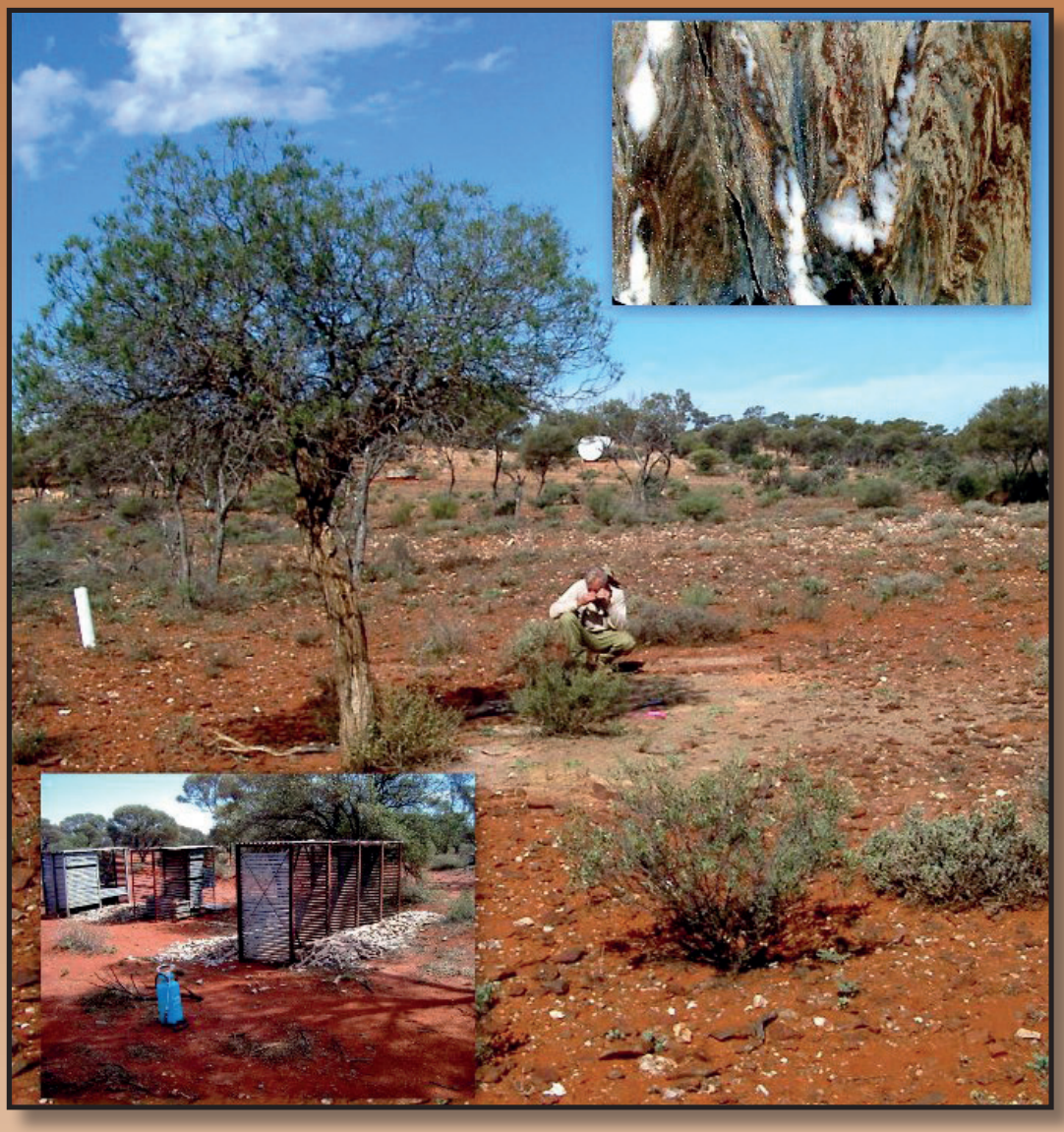
HAMPTON HILL
Mining NL

ABN 60 060 628 524



Annual Report

2019

DARWIN
PERTH
BRISBANE
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ADELAIDE
MELBOURNE
HOBART
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KUNUNURRA
BROOME
PORT HEDLAND
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MILLENNIUM
NEWMAN
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Australia
CARNARVON
MEEKATHARRA
WELD RANGE
GERALDTON
LEONORA
APOLLO HILL
KALGOORLIE
PERTH
NORTHLANDER
ESPERANCE
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HAMPTON HILL Mining NL

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CORPORATE DIRECTORY

Directors	Joshua Pitt Executive Chairman Neil Tomkinson Non-executive Director Wilson Forte Non-executive Director
Company Secretary	Peter Ruttledge
Registered and Business Office	Level 2 9 Havelock Street West Perth WA 6005 Telephone: 08 9481 8444 Email: info@hamptonhill.com.au
Auditor	HLB Mann Judd (WA Partnership) Level 4 130 Stirling Street Perth WA 6000
Home Exchange	Australian Securities Exchange (ASX)
ASX Code	HHM
Share Registry	Security Transfer Australia 770 Canning Highway Applecross WA 6153 Telephone: 1300 992 916 Email: registrar@securitytransfer.com.au
Webpage	www.hamptonhill.com.au
Corporate Governance Statement	http://www.hamptonhill.com.au/CorpGov.htm

Hampton Hill Mining NL (ABN 60 060 628 524) is a public listed company incorporated and domiciled in Australia

CHAIRMAN'S LETTER

CHAIRMAN'S LETTER

The year ahead promises to see the transformation of your company, Hampton Hill Mining NL (Hampton Hill or the Company).

Hampton Hill was listed on the ASX in 1994 and since then has expended some $17 million on green field exploration focused on the Western Australian goldfields and has multiplied this effort over the years through many joint ventures. Exploration has been limited over the last two years due to funding restrictions, with your board reluctant to seek dilutionary share issues at a time when it views the intrinsic value of Hampton Hill's assets as underappreciated.

Hampton Hill's exploration during the past year was directed to one active joint venture, the Millennium Zinc Project in the Paterson Province, with Encounter Resources Limited (Encounter) as manager.

Recently, the tight finances of the Company have been relieved somewhat by the sale of ASX listed equities at a good profit. Exploration efforts will now be expanded, beginning with the reactivation of exploration on the substantial base metal rights the Company holds in the Weld Ranges in the Murchison region.

Hampton Hill holds a 5% gross overriding gold royalty on all production in excess of one million ounces from the Central Leases (Hampton Royalty Area) at the Apollo Hill Project, just 60 kilometres south east of Leonora township in the heart of the Western Australian goldfields (Figures 1 and 2). The project was sold by the Company to ASX listed Peel Mining Limited (Peel) in November 2010 in exchange for Peel shares and the royalty, which was designed to emphasize the benefit that would arise should the resource prove to be substantial, as was the expectation of your board.

In March 2018, Peel brought the Apollo Hill Project directly to the market with the ASX listing of Saturn Metals Limited (Saturn), raising $7 million so that intensive resource drilling could commence. Saturn is now rapidly expanding the Apollo Hill Mineral Resource. By November 2018, this Resource, which is derived largely from the footwall lode, already stood at a JORC 2012 compliant 20.7 million tonnes grading 1 gram per tonne gold (Refer Saturn ASX announcement 19 Nov 2018).

Recent drilling at Apollo Hill has involved 20,000 metres of reverse circulation drilling increasing the footwall lode drillhole density and significantly extending the known lode dimensions in length and depth. The program has also revealed the presence of a number of adjacent parallel hanging wall lodes of improved grade. The outlined mineralized envelope is now known to extend over approximately 2 kilometres of strike and 500 metres of width and so far has been traced to over 200 metres in depth.

These extraordinary dimensions have positive implications for the ultimate resource potential of the hill and for the stripping ratios that may be anticipated from any open cut mining operation.

