

GODOLPHIN RESOURCES LIMITED

ABN 13 633 779 950

Interim Financial Report

for the period from incorporation on

19 June 2019 to 31 December 2019



CORPORATE DIRECTORY

Directors

Mark Sykes – Non-Executive Chairman
Ian Buchhorn – Non-Executive Director
Andrew Stewart – Non-Executive Director

Chief Executive Officer

David Greenwood

Company Secretary

Ian Morgan

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Australian Securities Exchange (ASX)
ASX Code: GRL

Securities Registry

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DIRECTORS' REPORT

The directors of Godolphin Resources Limited (**Company** or **Godolphin**) and its subsidiaries (together referred to as the **Group**) present their report together with the consolidated financial report for the period 19 June 2019 to 31 December 2019 and the auditor's review report thereon.

DIRECTORS

The directors of the Company at any time during or since the end of the interim period are:

Mark Sykes	Non-Executive Chairman	Appointed 19 June 2019
Ian Buchhorn	Non-Executive Director	Appointed 19 June 2019
Andrew Stewart	Non-Executive Director	Appointed 3 October 2019
Katina Law	Non-Executive Director	Appointed 19 June 2019 Resigned 3 October 2019

REVIEW OF OPERATIONS

Principal Activities

Godolphin is an Australian exploration company which listed on the ASX on 18 December 2019, has 100%-controlled Australian-based projects in the Lachlan Fold Belt (LFB) region of NSW, a world-class gold-copper province. Godolphin has drill ready targets at all its projects.

Operations

Godolphin recorded a net loss attributable to members for the financial period ended 31 December 2019 of \$270,174.

Godolphin's corporate strategy is to explore and develop its large tenement holding within the LFB, a leading province for bulk tonnage, low operating cost gold-base metal mines.

Godolphin has JORC-compliant mineral resources totalling 431,000 ounces of gold (1.45 million oz gold equivalent) in three deposits (Mt Aubrey, Lewis Ponds and Yeoval), all with exploration programmes including planned drilling.

During the half year ended 31 December 2019, Godolphin undertook key activities across its portfolio of assets including

- The detailed planning and obtaining approvals for an RC drilling program at **Mt Aubrey**. The drill programme consisting of reverse circulation (RC) commenced in late January 2020, and is planned to validate historic drill holes, and systematically test for down plunge as well as strike extensions around and below the historic pit positions.
- An extensive soil auger drilling program at **Copper Hill East** in the Boda-Cadia hosting Molong Volcanic Belt. Work during 2019 by the Company included field observations and an approximate 7 km strike length soil auger sampling program, carried out in the northwest of the tenement. The program (160 m × 160 m

grid pattern) outlined a 1500 m × 1200 m soil copper anomaly (150-500 ppm Cu). During late 2019 and early 2020, Godolphin undertook follow up soil sampling along 9km of strike length (669 soil samples in total) in addition to taking a number of rock chip samples. The recently received soil results have significantly extended the Cu in soil anomaly previously identified and have located four anomalous copper zones with a combined surface area of 6.3km². Soil samples from the grid extension confirm exciting drill targets at Copper Hill East with up to 623ppm copper and 141ppb gold in soil assay results. The central anomalous copper zone is co-incident with areas of porphyry-style potassic and propylitic alteration in prospective host rocks. Rock chip samples show high copper/gold results with copper grades of up to 2.3% and gold up to 4.4g/t. Artisanal copper workings have been identified, including malachite and native copper mineralisation coincident with prospective porphyry type rocks. Godolphin are now planning geophysical work to follow up on these excellent soil and rock chip results. Drilling of the most prospective targets is planned as soon as possible during 2020.

