BRYAH RESOURCES
LIMITED

**ACN: 616 795 245**

**ANNUAL REPORT**
**30 JUNE 2019**

# CONTENTS

## Bryah Resources Ltd
## ACN: 616 795 245

# Corporate Directory

**Directors**

Mr Ian Stuart (Non-executive Chairman)
Mr Neil Marston (Managing Director)
Mr Leslie Ingraham (Non-executive Director)

**Company Secretary**

Mr Neil Marston

**Registered Office & Principal Place of Business**

Level 1, 85 Havelock Street
West Perth WA 6005
**Telephone** 08 9321 0001

**Share Registry**

Computershare Investor Services Pty Ltd
Level 11
172 St Georges Terrace
Perth WA 6000
**Telephone** 08 9323 2000
**Facsimile** 08 9323 2033

**Auditors**

Greenwich & Co Audit Pty Ltd
Level 2, 267 St Georges Terrace,
Perth WA 6000

**Solicitors**

Steinepreis Paganin
Level 4, The Read Building,
16 Milligan Street,
Perth WA 6000

**Securities Exchange Listing**

Bryah Resources Limited shares (BYH) and options (30 cents/expiring 31 October 2020) (BYHO) are quoted on the Australian Securities Exchange (ASX).

## Competent Persons Statement

*The information in this report that relates to Exploration Results is based on information compiled by Mr Rohan Williams, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Williams is an employee of Bryah Resources Limited Rohan Williams has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Rohan Williams consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

**Bryah Resources Ltd**
**ACN: 616 795 245**

# Letter from the Chairman

On behalf of your Board of Directors, I have pleasure in presenting the 2019 Annual Report and Financial Statements of Bryah Resources Limited for the year to 30 June 2019.

The corporate strategy of the Company is to successfully explore and advance our exploration and development projects, and in the case of manganese, transition from exploration to production in the near term. We aim to achieve this by the timely development of manganese mining operations in the Bryah Basin. This strategy received a significant boost in 2019 with successful negotiations establishing the Bryah Basin Manganese Joint Venture with OM (Manganese) Limited (OMM). OMM is a wholly owned subsidiary of ASX-listed OM Holdings Limited, a vertically integrated manganese company. This joint venture will potentially see OMM spend $7.3 million to earn a 70% interest in the joint venture.

We believe that by partnering with OM Holdings Limited the Company has significantly enhanced this early production strategy. OM Holdings Limited have expertise in the key areas of manganese mining and processing, ferroalloy smelting and manganese ore marketing. The Company has worked quickly with OMM, spending $0.5 million to conduct Stage 1 exploration during the May – July 2019 period, with some very positive results across several sites reported to date. Stage 2 exploration has commenced with OMM funding the next $2.0 million of project work to earn a 51% interest in the Joint Venture. We look forward to drill testing new manganese target areas in the coming months.

The Company listed in October 2017 with a focus on gold and copper exploration and whilst the recent exploration activities have focused on manganese, the Company's exploration team has successfully advanced our gold and copper exploration projects over the last year in the Bryah Basin. Drilling in 2018 tested several geophysical targets with encouraging results. The best drilling results were achieved at the Windalah Prospect where significant gold mineralisation was intersected in two drill holes. The Windalah Prospect is geologically analogous to the Horseshoe Lights Copper-Gold mine located 13 kilometres to the north. Follow-up exploration of this exciting area is planned to commence in late 2019.

Bryah Resources recorded a total comprehensive loss after tax of $551,649 (2018: $745,666) for the period ended 30 June 2019. Capitalised expenditure on exploration, excluding tenement acquisition costs, was $1,710,853 (2018: $1,180,427) during the financial year.

During the year the Company completed a placement to raise $360,000 before costs in December 2018. In August 2019, a strongly supported $2.0 million placement was announced by the Company, which was approved by shareholders on 27 September 2019. Hartleys Limited are Lead Managers for the placement and once completed this injection of funds will place the business in a sound financial position going into 2020.

The Board of Bryah Resources Limited remains committed to developing a self-sustaining and profitable resource exploration and development business and will continue to explore opportunities to value add and monetarise any non-core parts of the business. I thank management, our employees and consultants for their achievements this past year and look forward to reporting on the Company's activities in the year ahead.

Yours faithfully

Ian Stuart
**Non-Executive Chairman**

**Bryah Resources Ltd**

**ACN: 616 795 245**

# Directors' Report

Your directors present their report on Bryah Resources Limited ("Bryah" or the "Company") for the year ended 30 June 2019.

**Corporate Highlights**

*Corporate*

- Firm commitments received for $2.0 Million placement. Placement approved by shareholders on 27 September 2019 and planned to be completed in early October 2019.

*Bryah Basin – Copper-Gold*

- Methodical exploration for Volcanogenic Massive Sulphide hosted copper-gold mineralisation continued with wide spaced soil geochemistry generating targets for drill testing;
- Maiden drilling programme of 6,194 metres undertaken to test targets generated by airborne geophysical survey; Drilling was also co-funded with $150,000 from the Western Australian Government under the Exploration Incentive Scheme;
- Drilling successfully identified high-grade gold mineralisation at the Windalah Prospect.

*Bryah Basin – Manganese*

- Options to purchase exercised over the historic Horseshoe South Manganese mine and manganese mineral rights over 154 $km^2$ of adjoining tenements;
- Manganese Farm-in and Joint Venture Agreement signed with OM (Manganese) Limited (OMM) over 660 $km^2$ of landholding;
- OMM funded drilling identifies high-grade manganese at Horseshoe South, Brumby Creek, Black Hill and Black Caviar Prospects within the Company's project area;
- OMM elects to proceed with formation of Bryah Basin Manganese Joint Venture by paying Bryah $0.25 Million.

*Gabanintha – Gold-Copper*

- Australian Vanadium Limited expands nickel and copper Mineral Resource with potential to generate by-product revenue for Bryah from future mining operations.

**Bryah Resources Ltd**
**ACN: 616 795 245**

## Review of Operations

***Bryah Basin - Copper-Gold***

The Company's Bryah Basin Project covers 720km$^2$ of highly prospective ground in central Western Australia (see Figure 1). The Bryah Basin is host to high-grade copper-gold deposits at DeGrussa, Monty and Horseshoe Lights. These copper-gold deposits are considered to originally be Volcanogenic Massive Sulphide (VMS) systems. Importantly VMS systems globally are known to occur in clusters, therefore the Bryah Basin is highly prospective for further VMS copper-gold systems to be discovered through the application of the latest exploration techniques and deeper drilling.

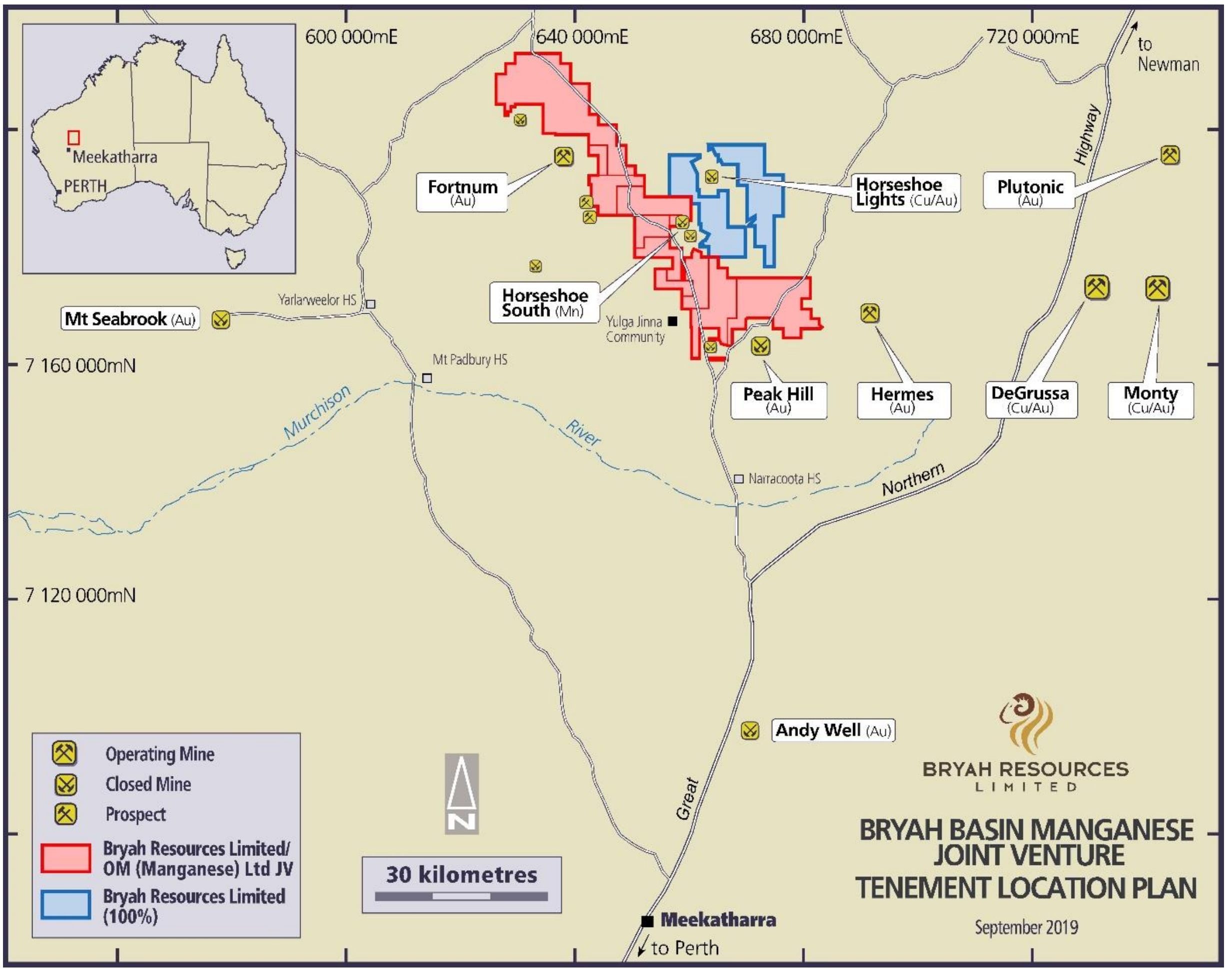


*Figure 1 – Tenement Location Plan*

During the reporting period, exploration for copper-gold focused on drill testing several targets generated from earlier exploration programmes.

### *RC Drilling Programme*

The Company commenced Reverse Circulation (RC) drilling in August 2018 with the aim of testing up to six conductors identified by airborne Versatile Time-Domain Electromagnetic (VTEM) and ground Moving Loop Electromagnetic (MLEM) surveys. A total of 6,194 metres of drilling was completed in 46 holes during the programme with the Windalah Prospect (see Figure 2), particularly, yielding positive drilling results.

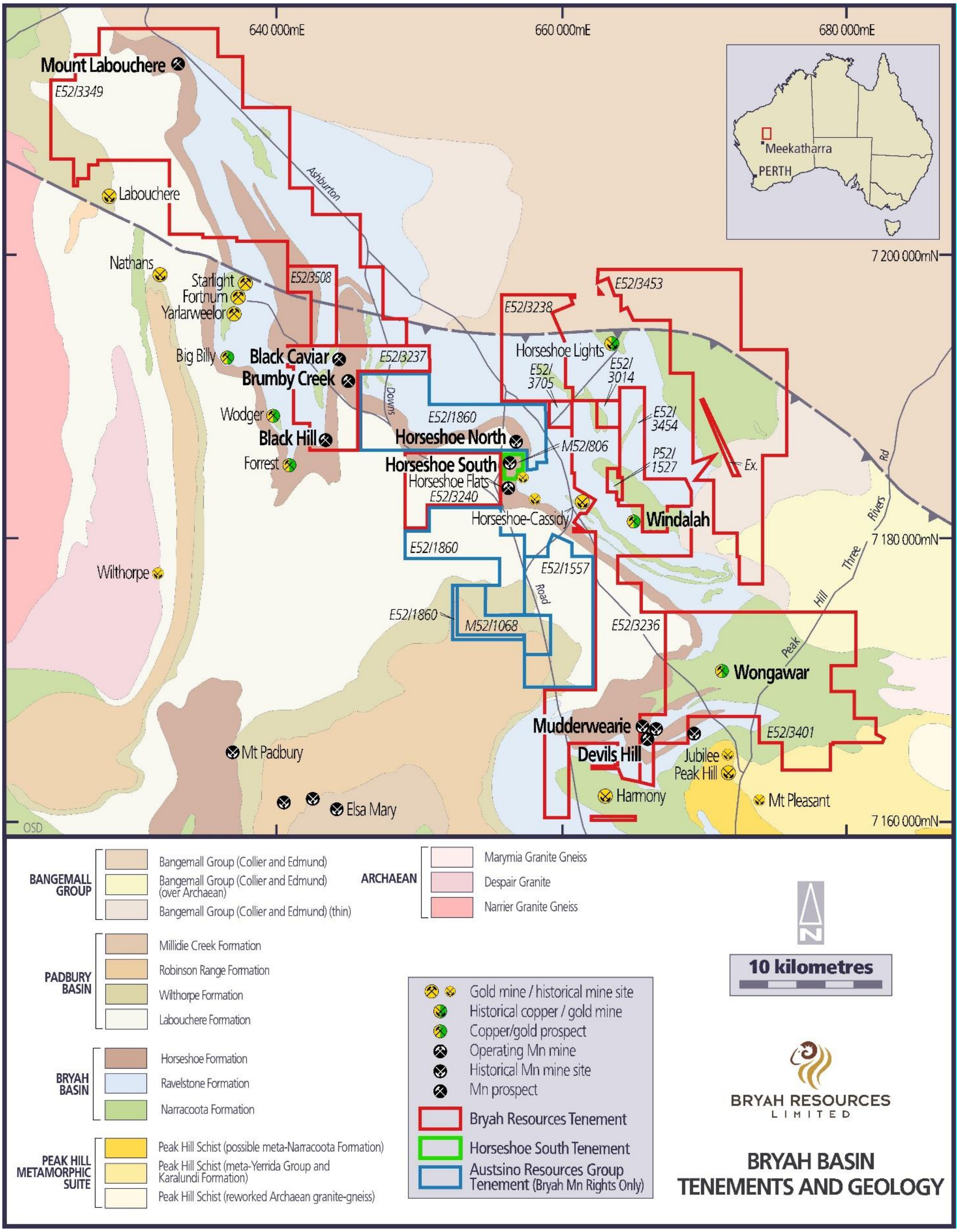


*Figure 2 – Bryah Basin Tenements and Regional Geology Map*

## Windalah Prospect

At the Windalah Prospect five RC holes for 986 metres were drilled at an area where historical shallow Rotary Air Blast (RAB) drilling had recorded intervals of gold mineralisation in several holes. This area was considered to have geological similarities to the nearby Horseshoe Lights copper-gold mine[1] located 13 kilometres to the north.

Geological reconnaissance work has confirmed that the Windalah Prospect lies on the contact of the Narracoota Formation and the overlying Ravelstone Formation, commonly referred to as the "Horseshoe Lights (HSL) Mine Sequence" (see Figure 3). This stratigraphic position is considered to be highly prospective for repetitions of VMS copper-gold deposits, such as seen at Horseshoe Lights.