CHAIRMAN'S LETTER

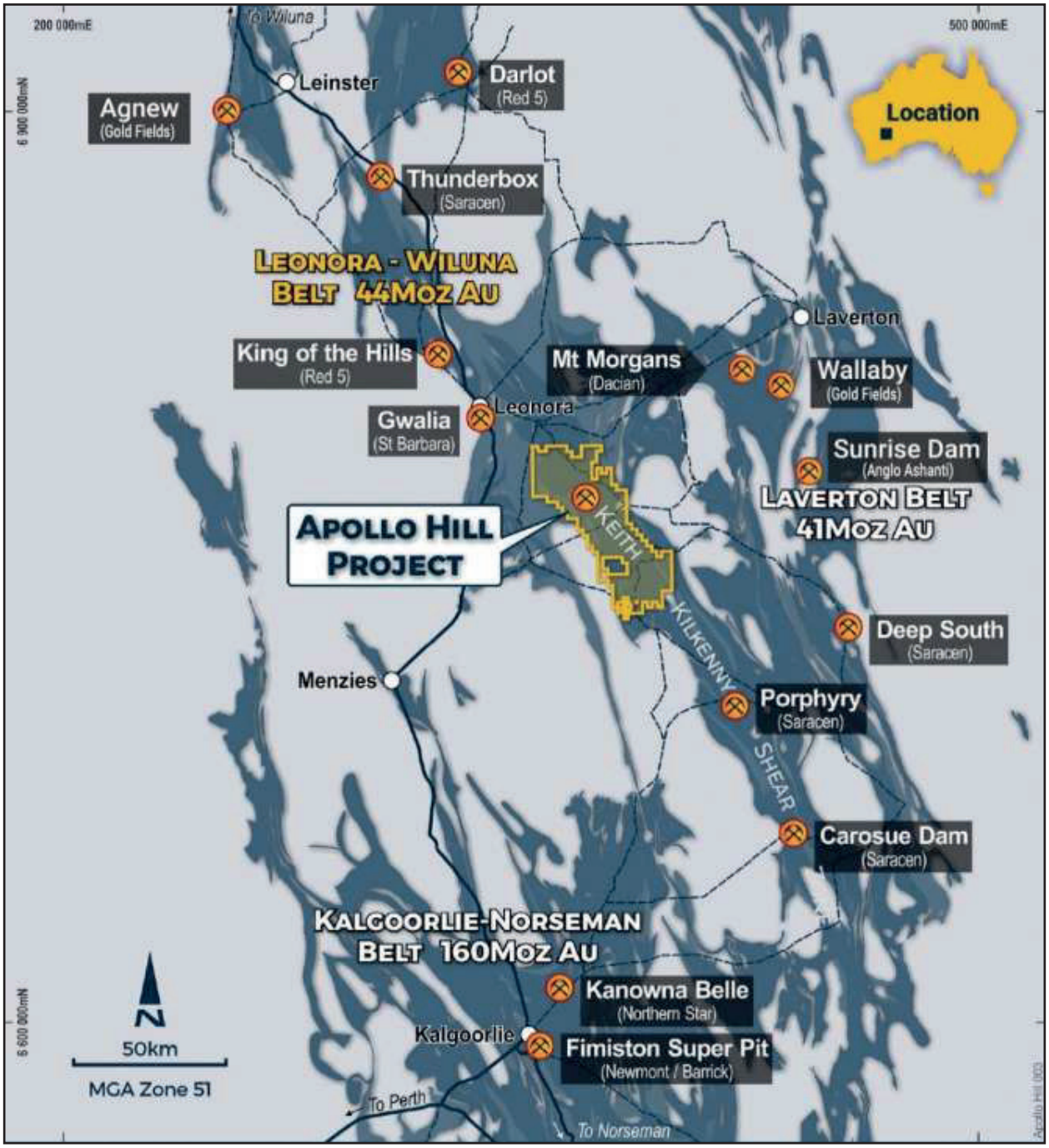

Figure 1: Location of Apollo Hill Gold Project in the Western Australian goldfields

CHAIRMAN'S LETTER

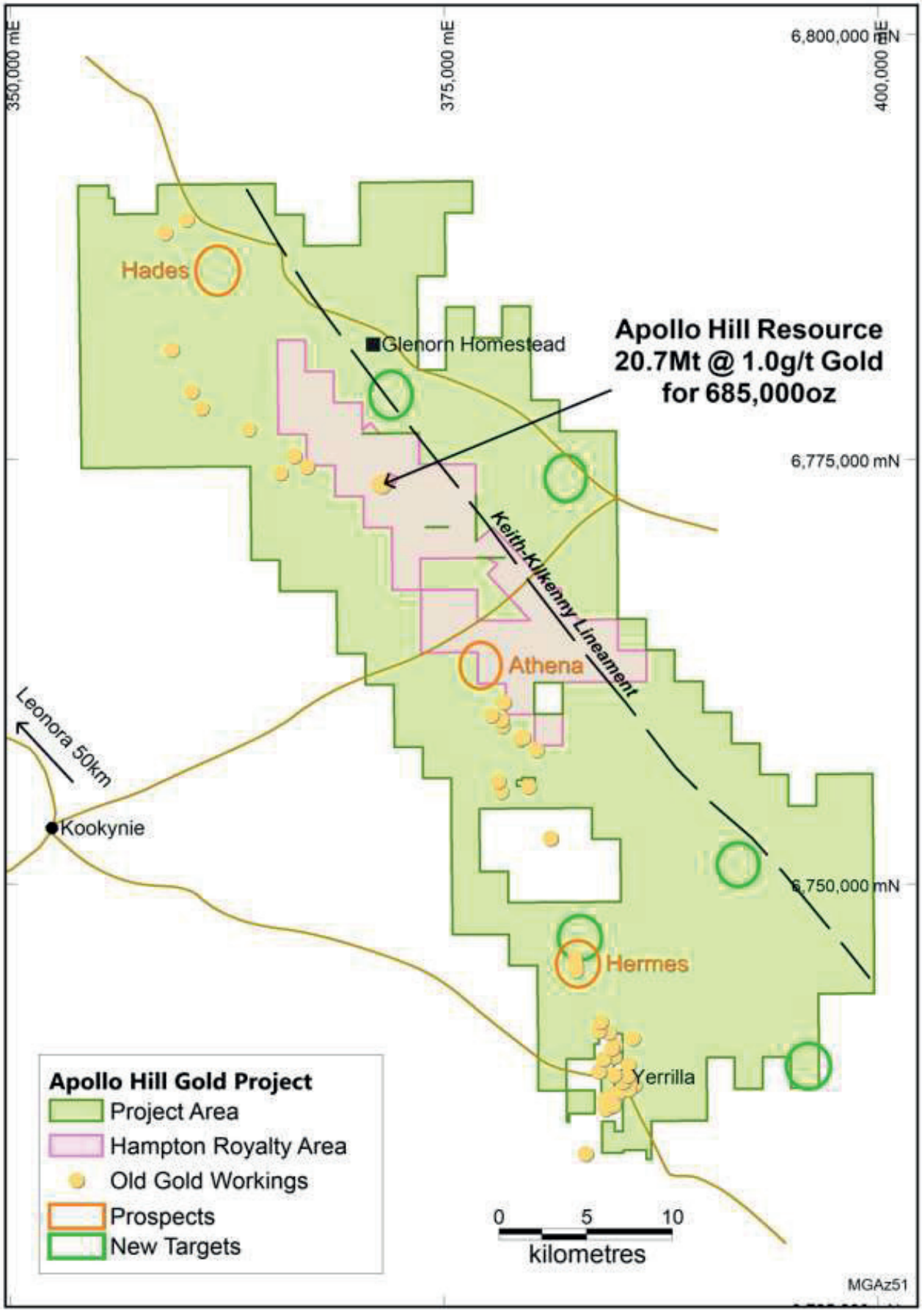

Figure 2: Location of Apollo Hill Gold Project showing the Hampton Royalty Area

CHAIRMAN'S LETTER

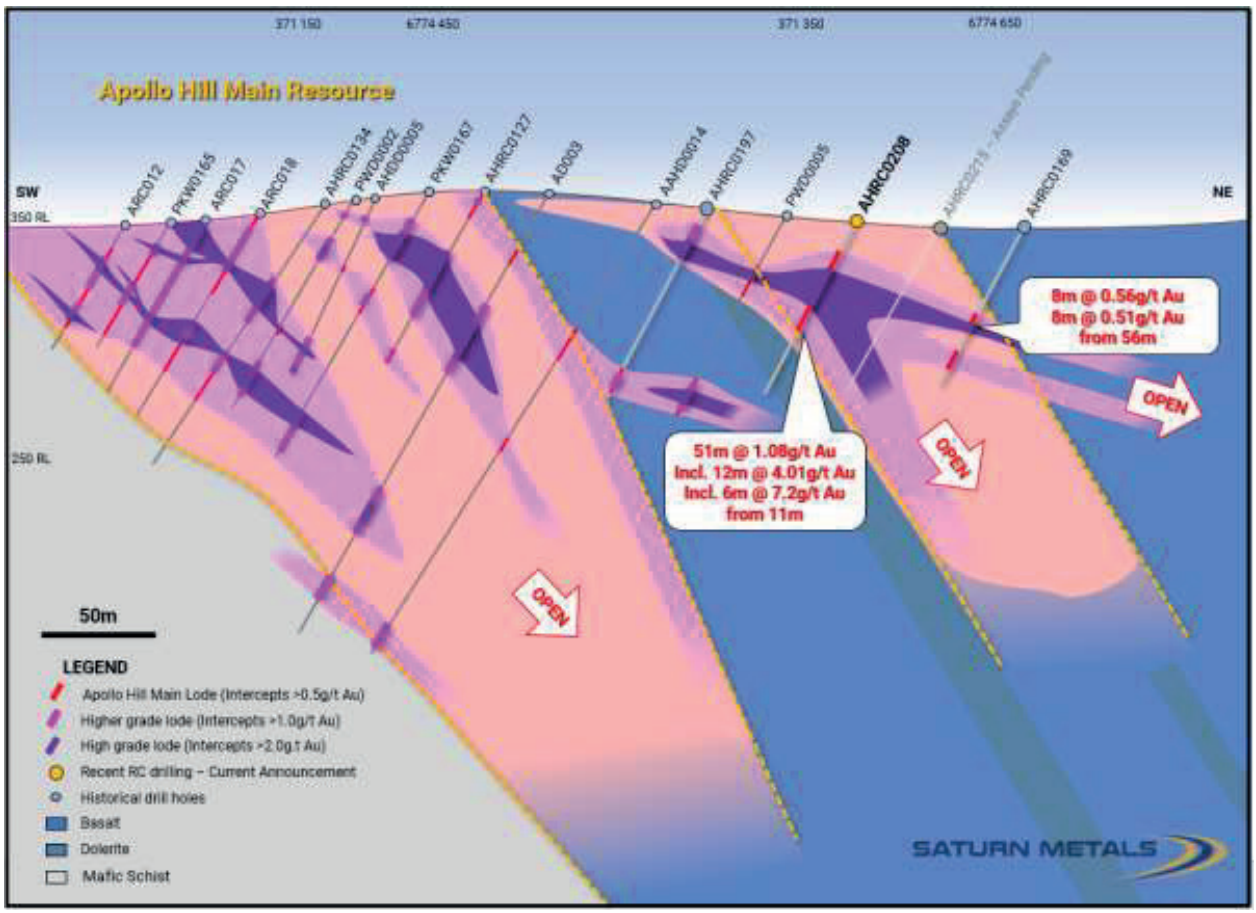

Figure 3: Simplified 30m wide geological cross-section of the Apollo Hill Mineralization (Source: Saturn ASX Quarterly Report announcement 31 July 2019)

Hampton Hill remains enthusiastic as to the potential for a major discovery at our Millennium Zinc Project where we are awaiting a new exploration program and budget from the project manager, Encounter. Over $3 million of joint venture money has been expended on this project testing the eastern margin zinc anomaly at depth with disappointing results. The target sedimentary basin away from the eastern margin however is also known to be highly anomalous in zinc and warrants further exploration.