- The **Gundagai tenements** are located 315km southwest of Sydney. The tenements contain a number of historical gold and base metal workings hosted within a belt of basaltic rocks intruded by quartz-porphyry dykes or sills. Within Gundagai South the Big Ben Trend of prospects includes, Big Ben, Surprise Mine, Rogart, and Haslets Hill which extend over a strike length of approximately 4km. Gundagai North includes the historic Emu gold workings. During late 2019, Godolphin undertook follow up soil and rock chip samples at approximately 400 locations at Gundagai South and North. Assay results from these sampling programmes were received in February 2020 and included rock chip results of up to 18g/t Au and soil assays of up to 1,320ppb Au, highlighting a number of highly anomalous areas for follow up exploration. This work will include mapping to help define the controls on gold mineralisation in addition to air core and RC drilling.

Capital Raising

During the interim period to 31 December 2019, capital was raised by way of an initial public offer (IPO)

Shareholders are referred to the Company's prospectus dated 29 October 2019 and subsequent ASX announcements which includes a Pro-forma Balance Sheet following the successful closing of the initial public offer (IPO) with a total of \$7,480,500 in new funds received (before capital raising costs). The Company was admitted to the ASX's official list on 16 December 2019.

Further details of capital raisings are set out in Note A.5.

SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the interim period and the date of this Financial Report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group.

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration is set out on page 19 and forms part of the Directors' Report for the period ended 31 December 2019.

ROUNDING OFF

The Company is not of a kind referred to in *ASIC Corporations Instrument 2016/191* dated 1 April 2016 and as such, amounts in the interim financial statements and directors' report have been reported to the nearest dollar, unless otherwise stated.

COMPETENT PERSON'S STATEMENT

The Information in this report relating to Mineral Resources and Exploration Results is extracted from reports lodged as market announcements and available to view on the Company's web-site <https://godolphinresources.com.au/>

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Signed in accordance with a resolution of the Board of directors:



Mark Sykes
Chairman
Sydney
12 March 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

PERIOD ENDED 31 DECEMBER 2019

	Note	2019
		\$
Employee expenses		64,231
Non-cash employee expense from granting of options to		
Directors	A.8	70,550
Employees		2,513
Administration expenses		133,064
Loss before interest and income tax		270,358
Less: Financial income - interest		184
Loss before income tax		270,174
Income tax benefit		-
Net loss attributable to members of the parent		270,174
Other comprehensive income for the interim period, net of income tax		-
Total comprehensive income for the interim period		270,174
		Cents
Loss per share – basic		3.0
Loss per share – diluted		3.0

The condensed notes on pages 11 to 17 are an integral part of these interim financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
PERIOD ENDED 31 DECEMBER 2019

	Note	Ordinary fully paid shares	Share option reserve	Accumulate d losses	Total Equity
		\$	\$	\$	\$
Balance at 19 June 2019		100	-	-	100
Issue of shares to Ardea shareholders 4 December 2019	A.5	6,000,000	-	-	6,000,000
Issue of shares (IPO) 5 December 2019	A.5	7,480,500	-	-	7,480,500
Capital raising costs	A.5	(741,682)	-	-	(741,682)
Total comprehensive income for the interim period		-	-	(270,174)	(270,174)
Equity settled share-based payments for the interim period	A.7	-	1,272,413	-	1,272,413
Balance at 31 December 2019		12,738,918	1,272,413	(270,174)	13,741,157

The condensed notes on pages 11 to 17 are an integral part of these interim financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Note	31 December 2019
		\$
Current assets		
Cash and cash equivalents		6,142,758
Prepayments and other receivables		62,919
Total current assets		6,205,677
Non-current assets		
Property, Plant and equipment	A.9	376,485
Exploration and evaluation costs	A.10	7,498,601
Total non-current assets		7,875,086
Total assets		14,080,763
Current liabilities		
Trade and other payables		185,520
Loan payable		154,086
Total current liabilities		339,606
Total non-current liabilities		-
Total liabilities		339,606
Net assets		13,741,157
Equity		
Issued capital	A.5	12,738,918
Reserve	A.7	1,272,413
Accumulated losses		(270,174)
Equity		13,741,157

The condensed notes on pages 11 to 17 are an integral part of these interim financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

