KOPORE METALS LIMITED

ABN 73 149 230 811

2019 ANNUAL REPORT

CORPORATE DIRECTORY

Directors

Peter Meagher	*Non-executive Chairman*
Simon Jackson	*Managing Director*
Grant Ferguson	*Non-executive Director*
Shannon Coates	*Non-executive Director*

Company Secretaries

Sarah Wilson

Shannon Coates

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Securities Exchange Listing

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PERTH WA 6000
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Telephone: +61 (0)2 9338 0000
Facsimile: +61 (0)2 9227 0885
Website: https://www.asx.com.au
ASX Code: KMT

Share Registry

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Level 2, 267 St Georges Terrace
PERTH WA 6000
Telephone: 1300 288 664
Email: hello@automicgroup.com.au
Website: https://www.automicgroup.com.au

Auditor

RSM Australia Partners
Level 32, Exchange Tower, 2 The Esplanade
PERTH WA 6000

ANNUAL REPORT
30 JUNE 2019

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CHAIRMAN'S LETTER

Dear Fellow Shareholders

I am pleased to present the Kopore Metals Limited Annual Report for 2019.

During the year we have made great progress towards our goal of discovering the next major copper deposit on the Kalahari Copper Belt.

Kopore now has a total of 15,136km^2 of prospecting licences in both Botswana (8,448km^2) and Namibia (6,688km^2). It is this significant large land package that is the key to value creation for all shareholders. With district and belt scale opportunity, Kopore not only has numerous exploration targets but has attracted the attention of many of the major players in the copper market. It is the scale of the land package and recent regional explorer and Kopore exploration activities that is beginning to unlock the value in the emerging world class Kalahari Copper Belt.

Our neighbours on the Kalahari Copper Belt have made headlines in recent times. Cupric Canyon Capital (US: Private) is now well into mine development and construction at its Zone 5 copper deposit, having raised in excess of US$600 million in capital. Zone 5 will be the first commercial mine on the belt, with first production expected in Q2 2021. MOD Resources Limited (ASX:MOD) recently completed the Feasibility Study for its T3 Copper Project. MOD has subsequently entered into an arrangement with Sandfire Resources Limited (ASX:SFR), which when implemented, will result in Sandfire owning 100% of MOD. This transaction valued MOD at A$167 million at the date of announcement. These developments on the Kalahari Copper Belt have focussed international attention on what is a developing world class belt. Kopore remains in an enviable position with enormous upside potential.

As outlined in the following Operations Review, we have built upon initial exploration using the latest geophysical techniques available as we try to “unlock the code” of the Kalahari Copper Belt. Once drill targets are identified, we prioritise these and conduct initial drill testing. In our drilling at Korong in Botswana and Ongava in Namibia, we have encountered many of the indicators that we are looking for in our search for a copper deposit including calcrete, black shales, pathfinder alteration and sulphides, chalcopyrite and bornite. All of our drilling so far has built our geological understanding across a largely unexplored area of the Kalahari Copper Belt, has added to our geological database and brings us closer to a discovery.

Exploration can be a challenging exercise and the Board and management share the frustrations that all shareholders feel. We will remain disciplined in our approach to exploration and we are confident that this approach, coupled with our highly prospective ground package, will lead us to success.

We welcomed Simon Jackson as Managing Director in April 2019. Simon is a highly experienced mining executive. He is tasked with ensuring that our exploration dollars are spent in the most efficient and appropriate manner and also with raising our market profile through active promotion of our Company to the global investment community.

I would like to thank my fellow Directors, Shannon Coates, Grant Ferguson and Simon Jackson for their dedication to the task in 2019. I would also like to acknowledge and thank our Botswanan and Namibian teams, advisers, contractors and shareholders for their support, hard work and patience as we continue our pathway to copper.

I look forward to 2020 with anticipation as we strive to share future success together.

Yours faithfully

Peter Meagher
NON-EXECUTIVE CHAIRMAN
Kopore Metals Limited

OPERATIONS REVIEW 2019

Kopore Metals Limited (ASX: KMT) (**Kopore** or the **Company**) is pleased to present its review of operations for the financial year ended 30 June 2019 (FY19).

Key activities and achievements for FY19 include:

CORPORATE

- Completion of oversubscribed placements to raise A$2.67 million and A$1 million
- Appointment of Mr Simon Jackson as Managing Director
- Appointment of Mr Johannes Tsimako as Botswana Country Manager
- Company tenement project portfolio in Botswana and Namibia increased to 15,136km^2

NAMIBIA

- The Company consolidated a further 5,705 km^2 of Kalahari Copper Belt prospecting licenses in the Republic of Namibia
- New consolidated area provides advanced exploration targets and historical database, with an estimated >US $5 million in historical exploration activities
- Shallow copper mineralisation identified in historical drilling on the Qembo and Zambinda Dome Prospects
- Recent subsurface domal targets identified and confirmed by ground geophysics and initial drilling
- Copper mineralisation comprising chalcopyrite and bornite intersected at the Ongava Domal Prospect, with further drilling planned
- The Otjari Domal Prospect NSAMT ground geophysical program has identified an interpreted and targeted D'kar/Ngwako Pan formations footwall contact position, within 200m of surface

BOTSWANA

- Reconnaissance drilling at the Korong Central Project identified pathfinder alteration and sulphides including pyrrhotite, galena and sphalerite
- Recent exploration investigations in Namibia have provided further clarity to our Botswana projects, prompting additional detailed investigation of the Korong and Kara Domal Prospects
- New copper soil anomalies identified at the recently acquired Virgo properties, located within 50km of the Cupric Canyon Zone 5 and Banana Zone copper-silver deposits
- Kara Domal Prospect drilling identified pathfinder alteration and sulphide mineralogy and has been elevated to high priority in Botswana, for further immediate follow-up

REGIONAL SETTING

The Kalahari Copper Belt on the north-west border of Botswana and Namibia is a relatively underexplored and emerging world class copper province with total reported Mineral Resources of over 7Mt of contained Copper and 260Moz contained silver. Kopore is one of the largest licence landholders on the Kalahari Copper Belt, with the Company holding 25 prospecting licences in Botswana and Namibia, totalling 15,136km^2. The region has recently undergone an exploration transformation, with discoveries of copper-silver deposits making it an emerging world-class destination for new mines. With global copper supplies coming under pressure from industrial action, falling ore grades and a lack of new mine development, new discoveries across the Kalahari Copper Belt have made the region a global mining focus.

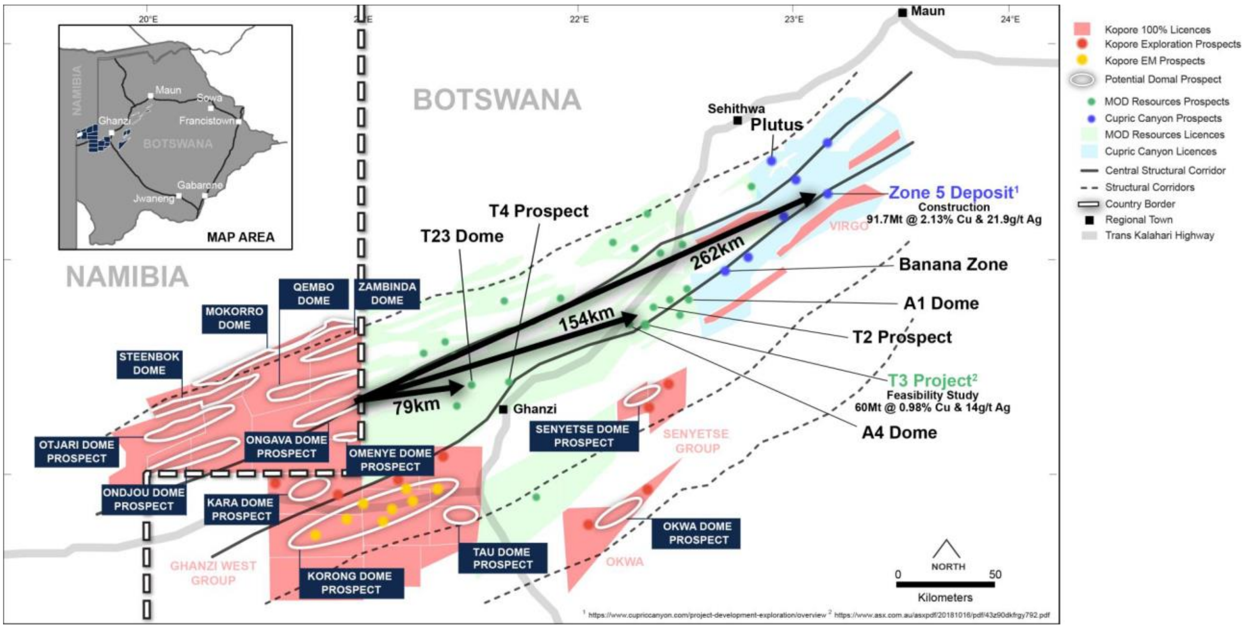

Figure 1 - Kopore Metals Limited Project Portfolio on the Kalahari Copper Belt
(source: https://www.cupriccanyon.com/development-exploration/exploration and https://www.asx.com.au/asxpdf/20181016/pdf/43z90dkfrgy792.pdf)

NAMIBIA PROJECTS

Kopore, through its 100% owned Namibian subsidiary, Trans Kalahari Copper Namibia, controls a significant portion of the Kalahari Copper Belt in the Republic of Namibia (Figure 1). The Company's prospecting license portfolio is located approximately 305km north-east of the Namibian capital city of Windhoek and is bound by the Namibia and Botswana national borders.

Kopore has consolidated its 100% owned Namibian portfolio through the successful granting of prospecting licence applications. Following receipt of the prospecting licence approvals and concurrent to the Environmental Management Plan (EMP) and Environmental Clearance Certificate (ECC) approvals process, the Company collated, interpreted and prioritised its Namibian exploration targets based on each target's interpreted prospectivity. The Company acquired a significant geological database from the Namibian Department of Mines, comprising historical ground geophysical, geochemical, airborne magnetic survey and drilling information (percussion, RC and Diamond) in relation to the prospecting licences.

Table 1 - Historical Namibian Drilling Significant Copper Intersections

T10R-004 (RC Hole)	3m @ 1.11% copper and 127.19g/t silver from 159-162m - Including 1m@ 1.54% copper and 252.53g/t silver from 160-161m	T10D-001 (Diamond Hole)	5.31m @ 0.38% copper and 44.16g/t Ag from 191.9-197.2m
T9D-001 (Diamond Hole)	2.76m @ 0.89% copper and 86.61g/t Ag from 320.62–323m	T10R-005 (RC Hole)	5m @ 0.32% copper and 27.03g/t Ag from 176-181m
T2R-004 (RC Hole)	5m @ 0.48% copper and 34.18g/t Ag from 288-293m	T7D-001(Diamond Hole)	3.41m @ 0.35% copper and 25.62g/t Ag from 167.05-170.46m
T2D-002 (Diamond Hole)	4.24m @ 0.44% copper and 33.21g/t Ag from 301.93-306.17m		
All drill intersections are down-hole lengths			

Notes: Table 1 Intersections are composited from individual assays using the following criteria:
Interval = Nominal cut-off grade and Significant Intersection reporting criteria:

- ≥ 0.3%Cu which also satisfy a minimum down-hole interval of 1.0 metre; or
- NB: In some instances, zones grading less than the cut-off grade/s have been included in calculating composites or to highlight mineralisation trends.
- Intersections have not been density weighted (NB: No density data available).
- No copper individual assay grade top-cutting has been applied to calculated intersections.

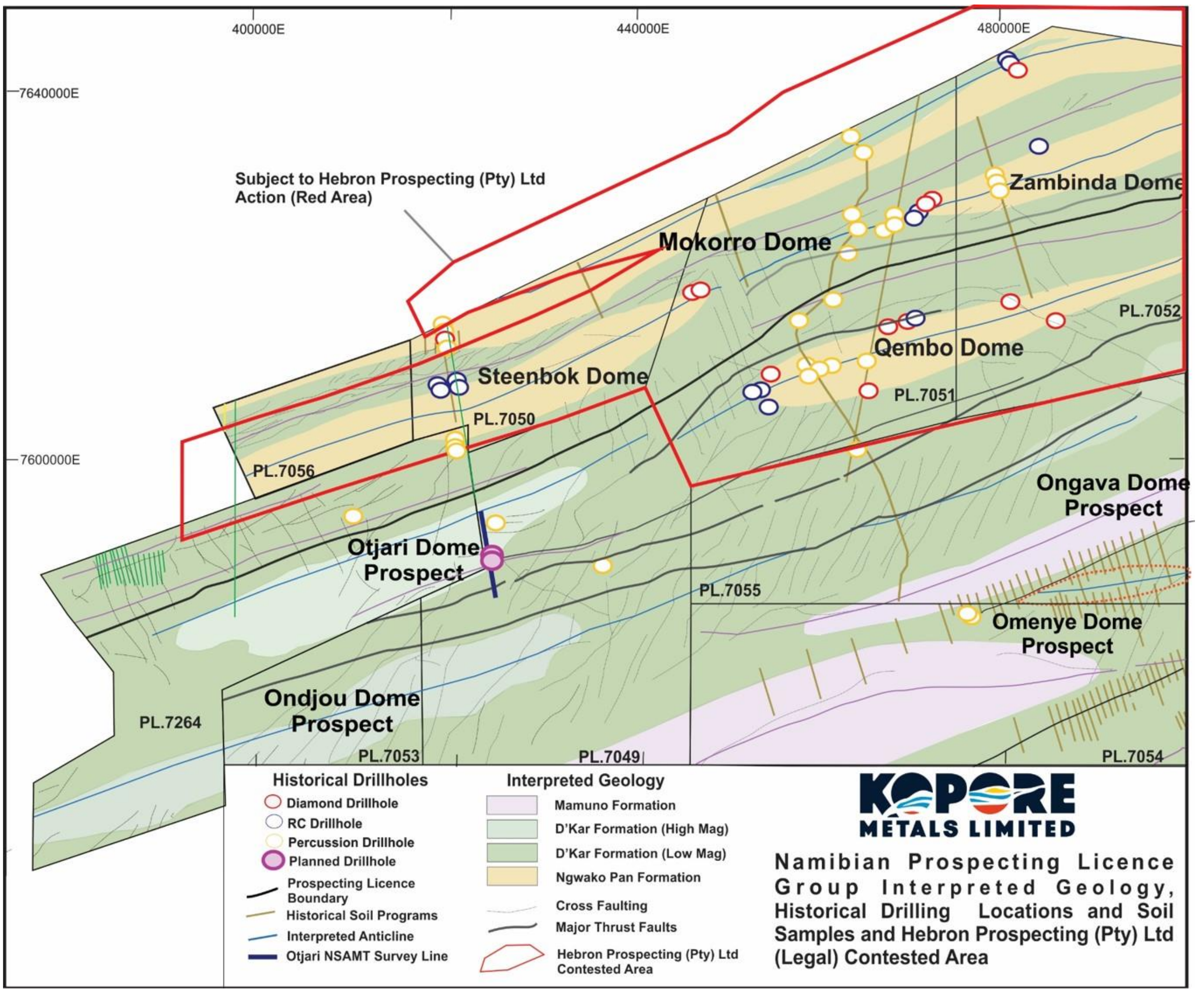

Figure 2 - Kopore Namibian Prospecting Portfolio, Interpreted Geology and Historical Exploration Activities