Your Company holds other exploration, royalty and equity assets. Of particular value is the 10.3 million shares held in Peel. Hampton Hill has been a long term supporter of Peel with its focus on exploration in the Cobar district of New South Wales and its dominant shareholding in Saturn exploring Apollo Hill.

Your board thanks you for your patience and can assure you of an exciting year ahead

Joshua Pitt
Chairman

DIRECTORS' REPORT

Hampton Hill Mining NL (Hampton Hill or the Company) is an Australian company listed on the Australian Securities Exchange (ASX). The registered office and principal place of business of the Company is Level 2, 9 Havelock Street, West Perth, Western Australia.
The directors of the Company present their report on the Company for the year ended 30 June 2019.

DIRECTORS

The names of the directors of the Company during the financial year and up to the date of this report are:
Joshua Pitt
Neil Tomkinson
Wilson Forte

PRINCIPAL ACTIVITIES

The principal activities of the Company consisted of base metal exploration and managing the return from holdings in mineral related investments and royalties acquired through exploration related activities. There has been no significant change in the Company's activities during the financial year.

DIVIDENDS

No dividends were paid during the year and the directors do not recommend the payment of a dividend.

REVIEW OF OPERATIONS AND LIKELY DEVELOPMENTS

The operating loss after tax of the Company for the financial year was $1,656,026.

The Company restricted exploration activity during the year due to the lack of funding. Hampton Hill has a 25% interest in the Millennium Zinc Project, where an orientation magneto-telluric survey was carried out and is now being evaluated to determine whether a full survey would be effective in providing target vectors.

Hampton Hill holds two significant royalty interests. It holds a 5% gross overriding royalty over all gold produced in excess of 1 million ounces from the Central Leases at the Apollo Hill Project near Leonora that is owned by Saturn Metals Limited (Saturn). It also holds a 0.98% net smelter royalty over all gold production plus certain other rights over the Northlander Gold Project, which is a small portion of the Kunanalling Project near Coolgardie, owned by Evolution Mining Limited (Evolution).

The Apollo Hill Project Central Leases 2012 JORC Compliant Mineral Resource stands at 685,000 ounces of gold contained in 20.7 million tonnes grading 1.0 gram per tonne (largely inferred) (Refer Saturn ASX announcement 19 Nov 2018). Saturn has continued a very active drilling program throughout the year at Apollo Hill focussed on expanding the known resource along the footwall contact and seeking hanging wall repetitions. It anticipates the release of an updated Resource Statement shortly.

Evolution continued active exploration at their Kunanalling Project and has some gold targets within the Northlander Gold Project area. The project lies 8 kilometres from the Evolution Mungari Treatment Plant and while no drilling was reported during the half year, this asset may ultimately prove of significant value.

DIRECTORS' REPORT

REVIEW OF OPERATIONS AND LIKELY DEVELOPMENTS (continued)

Hampton Hill also holds two significant shareholdings in ASX listed companies. It holds 10.35 million fully paid shares in Peel Mining Limited, which is achieving significant exploration success in a large portfolio of tenements in the Cobar district of NSW. It also holds, at the date of this report, 800,000 shares in Saturn which is focussing its exploration efforts at Apollo Hill. Currently these investments have a market value of approximately $3.6 million and your board believes that this value can be expected to rise in the medium term as both companies advance their respective projects.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than the operating results, there were no significant changes in the state of affairs of the Company during the financial year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to balance date, the Company repaid $100,000 of the existing related party loans, decreasing the loan balance to $150,000. In addition, the repayment date of these related party loans was extended from 30 April 2020 to 1 October 2020.

To the best of the directors' knowledge and belief, there have been no other matters or circumstances that have arisen after balance date that have significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial periods.

ENVIRONMENTAL REGULATIONS

The mining leases, exploration licences and prospecting licences granted to the Company pursuant to the Mining Act (1978) (WA) are granted subject to various conditions which include standard environmental requirements. The Company adheres to these conditions and the directors are not aware of any contraventions of these requirements. The directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. For the period 1 July 2018 to 30 June 2019 the directors have assessed that there are no current reporting requirements, but that the Company may be required to report in the future.

INFORMATION RELATING TO THE DIRECTORS

Executive Chairman

Joshua Pitt BSc, MAusIMM, MAIG

Mr Pitt is a geologist with extensive exploration experience who has, for more than thirty five years, been a director of exploration and mining companies in Australia. Mr Pitt is involved in private mineral exploration and also in substantial resource investments. He is a non-executive director of Red Hill Iron Limited (appointed June 2005), Traka Resources Limited (appointed July 2003) and Red Metal Limited (appointed July 2003). Mr Pitt has held no other directorships of ASX listed companies during the last three financial years.

DIRECTORS' REPORT

INFORMATION RELATING TO THE DIRECTORS (continued)

Non-executive Directors

Neil Tomkinson LLB Hons

Mr Tomkinson has extensive experience over many years in the management of and investment in exploration and mining companies. He is an active investor in private mineral exploration and in resources in general in Australia specialising in the search for and discovery of new mineral deposits and the promotion of new listings on the ASX. He is the executive chairman of Red Hill Iron Limited (appointed director and chairman in April 2008) and the non-executive chairman of Traka Resources Limited (appointed September 2003). Mr Tomkinson has held no other directorships of ASX listed companies during the last three financial years.

Wilson Forte BSc Hons (UWA), MAusIMM, MAIG

Mr Forte is a Western Australian geologist with more than thirty years' experience in mineral exploration in Australia, Southern Africa and Iran. For the past thirty years he has mainly worked on the evaluation of gold and base metal projects in Western Australia. Mr Forte has held no other directorships of ASX listed companies during the last three financial years.

INFORMATION RELATING TO THE COMPANY SECRETARY

Peter Ruttledge BSc, CA, FFin

Mr Ruttledge is a Chartered Accountant and a Fellow of the Financial Services Institute of Australasia and has over thirty years' experience as company secretary of a number of listed mining and exploration companies.

DIRECTORS' INTERESTS IN SHARES IN THE COMPANY

The number of shares in the Company held directly and indirectly by the directors as at the date of this report is set out below:

Director	**Ordinary shares fully paid**	**Ordinary shares partly paid to 0.1 cents**
J N Pitt	97,768,644	-
N Tomkinson	14,955,942	-
W S Forte	3,867,241	1,900,000

The relevant interest of Mr Tomkinson and Mr Pitt in the shares of the Company is their combined holding of 112,724,586 shares.

The directors do not hold any unlisted options.

DIRECTORS' REPORT

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of directors held during the year ended 30 June 2019 and the number of meetings attended by each director:

Director	Meetings of directors whilst a director	Number of meetings attended
J N Pitt	7	7
N Tomkinson	7	7
W S Forte	7	7

The Company does not have any committees.

AUDITED REMUNERATION REPORT

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporation Act 2001.

(a) Principles used to determine the nature and amount of remuneration

The objective of the Company's remuneration policy for directors and other key management personnel is to ensure that:

- remuneration packages properly reflect the duties and responsibilities of the persons concerned, and
- remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The remuneration framework has regard to shareholders' interests by:

- focusing on sustained growth in share price, as well as focusing the executives on key non-financial drivers of value, and
- attracting and retaining high calibre executives.

The remuneration framework has regard to executives' interests by:

- rewarding capability and experience,
- providing a clear structure for earning rewards, and
- providing recognition for contribution.

The remuneration policy is not linked to the Company's performance and is linked to shareholder wealth only in so far as partly paid shares or options have been included in remuneration.

Remuneration is reviewed by the board on an annual basis having regard to performance and market competitiveness.

The remuneration of executive personnel is determined by the non-executive directors and comprises a base salary or fee and may include, by way of an incentive, the opportunity to take up partly paid shares or options in the Company and thereby participate in the future success of the Company.

All remuneration paid to key management personnel is valued at the cost to the Company and either capitalised as exploration and evaluation expenditure or expensed.

The Executives' remuneration is reviewed annually with regard to competitiveness and performance.

There are no guaranteed salary increases fixed in any senior executives' contracts.

DIRECTORS' REPORT

AUDITED REMUNERATION REPORT (continued)

Company performance and its consequences on shareholder wealth

It is not possible at this time to evaluate the Company's financial performance using generally accepted measures such as profitability and total shareholder return as the Company is an exploration company with no significant revenue stream. This assessment will be developed if and when the Company moves from explorer to producer.

The table below shows key company performance indicators for the last five years for the Company (2015 to 2019):

		2019	2018	2017	2016	2015
Revenue and other income	$	113,837	115,934	246,295	240,987	118,848
Net (loss)/profit	$	(1,656,026)	545,516	(90,962)	(483,489)	284,056
(Loss)/profit per share	cents	(0.56)	0.2	(0.04)	(0.2)	0.2
Share price at year end	cents	1.6	3.1	1.4	2.5	5.1

No dividends have been declared during these periods.

(b) Details of remuneration

The key management personnel of the Company are the directors.

The remuneration of key management personnel and other specified executives for the year is summarised below:

		Short term benefits	Post-employment benefits	Total	Performance related
	Year	Salary & fees	Superannuation		
		$	$	$	%
Executive Director					
J N Pitt (Chairman)	**2019**	**-**	**-**	**-**	**-**
	2018	-	-	-	-
Non-executive Directors					
N Tomkinson	**2019**	**-**	**-**	**-**	**-**
	2018	-	-	-	-
W S Forte	**2019**	**20,000**	**1,900**	**21,900**	**-**
	2018	20,000	1,900	21,900	-

With the exception of a non-executive director's fee paid to Mr W S Forte, no other directors' fees are paid. Non-executive directors may be paid all travelling and other expenses properly incurred by them in the business of the Company. The executive chairman has elected not to receive a remuneration package. No part of the remuneration of directors and other specified executives is contingent upon the performance of the Company.

