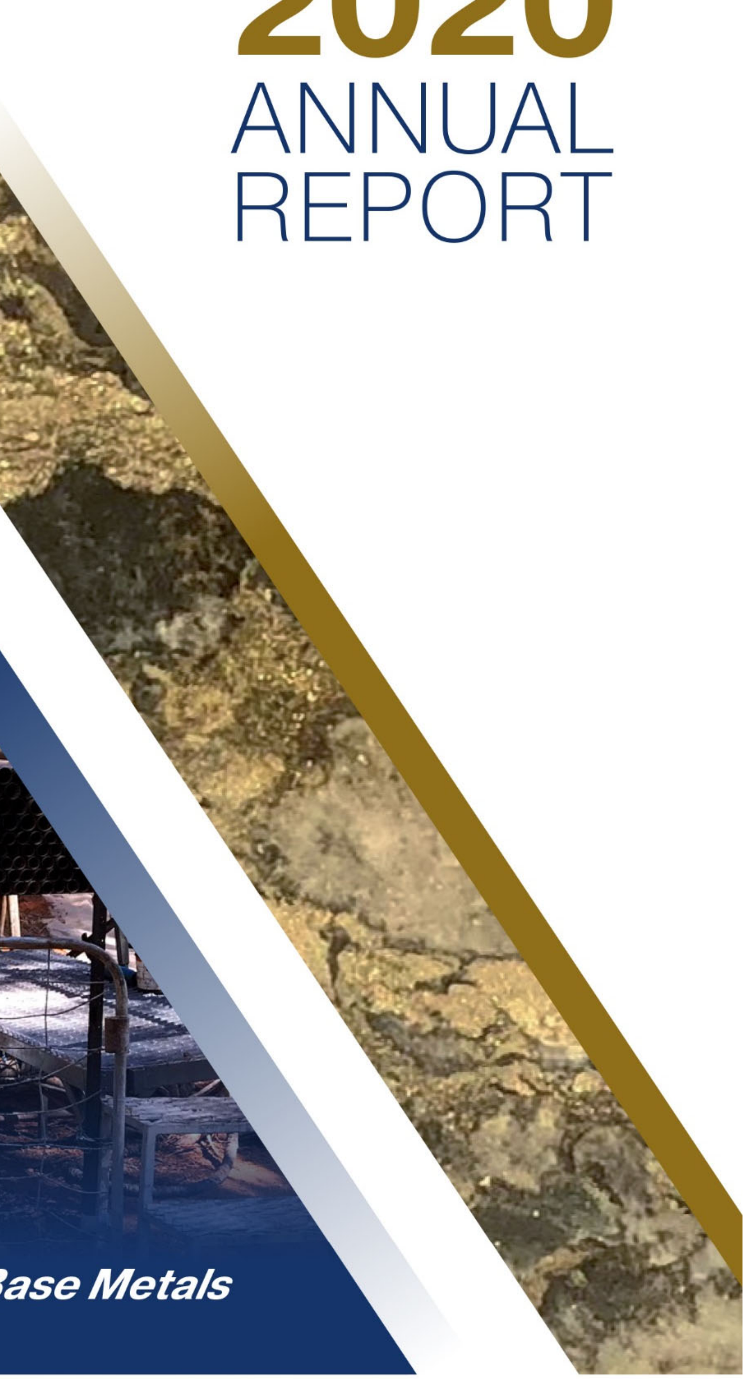
Carawine Resources
Limited ACN 611 352 348

2020 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 David Archer, Non-Executive Director

Company Secretary

Ms Rebecca Broughton

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Securities Exchange

Australian Securities Exchange (ASX: **CWX**)

Website

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Australian Business Number (ABN)

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Dear Shareholders,

On behalf of the Directors I am pleased to report on the Company's achievements for the year ended 30 June 2020.

Notwithstanding the challenges of COVID-19, the Company has preserved its tenure and cash position and positioned itself to leverage from exploration programs on its projects in Western Australia and Victoria.

During the year, the Company identified several large copper-gold porphyry targets at the Jamieson Project in Victoria and entered into joint venture agreements with Rio Tinto Ltd and Fortescue Metals Ltd in the Paterson region of Western Australia. These agreements may see up to $11.6 million spent on exploration on the Company's Paterson Project tenements over the next six years.

Subsequent to the year's end, the Company acquired a major new gold exploration project in the Tropicana region of Western Australia. Furthermore, the Company announced it had received commitments to raise up to $6 million via a share placement, ensuring that the Company is well funded to pursue an active exploration program in Western Australia and Victoria.

The Board believes its strategy of identifying, acquiring, and exploring a strong portfolio of gold, copper, and nickel exploration projects in prospective and active exploration regions throughout Australia will lead to discoveries to drive growth in the value of the Company. The Company's projects comprise:

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

The Company continued to advance the Jamieson gold and base metals project with diamond drilling identifying high-grade gold and copper mineralisation at Hill 800, including the following exceptional results:

- 11m @ 13.9g/t Au, 0.2% Cu from 287m, *including* 2m @ 74.8g/t Au, 0.4% Cu from 290m (H8DD022)
- 11m @ 9.87g/t Au, 0.3% Cu and 14.6g/t Ag from 179m, *including* 4m @ 26.7g/t Au, 0.7% Cu and 38.7g/t Ag from 179m (H8DD020)

Drilling extended the Hill 800 mineralisation at depth with the definition of a high-grade shoot containing increased gold grades in drill hole H8DD022, and identified a new high-grade sulphide-rich zone in a hanging wall position some 50m west of the main Hill 800 zone in drill hole H8DD020.

A detailed airborne geophysical survey over the Jamieson Project also advanced the search for porphyry-related copper-gold mineralisation, with several high-potential targets identified. Drill-testing of these targets has commenced, with alteration assemblages and geochemical vectors consistent with the porphyry exploration model returned from drill hole H8DD023. We look forward to recommencing the porphyry hunt when we return to Jamieson later this year.

The generation of the new Tropicana North project in Western Australia's north-eastern goldfields was announced on 3 September 2020. This opportunity provides Carawine's shareholders with exposure to a large, highly prospective ground position in one of Australia's premier gold exploration addresses, marking the start of a new and exciting stage in the Company's history.

My thanks go to David Boyd and our small but hard-working team for their significant contributions over this past year and we look forward to the year ahead as the Company takes advantage of its active exploration presence in the Tropicana gold province, the Paterson gold-copper province, the east Victorian Goldfields and the Fraser Range nickel province – four of the most exciting exploration districts in Australia right now.

Yours sincerely

Mr Will Burbury
Chairman

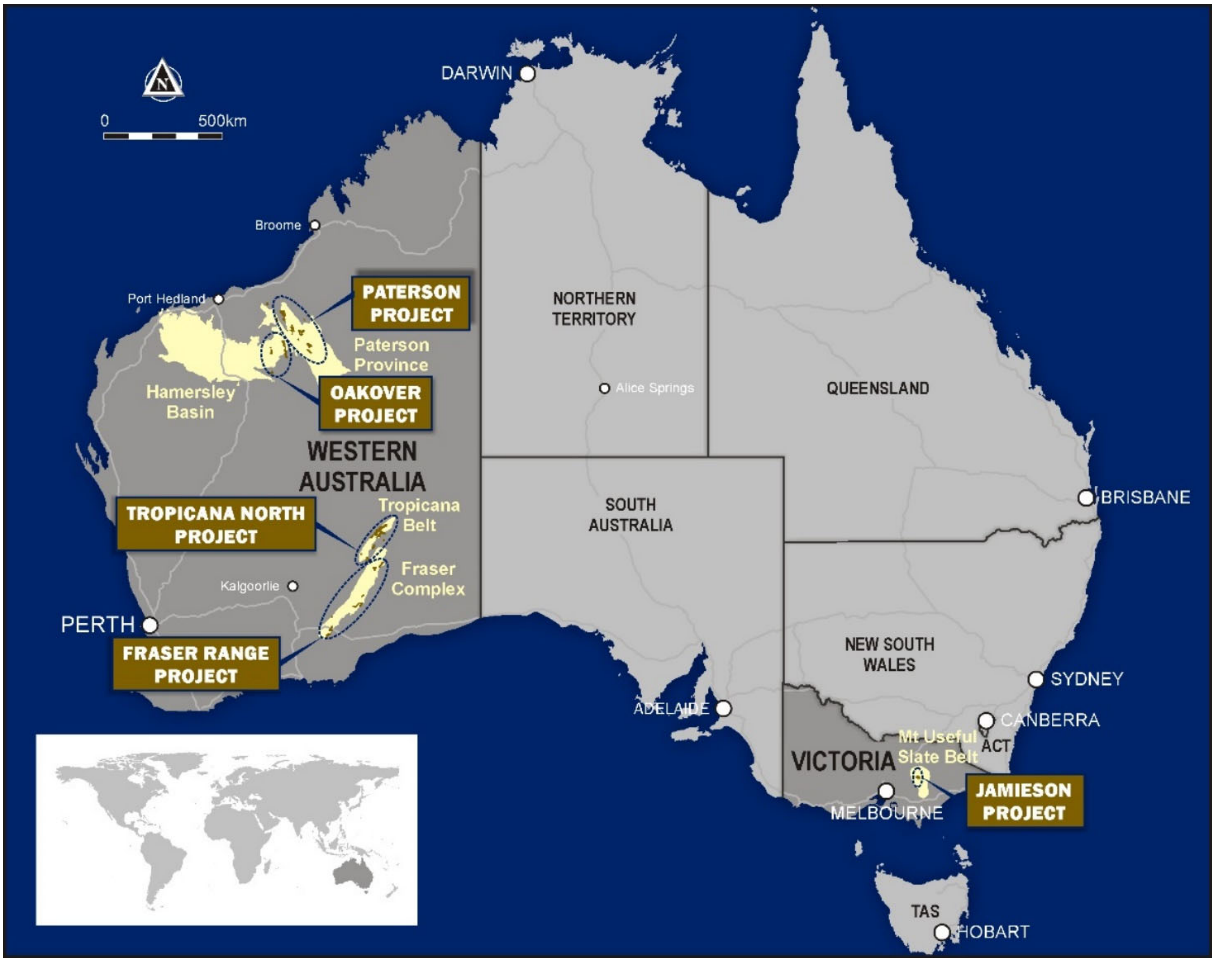

Figure 1: Carawine's project locations.

REVIEW OF OPERATIONS - OVERVIEW

Carawine Resources Limited (**"Carawine"** or **"the Company"**) is a dedicated exploration company focussed on creating value for its shareholders through the exploration, discovery and development of mineral deposits. Based in Perth, Western Australia the Company is led by an experienced and successful team with a proven track record of discovery, value creation and corporate transactions.

The Company has five gold, copper and base metal exploration projects, each targeting high value deposits in highly prospective, active mineral provinces throughout Australia (Figure 1). In this past year, the Company continued its successful exploration drilling program at the Hill 800 prospect in Victoria, extending high-grade gold mineralisation and developing an exciting new gold-copper porphyry exploration model for the region. In Western Australia, the Company farmed out exploration on several of its Paterson project tenements through two earn-in and joint venture deals with major resource companies Rio Tinto and Fortescue Metals Group, which combined will now see up to $11.6 million spent on exploration on those tenements. This followed a successful capital raising of $3 million in September 2019.

In the Fraser Range region of Western Australia joint venture partners IGO Ltd continued exploration, advancing a number of prospects across the joint venture tenements. Carawine built on this land holding in its own right with the 100%-owned Big Bang project tenement granted in the Central Fraser range, adjacent to active and successful exploration on neighbouring properties.

Subsequent to the end of the reporting period the Company announced the acquisition of a major new gold exploration project "Tropicana North," covering more than 80km strike of the Tropicana gold belt in WA's north-eastern goldfields.

The Company is looking forward to progressing exploration at Jamieson, Big Bang and the new Tropicana North project over the next 12 months whilst its major joint venture partners Rio Tinto, Fortescue and IGO Ltd continue their exploration programs in the Paterson and Fraser Range regions – all active, exciting and highly prospective mineral provinces.

JAMIESON PROJECT

The Jamieson Project is located on unrestricted crown land within the Mt Useful Slate Belt geological province. The region was founded on gold in the 1850s, with several historic and currently operating gold mines. Carawine is advancing two main prospect areas at the Jamieson Project: Hill 800 and Rhyolite Creek, and regionally searching for porphyry-related gold-copper mineralisation (Figure 2).

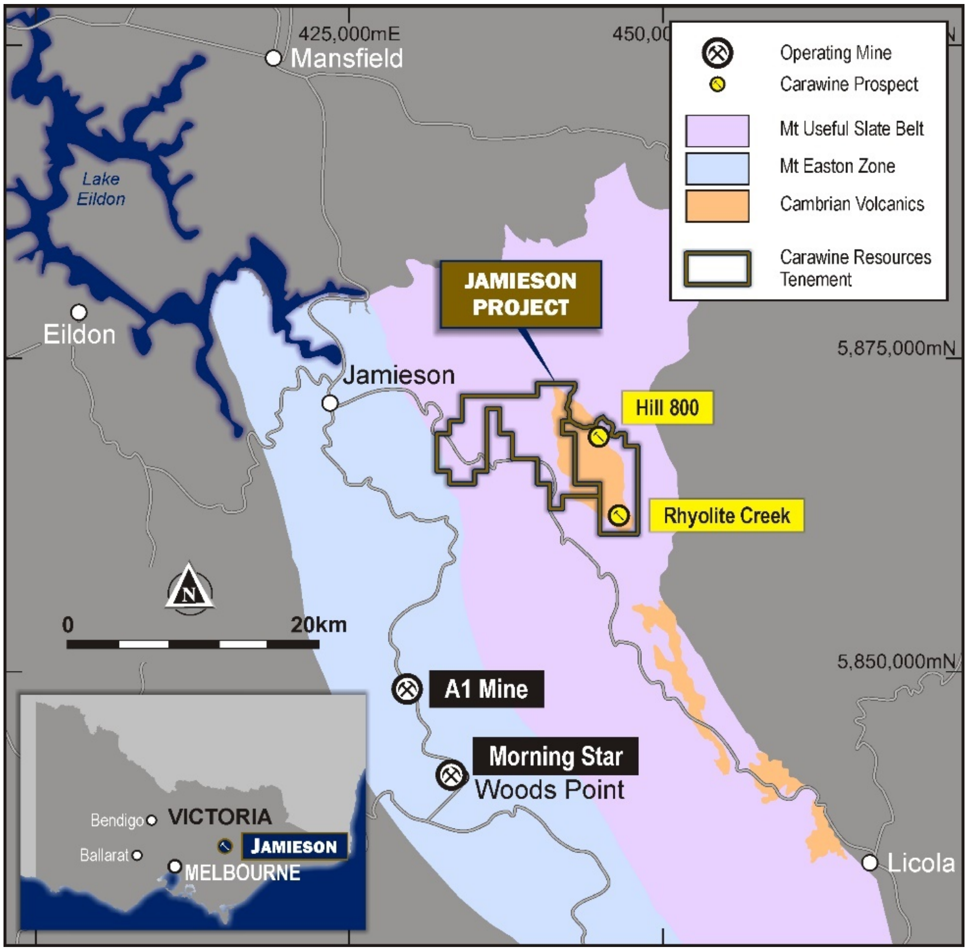

Figure 2: Location of the Jamieson Project.

