Carawine Resources
Limited ACN 611 352 348

2019 ANNUAL REPORT

Exploration • Gold • Copper • Base Metals

ASX:CWX | www.carawine.com.au

Directors

Mr Will Burbury, Non-Executive Chairman
Mr David Boyd, Managing Director
Mr Bruce McQuitty, Non-Executive Director
Mr David Archer, Non-Executive Director

Company Secretary

Ms Rebecca Broughton

Registered Office

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Share Register

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Solicitors

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Bankers

Australia and New Zealand Banking Corporation

Auditors

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Level 4, 130 Stirling Street
Perth WA 6000

Securities Exchange

Australian Securities Exchange (ASX: CWX)

Website

www.carawine.com.au

Australian Business Number (ABN)

52 611 352 348

Dear Shareholders,

On behalf of the Directors I am pleased to report on the Company's achievements for the year ended 30 June 2019.

The Company has had a productive year with excellent results from its exploration programs, culminating with a $3 million placement subsequent to the end of the 2019 financial year.

The Board believes its strategy of progressing its portfolio of advanced exploration projects and greenfield opportunities will continue to drive shareholder value. The Company's projects comprise:

- Jamieson Project - gold & base metals, Victoria
- Paterson Project - gold & base metals, Western Australia
- Fraser Range Project - nickel & copper, Western Australia
- Oakover Project - manganese, iron, copper & cobalt Western Australia

The Company built on its early success at the Jamieson gold and base metals project during the reporting period with a second round of diamond drilling, producing further exceptional results from the Hill 800 deposit including:

- 101m @ 1.44g/t Au from 21m including 12m @ 4.32g/t Au from 83m
- 34m @ 3.84g/t Au from surface including 23m @ 5.06g/t Au from surface
- 17m @ 6.62g/t Au, 0.3% Cu from 157m including 1m @ 20.2g/t Au, 0.2% Cu from 166m and 2m @ 37.5g/t Au, 0.3% Cu from 172m
- 67m @ 2.13g/t Au, 0.1% Cu from 143m

The additional drilling supports a revised interpretation for Hill 800 showing a continuous mineralised zone which is open at depth and where high-grade gold-copper mineralisation appears to be increasing in grade and width with depth. The Company's first Mineral Resource is on-track to be delivered by the end of this year.

Compelling geochemical and geophysical evidence for large copper-gold porphyry targets beneath Hill 800, announced recently, has highlighted the significant potential for large scale porphyry deposits at Jamieson. Further work to advance these porphyry targets, including geophysics and diamond drilling, represents another exciting exploration phase for the project.

In the Paterson Province of Western Australia, several high priority geophysical targets with similarities to those associated with Rio Tinto's 'Winu', and Greatland Gold's 'Havieron' copper-gold discoveries have been identified from a major geophysical program conducted by the Company. These targets present a great opportunity for Carawine to make discoveries in a region of Australia which is currently attracting great interest.

I would like to thank David Boyd and our small but hard-working team for their substantial contribution in growing the Company to this point and I look forward to building on our early success in the year ahead.

Yours sincerely

Mr Will Burbury
Chairman

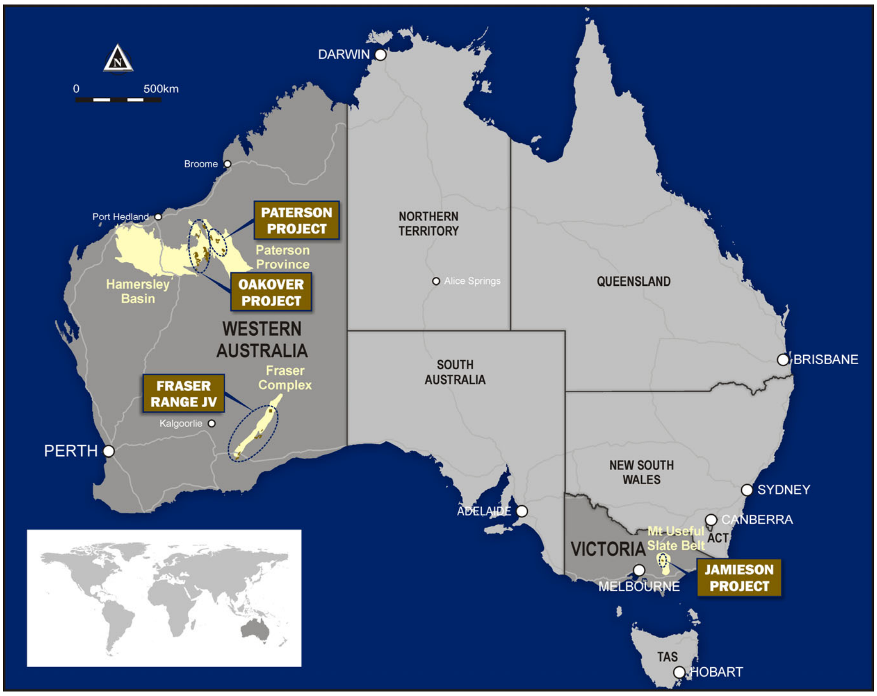

Figure 1: Carawine's project locations.

REVIEW OF OPERATIONS - OVERVIEW

Carawine Resources Limited (**"Carawine"** or **"the Company"**) is a mineral exploration company focused on creating value for its shareholders through the exploration, discovery and development of mineral deposits. The Company's four gold, copper and base metal projects, each targeting high grade deposits in well-established mineralised provinces throughout Australia are well placed to deliver success (Figure 1).

In the past year the Company has experienced strong market interest in its gold and copper projects, following a successful second drilling program at Hill 800 in Victoria, and the generation of high priority targets at Baton and Red Dog in the Paterson Province of Western Australia - one of Australia's hottest exploration plays.

These results have set a solid foundation on which the Company expects to build over the next 12 months.

JAMIESON PROJECT

The Jamieson project is located 20km east of the Jamieson township in northeast Victoria. The region was founded on gold mining in the 1850s, and a number of gold mines have operated or are currently in production in the region (Figure 2).

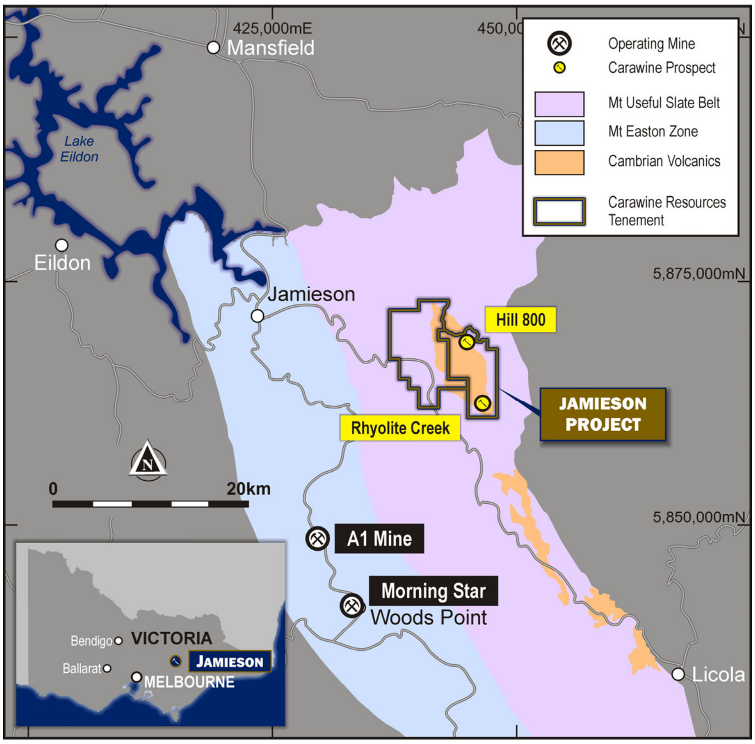

Figure 2: Location of the Jamieson Project.

The project comprises granted exploration licences EL5523 and EL6622, which cover an area of 85km^2 over Ordovician and Silurian aged sediments and Cambrian age volcanic rocks in the Mt Useful Slate Belt geological province. The focus of Carawine's work is this "window" of Cambrian volcanics, which are considered similar in age, depositional style and setting to the Mt Read Volcanic belt in western Tasmania – host to several world-class gold, copper and base metal deposits.

Two main prospect areas are recognised at the Jamieson project to date, Hill 800 and Rhyolite Creek, with recent work generating several new targets at and around Hill 800. During the period Carawine completed its second diamond drilling program at Hill 800 and advanced its understanding of the prospectivity of the project area.

Subsequent to the end of the period the Company announced the generation of five new prospects in and around the Hill 800 area, along with geochemical and geophysical evidence for copper-gold porphyry targets beneath Hill 800. Recently, the Company acquired tenement EL6622 which adjoins EL5523 to the west and includes the western extents of the prospective Cambrian volcanic window (Figure 2).

Hill 800 Prospect

The most advanced prospect at Jamieson and the focus of Carawine's exploration program is Hill 800, a hybrid volcanic-hosted semi-massive sulphide deposit most likely to have formed in a sub-sea floor environment, with the main host rock and mineralising fluids sourced from a fertile copper-gold porphyry intrusive system (refer ASX announcement 11 September 2019).

During the period an additional 5 diamond drill holes and one drill hole extension were completed at Hill 800. Results from these drill holes confirmed the quality of historic drilling, extended the limits of mineralisation, and culminated in a revised interpretation for the deposit, considerably increasing the potential for the system to continue down-dip into areas untested by drilling (Figure 3). In addition, the results indicate the component of high-grade gold-copper mineralisation is improving in both grade and width as the system becomes deeper (Figures 3 & 4).

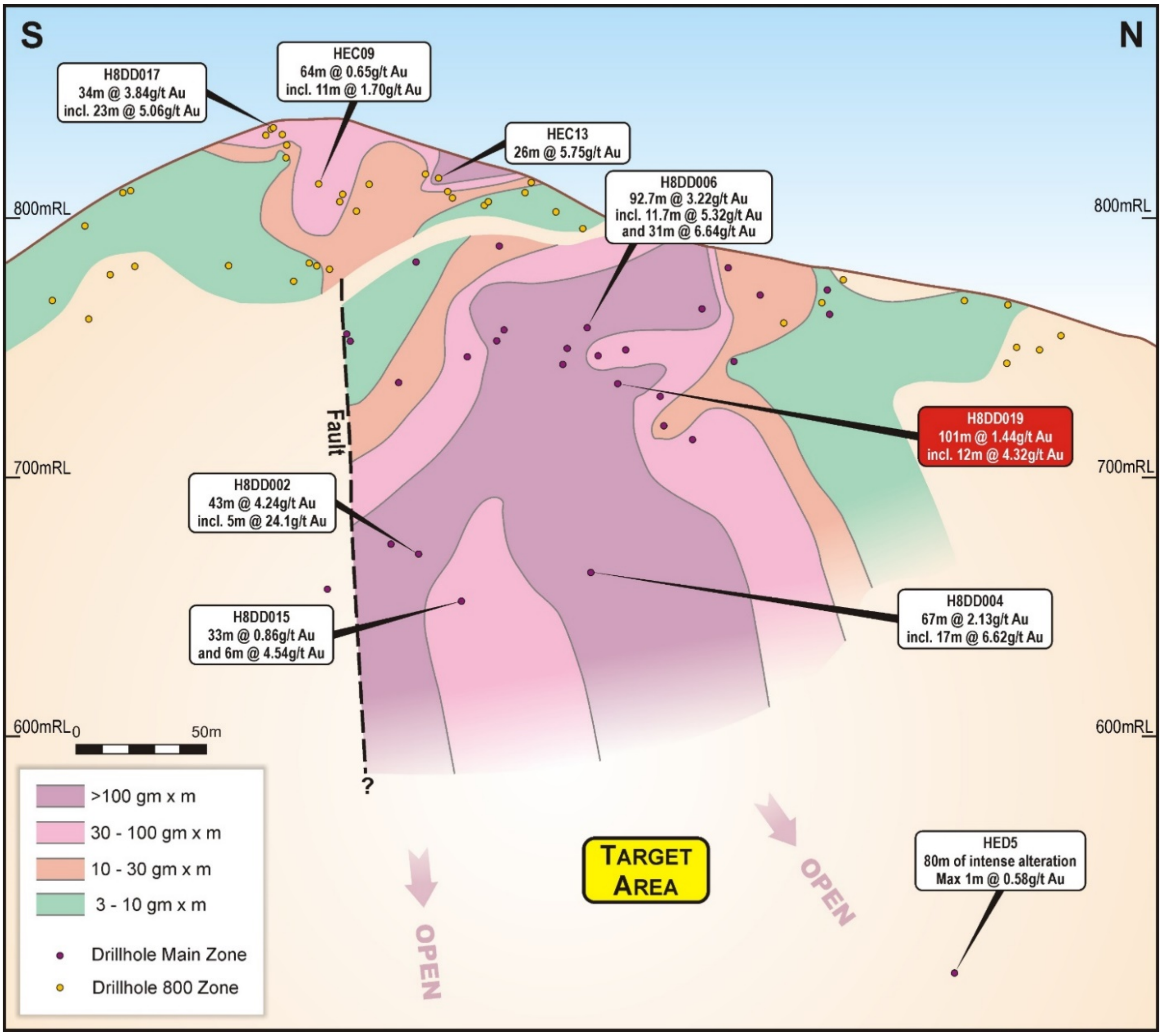

Figure 3: Hill 800 long section (+/- 60m), looking west with selected intervals labelled.

