



**CANNINDAH RESOURCES LIMITED**

ABN 35 108 146 694

**ANNUAL FINANCIAL REPORT  
for the year ended 30 June 2020**

# **CANNINDAH RESOURCES LIMITED**

## **DIRECTORS' REPORT**

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the 'Consolidated Entity') consisting of Cannindah Resources Limited (referred to hereafter as the 'Company', 'Parent Entity' or 'Cannindah Resources') and the entities it controlled for the year ended 30 June 2020.

### **Directors**

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

Thomas J Pickett (Executive Chairman)

Laurie G Johnson (Independent Non-Executive Director, retired 2 September 2019)

Geoffrey J Missen (Independent Non-Executive Director)

Simon Beams (Non-Executive Director, appointed 2 September 2019)

### **Principal activities**

During the financial year the principal activities of the Consolidated Entity consisted of mineral exploration, evaluation and progressing development of its various mineral projects.

### **Dividends**

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

### **Operating and Financial review**

The loss for the Consolidated Entity after providing for income tax amounted to \$1,373,642 (2019: loss \$1,826,738).

### **Corporate Strategy**

The Company's goal, like most other small capital exploration companies, is to preserve shareholder wealth and grow the value of the flagship asset with prudent exploration methods. In the 2020 financial year, the Company's key focus was the exploration of the Piccadilly Project and the review of its Mt Cannindah Project.

The Company's corporate activities include the review of opportunities for expansion through acquisitions and mergers and through potential diversification opportunities to take advantage of positive market sentiments. At the date of this report, no investments have been undertaken.

### **Operations Report**

#### ***Exploration Projects***

Following the review of the Piccadilly project conducted during the latter part of the 2019 financial year, the Board received interest from larger companies in becoming involved with the Company in the project. These parties would only become involved if the Company had control of the project. Accordingly, negotiations were held with Piccadilly Gold Mines Holdings Limited (PGMH) to acquire a controlling stake in the project. A number of proposals were put to PGMH culminating in an agreement with the shareholders of PGMH announced on 1 September 2020 for Cannindah to acquire all of the shares of PGMH to acquire 100% of the project and to bring the previous earn in agreement to an end.

During the period, Cannindah Resources assisted PGMH in lodging and negotiating renewal applications for the Piccadilly EPMs 16198 and 18322 and the Company continues to work with tenement management of these projects.

A site visit to the Mt Cannindah project was conducted by the Executive Chairman to review the project from the ground, to assess tracks and to take some further rock chip samples. As a result of the visit and previous exploration work, considerations were given to future exploration activity across the large Porphyry Copper Gold project at Mt Cannindah. These reviews are ongoing at the time of writing.

The Company rationalised its landholdings during the period with the finalisation of the relinquishment of the non-core Borium project

#### ***Corporate and Impacts of Covid - 19***

Detailed negotiations were held with the financier Aquis Finance in relation to the loan facility and the financier's desire to convert the debt into equity in the Company at an appropriate time. These discussions culminated in the announcement on 31 January 2020 that the parties had agreed to extend the current loan facility to 30 June 2022. The loan extension will be subject to 5% p.a. interest

# **CANNINDAH RESOURCES LIMITED**

## **DIRECTORS' REPORT**

(capitalised) and an immediate increase in the facility limit allowing a drawdown of \$500,000 over the following 4 months. Aquis Finance Pty Ltd also requested that they be able to convert the whole or part of the loan balance to shares in the Company during the loan term at an issue price of 2c per share (subject to shareholder approval if required).

While Aquis Finance indicated its willingness to continue funding, the uncertainty of events resulting from Covid-19 and the restrictions on movement, resulted in loan drawdowns being deferred. Negotiations continued with Aquis Finance with the result that in consequence of the acquisition of PGMH on 1 September 2020 and following the signing of a loan extension agreement, Aquis advanced a further \$500,000 to the company and increased the facility limit to \$6.1 million. The loan is due for repayment on 30 June 2022 and attracts capitalised interest at 5% per annum.

In March 2020, the Covid -19 restrictions caused the office to be closed and all Cannindah Resources staff revert to remote working. The company took this opportunity to move out of its rental premises as the rental arrangement was month to month and there was no financial penalty to do so.

During the year, long standing Director Mr Laurie Johnson retired from the board and was replaced by Dr Simon Beams a geologist and Managing Director and Principal Geologist of Terra Search who has been directly involved in exploration programs and discoveries in Northern Australia

### **Financial**

At 30 June 2020, the Company had cash on hand of \$39,227 (2019: \$16,098). On 31 January 2020 the Company announced that the Company's lender Aquis Finance had agreed to extend the current loan facility to 30 June 2022. The loan extension is subject to 5% p.a. interest (capitalised) and an immediate increase in the facility limit allowing additional drawdowns under the facility. Aquis Finance Pty Ltd also asked that they be able to convert the whole or part of the loan balance to shares in the Company during the loan term at an issue price of 2c per share (subject to shareholder approval if required). On 1 September 2020, the Company announced that, contingent upon the satisfactory completion of the acquisition of Piccadilly Gold Mine Holdings Limited, the Lender would increase the current loan with immediate effect. On 7 September 2020, the Lender provided loan funds of \$500,000 to the Company.

During the period the Company raised \$145,041 before costs through placements totalling 12,086,736 shares to sophisticated and professional investors at a price of 1.2 cents per share. The Company secured a further \$157,500 in short term loans which was applied to its then existing short-term loan of \$167,500. The outstanding short-term loan at 30 June 2020 was partially repaid on 11 September 2020.

### **Future Strategy**

The Cannindah Resources Board and Management will continue to focus on developing the exploration potential of the Piccadilly Gold Mine and its surrounding EPM's while seeking to maximise the opportunities at its Mt Cannindah Project.

The Board will also continue to seek to take advantage of additional corporate opportunities that are evaluated from time to time.

### **Environmental Regulation**

The Consolidated Entity's operations are subject to significant environmental regulation under Commonwealth and State legislation in relation to the discharge of hazardous waste and minerals arising. The Consolidated Entity holds all necessary Environmental Authorities in accordance with the Environmental Protection Act 1994 and such other environmental approvals as may be stipulated under State laws to enable it to operate within its Mining Leases and the various exploration tenements it holds.

### **Information on Directors**

#### **Thomas J Pickett**

*LLB, Grad Cert App Fin*  
*Executive Chairman.*

Tom holds a Bachelor of Law and was admitted as a solicitor of the Supreme Court of Queensland in 1996. Tom has broad experience in the mining industry and has held a number of corporate roles in the mining and finance industries.

## **CANNINDAH RESOURCES LIMITED**

### **DIRECTORS' REPORT**

Tom was Chairman of Dynasty Resources Limited from 2011 to September 2015, was a Non-Executive Director of Discovery Resources Limited (ASX: DIS) which completed a transaction to become Aquis Entertainment Limited (ASX: AQS) in August 2015 and was a Non-Executive Director of Red Gum Resources Limited (ASX: RGX) from May 2015 until January 2016 when the Company completed a transaction to become MCS Services Limited (ASX: MSG). He was a director of CuDeco Ltd (ASX: CDU) from 2002 to 2005. He was a director of Piccadilly Gold Mine Holdings Limited and Diversified Mining Pty Ltd, which are privately held exploration entities, resigning in 2015.

#### **Geoffrey J Missen**

*FCA, GAICD*

*Non-Executive Director and Chairman of the Audit and Risk Committee*

Geoff is a Chartered Accountant with over 25 years' experience providing clients with tax, accounting and business advice. He has been a Partner of The MBA Partnership since its inception in 2001. His client base is diverse and centres on small to medium enterprises. Geoff has an interest in providing specialist advice to his clients and enjoys developing strategies to help clients meet their goals. He is an active board member, currently serving on a number of boards in the public, private and not-for-profit sectors.

Geoff is a graduate of Victoria University, the Wharton School of Business at the University of Pennsylvania, Cambridge University, Harvard Business School and the Chicago Booth Business School. He is a Fellow of the Chartered Accountants in Australia and New Zealand and a Graduate Member of The Australian Institute of Company Directors (GAICD).

#### **Dr. Simon D Beams (appointed 2 September 2019)**

*PhD (Geology) BSc Hons (First Class)*

*Non-Executive Director*

Simon has been a Geologist since 1975. For the past 32 years he has been Managing Director and Principal Geologist of Terra Search Pty Ltd where he has been directly involved in many mineral exploration and evaluation programs across Northern Australia, leading to mineral discoveries and some mines, primarily base metals and gold but including uranium, phosphate, magnetite & oil shale amongst others. In 2016, Simon was awarded the John Campbell Miles Medal by the Queensland Divisions of the Geological Society of Australia and the Australian Institute of Geosciences for contributions to economic geology, exploration technology and mineral discovery in Queensland.