The project comprises granted exploration licences EL5523 and EL6622 (acquired during the period), which cover an area of 96km[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 volcanic rocks (the "Jamieson Volcanics"), which are similar in age, chemistry and depositional setting to the Stavely Volcanics in western Victoria and the Mt Read Volcanics in western Tasmania – host to several world-class gold, copper and base metal deposits and recent copper discoveries[1].

Two main prospect areas are recognised at the Jamieson project, Hill 800 and Rhyolite Creek, with new work during the period generating several new potential porphyry copper-gold targets at and around Hill 800 and throughout the project. This new work included the receipt of geochemical and geophysical evidence for copper-gold porphyry targets beneath Hill 800 followed by completion of a detailed helicopter-borne aeromagnetic survey over the Jamieson Volcanics, and early-stage drill testing.

At Hill 800, Carawine continued its diamond drilling program with the highlight being the definition of a high-grade gold mineralised shoot which remains open at depth and to the south.

Hill 800 Prospect

The most advanced prospect at Jamieson is Hill 800, a volcanic-hosted semi-massive sulphide deposit formed in a sub-sea floor environment, with the main host rock and mineralising fluids sourced from a fertile copper-gold porphyry intrusive system[2].

During the period the Company continued diamond drilling at the Jamieson Project, with three holes targeting down-dip extensions of porphyry-related gold and copper mineralisation at Hill 800 (drill holes H8DD020 to 022) and one hole (H8DD023) targeting a shallow potential porphyry-related magnetic anomaly. Results from these drill holes extended the mineralised system a depth (H8DD020 & H8DD022) defining a high-grade shoot with increased gold grades (H8DD022) and identified a new high-grade sulphide-rich zone in a hanging wall position some 50m west of the main Hill 800 zone (H8DD020). Significant reported intervals include[3]:

- **11m @ 9.87g/t Au, 0.3% Cu and 14.6g/t Ag** from 179m (0.3g/t Au cut-off) (H8DD020) *including*
  - **4m @ 26.7g/t Au, 0.7% Cu and 38.7g/t Ag** from 179m (1g/t Au cut-off)
- **67m @ 2.94g/t Au, 0.1% Cu** from 231m (cut to geological boundaries) (H8DD022), *including:*
  - **48m @ 0.89g/t Au, 0.1% Cu** from 231m (0.3g/t Au cut-off), *and;*
  - **11m @ 13.9g/t Au, 0.2% Cu** from 287m (0.3g/t Au cut-off), *including:*
    2m @ 74.8g/t Au, 0.4% Cu from 290m (1g/t Au cut-off).

[1] refer ASX announcement 16 October 2019
[2] refer ASX announcement 11 September 2019
[3] Downhole widths, refer ASX announcements 28 February 2020 and 14 May 2020

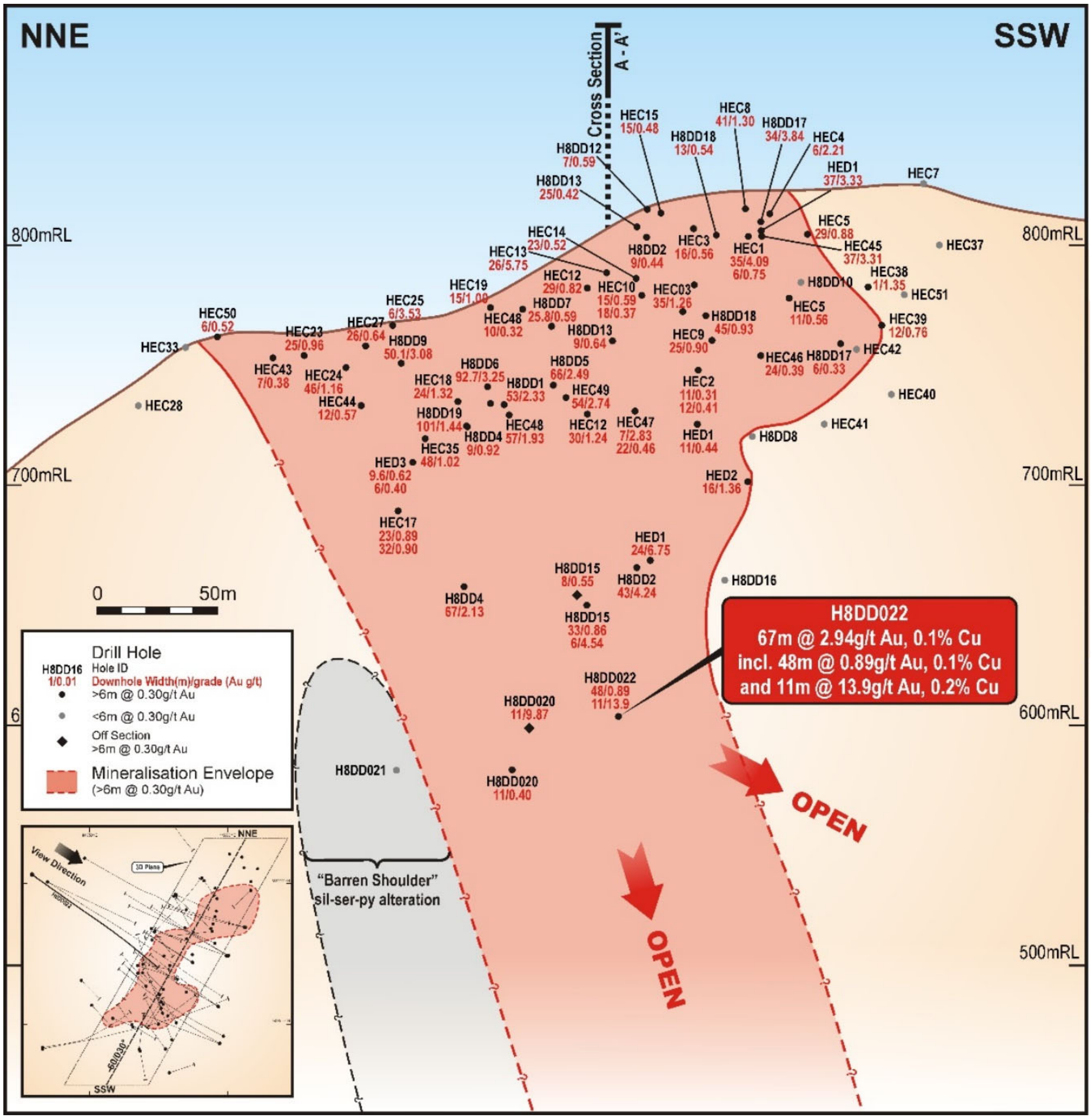

Figure 3: Hill 800 long projection in the plane of mineralisation, looking southeast.

The interval in drill hole H8DD022 has extended the Hill 800 mineralisation by about 80m down dip from the interval 43m @ 4.24g/t Au, 0.3% Cu from 177m in drill hole H8DD002[1]. Hill 800 mineralisation remains open at depth and along strike to the south (Figures 3 & 4). The high-grade interval of 11m @ 13.9g/t Au is associated with a pyrite and chalcopyrite-rich quartz vein array in andesite and correlates with other high-grade intervals with the same mineralisation style intersected further up dip.

These intervals define a linear, high-grade mineralised zone which extends for at least 150m down-dip and remains open. Within the zone are individual 1m samples ranging from 13.7g/t Au (HEC47) up to 148g/t Au (H8DD022) and 0.4% Cu (H8DD022) up to 2.1% Cu (HED1), highlighting exceptionally high gold and copper grades and nuggety nature[2].

The style of mineralisation in this zone, previously referred to as "stringer zone" mineralisation, is characterised by a vein array comprising chalcopyrite-pyrite-quartz veins and chalcopyrite-pyrite veinlets, with narrow sericite vein selvedges in chlorite-altered andesite. This high-grade zone, and others like it within Hill 800, therefore represent priority exploration targets. Mineralisation 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 250m down-dip and importantly, remains open down dip and to the south.

Porphyry-Related Mineralisation and Targets

In September 2019 the Company established the potential for gold and copper mineralisation at its Hill 800 prospect to be related to a copper-gold porphyry system, based on an analysis of multi-element geochemical data and the recognition of an alteration pattern typical of porphyry mineral systems (Figure 5)[3]. This followed the identification of several new prospects around Hill 800 with strong magmatic / porphyry geochemical signatures, and the recognition of two broad but distinct regional-scale magnetic anomalies at Hill 800 and Rhyolite Creek[4].

[1] refer ASX announcement 27 May 2019
[2] refer ASX announcement 14 May 2020
[3] refer ASX announcements 11 September and 16 October 2019
[4] refer ASX announcement 15 July 2019

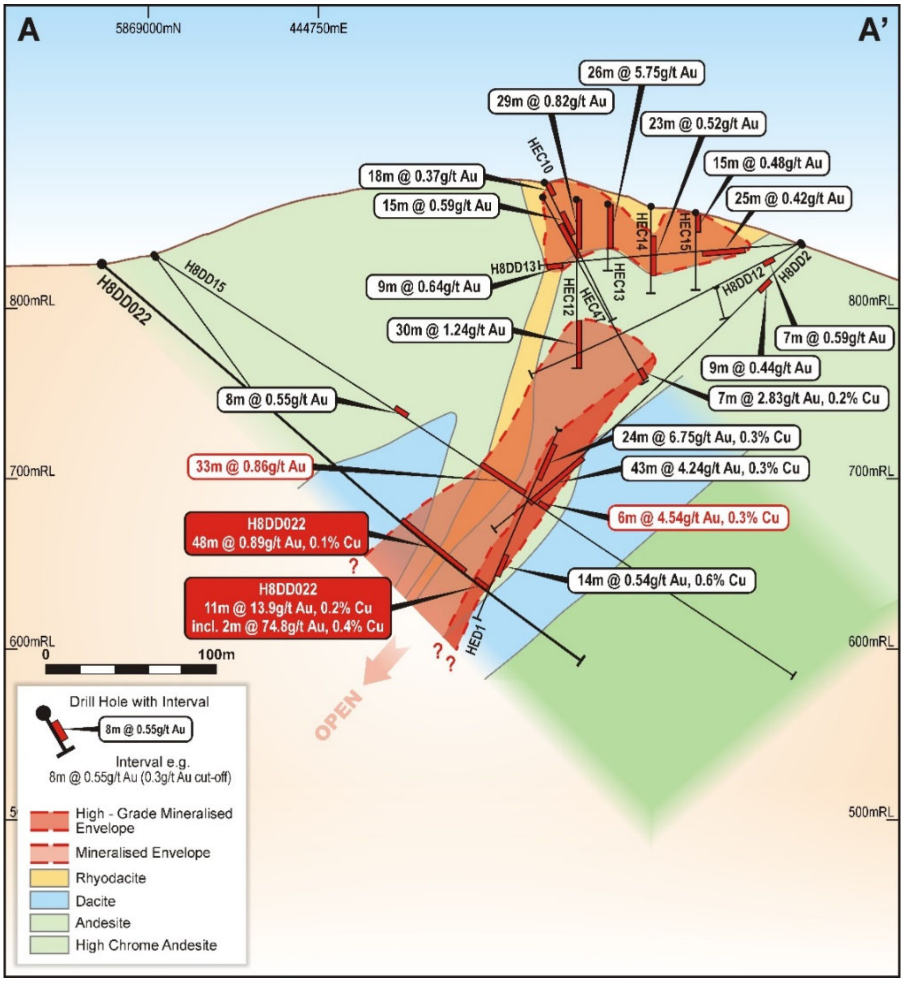

Figure 4: H8DD022 cross section showing down-dip continuity of high-grade mineralisation (window +/- 10m).

The targeting of potential porphyry systems was immediately advanced with the completion of a detailed helicopter-borne magnetic and radiometric ("heli-mag") geophysical survey over the Jamieson Volcanics in November 2019[1]. Typical copper-gold porphyries can display a magnetic "potassic zone" at the core of the system which can result in a magnetic response comprising a magnetic high surrounded by a magnetic low (Figure 5). Where the system is more complex, multiple intrusions and/or structural disruption can result in more complex magnetic responses. Magnetic anomaly complexes therefore provide excellent drill targets for copper-gold porphyry systems.

Analysis and 3D modelling of the heli-mag survey data identified fourteen anomalies around Hill 800 and the surrounding area, and two anomalies at Rhyolite Creek. From these, seven anomalies are prioritised for initial drill testing based on their size, depth, and location relative to known mineralisation and surface geochemical anomalism. These are anomalies M2 to M5 and M14 in the Hill 800 area, and M15 & M16 at Rhyolite Creek (Figure 6)[2].

Drill testing of these anomalies commenced during the period, with drill hole H8DD021 drilling the edge of the M3 anomaly and drill hole H8DD023 directly testing the M14 anomaly (Figure 6), with results as follows.

Drill hole H8DD021 intersected intensely altered andesitic volcanics, an intermediate intrusive rock, itself intensely altered, and wide zones of elevated magnetite alteration and very high molybdenum (Mo) assay values[3].

Drill hole H8DD023 intersected a magnetic unit between 92m and 148m correlating with the position of the M14 anomaly. Adjacent to the anomaly a zone of quartz and epidote-altered andesite was intersected, containing likely potassium-feldspar veins and boxworks after sulphide in quartz veins. Further downhole elevated potassium and sodium depletion is interpreted to represent increased potassic alteration in the form of sericite. Elevated molybdenum (Mo) was also intersected and is an important geochemical vector to porphyry copper-gold mineralisation. Weakly anomalous gold and copper grades were also returned[4].