Assay results from Hill 800 now include the following outstanding mineralised intervals:

- **92.7m @ 3.22g/t Au** from 2.3m (0.3g/t Au cut off), hole H8DD006 *including* **11.7m @ 5.59g/t Au** from 2.3m *and* **31m @ 6.64g/t Au** from 58m (1g/t Au cut off)
- **49m @ 2.54g/t Au, 0.2% Cu** from 143m (0.3g/t Au cut-off), hole H8DD004 (extended*), *including* **17m @ 6.62g/t Au, 0.3% Cu** from 157m (1g/t Au cut-off)
- **43m @ 4.24g/t Au, 0.3% Cu** from 177m (0.3g/t Au cut off), hole H8DD002 *including* **10m @ 5.66g/t Au, 0.9% Cu** from 182m *and* **5m @ 24.1g/t Au, 0.4% Cu** from 203m (1g/t Au cut off)
- **34m @ 3.84g/t Au** from surface (0.3g/t Au cut-off), hole H8DD017*, *including* **23m @ 5.06g/t Au** from surface (1g/t Au cut-off)
- **101m @ 1.44g/t Au** from 21m (0.3g/t Au cut-off), hole H8DD019* *including* **12m @ 4.32g/t Au** from 83m (1g/t Au cut-off)
- **50.1m @ 3.08g/t Au** from 16.9m (0.3g/t Au cut off), hole H8DD009 *including* 3.2m @ 4.97g/t Au from 19m *and* 6.2m @ 2.57g/t Au from 26m *and* 5m @ 1.84g/t Au from 36m *and* **22.7m @ 4.82g/t Au** from 44.3m (1g/t Au cut off)

(* completed during the period, downhole widths may not represent true width, refer ASX announcement 27 May 2019)

The Main Zone at Hill 800 is now defined over a 170m strike length, with an estimated true width ranging from 23m to 47m (average 35m), extending from surface to over 175m down-dip and importantly, remains open down dip and to the north. The Main Zone sits beneath and separate to the 800 Zone (Figure 3).

Carawine's drilling data will be combined with historic drilling as a basis for the Company's first Mineral Resource estimate at Hill 800, expected to be completed during Q4 2019. The next phase of drilling will then be designed to test down-dip from the limits of existing drilling (Figures 3 & 4).

Subsequent to the end of the period the Company completed a sampling and mapping program across the Jamieson project to identify new prospects and refine existing targets. This work defined five new, near-surface gold targets around Hill 800, and recognised two deep-seated magnetic anomalies within the Project area, one beneath Hill 800 and the other beneath Rhyolite Creek (Figure 5) (refer ASX announcement 15 July 2019).

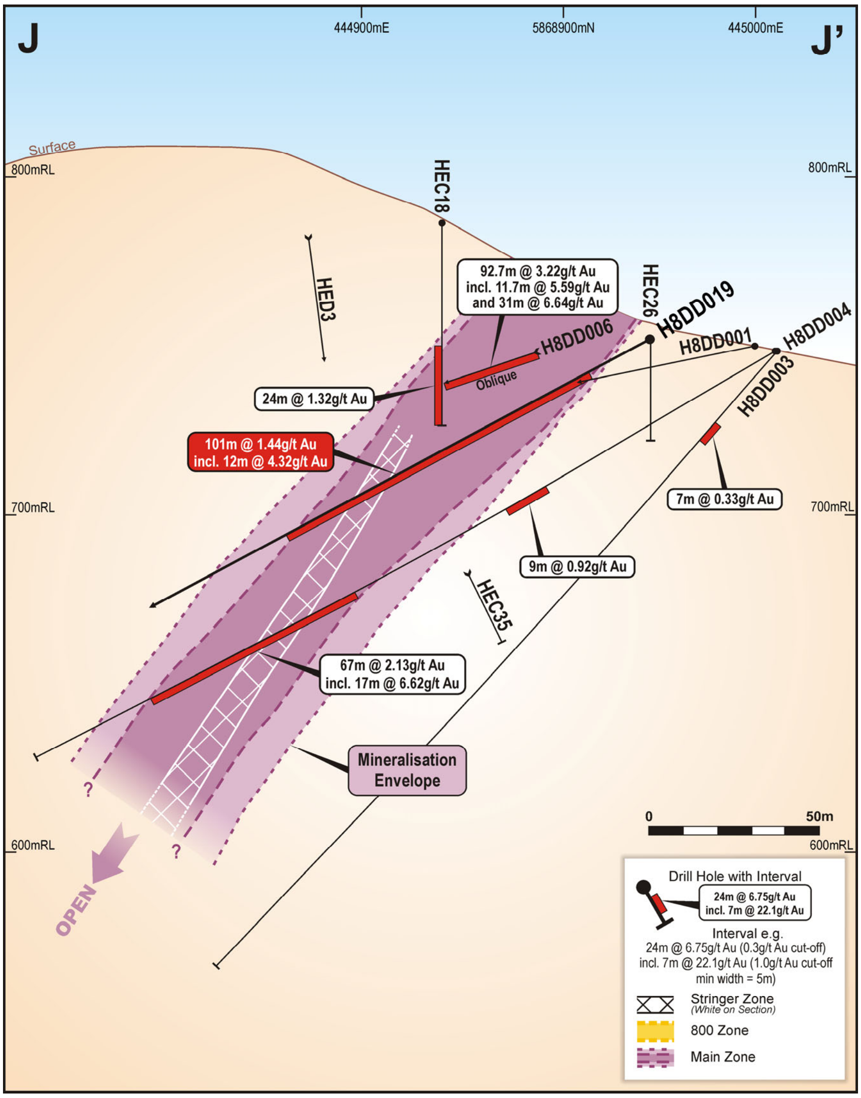

Figure 4: Cross Section J-J' (window +/- 10m).

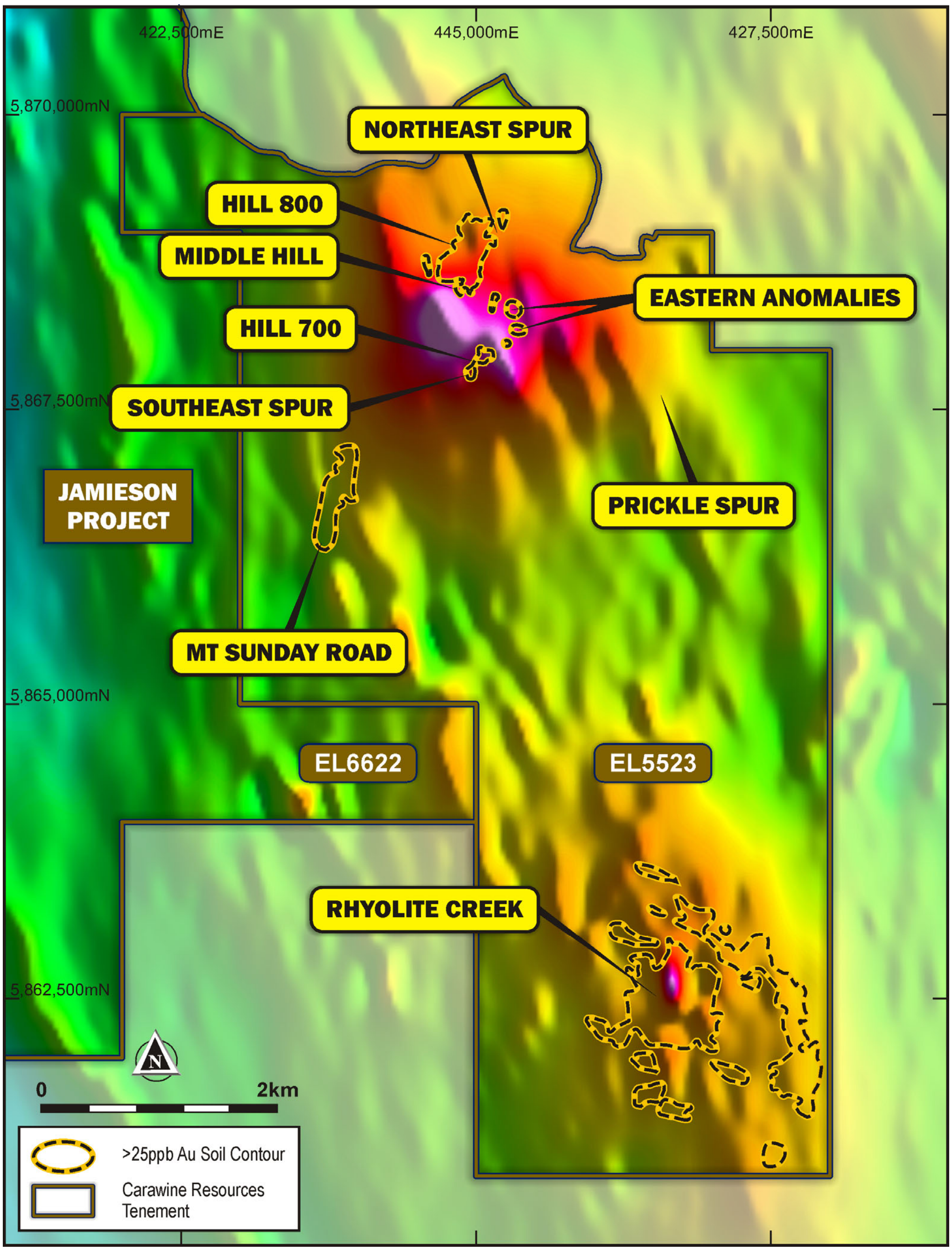

Figure 5: Regional magnetic image with relationship of main prospect areas with anomalous magnetic centres.

Following this work, an analysis of multi-element geochemical data collected from the Company's drill holes at Hill 800 was completed by renowned expert Dr Scott Halley. The analysis provides a compelling case that the gold and copper mineralisation at Hill 800 was sourced from a fertile gold-copper porphyry intrusive located at depth below the Hill 800 area. Together with the recognition of the regional magnetic highs, which are commonly associated with gold-copper porphyry intrusive systems, a number of porphyry targets have been generated. Further work is required to advance and test these targets (refer ASX announcement 11 September 2019).

PATERSON PROJECT

The Company's Paterson Project is located in the Paterson Province of Western Australia, a region which is host to a number of world-class gold and copper deposits, including Newcrest's Telfer gold and copper mine and Metals X's Nifty copper mine. The region has seen a marked increase in exploration activity recently, following two major new finds: Winu, a potentially large sediment-hosted copper deposit discovered by Rio Tinto (ASX:RIO); and Havieron, an intrusion-related gold and copper deposit discovered by Greatland Gold PLC (AIM:GGP).

Carawine's Paterson tenements are known to contain host formations and structures common to the major mineral deposits in the area. The tenements were applied for prior to the significant increase in exploration and tenement activity witnessed in the region in recent times and were selected on the basis of proximity to known mineralisation, shallow depth to basement, hosting prospective stratigraphy and geophysical anomalies. Carawine's tenure in the region comprises six granted exploration licences and ten exploration licence applications (subject to ballot) over an area of about 1,560km^2 held 100% by the Company across five regions: Lamil Hills, Trotman South, Red Dog, Baton and Sunday (Figure 6).

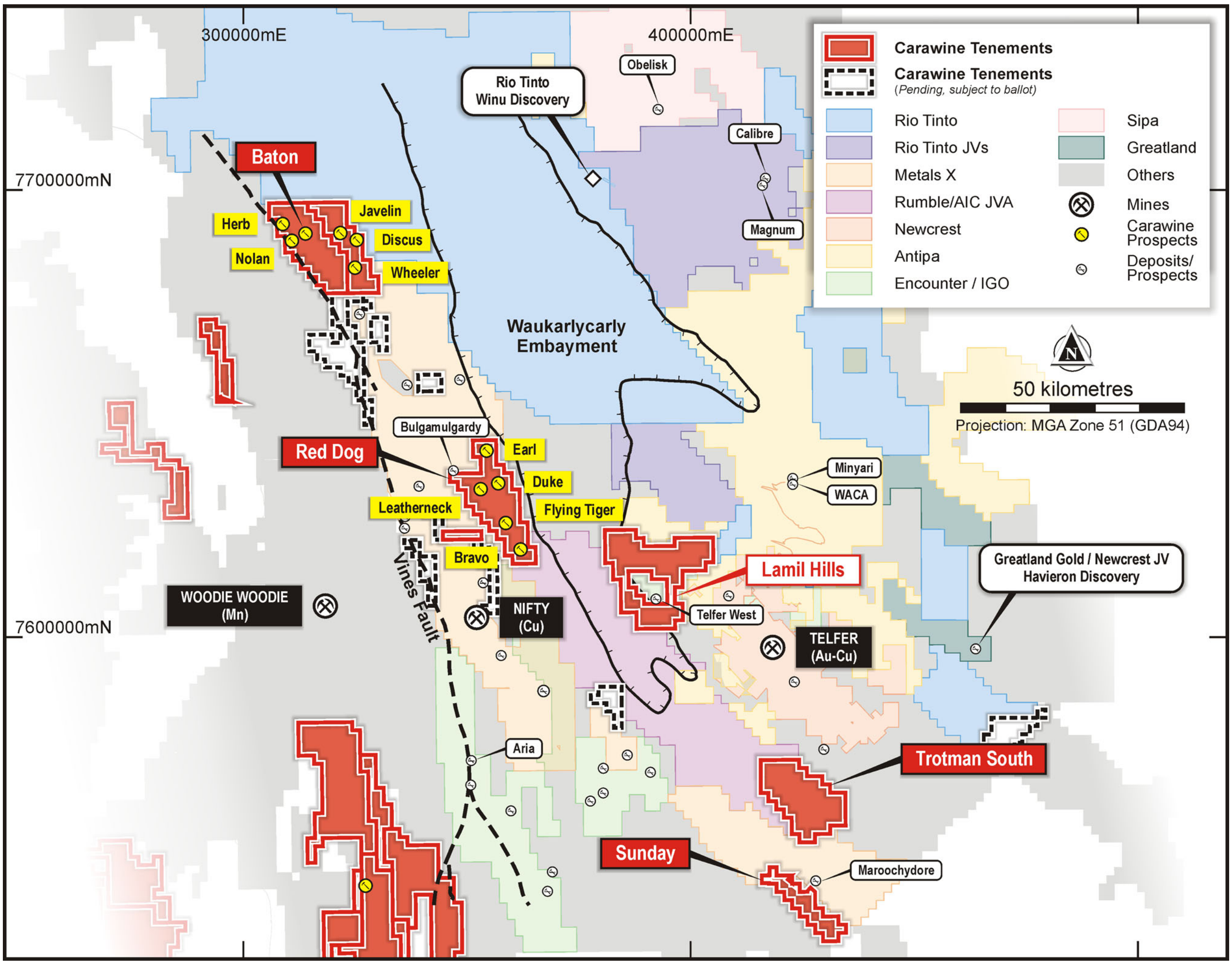

Figure 6: Paterson project tenements.