Simon is also an active member in a number of geological societies.

- Geological Society Australia, (GSA)
- Australasian Institute Mining & Metallurgy (AusIMM)
- Australian Institute of Geosciences (AIG)
- Society Economic Geologists (SEG)
- Association of Applied Geochemists

Simon has been a member of the Advisory Board to the Economic Geology Research Centre (EGRU) at James Cook University, Townsville for over two decades. He is also a Member of the Queensland Exploration Committee for AMEC (Association of Mining and Exploration Companies) one of the Peak Industry Exploration Groups.

Simon has produced several key publications in the areas of mineral deposit geology and geochemistry, exploration data management, regolith relations, petrology and granite genesis and regional geology of North Queensland.

#### **Company Secretary**

The Company Secretary in office at the end of the financial year was Garry Gill. Garry has more than 30 years' experience in all facets of corporate financial and administrative functions and has served in Chief Financial Officer and Company Secretarial positions at a number of listed and unlisted public companies, private companies and statutory authorities.

#### **Directors' Interests in the Company**

At the date of this report, the interests of the Directors in the shares and options of the Company were:

# CANNINDAH RESOURCES LIMITED

## DIRECTORS' REPORT

|                                     | Ordinary<br>Shares | Options |
|-------------------------------------|--------------------|---------|
| T J Pickett (Executive Chairman)    | 10,012,027         | -       |
| G J Missen (Non-Executive Director) | 250,000            | -       |
| S D Beams (Non-Executive Director)  | -                  | -       |

### Meetings of Directors

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2020 and the number of meetings attended by each Director were:

|                                        | Held | Attended |
|----------------------------------------|------|----------|
| T J Pickett                            | 3    | 3        |
| L G Johnson (retired 2 September 2019) | 2    | 2        |
| G J Missen                             | 3    | 3        |
| S D Beams (appointed 2 September 2019) | 1    | 1        |

*"Held" represents the number of meetings held during the time the Director held office or was a member of the relevant committee.*

The Audit Committee did not meet during the year. All matters usually considered by the Committee were determined by the full Board.

### Remuneration Report (Audited)

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

The remuneration report is set out under the following main headings:

- A Principles used to determine the nature and amount of remuneration
- B Details of remuneration
- C Service agreements
- D Share-based compensation
- E Equity instruments

#### **A Principles used to determine the nature and amount of remuneration**

##### **Non-Executive Directors Remuneration**

The Company's constitution provides that the Non-Executive Directors may be paid, as remuneration for their services, a sum determined from time to time by the Company's Shareholders in a general meeting, with that sum to be divided amongst the Directors in such manner as they agree. The aggregate remuneration ceiling for Non-Executive Directors is currently \$300,000 per annum. Additionally, Non-Executive Directors are entitled to be reimbursed for properly incurred expenses.

Non-Executive Directors are remunerated through a combination of fees and may also be granted options over the Company's shares. The Board does not consider it appropriate to include a short term incentive, or cash bonus element in the remuneration of Non-Executive Directors.

##### **Executive Remuneration**

The Consolidated Entity and Company aim to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward framework has three components:

- base pay and non-monetary benefits
- share-based payments and cash bonuses
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board of Directors, based on individual and business unit performance, the overall performance of the Consolidated Entity and comparable market remunerations.

# CANNINDAH RESOURCES LIMITED

## DIRECTORS' REPORT

### *Consolidated Entity performance and link to remuneration*

Because the Consolidated Entity is in exploration and not production, there is no direct relationship between the Consolidated Entity's financial performance and the level of remuneration paid to key management personnel.

### *Use of remuneration consultants*

The Company did not engage remuneration consultants during the financial year ended 30 June 2020.

## **B Details of remuneration**

### *Amounts of remuneration*

Details of the remuneration of the Directors and other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the Consolidated Entity) of Cannindah Resources Limited paid and payable are set out in the following tables.

The key management personnel (KMP) of the Consolidated Entity consisted of the following Directors of Cannindah Resources Limited:

T J Pickett  
 L G Johnson (retired 2 September 2019)  
 G J Missen  
 S D Beams (appointed 2 September 2019)

And the following executive:

G C Gill - Chief Financial Officer / Company Secretary

| Key Management Personnel | Short-term Benefits - Fees and/or Salary | Post Employment Benefits Super - annuation | Share Based Payments - Options | Total          | Performance based remuneration | At risk remuneration |
|--------------------------|------------------------------------------|--------------------------------------------|--------------------------------|----------------|--------------------------------|----------------------|
|                          | \$                                       | \$                                         | \$                             | \$             | %                              | %                    |
| <b>2020</b>              |                                          |                                            |                                |                |                                |                      |
| T J Pickett              | 250,000                                  | 23,750                                     | -                              | 273,750        | -                              | -                    |
| L G Johnson*             | 6,100                                    | 580                                        | -                              | 6,680          | -                              | -                    |
| G J Missen               | 18,300                                   | 1,739                                      | -                              | 20,039         | -                              | -                    |
| S D Beams**              | 33,333                                   | -                                          | -                              | 33,333         | -                              | -                    |
| G C Gill                 | 75,850                                   | -                                          | -                              | 75,850         | -                              | -                    |
| <b>Totals</b>            | <b>383,583</b>                           | <b>26,069</b>                              | <b>-</b>                       | <b>409,652</b> | <b>-</b>                       | <b>-</b>             |
| <b>2019</b>              |                                          |                                            |                                |                |                                |                      |
| T J Pickett              | 250,000                                  | 23,750                                     | -                              | 273,750        | -                              | -                    |
| L G Johnson              | 36,600                                   | 3,477                                      | -                              | 40,077         | -                              | -                    |
| G J Missen               | 18,300                                   | 1,739                                      | -                              | 20,039         | -                              | -                    |
| G C Gill                 | 72,000                                   | -                                          | -                              | 72,000         | -                              | -                    |
| <b>Totals</b>            | <b>376,900</b>                           | <b>28,966</b>                              | <b>-</b>                       | <b>405,866</b> | <b>-</b>                       | <b>-</b>             |

\* Retired 2 September 2019.

\*\* Appointed 2 September 2019 S D Beams was appointed on 2 September 2019 and so received no remuneration during the year ended 30 June 2019

During the period, fees to Directors and other KMP continued to be accrued in the accounts while in recognition of the Company's cash reserves, payments of net fees were withheld. At 30 June 2020, \$254,306 of fees payable to Directors and \$38,800 of fees payable to other KMP were included in trade and other payables.

## **C Service agreements**

Remuneration and other terms of employment for key management personnel are formalised in Service Agreements. Details of these Agreements are as follows:

# CANNINDAH RESOURCES LIMITED

## DIRECTORS' REPORT

### **Executive Chairman:**

The Company has entered into an Employment Agreement with Thomas Pickett to act as Executive Chairman. Remuneration payable pursuant to the package is as follows:

- Base salary of \$250,000 plus superannuation at statutory rates.
- The contract may be terminated by the giving of three months' notice by either party.
- Termination payment is up to six months of annual base salary.
- The contract is to be reviewed annually by the Board of Directors.

### **Chief Financial Officer and Company Secretary**

The Company has entered into an Agreement with Garry Gill and his company to provide services as Company Secretary and Chief Financial Officer. Services are to be provided on a part-time basis and at a rate of \$1,200 per day (pro rata) plus GST, plus expenses. The Agreement may be terminated by either party on 1 months' notice.

KMP have no entitlement to termination payments in the event of removal for misconduct.

### **D Share-based compensation**

#### *Issue of shares*

There were no shares issued to Directors and other Key Management Personnel as part of compensation during the year ended 30 June 2020.

#### *Issue of options*

There were no options over ordinary shares issued to Directors and other Key Management Personnel as part of compensation during the year ended 30 June 2020.