These results are considered encouraging in the context of the Company's copper-gold porphyry exploration model, especially H8DD023 as this is just the first hole to be directly targeted at one of the modelled magnetic anomalies. The M14 anomaly appears to be associated with an alteration assemblage and geochemical vectors consistent with the exploration model, increasing the potential for one of the remaining untested magnetic anomaly targets to be related to a mineralised copper-gold porphyry system (Figure 5).

[1] refer ASX announcement 3 December 2019
[2] refer ASX announcement 29 January 2020
[3] refer ASX announcement 30 March 2020
[4] refer ASX announcement 14 May 2020

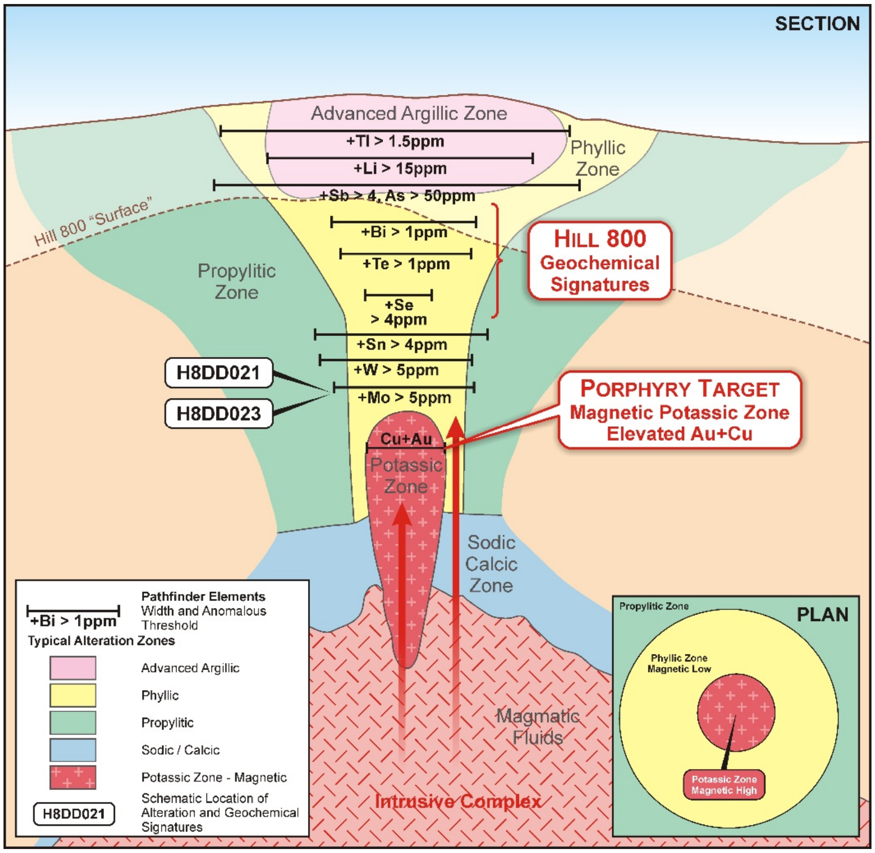

Figure 5: Schematic diagram showing typical porphyry copper-gold mineral system pathfinder geochemical and alteration patterns relative to observations at Hill 800. Note distances in this diagram are relative, not absolute[1].

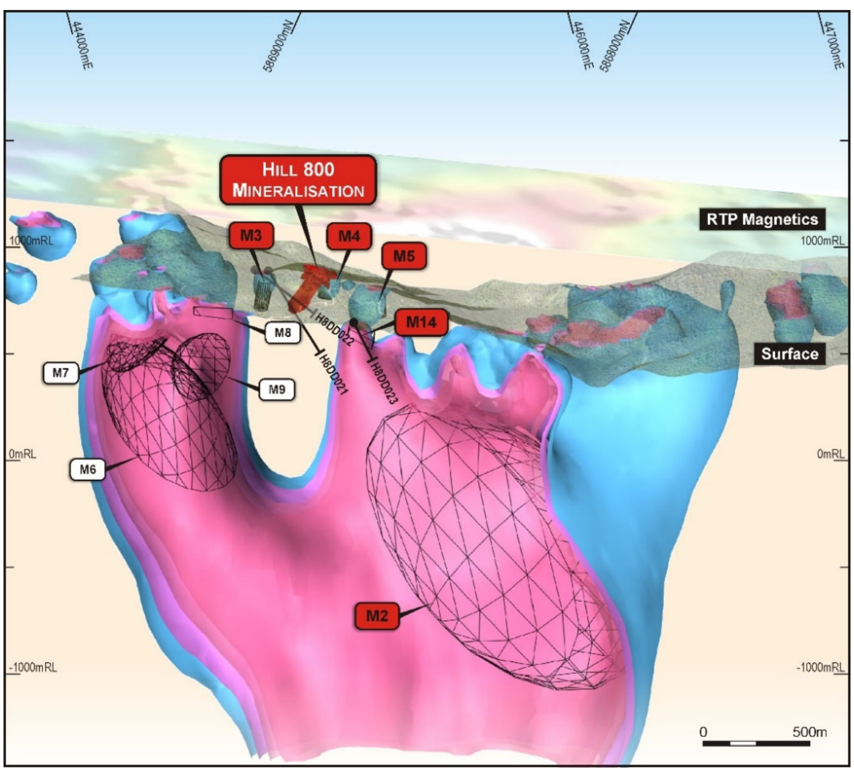

Figure 6: Slice through the 3D magnetic inversion and anomaly model results in the Hill 800 area, looking towards the northeast[2].

[1] refer ASX announcement 11 September 2019
[2] refer ASX announcement 29 January 2020

The next phase of work planned for the Jamieson Project includes the following programs and targets:

- Extension of drill hole H8DD023 to test anomaly M2 as a potential porphyry target.
- Hill 800 drilling to test the down-dip and southern extents of mineralisation, and infill drilling to define further high grade shoots like that intersected in H8DD022
- Diamond drilling of anomalies M9 & M6 as potential porphyry targets.
- Diamond drilling at Rhyolite Creek, targeting potential porphyry-related gold and copper mineralisation and high-grade gold-zinc VMS mineralisation.
- Continued target generation focussed on regional magnetic, radiometric, and geochemical anomalies – initially with ground-based mapping and geochemical sampling programs.

PATERSON PROJECT

The Company's Paterson Project is located in the Paterson Province of Western Australia, host to the world-class Telfer gold and copper deposit (Newcrest Mining Ltd) and the Nifty copper and Maroochydore copper-cobalt deposits (Metals X Ltd). Recent discoveries in the region include Rio Tinto's Winu copper-gold deposit and Ngapakarra gold prospect[1]; and Havieron, an intrusion-related gold and copper deposit discovered by AIM-listed Greatland Gold PLC ("Greatland") and now being advanced in joint venture with Newcrest Mining Ltd (Figure 7).

The project comprises nine granted exploration licences and four exploration licence applications (two subject to ballot) over an area of about 1,500km^2 across ten tenement groups. These are named Red Dog and Baton (West Paterson JV tenements); Lamil Hills, Trotman South, Eider and Sunday (Coolbro JV tenements), and; Cable, Puffer, Magnus and Three Iron (Carawine 100%) (Figure 7). These tenements are known to contain host formations and structures common to the major mineral deposits in the area and were selected on the basis of proximity to known mineralisation, shallow depth to basement, hosting prospective stratigraphy and geophysical anomalies.

During the period the Company entered into a farm-in and joint venture agreement with Rio Tinto Exploration Pty Ltd ("Rio Tinto Exploration" or "RTX"), a wholly owned subsidiary of Rio Tinto Limited (ASX:RIO), whereby RTX have the right to earn up to 80% interest in the Baton and Red Dog tenements by spending $5.5 million in six years from November 2019 to earn 70% interest and then sole funding to a prescribed milestone (the "West Paterson JV")[2].

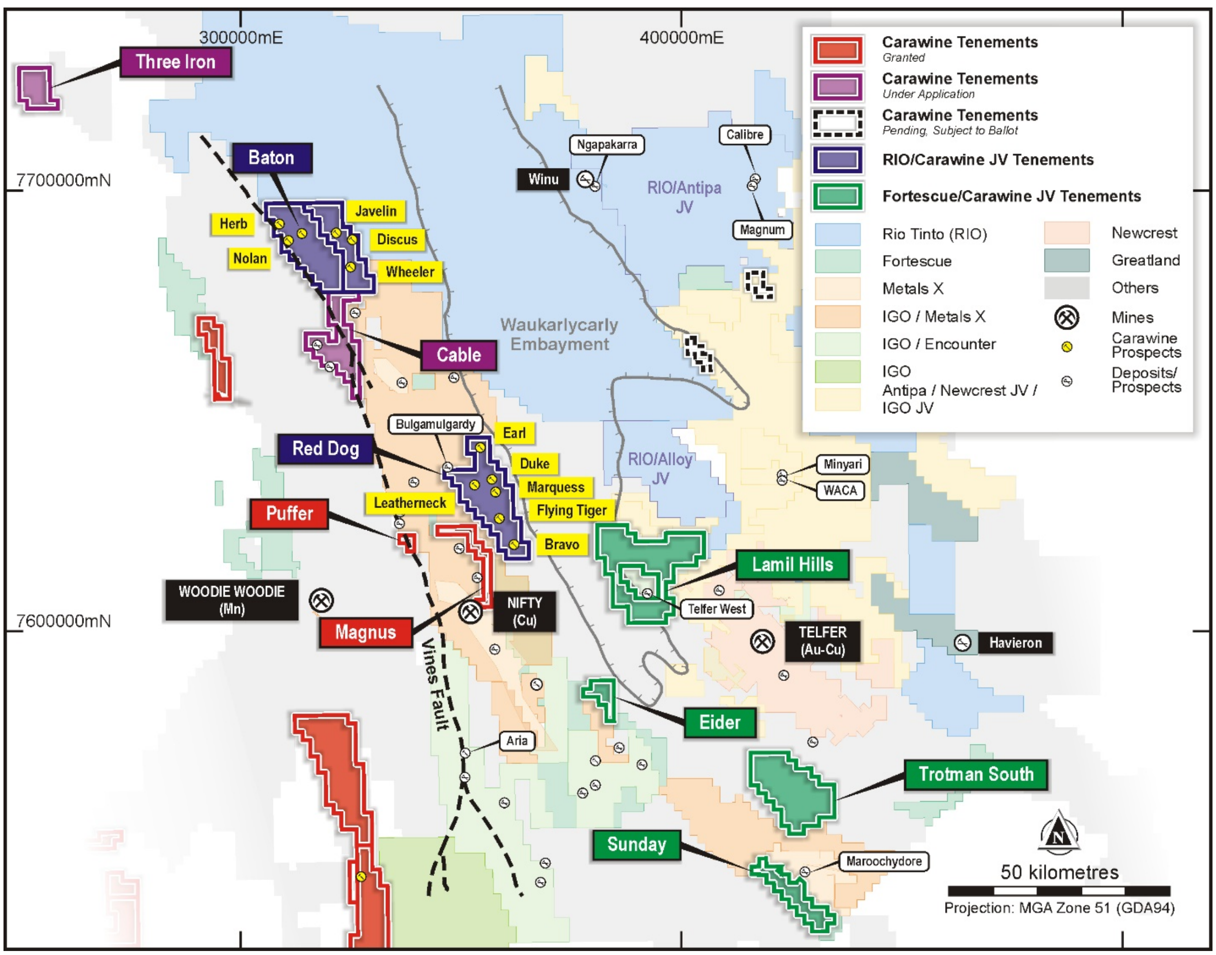

Figure 7: Paterson project tenements.

[1] Rio Tinto (ASX:RIO) ASX announcement "Rio Tinto reveals maiden Resource at Winu and new discovery" 28 July 2020
[2] refer ASX announcement 28 October 2019

Also during the period, Carawine announced a farm-in and joint venture agreement with FMG Resources Pty Ltd, a wholly owned subsidiary of Fortescue Metals Group Ltd ("Fortescue") (ASX:FMG), whereby Fortescue have the right to earn up to 75% interest in the Lamil Hills, Trotman South and Sunday tenements by spending $6 million in seven years from November 2019 (the "Coolbro JV")[1].

Subsequent to the end of the period the Company and Fortescue amended the Coolbro JV agreement to include the Eider tenement (E45/5528) in consideration for $50,000 cash and an increase in the Stage 1 earn-in amount for the Coolbro JV by $100,000 to $1.6 million, resulting in a total earn-in amount of up to $6.1 million. Fortescue also agreed to complete a helicopter electromagnetic survey of a minimum of 60-line kilometres and a minimum of 1,000 metres of drilling on Eider before earning a 51% interest[2].

Carawine Tenements (100%)

Carawine holds two granted exploration licences (named "Puffer" and "Magnus") and two exploration licence applications (Cable and Three Iron) in the Paterson region which are not subject to ballot, farm-in or joint venture agreements (Figure 7). Evaluation and target generation work will continue on these tenements, with the results used to enable the Company to assess whether it should explore these tenements in its own right, or seek partners as it has done for its other Paterson tenements.

West Paterson JV (Rio Tinto Exploration, earn-in right up to 80%)

Following execution of the West Paterson JV agreement, RTX commenced a review and compilation of historical datasets for the Baton and Red Dog tenements to confirm, identify and prioritise key targets and target areas for drilling or other fieldwork, with results as follows.

Baton

During the period and prior to entering the West Paterson JV, the Company completed detailed ground gravity surveys over the Wheeler, Javelin and Discus prospects on the Baton tenements. The gravity survey following a detailed airborne magnetic survey completed in June 2019 and was successful in identifying several gravity high anomalies coincident with magnetic high anomalies, as follows (Figure 8)[3].