Target generation activities focussed on the Baton and Red Dog tenements with six prospect areas identified from historic exploration data. These areas were then targeted with a major geophysical program which was successful in defining a number of compelling targets for additional work including ground surveys and drilling.

Baton

At Baton, the Company completed a detailed low level fixed-wing airborne magnetic survey aimed at refining the "bullseye" magnetic highs previously identified from regional wide-spaced data at the Javelin and Wheeler prospects and searching for additional magnetic targets. The survey was successful in identifying several compelling new magnetic targets prospective for gold and copper mineralisation and improving the definition of the Javelin and Wheeler prospects (refer ASX announcement 8 July 2019).

Subsequent to the end of the period, a detailed ground gravity survey was completed over the Javelin, Wheeler and Discus prospects. The survey was successful in identifying several coincident magnetic and gravity anomalies at Javelin and Wheeler. Coincident magnetic-gravity anomalies are considered to increase the potential of a target to host certain types and styles of mineralisation. A summary of targets generated at Baton is as follows (Figures 7 & 8) (refer ASX announcements 8 July 2019 and 27 August 2019):

- Javelin - Three shallow (<100m) local magnetic anomalies, two with coincident gravity high anomalies. Anomaly J1 has a clear gravity high centred directly over the magnetic high, indicating the anomalies may have the same source. Anomaly J2 has a peak gravity high slightly offset from the magnetic high, possibly representing demagnetised/alteration zonation. Anomaly J3 has an intense gravity high offset from but parallel an anomalous magnetic unit.
- Wheeler – Elongate magnetic anomaly about 800m-1000m in length, with a separate magnetic anomaly immediately to the north. Both magnetic anomalies have associated gravity anomalies. Target W1 comprises a discrete gravity high coincident with and centred over the peak of the main magnetic anomaly. Targets W2 and W3 are both slightly offset but strongly associated with adjacent magnetic anomalies and potentially demagnetised/alteration zones. A single historic drill hole has intersected skarn style alteration with magnetite and low tenor copper anomalism near target W2 (2m @ 300ppm Cu from 96m in drill hole THRC0251) (refer ASX announcement 19 February 2019 for details).
- Discus - Strong magnetic unit 400m-600m long in Isdell Formation and untested by drilling. The discrete magnetic anomaly at Discus is associated with a broad gravity low which may represent deeper weathering in this area. A

subtle, low-order gravity anomaly to the north-west may represent offset mineralisation or be related to primary rock type. Discus remains a high priority target based on the nature of the discrete and strong magnetic anomaly.

- Herb - Complex, extremely strong elongate magnetic anomaly about 3km long, oriented NW-SE to NNW-SSE. The location of this anomaly adjacent to the Vines Fault, and its order of magnitude higher magnetic intensity (~2,000nT) is analogous to Encounter Resources' Aria IOCG prospect and Metals X's sediment hosted Holly Pb-Zn-Cu prospect.
- Nolan – Complex curved anomaly about 500m across, potentially representing alteration within a structurally favourable fold closure with a NW-SE axis in Coolbro sandstone.
- Anomalies HE1 and HE2 - Two small, isolated anomalies each ~300m in length, oriented NNW-SSE in Broadhurst Formation.

The next stage in advancing these targets is to complete three-dimensional modelling of the gravity and magnetic anomalies in order to accurately target drill holes to test the anomaly sources.

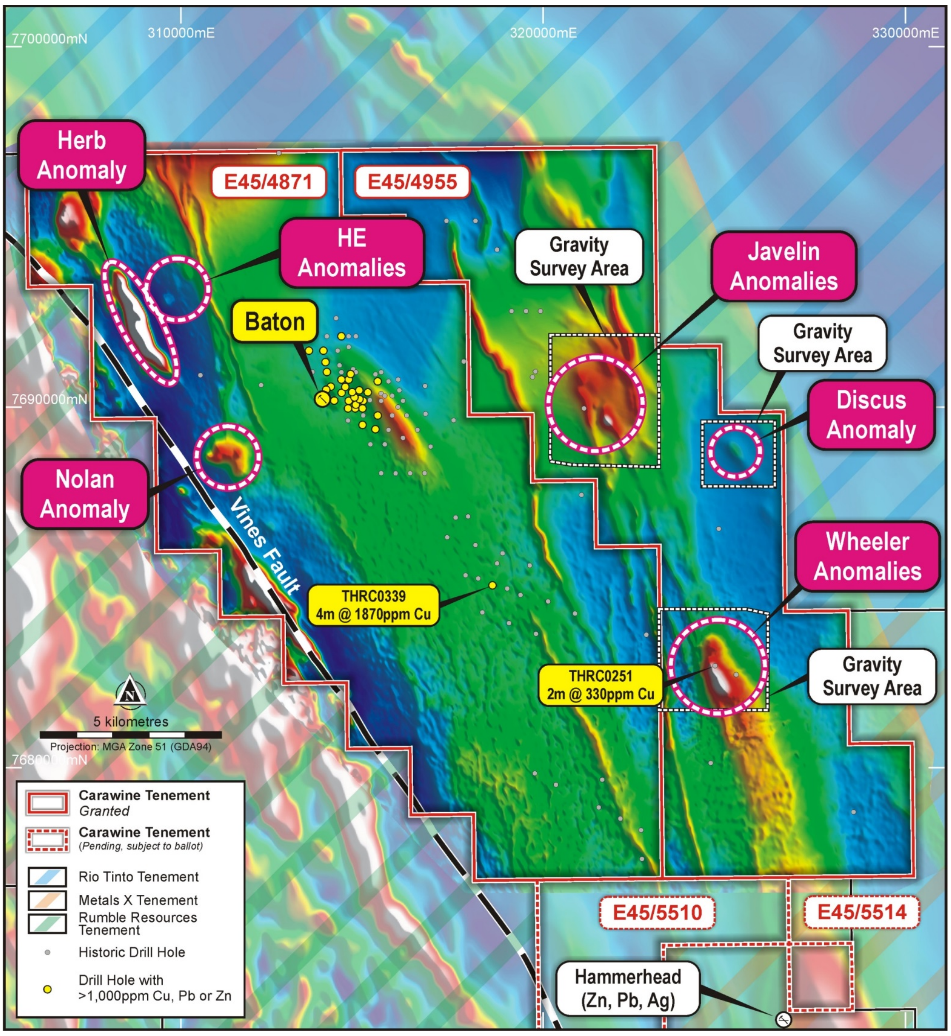

Figure 7: Baton tenements detailed magnetic image with gravity survey areas and targets.

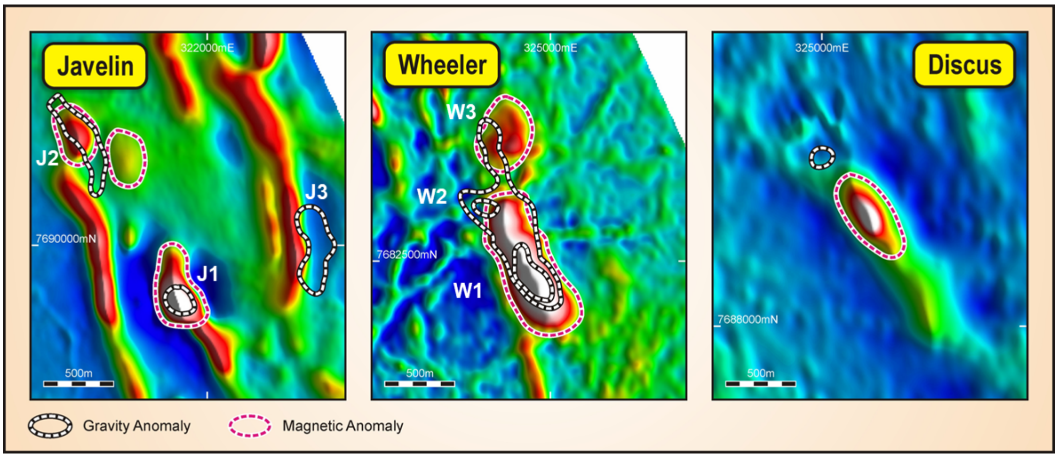

Figure 8: Gravity and magnetic anomalies at Javelin, Wheeler and Discus.

Red Dog

At Red Dog the Company completed a VTEM™ Max helicopter-borne electromagnetic (EM) survey with the aim of delineating discrete conductive anomalies associated with sulphide mineralisation (e.g. Rio Tinto's Winu discovery) or resistive zones associated with alteration (e.g. silica-dolomite alteration associated with the nearby Nifty copper deposit).

The survey identified twelve conductive (RDC01 to RDC12) and four resistive (RDR01 to RDR04) anomalies in new areas and at previously identified prospects, as follows (Figures 9 & 10) (refer ASX announcement 29 July 2019):

- Flying Tiger – six conductive anomalies and one resistive anomaly in Broadhurst Formation (host to the Nifty copper deposit), associated with tightly folded stratigraphy and offsetting NE-trending faults. Similarities in geological and structural setting to the Nifty copper deposit.

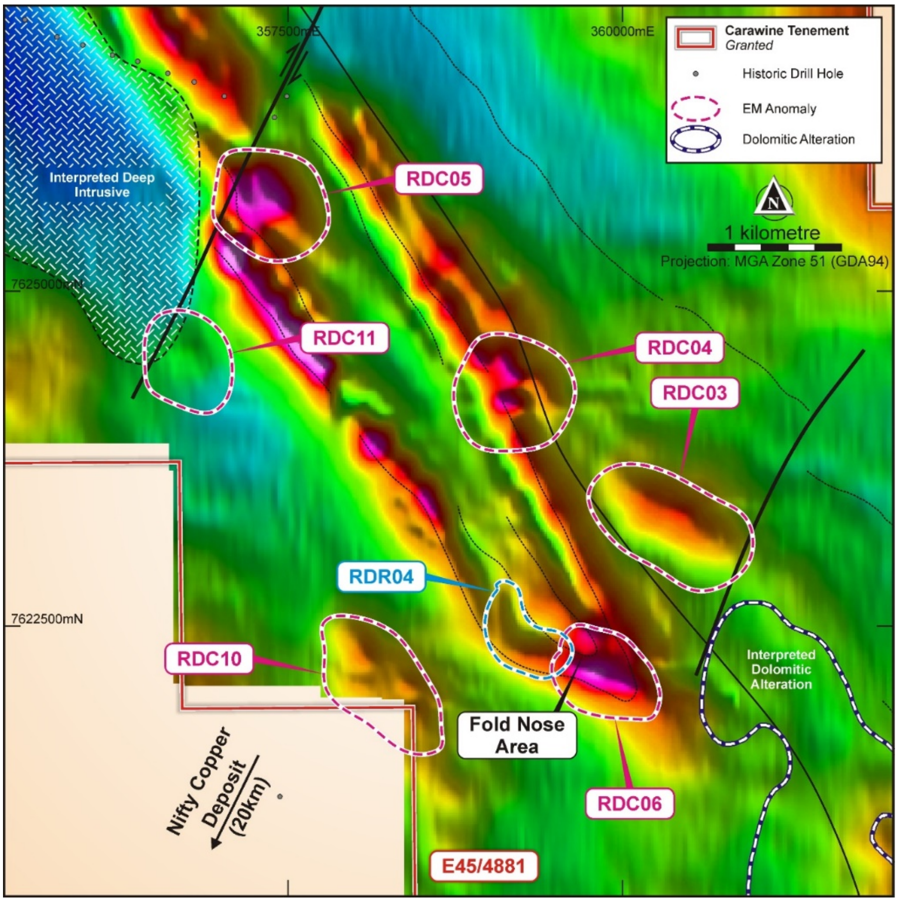

Figure 9: Flying Tiger prospect, preliminary conductivity image and anomalies (Ch 48BZ image).

- Bravo – two discrete conductive anomalies within the Broadhurst Formation adjacent to a large interpreted dolomite alteration zone.
- Leatherneck – two resistive anomalies either side of an isolated conductive anomaly in Broadhurst Formation, adjacent to anomalous zinc (to 2,380ppm) and copper (to 375ppm) in limited historic drilling (refer ASX announcement 19 February 2019).
- Anomaly RDC12 – conductive anomaly in Broadhurst Formation, 2km south and along strike from the Bulgamulgardy copper prospect, identified by BHP in drill hole BMD1 (3.2m @ 1,460ppm Cu and 1,240ppm Zn; refer ASX announcement 19 February 2019).
- Anomaly RDC07 – broad conductive anomaly northwest of the Leatherneck prospect.
- Anomaly RDC09 –elongate and distinct conductive anomaly within the Broadhurst Formation. Nearby historic drilling with anomalous copper and cobalt values, including 2m @ 542ppm Cu and 375ppm Co from 60m in drill hole KH103 (refer ASX announcement 19 February 2019).
- Earl – Discrete and strongly resistive anomaly on the edge of a large interpreted felsic intrusion within interpreted Malu and Puntapunta Formations (host to the Telfer gold-copper deposit).