### **E Equity instruments**

#### **a) Movements in shares**

The movement during the year in the number of ordinary shares in Cannindah Resources Limited held directly, indirectly or beneficially by each key management person, including their related parties, is as follows:

| Name        | Balance at beginning of year | Balance at Date of Appointment (refer notes below) | Acquired        |           | Disposals | Balance at Date of Resignation (refer notes below) | Balance at end of the year |
|-------------|------------------------------|----------------------------------------------------|-----------------|-----------|-----------|----------------------------------------------------|----------------------------|
|             |                              |                                                    | As Remuneration | Other     |           |                                                    |                            |
| <b>2020</b> |                              |                                                    |                 |           |           |                                                    |                            |
| T J Pickett | 10,000,000                   | n/a                                                | -               | 582,503   | -         | n/a                                                | 10,582,503                 |
| L G Johnson | 100,000                      | n/a                                                | -               | -         | -         | 100,000                                            | n/a                        |
| G J Missen  | 250,000                      | n/a                                                | -               | -         | -         | n/a                                                | 250,000                    |
| S D Beams   | n/a                          | -                                                  | -               | -         | -         | n/a                                                | -                          |
| G C Gill    | -                            | n/a                                                | -               | -         | -         | n/a                                                | -                          |
| <b>2019</b> |                              |                                                    |                 |           |           |                                                    |                            |
| T J Pickett | 8,261,957                    | n/a                                                | -               | 1,738,043 | -         | n/a                                                | 10,000,000                 |
| L G Johnson | 100,000                      | n/a                                                | -               | -         | -         | n/a                                                | 100,000                    |
| G J Missen  | 250,000                      | n/a                                                | -               | -         | -         | n/a                                                | 250,000                    |
| G C Gill    | -                            | n/a                                                | -               | -         | -         | n/a                                                | -                          |

**Note:** LG Johnson – resigned 2 September 2019  
SD Beams – appointed 2 September 2019

All on market purchases and sales complied with the Board's Securities Trading Policy which permits trading by Directors and executives during certain periods in the absence of knowledge of price-sensitive information.

# **CANNINDAH RESOURCES LIMITED**

## **DIRECTORS' REPORT**

### ***b) Movement in options***

No options over ordinary shares in the parent entity were held by any Director or other member of key management personnel of the Consolidated Entity during the financial years ended 30 June 2020 or 30 June 2019.

### ***End of audited remuneration report***

#### **Share options**

At the date of this report there were no unissued ordinary shares under option (nil at 30 June 2020 and nil at 30 June 2019). No options have been exercised since year end to the date of this report.

#### **Indemnity and insurance of officers**

The Company has indemnified the Directors of the Company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors of the Company against a liability to the extent permitted by the Corporations Act 2001. The amount of the premium is not disclosed as it is considered confidential.

#### **Indemnity and insurance of auditor**

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

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

#### **Proceedings on behalf of the Company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

#### **Subsequent Events**

##### ***Acquisition of Piccadilly Gold Mines Holdings Limited***

On 1 September 2020, the Company announced that it had acquired 100% of the shares in its former earn-in partner, Piccadilly Gold Mine Holdings Limited (PGMH). The acquisition is in line with the Company's strategy set out in its recent quarterly and half-yearly reports to move to 100% control of the Piccadilly project owned by PGMH. The Piccadilly project comprises one mining lease ML 1442 and two EPM areas 18322 and 16198. The acquisition was also supported by the Company's Lender, Aquis Finance, which agreed to increase the current loan to the Company on the finalisation of the acquisition.

##### ***Consideration transferred***

The Company issued 48,318,170 ordinary shares in CAE to the various Piccadilly Gold Mine Holdings Limited shareholders to acquire 100% of the company and its project. The fair value of the ordinary shares issued of \$ 966,363 was based on the listed share price of the Company at 31 August 2020 of \$0.02 per share. The Company did not incur any direct costs as part of the acquisition.

##### ***Extension of Aquis Loan Facility***

In consequence of the acquisition of PGMH on 1 September 2020 and following the signing of a loan extension agreement, Aquis advanced a further \$500,000 to the company and increased the facility limit to \$6.1 million. The loan is due for repayment on 30 June 2022 and attracts interest at 5% per annum, which can be capitalised to the loan balance.

No other matters or circumstances have arisen since 30 June 2020, which significantly affect, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

# **CANNINDAH RESOURCES LIMITED**

## **DIRECTORS' REPORT**

### **Non-audit services**

The following non-audit services were provided by a related entity of the entity's auditor, Grant Thornton. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of non-audit service provided means that auditor independence was not compromised.

Grant Thornton received, or is due to receive, the following amounts for the provision of non-audit services during the year ended 30 June 2020:

|                              | <b>2020</b> | <b>2019</b> |
|------------------------------|-------------|-------------|
|                              | <b>\$</b>   | <b>\$</b>   |
| Taxation compliance services | -           | 5,300       |

### **Officers of the company who are former audit partners of Grant Thornton Audit Pty Ltd**

There are no officers of the company who are former audit partners of Grant Thornton Audit Pty Ltd.

### **Auditor's Independence Declaration**

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

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

On behalf of the Directors



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Thomas J Pickett  
Executive Chairman  
30 September 2020  
Gold Coast

## Auditor's Independence Declaration

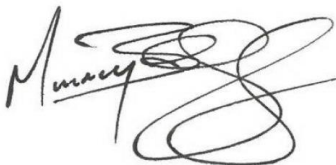
### To the Directors of Cannindah Resources Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Cannindah Resources Limited for the year ended 30 June 2020, 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 audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



M C Bragg  
Partner – Audit & Assurance

Brisbane, 30 September 2020

**CANNINDAH RESOURCES LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**for the year ended 30 June 2020**

|                                                                                                      |             | <b>Consolidated</b> |                    |
|------------------------------------------------------------------------------------------------------|-------------|---------------------|--------------------|
|                                                                                                      | <b>Note</b> | <b>2020</b>         | <b>2019</b>        |
|                                                                                                      |             | <b>\$</b>           | <b>\$</b>          |
| <b>Revenue from continuing operations</b>                                                            |             |                     |                    |
| Sales                                                                                                |             | -                   | 6,632              |
| Interest income                                                                                      |             | 10,666              | 6,322              |
| <b>Total revenue from continuing operations</b>                                                      | <b>4</b>    | <b>10,666</b>       | <b>12,954</b>      |
| <b>Expenses</b>                                                                                      |             |                     |                    |
| Employee benefits expense                                                                            | 5           | (386,643)           | (253,574)          |
| Exploration and evaluation expenditure written off                                                   |             | (689)               | (670,867)          |
| Finance costs                                                                                        | 5           | (800,896)           | (676,964)          |
| Administration                                                                                       |             | (196,080)           | (238,287)          |
| <b>Loss before income tax expense from continuing operations</b>                                     |             | <b>(1,373,642)</b>  | <b>(1,826,738)</b> |
| Income tax (expense) / benefit                                                                       | 6           | -                   | -                  |
| <b>Profit/(loss) after income tax expense for the year attributable to the owners of the Company</b> |             | <b>(1,373,642)</b>  | <b>(1,826,738)</b> |
| Other comprehensive income for the year, net of tax                                                  |             | -                   | -                  |
| <b>Total comprehensive income for the year attributable to the members of the Company</b>            |             | <b>(1,373,642)</b>  | <b>(1,826,738)</b> |
| Basic and diluted earnings per share (cents per share)                                               | 26          | (0.72)              | (1.09)             |

The accompanying notes form part of these financial statements

**CANNINDAH RESOURCES LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
as at 30 June 2020

|                                      | Note | Consolidated       |                  |
|--------------------------------------|------|--------------------|------------------|
|                                      |      | 2020               | 2019             |
|                                      |      | \$                 | \$               |
| <b>Current assets</b>                |      |                    |                  |
| Cash and cash equivalents            | 7    | 39,227             | 16,098           |
| Trade and other receivables          | 8    | 32,468             | 26,802           |
| <b>Total current assets</b>          |      | <b>71,695</b>      | <b>42,900</b>    |
| <b>Non-current assets</b>            |      |                    |                  |
| Other assets                         | 9    | 83,337             | 83,837           |
| Exploration and evaluation asset     | 10   | 4,754,881          | 4,628,540        |
| <b>Total non-current assets</b>      |      | <b>4,838,218</b>   | <b>4,712,377</b> |
| <b>Total assets</b>                  |      | <b>4,909,913</b>   | <b>4,755,277</b> |
| <b>Liabilities</b>                   |      |                    |                  |
| <b>Current liabilities</b>           |      |                    |                  |
| Trade and other payables             | 11   | 727,659            | 498,363          |
| Provisions                           | 12   | 118,093            | 55,289           |
| Borrowings                           | 13   | 157,500            | 3,995,366        |
| <b>Total current liabilities</b>     |      | <b>1,003,252</b>   | <b>4,549,018</b> |
| <b>Non-current liabilities</b>       |      |                    |                  |
| Borrowings                           | 13   | 4,978,551          | -                |
| <b>Total non-current liabilities</b> |      | <b>4,978,551</b>   | <b>-</b>         |
| <b>Total liabilities</b>             |      | <b>5,981,803</b>   | <b>4,549,018</b> |
| <b>Net assets</b>                    |      | <b>(1,071,890)</b> | <b>206,259</b>   |
| <b>Equity</b>                        |      |                    |                  |
| Issued capital                       | 14   | 48,325,007         | 48,229,514       |
| Reserves                             | 15   | 395,614            | 395,614          |
| Accumulated losses                   |      | (49,792,511)       | (48,418,869)     |
| <b>Total equity</b>                  |      | <b>(1,071,890)</b> | <b>206,259</b>   |