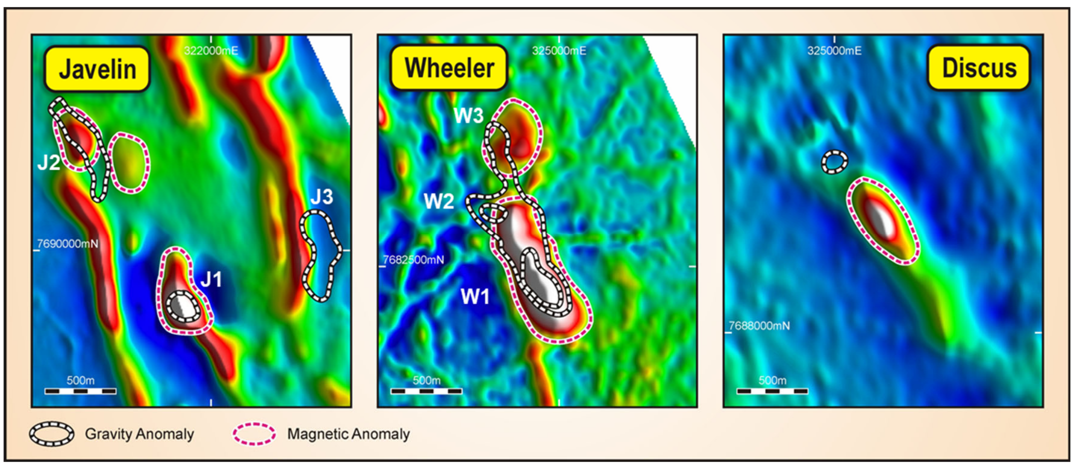

Figure 8: Gravity and magnetic anomalies at Javelin, Wheeler and Discus.

- **Javelin** - Three shallow (<100m) local magnetic anomalies, two with coincident gravity high anomalies. Anomaly J1 comprises a clear gravity high centred directly over a magnetic high, indicating the anomalies may have the same source (dense, magnetic mineralisation or primary source rock). Anomaly J2 has the peak gravity high slightly offset from the magnetic high, possibly representing demagnetised/alteration zonation. Anomaly J3 has a strong target model response, with 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, located at the contact of Broadhurst and Isdell Formations. 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.
- **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 (Figure 9).

Coincident magnetic-gravity anomalies are considered to increase the potential of a target to host certain types and styles of mineralisation, compared to targets based on magnetic anomalies alone. An example of this is Greatland's Havieron gold and copper prospect, where magnetic and gravity anomalies associated with the mineralisation were used to target the discovery drill holes. Magnetic high anomalies are also spatially associated with Rio Tinto's Winu and Ngapakarra discoveries.

RTX's review of the Baton tenements confirmed Javelin, Discus and Wheeler as priority targets for drill testing. The program was initially planned for April to June 2020 but was then delayed by the impact of the COVID-19 pandemic. This drilling is now planned for the second half of 2020.

[1] refer ASX announcement 13 November 2019
[2] Refer ASX announcement 18 September 2020
[3] refer ASX announcement 27 August 2019

In December 2019 RTX completed an airborne gravity gradiometer (AGG) survey over the Baton tenements to further resolve prospective stratigraphy and structure, and add to the understanding of mineralising systems in the project area, as an input to review and targeting of exploration programs.

Red Dog

RTX's review of the Red Dog tenement confirmed multiple high priority potential targets at prospects defined by Carawine, and the potential for new targets to be identified. Magnetic and electromagnetic ("EM") anomalies located proximal to interpreted intrusives and/or favourable structural locations in the Earl, Duke, Bravo and Leatherneck areas were confirmed as warranting further screening and testing. A new target named "Marquess", located immediately south of the Duke prospect was also defined by RTX as a prominent circular conductivity high feature, with a central resistivity response identifiable from Tempest AEM data and VTEM imagery (Figure 9)[1].

At the end of the period planning for a heritage survey of the Earl, Duke and Marquess targets on the Red Dog tenement had commenced, with the surveys expected to commence as soon as Traditional Owner representatives are available, ahead of induced polarization (IP) or ground electromagnetic (EM) surveys to further screen and generate these and additional targets.

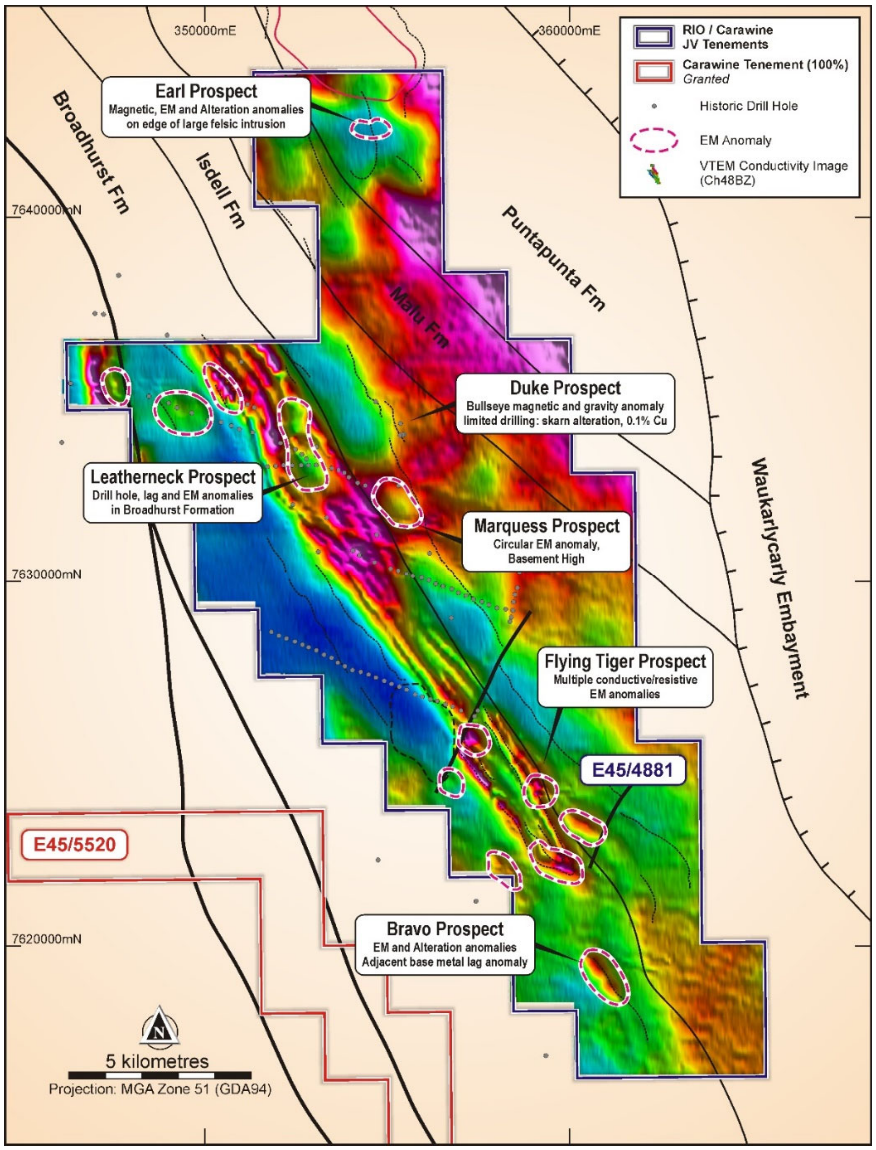

Figure 9: Red Dog conductivity image and targets, including newly identified Marquess prospect.

Coolbro JV (Fortescue earning to 51%)

Following execution of the Coolbro JV agreement, Fortescue commenced a program of data compilation and review for the tenements, aimed at developing work areas for the 2020 field season, including reprocessing of historical geophysical surveys by Fortescue's geophysics team to aid geological interpretations. Fortescue also engaged with Traditional Owner representatives to discuss the impact of COVID-19 on access to tenure and the use of Traditional Owner monitors for proposed field work. Traditional Owner representatives indicated their willingness to help facilitate on ground works moving forward into the field season, with additional risk assessment and planning of monitor availability ongoing.

[1] refer ASX announcement 30 July 2020 (June 2020 Quarterly Activities Report)

Fortescue's first planned program is an airborne electromagnetic (AEM) survey using the heliborne Versatile Time Domain Electromagnetic (VTEM) system over the majority of the JV tenements. At the end of the reporting period planning for this survey was ongoing, with the survey expected to commence during the second half of 2020.

FRASER RANGE PROJECT

The Fraser Range Project includes 6 granted exploration licences in five areas: Red Bull, Bindii, Big Bullocks, Similkameen and Big Bang, and five exploration licence applications Willow and Fern (subject to ballot), and Bullpen, Python and Shackleton[1] in the Fraser Range region of Western Australia.

The project is considered highly prospective for magmatic nickel-sulphide deposits such as IGO Ltd's (ASX:IGO, "IGO") Nova nickel-copper-cobalt operation, and two recent significant discoveries in the Central Fraser region by Legend Mining (ASX:LEG) at their Mawson prospect, and Galileo Mining Limited (ASX:GAL) with their Lantern group of prospects (Figure 10).

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

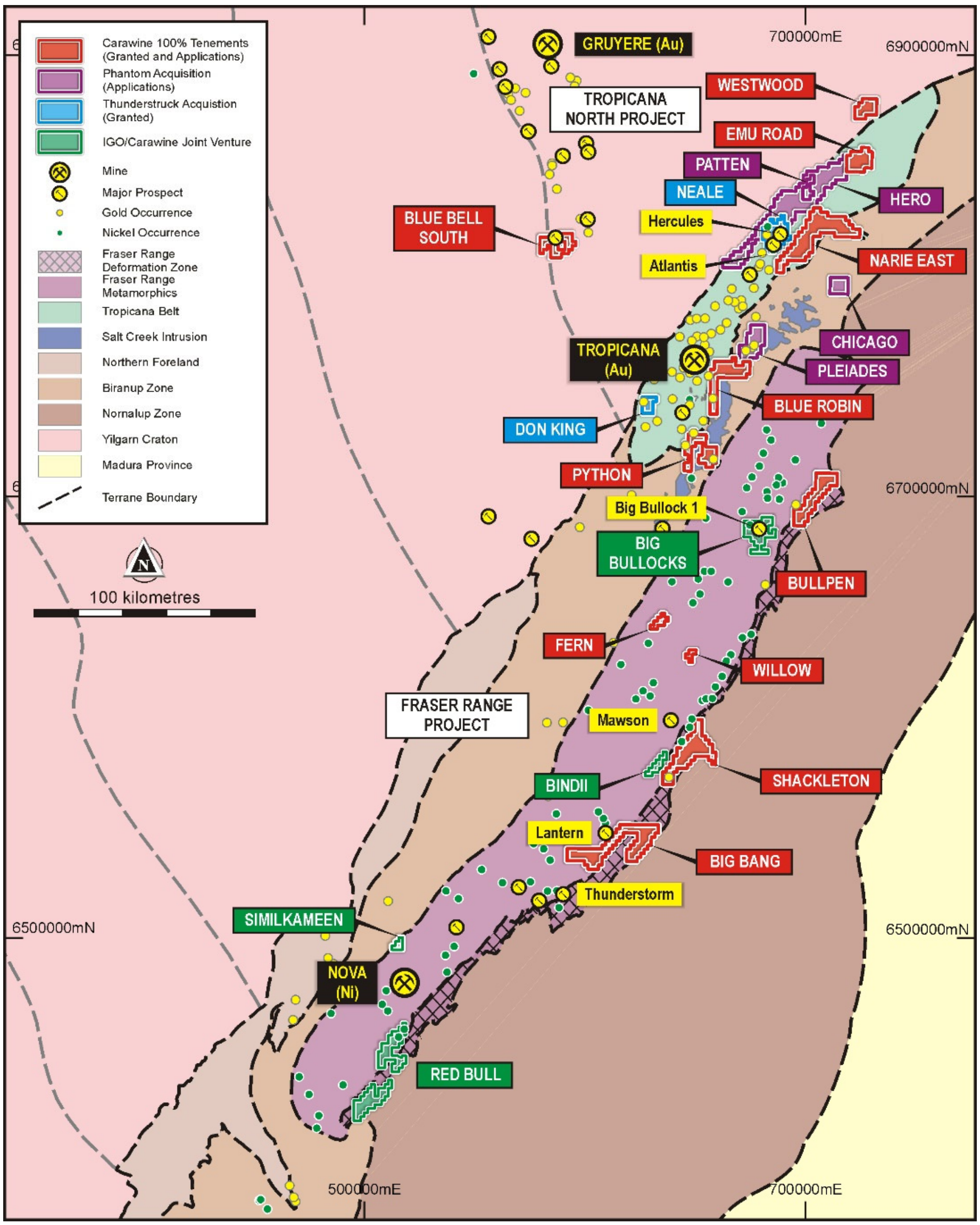

Figure 10: Fraser Range and Tropicana North Project tenements.

[1] Tenement application made subsequent to the end of the reporting period

Carawine (100%)

Big Bang (E28/2759)

During the reporting period the Big Bang tenement in the Central Fraser Range region was granted. The Central Fraser Range is an active exploration area and Big Bang borders tenements with recent gold and nickel-copper discoveries made by IGO[1] and Galileo Mining Ltd[2] ("Galileo") (ASX:GAL) respectively, and is just 50km south of Legend Mining Ltd's (ASX:LEG) Mawson nickel-copper discovery (Figures 10 & 11).

During and subsequent to the end of the reporting period the Company completed a systematic review of historic exploration data, including analysis and interpretation of open file geophysical data and limited historic drilling within the tenement. This work has demonstrated the excellent potential for the discovery of magmatic nickel-copper deposits analogous to IGO's Nova nickel-copper-cobalt deposit within the tenement, along with placer and primary gold deposit styles.

From this work nine new prospects targeting nickel-copper, gold and iron oxide copper gold ("IOCG") deposits have been identified and prioritised[3]. Further work required to advance these prospects is likely to include a combination of regional and targeted air core drilling and ground geophysical surveys as the first phase of exploration, expected during 2021 (Figure 11).