The best gold intervals reported from the drilling at the Windalah Prospect were:

- BBRC019: **5 metres (79-84m) @ 6.62 g/t Au**,
  including **1m (82-83m) @ 15.05 g/t Au**
- BBRC020: 2 metres (78-80m) @ 3.39 g/t Au
  4 metres (134-138m) @ 2.72 g/t Au, and
  **3 metres (145-148m) @ 6.69 g/t Au**,
  including **1m (146-147m) @ 10.52 g/t Au.**

Figure 3 shows a combination of surface mapping and drill hole information (projected to surface) to understand the context of intense pyrite-chlorite±sericite alteration observed in drilling, particularly in holes BBRC017, BBRC018 and BBRC019.

Reported observations were:

- Gold mineralisation in BBRC019 and BBRC020 is located in a hematite-rich jasperoidal chert above the strong alteration zone, which could be indicative of a gold rich portion of a VMS system, such as was reported at the Horseshoe Lights copper-gold mine[2].
- The chert zone is consistent with being the key marker of the HSL Mine Sequence as is seen in other parts of the Bryah Basin.
- The pyritic footwall alteration is within mafic volcanics of the Narracoota Formation, below sediments of the Ravelstone Formation and a transitional/chert zone.
- BBRC017 and BBRC019 both appear to have drilled through the full thickness of the pyrite footwall alteration zone which is approximately 100 metres thick**.**
- Mapping in the Windalah region has revealed widespread sericite-pyrite alteration.

Figures 4 show a cross section of drill holes BBRC019 and BBRC020. The gold mineralisation and the strong alteration zone intersected appears to be open down dip and along strike in both directions.

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[1] Peak Hill South E52/260, Annual Report 16 March 1988 – 16 March 1989, J.C. Rippert, Afmeco Pty Ltd, March 1989 (WAMEX Report No A26830)

[2] Parker, T.W.H. and Brown T., 1990 Horseshoe gold-copper-silver deposit, in *Geology of the Mineral Deposits of Australia and Papua New Guinea* (Ed F.E. Hughes) pp 671-675 (The Australian Institute of Mining and Metallurgy: Melbourne)

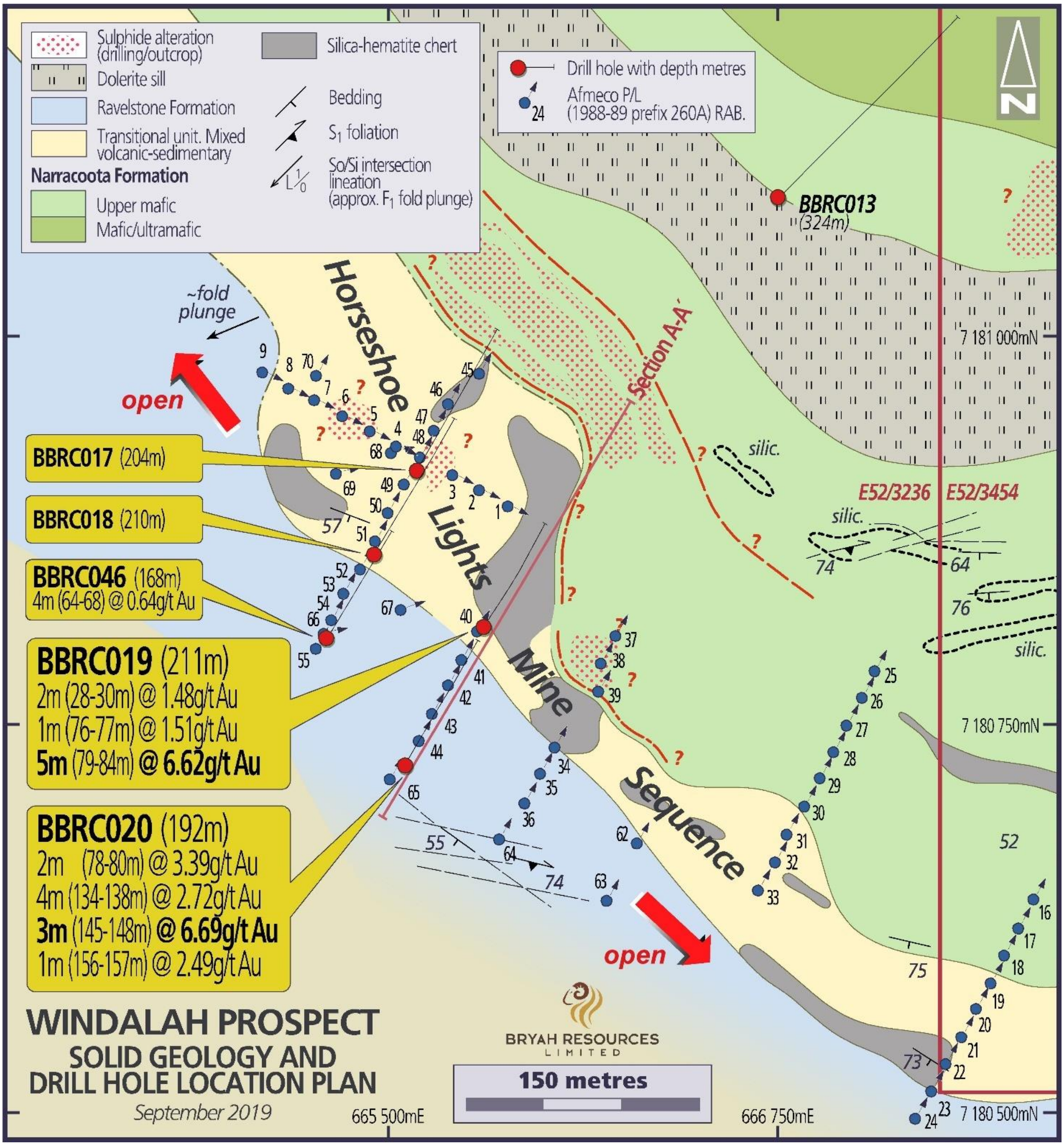


*Figure 3 –Windalah Prospect Solid Geology and Drill hole Location Plan*

Additional drilling is needed to establish whether the Company has located VMS footwall alteration, or epigenetic (later) structurally-controlled alteration. However, factors in favour of this being VMS footwall alteration are:

- The stratigraphy is similar to the Horseshoe Lights mine with gold mineralisation located within a jasperoidal chert.
- Horseshoe Lights is known to have similar barren sericite-pyrite footwall alteration.
- There is little evidence of major structures in the pyrite alteration zone (e.g. shear fabric and quartz veining).

The Windalah Prospect warrants additional drilling to further test for gold and copper-gold mineralisation.

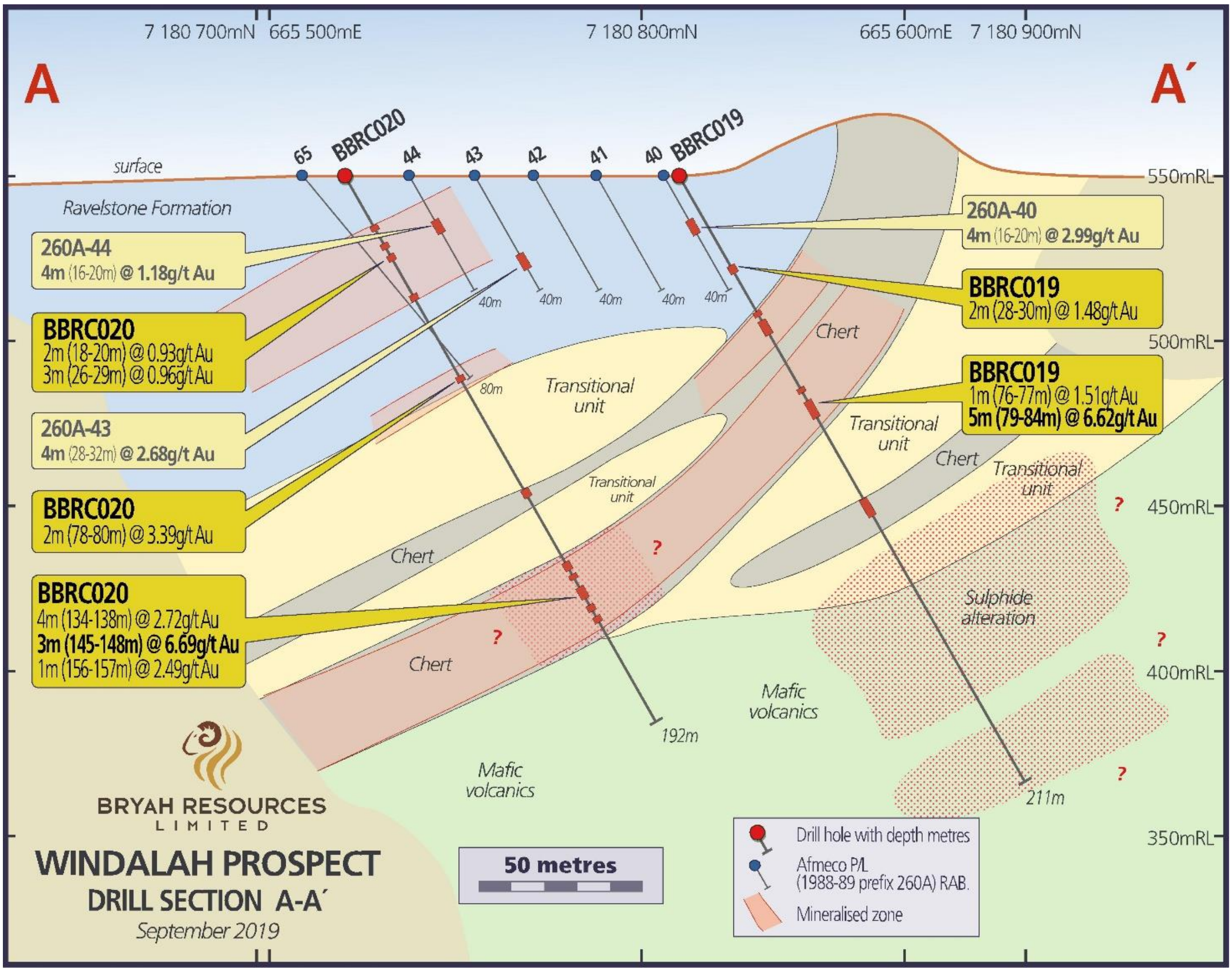


*Figure 4 – Drill Section B-B'*

## Jupiter Prospect

Seven holes for 1,148 metres were drilled at the Jupiter Prospect, testing a strong EM conductor. The Jupiter Prospect lies 4 km south-west of the Horseshoe Lights copper-gold mine (see Figure 5).

Drilling at the Jupiter Prospect intersected a sulphide rich zone consisting of coarse and fine-grained massive, blebby and disseminated concentrations of pyrite associated with quartz veining in basalt.

Further to the west of the Jupiter EM conductor, an additional 8 RC holes for 1,032 metres were drilled to test below anomalous gold and copper intervals reported from historical drilling.

Overall the geology intersected at the Jupiter Prospect was highly encouraging with zones of propylitic alteration with strong chlorite, sericite and epidote observed. Follow-up diamond drilling appears warranted as part of future exploration to fully test this target area.

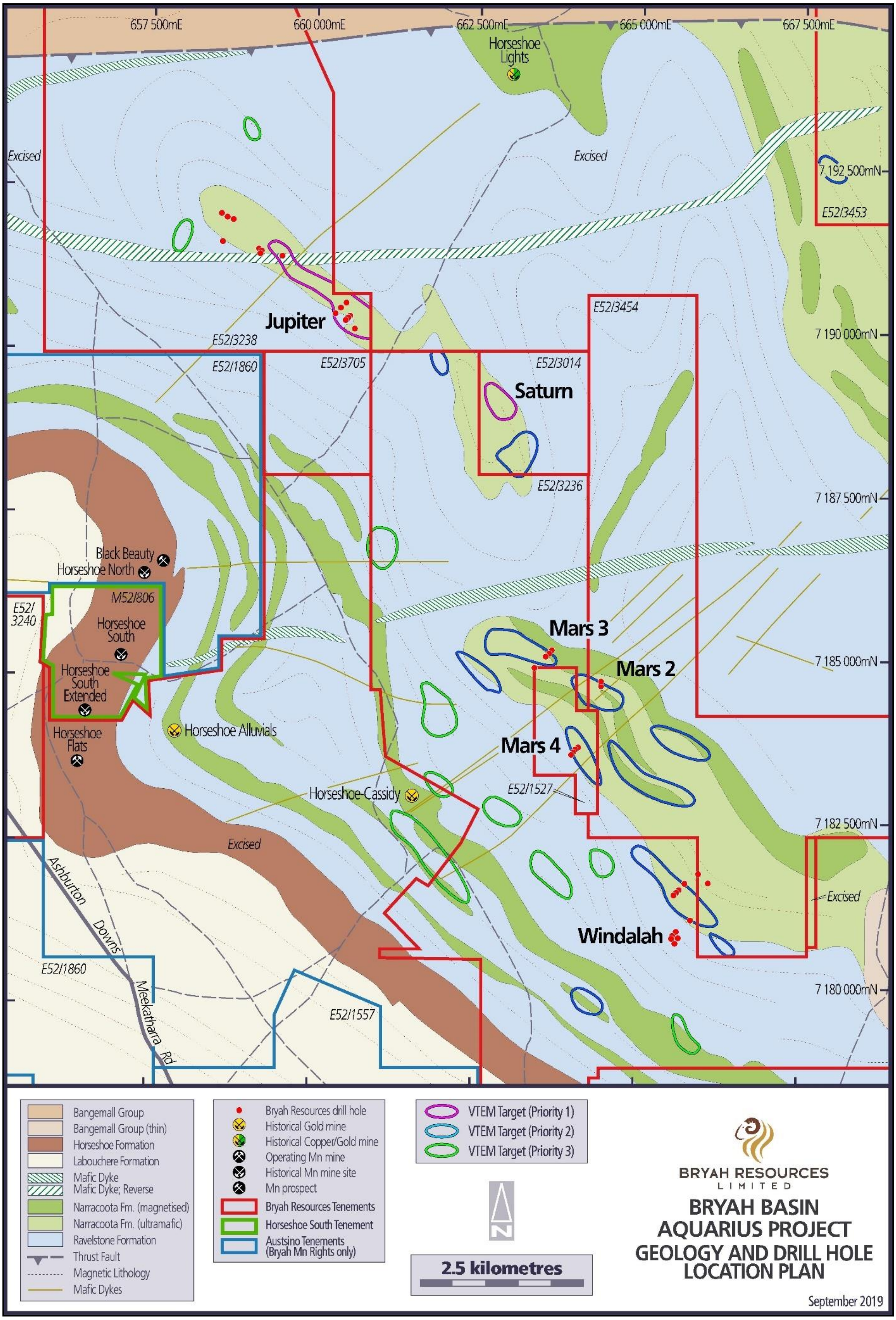


*Figure 5 – Regional Drill Hole Location Plan*

***Bryah Basin - Manganese***

The Bryah Basin hosts several historical manganese mining areas. The Horseshoe Range area being main manganese producing region within the Bryah and Padbury Basins with production dominated by the Horseshoe South Mine and a smaller satellite deposit at the Horseshoe North Mine. Reported production from these deposits from 1948 to 1971, was 490,000 tonnes of manganese ore at an average grade of 42% manganese.[3] Mining between 2008 and 2011 produced over 400,000 tonnes of manganese ore from processed historical stockpiles and hard rock mining.