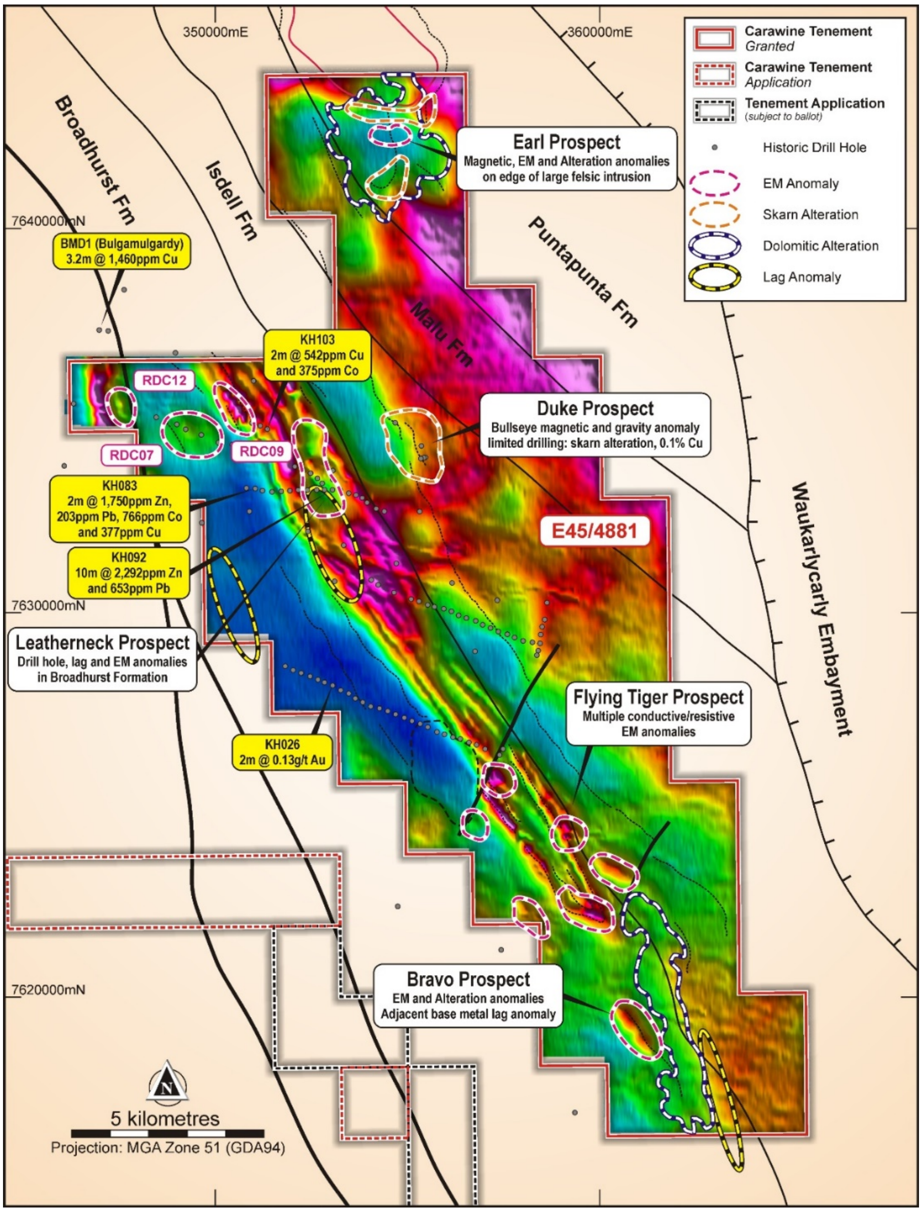

Figure 10: Red Dog tenement preliminary conductivity image and targets (late time Ch 48BZ image).

All anomalies are in areas with recent transported cover, essentially rendering them "blind" to surface geochemical exploration techniques. The depth to the basement host rocks under this cover is relatively shallow, ranging from 30m in the west to about 120m in the east of the tenement, meaning any drill testing of the anomalies can be done using relatively inexpensive drilling techniques. The next step to advance these targets is to confirm and model the anomalies which can then be prioritised for follow-up ground EM surveys and/or drill testing.

During the period the Company applied for 10 exploration licences in the Paterson Province, covering an area of approximately 408km^2 in areas meeting the Company's prospectivity criteria of host rock, structure and shallow cover (Figure 6). The tenement applications are subject to ballot where Carawine is one of between 2 and 6 other competing applicants.

OAKOVER PROJECT

Neighbouring the Paterson Project, also in Eastern Pilbara region of Western Australia, the Company's Oakover Project comprises nine granted exploration licences and six exploration licence applications with a total area of about 3,270km^2, held 100% by the Company (Figure 11). The Oakover Project is considered prospective for copper, cobalt, manganese and iron.

During the period the Company completed an RC drilling program at the Western Star Prospect, testing surface copper, cobalt and manganese mineralisation (Figure 11). Assay results from the program included several anomalous but low grade copper, manganese and cobalt intervals, downgrading the potential of the prospect to a low priority for follow-up work (refer ASX announcement 23 November 2018).

Four exploration licences were granted in the Oakover East area, east of the Bocrabee and Xmas prospects during the period (Figure 11). These tenements were applied for following the identification of a number of significant cobalt-manganese prospects and anomalies from a combination of current and historic rock chip sampling and mapping, and reprocessed historic geophysical (GEOTEM) data (refer ASX announcement 26 March 2018). The tenements cover over 130km strike length of the prospective host units and a number of cobalt-manganese lag anomalies. These will be evaluated and assessed for further work.

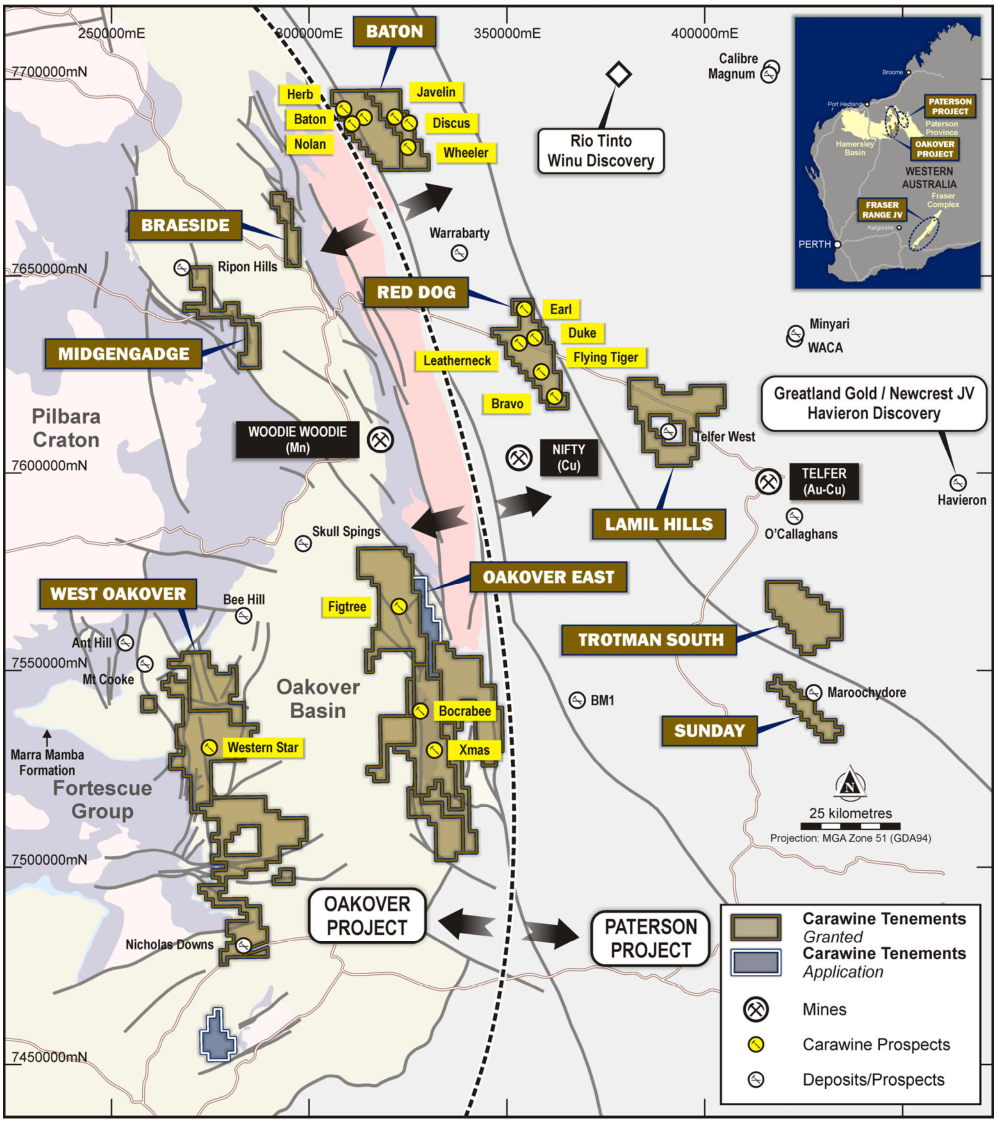

Figure 11: Oakover and Paterson Project tenement location plan.

FRASER RANGE PROJECT

The Fraser Range Project includes 6 granted exploration licences in five areas: Red Bull, Bindii, Big Bullocks, Similkameen and Big Bang in the Fraser Range region of Western Australia. The Project is considered prospective for magmatic nickel-sulphide deposits such as Independence Group NL's (IGO) Nova nickel-copper-cobalt operation (Figure 12).

Carawine has a joint venture with IGO over the Red Bull, Bindii, Big Bullocks and Similkameen tenements (the Fraser Range Joint Venture). IGO are managing and operating the joint venture, they currently hold a 51% interest and can earn an additional 19% interest in the tenements by spending $5 million by the end of 2021.

During the period IGO completed airborne electromagnetic surveys (SPECTREM) identifying conductive anomalies at Similkameen, Red Bull and Big Bullocks. These were followed up with ground-based moving loop electromagnetic (MLEM) surveys at Big Bullocks (Knifejaw and Cenote prospects), Similkameen (Aries prospect) and Red Bull. A ground gravity survey was also completed over the Cenote prospect at Big Bullocks (refer Quarterly Reports dated 25 January, 29 April & 31 July 2019).

Regional and infill air core drilling was also completed by IGO during the period over Red Bull, Big Bullocks and Similkameen.

The most significant results reported by IGO to date include the identification of a cluster of three low ranking but significant SPECTREM anomalies at the Aries prospect at Similkameen. These anomalies are on the eastern side of the Fraser Shear, and have been recognised as being directly over the 'Andromeda' VMS belt. IGO's Andromeda VMS prospect, where diamond core drill testing (hole 18AFRD004) of a strong downhole EM anomaly intersected 29.9m grading 1.36% Cu, 2.51% Zn, 0.35g/t Au and 19.9g/t Ag mineralisation from 548.1m downhole (for details see IGO's ASX release (ASX:IGO) dated 26 July 2018, entitled "Annual Mineral Resource And Ore Reserve"), is about 50km along strike to the northeast of Similkameen.

During the period 22 air core holes were drilled at Aries with no significant base metal or gold values returned. However, the drilling did intersect felsic and mafic gneisses consistent with those drilled near Andromeda. The prospect is considered live, with further programs to be planned to follow up these targets.

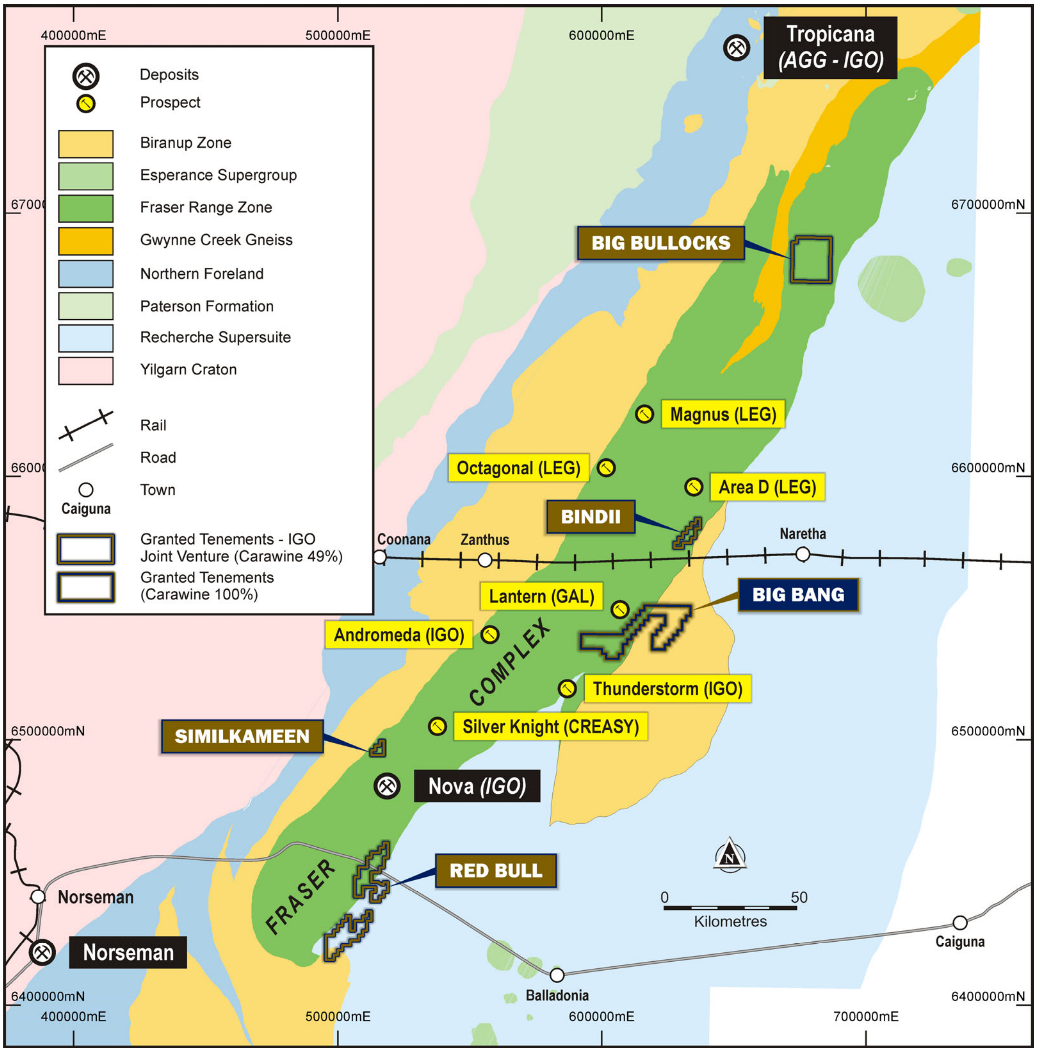

Figure 12: Fraser Range Project tenements.