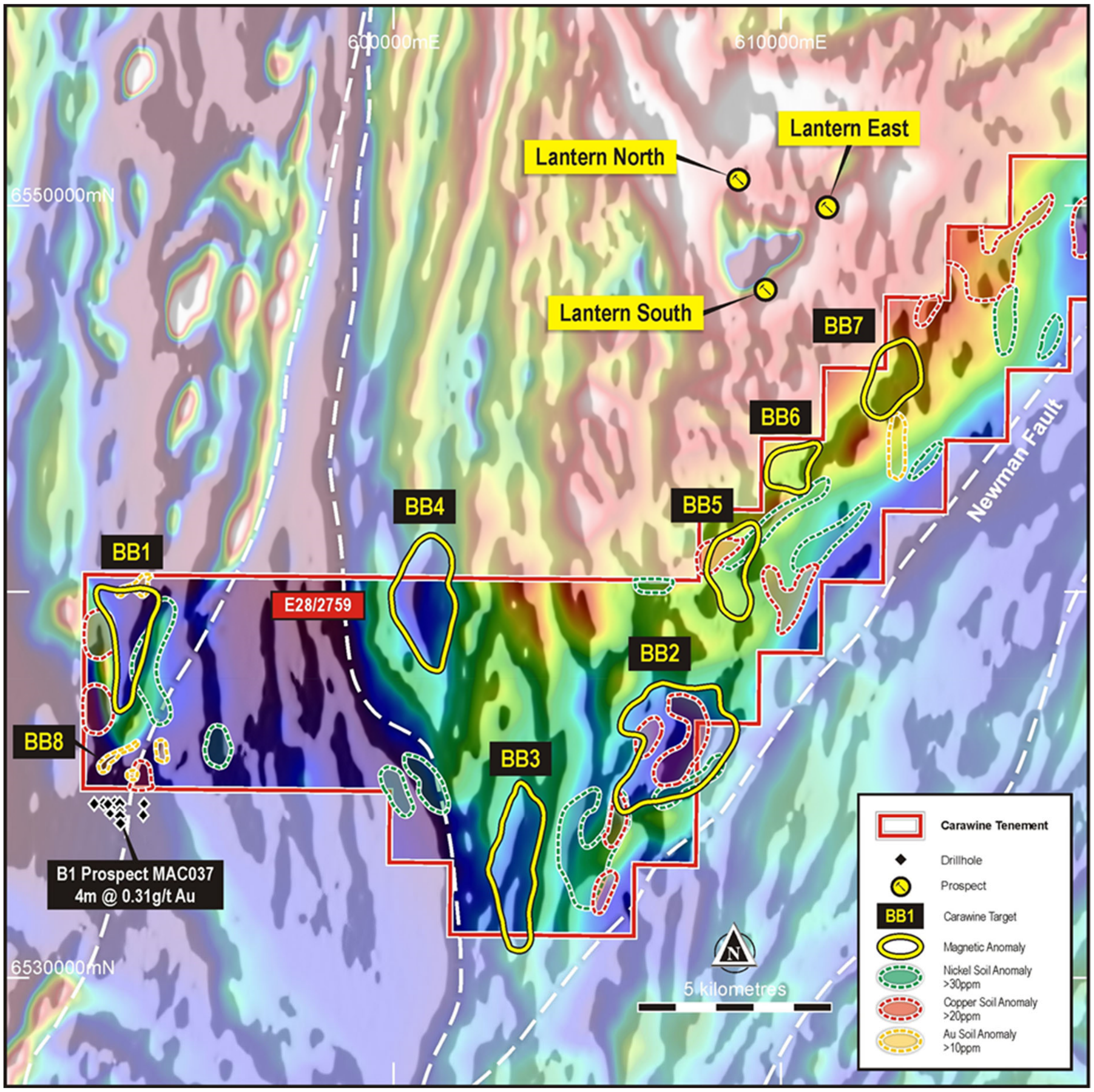

Figure 11: Big Bang Fraser Range Metamorphics, western targets on magnetic image (RTP).

New Tenement Applications – Bullpen, Python and Shackleton (Carawine 100%)

Towards the end of the period the Company applied for two new exploration licences in the northern Fraser Range region named "Bullpen" and "Python", with one new exploration licence applied for subsequent to the end of the period at "Shackleton" (Figure 10). These applications are part of the Company's ongoing strategy to build additional highly prospective gold, nickel and copper exploration tenure in regions with significant exploration potential and active exploration discoveries. Work has begun on reviewing historic data for target generation whilst these applications are progressed towards grant.

[1] Rumble Resources Ltd (ASX:RTR) ASX announcement 6 May 2020
[2] Galileo Mining Ltd (ASX:GAL) ASX announcement 9 September 2020
[3] Refer Carawine ASX announcement 15 September 2020

Fraser Range Joint Venture (IGO 51%, earning to 70%)

During the reporting period IGO continued exploration on the FRJV with RC drilling targeting an interpreted moving loop electromagnetic ("MLEM") conductor at the Aries prospect on the Similkameen tenement, and results from aircore ("AC") drilling on the Big Bullocks tenement identifying a new prospect "Big Bullock 1".

The most significant results are from the Big Bullock 1 prospect on E39/1733 ("Big Bullocks"), with several "AC" drill holes returning anomalous assay values ranging from 236ppm Ni to 808ppm Ni and 44ppm Cu to 728ppm Cu, with elevated MgO values indicating the potential for magmatic nickel-copper sulphides. The anomalous values are all from drill holes within dilation zones and proximal to faults/shear zones. Further analysis highlighted a number of the AC samples from Big Bullock 1 as having moderate to very strong prospectivity index scores, including the highest prospectivity score of very strong from drill hole 19AFAC10344, which returned a peak value of 808ppm Ni, 728ppm Cu, 1110ppm Cr, 1.5% S and 13.5% MgO from 45-46m (Figure 12)[1].

Planned follow-up work comprises MLEM surveys over the Big Bullock 1 and Motueka prospects, with additional work to be based on the results of these surveys.

TROPICANA NORTH PROJECT

Subsequent to the end of the reporting period on 3 September 2020, the Company announced the generation of a new gold exploration project generated in the Tropicana and Yamarna regions of Western Australia's north-eastern goldfields, named the "Tropicana North Project"[2].

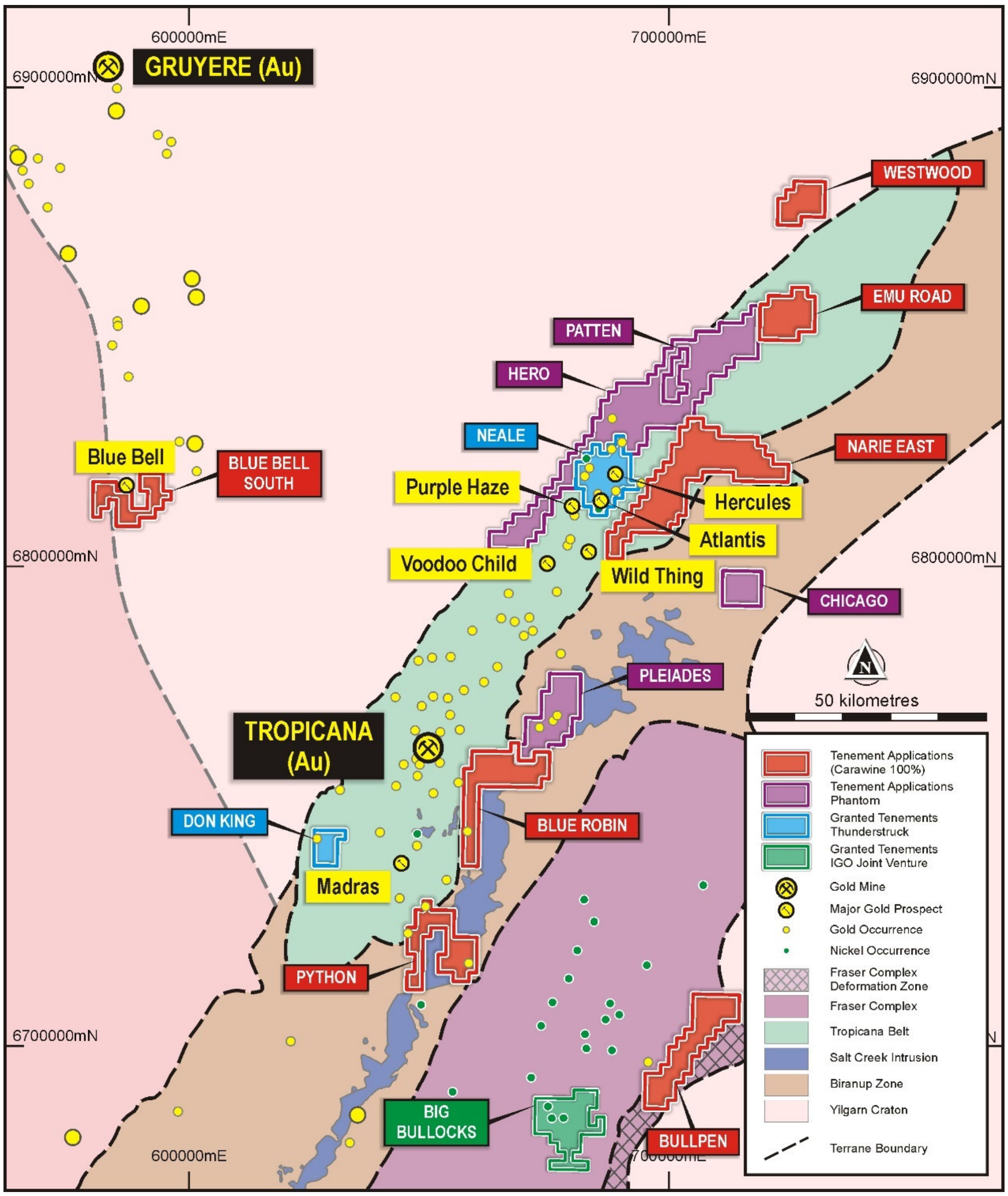

Figure 12: Tropicana North project geology, tenements, and prospects

[1] refer ASX announcement 31 October 2019 (September 2019 Quarterly Activities Report)
[2] refer ASX announcement 3 September 2020

Tropicana North covers 80km strike of the Tropicana Belt, containing strike extensions of the same or similar rock units and structures to those hosting the large Tropicana gold mine operated by AngloGold Ashanti Australia Ltd ("AGA") in joint venture with IGO. Historic exploration comprising geophysical surveys, project-wide auger soil sampling and regional to prospect-scale drilling has identified several early-stage to advanced gold prospects, providing a high-quality pipeline of exploration targets. The new project is centred on two new acquisitions, with agreements executed to conditionally acquire a 90% interest in two granted exploration licences from Thunderstruck Investments Pty Ltd ("Thunderstruck") and a 100% interest in four exploration licence applications in the region via the acquisition of Phantom Resources Pty Ltd ("Phantom") (Figure 12). The Thunderstruck acquisition has been completed, and the Phantom acquisition is subject to shareholder approval and is expected to complete at the end of November 2020.

The Thunderstruck tenements include the advanced Hercules and Atlantis gold prospects where high grade mineralisation remains open down plunge with potential repetition along strike. Significant historically reported intervals from Hercules and Atlantis in drilling (above 0.3g/t Au cut-off) include[1]:

- **3m @ 12.0g/t Au** from 49m (NLC112, Hercules)
- **10m @ 4.02g/t Au** from 127m (NLC155, Hercules)
- **15m @ 21.0 g/t Au** from 50m (NL02779, Atlantis)
- **9m @ 5.19g/t Au** from 63m (NLC032, Atlantis)

The Thunderstruck tenements also include additional, untested gold anomalies in drill holes, including **3m @ 11.8g/t Au** from 47m (drill hole NL02669) north of the Atlantis deposit, and the Neale and Cerberus prospects which comprise >250m strike +10ppb Au anomalies in bedrock air core drilling, both open and untested at depth[1].

The Phantom tenement applications adjoin the Thunderstruck tenements and existing Carawine tenement applications, and are considered prospective in their own right, as they include a 7km long gold geochemical anomaly in regional air core drilling at Pleiades[2], and 60km strike of the Tropicana Belt, starting within 45km of the Tropicana gold deposits.

The new project also includes five additional, recent tenement applications by Carawine covering the Tropicana Belt (Au), Fraser Range Complex (Ni) and Yamarna Belt (Au) over areas interpreted to contain gold-prospective structures and rock types, which will be complemented by the Phantom and Thunderstruck acquisitions. These include a tenement at the southern end of the Yamarna Greenstone belt near the Blue Bell gold discovery. The Yamarna belt is host to the large Gruyere gold mine, discovered by Gold Road Resources Ltd in 2013 and currently in production through a 50% joint venture between Gold Road Resources Ltd and operator Gold Fields Ltd[3].

Upon settlement of each acquisition, Carawine will move quickly to define and prioritise areas to focus its near-term work programs, and progress tenements under application to granted exploration licences. Early work is likely to include a significant component of drilling to test the down-plunge extents of high-grade gold intervals at the Hercules and Atlantis prospects, and shallow, open gold mineralisation defined in historic air core drill holes along the Hercules Shear Zone.

Acquisition Key Terms

Key terms of the Thunderstruck acquisition as announced on 3 September 2020 are summarised as follows:

- Carawine to purchase 90% interest in exploration licences E39/1845 and E38/3244 ("Thunderstruck Tenements") from Thunderstruck through the issue of 1,000,000 Carawine shares (of which 50% of the shares will be subject to a voluntary escrow period of 6 months) and a cash payment of $10,000. A cash payment of $10,000 has previously been made to Thunderstruck as an exclusivity payment whist binding terms were negotiated. The Carawine shares will be issued under Carawine's ASX Listing Rule 7.1 capacity.
- Carawine and Thunderstruck will form an unincorporated joint venture, with Carawine acting as manager.
- Carawine to free-carry Thunderstruck to the completion of a Bankable Feasibility Study ("BFS"), at which point Thunderstruck may elect to contribute to further expenditure or dilute.
- If Thunderstruck's interest falls below 5%, Carawine may purchase that interest at fair market value.
- A 1% net smelter royalty on minerals produced from the Thunderstruck Tenements is payable to Beadell Resources Pty Ltd, a wholly owned subsidiary of Great Panther Mining Limited ("Great Panther") (TSX:GPR; NYSE American:GPL).
- Settlement of the Thunderstruck acquisition was announced to the ASX on 22 September 2020.

