY 2018"), in this my second tenure as your Chairman.

Despite many setbacks, the back end of FY 2018 saw IndiOre make significant progress towards becoming a leading iron ore mining and beneficiation business in the Cuddapah Basin in the state of Andhra Pradesh.

As I am sure our shareholders will have noted, a detailed operational review was completed shortly after the financial year ended. This provided a clear assessment of what is required to deliver the Phase 3 Expansion of the Kurnool beneficiation plant on time and on budget, and ready for commissioning in H1 2019.

The purpose of this review was to determine the best approach towards de-risking and accelerating the Phase 3 Expansion in order to underpin the long-term operational stability of the Kurnool plant.

I am pleased to report that a number of key learnings, both positive and hard earned, have been applied to the Phase 3 Expansion, with the required engineering and project management skills, processes and funding now in place to execute on our operational objectives.

A clear focus for the business has also been on ensuring the right personnel are on the ground in India driving the expansion, highlighted by the appointment of John Clayton as Project Director. Adding further depth in this area is our partnership with leading engineering procurement and construction company Essar Projects. Essar has a first-class track-record in delivering large-scale projects and their input and on-site presence during this expansion process will be vital.

I must also commend our in-country management team for their tireless efforts towards continually improving safety standards across all areas of the business, with no injuries or Lost Time Incidents (LTI's) recorded during FY 2018. The safety and wellbeing of all IndiOre employees is paramount and will continue to be our main priority during the expansion.

Further, our team has established and maintained relationships with important customers including Minera Steel & Power Pvt Ltd, JSW Steel and BMM Ispat Ltd, and with a healthy dialogue in place we look forward to growing these partnerships as we enter the Phase 3 Expansion.

The Company established a sound financial position during the year, due largely to the continued support from our major shareholder and well-respect Australian institution, First Samuel. This support provides all shareholders confidence that the foundations and development pathway in place for the Company are indeed solid.

In line with our focus on our Indian operations, the decision was also made to change the Company's name to IndiOre Ltd and to consolidate the Company's issued capital. We believe that new our name is a much stronger representation of our operational ambitions, and that share consolidation is a strategic step towards further institutionalising our register.

I would like to extend my thanks to former Managing Director Cedric Goode and former Chairman Jock Muir who both departed the Company in late August. Their passion and commitment was always unquestionable and I wish them all the very best in their future endeavors.

Finally, I would like to take this opportunity to thank all our shareholders, our management team and my fellow board members for their ongoing supports. Although FY 2018 was not without its challenges, the Company was able to navigate these headwinds and as a result we enter the upcoming year with optimism and are well placed to deliver real value to our shareholders.

Peter Richards

Chairman

DIRECTORS' REPORT

The Directors of IndiOre Limited (formerly NSL Consolidated Limited) (the Company or IndiOre) present their report on the consolidated entity (referred to hereafter as the Group), consisting of IndiOre Limited and the entities it controlled at the end of, and during, the financial year ended 30 June 2018.

DIRECTORS

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

Jock Muir	Chairman /Non-Executive Director (resigned 31 August 2018)
Peter Richards	Non-Executive Director (appointed Chairman 31 August 2018)
Cedric Goode	Managing Director/CEO (resigned 31 August 2018)
Peter Linford	Non-Executive Director
Raymond Betros	Non-Executive Director (appointed 19 April 2018)
Nik Senapati	Non-Executive Director (appointed 28 September 2018)

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was review, assessment, exploration, development, beneficiation and strategic investment in Indian iron ore.

DIVIDENDS

The Directors do not recommend the payment of a dividend and no amounts have been paid or declared by way of dividend since the start of the financial year.

OPERATING AND FINANCIAL REVIEW

Strategy

IndiOre is currently undertaking the Phase 3 Expansion of the Company's wet beneficiation plant located in the Kurnool District of Andhra Pradesh, India, which upon completion aims to significantly increase the production rate to ~500,000 tpa of iron ore concentrate.

During the year in review, the Phase 2 wet beneficiation project achieved design throughput, grade and yields in November 2017, producing a premium filter cake by beneficiating low grade iron ore from as low as 30% Fe up to 58-62% Fe.

Following a detailed operational review, the Company made the prudent decision to narrow its focus, utilise the learnings of the Phase 2 commissioning, and deploy resources towards accelerating the delivery of the Phase 3 Expansion. This process includes retrofitting components of the existing Phase 2 plant with improved technology and process controls which is expected to significantly improve operational efficiencies of the expanded facility.

KEY DEVELOPMENTS 2018

Significant milestones achieved during the 2018 financial year:

Financial Support Secured

- Financing secured through large Australian financial institution First Samuel, who completed a $5 million strategic equity investment into the Company in September 2017 to become a major shareholder.
- Additional $10 million secured in May 2018 – including a further $5 million investment from First Samuel.

OPERATING AND FINANCIAL REVIEW (Continued)

- Post period end, a further $6 million was committed by First Samuel via a convertible note facility, which along with existing cash reserves will underpin the completion of the Phase 3 Expansion project and
- provide working capital to support commissioning.

Focus on Phase 3 Expansion

- Key onsite appointments finalised, including the appointment of John Clayton as Project Director to oversee the Expansion, and leading engineering procurement and construction company Essar Projects to undertake the detailed engineering and design of the Expansion project.
- Key long lead items have been ordered from Chinese manufacturers: wet low intensity magnetic separators and wet high intensity magnetic separators expected to arrive on site in November, with Ball Mills due for arrival in December 2018.
- Project schedule remains on-track with commissioning set to be undertaken in H1 2019.

Key Marketing Agreements

- Improved sales pricing and increased order volumes secured with key customers Minera Steel & Power Pvt Ltd, JSW Steel and BMM Ispat Ltd.

Iron Ore – India

KURNOOL IRON ORE BENEFICIATION PLANT

FY 2018 allowed the Company to make significant steps forward in both plant performance and stability, and customer engagement and sales. The Indian management team was able to maintain a strong focus on safety during this period, with strong results across key performance indicators.

Of special focus during the year was the positive results of no injuries or Lost Time Incidents (LTI's). Given the complexity of new operations in remote parts of India this is a testament to the team on site who are continuing to focus on embedding a strong safety culture as we progress into Phase 3.

Significant progress was made on mining operations with a contractor agreement executed in February 2018 for the purchase and deployment of a new mining fleet to site. The fleet began operations at the AP26 and Mangal mines in April 2018.

In July 2018, the Company successfully finalised agreements for the manufacture and supply of the long lead items from China. This includes large-scale ball mills and the magnetic separators. It is anticipated that initial long lead items such as Wet and dry drums and vertical high intensity separators and Ball Mills are expected to arrive on site in Q4 2018.

The project schedule for the Phase 3 Expansion remains on-track with commissioning set to be undertaken in H1 2019.

MARKETING AND OFFTAKE

IndiOre continued to secure strong sales pricing and increased order volumes with key customers, including Minera Steel & Power Pvt Ltd, JSW Steel and BMM Ispat Ltd. Looking ahead, the Board is committed to solidify these sales channels ahead of the expanded production from the Phase 3 Expansion.

Minera Steel & Power Pvt Ltd

In July 2017, sales to Indian domestic steel producers commenced after the Company advised it received advance payment from Minera for the supply of 5,000 tonnes of 60/61% Fe filter cake (wet plant product).

OPERATING AND FINANCIAL REVIEW (Continued)

Following this initial transaction, both the Company and Minera implemented a recurring business cycle of regular advance payments which continued through the reporting period.

BMM Ispat Ltd

In October 2017, the Company expanded its customer base with the receipt of a 5,000-tonne purchase order from BMM for the supply of premium filter cake grading 59-61% Fe.

JSW Steel

IndiOre's sales pipeline was further expanded in November 2017, with the receipt of a 4,000-tonne purchase order from JSW for premium filter cake grading 58-60% Fe. The order was part of a broader offtake agreement signed with JSW for up to 200,000 tonnes per annum of IOR's wet plant concentrate.

JSW is India's leading private sector steel producer and among the world's most illustrious steel companies. It is a circa $9 billion global conglomerate spread over six locations in India and a footprint that extends to the US, South America and Africa.

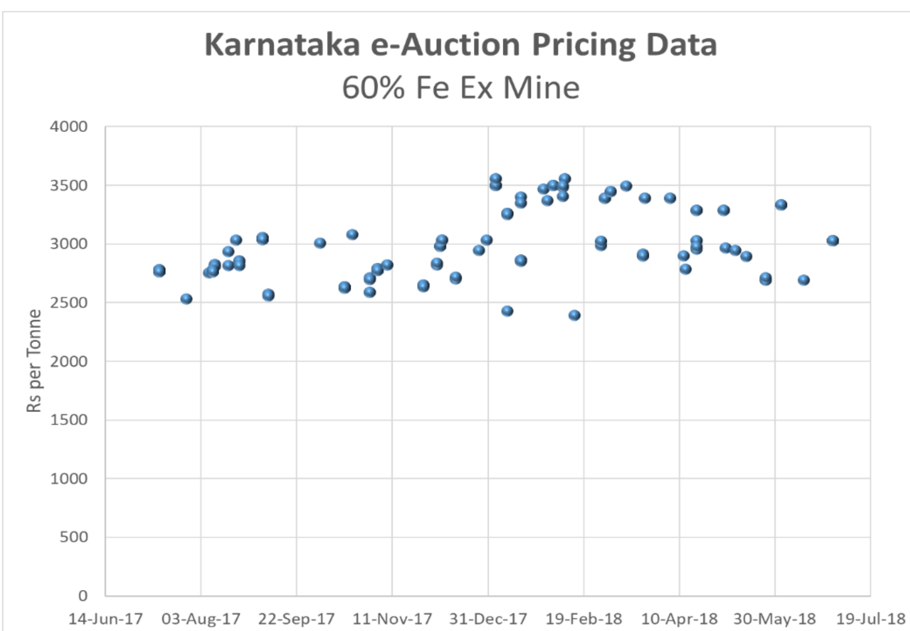
The JSW steel complex is approximately 160kms from IOR's operations and located within the Hospet region of Karnataka, southern India's main steel producing belt. Production facilities include a Beneficiation Plant, Pellet Plant, Coke Plant, Hot Metal Plant, Steel Plant, Mill Plant and a R&D Facility.

Indian Domestic Iron Ore Market Overview

IndiOre's customer base in India is defined by the geographical access to iron ore. The South Indian steel industry is established around the mines in Karnataka, the neighbouring state to our Andhra Pradesh operations.

The Karnataka pricing mechanism is itself defined whereby every tonne of iron ore sold into the market must be done through an online auction process. This allows for a high degree of transparency in the market prices for iron ore.

The following chart shows the past 12 months of e-auction data for 60% Fe fines sold in Karnataka as published by the State Government.

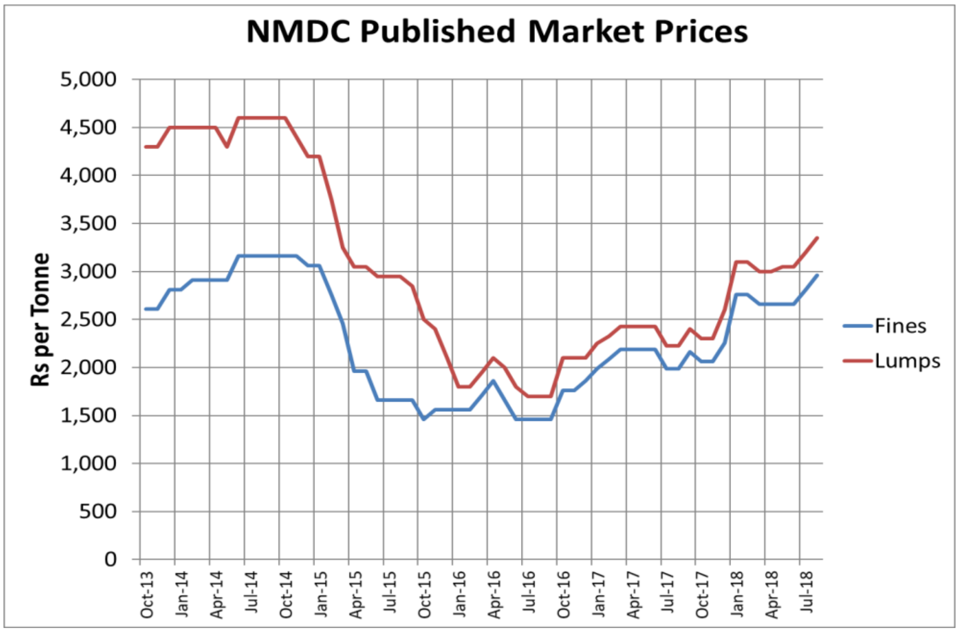


Karnataka e-auction sales pricing FY18

OPERATING AND FINANCIAL REVIEW (Continued)

The second key parameter in understanding the market pricing dynamics is through the NMDC published pricing data. NMDC, as a publicly listed company and the largest producer of iron ore in India sets pricing each month for lumps and fines across the country, in effect setting a benchmark price for the industry.

The following chart shows the NMDC published prices as released to the Bombay Stock Exchange (BSE) for the past five years. This pricing does not include taxes, royalties and other charges that would make up the final ex mine gate prices.