CORPORATE ACTIVITIES

Subsequent to the end of the period, the Company announced a placement to raise a total of $3.0 million (before costs) through a two-tranche placement of approximately 21.4 million ordinary shares (“Shares”) at an issue price of 14 cents per Share (“the Placement”).

The first tranche (“Tranche 1”) comprises approximately 13.96 million Shares to be issued at $0.14 per Share, raising approximately $1.95 million (before costs).

The second tranche (“Tranche 2”) of the Placement will be completed subject to obtaining shareholder approval at the Company’s annual general meeting which is intended to be held in mid-November. If approved, Tranche 2 will result in the issue of approximately 7.47 million Shares to raise approximately $1.05 million (before costs).

COMPLIANCE STATEMENTS

Previously Reported Information

This report includes information that relates to Exploration Results prepared and first disclosed under the JORC Code (2012). The information was extracted from the Company's previous ASX Announcements as follows:

- Jamieson: "Copper-gold Porphyry Targets at Hill 800" 11 September 2019
- Paterson: "Paterson Gravity Survey Prioritises Baton Targets" 27 August 2019
- Various: "Quarterly Activities Report for The Period Ended 30 June 2019" 31 July 2019
- Paterson: "Sixteen EM Targets Identified at the Paterson Project" 29 July 2019
- Jamieson: "New Gold Prospects Defined at Jamieson" 15 July 2019
- Paterson: "Paterson Aeromagnetic Survey Identifies New Targets" 8 July 2019
- Jamieson: "Gold Zone Extended with Latest Results From Hill 800" 27 May 2019
- Various: "Quarterly Activities Report for The Period Ended 31 March 2019" 29 April 2019
- Paterson: "Six New High Priority Prospects in the Paterson Province" 19 February 2019
- Various: "Quarterly Activities Report for The Period Ended 31 December 2018" 25 January 2019
- Oakover: "Encouraging Drill Results from Western Star" 23 November 2018
- Oakover: "New Cobalt Targets Identified in Eastern Pilbara" 26 March 2018

Copies of these announcements are available from the ASX Announcements page of the Company's website: www.carawine.com.au

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements. The Company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the relevant original market announcements.

Forward Looking and Cautionary Statements

Some statements in this report regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "predict", "foresee", "proposed", "aim", "target", "opportunity", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this report are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements, so there can be no assurance that actual outcomes will not materially differ from these forward-looking statements.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of the financial year were exploration for gold, copper and base metal deposits within Australia.

REVIEW OF OPERATIONS

Refer to pages 5-15 for the Review of Operations.

DIRECTORS

The Directors of the Company during or since the end of the financial year and until the date of this report are as follows:

Name	Period of Directorship
Mr Will Burbury Non-Executive Chairman	Director since 16 March 2016
Mr David Boyd Managing Director	Director since 26 October 2017
Mr Bruce McQuitty Non-Executive Director	Director since 16 March 2016
Mr David Archer Non-Executive Director	Director since 16 March 2016

The qualification, experience and special responsibilities of the Directors of the Company during or since the end of the financial year are:

Mr Will Burbury (B.Comm, LLB)
Non-Executive Chairman

Mr Burbury practised as a corporate lawyer with a leading Australian law firm prior to entering the mining and exploration industry in 2003. During his career, he has been actively involved in the identification and financing of many Australian and African resources projects. He has held senior management positions and served on the boards of several private and publicly listed companies.

Mr Burbury was previously Chairman of ASX listed Warwick Resources Limited prior to its merger with Atlas Iron Limited in 2009 and was also formerly a director of Lucapa Diamond Company Limited. He was a founding director, and is currently the non-executive chairman, of Sheffield Resources Limited.

Other Current Listed Directorships
Sheffield Resources Limited (since 6 June 2007)

Former Listed Directorships in the Last Three Years
None

Mr David Boyd (B.Sc (Hons), MAIG)
Managing Director

Mr Boyd is a highly experienced geologist with over 25 years' experience in the mining industry. During his career, he has worked in senior exploration roles with major gold-mining houses including RGC/Goldfields Limited, Placer Dome Asia Pacific. and Barrick Gold Corporation. Over this time he was involved in a number of gold discoveries, including the Raleigh and Homestead Underground gold mines in the Eastern Goldfields of WA.

Most recently Mr Boyd was Sheffield Resources Limited's Exploration Manager, part of the team responsible for the identification of the Thunderbird Mineral Sands Project. Prior to his role at Sheffield, he was the general manager of Geology with Consolidated Minerals Limited where he was responsible for managing exploration and resource development.

Other Listed Current Directorships
None

Former Listed Directorships in the Last Three Years
None

Mr Bruce McQuitty (B.Sc, MEconGeol)
Non-Executive Director

Mr McQuitty has over 35 years' experience in the mining and civil industries. During this time, he has held various senior positions in large mining houses and has been involved in exploration through to the development of mines. Mr McQuitty has significant technical expertise in exploration, project generation, feasibility, underground mining and engineering geology and has managed exploration teams in Australia and overseas.

Mr McQuitty was a founding director and managing director of Sheffield Resources Limited and a non-executive director since 2015. Mr McQuitty was previously managing director of ASX listed Warwick Resources Limited prior to its merger with Atlas Iron Limited in 2009. Prior to that he held senior positions with listed companies Consolidated Minerals Limited and Gympie Gold Limited.

Other Current Listed Directorships
Sheffield Resources Limited (since 14 December 2009)

Former Listed Directorships in the Last Three Years

None

Mr David Archer (BSc (Hons))
Non-Executive Director

Mr Archer is a geologist with over 30 years' experience in exploration and mining in Australia. He has held senior positions with major Australian mining companies, including Renison Goldfields Consolidated Ltd and ten years as a Director of Archer Geological Consulting specialising in project generation, geological mapping and project evaluation.

Mr Archer was a consultant to ASX listed Atlas Iron Limited and Warwick Resources Limited and was responsible for significant iron ore discoveries for both companies in the Pilbara. Other major West Australian discoveries include the Raleigh and Paradigm gold mines and the Magellan lead mine.

Mr Archer was a founding director, and is currently an executive director, of Sheffield Resources Limited.

Other Current Listed Directorships
Sheffield Resources Limited (since 14 December 2009)

Former Listed Directorships in the Last Three Years

None

CURRENT & FORMER COMPANY SECRETARY

Ms Rebecca Broughton (BCom, CA) (Appointed 30 May 2019)

Ms Broughton is a Chartered Accountant with over 20 years' experience gained in both public practice and commerce. Ms Broughton commenced her career with Ernst and Young and has since held finance positions in the mining industry. Ms Broughton is also Company Secretary of DevEx Resources Limited.

Ms Gemma Davies (Resigned 30 May 2019)

Ms Davies is an Accountant with over 10 years' experience in the resources industry. Ms Davies has held senior finance-based roles within the copper and mineral sands sectors and has experience in finance, accounting and administration, and compliance.

DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings held during the financial year and the number of meetings attended by each Director. In addition to these formal meetings, during the year the Directors considered and passed 6 Circular Resolutions pursuant to clause 15.11 of the Company's Constitution.

Director	Held	Attended
Mr W Burbury	3	3
Mr D Boyd	3	3
Mr B McQuitty	3	3
Mr D Archer	3	3

DIRECTORS' SHAREHOLDINGS

The relevant interest of each Director in the share capital of the Company as at the date of this report are:

Director	Balance 1 July 2018	Granted as remuneration	Received on exercise of options	Other changes	Balance Report date
W Burbury	816,885	-	-	-	816,885
D Boyd	220,589	-	-	-	220,589
B McQuitty	864,977	-	-	107,629	972,606
D Archer	977,134	-	-	75,000	1,052,134

DIRECTORS' OPTION HOLDINGS

The number of options held by each Director in the Company as at the date of this report are:

Director	Balance 1 July 2018	Issued	Exercised	Other changes	Balance Report date	Vested & Exercisable	Unvested
W Burbury	272,293	-	-	-	272,293	272,293	-
D Boyd	40,196	-	-	-	40,196	40,196	-
B McQuitty	268,325	-	-	-	268,325	268,325	-
D Archer	272,376	-	-	-	272,376	272,376	-

DIRECTORS' PERFORMANCE RIGHTS HOLDINGS

The number of performance rights held by each Director in the Company as at the date of this report are:

Director	Balance 1 July 2018	Issued	Exercised	Other changes	Balance Report date	Vested & Exercisable	Unvested
D Boyd	1,700,000	1,700,000	-	(250,000)	1,450,000	-	1,450,000

During the financial year, 250,000 performance rights granted in 2017 lapsed without vesting as the performance conditions were not achieved. Refer to Note 13 for further details.

SHARE OPTIONS

Employee options

The following options were issued under the Company's Employee Option Plan ('ESOP') and Performance Rights Plan ('Performance') and are in existence at the date of this report. The 1,000,000 ESOP options vested during the year.

Number of ordinary shares under option	Exercise price $	Expiry date	Type
500,000	0.30	12/12/2021	ESOP
500,000	0.40	12/02/2022	ESOP
350,000	-	12/12/2019	Performance
775,000	-	12/12/2020	Performance
775,000	-	12/12/2021	Performance

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company, body corporate or registered scheme. The issuing entity for all options was Carawine Resources Limited.

Options lapsed during the financial year

No options lapsed during the financial year ended 30 June 2019. 250,000 performance rights lapsed as discussed above.

Options on issue at the date of this report

Number of ordinary shares under option	Grant date	Exercise price $	Expiry date	Type
10,252,249	12/12/2017	0.30	14/12/2020	Loyalty options
500,000	12/12/2017	0.30	12/12/2021	ESOP
500,000	12/02/2018	0.40	12/02/2022	ESOP

Performance rights on issue at the date of this report

Number of ordinary shares under option	Grant date	Exercise price $	Expiry date	Series/Tranche
350,000	12/12/2017	N/A	12/12/2019	S1, T2
550,000	12/12/2017	N/A	12/12/2020	S1, T3
550,000	12/12/2017	N/A	12/12/2021	S1, T4
225,000	12/02/2018	N/A	12/12/2020	S2, T3
225,000	12/02/2018	N/A	12/12/2021	S2, T4

DIVIDENDS

No dividends have been paid or declared during the financial year ended 30 June 2019 and the Directors do not recommend the payment of a dividend in respect of the financial year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the company to the date of this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Therefore, this information has not been presented in this report.

CORPORATE GOVERNANCE STATEMENT

The Board of Carawine Resources has adopted the spirit and intent of the 3rd Edition of the Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council. The Company's Corporate Governance Statement may be accessed from the Governance section of the Company's website, www.carawine.com.au. This document is regularly reviewed to address any changes in governance practices and the law.

ENVIRONMENTAL REGULATION

The Company's exploration activities are governed by environmental regulation. To the best of the Directors' knowledge, the Company believes it has adequate systems in place to ensure compliance with the requirements of applicable environmental legislation and is not aware of any material breach of those requirements during the financial year and up to the date of the Directors' Report.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has agreed to indemnify all the Directors and key management personnel of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their designated position of the Company, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company paid a premium in respect of a contract insuring the Directors and Officers of the Company against any liability incurred in the course of their duties to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

SUBSEQUENT EVENTS AFTER BALANCE DATE

Subsequent to year-end, the Company received commitments to raise a total of $3 million (before costs) through a two-tranche equity placement of approximately 21.4 million ordinary shares at an issue price of 14 cents per share. The second tranche of the placement will be completed subject to obtaining shareholder approval at the Company's annual general meeting that is intended to be held in mid-November. The funds raised will be used to enable the Company to accelerate exploration at its Jamieson Project in Victoria and its Paterson Project in Western Australia.

There have been no additional matters or circumstances that have arisen after balance date that have significantly affected, or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

REMUNERATION REPORT (AUDITED)

The Directors of Carawine Resources Limited present the Remuneration Report prepared in accordance with the requirements of the *Corporations Act 2001* for the Company for the financial year ended 30 June 2019.

For the purposes of this report, key management personnel ("KMP") are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the parent company. This Remuneration Report forms part of the Directors' Report.

OVERVIEW

Remuneration levels for key management personnel are competitively set to attract the most qualified and experienced candidates. Details of the Company's remuneration strategy for the 2019 financial year are set out in this Remuneration Report.

This Remuneration Report:

- explains the Board's policies relating to remuneration of key management personnel;
- discusses the relationship between these policies and the Company's performance; and
- sets out remuneration details for each of the key management personnel.

Remuneration philosophy

The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable KMP remuneration.

Non-Executive Director Remuneration

In accordance with best practice corporate governance, the structure of Non-executive Director and Executive remuneration is separate and distinct. The fees paid to Non-Executive Directors are set at levels that reflect both the responsibilities of, and the time commitments required from, each Non-Executive Director to discharge their duties and are not linked to the performance of the Company.

Remuneration of Key Management Personnel

In adopting a remuneration strategy for KMP's, at all times the Company strives to seek a balance between preservation of cash proceeds and an equitable remuneration structure. To align key management personnel interests with that of shareholders, key management personnel have agreed to sacrifice a portion of their cash remuneration in lieu of share options, subject to market disclosure requirements upon appointment and the approval of shareholders on an annual basis.

In addition to the award of share options, the remuneration strategy comprises a fixed cash salary component, statutory superannuation contributions and where appropriate a potential merit-based performance bonus or other share based incentives in the Company.

Performance milestones are carefully nominated and weighted according to the management role and its connection with the relevant performance milestone. This structure is intended to provide competitive rewards (subject to performance) to attract and retain high calibre executives.

Performance based share options are offered to KMP's at the discretion of the Board. Length of service with the Company, past and potential contribution of the person to the Company are also factors considered when awarding shares options to employees. The award of discretionary performance bonuses are aligned with the ongoing performance assessment of the incumbent management team, following review and assessment by the Board of Directors. Criteria used to determine potential merit-based performance bonus for the Managing Director and other KMP's, during the exploration phase, is the setting of key objectives for each KMP and measuring performance against these objectives. Key objectives will normally include specific criteria where performance will be measured against progress indicators. These key objectives will largely be determinable by the objective assessment of performance by the Managing Director.