ONGAVA DOMAL PROSPECT

Drilling at the Ongava Domal Prospect was undertaken in two phases in FY19. A total of 1,843.90m (1447m RC and 396.90m diamond) was drilled to target a potentially shallow Ngwako Pan/D'Kar Formation geological contact. All holes intersected the hangingwall D'Kar Formation siltstone and sandstone units, with multiple intersections of pathfinder alteration and sulphide minerals.

The longest diamond drillhole ONGDD_04 was completed at 693.03 metres with the following geological observations:

- Intersection of lithological units interpreted as the lower D'Kar Formation, including black shale units, identified as important geological markers for the targeting of mineralisation by MOD Resources Limited (ASX:MOD) and Cupric Canyon (US:Private);
- Observed copper sulphides including chalcopyrite and bornite, may potentially be exhibiting the classic py-cpy-bo-cc copper mineral zonation typically observed within the Kalahari Copper Belt; and
- Identified additional pathfinder minerals including galena, sphalerite and pyrrhotite.

The Company is highly encouraged by the intersection of black shales and increasing presence of sulphide mineralogy, in addition to alteration identified, as associated with copper mineralisation elsewhere on the Kalahari Copper Belt.

A third phase of drilling has been designed and the Company anticipates drilling in the December 2019 quarter.

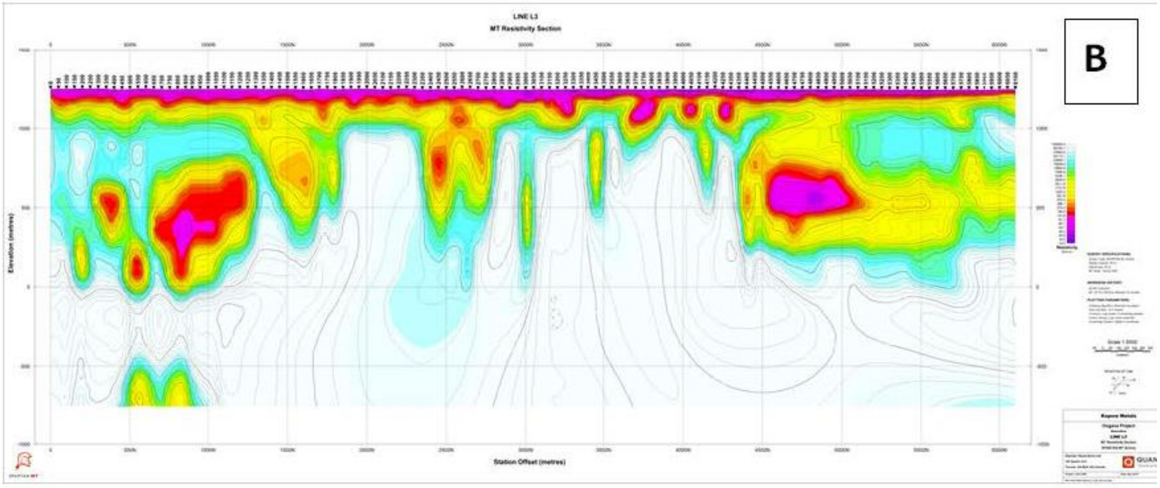

Figure 3 - Ongava Domal Prospect Line 3 - Natural Source Audio Magneto Telluric (NSAMT) Ground Geophysical Program

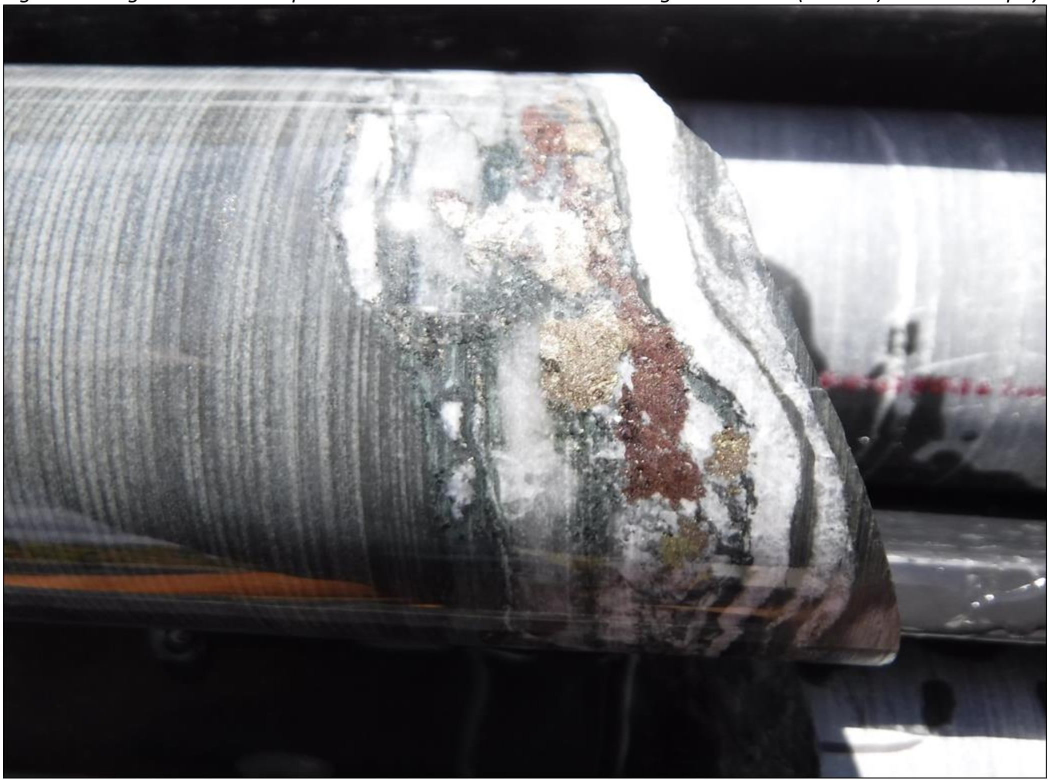

Figure 4 - ONGDD_004 Diamond Core at 574.5m with Chalcopyrite (Cu), Sphalerite (Zinc) and Pyrrhotite in Quartz Carbonate Veining

OTJARI DOMAL PROSPECT (POST 30 JUNE 2019)

The Otjari Domal Prospect NSAMT ground geophysical survey was completed in FY19, identifying immediate near surface drill targets and further consolidating observations from historical airborne magnetic surveys and a solitary historical percussion drill hole in the Otjari area. The Company's technical team has interpreted the Otjari Domal Prospect as a potential subsurface domal structure and the south-western continuation of the identified Qembo Dome, known to host copper mineralisation.

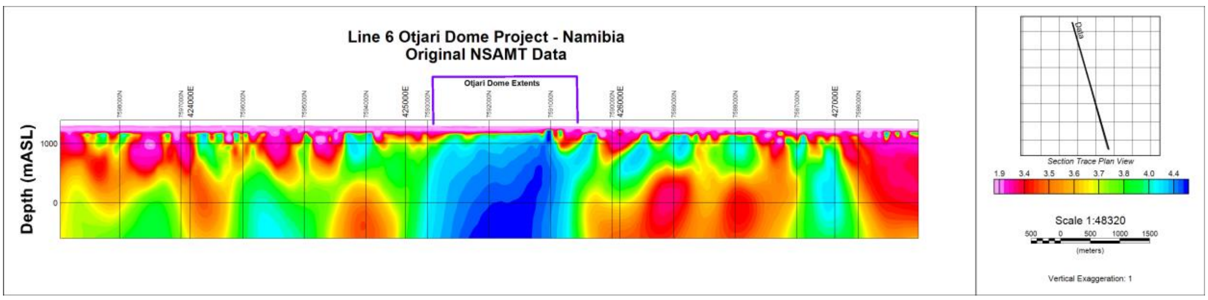

Figure 5 - Otjari Domal Prospect Natural Source Audio Magneto Telluric (NSAMT) Ground Geophysical Program Cross Section

The interpreted Otjari Domal Prospect is approximately 32km in strike length and the targeted D'Kar/Ngwako Pan Formation contact appears to be developed at potentially shallower depths (within 250m of surface). This interpreted geological contact depth is potentially shallower than the initial targeted area of the Ongava Domal Prospect. The results of the NSAMT ground geophysical survey have prompted the Company to conduct an initial 500m of diamond drilling across the Otjari Domal Prospects. Based upon the results of the initial drilling, the Company will consider a larger RC and Diamond drilling program at the Otjari Domal Prospect.

The approval of the EMP and ECC, in December 2018, provided the Company with the final milestones needed to commence our aggressive exploration program across all of our prospecting licences.

ADDITIONAL PROSPECTING LICENCE GRANTED

In May 2019, an additional prospecting licence (PL7264) was granted to Trans Kalahari Copper Namibia. The additional prospecting licence covers an area of 982.43 km^2 and provides the Company with a further western strike continuation of the interpreted Otjari Domal Prospect (Figure 2). An exploration program is currently being created and will provide further opportunity to fully explore the Otjari Domal Prospect. Results of the current Otjari Domal Prospect diamond drilling program will assist in the design of a refined future exploration program.

In Q3 2019, the Company submitted an EMP and request for ECC approval. The Company anticipates this process to be completed by the end of calendar year 2019.

HEBRON LEGAL ACTION

On the 21 November 2018, the Company advised that it became aware of an application to set aside the grant of four of the Company's eight Namibian exclusive prospecting licences, namely EPL7050, EPL7052, EPL7051 and EPL7056 (**Competing EPLs**) (see Figure 2).

The Application was made to the High Court of Namibia by Namibian incorporated Hebron Prospecting Pty Ltd (**Hebron** or the **Applicant**) against a decision made by the Namibian Department of Mines. The Applicant claims that in August 2017, prior to Kopore's own applications for the Competing EPLs being submitted, assessed and granted, Hebron submitted applications to the Namibian Ministry of Mines and Energy for the Competing EPLs and that the Competing EPLs which were subsequently granted to Kopore, should have been granted to Hebron.

A formal legal review by Kopore's Namibian legal counsel was completed and the Company filed a submission to oppose the Application, instigated by Hebron against the Namibian Department of Mines. Formal advice received from the Company's legal counsel is that, in their opinion, the record discovered in the pending Namibian Court proceedings does not support Hebron's contention that the Namibian Minister of Mines and Energy (the **Minister**) erred in granting the EPLs to Kopore. Hebron subsequently filed a notice with the High Court of Namibia calling upon the Minister to discover additional documentation.

In September 2019, a second application was made by Hebron to the High Court of Namibia for further document discovery from the Minister. The Company has been advised that the legal case will resume in the High Court of Namibia towards the end of September 2019.

The Company will continue its opposition to the Application. However, a majority of the Company's high-priority subsurface interpreted 'intact' domal prospects are on prospecting licenses 100% owned by Kopore and not the subject of the Application. The Company will continue to explore these highly prospective domal prospects.

BOTSWANA PROJECT

VIRGO ASSET GROUP

Since the acquisition of the four Virgo licences (PL135/2017, PL162/2017, PL163/2017 and PL164/2017), the Company has successfully completed a field geological study, detailed geochemical study and delineated drill targets. The delineation of two copper-nickel anomalies, across an interpreted Ngwako Pan/D'Kar Formation geological contact position, has prompted the Company to commence preparing an EMP for submission to the Botswanan Department of Environmental Affairs (DEA).

- PL135/2017 copper-nickel soil anomaly extends 3km in strike length and interpreted to overlay the southern end of an identified dome straddling an anticlinal axis, and coincident with the D'Kar/Ngwako Pan Formations contact, approximately 14km south-west of the Cupric Canyon Zone 5 Copper Project.
- PL162/2017 soil anomaly extends 2.5km along the D'Kar/Ngwako Pan Formations contact, approximately 38km south-west of the Cupric Canyon Zone 5 Copper Project.