PERIOD ENDED 31 DECEMBER 2019

	Note	2019
		\$
Cash flows used in operating activities		
Receipts from customers		-
Payments to suppliers and employees		(71,166)
Interest received		184
Net cash used in operating activities		(70,982)
Cash flows used in investing activities		
Payments for exploration and evaluation costs		(172,000)
Net cash used in investing activities		(172,000)
Cash flows from financing activities		
Proceeds from capital raisings	A.5	7,480,500
Payments for capital raising costs		(159,698)
Repayment of loan for capital raising costs		(935,062)
Receipt from other loan		200,000
Repayment of other loan		(200,000)
Net cash generated from financing activities		6,385,740
Net increase in cash and cash equivalents		6,142,758
Cash and cash equivalents at 19 June 2019		-
Cash and cash equivalents at 31 December		6,142,758

The condensed notes on pages 11 to 17 are an integral part of these interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

SECTION A KEY FINANCIAL INFORMATION AND PREPARATION BASIS

A.1 REPORTING ENTITY

Godolphin Resources Limited (**Company**) is a company domiciled in Australia. These condensed consolidated interim financial statements (“interim financial statements”) as at and for the period ended 31 December 2019 comprise the Company and its subsidiaries (together referred to as the “Group”).

The Company is a gold and base metal focused explorer with a clear strategy of fast-tracking the development of its projects in the Lachlan Fold Belt of NSW (**LFB**), which includes 431,000 ounces of gold in JORC compliant mineral resources.

A.2 BASIS OF PREPARATION

This interim financial report does not include all the notes of the type normally included in an annual financial report. At 30 June 2019 the Company was a wholly owned subsidiary of Ardea Resources Limited (“Ardea”) and was not a disclosing entity in its own right (Note the Company formed part of Ardea’s consolidated accounts at that time).

The Company entered into a Demerger Implementation Agreement (“DIA”) with Ardea dated 3 October 2019, to complete an Initial Public Offering (“IPO”) to list on the Australian Securities Exchange (“ASX”), and under the terms of the DIA, until all the conditions precedent to the DIA were met it held no assets and no liabilities (except 100 shares at \$1, and \$100 cash).

Shareholders are referred to the Company’s prospectus dated 29 October 2019 and subsequent ASX announcements which includes a Pro-forma Balance Sheet following the successful closing of the initial public offer (IPO) with a total of \$7,480,500 in new funds received (before capital raising costs). The Company was admitted to the ASX’s official list on 16 December 2019.

These interim financial statements were approved by the Board of Directors on 12 March 2020.

The Company is not of a kind referred to in *ASIC Corporations Instrument 2016/191* dated 1 April 2016 and, in accordance with the Class Order, amounts in these interim financial statements and directors’ report have been rounded to the nearest dollar, unless otherwise stated.

A.3 USE OF JUDGEMENTS AND ESTIMATES

In preparing these interim financial statements, the Company’s management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from those estimates.

The significant judgements made by Management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Prospectus.

A.4 GOING CONCERN

During the period to 31 December 2019, the Company incurred a loss of \$270,174 and net cash outflows from operating activities of \$70,982. At 31 December 2019, cash and cash equivalents were \$6,142,758 and there were net assets of \$13,741,157. The financial report has been prepared on the basis of a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the normal course of business.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Management believes that forecast cash levels are sufficient to fund ongoing administration and budgeted exploration. The ability of the Group to continue as a going concern is principally dependent upon one or more of the following:

- the ability of the Group to raise additional capital in the form of equity;
- the continued support of current shareholders; and
- the ability to successfully develop and extract value from its projects that are under development.

Directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- To-date, the Group has funded its activities through issuance of equity securities;
- It is expected that the Group will be able to fund its future activities through further issuances of equity securities; and
- Directors believe there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities.