(c) Service agreements

Non-executive Director

Commencing 1 May 2012, Mr Forte took on a non-executive director role in the Company. Mr Forte is paid a director's fee of $20,000 per annum plus statutory superannuation. No fixed terms or notice period applies and there is no provision for termination benefits.

No other service agreements are in place for directors.

DIRECTORS' REPORT

AUDITED REMUNERATION REPORT (continued)

(d) Share-based compensation

No options have been issued to, or exercised by, directors or any other key management personnel during the year. No options are held by key management personnel and currently the board does not anticipate that any share-based compensation will be issued to directors.

(e) Shares held by key management personnel

The numbers of shares held during the year by key management personnel, including those held by their personally related entities, are set out below:

	Balance at 1 July 2018	Net changes	Balance at 30 June 2019
Fully paid shares			
Directors			
J N Pitt	97,190,055	-	97,190,055
N Tomkinson	14,955,942	-	14,955,942
W S Forte	3,867,241	-	3,867,241
	116,013,238	-	116,013,238
Partly paid shares			
Directors			
W S Forte			
Issued for 10 cents paid to 0.1 cent	200,000	-	200,000
Issued for 20 cents paid to 0.1 cent	1,200,000	-	1,200,000
Issued for 25 cents paid to 0.1 cent	500,000	-	500,000
	1,900,000	-	1,900,000

Net changes relate to shares purchased or sold during the financial year.

There were no shares, either fully or partly paid, granted as compensation to key management personnel during the reporting period.

There were no shares granted on the exercise of options by key management personnel during the reporting period.

No other key management personnel hold partly paid shares. No partly paid shares were paid up or forfeited during the year.

None of the shares are held nominally.

No key management personnel hold unlisted options.

(f) Transactions with key management personnel

Income from related parties

During the financial year the Company received $78,792 (2018: $80,189) from Red Hill Iron Limited, a listed company of which Mr Pitt and Mr Tomkinson are directors and shareholders, for rental of office space and provision of administration services supplied by the Company on normal commercial terms and conditions determined on an arms-length basis between the companies.

DIRECTORS' REPORT

AUDITED REMUNERATION REPORT (continued)

During the financial year the Company received a reimbursement of $277 (2018: $277) from Traka Resources Limited, a listed company of which Mr Pitt and Mr Tomkinson are directors and shareholders, for expenditure incurred by the Company on Traka Resources Limited's behalf.

Borrowings from directors

Borrowings relate to the loan facility of $1,000,000 provided by companies associated with directors Mr Pitt and Mr Tomkinson, comprising two loans of $500,000 each. The Company repaid $250,000 during the year leaving $250,000 drawn down at year end - $125,000 on each loan. The loans are unsecured and otherwise on normal commercial terms and conditions, bearing interest at a rate of 3.5% per annum, paid quarterly in arrears. The total interest paid on the loans for the financial year was $12,898 (2018: $21,638).

Subsequent to the year end, the Company repaid $100,000 of these loans and extended the repayment date from 30 April 2020 to 1 October 2020.

Loans to key management personnel

The Company has not made any loans to key management personnel during the year.

There were no other transactions with key management personnel and other related parties during the year.

(g) Additional information

Voting and comments at the Company's 2018 Annual General Meeting (AGM)

The Company received a majority of votes in favour of its remuneration report for the 2018 financial year. The Company did not receive any specific comments on its remuneration practices at the AGM or throughout that year.

Engagement of remuneration consultants

The Company has not engaged remuneration consultants to make a remuneration recommendation in respect of any of the key management personnel**.**

The audited remuneration report ends here.

SHARES UNDER OPTION

The number of options on issue at the date of this report is as follows:

Grant date	Expiry date	Issue price of shares	Number under option	Percent vested
23 Jun 2017	27 Dec 2019	1.84 cents per share	350,000	100%

The unlisted options were issued to staff of the Company.

DIRECTORS' REPORT

INSURANCE OF OFFICERS

During or since the end of the financial year the Company has not given an indemnity to, nor has it entered into any agreement to indemnify, nor has it paid or agreed to pay insurance premiums to insure any director or other officer of the Company against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Company.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the court pursuant to section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not party to any such proceedings during the year.

AUDIT COMMITTEE

The Company is not of a size nor are its financial affairs of such complexity to justify a separate audit committee of the board of directors. All matters that might properly be dealt with by such a committee are the subject of scrutiny at full board meetings.

NON-AUDIT SERVICES

HLB Mann Judd (WA Partnership) (HLB), the company's auditor, did not perform any non-audit services for the Company for the year ended 30 June 2019.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required by Section 307C of the Corporations Act 2001 is included in this Financial Report. HLB holds office in accordance with section 327C(2) of the Corporations Act 2001, until the Company's next annual general meeting.

Signed in Perth in accordance with a resolution of directors on 4 September 2019.

J N Pitt
Chairman

AUDITOR'S INDEPENDENCE DECLARATION

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Hampton Hill Mining NL for the year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
4 September 2019

B G McVeigh
Partner

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au
Liability limited by a scheme approved under Professional Standards Legislation.

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		$	$
Revenue from continuing operations	2	6,568	6,563
Other income	2	107,269	109,371
Impairment of exploration expenditure	9	-	(3,836)
Fair value movement in financial assets	8	(1,429,250)	-
Administration expenses	3	(340,613)	(338,026)
Loss before income tax		(1,656,026)	(225,928)
Income tax benefit	4	-	771,444
(Loss)/profit for the year		(1,656,026)	545,516
Other comprehensive income			
Items that may be realised through profit or loss			
Change in the fair value of available-for-sale financial assets	8	-	2,805,250
Income tax expense on other comprehensive income	4	-	(771,444)
Other comprehensive income for the year, net of tax		-	2,033,806
Total comprehensive (loss)/profit for the year attributable to the ordinary equity holders of the Company		(1,656,026)	2,579,322
(Loss)/profit per share from continuing operations attributable to the ordinary equity holders of the Company		**cents**	**cents**
Basic and diluted (loss)/profit per share	5	(0.56)	0.20

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Note	2019	2018
		$	$
Assets			
Current Assets			
Cash and cash equivalents	6	180,720	665,629
Trade and other receivables	7	15,288	16,292
Financial assets	8	3,687,000	5,116,250
Total Current Assets		3,883,008	5,798,171
Non-Current Assets			
Exploration assets	9	2,853,325	2,842,318
Plant and equipment	10	2,159	3,661
Total Non-Current Assets		2,855,484	2,845,979
Total Assets		6,738,492	8,644,150
Liabilities			
Current Liabilities			
Trade and other payables	11	33,080	32,712
Borrowings	12	250,000	500,000
Total Current Liabilities		283,080	532,712
Total Liabilities		283,080	532,712
Net Assets		6,455,412	8,111,438
Equity			
Issued capital	13	23,248,430	23,248,430
Reserves	14	209,493	3,004,114
Accumulated losses		(17,002,511)	(18,141,106)
Total Equity		6,455,412	8,111,438

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	Note	Issued capital	Reserves	Accumulated losses	Total equity
		$	$	$	$
2019					
Balance at 1 July 2018		23,248,430	3,004,114	(18,141,106)	8,111,438
Adjustment for initial application of accounting standard	23	-	(2,794,621)	2,794,621	-
Restated balance at 1 July 2018		23,248,430	209,493	(15,346,485)	8,111,438
Comprehensive loss					
Net loss for the year		-	-	(1,656,026)	(1,656,026)
Total comprehensive loss for the year		-	-	(1,656,026)	(1,656,026)
Transaction with equity holders in their capacity as equity holders		-	-	-	-
Balance at 30 June 2019		23,248,430	209,493	(17,002,511)	6,455,412
2018					
Balance at 1 July 2017		21,790,489	970,308	(18,686,622)	4,074,175
Comprehensive profit					
Net profit for the year		-	-	545,516	545,516
Other comprehensive income net of tax		-	2,033,806	-	2,033,806
Total comprehensive income for the year		-	2,033,806	545,516	2,579,322
Transaction with equity holders in their capacity as equity holders:					
Issue of shares, net of transaction costs		1,457,941	-	-	1,457,941
Balance at 30 June 2018		23,248,430	3,004,114	(18,141,106)	8,111,438

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		$	$
Cash flows from operating activities			
Payments to suppliers and employees		(319,002)	(316,969)
Interest received		8,406	4,374
Interest paid		(12,898)	(21,638)
Rent received		107,269	109,371
Net cash outflows from operating activities	15	(216,225)	(224,862)
Cash flows from investing activities			
Payments for exploration expenditure		(18,684)	(111,885)
Payment for plant and equipment		-	(807)
Payment for purchase of equity investments		-	(430,000)
Net cash outflows from investing activities		(18,684)	(542,692)
Cash flows from financing activities			
Loans received	12	-	400,000
Loans repaid	12	(250,000)	(500,000)
Proceeds from shares issued		-	1,457,941
Net cash (outflows)/inflows from financing activities		(250,000)	1,357,941
Net (decrease)/increase in cash and cash equivalents		(484,909)	590,387
Cash and cash equivalents at the beginning of the financial year		665,629	75,242
Cash and cash equivalents at the end of the financial year	6	180,720	665,629

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1 SEGMENT INFORMATION

Management has determined that the Company has one reportable segment, being mineral exploration within Australia. The board of directors monitors the Company based on actual versus budgeted exploration expenditure. This reporting framework is the most relevant to assist the board with making decisions regarding its ongoing exploration activities.

