

Greatland Gold plc

Report & Financial Statements

for the year ended 30 June 2019



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Company Information

Directors	Alex Borrelli – Non-Executive Chairman Gervaise Heddle – Chief Executive Officer Callum Baxter – Chief Technical Officer Clive Latcham – Non-Executive Director
<i>all of</i>	33 St. James's Square London SW1Y 4JS
Secretary	Stephen F Ronaldson
Registered Office	Salisbury House, London Wall London EC2M 5PS
Website	www.greatlandgold.com
Nominated Adviser	SPARK Advisory Partners Limited 5 St. John's Lane London EC1M 4BH
Solicitors	Druces LLP Salisbury House, London Wall London EC2M 5PS
Auditors	Chapman Davis LLP 2 Chapel Court London SE1 1HH
Joint Broker	Numis Securities The London Stock Exchange Building 10 Paternoster Square London EC4M 7LT
Joint Broker	SI Capital Limited 46 Bridge Street Godalming Surrey GU7 1HL
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Media and Investor Relations	Luther Pendragon 48 Gracechurch Street London EC3V 0EJ
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR
Registered number	5625107

Chairman's Statement

I am pleased to report on the Company's audited results for the year ended 30 June 2019.

This year proved to be a period of outstanding progress for Greatland Gold plc ("Greatland"), as highlighted by the excellent results from Greatland's second drill campaign at its Havieron gold-copper target in the Paterson region of Western Australia. These results were instrumental in securing a US\$65 million Farm-In Agreement with Newcrest Operations Limited ("Newcrest"), a wholly-owned subsidiary of Newcrest Mining Limited (ASX:NCM). Newcrest commenced its drilling programme at Havieron in May 2019 and excellent initial drill results have defined a series of higher-grade zones within a broad envelope of mineralisation. We are delighted by these results and by Newcrest's ongoing commitment to the exploration programme at Havieron.

Beyond our success at Havieron, we continued to systematically advance all of our six 100% owned projects, particularly in the highly prospective Paterson province of Western Australia, where we have a strong strategic position and believe there are opportunities to identify tier-one gold-copper deposits. Key developments for the year across Greatland's portfolio of exploration projects are detailed in the Strategic Report, but I would like to briefly note some highlights.

Havieron and the Paterson region

During the year, Greatland's second exploration campaign at Havieron continued to deliver excellent drill results that received wide ranging industry recognition and caught the attention of several major gold miners. The signing of the Farm-in Agreement with Newcrest in March 2019 demonstrates the potential scale of the project. This followed a series of standout results including an upper zone of 103m at 3.5g/t gold and 0.93% copper from 459m and a lower zone of 128m at 7.4g/t gold and 0.54% copper from 660m in our first drill hole of the second drill campaign (HAD005).

Newcrest launched its drilling programme at Havieron in May 2019 and, post year end, announced three sets of excellent results (July, September and October 2019), which further support our view that Havieron has the potential to become a truly significant, underground mining operation. Newcrest has demonstrated its continued commitment to the project by increasing the number of drill rigs at site from two to six, and by meeting the US\$5million minimum expenditure commitment ahead of the expected timetable.

If the trend of positive drill results continues, the Farm-in Agreement with Newcrest gives us the potential to fast track Havieron through to Feasibility Study. The current intention of both parties is that, subject to a positive Feasibility Study outcome, the ore from Havieron will be toll processed at Newcrest's Telfer Gold Mine, which sits approximately 45 kilometres to the west of Havieron, delivering material benefits for both parties including lower upfront capital costs, reduced time to production and first cash flows, and the potential for a significantly higher net present value for the project.

Elsewhere in the Paterson region, we commenced our first drilling campaign at another high-priority target, Black Hills, following positive results from a high-powered, deep-sensing Induced Polarisation survey that displayed potential for near-surface gold mineralisation. At our Paterson Range East licence, we have identified numerous high-priority exploration targets with a similar discrete magnetic signature to Havieron, and we continue to advance our exploration activity at Scallywag, a gold-copper prospect that sits in relatively proximity to Havieron.

Chairman's Statement, continued

Fundraising from new institutional investors to accelerate exploration at our high-priority targets

Greatland successfully raised £2,983,400 of new equity (net of costs) during the year. Subsequent to financial year end, Greatland raised a further £3,968,672 of new equity (net of costs) with funds raised by SI Capital Limited and Numis Securities Limited ("Numis") (acting as introduction agent). In a further indication of our continued progress, Greatland appointed Numis as joint broker and broadened the shareholder base with new institutional and high net worth investors participating in the fundraising completed in August 2019.

While Greatland continues to maintain a disciplined, results-based approach towards capital allocation, the funds raised will give us increased flexibility to accelerate exploration across our key projects, particularly in the Paterson region.

Strengthened Board and operations

The developments at Havieron have taken the Company to a new level, both from a corporate and an operational standpoint. In order to scale up, and to match our ambitions going forward, we successfully strengthened our board and operations team during the year. We were delighted to welcome someone of the calibre of Clive Latcham to the Board, bringing over 30 years of industry experience, including almost 10 years in senior roles with Rio Tinto. His expertise and contacts have proven invaluable since he arrived and I am sure he will continue to be a great addition to Greatland.

As the Company continues to grow and develop, we want to ensure we maintain the highest standards. To that end, we have invested in improving several aspects of Greatland's operations including Greatland's Safety Management System ("SMS") which assists us to systematically achieve and maintain high standards for managing our employees' safety and health.

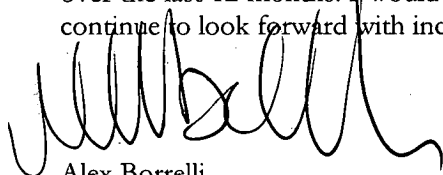
Looking ahead

Greatland is the only AIM listed company with exposure to the new "gold/copper rush" in the Paterson region of Western Australia. Our focus now is to build on our success and to leverage the knowledge and insights gained at Havieron to prioritise and accelerate exploration at key targets across our Paterson licences. We are also working to continue to systematically advance our wider portfolio of projects.

In addition, we are well positioned to build on our track record of identifying and acquiring underdeveloped opportunities at attractive valuations and we will continue to seek to build shareholder value by acquiring projects that we believe have genuine tier-one potential in safe jurisdictions.

Our progress this year demonstrates our commitment to our five year strategy which remains to maximise risk-adjusted return on shareholders' capital by systematically advancing exploration across our key assets and seeking opportunities to monetise those key exploration assets whether through sale, joint venture or spin-out via initial public offering.

I would like to thank the management team for their tireless efforts and the significant progress made over the last 12 months. I would also like to thank our shareholders for their ongoing support as we continue to look forward with increased confidence.



Alex Borrelli

Chairman

29 October 2019

Board of Directors

Alex Borrelli

FCA, Non-executive Chairman

Alex is Chairman of Greatland Gold plc. Alex qualified as a Chartered Accountant and has many years' experience in investment banking encompassing flotations, takeovers, and mergers and acquisitions for private and quoted companies. Alex is also Chairman of Xpediator plc, an AIM-listed company.

Gervaise Heddle

BEC(Hons), BA(Juris), CFA, Chief Executive Officer

Gervaise is Chief Executive Officer of Greatland Gold plc, and a former Non-Executive Director of MetalNRG plc and Thor Mining plc. Previously, Gervaise was a Division Director of Macquarie Bank and a Fund Manager at Merrill Lynch Investment Managers. Gervaise is a CFA charterholder and has extensive financial market experience. Gervaise is based in Australia.

Callum Baxter

MSc (Ore Deposit Geology), MAIG, MAusIMM, Chief Technical Officer

Callum is Chief Technical Officer of Greatland Gold plc and Chairman and CEO of investee company Starvest plc. Callum is a geologist with over twenty years' global multi-commodity experience and is a member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Callum has considerable experience in the natural resources sector as a geologist with junior, mid-tier and major mining companies, primarily specialising in early stage exploration. Callum is based in Australia.

Clive Latcham (appointed 15 October 2018)

BE (Hons), MSc (Mineral Economics), Non-Executive Director

Clive is a chemical engineer and mineral economist with over thirty years' experience in senior roles in the mining sector. Clive joined Greatland from ERM - Environmental Resource Management, the world's leading sustainability consultancy group, where he is currently Senior External Advisor, and advisor to the Chairman and Chief Executive Officer. Prior to his role at ERM, Clive worked as an independent advisor to private equity and mining consultancy firms, and spent nine years in senior roles with Rio Tinto plc. During his time at Rio Tinto, Clive spent four years as Copper Group Mining Executive, where he was responsible for managing Rio Tinto's investments in the operating businesses of Escondida in Chile, Grasberg in Indonesia, and Phalaborwa in South Africa and for the initial development of new projects and acquisitions, including La Granja in Peru and La Sampa in Indonesia.

Strategic report

Principal activities, strategy and business model

The principal activity of the Group is to explore for and develop natural resources, with a focus on gold. The Board seeks to increase shareholder value by the systematic evaluation of its existing resource assets, and by acquiring exploration and development projects in underexplored areas.

The Group's strategy and business model is developed by the Chief Executive Officer and is approved by the Board. The executive directors who report to the Board are responsible for implementing the strategy and managing the business.

The Group's primary strategy is to advance projects that have potential for the discovery of large mineralised systems (typically considered to be in excess of one million ounces of gold) through the various stages of exploration and development with a view to monetising at least one or more of those projects, whether through an outright sale, joint venture, or spin-out via initial public offering, within a three to five year period.

Business development and performance

During the year ended 30 June 2019, Greatland successfully advanced exploration across its portfolio of projects (six projects, 100% owned by Greatland), as detailed in the "Review of key developments by project" section below. Most notably, Greatland's second drilling campaign at its 100%-owned Havieron gold-copper project in Western Australia returned excellent results including 103m at 3.5g/t gold and 0.93% copper from 459m and 128m at 7.4g/t gold and 0.54% copper from 660m (HAD005), 179.1m at 1.4g/t gold and 0.47% copper from 547.9m (HAD006) and 67m at 2.0g/t gold and 0.91% copper from 426m (HAD008).

In March 2019, Greatland signed a Farm-in Agreement with Newcrest Operations Limited ("Newcrest"), a wholly-owned subsidiary of Newcrest Mining Limited (ASX:NCM), to explore and develop Greatland's Havieron project. Newcrest has the right to acquire up to a 70% interest in a 12-block area within E45/4701 that covers the Havieron target by spending up to US\$65m.

The Group's financial position was further strengthened during the year by the successful raise of £2,983,400 of new equity (net of costs). The Group's cash deposits stood at £2,755,998 at 30 June 2019 (compared to £3,597,101 at 30 June 2018). These funds will be used to accelerate exploration across our key exploration projects, particularly in the Paterson region.

Review of key developments by project

Paterson project (Western Australia), 100% owned

The Paterson project, comprising the Havieron, Paterson Range East and Black Hills licences, is located in the Paterson region of northern Western Australia. The three licences collectively cover more than 385 square kilometres of ground which is considered prospective for intrusion related gold-copper systems and Telfer style gold deposits.