In May 2018, Bryah secured options to purchase the Horseshoe South Manganese Mining Lease and Manganese Rights over a 154 km$^2$ area adjacent to the mine, including the Horseshoe North Mine. In April 2019, Bryah exercised its options on the Mining Lease and Manganese Rights with total consideration, including the option fees, being $440,000 ($270,000 in cash and $170,000 in shares).

In April 2019, a Farm-in and Joint Venture Agreement (“Agreement”) between Bryah and OM (Manganese) Limited (OMM) was signed and a $250,000 Signing Fee was paid to Bryah by OMM. The Agreement objective is to explore for commercially mineable manganese, potentially leading to near term production.

Since April 2019, OMM has funded $500,000 of project expenditure which has yielded highly encouraging manganese results.

In August 2019, OMM advised Bryah of its election to proceed to form the Joint Venture[4]. Following the payment of the $250,000 Exercise Fee, OMM now holds an initial 10% interest in the Manganese Joint Venture. Under the Agreement, OMM will progressively fund the next $2 million of exploration expenditure to earn a further 41% interest in the Manganese Joint Venture. The Manganese Joint Venture includes the Horseshoe South Manganese Mine (see Figure 1).

*RC Drilling Programme*

During the period Bryah undertook a mapping and sampling programme of manganese areas. The sampling assay results confirmed the presence of in-situ surficial high-grade manganese at several locations which became the focus of drilling under the Agreement with OMM.

A total of 122 holes for 3,062 metres of RC drilling was completed in May 2019 at four sites; the historic Horseshoe South Manganese mine, the Brumby Creek and Devils Hill Prospects and a nearby prospect named Black Cat (see Figure 2).

A second drilling programme of 83 holes for 2,081 metres was completed in early July 2019. This drilling tested for extensions to mineralisation intersected in the first programme and further targets at Brumby Creek and Horseshoe South, as well as exploration drilling at the Black Caviar and Black Hill Prospects. Best results from the drilling are set out in Table 1 below.

[3] Pirajno, F., Occhipinti, S. A., and Swager, C. P., 2000, Geology and mineralization of the Palaeoproterozoic Bryah and Padbury Basins, Western Australia: Western Australia Geological Survey, Report 59, 52p.
[4] See ASX announcement dated 26 August 2019

| Table 1 – Best Drill Results | |
|---|---|
| **Hole No** | **Manganese Intersection (using 18% Mn cut-off grade)** |
| **Brumby Creek** | |
| BBRC005 | 3 metres (0-3m) @ 27.0% Mn |
| BBRC006 | 5 metres (0-5m) @ 23.2% Mn and 10 metres (9-19m) @ 25.5% Mn, including 2 metres (9-11m) @ **31.3% Mn** |
| BBRC016 | 16 metres (14-30m) @ 21.2% Mn, including 2 metres (16-18m) @ **30.8% Mn** |
| BBRC018 | 2 metres (1-3m) @ 27.8% Mn and 7 metres (9-16m) @ 23.8% Mn |
| BBRC023 | 4 metres (5-9m) @ 20.2% Mn and 16 metres (12-28m) @ 20.4% Mn |
| BBRC032 | 8 metres (10-18m) @ 21.3% Mn |
| BBRC033 | 8 metres (16-24m) @ 24.1% Mn, including 2 metres (20-22m) @ **31.0% Mn** |
| BBRC034 | 15 metres (3-18m) @ 26.2% Mn, including 2 metres (7-9m) @ **31.9% Mn** and 2 metres (14-16m) @ **33.5% Mn** |
| BBRC035 | 10 metres (1-11m) @ 22.6% Mn, including 2 metres (9-11m) @ **30.3% Mn** |
| BRRC036 | 14 metres (5-19m) @ 22.8% Mn |
| BRRC041 | 9 metres (5-13m) @ 21.1% Mn |
| BRRC044 | 7 metres (2-9m) @ 26.5% Mn, including 2 metres (5-6m) @ **32.0% Mn**, and 9 metres (15-24m) @ 18.6% Mn |
| BRRC049 | 5 metres (12-17m) @ 18.9% Mn |
| BRRC061 | 5 metres (1-6m) @ 26.7% Mn, including 2 metres (2-4m) @ **30.6% Mn** |
| BRRC063 | 2 metres (3-5m) @ 25.6% Mn |
| BRRC066 | 3 metres (0-3m) @ 27.0% Mn |
| BRRC074 | 23 metres (0-23m) @ 25.8% Mn, including 3 metres (2-5m) @ **31.2% Mn,** 2 metres (6-8m) @ **30.4% Mn** and 2 metres (10-12m) @ **32.8% Mn** |
| **Horseshoe South** | |
| HERC015 | 12 metres (7-19m) @ 24.9% Mn, including 2 metres (16-18m) @ **31.4% Mn** |
| HERC019 | 5 metres (4-9m) @ 28.8% Mn, including 1 metre (4-5m) @ **42.2% Mn** |
| HERC020 | 6 metres (9-15m) @ 24.6% Mn |
| HERC021 | 6 metres (10-16m) @ 20.3% Mn |
| HERC023 | 4 metres (9-13m) @ 24.3% Mn, including 1 metre (8-9m) @ **33.5% Mn** and 2 metres (31-33m) @ 21.5% Mn |
| HERC028 | 3 metres (6-9m) @ 27.8% Mn, including 1 metre (7-8m) @ **35.7% Mn** |
| HERC039 | 9 metres (24-33m) @ 22.6% Mn |
| HERC040 | 8 metres (23-31m) @ 22.0% Mn |
| HSRC012 | 3 metres (2-5M) @ **33.8% Mn** |
| HSRC016 | 5 metres (2-7m) @ 24.5% Mn |
| HSRC018 | 4 metres (1-5m) @ 25.8% Mn |
| **Black Hill** | |
| BHRC002 | 6 metres (0-6m) @ **38.1% Mn**, including 3 metres (2-5m) @ **42.0% Mn** |
| BHRC001 | 5 metres (0-5m) @ **36.9% Mn**, including 1 metre (0-1m) @ **40.4% Mn** |
| **Black Caviar** | |
| CVRC006 | 4 metres (0-4m) @ **32.9% Mn** |
| CVRC005 | 3 metres (0-3m) @ **28.0% Mn**, including 2 metres (0-2m) @ **32.1% Mn**, and 1 metre (5-6m) @ **24.9% Mn** |
| **Devils Hill** | |
| DHRC004 | 6 metres (2-8m) @ 21.1% Mn |
| DHRC026 | 7 metres (0-7m) @ 21.1% Mn |
| DHRC028 | 7 metres (4-11m) @ 21.7% Mn |

## Brumby Creek Prospect

The Brumby Creek Prospect has not been drilled by previous explorers. Drilling initially targeted areas of outcropping manganese either side of an interpreted syncline (see Figure 6).

On the western area, drilling identified manganese mineralisation under shallow cover over a strike distance of 175 metres. On the eastern area, drilling also identified significant manganese mineralisation under shallow cover over a wide area (see Figures 7 & 8). Both areas remains open and requires additional drill testing.

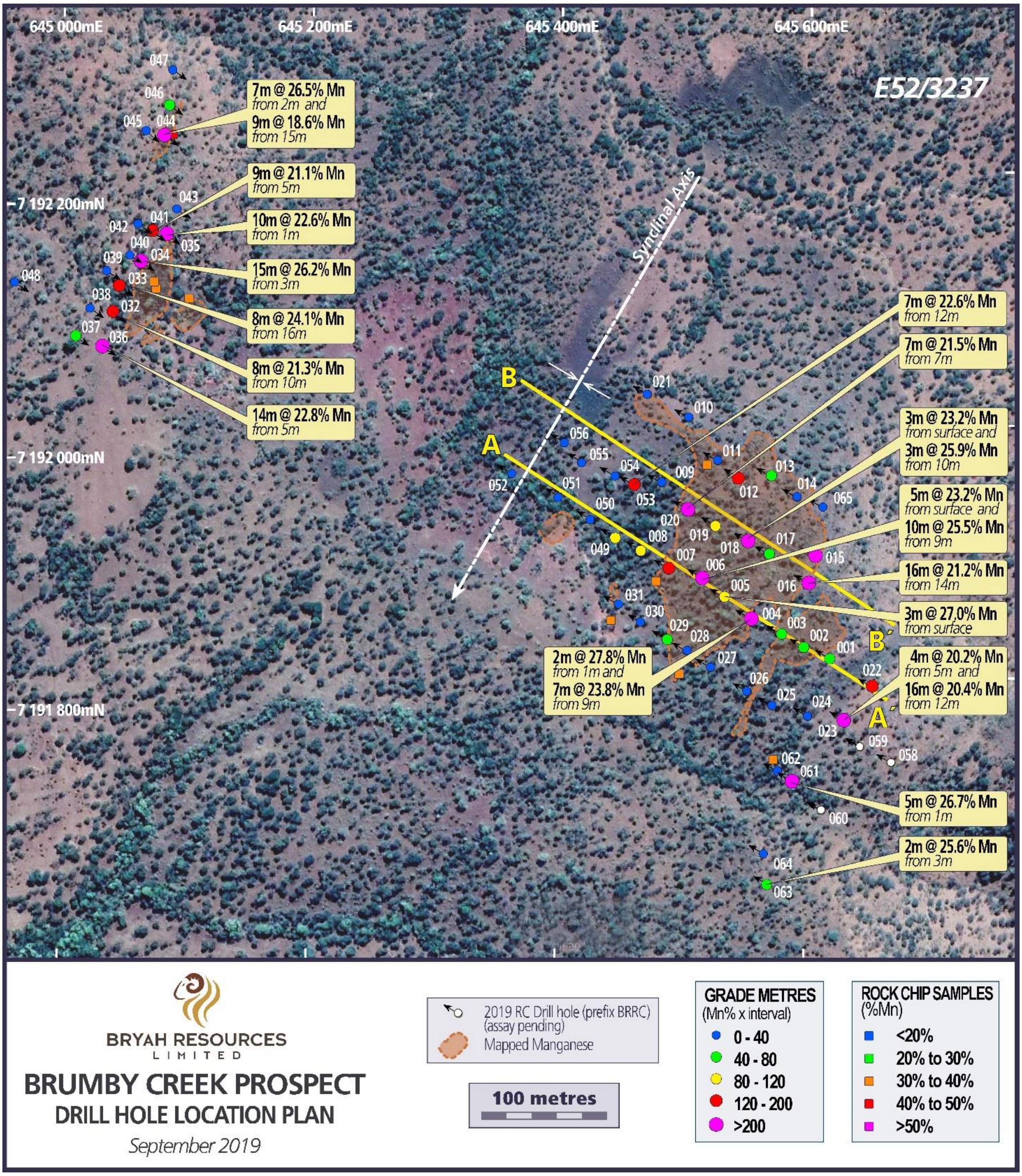


*Figure 6 – Brumby Creek Prospect Drill Hole Location Plan*

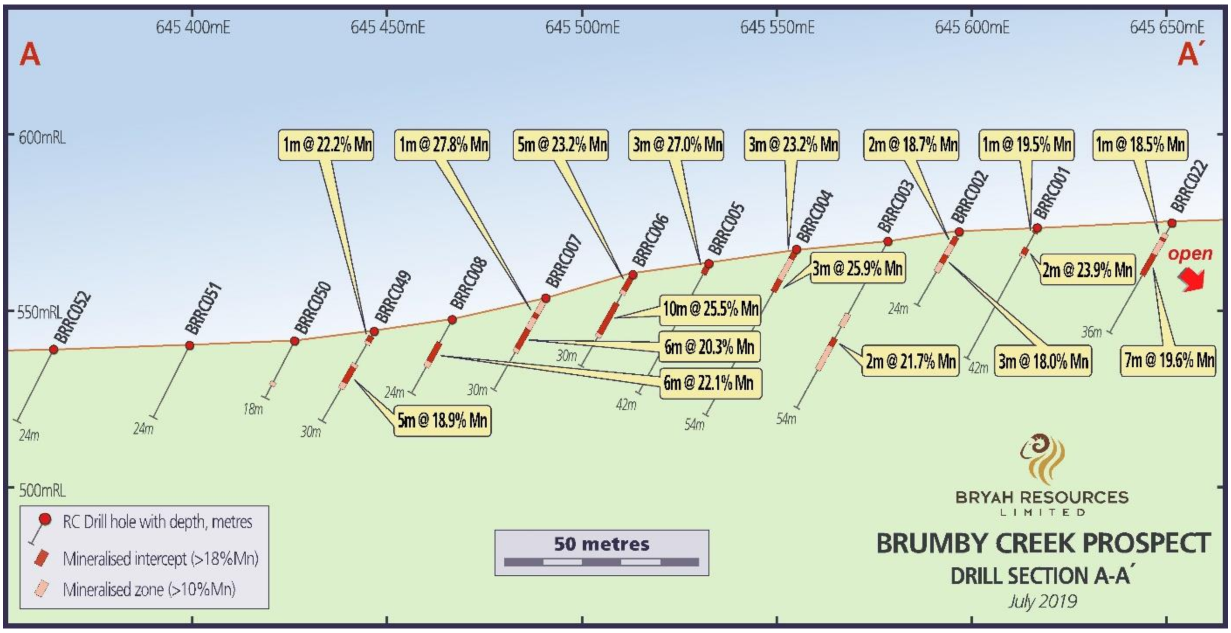


*Figure 7 – Drill hole Section AA' – Brumby Creek.*

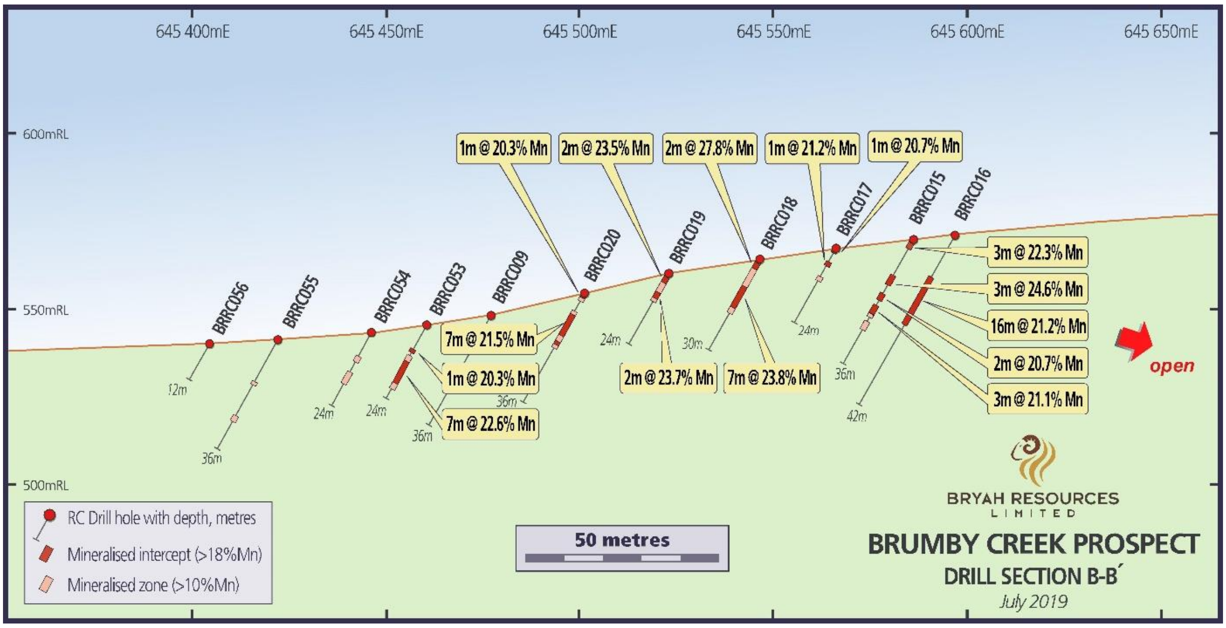


*Figure 8 - Drill hole Section BB' – Brumby Creek.*

Reconnaissance drilling in the Brumby Creek area successfully identified new manganese areas up to 1 kilometre along strike to the south of the main area of drilling (see Figure 9). BRRC074 recorded the best drilling intersection with three zones exceeding 30% manganese recorded in the upper 12 metres of the drill hole. The Brumby Creek area warrants additional drilling to fully test the extent of manganese mineralisation. This reconnaissance drilling further demonstrates the potential to discover new manganese deposits from surface and under shallow cover over a wide project area.