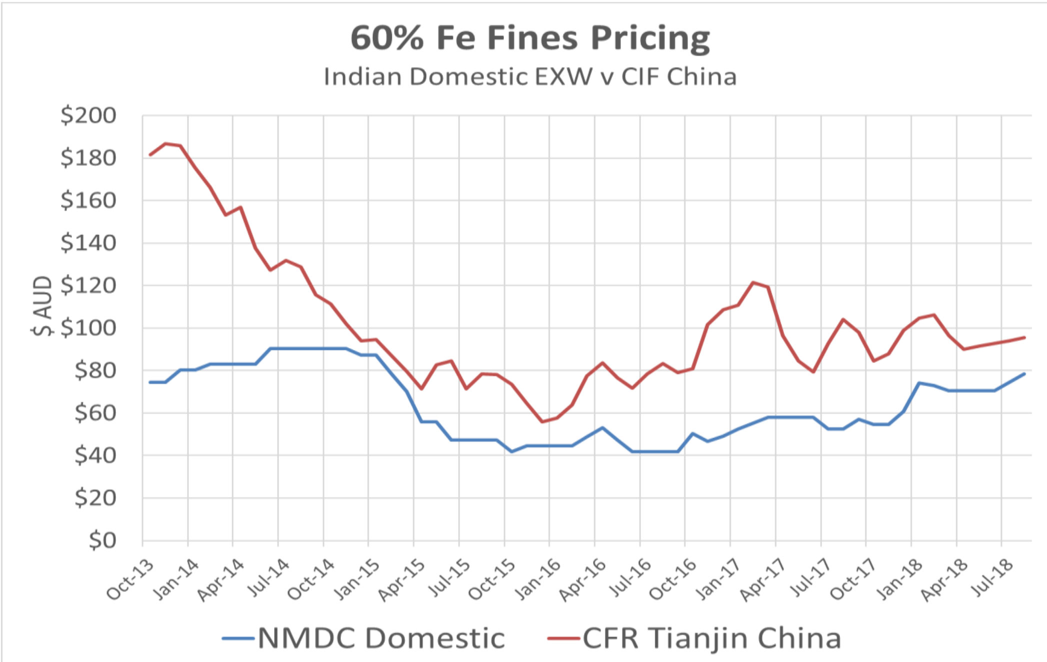


Karnataka e-auction v global CIF China pricing

Imports of iron ore into Karnataka is sporadic and represents less than 10% of the market demand. The reasoning behind this lack of penetration is dependent on the distance of the steel mill from the coast. If we consider South India's largest consumer of iron ore, JSW, then the landed import price is a combination of the seaborne price plus import duty, freight and logistics, which means southern India is unable to import for less than current market pricing.

This has been a driver in the linkages between global and south Indian market pricing for iron ore. The following chart shows the historical relationship between the two data sets (noting this has been set at 60% Fe equivalent).

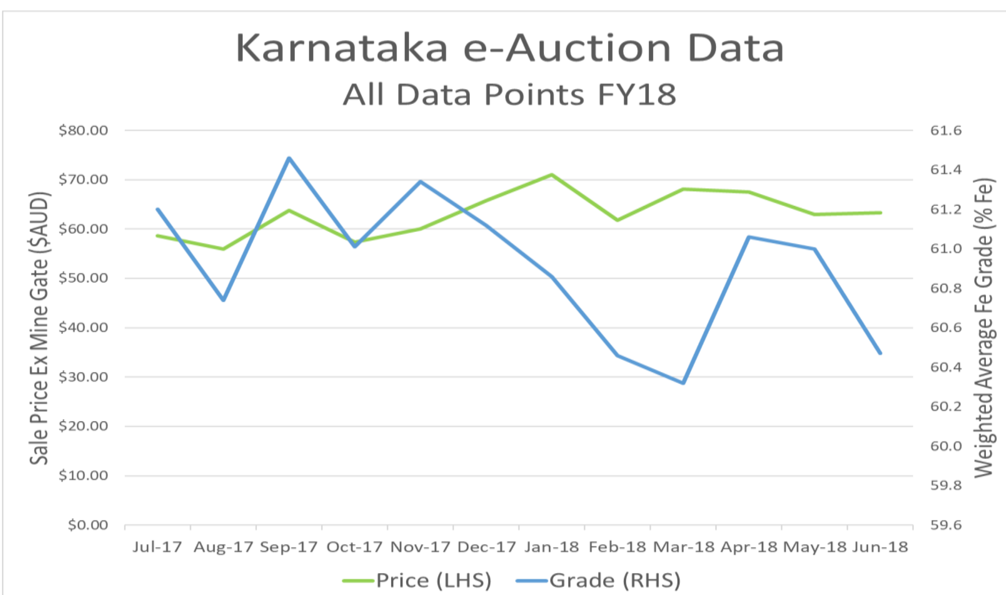
OPERATING AND FINANCIAL REVIEW (Continued)



Karnataka e-auction monthly tonnes and grade

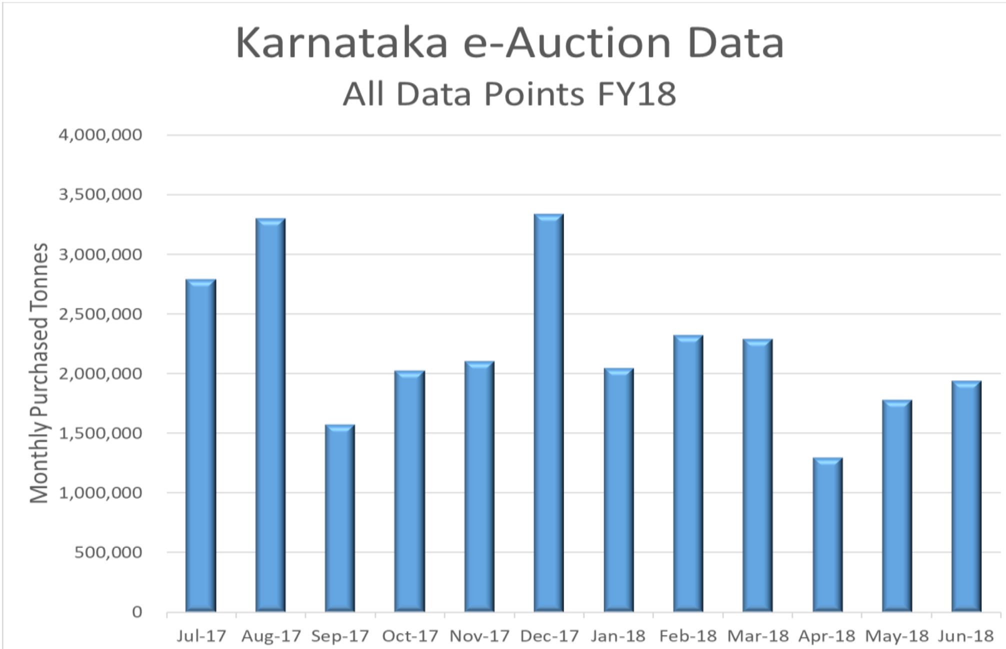
The final key aspect from the publicly available information is to understand the quality of iron ore being purchased in the market.

The following chart shows the weighted averages for Fe grade purchased each month through auction, against the average cost per tonne ex mine gate for the month. This has been converted to AUD assuming an exchange rate of 50 for INR: AUD.



Karnataka e-auction monthly sales price and grade

OPERATING AND FINANCIAL REVIEW (Continued)



Karnataka e-auction monthly sales price and grade

In total across Karnataka a total of 26,768,918 tonnes of iron ore were sold at auction, with an average grade of 61.03% Fe and an average sale price of $62.60. Important to note is that JSW have purchased 16.8mt through this auction process, representing almost 63% of the entire market.

The data provided from FY2018 supports the IOR business plan in both pricing and market quality expectations, and our focus on a number of large-scale consumers aims to minimise forward marketing risk for the Indian operations.

MEMORANDUM OF UNDERSTANDING WITH ANDHRA PRADESH GOVT

Negotiations continue to progress pertaining to the Memorandum of Understanding (MoU) with the Government of Andhra Pradesh (GoAP) for collaboration in the mining, beneficiation and value addition of low grade iron ores that are abundant in the State. The Company continues to work closely together in identifying land to be utilised in each of the 1 million tonne per annum standalone plants.

Furthermore, progress was made on an allotment of 98 acres of land for the planned P4 expansions, and also in finalising the handover of 1,000 acres of land as previously committed by the GoAP for future pellet and steel production.

Corporate

STRATEGIC INVESTMENT BY CORNERSTONE INVESTOR

In September 2017, First Samuel – a significant Australian-based financial institution - completed a $5 million strategic cornerstone investment. The funds were deployed towards additional working capital for the Phase 2 wet beneficiation plant, as well as the ramping up of mining operations and funding towards the Phase Three Expansion project.

In May 2018, the Company received firm commitments from institutional investors to raise A$10 million through an equity placement. As part of this placement, First Samuel committed a further A$5 million.

OPERATING AND FINANCIAL REVIEW (Continued)

Post-period end, IndiOre secured an additional $6 million via a convertible note facility from shareholder First Samuel which, along with existing cash reserves, will underpin the completion of the Phase 3 Expansion project and provide working capital to support commissioning.

Following a review of the detailed design and engineering work, IOR has updated the forecast capital requirement to complete the Expansion to A$11 million. The cost will also include retrofitting components of the existing Phase 2 plant which the Company expects will significantly improve operational efficiencies of the expanded facility.

NAME CHANGE APPROVED BY SHAREHOLDERS

Following the Extraordinary General Meeting held on 28 June 2018, the Company's shareholders voted to change the name to IndiOre Limited, aligning the Company's business focus and operations. As a result, the Company's ASX code has now changed to IOR.

BOARD CHANGES

On 31 August 2018, the Company advised that Managing Director and Chief Executive Officer Mr. Cedric Goode tendered his resignation due to personal reasons, and Mr. Jock Muir resigned as Non-Executive Chairman and replaced in the role by Non-Executive Director Mr. Peter Richards. The Company commenced the executive search process for appointing a new Chief Executive Officer.

On April 19, the Company appointed Mr. Raymond Betros as a non-executive director to the board.

Mr. Betros is a qualified Chemical Engineer who has extensive experience in senior executive roles specialising in international business, project development and technical management in mining and oil and gas.

JOINT COMPANY SECRETARY APPOINTED

The Company appointed Mr. Tim Lee as joint Company Secretary in May 2018.

Mr Lee has over 13 years' experience in the corporate sectors, with extensive experience in the areas of corporate finance, equity capital markets, corporate governance statutory and regulatory reporting and compliance, dealing with the ASX, ASIC and other authorities for both listed and private corporations.

FINANCIAL ASSISTANCE DEEMED LOANS REPAID IN FULL

On 30 December 2016, the Board agreed to provide financial assistance to CEO Mr Cedric Goode and COO, Mr. Sean Freeman, totalling $957,500. The loans were in order to assist Mr Goode and Mr. Freeman to exercise their options expiring 31 December 2016. No actual funds were provided by the Company.

During the period, the loans have been repaid in full, including associated interest.

GST CREDIT AVAILED

During the year, an application for a GST Credit in relation to excise duty paid on the import of the Phase two plant capital components was submitted. Approval was successfully obtained, and the Company was granted a GST credit under the GST transition period in India, totalling INR 15,271,831. The Company is utilising the GST credit against current and future GST obligations.

The Company also commenced and has lodged an application for concessional rates on import duty on future capital imports in relation to the Phase 3 wet beneficiation plant Expansion.

OPERATING AND FINANCIAL REVIEW (Continued)

LEGAL NOTICE

The Company was pleased to announce that on 9 February 2018, her Honour Justice Banks-Smith handed down her judgment relating to the ongoing dispute brought against the Company by Coal Hub and Subiaco Capital.

As previously disclosed, the Company received a writ of summons in relation to a Coal Acquisition Agreement dated 15 June 2011 with Birmanie Nominees Pty Ltd (the vendor under the agreement) relating to 4 coal EPCs in Queensland. The writ alleged that IOR had failed to meet various obligations under the Coal Acquisition Agreement.

The trial concluded on 10 August 2017 and her Honour Justice Banks-Smith found that IOR did not repudiate the Agreement, and whilst IOR breached an implied term by certain delays on its part in the circumstances its conduct was not of the nature of a repudiatory breach, therefore Coal Hub is entitled to nominal damages in the sum of $1,000.

Coal Hub's claim was otherwise dismissed.

Following the judgment of her Honour Justice Banks-Smith handed down on 9 February 2018 the issue of legal costs was referred to a judge to be determined in chambers on a date to be fixed.

The Company has made an application to seek contribution to its legal costs from Coal Hub, Subiaco Capital and its two directors, pursuant to a personal undertaking as to costs and is awaiting the issue of costs to be determined.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

At reporting date, the Company incurred a total comprehensive loss after interest, taxation, depreciation, amortization and impairment of $15.62 million (2017: $4.74 million).

Impacting the net loss of $15.62 million for the year were the following significant non-cash items:

- Depreciation charges of $0.66 million;
- Impairment of Development costs of $11.72 million; and
- Share-based compensation of $0.527 million.

STATEMENT OF FINANCIAL POSITION

Total assets at reporting date were $14.71 million. The following significant items impacted on assets:

- Cash and cash equivalents of $9.79 million;
- Receivables of $1.94 million; and
- Additions of property, plant and equipment of $0.383 million.

Total liabilities at reporting date were $2.73 million.

Total equity attributable to shareholders increased by $0.292 million to $11.97 million due primarily to:

- An increase in share capital due to capital raisings, loan conversions and/or loan utilisation fees totaling $16.4 million;
- Offset by an increase in accumulated losses totaling $15.59 million, which includes a non-cash impairment of $11.71 million.

OPERATING AND FINANCIAL REVIEW (Continued)

STATEMENT OF CASH FLOW

Consolidated cash flows from operating activities resulted in a net cash outflow of $2.09 million, representing a decrease of $2.43 million from the prior year primarily relating to payments to suppliers and employees.

Net cash outflows from investing activities resulted in a net cash outflow of $4.15 million due primarily to payments associated with property, plant and equipment and mine development.