In September 2018, Greatland commenced its second drill programme at Havieron, which was designed to further determine the extent and orientation of the high-grade zone of mineralisation at Havieron that was detected in Greatland's maiden drilling campaign. Highlights of the drill results from the second campaign included 103m at 3.5g/t gold and 0.93% copper from 459m and 128m at 7.4g/t gold and 0.54% copper from 660m (HAD005), 179.1m at 1.4g/t gold and 0.47% copper from 547.9m (HAD006) and 67m at 2.0g/t gold and 0.91% copper from 426m (HAD008).

The excellent results from the second drill campaign at Havieron were fundamental in securing a US\$65m Farm-In Agreement with Newcrest in early 2019. Newcrest subsequently began drilling at the Havieron target in May 2019. Initial results from Newcrest's ongoing drilling programme at Havieron have defined up to four higher-grade zones within a broad mineralised envelope and have extended the limits of known mineralisation. Best results from Newcrest's drilling to date include 52m at 7.0g/t gold and 0.17% copper from 1122m (HAD006 extension), 139.4m at 2.9g/t gold and 0.39% copper from 865.7m (HAD012), 244.6m at 2.0g/t gold and 0.4% copper from 450m (HAD014) and 96.4m at 4.5g/t gold and 0.14% copper from 916.4m (HAD018).

Strategic report, continued

Review of key developments by project, continued

During the financial year, Greatland continued to conduct systematic exploration campaigns across its 100%-owned Paterson licences. At the Scallywag target (10 kilometres west of Havieron on E45/4701), Greatland conducted a Mobile Metal Ion ("MMI") survey which highlighted a multi-element anomalous zone over 6km in strike length. Ground gravity and induced polarisation (IP) geophysics survey are currently being conducted over the Scallywag target area and, together with 3D modelling and detailed aeromagnetic data, will be used to help establish drill targets.

In June 2018, Greatland commenced its first field exploration campaign at Black Hills (E45/4512) which successfully identified multiple gold nuggets at surface and established a strike length of high-grade gold mineralisation at surface of up to 800 metres. Subsequently, two Induced Polarisation ("IP") surveys were carried out. The first IP survey, which commenced in August 2018, delineated a chargeability anomaly at the Saddle Reefs prospect approximately 1 kilometre long. The second IP survey, carried out in June/July 2019, extended that chargeability anomaly to over 1.4 kilometres in length, part of which is spatially coincident with the surface gold mineralisation. A drill programme was subsequently designed to test the 1.4km anomaly which commenced in July 2019. Initial results from the drilling programme confirmed the presence of gold mineralisation at Black Hills with best results including 56m at 0.56g/t gold from 68m (SRRC012).

During the period Greatland commenced work on a new, detailed, low level airborne magnetic survey to cover the entire Paterson Range East licence. The Paterson Range East licence is 25km north of the Havieron prospect and covers 224 square kilometres of Proterozoic basement rocks prospective for Havieron style gold-copper mineralisation. Comprising approximately 5,200-line kilometres at a line spacing of 50m the new survey significantly increased the resolution of approximately twenty magnetic targets previously identified across the licence and allowed for numerous high-priority targets, with a similar magnetic signature to Havieron, to be identified and defined.

Firetower project (Tasmania), 100% owned

The Firetower project is located in central north Tasmania, Australia, and covers an area of 62 square kilometres. Historic drilling at the Firetower prospect has identified significant gold mineralisation from surface (up to 30g/t).

A comprehensive IP survey carried out in 2018 highlighted a large chargeability response, approximately 1,000 metres long, traversing east-west across the Firetower prospect, which is open to the east and up to depths of 400 metres. In June 2019, the Company commenced a drilling programme at Firetower which included plans to carry out over 2,000m of drilling on five north-south traverses to test the chargeability anomaly at Firetower, with additional drilling to test the previously undrilled areas at Firetower East highlighted by the IP survey. Initial results from this drilling programme confirmed the presence of broad widths of gold mineralisation at the Firetower prospect, with best results including 54.5m at 1.36g/t gold from surface (0m), including 5m at 5.41g/t gold from 45m (hole 2019FTD001).

Panorama project (Western Australia), 100% owned

The Panorama project consists of three adjoining exploration licences, covering 155 square kilometres, located in the Pilbara region of Western Australia, in an area that is considered to be highly prospective for gold and cobalt.

During the period, Greatland continued field exploration at Panorama with field reconnaissance and surface geochemical work. Numerous gold nuggets were found in thin soil cover extending the strike by nearly 3km to 6.1km over Panorama North (E45/4936). Further field exploration was conducted and a detailed, low-level aeromagnetic survey covering the three licences commenced in July 2019.

Strategic report, continued

Review of key developments by project, continued

Ernest Giles project (Western Australia), 100% owned

The Ernest Giles project is located in central Western Australia, covering an area of approximately 1,370 square kilometres with over 180km of strike of rocks prospective for gold and nickel. The eastern Yilgarn Craton is one of the most highly mineralised areas in Western Australia and is considered prospective for large gold deposits.

During the period, Greatland carried out a reverse circulation (“RC”) drilling programme which included twenty five drill holes at the Meadows area, two drill holes at the Empress area, two drill holes at the Wishbone area and one drill hole at the Carnegie area for a total of over 8,200m of drilling. Results from the drilling campaign at Meadows extended the two previously identified large zones of gold mineralization: a Western zone with a strike of approximately 6.2km and open to the north, and an Eastern zone with a strike of approximately 2.5km. The campaign also detected gold, silver and copper mineralisation at the Wishbone area.

A comprehensive review of all data for the Ernest Giles project was carried out later in the year. The Board decided that Greatland should focus on high priority targets within the project and, consequently, both the Carnegie (E38/2882) and Empress North (E38/3228) licences were relinquished, thereby enabling work to be concentrated on higher priority targets within the retained project licences.

Warrentinna project (Tasmania), 100% owned

The Warrentinna project is located 60 kilometres north east of Launceston in north eastern Tasmania and covers an area of 37 square kilometres with 15 kilometres of strike prospective for gold. During the period, Greatland undertook the acquisition of LIDAR data with resulting generation of digital elevation models (DEM) over the licence which will aid in planned exploration on the ground.

Bromus project (Western Australia), 100% owned

The Bromus project is located 25 kilometres south west of Norseman in the southern Yilgarn region of Western Australia. The Bromus project covers 52 square kilometres of under-explored greenstone and intrusive granites of the Archean Yilgarn Block at the southern end of the Kalgoorlie-Norseman belt. During the period, Greatland undertook an aeromagnetic survey of the tenement allowing high quality digital elevation and geophysics data to be obtained. During the period, Greatland made an application for an additional exploration licence (E63/1953) covering 32 square kilometres which is considered prospective for gold, contiguous to the north and west of Bromus, which has subsequently been granted.

Further details regarding exploration activities during the year can be found on the Company’s website at www.greatlandgold.com.

Main trends and factors likely to impact future business performance

The Board considers the following to be the key trends and factors that are likely to impact future business performance:

- General commodity cycle – Commodity prices have generally improved since the low point in early 2016, however, prices for many commodities (including gold and copper) have fallen in recent months. The Board maintains a positive outlook for commodity prices, and the gold price in particular.
- Exploration results – Management’s ability to successfully execute Greatland’s exploration strategy is a key factor in the future business performance of the Company. Specific business principles designed to maximize the Company’s chance of long-term success in this regard are highlighted in the following section (“Principal risks and uncertainties”).

Directors' report, continued

Exploration and development risks

- Exploration and development activity is subject to numerous risks, including failure to achieve estimated mineral resource, recovery and production rates and capital and operating costs.
- Success in identifying economically recoverable reserves can never be guaranteed. The Group also cannot guarantee that the companies in which it has invested will be able to obtain the necessary permits and approvals required for development of their projects.
- Some of the states within Australia have native title laws which could affect exploration and development activities. The companies in which the Group has an interest may be required to undertake clean-up programmes on any contamination from their operations or to participate in site rehabilitation programmes which may vary from state to state. The Group's policy is to follow all applicable laws and regulations and the Group is not currently aware of any material issues in this regard.
- Timely approval of mining permits and operating plans through the respective regulatory agencies cannot be guaranteed.
- Availability of skilled workers is an ongoing challenge.
- Geology is always a potential risk in mining activities.

Market risk

The ability of the Group (and the companies in which it invests) to continue to secure sufficient and profitable sales contracts to support its operations is a key business risk.

Key performance indicators

Given the straightforward nature of the Group's activities, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business at the present time.

Directors

The Directors who served during the year are as follows:

Callum Baxter

Alex Borrelli

Gervaise Heddle

Clive Latcham - appointed 15 October 2018.

Share capital

Information relating to shares issued during the period is given in Note 15 to the accounts.

Charitable and political donations

During the period there were no charitable or political contributions.

Payment of suppliers

The Group's policy is to settle terms of payment with suppliers when agreeing terms of business, to ensure that suppliers are aware of the terms of payment and to abide by them. It is usual for suppliers to be paid within 30 days of receipt of invoice. At 30 June 2019 the Group's creditors were equivalent to approximately 30 days' costs.

Directors' report, continued

Substantial shareholdings

On 30 June 2019 and 15 October 2019, the following were registered as being interested in 3% or more of the Company's ordinary share capital:

	15 October 2019		30 June 2019	
	Ordinary shares of £0.001 each	Percentage of issued share capital	Ordinary shares of £0.001 each	Percentage of issued share capital
Hargreaves Lansdown (Nominees) Limited	865,482,564	24.20%	835,744,881	25.15%
Interactive Investor Services Nominees Limited	487,947,994	13.64%	448,834,749	13.51%
HSDL Nominees Limited	347,257,084	9.71%	323,438,194	9.73%
Barclays Direct Investing Nominees Limited	228,802,195	6.40%	228,492,402	6.88%
Vidacos Nominees Limited	195,038,023	5.45%	199,903,737	6.02%
Jim Nominees Limited	289,573,717	8.09%	174,264,829	5.24%
Share Nominees Limited	177,131,727	4.95%	164,984,550	4.96%
Lawshare Nominees Limited	146,246,019	4.09%	125,356,402	3.77%
HSBC Client Holdings Nominee (UK) Limited	98,348,545	2.75%	103,333,071	3.11%
Rock (Nominees) Limited	102,087,240	2.85%	100,334,070	3.02%

Included in the above Nominee accounts, Mr Stephen Beetham held a total of 133,333,333 (4.01%) shares in the Company at the year end.

Auditors

The Directors will place a resolution before the annual general meeting to reappoint Chapman Davis LLP as auditors for the coming year.

Statement of directors' responsibilities

Directors' responsibilities for the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law in the United Kingdom requires the directors to prepare Group and Company financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In addition, the AIM rules of the London Stock Exchange require that the Group financial statements be prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"); the Company financial statements are prepared on the same basis.

In preparing the Group and Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware, and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for ensuring that the annual report includes information required by the AIM market of the London Stock Exchange.