Key terms of the Phantom acquisition as announced on 3 September 2020 are summarised as follows:

- Phantom is the holder (100%) of five exploration licence applications E39/2150, E69/3756, E69/3757, E69/3769 and E80/5463 ("Phantom Tenement Applications").
- Carawine to purchase all shares in Phantom from the shareholders of Phantom ("Phantom Shareholders") in consideration for the issue of 600,000 Carawine shares to the Phantom Shareholders (subject to Carawine shareholder approval being obtained) and repayment of a $20,000 loan to one Phantom Shareholder who is not a related party of Carawine.
- Phantom to become a wholly owned subsidiary of Carawine at completion.
- As Carawine directors Messrs W. Burbury and D. Archer are also directors of Phantom and a related party of each has a partial interest in the issued shares in Phantom, Carawine will seek shareholder approval for the issue of consideration shares to the related party of each of Mr Burbury and Mr Archer (or their nominees).
- The Phantom acquisition has been conducted by Carawine at an arms-length basis on commercial terms, with Carawine management (independent of Messrs Burbury and Archer) completing internal investigations to arrive at a fair market value of Phantom and the Phantom Tenement Applications. The implied purchase price to be paid by Carawine is at the lower end of the range of this fair market valuation.

[1] refer ASX announcement 3 September 2020
[2] refer ASX announcement 3 September 2020
[3] Source: www.goldroad.com.au/gruyere-mine/

- Completion of the Phantom acquisition is subject to final due diligence, Phantom shareholder approval and approval by Carawine shareholders for the issue of consideration shares pursuant to ASX Listing Rule 7.1 for the unrelated vendors and ASX Listing Rule 10.11 for the vendors who are related parties of each of Messrs Burbury and Archer.
- Carawine shareholder approvals for the issues of consideration shares will be sought at Carawine's upcoming annual general meeting expected to be held in November 2020. Accordingly, completion of the Phantom acquisition is expected for November 2020. Carawine will continue to keep the market informed in respect of material updates regarding the Phantom acquisition. Further details will be included in the notice of meeting materials.

At completion of both acquisitions and assuming that all Phantom and Carawine tenement applications are granted, Carawine will have the second largest tenement holding in the Tropicana region behind AGA and IGO of 1,835 km^2.

Full details of the proposed transactions, tenement prospectivity and historic exploration results are described in the Company's ASX announcement dated 3 September 2020.

OAKOVER PROJECT

Neighbouring the Paterson Project in the Eastern Pilbara region of Western Australia, the Company's Oakover Project comprises eight granted exploration licences with a total area of about 800km^2, held 100% by the Company.

The Company's tenement holding in the western Oakover is considered prospective for copper and "Balfour" style manganese deposits (med-grade Mn/Fe), including the Western Star copper prospect and historic Davis River manganese occurrences. Along the eastern edge of the Oakover Basin the tenement holding includes sediment-hosted copper occurrences at Bocrabee, and numerous high-grade "Woodie-Woodie" style manganese prospects (typical Mn >45%, Fe<5%) in the Fig Tree area (30km south of Consolidated Minerals' Woodie Woodie mine) (Figure 12).

During the period the Company undertook a review of its Oakover Project tenement holding, surrendering seven tenements and completing partial surrenders on a further five tenements. The Company will continue to advance the Oakover Project at a lower priority to is other exploration projects.

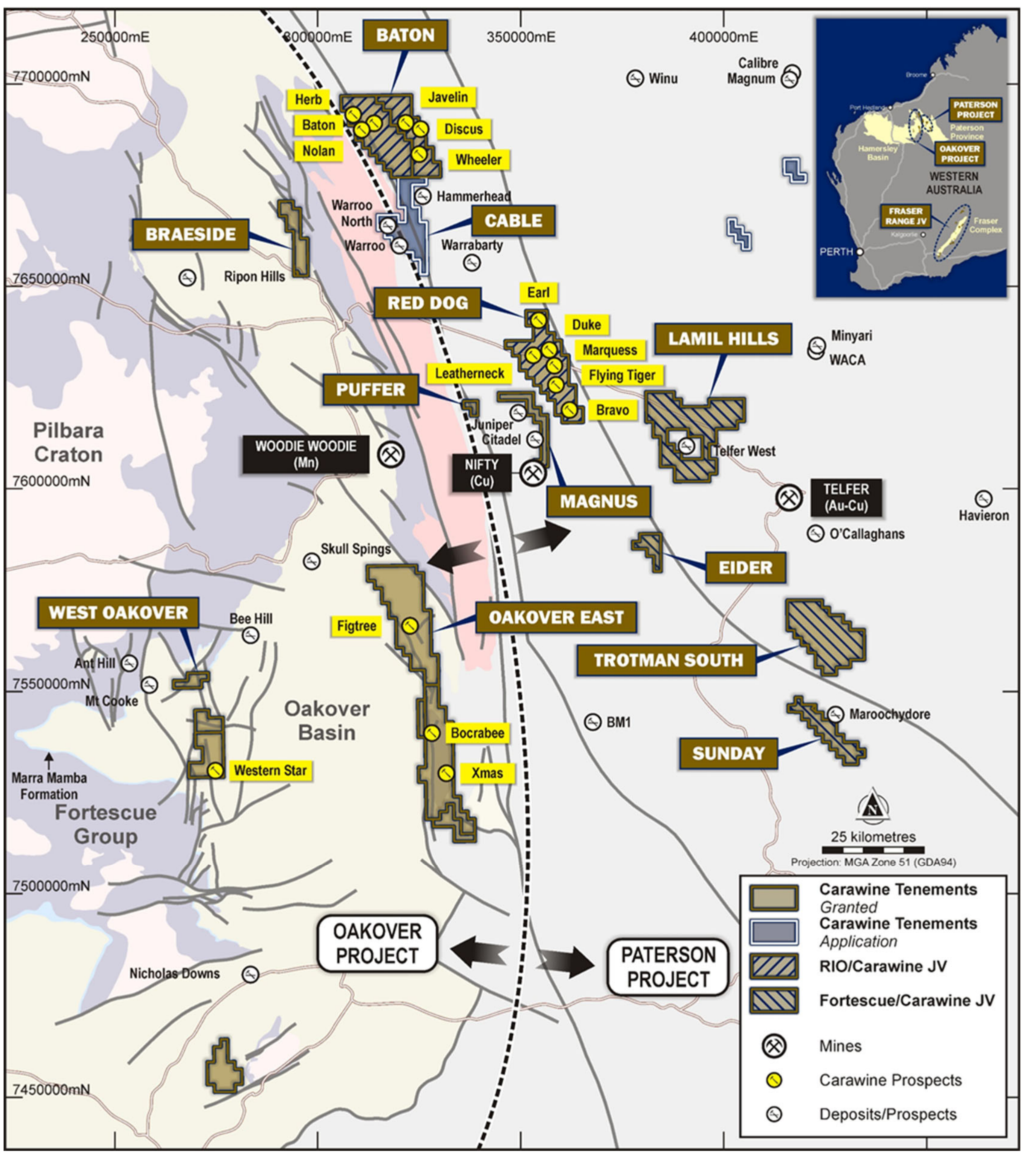

Figure 13: Oakover and Paterson Project tenement location plan.

CORPORATE ACTIVITIES

During the period the Company completed a two-tranche share placement to sophisticated and professional investors of approximately 21.4 million ordinary shares at an issue price of 14 cents per share to raise a total of $3.0 million before costs. For further details refer to the Company's ASX announcements dated 20 & 26 September and 22 November 2019.

Carawine was also successful in its application to participate in the Australian Government's Junior Mineral Exploration Incentive (JMEI) scheme for the 2020 income year. The Company may allocate up to $780,000 in exploration tax credits to eligible investors who participated in the Placement announced on 20 September 2019 and any other capital raising by the Company completed prior to 30 June 2020.

JMEI credits can be used as a refundable tax offset (or franking credit for corporate shareholders) in the relevant shareholder's tax return for the 2020 income year. The actual amount of credit per share will be determined after 30 June 2020, and is dependent on the total amount of capital raised and the amount of eligible exploration expenditure incurred between 1 July 2019 and 30 June 2020, and the Company's tax result for the 2020 income year.

At the Company's Annual General Meeting on 14 November 2019 Mr Bruce McQuitty retired from the Company as a Non-Executive Director. The Company thanked Mr McQuitty for his service and invaluable contributions to the Company.

Subsequent to the end of the period, the Company announced a placement to raise a total of $6.0 million (before costs) through a two-tranche placement of approximately 30 million ordinary shares ("Shares") at an issue price of 20 cents per Share ("the Placement").

The first tranche ("Tranche 1") comprises approximately 18 million Shares to be issued at $0.20 per Share, raising approximately $3.6 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 November 2020. If approved, Tranche 2 will result in the issue of approximately 12 million Shares to raise approximately $2.4 million (before costs). For further details refer to the Company's ASX announcement dated 28 September 2020.

COMPLIANCE STATEMENTS

Previously Reported Information

The information in this report that relates to Exploration Results is based on information compiled by Mr Michael Cawood, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Cawood holds shares and options in and is a full-time employee of Carawine Resources Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the "JORC Code (2012)"). Mr Cawood consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

This report includes information that relates to Exploration Results prepared and first disclosed under the JORC Code (2012) and extracted from the Company's previous ASX announcements, with the Competent Person for the relevant original market announcement indicated in brackets, as follows:

- Fraser Range: Nickel and Gold Targets Outlined at the Big Bang Project in the Fraser Range" 15 September 2020 (M Cawood)
- Tropicana: Carawine Acquires New Gold Project in Western Australia" 3 September 2020 (M Cawood)
- Jamieson: "High Gold Grades at Hill 800 Continue" 14 May 2020 (M Cawood)
- Jamieson: "Strong Copper-Gold Porphyry Indicators in Latest Drill Results from Hill 800" 30 March 2020 (M Cawood)
- Jamieson: "New High-Grade Zone Discovered at Hill 800" 28 February 2020 (M Cawood)
- Jamieson: "Jamieson Project Drilling Progress Update" 29 January 2020 (M Cawood)
- Jamieson: "New Porphyry Copper-Gold Targets in Victoria" 3 December 2019 (M Cawood)
- Fraser Range: "Quarterly Activities Report for the Period Ended 30 September 2019" 31 October 2019 (M Cawood)
- Jamieson: "Copper-gold Porphyry Targets at Hill 800" 11 September 2019 (M Cawood)
- Paterson: "Paterson Gravity Survey Prioritises Baton Targets" 27 August 2019
- Jamieson: "New Gold Prospects Defined at Jamieson" 15 July 2019 (M.Cawood)
- Jamieson: "Gold Zone Extended with Latest Results from Hill 800" 27 May 2019 (M Cawood)

This report also refers to information extracted from, and first disclosed in the Company's previous ASX Announcements as follows:

- Paterson: Joint Venture Commitment From Fortescue Increased With Addition of Paterson Tenement" 18 September 2020
- Various: "Quarterly Activities Report for the Period Ended 30 June 2020" 30 July 2020
- Paterson: "$6 Million Paterson Farm-In and Joint Venture Agreement with Fortescue" 13 November 2019
- Paterson: "$6 Million Paterson Farm-In with Rio Tinto" 28 October 2019
- Jamieson: "Carawine Targets Copper-Gold Porphyries at its Victorian Jamieson Project" 16 October 2019

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. Where the information relates to Exploration Results 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 5-19 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 David Archer Non-Executive Director	Director since 16 March 2016
Mr Bruce McQuitty Non-Executive Director	Director from 16 March 2016 to 14 November 2019

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 non-executive chairman of Sheffield Resources Limited and is currently serving as a non-executive director.

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 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 a non-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

FORMER DIRCTOR

Mr Bruce McQuitty (B.Sc, MEconGeol)
Non-Executive Director (Resigned 14 November 2019)

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 from 2015 to 2019, he served as a non-executive director. 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.

COMPANY SECRETARY

Ms Rebecca Broughton (BCom, CA)

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 was previously Company Secretary of DevEx Resources Limited.

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	4	4
Mr D Boyd	4	4
Mr B McQuitty	2	2
Mr D Archer	4	4

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 2019	Granted as remuneration	Other changes	Held at resignation	Balance Report date
W Burbury	816,885	-	-	-	816,885
D Boyd	220,589	-	-	-	220,589
B McQuitty	972,606	-	-	972,606	-
D Archer	1,052,134	-	-	-	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 2019	Issued	Exercised	Held at resignation	Balance Report date	Vested & Exercisable	Unvested
W Burbury	272,293	-	-	-	272,293	272,293	-
D Boyd	40,196	750,000	-	-	790,196	40,196	750,000
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 2019	Issued	Exercised	Other changes	Balance Report date	Vested & Exercisable	Unvested
D Boyd	1,450,000	-	-	(350,000)	1,100,000	-	1,100,000

During the financial year, 350,000 performance rights lapsed without vesting as the relevant 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.

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
1,000,000[1]	0.18	26/08/23	ESOP
750,000[1]	0.26	15/11/23	ESOP
775,000	-	12/12/2020	Performance
775,000	-	12/12/2021	Performance

[1]These options are subject to vesting conditions.

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 on issue at the date of this report

Number of ordinary shares under option	Grant date	Exercise price $	Expiry date	Type
10,250,876	12/12/2017	0.30	12/12/2020	Loyalty options
500,000	12/12/2017	0.30	12/12/2021	ESOP
500,000	12/02/2018	0.40	12/02/2022	ESOP
1,000,000	26/08/2019	$0.18	26/08/2023	ESOP
750,000	14/11/2019	$0.26	15/11/2023	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
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

Options and performance rights exercised or lapsed during the financial year

1,373 unlisted loyalty options were exercised on 17 March 2020. No options lapsed during the financial year ended 30 June 2020. 350,000 performance rights lapsed without vesting due to not meeting vesting conditions. No performance rights were exercised during the financial year ended 30 June 2020.

DIVIDENDS

No dividends have been paid or declared during the financial year ended 30 June 2020 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 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

On 3 September 2020, the Company announced the acquisition of a major new gold exploration project "Tropicana North," covering more than 80km strike of the Tropicana gold belt in WA's north-eastern goldfields. The Company has a 90% interest in two granted exploration licences acquired from Thunderstruck Investments Pty Ltd, and has executed an agreement to conditionally acquire a 100% interest in four exploration licence applications in the region via the acquisition of Phantom Resources Pty Ltd ("Phantom"). Settlement of the Phantom acquisition is subject to the satisfaction of various conditions and Carawine shareholder approval and is expected to complete at the end of November 2020. Conditions and the key terms of the acquisitions are summarised in the ASX announcements on 3 September 2020, settlement of the Thunderstruck acquisition was announced to the ASX on 22 September 2020.