	2019 $	2018 $
Reportable segment assets	2,853,325	2,842,318
Reconciliation of reportable segment assets:		
Reportable segment assets	2,853,325	2,842,318
Unallocated corporate assets	3,885,167	5,801,832
Total assets	6,738,492	8,644,150
Reportable segment liabilities	-	7,677
Reconciliation of reportable segment liabilities:		
Reportable segment liabilities	-	7,677
Unallocated corporate liabilities	283,080	525,035
Total liabilities	283,080	532,712
Reportable segment profit/(loss)	-	(3,836)
Reconciliation of reportable segment profit/(loss):		
Reportable segment profit/(loss)	-	(3,836)
Other profit	113,837	115,934
Fair value movement in financial assets	(1,429,250)	-
Unallocated corporate expenses	(340,613)	(338,026)
Loss before income tax	(1,656,026)	(225,928)

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, consists of the members of the board of directors.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 2 REVENUE AND OTHER INCOME	Note	2019 $	2018 $
Revenue from continuing operations			
Interest income		6,568	6,563
Other income			
Rent		107,269	109,371

Revenue is measured at the fair value of the consideration received or receivable. Interest income is brought to account as income over the term of each financial instrument using the effective interest rate basis. All other revenue is recognised as it accrues.

NOTE 3 ADMINISTRATION EXPENSES

Loss before income tax includes the following specific administration expenses:			
Personnel expenses			
Salaries, director fees and other employment		21,052	21,204
Superannuation		1,900	1,900
		22,952	23,104
Depreciation	10	1,502	1,367
Finance costs	12	12,898	21,638
Other administration expenses			
Accounting		63,158	63,158
Audit		22,630	21,951
Listing fees		28,702	17,017
Office lease		109,328	110,738
Secretarial services		37,587	37,587
Other		41,856	41,466
		340,613	338,026

NOTE 4 INCOME TAX

(a) Income tax benefit

The components of income tax benefit comprise:		
Current tax	-	-
Deferred tax	-	771,444
	-	771,444

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 4 INCOME TAX (continued)	2019 $	2018 $
(b) Reconciliation of income tax benefit to prima facie tax payable on accounting loss		
Operating loss before income tax	(1,656,026)	(225,928)
Prima facie tax benefit at Australian rate of 30% (2018: 27.5%)	496,808	62,130
Adjusted for tax effect of the following amounts:		
Non-taxable items	2,268	2,079
Under provision in prior year	(124,508)	-
Adjustment for change in tax rate	272,054	-
Recognition of deferred tax assets as a result of movement in deferred tax liability	-	771,444
Income tax benefit not brought to account	(646,622)	(64,209)
Income tax benefit	-	771,444

The credit for current income tax expenses is based on the loss for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance date.

The Company does not satisfy all of the conditions to qualify as a base rate entity for the current year. Therefore, the full corporate tax rate of 30% applies to the Company.

(c) Income tax expense relating to other comprehensive income		
Change in fair value of available for sale assets	-	(771,444)

(d) Deferred tax assets and liabilities brought to account

	Balance 1 July $	Charged to income $	Charged to equity $	Balance 30 June $
2019				
Change in fair value of financial assets	(771,444)	428,775	-	(342,669)
Carried forward losses	771,444	(428,775)	-	242,669
	-	-	-	-
2018				
Change in fair value of available-for-sale assets	-	-	(771,444)	(771,444)
Carried forward losses	-	771,444	-	771,444
	-	771,444	(771,444)	-

NOTE 4 INCOME TAX (continued)

In the prior year, in accordance with the then applicable AASB 139, the revaluation upward to fair value of the Company's available-for-sale financial assets gave rise to income of $2,805,250 less a related income tax expense of $771,444 in Other Comprehensive Income. The revaluation, net of tax, was posted to the Available-for-Sale Financial Assets Revaluation Reserve. Typically the deferred tax component would be offset against the Company's deferred tax assets. The Company, however, does not bring to account deferred tax assets in relation to its unused tax losses because it is not considered probable that the Company will have sufficient future tax profits against which to offset these losses. Consequently, the income tax benefit of $771,444 was recognised in the Company's operating profit or loss for the prior year.

In the current year, following the adoption of AASB 9, all fair value changes are recognised in profit or loss and, since the Company does not bring to account deferred tax assets/liabilities, there is no adjustment to the fair value change for the income tax benefit associated with the revaluation.

	2019	2018
	$	$
(e) Deferred tax assets and liabilities not brought to account		
The directors estimate that the potential deferred tax assets and liabilities carried forward but not brought to account at year end, at the Australian corporate tax rate of 30% (2018: 27.5%) are made up as follows:		
On income tax account:		
Carried forward tax losses	4,613,920	4,568,448
Deductible temporary differences	3,450	3,438
Taxable temporary differences	(978,148)	(519,257)
Deductible temporary differences (equity)	-	13,750
Taxable temporary difference (equity)	-	(1,073,779)
Unrecognised net deferred tax assets	3,639,222	2,992,600

In the year ended 30 June 2018, an income tax benefit of $771,444 was recognised from previously unrecognised carried forward tax losses in respect of the net credit balance of the balance of the Available-for-Sale Financial Asset Revaluation Reserve.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable comprehensive income.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of Profit or Loss and Other Comprehensive Income except where it relates to items that may be credited directly to equity or comprehensive income, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 4 INCOME TAX (continued)

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity 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 tax 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.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

NOTE 5 BASIC AND DILUTED PROFIT/(LOSS) PER SHARE	**2019 cents**	**2018 cents**
Basic and diluted (loss)/profit per share from continuing operations attributable to the ordinary equity holders of the Company	(0.56)	0.20
Reconciliation of profit/(loss)	**$**	**$**
The (loss)/profit used in calculating the basic and diluted loss is equal to the (loss)/profit attributed to ordinary equity holders of the Company in the Statement of Profit or Loss and Other Comprehensive Income	(1,656,026)	545,516
	No. of shares	**No. of shares**
Weighted average number of ordinary fully paid shares	294,805,379	266,978,610
Weighted average number of ordinary share equivalents – partly paid shares	12,885	12,885
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted profit/(loss) per share	294,818,264	266,991,495

Basic profit/(loss) per share is determined by dividing the operating profit/(loss) after income tax by the weighted average number of ordinary shares outstanding during the financial year. The weighted average number of ordinary shares used in calculating basic and diluted profit/(loss) per share is derived from the fully paid and partly paid ordinary shares on issue.

Diluted profit/(loss) per share adjusts the figures used in the determination of basic profit/(loss) per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. The diluted profit/(loss) per share is the same as the basic profit/(loss) per share on account of the Company's potential ordinary shares (in the form of partly paid shares to the extent that they are not entitled to participate in dividends) not being dilutive because their conversion to fully paid ordinary shares would not increase the profit/(loss) per share.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 6 CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash at bank and on hand	180,720	665,629

Cash includes deposits at call and short term deposits which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis, net of outstanding bank overdrafts.

Information about the Company's exposure to interest rate risk and sensitivity analysis for financial assets and liabilities is disclosed in Note 25.

NOTE 7 TRADE AND OTHER RECEIVABLES

Interest receivable	351	2,189
Other	14,937	14,103
	15,288	16,292

Other receivables are expected to be recovered within 30 days of balance date. Information about the Company's exposure to interest rate risk and sensitivity analysis for financial assets and liabilities is disclosed in Note 25.
Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.
No trade and other receivables are considered impaired, or are past due.

NOTE 8 FINANCIAL ASSETS

Opening balance	5,116,250	1,881,000
Acquisitions during the year	-	430,000
Change in fair value through other comprehensive income	-	2,805,250
Fair value movement of financial assets	(1,429,250)	-
Closing balance	3,687,000	5,116,250

The financial assets comprise shares in ASX listed companies Peel Mining Limited and Saturn Metals Limited, and are stated at fair value. The Company adopted AASB 9 at the commencement of the current year, resulting in the financial assets now being classified as fair value through profit or loss. In prior periods, the listed investments were classified as available-for-sale and changes in fair value were recorded in other comprehensive income. Refer to Note 23 for details of the change in accounting policy.

AASB 9 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability;
Level 3 Inputs for the asset or liability that are not based on observable market data.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 8 FINANCIAL ASSETS (continued)

The securities are traded in an active market, being the ASX, and consequently they are measured as a Level 1 instrument on the fair value hierarchy. The quoted market price, used to determine the value of these securities is the bid price at balance date. There has been no transfer between measurement levels during the year.

NOTE 9 EXPLORATION ASSETS	2019	2018
	$	$
Costs brought forward in respect of areas of interest in exploration and evaluation phase	2,842,318	2,744,844
Expenditure incurred during the period on exploration of tenements	11,007	101,310
Impairment of exploration expenditure	-	(3,836)
	2,853,325	2,842,318

The Company has $2,853,325 (2018: $2,842,318) capitalised exploration and evaluation expenditure based on the directors' opinion that there are no facts or circumstances suggesting that the carrying amount of the exploration and evaluation asset may exceed its recoverable amount.

Exploration and evaluation expenditure for each area of interest is carried forward where rights to the tenure of the area of interest are current and costs are expected to be recouped through revenue derived from the area of interest or sale of that area of interest, or exploration and evaluation activities have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active or significant operations in, or in relation to, the area of interest are continuing. Exploration and evaluation expenditure for an area of interest which does not satisfy the above policy is not carried forward as an asset and is written off in profit or loss.