The maintenance and integrity of the Company's website is the responsibility of the directors: the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Corporate Governance Statement

All members of the board of Greatland Gold plc are committed to the principles of good corporate governance. We believe strongly in the value and importance of strong corporate governance and in our accountability to all of Greatland's stakeholders, including shareholders, employees, contractors and suppliers and native title communities. We recognise the importance of promoting and maintaining a strong occupational health and safety culture and minimising the impact of our activities on local communities and the environment.

Changes to the AIM rules on 30 March 2018 required AIM companies to apply a recognised corporate governance code from 28 September 2018. Greatland has chosen to adhere to the Quoted Company Alliance's ("QCA") Corporate Governance Code for Small and Mid-Size Quoted Companies (revised in April 2018 to meet the new requirements of AIM Rule 26).

The QCA Code is constructed around ten broad principles and a set of disclosures. The QCA has stated what it considers to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. We have considered how we apply each principle to the extent that the board judges these to be appropriate in the circumstances, and below we provide an explanation of the approach taken in relation to each.

At this time, the board believes that it is compliant with all ten Principles of the QCA Code.

The following paragraphs set out Greatland Gold plc's compliance with the 10 principles of the QCA Code.

Principle 1: Establish a strategy and business model which promotes long-term value for shareholders

The principal activity of the Company is to explore for and develop natural resources, with a focus on gold. The Board seeks to increase shareholder value by the systematic evaluation of its existing resource assets, and by acquiring exploration and development projects in underexplored areas.

The Company's strategy and business model is developed by the CEO and is approved by the Board. The executive directors who report to the Board are responsible for implementing the strategy and managing the business.

The Company's primary strategy is to advance projects that have potential for the discovery of large mineralised systems (typically considered to be in excess of one million ounces of gold) through the various stages of exploration and development with a view to monetising at least one or more of those projects, whether through an outright sale, joint venture, or spin-out via initial public offering, within a three to five year period.

The key challenges we face include:

- Mineral exploration - Mineral exploration is a high-risk activity and there can be no guarantee that the Company can identify a mineral resource that can be extracted economically. In order to minimise this risk and to maximise the Company's chances of long-term success, we are committed to the following strategic business principles:
 - The board regularly reviews our exploration and development programmes and allocates capital in a manner that it believes will maximise risk-adjusted return on capital;
 - We focus our activities on jurisdictions that we believe represent low political and operational risk. Moreover, we strongly prefer to operate in jurisdictions where our team has considerable on the ground experience. At the present time, all of the Company's projects are in Australia, a country with established mining codes, stable government, skilled labour force, excellent infrastructure, and a well established mining industry;
 - We apply advanced exploration techniques to areas and regions that we believe are relatively under-explored historically;
 - Exploration work is conducted on a systematic basis. More specifically, exploration work is carried out in a phased, results-based fashion and leverages a wide range of exploration methods including modern geochemical and geophysical techniques and various drilling methods.

Corporate Governance Statement, continued

- **Commodity price risk** – The principal commodities that are the focus of our exploration and development efforts (precious metals and base metals) are subject to highly cyclical patterns in global demand and supply, and consequently, the price of those commodities is highly volatile.
- **Recruiting and retaining highly skilled directors and employees** – the Company's ability to execute its strategy is highly dependent on the skills and abilities of its people. We undertake ongoing initiatives to foster good staff engagement and ensure that remuneration packages are competitive in the market.
- **Occupational health and safety** – every Director and employee of the Company is committed to promoting and maintaining a safe workplace environment. The Company regularly reviews occupational health and safety policies and compliance with those policies. The Company also engages with external occupational health and safety expert consultants to ensure that policies and procedures are appropriate as the Company expands its activity levels.

Principle 2: Seek to understand and meet shareholder needs and expectations

We have made significant efforts to ensure regular and effective engagement with our broad base of shareholders. In addition to our Annual General Meeting, which is one of our primary forums to present to and meet with investors, we engage in a wide range of activities designed to ensure that investors are regularly updated on the progress of the Company and we attend investor events that provide investors with the opportunity to provide us with feedback and suggestions.

Responsibility for investor relations rests with the CEO, supported by the other Directors of the Company. During the last 12 months, the following activities were conducted in order to engage with shareholders and to ensure that the members of the Board maintained and further developed a strong understanding of the needs and expectations of shareholders:

Description of Activity	Frequency	Participants	Comments
AGM	Annually	All Directors	
CEO interviews	Weekly	CEO	CEO conducts regular interviews with Proactive Investors, BRR Media, and Share Talk
Investor Presentations	Quarterly	CEO, CTO	Company presents at various investor presentation forums
Investor Shows and Industry Conferences	Bi-Annually	CEO, CTO, Chairman	The Company attends and presents at various investor shows

The Company is committed to communicating openly with its shareholders to ensure that its strategy and performance are clearly understood. All Company announcements and the Company's most recent investor presentation are available to shareholders, investors and the public on our website.

Private shareholders: The AGM is the principal forum for dialogue with private shareholders, and we encourage all shareholders to attend and participate. Last year, the AGM was well attended with approximately thirty shareholders present at the meeting. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. All members of the board, and the committees, attend the AGM whenever possible and are available to answer questions raised by shareholders. Shareholders vote on each resolution, and voting can also be counted by way of a poll. For each resolution we announce the number of votes received for, against and withheld. The company also maintains a dedicated email address which investors can use to contact the company which is prominently displayed on its website together with the company's address and phone number.

Institutional shareholders: The directors actively seek to build a mutual understanding of the objectives of institutional shareholders. We communicate with institutional investors frequently through a combination of formal meetings, participation at investor conferences, and informal briefings with management.

Corporate Governance Statement, continued

The majority of meetings with shareholders and potential investors are arranged by the Company's corporate broker.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board recognises its responsibility under UK corporate law to promote the success of the Company for the benefit of its members as a whole. The Board also understands that it has a responsibility towards employees, partners, suppliers and contractors and the local communities in which it operates.

Stakeholder	Reason for Engagement	How we engage
Shareholders	Shareholders are the owners of the Company and the board's primary mission is to increase shareholder value	As described in previous section (Principle 2)
Suppliers and Contractors	The Company engages with external suppliers to conduct the majority of its field exploration activities (including drilling and geophysical surveys)	We work to ensure that all members of staff engage in a respectful and professional manner with suppliers. We operate systems to ensure that supplier invoices are processed and paid promptly.
Staff and Employees	Recruiting and retaining highly skilled and motivated professions is one of the key drivers of our success	In addition to regular communication between Directors and employees, we conduct monthly staff meetings to promote two-way communication.
Native Title Communities	The Company recognises the important heritage of the traditional owners of the land and its ethical and legal responsibility to work together with those communities	The Company ensures that it regularly engages with native title communities and routinely engages with external expert consultants

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The CEO maintains a risk register for the Company that identifies key risks in the areas of corporate strategy, financial, staff, occupational health and safety, environmental and native title relations. All members of the board are provided with a copy of the register. The register is reviewed periodically and is updated as and when necessary.

Within the scope of the annual audit, specific financial risks are evaluated in detail, including in relation to foreign currency, liquidity and credit.

Managing occupational health and safety risk is one of the key focuses of all directors and employees. Staff are required to immediately report any occupational health and safety incidents and regular training is undertaken to ensure compliance with health and safety policies.

Principle 5: Maintain the board as a well-functioning, balanced team led by the chair

The Board sets the Company's strategy and ensures that necessary resources are in place in order for the Company to meet its objectives. All members of the Board take collective responsibility for the performance of the Company and all decisions are taken in the interests of the Company.

Whilst the Board has delegated the normal operational management of the Company to the Executive Directors and other senior management, there are detailed specific matters subject to decision by the Board of Directors.

Corporate Governance Statement, continued

These include decisions to commit to major exploration campaigns and approval of associated exploration budgets, acquisitions and disposals, joint ventures and other investments of a capital nature. The Non-executive Directors have a particular responsibility to challenge constructively the strategy proposed by the Executive Directors, to scrutinise and challenge performance, and to ensure appropriate remuneration and that succession planning arrangements are in place in relation to Executive Directors and other senior members of the management team.

The members of the board have a collective responsibility and legal obligation to promote the interests of the Company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the Chair of the board.

The board consists of four directors of whom two are executive directors (Gervaise Heddle, Chief Executive Officer and Callum Baxter, Chief Technical Officer) and two are independent non-executive directors (Alex Borrelli, Non-Executive Chairman and Clive Latham, Non-Executive Director). The board is supported by two committees: audit and remuneration. The board does not consider that it is of a size at present to require a separate nominations committee, and all members of the board are involved in the appointment of new Directors.

All Directors are required to attend 10-12 board and board committee meetings per year and to be available at other times as required for face-to-face and telephone meetings with the executive team and investors. Board meetings are led by the Chair and follow an agenda that is circulated prior to the meeting. Every board and committee meeting is minuted and every Director is aware of the right to have any concerns minuted and to seek independent advice at the Company's expense where appropriate.

Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

All four members of the board bring relevant experience in mining and resources, and all have many years experience in public markets. The board believes that its blend of relevant experience, skills and personal qualities and capabilities is sufficient to enable it to successfully execute its strategy. Directors attend seminars and other regulatory and trade events to ensure that their knowledge remains current.

Alex Borrelli, Independent Non-Executive Chairman

Term of office: Joined as Non-Executive Director on 18 April 2016. Appointed as Non-executive Chairman on 14 August 2016; Chair of the Remuneration Committee and Chair of the Audit Committee.

Background and suitability for the role: Alex is Chairman of Greatland Gold plc. Alex qualified as a Chartered Accountant and has many years' experience in investment banking encompassing flotations, takeovers, and mergers and acquisitions for private and quoted companies. Alex is also Chairman of Xpediator plc, an AIM-listed company.

Gervaise Heddle, Chief Executive Officer, Executive Director

Term of office: Joined as Non-Executive Director on 27 May 2016. Appointed as Executive Director on 18 July 2016, Appointed as Chief Executive Officer on 19 January 2017; Member of the Audit Committee.

Background and suitability for the role: Gervaise Heddle is Chief Executive Officer of Greatland Gold plc. Previously, Gervaise was a Non-executive Director of Thor Mining plc, a Non-executive Director of MetalNRG plc, a Division Director of Macquarie Bank and a Fund Manager at Merrill Lynch Investment Managers. Gervaise is a CFA charterholder and has extensive financial markets experience.

Callum Baxter, Chief Technical Officer, Executive Director

Term of office: Co-Founding Director of the Company 16 November 2005, Appointed as Chief Technical Officer on 19 January 2017.

Background and suitability for the role: Callum Baxter is Chief Technical Officer of Greatland Gold plc and Chairman/CEO of investee company Starvest plc. Callum is an experienced geologist and investor with over twenty five years exposure to capital markets and the natural resources sector specialising in early stage exploration.

Corporate Governance Statement, continued

Clive Latcham, Independent Non-Executive Director

Term of office: Joined as Non-Executive Director on 15 October 2018. Member of the Remuneration Committee and Member of the Audit Committee.