The table below sets out summary information about the movements in shareholder wealth for the following financial periods:

	30 June 2019 $'000	30 June 2018 $'000
Revenue	52,178	47,374
Net (loss)/profit before tax	(901,229)	(563,406)
Net (loss)/profit after tax	(604,365)	(1,223,846)
Share price at start of year	0.26	0.20*
Share price at end of year	0.10	0.26
Dividends	-	-
Basic loss per share (cents)	(0.01)	(0.04)
Diluted loss per share (cents)	(0.01)	(0.04)

* IPO issue price

KEY MANAGEMENT PERSONNEL

The following persons acted as key management personnel of the Company during or since the end of the financial year:

- Mr Will Burbury (Non-Executive Chairman)
- Mr David Boyd (Managing Director)
- Mr Bruce McQuitty (Non-Executive Director)
- Mr David Archer (Non-Executive Director)

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The table below shows the fixed and variable remuneration for key management personnel.

Directors	Short-term benefits			Post-employment benefits	Share-based payment		Relative proportion of remuneration linked to performance	
	Salary & fees $	Bonus	Other $	Super-annuation $	Options & rights $	Total $	Fixed %	Performance based %
W Burbury								
2019	49,000	-	-	4,655	-	53,655	100	-
2018	40,833	-	-	3,879	-	44,712	100	-
D Boyd								
2019	230,000	-	5,507	21,850	83,714	341,071	75	25
2018	130,628	-	1,792	12,410	58,728	203,558	71	29
B McQuitty								
2019	45,000	-	-	4,275	-	49,275	100	-
2018	37,500	-	-	3,563	-	41,063	100	-
D Archer								
2019	45,000	-	-	4,275	-	49,275	100	-
2018	37,500	-	-	3,563	-	41,063	100	-
Total								
2019	**369,000**	**-**	**5,507**	**35,055**	**83,714**	**493,276**	**83**	**17**
2018	**246,461**	**-**	**1,792**	**23,415**	**58,728**	**330,396**	**82**	**18**

NON-EXECUTIVE DIRECTOR AGREEMENTS

The amount of remuneration for all Directors including the full remuneration packages, comprising all monetary and non-monetary components of the Executive Directors and executives, are detailed in this Directors' Report. Non-Executive Directors may receive annual fees within an aggregate Directors' fee pool limited to an amount which is approved by shareholders.

The maximum aggregate Directors' fee pool is set at $250,000 and was included in the Company's IPO Prospectus document.

EXECUTIVE EMPLOYMENT AGREEMENTS

Remuneration and other terms of employment for the following key management personnel are formalised in employment agreements. All contracts with executives may be terminated early by either party with notice, per individual agreement, and subject to the termination payments as detailed below:

Name	Position	Commencement Start Date	Base Salary (including superannuation)	Share Option Benefits	Termination Benefit
D Boyd	Managing Director	12/12/2017	230,000	259,200	3 months' notice

KEY MANAGEMENT PERSONNEL SHAREHOLDINGS

The relevant interests of each Director in the share capital (held directly or indirectly) of the Company at 30 June 2019 were:

Director	Balance 1 July 2018	Granted as remuneration	Received on exercise of options	Other changes	Balance 30 June 2019
W Burbury	816,885	-	-	-	816,885
D Boyd	220,589	-	-	-	220,589
B McQuitty	864,977	-	-	107,629	972,606
D Archer	977,134	-	-	75,000	1,052,134

There were no shares issued to key management personnel as part of remuneration during the financial year ended 30 June 2019.

KEY MANAGEMENT PERSONNEL OPTION HOLDINGS

The number of options held by each Director in the Company at 30 June 2019 were:

Director	Balance 1 July 2018	Issued	Exercised	Other changes	Balance 30 June 2019	Vested & Exercisable	Unvested
W Burbury	272,293	-	-	-	272,293	272,293	-
D Boyd	40,196	-	-	-	40,196	40,196	-
B McQuitty	268,325	-	-	-	268,325	268,325	-
D Archer	272,376	-	-	-	272,376	272,376	-

KEY MANAGEMENT PERSONNEL PERFORMANCE RIGHTS HOLDINGS

The number of performance rights held by each Director in the Company at 30 June 2019 were:

Director	Balance 1 July 2018	Issued	Exercised	Other changes	Balance 30 June 2019	Vested & Exercisable	Unvested
D Boyd	1,700,000	1,700,000	-	(250,000)	1,450,000	-	1,450,000

Performance Rights are offered to key management personnel having regard, among other things, to the past and potential contribution of the person to the Company. Performance Options are issued subject to specific performance criteria specific being met by the KMP.

There were no performance rights issued during the financial year to key management personnel. No rights previously issued had vested as at balance date.

OPTIONS EXERCISED DURING THE FINANCIAL YEAR

No options were exercised during the financial year to 30 June 2019.

TRANSACTIONS WITH OTHER RELATED PARTIES

During the period, the Company paid $153,194 (excluding GST) to a Director related entity for shared office and administrative services costs. As at 30 June 2019, there is a balance of $12,620 outstanding.

There were no other transactions entered into with related parties for the June 2019 financial year

USE OF REMUNERATION CONSULTANTS

Due to the size of the Company's operations, the Company has not engaged remuneration consultants to review and measure its remuneration policy and strategy. The Board reviews remuneration strategy periodically and may engage remuneration consultants in future to assist with this process.

END OF AUDITED REMUNERATION REPORT

NON-AUDIT SERVICES

Details of the amount paid to the auditor and its related practices for audit and other assurance services are set out below:

	June 2019 $	June 2018 $
Audit and other assurances services	27,336	23,500
Non-audit services	-	-

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

Section 307C of the *Corporations Act 2001* requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report.

This Independence Declaration is set out on page 24 and forms part of this Directors' report for the year ended 30 June 2019.

Signed in accordance with a resolution of the Directors.

Mr David Boyd
Managing Director
Perth, 26 September 2019

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Carawine Resources 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:

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

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

Perth, Western Australia
26 September 2019

D I Buckley
Partner

hlb.com.au

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 $	2018 $
Revenue and other income	2	52,178	47,374
Employee benefits expense		(249,027)	(152,805)
Depreciation expense		(17,914)	(7,004)
Other expenses	2	(426,937)	(244,961)
Share-based payments		(194,230)	(124,145)
Impairment of deferred exploration and evaluation expenditure	8	(65,299)	(81,865)
Loss before income tax		(901,229)	(563,406)
Income tax benefit/(expense)	3	296,864	(660,440)
Loss for the year		**(604,365)**	**(1,223,846)**
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		**(604,365)**	**(1,223,846)**
Basic loss per share	4	(0.01)	(0.04)
Dilutive loss per share	4	(0.01)	(0.04)

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Notes	2019 $	2018 $
Current Assets			
Cash and cash equivalents	5	1,207,927	5,047,836
Trade and other receivables	6	112,146	177,996
Total Current Assets		1,320,073	5,225,832
Non-Current Assets			
Plant and equipment	7	36,826	54,740
Deferred exploration and evaluation expenditure	8	6,910,913	4,593,272
Total Non-Current Assets		6,947,739	4,648,012
Total Assets		8,267,812	9,873,844
Current Liabilities			
Trade and other payables	9	224,086	1,158,877
Provisions	10	83,995	48,238
Total Current Liabilities		308,081	1,207,115
Non-Current Liabilities			
Deferred tax liabilities	3	226,039	431,212
Total Non-Current Liabilities		226,039	431,212
Total Liabilities		534,120	1,638,327
Net Assets		7,733,692	8,235,517
Equity			
Issued capital	11	9,315,305	9,406,995
Reserves	12	289,125	124,145
Accumulated losses	12	(1,870,738)	(1,295,623)
Total Equity		7,733,692	8,235,517

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

Carawine Resources

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

	Issued capital	Accumulated losses	Reserves	Total
	$	$	$	$
Balance as at 1 July 2018	9,406,995	(1,295,623)	124,145	8,235,517
Loss for the year	-	(604,365)	-	(604,365)
Total comprehensive loss for the year	-	(604,365)	-	(604,365)
Shares issued during the year	-	-	-	-
Unwinding of tax effect on share issue costs	(91,690)	-	-	(91,690)
Recognition of share-based payments	-	-	194,230	194,230
Transfer of lapsed performance rights	-	29,250	(29,250)	-
Balance at 30 June 2019	9,315,305	(1,870,738)	289,125	7,733,692

	Issued capital	Accumulated losses	Reserves	Total
	$	$	$	$
Balance as at 1 July 2017	2,424,772	(71,777)	-	2,352,995
Loss for the year	-	(1,223,846)	-	(1,223,846)
Total comprehensive income for the year	-	(1,223,846)	-	(1,223,846)
Shares issued during the year	7,517,087	-	-	7,517,087
Share issue costs	(534,864)	-	-	(534,864)
Recognition of share-based payments	-	-	124,145	124,145
Balance at 30 June 2018	9,406,995	(1,295,623)	124,145	8,235,517

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 $	2018 $
Cash flows from operating activities			
Payments to suppliers and employees		(592,370)	(392,216)
Payments for security deposits/bonds		(6,307)	(73,274)
Interest received		61,467	34,580
Net cash (used in) operating activities	5	**(537,210)**	**(430,910)**
Cash flows from investing in activities			
Payments for exploration and evaluation expenditure		(3,302,699)	(1,042,507)
Purchase of plant and equipment		-	(31,743)
Net cash (used in) investing activities		**(3,302,699)**	**(1,074,250)**
Cash flows from financing activities			
Proceeds from issue of shares		-	7,317,088
Payments for share issue costs		-	(764,092)
Net cash provided by financing activities		**-**	**6,552,996**
Net increase/(decrease) in cash and cash equivalents		(3,839,909)	5,047,836
Cash and cash equivalents at beginning of year		5,047,836	-
Cash and cash equivalents at end of year	5	**1,207,927**	**5,047,836**

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(A) CORPORATE INFORMATION

The financial statements are for Carawine Resources Limited ("Carawine" or the "Company"). Carawine is a listed for-profit public company, incorporated and domiciled in Australia and listed on the Australian Securities Exchange ("ASX"). During the year ended 30 June 2019, the Company conducted operations in Australia. The entity's principal activity is exploration for gold, copper, cobalt and base metals within Western Australia and Victoria.

These financial statements were authorised for issue in accordance with a resolution of the Directors' on 26 September 2019.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

The principal accounting policies adopted in the preparation of these financial statements are set out below.

(B) BASIS OF PREPARATION

The results of the Company are expressed in Australian dollars, which are the functional and presentation currency for the financial report.

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and Interpretations and complies with other requirements of the law. The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated.

Historical Cost Convention

The financial report has also been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

(C) ADOPTION OF NEW AND REVISED STANDARDS

Standards and Interpretations applicable to 30 June 2019

In the year ended 30 June 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to accounting policies. This includes consideration of AASB 9 and AASB 15.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the year ended 30 June 2019. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to accounting policies. This includes consideration of AASB 16.

(D) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. However, actual outcomes would differ from these estimates if different assumptions were used and different conditions existed.

The Company has identified the following areas where significant judgements, estimates and assumptions are required, and where actual results were to differ, may materially affect the financial position or financial results reported in future periods.

Share-based payment transactions:

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model, using the assumptions detailed in Note 13. As a performance incentive, senior employees were granted options during the financial year ended 30 June 2019, which contain assumptions of a real risk of forfeiture where performance targets are not achieved.

Exploration and evaluation expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely either from exploitation or sale or where activities have now reached a stage which permits a reasonable assessment of the existence of reserves.

(E) GOING CONCERN

The financial report has been prepared on a going concern basis. Notwithstanding the fact that the Company incurred an operating loss of $604,365 for the year ended 30 June 2019 and a net cash outflow from operating and investing activities amounting to $537,210 and $3,302,699 respectively, the Directors are of the opinion that the Company is a going concern as subsequent to year-end, the Company received commitments to raise a total of $3 million (before costs) through a two-tranche equity placement of approximately 21.4 million ordinary shares at an issue price of 14 cents per share. The second tranche of the placement (representing approximately $1.05 million before costs) will be completed subject to obtaining shareholder approval at the Company's annual general meeting intended to be held in mid-November.

The Directors anticipate that further equity raisings will be required in the future to meet ongoing working capital and expenditure commitments.

(F) SEGMENT REPORTING

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker, which has been identified by the Company as the Managing Director and other members of the Board of Directors.

(G) REVENUE RECOGNITION

Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. Revenue is recognised to the extent that control has passed on the goods and services provided and it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(i) Interest income - Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(H) INCOME TAX

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

(H) INCOME TAX (CONTINUED)

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(I) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(J) BUSINESS COMBINATION

The consideration transferred by the Company to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Company, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Company recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of:

a) fair value of consideration transferred;

b) the recognised amount of any non-controlling interest in the acquiree; and

c) acquisition-date fair value of any existing equity interest in the acquirer over the acquisition-date fair values of identifiable net assets.

If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

(K) IMPAIRMENT OF ASSETS

The Company assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case, the carrying amount of the asset is increased to its recoverable amount unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(L) CASH AND CASH EQUIVALENTS

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(M) TRADE AND OTHER RECEIVABLES

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

Impairment of trade 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 Company will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Company 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 Company. The impairment 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 impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment 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 comprehensive income.

(N) PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Company prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms. They are recognised initially at fair value and subsequently at amortised cost.

(O) LEAVE BENEFITS

Wages, salaries, annual leave and sick leave
Liabilities accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave expected to be settled within 12 months of the balance date are recognised as current liabilities in respect of employees' services up to the balance date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Liabilities accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave not expected to be settled within 12 months of the balance date are recognised in non-current liabilities in respect of employees' services up to the balance date. They are measured as the present value of the estimated future outflows to be made by the Company.