Net cash inflows from financing activities resulted in a net cash inflow of $15.07 million primarily due to proceeds received from capital raisings and loan conversion/drawdowns/repayments.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than disclosed elsewhere in the annual report, there were no significant changes in the State of Affairs of the Company.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

Operation update and acceleration of P3 expansion

Subsequent to the end of the financial year, IndiOre Ltd provided an update on its Phase 3 Expansion project currently underway at the Company's Kurnool wet beneficiation plant in India.

The Phase 3 Expansion aims to significantly increase the production rate at the Kurnool plant to ~500,000 tpa of iron ore concentrate.

The Company successfully negotiated and executed agreements for the manufacture and supply of the Expansion's long lead items from China. The components in question are large-scale ball mills with associated equipment and the magnetic separators. It is anticipated long lead items will be delivered to site over Q3 and Q4 2018.

In addition to the purchasing activities, the Company has applied for Chinese low cost (6.83% pa) export credit financing of approximately A$1.1m of goods, after progressing successfully through the first and second stages of the credit financing process.

A recently completed review of the business focused on how best to accelerate and de-risk the timelines and costs associated for the project to be commissioned in Q1 2019.

The expansion also includes retrofitting components of the existing Phase 2 plant with improved technology and process controls which the Company expects will significantly improve operational efficiencies of the expanded facility.

The expanded plant reflects the learnings from the existing plant. To incorporate these improvements and the accelerated expansion, the retrofitting process will commence in late July, fulfilling a requirement to defer production and recommence in line with the acceleration of the expansion.

Additional advantages include providing the safest possible working environment, fast-tracking civil construction works, electrical works and the immediate removal of redundant equipment from the plant area.

To achieve improved plant performance and incorporate Phase 2 learnings, IOR has invested significantly in several key areas to provide higher certainty regarding the project expansion outcomes, including;

- The purchase of additional large-scale equipment;
- Implementation of improved process and control technologies and equipment;
- Appointment of additional highly experienced project management staff; and
- Appointment of Tier One engineering, design and project management expertise.

OPERATING AND FINANCIAL REVIEW (Continued)

$6mil Convertible note with First Samuel

As announced on 31 August 2018, strategic cornerstone investor First Samuel has provided the Company with a $6m convertible note facility to fund the increased Phase 3 expansion projects capital cost estimate and working capital requirements. Key terms to the transaction are:

Amount: A$6m

Term: 3 Year facility – repayable early at the Company discretion

Interest rate: 10%pa compounding & accruing

End of term payment: +A$1m (to face value)

End of term payment amount (at any stage up to 3 years): Face Value + Interest Accrued + A$1m payment.

End of 3-year term payment form either: Cash or shares (Company discretion).

Shares: The share amount will be determined by then share price (1-month VWAP immediately before end of term) less a 15% discount.

Cash: As per the end of term payment amount above (i.e. A$9m).

Early repayment form: Cash only – unless directed by First Samuel (at which point we could elect shares as per the end of term details).

Tranching: The debenture will be tranched in draw down amounts of $2m, $2m, $1m & $1m (total $6m). This cash will be made available within 5 days' notice from the Company of its requirement.

Importantly, First Samuel and IndiOre are committed to strengthening relations and working together on the near-term expansion projects, and towards the medium-term production goal of 2.5 million tonnes per annum of iron ore concentrate.

First Samuel is a Melbourne based, Investment Manager. It was founded in 1999 and currently has more than A$600 million in funds under management. Investing typically on a long-term (+5 year) basis, across asset classes, it has delivered superior returns for its clients throughout its 17-year history. For more information on First Samuel please visit https://www.firstsamuel.com.au/

Share consolidation and change of company name

During the 30 June 2018 period, the Company was granted shareholder approval to complete a consolidation of Share Capital on a 15 to 1 basis. The approval was granted at an EGM held on 28 June 2018. The consolidation was completed on 16 July 2018, with 3,388,170,381 shares on issue now on a post consolidated basis totalling 225,879,182 shares on issue.

Board Changes

As announced, the company advised of the following board changes:

Non-Executive Chairman:

- Jock Muir (resigned 31 August 2018)
- Peter Richards (appointed 31 August 2018)

Non-Executive Director:

- Peter Richards (resigned 31 August 2018)
- Cedric Goode (resigned 31 August 2018)
- Nik Senapati (appointed 28 September 2018)

INFORMATION ON DIRECTORS

The Directors of the Company at any time during or since the end of the financial year are set out below, together with details of qualifications, experience and responsibilities.

J Muir. Non-Executive/Chairman
Appointed as a Non-Executive Chairman on 5 April 2017, resigned 31 August 2018

Experience and expertise
Mr. Muir brings more than 41 years' experience in global mining and mining services. Jock held the position of Non-Executive Director of Dyno Nobel Ltd, an ASX 200 company. In his 15-year career with Dyno Nobel, Mr Muir also held the positions of Managing Director of the Asia Pacific Region, Senior Vice President for Global Initiation Systems (based in the USA) and Senior Vice President for Global Marketing and Business Development. His experience in these roles included the development of new businesses in China and Russia. Prior to Dyno Nobel Mr Muir held the position of Managing Director of Mitchell Cotts Australia, a subsidiary of a British public company, specialising in mining services and process engineering. Since his career in executive management Mr Muir has been involved in consulting and directorships, including 5 years as Chairman of Barminco Ltd.

Other current directorships
Nil

Special responsibilities
Non- Executive Chairman

Interest in shares and options
483,334 shares (post consolidation) in IndiOre Ltd

P I Richards B. Comm. *Non-Executive Director*
Appointed as a Non-Executive Director on 13 August 2009
Resigned as Non-Executive Chairman on 5 April 2017
Appointed as a Non-Executive Chairman on 31 August 2018

Experience and expertise
Mr Richards has more than 38 years of business and international experience with global companies including BP plc, Wesfarmers Limited, Dyno Nobel Limited and Norfolk Holdings Limited. Most recently he was CEO of Norfolk and was previously CEO of Dyno Nobel prior to its takeover in 2008. During his time with Dyno Nobel, Peter successfully led the Asia Pacific operation based in Sydney and then the North American business unit based in Utah, USA. After becoming CEO, Peter expanded the business into China, Southern Africa and Europe while continuing to build upon its core Australian and North American operations. Peter's experience has afforded significant exposure to the investment, broking and analyst community.

Other current directorships
Emeco Holdings Limited
GrainCorp Limited
Cirralto Limited

Special responsibilities
Non-Executive Director.

Interest in shares and options
5,650,629 shares (post consolidation) in IndiOre Ltd

INFORMATION ON DIRECTORS (Continued)

C F Goode MBA. *Managing Director/Chief Executive Officer*
Appointed as a Managing Director / CEO on 1 December 2008
Resigned as a Managing Director / CEO on 31 August 2018

Experience and expertise
Mr Goode brings more than 25 years of mining industry experience. With industry experience focussed in the Iron Ore, Coal and Gold sectors Mr Goode has held a variety of technical, commercial, operational and strategic roles both domestically and internationally with mining and mining services companies. Mr Goode has a proven track record in global strategic planning, global new business acquisitions, merger integration, joint venture establishment and profit and loss responsibility.

Other current directorships
None

Former directorship in last 3 years
None

Special responsibilities
Managing Director

Interest in shares and options
3,577,940 shares (post consolidation) in IndiOre Ltd

P Linford. *Non-Executive Director*
Appointed as a Non-Executive Director on 10 February 2014

Experience and expertise
Peter Linford is the CEO of NaSAH Pty Ltd and OGM Technical Institute Pty Ltd now established in Australia. Together both companies bring world recognised contracting expertise and workforce skills to meet global demand and importantly, provide the necessary experience to support the development of skills and expertise internationally as well as in Australia.

NaSAH Pty Ltd has been established to supply industrial EPC contracting capability, developed through Nasser S. Al Hajri Corporation, for LNG, resources and mining projects in Australia.

Mr Linford has worked in senior Australian Government roles such as the Senior Trade & Investment Commissioner South Asia and as Consul General and Senior Trade & Investment Commissioner Middle East and North Africa.

Other current directorships
Nasah Australia Pty Ltd
OGM Technical Institute Pty Ltd

Special responsibilities
None

Interest in shares and options
2,791,233 shares (post consolidation) in IndiOre Ltd

INFORMATION ON DIRECTORS (Continued)

R Betros. *Non-Executive Director*
Appointed as a Non-Executive Director on 19 April 2018

Experience and expertise
Mr Betros is a qualified Chemical Engineer with a Post Graduate Diploma, Process Plant Project Engineering and has extensive experience in senior executive roles specialising in international business, project development and technical management in mining and oil and gas. Raymond possesses a significant depth and breadth of experience in forming and leading multi-disciplinary teams to undertake large scale ventures involving complex interrelated activities and is grounded in technical and project management expertise, which includes commercial, business development and risk management areas.

Mr Betros has a long history in the engineering and oil and gas service industries, including with companies, Santos, BG Group and BHP Billiton.

Other current directorships
None

Former directorship in last 3 years
AWE Ltd

Special responsibilities
None

Interest in shares and options
Nil shares in IndiOre Ltd
333,334 unlisted options (post consolidation) in IndiOre Ltd

N Senapati. *Non-Executive Director*
Appointed as a Non-Executive Director on 28 September 2018

Experience and expertise
Dr Senapati is the Honorary advisor to Federation of Indian Chambers of Commerce and Industry (FICCI) in Australia and is an advisor to Dua Associates and Consulting in New Delhi. Nik is also the President of the Australia India Business Council in Queensland. Until 2015 Nik was country head of Rio Tinto in India, a role that he held for almost 10 years.

Nik is a geologist and has spent over 35 years in the mining industry with roles in exploration, operations, strategy and external relations. He chaired the mining committee of Confederation of Indian Industry, was instrumental in establishing the Sustainable Mining Initiative for the Indian mining industry and initiated the Skills Council in the Mining Sector. Nik was educated in India, Australia and as a Rhodes Scholar in the UK.

Other current directorships
None

Former directorship in last 3 years
None

Special responsibilities
None

Interest in shares and options
Nil shares in IndiOre Ltd
Nil unlisted options in IndiOre Ltd

COMPANY SECRETARY

The Company has joint Company Secretaries.

The Company secretary is Mr Sean P Henbury. Mr Henbury was appointed to the position of the Company secretary in 2007, Mr Henbury (FCA, FITA) is a Chartered Accountant with over 21 years' experience in public practice with three of Perth's major Accounting firms.

Sean is a Director at Armada Accountants & Advisors with over 20 years' experience in public practice with four Perth Accounting firms. He has provided client support across a wide range of industries including mining, exploration, research and development, retail, construction and manufacturing. His primary areas of expertise include taxation consulting, taxation compliance, corporate restructuring, financial reporting, and Company secretarial requirements. He has been the company secretary of a number of publicly listed companies and is regularly called upon to advise Directors of their duties.

Sean is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand, a Chartered Tax Adviser and Member of The Tax Institute, as well as a registered Tax Agent and a registered Self-Managed Superannuation Fund Auditor.

Mr Tim Lee was appointed joint company secretary on 18 May 2018.

Mr Lee has over 13 years' experience in the corporate sector, with extensive experience in the areas of corporate finance, equity capital markets, corporate governance, statutory and regulatory reporting and compliance, dealing with the ASX, ASIC and other authorities for both listed and private corporations. Mr Lee is a certified member of the Governance Institute of Australia and is also a member of the Institute of Chartered Accountants Australia.

MEETINGS OF DIRECTORS

The number of meetings of the Company's board of directors and of each board committee held during the year ended 30 June 2018, and the numbers of meetings attended by each director were:

Name	Board		Audit Committee		Remuneration Committee		Other (include details)	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
J Muir (1)	25	24	1	1	-	-	-	-
P I Richards (2)	25	23	2	2	-	-	-	-
C F Goode (3)	25	24	2	2	-	-	-	-
P Linford	25	20	2	2	-	-	-	-
R Betros (4)	1	-	-	-	-	-	-	-

(1) resigned as Non-executive Chairman 31 August 2018
(2) appointed as Non-executive Chairman 31 August 2018
(3) resigned as chief executive officer / managing director 31 August 2018
(4) appointed as Non-executive 19 April 2018

The audit committee and remuneration committee functions are performed by the full board. Please refer the Corporate Governance Statement section under the heading Principle 2: Structure the Board to add value.

REMUNERATION REPORT – AUDITED

This remuneration report sets out remuneration information for the Company's non-executive directors, executive director and other key management personnel.

Directors and executives disclosed in this report

Name	Position
Non-executive and executive directors – see page 15 to 17 above	
Other key management personnel of the Group.	
S M Freeman	Chief Operating Officer
T K S Lee	Financial Controller / Company Secretary

Remuneration Governance

Role of the remuneration committee
The remuneration committee is a committee of the board. It is primary responsible for making recommendation to the board on:

- non-executive director fees
- executive remuneration (directors and other executives), and
- the over-arching executive remuneration framework and incentive plan policies.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with long-term interests of the Company.

The Corporate Governance Statement provides further information on the role of this committee.

Principles used to determine the nature and amount of remuneration

Non-Executive Director
Fees and payments to the non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board. The Non-Executive Chairman fees are determined independently to the fees of non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

Non-executive directors have received short term incentive options but do not receive performance bonuses.

Directors' fees
The current base remuneration was last reviewed with effect from 1 July 2011. The Chairman currently receives a fixed fee for his services.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $250,000 per annum and was approved by shareholders at the annual general meeting on 30 November 2011.