Background and suitability for the role: Clive is a Non-Executive Director of Greatland Gold plc. Clive is a chemical engineer and mineral economist with over thirty years' experience in senior roles in the mining sector. Clive joined Greatland from ERM - Environmental Resource Management, the world's leading sustainability consultancy group, where he is currently Senior External Advisor, and advisor to the Chairman and Chief Executive Officer. Prior to his role at ERM, Clive worked as an independent advisor to private equity and mining consultancy firms, and spent nine years in senior roles with Rio Tinto plc. During his time at Rio Tinto, Clive spent four years as Copper Group Mining Executive, where he was responsible for managing Rio Tinto's investments in the operating businesses of Escondida in Chile, Grasberg in Indonesia, and Phalaborwa in South Africa and for the initial development of new projects and acquisitions, including La Granja in Peru and La Sampa in Indonesia.

The Company is committed to a culture of equal opportunities for all employees regardless of gender. The Board will be diverse in terms of its range of culture, nationality and international experience. The current Board members are male and, within the senior management team, there is one female geologist as well as one male geologist.

Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

A board evaluation process led by the Chairman took place in October 2019. All then current Directors began by completing a questionnaire about the effectiveness of the board and a self-assessment of their own contributions that was returned to the Chairman. The Chairman then reviewed this information and used it as the basis for an individual discussion with each Director, followed by a collective discussion with the board.

The review considers effectiveness in a number of areas including general supervision and management, business risks and opportunities, succession planning, communication (both internal and external), ethics and compliance, corporate governance and individual contribution.

A number of refinements in working practices were identified as a result of this exercise and have since been adopted.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximise shareholder value. Our core values serve as a common language that allows all members of staff to work together as an effective team and it is these values and our shared long-term business vision and strategy that we believe will drive growth in shareholder value over the long term.

We are committed to three core values:

1. Creating a safe, positive and inclusive workplace environment
2. Engaging all stakeholders and the broader community with respect, integrity and honesty
3. Fostering a high performance culture that values the contribution of all team members

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board provides strategic leadership for the Company and operates within the scope of a robust corporate governance framework. Its purpose is to ensure the delivery of long-term shareholder value, which involves setting the culture, values and practices that operate throughout the business, and defining the strategic goals that the Company implements in its business plans. The board defines a series of matters reserved for its decision and has approved terms of reference for its Audit and Remuneration Committees to which certain responsibilities are delegated. The chair of each committee reports to the board on the activities of that committee.

For the financial year ended 30 June 2019, the Board met ten times in relation to normal operational matters.

Corporate Governance Statement, continued

Committees and Governance Structures

The Audit Committee monitors the integrity of financial statements, oversees risk management and control, monitors the effectiveness of the internal audit function and reviews external auditor independence. The Audit Committee comprises Alex Borrelli, Clive Latcham and Gervaise Heddle.

The Remuneration Committee sets and reviews the compensation of executive directors including the setting of targets and performance frameworks for cash- and share-based awards. The Remuneration Committee comprises Alex Borrelli and Clive Latcham.

The Executive Team, consisting of the Executive Directors, operates as a management committee, chaired by the CEO, which reviews operational matters and performance of the business, and is responsible for significant management decisions while delegating other operational matters to individual managers within the business.

The Chairman has overall responsibility for corporate governance and in promoting high standards throughout the Company. He leads and chairs the board, ensuring that committees are properly structured and operate with appropriate terms of reference, ensures that performance of individual Directors, the board and its committees are reviewed on a regular basis, leads in the development of strategy and setting objectives, and oversees communication between the Company and its shareholders.

The CEO provides leadership and management of the Company, leads the development of objectives, strategies and performance standards as agreed by the board, monitors, reviews and manages key risks and strategies with the board, ensures that the assets of the Company are maintained and safeguarded, leads on investor relations activities to ensure communications and the Company's standing with shareholders and financial institutions is maintained, and ensures that the board is aware of the views and opinions of employees on relevant matters.

The Executive Directors are responsible for implementing and delivering the strategy and operational decisions agreed by the board, making operational and financial decisions required in the day-to-day operation of the Company, providing executive leadership to managers, championing the Company's core values and promoting talent management.

The Independent Non-Executive Directors contribute independent thinking and judgement through the application of external experience and knowledge, scrutinises the performance of management, provides constructive challenge to the Executive Directors and ensures that the Company is operating within the governance and risk framework approved by the board.

The Company Secretary is responsible for providing clear and timely information flow to the board and its committees and supports the board on matters of corporate governance and risk.

The matters reserved for the board are:

- Setting long-term objectives and commercial strategy;
- Approving annual operating and capital expenditure budgets;
- Changing the share capital or corporate structure of the Company;
- Approving half year and full year results and reports;
- Approving dividend policy and the declaration of dividends;
- Approving major new exploration programmes, investments, disposals, and other capital projects;
- Approving resolutions to be put to general meetings of shareholders and the associated documents or circulars; and
- Approving changes to the board structure.

The board has approved the adoption of the QCA Code as its governance framework against which this statement has been prepared and will monitor the suitability of this Code on an annual basis and revise its governance framework as appropriate as the Company evolves.

Corporate Governance Statement, continued

Internal controls

The Directors acknowledge their responsibility for the Company's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Company and to ensure the reliability of financial information for both internal use and external publication. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in the light of increased activity and further development of the Company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Insurance

The Company maintains insurance in respect of its Directors and Officers against liabilities in relation to the Company.

Treasury Policy

The Company finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Company. Decisions regarding the management of these assets are approved by the Board.

Securities Trading

The Board has adopted a Share Dealing Code that applies to Directors, senior management and any employee who is in possession of 'inside information'. All such persons are prohibited from trading in the Company's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

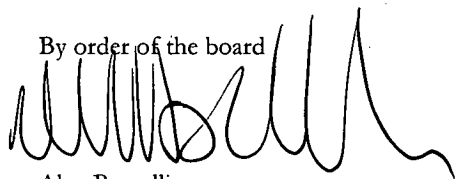
Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board recognises that meaningful engagement with its shareholders is integral to the continued success of the Company. Over the past 12 months, members of the Board have sought to actively engage with shareholders on a number of occasions, through meetings, presentations and investor shows (as described in Principle 2).

Over the next 12 months, the Board expects to maintain a regular dialogue with investors that will provide investors with updates on company performance and any changes to the corporate governance structures and/or policies.

The Board keeps investors informed through updates on the Investor Relations section of the Company's website.

By order of the board



Alex Borrelli

Chairman

29 October 2019

Remuneration Committee Report

The Remuneration Committee sets and reviews the compensation of executive directors including the setting of targets and performance frameworks and determining for such persons their total individual remuneration packages, including, where appropriate, bonuses, incentive payments and share options or other share awards.

The remuneration of Non-executive Directors is a matter for the Chairman and the executive members of the Board. No Director is involved in any decision as to their own remuneration.

Details on the activities of the Remuneration Committee during the year are contained in the Remuneration Committee Report below. During the year ended 30 June 2019, and up to the signing of this report, the Remuneration Committee comprised Alex Borrelli, who acts as Chairman, and Clive Latcham. The Remuneration Committee formally met twice during year and all members attended the meetings.

Dear Shareholder,

On behalf of the Board, I am pleased to present the Remuneration Committee Report for the year ended 30 June 2019. The Remuneration Committee is responsible for establishing and proposing to the Board a recommended framework for the remuneration of board executive directors and designated senior executives and, pursuant to the terms of the agreed framework, determining for such persons their total individual remuneration packages, including, where appropriate, bonuses, incentive payments and share options or other share awards. The Remuneration Committee is also responsible for ensuring the Company is compliant with all relevant consultant and employment contracts and HMRC responsibilities.

Remuneration Committee Membership and Activities

The Remuneration Committee's members during the year were Alex Borrelli, acting as Chair of the Committee, and Clive Latcham.

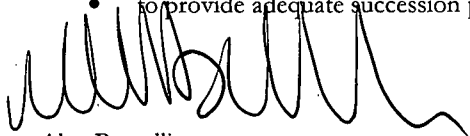
The Committee met twice during the year and its activities were as follows:

- reviewed Executive Directors' performance
- reviewed Executive Director remuneration arrangements
- reviewed developments in corporate governance and best practice

Remuneration Policy

The Company's remuneration policy is based on the following broad principles:

- to provide competitive remuneration packages to enable the Company to recruit, retain and motivate individuals with the skills, capabilities and experience to achieve its objectives;
- to align the interests of management with the interests of shareholders;
- to ensure remuneration levels support the Company's strategy;
- to align pay with market conditions and the Company's activities; and
- to provide adequate succession planning.



Alex Borrelli

Chairman

29 October 2019

Audit Committee Report

The Audit Committee monitors the integrity of financial statements, oversees risk management and control, monitors the effectiveness of the internal audit function and reviews external auditor independence. The Audit Committee is appointed by the Board from amongst the non-executive directors and given the current size of the Company an executive director also sits on the committee.

The Audit Committee is authorised by the Board to investigate any activity within its terms of reference and to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, if it considers this necessary.

Dear Shareholder,

On behalf of the Board, I am pleased to present the Audit Committee Report for the year ended 30 June 2019. The Audit Committee is primarily responsible for providing oversight of the financial reporting process, the audit process, the Company's system of internal controls and compliance with laws and regulations.

The main role and responsibilities of the Audit Committee are:

- to review the company's internal financial controls;
- to monitor and review the effectiveness of the company's internal and external audit arrangements;
- to monitor and review the effectiveness of the company's risk management systems (including without limitation fraud risk);
- to monitor the integrity of the financial statements of the company and any formal announcements relating to the company's financial performance, reviewing significant financial reporting judgements contained in them;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- to make recommendations to the Board, for it to put to the shareholders for their approval in general meeting, in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken;
- to consider the findings of internal investigations and management response.

Audit Committee Membership and Activities

During the year ended 30 June 2019 and up to the signing of this report, the Audit Committee comprised Alex Borrelli, as Chairman; Clive Latcham and Gervaise Heddle. The Audit Committee formally met twice during year and all members attended the meetings.

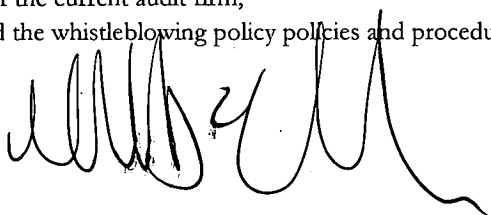
The activities of the Audit Committee were as follows:

- reviewed key accounting and audit judgements;
- reviewed and consider whether the information provided was complete and appropriate based on its own knowledge;
- reviewed the external auditor issues that arose during the course of the audit;
- reviewed the management letter in order to assess whether it is based on a good understanding of the company's business and establish whether recommendations have been acted upon and, if not, the reasons why they have not been acted upon;
- reviewed management's responsiveness to the external auditor's findings and recommendations;
- reviewed whether the auditor met the agreed audit plan and understand the reasons for any changes;
- obtained feedback about the conduct of the audit from key people involved;
- reported to the Board on the effectiveness of the external audit process;
- reviewed the appointment or reappointment of the external auditor, and information on the length of tenure of the current audit firm;
- reviewed the whistleblowing policy policies and procedures to prevent bribery and corruption.