The accompanying notes form part of these financial statements

**CANNINDAH RESOURCES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
for the year ended 30 June 2020

**Consolidated**

|                                             | Issued<br>Capital | Reserve        | Accumulated<br>Losses | Total              |
|---------------------------------------------|-------------------|----------------|-----------------------|--------------------|
|                                             | \$                | \$             | \$                    | \$                 |
| <b>2019</b>                                 |                   |                |                       |                    |
| Balance at 1 July 2018                      | 47,649,420        | 395,614        | (46,592,131)          | 1,452,903          |
| <b>Transactions with owners:</b>            |                   |                |                       |                    |
| Shares issued during the period             | 611,000           | -              | -                     | 611,000            |
| Share issue costs                           | (30,906)          | -              | -                     | (30,906)           |
| <b>Total transactions with owners</b>       | 580,094           | -              | -                     | 580,094            |
| Loss attributable to members of the Company | -                 | -              | (1,826,738)           | (1,826,738)        |
| <b>Balance at 30 June 2019</b>              | <b>48,229,514</b> | <b>395,614</b> | <b>(48,418,869)</b>   | <b>206,259</b>     |
| <b>2020</b>                                 |                   |                |                       |                    |
| Balance at 1 July 2019                      | 48,229,514        | 395,614        | (48,418,869)          | 206,259            |
| <b>Transactions with owners:</b>            |                   |                |                       |                    |
| Shares issued during the period             | 145,041           | -              | -                     | 145,041            |
| Share issue costs                           | (49,548)          | -              | -                     | (49,548)           |
| <b>Total transactions with owners</b>       | 95,493            | -              | -                     | 95,493             |
| Loss attributable to members of the Company | -                 | -              | (1,373,642)           | (1,373,642)        |
| <b>Balance at 30 June 2020</b>              | <b>48,325,007</b> | <b>395,614</b> | <b>(49,792,511)</b>   | <b>(1,071,890)</b> |

The accompanying notes form part of these financial statements

**CANNINDAH RESOURCES LIMITED**  
**STATEMENT OF CASH FLOWS**  
**for the year ended 30 June 2020**

|                                                            |    | Consolidated     |                  |
|------------------------------------------------------------|----|------------------|------------------|
|                                                            |    | 2020             | 2019             |
|                                                            |    | \$               | \$               |
| <b>Cash flows from operating activities</b>                |    |                  |                  |
| Payments from customers and debtors                        |    | -                | 7,295            |
| Payments to suppliers and employees                        |    | (298,658)        | (356,240)        |
| Interest received                                          |    | 10,666           | 6,322            |
| Interest and finance costs paid                            |    | (49,681)         | (106,183)        |
| <b>Net cash provided by (used in) operating activities</b> | 25 | <b>(337,673)</b> | <b>(448,806)</b> |
| <b>Cash flows from investing activities</b>                |    |                  |                  |
| Exploration expenditure                                    |    | (124,161)        | (335,048)        |
| Purchase of property, plant & equipment                    |    | -                | -                |
| <b>Net cash provided by (used in) investing activities</b> |    | <b>(124,161)</b> | <b>(335,048)</b> |
| <b>Cash flows from financing activities</b>                |    |                  |                  |
| Net proceeds from issue of shares                          |    | 95,493           | 580,094          |
| Proceeds from borrowings - secured                         |    | 391,367          | 50,000           |
| Proceeds from borrowings - other                           |    | 178,080          | 410,000          |
| Repayment of borrowings - other                            |    | (179,977)        | (250,603)        |
| <b>Net cash provided by (used in) financing activities</b> |    | <b>484,963</b>   | <b>789,491</b>   |
| <b>Net increase (decrease) in cash held</b>                |    | <b>23,129</b>    | <b>5,637</b>     |
| <b>Cash at beginning of year</b>                           |    | <b>16,098</b>    | <b>10,461</b>    |
| <b>Cash at end of year</b>                                 | 7  | <b>39,227</b>    | <b>16,098</b>    |

The accompanying notes form part of these financial statements

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 1 Statement of Significant Accounting Policies**

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

**New, revised or amending Accounting Standards and Interpretations adopted**

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. None of the new standards and amendments to standards affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

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

**AASB 16 Leases**

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

**Impact of adoption**

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. The impact of the adoption has had a nil impact on the consolidated entity.

When adopting AASB 16 from 1 July 2019, the consolidated entity has applied the following practical expedients:

- accounting for leases with a remaining lease term of 12 months as at 1 July 2019 as short-term leases;
- not apply AASB 16 to contracts that were not previously identified as containing a lease.

**Basis of preparation**

These general-purpose financial statements have been prepared on a going concern basis in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

**Historical cost convention**

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

**Functional and Presentation Currency**

The Company's functional and presentation currency is Australian dollars.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 1 Statement of Significant Accounting Policies (continued)**

***Critical accounting estimates***

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

**Parent entity information**

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Entity only. Supplementary information about the parent entity is disclosed in note 21.

**Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of subsidiaries of Cannindah Resources Limited ('Company' or 'Parent Entity') as at 30 June 2020 and the results of all subsidiaries for the year then ended. Cannindah Resources Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

A subsidiary is any entity controlled by the Company. Control exists where the parent entity is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

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

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition or up to the effective date of disposal as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

**Revenue recognition**

Revenue from contracts with customers is measured and recognised in accordance with the five-step model prescribed by AASB 15 *"Revenue from Contracts with Customers"*. First contracts with customers within the scope of AASB 15 are identified. Distinct promises within the contract are identified as performance obligations. The transaction price of the contract is measured based on the amount of consideration the Group expects to be entitled from the customer in exchange for goods or services. Factors such as requirements around variable consideration, significant financing components, non-cash consideration or amounts payable to customers also determine the transaction price.

Revenue is recognised when or as performance obligations are satisfied which is when control of the promised goods or services is transferred to the customer. The Group does not currently have any material contracts with customers.

All revenue is stated net of the amount of goods and services tax (GST).

The Group may also receive other income comprised of interest income and research and development tax incentives.

***Interest income***

Interest income is recognised when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial assets.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 1 Statement of Significant Accounting Policies (continued)**

**Income tax**

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

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

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

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

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

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

Cannindah Resources Limited (the 'head entity') and its wholly-owned Australian controlled entities have formed an income tax consolidated group under the tax consolidation regime. The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the group allocation approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Research and Development Tax Refunds and refunds receivable are recognised as a tax credit.

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 1 Statement of Significant Accounting Policies (continued)**

**Financial instruments**

***Recognition, initial measurement and derecognition***

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires

***Classification and subsequent measurement of financial assets***

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

***Subsequent measurement financial assets***

***Financial assets at amortised cost***

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

***Financial assets at fair value through profit or loss (FVPL)***

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 1 Statement of Significant Accounting Policies (continued)**

*Impairment of Financial assets*

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

*Trade and other receivables and contract assets*

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

**Classification and measurement of financial liabilities**

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

***Borrowings***

Borrowings are measured at amortised cost using the effective interest method

**Joint operations**

The consolidated group's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the consolidated financial statements

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 1 Statement of Significant Accounting Policies (continued)**

**Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment     20-33%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Consolidated Entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Exploration and evaluation assets**

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

**Impairment of non-financial assets**

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

**Finance costs**

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

**Provisions**

Provisions are recognised when the Consolidated Entity has a present (legal or constructive) obligation as a result of a past event, it is probable the Consolidated Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 1 Statement of Significant Accounting Policies (continued)**

**Employee benefits**

*Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in current liabilities 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. Non-accumulating sick leave is expensed to profit or loss when incurred.

