



BRYAH RESOURCES
L I M I T E D

ACN: 616 795 245

Half Year Report

31 December 2018

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Corporate Directory

Directors

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

Company Secretary

Neil Marston

Registered and Principal Office

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, 35 Outram Street
West Perth WA 6005

Australian Securities Exchange

Bryah Resources Limited shares (BYH) are listed on the Australian Securities Exchange.

Directors Report

Your directors submit the financial report of Bryah Resources Limited (“the Company”) for the half-year ended 31 December 2018. This report should be read in conjunction with announcements to the Australian Securities Exchange (ASX). In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

DIRECTORS

The names of the Directors who held office during or since the end of the half-year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated:

Ian Stuart (Non-executive Chairman) – appointed 12 February 2019
Leslie Ingraham (Non-executive Director)
Stuart Hall (Non-executive Director) – retired 12 February 2019
Neil Marston (Managing Director)

REVIEW OF OPERATIONS

The net loss for the half-year attributed to members of Bryah Resources Limited was \$371,013 (2017: \$331,476).

HIGHLIGHTS

The Company is a copper-gold and manganese focused explorer with two key projects located in central Western Australia, being the 720 km² Bryah Basin Project and the 200km² Gabanintha Project. In addition, the Company holds a one-year option to acquire the historic Horseshoe South Manganese Mine and the Manganese mineral rights over a further 154km² of ground in the Bryah Basin.

BRYAH BASIN PROJECT

Copper-Gold Exploration

During the half-year period, the Company successfully completed its first drilling programme at the Bryah Basin Project.

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.

The drilling resulted in the successful discovery of high-grade gold mineralisation at the Windalah Prospect, where 5 RC holes were drilled (see Figures 1 & 2). The best gold intervals reported 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.

Geological mapping has established 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 2).

This stratigraphic position is considered to be the most prospective for repetitions of Volcanogenic Massive Sulphide (VMS) copper-gold deposits, such as seen at Horseshoe Lights.

Follow-up drilling at the Winalah Prospect and surrounding areas will be a major priority for the Company in its next phase of copper-gold exploration.