Alex Borrelli

Chairman

29 October 2019



Independent Auditor's Report to the Members of Greatland Gold plc

Opinion

We have audited the financial statements of Greatland Gold plc (the 'Parent Company') and its subsidiary (the 'Group') for the year ended 30 June 2019 which comprise the Group Statement of Comprehensive Income, the Group and Parent Company Balance Sheets, the Group and Parent Company Cash Flow Statements, the Group and Parent Company Statements of Changes in Equity, and the related notes 1 to 26, including the accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2019 and of the Group's and the Parent Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report to the Members of Greatland Gold plc, continued

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements 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.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of intangible non-current assets – Exploration properties

The Group's intangible exploration properties represent a significant asset on its statement of financial position totalling £2,016,783 as at 30 June 2019.

Management and the Board are required to ensure that only costs which meet the IFRS criteria of an asset and accord with the Group's accounting policy are capitalised within exploration properties. Additionally in accordance with the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources' (IFRS 6) Management and the Board are required to assess whether there is any indication whether there are any indicators of impairment of these assets.

Given the significance of the exploration properties on the Group's statement of financial position and the significant management judgement involved in the determination of the capitalisation of costs and the assessment of the carrying values of the asset there is an increased risk of material misstatement.

How the Matter was addressed in the Audit

The procedures included, but were not limited to, assessing and evaluating management's assessment of whether any impairment indicators in accordance with IFRS 6 have been identified across the Group's exploration projects, the indicators being:

- Expiring, or imminently expiring, rights to tenure;
- A lack of budgeted or planned exploration and evaluation spend on the areas of interest;
- Discontinuation of, or a plan to discontinue, exploration activities in the areas of interest;
- Insufficient data exists to suggest the carrying value of exploration properties is likely to be recovered in full through successful development or sale.

We also reviewed the expenditure that was directly written off to the Income Statement as exploration costs reducing the requirement for impairment charges.

In addition, we obtained the expenditure budget for the period to 31 October 2020 and assessed that there is reasonable forecasted expenditure to confirm continued exploration spend into the areas of interest indicating that Management are committed to the projects. We also reviewed AIM announcements and Board meeting minutes for the year and subsequent to year end for exploration activity to identify any indicators of impairment.

We also assessed the disclosures included in the financial statements in relation to exploration properties.

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of any misstatements identified. Based on professional judgement, we determined overall materiality for the group financial statements as a whole to be £100,000 this equating to circa 2% of Gross Assets and circa 3% of the loss for the year.

Independent Auditor's Report to the Members of Greatland Gold plc, continued

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit we have not identified material misstatements in the Strategic Report or the Directors' Report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditor's Report to the Members of Greatland Gold plc, continued

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, 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 the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

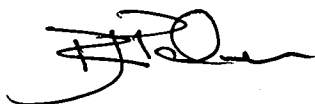
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rowan J. Palmer (Senior Statutory Auditor)
for and on behalf of Chapman Davis LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom
29 October 2019

Group statement of comprehensive income
for the year ended 30 June 2019

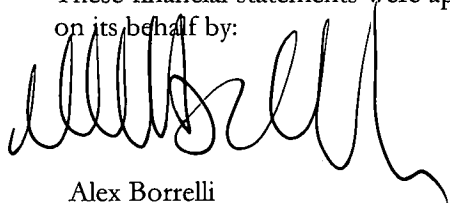
	Notes	Year ended 30 June 2019	Year ended 30 June 2018
		£	£
Revenue	2	-	-
Exploration costs		(2,309,760)	(1,021,493)
Administrative expenses		(888,661)	(811,359)
Depreciation		(37,131)	(7,584)
Impairment cost		(18,450)	-
Operating loss		(3,254,002)	(1,840,436)
Net finance costs/income	3	(10,305)	3,891
Loss before taxation	4	(3,264,307)	(1,836,545)
Income tax expense	5	-	-
Loss for the year		(3,264,307)	(1,836,545)
Other comprehensive income			
Exchange differences on translation of foreign operations		(52,730)	(74,867)
Other comprehensive income for the year net of taxation		(52,730)	(74,867)
Total comprehensive income for the year attributable to equity holders of the parent company		(3,317,037)	(1,911,412)
Loss per share - basic and diluted	9	(0.10) pence	(0.07) pence

All operations are considered to be continuing.

Group balance sheet
as at 30 June 2019

	Note	30 June 2019		30 June 2018 Re-stated	
		£	£	£	£
ASSETS					
Non-current assets					
Tangible assets	10	103,114		41,877	
Intangible assets	11	2,016,783		1,233,648	
			2,119,897		1,275,525
Current assets					
Cash and cash equivalents	18	2,755,998		3,597,101	
Trade and other receivables	13	77,480		79,061	
Total current assets			2,833,478		3,676,162
TOTAL ASSETS			4,953,375		4,951,687
LIABILITIES					
Current liabilities					
Trade and other payables	14	(630,369)		(685,322)	
TOTAL LIABILITIES			(630,369)		(685,322)
NET ASSETS			4,323,006		4,266,365
EQUITY					
Called-up share capital	15	3,323,420		3,002,256	
Share premium reserve		12,554,173		9,749,891	
Share based payment reserve	16	349,606		243,472	
Retained earnings		(12,072,653)		(8,950,444)	
Other reserves		168,460		221,190	
TOTAL EQUITY			4,323,006		4,266,365

These financial statements were approved by the Board of Directors on 29 October 2019 and signed on its behalf by:



Alex Borrelli
Chairman



Gervaise Heddle
Chief Executive Officer

Group statement of changes in equity
for the year ended 30 June 2019

	Share capital (restated)	Share premium account (restated)	Share based payment reserve	Retained earnings	Other reserves	Total
	£	£	£	£	£	£
As at 30 June 2017	1,506,955	6,627,270	328,060	(7,223,363)	296,057	1,534,979
Loss for the year	-	-	-	(1,836,545)	-	(1,836,545)
Currency translation differences	-	-	-	-	(74,867)	(74,867)
Total comprehensive income	-	-	-	(1,836,545)	(74,867)	(1,911,412)
Share option charge	-	-	24,876	-	-	24,876
Transfer on exercise of options and warrants	-	-	(109,464)	109,464	-	-
Share capital issued	101,731	4,591,658	-	-	-	4,693,389
Reclassification of share capital	1,393,570	(1,393,570)	-	-	-	-
Cost of share issue	-	(75,467)	-	-	-	(75,467)
Total contributions by and distributions to owners of the Company	1,495,301	3,122,621	(84,588)	109,464	-	4,642,798
As at 30 June 2018	3,002,256	9,749,891	243,472	(8,950,444)	221,190	4,266,365
Loss for the year	-	-	-	(3,264,307)	-	(3,264,307)
Currency translation differences	-	-	-	-	(52,730)	(52,730)
Total comprehensive income	-	-	-	(3,264,307)	(52,730)	(3,317,037)
Share option charge	-	-	248,232	-	-	248,232
Transfer on exercise of options and warrants	-	-	(142,098)	142,098	-	-
Share capital issued	321,164	2,936,782	-	-	-	3,257,946
Cost of share issue	-	(132,500)	-	-	-	(132,500)
Total contributions by and distributions to owners of the Company	321,164	2,804,282	106,134	142,098	-	3,373,678
As at 30 June 2019	3,323,420	12,554,173	349,606	(12,072,653)	168,460	4,323,006

Note:

The brought forward share capital and share premium balances from 30 June 2017 and 30 June 2018 have been restated by £415,358 and £1,393,570 to £3,002,256 and £9,749,891 respectively. These restatements are a reclassification between the value of share capital and share premium due to an incorrect calculation of nominal share capital. The total equity remains unchanged for both brought forward periods.

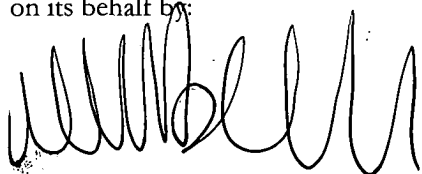
Group statement of changes in equity
for the year ended 30 June 2019, continued

Other reserves	Merger reserve	Foreign currency translation reserve	Total other reserves
	£	£	£
As at 30 June 2017	225,000	71,057	296,057
Currency translation differences	-	(74,867)	(74,867)
Total comprehensive income	-	(74,867)	(74,867)
As at 30 June 2018	225,000	(3,810)	221,190
Currency translation differences	-	(52,730)	(52,730)
Total comprehensive income	-	(52,730)	(52,730)
As at 30 June 2019	225,000	(56,540)	168,460

Company balance sheet
as at 30 June 2019

	Note	30 June 2019		30 June 2018 Re-stated	
		£	£	£	£
ASSETS					
Non-current assets					
Investment in subsidiary	12		50,000		50,000
Current assets					
Cash and cash equivalents	18	2,247,271		2,753,575	
Trade and other receivables	13	6,624,946		3,488,649	
Total Current Assets			8,872,217		6,242,224
TOTAL ASSETS			8,922,217		6,292,224
LIABILITIES					
Current Liabilities					
Trade and other payables	14	(255,510)		(69,108)	
TOTAL LIABILITIES			(255,510)		(69,108)
NET ASSETS			8,666,707		6,223,116
EQUITY					
Called-up share capital	15	3,323,420		3,002,256	
Share premium reserve		12,554,173		9,749,891	
Share based payment reserve	16	349,606		243,472	
Merger reserve		225,000		225,000	
Retained earnings		(7,785,492)		(6,997,503)	
TOTAL EQUITY			8,666,707		6,223,116

These financial statements were approved by the Board of Directors on 29 October 2019 and signed on its behalf by:



Alex Borrelli
Chairman



Gervaise Heddle
Chief Executive Officer

Company statement of changes in equity
for the year ended 30 June 2019

	Called up share capital (restated)	Share premium account (restated)	Share based payment reserve	Retained earnings	Merger reserve	Total
	£	£	£	£	£	£
As at 30 June 2017	1,506,955	6,627,270	328,060	(6,532,249)	225,000	2,155,036
Loss for the year	-	-	-	(574,718)	-	(574,718)
Total comprehensive income	-	-	-	(574,718)	-	(574,718)
Share option charge	-	-	24,876	-	-	24,876
Transfer on exercise of options and warrants	-	-	(109,464)	109,464	-	-
Share capital issued	101,731	4,591,658	-	-	-	4,693,389
Reclassification of share capital	1,393,570	(1,393,570)	-	-	-	-
Cost of share issue	-	(75,467)	-	-	-	(75,467)
Total contributions by and distributions to owners of the Company	1,495,301	3,122,621	(84,588)	109,464	-	4,642,798
As at 30 June 2018	3,002,256	9,749,891	243,472	(6,997,503)	225,000	6,223,116
Loss for the year	-	-	-	(930,087)	-	(930,087)
Total comprehensive income	-	-	-	(930,087)	-	(930,087)
Share option charge	-	-	248,232	-	-	248,232
Transfer on exercise of options and warrants	-	-	(142,098)	142,098	-	-
Share capital issued	321,164	2,936,782	-	-	-	3,257,946
Cost of share issue	-	(132,500)	-	-	-	(132,500)
Total contributions by and distributions to owners of the Company	321,164	2,804,282	106,134	142,098	-	3,373,678
As at 30 June 2019	3,323,420	12,554,173	349,606	(7,785,492)	225,000	8,666,707

Note:

The brought forward share capital and share premium balances from 30 June 2017 and 30 June 2018 have been restated by £415,358 and £1,393,570 to £3,002,301 and £9,749,891 respectively. These restatements are a reclassification between the value of share capital and share premium due to an incorrect calculation of nominal share capital. The total equity remains unchanged for both brought forward periods.