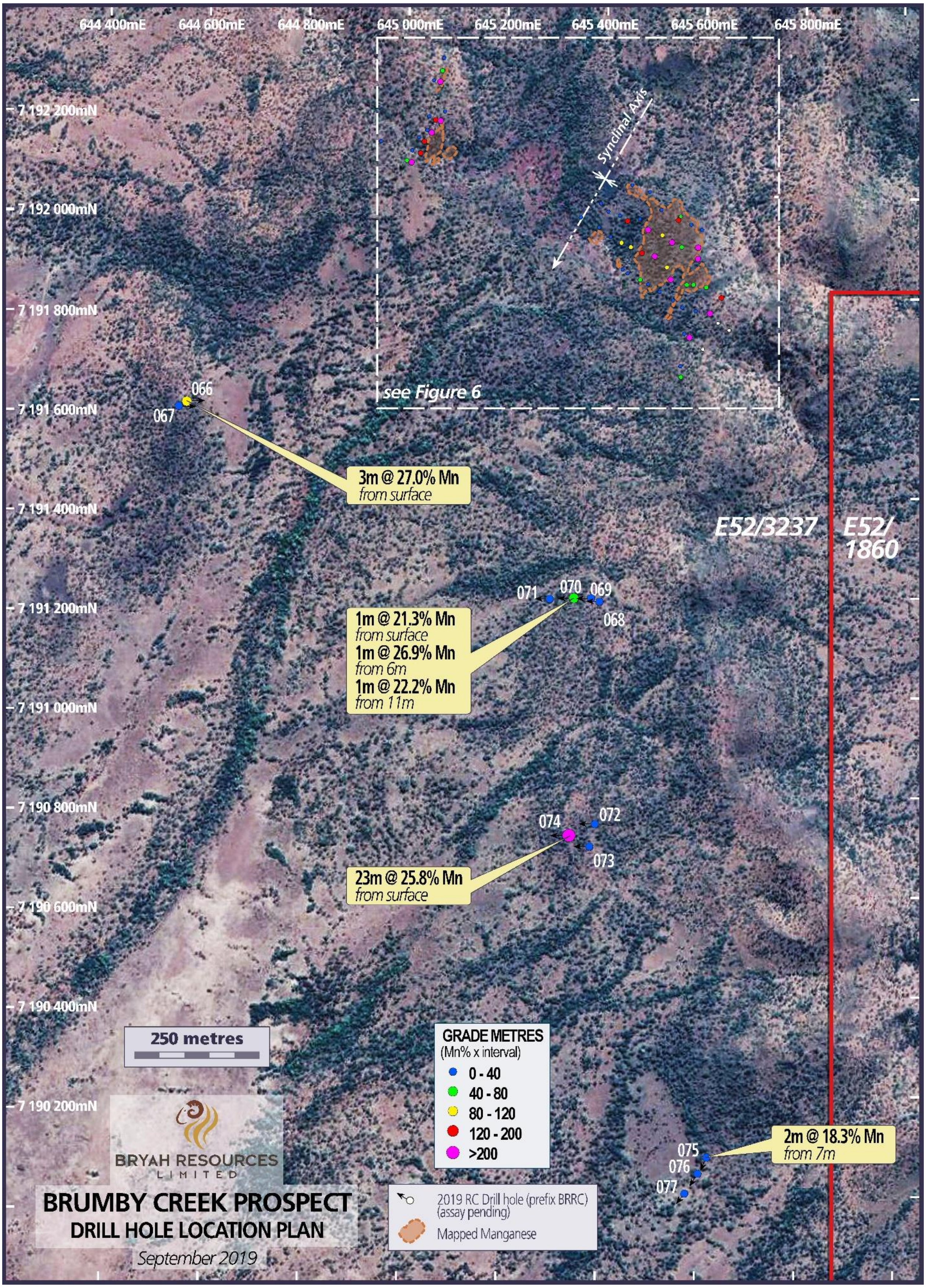


*Figure 9 – Brumby Creek Prospect Drill Hole Location Plan*

## Horseshoe South Prospect

Results from drilling at the historic Horseshoe South Manganese Mine confirm the potential for zones of high-grade manganese mineralisation to be present just below the existing open pit surface. Drill hole HSRC012 intersected shallow mineralisation which is considered to be remnants of high-grade channel manganese in the Horseshoe South Pit (see Figure 10). Drilling also extended the zones of manganese mineralisation at the Horseshoe South Extended pit area.

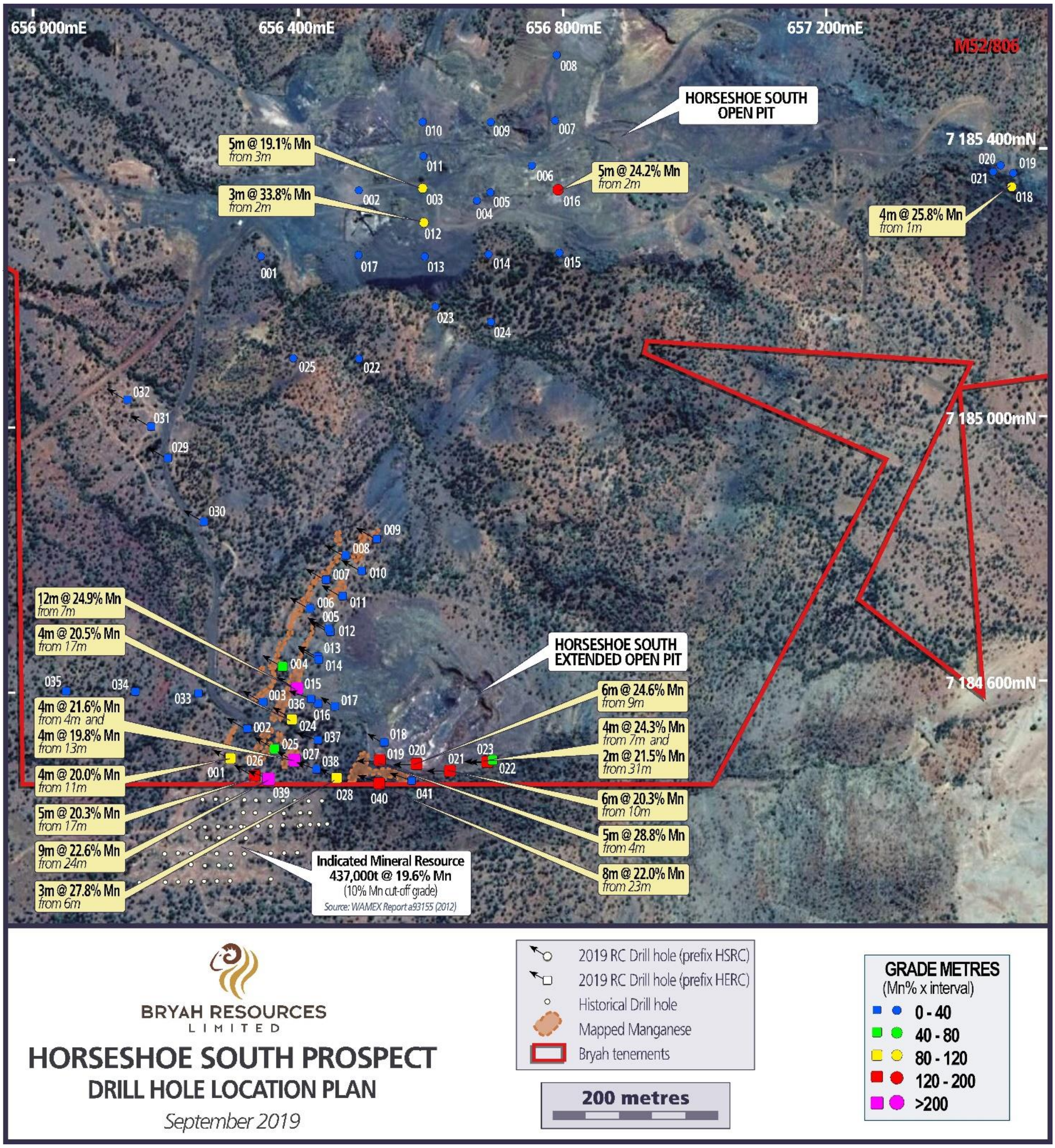


*Figure 10 – Horseshoe South Prospect Drill Hole Location Plan*

**Bryah Resources Ltd**
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## Black Hill Prospect

The Black Hill Prospect was identified by the Company during rock chip sampling in 2017 and 2018. Rock chip samples grading over 40% Mn were recorded (see Figure 11). The deposit outcrops on the top of a low mesa-style hill which rises above the surrounding terrain.

Two holes drilled in the hill top both intersected high-grade manganese with intervals from surface have recording direct shipping ore grades (see Figure 12). Additional drilling is required to test the northern extension to these high-grade results.

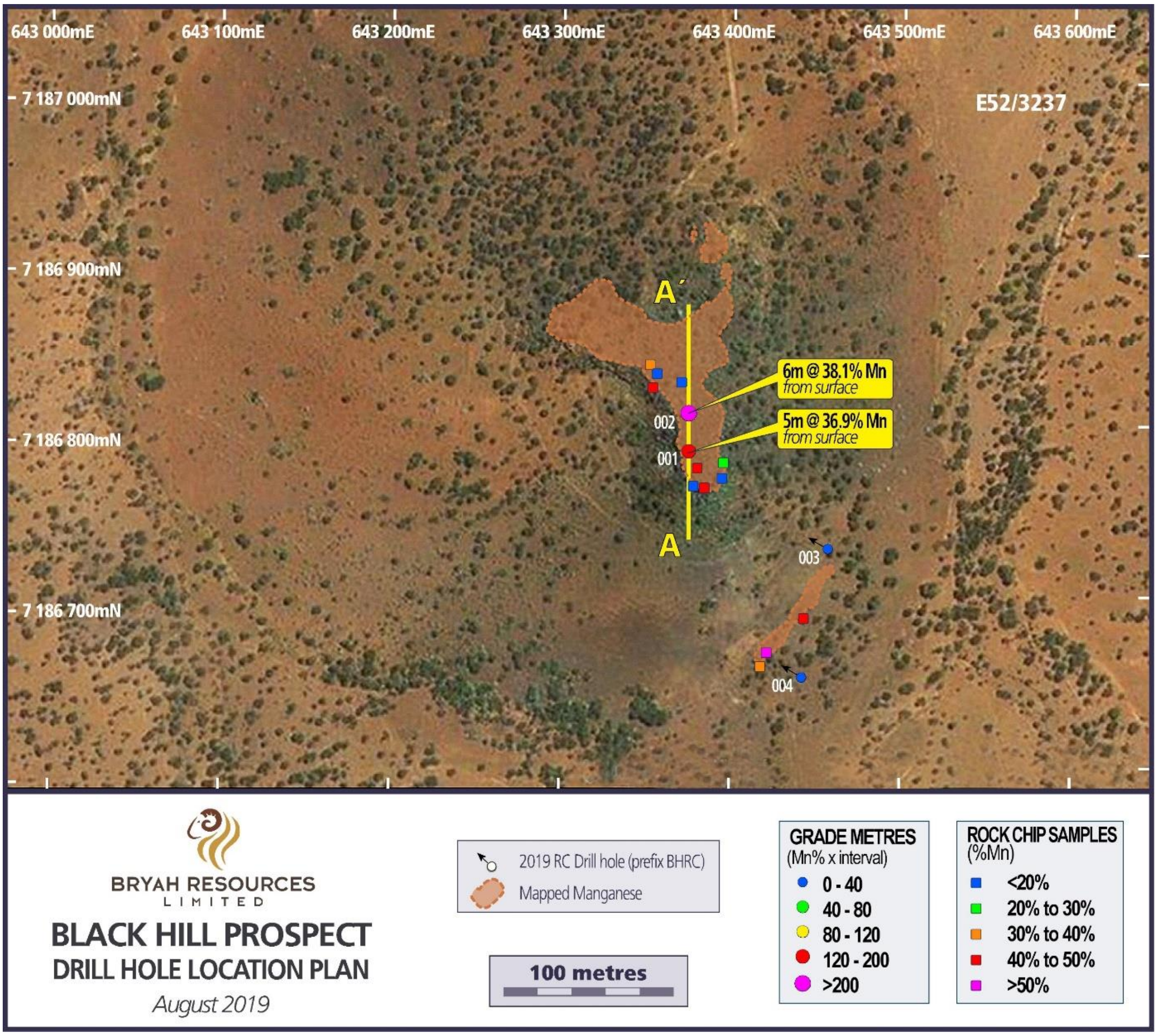


*Figure 11 – Black Hill Drill hole Location Plan*

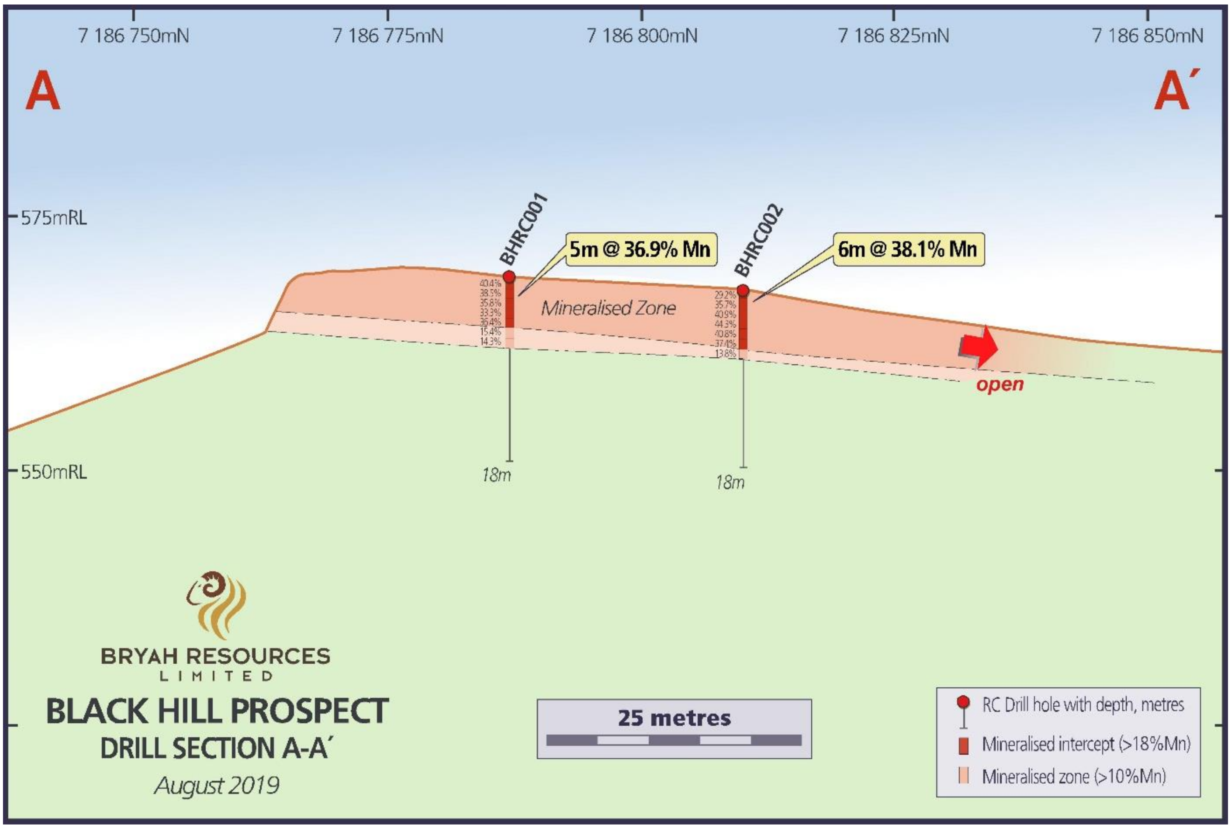


*Figure 12– Drill hole Section AA' – Black Hill.*

***Gabanintha Project***

Bryah holds the rights to all minerals except Vanadium, Uranium, Cobalt, Chromium, Titanium, Lithium, Tantalum, Manganese & Iron Ore (Excluded Minerals) over a 200 $km^2$ project area at Gabanintha, approximately 40km south of Meekatharra, Western Australia. Australian Vanadium Limited (AVL) retains 100% rights in the Excluded Minerals on the project, which includes its Australian Vanadium Project.