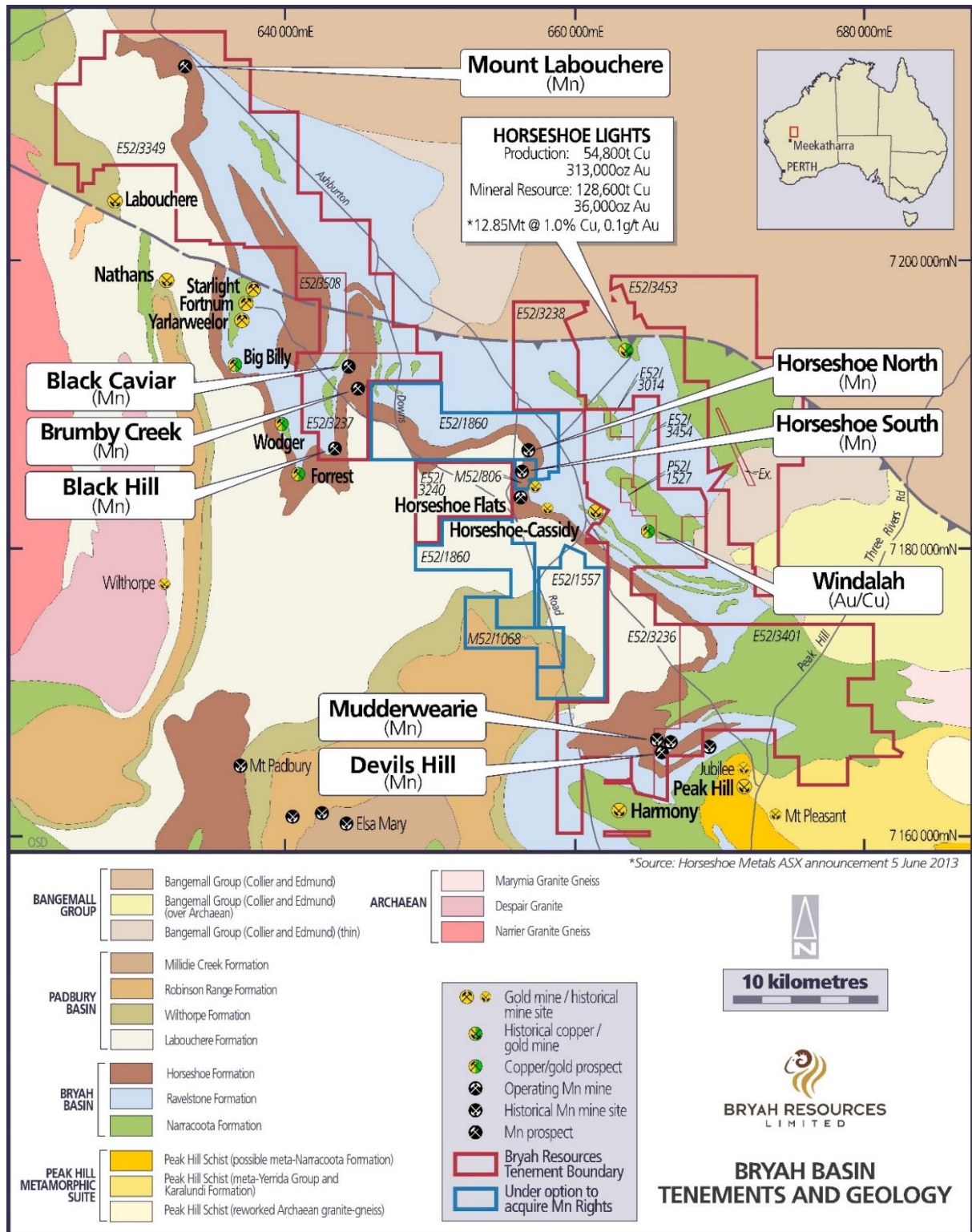


Figure 1 – Bryah Basin Tenements and Regional Geology Map

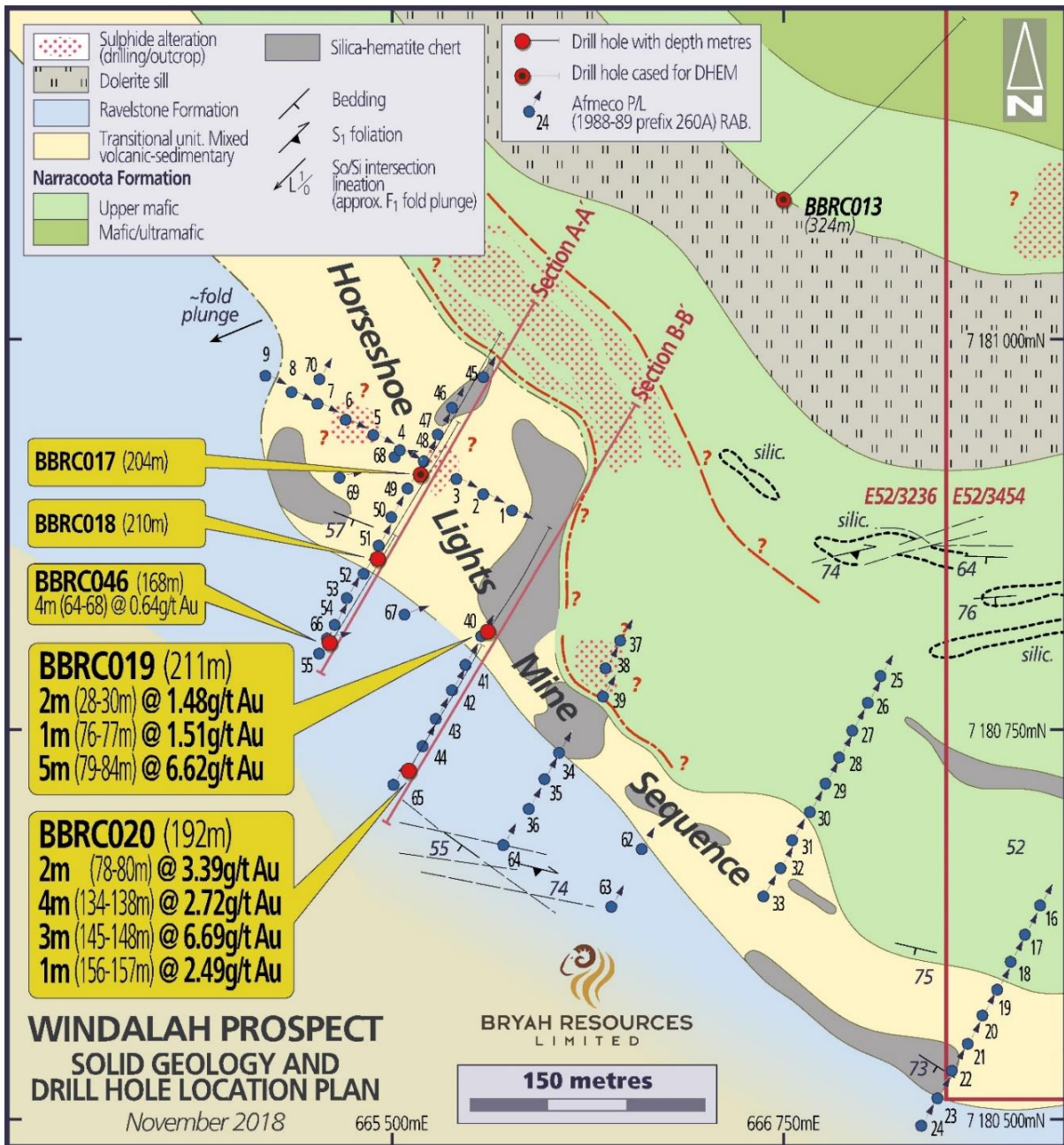


Figure 2 –Windalah Prospect Solid Geology and Drill hole Location Plan

Manganese Exploration

The Company's manganese exploration strategy commenced in 2018 with an extensive programme of ground reconnaissance work being undertaken with the aim of identifying manganese outcrops and generating targets for follow-up exploration and drilling. During the half year several new manganese prospects were identified which are shown in Figure 1.

Historical manganese mining in the Bryah Basin region focused mainly on those sites, such as Horseshoe South, where +40% manganese ore was able to be extracted economically. However, the global market for manganese ore is now dominated by supplies from South Africa where 37% Mn content is the benchmark grade. The Company believes that this lower benchmark grade for manganese ore means that some of the manganeseiferous areas within the Bryah Basin, which were previously overlooked, may now be potentially viable.

GABANINTHA PROJECT

The Company holds the rights to all minerals except Vanadium/Uranium/Cobalt/Chromium/Titanium/Lithium/Tantalum/Manganese & Iron Ore (“Excluded Minerals”). Australian Vanadium Limited (ASX:AVL) (“AVL”) retains 100% rights in the Excluded Minerals on the Gabanintha Project.

Nickel-Copper Mineral Resource Estimate

In December 2018, AVL announced a Maiden Ore Reserve and Pre-Feasibility Study for its vanadium deposit at Gabanintha (*released by AVL to ASX on 19 December 2018*).

AVL stated in the announcement that:

- The vanadium concentrator plant design includes a sulphide flotation circuit which will extract an estimated 1,775 tonnes per annum of mixed sulphide concentrate, containing 4 to 6% combined cobalt, nickel, and copper in production years 3 to 16.
- An Inferred base metal Mineral Resource of 14.3Mt at 666ppm Ni and 217ppm Cu has been defined at Gabanintha for sulphide-hosted cobalt, nickel and copper, contained exclusively in the fresh massive high-grade magnetite zone.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Significant changes in the state of affairs of the Company during the half-year are detailed under the heading ‘Review of Operations’ of this report.

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Company that occurred during the half-year under review not otherwise disclosed in this report or in the financial report.

AUDITOR’S DECLARATION OF INDEPENDENCE

A copy of the auditor’s independence declaration as required under section 307C of the Corporations Act 2001 in relation to the review for the half-year ended 31 December 2018 is included within this financial report.