Exploration and evaluation expenditure incurred is accumulated separately for each identifiable area of interest. Such expenditure comprises net direct costs, and an appropriate portion of related overhead expenditure, but does not include general overheads or administration expenditure not having a specific nexus with a particular area of interest. Accumulated costs in relation to an abandoned area are written off to profit or loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Research and Development Incentives

Any incentive receipts for eligible research and development (R & D) activities are offset against ongoing expenditure incurred on that area of activities. Where the activities relate to exploration expenditure that has been capitalised, the incentive receipt is offset against Exploration Assets in the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 10 PLANT AND EQUIPMENT	2019	2018
	$	$
Office and field equipment – at cost	13,982	13,982
Office and field equipment – Accumulated depreciation	(11,823)	(10,321)
Total office and field equipment	2,159	3,661
Total plant and equipment	2,159	3,661
Office and field equipment		
Carrying amount at 1 July	3,661	4,221
Additions during the period	-	807
Depreciation charge	(1,502)	(1,367)
Carrying amount at 30 June	2,159	3,661

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

Recognition and measurement

Plant and equipment items are measured on the cost basis less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets.

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 Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are included in profit or loss.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for office and field equipment is 7.5% to 25% straight line.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

NOTE 11 TRADE AND OTHER PAYABLES	2019	2018
	$	$
Trade creditors and accruals	33,080	32,712

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days or recognition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 11 TRADE AND OTHER PAYABLES (continued)

Non-derivative financial liabilities are recognised initially at fair value and subsequently at amortised cost, comprising original debts less principal payments and amortisation. Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value. Information about the Company's exposure to interest rate risk and sensitivity analysis for financial assets and liabilities is disclosed in Note 25.

NOTE 12 BORROWINGS	2019 $	2018 $
Current and unsecured loans – related parties		
Balance as at 1 July	500,000	600,000
Cash flows from financing activities:		
Loans received	-	400,000
Loans repaid	(250,000)	(500,000)
Balance at 30 June	250,000	500,000

Borrowings relate to the loan facility of $1,000,000 provided by companies associated with directors Mr Pitt and Mr Tomkinson, comprising two loans of $500,000 each. The Company repaid $250,000 during the year leaving $250,000 drawn down at year end - $125,000 on each loan. The loans are unsecured and otherwise on normal commercial terms and conditions, bearing interest at a rate of 3.5% per annum, paid quarterly in arrears. The total interest paid on the loans for the financial year was $12,898 (2018: $21,638).

Subsequent to balance date, the Company repaid $100,000 of these loans and extended the repayment date from 30 April 2020 to 1 October 2020.

The purpose of the loans is to provide the Company with the flexibility not to have to depend solely on the sale of tranches of its significant listed investments to meet short term working capital requirements including cash calls in respect of its exploration joint venture.

Borrowings are short term and initially recognised at fair value. There are no transaction costs associated with the borrowings. Interest on borrowings is accrued daily using the effective interest rate method and recognised in profit or loss over the period of the borrowings. Due to the short term nature of these borrowings, their carrying value is assumed to approximate their fair value.

NOTE 13 ISSUED CAPITAL	2019 $	2018 $
(a) Share capital		
294,805,379 (2018: 294,805,379) ordinary shares fully paid	23,245,780	23,245,780
2,650,000 (2018: 2,650,000) ordinary shares paid to 0.1 cent	2,650	2,650
	23,248,430	23,248,430

NOTE 13 ISSUED CAPITAL (continued)

Ordinary shares are classified as equity. Incremental costs directly attributed to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributed to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(b) Rights attached to each class of shares

Ordinary shares

The ordinary shares have no par value. Ordinary shares entitle the holder to participate in dividends and in the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and upon a poll each share is entitled to one vote. The fully paid ordinary shares are listed on the ASX and carry no trade restrictions.

Partly paid ordinary shares

The partly paid ordinary shares are not transferable and may participate in pro-rata entitlements only to the extent of the capital paid up. They may be converted to fully paid shares at any time on payment of the amount unpaid upon which application will be made for listing of the shares on the ASX. The resulting fully paid ordinary shares have the same rights as other ordinary shares. The shares are subject to calls on uncalled capital at the discretion of the directors. The Company's capital risk management policy is set out in Note 25.

(c) Movements in ordinary share capital during the past two years

Fully paid shares Details	**2019 No of shares**	**2018 No of shares**	**2019 Amount $**	**2018 Amount $**
Balance at 1 July	294,805,379	235,741,595	23,245,780	21,787,839
Issue on exercise of options	-	100,000	-	1,840
Issue arising from entitlement offer	-	58,963,784	-	1,474,095
Share issue costs	-	-	-	(17,994)
Balance at 30 June	294,805,379	294,805,379	23,245,780	23,245,780

During the prior year the Company issued 100,000 shares as a result of the exercise of staff options and 58,963,784 shares in a 1:4 non renounceable pro-rata entitlement issue at 2.5 cents per share.

Partly paid shares Details	**2019 No of shares**	**2018 No of shares**	**2019 Amount outstanding $**	**2018 Amount outstanding $**
Balance at 1 July	2,650,000	2,650,000	542,350	542,350
No movement	-	-	-	-
Balance at 30 June	2,650,000	2,650,000	542,350	542,350

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 13 ISSUED CAPITAL (continued)

The weighted average issue price of partly paid shares is 20.6 cents. Partly paid shares are paid up to 0.1 cents, to a total value of $2,650.

(d) Options to acquire ordinary shares

Set out below is a summary of the movement of options on issue during the current and prior years:

	2019 Number of options	2018 Number of options	Grant date	Expiry date	Exercise price per share cents
At 1 July	350,000	450,000	23 Jun 17	27 Dec 19	1.84
Options issued during the year	-	-			
Options exercised during the year	-	(100,000)	23 Jun 17	27 Dec 19	1.84
At 30 June	350,000	350,000			
Vested and exercisable at 30 June	350,000	350,000			1.84

The Company's policy on share-based payments, partly paid shares and share options is set out in Note 21.

NOTE 14 RESERVES	**2019 $**	**2018 $**
Available-for-sale financial assets revaluation		
Balance at 1 July	2,794,621	760,815
Adjustment on initial application of AASB9 (Note 23)	(2,794,621)	-
Restated balance at 1 July	-	760,815
Other comprehensive income net of tax	-	2,033,806
Balance at 30 June	-	2,794,621
Share-based payments		
Balance at 1 July	208,776	209,493
Exercise of options	-	(717)
Balance at 30 June	208,776	208,776
Exercised options		
Balance at 1 July	717	-
Exercise of options	-	717
Balance at 30 June	717	717
Total Reserves	209,493	3,004,114

NOTE 14 RESERVES (continued)

The available for sale financial assets revaluation reserve increased in the prior period as a result of changes in the fair value of equities classified as available-for-sale financial assets net of tax, consistent with AASB 139. The changes in value net of income tax were recognised in other comprehensive income and accumulated in a separate reserve within equity.

The Company adopted AASB 9 during the current year, and all financial assets classified as available-for-sale were reclassified into the fair value through profit or loss category and the cumulative fair value changes in the available-for-sale revaluation reserve was reclassified into accumulated losses. All subsequent fair value changes will be recognised in profit or loss. Refer to Note 23 for details of the change in accounting policy.

The share-based payments reserve records items recognised as expenses on valuation of partly paid shares and options issued to staff.

The exercised options reserve arises on the exercise of options when the share based payments reserve attributable to the options being exercised is transferred to this reserve.

NOTE 15 CASH FLOW INFORMATION	**Note**	**2019**	**2018**
		$	**$**
Reconciliation of loss after income tax to net cash flow from operating activities			
(Loss)/profit after income tax		(1,656,026)	545,516
Depreciation	10	1,502	1,367
Exploration expenditure written off	9	-	3,836
Tax on fair value gain on available-for-sale financial asset	4(b)	-	(771,444)
Fair value loss on financial assets	8	1,429,250	-
Change in operating assets and liabilities:			
Decrease/(increase) in debtors		2,773	(3,010)
Increase/(decrease) in creditors		8,044	(12,623)
(Increase)/decrease in GST receivable		(1,768)	11,496
Net cash outflows from operating activities		(216,225)	(224,862)

There were no non-cash flows from financing and investing activities.

NOTE 16 CONTINGENCIES

Contingent liabilities

There are no contingent liabilities for termination benefits under service agreements with directors or executives at 30 June 2019.

The directors are not aware of any other contingent liabilities at 30 June 2019.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17 COMMITMENTS

(a) Mineral tenements

In order to maintain the mineral tenements in which the Company and other parties are involved, the minimum annual expenditure conditions under which the tenements are granted, need to be fulfilled. This represents potential expenditure which may be avoided by relinquishment of tenure. Exploration expenditure commitments beyond twelve months cannot be reliably determined.

The current year minimum estimated expenditure in accordance with the requirements of the Western Australian Department of Mines and Petroleum for the next financial year is nil (2018: nil).

(b) Exploration

As at year end, there was no commitment in respect of exploration expenditure (2018: nil).

(c) Operating leases

Commitments for minimum lease payments in relation to a non-cancellable operating lease of the Company's premises are payable as follows:

	2019 $	2018 $
Within one year	96,283	95,825
Later than one year, but not longer than five years	-	96,283
	96,283	192,108

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

NOTE 18 RELATED PARTY TRANSACTIONS

(a) Key management personnel

The key management personnel of the Company are the directors:

J N Pitt

N Tomkinson

W S Forte

The compensation paid to key management personnel is set out below:

Short-term employee benefits	20,000	20,000
Post-employment benefits	1,900	1,900
	21,900	21,900

Further details regarding the directors' remuneration are provided in the Audited Remuneration Report contained in the Directors' Report accompanying these financial statements.

NOTE 18 RELATED PARTY TRANSACTIONS (continued)

(b) Transaction with director-related entities

Loans from director-related entities

Refer to Note 12 for details of borrowings from related parties.

Other transactions

During the financial year the Company received $78,792 (2018: $80,189) from Red Hill Iron Limited, a listed company of which Mr Pitt and Mr Tomkinson are directors and shareholders, for rental of office space and provision of administration services supplied by the Company on normal commercial terms and conditions determined on an arms-length basis between the companies.