The following non-executive director fees have applied to the respective financial years:

REMUNERATION REPORT – AUDITED (Continued)

Name	2018 $	2017 $
Chairman	60,000	60,000
Other non-executive directors (in aggregate)	144,000	96,000

Retirement allowances for non-executive directors
No retirement benefits are provided.

Executive Directors
The Company had one Executive Director during the year, Mr Cedric Goode. Mr Goode resigned on 31 August 2018, with the Board currently seeking a replacement for this role.

The executive pay and reward framework has two components being base pay and benefits, including superannuation, and incentive share options granted. The Group does not offer any retirement benefits to Executive Directors.

Use of remuneration consultants
During the year 30 June 2018, the Company did not engage any remuneration consultants.

Voting and comments made at the company's 2017 Annual General Meeting
The Company received more than 99.59% of "yes" votes on its remuneration report for the 2017 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

Relationship of Rewards and Performance
The value of incentive options, performance options /rights and performance bonuses can represent a significant portion of an executive's salary package. The ultimate value to the executives of and link to remuneration policies are the vesting conditions placed upon performance share options and bonuses and or the share price as the realised value arising from options issued is dependent upon an increase in the share price to above the exercise price of the options.

The details of the vesting conditions associated with performance shares are disclosed share-based compensation section of the remuneration report.

Company performance, shareholder wealth and Director and Executive remuneration
As the Company is not yet generating earnings nor paying dividends, the share price is the key measure of shareholder value. The table below shows the performance in share price over the year and previous 4 years.

Year	30 June 2014 $	30 June 2015 $	30 June 2016 $	30 June 2017 $	30 June 2018 $
Closing Share price	0.007	0.008	0.013	0.028	**0.01**
% Change	-58.82%	14.28%	62.50%	115%	**(64%)**
Total Director & KMP Remuneration	964,152	1,660,851 *	980,823	1,013,849	**1,102,503**

* Balance includes $682,540 in non-cash fair value options expense.

The issuing of share options under Director and Employee share option plans helps align the Boards personal interests to that of the shareholders.

Details of Remuneration
Details of the remuneration of the directors and the key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) are set out in the following tables.

REMUNERATION REPORT – AUDITED (Continued)

2018	Short-term employee benefits			Post-employment benefits	Long-term Benefits		Share-based payments			
	Cash salary and fees	Expense benefit	Non-monetary benefits	Super-annuation	Long service leave	Termination benefits	Options	Total	Proportion of remuneration that is performance based	% of Value of remuneration that consists of options
	$	$	$	$	$	$	$	$	%	%
Non-executive Directors										
J Muir (1)	60,000	-	-	-	-	-	-	60,000	-	-
P I Richards (2)	48,000	-	-	-	-	-	-	48,000	-	-
P Linford	48,000	-	-	-	-	-	-	48,000	-	-
R J Betros (3)	9,467	-	-	-	-	-	27,840	37,307	-	74.6
Executive Director										
C F Goode (4)	350,000	-	4,332	42,000	-	-	-	396,332	-	-
Other key management personnel										
S M Freeman	250,000	32,219	29,102	30,000	-	-	-	341,321	-	-
T Lee	170,000	-	13,362	20,400	-	-	-	203,762	-	-
Total key management personnel compensation										
	935,467	**32,219**	**46,796**	**92,400**	**-**	**-**	**27,840**	**1,134,722**	**-**	**2.5**

(1) Retired as Chairman 31 August 2018
(2) Appointed as Chairman 31 August 2018
(3) Appointed as Non-Executive Director on 19 April 2018. Pro-rata amount paid for the period
(4) Retired as Managing Director/Chief Executive Officer on 31 August 2018

2017	Short-term employee benefits			Post-employment benefits	Long-term Benefits		Share-based payments			
	Cash salary and fees	Cash bonus	Non-monetary benefits	Super-annuation	Long service leave	Termination benefits	Options	Total	Proportion of remuneration that is performance based	% of Value of remuneration that consists of options
	$	$	$	$	$	$	$	$	%	%
Non-executive Directors										
J Muir	14,333	-	-	-	-	-	-	14,333	-	-
P I Richards	52,575	-	-	-	-	-	-	52,575	-	-
P Linford	48,000	-	-	-	-	-	-	48,000	-	-
Executive Director										
C F Goode (1)	350,000	-	8,909	42,000	-	-	84,969	485,878	-	17.5
Other key management personnel										
S M Freeman (1)	250,000	-	27,632	30,000	-	-	76,202	383,834	-	19.9
T Lee	170,000	-	-	20,400	-	-	-	190,400	-	-
Total key management personnel compensation										
	884,908	**-**	**36,541**	**92,400**	**-**	**-**	**161,171**	**1,175,020**	**-**	**13.7**

(1) The options issued to CF Goode and SM Freeman we modified on 29 December 2016 as outlined in Note 26.

REMUNERATION REPORT – AUDITED (Continued)

Service agreements
Service contracts are entered into by the Group with all key executives, describing the components and amounts of remuneration applicable on their initial appointment, including terms and performance criteria for performance-related cash bonuses and entitlements to employee options, if applicable. These contracts do not fix the amount of remuneration increases from year to year. Remuneration levels are reviewed generally each year by the Remuneration Committee to align with changes in job responsibilities and market salary expectations.

As at 30 June 2018, the existing service agreement with Mr Sean Freeman, the Chief Operating Officer, had expired. The Board is in the process of reviewing and negotiating the terms and conditions of new agreement in line with current market conditions, to align accordingly. The agreement will include performance rights with milestone based criteria attached to the Phase 3 expansion, details follow in share based compensation below.

Share-based compensation
There were 333,334 (post consolidation) incentive options issued during the year as compensation to Raymond, and 333,334 (post consolidation) incentive options on issue.

Options granted carry no dividend or voting rights.

When exercisable, each option is convertible into one ordinary share and will be subject to escrow period restricting them from being sold until the earlier of:

- the date agreed by the Board and announced to ASX
- the date the employee ceases to be an employee of the Company; and the date that is 7 years after the issue of the options to employees.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option /right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

On 29 December 2016, the company granted limited recourse loans to Cedric Goode and Sean Freeman for the purpose of exercising their options that were due to expire on 31 December 2016 and obtain ownership of the underlying shares in IndiOre Limited. Although in legal form the shares have been issued and a loan granted, as the loan is non-recourse the arrangement is the same as if the original option contracts had been modified with an extension of 1 year. Accordingly, this was accounted for as a modification to the existing option scheme, giving rise to a share-based payment benefit to Cedric Goode and Sean Freeman, included in their remuneration. The modification had been valued using a Black Scholes Model as disclosed in Note 26. During the period, 100% of the loans including interest have been re-paid by Cedric Goode and Sean Freeman.

There were 7,333,334 (post consolidation) rights issued during the period, were issued to Managing director and Chief Executive officer Mr Cedric Goode as approved by shareholders at an EGM held on 28 June 2018. Subsequent to the period, on 31 August 2018, Mr Goode tender his resignation due to personal reasons. Employment at the time the rights vest is a condition to continuing eligibility to performance incentives rendering the performance rights ineligible.

The fair value expense of these rights at grant date, was therefore not expensed in the financial statements at 30 June 2018. The fair value of the performance rights at grant date was $1,110,000 based on the vesting of the milestones assessment as probable.

Performance rights granted carry no dividend or voting rights.

REMUNERATION REPORT – AUDITED (Continued)

Performance incentives attaching to the performance rights are payable by the Company to the executive will be as follows:

- 40% payable on the project being completed on time and on budget, with the completion being certified by an independent report;
- 30% payable 3 months after the project's completion if, based on the RoM feed, there is consistent production of iron ore:

    a) at 58% Fe or higher averaged over the 3 months; and
    b) at an average rate of 33,333 tonnes per month over the 3 months; and

- 30% payable 12 months after the project's completion if, based on the RoM feed, there is a constant production of iron ore:

    a) at 58% Fe or higher averaged over the 12 months; and
    b) of at least 400,000 tonnes averaged over the 12 months

Each right is eligible for one fully paid ordinary share.

The assessed fair value at grant date of rights granted to the individuals is allocated equally over the period from grant date to vesting date. Fair values at grant date are determined using the share price at grant date.

Shares provided on exercise of remuneration options
There were no ESOP options exercised during the year. Refer to the Key Management Personnel Share Holdings section of the remuneration report for details.

Employee share scheme
None of the directors of the Company, other key management personnel of the Group or the Group Company Secretary are eligible to participate in the Company's employee share scheme.

Key Management Personnel Options and Rights Holdings
Details of option holdings held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

2018 Name	Balance at the start of the year	Granted	Exercised	Other Changes	Balance at the end of the year	Vested and exercisable	Unvested
Non-executive Directors							
J Muir	-	-	-	-	-	-	-
P I Richards	-	-	-	-	-	-	-
P Linford	-	-	-	-	-	-	-
R J Betros (1)	-	5,000,000	-	-	5,000,000	5,000,000	-
Executive Director							
C F Goode	52,500,000	-	(52,500,000)	-	-	-	-
Other key management personnel							
S M Freeman	47,083,333	-	(47,083,333)	-	-	-	-
T Lee	-	-	-	-	-	-	-
Total	**99,583,333**	**5,000,000**	**(99,583,333)**	**-**	**5,000,000**	**5,000,000**	**-**

(1) Approved by shareholders at EGM held on 28 June 2018.

REMUNERATION REPORT – AUDITED (Continued)

Details of rights held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

2018 Name	Balance at the start of the year	Granted	Other Changes	Balance at the end of the year	Vested	Unvested
Non-executive Directors						
J Muir	-	-	-	-	-	-
P I Richards	-	-	-	-	-	-
P Linford	-	-	-	-	-	-
R J Betros	-	-	-	-	-	-
Executive Director						
C F Goode (1)	-	110,000,000	-	110,000,000	-	110,000,000
Other key management personnel						
S M Freeman	-	-	-	-	-	-
T Lee	-	-	-	-	-	-
Total	**-**	**110,000,000**	**-**	**110,000,000**	**-**	**110,000,000**

(1) Approved by shareholders at EGM held on 28 June 2018. On 31 August 2018, Mr Goode tendered his resignation rendering eligibility to the Performance Rights as void.

Key Management Personnel Share Holdings

The numbers of shares in the Company held during the financial year by each director of IndiOre Limited and other key management personnel of the Group, including their personally related parties, are set out below:

2018 Name	Balance at the start of the year	Granted	Received on exercise of options or rights	Other changes (1)	Balance at the end of the year
Directors					
J Muir	6,000,000	-	-	1,250,000	7,250,000
P I Richards	84,759,438	-	-	-	84,759,438
P Linford	41,868,493	-	-	-	41,868,493
R J Betros	-	-	-	-	-
Executive Director					
C F Goode	27,419,090	-	52,500,000	(26,250,000)	53,669,090
Other key management personnel					
S M Freeman	23,027,623	-	47,083,333	(24,546,360)	45,564,596
T Lee	2,500,000	-	-	(2,500,000)	-
Total	**185,574,644**	**-**	**99,583,333**	**(52,064,360)**	**233,111,617**

(1) Shares acquired/(sold) through on-market trade

Loans and other transactions with key management personnel

The following related party transactions occurred during the period:

- Director C F Goode repaid in full the deemed financial assistance loan approved by the Board in respect of prior period option conversions. Refer to note 26 for further details.

REMUNERATION REPORT – AUDITED (Continued)

- Key Management Personnel, S M Freeman repaid in full the deemed financial assistance loan approved by the Board in respect of prior period option conversions. Refer to note 26 for further details. During the period S M Freeman and the Company agreed to a one year fixed arrangement based in India. Included in the arrangement was the payment of international school fees by the Company, totalling $32,219.

- Issue of 333,334 (post consolidation) unlisted options to Director, R J Betros exercisable at 130% 5-day VWAP prior to grant date, as approved by shareholders at an EGM held on 28 June 2018.

End of Audited Remuneration report.

SHARES UNDER OPTION/RIGHT

Unissued ordinary shares of the Company under option/right at that date of this report are as follows:

Date option/right granted	Expiry date	Issue price of shares	Number under option/right
28/6/2018	28/06/2021	$0.014	333,334
31/7/2018	(1)	(1)	9,625,000

(1) Refer to Share-based compensation in the remuneration report for detail.

INSURANCE OF OFFICERS

During the financial year, IOR paid an insurance premium in respect of a contract insuring directors, secretaries and executive officers of the Company and its controlled entities against a liability incurred as director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or any of its controlled entities against a liability incurred as such an officer or auditor.

PROCEEDINGS ON BEHALF OF THE COMPANY

Other than matters stated in "CONTINGENCIES (note 19)", no person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

NON-AUDIT SERVICES

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

The board of directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are satisfied that during the period, there has been no provision of non-audit services by the auditor and did not compromise the auditor independence requirements of the *Corporations Act 2001.*

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 27.

AUDITOR

BDO Audit (WA) Pty Ltd, continues in office in accordance with section 327 of the *Corporations Act 2001*.

Peter Richards
Chairman
28 September 2018

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Australia

DECLARATION OF INDEPENDENCE BY MATTHEW CUTT TO THE DIRECTORS OF INDIORE LIMITED

As lead auditor of Indiore Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Indiore Limited and the entities it controlled during the period.

M Cutt

Matthew Cutt

Director

BDO Audit (WA) Pty Ltd

Perth, 28 September 2018

CORPORATE GOVERNANCE STATEMENT

Corporate governance is the system by which companies are directed and managed. It influences how the objectives of the Company are set and achieved, how risk is monitored and assessed, and how performance is optimised. Good corporate governance structures encourage companies to create value through entrepreneurism, innovation, development and exploration and provide accountability and control systems commensurate with risks involved.