During the period AVL reported a nickel and copper Mineral Resource estimate for its Australian Vanadium Project. An Inferred Base Metals Mineral Resource of 14.3Mt containing, inter alia, 666ppm Nickel, 217ppm Copper and 0.16% Sulphur has been estimated and reported by AVL[5].

The base metal sulphide Mineral Resource is considered by AVL to be potentially economically recoverable following metallurgical testwork undertaken by AVL as part of a Preliminary Feasibility Study on development of the Australian Vanadium Project in 2018. AVL has reported that the base metal sulphide mineralisation has consistently reported to the non-magnetic fraction during the separation of the vanadium bearing magnetite. This has effectively delivered a sulphide by-product for further concentration by flotation.

AVL is presently undertaking additional testwork on this project

A total of 26 RC drill holes for 2,484 metres were completed in the Company's initial drilling programme at the Tumblegum South Prospect in December 2017. The Company intends undertaking additional drilling to follow up gold mineralisation intersected in that programme.

[5] See AVL ASX announcement dated 28 November 2019

# Bryah Resources Ltd
# ACN: 616 795 245

## Directors

The names of the directors in office during or since the end of the financial year and up to the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

| | |
|---|---|
| Mr Neil Andrew Marston | (Managing Director) |
| Mr Ian George Stuart | (Non-executive Chair) (appointed 12 February 2019) |
| Mr Leslie James Ingraham | (Non-executive Director) |
| Mr Stuart John Hall | (Non-executive Director) (resigned 12 February 2019) |

## Information of Directors

The names, qualifications and experience of each person who has been a director during the period and to the date of this report are:

***Neil Andrew Marston*** B.Com FGIA FCIS MAICD

Mr Marston is a qualified accountant and Chartered Secretary with over 35 years' experience working in the resources and other industry sectors.

He has extensive experience in the areas of mineral exploration, capital raising, corporate governance and compliance, project management, mining and environmental approvals, contract negotiations and stakeholder engagement.

During the past three years, Mr Marston was also a director of ASX listed company Horseshoe Metals Limited (resigned 13 October 2015)

***Ian George Stuart***

Mr Stuart is a geologist by profession with experience in both the finance and mining industries. He holds an Honours degree in Geology, is a Fellow of the Financial Services Institute of Australasia and a member of the Australian Institute of Company Directors. Ian has extensive experience in capital markets and is conversant with public company governance and management across international jurisdictions.

Mr Stuart is presently not a director of any other ASX-listed company.

***Leslie James Ingraham***

Mr Ingraham has been in private business for over 25 years and is an experienced mineral prospector and professional investor. He has successfully worked as a consultant for both private companies and companies listed on the ASX. Core competencies include capital raising and shareholder liaison.

During the past three years, Mr Ingraham was also a director of ASX listed company Australian Vanadium Limited.

***Stuart John Hall*** B.SC Hons, FAusIMM FGS

Mr Hall is a qualified geologist with over 40 years' experience in exploration and mining projects located in Australia and Africa. He has extensive experience in the areas of exploration strategy, mine geology, open pit and underground mining operations, resource/reserve estimations and mine management. Mr Hall has been involved in the feasibility, construction, commissioning and management of several mining operations.

During the past three years, Mr Hall was not a director of any other ASX listed companies.

## Company Secretary

The following person held the position of Company Secretary at the end of the period and at the date of this report:

Neil Andrew Marston

## Meetings of Directors

The number of meetings of Directors (including meetings of committees of Directors) held during the period and the number of meetings attended by each Director were as follows:

| | Board of Directors | |
|---|---|---|
| | **Number eligible to attend** | **Number attended** |
| Stuart Hall | 2 | 2 |
| Leslie Ingraham | 4 | 4 |
| Neil Marston | 4 | 4 |
| Ian Stuart | 2 | 2 |

## Operating and Financial Review

A Review of Operations is contained in the Directors' Report.

The loss of the Company for the financial year after providing for income tax amounted to $551,649 (2018: ($745,666). The Company's net assets as at 30 June 2019 were $5,611,683 (2018: $5,611,334). At 30 June 2019, the Company had cash reserves of $577,410 (2018: $2,503,789).

There was a negligible change in net assets of the Group. This position reflects the use of funds for its intended purpose during the period, being the following significant factors:

- exploration and evaluation of the Bryah Basin Project and farm-in and joint venture Manganese Projects with OM (Manganese) Ltd;
- incurring overheads and running costs consistent with operating a listed company; and
- remuneration of key management personnel essential to the continued success of the Company.

## Changes in State of Affairs

The Company was registered on 13 January 2017 and was admitted to the Official List of ASX Limited on Friday, 13 October 2017. Official quotation of the Company's ordinary fully paid shares and quoted options commenced on Tuesday, 17 October 2017.

## Principal Activities

The principal activities of the Company during the period was the pursuit of exploration and evaluation activities on the Bryah Basin and Gabanintha located in the Meekatharra region of Western Australia.

## Likely Developments and Expected Results

Likely developments in the operations of the Company and the expected results of those operations in future financial periods have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

## Environmental Regulation

The Company's operations are subject to various environmental laws and regulations under government legislation. The exploration tenements held by the Company are subject to these regulations and there have not been any known breaches of any environmental regulations during the financial period and up until the date of this report.

## Dividends

No dividends have been declared since the start of the financial period.

## Events subsequent to Reporting Date

The following matters or circumstances have arisen since the end of the financial period which significantly affect, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years:

- the Company announced that it had received firm commitments for a capital raising of $2.0 million at $0.06 per share. The Placement is conditional upon the Company receiving shareholder approval under Listing Rule 7.1 to enable the Company to issue the shares under the Placement in accordance with the ASX Listing Rules. The Placement was approved by shareholders on 27 September 2019 and completion of the Placement is expected to occur in the first week of October 2019, and
- OM (Manganese) Limited formally elected to proceed with the formation of the Bryah Basin Manganese Joint Venture pursuant to the terms of the Farm-in and Joint Venture Agreement signed on 16 April 2019. The Joint Venture applies to Manganese Mineral Rights only, with Bryah retaining rights to all other minerals. Under the Agreement:
    i. OMM paid the Exercise Fee of $0.25 million to Bryah to earn an initial 10% JV interest on 30 August 2019.
    ii. OMM will fund a further $2.0 million of project expenditure by 30 June 2022 to earn an additional 41% JV interest, giving OMM a total of 51% JV interest.
    iii. Upon OMM earning its 51% JV interest, OMM may elect to be Project Manager and Bryah may elect not to contribute to project expenditure, diluting from 49% to 40% JV interest by OMM funding the next $1.8 million of project expenditure.
    iv. Upon OMM earning its 60% JV interest, Bryah may elect not to contribute to project expenditure, diluting from 40% to 30% JV interest by OMM funding the next $2.5 million of project expenditure.

## Share Options

At the date of this report, options were outstanding for the following unissued ordinary shares:

- 5,500,000 unlisted options expiring 30 April 2020 at an exercise price of 30 cents each, and
- 15,750,000 listed options (ASX:BYHO) expiring 31 October 2020 at an exercise price of 30 cents each.

No person entitled to exercise these options had, or has any right, by virtue of the option, to participate in any share issue of any other body corporate.

## Indemnification of Officers

Deeds of indemnity have been given and insurance premiums paid since the end of the financial period for directors and officers of the Company.

## Proceedings on behalf of the Company

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

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

## Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director and executive of the Company.

For the purposes of this report Key Management Personnel of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly.

For the purposes of this report the term “executive” includes those key management personnel who are not Directors of the Company.

***Remuneration Committee***

The full Board carries out the role and responsibilities of the Remuneration Committee and is responsible for determining and reviewing the compensation arrangements for the Directors themselves, the Managing Director and any Executives.

Executive remuneration is reviewed annually having regard to individual and business performance, relevant comparative remuneration and internal and independent external advice.

***Remuneration policy***

The board policy is to remunerate Directors at market rates for time, commitment and responsibilities. The board determines payments to the Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of Directors’ fees that can be paid is subject to approval by shareholders in a general meeting, from time to time. Fixed fees for non-executive directors are not linked to the performance of the Company. However, to align Directors’ interests with shareholders’ interests, the Directors are encouraged to hold shares in the Company and may be issued with options and performance rights from time to time.

The Company’s aim is to remunerate at a level that will attract and retain high-calibre directors and employees. Company Directors and officers are remunerated to a level consistent with the size of the Company.

The executive Directors and full time executives receive a superannuation guarantee contribution as required by government legislation, which is currently 9.5%, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to Directors and executives is valued at the cost to the Company and expensed.

The Board believes that it has implemented suitable practices and procedures that are appropriate for an organisation of this size and maturity.

***Remuneration Structure***

In accordance with best practice corporate governance, the structure of non-executive director and executive compensation is separate and distinct.

***Non-executive Director Compensation***

*Objective*

The Board seeks to set aggregate compensation at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

### *Structure*

The Constitution and the ASX Listing Rules specify that the aggregate compensation of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The latest determination approved by shareholders was an aggregate compensation of $500,000 per year.

The amount of aggregate compensation sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process. Non-Executive Directors' remuneration may include an incentive portion consisting of options, as considered appropriate by the Board, which may be subject to Shareholder approval in accordance with ASX Listing Rules.

Separate from their duties as Directors, the Non-Executive Directors may undertake work for the Company directly related to the evaluation and implementation of various business opportunities, including mineral exploration/evaluation and new business ventures, for which they may receive a daily rate. These payments will be made pursuant to individual agreements with the non-executive Directors and will not be taken into account when determining their aggregate remuneration levels.

***Executive Compensation***

### *Objective*

The entity aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the entity so as to:

- reward executives for Company and individual performance against targets set by appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link rewards with the strategic goals and performance of the Company; and
- ensure total compensation is competitive by market standards.

### *Structure*

In determining the level and make-up of executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. Remuneration is regularly compared with the external market by participation in industry salary surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

Remuneration consists of a fixed remuneration and a long-term incentive portion as considered appropriate. Compensation may consist of the following key elements:

- Fixed Compensation;
- Variable Compensation;
- Short Term Incentive (STI); and
- Long Term Incentive (LTI).

### *Fixed Remuneration*

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board having regard to the Company and individual performance, relevant comparable remuneration in the mining exploration sector and external advice.

The fixed remuneration is a base salary or monthly consulting fee.

### *Variable Pay - Long Term Incentives*

The objective of long-term incentives is to reward Directors/executives in a manner which aligns this element of remuneration with the creation of shareholder wealth. The incentive portion is payable based upon attainment of objectives related to the director's/executive's job responsibilities. The objectives vary, but all are targeted to relate directly to the Company's business and financial performance and thus to shareholder value.

Long term incentives (LTIs) granted to Directors and executives may be delivered in the form of options or performance rights. LTI grants to executives are delivered in the form of the Company's Performance Rights and Options Plan.

The objective of the granting of options or rights is to reward executives in a manner which aligns the element of remuneration with the creation of shareholder wealth. As such LTI's are made to executives who are able to influence the generation of shareholder wealth and thus have an impact on the Company's performance.

The level of LTI granted is, in turn, dependent on the Company's recent share price performance, the seniority of the executive, and the responsibilities the executive assumes in the Company.

Typically, the grant of LTIs occurs at the commencement of employment or in the event that the individual receives a promotion.

### *Employment contracts of directors and senior executives*

The employment arrangements of the non-executive chairman and non-executive directors are formalised in letters of appointment.

Remuneration and other terms of employment for the Managing Director are formalised in an executive service agreement. The commencement date of this agreement is the date the Company listed on the ASX. Major provisions are set out below.

#### Neil Marston, Managing Director:

- Annual base salary of $240,000 plus superannuation;
- Notice period required to be given by the Company for termination of one month, except in the case of conviction of any major criminal offence which brings the Company into lasting disrepute;
- Notice period required to be given by the executive for termination of three months.

***Details of remuneration for period***

Details of the remuneration of Directors and specified executives of Bryah Resources Limited are set out in the following table. There are no other employees who are required to have their remuneration disclosed in accordance with the *Corporations Act 2001*.

| | | Short Term Benefits | Post Employment | Share Based Payments | | Performance based remuneration % |
|---|---|---|---|---|---|---|
| | | Salary & Fees | Super-annuation | Options | Total | |
| **Directors** | **Period** | **$** | **$** | **$** | **$** | **%** |
| Neil Marston | **2019** | **240,000** | **22,800** | **-** | **262,800** | **-** |
| | 2018 | 180,000 | 17,100 | - | 197,100 | - |
| Stuart Hall | **2019** | **22,241** | **-** | **-** | **22,241** | **-** |
| | 2018 | 27,000 | - | | 27,000 | - |
| Leslie Ingraham | **2019** | **99,996** | **-** | **-** | **99,996** | **-** |
| | 2018 | 62,498 | - | - | 62,498 | - |
| Ian Stuart | **2019** | **20,000** | **-** | **-** | **20,000** | **-** |
| | 2018 | - | - | - | 25,300 | - |
| Geoffrey Crow | **2019** | - | - | - | - | - |
| | 2018 | 10,000 | - | - | 10,000 | - |
| **Total Key Management Personnel** | **2019** | **382,237** | **22,800** | **-** | **405,037** | **-** |
| | 2018 | 279,498 | 17,100 | - | 296,598 | - |

***Compensation options granted to Key Management Personnel***

No incentive options were granted during the year ended 30 June 2019.