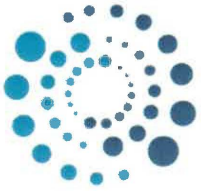
Signed on behalf of the Directors



IAN STUART

Chairman

Perth, 13 March 2019



Auditor's Independence Declaration

To those charged with governance of Bryah Resources Limited

As auditor for the review of Bryah Resources Limited for the half-year ended 31 December 2018, 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 review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Rafay Nabeel

Audit Director

13 March 2019

Perth

Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2018

	Notes	2018 \$	2017 \$
Income		130,038	8,411
Stock exchange and registry expenses		(28,475)	(34,789)
Legal expenses		(995)	(10,540)
Depreciation		(21,661)	(244)
Travel and accommodation expenses		(6,800)	(18,150)
Directors Fees and benefits expenses		(184,998)	(91,500)
Other corporate and administrative expenses		(258,122)	(184,664)
Loss before income tax expense from continuing operation		(371,013)	(331,476)
Income Tax Expense		-	-
Loss after income tax expense for the half year		(371,013)	(331,476)
Other Comprehensive Income			
Other Comprehensive Income for the half year, net of tax		-	-
Total Comprehensive Loss for the half year		(371,013)	(331,476)
		Cents	Cents
Basic/diluted earnings per share		(0.65)	(0.82)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2018

	Notes	31 Dec 2018 \$	30 June 2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents		883,763	2,503,789
Trade and other receivables		50,473	57,510
Total Current Assets		934,236	2,561,299
Non-Current Assets			
Plant and equipment		204,345	157,038
Exploration and evaluation assets	2	4,721,675	3,196,913
Total Non-Current Assets		4,926,020	3,353,951
TOTAL ASSETS		5,860,256	5,915,250
LIABILITIES			
Current Liabilities			
Trade and other payables		230,765	280,908
Other liabilities		2,000	2,000
Provisions		38,842	21,008
Total Current Liabilities		271,607	303,916
TOTAL LIABILITIES		271,607	303,916
NET ASSETS		5,588,649	5,611,334
EQUITY			
Issued Capital	3	6,713,704	6,365,376
Reserves		170,150	170,150
Accumulated losses		(1,295,205)	(924,192)
TOTAL EQUITY		5,588,649	5,611,334

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the half year ended 31 December 2018

	Issued Capital \$	Other Reserves \$	Accumulated Losses \$	TOTAL \$
Balance as at 1 July 2017	1,285,291	63,250	(178,526)	1,170,015
Loss for the period			(331,476)	(331,476)
Total comprehensive income	-	-	(331,476)	(331,476)
Transactions with owners in their capacity as owners				
Ordinary shares issued for cash	5,000,010	-	-	5,000,010
Securities issued as consideration	670,024	106,900	-	776,924
Capital raising costs	(579,260)	-	-	(579,260)
Balance as at 31 December 2017	6,376,065	170,150	(510,002)	6,036,213
Balance as at 1 July 2018	6,365,376	170,150	(924,192)	5,611,334
Loss for the period			(371,013)	(371,013)
Total comprehensive income	-	-	(371,013)	(371,013)
Transactions with owners in their capacity as owners				
Ordinary shares issued for cash	360,000	-	-	360,000
Capital raising costs	(11,672)	-	-	(11,672)
Balance as at 31 December 2018	6,713,704	170,150	(1,295,205)	5,588,649

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the half year ended 31 December 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Payments to suppliers and employees		(526,063)	(346,777)
Interest received		15,838	8,411
Net Receipts from other entities		132,000	-
Net cash provided by / (used) in operating activities		(378,225)	(338,366)
Cash flows from investing activities			
Payments for exploration and mining interests		(1,452,313)	(633,140)
Payment for property plant and equipment		(137,816)	(4,350)
Net cash used in investing activities		(1,590,129)	(637,490)
Cash flows from financing activities			
Proceeds from issue of shares		360,000	4,742,034
Payment of capital raising costs		(11,672)	(501,205)
Net cash provided by financing activities		348,328	4,240,829
Net increase in cash held		(1,620,026)	3,264,973
Cash at beginning of the period		2,503,789	353,485
Cash at end of the period		883,763	3,618,458

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the half year ended 31 December 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

This interim financial report for the half-year reporting period ended 31 December 2018 has been prepared in accordance with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report be read in conjunction with the annual financial report for the period ended 30 June 2018 and any public announcements made by Bryah Resources Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies have been consistently applied with those of the previous financial periods and corresponding interim reporting period, except in relation to the matters disclosed below.