Good corporate governance will evolve with the changing circumstances of a Company and must be tailored to meet these circumstances. IOR is a junior mining and exploration Company.

The Company's Board and management are committed to a high standard of corporate governance practices, ensuring that the Company complies with the Corporations Act 2001, Australian Securities Exchange (ASX) Listing Rules, Company Constitution and other applicable laws and regulations.

On 27 March 2014, the ASX Corporate Governance Council released the 3rd Edition of its Corporate Governance Principles and Recommendations (3rd Edition Recommendations). The Board has adopted the 3rd Edition Recommendations, has conducted an annual review of the Corporate Governance Statement, and approved the statement on 31 August 2018. The Corporate Governance Statement is available on IndiOre's website at www.indiore.com.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2018

	Note	2018 $	2017 $
Revenue from continuing operations			-
Other income/(expense)	4	51,652	(124,716)
Employee benefits expense	4	(1,444,283)	(1,477,879)
Depreciation of non-current assets	4	(660,269)	(266,072)
Corporate expenses	4	(796,815)	(918,972)
Finance & administration	4	(870,781)	(1,595,641)
Share-based compensation	4	(527,840)	(235,171)
Impairment of exploration and evaluation costs	4	343,899	(121,335)
Impairment of development costs	10	(11,719,820)	-
Loss before income tax		**(15,624,258)**	**(4,739,786)**
Income tax (expense)/benefit	5	-	-
Loss after tax for the year attributable to the owners of IndiOre Limited		**(15,624,258)**	**(4,739,786)**

Other comprehensive Income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation foreign operations	(534,851)	(39,056)
Total comprehensive(loss) for the year attributable to the owners of IndiOre Limited	**(16,159,108)**	**(4,778,842)**

Loss per share for the year attributable to the members of 'IndiOre Ltd'	Note	2018 ¢	2017 ¢
Basic loss per share	25	(0.57)	(0.24)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2018

	Note	2018 $	2017 $
Assets			
Current Assets			
Cash and cash equivalents	6	9,792,285	1,034,646
Trade and other recievables	7	1,205,886	379,863
Inventories	8	-	185,003
Total current assets		**10,998,171**	**1,599,512**
Non-current assets			
Trade and other receivables	7	735,471	-
Other financial assets		-	6,170
Property, plant and equipment	9	2,972,282	3,867,106
Intangible assets		-	1,743
Mine development	10	-	7,882,257
Total non-current assets		**3,707,753**	**11,757,276**
Total assets		**14,705,924**	**13,356,788**
Liabilities			
Current liabilities			
Trade and other payables	11	1,893,697	1,089,294
Provisions	12	410,696	252,293
Total current liabilities		**2,304,393**	**1,341,587**
Non-current liabilities			
Provisions	12	80,653	-
Deferred tax liabilities	13	347,420	333,285
Total non-current liabilities		**428,074**	**331,864**
Total liabilities		**2,732,467**	**1,674,872**
Net assets		**11,973,457**	**11,681,916**
Equity			
Contributed equity	14	72,750,343	56,327,533
Other reserves	15	(186,984)	320,028
Capital and reserves attributable to owners of IndiOre Limited		72,563,359	56,647,561
Accumulated losses	16	(60,589,903)	(44,965,645)
Total equity		**11,973,457**	**11,681,916**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2018

	Note	2018 $	2017 $
Cash flows from operating activities			
Cash paid to suppliers and employees		(2,160,207)	(3,693,914)
Interest paid		(1,955)	(861,734)
Interest received		76,855	36,031
Net cash (outflow) from operating activities	24	**(2,085,307)**	**(4,519,617)**
Cash flows from investing activities			
Purchase of property, plant and equipment and prepayments		(419,727)	(3,144,986)
Payments for security deposits		(141,165)	-
Payments for development		(3,588,167)	(1,434,972)
Net cash (outflow) from investing activities		**(4,149,059)**	**(4,579,958)**
Cash flows from financing activities			
Proceeds from issue of shares, net of share issue costs		15,066,095	9,703,058
Repayment of borrowings		-	(329,889)
Net cash inflow from financing activities		**15,066,095**	**9,373,169**
Net increase/(decrease) in cash and cash equivalents		8,831,729	273,594
Net foreign exchange differences		(74,091)	(38,408)
Cash and cash equivalents at beginning of period		1,034,646	799,461
Cash and cash equivalents at end of period	6	**9,792,284**	**1,034,646**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2018

CONSOLIDATED	Share Capital $	Foreign currency translation reserve $	Share based payments reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2017	**56,327,533**	**(2,355,841)**	**2,675,869**	**(44,965,645)**	**11,681,916**
Other comprehensive income for the year					
Exchange differences on translation of foreign operations	-	(534,851)	-	-	(534,851)
Total other comprehensive income for the year	-	(534,851)	-	-	(534,851)
Loss for the year	-	-	-	(15,624,258)	(15,624,258)
Total comprehensive income for the year	-	(534,851)	-	(15,624,258)	(16,159,108)
Transactions with owners in their capacity as owners					
Contributions of equity	15,378,303	-	-	-	15,378,303
Share issued as consideration	1,044,507	-	-	-	1,044,507
Option based payments	-	-	27,839	-	27,839
Balance as at 30 June 2018	**72,750,343**	**(2,890,692)**	**2,703,708**	**(60,589,903)**	**11,973,457**
Balance at 1 July 2016	**42,595,253**	**(2,394,897)**	**2,440,698**	**(40,225,859)**	**2,415,195**
Other comprehensive income for the year					
Exchange differences on translation of foreign operations	-	39,056	-	-	39,056
Total other comprehensive income for the year	-	39,056	-	-	39,056
Loss for the year	-	-	-	(4,739,785)	(4,739,785)
Total comprehensive income for the year	-	39,056	-	(4,739,785)	(4,700,729)
Transactions with owners in their capacity as owners					
Contributions of equity	4,062,926	-	-	-	4,062,926
Share issued as consideration	3,445,566	-	-	-	3,445,566
Option based payments	6,223,788	-	235,171	-	6,458,959
Balance as at 30 June 2017	**56,327,533**	**(2,355,841)**	**2,675,869**	**(44,965,645)**	**11,681,916**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of IndiOre Limited and its subsidiaries.

a) Basis of Preparation

These financial statements are general purpose financial statements which has been prepared in accordance with Australian Accounting Standards, Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. IndiOre is a for-profit entity for the purpose of preparing the financial statements.

i) Compliance with IFRS
The consolidated financial statements of IndiOre Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

ii) Historical cost convention
The financial report has also been prepared on a historical cost basis.

iii) Critical accounting estimates
The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note (1)(t).

b) Going Concern

The consolidated financial statements have been prepared on the basis of a going concern.

For the year ended 30 June 2018, the consolidated entity recorded a loss of $15,599,055 (2017: $4,739,786) and had net cash outflows from operating and investing activities of $6,234,366 (2017: $9,099,575).

During the period, the Company raised a total of $15m in funds through strategic investments with a large Australian Institution, First Samuels contributing $10m, Shaw and Partners, Aitken Murray Capital Partners and other sophisticated and professional investors.

Further, subsequent to the period, cornerstone investor First Samuel has provided a further $6m via a convertible note for additional capital and working capital towards the expansion of the Phase two plant.

Management believe there are sufficient funds to meet the consolidated entity's working capital requirements as at the date of this report.

Based on this the Directors are satisfied that the Company has sufficient funds to execute its strategy over the next 12 months.

The financial statements have been prepared on the basis of going concern, which contemplates the continuity of normal business activity, realization of assets and settlement of liabilities in the normal course of business.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Basis of consolidation

i) Subsidiaries
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of IndiOre Limited ("Company" or "parent entity") as at 30 June 2018 and the results of all subsidiaries for the year then ended. IndiOre Limited and its subsidiaries together are referred to in this annual report as the Group or the consolidated entity.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policy adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income and statement of financial position respectively.

c) Segment reporting

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

d) Foreign currency translation

i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in AUD, which is IOR's functional and presentation currency.

ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement, within finance costs. All other foreign exchange gains and losses are presented in the income statement on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

iii) Group companies
The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Foreign currency translation (continued)

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

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange difference is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

e) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Any revenues occurring during the pre-production phase are off-set against capitalised development costs.

f) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined primarily on the basis of weighted average costs. Cost for raw materials and stores is the purchase price, and for partly processed and saleable products cost is derived on an absorption costing basis. For this purpose, the costs of production include:

- Labour costs, materials and contractor expenses which are directly attributable to the extraction and processing of ore;
- The amortisation of mine property expenditure and depreciation of plant and equipment used in the extraction and processing of ore; and
- Production overheads, including attributable mining overheads.

Stockpiles represent ore that has been extracted and is available for further processing. If there is uncertainty as to when the stockpiled ore will be processed it is expensed as incurred. Where the future processing of this ore can be predicted with confidence (e.g. because it exceeds the mine's cut-off grade), it is valued at the lower of cost and net realisable value. Quantities are assessed primarily through surveys and volume conversions.

g) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Income Tax (continued)

However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control; the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.
Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

i) Cash and cash equivalents

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

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement between 30 and 90 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Trade receivables (continued)

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

k) Financial assets

Classification
The Group classifies all of its financial assets as loans and receivables. Management determines the classification of its investments at initial recognition.

i) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables (note 7) in the statement of financial position.

ii) Subsequent measurement
Loans and receivables are carried at amortised cost using the effective interest method.

The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

Details on how the fair value of financial instruments is determined are disclosed in the financial risk management note (note 2).

Impairment
The Group assesses at each statement of financial position whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliabley estimated.

For loan and receivables, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) Property, Plant & Equipment

All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Land is not depreciated. Depreciation on other assets is calculated using the diminishing-balance method to allocate their cost:

- Plant & equipment	13% - 25%
- Furniture and fixtures	18%
- Computer equipment	18.75% - 40%
- Buildings	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

m) Development Expenditure

Once a mining project has been established as commercially viable and technically feasible, expenditure other than that on land, buildings and plant and equipment is capitalised under development expenditure. Development expenditure costs include past capitalised exploration and evaluation costs, pre-production development costs, development excavation, development studies and other subsurface expenditure pertaining to that area of interest. Costs related to surface plant and equipment and any associated land and buildings are accounted for as property, plant and equipment.

Development costs are accumulated in respect of each separate area of interest. Costs associated with commissioning new assets in the period before they are capable of operating in the manner intended by management, are capitalised. Development costs incurred after the commencement of production are capitalised to the extent they are expected to give rise to a future economic benefit.

When an area of interest is abandoned or the Directors decide that it is not commercial or technically feasible, any accumulated cost in respect of that area is written off in the financial period the decision is made. Each area of interest is reviewed at the end of each accounting period and accumulated cost written off to the profit or loss to the extent that they will not be recoverable in the future.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) Development Expenditure (continued)

Amortisation of carried forward exploration and development costs is charged on a unit of production basis over the life of economically recoverable reserves once production commences.

Development assets are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, development assets are allocated to cash-generating units to which the development activity relates. The cash generating unit shall not be larger than the area of interest.

n) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 7-30 day payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

o) Provisions

Provision for legal claims, and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

p) Employee benefits

i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee obligations are presented as payables.

ii) Other long-term employee benefit obligations
Liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future salary and wage levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p) Employee benefits (continued)

iii) Share-based payments
Share-based compensation benefits are provided to employees via the Company Employee Option Plan. Information relating to the scheme is set out in note 26.

The fair value of options granted under the Company Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The Employee Option Plan is administered by the Company Employee Share Trust. When the options are exercised, the trust transfers the appropriate number of shares to the employee. The proceeds received net of any directly attributable transaction costs are credited directly to equity.

Share-based compensation benefits are provided to employees via the issue of Performance Rights. Information relating to the rights is set out in Share-based compensation in the Remuneration report.

The assessed fair value at grant date of rights granted to the individuals is allocated equally over the period from grant date to vesting date. Fair values at grant date are determined using the share price at grant date.

iv) Termination benefits
Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for those benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or to providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

q) Contributed Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the equity proceeds. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

r) Earnings Per Share

i) Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of IndiOre Limited, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

r) Earnings Per Share (continued)

ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

s) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of associated goods and services tax (GST), unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

t) Critical accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial statements.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

i) Share-based payment transactions
The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that, the amount ultimately recognised as an expense is based on the number of awards that do not meet the related service and non-market performance conditions at the vesting date.

The Company follows the guidelines of AASB 2 'Share based payments' and takes into account all non-vesting conditions and estimates the probability and expected timing of achieving these performance conditions.

Accordingly, the expense recognised over the vesting period may vary based upon information available and estimates made at each reporting period, until the expiry of the vesting period.

ii) Determination of start of production.
Consideration is given to the determination of the point at which development ceases and production commences for a mine development project. This point determines the cut-off between pre-production and production accounting.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

t) Critical accounting estimates and judgements (continued)

The Group ceases capitalisation of pre-production costs at the point the commercial production commences. This is based on specific circumstances of a project and considers when the mines plant becomes 'available for use' as intended by management. Determining when the production start date is achieved is an assessment made by management and includes the following factors:

- the level of development expenditure compared to project costs estimates;
- completion of a reasonable period of testing and tuning of the mine plant and equipment;
- mineral recoveries, availability and throughput levels at or near budgeted levels;
- the ability to produce ore into a saleable form (where more than an insignificant amount is produced; and
- the achievement of continuous production.