A.5 ORDINARY FULLY PAID SHARES

	Number	\$
Balance on incorporation 19 June 2019	100	100
Issue of shares to Ardea shareholders 4 December 2019	30,000,000	6,000,000
Issue of shares (IPO) 5 December 2019	37,402,500	7,480,500
	67,402,600	13,480,600
Less: Capital raising costs	-	(741,682)
Balance 31 December 2019	67,402,600	12,738,918

A.6 OPTIONS MOVEMENTS

	Exercise Price per share	Expiry Date	Opening 19 June 2019 Number	Issued Number	Closing 31 December 2019 Number
Period ended 31 December 2019					
Unquoted	25 cents	5 December 2022	-	20,000,000	20,000,000
			-	20,000,000	20,000,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS

A.7 SHARE OPTIONS RESERVE

Share option reserve movements	31 December 2019
	\$
Balance on incorporation 19 June 2019	-
Equity settled share-based costs for the interim period	<u>1,272,413</u>
Balance at 31 December 2019	<u><u>1,272,413</u></u>

A.8 DIRECTOR'S OPTIONS

On 5 December 2019, a total of 1,000,000 incentive options were granted to Directors. Details relating to the options are below.

The options were granted at no cost to the recipient. The fair value of the options at the Grant Date is determined using the Black Scholes model. The options expense for the interim period to 31 December 2019 totals \$70,550.

No terms of equity settled share-based payment transactions (including options granted as compensation to key management persons) have been altered or modified by the issuing entity during the interim period.

There are no entitlements for the Company's option holders to participate in new issues of capital which may be offered to the Company's existing ordinary shareholders.

The Group prohibits those that are granted share-based payments as part of their remuneration from entering other arrangements that limit their exposure to losses that would result from share price decreases. Entering such arrangement is prohibited by law.

Details of the total options held by directors in the Company are shown in the following table.

31 December 2019			Mark Sykes Number	Ian Buchhorn Number	Andrew Stewart Number
Quoted Shares			150,000	6,699,849	50,000
Unquoted Options					
Exercise Price per share	Grant Date	Expiry Date			
25 cents	5 December 2019	5 December 2022	500,000	250,000	250,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS

A.9 PROPERTY, PLANT AND EQUIPMENT

	31 December 2019		
	Land	Plant and Equipment	Total
	\$	\$	\$
Balance on incorporation 19 June 2019	-	-	-
Additions during the interim period	367,000	9,485	376,485
Balance at 31 December 2019	<u>367,000</u>	<u>9,485</u>	<u>376,485</u>

A.10 EXPLORATION AND EVALUATION COSTS

	31 December 2019
	\$
Balance on incorporation 19 June 2019	-
Additions during the interim period	<u>7,498,601</u>
Balance at 31 December 2019	<u>7,498,601</u>

A.11 DIVIDENDS

No dividends were paid by the Company during the period to 31 December 2019.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

A.12 COMMITMENTS

Exploration

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements.

Details of mining tenements held at 31 December 2019 and their location are:

Tenement reference	Details	Expiry date	Location	Interest	Expenditure commitments
				%	\$
EL8532	Mt Aubrey	7-Mar-20	35km NE of Parkes NSW	100	80,000
EL8538	Yeoval	19-Mar-20	Around the town of Yeoval NSW	100	80,000
EL8554	Wiseman's Creek	4-May-20	Around the town of Oberon NSW	100	80,000
EL8555	Calarie	5-May-20	Between Parkes and Forbes NSW	100	50,000
EL8556	Copper Hill East	5-May-20	30km North of Molong NSW	100	50,000
EL 8586	Gundagai North	20-Jun-20	North of Gundagai NSW	100	50,000
EL8323	Ophir	27-Nov-22	15km NE of Orange NSW	100	360,000
EL8061	Gundagai South	13-Mar-23	South of Gundagai NSW	100	420,000
EL 8580	Calarie Central	26-May-23	Between Parkes and Forbes NSW	100	375,000
EL8890	Cumnock	26-Aug-24	Around the town of Cumnock NSW	100	200,000
EL8889	Gundagai	26-Aug-24	Around the town of Gundagai NSW	100	180,000
ML739	Calarie Lachlan Mine	22-May-21	North of Forbes NSW	100	-
EL5583	Lewis Ponds	25-Jun-22	Near Orange NSW	100	120,000
TOTAL					<u>2,045,000</u>

Expenditure requirements for tenements

31/12/2019
\$

Not later than 1 year

705,000

Later than 1 year but not later than 5 years

1,340,000

Total

2,045,000

All the Group's licences are in good standing at the date of this report.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

A.13 SEGMENT REPORTING

Business and geographical segments

The results and financial position of the Group's single operating segment are prepared on a basis consistent with Australian Accounting Standards and thus no additional disclosures in relation to the revenues, profit or loss, assets and liabilities and other material items have been made. Entity-wide disclosures in relation to the Group's product and services and geographical areas are detailed below.