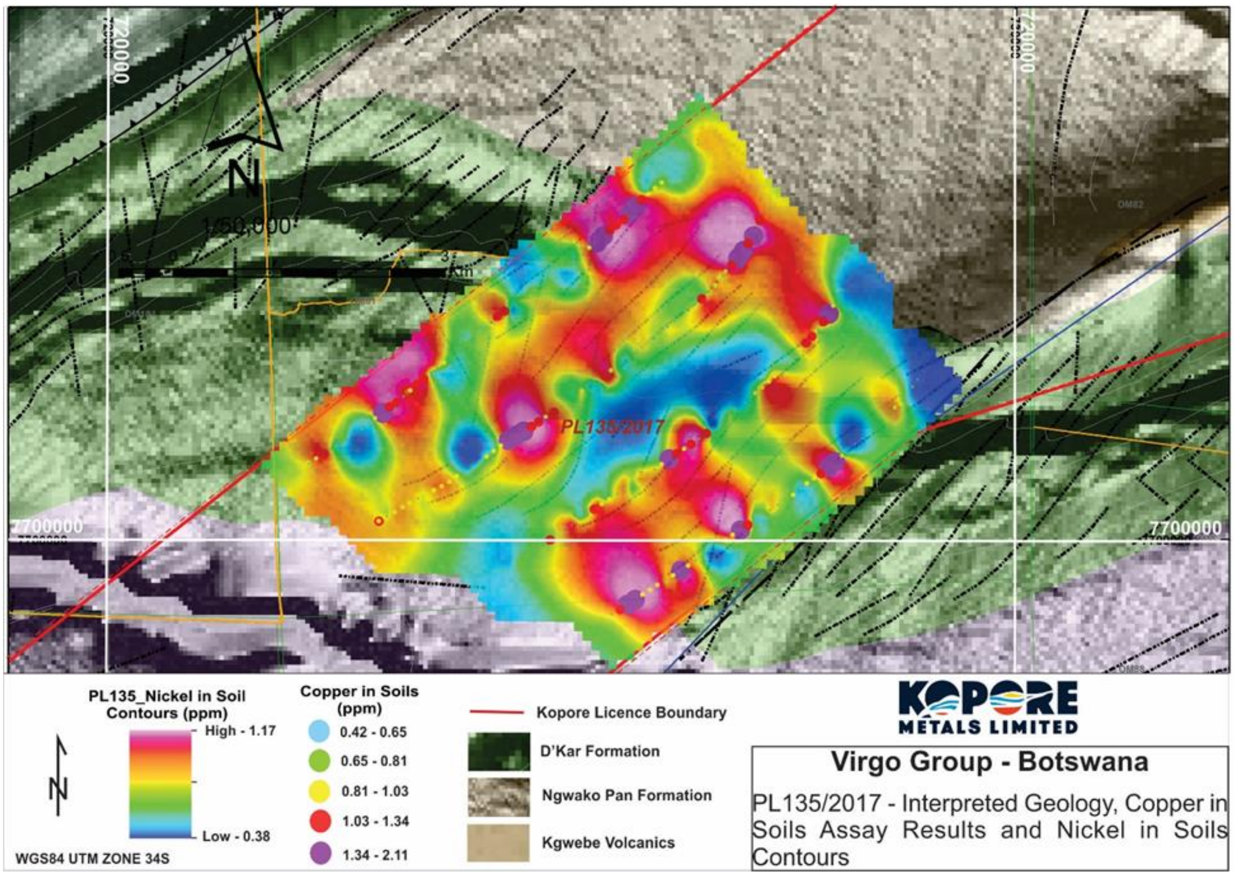

Figure 6 -PL135/2017 Virgo Group Copper and Nickel Soil Anomaly

KORONG CENTRAL DOMAL PROSPECT

The Korong Central Domal Prospect was identified in 2018, prompting the Company to initiate a diamond drilling program to intersect the targeted D'Kar/Ngwako Pan Formations contact position. This targeted contact position is known to host copper-silver mineralisation on the Kalahari Copper Belt as demonstrated by our regional neighbours, Cupric Canyon (US Private) and MOD Resources Limited (ASX: MOD). In addition to the intersection of this contact, associated pathfinder sulphides were identified in the D'Kar Formation above the contact position. Sulphide mineralisation comprising pyrite and pyrrhotite as fine disseminations were in abundance of sulphides within veins varying between an estimated 1% to 5% of vein volume.

Further geophysical and drilling campaigns have been planned for the December 2019 quarter and into 2020.

Figure 7 - KCD_DD001 – 247m to 254m - Red line indicates interpreted D'Kar / Ngwako Pan (footwall) Formations Geological Contact

EXPLORATION UPSIDE

The Company controls a significant tenement package across the Kalahari Copper Belt, with projects ranging from conceptual through to initial drilling with copper mineralisation identified. Our key targets have been separated into two distinct interpreted geological setting styles:

a. Subsurface ‘intact’ anticlinal domal structures, potentially analogous to the MOD Resources Limited T3 Copper Project.

b. Cupric Canyon style domal structures, where the top of the anticline has been eroded and any potential mineralisation will be located on the fold limbs.

The understanding of the prospectivity across the Company’s licences has significantly increased in the past six months, since receipt of the extensive database and in particular the Company’s initial aggressive exploration across the Ongava, Otjari and Omenye Domal Prospects.

This information has now provided further assistance in the evaluation and prioritisation of exploration programs in Botswana, highlighting a focus on the Kara and Virgo Domal Prospects.

REGIONAL TARGET GENERATION STUDY PROGRAM

The Company is actively and continually assessing the prospectivity of each of its targets and potential new copper mineralisation trap sites across our licences, in addition to further project consolidation and acquisition possibilities.

	EXPLORATION PROSPECT MATURITY						
	Concept	Field Survey	Geophysics Survey	Geochemical Survey	Drilled	Identified Cu Mineralisation	NEXT STEPS
BOTSWANA - ACCELERATED EXPLORATION AT THE KARA AND VIRGO DOMAL PROSPECTS							
Korong Domal Prospect	●	●	●	●	●		Geophysics review on the Korong Central Target. Pathfinder sulphides identified. Potential drilling program
Kara Domal Prospect	●	●	●	●	●		Planned airborne EM survey and ground NSMAT survey, drilling -pathfinder alternation and minerals intersected
Tau Domal Prospect	●	●		●			Planned ground geophysics survey
Virgo Domal Prospect	●	●	●	●			Current EMP approval awaiting, drilling program designed
Okwa Domal Prospect	●	●					Regional reconnaisance program designed
Senyetse Domal Prospect	●	●	●				Drilling program designed
NAMIBIA - DRILLING AT THE OTJARI AND ONGAVA DOMAL PROSPECTS							
Ongava Domal Prospect	●	●	●	●	●	●	Second phase drilling program planned, airborne EM program planned.
Otjari Domal Prospect	●	●	●	●			First phase diamond drilling program to commence, Ground NSAMT geophysical & airborne EM program planned.
Qembo Dome	●	●	●		●	●	Drilling program planned. Copper mineralisation open at depth and along strike
Omenye Domal Prospect	●	●	●	●	●		Drilling, ground NSAMT program planned.
Ondjou Domal Prospect	●	●	●				Ground NSAMT program planned.
Zambinda Dome Prospect	●	●	●			●	Drilling program planned. Copper mineralisation open at depth and along strike
Steenbok Dome Prospect	●	●	●	●			Drilling program planned.
Mokorro Dome Prospect	●	●	●	●			Drilling program planned.

DIRECTORS' REPORT

Your Directors present their report together with the financial statements of the Group, being the Company and its controlled entities, for the financial year ended 30 June 2019.

1. DIRECTORS

The names, qualifications, experience and special responsibilities of the Directors in office at any time during or since year-end are as follows:

- **PETER MEAGHER** Non-Executive Chairman

  B.Econ. B.Com. CPA

  Mr Meagher is an accountant, who has worked in corporate advisory roles in stockbroking and merchant banking and as a finance Director, in Australia and overseas. He has been a Director of listed companies over a long period, including listed resources companies involved in exploration for copper, gold and other metals.

  Directorships held in other listed entities:

  Former Non-Executive Chairman of Castillo Copper Ltd (ASX:CCZ) (February 2018 - June 2019)

- **SIMON JACKSON** Managing Director (Appointed 6 March 2019)

  B.Com., FCA

  Simon is a Chartered Accountant with over 25 years' experience in the mining sector. He has previously held senior management positions at Beadell Resources Limited, Orca Gold Limited and Red Back Mining Inc.

  Simon specializes in M&A, public equity markets management and corporate finance. His career has included corporate transactions in Canada, Australia, Africa and Indonesia and he holds a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants in Australia.

  Directorships held in other listed entities:

  Non-Executive Director of Cygnus Gold Limited (ASX:CY5) since November 2017, Sarama Resources Limited (TSXV:SWA) since March 2011 and Corizon Resources Limited (ASX:CZR) since January 2019. Simon is also former director of Orca Gold Inc.(TSXV:ORG) (April 2013 – May 2019), Beadell Resources Limited (ASX:BDR) (November 2015 – July 2018) and Cardinal Resources Limited (ASX:CDV) (September 2015 – October 2017).

- **GRANT FERGUSON** (Managing Director to 6 March 2019, Non-Executive Director from 6 March 2019)

  BSc (Geology), PGradDip (Mining and Mineral Exploration),

  Mr Ferguson is a geologist with over 24 years' experience in all aspects of gold and base metal operations including significant African and country experience. He has experience in exploration, scoping/pre-feasibility/feasibility studies, project development and mining operations with a range of public and private companies. His experience includes precious and base metals, bulk commodities (coal & iron ore) and renewable energy projects across Australia, Africa, Asia, North America, Europe, and the Middle East. Mr Ferguson is a Fellow of the Australian Institute of Geoscientists (AIG), Member of the Australian Institute of Mining and Metallurgy (AusIMM).

  Directorships held in other listed entities:

  None

- **SHANNON COATES** Non-Executive Director

  LLB, BJuris, GAICD, ACIS/ACSA

  Ms Coates holds a Bachelor of Laws from Murdoch University and has over 20 years' experience in corporate law and compliance. Ms Coates is an experienced non-executive Director and Chartered Secretary and is Managing Director of Perth based corporate advisory firm Evolution Corporate Services, which specialises in the provision of company secretarial and corporate advisory services to ASX listed companies.

  Directorships held in other listed entities:

  Non-Executive Director of Flinders Mines Limited (ASX:FMS) since June 2018 and Vmoto Limited (ASX:VMT) since May 2014.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

2. COMPANY SECRETARY

The following persons held the position of Company Secretary at any time during or since the end of the year ended 30 June 2019:

- **ANDREW METCALFE** (Appointed 1 December 2017; ceased 1 November 2018)

  Mr Metcalfe is Principal of Accosec & Associates. He has qualifications in finance and corporate governance. He has extensive experience in providing a complete range of compliance, financial and corporate governance services to many ASX listed Companies involved in exploration and mining activities.
- **SARAH WILSON** (Appointed 1 November 2018)

  Ms Wilson is a Corporate Advisor with Evolution Corporate Services Pty Ltd and has over 8 years' experience in company secretarial, corporate advisory and corporate governance roles, which have included the provision of company secretarial services to resource companies. Ms Wilson holds a Certificate in Governance Practice and is a Certified Member of the Governance Institute of Australia.
- **SHANNON COATES** (Appointed Joint Company Secretary 28 August 2019)

  See above.

3. DIRECTORS' MEETINGS

The number of Directors' meetings attended by each of the Directors of the Company who hold or held office during the financial year was:

	DIRECTORS' MEETINGS	
	Number eligible to attend	Number Attended
Peter Meagher	7	7
Grant Ferguson	7	7
Shannon Coates	7	7
Simon Jackson	5	5

As at the date of this report, the Company has not established Remuneration, Nomination, Audit or Risk Committees as the Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.

4. DIRECTORS' INTERESTS

The relevant interests of Directors in the shares and options of the Company up to the date of this report were as follows:

2019	Shares (Direct) No.	Shares (Indirect) No.	Options (Direct) No.	Options (Indirect) No.
Peter Meagher	-	2,000,000	-	4,000,000
Grant Ferguson	-	20,266,717	-	18,000,000
Shannon Coates	1	2,001,695	-	3,500,000
Simon Jackson *(appointed 6 March 2019)*	-	5,000,000	-	8,000,000
	1	29,268,412	-	33,500,000

5. PRINCIPAL ACTIVITIES

The principal activity of the Group during the course of the financial year was copper/base metals exploration.

6. OPERATING RESULTS

For the 2019 financial year the Group delivered a loss before tax of $3,253,172 (2018: $4,727,556 loss).

7. REVIEW OF OPERATIONS

During the year, the Group continued its exploration of the Kalahari Copper Belt prospecting licence portfolio. Refer to the detailed Operations Review on page 4 of the Annual Report.

DIRECTORS' REPORT

8. DIVIDENDS

The Directors have not paid an interim dividend nor do they recommend the payment of a final dividend.

9. FINANCIAL POSITION

The net assets of the Group have increased from 30 June 2018 by $142,696 to $1,622,233 at 30 June 2019 (2018: $1,479,537).

As at 30 June 2019, the Group's cash and cash equivalents increased from 30 June 2018 by $389,981 to $1,898,150 at 30 June 2019 (2018: $1,508,169) and had working capital of $1,468,014 (2018: $1,314,206), as noted in Note 9.

The Directors believe the Group is in a satisfactorily stable financial position to continue its current operations.

10. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Group during the year ended 30 June 2019.

11. EVENTS SUBSEQUENT TO REPORTING DATE

There were no subsequent events which occurred subsequent to the reporting date that are not covered in this Directors' Report or within the financial statements at Note 15.

12. LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely future developments in the operations of the Group are referred to in the Operations Review on page 4 of this Annual Report.

13. DIRECTORS' SHAREHOLDINGS, CONTRACTS AND BENEFITS

Since the end of the previous financial year no Director of the Company has received, or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts) by reason of a contract made by the Company with the Director or with a firm of which the Director is a member, or a Company in which the Director has a substantial financial interest, other than as disclosed in the remuneration report below.

DIRECTORS' REPORT

14. REMUNERATION REPORT (AUDITED)

The full Board currently fulfils the role of a Remuneration Committee in line with a Remuneration Committee Charter and in accordance with the Company's adopted remuneration policy.

14.1. Remuneration Policy

This policy governs the operations of the Remuneration Committee. The Committee shall review and reassess the policy at least annually and obtain the approval of the Board.

a. ***Executive Remuneration***

The Company's remuneration policy for Executive Directors and senior management is designed to promote superior performance and long-term commitment to the Company. Executive Directors receive a base remuneration which is market related, and may be entitled to performance-based remuneration at the ultimate discretion of the Board.

Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the interests of the Company and shareholders to do so.

Executive Directors' remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance, relevant comparative information and expert advice.

The Committee's reward policy reflects its obligation to align Executive Directors' remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Company. The main principles of the policy are:

(i) reward reflects the competitive market in which the Company operates;

(ii) individual reward should be linked to performance criteria; and

(iii) Executive Directors should be rewarded for both financial and non-financial performance.

The total remuneration of executives and other senior managers consists of the following:

(i) **salary** - Executive Directors and senior managers receive a sum payable monthly in cash;

(ii) **bonus** - Executive Directors and nominated senior managers are eligible to participate in a bonus or profit participation plan if deemed appropriate;

(iii) **long term incentives** - Executive Directors may participate in share option schemes with the prior approval of shareholders. Executives may also participate in employee share option schemes, with any option issues generally being made in accordance with thresholds set in plans approved by shareholders. The Board however, considers it appropriate to retain the flexibility to issue options to executives outside of approved employee option plans in exceptional circumstances; and

(iv) **other benefits** - Executive Directors and senior managers are eligible to participate in superannuation schemes and other appropriate additional benefits.

Remuneration of other executives consists of the following:

(i) **salary** - senior executives receive a sum payable monthly in cash;

(ii) **bonus** - each executive is eligible to participate in a bonus or profit participation plan if deemed appropriate;

(iii) **long term incentives** - each senior executive may, where appropriate, participate in share option schemes which have been approved by shareholders; and

(iv) **other benefits** – senior executives are eligible to participate in superannuation schemes and other appropriate additional benefits.

b. ***Non-Executive Remuneration***

Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The full Board recommends the actual payments to Directors and the Board is responsible for ratifying any recommendations, if appropriate. The maximum aggregate remuneration approved for Non-Executive Directors is currently $300,000.

It is recognised that Non-Executive Directors' remuneration is ideally structured to exclude equity-based remuneration. However, whilst the Company remains small and the full Board, including the Non-Executive Directors, are included in the operations of the Company more closely than may be the case with larger companies, the Non-Executive Directors are entitled to participate in equity-based remuneration schemes subject to shareholder approval.

All Directors are entitled to have their indemnity insurance paid by the Company.

DIRECTORS' REPORT

14. REMUNERATION REPORT (AUDITED) (CONTINUED)

14.1. Remuneration Policy (Continued)

c. ***Bonus or Profit Participation Plan***

Performance incentives may be offered to Executive Directors and senior management of the Company through the operation of a bonus or profit participation plan at the ultimate discretion of the Board.

d. ***Voting and comments made at the Company's 2018 Annual General Meeting ("AGM")***

At the 2018 AGM, 93.2% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2018. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

e. ***Additional information***

The loss of the Group for the three years to 30 June 2019 are summarised below:

	2019 $	2018 $	2017* $
Sales revenue	-	-	-
EBITDA	(3,247,631)	(4,725,945)	(131,696)
EBIT	(3,247,631)	(4,725,945)	(131,696)
Loss after income tax	(3,253,172)	(4,727,556)	(131,696)

The factors that are considered to affect total shareholders return (**TSR**) are summarised below:

	2019	2018*	2017*
Share price at financial year end ($)	0.009	0.03	N/A
Total dividends declared (cents per share)	-	-	-
Basic loss per share (cents per share)	(0.6)	1.7	N/A

* 30 June 2017 financial information is that of Global Exploration Technologies Pty Ltd as a result of the reverse acquisition accounting. The years prior to 30 June 2018 are deemed not to be relevant for comparison as the reverse acquisition occurred during the year ended 30 June 2018 and therefore the Group was engaged in a different scope of business operations prior to this.

14.2. Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the key management personnel (**KMP**) of the Company for the year ended 30 June 2019 are set out in the following tables.

2019 *Group KMP*	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other		Equity / Perf. Rights	Options	
	$	$	$	$	$	$	$	$	$	$
Peter Meagher	54,795	-	-	-	5,205	-	-	-	44,010	104,010
Simon Jackson[1]	60,000	-	-	-	5,700	-	-	-	2,491	68,191
Grant Ferguson	224,000	-	-	-	-	-	-	-	32,846	256,846
Shannon Coates[2]	30,000	-	-	-	-	-	-	-	22,006	52,006
	368,795	-	-	-	10,905	-	-	-	101,353	481,053

1. Appointed 6 March 2019. Mr Jackson received $61,875 in consultancy fee prior to his appointment as the Managing Director.
2. Evolution Corporate Services Pty Ltd, an entity related to Ms Coates, received $38,903 in fees relating to company secretarial services for the year ended 30 June 2019. (2018: $40,000)

DIRECTORS' REPORT

14. REMUNERATION REPORT (AUDITED) (CONTINUED)

14.2. Details of remuneration (Continued)

2018 Group KMP	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other		Equity / Perf. Rights	Options	
	$	$	$	$	$	$	$	$	$	$
Peter Meagher[1]	19,726	-	-	-	1,874	-	-	-	-	21,600
Grant Ferguson[2]	189,960	-	-	-	-	-	-	244,500	-	434,460
Shannon Coates	30,000	-	-	-	-	-	-	22,500	-	52,500
Tim Goldsmith[3]	20,000	-	-	-	-	-	-	93,000	-	113,000
Winton Willesee[4]	41,333	-	-	-	-	-	-	22,500	-	63,833
Erlyn Dale[4]	10,667	-	-	-	-	-	-	-	-	10,667
	311,686	-	-	-	1,874	-	-	382,500	-	696,060

1. Appointed 2 March 2018.
2. Appointed 8 November 2017 – equity issued in relation to Kopore Metals Limited completing the acquisition of Global Exploration Technologies Pty Ltd on 8 November 2017.
3. Appointed 8 November 2017, resigned 2 March 2018.
4. Resigned 8 November 2017.

14.3. The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		Short-term Incentive		Long-term Incentive	
	2019	2018	2019	2018	2019	2018
Peter Meagher	58%	100%	-	-	42%	-
Simon Jackson	96%	-	-	-	4%	-
Grant Ferguson	87%	44%	-	-	13%	56%
Shannon Coates	58%	57%	-	-	42%	43%
Tim Goldsmith	-	18%	-	-	-	82%
Winton Willesee	-	65%	-	-	-	35%
Erlyn Dale	-	100%	-	-	-	-

14.4. Equity instruments disclosure relating to KMP

a. ***Shareholdings***

Number of shares held by Parent Entity Directors and other KMP of the Group, including their personally related parties, are set out below:

2019	Balance at start of year No.	Balance on Appointment / (Resignation) No.	Received during the year as compensation No.	Received during the year on the exercise of options No.	Other changes during the year No[1]	Balance at end of year No.
Peter Meagher	1,000,000	-	-	-	-	1,000,000
Simon Jackson[2]	-	-	-	-	-	-
Shannon Coates	1,001,696	-	-	-	-	1,001,696
Grant Ferguson	19,466,717	-	-	-	-	19,466,717
	21,468,413	-	-	-	-	21,468,413

1. Other changes during the year represent shares acquired on market
2. Appointed 6 March 2019

DIRECTORS' REPORT

14. REMUNERATION REPORT (AUDITED) (CONTINUED)

14.4. Equity instruments disclosure relating to KMP (Continued)

b. ***Option holdings***

The number of options over ordinary shares in the Company held during the financial year by each Director and other members of KMP of the Group, including their personally related parties, is set out below:

2019	Balance at start of year No.	Granted as Compensation No.	Options Exercised/ lapsed No.	Net Change Other No.	Balance on Appointment No.	Balance on Resignation No.	Balance at end of year No.	Total Exercisable No.	Total at end of year No.
Peter Meagher	-	4,000,000	-	-	-	-	4,000,000	4,000,000	4,000,000
Simon Jackson	-	8,000,000	-	-	-	-	8,000,000	-	8,000,000
Shannon Coates	1,500,000	2,000,000	-	-	-	-	3,500,000	3,500,000	3,500,000
Grant Ferguson	10,000,000	8,000,000	-	-	-	-	18,000,000	10,000,000	18,000,000
	11,500,000	22,000,000	-	-	-	-	33,500,000	17,500,000	33,500,000

14.5. Other transactions with KMP and their related parties

a. ***Receivable from and payable to related parties are as follows:***

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	30 June 2019 $	30 June 2018 $
Director's fee payable to The Steele Group[1]	-	20,625

[1] Grant Ferguson is a Director of The Steele Group which has a Contract Services Agreement with the Company.

b. ***Loans to / from KMP***

There were no loans with KMP or their related parties. (2018:Nil)

c. ***Transactions with Related Parties of KMP***

For details of other transactions with KMP, refer Note 17.

14.6. Options issued as part of remuneration

During the year, 22,000,000 options were granted to KMP of the Company as remuneration (2018: 18,000,000).

2019 KMP	Number Options Granted During the Year	Grant Date	Fair Value per Option	Exercise Price per Option	Expiry Date	Number Options Vested During the Year
Peter Meagher	4,000,000	19-11-2018	$0.011	$0.045	7-12-2023	4,000,000
Simon Jackson	8,000,000	29-05-2019	$0.0058	$0.036	29-5-2024	-
Shannon Coates	2,000,000	19-11-2018	$0.011	$0.045	7-12-2023	2,000,000
Grant Ferguson	8,000,000	19-11-2018	$0.011	$0.045	7-12-2023	-

DIRECTORS' REPORT

14. REMUNERATION REPORT (AUDITED) (CONTINUED)

14.7. Shares issued as part of remuneration

During the year, no shares were granted to KMP of the Company as remuneration.

14.8. Service contracts of KMP

The KMP terms are formalised in service agreements, a summary of which is set out below.

Name	Contract Duration	Termination Notice period by Company	Termination Notice period by Executive
Grant Ferguson	On going	one month	one month
Simon Jackson *(appointed 6 March 2019)*	On going	six months	six months

Non-Executive Directors

All Non-Executive Directors were appointed by a letter of appointment.

END OF REMUNERATION REPORT

DIRECTORS' REPORT

15. INDEMNIFYING OFFICERS

In accordance with the Constitution, except as may be prohibited by the Corporations Act 2001, every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him/her in his/her capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

The Company has entered into Deeds of Indemnity and Access with each of its Directors. Pursuant to the Deeds, the Company will indemnify each Director to the extent permitted by the Corporations Act against any liability arising as a result of the Director acting as an officer of the Company. The Company will be required under the Deeds to maintain insurance policies for the benefit of the relevant Director for the term of the appointment and for a period of 7 years after the relevant Director's retirement or resignation.

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company secretary and all executive officers of the Company and of any related body corporate against a liability incurred as such a Director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of any liability and the amount of the premium.

16. SHARES

As at the date of this report, there are 642,576,400 fully paid ordinary shares on issue.

17. OPTIONS

At the date of this report, there are 110,000,000 unissued ordinary shares of the Company under option as follows:

Unlisted options	Date of Expiry	Exercise Price	Number
Unlisted Options	19 November 2019	$0.0363	30,000,000
Unlisted Options	8 November 2020	$0.06	55,000,000
Unlisted Options	7 December 2023	$0.045	14,000,000
Unlisted Options	19 November 2023	$0.045	3,000,000
Unlisted Options	29 May 2024	$0.036	8,000,000

During the financial year to 30 June 2019, the following Options lapsed unexercised:

- 7,500 Class R options exercisable at $7.60 each on or before 9 March 2019.

Option holders do not have any rights to participate in new issues of shares or other interests in the Company or any other entity.

18. INDEMNITY AND INSURANCE OF AUDITOR

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

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

DIRECTORS' REPORT

19. ENVIRONMENTAL REGULATION

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work. The Directors of the Group are not aware of any breach of environmental regulations for the year under review.

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. For the first measurement period, the Directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

20. NON-AUDIT SERVICES

During the year, RSM Australia Partners, the Company's auditor, provided taxation compliance and independent expert services, in addition to their statutory audits. Details of remuneration paid to the auditor can be found within the financial statements at Note 18.

In the event that non-audit services are provided by RSM Australia Partners, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the *Corporations Act 2001* (Cth). These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

21. PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

22. AUDITORS INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under s.307C of the *Corporations Act 2001* (Cth) is set out on page 22.

23. AUDITORS

The auditor, RSM Australia Partners continues in accordance with s.327 of the *Corporations Act 2001* (Cth).

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of Directors made pursuant to s.298(2)(a) of the *Corporations Act 2001* (Cth).