Subsequent to the end of the period on 28 September 2020, the Company announced a placement to raise a total of $6.0 million (before costs) through a two-tranche placement of approximately 30 million ordinary shares ("Shares") at an issue price of 20 cents per Share ("the Placement"). The first tranche ("Tranche 1") comprises approximately 18 million Shares to be issued at $0.20 per Share, raising approximately $3.6 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 November 2020. If approved, Tranche 2 will result in the issue of approximately 12 million Shares to raise approximately $2.4 million (before costs).

There have been no other 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.

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

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 2020.

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 2020 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 2020 $'000	30 June 2019 $'000
Revenue	120,759	52,178
Net (loss)/profit before tax	(1,501,368)	(901,229)
Net (loss)/profit after tax	(1,282,188)	(604,365)
Share price at start of year	0.10	0.26
Share price at end of year	0.175	0.10
Dividends	-	-
Basic loss per share (cents)	(0.02)	(0.01)
Diluted loss per share (cents)	(0.02)	(0.01)

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 – Resigned on 14 November 2019)
- 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								
2020	49,000	-	-	4,655	-	53,655	100	-
2019	49,000	-	-	4,655	-	53,655	100	-
D Boyd								
2020	260,000	-	5,639	24,700	145,202[2]	435,541	67	33
2019	230,000	-	5,507	21,850	83,714	341,071	75	25
B McQuitty[1]								
2020	16,785	-	-	1,595	-	18,380	100	-
2019	45,000	-	-	4,275	-	49,275	100	-
D Archer								
2020	45,000	-	-	4,275	-	49,275	100	-
2019	45,000	-	-	4,275	-	49,275	100	-
Total								
2020	**370,785**	**-**	**5,639**	**35,225**	**145,202**	**556,851**	**74**	**26**
2019	**369,000**	**-**	**5,507**	**35,055**	**83,714**	**493,276**	**83**	**17**

[1]Mr McQuitty resigned on 14 November 2019

[2]Duringthe period, 350,000 performance rights lapsed without vesting and $8,861 was reversed at the reporting date in relation to these.

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	260,000	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 2020 were:

Director	Balance 1 July 2019	Granted as remuneration	Other changes	Held at resignation	Balance 30 June 2020
W Burbury	816,885	-	-	-	816,885
D Boyd	220,589	-	-	-	220,589
B McQuitty	972,606	-	-	972,606	-
D Archer	1,052,134	-	-	-	1,052,134

There were no shares issued to key management personnel as part of remuneration during the financial year ended 30 June 2020.

KEY MANAGEMENT PERSONNEL OPTION HOLDINGS

The number of options held by each Director in the Company at 30 June 2020 were:

Director	Balance 1 July 2019	Issued	Exercised	Held at resignation	Balance 30 June 2020	Vested & Exercisable	Unvested
W Burbury	272,293	-	-	-	272,293	272,293	-
D Boyd	40,196	750,000	-	-	790,196	40,196	750,000
B McQuitty	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 2020 were:

Director	Balance 1 July 2019	Issued	Exercised	Other changes	Balance 30 June 2020	Vested & Exercisable	Unvested
D Boyd	1,450,000	-	-	(350,000)	1,100,000	-	1,100,000

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.

TRANSACTIONS WITH OTHER RELATED PARTIES

During the period, Archer Geological Consulting, an entity associated with Director David Archer, invoiced the Company $9,025 for geological services (2019: nil) and this invoice was unpaid as of the reporting date.

The Company also paid $176,742 (excluding GST) to a Director related entity for shared office and administrative services costs. As at 30 June 2020, there is a balance of $5,748 outstanding.

There were no other transactions entered into with related parties for the June 2020 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 2020 $	June 2019 $
Audit and other assurances services	28,316	27,336
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 29 and forms part of this Directors' report for the year ended 30 June 2020.

Signed in accordance with a resolution of the Directors.

Mr David Boyd
Managing Director
Perth, 30 September 2020

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Carawine Resources Limited for the year ended 30 June 2020, 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
30 September 2020

D I Buckley
Partner

hlb.com.au

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 $	2019 $
Revenue and other income	2	120,759	52,178
Employee benefits expense		(230,847)	(249,027)
Depreciation expense		(18,842)	(17,914)
Other expenses	2	(495,973)	(426,937)
Share-based payments		(242,450)	(194,230)
Impairment of deferred exploration and evaluation expenditure	8	(634,015)	(65,299)
Loss before income tax		(1,501,368)	(901,229)
Income tax benefit	3	219,180	296,864
Loss for the year		**(1,282,188)**	**(604,365)**
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		**(1,282,188)**	**(604,365)**
Basic loss per share	4	(0.02)	(0.01)
Dilutive loss per share	4	(0.02)	(0.01)

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Notes	2020 $	2019 $
Current Assets			
Cash and cash equivalents	5	1,770,860	1,207,927
Trade and other receivables	6	157,097	112,146
Total Current Assets		1,927,957	1,320,073
Non-Current Assets			
Plant and equipment	7	27,201	36,826
Deferred exploration and evaluation expenditure	8	7,895,409	6,910,913
Total Non-Current Assets		7,922,610	6,947,739
Total Assets		9,850,567	8,267,812
Current Liabilities			
Trade and other payables	9	147,163	224,086
Provisions	10	112,483	83,995
Total Current Liabilities		259,646	308,081
Non-Current Liabilities			
Deferred tax liabilities	3	-	226,039
Total Non-Current Liabilities		-	226,039
Total Liabilities		259,646	534,120
Net Assets		**9,590,921**	**7,733,692**
Equity			
Issued capital	11	12,212,272	9,315,305
Reserves	12	492,375	289,125
Accumulated losses	12	(3,113,726)	(1,870,738)
Total Equity		**9,590,921**	**7,733,692**

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Issued capital	Accumulated losses	Reserves	Total
	$	$	$	$
Balance as at 1 July 2019	9,315,305	(1,870,738)	289,125	7,733,692
Loss for the year	-	(1,282,188)	-	(1,282,188)
Total comprehensive loss for the year	-	(1,282,188)	-	(1,282,188)
Shares issued during the year	3,000,412	-	-	3,000,412
Share issue costs	(110,305)	-	-	(110,305)
Unwinding of tax effect on share issue costs	6,860	-	-	6,860
Recognition of share-based payments	-	-	242,450	242,450
Transfer of lapsed performance rights	-	39,200	(39,200)	-
Balance at 30 June 2020	**12,212,272**	**(3,113,726)**	**492,375**	**9,590,921**

	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 income 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**

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 $	2019 $
Cash flows from operating activities			
Payments to suppliers and employees		(660,090)	(592,370)
Payments for security deposits/bonds		(947)	(6,307)
Interest received		19,714	61,467
Government grants		50,000	-
Net cash (used in) operating activities	5	**(591,323)**	**(537,210)**
Cash flows from investing in activities			
Payments for exploration and evaluation expenditure		(2,050,954)	(3,302,699)
Proceeds from JV agreements		325,000	-
Purchase of plant and equipment		(9,897)	-
Net cash (used in) investing activities		**(1,735,851)**	**(3,302,699)**
Cash flows from financing activities			
Proceeds from issue of shares		3,000,412	-
Payments for share issue costs		(110,305)	-
Net cash provided by financing activities		**2,890,107**	**-**
Net increase/(decrease) in cash and cash equivalents		562,933	(3,839,909)
Cash and cash equivalents at beginning of year		1,207,927	5,047,836
Cash and cash equivalents at end of year	5	**1,770,860**	**1,207,927**

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 2020, 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 30 September 2020.

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 2020

In the year ended 30 June 2020, 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 Company has applied AASB 16 Leases from 1 July 2019. AASB 16 replaces AASB 117 Leases and sets out the principles for the recognition, measurement, presentation and disclosure of leases.

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows applying AASB 107 Statement of Cash Flows. AASB 16 substantially carries forward the lessor accounting requirements in AASB 117 Leases. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

AASB 16 is effective from annual reporting periods beginning on or after 1 January 2019. A lessee can choose to apply the Standard using a full retrospective or modified retrospective approach.

There is no material impact to profit or loss or net assets on the adoption of this new standard in the current or comparative periods as the short term lease exemption in AASB 16 was utilised.

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 2020. 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 Company accounting policies.

(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 2020, 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. If, after having capitalised expenditure under this policy, it is concluded that the consolidated entity is unlikely to recover the expenditure by future exploitation or sale, then the relevant capitalised amount will be written off to profit and loss.

(E) GOING CONCERN

The financial report has been prepared on a going concern basis.

(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.

(ii) Grant revenue - grant revenue is recognised when it is received or when the right to receive payment is established. Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate

(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.

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 initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within15 days to 30 days.

The entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Other receivables are recognised at amortised cost, less any allowance for expected credit losses

(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

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.

(Q) 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

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities. The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(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.

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

	2020 $	2019 $
(a) Revenue and other income		
Interest received	20,759	52,178
Government grant income	100,000	-
	120,759	52,178
(b) Expenses		
Investor and public relations expense	33,295	18,626
Legal fees	48,700	17,738
Insurance expense	32,759	22,634
Stock exchange expenses	32,798	32,910
Office occupancy expense	26,208	40,463
Accounting fees	59,196	40,932
Other expenses	263,017	253,634
	495,973	426,937

NOTE 3: INCOME TAX

	2020 $	2019 $
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	1,501,368	901,229
Income tax benefit calculated at 30% (2019: 30%)	(450,410)	(270,369)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	72,735	58,269
Other non-deductible expenses	645	6,926
Other non-assessable income	(30,000)	-
Other deductible expenses	-	(45,845)
Deferred tax assets and liabilities not recognised	187,850	-
Adjustment to opening balance of DTA/DTL	-	(45,845)
Income tax (benefit)/expense reported in the statement of comprehensive income	(219,180)	(296,864)
Income tax charged/(credited) directly to equity		
Adjustment to opening balance of equity	-	45,845
Share issue costs	(33,092)	45,845
Amount not recognised	33,092	-
Income tax charged/(credited) directly to equity	-	91,690

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%.

At 30 June 2020, net deferred tax assets of $214,084 have not been recognised in terms of AASB112 Income Taxes. The Company does not currently have foreseeable future taxable profits against which the deductible temporary differences and unused tax losses comprising this net deferred tax amount may be utilised. In the prior year, a deferred tax liability of $226,039 was recognised.

NOTE 3: INCOME TAX (CONTINUED)

Deferred tax assets and (liabilities)

A breakdown of the components of deferred tax assets and (liabilities) is provided below:

	2020 $	2019 $
Deductible temporary differences	38,095	25,448
Tax losses	2,420,379	1,684,250
Share issue costs	124,232	137,537
Exploration and evaluation expenditure	(2,368,622)	(2,073,274)
	214,084	**(226,039)**

In addition to the assessed loss and other net future income tax deductions on which deferred tax has not been recognised at 30 June 2020 as set out in the table above, the Company also has accumulated capital losses of $20,000 on which deferred tax has not been recognised. Such capital losses may only be utilised against potential future capital gains.

NOTE 4: EARNINGS/LOSS PER SHARE

	2020 $	2019 $
Basic loss per share:		
Continuing operations	(0.02)	(0.01)
Total basic loss per share	**(0.02)**	**(0.01)**
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	(1,282,188)	(604,365)
	Number	Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	70,993,879	55,838,926
Dilutive loss per share:	$	$
Continuing operations	(0.02)	(0.01)
Total dilutive loss per share	**(0.02)**	**(0.01)**

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	
	2020 $	2019 $
Cash at bank and on hand	270,860	207,927
Short-term deposits	1,500,000	1,000,000
	1,770,860	**1,207,927**

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)

	2020 $	2019 $
(i) Reconciliation of loss after tax for the year to net cash flows from operating activities		
Loss after tax for the year	(1,282,188)	(604,365)
Share based payment expense	242,450	194,230
Depreciation	18,842	17,914
Write off of exploration expenditure	634,015	65,299
Deferred tax asset recognised directly in equity	6,860	(91,690)
(Increase)/decrease in assets:		
Current receivables	44,951	65,850
Increase/(decrease) in liabilities:		
Current trade and other payables	(79,568)	(15,032)
Provision for employee benefits	28,488	35,757
Deferred tax liabilities	(205,173)	(205,173)
Net cash (used in) /from operating activities	**(591,323)**	**(537,210)**

NOTE 6: TRADE AND OTHER RECEIVABLES

GST recoverable	9,923	16,896
Prepaid expenses	8,626	12,164
Bank guarantees[1]	70,000	70,000
Government grant income	50,000	-
Accrued interest	4,549	3,505
Other receivables	13,999	9,581
	157,097	**112,146**

[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

	2020 $	2019 $
Non-Current Assets		
Opening balance, net of accumulated depreciation	36,826	54,740
Additions	9,217	-
Depreciation charge for the year	(18,842)	(17,914)
Closing balance, net of accumulated depreciation	**27,201**	**36,826**
Non-Current Assets		
Cost	70,960	61,744
Accumulated depreciation and impairment	(43,759)	(24,918)
Net carrying amount	**27,201**	**36,826**

The carrying value of any plant and equipment held under finance leases and hire purchase contracts at 30 June 2020 is nil (2019: nil).

NOTE 8: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	2020 $	2019 $
Costs carried forward in respect of:		
Exploration and evaluation phase – at cost		
Balance at beginning of year	6,910,913	4,593,272
Expenditure incurred	1,943,511	2,382,940
JV payments for Paterson tenements[1]	(325,000)	-
Expenditure written off[2]	(634,015)	(65,299)
Total exploration and evaluation expenditure	7,895,409	6,910,913

[1]The Company entered into farm-in and joint venture agreements (Agreements) with Fortescue Metals Group Ltd (FMG) and Rio Tinto Exploration Pty Ltd (Rio) for its Paterson tenements. During the year ended 30 June 2020, FMG and Rio each paid a cash payment to the Company upon execution of the Agreements.