During the financial year the Company received a reimbursement of $277 (2018: $277) from Traka Resources Limited, a listed company of which Mr Pitt and Mr Tomkinson are directors and shareholders, for expenditure incurred by the Company on Traka Resources Limited's behalf.

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NOTE 19 INTERESTS IN JOINT ARRANGEMENTS

The Company had interests in the following mineral exploration joint arrangements as at 30 June 2019:

Name of project	Interest	Exploration activity	Other parties
Weld Range - Non Ferrous	0% [1]	Gold and base metals	Sinosteel Midwest Corporation Ltd
Millennium	25%	Zinc	Encounter Resources Limited

[1] Hampton Hill has the right to explore for these metals subject to royalty

The Company's joint arrangements with third parties do not constitute separate legal entities. They are contractual agreements between the participants for the sharing of costs and output and do not in themselves generate revenue and profit. The joint arrangements are of the type where initially one party contributes tenements with the other party earning a specified percentage by funding exploration activities; thereafter the parties often share exploration and development costs in proportion to their ownership of joint venture assets. The parties to the agreement do not hold any assets other than their title to the mineral tenements and accordingly the Company's share of exploration expenditure is accounted for in accordance with the policy set out in Note 9.

NOTE 20 EVENTS OCCURRING AFTER BALANCE DATE

Subsequent to balance date, the Company repaid $100,000 of the existing related party loans, decreasing the loan balance to $150,000. In addition, the repayment date of these related party loans was extended from 30 April 2020 to 1 October 2020.

To the best of the directors' knowledge and belief, there have been no other matters or circumstances that have arisen after balance date that have significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial periods.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 21 SHARE-BASED PAYMENTS

The Company from time to time issues partly-paid ordinary shares and options to acquire fully paid shares in the Company to key management personnel and other staff as part of their remuneration. The granting of options and partly paid shares to members of staff other than the directors is at the directors' discretion and is designed to provide an incentive component in the remuneration package of personnel. The granting of share-based payments to directors is subject to the prior approval of shareholders.

The fair value of partly paid shares and options granted to directors and other personnel is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the directors and/or other personnel become unconditionally entitled to the partly paid shares or options.

Partly paid ordinary shares

To date 2,650,000 partly-paid shares have been issued in terms of this remuneration practice. Details of these partly paid shares, including movements over the past two years, are set out in Note 13.

Options to acquire ordinary shares

Options granted carry no dividend or voting rights. Each option is exercisable to acquire a fully paid ordinary share of the Company. The exercise price of the options is set at the time of grant with reference to the weighted average price at which the Company's shares have been trading on the ASX prior to the decision to grant. The fair value at grant date is determined using a call option pricing model that takes into account the price, term, vesting and performance criteria, impact of dilution, non-tradeable nature of the unlisted options, share price at grant date, expected price volatility of the underlying share, expected dividend yield and the risk-free interest rate for the term.

No options have been issued to or are held by directors. The weighted average remaining contractual life of options outstanding at the end of the year was 0.49 years (2018: 1.49 years). Details of these options, including movements over the past two years, are set out in Note 13.

No options were granted during the current or prior years.

NOTE 22 REMUNERATION OF AUDITORS

	2019	2018
	$	$
Amounts received, or due and receivable, by HLB Mann Judd (WA Partnership) for:		
Audit and review of the financial statements of the Company	22,630	21,951

NOTE 23 CHANGE IN ACCOUNTING POLICY

From the commencement of the year, the Company has adopted the new accounting standard AASB 9 Financial Instruments and has elected not to restate comparative information. Accordingly, the information presented for 30 June 2018 has not been restated.

The key changes to the financial statements are:

- Previously classified available-for-sale assets are now carried at fair value through profit or loss;
- The opening balance of the available-for-sale revaluation reserve has been transferred to accumulated losses as at 1 July 2018 and this adjustment is recognised in the Statement of Changes in Equity;
- The comparative information for each of the primary financial statements and notes continue to follow the classification and measurement requirements of AASB 139.

Upon adoption, the Company's financial assets, comprising shares held in ASX listed companies, were reclassified into the fair-value-through-profit-or-loss category and the cumulative fair value changes in the available-for-sale revaluation reserve of $2,794,621 was reclassified into accumulated losses. The subsequent loss due to fair value change of $1,429,250 was recognised in profit or loss. Had the Company early adopted this standard at the start of the previous financial year, a material fair value change of $2,033,806, which was recognised in the Available-for-Sale Financial Assets Revaluation Reserve, would have been recognised through profit or loss.

Had the Company elected to restate comparative information, the impact of this change on the Statement of Financial Position comparatives would be as follows:

Statement of Financial Position	Previously stated	Change due to new accounting policy	New policy
30 June 2018			
Reserves	3,004,114	(2,794,621)	209,493
Accumulated losses	(18,141,106)	2,794,621	(15,346,485)

NOTE 24 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates - impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of exploration and evaluation assets, and plant and equipment. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 24 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Capitalisation of exploration and evaluation expenditure

The Company has $2,853,325 (2018: $2,842,318) capitalised exploration and evaluation expenditure on the basis that the directors consider there to be no facts or circumstances suggesting that the carrying amount of the exploration and evaluation assets may exceed their recoverable amount.

NOTE 25 FINANCIAL RISK MANAGEMENT

The Company, in its normal course of business, is exposed to financial risks comprising market risk (essentially interest rate risk), credit risk and liquidity risk.

The directors have overall responsibility for the Company's management of these risks and seek to minimise these risks through ongoing monitoring and review of the adequacy of the risk management framework in relation to the risks encountered by the Company.

(a) Market risk

Interest rate risk

The Company is exposed to Australian money market interest rates in respect of its cash assets. The risk is managed by monitoring the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of its cash assets and interest rate return. The weighted average rate of interest to which the Company was exposed on its cash assets as at the year end was 1.31% (2018: 1.87%).

The table below summarises the sensitivity of the Company's cash assets to interest rate risk. The Company has no interest rate risk associated with any of its other financial assets or liabilities. This analysis reflects the effect of a 0.5% decline and 0.5% increase in interest rates as recent Australian Treasury announcements and press reports would indicate that movements in interest rates of this magnitude are possible over the next 12 months.

	Carrying amount of cash assets		Effect of decrease or increase of interest rate on Post tax profit		Other components of equity	
	2019	2018	2019	2018	2019	2018
	$	$	$	$	$	$
Cash and cash equivalents	180,720	665,629				
Change in interest rate:						
- 0.5%			(904)	(3,328)	-	-
+ 0.5%			904	3,328	-	-

Securities price risk

The Company is exposed to equity securities price risk. This arises from two investments held and classified in the Statement of Financial Position as financial assets.

The investments are in ordinary shares in ASX listed exploration companies. The shares are typically subject to relatively high price volatility, and, based on the recent historic share prices, the following table summarises the sensitivity of the value of the investments to an increase or decrease in the share price of the investment:

NOTE 25 FINANCIAL RISK MANAGEMENT (continued)

	Overall impact of change in price		Impact on post-tax profit		Impact on other components of equity	
	2019	2018	2019	2018	2019	2018
	$	$	$	$	$	$
Change in share price:						
- 50%	(1,843,500)	(2,558,125)	(1,843,500)	(703,484)	-	(1,854,641)
- 25%	(921,750)	(1,279,063)	(921,750)	(351,742)	-	(927,320)
- 10%	(368,700)	(511,625)	(368,700)	(140,697)	-	(370,928)
+ 10%	368,700	511,625	368,700	140,697	-	370,928
+ 25%	921,750	1,279,063	921,750	351,742	-	927,320
+ 50%	1,843,500	2,558,125	1,843,500	703,484	-	1,854,641

The impact of a downward change in price below cost on other components of equity in the prior year is based on the assumption that the change in price is not both significant and sustained.

(b) Liquidity risk

The Company has no significant exposure to liquidity risk as the Company's only debt, other than related party loans (Note 12), is that associated with trade creditors in respect of which the Company's policy is to ensure payment within 30 days. The related party loans are not considered to be a significant liquidity risk as the magnitude and term of the loans are such that the Company has adequate time to manage their repayment funded by raising additional capital or realising financial assets. The Company manages its liquidity by monitoring forecast cash flows.

(c) Credit risk

The Company does not have any significant exposure to credit risk. The minimal exposure to credit risk that could arise is from having its cash assets all deposited at one bank. Whilst the risk of the bank failing is considered minimal, the Company manages this exposure by ensuring its funds are deposited only with a major bank with high security ratings.

(d) Capital risk management

The Company's objective in managing capital which consists primarily of equity capital is to safeguard its ability to continue as a going concern, so that it can continue to explore for minerals with the ultimate objective of providing returns for shareholders whilst maintaining an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may issue new shares, sell assets, or joint venture its projects. The Company considers working capital to consist of cash, receivables, and financial assets less trade creditors and current borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 26 SUMMARY OF OTHER SIGNIFICANT ACCOUNTING POLICIES

Hampton Hill Mining NL is a public company, incorporated and domiciled in Australia and listed on the ASX.

The accounting policies adopted in the preparation of the financial report that relate specifically to matters dealt with in the preceding notes, are set out in the relevant notes. The more general accounting policies not already set out above, are listed below.

The accounting policies have been consistently applied to all the years presented unless otherwise stated.

(a) Statement of compliance and basis of preparation

The financial report has been authorised for issue by the board of directors.

The financial report complies with the Corporations Act 2001 and Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS). The Company is a for-profit entity for the purpose of applying these standards.

The financial statements have been prepared on an accruals basis and are based on historical costs.

(b) Impairment of assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any objective evidence that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(c) Financial assets and liabilities

Financial instruments are initially recognised and measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition, these instruments are measured as set out in the relevant notes.