Peter Meagher
Non-Executive Chairman
Dated this Wednesday, 25 September 2019

RSM

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

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

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

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

RSM

RSM AUSTRALIA PARTNERS

AWhyte

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 25 September 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
Other income	1	35,313	15,234
Administration expense		(84,218)	(15,937)
Compliance and regulatory		(214,435)	(183,076)
Consulting and legal		(359,086)	(144,741)
Depreciation and amortisation	2.1	(5,541)	(1,611)
Employee benefit expense		(495,978)	(223,560)
Exploration expense		(1,734,651)	(1,232,844)
Travel and accommodation		(154,566)	(54,555)
Share based payments	20	(101,354)	-
Other expenses		(139,584)	(52,345)
Other financial fees		-	(3,121)
Unrealised loss on foreign exchange		928	5,967
Non-recurring items relating to acquisition	12	-	(2,836,967)
Loss before income tax		(3,253,172)	(4,727,556)
Income tax expense		-	-
Loss for the year		(3,253,172)	(4,727,556)
Other comprehensive income for the year:			
Items that may be reclassified subsequently to profit or loss:			
▪ Exchange differences on translation of foreign operations		(59,515)	(1,866)
Other comprehensive income for the year, net of tax		(59,515)	(1,866)
Total comprehensive loss for the year		(3,312,687)	(4,729,422)
Total Comprehensive Loss is attributable to:			
Equity holders of the Company		(3,312,687)	(4,729,422)
Non-Controlling Interest		-	-
		(3,312,687)	(4,729,422)
Earnings per share:		¢	¢
Basic loss per share	19	(0.59)	(1.70)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 $	2018 $
Current assets			
Cash and cash equivalents	5.1	1,898,150	1,508,169
Other receivables	5.2	26,212	105,964
Other current assets	5.3	24,010	28,564
Total current assets		1,948,372	1,642,697
Non-current assets			
Plant and equipment	6.1	21,071	30,824
Mineral exploration and evaluation assets	6.2	109,138	105,943
Total non-current assets		130,209	136,767
Total assets		2,078,581	1,779,464
Current liabilities			
Trade and other payables	5.4	456,348	299,927
Total current liabilities		456,348	299,927
Total liabilities		456,348	299,927
Net assets		1,622,233	1,479,537
Equity			
Contributed equity	7.1.1	8,976,274	5,755,416
Reserves	7.4	998,144	823,134
Accumulated losses		(8,352,185)	(5,125,938)
Capital and reserves attributable to owners of Kopore Metals Limited		1,622,233	1,452,612
Non-controlling interest		-	26,925
Total equity		1,622,233	1,479,537

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

		Contributed equity $	Reserve $	Accumulated Losses $	Sub-total $	Non Controlling Interest $	Total Equity $
Balance at 1 July 2017		120,646	(258,621)	(139,761)	(277,736)	-	(277,736)
					-	-	-
Loss for the year		-	-	(4,727,556)	(4,727,556)	-	(4,727,556)
Other comprehensive loss for the year		-	(1,866)	-	(1,866)	-	(1,866)
Total comprehensive loss for the year		-	(1,866)	(4,727,556)	(4,729,422)	-	(4,729,422)
Transactions with owners in their capacity as owners:							
Contributions of equity, net of transaction costs	7.1.1	5,634,770	-	-	5,634,770	26,925	5,661,695
Share-based payments – Directors' and advisors' options	20	-	825,000	-	825,000	-	825,000
Cancellation of shares bought back		-	258,621	(258,621)	-	-	-
Balance at 30 June 2018		5,755,416	823,134	(5,125,938)	1,452,612	26,925	1,479,537
Balance at 1 July 2018		5,755,416	823,134	(5,125,938)	1,452,612	26,925	1,479,537
Loss for the year		-	-	(3,253,172)	(3,253,172)	-	(3,253,172)
Other comprehensive loss for the year		-	(59,515)	-	(59,515)	-	(59,515)
Total comprehensive loss for the year		-	(59,515)	(3,253,172)	(3,312,687)	-	(3,312,687)
Transactions with owners in their capacity as owners:							
Transfer for non-controlling interest of disposal of subsidiaries		-	-	26,925	26,925	(26,925)	-
Contributions of equity, net of transaction costs	7.1.1	3,220,858	-	-	3,220,858	-	3,220,858
Share-based payments – Directors' and advisors' options	20	-	234,525	-	234,525	-	234,525
Balance at 30 June 2019		8,976,274	998,144	(8,352,185)	1,622,233	-	1,622,233

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 $	2018 $
Cash flow from operating activities			
Payments to suppliers & employees		(1,397,813)	(807,732)
Interest received		34,017	15,234
Payments for exploration expenditure		(1,635,602)	(1,033,062)
Net cash outflow from operating activities	5.1.2a	(2,999,398)	(1,825,560)
Cash flow from investing activities:			
Purchase of property, plant, equipment		-	(31,967)
Cash obtained from acquisition of subsidiary		-	319,690
Net cash inflow from investing activities		-	287,723
Cash flow from financing activities:			
Proceeds from issue of shares		3,660,000	3,475,084
Cost of capital raising		(270,621)	(229,096)
Proceeds from borrowings		-	41,893
Repayments of borrowings		-	(251,661)
Net cash inflow from financing activities		3,389,379	3,036,220
Net increase in cash held		389,981	1,498,383
Effect of foreign exchange movement on cash		-	9,342
Cash and cash equivalents at the beginning of the year		1,508,169	444
Cash and cash equivalents at the end of year	5.1	1,898,150	1,508,169

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

In preparing the 2019 financial statements, Kopore Metals Limited has grouped notes into sections under five key categories:

Significant accounting policies specific to each note are included within that note. Accounting policies that are determined to be non-significant are not included in the financial statements.

The presentation of the notes to the financial statements has changed from the prior year and is supported by the IASB's Disclosure Initiative. As part of this project, the AASB made amendments to AASB 101 Presentation of Financial Statements which have provided preparers with more flexibility in presenting the information in their financial reports.

The financial report is presented in Australian dollars, except where otherwise stated.

The registered office and principle of business of the Company is:

Address:	Suite 5, 62 Ord Street
	WEST PERTH WA 6005
Telephone:	+61 (0)8 9322 1587
Facsimile:	*+61 (0)8 9322 5230*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

SECTION A. HOW THE NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the Directors consider most relevant in the context of the operations of the entity, including:

(a) accounting policies that are relevant for an understanding of the items recognised in the financial statements. These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction

(b) analysis and sub-totals, including segment information

(c) information about estimates and judgements made in relation to particular items.

NOTE 1 REVENUE AND OTHER INCOME		2019 $	2018 $
1.1	**From continuing operations:**		
	Interest – unrelated parties	34,017	15,234
	Other income	1,296	-
	Total revenue and other income	35,313	15,234

1.1.1 *Accounting Policy*

a. *Interest revenue*

Interest revenue is recognised in accordance with Note 3.1 Finance income and expenses.

b. *Other income*

Other income is recognised when the Group obtains control over the funds, which is at the time of receipt.

All revenue is stated net of the amount of GST (Note 23.3 Goods and Services Tax (GST)).

NOTE 2 LOSS BEFORE INCOME TAX		2019 $	2018 $
Loss before income tax has been determined after including the following expenses:			
2.1	**Depreciation and amortisation:**		
	Depreciation and amortisation of plant and equipment	5,541	1,611

2.1.1 *Accounting Policy*

a. *Wages and salaries, annual leave and sick leave*

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

b. *Retirement benefit obligations: Defined contribution superannuation funds*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

c. *Long service leave*

Any liability for employee benefits relating to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the reporting date.

NOTE 2 LOSS BEFORE INCOME TAX (CONT.)

d. *Equity-settled compensation*

The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, considering the terms and conditions upon which the options were granted. The amount recognised is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to market conditions not being met.

NOTE 3 OTHER SIGNIFICANT ACCOUNTING POLICIES RELATED TO ITEMS OF PROFIT AND LOSS

3.1 Finance income and expenses

Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest revenue is recognised on a time proportionate basis that considers the effective yield on the financial asset.

Financial expenses comprise interest expense on borrowings calculated using the effective interest method, unwinding of discounts on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method

NOTE 4 INCOME TAX

		2019 $	2018 $
4.1	**The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:**		
	Loss before income tax	(3,253,172)	(4,727,556)
	Prima facie tax payable on loss from ordinary activities before income tax at 30% (2018: 27.5%)	(975,952)	(1,300,078)
	Capital-raising costs deductible	(52,340)	-
	Non-deductible expenses	580,931	738,916
	Share based payments	40,201	-
	Deferred tax asset not brought to account	407,160	561,162
	Income tax expense	-	-
4.2	**Deferred tax liability**		
	Exploration and evaluation expenditure – Australia Mining Properties	-	-
	Temporary differences – Australia	-	-
		-	-
	Off-set of deferred tax assets	-	-
	Net deferred tax liability recognised	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 4 INCOME TAX (CONT.)	2019 $	2018 $
4.3 Unrecognised deferred tax assets arising on timing		
Tax Losses	2,798,145	2,192,988
Temporary Differences	137,571	99,665
Capital losses	1,640,850	1,504,113
	4,576,566	3,796,766
Off-set of deferred tax liabilities	-	-
Net deferred tax assets unrecognised	4,576,566	3,796,766

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

The Group has tax losses of $8,380,297 (2018: $7,974,503) that have the ability to be carried forward indefinitely for offset against future taxable profits of the Group. The recoupment of available tax losses as at 30 June 2019 are contingent upon the Group satisfying the following conditions:

- deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
- the conditions for deductibility imposed by tax legislation continuing to be complied with and the company meeting either its continuity of ownership test or in the absence of satisfying that test the company can satisfy the same business test; and
- there being no changes in tax legislation which would adversely affect the Group from realising the benefits from the losses.

In the event that the Group fails to satisfy these conditions above or the Commissioner of Taxation challenges the Group's ability to utilise its losses, the Group may be liable for future income tax on assessable income derived by the Company.

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of Directors. These estimates consider both the financial performance and position of the Company as they pertain to current income taxation legislation, and the Directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that Directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

4.4 Accounting Policy

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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

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

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

NOTE 5 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

5.1 Cash and cash equivalents

	2019 $	2018 $
Cash at bank and on hand	1,378,150	1,508,169
Bank term deposits	520,000	-
	1,898,150	1,508,169

Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flow is reconciled to items in the consolidated statement of financial position as follows:

	2019 $	2018 $
Cash and cash equivalents	1,898,150	1,508,169

5.1.1 The Group's exposure to interest rate risk is discussed in Note 8.2.4.

5.1.2 *Cash Flow Information*

a. Reconciliation of cash flow from operations to loss after income tax

	2019 $	2018 $
Operating loss after income tax	(3,253,172)	(4,727,556)
Add / (less) non-cash items:		
Depreciation	5,541	1,611
Non-recurring items relating to acquisition	-	2,686,967
Share-based payments	134,004	-
Foreign exchange differences (unrealised)	(55,303)	(5,967)
Changes in assets and liabilities		
Other receivables	84,306	(134,528)
Trade and other payables	88,421	353,913
Mineral exploration and evaluation assets	(3,195)	-
Net Cash Flow used in Operating Activities	(2,999,398)	(1,825,560)

b. Non-cash financing and investing activities

2019

- 30,000,000 options issued as capital raising fee.

2018

- 1,625,000 shares issued as acquisition costs for exploration licenses.
- 7,500,000 shares and 35,000,000 options issued as capital raising fee.

5.1.3 *Accounting Policy*

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 5 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT.)

5.2 Other receivables

	2019 $	2018 $
5.2.1 Current		
GST refundable	26,212	105,964
	26,212	105,964

5.2.2 The Group's financial instruments consist mainly of deposits with banks, accounts receivables and payables and loans to subsidiaries. Risk exposure arising from current receivables is set out in Note 8.

Due to the short-term nature of the current receivables, their carrying amount is assumed to approximate their fair value.

5.2.3 The Group did not recognise any losses in profit or loss in respect of the expected credit losses for the year ended 30 June 2019.

5.2.4 *Accounting Policy*

Other receivables are generally due for settlement within periods ranging from 15 days to 30 days. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Allowance for expected credit losses of receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

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

5.3 Other Assets

	2019 $	2018 $
5.3.1 Current:		
Prepayments	24,010	28,564
	24,010	28,564

NOTE 5 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT.)

5.4 Trade and other payables

	2019 $	2018 $
5.4.1 *Current:*		
Unsecured		
Trade payables	192,577	257,195
Other payables and accruals	195,771	42,732
Share application monies received in advance	68,000	-
Total unsecured liabilities	456,348	299,927

5.4.2 *Accounting Policy*

Trade payables are non-interest bearing and are normally settled on 30-day terms.

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. Trade creditors and other payables are presented as current liabilities unless payment is not due within 12 months.

Trade and other payables are classified as financial liabilities. Financial liabilities are measured at amortised cost using the effective interest method.

5.5 Other Significant Accounting Policies related to Financial Assets and Liabilities

5.5.1 ***Investments and other financial assets***

a. **Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (**FVOCI**).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b. **Recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c. **Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (**FVPL**), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 5 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT.)

5.5 Other Significant Accounting Policies related to Financial Assets and Liabilities (cont.)

i. ***Debt instruments***

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost*: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- *FVOCI*: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- *FVPL*: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

ii. **Equity instruments**

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

d. **Impairment**

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

NOTE 6 NON-FINANCIAL ASSETS AND FINANCIAL LIABILITIES

6.1 Plant and equipment	2019 $	2018 $
6.1.1 Non-current:		
Furniture, fittings and equipment at cost	594	434
Less accumulated depreciation	(309)	(45)
	285	389
Computer equipment at cost	-	5,109
Less accumulated depreciation	-	(145)
	-	4,964

NOTE 6 NON-FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT.)