***Shares issued to Key Management Personnel on exercise of compensation options***

No shares were issued to Directors or executives on exercise of compensation options during the year.

***Compensation options lapsed during the period***

No options previously issued to Key Management Personnel lapsed during the year.

***Option holdings of Key Management Personnel and their related entities***

| | Opening Balance | Granted as Remun-eration | Options Exercise d | Options Expired/ Cancelled | Net Change/ Other | Balance 30 June 2019 | Number vested and exercisable |
|---|---|---|---|---|---|---|---|
| **Directors** | | | | | | | |
| Neil Marston | 1,125,000 | - | - | - | - | 1,125,000 | 1,125,000 |
| Stuart Hall | 550,000 | - | - | - | (550,000) | - | - |
| Leslie Ingraham | 150,000 | - | - | - | - | 150,000 | 150,000 |
| Ian Stuart | - | - | - | - | - | - | - |

***Share holdings of Key Management Personnel and their related entities***

| | Opening Balance | Received as Remun-eration | Options Exercised | Acquired/ Disposed | Net Change/ Other | Balance 30 June 2019 |
|---|---|---|---|---|---|---|
| **Directors** | | | | | | |
| Neil Marston | 5,450,000 | - | - | - | - | 5,450,000 |
| Stuart Hall | 100,000 | - | - | - | (100,000) | - |
| Leslie Ingraham | 5,300,000 | - | - | - | - | 5,300,000 |
| Ian Stuart[1] | 75,000 | - | - | - | - | 75,000 |

[1] Shares held by Mr Stuart as beneficiary prior to his appointment.

***Loans and other transactions with Key Management Personnel***

There were no loans to or from key management personnel.

**End of remuneration report**

## Auditor

Greenwich & Co Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001.*

## Non-Audit Services

During the year Greenwich & Co Audit Pty Ltd did not provide any non-audit services.

## Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 52.

Signed in accordance with a resolution of the Board of Directors:

**NEIL MARSTON**
**Director**

27 September 2019

**Bryah Resources Ltd**

**ACN: 616 795 245**

# Statement of Profit or Loss and Other Comprehensive Income For the period ended 30 June 2019

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **Income** | 2(a) | **523,875** | 33,129 |
| Stock exchange and registry expenses | | **(39,213)** | (42,547) |
| Legal expenses | | **(25,918)** | (23,370) |
| Travel and accommodation expenses | | **(12,283)** | (26,152) |
| Share Based Payments | | **(47,192)** | - |
| Directors' fees and benefits expenses | 16 | **(405,037)** | (296,598) |
| Other corporate and administration expenses | 2(b) | **(545,881)** | (390,128) |
| **Loss before income tax expense** | | **(551,649)** | (745,666) |
| Income tax expense | 3 | - | - |
| **Net loss for period** | | **(551,649)** | (745,666) |
| | | | |
| **Other Comprehensive Income** | | | |
| Other Comprehensive Income for the period, net of tax | | - | - |
| | | | |
| **Total comprehensive loss attributable to members of Bryah Resources Limited** | | **(551,649)** | (745,666) |
| | | **Cents** | Cents |
| **Basic and diluted loss per share** | 5 | **(0.93)** | (1.55) |

The accompanying notes form part of these financial statements.

**Bryah Resources Ltd**
**ACN: 616 795 245**

# Statement of Financial Position
# as at 30 June 2019

| | Note | **2019** $ | 2018 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | 6 | **577,410** | 2,503,789 |
| Trade and other receivables | 7 | **108,011** | 57,510 |
| **Total Current Assets** | | **685,421** | 2,561,299 |
| **Non-Current Assets** | | | |
| Plant and equipment | 8 | **180,371** | 157,038 |
| Exploration and evaluation assets | 9 | **5,363,320** | 3,196,913 |
| **Total Non-Current Assets** | | **5,543,691** | 3,353,951 |
| **TOTAL ASSETS** | | **6,229,112** | 5,915,250 |
| **LIABILITIES** | | | |
| **Current Liabilities** | | | |
| Trade and other payables | 10 | **450,892** | 280,908 |
| Other liabilities | 11 | **109,855** | 2,000 |
| Provisions | 12 | **56,682** | 21,008 |
| **Total Current Liabilities** | | **617,429** | 303,916 |
| **TOTAL LIABILITIES** | | **617,429** | 303,916 |
| **NET ASSETS** | | **5,611,683** | 5,611,334 |
| **EQUITY** | | | |
| Issued Capital | 13 | **6,891,307** | 6,365,376 |
| Reserves | 14 | **196,217** | 170,150 |
| Accumulated losses | | **(1,475,841)** | (924,192) |
| **TOTAL EQUITY** | | **5,611,683** | 5,611,334 |

The accompanying notes form part of these financial statements.

**Bryah Resources Ltd**
**ACN: 616 795 245**

# Statement of Changes in Equity
# For the period ended 30 June 2019

| | Issued Capital $ | Reserves $ | Accumulated Losses $ | Total $ |
|---|---|---|---|---|
| **Balance as at 1 July 2017** | **1,285,291** | **63,250** | **(178,526)** | **1,170,015** |
| **Comprehensive income** | | | | |
| Loss for the period | - | - | (745,666) | (745,666) |
| **Total Comprehensive Income** | **-** | | **(745,666)** | **(745,666)** |
| **Transactions with owners, in their capacity as owners** | | | | |
| Ordinary shares issued for cash | 5,000,000 | - | - | 5,000,000 |
| Securities issued as consideration | 50,024 | - | - | 50,024 |
| Shares issued as consideration for tenements (Note 9) | 620,000 | - | - | 620,000 |
| Options issued as incentives | 10 | 106,900 | - | 106,910 |
| Capital raising costs | (589,949) | - | - | (589,949) |
| **Balance as at 30 June 2018** | **6,365,376** | **170,150** | **(924,192)** | **5,611,334** |
| **Comprehensive income** | | | | |
| Loss for the year | **-** | **-** | **(551,649)** | **(551,649)** |
| **Total Comprehensive Income** | **-** | **-** | **(551,649)** | **(551,649)** |
| **Transactions with owners, in their capacity as owners** | | | | |
| Ordinary shares issued for cash | 360,000 | - | - | 360,000 |
| Securities issued as consideration | 21,125 | 26,067 | - | 47,192 |
| Shares issued as consideration for tenements (Note 9) | 170,000 | - | - | 170,000 |
| Options issued as incentives | - | - | - | - |
| Capital raising costs | (25,194) | - | **-** | (25,194) |
| **Balance as at 30 June 2019** | **6,891,307** | **196,217** | **(1,475,841)** | **5,611,683** |

The accompanying notes form part of these financial statements.

## Bryah Resources Ltd
## ACN: 616 795 245

# Statement of Cash Flows
# For the period ended 30 June 2019

| | Note | **2019** $ | 2018 $ |
|---|---|---|---|
| **Cash flows used in operating activities** | | | |
| Payments to suppliers and employees | | **(862,378)** | (748,331) |
| Interest received | | **16,231** | 27,329 |
| Net receipts from other entities | | **540,682** | - |
| **Net Cash used in operating activities** | 6 | **(305,466)** | (721,003) |
| | | | |
| **Cash flows used in investing activities** | | | |
| Payments for exploration of mining interests | | **(1,817,774)** | (1,253,142) |
| Payment for plant and equipment | | **(147,096)** | (103,339) |
| **Net Cash used in investing activities** | | **(1,964,870)** | (1,356,481) |
| | | | |
| **Cash flows provided by financing activities** | | | |
| Net proceeds from issue of securities | | **360,000** | 4,740,034 |
| Share application funds held in trust | 11 | - | 2,000 |
| Payment of capital raising costs | | **(16,043)** | (514,246) |
| **Net cash provided by financing activities** | | **343,957** | 4,227,788 |
| | | | |
| **Net increase / (decrease) in cash held** | | **(1,926,379)** | 2,150,304 |
| Cash and cash equivalents at beginning of the financial period | | **2,503,789** | 353,485 |
| **Cash at end of the financial period** | 6 | **577,410** | 2,503,789 |

The accompanying notes form part of these financial statements.

# Notes to the Financial Statements

**For the period ended 30 June 2019**

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements and notes represent those of Bryah Resources Limited for the period ended 30 June 2019.

Bryah Resources Limited is a company limited by shares incorporated in Australia. The Company is domiciled in Western Australia. The nature of operations and principal activities of the Company are described in the Directors' Report.

### 1(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Material accounting policies adopted in preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The Company's financial statements are presented in Australian dollars.

### 1(b) Going concern

The financial report has been prepared on the going concern basis, which contemplated the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The directors have considered the funding and operational status of the business in arriving at their assessment of going concern and believe that the going concern basis of preparation is appropriate, based upon the following:

- Current cash and cash equivalents on hand;
- The ability of the Company to obtain funding through various sources, including debt and equity;
- The ability to further vary cash flow depending upon the achievement of certain milestones within the business plan; and
- The expected receipt of sale proceeds.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

### 1(c) Adoption of new and revised accounting standards

The Company has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2018. It has been determined by the Company that, there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and therefore no change is necessary to Company accounting policies including:

- *AASB 9 Financial Instruments*

  AASB 9 Financial Instruments introduces new classification and measurement models for financial assets and is applicable to annual reporting periods beginning on or after 1 July 2018.

  The Company has applied AASB 9 using the modified retrospective approach because the measurement of financial assets under AASB9 are consistent to the Company's current practice.

- *AASB 15 Revenue from Contracts with Customers*

  This standard is applicable to annual reporting periods beginning on or after 1 January 2018.

  The Company does not currently have any contracts with customers in place. The Company does not consider there to be any material impact from the adoption of AASB 15 Revenue from Contracts with Customers.

### 1(d) New standards and interpretations not yet adopted

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application date or future reporting periods and which the Company has decided not to early adopt. A discussion of those future requirements and their impact on the Company is as follows:

- *AASB 16 Leases*

  The standard replaces AASB 117 'Leases" and for lessees will eliminate the classifications of operating leases and finance leases, and require, subject to certain exemptions, the recognition of a 'right-of-use asset' and a corresponding lease liability, and the subsequent depreciation of the 'right-of-use' asset. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

  The Company is currently not party to any material operating or finance lease arrangements.

This standard is applicable to annual reporting periods beginning on or after 1 January 2019 and as such the Company will adopt this standard from 1 July 2019. Whilst at this time the Company does not consider there to be any material impact from the adoption of *AASB 16 Leases*, it will make an assessment of potential effects over the next 12 month period.

### 1(e) Statement of Compliance

The financial report was authorised for issue on 27 September 2019.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS).

### 1(f) Revenue and other income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

# Notes to the Financial Statements

**For the period ended 30 June 2019**

### 1(g) 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 described above, net of outstanding bank overdrafts.

### 1(h) Trade and other receivables

Trade receivables, which generally have 30 days terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

### 1(i) Income Tax

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 reporting date.

Deferred income tax is provided on all temporary differences at the reporting 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 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.

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.

The carrying amount of deferred income tax assets is reviewed at each reporting 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 reporting 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 period 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 reporting 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.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. No deferred tax is recognised in the current period for the carried forward losses as the Company considers there will be no taxable profit to offset the brought forward tax losses in future.

**1(j) Other taxes**

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.

**1(k) Plant and equipment**

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

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

| | | |
|---|---|---|
| Plant and equipment | - | 5 to 10 years |
| Motor vehicles | - | 8 years |

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting 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 be close to its 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. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

(ii) Derecognition and disposal

An item of 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 the statement of profit or loss and other comprehensive income in the year the asset is derecognised.

**1(l) 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 period in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

- (a) 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
- (b) exploration and evaluation activities in the area have not, at the reporting 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 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 amortisation 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 periods.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

### 1(m) Impairment of non-financial assets

The Company assesses at each reporting 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 or groups of 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 a revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting 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. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in profit or loss unless the asset is carried at a 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.

### 1(n) Trade and other payables

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

### 1(o) Leases

Leases where a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases (Note 15(b)).

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

### 1(p) Employee benefits

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

### 1(q) Share-based payment transactions

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

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

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

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

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects

(i) the extent to which the vesting period has expired, and
(ii) the Company's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The amount charged or credited to the statement of profit or loss and other comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

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

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

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

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

### 1(r) 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.

# Notes to the Financial Statements

**For the period ended 30 June 2019**

### 1(s) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company. The Company presently operates in one segment being mineral exploration within Australia.

### 1(t) Earnings per share

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

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

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

### 1(u) Significant Accounting Estimates and Judgments

In the process of applying the Company's accounting policies, management has made the following estimates and judgments, which have the most significant effect on the amounts recognised in the financial statements.

*Exploration and evaluation assets*

The Company's accounting policy for exploration and evaluation expenditure is set out at Note 1(j). The application of this policy necessarily requires management to make certain judgements and assumptions as to future events and circumstances. Any such judgements and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, it is concluded that the expenditures are unlikely to be recovered by future exploitation or sale, then the relevant capitalised amount will be written off to the statement profit or loss and other comprehensive income.

*Share-based payment transactions*

The Company measures the cost of equity-settled transactions with employees and directors by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined from a Black-Scholes pricing model that incorporates various estimates and assumptions.

### 1(v) Comparative figures

The Company was listed on the ASX on 17 October 2017. As the Company was not publicly listed and fully active for the full period to 30 June 2018, caution should be applied when analysing comparative figures between the 30 June 2018 and 30 June 2019 reporting periods.

# Notes to the Financial Statements

**For the period ended 30 June 2019**

| | 2019<br>$ | 2018<br>$ |
|---|---|---|
| **2. REVENUE AND EXPENSES** | | |
| **2(a) Income** | | |
| Interest received | **10,430** | 33,129 |
| Other Income | **513,445** | - |
| | **523,875** | 33,129 |
| **2(b) Other Expenses** | | |
| Salaries and wages | **154,826** | 110,171 |
| Superannuation | **24,880** | 8,470 |
| Rental and office facility expenses | **45,648** | 50,350 |
| Investor relations expenses | **148,580** | 143,912 |
| Auditor's fees | **25,000** | 20,000 |
| Other corporate and administration expenses | **146,947** | 60,563 |
| | **545,881** | 393,466 |

## 3. INCOME TAX

### 3(a) Income tax expense

Major components of income tax expense for the year ended 30 June 2019 are:

**Income statement**

| | 2019 | 2018 |
|---|---|---|
| *Current income* | | |
| Current income tax charge (benefit) | **(743,357)** | (591,068) |
| Current income tax not recognised | **743,357** | 591,068 |
| *Deferred income tax* | | |
| Relating to origination and reversal of temporary differences | **(216,199)** | (365,826) |
| Deferred tax benefit not recognised | **216,199** | 365,826 |
| Income tax expense (benefit) reported in income statement | **-** | - |

A reconciliation of income tax expense (benefit) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the company's effective income tax rate for the period ended 30 June 2019 is as follows:

| | 2019 | 2018 |
|---|---|---|
| Accounting profit (loss) before tax from continuing operations | **(551,649)** | (745,666) |
| Accounting profit (loss) before income tax | **(551,649)** | (745,666) |
| At the statutory income tax rate of 30% (2018: 27.5%) | **(165,494)** | (205,058) |
| Add: | | |
| Non-deductible expenditure | **14,997** | **1,468** |
| Temporary differences and losses not recognised | **150,497** | **203,590** |
| At effective income tax rate of 0% (2018: 0%) | **-** | - |
| Income tax expense reported in income statement | **-** | - |

# Notes to the Financial Statements

**For the period ended 30 June 2019**

| | 2019 $ | 2018 $ |
|---|---|---|
| **3(b) Deferred tax assets/(liabilities)** | | |
| Deferred tax assets/(liabilities) have not been recognised in respect of the following items | | |
| *Liabilities* | | |
| Receivables | - | (1,595) |
| Capitalised exploration expenditure | (1,025,771) | (445,111) |
| | (1,025,771) | (446,706) |
| *Assets:* | | |
| Trade and other payables | 11,393 | 7,962 |
| Provisions | 17,005 | 5,777 |
| Business related costs | 173,926 | 184,763 |
| Tax Losses | 1,513,269 | 721,825 |
| | 1,715,593 | 920,327 |
| | 689,822 | 473,622 |

The tax losses do not expire under current legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits.