[2]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

	2020 $	2019 $
Trade creditors	80,106	173,582
Accruals	27,673	31,362
Other creditors	39,384	19,142
	147,163	224,086

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	112,483	83,995

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

NOTE 11: ISSUED CAPITAL

77,268,871 (2019: 55,838,926) Ordinary shares issued and fully paid	12,212,272	9,315,305

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)

	2020		2019	
	No.	$	No.	$
Movement in ordinary shares on issue				
Balance at beginning of financial year	55,838,926	9,315,305	55,838,926	9,406,995
Issue of fully paid ordinary shares at $0.14 each	21,428,572	3,000,000	-	-
Exercise of unlisted options at $0.30 each	1,373	412	-	-
Share issue costs	-	(110,305)	-	-
Unwinding on deferred tax benefit of share issue costs	-	6,860	-	(91,690)
Balance at end of financial year	**77,268,871**	**12,212,272**	**55,838,926**	**9,315,305**

	2020	2019
	No.	No.
Movements in options and rights over ordinary shares on issue		
Number at beginning of financial year	**13,152,249**	**13,402,249**
Issue of unlisted options exercisable at $0.18 each expiring on 27/08/2023	1,000,000	-
Issue of unlisted options exercisable at $0.26 each expiring on 15/11/2023	750,000	-
Exercise of loyalty options	(1,373)	-
Lapsing of performance rights	(350,000)	(250,000)
Number at end of financial year	**14,550,876**	**13,152,249**

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

	2020 $	2019 $
Accumulated losses		
Balance at beginning of financial year	(1,870,738)	(1,295,623)
Loss for the year	(1,282,188)	(604,365)
Transfer on lapsing of performance rights	39,200	29,250
Balance at end of financial year	**(3,113,726)**	**(1,870,738)**
Share-based payments reserve		
Balance at beginning of financial year	289,125	124,145
Share based payments	242,450	194,230
Transfer on lapsing of performance rights	(39,200)	(29,250)
Balance at end of financial year	**492,375**	**289,125**

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 (ESOP) of the Company:

	Number	Grant date	Expiry date	Exercise price	Fair value at grant date	Vesting date
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
SERIES 3	1,000,000	26/08/2019	26/08/2023	$0.18	$77,667	27/08/2020
SERIES 4	750,000	14/11/2019	15/11/2023	$0.26	$115,156	14/11/2020

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	SERIES 3	SERIES 4
Dividend yield (%)	-	-	-	-
Expected volatility (%)	90	90	84	84
Risk-free interest rate (%)	2.11	2.26	0.85	0.85
Expected life of option (years)	4	4	4	4
Exercise price (cents)	30	40	18	26
Grant date share price (cents)	20	23	14	25.5

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	Number lapsed during the year	Grant date	Expiry date	Fair value at grant date	Share price at grant date
SERIES 1	1,100,000	350,000	12/12/2017	12/12/2022	$288,450	$0.20
SERIES 2	450,000	-	12/02/2018	12/12/2021	$103,500	$0.23

SERIES 1

During the year ended 30 June 2020, 350,000 performance rights lapsed without vesting due to not meeting vesting conditions. The remaining 1,100,000 performance rights have the following conditions attached:

a) 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
b) 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:

c) 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
d) 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:

	2020 No.	2020 Weighted average exercise price	2019 No.	2019 Weighted average exercise price
Outstanding at the beginning of the year	1,000,000	0.35	1,000,000	0.35
Granted during the year	1,750,000	0.21	-	-
Exercised during the year	-	-	-	-
Lapsed during period	-	-	-	-
Outstanding at the end of the year	**2,750,000**	**0.26**	**1,000,000**	**0.35**
Exercisable at the end of the year	1,000,000	0.35	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 2020 is 2.63 years (2019: 2.54 years).

The range of exercise prices for options outstanding at the end of the year is $0.18 - $0.40 (2019: $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 2019.

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.

	2020 $	2019 $
(b) Categories of financial instruments		
Financial assets		
Trade and other receivables	157,097	112,140
Cash and cash equivalents	1,770,860	1,207,927
Financial liabilities		
Trade and other payables	147,163	224,086

(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.

	2020					2019				
	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	1.25	1,500,000	-	-	1,500,000	2.1	1,000,000	-	-	1,000,000
Non-interest bearing	-	270,860	157,097	-	427,957	-	207,927	112,146	-	320,073
Total Financial Assets		**1,770,860**	**157,097**	**-**	**1,927,957**		**1,207,927**	**112,146**	**-**	**1,320,073**
Financial liabilities										
Non-interest bearing		147,163	-	-	147,163		224,086	-	-	224,086
Total Financial Liabilities		**147,163**	**-**	**-**	**147,163**		**224,086**	**-**	**-**	**224,086**

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:

2020	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	147,163	147,163	147,163	-	-	-	-
	147,163	147,163	147,163	-	-	-	-

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	-	-	-	-

(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:

	2020	2019
	$	$
Within one year	588,652	1,125,267

Other commitments

Carawine Resources Limited has a bank guarantee of $70,000 (see details per Note 6) at 30 June 2020 (2019: $70,000).

NOTE 16: RELATED PARTY DISCLOSURE

Transactions with other Related Parties

During the period, Archer Geological Consulting, an entity associated with Director David Archer, invoiced the Company $9,025 for geological services (2019: nil) and this invoice was unpaid as of the reporting date.

The Company also paid $176,742 (excluding GST) to a Director related entity for shared office and administrative services costs. As at 30 June 2020, there is a balance of $5,748 outstanding.

There were no other transactions entered into with related parties for the June 2020 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 – Resigned on 14 November 2019)

(B) KEY MANAGEMENT PERSONNEL COMPENSATION

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

	2020	2019
	$	$
Short-term employee benefits	376,424	374,507
Post-employment benefits	35,225	35,055
Options & rights	145,202	83,714
Total	**556,851**	**493,276**

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.

	2020	2019
	$	$
Amounts received or due and receivable by HLB Mann Judd for:		
An audit or review of the financial report of the entity	28,316	27,336
Other assurance services	-	-
	28,316	**27,336**

NOTE 19: SEGMENT REPORTING

The Company's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Company's operations and allocation of working capital. Due to the size and nature of the Company, the Board as a whole has been determined as the Chief Operating Decision Maker.

During the period, the Company operated predominantly in one segment being the minerals exploration sector in Australia. Accordingly, under the "management approach" outlined, only one operating segment has been identified and no further disclosure is required in the notes to the financial statements

NOTE 20: EVENTS AFTER THE REPORTING PERIOD

On 3 September 2020, the Company announced the acquisition of a major new gold exploration project "Tropicana North," covering more than 80km strike of the Tropicana gold belt in WA's north-eastern goldfields. The Company has a 90% interest in two granted exploration licences acquired from Thunderstruck Investments Pty Ltd, and has executed an agreement to conditionally acquire a 100% interest in four exploration licence applications in the region via the acquisition of Phantom Resources Pty Ltd ("Phantom"). Settlement of the Phantom acquisition is subject to the satisfaction of various conditions and Carawine shareholder approval and is expected to complete at the end of November 2020. Conditions and the key terms of the acquisitions are summarised in the ASX announcements on 3 September 2020, settlement of the Thunderstruck acquisition was announced to the ASX on 22 September 2020.

NOTE 20: EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

Subsequent to the end of the period on 28 September 2020, the Company announced a placement to raise a total of $6.0 million (before costs) through a two-tranche placement of approximately 30 million ordinary shares ("Shares") at an issue price of 20 cents per Share ("the Placement"). The first tranche ("Tranche 1") comprises approximately 18 million Shares to be issued at $0.20 per Share, raising approximately $3.6 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 November 2020. If approved, Tranche 2 will result in the issue of approximately 12 million Shares to raise approximately $2.4 million (before costs).

There have been no other 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.

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

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 2020 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 2020.

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

Mr David Boyd
Managing Director

30 September 2020

HLB MANN JUDD
ADVISORY AND ACCOUNTING

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 2020, 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 2020 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 2020 is $7,895,409. 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 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.
Going concern Note 1(e) of the financial report	
The company recorded a loss of $1.282 million and had cash outflows from operating and investing activities of $591 thousand and $1.736 million respectively. As at 30 June 2020 the Company had cash and cash equivalents of $1.771 million. If the going concern basis of preparation of the financial statements was inappropriate, the carrying amount of certain assets and liabilities may have significantly differed. The going concern basis of accounting was a key audit matter due to the significance to users of the financial report and the significant judgement involved with forecasting cash flows.	Our procedures included but were not limited to the following: • We considered the appropriateness of the going concern basis of accounting by evaluating the underlying assumptions in cash flow projections prepared by the Company including sensitivity analysis and subsequent events; • Our responsibilities in respect of the going concern basis of accounting are included below under Auditor's responsibilities for the audit of the financial report; 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 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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 2020.

In our opinion, the Remuneration Report of Carawine Resources Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
30 September 2020

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 24 September 2020.

Ordinary Share Capital

- At 24 September 2020, 78,268,871 fully paid ordinary shares are held by 2,296 individual shareholders.

Spread of Holdings			Total Holders	Ordinary Shares
1	-	1,000	480	202,171
1,001	-	5,000	731	2,052,951
5,001	-	10,000	342	2,589,115
10,001	-	100,000	619	20,827,905
100,001	-	and over	124	52,596,729
Number of Holders/Shares			2,296	78,268,871

There number of shareholders holding less than a marketable parcel at 24 September 2020 was 726 with 594,449 shares.

Substantial Shareholders

Ordinary Shareholders	Fully Paid Ordinary Shares	
	Number	Percentage
Mr Christopher Ian Wallin & Ms Fiona Kay McLoughlin & Mrs Sylvia Fay Bhatia <Chris Wallin Super Fund A/C>[1]	5,626,406	7.28

[1] As lodged on the ASX on 29 November 2019.

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 78,268,871 fully paid shares; of these 77,768,871shares are free of escrow conditions.
- All 13,000,876 options are not quoted on the ASX; of these 12,000,876 options are free of escrow conditions.
- All 1,550,000 performance rights are not quoted on the ASX.

Twenty Largest Shareholders

Details of the 20 largest shareholders by registered shareholding as 24 September 2020 are:

Ordinary Shareholders	Fully Paid Ordinary Shares	
	Number	Percentage %
MR CHRISTOPHER IAN WALLIN & MS FIONA KAY MCLOUGHLIN & MRS SYLVIA FAY BHATIA	5,626,406	7.19
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,494,240	5.74
MR LEIGH DAVID KALAZICH	2,700,000	3.45
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	2,036,485	2.60
CITICORP NOMINEES PTY LIMITED	1,590,122	2.03
SATORI INTERNATIONAL PTY LTD	1,526,634	1.95
BNP PARIBAS NOMINEES PTY LTD	1,350,224	1.73
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	1,286,091	1.64
THUNDERSTRUCK INVESTMENTS PTY LTD	1,000,000	1.28
MR RICHARD ARTHUR LOCKWOOD	1,000,000	1.28
CHEMCO SUPERANNUATION FUND PTY LTD	892,858	1.14
MISS MARGARET KATE KIRK	892,857	1.14
MR CRAIG MICHAEL LAKE & MRS JUDITH MAY LAKE	849,105	1.08
A M VAN HEYST SUPERANNUATION	700,000	0.89
COSPIQUA PTY LTD	686,698	0.88
MR WILLIAM BURBURY	661,346	0.84
MR GLENN PAUL CRICHTON & MR DEAN ARTHUR CRICHTON	600,000	0.77
NEWECONOMY COM AU NOMINEES PTY LIMITED	573,511	0.73
FLOURISH SUPER PTY LTD	500,000	0.64
JOYEUSE GARDE PTY LTD	500,000	0.64
CARINYA INVESTMENTS (QLD) PTY LTD	500,000	0.64
MR DAVID LINDSAY ARCHER & MRS SIMONE ELIZABETH ARCHER	476,232	0.61
MR WALTER MICK GEORGE YOVICH & MRS JEANETTE JULIA YOVICH	469,260	0.60
TOTAL	**30,912,069**	**39.49**

Options

Outstanding as at 24 September 2020 were 13,000,876 unquoted options. Details are set out below:

- 10,250,876 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.
- 750,000 options over ordinary shares with exercise price $0.26 each, expiring on 15 November 2023.

Outstanding as at 24 September 2020 were 1,550,000 unquoted performance rights. Details are set out below:

- 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
(as of 30 June 2020)

Project	Tenement	Holder	Interest	Location[3]	Status
Fraser Range JV	E 28/2374-I	Carawine Resources Ltd	49%[a]	Western Australia	Live
Fraser Range JV	E 28/2563	Carawine Resources Ltd	49%[a]	Western Australia	Live
Fraser Range JV	E 39/1733	Carawine Resources Ltd	49%[a]	Western Australia	Live
Fraser Range JV	E 69/3033	Carawine Resources Ltd	49%[a]	Western Australia	Live
Fraser Range JV	E 69/3052	Carawine Resources Ltd	49%[a]	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 45/5145	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
Oakover	E 46/1301	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/4847[b]	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/4871[c]	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/4881[c]	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/4955[c]	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/5229[b]	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/5326 [b]	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/5520	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/5526	Carawine Resources Ltd	100%	Western Australia	Live
Paterson	E 45/5528	Carawine Resources Ltd	100%	Western Australia	Live
Fraser Range	E 28/2964[d]	Carawine Resources Ltd	100%	Western Australia	Pending
Fraser Range	E 28/2969[d]	Carawine Resources Ltd	100%	Western Australia	Pending
Fraser Range	E 39/2180	Carawine Resources Ltd	100%	Western Australia	Pending
Fraser Range	E 69/3788	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5510[d]	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5514[d]	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5517[d]	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5523[d]	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5568	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5629[d]	Carawine Resources Ltd	100%	Western Australia	Pending
Paterson	E 45/5639[d]	Carawine Resources Ltd	100%	Western Australia	Pending

Notes: a) Fraser Range JV: IGO Ltd hold a 51% interest in the tenements and can earn up to 70% through the expenditure of $5m by the end of 2021; b) Coolbro JV: FMG Resources Pty Ltd, a wholly owned subsidiary of Fortescue Metals Group Ltd ("Fortescue") (ASX:FMG), have the right to earn up to 75% interest by spending $6.1 million in seven years from November 2019; c) West Paterson JV: Rio Tinto Exploration Pty Ltd ("RTX"), a wholly owned subsidiary of Rio Tinto Limited (ASX:RIO), have the right to earn up to 80% interest by spending $5.5 million in six years from November 2019 to earn 70% interest and then sole funding to a prescribed milestone; d) tenement applications subject to ballot

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