The interim report has been prepared on a historical cost basis modified, where applicable, by measurement at fair value of selected items. Cost is based on the fair values of the consideration given in exchange for assets. For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Going Concern

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

As at the date of this interim report, the Company has approximately \$0.6 million in cash and cash equivalents. However, the directors recognise that the ability of the Company to continue as a going concern and to pay its debts as and when they fall due is dependent on the ability of the Company to secure additional funding through either the issue of further shares and or options.

The directors have reviewed the business outlook and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Company will achieve the matters set out above. As such, the directors believe that they will continue to be successful in securing additional funds as and when the need to raise working capital arises.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the Company be unable to continue as a going concern.

New or amended Accounting Standards and Interpretations adopted

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

Notes to the Financial Statements

For the half year ended 31 December 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

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

AASB 9 Financial Instruments

The Company has adopted AASB 9 from 1 July 2018.

The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

AASB 15 Revenue from Contracts with Customers

The Company has adopted AASB 15 from 1 July 2018.

The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

There was no impact on the financial performance and position of the Company from the adoption of these Accounting Standards.

Notes to the Financial Statements

For the half year ended 31 December 2018

2. DEFERRED EXPLORATION EXPENDITURE

	31 Dec 2018 \$	30 June 2018 \$
Exploration expenditure brought forward	3,196,913	1,271,526
Mineral Rights and Tenements acquired from vendors via issue of ordinary shares	-	620,000
Mineral Rights and Tenements acquired from vendors for cash consideration	100,000	40,000
Other tenement acquisition costs	-	1,180,427
Cost incurred during the period	1,424,762	84,960
Exploration expenditure carried forward	4,721,675	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 exploitation, or alternatively, sale of the respective areas of interest, at amounts at least equal to book value.

3. ISSUED CAPITAL

	31 Dec 2018 \$	30 June 2018 \$
3 (a) Issued and paid up capital		
Ordinary shares - fully paid	7,592,034	7,232,034
Share issue costs written off against issued capital	(878,330)	(866,658)
	6,713,704	6,365,376
3 (b) Movement in ordinary shares on issue	No.	\$
Ordinary Shares - fully paid		
Balance at beginning of the period	56,350,120	7,232,034
Movement:		
Issue of ordinary shares for cash	4,500,000	360,000
Balance at end of the period	60,850,120	7,592,034

Notes to the Financial Statements

For the half year ended 31 December 2018

4. 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 period, the Company considers that it operated in only one segment, being mineral exploration within Australia. Segment assets are allocated to countries based on where the assets are located. The Company's assets are all located within Australia.

5. CONTINGENT LIABILITIES

In the opinion of the Directors, the Company does not have any contingent liabilities as at 31 December 2018.

6. DIVIDENDS

No dividends have been declared or paid during the half-year ended 31 December 2018 or in the prior period, and the directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2018.

7. EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial periods.

Directors' Declaration

In the opinion of the directors of Bryah Resources Limited ('the Company'):

1. The financial statements and notes thereto of the Company, as set out within this financial report, are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - b. giving a true and fair view of the Company's financial position as at 31 December 2018 and of its performance for the half-year then ended.
2. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors



IAN STUART
Chairman

Perth, 13 March 2019

Independent Auditor's Review Report

To the members of Bryah Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Bryah Resources Limited, which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Bryah Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Bryah Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

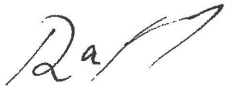
Emphasis of matter - Inherent uncertainty regarding continuation as a going concern

Without modifying our opinion, we draw attention to Note 1 to the financial statements which outlines that the ability of the Company to continue as a going concern is dependent on the Company securing additional funding through either the issue of further shares and/or options.

As a result there is 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.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd



Rafay Nabeel
Audit Director
13 March 2019
Perth