Group cash flow statement
for the year ended 30 June 2019

	Notes	Year ended 30 June 2019	Year ended 30 June 2018
		£	£
Cash flows from operating activities			
Operating loss		(3,254,001)	(1,840,436)
Decrease/(Increase) in trade & other receivables		1,581	(27,268)
(Decrease)/Increase in trade & other payables		(70,454)	566,494
Depreciation		37,131	7,584
Impairment charge		18,450	-
Share option charge		248,232	24,876
Net (decrease) in cash and cash equivalents from operating activities		(3,019,061)	(1,268,750)
Cash flows from investing activities			
Interest received		5,195	3,891
Payments to acquire intangible assets		(688,517)	(361,711)
Payments to acquire tangible assets		(98,774)	(49,267)
Net cash (out)flows used in investing activities		(782,098)	(407,087)
Cash flows from financing activities			
Proceeds from issue of shares		3,115,900	4,443,988
Transaction costs of issue of shares		(132,500)	(75,467)
Net cash inflows from financing activities		2,983,400	4,368,521
Net (decrease)/increase in cash and cash equivalents	18	(817,759)	2,692,684
Cash and cash equivalents at the beginning of period		3,597,101	930,500
Exchange (loss) on cash and cash equivalents		(23,344)	(26,083)
Cash and cash equivalents at end of period	18	2,755,998	3,597,101

During the year shares in the Company totalling £142,045 (2018: £249,401) were issued for the acquisition of intangible assets (see note 15). This amount represents material non-cash flows and is excluded from the cash flow statement.

Company cash flow statement
for the year ended 30 June 2019

	Notes	Year ended 30 June 2019	Year ended 30 June 2018
		£	£
Cash flows from operating activities			
Operating loss		(914,836)	(574,818)
Decrease in trade & other receivables		5,749	4,163
Increase/(Decrease in trade & other payables		170,901	(29,855)
Share option charge		248,232	24,876
Net (decrease) in cash and cash equivalents from operations		(489,954)	(575,634)
Cash flows from investing activities			
Interest received		250	100
Loans to subsidiary		(3,000,000)	(1,950,000)
Net cash (outflows) used in investing activities		(2,999,750)	(1,949,900)
Cash flows from financing activities			
Proceeds from issue of shares		3,115,900	4,443,988
Transaction costs of issue of shares		(132,500)	(75,467)
Net cash flows from financing activities		2,983,400	4,368,521
Net (decrease)/increase in cash and cash equivalents	18	(506,304)	1,842,987
Cash and cash equivalents at the beginning of period		2,753,575	910,588
Cash and cash equivalents at end of period	18	2,247,271	2,753,575

During the year shares in the Company totalling £142,045 (2018: £249,401) were issued for the acquisition of intangible assets (see note 15). This amount represents material non-cash flows and is excluded from the cash flow statement.

Notes to financial statements for the year ended 30 June 2019

1 Principal accounting policies

1.1 Authorisation of financial statements and statement of compliance with IFRS

The group financial statements of Greatland Gold plc for the year ended 30 June 2019 were authorised for issue by the board on 29 October 2019 and the balance sheets signed on the board's behalf by Mr Gervaise Heddle and Mr Alex Borrelli. Greatland Gold plc is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on AIM.

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The Company's financial statements have been prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the Group and Company are set out below.

New standards, amendments and interpretations adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2018:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers

No retrospective adjustments were required following the adoption of IFRS 9 and IFRS 15.

On 1 July 2018 (the date of initial application of IFRS 9), the Group's management assessed which business models apply to the financial assets held by the Group and classified its financial instruments into the appropriate IFRS 9 categories. No reclassifications were required.

New standards, amendments and interpretations not yet adopted

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements, were in issue but not yet effective for the year presented:

- IFRS 16 in respect of Leases which will be effective for accounting periods beginning on or after 1 January 2019.
- IFRS 17 Insurance Contracts (effective date 1 January 2021).

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

1.2 Significant accounting judgments, estimates and assumptions

Significant accounting estimates and assumptions

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

Impairment of goodwill and intangibles with indefinite useful lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill and intangibles with indefinite useful lives are allocated.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model.

Notes to financial statements for the year ended 30 June 2019, continued

1.3 Basis of preparation

The consolidated financial statements of Greatland Gold plc and its subsidiary have been prepared in accordance with International Reporting Standards (IFRS) as adopted for use in the European Union.

The consolidated financial statements have been prepared on the historical cost basis, except for the measurement to fair value of assets and financial instruments as described in the accounting policies below, and on a going concern basis.

Going Concern

The consolidated entity has incurred a loss before tax of £3,264,307 for the year ended 30 June 2019, and had a net cash outflow of £3,801,159 from operating and investing activities. At that date there were net current assets of £2,203,109. The loss resulted almost entirely from exploration costs and associated administrative related costs.

The Directors are confident in the Company's ability to raise new finance from stock markets if this is required during 2020 and the Group has demonstrated a consistent ability to do so. This includes a share issuance of 225,813,513 placing shares for gross proceeds of £4,177,550 as announced by the Company on 12 August 2019.

The Group's cash flow forecast for the 12 months ending 31 October 2020 highlights adequate funding at current levels of projected expenditure to last throughout this period. The Board of Directors are confident that sufficient funding is in place to meet all its operational and exploration commitments over the next twelve months and to remain cash positive for the whole period.

Given the Group's current positive cash position and its ability to raise new capital the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.4 Basis of consolidation

The consolidated accounts combine the accounts of the Company and its sole subsidiary, Greatland Pty Ltd, using the purchase method of accounting.

In the Company's balance sheet the investment in Greatland Pty Ltd includes the nominal value of shares issued together with the cash element of the consideration. As required by the Companies Act 2006, no premium was recognised on the share issue. The difference between nominal and fair value of the shares issued was credited to the merger reserve.

1.5 Goodwill

Goodwill on acquisition is capitalised and shown within fixed assets. Positive goodwill is subject to annual impairment review with movements charged in the income statement.

Negative goodwill is reassessed by the Directors and attributed to the relevant assets to which it relates.

1.6 Non-current asset investments

Investments in subsidiary companies are classified as non-current assets and included in the balance sheet of the Company at cost at the date of acquisition irrespective of the application of merger relief under the Companies Act.

1.7 Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Notes to financial statements
for the year ended 30 June 2019, continued

1.8 Income tax and deferred taxation

Current tax assets and liabilities for the current and prior periods are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the balance sheet date.

Full provision is made for deferred taxation resulting from timing differences which have arisen but not reversed at the balance sheet date.

1.9 Tangible fixed assets

Fixed assets are depreciated on a straight-line basis at annual rates that will reduce the book amounts to estimated residual values over their anticipated useful lives as follows:

- Motor vehicles: 20% per annum
- Equipment: 7% per annum

1.10 Foreign currencies

Both the functional and presentational currency of Greatland Gold plc is sterling (£). Each group entity determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The functional currency of the foreign subsidiary, Greatland Pty Limited, is Australian Dollars (A\$).

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

On consolidation of a foreign operation, assets and liabilities are translated at the balance sheet rates, income and expenses are translated at rates ruling at the transaction date. Exchange differences on consolidation are taken to the income statement.

1.11 Other income

The Group had no other income during the periods ending 30 June 2019 and 30 June 2018. Previous years consisted of a grant from the state government of Western Australia. Government grants are accounted for on a receipts basis.

1.12 Finance costs/revenue

Borrowing costs are recognised as an expense when incurred.

Finance revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

1.13 Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

1.14 Financial instruments

The Group's financial instruments, other than its investments, comprise cash and items arising directly from its operation such as trade debtors and trade creditors. The Group has an overseas subsidiary in Australia whose expenses are denominated in Australian Dollars. Market price risk is inherent in the Group's activities and is accepted as such.

There is no material difference between the book value and fair value of the Group's cash.

Notes to financial statements for the year ended 30 June 2019, continued

1.15 Trade and other payables

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

1.16 Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

1.17 Exploration and development expenditure

Exploration and development costs include expenditure on prospects at an exploratory stage. These costs include the cost of acquisition, exploration, determination of recoverable reserves, economic feasibility studies and all technical and administrative overheads directly associated with those projects. A substantial proportion of these costs are carried forward in the balance sheet as intangible fixed assets.

Recoupment of capitalised exploration and development costs is dependent upon successful development and commercial exploitation of each area of interest and are amortised over the expected commercial life of each area once production commences. The Company adopts the 'area of interest' method of accounting whereby a substantial proportion of exploration and development costs relating to an area of interest are capitalised and carried forward until abandoned. In the event that an area of interest is abandoned, or if the Directors consider the expenditure to be of no value, accumulated exploration costs are written off in the financial year in which the decision is made. All expenditure incurred prior to approval of an application is expensed with the exception of refundable rent which is raised as a debtor.

Impairment reviews are carried out regularly by the Directors of the Company. Where a project is abandoned or is considered not to be of commercial value to the Company, the related costs are written off or provisions are made.

1.18 Share based payments

The fair value of options granted to directors and others in respect of services provided is recognised as an expense in the profit and loss account with a corresponding increase in equity reserves – the share based payment reserve.

On exercise or cancellation of share options, the proportion of the share based payment reserve relevant to those options is transferred to the profit and loss account reserve. On exercise, equity is also increased by the amount of the proceeds received.

The fair value is measured at grant date and the charge is spread over the relevant vesting period.

The fair value of options is calculated using the Black-Scholes model taking into account the terms and conditions upon which the options were granted. Vesting conditions are non-market and there are no market vesting conditions. The exercise price is fixed at the date of grant and no compensation is due at the date of grant.

Notes to financial statements
for the year ended 30 June 2019, continued

2 Revenue and segmental analysis

The Group's prime business segment is mineral exploration.

The Group operates within two geographical segments, the United Kingdom and Australia. The UK sector consists of the parent company which provides administrative and management services to the subsidiary undertaking based in Australia.