Long service leave
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the balance date. Consideration is given to expect future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the balance date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(P) EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

a) the rights to tenure of the area of interest are current; and
b) at least one of the following conditions is also met:

- the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount

(P) EXPLORATION AND EVALUATION EXPENDITURE (CONTINUED)

The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

(P) ISSUED CAPITAL

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

(R) LEASES

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the finance costs in the statement of profit or loss. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentive received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(S) PROVISIONS

Provisions for legal claims are recognised when the Company has a legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(T) SHARE BASED PAYMENTS

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

The fair value of options is recognised as an expense with a corresponding increase in equity (share-based payments reserve). The fair value is measured at grant date and recognised over the period during which the holder becomes unconditionally entitled to the options. The fair value is determined by using a Black-Scholes model, further details of which are given in Note 13. In determining fair value, no account is taken of any performance conditions other than those related to the share price of the Company ("market conditions").

The cumulative expense recognised between grant date and vesting date is adjusted to reflect the director's best estimate of the number of options that will ultimately vest because of internal conditions of the options, such as the employees having to remain with the company until vesting date, or such that employees are required to meet internal sales targets. No expense is recognised for options that do not ultimately vest because a non-market condition was not met.

Where the terms of options are modified, the expense continues to be recognised from grant date to vesting date as if the terms had never been changed. In addition, at the date of the modification, a further expense is recognised for any increase in fair value of the transaction as a result of the change. Where options are cancelled, they are treated as if vesting occurred on cancellation and any unrecognised expenses are taken immediately to the statement of comprehensive income. However, if new options are substituted for the cancelled options and designated as a replacement on grant date, the combined impact of the cancellation and replacement options are treated as if they were a modification.

(U) PLANT AND EQUIPMENT

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(U) PLANT AND EQUIPMENT (CONTINUED)

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Motor vehicles	4 years
Plant and equipment	2-10 years

Impairment

The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of comprehensive income in the cost of sales line item.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(V) EARNINGS PER SHARE

Basic earnings per share is determined by dividing the operating loss after income tax by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of partly paid shares or options outstanding during the financial year.

(W) COMPARATIVES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTE 2: REVENUE AND EXPENSES

	2019 $	2018 $
(a) Revenue and other income		
Interest received	52,178	47,374
(b) Expenses		
Investor and public relations expense	18,626	2,561
Legal fees	17,738	4,117
Insurance expense	22,634	19,242
Stock exchange expenses	32,910	29,650
Office occupancy expense	40,463	23,232
Accounting fees	40,932	15,200
Other expenses	253,634	150,959
	426,937	**244,961**

NOTE 3: INCOME TAX

	2019 $	2018 $
The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:		
Accounting loss before income tax	901,229	563,406
Income tax benefit calculated at 30% (2018: 30%)	(270,369)	(169,022)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	58,269	37,244
Other non-deductible expenses	6,926	1,095
Other deductible expenses	(45,845)	-
Income tax benefit borne by head company of tax consolidated group	-	96,697
Adjustment to opening balance of DTA/DTL	(45,845)	694,426
Income tax (benefit)/expense reported in the statement of comprehensive income	(296,864)	660,440
Income tax charged/(credited) directly to equity		
Adjustment to opening balance of equity	45,845	-
Share issue costs	45,845	(229,228)
Income tax charged/(credited) directly to equity	**91,690**	**(229,228)**

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. The tax rate used in the previous reporting period was 30%.

The Company has tax losses arising in Australia. The tax benefit of these losses of $1,684,250 (2018: $2,496,998) is available indefinitely for offset against future taxable profits of the companies in which the losses arose, subject to ongoing conditions for deductibility being met.

NOTE 3: INCOME TAX (CONTINUED)

Recognised deferred tax assets and (liabilities)

Deferred tax assets and (liabilities) have been recognised in respect of the following items:

	2019 $	2018 $
Deductible temporary differences	25,448	14,289
Tax losses	1,684,250	749,099
Share issue costs	137,537	183,382
Exploration and evaluation expenditure	(2,073,274)	(1,377,982)
	(226,039)	(431,212)

The deductible temporary differences and tax losses do not expire under current tax legislation.

NOTE 4: EARNINGS/LOSS PER SHARE

	2019 $	2018 $
Basic loss per share:		
Continuing operations	(0.01)	(0.04)
Total basic loss per share	(0.01)	(0.04)
The loss and weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:		
Loss from continuing operations	(604,365)	(1,223,846)
	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	55,838,926	30,331,441
Dilutive loss per share:	$	$
Continuing operations	(0.01)	(0.04)
Total dilutive loss per share	(0.01)	(0.04)

As the Company is in a loss position the conversion of options to shares is not considered dilutive because conversion would cause the loss per share to decrease.

NOTE 5: CASH AND CASH EQUIVALENTS

	Consolidated	
	2019 $	2018 $
Cash at bank and on hand	207,927	1,047,836
Short-term deposits	1,000,000	4,000,000
	1,207,927	5,047,836

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

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

NOTE 5: CASH AND CASH EQUIVALENTS (CONTINUED)

	2019 $	2018 $
(i) Reconciliation of loss after tax for the year to net cash flows from operating activities		
Loss after tax for the year	(604,365)	(1,223,846)
Share based payment expense	194,230	124,145
Depreciation	17,914	7,004
Write off of exploration expenditure	65,299	81,865
Deferred tax asset recognised directly in equity	(91,690)	229,228
(Increase)/decrease in assets:		
Current receivables	65,850	(177,997)
Increase/(decrease) in liabilities:		
Current trade and other payables	(15,032)	87,483
Provision for employee benefits	35,757	9,996
Deferred tax liabilities	(205,173)	431,212
Net cash (used in) /from operating activities	(537,210)	(430,910)

NOTE 6: TRADE AND OTHER RECEIVABLES

GST recoverable	16,896	87,612
Prepaid expenses	12,164	4,317
Bank guarantees[1]	70,000	70,000
Accrued interest	3,505	12,794
Other receivables	9,581	3,273
	112,146	177,996

[1]$70,000 is held as security for the credit card facility and bears 1.90% interest

In determining the recoverability of a trade receivable, the Company considers any changes in the credit quality of the trade receivable from the date credit was initially granted up to the balance date. The directors believe that there is no expected credit loss provision required. There are no past due receivables.

NOTE 7: PLANT AND EQUIPMENT

	2019 $	2018 $
Non-Current Assets		
Opening balance, net of accumulated depreciation	54,740	-
Additions	-	61,744
Depreciation charge for the year	(17,914)	(7,004)
Closing balance, net of accumulated depreciation	**36,826**	**54,740**

Non-Current Assets		
Cost	61,744	61,744
Accumulated depreciation and impairment	(24,918)	(7,004)
Net carrying amount	**36,826**	**54,740**

The carrying value of any plant and equipment held under finance leases and hire purchase contracts at 30 June 2019 is nil (2018: nil).

NOTE 8: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	2019 $	2018 $
Costs carried forward in respect of:		
Exploration and evaluation phase – at cost		
Balance at beginning of year	4,593,272	2,352,995
Expenditure incurred	2,382,940	2,322,142
Expenditure written off[1]	(65,299)	(81,865)
Total exploration and evaluation expenditure	6,910,913	4,593,272

[1]Capitalised exploration expenditure relating to the surrender of exploration licences or where rights to tenure is not current, have been written off in full during the year.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

NOTE 9: TRADE AND OTHER PAYABLES

	2019 $	2018 $
Trade creditors	173,582	965,555
Accruals	31,362	168,986
Other creditors	19,142	24,336
	224,086	1,158,877

Trade payables are non-interest bearing and are normally settled on 30-day terms. Information regarding the interest rate and liquidity risk exposure is set out in Note 14.

NOTE 10: PROVISIONS

Employee benefits	83,995	48,238

The provision for employee benefits represents annual leave and long service leave payable.

NOTE 11: ISSUED CAPITAL

55,838,926 (2018: 55,838,926) Ordinary shares issued and fully paid	9,315,305	9,406,995

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

NOTE 11: ISSUED CAPITAL (CONTINUED)

	2019		2018	
	No.	$	No.	$
Movement in ordinary shares on issue				
Balance at beginning of financial year	55,838,926	9,406,995	100	2,424,772
Issue of fully paid ordinary shares at $0.20 each	-	-	35,000,000	7,000,000
Issue of fully paid ordinary shares in accordance with Jamieson Agreement	-	-	838,926	200,000
Capital reorganisation	-	-	19,999,900	317,087
Share issue costs	-	-	-	(534,864)
Unwinding on deferred tax benefit of share issue costs	-	(91,690)	-	-
Balance at end of financial year	55,838,926	9,315,305	55,838,926	9,406,995

	2019	2018
	No.	No.
Movements in options and rights over ordinary shares on issue		
Number at beginning of financial year	21,372,939	21,372,939
Issue of unlisted loyalty options exercisable at $0.30 each expiring on 14/12/2020	-	18,222,939
Issue of unlisted options exercisable at $0.30 each expiring on 12/12/2021	-	500,000
Issue of unlisted options exercisable at $0.40 each expiring on 12/02/2022	-	500,000
Issue of performance rights expiring on 12/02/2019	-	600,000
Issue of performance rights expiring on 12/02/2020	-	775,000
Issue of performance rights expiring on 12/02/2021	-	775,000
Lapsing of performance rights	(250,000)	-
Number at end of financial year	21,122,939	21,372,939

Employee Share options

The company has an Employee Share Option Plan under which options to subscribe for the company's shares have been granted to certain employees (refer to Note 13).

NOTE 12: ACCUMULATED LOSSES AND RESERVES

	2019 $	2018 $
Accumulated losses		
Balance at beginning of financial year	(1,295,623)	(71,777)
Loss for the year	(604,365)	(1,223,846)
Transfer on lapsing of performance rights	29,250	-
Balance at end of financial year	(1,870,738)	(1,295,623)
Share-based payments reserve		
Balance at beginning of financial year	124,145	-
Share based payments	194,230	124,145
Transfer on lapsing of performance rights	(29,250)	-
Balance at end of financial year	289,125	124,145

NOTE 12: ACCUMULATED LOSSES AND RESERVES (CONTINUED)

Nature and purpose of reserves

Share-based payments reserve
This reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration.

NOTE 13 : SHARE BASED PAYMENT PLANS

Options
Employees (including Directors) may be issued with options over ordinary shares of the Company. Options are issued for nil consideration and are subject to vesting criteria established by the Directors of the Company. Options may be exercised at any time from the date of vesting to the date of expiry. The exercise price for employee options granted under the Company's ESOP will be fixed by the Directors prior to the grant of the option. Each employee share option converts to one fully paid ordinary share of Carawine. The options do not provide any dividend or voting rights and are not quoted on the ASX.

The following share-based arrangements were issued in accordance with the Employee Share Option Plan of the Company and vested during the year:

	Number	Grant date	Expiry date	Exercise price	Fair value at grant date	Date vested
SERIES 1	500,000	12/12/2017	12/12/2021	$0.30	$56,747	12/12/2018
SERIES 2	500,000	12/02/2018	12/02/2022	$0.40	$59,012	12/02/2019

The fair value of the equity-settled share options granted under the Company's ESOP is estimated as at the date of grant using the Black-Scholes model taking into account the terms and conditions upon which the options were granted.

	SERIES 1	SERIES 2
Dividend yield (%)	-	-
Expected volatility (%)	90	90
Risk-free interest rate (%)	2.11	2.26
Expected life of option (years)	4	4
Exercise price (cents)	30	40
Grant date share price (cents)	20	23

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value. There were no share options exercised during the year.

Performance Rights
The following performance rights were in place in the current period and were subject to the Company's Performance Rights plan:

	Number of rights granted	Number lapsed during the year	Grant date	Fair value at grant date	Share price at grant date
SERIES 1	1,700,000	250,000	12/12/2017	$288,450	$0.20
SERIES 2	450,000	-	12/02/2018	$103,500	$0.23

SERIES 1
The Company granted 1,700,000 performance rights to Mr David Boyd subject to specific performance conditions. On 12 March 2019, 250,000 of these rights lapsed without vesting, as the market performance condition was not achieved.

The remaining 1,450,000 performance rights have the following conditions attached:

a) 350,000 Rights expiring 12/12/2019: if the 30 consecutive trading day volume weighted average price of fully paid ordinary shares in the capital of the Company on the ASX is $0.60 or higher within 24 months of the grant date:
b) 550,000 Rights expiring 12/12/2020: the achievement of a JORC Inferred Resources of >250,000oz gold equivalent across any of the Company's Projects within 3 years of the grant date; and
c) 550,000 Rights expiring 12/12/2021: the achievement of an additional JORC Inferred Resources of >250,000oz gold equivalent across any of the Company's Projects (for a total resource inventory of at least 500,000oz gold equivalent) within 4 years of the grant date.

NOTE 13: SHARE BASED PAYMENT PLANS (CONTINUED)

SERIES 2

The Company granted 450,000 performance rights to Mr Michael Cawood subject to specific performance conditions:

a) 225,000 Rights expiring 12/12/2020: the achievement of a JORC Inferred Resources of >250,000oz gold equivalent across any of the Company's Projects within 3 years of the grant date; and
b) 225,000 Rights expiring 12/12/2021: the achievement of an additional JORC Inferred Resources of >250,000oz gold equivalent across any of the Company's Projects (for a total resource inventory of at least 500,000oz gold equivalent) within 4 years of the grant date.

The following table illustrates the number (No.), weighted average exercise prices of, and movements in options in existence during the year:

	2019 No.	2019 Weighted average exercise price	2018 No.	2018 Weighted average exercise price
Outstanding at the beginning of the year	1,000,000	0.35	-	-
Granted during the year	-	-	1,000,000	0.35
Exercised during the year	-	-	-	-
Lapsed during period	-	-	-	-
Outstanding at the end of the year	1,000,000	0.35	1,000,000	0.35
Exercisable at the end of the year	1,000,000	0.35	-	-

The 1,000,000 options over ordinary shares with a weighted average exercise price of $0.35 each are exercisable until the relevant expiry dates.