*Share-based payments*

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 1 Statement of Significant Accounting Policies (continued)**

**Issued capital**

Ordinary shares are classified as equity.

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

**Other equity**

Convertible notes which are settled for a fixed amount of cash; may only be converted into a fixed number of shares and may not be redeemed for cash or other financial asset, are treated as other equity.

**Earnings per share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Cannindah Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

*Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

**Goods and Services Tax ('GST') and other similar taxes**

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

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

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

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

**Going Concern**

The Financial Statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Consolidated Entity incurred a loss of \$1,373,642, had net cash outflows from operating activities of \$337,673 for the year ended 30 June 2020, and as at that date current liabilities exceeds current assets by \$931,557. This deficiency was reduced with the receipt of \$500,000 in loan funds after year end.

On 10 March 2015, the Company entered into a secured loan facility with Aquis Finance Pty Ltd (the Lender) to fund the Company's ongoing exploration and administration costs. Under the terms of the loan the facility was due for repayment on 10 March 2018. On 29 June 2018, the Company announced that following negotiations with the Lender, the Company had secured a further extension to its loan facility. The extension was on substantially the same terms and conditions as the original loan with interest and fees being capitalised into the loan and a new maturity date of 20 May 2019. On 31 May

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 1 Statement of Significant Accounting Policies (continued)**

2019, the Company announced that following negotiations with the Lender, the Company had secured a further extension to its loan facility until 20 November 2019. Aquis Finance specifically requested that one of the conditions of the extension be that they be able to convert their debt position into equity in the Company during the extension period. The extension amended the loan to interest free for the extension period and is subject to conditions and fees. On 31 January 2020, the Company announced that the parties had agreed to extend the current loan facility to 30 June 2022. The loan extension is subject to 5% p.a. interest (capitalised) and an immediate increase in the facility limit. Aquis Finance Pty Ltd also asked that they be able to convert the whole or part of the loan balance to shares in the Company during the loan term at an issue price of 2c per share (subject to shareholder approval if required), along with the possible appointment of two directors to the Board to represent their interests. On 1 September 2020, the Company announced that, contingent upon the satisfactory completion of the acquisition of Piccadilly Gold Mine Holdings Limited, the Lender would increase the current loan with immediate effect thereby increasing the facility limit to \$6.1 million. On 7 September 2020, the Lender provided loan funds of \$500,000 to the Company.

The Directors expect that additional funds will be required for the Company to operate and conduct exploration activities over the next 12 months. The Company has previously raised funds through share placements, short term loans and capital raisings from existing shareholders. In addition, the Company has also been able to obtain short term loans from professional investors as an interim measure while capital raisings are being finalised. Based on their previous experience and success in raising capital and loan funds, the Directors are confident, these additional funds can be obtained.

Whilst the events and conditions noted above indicate the existence of a material uncertainty related to going concern, the Directors are satisfied that they will be able to secure the additional funds required, and that the going concern basis of preparation for the financial report is appropriate. If for any reason the Consolidated Entity is unable to continue as a going concern, it would impact on the Consolidated Entity's ability to realise assets at their recognised values and to extinguish liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Consolidated Entity does not continue as a going concern.

**Note 2 Critical accounting judgements, estimates and assumptions**

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

**Impact of Covid 19**

While Aquis Finance indicated its willingness to continue funding, the Company, uncertainty of events resulting from Covid-19 and the restrictions on movement, resulted in loan drawdowns being deferred.

In March 2020, the Covid -19 restrictions caused the office to be closed and all Cannindah Resources staff revert to remote working. The company took this opportunity to move out of its rental premises as the rental arrangement was month to month and there was no financial penalty to do so.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and except as outlined above, while it has been financially neutral for the consolidated entity up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 2 Critical accounting judgements, estimates and assumptions (continued)**

***Exploration and Evaluation Assets***

Estimates and judgements relating to the exploration and evaluation assets has been included within Note 10.

**Note 3 Operating segments**

***Identification of reportable operating segments***

The Consolidated Entity has determined its operating segments based on the internal reports that are reviewed and used by both management and the Board of Directors in assessing performance and allocation of resources. As the Consolidated Entity is still in the exploration phase, the chief operating decision makers review the operations as a whole and therefore consider one segment to be appropriate.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2020

|                                                                                                           | Consolidated<br>2020<br>\$ | 2019<br>\$     |
|-----------------------------------------------------------------------------------------------------------|----------------------------|----------------|
| <b>Note 4 Revenue and Other Income</b>                                                                    |                            |                |
| <b>From continuing operations</b>                                                                         |                            |                |
| Gold sales                                                                                                | -                          | 6,632          |
| <i>Other revenue</i>                                                                                      |                            |                |
| Interest received from other persons                                                                      | 10,666                     | 6,322          |
|                                                                                                           | <b>10,666</b>              | <b>12,954</b>  |
| <b>Revenue from continuing operations</b>                                                                 |                            |                |
| <b>Note 5 Expenses</b>                                                                                    |                            |                |
| <b><i>Loss before income tax from continuing operations includes the following specific expenses:</i></b> |                            |                |
| <i>Finance costs</i>                                                                                      |                            |                |
| Interest and finance charges paid/payable                                                                 | 800,896                    | 676,964        |
| <i>Rental expense - office</i>                                                                            |                            |                |
| Minimum lease payments                                                                                    | 13,500                     | 18,000         |
| <i>Employee benefit expense</i>                                                                           |                            |                |
| Amounts paid to employees                                                                                 | 358,473                    | 323,647        |
| Allocated to exploration and evaluation projects                                                          | (29,578)                   | (124,973)      |
| Amounts paid to non-executive Directors                                                                   | 57,748                     | 54,900         |
| <i>Total employee benefit expense</i>                                                                     | <b>386,643</b>             | <b>253,574</b> |
| <b>Note 6 Income tax expense</b>                                                                          |                            |                |
| <i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>                       |                            |                |
| Loss before income tax expense from continuing operations                                                 | (1,373,642)                | (1,826,738)    |
| Tax at the statutory tax rate of 27.5% (2019: 27.5%)                                                      | (377,752)                  | (502,353)      |
| <i>Tax effect amounts which are not deductible/(taxable) in calculating taxable income:</i>               |                            |                |
| Other non-deductible / (allowable) expenses                                                               | 168,868                    | 3,399          |
|                                                                                                           | (208,884)                  | (498,954)      |
| Current year tax losses not recognised                                                                    | 183,988                    | 452,083        |
| Current year temporary differences not recognised                                                         | 15,683                     | 39,859         |
| Deductible capital raising costs                                                                          | 9,213                      | 7,012          |
| Income tax expense                                                                                        | -                          | -              |
| <i>Tax losses not recognised</i>                                                                          |                            |                |
| Unused tax losses for which no deferred tax asset has been recognised                                     | 21,474,800                 | 20,772,253     |
| Potential tax benefit @ 27.5% (2019: 27.5%)                                                               | 5,905,570                  | 5,712,369      |

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if there are taxable profits and if the continuity of ownership test is passed, or failing that, the same business test is passed.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

|                                                                                     | Consolidated<br>2020<br>\$ | 2019<br>\$       |
|-------------------------------------------------------------------------------------|----------------------------|------------------|
| <b>Note 6 Income tax expense (continued)</b>                                        |                            |                  |
| <i>Deferred tax assets not recognised</i>                                           |                            |                  |
| Deferred tax assets not recognised comprises temporary differences attributable to: |                            |                  |
| Timing differences                                                                  | 5,325,336                  | 5,309,653        |
| <b>Total deferred tax assets not recognised</b>                                     | <b>5,325,336</b>           | <b>5,309,653</b> |
| <b>Note 7 Cash and cash equivalents</b>                                             |                            |                  |
| Cash on hand and at bank                                                            | 39,227                     | 16,098           |
| <b>Total cash and cash equivalents</b>                                              | <b>39,227</b>              | <b>16,098</b>    |
| <b>Note 8 Trade and other receivables</b>                                           |                            |                  |
| Other receivables                                                                   | 32,468                     | 26,802           |
| <b>Total trade and other receivables</b>                                            | <b>32,468</b>              | <b>26,802</b>    |
| <b>Note 9 Other assets (non-current)</b>                                            |                            |                  |
| Deposits and bonds                                                                  | 83,337                     | 83,837           |
| <b>Total financial assets</b>                                                       | <b>83,337</b>              | <b>83,837</b>    |
| <b>Note 10 Exploration and evaluation</b>                                           |                            |                  |
| Exploration and evaluation phase - at cost                                          | 4,754,881                  | 4,628,540        |
| Movement in exploration and evaluation asset:                                       |                            |                  |
| Opening balance - at cost                                                           | 4,628,540                  | 5,018,623        |
| Capitalised exploration expenditure                                                 | 127,030                    | 280,784          |
| Prior year capitalised expenses written off                                         | -                          | (669,860)        |
| Current year expenditure written off                                                | (689)                      | (1,007)          |
| <b>Carrying amount at the end of the period</b>                                     | <b>4,754,881</b>           | <b>4,628,540</b> |