Any revenues occurring during the pre-production phase are off-set against capitalised development costs.

iii) Legal Notice – Queens land Coal

Queensland Coal
As announced on 16 February 2015, the Company received a writ of summons in relation to a Coal Acquisition Agreement dated 15 June 2011 with Birmanie Nominees Pty Ltd (the vendor under the agreement, Birmanie) relating to 4 coal EPCs in Queensland. The writ alleges that NSL has failed to meet various obligations under the Coal Acquisition Agreement. Birmanie has claimed $2.5m in damages. During the period, the Trial concluded in the Supreme Court of Western Australia, Her Honour Justice Banks-Smith has reserved her decision, ruling in favour of the Company.

The Company is pursuing litigation costs incurred through the prescribed legal process in the Supreme Court of Western Australia and are of the view that it will recover a significant sum of the costs incurred. This has not been recognised in the financial statements.

EPC Rents
Further to the favourable Supreme Court judgement, and Birmanie's deregistration, the Company is of the view that accrued EPC rents are no longer a probable obligation/liability of the Company, which as at the reporting date amounted to $468,429. This amount has been adjusted and reflected in the financial statements.

Independent Geologist
Subsequently and in addition to the above decision, the Company has commenced proceedings in the Supreme Court of Western Australia against Mr Biggs, in relation to the Independent Geologist Report which the Company commissioned him to prepare as part of its due diligence on applications for exploration permits for coal tenements in Queensland.

The Company is also claiming damages against Mr Biggs for negligence and misleading or deceptive conduct in the making of a number of representations in his report. Mr Biggs has filed a defence denying those allegations. This has not been recognised in the financial statements.

iv) Ambica Crushtek

Ambica Crushtek were contracted by the Company for the design, fabrication and construction to the Phase 1 dry crushing and screening plant. Post construction, hand over and associated commissioning activities failed to conduct an agreed acceptance testing program. Subsequent operating has indicated designed plant throughput may not be achieved.

As per the agreement retention monies of 5% of the contract value can be retained for 12 months post completion and were retained, totalling approximately $90,000.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

t) Critical accounting estimates and judgements (continued)

Ambica now believe they are entitled to the retention monies; however, the Company is not of the same view. Discussions continue between the parties towards a resolution. This has not been recognised in the financial statements.

u) New accounting standards for application in future periods

Certain new accounting Standards and Interpretations have been published that are not mandatory for 30 June 2018 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new Standards and Interpretations is set out below. In all cases the Group intends to apply these standards from the application date as indicated in the table below.

Nature of Change	Application Date	Impact on Initial Application
AASB 15: Revenue from Contracts with Customers (issued December 2014)		
An entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under AASB 118 Revenue.	Annual reporting periods beginning on or after 1 January 2018.	Management have assessing the effects of applying the new standard on the entity revenue recognition policies & resulting effects on its financial statements. Based on the entity assessment noting the Company is yet to be in production and selling product and interest income is the principal source of revenue at present, the impact is not material.
AASB 9: Financial Instruments (issued July 2014)		
AASB 9 Financial Instruments Includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.	Annual reporting periods beginning on or after 1 January 2018.	Management have assessed the effects of applying the new standard on the entity's financial instruments policies and resulting effects on its financial statements. Based on the entity's assessment noting the Company has limited financial instruments with no significant financial assets other than cash and no hedging, the impact is not material.
AASB 16: Leases (issued February 2016)		
AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases into its statement of financial position in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its statement of financial position for most leases. There are some optional exemptions for leases with a period of 12 months or less and for low value leases. Lessor accounting remains largely unchanged from AASB 117.	Annual reporting periods beginning on or after 1 January 2019.	The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Company in the current or future period and on foreseeable future transactions.

2. FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise of cash and short-term deposits. The main purpose of these financial instruments is to provide finance for Group operations. The Group has various other financial assets and liabilities such as trade and other receivables and trade payables, which arise directly from its operations.

The Group's activities expose it to a variety of financial risk, being market risk (including currency risk, interest rate risk and credit risk) and liquidity. Risk management is carried out by the Board of Directors, who regularly evaluates and agrees upon risk policy management and objectives. There are currently no other risk management policies in place.

The Group hold the following financial instruments:

	2018 $	2017 $
Financial assets ***Current***		
Cash and cash equivalents	9,792,285	1,034,646
Trade and other receivables	1,205,886	379,863
	10,998,171	**1,414,509**
Financial assets ***Non Current***		
Trade and other receivables	141,165	379,863
	141,165	**379,863**

	2018 $	2017 $
Financial liabilities		
Current		
Trade and other payables	**1,205,886**	1,341,587
	1,205,886	**1,341,587**

a) Market risk

i) Foreign exchange risk
Foreign exchange risk arises from commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The Group is developing currency and commodity policies to mitigate the risk. The Group seeks to mitigate its risks by borrowing in local currencies and hedging fund transfers as they occur.

The Group's has exposure to the following foreign exchange risk at the reporting date.

	30 June 2018		30 June 2017	
	AUD	Total	AUD	Total
In AUD				
Cash Assets (USD)	780	780	-	-
	780	**780**	**-**	**-**

Sensitivity analysis
Based on the financial instruments held at 30 June 2018, any movement in the Company's loss had the Australian dollar (AUD) weakened/strengthened 10% against the United States Dollar (USD) with all other variables held constant is immaterial.

2. FINANCIAL RISK MANAGEMENT (Continued)

ii) Cash flow and interest rate risk
The Group's interest rate risk arises from cash and cash equivalents.

The following sets out the Group's exposure to interest rate risk, including the effective weighted average interest rate by maturity periods:

Floating interest rate	2018 $	2017 $
Cash and cash equivalents	9,792,285	1,034,646
Weighted average interest rate	0.37%	0.41%

b) Credit risk

The Group does not have any significant concentrations of credit risk. Credit risk is managed by the Board and arises from cash and cash equivalents as well as credit exposure including outstanding receivables and committed transactions.

All cash balances held at banks are held at internationally recognised institutions. The majority of receivables are immaterial to the Group. Given this the credit quality of financial assets that are neither past due or impaired can be assessed by reference to historical information about default rates.
The maximum exposure to credit risk at reporting date is the carrying amount of the financial assets as summarised at the start of Note 2.

Financial assets that are neither past due and not impaired are as follows:

	2018 $	2017 $
Cash and cash equivalents – 'AA- 'S&P rating	9,792,285	1,034,646
Trade and other receivables	1,205,886	379,863

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding.

The Directors monitor the cash-burn rate of the Group on an on-going basis against forecast and the maturity profiles of financial assets and liabilities to manage its liquidity risk.

As at reporting date the Group had sufficient cash reserves to meet its requirements.

The financial liabilities of the Group at reporting date were trade payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 7-30 days terms of creditor payments.

2. FINANCIAL RISK MANAGEMENT (Continued)

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 30 June 2018	Less than 6 months $	6-12 months $	1-2 years $	2-5 years $	Over 5 years $	Total contractual cash flows $	Carrying amount (assets)/ liabilities $
Non-derivatives							
Non-interest bearing	1,893,677	-	-	-	-	1,893,677	1,893,677
Total non-derivatives	1,893,677	-	**-**	**-**	**-**	**1,893,677**	1,893,677

At 30 June 2017	Less than 6 months $	6-12 months $	1-2 years $	2-5 years $	Over 5 years $	Total contractual cash flows $	Carrying amount (assets)/ Liabilities $
Non-derivatives							
Non-interest bearing	1,341,587	-	-	-	-	1,341,587	1,341,587
Total non-derivatives	1,341,587	**-**	**-**	**-**	**-**	**1,341,587**	1,341,587

d) Equity Price Risk

The group is not exposed to equity price risk as there are no financial liabilities and/or equity investments at 30 June 2018.

The group has no policy for mitigating potential adversities associated with its own equity price risk given its dependence on market fluctuations. In relation to equity price risk arising on other investments balances, the Group regularly reviews the prices to ensure a maximum return.

e) Fair Values measurement

The group is not exposed to fair value measurement at the reporting date.

3. SEGMENT INFORMATION

Description of the Segment

Management has determined the operating segments based on the reports reviewed by the strategic steering committee that are used to make strategic decisions.

For management purposes, the Group is organised into two main operating segments, which involves mining and exploration for iron ore in India and exploration for thermal coal in Queensland. Discrete financial information is reported to the Board (Chief Operating Decision Makers) as two segments. Accordingly, all significant operating decisions are based upon analysis of the Group as two segments.

Segment information

Segment information provided to the Board of Directors for the year is as follows:

3. SEGMENT INFORMATION (Continued)

	Iron Ore 2018 $	Total
Other Income	1,803	76,855
Reportable segment loss	(13,589,822)	(15,599,055)
Depreciation	(660,269)	(660,269)
Reportable segment assets	4,520,781	14,705,924
Reconciliation of reportable segment profit or loss		
Reportable segment loss	(13,589,822)	(13,589,822)
Unallocated:		
Corporate expenses	-	(2,218,645)
Loss before tax	**(13,589,822)**	**(15,599,055)**
Reportable segment assets are reconciled to total assets as follows:		
Segment assets	3,961,713	3,961,713
Unallocated:		
Cash and cash equivalents	559,068	9,792,285
Corporate assets		951,926
Total assets as per the statement of financial position	**4,520,781**	14,705,924
Reportable segment liabilities are reconciled to total liabilities as follows:		
Segment liabilities – external	1,511,640	1,511,640
Segment liabilities – intra-group	18,720,302	-
Unallocated:		
Corporate liabilities		1,220,827
Total liabilities as per the statement of financial position	**20,231,942**	**2,732,467**

3. SEGMENT INFORMATION (Continued)

	Iron Ore 2017 $	Coal 2017 $	Total
Other Income	21,742	-	50,230
Reportable segment loss	(894,606)	(121,577)	(4,739,986)
Depreciation	(266,072)	-	(266,072)
Reportable segment assets	12,445,818	110	13,356,788
Reconciliation of reportable segment profit or loss			
Reportable segment loss	(894,606)	(121,577)	(1,016,183)
Unallocated:			
Corporate expenses	-	-	(3,723,603)
Loss before tax	**(894,606)**	**(121,577)**	**(4,737,786)**
Reportable segment assets are reconciled to total assets as follows:			
Segment assets	12,445,818	110	13,356,788
Unallocated:			
Cash and cash equivalents	182,939	110	1,034,646
Corporate assets			12,322,142
Total assets as per the statement of financial position	**12,327,061**	**110**	**13,356,788**
Reportable segment liabilities are reconciled to total liabilities as follows:			
Segment liabilities – external	1,751,868	343,498	1,089,495
Segment liabilities – intra-group	623,744	-	-
Unallocated:			
Corporate liabilities			585,377
Total liabilities as per the statement of financial position	**2,375,972**	**343,498**	**1,674,872**

4. REVENUE AND EXPENSES

	2018 $	2017 $
Loss before income tax includes the following items of revenue and expense:		
Other Income		
Interest income	76,855	21,742
Other income/(expense)	(25,304)	(146,458)
	51,652	**(124,716)**
Expenses		
Employee benefits	(1,444,283)	(1,477,879)
Depreciation	(660,269)	(266,072)
Corporate expenses	(794,860)	(870,972)
Finance & administration	(870,781)	(523,104)
Interest expenses	(1,955)	(1,072,537)
Share based payments (note 26)	(527,840)	(283,171)
Exploration and evaluation impairment (1)	343,899	(121,335)
Development impairment (note 10)	(11,719,820)	-
	(15,675,909)	**(4,615,069)**

(1) Refer to note 1t)vi) EPC Rents for further details.

5. INCOME TAX

	2018 $	2017 $
The major components of income tax are:		
Statement of profit or loss and other comprehensive income		
Current income tax	-	(1,420)
Deferred income tax	-	1,420
Income tax expense/(benefit) reported in the statement of profit or loss and other comprehensive income	-	-
(a) Numerical reconciliation of income tax benefit to prima facie tax payable		
Loss from continuing operations before income tax expense	(15,624,258)	(4,739,786)
Tax at the Australian tax rate of 30% (2017: 30%)	**(4,687,277)**	**(1,421,936)**

5. INCOME TAX (continued)

	2018 $	2017 $
Tax effect of amounts that are not deductible /(taxable) in calculating taxable income:		
Others	3,551,757	183,299
Impairment	-	22,200
Tax losses and timing differences not brought to account	1,130,798	1,216,437
Foreign tax rate differential	4,722	-
Income tax expense /(benefit)	-	-
(b) Tax losses		
Unused tax losses for which no deferred tax assets has been recognised	31,063,872	29,331,770
Potential tax benefit at 30%	9,319,162	8,799,531
(c) Unrecognised temporary differences		
Deferred tax assets and liabilities not recognised relate to the following:		
Deferred tax assets		
Tax losses	9,319,162	8,799,531
Exploration expenditure	204,457	204,457
Other temporary differences	278,682	305,049
Deferred tax liabilities		
Other temporary differences (Interest income on inter-entity loans in foreign jurisdiction)	(345,096)	(345,096)
Net deferred tax assets not recognised	**9,457,204**	**8,963,941**

The deferred tax assets arising from these balances have not been recognised as an asset because recovery of tax losses is not probable at this point in time.

The potential tax benefit will only be obtained if the relevant Company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised; and

(i) the relevant Company continues to comply with the conditions for deductibility imposed by the law; and
(ii) into changes in tax legislation adversely affect the relevant Company in realising the benefit.

6. CASH AND CASH EQUIVALENTS

	2018 $	2017 $
Cash at bank and in hand	**9,792,285**	**1,034,646**

The Groups exposure to interest rate risk is disclosed in note 2. The maximum exposure to credit risk at the end of the reporting period is the carrying value amount of cash and cash equivalents above.