6.1 Plant and equipment (cont.)

	2019 $	2018 $
6.1.1 Non-current: (cont.)		
Motor vehicles at cost	27,775	26,858
Less accumulated depreciation	(6,989)	(1,387)
	20,786	25,471
	21,071	30,824

6.1.2 *Accounting Policy*

a. Recognition and measurement

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

b. Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

c. Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their cost or re-valued amounts, net of their residual values, over their estimated useful lives, as follows:

- Furniture, fittings and equipment 5 years
- Computer equipment 3 years
- Motor vehicles 5 years

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

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

d. Derecognition and disposal

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 6 NON-FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT.)

6.2 Mineral Exploration and Evaluation Assets

	2019 $	2018 $
6.2.1 *Non-current:*		
Balance at the beginning of the year	105,943	13,429
Expenditure during the year	-	92,514
Foreign exchange movements	3,195	-
Balance at the end of the financial year	109,138	105,943

6.2.2 Recoverability of the carrying amount of exploration assets is dependent on the successful exploration of the areas of interest.

6.2.3 *Key Estimate – Impairment*

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets and in particular exploration assets. Where an impairment trigger exists, the recoverable amount of the asset is determined and is dependent upon the ability of the Group to successfully continue exploration of all areas of interest and satisfy the requirements under AASB 6.

Specifically, the Company has reviewed its exploration tenements with regard to AASB 6 and have determined that:

- the period for which the Group has the right to explore in the exploration tenements has not expired during the period or will not expire in the near future, and is expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the exploration tenements is planned;
- exploration will be ongoing for some time and as such it is far too early to state that a discovery of commercially viable quantities of mineral resources has not occurred; and
- as the exploration is still ongoing, there is no sufficient data to conclude that the carrying amount of the exploration and evaluation asset is unlikely to be recovered.

6.2.4 *Key Judgments – Exploration and evaluation expenditure*

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at reporting date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated below. The carrying value of capitalised expenditure at reporting date is $109,138 (2018: $105,943).

During the financial year, the Group undertook assessment of its tenement assets. As a result of this assessment, the Group decided that no impairment of its exploration assets was necessary.

6.2.5 *Accounting Policy*

a. Exploration and evaluation expenditure

Exploration and evaluation project acquisition costs incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Ongoing exploration and evaluation expenditures are expensed as incurred.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

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

b. Impairment of exploration and evaluation assets

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively sale, of the respective area of interest.

NOTE 6 NON-FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT.)

6.3 Other Significant Accounting Policies related to Non-Financial Assets and Liabilities

6.3.1 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

NOTE 7 EQUITY

7.1 Issued capital	Note	2019 No.	2018 No.	2019 $	2018 $
Fully paid ordinary shares at no par value	7.1.1	634,776,400	435,776,400	8,976,274	5,755,416

7.1.1 *Ordinary shares*	2019 No.	2018 No.	2019 $	2018 $
At the beginning of the year	435,776,400	61,000	5,755,416	120,646
Shares issued during the year:				
GET capital raising @ $8.04	-	59,090	-	475,084
Issued for repayment of borrowings as part of the GET capital raising @ $8.04	-	3,110	-	25,004
Elimination of existing GET shares	-	(123,200)	-	-
Kopore shares on acquisition	-	135,401,400	-	-
Issue for acquisition of subsidiary	-	137,500,000	-	2,708,028
Placement @ $0.02 per share	-	150,000,000	-	3,000,000
Issued to Directors	-	3,750,000	-	112,500
Issued to advisors	-	7,500,000	-	225,000
Issued as consideration for Virgo licences	-	1,625,000	-	68,250
Placement @ $0.025 per share	106,800,000	-	2,670,000	-
Placement @ $0.01 per share	92,200,000	-	922,000	-
Transaction costs relating to share issues:				
Share-based payments (Shares)	-	-	-	(225,000)
Share-based payments (Options)	-	-	(100,521)	(525,000)
Share issue costs – Cash-based	-	-	(270,621)	(229,096)
At end of the year	634,776,400	435,776,400	8,976,274	5,755,416

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 7 EQUITY (CONT.)

7.1.2 *Terms and Conditions*

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called otherwise each shareholder has one vote on a show of hands.

7.1.3 *Accounting Policy*

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

7.2 Options

For information relating to the share-based payment plan, including details of options issued and/or lapsed during the financial year, and the options outstanding at balance date, refer to Note 20 Share-based Payments. The total number of options on issue are as follows:

	Note	2019 No.	2018 No.	2019 $	2018 $
7.2.1 *Unlisted options*					
At the beginning of the year		55,029,250	-	825,000	-
Options issued during the year:					
• Kopore options on acquisition		-	63,750	-	-
• Issued to Directors and advisors – Ex. Date: 8.11.20 Ex. Price: $0.06		-	55,000,000	-	825,000
• Expired unexercised – Ex. Date: 17.11.17 Ex. Price $7.44		-	(34,500)	-	-
• Issued to Broker – Ex. Date: 19.11.19 Ex. Price: $0.0363	20.1.2	30,000,000	-	100,521	-
• Issued to Directors – Ex. Date: 7.12.23 Ex. Price: $0.045	20.1.1	14,000,000	-	98,862	-
• Issued to Consultants – Ex. Date: 19.11.23 Ex. Price: 0.045	20.1.1	3,000,000	-	32,650	-
• Issued to Directors – Ex. Date: 29.05.24 Ex. Price: $0.036	20.1.1	8,000,000	-	2,491	-
• Expired unexercised – Ex. Date: 16.07.18 Ex. Price: $2.92		(21,750)	-	-	-
• Expired unexercised –Ex. Date: 9.03.19 Ex. Price: $7.60		(7,500)	-	-	-
At end of the year		110,000,000	55,029,250	1,059,524	825,000

7.3 Non-Controlling Interests

Management have assessed that the Fair Value of non-controlling interests is not materially different to the carrying amount.

NOTE 7 EQUITY (CONT.)

7.4 Reserves

	Note	2019 $	2018 $
Foreign currency translation reserve	7.4.1	(61,381)	(1,866)
Share-based payment reserve	7.4.2	1,059,525	825,000
		998,144	823,134

7.4.1 *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.

	2019 $	2018 $
Balance at beginning of the year	(1,866)	-
Change in reserve	(59,515)	(1,866)
Balance at end of the year	(61,381)	(1,866)

7.4.2 *Share-based payment reserve (formerly Option reserve)*

The share-based payment reserve records the value of options issued to Directors, employees or consultants.

	2019 $	2018 $
Balance at beginning of the year	825,000	-
Options issued	234,525	825,000
Balance at end of the year	1,059,525	825,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

SECTION B. RISK

This section of the notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.

NOTE 8 FINANCIAL RISK MANAGEMENT

8.1 Financial Risk Management Policies

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivables and payables, loans to subsidiaries. The Group does not speculate in the trading of derivative instruments.

Risk management has focused on limiting liabilities to a level which could be extinguished by sale of assets if necessary.

The Group's activities expose it to a variety of financial risks; market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group is engaged in mineral exploration and evaluation, and does not currently sell product and derives only limited revenue from interest earned.

Risk management is carried out by the Board as a whole and no formal risk management policy has been adopted but is in the process of development.

The Group holds the following financial instruments:	2019 $	2018 $
Financial assets		
- Cash and cash equivalents	1,898,150	1,508,169
- Other receivables	26,212	105,964
	1,924,362	1,614,133
Financial liabilities		
- Trade and other payables	456,348	299,927
	456,348	299,927
Net financial instruments	1,468,014	1,314,206

8.2 Specific Financial Risk Exposures and Management

8.2.1 *Market risk*

a. Foreign exchange risk

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the Group being Namibian dollar and Botswana Pula. Currently there are no foreign exchange programs in place. The Group treasury function manages the purchase of foreign currency to meet operational requirements. The impact of reasonably possible changes in foreign exchange rates for the Group has the potential to be material. The Group monitors this risk on a regular basis.

b. Price risk

The Group is not exposed to securities price risk on investments held for trading or for medium to longer term as no such investments are currently held.

8.2.2 *Credit risk*

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single receivable or group of receivables.

The Group applies simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables and contract assets.

Credit risk related to balances with banks and other financial institutions is managed by the Directors in accordance with approved Company policy.

NOTE 8 FINANCIAL RISK MANAGEMENT (CONT.)

8.2 Specific Financial Risk Exposures and Management (cont.)

8.2.3 *Liquidity risk*

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. The objective of the Group is to maintain sufficient liquidity to meet commitments under normal and stressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the lack of material revenue, the Group aims at maintaining flexibility in funding by maintaining adequate reserves of liquidity.

The Group did not have access to any undrawn borrowing facilities at the reporting date.

All liabilities are current and will be repaid in normal trading terms.

a. *Contractual Maturities*

The following are the contractual maturities of financial assets and liabilities of the Group:

	Within 1 Year		Greater Than 1 Year		Total	
	2019 $	2018 $	2019 $	2018 $	2019 $	2018 $
Financial liabilities due for payment						
Trade and other payables	456,348	299,927	-	-	456,348	299,927
Total contractual outflows	456,348	299,927	-	-	456,348	299,927
Financial assets						
Cash and cash equivalents	1,898,150	1,508,169	-	-	1,898,150	1,508,169
Other receivables	26,212	105,964	-	-	26,212	105,964
Total anticipated inflows	1,924,362	1,614,133	-	-	1,924,362	1,614,133
Net (outflow)/inflow on financial instruments	1,468,014	1,314,206	-	-	1,468,014	1,314,206

It is not expected that the cash flows included in the maturity analysis could occur significantly later or at significantly different amounts.

8.2.4 *Cash flow and interest rate risk*

From time to time the Group has significant interest-bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. The interest rate risk arises on the rise and fall of interest rates. The Group's income and operating cash flows are not expected to be materially exposed to changes in market interest rates in the future and the exposure to interest rates is limited to the cash and cash equivalents balances. As such, this is not considered a material exposure and no sensitivity analysis has been prepared.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 8 FINANCIAL RISK MANAGEMENT (CONT.)

2019	Floating interest rate $	Fixed interest maturing in 1 year or less $	Non-interest bearing $	Total $
Financial assets				
Cash and cash equivalents	1,378,150	520,000	-	1,898,150
Other receivables	-	-	26,212	26,212
	1,378,150	520,000	26,212	1,924,362
Weighted average interest rate	0.87%	2.40%	N/A	
Financial Liabilities				
Trade and other payables	-	-	456,348	456,348
	-	-	456,348	456,348

2018	Floating interest rate $	Fixed interest maturing in 1 year or less $	Non-interest bearing $	Total $
Financial assets				
Cash and cash equivalents	1,508,169	-	-	1,508,169
Other receivables	-	-	105,964	105,964
	1,508,169	-	105,964	1,614,133
Weighted average interest rate	0.83%	-	N/A	
Financial Liabilities				
Trade and other payables	-	-	299,927	299,927
	-	-	299,927	299,927

8.2.5 *Net fair value of Financial Assets and Liabilities*

The net fair value of cash and cash equivalents and non-interest bearing monetary assets and financial liabilities approximates their carrying values.

a. Fair value hierarchy

AASB 13 *Fair Value Measurement: Disclosures* requires disclosure of the fair value measurements by level of the following fair value measurement hierarchy:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs)

All financial assets are classified as Level 1 and their value has been calculated in line with accounting policy note 23.7 Fair Value.

NOTE 9 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. The capital structure of the Group consists of equity attributable to equity holders of the parent comprising issued capital, reserves and accumulative losses.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programs and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The Group is not subject to any externally imposed capital requirements.

The working capital position of the Group at 30 June 2019 and 30 June 2018 is as follows:

	Note	2019 $	2018 $
Cash and cash equivalents	5.1	1,898,150	1,508,169
Other receivables	5.2	26,212	105,964
Trade and other payables	5.4	(456,348)	(299,927)
Working capital position		1,468,014	1,314,206

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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SECTION C. GROUP STRUCTURE

This section provides information which will help users understand how the Group structure affects the financial position and performance of the Group as a whole. In particular, there is information about:

(a) changes to the structure that occurred during the year as a result of business combinations and the disposal of a discontinued operation

(b) transactions with non-controlling interests, and

(c) interests in joint operations.

A list of significant subsidiaries is provided in Note 10.

NOTE 10 INTEREST IN SUBSIDIARIES

Shares in controlled entities are unlisted and comprise:

	Country of Incorporation	Percentage Owned	
		2019	2018
Alvis-Crest Holdings (Pty) Ltd	Botswana	100	100
Ashmead Holdings (Pty) Ltd	Botswana	100	100
Icon-Trading Company (Pty) Ltd	Botswana	100	100
Global Exploration Technologies Pty Ltd	Australia	100	100
MNE Holdings Pty Ltd*	Australia	-	100
Phil-Aust Holdings Pty Ltd*	Australia	-	100
Comval Property Pty Ltd*	Australia	-	100
Marlin Mining Corporation*	Philippines	-	100
MNE Philippine Realty, Inc*	Philippines	-	40
Trans-Kalahari Copper Namibia (Pty) Ltd	Namibia	100	100
Kopore (WA) Pty Ltd	Australia	100	100

* *During the year the Company disposed of its 100% owned subsidiaries Comval Property Pty Ltd, Phil-Aust Holdings Pty Ltd and MNE Holdings Pty Ltd including Marlin Mining Corporation and MNE Philippine Realty Inc. and an associate company, Agusan Metals Corporation for the consideration of $1.*

The impact of the disposal on the Group's financial position and financial performance is immaterial.

Investments in subsidiaries are accounted for at cost and have been written down to nil.