*Estimates and judgements*

The consolidated entity makes critical judgements in respect of carrying forward exploration and evaluation assets in the Statement of Financial Position, and in evaluating the existence of any impairment triggers. Exploration and evaluation expenditure may be capitalised in certain circumstances. Directors review the commercial arrangements in relation to farm-in agreements and the renewal of mining tenements to ensure that the relationships are managed and activities are conducted to support carrying forward expenditure. During the year, the tenements associated with the Piccadilly project expired and expenditures on the tenements were less than the committed expenditure obligations. Covid-19 restrictions impacted the Company in the final quarter, and caused issues with respect to access to exploration staff, access to site and deferrals in the drawdowns on the Aquis loan required to continue normal operations. Applications were submitted for the renewal of the Piccadilly tenements and at year end notifications of renewal had not been received. The Company has a demonstrated history of having the renewal applications approved. The Directors have been working through the renewal process with Government representatives and are satisfied that the tenements will be renewed and that no impairment is required.

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and development of projects or alternatively through the sale of the areas of interest. Current year expenditure and prior year capitalised expenditure written-off represents expenditure on discontinued or surrendered mineral tenements.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

|                                                  | Consolidated<br>2020<br>\$ | 2019<br>\$       |
|--------------------------------------------------|----------------------------|------------------|
| <b>Note 11 Trade and other payables</b>          |                            |                  |
| Trade payables                                   | 263,808                    | 270,369          |
| Other payables and accrued expenses              | 463,851                    | 227,994          |
| <b>Total trade and other payables</b>            | <b>727,659</b>             | <b>498,363</b>   |
| <b>Note 12 Provisions</b>                        |                            |                  |
| Annual leave                                     | 69,432                     | 55,289           |
| Long Service Leave                               | 48,661                     | -                |
|                                                  | <b>118,093</b>             | <b>55,289</b>    |
| <b>Note 13 Borrowings</b>                        |                            |                  |
| Secured borrowings – Aquis Finance – non-current | 4,978,551                  | 3,835,970        |
| Borrowings – other - current                     | 157,500                    | 159,396          |
|                                                  | <b>5,136,051</b>           | <b>3,995,366</b> |

The loan from Aquis Finance Pty Ltd had an initial facility limit of \$2 million and a term of 12 months commencing 10 March 2015, which could be extended to up to 3 years at the election of the Company. Directors extended the facility for a further year in each of March 2016 and in March 2017. In May 2018 a new loan was entered into with Aquis Finance. The new loan increased the facility limit to \$3.7 million to accommodate loan fees and interest payable until the end of the loan term on 20 May 2019. On 29 May 2019, the Company announced that the term of the loan had been further extended to 20 November 2019 with an increased facility limit of \$3.85 million and was interest free for the extension period. On 31 January 2020, the Company announced that the parties had agreed to extend the current loan facility to 30 June 2022. The loan extension will be subject to 5% p.a. interest (capitalised) and an immediate increase in the facility limit. Aquis Finance Pty Ltd also asked that they be able to convert the whole or part of the loan balance to shares in the Company during the loan term at an issue price of 2c per share (subject to shareholder approval if required), along with the possible appointment of two directors to the Board to represent their interests. On 1 September 2020, the Company announced that, contingent upon the satisfactory completion of the acquisition of Piccadilly Gold Mine Holdings Limited, the Lender would increase the current loan with immediate effect thereby increasing the facility limit to \$6.1 million. On 7 September 2020, the Lender provided loan funds of \$500,000 to the Company.

The facility conditions require no repayments until the expiration of the facility. The loan is secured by the assets of the Company. Other terms and conditions remain the same as the previous facility.

The additional loan comprised a short-term facility from a sophisticated investor. The loan was initially for a three-month period which can be extended by mutual agreement at an interest rate of 25% per annum. The facility was partially repaid on 11 September 2020.

**Note 14 Contributed Equity**

|                                                         |                   |                   |
|---------------------------------------------------------|-------------------|-------------------|
| <b>(a) Fully paid ordinary share capital</b>            | <b>48,325,007</b> | <b>48,229,514</b> |
| <i>Movements in contributed equity during the year:</i> |                   |                   |
| <b>Balance at the beginning of the reporting period</b> | 48,229,514        | 47,649,420        |
| Issued pursuant to share placements                     | 145,041           | 611,000           |
| Total movements in issued capital during the year       | 145,041           | 611,000           |
| Less share issue costs                                  | (49,548)          | (30,906)          |
| <b>Balance at reporting date</b>                        | <b>48,325,007</b> | <b>48,229,514</b> |

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

|                                                                  | Consolidated       |                    |
|------------------------------------------------------------------|--------------------|--------------------|
|                                                                  | 2020               | 2019               |
|                                                                  | \$                 | \$                 |
| <b>Note 14 Contributed Equity (continued)</b>                    |                    |                    |
| <b>(a) Fully paid ordinary share capital (continued)</b>         |                    |                    |
| <i>Movements in the number of issued shares during the year:</i> |                    |                    |
|                                                                  | 2020<br>No.        | 2019<br>No.        |
| <b>Balance at the beginning of the reporting period</b>          | 181,185,946        | 151,219,278        |
| Issued pursuant to share placements                              | 12,086,736         | 29,966,668         |
| Total movements in issued capital during the year                | 12,086,736         | 29,966,668         |
| <b>Balance at reporting date</b>                                 | <b>193,272,682</b> | <b>181,185,946</b> |

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

*Capital risk management*

The Consolidated Entity's objectives when managing capital are to safeguard its ability to continue as a going concern and fund its operations. The Consolidated Entity's capital comprises borrowings, ordinary share capital, reserves and accumulated losses as disclosed in the statement of changes in equity. In common with many other exploration companies, the parent raises finance for the Consolidated Entity's exploration and appraisal activities in discrete tranches.

Management effectively manages the Consolidated Entity's capital by assessing the Consolidated Entity's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There are no externally imposed capital requirements.

The capital risk management policy remains unchanged from the 30 June 2019 Financial Report. The Consolidated Entity monitors capital on the basis of its working capital position (i.e. liquidity risk). The net working capital of the Consolidated Entity at 30 June 2020 was 931,577 (negative) (2019: \$4,506,118 negative as a result of classifying the loan from Aquis Finance as a current liability).

**(b) Options**

The Consolidated Entity had no options on issue during the financial years ended 30 June 2020 and 30 June 2019.

**Note 15 Reserves**

***Share Option Reserve***

The share option reserve records items recognised as expenses or issue costs on valuation of options. There were no movement or transactions during the year which impacted on the reserve.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 16 Financial Instruments**

***Financial risk management objectives***

Risk management is carried out under policies set by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas.

The Board monitors and manages the financial risk relating to the operations of the Consolidated Entity. The Consolidated Entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk), price risk and interest rate risk, credit risk and liquidity risk. The Consolidated Entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Consolidated Entity. The Consolidated Entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

***Market risk***

***Foreign currency risk***

The Consolidated Entity may undertake certain transactions denominated in foreign currency and may become exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

***Price risk***

The Consolidated Entity is exposed to price risk through the movement of bullion prices. Under its Ore Purchase Agreement with Minjar Pty Ltd, the Company may receive revenue from gold ore sales based on the average gold price less haulage and processing costs incurred by Minjar. No gold sales were conducted during the year.