7. TRADE AND OTHER RECEIVABLES

	2018 $	2017 $
Current		
Trade receivables	73,100	-
Security deposits	70,123	79,710
Other receivables and prepayments [1]	1,062,663	300,153
	1,205,886	**379,863**

	2017 $	2017 $
Non-current		
Security deposits	141,165	-
Input tax credits (2)	594,306	-
	735,470	**-**

The Groups exposure to credit risk is disclosed in note 2. The maximum exposure to credit risk at the end of the reporting period is the carrying value of other receivables and prepayments above.

Ageing of trade receivables past due not impaired.

(1) Other receivables generally arise from transactions outside the usual operating activities of the entity. The current balance primarily represents the receivables relating to Tranche 2 capital raising proceeds of $891,404.

(2) goods and services input tax credits in NSL Mining Resources India Pvt Ltd to offset future goods and services tax liabilities.

8. INVENTORIES

	2018 $	2017 $
Current		
Raw materials (1)	-	185,033
	-	**185,033**

(1) Costs of third-party iron ore fines feed material to be utilised as blend feed through commissioning and plant/product optimisation phase.

9. PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment $	Furniture and fixtures $	Computer equipment $	Land $	Buildings $	Total $
Year ended 30 June 2017						
Opening net book amount	605,877	8,798	2,278	121,524	30,215	768,692
Additions	3,328,486	16,634	6,659	-	24,274	3,376,053
Disposal/Written-off	(1,755)	(347)	(173)	-	(586)	(2,861)
Depreciation charge	(256,406)	(5,470))	(1,367)	-	(2,706)	(265,988)
Exchange differences	(6,785)	(109)	(8)	(1,522)	(397)	(8,400)
Closing net book amount	**3,669,417**	**19,507**	**7,380**	**120,002**	**50,800**	**3,867,106**
At 30 June 2017						
Cost or fair value	4,624,113	57,110	115,988	120,002	85,498	5,002,233
Accumulated depreciation	(954,696)	(37,603)	(108,608)	-	(34,698)	(1,135,605)
Net book amount	**3,669,417**	**19,507**	**7,380**	**120,002**	**50,800**	**3,867,106**
Year ended 30 June 2018						
Opening net book amount	3,669,417	19,507	7,380	120,002	50,800	3,867,106
Additions	373,925	4,456	3,204	-	2,084	383,670
Disposal/Written-off	(763,335)	(1,119)	(884)	-	-	(765,358)
Depreciation charge	(642,588)	(7,594)	(4,205)	-	(5,882)	(660,269)
Exchange differences	143,844	612	2,281	-	396	147,133
Closing net book amount	**2,781,243**	**15,863**	**7,776**	**120,002**	**47,397**	**2,972,282**
At 30 June 2018						
Cost or fair value	4,378,527	61,060	120,590	120,002	87,978	4,768,156
Accumulated depreciation	(1,597,284)	(45,197)	(112,813)	-	(40,580)	(1,795,874)
Net book amount	**2,781,243**	**15,863**	**7,776**	**120,002**	**47,397**	**2,972,282**

Aggregate depreciation allocated during the year is recognised as an expense and disclosed in Note 4 to the financial statements.

10. MINE DEVELOPMENT

	2018 $	2017 $
Carrying amount at beginning of financial year	7,882,257	6,509,040
Additions	3,666,536	1,290,127
Impairment	(11,719,820)	-
Exchange differences	171,026	83,090
Carrying amount at end of financial year	**-**	**7,882,257**

10. MINE DEVELOPMENT (Continued)

During the period, the Company completed an impairment assessment of its development assets in accordance with AASB 136 Impairment of assets under a value in use methodology. The impairment assessment considered the challenges experienced during commissioning of the Phase 2 plant in relation to production continuity at the designed parameters, all of which had been achieved. The Directors are confident in relation to the Phase 3 expansion overcoming the challenges and longer-term outlook for the project, however given the restrictive nature of this valuation methodology impaired in full the development assets as at 30 June 2018, loss totalling $11,719,820. The accounted impairment loss does not impact the ongoing development of the project/business, with the project continuing to be relevant in generating future economic benefits to the group

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations), changes to foreign exchange prices and changes to commodity prices.

11. TRADE AND OTHER PAYABLES

	2018 $	2017 $
Current		
Trade payables	1,759,932	969,287
Other payables	133,765	120,007
	1,893,697	**1,089,294**

Trade payables are non-interest bearing and generally settled on 7-30 day term. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

Other payables represent salary and wages on costs, fringe benefits tax, payroll tax, insurance premium funding and accruals.

12. EMPLOYEE PROVISIONS

	2018 $	2017 $
Current		
Annual leave	301,250	252,293
Long Service Leave	109,446	-
	410,696	**252,293**
Non Current		
Long Service Leave	80,653	-
	80,653	**-**

The current portion for this provision includes the total amount for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

13. DEFERRED TAX LIABILITIES

Non-Current	2018 $	2017 $
Deferred tax liabilities	**347,420**	**333,285**

The deferred tax liability is associated with IS Iron Ore Pte Ltd, a 100% wholly owned subsidiary.

The balance comprises temporary differences attributable to:	2018 $	2017 $
Interest receivable	347,420	333,285
Total deferred tax liabilities	**347,420**	**333,285**

Movements	Interest Receivable	Total
As at 1 July 2016	331,864	331,864
Charged/(credited)		
- to profit or loss	-	-
- to other comprehensive income	-	-
- exchange differences	1,421	1,421
As at 30 June 2017	**333,285**	**333,285**
As at 1 July 2017	333,285	333,285
Charged/(credited)		
- to profit or loss	-	-
- to other comprehensive income	-	-
- exchange differences	14,135	14,135
As at 30 June 2018	**347,420**	**347,420**

14. CONTRIBUTED EQUITY

	2018 No.	2017 No.
Share capital		
Fully paid ordinary share capital	3,388,170,381	2,292,872,761
	3,388,170,381	**2,292,872,761**

Share Consolidation

During the 30 June 2018 period, the company had shareholders approve a consolidation of Share Capital on a 15 to 1 basis. The approval was granted by Shareholders at an EGM held on 28 June 2018. The share consolidation was completed on 16 July 2018, with 3,388,170,381 shares on issue pre-consolidation, now totalling 225,879,182 post consolidation.

14. CONTRIBUTED EQUITY (Continued)

Movements in ordinary share capital:

Details	2018 Number of shares	Issue price	2018 $
Opening balance	2,292,872,761		55,821,526
Issue of Shares – issued at $0.024	210,000,000	$0.024	5,000,000
Issue of Shares – issued at $0.01	3,750,000	$0.010	37,500
Issue of Shares – issued at $0.0096	95,833,333	$0.0096	920,000
Issue of Shares – issued at $0.014	650,614,024	$0.014	9,108,596
Shares to be issued – share based payments – Issued at $0.014 (1)	71,428,571	$0.014	1,000,000
Shares to be issued – Issued at $0.014 (1)	63,671,691	$0.014	891,404
Balance as at 30 June 2018	**3,388,170,381**		**72,779,026**
Less equity raising cost for the period	-		534,690
Balance as at 30 June 2018	**3,388,170,381**		**72,244,336**

(1) Relates to Tranche 2 of the $10m Placement requiring shareholder approval which was granted at an EGM held on 28 June 2018. Shares were issued and T2 proceeds received subsequent to the period in July 18. $500,000 settlement of the Magna Production Royalty on the same terms.

Details	2017 Number of shares	Issue price	2017 $
Opening balance	1,378,886,239		42,089,246
Issue of Shares - exercise of options – issued at $0.01	544,458,886	$0.01	5,444,589
Issue of Shares - exercise of options – issued at $0.0096	81,166,667	$0.0096	779,200
Issue of Shares – share based payments – issued at $0.02	2,400,000	$0.02	48,000
Issue of Shares – MG Partners Senior Secured loan balance conversion - issued at $0.046	12,688,155	$0.046	583,655
Issue of Shares – issued at $0.02	182,600,000	$0.02	3,652,000
Issue of Shares – Resources First convertible note conversion - issued at $0.038	90,672,814	$0.038	3,445,567
Balance as at 30 June 2017	**2,292,872,761**		**56,041,757**
Less equity raising cost for the period	-		220,731
Balance as at 30 June 2017	**2,292,872,761**		**55,821,526**

Ordinary shares
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.

Capital Risk Management
The Group considers its capital to comprise its ordinary share capital, share premium and accumulated losses.

14. CONTRIBUTED EQUITY (Continued)

The Group's objective when managing capital is to safeguard the ability to continue as a going concern and to provide returns for shareholders and benefits for other stakeholders and to maintain capital structure to reduce the cost of capital.

The Board of Directors monitors capital on an ad-hoc basis. No formal targets are in place for return on capital, or gearing ratios as the Group has not derived any income from operations and there are no debt facilities in place with such covenants.

Options Reserve

	2018 $	2017 $
Options reserve	**506,007**	**506,007**
Movement:		
Balance at beginning of the financial year	-	-
Fair value options expense	-	-
Balance at the end of the financial year	**506,007**	**506,007**

The options reserve records items recognised as expenses on valuation on option based payments.

15. OTHER RESERVES

	2018 $	2017 $
Foreign currency translation reserve	(2,890,692)	(2,355,841)
Share based payment reserve	2,703,708	2,675,869
	(186,984)	**320,028**
Movement:		
Foreign Currency Translation Reserve		
Balance at beginning of the financial year	(2,355,841)	(2,394,897)
Translation of foreign operations	(534,851)	39,056
Balance at the end of the financial year	**(2,890,692)**	**(2,355,841)**
Share Based Payment Reserve		
Balance at beginning of the financial year	2,675,869	2,440,698
Fair value option expense	27,839	235,171
Balance at the end of the financial year	**2,703,708**	**2,675,869**

Foreign Currency Translation Reserve
Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income and accumulated in a separate reserve within equity.

The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Share Based Payment Reserve
The share-based payment reserve records items recognised as expenses on valuation of employee and consultant share options.

16. ACCUMULATED LOSSES

	2018 $	2017 $
Balance at beginning of the financial year	(44,965,645)	(40,225,859)
Loss after related income tax	(15,624,258)	(4,739,785)
Balance at the end of the financial year	**(60,589,903)**	**(44,965,645)**

17. DIVIDENDS

No dividends have been declared or paid during the period.

18. AUDITORS' REMUNERATION

	2018 $	2017 $
Amounts paid/payable for audit and for review of the financial statements for the entity or any entity in the Group		
- BDO	29,000	29,000
Total auditor's remuneration	**29,000**	**29,000**

19. CONTINGENCIES

Queensland Coal Legal Notice – IndiOre Claim to Costs

As announced on 16 February 2015, the Company received a writ of summons in relation to a Coal Acquisition Agreement dated 15 June 2011 with Birmanie Nominees Pty Ltd (the vendor under the agreement, Birmanie) relating to 4 coal EPCs in Queensland. The writ alleges that NSL has failed to meet various obligations under the Coal Acquisition Agreement. Birmanie has claimed $2.5m in damages. During the period, the Trial concluded in the Supreme Court of Western Australia, Her Honour Justice Banks-Smith has reserved her decision, ruling in favour of the Company.

The Company is pursuing litigation costs incurred through the prescribed legal process in the Supreme Court of Western Australia and are of the view that it will recover a significant sum of the costs incurred.

Independent Geologist
Subsequently and in addition to the above decision, the Company has commenced proceedings in the Supreme Court of Western Australia against Mr Biggs, in relation to the Independent Geologist Report which the Company commissioned him to prepare as part of its due diligence on applications for exploration permits for coal tenements in Queensland.

The Company is also claiming damages against Mr Biggs for negligence and misleading or deceptive conduct in the making of a number of representations in his report. Mr Biggs has filed a defence denying those allegations.

Ambica Crushtek

Ambica Crushtek were contracted by the Company for the design, fabrication and construction to the Phase 1 dry crushing and screening plant. Post construction, hand over and associated commissioning activities failed to conduct an agreed acceptance testing program. Subsequent operating has indicated designed plant throughput may not be achieved.

As per the agreement retention monies of 5% of the contract value can be retained for 12 months post completion and were retained, totalling approximately $90,000.

Ambica now believe they are entitled to the retention monies; however, the Company is not of the same view. Discussions continue between the parties towards a resolution

20. COMMITMENTS

a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities as follow:

	2018 $	2017 $
Within one year	565,386	169,322
Later than one year but not later than five years	-	3,783,127
	565,386	**3,952,449**

b) Operating lease commitments

	2018 $	2017 $
Within one year	97,569	104,428
Later than one year but not later than five years	51,437	96,994
Total minimum lease payment	**149,006**	**201,422**

The operating lease commitments relate to corporate offices and guest houses.

21. RELATED PARTY TRANSACTIONS

Related Party Information

(a) Parent Entity

The parent entity within the Group is IndiOre Limited.

(b) Subsidiaries

Interest in subsidiaries is set out in Note 22.

(c) Key management personnel compensation

	2018 $	2017 $
Short-term employee benefits	1,014,482	921,449
Post-employment benefits	92,400	92,400
Share-based payments	27,840	161,171
	1,134,722	**1,175,020**

Further information regarding the identity of key management personnel and their compensation can be found in the Remuneration Report – Audited contained in the Directors' Report which forms part of this Annual Report.

21. RELATED PARTY TRANSACTIONS (continued)

(d) Transactions with other related parties during the period

- as disclosed in the 30 June 2017 reporting period, the Board approved providing financial assistance to Mr Cedric Goode, in the form of a deemed loan to assist Mr Goode to acquire shares upon the exercise of his listed and unlisted options expiring 31 December 2016. An individual loan agreement was entered on an arm's length basis in respect of the loan. The Directors of the Company believe the financial assistance does not Materially Prejudice the interests of the Company or its Shareholders or the ability of the Company to pay its creditors. During the period, the deemed loan and accrued interest has been re-paid in full and has been accounted for as share capital and loan repayment proceeds.