## 4. AUDITORS' REMUNERATION

| | 2019 $ | 2018 $ |
|---|---|---|
| Amounts paid or due and payable to Greenwich & Co Audit Pty Ltd for: | | |
| -audit or review services | **25,000** | 20,000 |
| | **25,000** | 20,000 |

## 5. EARNINGS PER SHARE

| | 2019 | 2018 |
|---|---|---|
| | **(Cents)** | (Cents) |
| Basic loss per share | **(0.93)** | (1.55) |
| The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted loss per share is as follows: | | |
| Net loss for the period | **(551,649)** | (745,666) |
| | **No.** | No. |
| Weighted average number of ordinary shares used in the calculation of Basic and diluted EPS | **59,425,452** | 48,152,370 |

## 6. CASH AND CASH EQUIVALENTS

| | 2019 $ | 2018 $ |
|---|---|---|
| Cash at bank | **577,410** | 196,315 |
| Short term deposits | - | 2,307,474 |
| | **577,410** | 2,503,789 |

# Notes to the Financial Statements

**For the period ended 30 June 2019**

| | **2019** | 2018 |
|---|---|---|
| | **$** | $ |

Cash at bank includes $2,000 held in trust (Note 11), which therefore is restricted cash.

Short term deposits earn interest at market rates fixed at the time of the contract.

Cash and cash equivalents for the purpose of the statement of cash flows are comprised of cash at bank and short-term deposits.

### 6(a) Reconciliation of loss for the period to net cash flows from operating activities:

| | | |
|---|---|---|
| Loss for the period | **(551,649)** | (745,666) |
| **Non-cash flows in the loss** | | |
| Depreciation | **54,072** | 8,252 |
| Share based payments | **47,192** | - |
| **Changes in operating assets and liabilities** | | |
| (Increase)/decrease in trade and other receivables | **20,329** | (23,205) |
| Increase/(decrease) in trade and other payables relating to operating activities | **104,678** | 18,608 |
| Increase/(decrease) in provisions | **19,912** | 21,008 |
| **Net cash flows used in operating activities** | **(305,466)** | (721,003) |

## 7. TRADE AND OTHER RECEIVABLES

| | | |
|---|---|---|
| **Current** | | |
| Interest receivable | **-** | 5,800 |
| GST receivable | **68,326** | 51,710 |
| Prepayments | **32,975** | |
| Trade receivable | **6,710** | |
| | **108,011** | 57,510 |

## 8. PLANT AND EQUIPMENT

| | | |
|---|---|---|
| **Plant and Equipment** | | |
| At Cost | **242,694** | 165,290 |
| Accumulated Depreciation | **(62,323)** | (8,252) |
| | **180,371** | 157,038 |

### 8(a) Movements in carrying amounts

Movements in the carrying amounts for each class of plant and equipment during the financial year:

| | **Plant & Equipment** | **Motor Vehicles** | **Total** |
|---|---|---|---|
| Balance at 1 July 2018 | **157,038** | **-** | **157,038** |
| Additions | **26,206** | **51,199** | **77,405** |
| Depreciation Expense | **(42,583)** | **(11,489)** | **(54,072)** |
| Balance at 30 June 2019 | **140,661** | **39,710** | **180,371** |

# Notes to the Financial Statements

**For the period ended 30 June 2019**

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **9. EXPLORATION AND EVALUATION ASSET** | | | |
| Balance as at 1 July 2018 | | **3,196,913** | 1,271,526 |
| Mineral Rights and Tenements acquired from vendors via issue of ordinary shares | 13(b) | **170,000** | 620,000 |
| Mineral Rights and Tenements acquired from vendors for cash consideration | | **270,000** | 40,000 |
| Other tenement acquisition costs | | **15,554** | 84,960 |
| Expenditures during the period | | **1,710,853** | 1,180,427 |
| Balance as at 30 June 2019 | | **5,363,320** | 3,196,913 |

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploration, or alternatively, sale of the respective areas of interest, at amounts at least equal to the carrying value.

## 10. TRADE AND OTHER PAYABLES

| | | 2019 $ | 2018 $ |
|---|---|---|---|
| **Current** | | | |
| Trade payables | | **273,385** | 181,392 |
| Other payables and accruals | | **177,507** | 99,516 |
| | | **450,892** | 280,908 |

Trade creditors are non-interest bearing and are normally settled on 30 day terms. Due to the short-term nature of trade payables and accruals, their carrying value is assumed to approximately their fair value.

## 11. OTHER LIABILITIES

| | Note | 2019 $ | 2018 $ |
|---|---|---|---|
| **Current** | | | |
| Joint Venture Payable | | **107,855** | - |
| Share application funds held in trust | 6 | **2,000** | 2,000 |
| | | **109,855** | 2,000 |

## 12. PROVISIONS

| | | 2019 $ | 2018 $ |
|---|---|---|---|
| **Current** | | | |
| Employee entitlements | | **40,920** | 21,008 |
| Exploration rehabilitation obligations | | **15,762** | - |
| | | **56,682** | 21,008 |

# Notes to the Financial Statements

**For the period ended 30 June 2019**

| | **2019** | 2018 |
|---|---|---|
| | **$** | $ |
| **13. ISSUED CAPITAL** | | |
| **13(a) Share capital** | | |
| Ordinary Shares – fully paid | **7,783,159** | 7,232,034 |
| Share issue costs written off against issued capital | **(891,852)** | (866,658) |
| | **6,891,307** | 6,365,376 |

**13(b) Movements in ordinary share capital**

| | **2019** | **2019** | 2018 | 2018 |
|---|---|---|---|---|
| Ordinary shares – fully paid | **Number** | **$** | Number | $ |
| Balance at beginning of year | **56,350,120** | **7,232,034** | 28,000,000 | 1,562,000 |
| Issue of shares for cash | **4,500,000** | **360,000** | 25,000,000 | 5,000,000 |
| Issue of shares as consideration for tenements (Note 9) | **2,615,385** | **170,000** | 3,100,000 | 620,000 |
| Issue of Listed Options for cash | **-** | **-** | - | 10 |
| Issue of ordinary shares in lieu of cash consideration | **325,000** | **21,125** | 250,120 | 50,024 |
| **Balance at end of period** | **63,790,505** | **7,783,159** | 56,350,120 | 7,232,034 |

**13(c) Terms and conditions of issued capital**

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up the Company to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

**13(d) Share Options**

As at 30 June 2019, the following options over unissued ordinary shares were outstanding:

(i) 5,500,000 unlisted options expiring 30 April 2020 at an exercise price of 30 cents each. Of these options, 3.0 million were issued as free attaching options and 2.5 million options were issued to directors as incentive options (Note 14)

(ii) 15,750,000 listed options expiring 31 October 2020 at an exercise price of 30 cents each. Of these options, 12.5 million were issued as free attaching options under the Initial Public Offering (Offer) completed by the Company in October 2017 and 1.0 million were issued to Argonaut Investments Pty Ltd pursuant to their appointment as lead manager to the Offer at $0.00001 per option. A further 2,250,000 listed options were issued in December 2018 as free attaching options under a placement of new shares.

# Notes to the Financial Statements

**For the period ended 30 June 2019**

| | 2019<br>$ | 2018<br>$ |
|---|---|---|
| **14. RESERVES** | | |
| **Share-based payment reserve** | | |
| Opening balance | **170,150** | 63,250 |
| Share-based payments expense | **26,067** | 106,900 |
| | **196,217** | 170,150 |

The Share Based Payment Reserve records the cumulative value of services received for the issue of share options. When the options are exercised the amount in the share option reserve is transferred to share capital.

On the 15 April 2019, following Board approval, a total of 750,000 performance rights were issued to an employee of the Company. The securities can be exercised for nil consideration and have the following vesting conditions:

(i) 250,000 Performance Rights vest on completion of two (2) years employment with the Company being 12 February 2020; and

(ii) 500,000 Performance Rights vest on completion of three (3) years employment with the Company being 12 February 2021.

The performance right issued have been valued using a Black-Scholes model with the following parameters:

- Deemed Share Price at issue: $0.065
- Option Exercise Price: $nil
- Volatility: 90%
- Effective Interest Rate: 2%
- Expiry date: None

| | | **2019** | 2018 |
|---|---|---|---|
| | | **$** | $ |

### 15. COMMITMENTS

#### 15(a) Exploration Commitments

The Company has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These 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. These commitments have not been provided for in the accounts. The current minimum expenditure commitments on the tenements are:

| | | **2019 $** | 2018 $ |
|---|---|---|---|
| Payable | | | |
| - | no later than 1 year | **473,480** | 391,980 |
| - | between 1 and 5 years | **2,616,420** | 656,280 |
| | | **3,089,900** | 1,048,260 |

#### 15(b) Operating Lease Commitments

Minimum lease payments payable for non-cancellable operating leases contracted for but not recognised in the financial statements:

| | | **2019 $** | 2018 $ |
|---|---|---|---|
| Payable | | | |
| - | no later than 1 year | **31,727** | 46,370 |
| - | between 1 and 5 years[1] | **-** | 31,727 |
| | | **31,727** | 78,097 |

The non-cancellable sub-lease is for office premises.

[1]The current office sub-lease is due to expire on 29 February 2020. Management expects that the head-lessee will agree to an extension of the current sub-lease arrangements on reasonable commercial terms. However, at the date of this report the lease rental terms have not been concluded and therefore, the future financial obligation is uncertain.

### 16. KEY MANAGEMENT PERSONNEL DISCLOSURES

#### 16(a) Compensation of Key Management Personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's key management personnel.

**Director and Executive Disclosures Compensation of key management personnel**

| | **2019 $** | 2018 $ |
|---|---|---|
| Short-term personnel benefits | **382,237** | 279,498 |
| Post-employment benefits | **22,800** | 17,100 |
| Share based payments | **-** | - |
| | **405,037** | 296,598 |

### 16(b) Loans and Other Transactions with Key Management Personnel

There were no loans to key management personnel or their related entities during the financial year.

## 17. SEGMENT INFORMATION

AASB 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. The Board as a whole will regularly review the identified segments in order to allocate resources to the segment and to assess its performance.

During the year, the Company considers that it operated in only one segment, being mineral exploration within Australia. All the assets are located in Australia only.

## 18. CONTINGENT LIABILITIES

In the opinion of the Directors, the Company does not have any contingent liabilities as at 30 June 2019.

## 19. FINANCIAL RISK MANAGEMENT

The Company's principal financial instruments comprise receivables, payables, cash and short-term deposits. The Company manages its exposure to key financial risks in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets while protecting future financial security.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk and liquidity risk. The Company does not speculate in the trading of derivative instruments. The Company uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 1 to the financial statements.

# Notes to the Financial Statements

**For the period ended 30 June 2019**

### 19(a) Interest rate risk

The Company's exposure to risks of changes in market interest rates relates primarily to the Company's 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 borrowings its exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

| | **2019** | 2018 |
|---|---|---|
| | **$** | $ |
| At the reporting date, the Company had the following financial assets exposed to variable interest rates that are not designated in cash flow hedges: | | |
| **Financial Assets** | | |
| Cash and cash equivalents (interest-bearing accounts) | **577,410** | 2,503,789 |
| | **577,410** | 2,503,789 |

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

At the reporting date, if interest rates had moved as illustrated in the table below, with all other variables held constant, post-tax profit and equity relating to financial assets of the Company would have been affected as follows:

| | | |
|---|---|---|
| Estimates of reasonably possible movements: | | |
| Post tax profit – higher / (lower) | | |
| +0.5% | **2,504** | 7,061 |
| -0.5% | **(2,504)** | (7,061) |
| Equity – higher / (lower) | | |
| +0.5% | **2,504** | 7,061 |
| -0.5% | **(2,504)** | (7,061) |

### 19(b) Liquidity Risk

The Company manages liquidity risk by monitoring immediate and forecast cash requirements and ensuring adequate cash reserves are maintained.

# Notes to the Financial Statements

**For the period ended 30 June 2019**

### 19(c) Credit risk

Credit risk arises from the financial assets of the Company, which comprise deposits with banks and trade and other receivables. The Company's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of these instruments. The carrying amounts of financial assets included in the statement of financial position represents the Company's maximum exposure to credit risk in relation to those assets.

The Company does not hold any credit derivatives to offset its credit exposure. The Company trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Company's policy to securitise its trade and other receivables.

Receivable balances are monitored on an ongoing basis with the result that the Company does not have a significant exposure to bad debts.

There are no significant concentrations of credit risk within the Company.

All surplus cash holdings within the Company are currently invested with mainstream Australian financial institutions.

### 19(d) Capital Management Risk

Management controls the capital of the Company in order to maximise the return to shareholders and ensure that the Company can fund its operations and continue as a going concern.

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of expenditure and debt levels and share and option issues.

The Company has no external loan debt facilities other than trade payables. There have been no changes in the strategy adopted by management to control capital of the Company since the prior period.

### 19(e) Commodity Price and Foreign Currency Risk

The Company's exposure to price and currency risk is minimal given the Company is still in the exploration phase.

### 19(f) Fair Value

The methods of estimating fair value are outlined in the relevant notes to the financial statements. All financial assets and liabilities recognised in the statement of financial position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair values unless otherwise stated in the applicable notes.

# Notes to the Financial Statements

**For the period ended 30 June 2019**

## 20. EVENTS SUBSEQUENT TO THE REPORTING DATE

The following matters or circumstances have arisen since the end of the financial period which significantly affect, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years:

- the Company announced that it had received firm commitments for a capital raising of \$2.0 million at \$0.06 per share. The Placement is conditional upon the Company receiving shareholder approval under Listing Rule 7.1 to enable the Company to issue the shares under the Placement in accordance with the ASX Listing Rules. The Placement was approved by shareholders on 27 September 2019 and completion of the Placement is expected to occur in the first week of October 2019, and
- OM (Manganese) Limited formally elected to proceed with the formation of the Bryah Basin Manganese Joint Venture pursuant to the terms of the Farm-in and Joint Venture Agreement signed on 16 April 2019. The Joint Venture applies to Manganese Mineral Rights only, with Bryah retaining rights to all other minerals. Under the Agreement:
    - i. OMM paid the Exercise Fee of \$0.25 million to Bryah to earn an initial 10% JV interest on 30 August 2019.
    - ii. OMM will fund a further \$2.0 million of project expenditure by 30 June 2022 to earn an additional 41% JV interest, giving OMM a total of 51% JV interest.
    - iii. Upon OMM earning its 51% JV interest, OMM may elect to be Project Manager and Bryah may elect not to contribute to project expenditure, diluting from 49% to 40% JV interest by OMM funding the next \$1.8 million of project expenditure.
    - iv. Upon OMM earning its 60% JV interest, Bryah may elect not to contribute to project expenditure, diluting from 40% to 30% JV interest by OMM funding the next \$2.5 million of project expenditure.