The Group has no equity accounted investments at 30 June 2019 (2018: Nil)

NOTE 11 ACQUISITION OF GLOBAL EXPLORATION TECHNOLOGIES PTY LTD

2018

On 30 August 2017, Kopore Metals Limited (formerly Metallum Limited) ("Kopore") entered into a binding head of agreement ("Acquisition Agreement") with Global Exploration Technologies Pty Ltd ("GET") under which the Company acquired 100% of the issued capital of GET.

Under the terms of the Agreement, the consideration for the acquisition of 100% of the issued capital of GET was 137,500,000 fully paid ordinary shares in Kopore at a deemed issue price of $0.02 per share ("Consideration Shares").

Under AASB 3 Business Combinations, the acquisition does not meet the definition of a business combination as the activities of GET at the date of acquisition did not represent a business. The transaction has therefore been accounted for using the principles of reverse acquisition accounting by analogy. The transaction has been accounted for by reference to AASB 2 Share Based Payments as a share-based payment for the purposes of obtaining a stock-exchange listing. Applying the reverse acquisition method of accounting, following the acquisition, the consolidated financial statements are required to represent the continuation of the financial statements of GET.

The acquisition date fair value of the net assets of Kopore, being the acquired entity for accounting purposes, was as follows:

	Fair value $
Cash and cash equivalents	319,690
Trade and other receivables	213,387
Other assets	5,876
Plant and equipment	434
Trade and other payables	(105,826)
Fair value of identifiable assets assumed	433,561
The fair value of consideration given by Kopore to the shareholders of GET	2,708,028
Amount recognised as listing expenses:	
Fair value of consideration for acquisition	2,708,028
Fair value of net assets acquired	(433,561)
	2,274,467

NOTE 12 NON-RECURRING ITEMS RELATING TO ACQUISITION

	Note	2019 $	2018 $
Consultancy costs		-	150,000
Directors' fees – share based payment	20	-	112,500
Directors' options – share based payment	20	-	300,000
Listing expense	11	-	2,274,467
		-	2,836,967

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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SECTION D. UNRECOGNISED ITEMS

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

NOTE 13 COMMITMENTS

	2019 $	2018 $
13.1 Operating expenditure commitments payable:		
Within one year	742,112	307,500
After one year but not more than five years	459,000	771,875
After five years	-	-
Total Exploration tenement minimum expenditure requirements	1,201,112	1,079,375

The commitments of the Group above are the same as those for Kopore Metals Limited.

NOTE 14 CONTINGENT ASSETS AND LIABILITIES

14.1 Virgo Licence Acquisition

In accordance with the agreement between Kopore Metals Limited, Alvis Crest (Proprietary) Limited and Virgo Business Solutions CO (**Virgo**).

- Upon year 2 of the acquisition the Company will issue fully paid shares in the Company to Virgo to a value of A$6,250 multiplied by the number of Tenements held by Kopore as at that date.
- To issue fully paid shares in the Company to Virgo with a deemed value of A$650,000 (with the deemed issue price being the higher of $0.04 or the 30-day VWAP of the shares at the date of the Announcement, as defined below upon satisfaction of the following performance-based milestones:
  (i) First announcement by the Company of a JORC Code 2012 Compliant Measured or Indicated Mineral Resource, on any of the licences, of greater than 1 million tonnes of contained copper at a grade of greater than 1.2%.

The Directors are not aware of any other contingent liabilities that may have arisen from the Groups operations as at 30 June 2019.

NOTE 15 EVENTS SUBSEQUENT TO REPORTING DATE

On 1 July 2019, the Company completed the Placement of 7.8 million fully paid ordinary shares at $0.01 per share to directors as announced on 9 May 2019 and approved by Shareholders on 26 June 2019.

There were no other significant events after the end of the reporting year.

SECTION E. OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

NOTE 16 KEY MANAGEMENT PERSONNEL COMPENSATION	2019 $	2018 $
Short term employee benefits	368,795	311,686
Post-employment benefits	10,905	1,874
Share based payments	101,353	382,500
	481,053	696,060

NOTE 17 RELATED PARTY TRANSACTIONS	2019 $	2018 $
17.1 KMP and related party transactions		
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		
Evolution Corporate Services Pty Ltd		
Evolution Corporate Services Pty Ltd, a company associated with Ms. Shannon Coates, provides company secretarial services in accordance with a service agreement.	38,903	40,000
17.2 KMP and related party balances		
a. Contained within other creditors and accruals are the following accruals for fees payable to KMP:		
The Steele Group, a Company where Mr Grant Ferguson is a director	-	20,625
Evolution Corporate Services Pty Ltd, a company associated with Ms. Shannon Coates	4,950	-
Ms. Shannon Coates	2,500	-

There are no other related party transactions other than those payments to Directors as disclosed in the remuneration report.

NOTE 18 AUDITOR'S REMUNERATION	2019 $	2018 $
Remuneration of the auditors, RSM Australia Partners, for:		
Auditing or reviewing the accounts	30,000	40,500
Tax services	9,000	8,800
	39,000	49,300

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 19 LOSS PER SHARE

			2019 $	2018 $
19.1	**Reconciliation of loss to profit or loss**			
	Loss for the year		(3,253,172)	(4,727,556)
	Less: loss attributable to non-controlling equity interest		-	-
	Loss used in the calculation of basic and diluted loss per share		(3,253,172)	(4,727,556)
			2019 No.	**2018 No.**
19.2	**Weighted average number of ordinary shares outstanding during the year used in calculation of basic loss per share**		547,479,696	278,409,578
			2019 ₵	**2018 ₵**
19.3	**Loss per share**			
	Basic loss per share (cents per share)	19.4	(0.59)	(1.70)

19.4 The Group does not report diluted earnings per share where options would not result in the issue of ordinary shares for less than the average market price during the period (out of the money). In addition, the Group does not report diluted earnings per share on annual losses generated by the Group. At the end of the 2019 financial year, the Group had no unissued shares under options that were out of the money which are anti-dilutive (2018: nil).

19.5 Accounting Policy

19.5.1 *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

19.5.2 *Diluted earnings per share*

Potential shares as a result of options outstanding at the end of the year are not dilutive and therefore have not been included in the calculation of diluted earnings per share.

NOTE 20 SHARE-BASED PAYMENTS

	2019 $	2018 $
The following share-based payment arrangements were entered into during the period:		
Shares issued to Directors in lieu of fees	-	112,500 [a]
Unlisted options issued to consultants in lieu of services	32,650	-
Unlisted options issued to Directors	101,354	300,000 [a]
Total shares-based payments included in statement of profit or loss and other comprehensive income.	134,004	412,500
Unlisted options issued to advisers in lieu of services	100,521	525,000
Shares issued to advisers in lieu of services	-	225,000
Total share-based payments included in statement of financial position as capital raising costs.	100,521	750,000

Total share-based payments recognised in reserves is $234,525 (2018: $825,000)

a. Total share-based payments included in statement of profit or loss and other comprehensive income as Non-recurring items relating to acquisition on 30 August 2017.

Note 20 Share-based payments (cont.)

20.1 Share-based payment arrangements in effect during the year

20.1.1 *Share-based payments recognised in profit and loss*

i. **Consultant Options**

In consideration for services, the Company has issued 3,000,000 Options with terms and summaries below:

Number of Options	Date of Expiry	Exercise Price
3,000,000(1)	19/11/2023	*$0.045*

(1) *Unquoted options issued to the consultant in lieu of services provided were valued at $32,650.*

ii. **Director Options**

Following shareholder approval, the Company issued 14,000,000 Options to Directors on 7 December 2018, on the following terms:

Number of Options	Date of Expiry	Exercise Price
6,000,000(1)	7/12/2023	*$0.045*
8,000,000(2)	7/12/2023	*$0.045*

(1) *Unquoted options issued to the Directors were valued at $66,016 and had no vesting conditions.*

(2) *Unquoted option issued to the Director were valued at $32,846 and had the following vesting conditions:*

a. *1/3 of options issued vest 12 months after the date of issue*

b. *1/3 of options issued vest 24 months after the date of issue*

c. *1/3 of options issued vest 36 months after the date of issue*

iii. **Director Options**

Following shareholder approval, the Company issued 8,000,000 Options to a Director on 29 May 2019, on the following terms:

Number of Options	Date of Expiry	Exercise Price
8,000,000(1)	29/05/2024	*$0.036*

(1) *Unquoted option issued to the Managing Director were valued at $2,491 and had the following vesting conditions:*

a. *1/3 of options issued vest on 29 May 2020*

b. *1/3 of options issued vest on 29 May 2021*

c. *1/3 of options issued vest on 29 May 2022*

20.1.2 *Share-based payments recognised in capital raising costs*

i. **Broker Options**

In consideration for services provided by the lead manager for the $2.67m raise, the Company issued 30,000,000 Options on the following terms:

Number of Options	Date of Expiry	Exercise Price
30,000,000(1)	19/11/2019	$0.0363

(1) *Unquoted options issued to the lead manager in lieu of services provided were valued at $100,521.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Note 20 Share-based payments (cont.)

20.2 Fair value of options grants during the year

The fair value of the options granted were calculated using the Black-Scholes option pricing model, applying the following inputs to options issued this year:

Grant date:	19/11/2018	19/11/2018	19/11/2018	29/05/2019
Grant date share price:	$0.017	$0.017	$0.017	$0.010
Option exercise price:	$0.045	$0.045	$0.0363	$0.036
Number of options issued:	3,000,000	14,000,000	30,000,000	8,000,000
Term (years):	5	5.10	1	5
Expected share price volatility:	104%	104%	104%	104%
Risk-free interest rate:	2.29%	2.29%	2.02%	1.17%
Value per option	$0.0109	$0.0110	$0.0034	$0.0058

The expected life of the option is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcomes.

20.2.1 *Accounting Policy*

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

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

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Kopore (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of profit or loss and other comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

Note 20 Share-based payments (cont.)

20.3 Movement in share-based payment arrangements during the period

A summary of the movements of all company options issued as share-based payments is as follows:

	2019		2018	
	Number of Options	Weighted Average Exercise Price (cents)	Number of Options	Weighted Average Exercise Price (cents)
Outstanding at the beginning of the year	55,029,250	6.2	-	-
Kopore options on acquisition	-	-	63,750	591.7
Granted – in lieu of creditors and Directors' fees	25,000,000	4.2	20,000,000	6.0
Granted – capital raising costs	30,000,000	1.0	35,000,000	6.0
Expired	(29,250)	526.0	(34,500)	744.1
Outstanding at year-end	110,000,000	4.9	55,029,250	6.2
Exercisable at year-end	94,000,000	5.1	55,029,250	6.2

i. No share-based payment options were exercised during the year.

ii. The weighted average remaining contractual life of share-based payment options outstanding at year end was 1.83 years (2018: 2.36 years).

NOTE 21 SEGMENT REPORTING

21.1 Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of business category and geographical areas. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics. The Group considers that it has only operated in one segment, being the exploration business.

21.2 Basis of accounting for purposes of reporting by operating segments

21.2.1 *Accounting policies adopted*

The accounting policies used by the Group in reporting segments are in accordance with the measurement principles of Australian Accounting Standards.

21.2.2 *Inter-segment transactions*

All such transactions are eliminated on consolidation of the Group's financial statements.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

21.2.3 *Segment assets*

During the year ended 30 June 2019 and 30 June 2018, all assets were in the same business segment, which is the Group's exploration business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Note 21 SEGMENT REPORTING (CONT.)

21.2.4 *Segment liabilities*

During the year ended 30 June 2019 and 30 June 2018, all liabilities were in the same business segment, which is the Group's exploration business.

21.3 Revenue by geographical region

There is no revenue attributable to external customers for the year ended 30 June 2019 and 30 June 2018.

21.4 Assets by geographical region

During the year ended 30 June 2019 and 30 June 2018, all reportable segment assets are located in Africa, with the Group's financial assets located in Africa and Australia.

NOTE 22 PARENT ENTITY DISCLOSURES

	2019 $	2018 $
22.1 Financial Position of Kopore Metals Limited		
Current assets	1,794,737	1,568,409
Non-current assets	-	-
Total assets	1,794,737	1,568,409
Current liabilities	204,568	127,669
Non-current liabilities	-	-
Total liabilities	204,568	127,669
Net assets	1,590,169	1,440,740
Equity		
Issued capital	30,437,226	27,261,868
Reserves	5,969,975	5,735,450
Accumulated losses	(34,817,032)	(31,556,578)
TOTAL EQUITY	1,590,169	1,440,740
22.2 Financial Performance of Kopore Metals Limited		
Loss for the year	(3,260,454)	(2,295,718)
Total comprehensive loss	(3,260,454)	(2,295,718)

22.3 Guarantees entered into by Kopore Metals Limited

There are no guarantees entered into by Kopore Metals Limited for the debts of its subsidiaries as at 30 June 2019 (2018: none).

22.4 Contingent liabilities of Kopore Metals Limited

The contingent liabilities of Kopore Metals Limited are the same as those for the Group disclosed in Note 14.

22.5 Commitments of Kopore Metals Limited

The commitments of Kopore Metals Limited are the same as those for the Group disclosed in Note 13.

NOTE 23 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

23.1 Basis of preparation

23.1.1 *Reporting Entity*

Kopore Metals Limited is a listed public company limited by shares, domiciled and incorporated in Australia. The Company's registered office is at Suite 5, 62 Ord Street, West Perth, Western Australia. These are the consolidated financial statements and notes of Kopore Metals Limited (the Company) and controlled entities (collectively the Group). The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. The Group is a for-profit entity and is primarily involved in the exploration, development and mining of minerals.

The separate financial statements of Kopore Metals Limited, as the parent entity, have not been presented with this financial report as permitted by the Corporations Act 2001 (Cth).