The weighted average remaining contractual life for the share options outstanding as at 30 June 2019 is 2.54 years (2018: 3.54 years).

The range of exercise prices for options outstanding at the end of the year is $0.30 - $0.40 (2018: $0.30 - $0.40).

NOTE 14: FINANCIAL INSTRUMENTS

(a) Capital risk management

The Company manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from 2018.

The capital structure of the Company consists of cash and cash equivalents, debt, and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings. None of the Company's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings.

	2019 $	2018 $
(b) Categories of financial instruments		
Financial assets		
Trade and other receivables	112,140	177,996
Cash and cash equivalents	1,207,927	5,047,836
Financial liabilities		
Trade and other payables	224,086	1,158,877

(c) Financial risk management objectives

The main risks arising from the Company's financial instruments are interest risk, credit risk and liquidity risk. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

NOTE 14: FINANCIAL INSTRUMENTS (CONTINUED)

(d) Interest rate risk management

The Company's exposure to risks of changes in market interest rates relates primarily to the Company cash balances. The Company constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates. As the Company has no interest bearing borrowing, its exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits.

	2019					2018				
	Weighted Average Interest Rate %	≤6 months $	6-12 months $	1-5 Years $	Total $	Weighted Average Interest Rate %	≤6 months $	6-12 months $	1-5 Years $	Total $
Financial assets										
Variable interest rate instruments	-	-	-	-	-	-	-	-	-	-
Fixed Interest bearing	2.1	1,000,000	-	-	1,000,000	2.1	4,000,000	-	-	4,000,000
Non-interest bearing	-	207,927	112,146	-	320,073	-	1,047,836	177,997	-	1,225,833
Total Financial Assets		**1,207,927**	**112,146**	**-**	**1,320,073**		**5,047,836**	**177,997**	**-**	**5,225,833**
Financial liabilities										
Non-interest bearing		224,086	-	-	224,086		1,158,877	-	-	1,158,877
Total Financial Liabilities		**224,086**	**-**	**-**	**224,086**		**1,158,877**	**-**	**-**	**1,158,877**

Interest rate risk sensitivity analysis

Exposure arises predominantly from assets and liabilities bearing variable interest rates as the Company intends to hold fixed rate assets and liabilities to maturity. Interest rate risk is considered immaterial.

(e) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses publicly available financial information and its own trading record to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Board of Directors periodically.

The Company does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Company's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(f) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

NOTE 14: FINANCIAL INSTRUMENTS (CONTINUED)

(f) Liquidity risk management (continued)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

2019	Carrying amount	Total Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	$	$	$	$	$	$	$
Trade and other payables	224,086	224,086	224,086	-	-	-	-
	224,086	224,086	224,086	-	-	-	-

2018	Carrying amount	Total Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	$	$	$	$	$	$	$
Trade and other payables	1,158,877	1,158,877	1,158,877	-	-	-	-
	1,158,877	1,158,877	1,158,877	-	-	-	-

(g) Fair Value

The fair value of financial assets and financial liabilities for investment not measured at fair value on a recurring basis, approximates their carrying value at balance date.

NOTE 15: COMMITMENTS AND CONTINGENCIES

Exploration commitments

The Company has certain obligations to perform minimum exploration work and to spend minimum amounts on exploration tenements. The obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Company.

Due to the nature of the Company's operations in exploring and evaluating areas of interest, it is difficult to accurately forecast the nature and amount of future expenditure beyond the next year. Expenditure may be reduced by seeking exemption from individual commitments, by relinquishing of tenure or any new joint venture agreements. Expenditure may be increased when new tenements are granted.

Commitment contracted for at balance date but not recognised as liabilities are as follows:

	2019	2018
	$	$
Within one year	1,125,267	882,600

Other commitments

Carawine Resources Limited has a bank guarantee of $70,000 (see details per Note 6) at 30 June 2019 (2018: $70,000).

NOTE 16: RELATED PARTY DISCLOSURE

Transactions with other Related Parties

During the period, the Company paid $153,194 (excluding GST) to a Director related entity for shared office and administrative services costs. As at 30 June 2019, there is a balance of $12,620 (including GST) outstanding.

There were no other transactions entered into with related parties for the June 2019 financial year.

NOTE 17: DIRECTORS AND EXECUTIVES DISCLOSURES

(A) DETAILS OF KEY MANAGEMENT PERSONNEL

The following persons acted as Directors of the Company during the financial year:

- Mr Will Burbury (Non-Executive Chairman)
- Mr David Boyd (Managing Director)
- Mr David Archer (Non-Executive Director)
- Mr Bruce McQuitty (Non-Executive Director)

(B) KEY MANAGEMENT PERSONNEL COMPENSATION

The aggregate compensation made to directors and other key management personnel of the Company is set out below:

	2019 $	2018 $
Short-term employee benefits	374,507	248,253
Post-employment benefits	35,055	23,415
Options & rights	83,714	58,728
Total	493,276	330,396

Detailed remuneration disclosures are provided in the Remuneration Report.

(C) EQUITY HOLDINGS

Number of shares and options held by Directors and Key Management Personnel are set out in the Remuneration Report.

NOTE 18: AUDITOR'S REMUNERATION

The auditor of Carawine Resources Limited is HLB Mann Judd.

	2019 $	2018 $
Amounts received or due and receivable by HLB Mann Judd for:		
An audit or review of the financial report of the entity	27,336	13,500
Other assurance services	-	10,000
	27,336	23,500

NOTE 19: EVENTS AFTER THE REPORTING PERIOD

Subsequent to year-end, the Company received commitments to raise a total of $3 million (before costs) through a two-tranche equity placement of approximately 21.4 million ordinary shares at an issue price of 14 cents per share. The second tranche of the placement will be completed subject to obtaining shareholder approval at the Company's annual general meeting that is intended to be held in mid-November. The funds raised will be used to enable the Company to accelerate exploration at its Jamieson Project in Victoria and its Paterson Project in Western Australia.

There have been no additional matters or circumstances that have arisen after balance date that have significantly affected, or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

1. In the opinion of the directors of Carawine Resources Limited (the 'Company'):
   a. the accompanying financial statements and notes are in accordance with the *Corporations Act 2001* including:
      i. giving a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the year then ended; and
      ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
   b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
   c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2019.

This declaration is signed in accordance with a resolution of the Board of Directors.

Mr David Boyd
Managing Director

26 September 2019

INDEPENDENT AUDITOR'S REPORT
To the members of Carawine Resources Limited

Report on the Audit of the Financial Report

Opinion

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

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

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

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

Basis for opinion

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

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

Key audit matters

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

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Key Audit Matter	How our audit addressed the key audit matter
Carrying amount of exploration and evaluation expenditure Note 8 of the financial report	
The carrying amount of exploration and evaluation expenditure as at 30 June 2019 is $6,910,913. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Company capitalises all exploration and evaluation expenditure, including acquisition costs and subsequently applies the cost model after recognition. Our audit focussed on the Company's assessment of the carrying amount of the capitalised exploration and evaluation asset, as this is one of the most significant assets of the Company. We planned our work to address the audit risk that the capitalised expenditure may no longer meet the recognition criteria of the standard. In addition, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of the exploration and evaluation asset may exceed its recoverable amount.	Our procedures included but were not limited to the following: • We obtained an understanding of the key processes associated with management's review of the carrying values of each area of interest; • We considered the Directors' assessment of potential indicators of impairment; • We obtained evidence that the Company has current rights to tenure of its areas of interest; • We examined the exploration budget for the year ending 30 June 2020 and discussed with management the nature of planned ongoing activities; • We substantiated a sample of expenditure by agreeing to supporting documentation; and • We examined the disclosures made in the financial report.

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

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

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

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the remuneration report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2019.
In our opinion, the Remuneration Report of Carawine Resources 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.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
26 September 2019

D Buckley

D I Buckley
Partner

The Company was admitted to the official list of ASX on 14 December 2017. Since Listing, the Company has used its cash (and assets in a form readily convertible to cash) in a manner consistent with its business objectives. In accordance with the ASX Listing Rules, the Company is required to disclose the following information, which was prepared, based on share registry information processed up to 26 September 2019.

Ordinary Share Capital

- At 26 September 2019, 69,798,560 fully paid ordinary shares are held by 2,115 individual shareholders.

Spread of Holdings			Total Holders	Ordinary Shares
1	-	1,000	509	221,016
1,001	-	5,000	676	1,857,004
5,001	-	10,000	294	2,243,151
10,001	-	100,000	520	18,075,246
100,001	-	and over	116	47,402,143
Number of Holders/Shares			2,115	69,798,560

There number of shareholders holding less than a marketable parcel at 25 September 2019 was 896 with 929,898 shares.

Substantial Shareholders

Ordinary Shareholders	Fully Paid Ordinary Shares	
	Number	Percentage
Ilwella Pty Ltd	5,279,647	7.56
Mr Christopher Ian Wallin & Ms Fiona Kay McLoughlin & Mrs Sylvia Fay Bhatia <Chris Wallin Super Fund A/C>	4,381,585	6.28

Voting rights

All ordinary shares carry one vote per share without restriction. Options for ordinary shares do not carry any voting rights.

Statement of Quotation and Restrictions

- Listed on the ASX are 69,798,560 fully paid shares; of these 67,509,303 shares are free of escrow conditions.
- All 12,252,249options are not quoted on the ASX; of these 10,252,349 options are free of escrow conditions.
- All 1,900,000 performance rights are not quoted on the ASX.

Twenty Largest Shareholders

Details of the 21 largest shareholders by registered shareholding as 26 September 2019 are:

Ordinary Shareholders	Fully Paid Ordinary Shares	
	Number	Percentage %
Ilwella Pty Ltd	5,279,647	7.56
Mr Christopher Ian Wallin & Ms Fiona Kay McLoughlin & Mrs Sylvia Fay Bhatia <Chris Wallin Super Fund A/C>	4,381,585	6.28
BNP Paribas Nominee Pty Ltd HUB24 Custodial Serv Ltd Drp	2,031,962	2.91
Mr Walter Mick George Yovich & Mrs Jeanette Julia Yovich <Dubrava Family A/C>	1,708,763	2.45
Satori International Pty Ltd <Satori S/F A/C>	1,211,235	1.74
Citicorp Nominees Pty Limited	974,751	1.40
Mr Bruce Morrison McQuitty	972,606	1.39
Pershing Australia Nominees Pty Ltd <Placement A/C>	852,678	1.22
Rask Pty Ltd <Granger Super Fund A/C>	842,476	1.21
Mr Walter Mick George Yovich	832,795	1.19
Maximus Flannery Pty Ltd <Finco Investment A/C>	832,310	1.19
HSBC Custody Nominees (Australia) Limited	768,993	1.10
Jamieson Minerals Pty Ltd	763,926	1.09
Mr William Burbury <Burbury Family A/C>	661,346	0.95
A M Van Heyst Superannuation <A Van Heyst Private S/F A/C>	630,290	0.90
BNP Paribas Nominees Pty Ltd <Jarvis A/C Non Treaty Drp>	620,191	0.89
Mr Peter Piotr Mackow	608,598	0.87
Chemco Superannuation Fund Pty Ltd <Chemco Super Fund No 2 A/C>	581,652	0.83
Miss Margaret Kate Kirk	581,652	0.83
Onmell Pty Ltd <Onm BPSF A/C>	524,558	0.75
Mrs Marisa Mackow	521,222	0.75
	26,183,236	**37.51**

Options

Outstanding as at 26 September 2019 were 12,252,249 unquoted options. Details are set out below:

- 10,252,249 options over ordinary shares with exercise price $0.30 each, expiring on 12 December 2020.
- 500,000 options over ordinary shares with exercise price $0.30 each, expiring on 12 December 2021.
- 500,000 options over ordinary shares with exercise price $0.40 each, expiring on 12 February 2022.
- 1,000,000 options over ordinary shares with exercise price $0.18 each, expiring on 27 August 2023.

Outstanding as at 26 September 2019 were 1,900,000 unquoted performance rights. Details are set out below:

- 350,000 performance rights, expiring on 12 December 2019.
- 775,000 performance rights, expiring on 12 December 2020.
- 775,000 performance rights, expiring on 12 December 2021.

All performance rights are subject to vesting conditions.

Interests in Mining Tenements

Project	Tenement	Holder	Interest	Location[3]	Status
Fraser Range JV	E 28/2374-I	Carawine Resources Ltd	49%[1]	Western Australia	Live
Fraser Range JV	E 28/2563	Carawine Resources Ltd	49%[1]	Western Australia	Live
Fraser Range JV	E 39/1733	Carawine Resources Ltd	49%[1]	Western Australia	Live
Fraser Range JV	E 69/3033	Carawine Resources Ltd	49%[1]	Western Australia	Live
Fraser Range JV	E 69/3052	Carawine Resources Ltd	49%[1]	Western Australia	Live
Fraser Range	E 28/2759#	Carawine Resources Ltd	100%	Western Australia	Live
Jamieson	EL5523	Carawine Resources Ltd	100%	Victoria	Live
Jamieson	EL6622#	Carawine Resources Ltd	100%	Victoria	Live
Oakover	E 45/4958	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 45/4959	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 45/5145	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 45/5179	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 45/5188	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 46/1041-I	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 46/1042-I	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 46/1044-I	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 46/1069-I	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 46/1099-I	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 46/1116-I	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 46/1119-I	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 46/1245	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/4847	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/4871	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/4881	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/4955	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/5229	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/5326#	Carawine Resources Ltd	100%	Western Australia	Live
Oakover	E 46/1239	Carawine Resources Ltd	100%	Western Australia	Pending
Oakover	E 46/1301	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5504*	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5510*	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5514*	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5517*	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5520*	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5523*	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5526*	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5528*	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5534*	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5535*	Carawine Resources Ltd	100%	Western Australia	Pending

Notes: Independence Group NL hold a 51% interest in the Fraser Range JV tenements and can earn up to 70% through the expenditure of $5m by the end of 2021; *tenement applications subject to ballot; #tenement granted subsequent to the end of the period

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