- as disclosed in the 30 June 2017 reporting period, the Board approved providing financial assistance to Mr Sean Freeman, in the form of a deemed loan to assist Mr Sean Freeman to acquire shares upon the exercise of his listed and unlisted options expiring 31 December 2016. An individual loan agreement was entered on an arm's length basis in respect of the loan. The Directors of the Company believe the financial assistance does not Materially Prejudice the interests of the Company or its Shareholders or the ability of the Company to pay its creditors. During the period, the deemed loan and interest has been repaid in full and has been accounted for as share capital and loan repayment proceeds.

There were no other transactions with related parties during the period other than disclosed above.

22. SUBSIDIARIES

Entity	Country of Incorporation	2018 %	2017 %
I-S Iron Ore Pte Ltd	Singapore	100%	100%
NSL Mining Resources India (Pvt) Ltd (1)	India	100%	100%
NSL Coal Pty Ltd	Australia	100%	100%

Material activities undertaken by subsidiaries:

(1) Iron ore exploration and development

During the year, the Parent entity invested an amount of $4,873,422 (2017: $4,177,796) in NSL Mining Resources India (Pvt) Ltd and in I-S Iron Ore Pte Ltd. These investments were made to enable them to continue their operating activities. All amounts are outstanding as at 30 June 2018.

24. EVENTS OCCURRING AFTER THE REPORTING PERIOD

$6M CONVERTIBLE NOTE WITH FIRST SAMUEL

As announced on 31 August 2018, strategic cornerstone investor First Samuel has provided the Company with a $6m convertible note facility to fund the increased Phase 3 expansion projects capital cost estimate and working capital requirements. Key terms to the transaction are:

Amount: A$6m

Term: 3 Year facility – repayable early at the Company discretion

Interest rate: 10%pa compounding & accruing

End of term payment: +A$1m (to face value)

End of term payment amount (at any stage up to 3 years): Face Value + Interest Accrued + A$1m payment.

End of 3-year term payment form either: Cash or shares (Company discretion).

Shares: The share amount will be determined by then share price (1-month VWAP immediately before end of term) less a 15% discount.

Cash: As per the end of term payment amount above (i.e. A$9m).

Early repayment form: Cash only – unless directed by First Samuel (at which point we could elect shares as per the end of term details).

Tranching: The debenture will be tranched in draw down amounts of $2m, $2m, $1m & $1m (total $6m). This cash will be made available within 5 days' notice from the Company of its requirement.

Importantly, First Samuel and IndiOre are committed to strengthening relations and working together on the near-term expansion projects, and towards the medium-term production goal of 2.5 million tonnes per annum of iron ore concentrate.

SHARE CONSOLIDATION AND CHANGE OF COMPANY NAME

During the 30 June 2018 period, the company had shareholders approve a consolidation of Share Capital on a 15 to 1 basis. The approval was granted by Shareholders at an EGM held on 28 June 2018. The share consolidation was completed on 16 July 2018, with 3,388,170,381 shares on issue, now totalling 225,879,182 post consolidation.

A change of Company name was also approved by shareholders at the EGM held on 28 June 2018, now being IndiOre Limited.

24. CASH FLOW INFORMATION

(a) Reconciliation of loss after income tax to net cash flow from operating activities

	2018 $	2017 $
Operating loss after tax	(15,624,258)	(4,778,842)
Adjustment for;		
Depreciation and amortisation	660,269	266,072
Currency Gain/Loss	25,203	146,458
Equity-settled share based payments	527,840	283,171
Exploration and evaluation impairment	(343,899)	121,335
Development impairment	11,719,820	-
Changes in assets / liabilities		
-(increase) in other receivables	77,127	(339,650)
-increase for provision in deferred tax liability	14,135	-
-increase in provisions	239,056	-
-increase in other financial liabilities	-	
-increase in inventory	(185,003)	(185,003)
-(decrease) /increase in trade and other payables	804,403	51,130
Net cash flow used in operating activities	**(2,085,307)**	**(4,519,617)**

(b) Non-cash investing and financing activities

There were a total of 34,714,286 shares issued on the same terms as $10m Placement jointly led by Shaw and Partner and Aitken Murray Capital Partners as consideration for the 5% capital raising fee.

There were no other non-cash investing and financing activities during the period.

25. LOSS PER SHARE

Basic and diluted earnings per share

	2018 ¢	2017 ¢
Basic loss per share	(0.57)	(0.24)
Diluted loss per share	n/a	n/a

Diluted loss per share not disclosed as it does not increase loss per share.

Loss attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share

	2018 $	2017 $
Loss attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share.	**(15,599,055)**	**(4,739,785)**

25. LOSS PER SHARE (continued)

Weighted average number of shares used as the denominator

	2018 Number	2017 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	2,624,381,171	1,961,590,806
Adjustments for calculation of diluted earnings per share:		
- options /rights(dilutive)	110,000,000	109,583,333
- options (anti-dilutive)	15,000,000	10,000,000
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	**2,734,381,171**	**2,071,174,139**

110,000,000 rights outstanding as at 30 June 2018 have not been included in the calculation of diluted earnings per share because they are anti-dilutive for the year ended 30 June 2018. These options could potentially dilute basic earnings per share in the future. Subsequent to the period these rights were cancelled as a result of the resignation of Managing Director and Chief Executive Officer Mr Cedric Goode terminating the rights.

26. SHARE-BASED PAYMENTS

Set out below are summaries of options granted:

Grant date	Expiry date	Exercise/Issue price $	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number *	Forfeited / lapsed during the year Number	Vested and Exercisable at end of year Number
2018							
28/06/2018	28/06/2021	$0.014	-	5,000,000	-	-	5,000,000
01/07/2016	30/06/2018	$0.014	10,000,000	-	-	(10,000,000)	-
12/08/2014	31/12/2016	$0.0096	95,833,333	-	(95,833,333)	-	-
14/08/2015	14/08/2018	$0.03	10,000,000	-	-	-	10,000,000
14/08/2015	31/12/2016	$0.01	3,750,000	-	(3,750,000)	-	-
Total			**119,583,333**	**5,000,000**	**(99,583,333)**	**(10,000,000)**	**25,000,000**
Weighted average exercise price			$0.004		$0.010	$0.014	$0.011

Weighted average contractual life of share options outstanding at the end of the period was 1.08 years (2017: 0.57 years).

Grant date	Expiry date	Exercise price $	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number *	Forfeited / lapsed during the year Number	Vested and Exercisable at end of year Number
2017							
01/07/2016	30/06/2018	$0.014	-	10,000,000	-	-	10,000,000
12/08/2014	31/12/2016	$0.0096	177,000,000	-	(81,166,667)	-	95,833,333
14/08/2015	14/08/2018	$0.03	10,000,000	-	-	-	10,000,000
14/08/2015	31/12/2016	$0.01	6,000,000	-	(2,250,000)	-	3,750,000
19/10/2015	31/12/2016	$0.01	26,823,606	-	(26,823,606)	-	-
Total			**219,823,606**	**10,000,000**	**(110,240,273)**	**-**	**119,583,333**
Weighted average exercise price			$0.0109	$0.014	$0.0109	-	$0.004

26. SHARE-BASED PAYMENTS (continued)

Share-based payments recognised during the financial year:	2018 $	2017 $
Modification of KMP options	-	161,171
Shares issued as consideration for consultation	-	-
ESOP options issued – senior management option fair value expense	27,840	74,000
Shares issued as consideration for brokerage on capital raise	500,000	-
TOTAL	**527,840**	**235,171**

Modification of KMP Options
On 29 December 2016, the company granted limited recourse loans to Cedric Goode and Sean Freeman for the purpose of exercising their options that were due to expire on 31 December 2016 and obtain ownership of the underlying shares in IndiOre Limited. Although in legal form the shares have been issued and a loan granted, as the loan is non-recourse the arrangement is the same as if the original option contracts had been modified with an extension of 1 year. Accordingly, this is accounted for as a modification to the existing option scheme, giving rise to a share based payment benefit to Cedric Goode and Sean Freeman, included in their remuneration. The modification has been valued using a Black Scholes Model with the following assumptions used to value the modification benefit of $161,171:

- Share price at the contract modification date $0.036
- Dividend yield %0
- Expected volatility 120%
- Risk free interest rate 2%
- Expected life of options, 1 year

27. PARENT ENTITY FINANCIAL INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

Statement of Financial Position	2018 $	2017 $
Current assets	10,184,891	904,694
Total Assets	12,819,856	12,328,806
Current Liabilities	(846,399)	(617,604)
Total Liabilities	(846,399)	(617,604)
Shareholders Equity		
Share Capital	72,750,343	56,327,533
Reserves	2,703,708	2,675,869
Accumulated losses	(46,831,315)	(47,292,199)
Loss for the year	(16,649,280)	(3,753,841)

DIRECTORS' DECLARATION

In the directors' opinion:

a) The financial statements and notes set out on page 29 to 64 are in accordance with the Corporations Act 2001, including:

    i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

    ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of their performance for the financial year ended on that date;

a) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

b) The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with the International Financial Reporting Standards.

The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2018.

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

On behalf of the Directors

Peter Richards
Chairman
IndiOre Limited
Dated 28 September 2018

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INDEPENDENT AUDITOR'S REPORT

To the members of Indiore Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Indiore Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

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

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

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

Key audit matters

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

Impairment of mine development assets

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 10, the Company completed an impairment assessment of its development assets in accordance with AASB 136 Impairment of Assets under a value in use methodology. As a result of the assessment the mine development assets are fully impaired at 30 June 2018. Given the quantum of this impairment and the judgement exercised by the Group in determining the recoverable amount of the mine development assets, we considered this area to be significant for our audit.	Our procedures included, but were not limited to the followings: • Enquiring with management to gather sufficient information about the status of the Group's development activities; • Evaluating the Group's assumptions in the valuation method used to determine the recoverable amount of its mine development assets and whether these were consistent with our knowledge of the Group and market data; and • Assessing the adequacy of related disclosures in Note 10 of the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 25 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Indiore Limited, for the year ended 30 June 2018, complies with section 300A of the Corporations Act 2001.

Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO

M Cutt

Matthew Cutt

Director

Perth, 28 September 2018

ASX ADDITIONAL INFORMATION

Share Consolidation

During the 30 June 2018 period, the company had shareholders approve a consolidation of Share Capital on a 15 to 1 basis. The approval was granted by Shareholders at an EGM held on 28 June 2018. The share consolidation was completed on 16 July 2018, with 3,388,170,381 shares on issue now on a post consolidated basis totalling 225,879,182.

The securities exchange information set out below was applicable as at 24 August 2018.

Distribution of Holders of Equity Securities

Distribution of Holders of Equity Securities	Ordinary Shares	Unlisted Options
1 to 1,000	622	-
1,001 to 5,000	693	-
5,001 to 10,000	432	-
10,001 to 100,000	842	-
100,001 and over	271	1
	2,860	**1**

Twenty Largest Holders of Quoted Equity Securities

Distribution of Holders of Equity Securities	Ordinary Shares	Percentage
J P MORGAN NOM AUST LTD	42,416,499	18.78%
CRAZY DIAMOND PL	8,000,000	3.54%
GA WOOD HLDGS PL	5,400,000	2.39%
CITICORP NOM PL	5,195,695	2.30%
NATIONAL NOM LTD	5,058,659	2.24%
TWYNAM AGRIG GRP PL	4,761,905	2.11%
RICHARDS PETER IAN	4,184,963	1.85%
FIORI PL	3,559,601	1.58%
TW CONSTRUCTION SVCS PL	3,220,000	1.43%
AH SUPER PL	3,138,322	1.39%
SOOKIAS VAROOJH	3,000,002	1.33%
WEBSTER TIMOTHY C + W K	3,000,000	1.33%
LINFORD PETER ALEXANDER	2,791,233	1.24%
FREEMAN SEAN MICHAEL	2,714,160	1.20%
WEBSTER WENDY KAREN	2,305,006	1.02%
GOODE CEDRIC F + MANN K N	2,170,741	0.96%
GLOBAL MINORE PTE LTD	2,047,612	0.91%
ELBERG ALEX	2,000,000	0.89%
G A WOOD PL	1,833,334	0.81%
MCCARTNEY HEATH BERNARD	1,682,000	0.74%
	104,479,732	**48.04%**

ASX ADDITIONAL INFORMATION (Continued)

Substantial Shareholding

As at 24 August 2018, there were no substantial holders of the Company's share capital.

Number of Holders of Equity Securities

Ordinary Share Capital
There are 225,879,182 fully paid ordinary shares on issue, held by 2,860 individual shareholders. Each member entitled to vote may vote in person or by proxy or by attorney and on a show of hands every person who is a member or a representative or a proxy of a member shall have one vote and on a poll every member present in person or by proxy or attorney or other authorised representative shall have one vote for each share held.

Options/rights over Unissued Ordinary Share Capital
There are no listed options on issue. Listed options do not carry a right to vote.

There are 666,667 & 333,333 unlisted options on issue, held by 2 individual holders. Unlisted options do not carry a right to vote.

There are 9,625,000 performance rights on issue, held by 3 individual holders. Performance rights do not carry a right to vote.

MINING AND EXPLORATION TENEMENTS

Project/Tenements	Location	Interest held at period end
Kuja	Andhra Pradesh, India	100%
Mangal	Andhra Pradesh, India	100%
TS 1	Andhra Pradesh, India	100%
AP 26	Andhra Pradesh, India	Royalty based extraction
AP 27	Andhra Pradesh, India	Royalty based extraction
AP 3	Andhra Pradesh, India	Royalty based extraction