The following tables present revenue and loss information and certain asset and liability information by geographical segments:

	UK	Australia	Total
	£	£	£
Year ended 30 June 2019			
Revenue			
Total segment revenue	-	-	-
Total consolidated revenue			-
Result			
Segment results	(914,837)	(2,339,165)	(3,254,002)
Loss before tax and finance costs			(3,254,002)
Interest receivable			5,195
Interest payable			(15,500)
Loss on disposal of investments			-
Loss before taxation			(3,264,307)
Taxation expense			-
Loss after taxation			(3,264,307)
	UK	Australia	Total
	£	£	£
As at 30 June 2019			
Assets and liabilities			
Segment assets	2,275,468	2,677,907	4,953,375
Total assets			4,953,375
Segment liabilities	(255,510)	(374,859)	(630,369)
Total liabilities			(630,369)
Other segment information:			
Capital expenditure	-	929,338	929,338
Depreciation	-	37,131	37,131
Impairment	-	18,450	18,450

Notes to financial statements
for the year ended 30 June 2019, continued

2	Revenue and segmental analysis, continued	UK	Australia	Total
	Year ended 30 June 2018	£	£	£
	Revenue			
	Total segment revenue	-	-	-
	Total consolidated revenue			-
	Result			
	Segment results	(574,818)	(1,265,618)	(1,840,436)
	Loss before tax and finance costs			(1,840,436)
	Interest receivable			3,891
	Loss on disposal of investments			-
	Loss before taxation			(1,836,545)
	Taxation expense			-
	Loss after taxation			(1,836,545)
	As at 30 June 2018	UK	Australia	Total
		£	£	£
	Assets and liabilities			
	Segment assets	2,787,522	2,164,165	4,951,687
	Total assets			4,951,687
	Segment liabilities	(69,108)	(616,214)	(685,322)
	Total liabilities			(685,322)
	Other segment information			
	Capital expenditure	-	660,380	660,380
	Depreciation	-	7,584	7,584
3	Net finance costs		2019	2018
			£	£
	Finance revenue		5,195	3,891
	Finance costs		(15,500)	-
			(10,305)	3,891

Notes to financial statements
for the year ended 30 June 2019, continued

4	Loss on ordinary activities before taxation	2019 £	2018 £
	Loss on ordinary activities before taxation is stated after charging:		
	Auditors' remuneration – audit	16,200	15,000
	Depreciation	37,131	7,584
	Impairment charge	18,450	-
	Directors' emoluments	962,406	611,327

Auditors' remuneration for audit services above excludes AU\$7,814 (2018: AU\$5,100) charged by Charles Foti Business Services (Australia) relating to the audit of the subsidiary company.

5 Taxation

	2019 £	2018 £
Analysis of charge in year		
Tax on profit on ordinary activities	-	-

Factors affecting tax charge for year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	2019 £	2018 £
Loss on ordinary activities before tax	(3,264,307)	(1,836,545)
Standard rate of corporation tax in the UK	19%	19%
	£	£
Loss on ordinary activities multiplied by the standard rate of corporation tax	(620,218)	(348,944)
Effects of:		
Expenses not deductible for tax:		
Share option charge	47,164	4,726
Future tax benefit not brought to account	573,054	344,218
Income tax expense	-	-

No deferred tax asset has been recognised because there is insufficient evidence of the timing of suitable future profits against which they can be recovered.

Notes to financial statements
for the year ended 30 June 2019, continued

6 Employee information (excluding directors)	2019	2018
Staff costs comprised:	£	£
Wages and salaries	195,139	103,171
Bonus	23,798	27,285
Pension	15,220	5,899
Share option charge	58,471	5,654
	292,628	142,009
	Number	Number
Exploration	3	2

Of the total Staff costs in the year, £229,773 (2018: £115,628) arises from work on the Exploration Properties and has been expensed to the Income Statement as exploration costs.

7 Dividends

No dividends were paid or proposed by the Directors. (2018: £Nil)

8 Directors' emoluments	2019	2018
	£	£
Directors' remuneration	787,116	592,104
Share option charge	175,290	19,223
	962,406	611,327

	Directors' salary	Pension /Superannuation	Bonus	Total
2019	£	£	£	£
<u>Executive directors</u>				
Callum Baxter	166,944	30,826	144,736	342,506
Gervaise Heddle	166,944	30,826	144,736	342,506
<u>Non-executive directors</u>				
Alex Borrelli	40,000	785	20,000	60,785
Clive Latcham (appointed 15 October 2018)	21,319	-	20,000	41,319
	395,207	62,437	329,472	787,116

Of the total Directors' remuneration disclosed above in the income statement, 75% (or £256,879) for Callum Baxter and 25% (or £85,626) for Gervaise Heddle has been allocated to exploration costs in the income statement for the year.

See Note 16 for share options granted during the year.

Also, see note 22 for related party transactions.

Notes to financial statements
for the year ended 30 June 2019, continued

8 Directors' emoluments, continued

	Directors' salary	Pension / Superannuation	Bonus	Total
2018	£	£	£	£
<u>Executive directors</u>				
Callum Baxter	160,434	14,204	92,187	266,825
Gervaise Heddle	160,434	14,204	92,187	266,825
<u>Non-executive directors</u>				
Alex Borrelli	38,000	406	12,500	50,906
Michael McNeilly (resigned 25 October 2017)	7,548	-	-	7,548
	366,416	28,814	196,874	592,104

Of the total Directors' remuneration disclosed above in the income statement, 75% (or £200,118) for Callum Baxter and 25% (or £66,706) for Gervaise Heddle has been allocated to exploration costs in the income statement for the year.

See Note 16 for share options granted during the year.

Also, see note 22 for related party transactions.

9 Loss per share

The basic loss per share is derived by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of shares in issue.

	2019 £	2018 £
Loss for the period	(3,264,307)	(1,836,545)
Weighted average number of Ordinary shares of £0.001 in issue	3,252,941,141 (0.10) pence	2,773,225,653 (0.07) pence
Loss per share – basic		
Weighted average number of Ordinary shares of £0.001 in issue inclusive of outstanding options	3,252,941,141	2,773,225,653

As inclusion of the potential Ordinary shares would result in a decrease in the loss per share they are considered to be anti-dilutive; as such, a diluted earnings per share is not included.

Notes to financial statements
for the year ended 30 June 2019, continued

10 Tangible fixed assets – Group

	Motor vehicle £	Equipment £	Total £
Cost			
At 30 June 2018	-	49,267	49,267
Disposals during the period	-	-	-
Additions during the period	33,310	65,464	98,774
Foreign exchange rate fluctuations	-	(868)	(868)
At 30 June 2019	33,310	113,863	147,173
Depreciation			
At 30 June 2018	-	7,390	7,390
Disposals during the period	-	-	-
Charge for the period	5,174	31,957	37,131
Foreign exchange rate fluctuations	(48)	(414)	(462)
At 30 June 2019	5,126	38,933	44,059
Net book value			
At 30 June 2019	28,184	74,930	103,114
At 30 June 2018	-	41,877	41,877
	Motor vehicle £	Equipment £	Total £
Cost			
At 30 June 2017	-	-	-
Disposals during the period	-	-	-
Additions during the period	-	49,267	49,267
Foreign exchange rate fluctuations	-	-	-
At 30 June 2018	-	49,267	49,267
Depreciation			
At 30 June 2017	-	-	-
Disposals during the period	-	-	-
Charge for the period	-	7,584	7,584
Foreign exchange rate fluctuations	-	(194)	(194)
At 30 June 2018	-	7,390	7,390
Net book value			
At 30 June 2018	-	41,877	41,877
At 30 June 2017	-	-	-

Notes to financial statements
for the year ended 30 June 2019, continued

11	Intangible non-current assets – Group	2019	2018
		£	£
	Exploration properties		
	At 30 June 2018	1,864,442	1,302,309
	Additions during the period	830,563	611,112
	Impairment during the period	(18,450)	-
	Foreign exchange rate fluctuations	(28,978)	(48,979)
	At 30 June 2019	2,647,577	1,864,442
	Impairment		
	At 30 June 2018	(630,794)	(630,794)
	Charge for the period	-	-
	Foreign exchange rate fluctuations	-	-
	At 30 June 2019	(630,794)	(630,794)
	Net book amount		
	At 30 June 2019	2,016,783	1,233,648
	At 30 June 2018	1,233,648	671,515

Impairment review

As at 30 June 2019, the Directors carried out an impairment review of the exploration properties and considered an impairment charge was not required (2018: £nil). However, during the year £2,295,560 (2018: £1,021,493) of exploration related costs have been charged directly to the Income Statement as these costs were deemed non-beneficial to the future value of the exploration properties. Costs directly related to exploration programmes that, in the opinion of the Directors, are considered to add value to the respective exploration properties are capitalised.

12	Non-current asset investments in subsidiary - Company	£
	Cost	
	At 30 June 2018	50,000
	Impairment of investment	-
	At 30 June 2019	50,000
	Net book amount	
	At 30 June 2019	50,000
	At 30 June 2018	50,000

The parent company of the Group holds more than 20% of the share capital of the following company:

Company	Country of registration	Class	Proportion held	Nature of business
Greatland Pty Ltd	Australia	Common	100%	Mineral exploration

Notes to financial statements
for the year ended 30 June 2019, continued

13	Trade and other receivables	Group		Company	
		2019	2018	2019	2018
		£	£	£	£
	Current trade and other receivables:				
	Prepayments	51,104	34,058	28,198	33,946
	Other debtors	26,376	45,003	-	-
	Loans due from subsidiary	-	-	6,596,748	3,454,703
	Total	77,480	79,061	6,624,946	3,488,649

The loan due from subsidiary was interest free throughout the period and has no fixed repayment date. No provision £nil (2018: £nil) has been made against this loan.

14	Trade and other payables	Group		Company	
		2019	2018	2019	2018
		£	£	£	£
	Current trade and other payables:				
	Trade creditors	356,282	615,818	35,010	24,786
	Accruals	209,016	44,050	209,016	44,050
	Salaries and Social Security	10,577	-	10,577	-
	Employee Benefits	54,494	25,454	907	272
	Total	630,369	685,322	255,510	69,108

Notes to financial statements
for the year ended 30 June 2019, continued

15 Share capital

<i>Called up, allotted, issued and fully paid</i>	Number	£
As previously stated at 30 June 2018, Ordinary shares of £0.001 each	3,002,256,509	1,193,328
<i>Adjustments to share capital</i>		
Correction at 30/06/17	-	415,358
Correction at 30/06/18	-	1,393,570
Restated at 30 June 2018, Ordinary shares of £0.001 each	3,002,256,509	3,002,256
<i>Issued during the year</i>		
On 27 July 2018, at a price of £0.0125, for cash	212,000,000	212,000
On 03 September 2018, at a price of £0.0125, for drilling services (DDH1)	11,363,636	11,364
On 14 January 2019, at a price of £0.02, for cash	7,300,000	7,300
On 09 April 2019, at a price of £0.005, for cash	25,000,000	25,000
On 09 April 2019, at a price of £0.002, for cash	25,000,000	25,000
On 09 April 2019, at a price of £0.0028, for cash	33,000,000	33,000
On 09 April 2019, at a price of £0.007, for cash	7,500,000	7,500
As at 30 June 2019, Ordinary shares of £0.001p each	3,323,420,145	3,323,419

Note:

The brought forward share capital and share premium balances from 30 June 2017 and 30 June 2018 have been restated by £415,358 and £1,393,570 respectively to £3,002,301 and £9,749,891 respectively. These restatements are a reclassification between the value of share capital and share premium due to an incorrect calculation of nominal share capital. The total equity remains unchanged for both brought forward periods.