(d) Employee benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Retirement benefits obligations

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

NOTE 26 SUMMARY OF OTHER SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included with other receivables or payable in the Statement of Financial Position.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(f) Accounting standards and interpretation

New accounting standards and interpretations adopted

In the year ended 30 June 2019, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the reporting periods beginning on or after 1 July 2018.

As a result of this review, the directors have determined that, apart from the adoption of AASB 9 Financial Instruments, there is no material impact on the Company for other new and revised Standards and Interpretations and therefore no further material change is necessary to accounting policies.

New accounting standards and interpretations in issue, not yet adopted

The directors have also reviewed all of the new and revised Standards and Interpretations issued, but not yet effective, that are relevant to the Company and effective for the reporting periods beginning on or after 1 July 2019.

As a result of this review, the directors have determined that AASB 16 Leases may have a material effect in future periods. AASB 16 removes the classification of leases as either operating or finance leases for the lessee. Leases which are less than 12 months and leases on low-value assets are exempt. This standard will primarily affect the accounting for the Company's operating lease. Upon adoption of this standard, the Company will recognise a lease liability and a "right of use" asset in the Statement of Financial Position relating to the non-cancellable operating lease commitments referred to in Note 17. The Company also expects a change in the expense recognition, with interest and depreciation replacing operating lease expense. The Company has commenced the process of evaluating the impact of the new lease standard.

Other than the above, there is no material impact of any other new and revised Standards and Interpretations issued, but not yet effective, on the Company and therefore no material change is necessary to accounting policies.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of the Company

   a. the accompanying financial statements are in accordance with the Corporations Act 2001 and

      (i) give a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the year then ended; and

      (ii) comply with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

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

   c. The financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 2019.

This declaration is signed in accordance with a resolution of the Board of Directors on 4 September 2019 and is signed for and on behalf of the directors by:

J N Pitt
Chairman

INDEPENDENT AUDITOR'S REPORT

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REPORT
To the members of Hampton Hill Mining NL

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Hampton Hill Mining NL ("the Company") which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

a) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

We 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.

Key Audit Matter	**How our audit addressed the key audit matter**
Exploration assets Reference to relevant note 9 in the financial statements	
In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources, the Company capitalises all exploration and evaluation expenditure. Our audit focussed on the Company's assessment of the carrying amount of the capitalised exploration and evaluation asset, as this is one of the most significant	Our procedures included but were not limited to the following: • We obtained an understanding of the key processes associated with management's review of the

INDEPENDENT AUDITOR'S REPORT

HLB MANN JUDD
ADVISORY AND ACCOUNTING

assets of the Company. We planned our work to address the audit risk that the capitalised expenditure might no longer meets the recognition criteria of the standard. In addition, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.	carrying values of each area of interest; • We considered the Directors' assessment of potential indicators of impairment; • We obtained evidence that the Company has current rights to tenure of its areas of interest; • We examined the exploration budget for the year ending 30 June 2019 and discussed with management the nature of planned ongoing activities; • We enquired with management, reviewed ASX announcements and reviewed minutes of Directors' meetings to ensure that the Company had not resolved to discontinue exploration and evaluation at any of its areas of interest; and • We examined the disclosures made in the financial report.

Adoption of AASB 9 *Financial Instruments* Reference to relevant note 8 in the financial statements	
Our audit focussed on the Company's classification of financial assets in accordance with the applicable accounting standard. As the Company elected to classify its investments through profit or loss, audit needed to review the reclassification of the available for sale financial assets revaluation reserve to retained earnings on transition. We planned our work to address the audit risk that the financial asset and available for sale financial assets revaluation reserve was not reclassified correctly, as well as ensuring the correct disclosure of the impact of the adoption of AASB 9 *Financial Instruments*.	Our procedures included but were not limited to the following: • We assessed the impact of the adoption of AASB 9 *Financial Instruments* on the comparatives; • We considered the reclassifications between the available for sale financial assets revaluation reserve and retained earnings on transition; and • We examined the disclosures made in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

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

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

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

INDEPENDENT AUDITOR'S REPORT

HLB MANN JUDD
ADVISORY AND ACCOUNTING

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public

INDEPENDENT AUDITOR'S REPORT

disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the remuneration report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Hampton Hill Mining NL for the year ended 30 June 2019 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.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

B M Veigh

B G McVeigh
Partner

Perth, Western Australia
4 September 2019

hlb.com.au

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

MINERAL TENEMENT INFORMATION

AS AT 30 JUNE 2019

MINING INTERESTS HELD AND THEIR LOCATION

Project	Tenement	Location	Registered holding	Note
Millennium				
	E45/2501	East Pilbara, WA	0%	1
	E45/2561	East Pilbara, WA	0%	1
	E45/2500 (part of)	East Pilbara, WA	0%	1
Apollo Hill				
	M31/486	Yilgarn, WA	0%	2
	E31/1063 (part of)	Yilgarn, WA	0%	2
	E31/1116 (part of)	Yilgarn, WA	0%	2
	E31/1163 (part of)	Yilgarn, WA	0%	2
	E39/1198	Yilgarn, WA	0%	2
	E39/1887	Yilgarn, WA	0%	2
	E39/1984 (part of)	Yilgarn, WA	0%	2
Weld Range				
	M20/311	Murchison, WA	0%	3
	M20/503	Murchison, WA	0%	3
	M20/518	Murchison, WA	0%	3
	M51/869	Murchison, WA	0%	3
	E20/625	Murchison, WA	0%	3
	E20/641	Murchison, WA	0%	3
	E20/457	Murchison, WA	0%	3
	E20/492	Murchison, WA	0%	3
Northlander				
	P15/5920 & 5921	Yilgarn, WA	0%	4
	M15/1831	Yilgarn, WA	0%	4
	M15/1832	Yilgarn, WA	0%	4
	M15/1835	Yilgarn, WA	0%	4
Sylvania				
	M266SA	East Pilbara, WA	0%	5

Notes:

1) Millennium Zinc Project JV - The Company has earned a 25% beneficial interest.
2) The Company retains a 5% gross overriding royalty on all gold production exceeding one million ounces.
3) The Company has elected to convert its interest to a 2% FOB Royalty on iron ore mined and retains a 100% interest in non-ferrous metals.
4) The Company retains a 0.98% net smelter return royalty on all gold produced from these tenements.
5) The Company retains a royalty of $1 per tonne of iron ore mined up to 100,000 tonnes, and $2 per tonne thereafter.

Key:

E: Exploration licence P: Prospecting licence M: Mining lease

SHAREHOLDER INFORMATION

AS AT 23 SEPTEMBER 2019

NUMBER AND DISTRIBUTION OF SHARES AND OPTIONS

Shares	**Listed**	**Not listed**
Ordinary shares fully paid	294,805,379	-
Ordinary shares paid to 0.1 cents per share	-	2,650,000
Options over unissued shares		
Exercisable at 1.84 cents each expiring 27 December 2019	-	350,000

Distribution of shares and options by size of holding			**Shareholders Fully paid**	**Shareholders Partly paid**	**Option holders**
1	-	1,000	33	-	-
1,001	-	5,000	69	-	-
5,001	-	10,000	75	-	-
10,001	-	100,000	268	4	1
100,001	+		208	4	1
			653	8	2

UNMARKETABLE PARCEL

There were 236 holders of less than a marketable parcel of fully paid ordinary shares.

EMPLOYEE INCENTIVE SCHEME

The partly paid shares and unlisted options were issued under an employee incentive scheme.

SUBSTANTIAL SHAREHOLDERS

The following shareholders are substantial shareholders of the Company:

Name	**No. of shares**	**%**
Perth Capital Pty Ltd, Elohpool Pty Ltd, J N Pitt and associates	112,724,586	38.24
Encounter Resources Limited	30,748,903	10.43

VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes of shares (at present there are none), at a general meeting every shareholder or class of shareholder present in person or by proxy, attorney or representative has one vote on a show of hands and, on a poll, one vote for each fully paid share which that member holds or represents and, in respect of partly paid shares, voting rights pro-rata to the amount paid up or credited as paid up on each such share.

Any vendor securities which are or might be in breach of the Australian Securities Exchange Listing Rules or any escrow agreement entered into by the Company shall not be entitled to any votes for as long as the breach exists.

SHAREHOLDER INFORMATION

AS AT 23 SEPTEMBER 2019

TOP 20 SHAREHOLDERS

	Shareholders	No. of shares Fully paid	%
1	Perth Capital Pty Ltd	70,719,968	23.99
2	Encounter Resources Limited	30,748,903	10.43
3	J N Pitt	26,848,676	9.11
4	Elohpool Pty Ltd	14,864,942	5.04
5	J & L Hughes <Inkese Super A/c>	9,000,000	3.05
6	K Haynes	8,000,001	2.71
7	Trayburn Pty Limited	6,691,451	2.27
8	CAP Holdings Pty Ltd <CAP A/c>	4,646,813	1.58
9	Wudina Pty Ltd <Forte Family Retirement Fund A/c>	3,829,712	1.30
10	Nalmor Pty Ltd <John Chappell Super Fund A/c>	3,645,500	1.24
11	A R Pitt	3,247,186	1.10
12	F A Pitt	3,215,600	1.09
13	G J Pitt	3,124,926	1.06
14	O & B Kelly <O&B Kelly Superfund A/c>	3,094,490	1.05
15	Dunhelen 2 Pty Ltd <Mansfield Family SF A/c>	2,796,929	0.95
16	Nalmor Pty Ltd <Basil Family A/c>	2,600,000	0.88
17	Evergem Pty Ltd	2,560,958	0.87
18	Polarity B Pty Ltd	2,009,999	0.68
19	Bluejay Enterprises Pty Ltd <Rage Superfund A/c>	2,001,241	0.68
20	Basin Beach Investments Pty Ltd	1,900,000	0.64
		205,547,295	69.72

NOTES

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