***Interest rate risk***

The economic entity's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

As at the reporting date, the Consolidated Entity had the following variable rate investments:

|                           | <b>Weighted<br/>Average<br/>Interest<br/>Rate</b> | <b>Average Cash<br/>Balance<br/>\$</b> |
|---------------------------|---------------------------------------------------|----------------------------------------|
| <b>2020</b>               |                                                   |                                        |
| Cash and cash equivalents | 0.43%                                             | 77,016                                 |
| <b>2019</b>               |                                                   |                                        |
| Cash and cash equivalents | 1.10%                                             | 87,266                                 |

***Sensitivity Analysis***

At 30 June 2020, if average interest rates had increased/decreased by 200 basis points with all other variables held constant, post-tax profit and total equity for the year would have been as follows:

|                                     | <b>Consolidated</b> |             |
|-------------------------------------|---------------------|-------------|
|                                     | <b>2020</b>         | <b>2019</b> |
|                                     | <b>\$</b>           | <b>\$</b>   |
| <b>Change in profit and equity:</b> |                     |             |
| Increase in interest rate by 2%     | 1,540               | 1,745       |
| Decrease in interest rate by 2%     | (334)               | (964)       |

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 16 Financial Instruments (continued)**

**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Consolidated Entity does not hold any collateral.

The Consolidated Entity does not have any significant exposure to credit risk from trade receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

**Liquidity risk**

Vigilant liquidity risk management requires the Consolidated Entity to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Consolidated Entity manages liquidity risk by continuously monitoring actual and forecast cash flows to ensure funds are available to meet liabilities.

**Maturity Analysis - 2020**

|                              | <b>Interest<br/>Rate</b> | <b>Carrying<br/>amount<br/>\$</b> | <b>&lt; 6<br/>months<br/>\$</b> | <b>6-12<br/>months<br/>\$</b> | <b>1-3 years<br/>\$</b> | <b>&gt; 3<br/>years<br/>\$</b> |
|------------------------------|--------------------------|-----------------------------------|---------------------------------|-------------------------------|-------------------------|--------------------------------|
| <b>Financial Liabilities</b> |                          |                                   |                                 |                               |                         |                                |
| Trade Creditors              | 0%                       | 727,659                           | 727,659                         | -                             | -                       | -                              |
| Short term loan              | 25%                      | 157,500                           | 157,500                         | -                             | -                       | -                              |
| Loans and borrowings         | 2.3%                     | 4,978,551                         | -                               | -                             | 4,978,551               | -                              |
| <b>Total</b>                 |                          | <b>5,863,710</b>                  | <b>885,159</b>                  | <b>-</b>                      | <b>4,978,551</b>        | <b>-</b>                       |

**Maturity Analysis - 2019**

|                              |       | <b>Carrying<br/>amount<br/>\$</b> | <b>&lt; 6<br/>months<br/>\$</b> | <b>6-12<br/>months<br/>\$</b> | <b>1-3 years<br/>\$</b> | <b>&gt; 3<br/>years<br/>\$</b> |
|------------------------------|-------|-----------------------------------|---------------------------------|-------------------------------|-------------------------|--------------------------------|
| <b>Financial Liabilities</b> |       |                                   |                                 |                               |                         |                                |
| Trade Creditors              | 0%    | 498,363                           | 498,363                         | -                             | -                       | -                              |
| Short term loan              | 23.8% | 159,396                           | 159,396                         | -                             | -                       | -                              |
| Loans and borrowings         | 13.5% | 3,835,970                         | 3,835,970                       | -                             | -                       | -                              |
| <b>Total</b>                 |       | <b>4,493,729</b>                  | <b>4,493,729</b>                | <b>-</b>                      | <b>-</b>                | <b>-</b>                       |

**Net fair values**

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1 to the financial statements.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 17 Key Management Personnel Disclosures**

Transactions between related parties, other than those noted in the audited Remuneration Report are detailed at Note 20. Where transactions with related parties occur, they are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Key management personnel remuneration includes the following expenses:

|                               | <b>Consolidated</b> |                |
|-------------------------------|---------------------|----------------|
|                               | <b>2020</b>         | <b>2019</b>    |
|                               | <b>\$</b>           | <b>\$</b>      |
| Short term employee benefits: |                     |                |
| Salaries                      | 383,583             | 376,900        |
| Post-employment benefits:     |                     |                |
| Superannuation                | 26,068              | 28,966         |
| <b>Total remuneration</b>     | <b>409,651</b>      | <b>405,866</b> |

**Note 18 Auditors' Remuneration**

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the Company:

*Audit services*

|                                             |        |        |
|---------------------------------------------|--------|--------|
| Audit or review of the financial statements | 36,100 | 36,305 |
|---------------------------------------------|--------|--------|

*Other services provided by related entities of the auditor*

|                   |   |       |
|-------------------|---|-------|
| Taxation services | - | 5,300 |
|-------------------|---|-------|

**Note 19 Commitments**

Committed at the reporting date but not recognised as liabilities:

*Lease commitments - mining leases:*

|                   |                |                |
|-------------------|----------------|----------------|
| Within one year   | 58,491         | 58,179         |
| One to five years | 252,047        | 250,703        |
|                   | <b>310,538</b> | <b>308,882</b> |

*Mining exploration expenditure*

|                   |                  |                  |
|-------------------|------------------|------------------|
| Within one year   | 928,000          | 855,000          |
| One to five years | 1,763,000        | 2,031,000        |
|                   | <b>2,691,000</b> | <b>2,886,000</b> |

The Consolidated Entity has certain commitments imposed by the Queensland Department of Natural Resources and Mines to perform minimum exploration work on the tenements. These obligations, which may be varied from time to time, are subject to approval and are expected to be fulfilled in the normal course of operations of the Consolidated Entity. The renewals for Piccadilly EPM's 16198 and 18322 have not yet been granted. It is estimated that commitments for the 2021 year for these tenements will be \$330,000 in line with previous years. Certain tenements held by the Consolidated Entity may be the subject of future Native Title claims. The Directors of the Company expect that existing operations will not be materially affected by any potential claims.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 20 Related Party Transactions**

*Parent entity*

Cannindah Resources Limited is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 22.

Interests in joint operations are set out in note 23

*Key management personnel*

Disclosures relating to key management personnel are set out in note 17 and the remuneration report in the Directors' Report.

*Transactions with related parties*

During the period fees to Directors continued to be accrued in the accounts while in recognition of the Company's cash reserves, payments of net fees were withheld. At 30 June 2020, \$254,306 of fees payable to Directors was included in trade and other payables.

Terra Search, a company associated with non-executive Director Dr Simon Beams provides geological services to the Company. Dr Beams was appointed as a Director on 2 September 2019. During the year ended 30 June 2020, the Consolidated Entity paid \$54,136 for these services. The services are contracted on an arm's length basis. At 30 June 2020, \$124,375 was included in the Company's trade creditors for services provided in respect of current and prior periods.

The Company rented office space until March 2020 and obtains accounting and IT services from entities associated with non-executive Director Mr Geoffrey Missen. During the year ended 30 June 2020, the Consolidated Entity paid \$32,087 (2019: \$8,722) for these services. The services are contracted on an arm's length basis. At 30 June 2020, \$2,687 (2019: \$22,814) was included in the Company's trade creditors for services provided during the period.

There were no loans to or from related parties at the current and previous reporting date.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2020

**Note 21 Parent Entity Information**

|                                                                    | 2020<br>\$     | 2019<br>\$       |
|--------------------------------------------------------------------|----------------|------------------|
| <b>Statement of Profit and Loss and Other Comprehensive Income</b> |                |                  |
| Loss after income tax                                              | (1,371,858)    | (1,584,700)      |
| Total comprehensive income                                         | (1,371,858)    | (1,584,700)      |
| <b>Statement of Financial Position</b>                             |                |                  |
| Current assets                                                     | 73,358         | 41,779           |
| <b>Total assets</b>                                                | 6,904,414      | 6,747,993        |
| Current liabilities                                                | 1,003,252      | 4,549,019        |
| <b>Total liabilities</b>                                           | 5,981,804      | 4,549,019        |
| <b>Net assets</b>                                                  | <b>922,610</b> | <b>2,198,974</b> |
| <b>Equity</b>                                                      |                |                  |
| Issued capital                                                     | 48,325,007     | 48,229,514       |
| Share option reserve                                               | 395,614        | 395,614          |
| Accumulated losses                                                 | (47,798,011)   | (46,426,154)     |
| <b>Total equity</b>                                                | <b>922,610</b> | <b>2,198,974</b> |

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2020 and 30 June 2019.

*Contingent liabilities*

The parent entity had no contingent liabilities at 30 June 2020 and 30 June 2019.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment at 30 June 2020 and 30 June 2019.