Total share options in issue

As at 30 June 2019 there were 213.5 million unexercised options over Ordinary shares; 25 million exercisable at 0.2 pence per share in issue, 42 million exercisable at 0.28 pence per share in issue, 47.5 million exercisable at 0.7 pence per share in issue, 39.5 million exercisable at 1.4 pence per share in issue, 39.5 million exercisable at 2 pence per share in issue and 20 million exercisable at 2.5 pence per share in issue (2018: 205 million).

Total warrants in issue

On 3 September 2018 the Company announced that it had issued to DDH1 11,363,636 ordinary shares of 0.1 pence for the consideration of £142,045. 11,363,636 warrants with a 2.0 pence exercise price and an exercise period of 12 months were granted on the same date. In respect of these warrants a share based payment charge of £14,200 (approximately 10% of the consideration paid in ordinary shares) has been charged to the Income Statement.

As at 30 June 2019 there were 204.7 million unexercised investor warrants over Ordinary shares at 2.0 pence outstanding. These warrants expired unexercised on 9 August 2019.

Notes to financial statements
for the year ended 30 June 2019, continued

16 Share based payments

The Company grants share options to employees as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the Company. Under the plan, 99 million options were granted for no cash consideration; 79 million options were granted for a period of three years expiring on 07 September 2022 and 20 million options were granted for a period of three years expiring on 22 March 2023.

	Granted during the period	At 30 June 2018	Share options exercised	Exercisable at 30 June 2019	Exercise price (pence)	Date from which exercisable	Expiry date
C Baxter	-	25,000,000	(25,000,000)	-	0.2p	20 Apr 2016	20 Apr 2019
C Baxter	-	28,000,000	(28,000,000)	-	0.28p	18 Jan 2017	18 Jul 2020
C Baxter	-	17,500,000	-	17,500,000	0.7p	18 Aug 2017	16 Feb 2021
C Baxter	14,000,000	-	-	14,000,000	1.4p	07 Sep 2019	06 Sep 2022
C Baxter	14,000,000	-	-	14,000,000	2.0p	07 Sep 2019	06 Sep 2022
A Borrelli	-	25,000,000	-	25,000,000	0.2p	20 Apr 2016	20 Apr 2021
A Borrelli	-	14,000,000	-	14,000,000	0.28p	18 Jan 2017	18 Jul 2022
A Borrelli	-	7,500,000	-	7,500,000	0.7p	18 Aug 2017	16 Feb 2021
A Borrelli	2,500,000	-	-	2,500,000	1.4p	07 Sep 2019	06 Sep 2022
A Borrelli	2,500,000	-	-	2,500,000	2.0p	07 Sep 2019	06 Sep 2022
G Heddle	-	25,000,000	(25,000,000)	-	0.5p	27 May 2016	27 May 2019
G Heddle	-	28,000,000	-	28,000,000	0.28p	18 Jan 2017	18 Jul 2020
G Heddle	-	17,500,000	-	17,500,000	0.7p	18 Aug 2017	16 Feb 2021
G Heddle	14,000,000	-	-	14,000,000	1.4p	07 Sep 2019	06 Sep 2022
G Heddle	14,000,000	-	-	14,000,000	2.0p	07 Sep 2019	06 Sep 2022
G Cryan	-	5,000,000	(5,000,000)	-	0.28p	18 Jan 2017	18 Jul 2020
G Cryan	-	5,000,000	-	5,000,000	0.7p	18 Aug 2017	16 Feb 2021
G Cryan	3,000,000	-	-	3,000,000	1.4p	07 Sep 2019	06 Sep 2022
G Cryan	3,000,000	-	-	3,000,000	2.0p	07 Sep 2019	06 Sep 2022
B Wasse	-	7,500,000	(7,500,000)	-	0.7p	18 Aug 2017	16 Feb 2021
B Wasse	6,000,000	-	-	6,000,000	1.4p	07 Sep 2019	06 Sep 2022
B Wasse	6,000,000	-	-	6,000,000	2.0p	07 Sep 2019	06 Sep 2022
C Latcham	10,000,000	-	-	10,000,000	2.5p	21 Mar 2020	20 Mar 2023
M Sawyer	10,000,000	-	-	10,000,000	2.5p	21 Mar 2020	20 Mar 2023
	99,000,000	205,000,000	(90,500,000)	213,500,000			

Notes to the financial statements
for the year ended 30 June 2019, continued

16 Share based payments, continued

The fair value of the 79 million options granted on 07 September 2018 using an adjusted Black-Scholes method and assumptions were as follows:

<u>Options issued</u>	<u>39.5 million share options</u>	<u>39.5 million share options</u>
Grant date	07 September 2018	07 September 2018
Fair value at measurement date	0.609 pence	0.505 pence
Share price at grant date	1.225 pence	1.225 pence
Exercise price	1.4 pence	2.0 pence
Expected volatility	83%	83%
Vesting period: 1 year after grant	07 September 2019	07 September 2019
Option life	36 months	36 months
Expected dividends	0.00%	0.00%
Risk free interest rate	0.50%	0.50%
Discount	40%	40%
Fair value of options granted	£144,367	£119,676

The fair value of the 20 million options granted on 22 March 2019 using an adjusted Black-Scholes method and assumptions were as follows:

<u>Options issued</u>	<u>20 million share options</u>
Grant date	22 March 2019
Fair value at measurement date	0.607 pence
Share price at grant date	1.935 pence
Exercise price	2.5 pence
Expected volatility	58%
Vesting period: 1 year after grant	22 March 2020
Option life	36 months
Expected dividends	0.00%
Risk free interest rate	0.50%
Discount	40%
Fair value of options granted	£72,848

The fair value of the share options expensed during the year was £234,032, being the value of the options attributable to the vesting period to 30 June 2019 (2018: £24,876). £102,859 will be expensed in the following year, being the value of these options attributable to the end of their vesting dates. £142,098 in respect of the exercised share options was transferred to reserves (2018: £109,464).

The volatility is set by reference to the historic volatility of the share price of the Company.

Notes to the financial statements for the year ended 30 June 2019, continued

17 Nature and purpose of reserves – Other reserves

Merger Reserve

The merger reserve was created in accordance with the merger relief provisions of the Companies Act 1985 (as amended), and 2006, relating to accounting for business combinations involving the issue of shares at a premium. In preparing group consolidated financial statements, the amount by which the fair value of the shares issued exceeded their nominal value was recorded within a merger reserve on consolidation, rather than in a share premium account.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Available for sale financial asset reserve

This reserve is used to record the post-tax fair value movements in available for sale assets and investments.

18 Cash and cash equivalents – Group	30 June 2019 £	Currency adjustments £	Net Cash flow £	30 June 2018 £
Cash at bank and in hand	2,755,998	(23,344)	(817,759)	3,597,101
Total cash and cash equivalents	2,755,998	(23,344)	(817,759)	3,597,101

Cash and cash equivalents – Company	30 June 2019 £	Currency adjustments £	Net Cash flow £	30 June 2018 £
Cash at bank and in hand	2,247,271	-	(506,304)	2,753,575
Total cash and cash equivalents	2,247,271	-	(506,304)	2,753,575

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates

19 Commitments

As at 30 June 2019, the Company had entered into the following commitment:

Exploration commitments

Ongoing exploration expenditure is required to maintain title to the Group mineral exploration permits. No provision has been made in the financial statements for these amounts as the expenditure is expected to be fulfilled in the normal course of the operations of the Group.

20 Significant agreements and transactions

In March 2019, Greatland signed a Farm-in Agreement with Newcrest Operations Limited (“Newcrest”), a wholly-owned subsidiary of Newcrest Mining Limited (ASX:NCM), to explore and develop Greatland’s Havieron gold-copper project in the Paterson region of Western Australia. Newcrest has the right to acquire up to a 70% interest in a 12-block area within E45/4701 that covers the Havieron target by spending up to US\$65 million. The Farm-in Agreement with Newcrest and results from Newcrest’s drilling campaign at Havieron are discussed in further detail in the Chairman’s Statement and the Strategic Report.

There were no other significant agreements and transactions to report other than that reported in Note 21.

Notes to the financial statements for the year ended 30 June 2019, continued

21 Events after the reporting period

Post-Balance Sheet Capital Raise and issue of options

On 12 August 2019 the Company announced that it had raised £4,177,550 through a placing and subscription of 225,813,513 new ordinary shares of 0.1 pence each at a subscription price of 1.85 pence per Ordinary Share. Under this placing, warrants to subscribe for a further 225,813,513 new Ordinary Shares in the Company were issued at an exercise price of 2.5p per warrant, within a 2 year exercise period.

On 26 September 2019 the Company announced that it had issued a total of 64,000,000 options to directors and key employees; 32,000,000 options at 2.5p per share option and 32,000,000 options at 3.0p per share option. Each option has a 12 month vesting period and entitles the holder upon exercise to one ordinary share of 0.1 pence in the capital of the Company. All options have a life of three years from the vesting date and all options will vest immediately upon a change of control event.

22 Related party transactions

Remuneration of key management personnel

The remuneration of the directors, and other key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS24 Related Party Disclosures.

	2019	2018
	£	£
Short-term employee benefits	787,116	592,104
Share based payments	248,232	24,876
Key management personnel	234,157	136,355
	<u>1,269,505</u>	<u>753,335</u>

23 Financial instruments – Group

The Group uses financial instruments comprising cash, liquid resources and debtors/creditors that arise from its operations.

The Group's exposure to currency and liquidity risk is not considered significant. The Group's cash balances are held in Pound Sterling and in Australian dollars, the latter being the currency in which the significant operating expenses are incurred.

To date the Group has relied upon equity funding to finance operations. The Directors are confident that adequate cash resources exist to finance operations to commercial exploitation, but controls over expenditure are carefully managed.

The net fair value of financial assets and liabilities approximates the carrying values disclosed in the financial statements. The currency of the financial assets is as follows:

Cash and short term deposits	30 June 2019	30 June 2018
	£	£
Sterling	2,247,271	2,753,575
Australian Dollars	508,727	843,526
At 30 June 2019	<u>2,755,998</u>	<u>3,597,101</u>

The financial assets comprise interest earning bank deposits.

Notes to financial statements
for the year ended 30 June 2019, continued

24 Contingent liabilities

Acquisition of Havieron Project

Under the terms of the agreement for the acquisition of the Havieron Gold Project an initial payment of A\$25,000 in cash and 65,490,000 ordinary shares (see note 15) of 0.1 pence each in the Company were made. However, a second payment of 145,530,000 ordinary shares of 0.1 pence each will be made upon a “Decision to Mine”.

25 Control

There is considered to be no ultimate controlling entity.

26 Retained earnings of the parent Company

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent Company has not been separately presented in these accounts. The parent Company loss for the period was £930,087 (2018 £574,718).