Products and services

The Company is gold and base metal focused explorer with a clear strategy of fast-tracking the development of its projects in the Lachlan Fold Belt of NSW (LFB), which includes 431,000 ounces of gold in JORC compliant mineral resources.

Geographical Areas

The Group's exploration activities are located solely in Australia.

A.14 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2019.

A.15 SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the interim period and the date of this Financial Report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group.

SECTION B RISK AND JUDGEMENT

FAIR VALUES

Certain of the Group's accounting policies and disclosures require the measurement of fair values for share based payment arrangements, and financial assets and liabilities.

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

SECTION C KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES

RELATED PARTY TRANSACTIONS

Mark Sykes

Prior to the Company being admitted to the ASX's official list on 16 December 2019, the Company had a consulting arrangement, with an entity related to Mr Sykes, to facilitate the Company's IPO.

The agreed consulting rate was \$1,500 per diem including compulsory superannuation and excluding any goods and services tax. Consulting fees for the period totaled \$53,332.

Effective 18 December 2019, the Company has agreed to utilize the services of Mr Sykes as the Company's non-executive chairman, for a fee of \$60,000 per annum excluding compulsory superannuation and any goods and services tax.

Ian Buchhorn

Effective 18 December 2019, the Company has agreed to utilize the services of Mr Buchhorn as the Company's non-executive director, for a fee of \$45,000 per annum excluding compulsory superannuation and any goods and services tax.

Andrew Stewart

Effective 18 December 2019, the Company has agreed to utilize the services of Mr Stewart as the Company's non-executive director, for a fee of \$45,000 per annum excluding compulsory superannuation and any goods and services tax.

The following related party transaction charges for Directors' fees, consulting fees, underwriting fee and loan advanced to the Group were made with the Group on normal terms and conditions and in the ordinary course of business:

	Transaction Value for period ended 31 Dec 2019 \$	Balance Outstanding as at 31 Dec 2019 \$	Terms
Cash Remuneration			
Directors' Fees	3,952	3,952	
Consulting Fees	53,332	19,875	Payable on demand
	<u>57,284</u>	<u>23,872</u>	
Non-cash Remuneration			
Share based payments	70,550	-	Refer Note A.8

SECTION D OTHER DISCLOSURES

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the financial report are consistent with those adopted and disclosed in the Company's prospectus dated 29 October 2019.

DIRECTORS' DECLARATION

In the opinion of the directors of Godolphin Resources Limited:

- (a) the condensed consolidated financial statements and notes set out on pages 7 to 17 , are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the period 19 June 2019 to 31 December 2019; and
 - ii. complying with Australian Accounting Standards *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Mark Sykes
Chairman

Sydney
12 March 2020

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of Godolphin Resources Limited for the period from 19 June through to 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) No contraventions of any applicable code of professional conduct in relation to the review.

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

BUTLER SETTINERI (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth
Date: 12 March 2020

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GODOLPHIN RESOURCES LIMITED

Report on the interim financial report

Conclusion

We have reviewed the accompanying interim financial report of Godolphin Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2019 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period from registration on 19 June 2019 through to 31 December 2019 ("the Period"), notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the interim financial report of the Group is not in accordance with the *Corporations Act 2001* including:

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

Directors' responsibility for the interim financial report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the interim financial report is not in accordance with the *Corporations Act 2001* including; giving a true and fair view of the Group's financial position as at 31 December 2019 and its financial performance for the Period ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

BUTLER SETTINERI (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth

Date: 12 March 2020