# Notes to the Financial Statements

**For the period ended 30 June 2019**

## 21. RELATED PARTIES TRANSACTIONS

### 21(a) Key Management Personnel

Disclosures relating to key management personnel are set out in note 16 and the remuneration report included in the Directors' Report.

### 21(b) Transactions with Related Parties

The following transaction occurred with related parties:

| | 2019<br>$ | 2018<br>$ |
|---|---|---|
| **Payment for goods and services** | | |
| Payment for office rent and other services from Australian Vanadium Limited (director-related entity of Leslie Ingraham) | **93,810** | 143,394 |
| | **93,810** | 143,394 |

### 21(c) Receivable from and payable to related parties

| | 2019<br>$ | 2018<br>$ |
|---|---|---|
| **Current payables** | | |
| Trade payables to Australian Vanadium Limited (director-related entity of Leslie Ingraham) | **103,192** | 32,572 |
| | **103,192** | 32,572 |

### 21(d) Loans to/from related parties

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

### 21(e) Terms and Conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Australian Vanadium Limited has agreed to extend the terms of trade in respect to the current period outstanding payables to the completion of the capital raising by the Company referred to in Note 20.

**Bryah Resources Ltd**
**ACN: 616 795 245**

# Directors' Declaration

The Directors of the Company declare that:

1. the financial statements and notes set out on pages 27 to 50 are in accordance with *the Corporations Act 2001* including:

   a. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

   b. giving a true and fair view of the Company's financial position as at 30 June 2019 and of the performance for the period ended on that date, and;

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

3. A statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The Directors have been given the declarations pursuant to Section 295A of the *Corporations Act 2001*.

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

**NEIL MARSTON**
**DIRECTOR**

Date: 27 September 2019

Greenwich & Co

Greenwich & Co Audit Pty Ltd | ABN 51 609 542 458
Level 2, 267 St Georges Terrace, Perth WA 6000
PO Box 983, West Perth WA 6872
T 08 6555 9500 | F 08 6555 9555
www.greenwichco.com

## Auditor's Independence Declaration

To those charged with governance of Bryah Resources Limited

As auditor for the audit of Bryah Resources Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

i. no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Greenwich & Co Audit Pty Ltd
**Greenwich & Co Audit Pty Ltd**

**Rafay Nabeel**
Audit Director

Perth
27 September 2019

Greenwich & Co

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# Independent Audit Report to the members of Bryah Resources Limited

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Bryah Resources Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period 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:

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

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

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

### Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to Note 1(b) to the financial statements which outlines that the ability of the Company to continue as a going concern is dependent on the ability of the Company securing further working capital by the issue of additional equity.

As a result there is a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

### 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.

### Exploration and evaluation assets

Refer to Note 9, Exploration and Evaluation Asset ($5,363,320) and accounting policy Notes 1(l), 1(m) and 1(u).

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| The Company has a significant amount of capitalised exploration and evaluation costs. As the carrying value of exploration and evaluation assets represents a significant asset of the Company, we considered it necessary to assess whether facts and circumstances exist to suggest the carrying amount of this asset may exceed its recoverable amount. | Our audit work included, but was not restricted to, the following:<br>• We obtained evidence that the Company has valid rights to explore in the areas represented by the capitalised exploration and evaluation costs by obtaining independent searches of the Company's tenement holdings, and reviewing contracts under which the Company acquired the areas of interest.<br>• We enquired with those charged with governance to assess whether substantive costs on further exploration for and evaluation of the mineral resources in the Company's areas of interest are planned.<br>• We enquired with directors and reviewed minutes of directors' meetings to ensure that the Company has not decided to discontinue activities in any of its areas of interest.<br>• We enquired with management to ensure that the Company had not decided to proceed with development of a specific area of interest, yet the carrying amount of the exploration and evaluation asset was unlikely to be recovered in full from successful development or sale. |

### Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in annual report, 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 on the other information obtained prior to the date of this auditor's report, 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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 the 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 on page 22 to page 26 of the directors' report for the year ended 30 June 2019.

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

*Responsibilities*

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

Greenwich & Co Audit Pty Ltd

**Greenwich & Co Audit Pty Ltd**

**Rafay Nabeel**
Audit Director

Perth
27 September 2019

**Bryah Resources Ltd**

**ACN: 616 795 245**

# Schedule of Interests in Mining Tenements

# As at 16 September 2019

| PROJECT | TENEMENT | AREA | EQUITY | ANNUAL EXPENDITURE COMMITMENT |
|---|---|---|---|---|
| Bryah Basin | E52/3014 | 1 block | 100% | $15,000 |
| Bryah Basin | E52/3236 | 44 blocks | 100%[1] | $66,000 |
| Bryah Basin | E52/3237 | 14 blocks | 100%[1] | $30,000 |
| Bryah Basin | E52/3238 | 12 blocks | 100% | $30,000 |
| Bryah Basin | E52/3240 | 9 blocks | 100%[1] | $30,000 |
| Bryah Basin | E52/3349 | 70 blocks | 100%[1] | $105,000 |
| Bryah Basin | E52/3401 | 43 blocks | 100%[1] | $43,000 |
| Bryah Basin | E52/3453 | 40 blocks | 100% | $40,000 |
| Bryah Basin | E52/3454 | 8 blocks | 100% | $20,000 |
| Bryah Basin | E52/3508 | 4 blocks | 100% | $15,000 |
| Bryah Basin | P52/1527 | 156.47 ha | 100% | $6,280 |
| Bryah Basin | E52/3705 | 1 block | 100% | $10,000 |
| Bryah Basin | M52/806 | 316.15 ha | 100%[1] | $31,700 |
| Bryah Basin | M52/1068 | 1,819.97 ha | 0%[1 2] | N/A |
| Bryah Basin | E52/1557 | 16 blocks | 0%[1 2] | N/A |
| Bryah Basin | E52/1860 | 35 blocks | 0%[1 2] | N/A |
| Bryah Basin | E52/3700 | 24 blocks | 100% | Application |
| Bryah Basin | E52/3703 | 11 blocks | 100% | Application |
| Bryah Basin | E52/3725 | 10 blocks | 100% | Application |
| Bryah Basin | E52/3726 | 3 blocks | 100% | Application |
| Bryah Basin | E52/3739 | 38 blocks | 100% | Application |
| **Sub-total** | | | | **$441,980** |
| | | | | |
| Gabanintha | E51/843 | 18 blocks | 100%[3] | N/A |
| Gabanintha | E51/1396 | 1 block | 100%[3] | N/A |
| Gabanintha | E51/1534 | 8 blocks | 100%[3] | N/A |
| Gabanintha | E51/1576 | 10 blocks | 100%[3] | N/A |
| Gabanintha | E51/1685 | 15 blocks | 100%[3] | N/A |
| Gabanintha | E51/1694 | 14 blocks | 100%[3] | N/A |
| Gabanintha | E51/1695 | 2 blocks | 100%[3] | N/A |
| Gabanintha | P51/2634 | 171.85 ha | 100%[3] | N/A |
| Gabanintha | P51/2566 | 147.66 ha | 100%[3] | N/A |
| Gabanintha | P51/2567 | 111.66 ha | 100%[3] | N/A |
| Gabanintha | MLA 51/878 | 3,563.0 ha | 100%[3] | Application |
| **Sub-total** | | | | **Nil** |
| **TOTAL** | | | | **$441,980** |

Note 1: OM (Manganese) Limited holds a 10% Joint Venture Interest in the Manganese Mineral Rights in respect to M52/806, M52/1068, E52/1557, E52/1860, E52/3349, E52/3236 (portion), E52/3237, E52/3240, E52/3401

Note 2: Bryah holds the mineral rights to prospect, explore, mine and develop manganese ore (Manganese Mineral Rights) only. Annual expenditure commitment obligations remain with the primary tenement holder.

Note 3: Mineral Rights for all minerals except V/U/Co/Cr/Ti/Li/Ta/Mn & iron ore only.
Australian Vanadium Limited retains 100% rights in V/U/Co/Cr/Ti/Li/Ta/Mn & iron ore on the Gabanintha Project. Annual expenditure commitment obligations remain with Australian Vanadium Limited.

**Bryah Resources Ltd**

**ACN: 616 795 245**

# ASX Additional Information

Additional information required by the ASX Listing Rules not disclosed elsewhere in this Annual Report is set out below. The information is current as at 16 September 2019.

## Distribution of Equity Securities

Analysis of numbers of equity security holders by size of holding:

| | Listed Shares, Fully Paid Ordinary | | Listed 30 cent Options expiring 31 October 2020 | |
|---|---|---|---|---|
| Range | No of Holders | Number of shares | No of Holders | Number of options |
| 1 – 1,000 | 10 | 3,869 | 0 | 0 |
| 1,001 – 5,000 | 18 | 67,693 | 82 | 403,250 |
| 5,001 – 10,000 | 75 | 682,562 | 29 | 245,000 |
| 10,001 – 100,000 | 153 | 6,906,795 | 115 | 3,424,750 |
| 100,001+ | 66 | 56,129,586 | 29 | 11,677,000 |
| **Total** | **322** | **63,790,505** | **255** | **15,750,000** |

## Unmarketable Parcels

There were 36 holders of less than a marketable parcel of ordinary shares.

## Restricted Securities

The Company has the following restricted securities on issue as at 16 September 2019:

- 15,300,000 fully paid ordinary shares escrowed for 24 months from 17 October 2017;
- 1,000,000 listed options expiry 31/10/2020 @$0.30 escrowed for 24 months from 17 October 2017;
- 2,800,000 unlisted options expiry 30/04/20 @ $0.30 escrowed for 24 months from 17 October 2017;

## Unquoted Securities

The Company has the following unquoted securities on issue as at 16 September 2019:

- 5,500,000 options exercisable at $0.30 on or before 30 April 2020.

## Substantial Shareholders

The Company has the following substantial holders as at 16 September 2019:

| Shareholder | Number of shares |
|---|---|
| Australian Vanadium Limited | 7,500,000 |
| Pet FC Pty Ltd | 6,835,000 |
| Woolmaton Pty Ltd | 6,586,500 |
| Neil Andrew Marston | 5,450,000 |
| Leslie James Ingraham | 5,300,000 |

## Corporate Governance

The company’s corporate governance statement is located on its website at: bryah.com.au

## Use of Funds

Between the date of listing on ASX and the date of this report the Company has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives and as set out in the Replacement Prospectus dated 3 May 2017.

## Bryah Resources Ltd
## ACN: 616 795 245

### Top 20 Shareholders

| | Name | Number of Shares | % of Shares |
|---|---|---|---|
| 1. | Australian Vanadium Limited | 5,000,000 | 7.84 |
| 2. | Jalein Pty Ltd <Elbaja A/C> | 5,000,000 | 7.84 |
| 3. | Pet FC Pty Ltd <Pet FC A/C> | 5,000,000 | 7.84 |
| 4. | Woolmaton Pty Ltd <The Woolmaton A/C> | 5,000,000 | 7.84 |
| 5. | Sunemar Pty Ltd <The NSRM A/C> | 4,800,000 | 7.52 |
| 6. | Pinny Pty Ltd | 2,615,385 | 4.10 |
| 7. | Australian Vanadium Limited | 2,500,000 | 3.92 |
| 8. | Faustus Nominees Pty Ltd | 2,290,000 | 3.59 |
| 9. | Vukelic 2050 Pty Ltd | 2,000,000 | 3.14 |
| 10. | Woolmaton Pty Ltd <Woolmaton A/C> | 1,586,500 | 2.49 |
| 11. | Kimbriki Nominees Pty Ltd <Kimbriki Hamilton SF No2 A/C> | 1,520,000 | 2.38 |
| 12. | Sunarp Pty Ltd <Whittle Investment A/C> | 1,337,645 | 2.10 |
| 13. | Peter Tsimilas | 1,220,000 | 1.91 |
| 14. | Paul Vukelic Pty Ltd | 1,000,000 | 1.57 |
| 15. | Pet FC Pty Ltd <Pet FC A/C> | 925,000 | 1.45 |
| 16. | Pet FC Pty Ltd <Pet FC A/C> | 910,000 | 1.43 |
| 17. | Ladyman Super Pty Ltd <Ladymansuperfund A/C> | 875,000 | 1.37 |
| 18. | JCO Investments Pty Ltd <JH Family A/C> | 600,000 | 0.94 |
| 19. | HSBC Custody Nominees (Australia) Limited | 550,781 | 0.86 |
| 20. | Argonaut Equity Partners Pty Limited | 500,000 | 0.78 |
| | **Total** | **45,230,311** | **70.90%** |
| | **Total Remaining Holders Balance** | **18,560,194** | **29.10%** |

### Top 20 Listed Optionholders

| | Name | Number of Listed Options | % of Listed Options |
|---|---|---|---|
| 1. | Australian Vanadium Limited | 1,250,000 | 7.94 |
| 2. | Faustus Nominees Pty Ltd | 1,087,500 | 6.90 |
| 3. | Guritali Pty Ltd | 1,081,000 | 6.87 |
| 4. | Thornbush Corporation Limited | 1,025,000 | 6.51 |
| 5. | Argonaut Investments Pty Limited <Argonaut Invest No 3 A/C> | 1,000,000 | 6.35 |
| 6. | Mrs Pauline Ann Vukelic | 1,000,000 | 6.35 |
| 7. | Paul Vukelic Pty Ltd | 500,000 | 3.17 |
| 8. | Sunarp Pty Ltd <Whittle Investment A/C> | 460,000 | 2.92 |
| 9. | Ladyman Super Pty Ltd <Ladymansuperfund A/C> | 437,500 | 2.78 |
| 10. | Peter Tsimilas | 437,500 | 2.78 |
| 11. | Pet FC Pty Ltd <Pet FC A/C> | 312,500 | 1.98 |
| 12. | Mr Noel David McEvoy | 300,000 | 1.90 |
| 13. | Penguinesque Projects Pty Ltd <Rhys E Howitt S/F A/C> | 262,500 | 1.67 |
| 14. | Mr Greg Dunstan | 260,000 | 1.65 |
| 15. | Pet FC Pty Ltd <Pet FC A/C> | 250,000 | 1.59 |
| 16. | Mrs Alison Elizabeth Anne McEvoy | 201,000 | 1.28 |
| 17. | Mr Mark Andrew Tkocz | 200,000 | 1.27 |
| 18. | Belvedere Australia Pty Ltd <Belvedere Super Fund A/C> | 187,500 | 1.19 |
| 19. | Jolyn Investments Pty Ltd <Eppen Super Fund A/C> | 150,000 | 0.95 |
| 20. | Niltac Super Pty Ltd <Catlin Fam Super No2 A/C> | 150,000 | 0.95 |
| | **Total** | **10,552,000** | **67.00%** |
| | **Total Remaining Holders Balance** | **5,198,000** | **33.00%** |