23.1.2 *Basis of accounting*

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AAS Board) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (AASBs) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

The financial statements were authorised for issue on 25 September 2019 by the Directors of the Company.

23.1.3 *Going Concern*

The financial statements have been prepared on the going concern basis that contemplates the continuity of normal business activities and the realization of assets and extinguishment of liabilities in the ordinary course of business.

As disclosed in the financial statements, the Group incurred a loss for the year of $3,253,172 and a net cash outflows from operating activities of $2,999,398 for the year ended 30 June 2019.

The Directors have prepared a cash flow forecast, which indicates that the ability of the Group to continue as a going concern is primarily dependent on securing additional funding through capital raisings.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

1. The Directors are confident the Group has the ability to raise further funds through capital raisings as and when required as it has successfully done in the past.; and
2. The Group has the ability to curtail its activities in order to conserve cash.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

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

23.1.4 *Comparative Figures*

Where required by AASBs comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Note 23 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

23.2 Principles of Consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

23.2.1 *Subsidiaries*

The consolidated financial statements incorporate the assets, liabilities and results of the parent, Kopore Metals Limited, and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 10.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as non-controlling interests. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

23.3 Goods and Services Tax (GST)

Goods and Services Tax (GST) is the generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (Goods and Services Tax or GST) and in Botswana and Namibia (Value-added tax or VAT), hereafter collectively referred to as GST.

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

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

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

23.4 Foreign currency translation

The financial statements are presented in Australian dollars, which is Kopore Metals Limited's functional and presentation currency.

23.4.1 *Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

23.4.2 *Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Note 23 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

23.5 Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

23.6 Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in 23.6.1.

23.6.1 Critical Accounting Estimates and Judgements

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes assumptions concerning the future. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed further at Note 6.2.3.

23.7 Fair Value

23.7.1 Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable AASB.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly unforced transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also considers a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Note 23 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

23.7 Fair Value (cont.)

23.7.1 *Fair Value of Assets and Liabilities (cont.)*

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

23.7.2 *Fair value hierarchy*

AASB 13 *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

iii. Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- *Market approach:* valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach:* valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach:* valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Note 23 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

23.8 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The Group has adopted the following new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

AASB 9 Financial Instruments

The Group has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available. The adoption of this standard has no material financial impact on the financial statements of the Group.

AASB 15 Revenue from Contracts with Customers

The Group has adopted AASB 15 Revenue from Contracts with Customers and there is no impact to the transactions and balances of the financial statements.

The following Australian Accounting Standards and interpretations have been issued or amended and are applicable to the Group but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date. The Directors anticipate that the adoption of these standards and interpretations in future periods will have no material financial impact on the financial statements of the Group.

Title and Affected Standard(s)	AASB 16 *Leases* (issued February 2016)
Nature of Change	AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 *Leases*. It instead requires an entity to bring most leases onto its balance sheet in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its balance sheet for most leases. There are some optional exemptions for leases with a period of 12 months or less and for low value leases. Lessor accounting remains largely unchanged from AASB 117.
Application date	Annual reporting periods beginning on or after 1 January 2019.
Impact on Initial Application	To the extent that the entity, as lessee, has significant operating leases outstanding at the date of initial application, 1 January 2019, right-of-use assets will be recognised for the amount of the unamortised portion of the useful life, and lease liabilities will be recognised at the present value of the outstanding lease payments. Thereafter, earnings before interest, depreciation, amortisation and tax (EBITDA) will increase because operating lease expenses currently included in EBITDA will be recognised instead as amortisation of the right-of-use asset, and interest expense on the lease liability. However, there will be an overall reduction in net profit before tax in the early years of a lease because the amortisation and interest charges will exceed the current straight-line expense incurred under AASB 117 Leases. This trend will reverse in the later years. There will be no change to the accounting treatment for short-term leases less than 12 months and leases of low value items, which will continue to be expensed on a straight-line basis. No impact on the adoption on right of use, lease liability and net asset.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 23 to 57, are in accordance with the *Corporations Act 2001* (Cth) and:

   (a) comply with Accounting Standards;

   (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in notes to the financial statements; and

   (c) give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Company and Group.

   (d) the Directors have been given the declarations required by s.295(5)(a) of the *Corporations Act 2001* (Cth);

2. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Peter Meagher
Non-Executive Chairman

Dated this Wednesday, 25 September 2019

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
KOPORE METALS LIMITED

Opinion

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

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

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

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

Basis for Opinion

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

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

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

RSM

Material Uncertainty Related to Going Concern

We draw attention to Note 23.1.3 in the financial report, which indicates that the Group incurred a loss of $3,253,172 and had net cash outflows from operating activities of $2,999,398 for the year ended 30 June 2019. As stated in Note 23.1.3, these events or conditions, along with other matters as set forth in Note 23.1.3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Exploration expenditure Refer to accounting policy at Note 6.2.5 and the statement of profit or loss and other comprehensive income.	
The Group has recognised exploration expenditures of $1,734,651 in the statement of statement of profit or loss and other comprehensive income for the year ended 30 June 2019. We determined this to be a key audit matter because it is the most significant expense in the statement of profit or loss and other comprehensive income and due to the inherent risk in incurring expenditure in a foreign country.	Our audit procedures in relation to exploration expenditures included: • Ensuring that the right to tenure of the area of interests was current; • Performing substantive testing on the expenditure on a sample basis; • Reviewing expenditure for any large or unusual items; • Assessing whether the Group's accounting policy for exploration and evaluation expenditure is in compliance with Australia Accounting Standards; and • Assessing the adequacy of the disclosures in the financial report.

Other Information

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

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

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

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

RSM

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

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

In our opinion, the Remuneration Report of Kopore Metals Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities

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

RSM
RSM AUSTRALIA PARTNERS

AWhyte
ALASDAIR WHYTE
Partner

Perth, WA
Dated: 25 September 2019

Additional information for listed public companies

The following additional information is required by the Australian Securities Exchange in respect of listed public companies and is current as at 3 September 2019.

Issued Capital

The Company has 642,576,400 ordinary fully paid shares on issued, held by 1,498 shareholders. Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

The Company has 110,000,000 unlisted options on issue, as set out below. Options do not entitle the holders to vote in respect of that option, nor participate in dividends, when declared, until such time as the options are exercised and subsequently registered as ordinary shares.

Unlisted options exercisable at $0.0363 on or before 19 November 2019

Category (size of holding)	Total Holders	Units	% Held
1 – 1,000	-	-	0.00
1,001 – 5,000	-	-	0.00
5,001 – 10,000	-	-	0.00
10,001 – 100,000	-	-	0.00
100,001 – and over	9[1,2]	30,000,000	100.00
	9	**30,000,000**	**100.00**

1. Ironside Capital Pty Ltd holds 8,189,763 options comprising 27.30% of this class.

2. Laneway Investments Pty Ltd holds 8,250,000 options comprising 27.50% of this class.

Unlisted options exercisable at $0.06 on or before 8 November 2020

Category (size of holding)	Total Holders	Units	% Held
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	4	320,000	0.58
100,001 – and over	15	54,680,000	99.42
	19	**55,000,000**	**100.00**

Unlisted options exercisable at $0.045 on or before 19 November 2023

Category (size of holding)	Total Holders	Units	% Held
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – and over	1[1]	3,000,000	100.00
	1	**3,000,000**	**100.00**

1. Discovery Services Pty Ltd holds 3,000,000 Options comprising 100% of this class.

Unlisted options exercisable at $0.045 on or before 7 December 2023

Category (size of holding)	Total Holders	Units	% Held
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – and over	3[1,2]	14,000,000	100.00
	3	**14,000,000**	**100.00**

1. Fehu Capital Pty Ltd holds 8,000,000 options comprising 57.14% of this class.

2. Bond Street Custodians Limited holds 4,000,000 options comprising 28.57% of this class.

Additional information for listed public companies

Unlisted options exercisable at $0.036 on or before 29 May 2024

Category (size of holding)	Total Holders	Units	% Held
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – and over	1[1]	8,000,000	100.00
	1	**8,000,000**	**100.00**

1. BigJac Investments Pty Ltd holds 8,000,000 options comprising 100% of this class.

Substantial Shareholders as at 3 September 2019

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
The Gas Super Pty Ltd <The Gas Super Fund A/C>	57,061,766	8.88

Distribution of Shareholders as at 3 September 2019

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	759	179,729	0.03
1,001 – 5,000	152	318,300	0.05
5,001 – 10,000	21	155,275	0.02
10,001 – 100,000	162	8,358,115	1.30
100,001 – and over	404	633,564,981	98.60
	1,498	**642,576,400**	**100.00**

Unmarketable Parcels as at 3 September 2019

	Number of Shares	Holders
	4,593,285	1,046

As at 3 September 2019 there were 1,046 shareholders holding less than a marketable parcel of shares.

On-Market Buy-Back

There is no current on-market buy-back.

Restricted Securities

The Company has no restricted securities on issue.

Additional information for listed public companies

20 Largest Shareholders — Ordinary Shares as at 3 September 2019

Rank / Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1. THE GAS SUPER FUND PTY LT <THE GAS SUPER FUND A/C>	57,061,766	8.88
2. THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	31,750,000	4.94
3. MRS ELEANOR JEAN REEVES <ELANWI A/C>	30,569,318	4.76
4. FEHU CAPITAL PTY LTD <FEHU CAPITAL A/C>	16,979,302	2.64
5. LEE MILLER INVESTMENTS PTY LTD <D M & L INVESTMENTS A/C>	16,000,000	2.49
6. DISCOVERY SERVICES PTY LTD <DISCOVERY CAPT INV UNIT A/C>	15,827,925	2.46
7. PHEAKES PTY LTD <SENATE A/C>	15,711,250	2.45
8. ICON HOLDINGS PTY LTD <THE K J PAGANIN FAMILY A/C>	11,187,876	1.74
9. TISDELL FAMILY SUPER PTY LTD <TISDELL FAMILY SUPER A/C>	10,000,000	1.56
10. EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	10,000,000	1.56
11. MOLLYGOLD SUPERANNUATION PTY LTD <MOLLYGOLD SUPER FUND A/C>	9,187,581	1.43
12. TONEHILL PTY LTD <THE TONEHILL A/C>	8,600,000	1.34
13. SACCO DEVELOPMENTS AUSTRALIA PTY LIMITED <THE SACCO FAMILY A/C>	7,513,092	1.17
14. MR PHILLIP RICHARD PERRY & MRS TETYANA PERRY <DONESKA SUPER FUND A/C>	7,312,662	1.14
15. LANEWAY INVESTMENTS PTY LTD <JOLA FAMILY A/C>	6,942,695	1.08
16. CHINCHERINCHEE NOMINEES PTY LTD	6,900,000	1.07
17. GLAMOUR DIVISION PTY LTD <THE HAMMER A/C>	6,550,688	1.02
18. RIMOYNE PTY LTD	6,145,537	0.96
19. ELDON HOLDINGS PTY LTD <THE MARSHALL FLOWER S/F A/C>	6,000,000	0.93
20. BREAMLINE PTY LTD <BREAMLINE MINISTRIES A/C>	6,000,000	0.93
TOTAL	**286,239,692**	**44.55**

Corporate Governance Statement

The Company's Corporate Governance Statement for the 2019 financial year is available from the Company's website at www.koporemetals.com/about/corporate-governance/

Tenements Schedule

Tenement	Name	Location	Size (Km^2)	Grant Date	Expiry Date	% Ownership
PL203/2016	Icon	Botswana	928.6	01-10-16	30-09-19	100%
PL204/2016	Icon	Botswana	925	01-10-16	30-09-19	100%
PL205/2016	Icon	Botswana	870.6	01-10-16	30-09-19	100%
PL128/2013	Alvis	Botswana	412.2	29-11-18	31-12-20	100%
PL129/2013	Alvis	Botswana	418.3	29-11-18	31-12-20	100%
PL127/2017	Ashmead	Botswana	991	01-07-17	30-06-20	100%
PL128/2017	Ashmead	Botswana	452	01-07-17	30-06-20	100%
PL129/2017	Ashmead	Botswana	163	01-07-17	30-06-20	100%
PL207/2017	Icon	Botswana	985	01-01-18	31-12-20	100%
PL208/2017	Icon	Botswana	581	01-01-18	31-12-20	100%
PL209/2017	Icon	Botswana	164	01-01-18	31-12-20	100%
PL210/2017	Alvis	Botswana	1,000	01-01-18	31-12-20	100%
PL135/2017	Alvis	Botswana	296	01-10-17	30-09-20	100%
PL162/2018	Alvis	Botswana	156	01-10-17	30-09-20	100%
PL163/2019	Alvis	Botswana	191	01-10-17	30-09-20	100%
PL164/2020	Alvis	Botswana	124	01-10-17	30-09-20	100%
EPL7049	Trans Kalahari	Namibia	936.33	01-07-18	30-06-21	100%
EPL7050	Trans Kalahari	Namibia	435.85	05-07-18	04-07-21	100%
EPL7051	Trans Kalahari	Namibia	992.18	01-07-18	30-06-21	100%
EPL7052	Trans Kalahari	Namibia	942.31	01-07-18	30-06-21	100%
EPL7053	Trans Kalahari	Namibia	285.32	01-07-18	30-06-21	100%
EPL7054	Trans Kalahari	Namibia	904.31	01-07-18	30-06-21	100%
EPL7055	Trans Kalahari	Namibia	996.98	01-07-18	30-06-21	100%
EPL7056	Trans Kalahari	Namibia	212.87	05-07-18	04-07-21	100%
EPL7264	Trans Kalahari	Namibia	982.43	14-05-19	12-05-22	100%