*Significant accounting policies*

The accounting policies of the parent entity are consistent with those of the Consolidated Entity, as disclosed in note 1.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 22 Subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

| Name                        | Principal Activity  | Country of Incorporation | Share    | Ownership Interest |      |
|-----------------------------|---------------------|--------------------------|----------|--------------------|------|
|                             |                     |                          |          | 2020               | 2019 |
| Mt Cannindah Mining Pty Ltd | Mineral exploration | Australia                | Ordinary | 100%               | 100% |
| Triple Crown Mining Pty Ltd | Mineral exploration | Australia                | Ordinary | 100%               | 100% |

Triple Crown Mining Pty Ltd was deregistered subsequent to year end on 26 July 2020.

**Note 23 Interests in Joint Operations**

On 15 September 2017, the Company announced that it had signed an Earn-In Agreement with Piccadilly Gold Mine Holdings Limited to gain access to 174.35sq/km surrounding the mining lease at Piccadilly. The Agreement provided that EPMs 16198 and 18322 would be under the operational control of Cannindah Resources Limited. Key terms of the agreement were as follows:

- Phase 1 Earn-In - \$400,000 to be spent on mining and exploration activities within ML 1442 and EPM's 16198 and 18322 in the 6-month period commencing on the Effective Date to earn a 12.5% contractual interest in the Piccadilly Project. The Phase 1 Earn-in was completed in March 2019.
- Phase 2 Earn-In – a further \$400,000 to be spent on mining and exploration activities within ML 1442 and EPM's 16198 and 18322 in the 18-month period commencing on the Effective Date to earn an additional 12.5% contractual interest. The Phase 2 Earn-in must include at least 4 diamond drill holes on the EPM's. If the Phase 2 Earn-In is not completed the Company will relinquish all interest in the project.
- At its option, the Company may enter into the Phase 3 Earn-In under which an additional \$2.2 million must be spent within the 48-month period of the Effective Date on exploration and mining and a mineral resource of at least 250,000 ounces of gold or gold equivalent must be established to earn an additional 50% interest to bring the total interest to 75%.

All costs incurred under the Earn-In arrangement are capitalised on the Company's balance sheet as exploration and evaluation expenditure.

On 1 September 2020, the Company announced that it had acquired 100% of the shares in its former earn-in partner, Piccadilly Gold Mine Holdings Limited (PGMH) thereby bringing the Earn-in agreement to an end)

**Note 24 Events after the Reporting Period**

***Acquisition of Piccadilly Gold Mines Holdings Limited***

On 1 September 2020, the Company announced that it had acquired 100% of the shares in its former earn-in partner, Piccadilly Gold Mine Holdings Limited (PGMH). The acquisition is in line with the Company's strategy set out in its recent quarterly and half-yearly reports to move to 100% control of the Piccadilly project owned by PGMH. The Piccadilly project comprises one mining lease ML 1442 and two EPM areas 18322 and 16198. The acquisition was also supported by the Company's Lender, Aquis Finance, which agreed to increase the current loan to the company on the finalisation of the acquisition.

***Consideration transferred***

The Company issued 48,318,170 ordinary shares in CAE to the various Piccadilly Gold Mine Holdings Limited shareholders to acquire 100% of the company and its project. The fair value of the ordinary shares issued of \$ 966,363 was based on the listed share price of the Company at 31 August 2020 of \$0.02 per share. The Company did not incur any direct costs as part of the acquisition.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition. The information has been drawn from the unaudited accounts of PGMH.

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 24 Events after the Reporting Period (continued)**

***Acquisition of Piccadilly Gold Mines Holdings Limited (continued)***

|                                               | \$                        |
|-----------------------------------------------|---------------------------|
| Cash and cash equivalents                     | 1,792                     |
| Mining tenements                              | 201,000                   |
| Trade receivables                             | 285                       |
| Loans and borrowings                          | <u>(2,124,437)</u>        |
| <b>Total identifiable net assets acquired</b> | <b><u>(1,921,360)</u></b> |

The identifiable assets are measured at their fair market value. Cash and cash equivalents represent cash at bank and on hand at the date of acquisition. Mining tenement assets represent financial assurance deposits paid to the Queensland Government while trade receivables are GST amounts paid and recoverable. The fair value of PGMH's intangible assets (being exploration and evaluation expenditure) has been measured provisionally at zero pending completion of a review of the previous policy of writing off the expenditure as incurred.

If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

The premium on consolidation of \$2,887,722 arising from the acquisition has been calculated as the difference between the purchase price of \$966,363 and the net assets at the acquisition date of negative \$1,921,360.

***Extension of Aquis Loan Facility***

In consequence of the acquisition of PGMH on 1 September 2020 and following the signing of a loan extension agreement, Aquis advanced a further \$500,000 to the company and increased the facility limit to \$6.1 million. The loan is due for repayment on 30 June 2022 and attracts capitalised interest at 5% per annum.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

**Note 25 Reconciliation of profit/(loss) after income tax to net cash used in operating activities**

|                                                     | <b>Consolidated</b>     |                         |
|-----------------------------------------------------|-------------------------|-------------------------|
|                                                     | <b>2020</b>             | <b>2019</b>             |
|                                                     | <b>\$</b>               | <b>\$</b>               |
| Profit/(loss) after income tax expense for the year | (1,373,642)             | (1,826,738)             |
| <i>Adjustments for:</i>                             |                         |                         |
| Depreciation and amortisation                       | -                       | -                       |
| Write off of exploration and evaluation expenditure | 689                     | 670,867                 |
| Financing expenses                                  | 751,216                 | 570,781                 |
| <i>Changes in operating assets/liabilities</i>      |                         | 59,163                  |
| Decrease/(increase) in trade and other receivables  | (5,666)                 |                         |
| Decrease/(increase) in other operating assets       | 500                     | (2,000)                 |
| Increase/(decrease) in trade and other payables     | 226,426                 | 68,064                  |
| Increase/(decrease) in employee benefits            | 62,804                  | 11,057                  |
| <b>Net cash used in operating activities</b>        | <b><u>(337,673)</u></b> | <b><u>(448,806)</u></b> |

**CANNINDAH RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 26 Earnings per share**

|                                                                                                                           | 2020               | 2019               |
|---------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| Basic and diluted earnings per share (cents per share)                                                                    | <u>(0.72)</u>      | <u>(1.09)</u>      |
|                                                                                                                           | No.                | No.                |
| Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted EPS | <u>191,079,371</u> | <u>166,974,347</u> |

**Note 27 Company Information**

The registered office and principal place of business is as follows:

Level 3, 50 Marine Parade  
SOUTHPORT QLD 4215

**Note 28 Authorisation of Financial Statements**

The consolidated financial statements for the year ended 30 June 2020 (including comparatives) were approved and authorised for issue by the Board of Directors on 30 September 2020.

**CANNINDAH RESOURCES LIMITED**  
**DIRECTORS' DECLARATION**  
**for the year ended 30 June 2020**

In the Directors' opinion:

1. The attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. The attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
3. The attached financial statements and notes thereto give a true and fair view of the Consolidated Entity's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
4. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
5. The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

On behalf of the Directors



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Thomas J Pickett  
Executive Chairman  
30 September 2020  
Gold Coast

# Independent Auditor's Report

## To the Members of Cannindah Resources Limited

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Cannindah Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, 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 year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

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

- a giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the year ended on that date; 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Material uncertainty related to going concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of \$1,373,642 during the year ended 30 June 2020, and as of that date, the Group's current liabilities exceeded its current assets by \$931,557. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## 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.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Exploration and evaluation assets – Notes 1 and 10</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p>At 30 June 2020 the carrying value of exploration and evaluation assets was \$4,754,881.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.</p> <p>The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.</p> <p>This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.</p> | <p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger;</li> <li>reviewing management's area of interest considerations against AASB 6;</li> <li>conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including: <ul style="list-style-type: none"> <li>tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed;</li> <li>enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure;</li> <li>understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;</li> </ul> </li> <li>evaluating the competence, capabilities and objectivity of management's experts in the evaluation of potential impairment triggers; and</li> <li>assessing the appropriateness of the related financial statement disclosures.</li> </ul> |

## 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 Group's annual report for the year ended 30 June 2020, 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 we do not express any form of assurance conclusion thereon.

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

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

### Responsibilities of the Directors' for the financial report

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

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

### Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar1.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar1.pdf). This description forms part of our auditor's report.

### Report on the remuneration report

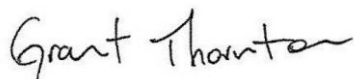
#### Opinion on the remuneration report

We have audited the Remuneration Report included in pages 4 to 7 of the Directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Cannindah Resources Limited, for the year ended 30 June 2020 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.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



M C Bragg  
Partner – Audit & Assurance

Brisbane, 30 September 2020